

Management

We are pursuing total optimization for the Fujitsu Group by clarifying each Group company's role and position in the process of generating value for the Group as a whole and managing the Group to continuously enhance its corporate value.



Corporate Governance

We are pursuing sound and efficient management and strengthening our governance structure for putting [the Fujitsu Way](#) into practice.

Basic Stance

In order to continuously raise the Fujitsu Group's corporate value, along with pursuing management efficiency, it is also necessary to control the risks that arise from business activities. Recognizing that strengthening corporate governance is essential to achieving this, the Board of Directors has articulated the Basic Stance on Internal Control Framework, and these measures are continuously implemented.

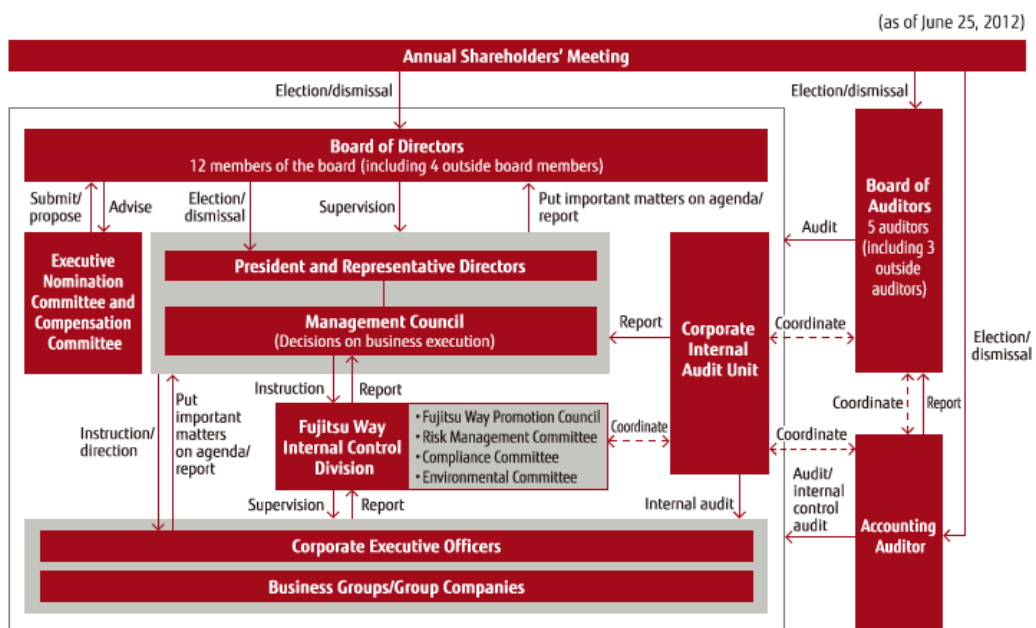
Furthermore, by separating management oversight and operational execution functions, we aim to accelerate the decision-making process and clarify management responsibilities. Along with creating constructive tension between oversight and execution functions, we are further enhancing the transparency and effectiveness of management by proactively appointing outside directors.

With respect to Group companies, we are pursuing total optimization for the Fujitsu Group by clarifying each group company's role and position in the process of generating value for the group as a whole and managing the group to continuously enhance its corporate value.

The Framework for Strengthening Corporate Governance

Fujitsu has established Executive Nomination and Compensation Committees in order to ensure the transparency and objectivity of the process for choosing candidates for the Board of Directors and determining their compensation, and to ensure the appropriateness of the compensation system and levels. The Executive Nomination and Compensation Committees act as consultative bodies to the Board of Directors. Taking into consideration the current business climate and anticipated trends, the Executive Nomination Committee makes recommendations of candidates (draft) for the Board of Directors, choosing candidates having objectivity in making management decisions, foresight and perceptiveness, and a superior character. The Compensation Committee is tasked with making recommendations on executive salaries and methods for calculating bonuses linked to financial performance, taking into consideration compensation levels at other companies with similar business activities, business scale, and other factors. The aim of this activity is to retain superior management talent, and provide effective incentives for improving the company's financial performance.

In addition, we have adopted the processes in place, in accordance with laws and regulations, to ensure that conflicts of interest are avoided, including but not limited to obtaining approval from the Board of Directors.



Enhancing Corporate Governance

Basic Stance

We have established the Fujitsu Way, consisting of a Corporate Vision, Corporate Values, Principles, and Code of Conduct, which guides the Group and its employees in their daily activities.

We pursue the sound and efficient execution of our business activities by striving to accelerate the penetration and implementation of the Fujitsu Way and to promote structures and procedures to ensure that business dealings are appropriate throughout the Group.

Status of Implementation

The Company, through a resolution by the Board of Directors, has adopted the following Basic Stance on Internal Control Framework (resolved on May 25, 2006, and revised on April 28, 2008). In terms of putting an internal control system in place, an organization with executive responsibility for internal control has been established. The Company is, moreover, pursuing initiatives to implement an even more robust operational execution structure by reviewing and revising its regulations and business operations.

To accelerate the penetration and implementation of the Fujitsu Way and ensure the appropriateness of business operations, Fujitsu is promoting the implementation and evaluation of its internal control structure. This effort is led by the Fujitsu Way Promotion Council, which reports directly to the Management Council. In addition to the Fujitsu Way Promotion Council, three other groups were established directly under the Management Council and tasked with pursuing more robust and efficient business execution: the Risk Management Committee, the Compliance Committee, and the Environmental Committee.

The functions of each are described below.

