

TRANSLATION



Interim Report
on
First-half FY 2005 Financial Results
(Six months ended September 30, 2005)

FUJITSU LIMITED

Note:

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

To Our Shareholders

It is with great pleasure that we present this interim report for our 106th business period. The report covers financial results for the first half of fiscal 2005, the half-year period ending September 30, 2005.

While soaring crude oil prices and rising interest rates in the United States were a cause for concern, the impact of such factors was limited and, as a whole, the business environment in which we operate gradually continued to improve during this period. In Japan, thanks to a gradual recovery in consumer demand resulting from improvements in the labor market and increased capital investments reflecting improved corporate profits, economic conditions continued to be characterized by mild recovery.

Against this backdrop, on a consolidated basis the Fujitsu Group recorded net sales of ¥2,192.3 billion, operating income of ¥47.5 billion and net income of ¥7.6 billion for the half-year period. Both operating income and net income exceeded our projections issued at the start of the fiscal year.

On an unconsolidated basis, we had net sales of ¥1,308.4 billion, an operating loss of ¥12.6 billion and net income of ¥15.1 billion, all of which were better than our projections issued at the beginning of the year.

A mid-year dividend in the amount of ¥3 per share will be issued to shareholders from December 5.

Information technology has moved beyond the realm of business and come to permeate nearly every aspect of our daily lives, rapidly expanding convenience and bringing us closer to a world of ubiquitous networking in which people can connect with anyone, anywhere and at any time. At the same time, the importance of IT to our customers' businesses has increased dramatically. When selecting a vendor to build and deploy their IT systems, customers require not simply a supplier of goods and services but rather a true partner with the ability to propose and implement solutions encompassing the entire IT system lifecycle.

Our mission is as follows:

Fujitsu continually seeks to create new value by providing customers with comprehensive solutions comprising highly reliable high-performance products and services based on powerful technologies. Through this, we aim to grow, realize profits and foster mutually beneficial relationships in our communities worldwide.

Based on a thorough understanding of the environments in which our customers operate and the overall nature of their operations, we create and deploy IT solutions that contribute to the growth and development of their businesses. In so doing, as a trusted business partner to our customers, we seek to grow as they grow.

We ask you, our valued shareholders, for your continued support and understanding.

December 2005

Naoyuki Akikusa, Chairman (left)
Hiroaki Kurokawa, President (right)

Operating Condition of the Fujitsu Group**Overall Situation**

Comparison of First-Half FY 2005 Results and Initial Plan			(Billion Yen)
	<i>IH FY05 Projections at Start of Fiscal Year</i>	<i>IH FY05 Results</i>	<i>Divergence</i>
Net Sales	2,200.0	2,192.3	-7.6 [-0.3%]
Operating Income	15.0	47.5	+32.5
Ordinary Profit (Loss)	(30.0)	15.8	+45.8
Net Income (Loss)	(30.0)	7.6	+37.6

Although global IT investment has been gradually increasing in fiscal 2005, a strong domestic recovery has not emerged. In view of further downward pressure on service and product prices and intensifying competition, we expect a generally difficult operating environment to continue.

Anticipating this sort of operating environment, we set a plan at the beginning of the year in the pursuit of earnings capacity that would enable us to achieve steady profitable growth.

Against this plan, actual first-half operating income surpassed our initial projection, reflecting such factors as increased demand for optical transmission systems in North America and mobile phone base station systems, improved profitability in our systems integration, outsourcing services, electronic components and other businesses, as well as further progress in realizing cost reductions and greater efficiency in expenses.

Likewise, ordinary profit and net income surpassed initial projections, owing greatly to the improvement in operating income.

Year-on-Year Comparison of First-Half Results			(Billion Yen)
	<i>IH FY04</i>	<i>IH FY05</i>	<i>Change</i>
Net Sales	2,220.0	2,192.3	-27.7 [-1.2%]
Operating Income	33.2	47.5	+14.2
Ordinary Profit	4.0	15.8	+11.8
Net Income (Loss)	(8.1)	7.6	+15.8

First-half consolidated net sales edged down to ¥2,192.3 billion, a 1.2% year-on-year decline, reflecting increased sales of optical transmission systems in North America, hard disk drives (HDDs), and outsourcing services in the United Kingdom, offset by such factors as the impact of the transfer of our plasma display panel (PDP) and liquid crystal display (LCD) businesses and intensified competition in personal computers.

We recorded consolidated operating income of ¥47.5 billion for the period, a ¥14.2 billion year-on-year increase. This was attributable mainly to improved profitability in our systems integration business and increased demand for optical transmission systems and HDDs, and despite lower profitability in our LSI devices business.

Consolidated ordinary profit for the period was ¥15.8 billion, an ¥11.8 billion year-on-year increase, principally due to a decline in non-operating expenses; and consolidated net income was ¥7.6 billion, up ¥15.8 billion from the net loss posted in the first half of fiscal 2004, reflecting factors including a settlement gain related to reconciliation of HDD litigation.

