



Interim Report
on
First-half FY2001 Financial Results
(Six months ended September 30, 2001)

FUJITSU LIMITED

Note:

1. This English version of the interim report is based on the separate Japanese version. The style of the English version differs slightly from the Japanese version.
2. The U.S. dollar amounts included in this interim report represent the arithmetic results of translating yen into dollars at ¥119 = US\$1, the approximate rate of exchange prevailing on September 30, 2001. The U.S. dollar amounts are presented solely for the convenience of the reader and the translation is not intended to imply that the assets and liabilities which originated in yen have been or could readily be converted, realized or settled in U.S. dollars at the above or any other rate.

To Our Shareholders

We are pleased to present to you this report on first-half FY2001 financial results -- the 102nd half-year period that the company has reported.

Facing an increasingly difficult business environment, as the impact of the U.S. economic slowdown spread to Japan, Asia and Europe and heightened concern of a global economic slowdown, Fujitsu's first-half financial results were impacted by cutbacks in IT-related corporate spending, particularly in the U.S., and sluggish global demand for personal computers and mobile phones. As a result, production and inventory adjustments in IT-related fields continued to spread, and there was a rapid deterioration in the market for electronic devices.

For the half-year period of fiscal year 2001, there was steady growth in domestic sales of services, such as systems integration and outsourcing, as corporations and organizations in Japan develop their management efficiency utilizing IT or network. Also domestic sales of large-scale enterprise servers increased. Additionally, there were higher sales of switching systems and base station systems for IMT-2000, the next-generation mobile communications system in Japan. However, consolidated net sales decline over the same period in fiscal 2000 by sharply lower demand and price erosion in the market of PCs, magnetic disk drives for PCs, electronic devices or optical transmission, based in North America. In addition, reductions in fixed costs could not offset a deterioration in sales figures and lower capacity utilization due to inventory adjustments for electronic devices, resulting in large operating losses.

As a result, on a consolidated basis, net sales for the half-year period were 2,387.7 billion yen (US\$20,065 million), operating loss was 59.1 billion yen (US\$497 million) and ordinary loss was 107.5 billion yen (US\$904 million). Then taking a charge to cover restructuring measures, net loss was 174.7 billion yen (US\$1,468 million). And on an unconsolidated basis net sales were 1,428.8 billion yen (US\$12,007 million), operating loss was 23.7 billion yen (US\$199 million), ordinary loss was 30.4 billion yen (US\$256 million) and net loss was 148.6 billion yen (US\$1,249 million), by continuing business restructuring combined with reorganizing related companies and a write-down of stock in subsidiary companies.

Cash dividends to shareholders have been reduced for the first-half at 2.5 yen per share, payable from November 21, 2001.

The Fujitsu Group faces a severe economic environment, marked by restrained corporate IT investment in such key markets as Europe and the U.S. and continued global stagnation in consumer demand. A market recovery is not anticipated before the second half of fiscal 2002. Moreover, we must also contend with the challenge of responding to significant qualitative changes in customer needs, such as the trend for companies to outsource the management of their IT systems, and the overall push to make global business more efficient.

To respond to such challenges, Fujitsu has announced a major restructuring and new growth strategy, positioning fiscal 2001 as "the year of fundamental structural reform." For example, we are pursuing higher added value through software and services, greatly concentrating on core technologies and products, strengthening group-wide competitiveness, initiating the Qfinity program with the goal of not only improving product quality and reliability but also quality issues relating to customer service and delivery time, implementing a measure to revitalize our human resources and approaching to environmental problems.

Based on these measures, and with the expectation of a mild market recovery, we are making utmost efforts to reduce our fixed costs and build a business structure that, even in an environment of zero growth, will produce profits. Looking further ahead to a full-fledged market recovery, we are working on a group-wide basis to develop new products and technologies and thereby make a significant contribution as a global enterprise that provides optimal solutions to businesses and society.

In closing, we request that you, our esteemed shareholders, continue to favor us with your support and understanding.

November 2001

Tadashi Sekizawa (left)
Chairman

Naoyuki Akikusa (right)
President & CEO

A new growth strategy for Fujitsu Group

Fujitsu has been pushing forward major restructuring in order to enhance growth, from a mid-term perspective, positioning fiscal 2001 as “the year of fundamental structural reform” for Fujitsu Group.