Fujitsu Way Promotion Council

The Council promotes the embedding and implementation of the Fujitsu Way. In addition, it has also been promoting Project EAGLE, which is a Group-wide activity for building an internal control system for effective and reliable financial reporting in compliance with the Financial Instruments and Exchange Act, and by which the company has been able to promote the implementation and evaluation of internal control. By establishing a promotion organization dedicated to this endeavor, the Council has been working to implement this internal control system across the Group. Along with improving controls over financial reporting, the goals of the project also include achieving greater efficiency through the pursuit of business process reforms across the Group.

Risk Management Committee

With respect to risks associated with the Company's business activities, Fujitsu has established rules and guidelines for risk management, and designated managers at Fujitsu Limited and Group companies whose responsibilities are to promote risk management. It has also established risk management systems and processes for the Fujitsu Group as a whole that are designed to prevent and minimize potential risks as well as address any risks that have emerged, while promoting mutual collaboration within the Fujitsu Group. These systems and processes are subject to continuous improvements. The Risk Management Committee reports to the Management Council and the Board of Directors on significant risks and holds discussions with them on countermeasures. It also seeks to identify the root causes of these risks and propose and execute measures to prevent their reemergence. In addition, Fujitsu continues to promote Business Continuity Management to ensure its ability to carry out its corporate social responsibilities through the continuity of its major business operations, and its ability to provide a stable supply of the high-performance, high-quality products and services that its customers need in the event of unforeseen major disasters.

Compliance Committee

This committee promotes adherence to social norms and corporate rules as well as the creation of corporate systems and initiatives for fostering a corporate culture of respect for norms. In conjunction with efforts to maximize compliance, a helpline system was set up as a confidential liaison point to receive reports from employees and provide guidance to them on matters of conduct.

Environmental Committee

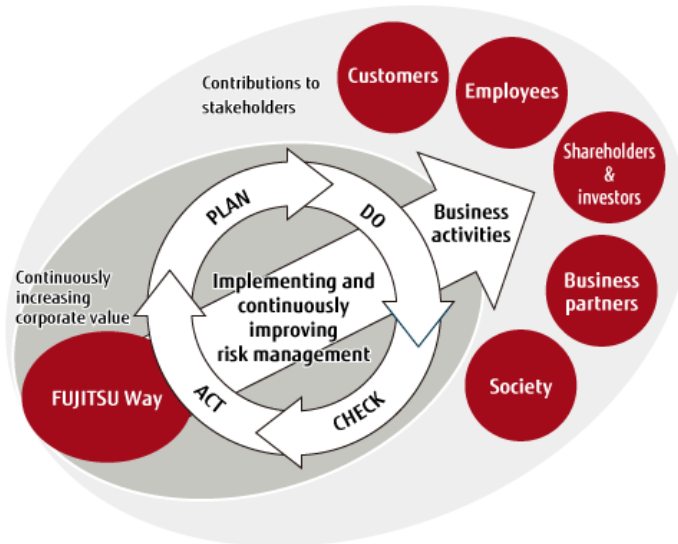
This committee is responsible for promoting the environmental protection activities of the Fujitsu Group, which are based on the Fujitsu Group Environmental Policy and the Fujitsu Group Environmental Protection Program.

For further details, please refer to the following document.

-  [Corporate Governance \(Fujitsu Limited Annual Report 2012, pp. 076-088\)](#) [471KB / 13 pages]

Risk Management

Through its global activities in the ICT industry, the Fujitsu Group continuously seeks to increase its corporate value, and to contribute to its customers, local communities and indeed all stakeholders. Properly assessing and dealing with the risks that threaten the achievement of our objectives, taking steps to prevent the occurrence of these risk events, and establishing measures to minimize the impact of such events if they do occur and to prevent their reoccurrence are assigned a high priority by management. The entire Group has built a risk management system in accordance with the Fujitsu Way, and is committed to its continuous implementation and improvement.



Business Risks

The Group identifies, analyzes and evaluates the risks that accompany business activities and works on measures to avoid or reduce them, and to deal with them quickly in the unlikely event that they materialize.

Examples of Business Risks^{*1}

- Economic and financial market trends
- Changes in customers' ICT investment trends and being unable to maintain lasting ties with customers
- Competitors' strategies and industry trends
- Procurement, alliances and technology licensing
- Public regulations, public policy and tax matters
- Deficiencies or defects in products and services, information security, project management, investment decisions, intellectual property rights, human resources, environmental pollution, credit risks, etc.
- Natural disasters and unforeseen incidents

*1 :

These are just some of the risks of doing business. More detailed risk-related information can be found in our earnings report, securities reports and other published reports.

Risk Management Structure

We have established the Risk Management Committee as a body to perform risk management in accordance with the Fujitsu Way. This committee reports directly to the Management Council.

The Risk Management Committee appoints risk management executives in all business units and companies throughout the Group, and encourages cooperation among them both to guard against potential risks and to mitigate risks that materialize, forming a risk management structure for the entire Group.



The Risk Management Framework

The Risk Management Committee is responsible for grasping the risk management situation in all Fujitsu business groups and Group companies in Japan and overseas, establishing the appropriate policies and processes, etc., and both implementing and continuously improving them. In practical terms, it decides on risk management regulations and guidelines, applies them and regularly reviews and improves them.

