(8) Notes

(1) Business and Other Risks

Listed below are the principal business and other risks affecting the Fujitsu Group (Fujitsu Limited and its consolidated subsidiaries) that we believe may influence investors' decisions. With a view to proactively disclosing information to investors, we have also included items that may not necessarily have significant bearing on such decisions. We are aware of these risks and are making efforts to prevent them from arising, avoid potential risks altogether and immediately confront risks should they occur. Among the risks listed below are some items related to future developments, but the list only includes items that the Group deems necessary to publicly disclose as of the date of submission of these materials (April 30, 2009).

1. Economic and Financial Market Trends

Economic and financial market trends have an impact on the Group's business results, financial base and other aspects of its operations. Examples of such risks are listed below.

1) Economic Trends in Key Markets

The Fujitsu Group provides IT products and services, telecommunications infrastructure equipment, as well as semiconductors and other components, to corporate and institutional clients and consumers in every region of the globe. Hence, sales and income generated from these operations are greatly affected by economic conditions in each respective market. Due to instability in financial markets that originated in the US, there is greater uncertainty over the outlook for the global economy. The economic trends in our key markets, namely Japan, North America, Europe, and Asia (including China), can significantly impact Fujitsu Group operations.

2) High-tech Market Volatility

The IT sector is periodically subject to dramatic changes in the balance of supply and demand that exceed the scope of normal cyclical market variations. This tendency is particularly evident with regard to semiconductors, PCs, and other general-purpose products. The Fujitsu Group gives ample consideration to market cycles and volatility when deciding to develop new global technology solutions and other businesses, launch new products, initiate volume production, or scale back production, among other actions. Nonetheless, we may fail to accurately forecast market changes, or changes in market conditions could exceed our forecasts. Accordingly, there is a risk that we may be unable to recoup investment costs, as well as the risk of opportunity losses. Further, the Group continuously implements structural reforms in a bid to respond to market changes. However, drastic market changes could force us to enact structural reforms on a far greater scale than initially expected, resulting in a temporary increase in related expenses.

3) Exchange Rates

The Fujitsu Group imports a substantial amount of components and materials and exports various products. Therefore, sudden fluctuations in exchange rates and other factors could force the Group to incur losses on foreign currency translation. In addition, with respect to assets held by the Group outside Japan, as well as liabilities, there is the possibility that exchange rate fluctuations could lead to depreciation of assets and/or appreciation of liabilities.

4) Interest Rates

The Fujitsu Group has interest-bearing loans which include debt directly impacted by interest rate fluctuations. Consequently, rising interest rates could increase borrowing costs.

5) Capital Markets

Stock market trends in Japan and overseas have a substantial effect on the value of Group stockholdings in other companies and the management of pension assets. Weak stock market performance could thus force us to incur losses on the devaluation of marketable securities held or a reduction in pension assets, exposing the Group to the risk of higher losses.

2. Customers
Fujitsu Group operations are highly influenced by the business trends of strategic key customers. Examples of potential risks are described below.

1) Changes in Customers' IT Investment Trends
A large proportion of our IT systems and services, as well as communications infrastructure and other business, is with telecommunications carriers, financial institutions, and large manufacturers. The business environment within these industries, including shifting market trends and structural reforms, could lead to changes in customers' IT investment trends, having a significant impact on Group sales and profitability. In semiconductors and other operations where the Group provides components and other products, both demand and prices are impacted to a large extent by customers' sales and inventory adjustments of PCs, digital home electronics, mobile phones, automobiles and other products in which these parts are used. Accordingly, soft demand and falling prices for customers' products, or a decline in customers' market share, could negatively impact Group sales and earnings.

Alongside corporate clients, national and local governments represent another important customer base for the Fujitsu Group. In the UK, for example, government-related projects are an especially important part of our business. Accordingly, changes in the approach to e-Government and other national-level IT utilization policies being promoted in Japan and elsewhere could impact sales and profitability.

2) Ability to Maintain Lasting Ties with Customers
The Fujitsu Group is committed to bolstering ties with customers, striving to serve as a business partner and provide solutions across the full IT system lifecycle. For semiconductors and other operations where the Group provides components and other products, business stability hinges on maintaining lasting ties with customers that represent key sources of demand for our products. An inability to secure repeat business and retain contract relationships with such customers could therefore affect sales and profitability.

3. Competitors/Industry
The IT sector is characterized by intense competition and fast-paced technological innovation. Events within the industry or actions by competitors could therefore have a substantial impact on our business results. Examples of such potential risks are listed below.

1) Price Competition
Intensifying competition is directly linked to declining prices for products and services. Anticipating such technology- and competition-driven price erosion, we are pursuing a variety of measures to reduce costs, including the introduction of Toyota Production System reforms, standardization of system development methodologies, and software modularization, as well as efforts to expand sales of new products and services. Despite these steps, the Group still faces the risk of larger-than-expected declines in prices, as well as the risk of being unable to achieve sufficient cost reductions and sales growth due to fluctuations in the price of semiconductors and other components, either of which could negatively impact Group sales and profitability.

2) Competition from New Market Entrants and Others
In addition to challenges posed by existing industry peers, competition from new market entrants continues to intensify in the IT sector. Today, new entrants continue to emerge in market areas where the Fujitsu Group wields a competitive advantage, thus entailing the risk that we may lose our competitive edge, or fail to secure a clear competitive advantage in future business operations.

3) Competition in Technology Development
Technological advancement in the IT sector occurs at an extremely fast pace, leading to rapid turnover in new products and technologies. In this context, remaining competitive requires the continuous development of state-of-the-art technology. While the Fujitsu Group does its utmost to maintain highly competitive technologies, a loss in competitiveness versus other companies in the race to develop innovative technologies could lead to a decline in the Group's market share and profitability, which would negatively impact sales and earnings. Further, sales and profitability could be affected by the development of groundbreaking technologies and other actions by competitors that would severely compromise the value of the Group's products and services. Additionally, there is also the risk of an

adverse effect on sales and profitability as a result of the time it takes to implement mass-production chip technologies for semiconductors, such as in solving technological issues concerning cutting-edge process development technology.

4. Suppliers, Alliances, etc.
In the course of its operations, the Fujitsu Group conducts business with a range of different companies, including suppliers and alliance partners. Accordingly, any significant changes in relationships with these and other business partners could affect the Group's business.

1) Procurement
The Fujitsu Group utilizes sophisticated technologies to provide a range of products and services. There is therefore a risk that we may encounter difficulties in procuring a stable supply of certain key components or raw materials, or in cases where regular supply channels are unavailable, that we may be unable to secure alternative procurement sources. There is also the risk that the Group may be unable to sufficiently procure certain parts or raw materials in the large volumes required. Moreover, natural disasters, accidents and other events, as well as any deterioration in business conditions at suppliers, could hinder the ability of business partners to provide the Group with a stable supply of required components or raw materials. These and other events could cause delays in the provision of products and services, resulting in postponement of deliveries to customers and opportunity losses, among other problems. In respect to component procurement, foreign exchange rate fluctuations, tight supply and demand conditions, and other pressures could drive procurement costs higher than initial estimates, leading to diminished returns on products and services, as well as lower sales due to the need to raise prices. Additionally, while we make every effort to ensure the quality of procured components, we cannot guarantee that all components purchased will be free of defects. The discovery of such issues could result in processing delays, as well as defective products, opportunity losses, repair costs, and disposal costs for defective goods, plus the potential obligation to pay damages to customers.

2) Collaborations, Alliances and Technology Licensing
To enhance competitiveness, the Fujitsu Group works with a large number of companies through technology collaborations, joint ventures and other means, a practice that we intend to continue for the foreseeable future. If, however, as a result of managerial, financial, or other causes, it becomes difficult to establish or maintain such collaborative ties or to gain sufficient results from them, the Group's business could be adversely affected. Moreover, many of our products and services employ other companies' patents, technologies, software, and trademarks with the consent of their owners. However, there is no guarantee that other companies will continue to grant or license the right to use their property under terms acceptable to the Fujitsu Group.

