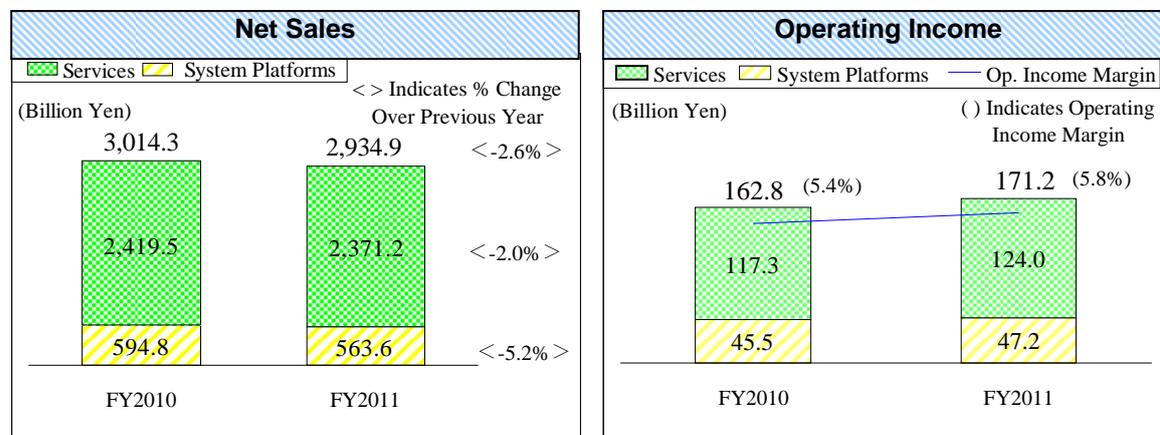


3. Results by Business Segment

Information on fiscal 2011 consolidated net sales (including intersegment sales) and operating income broken out by business segment is presented as follows.

Technology Solutions



Consolidated net sales in the Technology Solutions segment amounted to 2,934.9 billion yen (US\$35,791 million), a year-on-year decline of 2.6%. Sales in Japan decreased 1.5%. Sales of mobile phone base stations and other network products increased due to higher spending by telecommunications carriers, although server-related sales declined compared to fiscal 2010, when there was high-volume production of dedicated servers for use in the K computer, a next-generation supercomputer, as well as the adverse impact of fewer large-scale systems deals during fiscal 2011. Sales of network services declined, while in system integration services, despite a recovery in manufacturing, retailing and healthcare-related sector spending, sales as a whole were essentially unchanged as a result of fewer large-scale systems deals, primarily in the financial services and public sectors, and the impact of a shift toward spending on hardware by telecommunications carriers. Sales outside Japan declined 4.6%. Excluding the impact of exchange rate fluctuations, however, sales were essentially unchanged from the prior fiscal year. Contributing factors included lower sales of UNIX servers in Europe and the US, flat sales of network products on account of spending cuts by North American telecommunications carriers. Infrastructure service sales in Australia and the Nordic region, however, showed an increase.

	(Billion Yen)	
	FY 2011	Change vs. FY 2010
Net Sales	2,934.9	-2.6%
Japan	1,912.5	-1.5%
Outside Japan	1,022.3	-4.6%
Operating Income	171.2	8.4

The segment posted operating income of 171.2 billion yen (US\$2,088 million), an increase of 8.4 billion yen compared to fiscal 2010. In Japan, despite the positive impact of higher sales of network products and cost reductions in the x86 server business, income declined from the previous fiscal year due to the decrease in large-scale system integration and server-related deals in addition to the burden of ongoing upfront investments in cloud services. Outside Japan, operating income improved as the result of an upturn in the profitability of the European services business, which overcame upfront investments in network products, as well as the adverse impact of lower UNIX server and network product sales.