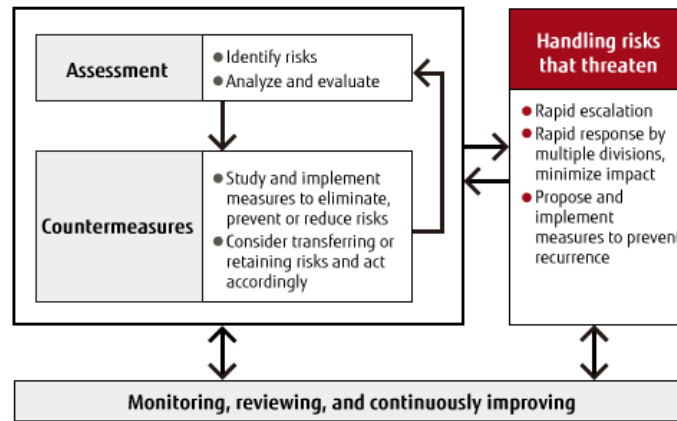


Risk Management Processes

The Risk Management Committee, which maintains regular communications with risk management executives, identifies, analyzes and evaluates the risks of business activities, confirms the detailed measures intended to deal with major risks by averting, minimizing, transferring or retaining them. It also reports important risks to the Management Council.

The Risk Management Committee also prepares responses against the actual materialization of a risk despite the implementation of various preventive measures. If a critical risk such as a natural disaster, product breakdown or defect, a problem with a system or service, a compliance violation, an information security breach, or an environmental problem materializes, the department or Group company reports immediately to the Risk Management Committee. The Risk Management Committee coordinates with the related divisions and workplaces for rapid resolution of the problem by appropriate measures such as establishing a task force. At the same time, the Risk Management Committee strives to identify the causes of the problem and propose and implement solutions. Additionally, for critical risks, the committee also reports as appropriate to the Management Council and the Board of Directors.

The Risk Management Committee continuously confirms the implementation status of these processes and works to make improvements.



Group-Wide Disaster Preparedness

To build a robust disaster-preparedness network and enhance our business continuity response capabilities, the Fujitsu Group has created a Group-wide disaster-preparedness organization. In Japan, since 1995 we have carried out annual nation-wide disaster-response drills in conjunction with Disaster Preparedness Day on September 1st, assuming an earthquake with its epicenter under the capital or off the Tokai coast. In FY 2011, based on what was learned in responding to the Great East Japan Earthquake, we assumed major damage from an earthquake directly beneath the capital—an event seen as increasingly likely in the next few years—and our drills focused on strengthening the initial response of, and coordination between, our temporary Central Headquarters for Disaster Recovery, set up in the Kansai region, and Fujitsu Group sites affected by the simulated disaster.

Additionally, to ensure both personal injury and property damage are kept to a minimum, Fujitsu Group sites also conduct their own disaster-preparedness inspections, based on independent checklists established at each location. For those locations that are critical to business continuity, an internal team comprised of staff from our environmental management, facilities management, and risk management divisions will go out to verify the results of such inspections, providing guidance regarding possible improvements and monitoring progress. The activities of this Fujitsu Group joint team are intended to verify legal compliance, and to help prevent accidents arising from fires, natural disasters, and aging structures.

Business Continuity Management

The risks of unforeseen events that threaten economic and social continuity, such as natural disasters like earthquakes and large-scale flooding, disruptive incidents, accidents, and epidemics such as the new strain of influenza, have increased greatly in recent years.

To ensure that even when such risks occur, we can continue to provide a stable supply of the high-performance, high-quality products and services our customers need, the Fujitsu Group has established a Business Continuity Plan (BCP), and promotes Business Continuity Management (BCM) as a way of continuously reviewing and improving that BCP.

Through the BCM process, the lessons learned in the course of the Great East Japan Earthquake and the flooding in Thailand are now reflected in our BCP.

In FY 2011, we worked to promote a variety of BCP-related measures. These included enhancing alternative production capacity by promoting use of multiple fabrication sites^{*2} (including overseas), and multiple sourcing^{*3} of parts procurement. We also worked to enhance our data center facilities, ensure redundant internal systems, and otherwise put in place advance measures to ensure a stable supply of products and services. We also continue to implement drills with the participation of corporate management.

Going forward, we will continue to systematically train specialists to ensure widespread implementation and recognition of and further improvements to this BCM. These specialists will be central to our promotion of BCM for the entire supply chain, including not only logistics, production and similar sectors within the Fujitsu Group, but also support for our partners' BCM development.

*2 Multiple fabrication:

Having in place two or more production plants for a product.

*3 Multiple sourcing:

Purchasing goods from multiple suppliers.

Toward a More Assured Business Continuity

To respond to new risk response needs that became apparent in the course of the Great East Japan Earthquake, Fujitsu's Risk Management Office has conducted a fundamental reevaluation of the Group's BCM, and is working on drills and other improvements to further enhance its effectiveness.



Vice President
Risk Management &
Compliance Office
Akihiro Yoshida

Enhancing Disaster Preparedness and Business Continuity Planning Based on Lessons from the Great East Japan Earthquake

Based on its experiences during the Great Hanshin-Awaji Earthquake disaster of 1995, Fujitsu has worked to enhance its disaster preparedness measures. In addition, since 2005 we have actively promoted the BCM through our BCP. As a result, our disaster preparedness and business continuity planning functioned effectively in the aftermath of the Great East Japan Earthquake, a natural disaster of unprecedented proportions for Japan.

