

Fiscal Year 2009 Financial Results

(Year ended January 31,2009)

Company: **FUJI ELECTRIC INDUSTRY CO., LTD.** Stock: Tokyo Stock Exchange
 Code Number: 6654 URL: <http://www.fujidk.co.jp/>
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Date of the board meeting for this period: March 11,2009

Date of the general meeting of shareholders: April 23,2009

1.Results of fiscal year 2008 (February 1,2008 through January 31,2009)

(1)Operating Results

(Unit ; one million yen)

	Net sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
FY 2009	3,226	5.2	563	9.0	596	9.6
FY 2008	3,067	2.1	516	(9.7)	544	(2.8)

	Net income		Net income per share		Return on equity	Ratio of Recurring profit to total assets	Ratio of Recurring profit to net sales
			-basic	-diluted			
	Million yen	%	Yen	Yen	%	%	%
FY 2009	374	19.1	58.08	—	3.8	5.6	17.5
FY 2008	314	(4.3)	48.77	—	3.2	5.1	16.8

Note 1 : Percentages for net sales, operating income etc. show increase (decrease) from previous year's end.

Note 2 : Equity method investment : None

(2)Financial Position

	Total assets	Shareholders' Equity	Shareholders' Equity ratio	Shareholders' Equity per share
	Million yen	Million yen	%	Yen
FY 2009	10,588	9,897	93.5	1,535.12
FY 2008	10,648	9,752	91.6	1,512.50

(3)Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investment activities	Net cash provided by (used in) financing activities	Cash and cash equivalents-ending
	Million yen	Million yen	Million yen	Million yen
FY 2009	660	(410)	(160)	695
FY 2008	242	(174)	(205)	606

2.Dividends

	Dividend per share			Total dividends	Pay-out ratio	Dividends ratio to shareholders' equity
	Interim	Year-end	Annual			
	Yen	Yen	Yen	Million yen	%	%
FY 2008	10.00	15.00	25.00	161	51.3	1.7
FY 2009	10.00	15.00	25.00	161	43.0	1.6
FY 2010 (forecast)	12.50	12.50	25.00	—	45.1	—

3.Forecast of operating results for Fiscal Year 2009(February 1,2009 through January 31,2010)

	Net sales		Operating income		Ordinary income	
	Million yen	%	Million yen	%	Million yen	%
Interim	1,662	2.9	303	2.6	318	2.1
FY 2010	3,300	2.3	574	2.0	601	0.8

	Net income		Net income per share
	Million yen	%	Yen
Interim	189	3.2	29.37
FY 2010	357	(4.5)	55.44

Note : Percentages for net sales, operating income etc. for the FY 2010 show increase (decrease) from year period, respectively.

4.Others

- (1) Changes in the accounting method : None
(2) Changes except (1) : None

※ Note with respect to “Forecast of operating results for Fiscal Year 2010”

Forecasts announced by the Company referred to above were prepared based on management’s assumptions with information available at this time and therefore involve known and unknown risks and uncertainties.

Please note such risks and uncertainties may cause the actual results to be materially different from the forecasts (earnings forecast, dividend forecast, and other forecasts).

Qualitative information / Financial affairs

1. Qualitative information on business performance

(1) General situation

Japan's economy in the first half of this fiscal year strongly stagnated because of the deceleration of US economy, steep rise of Yen and raw materials like oil and slowdown of the personal consumption.

The economy of the second half was plunged to the worst situation because the financial crisis originated in US badly affected to the real economy. The export suddenly decreased because of the worldwide recession.

In spite of these circumstances, the demands of devices for electric power or infrastructure facilities from the heavy electric industries, our main customer, fortunately remained firm. These demands come from the investment in plant and equipment of Japanese electric power industries, the new construction of electric power plants overseas and developments of electric power and infrastructure business in US, EU, Middle East, China and South East Asia.

Thanks to these business circumstances, the sales of control switches, connecting devices and electronic appliances exceed the performance of the previous year. Overseas sales also keep a good pace. Finally our net sales of this fiscal year reached to 3,226 million yen (5.2% increase compared with that of the previous year).

Regarding to the profit, in addition to sales increase the improvement of cost rate of connecting devices and cost cut of sales and general expenses contributed the following profit. Operating income reached to 563 million yen, ordinary income was 596 million yen and net income was 374 million yen. Increasing rate compared with those of the same period of previous year were 9.0%, 9.6% and 19.1% respectively.

