

Part I: Financial Results

In these explanatory materials, the yen figures for revenue, operating profit and other figures are converted into US\$ amounts, for reference purposes, at a rate of \$1=121 yen, the approximate Tokyo foreign exchange market rate on December 31, 2014. Figures for and comparisons to prior reporting periods are provided only for reference.

The impact of foreign exchange fluctuations has been calculated by using the average US dollar, euro and British pound foreign exchange rates for the third quarter and first nine months of fiscal 2013 to translate the current period's revenue outside Japan into yen.

1. Explanation of Financial Results

1-1. Overview

FY2014 Third-Quarter Financial Results

(Billions of yen)

	3Q FY2013 10/1/13- 12/31/13	3Q FY2014 10/1/14- 12/31/14	Change vs. 3Q FY2013	
				Change (%)
Revenue	1,200.7	1,171.5	-29.1	< -6 > -2.4
Gross Profit [Gross Profit Margin]	305.6 [25.5%]	301.9 [25.8%]	-3.7 [0.3%]	-1.2
Selling, General and Administrative Expenses	-272.5	-270.2	2.2	-0.8
Other Income (Expenses)	3.0	1.4	-1.5	-52.0
Operating Profit [Operating Profit Margin]	36.2 [3.0%]	33.1 [2.8%]	-3.0 [-0.2%]	-8.5
Financial Income (Expenses), and Others	7.5	7.6	0.1	1.5
Profit before Income Taxes	43.7	40.7	-2.9	-6.8
Profit for the Period Attributable to Owners of the Parent	43.8	27.6	-16.2	-37.0

< > Change (%) Constant Currency

FY2014 Nine-Month Financial Results

(Billions of yen)

	9 Months FY2013 4/1/13- 12/31/13	9 Months FY2014 4/1/14- 12/31/14	Change vs. 9 Months FY2013	
				Change (%)
Revenue	3,352.3	3,364.4	12.0	< -2 > 0.4
Operating Profit [Operating Profit Margin]	66.6 [2.0%]	65.4 [1.9%]	-1.1 [-0.1%]	-1.8
Profit before Income Taxes	78.4	83.4	4.9	6.3
Profit for the Period Attributable to Owners of the Parent	58.4	51.7	-6.7	-11.6

< > Change (%) Constant Currency

Quarterly Breakdown of Financial Results

(Billions of yen)

		FY2013				FY2014		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q
Total	Revenue	999.2	1,152.3	1,200.7	1,410.1	1,068.6	1,124.1	1,171.5
	Operating Profit	-10.7	41.1	36.2	80.6	7.2	24.9	33.1
	[Operating Profit Margin]	[-1.1%]	[3.6%]	[3.0%]	[5.7%]	[0.7%]	[2.2%]	[2.8%]

[Financial Results by Business Segment]

Technology Solutions	Revenue	677.5	785.3	786.3	993.7	708.0	784.1	802.7
	Operating Profit	14.3	60.4	51.1	107.0	11.4	39.3	44.6
	[Operating Profit Margin]	[2.1%]	[7.7%]	[6.5%]	[10.8%]	[1.6%]	[5.0%]	[5.6%]
Services	Revenue	554.9	631.6	649.8	790.7	580.5	648.5	672.6
	Operating Profit	16.6	40.8	43.1	73.1	13.1	35.2	44.4
	[Operating Profit Margin]	[3.0%]	[6.5%]	[6.6%]	[9.3%]	[2.3%]	[5.4%]	[6.6%]
System Platforms	Revenue	122.5	153.7	136.4	202.9	127.5	135.5	130.1
	Operating Profit	-2.2	19.6	8.0	33.8	-1.7	4.0	0.1
	[Operating Profit Margin]	[-1.8%]	[12.8%]	[5.9%]	[16.7%]	[-1.3%]	[3.0%]	[0.1%]
Ubiquitous Solutions	Revenue	215.9	262.7	321.2	325.4	268.9	245.0	269.2
	Operating Profit	-17.0	-11.5	-5.3	7.1	8.7	0.9	-1.2
	[Operating Profit Margin]	[-7.9%]	[-4.4%]	[-1.7%]	[2.2%]	[3.2%]	[0.4%]	[-0.4%]
Device Solutions	Revenue	145.3	159.0	146.0	149.7	135.2	145.1	153.7
	Operating Profit	7.1	12.8	3.1	-11.6	3.3	6.6	14.5
	[Operating Profit Margin]	[4.9%]	[8.1%]	[2.2%]	[-7.8%]	[2.5%]	[4.6%]	[9.5%]

