

Matters Subject to Measures for
Electronic Provision for the 126th
Annual Shareholders' Meeting
(Matters Excluded from Paper-
Based Documents Delivered)

Fujitsu Limited

Note:

This English version of *Matters Subject to Measures for Electronic Provision for the 126th Annual Shareholders' Meeting (Matters Excluded from Paper-Based Documents Delivered)* is a translation for reference only. The style of this English version differs slightly from the original Japanese version.

1. Fujitsu Group Principal Offices and Plants (As of March 31, 2026)**(1) Fujitsu Limited (the “Company”)**

Registered office	4-1-1, Kamikodanaka, Nakahara-ku, Kawasaki-shi, Kanagawa
Domestic business offices	Sapporo Hub (Sapporo-shi), Sendai Hub (Sendai-shi), Saitama Hub (Saitama-shi), Fujitsu Uvance Kawasaki Tower (Kawasaki-shi), Kanazawa Hub (Kanazawa-shi), Nagoya Hub (Nagoya-shi), Osaka Hub (Osaka-shi), Hiroshima Hub (Hiroshima-shi), Fukuoka Hub (Fukuoka-shi)
Software / Services	Aomori Systems Laboratory (Aomori-shi), Ichigaya Office (Chiyoda-ku, Tokyo), Fujitsu Solution Square (Ota-ku, Tokyo), Fujitsu Technology Park (Kawasaki-shi), Kouchi Fujitsu Technoport (Nankoku-shi, Kochi)
R&D / Plants	Oyama Plant (Oyama-shi, Tochigi), Nasu Plant (Otawara-shi, Tochigi), Fujitsu Development Center (Kawasaki-shi), Numazu Plant (Numazu-shi, Shizuoka), Kyushu R&D Center (Fukuoka-shi)

Note: Numazu Plant changed its name to Numazu Office and transitioned from a plant to an office as of April 1, 2026.

(2) Subsidiaries

Japan	Fujitsu Japan Limited (Kawasaki-shi), Fujitsu Network Solutions Limited (Kawasaki-shi), Fujitsu Defense & National Security Limited (Kawasaki-shi), Ridgelinez Limited (Chiyoda-ku, Tokyo), TRANSTRON Inc. (Yokohama-shi), Fsas Technologies Inc. (Kawasaki-shi), Fujitsu Frontech Limited (Inagi-shi, Tokyo), 1FINITY Inc. (Kawasaki-shi), Fujitsu Personal System Limited (Kawasaki-shi)
Outside of Japan	Fujitsu Europe Holding B.V. (Netherlands), Fujitsu North America, Inc. (U.S.), Fujitsu Australia Limited (Australia), Fujitsu Asia Pte. Ltd. (Singapore), GK Software SE (Germany), Fsas Technologies GmbH (Germany)

Notes: 1. Fujitsu Technology Solutions (Holding) B.V. changed its trade name to Fujitsu Europe Holding B.V. as of October 1, 2025.

2. Fujitsu Services Holdings PLC (U.K.) is not included in the above table as it is currently in liquidation proceedings pursuant to the resolution at a meeting of the Company’s Board of Directors held on March 28, 2024.

(3) Data centers

Data centers	Tohoku Data Center (Miyagi), Tatebayashi Data Center (Gunma), Yokohama Data Center (Kanagawa), Yokohama Kohoku Data Center (Kanagawa), Chubu Data Center (Aichi), Osaka Data Center (Osaka), Osaka Senri Data Center (Osaka), Akashi Data Center (Hyogo), Shikoku Data Center (Kochi), Kyushu Data Center (Fukuoka), global data centers (around the world)
--------------	---

2. Employees (As of March 31, 2026)**(1) Employees of the Fujitsu Group**

	Segment	Number of employees	Change from end of previous period
Continuing operations	Service Solutions	73,100	(6,625)
	Hardware Solutions	15,303	(182)
	Ubiquitous Solutions	291	(18)
	Inter-segment Eliminations / Corporate	10,509	(990)
	Discontinued operations	0	(5,725)
	Total	99,203	(13,540)

Note: The Company has classified the “Device Solutions” segment as discontinued operations since fiscal 2024.

(2) Employees of the Company

	<i>Segment</i>	<i>Number of employees</i>	<i>Change from end of previous period</i>
Continuing operations	Service Solutions	23,083	(669)
	Hardware Solutions	1,007	(1,410)
	Ubiquitous Solutions	85	(10)
	Inter-segment Eliminations / Corporate	8,049	(507)
	Total	32,224	(2,626)
	<i>Average age</i>	42.7	<i>Average years of employment</i> 17.6

3. Principal Lenders (As of March 31, 2026)

(Millions of yen)

<i>Lender</i>	<i>Loan amount</i>
MUFG Bank, Ltd.	838
Mizuho Bank, Ltd.	838
Resona Bank, Limited	501
Japan Finance Corporation	33
The Yokohama Shinkin Bank	16

4. Stock (As of March 31, 2026)

(1) Number of Authorized Shares: 5,000,000,000 shares

(2) Number of Outstanding Shares: 1,739,778,265 shares

Note: The Company cancelled 331,330,185 shares of its treasury stock on March 31, 2026.

(3) Stated Capital: 325,638,181,205 yen

(4) Number of Shareholders: 210,900 (+98,507 compared to the end of previous period)

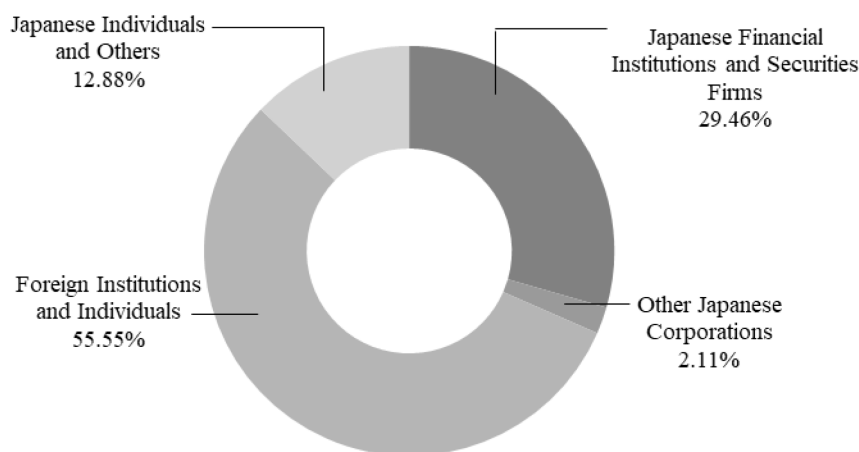
(5) Principal Shareholders

<i>Name of shareholder</i>	<i>Number of shares held (thousands)</i>	<i>Percentage of shares held (%)</i>
The Master Trust Bank of Japan, Ltd. (for trust)	281,476	16.23
Custody Bank of Japan, Ltd. (for trust)	115,888	6.68
STATE STREET BANK AND TRUST COMPANY 505001	48,117	2.77
THE CHASE MANHATTAN BANK, N.A. LONDONSECS LENDING OMNIBUS ACCOUNT	45,287	2.61
STATE STREET BANK AND TRUST COMPANY 505103	33,900	1.95
Fujitsu Employee Shareholding Association	28,006	1.61
STATE STREET BANK AND TRUST COMPANY 505223	27,770	1.60
Asahi Mutual Life Insurance Company	26,380	1.52
GOVERNMENT OF NORWAY	25,582	1.47
JP MORGAN CHASE BANK 385781	25,086	1.44

Notes:

1. The investment ratio is calculated after exclusion of treasury stock holdings (5,000,060 shares).
2. The shares held by The Master Trust Bank of Japan, Ltd. (for trust) and Custody Bank of Japan, Ltd. (for trust) pertain to their trust business.

< Equity Shareholdings by Type of Shareholder >



(6) Shares Granted as Consideration for Duties Performed by Directors and Audit & Supervisory Board Members of the Company during the Period under Review

	<i>Number of shares granted</i>	<i>No. of grantees</i>
Directors (excluding External Directors)	64,060	2
External Directors	3,180	1
Audit & Supervisory Board Members	—	—

Note: The details of our stock compensation are described in “b) Compensation of Directors and Audit & Supervisory Board Members” on page A-17 of the “Reports on the 126th Business Period.”

(7) Important Matters Concerning the Stock

At a meeting of the Board of Directors held on April 24, 2025, the Company resolved to repurchase its common stock up to either a maximum of 120 million shares or a maximum aggregate purchase value of 170.0 billion yen during the period from May 1, 2025 to March 31, 2026 and purchased approximately 43.30 million shares of its common stock with the aggregate purchase value of approximately 169.9 billion yen during the period under review.

5. Stock Acquisition Rights

As of March 31, 2026, no stock acquisition right was granted as consideration for duties performed by the Company’s Directors and Audit & Supervisory Board Members, and no stock acquisition right was granted to employees during the period under review as consideration for their duties.

6. Overview of the Liability Limitation Agreement

The Company has entered into an agreement limiting liability for damages under Article 423, paragraph (1) of the Companies Act with each of the Non-Executive Directors and Audit & Supervisory Board Members.

The maximum amount of liability for damages in accordance with the relevant agreement is the minimum liability amount stipulated by laws and regulations. The said liability limitation shall apply only when a relevant Non-Executive Director or Audit & Supervisory Board Member executes a duty that created a liability in good faith and without gross negligence.

Note: Non-executive Directors as of March 31, 2026 refer to External Directors, and Non-Executive Chairman, Member of the Board Hidenori Furuta.

7. *Summary of the Contents of Directors and Officers Liability Insurance Policy, etc.*

The Company has concluded directors and officers liability insurance policies with some insurance companies as stipulated in Article 430-3, paragraph (1) of the Companies Act. A summary of the contents of the policies and other information shall be as follows.

(1) Scope of the insured

Directors, Audit & Supervisory Board Members, Corporate Executive Officers, etc. of the Company and its consolidated subsidiaries

(2) Summary of the contents of the insurance policies

The policies shall cover damages and legal costs, etc. incurred by the insured due to claims for damages, etc., arising from acts (including omissions) committed by the insured in an official capacity. However, in order not to compromise the proper enforcement of duties by the insured, no compensation shall be payable in the event of any claims for damages, etc. are made arising from profits or advantage being obtained illegally, or arising from dishonest acts, etc. the Company pays all premiums and the insured does not pay anything.

8. Concurrent Positions of External Directors and Audit & Supervisory Board Members and Their Activities (As of March 31, 2026)

Classification	Name	Companies at which concurrent positions are held and the positions held
		Major activities, outline of duties performed in relation to roles expected of External Directors
External Director	Yoshiko Kojo	None
		Attended 100% of the Board of Directors Meetings held during the period under review. As the Company expected that she would provide oversight and advice concerning its responses to change in the external environment during a dramatic transition of international politics and initiatives for ESG management based on in-depth knowledge of international politics, she appropriately fulfilled her role as an External Director of the Company by providing oversight and advice to its Board of Directors concerning business execution from said perspectives. Additionally, she contributed to invigorating meetings of the Board of Directors lively and operating such meetings effectively and increasing corporate value, as Chairperson of the Board of Directors. She also played a leading role in enhancing deliberations as the Chairperson of the Executive Nomination Committee.
	Kenichiro Sasae	President, The Japan Institute of International Affairs Outside Director, SEIREN CO., LTD. Outside Director, MITSUBISHI MOTORS CORPORATION Outside Director, Asahi Group Holdings, Ltd.
		Attended 92.3% (12 out of 13) of the Board of Directors Meetings held during the period under review. As the Company expected that he would provide oversight and advice from a global perspective based on his in-depth knowledge and practical experience of international politics and economics, he appropriately fulfilled his role as an External Director of the Company by providing fair and objective oversight and advice to its Board of Directors concerning business execution from said perspectives. He also participated in active discussions as a member of the Executive Nomination Committee.
	Byron Gill	Managing Partner, Indus Capital Partners, LLC
		Attended 100% of the Board of Directors Meetings held during the period under review. In addition to providing oversight and advice from a fair and objective standpoint based on his extensive experience in dialogue with portfolio companies, as an institutional investor, he is expected to provide feedback from shareholders and investors to the Company's management, and he appropriately fulfilled his role as an External Director of the Company by providing oversight and advice to its Board of Directors concerning business execution from said perspectives. He also played a leading role in enhancing deliberations as the Chairperson of the Compensation Committee.

(TRANSLATION FOR REFERENCE ONLY)

Classification	Name	Companies at which concurrent positions are held and the positions held
		Major activities, outline of duties performed in relation to roles expected of External Directors
External Director	Takuya Hirano	Co-founder, Three Fields Advisors, LLC Outside Director, Yokogawa Electric Corporation Outside Director, Renesas Electronics Corporation
		Attended 100% of the Board of Directors Meetings held during the period under review. As the Company expected that he would provide oversight and advice from a fair and objective perspective based on his abundant knowledge and experience of corporate management and practical operations in the technology industry, he appropriately fulfilled his role as an External Director of the Company by providing oversight and advice to its Board of Directors concerning business execution from said perspectives. He also participated in active discussions as a member of the Compensation Committee.
	Izumi Kobayashi	Outside Director, OMRON Corporation
		Attended 100% of the Board of Directors Meetings held after taking office. As the Company expected that she would provide oversight and advice from a fair and objective perspective based on her abundant knowledge of finance, investment, risk management and ESG, she appropriately fulfilled her role as an External Director of the Company by providing oversight and advice to its Board of Directors concerning business execution from said perspectives. She also participated in active discussions as a member of the Compensation Committee.
External Audit & Supervisory Board Member	Koji Hatsukawa	Certified Public Accountant External Director (Director who is an Audit & Supervisory Committee member), Takeda Pharmaceutical Company Limited
		Attended 100% of the Board of Directors Meetings and 90% (9 out of 10) of the Audit & Supervisory Board Meetings held during the period under review. He contributed comments mainly from the standpoint of an expert in matters relating to finance and accounting based on his wealth of experience in auditing global companies as a Certified Public Accountant.
	Hideo Makuta	Lawyer Outside Audit & Supervisory Board Member, Daicel Corporation
		Attended 100% of the Board of Directors Meetings and Audit & Supervisory Board Meetings held during the period under review. He contributed comments based mainly upon his professional perspective gained through his practical experience as a prosecutor, Commissioner of the Japan Fair Trade Commission and lawyer concerning legal affairs and compliance, as well as his in-depth knowledge of matters associated with corporate management, such as the economy and society.
	Catherine O'Connell	Principal, Catherine O'Connell Law
		Attended 100% of the Board of Directors Meetings and Audit & Supervisory Board Meetings held during the period under review. She contributed comments from the standpoint of an expert in matters relating to legal affairs and compliance, based mainly on her wealth of practical experience at law offices in Japan and overseas as well as at the legal divisions of Japanese companies as an attorney at law in New Zealand.

Notes:

1. Director Kenichiro Sasae serves as President of the Japan Institute of International Affairs. The Company pays fees to the Japan Institute of International Affairs for its participation in the institute's public benefit service.
2. Director Byron Gill serves as Managing Partner of Indus Capital Partners, LLC. The Company has no business relationship or competitive relationship with Indus Capital Partners, LLC.
3. Director Takuya Hirano is a Co-founder of Three Fields Advisors, LLC. The Company has no business relationship or competitive relationship with Three Fields Advisors, LLC.
4. Ms. Catherine O'Connell, Audit & Supervisory Board Member, serves as Principal of Catherine O'Connell Law. The Company has no business relationship or competitive relationship with Catherine O'Connell Law.

5. The Company has business relationships with SEIREN CO., LTD., MITSUBISHI MOTORS CORPORATION, Yokogawa Electric Corporation, Renesas Electronics Corporation, OMRON Corporation, Takeda Pharmaceutical Company Limited, and Daicel Corporation. The Company has no special relationships with Asahi Group Holdings, Ltd.
6. Director Izumi Kobayashi assumed office as Outside Director (Director who is an Audit & Supervisory Committee member) of ARCHION Corporation on April 1, 2026.
7. During the period under review, the Company convened the Board of Directors Meetings 13 times (of which 1 was an extraordinary meeting of the Board of Directors) and the Audit & Supervisory Board Meetings 10 times (of which 1 was an extraordinary meeting of the Audit & Supervisory Board).

