

**Consolidated Financial Results for third quarter of the fiscal year ending March 31, 2018  
(April 1, 2017 – December 31, 2017)**

**Summary of Consolidated Financial Results (Nine months ended December 31, 2017)**

**1. Summary of consolidated statements of operations**

	Millions of yen		Change(%) (A)/(B)	Millions of U.S. dollars
	3Q FY2017 (A)	3Q FY2016 (B)		3Q FY2017
Net sales	601,151	555,284	108.3%	5,320
Operating income	22,386	10,716	208.9%	198
Ordinary income	21,830	11,044	197.7%	193
Net income attributable to owners of parent	13,375	4,920	271.8%	118
	Yen			U.S. dollars
Net income per share	18.72	6.89		0.17

**2. Summary of consolidated financial position**

	Millions of yen		Millions of U.S. dollars
	12/31/2017	3/31/2017	12/31/2017
Total assets	920,958	886,663	8,150
Net assets	349,538	323,863	3,093
Equity ratio (%)	34.3%	32.8%	-

Note: U.S. dollar amounts in this financial report are translated, for convenience only, at the rate of ¥113=U.S.\$1

**3. Forecast of consolidated earnings for the fiscal year ending March 31, 2018  
(April 1, 2017 - March 31, 2018)**

	Millions of yen
	FY2017
Net sales	875,000
Operating income	53,000
Ordinary income	51,000
Net income attributable to owners of parent	31,000
	Yen
	FY2017
Net income per share	43.40

< 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>12/31/2017</u>	<u>3/31/2017</u>	<u>12/31/2017</u>
<b>Assets</b>			
<b>Current assets:</b>			
Cash and deposits	30,480	42,045	270
Notes and accounts receivable-trade	246,737	269,676	2,184
Merchandise and finished goods	61,336	56,873	543
Work in process	73,057	48,395	647
Raw materials and supplies	40,542	37,143	359
Other	79,225	59,562	701
Allowance for doubtful accounts	(1,367)	(1,226)	(12)
<b>Total Current assets</b>	<u>530,012</u>	<u>512,470</u>	<u>4,690</u>
<b>Noncurrent assets:</b>			
Net Property, plant and equipment	174,422	173,517	1,544
Intangible assets	19,050	20,528	169
Investments and other assets			
Investment securities	146,151	127,585	1,293
Net defined benefit asset	38,894	38,452	344
Other	12,816	14,862	113
Allowance for doubtful accounts	(538)	(884)	(5)
<b>Total Investments and other assets</b>	<u>197,323</u>	<u>180,014</u>	<u>1,746</u>
<b>Total Noncurrent assets</b>	<u>390,796</u>	<u>374,060</u>	<u>3,458</u>
<b>Deferred assets</b>	<u>149</u>	<u>132</u>	<u>1</u>
<b>Total Assets</b>	<u><u>920,958</u></u>	<u><u>886,663</u></u>	<u><u>8,150</u></u>

