

October 27, 2010

FY 2010 First-Half Financial Results
April 1, 2010 - September 30, 2010

Fujitsu Limited

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Part I: Financial Tables

1. Summary of FY 2010 First-Half Consolidated Results

a. Summary of Consolidated Statements of Operations

	Yen	
	(Millions, except per share data)	
	1H FY 2010	1H FY 2009
	(4/1/10~9/30/10)	(4/1/09~9/30/09)
Net sales	Y 2,147,452	2,186,622
Operating income (loss)	47,160	(18,246)
Income before income taxes and minority interests	35,355	35,716
Net income	19,089	43,255
Net income per common share:		
Basic	9.22	21.08
Diluted	Y 9.02	19.60

b. Summary of Consolidated Financial Condition

	Yen	
	(Millions, except per share data)	
	September 30, 2010	March 31, 2010
Total assets	Y 2,914,399	3,228,051
Net assets	925,263	948,373
Owners' equity	788,817	798,662
Net assets per share	Y 381.12	386.79
Owners' equity ratio	27.1%	24.7%

2. Dividends Per Share of Common Stock

	Yen	
	FY 2009	FY 2010
First-quarter ended June 30	Y -	-
Second-quarter ended September 30	3.00	5.00
Third-quarter ended December 31	-	- (Forecast)
Full year ended March 31	5.00	5.00 (Forecast)
Total	Y 8.00	10.00 (Forecast)

3. Number of Issued Shares (Common Shares)

a. Number of issued shares at end of period

First-half FY 2010	2,070,018,213	shares
Full-year FY 2009	2,070,018,213	shares

b. Treasury stock held at end of period

First-half FY 2010	257,985	shares
Full-year FY 2009	5,179,774	shares

c. Average number of issued and outstanding shares during quarter

First-half FY 2010	2,069,788,627	shares
First-half FY 2009	2,051,994,211	shares

4. Consolidated Earnings Forecast for FY 2010

		Yen
		(Billions, except per share data)
		<u>Full year FY2010</u>
Net sales	Y	4,670.0
Operating income		185.0
Net income		95.0
Net income		
per common share	Y	45.90

5. FY2010 First-Half Consolidated Statements of Operations

	Yen (Millions)	
	1H FY 2010 (4/1/10~9/30/10)	1H FY 2009 (4/1/09~9/30/09)
Net sales	Y 2,147,452	2,186,622
Cost of sales	1,545,885	1,627,095
Gross profit	601,567	559,527
Selling, general and administrative expenses	554,407	577,773
Operating income (loss)	47,160	(18,246)
Other income:		
Interest income	1,683	2,229
Dividend income	2,530	3,124
Equity in earnings of affiliates, net	2,255	1,684
Gain on sales of investment securities	8,164	89,573
Gain on negative goodwill	1,140	-
Others	5,776	5,631
Total other income	21,548	102,241
Other expenses:		
Interest expense	6,622	8,143
Loss on foreign exchange, net	10,233	5,261
Loss on disposal of property, plant and equipment and intangible assets	3,503	1,493
Loss on adjustment for changes of accounting standard for asset retirement obligation	4,113	-
Impairment loss	1,250	-
Business restructuring expenses	-	24,116
Others	7,632	9,266
Total other expenses	33,353	48,279
Income before income taxes and minority interests	35,355	35,716
Income taxes:		
Current	10,805	9,873
Deferred	3,144	(15,432)
Total income taxes	13,949	(5,559)
Income before minority interests	21,406	-
Minority interests	2,317	(1,980)
Net income	Y 19,089	43,255

6. FY2010 First-Half Consolidated Business Segment Information

a. Net Sales** and Operating Income (1)

	Y	Yen (Billions)		Change(%)	impact of changes in currency exchange rates(%)***	Yen
		1H FY 2010 (4/1/10~9/30/10)	1H FY 2009 (4/1/09~9/30/09)			1H FY 2008 (4/1/08~9/30/08)
Technology Solutions						
Sales		1,400.8	1,434.4	-2.3	+1	1,534.2
Operating income:						
Services		38.5	34.3	+12.0		55.5
[Operating income margin]		[3.4%]	[2.9%]			[4.5%]
System Platforms		17.8	(3.0)	-		15.0
[Operating income margin]		[6.6%]	[-1.2%]			[4.9%]
Total operating income		56.3	31.2	+80.1		70.5
[Operating income margin]		[4.0%]	[2.2%]			[4.6%]
Ubiquitous Solutions						
Sales		541.2	511.4	+5.8	+8	547.2
Operating income		15.1	13.0	+15.4		21.5
[Operating income margin]		[2.8%]	[2.6%]			[3.9%]
Device Solutions						
Sales		319.6	277.9	+15.0	+19	390.2
Operating income		11.3	(18.0)	-		(7.7)
[Operating income margin]		[3.5%]	[-6.5%]			[-2.0%]
Other/Elimination and Corporate****						
Sales		(114.2)	(37.2)	-	-	(18.0)
Operating income		(35.6)	(44.5)	-		(45.8)
Total						
Japan		1,371.7	1,327.4	+3.3	+3	1,583.0
		<63.9%>	<60.7%>			<64.5%>
Outside Japan		775.7	859.1	-9.7	-0	870.7
		<36.1%>	<39.3%>			<35.5%>
Total		2,147.4	2,186.6	-1.8	+2	2,453.7
Operating income	Y	47.1	(18.2)	-		38.5
[Operating income margin]		[2.2%]	[-0.8%]			[1.6%]

Notes:

* Beginning with the first quarter of fiscal 2010, Fujitsu changed its business segmentation, as explained in the press release, "Notice Regarding Change in Business Segments," issued July 26, 2010. Among the major changes, although the car audio and navigation systems business had been included in the Other segment, this business is now included in the Ubiquitous Solutions segment. For comparison purposes, figures for fiscal years 2008 and 2009 have been reclassified under the new segments.

** Net sales include intersegment sales.

*** The impact of exchange rate fluctuation has been calculated by using the average U.S. dollar, euro and British pound exchange rates for the first half of fiscal 2009 to translate the current period's net sales outside Japan into yen.

**** Other/Elimination and Corporate includes Japan's next-generation supercomputer project, facility services and the development of information services for Fujitsu Group companies, and retirement and healthcare benefits for Fujitsu Group employees. The figures in this category for fiscal years 2008 and 2009 also include the hard disk drive (HDD) business, the transfer of which was completed October 1, 2009.

***** The figures in brackets <> represent the ratio of sales in and outside Japan to total consolidated sales.

b. Net Sales** by Principal Products and Services

	Yen (Billions)		Change (%)	Excluding impact of changes in currency exchange rates(%)***	Yen
	1H FY 2010 (4/1/10~9/30/10)	1H FY 2009 (4/1/09~9/30/09)			1H FY 2008 (4/1/08~9/30/08)
Total					
Technology Solutions					
Services:					
Solutions / System Integration	Y 379.5	376.3	+0.8	+1	422.6
Infrastructure Services	749.6	797.5	-6.0	-0	805.7
	<u>1,129.1</u>	<u>1,173.9</u>	-3.8	+0	<u>1,228.4</u>
System Platforms:					
System Products	136.6	132.9	+2.8	+6	142.3
Network Products	134.9	127.5	+5.8	+9	163.5
	<u>271.6</u>	<u>260.5</u>	+4.3	+7	<u>305.8</u>
Total	<u>1,400.8</u>	<u>1,434.4</u>	-2.3	+1	<u>1,534.2</u>
Ubiquitous Solutions					
PCs / Mobile Phones	389.6	379.8	+2.6	+5	355.1
Mobilewear	151.5	131.5	+15.2	+17	192.1
Total	<u>541.2</u>	<u>511.4</u>	+5.8	+8	<u>547.2</u>
Device Solutions					
LSI****	169.2	152.0	+11.4	+14	231.7
Electronic Components	151.1	127.1	+18.9	+24	161.2
Total	Y <u>319.6</u>	<u>277.9</u>	+15.0	+19	<u>390.2</u>
<Breakdown>					
Japan					
Technology Solutions	Y <u>886.0</u>	<u>877.7</u>	+0.9	+1	<u>990.8</u>
Ubiquitous Solutions	<u>410.6</u>	<u>366.5</u>	+12.0	+12	<u>452.2</u>
Device Solutions	Y <u>174.7</u>	<u>159.1</u>	+9.8	+10	<u>232.7</u>
Outside Japan					
Technology Solutions	Y <u>514.7</u>	<u>556.7</u>	-7.5	+2	<u>543.4</u>
Ubiquitous Solutions	<u>130.5</u>	<u>144.8</u>	-9.9	-0	<u>94.9</u>
Device Solutions	Y <u>144.9</u>	<u>118.8</u>	+22.0	+31	<u>157.5</u>

Notes:

- * Beginning with the first quarter of fiscal 2010, Fujitsu changed its business segmentation, as explained in the press release, "Notice Regarding Change in Business Segments," issued July 26, 2010. Among the major changes, in the Services sub-segment, the services business outside Japan was previously included under both Solutions/SI and Infrastructure Services, but now all services business outside Japan is included under Infrastructure Services. In addition, although the car audio and navigation systems business had been included in the Other segment, this business is now included in the Ubiquitous Solutions segment. For comparison purposes, figures for fiscal years 2008 and 2009 have been reclassified under the new segments.
- ** Net sales include intersegment sales.
- *** The impact of exchange rate fluctuation has been calculated by using the average U.S. dollar, euro and British pound exchange rates for the first half of fiscal 2009 to translate the current period's net sales outside Japan into yen.
- **** Sales figures for LSI include intrasegment sales to the electronic components segment.

7. FY2010 First-Half Consolidated Balance Sheets

	Yen	
	(Millions)	
	September 30 2010	March 31 2010
Assets		
Current assets:		
Cash and time deposits	Y 228,808	322,733
Notes and accounts receivable, trade	768,871	921,349
Marketable securities	91,413	105,227
Finished goods	168,042	145,646
Work in process	124,923	100,904
Raw materials	80,047	75,751
Deferred tax assets	78,324	76,308
Others	119,494	139,986
Allowance for doubtful accounts	(14,532)	(15,924)
Total current assets	1,645,390	1,871,980
Non-current assets:		
Property, plant and equipment, net of accumulated depreciation:		
Buildings	271,934	273,133
Machinery	107,639	110,639
Equipment	131,047	137,509
Land	118,309	119,530
Construction in progress	15,595	21,924
Total property, plant and equipment	644,524	662,735
Intangible assets:		
Software	135,092	139,546
Goodwill	82,152	93,945
Others	38,096	45,722
Total intangible assets	255,340	279,213
Other non-current assets:		
Investment securities	141,598	170,935
Deferred tax assets	75,018	83,279
Others	160,082	167,948
Allowance for doubtful accounts	(7,553)	(8,039)
Total other non-current assets	369,145	414,123
Total non-current assets	1,269,009	1,356,071
Total assets	Y 2,914,399	3,228,051

	Yen (Millions)	
	September 30 2010	March 31 2010
Liabilities and net assets		
Liabilities		
Current liabilities:		
Notes and accounts payables, trade	Y 542,645	626,986
Short-term borrowings	78,236	70,457
Current portion of long-term debt	150,000	150,000
Lease obligations	28,235	29,790
Accrued expenses	300,251	334,458
Accrued income taxes	19,830	26,728
Provision for product warranties	22,072	25,429
Provision for construction contract losses	20,205	24,575
Provision for bonuses to board members	-	93
Others	237,367	271,537
Total current liabilities	1,398,841	1,560,053
Long-term liabilities:		
Bonds payable	130,285	230,200
Long-term borrowings	127,488	126,786
Lease obligations	33,981	39,509
Deferred tax liabilities	26,344	29,949
Deferred tax liabilities for land revaluation	575	575
Accrued retirement benefits	193,653	206,404
Provision for loss on repurchase of computers	19,454	23,514
Provision for product warranties	2,073	3,585
Provision for recycling expenses	5,926	5,550
Others	50,516	53,553
Total long-term liabilities	590,295	719,625
Total liabilities	1,989,136	2,279,678
Net assets		
Shareholders' equity:		
Common stock	324,625	324,625
Capital surplus	236,437	235,985
Retained earnings	317,472	307,964
Treasury stock	(143)	(2,723)
Total shareholders' equity	878,391	865,851
Valuation and translation adjustments:		
Unrealized gain and loss on securities, net of taxes	10,721	16,006
Deferred hedge gain and loss	(323)	(31)
Revaluation surplus on land	2,396	2,331
Foreign currency translation adjustments	(102,368)	(85,495)
Total valuation and translation adjustments	(89,574)	(67,189)
Subscription rights to shares	76	53
Minority interests	136,370	149,658
Total net assets	925,263	948,373
Total liabilities and net assets	Y 2,914,399	3,228,051

