

Japan's Fujitsu says posts 16% fall in Q1 profit

July 27 2012

Japanese high-tech giant Fujitsu on Friday said its first quarter net loss widened and cut its sales forecast for the fiscal year as it was hit by weaker demand and a strong yen.

Fujitsu, which provides [information technology services](#) and makes consumer products including computers and mobile phones, booked a net loss of 23.7 billion yen (\$304 million) in the three months through June, compared with a loss of 20.4 billion yen in the same period last year.

Quarterly sales dipped 2.9 percent to 957.3 billion yen, it said.

Fujitsu, like many [Japanese exporters](#), blamed much of its loss on a surging yen, which makes products more expensive overseas while shrinking the relative value of foreign-earned income.

The yen hit a record high against the dollar late last year -- and is sitting just above those highs -- while the nation's manufacturers were also hit by the quake-tsunami disaster and flooding in Thailand.

In the latest quarter, Fujitsu also cited a slump in sales of large-scale-integration chips and digital optical transmission systems.

Overseas, sales of audio and [navigation systems](#) for vehicles rose, but was offset by a drop in demand for [computer servers](#) and optical fiber transmission systems in the United States.

Fujitsu lowered its sales outlook for the fiscal year through March 2013 to 4.53 trillion yen from an earlier 4.55 trillion yen "as a result of adjustments in anticipated exchange rates".

The company left its previous full-year [net profit](#) forecast unchanged at 60 billion yen.

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