**Consolidated Balance Sheets**

	Millions of yen		<i>Millions of U.S. dollars</i>
	<u>12/31/2017</u>	<u>3/31/2017</u>	<u>12/31/2017</u>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Notes and accounts payable-trade	155,998	165,306	1,381
Short-term loans payable	39,150	62,008	346
Commercial papers	48,000	-	425
Current portion of bonds	20,000	5,000	177
Income taxes payable	5,340	31,051	47
Advances received	60,528	45,092	536
Other	93,540	103,945	828
<b>Total Current liabilities</b>	<u>422,558</u>	<u>412,404</u>	<u>3,739</u>
<b>Noncurrent liabilities:</b>			
Bonds payable	40,000	50,000	354
Long-term loans payable	33,567	34,208	297
Provision for directors' retirement benefits	187	189	2
Net defined benefit liability	43,627	40,883	386
Other	31,478	25,114	279
<b>Total Noncurrent liabilities</b>	<u>148,861</u>	<u>150,396</u>	<u>1,317</u>
<b>Total Liabilities</b>	<u>571,419</u>	<u>562,800</u>	<u>5,057</u>
<b>Net Assets</b>			
<b>Shareholders' equity:</b>			
Capital stock	47,586	47,586	421
Capital surplus	45,986	45,985	407
Retained earnings	171,129	166,289	1,514
Treasury stock	(7,272)	(7,241)	(64)
<b>Total Shareholders' equity</b>	<u>257,429</u>	<u>252,619</u>	<u>2,278</u>
<b>Accumulated other comprehensive income:</b>			
Valuation difference on available-for-sale securities	56,110	42,751	497
Deferred gains or losses on hedges	88	(1,600)	1
Foreign currency translation adjustments	3,574	175	32
Remeasurements of defined benefit plans	(1,714)	(2,730)	(15)
<b>Total Accumulated other comprehensive income</b>	<u>58,058</u>	<u>38,596</u>	<u>514</u>
<b>Non-controlling interests</b>	<u>34,051</u>	<u>32,647</u>	<u>301</u>
<b>Total Net assets</b>	<u>349,538</u>	<u>323,863</u>	<u>3,093</u>
<b>Total Liabilities and Net assets</b>	<u>920,958</u>	<u>886,663</u>	<u>8,150</u>

**Consolidated Statements of Income**

	Millions of yen		Millions of U.S. dollars
	3Q FY2017	3Q FY2016	3Q FY2017
<b>Net sales</b>	601,151	555,284	5,320
<b>Cost of sales</b>	448,375	419,904	3,968
<b>Gross profit</b>	152,775	135,379	1,352
<b>Selling, general and administrative expenses</b>	130,388	124,663	1,154
<b>Operating income</b>	22,386	10,716	198
<b>Non-operating income</b>			
Interest income	236	227	2
Dividends income	1,837	2,142	16
Foreign exchange income	-	131	-
Other	515	437	5
<b>Total Non-operating income</b>	2,589	2,938	23
<b>Non-operating expenses</b>			
Interest expense	1,202	1,393	11
Equity in losses of affiliates	967	801	9
Foreign exchange losses	598	-	5
Other	377	416	3
<b>Total Non-operating expenses</b>	3,146	2,611	28
<b>Ordinary income</b>	21,830	11,044	193
<b>Extraordinary income</b>			
Gain on sales of noncurrent assets	184	35	2
Gain on sales of investment securities	1,656	157	15
<b>Total Extraordinary income</b>	1,840	192	16
<b>Extraordinary loss</b>			
Loss on disposal of noncurrent assets	268	285	2
Special retirement expenses	49	80	0
<b>Total Extraordinary loss</b>	318	365	3
<b>Income before income taxes</b>	23,351	10,871	207
<b>Income taxes</b>	7,682	3,350	68
<b>Net income</b>	15,669	7,520	139
<b>Net income attributable to non-controlling interests</b>	2,294	2,600	20
<b>Net income attributable to owners of parent</b>	13,375	4,920	118

**Consolidated Statements of Comprehensive Income**

	Millions of yen		<i>Millions of U.S. dollars</i>
	<b>3Q FY2017</b>	3Q FY2016	<i>3Q FY2017</i>
<b>Net income</b>	15,669	7,520	139
<b>Other comprehensive income</b>			
Valuation difference on available-for-sale securities	13,568	23,780	120
Deferred gains or losses on hedges	1,688	(375)	15
Foreign currency translation adjustments	3,820	(3,012)	34
Remeasurements of defined benefit plans	940	3,475	8
Share of other comprehensive income of associates accounted for using equity method	148	(32)	1
<b>Total other comprehensive Income</b>	20,166	23,834	178
<b>Comprehensive income</b>	35,835	31,355	317
<b>Comprehensive income attributable to:</b>			
Comprehensive income attributable to owners of parent	32,837	28,899	291
Comprehensive income attributable to non-controlling interests	2,998	2,455	27

