Fujitsu Limited
April 30, 2009

FY 2008 Full-Year Financial Results

Contents

Part I: Financial Tables

Part II: Explanation of Financial Results

Part III: Supplementary Information

Part I: Financial Tables

1. Summary of FY 2008 Full-Year Consolidated Results

a. Summary of Consolidated Statements of Operations

		Yen (Millions, except per share data)		
		FY 2008 (4/1/08-3/31/09)	FY 2007 (4/1/07-3/31/08)	Change (%)
Net sales	**Y**	**4,692,991**	5,330,865	-12.0
Operating income (loss)		**68,772**	204,989	-66.5
Income (Loss) before income taxes and minority interests		**(113,314)**	109,444	-
Net income (loss)	**Y**	**(112,388)**	48,107	-
Net income (loss) per common share:				
Basic		**(54.35)**	23.34	
Diluted		**-**	19.54	
Rate of Return on equity		**-13.2%**	5.0%	
Operating income margin		**1.5%**	3.8%	

b. Summary of Consolidated Financial Condition

		Yen (Millions, except per share data)	
		March 31, 2009	March 31, 2008
Total assets	**Y**	**3,221,982**	3,821,963
Net assets		**925,602**	1,130,176
Owners' equity		**748,941**	948,204
Net assets per share	**Y**	**362.30**	458.31
Owners' equity ratio		**23.2%**	24.8%

c. Summary of Consolidated Statements of Cash Flows

		Yen (Millions, except per share data)	
		FY 2008 (4/1/08~3/31/09)	FY 2007 (4/1/07~3/31/08)
Cash flows from operating activities	**Y**	**248,098**	322,072
Cash flows from investing activities		**(224,611)**	(283,926)
Cash flows from financing activities		**(47,894)**	62,325
Cash and cash equivalents at end of period	**Y**	**528,174**	547,844

2. Dividends per Share of Common Stock

a. Dividends per Share of Common Stock

		Yen		
		FY 2007	FY 2008	**FY 2009**
First-quarter ended June 30	**Y**	-	-	**-**
Second-quarter ended September 30		3.00	5.00	**3.00**
Third-quarter ended December 31		-	-	**-**
Full-year ended March 31		5.00	3.00	**3.00**
Total	**Y**	8.00	8.00	**6.00**

b. Consolidated Dividends

		Yen (Millions)		
		FY 2007 (Actual)	FY 2008 (Planned)	**FY 2009 (Forecast)**
Total amount of dividends	**Y**	16,552	16,538	
Dividend payout ratio		34.3%	-	**62.0%**
Ratio of dividends to net assets		1.7%	1.9%	

3. Number of Issued Shares (Common Shares)

a. Number of issued shares at end of period

Full-year FY 2008	**2,070,018,213**	**shares**
Full-year FY 2007	**2,070,018,213**	**shares**

b. Treasury stock held at end of period

Full-year FY 2008	**2,822,889**	**shares**
Full-year FY 2007	**1,089,749**	**shares**

4. Consolidated Earnings Forecast for FY 2009

			FY 2008 (Actual)	FY 2009 (Forecast)	Change (%)
			Yen (Billions) (Except per share data)		
First half	Net sales	Y	2,453.7	**2,200.0**	-10.3
	Operating income (loss)		38.5	**(50.0)**	-
	Net income (loss)		4.6	**(65.0)**	-
	Net income (loss) per common share		2.24	**(31.44)**	
Full-year	Net sales		4,692.9	**4,800.0**	2.3
	Operating income (loss)		68.7	**80.0**	16.3
	Net income (loss)		(112.3)	**20.0**	-
	Net income (loss) per common share	Y	(54.35)	**9.67**	

(Reference information)
Summary of FY2008 Full-Year Unconsolidated Results

a. Summary of Unconsolidated Statements of Operations

		FY2008 (4/1/08~3/31/09)	FY 2007 (4/1/07~3/31/08)	Change(%)
		Yen (Millions)		
Net sales	Y	**2,423,503**	2,979,069	-18.6
Operating income (loss)		**40,747**	59,023	-31.0
Income (Loss) before income taxes and minority interests		**39,644**	48,643	-18.5
Net income (loss)		**47,881**	61,415	-22.0
Net income (loss) per common share:				
Basic		**23.16**	29.80	
Diluted	Y	**21.04**	25.11	

b. Summary of Unconsolidated Financial Condition

		March 31 2009	March 31 2008
		Yen (Millions) (Except per share)	
Total assets	Y	**2,302,358**	2,536,561
Net assets		**629,030**	636,852
Net assets per share	Y	**304.29**	307.82
Owners' equity ratio		**27.3%**	25.1%

5. Full-Year Consolidated Statements of Operations

		Yen (Millions)	
		FY 2008 (4/1/08-3/31/09)	FY 2007 (4/1/07-3/31/08)
Net sales	**Y**	**4,692,991**	5,330,865
Cost of sales		**3,491,512**	3,959,561
Gross profit		**1,201,479**	1,371,304
Selling, general and administrative expenses		**1,132,707**	1,166,315
Operating income (loss)		**68,772**	204,989
Other income:			
Interest income		**7,770**	10,090
Dividend income		**11,588**	7,669
Equity in earnings of affiliates, net		**-**	9,192
Gain on sales of investment securities (*1)		**3,484**	17,308
Gain on change in interest		**-**	2,074
Others		**12,194**	17,359
Total other income		**35,036**	63,692
Other expenses:			
Interest expense		**17,516**	21,277
Equity in losses of affiliates, net		**34,049**	-
Loss on foreign exchange, net		**7,014**	14,557
Loss on disposal of property, plant and equipment and intangible assets		**4,843**	11,766
Impairment loss (*2)		**58,923**	459
Business restructuring expenses (*3)		**54,198**	22,126
Loss on revaluation of investment securities (*4)		**18,729**	25,132
Revaluation loss on inventries		**-**	25,045
Others		**21,850**	38,875
Total other expenses		**217,122**	159,237
Income (Loss) before income taxes and minority interests		**(113,314)**	109,444
Income taxes:			
Current		**25,022**	39,736
Deferred		**(24,611)**	7,534
Total income taxes		**411**	47,270
Minority interests		**(1,337)**	14,067
Net income (loss)	**Y**	**(112,388)**	48,107

Note:

*Refer to page 64 for explanations.

6. Full-Year Consolidated Business Segment Information

a. Net Sales* and Operating Income (1)

		Yen (Billions)			Excluding impact of changes in currency exchange rates
		FY 2008 (4/1/08-3/31/09)	FY 2007 (4/1/07-3/31/08)	Change (%)	Change (%)**
Technology Solutions					
Japan	**Y**	**2,126.7**	2,102.2	+1.2	+1
Overseas		**950.3**	1,170.0	-18.8	+1
Total		**3,077.0**	3,272.2	-6.0	+1
Operating income (loss):					
Services		**163.3**	140.4	+16.3	
[Operating income margin]		**[6.7%]**	[5.5%]		
System Platforms		**25.3**	39.7	-36.1	
[Operating income margin]		**[3.9%]**	[5.6%]		
Total operating income		**188.7**	180.1	+4.7	
[Operating income margin]		**[6.1%]**	[5.5%]		
Ubiquitous Product Solutions					
Japan		**658.7**	761.3	-13.5	-14
Overseas		**290.3**	427.6	-32.1	-24
Total		**949.1**	1,188.9	-20.2	-17
Operating income (loss)		**0.5**	52.5	-98.9	
[Operating income margin]		**[0.1%]**	[4.4%]		
Device Solutions					
Japan		**372.2**	521.4	-28.6	-29
Overseas		**215.4**	275.3	-21.7	-13
Total		**587.6**	796.7	-26.2	-23
Operating income (loss)		**(71.9)**	18.2	-	
[Operating income margin]		**[-12.2%]**	[2.3%]		
Other Operations					
Japan		**326.4**	361.0	-9.6	-10
Overseas		**119.7**	165.7	-27.7	-22
Total		**446.2**	526.8	-15.3	-13
Operating income (loss)		**4.1**	14.2	-71.1	
[Operating income margin]		**[0.9%]**	[2.7%]		
Elimination and Corporate					
Sales		**(367.1)**	(453.9)	-	-
Operating income (loss)		**(52.6)**	(60.3)	-	
Total					
Japan		**3,193.1**	3,407.2	-6.3	-6
Overseas		**1,499.8**	1,923.6	-22.0	-6
Total		**4,692.9**	5,330.8	-12.0	-6
Operating income (loss)	**Y**	**68.7**	204.9	-66.5	
[Operating income margin]		**[1.5%]**	[3.8%]		

Notes:

* Net sales include intersegment sales.

** Figures representing the percentage increase or decrease in net sales excluding the impact of exchange rate movements are calculated by taking the average exchange rates in fiscal 2007 for the US dollar, euro, British pound, Australian dollar, Korean won, and other currencies, applying them to foreign currency-denominated sales in fiscal 2008, and comparing the results to sales in fiscal 2007.

b. Net Sales* by Principal Products and Services

		Yen (Billions)			Excluding impact of changes in currency exchange rates
		FY 2008 (4/1/08-3/31/09)	FY 2007 (4/1/07-3/31/08)	Change (%)	Change (%)**
Technology Solutions					
Services:					
Solutions / SI		**1,223.1**	1,258.8	-2.8	0
Infrastructure Services		**1,129.3**	1,215.2	-7.1	6
Others		**75.1**	85.2	-11.8	-12
		2,427.7	2,559.3	-5.1	3
System Platforms:					
System Products	**Y**	**326.0**	370.4	-12.0	-11
Network Products		**323.3**	342.4	-5.6	0
		649.3	712.8	-8.9	-5
Total		**3,077.0**	3,272.2	-6.0	1
Ubiquitous Product Solutions					
PCs / Mobile Phones		**683.3**	837.0	-18.4	-18
Hard Disk Drives		**249.0**	332.7	-25.2	-16
Others		**16.7**	19.1	-12.9	-13
Total		**949.1**	1,188.9	-20.2	-17
Device Solutions					
LSI Devices		**390.3**	508.8	-23.3	-21
Electronic Components, Others		**197.3**	287.9	-31.5	-28
Total	**Y**	**587.6**	796.7	-26.2	-23

Notes:

* Net sales include intersegment sales.

** Figures representing the percentage increase or decrease in net sales excluding the impact of exchange rate movements are calculated by taking the average exchange rates in fiscal 2007 for the US dollar, euro, British pound, Australian dollar, Korean won, and other currencies, applying them to foreign currency-denominated sales in fiscal 2008, and comparing the results to sales in fiscal 2007.

c. Net Sales and Operating Income (2)

FY 2008 (4/1/08-3/31/09)

(Million yen)

	Technology Solutions	Ubiquitous Product Solutions	Device Solutions	Other Operations	Total	Elimination and Corporate	Consolidated
Net sales							
Sales to customers							
outside Fujitsu Group	2,983,053	840,362	540,100	329,476	4,692,991	-	4,692,991
Intersegment sales	94,045	108,742	47,564	116,753	367,104	(367,104)	-
Total net sales	3,077,098	949,104	587,664	446,229	5,060,095	(367,104)	4,692,991
Operating income (loss)	188,712	558	(71,942)	4,129	121,457	(52,685)	68,772

FY 2007 (4/1/07-3/31/08)

(Million yen)

	Technology Solutions	Ubiquitous Product Solutions	Device Solutions	Other Operations	Total	Elimination and Corporate	Consolidated
Net sales							
Sales to customers							
outside Fujitsu Group	3,158,984	1,056,520	736,527	378,834	5,330,865	-	5,330,865
Intersegment sales	113,273	132,435	60,234	147,973	453,915	(453,915)	-
Total net sales	3,272,257	1,188,955	796,761	526,807	5,784,780	(453,915)	5,330,865
Operating income (loss)	180,189	52,581	18,271	14,270	265,311	(60,322)	204,989

Notes:

1. Business segments are defined based on the similarity of products and services, sales methods and other factors.
2. The main products and services of each segment are listed below.

(1)Technology Solutions	Systems integration services (system construction), consulting, front-end technologies (ATMs, POS systems, etc.), outsourcing services (datacenter, IT operations management, SaaS, application operations and management, business process outsourcing, etc.), network services (business network, Internet/mobile contents delivery, etc.), system support services (information system and network maintenance and monitoring services), security solutions (information systems infrastructure construction and network construction), servers (mainframes, UNIX servers, mission-critical IA servers, PC servers), storage systems, software (OS, middleware), network control systems, optical transmission systems, and mobile phone base stations.
(2)Ubiquitous Product Solutions	Personal computers, mobile phones, hard disk drives and optical modules
(3)Device Solutions	LSI devices, electronic components (semiconductor packages, SAW devices, etc.), electromechanical parts (relays and connectors, etc.)
(4)Other Operations	Audio and navigation equipment, electronic equipment for automobile control and printed circuit boards

3. FY2007: From this fiscal year onwards, the following accounting standards are changed in accordance with the rules outlined on page 59 in the section titled Significant Changes to Preparation of Financial Statements, under the articles of Change of Accounting Standard for Measurement of Inventories, Change in the Method of Depreciation for Property, Plant and Equipment and Revisions to Useful Life and Residual Value, Change in the Basis of Revenue Recognition, and Change in Classification of Amortization of Unrecognized Obligation for Retirement Benefits. Due to these changes, compared to previous accounting methods, total sales were reduced by 821 million yen for Technology Solutions, 3,151 million yen for Ubiquitous Product Solutions, 2,741 million yen for Device Solutions, and 213 million yen for other operations. For elimination, total sales were increased by 1,173 million yen. Operating income was reduced by 8,117 million yen for Technology Solutions, 1,718 million yen for Ubiquitous Product Solutions, 1,708 million yen for other operations, and 10,327 million yen for Device Solutions. For elimination, operating income was increased by 684 million yen.
   FY2008: From this fiscal year onwards, the following accounting standards are changed in accordance with the rules outlined on page 59 in the section titled Significant Changes to Preparation of Financial Statements, under the articles of Adoption of Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements, and Changes in Accounting Standards for Completed Construction Revenue and Costs. The impact of these changes on all business segments is insignificant.

7. Full-Year Consolidated Geographic Segment Information

a. Net Sales and Operating Income

FY 2008 (4/1/08-3/31/09)

(Million yen)

	Japan	EMEA	The Americas	APAC & China	Total	Elimination & Corporate	Consolidated
Net sales							
Sales to customers							
outside Fujitsu Group	3,370,276	603,771	346,500	372,444	4,692,991	-	4,692,991
Intersegment sales	419,694	9,075	18,761	283,574	731,104	(731,104)	-
Total net sales	3,789,970	612,846	365,261	656,018	5,424,095	(731,104)	4,692,991
Operating income (loss)	106,466	12,073	(1,351)	6,491	123,679	(54,907)	68,772

FY 2007 (4/1/07-3/31/08)

(Million yen)

	Japan	EMEA	The Americas	APAC & China	Total	Elimination & Corporate	Consolidated
Net sales							
Sales to customers							
outside Fujitsu Group	3,658,912	760,748	449,089	462,116	5,330,865	-	5,330,865
Intersegment sales	570,791	9,190	20,902	392,981	993,864	(993,864)	-
Total net sales	4,229,703	769,938	469,991	855,097	6,324,729	(993,864)	5,330,865
Operating income (loss)	240,931	721	9,249	14,841	265,742	(60,753)	204,989

Notes:

1. Geographic segments are defined based on geographical location and interconnectedness of business activities.
2. Principal countries and regions comprising the segments other than Japan:

   (1)EMEA
   (Europe, Middle East and Africa) UK, Spain, Germany, Finland, Netherlands
   (2)The Americas US, Canada
   (3)APAC (Asia-Pacific) & China Australia, Thailand, Vietnam, Philippines, Singapore, Korea, Taiwan, China

3. FY2007: From this fiscal year onwards, the following accounting standards are changed in accordance with the rules outlined on page 59 in the section titled Significant Changes to Preparation of Financial Statements, under the articles of Change of Accounting Standard for Measurement of Inventories, Change in the Method of Depreciation for Property, Plant and Equipment and Revisions to Useful Life and Residual Value, Change in the Basis of Revenue Recognition, and Change in Classification of Amortization of Unrecognized Obligation for Retirement Benefits.

