Fujitsu at a glance

The Fujitsu Group has established a global service structure with operations in different regions around the world including Japan.

Fujitsu's IT services business ranks top by market share in Japan and in the top tier worldwide, a record that reflects our outstanding technologies and long track record in building large-scale, cutting-edge systems.

Revenue by region (Fiscal year ended March 31, 2022)

- Americas: 10.7%
- CEE: 7.1%
- NWE: 10.7%
- Asia: 9.2%
- Oceania: 2.2%
- Others: 0.9%

Fujitsu's position in the IT services market

Global services revenue (Billions of US dollars)

1. Revenue estimate using calendar year, based on IDC's services market definition.
2. Ranking by vendors' revenue in 2020
Source: IDC Japan, January 2022 (#JPJ48619722)

Japan IT services revenue (Billions of yen)

Note: Consolidated revenue estimate using calendar year, based on IDC's services market definition.
Source: IDC Japan, July 2022 (#JPJ47876122)
Business segments

Technology Solutions

Main products/Services/Regions
Solutions/Services
- System integration (system implementation, business application services, etc.)
- Consulting
- Outsourcing services (datacenter services, ICT managed services, application managed services, business process outsourcing, etc.)
- Cloud services (IaaS, PaaS, SaaS, etc.)
- Network services (business networks, etc.)
- System support services (ICT system and network maintenance and monitoring services, etc.)
- Security solutions
- Software (middleware)

System Platforms
System Products
- Servers (mainframes, UNIX servers, mission critical IA servers, PC servers)
- Storage systems
- Front-end technology (ATMs, POS systems, etc.)
- Software (OS)
- Automotive control units and in-vehicle information systems

Network Products
- Network management systems
- Optical transmission systems
- Mobile base stations

International Regions Excluding Japan
- Solutions/Services delivery and System Products sales in regions outside Japan

Technology Solutions (Common)
- Common expenses related to Technology Solutions (basic research and development expenses and others)
- Elimination of sales/profit/loss between subsegments
- Corporate subsidiaries

Ubiquitous Solutions

Main products/Services
- PCs

Device Solutions

Main products/Services
- Electronic components (semiconductor packages, batteries, etc.)

Intersegment Elimination
- Elimination of intersegment sales

Performance by segment

Revenue
(Billions of yen)

Fiscal years ended March 31

Operating profit
(Billions of yen)

Fiscal years ended March 31

Technology Solutions

Fiscal years ended March 31, 2022

Revenue ¥3,056.3 billion
Operating profit ¥193.9 billion
Operating profit margin 6.3%
**Value Creation Model**

We in the Fujitsu Group are committed to providing value to society driven by Our Purpose, starting with social trends.

**Our business environment**

**Social trends**
- Response to an era of uncertainty
- Agreement of global goals

**Horizontal areas**
- Digital Shifts
- Business Applications
- Hybrid IT

**Vertical areas**
- Sustainable Manufacturing
- Consumer Experience
- Healthy Living
- Trusted Society

**Our Purpose**

Our Purpose is to make the world more sustainable by building trust in society through innovation.

**Building new possibilities by connecting people, technology and ideas, creating a more sustainable world where anyone can advance their dreams**

**GRB (Global Responsible Business)**

- Human Rights and D&I
- Wellbeing
- Environment
- Compliance
- Supply Chain
- Occupational Health and Safety
- Community

**Input**

**Fiscal 2021 results**

- Financial capital
  - Equity attributable to owners of the parent ratio: 477%
  - Revenue: ¥3,586.8 billion
  - Free cash flow: ¥189.0 billion

- Human capital
  - Number of employees: 124,216
  - Percentage of female employees (non-consolidated): 18.7%
  - Percentage of female managers (non-consolidated): 8.0%
  - Number of Global Fujitsu Distinguished Engineers: 32

