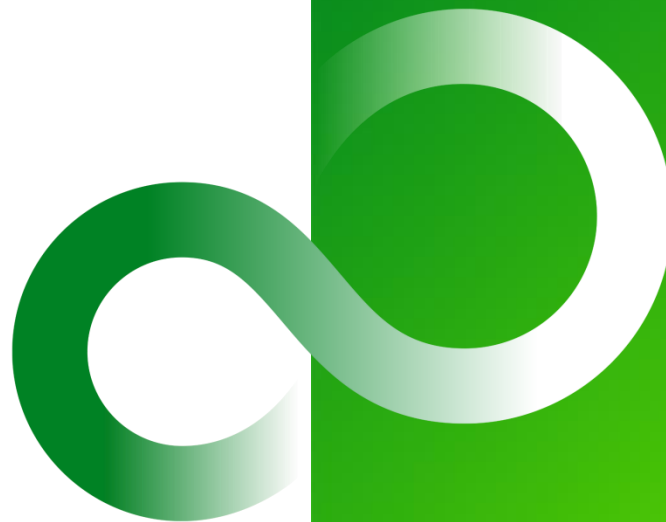


**2Q  
FY2023**

# **Consolidated Financial Results**

October 26, 2023

Fujitsu Limited



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# Financial Results for 1H FY2023



# FY 2023 1H Results: Overview

(Billions of yen)

## Service Solutions

<b>Revenue</b>	<b>984.1</b>	<b>vs LY</b>	<b>+13.6%</b>
<b>Adjusted Operating Profit</b>	<b>63.4</b>	<b>vs LY</b>	<b>+44.4</b>

## Total

<b>Revenue</b>	<b>1,711.8</b>	<b>vs LY</b>	<b>+2.7%</b>
<b>Adjusted Operating Profit</b>	<b>50.7</b>	<b>vs LY</b>	<b>-24.0</b>

Note: vs LY is excluding impact of restructuring

## Service Solutions

- | Revenue grew by 13.6%, primarily from business in Japan
  - » 1Q +10.2% 2Q +16.8%
  - » Fujitsu Uvance grew by 1.6 times
  - » Strong growth in orders leading to higher revenue
  
- | In addition to the effects of higher revenue, our profitability improvements are proceeding as forecast, resulting in a substantial increase in operating profit

## Total

- | Higher revenue and lower operating profit, primarily due to decrease of 41.8 billion in operating profit for Device Solutions

# Business Segment Information



(Billions of yen)

		FY2023			Change		
		1Q	2Q	1H	1Q	2Q	1H
Service Solutions	Revenue	465.4	518.7	984.1	19.7	59.2	79.0
	Excl. Impact of restructuring	465.4	518.7	984.1	43.0	74.6	117.6
	Impact of restructuring	-	-	-	-23.2	-15.4	-38.6
	Adj. Operating Profit	20.9	42.5	63.4	11.9	32.5	44.4
Hardware Solutions	Revenue	216.8	260.7	477.5	-7.3	-11.1	-18.4
	Adj. Operating Profit	2.6	14.8	17.4	-2.3	-1.2	-3.5
Ubiquitous Solutions	Revenue	59.8	70.9	130.7	-1.9	-0.5	-2.4
	Adj. Operating Profit	4.5	4.4	9.0	3.6	1.0	4.6
Device Solutions	Revenue	67.4	75.2	142.6	-36.7	-28.2	-64.9
	Adj. Operating Profit	2.2	7.0	9.3	-24.1	-17.7	-41.8
Inter-segment Elim./Corporate	Revenue	-9.9	-13.4	-23.3	7.0	6.4	13.5
	Adj. Operating Profit	-27.8	-20.7	-48.5	-14.4	-13.2	-27.6
Total	Revenue	799.6	912.2	1,711.8	-19.2	25.8	6.5
	Adj. Operating Profit	2.6	48.1	50.7	-25.4	1.3	-24.0
	[%]	[0.3%]	[5.3%]	[3.0%]	[-3.1%]	[-%]	[-1.4%]



# Business Segment Information



# Service Solutions

	(Billions of yen)			
	1H FY2022	1H FY2023	Change	(%)
Revenue	905.1	984.1	79.0	8.7
Excl. Impact of restructuring	<b>866.4</b>	<b>984.1</b>	<b>117.6</b>	<b>13.6</b>
[Fujitsu Uvance]	[94.0]	[153.7]	[59.6]	[63.4]
Impact of restructuring	38.6	-	-38.6	-
Adjusted Operating Profit	<b>19.0</b>	<b>63.4</b>	<b>44.4</b>	<b>233.8</b>
[Adj. Operating profit margin]	[2.1%]	[6.4%]	[4.3%]	

