

**New Factory in Thailand to Start Operation in October:
Strengthening Manufacturing Capabilities by Utilizing the IoT**

FUJITSU GENERAL (THAILAND) CO., LTD. (hereinafter "FGT"), our air conditioner production subsidiary, will launch a new factory (hereinafter "FACTORY-2") in the same industrial Estate as its current factory (hereinafter "FACTORY-1"). It will start operation on October 2.

With the launch of this factory, FGT will produce outdoor units in FACTORY-1 and indoor units in FACTORY-2. Together with this, FGT intends to increase its entire production capacity to 3.4 million units annually*¹ (an approx. 1.9-fold increase on FY2018) by FY2022 by expanding its lines and promoting the utilization of the IoT in both factories. FGT plans to invest a cumulative total amount of approx. 8 billion yen by FY2021 in both factories combined.

Fujitsu General is engaged in proactive upfront investment (including M&As and the construction of the ICC*²) and is working to strengthen our air conditioner business to achieve our mid-term management plan for FY2022.

This investment in FGT is also a part of this. We will increase our production capacity by expanding our assembly lines and in-house part processing facilities. At the same time, we will work on enhancing our production efficiency by utilizing the IoT and improving our production balance between our factories in Thailand and China. Through these efforts, we will further strengthen our manufacturing structure.

Construction of Manufacturing That Utilizes the IoT

We will introduce a real-time IoT System to immediately visualize and analyze a variety of information (e.g., the facility operating situation, production progress on assembly lines, and the inventory and transportation situation of parts). This will enhance the accuracy of production and shipping forecasts in the Head Office and Factory Management Department. In addition, we will also utilize this in the improvement activities of employees in production sites with the aim of improving the productivity efficiency, parts distribution efficiency and facility operating ratio.

Further Promotion of Automation and Labor Saving

We will introduce a system to instruct transportation of parts and products utilizing electric carts (AGVs). By introducing the system, we will create a mechanism for the automation of mold switching work in sheet metal processing facilities and just-in-time production system.

Improvement of the Production Balance in Each Factory

We will increase our production capacity in Thailand. In addition, we will look to review and optimize the models produced in each of our plants in Thailand and China. Through this, we will minimize fluctuations in the busy/slack seasons between factories and harmonize the production balance. This will lead us building an even more flexible production structure.

*1: Annual number of units: Total of the indoor units and outdoor units.

*2: ICC: Abbreviation for the Innovation & Communication Center that we built in our Kawasaki Headquarters as a development base to accelerate new value creation. (The ICC started operations in July 2019.)



FUJITSU GENERAL (THAILAND) FACTORY-2

Contact details

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Overview of FACTORY-2

Name	FUJITSU GENERAL (THAILAND) CO., LTD. FACTORY-2
Location	Laem Chabang, Chonburi Province, Thailand (A site five minutes by car from FACTORY-1)
Start of operation	October 2
Site area	76,970 m ²
Building area (total floor area)	24,200 m ²
Amount of investment	Approx. 8 billion yen (including the amount of investment in FACTORY-1)

Overview of FUJITSU GENERAL (THAILAND) CO., LTD.

Name	FUJITSU GENERAL (THAILAND) CO., LTD.
Location	Laem Chabang, Chonburi Province, Thailand
Established	June 1991
Site area	199,561 m ² (including FACTORY-2)
Building area (total floor area)	92,920 m ² (including FACTORY-2)
No. of employees	Approx. 2,200 (including FACTORY-2)