9. Other Matters Regarding Management

(1) Executive Nomination Committee and Compensation Committee

The Company has established the Executive Nomination Committee and the Compensation Committee as advisory bodies to its Board of Directors to ensure the transparency and objectivity of its process for nominating Directors and Audit & Supervisory Board Members and for determining executive compensation as well as to ensure the fairness of the system and level of executive compensation while conducting efficient and substantive deliberations.

The Executive Nomination Committee deliberates about candidates for Director and Audit & Supervisory Board Member positions in accordance with the “Structural framework” and the “Procedures and policy of Directors and Auditors nomination/dismissal” stipulated in the Company’s “Corporate Governance Policy” and provides its findings or recommendations to the Board of Directors. In addition, the Compensation Committee deliberates about the level of base compensation, the method for calculating performance-based compensation, etc. in accordance with the “Procedures and policy of determining Directors and Auditors compensation” stipulated in the Company’s “Corporate Governance Policy” and provides its findings or recommendations to the Board of Directors.

Members of the Executive Nomination Committee and the Compensation Committee were as follows as of March 31, 2026:

< Executive Nomination Committee >

Chairperson	Yoshiko Kojo
Committee Members	Kenichiro Sasae and Hidenori Furuta

< Compensation Committee >

Chairperson	Byron Gill
Committee Members	Takuya Hirano and Izumi Kobayashi

After the selection of the above committee members in June 2025, the Executive Nomination Committee met 9 times and the Compensation Committee met 7 times by the end of period under review. The Executive Nomination Committee considered a proposal for the election of Representative Directors, including the CEO, and proposals for the election of candidates for Directors, Audit & Supervisory Board Members, and the Chairperson of the Board of Directors, etc. The Compensation Committee discussed the level and mix of compensation of Directors, details of evaluation indicators in the performance-related compensation for the Executive Directors, compensation for Audit & Supervisory Board Members, etc. And each Committee provided its findings to the Board of Directors by the end of the period under review.

Moreover, the Committees collaborated with the Audit & Supervisory Board to review the candidates for Audit & Supervisory Board Members and the compensation for Audit & Supervisory Board Members.

The Executive Nomination Committee also considered the skill matrix, the succession plan for the CEO, etc. and the selection of candidates for External Directors and Audit & Supervisory Board Members, and conducted a peer-review of Non-Executive Directors, while the Compensation Committee also discussed the upper limit of the total compensation amount for Directors.

Note: The full text of the “Corporate Governance Policy” is available at the Company’s website.

(<https://global.fujitsu/-/media/Project/Fujitsu/Fujitsu-HQ/sustainability/governance/governancereport-b-en.pdf>)

(2) Independent Directors and Auditors Council

In response to the requirements of Japan’s Corporate Governance Code, which facilitates the activities of Independent Directors and Auditors, and in order to invigorate discussions on its medium- to long-term direction at its Board of Directors Meetings, the Company believes it essential to establish a system enabling Independent Directors and Auditors, who maintain a certain degree of separation from the execution of business activities, to consistently gain a deeper understanding of the Company’s business. Based on this recognition, the Company established the Independent Directors and Auditors Council. In the Independent Directors and Auditors Council, members discuss the medium- to long-term direction of the Company and share information and exchange viewpoints so that they can each formulate their own opinions.

In the period under review, the Independent Directors and Auditors Council met 10 times. The members continuously discussed important management matters such as progress in significant businesses and partnerships related to the management policies, business restructuring of the Company and the Fujitsu Group including mergers and acquisitions, and corporate governance of the Company, and shared information and exchanged viewpoints. In addition, in cases of setting prior explanation of important matters that required resolutions at meetings of the Board of Directors as an agenda, the “meeting body for prior explanation” that is attended by full-time Audit & Supervisory Board Members as observers was held 4 times during the period under review.

10. Basic Policy on the Control of the Company

Based on the fundamental recognition that the increase in corporate value creates the defensive power as a consequence, the Company is focusing on increasing corporate value and does not adopt any specific anti-takeover measures at this time.

In the case that an acquisition offer is made to the Company, the Board of Directors takes appropriate action based on the recognition that the shareholders determine where the control of the Company lies.

11. Policy on Decision Regarding Dividends of Surplus etc.

Article 40 of the Company’s Articles of Incorporation grants the Board of Directors the authority to distribute surplus. As part of its basic policy on the exercise of this authority, the Company believes that a portion of surplus should continue to be paid to stable dividends of surplus to shareholders based on sustainable business growth, in accordance with its capital allocation policy. In addition, while balancing

improvement of capital efficiency and funding needs, the Company will flexibly repurchase its own shares using surplus funds.

12. Accounting Auditor

(1) Name of the Accounting Auditor: Ernst & Young ShinNihon LLC

(2) Compensation to be Paid to the Accounting Auditor

(Million yen)

a. Amount of compensation, etc. as an accounting auditor for the period under review	589
b. Total amount of cash and other proprietary benefits that the Company and its subsidiaries should pay to the accounting auditor	917

Notes:

1. The Company does not clearly differentiate the amounts of compensation for an audit under the Companies Act from an audit under the Financial Instruments and Exchange Act. The Amount stated in a. thus includes the compensation for the audit under the Financial Instruments and Exchange Act.
2. Some subsidiaries receive an audit from an audit corporation other than the accounting auditor of the Company.
3. The Audit & Supervisory Board, in accordance with the “Standards for Nomination and Evaluation of Accounting Auditor” resolved by the Board, evaluated the performance of auditing by the accounting auditor in fiscal 2024 and, reflecting the evaluation results, reviewed appropriateness of the audit plan for fiscal 2025 in terms of the time spent on auditing and staffing, the status of execution of duties by the accounting auditor, and the estimated amount of compensation. As a result, the Audit & Supervisory Board gave consent pursuant to Article 399, paragraph (1) of the Companies Act concerning compensation for the accounting auditor.

(3) Contents of Non-Audit Services

The Company commissioned the accounting auditor to provide services mainly concerning assurance report on internal control over its cloud service, which fall outside the scope of audit and attestation services under Article 2, paragraph (1) of the Certified Public Accountants Act, and paid fees.

(4) Policy on Decision of Dismissal and Refusal of Reappointment of the Accounting Auditor

When it is considered that the accounting auditor falls under any of the items stipulated in Article 340, paragraph (1) of the Companies Act, the Company will dismiss the accounting auditor subject to the unanimous consent of the Audit & Supervisory Board Members.

In addition to the above, the Audit & Supervisory Board will determine the content of a shareholder resolution to be proposed at an Annual Shareholders’ Meeting to dismiss or refuse the reappointment of the accounting auditor, when it is deemed to be difficult for the accounting auditor to execute auditing properly because of the occurrence of events that impair its qualification, independence or expertise, or when otherwise events occur that the Audit & Supervisory Board judges make it necessary to do so.

13. System to Ensure the Properness of Fujitsu Group Operations

(1) Policy on the Internal Control System

The Company has resolved at meetings of the Board of Directors, its Basic Policy on the Establishment of an Internal Control System pursuant to the provisions of Article 362, paragraph (5) of the Companies Act and as set forth in paragraph (4), item 6 of the same Article and each item of Article 100, paragraph (1) and (3) of the Regulation for Enforcement of the Companies Act (the “Internal Control System”). (The Internal Control System was resolved on May 25, 2006; and revised on April 28, 2008, July 27, 2012, March 27, 2014, and February 26, 2015.)

Policy on the Internal Control System

1. Objective

To continuously increase the corporate value of the Fujitsu Group, it is necessary to pursue management efficiency and control risks arising from business activities. Recognizing this, the Directors who are entrusted with the management of the Company by the shareholders, present to the shareholders, who have entrusted authority in them, the policy regarding a) how to practice and promote the “Fujitsu Way,” the principles that underlie the Fujitsu Group’s conduct, and b) what systems and rules are used to pursue management efficiency and control the risks arising from the business activities in the application of their management approach, as described below.

2. Systems to Ensure that Directors Carry Out Their Responsibilities Efficiently

(1) Business Execution Decision-Making and Business Execution Structure

- a. The Company has Corporate Executive Officers (hereafter, the Representative Directors and Corporate Executive Officers are referred to collectively as “Senior Management”) who share business execution authority with the Representative Director, CEO, and the Corporate Executive Officers carry out decision-making and business execution in accordance with their responsibilities.
- b. The Company has a Chief Financial Officer who is responsible for managing finance and accounting for the Fujitsu Group.
- c. The Company has a Management Council made up of Representative Directors and Corporate Executive Officers to assist the Representative Director, CEO in decision-making.
- d. The Representative Director, CEO puts in place systems and procedures (Management Council rules, systems for approvals, etc.) needed for decision-making by Senior Management and employees entrusted by Senior Management with authority.
- e. The Representative Director, CEO reports financial and business results at each regularly-scheduled meeting of the Board of Directors, makes periodic reports to the Board of Directors on the operational status of the “Policy on the Internal Control System,” and receives confirmation that operations are being undertaken correctly.

(2) System to Promote More Efficient Operations

- a. The Company has an organization that uses reforms to the Fujitsu Group’s business processes to promote higher productivity, lower costs, and expenditure controls, and it pursues more efficient management.

3. Rules and Other Systems Relating to Managing the Risk of Losses

(1) System for Managing the Risk of Losses in General

- a. The Company aims to maintain the business continuity of the Fujitsu Group, increase its corporate value, and sustainably expand its business activities. In order to deal with risks that pose a threat to achieving these goals, it has a Risk Management & Compliance Committee, which oversees risk management for the entire Fujitsu Group. The Company also assigns certain departments to be responsible for specific kinds of risks, and has appropriate systems in place for risk management.
- b. The Risk Management & Compliance Committee constantly assesses and verifies risks that might cause losses to the Fujitsu Group. When risks are identified in business operations, it works to control the risk, such as by formulating preventative measures, and attempts to minimize the loss that might result.
- c. To minimize losses from any risks that arise, the Risk Management & Compliance Committee, through the systems described in paragraph “a” above, periodically analyzes any risks that have arisen, reports on them to the Board of Directors and any other relevant person or organization, and takes action to prevent a recurrence of such risks.

(2) Systems for Managing the Specific Risks of Losses

In addition to the Risk Management & Compliance Committee, the Company has risk management systems that include the following to deal with specific risks of losses it identifies in its business operations.

- a. Risk Management System for Defects in Products and Services
 - The Company has a quality-assurance system designed to analyze defects in Fujitsu Group products and services and prevent them from recurring. In particular, it has an organization that continuously works to improve quality, contracts, and rules to ensure that social infrastructure systems run reliably.
 - b. Management System for Contracted Development Projects
 - To prevent the emergence of unprofitable projects among its contracted development projects, such as systems integration projects, the Company has a specialized organization that monitors risks relating to project negotiations and project execution.
 - This specialized organization creates a monitoring process for contract amounts, contract terms, quality, expenses, deadlines and other relevant items, and monitors projects under consistent conditions.
 - Based on the results of this monitoring, the specialized organization issues corrective recommendations to relevant projects.
 - c. Security System
 - The Company has an organization to deal with cyber-terrorism, unauthorized use, and data breaches in the services it provides.
- (3) Responses to Management Risks
- a. System to Manage Financial Risks
 - Financial risks are under the purview of the Chief Financial Officer.
 - b. Systems to Manage Other Forms of Management Risk
 - Other forms of management risks, including market trends and price competition, are handled by each department according to a division of responsibilities established by the Representative Director, CEO.
4. Systems to Ensure that Business Execution of Directors and Employees Complies with Laws, Regulations and Articles of Incorporation
- (1) Compliance System
- a. Senior Management adheres to the Code of Conduct in the “Fujitsu Way” as a basic philosophy for compliance issues, including compliance with laws, regulations and the articles of incorporation, and proactively promotes the Group’s overall compliance based upon its ethics as Senior Management.
 - b. The Risk Management & Compliance Committee has purview over compliance matters for the Fujitsu Group, which it executes as follows.
 - It ensures scrupulous adherence to the Code of Conduct in the “Fujitsu Way” among all Fujitsu Group employees through ongoing educational efforts.
 - It clarifies the laws and regulations that relate to the Fujitsu Group’s business activities and establishes internal rules, education, and oversight systems to ensure compliance with them to promote compliance throughout the Group.
 - When Senior Management or employee recognizes a serious compliance violation or when a situation may appear to present one relating to the performance of the responsibilities of Senior Management or an employee, the Risk Management & Compliance Committee makes such person immediately report such fact to the Committee via the normal chain of command.
 - To ensure that compliance problems can be discovered quickly and handled appropriately through an alternative communications channel apart from the normal chain of command, it establishes and operates an internal reporting system that safeguards the reporter.
 - The Risk Management & Compliance Committee immediately reports serious compliance violations or situations that may appear to present one to the Board of Directors and any other relevant person or organization.

(2) System to Ensure Proper Financial Reporting

- a. The Company has, apart from the organization that prepares financial reports, an organization under the Chief Financial Officer responsible for establishing, operating, and evaluating internal control over Fujitsu Group financial reporting, to ensure the effectiveness and reliability of financial reports.
- b. These organizations create rules for establishing, operating, and evaluating internal control over the unified accounting policies shared throughout the Fujitsu Group and financial reporting.
- c. The organization responsible for establishing, operating, and evaluating internal control over financial reporting periodically reports to the Board of Directors and any other relevant person or organization the results of evaluations on the effectiveness of the internal control.

(3) System for Information Disclosure

The Company has a system to ensure timely and fair disclosure of company information.

(4) Internal Auditing System

- a. The Company has an organization that conducts internal audits of business execution (the “Internal Auditing Organization”), and ensures its independence.
- b. The Internal Auditing Organization establishes internal auditing rules and conducts audits based on those rules.
- c. The Internal Auditing Organization liaises with internal auditing organizations in other Group companies to internally audit the Fujitsu Group as a whole.
- d. The results of internal audits are periodically reported to the Board of Directors, Audit & Supervisory Board Members and other relevant person or organization of the Company and of other relevant Group companies.

5. System for Storing and Managing Information in Accordance with the Execution of Directors’ Responsibilities

- a. Senior Management assigns people with the responsibility for storing and managing documents, and, in accordance with internal rules, appropriately stores and manages the following documents (including electronic records) related to the execution of Senior Management’s responsibilities, along with other important information.
 - Minutes of Annual Shareholders’ Meetings and related materials.
 - Minutes of Board of Directors Meetings and related materials.
 - Other minutes and related materials involved in important decision-making meetings.
 - Approval documents and related materials involving Senior Management decisions.
 - Other important documents that relate to the performance of Senior Management’s responsibilities.
- b. To verify the status of business execution, Directors and Audit & Supervisory Board Members have access at any time to the documents in paragraph “a” above, and people with the responsibility for storing and managing documents establish systems to enable Directors and Audit & Supervisory Board Members to access the documents at any time in response to requests for the documents by Directors or Audit & Supervisory Board Members.

6. System to Ensure the Properness of Fujitsu Group Operations

- a. In addition to creating and instituting the above systems and rules for the Fujitsu Group, the Company establishes systems for receiving reports from the Senior Management of Group companies on matters relating to their business execution. Moreover, the Company guides, supports, and supervises the establishment of efficient, legal, and appropriate business execution systems of Group companies.
- b. The Company institutes standard rules regarding the delegation of authority from the Representative Director, CEO to Group companies, such as the scope of decision-making authority and the decision-making process relating to important matters at Group companies.
- c. The Representative Director, CEO determines what each Group company’s divisional area of responsibility is, and the Corporate Executive Officer who is responsible for the business execution for each divisional area, verifies the implementation and compliance with paragraphs “a” and “b” above through each Group company’s president, CEO, etc.

- d. The Senior Management of the Company and other Group companies share information on Fujitsu Group management strategies and on issues relating to the achievement of Group goals through periodical meetings or other sufficient measures, and cooperate on Group business management.

7. System to Ensure the Properness of Audits by the Audit & Supervisory Board Members

(1) Ensuring the Independence of Audit & Supervisory Board Members

- a. The Company has an Auditing Support Division with employees assigned to assist Audit & Supervisory Board Members in carrying out their duties. Appropriate employees with the ability and expertise required by the Audit & Supervisory Board Members are assigned to the Division.
- b. In order to ensure the independence of the employees in the Auditing Support Division and to ensure that they will implement the instructions of Audit & Supervisory Board Members, Senior Management shall receive the consent of Audit & Supervisory Board Members on matters relating to the appointment, transfer and compensation of employees in the Auditing Support Division.
- c. In principle, Senior Management does not assign employees in the Auditing Support Division to other divisions or duties.