Review by Business Segment

Technology Solutions

The Technology Solutions segment, which integrates the former Software & Services segment with parts of the former Platforms segment, comprises products and services primarily for corporate and public-sector customers. First-half sales in this segment were ¥1,344.0 billion, a 2.3% year-on-year increase, and operating income was ¥42.9 billion, up ¥24.0 billion.

(1) System Platforms

In the System Platforms sub-segment of Technology Solutions, covering the large computer and network systems that form the foundation for our IT services, we continued efforts to improve quality and drive down costs at all stages and across our development, manufacturing and sales divisions.

In addition to the global rollout of our TRIOLE strategy for IT optimization and overseas sales expansion efforts for UNIX and other server products, in April we launched worldwide sales of our new mission-critical IA server.

As a result, server business sales in the first half increased overseas but were down slightly in Japan. Meanwhile, sales were up in the optical transmission systems market that headed for recovery, and so overall sales in the System Platforms sub-segment increased.

Despite the impact of higher earnings in optical transmission systems and other areas, due to intensifying competition operating income in System Platforms remained roughly flat compared with the first half of the prior fiscal year.

(2) Services

In the Services sub-segment of Technology Solutions, which includes systems integration and outsourcing services, our ongoing efforts since fiscal 2004 to fortify our risk management structure have been proving effective in controlling loss-generating projects. During the first half, we worked to standardize our sales and systems engineering business processes, as well as bolstered our systems integration assurance function to carry out risk management from the initial business discussion stage through project completion. These measures have served to solidify project risk management and improve profitability.

Although during this period there was no business related to financial terminals for handling of new Japanese banknotes, as there had been in the first half of fiscal 2004, continuing outsourcing business wins by our subsidiary in the United Kingdom contributed to increased revenue in the Services sub-segment. Excluding the impact of applying the percentage of completion method, sales were roughly at the same level as the first half of last year.

Operating income in the Services sub-segment increased. This was attributable in part to a major decrease in losses relating to loss-generating projects from the first half of fiscal 2004, as well as the impact from higher earnings by our subsidiary in the UK, cost reductions and streamlining of expenses.

Ubiquitous Product Solutions

The Ubiquitous Product Solutions segment comprises products such as PCs, mobile phones and HDDs for individual customers.

During the first half PC unit shipments grew and overseas sales of PCs increased. However, intensified competition in Japan led to lower sales domestically. At the same time, demand for our high-quality HDDs continued to grow, especially overseas. In addition, sales of our mobile phones based on universal design concepts expanded. As a result, first-half sales in the Ubiquitous Product Solutions segment were ¥498.4 billion, a 3.5% year-on-year increase.

First-half operating income for the segment was ¥16.6 billion, up ¥13.1 billion over the same period a year before. Although sales of PCs declined due to intensified competition in Japan, this

impact was offset by continued progress in reducing component costs, resulting in operating income for PCs on par with the first half of last year. This, together with the contribution to profits from higher mobile phone and HDD sales, as well as cost efficiencies generated by our manufacturing innovation initiatives, led to the overall rise in profitability for the segment.

Device Solutions

The Device Solutions segment comprises logic LSI devices and related electronic components and other products that are used in outside customers' digital consumer electronics products and mobile phones, as well as in our own servers and other products.

In this segment, we transferred our PDP business to Hitachi, Ltd. at the end of fiscal 2004 and our LCD business to Sharp Corporation during the first half of this fiscal year, thereby advancing the concentration of our resources in the logic LSI area.

In addition, to expand our semiconductor business in advanced technology products, we began operation of a new production facility at our Mie Plant in April and commenced volume shipments in September.

First-half sales in the Device Solutions segment declined 21.2% over the same period last year, to ¥336.0 billion. In addition to reduced sales owing to the impact of the transfer of the PDP and LCD businesses, sales of Flash memory devices also declined, primarily as a result of intensified competition in the markets for mobile phones and digital consumer electronics products.

However, if the impact of the PDP and LCD business transfers is excluded, sales for the Device Solutions segment were down 8.9%.

Operating income for the segment was ¥14.4 billion, a ¥20.0 billion year-on-year decrease. Although profits at components subsidiaries increased, this was offset by such factors as the impact of sales declines, as well as depreciation expense of the new semiconductor fabrication facility at our Mie Plant.

Key Challenges Ahead

In fiscal 2004, we articulated and began pursuing four key challenges facing the Fujitsu Group: to strengthen our existing businesses, to create and cultivate new businesses, to reform our organization and approach, and to reform our management systems. Since then, the entire group has pulled together to address these challenges, and we are redoubling and accelerating our efforts in these areas in fiscal 2005.

