Fujitsu Limited
November 2, 2017

Fujitsu, Lenovo and DBJ Sign Strategic PC Cooperation

Fujitsu Limited ("Fujitsu") has explored the global strategic PC cooperation with Lenovo Group Limited ("Lenovo") since its announcement on October 27, 2016.

Today, Fujitsu announced the decision to sign agreements with Lenovo and Development Bank of Japan Inc. ("DBJ") regarding a strategic cooperation in the realm of the research, development, design, manufacturing and sales of Client Computing Devices (CCD) for the global PC market.

1. Overview of the Strategic PC Cooperation

Fujitsu will sell a 51% stake in its wholly owned subsidiary Fujitsu Client Computing Limited ("FCCL") to Lenovo International Coöperatief U.A. ("LIC") which is a group company of Lenovo and a 5% stake to DBJ. After the transaction, FCCL will become a joint venture company ("JV") owned by Fujitsu, Lenovo and DBJ and will continue to be known as Fujitsu Client Computing Limited.

The transaction is expected to be closed in the first quarter of FY2018. The aggregate consideration received by Fujitsu will be JPY 28.0 billion that includes JPY 25.5 billion from Lenovo and JPY 2.5 billion from DBJ. After the transaction, Kuniaki Saito, the current Representative Director and President of FCCL, will assume the role of Representative Director and President of the JV.

* The actual consideration could be adjusted from the above-mentioned figures based on FCCL's balance sheet at closing date. The initial consideration from Lenovo will be JPY 17.85 billion and will be adjusted upwards based on FCCL's future business performance.

After the JV is established, FCCL products will continue to be distributed and sold under the Fujitsu brand name. Fujitsu will continue to serve corporate customers worldwide directly or indirectly through its valued channel partner network and provide the related after-sales support and services. FCCL will serve the consumer market in Japan either directly or indirectly through mass retailers and provide product support and services.

Through this strategic collaboration, Fujitsu and Lenovo aim to drive further growth, scale and competitiveness in the PC businesses both in Japan and worldwide. The JV will leverage

Fujitsu's capabilities in global sales, customer support, R&D, highly-automated and efficient manufacturing and systems integration that meet customers' demand. Furthermore, it will benefit from Lenovo's superior operational excellence including world-leading purchasing capability and global business momentum.

Through investment in JV, DBJ will support FCCL's sustainable growth and provide financial expertise from the perspective of a financial institution.

Fujitsu will continue to offer a high-quality, innovative, secure, and reliable Fujitsu branded CCD portfolio to its corporate customers worldwide, contributing to their digital transformation journey, and co-creating the workplace of the future by integrating PC offerings with Technology Solutions

2. Overview of the Recipient of the Shares being Transferred

(1) Name	Fujitsu Client Computing Limited	
(2) Head Office Location	4-1-1 Kamikodanaka, Nakahara-ku, Kawasaki, Kanagawa, Japan	
(3) Representative	Kuniaki Saito, Representative Director and President	
(4) Main Business	R&D, designing, manufacturing, sales, planning, maintenance and support of notebook PCs, desktop PCs, etc.	
(5) Capital	JPY 400 million	
(6) Establishment	February 1, 2016	
(7) Major Shareholders and Percentage of Shares Held	Fujitsu Limited	100.00%
(8) Relationship Between the Parties	Capital	Fujitsu owns 100% of FCCL's total issued shares.
	Personnel	Directors of FCCL include 2 Corporate Executive Officers of Fujitsu and 2 former Corporate Executive Officers of Fujitsu. One of the Audit & Supervisory Board Member of FCCL is an employee of Fujitsu. Besides, a total of 854 members are loaned from Fujitsu to FCCL.
	Business relationship	There is a business relationship in the form of sales and procurement of products and parts of PCs between Fujitsu and FCCL. There is no other special transaction relationship between the two companies.

