FY2016 R&D Strategy Briefing

October 20, 2016



Fujitsu Laboratories' R&D Strategies

CEO FUJITSU LABORATORIES LTD.

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- Fujitsu Laboratories' Role
- Digital Transformation
- R&D for realizing Hyperconnected Cloud
- Main Topic for Today's Press Release
- Technology Exhibits



Fujitsu Laboratories' Role

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Positioning of Fujitsu Laboratories



Through Co-Creation, create values, develop new markets, and contribute to the core businesses

Business

Fujitsu Limited and Subsidiaries

R&D

Government

Projects

Strategy Taskforce

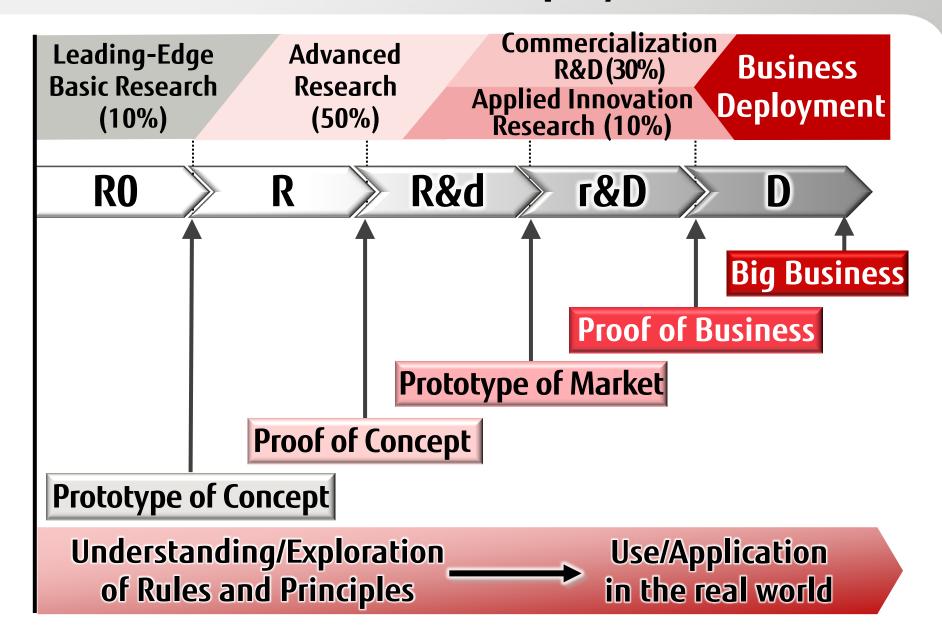
Fujitsu Laboratories

Universities & Research Institutes

Technologies and market trends Customer and partner needs

Flow of R&D and Business Deployment

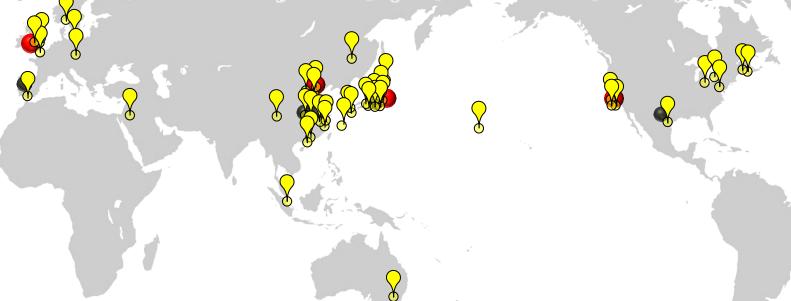




Outline of R&D Activities



- R&D Budget: Approx. 30 Billion JPY, Approx. 300 Million USD
- Employees: Approx. 1200 in Japan,
 Approx. 65 in U.S., Approx. 120 in China, Approx. 45 in Europe
- Open Innovation: 84 Projects in Japan, 11 Countries, 58 Projects in overseas



