

7. Segment Information

I. Segment Overview

Fujitsu's reportable business segments consist of components of the Fujitsu Group for which discrete financial information is available and whose operating results are regularly reviewed by the Group's executive decision-making body to make decisions about resource allocation to the segments and assess their performance.

In the field of information and communication technology (ICT), while delivering wide varieties of services, the Group offers comprehensive solutions, from the development, manufacturing, and sales, to the maintenance and operations of cutting-edge, high-performance and high-quality products, and electronic devices that support services. The Group's business is organized into three reportable segments—Technology Solutions, Ubiquitous Solutions, and Device Solutions—based on the Group's managerial structure, characteristics of the products and services, and the similarities of the sales market within each operating segment. Managerial structure and product and service classification in each reportable segment are as follows.

(1) Technology Solutions

To optimally deliver to customers services that integrate products, software, and services, the segment is organized in a matrix management structure comprised of business departments that are organized by product and service type, in order to manage costs and devise global business strategies, and sales departments that are organized along industry and geographic lines.

This reportable segment consists of Solutions/Systems Integration, which are services for the construction of information and communication systems, Infrastructure Services, which are primarily outsourcing and maintenance services, System Products, which covers mainly the servers and storage systems that comprise ICT platforms, and Network Products, which are used to build communications infrastructure, such as mobile phone base stations and optical transmission systems.

(2) Ubiquitous Solutions

The segment is organized into independent business management units along product lines and includes the sales departments.

This reportable segment contains ubiquitous terminals—including personal computers and mobile phones, as well as car audio and navigation systems, mobile communication equipment, and automotive electronic equipment—that collect various information and knowledge generated from the behavioral patterns of people and organizations needed to achieve the Group's vision of a "Human Centric Intelligent Society" (a society that enjoys the benefits of the value generated by ICT without requiring anyone to be conscious of the technological complexities involved).

(3) Device Solutions

The segment is organized by product in independent business management units which include the respective sales departments and contains cutting-edge technologies, including LSI devices used in digital home appliances, automobiles, mobile phones and servers, as well as electronic components, such as semiconductor packages and batteries.

II. First Half of Fiscal 2012 (April 1, 2012 to September 30, 2012)

1.Amounts of Net Sales, Profit or Loss by Reportable Segments

(Million Yen)

	Reportable Segments				Other (*)	Total
	Technology Solutions	Ubiquitous Solutions	Device Solutions	Sub-Total		
Net Sales						
External customers	1,314,193	494,988	241,987	2,051,168	12,741	2,063,909
Inter-segment	26,249	54,400	26,704	107,353	22,966	130,319
Total net sales	1,340,442	549,388	268,691	2,158,521	35,707	2,194,228
Operating Income (Loss)	43,740	10,428	-7,039	47,129	-3,152	43,977

* The "Other" segment consists of operations not included in reportable segments, such as Japan's Next-Generation Supercomputer project, facility services and development of information systems for group companies, and welfare benefits for group employees.

2.Reconciliation of Net Sales and Operating Income or Loss of Reportable Segments with those of the Consolidated Income Statements

(Million Yen)

Reconciliation of Net Sales	Amount
Total of Reportable Segments	2,158,521
Net Sales of "Other" Category	35,707
Elimination of Intersegment Transactions	-122,415
Net Sales in Consolidated Income Statements	2,071,813

(Million Yen)

Reconciliation of Operating Income (Loss)	Amount
Total of Reportable Segments	47,129
Operating Income (Loss) of "Other" Category	-3,152
Corporate Expenses *	-37,085
Elimination of Intersegment Transactions	-2,556
Operating Income in Consolidated Income Statements	4,336

* Corporate Expenses mainly consist of strategic expenses such as basic research and development expenses which are not attributable to the reportable segments and group management shared expenses incurred by Fujitsu.