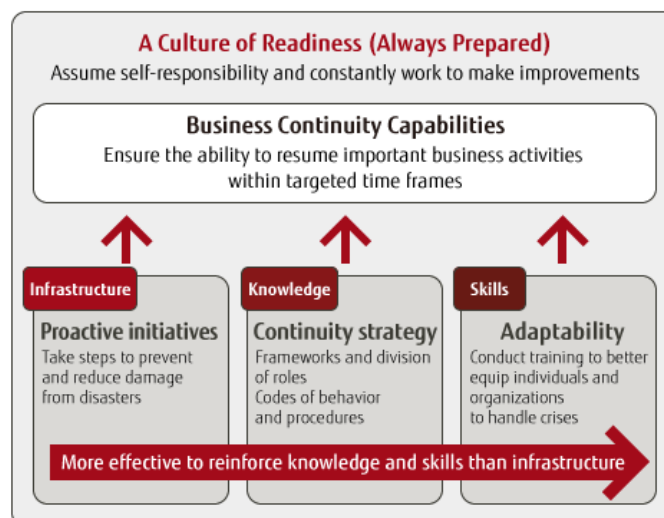
At the same time, while we were relatively quick to launch our Central Headquarters for Disaster Recovery, our initial response was delayed by difficulties in using the manuals that had been prepared. A variety of other issues also became apparent, including the amount of time it took to distribute emergency supplies to employees left stranded in high-rise office buildings.

Additionally, in regions directly affected by the disaster, an unforeseen chain of events occurred, the effects of which grew in complexity—a painful reminder that further improvements to our existing initiatives would be needed. Specifically, for production plants where recovery was deemed difficult, we were able to switch production to alternative facilities, but the lead time required to do so was 1.5 times the target figure under the BCP.

To take advantage of this experience, a checklist for determining the difficulty of plant recovery, and a prioritized list of procedures for shifting production to alternative facilities, have been newly incorporated in the BCP. To further prepare for unprecedented events, we are considering adding production facilities in Mie and Kyushu to the five sites in the Tohoku region that can be switched to alternative production sites.

Based on these lessons, Fujitsu is reexamining its measures in response to the possibility of an earthquake directly striking under Tokyo, and we continue to promote enhancement of business continuity plans.

The Fujitsu Group's Vision for BCM



Reevaluating Initial Response and Conducting Large-Scale Disaster Response Drills

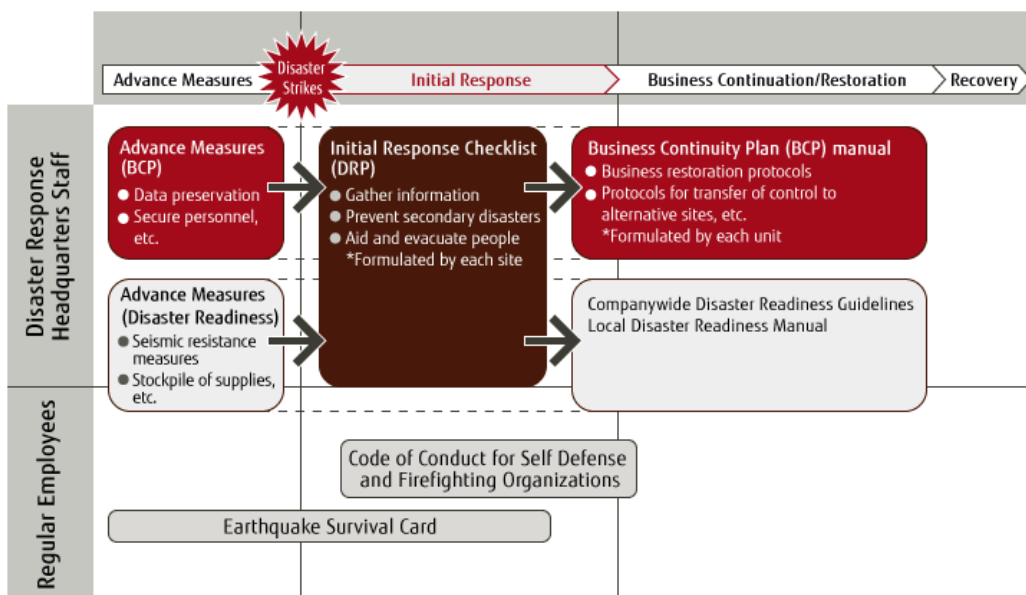
Looking back again at last year's disaster, the biggest lesson we at Fujitsu learned was the importance of our initial response immediately following the disaster. As a result, we have put in place a new Disaster Response Plan (DRP). The DRP provides a checklist for staff of the Disaster Response Headquarters to follow, covering actions to be taken within the first three hours immediately following a disaster, including confirming the safety of employees and providing employee support. This will make it possible to take quick action in the event of a similar catastrophe. Other companies in the Fujitsu Group are also moving to put this DRP in place.



Poster of the entire DRP process on the wall of the Risk Management Office

On September 1, 2011, Fujitsu also held a joint Group drill, based on the lessons learned in the Great East Japan Earthquake, to practice its response to a possible earthquake striking directly below the Japanese capital of Tokyo. Ninety-eight Group companies across 260 locations participated in the drill. The drill, which was based on a scenario developed together with Fujitsu Research Institute, was unusual in that it required the response headquarters established at each office to respond ad lib to the simulated damage. A temporary Central Headquarters for Disaster Recovery was set up in the Kansai region as the disaster occurred, with each office reporting on conditions via satellite phone or MCA wireless links. At the same time, they used CRMate, a SaaS-based information sharing system, to confirm coordination and to verify that the established DRP was functioning effectively. Additionally, drills included confirming the safety of about 80,000 Group employees located in the assumed disaster zone, and practice in transporting emergency supplies by helicopter from the Tokai regional office via the Nagoya airport, for delivery to the Atsugi Research Laboratory.

Initial Response Checklist (DRP) Position within BCP



A Variety of Initiatives in the Year Following the Disaster

Experiences gained in last year's disaster must not go to waste, and must be put to use in future planning. At Fujitsu, we have asked employees who were working in the affected regions at the time to submit records of their actions since the earthquake, and we are now analyzing and considering measures based on that information.

