

Fujitsu 3Q net profit rises, cuts forecasts

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Japanese IT giant Fujitsu said Friday its net profit for the October-December quarter quadrupled but warned that an uncertain outlook for capital expenditure forced it to lower full year forecasts.

It added that the appreciation of the yen against major currencies, namely the dollar, the euro and the pound, ate into its earnings to erase roughly 45 billion yen in terms of sales.

It logged a net profit of 16.5 billion yen (\$204 million) compared with 4.1 billion yen a year ago, when the company booked a massive special restructuring cost.

Sales slipped 4.4 percent to 1.096 trillion yen, due mainly to foreign exchange factors. Operating profit dropped 36.7 percent to 21.2 billion yen.

System chips and electronic parts enjoyed stable sales but sales fell for car audio and navigation equipment, [mobile phone](#) base stations, and computer servers.

"We continue to generate steady profits from our core business areas despite the challenging market environment we find ourselves in," President Masami Yamamoto said in a statement.

For the nine months to December, net profit fell 24.8 percent to 35.6 billion yen. Operating profit soared 344.7 percent to 68.5 billion yen. Sales slipped 2.7 percent to 3.24 trillion yen.

The company lowered earning projections for full-year fiscal 2010 due to the delay in the recovery of IT spending in Japan and falling profitability of some projects outside Japan.

Net profit is now expected to reach 75 billion yen, compared with 95 billion expected earlier.

The new operating profit forecast is 145 billion yen, down from 185 billion.

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