

**3Q  
FY2018**

January 31, 2019



shaping tomorrow with you

# Consolidated Financial Results

Fujitsu Limited

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1. Financial Results  
for 3Q FY2018

# Financial Results [3Q]



(Billions of yen)

		3Q FY2017 (Actual)	3Q FY2018 (Actual)	Change	(%)
Continuing Operations	Revenue	1,003.1	977.3	-25.8	-2.6
	Operating Profit	10.5	-28.7	-39.2	-
	[Business Model Transformation Expenses]	[ - ]	[-43.6]	[-43.6]	-
	[Operating Profit Margin]	[1.0%]	[-2.9%]	[-3.9%]	
	Financial income (expenses), etc	2.5	2.8	0.3	13.9
	Profit for the Period Before Income Taxes	13.0	-25.8	-38.9	-
Profit for the Period Attributable to Owners of the Parent		11.9	-29.6	-41.6	-

## Exchange Rate

U.S. dollar / Yen	113	113	-	-
Euro / Yen	133	129	-4	-3.0
British pound / Yen	150	145	-5	-3.3
Euro / U.S. dollar	1.18	1.14	-0.04	-3.4

## [Revenue]

Excl. restructuring : Approx. +11.0 billion yen Revenue rose, particularly for services in Japan.  
Impact of restructuring : Approx. -37.0 billion yen Impact from restructuring of the PC and mobile device businesses

## [Operating Profit] Decrease of 39.2 billion yen

Excl. special items : Approx. +9.0 billion yen Primarily for services and system products in Japan.  
Special items : Approx. -48.1 billion yen  
① Business model transformation expenses : Approx. -43.6 billion yen  
- Reorganization of product business in Europe: Approx. -39.0 billion yen  
(incl. closure of Augsburg site in Germany : Approx. -36.0 billion yen)  
- Reorganization of manufacturing structure: Approx. -4.5 billion yen  
② Others: Approx. -4.5 billion yen  
- Restructuring PC and mobile device businesses and others

## [Financial income (expenses), etc.] Increase of 0.3 billion yen

## [Profit for the Period Attributable to Owners of the Parent] Decrease of 41.6 billion yen

Including gain on the sale of discontinued operations in the same period of the previous year, not recorded this year: Approx. -4.0 billion yen

## Financial Results [9 Months]



(Billions of yen)

		9 Months FY2017 (Actual)	9 Months FY2018 (Actual)	Change	(%)
Continuing Operations	Revenue	2,926.3	2,811.8	-114.5	-3.9
	Operating Profit	38.5	66.5	28.0	72.7
	[Business Model Transformation Expenses]	[ - ]	[-43.6]	[-43.6]	-
	[Operating Profit Margin]	[1.3%]	[2.4%]	[1.1%]	
	Financial income (expenses), etc	33.8	24.8	-9.0	-26.7
	Profit for the Period Before Income Taxes	72.3	91.3	18.9	26.2
Profit for the Period Attributable to Owners of the Parent		55.4	51.4	-3.9	-7.2

### Exchange Rate

U.S. dollar / Yen	112	111	-1	-0.9
Euro / Yen	129	129	-	-
British pound / Yen	146	146	-	-
Euro / U.S. dollar	1.15	1.17	0.02	1.7

## [Revenue]

Excl. restructuring : Approx. +10.0 billion yen Revenue rose, particularly in services in Japan.  
Impact of restructuring : Approx. -125.0 billion yen Impact from restructuring of the PC and mobile device businesses

## [Operating Profit] Increase of 28.0 billion yen

Excl. special items : Approx. +9.0 billion yen Primarily in services and system products in Japan.

Special items : Approx. +19.0 billion yen

① Impact of revision to the retirement benefit plan: Approx. +90.0 billion yen

② Business model transformation expenses : Approx. -43.6 billion yen

③ Impact of the sales of businesses: Approx. -27.7 billion yen

- Impact of restructuring PC and mobile device businesses: Approx. -19.0 billion yen

- Impact of the sales of businesses: Approx. -8.7 billion yen

Impact on profit comparison for this year from the gain recorded the previous year : -17.0 billion yen

Impact on profit recorded this year : +8.3 billion yen

## [Financial income (expenses), etc.] Decrease of 9.0 billion yen

- Gain on the sale of shares accompanying the unwinding of cross-shareholdings in the same period of the previous year,  
not recorded this year: -27.3 billion yen