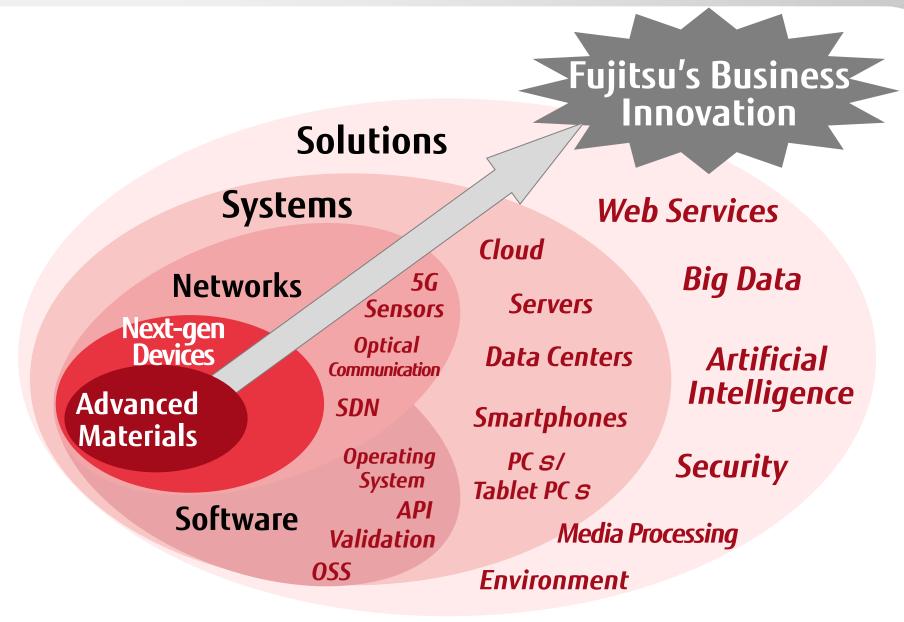
Continuously generating R&D results that will amaze the world

Quickly deploy R&D results to Proof of Concept and Proof of Business on a global scale

Generating innovations, including new business models that resonate through global markets

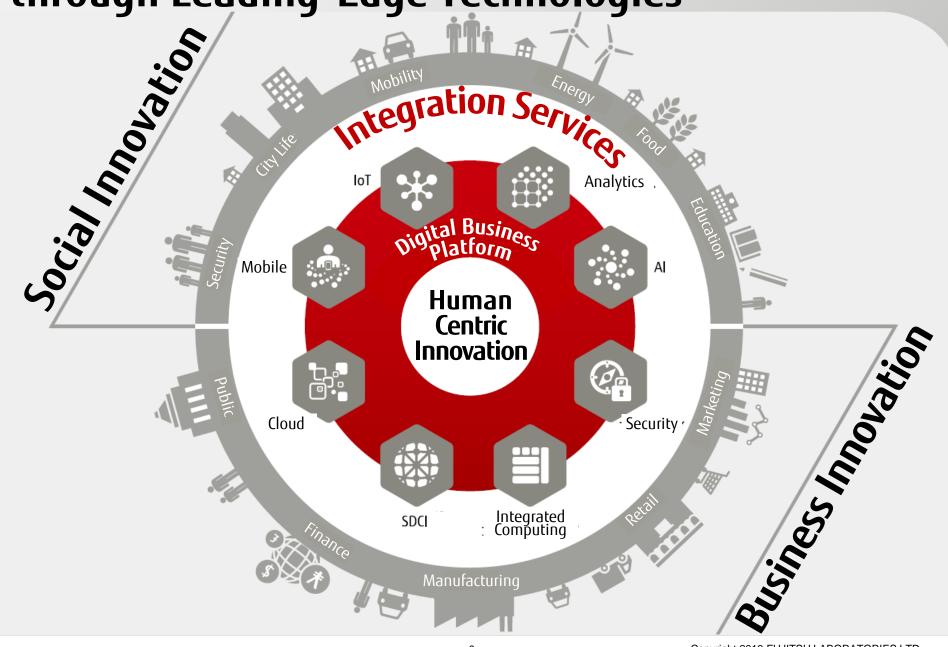
Technology Value Chain of R&D Themes





Providing Useful Values to Fujitsu Customers through Leading-Edge Technologies







Digital Transformation

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Digital Transformation



- Number of connections IPv6: 340 undecillion
- ⇒ World population: Approx. 7.5 billion Approx. 45 octillion NW connections

2016

Human Centric Innovation
Driving Digital Transformation

The New Industrial Revolution
Human Centric Innovation in Action
Digital Ecosystem

