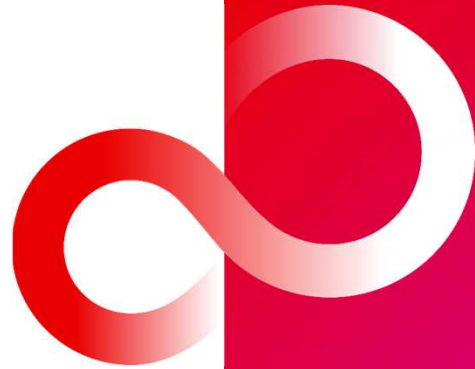


**2Q
FY2022**

Consolidated Financial Results

October 27, 2022
Fujitsu Limited

FUJITSU



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Please turn to page 4.

This presentation will cover our financial results for the first half of fiscal year 2022.

- 1 . Financial Results for 1H FY2022
- 2 . Earnings Forecast for FY2022

1 . Financial Results for 1H FY2022

- **Revenue 1,705.3 B yen Up 42.3 B yen**
- **Operating Profit 100.9 B yen Up 19.4 B yen**
(Operating Profit Margin 5.9%)
 1. Higher orders, mainly in SI/Services, in and outside of Japan (DX, modernization)
SI/Services up 8% in Japan and 56% in Europe v. prior year
 2. Profitability improvements, progress in expanding growth investments as planned
 3. One-time gain on business carve-out (PFU)
- **Record-high operating profit as a one-time gain on a business carve-out**

Revenue in the first half was 1,705.3 billion yen, up 42.3 billion yen from last year's first half. Operating profit was 100.9 billion yen, up 19.4 billion yen from last year's first half, and the operating profit margin was 5.9%.

In terms of the business environment, orders are increasing both in Japan and Europe, mainly for system integration and other services. For our Services business in Europe, in particular, we won multiple extensions of large scale contracts in the UK.

We are additionally making progress on productivity and profitability improvements, and we have made growth investments as planned.

In the second quarter we recorded a one-time gain relating to the transfer of a business. Including this gain, we achieved a record-high operating profit.

	1H FY2021	1H FY2022	Change		
					(Billions of yen)
Revenue	1,663.0	1,705.3	42.3	Impact of global chip shortage	-26.2
Operating Profit	81.4	100.9	19.4	Impact of restructuring	-7.9
[Operating Profit Margin]	[4.9%]	[5.9%]	[1.0%]	Excl. the above	76.5 4.7%
Financial income (expenses), etc	8.0	29.6	21.6		
Profit for the Period Before Income Taxes	89.5	130.6	41.1		
Profit for the Period Attributable to Owners of the Parent	52.9	71.9	19.0		

Page 5 shows the consolidated results for the first half of fiscal year 2022. I already commented on the revenue and operating profit figures.

I will now comment on the figures presented below operating profit, in particular the figure for financial income. Financial income was 29.6 billion yen, up 21.6 billion yen over the previous year. In addition to foreign exchange gains stemming from the weak yen, there was a revaluation gain for an equity method affiliate stemming from the transfer of a business.

At the very bottom, profit for the period was 71.9 billion yen, up 19.0 billion yen from the prior year.

(Billions of yen)

		1H FY2021	1H FY2022	Change	(%)
Excl. Special items	Revenue	1,663.0	1,705.3	42.3	2.5
	Impact of global chip shortage	-14.9	-41.1	-26.2	-
	Impact of restructuring	46.6	38.6	-7.9	-17.1
	[Excl. the above]	1,631.2	1,707.7	76.5	4.7
	OPPL [Operating Profit Margin]	76.5 [4.6%]	74.7 [4.4%]	-1.7 [-0.2%]	-2.2
Special items(One-time Profit/loss)*	OPPL	4.9	26.1	21.2	426.7
Total	Revenue	1,663.0	1,705.3	42.3	2.5
	OPPL	81.4	100.9	19.4	23.9
	[Operating Profit Margin]	[4.9%]	[5.9%]	[1.0%]	

*One-time Profit/Loss from restructuring, M&A related expenses(earn-out, PPA related costs, etc.)

I will now break down our operating profit.

The top portion shows our results. Revenue was 1,705.3 billion yen, up 42.3 billion yen from the prior year. Excluding the impact of the global chip shortage and restructuring, revenue was up by 76.5 billion yen, representing a 4.7% increase. Revenue was boosted by strong results from Solutions and Services as well as from electronic components.

Excluding special items, operating profit was 74.7 billion yen, down 1.7 billion yen from the previous year. The impact of higher sales revenue and cost and expense efficiencies raised profit, but there was a negative impact from the global chip shortage. We also carried out planned investments to grow our business.

Next, in special items, there were one-time gains and charges. We recorded a one-time gain of 26.1 billion yen, including gains on business transfers executed in the first half of fiscal 2022, representing an increase in profit of 21.2 billion yen compared to the previous year. We recorded a gain on the transfer of our PFU business and M&A-related expenses.

Next, I will comment on the factors that caused increases or decreases in operating profit compared to the prior year using a waterfall chart.

(Billions of yen)

