

## Part II. Explanation of Financial Results

### 1. Overview of FY 2008 Nine-Month Consolidated Financial Results

#### Business Environment

During the third quarter of fiscal 2008 (October 1 – December 31, 2008), the business environment in which the Fujitsu Group operated further deteriorated. Against the backdrop of a deepening global financial crisis, consumer spending slowed as a result of the fall in housing and other asset prices and rapidly deteriorating employment conditions, while corporate output dropped dramatically due to a precipitous decline in worldwide demand. The economic recession in Europe and the United States worsened, while economic growth in Asia, which had been strong, also experienced rapid deceleration. In Japan, exports, which had served as a driver of economic growth, declined sharply to Europe and the United States, and began to decline to Asia as well. The appreciation of the yen also had a negative impact on Japan's economy, resulting in a rapid deterioration in the economic environment, particularly in the corporate sector. With the cooling of investment sentiment in Japan, capital spending began to decline, and consumer spending became even more sluggish.

With respect to IT investment, as a result of the deterioration in corporate earnings and difficulty in raising funds, corporate spending on IT hardware is on a downward trend. While spending on software and IT services has remained solid, further investment in these areas is expected to become more selective in the future. 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.

#### Nine-Month Cumulative Summary

(Billion Yen)

	First 9 Months FY 2008		First 9 Months FY 2007		Change	
	4/1/08-12/31/08	% of Sales	4/1/07-12/31/07	% of Sales		Change (%)
Net Sales	3,507.6	100.0	3,808.0	100.0	-300.3	-7.9
Cost of Sales	2,617.5	74.6	2,841.7	74.6	-224.1	-7.9
Gross Profit	890.1	25.4	966.2	25.4	-76.1	-7.9
Selling, General and Administrative Expenses	876.7	25.0	875.6	23.0	1.0	0.1
Operating Income	13.3	0.4	90.5	2.4	-77.2	-85.3
Other Income	27.7	0.8	48.3	1.3	-20.6	-42.7
Other Expenses	66.4	1.9	94.2	2.5	-27.8	-29.5
Income Before Taxes	-25.3	-0.7	44.6	1.2	-70.0	-
Income Taxes	8.3	0.2	37.6	1.0	-29.2	-77.7
Minority Interests	2.3	0.1	10.8	0.3	-8.5	-78.4
Net Income	-36.1	-1.0	-3.8	-0.1	-32.3	-

**Third-Quarter Summary**

(Billion Yen)

	Third-Quarter FY 2008 <i>10/1/08-12/31/08</i>		Third-Quarter FY 2007 <i>10/1/07-12/31/07</i>		Change	
		% of Sales		% of Sales		Change (%)
Net Sales	1,053.8	100.0	1,294.9	100.0	-241.0	-18.6
Operating Income	-25.1	-2.4	46.6	3.6	-71.8	-
Net Income	-40.7	-3.9	5.5	0.4	-46.2	-

Amounts for the same period in the previous fiscal year and change in comparison with these amounts (% increase or decrease) are included for reference.