At Fujitsu Isotec, one of the plants affected by the earthquake, damage was caused by, among other things, a ceiling-mounted air conditioning unit that fell. This prompted the formulation of a new FUJITSU Earthquake-resistance Standard, which all Fujitsu Group-owned businesses have been required to apply beginning in December 2011. This standard integrates public seismic resistance policies with guidelines established by Fujitsu over the course of the past three major earthquakes.

To quickly put in place internal IT infrastructure capable of responding to wide-area disasters, Fujitsu has also begun working to install distributed network gateways and back-up power generating equipment, as well as redundant WAN circuits. With this most recent disaster, Fujitsu is also surveying the correlation between its suppliers' BCM assessment scores and the time required for restoration of operations, verifying the correlation between their BCM efforts and the time it takes for them to restore supplies. Based on these results, we are now using seminars and other means to provide suppliers with ongoing BCM enhancement support, and are reviewing a move to multi-source procurement and measures to ensure an optimal store of supplies.

To ensure proper business continuity, it is both effective and important to continuously improve and firmly establish action plans, and to enhance skills in areas such as disaster response capability. At Fujitsu, we hope to continue working to develop specialists in each division capable of independently promoting BCM initiatives.

Measures Against New Strains of Influenza

We have taken steps against new strains of influenza based on a three-fold influenza policy- to safeguard lives, to stop the spread of infection, and to ensure business continuity. We created a "Basic Action Plan for Measures Against the New Strain of Influenza" that stipulates preventive measures in everyday operations and the response process to be used if an outbreak occurs. We work to disseminate these to all employees through e-Learning and by distributing pamphlets. Also, to contribute to the continuity of social infrastructure businesses and the continuity of our customers' businesses should a pandemic occur or a particularly virulent new strain of influenza arise, we have established, and carry out training based on, a "Business Continuity Action Plan for Measures Against the New Strain of Influenza."

Risk Management Education

We developed and operate a systematic educational curriculum that aims for extensive risk management across the entire Group.

Through this curriculum, we inform our employees of our basic approach to risk management and the rules to be followed, and cite concrete examples to strengthen our employees' awareness of risk management and their ability to deal with risks. We also hold education and training programs as appropriate on issues such as information security, environmental problems, and natural disasters.

Compliance

We are ensuring thorough compliance in line with the Code of Conduct of [the Fujitsu Way](#).

Compliance Promotion Structure

The Fujitsu Compliance Committee includes an independent lawyer as an observer and promotes the thorough diffusion and implementation of internal company rules, nurturing a corporate culture to comply with the Code of Conduct of the Fujitsu Way, and constructing the necessary internal systems and structures.

Furthermore, in cooperation with the Legal Division for Rules & Compliance the Risk & Compliance Office (the administrative office of the Compliance Committee) carries out activities aimed at instilling an awareness of compliance.

Compliance Promotion Structure



Activities Promoting Compliance

The Fujitsu Group engages in various activities to ensure widespread awareness of the need for compliance.

In Japan, we update our "Understanding and Following the Code of Conduct" guidebook as appropriate so that the Code of Conduct is implemented at the workplace and in business, and provide it over the Fujitsu intranet along with introduction of concrete examples of Anti-Monopoly Act or bribery problems. An internal system to handle reports and inquiries from employees on antimonopoly issues has also been established.

In FY 2011, based on responses to the questionnaire on the Code of Conduct carried out in FY 2010, we implemented an e-learning program for all Fujitsu employees in Japan (completion rate 99%), focused on issues that could likely occur within the company, or problems that could have a serious impact on the Company if they occur, such as power harassment, bribery, cartel formation, and unauthorized copying. Through case studies, the program provided each employee with an opportunity to review and improve his or her own conduct.

In FY 2012 we plan to successively implement the same e-learning program for employees of Group companies in Japan.

Raising awareness of compliance

To raise awareness of compliance issues, Fujitsu has created compliance manuals that explain, in an easily understandable manner, the main laws (the Anti-Monopoly Act, the Unfair Competition Prevention Act, and the Act against Delay in Payment of Subcontract Proceeds, etc.) that closely affect our business. We have made these manuals known to employees at Fujitsu and domestic Group companies via our intranet.

The content of the manuals is revised as necessary in line with amendments to laws and other developments.

Besides Japanese laws, we have also prepared a compliance manual on the U.S. Export Administration Regulations (EAR), which are closely connected to our global business development activities. Efforts are focused on ensuring familiarity with this manual among employees.

Overseas, we have provided a guideline called Global Business Standards (GBS), which sets forth detailed guidelines on the Code of Conduct for each Group company. GBS has been codified into rules at each Group company. At the same time, we use e-mail and the Internet to ensure that employees understand these rules.

Compliance education

To ensure strict legal compliance, the Group invites external lawyers as lecturers on compliance to educate executives of Fujitsu and Japanese Group companies. The heads of sales divisions and branches are also given in-house training in tendering laws and regulations, as well as anti-monopoly and other legal issues. Newly appointed managers are given regular instruction by in-house lecturers on the Code of Conduct, and the vital importance of compliance, with typical examples where legal decisions may be difficult.

At overseas Group companies, we also provide compliance education to executives and compliance officers through programs carried out by external instructors. For employees, we provide e-learning programs covering the aforementioned GBS along with items such as anti-corruption measures.