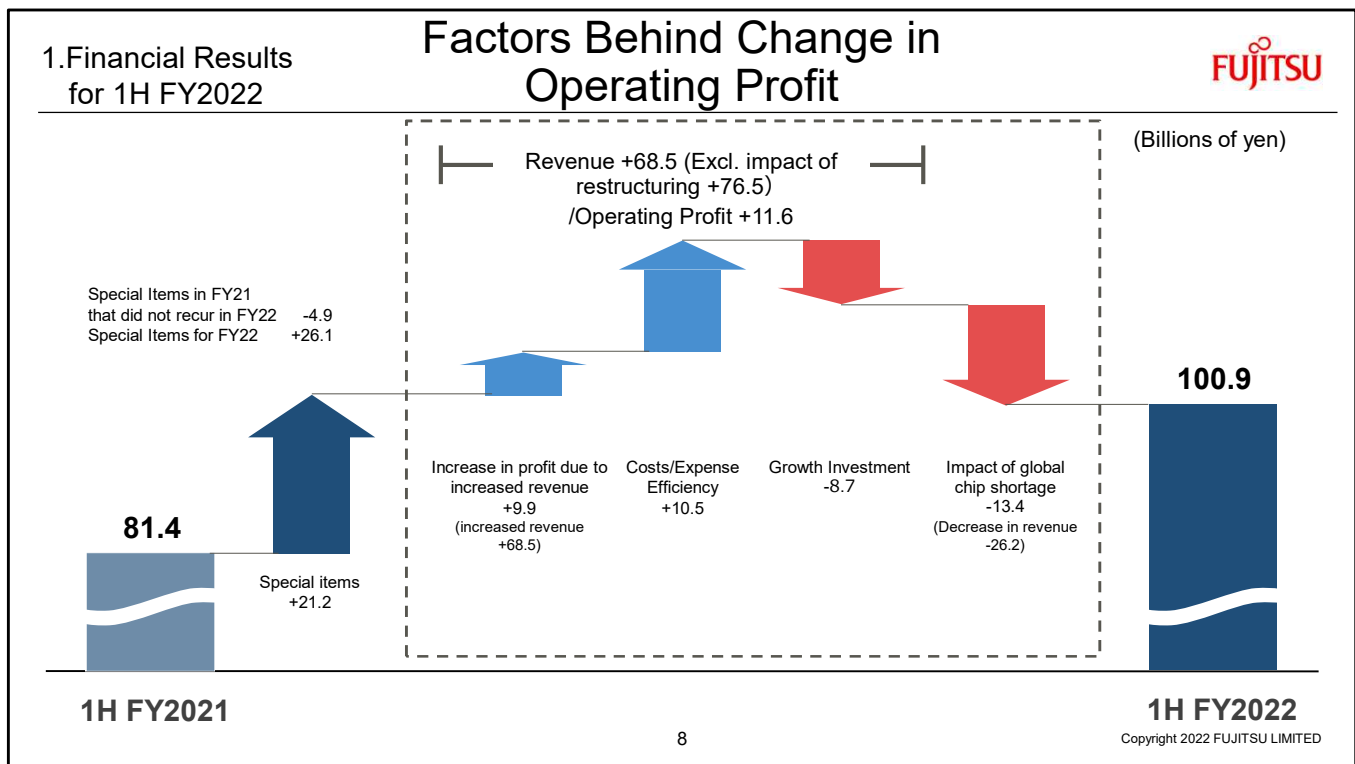
		FY2022			Change		
		1Q	2Q	1H	1Q	2Q	1H
Excl. Special items	Revenue	818.8	886.4	1,705.3	16.8	25.4	42.3
	Impact of global chip shortage	-27.8	-13.2	-41.1	-27.8	1.6	-26.2
	Impact of restructuring	23.2	15.4	38.6	3.0	-11.0	-7.9
	[Excl. the above]	823.5	884.2	1,707.7	41.7	34.7	76.5
	OPPL	28.0	46.7	74.7	-5.7	4.0	-1.7
	[Operating Profit Margin]	[3.4%]	[5.3%]	[4.4%]	[-0.8%]	[0.3%]	-0.2%
Special items(One-time Profit/loss)	OPPL	-2.4	28.5	26.1	-2.4	23.6	21.2
Total	Revenue	818.8	886.4	1,705.3	16.8	25.4	42.3
	OPPL	25.6	75.3	100.9	-8.1	27.6	19.4
	[Operating Profit Margin]	[3.1%]	[8.5%]	[5.9%]	[-1.1%]	[3.0%]	[1.0%]

I will first comment on our quarterly results.

Please have a look at the results of the second quarter of fiscal 2022 in the bold outline.

Revenue in the second quarter was 886.4 billion yen, operating profit was 75.3 billion yen, and our operating profit margin was 8.5%.

Excluding special items, the operating profit margin was 5.3%.



I will now comment on the factors that caused increases or decreases in operating profit in the first half of fiscal 2022 compared to the prior year.

On the far left, operating profit for the first half of fiscal 2021 was 81.4 billion yen. I will use this as the starting point for explaining increases or decreases from the prior year.

The first upward arrow shows the positive impact of 21.2 billion yen from one-time gains and charges. This includes a gain from the transfers of a business stemming from a realignment of our business and one-time expenses relating to M&A.

The rest of the arrows inside the dotted line relate to our underlying business excluding the impact of special items. The first upward arrow shows the positive impact of 9.9 billion yen from the increase in revenue. Revenues were higher in the Technology Solutions and Devices business segments.

The next upward arrow shows a positive impact of 10.5 billion yen. This positive impact stems from the DX human resources measures implemented last year, improved delivery efficiencies from the use of Global Delivery Centers, improvements in productivity, and greater expense efficiencies.

The third arrow, pointing downward, represents growth investments of 8.7 billion yen. There were investments in the development of Fujitsu Uvance and other offerings, as well as DX investments in our internal transformation.

The fourth arrow, also pointing down, is the 13.4 billion yen negative impact of component supply delays relating to the global chip shortage. The negative impact of the global chip shortage has continued since the first half of last year, and it has become worse compared to the first half of last year.

Adding these up, operating profit for the first half of fiscal 2022 was 100.9 billion yen.

	1H FY2021	1H FY2022	Change	(Billions of yen)		
				Change		
				Impact of global chip shortage	Impact of restructuring	Excl. Impact of global chip shortage and restructuring
Total	1,663.0	1,705.3	42.3	-26.2	-7.9	76.5
(1Q)	(801.9)	(818.8)	(16.8)	(-27.8)	(3.0)	(41.7)
(2Q)	(861.0)	(886.4)	(25.4)	(1.6)	(-11.0)	(34.7)
Technology Solutions	1,412.8	1,425.3	12.5	-26.1	-7.9	46.6
Ubiquitous Solutions	116.6	110.2	-6.4	-4.8	-	-1.5
Device Solutions	175.2	207.6	32.4	-	-	32.4
Inter-segment Elimination	-41.7	-37.9	3.7	4.8	-	-1.0

I now explain in further detail about the arrows inside the dotted line on the previous waterfall chart.

First is revenue. Revenue in the first half of fiscal 2022 was 1,705.3 billion yen, up 42.3 billion yen from the prior year. Excluding the impact of the global chip shortage and restructuring, revenue was 76.5 billion yen, an increase of 4.7%. Figures directly below in brackets show revenue for the first and second quarters. You can see that, as we moved from the first quarter into the second quarter, the impact of the global chip shortage is beginning to disappear.

Below that are figures broken down by business segment.

Revenue in Technology Solutions increased by 12.5 billion yen from the prior year. Excluding the negative impacts from the global chip shortage and restructuring, revenue increased by 46.6 billion yen.

