

Second Quarter Financial Results For Fiscal Year 2010

(Six months ended on July 31,2009)

Company: **FUJI ELECTRIC INDUSTRY CO., LTD.** Stock: Tokyo Stock Exchange
 Code Number: 6654 URL: <http://www.fujidk.co.jp/>
 Coordinator: Kouichi Fukunaga Head Office: Kyoto,JAPAN
 Managing Director and general manager Telephone: (075)221-7978
 Date of the board meeting for this period: September 10,2009

1.Second quarter financial results for the six months ended on July 31(February 1,2009 through July 31,2009)

(1)Operating Results

(Unit ; one million yen)

	Net sales		Operating income		Recurring profit	
	Million yen	%	Million yen	%	Million yen	%
2nd Q.FY 2010	1,530	—	250	—	268	—
2nd Q.FY 2009	1,614	6.9	296	8.7	311	9.3

	Net income		Net income per share -basic	Net income per share -diluted
	Million yen	%	Yen	Yen
2nd Q.FY 2010	157	—	24.38	—
2nd Q.FY 2009	183	9.7	28.45	—

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

(2)Financial Position

	Total assets	Shareholders' Equity	Shareholders' Equity ratio	Shareholders' Equity per share
	Million yen	Million yen	%	Yen
2nd Q.FY 2010	10,598	9,969	94.1	1,546.27
FY 2009	10,588	9,897	93.5	1,535.12

Note : Shareholders' equity
 2nd Q.FY 2010 9,969 million yen
 FY 2009 9,897 million yen

2.Dividends

	Dividend per share				
	1st Q.	2nd Q.	3rd Q.	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
FY 2009	—	10.00	—	15.00	25.00
FY 2010	—	12.50			
FY 2010 (forecast)			—	12.50	25.00

Note : Revision in dividends scheduled for the quarter : None

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

	Net sales		Operating income		Recurring profit	
	Million yen	%	Million yen	%	Million yen	%
FY 2010	3,020	(6.4)	423	(24.9)	452	(24.1)

	Net income		Net income per share
	Million yen	%	Yen
FY 2010	264	(29.3)	41.06

Note 1 : Percentages for net sales, operating income etc. for the FY 2010 show increase (decrease) from interim period and year period, respectively.

2 : Revision of consolidated financial forecast in this term : Yes

4.Others

- (1) Adoption of concise accounting procedure : Yes
(2) Changes in the accounting method : Yes
(3) Changes except(2) : None

(4) About number of shares

Number of shares issued	:	2nd Q.FY 2010	6,669,000	FY 2009	6,669,000
Treasury stock at end of each period	:	2nd Q.FY 2010	221,303	FY 2009	221,303
Average number of shares	:	2nd Q.FY 2010	6,447,697	FY 2009	6,447,697

※ 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 second quarter was continually bad although a part of economic indicators like the production or the export of the firm seemed to be improved in the second half and the economy is going to recover slowly from its worst stage.

The demands from the heavy industries, our main customer, remained firm supported by the active investment of Japanese electric power industries and railway industries and also supported by the economic policy to boost demands of infrastructure like energy or new transportation network overseas.

Under these market circumstances, the sales for railway industries in domestic and overseas market increased, while that for the general industries dropped remarkably. Finally our net sale in this second quarter was 1,530 million yen. (5.2% decrease compared with that of the same period in previous year)

The profit decreased because of the sales decrease, the increase of personnel expenses and the application of new account standard to evaluate an inventory.

Operating profit reached to 250 million yen, ordinary profit was 268 million yen and net profit was 157 million yen. Decreasing rate compared with those of the same period of previous year were 15.3%, 13.9% and 14.3% respectively.

(2) Products sales

Control switches

Sales of this category was 428 million (6.1% decrease compared with that of the previous year) because of the sales decrease of auxiliary switch for breaker of switchboard for the general market and cam switches in spite of the sales increase of auxiliary switch for power substation.

Connecting devices

While the sales of surge absorber terminal block for electric power industry increased, that of the general terminal blocks for general industry remarkably decreased. And that of the test terminals for switch board was decreased. As a result sale of this category was 629 million yen (7.4 million decreases).

Indicators and indicator lumps

In spite of the sales increase of electro magnetic indicators like drop type enunciator for domestic and overseas market, the remarkable sales decrease of merit indicator or LED indicator result the sales decrease of this category.

The sales amount was 222 million (4.4% decrease).

Applied electronic devices

Sales amount of electronics appliances was 249 million yen (1.8% increase).

The successful sales increase of hybrid module for protect relay or relay unit for breaker in power station overseas covered the sales decrease of I/O terminal for power substation of electric power distribution or railway energy.

2. Qualitative information on business performance forecast

As for the future economic prospect, this recession will be prolonged because of the aggravation of the employment, although the improvement of the production or the export of the enterprises seemed to be improved.

Under these circumstances, we are to increase the sales to the electric power industry or railway industry which are active to invest in plant and equipment. 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.

In regard to the annual prospects of the business performance, the amendment of former prospect announced on March 11, 2009 considering the performance of 2nd quarter is as follows.

Furthermore the annual and 2nd quarter allotment will not change from the prospect at the beginning.

