

Activities in Our Major Business Areas

Services and Software

● Growing our solutions and network services businesses

In the services and software area, we have worked hard to place ourselves in our customers' shoes and strengthen Internet-based solutions that help solve their management problems, and we have positioned this business as a major source of growth and profit for the

entire Fujitsu Group. Specifically, in July 1999 we introduced our Internet Business Solutions concept, building upon our existing @SolutionVision menu of packaged solutions. These original offerings were improved by adding two new areas of focus: developing systems that enable customers to leverage the Internet for improving their businesses and helping them to create new Internet businesses.

We added or significantly enhanced a number of new @SolutionVision products in fiscal 1999, including: @SuccessVision, an application service provider (ASP) offering targeted primarily at medium-sized enterprises; @EcoVision, the industry's first comprehensive environmental management solution; @Intercommunity-Vision, a solution designed to help local governments optimize their use of IT; and @PressVision, a solution for the newspaper industry.

We have high expectations for growth and increased profitability in the network services area. In order to help our customers quickly develop new business opportunities while also letting them focus on their core businesses, as well as to respond to their needs to adapt their systems to the Internet, we enhanced and have been promoting our Tatebayashi and Akashi outsourcing centers as Internet Data Centers (IDCs).

Another notable expansion of our network services business was the creation in November 1999 of @nifty, Japan's largest Internet service provider. @nifty, which combined our former Nifty-Serve and InfoWeb services, aims to be a cyber city of 10 million by 2003, and it typifies our commitment to concentration of investment, management efficiency and profit of scale. In the true sense of a "community,"@nifty has enhanced the civic functions it offers to individual users, for example, in banking, shopping, local government and education. And we are working closely with various businesses and organizations to offer services that make the lives of @nifty's "citizens" more enjoyable and rewarding. Moreover, we are developing venues for the creation of new business opportunities for our corporate customers, including B to C links bringing customer companies together with @nifty subscribers, B to B links among companies, and "in B" systems, which bring a department or unit of an enterprise together with its employees as a whole.

