

**1Q
FY2021**

July 29, 2021



shaping tomorrow with you

Consolidated Financial Results

Fujitsu Limited

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1. Financial Results for 1Q FY2021

Changes to Business Segments



Contents of the changes to Business Segments

- **Change in the sales channels because of the establishment of Fujitsu Japan Limited (revised FY2020 financial results)**

A portion of revenue from System Platforms and Ubiquitous Solutions for which Fujitsu Japan Limited is responsible will be attributed to Solutions/Services

- **Organizational change relating to the Network Products business (revised FY2020 financial results / FY2021 forecast)**

System engineers doing work for telecom carriers had previously been divided between Network Products and Solutions/Services, but they have now been consolidated within Solutions/Services

(Billions of yen)

		Before reclassification		After reclassification		Reclassification amount	
		FY2020(Actual)	FY2021(Forecast)	FY2020(Actual)	FY2021(Forecast)	FY2020(Actual)	FY2021(Forecast)
Technology Solutions	Revenue	3,043.6	3,200.0	3,087.7	3,200.0	44.1	-
	OPPL	188.4	240.0	193.2	240.0	4.7	-
Solutions/Services	Revenue	1,765.9	1,980.0	1,883.6	2,010.0	117.6	30.0
System Platforms	Revenue	665.4	680.0	633.7	650.0	-31.7	-30.0
International Regions Excluding Japan	Revenue	723.7	735.0	723.7	735.0	-	-
Common	Revenue	-111.5	-195.0	-153.3	-195.0	-41.7	-
Ubiquitous Solutions	Revenue	334.6	230.0	319.0	230.0	-15.5	-
	OPPL	48.0	5.0	43.2	5.0	-4.7	-
Device Solutions	Revenue	293.8	300.0	293.8	300.0	-	-
	OPPL	29.8	30.0	29.8	30.0	-	-
Inter-segment Elimination	Revenue	-82.3	-100.0	-110.9	-100.0	-28.5	-
Total	Revenue	3,589.7	3,630.0	3,589.7	3,630.0	-	-
	OPPL	266.3	275.0	266.3	275.0	-	-

- **Revenue was 801.9 billion yen, roughly the same as the previous year**
 - Revenue increased in Technology Solutions and Device Solutions, but declined in Ubiquitous Solutions

- **Operating profit was 33.7 billion yen, an increase of 11.4 billion yen (up 50%) from the previous year**
 - All segments improved profitability, resulting in a significant increase in operating profit from the prior year
 - Actively undertaking growth investments according to plan

Consolidated PL[1Q]

(Billions of yen)