8. FY2010 First-Half Consolidated Statements of Cash Flows

	Yen	
	(Millions)	
	1H FY 2010 (4/1/10~9/30/10)	1H FY 2009 (4/1/09~9/30/09)
1. Cash flows from operating activities:		
Income before income taxes and minority interests	Y 35,355	35,716
Depreciation and amortization	101,762	121,083
Impairment loss	1,250	-
Goodwill amortization	7,748	11,803
Increase (decrease) in provisions	(27,331)	(29,992)
Interest and dividend income	(4,213)	(5,353)
Interest charges	6,622	8,143
Equity in earnings of affiliates, net	(2,255)	(1,684)
Disposal of non-current assets	4,262	3,611
Gain on sales of investment securities, net	(8,164)	(89,573)
(Increase) decrease in receivables, trade	131,029	202,877
(Increase) decrease in inventories	(57,881)	(34,562)
Increase (decrease) in payables, trade	(60,338)	(68,974)
Other, net	(20,373)	(5,217)
Cash generated from operations	107,473	147,878
Interest and dividends received	4,909	5,788
Interest paid	(6,816)	(10,356)
Income taxes paid	(21,404)	(15,180)
Net cash provided by operating activities	84,162	128,130
2. Cash flows from investing activities:		
Purchases of property, plant and equipment	(64,920)	(54,903)
Proceeds from sales of property, plant and equipment	3,746	4,345
Purchases of intangible assets	(26,162)	(26,579)
Purchases of investment securities	(8,415)	(17,782)
Proceeds from sales of investment securities	32,398	108,817
Income from acquisition of subsidiaries' stock resulting from change in scope of consolidation	-	50,416
Other, net	7,052	(1,945)
Net cash provided by (used in) investing activities	(56,301)	62,369
1+2 [Free Cash Flow]	27,861	190,499
3. Cash flows from financing activities:		
Increase (decrease) in short-term borrowings	17,334	(25,116)
Proceeds from long-term debt	2,680	69,702
Repayment of long-term debt	(7,689)	(4,383)
Proceeds from issuance of bonds	8,734	6,410
Redemption of bonds	(108,645)	(302,693)
Proceeds from sales of treasury stock	8	8
Purchase of treasury stock	(58)	(22,046)
Dividends paid	(11,754)	(7,117)
Other, net	(25,552)	(22,256)
Net cash used in financing activities	(124,942)	(307,491)
4. Effect of exchange rate changes on cash and cash equivalents	(10,323)	2,844
5. Net increase (decrease) in cash and cash equivalents	(107,404)	(114,148)
6. Cash and cash equivalents at beginning of period	420,166	528,174
7. Cash and cash equivalents of newly consolidated subsidiaries	25	1,876
8. Cash and cash equivalents at end of period	Y 312,787	415,902

9. FY2010 Second-Quarter Consolidated Statements of Operations

	Yen (Millions)	
	2Q FY 2010 (7/1/10~9/30/10)	2Q FY 2009 (7/1/09~9/30/09)
Net sales	Y 1,100,192	1,142,319
Cost of sales	786,722	839,322
Gross profit	313,470	302,997
Selling, general and administrative expenses	276,314	284,080
Operating income	37,156	18,917
Other income:		
Interest income	839	864
Dividend income	241	108
Equity in earnings of affiliates, net	1,455	402
Gain on sales of investment securities	7,600	89,562
Others	1,846	3,377
Total other income	11,981	94,313
Other expenses:		
Interest expense	3,166	4,081
Loss on foreign exchange, net	5,527	3,241
Loss on disposal of property, plant and equipment and intangible assets	2,897	835
Business restructuring expenses	-	24,116
Others	4,610	5,363
Total other expenses	16,200	37,636
Income before income taxes and minority interests	32,937	75,594
Income taxes:		
Current	7,557	6,423
Deferred	6,663	(3,421)
Total income taxes	14,220	3,002
Income before minority interests	18,717	-
Minority interests	1,269	138
Net income	Y 17,448	72,454

10. FY2010 Second-Quarter Consolidated Business Segment Information

a. Net Sales** and Operating Income (1)

	Y	Yen (Billions)		Change(%)	Excluding impact of changes in currency exchange rates(%)***	Yen
		2Q FY 2010	2Q FY 2009			2Q FY 2008
		(7/1/10~9/30/10)	(7/1/09~9/30/09)			(7/1/08~9/30/08)
Technology Solutions						
Sales		735.0	761.6	-3.5	+1	832.3
Operating income:						
Services		31.8	31.2	+2.1		40.0
[Operating income margin]		[5.4%]	[5.1%]			[6.1%]
System Platforms		15.9	11.4	+38.8		14.1
[Operating income margin]		[10.8%]	[7.9%]			[8.3%]
Total operating income		47.7	42.6	+12.0		54.2
[Operating income margin]		[6.5%]	[5.6%]			[6.5%]
Ubiquitous Solutions						
Sales		264.3	257.2	+2.7	+6	256.6
Operating income		4.4	1.2	+257.3		4.4
[Operating income margin]		[1.7%]	[0.5%]			[1.7%]
Device Solutions						
Sales		161.1	148.4	+8.6	+13	198.4
Operating income		5.2	(1.9)	-		(2.2)
[Operating income margin]		[3.3%]	[-1.3%]			[-1.1%]
Other/Elimination and Corporate****						
Sales		(60.2)	(24.9)	-	-	(10.8)
Operating income		(20.3)	(23.0)	-		(23.7)
Total						
Japan		717.3	694.6	+3.3	+3	830.2
		<65.2%>	<60.8%>			<65.0%>
Outside Japan		382.7	447.6	-14.5	-4	446.2
		<34.8%>	<39.2%>			<35.0%>
Total		1,100.1	1,142.3	-3.7	+1	1,276.5
Operating income	Y	37.1	18.9	+96.4		32.7
[Operating income margin]		[3.4%]	[1.7%]			[2.6%]

Notes:

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** Net sales include intersegment sales.

*** The impact of exchange rate fluctuation has been calculated by using the average US dollar, euro and British pound exchange rates for the second quarter of fiscal 2009 to translate the current period's net sales outside Japan into yen.

**** Other/Elimination and Corporate includes Japan's next-generation supercomputer project, facility services and the development of information services for Fujitsu Group companies, and retirement and healthcare benefits for Fujitsu Group employees. The figures in this category for fiscal years 2008 and 2009 also include the hard disk drive (HDD) business, the transfer of which was completed October 1, 2009.

***** The figures in brackets <> represent the ratio of sales in and outside Japan to total consolidated sales.

b. Net Sales** by Principal Products and Services

		Yen (Billions)		Change (%)	Excluding impact of changes in currency exchange rates(%)***	Yen
		2Q FY 2010 (7/1/10~9/30/10)	2Q FY 2009 (7/1/09~9/30/09)			(Billions) 2Q FY 2008 (7/1/08~9/30/08)
Total						
Technology Solutions						
Services:						
Solutions / System Integration	Y	207.0	204.1	+1.4	+2	240.3
Infrastructure Services		380.0	413.3	-8.1	-1	421.3
		<u>587.1</u>	<u>617.5</u>	-4.9	-0	<u>661.7</u>
System Platforms:						
System Products		82.3	77.1	+6.6	+10	84.2
Network Products		65.6	66.9	-2.0	+1	86.3
		<u>147.9</u>	<u>144.1</u>	+2.6	+6	<u>170.5</u>
Total		<u>735.0</u>	<u>761.6</u>	-3.5	+1	<u>832.3</u>
Ubiquitous Solutions						
PCs / Mobile Phones		186.9	186.7	+0.1	+4	163.1
Mobilewear		77.3	70.5	+9.7	+12	93.4
Total		<u>264.3</u>	<u>257.2</u>	+2.7	+6	<u>256.6</u>
Device Solutions						
LSI****		88.7	82.4	+7.7	+11	118.9
Electronic Components		72.7	66.6	+9.2	+15	80.7
Total	Y	<u>161.1</u>	<u>148.4</u>	+8.6	+13	<u>198.4</u>
<Breakdown>						
Japan						
Technology Solutions	Y	<u>482.3</u>	<u>474.5</u>	+1.6	+2	<u>552.4</u>
Ubiquitous Solutions		<u>198.3</u>	<u>178.4</u>	+11.1	+11	<u>209.8</u>
Device Solutions	Y	<u>90.7</u>	<u>84.2</u>	+7.7	+8	<u>115.5</u>
Outside Japan						
Technology Solutions	Y	<u>252.6</u>	<u>287.0</u>	-12.0	-0	<u>279.9</u>
Ubiquitous Solutions		<u>66.0</u>	<u>78.7</u>	-16.2	-5	<u>46.8</u>
Device Solutions	Y	<u>70.3</u>	<u>64.1</u>	+9.6	+20	<u>82.8</u>

Notes:

- * Beginning with the first quarter of fiscal 2010, Fujitsu changed its business segmentation, as explained in the press release, "Notice Regarding Change in Business Segments," issued July 26, 2010. Among the major changes, in the Services sub-segment, the services business outside Japan was previously included under both Solutions/SI and Infrastructure Services, but now all services business outside Japan is included under Infrastructure Services. In addition, although the car audio and navigation systems business had been included in the Other segment, this business is now included in the Ubiquitous Solutions segment. For comparison purposes, figures for fiscal years 2008 and 2009 have been reclassified under the new segments.
- ** Net sales include intersegment sales.
- *** The impact of exchange rate fluctuation has been calculated by using the average U.S. dollar, euro and British pound exchange rates for the second quarter of fiscal 2009 to translate the current period's net sales outside Japan into yen.
- **** Sales figures for LSI include intrasegment sales to the electronic components segment.

Part II. Explanation of Financial Results

1. Overview of FY 2010 Second-Quarter Consolidated Financial Results

Business Environment

During the second quarter of fiscal 2010 (July 1 – September 30, 2010), the business environment in which the Fujitsu Group operated was characterized by the continuation of a mild recovery in the global economy. The pace of the recovery, however, began to weaken as stimulus measures implemented in the wake of the financial crisis ran their course, unemployment in Europe and the US remained at a high level, concerns about a credit contraction in Europe lingered, and European governments instituted fiscal austerity measures. In Japan, the business environment became more severe. Although there were signs of a widening economic recovery, with an improvement in employment conditions and higher capital spending, the rising trend of exports, primarily to emerging markets, showed signs of moderating, while the yen continued to appreciate.

With respect to investment in information and communications technologies (ICT), there were signs of recovery in demand for ICT hardware as corporate concerns over excess capacity moderated. Spending on software and ICT services, however, had not yet recovered, due to cautious corporate investments stemming from a sense of uncertainty over the direction of the economy.

