

**Consolidated Financial Results for the third quarter of the fiscal year
ending March 31, 2013
(April 1, 2012 – December 31, 2012)**

Summary of Consolidated Financial Results (Nine months ended December 31, 2012)

1. Summary of consolidated statements of operations

| | Millions of yen | | <i>Millions of U.S. dollars</i> |
|----------------------|------------------|------------------|-------------------------------------|
| | <u>3Q FY2012</u> | <u>3Q FY2011</u> | <u>3Q FY2012</u> |
| Net sales | 500,826 | 460,568 | 5,757 |
| Operating income | -4,187 | -5,094 | -48 |
| Ordinary income | -4,603 | -8,932 | -53 |
| Net income | -3,448 | -5,951 | -40 |
| | Yen | | <i>U.S. dollars</i> |
| Net income per share | -4.83 | -8.33 | -0.06 |

2. Summary of consolidated financial position

| | Millions of yen | | <i>Millions of U.S. dollars</i> |
|----------------------|-------------------|------------------|-------------------------------------|
| | <u>12/31/2012</u> | <u>3/31/2012</u> | <u>12/31/2012</u> |
| Total assets | 738,955 | 792,848 | 8,494 |
| Net assets | 175,008 | 183,217 | 2,012 |
| Net assets ratio (%) | 21.0% | 20.6% | - |

Note: U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥87=U.S.\$1

**3. Forecast of consolidated earnings for the fiscal year ending March 31, 2013
(April 1, 2012 - March 31, 2013)**

| | Millions of yen |
|----------------------|-----------------|
| | <u>FY2012</u> |
| Net sales | 750,000 |
| Operating income | 23,000 |
| Ordinary income | 22,000 |
| Net income | 13,000 |
| | Yen |
| | <u>FY2012</u> |
| Net income per share | 18.19 |

< Cautionary Statements With Respect to Forward-Looking Statements >

Statements made in this financial report with respect to Fuji Electric's future performance are forward-looking statements based on management's assumptions and beliefs in light of the information currently available to it. Accordingly, actual results could differ from those contained in any forward-looking statements. Potential risks and uncertainties include :

- Sudden changes in general economic conditions in Fuji Electric's markets and changes in its operating environment such as those resulting from changes in trade regulations
- Exchange rate, particularly between the yen and the U.S. dollar and Asian and European currencies
- The ability of Fuji Electric and its subsidiaries to develop and introduce products that incorporate new technology in a timely manner and to manufacture them in a cost-effective way
- The rapid pace of technological innovation, especially in the field of electronics
- Sudden changes in the supply and demand balance in the markets Fuji Electric serves
- Problems involving the intellectual property of Fuji Electric and other companies
- Stock market conditions in Japan

Consolidated Balance Sheets

| | Millions of yen | | <i>Millions of U.S. dollars</i> |
|--|-----------------------|-----------------------|-------------------------------------|
| | <u>12/31/2012</u> | <u>3/31/2012</u> | <u>12/31/2012</u> |
| Assets | | | |
| Current assets: | | | |
| Cash and deposits | 22,300 | 64,323 | 256 |
| Notes and accounts receivable-trade | 175,762 | 199,677 | 2,020 |
| Merchandise and finished goods | 47,724 | 40,860 | 549 |
| Work in process | 61,362 | 62,129 | 705 |
| Raw materials and supplies | 26,952 | 30,323 | 310 |
| Other | 72,842 | 56,719 | 837 |
| Allowance for doubtful accounts | -322 | -836 | -4 |
| Total Current assets | <u>406,621</u> | <u>453,197</u> | <u>4,674</u> |
| Noncurrent assets: | | | |
| Property, plant and equipment | | | |
| Buildings and structures, net | 74,071 | 71,835 | 851 |
| Other, net | 94,145 | 86,604 | 1,082 |
| Total Property, plant and equipment | <u>168,216</u> | <u>158,439</u> | <u>1,934</u> |
| Intangible assets | 12,264 | 11,181 | 141 |
| Investments and other assets | | | |
| Investment securities | 110,660 | 125,592 | 1,272 |
| Other | 42,988 | 45,802 | 494 |
| Allowance for doubtful accounts | -1,945 | -1,482 | -22 |
| Total Investments and other assets | <u>151,703</u> | <u>169,911</u> | <u>1,744</u> |
| Total Noncurrent assets | <u>332,184</u> | <u>339,532</u> | <u>3,818</u> |
| Deferred assets | <u>149</u> | <u>117</u> | <u>2</u> |
| Total Assets | <u><u>738,955</u></u> | <u><u>792,848</u></u> | <u><u>8,494</u></u> |