■ Pursuit of higher added value through software and services

We are working to strengthen our competitiveness by expanding the software and service aspects of all of our business areas and adding value of products by combining products and technology with advantaged applications or services, thereby countering the effect of product areas where added value has declined. Moreover, we must also contend with the challenge of responding to significant qualitative changes in customer needs, such as the trend for companies to outsource the management of their IT systems.

Product business

[Information processing]

With respect to data storage and appliance servers for specialized uses, we are working to improve profitability by providing operations management, backup and other types of services.

[Telecommunications]

For the telecommunications carrier market, we are working to strengthen our competitiveness by moving beyond simply supplying equipment to providing comprehensive services in such areas as system design, operation, maintenance and installation.

[Electronic devices]

We are responding to extensive needs of market in the area of System LSI, or system-on-chip, adding value by applications. And we are also working to strengthen our service that provide with complex development environment of system LSI.

Service business

[Services & Software]

Centered around the above products, we are making structural changes in our services business, including integrating and reforming existing operations, utilizing Internet data centers, and putting special emphasis on infrastructure services in order to provide broadband Internet-delivered services.

■ Greater concentration on core technologies and products

We are concentrating our resources on technologies and products where we are globally competitive, for example, in such areas as advanced electronic devices, optical technology, including DWDM, and high-reliability servers and storage systems. In addition, by forging strategic alliances with other companies, we are working to optimize the allocation of our resources and enhance efficiency.

■ Strengthening group-wide competitiveness

We are moving ahead with restructuring and consolidating our domestic and international affiliates in order to further clarify the direction of the Fujitsu Group as a whole and fully mobilize the Group's combined strengths.

[Services & Software]

We are clarifying and realigning the operational and geographic responsibilities of our overseas subsidiaries ICL and DMR Consulting under the common "Fujitsu" corporate brand, with ICL to focus on infrastructure services and DMR on IT consulting services. This reorganization is intended to help strengthen and expand our global services business.

[Information processing]

We are reorganizing our development and manufacturing structure for the core business areas of servers and storage systems, for example consolidating responsibility for development of all Intel architecture servers at Fujitsu Siemens Computers, our joint venture with Siemens of Germany, and of all UNIX servers, which Fujitsu and PFU have developed, at Fujitsu.

[Telecommunications]

We have positioned photonics, 3G mobile, IP and broadband access as core product areas. And we are pursuing the worldwide market of telecommunication carrier and of network for business, by building an organization capable of delivering global network solutions, strengthening further relationship with our affiliates between Japan, the U.S. and Europe.

[Electronic devices]

We are concentrating advanced technology development at our Akiruno Technology Center and striving to strengthen our manufacturing structure and make it more efficient through streamlining production facilities and other measures.

■ Management reforms in other areas

We initiated the Qfinity program in May of this year with the goal of not only improving product quality and reliability but also quality issues relating to customer service, delivery time and cost. As part of this activity, we are also working to reduce inventory and significantly trim costs. In order to revitalize our human resources, we are reworking our results-based approach and pursuing advanced training for managers, including the establishment of a Global Knowledge Institute (GKI) that aims to cultivate next-generation management leadership able to operate successfully anywhere in the world.

■ Protecting the global environment

We have been putting emphasis on environmental protection activities in keeping with our Third Environmental Activities Plan, announced in April. In particular, we have set a goal of strengthening our ability to provide recyclable products and are working to develop "green" products for markets around the world.

Consolidated Interim Financial Statements (Unaudited)**• Summary of Consolidated Results**