1-2. Third-Quarter

<Profit or Loss>

Consolidated revenue for the third quarter of fiscal 2014 was 1,171.5 billion yen (US\$9,682 million), a decrease of 2.4% from the third quarter of fiscal 2013. On a constant-currency basis, revenue decreased by 6%. Revenue in Japan decreased 8.6%. Revenue from LSI devices, system integration services and server-related products increased, but revenue from mobile phones, PCs, and network products decreased. Revenue outside of Japan rose 7.6%. Because the value of the yen declined against the US dollar, consolidated revenue increased by approximately 40 billion yen compared to the same period of the prior fiscal year. Revenue declined by 1% on a constant-currency basis. Revenue from LSI devices and PCs decreased. Revenue generated outside Japan as a percentage of total revenue was 42.0%, an increase of 3.9 percentage points compared to the same period of the previous fiscal year, mainly as a result of lower revenue in Japan from mobile phones and PCs, in addition to the impact of foreign exchange fluctuations.

Gross profit was 301.9 billion yen, a decrease of 3.7 billion yen from the third quarter of fiscal 2013, resulting from the impact of lower revenue. The gross profit margin was 25.8%, an increase of 0.3 of a percentage point compared to the same period of the prior fiscal year, primarily as a result of improved profitability in mobile phones, despite the negative impact of higher procurement costs in Europe resulting from the value of the euro declining against the US dollar.

Fujitsu recorded an operating profit of 33.1 billion yen (US\$274 million), a decrease of 3.0 billion yen from the third quarter of fiscal 2013.

Net financial income (including financial income, financial expenses and income from investments accounted for using the equity method, net) was 7.6 billion yen, essentially unchanged from the third quarter of the prior fiscal year.

Profit before income taxes was 40.7 billion yen, a decrease of 2.9 billion yen from the same period in the previous fiscal year.

Profit for the period attributable to owners of the parent was 27.6 billion yen (US\$228 million), a decline of 16.2 billion yen from the third quarter of fiscal 2013. Profit declined as the liquidation of a subsidiary in the US in the third quarter of fiscal 2013 served to lower income tax expenses in that period.

FY2014 Third-Quarter Consolidated Business Segment Information

<Revenue* by Principal Products and Services>

(Billions of yen)

	3Q FY2013	3Q FY2014	Change vs. 3Q FY2013		
	〔 10/1/2013 ~ 12/31/2013 〕	〔 10/1/2014 ~ 12/31/2014 〕		Change(%)	Change(%) Constant Currency**
Technology Solutions	786.3	802.7	16.4	2.1	-1
Services	649.8	672.6	22.7	3.5	0
Solutions / SI	221.9	224.7	2.7	1.2	1
Infrastructure Services	427.9	447.9	20.0	4.7	0
System Platforms	136.4	130.1	-6.3	-4.6	-7
System Products	62.1	67.2	5.1	8.2	7
Network Products	74.3	62.8	-11.4	-15.4	-19
Ubiquitous Solutions	321.2	269.2	-52.0	-16.2	-18
PCs / Mobile Phones	242.6	183.8	-58.7	-24.2	-25
Mobilewear	78.6	85.3	6.6	8.5	4
Device Solutions	146.0	153.7	7.6	5.2	-2
LSI***	78.0	81.3	3.3	4.3	-2
Electronic Components	68.2	72.6	4.4	6.5	0

Notes:

* Revenue includes intersegment revenue.

** The impact of exchange rate fluctuation has been calculated by using the average U.S. dollar, euro and British pound exchange rates for the third quarter of FY2013 to translate the current period's revenue outside Japan into yen.

