

For the Environment

Passing on a Beautiful Environment to Future Generations

Consideration for the environment is one of the core values articulated in *The FUJITSU Way*, and this in turn informs the Fujitsu Group Environmental Policy. We create a mid-range environmental protection program with concrete targets for implementing this environmental policy and, by working to achieve these targets, aim to contribute to sustainable development.

Initiatives in this Area

- Achievements of the Fujitsu Group Environmental Protection Program



Fujitsu Group Environmental Policy

Since Fujitsu's founding in 1935, we have made environmental preservation one of the most important elements in our management, based on our philosophy of "manufacturing in harmony with nature." To promote environmental management that reflects the distinctive identity of the Fujitsu Group, we have established the Fujitsu Group Environmental Policy.

Green Policy 21

We want every employee of the Fujitsu Group to understand the approach, which has applied since our founding, of manufacturing in harmony with nature and to put this approach into practice in their daily work. For this purpose, we have established "Green Policy 21" as a concept to guide our actions—a concept that goes beyond any mere statement of intent.

We have adopted as our slogan "We make every activity green," and we put this idea into practice in all areas of our business.

Fujitsu Group Environmental Policy

Philosophy

The Fujitsu Group recognizes that environmental protection is a vitally important business issue. By utilizing our technological expertise in the IT industry and our creative talents, we seek to contribute to the promotion of sustainable development. In addition, while observing all environmental regulations in our business operations, we are actively pursuing environmental protection activities on our own initiative. Through our individual and collective actions, we will continuously strive to safeguard a rich natural environment for future generations.

Principles

- We strive to reduce the environmental impact of our products throughout the product life cycle.
- We are committed to conserving energy and natural resources, and practice a 3R approach (reduce, reuse, recycle) to create best-of-breed eco-friendly products.
- We seek to reduce risks to human health and the environment from the use of harmful chemical substances or waste.
- Through our IT products and solutions, we help customers and society to reduce the environmental impact of their activities and improve environmental efficiency.
- We disclose environment-related information on our business activities, products and services, and we utilize the resulting feedback to critique ourselves in order to further improve our environmental programs.
- We encourage our employees to work to improve the environment, bearing in mind the impact of their business activities and their civic responsibilities.

Targets and Achievements

Establishing clear objectives that apply to all business areas of the Fujitsu Group, as well as carrying out well-planned and continuous environmental protection efforts.

Environmental Protection Program (Stage IV)

The Fujitsu Group establishes mid-range environmental action programs to provide concrete objectives for implementing environmental policies. In the Stage IV Fujitsu Group Environmental Protection Program, which covers fiscal 2004 through fiscal 2006, we expanded the scope of our environmental efforts to include all areas of the Group (design, development and manufacturing divisions, headquarters bodies, sales units, and software & services divisions), and through systemic environmental protection activities we strove to contribute to the building of a sustainable society.

In fiscal 2006, which was the last year of the Stage IV program, our results included achieving goals related to the provision of Super Green Products and certified Environmentally Conscious Solutions, construction of recycling systems in North America and Asia, and promotion of green procurement and green factories.

We did not, however, achieve our target recycling ratio for waste plastics, due to insufficient types of recyclable materials that can be reused and other reasons. However, we will continue our efforts to find and create new types of recyclable materials.

Stage IV Fujitsu Group Environmental Protection Program (fiscal 2004 to 2006)

Items	Fujitsu Group Targets	Performance (fiscal 2006)	Status*	Related Pages
Strengthening Environmental Management	To establish an EMS-based framework for environmental management across the entire Fujitsu Group by the end of fiscal 2005.	We established environmental management frameworks in all Group companies, acquiring ISO14001 globally integrated certification including overseas locations at the end of 2005.	○	P35~
Green Procurement	To increase the procurement ratio from suppliers who have implemented an environmental management system (EMS) to 100% by the end of fiscal 2006.	We achieved the targeted 100% procurement ratio for all procured items for the whole Fujitsu Group.	○	P37
Environmental Measures for Products	All business units to provide Super Green Products (with top-class environmental characteristics) in their principal product line offerings by the end of fiscal 2006.	All business units now provide Super Green Products.	○	P39~
	All Fujitsu-brand products to be made free of Fujitsu-specified hazardous substances by the end of fiscal 2005.	We started providing products free of Fujitsu Group-specified hazardous substances in April 2006 (with certain exceptions*) * These exceptions are: • Products such as certain medical equipment that is not subject to the RoHS directive and products for special systems in which reliability is seen as critical. • Products supplied to customer specifications	○	
Product Recycling	To establish recycling systems in Europe by the end of fiscal 2004, and in North America and Asia by the end of fiscal 2006.	In Europe, we implemented recycling systems in conformance with local recycling regulations and completed operational preparations at our principal subsidiaries in North America and Asia.	○	P43~
	To increase the reuse and recycling rate of collected end-of life products in Japan to 90% by the end of fiscal 2006.	We achieved a reuse and recycling rate of 90% by the end of fiscal 2005 and maintained a 90% or better level in fiscal 2006.	○	
	To increase the utilization rate of recovered waste plastic for the Fujitsu Group in Japan to 20% by the end of fiscal 2006.	With a recovered waste materials utilization rate of 18% at the end of fiscal 2006, this goal remains unmet. We will continue to work to identify recyclable materials.	×	
Environmentally Conscious Solutions	To provide Environmentally Conscious Solutions in all areas of our software and services business by the end of fiscal 2006 in order to help customers reduce their environmental burdens.	We are now supplying Environmentally Conscious Solutions in all areas (total: 82 products).	○	P42
Global Warming Countermeasures	To reduce CO ₂ emissions resulting from energy consumption down to or below the actual emission levels of fiscal 1990 by the end of fiscal 2010. (15% reduction from fiscal 2000 levels by end of fiscal 2006.)	CO ₂ emissions due to energy consumption were about 1,149,000 tons. This corresponds to a 29% reduction from fiscal 2000 levels (6.1% higher than 1990 levels).	○	P45~
	To reduce greenhouse gases other than CO ₂ by 10% from the actual fiscal 1995 emission levels by the end of fiscal 2010.	Emissions made up of other greenhouse gasses (PFC, HFC, and SF ₆) were about 381,000 tons, a 47.1% increase compared to fiscal 1995 levels.	Continuing	
	To contribute to the reduction of greenhouse gases by efficient physical distribution, product recycling, development of energy saving products, and other measures.	We strengthened our environmental activities in our logistics divisions.	Continuing	
Promotion of Green Factories	To reduce, by the end of fiscal 2006, the discharge of chemical substances that are subject to the Pollutant Release and Transfer Register (PRTR) by 15% compared to the actual fiscal 2001 discharge levels.	Emissions of specified chemical substances were 47.3 tons, a decline of 53.0% compared with fiscal 2001.	○	P47~
	To reduce the amount of generated waste by 3% compared to the actual amount in fiscal 2003 by the end of fiscal 2006.	The amount of waste generated was 29,845 tons, a decline of 41% compared with fiscal 2003.	○	

* ○: Achieved, ×: Not achieved

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For the Environment

Highlight

Creating a New Environmental Action Plan for the Next Generation

Launching the Stage V Fujitsu Group Environmental Protection Program

Formulating the Stage V Environmental Protection Program

The Fujitsu Group establishes mid-range (three-year) environmental action plans to provide concrete objectives for implementing our environmental policy. Our newest plan, the Stage V Fujitsu Group Environmental Protection Program, starts in fiscal 2007.

This program is based on two fundamental approaches. The first is to seek an awareness of issues above and beyond those arising from the results of the previous program (Stage IV, which ran from fiscal 2004 to 2006). The second is to ask what direction environmental management in the Fujitsu Group should take based on careful observation of global and societal conditions and changes in the business environment in which we operate.

These approaches have been incorporated in two basic policies and five priority areas of the Stage V program. In this new program, we are asking each and every employee in the Fujitsu Group to participate in environmental activities related to their daily work and to strive to help the Group achieve the objectives of the program.

Basic Policies

We carry out environmental activities based on the Fujitsu Group Environmental Protection Program. Over the years, these activities have resulted in the strengthening of environmental activities at business sites and the development of environmental activities in all business units in the Group.

In creating the Stage V program, we recognized (1) the importance of having all employees grapple with

environmental activities in their daily work and (2) the necessity of expanding the scope of our environmental activities throughout our entire supply chain from the standpoints of fulfilling our social responsibilities to our diverse stakeholders and fully complying with global environmental regulations. With this awareness, we established the following two basic policies.

- Develop environmental activities in which all employees can play an active role in their daily work.
- Expand the scope of environmental activities to encompass the entire supply chain.

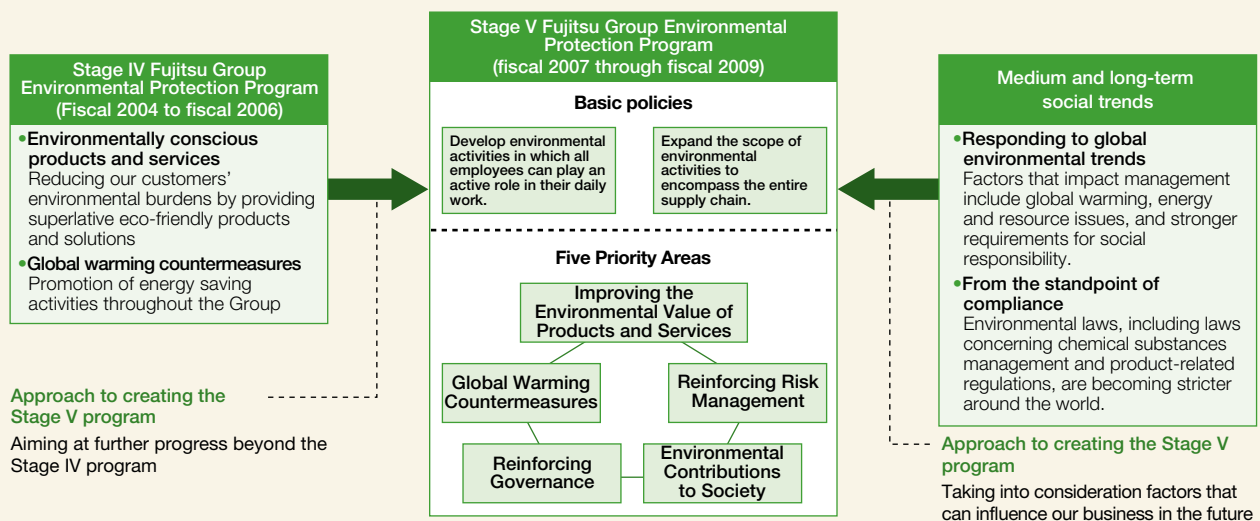
Five Priority Areas

In addition, taking into consideration the impact of future societal trends on our business, and building on the progress achieved in the Stage IV program, we have defined five priority areas of focus going forward:

- Improving the environmental value of products and services
- Global warming countermeasures
- Reinforcing governance
- Reinforcing risk management
- Environmental contributions to society

The Stage IV Fujitsu Group Environmental Protection Program sets the concrete objectives in these five priority areas that we will strive to achieve in the three years from fiscal 2007 through fiscal 2009.

