Interim Report on FY2017 (118th Business Period)
(Six months ended September 30, 2017)

FUJITSU LIMITED

Note:
This English version of Interim Report on FY2017 (118th Business Period) is a translation for reference only.
To Our Shareholders

We are pleased to present you this Interim Report on 118th business period (fiscal 2017, from April 1, 2017 to March 31, 2018).

In view of future growth, we have focused management resources on Technology Solutions since 2015 for achieving “Transformation of the Business Structure” and have promoted “Connected Services” based on digital technology aiming at “Transformation of the Growth Strategy” as two pillars for promoting Business Model Transformation. We place fiscal 2017 as a step toward further growth, leading to achieve the consolidated financial target in the Management Direction of an operating profit margin of 10%, with the effect of the Business Model Transformation implemented.

As part of “Transformation of the Business Structure”, we concluded an agreement in April 2017 to transfer a portion of stock in FUJITSU TEN LIMITED to DENSO Corporation, and executed the share transfer in November. In the PC business, an agreement was reached in November 2017 for a strategic partnership with Lenovo Group. Moving forward, while improving competitiveness as an independent business entity, we will work to deepen the synergies with our businesses as well. Additionally, during the second half of fiscal 2017, we plan to make Fujitsu Broad Solution & Consulting Inc. a wholly owned subsidiary, and are steadily moving forward with the concentration of management resources in Technology Solutions.

In the “Transformation of the Growth Strategy” as well, we are currently strengthening areas such as research and development ability in Key Technologies that support the core business of “Connected Services” (for specific measures, please refer to “Toward the Realization of “Connected Services” on page 6).

As a result of such initiatives, the Fujitsu Group on a consolidated basis booked improved operating profit and profit for the first half of fiscal 2017, as shown in the Summary of FY 2017 First-Half Consolidated Results on Page 3. Results were generally in line with the forecasts at the beginning of this fiscal year. Accordingly, Fujitsu will pay an interim dividend of 5 yen per share as initially planned, an increase of 1 yen from 4 yen for the previous interim dividend.

Moving forward, we will continue with the Business Model Transformation, working to expand profits in its main businesses and return profits to shareholders through improvement of the profitability.

We would like to ask for continued support and encouragement from all shareholders.

November 2017

Tatsuya Tanaka, Representative Director and President
<table>
<thead>
<tr>
<th>FY 2017 Full-Year Consolidated Forecast (Billion Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2016</td>
</tr>
<tr>
<td>---------</td>
</tr>
<tr>
<td>Revenue</td>
</tr>
<tr>
<td>Operating Profit</td>
</tr>
<tr>
<td>[Business Model Transformation-related]</td>
</tr>
<tr>
<td>Profit for the Period</td>
</tr>
<tr>
<td>Free Cash Flow</td>
</tr>
</tbody>
</table>

(*) In this report, profit for the period attributable to owners of the parent is presented as “Profit for the Period.”

(*) Due to a partial transfer of stock in FUJITSU TEN LIMITED, FUJITSU TEN has been categorized as a discontinued operations and Revenue and Operating Profit for the previous fiscal year have been restated.
Summary of FY 2017 First-Half Consolidated Results

*For details, please refer to “FY 2017 First-Half Financial Results” available on the Fujitsu website at: http://www.fujitsu.com/global/about/ir/data/results/

Highlight (Billion Yen)

<table>
<thead>
<tr>
<th></th>
<th>1H FY 2016</th>
<th>1H FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>1,907.8</td>
<td>1,923.2</td>
</tr>
<tr>
<td>(Ratio of Revenue Outside Japan)</td>
<td>(36.7%)</td>
<td>(37.0%)</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>20.0</td>
<td>28.0</td>
</tr>
<tr>
<td>Financial Income (Expenses), etc.</td>
<td>0.5</td>
<td>31.3</td>
</tr>
<tr>
<td>Profit for the Period Before Income Taxes</td>
<td>20.6</td>
<td>59.3</td>
</tr>
<tr>
<td>Profit for the Period</td>
<td>11.8</td>
<td>43.4</td>
</tr>
</tbody>
</table>

Breakdown of Revenue by Business Segment (%)

- Services: 58.7%
- Ubiquitous Solutions: 15.7%
- Device Solutions: 13.7%
- Technology Solutions: 69.0%
- System Platforms: 10.3%

(*) Revenue includes intersegment revenue.

