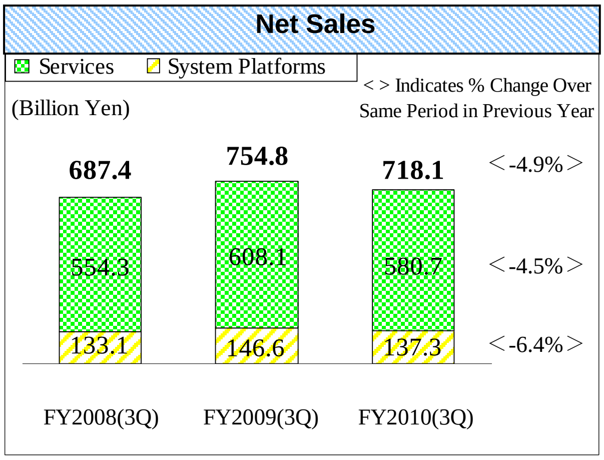
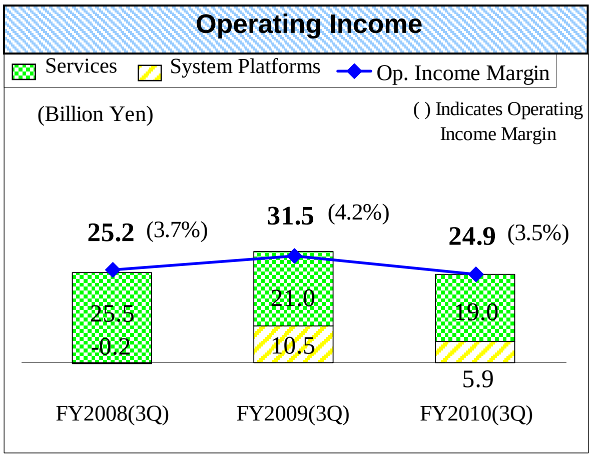
## 3. Results by Business Segment

Information on fiscal 2010 third-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)

| | Third-Quarter FY 2010 | Change vs. 3Q FY 2009 |
|---|---|---|
| Net Sales | 718.1 | -4.9% |
| Japan | 444.6 | -1.6% |
| Outside Japan | 273.5 | -9.7% |
| Operating Income | 24.9 | -6.6 |

(Billion Yen)

| | First 9 Months FY 2010 | Change vs. First 9 Months FY 2009 |
|---|---|---|
| Net Sales | 2,118.9 | -3.2% |
| Japan | 1,330.6 | 0.1% |
| Outside Japan | 788.2 | -8.3% |
| Operating Income | 81.3 | 18.4 |

Consolidated net sales in the Technology Solutions segment were 718.1 billion yen (US$8,865 million), a decline of 4.9% from the third quarter of fiscal 2009. Excluding the impact of exchange rate fluctuations, sales decreased by 1%. Sales in Japan decreased by 1.6%. Sales in the Services sub-segment continued to face corporate spending constraints and other factors against a backdrop of yen appreciation and the lack of further effects of previous government policy measures. In the System Platforms sub-segment, although commercial LTE (*) services have been launched, sales of mobile phone base stations declined as the industry entered a transition period prior to the services’ full-fledged deployment.

Sales outside Japan declined by 9.7%. Excluding the impact of exchange rate fluctuations, however, sales increased by 1%. Despite the continued impact of government fiscal austerity measures in the UK, sales of x86 servers and other devices in continental Europe grew steadily.

The segment posted operating income of 24.9 billion yen (US$307 million), a decline of 6.6 billion yen in comparison with the third quarter of fiscal 2009. In Japan, despite 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, profitability deteriorated due to lower sales of mobile phone base stations and other equipment. Outside Japan, although profitability was positively impacted by the completion in fiscal 2009 of the amortization of goodwill stemming from the acquisition of ICL PLC (present-day Fujitsu Services Holdings PLC) in the UK, profitability was adversely affected by factors including an increase in expenses related to retirement benefit obligations of a UK subsidiary and a deterioration in the profitability of some projects.

(*) LTE: Long Term Evolution. A next-generation high-speed data communications standard that further improves on the 3G mobile phone data communications standard.

