(9) Overview of FY 2008 Unconsolidated Financial Results

Profit and Loss (Billion Yen)

	FY 2008 *4/1/08-3/31/09*		FY 2007 *4/1/07-3/31/08*		Change	
		% of Sales		% of Sales		Change (%)
Net Sales	2,423.5	100.0	2,979.0	100.0	-555.5	-18.6
Operating Income	40.7	1.7	59.0	2.0	-18.2	-31.0
Other Income	95.0	3.9	140.5	4.7	45.4	-32.3
Other Expenses	96.1	3.9	150.8	5.1	54.6	-36.2
Net Income	47.8	2.0	61.4	2.1	-13.5	-22.0

On an unconsolidated basis, net sales for Fujitsu Limited in fiscal 2008 were 2,423.5 billion yen (US$24,730 million), representing a decline of 18.6% compared to fiscal 2007. Excluding the impact of converting the company's LSI business into a separate subsidiary in March of 2008, net sales declined by 8%. Sales revenues in the company's Services business increased, as did sales of router equipment to telecom carriers, but sales of PCs, mobile phones, and hard disk drives (HDDs) were lower.

Operating income on an unconsolidated basis was 40.7 billion yen (US$415 million), a decline of 18.2 billion yen compared to fiscal 2007. Despite greater cost efficiencies in the mobile phone base station business and the benefit of both higher sales and greater cost efficiencies in the services business, operating income declined as a result of lower sales and, because of greater functionality, higher costs in the mobile phone business as well as intensified competition in the PC and HDD businesses, among other factors.

In other income and expenses, losses on the disposal of property, plant, and equipment were lower, and there was an improvement in net interest expense, but these were offset by a decline in dividends received from subsidiaries. Although the company posted a gain on the sale of investment securities, there were one-time losses totaling 58.3 billion yen associated with restructuring expenses in the HDD business, valuation losses on listed shareholdings as a result of the sharp decline in market prices, and valuation losses on shares of subsidiaries and affiliates.

On an unconsolidated basis, Fujitsu Limited posted net income of 47.8 billion yen (US$488 million) in fiscal 2008, a decline of 13.5 billion yen compared to fiscal 2007.

Net Assets (Billion Yen)

	Balance at End of FY 2008 3/31/09	Balance at End of FY 2007 3/31/08	Change
Total Shareholders' equity	574.0	548.1	25.8
Common stock	324.6	324.6	-
Capital surplus	169.1	169.1	-
Other capital surplus	169.1	169.1	-
Retained earnings	82.4	55.2	27.2
Legal retained earnings	2.6	0.6	2.0
Other retained earnings	79.7	54.5	25.1
Treasury stock	-2.1	-0.8	-1.2
Valuation and translation adjustments	55.0	88.7	-33.6
Total Net Assets	629.0	636.8	-7.8

Notes to Unconsolidated Results

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

Changes in Important Accounting Standards

FY 2007 (04/01/2007 ~ 03/31/2008)	FY 2008 (04/01/2008 ~ 03/31/2009)
——————	**(Changes in Accounting Standards for Software Development and Construction Revenue)** 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. 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) allows the application of the percentage-of-completion method for contract construction work as well prior to the fiscal year beginning April 1, 2009. For contracts in progress as of the end of fiscal 2008 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. The effect of this accounting change on net sales, operating income, and income before income taxes and minority interests is insignificant. In addition, beginning with this accounting period, we are recognizing under "provision for construction contract losses" the estimated amount of losses relating to software development projects whose profitability potentially has deteriorated. In the previous fiscal year's consolidated accounts, this estimated loss (1,803 million yen) was mainly included in "notes and accounts payable, trade."