In instances, however, where a need arises to give dual assignments to employees with specialized knowledge in response to requests from Audit & Supervisory Board Members, care is given to ensuring their independence in accordance with paragraph “b” above.

(2) Reporting System

- a. Senior Management of the Company and its Group companies provides the Audit & Supervisory Board Members with the opportunity to attend important meetings.
- b. In cases where risks arise that could affect management or financial results, or when there is an awareness of major compliance violations or the possibility of major compliance violations in connection with the execution of business activities, Senior Management of the Company and its Group companies immediately report them to the Audit & Supervisory Board Members.
- c. Senior Management of the Company and its Group companies periodically report to the Audit & Supervisory Board Members on the status of business execution.
- d. Senior Management of the Company and its Group companies shall not subject senior management or employees to adverse treatment for the reason that reports were submitted in accordance with paragraphs “b” or “c” above.

(3) Ensuring the Effectiveness of Audits by the Audit & Supervisory Board Members

- a. Senior Management of the Company and its Group companies periodically exchange information with the Audit & Supervisory Board Members.
- b. With respect to expenses incurred by Audit & Supervisory Board Members in the execution of their duties in accordance with Article 388 of the Companies Act, Senior Management shall determine the methods for processing the requests stipulated in Article 388.
- c. The Internal Auditing Organization periodically reports audit results to the Audit & Supervisory Board Members.

(2) Overview of the Status of Operation of the System to Ensure the Properness of Fujitsu Group Operations

a. Systems to Ensure that Directors Carry Out Their Responsibilities Efficiently

The Company has Corporate Executive Officers who share business execution authority with the Representative Director, CEO, and the Corporate Executive Officers carry out decision-making and business execution in their responsibilities that are determined when they are elected at meetings of the Board of Directors. In addition, CEO has Chief Financial Officer (CFO) in place, makes CFO supervise the finance and accounting of the Fujitsu Group and appoints other chief officers (CxO) out of Corporate Executive Officers to execute duties, in accordance with Rules Relating to Division of Duties and Authority to have them execute their responsible duties.

Moreover, the Company holds the Management Council twice a month, in principle, and assists the Representative Director, CEO in decision-making. The Management Council consists of the minimum number of members, which include the CEO. By operating the Management Council as a body that enables timely discussion of and important decision-making on the matters concerning business execution, the

Council facilitates decision-making by Representative Directors and enhances the efficiency and the speed of management. In addition, the Company has, in order to further increase the speed of management, established the approval standard accompanied by extensive delegation of duties from the Representative Directors to other executives and employees. The Representative Director, CEO and the Executive Directors report financial and business results at each regularly-scheduled meeting of the Board of Directors.

b. Risk Management System and Compliance System

The Company positions the risk management system and the compliance system at the heart of the “Policy on the Internal Control System” and the Risk Management & Compliance Committee (the “Committee”) under the policy directly reports to the Board of Directors and is chaired by the Representative Director, CEO and consists of Executive Directors (CFO and Chief Human Resource Officer (CHRO)) and four Corporate Executive Officers (Chief Risk Management Officer (CRMO), Chief Information Security Officer (CISO), Chief Quality Officer (CQO), and General Counsel).

The Committee investigates critical risks as part of the Fujitsu Group’s potential risk management with respect to business execution risks, including compliance violations, information security issues, and defects or deficiencies in products and services. In addition, the Committee has established and operates a system that covers not only the Company but the Fujitsu Group and ensures reporting to the Committee in a timely manner when such risks arise. In accordance with such reporting, it decides measures to prevent the recognized risks in business operations from arising and handle loss caused by the risks that arose. The Committee is held every month, in principle, for the purpose of thoroughly practicing risk-management-based corporate management led by Representative Director, CEO (met 16 times, including extraordinary Committee meetings, during the period under review). The Committee forms a system that decides on even specific measures and carries them out promptly, including company-wide measures and response to individual events related to information security and system quality.

In the course of operating the systems described above, not to mention the case of risk occurrence, the Committee reports on activities that it performs each month to the Board of Directors and is supervised.

As a system to ensure timely reporting from the Fujitsu Group to the Committee, Regional Risk Management & Compliance Committees have been established for individual Regions, which are overseas geographical business divisions of the Fujitsu Group. These regional committees are positioned under the Committee to function so that the entire Fujitsu Group is covered.

The Company has appointed CRMO who is responsible for overall risk management and is tasked with carrying out the committee’s mission and implementing the decisions made by the committee. In the information security field, the Company has appointed a dedicated CISO in accordance with the Fujitsu Group Information Security Policy (Global Security Policy). Further, under the CISO, regional CISOs have been appointed in individual Regions, which are overseas geographical business divisions of the Fujitsu Group, and they formulate and implement information security measures. In the quality field, the Company has appointed CQO as the position dedicated to be responsible for quality in the whole of the Fujitsu Group, thereby responding to company-wide measures and individual events concerning system quality. In parallel, the person responsible for quality control is placed in each operational division, region and group company to supervise group-wide quality control under CQO.

Moreover, in the area of compliance, the Global Business Standards outlining the Fujitsu Way Code of Conduct (“We respect human rights.” “We protect and respect intellectual property.” “We comply with all laws and regulations.” “We maintain confidentiality.” “We act with fairness in our business dealings.” “We do not use our position in our organization for personal gain.”) in a manner befitting executives and employees are available in 14 languages and used as a guideline and standards to which all officers and employees of the Fujitsu Group should anchor their responsible business and behavior. Under the Global Business Standards, the Company has established the “Global Compliance Program,” and is sending out top management messages, developing rules, and implementing various education programs and awareness raising activities to maintain and improve the structure for legal compliance across the Fujitsu Group.

Regarding the internal reporting system, the Fujitsu Group has established points of contact inside and outside the Group, operated as “Fujitsu Alert,” to receive reports from all Group executives and employees and offer consultations. Group companies also have established and are operating their own points of contact for reporting and consultation. Based on these systems, the Fujitsu Group aims to put the Code of Conduct into practice by working a self-cleansing function against unlawful or unfair action through an early detection and remediation of it.

c. System to Ensure Proper Financial Reporting and Internal Auditing System

The organization responsible for internal control and internal audits has established the system and assesses internal control over financial reporting throughout the Fujitsu Group, and reports the activity status and assessment results to the Representative Director, CEO, CFO, Audit & Supervisory Board Members and the Board of Directors in accordance with the principles of the “Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting” published by the Business Accounting Council.

In addition, the organization responsible for the Company’s internal control and internal audits has conducted internal audits in accordance with Rules relating to internal audits. The organization reports the results of all internal audits to the Representative Director, CEO, CFO, General Counsel (Officer in charge of internal audits), and full-time Audit & Supervisory Board Members each time internal audits are completed, and periodically makes a summary audit report to the Audit & Supervisory Board and accounting auditor. Further, the organization reports on internal audits to the Board of Directors.

d. System to Ensure the Properness of Fujitsu Group Operations

The systems described above cover the Fujitsu Group.

Especially for risk management and compliance systems are as outlined in item b. above. In addition, as a part of a system to ensure the properness of Fujitsu Group operations, the Company has established the Rules for Delegation of Authority that determine authority for decision-making on important matters of Fujitsu Group companies (excluding certain subsidiaries), the decision-making process and the reporting obligations. It has its Group companies comply with the Rules. In this way, the Company has put in place systems for decision-making on and reporting of important matters of the Group.

The status of operation of the internal control system centering on the above is periodically reported to the Board of Directors and Audit & Supervisory Board Members.

Consolidated Statement of Financial Position

(As of March 31, 2026)

		<u>(Millions of yen)</u>
Assets		
Current assets:		
Cash and cash equivalents	Y	450,366
Trade receivables		897,958
Other receivables		59,589
Contract assets		217,679
Inventories		204,090
Others		113,129
Total current assets		<u>1,942,811</u>
Non-current assets:		
Property, plant and equipment net of accumulated depreciation		360,881
Goodwill		133,055
Intangible assets		236,404
Investments accounted for using the equity method		84,551
Other investments		157,580
Retirement benefit assets		206,615
Deferred tax assets		205,938
Others		71,910
Total non-current assets		<u>1,456,934</u>
Total assets	Y	<u><u>3,399,745</u></u>

(TRANSLATION FOR REFERENCE ONLY)

		(Millions of yen)
Liabilities and equity		
Liabilities		
Current liabilities:		
Trade payables	Y	385,421
Other payables		374,069
Contract liabilities		179,972
Current portion of long-term debt and lease liabilities		42,797
Accrued income taxes		63,119
Provisions		38,882
Others		26,203
Total current liabilities		1,110,463
Non-current liabilities:		
Long-term debt and lease liabilities		90,297
Retirement benefit liabilities		92,171
Provisions		30,231
Deferred tax liabilities		15,154
Others		16,842
Total non-current liabilities		244,695
Total liabilities		1,355,158
Equity		
Share capital		325,638
Capital surplus		103,611
Treasury Stock, at cost		(10,827)
Retained earnings		1,533,254
Other components of equity		73,239
Total equity attributable to owners of parent		2,024,915
Non-controlling interests		19,672
Total Equity		2,044,587
Total Liabilities and Equity	Y	3,399,745

Consolidated Statement of Profit or Loss

(from April 1, 2025 to March 31, 2026)

		(Millions of yen)
Continuing operation		
Revenue	Y	3,502,971
Cost of sales		(2,256,104)
Gross profit		1,246,867
Selling, general and administrative expenses		(886,714)
Other income		41,129
Other expenses		(52,953)
Operating profit		348,329
Financial income		17,631
Financial expenses		(7,242)
Income from investments accounted for using the equity method, net		50,316
Profit before income taxes from continuing operation		409,034
Income tax expenses		(100,737)
Profit from continuing operations		308,297
Discontinued operation		
Profit from discontinued operation		146,339
Profit for the year	Y	454,636
Profit for the year attributable to:		
Owners of the parent		449,408
Non-controlling interests		5,228
Total	Y	454,636

Consolidated Statement of Changes in Equity

(from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Equity Attributable to Owners of the Parent			
	Share Capital	Capital surplus	Treasury Stock, at cost	Retained earnings
Balance at April 1, 2025	325,638	221,596	(559,726)	1,700,968
Profit for the year	–	–	–	449,408
Other comprehensive income	–	–	–	–
Total comprehensive income for the year	–	–	–	449,408
Purchase of treasury stock	–	–	(170,019)	–
Disposal of treasury stock	–	0	0	–
Cancellation of treasury stock	–	(717,492)	717,492	–
Transfer from retained earnings to capital surplus	–	614,699	–	(614,699)
Share-based payment transactions	–	2,738	1,426	(105)
Dividends paid	–	–	–	(51,469)
Transfer to retained earnings	–	–	–	40,288
Acquisition (disposal) of non-controlling interests	–	(9,313)	–	–
Changes in ownership interests in subsidiaries	–	(9,130)	–	9,135
Others	–	513	–	(272)
Balance at March 31, 2026	325,638	103,611	(10,827)	1,533,254

	Equity Attributable to Owners of the Parent					
	Other Components of Equity					Total Equity Attributable to Owners of the Parent
	Foreign Currency Translation Adjustment	Cash Flow Hedges	Financial Assets Measured at Fair Value through Other Comprehensive Income	Remeasurement of Defined Benefit Plans	Total Other Components of Equity	
Balance at April 1, 2025	24,015	(15)	28,489	–	52,489	1,740,965
Profit	–	–	–	–	–	449,408
Other comprehensive income	14,098	85	9,640	37,722	61,545	61,545
Total comprehensive income for the year	14,098	85	9,640	37,722	61,545	510,953
Purchase of treasury stock	–	–	–	–	–	(170,019)
Disposal of treasury stock	–	–	–	–	–	0
Cancellation of treasury stock	–	–	–	–	–	–
Transfer from retained earnings to capital surplus	–	–	–	–	–	–
Share-based payment transactions	–	–	–	–	–	4,059
Dividends paid	–	–	–	–	–	(51,469)
Transfer to retained earnings	–	–	(2,566)	(37,722)	(40,288)	–
Acquisition (disposal) of non-controlling interests	–	–	–	–	–	(9,313)
Changes in ownership interests in subsidiaries	–	–	(5)	–	(5)	–
Others	–	–	(502)	–	(502)	(261)
Balance at March 31, 2026	38,113	70	35,056	0	73,239	2,024,915

(TRANSLATION FOR REFERENCE ONLY)

	Non-controlling interests	Total Equity
Balance at April 1, 2025	161,102	1,902,067
Profit	5,228	454,636
Other comprehensive income	328	61,873
Total comprehensive income for the year	5,556	516,509
Purchase of treasury stock	–	(170,019)
Disposal of treasury stock	–	0
Cancellation of treasury stock	–	–
Transfer from retained earnings to capital surplus	–	–
Share-based payment transactions	–	4,059
Dividends paid	(1,112)	(52,581)
Transfer to retained earnings	–	–
Acquisition (disposal) of non-controlling interests	(1,871)	(11,184)
Changes in ownership interests in subsidiaries	(144,003)	(144,003)
Others	–	(261)
Balance at March 31, 2026	19,672	2,044,587

**[Unaudited] Simplified Consolidated Statement of Comprehensive
Income**

(from April 1, 2025 to March 31, 2026)

		<u>(Millions of yen)</u>
Profit for the year	Y	454,636
Other Comprehensive Income		61,873
Total Comprehensive Income		516,509
Total Comprehensive Income attributable to:		
Owners of the parent		510,953
Non-controlling interests		5,556
Total	Y	516,509

[Unaudited] Simplified Consolidated Statement of Cash Flows

(from April 1, 2025 to March 31, 2026)

		<u>(Millions of yen)</u>
1. Cash flows from operating activities	Y	338,130
2. Cash flows from investing activities		144,491
3. Cash flows from financing activities		(379,748)
4. Cash and cash equivalents at end of year	Y	450,366

- (Notes)
1. “[Unaudited] Simplified Consolidated Statement of Comprehensive Income” and “[Unaudited] Simplified Consolidated Statement of Cash Flows” are not included in the consolidated financial statements defined by the Companies Act. However, they are provided as reference.
 2. Major components of other comprehensive income are remeasurement of defined benefit plans, foreign currency translation adjustments, and financial assets measured at fair value through other comprehensive income.
 3. Free cash flow is 482,621 million yen.
Free cash flow: Total of cash flows from operating and investing activities

Notes to Consolidated Financial Statements

[Notes to Significant Items Concerning Preparation of Consolidated Financial Statements and Changes in Scope of Consolidation or Application of Equity Method]

1. The Company prepares for consolidated financial statements in accordance with the Regulation on Corporate Accounting (Ministry of Justice Order No. 13 of February 7, 2006 and the last amendment of Ministry of Justice Order No. 14 of March 31, 2025). The consolidated financial statements are prepared in conformity with the International Financial Reporting Standards (IFRS) as per Article 120, paragraph (1) of the Regulation on Corporate Accounting. Following the latter part of the paragraph, some disclosure items required under IFRS are omitted in these notes.

2. Scope of consolidation

This consolidated financial report is prepared with consolidation of 224 major subsidiaries. The scope of consolidation for this fiscal year has been changed in that 7 companies were added and 54 companies were subtracted. Major additions and subtractions are described below. Names of the major subsidiaries are omitted in this note because they are noted in “1. Business Overview (4) The Fujitsu Group” of the Business Report.

Newly consolidated subsidiaries as a result of acquisition or formation: 7 companies

Subtracted due to liquidation or sale: 47 companies

Subtracted due to merger: 7 companies

3. Application of the equity method

Investments in associates are accounted for using the equity method and the number of companies to which the method applies is 12.

Major associates are Fujitsu Client Computing Ltd. and FLCS Co., Ltd.

The scope of application of the equity method for this fiscal year has been changed in that 1 company was added and 3 companies were subtracted.

(Note) The Company does not treat JECC Corporation as an associate although the Company holds more than 20% of the outstanding shares of JECC Corporation. This is because JECC Corporation is a special corporation operated under the joint investments of 6 companies, including Japanese computer manufacturers, to develop the information processing industry in Japan.

4. Significant accounting policies

(1) Valuation standards and methods for assets

(a) Financial assets

(i) Non-derivative financial assets

Financial assets are classified as either financial assets measured at amortized cost or as financial assets measured at fair value through either profit or loss or other comprehensive income. They are classified upon initial recognition.

