

TRANSLATION



Interim Report
On
First-Half FY 2010 Financial Results
(Six months ended September 30, 2010)

FUJITSU LIMITED

Note:

This English translation of the interim report contains minor stylistic differences from the original Japanese version.

FUJITSU Way

On April 1, 2008, Fujitsu announced a fully revised Fujitsu Way. The Fujitsu Way will facilitate management innovation and promote a unified direction for the Fujitsu Group as we expand our global business activities, bringing innovative technology and solutions to every corner of the globe.

The Fujitsu Way provides a common direction for all employees of the Fujitsu Group. By adhering to its principles and values, employees enhance corporate value and their contributions to global and local societies.

Corporate Vision	<p>Through our constant pursuit of innovation, the Fujitsu Group aims to contribute to the creation of a networked society that is rewarding and secure, bringing about a prosperous future that fulfills the dreams of people throughout the world.</p>	
Corporate Values	What we strive for :	
	Society and Environment	In all our actions, we protect the environment and contribute to society.
	Profit and Growth	We strive to meet the expectations of customers, employees and shareholders.
	Shareholders and Investors	We seek to continuously increase our corporate value.
	Global Perspective	We think and act from a global perspective.
	What we value:	
	Employees	We respect diversity and support individual growth.
Customers	We seek to be their valued and trusted partner.	
Business Partners	We build mutually beneficial relationships.	
Technology	We seek to create new value through innovation.	
Quality	We enhance the reputation of our customers and the reliability of social infrastructure.	
Principles	Global Citizenship	We act as good global citizens, attuned to the needs of society and the environment.
	Customer-Centric Perspective	We think from the customer's perspective and act with sincerity.
	Firsthand Understanding	We act based on a firsthand understanding of the actual situation.
	Spirit of Challenge	We strive to achieve our highest goals.
	Speed and Agility	We act flexibly and promptly to achieve our objectives.
	Teamwork	We share common objectives across organizations, work as a team and act as responsible members of the team.
Code of Conduct	<ul style="list-style-type: none"> ■ We respect human rights. ■ We comply with all laws and regulations. ■ We act with fairness in our business dealings. ■ We protect and respect intellectual property. ■ We maintain confidentiality. ■ We do not use our position in our organization for personal gain. 	
Business Policy	<ul style="list-style-type: none"> ■ We use Field Innovation to find new approaches and the inspiration to improve ourselves, while delivering added value to our customers. ■ We provide global environmental solutions in all our business areas. ■ Fujitsu Group companies work together to accelerate our global business expansion. 	

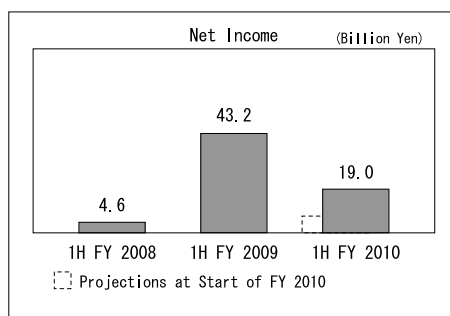
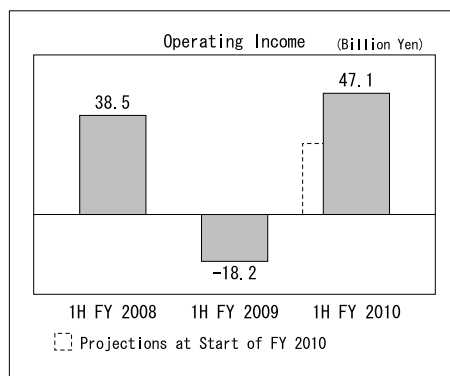
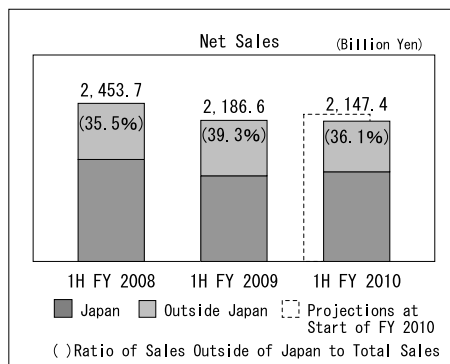
To Our Shareholders,

It is with great pleasure that we present this interim report for our 111th business period (covering fiscal year 2010, from April 1, 2010 to March 31, 2011). The report covers financial results for the first half of fiscal 2010, April 1, 2010 to September 30, 2010.