*** Revenue figures for LSI include intrasegment revenue to the electronic components segment.

**** "Other/Elimination and Corporate" includes Japan's next-generation supercomputer project; facility services and the development of information services for Fujitsu Group companies; and welfare benefits for Fujitsu Group employees, as well as strategic expenses such as basic research and joint costs associated with Group management conducted by the parent company.

<Revenue* and Operating Profit>

(Billions of yen)

		3Q FY2013	3Q FY2014	Change vs. 3Q FY2013		
		〔10/1/2013 ~ 12/31/2013〕	〔10/1/2014 ~ 12/31/2014〕		Change(%)	Change(%) Constant Currency**
Technology Solutions	Revenue	786.3	802.7	16.4	2.1	-1
	Japan	483.1	473.5	-9.6	-2.0	-2
	Outside Japan	303.1	329.1	26.0	8.6	1
	Operating Profit	51.1	44.6	-6.5	-12.7	
	[Operating Profit Margin]	[6.5%]	[5.6%]	[-0.9%]		
Services	Revenue	649.8	672.6	22.7	3.5	0
	Japan	382.0	382.1	0.1	0.0	0
	Outside Japan	267.8	290.4	22.6	8.4	1
	Operating Profit	43.1	44.4	1.3	3.1	
	[Operating Profit Margin]	[6.6%]	[6.6%]	[- %]		
System Platforms	Revenue	136.4	130.1	-6.3	-4.6	-7
	Japan	101.1	91.4	-9.7	-9.6	-10
	Outside Japan	35.2	38.6	3.4	9.8	0
	Operating Profit	8.0	0.1	-7.8	-97.8	
	[Operating Profit Margin]	[5.9%]	[0.1%]	[-5.8%]		
Ubiquitous Solutions	Revenue	321.2	269.2	-52.0	-16.2	-18
	Japan	234.2	175.1	-59.0	-25.2	-25
	Outside Japan	87.0	94.0	6.9	8.0	2
	Operating Profit	-5.3	-1.2	4.1	-	
	[Operating Profit Margin]	[-1.7%]	[-0.4%]	[1.3%]		
Device Solutions	Revenue	146.0	153.7	7.6	5.2	-2
	Japan	73.3	79.5	6.1	8.4	8
	Outside Japan	72.7	74.1	1.4	2.0	-12
	Operating Profit	3.1	14.5	11.3	357.3	
	[Operating Profit Margin]	[2.2%]	[9.5%]	[7.3%]		
LSI Electronic Components	Operating Profit	3.1	10.7	7.6	243.5	
	Operating Profit	0.0	3.8	3.7	-	
Other/Elimination and Corporate****	Revenue	-52.9	-54.1	-1.1	-	-
	Operating Profit	-12.7	-24.8	-12.1	-	
Total	Revenue	1,200.7	1,171.5	-29.1	-2.4	-6
	Japan	743.7	679.6	-64.0	-8.6	-9
	Outside Japan	457.0	491.9	34.8	7.6	-1
	Operating Profit	36.2	33.1	-3.0	-8.5	
	[Operating Profit Margin]	[3.0%]	[2.8%]	[-0.2%]		

<Ratio of Revenue outside Japan>

38.1%

42.0%

3.9%

<Results by Business Segment>

Information on fiscal 2014 third-quarter consolidated revenue (including intersegment revenue) and operating profit broken out by business segment is presented as follows.