- Natural capital
  - Energy usage: 13 million GJ

- Intellectual capital
  - R&D investment: ¥105.3 billion

- Social & relationship capital
  - Community activity-related expenditures: ¥2.2 billion

- Manufactured capital
  - Capital expenditure: ¥88.9 billion

**Output**

**Fiscal 2022 targets**

**Financial indicators**
- Revenue: ¥3,200.0 billion
- Operating profit margin: 10%
- EPS CAGR: 12%

**Non-financial indicators**
- Customer NPS: +3.7 points year on year
- Employee engagement: 75
- DX Promotion Indices: 3.5

**Future Value Creation Model**

**Expectations for companies**
- Stakeholder capitalism
  - Playing a leading role toward achieving sustainability

**Expectations of Fujitsu**
- Digital transformation
Board of Directors / Audit & Supervisory Board members

(Back row from left) 1 Hideo Makuta  2 Youichi Hirose  3 Hidenori Furuta  4 Takeshi Isobe  5 Kenichiro Sasa  6 Chiaki Mukai  7 Megumi Yamamuro  8 Koji Hatsukawa
(Front row from left) 9 Masami Yamamoto  10 Yoshiko Kojo  11 Scott Callon  12 Takahito Tokita  13 Atsushi Abe  14 Catherine O’Connell

1 Takahito Tokita
Representative Director
CEO, CDXO

2 Hidenori Furuta
Representative Director
COO, CDPO

3 Takeshi Isobe
Director and Corporate Executive Officer
SEVP, CFO

4 Masami Yamamoto
Director
Senior Advisor

5 Chiaki Mukai
Director*

6 Atsushi Abe
Director*

7 Yoshiko Kojo
Director*

8 Scott Callon
Director*

9 Megan Yamamoto
Audit & Supervisory Board Member

10 Kenichiro Sasa
Audit & Supervisory Board Member*

11 Youichi Hirose
Audit & Supervisory Board Member*

* Independent directors and Audit & Supervisory Board members
Fujitsu update: Current status of changes targeting value creation

The Fujitsu Group has been transforming itself in all aspects of its business, organization, and human resources, and has evolved into a very different entity from the company it was a few years ago. The results of these efforts can be seen in the improvement in the operating profit margin and the generation of base cash flow,* which we expect to exceed ¥740 billion over the three years to March 31, 2023.

* For more information on base cash flow, please refer to “Message from the CFO” on pages 17-18.

Value creation as a Purpose-driven company

Under the Fujitsu Way, which defines the principles of behavior for all Fujitsu Group employees, all corporate activities are positioned as activities to realize Our Purpose, and the organizational and human resource management systems have been reformulated accordingly.

Transformation of business portfolio to become a “DX company”

We have spun off or sold the PC, smartphone, semiconductor, and scanner businesses to concentrate management resources on the IT services business. By transforming our business portfolio, we are evolving into a “DX company” that supports our customers’ digital transformation.

Fujitsu Uvance in four regions worldwide

We have launched Fujitsu Uvance to provide common offerings across the four regions of Japan, Europe, the Americas, and Asia Pacific in seven Key Focus Areas with sustainability at the core. Fujitsu Uvance is pursuing the creation of new value and global growth.

Structural reform of the service delivery model

We are fundamentally reforming the process and structure of service provision, which was created in line with the development and operation of custom-made IT systems for each customer company. By standardizing, automating, and strengthening our global development and service delivery bases, we are building a service delivery model optimized for DX business.

Continued strengthening of governance structure

We are continuing our efforts to ensure effective governance that contributes to enhancing corporate value by appointing an independent external director as chairman of the Board of Directors, adopting a Board composition with a majority of independent external directors, and reviewing the executive compensation system.