During the first half of fiscal 2010, the business environment in which the Fujitsu Group operated continued to show signs of economic recovery as a result of higher demand from emerging markets, and the benefit of economic stimulus measures implemented by governments around the world. The pace of the recovery, however, began to weaken as a result of exchange rate fluctuations and concerns about a slowdown in economic growth in Europe and North America, among other factors.

Under these economic conditions, on a consolidated basis, Fujitsu recorded net sales of 2,147.4 billion yen, operating income of 47.1 billion yen, and net income of 19.0 billion yen for the first half of fiscal 2010. Net sales fell short of projections made at the beginning of the fiscal year by 52.5 billion yen as a result of yen appreciation and the impact of reductions and postponements in ICT investment in Europe and the US. Operating income, however, exceeded projections made at the beginning of the fiscal year by 22.1 billion yen as a result of group-wide measures to reduce costs and solid performance in such areas as network products as well as PCs and mobile phones. Net income for the first half exceeded projections by 14.0 billion yen as a result of gains on the sale of investment securities and other factors.

As projected at the beginning of the fiscal year, the interim dividend will be increased by 2 yen compared to the interim dividend last year, to 5 yen per share, which will be paid to shareholders from November 24, 2010.



For the 111th business period, including the interim dividend of 5 yen, the company plans to pay dividends totaling 10 yen per share.

As a result of structural reforms implemented over the past 10 years, Fujitsu's financial condition has improved. Going forward, with a management strategy focused on "playing offense," Fujitsu is committed to strengthening the earnings capacity of its core businesses and delivering higher revenues and profits. In addition, Fujitsu is focused on pursuing two basic initiatives for future growth: creating new services businesses and accelerating globalization.

Fujitsu has created a new brand promise "shaping tomorrow with you." This brand promise reflects Fujitsu's desire to contribute to the creation of a better future for its customers and society, as well as customer-centric approach of pursuing business as a partner to its customers. Each of the 170 thousand employees of the Fujitsu Group worldwide shares this brand promise. By constantly pursuing the new possibilities created through ICT and continuing to create new value, Fujitsu is committed to bringing about a prosperous future for people around the world.

We ask you, our valued shareholders, for your continued support and guidance in our business going forward.

November 2010

Chairman
Michiyoshi Mazuka

President
Masami Yamamoto

Fiscal 2010 Initiatives

Taking our cloud computing platform global

The Fujitsu Group aims to build on its advanced security technology and operational know-how to bring its highly reliable cloud computing* services to global markets. In addition to Japan, Fujitsu will be gradually deploying a common cloud computing platform in the UK, Australia, Singapore, Germany, and the US. Also, in July of this year, Fujitsu and Microsoft Corporation of the US reached an agreement on a global alliance in cloud computing that will enable Fujitsu to bring a broader range of services to customers worldwide.

*Cloud computing: hardware and software functionality is provided as-needed over a network in the form of a service. Demand for cloud computing is increasing rapidly because it eliminates the need for large initial investment and shortens the time needed for customers to get business up and running.

An Intelligent Society: ICT as the door to a richer future

ICT is becoming a more important part of people's lives as networks process vast volumes of data at ever-faster speeds and mobile devices grow more sophisticated. Cloud computing makes it easier to use ICT and it is anticipated that the use of ICT will expand to sectors in which, up until now, it has not been fully deployed. Furthermore, using sensors that can record temperature, humidity, vibration, location and other information, it is becoming possible to digitally capture a wide range of real-world data and analyze phenomena arising from human activity. These changes mean that ICT has the potential to help solve many of the issues the world is facing today.

In agriculture, for example, data gathered from soil sensors and work-processes are helping to improve productivity. In healthcare, in addition to medical institutions sending examination results to patients electronically, new services enable patients to e-mail photos of their meals to their nutritionists and monitor their activity levels automatically with pedometers to maintain healthier lifestyles. Also under consideration are new ICT applications designed to make the power grid more efficient and to maintain the safety of bridges and other public works through remote maintenance services.