(1) Services

Net sales in the Services sub-segment amounted to 2,371.2 billion yen (US\$28,917 million), a decline of 2% from the previous fiscal year. In Japan, sales fell 1.4%. For systems integration services, despite a recovery in spending in the manufacturing, retailing and healthcare-related sectors, overall sales were for the most part unchanged on account of fewer large-scale systems deals in the financial services and public sectors, as well as a shift toward spending on hardware by telecommunications carriers to accommodate increased communications traffic. Sales of infrastructure services also declined. Sales of outsourcing services grew steadily, although sales were adversely impacted by a shift in the network services' ISP business, away from packaged products that include connection fees toward stand-alone products. Sales outside Japan declined 3%. Excluding the impact of currency fluctuations, however, sales increased by 1%. The adverse effects of fiscal austerity policies in the UK continued, and sales in the US were weak, but sales in Australia and the Nordic region grew.

(Billion Yen)

	FY 2011	Change vs. FY 2010
Net Sales	2,371.2	-2.0%
Japan	1,494.7	-1.4%
Outside Japan	876.5	-3.0%
Operating Income	124.0	6.6

Operating income for the Services sub-segment was 124.0 billion yen (US\$1,512 million), an increase of 6.6 billion yen compared to fiscal 2010. In Japan, income declined due to the impact of fewer large-scale systems deals, as well as the burden of ongoing upfront investments in cloud services. Outside Japan, although the impact of constrained government-related sales in the UK persisted, operating income improved as the result of a continued upturn in the profitability of the European services business.

In October 2011, Fujitsu finished consolidating its sales operations in the Japanese private sector market into Fujitsu Marketing Limited, which oversees the company's small- and medium-sized customers. In April 2012, the group completed reorganization and integration of its regional systems engineering (SE) companies—which strengthened the capabilities of system engineers focused on the manufacturing and retailing sectors—into the three regions of eastern Japan, western Japan, and Kyushu. Together with developing cloud service-focused solutions and implementing greater development efficiencies through the sharing of technology, the Fujitsu Group is accumulating industry know-how and accelerating its globalization, while taking a forward-looking approach in implementing structural reforms. Outside of Japan, particularly in Europe where the economy continues to be sluggish, the company took measures to reduce personnel costs.

(Billion Yen)

	FY 2011	Change vs. FY 2010
Net Sales	563.6	-5.2%
Japan	417.8	-2.0%
Outside Japan	145.7	-13.5%
Operating Income	47.2	1.7

