

April 25, 2024

FY 2023 Full-Year Financial Results
April 1, 2023 - March 31, 2024

Fujitsu Limited

Consolidated Financial Results for the full year Ended March 31, 2024

Fujitsu Limited

[Prepared on the basis of International Financial Reporting Standards]

April 25, 2024

Company name	:	Fujitsu Limited
Stock exchange listings	:	Tokyo, Nagoya
Code number	:	6702
URL	:	https://www.fujitsu.com/
Representative	:	Takahito Tokita, President and Representative Director
Contact person	:	Kunihiko Nomoto, Head of Public and Investor Relations Division Tel. +81 44 754 5778
Scheduled annual shareholders' meeting date	:	June 24, 2024
Scheduled dividend payment date	:	June 3, 2024
Scheduled filing date of statutory financial report	:	June 24, 2024
Supplementary material	:	Yes
Financial results meeting	:	Yes (for media and analysts)

1. Consolidated Results for the Full-Year Ended March 31, 2024

(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 previous year.)

(Millions of yen)

	Revenue		Operating profit		Profit before income taxes		Profit for the year		Profit for the year attributable to owners of the parent	
		Change (%)		Change (%)		Change (%)		Change (%)		Change (%)
FY 2023 (4/1/23-3/31/24)	3,756,059	1.1	160,260	-52.2	178,180	-52.1	266,680	8.9	254,478	18.3
FY 2022 (4/1/22-3/31/23)	3,713,767	3.5	335,614	53.1	371,876	55.0	244,865	14.9	215,182	17.8
(Adjusted Items)										
FY 2023 (4/1/23-3/31/24)	—		(△ 123,425)	-					(18,676)	-
FY 2022 (4/1/22-3/31/23)	—		(14,753)	-					(11,043)	-
(Adjusted Consolidated Results)										
FY 2023 (4/1/23-3/31/24)	3,756,059	1.1	283,685	- 11.6					235,802	15.5
FY 2022 (4/1/22-3/31/23)	3,713,767	3.5	320,861	—					204,139	—

(Note) Adjusted operating profit: an indicator of the real profits from the business, in which one-time gains or losses from such activities (adjusted items) as business restructurings, acquisitions or divestitures, and institutional changes are subtracted from operating profit.

(Note) Adjusted profit: an indicator of the profits from the business, in which one-time gains or losses from such activities (adjusted items) as business restructurings, acquisitions or divestitures, institutional changes, and taxes related to these activities are subtracted from profit for the year attributable to owners of the parent.

	Total comprehensive income for the year	
		Change (%)
FY 2023 (4/1/23-3/31/24)	332,127	51.4
FY 2022 (4/1/22-3/31/23)	219,344	-16.6

	Earnings per share (Yen)		Return on Equity Attributable to Owners of the Parent (%)	Ratio of Profit before Income Taxes to Total Assets (%)	Ratio of Operating Profit to Revenue (%)
	Basic	Diluted			
FY 2023 (4/1/23-3/31/24)	135.59	135.34	15.2	5.3	4.3
FY 2022 (4/1/22-3/31/23)	110.76	110.54	13.5	11.3	9.0

[Reference] Income from investments accounted for using the equity method: FY2023:11,144 million yen FY2022: 28,037

(Note) On April 1, 2024, Fujitsu implemented a stock split, in which each share was converted into ten shares. Basic Earnings per Share and Diluted Earnings per Share have been calculated on the basis that the stock split had been conducted at the beginning of the previous consolidated fiscal year.

(2) Consolidated financial position

(Millions of yen, except per share data)

	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent ratio	Equity per Share Attributable to Owners of the Parent
March 31, 2024	3,514,818	1,918,834	1,752,393	49.9%	952.76
March 31, 2023	3,265,579	1,736,823	1,586,835	48.6%	842.54

(Note) On April 1, 2024, Fujitsu implemented a stock split, in which each share was converted into ten shares. Equity per Share Attributable to Owners of the Parent has been calculated on the basis that the stock split had been conducted at the beginning of the previous consolidated fiscal year.