   Due to these changes, compared to previous accounting methods, total sales for Japan was reduced by 5,753 million yen, and operating income for Japan was reduced by 838 million yen.

   FY2008: From this fiscal year onwards, the following accounting standards are changed in accordance with the rules outlined on page 59 in the section titled Significant Changes to Preparation of Financial Statements, under the articles of Adoption of Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements, and Changes in Accounting Standards for Completed Construction Revenue and Costs. The impact of these changes on all business segments is insignificant.

b. Net Sales outside Japan by Customer's Geographic Location

FY 2008 (4/1/08-3/31/09)

(Million yen)

	EMEA	The Americas	APAC & China	Total
I. Net sales outside Japan	657,073	391,443	451,370	1,499,886
II. Consolidated net sales				4,692,991
III. Sales outside Japan as a ratio of total sales	14.0%	8.4%	9.6%	32.0%

FY 2007 (4/1/07-3/31/08)

(Million yen)

	EMEA	The Americas	APAC & China	Total
I. Net sales outside Japan	839,719	521,989	561,913	1,923,621
II. Consolidated net sales				5,330,865
III. Sales outside Japan as a ratio of total sales	15.8%	9.8%	10.5%	36.1%

Notes:

1. Geographic segments are defined based on geographical location and interconnectedness of business activities.
2. Principal countries and regions comprising the segments other than Japan:
   (1)EMEA
   (Europe, Middle East and Africa) UK, Spain, Germany, Finland, Netherlands
   (2)The Americas US, Canada
   (3)APAC (Asia-Pacific) & China Australia, Thailand, Vietnam, Philippines, Singapore, Korea, Taiwan, China
3. Net sales outside Japan represent sales of Fujitsu Ltd. and its consolidated subsidiaries in regions and countries other than Japan.
4. FY2008: From this fiscal year onwards, the following accounting standards are changed in accordance with the rules outlined on page 59 in the section titled Significant Changes to Preparation of Financial Statements, under the article of Adoption of Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements. The impact of these changes on all business segments is insignificant.

8. Full-Year Consolidated Balance Sheets

		Yen (Millions)	
		March 31 2009	March 31 2008
Assets			
Current assets:			
Cash and time deposits	**Y**	**488,636**	276,759
Notes and accounts receivable, trade		**847,249**	1,017,916
Marketable securities		**48,968**	272,649
Finished goods		**140,356**	169,662
Work in process		**95,159**	137,215
Raw materials		**70,941**	76,229
Deferred tax assets		**68,840**	80,958
Others		**135,642**	143,794
Allowance for doubtful accounts		**(8,254)**	(5,245)
Total current assets		**1,887,537**	2,169,937
Non-current assets:			
Property, plant and equipment, net of accumulated depreciation:			
Buildings		**264,842**	294,348
Machinery		**127,529**	239,100
Equipment		**152,309**	177,146
Land		**112,834**	105,584
Construction in progress		**15,514**	23,586
Total property, plant and equipment		**673,028**	839,764
Intangible assets:			
Software		**139,727**	134,435
Goodwill		**46,508**	68,411
Others		**25,087**	16,709
Total intangible assets		**211,322**	219,555
Other non-current assets:			
Investment securities		**245,602**	393,586
Deferred tax assets		**72,250**	54,480
Others		**139,685**	153,488
Allowance for doubtful accounts		**(7,442)**	(8,847)
Total other non-current assets		**450,095**	592,707
Total non-current assets		**1,334,445**	1,652,026
Total assets	**Y**	**3,221,982**	3,821,963

		Yen (Millions)	
		March 31 2009	March 31 2008
Liabilities and net assets			
Liabilities			
Current liabilities:			
Notes and accounts payable, trade	Y	**528,707**	772,164
Short-term borrowings		**124,204**	50,687
Current portion of bonds payable		**302,679**	109,540
Lease obligations		**41,432**	38,535
Accrued income taxes		**19,332**	26,529
Accrued expenses		**298,969**	367,321
Provision for product warranties		**14,941**	19,961
Provision for construction contract losses		**6,105**	-
Provision for bonus for board members and auditors		**-**	223
Others		**214,053**	226,380
Total current liabilities		**1,550,422**	1,611,340
Long-term liabilities:			
Bonds payable		**380,800**	680,000
Long-term borrowings		**75,797**	47,109
Lease obligations		**47,303**	62,632
Accrued retirement benefits		**137,222**	155,578
Provision for loss on repurchase of computers		**25,837**	27,082
Provision for recycling expenses		**5,726**	4,856
Deferred tax liabilities		**51,506**	89,027
Revaluation of deferred tax liabilities		**575**	576
Others		**21,192**	13,587
Total long-term liabilities		**745,958**	1,080,447
Total liabilities		**2,296,380**	2,691,787
Net assets			
Shareholders' equity:			
Common stock		**324,625**	324,625
Capital surplus		**236,612**	249,038
Retained earnings		**223,797**	338,903
Treasury stock		**(2,133)**	(869)
Total shareholders' equity		**782,901**	911,697
Valuation and translation adjustments:			
Unrealized gain and loss on securities, net of taxes		**51,661**	89,879
Deferred hedge gain and loss		**2,880**	124
Revaluation surplus on land		**2,332**	2,449
Foreign currency translation adjustments		**(90,833)**	(55,945)
Total valuation and translation adjustments		**(33,960)**	36,507
Share warrants		**26**	-
Minority interests		**176,635**	181,972
Total net assets		**925,602**	1,130,176
Total liabilities and net assets	Y	**3,221,982**	3,821,963

9. Full-Year Consolidated Statements of Cash Flows

		Yen (Millions)	
		FY 2008 (4/1/08~3/31/09)	FY 2007 (4/1/07~3/31/08)
1. Cash flows from operating activities:			
Income (loss) before income taxes and minority interests	**Y**	**(113,314)**	109,444
Depreciation and amortization		**282,111**	257,127
Impairment loss (*1)		**75,192**	18,756
Goodwill amortization		**16,292**	22,171
Increase (decrease) in provisions		**(12,112)**	(24,611)
Interest and dividend income		**(19,358)**	(17,759)
Interest charges		**17,516**	21,277
Equity in earnings of affiliates, net		**34,049**	(9,192)
Disposal of non-current assets		**9,499**	17,314
Gain on sales of investment securities, net		**(3,484)**	(17,308)
Valuation loss on investment securities		**18,729**	25,132
Revaluation loss on inventories		**-**	25,045
(Increase) decrease in receivables, trade		**127,090**	(26,452)
(Increase) decrease in inventories		**63,516**	(8,361)
Increase (decrease) in payables, trade		**(224,870)**	(22,892)
Other, net		**(1,497)**	(1,087)
Cash generated from operations		**269,359**	368,604
Interest and dividends received		**29,378**	17,874
Interest paid		**(18,532)**	(19,388)
Income taxes paid		**(32,107)**	(45,018)
Net cash used in operating activities		**248,098**	322,072
2. Cash flows from investing activities:			
Purchases of property, plant and equipment		**(175,851)**	(268,955)
Proceeds from sales of property, plant and equipment		**18,649**	3,986
Purchases of intangible assets		**(66,117)**	(62,085)
Purchases of investment securities		**(17,022)**	(20,985)
Proceeds from sales of investment securities		**15,604**	55,470
Other, net		**126**	8,643
Net cash used in investing activities		**(224,611)**	(283,926)
1+2 [Free Cash Flow]		**23,487**	38,146
3. Cash flows from financing activities:			
Increase (decrease) in short-term borrowings		**81,423**	16,099
Proceeds from long-term debt		**39,634**	11,955
Repayment of long-term debt		**(3,106)**	(38,414)
Proceeds from issuance of bonds		**69,610**	324,907
Repayment of bonds		**(168,906)**	(164,293)
Dividends paid		**(24,460)**	(15,875)
Other, net		**(42,089)**	(72,054)
Net cash provided by financing activities		**(47,894)**	62,325
4. Effect of exchange rate changes on cash and cash equivalents		**(4,035)**	(2,313)
5. Net increase (decrease) in cash and cash equivalents		**(28,442)**	98,158
6. Cash and cash equivalents at beginning of period		**547,844**	448,705
7. Cash and cash equivalents of newly consolidated subsidiaries		**8,772**	981
8. Cash and cash equivalents at end of period	**Y**	**528,174**	547,844

Note:

*Refer to page 66 for explanations.

10. Full-Year Consolidated Statements of Changes in Net Assets

		FY 2008 (4/1/08~3/31/09)	FY 2007 (4/1/07~3/31/08)
Net assets:			
Shareholders' equity:			
Common stock:			
Balance at end of previous term	Y	**324,625**	324,625
Increase (Decrease) during the term			
Total		**-**	-
Ending balance of common stock		**324,625**	324,625
Capital surplus:			
Balance at end of previous term		**249,038**	498,029
Increase (Decrease) during the term:			
Transfer of capital surplus to retained earnings (*3)		**-**	(240,464)
Dividend from other capital surplus		**-**	(6,201)
Sales of treasury stock (*5)		**(73)**	(2,326)
Effect from change of scope of consolidation (*1)		**(12,353)**	-
Total		**(12,426)**	(248,991)
Ending balance of capital surplus		**236,612**	249,038
Retained earnings:			
Balance at end of previous term		**338,903**	54,319
Increase (Decrease) due to changes in accounting treatment by subsidiaries outside Japan (*2)		**(1,585)**	-
Increase (Decrease) during the term:			
Transfer of capital surplus to retained earnings (*3)		**-**	240,464
Cash dividends		**(20,681)**	(6,207)
Net income (loss)		**(112,388)**	48,107
Effect from change of scope of consolidation (*1)		**19,548**	896
Others (*6)		**-**	1,324
Total		**(113,521)**	284,584
Ending balance of retained earnings		**223,797**	338,903
Treasury stock:			
Balance at end of previous term		**(869)**	(1,969)
Increase (Decrease) during the term:			
Acquisition of treasury stock (*4)		**(1,492)**	(27,231)
Sales of treasury stock (*5)		**228**	28,331
Total		**(1,264)**	1,100
Ending balance treasury stock		**(2,133)**	(869)
Total shareholders' equity			
Balance at end of previous term		**911,697**	875,004
Increase (Decrease) due to changes in accounting treatment by subsidiaries outside Japan (*2)		**(1,585)**	-
Increase (Decrease) during the term:			
Transfer of capital surplus to retained earnings (*3)		**-**	-
Dividend from other capital surplus		**-**	(6,201)
Cash dividends		**(20,681)**	(6,207)
Net income (loss)		**(112,388)**	48,107
Acquisition of treasury stock (*4)		**(1,492)**	(27,231)
Sales of treasury stock (*5)		**155**	26,005
Effect from change of scope of consolidation (*1)		**7,195**	896
Others (*6)		**-**	1,324
Total		**(127,211)**	36,693
Ending balance of shareholders' equity	Y	**782,901**	911,697

Note:

*Refer to page 65 for explanations.

		FY 2008 (4/1/08~3/31/09)	FY 2007 (4/1/07~3/31/08)
Valuation and translation adjustments:			
Unrealized gain and loss securities, net of taxes:			
Balance at end of previous term	Y	89,879	122,770
Increase (Decrease) during the term:			
Net increase (decrease) during the term, except for items under shareholders' equity		(38,218)	(32,891)
Total		(38,218)	(32,891)
Ending balance of unrealized gain and loss securities, net of taxe		51,661	89,879
Deferred hedge gain and loss:			
Balance at end of previous term		124	126
Increase (Decrease) during the term:			
Net increase (decrease) during the term, except for items under shareholders' equity		2,756	(2)
Total		2,756	(2)
Ending balance deferred hedge gain and los		2,880	124
Revaluation surplus on land:			
Balance at end of previous term		2,449	2,487
Increase (Decrease) during the term:			
Net increase (decrease) during the term, except for items under shareholders' equity		(117)	(38)
Total		(117)	(38)
Ending balance of revaluation surplus on lan		2,332	2,449
Foreign currency translation adjustments:			
Balance at end of previous term		(55,945)	(30,865)
Increase (Decrease) during the term:			
Net increase (decrease) during the term, except for items under shareholders' equity		(34,888)	(25,080)
Total		(34,888)	(25,080)
Ending balance of foreign currency translation adjustment		(90,833)	(55,945)
Total valuation and translation adjustments:			
Balance at end of previous term		36,507	(94,518)
Increase (Decrease) during the term:			
Net increase (decrease) during the term, except for items under shareholders' equity		(70,467)	(58,011)
Total		(70,467)	(58,011)
Ending balance of valuation and translation adjustments		(33,960)	36,507
Share warrants:			
Balance at end of previous term		-	-
Increase (Decrease) during the term:			
Net increase (decrease) during the term, except for items under shareholders' equity		26	-
Total		26	-
Ending balance of share warrants		26	-
Minority interests:			
Balance at end of previous term		181,972	191,197
Increase (Decrease) during the term:			
Net increase (decrease) during the term, except for items under shareholders' equity		(5,337)	(9,225)
Total		(5,337)	(9,225)
Ending balance of minority interests		176,635	181,972
Total net assets:			
Balance at end of previous term		1,130,176	1,160,719
Increase (Decrease) due to changes in accounting treatment by subsidiaries outside Japan (*2)		(1,585)	-
Increase (Decrease) during the term:			
Transfer of capital surplus to retained earnings (*3)		-	-
Dividend from other capital surplus		-	(6,201)
Cash dividends		(20,681)	(6,207)
Net income (loss)		(112,388)	48,107
Acquisition of treasury stock (*4)		(1,492)	(27,231)
Sales of treasury stock (*5)		155	26,005
Effect from change of scope of consolidation (*1)		7,195	896
Others (*6)		-	1,324
Net increase (decrease) during the term, except for items under shareholders' equity		(75,778)	(67,236)
Total		(202,989)	(30,543)
Ending balance of net assets	Y	925,602	1,130,176

Note:

*Refer to page 65 for explanations.

11. Full-Year Unconsolidated Statements of Operations

		Yen (Millions)	
		FY 2008	FY 2007
		(4/1/08~3/31/09)	(4/1/07~3/31/08)
Net sales	**Y**	**2,423,503**	2,979,069
Cost of sales		**1,835,739**	2,298,655
Gross profit		**587,763**	680,413
Selling, general and administrative expenses		**547,016**	621,389
Operating income (loss)		**40,747**	59,023
Other income:			
Interest income		**3,262**	3,153
Dividend income		**76,764**	101,750
Gain on sales of investment securities (*1)		**3,207**	11,457
Gain on reversal of provision for loss on guarantees (*2)		**10**	8,901
Others		**11,852**	15,248
Total other income		**95,096**	140,510
Other expenses:			
Interest expense		**1,946**	2,761
Interest on bonds		**8,450**	9,725
Loss on disposal of property, plant and equipment and intangible assets		**2,511**	8,347
Loss on foreign exchange, net		**5,949**	5,291
Business restructuring expenses (*3)		**26,073**	22,126
Loss on revaluation of investment securities (*4)		**12,788**	24,910
Loss on revaluation of subsidiaries' and affiliates' stock (*5)		**11,769**	27,407
Impairment loss (*6)		**5,039**	-
Provision for loss on guatantees (*7)		**2,719**	273
Revaluation loss on inventries		**-**	24,236
Others		**18,951**	25,810
Total other expenses		**96,199**	150,891
Income (Loss) before income taxes		**39,644**	48,643
Income taxes:			
Current		**(2,860)**	(10,672)
Deferred		**(5,376)**	(2,100)
Total income taxes		**(8,237)**	(12,772)
Net income (loss)	**Y**	**47,881**	61,415

Note:

*Refer to page 79 for explanations.

