

Fujitsu second quarter profit tumbles, strong yen weighs

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Japanese information technology services giant Fujitsu said Wednesday its net profit for the July-September period tumbled 76 percent on-year while sales were hit by the impact of a surging yen.

The firm recorded a group [net profit](#) of 17.4 billion yen (207 million dollars) for the fiscal second quarter, down 76 percent on-year from 72.4 billion yen, after a huge share-sale gain boosted profits a year earlier.

The company used an exchange rate of 84 yen to the dollar.

It said sales in the quarter fell 3.7 percent to 1.1 trillion yen on-year, because of the impact of the strong yen, which is hovering near 15-year highs against the dollar.

Sales would have risen five percent were it not for the appreciation of the yen and other factors, said the company, which provides technology services for mobile devices and servers.

The yen's strength puts Japan's growth-driving exporters at a disadvantage by making their products more expensive overseas and eroding their repatriated [earnings](#).

For the full fiscal year through March 2011, [Fujitsu](#) maintained its forecast of a net profit of 95 billion yen and an [operating profit](#) of 185 billion.

But it lowered its revenue outlook to 4.670 trillion yen from the 4.800 trillion it announced in July, blaming a weak economic climate forcing clients to cutback on IT spending in the US and Europe, as well as the yen's strength.

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