## Consolidated Segment Information

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

As of April 1, 2017, reflecting change of organization structure, the reporting segments were reclassified from Power and Social Infrastructure, Industrial Infrastructure, Power Electronics, Electronic Devices and Food and Beverage Distribution, to Power Electronics Systems - Energy Solutions, Power Electronics Systems - Industry Solutions, Power and New Energy, Electronic Devices, Food and Beverage Distribution. The reporting segment information for third quarter of the fiscal year ended March 31, 2017 has been reclassified to reflect this change.

#### 3Q FY2017

	Millions of yen								
	Power Electronics Systems - Energy Solutions	Power Electronics Systems - Industry Solutions	Power and New Energy	Electronic Devices	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
<b>Net Sales</b>									
Sales to third parties	144,582	194,785	55,756	96,134	86,020	23,871	601,151	-	601,151
Inter-segment sales and transfers	3,346	6,017	39	2,492	202	21,611	33,710	(33,710)	-
<b>Total sales</b>	<b>147,929</b>	<b>200,803</b>	<b>55,796</b>	<b>98,626</b>	<b>86,222</b>	<b>45,482</b>	<b>634,861</b>	<b>(33,710)</b>	<b>601,151</b>
<b>Segment profits (losses)</b>	<b>5,463</b>	<b>1,998</b>	<b>1,407</b>	<b>10,938</b>	<b>4,435</b>	<b>2,222</b>	<b>26,465</b>	<b>(4,079)</b>	<b>22,386</b>

#### 3Q FY2016

	Millions of yen								
	Power Electronics Systems - Energy Solutions	Power Electronics Systems - Industry Solutions	Power and New Energy	Electronic Devices	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
<b>Net Sales</b>									
Sales to third parties	142,926	171,005	55,478	89,163	73,521	23,188	555,284	-	555,284
Inter-segment sales and transfers	5,149	5,517	155	2,341	240	20,104	33,507	(33,507)	-
<b>Total sales</b>	<b>148,076</b>	<b>176,522</b>	<b>55,633</b>	<b>91,504</b>	<b>73,761</b>	<b>43,293</b>	<b>588,792</b>	<b>(33,507)</b>	<b>555,284</b>
<b>Segment profits (losses)</b>	<b>4,867</b>	<b>(1,590)</b>	<b>2,747</b>	<b>5,782</b>	<b>1,718</b>	<b>1,478</b>	<b>15,003</b>	<b>(4,287)</b>	<b>10,716</b>

#### 3Q FY2017

	Millions of U.S. dollars								
	Power Electronics Systems - Energy Solutions	Power Electronics Systems - Industry Solutions	Power and New Energy	Electronic Devices	Food and Beverage Distribution	Others	Total	Adjustments	Consolidated
<b>Net Sales</b>									
Sales to third parties	1,279	1,724	493	851	761	211	5,320	-	5,320
Inter-segment sales and transfers	30	53	0	22	2	191	298	(298)	-
<b>Total sales</b>	<b>1,309</b>	<b>1,777</b>	<b>494</b>	<b>873</b>	<b>763</b>	<b>402</b>	<b>5,618</b>	<b>(298)</b>	<b>5,320</b>
<b>Segment profits (losses)</b>	<b>48</b>	<b>18</b>	<b>12</b>	<b>97</b>	<b>39</b>	<b>20</b>	<b>234</b>	<b>(36)</b>	<b>198</b>

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

	Billions of yen			
	3Q FY2017	FY2017 [Forecast]	3Q FY2016	FY2016
Net sales	601.2	875.0	555.3	837.8
Operating income	22.4	53.0	10.7	44.7
Ordinary income	21.8	51.0	11.0	46.3
Net income attributable to owners of parent	13.4	31.0	4.9	41.0