Approach and Priorities in Formulating the Stage V Fujitsu Group Environmental Protection Program



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Stage V Fujitsu Group Environmental Protection Program (fiscal 2007 through fiscal 2009)

Five Priority Areas	Stage V Targets	Related pages
Improving the Environmental Value of Products and Services	Increase the number of Super Green Products Targeting the Green Products being newly developed in all business units, by the end of fiscal 2009 we aim to increase to over 20% the proportion of products that are Super Green Products with top-class environmental characteristics.	P39~
	Achieve an improved environmental efficiency factor By fiscal 2009 we will strive to achieve an environmental efficiency factor of “2” (i.e., twice the environmental efficiency) relative to products in fiscal 2005 for newly developed Green Products in all business units.	P39~
	Increase resource reuse and recycling for collected end-of-life products By the end of fiscal 2009 we aim to increase the volume of reused and recycled resources by 15% relative to fiscal 2005. Also, we will maintain the 90% resource reuse and recycling rate for collected end-of-life business-use IT products achieved in Stage IV.	P43~
	Expand environmental solution offerings We will strive to offer Environmentally Conscious IT Solutions in all areas of our business by fiscal 2009.	P42
Global Warming Countermeasures	Reducing CO₂ emissions from energy consumption <ul style="list-style-type: none"> ●Global: Reduce CO₂ emissions per unit sales to 28% below fiscal 1990 levels by the end of fiscal 2010. ●Japan: Limit energy consumption-related CO₂ emissions at our business sites to below fiscal 1990 levels by the end of fiscal 2010. 	P45~
	Reduce greenhouse gasses other than CO₂ We will work to reduce emissions of greenhouse gasses other than CO ₂ by 10% relative to fiscal 1995 emissions by the end of fiscal 2010.	P45~
	Reduce CO₂ emissions during distribution and transport We will strive to reduce the volume of transport-related CO ₂ emissions by 30% from fiscal 2000 levels by the end of fiscal 2010.	P45~
	Apply Green Factory and Green Office systems We seek to achieve a two star or higher ranking* in the Green Factory or Green Office systems at all our business sites by the end of fiscal 2009. <small>*Specific achievement level under an original Fujitsu evaluation standard</small>	P47~
	Reduce VOC emissions We aim to reduce volatile organic compound (VOC) emissions by 30% relative to fiscal 2000 levels by fiscal 2009.	P47~
	Reduce waste generation We will strive to reduce waste generation by 3% relative to 2005 levels by the end of fiscal 2009.	P47~
	Improve our environmental management system (EMS) We will strengthen environmental activities in our business by improving our globally integrated environmental management system.	P35~
Reinforcing Risk Management	Advance green procurement activities We will strengthen environmental activities throughout our supply chain and support the activities of our business partners. <ul style="list-style-type: none"> ●We will promote improvements in our business partners' environmental management systems, for example, encouraging them to obtain third-party certification such as ISO14001. ●We will promote construction of chemical substance management systems (CMS) by our business partners. 	P37
Environmental Contributions to Society	Activities for environmental contributions to society We will carry out locally attuned activities that make environmental contributions to society and in which each of our employees can play an important role.	P38

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Environmental Management

We are continuously working to improve our ISO14001-based environmental management system and to promote unified environmental management of the Fujitsu Group.

EMS Implementation and Operational Status

We obtained integrated ISO14001 certification, which is an international EMS standard, covering our domestic consolidated subsidiaries at the end of fiscal 2004. In fiscal 2005, we expanded our EMS coverage to include certain overseas Group companies. By the end of fiscal 2006, we had acquired globally integrated ISO14001 certification covering 88 domestic Group companies and 11 overseas Group companies.

Furthermore, 33 of our non-manufacturing overseas consolidated subsidiaries have implemented and are operating environmental management systems based on common standards derived from the Fujitsu Group Environmental Policy. In this way, we have established a framework for environmental management of the entire Group.

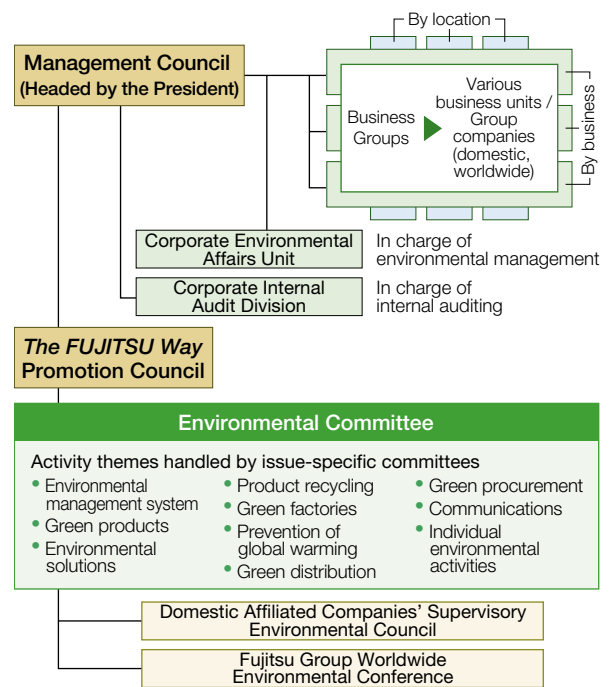
Environmental Promotion Structure

In order to carry out management decisions quickly, the Fujitsu Group environmental management system has been developed in accordance with our business organization, that is, our business group structure. In particular, we have constructed a matrix structure that combines both line activities that promote environmental efforts according to the characteristics of each business group and site activities that deal with common themes at each factory or business site.

The Management Council makes decisions on EMS activities, and those decisions are transmitted to each business group. For each environmental activity theme, an issue-specific committee, consisting of concerned parties that transcends the business group/unit organizational structure, discusses the establishment of concrete environmental action plans and improvements to the EMS. The Environmental Committee manages and oversees these efforts and provides feedback to the Management Council, which is later reflected in the activities in each of the business groups.

To strengthen communication with Group companies, we hold meetings of the Domestic Affiliated Companies' Supervisory Environmental Council, comprising the heads of our domestic Group companies, and of the EMS Managers Council, for managers in charge of actual EMS operations. With respect to our overseas operations, we hold global EMS conferences in each of our four key geographies, Asia-Pacific, China, North America, and Europe, where we provide information on the direction of environmental activities for the Group as a whole and the results of management reviews.

Structure for Environmental Activities



Strengthening Worldwide Environmental Activities

In fiscal 2006 we held a global EMS conference in Singapore to which we invited Group companies from the Asia region. We presented the results of the Stage IV Environmental Protection Program and an overview of Stage V, exchanged opinions on environmental efforts starting in fiscal 2007, including items requested by local companies, and deepened understanding of the Group's overall direction in this area. We also held a similar conference in China and plan on holding conferences in North America and Europe in fiscal 2007.

At the same time as the EMS meeting in Singapore, we took the opportunity to exhibit at the Eco-Products International Fair 2006 in Singapore for the first time as the



Environmental Forum in Singapore

Fujitsu Group, and also held the Fujitsu Environmental Forum outside Japan for the first time. These efforts have increased our local customers' understanding of Fujitsu's environmental activities.

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Implementing Environmental Audits (internal audits)

Internal audits of the Fujitsu Group are carried out by the Corporate Internal Audit Division under the basic principles of independence and objectivity.

In fiscal 2006, the main points brought up by the internal audit were items concerning compliance, evaluation of environmental influences and setting targets, implementation, planning, and education. In fiscal 2007, we will work to reduce the number of points raised in the audit by taking measures that include holding EMS briefings, joint implementation of risk inspections with facilities divisions, and providing training for internal environmental auditors as well as for workers who handle industrial waste. Specifically, regarding the handling of industrial waste, along with implementing priority checks in our internal audits, in fiscal 2006 we implemented educational programs with specialists from outside the company for workers who handle industrial waste at nine of our locations in Japan. A total of 328 persons received this training, and in fiscal 2007 we intend to step up these efforts.

Among the new initiatives started in fiscal 2006, internal auditors are recording positive examples they notice during the course of their audits and holding these up as best practices that can be shared with and extended to various sites throughout the Group.

Implementing Management Reviews

Through deliberations of the Environmental Committee and Management Council, we carry out management reviews to evaluate the effectiveness of our domestic and international environmental activities and discuss the future direction of such activities. In fiscal 2006 we decided to promote the following key initiatives going forward.

- Provision of customer-centric products and solutions differentiated by superior characteristics in areas such as handling of risk, energy savings and resource savings.
- Full-fledged implementation of global warming countermeasures
- Implementation of governance that considers the global supply chain
- Promoting environmental consciousness-raising activities for all employees

We have incorporated these initiatives into the Stage V Environmental Protection Program that starts in fiscal 2007, announced them to the Fujitsu Group, and will work to give concrete shape to them in the actions of each and every employee.

Status of Environmental Compliance

In fiscal 2006, there were ten transgressions of environmental regulations by the Fujitsu Group. These involved water quality, noise, and effluent leakage, and we corrected all of them within fiscal 2006.

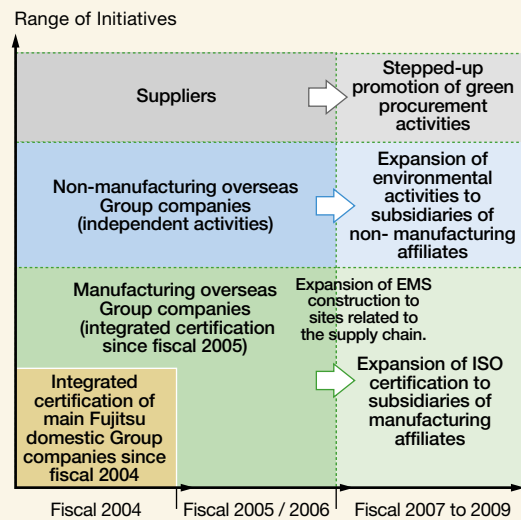
Regarding the Targets of the Stage V Environmental Protection Program

Strengthening Our Environmental Management System

We will work to improve our globally integrated environmental management system and strengthen environmental efforts in our main business activities (including development, design, procurement, manufacturing and sales) by constructing a mutual internal audit framework among Group companies and implementing educational advancement programs for internal auditors using external specialists.

We will also strengthen environmental governance throughout the supply chain by supporting the expansion and improvement of the environmental management systems of our business partners and promoting green procurement.

Strengthening Environmental Governance throughout the Supply Chain



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Green Procurement

In cooperation with our business partners, we promote green procurement—from parts and materials for manufacturing through software and services—to provide our customers with products and services with superior environmental efficiency.

Our Approach to Green Procurement

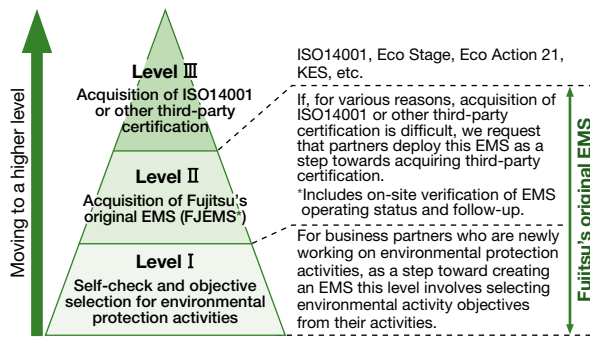
In our procurement activity, we give priority to purchasing parts, materials, and products that are eco-friendly. We stipulate our basic requirements for green procurement in the Fujitsu Group Green Procurement Direction and promote green procurement activities together with our business partners.

Approach Stage IV Environmental Protection Program

In the Stage IV Fujitsu Group Environmental Protection Program, to promote activities that would reduce environmental burden even further, we emphasized the importance of having our business partners construct environmental management systems, insisting that potential partners in every area—including software and services, facilities, and construction—deploy an EMS.

While we consider acquisition of third-party certification, such as ISO14001, a basic principle of EMS construction, we require that our business partners meet at least one of the following EMS levels, depending on their particular business circumstances.

EMS Construction for Green Procurement



* FJEMS
Fujitsu Group Environmental Management System. The Fujitsu Group's original EMS.

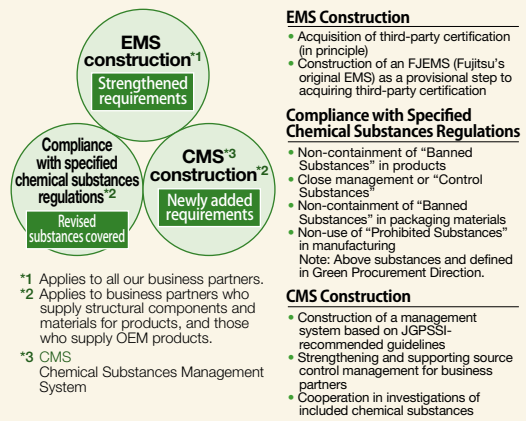
Goals and Results from the Stage IV Environmental Protection Program

We made increasing the procurement ratio from business partners that have implemented an EMS to 100% by the end of fiscal 2006 a Stage IV goal. For business partners that had not yet acquired third-party certification, we held EMS improvement seminars in which we discussed the importance of increasing awareness of environmental protection and the significance of acquiring third-party certification. (In fiscal 2005 and 2006 we held a total of 28 such seminars for representatives of 1,710 companies.) As a result of these efforts, for the Fujitsu Group as a whole, we achieved a 100% procurement ratio from business partners that have implemented an EMS at the end of November 2006.

Regarding the Targets of the Stage V Environmental Protection Program

We have reviewed and revised parts of our Green Procurement Direction from the standpoint of compliance, based on considering global trends in environmental regulations, and are requesting that our business partners strengthen their environmental burden reduction activities even further. Also, to improve chemical substances management across our supply chain, we require that our business partners construct management systems centering on source control, and we will work together with them to deploy these systems.