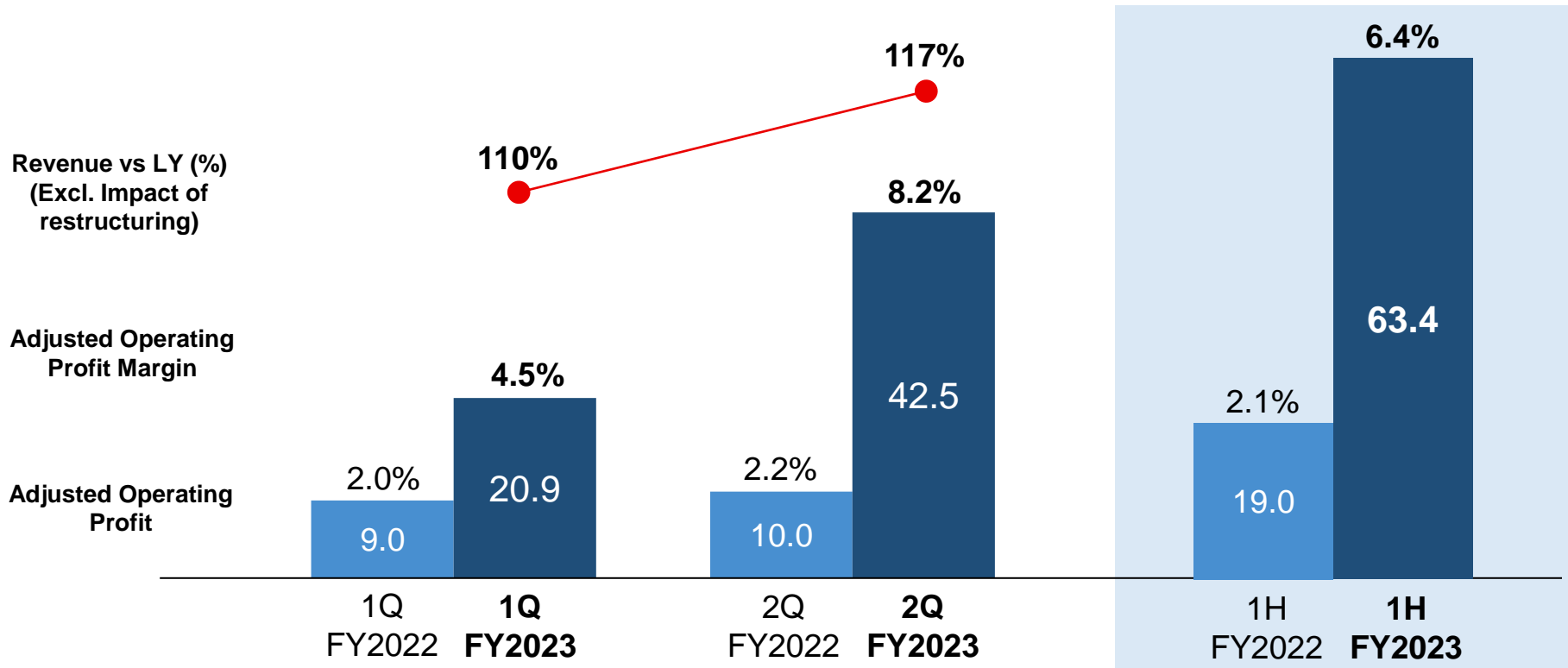
## Revenue

- Very solid growth in DX and modernization deals in Japan
- Revenue for Fujitsu Uvance grew 63% from the prior year

## Adjusted Operating Profit

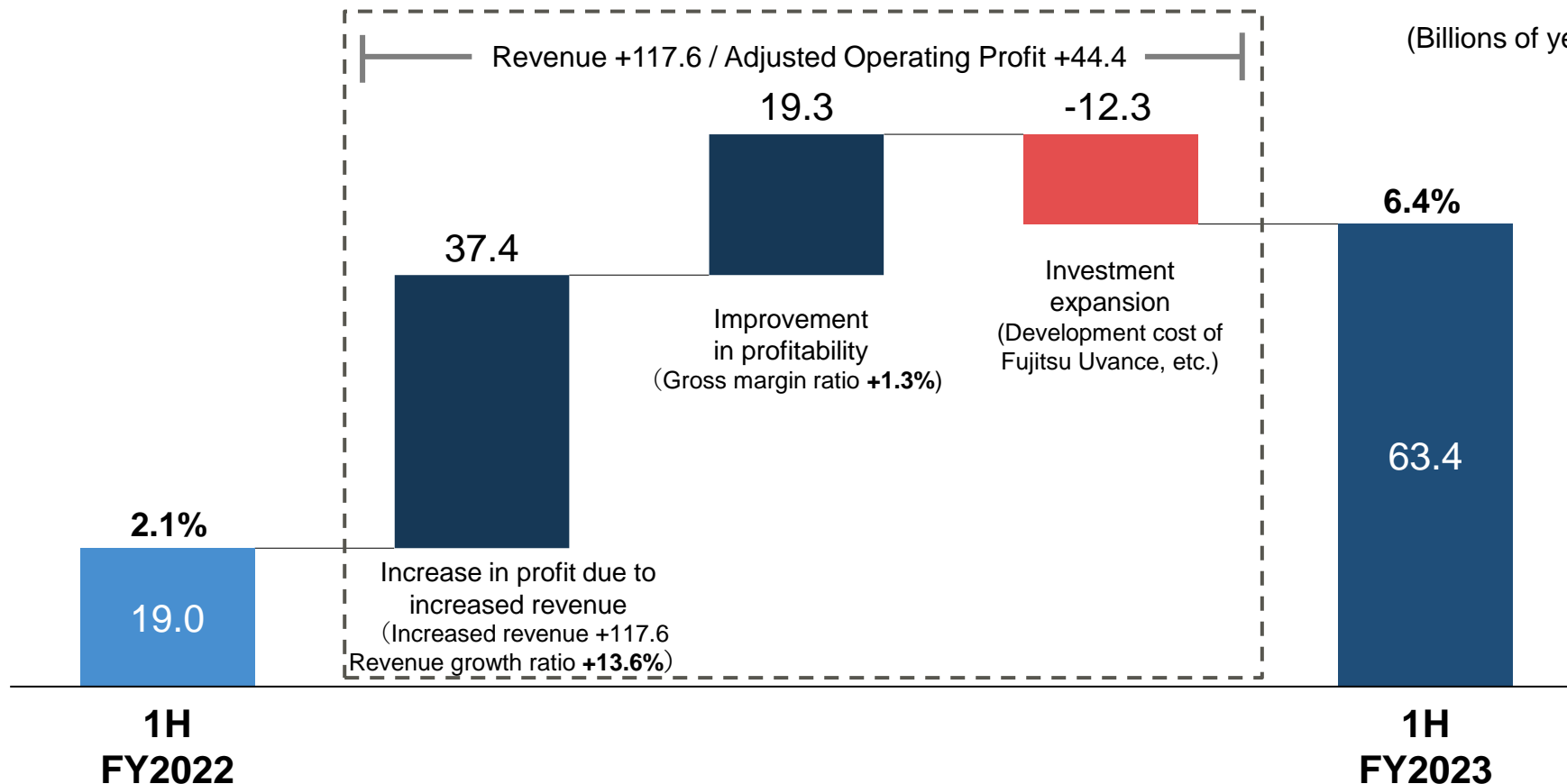
- Improved profitability from progress on development standardization in addition to the benefit of higher revenue
- Adjusted operating profit increased by 3 times over the previous year, even with higher Fujitsu Uvance-related investments