	(billions of Yen except per share data and number of employees)					<i>U.S. dollars</i>
	1 st Half FY1999	FY1999	1 st Half FY2000	FY2000	1 st Half FY2001	<i>(millions except per share data)</i> 1 st Half FY2001
Net Sales	¥2,444.3	¥5,255.1	¥2,490.5	¥5,484.4	¥2,387.7	\$20,065
Services & Software	905.8	1,969.0	895.9	2,014.3	931.7	7,830
Information Processing	777.1	1,649.9	721.3	1,571.8	670.2	5,632
Telecommunications	335.3	734.2	340.6	778.0	315.2	2,649
Electronic Devices	267.0	568.1	359.8	759.7	296.0	2,488
Financing	50.2	113.0	51.7	107.2	50.4	424
Other Operations	108.6	220.6	121.1	253.2	123.9	1,042
Overseas Total (included in Net Sales)	969.5	1,902.2	905.8	1,894.1	800.9	6,730
Operating Income (Loss)	63.6	149.9	100.2	244.0	(59.1)	(497)
Ordinary Profit (Loss)	22.1	70.1	65.0	189.7	(107.5)	(904)
Net Income (Loss)	2.3	42.7	17.2	8.5	(174.7)	(1,468)
Basic Earnings (Loss) Per Share [Yen]	¥1.24	¥22.10	¥8.77	¥4.33	¥(88.29)	\$(0.742)
Total Assets	5,084.1	5,019.7	4,960.1	5,200.0	4,783.4	40,197
Shareholders' Equity	1,118.4	1,176.5	1,210.2	1,214.3	1,023.1	8,598
Shareholders' Equity per Share [Yen]	¥576.94	¥599.37	¥615.62	¥614.18	¥516.08	\$4.34
Numbers of Employees	193,810	188,053	189,139	187,399	181,813	

Note:

1. All fractions of monetary units (billions of yen) have been rounded down.
2. Basic earnings (loss) per share is calculated on weighted average number of shares of common stock outstanding during each period.
3. Shareholders' equity per share is calculated based on the number of shares of common stock outstanding at the end of each period.
4. For purposes of comparison, 1st half FY1999, FY1999, 1st half FY2000 and FY2000 figures have been restated to reflect 1st Half FY2001 product composition for respective business segments.

• Overview of First-half FY2001 Performance

Results by Business Segment

[Services & Software]

Consolidated first-half sales of services & software were 931.7 billion yen (US\$7,830 million), an increase of 4% from the same period in fiscal 2000. There was steady growth in domestic sales of services, such as systems integration and outsourcing, as corporations and organizations in Japan actively implemented IT-driven restructuring initiatives. Although the low value of the yen raised the converted value of foreign subsidiaries' contributions to sales, corporate cutbacks in IT spending in the U.S. and Europe resulted in an overall sales decrease in Fujitsu's overseas services business.

[Information Processing]

In information processing, consolidated sales were 670.2 billion yen (US\$5,632 million), down 7% from the corresponding period in the previous fiscal year. Domestic sales of large-scale enterprise servers increased, bolstered by vigorous IT spending by Japan's major corporations. Demand for PCs, however, remained sluggish worldwide, and domestic sales of PCs fell, particularly for the consumer market. As a result, overall domestic information processing sales declined. Overseas sales were also lower, led by a decline in sales of small form factor magnetic disk drives for PCs and lower demand for servers resulting from cutbacks in corporate IT spending, particularly in the U.S.

[Telecommunications]

Consolidated first-half telecommunications sales were 315.2 billion yen (US\$2,649 million), a decrease of 7% from the same period in fiscal 2000. Higher sales of switching systems and base station systems for IMT-2000, the next-generation mobile communications system in Japan, were offset by lower sales of optical transport systems, reflecting the impact of further cutbacks in investment by telecommunications carriers, particularly those based in North America.

[Electronic Devices]

Consolidated sales of electronic devices fell 18% to 296.0 billion yen (US\$2,488 million). Against the backdrop of sluggish demand for mobile phones and digital consumer appliances, there was a rapid and severe deterioration in the market for electronic devices. Sales of flash memory, logic ICs and SAW filters all declined, as did sales of compound semiconductors for optical transmission systems.

Altogether, our half-year consolidated sales amounted to 2,387.7 billion yen (US\$20,065 million), a 4% decrease over the same period last year.

Fujitsu recorded a consolidated operating loss of 59.1 billion yen (US\$497 million) for the half-year period, compared with an operating profit of 100.2 billion yen in first-half fiscal 2000. While operating income was boosted to some extent by higher domestic sales of services, large-scale servers, and switching and base station systems for IMT-2000 third-generation mobile communications in Japan, these advances were offset by the combination of weak demand and lower prices for small form factor magnetic disk drives. Moreover, further deterioration in the financial condition of overseas telecommunications carriers, particularly in North America, led to sharply lower demand and price erosion in optical transmission systems. The market for electronic devices also rapidly worsened as a result of weak demand and further price erosion. These factors, coupled with inventory adjustments and lower capacity utilization, led to large operating losses in the telecommunications and electronic devices segments.