5. Public Regulations, Public Policy, and Tax Matters
The business operations of the Fujitsu Group are impacted by a variety of public regulations and trends in public policy, as well as laws pertaining to taxation. Specifically, wherever it operates, the Group must comply with a variety of regulations, such as authorizations for business or investment, import/export regulations and restrictions, as well as laws pertaining to antimonopoly policies, intellectual property rights, consumers, the environment and recycling, labor conditions, and taxation. Earnings might be affected by increased compliance costs associated with measures to make stricter or otherwise revise such laws and regulations. We also provide solutions in certain fields and business domains such as healthcare and communications that are subject to other public regulations, meaning that regulatory trends in these sectors may potentially impact the Group's business.

6. Other Operational Risks
The Fujitsu Group makes every effort to eliminate known risks but can offer no guarantee of its ability to always achieve every desired outcome in the course of executing business operations. Some of the specific risks faced in this respect are detailed below.

1) Deficiencies or Flaws in Products and Services
Quality is a core value of the Fujitsu Group. We are committed to improving quality at the design and development stages as well as in manufacturing. We are also promoting stricter quality control when purchasing components from external suppliers. These efforts notwithstanding, it is impossible to totally eliminate the possibility of deficiencies or flaws occurring in products, including software. While the

Group is also promoting software modularization, standardization of development work, and enhanced security measures in order to improve the quality of system development and other services, the possibility of defects arising cannot be excluded. With respect to systems that play a critical role in supporting social infrastructure, following the incidents involving system problems at the Tokyo Stock Exchange in November 2005, we have been checking for any potential problems in these systems, including the operating environment, software and hardware, in cooperation with our customers. We cannot, however, entirely eliminate the possibility of deficiencies or flaws. In the event that such deficiencies or flaws occur, the Group may have to initiate product recalls or repairs, engage in system recovery work, pay damages to customers or suffer opportunity losses, all of which would negatively impact Group sales and profitability.

2) Project Management
Due to such factors as the increasing scale of systems and more rigorous demands from customers, as well as the advance of open system environments, system development work is becoming increasingly complex. At the same time, greater competition is leading to increasingly intense pricing pressures. To deal with this situation and prevent incidences of loss-generating projects, we have been revising our approach to making contracts with customers, advancing the standardization of sales and system engineering business processes, and working to manage risk from the business negotiation stage through actual project implementation. The Group continues to maintain reserves for losses as necessary. In addition, we are striving to industrialize the system development process in order to strengthen our cost competitiveness. Nevertheless, in spite of these measures, there is a possibility that we may be unable to completely prevent the occurrence of loss-generating projects.

3) Investment Decisions
In the IT industry, large investments in R&D, capital expenditure, and business acquisitions are necessary to maintain competitiveness. Accordingly, the success or failure of investment choices has a profound effect on the business results of the Fujitsu Group. When making such investment decisions, we give ample consideration to a range of factors such as market trends, customer needs, the superiority of Group technologies, the financial performance of acquisition candidates and our business portfolio. There is, however, the risk that markets and technologies, as well as acquisition candidates deemed attractive by the Group may fail to grow as anticipated, or that supply and demand imbalances or price erosion may be more severe than expected. Investment in semiconductor facilities and equipment represents one such area with a high degree of risk. In addition to substantial funding requirements, this field is characterized in particular by short product cycles, major changes in the market landscape and stiff competition from other companies. The Group takes a number of steps to mitigate this risk, including responding to these inherent fluctuations by dividing investment into multiple phases and forging agreements with customers prior to investment. Nonetheless, there is no guarantee that the Group can generate sufficient returns on such investments.

4) Intellectual Property Rights
The Fujitsu Group has accumulated technologies and expertise that help distinguish its products from those of other companies. Legal restrictions in certain regions, however, may impair our ability to fully protect some of the Group’s proprietary technologies, with the result that we could be unable to effectively prevent the manufacture and sale of similar products developed by third parties using the Group’s own intellectual property. Moreover, the creation of comparable or superior technologies by other companies could erode the value of the Group’s intellectual property. The Group has instituted internal policies, including stringent clearance procedures prior to launching new products and services, to ensure that no infringement of other companies’ intellectual property occurs. However, there is the possibility that the Group’s products or technologies may be found to infringe on other companies’ intellectual property, and that earnings may be impacted by such consequences as the need to pay for usage rights or cover costs associated with having to modify designs. In addition, the Group has previously instituted a program to compensate employees for innovations that they make in the course of their work, and will continue to implement this program in the future in accordance with the revision of Japan’s patent laws. Nevertheless, the Group faces potential risk from lawsuits initiated by employees in regard to compensation for innovation created in the workplace.

5) Human Resources
The growth and profitability of the Fujitsu Group depends heavily on human resources. As such, a major issue for the Group is the ability to recruit and foster talented technical experts, system engineers, managers and other key personnel; the inability to do so could negatively impact the Group's growth and profitability.

6) Environmental Pollution
While committed to minimizing environmental burden in accordance with the Fujitsu Way and the Fujitsu Group Environmental Policy, the Group cannot guarantee that environmental pollution will not occur as a result of its operations. Moreover, although we monitor soil and wastewater as well as engage in clean-up activities at former factory sites, this does not mean that pollution will not be found at such sites in the future. In the event that environmental pollution were to occur or be identified, clean up and other costs could be incurred, which would adversely affect the Group's earnings.

7) Information Management
In order to safeguard the personal and confidential information of customers and business partners, the Group has taken such measures as establishing strict regulations, instituting training programs for employees, and providing consultation to business subcontractors. Nevertheless, the Group cannot absolutely guarantee that information will not be leaked. In the unlikely event that this should occur, trust in the Fujitsu Group could decline and the Group may be obligated to pay damages to customers.

8) Credit Ratings and Other Factors that Affect the Group's Credit
In addition to having a major influence on financing, credit ratings by outside institutions serve as reliable sources of information when conducting transactions with business partners. Lower credit ratings caused by failure to meet earnings targets, deteriorating financial conditions and other reasons could influence our ability to procure needed funds and place the Group at a disadvantage in bidding for projects and in other business dealings.

7. Natural Disasters and Unforeseen Incidents
Natural disasters and other unforeseen situations could have a major impact on the business results and financial standing of the Fujitsu Group. Examples of the potential risks posed are found below.

1) Damage from Earthquakes, Other Natural Disasters and Accidents
The Group has taken measures to make its business sites more resistant to earthquakes and conducts regular inspections and disaster readiness drills. Nevertheless, there is a possibility that the Group may be prevented from continuing operations due to damage to facilities and equipment or interruptions in the supply of electricity or water as a result of earthquakes or other natural disasters and accidents. Such occurrences could interrupt shipments to customers or disrupt shipments of parts for the Group's internal use, thereby affecting factory production at other Group business sites. Semiconductor fabs and other plants where high-precision processing is carried out are particularly susceptible to the effects of earthquakes and other events. In the wake of such incidents, some time may be required to resume normal operations due to the array of highly specialized equipment and devices used at these sites. Damage caused by natural disasters may also hinder our ability to provide information system support for Group customers, which could interrupt their business activities.

We have a well-developed system in place to ensure the integrity and stable operation of critical in-house networks, which are a key element of our business infrastructure. However, the Group cannot guarantee its ability to prevent invasive computer viruses and other disruptions from impeding network operations.

2) Geopolitical Risk
Conflicts, political instability, currency crises, natural disasters, infectious diseases such as new strains of influenza or other events in nations or regions where the Fujitsu Group operates could have a significant impact on its businesses.

8. Financial Statements
In addition to business and other risks described above, the Group may also be impacted by the following risks related to its Financial Statements.

1) Property, Plant and Equipment
Depreciation of property, plant and equipment is mainly calculated by the straight-line method based on the estimated useful lives of the respective assets, which vary according to the circumstances of each business. In the future, in cases where assets are no longer in use owing to obsolescence from technological advances, or due to the exiting of a business, useful life may end up being shorter than current estimates. As such, there is a risk that incidental losses may occur.
In addition, there is a risk of asset impairment losses if anticipated cash flow from assets declines as a result of sudden changes in the operating environment that lead to higher rates of idle equipment or lower rates of capacity utilization.

