

**Consolidated Financial Results for the first quarter of the fiscal year ending March 31, 2014
(April 1, 2013 – Jun 30, 2013)**

Summary of Consolidated Financial Results (Three months ended Jun 30, 2013)

1. Summary of consolidated statements of operations

	Millions of yen		Millions of U.S. dollars
	1Q FY2013	1Q FY2012	1Q FY2013
Net sales	151,697	146,708	1,532
Operating income	476	-2,969	5
Ordinary income	1,014	-3,901	10
Net income	72	-3,358	1
	Yen		U.S. dollars
Net income per share	0.10	-4.70	0.00

2. Summary of consolidated financial position

	Millions of yen		Millions of U.S. dollars
	6/30/2013	3/31/2013	6/30/2013
Total assets	745,522	765,563	7,531
Net assets	220,732	215,672	2,230
Net assets ratio (%)	26.6%	25.4%	-

Note: U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥99=U.S.\$1

**3. Forecast of consolidated earnings for the fiscal year ending March 31, 2014
(April 1, 2013 - March 31, 2014)**

	Millions of yen	
	1H FY2013	FY2013
Net sales	320,000	750,000
Operating income	2,000	27,000
Ordinary income	1,500	26,000
Net income	0	14,000
	Yen	
Net income per share	0.00	19.59

< 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		Millions of U.S. dollars
	<u>6/30/2013</u>	<u>3/31/2013</u>	<u>6/30/2013</u>
Assets			
Current assets:			
Cash and deposits	23,127	39,750	234
Notes and accounts receivable-trade	182,466	216,852	1,843
Merchandise and finished goods	48,516	42,464	490
Work in process	53,650	39,294	542
Raw materials and supplies	28,444	25,963	287
Other	62,091	60,783	627
Allowance for doubtful accounts	-341	-401	-3
Total Current assets	<u>397,955</u>	<u>424,706</u>	<u>4,020</u>
Noncurrent assets:			
Property, plant and equipment	171,665	168,442	1,734
Intangible assets	13,008	12,706	131
Investments and other assets			
Investment securities	123,102	119,464	1,243
Other	41,318	41,905	417
Allowance for doubtful accounts	-1,742	-1,798	-18
Total Investments and other assets	<u>162,679</u>	<u>159,572</u>	<u>1,643</u>
Total Noncurrent assets	<u>347,352</u>	<u>340,721</u>	<u>3,509</u>
Deferred assets	<u>213</u>	<u>135</u>	<u>2</u>
Total Assets	<u><u>745,522</u></u>	<u><u>765,563</u></u>	<u><u>7,531</u></u>

Consolidated Balance Sheets

	Millions of yen		<i>Millions of U.S. dollars</i>
	6/30/2013	3/31/2013	<i>6/30/2013</i>
Liabilities			
Current liabilities:			
Notes and accounts payable-trade	121,347	129,934	1,226
Short-term loans payable	64,980	62,594	656
Income taxes payable	1,171	2,918	12
Advances received	44,398	39,620	448
Other	103,087	145,398	1,041
Total Current liabilities	334,985	380,466	3,384
Noncurrent liabilities:			
Bonds payable	60,500	40,500	611
Long-term loans payable	84,578	85,623	854
Provision for retirement benefits	11,711	11,681	118
Provision for directors' retirement benefits	230	266	2
Other	32,782	31,352	331
Total Noncurrent liabilities	189,804	169,424	1,917
Total Liabilities	524,789	549,890	5,301
Net Assets			
Shareholders' equity:			
Capital stock	47,586	47,586	481
Capital surplus	46,734	46,734	472
Retained earnings	85,633	87,620	865
Treasury stock	-7,118	-7,115	-72
Total Shareholders' equity	172,834	174,824	1,746
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	24,056	20,383	243
Deferred gains or losses on hedges	-86	-83	-1
Foreign currency translation adjustments	1,457	-551	15
Total Accumulated other comprehensive income	25,427	19,747	257
Minority interests	22,470	21,100	227
Total Net assets	220,732	215,672	2,230
Total Liabilities and Net assets	745,522	765,563	7,531