In Ubiquitous Solutions, revenue declined by 6.4 billion yen from the prior year.

In Device Solutions, revenue increased by 32.4 billion yen from the prior year. Demand remained strong, and the weak yen also had a positive impact on the results.

Higher demand for SI/Services, mainly related to DX/modernization

	FY2021				FY2022			[SI / Services]
	1Q	2Q	1H	2H	1Q	2Q	1H	
Private Enterprise Business [Manufacturing & Distribution & Retail]	91%	101%	96%	102%	110%	105%	108%	[111%]
Finance Business [Finance & Insurance]	109%	95%	101%	104%	101%	107%	104%	[104%]
Japan Region [Government & Mission critical]	85%	125%	100%	94%	114%	99%	107%	[115%]
Fujitsu Japan [Local government & Healthcare & Educational institutions & Small and medium enterprise]	93%	91%	92%	87%	107%	93%	100%	[103%]
Network	122%	189%	151%	92%	74%	52%	62%	
Total	93%	102%	99%	95%	106%	94%	100%	
[SI / Services]	[98%]	[109%]	[104%]	[103%]	[107%]	[109%]	[108%]	

This slide shows the status of orders in Japan broken down by industry segment.

First is the Private Enterprise Business segment. Orders were up 8% from the previous year. In the Manufacturing & Distribution & Retail industries, we received orders for upgrades to mission-critical systems and other products and services, resulting in the overall trend remaining strong in the first half.

Orders in the Finance Business segment were up 4% from the previous year. In the second quarter of fiscal 2022, we won large-scale orders, including for mission-critical system upgrades, from megabank and insurance industry customers, resulting in an increase in orders.

Orders in the first half in the Japan Region were up 7% from the prior year, mainly from public sector customers. If you just look at the second quarter of fiscal 2022, results appear to be roughly unchanged from the prior year, but orders increased sharply, by 25%, in the second quarter of last year, so we were able to maintain a high level of orders.

Orders for Fujitsu Japan were unchanged from the prior year. There has been a strong flow of orders from local governments relating to system standardization and digitization. On the other hand, orders from educational institutions and medium-sized enterprises were negatively impacted by the global chip shortage, and some of those orders have been postponed into the second half of fiscal 2022.

Orders in the Network segment were down 38% in the first half of fiscal 2022. This is partly just a pullback from the strong pace of orders we received in last year's second quarter, but the level of orders is weak compared to the prior year.

Overall, orders were unchanged from the previous year. Orders in our focus area of system integration and services increased by 8%, with solid growth in both the first and second quarters of fiscal 2022.

Looking at SI services by industry, the Private Enterprise and Japan regions posted double-digit growth in the first half.

Reference: Orders in Japan by product/service category

	FY2021				FY2022		
	1Q	2Q	1H	2H	1Q	2Q	1H
Total	93%	102%	99%	95%	106%	94%	100%
SI / Services	98%	109%	104%	103%	107%	109%	108%
System Products	79%	93%	85%	91%	123%	98%	110%
Network	122%	189%	151%	92%	74%	52%	62%
PC	73%	71%	72%	83%	81%	70%	75%

For your reference, this shows the same orders in Japan as the previous slide, this time broken down by major product and service categories. As mentioned before, system integration and services orders rose 8%.

In System Products, in the first quarter we won a supercomputer contract, and orders for the first half of fiscal 2022 rose 10%.

Network and PC orders were weak throughout the first half of fiscal 2022.

Orders in International Regions Excluding Japan

Contract extension of large public sector deals in Europe region

	FY2021				FY2022		
	1Q	2Q	1H	2H	1Q	2Q	1H
Europe	118%	106%	111%	93%	99%	140%	120%
Services	118%	99%	107%	116%	105%	194%	156%
Products	117%	114%	115%	71%	94%	81%	87%
Americas	94%	118%	104%	134%	98%	87%	93%
Asia Pacific	119%	85%	101%	90%	83%	90%	86%
Services	107%	70%	86%	82%	77%	113%	93%
Products	134%	108%	121%	101%	89%	68%	80%

This slide shows the orders in international regions excluding Japan .

Orders for the Europe region were up 20% overall in the first quarter of fiscal 2022, and Services orders were up 56%. In the UK, in the second quarter we received large -scale, multiyear contract extensions from a public sector customer.

Orders in the first half of fiscal 2022 for the Americas fell by 7%. This is partly because there was a drop-off from a large-scale governmental order received in the prior fiscal year, and also because some orders have been postponed, resulting in a decline in orders compared to the previous year.

Orders for the Asia Pacific region fell by 14% in the first half of fiscal 2022, with Services orders down 7%. The trend has been weak, but Services orders in the second quarter of fiscal 2022 rose by 13%. We were able to exceed the previous year's performance because we received large-scale public sector orders.

Moderating trend in global chip shortage, passed on higher costs for more products

(Billions of yen)

	FY2021					FY2022		
	1Q	2Q	1H	2H	Total	1Q	2Q	1H
Impact of global chip shortage								
Revenue	-	-14.9	-14.9	-63.1	-78.0	-27.8	-13.2	-41.1
OPPL	-	-7.1	-7.1	-23.9	-31.0	-12.9	-7.5	-20.5
				vs	Revenue	-27.8	1.6	-26.2
				LY	OPPL	-12.9	-0.4	-13.4

Next I would like to comment on the impact of the global chip shortage.

Overall, the global chip shortage is easing, and the number of products for which we were able to pass on higher prices also increased.

The negative impact of the global chip shortage has continued since the latter part of the first half of fiscal 2021. However, looking at the first half of fiscal 2022, the shortages in the second quarter have eased compared to the first quarter of fiscal 2022.

Countermeasures to deal with component shortages are on track, and we expect to be able to recover as planned in the second half.

■ Improvement of 10.5 B yen from cost/expense efficiencies

Solutions & Services ↗ **Higher productivity in SI business**
Standardization in delivery, improved efficiencies
(utilization of GDCs)
Impact of DX personnel measures

System Platforms ↘ **Higher procurement costs of components(weak yen)**

International Regions Excluding Japan ↘ **Higher procurement costs of components**
(Euro weakness against US dollar)

The improvement in operating profit from cost improvements and expense efficiencies was 10.5 billion yen.