2) Intangible Assets (Software)
For the depreciation of software intended for commercial sale, we have adopted a method based on projected sales volume over the estimated life of the product. While projected sales volume is calculated based upon reasonable sales plans, one-time losses may occur if unit sales fall short of the original sales plan.

For software used in-house, we utilize the straight-line method based on the estimated useful life of the software. Should actual useful life in the future be less than the original estimate, there is a risk of incidental losses.

3) Goodwill
In terms of goodwill, the straight-line method is used to amortize excess earnings power of businesses acquired, including those acquired by subsidiaries. During the amortization period, incidental losses may occur if the profitability of an acquired business declines or we sell or exit from an acquired business.

4) Marketable Securities
With regard to held-to-maturity securities, valuations are made based on the amortized cost method. For other marketable securities that have a market value, the market value method is used based on the price as of the closing date of the financial period. For securities that do not have market values, the valuations are made utilizing primarily the moving-average method. In regard to other marketable securities that have a market value, the value of such securities may change due to fluctuations in market value and, as a result, net assets may increase or decrease. In addition, when the fair value of other marketable securities decreases significantly, and excepting those cases in which the value is deemed to be recoverable, an impairment loss is posted. In future, should there be a significant decrease in fair value, and such value is not deemed to be recoverable, there is a possibility of impairment losses.

5) Retirement Benefit Obligations
Expenses and obligations for employee retirement benefits are calculated according to a variety of actuarial assumptions (discount rate, retirement rate, mortality rate, expected income rate, etc.). If actual experience differs from these underlying assumptions, or if the underlying assumptions themselves change, there is a possibility that it will affect the amount of the expense or obligation for retirement benefits. Actuarial losses are recognized over the average remaining employee working years.

In addition, in the event of a change in accounting standards, there may be an impact on the amount of the expense or obligation for retirement benefits or shareholders' equity.

6) Deferred Tax Assets
The amount of deferred tax assets is posted appropriately on our balance sheet taking into account the balance of losses carried forward and other temporary differences. In the event that projected taxable income is higher or lower because of variations in future financial performance, there is a risk that the balance of deferred tax assets may increase or decrease. In addition, in the event that future revisions to tax regulations cause a change in the effective tax rate, there is a risk that the balance of deferred tax assets may increase or decrease.

7) Provision for Loss on Repurchase of Computers
A portion of the computers manufactured by the Fujitsu Group are sold to Japan Electronic Computer Co. Ltd. (JECC) and other leasing companies, which lease them to end users. Fujitsu enters into a contract with the leasing companies to repurchase the computers in the future, and at the time of sale a provision is

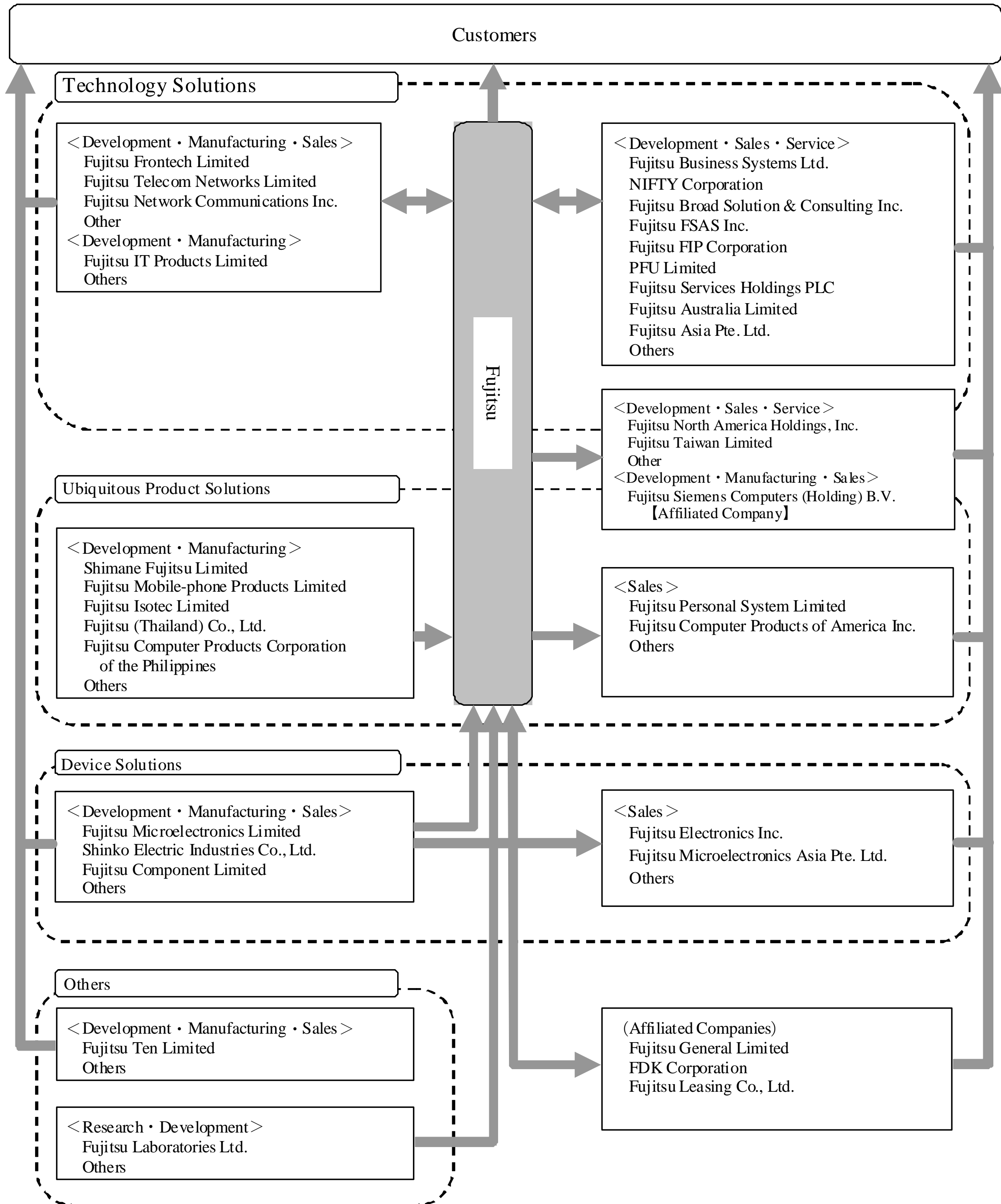
recorded reflecting the expected loss that will be incurred at the time of repurchase. In the event there are changes in usage trends among customers, additions or reductions to the provision may be needed.

8) Provision for Product Warranties

To prepare for expenses to cover costs relating to our obligations for the free repair and exchange of products covered under contracted warranty periods, we record at the time of sales a provision, based on past experience, to cover future estimated product repair and exchange costs. The Fujitsu Group is pursuing vigorous quality control measures at the manufacturing, development and procurement stages. However, should product defects exceed estimated levels, there is the possibility that additional expenses may arise.

(2) Relationships between Fujitsu Group Companies

The following chart shows the relationships between Fujitsu Group companies:



Listed consolidated subsidiaries are as follows:
Fujitsu Business Systems Ltd. (1st Section Tokyo Stock Exchange), Fujitsu Broad Solution & Consulting Inc. (JASDAQ), Fujitsu Frontech Limited (2nd Section Tokyo Stock Exchange), NIFTY Corporation (2nd Section Tokyo Stock Exchange), Shinko Electric Industries Co., Ltd. (1st Section Tokyo Stock Exchange), Fujitsu Component Limited (2nd Section Tokyo Stock Exchange)

Main Changes in the Status of Affiliated Companies

1. Fujitsu Telecom Networks Limited
Fujitsu Limited split off the manufacturing and Japan development divisions of its photonics networking business and merged them with Fujitsu Access Limited through a simple absorption-type company split. On July 1, 2008, Fujitsu Access was renamed Fujitsu Telecom Networks Limited.

