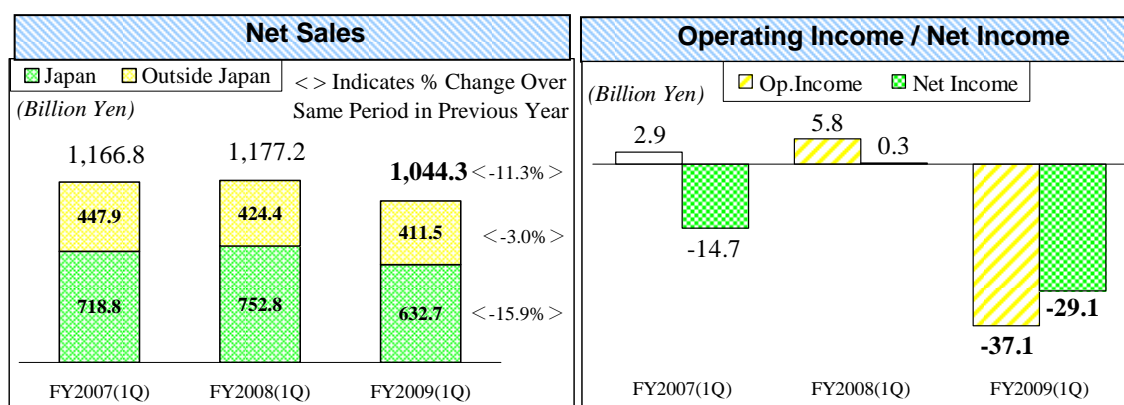


2. Profit and Loss

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=96 yen, the approximate Tokyo foreign exchange market rate on June 30, 2009. 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. (previously Fujitsu Siemens Computers (Holding) B.V.) and FDK Corporation were converted into consolidated subsidiaries. The impact of the currency fluctuation was eliminated by using the US dollar, euro, British pound, Australian dollar and Korean won foreign exchange rates for the first quarter of fiscal 2008 to translate the net sales outside Japan into yen. The adjusted change for operating income excludes the impact of business restructuring and currency exchange fluctuation.



Consolidated net sales for the first-quarter of fiscal 2009 were 1,044.3 billion yen (US\$10,878 million), a decrease of 11.3% compared to the first quarter of fiscal 2008. Sales declined by 16% on an adjusted basis when excluding the impact of converting Fujitsu Technology Solutions (Holding) B.V. (the new name of Fujitsu Siemens Computers (Holding) B.V. as of April 1, 2009) and FDK Corporation, both of which until this fiscal year had been equity-method affiliates, to consolidated subsidiaries as well as the impact of yen appreciation.

Sales in Japan decreased by 15.9%. Although the markets for logic LSI devices, electronic components, and car audio and navigation products are now recovering, sales of these products were significantly lower in this year's first quarter compared with the previous year's first quarter, and sales of PCs, mobile phones, and servers also declined. Sales of system integration services to public-sector customers increased, but sales of ATM and POS solutions to customers in the financial services and manufacturing/distribution sectors decreased, resulting in an overall decrease in sales.

Sales outside of Japan decreased by 3.0%. Excluding the impact of exchange rate movements and the conversion of Fujitsu Technology Solutions and FDK into consolidated subsidiaries, sales decreased by 16%. The decrease was attributable to the impact of intensified competition in the hard disk drive (HDD) business and lower sales of logic LSI devices, electronic components, and car audio and navigation products. In addition, the IT services business was impacted by the economic recession, particularly in the US and APAC (Asia-Pacific) regions.

The company posted a consolidated operating loss of 37.1 billion yen (US\$386 million), a significant deterioration of 42.9 billion yen compared to the first quarter of fiscal 2008 and the first operating loss for the first quarter since fiscal 2004. There was a sharp deterioration in

profitability even excluding the impact of special factors, such as a one-time charge of approximately 5.0 billion yen for expensing the fair market value of in-process R&D, which stemmed from the conversion of Fujitsu Technology Solutions into a consolidated subsidiary, an increase in the amortization of goodwill and other assets of approximately 2.0 billion yen, the impact of yen appreciation of approximately 2.0 billion yen, and approximately 5.0 billion yen in higher amortization costs for unrecognized retirement benefit obligations as a result of a deterioration in pension assets in the previous fiscal year. Lower costs for parts used in mobile phones and other products as well as lower amortization expenses and greater efficiencies in development expenses for logic LSI device business helped improve profitability, but these factors were outweighed by lower sales of logic LSI devices, electronic components, HDDs, PCs, server-related products, and car audio and navigation products.

In other income and expenses, other income decreased by approximately 10.8 billion yen compared with the same period a year ago while other expenses decreased by approximately 3.3 billion yen, for a net deterioration of approximately 7.5 billion yen. As sales of PCs and servers in Europe had been sluggish in the first quarter of fiscal 2008, the conversion of Fujitsu Technology Solutions to a consolidated subsidiary resulted in an improvement in equity in earnings of affiliates of 4.9 billion yen, but this was offset by foreign exchange losses, representing an 8.1 billion yen deterioration compared to the foreign exchange gains posted in the first quarter of fiscal 2008.

The company reported a consolidated net loss of 29.1 billion yen (US\$303 million) in the first quarter of fiscal 2009, representing a deterioration of 29.5 billion yen compared to the first quarter of fiscal 2008.