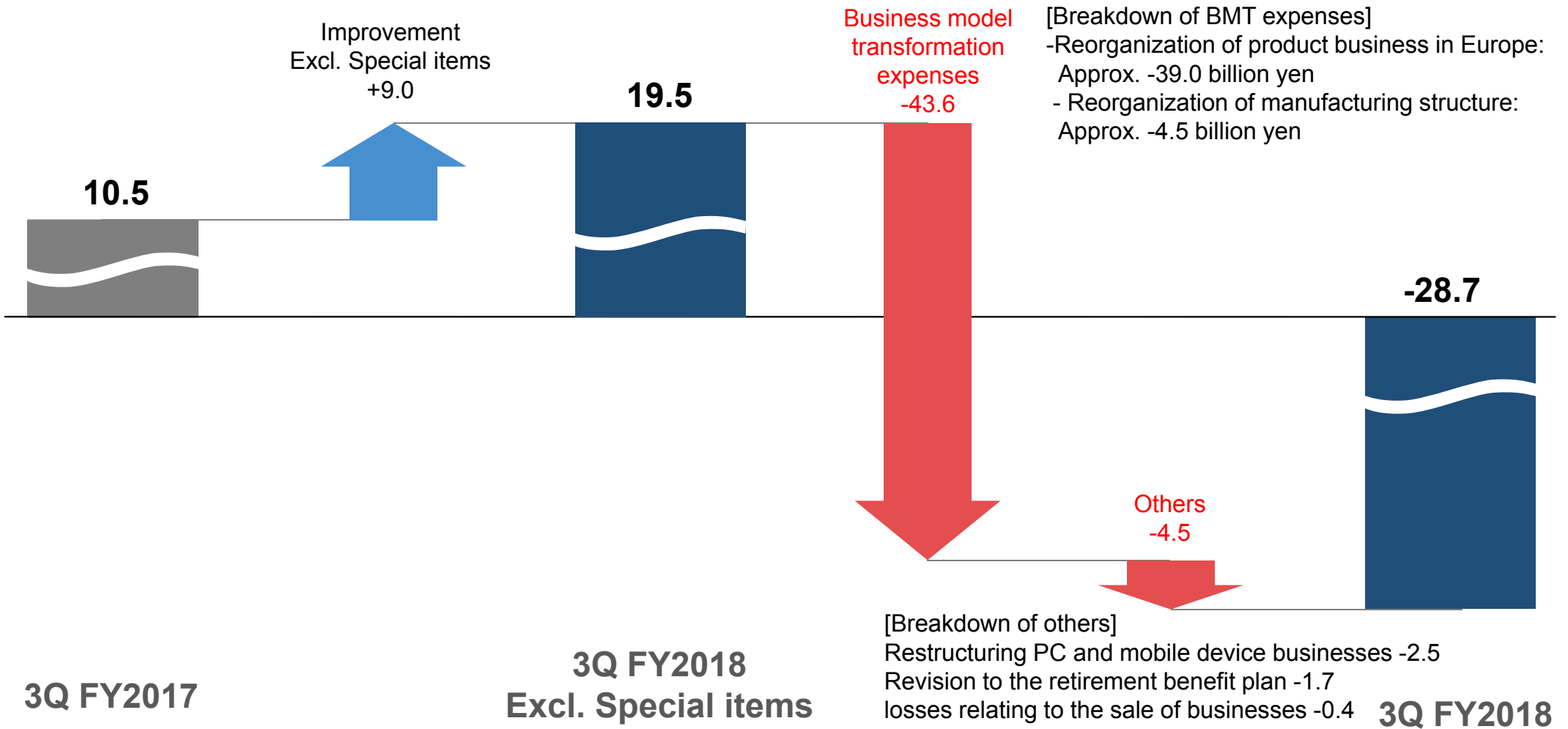
- Impact of the revaluation of shares still held in accordance with the majority sale of the PC business: Approx. +11.5 billion yen

(Total gain on the sale of the PC business: +23.0 billion yen, operating profit: +11.5 billion yen, financial income +11.5 billion yen)

## [Profit for the Period Attributable to Owners of the Parent] Decrease of 3.9 billion yen

Including gain on the sale of discontinued operations in the same period of the previous year not recorded this year: Approx. -4.0 billion yen

# Factors Behind Change in Operating Profit



## Business Segment Information [3Q]



(Billions of yen)

		3Q FY2017 (Actual)	BMT Expenses	3Q FY2018 (Actual)	BMT Expenses	Change	BMT Expenses
Revenue	Technology Solutions	740.1	-	764.3	-	24.2	-
	Services	636.9	-	661.3	-	24.4	-
	System Platforms	103.2	-	103.0	-	-0.1	-
	Ubiquitous Solutions	165.9	-	123.1	-	-42.7	-
	Device Solutions	141.7	-	133.1	-	-8.6	-
	Other/Elimination and Corporate	-44.6	-	-43.2	-	1.3	-
	Total	1,003.1	-	977.3	-	-25.8	-
OPPL	Technology Solutions	29.5	-	18.9	-24.4	-10.5	-24.4
	Services	29.7	-	37.4	-1.1	7.7	-1.1
	System Platforms	-0.1	-	-18.5	-23.2	-18.3	-23.2
	Ubiquitous Solutions	0.9	-	-18.6	-18.6	-19.5	-18.6
	Device Solutions	4.2	-	2.6	-0.5	-1.5	-0.5
	Other/Elimination and Corporate	-24.1	-	-31.7	-	-7.5	-
	Total	10.5	-	-28.7	-43.6	-39.2	-43.6

※BMT is an acronym for business model transformation



## Technology Solutions

(Billions of yen)

Technology Solutions	3Q FY2017 (Actual)	3Q FY2018 (Actual)	Change	
				(%)
Revenue	740.1	764.3	24.2	3.3
Services	636.9	661.3	24.4	3.8
System Platforms	103.2	103.0	-0.1	-0.2
Operating profit	29.5	18.9	-10.5	-35.8
[BMT Expenses]	[ - ]	[-24.4]	[-24.4]	-
[Operating profit margin]	[4.0%]	[2.5%]	[-1.5%]	

### [Revenue]

Services saw significant growth in Japan. System Platforms was in line with the previous year.