2014

2015

Human Centric Innovation

Hyperconnected World

2013

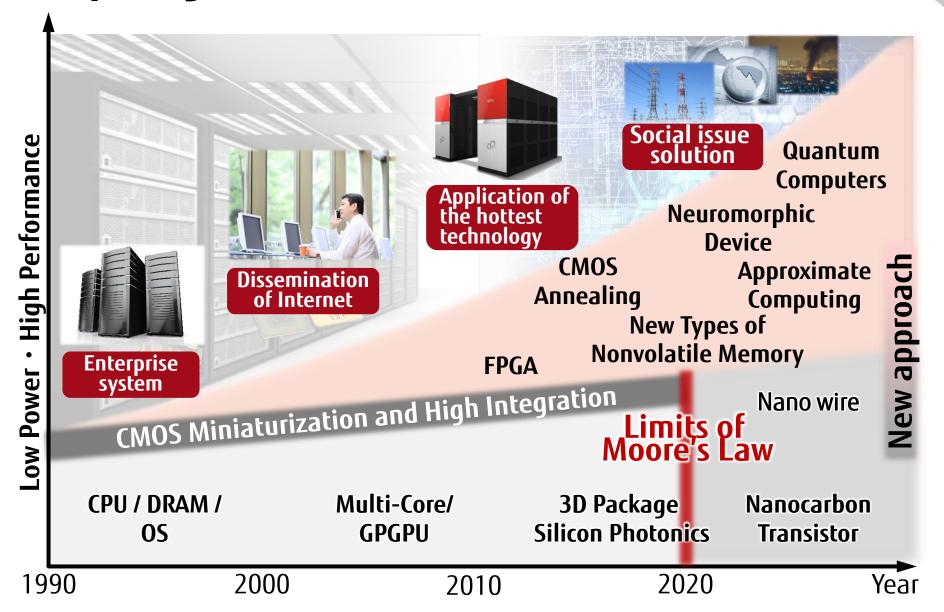
Fujitsu Technology and Service Vision

1999

Everything on the Internet

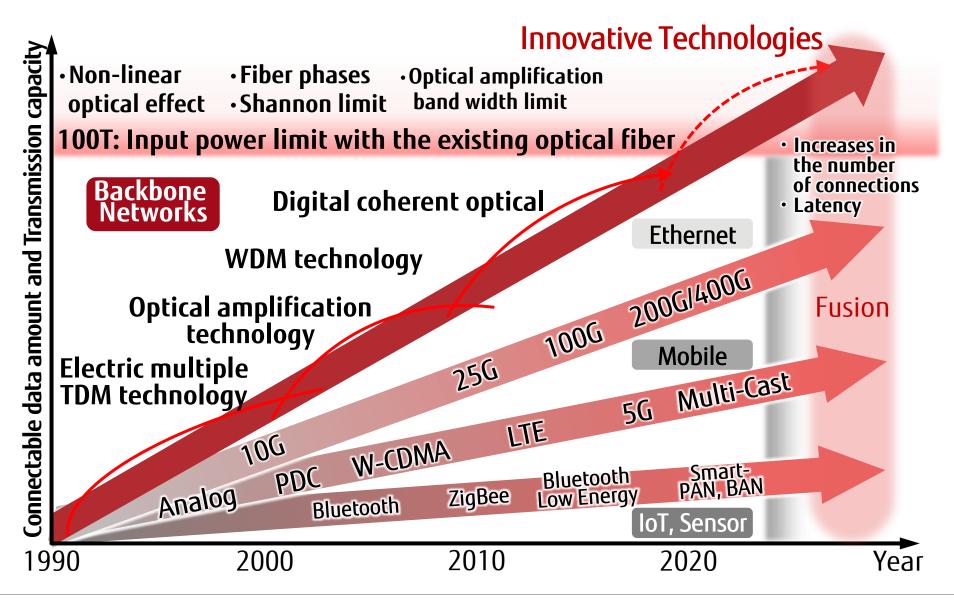
Trends in the Improvement of Computing Performance