(9) Operation Results and Financial Position for the Most Recent Three Fiscal Years (JPY)			
Fiscal Year Ended	March 2015	March 2016	March 2017
Net Assets	-	20,671 million	29,971 million (33,861 million)
Total Assets	-	57,180 million	78,876 million (101,783 million)
Net Assets per share	-	2,583,875	3,746,375
Revenue	-	52,363 million	230,505 million (344,074 million)
Operating Profit	-	7,228 million	12,792 million

			(12,943 million)
Ordinary Income	-	7,228 million	12,843 million (13,014 million)
Profit for the Period Attributable to the Owners of the Parent Company	-	4,953 million	9,300 million (9,434 million)
Profit for the Period Per Share	-	619,125	1,162,500
Dividends Per Share	-	0	0

⋆FCCL has not prepared consolidated financial statements although it has subsidiaries. Therefore, the figures above represent unconsolidated financial results of FCCL and figures in the brackets represent the simple aggregate amount of FCCL's and its subsidiaries' financial results. Further, FCCL has only unconsolidated financial results for two months in Fiscal Year Ended March 2016 since it was established in February 1, 2016.

3. Overview of the Recipient of the Shares being Transferred

(1) Name	Lenovo International Coöperatief U.A. (LIC)	
(2) Head Office Location	De Entrée 250, Unit A, 1101 EE Amsterdam, the Netherlands	
(3) Representative	Director: Christophe Philippe Marie Laurent	
(4) Main Business	Financial Holding	
(5) Capital	€20,000 (JPY 265 million*)	
(6) Establishment	September 17, 2014	
(7) Major Shareholders and Percentage of Shares Held	Lenovo International Limited 80.00% Shenzhen Lenovo Overseas Holdings Limited 20.00%	
(8) Relationship Between the Parties	Capital	There are no noteworthy capital ties between the two companies.
	Personnel	There are no noteworthy personnel ties between the two companies.
	Business	There are no noteworthy business ties between the two companies.
	Status of Related Parties	LIC is not a party related to Fujitsu.

* Calculated based on the exchange rate at 5PM, Nov. 1, 2017 disclosed by Bank of Japan.

(1) Name	The Development Bank of Japan Inc. (DBJ)	
(2) Head Office Location	9-6, Otemachi 1-chome, Chiyoda-ku, Tokyo, Japan	
(3) Representative	President and CEO: Masanori Yanagi	
(4) Main Business	The provision of long-term funding (investment and loans)	
(5) Capital	JPY 1,000,424 million	
(6) Establishment	October 1, 2008	
(7) Consolidated Net Assets	JPY 2,986,284 million	
(8) Consolidated Total Assets	JPY 16,570,496 million	
(9) Major Shareholders and Percentage of Shares Held	Finance Minister 100.00%	
(10) Relationship Between the Parties	Capital	There are no noteworthy capital ties between the two companies.
	Personnel	There are no noteworthy personnel ties between the two companies.

	Business	Fujitsu borrowed debt loan from DBJ. As of the end of March, 2017, the amount is 30 billion yen, which is disclosed in the business report. There are no other noteworthy business ties between the two companies.
	Status of Related Parties	DBJ is not a party related to Fujitsu.
	Other Relevant Information	DBJ invests Socionext Inc which is the affiliates for both DBJ and Fujitsu.

4. Number of Shares being Transferred, Transfer Values and Number of Shares before/after the Share Transfer

(1) Number of Shares before the Share Transfer	8,000 Shares (Number of Voting Rights: 8,000) (Ratio of Voting Rights: 100.00%)
(2) Number of Shares being Transferred	4,480 (Number of Voting Rights: 4,480)
(3) Transfer Values	Common Shares of FCCL JPY 28.0 billion* (JPY 25.5 billion from Lenovo, JPY 2.5 billion from DBJ)
(4) Number of Shares after the Share Transfer	3,520 Shares (Number of Voting Rights: 3,520) (Ratio of Voting Rights: 44.00%)

* The actual consideration could be adjusted from the above-mentioned figures based on FCCL's balance sheet at closing date. The initial consideration from Lenovo will be JPY 17.85 billion and will be adjusted upwards based on FCCL's future business performance.

5. Schedule

(1)Date of Execution	November 2, 2017
(2)Closing Date	FY2018 1Q (scheduled) (The closing date is subject to change depending on circumstances, such as the approval by competition authorities.)

6. Future Impacts

The impact of this share transfer on Fujitsu's consolidated financial results in FY2017 is insignificant. FCCL will be excluded from the scope of Fujitsu's consolidated subsidiaries and become the equity-method affiliates of Fujitsu on the closing date. Due to the exclusion from the consolidated subsidiaries, Fujitsu's sales associated with PC is expected to decrease by 20 percent.