Consolidated Balance Sheets

| | Millions of yen | | <i>Millions of U.S. dollars</i> |
|---|-----------------------|-----------------------|-------------------------------------|
| | <u>12/31/2012</u> | <u>3/31/2012</u> | <u>12/31/2012</u> |
| Liabilities | | | |
| Current liabilities: | | | |
| Notes and accounts payable-trade | 116,321 | 136,466 | 1,337 |
| Short-term loans payable | 62,460 | 108,062 | 718 |
| Commercial papers | 24,000 | 10,000 | 276 |
| Current portion of bonds | 30,000 | 60,000 | 345 |
| Income taxes payable | 2,142 | 1,905 | 25 |
| Advances received | 49,051 | 46,575 | 564 |
| Other | 101,586 | 102,803 | 1,168 |
| Total Current liabilities | <u>385,561</u> | <u>465,814</u> | <u>4,432</u> |
| Noncurrent liabilities: | | | |
| Bonds payable | 40,500 | 31,010 | 466 |
| Long-term loans payable | 79,738 | 46,792 | 917 |
| Provision for retirement benefits | 11,632 | 10,849 | 134 |
| Provision for directors' retirement benefits | 289 | 375 | 3 |
| Other | 46,225 | 54,788 | 531 |
| Total Noncurrent liabilities | <u>178,385</u> | <u>143,816</u> | <u>2,050</u> |
| Total Liabilities | <u>563,947</u> | <u>609,630</u> | <u>6,482</u> |
| Net Assets | | | |
| Shareholders' equity: | | | |
| Capital stock | 47,586 | 47,586 | 547 |
| Capital surplus | 46,734 | 46,734 | 537 |
| Retained earnings | 57,804 | 63,438 | 664 |
| Treasury stock | -7,113 | -7,110 | -82 |
| Total Shareholders' equity | <u>145,011</u> | <u>150,648</u> | <u>1,667</u> |
| Accumulated other comprehensive income: | | | |
| Valuation difference on available-for-sale securities | 13,888 | 18,848 | 160 |
| Deferred gains or losses on hedges | -87 | -81 | -1 |
| Foreign currency translation adjustments | -3,656 | -5,838 | -42 |
| Total Accumulated other comprehensive income | <u>10,144</u> | <u>12,928</u> | <u>117</u> |
| Minority interests | <u>19,852</u> | <u>19,640</u> | <u>228</u> |
| Total Net assets | <u>175,008</u> | <u>183,217</u> | <u>2,012</u> |
| Total Liabilities and Net assets | <u><u>738,955</u></u> | <u><u>792,848</u></u> | <u><u>8,494</u></u> |