In addition, Fujitsu took a charge to cover restructuring measures designed to effect a radical restoration of profitability. As a result, the company reported a consolidated first-half net loss of 174.7 billion yen (US\$1,468 million) compared to net income of 17.2 billion yen in the previous corresponding period.

(TRANSLATION FOR REFERENCE ONLY)

• Business Segment Information

		Yen (billions)				U.S. dollar (millions)	
		FY1999 1st Half	FY1999	FY2000 1st Half	FY2000	FY2001 1st Half	FY2001 1st Half
Services & Software	Net Sales						
	Unaffiliated Customers	¥905.8	¥1,969.0	¥895.9	¥2,014.3	¥931.7	\$7,830
	Intersegment	29.5	69.8	28.2	61.9	30.6	258
	Total	935.3	2,038.8	924.1	2,076.2	962.4	8,088
	Operating Income [As % of Sales]	62.6 [6.7%]	140.1 [6.9%]	55.4 [6.0%]	128.7 [6.2%]	48.3 [5.0%]	406
Information Processing	Net Sales						
	Unaffiliated Customers	¥777.1	¥1,649.9	¥721.3	¥1,571.8	¥670.2	5,632
	Intersegment	142.6	286.5	125.5	270.9	115.0	967
	Total	919.7	1,936.4	846.8	1,842.7	785.2	6,599
	Operating Income (Loss) [As % of Sales]	12.8 [1.4%]	28.9 [1.5%]	5.4 [0.6%]	18.9 [1.0%]	(4.9) [-0.6%]	(42)
Telecommunications	Net Sales						
	Unaffiliated Customers	¥335.3	¥734.2	¥340.6	¥778.0	¥315.2	\$2,649
	Intersegment	4.1	11.3	5.9	15.5	6.6	56
	Total	339.4	745.5	346.6	793.5	321.8	2,705
	Operating Income (Loss) [As % of Sales]	16.4 [4.8%]	21.6 [2.9%]	8.0 [2.3%]	37.9 [4.8%]	(35.3) [-11.0%]	(297)
Electronic Devices	Net Sales						
	Unaffiliated Customers	¥267.0	¥568.1	¥359.8	¥759.7	¥296.0	\$2,488
	Intersegment	53.5	148.3	70.0	149.2	50.3	423
	Total	320.5	716.5	429.8	908.9	346.4	2,911
	Operating Income (Loss) [As % of Sales]	(0.4) [-0.1%]	20.1 [2.8%]	56.5 [13.2%]	113.4 [12.5%]	(35.5) [-10.3%]	(299)
Financing	Net Sales						
	Unaffiliated Customers	¥50.2	¥113.0	¥51.7	¥107.2	¥50.4	\$424
	Intersegment	3.1	6.4	3.9	7.8	4.4	37
	Total	53.4	119.5	55.7	115.1	54.8	461
	Operating Income [As % of Sales]	1.6 [3.1%]	3.0 [2.5%]	1.6 [3.0%]	3.4 [3.0%]	2.0 [3.7%]	17
Other Operations	Net Sales						
	Unaffiliated Customers	¥108.6	¥220.6	¥121.1	¥253.2	¥123.9	\$1,042
	Intersegment	43.3	125.6	61.4	128.2	60.7	511
	Total	152.0	346.3	182.5	381.4	184.7	1,553
	Operating Income (Loss) [As % of Sales]	(0.1) [-0.1%]	3.4 [1.0%]	3.7 [2.0%]	8.1 [2.1%]	1.1 [0.6%]	10
Elimination	Net Sales	¥(276.3)	¥(648.2)	¥(295.2)	¥(633.7)	¥(267.9)	\$(2,252)
	Operating Income	(29.3)	(67.5)	(30.6)	(66.5)	(34.7)	(292)
Total	Net Sales						
	Unaffiliated Customers	¥2,444.3	¥5,255.1	¥2,490.5	¥5,484.4	¥2,387.7	\$20,065
	Intersegment	-	-	-	-	-	-
	Total	2,444.3	5,255.1	2,490.5	5,484.4	2,387.7	20,065
	Operating Income (Loss) [As % of Sales]	63.6 [2.6%]	149.9 [2.9%]	100.2 [4.0%]	244.0 [4.4%]	(59.1) [-2.5%]	(497)