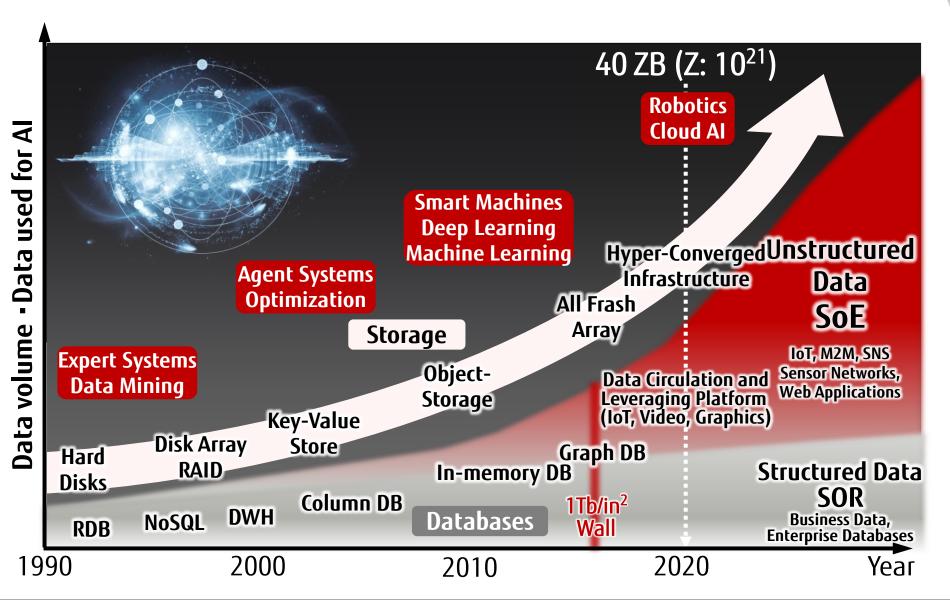
Trends in Connection Technology





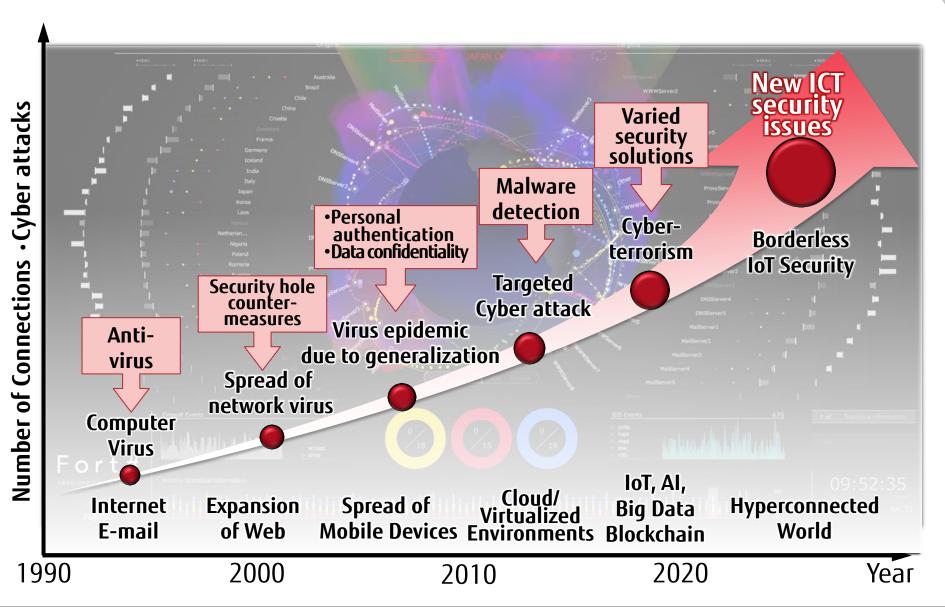
Trends in Data Volumes and Conversion into Knowledge





Importance of Security Technology Accompanying the Advance of ICT





Co-Creation by Digital Business Platform



New Services, New Businesses, New Ecosystems
"Digital Business Platform"