FY 2010 Second-Quarter Financial Results

(Billion Yen)

	2Q FY 2010 7/1/10- 9/30/10	2Q FY 2009 7/1/09- 9/30/09	2Q FY 2008 7/1/08- 9/30/08	Change vs. FY09 2Q	
					Change (%)
Net Sales	1,100.1	1,142.3	1,276.5	-42.1	-3.7
Cost of Sales	786.7	839.3	941.5	-52.6	-6.3
Gross Profit	313.4	302.9	334.9	10.4	3.5
[Gross Profit Margin]	[28.5%]	[26.5%]	[26.2%]	[2.0%]	
Selling, General and Administrative Expenses	276.3	284.0	302.2	-7.7	-2.7
Operating Income	37.1	18.9	32.7	18.2	96.4
[Operating Income Margin]	[3.4%]	[1.7%]	[2.6%]	[1.7%]	
Other Income and Expenses	-4.2	56.6	-13.4	-60.9	-
Income (Loss) Before Income Taxes	32.9	75.5	19.2	-42.6	-56.4
Income Taxes	14.2	3.0	12.7	11.2	373.7
Income (Loss) Before Minority Interests	18.7	72.5	6.4	-53.8	-74.2
Minority Interests (Loss)	1.2	0.1	2.1	1.1	819.6
Net Income	17.4	72.4	4.2	-55.0	-75.9

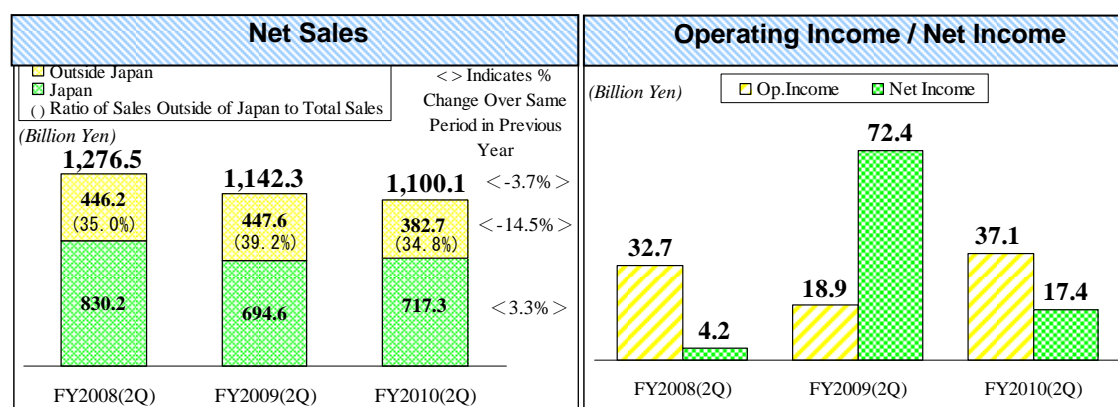
FY2010 First-Half Consolidated Financial Results

(Billion Yen)

	FY 2010 First Half <i>4/1/10-9/30/10</i>	FY 2009 First Half <i>4/1/09-9/30/09</i>	FY 2008 First Half <i>4/1/08-9/30/08</i>	Change vs. FY09 1H		Change vs. July Forecast
					Change (%)	
Net Sales	2,147.4	2,186.6	2,453.7	-39.1	-1.8	-32.5
Operating Income [Operating Income Margin]	47.1 [2.2%]	-18.2 [-0.8%]	38.5 [1.6%]	65.4 [3.0%]	-	12.1 [0.6%]
Net Income	19.0	43.2	4.6	-24.1	-55.9	4.0

2. Profit and Loss for Second Quarter

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=84 yen, the approximate Tokyo foreign exchange market rate on September 30, 2010. Figures for and comparisons to prior reporting periods are provided only for reference. The impact of foreign exchange rate fluctuations has been calculated by using the average US dollar, euro, and British pound foreign exchange rates for the second quarter of fiscal 2009 to translate the current period's net sales outside Japan into yen.



Consolidated net sales for the second quarter of fiscal 2010 were 1,100.1 billion yen (US\$13,096 million), a decline of 3.7% from the second quarter of fiscal 2009. Excluding the impact of the transfer of the hard disk drive (HDD) business, which was completed in October 2009, and the impact of foreign exchange rate fluctuations, sales increased by 5%.

Sales in Japan increased by 3.3%. Despite continued constraints on ICT spending, for the second consecutive quarter, sales in Japan increased for every segment compared to the same period the previous year. Compared with the second quarter of fiscal 2009, in which sales had declined significantly, there were higher sales of PCs, mobile phones, and car audio and navigation systems.

Sales outside of Japan decreased by 14.5%. Excluding the impact of the transfer of the HDD business and exchange rate fluctuations, however, sales increased by 6%. Though sales in Europe declined due to the prolonged economic slump, sales of LSI devices and electronic components increased outside Japan, particularly to Asian markets, and sales of optical transmission systems in North America also increased.

During the second quarter, the yen continued to appreciate against other currencies. The average yen exchange rates against major currencies were 86 yen for the US dollar (representing yen appreciation of 8 yen), 111 yen for the euro (23 yen), and 133 yen for the British pound (21 yen), compared to the second quarter of fiscal 2009. As a result, the impact of foreign exchange fluctuations in the second quarter was to reduce net sales by approximately 50.0 billion yen compared to the second quarter of fiscal 2009.

Sales generated outside Japan as a percentage of total sales were 34.8%, a decrease of 4.4 percentage points compared to the same period last year as a result of the transfer of the HDD business and the impact of exchange rate fluctuations.

Gross profit increased by 10.4 billion yen. This was a result of higher sales in Japan, lower depreciation and other fixed costs in the company's LSI device business as a result of structural reforms, and the completion last year of the amortization of unrecognized obligation for retirement benefits in accordance with a change in accounting standards implemented in fiscal 2000. The gross profit margin increased 2.0 percentage points compared to last year's second quarter, to 28.5%, as a result of the transfer of the loss-generating HDD business as well as the impact of structural reforms in the LSI device business.

Selling, general, and administrative expenses declined by 7.7 billion yen compared to the second quarter of fiscal 2009, due to the impact of exchange rate fluctuations.

As a result, operating income was 37.1 billion yen (US\$442 million), an improvement of 18.2 billion yen compared to the second quarter of fiscal 2009.

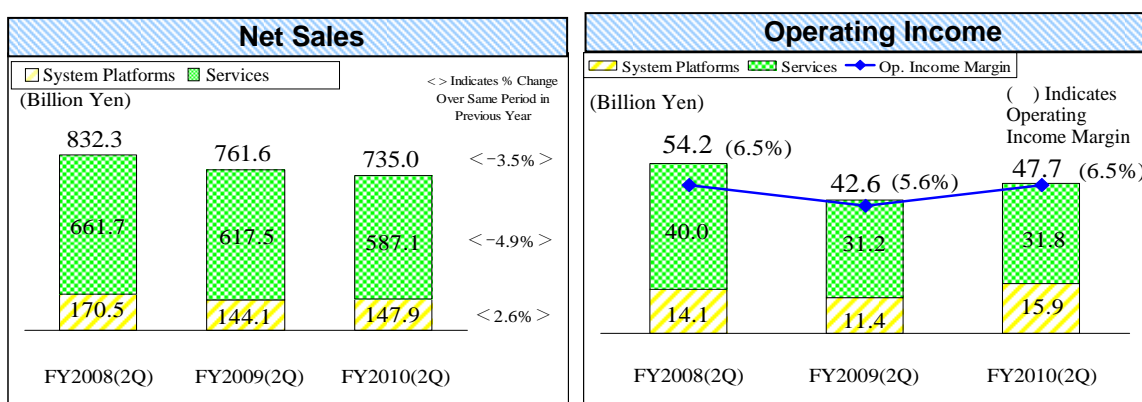
In other income and expenses, the company posted a loss of 4.2 billion yen, compared to a gain of 56.6 billion yen in the same period last year when the company recognized a gain of 89.5 billion yen on sales of shares in FANUC Ltd. and other investment securities. In addition, as a result of the share sale in the previous year, the amount of recoverable deferred tax assets increased, and a reversal of the valuation reserve resulted in a lower tax burden in the same quarter last year.

The company reported consolidated net income of 17.4 billion yen (US\$207 million), representing a decline of 55.0 billion yen compared to the second quarter of fiscal 2009.

3. Results by Business Segment

Information on fiscal 2010 second-quarter consolidated net sales (including intersegment sales) and operating income broken out by business segment is presented below. As indicated in “Notice Regarding Change in Business Segments” issued July 26, 2010, segments have been changed as of the first quarter of fiscal 2010. Major changes include the classification of car audio and navigation systems, which had been included in the “Other” segment, as part of the “Ubiquitous Solutions” segment. For comparison purposes, business segment information for previous fiscal years has been reclassified.

Technology Solutions



	(Billion Yen)			(Billion Yen)	
	Second Quarter FY 2010	Change vs. 2Q FY 2009		First Half FY 2010	Change vs. 1H FY 2009
Net Sales	735.0	-3.5%	Net Sales	1,400.8	-2.3%
Japan	482.3	1.6%	Japan	886.0	0.9%
Outside Japan	252.6	-12.0%	Outside Japan	514.7	-7.5%
Operating Income	47.7	5.1	Operating Income	56.3	25.0

Consolidated net sales in the Technology Solutions segment were 735.0 billion yen (US\$8,750 million), a decline of 3.5% from the second quarter of fiscal 2009. Excluding the impact of exchange rate fluctuations, sales increased by 1%. Sales in Japan increased by 1.6%. Amid continued spending constraints, sales of systems integration services and server-related products were higher as a result of mission-critical system upgrades for major financial services customers. Sales outside Japan declined by 12%. Excluding the impact of exchange rate fluctuations, however, sales were about on par with the same period in the previous year. Although there was an increase in sales of image scanners and optical transmission systems in North America, sales of infrastructure services in Europe were adversely affected by the prolonged economic downturn. The sales environment in the UK remains challenging as a result of government fiscal austerity measures and other factors.

The segment posted operating income of 47.7 billion yen (US\$568 million), an improvement of 5.1 billion yen in comparison with the second quarter of fiscal 2009. In Japan, in addition to the positive impact of higher sales of mission-critical systems and other products and services, profitability improved due to the completion in the previous fiscal year of amortization of the company’s unrecognized obligation for retirement benefits in accordance with a change in accounting standards. Outside Japan, profitability decreased due to an increase in expenses related to retirement benefit obligations of a UK subsidiary, in addition to the effect of decreased sales resulting from the economic downturn in Europe. These

factors outweighed the effect of the completion in fiscal 2009 of the amortization of goodwill stemming from the acquisition of ICL (present-day Fujitsu Services Holdings PLC) in the UK, as well as the effect of increased sales in North America.

(1) Services

(Billion Yen)			(Billion Yen)		
	Second Quarter FY 2010	Change vs. 2Q FY 2009		First Half FY 2010	Change vs. 1H FY 2009
Net Sales	587.1	-4.9%	Net Sales	1,129.1	-3.8%
Japan	377.2	1.2%	Japan	699.6	0.2%
Outside Japan	209.8	-14.3%	Outside Japan	429.5	-9.7%
Operating Income	31.8	0.6	Operating Income	38.5	4.1

Net sales in the Services sub-segment were 587.1 billion yen (US\$6,989 million), down 4.9% from the same period a year earlier. Excluding the effect of exchange rate fluctuations, sales were about on par with the same period last year. In Japan, sales increased by 1.2%. Amid continued corporate spending constraints, sales of system integration services increased as a result of mission-critical system upgrades for major financial services customers. Sales outside of Japan declined by 14.3%. Excluding the impact of currency fluctuations, sales decreased by 3%. Despite such factors as strong sales of image scanners in North America, sales of infrastructure services in Europe were adversely affected by the prolonged economic downturn, and operations in the UK also faced a challenging economic environment due to the continued impact of government fiscal austerity measures and other factors.

Operating income for the Services sub-segment was 31.8 billion yen (US\$379 million), an increase of 0.6 billion yen compared to the same period in fiscal 2009. In Japan, profitability increased as a result of mission-critical system upgrades for major financial services customers, as well as a reduction in retirement benefit expenses following the completion last year of the amortization of the unrecognized obligation for retirement benefits. Outside Japan, the operating loss expanded from last year due to an increase in expenses related to retirement benefit obligations of a UK subsidiary, in addition to the effect of decreased sales resulting from the economic downturn in Europe, which outweighed the completion of the amortization of goodwill stemming from the acquisition of ICL of the UK.

