

Summary Translation of Question & Answer Session at Press Conference on the Appointment of Michiyoshi Mazuka as President

Date: September 25, 2009, 19:00 ~ 19:45
Location: Fujitsu Shiodome Headquarters, Tokyo
Presenters: Michiyoshi Mazuka, Chairman, President and Representative Director
Masami Fujita, Corporate Senior Vice President

Opening Statement by Michiyoshi Mazuka:

First, I would like to thank all of you for attending this press conference on short notice, and for your warm and continuous support of Fujitsu.

Today, Mr. Kuniaki Nozoe tendered his resignation as president and representative director to the Board of Directors due to illness. The Board of Directors has accepted his resignation.

In order to ensure the continuity of our business activities, today the Board of Directors appointed me president of the company for the time being, concurrent with my position as chairman.

I used the term “for the time being.” Initially, I would like to focus all my energy on minimizing the effect of this sudden leadership change on our business. After that, the company intends on selecting a new president at an appropriate time.

It’s extremely unfortunate that Mr. Nozoe had to step down. He aggressively implemented a series of important structural reforms, and the dynamic energy he brought to the job made him a rare and exemplary leader.

The medium-term management plan includes three major areas of transformation championed by Mr. Nozoe: a focus on the customer’s customer; global expansion; and a commitment to the environment. I plan on continuing with this transformation.

Mr. Nozoe has resigned due to health reasons, and in order to respect his privacy, I cannot provide any further information. I appreciate your understanding.

Finally, I would like to express my regret for any inconvenience this change in leadership causes for our customers, partners, and shareholders.

I would like all Fujitsu Group employees to work together to overcome this challenge.

Question: As one of his initiatives, Mr. Nozoe began in fiscal 2009 a reform of the solutions business sales structure in Japan. Will this initiative change after his departure? Also, what will happen to the Solutions Business Restructuring (SBR) program started in 2004 to integrate the sales and system engineering divisions in the solutions business?

Answer: For about 30 years, I was in charge of solutions sales to customers in the manufacturing sector, and after that I was president of the Eastern-Japan Sales Group, followed by two years as a corporate vice president during which time I led solutions business management initiatives. During that time, I worked on the sales side and Mr. Nozoe on the SE side of the solutions business as we promoted the SBR programs. Reorganizing the sales force around vertical industries was something that we agreed on from the beginning, and the plan to implement that structure during the current fiscal year will not change. To use a track and field analogy, it’s been said that Fujitsu is strong around the third and fourth corners of a race, but my goal is to make us strong from the first corner. Reorganizing the sales force around vertical industries will help promote this.

Question: When and how did Mr. Nozoe tender his resignation?

Answer: Mr. Nozoe tendered his resignation in a private meeting with me today prior to the Board of Directors meeting. He said that he was ill and he needed to focus on treating the illness. For that reason, he said he could not continue to carry out his duties as company president.

Question: Please explain why you have been appointed president and how the appointment was made?

Answer: Mr. Nozoe tendered his resignation suddenly today. Since we had not considered a successor, I assumed the position of president in addition to chairman.

Question: Why was the decision made to appoint you president effective today?

Answer: Mr. Nozoe said that the Board of Directors needed to approve the new appointment as a consequence of his resignation, and therefore he wanted to tender his resignation prior to the scheduled Board of Directors meeting today. The Board of Directors then appointed me the president today.

Question: When will a permanent president be appointed?

Answer: The next president will be chosen in due course, but the exact timing has not been decided. Though the company hasn't yet made any formal decision, I would like to establish some new structure voluntarily like a nominating committee to select the next president.

Fujita: Fujitsu has not adopted the committee system (as defined under the Commercial Law of Japan). So right now we do not have a nominating committee. Completely aside from today's announcement, we have been planning to set up a nominating committee for some time as a way to enhance management transparency. We expect this new committee to be established in the second half of fiscal 2009 (October 2009 – March 2010), and we will use this new committee to nominate the next president. But at this time, we do not know when an appointment will be made.

Question: When do you estimate the next president will be appointed? Will the appointment be made within this year?

Answer: The structure to make the appointment will be established as soon as practical in the second half of this fiscal year. We will proceed based on that new structure. The committee will facilitate an exchange of views and take other steps to appoint the next president.

Question: Is it possible that the next president will be someone outside the Board of Directors?

Answer: At this stage, I don't know. That will be something to be discussed by the nominating committee.

Question: In July, the company announced a new medium-term management plan at the Management Direction Briefing. Will the contents of the plan change under the new management?

Answer: The new medium-term management plan was drawn up by the company as a whole, so the contents will not change just because the leadership changes. Each business group is already moving ahead with detailed implementation of the plan. In November, we plan to hold a meeting to review Japan Quality Awards activities, and at that time we will review each business group's progress in meeting the management plan targets.

Question: In your semiconductor business, it appears as if Fujitsu has determined a strategy for manufacturing, but it does not appear that issues such as mergers with other companies have been settled yet. Do you think the Fujitsu Group can continue its semiconductors business, or do you think that Fujitsu should simplify and focus its business on IT systems and services?

Answer: The other day, the president of Fujitsu Microelectronics, Mr. Haruki Okada, gave a presentation on the company's strategy. I agree with him that the priority for Fujitsu Microelectronics is to complete reforms needed to make semiconductors a profitable business within the Fujitsu Group. After that, we can discuss whether or not to pursue mergers and other management issues. Whether or not we continue the semiconductor business, and whether or not we continue it alone or in partnership with other companies are not issues we can decide now.

Question: What's your view of the current management environment?

Answer: This fiscal year, the environment for IT investment is exceedingly difficult. There are some customers who are investing aggressively and other customers who aren't, but overall it's a difficult market. I'm approaching the management of the company with this market understanding. On the other hand, I expect the market to improve somewhat in the second half of the fiscal year, with IT investment picking up again.

Question: Have you sent a message to employees about the change in leadership?

Answer: Mr. Nozoe was very aggressive with structural reforms, so there is naturally some concern over the change among customers, partners and our employees. I've sent a message to our employees explaining that I have assumed the position of president and that we all need to pull through this together.

Question: What will be your management priorities?

Answer: The top priority will be to increase orders. One of my roles as chairman has been to listen to customers and partners and have their concerns reflected in our management. I'll continue to

improve dialogue with customers and partners, including discussions on our change in leadership, in order to enhance our position as a trusted and valued partner which can improve the customer's business. Before I discussed SBR (Solutions Business Restructuring), but we're also undertaking Japan Quality Award activities in Japan, as well as enhancing our account planning, pipeline management, and Field Innovation programs. It's important to see these management improvements all integrated. Another important initiative is to work closer with customers to develop innovative ideas on IT systems directly linked to management.

Question: Tell us a little about your character. How will your character traits help invigorate management?

Answer: I think I'm the type who works diligently, always building on my efforts. At Fujitsu, our approach in the solutions business is to build a trusting relationship with the customer and generate new business based on that strong relationship. So in that sense, I think that my character matches our corporate character of working hard to build long-lasting success.

Question: You've generally affirmed the direction that former Mr. Nozoe has led the company in, but is there anything you want to change?

Answer: At this point, there's nothing that I plan to change. I'm committed to the direction we've set as a company, and will work on the detailed initiatives to accomplish our goals. We have a business plan, so my role is to implement, monitor and facilitate our progress.

(END)