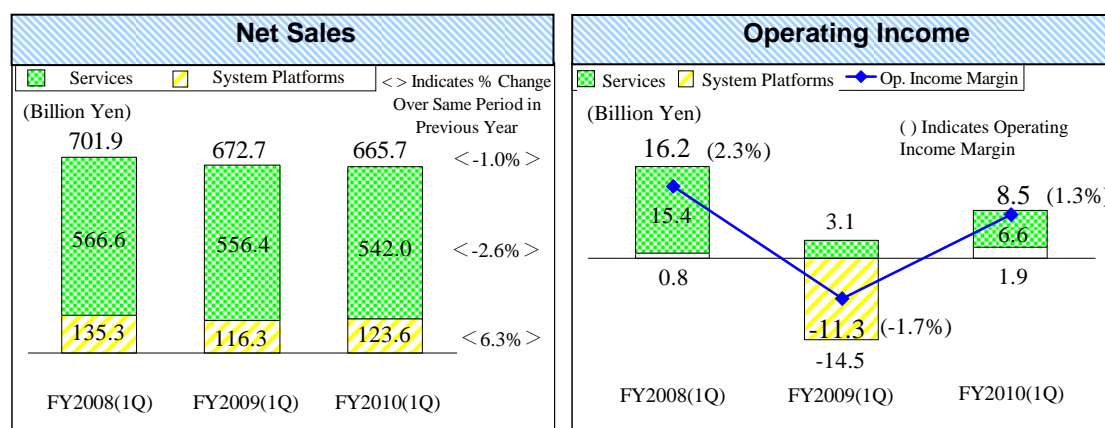


4. Results by Business Segment

Information on fiscal 2010 first-quarter consolidated net sales (including intersegment sales) and operating income broken out by business segment is presented below. As indicated in “Change in Business Segments” on page 10, segments have been changed as of fiscal 2010 first quarter. For comparison purposes, business segment information for previous fiscal years has been reclassified.

Technology Solutions



(Billion Yen)

Consolidated net sales in the Technology Solutions segment were 665.7 billion yen (US\$7,565 million), a decline of 1.0% from the first quarter of fiscal 2009. Excluding the impact of exchange rate fluctuations, sales increased by 2%. Sales in Japan were essentially flat. Although systems integration services were adversely impacted by continued corporate spending constraints, sales were on par with the same period in the previous year. There was also a rebound in demand for network products from telecommunications carriers. Sales outside Japan declined by 2.8%, but excluding the impact of exchange rate fluctuations, sales increased by 5%. Sales increased primarily as a result of higher sales of optical transmission systems in the US and infrastructure services in Oceania.

	First Quarter FY2010	Change vs. 1Q FY2009
Net Sales	665.7	-1.0%
Japan	403.6	0.1%
Outside Japan	262.0	-2.8%
Operating Income	8.5	19.9

The segment posted operating income of 8.5 billion yen (US\$97 million), an improvement of 19.9 billion yen in comparison with the first quarter of fiscal 2009. In addition to higher sales and lower development costs in network products, profitability improved from a reduction in retirement benefit expenses, as the company completed amortization of its unrecognized obligation for retirement benefits in accordance with a change in accounting standards implemented in fiscal 2000. In addition, results in the prior year's quarter were adversely affected by one-time expenses associated with the conversion of Fujitsu Technology Solutions into a consolidated subsidiary.

To enhance Infrastructure-as-a-Service (IaaS)* offerings, the Fujitsu Group will begin deploying a standardized and highly reliable cloud computing platform globally. Services based on the platform will be rolled out starting in Japan, followed by Australia, Singapore, the US, UK and Continental Europe. For customers to be able to utilize an optimal cloud environment, global alliances with other vendors will also be strengthened. As part of a strategic collaboration with Microsoft Corporation, Fujitsu will deploy its own cloud service based on the Windows® Azure™ platform appliance from Fujitsu datacenters across the

world. As a first step, Fujitsu will begin offering the service from a datacenter in Japan with a target deployment of the end of December 2010.

*IaaS: Delivering the infrastructure needed to configure systems over a network as a hosting service which virtualizes servers, storage, networks and other ICT resources.