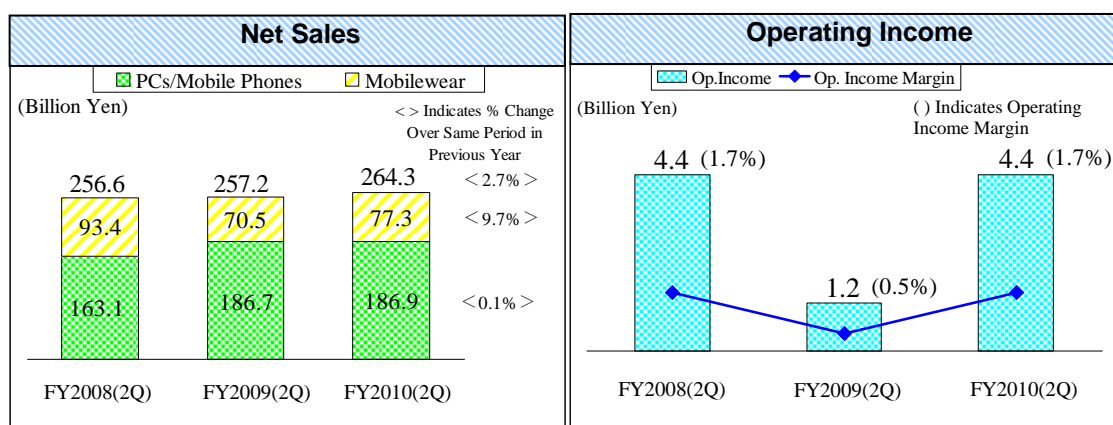
(2) System Platforms

(Billion Yen)			(Billion Yen)		
	Second Quarter FY 2010	Change vs. 2Q FY 2009		First Half FY 2010	Change vs. 1H FY 2009
Net Sales	147.9	2.6%	Net Sales	271.6	4.3%
Japan	105.0	3.1%	Japan	186.4	3.7%
Outside Japan	42.8	1.5%	Outside Japan	85.2	5.5%
Operating Income	15.9	4.4	Operating Income	17.8	20.9

Net sales in the System Platforms sub-segment were 147.9 billion yen (US\$1,760 million), an increase of 2.6% from the second quarter of fiscal 2009. In Japan, sales increased by 3.1%. There was steady demand for integration and virtualization of servers, storage, and other products, and sales were also boosted by mission-critical system upgrades for major financial services customers. Sales outside Japan increased by 1.5%. Excluding the impact of currency fluctuations, sales increased by 14%. In addition to strong sales of x86 servers in Europe, sales of optical transmission systems to carriers grew in the US to support continued increases in traffic associated with the spread of smartphones and other mobile devices.

Operating income for the System Platforms sub-segment was 15.9 billion yen (US\$189 million), an improvement of 4.4 billion yen compared to the second quarter of fiscal 2009. In Japan, profitability improved due to the effect of increased sales resulting from mission-critical system upgrades for major financial services customers, as well as a reduction in retirement benefit obligations. Outside Japan, profitability benefited from the effect of increased sales of optical transmission systems and other products.

Ubiquitous Solutions



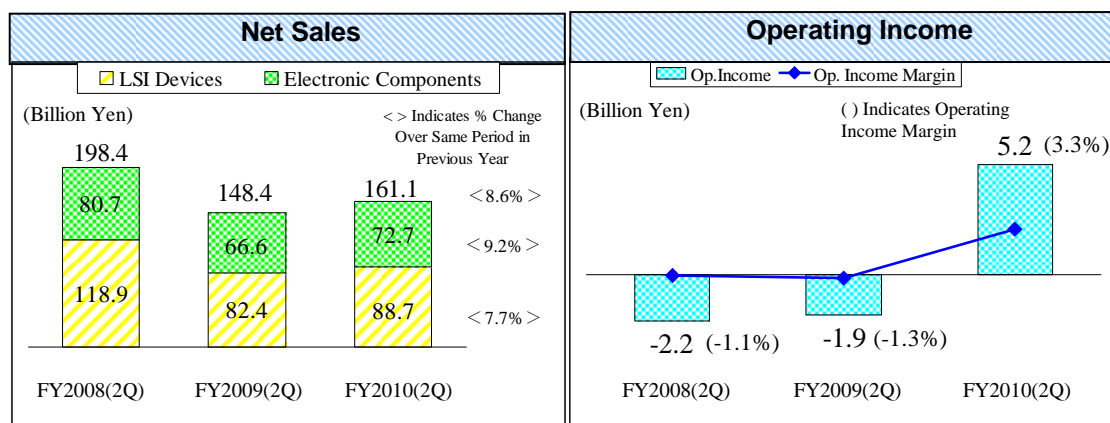
	(Billion Yen)			(Billion Yen)	
	Second Quarter FY 2010	Change vs. 2Q FY 2009		First Half FY 2010	Change vs. 1H FY 2009
Net Sales	264.3	2.7%	Net Sales	541.2	5.8%
Japan	198.3	11.1%	Japan	410.6	12.0%
Outside Japan	66.0	-16.2%	Outside Japan	130.5	-9.9%
Operating Income	4.4	3.2	Operating Income	15.1	2.0

Net sales in the Ubiquitous Solutions segment were 264.3 billion yen (US\$3,146 million), an increase of 2.7% compared to the same period in fiscal 2009. Sales in Japan increased by 11.1%. Sales of PCs increased compared to the second quarter of the previous fiscal year, when demand was negatively impacted by corporate spending constraints amid the economic downturn and a reluctance by consumers to make purchases prior to the launch of models with a new OS. Mobile phone sales increased due to the introduction of new models. In addition, sales of mobilewear were higher as the result of higher demand for car audio and navigation systems stimulated by new automobile demand prior to the completion of the government's eco-friendly car subsidies. Sales outside of Japan declined by 16.2%. Excluding the impact of currency rate fluctuations, however, sales decreased by 5%. Sales of PCs in Europe were adversely impacted by corporate spending constraints and price competition. Although sales of mobilewear had been rising in the US market due to a recovery in new car purchases, sales began to slow in the second fiscal quarter, and sales in Asia decreased slightly.

Operating income for the segment was 4.4 billion yen (US\$52 million), an increase of 3.2 billion yen compared to last year's second quarter. In Japan, although profitability was adversely impacted by higher development expenses related to smartphone development and mobile phone platform standardization, profitability improved overall as the result of increased sales of PCs and the positive impact of exchange rate fluctuations on parts procurement costs, along with the higher sales of mobilewear. Outside Japan, profitability improved as a result of cost reductions in the PC business.

Regarding the new company created for the merger of the mobile phone businesses of Fujitsu Limited and Toshiba Corporation, on October 1, 2010, Toshiba completed the transfer of its mobile phone operations to the new company. Fujitsu acquired an 80.1% share of the new company and launched its operations. The new entity combines the respective mobile phone know-how and technology of both companies and will expand by delivering products and services that continue to meet the needs of consumers. Fujitsu's current mobile phone operations will continue to operate as a part of Fujitsu Limited.

Device Solutions



Note: LSI devices sales include intrasegment sales to the electronic components business.

(Billion Yen)			(Billion Yen)		
	Second Quarter FY 2010	Change vs. 2Q FY 2009		First Half FY 2010	Change vs. 1H FY 2009
Net Sales	161.1	8.6%	Net Sales	319.6	15.0%
Japan	90.7	7.7%	Japan	174.7	9.8%
Outside Japan	70.3	9.6%	Outside Japan	144.9	22.0%
Operating Income	5.2	7.1	Operating Income	11.3	29.3

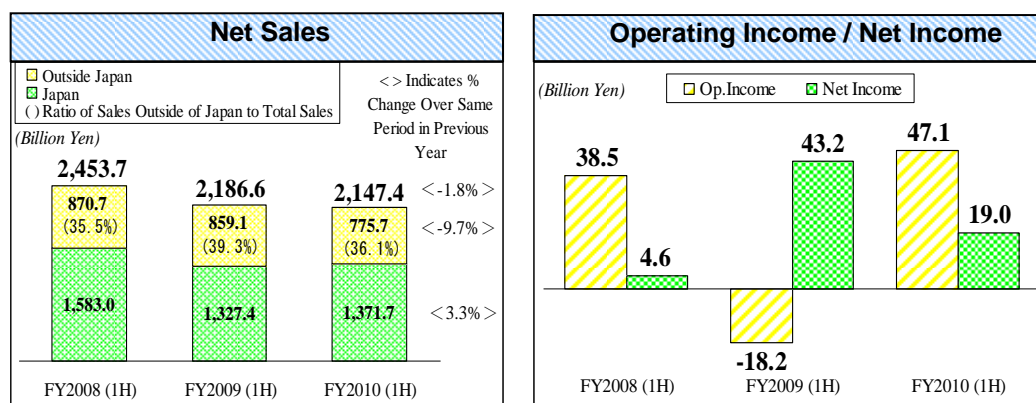
Net sales in Device Solutions were 161.1 billion yen (US\$1,918 million), an increase of 8.6% compared to the second quarter of fiscal 2009. Sales in Japan increased by 7.7%. Sales of LSI devices rose, primarily on higher demand for mobile phones and servers, and sales of electronic components also increased as a result of a market recovery. Sales outside Japan increased by 9.6% and by 20% when excluding the impact of exchange rate fluctuations. Sales of LSI devices rose, primarily in Asian markets, as a result of a market recovery. Sales of electronic components grew, primarily in North America, and the acquisition of a nickel hydride battery in the fourth quarter of fiscal 2009 also lifted sales.

Operating income for the segment was 5.2 billion yen (US\$62 million), an improvement of 7.1 billion yen over the second quarter of fiscal 2009. In Japan, profitability in the LSI devices business improved as a result of lower fixed overhead costs, enabled by realigning production facilities and improving efficiencies in administrative operations, along with the benefit of higher sales. Profitability in electronic components also increased as a result of higher sales and cost reductions. Outside Japan, although the profitability of both the LSI devices and the electronic components operations was adversely impacted by exchange rate fluctuations, the business remained profitable overall due to higher sales.

4. Overview of First-Half Consolidated Results

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=84 yen, the approximate Tokyo foreign exchange market rate on September 30, 2010. Figures for and comparisons to prior reporting periods are provided only for reference. The impact of foreign exchange rate fluctuations has been calculated by using the average US dollar, euro, and British pound foreign exchange rates for the first half of fiscal 2009 to translate the current period's net sales outside Japan into yen.



Consolidated net sales for the first half of fiscal 2010 were 2,147.4 billion yen (US\$25,564 million), a decline of 1.8% from the first half of fiscal 2009. Excluding the impact of the transfer of the HDD business and exchange rate fluctuations, sales increased by 6%.

Sales in Japan increased by 3.3%. Although sales of services were flat with the previous year amid continued corporate spending constraints, sales of PCs, mobile phones, and car audio and navigation systems all increased.

Sales outside of Japan decreased by 9.7%. Excluding the impact of the transfer of the HDD business and exchange rate fluctuations, however, sales increased by 9%. Sales in Europe were adversely affected by the prolonged economic downturn. Sales of LSI devices and electronic components increased, particularly to Asian markets. In North America, sales of optical transmission systems and mobilewear also increased.

The impact of foreign exchange fluctuations in the first half was to reduce net sales by approximately 80.0 billion yen compared to the first half of fiscal 2009.

Sales generated outside Japan as a percentage of total sales were 36.1%, a decrease of 3.2 percentage points compared to the same period last year as a result of the transfer of the HDD business and the impact of exchange rate fluctuations.

Gross profit increased by 42.0 billion yen compared to the first half of the previous fiscal year. In addition to revenue growth in Japan, this was the result of lower depreciation and other fixed costs following structural reforms of the LSI device business, as well as the completion last year of the amortization of unrecognized obligation for retirement benefits in accordance with a change in accounting standards implemented in fiscal 2000. The gross profit margin increased 2.4 percentage points compared to last year's second quarter, to 28.0%, as a result of the transfer of the loss-generating HDD business as well as the impact of structural reforms in the LSI device business and various cost reduction measures.

As a result of the impact of continued structural reforms, the gross profit margin in the first half was the highest recorded by the company since the collapse of the dot-com bubble in 2001.

Selling, general, and administrative expenses declined by 23.3 billion yen compared to the first half of fiscal 2009. The lower expenses were mainly the result of the one-time charges incurred in the first half of last fiscal year for converting Fujitsu Technology Solutions (Holding) B.V. into a consolidated subsidiary, the transfer of the HDD business, and exchange rate fluctuations.

As a result, operating income was 47.1 billion yen (US\$561 million), an improvement of 65.4 billion yen compared to the first half of fiscal 2009.