(2) Notes to Unconsolidated Financial Tables

① Items Relating to Profit and Loss Statement and Changes in Net Assets

(Relating to 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. Provision for loss on guarantees	Refers to subsidiaries whose liabilities exceed their assets.	Refers to subsidiaries whose liabilities exceed their assets.
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 use.	This includes 25,130 million yen in expenses on the settlement of liabilities related to the HDD business, which is undergoing a reorganization that includes the transfer of part of the business, and settlement expenses related to pension benefits of transferred employees and business restructuring expenses related to the electronics components business of 943 million yen. Restructuring expenses for HDD operations also included an impairment loss of 7,598 million yen, a valuation loss of 1,065 million yen on shares of subsidiary and affiliate companies, provision for loss on guarantees of 3,068 million yen, and transfer to allowance for doubtful accounts of 2,362 million yen.
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 listed securities.
5. Loss on revaluation of subsidiaries' and affiliates' stock	Refers principally to a significant decline in the market share price of affiliate companies.	Refers principally to manufacturing and sales subsidiaries of the telecommunications business in the UK.
6. Impairment loss		Relates to the optical transmission systems, optical modules and other businesses.
7. Provision for loss on guarantees	Refers to subsidiaries whose liabilities exceed their assets.	Refers to subsidiaries whose liabilities exceed their assets.

(Related to changes in net assets)

Notes	FY 2007 (4/1/2007 – 3/31/2008)	FY 2008 (4/1/2008 – 3/31/2009)
1. The transfer of legal capital surplus to other capital surplus	The transfer of capital reserves to other capital surplus is based on a resolution at the Annual Shareholders' Meeting on June 22, 2007 to decrease capital reserve and increase other capital surplus.	————————
2. Transfer of other capital surplus to retained earnings brought forward	The Board of Directors resolved on May 24, 2007 to make an appropriation of other capital surplus to decrease other capital surplus and increase retained earnings brought forward.	————————
3. 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 in exchange for shares in the subsidiaries. Fujitsu Devices Inc. changed its corporate name to Fujitsu Electronics Inc. in October 2007.	————————
4. Sales of treasury stock	Sales of treasury stock represents 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.	————————

(3) 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 outsourcing 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)

	FY2008 (as of March 31, 2009)	FY2007 (as of March 31, 2008)
Within 1 year	0.6	5.4
Over 1 year	0.5	14.3
Total	1.1	19.7

(4) Investment Securities

(Billion Yen)

TYPE	FY 2008 (End of March 2009)			FY 2007 (End of March 2008)		
	Recorded on Balance Sheet	Market Value	Difference	Recorded on Balance Sheet	Market Value	Difference
Shareholdings in subsidiaries	26.9	109.1	82.1	28.0	117.4	89.3
Shareholdings in affiliates	13.9	13.5	(0.4)	13.9	20.2	6.2
Total	40.9	122.6	81.7	42.0	137.6	95.6

(5) Unconsolidated Tax Effect Accounting

Significant components of deferred tax assets and liabilities.

(Billion Yen)

	FY 2008 March 31, 2009	FY 2007 March 31, 2008
Deferred tax assets:		
Provision for loss on affiliate securities	237.5	236.9
Accrued retirement benefits	94.0	91.5
Tax loss carryforwards	87.5	88.8
Excess of depreciation and amortization and impairment loss	28.9	23.9
Stock related to company establishment through company split	21.5	21.3
Accrued bonus	11.9	20.1
Inventories	11.8	10.6
Provision for loss on repurchase of computers	9.5	9.7
Provision for loss on guarantee of debt	3.3	8.4
Provision for product warranties	3.0	4.8
Other	16.6	21.2
Gross deferred tax assets	525.9	537.8
Valuation allowance	(394.1)	(415.4)
Total deferred tax assets	131.7	122.4
Deferred tax liabilities:		
Gains from establishment of stock holding trust for retirement benefit plan	(110.6)	(110.6)
Unrealized gains on securities	(35.0)	(60.6)
Tax allowable reserves	(3.6)	(1.5)
Other	(3.7)	-
Total deferred tax liabilities	(153.0)	(172.7)
Net deferred tax assets	(21.2)	(50.2)

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