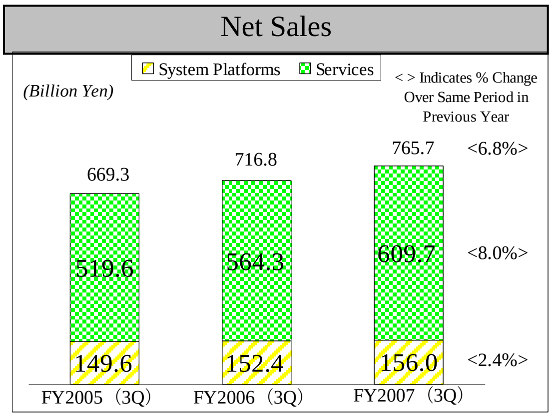
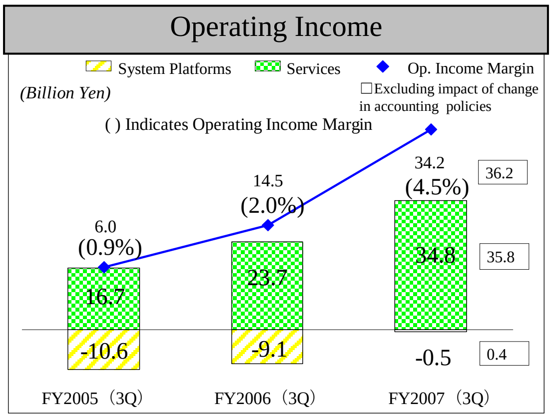
3. Results by Business Segment

Information on consolidated net sales (including intersegment sales) and operating income for the third quarter broken out by business segment is presented below.

Technology Solutions





(Billion Yen)

	Third Quarter FY 2007	% Change from Third Quarter FY 2006	Total from First 9 Months FY 2007	% Change from First 9 Months FY 2006
Net Sales	765.7	6.8%	2,273.2	6.0%
Japan	467.4	5.4%	1,394.8	0.6%
Overseas	298.3	9.2%	878.4	15.8%

	Third Quarter FY 2007	Change from Third Quarter FY 2006	Total from First 9 Months FY 2007	Change from First 9 Months FY 2006
Op. Income	34.2	19.6	73.0	21.9

Third-quarter consolidated net sales in this segment were 765.7 billion yen (US$6,837 million), up 6.8% over last year's third quarter. Sales in Japan rose by 5.4% on continued strength in our Services business, which outweighed lower sales of mobile phone base stations. Sales outside of Japan rose 9.2%. The Services business continued to grow outside Japan through acquisitions and continued strength in existing business. Sales of UNIX servers also increased.

Operating income for the segment was 34.2 billion yen (US$306 million), an increase of 19.6 billion over the same period last year. Excluding the impact of accounting policy changes, operating income was 36.2 billion yen, an increase of 21.6 billion over the prior year. Despite the weight of upfront strategic investments for mobile phone base stations and for optical transmission systems in the UK, operating income in the segment increased because of higher operating leverage as well as cost efficiencies in our server business. For the first nine months of fiscal 2007, operating income was 73.0 billion yen (US$652 million), an increase of 21.9 billion yen over the previous year's period.

(1) System Platforms

(Billion Yen)

	Third Quarter FY 2007	% Change from Third Quarter FY 2006	Total from First 9 Months FY 2007	% Change from First 9 Months FY 2006
Net Sales	156.0	2.4%	473.3	-3.6%
Japan	101.9	-2.0%	300.9	-11.9%
Overseas	54.0	11.7%	172.4	15.3%

	Third Quarter FY 2007	Change from Third Quarter FY 2006	Total from First 9 Months FY 2007	Change from First 9 Months FY 2006
Op. Income	-0.5	8.6	-9.9	4.4

Net sales in the System Platforms sub-segment were 156.0 billion yen (US$1,393 million), an increase of 2.4% compared to the same period last year. In Japan, sales declined by 2.0% as a result of weak demand for mobile phone base stations. Sales outside of Japan enjoyed double-digit growth, up 11.7% due to higher sales of our new SPARC Enterprise models, which are co-developed with Sun Microsystems, Inc., and other products.