**(1) Services**

(Billion Yen)

| | Third-Quarter FY 2010 | Change vs. 3Q FY 2009 |
|---|---|---|
| Net Sales | 580.7 | -4.5% |
| Japan | 348.0 | -1.4% |
| Outside Japan | 232.7 | -8.7% |
| Operating Income | 19.0 | -1.9 |

(Billion Yen)

| | First 9 Months FY 2010 | Change vs. First 9 Months FY 2009 |
|---|---|---|
| Net Sales | 1,709.9 | -4.0% |
| Japan | 1,047.6 | -0.3% |
| Outside Japan | 662.3 | -9.4% |
| Operating Income | 57.5 | 2.1 |

Net sales in the Services sub-segment were 580.7 billion yen (US$7,169 million), down 4.5% from the same period a year earlier. Excluding the impact of currency fluctuations, however, sales were essentially unchanged from the same period last year. In Japan, sales decreased by 1.4%. Sales of system integration services were negatively impacted by continued corporate spending constraints against a backdrop of yen appreciation and the lack of further effects of previous government policy measures. Sales outside Japan declined by 8.7%. Excluding the impact of currency fluctuations, however, sales outside Japan increased by 2%. Sales in the UK continued to be affected by government fiscal austerity policies, but profitability improved overall due to higher sales of infrastructure services in continental Europe and the Americas, in addition to strong sales of image scanners and other devices.

Operating income for the Services sub-segment was 19.0 billion yen (US$235 million), a decrease of 1.9 billion yen compared to the same period in fiscal 2009. In Japan, despite the impact of lower sales, profitability remained unchanged from the same period last year due to a reduction in retirement benefit expenses resulting from the completion last fiscal year of the amortization of unrecognized obligation for retirement benefits in accordance with a change in accounting standards implemented in fiscal 2000. Outside Japan, there were continued operating losses stemming from an increase in expenses related to retirement benefit obligations of a UK subsidiary and a deterioration in the profitability of some projects. These factors outweighed the effects of increased sales and the completion in fiscal 2009 of the amortization of goodwill stemming from the acquisition of ICL PLC in the UK.

### (2) System Platforms

(Billion Yen)

| | Third-Quarter FY 2010 | Change vs. 3Q FY 2009 |
|---|---|---|
| Net Sales | 137.3 | -6.4% |
| Japan | 96.5 | -2.1% |
| Outside Japan | 40.7 | -15.1% |
| Operating Income | 5.9 | -4.6 |

(Billion Yen)

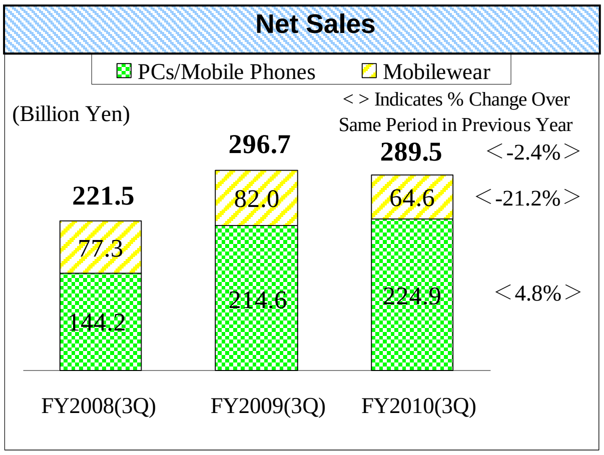
| | First 9 Months FY 2010 | Change vs. First 9 Months FY 2009 |
|---|---|---|
| Net Sales | 408.9 | 0.4% |
| Japan | 283.0 | 1.6% |
| Outside Japan | 125.9 | -2.2% |
| Operating Income | 23.7 | 16.2 |

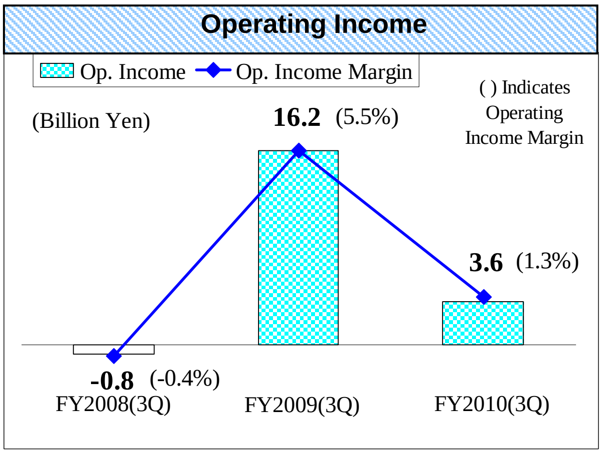
Net sales in the System Platforms sub-segment were 137.3 billion yen (US$1,695 million), a decrease of 6.4% from the third quarter of fiscal 2009. Excluding the impact of currency fluctuations, sales decreased by 3%. In Japan, sales decreased by 2.1%. Although there were increased sales due to the high-volume production of dedicated servers for the Next-Generation Supercomputer system, overall sales declined compared to the same period in fiscal 2009, when sales of mission-critical system upgrades to major financial services customers increased. A decrease in sales of mobile phone base stations, despite the launch of commercial LTE services, due to a transition period prior to the full-fledged deployment of the technology and other factors contributed to the decline in sales. Sales outside Japan decreased by 15.1%. Even with excluding the impact of currency fluctuations, sales decreased by 5%. Despite strong sales of x86 servers in continental Europe and optical transmission systems for carriers in the US, there was a decline in overall sales due to the completed expansion of submarine optical cable system equipment during the same period in fiscal 2009, as well as decreased demand for UNIX servers in the US.