Putting sustainability activities back into business

Through Global Responsible Business (GRB), a platform for promoting sustainability activities, we are fulfilling our responsibilities to stakeholders as a global company and returning the knowledge gained from our activities to our business, starting with the resolution of social issues.
Financial highlights

Fujitsu Limited and Consolidated Subsidiaries

### Revenue and percentage of sales outside Japan

<table>
<thead>
<tr>
<th>(Billions of yen) (%)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>6,409.3</td>
<td>3,952.4</td>
<td>3,857.7</td>
<td>3,590.7</td>
<td>3,586.8</td>
</tr>
<tr>
<td>Percentage of sales outside Japan (%)</td>
<td>60.0</td>
<td>40.0</td>
<td>20.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

[Note: Fiscal years ended March 31]

Revenue decreased due to delays in the procurement of parts and materials, canceling out the positive impact of foreign exchange effects due to yen depreciation, higher sales in the network business, and higher sales of electronic components amid rising global demand for semiconductors.

### Operating profit and operating profit margin

<table>
<thead>
<tr>
<th>(Billions of yen) (%)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit margin</td>
<td>4.5</td>
<td>3.3</td>
<td>211.4</td>
<td>266.3</td>
<td>61.2</td>
</tr>
<tr>
<td>Operating profit margin (%</td>
<td>6.0</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
</tbody>
</table>

[Note: Fiscal years ended March 31]

Operating profit margin increased 1.3 percentage points.

Although the effects of increased revenue in some businesses, cost and expense efficiencies, and foreign exchange rate fluctuations contributed to increased profit, one-time losses related to business restructuring and business transfers, increased investment in growth, and delays in the supply of components resulted in a decrease in earnings and a lower operating profit margin.

### Profit attributable to owners of the parent and ROE

<table>
<thead>
<tr>
<th>(Billions of yen) (%)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit attributable to owners of the parent</td>
<td>149.3</td>
<td>104.5</td>
<td>160.0</td>
<td>202.7</td>
<td>182.6</td>
</tr>
<tr>
<td>ROE (right scale) %</td>
<td>10.0</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
</tr>
</tbody>
</table>

[Note: Fiscal years ended March 31]

Profit attributable to owners of the parent increased ¥20 billion.

The ratio of tax to pretax income decreased due to the tax effect of the liquidation of certain subsidiaries as part of the reorganization of North American subsidiaries, and profit attributable to owners of the parent decreased due to one-time losses related to business restructuring and business transfers.

### Free cash flow

<table>
<thead>
<tr>
<th>(Billions of yen)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free cash flow</td>
<td>177.8</td>
<td>103.5</td>
<td>233.0</td>
<td>236.3</td>
<td>189.0</td>
</tr>
</tbody>
</table>

[Note: Fiscal years ended March 31]

Net cash provided by operating activities decreased as a result of growth investments for value creation and internal transformation, and net cash used in investing activities increased due to capital expenditures for growth. As a result, free cash flow was negative.

### Equity attributable to owners of the parent and equity attributable to owners of the parent ratio

<table>
<thead>
<tr>
<th>(Billions of yen) (%)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity attributable to owners of the parent</td>
<td>1,087.7</td>
<td>1,132.0</td>
<td>1,240.9</td>
<td>1,450.1</td>
<td>1,590.7</td>
</tr>
<tr>
<td>Equity attributable to owners of the parent ratio %</td>
<td>6.7</td>
<td>7.1</td>
<td>8.0</td>
<td>11.8</td>
<td>12.0</td>
</tr>
</tbody>
</table>

[Note: As of March 31]

Equity attributable to owners of the parent ratio increased 2.2 percentage points.

Retained earnings increased, mainly due to the recording of profit attributable to owners of the parent, and equity attributable to owners of the parent ratio increased.

### Dividends per share of common stock and earnings per share (EPS)

<table>
<thead>
<tr>
<th>(Yen)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends per share of common stock</td>
<td>825</td>
<td>791</td>
<td>820</td>
<td>1,013</td>
<td>924</td>
</tr>
<tr>
<td>Earnings per share (EPS)</td>
<td>159</td>
<td>154</td>
<td>130</td>
<td>144</td>
<td>119</td>
</tr>
</tbody>
</table>

[Note: Fiscal years ended March 31]

Dividends per share reflect this share consolidation.