Technology Solutions

(Billions of yen)

Revenue in the Technology Solutions segment amounted to 802.7 billion yen (US\$6,634 million), up 2.1% from the same period in fiscal 2013. Revenue in Japan fell 2%. Despite higher server-related revenue resulting from a large-scale system project, revenue in the System Platforms sub-segment fell sharply on a periodic decline in demand by telecommunication carriers for mobile phone base stations from the network products business. In the Services sub-segment in Japan, however, revenue from system integration services rose on higher spending by customers in the public sector and financial services sector, and revenue from infrastructure services was also solid. Revenue outside Japan increased 8.6%. On a constant-currency basis, however, revenue rose by 1%. Revenue in the Services sub-segment outside Japan rose slightly. Although revenue in the Nordic region declined, in part on of the impact of a sales strategy shift to emphasize profitability over volume, revenue in the UK increased owing to a rebound in corporate investment against the backdrop of a mild recovery in the economy, and revenue in the Asia region also increased, primarily from China. For the System Platforms sub-segment, revenue from x86 servers rose in Europe, but revenue from optical transmissions systems in North America declined with ongoing restrained investments by telecommunications carriers with regard to relevant segments of Fujitsu's business.

	Third Quarter FY2014	Change vs. 3Q FY2013
Revenue	802.7	2.1%
Japan	473.5	-2.0%
Outside Japan	329.1	8.6%
Operating Profit	44.6	-6.5
[Operating Profit Margin]	[5.6%]	[-0.9%]
Revenue;		
Services	672.6	3.5%
System Platforms	130.1	-4.6%
Operating Profit;		
Services	44.4	1.3
System Platforms	0.1	-7.8

The segment posted an operating profit of 44.6 billion yen (US\$369 million), a decline of 6.5 billion yen compared to the third quarter of fiscal 2013. In the System Platforms sub-segment, operating profit declined because of lower revenue from network products and because of higher component costs in Japan and Europe stemming from the weakness in the yen and euro against the US dollar. In the Services sub-sector, however, operating profit rose on higher revenue in Japan and the UK.

Ubiquitous Solutions

Revenue in the Ubiquitous Solutions segment was 269.2 billion yen (US\$2,225 million), a decrease of 16.2% from the same period of the prior fiscal year. Revenue in Japan fell by 25.2%. For mobile phones, revenue fell in comparison with the third quarter of fiscal 2013, when one of Fujitsu's smartphones was selected by a telecommunication carrier as a recommended model. For PCs, demand for upgrades as a consequence of the ending of support for an operating system had already peaked, resulting in lower revenue from both enterprise PCs and consumer PCs. Revenue outside Japan increased by 8%, and revenue even increased by 2% on a constant-currency basis. Unit sales of PCs declined in Europe, but revenue increased in the Mobilewear sub-segment, primarily in North America.

(Billions of yen)

	Third Quarter FY2014	Change vs. 3Q FY2013
Revenue	269.2	-16.2%
Japan	175.1	-25.2%
Outside Japan	94.0	8.0%
Operating Profit	-1.2	4.1
[Operating Profit Margin]	[-0.4%]	[1.3%]
Revenue;		
PCs/Mobile Phones	183.8	-24.2%
Mobilewear	85.3	8.5%

The Ubiquitous Solutions segment posted an operating loss of 1.2 billion yen (US\$10 million), which still represented an improvement of 4.1 billion yen from the third quarter of the previous fiscal year. Profitability in PCs deteriorated because, in addition to the impact of lower revenue both in Japan and other regions, procurement costs in Japan and Europe increased as a result of the weakness in the yen and euro against the US dollar. In mobile phones, however, a combination of the impact of structural reforms, a decline in costs owing to stabilized quality and a further reduction in operating costs led to a sharp improvement in operating profit, returning operations to profitability in comparison with the loss posted in the same period of the prior fiscal year. Profitability in the Mobilewear sub-segment also improved owing to the impact of higher revenue.

Device Solutions

Revenue in the Device Solutions segment amounted to 153.7 billion yen (US\$1,270 million), an increase of 5.2% from the same period of fiscal 2013. On a constant-currency basis, revenue declined by 2%. In Japan, revenue increased by 8.4%. Revenue from LSI devices increased, primarily from devices used in smartphones and devices used in servers. Outside Japan, revenue rose 2%. On a constant-currency basis, however, revenue declined 12%. Revenue from LSI devices declined with the sale of the microcontroller and analog device business, as well lower demands for smartphones.