Operating income for the System Platforms sub-segment was 5.9 billion yen (US$73 million), a decline of 4.6 billion yen compared to the third quarter of fiscal 2009. In Japan, although development expenses related to LTE and other technologies have peaked out as a result of the commercial launch of services, profitability deteriorated due to the impact of lower sales of mobile phone base stations and other products. Outside Japan, lower sales of submarine optical cable systems and UNIX servers led to a decline in profitability.

Consolidated operating income for the first nine months of fiscal 2010 was 23.7 billion yen (US$293 million), an increase of 16.2 billion yen from the same period in the previous year.

## Ubiquitous Solutions




(Billion Yen)

| | Third-Quarter FY 2010 | Change vs. 3Q FY 2009 |
|---|---|---|
| Net Sales | 289.5 | -2.4% |
| Japan | 214.8 | 0.3% |
| Outside Japan | 74.7 | -9.5% |
| Operating Income | 3.6 | -12.5 |

(Billion Yen)

| | First 9 Months FY 2010 | Change vs. First 9 Months FY 2009 |
|---|---|---|
| Net Sales | 830.7 | 2.8% |
| Japan | 625.4 | 7.7% |
| Outside Japan | 205.3 | -9.8% |
| Operating Income | 18.8 | -10.5 |

Net sales in the Ubiquitous Solutions segment were 289.5 billion yen (US$3,574 million), a decrease of 2.4% compared to the same period in fiscal 2009. Excluding the impact of currency fluctuations, however, sales increased by 1%. Sales in Japan were essentially unchanged from the third quarter of fiscal 2009. Due to a surge in demand for PC models with the previous OS, sales essentially unchanged from the third quarter of the previous fiscal year, when there was increased demand for PCs for use in education. Mobile phone sales increased due to the merger of the mobile phone business. In addition, in the mobilewear sub-segment, sales of audio and navigation equipment decreased due to a drop in new automobile purchases resulting from the completion of the government’s eco-car subsidy program.

Sales outside of Japan declined by 9.5%. Excluding the impact of foreign exchange fluctuations, however, sales increased by 2%. Sales of PCs in Europe increased as the result of factors such as higher prices to cover cost increases associated with exchange rate fluctuations. While sales of mobilewear devices in Europe and Asia remained weak, there were signs of recovery in the US.

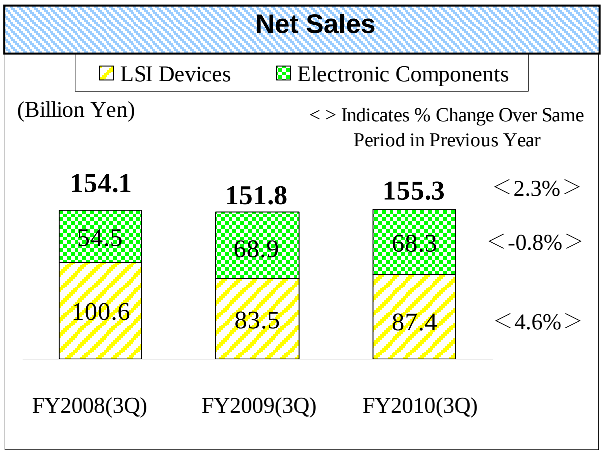
Operating income for the segment was 3.6 billion yen (US$44 million), a decrease of 12.5 billion yen compared to the third quarter of fiscal 2009. In Japan, profitability was adversely impacted by lower sales of feature phones (*) in the mobile phone business, as well as continued development expenses related to smartphones and other devices. Sales of mobilewear devices also declined. Outside Japan, despite higher sales of PCs, profitability declined compared to the same period in the previous fiscal year, due to a reduction in copyright levies imposed on PC manufacturers in Germany as the result of a settlement with the national copyright organization, which resulted in a one-time decrease.