(1) Strengthening our existing businesses

We are working to raise quality, lower costs and increase speed in every aspect of our operations, including design, development, production and sales. In our production operations, we are continuing to pursue company-wide manufacturing innovation. In our contract software development operations, through such measures as the application from the beginning of this fiscal year of the percentage of completion method, we are making vigorous efforts to closely track and control project planning, progress and risk. Moreover, along with working to speed up software development, we are continuing initiatives such as the rigorous standardization of business processes for sales and systems engineering in order to strengthen our systems integration business.

We are also working to boost the competitiveness of our server, storage, middleware and other products, and are engaged in a company-wide sales promotion effort for these products. In regard to our TRIOLE strategy for IT infrastructure optimization, we established a new company in Japan responsible for support of related software products and service operations in an effort to speed up the expansion of this business. As a complement to this, we plan to further expand businesses that we believe have strong growth potential going forward, such as product life cycle management (LCM) and outsourcing services.

(2) Creating and cultivating new businesses

IT has traditionally been used mainly for back office corporate management operations. We are convinced, however, that the domains where IT use will grow in the future are the front lines where the movement of people and goods takes place. We will therefore place particular emphasis on helping to bring about IT-enabled innovation at these frontline operations. More specifically, we will help customers achieve greater efficiency through the deployment of IT at the front lines of such fields as manufacturing and retailing as well as R&D and sales. We will also work to foster greater dynamism, security, enjoyment and convenience in daily life through the application of IT at the front lines of such fields as travel, medical treatment, nursing care, and education.

In addition, we are actively working to grow our business around the world, including aggressive efforts to expand overseas sales of the new PRIMEQUEST series of mission-critical IA servers, which we launched in April of this year.

In the electronic devices area, in September of this year we began volume shipments of logic chips produced at our 300-mm wafer fab using leading-edge 90- and 65-nm process technologies. Aiming to recover our investment at an early date, we will work to strengthen this business going forward.

(3) Reforming our organization and approach

To provide speedier service to customers and seamless support over the entire IT system life cycle, we have been eliminating redundancy and internal competition in our operations and functions and realigning our organization. In July of this year we merged five development subsidiaries into Fujitsu Limited, thereby concentrating our capabilities in software and networking technologies, as well as product development and overall expertise. Through this and other measures, we have been making steady progress in building an organizational structure that will enable us to maximize the group's R&D potential. Going forward, while working to realize benefits from these initiatives, we will continue to reform our organization, strengthening connections with and among our group companies.

We will also continually review and revise our business portfolio as necessary.

(4) Reforming our management systems

Based on the mission, values and code of conduct set forth in *The FUJITSU Way*, we will continue to emphasize sustainability in the management of our business. We will also strive to improve our internal business processes and strengthen our internal control functions. In addition, to make the most of our human resources, we will enhance our internal training and education programs.

We will work unceasingly to meet these challenges, serve as a trusted partner to our customers, and pursue further reforms as global company that contributes to the creation of a rich and dynamic networked economy and earns the trust of our customers and society at large.

Summary of Consolidated Results

(billions of yen except per share data and number of employees)

	<i>1st Half FY2003</i>	<i>FY2003</i>	<i>1st Half FY2004</i>	<i>FY2004</i>	<i>1st Half FY2005</i>
Net Sales	¥2,141.9	¥4,766.8	¥2,220.0	¥4,762.7	¥2,192.3
Overseas Total (included in Net Sales)	649.4	1,388.6	681.9	1,422.0	722.4
Operating Income (loss)	(17.9)	150.3	33.2	160.1	47.5
Ordinary Profit (loss)	(67.7)	49.7	4.0	89.0	15.8
Net Income (loss)	(58.5)	49.7	(8.1)	31.9	7.6
Net Income (loss) per Share [Yen]	¥(29.28)	¥24.55	¥(4.08)	¥15.42	¥3.71
Total Assets	3,740.4	3,865.5	3,561.4	3,640.1	3,611.9
Shareholders' Equity	649.8	827.1	803.0	856.9	819.0
Shareholders' Equity per Share [Yen]	¥324.87	¥413.22	¥401.49	¥414.18	¥396.08
Number of Employees	155,257	156,169	152,859	150,970	152,590

Notes:

1. Net income (loss) per share is calculated based on the weighted average number of shares of common stock outstanding during each period.
2. Shareholders' equity per share is calculated based on the number of shares of common stock outstanding at the end of each period.
3. "Net income (loss) per share" and "shareholders' equity per share" are calculated in accordance with the "Accounting Standard for Net Income Per Share" (Corporate Accounting Standard No. 2) and the "Corporate Accounting Standard Applicable Guideline for Net Income Per Share" (Corporate Accounting Standard Applicable Guideline No. 4).