Consolidated Statements of Operations

For the third quarter of FY2012 (April 1, 2012 — December 31, 2012)

| | Millions of yen | | Millions of U.S. dollars |
|--|-----------------|-----------|-----------------------------|
| | 3Q FY2012 | 3Q FY2011 | 3Q FY2012 |
| Net sales | 500,826 | 460,568 | 5,757 |
| Cost of sales | 403,795 | 364,023 | 4,641 |
| Gross profit | 97,030 | 96,545 | 1,115 |
| Selling, general and administrative expenses | 101,217 | 101,639 | 1,163 |
| Operating loss | -4,187 | -5,094 | -48 |
| Non-operating income | | | |
| Interest income | 102 | 163 | 1 |
| Dividends income | 2,504 | 2,102 | 29 |
| Other | 1,644 | 1,223 | 19 |
| Total Non-operating income | 4,252 | 3,490 | 49 |
| Non-operating expenses | | | |
| Interest expense | 2,887 | 3,632 | 33 |
| Equity in losses of affiliates | 1,019 | 1,264 | 12 |
| Foreign exchange losses | - | 1,680 | - |
| Other | 760 | 750 | 9 |
| Total Non-operating expenses | 4,668 | 7,327 | 54 |
| Ordinary loss | -4,603 | -8,932 | -53 |
| Extraordinary income | | | |
| Gain on sales of noncurrent assets | 24 | 26 | 0 |
| Gain on sales of investment securities | 4 | 77 | 0 |
| Insurance income | 233 | - | 3 |
| Total Extraordinary income | 262 | 103 | 3 |
| Extraordinary loss | | | |
| Loss on disposal of noncurrent assets | 229 | 310 | 3 |
| Loss on devaluation of investment securities | 239 | 520 | 3 |
| Settlement package | 700 | - | 8 |
| Office/Factory integration costs | - | 2,607 | - |
| Loss on disaster | - | 1,139 | - |
| Other | 438 | 1,075 | 5 |
| Total Extraordinary loss | 1,608 | 5,653 | 18 |
| Loss before income taxes and minority interests | -5,948 | -14,482 | -68 |
| Income taxes | -3,252 | -9,219 | -37 |
| Loss before minority interests | -2,695 | -5,263 | -31 |
| Minority interests in net income of consolidated subsidiaries | 752 | 688 | 9 |
| Net loss | -3,448 | -5,951 | -40 |

Consolidated Statements of Comprehensive Income

For the third quarter of FY2012 (April 1, 2012 — December 31, 2012)

| | Millions of yen | | Millions of U.S. dollars |
|---|-----------------|-----------|-----------------------------|
| | 3Q FY2012 | 3Q FY2011 | 3Q FY2012 |
| Loss before minority interests | -2,695 | -5,263 | -31 |
| Other comprehensive income (loss) | | | |
| Valuation difference on available-for-sale securities | -4,987 | -8,581 | -57 |
| Deferred gains or losses on hedges | -5 | -79 | -0 |
| Foreign currency translation adjustments | 2,383 | -1,504 | 27 |
| Share of other comprehensive income (loss) of associates accounted for using equity method | 30 | -19 | 0 |
| Total other comprehensive loss | -2,579 | -10,186 | -30 |
| Comprehensive loss | -5,275 | -15,449 | -61 |
| Comprehensive loss attributable to: | | | |
| Shareholders of the Company | -6,231 | -15,937 | -72 |
| Minority interests | 956 | 488 | 11 |

Consolidated Segment Information (3Q FY2012)

For the third quarter of FY2012 (April 1, 2012 – December 31, 2012)

Information on net sales, and profit or loss by each reporting segment

3Q FY2011

| | Millions of yen | | | | | | | | |
|-----------------------------------|-------------------------------|---------------------------|-------------------|--------------------|------------------------------|--------|---------|-------------|--------------|
| | Power & Social Infrastructure | Industrial Infrastructure | Power Electronics | Electronic Devices | Food & Beverage Distribution | Others | Total | Adjustments | Consolidated |
| Net Sales | | | | | | | | | |
| Sales to third parties | 80,603 | 65,149 | 100,077 | 82,382 | 81,778 | 50,577 | 460,568 | - | 460,568 |
| Inter-segment sales and transfers | 1,394 | 2,887 | 5,518 | 1,848 | 65 | 26,454 | 38,169 | -38,169 | - |
| Total sales | 81,997 | 68,037 | 105,595 | 84,230 | 81,843 | 77,032 | 498,738 | -38,169 | 460,568 |
| Segment profits (losses) | -243 | -823 | 1,194 | -531 | -1,252 | 495 | -1,161 | -3,933 | -5,094 |