III. First Half of Fiscal 2013 (April 1, 2013 to September 30, 2013)

1.Amounts of Net Sales, Profit or Loss by Reportable Segments

(Million Yen)

	Reportable Segments				Other (*)	Total
	Technology Solutions	Ubiquitous Solutions	Device Solutions	Sub-Total		
Net Sales						
External customers	1,438,503	419,017	279,514	2,137,034	5,653	2,142,687
Inter-segment	24,464	59,678	24,963	109,105	21,580	130,685
Total net sales	1,462,967	478,695	304,477	2,246,139	27,233	2,273,372
Operating Income (Loss)	58,308	-28,752	18,056	47,612	-3,902	43,710

* The "Other" segment consists of operations not included in reportable segments, such as Japan's Next-Generation Supercomputer project, facility services and development of information systems for group companies, and welfare benefits for group employees.

2.Reconciliation of Net Sales and Operating Income or Loss of Reportable Segments with those of the Consolidated Income Statements

(Million Yen)

Reconciliation of Net Sales	Amount
Total of Reportable Segments	2,246,139
Net Sales of "Other" Category	27,233
Elimination of Intersegment Transactions	-121,771
Net Sales in Consolidated Income Statements	2,151,601

(Million Yen)

Reconciliation of Operating Income (Loss)	Amount
Total of Reportable Segments	47,612
Operating Income (Loss) of "Other" Category	-3,902
Corporate Expenses *	-33,002
Elimination of Intersegment Transactions	113
Operating Income in Consolidated Income Statements	10,821

* Corporate Expenses mainly consist of strategic expenses such as basic research and development expenses which are not attributable to the reportable segments and group management shared expenses incurred by Fujitsu.

3.Issues relating to changes in reporting segments.

As stated in "Change in Accounting Policies," accounting policies changes of the first quarter of this fiscal year are applied retroactively, and this retroactive application is reflected on the segment information for the first-half of fiscal 2012.

As a result, compared to the figure prior to the retroactive application, the segment operating income for the Technology Solutions segment for the first-half of fiscal 2012 has been reduced by 3,354 million yen.

IV. Second Quarter of Fiscal 2012 (July 1, 2012 to September 30, 2012)

1.Amounts of Net Sales, Profit or Loss by Reportable Segments

(Million Yen)

	Reportable Segments				Other (*)	Total
	Technology Solutions	Ubiquitous Solutions	Device Solutions	Sub-Total		
Net Sales						
External customers	699,821	283,187	123,955	1,106,963	3,434	1,110,397
Inter-segment	13,501	31,587	14,361	59,449	12,582	72,031
Total net sales	713,322	314,774	138,316	1,166,412	16,016	1,182,428
Operating Income (Loss)	44,561	12,463	-3,383	53,641	-1,675	51,966

* The "Other" segment consists of operations not included in reportable segments, such as Japan's Next-Generation Supercomputer project, facility services and development of information systems for group companies, and welfare benefits for group employees.

2.Reconciliation of Net Sales and Operating Income or Loss of Reportable Segments with those of the Consolidated Income Statements

(Million Yen)

Reconciliation of Net Sales	Amount
Total of Reportable Segments	1,166,412
Net Sales of "Other" Category	16,016
Elimination of Intersegment Transactions	-67,985
Net Sales in Consolidated Income Statements	1,114,443

(Million Yen)

Reconciliation of Operating Income (Loss)	Amount
Total of Reportable Segments	53,641
Operating Income (Loss) of "Other" Category	-1,675
Corporate Expenses *	-19,465
Elimination of Intersegment Transactions	-1,426
Operating Income in Consolidated Income Statements	31,075

* Corporate Expenses mainly consist of strategic expenses such as basic research and development expenses which are not attributable to the reportable segments and group management shared expenses incurred by Fujitsu.