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		(billions of yen)				
		<i>1st Half</i> <i>FY2003</i>	<i>FY2003</i>	<i>1st Half</i> <i>FY2004</i>	<i>FY2004</i>	<i>1st Half</i> <i>FY2005</i>
Technology Solutions	Net sales					
	Unaffiliated customers	¥1,221.0	¥2,847.7	¥1,278.5	¥2,860.3	¥1,305.2
	Intersegment	47.7	80.5	35.3	74.0	38.8
	Total	¥1,268.8	¥2,928.3	¥1,313.8	¥2,934.4	¥1,344.0
	Operating income (loss)	(¥7.5)	¥139.0	¥18.8	¥142.0	¥42.9
[As % of sales]	[-0.6%]	[4.7%]	[1.4%]	[4.8%]	[3.2%]	
Ubiquitous Product Solutions	Net sales					
	Unaffiliated customers	¥402.2	¥834.2	¥416.6	¥899.0	¥434.3
	Intersegment	47.0	114.2	64.9	132.4	64.0
	Total	¥449.2	¥948.4	¥481.6	¥1,031.4	¥498.4
	Operating income (loss)	¥17.4	¥31.9	¥3.4	¥31.3	¥16.6
[As % of sales]	[3.9%]	[3.4%]	[0.7%]	[3.0%]	[3.3%]	
Device Solutions	Net sales					
	Unaffiliated customers	¥334.7	¥734.3	¥393.5	¥733.8	¥311.9
	Intersegment	33.0	70.3	32.6	60.9	24.0
	Total	¥367.7	¥804.6	¥426.1	¥794.7	¥336.0
	Operating income (loss)	¥(1.2)	¥27.5	¥34.5	¥32.5	¥14.4
[As % of sales]	[-0.3%]	[3.4%]	[8.1%]	[4.1%]	[4.3%]	
Financing	Net sales					
	Unaffiliated customers	¥50.3	¥50.3	—	—	—
	Intersegment	4.0	4.0	—	—	—
	Total	¥54.4	¥54.4	—	—	—
	Operating income (loss)	¥2.0	¥2.0	—	—	—
[As % of sales]	[3.7%]	[3.7%]	—	—	—	
Other Operations	Net sales					
	Unaffiliated customers	¥133.5	¥300.1	¥131.3	¥269.5	¥140.7
	Intersegment	50.4	111.5	54.2	107.6	70.0
	Total	¥183.9	¥411.6	¥185.5	¥377.2	¥210.8
	Operating income (loss)	¥2.3	¥10.3	¥3.6	¥9.0	¥2.0
[As % of sales]	[1.3%]	[2.5%]	[2.0%]	[2.4%]	[1.0%]	
Elimination	Net sales	¥(182.2)	¥(380.7)	¥(187.2)	¥(375.0)	¥(197.0)
	Operating income (loss)	¥(31.0)	¥(60.5)	¥(27.2)	¥(54.8)	¥(28.5)
Total	Net sales					
	Unaffiliated customers	¥2,141.9	¥4,766.8	¥2,220.0	¥4,762.7	¥2,192.3
	Intersegment	—	—	—	—	—
	Total	¥2,141.9	¥4,766.8	¥2,220.0	¥4,762.7	¥2,192.3
	Operating income (loss)	¥(17.9)	¥150.3	¥33.2	¥160.1	¥47.5
[As % of sales]	[-0.8%]	[3.2%]	[1.5%]	[3.4%]	[2.2%]	

Note:

For purposes of comparison, figures for fiscal years 2003 and 2004 have been restated to reflect composition for respective business segments in 1st Half FY2005.

Summary of Unconsolidated Results

(billions of Yen except per share data and number of employees)

	<i>1st Half FY2003</i>	<i>FY2003</i>	<i>1st Half FY2004</i>	<i>FY2004</i>	<i>1st Half FY2005</i>
Net Sales	¥1,207.5	¥2,788.5	¥1,295.7	¥2846.2	¥1,308.4
Operating Income (loss)	(44.0)	32.9	(23.6)	30.6	(12.6)
Ordinary Profit (loss)	(19.2)	38.3	(25.8)	31.6	14.3
Net Income (loss)	18.7	17.0	(12.1)	(39.8)	15.1
Net Income (loss) per Share [Yen]	¥9.35	¥8.49	¥(6.06)	¥(19.59)	¥7.31
Cash Dividends Per Share [Yen]	0.00	3.00	3.00	3.00	3.00
Total Assets	2,820.0	3,022.9	2,815.7	2,944.2	2,745.1
Shareholders' Equity	801.7	934.6	897.5	854.3	905.7
Shareholders' Equity Per Share [Yen]	¥400.81	¥467.18	¥448.76	¥413.15	¥437.97
Number of Employees	34,917	34,836	34,414	33,792	37,006

Notes:

1. Net income (loss) per share is calculated on weight average number of shares common stock outstanding during each period.
2. Shareholders' equity per share is calculated based on the number of shares of common stock outstanding at the end of each period.
3. "Net income (loss) per share" and "shareholders' equity per share" are calculated in accordance with the "Accounting Standard for Net Income Per Share" (Corporate Accounting Standard No. 2) and the "Corporate Accounting Standard Applicable Guideline for Net Income Per Share" (Corporate Accounting Standard Applicable Guideline No. 4).