Consolidated Statements of Operations

	Millions of yen		Millions of U.S. dollars
	1Q FY2013	1Q FY2012	1Q FY2013
Net sales	151,697	146,708	1,532
Cost of sales	117,065	116,899	1,182
Gross profit	34,631	29,808	350
Selling, general and administrative expenses	34,154	32,777	345
Operating income (loss)	476	-2,969	5
Non-operating income			
Interest income	102	18	1
Dividends income	547	1,334	6
Foreign exchange income	1,144	-	12
Other	183	390	2
Total Non-operating income	1,978	1,743	20
Non-operating expenses			
Interest expense	699	995	7
Equity in losses of affiliates	585	677	6
Foreign exchange losses	-	716	-
Other	155	286	2
Total Non-operating expenses	1,440	2,675	15
Ordinary income (loss)	1,014	-3,901	10
Extraordinary income			
Gain on sales of noncurrent assets	358	13	4
Gain on sales of investment securities	12	4	0
Total Extraordinary income	371	18	4
Extraordinary loss			
Loss on disposal of noncurrent assets	17	35	0
Loss on devaluation of investment securities	39	508	0
Settlement package	420	-	4
Other	57	158	1
Total Extraordinary loss	534	702	5
Income (loss) before income taxes and minority interests	851	-4,585	9
Income taxes	375	-1,337	4
Income (loss) before minority interests	475	-3,248	5
Minority interests in income of consolidated subsidiaries	403	110	4
Net income (loss)	72	-3,358	1

Consolidated Statements of Comprehensive Income

	Millions of yen		<i>Millions of U.S. dollars</i>
	1Q FY2013	1Q FY2012	<i>1Q FY2013</i>
Income (loss) before minority interests	475	-3,248	5
Other comprehensive income (loss)			
Valuation difference on available-for-sale securities	3,718	-6,454	38
Deferred gains or losses on hedges	-8	-1	-0
Foreign currency translation adjustments	2,385	-1,425	24
Share of other comprehensive income of associates accounted for using equity method	25	-9	0
Total other comprehensive Income (loss)	6,120	-7,891	62
Comprehensive income (loss)	6,596	-11,139	67
Comprehensive income (loss) attributable to:			
Shareholders of the Company	5,752	-11,118	58
Minority interests	844	-21	9

Consolidated Segment Information (1Q FY2013)**Information on net sales, and profit or loss by each reporting segment**

As of April 1, 2013, reflecting change of organization structure, the reporting segments were reclassified in Power and Social Infrastructure, Industrial Infrastructure and Power Electronics, and contents of Others were changed.

The reporting segment information for the first quarter of the fiscal year ended March 31, 2013 has been reclassified to reflect this change.

1Q FY2012	Millions of yen								
	Power and Social Infrastructure	Industrial Infrastructure	Power Electronics	Electronic Devices	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	18,512	34,467	31,354	25,284	28,832	8,256	146,708	-	146,708
Inter-segment sales and transfers	228	633	1,193	638	16	6,730	9,441	-9,441	-
Total sales	18,740	35,101	32,548	25,923	28,848	14,986	156,149	-9,441	146,708
Segment profits (losses)	-243	-1,009	-552	-1,550	1,107	446	-1,801	-1,167	-2,969

1Q FY2013	Millions of yen								
	Power and Social Infrastructure	Industrial Infrastructure	Power Electronics	Electronic Devices	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	23,989	28,246	32,317	27,970	31,928	7,244	151,697	-	151,697
Inter-segment sales and transfers	213	602	2,548	778	16	6,958	11,118	-11,118	-
Total sales	24,202	28,849	34,865	28,749	31,945	14,203	162,815	-11,118	151,697
Segment profits (losses)	-718	-1,650	144	499	3,215	434	1,923	-1,447	476

1Q FY2013	Millions of U.S. dollars								
	Power and Social Infrastructure	Industrial Infrastructure	Power Electronics	Electronic Devices	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
Net Sales									
Sales to third parties	242	285	326	283	323	73	1,532	-	1,532
transfers	2	6	26	8	0	70	112	-112	-
Total sales	244	291	352	290	323	143	1,645	-112	1,532
Segment profits (losses)	-7	-17	1	5	32	4	19	-15	5

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

	Billions of yen			
	1Q FY2012	1H FY2012	1Q FY2013	1H FY2013 [Forecast]
Net sales	146.7	333.8	151.7	320.0
Operating income	-3.0	-5.4	0.5	2.0
Ordinary income	-3.9	-7.9	1.0	1.5
Net income	-3.4	-7.6	0.1	0.0

2. Number of consolidated subsidiaries

	Billions of yen			
	1Q FY2012	1H FY2012	1Q FY2013	1H FY2013 [Forecast]
Number of consolidated subsidiaries	47	48	48	48
Japan	25	26	24	24
Overseas	22	22	24	24
Number of equity-method associates	5	5	5	5

3. Net income per share

	Yen			
	1Q FY2012	1H FY2012	1Q FY2013	1H FY2013 [Forecast]
Net income per share	-4.70	-10.70	0.10	0.00