(2) Products sales

Control switches

Sales of this category reached 887 million (3.3% increase compared with that of the previous year) because the sales of cam switches, our main item, for domestic and overseas market remains firm. The limit switch and push-button switch sales were also active.

Connecting devices

Sales of surge absorber terminal blocks, newly developed reliable wiring terminal blocks for electric power industries and test terminals for switch board of domestic and overseas manufacturer was increased. As a result sales of this category reached 1,369 million yen (5.3% increase).

Indicators and indicator lumps

Sales of drop type annunciator for power station increased over 15%. Maclit indicator and rectangular LED lump also contribute to the increase of sales of this category.

As a result sales reached 503 million (6.1% increase).

Applied electronic devices

Sales of electronics appliances reached 465 million yen (7.4% increase), thanks to the sales increase of relay unit for power station overseas, setting panels for local station of automatic power distribution and telephone relays.

2. Qualitative information on business performance forecast

As for the economic prospect of next fiscal year the worldwide recession triggered by the US financial crisis will be prolonged and Japan's economy is also difficult to recover within a short period improving the worse earning of enterprise, the decrease of investment for plant and the depression of personal consumption.

Under these circumstances, the cam switches, surge absorber terminal blocks and reliable wiring terminal blocks (terminal blocks with preventive structure of unfinished wiring) for domestic electric power industries, test terminals for domestic/ overseas switch board market, and wiring-saving control device called "terminal-com series" for general industries are expected to contribute toward sales increase.

We are to devote ourselves to attain our goals of sales and profit plan through our sales activity and the cost rate improvement or the cost cut of sales and general expenses.

3. Balance Sheets

thousand yen, %

	As of January 31, 2008		As of January 31, 2009	
	Amount	%	Amount	%
(Assets)				
I Current assets				
1. Cash and deposits	4,476,448		4,845,830	
2. Notes and accounts receivable-trade	1,155,472		1,233,400	
3. Short-term investment securities	1,638,162		698,725	
4. Inventories	725,353		738,463	
5. Other current assets	55,717		72,949	
6. Allowance for doubtful accounts	(1,397)		—	
Total current assets	8,049,757	75.6	7,589,369	71.7
II Noncurrent assets				
1. Property, plant and equipment	1,876,069		1,778,378	
2. Intangible assets	15,826		11,572	
3. Investments and other assets	706,828		1,208,848	
Total noncurrent assets	2,598,724	24.4	2,998,799	28.3
Total assets	10,648,481	100.0	10,588,169	100.0
(Liabilities)				
I Current liabilities				
1. Notes and accounts payable-trade	399,315		87,485	
2. Short-term loans payable	180,000		180,000	
3. Other current liabilities	198,699		355,969	
Total current liabilities	778,014	7.3	623,454	5.9
II Noncurrent liabilities				
1. Provision for directors' retirement benefits	51,862		46,703	
2. Other noncurrent liabilities	66,458		20,026	
Total noncurrent liabilities	118,320	1.1	66,729	0.6
Total liabilities	896,335	8.4	690,184	6.5
(Net assets)				
I Shareholders' equity				
1. Capital stock	1,087,250		1,087,250	
2. Capital surplus	1,704,240		1,704,240	
3. Retained earnings	6,947,945		7,161,251	
4. Treasury stock	(113,229)		(113,229)	
Total shareholders' equity	9,626,205	90.4	9,839,511	92.9
II Valuation and translation adjustments				
1. Valuation difference on available-for-sale securities	125,940		58,473	
Total valuation and translation adjustments	125,940	1.2	58,473	0.6
Total net assets	9,752,145	91.6	9,897,984	93.5
Total liabilities and net assets	10,648,481	100.0	10,588,169	100.0

4.Statements of Income

thousand yen,%

	As of January 31, 2008		As of January 31, 2009	
	Amount	%	Amount	%
I Net sales	3,067,432	100.0	3,226,393	100.0
II Cost of sales	1,805,610	58.9	1,894,472	58.7
Gross profit	1,261,821	41.1	1,331,921	41.3
III Selling, general, and administrative expenses	745,205	24.3	768,560	23.8
Operating income	516,616	16.8	563,361	17.5
IV Non-operating income	31,454	1.1	37,044	1.1
V Non-operating expenses	3,258	0.1	3,548	0.1
Ordinary income	544,812	17.8	596,856	18.5
VI Extraordinary income	421	0.0	50,542	1.5
VII Extraordinary loss	9,730	0.3	7,830	0.2
Income before income taxes	535,502	17.5	639,568	19.8
Income taxes	221,050	7.2	265,070	8.2
Net income	314,452	10.3	374,498	11.6