Three Requirements for Fujitsu Group Green Procurement Activities



*1 Applies to all our business partners.
*2 Applies to business partners who supply structural components and materials for products, and those who supply OEM products.
*3 CMS Chemical Substances Management System

Encouraging EMS Improvements by Business Partners
We request that our business partners improve their EMS by, for example, acquiring third-party certification or constructing a strengthened requirement FJEMS*.

* **Strengthened requirement FJEMS**
Improvements include additional required items (increased from six to nine items) and strengthened on-site operational verification.

Promoting CMS Construction by Our Business Partners

To assure appropriate management of chemical substances throughout the supply chain, along with requesting that our business partners implement chemical substances management systems based on the Management of created by the Japan Green Procurement Survey Standardization Initiative (JGPSSI) and supporting their construction, we are strengthening management of chemical substances in the supply chain as a whole based on source control.

Fujitsu Group Green Direction
<http://www.fujitsu.com/global/about/procurement/green/>

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Environmental Contributions to Society

We vigorously promote activities that make environmental contributions to society and foster mutually beneficial relationships in our communities worldwide.

Our Basic Approach to Activities that Make Environmental Contributions to Society

All employees of the Fujitsu Group recognize the importance of the global environment and, to help ensure its sustainability, contribute to local society through activities in three key areas: regional contributions, nature conservation, and environmental education.

Regional Contribution Activities

We have created, as environmental goals, regional social contribution activities that are site activities for the environmental management systems at branch offices and factories throughout Japan. Through these efforts, we are working to strengthen our ties with local communities. In fiscal 2006, we carried out about 200 such activities, mainly involving area clean-up.

For example, a long-term issue afflicting Oita City has been the large volume of discarded objects that are dumped in the vicinity of the Sumiyoshi River, which runs through the city. To address this problem, Fujitsu Oita Software Laboratories Limited, under the direction of Oita City Hall Environmental Division with cooperation from the Sumiyoshi River Cleanup Promotion Council, Oita Prefecture, and Oita City, launched a waste-removal project, taking advantage of one of the extreme low tides that only occur a few times a year in the lower reaches of the Sumiyoshi River. The day of the project was rainy and the waste, which consisted of



Waste removal project at Sumiyoshi River, Oita City.

sludge-covered objects such as bicycles, motor scooters, and batteries, was that much heavier. Despite being covered in mud, everyone worked together, and between human power and cranes, 3,280 kg of waste was recovered and removed.

Nature Conservation Activities

Appropriate forest conservation activities can foster forests that alleviate floods and droughts and provide a place for wild flora and fauna to live and flourish. Forests also absorb CO₂ that causes global warming.

Along with other citizens, the employees of the Fujitsu companies in the North Shinano region of Nagano Prefecture implemented a forest-protection project under the direction of the Nagano City Municipal Forest Preservation Division. Thirty-eight people worked together thinning trees in late



Tree thinning at Iizuna Town in Nagano Prefecture

fall in the forest-experience nature park in the vicinity of Lake Iizuna.

Similarly in the Tokyo area, Fujitsu employees participated in the "Tokyo Greenship

Action" environmental protection project sponsored by the Tokyo Metropolitan Government, and helped carry out environmental protection activities in the Hachioji Ohtani Green Space Preservation Area, Grass Fire Prevention Water Environment Preservation Area, and the Yokosawairi Mountain Protection Area.

Environmental Education Activities

We carry out a visiting environmental lecture program in which we send people to teach classes at elementary schools, junior high schools, and high schools. The purpose of this program is to encourage students, by learning about the environmental burden reduction activities of manufacturers, to consider what environmental burden reduction activities they could perform in their daily lives and to take action themselves. In fiscal 2006, about 800 students attended these entertaining, hands-on classes.

In the elementary school classes, a lecturer adopting the name of "Uncle 3R" uses juggling and magic to provide a fun introduction of the 3R* concept. Students then learn how 3R efforts can be applied to personal computers by disassembling a model personal computer. In the junior and senior high-school classes, an actual personal computer is disassembled with a screwdriver, and students are taught about manufacturers' environmental efforts in an "environmental quiz" format. Students have told us that the courses have helped them to understand the importance of valuing natural resources and that they would like to put this into practice in their daily lives.

* 3R
Reduce, Reuse, and Recycle.



Hands-on PC disassembly



"Uncle 3R" disassembles a PC

Regarding the Targets of the Stage V Environmental Protection Program

We have positioned environmental contributions to society as one of the five critical areas in the Stage V Environmental Protection Program. We will move forward with new activities in the three key activities described above.

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Eco-Friendly Products

We are accelerating the development of Green Products and Super Green Products and are working to reduce environmental burdens throughout the product life cycle.

Green and Super Green Product Development

The Fujitsu Group has adopted a unified Group-wide approach to eco-design for newly designed products and strives to improve environmental performance throughout the product life cycle. We have been implementing our own environmental assessments for products since 1993, and we develop eco-friendly products that reflect environmental considerations in such areas as energy saving, 3R design,* non-use of hazardous chemical substances, packing materials, and information disclosure.

In 1998, to further strengthen development of eco-friendly products, we established Green Product Evaluation Standards and positioned the products that satisfy them as Green Products.

Then, in fiscal 2004, we combined what had previously been two separate sets of regulations—for product environmental assessment and for Green Product evaluation—into a single set of standards with even higher levels of consideration for the environment. We called these Product Environmental Green Assessment Regulations, and they have helped to both strengthen our Green Product development efforts and make them more efficient.

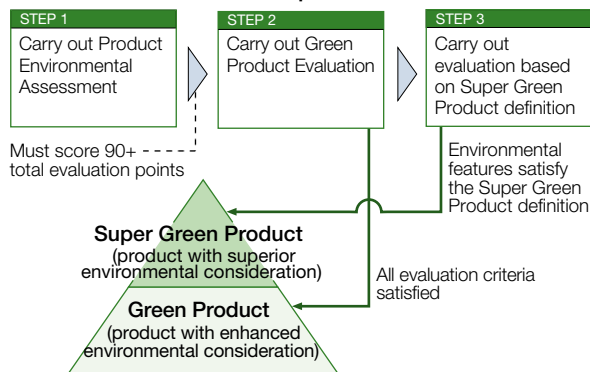
Furthermore, since fiscal 2004, we have been working on what we call “Super Green Product” development for newly developed products. Super Green Products are those that meet the required conditions for Green Products and are also top class in terms of low energy consumption and/or 3R design and technology, non-use of hazardous substances, packing materials and use of eco-friendly materials and technologies. Super Green Products are products or systems with superior environmental characteristics than others we supply or are available on the market.

In fiscal 2006 we offered Super Green products in 21 product categories, and in the three-year period from fiscal 2004 through fiscal 2006, which was the activity period for the Stage IV Environmental Protection Program, we provided Super Green products in 54 product categories.

*** 3R design**

Design based on the principles of reduce, reuse and recycle

Mechanism for Green and Super Green Product Evaluation



Super Green Product Development Achievements

Fujitsu Limited (15 product categories)

- Notebook personal computers: FMV-BIBLO NX95U/D, FMV-BIBLO NX95T/D, FMV-BIBLO NB 80S
- Access system for optical LANs: FLASHWAVE 7500 Release 4.x
- Broadband video solution: Broadsight IP-9500 real-time video transmission unit
- Desktop personal computers: FMV-ESPRIMO, FMV-K5230
- IP telephones: IP Pathfinder/CL Series
- LCD displays: 17-inch (VL-17H1) and 20-inch wide format (VL-20WH1, VL-20WH1T)
- PC server: PRIMERGY TX120 compact server
- Network servers: IPCOM EX1000, EX1200, EX2000
- Storage disk arrays: ETERNUS 8000 disk array (models 900 and higher)
- Storage tape products: ETERNUS LT270 tape library
- Mobile phone: FOMA F902iS
- LSI device: MB93475

Consolidated subsidiaries and affiliates (6 product categories)

- Digital multiplex wireless equipment: FRX CCC unit (Fujitsu Wireless Systems, Ltd.)
- Electronic components: UWB flexible antenna (Fujitsu Component, Ltd.)
- Capacitors: FPCAP ML Series (Fujitsu Media Devices, Ltd.)
- Bluetooth module: MBH7BTZ24 (Fujitsu Media Devices, Ltd.)
- High-frequency laminated chip inductors: AML0603E Series (FDK, Ltd.)
- Automated teller machine: FACT-V Model 20 (Fujitsu Frontech, Ltd.)

Development of Bio-Based Plastics

Fujitsu and Fujitsu Laboratories, Ltd. have been researching bio-based materials and developed polylactate-based plastic with good flame resistance, heat resistance, impact resistance, and formability properties. This material has been used in certain Fujitsu notebook PCs since 2002.

Furthermore, in 2006, in cooperation with the French company Arkema, Inc., we developed a new bio-plastic using castor oil extracted from castor beans that has a level of flexibility unknown in earlier polylactate plastics. We are using this material in certain components for our notebook PCs.



Connector cover (FMV-S8240) made from bio-plastic



Castor beans

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Management of the Restricted chemical substances in products

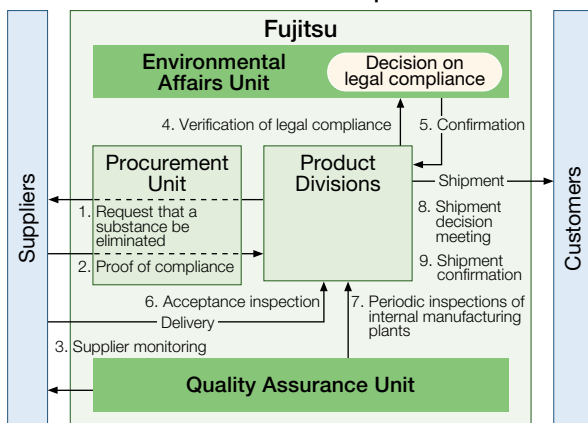
In compliance with Japanese and international laws and regulations, we have specified Banned Substances and Control Substances in Products. And through our Green Procurement activities we are working to eliminate use of these specified substances. From April 2006 we have begun shipping products that do not contain Fujitsu Group-specified Banned Substances in products.

In fiscal 2006 we worked meticulously on chemical substances management in all processes, from design through product shipment, to comply with European RoHS directive*1, China RoHS*2, and so on.

*1 **RoHS directive**
Restriction of the use of certain hazardous substances in electrical and electric equipment

*2 **China RoHS**
Regulations that limit use of certain hazardous substances included in electronic and information equipment (currently limited to display of such contents).

Framework for RoHS Directive Compliance



Carrying out Life Cycle Assessments

We carry out life cycle assessments (LCA) to evaluate Green Products and Super Green Products. LCA enables us to perform a finely detailed analysis of a product's environmental impact, such as determining whether the product generates proportionally higher environmental burdens in the materials procurement or manufacturing stages, or whether the product consumes large amounts of energy during use. This detailed grasp of environmental impact characteristics allows us to effectively design even more eco-friendly products.

Disclosure of Environmental Information on Products

We actively disclose environmental information on our products, both via the Internet and in the form of environmental labels.

At the end of fiscal 2006, we started registering notebook personal computers under the EPEAT*1 system, which encourages the purchase of green PCs and is used chiefly by

US government bodies.

In Japan, environmental information on electronic computers, magnetic disk drives, displays, printers, and scanners that are covered by green purchasing laws*2 are listed on the Ministry of the Environment's web site*3.

*1 **EPEAT web site**
<http://www.epeat.net/>

*2 **Green purchase laws**
Laws related to promoting the purchase of eco-friendly goods and products by the country or other parties.

*3 **Ministry of the Environment web site**
<http://www.env.go.jp/en/laws/policy/green/index.html>

Regarding the Targets of the Stage V Environmental Protection Program

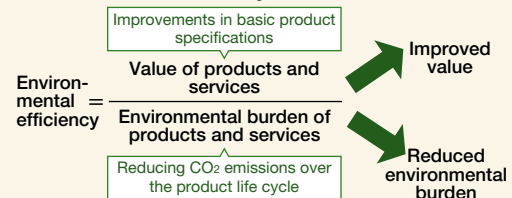
Increasing the Number of Super Green Products

Targeting in particular the Green Products being newly developed in all business units, by the end of fiscal 2009 we aim to increase to over 20% the proportion of products that are Super Green Products with top-class environmental characteristics in areas such as energy savings, 3R design and technology, chemical substances, and eco-friendly materials and technologies. In so doing, we will strive to further strengthen our eco-friendly product development capability and enhance differentiation of our products in terms of consideration for the environment.