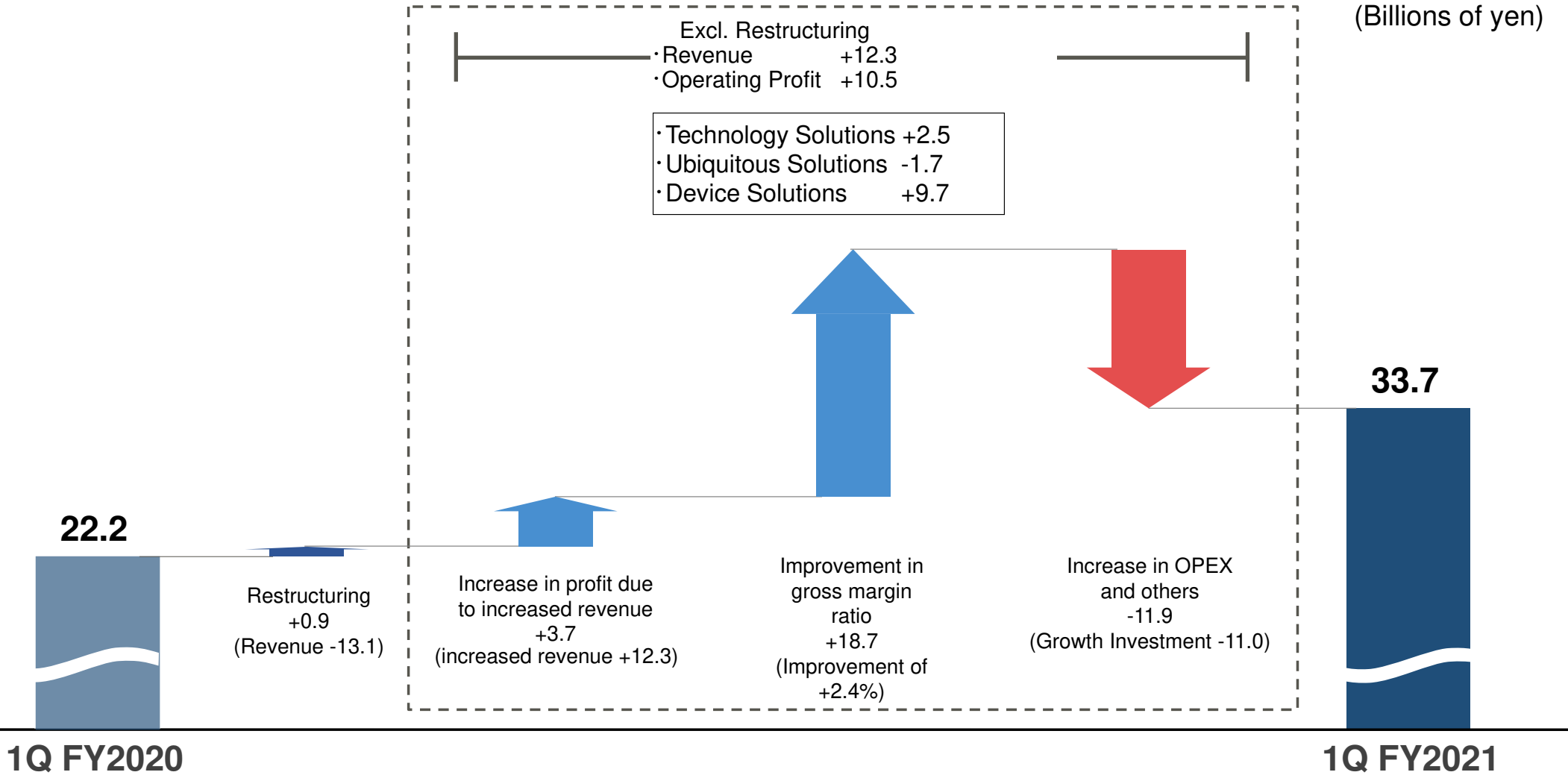
	1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change	
				(%)
Revenue	802.7	801.9	-0.8	-0.1
Excl. restructuring	786.2	798.5	12.3	1.6
Impact of restructuring *	16.5	3.4	-13.1	-79.3
Operating Profit	22.2	33.7	11.4	51.5
[Operating Profit Margin]	[2.8%]	[4.2%]	[1.4%]	
Financial income (expenses), etc	3.6	5.8	2.1	59.2
Profit for the Period Before Income Taxes	25.9	39.5	13.6	52.6
Profit for the Period Attributable to Owners of the Parent	18.1	24.1	5.9	33.0

* Restructured businesses: low profitability countries in Europe, product business in North America, mobile phone retail store business.

Factors Behind Change in Operating Profit



(Billions of yen)



Revenue by Segments



(Billions of yen)

	1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change
Excl. restructuring	786.2	798.5	12.3
Technology Solutions	674.2	684.9	10.6
Solutions/Services	394.1	398.6	4.5
System Platforms	146.9	140.8	-6.1
System Products	109.2	90.7	-18.4
Network Products	37.7	50.0	12.3
International Regions Excluding Japan	161.7	175.0	13.3
Common	-28.6	-29.6	-1.0
Ubiquitous Solutions	65.4	52.5	-12.8
Device Solutions	68.3	81.0	12.7
Inter-segment Elimination	-21.7	-20.0	1.7

Profitability Improvement Operating Expenses



Gross margin ratio

	1Q FY2021
Gross margin ratio	30.7%
vs LY	2.4%

... Improvement of 2.4%

- Solutions/Services Reforming systems development, delivery and support operations (Agile Development, Japan Global Gateway, Remote Maintenance)
- System Platforms In addition to cost reductions, there was an improvement in the product mix
- Device Solutions Significant increase because of higher capacity utilization resulting from higher demand

Increased operating expenses ... +11.9 billion yen

	(Billions of yen) 1Q FY2021
OPEX	211.0
vs LY	11.9

- Increase in growth investments by 11.0 billion yen from prior year
 - ① Strengthening Services business Japan Global Gateway (greater utilization of GDCs)
Global Offerings (globally standardized services)
 - ② Investments in internal transformation Internal DX investments (One Fujitsu, etc.)
Transforming the ways we work

Overall orders in Japan (Fujitsu Limited and Fujitsu Japan Limited)