12. Full-Year Unconsolidated Balance Sheets

		Yen (Millions)	
		March 31 2009	March 31 2008
Assets			
Current assets:			
Cash and time deposits	**Y**	**295,417**	127,696
Notes receivables, trade		**1,803**	2,010
Accounts receivables, trade		**411,828**	435,874
Marketable securities		**30,000**	230,000
Finished goods		**80,643**	79,878
Work in process		**16,697**	27,231
Raw materials		**19,778**	15,070
Advanced money		**647**	31,971
Deferred tax assets		**20,037**	28,583
Short-term loan receivable		**19,337**	9,265
Accrued revenue		**177,121**	237,868
Others		**8,121**	2,654
Allowance for doubtful accounts		**(2,908)**	(654)
Total current assets		**1,078,524**	1,227,449
Non-current assets:			
Property, plant and equipment, net of accumulated depreciation:			
Buildings		**88,283**	82,104
Structure		**4,139**	4,099
Machinery		**2,408**	8,630
Vehicle and delivery equipment, net		**7**	12
Equipment		**49,329**	63,241
Land		**71,111**	62,252
Construction in progress		**1,991**	3,625
Total property, plant and equipment		**217,271**	223,966
Intangible assets:			
Software		**76,863**	71,263
Utility rights		**3,691**	3,747
Others		**4,584**	808
Total intangible assets		**85,139**	75,819
Other non-current assets:			
Investment securities		**153,955**	230,785
Subsidiaries' and affiliates' stocks		**680,615**	675,978
Long-term loans to affiliated companies		**2,600**	2,650
Receivables from companies under bankruptcy or reorganization process		**2,486**	3,555
Prepaid pension expense		**61,134**	70,618
Others		**24,670**	31,032
Allowance for doubtful accounts		**(4,040)**	(5,296)
Total other non-current assets		**921,422**	1,009,325
Total non-current assets		**1,223,834**	1,309,111
Total assets	**Y**	**2,302,358**	2,536,561

		Yen (Millions)	
		March 31 2009	March 31 2008
Liabilities and net assets			
Liabilities			
Current liabilities:			
Notes and accounts payable, trade	**Y**	**549,177**	668,662
Short-term borrowings		**45,013**	6,010
Current portion of long-term bollowings payable		**8,290**	790
Current portion of bonds payable		**300,000**	100,000
Lease obligations		**3,003**	2,511
Accrued liability		**46,621**	51,864
Accrued expenses		**102,543**	149,680
Accrued income taxes		**836**	1,698
Advance received		**24,667**	20,616
Deposits payable		**41,157**	27,664
Provision for product warranties		**7,176**	11,434
Provision for construction contract losses		**2,574**	-
Provision for loss on guatantees		**7,854**	19,904
Provision for bonus for board members and auditors		**-**	223
Others		**2,791**	330
Total current liabilities		**1,141,707**	1,061,390
Long-term liabilities:			
Bonds payable		**380,000**	680,000
Long-term borrowings		**67,478**	37,768
Lease obligations		**6,632**	6,985
Provision for loss on repurchase of computers		**25,837**	27,082
Provision for recycling expenses		**5,725**	4,855
Deferred tax liabilities		**41,305**	78,874
Others		**4,642**	2,752
Total long-term liabilities		**531,620**	838,318
Total liabilities		**1,673,328**	1,899,708
Net assets			
Shareholders' equity:			
Common stock		**324,625**	324,625
Capital surplus:			
Other capital surplus		**169,108**	169,181
Total capital surplus		**169,108**	169,181
Retained earnings:			
Legal retained earnings		**2,688**	620
Other retained earnings:			
Reserves for special depreciation		**5,332**	2,343
Retained earnings brought forward		**74,387**	52,244
Total other retained earnings		**79,719**	54,587
Total retained earnings		**82,408**	55,207
Treasury stock		**(2,133)**	(869)
Total shareholders' equity		**574,008**	548,144
Valuation and translation adjustments:			
Unrealized gain and loss on securities, net of taxes		**52,144**	88,585
Deferred hedge gain and loss		**2,878**	122
Total valuation and translation adjustments		**55,022**	88,708
Total net assets		**629,030**	636,852
Total liabilities and net assets	**Y**	**2,302,358**	2,536,561

13. Full-Year Unconsolidated Statements of Changes in Net Assets

		FY 2008 (4/1/08~3/31/09)	FY 2007 (4/1/07~3/31/08)
Net assets:			
Shareholders' equity:			
Common stock:			
Balance at end of previous term	Y	**324,625**	324,625
Increase (Decrease) during the term			
Total		**-**	-
Ending balance of common stock		**324,625**	324,625
Capital surplus:			
Legal capital surplus:			
Balance at end of previous term		**-**	118,297
Increase (Decrease) during the term:			
Transfer from legal capital surplus to other capital surplus (*1)		**-**	(118,297)
Total		**-**	(118,297)
Ending balance of legal capital surplus		**-**	-
Other capital surplus:			
Balance at end of previous term		**169,181**	299,878
Increase (Decrease) during the term:			
Transfer from capital reserve to surplus (*1)		-	118,297
Transfer of other capital surplus to retained earnings brought forward (*2)		**-**	(240,464)
Dividend from other capital surplus		**-**	(6,201)
Sales of treasury stock (*4)		**(73)**	(2,329)
Total		**(73)**	(130,697)
Ending balance of other capital surplus		**169,108**	169,181
Total capital surplus:			
Balance at end of previous term		**169,181**	418,175
Increase (Decrease) during the term:			
Transfer from legal capital surplus to other capital surplus (*1)		**-**	-
Transfer of other capital surplus to retained earnings brought forward (*2)		-	(240,464)
Dividend from other capital surplus		-	(6,201)
Sales of treasury stock (*4)		**(73)**	(2,329)
Total		**(73)**	(248,994)
Ending balance of capital surplus		**169,108**	169,181
Retained earnings:			
Legal retained earnings:			
Balance at end of previous term		**620**	-
Increase (Decrease) during the term:			
Cash dividends		**2,068**	620
Total		**2,068**	620
Ending balance of legal retained earnings		**2,688**	620
Other retained earnings:			
Reserves for special depreciation:			
Balance at end of previous term		**2,343**	3,503
Increase (Decrease) during the term:			
Increase in reserves for special depreciation		**4,033**	740
Decrease in reserves for special depreciation		**(1,044)**	(1,900)
Total		**2,989**	(1,160)
Ending balance of other retained earnings		**5,332**	2,343
Retained earnings brought forward:			
Balance at end of previous term		**52,244**	(243,967)
Increase (Decrease) during the term:			
Transfer of other capital surplus to retained earnings brought forward (*2)		**-**	240,464
Cash dividends		**(22,749)**	(6,828)
Increase in reserves for special depreciation		**(4,033)**	(740)
Decrease in reserves for special depreciation		**1,044**	1,900
Net income (loss)		**47,881**	61,415
Total		**22,143**	296,211
Ending balance of retained earnings brought forward		**74,387**	52,244
Total retained earnings:			
Balance at end of previous term		**55,207**	(240,464)
Increase (Decrease) during the term:			
Transfer of other capital surplus to retained earnings brought forward (*2)		**-**	240,464
Cash dividends		**(20,681)**	(6,207)
Increase in reserves for special depreciation		**-**	-
Decrease in reserves for special depreciation		**-**	-
Net income (loss)		**47,881**	61,415
Total		**27,200**	295,672
Ending balance of retained earnings	Y	**82,408**	55,207

Note:

*Refer to page 80 for explanations.

		FY 2008 (4/1/08~3/31/09)	FY 2007 (4/1/07~3/31/08)
Treasury stock:			
Balance at end of previous term		**(869)**	(1,969)
Increase (Decrease) during the term:			
Acquisition of treasury stock (*3)		**(1,492)**	(27,231)
Sales of treasury stock (*4)		**228**	28,331
Total		**(1,264)**	1,099
Ending balance of treasury stock		**(2,133)**	(869)
Total shareholders' equity:			
Balance at end of previous term		**548,144**	500,367
Increase (Decrease) during the term:			
Transfer of other capital surplus to retained earnings brought forward (*2)		**-**	-
Dividend from other capital surplus		**-**	(6,201)
Cash dividends		**(20,681)**	(6,207)
Net income (loss)		**47,881**	61,415
Acquisition of treasury stock (*3)		**(1,492)**	(27,231)
Sales of treasury stock (*4)		**155**	26,002
Total		**25,863**	47,777
Ending balance of shareholders' equity	Y	**574,008**	548,144
Valuation and translation adjustments:			
Unrealized gain and loss securities, net of taxes:			
Balance at end of previous term	Y	**88,585**	120,381
Increase (Decrease) during the term:			
Net increase (decrease) during the term, except for items under shareholders' equity		**(36,441)**	(31,796)
Total		**(36,441)**	(31,796)
Ending balance of unrealized gain and loss securities, net of taxe		**52,144**	88,585
Deferred hedge gain and loss:			
Balance at end of previous term		**122**	142
Increase (Decrease) during the term:			
Net increase (decrease) during the term, except for items under shareholders' equity		**2,755**	(19)
Total		**2,755**	(19)
Ending balance of deferred hedge gain and loss		**2,878**	122
Total valuation and translation adjustments:			
Balance at end of previous term		**88,708**	120,524
Increase (Decrease) during the term:			
Net increase (decrease) during the term, except for items under shareholders' equity		**(33,685)**	(31,815)
Total		**(33,685)**	(31,815)
Ending balance of valuation and translation adjustments		**55,022**	88,708
Total net assets:			
Balance at end of previous term		**636,852**	620,891
Increase (Decrease) during the term:			
Transfer of other capital surplus to retained earnings brought forward (*2)		**-**	-
Dividend from other capital surplus		**-**	(6,201)
Cash dividends		**(20,681)**	(6,207)
Net income (loss)		**47,881**	61,415
Acquisition of treasury stock (*3)		**(1,492)**	(27,231)
Sales of treasury stock (*4)		**155**	26,002
Net increase (decrease) during the term, except for items under shareholders' equity		**(33,685)**	(31,815)
Total		**(7,822)**	15,961
Ending balance of net assets	Y	**629,030**	636,852

Note:

*Refer to page 80 for explanations.

Part II. Explanation of Financial Results

(1) Overview of FY 2008 Full-Year Consolidated Financial Results

Business Environment

During fiscal 2008 (April 1, 2008 – March 31, 2009), the business environment in which the Fujitsu Group operated was characterized by a deepening worldwide economic recession. As the impact of the financial crisis spread, creating a downward spiral of credit contraction and deteriorating real economic conditions on a global scale, Europe and the United States fell into an economic recession, while even growth in Asia, especially China and India, which had been consistently high, sharply decelerated. In Japan, conditions in the corporate sector, in particular, significantly deteriorated as the sharp decline in exports resulted in a prolongation of the recession, with the economy contracting at a double-digit rate for the two consecutive quarters of the second half of the fiscal year. As the earnings and employment conditions quickly deteriorated, even consumer spending fell.

With respect to IT investment, while trends in the first half of the fiscal year were strong, the spending environment has become more cautious since the start of the second half as a result of the global economic recession, with a steep fall-off in spending on IT hardware and much more selective investments in software. In today's challenging environment, the importance of corporate social responsibility and comprehensive risk management is increasing. IT spending to enhance corporate compliance and security remains solid, as is spending on upfront strategic investments to strengthen competitiveness in global markets.

FY 2008 Full-Year Financial Results (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	4,692.9	100.0	5,330.8	100.0	-637.8	-12.0
Cost of Sales	3,491.5	74.4	3,959.5	74.3	-468.0	-11.8
Gross Profit	1,201.4	25.6	1,371.3	25.7	-169.8	-12.4
Selling, General and Administrative Expenses	1,132.7	24.1	1,166.3	21.9	-33.6	-2.9
Operating Income	68.7	1.5	204.9	3.8	-136.2	-66.5
Other Income	35.0	0.7	63.6	1.2	-28.6	-
Other Expenses	217.1	4.6	159.2	3.0	57.9	-
Income Before Taxes	-113.3	-2.4	109.4	2.1	-222.7	-
Net Income	-112.3	-2.4	48.1	0.9	-160.4	-

FY 2008 Quarterly Breakdown of Operating Income (Billion Yen)

		1Q	2Q	3Q	4Q	Full-Year
Consolidated	FY 2008	5.8	32.7	-25.1	55.4	68.7
	Change from FY 2007	2.8	-8.2	-71.8	-58.9	-136.2

Operating Income by Business Segment

		1Q	2Q	3Q	4Q	Full-Year
Technology Solutions	FY 2008	8.2	49.1	20.2	111.1	188.7
	Change from FY 2007	4.3	14.3	-14.0	3.9	8.5
Ubiquitous Product Solutions	FY 2008	9.9	-1.0	-11.5	3.1	0.5
	Change from FY 2007	-2.4	-10.5	-25.0	-14.0	-52.0
Device Solutions	FY 2008	-4.7	-2.5	-21.1	-43.4	-71.9
	Change from FY 2007	-1.1	-12.2	-30.5	-46.1	-90.2

Consolidated Results by Business Segment (Billion Yen)

		Full-Year FY 2008 *4/1/08-3/31/09*	Full-Year FY 2007 *4/1/07-3/31/08*	Change		
					%	Adjusted change %
Technology Solutions	Net Sales	3,077.0	3,272.2	-195.1	-6.0	1
	Operating Income	188.7	180.1	8.5	4.7	
	[Operating Income Margin]	[6.1%]	[5.5%]	[0.6%]		
Ubiquitous Product Solutions	Net Sales	949.1	1,188.9	-239.8	-20.2	-17
	Operating Income	0.5	52.5	-52.0	-98.9	
	[Operating Income Margin]	[0.1%]	[4.4%]	[-4.3%]		
Device Solutions	Net Sales	587.6	796.7	-209.0	-26.2	-23
	Operating Income	-71.9	18.2	- 90.2	-	
	[Operating Income Margin]	[-12.2%]	[2.3%]	[- 14.5%]		
Other Operations	Net Sales	446.2	526.8	-80.5	-15.3	-13
	Operating Income	4.1	14.2	-10.1	-71.1	
	[Operating Income Margin]	[0.9%]	[2.7%]	[-1.8%]		
Consolidated Total	Net Sales	4,692.9	5,330.8	-637.8	-12.0	-6
	Japan	3,193.1	3,407.2	-214.1	-6.3	-6
	Overseas	1,499.8	1,923.6	-423.7	-22.0	-6
	Operating Income	68.7	204.9	-136.2	-66.5	
	[Operating Income Margin]	[1.5%]	[3.8%]	[-2.3%]		

Consolidated Results by Geographic Segment (Billion Yen)