(3) Consolidated Cash Flows

(Millions of yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Year
FY 2023 (4/1/23-3/31/24)	309,221	-157,239	-181,488	342,139
FY 2022 (4/1/22-3/31/23)	220,329	-42,809	-313,585	355,901

2. Dividends per Share (Ordinary Shares)

	Dividends per share(Yen)					Total Amount of Dividends (Millions of yen)	Dividend Payout Ratio (%)	Ratio of Dividends to Net Assets (%)
	1Q	2Q	3Q	Year-end	Full year			
FY2022	-	120.00	-	120.00	240.00	46,195	21.7	2.9
FY2023	-	130.00	-	130.00	260.00	48,409	19.2	2.9
FY2024(Forecast)	-	14.00	-	14.00	28.00		23.3	

(Note) On April 1, 2024, Fujitsu implemented a stock split, in which each share was converted into ten shares. Dividends prior to the fiscal year ending FY2023 are recorded at their actual dividend values before this stock split.

3. Consolidated Earnings Forecast for FY2024

(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 (%)	
FY2024	3,760,000	0.1	330,000	16.3	226,000	-4.2	122.87

(Note) On April 1, 2024, Fujitsu implemented a stock split, in which each share was converted into ten shares. Basic earnings per share in the consolidated earnings forecast for fiscal year ending March 31, 2025, takes into account the effect of this stock split.

(Note) The calculation of the basic earnings per share does not include the effects of the repurchase of shares of the Company's own stock that was decided by Fujitsu's Board of Directors on April 25, 2024.

4. Other Information

(1) Significant changes to subsidiaries in the current fiscal year

(Changes to specified subsidiaries resulting from changes in scope of consolidation): None

(2) Changes in accounting policies and accounting estimates

1. Changes in accounting policies required by IFRS: None

2. Changes arising from factors other than 1: None

3. Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

1. Number of issued shares at end of period	As of March 31, 2024	2,071,108,450
	As of March 31, 2023	2,070,018,210
2. Treasury stock held at end of period	As of March 31, 2024	231,822,460
	As of March 31, 2023	186,616,730
3. Average number of shares during period	Full-Year FY 2023	1,876,873,485
	Full-Year FY 2022	1,942,731,393

(Note) On April 1, 2024, Fujitsu implemented a stock split, in which each share was converted into ten shares. The number of issued shares at end of period, treasury stock held at end of period, and average number of shares during period are calculated on the basis that the stock split had been conducted at the beginning of the previous consolidated fiscal year.

(Reference Information) Summary of FY2023 Full-Year Separate Financial Results

(Monetary amounts less than one million yen are rounded down.)

Separate Results for the Full-Year Ended March 31, 2024

(1) Separate Financial Results

(Millions of yen)

	Net Sales		Operating Income		Ordinary income		Net Income(Loss)	
		Change (%)		Change (%)		Change (%)		Change (%)
FY 2023 (4/1/23-3/31/24)	1,851,493	2.6	121,099	16.7	133,633	- 6.9	223,606	24.7
FY 2022 (4/1/22-3/31/23)	1,804,001	3.5	103,737	16.4	143,566	-12.0	179,277	-10.9

(Yen)

	Net Income (Loss) per Common Share-Basic
FY 2023 (4/1/23-3/31/24)	119.13
FY 2022 (4/1/22-3/31/23)	92.28

(Note) On April 1, 2024, Fujitsu implemented a stock split, in which each share was converted into ten shares. Basic earnings per share have been calculated on the basis that stock split had been conducted at the beginning of the previous fiscal year.

(2) Separate Financial Position

(Millions of yen, except per share data)

	Total assets	Net Assets	Owners' Equity Ratio (%)	Net Assets per Share
March 31, 2024	1,972,275	1,166,506	59.1	634.21
March 31, 2023	1,892,051	1,116,916	59.0	593.03

[Reference] Owners' Equity: March 31, 2024; 1,166,506 million yen March 31, 2023; 1,116,916 million yen

(Note) On April 1, 2024, Fujitsu implemented a stock split, in which each share was converted into ten shares. Net assets per share have been calculated on the basis that the stock split had been conducted at the beginning of the previous fiscal year.