### [Operating Profit]

Business model transformation expenses of 24.4 billion yen were recorded (related to the reorganization of Fujitsu's product business in Europe). Excluding that, operating profit rose by approximately 14.0 billion yen.

### Revenue (breakdown)

Japan	470.4	501.0	30.5	6.5
Outside Japan	269.6	263.2	-6.3	-2.3

## Technology Solutions (Services)

(Billions of yen)

Services	3Q FY2017 (Actual)	3Q FY2018 (Actual)	Change	
				(%)
Revenue	636.9	661.3	24.4	3.8
Solutions/SI	243.1	268.8	25.7	10.6
Infrastructure Services	393.7	392.4	-1.3	-0.3
Operating profit	29.7	37.4	7.7	26.0
[BMT Expenses]	[ - ]	[-1.1]	[-1.1]	-
[Operating profit margin]	[4.7%]	[5.7%]	[1.0%]	

### Revenue (breakdown)

Japan	399.7	429.8	30.1	7.5
Outside Japan	237.1	231.4	-5.7	-2.4

### [Revenue]

(Solutions/SI)

Revenue from the public sector increased, and revenues from the manufacturing industry as well as the retailing and distribution industry, which were strong last year, continued to increase.

Excluding the roughly 6.0 billion yen in additional revenue stemming from the transfer of the management of certain projects from the Infrastructure Services category, it was a new record level of revenue.

(Infrastructure Services)

In Japan, revenue continued to be strong. Outside Japan, weak performance continued in the US and Europe.

### [Operating Profit]

Business model transformation expenses of 1.1 billion yen were recorded. Excluding that, operating profit rose by approximately 8.8 billion yen, primarily driven by the impact of higher revenue in Japan.

## Technology Solutions (System Platforms)

(Billions of yen)

System Platforms	3Q FY2017 (Actual)	3Q FY2018 (Actual)	Change	
				(%)
Revenue	103.2	103.0	-0.1	-0.2
System Products	54.5	57.4	2.8	5.1
Network Products	48.6	45.6	-2.9	-6.1
Operating profit	-0.1	-18.5	-18.3	-
[BMT Expenses]	[ - ]	[-23.2]	[-23.2]	-
[Operating profit margin]	[-0.2%]	[-18.0%]	[-17.8%]	

### Revenue (breakdown)

Japan	70.7	71.1	0.4	0.6
Outside Japan	32.4	31.8	-0.6	-1.9

### [Revenue]

(System Products)

In addition to a continued rise in revenue from x86 servers both inside and outside Japan, revenue from software also rose.

(Network Products)

Revenue fell due to continued weak sales of mobile phone base stations and other products.

### [Operating Profit]

Business model transformation expenses of 23.2 billion yen were recorded. Excluding that, operating profit rose by approximately 5.0 billion yen. In addition to the impact of higher revenue from x86 servers, operating profit also rose due to an improved product mix with higher revenue from software.

## Ubiquitous Solutions

(Billions of yen)

Ubiquitous Solutions	3Q FY2017 (Actual)	3Q FY2018 (Actual)	Change	
				(%)
Revenue	165.9	123.1	-42.7	-25.8
Operating profit	0.9	-18.6	-19.5	-
[BMT Expenses]	[ - ]	[-18.6]	[-18.6]	-
[Operating profit margin]	[0.6%]	[-15.1%]	[-15.7%]	

### [Revenue]

Revenue fell by approximately 37.0 billion yen due to the impact of the decline in revenue from business restructuring.

The impact is from the restructuring of the mobile phone business and the fact that revenue from the consumer PC business is no longer consolidated.

Excluding the impact of restructuring, revenue fell by approximately 4.5%, due to a fall in revenue from enterprise PCs in Europe.

### [Operating Profit]

Business model transformation expenses of 18.6 billion yen were recorded. Excluding that, operations are essentially break-even in Q3.

### Revenue (breakdown)

Japan	121.5	86.4	-35.0	-28.9
Outside Japan	44.3	36.7	-7.6	-17.3

## Device Solutions

(Billions of yen)

Device Solutions	3Q FY2017 (Actual)	3Q FY2018 (Actual)	Change	
				(%)
Revenue	141.7	133.1	-8.6	-6.1
LSI	68.9	64.7	-4.1	-6.0
Electronic Components	73.1	68.6	-4.5	-6.2
Operating profit	4.2	2.6	-1.5	-37.4
[BMT Expenses]	[ - ]	[-0.5]	[-0.5]	-
[Operating profit margin]	[3.0%]	[2.0%]	[-1.0%]	

### [Revenue]

(LSI devices)

Overall demand for LSI devices for smartphones remained low, and poor sales continued.

(Electronic components)

There were continued weak sales of components for semiconductor manufacturing equipment and PCs.

### [Operating Profit]

Business model transformation expenses of 0.5 billion yen were recorded.

Excluding that, operating profit fell by 1.0 billion yen, due to the impact of lower overall demand for both LSI devices and electronic components.