	FY2020(Actual)					FY2021(Actual)	
	1Q	2Q	3Q	4Q	Total	1Q	[Excl. Orders for PC]
Private Enterprise [Manufacturing & Distribution]	93%	82%	93%	100%	92%	91%	[92%]
Finance & Retail	90%	83%	98%	91%	90%	109%	[112%]
Japan Region [Government & Social infrastructure & Others]	94%	88%	119%	101%	100%	90%	[93%]
Fujitsu Japan [Local government & Healthcare & Educational institutions & Small and medium enterprise]	85%	90%	96%	111%	94%	93%	[93%]
Total	91%	86%	104%	102%	95%	93%	
[Excl. Orders for PC]	[93%]	[88%]	[106%]	[102%]	[97%]	[95%]	

Business Segment Information[1Q]



(Billions of yen)

		1Q FY2020 (Actual)	Restructuring	1Q FY2021 (Actual)	Restructuring	Change	Excl. restructuring	Restructuring
Revenue	Technology Solutions	683.5	9.3	687.0	2.1	3.4	10.6	-7.1
	Ubiquitous Solutions	72.6	7.2	53.8	1.2	-18.8	-12.8	-5.9
	Device Solutions	68.3	-	81.0	-	12.7	12.7	-
	Inter-segment Elimination	-21.7	-	-20.0	-	1.7	1.7	-
	Total	802.7	16.5	801.9	3.4	-0.8	12.3	-13.1
OPPL	Technology Solutions	13.3	-0.9	17.0	-	3.6	2.5	1.0
	Ubiquitous Solutions	3.5	-	1.6	-	-1.8	-1.7	-0.1
	Device Solutions	5.3	-	15.1	-	9.7	9.7	-
	Total	22.2	-0.8	33.7	-	11.4	10.5	0.9

Technology Solutions

(Billions of yen)

Technology Solutions	1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change	
				(%)
Revenue	683.5	687.0	3.4	0.5
Operating profit	13.3	17.0	3.6	27.2
[Operating profit margin]	[2.0%]	[2.5%]	[0.5%]	

Revenue (breakdown)

Japan	487.1	475.7	-11.4	-2.3
Outside Japan	196.4	211.3	14.9	7.6

[Revenue]

Revenue increased on higher revenue from Solutions/Services and Network Products, covering declines from restructured businesses and the fall-off from the previous year's Fugaku revenue

Revenue excluding impact of restructuring: +10.6 billion yen
Impact of restructuring: -7.1 billion yen

[Operating Profit]

Operating profit increased on higher profitability in all sub-segments

Technology Solutions (Solutions/Services)

(Billions of yen)

Solutions/ Services	1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change	
				(%)
Revenue	394.1	398.6	4.5	1.1
Operating profit	18.6	20.1	1.4	8.0
[Operating profit margin]	[4.7%]	[5.0%]	[0.3%]	

[Revenue]

Revenue increased, primarily from financial services and telecom carrier customers

[Operating Profit]

(+) Profitability improved because of reforming systems development, delivery and support

(-) Investments undertaken to strengthen the Services business

Technology Solutions (System Platforms)

(Billions of yen)

System Platforms	1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change	
				(%)
Revenue	146.9	140.8	-6.1	-4.2
System Products	109.2	90.7	-18.4	-16.9
Network Products	37.7	50.0	12.3	32.8
Operating profit	4.9	7.9	3.0	60.3
[Operating profit margin]	[3.4%]	[5.7%]	[2.3%]	

Revenue (breakdown)

Japan	123.2	104.6	-18.5	-15.1
Outside Japan	23.6	36.1	12.4	52.7

[Revenue]

(System Products)

Significant decline in revenue from the fall-off from last year's Fugaku revenue

Excluding the impact of Fugaku, revenue increased

(Network Products)

Revenue rose, primarily from 5G base stations, both in Japan and outside Japan

[Operating Profit]

Operating profit rose because of higher profits from Network Products and improvements in profitability

Technology Solutions (International Regions Excluding Japan)

(Billions of yen)

International Regions Excluding Japan	1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change	
				(%)
Revenue	171.0	177.2	6.1	3.6
Operating profit	-3.7	2.2	6.0	-
[Operating profit margin]	[-2.2%]	[1.3%]	[3.5%]	

[Revenue]

Excluding the impact of restructuring and the boost to revenue from foreign exchange rate movements, revenue was essentially unchanged from the prior year

Impact of restructuring: -7.1 billion yen

→ Exit from low-profit European countries, product business in North America

Revenue excluding impact of restructuring: +13.3 billion yen

→ Primarily attributable to FX movements, otherwise essentially the same as the prior year

