

January 30, 2020

**FY 2019 Nine-Month Financial Results**  
April 1, 2019 - December 31, 2019

Fujitsu Limited

## Consolidated Financial Results for the Nine months Ended December 31, 2019

[Prepared on the basis of International Financial Reporting Standards]

January 30, 2020

Company name : Fujitsu Limited  
 Stock exchange listings : Tokyo, Nagoya  
 Code number: : 6702  
 URL: : <https://www.fujitsu.com/global/>  
 Representative: : Takahito Tokita, President and Representative Director  
 Contact person: : Isamu Yamamori, Corporate Executive Officer, SVP,  
 Head of Public and Investor Relations Division  
 Tel. +81 3 6252 2175  
 Scheduled filing date of statutory financial report: : February 5, 2020  
 Scheduled dividend payment date: : -  
 Supplementary material: : Yes  
 Financial results meeting: : Yes (for media and analysts)

### 1. Consolidated Results for the Nine months Ended December 31, 2019

(Monetary amounts are rounded to the nearest million yen.)

#### (1) Consolidated financial results

(The percentage figures represent the percentage of increase or decrease against the same period of the previous year.)

(Millions of yen)

	Revenue		Operating profit		Profit before income taxes		Profit for the period	
		Change (%)		Change (%)		Change (%)		Change (%)
9 Months FY 2019 (4/1/19-12/31/19)	2,752,028	-2.1	121,473	82.6	134,595	47.3	98,899	73.1
9 Months FY 2018 (4/1/18-12/31/18)	2,811,862	-3.9	66,542	72.7	91,358	26.2	57,150	-9.0

	Profit for the period attributable to owners of the parent		Total comprehensive income for the period	
		Change (%)		Change (%)
9 Months FY 2019 (4/1/19-12/31/19)	99,904	94.1	107,745	299.7
9 Months FY 2018 (4/1/18-12/31/18)	51,459	-7.2	26,956	-81.4

(Yen)

	Earnings per share	
	Basic	Diluted
9 Months FY 2019 (4/1/19-12/31/19)	492.91	492.75
9 Months FY 2018 (4/1/18-12/31/18)	251.85	251.78

On October 1, 2018, Fujitsu conducted share consolidation for common stock at a rate of one share for every ten shares. Basic Earnings per Share and Diluted Earnings per Share have been calculated on the basis that share consolidation had been conducted at the beginning of the previous consolidated fiscal year.

#### (2) Consolidated financial position

(Millions of yen)

	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent ratio (%)
December 31, 2019	3,114,912	1,316,007	1,208,961	38.8%
March 31, 2019	3,104,842	1,253,630	1,132,055	36.5%

### 2. Dividends per Share (Ordinary Shares)

(Yen)

	Dividends per share				
	1Q	2Q	3Q	Year-end	Full year
FY2018	-	7.00	-	80.00	-
FY2019	-	80.00	-		
FY2019(Forecast)				100.00	180.00

Note: Revision of the latest dividends forecast: Yes

On October 1, 2018, Fujitsu conducted share consolidation for common stock at a rate of one share for every ten shares. Dividends prior to the second quarter of fiscal 2018 are recorded at their actual dividend values before this reverse stock split. In addition, with regard to the total annual dividend, because it is not possible to calculate it straightforwardly, the amount is left blank, shown as a "-". Annual dividend per share values converted to a post-reverse stock split basis is 150 yen per share for fiscal 2018.

### 3. Consolidated Earnings Forecast for FY2019

(The percentage figures represent the percentage of increase or decrease against the previous year.)

(Millions of yen, except per share data)

	Revenue		Operating profit		Profit for the year attributable to owners of the parent		Basic earnings per share
		Change (%)		Change (%)		Change (%)	
FY2019	3,850,000	-2.6	200,000	53.6	160,000	53.0	789.41

Note: Revision of the latest consolidated earnings forecast: Yes

The effect of the purchase of treasury stock decided at Board of Directors Meeting held on January 30, 2020 is not included in the calculation of "Basic earnings per share".

