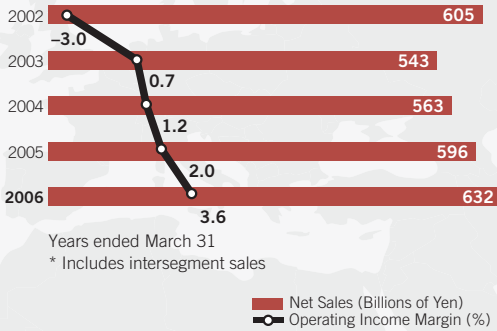


# Growth through Global

Rolling out strategies tailored to each region

■ Net Sales\* and Operating Income Margin (Europe)



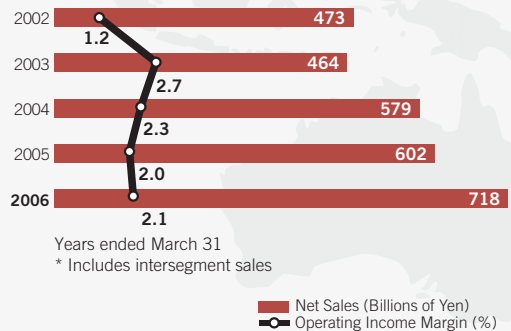
## Europe

We will work to accelerate the growth of Fujitsu Services, mainly focused on outsourcing services, and Fujitsu Siemens Computers, which primarily handles a range of servers and PCs. In addition to maintaining and enhancing its position in the UK public sector, Fujitsu Services is striving to capture a larger share of private-sector demand. Fujitsu Siemens Computers, having acquired the product support division of Siemens Business Services, a Siemens AG subsidiary, now has an integrated global support framework extending from product supply to maintenance services.

## Asia, Australia and Other Regions

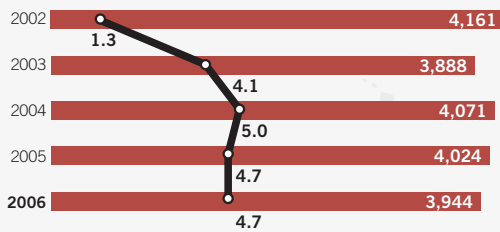
In Asia and Australia, we will develop solutions businesses carefully tailored to the characteristics of individual country markets. In China, we will provide support to Japanese automakers, consumer electronics manufacturers and other customers as they roll out their strategies in the country. This will give us a foothold in the market to support future business expansion.

■ Net Sales\* and Operating Income Margin (Asia, Australia and Other Regions)



# Business Expansion

■ Net Sales\* and Operating Income Margin (Japan)



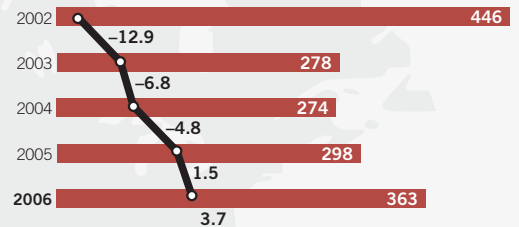
Years ended March 31  
\* Includes intersegment sales

■ Net Sales (Billions of Yen)  
● Operating Income Margin (%)

## Japan

We plan to shift from our existing focus on systems integration toward greater emphasis on expanding operations-oriented outsourcing services. In so doing, we will strive to cultivate even deeper relationships with customers while also improving the earnings capabilities of our services. In the small and medium-size enterprise sector, where we see real opportunities for growth, we plan to build a stronger presence by offering a broader range of products and services.

■ Net Sales\* and Operating Income Margin (The Americas)



Years ended March 31

\* Includes intersegment sales

■ Net Sales (Billions of Yen)  
● Operating Income Margin (%)

## The Americas

In North America, the world's largest IT services market, leading IT firms have struggled to dominate in the face of market specialization and segmentation. Our strategy will be to shift from a product-centric approach to operations based on joint sales activities and the provision of integrated IT solutions. We will also target growth through alliances, mergers and acquisitions involving Fujitsu Consulting, our principal services company in North America.

# Seeking to Grow Together with Customers Worldwide as an Indispensable Partner

## Japan



We constructed a delivery truck dispatch and routing system for Seven-Eleven Japan. This has helped our client to enhance safety and realize delivery operations with less environmental impact by reducing fuel consumption and CO<sub>2</sub> emissions.