• Consolidated Balance Sheet

	Yen (millions)		U.S. dollars (millions)
	2001/9/30	2001/3/31	2001/9/30
Assets			
Current assets:			
Cash and cash equivalents and short-term investments	¥235,697	¥ 319,728	\$1,981
Receivables, trade	933,433	1,188,597	7,844
Inventories	855,980	896,842	7,193
Other current assets	377,865	332,337	3,175
Total current assets	2,402,975	2,737,504	20,193
Investments and long-term loans	780,018	784,259	6,555
Property, plant and equipment less accumulated depreciation	1,316,545	1,383,795	11,063
Intangible assets	283,930	294,513	2,386
	¥ 4,783,468	¥ 5,200,071	\$40,197
Liabilities and shareholders' equity			
Current liabilities:			
Short-term borrowings and current portion of long-term debt	¥ 753,977	¥ 683,935	\$6,336
Payables, trade	731,335	977,018	6,145
Other current liabilities	648,274	782,720	5,448
Total current liabilities	2,133,586	2,443,673	17,929
Long-term liabilities:			
Long-term debt	1,089,969	952,289	9,159
Other long-term liabilities	319,690	372,735	2,687
Total long-term liabilities	1,409,659	1,325,024	11,846
Minority interests	217,077	216,991	1,824
Shareholders' equity:			
Common stock	314,921	314,652	2,646
Capital surplus	510,017	505,449	4,286
Retained earnings	296,483	483,709	2,492
Unrealized gains on securities, net of taxes	3,561	19,035	30
Foreign currency translation adjustments	(101,638)	(108,451)	(854)
Treasury stock	(198)	(11)	(2)
Total shareholders' equity	1,023,146	1,214,383	8,598
	¥ 4,783,468	¥ 5,200,071	\$40,197
Supplementary information			
	Yen (billions)		U.S. dollars (millions)
	1 st Half FY2001	1 st Half FY2000	1 st Half FY2001
Capital expenditure	¥ 191.7	¥ 189.5	\$1,611
Depreciation	165.5	155.8	1,391

• Consolidated Statements of Operations

	Yen (millions)		Change (%)	U.S. dollars (millions)
	1st Half FY2001	1st Half FY2000		1st Half FY2001
Net Sales	¥ 2,387,743	¥ 2,490,570	-4.1	\$20,065
Operating costs and expenses:				
Costs of goods sold	1,760,003	1,760,306	-0.0	14,790
Selling, general and administrative expenses	686,882	629,977	+9.0	5,772
	<u>2,446,885</u>	<u>2,390,283</u>		<u>20,562</u>
Operating income (Loss)	(59,142)	100,287	-	(497)
Other income (expenses):				
Net interest	(18,325)	(17,116)		(154)
Equity in earnings of affiliated companies, net	3,976	3,185		33
Amortization of unrecognized obligation for retirement benefits	(17,812)	(11,928)		(150)
Restructuring charges	(202,945)	(25,560)		(1,705)
Amortization of the unrecognized net obligation for retirement benefits at transition		(415,615)		
Gain on establishment of stock holding trust for retirement benefit plan		460,280		
Gain on sale of subsidiaries' stock		12,068		
Gain on sales of marketable securities		4,190		
Other, net	(16,241)	(9,381)		(136)
	<u>(251,347)</u>	<u>123</u>		<u>(2,112)</u>
Income (Loss) before income taxes	(310,489)	100,410	-	(2,609)
Income taxes	(127,997)	80,025	-	(1,076)
Minority interests	7,772	(3,146)	-	65
Net income	<u>¥ (174,720)</u>	<u>¥ 17,239</u>	-	<u>\$ (1,468)</u>
Supplementary information				
R&D expenditure	¥ 182,879	¥ 197,834	-7.6	\$1,537
[As % of Sales]	[7.7%]	[7.9%]		

Consolidated Subsidiaries 522 companies (Japan: 130 companies Overseas: 392 companies)
Affiliates (using the equity method) 29 companies

Major Consolidated Subsidiaries

Fujitsu Laboratories Ltd.	Fujitsu Quantum Devices Ltd.
Shinko Electric Industries Co., Ltd.	Fujitsu Systems Construction Ltd.*
FDK Corporation	Fujitsu Media Devices Ltd.
Fujitsu Business Systems Ltd.	Fujitsu FIP Corporation
Fujitsu Support and Service Inc.	NIFTY Corporation
Fujitsu Kiden Ltd.	Fujitsu AMD Semiconductor Ltd.
Fujitsu Denso Ltd.	Fujitsu Hitachi Plasma Display Ltd.
Fujitsu Devices Inc.	Fujitsu Leasing Co., Ltd.
Fujitsu Component Ltd.	Fujitsu Network Communications, Inc. (U.S.A.)
Fujitsu Broad Solution & Consulting Inc.	Amdahl Corporation (U.S.A.)
Fujitsu TEN Ltd.	DMR Consulting Group, Inc. (U.S.A.)
PFU Ltd.	ICL PLC (U.K.)