Co-creation Cross-industrial sector / Different field cooperation





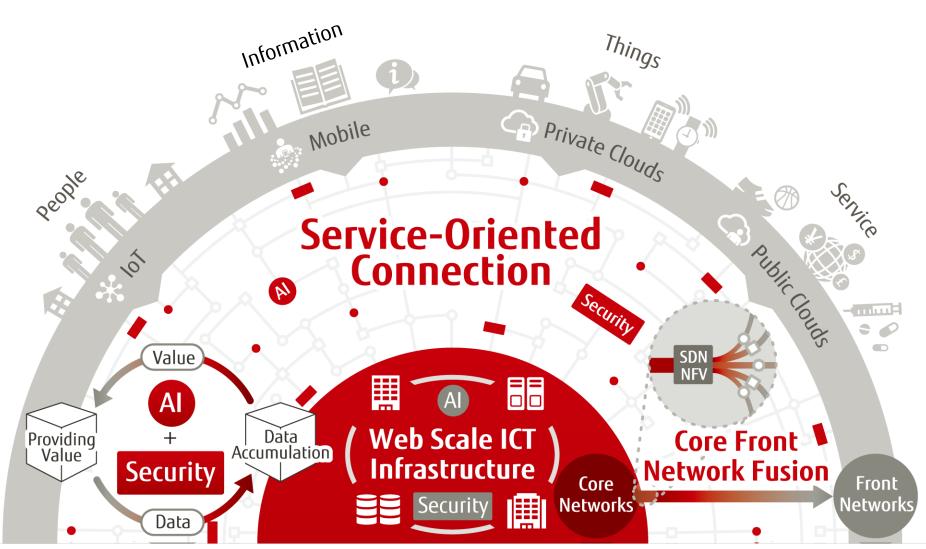




Fujitsu Laboratories' Vision



Hyperconnected Cloud





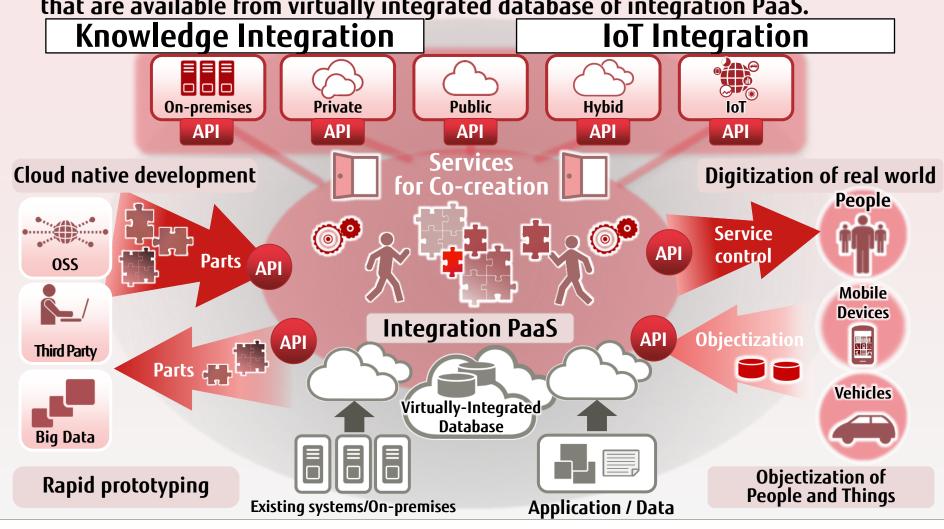
R&D for Realizing Hyperconnected Cloud

- 5 R&D Domains
- Applied Research
- Leading-Edge Basic Research

Service-Oriented Connection



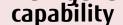
- Integrate the Front (field area) networks as real world objects and Clouds, and develop a co-creation platform that seamlessly connects all of these networks.
- Provide the necessary services easily at a high speed by using data applications that are available from virtually integrated database of integration PaaS.

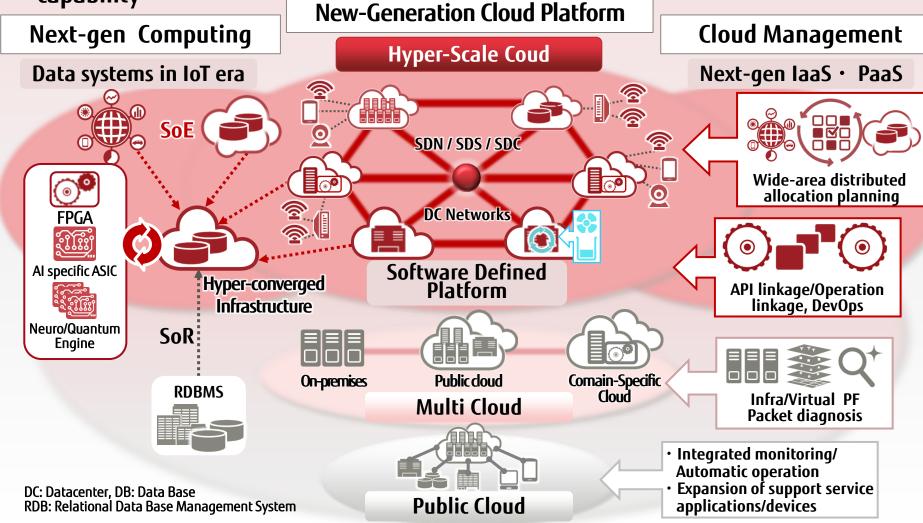


Web Scale ICT Infrastructure

ICT infrastructure that is continuously evolving while dynamically allocating the required functionalities and resources

Next generation computing architecture surpassing the limit of existing calculation





Core/Front Network Fusion



Virtual network that connects various things on the network from end to end optimally at a high speed regardless of physical network types.

Create the required services by One Network that seamlessly connects from Core to Front networks.
 Networks Virtualization

