

Protecting Intellectual Property

Appropriately managing intellectual property in all aspects of our business activities

Intellectual Property Protection Policy

The Fujitsu Group aggressively pursues research and development aimed at creating new value. Intellectual property is one fruit of that pursuit and serves as the cornerstone of our competitive position.

Recognizing that intellectual property is a critical asset, we have clearly positioned the protection of intellectual property in the code of conduct of *The FUJITSU Way*.

We strive to acquire and manage intellectual property appropriately in all aspects of our business activities, while carefully respecting the intellectual property of other companies. We also aim to improve customer satisfaction by capitalizing on our intellectual property to develop distinctive technology and products.

Intellectual Property Strategy

Maintain Superior Competitiveness

Developing distinctive products and services is essential to maintaining superior business positioning. At every stage, from research and development to the application of new technology, we are actively working to acquire new intellectual property and utilize it to add more value to our products and services.

Ensure Business Flexibility

As products and services become increasingly sophisticated, they rely on a more diverse range of technologies. In this environment, ensuring flexibility in new business development often means forming technology-sharing and cross-licensing agreements with other partners. We seek to acquire a powerful intellectual property portfolio in order both to forge such strategic agreements with other companies on favorable terms and to maintain the flexibility needed to develop competitive new businesses.

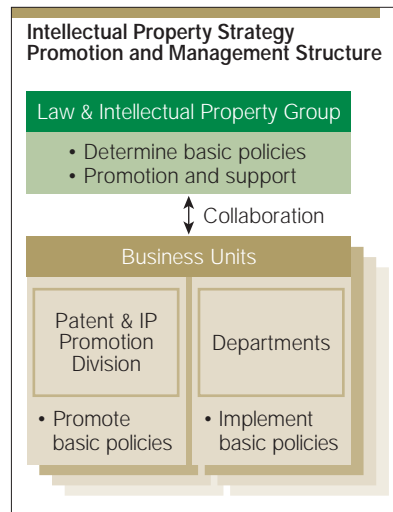
Secure Business Profitability

Revenues from licensing or transfers of patent rights to other companies can have a major impact on business

profitability. We actively engage in licensing or transfer agreements in cases where we judge that licensing a particular technology will generate higher earnings than keeping it only for our own use, or in cases where it is associated with a business that we have chosen to discontinue in conjunction with business restructuring.

Promotion and Management Structure

The Law & Intellectual Property Group is responsible for planning and proposing intellectual property strategies from a Group-wide perspective. This unit works closely with the Patent & IP Promotion Division of each business group to manage and take full advantage of the vast intellectual property portfolio of the Fujitsu Group.



Respecting the Patents of Other Companies

Infringing the patents of other companies would ultimately result in major problems for the Fujitsu Group and also cause serious difficulties for our customers and the markets we serve. At every stage, from research and development to the application of new technology, we take great care to avoid any potential patent infringement. At the same time, we deal appropriately with any and all infringements of Fujitsu's patent rights.

Actions in Fiscal 2004

1. Increased Number of Patents

- We held the rights to roughly 33,000 patents as of March 31, 2005, an increase of about 1,000 patents from a year earlier.
- Collaboration between our R&D and intellectual property divisions generated an increase in patent applications in strategically important areas.

2. Strengthened Monitoring of Competitors' Patents

- We expanded the scope of our studies of front-running technology and shifts in technology trends.
- We established a Competitor Patent Study Task Force to look at what other companies are doing in strategic technological areas.

3. Raised Employee Awareness of Intellectual Property Activities

- We put in place an intellectual property training course for the entire Group in Japan, and established an e-learning course. We boosted collaboration with the practical training programs of each business group.
- We worked to raise employee awareness of intellectual property activities by publishing a monthly magazine, *Chizai Sozo* ("Intellectual Property Creation"), which is also posted on our intranet.
- In response to Article 35 of Japan's new patent law (Workplace Invention System), we held explanatory meetings for all Fujitsu employees in Japan. Going forward, we will focus on deepening employee awareness, taking full advantage of our intellectual property, strengthening our ability to file competitive patents, and making our systems even more responsive to our business needs.