

Notice Regarding Company Split with Wholly-Owned Subsidiary (Simplified Absorption-type Company Split)

Tokyo, January 31, 2018 – Fujitsu Limited (“Fujitsu”) announces that it has made a resolution at its Board of Directors Meeting held today that effective March 30, 2018, it will transfer the “Raku Raku Community” SNS to Fujitsu Connected Technologies Limited (“FCNT”), a wholly owned subsidiary, by company split (“the Company Split”). Since the Company Split is a simplified absorption-type split in which the company will transfer the assets to its wholly owned consolidated subsidiary, the disclosure of certain items and details has been omitted from this announcement.

1. Purpose of the Company Split

As disclosed in “Notice Regarding Conclusion of Share Transfer Agreement with Polaris for the Reorganization of Fujitsu’s Mobile Device Business and Recognition of Profit” issued today, Fujitsu will transfer shares in FCNT, as well as shares in a new company that will be succeeded the manufacturing business of mobile device of Fujitsu Peripherals Limited, to a new company that Polaris Capital Group Co., Ltd. (“Polaris”) will establish. The purpose of the Company Split is to transfer the related business of the Mobile Device Business to FCNT by company split in connection with these transfers of shares.

2. Outline of the Company Split

(1) Schedule of the Company Split

Date of Board Resolution	January 31, 2018
Date of Execution	February 8, 2018 (scheduled)
Effective Date	March 30, 2018 (scheduled)

Note: Since the Company Split satisfies the requirements for simplified absorption-type split stipulated in Article 784 (2) of the Companies Act, Fujitsu will proceed with it without the approval of its general meeting of shareholders.

(2) Method of the Company Split

An absorption-type company split in which Fujitsu is the Splitting Company and FCNT is the Successor Company.

(3) Details of allotments related to the Company Split

At the Company Split, FCNT will issue 300 ordinary shares and all shares issued will be allocated to Fujitsu (Splitting Company).

- (4) Handling of subscription rights to shares and bonds with subscription rights to shares accompanying the Company Split

There is no corresponding matter.

- (5) Deduction of capital

There will be no change in Fujitsu's capital stock

- (6) Rights and obligation to be succeeded

Assets, contractual positions, and rights and obligations derived from these contracts related to the "Raku Raku Community" SNS which prescribed in absorption-type company split contract will be succeeded to FCNT. However, labor contracts with employees are excluded. Further, the transfer of liabilities shall be in the form of non-cumulative taking of obligations.

- (7) Prospect of fulfillment of obligations

At the Company Split, Fujitsu considers that FCNT will have no difficulty in fulfilling the debt obligations it undertake.