		Full-Year FY 2008 *4/1/08-3/31/09*	Full-Year FY 2007 *4/1/07-3/31/08*	Change		
					%	% excluding currency impact
Japan	Net Sales	3,789.9	4,229.7	-439.7	-10.4	-10
	Operating Income	106.4	240.9	-134.4	-55.8	
	[Op. Income Margin]	[2.8%]	[5.7%]	[-2.9%]		
Overseas	Net Sales	1,634.1	2,095.0	-460.9	-22.0	-9
	Operating Income	17.2	24.8	-7.5	-30.6	
	[Op. Income Margin]	[1.1%]	[1.2%]	[- 0.1%]		

Notes:
1. Net sales include intersegment sales.
2. Adjusted change excludes the impact of currency exchange fluctuation by using the US dollar, euro, British pound, Australian dollar and Korean won foreign exchange rates for fiscal 2007 to translate the fiscal 2008 sales outside Japan into yen.
3. The main products and services of each segment are listed below.
(1)Technology Solutions: Primarily systems integration services, consulting, front-end technology (ATMs, POS systems, etc.), outsourcing services, network services, system support services, security solutions, servers, storage systems, software, network control systems, optical transmission systems, and mobile phone base stations
(2)Ubiquitous Product Solutions: Personal computers, mobile phones, hard disk drives, and optical modules
(3) Device Solutions: LSI devices, electronic components, relays and connectors, etc.
(4) Other Operations: Audio and navigation equipment, electronic equipment for automobile control and printed circuit boards

Major Items in Other Expenses (Billion Yen)

	FY2008 (April 1, 2008 – March 31, 2009)	Forecast as of February 2009
Business Restructuring Expenses	54.1	9.1
Related to HDD business transfer	37.0	2.0
Related to LSI manufacturing facility reorganization (standard technology logic lines)	11.3	1.3
Related to business outside Japan/components business, etc.	5.8	5.8
Impairment Losses	58.9	56.8
Related to LSI business, Mie Plant 300mm Fab No. 2	49.9	49.9
Related to optical transmission system, components business, etc.	8.9	6.8
Investment Securities Revaluation Losses	18.7	12.3

For Reference: Major Financial Indices

(Billion Yen, except for ratio and period items)

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Net Sales	4,762.7	4,791.4	5,100.1	5,330.8	4,692.9
Sales Outside of Japan	1,422.0	1,591.5	1,825.2	1,923.6	1,499.8
[Ratio of Sales Outside of Japan to Total Sales]	[29.9%]	[33.2%]	[35.8%]	[36.1%]	[32.0%]
Operating Income Margin	3.4%	3.8%	3.6%	3.8%	1.5%
Inventories	478.5	408.7	412.3	383.1	306.4
[Inventory Turnover Ratio]	[9.53]	[10.80]	[12.42]	[13.40]	[13.61]
[Monthly Inventory Turnover]	[0.71 times]	[0.88 times]	[0.93 times]	[1.03 times]	[0.98 times]
Total Assets	3,640.1	3,807.1	3,943.7	3,821.9	3,221.9
[Total Assets Turnover Ratio]	[1.27]	[1.29]	[1.32]	[1.37]	[1.33]
Shareholders' Equity	813.4	780.6	875.0	911.6	782.9
[Shareholders' Equity Ratio]	[22.3%]	[20.5%]	[22.2%]	[23.9%]	[24.3%]
Owners' Equity	856.9	917.0	969.5	948.2	748.9
[Owners' Equity Ratio]	[23.5%]	[24.1%]	[24.6%]	[24.8%]	[23.3%]
Market Value-based Shareholders' Equity Ratio	36.6%	53.9%	41.2%	35.3%	23.4%
Interest-Bearing Loans	1,082.7	928.6	745.8	887.3	883.4
Net Interest-Bearing Loans	628.2	507.7	297.1	339.4	355.3
D/E Ratio	1.26	1.01	0.77	0.94	1.18
Net D/E Ratio	0.73	0.55	0.31	0.36	0.47
Cash Flows From Operating Activities	277.2	405.5	408.7	322.0	248.0
Free Cash Flow	262.1	170.8	257.6	38.1	23.4
Loans / Cash Flows from Operating Activities	3.9 years	2.3 years	1.8 years	2.8 years	3.6 years
Interest Coverage Ratio	15.2	21.3	22.2	15.1	14.2

Note:

Inventory Turnover Ratio:	*Net Sales ÷ {(Beginning Balance of Inventories + Ending Balance of Inventories) ÷ 2}*
Monthly Inventory Turnover:	*Net Sales ÷ Average Inventories during Period* ÷ 12*
Total Assets Turnover Ratio:	*Net Sales ÷ {(Beginning Balance of Total Assets + Ending Balance of Total Assets) ÷ 2}*
Shareholders' Equity Ratio:	*Shareholders' Equity ÷ Total Assets*
Owners' Equity Ratio:	*(Net Assets – Share Warrants - Minority Interests) ÷ Total Assets*
Market Value-based Shareholders' Equity Ratio:	*Market Capitalization ÷ Total Assets*
Net Interest-Bearing Loans:	*Interest-Bearing Loans – Cash Equivalents*
D/E Ratio:	*Interest-Bearing Loans ÷ Owners' Equity*
Net D/E Ratio:	*(Interest-bearing Loans - Cash Equivalents) ÷ Owners' Equity*

Loans / Cash Flows from Operating Activities:	*Interest-Bearing Loans ÷ Cash Flows from Operating Activities*
Interest Coverage Ratio:	*Cash Flows from Operating Activities ÷ Interest Expense*

*Average inventories during period are calculated as the average of the ending balance of inventories for each of the four quarters of fiscal 2008.

Issues and Initiatives in FY 2008

Fiscal 2008 marked the second year of the Fujitsu Group's medium-term management plan, in which we have set the goals of achieving, by fiscal 2009, a consolidated operating income margin of more than 5% overall and more than 7% in the Technology Solutions segment, as well as having sales outside of Japan account for more than 40% of overall sales. Under our new president, in order to enhance our customer-centric management approach, we are focused on achieving transformations in three areas in order to strengthen our organization: customer-centric management, by focusing on our customer's customers; global expansion, by "thinking global and acting local;" and sustainability, by helping customers reduce their environmental footprint.

Fujitsu initially planned to achieve higher profitability in fiscal 2008 even if sales were essentially no higher than in fiscal 2007. Overall, we projected net sales of 5,350 billion yen (an increase of 0.4% over fiscal 2007, with sales outside Japan contributing 35% of the total) and operating income of 220 billion yen (an increase of about 15 billion yen over fiscal 2007), factoring in the negative impact of a stronger yen (which we projected would reduce net sales by approximately 200 billion yen and operating income by approximately 20 billion yen) as well as the impact of higher retirement benefit expenses (approximately 20 billion yen impact over fiscal 2007). We assumed that 210 billion yen in operating income would come from our Technology Solutions segment (an increase of 29.8 billion yen over fiscal 2007, with an operating income margin of 6.4%).

Our actual performance fell short of these initial projections. Net sales in fiscal 2008 were 4,692.9 billion yen (down 12% from the prior year, with a negative impact of approximately 300 billion yen from currency movements, and sales outside Japan contributing 32% of total sales) and operating income was 68.7 billion yen (down 136.2 billion yen from the prior year). In addition, factors that we could not have predicted when we made our medium-term plan, such as the deterioration in the market environment, exchange rate movements, and business restructuring initiatives, will make it difficult for us to achieve our medium-term goals in fiscal 2009, but we will strive to achieve them as quickly as possible.

Starting from the third quarter, however, as a result of the sharp deterioration in market conditions and the appreciation of the yen, our PC, HDD, LSI, and electronic component businesses all experienced a severe decline in sales. Operating income in our Ubiquitous Product Solutions and Device Solutions segments combined was 141.3 billion yen lower than our initial projection, increasing the need to quickly implement restructuring initiatives to strengthen the corporation. In April 2009 we finalized agreements with Toshiba Corporation and Showa Denko KK on the transfer of our HDD business and finalized these agreements in April (transfer scheduled for July 2009). In addition, in our LSI business, which was reorganized into a subsidiary in fiscal 2007, in January, as part of the reforms, we decided to implement a phased consolidation of our standard logic device production lines and reassign affected employees to other businesses within the Fujitsu Group. We have also entered into a preliminary agreement to outsource the production of advanced 40nm generation devices to outside foundries. Because of the delay in the LSI market recovery and because our facilities utilization plans have changed, we have posted impairment losses on buildings and equipment at the Mie Plant's 300mm wafer Fab No. 2. We have also transferred our capacitor business as well as our shares in Eudyna Devices Inc. to third parties and reorganized our optical module business into a subsidiary. Because of losses sustained as a result of deteriorating business performance and restructuring initiatives, equity-method affiliate FDK Corporation's liabilities exceeded its assets at the end of fiscal 2008, so Fujitsu will subscribe to an 11-billion-yen private placement in May, converting FDK into a consolidated subsidiary to ensure the company successfully implements structural reforms.

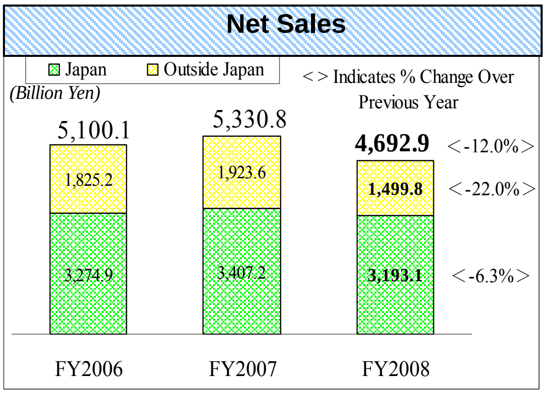
Operating income in the Technology Solutions segment was 188.7 billion yen, an 8.5 billion yen increase over the prior year. We fell short of our initial projections by 21.3 billion yen and achieved an operating income margin of 6.1%, which was 0.3 percentage points below our target. The failure to meet our targets was due to weak demand outside Japan for servers and optical transmission systems resulting from the economic recession as well as the impact of weaker currencies in Europe. To strengthen our business outside Japan, we consolidated authority over four regions, which had been run separately, under one corporate executive officer and established a global steering committee to facilitate quick decision-making and a unified strategy. In October 2008 we integrated three solutions subsidiaries in the North America under one company, and in April 2009 we acquired all of Siemens's shares in Fujitsu Siemens Computers, our joint venture that had been an equity-method affiliate, converting it to a consolidated subsidiary and changing its name to Fujitsu Technology Solutions. The Group has set a new target of selling 500,000 units of IA servers in fiscal 2010. To achieve this target, we will reform our development and production activities from a global perspective and strengthen our sales channels. For our UK optical transmission business, we have transferred manufacturing to North America, dedicating the UK operation to sales and services. In Australia, we reached an agreement to acquire IT services company KAZ Group. In fiscal 2009, we expect 38% of sales to come from outside Japan.

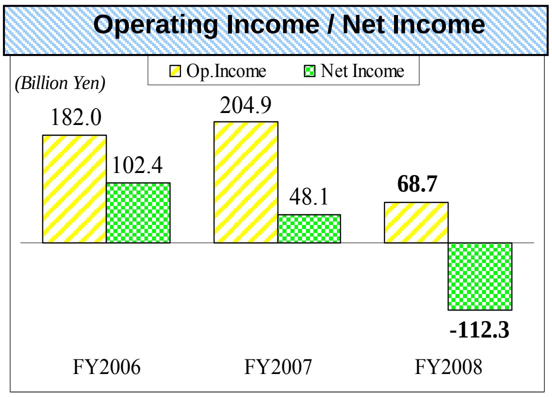
The monthly inventory turnover ratio in fiscal 2008 was 0.98 times, a deterioration of 0.05 times compared to the prior fiscal year, stemming from the decline in sales as a result of the sharp reduction in demand and the higher yen. We are aiming to generate further efficiencies to achieve the medium-term goal of an inventory turnover rate of 2.0 times.

As a result of the business restructuring charges and impairment losses recorded in fiscal 2008, Fujitsu posted a net loss of 112.3 billion yen, resulting in a shareholders' equity ratio of 24.3%, 0.4 percentage points below the prior fiscal year's level. Free cash flow stood at 23.4 billion yen. To prepare for a corporate bond redemption in the first quarter of fiscal 2009 and raise a portion of the funds required for acquisitions, interest-bearing debt was 883.4 billion yen and the debt/equity ratio exceeded 1.0, increasing to 1.18, and net interest-bearing debt minus cash and cash equivalents was 355.3 billion yen and the net debt/equity ratio was 0.47.

(2) Profit and Loss

Note: In these explanatory materials, the yen figures for net sales, operating income, and other figures are converted into US$ amounts, for reference purposes, at a rate of $1=98 yen, the approximate Tokyo foreign exchange market rate on March 31, 2009. Figures for and comparisons to prior reporting periods are provided only for reference. Figures representing the percentage increase or decrease in net sales excluding the impact of exchange rate movements are calculated by taking the average exchange rates in fiscal 2007 for the US dollar, euro, British pound, Australian dollar, Korean won, and other currencies, applying them to foreign currency-denominated sales in fiscal 2008, and comparing the results to sales in fiscal 2007.





Consolidated net sales for fiscal 2008 were 4,692.9 billion yen (US$47,888 million), representing a decline of 12% compared to fiscal 2007. Excluding the negative impact of the yen's appreciation, net sales decreased by 6%. Sales in Japan declined by 6.3%. Although the Technology Solutions segment's sales in Japan were roughly unchanged from the previous fiscal year as a result of underlying strength in services, the rapid deterioration in economic conditions since the start of the fiscal third quarter led to lower sales of logic LSI devices, electronic components, and PCs. Sales of mobile phones in Japan declined as a result of longer handset upgrade cycles. Sales outside Japan declined by 22%. Excluding the impact of exchange rate movements, sales outside Japan declined by 6%. Services sales outside Japan increased, primarily because of higher sales to private-sector customers on the European continent, while sales of UNIX servers and PCs in the US and Europe were dragged down by the economic downturn, and sales of hard disk drives (HDDs) and electronic components also declined.

Consolidated operating income was 68.7 billion yen (US$702 million), a decline of 136.2 billion yen compared to fiscal 2007. Despite the benefit of both higher sales and greater cost efficiencies in the Services business in Japan, gross profit decreased by 169.8 billion yen compared to the same period in the previous year due to lower sales of logic LSI devices, electronic components, PCs, and mobile phones. The gross profit margin was 25.6%, essentially unchanged from the previous year. Although profitability in areas such as logic LSI devices, mobile phones, and HDDs decreased, declining sales of low-margin products, such as electronic components as well as consumer products, resulted in the overall profit margin remaining essentially unchanged.

Selling, general, and administrative expenses declined by 33.6 billion yen, as higher upfront strategic investments, particularly in Technology Solutions, and higher amortization costs for unrecognized retirement benefit obligations as a result of lower performance on pension assets in the previous fiscal year were offset by the favorable impact of the yen's appreciation on expenses denominated in other currencies.

In other income and expenses, despite the continued strength of the yen until the third quarter, a weakening of the yen in the fourth quarter resulted in lower foreign exchange losses over the previous year. Losses on the disposal of property, plant, and equipment were also lower. There was, however, a sharp deterioration in equity in earnings of affiliates because of higher losses from restructuring initiatives and poorer performances from our PC and server sales joint venture in Europe and a component-manufacturing affiliate.