Owners’ Equity Ratio (Billion Yen)

- March 31 2017: Owners’ Equity 881.2, Owners’ Equity Ratio 27.6%
- September 30 2017: Owners’ Equity 941.0, Owners’ Equity Ratio 30.5%

(*) Owners’ Equity Ratio: Owners’ Equity/Total Assets
(*) Owners’ Equity consists of share capital, capital surplus, treasury stock, retained earnings and other components of equity.
Overview by Business Segment (Billion Yen)

Technology Solutions

Revenue in the Technology Solutions segment was at approximately the same level as for the same period in fiscal 2016. The Services sub-segment in Japan was strong in the areas of systems integration services and outsourcing services, in addition to increased revenue in the Services sub-segment outside Japan due to the effects of a weaker yen in foreign exchange markets. Meanwhile, revenue was down in the Network Products business in the System Platforms sub-segment, and there were negative effects on revenue from the exclusion from the scope of consolidation of the Nifty business for consumers. Although performance in the Services sub-segment in Japan was strong, Operating Profit decreased due to the losses incurred from an overseas subsidiary’s legal dispute.

Ubiquitous Solutions

Revenue in the Ubiquitous Solutions segment increased compared to the same period in fiscal 2016. Growth was centered on personal computers for consumers, and revenue was also up in the Mobile Phones business. Operating profit declined because of higher costs of US dollar-denominated components due to the weaker yen, and because of higher market prices for key components.
Device Solutions

Revenue in the Device Solutions segment was higher due to a volume recovery in necessity for products targeting smartphones, alongside the positive effects of a weaker yen. In addition to the effects of increased revenue, operating profit increased due to the lack of expenses related to inspection of manufacturing facilities as mandated by law that were implemented during the same period in fiscal 2016.

Other/Elimination and Corporate
Other/Elimination and Corporate recorded an operating loss of 34.9 billion yen. The Company is currently expanding forward investment in areas such as next-generation clouds and those related to security.

Stock (As of September 30, 2017)

Number of Authorized Shares: 5,000,000,000  
Number of Outstanding Shares: 2,070,018,213  
Stated Capital: ¥324,625,075,685  
Number of Shareholders: 139,893 (8,543 decrease from the end of FY 2016)

Principal Shareholders

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of shares held (thousands)</th>
<th>Percentage of shares held (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Master Trust Bank of Japan, Ltd. (for trust)</td>
<td>95,389</td>
<td>4.65</td>
</tr>
<tr>
<td>Japan Trustee Services Bank, Ltd. (for trust)</td>
<td>84,718</td>
<td>4.13</td>
</tr>
<tr>
<td>Fuji Electric Co., Ltd.</td>
<td>59,498</td>
<td>2.90</td>
</tr>
<tr>
<td>Fujitsu Employee Shareholding Association</td>
<td>56,296</td>
<td>2.75</td>
</tr>
<tr>
<td>Japan Trustee Services Bank, Ltd. (for trust 5)</td>
<td>38,829</td>
<td>1.89</td>
</tr>
<tr>
<td>Mizuho Bank, Ltd.</td>
<td>36,963</td>
<td>1.80</td>
</tr>
<tr>
<td>Ichigo Trust Pte. Ltd.</td>
<td>36,798</td>
<td>1.79</td>
</tr>
<tr>
<td>GOVERNMENT OF NORWAY</td>
<td>36,046</td>
<td>1.76</td>
</tr>
<tr>
<td>CHASE MANHATTAN BANK GTS CLIENTS ACCOUNT ESCROW</td>
<td>35,538</td>
<td>1.73</td>
</tr>
<tr>
<td>Asahi Mutual Life Insurance Company</td>
<td>35,180</td>
<td>1.72</td>
</tr>
</tbody>
</table>

Notes:
1. The investment ratio is calculated after exclusion of treasury stock holdings.
2. The shares held by the Mizuho Bank, Ltd. include trust properties that are trusted to Mizuho Trust & Banking Co., Ltd., and re-trusted to Trust & Custody Services Bank, Ltd., as retirement benefit trust assets.
Toward the Realization of “Connected Services”

To expand “Connected Services,” which serve as the basis for its growth strategy, Fujitsu is working to develop a strong ecosystem in cooperation with customers, global ICT players, research institutions, and universities, among others. Below are the information on three such cases within this ecosystem.