(Billions of yen)

	Third Quarter FY2014	Change vs. 3Q FY2013
Revenue	153.7	5.2%
Japan	79.5	8.4%
Outside Japan	74.1	2.0%
Operating Profit	14.5	11.3
[Operating Profit Margin]	[9.5%]	[7.3%]
Revenue;		
LSI Devices	81.3	4.3%
Electronic Components	72.6	6.5%
Operating Profit;		
LSI Devices	10.7	7.6
Electronic Components	3.8	3.7

The segment posted an operating profit of 14.5 billion yen (US\$120 million), an increase of 11.3 billion yen compared to the third quarter of fiscal 2013. For LSI devices, operating profit was 10.7 billion yen, up 7.6 billion yen, because of the positive impact of structural reforms, the weaker yen and the improvement in capacity utilization rates on production lines for 300 mm wafers. For electronic components, operating profit was 3.8 billion yen, up 3.7 billion yen, with the benefit of a weaker yen and a decline in development costs resulting from the liquidation of an affiliate developing semiconductors for communication equipment.

Other/Elimination and Corporate

This segment recorded an operating loss of 24.8 billion yen (US\$205 million), representing a deterioration of 12.1 billion yen from the third quarter of fiscal 2013. Contributing factors included the impact of the gain on the sale of unutilized real estate and the one-time posting of profit stemming from the liquidation of a US subsidiary recorded in the third quarter of fiscal 2013, as well as strategic investments made to expand in the fiscal year to achieve medium- and long-term growth.

1-3. Nine Months

<Profit or Loss>

Consolidated revenue for the first nine months of fiscal 2014 was 3,364.4 billion yen (US\$27,805 million), essentially unchanged from the first nine months of fiscal 2013, but representing a decline of 2% on a constant-currency basis. Revenue in Japan declined by 2.5%. Although revenue in the Services sub-segment increased, particularly from system integration services, revenue from mobile phones and network products decreased. Revenue outside of Japan rose 4.8%, but declined by 2% on a constant-currency basis. Revenue from LSI devices and network products declined.

Gross profit was 882.6 billion yen, an increase of 6.1 billion yen compared to the first nine months of fiscal 2013. The gross profit margin was 26.2%, essentially unchanged from the first nine months of the prior fiscal year.

Selling, general and administrative expenses were 818.7 billion yen, an increase of 1.3 billion yen from the first nine months of fiscal 2013, primarily as a result of foreign exchange movements.

Other income (expenses) was 1.4 billion yen, a decline of 6.0 billion yen compared to the first nine months of fiscal 2013, primarily as results for the first nine months of fiscal 2013 included a one-time posting of profit stemming from a partial buyout in the retirement benefit plan of a European subsidiary.

Fujitsu recorded an operating profit of 65.4 billion yen (US\$540 million), a decrease of 1.1 billion yen from the first nine months of the previous fiscal year.

Net financial income (including financial income, financial expenses and income from investments accounted for using the equity method, net) was 17.9 billion yen, an improvement of 6.1 billion yen from the first nine months of fiscal 2013 resulting primarily from a gain on foreign exchange of 12.8 billion yen due to the weak yen.

Profit before income taxes was 83.4 billion yen, up 4.9 billion yen from the same period in the previous fiscal year.

Profit for the period attributable to owners of the parent was 51.7 billion yen (US\$427 million), representing a decline of 6.7 billion yen compared to the first nine months of fiscal 2013. Profit declined because the liquidation of a subsidiary in the US in the third quarter of fiscal 2013 served to lower income tax expenses in that period.

FY2014 Nine-Month Consolidated Business Segment Information

<Revenue* by Principal Products and Services>

(Billions of yen)