Furthermore, we have printed the Code of Conduct of the Fujitsu Way on wallet-sized cards and distributed them to all Group employees. These cards are designed to serve as a quick reference of the Code of Conduct for employees when they are dealing with customers or business partners, or when they are uncertain about a decision in the course of daily operations. The card is also prepared in several languages and distributed to non-Japanese employees.



Operating an Internal Reporting System

Helpline

Since September 2004, we have been operating an internal helpline system to handle reports and provide consultations for all Group employees (including seconded, contracted, part-time or other short-term employees as well as temporary staff).

This helpline is intended for use by employees who are uncertain about a decision or suspect a violation in the course of executing daily business operations, based on the Code of Conduct set forth by the Fujitsu Way.

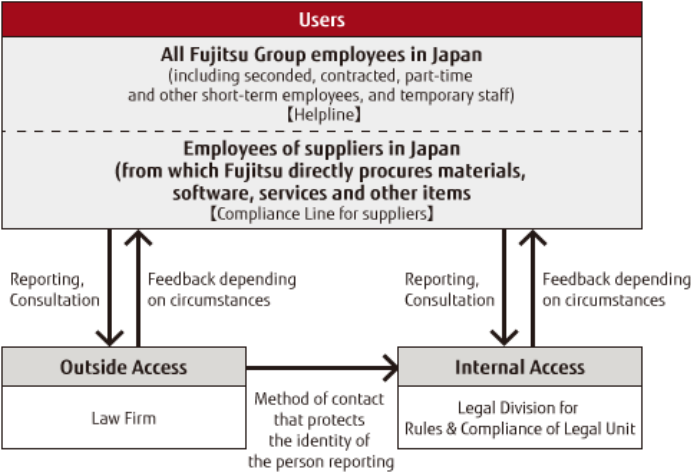
Each of the Group companies in Japan and overseas has also established and operates its own internal reporting system.

Compliance line for suppliers

In August 2009 the existing helpline system was extended by a compliance line for suppliers to handle reports and inquiries directly from the employees of companies that supply Fujitsu with products, services or software, etc.

The system forbids any and all sanctions against employees and suppliers for making such reports, and meticulous care is taken in handling the information so as to preserve their anonymity.

Internal Reporting System for Suppliers



Information Security

We are ensuring the proper management and use of information, in line with internal rules based on the Code of Conduct in the Fujitsu Way.

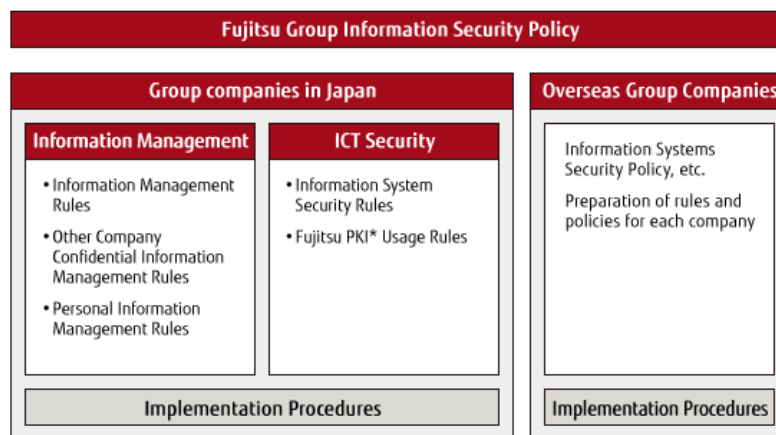
Our Basic Approach to Information Security

We see maintaining confidentiality as a vital aspect of our social responsibility. Based on this approach, we have established the Fujitsu Group Information Security Policy, consistent throughout the world, and are promoting information security in accordance with the policy.

- [Fujitsu Group Information Security Policy](#) [24KB]

Our framework of information security rules

Each Group company codifies related rules in accordance with the Fujitsu Group Information Security Policy, and implements information security measures.



* PKI (Public Key Infrastructure): Rules relating to the use of systems for personal identification and encoding.

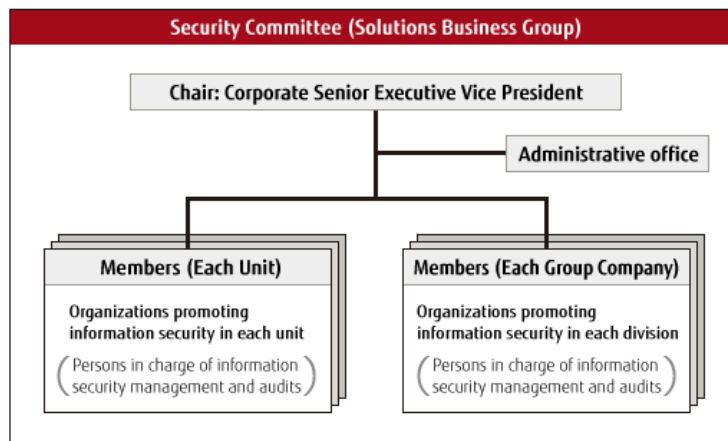
Strengthening Information Security at the Business Group Level

To assure the strongest possible information security management, we are working to implement a security management structure.

The Group operates in a wide variety of industries and is promoting individual businesses by organizing them into business groups. Information security measures are implemented to reflect the individual characteristics of each business.

A number of business units at Fujitsu and some domestic Group companies have acquired ISMS (Information Security Management System) certification and are working to provide thorough management of confidential information including customers' information.