Financial assets are measured at fair value plus transaction costs unless these are classified as financial assets measured at fair value through profit or loss.

Financial assets measured at amortized cost

Financial assets are classified as financial assets measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The financial assets are subsequently measured at amortized cost using the effective interest method less any impairment losses, and amortization charge for each period is recognized as financial income in profit or loss.

Financial assets measured at fair value

Financial assets are classified as financial assets measured at fair value unless these are measured at amortized cost. Equity instruments measured at fair value are individually designated as being measured either through profit or loss or through other comprehensive income, except for those that are held for sale, which are measured through profit or loss, and this designation must be applied continuously.

The financial assets are subsequently measured at fair value at the end of the reporting period, and the gain or loss is recognized in profit or loss or in other comprehensive income according to their classification. When a financial asset measured at fair value through other comprehensive income is derecognized, the cumulative gain or loss previously recognized through other comprehensive income is reclassified to retained earnings.

(ii) Derivative financial assets

Derivatives are initially and subsequently measured at fair value.

(b) Non-financial assets

(i) Inventories

Inventories are measured at cost. However, should the net realizable value ("NRV") at the reporting date fall below the cost, inventories are measured at the NRV, with the difference in value between the cost and the NRV, in principle, booked as cost of sales.

The cost of inventories comprises costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of inventories of items that are interchangeable is determined by the moving average cost method or the periodic average method, whereas the cost of inventories of items that are not interchangeable is determined by the specific identification method.

NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated direct selling expenses. Inventories that are slow moving and inventories held for long-term maintenance contracts are measured at the NRV that reflects future demand and market trends.

(ii) Property, plant, and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

(iii) Goodwill

Goodwill acquired in a business combination is measured at cost less accumulated impairment losses.

(iv) Intangible assets

Intangible assets are measured at cost less accumulated amortization and impairment losses.

(v) Impairment

If there is an indication of impairment for non-financial assets other than inventories, the asset's recoverable amount is estimated and the asset is tested for impairment. Goodwill and intangible assets with indefinite useful lives are tested for impairment both annually and when there is an indication of impairment. An impairment loss is recognized if the recoverable amount of an asset or cash-generating unit is less than its carrying amount.

(2) Depreciation method for assets

(a) Property, plant, and equipment (excluding right-of-use assets)

The depreciable amount (cost less residual value) for items of property, plant, and equipment is allocated on a systematic basis over its useful life. The Group, in principle, adopts the straight-line method of depreciation reflecting the pattern of consumption (matching of costs with revenue) of the future economic benefits from the asset.

The estimated useful lives for significant categories of property, plant, and equipment are as follows:

- Buildings and structures 7 to 50 years
- Machinery and equipment 3 to 7 years
- Tools, fixtures and fittings 2 to 10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary.

(b) Intangible assets (excluding right-of-use assets)

Computer Software held for sale is amortized by a method based on projected sales volume over the estimated useful life. Software for internal use and other intangible assets with finite useful lives are amortized over their respective useful lives using, in principle, the straight-line method to reflect the pattern of consumption of the expected future benefits from the assets.

The estimated useful lives are as follows:

- Software held for sale 3 years
- Software for internal use Within 10 years

Amortization methods, useful lives and residual values are reviewed and adjusted if necessary.

(c) Right-of-use assets

Right-of-use assets included in property, plant, and equipment and in intangible assets, which represent the right of a lessee to use the underlying asset for the lease term, are depreciated on a straight-line basis from the commencement date to the earlier of the end of useful life of the right-of-use asset or the end of the lease term.

(3) Accounting policies for provisions

A provision is recognized if, as result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are discounted to present value using a pre-tax rate that reflects the time value of money and risks specific to the liability.

(4) Retirement benefit plan

Defined benefit plan

The Group's net defined benefit liability (asset) is measured at the present value of defined benefit obligation less the fair value of plan assets. The defined benefit liability in respect of each defined benefit plan is calculated separately by estimating the amount of future benefits employees have earned in return for services rendered to date and discounted to present value. The calculation is performed in each reporting period by qualified actuaries using the projected unit credit method. The discount rate used is the yield at the reporting date on high-quality corporate bonds that have maturity dates approximate to the terms of the Group's obligations that are denominated in the currency in which the benefits are expected to be paid.

Remeasurements of the net defined benefit liability (asset) are recognized, after adjusting for tax effects, under other comprehensive income and immediately reflected in retained earnings.

Defined contribution plan

Contributions to defined contribution plans are recognized as employee costs in profit or loss in the period when the service is provided by the employee.

The risk-sharing corporate pension plan is classified as a defined contribution plan because the Group substantively has no further obligation for additional contributions.

(5) Revenue

(a) Service revenue

Supply of service usually corresponds to any of the following criteria: a) the customer simultaneously receives and consumes all of the benefits provided by the Group as the Group performs; b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date and, therefore, is a performance obligation that is satisfied over time. If the progress toward complete satisfaction of the performance obligation can be reasonably measured, revenue from a service is recognized by measuring the progress. If the progress cannot be reasonably measured, revenue from a service is recognized only to the extent of the costs incurred until such time that the outcome of the performance obligation can be reasonably measured.

Revenue under service contracts in which the Group undertakes an obligation to provide deliverables, such as turnkey contracts (systems integration etc.), is in principle recognized by the method of measuring the progress based on the costs incurred to date as a percentage of the total estimated project costs. This is because, in such service contracts, costs are incurred by the Group during the performance of the contracts, and as tasks progress, services tailored for the customer will be near completion, a state where the services are available for the customer. When milestones for the obligations to be performed by the Group are defined at contract inception, revenue is recognized based on completion of the contractual milestones.

Regarding ongoing service contracts (outsourcing service, maintenance service, etc.), services requested by the customer are provided over the contractual period. To promptly respond to customers' requests, the Group is required to always stand ready, and thus, such services are provided over a period including standby time. For this reason, revenue is recognized by measuring the progress based on the period ratio of services already provided over the whole service period. When services among outsourcing and maintenance services, etc., are charged on a per unit basis, revenue is recognized when the service is rendered and is billed or billable.

Where changes occur in the initial estimates of revenues, measure of progress, and costs incurred for a contract, the accumulated impact arising from a change of estimates is recognized in profit or loss in the period in which the changes become obvious and possible to be estimated.

(b) Hardware product revenue

Supply of stand-alone hardware products is a performance obligation satisfied at a point in time because it is usually not a performance obligation satisfied over time. In such case, at the point when the control of the asset is transferred to the customer, the amount of the transaction price allocated in proportion to the performance obligation is recognized as revenue. To determine the

point in time at which the control is transferred to the customer, the Group considers whether or not a) the Group has a present right to payment for the asset; b) the customer has legal title to the asset; c) the Group has transferred physical possession of the asset; d) the customer has the significant risks and rewards related to the ownership of the asset; and e) the customer has accepted the asset.

Revenue on hardware requiring significant services including installation, such as servers and network products, is in principle recognized upon the customer's acceptance.

Revenue on standard hardware, such as personal computers, is recognized in principle upon delivery, where the control of the hardware is transferred to the customer.

On the other hand, for commissioned manufacturing and manufacturing contracting, in cases where the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date, the Group recognizes revenue in accordance with the progress as measured using a method that faithfully depicts the completion of the performance obligation.

The Group provides various marketing programs to customers in various sales channels, such as volume discounts and sales incentives. When there is a possibility of subsequent variability in the consideration paid to these customers, the variable consideration is estimated and included in revenue to the extent that it is highly probable that its inclusion will not result in a significant revenue reversal in the future when the uncertainty has been subsequently resolved. To estimate the variable consideration, the Group uses either the expected value method or the most likely amount method, selecting the method that enables the most appropriate estimate of the amount of the consideration for these rights to be obtained.

(c) Licensing revenue

For supply of licenses, revenue is recognized over time as a right to access the Group's intellectual property (a right to access) when all of the following criteria are met. If any of the criteria is not met, revenue is recognized at a point in time for a right to use the Group's intellectual property (a right to use). The criteria are a) the contract requires, or the customer reasonably expects, that the Group will undertake activities that significantly affect the intellectual property to which the customer has rights; b) the rights granted by the license directly expose the customer to any positive or negative effects of the Group's activities; and c) those activities do not result in the transfer of a good or service to the customer as those activities occur. For software, the licenses of which constitute the principal licenses of the Group, usually after supply of a license, the Group is not obligated to undertake any activities to change the form or the functionality of the intellectual property or activities to maintain the value of the intellectual

property over the license period. Since none of the above criteria is therefore not met, the revenue is recognized at a point in time as right to use.

When software is provided over a cloud service, revenue is usually recognized at the same time as the cloud service revenue as a single performance obligation.

When software is sold bundled with software support, revenue for the software and revenue for the software support are usually recognized separately as distinct performance obligations. However, when the customer is unable to receive the benefit of the software without the supply of the software support service, the revenue is recognized at the same time as the software support revenue as a single performance obligation.

For software version-up rights that are sold separately from a license, revenue is usually recognized at the time when the version-up rights are provided, treating the software and version-up rights as distinct performance obligations. On the other hand, if the software version-up rights as a part of software support are provided, their revenue is recognized at the same time as a single performance obligation.

(d) Contracts with multiple deliverables

Contracts with multiple deliverables represent one contract that consists of several kinds of goods or services, such as supply of hardware and related services or supply of software sales and support services.

Goods or services promised to a customer are identified as distinct performance obligation if the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e., the promise to transfer the good or service is distinct within the context of the contract).

To allocate the transaction price to each performance obligation in a contract with multiple deliverables on a relative stand-alone selling price basis, the Group determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to that stand-alone selling price. If a stand-alone selling price is not directly observable, it is estimated based on method such as estimated costs plus a margin approach for the respective performance obligations in the contract with multiple deliverables, and the transaction price is allocated.

(e) Agent transactions

For procurement and sales of goods and services by the Group, revenue is recognized as commission fees for transactions where the Group does not have control of the goods and services

before their transfer to the customer, in other words, transactions where the Group has arranged the procurement as the customer's agent. To determine whether or not the Group has control over goods and services before their transfer to the customer, the following aspects are considered in addition to conformity to the definition of control: a) whether the Group is primarily responsible for fulfilling the promise to provide the specified good or service; b) whether the Group has inventory risk before the specified good or service is transferred to a customer, or after transfer of control to the customer; and c) whether the Group has discretion in establishing the price for the good or service.

(6) Other significant principles for the preparation of consolidated financial statements

(a) Application of a group relief system

A group relief system is applied.

(b) Discontinued operation

The Group classifies an independent business that has been disposed of or satisfied the requirements for an operation held for sales into discontinued operation.

[Notes to Accounting Estimates]

Items recorded in the consolidated financial statements with accounting estimates for this fiscal year and, that can have a significant effect on the consolidated financial statements for the next fiscal year are as follows.

1. Revenue recognition

Contract assets amounting to 217,679 million yen are recorded on the consolidated statement of financial position.

Revenue and costs under service contracts in which the Group undertakes an obligation to provide deliverables, such as turnkey contracts, are recognized by reference to the stage of completion when the outcome of the contract can be reliably estimated. Contract assets are primarily unbilled trade receivables related to revenue and are transferred to trade receivables when the customer accepts the deliverables.

The Group, in principle, calculates the progress toward completion with cost incurred to date as a percentage of total estimated project costs. Total estimated project costs are estimated based on the specifications, working hours, and contract-related risks, etc., of each project. Revenue and costs can be revised due to reasons such as additional cost incurred, because revenue and costs depend on the estimates of total project revenue and costs as well as the measurement of the progress.

2. Property, plant, and equipment

Property, plant, and equipment amounting to 360,881 million yen are recorded on the consolidated statement of financial position.

Depreciation of property, plant and equipment is calculated primarily using the straight-line method, based on the estimated useful life that reflects the period in which the asset's future economic benefits are expected to be consumed. An impairment loss could be recognized if there is a decrease in the expected future cash flows from the asset as a result of underutilization of production facilities or a decrease in the capacity utilization rate associated with rapid changes in the business environment as well as business realignment.

3. Goodwill

Goodwill amounting to 133,055 million yen is recorded on the consolidated statement of financial position.

Goodwill is tested for impairment both annually and when there is an indication of impairment. An impairment loss is recognized if the recoverable amount of cash-generating unit (CGU) to which goodwill is allocated is less than its carrying amount.

The recoverable amounts of a CGU are in most cases measured at value in use. Significant assumptions in estimating value in use are future cash flows based on the Fujitsu Group's business plans (generally covering three years) approved by management, the long-term average growth rate for subsequent periods incorporating future uncertainties, and the discount rate based on the weighted average cost of capital. These assumptions represent management's best estimates and judgment. Impairment losses could be recognized when the assumptions are revised as a result of a change in the business environment or other changes in the circumstances.

4. Intangible assets

Intangible assets amounting to 236,404 million yen are recorded on the consolidated statement of financial position.

Computer Software held for sale is amortized by a method based on projected sales volume over the estimated useful life. Software for internal use is amortized on a straight-line basis, in principle, to reflect the pattern in which asset's future economic benefits are expected to be consumed by the Group. Impairment losses could be recognized if there is a decrease in the expected future cash flows from the asset such as sales volumes failing to meet initial projected volumes due to changes in the business environment, and there is a risk that amortization expenses for the reporting period may increase if the actual useful life is less than the original estimate.

5. Deferred tax assets

Deferred tax assets amounting to 205,938 million yen are recorded on the consolidated statement of financial position.

Decisions on the recoverability of a deferred tax asset are based on the taxable profit calculated using future business plans and a deferred tax asset is recognized for carryforward unused tax losses, unused tax credits, and deductible temporary differences to the extent that is probable that they can be utilized. If no sufficient taxable profit is considered to be available to allow the benefit of part or all of that deferred tax asset due to changes in business environment, the amount of deferred tax assets may be reduced and additional expenses may incur.

6. Provisions

Provision for restructuring

Provision for restructuring charges amounting to 29,051 million yen is recorded on the consolidated statement of financial position.

A provision is recognized for the estimated costs of restructuring such as personnel rationalization and disposal of business. The costs are estimated based on the announced plan and the additional expenses may be incurred or a reversal of expenses may be recorded when the plan is reviewed as a result of sudden change in the business environment.

Provision for loss on orders received

Provision for loss on orders received amounting to 6,388 million yen is recorded on the consolidated statement of financial position.

The Group records provisions for losses on service contracts in which the Group undertakes an obligation to provide deliverables, such as turnkey contracts, if it is probable that the total estimated project costs exceed the total estimated project revenues and the amount of losses can be reliably measured. Total estimated project costs are estimated based on the specifications, working hours, and contract-related risks, etc., of each project and the Group may revise the originally estimated total project costs due to the incurrence of additional cost, etc., as well as the possibility of incurring additional expenses or the recording of a reversal of expenses.

7. Defined benefit plan

Retirement benefit assets amounting to 206,615 million yen and retirement benefit liabilities amounting to 92,171 million yen are recorded on the consolidated statement of financial position.

The Group has both defined benefit and defined contribution retirement benefit plans. Net defined benefit liability could be worsened if the fair value of plan assets decreases as a result of deterioration of return on plan assets or if a defined benefit liability increases as a result of a

change in assumptions (such as discount rate, turnover ratio, and mortality ratio) for determining the defined benefit liability, which could lead to a reduction in equity. If changes are made to retirement benefit plans, there could be a significant impact on profit or loss.

[Notes to Consolidated Statement of Financial Position]

- | | |
|---|-------------------|
| 1. Assets pledged as collateral and liabilities associated with collateral | (Millions of yen) |
| (1) Assets pledged as collateral | |
| Balance of pledged assets | 833 |
| (Pledged assets) | Intangible assets |
| | 833 |
| (2) Liabilities associated with collateral | |
| Balance of secured debt | 770 |
| (Secured debts) | Provisions |
| | 770 |
| 2. Allowance for doubtful accounts presented net with the associated assets | |
| (1) Trade receivables | 2,667 |
| (2) Other non-current assets | 677 |
| 3. Accumulated depreciation of property, plant and equipment | 800,706 |
| (including accumulated impairment losses) | |

[Notes to Consolidated Statement of Profit or Loss]

1. Other income

The main component of other income was 17,445 million yen recorded as revenue subsidy, consisting primarily of revenue from the government subsidy for the next-generation digital infrastructure construction for the Green Innovation Fund Projects. The Fujitsu Group also recorded a gain on sale of non-current assets of 11,669 million yen in connection with the relocation of the Osaka Hub. These income items are both included mainly in Inter-segment Eliminations / Corporate for segment reporting purposes.

