

MESSAGE FROM THE REPRESENTATIVE DIRECTOR AND CHAIRMAN

In this transformative period, we are in pursuit of the functions corporate governance needs to perform and realizing Fujitsu's creation of value.

The digital innovation we are witnessing today is comparable in effect to the industrial revolution, having a profound influence across our daily lives, business, and society as a whole. Fujitsu is pursuing business model transformation to realize sustainable growth by capturing the opportunities available amid this dramatic change.



Corporate Governance Structure in a Time of Change

As of October 2016, Fujitsu's Board of Directors consists of five executive directors, responsible for business execution, and five non-executive directors, four of whom are external directors. I believe this balance is close to an optimal governance structure at this time of change. It allows us to fulfill two essential management tasks in guiding the business model transformation of established business structures and business processes.

The first of these tasks is to foster a spirit of innovation within the organization while creating and applying new technologies. Under the guiding hand of Representative Director and President Tatsuya Tanaka, Fujitsu's executive directors are striving to release the Group's full potential while giving direction to its dynamism.

The second task is to act as a bridge between the Company's efforts and developments in the outside world—in more concrete terms, to ensure that the Company's passage to growth is aligned with society's information and communication technology (ICT) needs from a long-term perspective. It is precisely here that non-executive directors and, above all, external directors are of critical importance in offering insight into how the business environment is evolving. In line with this thinking, we have appointed external directors with wide-ranging experience and backgrounds as members of the Board of Directors. If we as a company talk about the importance of diversity throughout the organization, as we do, we must also wholeheartedly embrace diversity in management.

A Vital Role in Supporting the Creation of Corporate Value

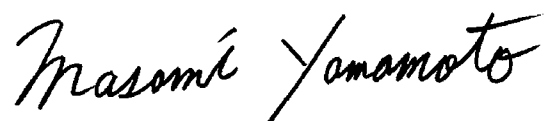
As chairman of the Board of Directors, I am deeply aware of the need to pay close heed to ensuring that the Board of Directors performs its functions to the fullest and that the structure of governance is effective and being put to use, and the importance of listening to the views of independent officers, including external directors. This is only natural, given that our basic thinking on the Company's corporate governance calls for non-executive directors to provide oversight and advise executive directors on business execution. From this standpoint, I believe the Independent Officers Council we initiated in 2015 has brought tangible results in stimulating discussions at Board meetings. At meetings of the Council ahead of the Board of Directors' meetings, in-depth discussions are held concerning key management issues that must be considered by the Board. The Council has thus played an effective role in filling the information gap between independent officers, including external directors, and executive directors.

In appointing external directors, we place particular emphasis on selecting people with the experience and knowledge to provide the basis for in-depth understanding of social developments from an objective and long-term perspective. This is because, in an ICT industry in the midst of profound change, such directors—irrespective of whether they have experience in corporate management—have the capacity to lead transformation with their broad understanding about whether the strategies and measures we are proposing and pursuing will be accepted by global society.

I believe that being representative director and chairman of the Board of Directors, that is to say chairman responsible for business execution, and having experience as representative director and president are helpful in acting as a sounding board for the president while also monitoring the president's business execution. At a practical and daily level, I believe discussions on developments in the ICT industry and business strategy are vital in helping the president plot the path of transformation and make flexible and appropriate management decisions.

I also place great importance on the dissemination of information to stakeholders. To gain the understanding of stakeholders with regard to Fujitsu's position following business model transformation, and to win recognition among a wider customer base in overseas markets, we must deliver a clearer, stronger message. By proactively promoting an understanding of the Company, I aim to raise awareness of Fujitsu's position in the ICT industry and within Japan, thereby also raising its corporate value.

As chairman of the Board of Directors responsible for governance, as a sounding board for the president, and as a frontline spokesman relaying information to stakeholders, I am determined to do all I can to contribute to effective business model transformation and value creation.



Masami Yamamoto
Representative Director and Chairman