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Major Business

Fujitsu and its subsidiaries are involved in the business of providing comprehensive IT solutions comprising high quality electronic devices and products, and various related services, all based on powerful technologies that are leading-edge and outstanding in terms of both performance and quality. The main products and services in each of our business segments are listed in the table below.

<i>Segment</i>	<i>Main products and services</i>
Technology Solutions	Servers (mainframes, UNIX servers, IA servers) Storage systems Software(OS, middleware) Network control system Optical transmission systems Mobile systems Consulting Systems integration services(system construction) Outsourcing services(comprehensive management of information systems) Network services(provision of network environment for information systems as well as various network services) System support services(information system and network maintenance and monitoring services) Information systems infrastructure construction and network construction Custom terminal installation(ATMs, POS systems)
Ubiquitous Product Solutions	Personal computers Mobile phones Hard disk drives (compact magnetic drives) Magneto-optical drives Optical modules
Device Solutions	LSI Devices (logic LSI, Flash memory) Electronic Components(semiconductor packages, SAW devices) Relays, Connectors, etc.
Other Operations	Audio and navigation equipment Electronic equipment for automobile control Printed circuit boards
Consolidated Subsidiaries	404 companies
Affiliates (using the equity method)	34 companies

Stock (As of September 30, 2005)

- Number of Authorized Shares: 5,000,000,000
- Number of Outstanding Shares: 2,070,018,213
- Stated Capital: ¥324,625,075,685
- Shares Issued (from Apr. 1, 2005 to Sept. 30, 2005) : There was no issuance of shares during the current interim period.
- Acquisition, retirement and holdings of treasury stock

Shares acquired	241,236 ordinary shares	Total amount: ¥152,138thousand
Shares retired	352,944 ordinary shares	Total amount: ¥34,983thousand
Shares held as of Sept. 30, 2005	2,081,564 ordinary shares	

Notes:

1. The above treasury stocks acquired were done through the repurchase of odd-lot shares.
2. Of the shares retired above, the treasury stock for which the Company responded to the shareholders' requests for further buying of odd-lot shares was 17,318 shares and substitutive treasury stock used for the stock swap with FUJITSU I-NETWORK SYSTEMS was 335,626 shares.
- Number of Shareholders: 240,740 (10,190 decrease from the end of fiscal 2004)

• Principal Shareholders

<i>Name</i>	<i>Number of shares held (thousands)</i>	<i>Percentage of Shares held (%)</i>
The Master Trust Bank of Japan, Ltd. (for trust)	182,004	8.79 %
Japan Trustee Services Bank, Ltd. (for trust)	105,859	5.11
Fuji Electric Holdings Co., Ltd.	94,663	4.57
Fuji Electric Systems Co., Ltd.	64,908	3.14
The Chase Manhattan Bank, N.A. London	50,744	2.45
Asahi Mutual Life Insurance Company	40,299	1.95
Fuji Electric FA Components & Systems Co., Ltd.	36,886	1.78
State Street Bank and Trust Company	36,623	1.77
Mizuho Corporate Bank, Ltd.	32,654	1.58
State Street Bank and Trust Company 505103	30,675	1.48

Notes

1. The Shares held By The Master Trust Bank of Japan, Ltd. (for trust) and Japan Trustee Services Bank, Ltd. (for trust) pertain to trust business by these institutions.
2. Of the shares held by Fuji Electric Holdings Co., Ltd., Fuji Electric Systems Co., Ltd., and Fuji Electric FA Components & Systems Co., Ltd., 1,962 thousand shares, 64,487 thousand shares and 36,506 thousand shares, respectively, are trust assets that are trusted to Mizuho Trust & Banking Co., Ltd., and re-trusted to Trust & Custody Services Bank, Ltd., as retirement benefit trust assets. The voting rights involved in these shares are set forth to be exercised upon order of the respective companies. The Company's shares held by the overall Fuji Electric Group, including the shares above explained, in the form of retirement benefit trust assets are 138,242 thousand shares in total (which accounts for 6.68% of the number of outstanding shares).
3. Of the Company's shares held by the Mizuho Corporate Bank, Ltd., 212 thousand shares are 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. The voting rights involved in these shares are set forth to be exercised upon order of Mizuho Corporate Bank, Ltd.