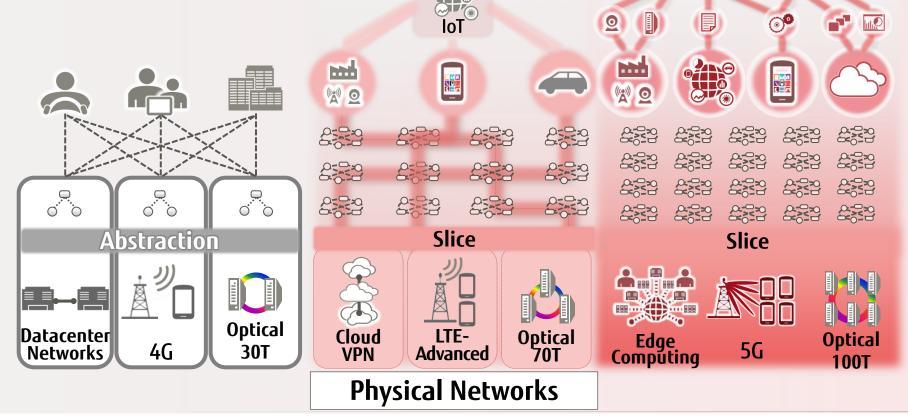
"Closed" Virtual Networks

Virtual Networks
"Quickly Connecting from End to End"

NW to connect and integrate service parts

Services

Services



AI



- Develop a technology that creates new knowledge based on the knowledge obtained from experience and deploy this technology to various fields in the society
- Human-Centric AI that can understand the human 5-sense and affections by media processing technology

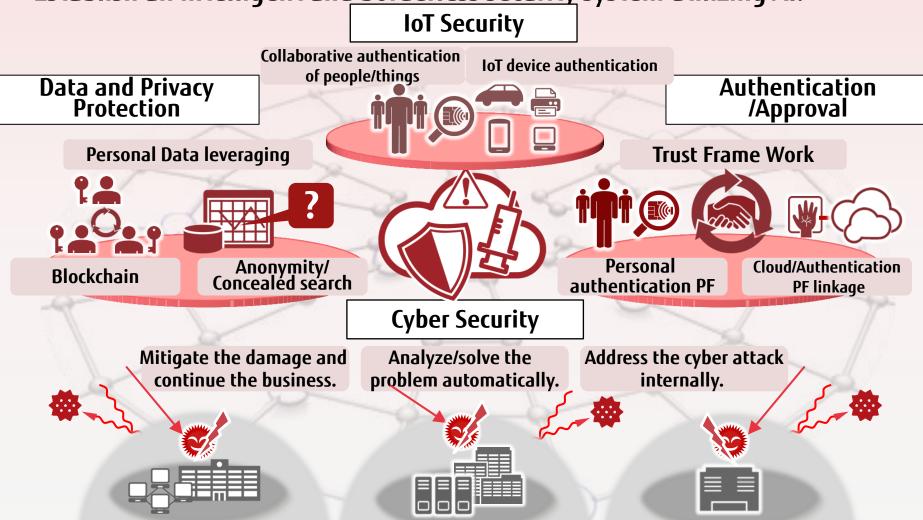
Autonomous/Automatic Customized services Al Service system implementation Food/ Agriculture Healthcare Social infra Mobility Maintenance **Fintech** automation Security Manufacture Judgment/ Perception/ **Knowledge Processing Media Processing** Cognition Support Al agent Inference technology Interactive UI **Anomaly Analysis** Real-time analysis Knowledge Affective media processing Automatic analysis/ **Database Expert/Advisor** LOD platform decision making Accumulate Media data Emotion/Sensitivity understanding Topological data as knowledge Graph data Natural language understanding Mathematical Virtual world Al modeling technology Machine learning automation Sequential learning Multimodal **Brain Science** Deep Learning Al Learning

Security



Solving new security issues which are arising along with ICT progress, realize a safe and secure society.

Establish an intelligent and borderless security system utilizing Al.



Applied Innovation Research



Co-create new ICT businesses and services and use them actually in our daily lives through Hyperconnected Cloud that provides variou "Technologies and Business models."

New fields concerning the people's daily lives/activities

> Live **Robotics** innovation

> > **Sports**

New businesses and services

GLOBAL MARKETING INTEGRATED SOLUTIONS MARKETING UNIT ADVANCED TECHNOLOGIES PROJECT OFFICE

New product

New

application field

Co-Creation/Ecosystem

Hyperconnected Cloud

Next-generation growing fields

Social innovation

Vehicle

Next-gen healthcare

Academic technology

Enterprise technology **Cross-industrial** technology

Business model

New

Business model

New

technological field

Big data

Application

Leading-Edge Basic Research



- Challenging the limitations of ICT
 - Computer Architecture
 Intelligent computing supporting people with autonomous learning
 (Domain-Specific, Quantum, Neuro, Brain-Type)
 - Network Architecture Challenging the limitations of optical/radio communications and enhancement of software-defined communication technology
 - 7-Sense Computing Autonomous actions based on understanding of human affections, emotion, five senses, sixth sense (intuition), and illusion
 - Social Science Analysis/evaluation/verification of social phenomenon and economic change through empirical approach
 - Physical and Chemical New device/3D packaging/Energy creation technologies, by materials informatics and biomimetics