Achieving the Target Environmental Efficiency Factor

We assess the increase in product value and reduction in environmental burden over the product life cycle as an environmental efficiency factor*. Along with promoting the environmental performance of our products, we continually strive to improve this factor. In particular, for newly developed Green Products in all business units, by fiscal 2009 we aim to achieve an environmental efficiency factor of "2" (i.e., twice the environmental efficiency) relative to products in fiscal 2005.

Environmental efficiency factor



*Environmental efficiency factor

Comparison of environmental efficiency of the product in question with that of a reference product.

Factor = (environmental efficiency of the product in question) ÷ (environmental efficiency of the reference product)

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Eco-Friendly Products

Super Green Product Development Examples

PC server: PRIMERGY TX120 compact server



Energy Savings
Power consumption was reduced by 39% compared to earlier products.

3R Design Technologies
Product size (volume) was reduced to 1/4, installation area was reduced to 1/3, and weight reduced to 1/3 that of earlier products.

Environmental Efficiency
Environmental burden was reduced by 37% compared to earlier products and CPU performance, which is a key element of the product's value, was improved by a factor of 4.1. These improvements resulted in an environmental efficiency factor of 6.5 for the product.

Notebook PC: FMV-BIBLO NX95U / D



Eco-Friendly Materials
Bio-based plastic was adopted in parts used in the product chassis (lower cover, hard disk drive cover, memory module cover).

Network server: IPCOM EX200



Energy Savings
Power consumption per unit was reduced by 57% compared to earlier products.

Chemical Substances
In conformance with the RoHS prohibition on the use of lead, lead-free manufacturing was adopted (except for the IX121GS2 option).

Broadband video solution: Broadlight IP-9500 real-time video transmission unit



Energy Savings
Image quality was maintained, video transfer circuit efficiency doubled, and power consumption reduced by 14% compared with previous products.

Digital multiplex wireless equipment: FRX CCC unit



3R Design Technologies
Product size (volume) per unit performance was reduced by 50% compared to earlier products. A configuration with 16 systems (16 units each with a data transfer rate of 155.52 Mb/s) can be housed in a single rack compared to the two racks required for the same configuration under the previous ETSI standard.

Automated teller machine: FACT-V Model 20



Eco-Friendly Materials
Bio-based plastic was adopted for parts used in the product housing. Powder coating technology was used for the first time in the ATM industry.

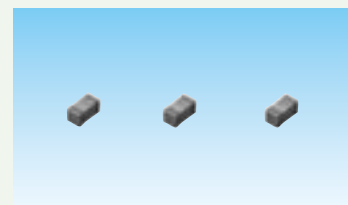
3R Design Technologies
Recyclable plastics were used for the molded parts of the case (with certain exceptions).

Capacitors: FPCAP ML Series



3R Design Technologies
Low ESR and ESL enabled the number of devices previously required to be reduced by up to 90%. The products feature top-class levels of reliability and humidity resistance (guaranteed for 1,000 hours at 85% RH and 85 degrees C).

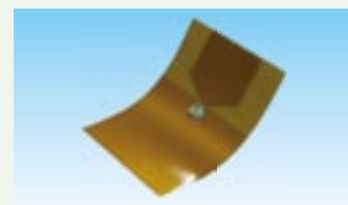
High-frequency laminated chip inductors: AML0603E Series



Energy Savings
These inductors achieve the industry's highest Q value*, and thus achieve an energy consumption efficiency improvement of up to about 30% compared to earlier products.

*** Q value**
A value that expresses the quality (sharpness of the resonance) of an inductor (coil). Performance indices such as phase noise and power consumption improve with higher values of Q.

Electronic components: UWB flexible antenna



3R Design Technologies
Product volume has been reduced by 87.5% compared to earlier products. These are the industry's smallest UWB flexible antennas.

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Environmental Solutions

Developing and providing a wide variety of environmental solutions that support environmental management and reduce environmental burdens.

Environmentally Conscious Solutions

The effective use of IT promises to reduce environmental burdens in daily life, industry and society as a whole by saving resources and energy. From this perspective, the Fujitsu Group provides quantitative evaluation of the reduction in environmental burdens effected by the use of particular software or IT services (IT solution products), and develops and provides Environmentally Conscious Solutions that contribute to the reduction of environmental burdens for customers adopting them. These use methods that identify the particular reductions in factors responsible for burdens on the environment, such as the amount of materials consumed and the movements of people, etc., to determine the IT solution's environmental contribution. When such reductions amount to at least 15% in terms of the CO₂ equivalent, we identify the product as an "Environmentally Conscious Solution." By the end of fiscal 2006, we were offering customers a total of 82 such designated solutions covering a wide range of operations and industries.

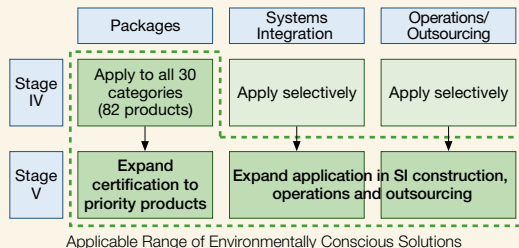
Sharing our thinking and environmental burden assessment methodology from our experience in environmentally conscious solution certification activities, we participated in the Ministry of Internal Affairs and Communications' Study Group on ICT Systems and Networks Contributing to Reduced Environmental Burdens.

 **Environmentally Conscious Solutions**
<http://www.fujitsu.com/global/about/environment/activity/esolutions.html>

Regarding the Targets of the Stage V Environmental Protection Program

We will extend the application of Environmentally Conscious Solutions wherever it promises major reductions in environmental burdens, including for priority products, and in systems integration as well as data-center and other outsourcing business, thereby expanding our lineup of IT solutions that reduce customers' environmental burdens. We will also actively provide our customers with information on the burden reduction effects achievable by these solutions.

Applicable Range of Environmentally Conscious Solutions



Environmental Business Solutions

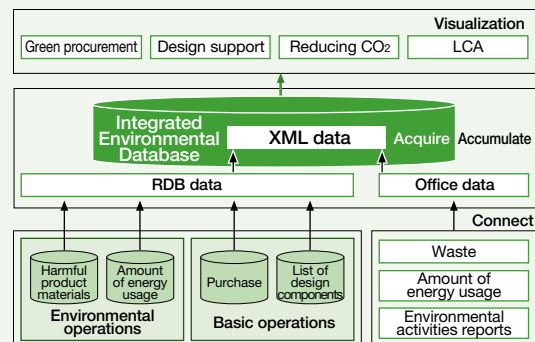
To contribute to a sustainable world, the Fujitsu Group supports customers' environmental operations through the provision of various Environmental Business Solutions based on the know-how we have acquired in our previous environmental activities. Along with helping customers to reduce their environmental burdens, we support effective environmental management of corporate activity, which has become a new source of competitive strength, and administration of local environmental protection projects and communications.

Integrated Environmental Database Solution for Enhanced Visibility

The environmental management that is required of today's enterprises is becoming ever more complex and far-reaching. To render visible the full variety of environmental data existing within the enterprise, we have developed Integrated Environmental Database Visualization Solutions that provide consolidated management. By "integrated environmental database" we mean a database using XML to enable flexible lateral links between scattered existing environmental information systems.

If all the environmental information within an enterprise can be rendered visible, not only can a wide range of environmental operations be performed more efficiently but also analysis can be carried out from a number of different perspectives, aiding in the speedy identification of environmental management issues and the development and implementation of measures to resolve them.

In a world where the conditions and regulations affecting the environment are undergoing successive changes, it is increasingly becoming impossible for a fixed information system to provide the support needed for enterprise environmental management. It is here that the integrated environmental database, with its consolidated management of loosely linked environmental information, functions as practical on-site tool and helps control the burgeoning investments required to configure large-scale environmental information systems.



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Promoting Product Recycling

Advancing collection and materials recycling of end-of-life IT products to help promoting a recycling-minded society.

Establishing Recycling Systems Outside Japan

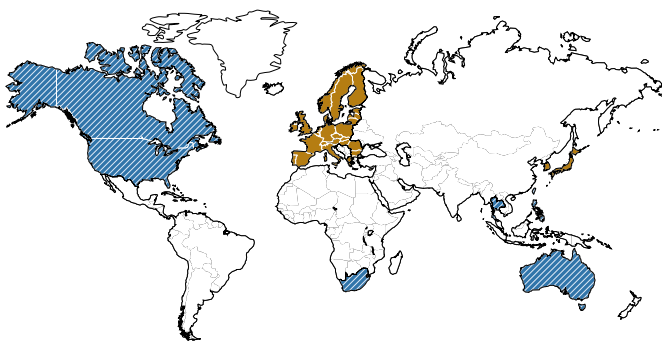
The Fujitsu Group, aware of its responsibilities as a producer of end-of-life IT products, commenced the recycling of IT equipment for business customers within Japan in 1995, before it was legally required, and has been active in product recycling ever since. Outside Japan, as well as complying the recycling laws of each nation and region in which we do business, we committed to establishing recycling systems in North America and Asia as one of the targets of our Stage IV Environmental Protection Program.

As a result, as of June 2007, we have initiated IT product recycling services in the United States, Canada, Australia, the Philippines, and Singapore, and we plan to launch recycling services in Thailand starting in October 2007.

We have selected and contracted with recycling partners in accordance with in-house guidelines based on our own experience as well as with guidelines from governments of several countries. This system enables us to offer appropriate collection and recycling service for end-of-life products with our recycling partners.

As an example of our efforts, Fujitsu Australia Ltd. started a recycling service for IT products in April 2006, and to date it has recycled some 250 tons of end-of-life POS systems from major Australian retailers. Fujitsu Philippines, Inc. operated a pilot project that, between July 2006 and February 2007, recycled 27 tons of electronic waste from its affiliates and their customers, before officially launching a recycling service for IT products in May 2007.

Recycling Services



■ Countries with recycling legislation in place
 ■ Countries in which Fujitsu voluntarily provides recycling services

* Services will begin in Thailand in October 2007
 * Recycling services in South Africa is handled by Fujitsu Siemens Computers

Fujitsu Computer Systems and the Global Environment

Fujitsu Computer Systems Corp. (FCS) offers a wide range of computing hardware, software products and services in North America. Our environmental management system is responsive and linked with the Fujitsu Group ISO 14001 EMS and we efficiently manage environmental issues under our ISO 9001 quality management system.

Great care is taken to keep our activities and the products we provide environmentally sound. Three areas of particular attention are product recycling, responsible waste management & recycling, and energy efficiency. We have successfully reduced energy usage and recycle almost all waste from our corporate headquarters and customer support centers. Our environment team meets bi-weekly to ensure full compliance with state and federal government requirements. In FY2006, the team instituted a battery recycling program and registered with EPEAT to meet compliance requirements on government bids. In April 2007, the team launched a Product Takeback program.

How we impact the environment is very important to us and to our customers. FCS views environmental considerations as an integral part of FCS' business practices and continually strives to reduce the environmental impact of the products we provide and the way we run our business.

Promoting Recovery and Recycling of End-of-Life IT Products in Japan

As an enterprise with official designation for wide-area industrial waste disposal in Japan, Fujitsu has developed a nationwide recycling system and engages in various kinds of contracts for accepting industrial waste for appropriate processing throughout Japan. This system provides for rigorous traceability and security, and achieves over 90% reuse of resources. By providing this safe and secure service, we are fully discharging our Extended Producer Responsibility.

Also, by an arrangement with Japan Post, we operate a common industry-wide recycling system whereby consumers can use post offices anywhere in Japan to dispatch their end-of-life PCs for recovery and recycling.

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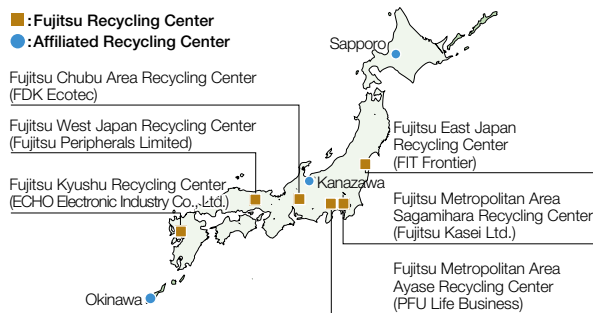
With Local and International Communities

For the Environment

Locations of Fujitsu Recycling Centers

Affiliate and partner companies operate Fujitsu Recycling Centers at six locations, while 28 companies are under contract to provide collection and transportation services, forming a system of nationwide scale. From April 2007, affiliated recycling centers were also established in three cities of Hokkaido, the Hokuriku region and Okinawa, improving customer convenience.