2. Fujitsu North America Holdings, Inc.
As part of the company's efforts to strengthen its global business and integrate its North American solutions operations, Fujitsu North America Holdings was established on October 1, 2008 as a holding company for three companies: Fujitsu Consulting Holdings, Inc., Fujitsu Computer Systems Corporation, and Fujitsu Transaction Solutions Inc. On April 1, 2009, these three subsidiaries were merged and the name of the company changed to Fujitsu America, Inc. The former Fujitsu America, Inc. changed its name to Fujitsu Management Services of America, Inc. on October 1, 2008.

3. Fujitsu Siemens Computers (Holding) B.V.
Fujitsu Siemens Computers (Holding) B.V. (whose company name changed April 1, 2009 to Fujitsu Technology Solutions (Holding) B.V.) was treated as an equity-method affiliate through fiscal 2008. With the acquisition of the shares held by Siemens AG, it is being treated as a consolidated subsidiary of Fujitsu Limited as of April 1, 2009.

4. FDK Corporation
FDK Corporation was treated as an equity-method affiliate through fiscal 2008. With its private-placement with Fujitsu Limited to raise capital, it will be treated as a consolidated subsidiary as of May 1, 2009.

5. Fujitsu (Thailand) Co., Ltd. and Fujitsu Computer Products Corporation of the Philippines
With the transfer of hard disk drive operations to Toshiba Corporation, Fujitsu (Thailand) Co., Ltd. and Fujitsu Computer Products Corporation of the Philippines are scheduled to be transferred to Toshiba on July 1, 2009.

6. Fujitsu IT Holdings, Inc.
Regarding the specified subsidiary Fujitsu IT Holdings, Inc. (capital of US$ 965,911,000), its various subsidiaries were reorganized as direct subsidiaries of Fujitsu Limited on April 1, 2004, leaving Fujitsu IT Holdings a dormant company. On March 31, 2009, the liquidation of Fujitsu IT Holdings was completed.

(3) Regarding assumptions for continuing companies
No applicable items.

(4) Significant issues regarding the basis for preparation of consolidated financial reports
Fiscal 2008 (from April 1, 2008 to March 31, 2009)

1) Items regarding the scope of consolidation
This consolidated financial report consolidates the results of 480 major subsidiaries. As for changes in the scope of consolidation for this consolidated accounting year, 69 companies were added and 19 companies were removed. Major additions and subtractions are described below. Since the names of major subsidiary companies are noted on page 55 they are omitted here.

New consolidated subsidiaries as a result of acquisitions or the formation of new companies during the fiscal year: 11 companies
These include FFC Limited, Banking Channel Solutions Limited, Fujitsu General System Engineering, Ltd., Fujitsu Advanced Quality Limited, and Fujitsu North America Holdings, Inc.

Changed from unconsolidated subsidiaries to consolidated subsidiaries: 58 companies
These include 16 consolidated subsidiaries of PFU Limited, nine consolidated subsidiaries of Fujitsu FSAS Inc., and six consolidated subsidiaries of Fujitsu FIP Corporation.

Subtracted due to liquidation or sale: 12 companies
These include Fujitsu Automation Limited, one consolidated subsidiary of Fujitsu Media Devices Limited, and Fujitsu IT Holdings, Inc.

Subtracted due to merger: Seven companies
These include the following:

Prior to Merger	After Merger
One consolidated subsidiary of Fujitsu Telecom Networks Limited	Absorbed by Fujitsu Telecom Networks Limited
FFC Systems Limited	Absorbed by Fujitsu Advanced Engineering Limited (corporate name changed from FFC Limited in October 2008)
One consolidated subsidiary of Fujitsu Australia Limited	Absorbed by consolidated subsidiary of Fujitsu Australia Limited

2) Subsidiaries accounted for by equity method
Regarding investments in non-consolidated subsidiaries and affiliated companies, they are accounted for by the equity method and the number of companies to which this applies is 20.

Affiliated companies: 20 companies

Major equity-method affiliate companies: FDK Corporation, Fujitsu General Ltd., Fujitsu Leasing Co., Ltd., Nippon Oil Information Technology Corporation, CSS Co., Ltd., Fujitsu Siemens Computers (Holding) B.V. (name changed to Fujitsu Technology Solutions (Holding) B.V. on April 1, 2009), TDK Fujitsu Philippines Corporation, eight equity-method affiliates of Fujitsu Services Holdings PLC

Regarding changes in equity-method companies for the fiscal year's consolidated financial results, a total of three companies were removed: Eudyna Devices Inc., FFC Limited and one other company.

3) Special purpose companies subject to disclosure
In this fiscal year, there are no special purpose companies to disclose. In changes to disclose, there was a reduction of one company, as detailed below.

In fiscal 2004, Fujitsu increased the liquidity of real estate assets through the use of a special purpose company in the form of a special limited liability company. A trust was established to hold title to land and buildings, and the trust beneficiary rights were transferred to the special purpose company. In

addition, Fujitsu signed an anonymous partnership agreement with the special purpose company under which Fujitsu made a capital contribution to the company.

In December 2008, the trust's beneficiary rights to the land and buildings were transferred from the special purpose company back to Fujitsu, and the anonymous partnership agreement was dissolved.

Transaction amounts with the special purpose company accounted for in this fiscal year consist of 25,745 million yen for real estate assets received, dividends of 727 million yen, and dividend in liquidation of 4,559 million yen. The income distribution and dissolution income distribution are accounted for as "dividend income" under "other income."

Other items apart from the items noted above are omitted because there have been no significant changes since our last investment securities filing (submitted on June 23, 2008).

(5) Significant Changes to Preparation of Financial Statements

Changes to Accounting Standards

FY2007 (April 1, 2007 – March 31, 2008)	FY2008 (April 1, 2008 – March 31, 2009)
——————	**Adoption of Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements** We have adopted the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (Accounting Standards Board of Japan, Practical Issues Task Force, No. 18 dated May 17, 2006) from the first quarter of the current fiscal year. The effect of this accounting change on operating income and income before taxes and minority interests for the fiscal year is insignificant. A note regarding the effect of this change on segment information is included on page 7. Outside Japan, starting with Fujitsu Services Holdings PLC in the UK (and its subsidiaries) in fiscal 2005, several subsidiaries such as those in Australia and Singapore had already adopted International Financial Reporting Standards (IFRS). Starting with the first quarter of the current fiscal year, however, these standards are applied to all the Group's subsidiaries outside Japan. For such subsidiaries that are applying IFRS for the first time from the first quarter of the current fiscal year, accounting procedure changes reflecting the change in accounting standards have been applied to previous years, resulting in a 1,585 million yen decrease in retained earnings at the beginning of the first-quarter consolidated accounting period.
——————	**Changes in Accounting Standards for Completed Construction Revenue and Costs** We have already applied the percentage-of-completion method as the standard for accounting for revenue from software development contracts, a core business of the Fujitsu Group, while we have applied the completed contract method as the standard for accounting for revenue from contract construction. For contract construction work as well, for contracts in progress as of the year for which we are accurately able to confirm the degree of completion, we have applied the percentage-of-completion method beginning with the first quarter of the current fiscal year. This reflects the early adoption of the "Accounting Standard for Construction Contracts" (Accounting Standards Board of Japan, Statement No. 15 dated December 27, 2007) and "Guidance on Accounting Standard for Construction Contracts" (Accounting Standards Board of Japan, Guidance No. 18 dated December 27, 2007) allowing the application of the percentage-of-completion method prior to the fiscal year beginning April 1, 2009. The effect of this accounting change on net sales, operating income, and income before income taxes and minority interests for the fiscal year is insignificant. A note regarding the effect of this change on segment information is included on page 7. In addition, beginning with this accounting period, we are disclosing under "provision for construction contract

