

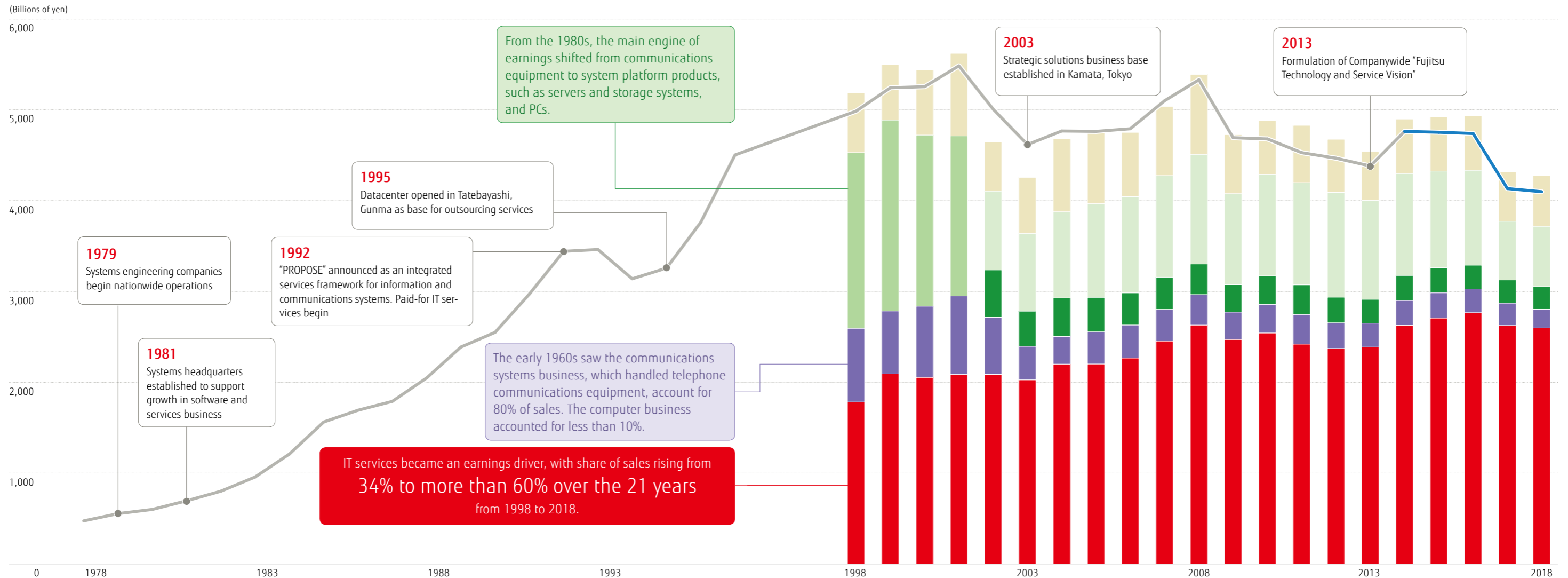
FUJITSU'S COMPETITIVE EDGE

Transforming Business Structure in Step with the Times

Since its founding in 1935, Fujitsu has demonstrated technological prowess while persistently pursuing innovation. In working to meet the challenges of responding to society's evolving demands and addressing the issues it faces, we at Fujitsu have nurtured earnings drivers that are a step ahead of the times, embraced business structure change, and achieved growth. The Fujitsu Group, in its ongoing efforts to promote business model transformation, continues to take up the challenge of establishing a new business structure tailored to the digital age.

Our origins as a manufacturer of automatic switching systems and communications equipment enabled us to help rebuild Japan's telecommunications infrastructure after the Second World War. At the same time, we sought to apply the technological strengths acquired through the development of switching equipment to embark on new businesses. This led to the successful development of Japan's first practical relay-type automatic computer in 1954. Subsequently, the 1960s marked the dawn of a new era for Fujitsu: one of cultivating the computer market under the management policy of "Communications &

Electronics." From the 1970s onward, the computer business replaced the communications business as the main driver of earnings growth. While hardware drove its growth, the Group also entered the system integration business, involving software development and system integration. In the 1990s, the Group built up its IT services business and expanded overseas operations, establishing its earnings base from the 2000s onwards. Since 2015, the Fujitsu Group has been accelerating moves to concentrate on the Technology Solutions business under the banner of "business model transformation."



1950s Computer business launches	1980s PC business goes into full swing	1990s IT services business gains momentum. Acquisition of ICL of the UK, Amdahl Corp. of the US, and other overseas computer and IT services companies	2000s Acquisition of IT consulting and services companies mainly in the Americas and Europe	2010s AI, IoT, and security businesses take off
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Notes:
 1. Years ended March 31
 2. Bar chart includes intersegment sales.
 3. JGAAP from 1978 to 2013, IFRS from 2014. 2017 excludes discontinued operations.

— Net sales (JGAAP) ■ Software & Services / Services*¹
 — Revenue (IFRS) ■ Communications Systems / Network Products*²
 ■ Computers and Information Processing Systems*³ ■ System Products (servers and storage)*⁴ ■ Ubiquitous Solutions*⁵
 ■ Semiconductors and Electronic Components / Electronic Devices / Device Solutions

*1 Software & Services (1998–2003), Services (Technology Solutions subsegment consisting of Solutions / SI and Infrastructure Services, from 2004)
 *2 Communications Systems (1998–2001), Mobile Infrastructure / IP Network + Transmission (Platforms subsegment, 2002–2003), Network Products (from 2004)
 *3 This segment became the Platforms segment, after combining the former Communications Systems and Computers and Information Processing Systems segments in 2002.
 *4 Servers (Platforms subsegment, 2002–2003), System Platforms (Technology Solutions subsegment, from 2004)
 *5 PCs & Mobile Telephones + Hard Disk Drives + Others (Platforms subsegment, 2002–2003), PCs / Mobile Phones + Hard Disk Drives + Others (2004–2007), PCs / Mobile Phones + Mobilewear (2008–2016), PCs / Mobile Phones (from 2017)

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