Fujitsu Recycling Centers throughout Japan



Achievements in Recycling

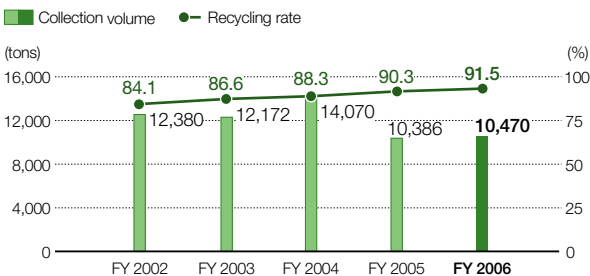
In fiscal 2006 we collected 10,470 tons of end-of-life IT products from our corporate customers in Japan, and achieved a resource reuse and recycling rate* of 91.5%, thereby meeting the target set in the Stage IV Environmental Protection Program.

In collection and materials recycling of end-of-life PCs from individual customers, we achieved a major increase in the numbers of notebook PCs and LCD monitors processed, which totaled 70,005 units.

* Resource reuse and recycling rate

The ratio of reused parts and reused resources to the processed amount of business-use end-of-life IT products by weight.

Trends in Collection Volume and Materials Recycling Rate of Post-use IT Products for Business



Steady Implementation of Proper Processing

We apply consistent processing standards at all our recycling centers throughout Japan. Materials are disassembled by hand and sorted into iron, copper, aluminum, precious metals, glass, 20 kinds of plastic, and more, reducing residual waste to the

absolute minimum and enabling the usable resources to again be used to manufacture various products.

Security System

The recycling process is susceptible to many different risks, but double and triple security measures ensure that it is carried out in a safe and secure manner.



Integrated Recycling Information Management System

The recovered products are affixed with barcodes, and the entire recycling process can be monitored and controlled using a Web browser all the way from initial acceptance, through disassembly, to final processing, helping to prevent both theft and illegal dumping.



Security Camera Monitoring System

Each area of the recycling center is continuously monitored by security cameras to confirm storage and processing status of the accepted products.

Regarding the Targets of the Stage V Environmental Protection Program

The program sets a new objective for product recycling activities. By the end of fiscal 2009 we aim to increase the resource reuse volume of recovered end-of-life IT products by 15% compared to fiscal 2006, while maintaining the resource reuse and recycling rate of at least 90% specified in the Stage IV program.

Globalization of Product Recycling

By working to extend the scope of our recycling and resource reuse activities from business-related IT products in Japan to consumer-use PCs as well as IT products overseas, we intend to continue reducing environmental burdens and help form a recycling-minded society.

* The volume of material recovered from end-of-life products that is processed for reuse or converted into recyclable material.

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Global Warming Countermeasures

We are working to prevent global warming throughout all areas of our business activities.

Our Approach to Global Warming Prevention

We are working in all areas of our business activity to prevent global warming. These efforts include not only reducing emissions of CO₂ due to energy consumption and other greenhouse gases at our factories and offices and reducing emissions associated with transportation, but also developing products that achieve energy savings when used and providing solutions that help reduce emissions of CO₂ by our customers and society in general.

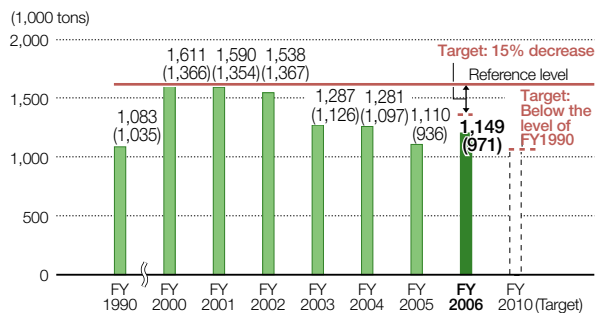
Reducing Greenhouse Gas Emissions Associated with Manufacturing

In our Stage IV Environmental Protection Program, we established the goal of reducing annual CO₂ emissions from energy consumption to under fiscal 1990 levels by the end of fiscal 2010 and, as an intermediary goal, of reducing emissions to 15% below fiscal 2000 levels by the end of fiscal 2006. We implemented the following energy-saving measures.

- Energy-saving measures for equipment with a focus on motive power facilities (introduction of free cooling, inverters, energy-saving facilities, fuel conversion, etc.)
- Increased efficiencies through revised manufacturing processes, accompanied by proper motive-power facility operation and improvement of management
- Proper settings for office air conditioning, energy saved with lighting and office automation equipment

As a result of these efforts, CO₂ emissions due to energy consumption in fiscal 2006 were about 1.149 million tons-CO₂ for the entire Group (operations within Japan: 971,000 tons, Fujitsu Limited: 652,000 tons). Although there was an increase from the previous fiscal year of 39,000 tons due to increased production of semiconductor products, the total corresponded to a 29% reduction from fiscal 2000. Thus we achieved the Stage IV target for fiscal 2006. Note that this is 6.1% above the fiscal 1990 level.

CO₂ Emissions Related to Energy Consumption (Fujitsu Group Totals)



* Figures in parentheses are emissions for Japan only.

Reducing CO₂ Emissions by Boiler-Fuel Conversion

Affiliate Shinko Electric Industries Co., Ltd., switched boiler fuel from heavy oil to natural gas, which has lower CO₂ emissions. At the same time, it also updated the equipment to more efficient models (using a system that controls the number of units operating according to the load with multiple miniature through-flow boilers). This



Arai Plant Boiler Installation

was implemented in FY 2005 and 2006 at the company's Arai, Kyogase, and Wakaho plants, and CO₂ emissions due to boiler operation were reduced by about 30%, which corresponds to about 10% of the total emission for the three locations.

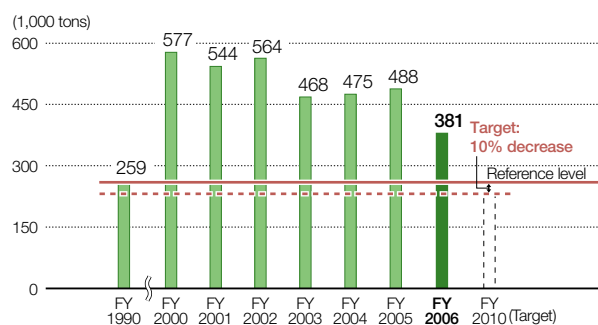
Cutting Emissions of Greenhouse Gases Other than CO₂

The semiconductor industry has established a voluntary action plan to cut the emissions of PFC, HFC and SF₆, which are all greenhouse gases.

We have set a target of reducing emissions of greenhouse gasses other than CO₂ to 10% below the fiscal 1995 level by the end of fiscal 2010. Our Electronic Devices units are continuing to change over to gases with lower global warming potential as well as to install equipment to extract such gases on new manufacturing lines.

Converted to Global Warming Potential (GWP) figures, these gas emissions corresponded to about 381,000 CO₂ equivalent tons in fiscal 2006. Although there are differences in our scale of production and manufacturing processes, this represents a 47.1% increase from fiscal 1995.

Emissions of Greenhouse Gases other than CO₂ (Total for Electronic Devices)



Reducing CO₂ Emissions Due to Transport

With the cooperation and assistance of our manufacturing and sales divisions, our logistics divisions are taking the lead in efforts (called "Green Logistics Activities") to promote the reduction of CO₂ emissions associated with transport.

In addition, in line with Japan's Revised Energy Conservation Law, which came into effect in April 2006, we

are currently strengthening such efforts throughout the Group in Japan. Our CO₂ emissions associated with logistics for fiscal 2006 were 30,755 tons.

Accurate Determination of CO₂ Emissions Associated with Amounts Transported (Ton-Kilometers Transported) and Transportation in Japan

Since April 2006, we have been working with our transport contractors to determine the monthly amounts transported (ton-kilometers transported) for each transport mode and have provided a mechanism for calculating CO₂ emissions that conforms to Japan's Revised Energy Conservation Law.

* In conformance with Japan's Revised Energy Conservation Law, the range that is the object of these CO₂ emissions calculations is the range over which freight owned by Fujitsu is transported.

Expansion of Our Modal Shift Program

We are expanding our use of rail transport, which we previously used mainly for corporate customer PCs, to other products as well. In fiscal 2006, we expanded this modal shift to transport of maintenance parts between Tokyo and Osaka and transporting cell-phone products to certain areas. We have increased our use of rail transport (on a ton-kilometers transported basis) by some 70% over 2005. This has resulted in about a 250-ton reduction in CO₂ emissions.

Reducing the Number of Trucks

We are reducing the number of trucks used in transport between sites and in deliveries to customers by increasing the loading ratio. In fiscal 2006, in transporting products for transport to overseas customers, we cut the number of trucks used roughly in half by switching from individual trips to multi-destination route deliveries for transportation at export products to the multiple forwarder*-specified warehouses. Combined with an improved loading ratio for domestic shipments, this resulted in a reduction of about 280 tons in CO₂ emissions.

* Forwarder
Contract shipper for export shipments

Implementing Green Logistics Partnership Model Projects

Our CO₂ reduction efforts based on uniform concentrated vehicle assignment control from parts procurement to product transport was certified as a Green Logistics partnership model project for fiscal 2006 and started operation in February 2007. In this project, sales companies, parts suppliers, cargo-owning Group companies, and transport contractors are all linked in a model that covers the whole supply chain, from parts procurement through product shipments and recovery. Their collective efforts helped reduce CO₂ emissions by some 300 tons (on an annual basis) from 2006 to 2007. This operation included the following specific aspects.

- **Implementing joint transport and delivery through consolidated vehicle assignment control**

We implemented optimal vehicle assignment by assembling the freight information for multiple freight-owner companies, converting the data formats that differed for each company, implementing a consolidated vehicle assignment control-support system, and unifying data management. As the first step, for the Tokyo metropolitan area, where the transport volumes are large, we started both joint transportation of shipments to customers and joint transportation of repair and returned items and procured parts to manufacturing sites.

- **Consolidation of Tokyo Area Distribution Centers**

In parallel with construction of the system infrastructure, we have consolidated five formerly dispersed locations to three centers, thus creating an environment in which even more joint transport will be possible.

- **Construction of a CO₂ Emissions Calculation Tool**

As part of our response to Japan's Revised Energy Conservation Law, we collected data from Fujitsu-manufactured onboard terminals used in some of our transport contractors' vehicles and constructed a tool that accurately calculates the volume transported and the CO₂ emissions per freight owner during joint transport operations. Installation of these onboard terminals is also helping to improve fuel efficiency.

Regarding the Targets of the Stage V Environmental Protection Program

Reducing Emissions of Energy Consumption-Related CO₂ and Greenhouse Gases other than CO₂

We are committed to continuing with our earlier fiscal 2010 target for reducing energy consumption-related CO₂ emissions at our domestic business locations, and are working to achieve that goal. Globally, we have set new CO₂ emissions per unit sales (unit of output indicator) reduction targets and are working to improve efficiency.

Although we expect increased emissions of CO₂ and other greenhouse gases due to expanding business in the future, the entire Fujitsu Group is working together to achieve our targets.

Reducing Transport-Related CO₂ Emissions

In Japan, we are aiming at achieving our goal of a 30% reduction in CO₂ emissions associated with transport compared to fiscal 2000 by the end of fiscal 2010 by expanding our efforts to date, including further expansion and additional deployments of modal shift and improvements in load efficiency.

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Reducing the Environmental Burden of Factories and Business Offices

Advancing eco-friendly manufacturing through comprehensive environmental protection activities in our factories.

Activities to Reduce Environmental Burdens at Factories and Business Offices

We are engaged in activities to reduce the amounts of materials and energy used in our business activities, to reduce chemical substances, waste, and air-polluting substances generated by our business activities, and to minimize our manufacturing costs.

We are also making comprehensive efforts to fully comply with laws and regulations and to prevent environmental risks from materializing.

Promoting Green Process Activities in Manufacturing Processes

Our Green Process activities are intended to save energy and reduce the amounts of chemical substances used and waste produced in manufacturing processes. In a Green Process activity, we strive to reduce the environmental burden (waste, chemical substance emissions, energy usage) of a manufacturing process by optimizing (and reducing costs) of raw material inputs, chemical substance usage, energy usage, and other aspects, and/or switching to alternatives with lower environmental burdens.