[Operating Profit]

Impact of restructuring: +1.0 billion yen

Excluding impact of restructuring: +5.0 billion yen

-Primarily attributable to profitability improvements and cost efficiencies

Technology Solutions (Common)

(Billions of yen)

Common	1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change
Operating profit	-6.4	-13.3	-6.9

Investments in Fujitsu's internal transformation undertaken according to plan

- Internal DX investments to deliver data-driven management (One Fujitsu)
- Carried out investments relating to building secure network environments and rethinking office environments to accelerate internal work-style transformation

Two Business Areas for Value Creation (Technology Solutions)



■ **For Growth** ... **Digital (DX, Modernization)**

The digital domain which encompasses areas of business opportunity for our customers

■ **For Stability** ... **Traditional IT (Maintenance and operation of systems and sales of hardware products)**

The business domain which contributes to the stable operation of customer IT platforms and improves quality



For Growth

Contributing to customers' business growth

For Stability

Contributing to customers' business stability

Revenue

(Billions of yen)

	1Q FY2020 (Actual)	composition ratio(%)	1Q FY2021 (Actual)	composition ratio(%)	Change	composition ratio(%)
Growth Rate			93%			
For Growth	235.0	34	217.7	32	-17.2	-2
Growth Rate			105%			
For Stability	448.5	66	469.3	68	20.6	2
Growth Rate			101%			
Technology Solutions	683.5	100	687.0	100	3.4	-

Ubiquitous Solutions

(Billions of yen)

Ubiquitous Solutions	1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change	
				(%)
Revenue	72.6	53.8	-18.8	-25.9
Operating profit	3.5	1.6	-1.8	-53.7
[Operating profit margin]	[4.8%]	[3.0%]	[-1.8%]	

Revenue (breakdown)

Japan	45.8	29.4	-16.3	-35.7
Outside Japan	26.8	24.3	-2.4	-9.1

[Revenue]

Business restructuring: -5.9 billion yen

-> Impact of excluding the mobile phone retail store business from the consolidated results

Even excluding restructuring, revenue fell relative to last year, due to the extraordinary demand last year relating to telecommuting

[Operating Profit]

Operating profit declined because of the impact of lower revenue

Device Solutions

(Billions of yen)

Device Solutions	1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change	
				(%)
Revenue	68.3	81.0	12.7	18.7
Operating profit	5.3	15.1	9.7	180.9
[Operating profit margin]	[7.9%]	[18.6%]	[10.7%]	

Revenue (breakdown)

Japan	16.6	20.7	4.1	24.7
Outside Japan	51.6	60.3	8.6	16.7

[Revenue]

In line with the rise in demand for semiconductors, the trend in revenue from electronic components has been strong

[Operating Profit]

Significant increase in operating profit because of the impact of higher revenue from electronic components and improvements in capacity utilization

Cash Flows

(Billions of yen)

	1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change
I Cash flows from operating activities	148.8	192.0	43.1
II Cash flows from investing activities	-10.0	-29.0	-19.0
I + II Free Cash Flow	138.8	162.9	24.1
III Cash flows from financing activities	-23.8	-68.9	-45.1
IV Cash and Cash Equivalents at End of Period	569.6	576.5	6.8

[Cash flows from operating activities]

- Higher inflows compared with the previous year because of higher profits, progress in collecting accounts receivable, and lower income tax expenses

[Cash flows from investing activities]

- Higher outflows compared with the previous year because of investments in electronic components and internal DX and because there were inflows last year from the sale of businesses

[Cash flows from financing activities]

- Higher outflows because of the redemption of a corporate bond and purchases of treasury stock

Supplemental information on purchases of treasury stock:

Allocation: 50.0 billion yen (purchase period from May 6, 2021 to March 31, 2022)

Purchases in 1Q: 10.1 billion yen

Assets, Liabilities and Equity

(Billions of yen)

	Year-end FY2020	End of 1Q FY2021	Change
Total Assets	3,190.2	3,033.8	-156.3
Total Liabilities	1,643.3	1,474.2	-169.0
Total Equity	1,546.9	1,559.5	12.6
Total Equity Attributable to Owners of the Parent	1,450.1	1,458.8	8.6

Reference: Financial Indices

Interest-bearing Loans	316.3	313.0	-3.3
(Net Interest-bearing Loans)	(-165.5)	(-263.4)	(-97.9)

2. Earnings Forecast for FY2021

2.Earnings Forecast for FY2021

Financial Forecast



(Billions of yen)

