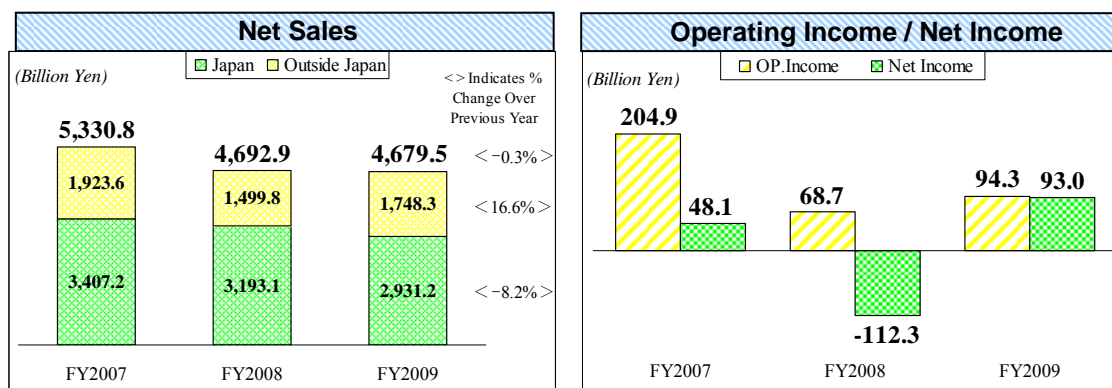


2. Profit and Loss

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=93 yen, the approximate Tokyo foreign exchange market rate on March 31, 2010. Figures for and comparisons to prior reporting periods are provided only for reference. Adjusted change excludes the impact of business restructuring and currency exchange fluctuation. Regarding the impact of business restructuring, Fujitsu Technology Solutions (Holding) B.V. and FDK Corporation were converted into consolidated subsidiaries and the hard disk drive (HDD) business was transferred. The impact of the currency fluctuation was eliminated by using the average US dollar, euro, British pound, Australian dollar and Korean won foreign exchange rates for fiscal 2008 to translate the net sales outside Japan into yen.



Consolidated net sales for fiscal 2009 were 4,679.5 billion yen (US\$50,317 million), essentially unchanged from fiscal 2008. Sales declined by 7% on an adjusted basis when excluding the impact of converting Fujitsu Technology Solutions (Holding) B.V. and FDK Corporation, both of which until this fiscal year had been equity-method affiliates, into consolidated subsidiaries, the impact of the transfer of the hard disk drive (HDD) business, and the impact of exchange rate fluctuations.

Sales in Japan declined by 8.2%. Sales of system integration services and ATM- and POS-related solutions to customers in the manufacturing, retail/distribution, and financial services industries declined due to corporate spending constraints. Sales of logic LSI devices, server-related products, and PCs were also lower, primarily as a result of weaker sales in the first half of the fiscal year.

Sales outside Japan increased by 16.6%. On an adjusted basis, however, sales decreased by 4%. The services business was negatively impacted by the economic recession, particularly in Europe. Sales of HDDs, PCs, and server-related products also declined, primarily in the first half of the year.

Consolidated operating income was 94.3 billion yen (US\$1,014 million), an increase of 25.6 billion yen compared to fiscal 2008. On an adjusted basis, operating income rose 16.0 billion yen, when excluding the benefit of the transfer of the HDD business and its losses in the second half of 2008, the impact of the conversion of Fujitsu Technology Solutions and FDK into consolidated subsidiaries, and the impact of exchange rate fluctuations. Among the negative factors were an increase in pension benefit obligations, a loss provision related to the development of Japan's next-generation supercomputer, and a decline in revenue in the services business. These factors were offset by improved profitability in LSI device business following structural reforms, a reduction in expenses in response to price pressures and lower ICT investment, and procurement cost-cutting initiatives, primarily in the server-related product and electronic component businesses.

In other income and expenses, equity in earnings of affiliates improved as certain equity-method affiliates that had posted losses in the previous fiscal year as a result of restructuring initiatives or weak operating results, such as Fujitsu Technology Solutions and FDK, were converted to consolidated subsidiaries. The company recorded a gain of 89.6 billion yen on sales of shares in FANUC Ltd. and other investment securities. The company also recorded 47.4 billion yen in restructuring charges and other expenses. The restructuring charges consisted of 21.1 billion yen stemming from the restructuring of the logic LSI

device business, including the expenses associated with reorganizing manufacturing operations and reassigning employees after the streamlining of administrative functions, and 26.3 billion yen from streamlining workforces associated with the restructuring of the company's European operations.

Fujitsu posted consolidated net income of 93.0 billion yen (US\$1,000 million) for fiscal 2009, representing a significant improvement of 205.4 billion yen over the loss reported in fiscal 2008. Income before taxes and minority interests improved by 226.0 billion yen as a result of higher ordinary income and other income from sales of investment securities, as well as the fact that other expenses, including impairment losses and investment securities valuation losses, were posted in the previous year. As a result of the improvement in core operations as well as the gains posted on the sale of investment securities, the amount of recoverable deferred tax assets increased, and a reversal of the valuation reserve resulted in a lower tax burden in the fiscal year.