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Board of Directors (As of September 30, 2005)

Position	Name	Assignment or title
Representative Director	Naoyuki Akikusa	Chairman of the Board
	Hiroaki Kurokawa	
Director	Kunihiko Sawa	President and Representative Director, Fuji Electric Holdings Co., Ltd.
	Hiroshi Oura	Director and Senior Executive Advisor, Advantest Corporation
	Ikujiro Nonaka	Professor of Hitotsubashi University Graduate School of International Corporate Strategy
	Akira Takashima	Vice Chairman of the Board
	Masamichi Ogura	
	Toshihiko Ono	
	Chiaki Ito	
	Michiyoshi Mazuka	
Standing Auditor	Takashi Takaya	
	Hiromasa Inagaki	
Auditor	Yoshiharu Inaba	President and CEO, Fanuc Ltd.
	Tamiki Ishihara	Chairman, Seiwa Sogo Tatemono Co., Ltd.
	Megumi Yamamuro	Professor, University of Tokyo Graduate Schools for Law and Politics

Corporate Executive Officers (As of September 30, 2005)

Section	Name	Position
	Hiroaki Kurokawa	President
	Tetsuo Urano	Corporate Senior Vice President Head of North American Operations
	Kazuhiko Kato	Corporate Vice President Head of President's Office
Corporate Center	Masamichi Ogura	Corporate Executive Vice President Head of Corporate Center
	Haruki Okada	Corporate Senior Vice President President, Procurement Unit
	Shinichi Kuruma	Corporate Vice President Head of Corporate Affairs & Human Resources Unit
	Masanobu Katoh	Corporate Vice President President, Law and Intellectual Property Unit
Solution Business	Michiyoshi Mazuka	Corporate Executive Vice President
Solution Business Support Group	Michiyoshi Mazuka	Corporate Executive Vice President President, Solution Business Support Group
	Kuniaki Nozoe	Corporate Vice President Executive Vice President, Solution Business Support Group
	Tetsuo Urano	Corporate Senior Vice President President, Global Business Group
Global Business Group	Kyung-soo Ahn	Corporate Vice President Executive Vice President, Global Business Group (In charge of Asia Pacific)
	Tsuneaki Ohara	Corporate Vice President In charge of Global Accounts
	Takashi Igarashi	Corporate Senior Vice President President, Industries & Distribution Solution Business Group
Industries & Distribution Solution Business Group	Takashi Aoki	Corporate Vice President In charge of ITS Business
	Shinichi Hasegawa	Corporate Vice President Executive Vice President, Industries & Distribution Solution Business Group

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Section	Name	Position
	Makoto Matsubara	Corporate Vice President In charge of Retail Services & Distribution
Telecom, Utility & Media Industries Business Group	Hideaki Yumiba	Corporate Senior Vice President President, Telecom, Utility & Media Industries Business Group
	Kazuya Wada	Corporate Vice President Executive Vice President, Telecom, Utility & Media Industries Business Group
	Kazuo Miyata	Corporate Vice President Executive Vice President, Telecom, Utility & Media Industries Business Group
	Jirou Sugawara	Corporate Vice President In charge of Telecom Carrier Business
Financial Solution Business Group	Koichi Hironishi	Corporate Senior Vice President President, Financial Solution Business Group
	Yoshifumi Mita	Corporate Vice President Executive Vice President, Financial Solution Business Group (In charge of PROBANK)
Government & Public Solutions Business Group	Hideaki Yumiba	Corporate Senior Vice President President, Government & Public Solutions Business Group
	Yasuaki Ara	Corporate Vice President Executive Vice President, Government & Public Solutions Business Group (In charge of Government & Public, Science and Totalizator Solutions)
	Kiyonobu Ishida	Corporate Vice President (In charge of Health Care, Local Government and Educational Solutions)
Regional Business Group	Hirohisa Yabuuchi	Corporate Senior Vice President President, Regional Business Group
	Yasuo Koike	Corporate Vice President In charge of Tokai and Hokuriku Region
	Takumi Nakamura	Corporate Vice President In charge of Syutoken Region and Partners Business
	Fujio Ohara	Corporate Vice President In charge of Western Japan SE group companies
	Takashi Harima	Corporate Vice President In charge of Eastern Japan SE group companies, Hokkaido and Tohoku Regional Sales
Professional support Business and Service Product Business	Hikomichi Hirata	Corporate Senior Vice President
Professional Support Business Group IT Services Business Group	Hikomichi Hirata	Corporate Vice President President, Professional Support Business Group
	Hikomichi Hirata	Corporate Vice President President, IT Services Business Group
	Yoshihisa Nagano	Corporate Vice President Executive Vice President, IT Services Business Group
	Hideo Sekine	Corporate Vice President President, Systems Support Business Unit
	Kazuo Ishida	Corporate Vice President President, Outsourcing Business Unit
Product Business	Chiaki Ito	Corporate Executive Vice President
System Products Business Group	Yoshiyuki Tanakura	Corporate Senior Vice President President, System Products Business Group
	Hideaki Yumiba	Corporate Senior Vice President Executive Vice President, System Products Business Group (In charge of NTT Business)