FY2007 (April 1, 2007 – March 31, 2008)	FY2008 (April 1, 2008 – March 31, 2009)
Change of Accounting Standard for Measurement of Inventories Because it is allowable to apply the Accounting Standard for Measurement of Inventories (Accounting Standards Board of Japan Statement No. 9 issued July 5, 2006) in financial statements relating to consolidated accounting fiscal years beginning prior to April 1, 2008, the Fujitsu Group has implemented early adoption of this accounting standard starting this fiscal year. Previously, parts held for maintenance and related services were recorded on our books at acquisition cost and were expensed when used, with losses on any unused parts recognized upon disposal. In order to more strictly tie these expenses to income, however, starting this fiscal year we have changed our method of recognizing expenses for these parts to regular write-downs over the period for which maintenance and services are provided. As a result of the implementation of this change, we recorded a one-time loss of 16,235 million yen on write-downs of inventories held at the start of the period. In addition to previous initiatives implemented to minimize the risk associated with obsolescence through effective inventory utilization, we are now, through the establishment of systems to evaluate the risk of lower profitability, comparing the net selling value with the acquisition cost and, for inventories that fall outside the normal operating cycle, recognizing valuation mark-downs that take into account the risk of future disposal. As a result of implementing these monitoring procedures and valuation standards, we recorded a one-time loss of 8,810 million yen on mark-downs of inventories held at the start of the period. As a result of these changes, compared to the previous method of accounting, operating income was reduced by 2,706 million yen and income before taxes and minority interests was reduced by 27,751 million yen. A note regarding the effect of this change on segment information is included on page 7. **Change in the Method of Depreciation for Property, Plant and Equipment and Revisions to Useful Life and Residual Value** In prior periods, the company and its subsidiaries in Japan depreciated property, plant and equipment with the declining balance method, while consolidated overseas subsidiaries most often adopted the straight-line depreciation method. Starting this fiscal year, we have uniformly adopted straight-line depreciation over the useful life of the assets, which will be determined in accordance with what is judged to be the likely period over which the value of the asset can be realized under actual business conditions, and with the residual value of the asset deemed to be the actual	losses" the estimated amount of future losses relating to software development projects whose profitability potentially has deteriorated. In the previous fiscal year's consolidated accounts, this estimated loss (6,135 million yen) was mainly included under "other current liabilities" and "notes and accounts payable, trade." ———————-

FY2007 (April 1, 2007 – March 31, 2008)	FY2008 (April 1, 2008 – March 31, 2009)
residual value. As a result of these changes, the calculated useful life of major assets is now shorter that it previously had been. These changes and revisions have been implemented in view of major restructuring of the Fujitsu Group's core businesses, such as the global expansion of the outsourcing business and the focus in the Device Solutions segment on logic LSI business, along with the initiation of operations at new facilities. As a result of these structural changes, the actual performance of each business is more accurately reflected by more closely linking depreciation after investment to a stable stream of earnings. With respect to our core business of Technology Solutions, in the IT outsourcing business, providing operational services to customers over a long period of time is becoming increasingly important. In addition, in order to further globally expand the scale of the outsourcing business, in the second half of fiscal year 2006, we clarified the position of our UK subsidiary, Fujitsu Services Holdings PLC, as a core group company in Europe. The pattern of earnings generated in the outsourcing business is, as a general principle, a fixed amount per period. In the Device Solutions segment, we are making a staged exit from the memory business, which is prone to both severe downward pricing pressure and wide fluctuations in demand, and in November 2006 sold our shares in Spansion Inc., a joint venture Flash memory business. In accordance with these moves, we have positioned the logic LSI business, which is based on long-term and close relationships with customers, as the primary business. At the Mie Plant, during the second half of fiscal 2006 we completed an expansion of production capacity at Fab No. 1 and have commenced full production. Fab No. 2 has become operational this fiscal year. In the area of advanced technology logic LSI devices, with increasing miniaturization, large upfront investments are required, and it may take over a year to gear up to mass production and delivery. Afterwards, however, in accordance with the production capacity of the facility, stable earnings can be expected for a certain period of time. As a result of these changes and revisions, compared to the previous method of accounting, operating income increased by 11,408 million yen and income before taxes and minority interests increased by 11,765 million yen. These amounts include an increase in depreciation expense of 7,222 million yen as a result of restarting depreciation of facilities over a five-year period with a residual value of zero for those facilities that had already been depreciated to 5% of the acquisition cost as of the end of the last fiscal year. A note regarding the effect of this change on segment information is included on page 7.	

FY2007 (April 1, 2007 – March 31, 2008)	FY2008 (April 1, 2008 – March 31, 2009)
Accounting Standard for Lease Transactions Because it is allowable to apply the Accounting Standard for Lease Transactions (Accounting Standards Board of Japan Statement No. 13 issued June 17, 1993, [Business Accounting Council, the First Committee] and revised March 30, 2007) and the Implementation Guidance on the Accounting Standard for Lease Transactions (Accounting Standards Board of Japan Implementation Guidance No. 16 issued January 18, 1994, [Japanese Institute of Certified Public Accountants, Accounting System Committee], and revised March 30, 2007) from consolidated accounting fiscal years beginning Apri1 1, 2007 or later, starting this fiscal year we have implemented early adoption of the Accounting Standard for Lease Transactions and the Implementation Guidance on the Accounting Standard for Lease Transactions. On a consolidated basis, we have already implemented the sales and purchase accounting method, and therefore there is no effect on profit and loss.	――――――
Change in the Basis of Revenue Recognition Fujitsu and its consolidated subsidiaries previously recorded sales of personal computers, peripheral equipment and electronic devices at the time of shipment, but starting this fiscal year we are recording sales upon customer receipt. This change was implemented because of the increasingly significant financial amounts involved in the sales of these types of products, which have become crucial products in the era of ubiquitous networking and whose sales volume has increased dramatically with the global expansion of the market. This change also reflects the clear responsibility we have for timely delivery to our customers as we respond to changes in the marketplace, including the increasingly stringent requirements of customers for shorter lead times. For other system products, revenue is recognized at the time of acceptance by the customer, and revenue from software development contracts is recognized on a percentage-of-completion basis. As a result of these changes, compared to the previous method of accounting, consolidated net sales decreased by 5,753 million yen and operating income and income before taxes and minority interests decreased by 1,767 million yen. A note regarding the effect of this change on segment information is included on page 7.	――――――

FY2007 (April 1, 2007 – March 31, 2008)	FY2008 (April 1, 2008 – March 31, 2009)
Change in Classification of Amortization of Unrecognized Obligation for Retirement Benefits Fujitsu Limited and consolidated subsidiaries in Japan previously treated the amortization of unrecognized obligation for retirement benefits as a non-operating expense or non-operating income, but starting this fiscal year we are including it in cost of sales or selling, general and administrative expenses. In the past, Fujitsu Limited and consolidated subsidiaries in Japan using defined benefit retirement plans had very large unfunded retirement benefit obligations. From fiscal 2003 on, however, as a result of the implementation of such measures as the transfer of the substitutional portion of employees' pension plan to the government, the reform of the pension system, and the reallocation of pension assets, together with improved investment returns on pension assets, the unfunded obligation has significantly decreased. Due to a decrease in the price volatility of investment assets, it is no longer necessary to treat this item as a non-operating expense or income. In addition, there has also been a decrease in the materiality of the amounts involved, and we have accordingly changed our accounting policies. As a result of this change, compared to the previous method of accounting, operating income decreased by 7,467 million yen but there is no impact on income before taxes and minority interests. A note regarding the effect of this change on segment information is included on page 7.	——————

(6) Notes to the Consolidated Financial Statements

① Notes to the Consolidated Statements of Operations, Consolidated Statements of Changes in Net Assets, Consolidated Statements of Cash Flows

(Relating to Consolidated Statements of Operations)