In these activities, we first assign an environmental burden index (CG index*1), an originally developed method, as a yardstick for determining priorities and target values for specific materials, chemical substances, and energy used in the manufacturing process, and then apply the PDCA cycle (plan, do, check, act) to guide activities each quarter. These diverse efforts range from reviewing manufacturing technologies and particular processes to daily improvements from the workers themselves. In fiscal 2006, in addition to continuing previous initiatives, we promoted activities to deepen collaboration with our manufacturing innovation activities*2.

*1 CG index

Original to the Fujitsu Group, this index describes the product of input volume used per product, the cost, and the environmental impact (on a scale from 1 to 10).

*2 Manufacturing innovation activities

We have been engaged in Group-wide manufacturing innovation activities based on introducing and deploying the Toyota Production System since 2003.

Reductions in Power Consumption by Reviewing and Revising Testing Processes (CG index: 18% reduction)

Fujitsu IT Products, Ltd. manufactures and ships servers, storage equipment, image scanners, and other products. The company has set a goal of reducing its environmental burden through implementing Green Process activities and, as one such effort, it has reviewed and revised its testing processes for storage products. While the company had previously tested the structural components (hard disks, control units) of storage products individually before assembling to the customer's required configuration, as a result of this review it was able to perform the testing after assembling the structural components in functional blocks (in coordination with manufacturing innovation activities) and reduced power usage by 18% per month. As a result, the per month CG value was reduced by 18% and costs were similarly reduced by 18%.

Approach to Chemical Substances Management Policies

We have established "Prevention of environmental risks that could lead to environmental pollution or adverse health effects due to the use of harmful chemical substances" as our basic policy for chemical substances management, and we work to reduce the amount discharged and implement appropriate management at every business site.

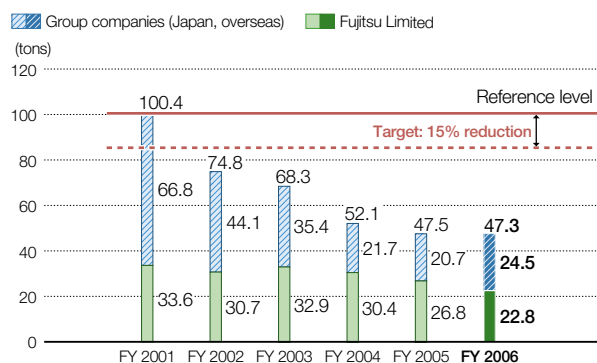
In fiscal 2006, we strengthened the functions of an existing chemical substances management system and increased the efficiency of our chemical substances registration and management operations.

Fiscal 2006 Performance

In the Stage IV Environmental Protection Program, we established the goal of reducing by fiscal 2006 the amount of chemical substances discharged from our factories by 15% compared to fiscal 2001, but we achieved that goal ahead of plan, in fiscal 2004.

In addition to strengthening the proper management of chemical substances that are subject to the PRTR Law and reviewing our manufacturing processes, in fiscal 2006 we implemented a variety of measures to reduce chemical discharge by our semiconductor factories, including installing organic solvent recovery equipment. As a result, the total amount of PRTR chemical substances discharged by the Fujitsu Group in fiscal 2006 fell to 47.3 tons, a 53% reduction from fiscal 2001 levels.

PRTR Law Chemical Discharge Amounts



Reducing the Amount of Waste Generated

In working towards creating a recycling-minded society, we have adopted a basic 3R policy (reduce, reuse and recycle) and in aiming for an even higher level of 3R achievement, we encourage all our employees to separate waste materials into different categories for more effective recycling.

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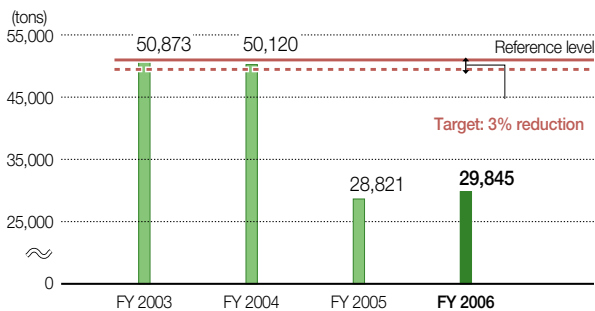
Fiscal 2006 Performance

In the Stage IV Environmental Protection Program, we set the goal of reducing the amount of waste generated by our business operations by 3% compared to fiscal 2003 levels by the end of fiscal 2006.

The total amount of waste generated by the Fujitsu Group came to 29,845 tons in fiscal 2006. This was a 41% reduction from fiscal 2003, achieving the goal of the Stage IV program. While assigning monetary values to both paper and inorganic sludge contributed to this achievement, business restructuring was also a large factor.

Still, if we compare our fiscal 2006 performance to that of the previous fiscal year, we see that there was a 3% increase due to increased production at our semiconductor plants.

Amounts of Waste Generated



* Statistics for 12 Fujitsu sites and 27 Group companies.

Progress towards Zero Waste Emissions* at Group Companies in Japan

We are actively promoting zero emissions activities at our domestic Group companies. In fiscal 2003, Fujitsu Limited achieved zero emissions. In fiscal 2004, except for one business location, all Fujitsu Group companies in Japan achieved zero emissions, and this zero emissions status has continued ever since.

However, in addition to the single business location at which sewage treatment tank sludge became an issue in the previous fiscal year, this problem also arose at one other Fujitsu site and two other group company sites. This was because we had to terminate the bio-processing that we had been performing at those facilities due to structural issues in treatment tank equipment required for compliance with water quality laws and regulations and other reasons. As a result, there were four business locations that were unable to achieve zero emissions in fiscal 2006. We are continuing to investigate means for achieving zero emissions of sewage treatment tank sludge at these business locations.

Except for the sewage treatment tank sludge problem described above, we achieved zero emissions at Fujitsu itself in fiscal 2003 and at domestic Group companies in fiscal 2004, and that state has been maintained.

* Zero waste emissions

Achieving 100% waste utilization, with none going to landfills or simple incineration.

Regarding the Targets of the Stage V Environmental Protection Program

Applying the Green Factory and Green Office System

As a practical manifestation of our Green Factories concept, we perform comprehensive evaluations of the level of eco-friendliness at our business locations and the state of our voluntary efforts, and we are also working to improve the visibility of these efforts. We have established the new target of achieving at least a two-star rating under our Green Factory / Green Office system at all our business locations by the end of fiscal 2009.

This will be applied not only to our factories but also to our office divisions, and along with striving to achieve this certification level in the overall evaluation we will work to make further improvements.

Reducing Chemical Substances

We have established the goal of reducing annual discharge of 20 industry-specified volatile organic compound (VOC) substances to a level 30% below that of fiscal 2000 by the end of fiscal 2009, which is one year ahead of industry guidelines.

In moving towards achievement of this goal, we are continuing to reduce discharge volumes by efforts such as expanding the adoption of organic solvent recovery equipment at electronic devices factories and Group companies, changing the cleaning processes used at other factories, and switching to substitute materials with lower toxicities.

Reducing Waste Generation

Continuing our efforts under the Stage IV Environmental Protection Program, we are working to reduce the generation of waste even further. Our target values are based on fiscal 2005, in which there was minimal influence from business restructuring activities, and we have established the goal of reducing waste by 3% by the end of fiscal 2009. In moving towards achievement of this goal, we are investigating reducing fluorine-containing sludge and the in-house processing of liquid wastes (acid and alkaline wastes).

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Soil and Groundwater Surveys and Cleanup Measures

As well as strictly complying with laws, we have established internal company rules regarding soil and groundwater and are advancing voluntary efforts and actively disclosing relevant information.

Responding to Soil and Groundwater Pollution

We have reviewed our internal rules established in response to soil and groundwater problems in fiscal 2006 and established new rules concerning soil and groundwater surveys, policies, and disclosure. In future, as well as disclosing information in collaboration with government authorities based on these rules, we will perform planned surveys and implement cleanup operations if pollution is discovered.

Fiscal 2006 Soil and Groundwater Surveys and Status of Response Measures

In fiscal 2006, we took the promotion of land sales plans at five business locations, the demolition of certain buildings, and other such events as opportunities to carry out soil and groundwater surveys and implement cleanup measures. The status of the surveys and response measures for each business location are listed below.

We also reported on pollution conditions and planned measures to residents in the vicinity of the former Minami Tama Plant, Oyama Plant, Suzaka Plant, Shin-Etsu Fujitsu, Ltd., PFU Limited, and Kamudokoro employee dormitory.

- **Oyama Plant (Oyama City, Tochigi Prefecture)**

VOC and heavy metal pollution had been found in an earlier survey and we implemented continuous monitoring of groundwater as well as cleanup measures (including excavation and removal of insolubilized cyanogens). To study new measures, we also are carrying out surveys of soil and groundwater over the whole site.

- **Tojyou Annex, Oyama Plant (Oyama City, Tochigi Prefecture)**

We completed excavation and removal of soil contaminated with incinerator ash.

- **Suzaka Plant (Suzaka City, Nagano Prefecture)**

VOC, heavy metal, pesticide and other soil contamination was found by a soil and groundwater survey associated with building demolition. Since PCB groundwater contamination was discovered, we performed groundwater surveys of wells downstream from the places where contamination was found, including downstream areas outside the plant site, and found no dispersal of the contamination. We will implement cleanup measures in the future for the places where contamination was found.

- **Idle Land at PFU Limited's Minami Hakui Site (Hakui City, Ishikawa Prefecture)**

We implemented a detailed survey in association with cleanup work for fluorine contamination and are carrying out cleanup measures that we started in January 2007.

- **Fujitsu Gohchi Employee Dormitory (Kawasaki City, Kanagawa Prefecture)**

Since we found heavy metal soil contamination as a result of the soil and groundwater survey associated with dormitory demolition, we are now excavating and removing the contaminated soil. Contamination was not found in the groundwater survey.

Groundwater Conditions

This section lists the maximum of the latest chemical substance measurement values through the end of March 2007 for monitoring wells used to monitor the influence of groundwater contamination on areas outside business locations where soil or groundwater contamination has been found and where measurement values exceeded legal limits during fiscal 2006.

Business Site Name	Locations	Cleanup Status	Maximum monitor well value (mg/ℓ)		Regulated value (mg/ℓ)
			Substance	Measured value	
Kawasaki Main Office	Kawasaki, Kanagawa Prefecture	VOC cleanup by pumping and aeration continues.	cis-1,2-dichloroethylene	0.585	0.04
			Arsenic	0.018 ^{*1}	0.01
Former Minami Tama Plant	Inagi City, Tokyo	Cleanup by in-situ powdered iron mixture method for the whole site is in progress.	Tetrachloroethylene	0.272 ^{*2}	0.01
			cis-1,2-dichloroethylene	0.574 ^{*2}	0.04
Oyama Plant	Oyama City, Tochigi Prefecture	VOC cleanup by pumping and aeration continues, removal of heavy metals is in progress.	Trichloroethylene	1.917	0.03
			cis-1,2-dichloroethylene	6.24	0.04
			Cyanogens	0.2	Must not be detected
Suzaka Plant	Suzaka City, Nagano Prefecture	Cleanup measures have been implemented since June 2007.	PCBs	0.0012	Must not be detected
Shin-Etsu Fujitsu, Ltd.	Shinano machi, Kamimino chiben, Nagano Prefecture	VOC cleanup by pumping and aeration continues	cis-1,2-dichloroethylene	0.077	0.04

*1 With regard to the arsenic at the Kawasaki Main Office, since there is no history of usage of the substance in the vicinity of the monitor well at which the maximum value was detected, we are investigating whether it is of natural origin.

*2 At the former Minami Tama Plant, we have installed pumping wells at the current boundaries of the site and are implementing measures to prevent the spread of groundwater contamination outside the site. At the same time, we are also implementing cleanup operations over the whole site. Since operation of the monitor wells was interrupted temporarily due to these operations, the values shown here are those that exceeded standards from last year's report.

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With Our Employees

For Our Shareholders

With Our Business Partners

With Local and International Communities

For the Environment

Environmental Accounting

Understanding and evaluating the costs and benefits of effective environmental protection activities helps to identify problems and share best practices across the Group.

Fiscal 2006 Results

Fiscal 2006 was the last year of the Stage IV Environmental Protection Program, and we vigorously carried out a comprehensive range of environmental protection activities to achieve the goals of that program. As a result, although facilities investments primarily related to pollution prevention costs increased by about 50% (1.22 billion yen) over the previous fiscal year, total costs fell by 1.2 billion yen due in part to a reduction of 1.24 billion yen in environmental remediation costs. Also, economic benefits associated with our environmental protection activities increased by 2.99 billion yen due in part to a large increase in resource circulation benefits.

