

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 yen 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.