Fujitsu's goal is to use ICT to create an Intelligent Society that brings greater convenience and prosperity to peoples' lives.

Rising to the challenge of cutting-edge computing technology

To make the Intelligent Society a reality will require further advances in ICT, especially in computer simulation, which makes it possible to visualize the invisible and conduct experiments that would be impossible manually. Scientists have been using computer simulation to develop new drugs and other ground-breaking products, and to anticipate climate change and natural disasters. These simulations require extremely powerful computers, which in turn will require a great leap in computing technology.

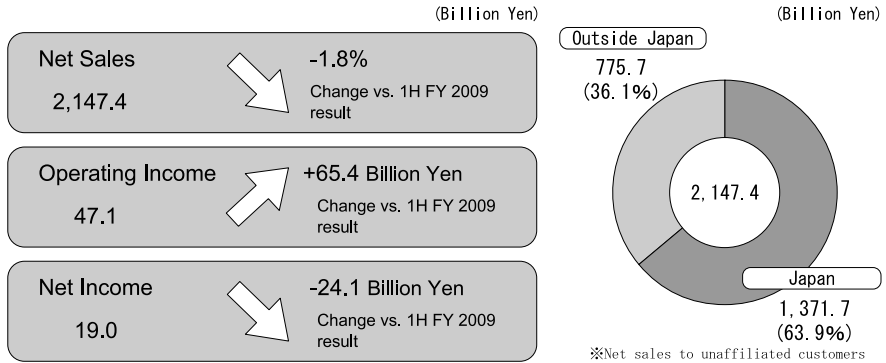
In September 2010, Fujitsu began shipping the computing units for Japan's Next-Generation Supercomputer, nicknamed the "K" computer. The supercomputer is a central part of the High-Performance Computing Infrastructure (HPCI) initiative led by Japan's Ministry of Education, Culture, Sports, Science and Technology (MEXT), and is being jointly developed with RIKEN, an independent administrative institution under MEXT.

The K computer will be a critical tool for advanced simulations. For example, the human heart consists of some 660,000 cells. The calculations required to simulate the actions of each cell during a single heartbeat would take hundreds of days with today's technology, but the K computer being developed by Fujitsu will be able to run this simulation in about two days.

Fujitsu will continue pushing the boundaries of computing technology to help bring about an Intelligent Society and to contribute to a more prosperous future for all people.

Operating Conditions of the Fujitsu Group

Overall Conditions



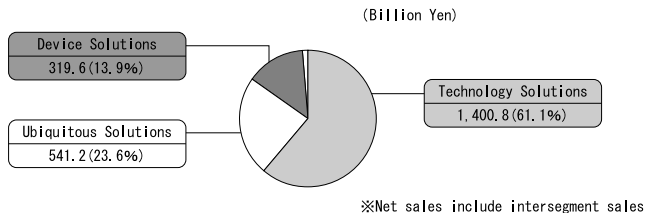
Consolidated net sales for the first half of fiscal 2010 were 2,147.4 billion yen, a decrease of 1.8% compared to the first half of fiscal 2009. In Japan, although sales of services were flat with the previous year, sales of PCs, mobile phones, car audio and navigation systems, LSI devices and electronic components, all increased. Outside of Japan, despite higher sales of electronic components, LSI devices, and optical transmission systems, overall sales declined, primarily as a result of the appreciation of the yen and lower services sales in Europe.

Operating income for the first half of fiscal 2010 was 47.1 billion yen, an improvement of 65.4 billion yen compared with the same period the previous year. The improvement was the result of progress in reducing costs, structural reforms in the LSI device business, the transfer in the second half of the prior fiscal year of the loss-generating HDD business, and a decrease in expenses for retirement benefits.

Net income totaled 19.0 billion yen. Though operating income increased, the net income represented a decline of 24.1 billion yen compared with the same period last year, when Fujitsu recognized net other income and expenses of 53.9 billion yen, primarily due to the sale of shares in FANUC LTD.