	FY2020 (Actual)	FY2021 (Forecast)		Change	(%)
		Current Forecast	Change vs. Previous Forecast		
Revenue	3,589.7	3,630.0	-	40.2	1.1
Operating Profit	266.3	275.0	-	8.6	3.3
[Operating Profit Margin]	[7.4%]	[7.6%]	[-%]	[0.2%]	
Profit for the Year Attributable to Owners of the Parent	202.7	205.0	-	2.3	1.1

Exchange Rate

U.S. dollar / Yen	106	105	-	-1	-0.9
Euro / Yen	124	120	-	-4	-3.2
British pound / Yen	139	140	-	1	0.7

Ratio of Revenue Outside Japan	32.7%	33.4%	-	0.7%
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2.Earnings Forecast
for FY2021

Business Segment Information



(Billions of yen)

		FY2020 (Actual)	FY2021 (Forecast)		Change	(%)
			Current Forecast	Change vs. Previous Forecast (After reclassification)		
Revenue	Technology Solutions	3,087.7	3,200.0	-	112.2	3.6
	Ubiquitous Solutions	319.0	230.0	-	-89.0	-27.9
	Device Solutions	293.8	300.0	-	6.1	2.1
	Inter-segment Elimination	-110.9	-100.0	-	10.9	-
	Total	3,589.7	3,630.0	-	40.2	1.1
OPPL	Technology Solutions	193.2	240.0	-	46.7	24.2
	Ubiquitous Solutions	43.2	5.0	-	-38.2	-88.4
	Device Solutions	29.8	30.0	-	0.1	0.7
	Total	266.3	275.0	-	8.6	3.3

2.Earnings Forecast
for FY2021

Business Segment Information Breakdown of Technology Solutions



(Billions of yen)

		FY2020 (Actual)	FY2021 (Forecast)		Change	Change (%)
			Current Forecast	Change vs. Previous Forecast (After reclassification)		
Revenue	Technology Solutions	3,087.7	3,200.0	-	112.2	3.6
	Solutions/Services	1,883.6	2,010.0	-	126.3	6.7
	System Platforms	633.7	650.0	-	16.2	2.6
	System Products	432.6	410.0	-	-22.6	-5.2
	Network Products	201.1	240.0	-	38.8	19.3
	International Regions Excluding Japan	723.7	735.0	-	11.2	1.6
	Common	-153.3	-195.0	-	-41.6	-
OPPL	Technology Solutions	193.2	240.0	-	46.7	24.2
	Solutions/Services	190.7	230.0	-	39.2	20.6
	System Platforms	38.8	56.0	-	17.1	44.2
	International Regions Excluding Japan	11.6	22.0	-	10.3	89.3
	Common	-47.8	-68.0	-	-20.1	-

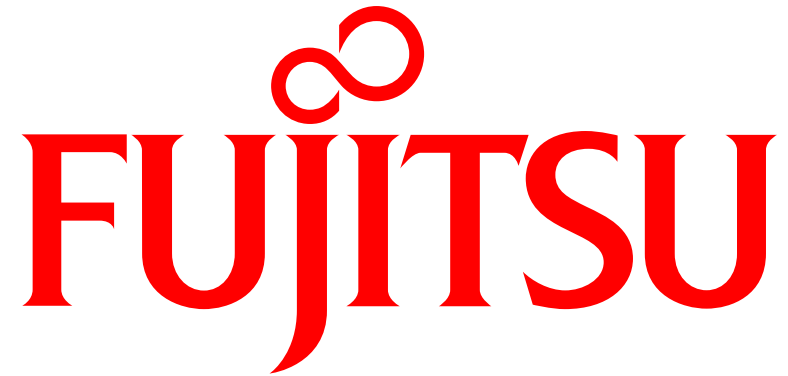
Cash Flows



Free Cash Flow

(Billions of yen)

	FY2020 (Actual)	FY2021 (Forecast)	Change vs. Previous Forecast
Free Cash Flow	236.3	210.0	-



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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

Supplementary

Changes to Business Segments (Breakdown of reclassification)



Contents of the changes to Business Segments

① Change in the sales channels because of the establishment of Fujitsu Japan Limited (revised FY2020 financial results)

A portion of revenue from System Platforms and Ubiquitous Solutions for which Fujitsu Japan Limited is responsible will be attributed to Solutions/Services

② Organizational change relating to the Network Products business (revised FY2020 financial results / FY2021 forecast)

System engineers doing work for telecom carriers had previously been divided between Network Products and Solutions/Services, but they have now been consolidated within Solutions/Services