### Revenue (breakdown)

Japan	68.7	62.1	-6.6	-9.6
Outside Japan	72.9	70.9	-2.0	-2.8

## Cash Flows



(Billions of yen)

	9 Months FY2017 (Actual)	9 Months FY2018 (Actual)	Change
I Cash flows from operating activities	70.9	16.3	-54.5
II Cash flows from investing activities	-37.5	17.1	54.6
I + II Free Cash Flow	33.3	33.4	0.1
III Cash flows from financing activities	-32.3	-102.3	-70.0
IV Cash and Cash Equivalents at End of Period	388.9	383.5	-5.3

### **[Cash flows from operating activities]**

Net cash flows fell by 54.5 billion yen from the previous year due to an increase in outflows for tax expenses in light of the previous year's profits, as well as an increase in inventory due to a major business deal in the fourth quarter.

### **[Cash flows from investing activities]**

For investing activities, cash inflows exceeded cash outflows, resulting in a net inflow, due to the impact of the sale of common shares as part of the unwinding of cross shareholding arrangements, as well as the majority sale of the PC business and a semiconductor subsidiary.

## Assets, Liabilities and Equity



(Billions of yen)

	Year-end FY2017	End of 3Q FY2018	Change
Total Assets	3,121.5	2,992.1	-129.3
Total Liabilities	1,916.6	1,805.0	-111.5
Total Equity	1,204.9	1,187.1	-17.7
Total Equity Attributable to Owners of the Parent	1,087.7	1,066.4	-21.3

### Reference: Financial Indices

Interest-bearing Loans	402.2	344.7	-57.5
Net Interest-bearing Loans	-50.2	-17.5	32.7
D/E Ratio (Times)	0.37	0.32	-0.05
Net D/E Ratio (Times)	-0.05	-0.02	0.03
Equity Attributable to Owners of the Parent Ratio (%)	34.8	35.6	0.8

## 2.Earnings Forecast for FY2018

# Financial Forecast



(Billions of yen)

		FY2017 (Actual)	FY2018(Forecast)		Change	(%)
			Current Forecast	Change vs. Previous Forecast		
Continuing Operations	Revenue	4,098.3	3,900.0	-	-198.3	-4.8
	Operating Profit	182.4	140.0	-	-42.4	-23.3
	[Operating Profit Margin]	[4.5%]	[3.6%]	[-%]	[-0.9%]	
Profit for the Year Attributable to Owners of the Parent		169.3	110.0	-	-59.3	-35.0

Exchange Rate (\* Exchange rates which are currently forecasted for the fourth quarter.)

U.S. dollar / Yen	111	* 105	-	-6	-5.4
Euro / Yen	130	* 130	-	-	-
British pound / Yen	147	* 145	-	-2	-1.4
Euro / U.S. dollar	1.17	* 1.10	-	-0.07	-6.0

Ratio of Revenue Outside Japan	36.8%	37.7%	-	0.9%
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## 2.Earnings Forecast for FY2018

# Financial Forecast



(Billions of yen)

		FY2017 (Actual)	FY2018 (Forecast)		Change	Change (%)
			Current Forecast	Change vs. Previous Forecast		
Revenue	Technology Solutions	3,052.7	3,100.0	-	47.2	1.5
	Services	2,598.3	2,640.0	-	41.6	1.6
	System Platforms	454.3	460.0	-	5.6	1.2
	Ubiquitous Solutions	663.9	470.0	-	-193.9	-29.2
	Device Solutions	560.0	540.0	-	-20.0	-3.6
	Other/Elimination and Corporate	-178.2	-210.0	-	-31.7	-
	<b>Total</b>	<b>4,098.3</b>	<b>3,900.0</b>	<b>-</b>	<b>-198.3</b>	<b>-4.8</b>
OPPL	Technology Solutions	189.3	205.0	-24.0	15.6	8.2
	Services	163.4	194.0	-1.0	30.5	18.7
	System Platforms	25.9	11.0	-23.0	-14.9	-57.6
	Ubiquitous Solutions	11.3	-17.0	-19.0	-28.3	-
	Device Solutions	13.6	12.5	-0.5	-1.1	-8.4
	Other/Elimination and Corporate	-31.8	-60.5	43.5	-28.6	-
	<b>Total</b>	<b>182.4</b>	<b>140.0</b>	<b>-</b>	<b>-42.4</b>	<b>-23.3</b>

The actual amount of business model transformation expenses for the third quarter was reclassified from Other/Elimination and Corporate to each segment.