The sub-segment posted a third-quarter operating loss of 0.5 billion yen (US$5 million), which still represented an improvement of 8.6 billion yen over last year's third quarter. Excluding the impact of accounting policy changes, operating income was 0.4 billion yen. Despite the weight of upfront strategic investments in mobile base station equipment and optical transmission systems for next-generation networks, the combination of higher operating leverage and greater cost efficiencies in the server and related businesses contributed to the increase in income. For the first nine months of fiscal 2007, the operating loss was 9.9 billion yen (US$88 million), an improvement of 4.4 billion yen compared to the same period in fiscal 2006.

With respect to the mainframe computers that run major social infrastructure systems and other mission-critical systems, in November we reorganized our mainframe software development and maintenance divisions into a new company in order to provide customers with stable, long-term support. By properly positioning ourselves in relation to our customers and the market with fast and agile management, the Fujitsu Group aims to deliver business solutions that meet the sophisticated needs of our customers.

(2) Services

(Billion Yen)

	Third Quarter FY 2007	% Change from Third Quarter FY 2006	Total from First 9 Months FY 2007	% Change from First 9 Months FY 2006
Net Sales	609.7	8.0%	1,799.9	8.8%
Japan	365.4	7.6%	1,093.8	4.7%
Overseas	244.2	8.7%	706.0	15.9%

	Third Quarter FY 2007	Change from Third Quarter FY 2006	Total from First 9 Months FY 2007	Change from First 9 Months FY 2006
Op. Income	34.8	11.0	82.9	17.5

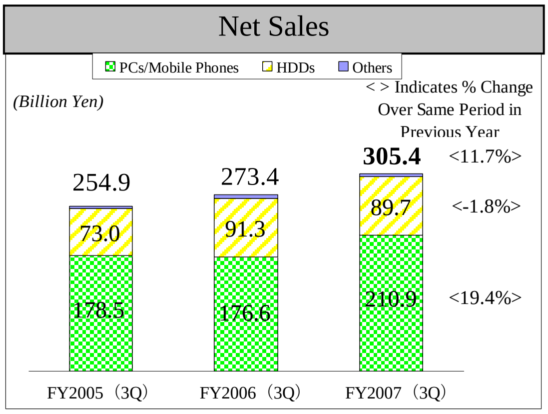
Net sales in the Services sub-segment were 609.7 billion yen (US$5,444 million), up 8.0% from the same period last year. In Japan, sales increased by 7.6%, led by growth in sales of systems integration services, primarily to the financial services sector, and outsourcing services. Sales outside of Japan rose 8.7%, as our existing business, especially in Europe, remained solid and our business capabilities increased with the acquisition in the fourth quarter of last fiscal year of Germany's TDS AG, which provides IT services in Europe.

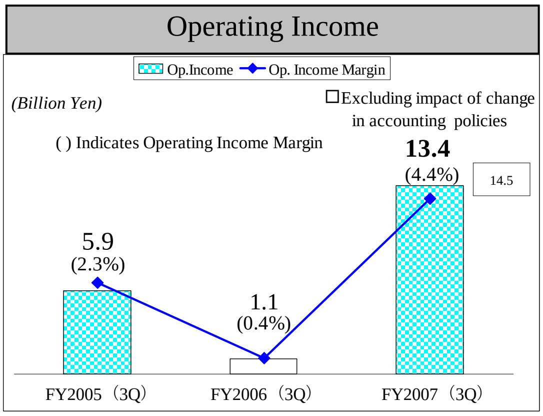
Operating income for the Services sub-segment was 34.8 billion yen (US$311 million), an increase of 11.0 billion yen over the same period a year previous. Although selling, general, and administrative expenses increased as a result of new acquisitions to expand our overseas services business, operating income in the sub-segment rose primarily as a result of higher operating leverage both inside and outside of Japan. For the first nine months of fiscal 2007, operating income was 82.9 billion yen (US$740 million), an increase of 17.5 billion yen over the same period last year.

