INDEPENDENT AUDITOR'S REPORT

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Ernst & Young ShinNihon LLC
Hibiya Mitsui Tower, Tokyo Midtown Hibiya
1-1-2 Yurakucho, Chiyoda-ku
Tokyo 100-0006, Japan

Tel: +81 3 3503 1036
Fax:+81 3 3503 1506
ey.com

Independent Auditor's Report

The Board of Directors
Fujitsu Limited

Opinion

We have audited the accompanying consolidated financial statements of Fujitsu Limited and its subsidiaries, which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of profit or loss, consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of cash flows for the year then ended, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

We have considered and addressed areas of higher assessed risk of material misstatement, or significant risks identified, including those communicated as key audit matters in our independent auditor's report of the prior period, throughout the audit. We have also communicated those matters in sufficient detail with the Corporate Auditor and the Board of Corporate Auditors.

As a result, we determined the following areas to be key audit matters in our audit of the consolidated financial statements of the current period. We excluded "Impairment of Property, Plant and Equipment and Intangible Assets," which had been communicated as a key audit matter in the prior period, from the key audit matters due to a decrease in related risks.

1. Valuation of Goodwill and
2. Revenue Recognition Based on Progress toward Complete Fulfillment of Performance Obligations under Service Contracts in Which Obligations to Provide Deliverables Exist (Estimates of Total Project Costs)

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Valuation of Goodwill	
Description of Key Audit Matter	**Auditor's Response**
As described in Notes 4, 9 and 27 to the consolidated financial statements, the Company recorded goodwill of ¥41,239 million, which represents 1.3% of total assets as of March 31, 2021, and was mainly allocated to overseas consolidated subsidiaries, including goodwill of ¥16,265 million for Fujitsu Technology Solutions (Holding) B.V. In performing impairment testing, the Company measured the recoverable amounts of the cash-generating unit (CGU) to which the goodwill is allocated, based on value in use using discounted future cash flows. The significant assumptions in estimating value in use are the future cash flows based on the Company's medium-term management plan (mainly for three years) approved by management, long-term average growth rates for subsequent periods incorporating future uncertainties and discount rates. The discount rates are calculated primarily based on the weighted average cost of capital of the Group company to which each CGU belongs. The medium-term management plan is primarily affected by increases in sales volumes and market growth rates. As the impairment test of goodwill is complex and requires management judgement in determining future cash flows, long-term average growth rates and discount rates, which involve uncertainties, we determined this to be a key audit matter.	We performed the following audit procedures, among others, to assess the valuation of goodwill: - With the assistance of valuation specialists from our network firms, we evaluated the reasonableness of valuation methodologies applied by management in the calculation of value in use. - We assessed the reasonableness of the estimated future cash flows by evaluating whether the underlying business plan was consistent with the medium-term management plan (mainly for three years) approved by management. In addition, we performed retrospective analysis to compare the medium-term management plan for prior years with actual results. - We assessed the reasonableness of the key assumptions, such as increases in sales volumes and market growth rates included in the medium-term management plan, by discussing with management, comparing with market forecasts and publicly available data, examining sales trends and growth rate of similar companies, and performing trend analysis using actual results. - We assessed the long-term average growth rates used, which involve management judgement, by analyzing and comparing them with market forecasts and publicly available data. - We compared the underlying assumptions for the discount rates with these estimated by our valuation specialists from our network firms using publicly available data in order to assess the reasonableness of the assumptions. - We performed sensitivity analyses on the significant assumptions, such as estimates of future cash flows, long-term average growth rates and discount rates to assess whether the value in use would exceed the carrying amounts even after the consideration of uncertainty risk.

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<table>
<tr><th colspan="2">Revenue Recognition Based on Progress toward Complete Fulfillment of Performance Obligations under Service Contracts in Which Obligations to Provide Deliverables Exist (Estimates of Total Project Costs)</th></tr>
<tr><th>Description of Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>As described in Notes 4 and 25 (2) to the consolidated financial statements, revenue arising from service contracts such as system integration services that contain performance obligations to provide service delivery are recognized based on the progress toward completion when the outcome of the contract can be reliably estimated. Revenue is measured based on the total estimated project revenues and the progress toward completion, calculated based on costs incurred to date as percentage of total estimated project costs. The provision for losses on projects is recognized if it is probable that total estimated project costs will exceed total estimated project revenues.

Total estimated project costs are revised throughout the project period, and as a result, the progress toward completion may be affected.

As estimates of total project costs in the calculation of progress toward completion involve uncertainties and require significant management judgment as each service contract is unique in terms of specifications and service period, we determined this to be a key audit matter.</td><td>We performed the following audit procedures, among others, to assess revenue recognition by reference to the progress toward completion and provisions for contract losses:

- We evaluated the effectiveness of internal controls over the estimation process of estimated project costs and calculation of the progress toward completion for projects in order to evaluate the effectiveness of the design and execution of the corresponding process.

- We reviewed the terms and conditions of contracts, assessed the consistency between the total projects costs and relevant project plans and remeasured the progress toward completion for samples of contracts with significant amounts in order to assess the reasonableness of estimated project costs and calculation of the progress toward completion.

- We assessed the feasibility of the project forecasts approved by management by evaluating the final outcome of projects completed in prior periods and by discussing with management for the latest progress of ongoing projects in order to assess the reasonableness of uncertainty in the estimate of total project costs being considered and incorporated in management's assessment.

- We assessed the completeness of the total estimated costs and the provision of contract loss if it is probable that total estimated project costs exceed total estimated project revenue by discussing them with the quality assurance department of the Company.

- With the assistance of our data analytics specialists, we performed trend analyses and correlation analyses of the progress toward completion of the project. In addition, in order to identify any deviation with regard to the progress of ongoing projects, we monitored the progress toward completion for ongoing projects by comparing the number of working days to date since the start date with the trends from projects completed in prior periods .</td></tr>
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Responsibilities of Management, the Corporate Auditor and the Board of Corporate Auditors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by IFRSs, matters related to going concern.The Corporate Auditor and the Board of Corporate Auditors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with IFRSs.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Corporate Auditor and the Board of Corporate Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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We also provide the Corporate Auditor and the Board of Corporate Auditors with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.From the matters communicated with the Corporate Auditor and the Board of Corporate Auditors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Ernst & Young ShinNihon LLC
Tokyo, Japan

June 28, 2021

持永勇一

Yuichi Mochinaga
Designated Engagement Partner
Certified Public Accountant

中谷喜彦

Yoshihiko Nakatani
Designated Engagement Partner
Certified Public Accountant

田邊朋子

Tomoko Tanabe
Designated Engagement Partner
Certified Public Accountant

小山浩平

Kohei Koyama
Designated Engagement Partner
Certified Public Accountant