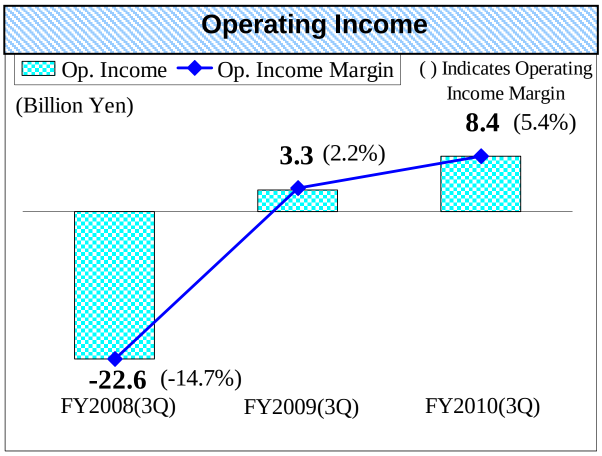
Regarding the new company created for the merger of the mobile phone businesses of Fujitsu Limited and Toshiba Corporation, Toshiba completed the transfer of its mobile phone operations to the new company on October 1, 2010. Fujitsu acquired an 80.1% share of the new company and launched its operations. Fujitsu's current mobile phone operations will continue to operate as a part of Fujitsu Limited.

In the PC business, Fujitsu will continue to ensure a high level of product quality through Japan-based manufacturing, while increasing its competitive strengths by pursuing further cost reductions through global component procurement and shared design features. At the same time, the company aims to develop products that integrate mobile phone and PC technologies, in an effort to produce new user value as ubiquitous front-end interfaces that support the creation of a human-centric intelligent society.

(*) Feature Phones: A standard mobile handset – distinguishable from smartphones with functions of personal digital assistants (PDA) and can be customized like a PC.

## Device Solutions




Note: Sales figures for LSI devices include intrasegment sales to the electronic components segment.

(Billion Yen)

| | Third-Quarter FY 2010 | Change vs. 3Q FY 2009 |
|---|---|---|
| Net Sales | 155.3 | 2.3% |
| Japan | 93.4 | 10.0% |
| Outside Japan | 61.9 | -7.5% |
| Operating Income | 8.4 | 5.1 |

(Billion Yen)

| | First 9 Months FY 2010 | Change vs. First 9 Months FY 2009 |
|---|---|---|
| Net Sales | 475.0 | 10.5% |
| Japan | 268.1 | 9.9% |
| Outside Japan | 206.8 | 11.4% |
| Operating Income | 19.7 | 34.5 |

Net sales in Device Solutions were 155.3 billion yen (US$1,917 million), an increase of 2.3% compared to the third quarter of fiscal 2009. Excluding the impact of foreign exchange fluctuations, sales increased by 6%. Sales in Japan increased by 10%. Sales of LSI devices rose due to the impact of the launch of full-scale production of CPUs for use in the Next-Generation Supercomputer system. Sales of electronic components increased as the result of growth in the nickel-hydride battery business, which was acquired in the fourth quarter of fiscal 2009, and other areas. Sales outside Japan decreased by 7.5%. Excluding the impact of exchange rate fluctuations, however, sales increased by 1%. Sales of LSI devices in Europe and the US increased. The divestment of the communications devices business to Taiyo Yuden Co. Ltd. by the end of the last fiscal year led to a decrease in sales of electronic components. However, the acquisition of the nickel-hydride battery business resulted in a sales increase.

Operating income for the segment was 8.4 billion yen (US$104 million), an improvement of 5.1 billion yen over the third 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, as well as the maintenance of a high capacity utilization rate at factories in Japan. Profitability in the electronic components business also increased as a result of higher sales and the promotion of cost reductions. Outside Japan, the effect of increased sales and cost reductions compensated for the adverse impact of exchange rate fluctuations on the LSI and electronic components businesses, resulting in increased profitability.

Consolidated operating income for the first nine months of fiscal 2010 was 19.7 billion yen (US$243 million), an increase of 34.5 billion yen compared to the same period in fiscal 2009.

**Other/Elimination and Corporate**

The Other/Elimination and Corporate category posted an operating loss of 15.7 billion yen (US$194 million), which represented an improvement of 1.7 billion yen over the third quarter of fiscal 2009.

The Next-Generation Supercomputer system is expected to go operational in autumn 2012. Production is progressing steadily at subsidiaries responsible for manufacturing the computer’s major components, including CPUs and dedicated servers. The first delivery inspection of the computing units occurred in the third quarter of 2010, resulting in sales being posted. In addition, an estimated figure for cost reductions based on the latest production and procurement plan has been incorporated in the operating results for the third quarter of fiscal 2010.