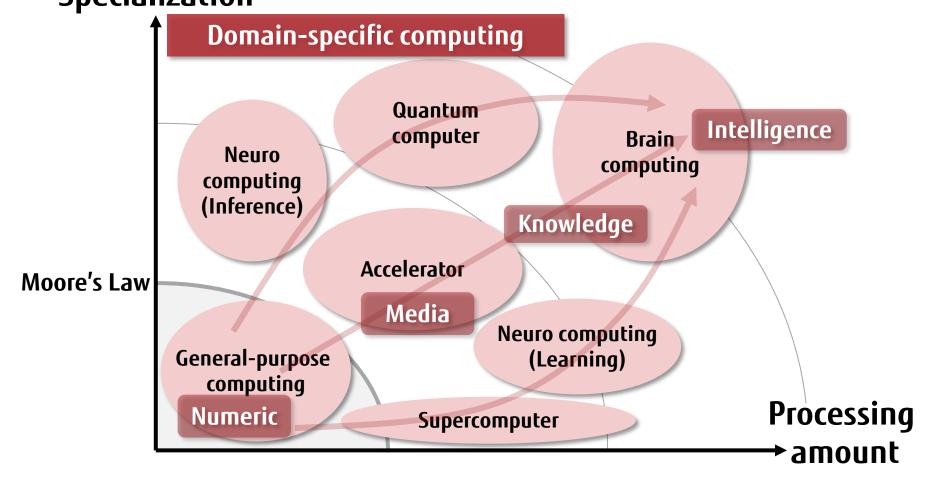
Main Topic for Today's Press Release

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Fujitsu Laboratories' Vision for Future Computing



Creating a new computer architecture toward the intelligent computing era Specialization



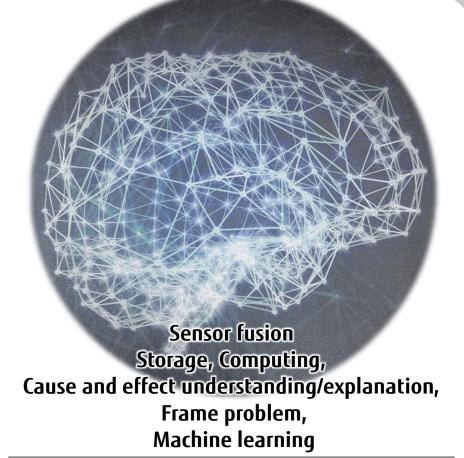
Human Brain and Artificial Intelligence





5-sense (Eyesight, Hearing, Smell, Taste, Touch)
Memory, Recognition, Knowledge, Experience, Illusion,
Forgetfulness, Consciousness,
Unconsciousness, Common Sense,
Learning

| Human: Number of neurons | |
|--|--------------------|
| Cerebrum | 14 billion |
| Cerebellum | Approx. : 100 bil. |
| Sense organs: Eye, Ear, Nose, Tongue, Skin | |



| ICT · AI | | |
|---|-------------------------------|--|
| Computer | up to PFLOPS | |
| Storage | up to 10 Tbit/in ² | |
| Connectable count: 340×10 ³⁶ | | |

Fujitsu Laboratories' Concept of Al



- Structurization of existing knowledge: Utilize the vast knowledge produced by human beings around the world.
- Acquisition of unknown knowledge: Utilize the vast knowledge accumulated by sensing devices in a real world.
- Creation of Knowledge: R&D for learning and discovery science















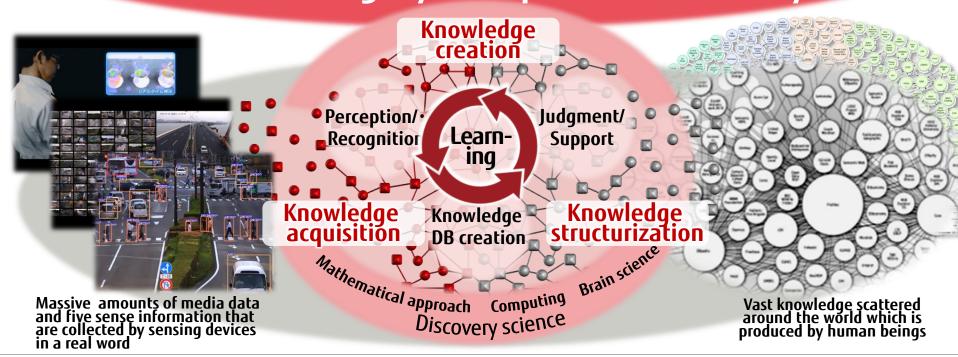








Al that is highly acceptable to society





Technology Exhibits

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Technology Exhibits presented today (1/2)