### 4. Other Information

#### (1) Significant changes to subsidiaries in the current reporting period

(Changes to specified subsidiaries resulting from changes in scope of consolidation): No

#### (2) Changes in accounting policies and accounting estimates

1. Changes in accounting policies required by IFRS: Yes
2. Changes arising from factors other than 1: None
3. Changes in accounting estimates: None

For further details, please refer to "5-1 Notes to Financial Statements-Changes in accounting policies," on page 6.

#### (3) Number of issued shares (ordinary shares)

1. Number of issued shares at end of period	As of December 31, 2019	207,001,821
	As of March 31, 2019	207,001,821
2. Treasury stock held at end of period	As of December 31, 2019	4,319,366
	As of March 31, 2019	4,317,954
3. Average number of shares during period	9 Months FY 2019	202,683,745
	9 Months FY 2018	204,325,448

(Note) The numbers of shares given above were calculated on the basis that share consolidation had been conducted at the beginning of the previous consolidated fiscal year.

### Notes

1. This financial report is not subject to quarterly review
2. Precautions on usage of earnings projections

These materials may contain forward-looking statements that are based on management's current information, views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results may differ materially from those projected or implied in the forward-looking statements due to, without limitation, the following factors listed below.

- General economic and market conditions in key markets  
(Particularly in Japan, Europe, North America, and Asia, including China)
- Fluctuations in exchange rates or interest rates
- Fluctuations in capital markets
- Intensifying price competition
- Changes in market positioning due to competition in R&D
- Changes in the environment for the procurement of parts and components
- Changes in competitive relationships due to collaborations, alliances and technical provisions
- Risks related to public regulations, public policy and tax matters
- Risks related to product or services defects
- Potential emergence of unprofitable projects
- Risks related to R&D investments, capital expenditures, business acquisitions, business restructuring, etc.
- Risks related to natural disasters and unforeseen events
- Changes in accounting policies

For information regarding the assumptions used to prepare these projections, please refer to the supplemental explanation materials (Presentation Material).

# Financial Tables

## 1. Condensed Consolidated Statement of Financial Position

(Millions of yen)

	Notes	FY2018 (As of March 31, 2019)	3Q FY2019 (As of December 31, 2019)
<b>Assets</b>			
Current assets			
Cash and cash equivalents		416,684	504,240
Trade receivables		906,120	610,591
Other receivables		119,446	78,772
Inventories		226,045	332,035
Others		217,673	329,061
Subtotal		1,885,968	1,854,699
Assets held for sale		73,381	12,256
Total current assets		1,959,349	1,866,955
Non-current assets			
Property, plant and equipment, net of accumulated depreciation	5-1	439,078	582,307
Goodwill		38,348	39,126
Intangible assets		116,905	108,892
Investments accounted for using the equity method		147,788	148,904
Other investments		149,799	150,017
Deferred tax assets		105,663	80,738
Others		147,912	137,973
Total non-current assets		1,145,493	1,247,957
<b>Total assets</b>		<b>3,104,842</b>	<b>3,114,912</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Current liabilities			
Trade payables		528,744	485,294
Other payables		426,344	315,346
Short-term borrowings, current portion of long-term debt and lease obligations	5-1	130,875	238,260
Accrued income taxes		13,517	5,306
Provisions		56,489	38,932
Others		201,333	232,302
Subtotal		1,357,302	1,315,440
Liabilities directly associated with assets held for sale		7,605	4,246
Total current liabilities		1,364,907	1,319,686
Non-current liabilities			
Long-term debt and lease obligations	5-1	185,336	232,013
Retirement benefit liabilities		181,246	167,937
Provisions		55,388	35,982
Deferred tax liabilities		2,820	3,502
Others		61,515	39,785
Total non-current liabilities		486,305	479,219
<b>Total liabilities</b>		<b>1,851,212</b>	<b>1,798,905</b>
<b>Equity</b>			
Share capital		324,625	324,625
Capital surplus		235,455	235,502
Treasury stock, at cost		-29,556	-29,580
Retained earnings		576,857	648,251
Other components of equity		24,674	30,163
Total equity attributable to owners of the parent		1,132,055	1,208,961
Non-controlling interests		121,575	107,046
<b>Total equity</b>		<b>1,253,630</b>	<b>1,316,007</b>
<b>Total liabilities and equity</b>		<b>3,104,842</b>	<b>3,114,912</b>