In Solutions and Services, productivity improvements in system integration and services, an expansion in offshoring through the use of the Global Delivery Centers, and the impact of the DX human resource measures implemented last fiscal year, resulted in improved profitability.

In System Platforms, there were negative foreign exchange impacts and steeply higher prices for components.

In International Regions Excluding Japan, several large-scale projects ended, and the hardware business was negatively impacted by higher prices for components and the weakness of the euro against the US dollar.

Continuing to actively invest for sustainable growth

(Billions of yen)

	FY2021 1H	FY2022 1H	vs LY	
Growth Investments	37.0	59.5	22.4	
(OPEX)	(27.7)	(36.4)	(8.7)	
(CAPEX)	(9.3)	(23.0)	(13.7)	
Investments for value creation	12.1	27.9	15.7	
• Global offerings Development	3.2	9.8	6.6	Investments for Launch of Uvance
• Service Delivery Transformation	2.1	3.7	1.6	Japan Global Gateway, GDC enhancements
• New business creation	6.8	14.3	7.4	M&A, Global mobile base stations, Smart city
Investments for internal transformation	24.9	31.6	6.7	
• Internal DX investments	10.0	20.9	10.9	One Fujitsu, Security enhancement
• Work Life Shift	14.9	10.6	-4.2	Borderless office optimizations

We are continuing to actively invest to achieve sustainable growth. Total investments in the first half of fiscal 2022 were 59.5 billion yen. That represents an increase in investments of 22.4 billion yen from the prior year. Investments for value creation were 27.9 billion yen, and investments for our internal transformation were 31.6 billion yen.

In investments for value creation, we expanded the development of offerings related to Fujitsu Uvance. In addition, we also continued investments in the Japan Global Gateway to optimize our delivery model for services. We also acquired a company in Australia that has capabilities in the delivery of specialized digital capabilities.

In investments for our internal transformation, we expanded investments in our internal digital transformation. We are also making progress on the One Fujitsu project for data-driven management and on enhanced security.

We also continue to optimize our office location footprint with what we call “borderless offices.” We have basically finished the reallocation of large-scale offices, but we are continuing to evolve our approach to match new ways of working as part of our hybrid working strategy.

1. Financial Results
for 1H FY2022

Business Segment
Information[1H]



(Billions of yen)

		FY2021			FY2022			
		1Q	2Q	1H	1Q	2Q	1H	Change
Technology Solutions	Revenue	687.0	725.7	1,412.8	682.2	743.1	1,425.3	12.5
	OPPL	17.0	24.1	41.1	2.2	50.1	52.4	11.2
Ubiquitous Solutions	Revenue	53.8	62.7	116.6	50.1	60.1	110.2	-6.4
	OPPL	1.6	3.4	5.0	-3.1	-1.1	-4.2	-9.3
Device Solutions	Revenue	81.0	94.1	175.2	104.1	103.4	207.6	32.4
	OPPL	15.1	20.1	35.2	26.4	26.4	52.8	17.5
Inter-segment Elimination	Revenue	-20.0	-21.7	-41.7	-17.6	-20.3	-37.9	3.7
Total	Revenue	801.9	861.0	1,663.0	818.8	886.4	1,705.3	42.3
	OPPL	33.7	47.7	81.4	25.6	75.3	100.9	19.4

1. Financial Results
for 1H FY2022

Business Segment
Information[1H]



Technology Solutions

(Billions of yen)

Technology Solutions	1H FY2021	1H FY2022	Change		
					(%)
Revenue	1,412.8	1,425.3	[-26.1]	12.5	0.9
Operating profit	41.1	52.4	[-13.0]	11.2	27.3
[Operating profit margin]	[2.9%]	[3.7%]		[0.8%]	

Revenue (breakdown)		[] Figures in brackets indicate impact of global chip shortage			
Japan	990.2	939.7	-50.5	-5.1	
Outside Japan	422.5	485.6	63.0	14.9	

[Revenue]

Higher revenue from Solutions & Services, mainly outside Japan, covering impact of global chip shortage

Impact of global chip shortage	-26.1 B yen
Restructuring	-7.9 B yen
Other factors	+46.6 B yen

[Operating Profit]

Results benefited from higher revenue and a one-time gain, but there were also higher growth investments and the impact of the global chip shortage

Impact of global chip shortage	-13.0 B yen
Results excluding chip shortage and special items	+2.1 B yen
Special Items	+22.1 B yen

I will now comment on our results by segment, primarily in relation to last year's results. As I already explained about revenue, I will now mainly comment about operating profit.

First is Technology Solutions. Operating profit for the first half of fiscal 2022 was 52.4 billion yen, up 11.2 billion yen from last year. I will explain the reasons behind these results in each sub-segment.

1. Financial Results
for 1H FY2022

Business Segment
Information[1H]



Technology Solutions (Solutions/Services)

(Billions of yen)

Solutions/ Services	1H FY2021	1H FY2022	Change		
					(%)
Revenue	845.4	815.6	[-34.9]	-29.8	-3.5
Operating profit	56.6	63.6	[-5.8]	6.9	12.3
[Operating profit margin]	[6.7%]	[7.8%]		[1.1%]	

[Revenue]

Higher revenue from SI/Services, mainly from manufacturing and financial services customers
Lower revenue from integrated hardware business because of impact of global chip shortage

Impact of global chip shortage -34.9 B yen
Restructuring -7.9 B yen
Other factors +13.0 B yen

[Operating Profit]

Higher operating profit from ordinary expense efficiencies and progress in raising profitability, covering the impact of the global chip shortage

Impact of global chip shortage -5.8 B yen
Results excluding chip shortage and special items +16.1 B yen
Special items -3.3 B yen

OPPL (breakdown)

[] Figures in brackets indicate impact of global chip shortage

[Excl. Special items]	[54.6]	[65.0]	[10.3]
[Special items]	[1.9]	[-1.3]	[-3.3]

Solutions and Services.

Operating profit was 63.6 billion yen, up 6.9 billion yen from the prior year. Excluding the impact of the global chip shortage and special items, operating profit increased by 16.1 billion yen in the first half of fiscal 2022.

Although we expanded investments to grow our DX business, we were able to increase profits over the prior year because of the impact of higher revenue from system integration and services, improvements in profitability, and the impact of the DX human resource measures implemented.