(1) Services

(Billion Yen)

Net sales in the Services sub-segment were 542.0 billion yen (US\$6,159 million), a decline of 2.6% from the same period a year earlier. In Japan, sales were on par with the previous fiscal year. Sales of outsourcing services remained steady, while systems integration services were on par with last year amid continued corporate spending constraints. Sales outside Japan declined by 4.9%. Excluding the impact of currency fluctuations, however, sales outside Japan increased by 3%. Though the European economy remained weak, there was a significant increase in sales of infrastructure services in Oceania, as well as higher sales of image scanners, primarily in the US.

	First Quarter FY2010	Change vs. 1Q FY2009
Net Sales	542.0	-2.6%
Japan	322.3	-0.9%
Outside Japan	219.7	-4.9%
Operating Income	6.6	3.4

Operating income for the Services sub-segment was 6.6 billion yen (US\$75 million), an increase of 3.4 billion yen compared to the same period in fiscal 2009. This was the result of revenue growth in Oceania and the US, as well as the recognition last year of one-time charges associated with converting Fujitsu Technology Solutions into a consolidated subsidiary. Although there was an increase in retirement benefit expenses for a subsidiary in the UK, retirement benefit expenses declined in Japan due to the completion last year of the amortization of unrecognized obligation for retirement benefits in accordance with a change in accounting standards.

(2) System Platforms

(Billion Yen)

Net sales in the System Platforms sub-segment were 123.6 billion yen (US\$1,405 million), an increase of 6.3% from the first quarter of fiscal 2009. In Japan, sales increased by 4.5%. There was a recovery in demand for routers and other communications equipment from telecommunications carriers resulting from increases in network traffic due to the spread of smartphones and other mobile devices.

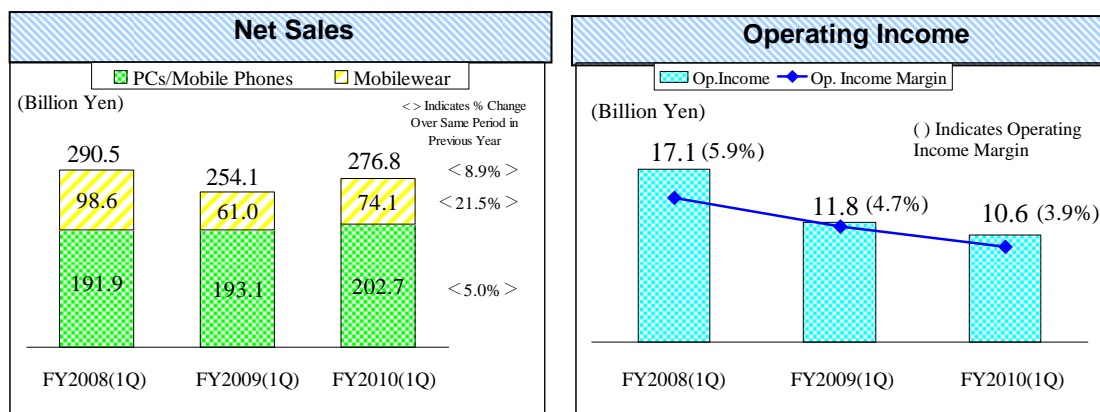
	First Quarter FY2010	Change vs. 1Q FY2009
Net Sales	123.6	6.3%
Japan	81.3	4.5%
Outside Japan	42.3	9.8%
Operating Income	1.9	16.4

Sales outside Japan increased by 9.8%. Excluding the impact of exchange rate fluctuations, sales increased by 17%. US sales of optical transmission systems, in particular, grew as a result of increased investment by telecommunications carriers to enhance mobile phone services.

Operating income for the System Platforms sub-segment was 1.9 billion yen (US\$22 million), an improvement of 16.4 billion yen compared to the first quarter of fiscal 2009. In addition to the impact of increased sales of network products such as routers and optical transmission systems, profitability improved due to a decrease, from peak levels, of development expenses for Long Term Evolution (LTE)*, a reduction in retirement benefit expenses, and one-time charges in the first quarter of last year in relation to the conversion of Fujitsu Technology Solutions into a consolidated subsidiary.

*LTE: A specification for high-speed mobile data communications.