Notes	**FY 2007 (4/1/2007 – 3/31/2008)**	**FY 2008 (4/1/2008 – 3/31/2009)**
1. Gain on sale of investment securities	Refers mainly to sale of shares in affiliates, including Japan Cablenet Holdings Ltd.	Refers mainly to sale of shares in Yokohama TV Corporation.
2. Impairment loss	Refers mainly to electronic components business. As part of the structural reform of the LSI business, the development and mass-production prototyping functions of the Akiruno Technology Center were transferred to the Mie Plant. In conjunction with this transfer, an impairment loss of 18, 297 million yen is included in business restructuring expenses.	Refers mainly to the LSI and electronics components businesses. In regard to the LSI business, a business reform plan was announced in January 2009 to respond to a significant decline in customer demand that began last autumn. Reforms are continuing, but since a recovery in the business climate is not expected in fiscal 2009, the estimated future return has been reappraised. In addition, a shift has been made in the business model to outsource production of 40nm generation advanced technology products to outside foundries. As a result, an impairment loss of 49,944 million yen related to the buildings and equipment of Mie Plant 300mm Fab No. 2 was recognized due to the change in their future planned use. In addition, there was an impairment loss of 8,979 million yen in relation to the property, plant and equipment of the optical transmission system, electronic components and other businesses whose profitability has declined.
3. Business restructuring expenses	Restructuring expenses refer to the reorganization of the LSI business, specifically impairment losses along with relocation and disposal costs related to the relocation of the Akiruno Technology Center's development and mass-production prototyping functions to the Mie Plant. The impairment loss totals 18,297 million yen, comprised of a loss of 8,936 million yen relating to the disposal of machinery and other equipment scheduled for the following fiscal year, and a loss of 9,361 million yen for property, plant and other assets, for which there is currently no plan for future use.	This includes 37,017 million yen in losses on the disposal of assets and settlement of liabilities related to the HDD business, which is undergoing a reorganization that includes the transfer of part of the business, and settlement costs related to pension assets of transferred employees; 11,359 million yen in disposal expenses for facilities that are scheduled to be shut down during the next consolidated fiscal year in conjunction with the reorganization of the LSI wafer production facilities; and restructuring expense of 5,822 million yen related to the component business and businesses outside Japan.
4. Loss on revaluation of investment securities	Refers principally to a significant decline in the market share price of Spansion Inc. of the US.	Refers principally to a significant decline in the market share price of Spansion Inc. of the US.

(Consolidated Statements of Changes in Net Assets)

Notes	**FY 2007** **(4/1/2007 – 3/31/2008)**	**FY 2008** **(4/1/2008 – 3/31/2009)**
1. Changes in the scope of consolidation	――――――	As stated on page 57 under “Significant issues regarding the basis for preparation of consolidated financial reports,” as for the items related to the scope of consolidation, subsidiaries of PFU Limited, Fujitsu FSAS Inc. and Fujitsu FIP Corporation changed from unconsolidated affiliates to consolidated subsidiaries beginning in the 2008 fiscal year, resulting in an increase of 7,027 million yen in retained earnings. In addition, in conjunction with the liquidation of Fujitsu IT Holdings, Inc., “other capital surplus” decreased by 12,353 million yen and “other retained earnings” increased by the same amount.
2. Increases and decreases due to changes in accounting treatment by subsidiaries outside Japan	――――――	These are increases and decreases resulting from changes in accounting treatment retroactively applied to past years’ results due to changes in accounting treatment standards implemented at subsidiaries outside Japan which adopted International Financial Reporting Standards (“IFRS”) during this fiscal year. Among the company’s subsidiaries outside Japan, starting with Fujitsu Services Holdings PLC (and its subsidiaries) in the UK in fiscal 2005, several subsidiaries, including those in Australia and Singapore, had already adopted IFRS prior to this fiscal year. Starting with this fiscal year, however, these standards were applied to all consolidated subsidiaries outside Japan.
3. Transfer of capital surplus to retained earnings	In accordance with a resolution by the Board of Directors on May 24, 2007, an appropriation of capital surplus was made on an unconsolidated basis. On a consolidated basis, the capital surplus was transferred from “other capital surplus” to “other retained earnings.”	――――――
4. Acquisition of treasury stock	Acquisition of treasury stock represents stock purchases made to convert subsidiaries Fujitsu Access Limited, Fujitsu Devices Inc. and Fujitsu Wireless Systems Limited into wholly owned subsidiaries by distributing shares of Fujitsu Limited to shareholders of these subsidiaries in exchange for shares in the subsidiaries. Fujitsu Devices Inc. changed its corporate name to Fujitsu Electronics Inc. in October 2007.	――――――

Notes	FY 2007 (4/1/2007 – 3/31/2008)	FY 2008 (4/1/2008 – 3/31/2009)
5. Sales of treasury stock	Sales of treasury stock represent stock sales made to convert subsidiaries Fujitsu Access Limited, Fujitsu Devices Inc. and Fujitsu Wireless Systems Limited into wholly owned subsidiaries by exchanging shares with the subsidiaries' shareholders. Fujitsu Devices Inc. changed its corporate name to Fujitsu Electronics Inc. in October 2007.	——————
6. Others	This relates primarily to retrospective revisions to financial statements due to changes in the amounts of actuarial variances based on the accounting for termination benefits at the locations of subsidiaries outside Japan and changes in related accounting treatment standards.	——————

(Consolidated Statements of Cash Flows)

Notes	FY 2007 (4/1/2007 – 3/31/2008)	FY 2008 (4/1/2008 – 3/31/2009)
1. Cash flows from operating activities Impairment loss	In the Consolidated Statements of Operations, an impairment loss of 18,297 million yen related to the LSI business is included in business restructuring expenses under other expenses, but in the Consolidated Statements of Cash Flows, it is included in impairment losses.	In the Consolidated Statements of Operations, an impairment loss of 16,269 million yen related to the HDD business is included in business restructuring expenses under other expenses, but in the Consolidated Statements of Cash Flows, it is included in impairment losses.

(7) Lease Transactions

I. Finance Leases (lessee): Except those in which the leased property will transfer to the lessee
a) Type of lease asset:
Primarily related to logic LSI production equipment (machines) and outsourcing-related equipment (machine tools and related equipment).
b) Method of depreciation:
Straight-line method in which the useful life is assumed to be the lease period.

II. Operating Leases (lessee)
Future minimum lease payments required under non-cancellable operating leases.

(Billion Yen)

	FY 2008 (End of March 2009)	FY 2007 (End of March 2008)
Within 1 year	12.2	17.5
Over 1 year	54.5	79.3
Total	66.8	96.8

(8) Consolidated Tax Effect Accounting

Significant components of deferred tax assets and liabilities.

(Billion Yen)

	FY 2008 (End of March 2009)	FY 2007 (End of March 2008)
Deferred tax assets:		
Tax loss carryforwards	165.9	163.0
Accrued retirement benefits	140.1	141.0
Excess of depreciation and amortization and impairment loss	76.4	38.5
Accrued bonus	40.0	47.4
Inventories	25.0	17.2
Revaluation loss on investment securities	13.3	9.5
Provision for loss on repurchase of computers	9.5	9.7
Provision for product warranties	5.3	7.9
Intercompany profit	2.5	1.1
Other	54.7	52.5
Gross deferred tax assets	533.1	488.3
Valuation allowance	(284.9)	(263.4)
Total deferred tax assets	248.2	224.8
Deferred tax liabilities:		
Gains from establishment of stock holding trust for retirement benefit plan	(110.6)	(110.6)
Unrealized gains on securities	(35.6)	(62.4)
Tax allowable reserves	(5.4)	(4.6)
Other	(7.5)	(2.3)
Total deferred tax liabilities	(159.2)	(180.1)
Net deferred tax assets	89.0	44.7

Note: Excess of depreciation and amortization and impairment loss includes a revaluation loss on idle lands.