To promote our vision of Field Innovation, in October we began to train and cultivate “field innovators” among our management-level employees in order to strengthen and expand relations with our customers’ management and operations divisions. In addition, we are strengthening various visualization technologies. Finally, using in-house implementation as a basis for business development, we are focusing on the development of business solutions, including those for business continuity management and to support compliance with Japan’s version of the Sarbanes-Oxley Act.

In October, we acquired a company that provides infrastructure services in Oceania and also a Canadian company that provides business process optimization services. These transactions were followed in November with our acquisition via public tender offer of Mandator AB, a Swedish company which provides application and other IT services in Scandinavia. In Japan, as an addition to our remote data centers, which meet the needs of our customers for top-level security and business continuity to support disaster recovery, in December we established and began operation of our Fujitsu Tokyo No. 2 Systems Center to respond to customer needs for urban data centers within easy commuting distance. To meet customer needs, we will continue to strengthen our global services delivery structure.

Ubiquitous Product Solutions





(Billion Yen)

		Third Quarter FY 2007	% Change from Third Quarter FY 2006	Total from First 9 Months FY 2007	% Change from First 9 Months FY 2006
Net Sales		305.4	11.7%	880.5	9.8%
	Japan	189.1	17.0%	556.2	12.0%
	Overseas	116.3	4.1%	324.3	6.2%

	Third Quarter FY 2007	Change from Third Quarter FY 2006	Total from First 9 Months FY 2007	Change from First 9 Months FY 2006
Op. Income	13.4	12.3	35.3	14.2

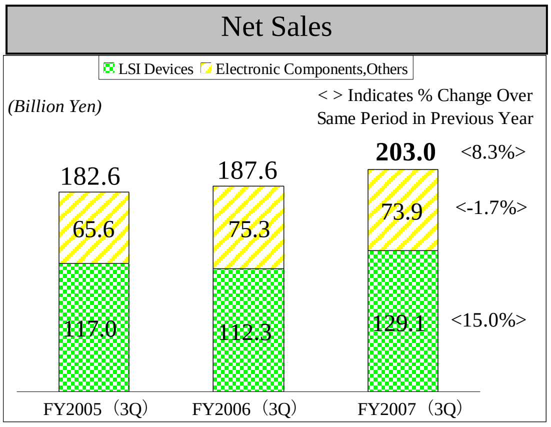
Net sales in the Ubiquitous Product Solutions segment were 305.4 billion yen (US$2,728 million), an increase of 11.7% over the same period last year. Sales in Japan posted double-digit growth, rising by 17.0% on higher sales of PCs, which rebounded from the third quarter of last year, when customers were reluctant to buy new PCs prior to the release of the new Windows Vista operating system. Sales outside of Japan increased by 4.1% on higher sales of notebook PCs, primarily in Asia. Unit sales of HDDs set a new record high on a quarterly basis, but the value of sales was flat as a result of unit price declines and currency translation adjustments.

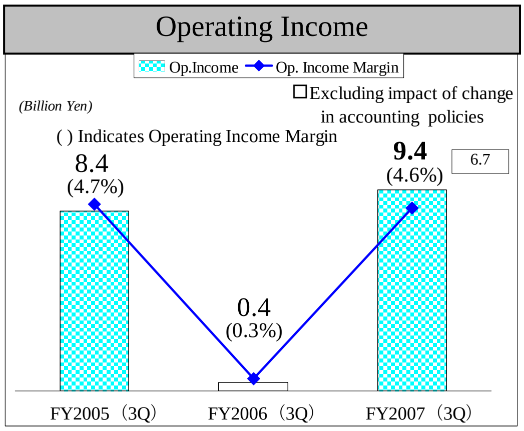
Operating income for the Ubiquitous Product Solutions segment was 13.4 billion yen (US$121 million), an increase of 12.3 billion yen over the third quarter of fiscal 2006. Profitability in our PC business rose because of higher operating leverage and lower component costs. Our HDD business returned to profitability for the first time in three quarters as price declines for HDDs for notebooks leveled off and a new perpendicular magnetic recording HDD model was launched. For the first nine months of fiscal 2007, operating income was 35.3 billion yen (US$316 million), an increase of 14.2 billion yen over the same period in the prior year.