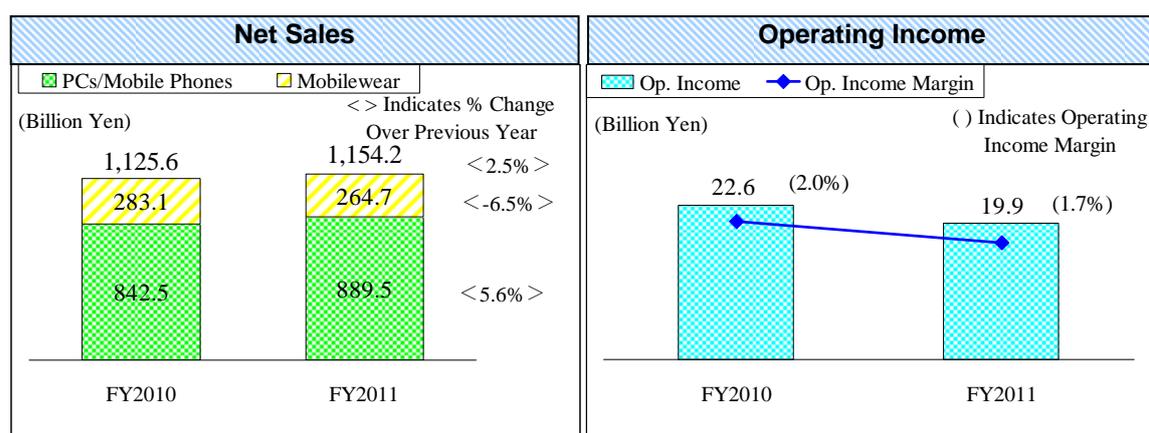
(2) System Platforms

Net sales in the System Platforms sub-segment were 563.6 billion yen (US\$6,873 million), a decrease of 5.2% from fiscal 2010. In Japan, sales decreased 2%. Sales of mobile phone base stations and other network products to telecommunications carriers climbed owing to increased investments to deal with higher network traffic volumes resulting from the spread of smartphones. Sales of server-related products, however, declined compared to fiscal 2010, when there was high-volume production of dedicated servers for use in the K computer, a next-generation supercomputer. Sales of server-related products were also impacted by a decline in the number of large-scale systems deals in the financial services and public sectors. Sales outside Japan declined 13.5%. Excluding the impact of currency fluctuations, sales decreased by 7%. Sales fell as the result of lower sales of UNIX servers in Europe and the US,

and flat sales of network products resulting from spending cuts by North American telecommunications carriers.

Operating income for the System Platforms sub-segment was 47.2 billion yen (US\$576 million), an increase of 1.7 billion yen compared to fiscal 2010. In Japan, although sales of server-related products declined, operating income increased on account of the effects of cost reductions in the x86 server business and higher sales of network products. Outside Japan, despite cost reductions in the x86 server business, income deteriorated on the impact of lower sales of UNIX servers to Europe and the US, in addition to upfront R&D investments, primarily for network products.

Ubiquitous Solutions



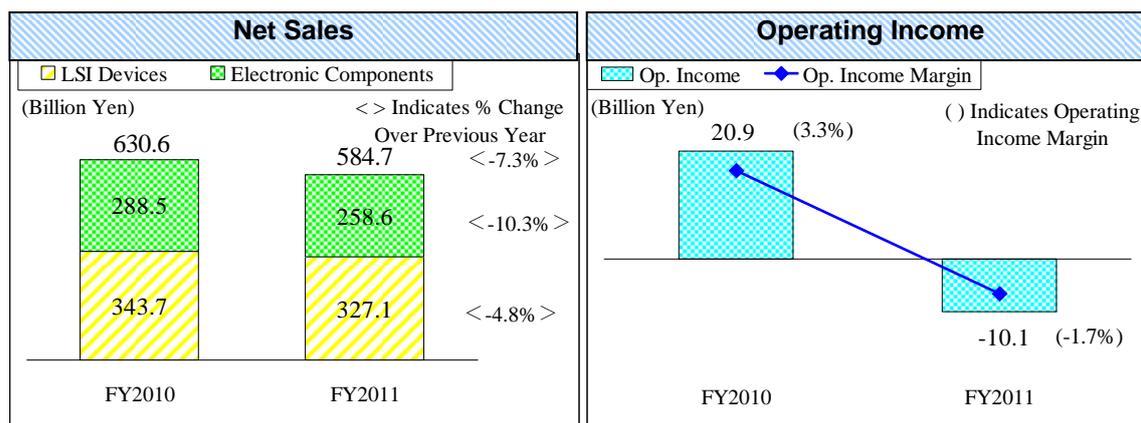
Net sales in the Ubiquitous Solutions segment were 1,154.2 billion yen (US\$14,076 million), an increase of 2.5% compared to fiscal 2010. Sales in Japan increased 3.9%. Although sales of PCs benefited from a large-scale order in the enterprise market, overall sales of PCs were essentially flat as sales prices in the consumer market declined, and sales were also adversely affected by difficulties in procuring hard disk drives due to the Thai floods. In the mobile phone business, the positive impact of the merger with Toshiba Corporation's mobile phone business, along with growth in the market for smartphones, led to higher sales. Sales of the Mobilewear sub-segment's car audio and navigation systems decreased due to the pullback in vehicle production as a result of the earthquake and Thai floods. Sales outside Japan declined 1.7%, but increased by 3% on a constant-currency basis. Although car audio and navigation system sales declined as a result of the pullback in vehicle production outside of Japan, unit sales of PCs increased, particularly in Europe.