Notes

1. This financial report is not subject to audits by certified public accountants or auditing corporations.

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, 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 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 "FY2023 Consolidated Financial Results" (Presentation Material) separately disclosed today. Also, for the full-year ended March 31, 2024, there was a difference between the previous earnings forecast and the actual results, whose details are described on page 52 of this document.

Financial Tables

1. Consolidated Statement of Financial Position

(Millions of yen)

	Notes	FY2022 (As of March 31, 2023)	FY2023 (As of March 31, 2024)
Assets			
Current assets			
Cash and cash equivalents		355,901	342,139
Trade receivables		927,849	928,727
Other receivables		84,766	87,068
Contract assets		125,442	140,513
Inventories		337,008	298,804
Others		86,858	99,180
Total current assets		1,917,824	1,896,431
Non-current assets			
Property, plant and equipment, net of accumulated depreciation		572,172	602,928
Goodwill		55,132	80,205
Intangible assets		146,264	213,405
Investments accounted for using the equity method		155,594	160,809
Other investments		195,463	137,750
Retirement benefit assets		81,883	115,487
Deferred tax assets		73,310	218,922
Others		67,937	88,881
I Total non-current assets		1,347,755	1,618,387
Total assets		3,265,579	3,514,818
Liabilities and equity			
Liabilities			
Current liabilities			
Trade payables		463,730	455,453
Other payables		367,399	380,591
Contract liabilities		194,455	204,478
Short-term borrowings, current portion of long-term debt and lease obligations		103,577	136,692
Accrued income taxes		85,079	43,765
Provisions		35,015	58,988
Others		27,201	31,175
Total current liabilities		1,276,456	1,311,142
Non-current liabilities			
Long-term debt and lease obligations		107,598	108,984
Retirement benefit liabilities		95,388	104,205
Provisions		20,654	27,005
Deferred tax liabilities		5,612	15,196
Others		23,048	29,452
Total non-current liabilities		252,300	284,842
Total liabilities		1,528,756	1,595,984
Equity			
Share capital		324,625	325,638
Capital surplus		242,512	239,856
Treasury stock, at cost		-277,702	-380,881
Retained earnings		1,226,595	1,487,397
Other components of equity		70,805	80,383
Total equity attributable to owners of the parent		1,586,835	1,752,393
Non-controlling interests		149,988	166,441
Total equity		1,736,823	1,918,834
Total liabilities and equity		3,265,579	3,514,818

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

【Full-Year Consolidated Statement of Profit or Loss】		(Millions of yen, except per share data)	
	Notes	FY2022 (For the full-year ended March 31, 2023)	FY2023 (For the full-year ended March 31, 2024)
Revenue		3,713,767	3,756,059
Cost of sales		-2,569,685	-2,591,250
Gross profit		1,144,082	1,164,809
Selling, general and administrative expenses		-852,974	-904,599
Other income		85,411	34,593
Other expenses		-40,905	-134,543
Operating profit		335,614	160,260
Financial income		15,087	13,759
Financial expenses		-6,862	-6,983
Income from investments accounted for using the equity method, net		28,037	11,144
Profit for the year before income taxes		371,876	178,180
Income tax expenses		-127,011	88,500
Profit for the year		244,865	266,680
Profit for the year attributable to:			
Owners of the parent		215,182	254,478
Non-controlling interests		29,683	12,202
Total		244,865	266,680
Earning per share	5-3		
Basic earnings per share (Yen)		110.76	135.59
Diluted earnings per share (Yen)		110.54	135.34

【Full-Year Consolidated Statement of Comprehensive Income】		(Millions of yen)	
	Notes	FY2022 (For the full-year ended March 31, 2023)	FY2023 (For the full-year ended March 31, 2024)
Profit for the year		244,865	266,680
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Financial assets measured at fair value through other comprehensive income		17,770	35,088
Remeasurement of defined benefit plans		-41,784	5,040
Share of other comprehensive income of investments accounted for using the equity method		122	645
		-23,892	40,773
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation adjustments		-2,771	21,899
Cash flow hedges		412	-153
Share of other comprehensive income of investments accounted for using the equity method		730	2,928
		-1,629	24,674
Total other comprehensive income for the year, net of taxes		-25,521	65,447
Total comprehensive income for the year		219,344	332,127
Total comprehensive income attributable to:			
Owners of the parent		188,329	317,878
Non-controlling interests		31,015	14,249
Total		219,344	332,127