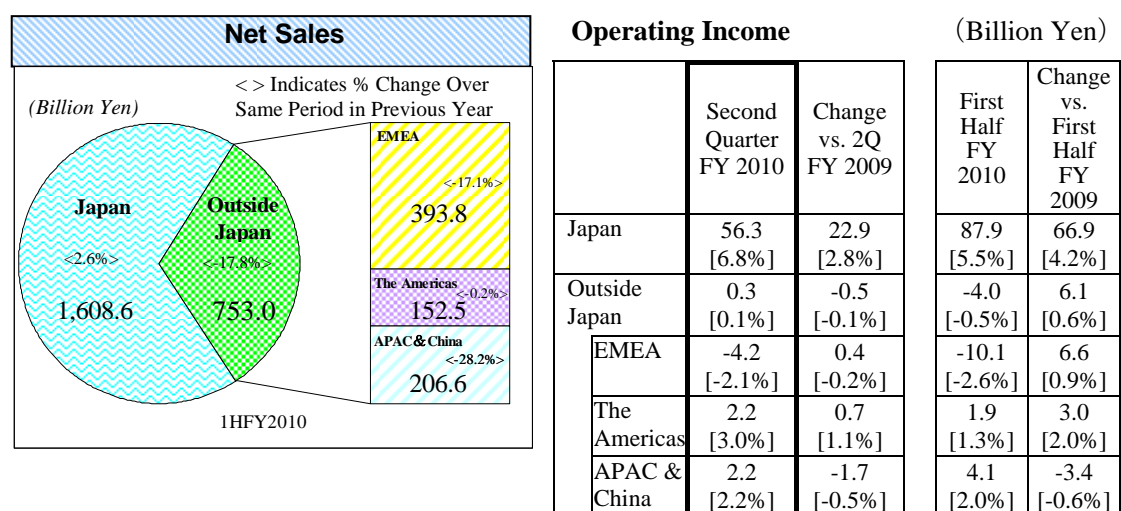
The company reported consolidated net income of 19.0 billion yen (US\$226 million), representing a decline of 24.1 billion yen compared to the first half of fiscal 2009. Despite the improvement in operating income, in the same period last year, the company recognized a gain on sales of shares in FANUC Ltd. and other investment securities. As a result of the share sale in the previous year, the amount of recoverable deferred tax assets increased, and a reversal of the valuation reserve resulted in a lower tax burden in the quarter.

Comparison to Consolidated Earnings Projections Announced in July 2010

Net sales were 32.5 billion yen lower than projections. Sales of network products and mobile phones were higher than projections, but sales of services outside Japan were lower than projections, due mainly to declines and delays in ICT investment in the United States and Europe. The appreciation of the yen also impacted sales. Operating income totaled 47.1 billion yen, exceeding projections by 12.1 billion yen. Despite lower-than-expected sales of services outside Japan, higher network products sales and group-wide efforts to lower costs and reduce expenses contributed to the improved profitability. Net income for the first half of the fiscal year was also higher than projections due to factors such as the better-than-expected operating income and profits from the sale of investment securities.

Results by Geographic Segment

The following is a breakdown of the net sales and operating income in and outside of Japan in the first half of fiscal 2010.



Note: Numbers inside brackets indicate operating income margin.

5. Financial Condition

[Assets, Liabilities and Net Assets]

(Billion Yen)

	Second Quarter FY 2010 (at Sept 30, 2010)	Full Year FY 2009 (at March 31, 2010)	Change	Second Quarter FY 2009 (at Sept 30, 2009)
Current assets	1,645.3	1,871.9	-226.5	1,801.3
(Cash and deposits)	228.8	322.7	-93.9	379.8
(Notes and accounts receivable, trade)	768.8	921.3	-152.4	798.1
(Investment securities)	91.4	105.2	-13.8	47.6
(Inventories)	373.0	322.3	50.7	388.2
Non-current assets	1,269.0	1,356.0	-87.0	1,367.3
(Property, plant and equipment)	644.5	662.7	-18.2	679.1
(Intangible assets)	255.3	279.2	-23.8	298.5
(Investment securities and other non-current assets)	369.1	414.1	-44.9	389.5
Total Assets	2,914.3	3,228.0	-313.6	3,168.6
Current liabilities	1,398.8	1,560.0	-161.2	1,505.5
(Notes and accounts payable, trade)	542.6	626.9	-84.3	568.9
(Short-term borrowings and current portion of long-term debt)	228.2	220.4	7.7	232.2
(Accrued expenses)	300.2	334.4	-34.2	330.5
Long-term liabilities	590.2	719.6	-129.3	767.1
(Long-term debt)	257.7	356.9	-99.2	414.8
Total Liabilities	1,989.1	2,279.6	-290.5	2,272.6
Shareholders' equity	878.3	865.8	12.5	822.8
Valuation and translation adjustments	-89.5	-67.1	-22.3	-72.9
Minority interests	136.3	149.6	-13.2	146.0
Total Net Assets	925.2	948.3	-23.1	895.9
Total Liabilities and Net Assets	2,914.3	3,228.0	-313.6	3,168.6

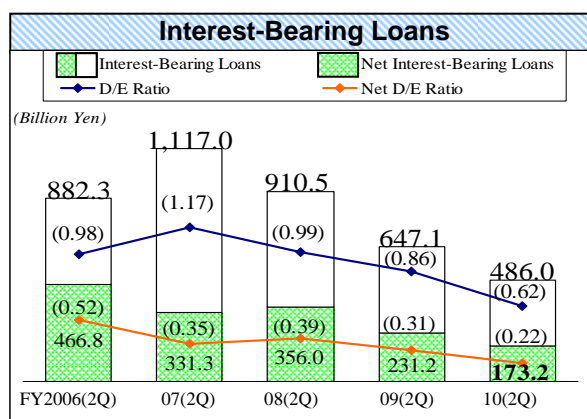
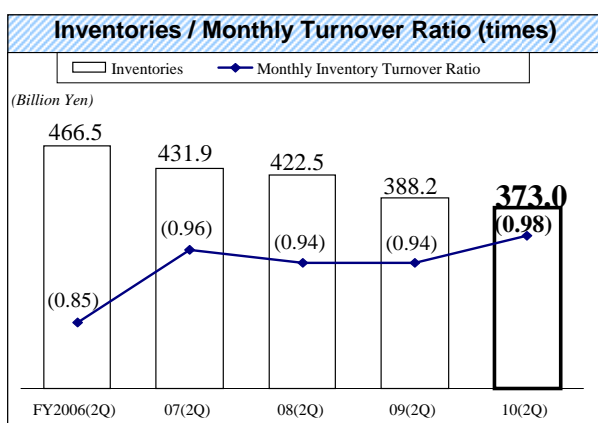
[Cash Flows]

(Billion Yen)

	First Half FY 2010 (4/1/10-9/30/10)	First Half FY 2009 (4/1/09-9/30/09)	Change
I. Cash Flows from Operating Activities:			
Income before income taxes and minority interests	35.3	35.7	-0.3
Depreciation and amortization, including goodwill amortization	109.5	132.8	-23.3
Gain on sales of investment securities, net	-8.1	-89.5	81.4
(Increase) decrease in receivables, trade	131.0	202.8	-71.8
(Increase) decrease in inventories	-57.8	-34.5	-23.3
Increase (decrease) in payables, trade	-60.3	-68.9	8.6
Other, net	-65.3	-50.2	-15.1
Net Cash Provided by Operating Activities	84.1	128.1	-43.9
II. Cash Flows from Investing Activities			
Purchases of property, plant and equipment	-64.9	-54.9	-10.0
Proceeds from sales of investment securities	32.3	108.8	-76.4
Income from acquisition of subsidiaries' stock resulting from change in scope of consolidation	-	50.4	-50.4
Other, net	-23.7	-41.9	18.1
Net Cash Provided by (Used in) Investing Activities	-56.3	62.3	-118.6
I + II Free Cash Flow	27.8	190.4	-162.6
[excluding special items]	[-4.5]	[31.2]	[-35.8]
III. Cash Flows from Financing Activities			
Net increase in borrowings (decrease)	12.3	40.2	-27.8
Bond issue and redemption	-99.9	-296.2	196.3
Acquisition of own shares	-0.0	-22.0	21.9
Amount of dividends paid	-11.7	-7.1	-4.6
Other, net	-25.5	-22.2	-3.2
Net Cash Used in Financing Activities	-124.9	-307.4	182.5
IV. Cash and Cash Equivalents at End of Period	312.7	415.9	-103.1

Note: Free cash flow excluding special items excludes proceeds from sales of investment securities and income from acquisition of subsidiaries' stock.

Explanation of Assets, Liabilities and Net Assets



Note: The monthly turnover ratio is calculated by taking first-half sales, dividing by the average balance of inventories in the first half, and then dividing by 6. The average balance of inventories in the second quarter is calculated using the average of the balances at the end of first quarter and second quarter.

Total assets at the end of the second quarter were 2,914.3 billion yen (US\$34,694 million), a decrease of 313.6 billion yen from the end of fiscal 2009. Current assets totaled 1,645.3 billion yen, a decrease of 226.5 billion yen compared with the end of fiscal 2009 due to the collection of notes and accounts receivable associated with the large concentration of sales toward the end of fiscal 2009, as well as the redemption of bonds. Inventories at the end of the quarter totaled 373.0 billion yen, an increase of 50.7 billion yen from the ending balance of fiscal 2009, in preparation for expected sales of services, server-related products, and PCs. The monthly inventory turnover ratio, which is an indication of asset utilization efficiency, was 0.98 times. This was an improvement of 0.04 times compared to the end of the second quarter of fiscal 2009, mainly as a result of improvement in inventory turnover in the services and network products businesses.

Non-current assets fell by 87.0 billion yen from the end of fiscal 2009, to 1,269.0 billion yen. Net balances of property, plant and equipment and intangible assets decreased from the end of fiscal 2009, due to the impact of yen appreciation on the value of assets, mainly those of European subsidiaries, and the fact that capital expenditures during the first half of fiscal 2010 were held below the level of depreciation. In addition, other non-current assets declined 44.9 billion yen due to the sale of investment securities and decrease in deferred tax assets.

Total liabilities were 1,989.1 billion yen (US\$23,680 billion), a decrease of 290.5 billion yen compared to the end of fiscal 2009, reflecting the payment of accounts payable relating to the concentration of sales at the end of the prior fiscal year. The balance of interest-bearing loans was 486.0 billion yen, a reduction of 91.4 billion yen compared to the end of fiscal 2009, primarily resulting from the redemption of 100.0 billion yen in convertible bonds. The D/E ratio was 0.62 times, representing a 0.1 percentage point improvement since the end of fiscal 2009, and the net D/E ratio was 0.22 times, on par with the ratio at the end of fiscal 2009. The improvement in the D/E ratio and net D/E ratio was due to the repayment of interest-bearing debt since the end of the second quarter of fiscal 2009 and an increase in owners' equity from profits posted.

Net assets were 925.2 billion yen (US\$11,014 million), a decrease of 23.1 billion yen from the end of fiscal 2009. There was a 22.3 billion yen decrease in valuation and translation adjustments due to strong yen appreciation and a 13.2 billion yen decrease in minority interests in conjunction with the conversion of PFU Limited into a wholly owned subsidiary.

Despite the payment of year-end dividends, shareholders' equity increased by 12.5 billion yen because of the quarterly net income recorded. As a result of the collection of accounts receivable associated with the large concentration of sales toward the end of the previous fiscal year, total assets declined and the owners' equity ratio increased 2.4 points from the end of fiscal 2009, to 27.1%.