1. Financial Results
for 1H FY2022

Business Segment
Information[1H]



Technology Solutions (System Platforms)

(Billions of yen)

System Platforms	1H FY2021	1H FY2022	Change		
					(%)
Revenue	286.7	301.0	[9.3]	14.3	5.0
System Products	184.7	189.1	[-3.3]	4.4	2.4
Network Products	102.0	111.9	[12.6]	9.9	9.7
Operating profit	15.8	8.9	[-6.4]	-6.9	-43.7
[Operating profit margin]	[5.5%]	[3.0%]		[-2.5%]	

[Revenue]

Recovery from impact of global chip shortage (network products)

[Operating Profit]

Lower operating profit from steep rise in procurement prices and currency impact

Revenue (breakdown)		[] Figures in brackets indicate impact of global chip shortage			
Japan	207.6	172.0	-35.5	-17.1	
Outside Japan	79.0	128.9	49.9	63.1	

System platforms.

Operating profit was 8.9 billion yen, down 6.9 billion yen from the previous year.

Although a recovery in the global chip shortage led to an increase in the unit volume of sales, sharply higher component prices, including from the impact of exchange rates, led to a decrease in operating profit.

1. Financial Results
for 1H FY2022

Business Segment
Information[1H]



Technology Solutions (International Regions Excluding Japan)

(Billions of yen)

International Regions Excluding Japan	1H FY2021	1H FY2022	Change		
					(%)
Revenue	346.6	370.3	[-4.6]	23.7	6.8
Operating profit	5.1	-9.0	[-0.8]	-14.1	-
[Operating profit margin]	[1.5%]	[-2.4%]		[-3.9%]	

[Revenue]

Higher revenue, mainly from Asia Pacific region

[Operating Profit]

Lower operating profit due to end of projects and higher procurement prices

OPPL (breakdown) [] Figures in brackets indicate impact of global chip shortage

[Excl. Special items]	[5.1]	[-4.4]	[-9.5]
[Special items]	[-]	[-4.6]	[-4.6]

Excl. special items and restructuring	-9.5 B yen
Special items (M&A-related expenses)	-4.6 B yen

International Regions Excluding Japan.

There was an operating loss of 9.0 billion yen. Excluding 4.6 billion yen loss in M&A-related expenses, and excluding special items and restructuring, the operating loss was 4.4 billion yen.

In the first half of the year, major public sector contracts, particularly in the UK, reached their termination period at the same time and there was also an increase in component prices in the hardware business, resulting in the deterioration in operating profit.

In Europe, the depreciation of the euro against the US dollar has led to sharply higher procurement purchase prices for components.

In the second half of the year, we will strive to further increase sales and achieve profitability by steadily building up profits.

1. Financial Results
for 1H FY2022

Business Segment
Information[1H]



Technology Solutions (Common)

(Billions of yen)

Common	1H FY2021	1H FY2022	Change
Operating profit	-36.4	-11.0	25.3
[Excl. Special Items]	[-36.4]	[-41.7]	[-5.2]
[Special Items]	[-]	[30.6]	[30.6]

[Excluding special items and restructuring]

Large growth investments for internal transformation

- Internal DX investments for data-driven management (One Fujitsu, etc.)
- Work Life Shift (transforming ways we work)
 - borderless offices
 - building secure network environment

[Special items]

One-time gain on business transfer (+30.6B yen)

This shows the shared expenses of Technology Solutions.

Shared expenses reduced operating profit by 11.0 billion yen, representing a reduction in expenses of 25.3 billion yen from the previous year.

This figure includes investments in our own transformation, such as our internal digital transformation and initiatives to promote new working styles. We are continuing to make progress on data-driven management through the One Fujitsu project and transforming the ways we work, as well as steady progress on the Work Life Shift initiative to achieve improved productivity.

In special items, there was a one-time gain from the transfer of a business.

Expansion of 'For Growth' business: DX-related SI and Apps Lead, Consulting Business Grows

(Billions of yen)

		FY2022 (Actual)								
		1Q			2Q			1H		
		For Growth	For Stability	Total	For Growth	For Stability	Total	For Growth	For Stability	Total
Technology Solutions	Growth Rate	98%	100%	99%	107%	100%	102%	102%	100%	101%
	Revenue	230.9	451.3	682.2	259.7	483.4	743.1	490.6	934.7	1,425.3
	composition ratio	[34%]	[66%]	[100%]	[35%]	[65%]	[100%]	[34%]	[66%]	[100%]
Solutions/ Services	Growth Rate	102%	93%	97%	105%	87%	96%	104%	90%	96%
	Revenue	193.7	194.7	388.4	214.3	212.8	427.1	408.0	407.6	815.6
System Platforms	Growth Rate	70%	103%	94%	111%	116%	115%	88%	110%	105%
	Revenue	26.6	106.1	132.7	32.5	135.7	168.2	59.1	241.9	301.0
International Regions Excluding Japan	Growth Rate	115%	104%	104%	125%	108%	109%	121%	106%	107%
	Revenue	10.6	174.5	185.1	12.9	172.3	185.2	23.5	346.8	370.3
Common	Revenue	-	-24.1	-24.1	-	-37.4	-37.4	-	-61.6	-61.6

This shows revenue results in the two areas of value creation in Technology Solutions: For Growth and For Stability. Revenue from the For Growth area was up 7% in the second quarter of the year and increased by 2% in the first half of the year.

Revenue from the For Growth area in Solutions & Services was up 4% in the first half of the year. Businesses in Japan cover a wide range of fields, including enterprise, public and social systems. We are expanding our SI/services for core systems that lead to DX and modernization. In these industries, the first half of the year saw double-digit growth exceeding market growth. Also, sales in Ridgelinez, a consulting firm, up 47% from the previous year. We are confident that growth in areas that need to be expanded is steadily progressing.

On the other hand, revenue in the For Stability area was 10% lower in the first half of the year. In addition to the extension of business negotiations due to the supply of parts and materials in the hardware-integrated business, there was also the effect of business restructuring through the transfer of PFU.

Revenue from For Growth in System Platforms was down 12% in the first half of the year. In the previous year, shipments for 5G base stations were primarily in the first half, but this year we plan that the majority will be in the second half of the year. Revenue from For Stability was up 10%, mainly due to an increase in exports of optical transmission equipment to North America.

Revenue from For Growth in international regions excluding Japan was up 21%. Both 1Q and 2Q saw double-digit growth thanks to the expansion of digital capabilities acquired through M&A deals.