4. Sales exchange rate (Yen)

	Yen			
	1Q FY2012	1H FY2012	1Q FY2013	1H FY2013 [Forecast]
US\$	80.20	79.41	98.76	94.38
EURO	102.91	100.64	128.95	121.97

5. Net sales by reporting segment

	Billions of yen			
	1Q FY2012	1H FY2012	1Q FY2013	1H FY2013 [Forecast]
Power and Social Infrastructure	18.7	69.4	24.2	57.3
Industrial Infrastructure	35.1	80.0	28.8	71.5
Power Electronics	32.5	66.3	34.9	74.8
Electronic Devices	25.9	51.5	28.7	52.9
Food and Beverage Distribution	28.8	56.7	31.9	59.5
Others	15.0	29.8	14.2	27.6
Subtotal	156.1	353.8	162.8	343.6
Elimination	-9.4	-20.0	-11.1	-23.6
Total	146.7	333.8	151.7	320.0

Note : Net sales include inter-segment transactions.

6. Operating income by reporting segment

	Billions of yen			
	1Q FY2012	1H FY2012	1Q FY2013	1H FY2013 [Forecast]
Power and Social Infrastructure	-0.2	-0.7	-0.7	0.0
Industrial Infrastructure	-1.0	-0.8	-1.7	-1.8
Power Electronics	-0.6	-2.0	0.1	0.5
Electronic Devices	-1.6	-2.9	0.5	1.1
Food and Beverage Distribution	1.1	2.4	3.2	4.5
Others	0.4	1.0	0.4	0.7
Subtotal	-1.8	-2.9	1.9	4.9
Elimination	-1.2	-2.4	-1.4	-2.9
Total	-3.0	-5.4	0.5	2.0

7. Net overseas sales

	Billions of yen			
	1Q FY2012	1H FY2012	1Q FY2013	1H FY2013 [Forecast]
Asia (except for China)	22.8	44.8	15.8	-
China	10.9	22.0	15.0	-
Europe	3.3	6.2	3.9	-
America	3.2	6.0	3.7	-
Total	40.2	79.1	38.4	-

8. R&D expenditures

	Billions of yen	
	1Q FY2012	1H FY2012
Power and Social Infrastructure	1.3	3.0
Industrial Infrastructure	0.8	2.1
Power Electronics	1.7	3.6
Electronic Devices	2.6	5.1
Food and Beverage Distribution	0.7	1.4
Others	0.0	0.0
Total	7.1	15.2
Ratio to net sales (%)	4.9%	4.6%

9. Plant and equipment investment (including leases)

	Billions of yen	
	1Q FY2012	1H FY2012
Power and Social Infrastructure	0.2	0.6
Industrial Infrastructure	0.4	0.9
Power Electronics	0.7	1.4
Electronic Devices	4.0	5.3
Food and Beverage Distribution	0.4	0.9
Others	0.3	0.7
Total	5.9	9.8
(Leases)	(1.2)	(2.8)

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

10. Depreciation, Leases paid

	Billions of yen	
	1Q FY2012	1H FY2012
Power and Social Infrastructure	0.7	1.4
Industrial Infrastructure	0.4	0.8
Power Electronics	1.0	2.0
Electronic Devices	5.0	9.7
Food and Beverage Distribution	0.7	1.4
Others	0.3	0.7
Total	8.2	15.9
(Leases)	(1.4)	(2.6)

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

11. Number of employees

	1Q FY2012	1H FY2012
	Power and Social Infrastructure	4,313
Industrial Infrastructure	3,089	3,079
Power Electronics	5,729	5,618
Electronic Devices	6,687	6,868
Food and Beverage Distribution	2,015	2,014
Others	3,699	3,576
Total	25,532	25,495
Japan	18,502	18,716
Overseas	7,030	6,779

12. R&D expenditures

	Billions of yen	
	1Q FY2013	1H FY2013 [Forecast]
Power and Social Infrastructure	0.9	2.2
Industrial Infrastructure	1.1	2.7
Power Electronics	1.6	3.7
Electronic Devices	2.2	4.6
Food and Beverage Distribution	0.9	2.1
Others	0.0	0.0
Total	6.6	15.2
Ratio to net sales (%)	4.3%	4.8%

13. Plant and equipment investment (including leases)

	Billions of yen	
	1Q FY2013	1H FY2013 [Forecast]
Power and Social Infrastructure	0.3	0.7
Industrial Infrastructure	0.5	1.1
Power Electronics	1.8	5.4
Electronic Devices	3.3	7.6
Food and Beverage Distribution	0.2	1.2
Others	0.1	0.5
Total	6.3	16.5
(Leases)	(2.5)	(6.9)