## 2. Condensed Consolidated Statement of Profit or Loss and Condensed Consolidated Statement of Comprehensive Income

<b>【Nine Months Condensed Consolidated Statement of Profit or Loss】</b>		(Millions of yen, except per share data)	
	Notes	9 Months FY2018 (For the nine months ended December 31, 2018)	9 Months FY2019 (For the nine months ended December 31, 2019)
<b>Revenue</b>		<b>2,811,862</b>	<b>2,752,028</b>
Cost of sales		-2,083,533	-1,974,354
Gross profit		728,329	777,674
Selling, general and administrative expenses		-713,465	-641,180
Other income		116,618	14,137
Other expenses		-64,940	-29,158
<b>Operating profit</b>		<b>66,542</b>	<b>121,473</b>
Financial income		11,199	5,462
Financial expenses		-3,332	-3,387
Income from investments accounted for using the equity method, net		16,949	11,047
<b>Profit for the period before income taxes</b>		<b>91,358</b>	<b>134,595</b>
Income tax expenses		-34,208	-35,696
<b>Profit for the period</b>		<b>57,150</b>	<b>98,899</b>
Profit for the period attributable to:			
Owners of the parent		51,459	99,904
Non-controlling interests		5,691	-1,005
Total		57,150	98,899
Earning per share			
Basic earnings per share (Yen)		251.85	492.91
Diluted earnings per share (Yen)		251.78	492.75

<b>【Nine Months Condensed Consolidated Statement of Comprehensive Income】</b>		(Millions of yen)	
	Notes	9 Months FY2018 (For the nine months ended December 31, 2018)	9 Months FY2019 (For the nine months ended December 31, 2019)
<b>Profit for the period</b>		<b>57,150</b>	<b>98,899</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Financial assets measured at fair value through other comprehensive income		-10,263	7,783
Remeasurement of defined benefit plans		-11,571	3,135
Share of other comprehensive income of investments accounted for using the equity method		-348	50
		-22,182	10,968
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation adjustments		-7,315	-2,380
Cash flow hedges		-11	-1
Share of other comprehensive income of investments accounted for using the equity method		-686	259
		-8,012	-2,122
<b>Total other comprehensive income for the period, net of taxes</b>		<b>-30,194</b>	<b>8,846</b>
<b>Total comprehensive income for the period</b>		<b>26,956</b>	<b>107,745</b>
Total comprehensive income attributable to:			
Owners of the parent		21,537	109,125
Non-controlling interests		5,419	-1,380
Total		26,956	107,745

**【Third-Quarter Condensed Consolidated Statement of Profit or Loss】** (Millions of yen, except per share data)

	Notes	3Q FY2018 (For the three-month ended December 31, 2018)	3Q FY2019 (For the three-month ended December 31, 2019)
<b>Revenue</b>		<b>977,318</b>	<b>923,265</b>
Cost of sales		-721,829	-657,252
Gross profit		255,489	266,013
Selling, general and administrative expenses		-236,398	-212,238
Other income		2,648	9,022
Other expenses		-50,472	-12,384
<b>Operating profit</b>		<b>-28,733</b>	<b>50,413</b>
Financial income		2,416	1,420
Financial expenses		-1,774	-1,046
Income from investments accounted for using the equity method, net		2,238	3,003
<b>Profit for the period before income taxes</b>		<b>-25,853</b>	<b>53,790</b>
Income tax expenses		-3,131	-16,840
<b>Profit for the period</b>		<b>-28,984</b>	<b>36,950</b>
Profit for the period attributable to:			
Owners of the parent		-29,672	36,245
Non-controlling interests		688	705
Total		-28,984	36,950
Earning per share			
Basic earnings per share (Yen)		-145.67	178.83
Diluted earnings per share (Yen)		-145.68	178.77