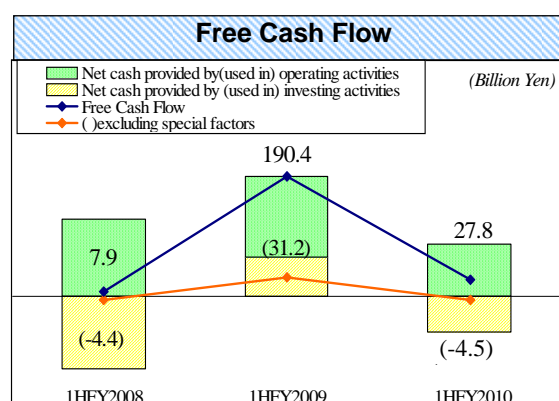
				(Billion Yen)
	2Q FY 2010 (September 30, 2010)	FY 2009 (March 31, 2010)	Change	2Q FY 2009 (September 30, 2009)
Cash and cash equivalents at end of period	312.7	420.1	-107.3	415.9
Interest-bearing loans	486.0	577.4	-91.4	647.1
Net interest-bearing loans	173.2	157.2	15.9	231.2
Owners' equity	788.8	798.6	-9.8	749.9
D/E ratio (times)	0.62	0.72	-0.10	0.86
Net D/E ratio (times)	0.22	0.20	0.02	0.31
Shareholders' equity ratio	30.1 %	26.8 %	3.3 %	26.0 %
Owners' equity ratio	27.1 %	24.7 %	2.4 %	23.7 %

1. D/E ratio: Interest-bearing loans/Owners' equity.

2. Net D/E ratio: (Interest-bearing loans – End balance of cash and cash equivalents)/Owners' equity

Summary of Cash Flows

Net cash flows provided by operating activities during the first half were 84.1 billion yen (US\$1,001 million). This represents a decrease of 43.9 billion yen compared to the same period in fiscal 2009. The reduction was a result of an increase in inventories, along with the payment in the current first half for various initiatives taken in the previous year, including costs associated with structural reforms in the LSI business, restructuring initiatives in the services business in Europe, and a settlement with a German copyright organization on royalty payments related to the personal reproduction of copyright-protected materials by PC users.



Note: Free cash flow excluding special factors is free cash flow minus proceeds from the sale of investment securities and proceeds from the acquisition of subsidiaries' shares.

Net cash used in investing activities was 56.3 billion yen (US\$670 million). Although there was cash inflow from the sale of investment securities, there were also outflows for the acquisition of property, plant and equipment and intangible assets, resulting in an increase in cash outflow of 118.6 billion yen compared to the same period in fiscal 2009. During the first half of fiscal 2009, there was an inflow of 108.8 billion yen from the sale of investment securities, including shares in FANUC Ltd. in accordance with FANUC's solicitation to repurchase its shares, and an inflow of 50.4 billion yen in conjunction with the conversion of Fujitsu Technology Solutions (Holding) B.V. and FDK Corporation into consolidated subsidiaries and the aggregation of the companies' cash and cash equivalents.

Free cash flow, the sum of operating and investing cash flows, was 27.8 billion yen (US\$331 million), a decrease of 162.6 billion yen compared with the same period in the previous fiscal year. Excluding the impact of such special factors as cash inflows from the sale of investment securities, free cash flow decreased by 35.8 billion yen.

Net cash used in financing activities was 124.9 billion yen (US\$1,487 million). In addition to the redemption of 100.0 billion yen of convertible bonds, there were year-end dividend

payments of 11.7 billion yen and the payment of 9.4 billion yen for the acquisition of shares from minority shareholders in conjunction with the conversion of PFU Limited into a wholly owned subsidiary. Compared to the first half of fiscal 2009, when 300.0 billion yen in corporate bonds were redeemed, there was a decrease in outflows of 182.5 billion yen.

As a result of the above factors, cash and cash equivalents at the end of the first half were 312.7 billion yen (US\$3,723 million) a decrease of 107.3 billion yen compared to the end of fiscal 2009.

To finance the redemption of 50.0 billion yen in straight corporate bonds maturing in November 2010, the company issued 50.0 billion yen in new straight bonds in October 2010.

6. FY 2010 Consolidated Earnings Projections

For the first half of fiscal 2010, although net sales fell short of the projections announced on July 29, operating income exceeded projections by 12.1 billion yen. Both sales and operating income in the ICT services business outside of Japan were below projections, as institutions in Europe and the US reduced or postponed ICT spending. Sales of network products and mobile phones, however, exceeded projections, and further group-wide progress was made in generating cost reductions and business efficiencies, enabling the company to exceed operating income projections. In the services business in Japan, performance in the solutions and systems integration business was on par with projections, and the infrastructure services business exceeded projections. Despite a loss on foreign exchange as a result of the yen's appreciation, net income for the first half exceeded projections by 4 billion yen as a result of an improvement in operating income and gains on the sales of investment securities.

Driven by growth in China and other emerging markets, the global economy is experiencing a moderate recovery, but the pace of recovery is slowing. In the US, although the corporate sector is leading a mild economic rebound, the economy remains weak amid stagnant consumer spending. In Europe, against a backdrop of rising exports, there are signs of a recovery, but significant fiscal austerity measures on the part of the British government and other nations have resulted in a heightened sense that internal demand is stagnating, leading to rising uncertainty about the future course of the economy. In Japan, too, while corporate earnings continue to improve, there is rising uncertainty about future economic conditions because of yen appreciation and the slowdown in the pace of the global recovery, thereby weakening corporate investment sentiment, and it is expected that the pace of Japan's recovery will further weaken in the second half of fiscal 2010.

ICT investment is moderately recovering as a result of an expansion in the use of datacenter services and a rebound in capital utilization rates, but corporations, particularly in the manufacturing sector, are taking a more cautious stance toward new investment as a result of the yen's appreciation and economic weakness. Consequently, since previous economic projections, assumptions regarding a recovery in the second half of fiscal 2010 have been lowered.

Taking the overall business environment into consideration, financial projections for fiscal 2010 are being revised as follows.

Full-year projections for net sales for fiscal 2010 have been revised to 4,670.0 billion yen, representing a decrease of 130.0 billion yen compared to the forecast announced in July. Projected sales for the Technology Solutions segment are being revised down by 100.0 billion yen. Although sales of network products exceeded the previous projections in the first half, the new projection takes into account expectations of lower services sales outside Japan due to fiscal austerity measures in the UK and the slowdown in the recovery of the US economy. In addition, in Japan, services sales are expected to be impacted by a delayed recovery in demand for ICT investment, particularly in the manufacturing sector. The higher yen is also expected to reduce Technology Solutions sales by 40.0 billion yen. Projected sales for Ubiquitous Solutions and Device Solutions have been reduced by 15.0 billion yen and 10.0 billion yen, respectively. Although sales of mobile phones are expected to exceed previous projections, the downward revisions are the result of lower expected sales of mobilewear, particularly outside Japan, as demand shifts to lower-priced car models, fewer of which are equipped with navigation systems, and the impact of the higher yen on sales of electronic components.

There have been no changes made to full-year projections for operating income of 185.0 billion yen. In Technology Solutions, reductions or postponements of ICT investment

spending in Europe and the US are expected to reduce operating income in the services business by 7.0 billion yen, and, in Device Solutions, the impact of the stronger yen is expected to reduce operating income from electronic components by 5.0 billion yen. However, operating income in the “Other/Elimination and Corporate” category has been revised upward by 12.0 billion yen as a result of further expected progress in group-wide cost efficiencies.

The full-year projection for net income remains unchanged, as the loss on foreign exchange recorded in the first half is expected to be offset by the gain on sales of investment securities recorded in the first half and lower eliminations of income from minority interests.

(Billion Yen)

	Fiscal 2009 Full-Year Results	Fiscal 2010 Full-Year Forecast	Change vs. July Forecast	Impact of Exchange Rate Fluctuations
Net Sales	4,679.5	4,670.0	-130.0	-60.0
Operating Income	94.3	185.0	-	-5.0
Net Income	93.0	95.0	-	-5.0

Note: These earnings projections reflect the following exchange rate assumptions for the second half of the fiscal year (figures in parentheses are the assumptions used in the projections announced in July): US\$ = 85 yen (90 yen), euro = 105 yen (115 yen), British pound = 130 yen (135 yen).

7. Notes to Consolidated Financial Statements

(1) Changes in Accounting Policies, Practices and Presentation Methods in the Current Consolidated Reporting Period

- Changes in Accounting Standards

Adoption of the Accounting Standards for Asset Retirement Obligations

Starting the first quarter of the current consolidated reporting period, Fujitsu has adopted the “Accounting Standard for Asset Retirement Obligations” (Accounting Standards Board of Japan Statement No. 18, issued March 31, 2008) and the “Guidance on Accounting Standard for Asset Retirement Obligations” (Accounting Standards Board of Japan Guidance No. 21, issued March 31, 2008).

In conjunction with the adoption of the above accounting standard, operating income in the first half of fiscal 2010 decreased by 253 million yen. The difference between the amount of the asset retirement obligation newly recognized as a liability at the start of the first fiscal year in which the standard was adopted and the amount of retirement expense recognized as an asset was recorded as other expenses of 4,113 million yen. As a result, income before income taxes and minority interests for the first half decreased by 4,366 million yen.

Adoption of Accounting Standard for Business Combinations

From the first quarter of fiscal 2010, Fujitsu has adopted the “Accounting Standard for Business Combinations” (Accounting Standards Board of Japan Statement No. 21, issued December 26, 2008), “Accounting Standard for Consolidated Financial Statements” (Accounting Standards Board of Japan Statement No. 22, issued December 26, 2008), and “Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (Accounting Standards Board of Japan Guidance No. 10, revision issued December 26, 2008).

Change in Presentation Methods

(Change in presentation of quarterly income statement)

In accordance with “Cabinet Office Ordinance Partially Revising Ordinance on Financial Statements” (Cabinet Office Ordinance No. 5, issued March 24, 2009), which was based on “Accounting Standard for Consolidated Financial Statements” (Accounting Standards Board of Japan Statement No. 22, issued December 26, 2008), the company has included the item “Income before minority interests” in its consolidated income statement for the first half and the second quarter of fiscal 2010.

As reference, for the first half and the second quarter of fiscal 2009, income before minority interests totaled 41,275 million yen and 72,592 million yen, respectively.

(2) Consolidated Per Share Data

1. Net Assets Per Share (Yen)

	End of 2Q FY 2010 (September 30, 2010)	End of FY 2009 (March 31, 2010)
Net assets per share	381.12	386.79

2. Earnings (Net Loss) Per Share (Yen)

	First Half FY 2010 4/1/10-9/30/10	1H FY 2009 4/1/09-9/30/09
Earnings (net loss) per share	9.22	21.08
Diluted earnings per share	9.02	19.60

Note: The calculations basis for earnings (net loss) per share and diluted earnings per share are as follows.

	First Half FY 2010 4/1/10-9/30/10	1H FY 2009 4/1/09-9/30/09
(1) Earnings (net loss) per share		
Net income (net loss)	19,089	43,255
Deduction from net income	-	-
Net income (net loss) for common share	19,089	43,255
Average number of common shares outstanding (thousand shares)	2,069,788	2,051,994
(2) Diluted earnings per share		
Adjustment for net income	588	1,324
[Adjustment related to dilutive securities issued by subsidiaries and affiliates]	[-35]	[-159]
[Adjustment for bond-related and other costs (after deduction of amount equal to taxes)]	[623]	[1,484]
Increase in number of common shares (thousand shares)	111,111	222,222

	Second Quarter FY 2010 7/1/10-9/30/10	2Q FY 2009 7/1/09-9/30/09
Earnings (net loss) per share	8.43	35.31
Diluted earnings per share	8.14	32.20

Note: The calculations basis for earnings (net loss) per share and diluted earnings per share are as follows.