3Q FY2012

| | Millions of yen | | | | | | | | |
|-----------------------------------|-------------------------------|---------------------------|-------------------|--------------------|------------------------------|--------|---------|-------------|--------------|
| | Power & Social Infrastructure | Industrial Infrastructure | Power Electronics | Electronic Devices | Food & Beverage Distribution | Others | Total | Adjustments | Consolidated |
| Net Sales | | | | | | | | | |
| Sales to third parties | 119,915 | 74,145 | 94,587 | 78,113 | 80,442 | 53,622 | 500,826 | - | 500,826 |
| Inter-segment sales and transfers | 978 | 2,363 | 4,325 | 2,039 | 95 | 26,618 | 36,421 | -36,421 | - |
| Total sales | 120,893 | 76,509 | 98,912 | 80,152 | 80,538 | 80,241 | 537,247 | -36,421 | 500,826 |
| Segment profits (losses) | -573 | -508 | -884 | -3,847 | 3,745 | 1,533 | -534 | -3,652 | -4,187 |

3Q FY2012

| | Millions of U.S. dollars | | | | | | | | |
|-----------------------------------|-------------------------------|---------------------------|-------------------|--------------------|------------------------------|--------|-------|-------------|--------------|
| | Power & Social Infrastructure | Industrial Infrastructure | Power Electronics | Electronic Devices | Food & Beverage Distribution | Others | Total | Adjustments | Consolidated |
| Net Sales | | | | | | | | | |
| Sales to third parties | 1,378 | 852 | 1,087 | 898 | 925 | 616 | 5,757 | - | 5,757 |
| Inter-segment sales and transfers | 11 | 27 | 50 | 23 | 1 | 306 | 419 | -419 | - |
| Total sales | 1,390 | 879 | 1,137 | 921 | 926 | 922 | 6,175 | -419 | 5,757 |
| Segment profits (losses) | -7 | -6 | -10 | -44 | 43 | 18 | -6 | -42 | -48 |

Supplemental Consolidated Financial Materials**1. Financial summary**

| | Billions of yen | | | |
|------------------|-----------------|--------|-----------|----------------------|
| | 3Q FY2011 | FY2011 | 3Q FY2012 | FY2012 [Forecast] |
| Net sales | 460.6 | 703.5 | 500.8 | 750.0 |
| Operating income | -5.1 | 19.3 | -4.2 | 23.0 |
| Ordinary income | -8.9 | 18.6 | -4.6 | 22.0 |
| Net income | -6.0 | 11.8 | -3.4 | 13.0 |

2. Number of consolidated subsidiaries

| | Billions of yen | | | |
|-------------------------------------|-----------------|--------|-----------|----------------------|
| | 3Q FY2011 | FY2011 | 3Q FY2012 | FY2012 [Forecast] |
| Number of consolidated subsidiaries | 47 | 47 | 47 | 47 |
| Japan | 25 | 25 | 25 | 25 |
| Overseas | 22 | 22 | 22 | 22 |
| Number of equity-method associates | 4 | 4 | 5 | 5 |

3. Net income per share

| | Yen | | | |
|----------------------|-----------|--------|-----------|----------------------|
| | 3Q FY2011 | FY2011 | 3Q FY2012 | FY2012 [Forecast] |
| Net income per share | -8.33 | 16.52 | -4.83 | 18.19 |

4. Sales exchange rate (Yen)

| | Yen | | | |
|------|-----------|--------|-----------|----------------------|
| | 3Q FY2011 | FY2011 | 3Q FY2012 | FY2012 [Forecast] |
| US\$ | 79.01 | 79.08 | 80.00 | 81.25 |
| EURO | 110.64 | 108.98 | 102.17 | 105.38 |