1. Financial Results
for 1H FY2022

Business Segment
Information[1H]



Ubiquitous Solutions

(Billions of yen)

Ubiquitous Solutions	1H FY2021	1H FY2022	Change		
					(%)
Revenue	116.6	110.2	[-4.8]	-6.4	-5.5
Operating profit	5.0	-4.2	[-0.3]	-9.3	-
[Operating profit margin]	[4.3%]	[-3.9%]		[-8.2%]	

[Revenue]

Revenue declined due to component procurement delays

[Operating Profit]

Profit declined due to higher procurement costs because of currency fluctuations

Revenue (breakdown) [] Figures in brackets indicate impact of global chip shortage

	1H FY2021	1H FY2022	Change	(%)
Japan	64.5	63.1	-1.3	-2.1
Outside Japan	52.1	47.0	-5.0	-9.7

Ubiquitous Solutions.

The segment posted an operating loss of 4.2 billion yen, representing a deterioration of 9.3 billion yen from the previous year.

Procurement costs have risen due to the impact of the weakened yen in Japan and the depreciation of the euro in Europe against the US dollar. There has been a squeeze on profits.

■ Device Solutions

(Billions of yen)

Device Solutions	1H FY2021	1H FY2022	Change	
				(%)
Revenue	175.2	207.6	32.4	18.5
Operating profit	35.2	52.8	17.5	49.9
[Operating profit margin]	[20.1%]	[25.4%]	[5.3%]	

[Revenue]

Demand continues to be strong

[Operating Profit]

In addition to higher demand, foreign exchange impacts were also positive

Revenue (breakdown)

Japan	41.5	47.8	6.2	15.1
Outside Japan	133.7	159.8	26.1	19.5

Device Solutions.

Operating profit was 52.8 billion yen, an increase of 17.5 billion yen from the previous year. In addition to continued high levels of demand, there were also a positive exchange rate impact, leading to a significant increase in profitability.

(Billions of yen)

	1H FY2021	1H FY2022	Change
I Cash flows from operating activities	172.0	87.7	-84.2
II Cash flows from investing activities	-67.9	-40.4	27.4
I + II Free Cash Flow	104.0	47.2	-56.7
III Cash flows from financing activities	-109.2	-83.4	25.7
IV Cash and Cash Equivalents at End of Period	476.1	457.5	-18.6

[Cash flows from operating activities]

- (-) Increase in inventories in preparation for higher second-half sales (component delays)
- (-) Higher outflows due to supplemental payments related to DX human resource measures

[Cash flows from investing activities]

- (+) Changes in mix of assets to achieve desired business portfolio (business carve-out, etc.)

This is the status of cash flows.

Cash flows from operating activities were 87.7 billion yen. There was an increase in inventories in preparation for higher sales in the second half of the year, as well as payments related to the DX human resource measures implemented in the previous year.

Cash flows from investing activities were outflows of 40.4 billion yen. We are making progress on changing our mix of assets to achieve our desired business portfolio and outflows were reduced by 27.4 billion yen.

Free cash flow was 47.2 billion yen.

Carve-outs of non-core businesses

Cash In

FY22 : PFU | Fujitsu Semiconductor Memory Solution | Socionext (3Q)

※ Consider methodologies(business carve-outs or equity/business partnerships etc.) for other non-core businesses to increase corporate value(Shinko Electric, Fujitsu General, FDK, etc.)

Strengthening capabilities in focus areas

Cash Out

Looking for strategic opportunities for equity/business partnerships or acquisitions in evaluation of such factors as IP or capabilities and growth or revenue prospects

(FY21 Per Te (business apps) | Versor (data analytics) | oobe (Azure, M365))

FY22 Enable Professional Services (ServiceNow, consulting) | InPhySec (security) (3Q)

Reduction in cross-shareholdings

Cash In

Continued reductions as rationale for holdings is scrutinized: sales of roughly 15.0 B yen in first half of FY22

I will now comment on the initiatives we are taking to achieve the desired business portfolio I just mentioned. There are three key points.

The first point is the progress we have made on carve-outs in our non-core businesses. In the first half of the year, we implemented a carve-out of PFU and Fujitsu Semiconductor Memory Solution, and then, in what is a third-quarter event, Socionext recently made an initial public offering on the Tokyo Stock Exchange Prime Market.

The second point is the progress we are making in strengthening our capabilities in our focus areas by looking for strategic opportunities for business and equity partnerships or acquisitions. As in the previous year, in fiscal 2022 we acquired two businesses outside of Japan in the digital and security areas.

The third point is reducing our cross-shareholdings. We are scrutinizing the rationale for existing holdings and continuing to reduce them.

(Billions of yen)

	Year-end FY2021	End of 2Q FY2022	Change
Total Assets	3,331.8	3,223.9	-107.8
Total Liabilities	1,616.0	1,430.5	-185.5
Total Equity	1,715.7	1,793.4	77.7
Total Equity Attributable to Owners of the Parent	1,590.7	1,650.3	59.6

Reference: Financial Indices

Interest-bearing Loans	285.3	243.6	-41.6
(Net Interest-bearing Loans)	(-198.7)	(-213.8)	(-15.1)

This is the status of Assets, Liabilities, and Equity.

At the end of the first half of the year, total equity was 1,793.4 billion yen, an increase of 77.7 billion yen from the end of the previous year, primarily due to an increase in profit. This is not part of the materials, but I would like to comment on our results for the first half of the year in comparison to the forecasts we made at the beginning of the fiscal year.

2. Earnings Forecast for FY2022

Overall consolidated results were almost exactly as planned.

We have made progress as planned expanding our pipeline of business deals and incoming orders. While there is some variation by sector and region, demand is increasing in system integration and services, mainly with digital transformation and modernization projects. The backlog of orders for sales expansion in the second half of the year is steadily accumulating, and it is essential to ensure that each project is carried out.

The overall consolidated total for revenue and operating profit was as planned. Revenue does not yet appear strong, but as I previously mentioned, we are receiving orders in advance that will mainly come to fruition in the second half of the year. For profit and loss, there were positive factors, such as improved profitability, and negative factors, such as an increase in growth investments, but both were as planned.

The worrisome issue of the global chip shortage seems to be showing signs of resolving and, starting in the third quarter, we expect our results to be better in comparison with the previous year, as we have planned.