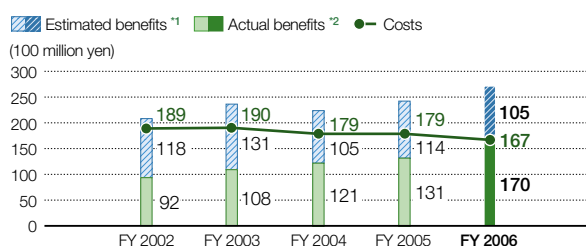
Although environmental remediation costs fell significantly year on year in fiscal 2006 due, for example, to completion in fiscal 2005 of heavy metal-contaminated soil-removal operations at the Kawasaki Main Office, we expect costs to be incurred for appropriate measures at business locations where contamination has been or may yet be found in fiscal 2007 and later. While resource circulation costs associated with more active reuse of maintenance parts increased, the greater use of recycled products contributed to increasing the resource circulation benefit. The large increase in the resource circulation benefit, which was the principal factor in increasing the overall economic benefit, was due to the fact that proceeds from sales of unusable products by our electronic devices subsidiaries increased by about 50% in association with the rapid rise of prices in the rare metals markets.

Note that since fiscal 2006, we have been reviewing and revising the standards for our statistics on an aggregate basis,

and that solutions business costs and benefits and social activity benefits of social contribution activities are excluded from such aggregation. Since these costs and benefits have had aggregate values that are smaller than the units with which values are displayed up until last year, they have no influence on the aggregate results based on this revision.

 **Environmental Accounting**
<http://www.fujitsu.com/global/about/environment/accounting/>

Trends in Costs and Economic Benefits



*1 Estimated Benefits

These are benefits not directly presentable in monetary amounts but which have benefit that can be expressed in monetary terms under certain circumstances, for example, the contribution of environmental conservation activities to value added in manufacturing and savings from avoidance of business site operating losses that would arise from failure to observe environmental laws and regulations.

*2 Actual Benefits

These are benefits that can be directly declared in monetary amounts, like savings produced in the case of reductions in environmental conservation costs and income from the sale of unusable products.

Environmental Accounting

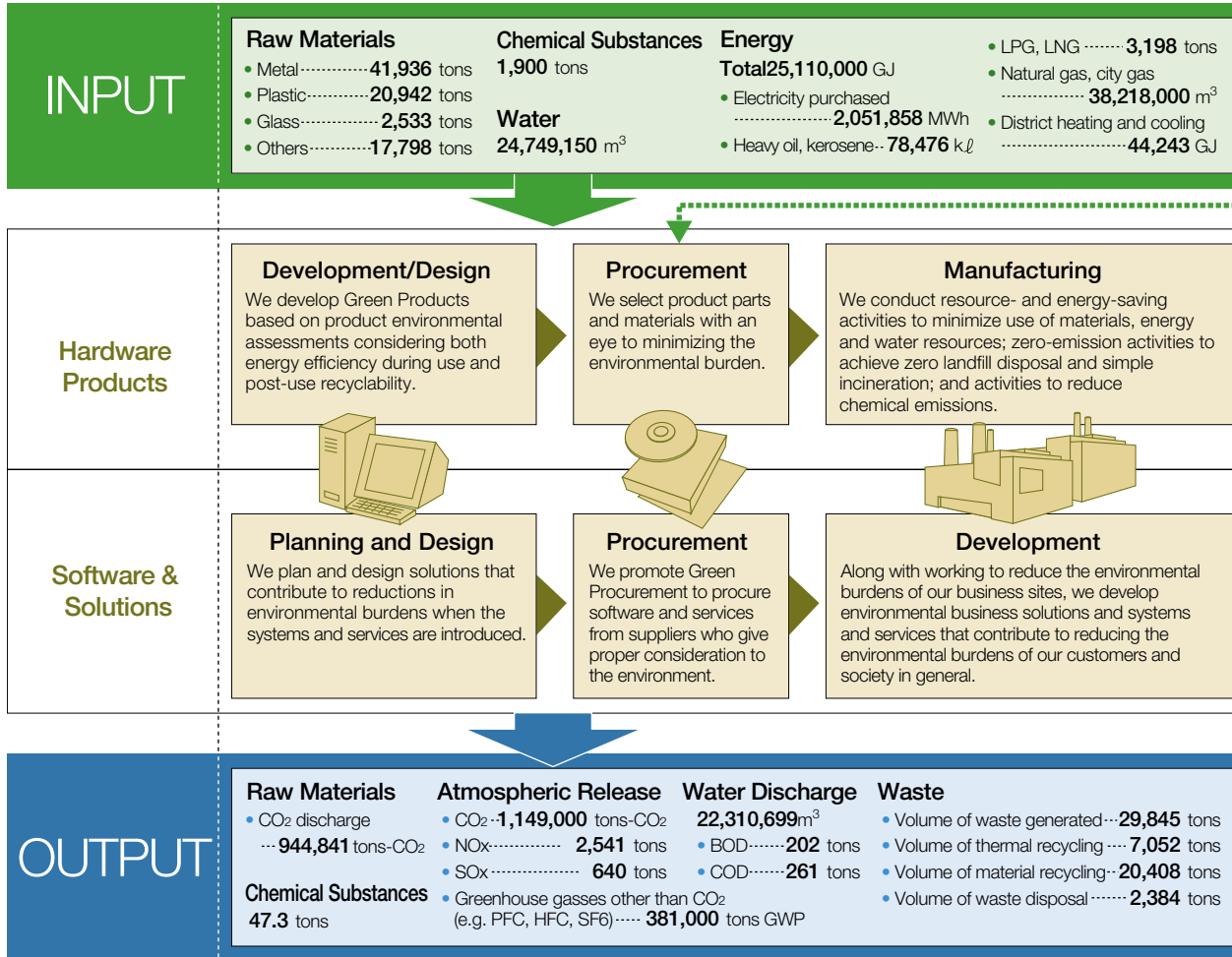
Item		Main areas covered	Capital investment (100 million yen)	Costs (100 million yen)	Economic benefit (100 million yen)	Related Pages
Business area costs/benefits	Pollution prevention costs/benefits	Preventing air pollution/water pollution, etc.	17.3 (+9.5)	52.6 (+1.5)	81.9 (-7.6)	P47-48
	Global environmental conservation costs/benefits	Preventing global warming, saving energy, etc.	10.0 (+0.1)	20.3 (-0.7)	25.0 (+1.8)	P45-46
	Resource circulation costs/benefits	Disposal of waste, efficient utilization of resources, etc.	1.8 (-1.0)	33.9 (+4.0)	136.0 (+39.0)	P47-48
Upstream/downstream costs/benefits		Collection, recycling, reuse, and proper disposal of products, etc.	2.8 (+1.9)	11.1 (+0.5)	7.0 (-1.5)	P37, P43-44
Administration costs/benefits		Provision and operation of environmental management systems, environmental education of employees, etc.	1.4 (+0.4)	28.7 (-3.1)	6.0 (-1.0)	P35-36
R&D costs/benefits		Research and development on products that contribute to environmental protection, etc.	3.1 (+1.0)	20.1 (-1.9)	19.1 (+3.2)	P39-41
Social activity costs		Donations to, and support for, environmental groups, etc.	0.0 (±0.0)	0.2 (+0.1)	—	P38
Environmental remediation costs/benefits		Restoration and other measures related to soil and groundwater contamination	0.2 (+0.2)	0.2 (-12.4)	0.0 (-4.0)	P49
Total			36.7 (+12.2)	167.1 (-12.0)	275.0 (+29.9)	—

- Numbers in parentheses indicate increases or decreases in comparison with the previous year.
- Due to rounding, figures in columns may not add up to the totals shown.
- See pages 51, 52 for details on the environmental performance index (environmental conservation benefits).

Operating Activities and Environmental Burden (Material Balance)

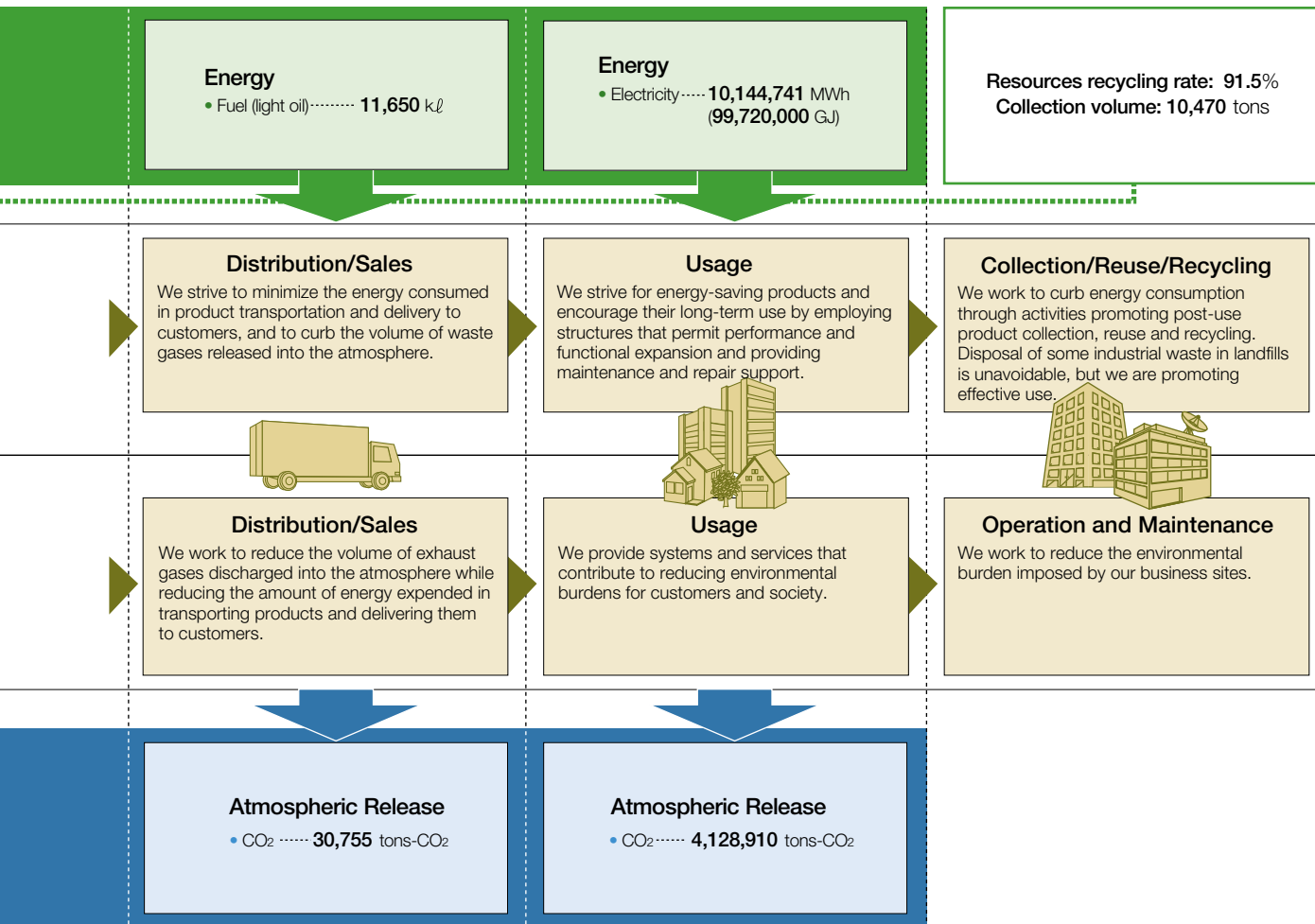
We promote environmentally friendly business activities through overall quantitative assessment of our environmental burden from the life cycle and supply chain standpoints.

Material Balance



Calculation Methods

INPUT		
Development / Planning & Design	Chemical Substances	Volume of PRTR Law target chemicals handled by plants/sites in fiscal 2006
Procurement	Raw Materials	Material inputs to our major products* shipped in fiscal 2006 (raw materials per unit for each product times the number of units shipped in fiscal 2006) * Major products: Personal computers, mobile phones, servers, workstations, storage systems, magnetic disk drives, MO drives, printers, scanners, financial terminals, retail terminals, routers, LAN access equipment, access network products, mobile phone base stations, and electronic devices.
Manufacturing / Development	Energy	Electricity, oil and gas consumed by plants/sites in fiscal 2006
	Water	Volume used by plants/sites in fiscal 2006
Distribution / Sales	Energy	Fuel consumption volume assuming that all CO ₂ released during transportation is from light oil fuel. (Conversion coefficient: 2.64 kg-CO ₂ /liter light oil)
Usage	Energy	Electricity consumption by major products shipped in fiscal 2006 (Assumed hours of use per product x age-based electricity consumption x the number of units shipped in fiscal 2006)
Collection/Reuse/Recycling		The weight ratio of recycled parts and resources with respect to the processing volume of post-use products is calculated according to the method of the Japan Electronics and Information Technology Industries Association. It excludes collected waste other than post-use electronic products.