Service-Oriented Connection (2 out of 14) *

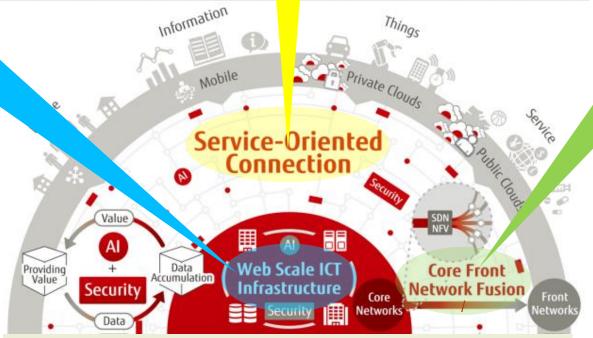
- **3.** Cloud Migration Technologies Enabling Digitization of Business System
- **4.** Service Co-Creation Platform Promoting the Comfortable Place Development

Web Scale ICT Infrastructure (2 out of 14) *

- **5.** High-Speed/Large-Scale Deep Learning Based on Supercomputer Technology
- 6. Log-analysis Technologies for Visualizing and Tracking OpenStack's Internal API Calls

Core/Front Network Fusion (2 out of 13) *

- **7.** Service Networking Technology Enabling Rapid Deployment of IoT Systems
- **8.** Compact 300 GHz Receiver for Wireless Communications of Tens of Gigabits per Second



Leading-Edge Basic Research (4) *

1. Novel Architecture to Rival Quantum Computers

*Number inside parentheses indicates the number of press releases issued so far since Apr., 2015

Technology Exhibits presented today (2/2)



AI (4 out of 18) *

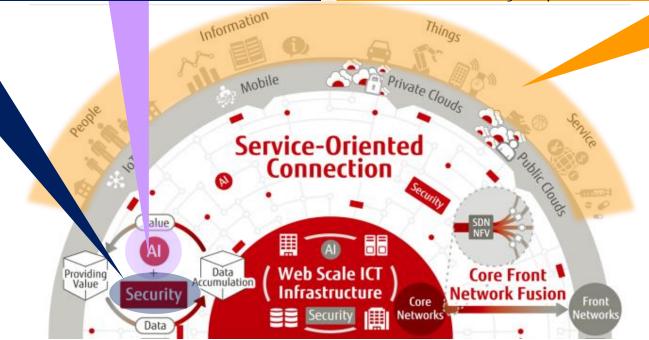
- 2. New Deep Learning Technology Leading to a Discovery from Data Describing All the Connections among People and Things
- 9. Improving Customer Satisfaction through Appropriate Omni-Channel Support
- 10. Automatic Generation of Image Recognition Programs in Production Line Using AI Technologies
- 11. Video Monitoring and Analysis Technology for Intelligent Transportation

Security (2 out of 7) *

- **12.** Biocode Cryptographic Technology for Secure and Simple Use in Cloud Service
- **13.** Integrated Cyber Analysis System for Visualizing Whole Picture of Targeted Attacks

Applied Innovation Research (3 out of 17) *

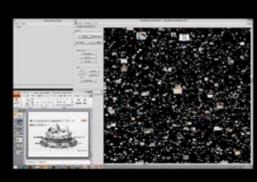
- 14. Enhancing Security of Blockchain for Business Use
- **15.** Instantly Visualizing the Excellence: Scoring Support for Gymnastics Competitions
- **16.** Automatic and Hands-Free Multilingual Speech Translation Technology

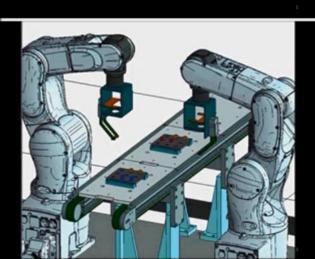


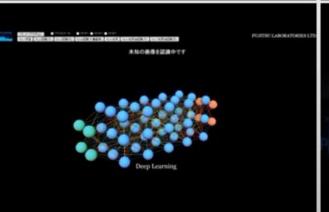
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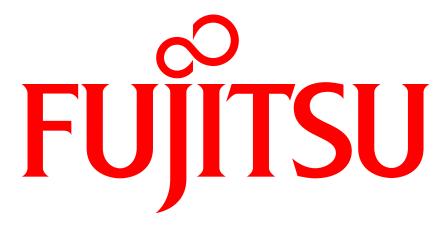












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