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

14. Depreciation, Leases paid

	Billions of yen	
	1Q FY2013	1H FY2013 [Forecast]
Power and Social Infrastructure	0.4	0.9
Industrial Infrastructure	0.5	1.1
Power Electronics	1.0	2.1
Electronic Devices	4.1	8.0
Food and Beverage Distribution	0.6	1.2
Others	0.4	0.7
Total	7.1	14.1
(Leases)	(0.5)	(0.9)

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

15. Number of employees

	1H FY2013	
	1Q FY2013	[Forecast]
Power and Social Infrastructure	2,530	2,551
Industrial Infrastructure	5,154	5,164
Power Electronics	6,082	6,262
Electronic Devices	6,703	6,802
Food and Beverage Distribution	2,356	2,565
Others	2,691	2,619
Total	25,516	25,963
Japan	18,336	18,280
Overseas	7,180	7,683

Financial Performance

(1) Qualitative Information regarding Consolidated Results of Operations

In the three-month period ended June 30, 2013, Fuji Electric saw domestic market conditions in which areas related to renewable energy and energy saving performed solidly. However, the government's fiscal and financial policies only improved exports and consumer spending. They did not lead to a full-fledged recovery in private sector capital investment. On the whole, overseas markets recovered weakly due to the protracted slump of Europe's economy and softening growth in China, which offset signs of a pick-up in the power electronics and semiconductors areas.

In response to these conditions, Fuji Electric concentrated on advancing the management policies of expanding energy-related businesses and the globalizing operations. At the same time, having positioned the current fiscal year as the new base year for aggressive management, we established foundations of growth with a view to future business expansion and promoted business management strongly focused on earnings in order to strengthen profitability further.

Consolidated business results for the three-month period were as follows.

Net sales rose ¥5.0 billion year on year, to ¥151.7 billion. By business segment, Power and Social Infrastructure, Power Electronics, Electronic Devices, and Food and Beverage Distribution increased net sales, while Industrial Infrastructure and Others saw net sales decline.

Operating income was ¥0.5 billion, an increase of ¥3.4 billion compared with previous fiscal year's operating loss of ¥3.0 billion, reflecting the higher net sales and improved profitability stemming from rigorous reduction of costs and expenses. Further, ordinary income was ¥1.0 billion year on year, an improvement of ¥4.9 billion compared with previous fiscal year's ordinary loss of ¥3.9 billion. This is the first time the Company has moved into the black with respect to operating income and ordinary income in a first quarter. Net income was ¥0.1 billion, up ¥3.4 billion compared with previous fiscal year's net loss of ¥3.4 billion.

Consolidated results of operations for the three-month period were as follows.

(¥ billion)

	1Q Fiscal 2012	1Q Fiscal 2013	Change
Net sales	146.7	151.7	5.0
Operating income/loss	-3.0	0.5	3.4
Ordinary income/loss	-3.9	1.0	4.9
Net income/loss	-3.4	0.1	3.4

Results by Segment

[Power and Social Infrastructure]

YoY: Net sales increased 29%, operating loss deteriorated ¥0.5 billion

Net sales rose 29% year on year, to ¥24.2 billion, while operating loss deteriorated ¥0.5 billion, to ¥0.7 billion.

In the power plant business, net sales were up year on year due to an increase in orders for thermal power generation facilities and solar power generation systems. However, due to intensified price competition, operating results deteriorated year on year. In the social engineering systems business, net sales were down year on year due to lower demand for meters before the changeover to smart meters. Nevertheless, efforts to reduce expenses led to a year-on-year improvement in operating results. In the social information business, net sales and operating results improved year on year, attributable to an increase in large orders.

[Industrial Infrastructure]

YoY: Net sales decreased 18%, operating loss deteriorated ¥0.6 billion

Net sales declined 18% year on year, to ¥28.8 billion, and operating loss deteriorated ¥0.6 billion, to ¥1.7 billion.

In the transmission and distribution business, net sales were down year on year, reflecting the absence of the previous fiscal year's large overseas orders. In the machinery and electronics systems business, net sales declined year on year because the yen's strength until last year curbed customers' capital investment in Japan. The instrumentation and control systems business saw net sales decline year on year due to lower demand for radiation measurement equipment. In the equipment construction business, net sales were down year on year due to the absence of large orders recognized in the previous fiscal year. In the business segment overall, operating loss deteriorated year on year because lower net sales and intensified competition counteracted cost reductions.

[Power Electronics]

YoY: Net sales increased 7%, operating income improved ¥0.7 billion

Net sales rose 7% year on year, to ¥34.9 billion, and operating income improved ¥0.7 billion, to ¥0.1 billion.