Information Security Management Structure



Teaching and promoting awareness of information security

Starting in FY 2008, using a common slogan that translates as "Declaration for complete information management! Information management is the lifeline of the Fujitsu Group," Fujitsu and domestic Group companies have been working to increase information security awareness at the individual employee level by displaying posters at respective business locations, affixing information security awareness stickers to all business PCs used by employees, and other measures. We have also taken steps to enhance security through the application of ICT, such as by introducing a remote data deletion solution (CLEARSURE) and a mail checker tool (SHieldMailChecker) to prevent e-mail from being sent externally in error. Furthermore, e-learning courses are held for all our employees, including executives, each year in order to further establish information security awareness.



Held information security presentation for business partners

These days, there have been many occurrences of information being leaked or lost. In response, the Fujitsu Group has held information security presentations that were not only for Group employees but also for domestic business partners who commission software development and services.

- [Example of seminars held in FY 2011](#)

Personal Data Protection Initiatives

We have stipulated a Personal Data Protection Policy and Rules for Management of Personal Data in accordance with Japan's Act on the Protection of Personal Information. Based on these rules, we give education on how private information should be handled and carry out surveys in an ongoing effort to strengthen the protection given.



In August 2007, we acquired company-wide PrivacyMark certification and have since been renewing this certification every two years. Domestic Group companies are also acquiring PrivacyMark certification individually as necessary, and promoting thoroughgoing management of personal data. Overseas Group companies are also publishing privacy policies that meet their various national legal and social requirements on their main public Internet websites.

Protection of Intellectual Property

We are appropriately managing intellectual property rights (respect/protection) in all aspects of our business activities.

Our Basic Approach Toward Intellectual Property

"We protect and respect intellectual property" is a basic tenet of the Code of Conduct of the Fujitsu Way.

In line with this statement, all Fujitsu Group employees recognize intellectual property as an important business asset that supports Group activities and gives our customers a sense of safety and trust in the Group as their partner, so employees are required to keep this constantly in mind as they perform their duties.

We established an internal rule in order to encourage the proper handling of intellectual property in October 1995. This rule not only specifies what all employees should do to acquire, maintain and use intellectual property rights, but also directs them to respect those of other companies.

Respecting Intellectual Property

The Group regards any infringement of intellectual property rights by its products and services as a serious defect. Accordingly, to avoid infringing other companies' patents, we conduct thorough searches of their patents at the initial stages of research and development and prior to putting the products or services onto a market.

We protect our business by dealing resolutely and swiftly with any and all infringements of Fujitsu's rights, and at the same time we respect others' rights, as mentioned above.

-  [Intellectual Property Report](#) [3.44MB / A4 / 20 pages]

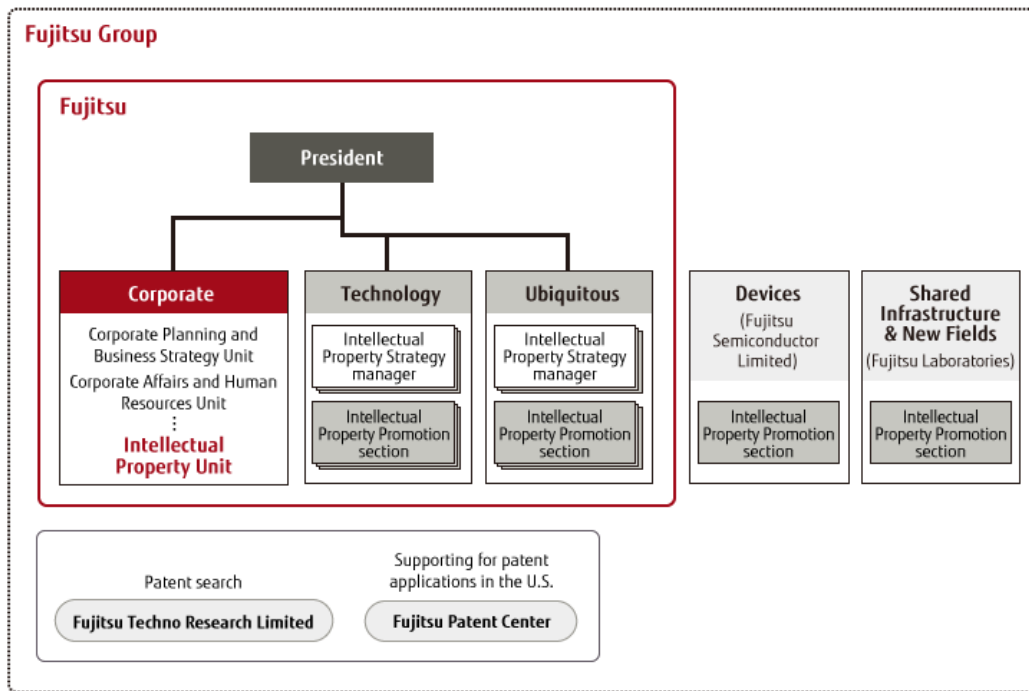
Organizations and Frameworks to Protect Intellectual Property Rights

Established as a corporate division, the Intellectual Property Unit handles general legal and compliance issues pertaining to intellectual property, makes plans and proposals for the Fujitsu Group's intellectual property strategy, and works to capitalize on intellectual property in part by acquiring patents for and licensing these rights. Its extensive initiatives also include promoting strategic standardization activities.

The Intellectual Property Unit establishes uniform policies, and leads overall Group activities on the intellectual property front. Additionally, each of the business groups in all of the segments has an intellectual property strategy supervisor and promotion section. This framework allows for close cooperation between R&D and intellectual property divisions.