# Breakdown by Quarter



# Factors Behind Change in Adjusted Operating Profit

(Billions of yen)





# Orders in Japan

Significant growth of 18%, primarily an expansion of DX and modernization deals

	FY2022				FY2023		
	1Q	2Q	3Q	4Q	1Q	2Q	1H
Japan	111%	105%	100%	112%	<b>118%</b>	<b>118%</b>	<b>118%</b>
Private Enterprise Business [Manufacturing & Distribution & Retail]	108%	105%	101%	109%	<b>107%</b>	<b>115%</b>	<b>111%</b>
Finance Business [Finance & Insurance]	103%	102%	103%	110%	<b>124%</b>	<b>123%</b>	<b>123%</b>
Public&Healthcare [Government & Local government & Healthcare]	113%	97%	102%	108%	<b>134%</b>	<b>105%</b>	<b>127%</b>
Mission Critical and others [Mission Critical & National Security & others]	118%	124%	91%	128%	<b>92%</b>	<b>135%</b>	<b>112%</b>

# Orders in Regions (International)

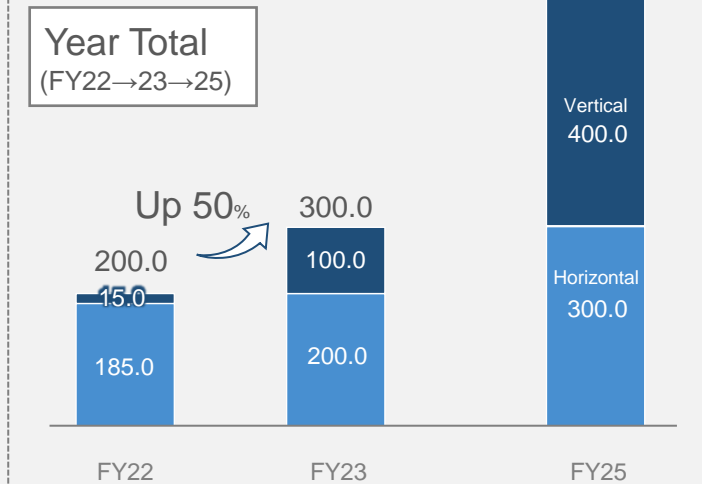
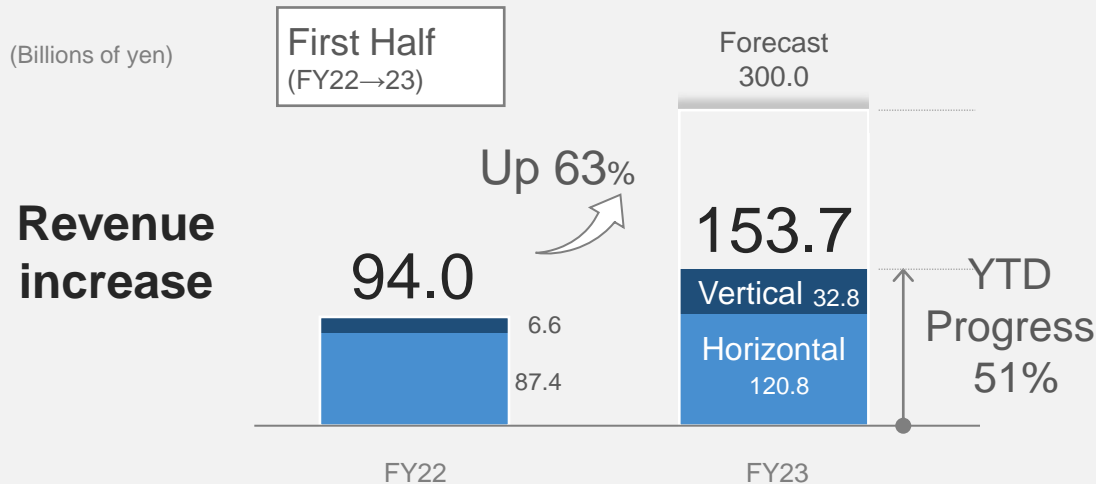
Declines in the Europe, primarily the result of non-recurring large-scale public sector deals in the previous year.