(Billions of yen)

		FY2020(Actual)				FY2021(Forecast)			
		Before reclassification	After reclassification	Reclassification amount ①	Reclassification amount ②	Before reclassification	After reclassification	Reclassification amount ②	
Technology Solutions	Revenue	3,043.6	3,087.7	44.1	-	3,200.0	3,200.0	-	
	OPPL	188.4	193.2	4.7	-	240.0	240.0	-	
	Solutions/Services	Revenue	1,765.9	1,883.6	88.9	28.7	1,980.0	2,010.0	30.0
	System Platforms	Revenue	665.4	633.7	-12.9	-18.7	680.0	650.0	-30.0
	International Regions Excluding Japan	Revenue	723.7	723.7	-	-	735.0	735.0	-
Common	Revenue	-111.5	-153.3	-31.8	-9.9	-195.0	-195.0	-	
Ubiquitous Solutions	Revenue	334.6	319.0	-15.5	-	230.0	230.0	-	
	OPPL	48.0	43.2	-4.7	-	5.0	5.0	-	
Device Solutions	Revenue	293.8	293.8	-	-	300.0	300.0	-	
	OPPL	29.8	29.8	-	-	30.0	30.0	-	
Inter-segment Elimination	Revenue	-82.3	-110.9	-28.5	-	-100.0	-100.0	-	
Total	Revenue	3,589.7	3,589.7	-	-	3,630.0	3,630.0	-	
	OPPL	266.3	266.3	-	-	275.0	275.0	-	

Changes to Business Segments(FY2019)



		FY2019 (Actual)					(Billions of yen)	
		1Q	2Q	3Q	4Q	Total	Reclassification amount	
							Total	
Technology Solutions	Revenue	686.0	832.5	784.2	981.3	3,284.3	71.4	
	OPPL	8.0	57.8	42.1	83.7	191.8	3.8	
Solutions/ Services	Revenue	410.5	536.1	476.7	616.5	2,040.0	156.9	
	OPPL	18.6	46.1	40.1	80.9	185.8	6.2	
System Products	Revenue	88.0	117.0	98.3	147.6	451.1	10.9	
Network Products	Revenue	29.7	40.1	35.8	57.4	163.1	-43.6	
System Platforms	Revenue	117.8	157.1	134.2	205.0	614.2	-32.7	
	OPPL	-6.5	15.2	4.3	12.0	25.0	-2.4	
International Regions Excluding Japan	Revenue	186.2	182.4	203.2	194.3	766.3	-	
	OPPL	-0.5	3.4	-1.2	2.2	3.8	-	
Common	Revenue	-28.5	-43.2	-30.0	-34.5	-136.3	-52.7	
	OPPL	-3.5	-6.9	-1.1	-11.3	-22.9	-	
Ubiquitous Solutions	Revenue	100.7	132.2	107.2	94.3	434.6	-20.5	
	OPPL	3.1	8.8	7.6	3.3	22.9	-3.8	
Device Solutions	Revenue	83.4	85.2	71.5	68.2	308.4	-	
	OPPL	-7.7	0.9	0.6	2.9	-3.2	-	
Inter-segment Elimination	Revenue	-31.5	-60.0	-39.7	-38.2	-169.6	-50.8	
Total	Revenue	838.7	990.0	923.2	1,105.7	3,857.7	-	
	OPPL	3.3	67.6	50.4	90.0	211.4	-	

Changes to Business Segments(FY2020)



		FY2020 (Actual)					(Billions of yen)
		1Q	2Q	3Q	4Q	Total	Reclassification amount
							Total
Technology Solutions	Revenue	683.5	709.5	765.9	928.7	3,087.7	44.1
	OPPL	13.3	31.0	53.5	95.3	193.2	4.7
Solutions/ Services	Revenue	394.1	444.7	458.0	586.5	1,883.6	117.6
	OPPL	18.6	38.2	42.6	91.2	190.7	7.1
System Products	Revenue	109.2	89.8	108.9	124.5	432.6	12.3
	Network Products	Revenue	37.7	43.6	52.6	67.1	201.1
System Platforms	Revenue	146.9	133.5	161.6	191.6	633.7	-31.7
	OPPL	4.9	1.8	11.5	20.5	38.8	-2.3
International Regions Excluding Japan	Revenue	171.0	163.8	192.4	196.2	723.7	-
	OPPL	-3.7	2.9	8.6	3.8	11.6	-
Common	Revenue	-28.6	-32.6	-46.2	-45.8	-153.3	-41.7
	OPPL	-6.4	-11.8	-9.2	-20.3	-47.8	-
Ubiquitous Solutions	Revenue	72.6	80.6	80.2	85.4	319.0	-15.5
	OPPL	3.5	3.1	29.7	6.7	43.2	-4.7
Device Solutions	Revenue	68.3	70.3	75.5	79.6	293.8	-
	OPPL	5.3	5.7	10.2	8.4	29.8	-
Inter-segment Elimination	Revenue	-21.7	-31.4	-27.3	-30.4	-110.9	-28.5
Total	Revenue	802.7	829.0	894.3	1,063.5	3,589.7	-
	OPPL	22.2	39.9	93.4	110.5	266.3	-