Notes:

1. Fujitsu Component Limited is set a joint holding company by Takamisawa Electric Co., Ltd and Fujitsu Takamisawa Component Limited, and then Fujitsu Component Limited was listed on Tokyo Stock Exchange in place of Takamisawa Electric Co., Ltd as of September 14, 2001.
2. As of October 1, 2001, Fujitsu Systems Construction Limited merged with three Fujitsu consolidated subsidiary, and the company changed the trade name into Fujitsu Network Solutions Limited.

Unconsolidated Interim Financial Statements (Unaudited)

• Summary of Unconsolidated Results

	(billions of Yen except per share data and number of employees)					<i>U.S. dollars</i>
	1 st Half FY1999	FY1999	1 st Half FY2000	FY2000	1 st Half FY2001	<i>(millions except per share data)</i>
						<i>1st Half FY2001</i>
Net Sales	¥1,448.6	¥3,251.2	¥1,513.2	¥3,382.2	¥1,428.8	<i>\$12,007</i>
Services & Software	400.0	928.0	442.2	1,025.6	460.4	<i>3,869</i>
Information Processing	655.4	1,468.2	660.3	1,442.7	602.4	<i>5,062</i>
Telecommunications	254.9	567.4	234.4	545.7	231.6	<i>1,947</i>
Electronic Devices	138.1	287.5	176.3	368.1	134.2	<i>1,129</i>
Operating Income (Loss)	29.2	53.8	25.6	100.2	(23.7)	<i>(199)</i>
Ordinary Profit (Loss)	7.8	15.8	28.3	107.4	(30.4)	<i>(256)</i>
Net Income (Loss)	7.4	13.6	74.1	46.6	(148.6)	<i>(1,249)</i>
Basic Earnings (Loss) Per Share [Yen]	¥3.87	¥7.06	¥37.72	¥23.70	¥(75.11)	<i>\$(0.631)</i>
Cash Dividends Per Share [Yen]	¥5.00	¥10.00	¥5.00	¥10.00	¥2.50	<i>\$0.021</i>
Total Assets	3,434.2	3,380.4	3,435.3	3,443.9	3,146.3	<i>26,440</i>
Shareholders' Equity	1,135.5	1,160.0	1,256.1	1,224.2	1,055.5	<i>8,870</i>
Shareholders' Equity Per Share [Yen]	¥585.78	¥590.99	¥638.99	¥619.20	¥532.44	<i>\$4.47</i>
Numbers of Employees	44,182	43,627	43,140	42,010	41,396	

Note:

1. All fractions of monetary units except per share data have been rounded down.
2. Basic earnings (loss) per share is calculated on weight average number of shares common stock outstanding during each period.
3. Shareholders' equity per share is calculated based on the number of shares of common stock outstanding at the end of each period.
4. For purposes of comparison, 1st half FY1999, FY1999, 1st half FY2000 and FY2000 figures have been restated to reflect 1st Half FY2001 product composition for respective business segments.

(TRANSLATION FOR REFERENCE ONLY)