Of course there is the impact of currency movements, but, overall, we have been able to offset them. The effect of the weakened yen against the dollar and weakened euro against the US dollar have had a negative impact in Technology Solutions and Ubiquitous Solutions due to higher costs for imported components. On the other hand, there has been a significant positive effect in device solutions, which has a large amount of export sales. Counteracting the negative impact for businesses that are posting losses represents an important priority. We made progress on cutting additional costs and passing on increased prices to customers, but it was not enough to sufficiently cover the negative impact in the first half. The overall consolidated total is balanced, but the results of some individual segments are slightly troubling.

		FY2021 (Actual)	FY2022 (Forecast)	Change		(Billions of yen) Change vs. Previous Forecast
					(%)	
Excl. Special items	Revenue	3,586.8	3,720.0	133.1	3.7	-
	Impact of restructuring *1	67.7	-	-67.7	-	-
	[Excl. restructuring]	3,519.0	3,720.0	200.9	5.7	-
	OPPL	275.6	390.0	114.3	41.5	-
	[Operating Profit Margin]	[7.7%]	[10.5%]	[2.8%]		[-%]
Special items(One-time Profit/loss) *2	OPPL	-56.4	10.0	66.4	-	-
Total	Revenue	3,586.8	3,720.0	133.1	3.7	-
	OPPL	219.2	400.0	180.7	82.5	-
	[Operating Profit Margin]	[6.1%]	[10.8%]	[4.7%]		[-%]
	PAT *3	182.6	280.0	97.3	53.3	-

*1 Restructured businesses: PFU: Figures from September to 4Q 2021 are included in the restructuring business.

*2 One-time Profit/Loss from restructuring, M&A related expenses(earn-out, PPA related costs, etc.)

*3 Profit for the Year Attributable to Owners of the Parent

Lastly, this is our financial forecast for fiscal 2022. We are projecting revenue of 3,720.0 billion yen, operating profit of 400.0 billion yen, an operating profit margin of 10.8%, and profit for the year of 280.0 billion yen. None of these have changed from our prior forecast. There have also been no changes to our segment forecasts on page 30 or our sub-segment forecasts on page 31.

Our progress in the first half was essentially as we had planned, and we recorded operating profit of 100.9 billion yen, but in the second half we are planning an even bigger expansion in our operating profit.

In the second half, we will work to continue to expand orders and to make sure that we convert them to sales, while also recovering from the global chip shortage, as these will be important factors in increasing our operating profit.

Of course, we will also continue measures to improve profitability, such as expanding our offshoring work and raising productivity, while also not letting down our guard on maintaining quality and holding down unprofitable projects, as these are essential conditions for us to achieve our financial targets.

There is still much we need to do, but, while minimizing risk, we will make steady progress to make sure that we achieve our goals.

This concludes my presentation.

(Billions of yen)

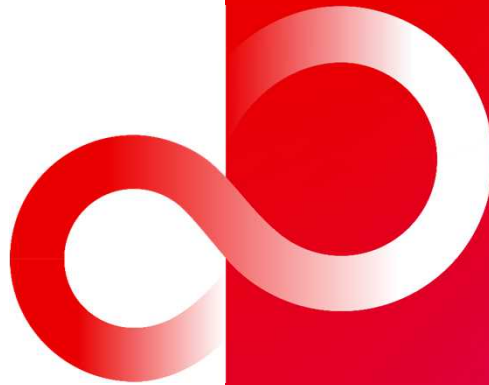
		FY2021 (Actual)	FY2022(Forecast)		Change	
			Current Forecast	Change vs. Previous Forecast		(%)
Technology Solutions	Revenue	3,056.3	3,200.0	-	143.6	4.7
	OPPL	135.0	330.0	-	194.9	144.4
Ubiquitous Solutions	Revenue	237.1	230.0	-	-7.1	-3.0
	OPPL	5.8	-	-	-5.8	-100.0
Device Solutions	Revenue	375.9	390.0	-	14.0	3.7
	OPPL	78.3	70.0	-	-8.3	-10.6
Inter-segment Elimination	Revenue	-82.6	-100.0	-	-17.3	-
Total	Revenue	3,586.8	3,720.0	-	133.1	3.7
	OPPL	219.2	400.0	-	180.7	82.5

Business Segment Information Breakdown of Technology Solutions

(Billions of yen)

		FY2021 (Actual)	FY2022(Forecast)		Change	
			Current Forecast	Change vs. Previous Forecast		(%)
Technology Solutions	Revenue	3,056.3	3,200.0	-	143.6	4.7
	OPPL	135.0	330.0	-	194.9	144.4
Solutions/ Services	Revenue	1,840.5	1,860.0	-	19.4	1.1
	OPPL	188.7	265.0	-	76.2	40.4
System Products	Revenue	384.7	430.0	-	45.2	11.8
Network Products	Revenue	232.8	250.0	-	17.1	7.4
System Platforms	Revenue	617.5	680.0	-	62.4	10.1
	OPPL	56.6	90.0	-	33.3	58.8
International Regions Excluding Japan	Revenue	729.3	800.0	-	70.6	9.7
	OPPL	23.9	30.0	-	6.0	25.2
Common	Revenue	-131.0	-140.0	-	-8.9	-
	OPPL	-134.4	-55.0	-	79.4	-

Thank you



Cautionary Statement

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, Oceania, 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 relating 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

Supplementary

Business Segment Information [Quarterly Breakdown of Results]

		FY2021				FY2022	
		1Q	2Q	3Q	4Q	1Q	2Q
Technology Solutions	Revenue	687.0	725.7	738.1	905.4	682.2	743.1
	OPPL	17.0	24.1	40.2	53.5	2.2	50.1
Solutions/ Services	Revenue	398.6	446.7	437.5	557.4	388.4	427.1
	OPPL	20.1	36.5	38.2	93.8	29.9	33.7
System Platforms	Revenue	140.8	145.8	144.2	186.6	132.7	168.2
	OPPL	7.9	7.8	5.8	35.0	0.5	8.3
International Regions Excluding Japan	Revenue	177.2	169.4	192.3	190.4	185.1	185.2
	OPPL	2.2	2.8	11.6	7.1	-6.1	-2.9
Common	Revenue	-29.6	-36.3	-35.9	-29.1	-24.1	-37.4
	OPPL	-13.3	-23.0	-15.4	-82.5	-21.9	10.9
Ubiquitous Solutions	Revenue	53.8	62.7	60.8	59.6	50.1	60.1
	OPPL	1.6	3.4	0.6	0.1	-3.1	-1.1
Device Solutions	Revenue	81.0	94.1	101.7	98.9	104.1	103.4
	OPPL	15.1	20.1	24.2	18.8	26.4	26.4
Inter-segment Elimination	Revenue	-20.0	-21.7	-20.2	-20.6	-17.6	-20.3
Total	Revenue	801.9	861.0	880.5	1,043.3	818.8	886.4
	OPPL	33.7	47.7	65.1	72.5	25.6	75.3