- ## 2. Other expenses

The main component of other expenses was business model transformation expenses of 28,516 million yen related to the hardware business in Europe and Japan. This mainly includes costs related to personnel measures associated with business model transformation, as well as costs such as impairment losses. In addition to the above, items such as 8,944 million yen of business model transformation expenses, 2,361 million yen of impairment losses, and 2,046 million yen of losses on disposal of non-current assets are included.

[Notes to Consolidated Statement of Changes in Equity]

1. Number of shares issued at the end of this fiscal year

Common stock 1,739,778,265 shares

(Note) The Company canceled 331,330,185 shares of treasury stock it held as of March 31, 2026.

2. Dividends distributed from retained earnings during this fiscal year

Resolution	Type of stock	Total amount of dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
Board of Directors Meeting on May 28, 2025	Common stock	24,882	14	March 31, 2025	June 3, 2025
Board of Directors Meeting on October 30, 2025	Common stock	26,587	15	September 30, 2025	December 4, 2025

3. Dividends to be distributed from retained earnings after the end of this fiscal year

Resolution	Type of stock	Total amount of dividends (Millions of yen)	Dividend resource	Dividend per share (Yen)	Record date	Effective date
Board of Directors Meeting on May 28, 2026	Common stock	60,717	Retained earnings	35	March 31, 2026	June 8, 2026

[Notes to Business Combination, etc.]

1. Transfer of shares of consolidated subsidiary (SHINKO ELECTRIC INDUSTRIES CO., LTD.)

On December 12, 2023, the Company entered into an agreement with JICC-04 Ltd. (hereinafter the “Tender Offeror”) to implement the tender offer (hereinafter the “Tender Offer”) for the common stock shares of SHINKO ELECTRIC INDUSTRIES CO., LTD., a consolidated subsidiary of the Company (hereinafter “SHINKO”) (the “Shares of SHINKO”), by the Tender Offeror and transfer the Shares of SHINKO held by the Company. The Tender Offer ended on March 18, 2025 and was successfully completed as the total number of share certificates, etc. tendered to the Tender Offer exceeded the minimum limits of the planned number of shares to be purchased. After the completion of the Tender Offer, on June 11, 2025, through the acquisition by SHINKO of its own shares, the Company completed the transfer of its holdings of Shares of SHINKO. As a result of this series of transactions, the percentage of shares in SHINKO held by the Company declined from 50.02% to 0%, and SHINKO was no longer a consolidated subsidiary of the Company.

(1) Reason for the share transfer

This share transfer is to accelerate the transformation of the business portfolio in accordance with the “Business Model and Portfolio Strategy” from the Medium-Term Management Plan (fiscal 2023 to fiscal 2025) announced on May 24, 2023. The Company will seek to further enhance corporate value by allocating the cash assets received as consideration for the transfer

to investments in growth areas, including Service Solutions centered on high-margin digital and cloud services, including Uvance, and to shareholder returns.

(2) Impact on consolidated financial results

The Company recorded a gain on sale of the Shares of SHINKO of 141,572 million yen under profit from discontinued operation in the Consolidated Statement of Profit or Loss for this fiscal year.

(3) Description of amounts received from the sale

(Millions of yen)

Item	Amount
Cash	285,092
Total	285,092

(4) Appropriate carrying amounts of assets and liabilities transferred

(Millions of yen)

Item	Amount
Current assets	184,672
Non-current assets	219,529
Total assets	404,201
Current liabilities	117,813
Non-current liabilities	2,279
Total liabilities	120,092

2. Transfer of shares of affiliated company (Fujitsu General Limited)

On January 6, 2025, the Company entered into an agreement with Paloma Rheem Holdings Co., Ltd. (hereinafter the “Tender Offeror”) to implement the tender offer (hereinafter the “Tender Offer”) for the common stock shares of Fujitsu General Limited, an affiliate of the Company (hereinafter “Fujitsu General”) (the “Shares of Fujitsu General”) by the Tender Offeror and transfer the Shares of Fujitsu General held by the Company. The Tender Offer ended on May 28, 2025 and was successfully completed as the total number of share certificates, etc. tendered to the Tender Offer exceeded the minimum limits of the planned number of shares to be purchased. After the completion of the Tender Offer, on August 22, 2025, through the acquisition by Fujitsu General of its own shares, the Company completed the transfer of its holdings of Shares of Fujitsu General. As a result of this series of transactions, the percentage of shares in Fujitsu General held by the Company declined from 44.02% to 0%, and the financial results of Fujitsu General are no longer included in the Company’s earnings from equity-method affiliates.

(1) Reason for the share transfer

This share transfer is to accelerate the transformation of the business portfolio in accordance with the “Business Model and Portfolio Strategy” from the Medium-Term Management Plan (fiscal 2023 to fiscal 2025) announced on May 24, 2023. The Company will seek to further

enhance corporate value by allocating the cash assets received as consideration for the transfer to investments in growth areas, including Service Solutions centered on high-margin digital and cloud services, including Uvance, and to shareholder returns.

(2) Impact on consolidated financial results

The Company recorded a gain on sale of the Shares of Fujitsu General of 40,017 million yen under income from investments accounted for using the equity method, net in the Consolidated Statement of Profit or Loss for this fiscal year.

(3) Description of amounts received from the sale

(Millions of yen)

Item	Amount
Cash	92,011
Total	92,011

3. Acquisition of BrainPad Inc.

4. The Company, at its Board of Directors meeting held on October 30, 2025, resolved to execute a tender offer for BrainPad Inc. (hereinafter “BrainPad”) as prescribed in the Financial Instruments and Exchange Act (hereinafter the “Tender Offer”). Based on this resolution, as a result of the Tender Offer it implemented, the Company acquired 86.30% of the shares of common stock in BrainPad on December 22, 2025.

(1) Summary of the business combination

(a) Name and business description of the acquired company

Name of the acquired company	BrainPad Inc.
Business description	Professional services and product services to support the improvement of business management through the use of data

(b) Date of business combination

December 22, 2025

(c) Main reason for the business combination

The Company, to achieve sustainable growth, has positioned “Uvance” at the core of its strategy as a company-wide growth area, and considers the rapidly expanding Data & AI market to be a medium- to long-term growth driver. To ensure its position as a leader in the Data & AI market, the Company has determined that it will be essential to strategically complement and enhance its capabilities through not only its own initiatives, but through forming collaborations with partners with a proven track record.

(d) Methods of acquisition of control over the acquired company

Acquisition of shares through cash public takeover offer

(2) Consideration for the acquisition and breakdown

(Millions of yen)

Item	Amount
Cash	48,829
Total	48,829

The acquisition-related expense pertaining to this corporate acquisition totaled 624 million yen. The full amount of this expense was recorded in “Other expenses.”

(3) Fair value of acquired assets and assumed liabilities, non-controlling interests and goodwill at the date of business combination (Note 1)

(Millions of yen)

Item		Amount
Current assets		5,181
Non-current assets		3,008
Total assets		8,189
Current liabilities		2,313
Non-current liabilities		1,087
Total liabilities		3,400
Net assets	A	4,789
Non-controlling interests	B	656
Purchase price	C	48,829
Goodwill (Note 2)	C-(A-B)	44,696

Notes:

- As of the end of the fiscal year under review, the designation of identifiable assets and liabilities and the calculation of a fair value have yet to be completed. Due to the allocation of the acquisition cost being incomplete, the Company has applied a provisional accounting treatment based on the reasonable information currently available.
- Goodwill consists primarily of synergies with existing operations and excess earning power expected to result from the acquisition that do not meet individual recognition requirements. No amount is expected to be deductible for tax purposes.

(4) Impact on the Group's financial results

Revenues and earnings generated by the acquired company after the date of the business combination have been omitted as they are not material.

In addition, income information is not provided as if the business combination had occurred at the beginning of period because the impact on the consolidated statement of income is not material.

[Notes to Financial Instruments]

1. Policies on Financial Instruments

The Group carries out its financial activities in accordance with the “Fujitsu Group Treasury Policy” and primarily obtains funds through bank borrowing and the issuance of corporate bonds based on funding requirements of its business activities. After the adequate liquidity for its business activities has been ensured, the Group invests temporary excess funds in financial assets with low risk. The Group utilizes derivative transactions only for hedging purposes and not for speculative or dealing purposes.

Trade receivables and contract assets are exposed to customer credit risk. Additionally, some trade receivables are denominated in foreign currencies in conjunction with the export of products and exposed to exchange rate fluctuation risk. Other financial assets are comprised primarily of the certificates of deposit held for fund management and the shares issued by customers or other parties for the purpose of maintaining and strengthening the business relationship. Shares are exposed to market price fluctuation risk and financial risk of the company invested. The Group also loans to business partners, etc.

“Trade payables” and other payables are generally payable within one year. Some trade payables are denominated in foreign currencies in conjunction with the import of components and exposed to exchange rate fluctuation risk. Corporate bonds and borrowings are mainly for the purpose of obtaining working capital and preparing capital expenditures. Because some of these have floating interest rates, they are exposed to interest rate fluctuation risk.

(a) Credit risk

The Group strives to mitigate collection risk in accordance with credit management standards and procedures in selling goods and providing services. For trade receivables and contract assets, a unit independent from the sales units assesses the credit standing of customers, and for trade receivables, it manages collection dates and the balance outstanding for each customer to ensure smooth collection. Regarding the loan receivable, the Group periodically assesses debtor’s financial condition and reviews the terms of the loan if needed.

The counterparties to derivative transactions are selected upon assessment of their credit risk.

The amounts of the largest credit risks as of the reporting date are indicated in the carrying amount of the financial assets that are exposed to credit risk.

(b) Liquidity risk

The Group prepares a cash flow projection and monitors its funding requirements. The Group also strives to diversify its sources of financing in order to reduce liquidity risk.

(c) Market risk

The Group utilizes foreign exchange forward contracts in respect to trade receivables and trade payables denominated in foreign currencies to mitigate the exchange rate fluctuation risk that is

monitored by each currency respectively, currency swap contracts to mitigate the foreign currency exchange rate fluctuation risk of cash flows denominated in foreign currencies, and interest swap contracts in respect to corporate bonds and borrowings to mitigate interest rate fluctuation risk.

For the shares issued by customers or other parties, the Group regularly monitors the fair value and the financial conditions of the issuers and reviews its investment on a regular basis, taking into account its relationship with the counterparties.

The Group enters into derivative transactions based on the Group policy. Following the policies approved by the Chief Financial Officer (CFO), the finance division undertakes particular transactions, records them, and confirms the balance of transactions with counterparties. In addition, the finance division reports on the content of transactions undertaken and changes in the transaction balance to the CFO and the head of the accounting department.

2. Fair values of financial instruments and their breakdown by fair value hierarchy

The carrying amount and fair value of financial instruments as of March 31, 2026, are as follows:

The fair value hierarchy has the following levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for assets or liabilities, either directly or indirectly.

Level 3 inputs are unobservable inputs for assets or liabilities.

(a) Financial assets and liabilities measured at fair value

(i) Fair value hierarchy and comparison between carrying amount and fair value

(Millions of yen)

	Carrying amount	Fair value			
		Total	Level 1	Level 2	Level 3
Assets					
Financial assets measured at fair value through profit or loss					
Derivatives	1,410	1,410	–	1,410	–
Bonds	11,811	11,811	–	–	11,811
Equity securities	12,349	12,349	2,517	–	9,832
Financial assets measured at fair value through other comprehensive income					
Equity securities	131,457	131,457	40,389	–	91,068
Total	157,027	157,027	42,906	1,410	112,712
Liabilities					
Financial liabilities measured at fair value through profit or loss					
Derivatives	932	932	–	932	–
Total	932	932	–	932	–

Notes:

Measurement of fair value for financial instruments:

Derivatives: The fair value is based on the prices provided by financial institutions and other appropriate valuation techniques based on information available.

Equity securities: If a quoted price in an active market is available, the fair value is based on the quoted price. If a quoted price in an active market is not available, the fair value is estimated based on discounted future cash flow or other appropriate valuation method.

Bonds (financial assets): If a quoted price in an active market is available, the fair value is based on the quoted price. If a quoted price in an active market is not available, the fair value is estimated by an appropriate valuation method based on prices provided by transacting financial institutions.

(b) Financial assets and liabilities measured at amortized cost

(i) Fair value hierarchy and comparison between carrying amount and fair value

(Millions of yen)

	Carrying amount	Fair value			
		Total	Level 1	Level 2	Level 3
Assets					
Financial assets measured at amortized cost					
Bonds	406	406	–	–	406
Total	406	406	–	–	406
Liabilities					
Financial liabilities measured at amortized cost					
Long-term borrowings (non- current)	589	589	–	589	–
Total	589	589	–	589	–

Notes:

1. The disclosure for the current portion of financial assets and liabilities measured at amortized cost is omitted in the notes to “Fair values of financial instruments and their breakdown by fair value hierarchy” because the carrying amount is a reasonable approximation of its fair value.
2. Measurement of fair value for financial instruments:

Bonds (financial assets): If a quoted price in an active market is available, the fair value is based on the quoted price. If a quoted price in an active market is not available, the fair value is estimated by an appropriate valuation method based on prices provided by transacting financial institutions.

Long-term borrowings: The fair value of long-term borrowings is calculated by discounting the sum of future principal and interest payments to the present value at the rate expected for another loan with the same conditions at the end of the year.

[Notes to Per Share Data]

Equity attributable to owners of parent per share	1,167.25 yen
Basic earnings per share.....	254.83 yen
Continuing operation	173.22 yen
Discontinued operation	81.61 yen

[Notes to Revenue Recognition]**(1) Classification of revenue**

The Group classifies its revenue by region based on the location of its customers.

The relationship between revenue categorized by region and reportable segments is as follows.

(Millions of yen)

External customers	Service Solutions	Hardware Solutions	Ubiquitous Solutions	Inter-segment Eliminations / Corporate	Total
Japan	1,690,392	598,427	228,680	24,108	2,541,607
Europe	431,155	149,452	–	231	580,838
Americas	61,882	124,725	–	976	187,583
Asia-Pacific	96,930	55,563	159	–	152,652
East Asia	32,755	1,646	694	1	35,096
Others	1,679	3,516	–	–	5,195
Total	2,314,793	933,329	229,533	25,316	3,502,971

Notes:

1. Includes revenues arising from leases because they are immaterial for the Group.
2. Others include the Middle East and Africa.
3. Service Solutions consist of the following:
 - Creating and providing global value services centered on Uvance
 - Provision of services to the Japanese market (including implementation of Uvance)
 - Provision of services in regions outside of Japan (including implementation of Uvance)
4. Hardware Solutions consist of the following:
 - Hardware sales and maintenance services for servers, storage systems and other hardware that form the foundation of ICT
 - Network products which offer communications infrastructure, such as mobile phone base stations and optical transmission systems
5. Ubiquitous Solutions consist of “client computing devices” such as PCs.
6. Inter-segment Eliminations / Corporate primarily consist of revenue for external customers of corporate function subsidiaries providing services to the Group.

(2) Contract assets and contract liabilities

Contract assets are primarily unbilled trade receivables related to revenue recognized based on measurement of progress toward complete fulfillment of performance obligations under service contracts in which the Company undertakes an obligation to provide deliverables, such as turnkey contracts. These are transferred to trade receivables when the customer accepts the deliverables. Contract liabilities primarily consist of advance received from customers under contracts to provide them with ongoing services. The amount of revenue recognized for this fiscal year,

included in the balance of contract liabilities as of the beginning of the period is 105,980 million yen.

(3) Performance obligations

For the performance obligations for products and services in reportable segments and for how to measure the revenues from them, please refer to the “4. Significant accounting policies” under “Notes to Significant Items Concerning Preparation of Consolidated Financial Statements and Changes in Scope of Consolidation or Application of Equity Method.”

The payment terms for respective performance obligations are mainly within one year, and there are no significant transactions with long-term prepayment or post-payment terms.

Transaction prices allocated to unsatisfied (or partially unsatisfied) performance obligations at the end of the current period was 1,891,373 million yen, of which 1,283,738 million yen is expected to be recognized as revenue within one year.