3. Consolidated Statement of Changes in Equity

(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		
Balance at April 1, 2022	324,625	243,048	-128,897	1,088,429	63,508	1,590,713	125,036	1,715,749
Profit for the year	—	—	—	215,182	—	215,182	29,683	244,865
Other comprehensive income	—	—	—	—	-26,853	-26,853	1,332	-25,521
Total comprehensive income for the year	—	—	—	215,182	-26,853	188,329	31,015	219,344
Purchase of treasury stock	—	—	-150,103	—	—	-150,103	—	-150,103
Disposal of treasury stock	—	1	2	—	—	3	—	3
Share-based payment transactions	—	1,858	1,296	—	—	3,154	—	3,154
Dividends paid	—	—	—	-45,210	—	-45,210	-4,571	-49,781
Transfer to retained earnings	—	—	—	-34,077	34,077	—	—	—
Acquisition (disposal) of non-controlling interests	—	-32	—	—	—	-32	-1,477	-1,509
Changes in ownership interests in subsidiaries	—	648	—	-721	73	—	-103	-103
Others	—	-3,011	—	2,992	—	-19	88	69
Balance at March 31, 2023	324,625	242,512	-277,702	1,226,595	70,805	1,586,835	149,988	1,736,823
Profit for the year	—	—	—	254,478	—	254,478	12,202	266,680
Other comprehensive income	—	—	—	—	63,400	63,400	2,047	65,447
Total comprehensive income for the year	—	—	—	254,478	63,400	317,878	14,249	332,127
Purchase of treasury stock	—	—	-103,180	—	—	-103,180	—	-103,180
Disposal of treasury stock	—	0	1	—	—	1	—	1
Share-based payment transactions	1,013	-135	—	—	—	878	—	878
Dividends paid	—	—	—	-47,098	—	-47,098	-5,124	-52,222
Transfer to retained earnings	—	—	—	53,822	-53,822	—	—	—
Acquisition (disposal) of non-controlling interests	—	-2,518	—	—	—	-2,518	-2,593	-5,111
Changes in ownership interests in subsidiaries	—	—	—	—	—	—	9,858	9,858
Others	—	-3	—	-400	—	-403	63	-340
Balance at March 31, 2024	325,638	239,856	-380,881	1,487,397	80,383	1,752,393	166,441	1,918,834

4. Consolidated Statements of Cash Flows

	(Millions of yen)	
	FY2022	FY2023
	Notes (For the full-year ended March 31, 2023)	(For the full-year ended March 31, 2024)
<i>Cash flows from operating activities</i>		
Profit for the year before income taxes	371,876	178,180
Depreciation, amortization and impairment loss	179,228	185,564
Increase (decrease) in provisions	-8,852	29,110
Increase (decrease) in net defined benefit liability	-19,034	-14,981
Interest and dividend income	-6,037	-9,715
Interest charges	3,958	5,241
Income from investments accounted for using the equity method, net	-28,037	-11,144
(Gain) loss on sales of subsidiaries' stock	-39,158	-113
(Increase) decrease in trade receivables	-65,320	15,883
(Increase) decrease in contract assets	-8,690	-9,760
(Increase) decrease in inventories	-51,939	44,363
Increase (decrease) in trade payables	5,659	-15,432
Increase (decrease) in contract liabilities	32,798	1,450
Other, net	-92,972	51,125
Cash generated from operations	273,480	449,771
Interest received	2,658	5,717
Dividends received	7,081	12,147
Interest paid	-3,984	-5,270
Income taxes paid	-58,906	-153,144
Net cash provided by operating activities	220,329	309,221
<i>Cash flows from investing activities</i>		
Purchases of property, plant, equipment, and intangible assets	-168,098	-195,839
Proceeds from sales of property, plant and equipment	15,580	4,769
Proceeds from sales and redemption of investment securities	46,244	112,059
Purchase of investment securities	-27,624	-11,563
Net proceeds from sale of subsidiaries, equity method associates and business	88,049	-29,535
Payments for acquisition of subsidiaries	-9,824	-43,311
Other, net	12,864	6,181
Net cash used in investing activities	-42,809	-157,239
<i>Cash flows from financing activities</i>		
Increase (decrease) in short-term borrowings	-25,502	29,336
Proceeds from long-term debt and issuance of bonds	2,268	291
Repayment of long-term debt and bonds	-35,298	-2,126
Payment of lease obligation	-58,566	-52,609
Purchase of treasury stock	-150,103	-103,180
Dividends paid to owners of the parent	-45,210	-47,098
Other, net	-1,174	-6,102
Net cash used in financing activities	-313,585	-181,488
Net increase (decrease) in cash and cash equivalents	-136,065	-29,506
Cash and cash equivalents at beginning of year	484,020	355,901
Effect of exchange rate changes on cash and cash equivalents	7,946	15,744
Cash and cash equivalents at end of year	355,901	342,139