In the drive business, net sales and operating results improved year on year thanks to higher demand for inverters and servos overseas and the contribution to sales from large overseas orders for electric equipment for railcars. As for the power supply business, net sales and operating results improved year on year as a result of increased demand for data center power supply facilities and power conditioners for mega solar facilities. In the ED&C components business, net sales and operating results deteriorated year on year because, although there was a pick-up in demand from machinery manufacturers in Japan, who are the mainstay customers of this business, demand did not reach the

previous fiscal year's level.

[Electronic Devices]

YoY: Net sales increased 11%, operating income improved ¥2.0 billion

Net sales rose 11% year on year, to ¥28.7 billion, and operating income improved ¥2.0 billion, to ¥0.5 billion.

In the semiconductors business, net sales were up year on year due to firm demand in the automotive electronics business and a recovery trend in demand for inverters, servos, and other industrial machinery. The business moved into black, posting operating income, compared to previous fiscal year's operating loss, as a result of higher earnings and reduction of fixed costs. As for the magnetic disks business, net sales declined due to a slowdown in the HDD market. Despite lower net sales, the business maintained operating results at the previous fiscal year's level thanks to fixed cost reductions.

[Food and Beverage Distribution]

YoY: Net sales increased 11%, operating income improved ¥2.1 billion

Net sales rose 11% year on year, to ¥31.9 billion, and operating income improved ¥2.1 billion, to ¥3.2 billion.

In the vending machines business, net sales surpassed those of previous fiscal year because steady sales of energy-saving environment-friendly vending machines and coffee machines for convenience stores compensated for the stoppage of sales of certain food and beverage items through vending machines. The store distribution business posted higher net sales due to increased sales of freezing, refrigerating, and energy-saving facilities mainly for convenience stores. Both businesses improved operating results year on year by increasing revenues and reducing costs.

[Others]

YoY: Net sales decreased 5%, operating income unchanged

Net sales declined 5% year on year, to ¥14.2 billion, and operating income was unchanged at ¥0.4 billion.

(2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

	March 31, 2013	Breakdown (%)	June 30, 2013	Breakdown (%)	Change
Total assets	765.6	100.0	745.5	100.0	-20.0
Interest-bearing debt	226.7	29.6	210.1	28.2	-16.7
Shareholder's equity*1	194.6	25.4	198.3	26.6	+3.7
Debt-equity ratio*2 (times)	1.2		1.1		-0.1

*1 Net Assets = Total net assets – Minority interests

*2 D/E ratio = Interest-bearing debt / Net assets

Total assets stood at ¥745.5 billion on June 30, 2013, down ¥20.0 billion from the previous fiscal year-end. Total current assets declined ¥26.8 billion principally because a decrease in notes and accounts receivable-trade offset an increase in inventories. Total noncurrent assets were up ¥6.6 billion due to a higher valuation difference on available-for-sale securities.

Interest-bearing debt as of June 30, 2013, amounted to ¥210.1 billion, down ¥16.7 billion from the previous fiscal year-end. Further, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—was approximately unchanged from the previous fiscal year-end and amounted to ¥187.0 billion on June 30, 2013.

Net assets on June 30, 2013, stood at ¥220.7 billion, up ¥5.1 billion from the previous fiscal year-end, which was mainly due to increases in valuation difference on available-for-sale securities and foreign currency translation adjustments, which counteracted lower retained earnings. In addition, net assets—total net assets net of minority interests—was up ¥3.7 billion from the previous fiscal year-end, standing at ¥198.3 billion on June 30, 2013. The debt-equity ratio (interest-bearing debt ÷ net assets) on June 30, 2013, was down 0.1 times from the previous fiscal year-end, to 1.1 times. The net debt-equity ratio (net interest-bearing debt ÷ net assets) on June 30, 2013, declined 0.1 times from the previous fiscal year-end, to 0.9 times.

(3) Qualitative Information regarding Consolidated Forecasts and Forecast Information

In light of the business result trends of the three-month period ended June 30, 2013, Fuji Electric has revised its consolidated forecast of business results for the six-month period ending September 30, 2013, which was announced on April 25, 2013.

The forecast for the six-month period ending September 30, 2013, assumes exchange rates of US\$1 = ¥90 and € 1 = ¥115.

(Six-month period ending September 30, 2013)

(¥ billion)

	Previous announcement	Revised announcement	Change
Net sales	320.0	320.0	0.0
Operating income	0.5	2.0	1.5
Ordinary income/loss	-2.5	1.5	4.0
Net income/loss	-4.0	0.0	4.0