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Section	Name	Position	
	Takashi Nakamura	Corporate Vice President Executive Vice President, System Products Business Group (In charge of Networks)	
	Hirosada Tone	Corporate Vice President President, Storage Systems Business Unit	
	Akira Yamanaka	Corporate Vice President President, Server Systems Business Unit	
	Terumi Chikama	Corporate Vice President President, Photonic Systems Business Unit	
	Ubiquitous Products Business Group	Kimihiisa Ito	Corporate Senior Vice President President, Ubiquitous Products Business Group
		Masami Yamamoto	Corporate Vice President President, Personal Systems Business Unit
		Ichiro Komura	Corporate Senior Vice President President, Storage Products Business Unit
	Products Business Operations Group	Chiaki Ito	Corporate Executive Vice President President, Products Business Operations Group
		Kyung-soo Ahn	Corporate Vice President Executive Vice President, Global Business Group
		Junichi Murashima	Corporate Vice President President, Products Business Development and Management Unit
Electronic Devices Business	Toshihiko Ono	Corporate Executive Vice President	
	Nobutake Matsumura	Corporate Vice President Chief Representative for Asia, Electronic Devices Business	
	Shigeru Fujii	Corporate Vice President President, Electronic Devices Business Unit	

Consolidated Interim Financial Statements (Unaudited)**Consolidated Balance Sheet**

	<i>Yen</i> <i>(millions)</i>		<i>Change</i> <i>(Million Yen)</i>
	<i>September 30</i> <i>2005</i>	<i>March 31</i> <i>2005</i>	
Assets			
Current assets:			
Cash and cash equivalents and short-term investments	¥481,973	¥ 457,188	+24,785
Receivables, trade	684,441	824,992	-140,551
Inventories	448,298	478,510	-30,212
Other current assets	208,487	220,847	-12,360
Total current assets	<u>1,823,199</u>	<u>1,981,537</u>	<u>-158,338</u>
Investments and long-term loans	800,457	706,466	+93,991
Property, plant and equipment less accumulated depreciation	770,283	727,900	+42,383
Intangible assets	217,978	224,295	-6,317
Total assets	<u>¥3,611,917</u>	<u>¥ 3,640,198</u>	<u>-28,281</u>
Liabilities, minority interests and shareholders' equity			
Current liabilities:			
Short-term borrowings and current portion of long-term debt	¥335,403	¥ 209,553	+125,850
Payables, trade	609,977	735,981	-126,004
Other current liabilities	524,478	545,983	-21,505
Total current liabilities	<u>1,469,858</u>	<u>1,491,517</u>	<u>-21,659</u>
Long-term liabilities:			
Long-term debt	753,143	873,235	-120,092
Other long-term liabilities	404,107	254,249	+149,858
Total long-term liabilities	<u>1,157,250</u>	<u>1,127,484</u>	<u>+29,766</u>
Minority interests	<u>165,747</u>	<u>164,207</u>	<u>+1,540</u>
Shareholders' equity:			
Common stock	324,625	324,625	—
Capital surplus	498,013	497,882	+131
Retained earnings (Deficit)	(92,281)	(7,823)	-84,458
Unrealized gains on securities and revaluation surplus on land	143,896	101,529	+42,367
Foreign currency translation adjustments	(53,997)	(57,980)	+3,983
Treasury stock	(1,194)	(1,243)	+49
Total shareholders' equity	<u>819,062</u>	<u>856,990</u>	<u>-37,928</u>
Total liabilities, minority interests and shareholders' equity	<u>¥3,611,917</u>	<u>¥ 3,640,198</u>	<u>-28,281</u>

(TRANSLATION FOR REFERENCE ONLY)

Consolidated Statements of Operations

	Yen (millions)		Change (%)
	1 st Half FY2005	1 st Half FY2004	
Net Sales	¥2,192,332	¥2,220,059	-1.2
Operating costs and expenses:			
Cost of sales	1,607,142	1,632,917	-1.6
Selling, general and administrative expenses	537,615	553,857	-2.9
	<u>2,144,757</u>	<u>2,186,774</u>	
Operating income	47,575	33,285	+42.9
Other income (expenses):			
Net interest *	(3,561)	(4,354)	
Equity in earnings of affiliated companies, net	(4,812)	4,524	
Amortization of unrecognized obligation for retirement benefits	(18,082)	(19,695)	
Settlement gain **	15,957	-	
Gain on business transfer***	3,455	-	
Gain on sales of marketable securities	-	2,485	
Restructuring charges ****	(5,474)	(4,599)	
Other, net	(5,224)	(9,733)	
	<u>(17,741)</u>	<u>(31,372)</u>	-
Income before income taxes and minority interests	29,834	1,913	-
Income taxes	17,412	3,680	
Minority interests	(4,756)	(6,394)	
Net income (loss)	<u>¥7,666</u>	<u>¥ (8,161)</u>	-

Notes:

* Net interest consists of interest income, dividend income and interest charges.