The Group does not apply the practical expedient of paragraph 121 in IFRS 15 “Revenue from Contracts with Customers” and the above performance obligations amount includes the performance obligations included as components of contracts that have an original expected duration of one year or less. In addition, any consideration from contracts with customers that is not included in the transaction price is immaterial for the Group.

[Notes to Contingencies]

Fujitsu Services Ltd., the Company’s consolidated subsidiary, is responding to the UK statutory public Inquiry regarding an accounting system for the U.K. Post Office. Based on the findings of the Inquiry, we will take appropriate measures with the U.K. government, but it is difficult to predict the impact of this matter on the consolidated financial statements at this time.

[Notes to Discontinued Operations]

(1) Overview of discontinued operations

The Company classified the operations of its consolidated subsidiaries that were the constituent companies of the Device Solutions segment, including (i) SHINKO ELECTRIC INDUSTRIES CO., LTD. (hereinafter “SHINKO”), (ii) FDK Corporation (hereinafter “FDK”), (iii) Fujitsu Optical Components Limited (hereinafter “Fujitsu Optical Components”) and their subsidiaries to discontinued operation from the previous fiscal year due to the following reasons: Accordingly, the profit of the Device Solutions segment was classified as profit from discontinued operation, differentiating from that of continuing operations.

(a) On December 12, 2023, the Company entered into an agreement with JICC-04 Ltd. (hereinafter “Tender Offeror”) to implement the tender offer (hereinafter the “Tender Offer”) for the common stock shares of SHINKO ELECTRIC INDUSTRIES CO., LTD., a consolidated subsidiary of the Company (hereinafter “SHINKO”) (the “Shares of SHINKO”), by the Tender Offeror and transfer the Shares of SHINKO held by the Company. The Tender Offer ended on March 18, 2025 and was successfully completed as the total number of share certificates, etc. tendered to the Tender Offer exceeded the minimum limits of the planned number of shares to be purchased. After the completion of the Tender Offer, on June 11, 2025, through the acquisition by SHINKO of its own shares, the Company completed the transfer of its holdings of Shares of SHINKO. Details are as per “Notes to Business Combination, etc.: 1. Transfer of shares of consolidated subsidiary (SHINKO ELECTRIC INDUSTRIES CO., LTD.).”

(b) The Company concluded the agreement with Silitech Technology Corporation (the “Tender Offeror”) to accept the tender offer (the “Tender Offer”) for common shares of FDK (“FDK Shares”) by the Tender Offeror on February 12, 2025, and tendered all of FDK Shares held by the Company. The Tender Offer ended on March 13, 2025 and was successfully completed as the total number of share certificates, etc. tendered to the Tender Offer exceeded the minimum limits of the planned number of shares to be purchased. Accordingly, part of FDK Shares held by the Company were transferred on March 21, 2025, and the Company excluded FDK from the scope of consolidation and the scope of the equity method of the Company.

(c) The Company concluded the agreement with Furukawa Electric Co., Ltd. (“Furukawa Electric”) that all of the common shares of Fujitsu Optical Components Limited, held by the Company (“Shares of Fujitsu Optical Components”), be transferred to Furukawa Electric on December 12, 2024. The transfer of Shares of Fujitsu Optical Components was completed on April 1, 2025.

(2) Profit (loss) from discontinued operation (from April 1, 2025 to March 31, 2026)

(Millions of yen)	
Account	Amount
Discontinued operation	
Revenue	32,933
Cost of sales, Selling, general and administrative expenses	(31,272)
Other profit (loss)	145,393
Operating profit	147,054
Financial profit (loss)	(150)
Profit before income taxes from discontinued operation	146,904
Income tax expenses	(565)
Profit from discontinued operation	146,339

(3) Attribution of profit (from April 1, 2025 to March 31, 2026)

(Millions of yen)	
Account	Amount
Owners of the parent	
Profit from continuing operations	305,483
Profit from discontinued operation	143,925
Total	449,408
Non-controlling interests	
Profit from continuing operations	2,814
Profit from discontinued operation	2,414
Total	5,228

[Notes to Significant Events after the Reporting Period]

1. Purchase of treasury shares

At the Board of Directors' meeting held on April 28, 2026, the Company resolved matters related to the purchase of treasury shares pursuant to the provisions of Article 459, paragraph (1) of the Companies Act and its articles of incorporation, as follows.

(1) Reason for purchase of treasury shares

The repurchase is made with consideration for the current fiscal year's results, and profit and cash flow growth projected for the subsequent fiscal year, and as a result of a comprehensive review of the business environment, financial status, and improvement of capital efficiency.

(2) Details of matters concerning the purchase of treasury shares

- Type of shares to be repurchased: Common stock
- Total number of shares to be repurchased: 100 million shares (maximum) (Ratio to the total number of shares (excluding treasury shares): 5.76%)
- Aggregate purchase value: 150 billion yen (maximum)
- Purchase period: From May 1, 2026 to March 31, 2027
- Purchase method: Purchase by means of market trades on the Tokyo Stock Exchange (including purchases by means of market trades based on a discretionary investment contract with securities firms and through share repurchases outside of trading hours (ToSTNeT-3))

(Note) The Company could potentially fail to purchase an intended number of treasury shares, partially or wholly, due to drastic change in the business environment, significant increase in cash demand, and/or regulation regarding insider trading, among other reasons.

Unconsolidated Balance Sheet

(As of March 31, 2026)

		(Million yen)
Assets		
Current assets		
Cash and deposits	Y	1,555
Deposits paid		150,608
Notes receivable, trade		501
Accounts receivable, trade		459,763
Contract assets		168,368
Finished goods		28,784
Work in process		6,324
Raw materials and supplies		9,054
Advanced payments		5,082
Short-term loans to affiliated companies		14,050
Accounts receivable, other		151,213
Others		50,736
Allowance for doubtful accounts		(11,059)
Total current assets		1,034,984
Non-current assets		
Property, plant and equipment, net of accumulated depreciation		
Buildings		87,390
Structure		4,157
Machinery and equipment		1,735
Vehicles and delivery equipment		15
Tools, fixtures and fittings		42,931
Land		34,283
Construction in progress		13,700
Total property, plant and equipment		184,214
Intangible assets		
Software		132,667
Others		8,196
Total intangible assets		140,864
Investments and other non-current assets:		
Investment securities		100,283
Subsidiaries' and affiliates' stocks		423,600
Receivables from companies under bankruptcy or reorganization process		10
Prepaid pension costs		46,080
Deferred tax assets		204,600
Others		39,561
Allowance for doubtful accounts		(506)
Total investments and other non-current assets		813,630
Total non-current assets		1,138,708
Total assets	Y	2,173,693

(TRANSLATION FOR REFERENCE ONLY)

	<u>(Million yen)</u>
Liabilities and net assets	
Liabilities	
Current liabilities	
Accounts payable, trade	320,192
Lease obligations	1,046
Accrued liability	61,275
Accrued expenses	145,136
Accrued income taxes	23,620
Contract liabilities	55,345
Deposits received	12,609
Provision for loss on orders received	1,316
Provision for product warranties	79
Provision for loss on business of subsidiaries and associates	44,646
Provision for bonuses to board members	258
Provision for restructuring	297
Provision for share-based payments	3,886
Others	2,452
Total current liabilities	<u>672,163</u>
Non-current liabilities:	
Lease obligations	2,096
Provision for retirement benefits	106
Provision for product warranties	82
Provision for restructuring	100
Provision for share-based payments	7,302
Asset retirement obligations	11,197
Others	1,535
Total non-current liabilities	<u>22,420</u>
Total liabilities	<u>694,583</u>
Net assets	
Shareholders' equity	
Share capital	325,638
Capital surplus	
Legal capital surplus	1,013
Other capital surplus	—
Total capital surplus	<u>1,013</u>
Retained earnings	
Legal retained earnings	50,564
Other retained earnings	
Retained earnings brought forward	1,093,197
Total retained earnings	<u>1,143,761</u>
Treasury stock	<u>(10,827)</u>
Total shareholders' equity	<u>1,459,585</u>
Valuation and translation adjustments:	
Unrealized gain and loss on securities, net of taxes	19,523
Total valuation and translation adjustments	<u>19,523</u>
Total net assets	<u>1,479,109</u>
Total liabilities and net assets	<u><u>Y 2,173,693</u></u>

Unconsolidated Statement of Profit and Loss

(from April 1, 2025 to March 31, 2026)

		(Million yen)
Net sales	Y	1,692,618
Cost of sales		1,093,360
Gross profit		599,258
Selling, general and administrative expenses		440,245
Operating profit		159,013
Non-operating income:		
Interest income		817
Dividend income		127,136
Foreign exchange gain		464
Reversal of provision for loss on business of subsidiaries and associates		13,786
Other finance income		3,204
Total non-operating income		145,409
Non-operating expenses:		
Interest expenses		152
Provision of allowance for doubtful accounts		63
Bad debt loss		1,323
Provision for loss on business of subsidiaries and associates		27,062
Other finance expenses		585
Total non-operating expenses		29,186
Ordinary profit		275,236
Extraordinary income:		
Gain on sales of subsidiaries' and affiliates' stocks		355,531
Gain on sales of non-current assets		11,872
Gain on extinguishment of tie-in shares		833
Total extraordinary income		368,237
Extraordinary losses:		
Restructuring charges		213
Impairment losses		132
Total extraordinary losses		345
Income before income taxes		643,127
Income taxes:		
Income taxes - current		34,725
Income taxes - deferred		3,776
Total income taxes		38,502
Net profit	Y	604,625

Unconsolidated Statement of Changes in Net Assets

(from April 1, 2025 to March 31, 2026)

(Million yen)

	Share capital	Shareholders' equity					
		Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings Retained earnings brought forward	Total retained earnings
Balance at April 1, 2025	325,638	1,013	101,808	102,821	45,417	1,159,887	1,205,304
Changes during period under review							
Dividends of surplus	—	—	—	—	5,146	(56,616)	(51,469)
Profit	—	—	—	—	—	604,625	604,625
Purchase of treasury stock	—	—	—	—	—	—	—
Disposal of treasury stock	—	—	984	984	—	—	—
Cancellation of treasury stock	—	—	(717,492)	(717,492)	—	—	—
Transfer from retained earnings to capital surplus	—	—	614,699	614,699	—	(614,699)	(614,699)
Net changes in items other than shareholders' equity	—	—	—	—	—	—	—
Total changes during period under review	—	—	(101,808)	(101,808)	5,146	(66,689)	(61,542)
Balance at March 31, 2026	325,638	1,013	—	1,013	50,564	1,093,197	1,143,761

	Shareholders' equity		Valuation and translation adjustments		Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
Balance at April 1, 2025	(559,726)	1,074,037	11,967	11,967	1,086,004
Changes during period under review					
Dividends of surplus	—	(51,469)	—	—	(51,469)
Profit	—	604,625	—	—	604,625
Purchase of treasury stock	(170,019)	(170,019)	—	—	(170,019)
Disposal of treasury stock	1,426	2,410	—	—	2,410
Cancellation of treasury stock	717,492	—	—	—	—
Transfer from retained earnings to capital surplus	—	—	—	—	—
Net changes in items other than shareholders' equity	—	—	7,556	7,556	7,556
Total changes during period under review	548,899	385,547	7,556	7,556	393,104
Balance at March 31, 2026	(10,827)	1,459,585	19,523	19,523	1,479,109

Notes to Unconsolidated Financial Statements

[Notes to Significant Accounting Policies]

1. The Company prepares for financial statements in accordance with the Regulation on Corporate Accounting (Ministry of Justice Order No. 13 of February 7, 2006 and the last amendment of Ministry of Justice Order No. 14 of March 31, 2025).
2. Valuation standards and methods for assets
 - (1) Marketable securities
 - Shares in subsidiaries and affiliates..... Moving average cost method
 - Available-for-sale securities
 - Other than non-marketable stocks..... Market value method based on the market price on the closing date
 - Treatment of the difference between the acquisition cost and the market value
..... Booked directly to net assets
 - Calculation of costs of securities sold
..... Moving average cost method
 - Non-marketable stocks..... Moving average cost method
 - (2) Derivatives, etc.
 - Derivatives Market value method
 - (3) Inventories
 - Inventories held for sale in normal operating cycle
 - Finished goods Moving average cost method
 - Work in process Cost method determined by the specific identification method or the periodic average method
 - Raw materials and supplies Moving average cost method
 - Costs of inventories with lower profitability are written down.
3. Depreciation and amortization of non-current assets
 - (1) Property, plant, and equipment except for leased assets
 - Depreciation of tangible fixed assets except for leased assets is calculated by the straight-line method.
 - The useful lives, reflected by the likely period over which the value of asset can be realized under actual business conditions, are estimated as stated below:
 - Buildings and structures 7 to 50 years
 - Machinery and equipment 3 to 7 years
 - Tools, fixtures, and fittings 2 to 10 years

(2) Intangible assets except for leased assets

Software

- For sale.....Method based on projected sales volume over the estimated life of the product (3 years)
- For internal use.....Straight-line method based on the estimated useful life of the software (within 10 years)
- Others..... Straight-line method

(3) Leased assets

Depreciation and amortization of finance leases that do not transfer ownership of the leased property to the lessee are calculated by the straight-line method over the lease period deemed as useful lives.

4. Accounting policies for provisions

(1) Allowance for doubtful accounts

To prepare for loss on doubtful accounts such as trade receivables and loans, an estimated irrecoverable amount is provided on the basis of the actual loan loss ratio for unspecified receivables and on the basis of individual collectability for specified receivables such as loans with default possibility.

(2) Provision for loss on orders received

The estimated amount of future losses relating to customized software whose profitability potentially has deteriorated is provided at the end of this fiscal year.

(3) Provision for product warranties

To prepare for the disbursement of expenses for the free repair and exchange of products during the warranty period based on contracts, the estimated repair and exchange expenses based on the historical data are recorded when the product is sold.

(4) Provision for loss on business of subsidiaries and associates

To prepare for possible losses relating to business of subsidiaries and affiliates, an estimated amount of loss is provided, taking into account the financial conditions of individual subsidiaries and affiliates.

(5) Provision for bonuses to board members

To prepare for bonuses to board members, an estimated amount is provided.

(6) Provision for restructuring

Estimated losses from restructuring of businesses in the course of business structure improvement, etc. are recorded.

(7) Provision for retirement benefits or prepaid pension costs

To prepare for disbursement of employees' retirement benefits under the defined benefit plan, an amount based on the defined benefit obligation and plan assets at the end of this fiscal year is recognized.

Method of attributing benefit to periods of service

Benefit is attributed to periods of service under the plan's benefit formula.

Method of attributing actuarial gains and losses and past service cost

- Method of attributing past service cost

-Straight-line method (10 years)

- Method of attributing actuarial gains and losses

-An amount on a straight-line basis (over the expected average remaining service period of employees) is recognized from the year after the actuarial loss has arisen.

(8) Provision for share-based payments

To prepare for share-based payment to board members and Corporate Executive Officers, an estimated amount is provided.

5. Revenues and expenses recognition

(1) Service revenue

Supply of service by the Company is a performance obligation to be satisfied over a certain period of time because it usually corresponds to any of the following criteria: a) the customer enjoys the benefits provided by the Company as it performs its obligations under a contract with the former party; b) the Company's performance of its obligations under a contract with the customer creates or enhances an asset, causing the customer to control it in pace with the performance; or c) the Company's performance of its obligations under a contract with the customer creates an asset without an alternative use, and the former party has an enforceable right to receive payment for a portion of the performance completed by it. If the progress toward complete satisfaction of the performance obligation can be reasonably estimated, revenue from the service is recognized in accordance with the progress. If the progress cannot be reasonably estimated, while an expense incurred when satisfying the performance obligation is likely to be recovered, revenue from the service is recognized on the cost recovery method until such time that the progress of the performance obligation satisfaction can be reasonably estimated.

Revenue under service contracts in which the Company undertakes an obligation to provide deliverables, such as turnkey contracts (systems integration etc.), is in principle recognized by the method of estimating the progress based on the costs incurred to date as a percentage of the total estimated project costs. This is because, in such service contracts, costs are incurred by the Company during the performance of the contracts, and as tasks progress, services tailored for the customer will be near completion, a state where the services are available for the customer. When milestones for the obligations to be performed by the Company are defined at contract inception, revenue is recognized based on completion of the contractual milestones.