Solid growth in the Americas region, primarily from Business Application deals

	FY2022				FY2023		
	1Q	2Q	3Q	4Q	1Q	2Q	1H
Europe	101%	170%	85%	75%	<b>104%</b>	<b>61%</b>	<b>73%</b>
Americas	99%	87%	87%	88%	<b>137%</b>	<b>247%</b>	<b>181%</b>
Asia Pacific	93%	130%	242%	111%	<b>117%</b>	<b>84%</b>	<b>99%</b>

# Fujitsu Uvance

Began releasing Vertical offerings, and revenue has exceeded our forecast



## Percentage of total revenue




Vertical: 4 cross-industry areas that solve societal issues  
 Horizontal: 3 technical areas that support cross-industry

# Improvement in Profitability and Growth Investments

## Improvement in profitability +19.3 billion yen

### Trends in gross margin

FY2022 1H	FY2023 1H	vs LY 1H
31.2%	32.5%	1.3% 

### Japan Global Gateway utilization ratio

(standardization/automation)

FY22	1H FY23	FY25 Target
30%	34%	45%

Usage of Japan Global Gateway (standardization, automation, and insourcing) is advancing smoothly, and the profitability of our services in Japan is steadily improving

## Growth investments -12.3 billion yen

Fujitsu  
**Uvance**

Development expenses for offerings



Development of highly-skilled human resources, expansion of reskilling program, talent recruitment






Increased security and IT infrastructure

Making aggressive investments in our growth

# Breakdown by sub-segment

(Billions of yen)

		1H FY2022	1H FY2023	Change	(%)
Service Solutions	Revenue	905.1	984.1	79.0	8.7
	Excl. Impact of restructuring	866.4	984.1	117.6	13.6
	Impact of restructuring	38.6	-	-38.6	-
	Adjusted Operating Profit	19.0	63.4	44.4 	233.8
	[%]	[2.1%]	[6.4%]	[4.3%]	
Global Solutions	Revenue	184.2	217.7	33.5	18.2
	Adjusted Operating Profit	-13.4	-2.6	10.8 	-
	[%]	[-7.3%]	[-1.2%]	[6.1%]	
Regions (Japan)	Revenue	548.9	571.1	22.2	4.0
	Excl. Impact of restructuring	510.2	571.1	60.8	11.9
	Impact of restructuring	38.6	-	-38.6	-
	Adjusted Operating Profit	35.7	72.2	36.5 	102.1
	[%]	[6.5%]	[12.7%]	[6.2%]	
Regions (International)	Revenue	263.5	288.4	24.8	9.4
	Adjusted Operating Profit	-3.3	-6.2	-2.8	-
Intra-seg. Elim	Revenue	-91.5	-93.2	-1.6	-

## Global Solutions

Higher revenue, primarily from Fujitsu Uvance

Higher revenue and profitability, with a large decline in losses, even with aggressively expanding growth investments

## Regions (Japan)

Increase in DX and modernization projects in the public and healthcare sectors

Increase in profits on improved profitability and the impact of higher revenue

## Regions (International)

Higher revenue from public sector customers in Europe and the positive impact of foreign exchange movements

Continuation of difficult conditions in terms of profitability

## Hardware Solutions

(Billions of yen)

	1H FY2022	1H FY2023	Change	(%)
Revenue	496.0	477.5	-18.4	-3.7
System Products	383.5	404.5	20.9	5.5
Network Products	112.4	73.0	-39.4	-35.1
Adjusted Operating Profit	21.0	17.4	-3.5	-17.0
[Adj. Operating profit margin]	[4.2%]	[3.7%]	[-0.5%]	

### System Products

- Higher revenue from the solution of the chip shortage and higher demand for servers and storage systems

### Network Products

- Pull-back from prior year's strong demand for both mobile systems and photonics
- Higher development spending for the next growth cycle

## Ubiquitous Solutions

(Billions of yen)

	1H FY2022	1H FY2023	Change	(%)
Revenue	133.2	130.7	-2.4	-1.8
Adjusted Operating Profit	4.3	9.0	4.6	107.0
[Adj. Operating profit margin]	[3.3%]	[6.9%]	[3.6%]	

- Despite higher component prices due to foreign exchange fluctuations, profit increase through cost cuts and passing costs onto sales prices

## Device Solutions

(Billions of yen)

	1H FY2022	1H FY2023	Change	(%)
Revenue	207.6	142.6	-64.9	-31.3
Adjusted Operating Profit	51.2	9.3	-41.8	-81.7
[Adj. Operating profit margin]	[24.7%]	[6.6%]	[-18.1%]	

### Revenue

Lower revenue on continued weak demand for semiconductor packages

### Adjusted Operating Profit

Significant drop in profit from lower unit sales and a decline in capacity utilization

Delayed recovery from continued weak demand since the second half of the fiscal year 2022

## Inter-segment Elim./ Corporate

(Billions of yen)