Fujitsu and Mitsukoshi jointly tested an inventory management system using jeans equipped with electronic tags\*. With this system, stock data is shown on “smart shelf” displays, allowing customers to check availability themselves.

### Enhancing safety and economy with a new delivery truck dispatch and routing system

—Seven-Eleven Japan Co., Ltd.—

We constructed a delivery truck dispatch and routing system for Seven-Eleven Japan, a convenience store operator and one of Japan’s biggest retailing companies. The system takes fleet management to another level: instead of simply managing delivery data, the new enhanced system can analyze individual driver patterns and provide instructions to them on the move. The system even recognizes habits that drivers themselves may not be aware of, giving our client the tools to enhance driving safety as well as reduce environmental impact by lowering fuel consumption and CO<sub>2</sub> emissions.

Seven-Eleven Japan’s delivery trucks have been fitted with a GPS-equipped onboard terminal, enabling the real-time management of fleet position and road condition information. Using this data, Seven-Eleven Japan’s logistics center can immediately respond to traffic jams and other situations by providing alternative route information, thereby ensuring the safe and reliable delivery of goods to its convenience stores.

### Helping to create the department store of the future

—Mitsukoshi, Ltd.—

Working closely with Mitsukoshi, one of Japan’s leading department stores, to create more convenient and comfortable retail environments, we jointly tested an inventory management system for jeans that uses electronic tags. The test was carried out in conjunction with the Ministry of Economy, Trade and Industry’s Japan Future Store Project. With this system, tagged jeans were placed on “smart shelves” equipped with electronic paper displays that continuously showed updated stock data, allowing customers to check product availability themselves.

The pilot test confirmed that as well as enhancing convenience for customers, the system helped to prevent lost sales opportunities, thereby contributing to increased sales. Based on the outcome of the test, Mitsukoshi is deploying a real-time inventory management system using electronic tags.

\* Electronic tags are contactless IC devices fitted with an antenna that hold read-write data. Different than conventional barcodes, they allow users to retrieve information from a distance of up to a few meters.



Tamura has adopted Fujitsu glovia.com, a suite of extended ERP solutions to integrate the management of orders, sales and costs at 11 overseas sites. The suite allows Tamura to monitor costs and profits for individual products manufactured at each site in real time.



With a large number of employees always on the move, Osaka Gas needed to create a ubiquitous office environment to give its staff the same kind of access to information as they would have in their regular office. Fujitsu Mobile Centrex Service helped realize this environment.

## Deploying an integrated global system to manage manufacturing and sales costs for individual products

—Tamura Corporation—

Tamura, a leading global manufacturer of electronic components, has deployed our enterprise resource planning (ERP\*) package, glovia.com, in its group-wide back office system, enabling the integrated management of 11 manufacturing and sales sites around the world. All data related to orders, sales, costs, procurement and manufacturing received from systems at each of these sites is now stored and managed on an integrated basis using a database at Tamura's head office in Japan, allowing the client to monitor costs and profits for individual products in real time. This information gives Tamura the power to make rapid and precise decisions about which products to prioritize. By supplying and quickly installing advanced ERP packages optimized to support global operations, we are helping clients to realize dramatic efficiency gains in their operations worldwide.

\* Enterprise resource planning: An approach designed to improve management efficiency by integrating the planning and management of a company's resources (personnel, assets, finances, time and data) into a single unified system.

## Making the ubiquitous office a reality

—Osaka Gas Co., Ltd.—

Osaka Gas, the second biggest firm in the domestic gas industry, has adopted our Mobile Centrex Service to create a ubiquitous office environment that allows its employees to perform work anytime, anywhere, just as they would if they were in the office. By using PCs and mobile devices, information can be rapidly and reliably transmitted to and from personnel who are often out of the office or in meetings, thereby helping to realize a dramatic improvement in employee productivity. This advanced ubiquitous office system, developed in conjunction with NTT West, OGIS Research Institute and Osaka Gas Business Create, also offers the possibility of annual savings of ¥480 million through reduced capital expenditure in telecommunications equipment and lower communications costs. Through a whole host of innovative solutions that realize consistent sound quality and efficient communications, Fujitsu is at the forefront of a revolution in work styles.