Regarding ongoing service contracts (outsourcing service, maintenance service, etc.), services requested by the customer are provided over the contractual period. To promptly respond to customers' requests, the Company is required to always stand ready, and thus, such services are provided over a period including standby time. For this reason, revenue is recognized by estimating the progress based on the period ratio of services already provided over the whole service period. When services among outsourcing and maintenance services, etc., are charged on a per unit basis, revenue is recognized when the service is rendered and is billed or billable.

Where changes occur in the initial estimates of revenues, measure of progress, and costs incurred for a contract, the accumulated impact arising from a change of estimates is recognized in profit or loss in the period in which the changes become obvious and possible to be estimated.

(2) Hardware product revenue

Supply of stand-alone hardware products is a performance obligation satisfied at a point in time because it is usually not a performance obligation satisfied over time. In such case, at the point when the control of the asset is transferred to the customer, the amount of the transaction price allocated in proportion to the performance obligation is recognized as revenue. To determine the point in time at which the control is transferred to the customer, the Company considers whether or not: a) the Company has a present right to payment for the asset; b) the customer has legal title to the asset; c) the Company has transferred physical possession of the asset; d) the customer has the significant risks and enjoys rewards related to the ownership of the asset; and e) the customer has accepted the asset.

Revenue on hardware requiring significant services including installation, such as servers and network products, is in principle recognized upon the customer's acceptance.

Revenue on standard hardware, such as personal computers, is recognized in principle upon delivery, where the control of the hardware is transferred to the customer.

On the other hand, for commissioned manufacturing and manufacturing contracting, in cases where the Company's performance creates an asset unable to be used for other purpose and it has an enforceable right to payment for performance completed to date, the Company recognizes revenue in accordance with the progress as estimated using a method that faithfully depicts the completion of the performance obligation.

The Company provides various marketing programs to customers in various sales channels, such as volume discounts and sales incentives. When there is a possibility of subsequent variability in the consideration paid to these customers, the variable consideration is estimated and accounted for under revenue solely with respect to a portion that is highly unlikely to experience, when the uncertainty is eliminated, a significant decrease in a revenue recorded until the time of the elimination. To estimate the variable consideration, the Company uses either the expected value method or the most likely amount method, selecting the method that enables the most appropriate estimate of the amount of the consideration for these rights to be obtained.

(3) Licensing revenue

For supply of licenses, revenue is recognized over time as a right to access the Company's intellectual property (a right to access) when all of the following criteria are met. If any of the criteria is not met, revenue is recognized at a point in time for a right to use the Company's intellectual property (a right to use). The criteria are: (a) the contract stipulates, or the customer reasonably expects, that the Company will undertake activities that significantly affect the intellectual property to which the customer has rights; (b) such activities will directly affect the customer; and (c) those activities do not result in the transfer of a good or service to the customer even if those activities occur.

For software, the licenses of which constitute the principal licenses of the Company, usually after supply of a license, the Company is not obligated to undertake any activities to markedly change the form or the functionality of the intellectual property or activities to maintain the value of the intellectual property over the license period. Since none of the above criteria is therefore not met, the revenue is recognized at a point in time as right to use.

When software is provided over a cloud service, revenue is usually recognized at the same time as the cloud service revenue as a single performance obligation.

When software is sold bundled with software support, revenue for the software and revenue for the software support are usually recognized separately as distinct performance obligations. However, when the customer is unable to receive the benefit of the software without the supply of the software support service, the revenue is recognized at the same time as the software support revenue as a single performance obligation.

For software version-up rights that are sold separately from a license, revenue is usually recognized at the time when the version-up rights are provided, treating the software and version-up rights as distinct performance obligations. On the other hand, if the software version-up rights as a part of software support are provided, their revenue is recognized at the same time as a single performance obligation.

(4) Contracts with multiple deliverables

Contracts with multiple deliverables represent one contract that consists of several kinds of goods or services, such as supply of hardware and related services or supply of software sales and support services.

Goods or services promised to a customer are identified as distinct performance obligation if the customer can benefit from the good or service on its own, can enjoy benefits together with other resources that are readily available to the customer (i.e. the good or service could potentially become distinct); and the Company's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e., the promise to transfer the good or service is distinct within the context of the contract).

When allocating the transaction price to each performance obligation in a contract with multiple deliverables in accordance with the ratio of a stand-alone selling price, the Company determines

the stand-alone selling price at contract inception for the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to that stand-alone selling price ratio. If a stand-alone selling price is not directly observable, it is estimated based on method such as estimated costs plus a margin approach for the respective performance obligations in the contract with multiple deliverables, and the transaction price is allocated.

(5) Agent transactions

For procurement and sales of goods and services by the Company, revenue is recognized as commission fees for transactions where the Company does not have control of the goods and services before their provision to the customer, in other words, transactions where the Company has arranged the procurement as the customer's agent. To determine whether or not the Company has control over goods and services before their transfer to the customer, the following aspects are considered in addition to conformity to the definition of control: a) whether the Company is primarily responsible for fulfilling the promise to provide the specified good or service; b) whether the Company has inventory risk before the specified good or service is provided to a customer, or after transfer of control to the customer; and c) whether the Company has discretion in establishing the price for the good or service.

6. Other significant items concerning the preparation of unconsolidated financial statements

(1) Hedge accounting

Deferred hedge accounting is adopted.

(2) Accounting for retirement benefits

Accounting of unrecognized actuarial gains and losses and past service costs under the defined benefit plan for the unconsolidated financial statements is different from that for the consolidated financial statements.

(3) Application of a group relief system

A group relief system is applied.

[Notes to Accounting Estimates]

Items recorded in the unconsolidated financial statements with accounting estimates for this fiscal year and, that can significantly affect the unconsolidated financial statements for the next fiscal year are as follows.

1. Revenue recognition

Contract assets of 168,368 million yen are recorded on the unconsolidated balance sheet.

Please refer to the "Notes to Consolidated Financial Statements: Notes to Accounting Estimates, 1. Revenue recognition."

2. Property, plant and equipment, net of accumulated depreciation

Property, plant, and equipment amounting to 184,214 million yen are recorded on the unconsolidated balance sheet.

Please refer to the “Notes to Consolidated Financial Statements: Notes to Accounting Estimates, 2. Property, plant, and equipment.”

3. Intangible assets

Intangible assets amounting to 140,864 million yen are recorded on the unconsolidated balance sheet.

Please refer to the “Notes to Consolidated Financial Statements: Notes to Accounting Estimates, 4. Intangible assets.”

4. Deferred tax assets

Deferred tax assets amounting to 204,600 million yen are recorded on the unconsolidated balance sheet.

Please refer to the “Notes to Consolidated Financial Statements: Notes to Accounting Estimates, 5. Deferred tax assets.”

5. Provisions

Provision for loss on orders received amounting to 1,316 million yen is recorded on the unconsolidated balance sheet.

Please refer to the “Notes to Consolidated Financial Statements: Notes to Accounting Estimates, 6. Provisions.”

Provision for loss on business of subsidiaries and associates amounting to 44,646 million yen is recorded on the unconsolidated balance sheet.

The Company recognizes an estimated amount of loss as provision, taking into account the financial conditions of individual subsidiaries and associates. Expected losses can be revised for reasons such as changes in the financial conditions of individual subsidiaries and associates and future revisions of business plans.

6. Defined benefit plan

Prepaid pension costs amounting to 46,080 million yen and provision for retirement benefits amounting to 106 million yen are recorded on the unconsolidated balance sheet.

The Company has both defined benefit and defined contribution retirement benefit plans. Additional costs may incur if the fair value of plan assets decreases as a result of a deterioration of returns on plan assets or if a defined benefit obligation increases as a result of changes in assumptions (such as discount rate, turnover ratio, and mortality ratio) for determining the defined benefit obligation.

7. Valuation of subsidiaries' and affiliates' stocks

Subsidiaries' and affiliates' stocks amounting to 423,600 million yen are recorded on the unconsolidated balance sheet.

When the real value of non-marketable equity securities declines significantly relative to the acquisition price due to deterioration in the financial condition of the issuing company, unless recoverability is supported by sufficient evidence, a substantial write-down is made and the difference in value recognized as a loss. For stocks acquired reflecting excess earning power, the real value reflects that excess earning power, and if the excess earning power is judged to be impaired, the real value is valued reflecting the impairment of that earning power.

[Notes to the Unconsolidated Balance Sheet]

1. Accumulated depreciation of property, plant, and equipment	(Million yen)
Buildings	208,163
Structures.....	13,723
Machinery and equipment.....	16,695
Vehicles and delivery equipment.....	47
Tools, fixtures and fittings.....	128,279
Total	366,909
2. Contingent liabilities for guarantee contracts	
Balance of contingent liabilities for guarantee contracts.....	369
(Guaranteed debt) Accrued liability from subsidiary corporate cards	369
3. Monetary claims and obligations to subsidiaries and affiliates (excluding those separately disclosed)	
Short-term monetary claims	322,481
Long-term monetary claims	999
Short-term monetary obligations.....	197,405
Long-term monetary obligations	1,247
4. Short-term loans to affiliated companies	
The loans, primarily to Fujitsu America Inc., a subsidiary of the Company	

[Notes to the Unconsolidated Statement of Profit and Loss]

1. Transactions with subsidiaries and affiliates	(Million yen)
Business transactions	
Net sales	307,826
Purchases.....	646,021
Transactions other than business transactions	126,351

2. Reversal of provision for loss on business of subsidiaries and associates

The amount was mainly an amount for reversal of provision for loss on business of subsidiaries and associates recorded with respect to the amount by which a European subsidiary's liabilities exceeded its assets. In Europe, the Company recorded a reversal gain as the negative net assets of its European subsidiaries were eliminated following the consolidation of hardware-focused companies into the Company's European subsidiaries.

3. Provision for loss on business of subsidiaries and associates

The amount was mainly an addition to the provision for loss on business of subsidiaries and associates recorded with respect to the amount by which a European subsidiary's liabilities exceeded its assets.

4. Gain on sales of subsidiaries' and affiliates' stocks

This was primarily attributable to the sale of shares in SHINKO ELECTRIC INDUSTRIES CO., LTD. and Fujitsu General Limited.

Details are as per "Notes to Unconsolidated Financial Statements: Notes to Business Combination, etc.: 2. Transfer of shares of consolidated subsidiary (SHINKO ELECTRIC INDUSTRIES CO., LTD.) and 3. Transfer of shares of affiliated company (Fujitsu General Limited)."

5. Gain on sales of non-current assets

This represents a gain on sale associated with the relocation of the Osaka Hub.

[Notes to Unconsolidated Statement of Changes in Net Assets]

Number of treasury stock at the end of this fiscal year

Common stock.....5,000,060 shares

(Note) The Company canceled 331,330,185 shares of treasury stock it held as of March 31, 2026.

[Notes to Tax Effect Accounting]

Deferred tax assets are recognized primarily due to loss on valuation of shares of subsidiaries and associates, accrued bonuses and provision for loss on business of subsidiaries and associates. Deferred tax liabilities are recognized primarily due to prepaid pension cost. Valuation allowance is deducted from deferred tax assets pertaining to loss on valuation of shares of subsidiaries and associates and other items for which scheduling of the timing of the reversal is impossible.

[Notes to Business Combination, etc.]

1. Establishment of a consolidated subsidiary (1FINITY Inc.) through a company split

The Company has launched 1FINITY Inc., a new company that takes over the network products business, effective July 1, 2025. The Company will pursue speedy decision-making by integrating the functions of research, development, manufacturing, sale, maintenance, etc. that have been

dispersed across the Group until now and establishing a one-stop system, whereby the Company will provide high value-added solutions as the whole of the Group.

To this end, the Company resolved to transfer its network products business to 1FINITY Inc., which would be established by company split anew, effective July 1, 2025, at the meeting of the Board of Directors held on April 24, 2025.

(1) Summary of the company split

(a) Name of successor company and outline of the business to be split

(i) Name

1FINITY Inc.

(ii) Business description

Research, development, design, manufacturing, sale and planning as well as maintenance and repair support of telecommunications equipment, devices and systems

(b) Date of company split

July 1, 2025

(c) Reason of company split

In this company split, a pure play company will be established to handle the operations of the network products business from research, development, manufacturing and sale to maintenance as a one-stop provider, thereby clarifying the responsibility of corporate management and speeding up management decision-making as an independent company. Furthermore, the new company aims to promptly respond to a rapidly-changing market environment and create innovation through measures including the early provision of products that utilize cutting-edge technology to the maximum, a shift to software technology, and expansion into the AI data center market.

This will enable both the Company and 1FINITY, Inc. to leverage their respective strengths, and empower the Group as a whole, to provide total solutions that will support the transformation of society and companies, thereby leading to improved value for customers.

(d) Outline of the transactions including legal form

An incorporation-type company split in which the Company will be the splitting company and the newly established 1FINITY Inc. will be the incorporated company

(2) Outline of the accounting treatment implemented

This company split was treated as a transaction under common control in accordance with the “Accounting Standard for Business Combinations” and “Accounting Standard for Business Divestitures,” and the

“Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures.”

- (3) Estimated amount of net sales related to the business to be split recorded in the statement of profit or loss of the current fiscal year

Net sales: 20,689 million yen

2. Transfer of shares of consolidated subsidiary (SHINKO ELECTRIC INDUSTRIES CO., LTD.)

The description is omitted because the same information is provided in “Notes to Consolidated Financial Statements: Notes to Business Combination, etc.: 1. Transfer of shares of consolidated subsidiary (SHINKO ELECTRIC INDUSTRIES CO., LTD.).”

- Unconsolidated performance

The Company recorded a gain on sale of Shares of SHINKO of 268,133 million yen as gain on sales of subsidiaries’ and affiliates’ stocks (extraordinary income).

3. Transfer of shares of affiliated company (Fujitsu General Limited)

The description is omitted because the same information is provided in “Notes to Consolidated Financial Statements: Notes to Business Combination, etc.: 2. Transfer of shares of affiliated company (Fujitsu General Limited).”

- Unconsolidated performance

The Company recorded a gain on sale of Shares of Fujitsu General of 81,853 million yen as gain on sales of subsidiaries’ and affiliates’ stocks (extraordinary income).

4. Acquisition of BrainPad Inc.

The description is omitted because the same information is provided in “Notes to Consolidated Financial Statements: Notes to Business Combination, etc.: 3. Acquisition of BrainPad Inc.”

[Notes to Transactions with Related Parties]**Subsidiaries and Affiliates**

(Millions of yen)

Type	Name of company, etc.	Percentage of voting rights	Relationship	Transactions		Transaction amount	Account	Ending balance
Subsidiary	Fsas Technologies Inc.	Ownership Direct 100%	Consignment of support services, etc., sales and maintenance of the Company's products Interlocking of directors	Consignment of support services, etc.	Purchases	192,274	Accounts payable, trade	45,861
				Agency purchase transactions, etc.		210,659	Accounts receivable, other	34,226
Subsidiary	Fujitsu Personal System Limited	Ownership Direct 100%	Sale of the Company's products Interlocking of directors	Sale of the Company's products	Net sales	120,002	Accounts receivable, trade	24,779
Subsidiary	Fujitsu Japan Limited	Ownership Direct 100%	Sales, maintenance, etc. of the Company's products Interlocking of directors	Sale of the Company's products	Net sales	113,253	Accounts receivable, trade Contract assets	23,228 384
Subsidiary	Fujitsu Defense & National Security Limited	Ownership Direct 100%	Research, manufacturing, contract, repair, maintenance, sale and construction of defense systems for customers of the Company Interlocking of directors	Manufacturing, repair and maintenance of the Company's products	Purchases	60,512	Accounts payable, trade	31,341
Subsidiary	Fujitsu Europe Holding B.V.	Ownership Direct 100%	Provision of information systems service to overseas customers of the Company Interlocking of directors	Acquisition of subsidiaries' and affiliates' stocks		36,586	—	—
Subsidiary	Fujitsu Capital Ltd.	Ownership Direct 100%	Group financing Interlocking of directors	Borrowing and deposit of funds	Repayment of borrowings	124,316	—	—
					Interest expenses	77		
					Deposit of funds	150,608	Deposits paid	150,608
					Interest income	710		
Affiliate	Fujitsu Client Computing Ltd.	Ownership Direct 49%	Manufacture of PCs that are included in sales negotiations about systems sold by the Company Interlocking of directors	Manufacture of PCs	Purchases	151,582	Accounts payable, trade	28,321

(Note) Transactions listed above generally have terms of business based on arms-length.