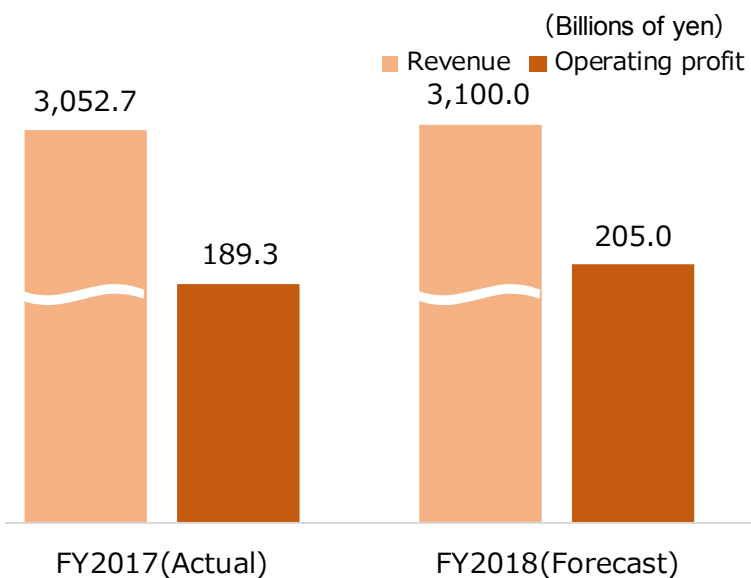
## 2.Earnings Forecast for FY2018

# Business Segment Information



### Technology Solutions

[ Revenue and Operating Profit ]



(Billions of yen)

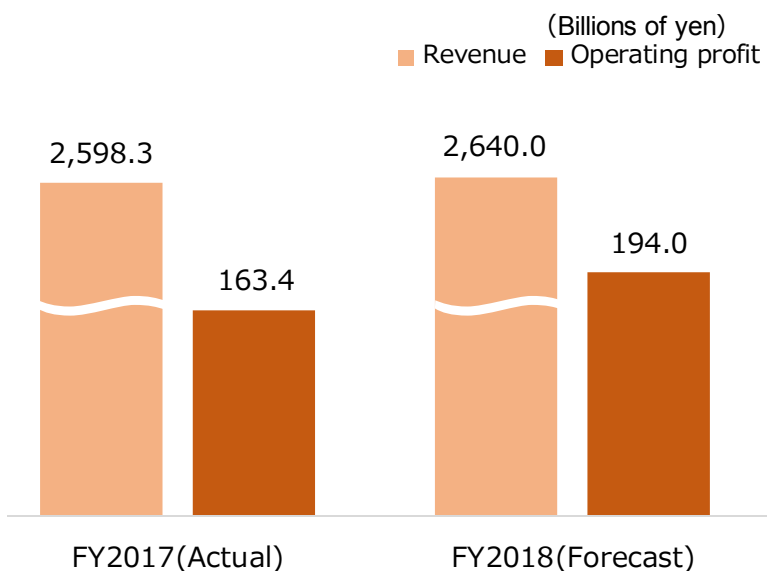
Technology Solutions	FY2017 (Actual)	FY2018 (Forecast)		Change	Change (%)
		Current Forecast	Change vs. Previous Forecast		
Revenue	3,052.7	3,100.0	-	47.2	1.5
Services	2,598.3	2,640.0	-	41.6	1.6
System Platforms	454.3	460.0	-	5.6	1.2
Operating profit	189.3	205.0	-24.0	15.6	8.2
[BMT Expenses]	[-8.3]	[-24.4]	[-24.4]	[-16.0]	-
[Operating profit margin]	[6.2%]	[6.6%]	[-0.8%]	[0.4%]	

Revenue (breakdown)

Japan	1,998.3	2,050.0	-	51.6	2.6
Outside Japan	1,054.3	1,050.0	-	-4.3	-0.4

## Technology Solutions (Services)

[ Revenue and Operating Profit ]



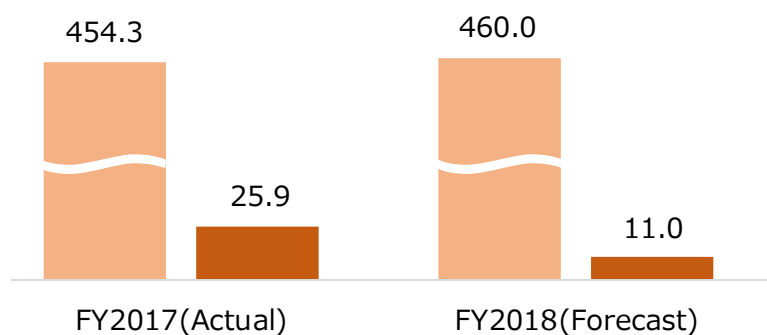
(Billions of yen)

Services	FY2017 (Actual)	FY2018 (Forecast)		Change	Change (%)
		Current Forecast	Change vs. Previous Forecast		
Revenue	2,598.3	2,640.0	-	41.6	1.6
Solutions/SI	1,012.0	1,040.0	-	27.9	2.8
Infrastructure Services	1,586.3	1,600.0	-	13.6	0.9
Operating profit	163.4	194.0	-1.0	30.5	18.7
[BMT Expenses]	[-8.3]	[-1.1]	[-1.1]	[7.2]	-
[Operating profit margin]	[6.3%]	[7.3%]	[-0.1%]	[1.0%]	

## Technology Solutions (System Platforms)

[ Revenue and Operating Profit ]