	9 Months FY2013 〔 4/1/2013 ~ 12/31/2013 〕	9 Months FY2014 〔 4/1/2014 ~ 12/31/2014 〕	Change vs. 9 Months FY2013		
				Change(%)	Change(%) Constant Currency**
Technology Solutions	2,249.3	2,294.9	45.6	2.0	-1
Services	1,836.5	1,901.6	65.1	3.5	1
Solutions / SI	636.3	648.7	12.4	2.0	2
Infrastructure Services	1,200.2	1,252.9	52.7	4.4	-0
System Platforms	412.7	393.2	-19.5	-4.7	-6
System Products	177.8	177.1	-0.7	-0.4	-2
Network Products	234.8	216.0	-18.8	-8.0	-10
Ubiquitous Solutions	799.9	783.1	-16.8	-2.1	-4
PCs / Mobile Phones	568.9	529.6	-39.2	-6.9	-8
Mobilewear	231.0	253.5	22.4	9.7	7
Device Solutions	450.5	434.1	-16.4	-3.6	-7
LSI***	239.0	226.1	-12.8	-5.4	-9
Electronic Components	212.6	209.0	-3.6	-1.7	-6

Notes:

* Revenue includes intersegment revenue.

** The impact of exchange rate fluctuation has been calculated by using the average U.S. dollar, euro and British pound exchange rates for the nine months of FY2013 to translate the current period's revenue outside Japan into yen.

*** Revenue figures for LSI include intrasegment revenue to the electronic components segment.

**** "Other/Elimination and Corporate" includes Japan's next-generation supercomputer project; facility services and the development of information services for Fujitsu Group companies; and welfare benefits for Fujitsu Group employees, as well as strategic expenses such as basic research and joint costs associated with Group management conducted by the parent company.

<Revenue* and Operating Profit>

(Billions of yen)

		9 Months FY2013	9 Months FY2014	Change vs. 9 Months FY2013		
		〔 4/1/2013 ~ 12/31/2013 〕	〔 4/1/2014 ~ 12/31/2014 〕		Change(%)	Change(%) Constant Currency**
Technology Solutions	Revenue	2,249.3	2,294.9	45.6	2.0	-1
	Japan	1,387.5	1,376.9	-10.6	-0.8	-1
	Outside Japan	861.7	918.0	56.2	6.5	-1
	Operating Profit	126.0	95.3	-30.6	-24.3	
	[Operating Profit Margin]	[5.6%]	[4.2%]	[-1.4%]		
Services	Revenue	1,836.5	1,901.6	65.1	3.5	1
	Japan	1,093.1	1,103.3	10.2	0.9	1
	Outside Japan	743.3	798.3	54.9	7.4	-0
	Operating Profit	100.6	92.8	-7.7	-7.7	
	[Operating Profit Margin]	[5.5%]	[4.9%]	[-0.6%]		
System Platforms	Revenue	412.7	393.2	-19.5	-4.7	-6
	Japan	294.3	273.5	-20.8	-7.1	-7
	Outside Japan	118.3	119.6	1.2	1.1	-5
	Operating Profit	25.4	2.4	-22.9	-90.2	
	[Operating Profit Margin]	[6.2%]	[0.6%]	[-5.6%]		
Ubiquitous Solutions	Revenue	799.9	783.1	-16.8	-2.1	-4
	Japan	562.8	517.7	-45.1	-8.0	-8
	Outside Japan	237.1	265.4	28.2	11.9	7
	Operating Profit	-33.9	8.4	42.4	-	
	[Operating Profit Margin]	[-4.2%]	[1.1%]	[5.3%]		
Device Solutions	Revenue	450.5	434.1	-16.4	-3.6	-7
	Japan	214.9	221.3	6.4	3.0	3
	Outside Japan	235.5	212.7	-22.8	-9.7	-17
	Operating Profit	23.2	24.5	1.3	5.6	
	[Operating Profit Margin]	[5.2%]	[5.7%]	[0.5%]		
LSI Electronic Components	Operating Profit	10.2	18.1	7.9	77.7	
	Operating Profit	13.0	6.3	-6.6	-51.0	
Other/Elimination and Corporate****	Revenue	-147.5	-147.7	-0.2	-	-
	Operating Profit	-48.6	-62.9	-14.2	-	
Total	Revenue	3,352.3	3,364.4	12.0	0.4	-2
	Japan	2,035.8	1,985.3	-50.5	-2.5	-2
	Outside Japan	1,316.4	1,379.0	62.6	4.8	-2
	Operating Profit	66.6	65.4	-1.1	-1.8	
	[Operating Profit Margin]	[2.0%]	[1.9%]	[-0.1%]		

<Ratio of Revenue outside Japan>

39.3%

41.0%

1.7%

<Results by Business Segment>

Information on fiscal 2014 nine-month consolidated revenue (including intersegment revenue) and operating profit broken out by business segment is presented as follows.