5. Net sales by reporting segment

| | Billions of yen | | | |
|-------------------------------|-----------------|--------------|--------------|----------------------|
| | 3Q FY2011 | FY2011 | 3Q FY2012 | FY2012 [Forecast] |
| Power & Social Infrastructure | 82.0 | 156.6 | 120.9 | 197.6 |
| Industrial Infrastructure | 68.0 | 110.5 | 76.5 | 120.9 |
| Power Electronics | 105.6 | 150.8 | 98.9 | 145.8 |
| Electronic Devices | 84.2 | 112.2 | 80.2 | 112.4 |
| Food & Beverage Distribution | 81.8 | 115.5 | 80.5 | 111.1 |
| Others | 77.0 | 112.6 | 80.2 | 116.2 |
| Subtotal | 498.7 | 758.2 | 537.2 | 804.1 |
| Elimination | -38.2 | -54.7 | -36.4 | -54.1 |
| Total | 460.6 | 703.5 | 500.8 | 750.0 |

Note : Net sales include inter-segment transactions.

6. Operating income by reporting segment

| | Billions of yen | | | |
|-------------------------------|-----------------|-------------|-------------|----------------------|
| | 3Q FY2011 | FY2011 | 3Q FY2012 | FY2012 [Forecast] |
| Power & Social Infrastructure | -0.2 | 12.0 | -0.6 | 11.2 |
| Industrial Infrastructure | -0.8 | 4.4 | -0.5 | 5.7 |
| Power Electronics | 1.2 | 3.8 | -0.9 | 3.1 |
| Electronic Devices | -0.5 | -0.2 | -3.8 | 0.5 |
| Food & Beverage Distribution | -1.3 | 2.3 | 3.7 | 5.8 |
| Others | 0.5 | 2.6 | 1.5 | 2.8 |
| Subtotal | -1.2 | 24.9 | -0.5 | 29.0 |
| Elimination | -3.9 | -5.6 | -3.7 | -6.0 |
| Total | -5.1 | 19.3 | -4.2 | 23.0 |

7. Net overseas sales

| | Billions of yen | | | |
|-------------------------|-----------------|--------------|--------------|----------------------|
| | 3Q FY2011 | FY2011 | 3Q FY2012 | FY2012 [Forecast] |
| Asia (except for China) | 66.9 | 97.6 | 66.8 | - |
| China | 40.4 | 54.8 | 37.9 | - |
| Europe | 10.5 | 14.5 | 10.1 | - |
| America | 6.9 | 11.6 | 9.5 | - |
| Total | 124.7 | 178.4 | 124.3 | - |

8. R&D expenditures

| | Billions of yen | |
|------------------------|-----------------|-------------|
| | 3Q FY2011 | FY2011 |
| Energy | 1.9 | 2.9 |
| Industrial Systems | 2.5 | 3.5 |
| Social Systems | 2.8 | 4.5 |
| Power Electronics | 3.9 | 5.3 |
| Electronic Devices | 8.2 | 11.0 |
| ED&C Components | 2.2 | 3.0 |
| Vending Machines | 1.5 | 1.9 |
| Others | 0.0 | 0.0 |
| Total | 23.0 | 32.2 |
| Ratio to net sales (%) | 5.0% | 4.6% |

9. Plant and equipment investment (including leases)

| | Billions of yen | |
|--------------------|-----------------|-------------|
| | 3Q FY2011 | FY2011 |
| Energy | 0.6 | 1.1 |
| Industrial Systems | 0.8 | 1.1 |
| Social Systems | 0.3 | 1.0 |
| Power Electronics | 0.8 | 1.7 |
| Electronic Devices | 6.9 | 13.4 |
| ED&C Components | 1.8 | 2.6 |
| Vending Machines | 1.5 | 2.2 |
| Others | 1.5 | 2.0 |
| Total | 14.1 | 25.0 |
| (Leases) | (6.8) | (10.7) |

Note: Leases are included in total plant and equipment investment.