(Billions of yen)  
■ Revenue ■ Operating profit

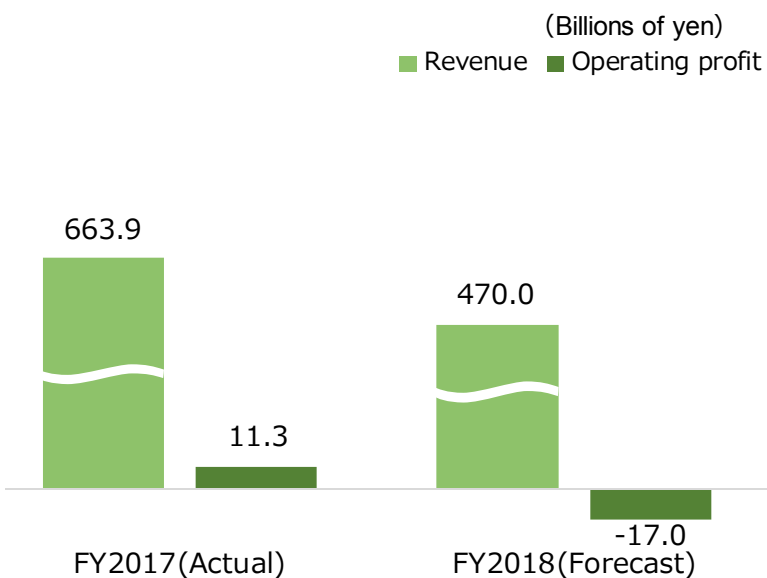


(Billions of yen)

System Platforms	FY2017 (Actual)	FY2018 (Forecast)		Change	
		Current Forecast	Change vs. Previous Forecast		(%)
Revenue	454.3	460.0	-	5.6	1.2
System Products	248.7	270.0	-	21.2	8.6
Network Products	205.6	190.0	-	-15.6	-7.6
Operating profit	25.9	11.0	-23.0	-14.9	-57.6
[BMT Expenses]	[ - ]	[-23.2]	[-23.2]	[-23.2]	-
[Operating profit margin]	[5.7%]	[2.4%]	[-5.0%]	[-3.3%]	

## Ubiquitous Solutions

[ Revenue and Operating Profit ]



(Billions of yen)

Ubiquitous Solutions	FY2017 (Actual)	FY2018 (Forecast)		Change	
		Current Forecast	Change vs. Previous Forecast		(%)
Revenue	663.9	470.0	-	-193.9	-29.2
Operating profit	11.3	-17.0	-19.0	-28.3	-
[BMT Expenses]	[ - ]	[-18.6]	[-18.6]	[-18.6]	-
[Operating profit margin]	[1.7%]	[-3.6%]	[-4.0%]	[-5.3%]	

### Revenue (breakdown)

Japan	502.1	330.0	-	-172.1	-34.3
Outside Japan	161.7	140.0	-	-21.7	-13.5

## 2.Earnings Forecast for FY2018

# Business Segment Information

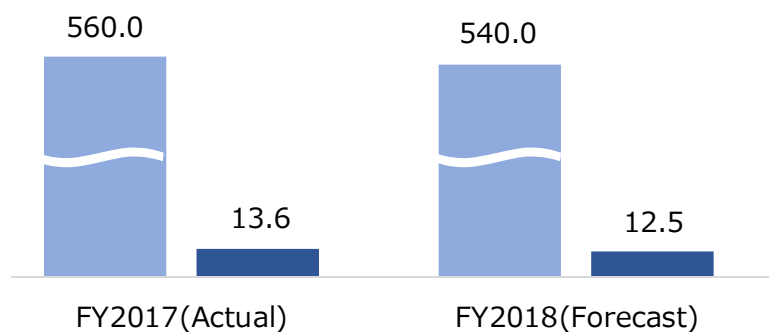


### Device Solutions

[ Revenue and Operating Profit ]

(Billions of yen)

■ Revenue ■ Operating profit



(Billions of yen)

Device Solutions	FY2017 (Actual)	FY2018 (Forecast)		Change	Change (%)
		Current Forecast	Change vs. Previous Forecast		
Revenue	560.0	540.0	-	-20.0	-3.6
LSI	280.1	250.0	-	-30.1	-10.8
Electronic Components	281.0	290.0	-	8.9	3.2
Operating profit	13.6	12.5	-0.5	-1.1	-8.4
[BMT Expenses]	[ - ]	[-0.5]	[-0.5]	[-0.5]	-
[Operating profit margin]	[2.4%]	[2.3%]	[-0.1%]	[-0.1%]	

#### Revenue (breakdown)

Japan	271.1	263.0	-	-8.1	-3.0
Outside Japan	288.9	277.0	-	-11.9	-4.1

## Cash Flows



(Billions of yen)

	FY2017 (Actual)	FY2018 (Forecast)	Change vs. Previous Forecast
Free Cash Flow	177.8	120.0	-

# Business Segment Information [9 Months]

(Reference)

(Billions of yen)