	1H FY2022	1H FY2023	Change
Adjusted Operating Profit	-20.8	-48.5	-27.6

### Continued expansion in growth investments for the medium and long-term horizon

- Fujitsu Laboratories: Enhancing advanced research in cutting-edge areas (AI, quantum computing, energy saving processors)
- Enhancing management foundation (One Fujitsu program)

# Cash Flows



(Billions of yen)

	1H FY2022	1H FY2023	Change
Core Free Cash Flow *	63.6	91.1	27.4
I Cash flows from operating activities	87.7	136.4	48.6
II Cash flows from investing activities	-40.4	-101.8	-61.3
I + II Free Cash Flow	47.2	34.6	-12.6
III Cash flows from financing activities	-83.4	-43.2	40.1

\* Ordinary free cash flow, excluding one-time cash inflows or outflows from such activities as business restructurings, structural reforms, and acquisitions or divestitures. (Details are on page 32)

**Free Cash Flow:** includes a one-time out flow of cash of 48.5 billion yen related to the acquisition of GK Software and others



# Assets, Liabilities and Equity



(Billions of yen)

	Year-end FY2022	End of 2Q FY2023	Change
Total Assets	3,265.5	3,262.4	-3.1
Total Liabilities	1,528.7	1,437.9	-90.7
Total Equity	1,736.8	1,824.4	87.6
Total Equity Attributable to Owners of the Parent	1,586.8	1,665.7	78.9
Reference: Financial Indices			
Interest-bearing Loans	211.1	221.9	10.7
(Net Interest-bearing Loans)	[-144.7]	[-138.8]	[5.8]

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# Earnings Forecast for FY2023

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# Financial Forecast



## Factoring in a delayed recovery in Device Solutions

(Billions of yen)

	FY2022 (Actual)	FY2023(Forecast)		Change	(%)
		Current Forecast	Change vs. Previous Forecast		
Revenue	3,713.7	3,810.0	-50.0	96.2	2.6
Excl. Impact of restructuring	3,675.0	3,810.0	-50.0	134.9	3.7
Impact of restructuring	38.6	-	-	-38.6	-
Adjusted Operating Profit	320.8	320.0	-20.0	-0.8	-0.3
[Adjusted Operating Profit Margin]	[8.6%]	[8.4%]	[-0.4%]	[-0.2%]	
Adjusted Profit for the year	204.1	208.0	-10.0	3.8	1.9
Exchange Rate					
U.S. dollar / Yen	135	130	-	-5	-3.7
Euro / Yen	141	140	-	-1	-0.7
British pound / Yen	163	160	-	-3	-1.8

# Business Segment Information



(Billions of yen)

		FY2022 (Actual)	FY2023(Forecast)		Change	(%)
			Current Forecast	Change vs. Previous Forecast		
Service Solutions	Revenue	<b>1,984.2</b>	<b>2,170.0</b>	-	<b>185.8</b>	<b>9.4</b>
	Excl. Impact of restructuring	<b>1,945.5</b>	<b>2,170.0</b>	-	<b>224.4</b>	<b>11.5</b>
	Impact of restructuring	<b>38.6</b>	-	-	<b>-38.6</b>	-
	Adj. Operating Profit	<b>162.9</b>	<b>255.0</b>	-	<b>92.0</b>	<b>56.4</b>
	[%]	<b>[8.2%]</b>	<b>[11.8%]</b>	<b>[-%]</b>	<b>[3.6%]</b>	
Hardware Solutions	Revenue	1,132.3	1,060.0	-	-72.3	-6.4
	Adj. Operating Profit	112.6	92.0	-	-20.6	-18.3
	[%]	[9.9%]	[8.7%]	[-%]	[-1.2%]	
Ubiquitous Solutions	Revenue	286.0	310.0	-	24.0	8.4
	Adj. Operating Profit	8.6	15.0	-	6.3	72.4
	[%]	[3.0%]	[4.8%]	[-%]	[1.8%]	
Device Solutions	Revenue	382.6	325.0	-50.0	-57.6	-15.1
	Adj. Operating Profit	77.4	32.0	-20.0	-45.4	-58.7
	[%]	[20.2%]	[9.8%]	[-4.1%]	[-10.4%]	
Inter-segment Elim./ Corporate	Revenue	-71.5	-55.0	-	16.5	-
	Adj. Operating Profit	-40.9	-74.0	-	-33.1	-

# Business Segment Information 2H



(Billions of yen)

		FY2023			Change		
		1H (Actual)	2H (Forecast)	Total (Forecast)	1H	2H	Total
Service Solutions	Revenue	984.1	1,185.8	2,170.0	79.0	106.7	185.8
	Excl. Impact of restructuring	984.1	1,185.8	2,170.0	117.6	106.7	224.4
	Impact of restructuring	-	-	-	-38.6	-	-38.6
	Adj. Operating Profit	63.4	191.5	255.0	44.4	47.5	92.0
Hardware Solutions	Revenue	477.5	582.4	1,060.0	-18.4	-53.9	-72.3
	Adj. Operating Profit	17.4	74.5	92.0	-3.5	-17.0	-20.6
Ubiquitous Solutions	Revenue	130.7	179.2	310.0	-2.4	26.4	24.0
	Adj. Operating Profit	9.0	5.9	15.0	4.6	1.6	6.3
Device Solutions	Revenue	142.6	182.3	325.0	-64.9	7.3	-57.6
	Adj. Operating Profit	9.3	22.6	32.0	-41.8	-3.5	-45.4
Inter-segment Elim./ Corporate	Revenue	-23.3	-31.6	-55.0	13.5	2.9	16.5
	Adj. Operating Profit	-48.5	-25.4	-74.0	-27.6	-5.4	-33.1
Total	Revenue	1,711.8	2,098.1	3,810.0	6.5	89.6	96.2
	Adj. Operating Profit	50.7	269.2	320.0	-24.0	23.1	-0.8
	[%]	[3.0%]	[12.8%]	[8.4%]	[-1.4%]	[0.5%]	[-0.2%]