Technology Solutions

Revenue in the Technology Solutions segment amounted to 2,294.9 billion yen (US\$18,966 million), an increase of 2% from the same period in fiscal 2013. Revenue in Japan was essentially unchanged. In the Services sub-segment in Japan, revenue from system integration services rose on increased investments by customers in the financial services sector, and revenue from infrastructure services was also solid. In the System Platforms sub-segment, however, revenue from network products declined as investments by telecommunications carriers for LTE-related optical transmission equipment largely came to an end, and server-related revenue fell in comparison with the first nine months of fiscal 2013, when there were large-scale systems deals. Revenue outside Japan increased 6.5%. On a constant currency basis, however, revenue declined by 1%. In the Services sub-segment, revenue in the UK and Asia increased, but revenue in continental Europe was weak. In the System Platforms sub-segment, revenue from x86 servers rose in Europe, but revenue from optical transmissions systems in North America declined as investments by telecommunications carriers remained lackluster with regard to relevant segments of Fujitsu's business.

	9 Months FY2014	Change vs. 9 Months FY2013
Revenue	2,294.9	2.0%
Japan	1,376.9	-0.8%
Outside Japan	918.0	6.5%
Operating Profit	95.3	-30.6
[Operating Profit Margin]	[4.2%]	[-1.4%]
Revenue;		
Services	1,901.6	3.5%
System Platforms	393.2	-4.7%
Operating Profit;		
Services	92.8	-7.7
System Platforms	2.4	-22.9

The segment posted an operating profit of 95.3 billion yen (US\$788 million), a sharp decline of 30.6 billion yen compared to the first nine months of fiscal 2013. In the Services sub-segment, despite the positive impact of higher revenue, operating profit declined on higher upfront investments to accommodate new business, and because, in the same period in the prior fiscal year, there was a one-time posting of profit stemming from a partial buyout in the retirement benefit plan of a European subsidiary. In the System Platforms sub-segment, operating profit declined due to lower revenue from network products and because of lower revenue and upfront development costs in server-related products.

Ubiquitous Solutions

Revenue in the Ubiquitous Solutions segment was 783.1 billion yen (US\$6,472 million), down 2.1% from the first nine months of fiscal 2013. Revenue in Japan was down by 8%. For mobile phones, despite solid sales of feature phones such as those in the Raku-Raku series, revenue decreased because fewer new smartphone models were launched as a response to intensified competition. For PCs, revenue declined as the cycle of higher demand for upgrades resulting from the ending of support for an operating system had peaked in the first quarter. Revenue outside Japan increased 11.9%. Even on a constant-currency basis, revenue increased 7%. Although there was a decline in unit sales of PCs in Europe, revenue increased as a result of higher revenue from the Mobilewear sub-segment, primarily in North America.

(Billions of yen)

	9 Months FY2014	Change vs. 9 Months FY2013
Revenue	783.1	-2.1%
Japan	517.7	-8.0%
Outside Japan	265.4	11.9%
Operating Profit	8.4	42.4
[Operating Profit Margin]	[1.1%]	[5.3%]
Revenue;		
PCs/Mobile Phones	529.6	-6.9%
Mobilewear	253.5	9.7%

The Ubiquitous Solutions segment posted an operating profit of 8.4 billion yen (US\$69 million), an improvement of 42.4 billion yen from the first nine months of the previous fiscal year. In mobile phones, a combination of the impact of structural reforms, a decline in costs owing to stabilized quality and a further reduction in operating costs led to a sharp improvement in operating profit, returning operations to profitability in comparison with the loss posted in the same period of the prior fiscal year. Profitability also improved in PCs, despite low revenue in Japan and other regions, owing to stabilized sales prices and on account of cost reductions. In addition, operating profit in the Mobilewear sub-segment rose on the beneficial impact of higher revenue.