		9 Months FY2017 (Actual)		9 Months FY2018 (Actual)		Change	
			BMT Expenses		BMT Expenses		BMT Expenses
Revenue	Technology Solutions	2,150.4	-	2,173.4	-	23.0	-
	Services	1,836.8	-	1,868.8	-	32.0	-
	System Platforms	313.6	-	304.5	-	-9.0	-
	Ubiquitous Solutions	486.5	-	368.4	-	-118.1	-
	Device Solutions	421.1	-	397.2	-	-23.9	-
	Other/Elimination and Corporate	-131.8	-	-127.2	-	4.6	-
	<b>Total</b>	<b>2,926.3</b>	<b>-</b>	<b>2,811.8</b>	<b>-</b>	<b>-114.5</b>	<b>-</b>
OPPL	Technology Solutions	74.4	-	66.8	-24.4	-7.5	-24.4
	Services	72.5	-	84.3	-1.1	11.7	-1.1
	System Platforms	1.8	-	-17.4	-23.2	-19.3	-23.2
	Ubiquitous Solutions	11.6	-	-20.6	-18.6	-32.3	-18.6
	Device Solutions	11.5	-	4.9	-0.5	-6.6	-0.5
	Other/Elimination and Corporate	-59.0	-	15.4	-	74.5	-
	<b>Total</b>	<b>38.5</b>	<b>-</b>	<b>66.5</b>	<b>-43.6</b>	<b>28.0</b>	<b>-43.6</b>



# Business Segment Information

## [Quarterly Breakdown of Results]



(Reference)

(Billions of yen)

		FY2017 (Actual)				FY2018 (Actual)		
		1Q	2Q	3Q	4Q	1Q	2Q	3Q
<b>Technology Solutions</b>	Revenue	672.6	737.6	740.1	902.2	664.3	744.7	764.3
	OPPL	5.2	39.6	29.5	114.9	4.0	43.8	18.9
<b>Services</b>	Revenue	574.2	625.6	636.9	761.4	574.5	633.0	661.3
	OPPL	8.3	34.4	29.7	90.9	11.0	35.7	37.4
<b>System Platforms</b>	Revenue	98.3	112.0	103.2	140.7	89.8	111.7	103.0
	OPPL	-3.0	5.1	-0.1	24.0	-7.0	8.0	-18.5
<b>Ubiquitous Solutions</b>	Revenue	154.0	166.6	165.9	177.3	115.3	129.9	123.1
	OPPL	5.5	5.1	0.9	-0.2	0.1	-2.2	-18.6
<b>Device Solutions</b>	Revenue	135.3	144.0	141.7	138.8	131.3	132.7	133.1
	OPPL	3.4	3.8	4.2	2.1	0.7	1.5	2.6
<b>Other/Elimination and Corporate</b>	Revenue	-39.4	-47.7	-44.6	-46.4	-43.3	-40.6	-43.2
	OPPL	-9.2	-25.6	-24.1	27.1	74.6	-27.4	-31.7
<b>Total</b>	Revenue	922.6	1,000.6	1,003.1	1,172.0	867.6	966.8	977.3
	OPPL	4.9	23.0	10.5	143.9	79.5	15.6	-28.7

# Business Segment Information



## [ Revenue Breakdown-In and Outside Japan 3Q]

(Reference)

(Billions of yen)

		3Q FY2017 (Actual)	3Q FY2018 (Actual)	Change	(%)
Technology Solutions	Revenue	740.1	764.3	24.2	3.3
	Japan	470.4	501.0	30.5	6.5
	Outside Japan	269.6	263.2	-6.3	-2.3
Services	Revenue	636.9	661.3	24.4	3.8
	Japan	399.7	429.8	30.1	7.5
	Outside Japan	237.1	231.4	-5.7	-2.4
System Platforms	Revenue	103.2	103.0	-0.1	-0.2
	Japan	70.7	71.1	0.4	0.6
	Outside Japan	32.4	31.8	-0.6	-1.9
Ubiquitous Solutions	Revenue	165.9	123.1	-42.7	-25.8
	Japan	121.5	86.4	-35.0	-28.9
	Outside Japan	44.3	36.7	-7.6	-17.3
Device Solutions	Revenue	141.7	133.1	-8.6	-6.1
	Japan	68.7	62.1	-6.6	-9.6
	Outside Japan	72.9	70.9	-2.0	-2.8
Other/Elimination and Corporate	Revenue	-44.6	-43.2	1.3	-
Total	Revenue	1,003.1	977.3	-25.8	-2.6
	Japan	616.7	603.2	-13.4	-2.2
	Outside Japan	386.4	374.0	-12.3	-3.2

Ratio of Revenue Outside Japan      38.5%      38.3%      -0.2%

(Reference)

# Business Segment Information

## [ Revenue Breakdown-In and Outside Japan 9 Months ]



(Billions of yen)

		9 Months FY2017 (Actual)	9 Months FY2018 (Actual)	Change	(%)
Technology Solutions	Revenue	2,150.4	2,173.4	23.0	1.1
	Japan	1,387.8	1,427.6	39.7	2.9
	Outside Japan	762.5	745.7	-16.7	-2.2
Services	Revenue	1,836.8	1,868.8	32.0	1.7
	Japan	1,165.9	1,215.9	50.0	4.3
	Outside Japan	670.9	652.8	-18.0	-2.7
System Platforms	Revenue	313.6	304.5	-9.0	-2.9
	Japan	221.9	211.6	-10.2	-4.6
	Outside Japan	91.6	92.8	1.2	1.4
Ubiquitous Solutions	Revenue	486.5	368.4	-118.1	-24.3
	Japan	367.9	257.3	-110.6	-30.1
	Outside Japan	118.5	111.0	-7.5	-6.3
Device Solutions	Revenue	421.1	397.2	-23.9	-5.7
	Japan	203.9	181.3	-22.5	-11.0
	Outside Japan	217.2	215.8	-1.4	-0.7
Other/Elimination and Corporate	Revenue	-131.8	-127.2	4.6	-
Total	Revenue	2,926.3	2,811.8	-114.5	-3.9
	Japan	1,827.7	1,733.3	-94.4	-5.2
	Outside Japan	1,098.6	1,078.5	-20.0	-1.8