10. Depreciation, Leases paid

| | Billions of yen | |
|--------------------|-----------------|-------------|
| | 3Q FY2011 | FY2011 |
| Energy | 1.4 | 1.8 |
| Industrial Systems | 1.0 | 1.3 |
| Social Systems | 0.9 | 1.2 |
| Power Electronics | 1.6 | 2.2 |
| Electronic Devices | 16.9 | 22.8 |
| ED&C Components | 1.7 | 2.3 |
| Vending Machines | 2.1 | 2.7 |
| Others | 1.0 | 1.4 |
| Total | 26.5 | 35.8 |
| (Leases) | (6.8) | (8.4) |

Note: Leases paid for plant and equipment investment and begun to pay before the end of March, 2008.

11. Number of employees

| | 3Q FY2011 | FY2011 |
|--------------------|---------------|---------------|
| | Energy | 1,551 |
| Industrial Systems | 2,269 | 2,172 |
| Social Systems | 3,801 | 4,374 |
| Power Electronics | 3,065 | 2,934 |
| Electronic Devices | 6,821 | 6,688 |
| ED&C Components | 2,738 | 2,711 |
| Vending Machines | 1,615 | 1,598 |
| Others | 3,377 | 3,355 |
| Total | 25,237 | 24,973 |
| Japan | 18,026 | 17,933 |
| Overseas | 7,211 | 7,040 |

12. R&D expenditures

| | Billions of yen | |
|-------------------------------|-----------------|----------------------|
| | 3Q FY2012 | FY2012 [Forecast] |
| Power & Social Infrastructure | 4.5 | - |
| Industrial Infrastructure | 3.2 | - |
| Power Electronics | 5.3 | - |
| Electronic Devices | 7.7 | - |
| Food & Beverage Distribution | 2.2 | - |
| Others | 0.1 | - |
| Total | 22.9 | - |
| Ratio to net sales (%) | 4.6% | - |

13. Plant and equipment investment (including leases)

| | Billions of yen | |
|-------------------------------|-----------------|----------------------|
| | 3Q FY2012 | FY2012 [Forecast] |
| Power & Social Infrastructure | 1.3 | - |
| Industrial Infrastructure | 1.3 | - |
| Power Electronics | 2.6 | - |
| Electronic Devices | 6.5 | - |
| Food & Beverage Distribution | 1.3 | - |
| Others | 0.9 | - |
| Total | 13.9 | - |
| (Leases) | (5.1) | (-) |

Note: Leases are included in total plant and equipment investment.

14. Depreciation, Leases paid

| | Billions of yen | |
|-------------------------------|-----------------|----------------------|
| | 3Q FY2012 | FY2012 [Forecast] |
| Power & Social Infrastructure | 2.1 | - |
| Industrial Infrastructure | 1.2 | - |
| Power Electronics | 3.1 | - |
| Electronic Devices | 15.0 | - |
| Food & Beverage Distribution | 2.0 | - |
| Others | 1.1 | - |
| Total | 24.4 | - |
| (Leases) | (3.5) | (-) |

Note: Leases paid for plant and equipment investment and begun to pay before the end of March, 2008.