5.Statements of Cash Flows

thousand yen

Description	Year ended January 31, 2008	Year ended January 31, 2009
	Amount	Amount
I . Net cash provided by (used in) operating activities		
Income before income taxes	535,502	639,568
Depreciation and amortization	192,120	219,421
Increase (decrease) in allowance for doubtful accounts	(421)	(1,397)
Increase (decrease) in provision for directors' bonuses	(2,525)	1,525
Increase (decrease) in provision for directors' retirement benefits	(154,028)	(5,159)
Interest and dividends income	(24,633)	(30,650)
Interest expenses	3,258	3,313
Insurance income	—	(49,145)
Loss on retirement of property, plant and equipment	9,730	185
Loss (gain) on valuation of investment securities	—	7,645
Decrease (increase) in notes and accounts receivable-trade	(34,289)	(77,927)
Decrease (increase) in inventories	6,606	(13,110)
Increase (decrease) in notes and accounts payable-trade	(54,785)	(311,829)
Other, net	9,192	5,342
Subtotal	485,728	387,782
Interest and dividends received	20,046	24,622
Interest expenses paid	(3,299)	(3,096)
Proceeds from insurance income	—	324,170
Income taxes paid	(259,697)	(72,665)
Net cash provided by (used in) operating activities	242,778	660,813
II . Net cash provided by (used in) investment activities		
Payment for time deposits	(7,740,000)	(8,120,000)
Proceeds from time deposits	7,740,000	7,840,000
Purchase of short-term investment securities	(737,336)	(697,012)
Proceeds from sales of short-term investment securities	740,000	1,640,000
Purchase of property, plant and equipment	(170,096)	(171,323)
Purchase of intangible assets	(5,649)	(1,990)
Purchase of investment securities	—	(899,240)
Other, net	(1,100)	(1,043)
Net cash provided by (used in) investment activities	(174,182)	(410,608)
III . Net cash provided by (used in) financing activities		
Cash dividends paid	(205,570)	(160,822)
Net cash provided by (used in) financing activities	(205,570)	(160,822)
IV . Net increase (decrease) in cash and cash equivalents	(136,974)	89,382
V . Cash and cash equivalents-Beginning	743,423	606,448
VI . Cash and cash equivalents-Ending	606,448	695,830

6.Others

(1) Actual of orders

thousand yen

Products category	Year ended January 31, 2008	Year ended January 31, 2009
	Amount	Amount
Control switches	861,892	908,270
Connecting devices	1,313,913	1,356,596
Indicators and indicator lamps	480,002	504,943
Applied electronic devices	465,342	451,162
Total	3,121,151	3,220,973

(2) Backlog of orders

thousand yen

Products category	Year ended January 31, 2008	Year ended January 31, 2009
	Amount	Amount
Control switches	98,284	118,914
Connecting devices	100,322	87,263
Indicators and indicator lamps	38,788	40,198
Applied electronic devices	94,198	79,799
Total	331,594	326,174

(3) Sales

thousand yen

Products category	Year ended January 31, 2008	Year ended January 31, 2009
	Amount	Amount
Control switches	859,344	887,641
Connecting devices	1,300,141	1,369,656
Indicators and indicator lamps	474,421	503,534
Applied electronic devices	433,524	465,561
Total	3,067,432	3,226,393

① Distribution channel

thousand yen

	Year ended January 31, 2008	Year ended January 31, 2009
	Amount	Amount
Japanese manufacturer	2,003,048	2,083,874
Trading company (home sales)	742,385	758,745
Trading company (overseas sales)	321,998	383,773
Total	3,067,432	3,226,393

② Foreign market for trading company (overseas sales)

thousand yen

	Year ended January 31, 2008	Year ended January 31, 2009
	Amount	Amount
Middle East	104,631	155,259
Southeast Asia	125,377	131,957
China	91,989	96,556
Total	321,998	383,773