• Unconsolidated Balance Sheet

	Yen (millions)		U.S. dollars (millions)
	2001/9/30	2001/3/31	2001/9/30
Assets			
Current assets:			
Cash and cash equivalents and short-term investments	¥89,358	¥156,680	\$751
Receivables, trade	548,600	755,876	4,610
Inventories	446,340	457,874	3,751
Other current assets	214,746	175,795	1,804
Total current assets	1,299,047	1,546,227	10,916
Investments and long-term loans	1,194,919	1,205,775	10,041
Property, plant and equipment less accumulated depreciation	550,226	584,693	4,624
Intangible assets	102,166	107,262	859
	¥3,146,359	¥3,443,959	\$26,440
Liabilities and shareholders' equity			
Current liabilities:			
Short-term borrowings and current portion of long-term debt	¥202,938	¥264,951	\$1,705
Payables, trade	616,966	851,878	5,185
Other current liabilities	303,308	289,111	2,549
Total current liabilities	1,123,212	1,405,940	9,439
Long-term liabilities:			
Long-term debt	882,925	722,632	7,420
Other long-term liabilities	84,645	91,094	711
	967,571	813,727	8,131
Shareholders' equity:			
Common stock	314,921	314,652	2,646
Capital surplus	421,186	415,607	3,539
Retained earnings & other reserves	315,824	475,554	2,654
Unrealized gains on securities	3,642	18,475	31
Total shareholders' equity	1,055,574	1,224,291	8,870
	¥3,146,359	¥3,443,959	\$26,440
Supplementary information			
	Yen (billions)		U.S. dollars (millions)
	1H FY2001	1H FY2000	1H FY2001
Capital expenditure	¥4.3	¥4.0	\$289
Depreciation	54.2	60.3	456

• Unconsolidated Statements of Operations

	Yen (millions)		Change (%)	U.S. dollars (millions)
	1 st Half FY2001	1 st Half FY2000		1 st Half FY2001
Net Sales	¥1,428,866	¥1,513,281	-5.6	\$12,007
Operating costs and expenses:				
Costs of goods sold	1,058,882	1,147,829	-7.7	8,898
Selling, general and administrative expenses	393,691	339,783	+15.9	3,308
	<u>1,452,574</u>	<u>1,487,612</u>		<u>12,206</u>
Operating income (loss)	(23,707)	25,669	-	(199)
Other income (expenses):				
Net interest	2,776	3,616		23
Amortization of unrecognized obligation for retirement benefits	(5,765)			(49)
Loss on liquidation of subsidiaries	(110,611)			(930)
Restructuring charges	(64,070)	(16,647)		(538)
Loss on devaluation of subsidiaries' stock	(58,227)			(489)
Amortization of the unrecognized net obligation for retirement benefits at transition		(415,615)		
Gain on establishment of stock holding trust for retirement benefit plan		509,667		
Gain on sale of subsidiaries' stock		10,861		
Gain on sales of marketable securities		4,183		
Other, net	(3,737)	(924)		(31)
	<u>(239,636)</u>	<u>95,141</u>		<u>(2,014)</u>
Income (Loss) before income taxes	(263,343)	120,811	-	(2,213)
Income taxes	(114,700)	46,700	-	(964)
Net income (loss)	<u>¥(148,643)</u>	<u>¥74,111</u>	-	<u>\$ (1,249)</u>
Supplementary information				
R&D expenditure	¥148,416	¥162,030	-8.4	\$1,247
[As % of Sales]	[10.4%]	[10.7%]		

Note:

Financial information in this report is based on the separate Japanese version prepared in accordance with generally accepted Japanese accounting principles. Some of the information in the Japanese version has been summarized here for clearer understanding and not all the information has necessarily been translated. This English version may not conform to U.S. or other non-Japanese accounting principles and has not been audited. If you wish to confirm the integrity of the information, please refer to the Japanese version as the definitive document.

Members of the Board and Auditors (As of September 30, 2001)