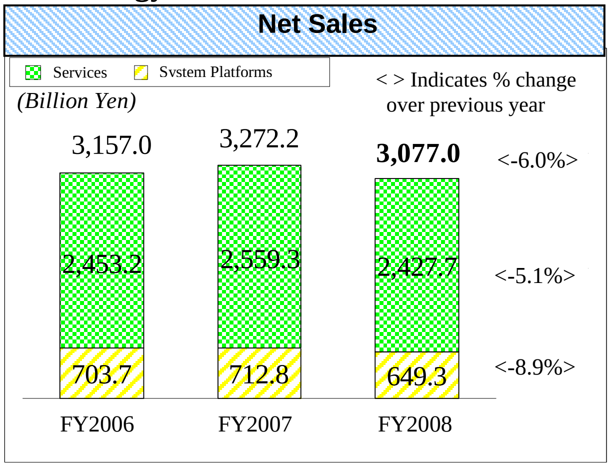
Among one-time gains and losses, there was a 3.4 billion yen gain on sales of shares in a cable television company and other investment securities. There were, however, impairment losses of 58.9 billion yen on property, plant, and equipment, business restructuring expenses of 54.1 billion yen, and valuation losses of 18.7 billion yen on the sharp price decline on listed securities. The impairment losses primarily stemmed from our LSI business. We have revised downward the expected future return of the operation's assets in light of the decline in profitability, and we have decided to shift our business model and outsource the production of 40nm generation advanced logic devices to outside foundries. Accordingly, we have posted an impairment loss for the buildings and equipment of the Mie Plant's Fab No. 2 300mm wafer production facility because of the change in future usage plans. The restructuring expenses relate to the reorganization of our HDD business, disposal expenses from LSI manufacturing equipment to be scrapped in fiscal 2009 as a result of business reorganization, and expenses stemming from restructuring in the electronic components business as well as operations outside of Japan.

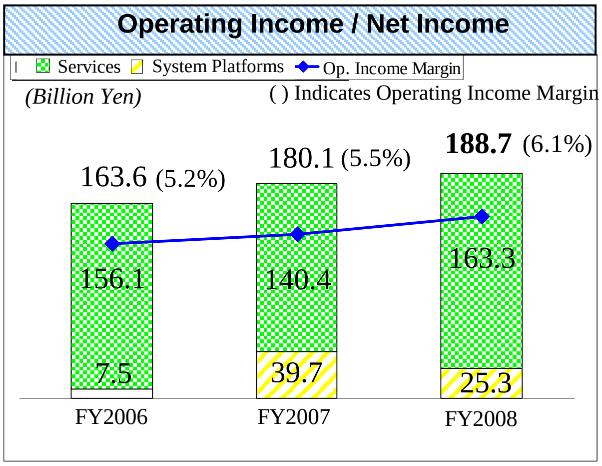
Fujitsu posted a consolidated net loss of 112.3 billion yen (US$1,147 million) for fiscal 2008, representing a deterioration of 160.4 billion yen compared to fiscal 2007. As a result of the large loss recorded in equity in earnings of affiliates and widening losses in unprofitable subsidiaries not eligible for deferred taxes, despite recording a loss before income taxes and minority interests, the tax burden was relatively high.

(3) Results by Business Segment

Information on net sales (including intersegment sales) and operating income for fiscal 2008 broken out by business segment is presented below.

Technology Solutions





Consolidated net sales in the Technology Solutions segment for fiscal 2008 were 3,077.0 billion yen (US$31,399 million), a 6.0% decrease from fiscal 2007. Sales in Japan rose by 1.2% on higher sales in the Services business, especially sales of systems integration services, as well as higher sales of router equipment to telecom carriers. Sales outside Japan declined 18.8%. Excluding the impact of yen appreciation, sales were essentially unchanged from the previous year. A decline in sales of UNIX servers was offset by higher services sales, particularly in continental Europe.

Operating income for the segment was 188.7 billion yen (US$1,926 million), an increase of 8.5 billion yen over the same period last year. Operating income increased as a result of both higher sales and greater cost efficiencies in the systems integration business in Japan and because results in the previous year were impacted by losses on an unprofitable project in our UK services business. These positive factors outweighed the impact of lower sales of UNIX servers, upfront costs related to strengthening and expanding capabilities in the private-sector services business in Europe, and the negative impact of yen appreciation.

(1) Services

(Billion Yen)

	FY 2008	% Change from FY 2007
Net Sales	2,427.7	-5.1%
Japan	1,652.8	1.7%
Outside Japan	774.8	-17.0%

	FY 2008	Change from FY 2007
Operating Income	163.3	22.8

Net sales in the Services sub-segment for fiscal 2008 were 2,427.7 billion yen (US$24,773 million), down 5.1% from the prior year. In Japan, sales increased by 1.7%, led by growth in sales of systems integration services, primarily to the public and financial services sectors, and higher sales of outsourcing services. Sales outside Japan declined by 17.0%. Excluding the impact of yen appreciation, however, sales rose by 5%, primarily on higher sales to private-sector customers on the European continent.

Operating income for the Services sub-segment was 163.3 billion yen (US$1,667 million), an increase of 22.8 billion yen over fiscal 2007. Operating income increased as a result of both higher sales and greater cost efficiencies in the systems integration business in Japan and because results in the previous year were impacted by losses on an unprofitable project in our UK services business. These positive factors outweighed the upfront costs related to strengthening and expanding capabilities in the private-sector European services business and delays in generating cost efficiencies there, as well as the negative impact of yen appreciation.

(2) System Platforms

(Billion Yen)

	FY 2008	% Change from FY 2007
Net Sales	649.3	-8.9%
Japan	473.9	-0.5%
Outside Japan	175.4	-25.8%

	FY 2008	Change from FY 2007
Operating Income	25.3	-14.3

Net sales in the System Platforms sub-segment for fiscal 2008 were 649.3 billion yen (US$6,626 million), a decline of 8.9% compared to the prior year. In Japan, sales were roughly unchanged from the previous year. Although sales of mobile phone base stations were lower, sales of routers to telecom carriers increased. Sales outside Japan decreased by 25.8%, but excluding the impact of yen appreciation, sales declined by 15%. Sales of UNIX servers declined as a result of the deteriorating economic conditions in Europe and North America. Comparisons with last year also suffered because demand was temporarily bolstered last year by the launch of new server models. In addition, there were lower sales of optical transmission systems in the UK.

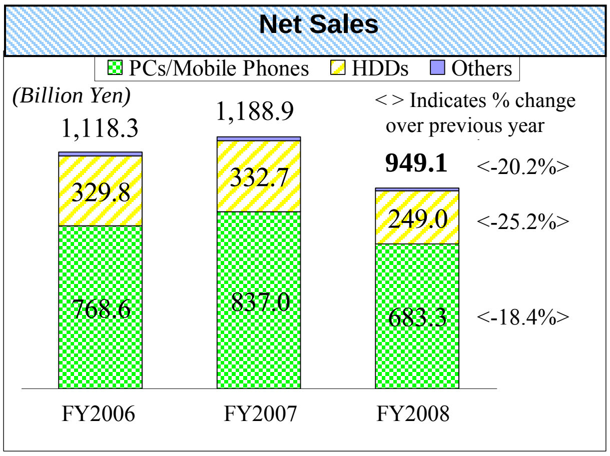
Operating income was 25.3 billion yen (US$259 million), a decline of 14.3 billion yen from the previous year. Greater cost efficiencies in the mobile phone base station business and higher sales of router equipment to telecom carriers in Japan were outweighed by the impact of lower sales of UNIX servers outside Japan and delays in generating costs efficiencies in optical transmission systems for North America.

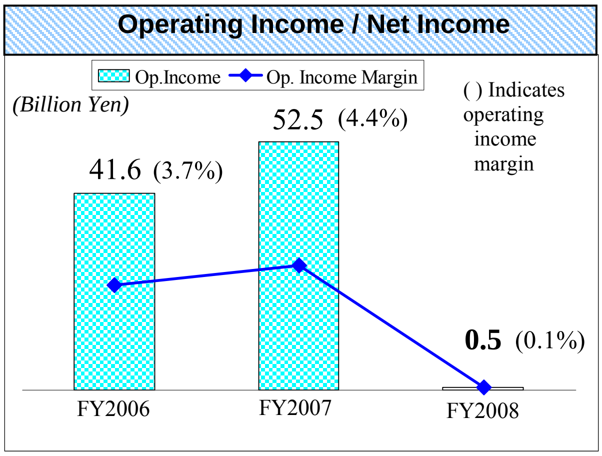
As part of our strategy to strengthen our business operations outside Japan, in October 2008 we reorganized our North American solutions business. US-based subsidiaries Fujitsu Consulting Holdings, Inc., Fujitsu Computer Systems Corporation and Fujitsu Transaction Solutions Inc. were brought together as subsidiaries of a newly established company, Fujitsu North America Holdings, Inc. In April 2009, the three subsidiaries were fully integrated into one company, and the corporate name was changed to Fujitsu America, Inc. The newly integrated company will serve as the core for Fujitsu's initiatives to enhance its solutions business in North America.

In March 2009, Fujitsu reached an agreement with Telstra Corporation, the Australian telecommunications company, to acquire 100% of the shares in Telstra's IT services subsidiary, KAZ Group. The acquisition will enable Fujitsu to deliver comprehensive services to KAZ's large customer base, which includes public-sector customers, and will make Fujitsu the third-largest IT vendor in Australia, as ranked by sales, with about 5,000 employees.

In April 2009, Fujitsu acquired Siemens's 50% stake in the joint venture Fujitsu Siemens Computers, making the company a wholly owned subsidiary of Fujitsu, and changed the corporate name to Fujitsu Technology Solutions. In the IA server business, with the integration of Fujitsu Technology Solutions, we have set a target of 500,000 units worldwide in fiscal 2010. By rebuilding our sales structure and promoting development and manufacturing efficiencies in the server operations, we aim to build an even stronger foundation to support the global growth of the IT services business.

Ubiquitous Product Solutions





(Billion Yen)

	FY 2008	% Change from FY 2007
Net Sales	949.1	-20.2%
Japan	658.7	-13.5%
Outside Japan	290.3	-32.1%

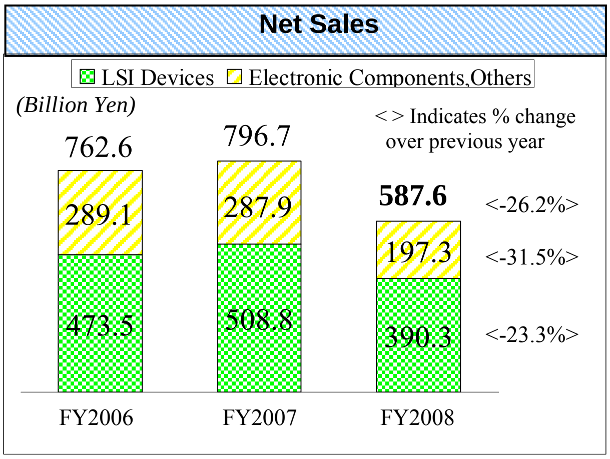
	FY 2008	Change from FY 2007
Operating Income	0.5	-52.0

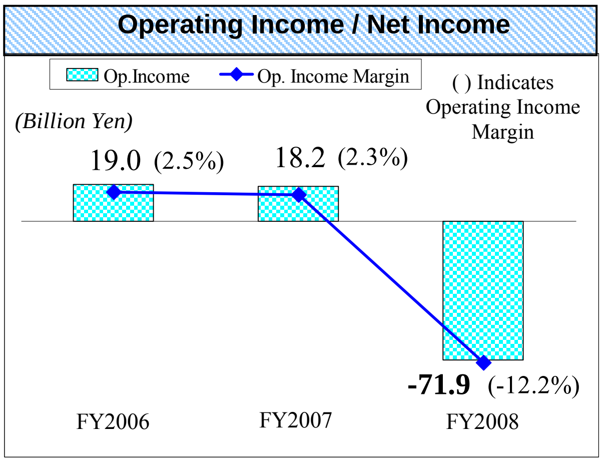
Net sales in the Ubiquitous Product Solutions segment were 949.1 billion yen (US$9,685 million), a decrease of 20.2% from fiscal 2007. Sales in Japan fell by 13.5%. Mobile phone sales declined as a result of a longer handset upgrade cycle. In addition, sales of PCs declined on intensified price competition and weaker corporate demand. Sales outside Japan decreased by 32.1%. Excluding the impact of yen appreciation, sales declined by 24%.
These results reflect the impact of intensified competition in the market for HDDs as well as weak sales of PCs, especially in Europe, as a result of deteriorating market conditions.

Operating income was 0.5 billion yen (US$6 million), a deterioration of 52.0 billion yen compared to fiscal 2007. In addition to lower sales of mobile phones and higher costs associated with increasing their functionality, in the PC business, despite the beneficial effect of lower component costs, there was a sharp decline in market prices and units shipped, leading to lower profitability. In addition, losses widened in the HDD business as a result of intensified global competition in HDDs for both notebook PCs and servers as well as the impact of reductions in the production of HDD heads.

In April 2009, Fujitsu finalized agreements to transfer its HDD drive business to Toshiba Corporation and its HDD media business to Showa Denko KK (transfers scheduled for July 1, 2009). Prior to these moves, Fujitsu discontinued its HDD head operations at the end of fiscal 2008. While most of the employees of the HDD drive and HDD media businesses will transfer to the new business owners, employees of the HDD head operations are being reassigned to new positions in the Fujitsu Group. In conjunction with these moves, Fujitsu has posted business restructuring expenses of 37.0 billion yen stemming from losses to dispose of these businesses' assets and settle liabilities, including impairment losses on property, plant, and equipment, as well as the costs of settling the retirement benefits of transferred employees.

Device Solutions





(Billion Yen)

	FY 2008	% Change from FY 2007
Net Sales	587.6	-26.2%
Japan	372.2	-28.6%
Outside Japan	215.4	-21.7%

	FY 2008	Change from FY 2007
Operating Income	-71.9	-90.2

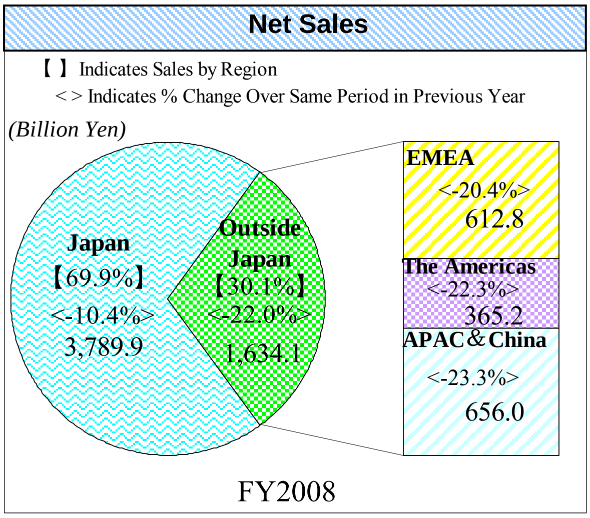
Net sales in the Device Solutions segment were 587.6 billion yen (US$5,997 million), a decrease of 26.2% compared to fiscal 2007. Sales in Japan declined by 28.6%. Since the latter half of the second quarter, sales of logic LSI devices have suffered from inventory adjustments in various industries, from the digital home appliance to the automotive industry, resulting in a sharp decline in sales of both standard logic devices and 90nm logic devices. Deteriorating market conditions also resulted in lower sales of Flash memory for mobile phones and of electronic components. Sales outside Japan declined by 21.7%. Excluding the impact of yen appreciation, sales outside Japan declined by 13%, primarily as a result of the weak market for electronic components.

The segment posted an operating loss of 71.9 billion yen (US$734 million) in fiscal 2008, representing a significant deterioration of 90.2 billion yen compared to the prior year. After a loss of 21.1 billion yen in the third quarter, losses widened to 43.4 billion yen in the fourth quarter. In logic LSI devices, in addition to the sales decline from the market deterioration, the decline in production line capacity utilization rates continued from the latter half of the second quarter through the end of the fiscal year. For electronic components, as well, a sharp decrease in demand as well as the impact of yen appreciation resulted in a significant deterioration in performance compared to the previous year, turning the sub-segment to an operating loss.