Review by Business Segment

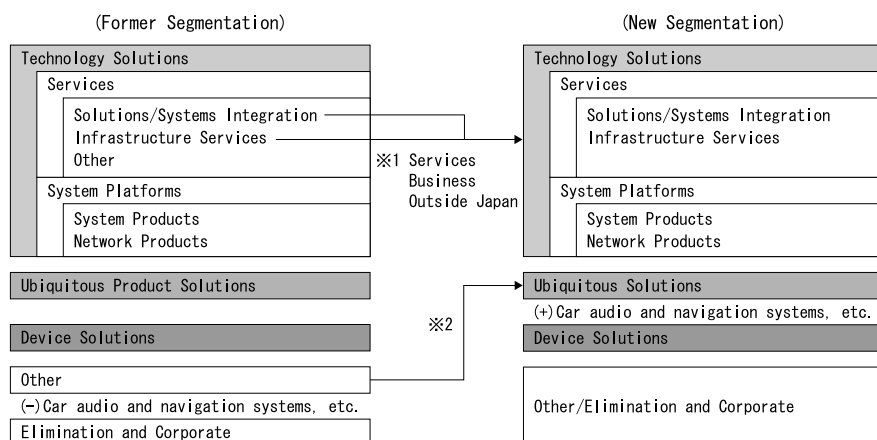
Net Sales



Operating Income and Operating Income Margin

	Operating income (Billion Yen)	Operating income margin (%)
Technology Solutions	56.3	4.0
Ubiquitous Solutions	15.1	2.8
Device Solutions	11.3	3.5
Other/Elimination and Corporate	-35.6	-
Total	47.1	2.2

※The “Other/Elimination and Corporate” category includes strategic expenses, such as expenditures on basic research that are not attributable to any reporting segment, as well as shared group management expenses, along with Japan’s Next-Generation Supercomputer Project.

Change in Business Segments (From FY 2010)**Main Changes in Segments**

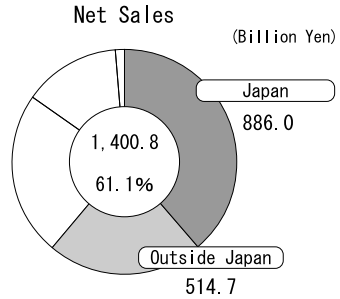
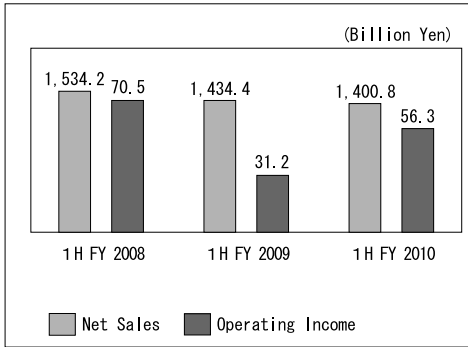
※1. Services Business Outside Japan:

Until the first quarter of fiscal 2010, sales from the services business outside Japan had been included in both the “Solutions/Systems Integration” and “Infrastructure Services” categories of the “Services” sub-segment. Under the new segmentation beginning this fiscal year, all revenues from the services business outside Japan are included in the “Infrastructure Services” category.

※2. Car Audio and Navigation Systems, etc.:

Until the first quarter of fiscal 2010, car audio and navigation systems, mobile communications equipment, and automotive electronics were included in the “Other” segment, but from this fiscal year they are included in the “Ubiquitous Solutions” segment.

Technology Solutions



- ※1 Net Sales include intersegment sales.
 ※2 In accordance with the change in Business Segments, the figures for previous fiscal years have been reclassified for comparison purposes.

The Technology Solutions segment consists of Services, which includes systems integration and outsourcing services, and System Platforms, which are used to build ICT infrastructures. Bringing together hardware products, software, and services, the Fujitsu Group provides customers with comprehensive services in a way that is best suited to each customer.

Net sales in the Technology Solutions segment for the first half of fiscal 2010 were 1,400.8 billion yen, a decrease of 2.3% from the same period in fiscal 2009. Sales in the Services sub-segment were 1,129.1 billion yen, a decline of 3.8% compared to the first half of fiscal 2009. Services sales in Japan were flat, and sales outside of Japan declined. Sales in the System Platforms sub-segment were 271.6 billion yen, an increase of 4.3% compared to the first half of the previous fiscal year, with higher sales both in Japan and outside of Japan.

Operating income for the segment was 56.3 billion yen, an increase of 25.0 billion yen compared to the first half of fiscal 2009. Operating income for the Services sub-segment was 38.5 billion yen, an increase of 4.1 billion yen compared to the first half of fiscal 2009, while operating income for the System Platforms sub-segment was 17.8 billion yen, an increase of 20.9 billion yen.