15. Number of employees

| | Billions of yen | |
|-------------------------------|-----------------|----------------------|
| | 3Q FY2012 | FY2012 [Forecast] |
| Power & Social Infrastructure | 4,326 | - |
| Industrial Infrastructure | 3,017 | - |
| Power Electronics | 5,543 | - |
| Electronic Devices | 6,749 | - |
| Food & Beverage Distribution | 1,952 | - |
| Others | 3,612 | - |
| Total | 25,199 | - |
| Japan | 18,487 | - |
| Overseas | 6,712 | - |

Financial Performance

(1) Qualitative Information regarding Consolidated Results of Operations

In the nine-month period ended December 31, 2012, the operating environment for Fuji Electric proved to be difficult for its power electronics and semiconductor operations overseas due to the market stagnation that stemmed from the sovereign debt crisis in Europe and the delayed recovery in demand that was particularly prominent in China. Domestically, conditions were relatively firm during the first half of the fiscal year. However, domestic economic conditions started to decelerate in the summer as a result of sluggish conditions in the global economy.

In this environment, the Company pushed forward with initiatives geared toward advancing the management policies of “expand energy-related businesses” and “globalize.” At the same time, we worked to reinforce management foundations by pursuing improved profitability through thorough cost reductions, strengthening manufacturing capabilities, improving cash flows by reducing inventories, and developing sales and production foundations to expand overseas operations.

Consolidated business results for the nine-month period ended December 31, 2012, were as follows.

Net sales increased ¥40.3 billion year on year, to ¥500.8 billion, largely due to the contributions of large-scale contracts in the power generation business. By business segment, year-on-year increases in the net sales of the Power and Social Infrastructure, Industrial Infrastructure, and Other segments counteracted year-on-year decreases in the net sales of the Power Electronics, Electronic Devices, and Food and Beverage Distribution segments.

In operating results, operating loss improved ¥0.9 billion year on year, to ¥4.2 billion. Likewise, ordinary loss improved ¥4.3 billion year on year, to ¥4.6 billion.

Net loss improved ¥2.5 billion year on year, to ¥3.4 billion.

Operating results for the nine-month period ended December 31, 2012, were as follows.

(¥ billion)

| | 3Q Fiscal 2011 | 3Q Fiscal 2012 | Change |
|-----------------------|----------------|----------------|--------|
| Net sales | 460.6 | 500.8 | 40.3 |
| Operating income/loss | -5.1 | -4.2 | 0.9 |
| Ordinary income/loss | -8.9 | -4.6 | 4.3 |
| Net income/loss | -6.0 | -3.4 | 2.5 |

Results by Segment

[Power and Social Infrastructure]

YoY: Net sales increased 47%, operating results worsened ¥0.3 billion

Net sales rose 47% year on year, to ¥120.9 billion, and operating loss worsened ¥0.3 billion year on year, to ¥0.6 billion.

Sales in the power generation business were up year on year due to large scale orders for thermal power plants. In the social infrastructure business, sales increased centered on the energy distribution business. However, overall operating results in this segment dropped because of the heavy impacts of intensified price competition, particularly in the power generation business, which offset the benefits of efforts to lower costs and general expenses in each business.

[Industrial Infrastructure]

YoY: Net sales increased 12%, operating results improved ¥0.3 billion

Net sales rose 12% year on year, to ¥76.5 billion, and operating loss improved ¥0.3 billion year on year, to ¥0.5 billion.

Sales in the industrial plant business and the facilities business increased year on year following firm replacement demand. This demand was particularly robust in Japan. While operating results in both businesses were impacted by intensified cost competition, these impacts were outweighed by the benefits of the higher sales and lower costs, and operating results improved year on year for both business businesses accordingly.

[Power Electronics]

YoY: Net sales decreased 6%, operating results worsened ¥2.1 billion

Net sales decreased 6% year on year, to ¥98.9 billion, and operating results worsened ¥2.1 billion year on year, to ¥0.9 billion.

In the drive business, sales decreased substantially year on year due to sluggish overseas demand, particularly in China, and a slump in exports in Japan. Regardless of the relatively firm demand for power supplies to be used in telecommunications infrastructure, sales in the power supply business declined due to lower demand for power supplies for the manufacturing industry and for use in IT equipment. In the ED&C components business, the domestic market saw decreased demand in the machine tool and semiconductor fields, which resulted in sales declines in this business. Operating results for the entire segment were down following the lower sales.