**2. Number of consolidated subsidiaries**

	Billions of yen			
	3Q FY2017	FY2017 [Forecast]	3Q FY2016	FY2016
Number of consolidated subsidiaries	70	70	69	68
Japan	23	23	23	23
Overseas	47	47	46	45
Number of equity-method associates	5	5	5	5

**3. Net income per share**

	Yen			
	3Q FY2017	FY2017 [Forecast]	3Q FY2016	FY2016
Net income per share	18.72	43.40	6.89	57.36

**4. Average exchange rates (Yen)**

	Yen			
	3Q FY2017	FY2017 [Forecast]	3Q FY2016	FY2016
US\$	111.70	110.03	106.63	108.38
EURO	128.53	125.15	118.02	118.79

**5. Net sales by reporting segment**

	Billions of yen			
	3Q FY2017	FY2017 [Forecast]	3Q FY2016	FY2016
Power Electronics Systems - Energy Solutions	147.9	220.0	148.1	218.7
Power Electronics Systems - Industry Solutions	200.8	308.9	176.5	286.0
Power and New Energy	55.8	98.0	55.6	93.8
Electronic Devices	98.6	122.4	91.5	118.5
Food and Beverage Distribution	86.2	116.0	73.8	109.6
Others	45.5	58.9	43.3	59.1
Subtotal	634.9	924.2	588.8	885.7
Elimination	(33.7)	(49.2)	(33.5)	(48.0)
<b>Total</b>	<b>601.2</b>	<b>875.0</b>	<b>555.3</b>	<b>837.8</b>

Note : Net sales include inter-segment transactions.

**6. Operating income by reporting segment**

	Billions of yen			
	3Q FY2017	FY2017 [Forecast]	3Q FY2016	FY2016
Power Electronics Systems - Energy Solutions	5.5	14.6	4.9	13.7
Power Electronics Systems - Industry Solutions	2.0	18.5	(1.6)	13.9
Power and New Energy	1.4	5.3	2.7	7.5
Electronic Devices	10.9	12.8	5.8	8.0
Food and Beverage Distribution	4.4	6.5	1.7	6.0
Others	2.2	2.0	1.5	2.1
Subtotal	26.5	59.7	15.0	51.3
Elimination	(4.1)	(6.7)	(4.3)	(6.6)
<b>Total</b>	<b>22.4</b>	<b>53.0</b>	<b>10.7</b>	<b>44.7</b>

**7. Net overseas sales**

	Billions of yen			
	3Q FY2017	FY2017 [Forecast]	3Q FY2016	FY2016
Asia (except for China)	79.8	-	75.3	106.1
China	58.6	-	53.2	67.5
Europe	13.2	-	12.4	16.6
America	11.8	-	10.2	14.8
<b>Total</b>	<b>163.4</b>	<b>-</b>	<b>151.1</b>	<b>205.0</b>

**8. R&D expenditures**

	Billions of yen			
	3Q FY2017	FY2017 [Forecast]	3Q FY2016	FY2016
Power Electronics Systems - Energy Solutions	5.9	-	5.9	8.0
Power Electronics Systems - Industry Solutions	6.7	-	6.2	8.6
Power and New Energy	2.1	-	2.3	3.2
Electronic Devices	7.7	-	7.7	10.5
Food and Beverage Distribution	3.3	-	3.2	4.6
Others	0.1	-	0.0	0.0
<b>Total</b>	<b>25.7</b>	<b>-</b>	<b>25.3</b>	<b>34.9</b>
Ratio to net sales (%)	4.3%	-	4.6%	4.2%