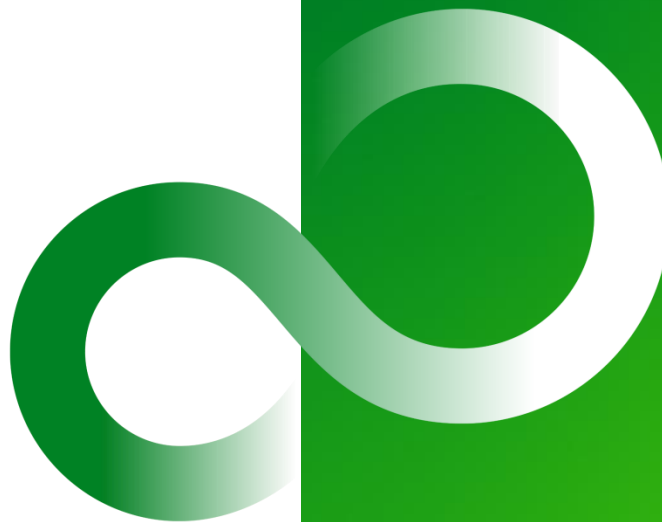
# Cash Flows

## Reflects the revised operating profit for Device Solutions

(Billions of yen)

	FY2022 (Actual)	FY2023 (Forecast)	Change vs. Previous Forecast
Core Free Cash Flow	157.1	215.0	-10.0
Free Cash Flow	177.5	160.0	-10.0

**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



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# Supplementary

# Consolidated PL(1H)

(Billions of yen)

	FY2023			Change		
	1Q	2Q	1H	1Q	2Q	1H
Revenue	799.6	912.2	1,711.8	-19.2	25.8	6.5
Adjusted Operating Profit	2.6	48.1	50.7	-25.4	1.3	-24.0
[Adjusted Operating Profit Margin]	[0.3%]	[5.3%]	[3.0%]	[-3.1%]	[-%]	[-1.4%]
Adjusted items from GAAP Operating Profit*	-4.2	-1.7	-5.9	-1.8	-30.3	-32.1
Operating Profit	-1.6	46.4	44.7	-27.2	-28.9	-56.1
[Operating Profit Margin]	[-0.2%]	[5.1%]	[2.6%]	[-3.3%]	[-3.4%]	[-3.3%]
Financial income (expenses), etc	10.2	5.1	15.4	-2.5	-11.7	-14.2
Adjusted Profit for the period	7.4	34.7	42.1	-11.5	-	-11.5
Profit for the period	4.3	33.4	37.8	-12.9	-21.2	-34.1

\*Please refer to page 31

# Consolidated PL by quarter

						(Billions of yen)	
	FY2022					FY2023	
	1Q	2Q	3Q	4Q	Total	1Q	2Q
Revenue	818.8	886.4	931.4	1,077.0	3,713.7	799.6	912.2
Adjusted Operating Profit	28.0	46.7	76.9	169.0	320.8	2.6	48.1
[Adjusted Operating Profit Margin]	[3.4%]	[5.3%]	[8.3%]	[15.7%]	[8.6%]	[0.3%]	[5.3%]
Adjusted items from GAAP Operating Profit	-2.4	28.5	-4.6	-6.7	14.7	-4.2	-1.7
Operating Profit	25.6	75.3	72.3	162.3	335.6	-1.6	46.4
[Operating Profit Margin]	[3.1%]	[8.5%]	[7.8%]	[15.1%]	[9.0%]	[-0.2%]	[5.1%]
Financial income (expenses), etc	12.7	16.9	1.6	4.9	36.2	10.2	5.1
Adjusted Profit for the period	19.0	34.6	43.7	106.6	204.1	7.4	34.7
Profit for the period	17.2	54.6	40.7	102.4	215.1	4.3	33.4

# Business Segment Information by quarter

(Billions of yen)

