Summary Translation of Question & Answer Session at FY2013 Fujitsu R&D Strategy Briefing

Date and Time: **April 3, 2013, 15:00-16:00**
Venue: **Okada Memorial Hall, Fujitsu Laboratories Limited**
Presenter: **Tatsuo Tomita, President, Fujitsu Laboratories Limited**

Questioner A

Q: On slide 12 of the presentation materials, you show the change from the Previous Core Strategic Themes to the New Core Strategic Domains and how you have changed the names of the categories. What is the significance of these changes?

A: Three years ago we formulated our vision of the Human Centric Intelligent Society (HCIS). When we started, HCIS was meant to express the union of two research domains: Human Centric Computing (HCC) and Intelligent Society (IS). As our research progressed, however, we realized that the HCC domain is very broad and that there is considerable overlap with how the IS domain is defined.
To make the categorization for fields in which Fujitsu Laboratories would generate innovation easy to understand, and to enable former seeds-oriented R&D to progress and be fully incorporated as part of our New Core Strategic Domains, we created the domains of Ubiquitous Innovation, Social Innovation, and ICT Innovation.

Questioner B

Q1: What, specifically, do you mean by "R&D achievements" mentioned in your presentation? Are these "achievements" based on recognition from technical conferences, or are they based on an evaluation of their potential to be reflected in commercialized products?

A1: Of all of the technological achievements we announced in fiscal 2012, the achievements we highlighted in this presentation are representative examples of achievements which we feel are particularly significant. We have a total of 1,500 researchers at Fujitsu Laboratories, with 1,250 in Japan and 250 based outside of Japan, so we have generated many results beyond the achievements we highlighted today. Our references to "achievements" in this presentation are in terms of announcements of research results, so it does not necessarily mean that these technologies will quickly result in commercialized products. When we make the announcements, we also convey our thoughts about the potential for commercialization. When you see our technology exhibits today, if you have any questions about any particular technology's potential for commercialization, the researchers involved should be able to give you their own views on the matter.

Q2: The scope of the fields in which you are pursuing research is very broad, so I think it is very difficult for you to develop everything on your own. If you have any target ratio for in-house development work versus the use of open innovation, please let us know what it is.

A2: It is very difficult for me to express the ratio in terms of a specific figure, but fundamentally, we cannot rely exclusively on external innovation. When Fujitsu Laboratories takes on a project, we eventually have to pass the technology along to the business divisions in a form they can understand and absorb. There may be area in which we are behind but in which we eventually would like to catch up. In such cases, we may consider joining forces with a group that is relatively more advanced in that area. Or there may be an outside group focusing on the same area of research that we are but pursuing a

different approach. If we determine that it may be worthwhile to examine the area using both approaches, we may work together with that group on joint development. When we think it is necessary, we work together with outside groups, but we do not confine ourselves to any predetermined parameters. Even when we do work with outside groups, it requires a commitment of time and resources on our part, as well, and it is important that we not exceed our capacity to handle it, so there will always be a limit on the volume of work we outsource.