**9. Plant and equipment investment (including leases)**

	Billions of yen			
	3Q FY2017	FY2017 [Forecast]	3Q FY2016	FY2016
Power Electronics Systems - Energy Solutions	2.7	-	1.4	6.0
Power Electronics Systems - Industry Solutions	1.7	-	7.6	6.3
Power and New Energy	0.8	-	1.3	1.2
Electronic Devices	8.2	-	6.8	8.9
Food and Beverage Distribution	3.4	-	2.9	3.7
Others	0.9	-	0.6	1.1
<b>Total</b>	<b>17.7</b>	<b>-</b>	<b>20.6</b>	<b>27.1</b>
(Leases)	9.1	-	7.8	11.0

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

**10. Depreciation, Leases paid**

	Billions of yen			
	3Q FY2017	FY2017 [Forecast]	3Q FY2016	FY2016
Power Electronics Systems - Energy Solutions	3.8	-	3.7	4.9
Power Electronics Systems - Industry Solutions	3.0	-	2.9	4.0
Power and New Energy	0.9	-	0.8	1.1
Electronic Devices	9.7	-	9.6	12.7
Food and Beverage Distribution	1.4	-	1.6	2.1
Others	0.9	-	0.9	1.2
<b>Total</b>	<b>19.7</b>	<b>-</b>	<b>19.4</b>	<b>25.9</b>
(Leases)	0.8	-	0.8	1.1

**11. Number of employees**

	Billions of yen			
	3Q FY2017	FY2017 [Forecast]	3Q FY2016	FY2016
Power Electronics Systems - Energy Solutions	6,825	-	6,867	6,827
Power Electronics Systems - Industry Solutions	7,772	-	7,463	7,453
Power and New Energy	1,348	-	1,322	1,307
Electronic Devices	6,394	-	6,341	6,315
Food and Beverage Distribution	2,592	-	2,587	2,592
Others	1,933	-	2,020	2,009
<b>Total</b>	<b>26,864</b>	<b>-</b>	<b>26,600</b>	<b>26,503</b>
Japan	17,806	-	17,817	17,716
Overseas	9,058	-	8,783	8,787



## Financial Performance

### (1) Qualitative Information regarding Consolidated Results of Operations

In the nine-month period ended December 31, 2017, a gentle recovery was seen in the Company's operating environment supported by improved conditions in Europe, the United States, and other contributors to the global economy as well as the robust demand for machine tools and robots in China, which was driven by increased production facility automation needs. In Japan, there was a modest recovery trend against the backdrop of higher demand for replacing aged equipment and increased investment in automation and labor saving.

In this environment, we moved ahead with the FY2018 Medium-Term Management Plan, Renovation 2018. Acting in accordance with the plan's basic policy of "further renovation of Fuji Electric," we are implementing the growth strategies of strengthening the power electronics systems business and further enhancing manufacturing capabilities while also pursuing improved profitability by reenergizing the Pro-7 Activities that entail reviewing all costs associated with business activities.

Consolidated net sales in the nine-month period ended December 31, 2017, increased ¥45.9 billion year on year, to ¥601.2 billion, due to higher demand. By business segment, Power Electronics Systems—Industry Solutions, Electronic Devices, and Food and Beverage Distribution saw large increases in net sales. In addition, consolidated operating income rose ¥11.7 billion year on year, to ¥22.4 billion, due to the benefits of higher demand and cost reduction efforts; ordinary income was up ¥10.8 billion, to ¥21.8 billion; and net income attributable to owners of parent grew ¥8.5 billion, to ¥13.4 billion. In this manner, new record highs were achieved for all three income figures in a nine-month period.

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

	(¥ billion)		
	Nine-month period ended December 31, 2016	Nine-month period ended December 31, 2017	Change
Net sales	555.3	601.2	45.9
Operating income	10.7	22.4	11.7
Ordinary income	11.0	21.8	10.8
Net income attributable to owners of parent	4.9	13.4	8.5

## Results by Segment

### Power Electronics Systems—Energy Solutions

**Net sales: ¥147.9 billion (relatively unchanged year on year)**

**Operating income: ¥5.5 billion (up ¥0.6 billion year on year)**

In the Power Electronics Systems—Energy Solutions segment, net sales were relatively unchanged year on year while operating income was up. Factors detracting from performance included reduced demand in the energy management business and the impacts of the absence of the large-scale orders that were recorded during the previous equivalent period in the transmission and distribution systems business. Factors contributing to performance included the solid performance of the ED&C components business, which was supported by increased machine tool demand.