Business Segment Information

[Revenue Breakdown-In and Outside Japan 2Q]

(Billions of yen)

		FY2022				
		1Q	2Q	1H	Change	(%)
Technology Solutions	Revenue	682.2	743.1	1,425.3	12.5	0.9
	Japan	447.8	491.8	939.7	-50.5	-5.1
	Outside Japan	234.3	251.2	485.6	63.0	14.9
Solutions/ Services	Revenue	388.4	427.1	815.6	-29.8	-3.5
	Japan	377.6	419.8	797.5	-26.9	-3.3
	Outside Japan	10.7	7.2	18.0	-2.8	-13.7
System Platforms	Revenue	132.7	168.2	301.0	14.3	5.0
	Japan	81.2	90.8	172.0	-35.5	-17.1
	Outside Japan	51.5	77.4	128.9	49.9	63.1
International Regions Excluding Japan	Revenue	185.1	185.2	370.3	23.7	6.8
	Japan	0.1	0.1	0.2	-0.1	-31.0
	Outside Japan	185.0	185.1	370.1	23.8	6.9
Common	Revenue	-24.1	-37.4	-61.6	4.2	-
Ubiquitous Solutions	Revenue	50.1	60.1	110.2	-6.4	-5.5
	Japan	28.0	35.0	63.1	-1.3	-2.1
	Outside Japan	22.0	25.0	47.0	-5.0	-9.7
Device Solutions	Revenue	104.1	103.4	207.6	32.4	18.5
	Japan	23.8	24.0	47.8	6.2	15.1
	Outside Japan	80.3	79.4	159.8	26.1	19.5
Inter-segment Elimination	Revenue	-17.6	-20.3	-37.9	3.7	-
Total	Revenue	818.8	886.4	1,705.3	42.3	2.5
	Japan	483.6	531.9	1,015.5	-41.2	-3.9
	Outside Japan	335.2	354.5	689.7	83.5	13.8

Ratio of Revenue Outside Japan

40.9%

36

40.0%

40.4%

4.0%

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Breakdown of International Regions Excluding Japan

		(Billions of yen)				(Billions of yen)			
		2Q FY2021	2Q FY2022	Change		1H FY2021	1H FY2021	Change	
International Regions Excluding Japan	Revenue	169.4	185.2	15.8		346.6	370.3	23.7	
	Operating Profit	2.8	[-0.1] -2.9	[-3.0] -5.7		5.1	[-4.4] -9.0	[-9.5] -14.1	
Europe	Revenue	125.7	128.9	3.1		257.5	256.4	-1.0	
	Operating Profit	1.0	[-1.9] -2.1	[-2.9] -3.2		1.5	[-8.0] -8.3	[-9.5] -9.8	
Americas	Revenue	9.5	12.2	2.7		19.6	25.2	5.6	
	Operating Profit	0.7	[0.9] 0.8	[0.2] 0.1		1.5	[1.8] 1.6	[0.2] -	
Asia Pacific	Revenue	28.8	39.2	10.4		60.4	78.2	17.8	
	Operating Profit	0.5	[0.2] -2.0	[-0.2] -2.6		0.9	[1.4] -2.6	[0.5] -3.6	
East Asia	Revenue	8.5	10.4	1.9		15.5	19.9	4.4	
	Operating Profit	0.1	[0.2] 0.2	[0.1] 0.1		0.2	[0.3] 0.3	[-] -	
Others/ Eliminations	Revenue	-3.2	-5.7	-2.4		-6.5	-9.6	-3.0	
	Operating Profit	0.4	[0.2] 0.2	[-0.1] -0.1		0.8	[-] -	[-0.8] -0.8	

Note: Revenue includes Inter-region revenue.

[] Figures in brackets indicate Excl. Special items

1. Free Cash Flow

(Billions of yen)

	FY2021 (Actual)	FY2022 (Forecast)	Change vs. Previous Forecast
Free Cash Flow	189.0	280.0	-

2. Exchange Rates (Average) and Impact of Fluctuation

	FY2021 (Actual)	FY2022			Impact of Exchange Rate Fluctuation 2H (Forecast)*
		1H (Actual)	2H (Forecast)	Change vs. Previous Forecast	
U.S. dollar / Yen	112	134	115	-	-0.4 Billion yen
Euro / Yen	131	139	130	-	0.0 Billion yen
British pound / Yen	154	163	155	-	-0.1 Billion yen

* Impact of 1 yen fluctuation on operating profit (yen appreciation).

3. Capital Expenditures and Depreciation
(Property, Plant and Equipment)

(Billions of yen)

	1H		Full year		Change vs. Previous Forecast
	FY2021 (Actual)	FY2022 (Actual)	FY2021 (Actual)	FY2022 (Forecast)	
Technology Solutions	24.8	21.3	46.4	50.0	-
Ubiquitous Solutions	-	-	-	-	-
Device Solutions	18.9	32.0	42.5	90.0	-
Capital Expenditures	43.7	53.4	88.9	140.0	-
Depreciation	43.4	44.8	89.5	100.0	-

Capital expenditures and depreciation do not include the impact of adopting IFRS 16 (Leases).

4. R&D Expenses

R&D Expenses	51.0	49.0	105.3	105.0	-
[As % of Revenue]	[3.1%]	[2.9%]	[2.9%]	[2.8%]	-

Published on October 21, 2022

[Integrated Report 2022](#)

The Fujitsu Integrated Report introduces the Fujitsu Group's initiatives for business activities and value creation comprehensively and simply

Published on October 14, 2022

[Sustainability Data Book 2022](#)

Fujitsu Group Sustainability Data Book, responding international information disclosure requirements and latest domestic regulations, describes in detail about the basic stance, framework, policies, organization and internal/external activities in the Fujitsu Group.