In response to the sudden drop-off in customer demand, we are reorganizing our production facilities by the end of fiscal 2009 to accommodate lower demand. We are consolidating the standard logic device production lines in Iwate and Aizu-Wakamatsu, improving efficiencies by consolidating overlapping administrative operations, and working to reassign about 2,000 employees to other operations within the Fujitsu Group. We have posted restructuring expenses of 11.3 billion yen to cover the cost of disposing of equipment, which is expected to occur in fiscal 2009. In addition, because we do not expect a quick improvement in business conditions in fiscal 2009, we have revised downward the expected return from our LSI business's property, plant, and equipment, and we have decided to shift our business model and outsource the production of 40nm advanced logic devices to outside foundries. Accordingly, we have posted an impairment loss of 49.9 billion yen for the buildings and equipment of the Mie Plant's 300 mm Fab No. 2 wafer production facility because of the change in future usage plans.

In March 2009, Fujitsu transferred to third parties its capacitor business as well as its shares in equity-method affiliate Eudyna Devices Inc. In addition, Fujitsu will subscribe to a private placement on May 1, 2009 to increase the capital of FDK Corporation, an equity-method affiliate of Fujitsu. Because of losses sustained as a result of a deteriorating business performance and restructuring initiatives, FDK's liabilities exceed its assets at the end of fiscal 2008. As a result of Fujitsu subscribing to this private placement, FDK will become a consolidated subsidiary of Fujitsu, ensuring that the company successfully implements structural reforms to its business.

(4) Results by Geographic Segment



Operating Income (Billion Yen)

		FY 2008	FY 2007	Change from FY 2007
Japan		106.4 [2.8%]	240.9 [5.7%]	-134.4 [-2.9%]
Outside Japan		17.2 [1.1%]	24.8 [1.2%]	-7.5 [-0.1%]
	EMEA	12.0 [2.0%]	0.7 [0.1%]	11.3 [1.9%]
	The Americas	-1.3 [-0.4%]	9.2 [2.0%]	-10.6 [-2.4%]
	APAC & China	6.4 [1.0%]	14.8 [1.7%]	-8.3 [-0.7%]

Note: Numbers inside brackets indicate operating income margin.

In Japan, net sales were 3,789.9 billion yen (US$38,673 million), a decline of 10.4% compared to fiscal 2007. IT services sales, especially sales of system integration services, increased, as did sales of router equipment to telecom carriers, but sales of logic LSI devices and electronic components decreased as a result of weak demand. In addition, mobile phone sales were adversely affected by a longer handset upgrade cycle, and sales of PCs and HDDs were affected by intensified competition. Operating income in Japan was 106.4 billion yen (US$1,086 million), a decline of 134.4 billion yen compared with fiscal 2007. In addition to the impact of lower sales, operating income was affected by the impact of yen appreciation on the electronic components business and higher costs in the mobile phone business resulting from the development of new models with greater functionality.

Net sales outside Japan were 1,634.1 billion yen (US$16,675 million), a 22.0% decrease from the previous fiscal year. Excluding the impact of yen appreciation, sales declined by 9%. Operating income was 17.2 billion yen (US$176 million), a decrease of 7.5 billion yen from the previous fiscal year.

Net sales in EMEA were 612.8 billion yen (US$6,254 million), a decrease of 20.4% from the previous fiscal year. Excluding the impact of yen appreciation, sales increased by 4%. Sales of optical transmission systems and HDDs declined, but sales in the Services business increased, led by growth in private-sector business in continental Europe. EMEA operating income was 12.0 billion yen (US$123 million), an increase of 11.3 billion yen compared to the previous fiscal year. In the services business, despite the upfront costs related to expanding our business with private-sector customers, as well as the negative effects of yen appreciation, operating income increased because results in the previous year were impacted by losses on an unprofitable project in the UK. In addition, losses in optical transmission systems narrowed as a result of lower development expenses related to next-generation networks.

Net sales in the Americas were 365.2 billion yen (US$3,727 million), a 22.3% decrease from the prior fiscal year. Excluding the impact of yen appreciation, sales declined by 15%. Sales of optical transmission systems increased, but sales of UNIX servers, HDDs and car electronics equipment declined. In addition, the services business was adversely impacted by the deterioration in market conditions. The region had an operating loss of 1.3 billion yen (US$13 million), a deterioration of 10.6 billion yen compared to fiscal 2007, reflecting the impact of lower sales and of increased development costs for next-generation networks.

In APAC and China, net sales were 656.0 billion yen (US$6,694 million), a decrease of 23.3% compared to the previous fiscal year. Excluding the impact of yen appreciation, sales decreased by 17%. Operating income was 6.4 billion yen (US$66 million), a decrease of 8.3 billion yen from previous fiscal year. The decline in profitability was the result of lower sales of LSI logic devices, electronic components, HDDs, and car electronics equipment.

(5) Financial Condition

[Assets, Liabilities and Net Assets]

(Billion Yen)

	FY 2008 (at March 31, 2009)	FY 2007 (at March 31, 2008)	Change
Assets			
Current assets	1,887.5	2,169.9	-282.4
(Notes and accounts receivable, trade)	847.2	1,017.9	-170.6
(Inventories)	306.4	383.1	-76.6
Non-current assets	1,334.4	1,652.0	-317.5
(Property, plant and equipment)	673.0	839.7	-166.7
(Investment securities and other non-current assets)	450.0	592.7	-142.6
Total Assets	3,221.9	3,821.9	-599.9
Liabilities			
Current liabilities	1,550.4	1,611.3	-60.9
(Notes and accounts payable, trade)	528.7	772.1	-243.4
(Short-term borrowings and current portion of long-term debt)	426.8	160.2	266.6
Long-term liabilities	745.9	1,080.4	-334.4
(Long-term debt)	456.5	727.1	-270.5
Total Liabilities	2,296.3	2,691.7	-395.4
Net Assets			
Shareholders' equity	782.9	911.6	-128.7
Valuation and translation adjustments	-33.9	36.5	-70.4
Minority interests	176.6	181.9	-5.3
Total Net Assets	925.6	1,130.1	-204.5
Total Liabilities and Net Assets	3,221.9	3,821.9	-599.9
Cash and cash equivalents at end of period	528.1	547.8	-19.6
Ending balance of interest-bearing loans	883.4	887.3	-3.8
Ending balance of net interest-bearing loans	355.3	339.4	15.8
Owners' equity	748.9	948.2	-199.2

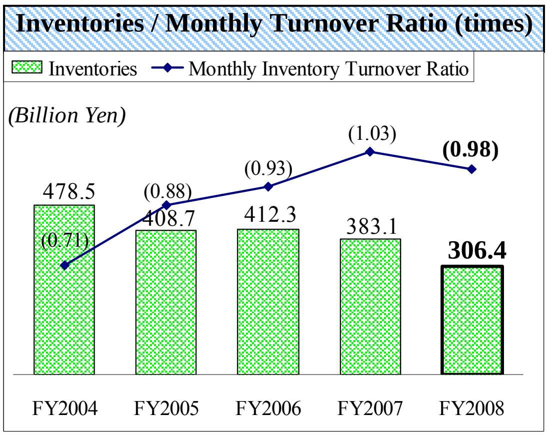
[Cash Flows]

(Billion Yen)

	Full-Year FY 2008 (4/1/08~3/31/09)	Full-Year FY 2007 (4/1/07~3/31/08)	Change
I. Cash Flows from Operating Activities:			
Income (loss) before income taxes and minority interests	-113.3	109.4	-222.7
Depreciation and amortization, including goodwill amortization	298.4	279.2	19.1
Impairment loss	75.1	18.7	56.4
Loss (gain) in equity in earnings of affiliates	34.0	-9.1	43.2
Loss (gain) on sales of investment securities, net	-3.4	-17.3	13.8
Revaluation loss on inventories	-	25.0	-25.0
(Increase) decrease in receivables, trade	127.0	-26.4	153.5
(Increase) decrease in inventories	63.5	-8.3	71.8
Increase (decrease) in payables, trade	-224.8	-22.8	-201.9
Other, net	-8.4	-26.2	17.7
Net Cash from Operating Activities	248.0	322.0	-73.9
II. Cash Flows from Investing Activities			
Purchases of property, plant and equipment	-175.8	-268.9	93.1
Proceeds from sales of investment securities	15.6	55.4	-39.8
Other, net	-64.3	-70.4	6.0
Net Cash Used in Investing Activities	-224.6	-283.9	59.3
I + II Free Cash Flow	23.4	38.1	-14.6
(excluding impact of non-business day on last day of period*)	23.4	147.7	-124.2
III. Cash Flows from Financing Activities			
Net Cash Provided by Financing Activities	-47.8	62.3	-110.2
IV. Cash and Cash Equivalents at End of Period	528.1	547.8	-19.6

Note: The figures exclude the impact of receivables and payables shifting from fiscal 2006 into fiscal 2007 because the final day of fiscal 2006 was a non-business day.

Explanation of Assets, Liabilities, and Net Assets



Total assets at the end of fiscal 2008 were 3,221.9 billion yen (US$32,877million), a decrease of 599.9 billion yen compared to the end of fiscal 2007. Current assets decreased by 282.4 billion yen, mainly the result of lower trade receivables, reflecting lower sales in the fourth quarter compared to the same period in fiscal 2007. Inventories stood at 306.4 billion yen, a decrease of 76.6 billion yen. The monthly inventory turnover ratio, which is an indication of the efficiency of asset utilization, was 0.98 times, a deterioration of 0.05 times compared to the prior fiscal year. This was a result of lower sales due to a sharp decline in demand and the impact of yen appreciation. In non-current assets, property, plant and equipment decreased by 166.7 billion yen due to lower capital expenditures in the LSI and other businesses, the recognition of impairment losses in respect to the building and production equipment of the 300mm wafer Fab No. 2 at the Mie Plant and other factors. In addition, due to the decline in stock prices of listed shareholdings, the value of investment securities and other non-current assets decreased by 142.6 billion yen.

Total liabilities were 2,296.3 billion yen (US$23,432 million), a decrease of 395.4 billion yen compared with the end of fiscal 2007, primarily reflecting a decrease in trade payables. The balance of interest-bearing debt was 883.4 billion yen, roughly the same level as at the end of the preceding fiscal year. The balance of corporate bonds declined by 106.0 billion yen, primarily a result of the redemption of 100.0 billion yen of corporate straight bonds in June and October 2008, but the balance of borrowings increased by 102.2 billion yen as a result of financing a portion of the funds required for acquisitions. The debt/equity ratio increased above 1.0 to 1.18, the net interest-bearing debt increased to 355.3 billion yen and the net debt/equity ratio was 0.47.

Net assets were 925.6 billion yen (US$9,445 million), a decrease of 204.5 billion yen compared to the end of fiscal 2007. Shareholders' equity decreased by 128.7 billion yen as a result of the net loss recorded in fiscal 2008. Valuation and translation adjustments declined by 70.4 billion yen as a result of the appreciation of the yen and lower unrealized gains on shares of FANUC, Ltd. and other listed company. As a result, the owners' equity ratio was 23.2%, a 1.6 point decrease compared to the end of fiscal 2007.

Summary of Cash Flows

Net consolidated cash flows from operating activities during fiscal 2008 were 248.0 billion yen (US$2,532 million). Due to the deterioration of income before income taxes and other adjustments, net cash provided by operating activities decreased by 73.9 billion yen compared to the prior fiscal year.

Net cash used in investing activities was 224.6 billion yen (US$2,292 million), primarily for capital expenditures in the Services sub-segment. In comparison with the prior fiscal year, net outflows decreased by 59.3 billion yen. In comparison with the previous fiscal year, in which there were heavy cash outflows resulting from the construction of the 300mm line at the Mie Plant, outflows for the acquisition of property, plant and equipment decreased by 93.1 billion yen. In addition, while there were cash inflows from the sale of shares in subsidiaries, net proceeds from the sale of investment securities decreased by 39.8 billion yen year-on-year.

Free cash flow, the sum of operating and investing cash flows, was 23.4 billion yen (US$240 million), representing a decrease in net cash inflows of 14.6 billion yen compared with fiscal 2007. Excluding the impact of the additional payments of trade payables made in fiscal 2007 because the last day of fiscal 2006 fell on a holiday, the decrease in net cash inflows was 124.2 billion yen compared with fiscal 2007.

Net cash used in financing activities was 47.8 billion yen (US$489 million), as payments of 168.9 billion yen to redeem corporate bonds and 24.4 billion yen in dividend payments were partially offset by additional borrowings for acquisitions. Compared to the previous fiscal year, when there were cash inflows from the issuance of 200 billion yen in convertible bonds and 100 billion yen in corporate straight bonds, cash inflows decreased by 110.2 billion yen.

As a result of the above factors, total cash and cash equivalents at the end of fiscal 2008 were 528.1 billion yen, a decrease of 19.6 billion yen from the end of fiscal 2007.

(6) FY 2009 Consolidated Earnings Projections

In the wake of the financial crisis and its widening impact, the global economy is experiencing a severe worldwide recession, but signs of a recovery are expected to be seen starting in the second half of fiscal 2009 as the effects of government stimulus packages begin to take hold. In Japan, too, for the first half of fiscal 2009, exports, production and capital expenditures are expected to decline due to the global economic recession, and consumer spending is also expected to remain weak due to the deterioration in income and employment conditions. Conditions are expected to improve in the second half of the fiscal year, but the recovery is expected to be weak, with the economy continuing in a correction phase through fiscal 2010. Corporate IT spending is being undercut by the economic recession, and further significant declines in spending on IT hardware and greater selectivity in spending on software are expected, but corporate spending on IT for global business expansion is expected to hold steady.

For the first half of fiscal 2009, we are projecting consolidated net sales of 2,200.0 billion yen, a decline of 10% compared to the first half of fiscal 2008 as a result of further delays in the recovery of demand for logic LSI devices and electronic components, an intensification of competition in the PC market, and the impact of yen appreciation.

We are projecting an operating loss of 50.0 billion yen for the first half of fiscal 2009, a deterioration of 90.0 billion yen compared to the first half of fiscal 2008. In addition to the impact of lower sales, we expect a decline in operating income because of the adverse effect of exchange rate movements, an increase in expenses for retirement benefits as a result of the deterioration in pension assets in fiscal 2008, higher goodwill and other amortization expenses as well as one-time recognition of R&D expenses associated with converting Fujitsu Technology Solutions (the new corporate name, as of April 1, 2009, of the former Fujitsu Siemens Computers) to a consolidated subsidiary. For the same period, we are projecting a net loss of 65.0 billion yen.

On a full-year basis, we are projecting consolidated net sales of 4,800.0 billion yen for fiscal 2009, an increase of 2% in comparison with fiscal 2008. Excluding the impact of converting Fujitsu Technology Solutions and FDK into subsidiaries, the reforms to the HDD business, and yen appreciation, this sales projection would represent a decline of 5%. We are expecting a significant reduction in sales in our LSI and electronic components businesses as a result of further delays in the recovery of those markets, and we expect weak demand and intensified price competition to reduce sales of servers as well as PCs, but we expect continued strength in sales of outsourcing services in our core services business domain. Although the conversion of equity-method affiliates such as Fujitsu Technology Solutions and FDK is expected to add approximately 670 billion yen to sales, we are expecting the transfer of our HDD to reduce sales by approximately 180 billion yen, and, because we expect the strength in the yen since the second half of fiscal 2008 to continue, we expect the yen conversion of foreign-currency denominated sales, particularly in the first half of fiscal 2009, to lower sales by approximately 160 billion yen.