Ubiquitous Solutions



Net sales in the Ubiquitous Solutions segment were 276.8 billion yen (US\$3,145 million), an increase of 8.9% compared to the same period in fiscal 2009. Sales in Japan increased by 12.9%. There was a significant increase in PC sales due to demand for models with a new OS launched in spring, along with the effects of lower sales last year due to a weak economy and demand for lower-priced models. Mobile phone sales increased due to demand for moderately priced models and a wider selection of new models. Sales of mobilewear (see page 11 for segment explanation) also increased as a result of higher sales of car audio and navigation systems following the government's subsidy program for eco-friendly car purchases, which stimulated demand for new vehicles.

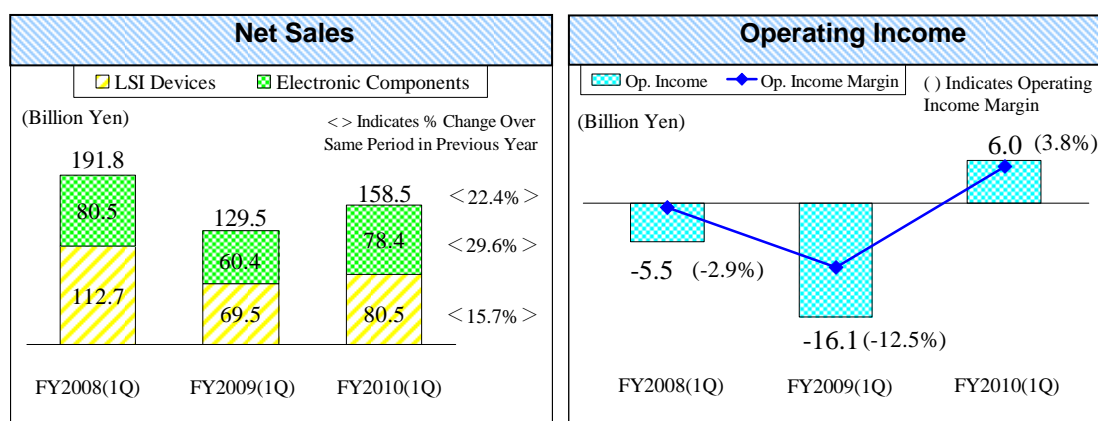
Sales outside of Japan decreased by 2.3%. Excluding the impact of exchange rate fluctuations, however, sales increased by 6%. Although sales of PCs in Europe were adversely impacted by corporate spending constraints and price competition, sales of mobilewear rose in the US market, where new car sales have recovered, as well as in Asia and Oceania due to enhanced sales activity.

(Billion Yen)

Operating income for Ubiquitous Solutions was 10.6 billion yen (US\$120 million), a decrease of 1.1 billion yen compared to last year's first quarter. Despite higher sales of mobilewear, overall profitability of the segment was adversely affected by lower prices for PCs and a consumer shift towards moderately priced mobile phones, as well as higher development expenses related to mobile phone platform standardization.

	First Quarter FY2010	Change vs. 1Q FY2009
Net Sales	276.8	8.9%
Japan	212.3	12.9%
Outside Japan	64.5	-2.3%
Operating Income	10.6	-1.1

Device Solutions



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

(Billion Yen)

Net sales in Device Solutions were 158.5 billion yen (US\$1,801 million), an increase of 22.4% compared to the first quarter of fiscal 2009. Sales in Japan increased by 12.1%. Sales of LSI devices rose on higher demand, primarily from digital home appliance and automobile manufacturers, and sales of electronic components also increased as a result of a market recovery. Sales outside Japan increased by 36.5% due to higher sales of both LSI devices and electronic components, primarily in Asian markets, as the market recovered. The acquisition of a nickel hydride battery and other businesses in the fourth quarter of fiscal 2009 also lifted sales.

	First Quarter FY2010	Change vs. 1QFY 2009
Net Sales	158.5	22.4%
Japan	83.9	12.1%
Outside Japan	74.5	36.5%
Operating Income	6.0	22.1

The Device Solutions segment recorded operating income of 6.0 billion yen (US\$68 million), an improvement of 22.1 billion yen over the first quarter of fiscal 2009. 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, and the impact of higher sales. Profitability in electronic components also increased as a result of higher sales and the promotion of cost reductions. Since the LSI device operations returned to profitability in the third quarter of last year and the electronic components operations returned to profitability in the second quarter of last fiscal year, both units have been able to remain consistently profitable.