1. Case in significant contribution to resolving global social issues

Fujitsu Partners with WIPO GREEN to Achieve SDGs
Fujitsu recognizes SDGs (*1), a target mandated by international society, as a requisite element toward realization of its “Connected Services” growth strategy, and views resolution of social issues as a new business opportunity.

As a part of activities to contribute to the achievement of SDGs, Fujitsu participated in September 2017 as a partner in WIPO GREEN (*2), a transfer matching framework for environmental technologies and services operated by the World Intellectual Property Organization (WIPO). With the objectives of spreading Fujitsu’s environmental technologies and preserving the global environment, over 200 of Fujitsu’s intellectual properties for environmental technologies that can contribute to reducing global environmental burden, including GaN-HEMT AC adapter technology and photocatalyst (*3), were registered in the WIPO GREEN database to provide licensing and technological support.

While responding to the expectations and needs of international society through cooperation with various partners in the future, the Fujitsu Group will continue to position SDGs as a starting point for reform, and work to make contribute to its achievement through business.

*1: SDGs (Sustainable Development Goals): Adopted by the United Nations in 2015, globally shared development objectives to enable future sustainability by the international community in areas such as the environment, society, and economic activity.

*2: WIPO GREEN: https://www3.wipo.int/wipogreen/en/

*3: For details regarding GaN-HEMT AC adapter and photocatalyst, please refer to the press release regarding participation in WIPO GREEN.

2. Case in advanced technologies contributing to Co-creation with customers

“Digital Annealer”: An advanced technology to resolve combinatorial optimization problems
In a wide variety of fields, including healthcare, finance, public policy, there exists an enormous amount of extraordinarily complex problems that require rapid decision making, yet cannot be solved in a realistic time-frame with current computing technologies. In a joint effort between Fujitsu Laboratories Ltd. and the University of Toronto, the new “Digital Annealer” computational architecture was developed to solve such combinatorial optimization problems, enabling the solving of colossal computations that previously would have required 800 million years on supercomputer, the “K computer” (*1) in as little as one second. Furthermore, in the future, through cooperation with 1QBit (*2), a Canadian firm that is the only vendor in the world which has successfully commercialized quantum-inspired computing software, Fujitsu will integrate its Digital Annealer and work to advance Co-creation with customers in various sectors including biosciences and finance, contributing to business reform and creation of new businesses, etc., for customers, and the realization of “Connected Services” as stated in its Management Direction.

*1: The “K computer” is a registered trademark of RIKEN, Japan. Supercomputer, the “K computer” is a system jointly developed by RIKEN, Japan and Fujitsu.

*2: 1QB Information Technologies Inc.
3. Case in AI, one of “Key Technologies”

Fujitsu develops AI-based technology to retrieve similar disease cases in CT inspections

In the medical field, doctors conduct examinations by utilizing a large amount of CT* images. Technologies already exist to retrieve similar cases based on CT images for such diseases as lung cancer, in which abnormal shadows are concentrated in one place. For diffuse lung diseases like pneumonia, however, in which abnormal shadows are spread throughout the organ in all directions, it has been necessary for doctors to reconfirm three-dimensional similarities, increasing the time needed to reach a conclusion. To combat this, Fujitsu Laboratories Ltd., in cooperation with Fujitsu R&D Center Co., Ltd., developed a technology to retrieve similar cases in databases from the same viewpoint as that of a doctor, utilizing AI to recognize abnormal shadow candidates, automatically dividing the lung into central and peripheral regions via image analysis, and extracting the spread pattern of abnormal shadow candidates. Upon evaluation via joint research with Professor Kazuo Awai of Institute and Graduate School of Biomedical Sciences, Hiroshima University, it was discovered that examination time may be reduced to as little as one-sixth. In the future, efforts will be made to expand the application to image analysis for CTs in areas other than the lung, and MRIs, etc., and Fujitsu will work to contribute to improving operational efficiency in the medical field through the use of AI, one of Fujitsu’s “Key Technologies”.

* Computed Tomography (computer tomographic imaging): An examination utilizing X-rays to create images of the body’s internals (cross sections)