	(Billion Yen)	
	FY 2011	Change vs. FY 2010
Net Sales	1,154.2	2.5%
Japan	884.9	3.9%
Outside Japan	269.3	-1.7%
Operating Income	19.9	-2.7%

Operating income for Ubiquitous Solutions was 19.9 billion yen (US\$243 million), a year-on-year decline of 2.7 billion yen. In Japan, against the backdrop of the strong yen, cost cutting measures moved forward in order to deal with the decline in PC sales prices and the effect of higher HDD procurement costs. Furthermore, despite the effect of increased sales of mobile phones, strengthened investment into smartphone development was undertaken. In addition, lower sales of car audio and navigation systems also had an effect, and overall income was essentially unchanged from the previous fiscal year. Operating income outside Japan was also affected by higher HDD procurement costs for PCs and lower sales of car audio and navigation systems.

In the car audio and navigation systems business, which was severely impacted by the earthquake and Thai floods, restructuring of the production structure in Japan, in line with strengthening production outside Japan, was undertaken with the intent of boosting cost competitiveness to meet the global expansion needs of customers.

Device Solutions



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

Net sales in Device Solutions amounted to 584.7 billion yen (US\$7,130 million), a decline of 7.3% compared to fiscal 2010. Sales in Japan declined 5.1%. LSI device sales declined as shipments of CPUs for the next-generation supercomputer system, for which production had ramped up during fiscal 2010, were completed in the first quarter of fiscal 2011. In addition, sales of LSI devices for digital audio-visual equipment declined in the first quarter on the impact of the earthquake, and in the second quarter the Thai flood delayed recovery in demand. Sales of electronic components also declined, primarily due to sluggish demand for semiconductor packages. Sales outside Japan declined 10.2%. Excluding the impact of exchange rate fluctuations, sales declined 4%. Sales of LSI increased due to higher sales of image processing LSIs for smartphones. For electronic components, although sales of electronic components declined on lower sales of semiconductor packages and LCD modules, primarily to Asia, there were signs of a partial recovery in demand during the fourth quarter.

	(Billion Yen)	
	FY 2011	Change vs. FY 2010
Net Sales	584.7	-7.3%
Japan	342.9	-5.1%
Outside Japan	241.7	-10.2%
Operating Income	-10.1	-31.1

The Device Solutions segment recorded an operating loss of 10.1 billion yen (US\$123 million), representing a deterioration of 31.1 billion yen from fiscal 2010. In Japan, operating income from LSI devices declined due to the impact of lower sales and a decline in the capacity utilization rates of production lines because of lower demand. Operating income from electronic components also declined due to the impact of lower sales and a sharp rise in the cost of certain parts and materials. Outside Japan, operating income fell on lower sales of electronic components as a result of lower demand and yen appreciation.

To optimize the manufacturing resources of its LSI devices business, in April 2012 the Fujitsu Group reached an agreement to transfer ownership of its Iwate Plant to DENSO CORPORATION (scheduled for October 1, 2012). As a result of this agreement, the group recorded 5.9 billion yen as a business restructuring expense stemming from impairment losses on property, plant, and equipment and expenses associated with transferring employees to DENSO.

Other/Elimination and Corporate

This segment recorded an operating loss of 75.7 billion yen (US\$923 million), a deterioration of 1.8 billion yen from fiscal 2010. This was on account of up-front costs associated with the development of new businesses and other factors.

The K computer, the next-generation supercomputer co-developed by RIKEN and Fujitsu, brings together many of the Fujitsu Group's technologies, such as the proprietary CPUs developed for the project. Having achieved a computing speed of 10 petaflops at an efficiency ratio of 93%, in November 2011 the K computer was recognized as No. 1 for its computing performance in the TOP500 list for the second consecutive time. The manufacture of over 800 racks has been completed, and Fujitsu is in the final stages of development for wide use by researchers and others, with availability for this shared use scheduled for November 2012.