For the full 2009 fiscal year, we are projecting operating income of 80.0 billion yen, an increase of 11.2 billion yen compared to fiscal 2008. We expect other expenses, such as the adverse effect of exchange rate movements, an increase in expenses for retirement benefits as a result of the deterioration in pension assets in fiscal 2008, and higher goodwill and other amortization expenses as well as one-time recognition of R&D expenses associated with converting Fujitsu Technology Solutions to a consolidated subsidiary, to reduce operating income by approximately 19 billion yen. Excluding these one-time expenses, we expect operating income to increase by approximately 30 billion yen. This improvement is a result of higher income in our services business due to greater cost efficiencies, lower amortization, personnel, and other overhead costs in our LSI business due to restructuring initiatives, and cost controls in development expenses. We are projecting consolidated net income of 20.0 billion yen for fiscal 2008.

Seeking to promote further globalization of business activities, the Fujitsu Group is moving toward the full adoption of International Financial Reporting Standards (IFRS) in conjunction with internal controls to strengthen Group governance. Presently, in Japan, there are discussions of allowing the disclosure of financial indices using IFRS, but in presenting our fiscal 2009 financial projections, we continue to use Japanese accounting standards.

The Fujitsu Group will continue to promote further efficiencies in its business structure by focusing on core competencies that bring value to customers, while also strengthening our global business structure based on complementary strengths in IT products and services.

(Billion Yen)

	First Half			Full Year				
	FY 2009 Forecast	FY 2008 Results	Change	FY 2009 Forecast	FY 2008 Results	Change	Change (%)	Adjusted Change (%)
Net Sales	2,200.0	2,453.7	-253.7	4,800.0	4,692.9	107.0	2.3	-5.0
Operating Income	-50.0	38.5	-88.5	80.0	68.7	11.2	16.3	
Net Income	-65.0	4.6	-69.6	20.0	-112.3	132.3	-	

Note: The adjusted rate shows the percentage change in sales on a comparable year-over-year basis, excluding the impact of Fujitsu Technology Solutions (Holding) B.V. (the new corporate name, as of April 1, 2009, of Fujitsu Siemens Computers (Holding) B.V.) and FDK Corporation becoming consolidated subsidiaries, the business restructuring impact of transferring the HDD business, and the projected impact of exchange rates, primarily the US dollar, euro, British pound, Australian dollar, and the Korean won.

Fiscal 2009 Full-Year Projections, Changes Compared to Fiscal 2008 (Billion Yen)

		Net Sales	Operating Income
Special Items	Conversion of Fujitsu Technology Solutions to Consolidated Subsidiary	600.0	-11.0
	(of which, goodwill amortization and one-time R&D expense recognition)	(-)	(-15.0)
	Conversion of FDK to Consolidated Subsidiary	70.0	2.0
	Transfer of HDD Business (from the 2nd through the 4th quarters)	-180.0	20.0
	Impact of Restructuring	490.0	11.0
	Impact of Exchange Rate	-160.0	-10.0
	Increase in Retirement Benefit Expenses	-	-20.0
	Subtotal	330.0	-19.0
Excluding Special Items	Services	10.0	15.0
	System Platforms	-60.0	-5.0
	Technology Solutions	-50.0	10.0
	Ubiquitous Product Solutions	-70.0	-15.0
	Device Solutions	-120.0	65.0
	Other	-70.0	-10.0
	Elimination and Corporate	85.0	-20.0
	Subtotal	-225.0	30.0
Total		107.0	11.2

- Through the end of fiscal 2008, Fujitsu Siemens Computers (Holding) B.V. (whose name was changed to Fujitsu Technology Solutions (Holding) B.V. as of April 1, 2009) was subject to equity-method accounting treatment, but with the purchase of shares from Siemens AG, it is a consolidated subsidiary as of April 1, 2009. For fiscal 2009, the composition of segment information is outlined below:

-

Fujitsu Technology Solutions's Business Area	Fujitsu Consolidated Segments	
		Sub-Segment
Infrastructure Business Server Business	Technology Solutions	Services (Infrastructure Services) System Platforms (System Products)
PC Business	Ubiquitous Product Solutions	PCs/Mobile

- Through fiscal 2008, FDK Corporation was an equity-method affiliate of Fujitsu, but it is scheduled to be converted to a consolidated subsidiary as of May 1, 2009 in accordance with Fujitsu subscribing to a private placement to increase FDK's capital. In fiscal 2009, it will be included with the "Electronic Components, Others" sub-segment in the Device Solutions segment.
- Because the transfer of the HDD business to Toshiba Corporation and Showa Denko K.K. is expected to take place on July 1, 2009, it is only included in the financial projections for the first quarter of fiscal 2009 (April 1 – June 30, 2009).

Policy on Dividends and Dividend Forecast

Article 41 of Fujitsu Limited's Articles of Incorporation grants the Board of Directors the authority to distribute retained earnings. As part of Fujitsu's basic policy on the exercise of this authority, a portion of retained earnings is paid to shareholders to provide a stable return, and that a portion should be retained by the company to strengthen its financial base and support new business development opportunities that will result in improved long-term performance. In addition, taking into consideration the level of profits, Fujitsu aims to increase the distribution of profits to its shareholders when the financial base is sufficiently strong enough, including through share buybacks.

At the beginning of fiscal 2008, we planned to return to the dividend level prior to the bursting of the IT bubble: namely, 5 yen per share as an interim dividend and 10 yen per share as an annual dividend. This plan took into account the recovery of our business performance, particularly in the Technology Solutions segment, and the expectation of recovering valuation allowances for deferred tax assets due to the improvement in profitability, especially on the part of subsidiaries subject to consolidated corporate income tax.

Nevertheless, as a result of what has been called a once-in-a-century global financial crisis that began in the middle of fiscal 2008, there was a rapid deterioration in our business performance from what we had expected at the beginning of the year, particularly in the Ubiquitous Product Solutions and Device Solutions segments, and we recorded one-time losses to cover business restructuring and other costs. On a consolidated basis, the company recorded a net loss of 112.3 billion yen.

As a result, we will pay a year-end dividend of 3 yen per share, 2 yen less per share than the interim dividend or than the amount announced at the beginning of the fiscal year, for an annual dividend of 8 yen per share. Combined with an interim dividend of 5 yean, this is the same level as the previous fiscal year.

The company plans to continue its policy of paying dividends twice a year, based on financial results at the half-year and year-end. Anticipating that the current severe economic climate will continue for some time, we plan to pay an annual dividend of 6 yen per share (3 yen as an interim dividend) for fiscal 2009, ending March 31, 2010.

Dividends Per Share (DPS) Data (Yen)

	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09 (Estimate)
Interim	5.0	5.0	5.0	2.5	-	-	3.0	3.0	3.0	3.0	5.0	3.0
Year-end	5.0	5.0	5.0	2.5	-	3.0	3.0	3.0	3.0	5.0	3.0	3.0
Total	10.0	10.0	10.0	5.0	-	3.0	6.0	6.0	6.0	8.0	8.0	6.0

Reference: Shareholders' Equity and Retained Earnings (Consolidated) (Billion Yen)

	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09
S/E	1,165.3	1,291.4	1,303.7	920.3	782.8	743.9	813.4	780.6	875.0	911.6	782.9	
Distributable profit at year end (Unconsolidated)										222.8	246.6	

S/E = Shareholders' Equity

Precautions on Usage of Earnings Projections

These materials may contain forward-looking statements that are based on management's current information, views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results may differ materially from those projected or implied in the forward-looking statements due to, without limitation, the following factors listed below.

For information regarding the assumptions used to prepare these projections, please refer to "FY 2009 Consolidated Earnings Projections" on page 42.

- Economic trends in key markets (particularly in Japan, North America, Europe and Asia, including China)
- Rapid changes in the high-technology industry (particularly semiconductors, PCs, etc.)
- Fluctuations in exchange rates or interest rates
- Fluctuations in capital markets
- Intensifying price competition
- Changes in market positioning due to competition in R&D
- Changes in the environment for the procurement of parts and components
- Changes in competitive environment relating to collaborations, alliances and technical assistance
- Potential emergence of unprofitable projects
- Changes in accounting policies

(7) Basic Management Policy

Through our constant pursuit of innovation, the Fujitsu Group aims to contribute to the creation of a networked society that is rewarding and secure, bringing about a prosperous future that fulfills the dreams of people throughout the world. To achieve this vision, the Fujitsu Group strives for sustainable profitability and growth, continually enhancing our corporate value.

The Fujitsu Group is dedicated to contributing to the success of our customers through both our global operations and the deeply rooted local operations in each community in which we do business. We seek to grow with our customers as their trusted and valued partner.

Medium-Term Business Strategy, Target Management Index, and Priority Tasks
At present, due to the financial market instability that originated in the US, the prospects for the global economy have become very uncertain. In the IT market, the slowdown in new investment and spending is expected to have a negative impact on sales of IT hardware, in particular. Nevertheless, we remain confident that there has been no fundamental change in the importance placed on maintaining and enhancing IT as critical infrastructure supporting society and business. Moreover, in an uncertain economic environment, we believe IT has a crucial role to play in driving operational efficiencies and management innovation.

In order to maintain and improve our profitability under these circumstances, we believe it is essential to continue to focus on achieving greater overall operational efficiencies at the same time as we pursue new opportunities for growth. While strengthening our global business structure, the Fujitsu Group is pursuing innovation in its own operations and delivering new value to customers through the promotion of the "Field Innovation" approach to customer engagement. In addition, protection of the earth's environment is now a universal imperative, and the Fujitsu Group is dedicated in every segment of its business to providing solutions that protect the environment.

In fiscal 2007, the Fujitsu Group announced a medium-term target of achieving a consolidated operating income margin of more than 5% for fiscal 2009, ending March 31, 2010. In light of current economic conditions, the attainment of this target in fiscal 2009 is now unlikely, but we will continue to strive toward this goal to achieve it at the earliest possible time.

1. Technology Solutions

The Fujitsu Group aims to expand its business globally based on a foundation of high-quality products and services.

As part of this strategy, on April 1, 2009, we transformed Fujitsu Siemens Computers, a joint venture with Siemens AG focused on servers and other IT products in the European market, into a wholly owned subsidiary, now renamed Fujitsu Technology Solutions. In conjunction with this move, we are putting in place a new organizational structure for integrating our global operations with the aim of further promoting the "Think Global, Act Local" business approach.
In the paradigm for employing IT, we see a shift from ownership to subscription usage, and we will continue to develop new businesses for future growth.

We will also further strengthen our efforts to boost operational efficiency. While the Fujitsu Group accelerates manufacturing reforms based on the Toyota Production System, we will move ahead in applying it to software development. The Group is also promoting initiatives to standardize and "industrialize" IT services to improve cost efficiency and product quality, and continuing work to thoroughly strengthen IT project risk management. Aware of the importance of overall quality assurance for IT systems including systems operation, we continue to make all-out company-wide efforts to ensure the stable operation of the systems that support the crucial infrastructures of businesses and society at large.

2. Ubiquitous Product Solutions

In the Ubiquitous Product Solutions segment, we will pursue sales growth on a global basis. In the PC business, we will unify our product brands worldwide and expand our portfolio of higher value-added products while raising cost competiveness through more effective global supply chain management. We see mobile phones as a nexus for wireless and other cutting-edge technologies, and we have positioned mobile phones as key devices for the future ubiquitous networking world.

In this regard, the Group will pursue an enhanced growth strategy that leverages the anticipated convergence of mobile phones and PCs. We will then aim to expand this business to markets outside Japan to leverage the technology developed for the Japanese market. The HDD sector has been particularly hard hit by the current economic downturn. Based on our determination that it is no longer feasible to continue our HDD operations on our own, we have finalized agreements to transfer our disk drive operations to Toshiba Corporation and our HDD media business to Showa Denko K.K. The companies plan to complete both of these transactions by July 1, 2009. We discontinued both the development and manufacturing of HDD heads at the end of March 2009.

3. Device Solutions

In our Device Solutions segment, due to the rapid deterioration of market conditions beginning in September 2008, customer confidence rapidly declined, resulting in a dramatic contraction of the LSI device market. We have taken measures to shift to a cost structure that will enable profitable operations in a smaller overall market. The measures include the optimization of production capacity to a scale corresponding to the demand now foreseen for standard technology logic LSI devices, which have undergone a particularly dramatic contraction of sales. Employees affected by the measures will relocate to other businesses within the Fujitsu Group. Furthermore, the cost for development and volume production of advanced technology LSI devices has become enormous, and the added value is shifting from the process technology to the LSI design and planning areas. In light of these trends, for advanced technology products using 40nm technology and beyond, we have decided to concentrate management resources in the design and development of ASSP*1 and ASIC*2 products, which is a source of added value for digital electronics. At the same time, we change our business model to shift to outsourced production at external foundries. In standard technology logic LSI devices, in order to ensure the utilization of existing capacity, we will place the primary emphasis on general-purpose products for world markets, with the focus on Asia, where the greatest growth is foreseen.

1. ASSP:

Application specific standard product. LSI products for specific applications.

2. ASIC:

Application Specific IC. Customized ICs with specific functions.

4. Corporate Initiatives

In addition to the measures described above, in order to accelerate global business growth, the Fujitsu Group will continue to make selective acquisitions and alliances with other companies as well as deploy human resources globally and strengthen our organization.

In order to promote our “Field Innovation” approach, which aims to make business processes visible and continually improve them, we are developing a cadre of “Field Innovators” who combine a deep knowledge of our customers’ operations with an ability to suggest improvements from a business perspective.

Together with continuing our campaign to transform our manufacturing operations, we will be making major efforts in overall cost management, initiating company-wide programs to thoroughly eliminate waste in every area of corporate activity.

In regard to environmental protection, in July 2008 we established the Fujitsu Group medium-term environmental vision, “Green Policy 2020,” which sets forth the role and direction of the Fujitsu Group in contributing to solutions for the world’s environmental problems. This vision, with its key concepts of “Creation,” “Collaboration” and “Change,” aims to bring about a prosperous, low-carbon society through environmental innovations at Fujitsu and in society as a whole. The Fujitsu Group is aiming to contribute to a reduction of approximately 30 million tons of carbon dioxide emissions a year in Japan alone by 2020.

As we strive to meet the challenges discussed above, we will aim to be a trusted partner to our customers and, as a global company contributing to the creation of a rewarding and secure networking society, continue to earn the confidence of customers and society as a whole.