(1) Services

In the Services sub-segment, Fujitsu has been engaged in developing new business around cloud computing and strengthening alliances to enhance cloud capabilities. One of Fujitsu's core strengths is its vertical integration business model which combines products and services into comprehensive offerings. The company will leverage this model and enhance its structure to deliver highly reliable cloud computing services to customers in and outside Japan. As one step in this process, in July of this year, Fujitsu and Microsoft Corporation of the US reached an agreement on a global alliance in cloud computing. In addition, Fujitsu pursued various measures to transform its business structure, including initiatives designed to strengthen engagement with medium-sized business customers in Japan.

Sales in the Services sub-segment were 1,129.1 billion yen, a decline of 3.8% compared to the first half of fiscal 2009. In Japan, sales of systems integration services, which were adversely affected by corporate spending constraints, were essentially flat. Outside of Japan, sales of infrastructure services declined as a result of reduction and postponements in ICT investments, primarily in Europe and the US.

Operating income was 38.5 billion yen, an improvement of 4.1 billion yen over the first half of fiscal 2009. Despite decreased sales outside Japan, operating income increased as a result of the impact of a decrease in retirement benefit expenses as well as progress in reducing costs and achieving greater efficiencies.

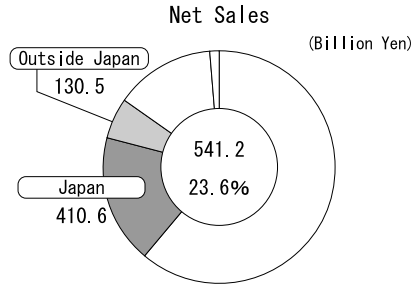
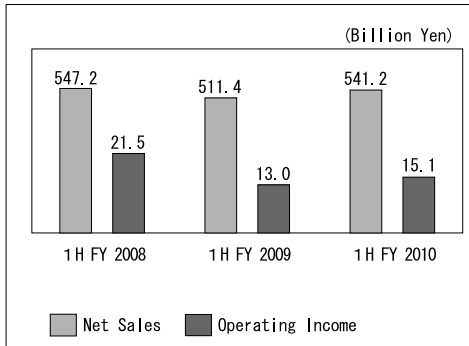
(2) System Platforms

In the System Platforms sub-segment, with a target of selling 500,000 x86 servers worldwide in fiscal 2012, Fujitsu focused on developing highly reliable products as platforms for cloud computing and on expanding its sales globally.

Sales in the System Platforms sub-segment were 271.6 billion yen, an increase of 4.3% compared to the first half of the previous fiscal year. In Japan, in addition to higher sales of server-related products, sales of network products increased. Outside of Japan, sales of optical transmission systems in the US increased.

Operating income was 17.8 billion yen, an improvement of 20.9 billion yen over the first half of fiscal 2009, as a result of the impact of higher sales of network products, such as routers and optical transmission systems, as well as progress in reducing costs and achieving greater efficiencies.

Ubiquitous Solutions



※1 Net Sales include intersegment sales.
 ※2 In accordance with the change in Business Segments, the figures for previous fiscal years have been reclassified for comparison purposes.

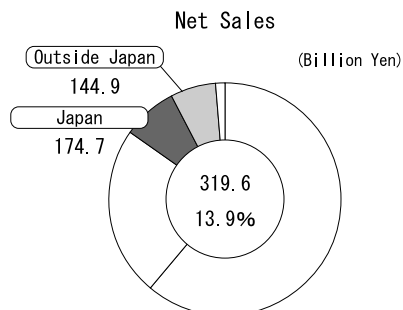
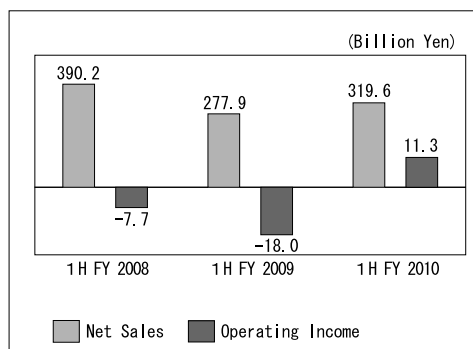
The Ubiquitous Solutions segment is comprised of PCs and mobile phones as well as mobilewear, such as car audio and navigation systems.