To facilitate global business development, we are also working to appropriately acquire, maintain, and utilize intellectual property throughout the world. Specifically, we have representatives stationed in the US and China to identify and promote patent applications for inventions coming out of our research and development sites in those countries. Further, we established the Fujitsu Patent Center in 2007 to improve our patent right acquisition performance in the US, subsequently expanding its activities to further raise patent quality with an eye to utilization in business.

ORGANIZATION



Intellectual Property Education and Enlightenment

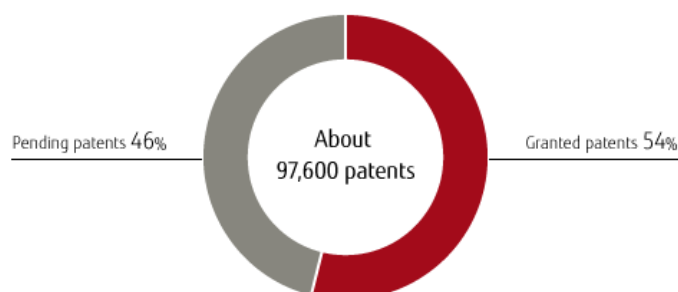
Fujitsu sees employee education as key to the successful execution of its intellectual property strategy. We put in place an intellectual property education system targeting effective, efficient learning. We look to strategically develop human resources by offering training programs to meet the needs of individual employees in various disciplines and stages of their career. We provide two types of training programs—e-learning and classroom education—so that employees can select the format that works best for them.

The Fujitsu Group believes it is vital to drive home to employees through such initiatives an understanding of intellectual property's importance, as well as the need for business, research and development, standardization, and intellectual property strategies to be conducted in concert.

Patent Portfolio Status

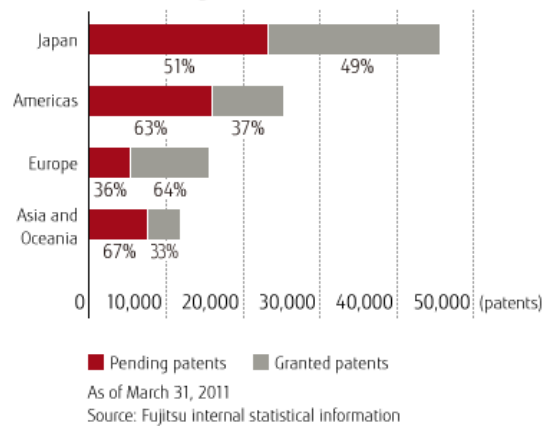
The Fujitsu Group holds roughly 102,000 patents worldwide as of March 31, 2011.

Fujitsu Group's Pending and Granted Patents Worldwide



As our business has become more global, our overseas patents have come to outnumber our domestic patents. Fujitsu and its Group companies are striving to enhance patent portfolios by aggressively filing patent applications and acquiring patent rights globally, as well as by identifying inventions born from local research and development sites in places like the US, Europe, and China.

Breakdown of Granted and Pending Patents for Each Region



With respect to patent position, Fujitsu ranked 12th in Japan (based on our own research) and 13th in the US (based on IFI CLAIMS Patent Services research) in 2010 in terms of the number of patents registered. The Fujitsu Group's registered patents total 4,239 in Japan and 2,007 in the US.

Number of Granted Patents in Japan in 2011

		(patents)
1	Panasonic Corporation	6,812
2	TOYOTA MOTOR CORPORATION	5,011
3	Sony Corporation	4,300
4	Canon Inc.	4,206
5	TOSHIBA CORPORATION	3,825
6	Mitsubishi Electric Corporation	3,655
7	Ricoh Company, Ltd.	3,330
8	Honda Motor Co., Ltd.	3,163
9	SEIKO EPSON CORPORATION	2,964
10	Sharp Corporation	2,959
11	Denso Corporation	2,949
12	FUJITSU LIMITED	2,902
13	Fuji Xerox Co., Ltd.	2,689
14	Hitachi, Ltd.	2,510
15	FUJIFILM Corporation	2,156
16	Panasonic Electric Works Co., Ltd.	2,074
17	KYOCERA Corporation	1,884
18	NEC Corporation	1,877
19	Dai Nippon Printing Co., Ltd.	1,832
20	BROTHER INDUSTRIES, LTD.	1,725

All applicants were counted on the Patent Grant issuance date.
Source: Fujitsu survey based on Japan Patent Office data
The number of patents granted to Fujitsu Group companies other than Fujitsu Limited is 1,337 (24 companies).
Total Fujitsu Group patents: 4,239

Number of Granted Patents in the U.S. in 2011

(patents)

1	IBM Corporation	6,180
2	Samsung Electronics Co., Ltd.	4,894
3	Canon Inc.	2,821
4	Panasonic Corporation	2,559
5	TOSHIBA CORPORATION	2,483
6	Microsoft Corporation	2,311
7	Sony Corporation	2,286
8	SEIKO EPSON CORPORATION	1,533
9	Hon Hai Precision Industry Co., Ltd.	1,514
10	Hitachi, Ltd.	1,465
11	General Electric Company	1,448
12	LG Electronics, Inc.	1,411
13	FUJITSU LIMITED	1,391
14	Hewlett-Packard Development Company, L.P.	1,308
15	Ricoh Company, Ltd.	1,248
16	Intel Corporation	1,244
17	BROADCOM	1,164
18	GM Global Technology	1,095
19	Renesas Electronics Corporation	1,005
20	Honda Motor Co., Ltd.	0,997

All applicants were counted on the Patent Grants issuance date.

Source: IFI CLAIMS Patent Services data

The number of patents granted to Fujitsu Group companies other than Fujitsu Limited is 616 (13 companies).

Total Fujitsu Group patents: 2,007