3.Non-consolidated quarterly balance sheets

thousand yen

	As of July 31, 2009	As of January 31, 2009
	Amount	Amount
(Assets)		
I Current assets		
1.Cash and deposits	5,233,409	4,845,830
2.Notes and accounts receivable-trade	1,092,684	1,233,400
3.Short-term investment securities	300,540	698,725
4.Finished goods	126,168	117,027
5.Work in process	340,673	317,719
6.Raw materials	303,894	303,716
7.Other	77,025	72,949
Current assets	7,474,395	7,589,369
II Noncurrent assets		
(1)Property, plant and equipment		
1.Land	1,336,475	921,772
2.Other,net	844,515	856,605
Property, plant and equipment	2,180,990	1,778,378
(2)Intangible assets	18,637	11,572
(3)Investments and other assets	924,122	1,208,848
Noncurrent assets	3,123,750	2,998,799
Assets	10,598,146	10,588,169
(Liabilities)		
I Current liabilities		
1.Accounts payable-trade	99,466	87,485
2.Short-term loans payable	180,000	180,000
3.Income taxes payable	114,306	211,944
4.Provision for bonuses	41,706	41,716
5.Provision for directors' bonuses	10,000	19,400
6.Other	101,812	82,907
Current liabilities	547,293	623,454
II Noncurrent liabilities		
1.Provision for directors' retirement benefits	53,163	46,703
2.Other	27,792	20,026
Noncurrent liabilities	80,956	66,729
Liabilities	628,249	690,184
(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	7,221,725	7,161,251
4.Treasury stock	(113,229)	(113,229)
Shareholders' equity	9,899,986	9,839,511
II Valuation and translation adjustments		
1.Valuation difference on available-for-sale securities	69,910	58,473
Valuation and translation adjustments	69,910	58,473
Net assets	9,969,896	9,897,984
Liabilities and net assets	10,598,146	10,588,169

4.Non-consolidated quarterly statements of income

thousand yen

	Six months ended July 31, 2009
	Amount
I Net sales	1,530,274
II Cost of sales	880,556
Gross profit	649,718
III Selling, general and administrative expenses	398,900
Operating income	250,818
IV Non-operating income	
1.Interest income	12,671
2.Dividends income	2,374
3.Other	4,100
Non-operating income	19,147
V Non-operating expenses	
1.Interest expenses	1,353
Non-operating expenses	1,353
Ordinary income	268,611
VI Extraordinary loss	
1.Loss on retirement of noncurrent assets	13
2.Loss on sales of noncurrent assets	68
Extraordinary loss	81
Income before income taxes	268,529
Income taxes	111,339
Net income	157,189

5.Non-consolidated quarterly statements of cash flows

thousand yen

	Six months ended July 31, 2009
Description	Amount
I. Net cash provided by (used in) operating activities	
Income before income taxes	268,529
Depreciation and amortization	86,636
Increase (decrease) in provision for bonuses	(9)
Increase (decrease) in provision for directors' bonuses	(9,400)
Increase (decrease) in provision for directors' retirement benefits	6,460
Interest and dividends income	(15,046)
Interest expenses	1,353
Loss on retirement of property, plant and equipment	13
Loss (gain) on sales of property, plant and equipment	68
Decrease (increase) in notes and accounts receivable-trade	140,715
Decrease (increase) in inventories	(32,272)
Increase (decrease) in notes and accounts payable-trade	11,980
Other, net	14,054
Subtotal	473,084
Interest and dividends income received	14,117
Interest expenses paid	(1,537)
Income taxes paid	(209,577)
Net cash provided by (used in) operating activities	276,087
II. Net cash provided by (used in) investment activities	
Payments into time deposits	(4,800,000)
Proceeds from withdrawal of time deposits	4,150,000
Proceeds from sales of short-term investment securities	700,000
Purchase of property, plant and equipment	(482,073)
Purchase of intangible assets	(9,589)
Purchase of investment securities	(312)
Other, net	215
Net cash provided by (used in) investment activities	(441,759)
III. Net cash provided by (used in) financing activities	
Cash dividends paid	(96,749)
Net cash provided by (used in) financing activities	(96,749)
IV. Net increase (decrease) in cash and cash equivalents	(262,421)
V. Cash and cash equivalents at beginning of period	695,830
VI. Cash and cash equivalents at end of period	433,409

6.Others

(1) Actual of orders

thousand yen

	Six months ended July 31, 2009
Products category	Amount
Control switches	375,781
Connecting devices	617,702
Indicators and indicator lamps	229,226
Applied electronic devices	240,333
Total	1,463,043

(2) Backlog of orders

thousand yen

	Six months ended July 31, 2009
Products category	Amount
Control switches	65,845
Connecting devices	75,647
Indicators and indicator lamps	46,475
Applied electronic devices	70,975
Total	258,944

(3) Sales

thousand yen

	Six months ended July 31, 2009
Products category	Amount
Control switches	428,851
Connecting devices	629,317
Indicators and indicator lamps	222,949
Applied electronic devices	249,156
Total	1,530,274

① Distribution channel

thousand yen

	Six months ended July 31, 2009
	Amount
Japanese manufacturer	961,962
Trading company (home sales)	360,044
Trading company (overseas sales)	208,267
Total	1,530,274

② Foreign market for trading company (overseas sales)

thousand yen

	Six months ended July 31, 2009
	Amount
Middle East	87,012
Southeast Asia	72,610
China	48,644
Total	208,267