		FY2022					FY2023	
		1Q	2Q	3Q	4Q	Total	1Q	2Q
Service	Revenue	445.6	459.5	481.4	597.6	1,984.2	465.4	518.7
Solutions	Adj. Operating Profit	9.0	10.0	35.4	108.5	162.9	20.9	42.5
Global	Revenue	93.8	90.3	95.6	127.4	407.2	104.2	113.4
Solutions	Adj. Operating Profit	-8.2	-5.1	-	18.5	5.0	-1.2	-1.3
Regions	Revenue	265.4	283.5	280.0	365.6	1,194.6	262.0	309.1
(Japan)	Adj. Operating Profit	19.1	16.6	37.5	74.4	147.7	25.8	46.4
Regions	Revenue	130.0	133.5	150.9	167.1	581.7	141.0	147.4
(International)	Adj. Operating Profit	-1.8	-1.4	-2.0	15.6	10.3	-3.6	-2.5
Intra-seg. Elim	Revenue	-43.7	-47.8	-45.2	-62.5	-199.3	-41.9	-51.2
System Products	Revenue	178.5	205.0	228.1	250.9	862.6	185.2	219.2
Network Products	Revenue	45.6	66.8	71.7	85.4	269.7	31.6	41.4
Hardware	Revenue	224.2	271.8	299.8	336.4	1,132.3	216.8	260.7
Solutions	Adj. Operating Profit	5.0	16.0	35.8	55.6	112.6	2.6	14.8
Ubiquitous	Revenue	61.7	71.4	70.7	81.9	286.0	59.8	70.9
Solutions	Adj. Operating Profit	0.9	3.4	1.4	2.8	8.6	4.5	4.4
Device	Revenue	104.1	103.4	96.6	78.3	382.6	67.4	75.2
Solutions	Adj. Operating Profit	26.4	24.7	19.7	6.4	77.4	2.2	7.0
Inter-segment	Revenue	-16.9	-19.8	-17.3	-17.2	-71.5	-9.9	-13.4
Elim./ Corporate	Adj. Operating Profit	-13.3	-7.4	-15.5	-4.4	-40.9	-27.8	-20.7
Total	Revenue	818.8	886.4	931.4	1,077.0	3,713.7	799.6	912.2
	Adj. Operating Profit	28.0	46.7	76.9	169.0	320.8	2.6	48.1

# Fujitsu Uvance



(Billions of yen)

		FY2023			Change			FY2022 (Actual)	FY2023 (Forecast)
		1Q	2Q	1H	1Q	2Q	1H		
Orders	Vertical	13.2	24.0	37.2	7.1	18.4	25.5	30.0	110.0
	Horizontal	59.7	74.1	133.7	11.4	33.6	44.9	220.0	250.0
	(%)	134%	213%	170%					144%
	Total	72.9	98.1	171.0	18.5	52.0	70.4	250.0	360.0
	[Japan]	[43.3]	[58.9]	[102.2]	[13.5]	[35.7]	[49.2]	[120.0]	[170.0]
	[Outside Japan]	[29.6]	[39.2]	[68.7]	[5.0]	[16.2]	[21.2]	[130.0]	[190.0]
Revenue	Vertical	10.3	22.5	32.8	7.1	19.1	26.2	15.0	100.0
	Horizontal	60.1	60.7	120.8	17.4	16.0	33.4	185.0	200.0
	(%)	153%	173%	163%					150%
	Total	70.4	83.3	153.7	24.5	35.2	59.6	200.0	300.0
	[Japan]	[35.0]	[43.3]	[78.2]	[12.9]	[21.8]	[34.6]	[90.0]	[150.0]
	[Outside Japan]	[35.4]	[39.9]	[75.4]	[11.6]	[13.3]	[24.9]	[110.0]	[150.0]

Vertical: 4 cross-industry areas that solve societal issues

Horizontal: 3 technical areas that support cross-industry

# Breakdown of Regions (International)

(Billions of yen)

		FY2022					FY2023	
		1Q	2Q	3Q	4Q	Total	1Q	2Q
Regions (International)	Revenue	130.0	133.5	150.9	167.1	581.7	141.0	147.4
	Adj. Operating Profit	-1.8	-1.4	-2.0	15.6	10.3	-3.6	-2.5
Europe	Revenue	84.9	89.3	99.0	123.1	396.4	96.8	102.1
	Adj. Operating Profit	-3.8	-2.9	-3.6	11.6	1.1	-4.0	-3.2
Americas	Revenue	13.0	12.2	14.1	13.2	52.6	12.7	13.7
	Adj. Operating Profit	0.9	0.9	0.3	0.7	2.9	0.1	0.4
Asia Pacific	Revenue	23.2	22.9	24.2	24.9	95.4	25.6	25.3
	Adj. Operating Profit	1.0	0.2	0.8	2.4	4.6	-0.1	0.1
East Asia	Revenue	9.5	10.4	14.7	10.1	44.8	7.7	9.4
	Adj. Operating Profit	-	0.2	0.4	0.8	1.5	0.4	-
Others/ Eliminations	Revenue	-0.7	-1.4	-1.1	-4.3	-7.7	-1.9	-3.3
	Adj. Operating Profit	-	-	-	-	-	-	-

Note: Revenue includes Inter-region revenue.

# Adjusted items from GAAP Operating Profit

						(Billions of yen)	
	FY2022					FY2023	
	1Q	2Q	3Q	4Q	Total	1Q	2Q
Operating Profit	25.6	75.3	72.3	162.3	335.6	-1.6	46.4
Adjusted items from GAAP Operating Profit	-2.4	28.5	-4.6	-6.7	14.7	-4.2	-1.7
One-time Profit/Loss from business transfers	-	32.2	0.3	-	32.6	-	-
M&A related expenses	-1.7	-2.3	-1.9	-3.7	-9.8	-2.8	-1.1
Business model transformation cost	-0.6	-1.3	-3.0	-2.9	-8.0	-1.3	-0.6
<b>Adjusted Operating Profit*</b>	<b>28.0</b>	<b>46.7</b>	<b>76.9</b>	<b>169.0</b>	<b>320.8</b>	<b>2.6</b>	<b>48.1</b>

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

## Main adjusted items

- Business transfers:(2Q of FY2022) one-time profits from the sale of PFU and other businesses
- M&A related expenses: depreciation of intangible assets recorded from acquisitions