In the first half, Fujitsu renewed its lineup of PCs, launching new models with 3D video graphics functions. In the area of mobile phones, Fujitsu expanded sales by launching sophisticated products with superior quality. In October of this year, Fujitsu integrated the mobile phone business of Toshiba Corporation into the Fujitsu Group. By enhancing the respective mobile phone know-how and technology of both companies, the Fujitsu Group will develop highly competitive products to the smartphones and other mobile products. In mobilewear, Fujitsu focused on bringing together a variety of ICT to develop products with superior security and environmentally friendly features.

Net sales in the Ubiquitous Solutions segment for the first half of fiscal 2010 were 541.2 billion yen, an increase of 5.8% compared to the first half of the previous fiscal year. Although sales of PCs outside of Japan declined as a result of corporate spending constraints, overall sales increased as a result of higher sales in Japan of PCs, mobile phones, and mobilewear.

Operating income was 15.1 billion yen, and increase of 2.0 billion yen compared to the same period in the prior fiscal year. Despite lower prices for PCs and higher development expenses for mobile phones, operating income increased as a result of progress in reducing costs as well as higher sales of car audio and navigation systems.

Device Solutions



※1 Net Sales include intersegment sales.
※2 In accordance with the change in Business Segments, the figures for previous fiscal years have been reclassified for comparison purposes.

The Device Solutions segment consists of LSI devices used in digital home appliances, automobiles, mobile phones and servers, as well as electronic components, such as semiconductor packages.

In the first half, while realigning production facilities, improving efficiencies in administrative operations, and achieving other cost reductions, Fujitsu focused its managerial resources on the core application areas of mobile/ecological, automotive, advanced imaging, and high-performance and made progress in developing new products in these areas.

Net sales in the Device Solutions segment for the first half of fiscal 2010 were 319.6 billion yen, an increase of 15.0% compared to the first half of the previous fiscal year. In Japan, in addition to strong demand for LSI devices, primarily for automobile- and server-related applications, sales of electronic components increased, particularly in Fujitsu's battery operations. Outside of Japan, sales increased, especially to markets in Asia and the Americas, and a nickel hydride battery business acquired in January 2010 also contributed to sales.

Operating income was 11.3 billion yen, and increase of 29.3 billion yen compared to the same period in the prior fiscal year. In addition to the impact of higher sales of LSI devices and electronic components, profitability significantly improved as a result of lower fixed overhead costs in the LSI device business, enabled by realigning production facilities and improving efficiencies in administrative operations.

Stock (As of September 30, 2010)

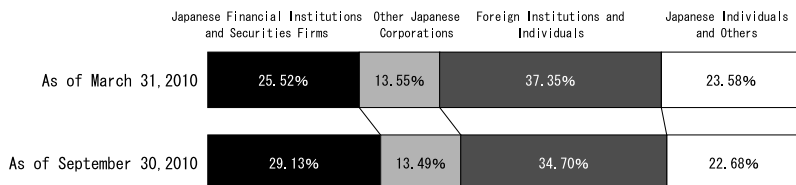
- Number of Authorized Shares: 5,000,000,000
- Number of Outstanding Shares: 2,070,018,213
- Stated Capital: ¥324,625,075,685
- Number of Shareholders: 193,457 (7,535 decrease from the end of FY2009)
- Principal Shareholders

Name	Shareholder's investment in Fujitsu Limited	
	Number of shares held (thousands)	Percentage of shares held (%)
The Master Trust Bank of Japan, Ltd. (for trust)	124,916	6.04
Fuji Electric Systems Co., Ltd.	114,623	5.54
Japan Trustee Services Bank, Ltd. (for trust)	112,958	5.46
Fuji Electric Holdings Co., Ltd.	95,957	4.64
State Street Bank and Trust Company	94,984	4.59
Japan Trustee Services Bank, Ltd. (for trust 9)	46,479	2.25
Asahi Mutual Life Insurance Company	41,389	2.00
Fujitsu Employee Shareholding Association	35,679	1.72
Mizuho Corporate Bank, Ltd.	32,654	1.58
SSBT OD05 OMNIBUS ACCOUNT-TREATY CLIENTS	31,523	1.52

Note:

Of the shares held by Fuji Electric Systems Co., Ltd., Fuji Electric Holdings Co., Ltd. and Mizuho Corporate Bank, Ltd., include trust properties that are trusted to Mizuho Trust & Banking Co., Ltd. and re-trusted to Trust & Custody Services Bank, Ltd. as retirement benefit trust assets.