## The Americas



Fujitsu's industry-leading, high-performance PRIMEPOWER UNIX servers have helped the CBOE to boost its peak order processing capabilities from 2,000 to 50,000 trades per second with close to 100 percent uptime.



By deploying Fujitsu FLASHWAVE optical transmission products, Duquesne has built a network with added redundancy and capacity connecting head office and each local service center.

### Helping CBOE stay ahead of huge volume growth and fend off competition

—The Chicago Board Options Exchange (CBOE)—

CBOE is the world's largest options exchange. In the face of increased competition and tremendous growth in volume, CBOE needed a technology infrastructure that could not only handle more quotes and trades, but one that could process them faster than any of its competitors.

To meet this challenge, CBOE turned to Fujitsu to deliver servers with benchmark-leading performance backed by superior service and support. Fujitsu PRIMEPOWER servers have enabled CBOE to build a rock-solid infrastructure that can handle vastly greater numbers of transactions without latency. Over a three-year period, CBOE went from peaking at 2,000 quotes per second to peaking at 50,000 per second—all with close to 100 percent uptime.

The power of Fujitsu has also extended to the trading floor. Though traders are not required to use Fujitsu Stylistic ST5000 Tablet PCs, these compact pen-based devices have become the de facto standard for more than 800 market makers on the floor.

"We have worked with Fujitsu for 14 years and knew it has a superior product roadmap," said Curt Schumacher, Chief Technology Officer, System Operations, CBOE. "We also knew Fujitsu could deliver price, performance and power to meet our current and future needs."

### Delivering network solutions to meet enhanced security and data transmission needs

—Duquesne Light Company—

As a leader in the transmission and distribution of electric energy, Duquesne Light Company provides superior customer service and reliability to more than half a million customers in southwestern Pennsylvania. In 1995, Duquesne purchased Fujitsu SONET equipment, and as the utility's network evolved, we updated it to include our industry-leading FLASHWAVE products. After 9/11, the US federal government required electric utilities to perform complete data backup at secure locations. In February 2002, Duquesne asked Fujitsu to design a fully redundant network to meet its new security and data transmission needs.

Fujitsu was also instrumental in the installation and turn-up services at two major nodes. In the initial build, the FLASHWAVE 4300 platform and OC-48 optics were installed to replace some of the FLM 2400 add/drop multiplexers. Later, FLASHWAVE 4100 was added to replace the rest of the FLM 2400 equipment. FLASHWAVE 4500 with OC-192 optics was added to increase redundancy and network capacity for Gigabit Ethernet over SONET. Duquesne Light's network has grown to 18 nodes and has a NETSMART 1500 management system. As a long-term partner with the Pittsburgh utility, we managed the entire process from design to maintenance and training.



After an urgent request from FEMA to handle calls from victims of Hurricane Katrina, Fujitsu set up a disaster relief call center in a very tight time frame to help the authorities provide assistance to those affected.

## Rapidly establishing temporary disaster relief call centers

—*US Federal Emergency Management Agency (FEMA)*—

Fujitsu has extensive experience in call center, data recovery and other operations, and has assisted many customers to deal with unfortunate events. Thus, when FEMA called, we were able to respond quickly because of our extensive experience in helping other customers in such situations.

In September 2005, FEMA faced an unprecedented challenge following the devastation caused by Hurricane Katrina, and later, Hurricane Rita. Hundreds of thousands of people were displaced and property damage along more than 1,000 miles of coastline from Florida to Texas was in the billions of dollars.

FEMA needed to immediately deploy temporary disaster relief call centers to handle the massive volume of calls expected from the many victims. Responding to an urgent request from FEMA, we offered our state-of-the-art call center in Dallas, Texas. On September 6, eight days after Katrina's landfall, FEMA awarded Fujitsu a contract to begin handling incoming calls by September 9 and be fully operational with 1,000 staff by September 22.

Two days later, on September 8, the call center had begun operation and by September 9, 150 agents had been trained and were taking calls. The call center was fully staffed by September 18, well ahead of FEMA's deadline.

Making a call center of this scale operational on such short notice required exceptional planning, preparation and responsiveness. The Fujitsu Call Center Operations team was proud to make it happen. At its peak, the Fujitsu call center employed 1,200 staff, operated 16 hours per day, seven days a week, and responded to more than one million calls from hurricane victims throughout the affected areas.