	Second Quarter FY 2010 7/1/10-9/30/10	2Q FY 2009 7/1/09-9/30/09
(1) Earnings (net loss) per share		
Net income (net loss)	17,448	72,454
Deduction from net income	-	-
Net income (net loss) for common share	17,448	72,454
Average number of common shares outstanding (thousand shares)	2,069,772	2,051,660

(2) Diluted earnings per share		
Adjustment for net income		
[Adjustment related to dilutive securities issued by subsidiaries and affiliates]	298	755
	[-16]	[-97]
[Adjustment for bond-related and other costs (after deduction of amount equal to taxes)]	[313]	[852]
Increase in number of common shares (thousand shares)	111,111	222,222

(3) Segment and Other Information

Information by Business Segment

Second Quarter of Fiscal 2009 (July 1, 2009 to September 30, 2009) (Million Yen)

	Technology Solutions	Ubiquitous Product Solutions	Device Solutions	Other	Sub-Total	Elimination and Corporate	Total
Net Sales							
Sales to customers outside							
Fujitsu Group	733,310	211,965	125,649	71,395	1,142,319	-	1,142,319
Intersegment sales	20,866	23,913	11,561	23,576	79,916	-79,916	-
Total net sales	754,176	235,878	137,210	94,971	1,222,235	-79,916	1,142,319
Operating Income (Loss)	37,697	-3,502	-1,602	1,587	34,180	-15,263	18,917

First Half of Fiscal 2009 (April 1, 2009 to September 30, 2009) (Million Yen)

	Technology Solutions	Ubiquitous Product Solutions	Device Solutions	Other	Sub-Total	Elimination and Corporate	Total
Net Sales							
Sales to customers outside							
Fujitsu Group	1,384,662	433,339	233,765	134,856	2,186,622	-	2,186,622
Intersegment sales	37,783	40,358	22,357	44,768	145,266	-145,266	-
Total net sales	1,422,445	473,697	256,122	179,624	2,331,888	-145,266	2,186,622
Operating Income (Loss)	22,348	3,070	-17,167	654	8,905	-27,151	-18,246

Notes:

1. Business segments are classified 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 content 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 and other x86 servers), storage systems, software (OS, middleware), network management 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

Car audio and navigation systems, mobile communications equipment and automotive electronics.

Segment Information

1. Segment Overview

Fujitsu's business segments reflect financial information that is able to be disaggregated from the structural entities comprising Fujitsu and its consolidated subsidiaries (herein referred to as the Fujitsu Group). Periodic revisions are made to the reporting segments to facilitate performance evaluation and decisions about the allocation of management resources on the part of Fujitsu's executive decision-making body.

In the field of information and communications technology (ICT), while delivering a wide variety of services, the Fujitsu Group offers comprehensive solutions, from the development, manufacturing, and sales, to the maintenance and operations of advanced, high-performance and high-quality products and electronic devices that support services. The Fujitsu Group's business is organized into three reporting segments—Technology Solutions, Ubiquitous Solutions and Device Solutions—based on the Group's managerial structure, characteristics of the products and services, and the similarities of the sales market within each segment.

To optimally deliver to customers comprehensive services that integrate products, software, and services, the Technology Solutions segment is organized in a matrix management structure comprised of business groups that are organized by product and service type, and that manage costs and devise global business strategies, and business groups that are organized along industry and geographic lines, integrating sales groups with systems engineers covering specific customers. This reporting segment consists of Solutions / Systems Integration, which are services for the construction of information and communication systems, Infrastructure Services, which are primarily outsourcing and maintenance services, System Products, which covers mainly the servers and storage systems that comprise ICT platforms, and Network Products, which are used to build communications infrastructure, such as mobile phone base stations and optical transmission systems.

The Ubiquitous Solutions segment is organized into independent business management units along product lines and includes the sales groups. This segment contains ubiquitous terminals—including personal computers and mobile phones, as well as car audio and navigation systems, mobile communication equipment and automotive electronics—that collect various information and knowledge generated from the behavioral patterns of people and organizations needed to achieve Fujitsu Group's vision of a "Human Centric Intelligent Society" (a society that enjoys the benefits of the value generated by information and communication technologies without requiring anyone to be conscious of the technological complexities involved).

The Device Solutions segment contains the latest advanced technologies, including LSI devices used in digital home appliances, automobiles, mobile phones and servers, as well as electronic components, such as semiconductor packages, and is organized by product in independent business management units which include the respective sales groups.

2. Net Sales and Profit or Loss by Reporting Segment

Second Quarter of Fiscal 2010 (July 1, 2010 to September 30, 2010) (Million Yen)

	Segments				Other (*)	Total
	Technology Solutions	Ubiquitous Solutions	Device Solutions	Sub-Total		
Net Sales						
Sales to customers outside	718,469	233,292	142,888	1,094,649	2,703	1,097,352
Fujitsu Group						
Intersegment sales	16,560	31,017	18,221	65,798	13,002	78,800
Total net sales	735,029	264,309	161,109	1,160,447	15,705	1,176,152
Segment Income (Loss)	47,789	4,445	5,257	57,491	-2,415	55,076

First Half of Fiscal 2010 (April 1, 2010 to September 30, 2010) (Million Yen)

	Segments				Other (*)	Total
	Technology Solutions	Ubiquitous Solutions	Device Solutions	Sub-Total		
Net Sales						
Sales to customers outside Fujitsu Group	1,370,168	483,599	282,901	2,136,668	5,890	2,142,558
Intersegment sales	30,637	57,609	36,746	124,992	24,643	149,635
Total net sales	1,400,805	541,208	319,647	2,261,660	30,533	2,292,193
Segment Income (Loss)	56,363	15,108	11,312	82,783	-5,326	77,457

Note: The "Other" category includes activities not included in the reporting segments, such as Japan's Next-Generation Supercomputer project, facility services and the development of information systems for Fujitsu Group companies, and retirement and healthcare benefits for Fujitsu Group employees.

3. Reconciliation of Reported Consolidated Net Sales and Operating Income with the Net Sales and Operating Income or Loss of Reporting Segments

Second Quarter of Fiscal 2010 (July 1, 2010 to September 30, 2010) (Million Yen)

Reconciliation of Net Sales	Amount
Total of Reporting Segments	1,160,447
Net Sales of "Other" Category	15,705
Elimination of Intersegment Transactions	-75,960
Consolidated Quarterly Net Sales	1,100,192

(Million Yen)

Reconciliation of Operating Income/Loss	Amount
Total of Reporting Segments	57,491
Net Sales of "Other" Category	-2,415
Corporate Expenses *	-16,985
Elimination of Intersegment Transactions	-935
Consolidated Quarterly Operating Income	37,156

First Half of Fiscal 2010 (April 1, 2010 to September 30, 2010) (Million Yen)

Reconciliation of Net Sales	Amount
Total of Reporting Segments	2,261,660
Net Sales of "Other" Category	30,533
Elimination of Intersegment Transactions	-144,741
Consolidated Quarterly Net Sales	2,147,452

(Million Yen)

Reconciliation of Operating Income/Loss	Amount
Total of Reporting Segments	82,783
Net Sales of "Other" Category	-5,326
Corporate Expenses *	-30,476
Elimination of Intersegment Transactions	179
Consolidated Quarterly Operating Income	47,160

Note: "Corporate Expenses" include strategic expenses for areas such as basic experimental research that, on the whole, cannot be attributed to any reporting segment, as well as shared expenses for Group management at the parent-company level.

(Additional Information)

1. Geographical Information

Net Sales

Second Quarter of Fiscal 2009 (July 1, 2009 to September 30, 2009) (Million Yen)

Japan	Outside Japan				Total
	EMEA	Americas	APAC/China	Sub-total	
694,698 (60.8%)	244,482 (21.4%)	84,810 (7.4%)	118,329 (10.4%)	447,621 (39.2%)	1,142,319 (100.0%)

Second Quarter of Fiscal 2010 (July 1, 2010 to September 30, 2010) (Million Yen)

Japan	Outside Japan				Total
	EMEA	Americas	APAC/China	Sub-total	
717,397 (65.2%)	196,041 (17.8%)	83,007 (7.6%)	103,747 (9.4%)	382,795 (34.8%)	1,100,192 (100.0%)

First Half of Fiscal 2009 (April 1, 2009 to September 30, 2009) (Million Yen)

Japan	Outside Japan				Total
	EMEA	Americas	APAC/China	Sub-total	
1,327,473 (60.7%)	477,238 (21.8%)	161,373 (7.4%)	220,538 (10.1%)	859,149 (39.3%)	2,186,622 (100.0%)

First Half of Fiscal 2010 (April 1, 2010 to September 30, 2010) (Million Yen)

Japan	Outside Japan				Total
	EMEA	Americas	APAC/China	Sub-total	
1,371,741 (63.9%)	395,585 (18.4%)	166,435 (7.7%)	213,691 (10.0%)	775,711 (36.1%)	2,147,452 (100.0%)

Notes:

- Geographical segments are defined based on customer location and interconnectedness of business activities.
- Principal countries and regions comprising the segments other than Japan:
 - EMEA (Europe, Middle East, Africa): UK, Germany, Spain, Finland, Sweden
 - Americas: US, Canada
 - APAC (Asia-Pacific) & China: Australia, Singapore, Thailand, Taiwan, Korea, Vietnam, Philippines, China
- Figures in parentheses represent percentage of segment sales to consolidated net sales.

Starting with the first quarter of fiscal 2010, the company has implemented "Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (Account Standards Board of Japan Statement No.17, issued March 27, 2009)

and “Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (Accounting Standards Board of Japan Guidance No.20, issued March 21, 2008).

If these accounting standards were applied to figures for the second quarter and the first half of fiscal 2009, the consolidated quarterly segment information would be as indicated below.

2. Net Sales and Profit or Loss by Reporting Segment

Second Quarter of Fiscal 2009 (July 1, 2009 to September 30, 2009) (Million Yen)

	Segments				Other (*)	Total
	Technology Solutions	Ubiquitous Solutions	Device Solutions	Sub-Total		
Net Sales						
Sales to customers outside	740,072	228,486	127,029	1,095,587	45,466	1,141,053
Fujitsu Group						
Intersegment sales	21,588	28,754	21,385	71,727	15,482	87,209
Total net sales	761,660	257,240	148,414	1,167,314	60,948	1,228,262
Segment Income (Loss)	42,675	1,244	-1,921	41,998	-6,371	35,627

First Half of Fiscal 2009 (April 1, 2009 to September 30, 2009) (Million Yen)

	Segments				Other (*)	Total
	Technology Solutions	Ubiquitous Solutions	Device Solutions	Sub-Total		
Net Sales						
Sales to customers outside	1,395,579	463,843	236,649	2,096,071	87,769	2,183,840
Fujitsu Group						
Intersegment sales	38,875	47,595	41,294	127,764	29,040	156,804
Total net sales	1,434,454	511,438	277,943	2,223,835	116,809	2,340,644
Segment Income (Loss)	31,298	13,092	-18,055	26,335	-15,944	10,391

Note: The “Other” category includes activities not included in the reporting segments, such as Japan's next-generation supercomputer project, facility services and the development of information systems for Fujitsu Group companies, retirement and healthcare benefits for Fujitsu Group employees, along with the hard disk drive (HDD) business, which was transferred on October 1, 2009.

3. Reconciliation of Reported Consolidated Quarterly Net Sales and Operating Income with the Net Sales and Operating Income or Loss of Reporting Segments

Second Quarter of Fiscal 2009 (July 1, 2009 to September 30, 2009) (Million Yen)

Reconciliation of Net Sales	Amount
Total of Reporting Segments	1,167,314
Net Sales of "Other" Category	60,948
Elimination of Intersegment Transactions	-85,943
Consolidated Quarterly Net Sales	1,142,319

(Million Yen)

Reconciliation of Operating Income/Loss	Amount
Total of Reporting Segments	41,998
Net Sales of "Other" Category	-6,371
Corporate Expenses *	-14,924
Elimination of Intersegment Transactions	-1,786
Consolidated Quarterly Operating Income	18,917

First Half of Fiscal 2009 (April 1, 2009 to September 30, 2009) (Million Yen)

Reconciliation of Net Sales	Amount
Total of Reporting Segments	2,223,835
Net Sales of "Other" Category	116,809
Elimination of Intersegment Transactions	-154,022
Consolidated Quarterly Net Sales	2,186,622

(Million Yen)

Reconciliation of Operating Income/Loss	Amount
Total of Reporting Segments	26,335
Net Sales of "Other" Category	-15,944
Corporate Expenses *	-27,923
Elimination of Intersegment Transactions	-714
Consolidated Quarterly Operating Income (Loss)	-18,246

Note: "Corporate Expenses" include strategic expenses for areas such as basic experimental research that, on the whole, cannot be attributed to any reporting segment, as well as shared expenses for Group management at the parent-company level.

(4) Major Subsequent Events

After the completion of the second quarter, Fujitsu Limited issued the following straight bonds.