- In the energy management business, net sales decreased and operating results worsened year on year primarily due to a decline in smart meter sales volumes.
- In the transmission and distribution systems business, net sales decreased and operating results worsened year on year, despite strong performance resulted from a rise in capital investment demand, due to the absence of large-scale orders from the industrial field that were recorded in the previous equivalent period.
- In the power supply systems business, net sales decreased year on year due to the absence of large-scale orders recorded during the previous equivalent period in switchgear and controlgear operations as well as reduced demand for power conditioning systems for use in solar power generation systems. Regardless, operating results improved year on year due to the benefits of cost reduction efforts.
- In the ED&C components business, net sales and operating results improved year on year as a result of strong demand seen overseas and from machine tool and other machinery manufacturers.

### Power Electronics Systems—Industry Solutions

**Net sales: ¥200.8 billion (up 14% year on year)**

**Operating income: ¥2.0 billion (compared with operating loss of ¥1.6 billion in the previous equivalent period)**

In the Power Electronics Systems—Industry Solutions segment, net sales were up and operating income was recorded, compared with operating loss in the previous equivalent period. Performance was driven by the factory automation business, which benefited from robust demand for the automation of production facilities in Japan and China, and the process automation business, which enjoyed brisk replacement demand in the Japanese market, as well as by the IT solutions business. The strong performance of these businesses counteracted the adverse impacts of the rebound from large-scale orders recorded in the equipment construction business during the previous equivalent period.

- In the factory automation business, net sales and operating results improved year on year due to strong conditions in Japan and China centered on markets for inverters and factory automation components.
- In the process automation business, net sales and operating results improved year on year because

of the brisk replacement demand seen in the Japanese market.

- In the environmental and social solutions business, net sales increased year on year as a result of higher demand for electrical equipment for railcars, which counteracted the impacts of the downturns in demand for radiation-related equipment and system operations. However, operating results worsened year on year as a result of a less favorable sales mix.
- In the equipment construction business, net sales decreased and operating results worsened year on year as the rebound from large-scale orders recorded in the previous equivalent period offset the benefits of strong performance in air-conditioning equipment operations.
- In the IT solutions business, net sales and operating results improved year on year due to an increase in orders from the academic sector.

### **Power and New Energy**

**Net sales: ¥55.8 billion (relatively unchanged year on year)**

**Operating income: ¥1.4 billion (down ¥1.3 billion year on year)**

- In the power and new energy business, net sales were relatively unchanged year on year because the increase in large-scale orders for solar power generation systems counteracted the decline in large-scale orders for hydro power generation systems. However, operating results worsened year on year as a result of a less favorable sales mix.

### **Electronic Devices**

**Net sales: ¥98.6 billion (up 8% year on year)**

**Operating income: ¥10.9 billion (up ¥5.2 billion year on year)**

- In the electronic devices business, net sales and operating results improved year on year as a result of solid demand from the automotive field coupled with the increased demand for power semiconductors from machine tool and other industrial fields in the Japanese and Chinese markets, which was a result of rising automation and labor saving needs.

### **Food and Beverage Distribution**

**Net sales: ¥86.2 billion (up 17% year on year)**

**Operating income: ¥4.4 billion (up ¥2.7 billion year on year)**

- In the vending machine business, net sales and operating results improved year on year following higher demand from customers in the Japanese market as well as the recovery of the Chinese market.
- In the store distribution business, net sales and operating results improved year on year due to a rise in demand for store equipment for convenience stores.

