

[PRESS RELEASE]
(Capital Investment)

June 13, 2019 Fujitsu General Limited (No.19-V01-11)

Development Base to Increase the Pace of New Value Creation Will Start Operations in July: Promotion of Interdepartmental Synergy and Open Innovation

Fujitsu General has constructed a development base, the Innovation & Communication Center (hereafter "ICC") on the grounds of our Kawasaki Head Office to promote interdepartmental synergy within our company, and open innovation with those outside, to create new value through innovative manufacturing. The building was completed on June 12th and will start operations in July. The total amount of investment is approximately 6.4 billion yen combining the construction and test equipment costs.

The ICC, which will be the new core base of our group's technology and development, features a Center Court to induce communication between employees of different departments, and the Wai-Gaya Campus to enhance creative powers.

We have also set up a dedicated space for research and study of commercial air conditioning systems, to combine products such as chillers and air handling units that we do not develop with our in-house products. In addition, we have the Alliance Lab test site to provide a place for putting together ideas and making trials in collaboration with those outside the company. This will promote open innovation by integrating technologies and knowledge from inside and outside the company.

We are aiming to enhance our engineers' creative powers, technical skills, and knowledge. At the same time, we will promote innovation and strengthen efforts to create new value by combining technologies and knowledge with our collaborators and business partners.

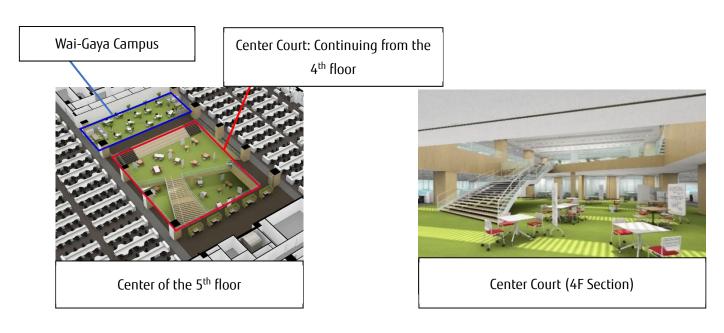


Core Base for Technological Development: Innovation & Communication Center

Overview of the Innovation & Communication Center

Feature 1: Induces In-house Interdepartmental Synergy and Promotes Innovation

- Layout of the Office Area (4F and 5F)
 In the center of the office area on the 4th and 5th floor, we have placed an atrium space with a sense of openness and a broad staircase to go back and forth between the two floors to stimulate communication. We have placed office
 - seats in areas on both sides of this open area. Furthermore, we have installed "concentration booths" allowing space for deep thinking or holding discussions among small groups in the area by the windows.
- Center Court Induces Communication between Engineers
 - We have named the open space on the 4th floor and the mid-floor space that connects to the 5th floor the "Center Court". This is a wide space where it is possible to hold simple discussions or large meetings with dozens of people. We have deliberately placed the Center Court on the path where people come and go. The aim is to encourage new ideas and stimulate communication by getting people from different departments talking and listening to each other and participating in discussions together.
 - Moreover, the floor is green in the image of a lawn and the walls have textures of warm wood. This enhances the effect of relaxation and sense of openness to create an environment in which the participants of discussions and meetings find it easy to speak proactively.
- Wai-Gaya Campus a Place to Share Knowledge and Ideas
 The Wai-Gaya Campus, adjacent to the 5F section of the Center Court, is a space to hold small study sessions, give presentations on research results, and hold seminars and training workshops for a large number of people. It has an open environment without partitions. Participating members will use this as a space to share knowledge and ideas in an informal and open manner.



Feature 2: Combining Knowledge from Inside and Outside the Company to Promote Open Innovation

- Alliance Lab: Test Site to Try Various Ideas from Inside and Outside the Company The Alliance Lab is a test site to promote innovation by combining various ideas from inside and outside the company in view of collaboration and cooperation with external companies. Images of products conceived in the idea review area, can be visualized it in the trial area next door. We can then conduct even more specific and indepth reviews to give shape to our ideas in a short period of time.
- Human Square: Personnel Development Base We expect that the Human Square will be used as a base for personnel development, by passing on ideas, technologies and skills. This will be realized by conducting presentations on achievements in products and technologies produced through open innovation with external companies, acquisition of air conditioner knowledge and skills, and by inviting lecturers from outside the company for seminars.

<u>Feature 3: Multipurpose Environmental Test Room to Reproduce Installation Environments from Various Places Around the World and Diverse Living Environments (Scheduled for Establishment in March 2020)</u>

In this test room, we can conduct various kinds of verification tests, and collect and accumulate data by reproducing installation environments from various places around the world – from intense cold to extreme heat – and other diverse indoor living environments. This will promote development process innovation and the commercialization of new technologies. It will also reduce the development time and create new value for air conditioning.

- Development Process Innovation
 Visualizing the airflow, noise and vibrations will speed up the solution to technical problems in the upstream of development. At the same time, this will strengthen the creative powers of our engineers.
 Furthermore, combining of visualization data and simulation technologies will strengthen theoretical design based on principles and mechanisms. This will shorten the development time and reduce prototypes.
- 2) Commercialization of New Technologies We will work on research and development to increase the value of air conditioners. In order to elucidate the principles and mechanisms of human comfort (sensing warmth/coldness and physiological phenomena), we will reproduce diverse indoor environments, determine what is comfort, divert the basis of comfort from the conventional room temperature control to people-centered control, and further improve intellectual productivity by controlling the physiological conditions.

Others

Health Design Center We regard the health of our employees and their families as assets of our company. Therefore, we are promoting health management by establishing the Health Design Center in the ICC.

In addition to the examination and interview room of our industrial physician, we have prepared an open space for doing light exercises or yoga and some health equipment (e.g. monkey bars). Our employees can maintain their body and mind healthy, and refresh themselves comfortably while communicating with each other.



Health Design Center

Overview of the Innovation & Communication Center (ICC)

• Construction plan: Construction started in April 2018, completed on June 12, 2019

ZEB Ready advanced structure with energy saving and environmental-

friend liness

Construction area: Approx. 4,800 m²
 Total floor space: Approx. 21,000 m²
 Construction size: Five stories building

1F and 2F: Test rooms, training rooms and work space

3F: Laboratory equipped with latest equipment and work space 4F and 5F: Office rooms, meeting space and training space (Easy access

from the Air Conditioning Technology Building via a passage on

the 4F)

Maximum office capacity: Approx. 1,300 peopleConstruction costs: Approx. 6.4 billion yen