

# REALIZING OUR GROUP GROWTH VISION

## The Fujitsu Group's basic strategy

The Fujitsu Group's basic strategy is to achieve global integration through a fundamental transformation of our worldwide operations. Our transformation hinges on the three growth priorities of going on offense with structural reforms, accelerating globalization, and creating new services businesses. In terms of financial targets, we are aiming for the early achievement of a 5% operating income margin, and a 40% ratio of sales outside Japan. We will also strive for the long-term goal of boosting these targets to 10% and 50%, respectively. Generating consistent cash flow is another important task. To this end, we are aiming for the annual generation of over ¥150 billion in free cash flow, a level necessary to support our continued growth. Here we explain in detail our medium-term direction in the drive to realize our future growth vision.

## Achieving "Global Integration"

Transformation (Pursuing 3 Growth Priorities)



**On Offense with Structural Reforms  
(Strengthening Existing Businesses)**



**Accelerating  
Globalization**



**Creating New  
Services Businesses**

Fostering global talent, establishing a foundation for business

### "Global Services Company"

Uniform Delivery of Value to Customers

Solutions Integration

Product & Services Integration

Business Platforms Integration

Vertical  
Integration

Global Partners

### Envisioned Performance Targets

	Near-term Targets	Long-term Vision
Operating Income Margin	>5%	[>10%]
Ratio of Sales Outside Japan	>40%	[>50%]
Free Cash Flow	> ¥150 billion/year	

## Medium-term Direction

Fujitsu's overarching goal is to be a technology-based, globally integrated services company. To that end, over the medium term we are advancing the execution phase of our three growth priorities.

In going on offense with structural reforms, we are seeking to establish an overwhelmingly dominant position in Japan by harnessing all the Group's resources around services. In addition, to accelerate globalization, we are developing shared functions which straddle all regions in order to uniformly integrate our business operations in and outside Japan. Furthermore, we will define the creation of new services businesses that ensure our growth and realize our vision of a "Human Centric Intelligent Society."

# 1

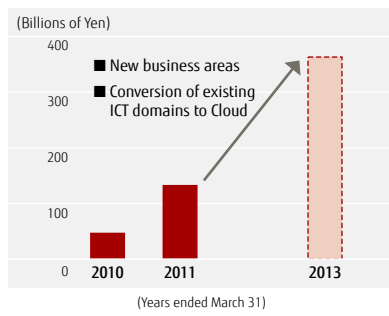
## Going on Offense with Structural Reforms

We are making cloud computing a core business by shifting resources from existing systems integration (SI) into cloud development. From six bases worldwide, we are offering Fujitsu Global Cloud Platform FGCP/SS, our proprietary public cloud platform, as well as FGCP/AS in collaboration with US-based Microsoft Corporation. We will advance the scale of our business by developing these and other new services that form the foundation of our expanding cloud business. In the medium term, we will work to secure a central position for the new service models that integrate all the business areas of the Fujitsu Group.

Another aspect of these reforms involves the redefinition of the systems engineer (SE) function and the structural transformation of the solutions business to further expand new business domains and the cloud business as the system development-oriented SI business shrinks. We are placing a heavier emphasis on business production, services integration, and operations-oriented service management as part of this medium-term reallocation of SE resources. The Group will also continue to strengthen its sales strategy, including repositioning human resources in order to build business volume over the medium term.

### Making the Cloud a Core Business

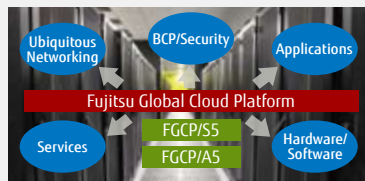
#### Sales Target for Cloud Business in Japan



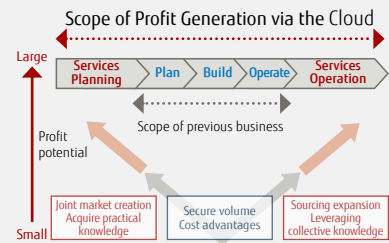
#### Medium-Term Stance on Cloud Business

- Help to support transformation through the development of cloud business –Conversion to services, speed innovation, globalization
- Establish new services model integrating all Group-wide businesses, with growth in new business areas
- Pursue Group-wide growth by using cloud as a trigger to prevail over competitors and create new businesses

#### Global Services Line-up



#### Expanding business through the cloud



# 2

## Accelerating Globalization

The Fujitsu Group has succeeded in building a transnational business model which places management authority in the hands of each region. Based on this strategy, we have bolstered the business foundation in Australia through M&As, merged three major subsidiaries in North America, and integrated the products and services businesses in Europe. Through these initiatives, Fujitsu has not only strengthened its business structure outside Japan, but it has also become the only Japanese ICT company with a significant global market presence. Going forward, we will leverage this achievement to accelerate global integration, effectively uniting our operations in and outside Japan.

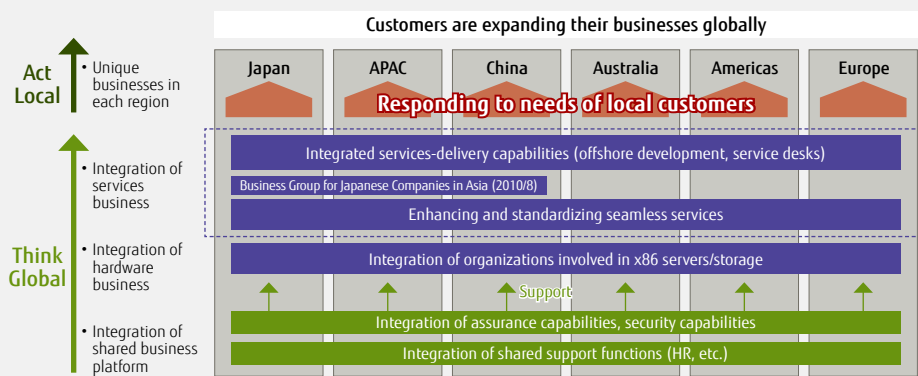
split between Fujitsu Technology Solutions in Japan and Germany. Headquartered in Germany, the x86 server business is strengthening its lineup of global products. We have also taken steps to integrate the business foundation by unifying the assurance and security functions under a global organization covering operations in and outside Japan.