(9) Investment Securities

Other investment securities and their market value. (Billion Yen)

TYPE	FY 2008 (End of March 2009)			FY 2007 (End of March 2008)		
	Acquisition Cost	Market Value (recorded on balance sheet)	Difference	Acquisition Cost	Market Value (recorded on balance sheet)	Difference
Shareholdings	44.9	132.7	87.8	59.3	210.6	151.3
Bonds and other securities	49.0	47.3	(1.6)	12.5	12.1	(0.4)
Total	93.9	180.1	86.1	71.8	222.7	150.8

(10) Derivatives Contracts Outstanding

(Billion Yen)

	FY 2007 as of 3/31/08			
	Contract Amount	Contract Amounts Over 1 Year	Fair Value	Gain/Loss
Foreign Exchange Forward Contracts				
To buy foreign currencies				
U.S. dollars	58.1	31.5	7.8	(2.5)
Other currencies	6.6	4.2	1.5	0.7
To sell foreign currencies				
U.S. dollars	10.1	6.8	1.8	(0.2)
Other currencies	1.7	-	1.7	(0)
Foreign Exchange Options Contracts				
To buy options				
U.S. Dollar puts	3.0	-		
[Premium]	[0]	[-]	0	(0)
To sell options				
U.S. Dollar calls	3.0	-		
[Premium]	[0]	[-]	(0)	(0)
Foreign Exchange Swap Contracts				
Receive sterling pound/pay Euro	4.7	-	(0.1)	(0.1)
Receive sterling pound/pay U.S. dollar or other currencies	4.9	-	(0)	(0)
Receive Euro/pay sterling pound	21.0	-	0.7	0.7
Receive U.S. dollar or other currencies /pay sterling pound	10.7	-	0.1	0.1
Total				(1.4)

(Billion Yen)

	FY 2008 as of 3/31/09			
	Contract Amount	Contract Amounts Over 1 Year	Fair Value	Gain/Loss
Foreign Exchange Forward Contracts				
To buy foreign currencies				
U.S. dollars	35.6	21.4	5.1	1.6
Other currencies	8.3	3.4	5.0	1.0
To sell foreign currencies				
U.S. dollars	15.1	3.7	9.5	(2.2)
Other currencies	2.5		2.9	(0.3)
Foreign Exchange Options Contracts				
To buy options				
U.S. Dollar puts	0.2			
[Premium]	[0]	[0]	0	(0)
To sell options				
U.S. Dollar calls	0.2	-		
[Premium]	[0]	[0]	0	(0)
Foreign Exchange Swap Contracts				
Receive sterling pound/pay Euro	5.2		(0.1)	(0.1)
Receive sterling pound/pay U.S. dollar or other currencies	6.9		0	0
Receive Euro/pay sterling pound	19.6		0.4	0.4
Receive Japanese yen/pay sterling pound	2.9		(0.1)	(0.1)
Receive U.S. dollar or other currencies /pay sterling pound	3.2		0	0
Total				0.2

Notes

1) Fair value is principally based on quotes from the financial institutions with which the contracts are made.
2) Collateral conditions are attached to some foreign exchange forward contracts and there is a possibility of change in contract amount and duration due to the fluctuation of the currency exchange rate.
3) Option premiums are disclosed in brackets ([ ]), and corresponding fair value and gains and losses are disclosed in the same line.
4) Derivative transactions which qualify for hedge accounting are excluded from the above table.

(11) Retirement Benefit Plan

a. Japan

(1) Itemization of projected benefit obligation, etc.

(Billion Yen)

	FY 2008 as of 3/31/09	FY 2007 as of 3/31/08
i. Projected benefit obligation	(1,198.3)	(1,145.8)
ii. Plan assets	791.1	954.5
[pension trust asset portion]	[39.5]	[69.1]
iii. Projected benefit obligation in excess of plan assets (i)+(ii)	(407.1)	(191.3)
iv. Unrecognized net obligation at transition	16.4	32.5
v. Unrecognized actuarial loss	492.9	306.2
vi. Unrecognized prior service cost (reduced obligation)*	(120.7)	(139.1)
vii. Prepaid pension cost	(72.5)	(83.0)
viii. Accrued retirement benefit …(iii)+(iv)+(v)+(vi)+(vii)	(91.0)	(74.6)

* With respect to the Fujitsu Corporate Pension Fund in which Fujitsu and its consolidated domestic subsidiaries participate, due to a partial revision of the company's pension system, prior service costs (reduction of obligation) have arisen.

(2) Components of net periodic benefit cost

(Billion Yen)

	FY 2008 as of 3/31/09	FY 2007 as of 3/31/08
i. Service cost	38.2	36.6
ii. Interest cost	28.9	27.5
iii. Expected return on plan assets	(27.2)	(30.9)
iv. Amortization of net obligation at transition	16.7	16.2
v. Amortization of actuarial loss	26.4	9.8
vi. Amortization of prior service cost	(19.0)	(18.6)
vii. Net periodic benefit cost …(i)+(ii)+(iii)+(iv)+(v)+(vi)	63.9	40.7

(Fiscal 2008)
In addition to the above costs, premium severance pay of 8.0 billion yen was recognized as expenses in the year.

(3) Basis for Tabulating Projected Benefit Obligation

i. Discount rate 2.5% (at March 31, 2009)
2.5% (at March 31, 2008)

b. Outside Japan

(1) Itemization of projected benefit obligation, etc.

(Billion Yen)

	FY 2008 as of 3/31/09	FY 2007 as of 3/31/08
i. Projected benefit obligation	(354.0)	(541.9)
ii. Plan assets	296.4	470.5
iii. Projected benefit obligation in excess of plan assets …(i)+(ii)	(57.6)	(71.3)
iv. Unrecognized actuarial loss	11.5	(9.5)
v. Unrecognized prior service cost	--	(0.0)
vi. Accrued retirement benefit …(iii)+(iv)+(v)	(46.1)	(80.8)

(2) Components of net periodic benefit cost

(Billion Yen)

	FY 2008 as of 3/31/09	FY 2007 as of 3/31/08
i. Service cost	8.8	12.4
ii. Interest cost	32.3	36.2
iii. Expected return on plan assets	(33.3)	(38.5)
iv. Amortization of actuarial loss *	(0.3)	0.9
v. Amortization of prior service cost	--	(1.0)
vi. Net periodic benefit cost …(i)+(ii)+(iii)+(iv)+(v)	7.5	10.0
vii. Loss on termination of retirement benefits plan **	--	(1.6)
Total (vi)+(vii)	7.5	8.3

* Subsidiaries outside Japan, particularly Fujitsu Services Holdings PLC, which provides a defined benefit pension plan, adopt the International Financial Reporting Standards (IFRS), and apply the corridor approach to amortization of actuarial gain and losses.

** The loss on termination of retirement benefit plan refers to termination loss resulting from a transfer of retirement benefit plan provided by consolidated subsidiaries outside Japan to third-party organizations.

(3) Basis for Tabulating Projected Benefit Obligation

i. Discount rate — Mainly 6.9% (at March 31, 2009)
Mainly 6.9% (at March 31, 2008)

(12) Consolidated Per Share Data

(Yen)

	FY2008	FY2007
Net assets per share	362.30	458.31
Earnings (net loss) per share	-54.35	23.34
Diluted earnings per share	-	19.54

Note 1: With regard to diluted earnings per share, even though residual shares exist, they are not listed due to the net loss on earnings per share.

Note 2: The calculations basis for earnings (net loss) per share and diluted earnings per share is as follows.

(Million Yen)

	FY2008	FY2007
Earnings (net loss) per share		
Net income (net loss)	-112,388	48,107
Deduction from net income	-	-
Net income (net loss) for common share	-112,388	48,107
Average number of common shares outstanding (thousand shares)	2,067,807	2,060,704
Diluted earnings per share		
Adjustment for net income	-	560
[Adjustment related to dilutive securities issued by subsidiaries and affiliates]	[-]	[-573]
[Corporate bond costs (after tax adjustment)]	[-]	[1,132]
Increase in number of common shares (thousand shares)	-	430,382
[Share warrants (thousand shares)]	[-]	[430,382]

Note 3: The calculation basis for net assets per share is as follows.

