INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

The Board of Directors
Fujitsu Limited

Opinion

We have audited the accompanying consolidated financial statements of Fujitsu Limited (the Company) and its subsidiaries (collectively, the Group), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement 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, 2024, 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 Audit and Supervisory Board.

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.

1. Revenue Recognition Based on Progress toward Complete Fulfillment of Performance Obligations under Service Contracts Containing Obligations to Provide Deliverables and Provision for Loss on Orders Received (Estimates of Total Project Costs)
2. Recognition of Deferred Tax Assets Resulting from the Company's Decision to Reorganize its European Subsidiaries and Liquidate Certain Subsidiaries

Revenue Recognition Based on Progress toward Complete Fulfillment of Performance Obligations under Service Contracts Containing Obligations to Provide Deliverables and Provision for Loss on Orders Received (Estimates of Total Project Costs)	
Description of Key Audit Matter	**Auditor's Response**
As described in Notes 4 and 25 (2) to the consolidated financial statements, revenue arising from service contracts such as system integration services, containing performance obligations to provide the delivery of services 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. As described in Note 23, a provision for loss on orders received is recognized if it is probable that the total estimated project costs will exceed the total estimated project revenues. The Group recorded a provision for loss on orders received in the amount of ¥13,540 million, which represents 0.4% of total assets as of March 31, 2024. 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 because each service contract is unique in terms of specifications and service period, we determined this to be a key audit matter.	We performed the following audit procedures, among others, to assess revenue recognition of contracts containing performance obligations to provide the delivery of services by reference to the progress toward completion and provisions for loss on orders received: - 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 its design and the operation of the corresponding process. - We reviewed the terms and conditions of contracts, assessed the consistency between the total project costs and relevant project plans and remeasured the progress toward completion for samples of selected contracts based on materiality 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 about 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 for losses on orders received if it is probable that total estimated project costs exceed total estimated project revenue by discussing them with the quality assurance department of the Group. - 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 commencement date with the trends from projects completed in prior periods.

<table>
<tr><td colspan="2">Recognition of Deferred Tax Assets Resulting from the Company's Decision to Reorganize its European Subsidiaries and Liquidate Certain Subsidiaries</td></tr>
<tr><th>Description of Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>As described in Note 13, in accordance with a resolution by the Board of Directors' meeting held in March 2024, the Company will reorganize its European subsidiaries and liquidate Fujitsu Services Holdings PLC (hereinafter "FS Holdings").
As a result of this decision, the Company recognized deferred tax assets on a deductible temporary difference arising from investments in FS Holdings, in the amount of ¥140,521 million, which represents 4.0% of total assets as of March 31, 2024.
The Company aims to further improve the efficiency of management and strengthen corporate governance through streamlining and reorganizing, according to each mainstay business and region, the complex corporate structure of its European operations. Specifically, the services business will be consolidated under the umbrella of Fujitsu Technology Solutions (Holding) B.V., the hardware business will be consolidated as a European subsidiary of Fsas Technologies Inc., and FS Holdings, after fulfilling its role as an intermediate holding company, will be liquidated.
In response to the decision, the Company revisited the recoverability of deferred tax assets on the deductible temporary difference arising from investments due to cumulative losses in FS Holdings that represents the difference between the book value for tax purposes as of March 31, 2024 and the estimated liquidation value which is reflective of the planned reorganization including the liquidation given that it is probable that the temporary difference is deductible for tax purposes. Specifically, the Company recognized deferred tax assets on the temporary differences arising from investments in FS Holdings given that it is probable that the temporary differences is reversed upon the liquidation.
The amount of the deferred tax assets on the deductible temporary differences arising from investments in FS Holdings is subject to change depending on the recoverability due to the purpose and nature of the reorganization, the subsidiaries' cash flows including the expected proceeds from the sales of the business by completion of the liquidation, the tax treatment of the losses that the</td><td>We performed the following audit procedures to assess the deferred tax assets on the deductible temporary difference arising from investments due to cumulative losses in FS Holdings:
- We inspected the minutes of Board of Directors' meetings and Executive Management Committee meetings to understand the reorganization plan, and obtained an understanding of the adjustments made on net assets of FS Holdings as of March 31, 2024 based on expected cash inflows and cash outflows by completion of the liquidation.
- We performed procedures to evaluate the internal controls on the process to recognize the deferred tax assets to assess the design and the operating effectiveness of the controls.
- In order to assess the selling value of the investment in significant operating subsidiaries under FS Holdings, we engaged valuation specialists from our network firms and assessed the future cash flows which is the basis for the valuation by comparing it with the latest budget approved by management.
- We obtained an understanding of the Company's tax position through inspecting the position paper prepared by the Company.
- With the assistance of tax specialists from our network firms, we discussed the tax position with a person in charge of tax.
- In order to assess the feasibility of the estimated future taxable income, we compared the medium-term management plan to the latest budget approved by the Board of Directors' meeting.
- In order to assess the effectiveness of management's estimation process of developing the medium-term management plan, we performed retrospective analysis by comparing the medium-term management plan in prior years with actual results.</td></tr>
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Company incurred, the timing of the deduction of the temporary difference and future taxable income. Therefore, estimates on losses to be absorbed by the Company are complex and require significant management judgment to determine its tax position, we determined this matter to be a key audit matter.	

Other Information

The other information comprises the information included in Fujitsu Group Integrated Report 2024 Financial Section that contains audited consolidated financial statements but does not include the consolidated financial statements and our auditor's report thereon. Management is responsible for preparation and disclosure of the other information. The Audit and Supervisory Board Member and the Audit and Supervisory Board are responsible for overseeing the Group's reporting process of the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management, the Audit and Supervisory Board Member and the Audit and Supervisory Board 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 Audit and Supervisory Board Member and the Audit and Supervisory Board 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 Audit and Supervisory Board Member and the Audit and Supervisory Board 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.

We also provide the Audit and Supervisory Board Member and the Audit and Supervisory Board with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated 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, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

From the matters communicated with the Audit and Supervisory Board Member and the Audit and Supervisory Board, 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 24, 2024

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