[Electronic Devices]

YoY: Net sales decreased 5%, operating results worsened ¥3.3 billion

Net sales decreased 5% year on year, to ¥80.2 billion, and operating loss worsened ¥3.3 billion year on year, to ¥3.8 billion.

In the semiconductor business, demand in the automotive electronics business was relatively firm, while demand in the industrial and power supply application businesses was down. As a result, both sales and operating results worsened. In the magnetic disk business, sales were essentially unchanged year on year. However, operating results improved year on year due to the benefits of the business restructuring initiatives implemented in the previous fiscal year.

[Food and Beverage Distribution]

YoY: Net sales decreased 2%, operating results improved ¥5.0 billion

Net sales decreased 2% year on year, to ¥80.5 billion, and operating income improved ¥5.0 billion year on year, to ¥3.7 billion.

In the vending machine business, there was strong replacement demand from beverage manufacturers for energy-saving environmentally friendly vending machines. However, sales declined year on year after sales of the food and beverage items sold in vending machines were stopped.. In the store distribution business, sales rose as a result of increased orders for the establishment of new convenience stores and the renovation of existing stores as well as automatic change dispenser replacement demand. Operating results improved for both businesses due to cost reductions and the benefits from the business restructuring initiatives implemented in the previous fiscal year.

[Others]

YoY: Net sales increased 4%, operating results improved ¥1.0 billion

Net sales rose 4% year on year, to ¥80.2 billion, and operating income improved ¥1.0 billion year on year, to ¥1.5 billion.

(2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

| | March 31, 2012 | Breakdown (%) | December 31, 2012 | Breakdown (%) | Change |
|-----------------------------|-------------------|------------------|----------------------|------------------|--------|
| Total assets | 792.8 | 100.0 | 739.0 | 100.0 | -53.9 |
| Interest-bearing debt | 255.9 | 32.3 | 236.7 | 32.0 | -19.2 |
| Shareholder's equity*1 | 163.6 | 20.6 | 155.2 | 21.0 | -8.4 |
| Debt-equity ratio*2 (times) | 1.6 | | 1.5 | | -0.1 |

*1 Shareholders' equity = Total net assets - Minority interests

*2 D/E ratio = Interest-bearing debt / Shareholders' equity

Total assets stood at ¥739.0 billion on December 31, 2012, down ¥53.9 billion from the end of the previous fiscal year. Total current assets decreased ¥46.6 billion principally because of lower cash and cash and deposits following the redemption of bonds and a decline in notes and accounts receivable-trade. Total noncurrent assets decreased ¥7.3 billion due to declines in the value of investment securities following differences in mark-to-market valuation.

Interest-bearing debt on December 31, 2012, amounted to ¥236.7 billion, a decrease of ¥19.2 billion from the previous fiscal year-end that was primarily attributable to the redemption of bonds. Further, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—amounted to ¥214.5 billion on December 31, 2012, an increase of ¥22.9 billion from the previous fiscal year-end.

Net assets stood at ¥175.0 billion on December 31, 2012, ¥8.2 billion lower than at the end of the previous fiscal year. This was primarily due to lower retained earnings and valuation difference on available-for-sale securities. In addition, shareholders' equity—net assets net of minority interests—was down ¥8.4 billion from the previous fiscal year-end, standing at ¥155.2 billion on December 31, 2012. The debt-to-equity ratio (interest-bearing debt ÷ shareholders' equity) declined 0.1 times from the previous fiscal year-end, to 1.5 times. Also, the net debt-to-equity ratio (net interest-bearing debt ÷ shareholders' equity) was 1.4 times, up 0.2 times from the previous fiscal year-end.

(3) Qualitative Information Regarding Consolidated Forecasts

Consolidated forecasts for business results for the full fiscal year ending March 31, 2013, are unchanged from those announced on October 25, 2012.