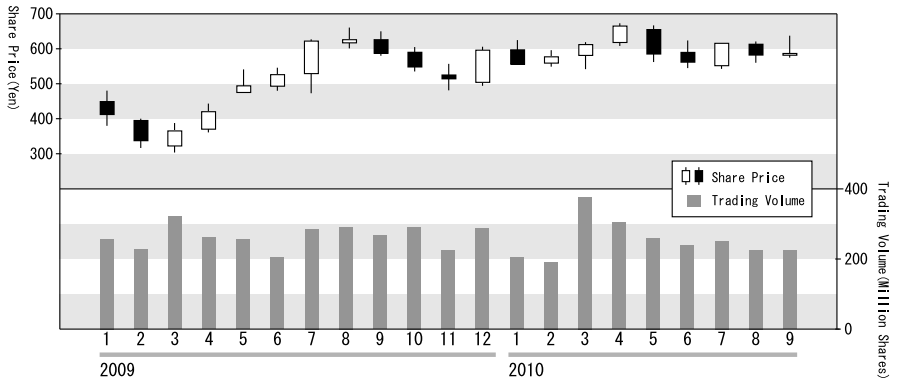
• Equity Shareholdings by Type of Shareholder



※ The 119,112 thousand shares of Fujitsu Limited stock held by Fuji Electric Holdings Co., Ltd. and its consolidated subsidiaries as retirement benefit trust assets are categorized under the shareholdings of "Other Japanese Corporations".

(TRANSLATION FOR REFERENCE ONLY)

• Changes in the Price of Fujitsu Limited's Shares (January 2009 to September 2010)



Members of the Board and Auditors (As of September 30, 2010)

<i>Position</i>	<i>Name</i>
Chairman and Representative Director	Michiyoshi Mazuka
President and Representative Director	Masami Yamamoto
Corporate Senior Executive Vice President and Director	Kazuo Ishida
	Masami Fujita
Corporate Executive Vice President and Director	Kazuhiko Kato
	Masahiro Koezuka
Director	Hiroshi Oura
Outside Director	Haruo Ito
	Yoko Ishikura
	Ryosei Kokubun

<i>Position</i>	<i>Name</i>
Standing Auditor	Masamichi Ogura
	Makoto Umemura
Outside Auditor	Tamiki Ishihara
	Megumi Yamamuro
	Hiroshi Mitani

Notes:

1. Mr. Haruo Ito, Ms. Yoko Ishikura and Mr. Ryosei Kokubun are Outside Directors under Clause 15, Article 2 of the Company Law.
2. Mr. Tamiki Ishihara, Mr. Megumi Yamamuro and Mr. Hiroshi Mitani are Outside Auditors under Clause 16, Article 2 of the Company Law.

(Reference) Corporate Executive Officers (As of September 30, 2010)

<i>Position</i>	<i>Name</i>	<i>Areas of responsibility</i>
President	Masami Yamamoto	
Corporate Senior Executive Vice President	Richard Christou	Principal responsibility for Business Outside Japan
	Kazuo Ishida	Principal responsibility for ICT Services Business
	Masami Fujita	Principal responsibility for Corporate Affairs
	Hideyuki Saso	Principal responsibility for Products Business
	Kenji Ikegai	Principal responsibility for Industry Solutions Business
Corporate Executive Vice President	Kazuhiko Kato	CFO (Chief Financial Officer)
	Masahiro Koezuka	CSO (Chief Strategy Officer)

(TRANSLATION FOR REFERENCE ONLY)

Condensed Consolidated Interim Financial Statements (Unaudited)