Ratio of Revenue Outside Japan

37.5%  
27

38.4%

0.9%

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# Financial Results of Consolidated Subsidiaries Outside Japan[3Q]



(Reference)

(Billions of yen)

		3Q FY2017 (Actual)	BMT Expenses	3Q FY2018 (Actual)	BMT Expenses	Change	BMT Expenses
Outside Japan	Revenue	374.9	-	366.9	-	-7.9	-
	Operating Profit	5.3	-	-32.6	-39.6	-37.9	-39.6
EMEIA	Revenue	211.5	-	205.6	-	-5.9	-
	Operating Profit	1.9	-	-33.5	-39.0	-35.4	-39.0
Americas	Revenue	64.5	-	63.6	-	-0.8	-
	Operating Profit	0.2	-	-0.7	-	-1.0	-
Asia	Revenue	73.4	-	76.7	-	3.2	-
	Operating Profit	1.9	-	0.9	-0.5	-0.9	-0.5
Oceania	Revenue	25.3	-	20.9	-	-4.4	-
	Operating Profit	1.2	-	0.7	-	-0.5	-

Note: 1.Revenue and operating profit are stated to reflect region of consolidated subsidiaries.

EMEIA・・・Europe, Middle East, India and Africa

2.Revenue includes Inter-region revenue.

# Financial Results of Consolidated Subsidiaries Outside Japan[9 Months]



(Reference)

(Billions of yen)

		9 Months FY2017 (Actual)	BMT Expenses	9 Months FY2018 (Actual)	BMT Expenses	Change	BMT Expenses
Outside Japan	Revenue	1,069.9	-	1,053.2	-	-16.6	-
	Operating Profit	1.6	-	-35.3	-39.6	-36.9	-39.6
EMEIA	Revenue	578.9	-	580.9	-	2.0	-
	Operating Profit	-5.2	-	-35.7	-39.0	-30.4	-39.0
Americas	Revenue	205.8	-	190.2	-	-15.5	-
	Operating Profit	1.3	-	-3.6	-	-4.9	-
Asia	Revenue	207.8	-	215.8	-	7.9	-
	Operating Profit	2.8	-	2.5	-0.5	-0.2	-0.5
Oceania	Revenue	77.3	-	66.1	-	-11.2	-
	Operating Profit	2.8	-	1.5	-	-1.3	-

Note: 1.Revenue and operating profit are stated to reflect region of consolidated subsidiaries.

EMEIA・・・Europe, Middle East, India and Africa

2.Revenue includes Inter-region revenue.

## 1. Exchange Rates (Average) and Impact of Fluctuation

	FY2017 (Actual)	FY2018			Impact of Exchange Rate Fluctuation 4Q (Forecast)*
		9 Months (Actual)	4Q (Forecast)	Change vs. Previous Forecast	
U.S. dollar / Yen	111	111	105	-	0.0 Billion yen
Euro / Yen	130	129	130	-	0.0 Billion yen
British pound / Yen	147	146	145	-	-0.1 Billion yen
Euro / U.S. dollar	1.17	1.17	1.10	-	-0.4 Billion yen

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

Impact of 0.01 dollar fluctuation on operating profit (euro depreciation).

(Reference)

# Supplementary Information for FY2018 Forecasts




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

(Billions of yen)

	9 Months		Full year		Change vs. Previous Forecast
	FY2017 (Actual)	FY2018 (Actual)	FY2017 (Actual)	FY2018 (Forecast)	
Technology Solutions	33.3	36.8	46.1	52.0	-
Ubiquitous Solutions	4.0	0.9	7.4	3.0	-
Device Solutions	23.4	17.5	32.9	35.0	-
Other / Corporate	5.6	4.8	7.4	10.0	-
Capital Expenditures	66.5	60.2	94.0	100.0	-
Depreciation	79.9	73.0	107.0	100.0	-

## 3. R&D Expenses

R&D Expenses	117.8	101.9	158.6	140.0	-
[As % of Revenue]	[4.0%]	[3.6%]	[3.9%]	[3.6%]	-



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## **Cautionary Statement**

These materials may contain forward-looking statements that are based on management's current information, views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results may differ materially from those projected or implied in the forward-looking statements due to, without limitation, the following factors listed below.

- General economic and market conditions in key markets (Particularly in Japan, Europe, North America, and Asia, including China)
- Fluctuations in exchange rates or interest rates
- Fluctuations in capital markets
- Intensifying price competition
- Changes in market positioning due to competition in R&D
- Changes in the environment for the procurement of parts and components
- Changes in competitive relationships relating to collaborations, alliances and technical provisions
- Risks related to public regulations, public policy and tax matters
- Risks related to product or services defects
- Potential emergence of unprofitable projects
- Risks related to R&D investments, capital expenditures, business acquisitions, business restructuring, etc.
- Risks related to natural disasters and unforeseen events
- Changes in accounting policies