V. Second Quarter of Fiscal 2013 (July 1, 2013 to September 30, 2013)

1.Amounts of Net Sales, Profit or Loss by Reportable Segments

(Million Yen)

	Reportable Segments				Other (*)	Total
	Technology Solutions	Ubiquitous Solutions	Device Solutions	Sub-Total		
Net Sales						
External customers	772,149	227,638	144,967	1,144,754	3,023	1,147,777
Inter-segment	13,230	35,109	14,126	62,465	11,028	73,493
Total net sales	785,379	262,747	159,093	1,207,219	14,051	1,221,270
Operating Income (Loss)	55,726	-11,607	10,419	54,538	-2,355	52,183

* The "Other" segment consists of operations not included in reportable segments, such as Japan's Next-Generation Supercomputer project, facility services and development of information systems for group companies, and welfare benefits for group employees.

2.Reconciliation of Net Sales and Operating Income or Loss of Reportable Segments with those of the Consolidated Income Statements

(Million Yen)

Reconciliation of Net Sales	Amount
Total of Reportable Segments	1,207,219
Net Sales of "Other" Category	14,051
Elimination of Intersegment Transactions	-68,902
Net Sales in Consolidated Income Statements	1,152,368

(Million Yen)

Reconciliation of Operating Income (Loss)	Amount
Total of Reportable Segments	54,538
Operating Income (Loss) of "Other" Category	-2,355
Corporate Expenses *	-16,380
Elimination of Intersegment Transactions	-2,146
Operating Income in Consolidated Income Statements	33,657

* Corporate Expenses mainly consist of strategic expenses such as basic research and development expenses which are not attributable to the reportable segments and group management shared expenses incurred by Fujitsu.

3. Issues relating to changes in reporting segments.

As stated in “Change in Accounting Policies,” accounting policies changes of the first quarter of this fiscal year are applied retroactively, and this retroactive application is reflected on the segment information for the second quarter of fiscal 2012.

As a result, compared to the figure prior to the retroactive application, the segment operating income for the Technology Solutions segment for the second quarter of fiscal 2012 has been reduced by 1,658 million yen.

[Related Information]

Geographical Information

Net Sales

First Half of Fiscal 2012 (April 1, 2012 to September 30, 2012) (Million Yen)

Japan	Outside Japan				Total
	EMEA	The Americas	APAC/China	Sub-total	
1,378,540 [66.5 %]	339,559 [16.4 %]	135,587 [6.6 %]	218,127 [10.5 %]	693,273 [33.5 %]	2,071,813 [100.0 %]

First Half of Fiscal 2013 (April 1, 2013 to September 30, 2013) (Million Yen)

Japan	Outside Japan				Total
	EMEA	The Americas	APAC/China	Sub-total	
1,292,123 [60.1 %]	414,237 [19.2 %]	198,619 [9.2 %]	246,622 [11.5 %]	859,478 [39.9 %]	2,151,601 [100.0 %]

Second Quarter of Fiscal 2012 (July 1, 2012 to September 30, 2012) (Million Yen)

Japan	Outside Japan				Total
	EMEA	The Americas	APAC/China	Sub-total	
759,560 [68.2 %]	170,964 [15.3 %]	70,659 [6.3 %]	113,260 [10.2 %]	354,883 [31.8 %]	1,114,443 [100.0 %]

Second Quarter of Fiscal 2013 (July 1, 2013 to September 30, 2013) (Million Yen)

Japan	Outside Japan				Total
	EMEA	The Americas	APAC/China	Sub-total	
708,351 [61.5 %]	213,677 [18.5 %]	101,222 [8.8 %]	129,118 [11.2 %]	444,017 [38.5 %]	1,152,368 [100.0 %]

Notes

1. Geographical segments are defined based on customer location.
2. Principal countries and regions comprising the segments other than Japan:
 - (1) EMEA (Europe, Middle East, Africa): UK, Germany, Spain, Finland, Sweden
 - (2) The Americas: US, Canada
 - (3) APAC (Asia-Pacific) & China: Australia, Singapore, Korea, Taiwan, China
3. Figures in parentheses represent percentage of segment sales to consolidated net sales.