5. Notes to Financial Statements

1. Cautionary Note Regarding Assumptions of a Going Concern

None.

2. Segment Information

Please refer to “FY2023 Consolidated Financial Results” (Presentation Material).

3. Earnings per Share

Calculation basis for basic earnings per share and diluted earnings per share

Basic Earnings per Share

		FY2022 (For full-year ended March 31, 2023)	FY2023 (For full-year ended March 31, 2024)
Profit for the year, attributable to ordinary equity holders of the parent	Millions of yen	215,182	254,478
Weighted average number of ordinary shares - basic	Thousands of share	1,942,731	1,876,873
Earnings per shares	yen	110.76	135.59

Diluted Earnings per Share

		FY2022 (For full-year ended March 31, 2023)	FY2023 (For full-year ended March 31, 2024)
Profit for the year, attributable to ordinary equity holders of the parent	Millions of yen	215,182	254,478
Profit used to calculate diluted earnings per share	Millions of yen	215,182	254,478
Weighted average number of ordinary shares - basic	Thousands of share	1,942,731	1,876,873
Contingently issuable shares	Thousands of share	3,889	3,376
Weighted average number of ordinary shares - diluted	Thousands of share	1,946,620	1,880,249
Diluted earnings per share	yen	110.54	135.34

(Note) On April 1, 2024, Fujitsu implemented a stock split, in which each share was converted into ten shares.

Basic Earnings per Share and Diluted Earnings per Share have been calculated on the basis that the stock split had been conducted at the beginning of the previous consolidated fiscal year.

4. Major Subsequent Events

Repurchase of Our Own Shares

At the Board of Directors meeting held on April 25, 2024, our company resolved to repurchase its own shares pursuant to Article 459, Paragraph 1 of the Companies Act of Japan and the Articles of Incorporation of our company.

(1) Reason for Acquisition of Treasury Stock

In order to enhance shareholder returns and improve capital efficiency by comprehensively taking into account the business environment and other factors, in light of improvements in financial conditions such as the expansion of profit and cash flow for FY2023 and FY2024.

(2) Details of Matters Concerning the Repurchase of Shares

- Type of shares to be repurchased: Common stock
- Total number of shares to be repurchased: Up to 150,000,000 shares (8.16% of total shares issued, excluding treasury stock)
- Aggregate amount of repurchases: 180 billion yen (maximum limit)
- Repurchase period: May 1, 2024 - March 31, 2025
- Repurchase Method : Purchase by means of market trades on the Tokyo Stock Exchange (including purchases by means of market trades based on a discretionary investment contract with securities firms and through share repurchases made outside of trading hours [ToSTNet-3])

Note: There is also the possibility that a portion or all of the repurchases may not occur because of sudden changes in the business environment, a large increase in the demand for funds, or because of insider trading restrictions.

Basic Approach to the Selection of Accounting Standards

As of fiscal 2014 Fujitsu has adopted International Financial Reporting Standards (IFRS) for the preparation of consolidated financial statements, for the purpose of having a single, uniform accounting standard for Group companies and improving comparability of the company's financial information in the world's capital markets.