**【Third-Quarter Condensed Consolidated Statement of Comprehensive Income】** (Millions of yen)

	Notes	3Q FY2018 (For the three-month ended December 31, 2018)	3Q FY2019 (For the three-month ended December 31, 2019)
<b>Profit for the period</b>		<b>-28,984</b>	<b>36,950</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Financial assets measured at fair value through other comprehensive income		-17,311	5,360
Remeasurement of defined benefit plans		-25,618	4,967
Share of other comprehensive income of investments accounted for using the equity method		-150	113
		-43,079	10,440
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation adjustments		-7,159	7,825
Cash flow hedges		-5	81
Share of other comprehensive income of investments accounted for using the equity method		-783	881
		-7,947	8,787
<b>Total other comprehensive income for the period, net of taxes</b>		<b>-51,026</b>	<b>19,227</b>
<b>Total comprehensive income for the period</b>		<b>-80,010</b>	<b>56,177</b>
Total comprehensive income attributable to:			
Owners of the parent		-79,986	55,009
Non-controlling interests		-24	1,168
Total		-80,010	56,177

### 3. Condensed Consolidated Statement of Changes in Equity

**【9 Months FY2018 (For the nine months period ended December 31, 2018)】**

(Millions of yen)

Notes	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury stock, at cost	Retained earnings	Other components of equity	Total		
<b>Balance at April 1, 2018</b>	<b>324,625</b>	<b>233,941</b>	<b>-7,237</b>	<b>479,776</b>	<b>56,692</b>	<b>1,087,797</b>	<b>117,105</b>	<b>1,204,902</b>
Cumulative effects of changes in accounting policies				20,200	-20,467	-267		-267
Balance as of the beginning of the period reflecting Changes in Accounting Policies	324,625	233,941	-7,237	499,976	36,225	1,087,530	117,105	1,204,635
Profit for the period				51,459		51,459	5,691	57,150
Other comprehensive income					-29,922	-29,922	-272	-30,194
Total comprehensive income for the period	—	—	—	51,459	-29,922	21,537	5,419	26,956
Purchase of treasury stock		-6	-17,324			-17,330		-17,330
Disposal of treasury stock			8			8		8
Share-based payment transactions		109				109		109
Dividends paid				-26,660		-26,660	-2,998	-29,658
Transfer to retained earnings				-14,910	14,910	—		—
Acquisition (disposal) of non-controlling interests		1,626				1,626	1,041	2,667
Changes in ownership interests in subsidiaries				-541	541	—	122	122
Others		-376			-12	-388		-388
<b>Balance at December 31, 2018</b>	<b>324,625</b>	<b>235,294</b>	<b>-24,553</b>	<b>509,324</b>	<b>21,742</b>	<b>1,066,432</b>	<b>120,689</b>	<b>1,187,121</b>

**【9 Months FY2019 (For the nine months period ended December 31, 2019)】**

(Millions of yen)

Notes	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Capital surplus	Treasury stock, at cost	Retained earnings	Other components of equity	Total		
<b>Balance at April 1, 2019</b>	<b>324,625</b>	<b>235,455</b>	<b>-29,556</b>	<b>576,857</b>	<b>24,674</b>	<b>1,132,055</b>	<b>121,575</b>	<b>1,253,630</b>
Profit for the period				99,904		99,904	-1,005	98,899
Other comprehensive income					9,221	9,221	-375	8,846
Total comprehensive income for the period	—	—	—	99,904	9,221	109,125	-1,380	107,745
Purchase of treasury stock			-67			-67		-67
Disposal of treasury stock			43			43		43
Share-based payment transactions		267				267		267
Dividends paid				-32,429		-32,429	-2,900	-35,329
Transfer to retained earnings				3,731	-3,731	—		—
Acquisition (disposal) of non-controlling interests		-53				-53	87	34
Changes in ownership interests in subsidiaries		-187		187		—	-10,521	-10,521
Others		20		1	-1	20	185	205
<b>Balance at December 31, 2019</b>	<b>324,625</b>	<b>235,502</b>	<b>-29,580</b>	<b>648,251</b>	<b>30,163</b>	<b>1,208,961</b>	<b>107,046</b>	<b>1,316,007</b>