Dividends per share of common stock increased ¥20.

Under the policy of stable dividend growth, annual dividends per share increased ¥20 year on year to ¥924, marking the sixth consecutive year of increases. EPS declined due to a decrease in profit attributable to owners of the parent.
ESG highlights

Trend in greenhouse gas emissions (Scope 1 & 2) (Thousand tons)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>GHG emissions</td>
<td>1,104</td>
<td>923</td>
<td>658</td>
<td>600</td>
<td>600</td>
</tr>
</tbody>
</table>

(Fiscal years ended March 31)

As of the end of fiscal 2021, the Fujitsu Group's greenhouse gas (GHG) emissions were 8.8% lower than the fiscal 2020 year-end level.

Note: The scope of aggregation is Fujitsu Limited and Group companies in Japan and overseas.

Scope 1: Direct emissions

Scope 2: Indirect emissions from energy sources

Trend in greenhouse gas emissions (Scope 3) (Thousand tons)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>GHG emissions</td>
<td>542</td>
<td>3,995</td>
<td>1,207</td>
<td>1,420</td>
<td>1,295</td>
</tr>
</tbody>
</table>

(Fiscal years ended March 31)

As of the end of fiscal 2021, the Fujitsu Group's GHG emissions were 12.5% lower than the fiscal 2020 year-end level.

Note: The scope of aggregation is Fujitsu Limited and Group companies in Japan and overseas.

Scope 3: Indirect emissions other than Scope 1 and Scope 2

Employees with information security auditor training (cumulative total) and JASA-certified auditors (People)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auditor training</td>
<td>1,402</td>
<td>1,420</td>
<td>1,444</td>
<td>1,527</td>
<td>1,645</td>
</tr>
<tr>
<td>JASA-certified</td>
<td>153</td>
<td>142</td>
<td>111</td>
<td>120</td>
<td>133</td>
</tr>
</tbody>
</table>

(As of March 31)

We have been offering information security auditor training to heighten the quality of information security audits in each organization. Also, we have been encouraging employees to acquire auditor qualifications certified by Japan Information Security Audit Association (JASA). Note: The scope of aggregation is Fujitsu Limited and Group companies in Japan.

Numbers of female and male employees and Percentage of female managers (People) (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female (left scale)</td>
<td>5,710</td>
<td>6,430</td>
<td>5,649</td>
<td>6,824</td>
<td>6,435</td>
</tr>
<tr>
<td>Male (left scale)</td>
<td>21,462</td>
<td>22,397</td>
<td>23,919</td>
<td>26,202</td>
<td>27,995</td>
</tr>
<tr>
<td>Percentage of female managers (right scale)</td>
<td>25.0</td>
<td>26.0</td>
<td>26.6</td>
<td>27.4</td>
<td>28.0</td>
</tr>
</tbody>
</table>

(As of March 31)

We are strengthening oversight by actively appointing independent directors.

Executive directors, non-executive directors, and independent directors (People)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive directors</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Non-executive directors</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Independent directors</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

(As of June 30)

We are promoting lively discussions and enhancing objectivity by ensuring the diversity of the Board of Directors. We have been offering information security auditor training to heighten the quality of information security audits in each organization. Also, we have been encouraging employees to acquire auditor qualifications certified by Japan Information Security Audit Association (JASA). Note: The scope of aggregation is Fujitsu Limited and Group companies in Japan.

Diversity of the Board of Directors

We are promoting lively discussions and enhancing objectivity by ensuring the diversity of the Board of Directors. We have been offering information security auditor training to heighten the quality of information security audits in each organization. Also, we have been encouraging employees to acquire auditor qualifications certified by Japan Information Security Audit Association (JASA). Note: The scope of aggregation is Fujitsu Limited and Group companies in Japan.