Position	Name	Assignment or title
Chairman	Tadashi Sekizawa	
President & CEO	Naoyuki Akikusa	
Senior Executive Vice President	Tadayasu Sugita	Business Strategy President, System Business Group President, Computer Products Business Group
	Akio Moridera	Technology President, Telecommunications Business Group
	Takashi Takaya	Finance & Administration
Executive Vice President	Akira Takashima	External Affairs
	Kazunari Shirai	Group President, Electronic Devices Group
	Kazuto Kojima	Sales & Marketing
	Yuji Hirose	President, Software & Services Business Group
	Masaru Takei	Domestic Sales
Senior Vice President	Junji Maeyama	Group President, Software Group
	Hiroya Madarame	Group President, Systems Engineering Group
	Tatsushi Miyazawa	Group President, File Systems Group
	Kazuo Murano	Group President, Networks Business Group
	Noboru Ogi	Group President, Storage Products Group
	Hiroaki Kurokawa	Group President, Network Service Business Group
	Koichi Ota	Group President, Transport Systems Group
Other Board Members	Kunihiko Sawa	President and Representative Director, Fuji Electric Co., Ltd.
	Hirohisa Yabuuchi	Group President, Western-Japan Regional Sales Group
	Takahiko Okada	General Manager, Corporate IT Strategy Office Corporate Affairs, Human Resources
	Kuniaki Suzuki	Group President, Marketing Group
	Taketoshi Ishii	Sales Group, Industries
	Masamichi Ogura	Group Executive Vice President, Electronic Devices Group
	Toshihiro Nishimura	Group Executive Vice President, Systems Engineering Group
	Hiroaki Takeichi	Group President, Network Systems Group
	Michiyoshi Mazuka	Group President, Eastern-Japan Sales Group
	Toshihiko Ono	Group Executive Vice President, Electronic Devices Group
	Michio Atarashi	Group Executive Vice President, Systems Engineering Group
	Yasushi Tajiri	President & CEO, Amdahl Corporation
	Takashi Aoki	Group President, Computer Systems Group
	Ichiro Komura	Group President, Information Processing Administration Group
	Kazuhiko Kato	General Manager, Corporate Planning Office Controller and Accounting
Standing Corporate Auditor	Keizo Fukagawa	
	Shin Koizumi	
Corporate Auditor	Yasuyuki Wakahara	Advisory Director, Asahi Mutual Life Insurance Company
	Takeo Kato	Chairman, Fuji Electric Co., Ltd.
	Katsuhiko Kondo	Adviser, the Dai-Ichi Kangyo Bank, Limited
Accounting Auditor	Shin Nihon & Co.	

Note:

Century Ota Showa & Co. that is the company's accounting auditor changed its corporate name to Shin Nihon & Co. on July 1, 2001.

Stock (As of September 30, 2001)

- Number of Authorized Shares: 5,000,000,000
- Number of Outstanding Shares: 1,982,517,793
- Stated Capital: ¥14,921,081,548
- Shares Issued (from Apr. 1, 2001 to Sept. 30, 2001)

Item	Number of share issued	Increased capital stock
Conversion of Convertible Bonds to Shares	8,016	¥3,999,984
Exchange of Shares*	5,281,848	¥264,092,400
Total	5,289,864	¥268,092,384

Note:

* Shares issued by exchange of shares taken place between Fujitsu Limited and Fujitsu Systems Construction Limited on August 1, 2001.

- Number of Shareholders 201,702

•Ownership by Types of Shareholders

	Number of shareholders	Number of share held (thousands)	Percentage of total shares outstanding
Japanese Financial Institutions and Securities Companies	559	862,335	43.50
Other Japanese Corporations	2,610	293,234	14.79
Non-Japanese Institutions and Individuals	1,042	427,542	21.56
Japanese Individuals and Others	197,491	399,404	20.15
Total	201,702	1,982,517	100

•Principal Shareholders

Name	Thousands of share held (thousands)	Percentage of total shares outstanding
Fuji Electric Co., Ltd.	192,763	9.72 %
Japan Trustee Services Bank, Ltd. (for trust)	110,606	5.58
Asahi Mutual Life Insurance Company	100,161	5.05
The Dai-Ichi Kangyo Bank, Limited	63,984	3.23
The Mitsubishi Trust and Banking Corporation (for trust)	49,573	2.50
Mizuho Trust & Banking Co., Ltd. Retirement benefit trust (for Fuji Electric Co., Ltd.)*	46,600	2.35
The Chase Manhattan Bank NA London (Standing proxy: The Fuji Bank, Ltd.)	46,100	2.33
State Street Bank and Trust Company (Standing proxy: The Fuji Bank, Ltd.)	45,374	2.29
The Toyo Trust & Banking Co., Ltd. (for trust account A)	36,161	1.82
Nippon Life Insurance Company	25,272	1.27

Note:

* The voting rights of these shares will be exercised in accordance with the instructions of Fuji Electric Co., Ltd.

Corporate Data

Corporate Name:	FUJITSU LIMITED
Registered on:	1-1, Kamikodanaka 4chome, Nakahara-ku, Kawasaki, Kanagawa, Japan
Principal Office:	6-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, Japan
Established and Registered on:	June 20, 1935
Stock Exchange Listings:	Tokyo, Osaka, Nagoya, Frankfurt, London, and Swiss
Home Page Address:	www.fujitsu.com

Fujitsu's Home Pages offer not only this report but also the latest annual report and financial results.

Japanese <http://pr.fujitsu.com/jp/ir/>

English <http://pr.fujitsu.com/en/ir/>