(Million Yen)

	March 31, 2009	March 31, 2008
Net assets	925,602	1,130,176
Deduction from net assets	176,661	181,972
[Minority interests]	[176,635]	[181,972]
Net assets for common shares	748,941	948,204
Number of common shares used to calculate owners' equity per share (thousand shares)	2,067,195	2,068,928

(13) Material Subsequent Events

Fiscal Year 2008

(Acquisitions via Purchase Method Accounting)

1. Conversion of Fujitsu Siemens Computers (Holding) B. V. into a Consolidated Subsidiary of Fujitsu Limited

On November 3, 2008, Fujitsu signed an agreement with Siemens AG ("Siemens") for the acquisition of 50% of the total shares of Fujitsu Siemens Computers (Holding) B.V. ("Fujitsu Siemens Computers"). As a result, Fujitsu Siemens Computers converted from an equity-method affiliate of Fujitsu to a consolidated subsidiary on April 1, 2009.

(1) Name and Business Description of the Acquired Business; Overview of the Company from which the Shares will be Acquired; Principal Reasons for Carrying Out the Business Combination; Date of the Business Combination; Legal Form of the Business Combination and the Name of the Business Subsequent to the Combination; Percentage of Voting Rights Acquired

A. Name and Description of the Business of the Acquired Business
Name of the acquired business: Fujitsu Siemens Computers (Holding) B.V.
Location: Het Kwadrant 1, 3606 AZ Maarssen, The Netherlands
Business description: Development, manufacture, sale and maintenance of information systems

B. Overview of the Company from which the Shares will be Acquired
Corporate name: Siemens AG
Location: Wittelsbacherplatz 2, 80333 Munich, Germany

C. Principal Reasons for Carrying Out the Business Combination
There is increasing customer demand for IT resources delivered as a service, in addition to growing demand for environmentally friendly IT. While we anticipate an increase in business opportunities, particularly in the area of infrastructure services, these trends are also expected to give rise to a new competitive landscape. The conversion of Fujitsu Siemens Computers to a wholly owned consolidated subsidiary will help Fujitsu accelerate global product strategies and create an organizational structure for optimally supporting our IT services business on a global scale, enabling the Fujitsu Group to most effectively provide its customers with the business solutions they need to grow their businesses. By securing talented human resources and enhancing our product development capabilities in the EMEA (Europe, the Middle East and Africa) region, we will grow together with our customers as their trusted and valued partner.

D. Date of the Business Combination
April 1, 2009

E. Legal Form of the Business Combination and the Name of the Business Subsequent to the Combination
Legal form of the business combination: Acquisition of shares
Name of business subsequent to the combination: Fujitsu Technology Solutions (Holding) B.V.

F. Percentage of Voting Rights Held
- Prior to the acquisition 50%
- Subsequent to the acquisition 100%

(2) Acquisition Cost of the Acquired Business
Cash 450 million euros
(3) Source of the Funds to be Paid
Cash on hand and borrowings

2. Conversion of FDK Corporation into a Consolidated Subsidiary

The Board of Directors of Fujitsu Limited ("Fujitsu"), at a meeting held on March 27, 2009, resolved to subscribe to the entire amount of a private placement to increase the capital of FDK Corporation ("FDK"), currently an equity-method affiliate of Fujitsu, with the payment date for the subscription on May 1, 2009. As a result, FDK will change from an equity method affiliate of Fujitsu to a consolidated subsidiary as of the payment date.

(1) Name and Description of the Business of the Acquired Company; Principal Reasons for Carrying Out the Business Combination; Date of the Business Combination; Legal Form of the Business Combination; Percentage of Voting Rights Acquired

A. Name and Description of the Business of the Acquired Company

Name of acquired business:	FDK Corporation (listed First Section, Tokyo Stock Exchange)
Location:	5-36-11 Shimbashi, Minato-ku, Tokyo
Business description:	Manufacture and sale of materials, components, batteries and related products for the electronics sector

B. Principal Reasons for Carrying Out the Business Combination
To respond to the changes taking place in the marketplace, FDK has undertaken reforms of its business structure with the aim of leveraging its materials technologies to strengthen its products lineup, particularly the power systems and high frequency device. The sharp downturn in worldwide economic conditions starting from the second half of fiscal 2008, however, has had a severe impact on the business of FDK. As a result of recording a large loss in the third quarter of fiscal 2008, FDK's liabilities exceeded its assets.

Fujitsu, in addition to its transactions with FDK, such as the purchase of its products, provides financial support to FDK. Fujitsu, as FDK's major shareholder, creditor and customer, accordingly believes that, from the standpoint of maintaining Fujitsu's corporate value, it is necessary to eliminate the material adverse effect on FDK's business activities that might occur should its capital deficiency continue.

By Fujitsu subscribing to the private placement to increase the capital of FDK, FDK will be in a stronger position to successfully implement its structural reforms and attain the targeted expansion of its business. This will contribute to enhancing the corporate value of both FDK and Fujitsu.

C. Date of the Business Combination
May 1, 2009

D. Legal Form of the Business Combination
Acquisition of shares

E. Percentage of Voting Rights Held

・Prior to acquisition	39.78%
・Subsequent to acquisition	64.62%

(2) Acquisition Cost for the Acquired Business

Cost of the acquisition of shares	Cash	11,000 million yen
	Shares received	89,430,000 shares common stock
	Share price	123 yen per share

(3) Source of the Funds to be Paid
Own funds

(Separation of Businesses)

3. Transfer of Hard Disk Drive (HDD) Businesses

On February 17, 2009, Fujitsu reached basic agreements with Toshiba Corporation ('Toshiba") and with Showa Denko K.K. ("Showa Denko") regarding the transfer of Fujitsu Group's hard disk drive ("HDD drive") business and hard disk media ("HDD media") business, and on April 30, 2009 finalized the terms and conditions of the transfers with both companies.

(1) Names of the Transferee of the Separated Businesses; Business Description of the Separated Businesses; Principal Reasons for Carrying Out the Business Separations; Date of the Business Separations; Overview of the Business Separations including their Legal Form

A. Names of the Transferees of the Separated Businesses

HDD drive business: Toshiba Corporation
HDD media business: Showa Denko K.K.

B. Business Description of the Separated Businesses

Business description: Design, development, manufacture and sales, etc., for the hard disk drive business

C. Principal Reasons for Carrying Out the Business Separations

The hard disk drive market continues to be impacted by severe business conditions, including a worldwide intensification of price competition and a contraction of overall demand. Fujitsu decided to carry out these business separations based on its judgment that the respective transferees of the businesses, through the integration of the technical expertise and developmental capabilities accumulated by Fujitsu with their own technologies, would be better able compete in the current severe business environment and thus support and grow these operations.

D. Date of the Business Separations

July 1, 2009 (tentative)

E. Overview of the Business Separations including their Legal Form

HDD drive business:

Fujitsu's HDD drive-related business will be transferred to the newly established Toshiba Storage Device Corporation ("Toshiba Storage Device"). Upon completion of the transfer, the new company established out of the HDD-related business of Yamagata Fujitsu Limited, along with Fujitsu's HDD manufacturing subsidiaries, Fujitsu Computer Products Corporation of the Philippines and Fujitsu (Thailand) Co., Ltd., will become wholly owned subsidiaries of Toshiba Storage Device. Fujitsu's sales and marketing offices outside of Japan, with the exception of some offices in certain regions, will be transferred to Toshiba's overseas business operations.

To facilitate the transfer, Fujitsu will hold a stake of 19.9% in Toshiba Storage Device until the end of December 2010, after which it will become a wholly owned subsidiary of Toshiba.

The value of the transfer is expected to be approximately 30 billion yen. Toshiba's 80.1% ownership of Toshiba Storage Device is expected to be valued at approximately 24 billion yen (at the time of scheduled transfer on July 1, 2009) and the remaining 19.9% ownership holding at approximately 6 billion yen (to be held until the end of December 2010). However, there is the possibility that these values may be adjusted upon completion of the transfer. Toshiba Storage Device will assume net debt of 6.0 billion yen. This figure has been excluded from the 30 billion yen value of the transfer.

HDD media business:

Fujitsu will establish a new company to succeed the HDD media business of Yamagata Fujitsu Limited. All of the shares in the new company will be transferred to Showa Denko.

(Omission of Disclosures)

We have omitted disclosures concerning the following items based on our judgment that there is no significant information requiring disclosure: Related persons transactions; Stock options, etc.; Business combinations, etc.