## 4. Condensed Consolidated Statements of Cash Flows

		(Millions of yen)	
	Notes	9 Months FY2018 (For the nine months ended December 31, 2018)	9 Months FY2019 (For the nine months ended December 31, 2019)
<b><i>Cash flows from operating activities</i></b>			
Profit for the period before income taxes		91,358	134,595
Depreciation, amortization and impairment loss	5-1	116,585	159,579
Increase (decrease) in provisions		29,761	-33,856
Increase (decrease) in net defined benefit liability		-83,399	-21,736
Interest and dividend income		-5,760	-4,676
Interest charges		2,421	3,074
Income from investments accounted for using the equity method, net		-16,949	-11,047
(Gain) loss on sales of subsidiaries' stock		-14,029	-6,328
(Increase) decrease in trade receivables		242,869	287,379
(Increase) decrease in inventories		-88,422	-110,967
Increase (decrease) in trade payables		-32,200	-39,255
Other, net		-163,204	-130,287
Cash generated from operations		79,031	226,475
Interest received		2,411	1,857
Dividends received		5,274	4,866
Interest paid		-2,875	-3,101
Income taxes paid		-67,514	-13,326
<b>Net cash provided by operating activities</b>		<b>16,327</b>	<b>216,771</b>
<b><i>Cash flows from investing activities</i></b>			
Purchases of property, plant, equipment, and intangible assets		-91,800	-98,977
Proceeds from sales of investment securities		63,781	15,898
Net proceeds from sale of subsidiaries and business		32,528	40,242
Collection of loans receivable		14,652	1,495
Other, net		-2,033	-3,186
<b>Net cash provided by (used in) investing activities</b>		<b>17,128</b>	<b>-44,528</b>
<b><i>Cash flows from financing activities</i></b>			
Increase (decrease) in short-term borrowings		22,795	41,557
Proceeds from long-term debt and issuance of bonds		62	3
Repayment of long-term debt and bonds		-72,587	-40,178
Payment of lease obligation	5-1	-8,865	-52,243
Purchase of treasury stock		-17,324	-67
Dividends paid to owners of the parent		-26,660	-32,429
Other, net		185	-96
<b>Net cash used in financing activities</b>		<b>-102,394</b>	<b>-83,453</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>-68,939</b>	<b>88,790</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>452,671</b>	<b>416,742</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>-167</b>	<b>-376</b>
<b>Cash and cash equivalents at end of period</b>		<b>383,565</b>	<b>505,156</b>



## 5. Notes to Financial Statements

### 1. Changes in accounting policies

Excluding the changes stated below, the major accounting policies that were applied to this first nine months's consolidated financial statements are the same policies that were applied to the previous fiscal year.

Starting from this first quarter, the Fujitsu Group has adopted IFRS 16 Leases. The accounting policies that were applied and the cumulative effect recognized at the beginning of the fiscal year are reflected in the first quarter report [Notes to Financial Statements] 1. Changes in accounting policies.

The effect on assets, liabilities, equity, operating profit, and profit for the period in the first nine months was immaterial. With the adoption of IFRS 16, because payments of lease liabilities are included in Cash Flows from Financing Activities, adjustments related to depreciation of right-of-use assets and others are included in Cash Flows from Operating Activities. As a result, in the first nine months Net Cash Provided by Operating Activities increased by 43,439 million yen, and Net Cash Used in Financing Activities decreased by 43,439 million yen, compared with what would have been achieved under the previous standard, IAS 17.

### 2. Cautionary Note Regarding Assumptions of a Going Concern

None.