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For the Environment

Calculation Methods

OUTPUT		
Development / Planning & Design	Raw Materials	Material inputs to our major products* shipped in fiscal 2006 (per-unit volume of CO ₂ emitted from mining the resource until it becomes a raw material for each product times the number of units shipped in fiscal 2006) <small>* Main products: Personal computers, mobile phones, servers, workstations, storage systems, magnetic disk drives, MO drives, printers, scanners, financial terminals, retail terminals, routers, LAN access equipment, access network products, mobile phone base stations, and electronic devices.</small>
Procurement	Chemical Substances	Measuring the concentrations of PRTR Law target chemicals discharged through plants' drains and exhaust ports in fiscal 2006 and multiplying the total volume discharged (nickel compounds, manganese compounds, etc.) or total volume emitted (xylene, toluene, etc.), or calculating based on the chemical substance balance (xylene and toluene).
Manufacturing / Development	Atmospheric Release	CO ₂ : CO ₂ discharge volume associated with energy consumption by plants/sites in fiscal 2006 (Energy consumption times CO ₂ conversion factor) NO _x , SO _x : Calculated from concentrations in gases discharged from vents (boilers, etc.) by plants/offices in fiscal 2006 Greenhouse gases other than CO ₂ : Discharge volume of process gases used in semiconductor manufacturing in fiscal 2006. (Calculated by formulas such as <volume of gas used> x <ratio consumed in reactions> x <detoxification ratio>)
	Water Discharge	Wastewater volume discharged by plants/sites into sewerage or rivers in fiscal 2006 BOD: A measure of the emission volume of organic pollution of water discharged by businesses employing the volume of oxygen consumed when organic matter in water is removed by microbial activity COD: A measure of the emission volume of organic pollution of water discharged by businesses employing the volume of oxygen consumed when organic matter in water is removed chemically by oxidation.
	Waste	Volume of Waste Generated: The volume of waste disposal by plants/sites in fiscal 2006 Volume of Waste Disposal: The volume of landfill disposal and simple incineration by plants/sites in fiscal 2006 (including waste which is not a zero emission target)
Distribution / Sales	Atmospheric Release	The total CO ₂ volume in fiscal 2006, including both fuel consumption by Fujitsu's shipping business when measurable, and shipping distance x freight weight x coefficient when the freight of companies other than Fujitsu is included, as in mixed load transportation
Usage	Atmospheric Release	The volume of CO ₂ emissions during use of major products shipped in fiscal 2006 (Assumed hours of use per product, age-based CO ₂ emissions x units shipped in fiscal 2006)

Our Basic Approach to Working with External Groups

Fujitsu is committed to contributing widely to the achievement of a sustainable society, not only through our own internal activities but also through active engagement with a wide range of external groups and organizations, including industry groups, government authorities, international and educational bodies, and NPOs and NGOs.

Some of Our Principal Affiliations (in Japan)

- Network for Sustainability Communication (NSC)
- Nippon Environment Club
- Japan Environmental Management Association for Industry
- Communications and Information Network Industry Association of Japan
- Japan Electronics and Information Technology Industries Association
- CJC (Clean Japan Center)
- Nippon Keidanren
- Japan International Forestry Promotion and Cooperation Center (JIFPRO)
- Environmental Partnership Organizing Club (EPOC, Nagoya)
- Japan for Sustainability (JFS)

Main Independent Awards in Fiscal 2006

Award	Date	Sponsor	Recipient
2005 Niigata Prefecture Eco-Friendly Business Site	June 2006	Niigata Prefecture Environmental Protection Federation	Shinko Electric Industries Co., Ltd., Arai Plant
2006 Iwate Prefecture Environmental Protection Liaison Council Chairman's Award	June 2006	Iwate Prefecture Environmental Protection Liaison Council	Fujitsu Limited, Iwate Plant
Cool Business for a Sunny Country Prize	September 2006	Okayama Prefecture	Fujitsu Limited, Okayama Office
Third Annual Eco-Products Awards, Eco-Services Division Eco-Products Awards Committee's Chairman's Award for Excellence (Outstanding Product Award)	December 2006	Eco Products Award Promotion Council	Fujitsu Limited, "Logistics Solutions"
Third Annual Life Cycle Assessment Society of Japan Encouragement Award	December 2006	Life Cycle Assessment Society of Japan	Fujitsu Limited, "Popularization and Promotion of Quantitative Evaluation of Environmental Contributions in the Software & Services Field"
Eco-Efficiency Award 2006 Japan Environmental Efficiency Forum Chairman's Award (Product Activities Division)	December 2006	Japan Environmental Efficiency Forum	Fujitsu Limited, "Management Reform Based on Environmental Efficiency Factors in the Fujitsu Group"
Energy Management Superlative Factory or Site Award (Resources and Energy Agency Director-General's Award)	January 2007	The Energy Conservation Center, Japan	Fujitsu Limited, Aizu Wakamatsu Plant
Energy Management Superlative Factory or Site Award (Resources and Energy Agency Director-General's Award)	January 2007	The Energy Conservation Center, Japan	Fujitsu VLSI Limited

"Logistics Solution" Wins the Eco-Products Awards Committee's Chairman's Award for Excellence in the Eco-Services Division (Outstanding Product Award)

In consideration of Japan's Revised Energy Conservation Law, which came into effect in April 2006 and to support our customers' efforts to reduce CO₂ emissions, we strengthened and expanded our logistics solution offerings. This award recognizes the solutions' contribution to reducing overall environmental burden achieved through IT-enabled measures including: improvements in transportation and distribution operations from optimization of distribution routes, improvements in fuel consumption due to the introduction of in-vehicle terminals, reductions in the number of vehicles due to transport planning, and automated documentation using a CO₂ emissions calculation system.

- 1935 • Park-style design adopted for new Kawasaki Plant at the suggestion of Fujitsu's founder, Manjiro Yoshimura.
- 1972 • Environmental control sections established at each plant.
- 1987 • Ozone Layer Protection Committee established.
- 1989 • Environmental Committee established.
- 1990 • Environmental management evaluation system implemented.
- 1991 • Environmental Engineering Promotion Center established.
- 1992 • Fujitsu's Commitment to the Environment formulated.
 - Use of CFCs and carbon tetrachloride for cleaning eliminated.
 - Energy Saving Committee established.
- 1993 • Product Recycling Committee established.
 - Waste Control Committee established.
 - Fujitsu Environmental Protection Program (Stage I) formulated.
 - Product Environmental Assessment Guidelines formulated.
 - Domestic Affiliated Companies' Environmental Protection Council established.
 - Environmental Information Service (FJ-CUG) inaugurated.
- 1994 • First issue of Eco-Plaza environmental bulletin published.
 - Use of 1,1,1-trichloroethane eliminated.
 - 1st Fujitsu Group Environmental Technology Exhibition held.
 - Fujitsu Environmental Emblem designed.
 - Overseas Environmental Information Network begins operation.
- 1995 • Environmental Management System Committee established.
 - Recycling system established and implemented.
 - Fujitsu Group Worldwide Environmental Protection Council established.
- 1996 • Fujitsu Environmental Protection Program (Stage II) formulated.
 - Environmental Engineering Center homepage placed on intranet.
 - Chemical Emissions Reduction Committee established.
 - First Environmental Report published.
- 1997 • Environmental homepage established on Fujitsu website.
 - All domestic manufacturing sites certified ISO14001 compliant.
- 1998 • Reforestation activities conducted in Thailand.
 - Green Product program launched.
- 1999 • Environmental accounting introduced.
 - Reforestation activities conducted in Vietnam.
- 2000 • Four development and service sites in Japan certified ISO14001 compliant.
 - Corporate Environmental Affairs Unit established.
 - Desktop PC awarded Eco-mark for first time.
- 2001 • Fujitsu Environmental Protection Program (Stage III) formulated.
 - Calendar using paper from sustainable forest published.
 - Reforestation activities conducted in Malaysia.
- 2002 • A world's first: Tin-zinc-aluminum lead-free solder developed.
 - A world's first: Biodegradable plastic parts with lower environmental burden employed in notebook computers.
 - Fujitsu Group Environmental Policy established.
 - A world's first: Magnesium alloy recycled in-house applied in notebook computers.
- 2003 • Support for reforestation activities employing Rhythm Forest reforestation network game initiated.
 - Zero waste emission achieved by all 13 plants in Japan.
- 2004 • ISO14001 integrated certification acquired by all Fujitsu Limited sites, among largest systems in Japan.
 - 100% Green Product ratio achieved for all newly developed products.
 - Fujitsu Group Environmental Protection Program (Stage IV) formulated.
- 2005 • ISO14001 certification acquired by all Group companies in Japan.
 - Supply of Super Green Products begins.
- 2006 • ISO14001 globally integrated certification acquired, including overseas Group companies. Establishes global environmental management framework for the Group as a whole.
- 2007 • Fujitsu Group Environmental Protection Program (Stage V) formulated.

TRANSLATION

Independent Assurance Report

June 11, 2007

Mr. Hiroaki Kurokawa
President and Representative Director
FUJITSU LIMITED

Shin Nihon Environmental and Quality Management Research Institute Co., Ltd
Representative Director Akihiro Nakagome

1. Scope and objectives of this engagement

We have performed specific assurance procedures, based on the contract with Fujitsu Limited (the "Company"), to express an independent opinion on the Fujitsu Group Sustainability Report (the "Report") in respect of whether the environmental performance data (environmental accounting data and material environmental information*¹ which are prescribed in the institutional framework of the assurance engagement and the registration of the environmental report) of the Company and its material subsidiaries, were accurately measured, calculated and cover all material aspects without omissions in accordance with the reporting standards*² of a social and environmental report, and whether or not the social performance data are in contradiction with the evidence we have obtained.

The reporting responsibility belongs to the Company's management. Our responsibility is to express an independent opinion on the Report.

*¹The material environmental information which are prescribed in the institutional framework of the assurance engagement and the registration of environmental report, are indicated in the "Environmental report assurance and registration mark standards" (The Japanese Association of Assurance Organizations for Environmental Information).

*²The reporting standards refer to the Ministry of Environment's "Environmental Reporting Guidelines 2003", and the Global Reporting Initiatives' "Sustainability Reporting Guidelines Ver. 3.0 Oct 2006", and the complementary guidelines made by the Company.

2. Outline of the assurance engagement procedures

We have performed limited assurance engagement procedures mainly composed of inquiry, review and analytical procedures in accordance with the "Practical guideline for assurance engagement of non-financial statements (exposure draft)" (Japanese Institute of Certified Public Accountants Jul 2005) and the "Practical guideline for assurance engagement of environmental information" (J-AOEI Jan 2006) .

Therefore, our assurance engagement provides relatively limited assurance compared to a reasonable assurance engagement.

Outline of the applied procedures is as follows;

We have reviewed and assessed the Company's procedures for the collection and calculation of the environmental performance data, as well as the recalculation and cross-checking of the subject information described in the Report with the supporting evidence on a sample basis, performed onsite verification and reviewed the environmental performance data generated at each site. In addition, we have verified the consistency of the subject information in the social performance data with other information described in another part of the Report.

*²The onsite verification took place at the Head Quarter Office, Fujitsu Aizu Wakamatsu Plant, Fujitsu Oyama Plant, and two major subsidiaries; PFI Limited and Shin-etsu Fujitsu Limited.

3. Our opinion

Based on our assurance engagement, we have not come across any materially incorrect determinations or miscalculations, or omissions in relation to the environmental performance data (environmental accounting data and material environmental information prescribed in the institutional framework of the assurance engagement and the registration of an environmental report). In addition, we have not come across any materially incorrect determinations that contradicted the evidence we have obtained in relation to the social performance data

4. Our independence

We, as a member of the Ernst&Young ShinNihon Group, are in compliance with the Certified Public Accountant Law, the ethics regulation of the Japanese Institute of Certified Public Accountants and the ethics procedure of Ernst&Young ShinNihon.

Therefore, there has been no common interest between the Company and us.

NOTE: This Independent Assurance Report was prepared based on the original Japanese version.