With respect to the severe price declines in HDDs for notebook PCs, although we see the market stabilizing because of higher demand for notebook PCs, competition remains severe. In the fourth quarter we will launch a new 320GB model, which will be among the highest-capacity 2.5-inch drives in the industry. We plan to continue to increase our competitiveness in HDDs by pursuing further cost reductions and by launching a steady stream of new products.

Last October, as part of the reorganization of our mobile phone business group, we decided to consolidate Fujitsu Limited's mobile phone production management division and customer service center with the manufacturing and maintenance divisions of Fujitsu Wireless Systems Limited and other subsidiaries, reorganizing these operations into a new subsidiary established in January 2008. By strengthening the Fujitsu Group's mobile phone production and maintenance organization, we aim to become more responsive to customer needs and enhance our customer service.

Device Solutions





(Billion Yen)

	Third Quarter FY 2007	% Change from Third Quarter FY 2006	Total from First 9 Months FY 2007	% Change from First 9 Months FY 2006
Net Sales	203.0	8.3%	601.0	6.5%
Japan	132.9	16.6%	394.3	19.6%
Overseas	70.1	-4.6%	206.6	-12.0%

	Third Quarter FY 2007	Change from Third Quarter FY 2006	Total from First 9 Months FY 2007	Change from First 9 Months FY 2006
Op. Income	9.4	8.9	15.5	-0.9

Net sales of Device Solutions were 203.0 billion yen (US$1,813 million), an increase of 8.3% compared to the third quarter of fiscal 2006. Sales in Japan increased by double digits, rising 16.6%. Sales of standard technology logic devices were sluggish, but sales of 90nm advanced logic devices, primarily for digital home appliances, increased. In addition, sales were boosted by the start of contract production of Flash memory at production facilities acquired from Spansion Japan. Sales outside of Japan declined by 4.6%. Although sales of logic products rose, sales of Flash memory declined because of lower billings at overseas sales subsidiaries, reflecting the realignment of the sales organization for Flash memory products.

Operating income for the Device Solutions segment was 9.4 billion yen (US$84 million), an increase of 8.9 billion yen over the same period last year. Excluding the impact of accounting policy changes, operating income was 6.7 billion yen, an increase of 6.3 billion yen compared to last year. Operating income in the LSI device business increased as a result of higher operating leverage in advanced logic devices, but income from electronic components was adversely affected by intensified price competition and higher upfront investments. For the first nine months of fiscal 2007, operating income was 15.5 billion yen (US$139 million), roughly on par with the same period last year.

In October, to strengthen our integrated production and sales business structure, we changed the trade name of Fujitsu Devices Inc. to Fujitsu Electronics Inc. and consolidated our sales division into the company, thereby integrating our sales organization for electronic devices under one roof. Earlier this month we announced our decision to integrate the development and mass-production prototyping for advanced process technology for 90nm-generation and beyond at our

Mie Plant. We have also announced our decision to reorganize our LSI business divisions into a new subsidiary by the end of March 2008.

Through these organizational reforms, we aim to enhance our speed and flexibility in the LSI device industry, further accelerating the development of our business focused on the ASSP (*1) market. At the same time, in both the MCU (*2) and analog businesses, where we are strengthening our global position, and the ASIC and COT (*3) businesses, where we have always been strong, we aim to deliver high value-added products to our customers in order to contribute to enhancing their competitiveness.

*1 ASSP: Application Specific Standard Product.
*2 MCU: Micro Controller Unit. An LSI device in which CPU, RAM, ROM, and I/O interface are all integrated.
*3 ASIC: Application Specific IC.
*4 COT: Customer Owned Tooling. Contract production of LSI devices designed and developed by the customer.