Condensed Consolidated Balance Sheet

	<i>Yen (Millions)</i>	
	<i>September 30</i>	<i>March 31</i>
	<i>2010</i>	<i>2010</i>
Assets		
Current assets:		
Cash and time deposits, marketable securities	¥ 320,221	427,960
Notes and accounts receivable, trade	768,871	921,349
Inventories	373,012	322,301
Other current assets	183,286	200,370
Total current assets	1,645,390	1,871,980
Non-current assets:		
Property, plant and equipment, net of accumulated depreciation	644,524	662,735
Intangible assets	255,340	279,213
Other non-current assets	369,145	414,123
Total non-current assets	1,269,009	1,356,071
Total assets	2,914,399	3,228,051
Liabilities and net assets		
Liabilities		
Current liabilities:		
Notes and accounts payable, trade	542,645	626,986
Short-term borrowings and current portion of long-term debt	228,236	220,457
Other current liabilities	627,960	712,610
Total current liabilities	1,398,841	1,560,053
Long-term liabilities:		
Bonds payable, long-term borrowings	257,773	356,986
Other long-term liabilities	332,522	362,639
Total long-term liabilities	590,295	719,625
Total liabilities	1,989,136	2,279,678
Net assets		
Shareholders' equity:		
Common stock	324,625	324,625
Capital surplus	236,437	235,985
Retained earnings	317,472	307,964
Treasury stock	(143)	(2,723)
Total shareholders' equity	878,391	865,851
Valuation and translation adjustments	(89,574)	(67,189)
Subscription rights to shares	76	53
Minority interests	136,370	149,658
Total net assets	925,263	948,373
Total liabilities and net assets	¥ 2,914,399	3,228,051

Note:

The condensed consolidated balance sheet and condensed consolidated statements of operations are prepared based on Terms, Forms and Preparation Methods of Quarterly Consolidated Financial Statements (Cabinet Office Ordinance No.64, August 10, 2007) and represent summaries of the consolidated balance sheet at the end of the first half of fiscal 2010 and the consolidated statements of operations for the first half.

Condensed Consolidated Statements of Operations

	<i>Yen</i>	
	<i>(Millions)</i>	
	<i>1st Half FY2010 (4/1/10~9/30/10)</i>	<i>1st Half FY2009 (4/1/09~9/30/09)</i>
Net sales	¥ 2,147,452	2,186,622
Cost of sales	<u>1,545,885</u>	<u>1,627,095</u>
Gross profit	601,567	559,527
Selling, general and administrative expenses	<u>554,407</u>	<u>577,773</u>
Operating income (loss)	47,160	(18,246)
Other income:		
Interest income	1,683	2,229
Dividend income	2,530	3,124
Equity in earnings of affiliates, net	2,255	1,684
Gain on sales of investment securities	8,164	89,573
Gain on negative goodwill	1,140	-
Others	<u>5,776</u>	<u>5,631</u>
Total other income	<u>21,548</u>	<u>102,241</u>
Other expenses:		
Interest expense	6,622	8,143
Loss on foreign exchange, net	10,233	5,261
Loss on disposal of property, plant and equipment and intangible assets	3,503	1,493
Loss on adjustment for changes of accounting standard for asset retirement obligation	4,113	-
Impairment loss	1,250	-
Business restructuring expenses	-	24,116
Others	<u>7,632</u>	<u>9,266</u>
Total other expenses	<u>33,353</u>	<u>48,279</u>
Income before income taxes and minority interests	35,355	35,716
Income taxes:		
Current	10,805	9,873
Deferred	<u>3,144</u>	<u>(15,432)</u>
Total Income taxes	13,949	(5,559)
Income before minority interests	21,406	41,275
Minority interests	2,317	(1,980)
Net income	¥ <u>19,089</u>	<u>43,255</u>

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Corporate Data

Corporate Name: FUJITSU LIMITED
Registered at: 4-1-1 Kamikodanaka, Nakahara-ku, Kawasaki-shi,
Kanagawa 211-8588, Japan
Corporate Headquarters: Shiodome City Center, 1-5-2 Higashi-Shimbashi,
Minato-ku, Tokyo 105-7123, Japan
Established and Registered on: June 20, 1935
Stock Exchange Listings: Tokyo, Osaka, Nagoya, and London
Home Page Address: www.fujitsu.com

Fujitsu's web site offers not only this report but also the latest annual report and financial results.

English <http://www.fujitsu.com/global/about/ir/>

Japanese <http://pr.fujitsu.com/jp/ir/>