Business Segment Information [Quarterly Breakdown of Results]



		FY2020 (Actual)				(Billions of yen) FY2021 (Actual)
		1Q	2Q	3Q	4Q	1Q
Technology Solutions	Revenue	683.5	709.5	765.9	928.7	687.0
	OPPL	13.3	31.0	53.5	95.3	17.0
Solutions/ Services	Revenue	394.1	444.7	458.0	586.5	398.6
	OPPL	18.6	38.2	42.6	91.2	20.1
System Platforms	Revenue	146.9	133.5	161.6	191.6	140.8
	OPPL	4.9	1.8	11.5	20.5	7.9
International Regions Excluding Japan	Revenue	171.0	163.8	192.4	196.2	177.2
	OPPL	-3.7	2.9	8.6	3.8	2.2
Common	Revenue	-28.6	-32.6	-46.2	-45.8	-29.6
	OPPL	-6.4	-11.8	-9.2	-20.3	-13.3
Ubiquitous Solutions	Revenue	72.6	80.6	80.2	85.4	53.8
	OPPL	3.5	3.1	29.7	6.7	1.6
Device Solutions	Revenue	68.3	70.3	75.5	79.6	81.0
	OPPL	5.3	5.7	10.2	8.4	15.1
Inter-segment Elimination	Revenue	-21.7	-31.4	-27.3	-30.4	-20.0
Total	Revenue	802.7	829.0	894.3	1,063.5	801.9
	OPPL	22.2	39.9	93.4	110.5	33.7

Two Business Areas for Value Creation (Technology Solutions)



For Growth/For Stability: Composition of Businesses

For Growth	<ul style="list-style-type: none"> • SI Development (New / Modernization / Upgrades)
	<ul style="list-style-type: none"> • Cloud Services Related <ul style="list-style-type: none"> • IaaS / SaaS • Cloud Integration • Applications (Applications run in the cloud) • Software (Software run in the cloud)
	<ul style="list-style-type: none"> • Cybersecurity-Related Services
	<ul style="list-style-type: none"> • Consulting Services
	<ul style="list-style-type: none"> • Advanced Products: HPC, 5G Network-Related
For Stability	<ul style="list-style-type: none"> • System Maintenance and Operations Services • Conventional (On Premise) Applications • Application Maintenance Services (On Premise) • System Platforms <ul style="list-style-type: none"> • Legacy Processor-Related • Legacy Network-Related

Two Business Areas for Value Creation (Technology Solutions)



(Billions of yen)

		1Q FY2020 (Actual)			1Q FY2021 (Actual)			Change		
		For Growth	For Stability	Total	For Growth	For Stability	Total	For Growth	For Stability	Total
Technology Solutions	Growth Rate				93%	105%	101%			
	Revenue	235.0	448.5	683.5	217.7	469.3	687.0	-17.2	20.6	3.4
	composition ratio	[34%]	[66%]	[100%]	[32%]	[68%]	[100%]	[-2%]	[2%]	[-%]
Solutions/ Services	Growth Rate				101%	101%	101%			
	Revenue	176.7	217.4	394.1	179.3	219.3	398.6	2.6	1.9	4.5
	composition ratio	[45%]	[55%]	[100%]	[45%]	[55%]	[100%]	[-%]	[-%]	[-%]
System Platforms	Growth Rate				57%	116%	96%			
	Revenue	51.1	95.8	146.9	29.2	111.6	140.8	-21.9	15.8	-6.1
	composition ratio	[35%]	[65%]	[100%]	[21%]	[79%]	[100%]	[-14%]	[14%]	[-%]
International Regions Excluding Japan	Growth Rate				128%	103%	104%			
	Revenue	7.2	163.8	171.0	9.2	168.0	177.2	2.0	4.1	6.1
	composition ratio	[4%]	[96%]	[100%]	[5%]	[95%]	[100%]	[1%]	[-1%]	[-%]
Common	Revenue	-	-28.6	-28.6	-	-29.6	-29.6	-	-1.0	-1.0
	composition ratio	[-%]	[100%]	[100%]	[-%]	[100%]	[100%]	[-%]	[-%]	[-%]