### **Others**

**Net sales: ¥45.5 billion (up 5% year on year)**

**Operating income: ¥2.2 billion (up ¥0.7 billion year on year)**

## (2) Quantitative Information regarding Consolidated Financial Position

(¥ billion)

	March 31, 2017	Breakdown (%)	Dec. 31, 2017	Breakdown (%)	Change
Total assets	886.7	100.0	921.0	100.0	34.3
Interest-bearing debt	151.2	17.1	180.7	19.6	29.5
Shareholder's equity* <sup>1</sup>	291.2	32.8	315.5	34.3	24.3
Debt-to-equity ratio* <sup>2</sup> (times)	0.5		0.6		0.1

\*1 Shareholders' equity = Total net assets - Non-controlling interests

\*2 Debt-to-equity ratio = Interest-bearing debt / Shareholders' equity

Total assets on December 31, 2017, stood at ¥921.0 billion, an increase of ¥34.3 billion from the end of the previous fiscal year. Total current assets increased ¥17.5 billion as the rise in inventories outweighed the decline in notes and accounts receivable-trade. Total noncurrent assets were up ¥16.7 billion due to an increase stemming from valuation difference on available-for-sale securities.

Interest-bearing debt as of December 31, 2017, amounted to ¥180.7 billion, up ¥29.5 billion from the previous fiscal year-end. Further, net interest-bearing debt—interest-bearing debt net of cash and cash equivalents—increased ¥41.1 billion from the previous fiscal year-end, amounting to ¥150.4 billion on December 31, 2017.

Net assets on December 31, 2017, stood at ¥349.5 billion, up ¥25.7 billion from the previous fiscal year-end. This outcome was because of an increase stemming from valuation difference on available-for-sale securities. In addition, shareholders' equity—total net assets net of non-controlling interests—was up ¥24.3 billion from the previous fiscal year-end, standing at ¥315.5 billion on December 31, 2017. The debt-to-equity ratio (interest-bearing debt ÷ shareholders' equity) was 0.1 times, up 0.6 times from the previous fiscal year-end. Also, the net debt-to-equity ratio (net interest-bearing debt ÷ shareholders' equity) was 0.5 times, up 0.1 times from the previous fiscal year-end.

### (3) Qualitative Information regarding Consolidated Forecasts and Forecast Information

In light of the business result trends seen in the nine-month period ended December 31, 2017, Fuji Electric has chosen to revise the consolidated forecast for business results for the fiscal year ending March 31, 2018, that was announced together with financial results for the six-month period ended September 30, 2017, on October 26, 2017.

The forecast assumes exchange rates of US\$1 = ¥105 and € 1 = ¥115 for the period from January 1, 2018, onward.

(Consolidated Forecasts for the Fiscal Year Ending March 31, 2018)

(¥ billion)

	Previous announcement	Revised announcement	Change
Net sales	870.0	875.0	5.0
Operating income	52.0	53.0	1.0
Ordinary income	51.0	51.0	0.0
Net income attributable to owners of parent	31.0	31.0	0.0

(Reference: Consolidated Forecasts for the Fiscal Year Ending March 31, 2018, by Segment)

(¥billion)

	Net sales			Operating income (loss)		
	Previous announcement	Revised announcement	Change	Previous announcement	Revised announcement	Change
Power Electronics Systems—Energy Solutions	220.0	220.0	0.0	14.6	14.6	0.0
Power Electronics Systems—Industry Solutions	305.9	308.9	3.0	18.0	18.5	0.5
Power and New Energy	100.0	98.0	(2.0)	5.8	5.3	(0.5)
Electronic Devices	120.4	122.4	2.0	11.3	12.8	1.5
Food and Beverage Distribution	114.0	116.0	2.0	6.5	6.5	0.0
Others	58.9	58.9	0.0	2.0	2.0	0.0
Elimination and Corporate	(49.2)	(49.2)	0.0	(6.2)	(6.7)	(0.5)
Total	870.0	875.0	5.0	52.0	53.0	1.0