(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

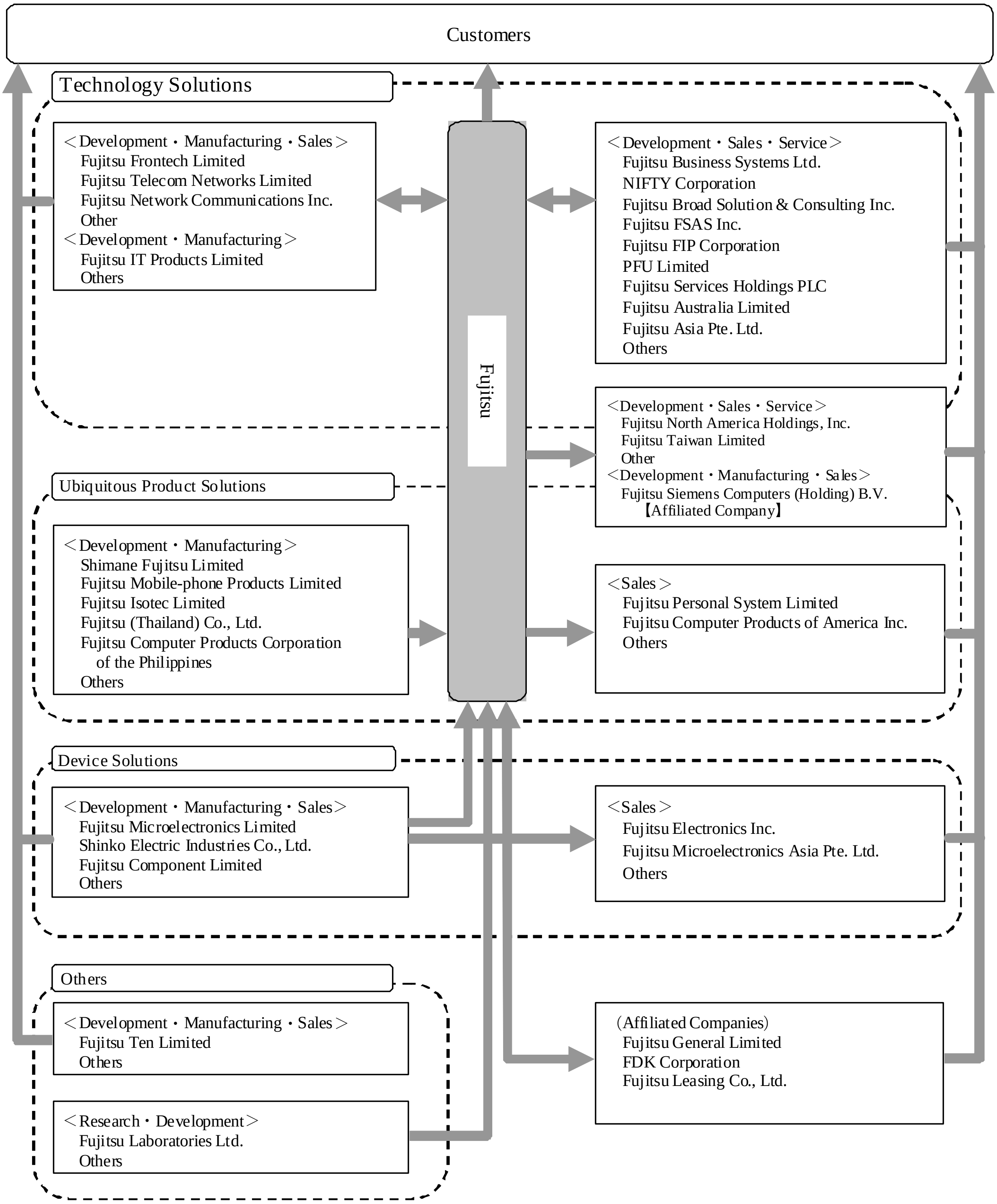
recorded reflecting the expected loss that will be incurred at the time of repurchase. In the event there are changes in usage trends among customers, additions or reductions to the provision may be needed.

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.

(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.

Part III: Supplementary Information

1. Forecast for FY 2009 Consolidated Business Segments

a. Net Sales* and Operating Income

		Yen (Billions)				
		FY 2007 (Actual)	FY2008 (Actual)	**FY 2009 (Forecast)**	Change vs. FY2008(%)	Adjusted Change** vs. FY2008(%)
Technology Solutions						
Japan	**Y**	2,102.2	2,126.7	**2,040.0**	-4.1	-4
Overseas		1,170.0	950.3	**1,220.0**	+28.4	+4
Total		3,272.2	3,077.0	**3,260.0**	+5.9	-2
Operating income (loss):						
Services		140.4	163.3	**165.0**	+1.0	
[Operating income margin]		[5.5%]	[6.7%]	**[6.3%]**		
System Platforms		39.7	25.3	**10.0**	-60.6	
[Operating income margin]		[5.6%]	[3.9%]	**[1.5%]**		
Total operating income (los		180.1	188.7	**175.0**	-7.3	
[Operating income margin]		[5.5%]	[6.1%]	**[5.4%]**		
[Real operating income margin*]**				**[6.1%]**		
Ubiquitous Product Solutions						
Japan		761.3	658.7	**600.0**	-8.9	-5
Overseas		427.6	290.3	**330.0**	+13.7	-11
Total		1,188.9	949.1	**930.0**	-2.0	-7
Operating income (loss)		52.5	0.5	**5.0**	+796.1	
[Operating income margin]		[4.4%]	[0.1%]	**[0.5%]**		
[Real operating income margin]				**[-1.8%]**		
Device Solutions						
Japan		521.4	372.2	**310.0**	-16.7	-28
Overseas		275.3	215.4	**210.0**	-2.5	-10
Total		796.7	587.6	**520.0**	-11.5	-21
Operating income (loss)		18.2	(71.9)	**(15.0)**	-	
[Operating income margin]		[2.3%]	[-12.2%]	**[-2.9%]**		
[Real operating income margin]				**[-1.9%]**		
Other Operations						
Japan		361.0	326.4	**260.0**	-20.4	-20
Overseas		165.7	119.7	**110.0**	-8.1	-4
Total		526.8	446.2	**370.0**	-17.1	-16
Operating income (loss)		14.2	4.1	**(10.0)**	-	
[Operating income margin]		[2.7%]	[0.9%]	**[-2.7%]**		
Elimination						
Sales		(453.9)	(367.1)	**(280.0)**	-	-
Operating income (loss)		(60.3)	(52.6)	**(75.0)**	-	
Total						
Japan		3,407.2	3,193.1	**2,970.0**	-7.0	-8
Overseas		1,923.6	1,499.8	**1,830.0**	+22.0	+1
Total		5,330.8	4,692.9	**4,800.0**	+2.3	-5
Operating income (loss)	**Y**	204.9	68.7	**80.0**	+16.3	
[Operating income margin]		[3.8%]	[1.5%]	**[1.7%]**		
[Real operating income margin]				**[1.8%]**		

Notes:

* Net sales include intersegment sales.

** The adjusted rate shows the percentage change in sales on a comparable year-over-year basis, excluding the impact of Fujitsu Technology Solutions (Holding) B.V. (the new corporate name, as of April 1, 2009, of Fujitsu Siemens Computers (Holding) B.V.) and FDK Corporation becoming consolidated subsidiaries, the business restructuring impact of transferring the HDD business, and the projected impact of exchange rates, primarily the US dollar, euro, British pound, Australian dollar, and the Korean won.

*** Real operating income margin excludes the impact of corporate reorganization and currency exchange fluctuation. In addition, the rising cost of retirement benefits is included in the estimation.

b. Net Sales* by Principal Products and Services

	FY 2007 (Actual)	FY2008 (Actual)	**FY 2009 (Forecast)**	Change vs. FY2008(%)	Adjusted Change** vs. FY2008(%)
	Yen (Billions)				
Technology Solutions					
Services:					
Solutions / SI **Y**	1,258.8	1,223.1	**1,160.0**	-5.2	-3
Infrastructure Services	1,215.2	1,129.3	**1,360.0**	+20.4	+2
Others	85.2	75.1	**90.0**	+19.7	+20
	2,559.3	2,427.7	**2,610.0**	+7.5	0
System Platforms:					
System Products	370.4	326.0	**350.0**	+7.3	-14
Network Products	342.4	323.3	**300.0**	-7.2	-4
	712.8	649.3	**650.0**	+0.1	-9
Total	3,272.2	3,077.0	**3,260.0**	+5.9	-2
Ubiquitous Product Solutions					
PCs / Mobile Phones	837.0	683.3	**870.0**	+27.3	-6
Hard Disk Drives	332.7	249.0	**40.0**	-83.9	-11
Others	19.1	16.7	**20.0**	+19.6	+20
Total	1,188.9	949.1	**930.0**	-2.0	-7
Device Solutions					
LSI Devices	508.8	390.3	**290.0**	-25.7	-23
Electronic Components, Other	287.9	197.3	**230.0**	+16.5	-16
Total Y	796.7	587.6	**520.0**	-11.5	-21

Notes:

* Net sales include intersegment sales.

** The adjusted rate shows the percentage change in sales on a comparable year-over-year basis, excluding the impact of Fujitsu Technology Solutions (Holding) B.V. (the new corporate name, as of April 1, 2009, of Fujitsu Siemens Computers (Holding) B.V.) and FDK Corporation becoming consolidated subsidiaries, the business restructuring impact of transferring the HDD business, and the projected impact of exchange rates, primarily the US dollar, euro, British pound, Australian dollar, and the Korean won.

2. Miscellaneous Forecasts for FY 2009

a. R&D Expenses

		Yen (Billions)	
	FY 2007 (Actual)	FY 2008 (Actual)	**FY 2009 (Forecast)**
	258.7	249.9	**245.0**
As % of sales	4.9%	5.3%	**5.1%**

b. Capital Expenditures, Depreciation

Capital Expenditures

			Yen (Billions)	
		FY 2007 (Actual)	FY 2008 (Actual)	**FY 2009 (Forecast)**
Technology Solutions	**Y**	81.6	87.7	**100.0**
Ubiquitous Product Solutions		27.6	18.7	**10.0**
Device Solutions		117.3	39.6	**35.0**
Corporate and others		22.5	21.5	**15.0**
Total		249.0	167.6	**160.0**
Depreciation	**Y**	200.5	223.9	**180.0**

c. Cash Flows

			Yen (Billions)	
		FY 2007 (Actual)	FY 2008 (Actual)	**FY 2009 (Forecast)**
(A) Cash flows from operating activities	**Y**	322.0	248.0	**200.0**
[Net income]		[48.1]	[(112.3)]	**[20.0]**
[Depreciation & amortization]		[279.2]	[298.4]	**[270.0]**
[Others]		[(5.3)]	[62.0]	**[(90.0)]**
(B) Cash flows from investing activities		(283.9)	(224.6)	**(140.0)**
(C) Free cash flow (A)+(B)		38.1	23.4	**60.0**
(D) Cash flows from financing activities		62.3	(47.8)	**(160.0)**
(E) Total (C)+(D)	**Y**	100.4	(24.4)	**(100.0)**

d. Exchange Rates

	FY 2007 (Actual)	FY 2008 (Actual)	**FY 2009 (Forecast)**
Average rates for	$1= 114 yen	$1= 101 yen	**$1= 95 yen**
	€1=162 yen	€1=144 yen	**€1=125 yen**
	£1=229 yen	£1=174 yen	**£1=140 yen**

Reference information : A 1 yen fluctuation (depreciation/appreciation) is expected to the following effect on operating income in FY 2009.

US Dollar : Increase/decrease by approximately 0.5 billion yen
Euro : Increase/decrease by approximately 0.2 billion yen
Pound : Increase/decrease by approximately 0.1 billion yen

e. PC Shipments*

(Million Units)

FY 2007 (Actual)	FY 2008 (Actual)	**FY 2009 (Forecast)**
8.81	7.36	**6.50**

f. Mobile Phone Shipments

(Million Units)

FY 2007 (Actual)	FY 2008 (Actual)	**FY 2009 (Forecast)**
5.90	4.60	**4.60**

g. HDD Production**

(Million Units)

FY 2007 (Actual)	FY 2008 (Actual)	**FY 2009 (Forecast)**
37.07	33.46	**5.70**

Notes:
* Figures for FY 2007 as well as FY2008 include shipments of Fujitsu Siemens Computers (Holding) B.V. (Fujitsu Technology Solutions (Holding) B.V. as of April 1, 2009).
** Because the transfer of HDD business is scheduled to complete in the first quarter of fiscal 2009, HDD shipments between April 1, 2009 and June 30, 2009 are included.

3. Environmental Accounting

a. Cost/Benefit Trends

(Billion Yen)

	FY2005		FY2006		FY2007		FY2008	
	Costs	**Benefits**	**Costs**	**Benefits**	**Costs**	**Benefits**	**Costs**	**Benefits**
Fujitsu Limited	9.04	10.89	7.39	9.85	8.40	10.91	7.26	3.63
Affiliated companies	8.87	13.62	9.32	17.65	11.03	20.79	13.38	23.49
Total	**17.91**	**24.51**	**16.71**	**27.50**	**19.43**	**31.70**	**20.64**	**27.12**

b. Itemization of FY 2008 Results*

(Billion Yen)

Costs	**Item**	**Fujitsu Limited**	**Affiliated companies**	**Total**
Business area costs				
Pollution prevention costs	Costs incurred to prevent air pollution and water contamination (fees for water treatment facilities) and other activities	1.23	3.74	4.97
Global environmental conservation costs	Costs of energy-saving measures, as well as costs of global warming reduction measures	0.75	2.00	2.75
Resource circulation costs	Costs incurred for waste reduction and disposal, as well as for water conservation, rainwater usage and other measures aimed at efficient resources	0.54	2.91	3.45
Upstream/downstream costs	Costs of lowering the environmental burden imposed upstream and downstream by manufacturing and service activities (costs incurred for recycling/reuse of waste products and packaging, Green Procurement, etc.)	0.07	0.96	1.03
Administrative costs	Environmental protection costs related to administrative activity, including personnel expenses for environmental promotion activities and costs associated with acquiring and maintaining ISO14001 certification, measuring environmental burden, greenification programs, environmental reporting and environmental publicity	3.05	1.57	4.63
R&D costs	Environmental protection costs for R&D activities (Super Green Products, Green Products/environmental technology design and development costs)	0.12	2.17	2.29
Social activities costs	Environmental protection costs stemming from participation in social activities, such as participation in/support for organizations concerned with environmental preservation	0.02	0.01	0.02
Environmental remediation costs	Costs of environmental restoration operations (remediation of soil and groundwater contamination, environmental compensation,	1.48	0.02	1.50
Total		**7.26**	**13.38**	**20.64**

Notes:
* Classification system is in accordance with "Environmental Accounting Guidelines 2005" issued by Japan's Ministry of the Environment.
  Totals may be different from the sum of the subtotals due to rounding off.

Benefits			Item	Fujitsu Limited	Affiliated companies	Total
	Business area benefits					
		Pollution prevention benefits	Contribution of environmental protection activities to value added* in manufacturing. Savings from avoidance of operating losses** stemming from failure to observe environmental laws and regulations.	0.83	4.30	5.13
		Global environmental conservation benefits	Cost savings from reductions in electricity, oil and gas consumption***	0.65	1.35	2.00
		Resource circulation benefits	Cost savings from waste reduction and more effective resource utilization ***	0.70	15.89	16.59
	Upstream/downstream benefits		Revenue from the sale of recycled and reused parts and products***	0.00	0.52	0.52
	Administrative benefits		Value of efficiency enhancement through ISO14001 system implementation, effects of employee training, corporate image enhancement from environment-related publicity	0.13	0.46	0.59
	R&D benefits		Contribution to sales made by Super Green Products, Green Products, other eco-friendly products	1.13	0.77	1.90
	Environmental remediation benefits		Savings of compensation payments to residents through policies preventing groundwater and soil contamination****	0.20	0.20	0.40
	Total			**3.63**	**23.49**	**27.12**

c. Comments

In fiscal 2008, costs were 20.64 billion yen, a 1.21 billion increase from the previous year. Benefits totaled 27.12 billion yer a 4.58 billion decrease.
Costs rose due largely to an increase in environmental advertising.   Benefits decreased due to the impact of a decline in added value from pollution prevention measures.
In addition, the splitting off of the electronic components business resulted in a decline in costs and benefits for Fujitsu and an increase in costs and benefits of affiliated companies.

Notes:

* Contribution of environmental protection activities in relation to value added:
value added x (maintenance and management costs for environmental facilities/total generated costs)

** Avoidance of operating losses: (value added/days of operation) x days lost

*** Actual benefit

**** Estimate of risk avoidance assuming such events arise

Totals may be different from the sum of the subtotals due to rounding off.