Device Solutions

Revenue in the Device Solutions segment amounted to 434.1 billion yen (US\$3,588 million), a decline of 3.6% from the same period of fiscal 2013. In Japan, revenue increased 3%. Revenue from LSI devices increased, primarily from devices used in smartphones and devices used in servers. Outside Japan, revenue fell 9.7%, declining 17% on a constant-currency basis. For LSI devices, in addition to the impact of selling the microcontroller and analog device business, smartphone-related revenue also declined, mainly in Asia. For electronic components, revenue from semiconductor packages in the Americas declined.

(Billions of yen)

	9 Months FY2014	Change vs. 9 Months FY2013
Revenue	434.1	-3.6%
Japan	221.3	3.0%
Outside Japan	212.7	-9.7%
Operating Profit	24.5	1.3
[Operating Profit Margin]	[5.7%]	[0.5%]
Revenue;		
LSI Devices	226.1	-5.4%
Electronic Components	209.0	-1.7%
Operating Profit;		
LSI Devices	18.1	7.9
Electronic Components	6.3	-6.6

The segment posted an operating profit of 24.5 billion yen (US\$202 million), up 1.3 billion yen from the same period in fiscal 2013. For LSI devices, operating profit was 18.1 billion yen. Despite the impact of lower revenue, the operating profit for LSI devices increased by 7.9 billion yen on the impact of the weaker yen and the impact of structural reforms. For electronic components, operating profit was 6.3 billion yen. Despite the benefit of a weaker yen and a decline in development costs resulting from the liquidation of an affiliate developing semiconductors for communication equipment, operating profit declined by 6.6 billion yen on the impact of lower revenue and intensified price competition in semiconductor packages.

Other/Elimination and Corporate

This segment recorded an operating loss of 62.9 billion yen (US\$520 million), representing a deterioration of 14.2 billion yen from the first nine months of fiscal 2013. Contributing factors included the impact of a gain on the sale of unutilized real estate and the one-time posting of profit stemming from the liquidation of a US subsidiary recorded in the same period in the prior fiscal year, as well as an expansion of strategic investments to achieve medium- and long-term growth.

<Geographical Information – Consolidated> (Based on Locations of Fujitsu and its Subsidiaries)

Revenue and operating profit for Fujitsu and its consolidated subsidiaries according to country and region are as follows.

Revenue

(Billions of yen)

	3Q FY2014	Change	9 Months FY2014	Change
Japan	806.0	-58.5 <-6.8%>	2,349.7	-66.0 <-2.7%>
Outside Japan	506.0	29.4 <6.2%>	1,420.6	62.5 <4.6%>
EMEIA	269.2	14.2 <5.6%>	731.0	52.5 <7.7%>
Americas	97.1	9.0 <10.2%>	293.9	12.0 <4.3%>
Asia	112.1	5.3 <5.0%>	310.1	-0.6 <-0.2%>
Oceania	27.5	0.8 <3.2%>	85.4	-1.3 <-1.6%>

Operating Profit

(Billions of yen)

	3Q FY2014	Change	9 Months FY2014	Change
Japan	45.0 [5.6%]	3.3 [0.8%]	103.8 [4.4%]	9.1 [0.5%]
Outside Japan	13.2 [2.6%]	-0.7 [-0.3%]	27.1 [1.9%]	-1.4 [-0.2%]
EMEIA	10.2 [3.8%]	1.5 [0.4%]	17.1 [2.3%]	3.1 [0.2%]
Americas	-0.0 [-0.0%]	-1.3 [-1.5%]	2.7 [0.9%]	-2.9 [-1.1%]
Asia	2.4 [2.2%]	-1.4 [-1.4%]	5.6 [1.8%]	-1.8 [-0.6%]
Oceania	0.6 [2.2%]	0.5 [2.0%]	1.6 [1.9%]	0.1 [0.2%]

Note: <> indicates % change over same period in previous year.

[] indicates operating profit margin.

EMEIA: Europe, Middle East, India and Africa