# Adjusted items from GAAP Free Cash Flow

(Billions of yen)

	FY2022					FY2023	
	1Q	2Q	3Q	4Q	Total	1Q	2Q
Free Cash Flow	66.1	-18.8	2.3	127.8	177.5	125.6	-91.0
Adjusted items from GAAP Free Cash Flow	-61.0	44.6	30.1	6.5	20.4	-57.2	0.7
Business transfers	1.4	56.6	32.5	6.5	97.0	-18.8	11.9
M&A expenditures	-	-10.3	-2.1	-	-12.4	-38.4	-10.1
Business model transformation expenditures	-62.4	-1.6	-0.2	-	-64.2	-	-1.1
<b>Core Free Cash Flow*</b>	<b>127.1</b>	<b>-63.5</b>	<b>-27.7</b>	<b>121.2</b>	<b>157.1</b>	<b>182.8</b>	<b>-91.7</b>

\* Ordinary free cash flow, excluding one-time cash inflows or outflows from such activities as business restructurings, structural reforms, and acquisitions or divestitures.

## Main adjusted items

- Business transfers: (2Q of FY2022) one-time gains from the sale of PFU and cross shareholdings
- M&A expenditures: (1Q of FY2023) acquisition of GK Software in Germany, (2Q of FY2023) one-time expenditures related to acquisitions in APAC
- Business model transformation expenditures: (1H of FY2022) one-time expenditures related to DX human resource measures implemented in FY2021



# Financial Forecast(PL)

(Billions of yen)

	FY2022 (Actual)	FY2023(Forecast)		Change	(%)
		Current Forecast	Change vs. Previous Forecast		
Revenue	3,713.7	3,810.0	-50.0	96.2	2.6
Excl. Impact of restructuring	3,675.0	3,810.0	-50.0	134.9	3.7
Impact of restructuring	38.6	-	-	-38.6	-
Adjusted Operating Profit	320.8	320.0	-20.0	-0.8	-0.3
[Adjusted Operating Profit Margin]	[8.6%]	[8.4%]	[-0.4%]	[-0.2%]	
Adjusted items from GAAP Operating Profit	14.7	-	-	-14.7	-
Operating Profit	335.6	320.0	-20.0	-15.6	-4.7
[Operating Profit Margin]	[9.0%]	[8.4%]	[-0.4%]	[-0.6%]	
Adjusted Profit for the year	204.1	208.0	-10.0	3.8	1.9
Profit for the year	215.1	208.0	-10.0	-7.1	-3.3

# Business Segment Information

## [Service Solutions]

(Billions of yen)

		FY2022 (Actual)	FY2023(Forecast)		Change	(%)
			Current Forecast	Change vs. Previous Forecast		
Service Solutions	Revenue	1,984.2	2,170.0	-	185.8	9.4
	Adj. Operating Profit	162.9	255.0	-	92.0	56.4
	[%]	[8.2%]	[11.8%]	[-%]	[3.6%]	
Global Solutions	Revenue	407.2	455.0	-	47.7	11.7
	Adj. Operating Profit	5.0	6.0	-	0.9	18.8
	[%]	[1.2%]	[1.3%]	[-%]	[0.1%]	
Regions (Japan)	Revenue	1,194.6	1,330.0	-	135.4	11.3
	Adj. Operating Profit	147.7	237.0	-	89.3	60.5
	[%]	[12.4%]	[17.8%]	[-%]	[5.4%]	
Regions (International)	Revenue	581.7	590.0	-	8.3	1.4
	Adj. Operating Profit	10.3	12.0	-	1.7	16.5
	[%]	[1.8%]	[2.0%]	[-%]	[0.2%]	
Intra-seg. Elim	Revenue	-199.3	-205.0	-	-5.6	-

# Assumption used for FY2023 Forecasts

## 1. Exchange Rates (Average) and Impact of Fluctuation

	FY2022 (Actual)	FY2023			Impact of Exchange Rate Fluctuation 2H (Forecast)*
		1H (Actual)	2H (Forecast)	Change vs. Previous Forecast	
U.S. dollar / Yen	135	141	130	-	-0.4 Billion yen
Euro / Yen	141	153	140	-	0.0 Billion yen
British pound / Yen	163	177	160	-	0.0 Billion yen

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

# Assumption used for FY2023 Forecasts

## 2. Capital Expenditures and Depreciation (Property, Plant and Equipment)

					(Billions of yen)
	1H		Full year		Change vs. Previous Forecast
	FY2022 (Actual)	FY2023 (Actual)	FY2022 (Actual)	FY2023 (Forecast)	
Service Solutions	12.4	13.5	27.8	23.0	-
Hardware Solutions	3.9	5.0	9.0	10.0	-
Ubiquitous Solutions	-	-	-	-	-
Device Solutions	32.0	42.0	72.3	75.0	-
Inter-segment Elim./ Corporate	4.8	6.4	11.7	12.0	-
Capital Expenditures	53.4	67.1	121.0	120.0	-
Depreciation	44.8	40.4	89.6	90.0	-

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

## 3. R&D Expenses

R&D Expenses	49.0	61.5	109.5	110.0	-
[As % of Revenue]	[2.9%]	[3.6%]	[3.0%]	[2.9%]	[0.1%]

# Notice of Information Disclosure

## [Integrated Report 2023](#)

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

## [Sustainability Data Book 2023](#)

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.