Business Segment Information

[Revenue Breakdown-In and Outside Japan]



		(Billions of yen)			
		1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change	(%)
Technology Solutions	Revenue	683.5	687.0	3.4	0.5
	Japan	487.1	475.7	-11.4	-2.3
	Outside Japan	196.4	211.3	14.9	7.6
Solutions/ Services	Revenue	394.1	398.6	4.5	1.1
	Japan	387.5	389.2	1.6	0.4
	Outside Japan	6.5	9.4	2.8	43.5
System Platforms	Revenue	146.9	140.8	-6.1	-4.2
	Japan	123.2	104.6	-18.5	-15.1
	Outside Japan	23.6	36.1	12.4	52.7
International Regions Excluding Japan	Revenue	171.0	177.2	6.1	3.6
	Japan	0.1	0.1	-	57.1
	Outside Japan	170.9	177.0	6.0	3.5
Common	Revenue	-28.6	-29.6	-1.0	-
Ubiquitous Solutions	Revenue	72.6	53.8	-18.8	-25.9
	Japan	45.8	29.4	-16.3	-35.7
	Outside Japan	26.8	24.3	-2.4	-9.1
Device Solutions	Revenue	68.3	81.0	12.7	18.7
	Japan	16.6	20.7	4.1	24.7
	Outside Japan	51.6	60.3	8.6	16.7
Inter-segment Elimination	Revenue	-21.7	-20.0	1.7	-
Total	Revenue	802.7	801.9	-0.8	-0.1
	Japan	529.8	507.3	-22.5	-4.3
	Outside Japan	272.8	294.6	21.7	8.0

Ratio of Revenue Outside Japan

34.0%
36

36.7%

2.7%

Breakdown of International Regions Excluding Japan



(Billions of yen)

		1Q FY2020 (Actual)	1Q FY2021 (Actual)	Change	
				Restructuring	Excl. restructuring
International Regions Excluding Japan	Revenue	171.0	177.2	-7.1	13.3
	Operating Profit	-3.7	2.2	1.0	5.0
NWE [Northern & Western Europe]	Revenue	78.4	87.1	-	8.7
	Operating Profit	-2.7	1.2	-	3.9
CEE [Central & Eastern Europe]	Revenue	40.9	42.3	-	1.4
	Operating Profit	-0.3	-0.7	-	-0.3
Americas	Revenue	14.6	9.4	-5.4	0.2
	Operating Profit	-1.3	0.4	0.7	1.1
Asia	Revenue	16.7	17.7	-	0.9
	Operating Profit	0.2	0.2	-	-
Oceania	Revenue	19.5	20.9	-	1.3
	Operating Profit	0.3	0.1	-	-0.1
Others	Revenue	0.6	-0.4	-1.7	0.6
	Operating Profit	-	0.7	0.3	0.4

Note: Revenue includes Inter-region revenue.

Assumption used for FY2021 Forecasts



1. Exchange Rates (Average) and Impact of Fluctuation

	FY2020 (Actual)	FY2021			Impact of Exchange Rate Fluctuation 2Q/3Q/4Q (Forecast)*
		1Q (Actual)	2Q/3Q/4Q (Forecast)	Change vs. Previous Forecast	
U.S. dollar / Yen	106	109	105	-	-0.6 Billion yen
Euro / Yen	124	132	120	-	-0.1 Billion yen
British pound / Yen	139	153	140	-	0.0 Billion yen

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

Assumption used for FY2021 Forecasts

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

	1Q		Full year		Change vs. Previous Forecast
	FY2020 (Actual)	FY2021 (Actual)	FY2020 (Actual)	FY2021 (Forecast)	
Technology Solutions	9.6	11.1	46.6	57.5	-
Ubiquitous Solutions	-	-	0.2	0.5	-
Device Solutions	7.8	9.7	40.7	42.0	-
Capital Expenditures	17.5	20.9	87.5	100.0	-
Depreciation	17.5	21.0	76.0	85.0	-

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

3. R&D Expenses

R&D Expenses	27.7	24.7	113.8	115.0	-
[As % of Revenue]	[3.5%]	[3.1%]	[3.2%]	[3.2%]	-