Through these measures, we intend to transform the global services business into a consistently highly profitable, growth-oriented business from which we can expect to enjoy the same success as the services business in Japan.

An initial effort to accelerate globalization was the establishment within headquarters of the Global Business Promotion Group. This bolstered our services portfolio by providing cross-functional support to multinational clients across our global network. In addition, we have integrated the x86 and storage business organizations previously

### Global Unification

#### Accelerating Global Integration



# 3

## Creating New Services Businesses

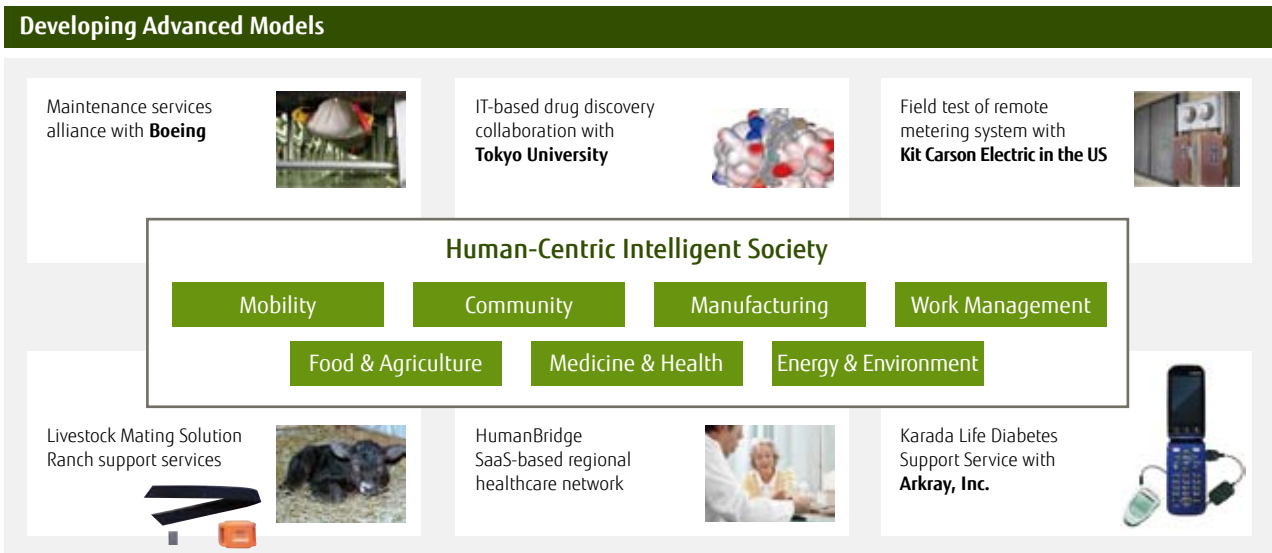
The Fujitsu Group envisions a “Human Centric Intelligent Society” in which ICT supports the creation of a more prosperous society. Our customers are accumulating an ever-increasing amount of complex, real-world data from sensors and front-end ubiquitous terminals. Through visualization, analysis, modeling, and optimization processes, these data can be transformed into practical knowledge used by customers as an important foundation for business in the real world. Business Intelligence (BI) and Business Analysis (BA) platforms are particularly important for accumulating and analyzing large amounts of data. Fujitsu has teamed up with industry leader SAS to enhance its presence in these fields. Offering a fully integrated mechanism for service delivery will be critical for new services to thrive. This mechanism will be prefaced on back-end systems such as High Performance Computing (HPC) and cloud platforms, but will encompass data integration and execution platforms, large-scale data collection and analysis platforms, a full

lineup of applications, and ubiquitous front-end terminals connecting these platforms to the user.

Fujitsu remains one of the few ICT vendors in the world with the ability to offer fully integrated services platforms. We will leverage our competitive advantages and provide customers with innovative, value-added convergence services.

In our drive to create new services businesses, we are defining key areas for the accumulation of practical knowledge, including mobility, agriculture, and medicine. As shown in the illustration, we have already begun pilot projects in various industries: an aircraft maintenance service developed jointly with Boeing of the US; IT-based drug discovery with the University of Tokyo; and a remote metering system with Kit Carson Electric Cooperative of the US.

Fujitsu will collaborate with customers in various industries to develop advanced services previously unattainable with traditional ICT.



### Toward Sustainable Growth

For Fujitsu, solidifying a dominant presence in Japan will be an important starting point for growth strategies. From there, resources will be shifted to the three growth domains of going on offense with structural reforms, accelerating globalization, and creating new services businesses, with sustainable future growth as our key growth scenario. The Fujitsu Group’s ultimate goal in this scenario is to grow in partnership with customers for the creation of a prosperous and promising future. To reach this objective, a strategies matrix is being shared throughout the Group to ensure steady progress towards the achievement of various individual growth strategies.

The FUJITSU Way corporate philosophy stands as the basis of the growth scenario, and the brand promise “shaping tomorrow with you” represents the means by which we implement the philosophy.

Fujitsu will continue to pioneer the new possibilities of ICT as a valued and trusted partner to our customers. We aim to earn the trust of all of our stakeholders as their partner for the creation of a better future.