[Notes to Per Share Data]

Net assets per share	852.62 yen
Earnings per share	342.84 yen

[Notes to Revenue Recognition]

Basic information to understand revenue from contracts with customers

Please refer to “Notes to Significant Accounting Policies, 5. Revenues and expenses recognition.”

[Notes to Significant Events after the Reporting Period]

1. Business combination with consolidated subsidiary (Fujitsu Japan Limited)

At its Board of Directors meeting held on January 29, 2026, the Company resolved to succeed, through a company split effective April 1, 2026, to the solutions business and related operations of Fujitsu Japan Limited (hereinafter “Fujitsu Japan”) for upper mid-sized and small-to-medium enterprises in the private sector, as well as for regional agriculture, forestry, and fisheries organizations.

(1) Summary of the business combination

(a) Names of the entities and description of the business involved in the business combination

(i) Name

The Company and its consolidated subsidiary, Fujitsu Japan Limited

(ii) Business description

Provision of integrated services covering solutions and SI, package development, and operation, to local governments, medical and educational institutions, and the private sector. Promotion of DX business utilizing AI, cloud services, local 5G, etc.

(b) Date of business combination

April 1, 2026

(c) Main reason for conducting the business combination

In line with the “Business Model and Portfolio Strategy” set out in the Medium-Term Management Plan (fiscal 2023 to fiscal 2025) announced on May 24, 2023, the Company is working to build long-term engagement by continuously providing optimal solutions that address customer challenges.

Through this company split, the Company will consolidate resources for the private-sector and regional agriculture, forestry, and fisheries businesses, reallocate sales and system engineers, and review its organizational structure. This will streamline operations and accelerate decision-making, strengthening these businesses and enhancing the value provided to customers.

(d) Outline of the transactions including legal form

An absorption-type company split with the Company as the successor company and Fujitsu Japan as the splitting company

(2) Outline of the accounting treatment implemented

This company split was treated as a transaction under common control in accordance with the “Accounting Standard for Business Combinations” and the “Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures.”

2. Purchase of treasury stock

Notes are omitted as the same information is provided in the “Notes to Consolidated Financial Statements: Notes to Significant Events after the Reporting Period: 1. Purchase of treasury shares.”

Copy of Audit Report by Accounting Auditor concerning Consolidated Financial Statements

Independent Auditor's Audit Report

May 14, 2026

The Board of Directors, Fujitsu Limited,

Ernst & Young ShinNihon LLC
Tokyo Office
Toshiyuki Matsumoto
Certified Public Accountant
Designated Engagement Partner
Miyuki Nakamura
Certified Public Accountant
Designated Engagement Partner
Manabu Yamaguchi
Certified Public Accountant
Designated Engagement Partner
Yuki Taguchi
Certified Public Accountant
Designated Engagement Partner

Opinion

We have audited the consolidated financial statements of Fujitsu Limited for the consolidated fiscal year from April 1, 2025 to March 31, 2026, which consists of consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity and notes to the consolidated financial statements, pursuant to the provisions in Article 444, paragraph (4) of the Companies Act.

In our opinion, the above consolidated financial statements present fairly, in all material respects, the positions of assets and profit or loss in the period related to the consolidated financial statements of the Group that consists of Fujitsu Limited and its consolidated subsidiaries, in accordance with the accounting standards that omitted part of disclosure items required by the International Accounting Standards, stipulated by the provision in Article 120, the second sentence of paragraph (1) of Regulation of Corporate Accounting.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are described in “the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements” section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the provisions concerning professional ethics in Japan (including the provisions applicable to audits of financial statements of public interest entities), and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for preparation and disclosure of the other information. The Audit and Supervisory Committee Member and the Audit and Supervisory Board are responsible for overseeing the execution of the duties of Directors in the establishment and operation of the 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 opinion on the other information.

In connection with our audit of the consolidated financial statements, our responsibilities are 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 during the audit and pay attention to whether there are signs of material misstatements of the other information other than such material inconsistencies.

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

We have nothing to report in this regard.

Responsibilities of Management, the Audit & Supervisory Board Member and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the accounting standards that omit part of disclosure items, required by the International Accounting Standards, stipulated by the provisions in Article 120, the second sentence of paragraph (1) of Regulation on Corporate Accounting. These responsibilities include the establishment and operation of internal controls that management determines as necessary for the preparation and fair presentation 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 whether it is appropriate to prepare the consolidated financial statements based on the premise of a going concern. If there is the need for disclosing matters

related to going concern in accordance with the accounting standards that omit part of disclosure items required by the International Accounting Standards, stipulated by the provisions in Article 120, the second sentence of paragraph (1) of Regulation on Corporate Accounting, management is responsible for disclosing such matters.

The Audit and Supervisory Committee Member and the Audit and Supervisory Board are responsible for overseeing the execution of the duties of Directors in the establishment and operation of the financial reporting process.

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

Our responsibilities are to express our opinion on the consolidated financial statements in the Auditor's Report from an independent position after obtaining reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, based on the audit that we conducted. 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 decisions of users of the consolidated financial statements.

Following the auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism through the audit. We also:

- Identify and assess the risks of material misstatement, whether due to fraud or error. In addition, design and perform audit procedures responsive to the risks of material misstatement. The selection and application of audit procedures depend on our judgment. Furthermore, obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control to the audit in order to design appropriate audit procedures responsive to the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of the accounting policy and the application method adopted by management and the reasonableness of accounting estimates made by management and notes.
- Conclude whether it is appropriate for management to prepare consolidated financial statements under the going concern assumption, and based on the audit evidence obtained, conclude whether a material uncertainty exists related to events or conditions that may cast significant doubt on the going concern assumption. If we conclude that a material uncertainty related to the going concern assumption exists, we are required to draw attention in our audit report to notes to consolidated financial statements or if notes to consolidated financial statements related to material uncertainty is not appropriate, to express our modified opinion on the consolidated financial statements. 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 Company to cease to continue as a going concern.
- Evaluate whether the presentation of and notes to the consolidated financial statements comply with the accounting standards that omit part of disclosure items required by the International Accounting Standards, stipulated by the provisions in Article 120, the second sentence of paragraph (1) of Regulation on Corporate Accounting. Simultaneously, evaluate the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements appropriately represent the underlying transactions and accounting events.
- Plan and perform audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to provide a basis for our opinion on the consolidated financial statements. We are responsible for the direction, supervision and inspection of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We report to the Audit & Supervisory Board Member and the Audit & Supervisory Board on the planned audit scope, timing of the audit, significant audit findings including any significant deficiencies in internal control that we identify during the audit, and other matters required by the audit standards.

We also report to the Audit & Supervisory Board Member and the Audit & Supervisory Board on the fact that we have complied with the ethical requirements regarding our independence, matters that may reasonably be thought to bear on our independence, and details of actions if countermeasures are taken to eliminate obstructions or if safeguards are applied to reduce obstructions to an acceptable level.

Conflict of Interest

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

-

Copy of Audit Report by Accounting Auditor

Independent Auditor's Audit Report

May 14, 2026

The Board of Directors, Fujitsu Limited,

Ernst & Young ShinNihon LLC

Tokyo Office

Toshiyuki Matsumoto

Certified Public Accountant

Designated Engagement Partner

Miyuki Nakamura

Certified Public Accountant

Designated Engagement Partner

Manabu Yamaguchi

Certified Public Accountant

Designated Engagement Partner

Yuki Taguchi

Certified Public Accountant

Designated Engagement Partner

Opinion

We have audited the unconsolidated financial statements of Fujitsu Limited for the 126th fiscal year from April 1, 2025 to March 31, 2026, which consists of a balance sheet, statement of profit or loss, statement of changes in equity and notes to the unconsolidated financial statements and supplementary schedules (the “unconsolidated financial statements, etc.”), pursuant to the provisions in Article 436, paragraph (2)-1 of the Companies Act.

In our opinion, the above unconsolidated financial statements, etc. present fairly, in all material respects, the positions of assets and profit or loss in the period related to the unconsolidated financial statements, etc. of the Company, in accordance with the corporate accounting standards generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are described in “the Auditor’s Responsibilities for the Audit of the Unconsolidated Financial Statements, etc.” section of our report. We are independent of the Company in accordance with the provisions concerning professional ethics in Japan (including the provisions applicable to audits of financial statements of public interest entities), and we have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information comprises the business report and its supplementary schedules. Management is responsible for preparation and disclosure of the other information. The Audit and Supervisory Committee Member and the Audit and Supervisory Board are responsible for overseeing the execution of the duties of Directors in the establishment and operation of the reporting process of the other information.

Our opinion on the unconsolidated financial statements, etc. does not cover the other information, and we do not express any opinion on the other information.

In connection with our audit of the unconsolidated financial statements, etc., our responsibilities are to read the other information and, in doing so, consider whether the other information is materially inconsistent with the unconsolidated financial statements, etc. or our knowledge obtained during the audit and pay attention to whether there are signs of material misstatements of the other information other than such material inconsistencies.

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

We have nothing to report in this regard.

Responsibilities of Management, the Audit & Supervisory Board Member and the Audit & Supervisory Board for the Unconsolidated Financial Statements, etc.

Management is responsible for preparation and fair presentation of the unconsolidated financial statements, etc. in accordance with the corporate accounting standards generally accepted in Japan. These responsibilities include the establishment and operation of internal controls that management determines as necessary for the preparation and fair presentation of the unconsolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the unconsolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the unconsolidated financial statements, etc. based on the premise of a going concern. If there is the need for disclosing matters related to going concern in accordance with the accounting standards generally accepted in Japan, management is responsible for disclosing such matters.

The Audit and Supervisory Committee Member and the Audit and Supervisory Board are responsible for overseeing the execution of the duties of Directors in the establishment and operation of the financial reporting process.

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements, etc.

Our responsibilities are to express our opinion on the unconsolidated financial statements, etc. in the auditor's report from an independent position after obtaining reasonable assurance about whether the unconsolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, based on the audit that we conducted. 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 decisions of users of the unconsolidated financial statements, etc.

Following the auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism through the audit. We also:

- Identify and assess the risks of material misstatement, whether due to fraud or error. In addition, design and perform audit procedures responsive to the risks of material misstatement. The selection and application of audit procedures depend on our judgment. Furthermore, obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control related to the audit in order to design appropriate audit procedures responsive to the circumstances for our risk assessments, while the purpose of the audit of the unconsolidated financial statements, etc. is not to express an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of the accounting policy and the application method adopted by management and the reasonableness of accounting estimates made by management and notes.
- Conclude whether it is appropriate for management to prepare the unconsolidated financial statements, etc. under the going concern assumption, and based on the audit evidence obtained, conclude whether a material uncertainty exists related to events or conditions that may cast significant doubt on the going concern assumption. If we conclude that a material uncertainty related to the going concern assumption exists, we are required to draw attention in our audit report to notes to unconsolidated financial statements, etc. or if notes to unconsolidated financial statements, etc. related to material uncertainty is not appropriate, to express our modified opinion on the unconsolidated financial statements, etc. 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 Company to cease to continue as a going concern.
- Evaluate whether the presentation of and notes to the unconsolidated financial statements, etc. comply with the corporate accounting standards generally accepted in Japan. Simultaneously, evaluate the presentation, structure, and content of the unconsolidated financial statements, etc. including related notes, and whether the unconsolidated financial statements, etc. appropriately represent the underlying transactions and accounting events.

We report to the Audit & Supervisory Board Member and the Audit & Supervisory Board on the planned audit scope, timing of the audit, significant audit findings including any significant deficiencies in internal control that we identify during the audit, and other matters required by the audit standards.

We also report to the Audit & Supervisory Board Member and the Audit & Supervisory Board on the fact that we have complied with the ethical requirements regarding our independence, matters that may reasonably be thought to bear on our independence, and details of actions if countermeasures are taken to eliminate obstructions or if safeguards are applied to reduce obstructions to an acceptable level.

Conflict of Interest

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

-

Copy of Audit Report by Audit & Supervisory Board

Audit Report

In regard to Directors' execution of their duties for the 126th fiscal year from April 1, 2025 to March 31, 2026, the Audit & Supervisory Board has prepared this audit report after deliberations based on audit reports prepared by each Audit & Supervisory Board Member and reports as follows.

1. Audit methods and contents of audits by the Audit & Supervisory Board Member and the Audit & Supervisory Board

- (1) The Audit & Supervisory Board determined the audit policies, audit plans, etc. for the fiscal year under review, received reports from each Audit & Supervisory Board Member regarding the implementation status and results of their audits, in addition to which it received reports from Directors, etc. and the Accounting Auditor regarding the status of the execution of their duties and requested explanations as necessary.
- (2) In compliance with the audit & supervisory board member audit standards established by the Audit & Supervisory Board and in accordance with the audit policies, audit plans, etc., for the fiscal year under review, each Audit & Supervisory Board Member communicated with Directors and the internal audit department, etc., strove to gather information and develop the audit environment and conducted audits using the following methods.
 - A We attended meetings of the Board of Directors and other important meetings, received reports from Directors, employees, etc. regarding the status of the execution of their duties, requested explanations as necessary, viewed important decision-making documents, etc. and inspected the status of operations and assets in the head office and main business locations. Additionally, in regard to subsidiaries, we communicated and exchanged information with Directors, Audit & Supervisory Board Members, etc. of subsidiaries and received business reports from subsidiaries as necessary.
 - B In regard to the contents of resolutions of the Board of Directors regarding the development of systems to ensure that the execution of the duties of Directors complies with laws, regulations and the article of incorporation and other systems provided in Article 100, paragraphs (1) and (3) of Regulations for Enforcement of the Companies Act as systems necessary to ensure the appropriateness of operations of the corporate group comprised of a stock company and its subsidiaries, as well as the systems developed pursuant to those resolutions (i.e. internal control systems) stated in the business report, we periodically received reports from Directors, employees, etc. regarding the status of the establishment and operation of those systems and requested explanations as necessary, and expressed our opinions in regard thereto. In regard to the internal control related to financial reporting, we received reports from Directors, etc. and Ernst & Young ShinNihon LLC regarding the evaluation of said internal control and the status of audits and requested explanations as necessary.
 - C We oversaw and verified whether the Accounting Auditor maintained an independent position and conducted an appropriate audit, received reports from the Accounting Auditor regarding the status of the execution of its duties and requested explanations as necessary. Additionally, we received notification from the Accounting Auditor that in accordance with "Quality Control Standard for Auditing" (the Accounting Standards Board of Japan), etc., it had developed "systems for ensuring proper business activities" (matters stated in the items of Articles 131 of Regulations of Corporate Accounting), and requested explanations as necessary.

Based on the above methods, we examined the business report, its supplementary schedules thereto, the unconsolidated financial statements (the balance sheet, statement of profit or loss, statement of changes in equity and notes to the unconsolidated financial statements), the supplementary schedules thereto and the consolidated financial statements (the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of changes in equity and notes to the consolidated financial statements) for the fiscal year under review.

2. Results of audit

- (1) Results of audit of business report, etc. It is our opinion that:
 - A. We find that the business report and the supplementary schedules thereto accurately present the status of the Company in accordance with laws, regulations, and the articles of incorporation.
 - B. We do not find any misconduct or any material fact constituting a violation of laws, regulations, and the articles of incorporation in relation to the Directors' execution of their duties.
 - C. We find the contents of the resolutions of the Board of Directors regarding internal control systems to be reasonable. Additionally, we do not find any matters that should be commented upon in regard to the statements in the business report or directors' execution of their duties relating to the internal control systems including internal control of financial reporting.
- (2) Results of audit of unconsolidated financial statements and supplementary schedules thereto
We find the methods and results of the audit by accounting auditor Ernst & Young ShinNihon LLC to be reasonable.
- (3) Results of audit of consolidated financial statements
We find the methods and results of the audit by accounting auditor Ernst & Young ShinNihon LLC to be reasonable.

May 15, 2026

The Audit & Supervisory Board, Fujitsu Limited

Full-time Audit & Supervisory Board Member

Yuuichi Koseki (seal)

Full-time Audit & Supervisory Board Member	Kazuo Yuasa (seal)
Audit & Supervisory Board Member	Koji Hatsukawa (seal)
Audit & Supervisory Board Member	Hideo Makuta (seal)
Audit & Supervisory Board Member	Catherine O'Connell (seal)

(Note) The three Audit & Supervisory Board Members, Koji Hatsukawa, Hideo Makuta, and Catherine O'Connell are external Audit & Supervisory Board Members, stipulated by Article 2, paragraph (16) of the Companies Act.