26th Series Unsecured Straight Bonds

- Total amount of issue: 20,000 million yen
- Interest rate: 0.307% per annum
- Issue price: 100% of the denomination of each bond
- Maturity and redemption method: October 18, 2013 (3 years), bullet repayment
- Issue date: October 20, 2010
- Collateral: The bonds are not secured by any pledge, mortgage or other charge on any assets or revenues of the company or of others, nor are they guaranteed. There are no assets reserved as security for the bonds.
- Application of funds: Repayment of 23rd series straight bonds scheduled to mature on November 25, 2010 (issue amount of 50,000 million yen)

27th Series Unsecured Straight Bonds

- Total amount of issue: 30,000 million yen
- Interest rate: 0.420% per annum

- Issue price: 100% of the denomination of each bond
- Maturity and redemption method: October 20, 2015 (5 years), bullet repayment
- Issue date: October 20, 2010
- Collateral: The bonds are not secured by any pledge, mortgage or other charge on any assets or revenues of the company or of others, nor are they guaranteed. There are no assets reserved as security for the bonds.
- Application of funds: Repayment of 23rd series straight bonds scheduled to mature on November 25, 2010 (issue amount of 50,000 million yen)

(5) Significant Changes to Subsidiaries in the Current Reporting Period (changes to specified subsidiaries resulting from changes in scope of consolidation)

There are none.

(6) Cautionary Note Regarding Assumptions of a Going Concern

There are none.

(7) Significant Changes in Shareholders' Equity

There are none.

(8) 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 "FY2010 Consolidated Earnings Projections" on page 27.

- General economic and market conditions in key markets (particularly in Japan, North America, Europe, and Asia, including China)
- Rapid changes in the high-technology market (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 relationships relating to collaborations, alliances and technical provisions
- Risks related to product or services defects
- Potential emergence of unprofitable projects
- Risks related to R&D investments, capital expenditures, business acquisitions, business restructuring, etc.
- Risks related to natural disasters and unforeseen events
- Changes in accounting policies

Part III: Supplementary Information

1. Forecast for FY 2010 Consolidated Business Segment Information

a. Net Sales** and Operating Income

		Yen		Yen	
		(Billions)	Change vs.	(Billions)	Change(%)
		FY2010	Previous	FY 2009	vs.
		Current	Forecast*****	(Actual)	FY2009
		Forecast****	Forecast*****		
Technology Solutions					
Sales	Y	3,120.0	-100.0	3,129.3	-0.3
Operating income:					
Services		158.0	-7.0	127.5	+23.8
[Operating income margin]		[6.3%]	[-0.1%]	[5.0%]	
System Platforms		50.0	-	25.9	+92.3
[Operating income margin]		[8.1%]	[0.2%]	[4.4%]	
Total operating income		208.0	-7.0	153.5	+35.4
[Operating income margin]		[6.7%]	[- %]	[4.9%]	
Ubiquitous Solutions					
Sales		1,155.0	-15.0	1,119.6	+3.2
Operating income		30.0	-	40.6	-26.3
[Operating income margin]		[2.6%]	-	[3.6%]	
Device Solutions					
Sales		660.0	-10.0	589.0	+12.0
Operating income		25.0	-5.0	(9.0)	-
[Operating income margin]		[3.8%]	[-0.7 %]	[-1.5%]	
Other/Elimination and Corporate***					
Sales		(265.0)	-5.0	(158.6)	-
Operating income		(78.0)	+12.0	(90.8)	-
Total					
Japan		3,045.0	-5.0	2,931.2	+3.9
		<65.2%>	<+1.7%>	<62.6%>	
Outside Japan		1,625.0	-125.0	1,748.3	-7.1
		<34.8%>	<-1.7%>	<37.4%>	
Total		4,670.0	-130.0	4,679.5	-0.2
Operating income	Y	185.0	-	94.3	+96.0
[Operating income margin]		[4.0%]	[0.1%]	[2.0%]	

Notes:

* Beginning with the first quarter of fiscal 2010, Fujitsu changed its business segmentation, as explained in the press release, "Notice Regarding Change in Business Segments," issued July 26, 2010. Among the major changes, although the car audio and navigation systems business had been included in the Other segment, this business is now included in the Ubiquitous Solutions segment. For comparison purposes, figures for fiscal year 2009 have been reclassified under the new segments.

** Net sales include intersegment sales.

*** "Other/Elimination and Corporate" includes Japan's next-generation supercomputer project, facility services and the development of information services for Fujitsu Group companies, and retirement and healthcare benefits for Fujitsu Group employees. The figures in this category for fiscal year 2009 also include the hard disk drive (HDD) business, the transfer of which was completed October 1, 2009.

**** Current forecast as of October 27, 2010.

***** Previous forecast as of July 29, 2010.

***** The figures in brackets <> represent the ratio of sales in and outside Japan to total consolidated sales.

b. Net Sales** by Principal Products and Services

Total	Yen		Yen		Excluding impact of changes in currency exchange rates(%)***
	(Billions)		(Billions)		
	FY2010	Change vs.	FY 2009	Change(%)	
	Current Forecast*****	Previous Forecast*****	(Actual)	vs. FY2009	
Technology Solutions					
Services:					
Solutions / System Integration	Y 860.0	-10.0	835.8	+2.9	+3
Infrastructure Services	1,640.0	-80.0	1,706.0	-3.9	+2
	<u>2,500.0</u>	<u>-90.0</u>	<u>2,541.8</u>	<u>-1.6</u>	<u>+3</u>
System Platforms:					
System Products	355.0	-15.0	314.3	+12.9	+17
Network Products	265.0	+5.0	273.1	-3.0	-0
	<u>620.0</u>	<u>-10.0</u>	<u>587.4</u>	<u>+5.5</u>	<u>+9</u>
Total	<u>3,120.0</u>	<u>-100.0</u>	<u>3,129.3</u>	<u>-0.3</u>	<u>+4</u>
Ubiquitous Solutions					
PCs / Mobile Phones	840.0	-	817.1	+2.8	+6
Mobilewear	315.0	-15.0	302.5	+4.1	+6
Total	<u>1,155.0</u>	<u>-15.0</u>	<u>1,119.6</u>	<u>+3.2</u>	<u>+6</u>
Device Solutions					
LSI****	350.0	-	320.0	+9.4	+12
Electronic Components	310.0	-10.0	271.4	+14.2	+19
Total	Y <u>660.0</u>	<u>-10.0</u>	<u>589.0</u>	<u>+12.0</u>	<u>+16</u>
<Breakdown>					
Japan					
Technology Solutions	Y <u>2,010.0</u>	<u>-5.0</u>	<u>1,962.3</u>	<u>+2.4</u>	
Ubiquitous Solutions	<u>875.0</u>	<u>-</u>	<u>814.2</u>	<u>+7.5</u>	
Device Solutions	Y <u>385.0</u>	<u>-</u>	<u>331.8</u>	<u>+16.0</u>	
Outside Japan					
Technology Solutions	Y <u>1,110.0</u>	<u>-95.0</u>	<u>1,166.9</u>	<u>-4.9</u>	
Ubiquitous Solutions	<u>280.0</u>	<u>-15.0</u>	<u>305.4</u>	<u>-8.3</u>	
Device Solutions	Y <u>275.0</u>	<u>-10.0</u>	<u>257.1</u>	<u>+6.9</u>	

Notes:

- * Beginning with the first quarter of fiscal 2010, Fujitsu changed its business segmentation, as explained in the press release, "Notice Regarding Change in Business Segments," issued July 26, 2010. Among the major changes, in the Services sub-segment, the services business outside Japan was previously included under both Solutions/SI and Infrastructure Services, but now all services business outside Japan is included under Infrastructure Services. In addition, although the car audio and navigation systems business had been included in the Other segment, this business is now included in the Ubiquitous Solutions segment. For comparison purposes, figures for fiscal year 2009 have been reclassified under the new segments.
- ** Net sales include intersegment sales.
- *** The impact of exchange rate fluctuation has been calculated by using the average U.S. dollar, euro and British pound exchange rates for the fiscal 2009 to translate the current period's net sales outside Japan into yen.
- **** Sales figures for LSI include intrasegment sales to the electronic components segment.
- ***** Current forecast as of October 27, 2010.
- ***** Previous forecast as of July 29, 2010.

2. Miscellaneous Forecasts for FY 2010

a. R&D Expenses

	Yen (Billions)		Yen (Billions)		Yen (Billions)
	FY 2009		FY 2010		Change vs. previous forecast*
	1H (Actual)	Full-year (Actual)	1H (Actual)	Full-year (Forecast)	
As % of sales	116.8	224.9	113.5	235.0	-
	5.3%	4.8%	5.3%	5.0%	0.1%

b. Capital Expenditures, Depreciation**

	Yen (Billions)		Yen (Billions)		Yen (Billions)
	FY 2009		FY 2010		Change vs. previous forecast*
	1H (Actual)	Full-year (Actual)	1H (Actual)	Full-year (Forecast)	
Capital Expenditures					
Technology Solutions	Y 38.7	74.0	29.6	100.0	-
Ubiquitous Solutions	5.1	11.0	7.3	20.0	-
Device Solutions	10.8	31.9	18.6	40.0	-
Other/Corporate***	3.8	9.3	3.5	10.0	-
Total	58.6	126.4	59.2	170.0	-
Depreciation	Y 83.3	164.8	69.8	155.0	-

c. Cash Flows

	Yen (Billions)		Yen (Billions)		Yen (Billions)
	FY 2009		FY 2010		Change vs. previous forecast*
	1H (Actual)	Full-year (Actual)	1H (Actual)	Full-year (Forecast)	
(A) Cash flows from operating activities	Y 128.1	295.3	84.1	360.0	-
[Net income]	[43.2]	[93.0]	[19.0]	[95.0]	-
[Depreciation & goodwill amortization]	[132.8]	[255.0]	[109.5]	[240.0]	-
[Others]	[(48.0)]	[(52.7)]	[(44.4)]	[25.0]	-
(B) Cash flows from investing activities	62.3	1.0	(56.3)	(210.0)	-
(C) Free cash flow (A)+(B)	190.4	296.4	27.8	150.0	-
(D) Cash flows from financing activities	(307.4)	(405.3)	(124.9)	(160.0)	-
(E) Total (C)+(D)	Y (116.9)	(108.9)	(97.0)	(10.0)	-

Notes:

* Previous forecast as of July 29, 2010.

** Beginning with the first quarter of fiscal 2010, Fujitsu changed its business segmentation, as explained in the press release, "Notice Regarding Change in Business Segments," issued July 26, 2010. Among the major changes, although the car audio and navigation systems business had been included in the Other segment, this business is now included in the Ubiquitous Solutions segment.

For comparison purposes, figures for fiscal year 2009 have been reclassified under the new segments.

*** The figures in "Other/Corporate" for fiscal year 2009 include the hard disk drive (HDD) business, the transfer of which was completed October 1, 2009.

d. Exchange Rates

Average rates:

	Yen		Yen		Yen
	FY 2009		FY 2010		Change vs. previous forecast*
	1H (Actual)	2H (Actual)	1H (Actual)	2H (Forecast)	
1 U.S. dollar	95	90	89	85	-5
1 euro	133	129	114	105	-10
1 British pound	152	144	135	130	-5

Reference information: A 1 yen fluctuation (depreciation/appreciation) is expected to have the following effect on operating income in FY 2010.

	Yen (Billions)		Yen (Billions)	
	FY 2009		FY 2010	
	1H (Actual)	2H (Actual)	1H (Actual)	2H (Forecast)
U.S. dollar	0.4	0.4	0.7	0.5
euro	-	0.1	0.1	0.2
British pound	-	0.1	-	0.1

e. Employees

	(Thousands)		
	2010	2010	2010
	March	June	September
Japan	31	30	30
Outside Japan	107	108	107
Total	65	65	65
	172	173	172

f. PC Shipments

	(Million Units)		(Million Units)		(Million Units)
	FY 2009		FY 2010		Change vs. previous forecast*
	1H (Actual)	Full-year (Actual)	1H (Actual)	Full-year (Forecast)	
	2.47	5.63	2.48	5.80	-

g. Mobile Phone Shipments

	(Million Units)		(Million Units)		(Million Units)
	FY 2009		FY 2010		Change vs. previous forecast*
	1H (Actual)	Full-year (Actual)	1H (Actual)	Full-year (Forecast)	
	2.81	5.18	3.00	6.20	0.10

Notes:

* Previous forecast as of July 29, 2010.