** Settlement gain is related to reconciliation of HDD litigation.

*** Gain on business transfer refers to the transfer of LCD panel operations.

**** Restructuring charges are related to expenses for restructuring to improve business profitability and asset efficiency, realignment of business locations, etc.

Unconsolidated Interim Financial Statements (Unaudited)**Unconsolidated Balance Sheet**

	<i>Yen</i> <i>(millions)</i>		<i>Change</i> <i>(million Yen)</i>
	<i>September 30</i> <i>2005</i>	<i>March 31</i> <i>2005</i>	
Assets			
Current assets:			
Cash and cash equivalents and short-term investments	¥282,908	¥337,025	-54,116
Receivables, trade	354,351	498,616	-144,264
Inventories	216,966	202,149	+14,816
Other current assets	185,827	252,238	-66,410
Total current assets	<u>1,040,054</u>	<u>1,290,030</u>	<u>-249,975</u>
Investments and long-term loans	1,236,983	1,196,280	+40,703
Property, plant and equipment less accumulated depreciation	378,876	369,671	+9,204
Intangible assets	89,213	88,309	+904
Total assets	<u>¥2,745,128</u>	<u>¥2,944,291</u>	<u>-199,162</u>
Liabilities and shareholders' equity			
Current liabilities:			
Short-term borrowings and current portion of long-term debt	¥242,095	¥255,495	-13,400
Payables, trade	545,663	653,461	-107,798
Other current liabilities	188,247	226,052	-37,804
Total current liabilities	<u>976,006</u>	<u>1,135,009</u>	<u>-159,003</u>
Long-term liabilities:			
Long-term debt	749,011	856,796	-107,785
Other long-term liabilities	114,407	98,157	+16,250
Total long-term liabilities	<u>863,418</u>	<u>954,953</u>	<u>-91,534</u>
Shareholders' equity:			
Common stock	324,625	324,625	-
Capital surplus	418,159	418,142	+17
Retained earnings	25,238	15,919	+9,318
Unrealized gains on securities	138,875	96,885	+41,990
Treasury stock	(1,194)	(1,243)	+48
Total shareholders' equity	<u>905,704</u>	<u>854,328</u>	<u>+51,375</u>
Total liabilities and shareholders' equity	<u>¥2,745,128</u>	<u>¥2,944,291</u>	<u>-199,162</u>

(TRANSLATION FOR REFERENCE ONLY)

Unconsolidated Statements of Operations

	Yen (millions)		Change (%)
	1 st Half FY2005	1 st Half FY2004	
Net Sales	¥1,308,410	¥1,295,790	-1.0
Operating costs and expenses:			
Cost of sales	1,011,413	994,437	+1.7
Selling, general and administrative expenses	309,645	324,989	-4.7
	<u>1,321,058</u>	<u>1,319,427</u>	
Operating income (loss)	(12,648)	(23,636)	-46.5
Other income (expenses):			
Net interest *	36,345	13,095	
Amortization of unrecognized obligation for retirement benefits	(7,763)	(8,424)	
Settlement gain **	15,956	-	
Gain on sales of marketable securities	-	2,485	
Loss on devaluation of subsidiaries' stock***	(17,031)	(3,063)	
Other, net	<u>(1,626)</u>	<u>(6,927)</u>	
	<u>25,880</u>	<u>(2,834)</u>	
Income (loss) before income taxes	13,231	(26,471)	
Income taxes			
Current	(3,887)	(4,044)	
Deferred	2,000	(10,300)	
	<u>(1,887)</u>	<u>(14,344)</u>	
Net income (loss)	<u>¥15,119</u>	<u>¥(12,126)</u>	

Notes:

- * Net interest consists of interest income, dividend income and interest charges.
- ** Settlement gain is related to reconciliation of HDD litigation.
- *** Loss on devaluation of subsidiaries' stock refers to domestic manufacturing subsidiaries.

Note:

Financial information in this report is based on the separate Japanese version prepared in accordance with generally accepted Japanese accounting principles. Some of the information in the Japanese version has been summarized here for clearer understanding and not all the information has necessarily been translated. This English version may not conform to U.S. or other non-Japanese accounting principles and has not been audited. If you wish to confirm the integrity of the information, please refer to the Japanese version as the definitive document.

Corporate Data

Corporate Name: FUJITSU LIMITED

Registered at: 4-1-1 Kamikodanaka, Nakahara-ku, Kawasaki-shi,
Kanagawa 211-8588, Japan

Cooperate 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, Frankfurt, London, and Swiss

Home Page Address: www.fujitsu.com

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

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