## A change of direction for the UK Home Office

—UK Home Office—

The UK Home Office has had a challenging year, in which it has had to deal with the London bombings, policing and immigration issues, and a major HQ relocation. These challenges have increased the focus on the organization's use of IT, and therefore its relationship with Fujitsu Services.

Our relationship is long-standing, but had run into difficulties after a series of unacceptable IT outages. Our response was to work closely with the customer to realign our contract and processes with their needs and future plans.

The result was a new commercial approach that now enables the Home Office to achieve rapid change at a reasonable price. Fujitsu Services now scores 8/10 for service, as against 4/10 in early 2005, while our service desk receives half as many problem calls as it did 12 months ago. On the basis of our improved relationship, we are also jointly developing a new shared services approach to IT with potential for deployment across the Home Office organization.

## U-Scan self-checkout establishes foothold among European retailers

—S.A. Cora—

Created and refined in US and Canadian grocery chains, self-checkout technology has gained such popularity and acceptance among consumers that European retailers are now taking notice. Cora began the first European pilot of an integrated self-checkout solution in May, when the company installed Fujitsu U-Scan systems at two hypermarkets in Belgium and France.

Jérôme Soblet, Store Director and Corporate SCO Project Manager at Cora says, "Our main goal with U-Scan is to improve customer service. Self-checkout lets customers scan, price-check and pay for their products at their own pace, and it gives them greater control over their purchases—with the assistance of a supervisor who handles an island of four self-service lanes. We are confident that the system will shorten queues at the cash registers appreciably."

Following successful pilot projects, U-Scan will be installed at 59 Cora locations in France, as well as nine stores in Belgium and two in Luxembourg.

"Fujitsu was the only provider willing to commit itself to providing a totally integrated solution within the time frame we set," added Cora's Soblet. "The relationship that we've had with Fujitsu goes back a number of years, and its self-checkout client list is an impressive one."

## Europe



Fujitsu is working closely with the UK Home Office to implement a new shared services approach to IT across the client's entire organization.



Fujitsu has helped Cora to install Europe's first-ever integrated self-service supermarket checkout system. The client now plans to extend its use to other sites across France, Belgium, and Luxembourg.

## Asia, Australia and Other Regions



Our new CAD system is helping Nissan Techno Vietnam to design exciting new cars. Post-installation operation and maintenance is handled by Fujitsu based on an outsourcing arrangement.



Fujitsu has secured a contract with Australia's Northern Territory Government to provide services and support for desktop computers using regular flights to remote areas.

### Helping automakers to boost efficiency in new car development

—Nissan Techno Vietnam Co., Ltd.—

In Vietnam, where economic growth continues to drive commercial development, Nissan Techno Vietnam employs skilled young designers to help develop new Nissan models. Aiming to create a steady stream of exciting cars, the client asked Fujitsu to install systems to support an increase in the share of work done in Vietnam and related expansion in the design team.

The new CAD system that we deployed incorporates network-attached storage for high-speed processing that realizes greater productivity, as well as the flexibility to respond smoothly to any rapid increase in users in line with business expansion. Post-installation operation and maintenance is handled entirely by Fujitsu based on an outsourcing arrangement, thereby ensuring system reliability. Leveraging our global network, we will support Nissan Techno as it moves into other regions.

### Flying technology doctors service remote regions of Australia

—Northern Territory Government—

The Northern Territory in Australia is one of the most sparsely populated regions in the world. With a land mass the equivalent of France, Italy and Spain combined and a population of just 200,000, servicing remote areas has always been a major challenge for the Northern Territory Government. It was this challenge that Fujitsu faced head on when we bid and were awarded a four-year, AU\$150 million desktop and contract services contract with the Northern Territory Government in March 2006.

Responding to the Northern Territory Government's request for improved service delivery to rural and remote areas of the territory, Fujitsu and local business partners, including CSG Services and Territory Technology Solutions, provided a unique level of service and support by using aircraft to service remote sites. This was facilitated through the introduction of monthly or bimonthly scheduled site visits to remote regions and a fly-in response to meet incident resolution service level agreements. We also worked to improve the effectiveness of the Northern Territory Government desktop environment for users and significantly reduce downtime through the use of zero touch provisioning and a centralized redundant file and print server solution.