3. Overview of companies involved in the Company Split (as of March 31, 2017)

	Splitting Company	Successor Company																						
(1) Name	Fujitsu Limited	Fujitsu Connected Technologies Limited																						
(2) Head Office Location	4-1-1 Kamikodanaka, Nakahara-ku, Kawasaki, Kanagawa, Japan	4-1-1 Kamikodanaka, Nakahara-ku, Kawasaki, Kanagawa, Japan																						
(3) Representative	Tatsuya Tanaka, Representative Director and President	Katsumi Takada, Representative Director and President																						
(4) Main Business	Development, manufacturing and sale of software and products in information processing and communication areas, and provision of services	Planning, research, development, design, manufacturing, and sales of mobile devices, as well as repair and warranty support																						
(5) Capital	JPY 324,625 million	JPY 400 million																						
(6) Establishment	June 20, 1935	February 1, 2016																						
(7) Issued Stocks	2,070,018,213 shares	8,000 shares																						
(8) Fiscal Term	End of March	End of March																						
(9) Major Shareholders and Percentage of Shares Held (as of September 30, 2017)	<table border="0"> <tr> <td>The Master Trust Bank of Japan, Ltd. (for trust)</td> <td>4.61</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (for trust)</td> <td>4.09</td> </tr> <tr> <td>Fuji Electric Co., Ltd.</td> <td>2.87</td> </tr> <tr> <td>Fujitsu Employee Shareholding Association</td> <td>2.72</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (for trust 5)</td> <td>1.88</td> </tr> <tr> <td>Mizuho Bank, Ltd.</td> <td>1.79</td> </tr> <tr> <td>Ichigo Trust Pte. Ltd.</td> <td>1.78</td> </tr> <tr> <td>GOVERNMENT OF NORWAY</td> <td>1.74</td> </tr> <tr> <td>CHASE MANHATTAN BANK GTS CLIENTS ACCOUNT ESCROW</td> <td>1.72</td> </tr> <tr> <td>Asahi Mutual Life Insurance</td> <td>1.70</td> </tr> </table>	The Master Trust Bank of Japan, Ltd. (for trust)	4.61	Japan Trustee Services Bank, Ltd. (for trust)	4.09	Fuji Electric Co., Ltd.	2.87	Fujitsu Employee Shareholding Association	2.72	Japan Trustee Services Bank, Ltd. (for trust 5)	1.88	Mizuho Bank, Ltd.	1.79	Ichigo Trust Pte. Ltd.	1.78	GOVERNMENT OF NORWAY	1.74	CHASE MANHATTAN BANK GTS CLIENTS ACCOUNT ESCROW	1.72	Asahi Mutual Life Insurance	1.70	<table border="0"> <tr> <td>Fujitsu Limited</td> <td>100</td> </tr> </table>	Fujitsu Limited	100
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	Company	
(10) Operation Results and Financial Position for the Most Recent Fiscal Years (JPY)		
	Fujitsu (Consolidated)	FCNT(Unconsolidated)
Net Assets	1,019,202 million	12,065 million
Total Assets	3,191,498 million	42,338 million
Net Assets per share	429.80	1,508,230
Revenue	4,509,694 million	128,995 million
Operating Profit	128,861 million	8,487 million
Ordinary Income	-	8,361 million
Profit for the Period Attributable to the Owners of the Parent Company	88,489 million	6,134 million
Profit for the Period Per Share	42.83	766,761
Dividend per share	9.00	0

【Overview of the business unit to be split and succeeded】

(1) Business to be split

“Raku Raku Community” SNS

- Managing and providing the Social Networking Service (SNS), called “Raku Raku Community,” for seniors. However, marketing service business and other businesses utilizing the SNS are excluded.

(2) Business results of division to be split

Net sales: JPY 0

- “Raku Raku Community” SNS is provided free of charge.

(3) Assets and liabilities to be split (million yen)

Current assets	0	Current debt	0
Fixed assets	0	Fixed debt	0
Total assets	0	Total debt	0

4. Post-company split details

Following this Company Split, there are no changes to the business name, head office, title and name of representative, main business, capital stock and fiscal term of Fujitsu and FCNT. Net assets and total assets are not finalized at this time.

5. Impact on business results

The impact of the Company Split on the Fujitsu’s consolidated financial results is insignificant.

Fujitsu will transfer shares in FCNT to a new company that Polaris will establish after the Company Split. For more information about the share transfer, please refer to “Notice Regarding Conclusion of Share Transfer Agreement with Polaris for the Reorganization of Fujitsu’s Mobile Device Business and Recognition of Profit.”

Press Contacts:

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Public and Investor Relations Division

Inquiries: <https://www.fujitsu.com/global/about/resources/news/presscontacts/form/index.html>

About Fujitsu

Fujitsu is the leading Japanese information and communication technology (ICT) company offering a full range of technology products, solutions and services. Approximately 155,000 Fujitsu people support customers in more than 100 countries. We use our experience and the power of ICT to shape the future of society with our customers. Fujitsu Limited (TSE: 6702) reported consolidated revenues of 4.5 trillion yen (US\$40 billion) for the fiscal year ended March 31, 2017. For more information, please see <http://www.fujitsu.com>.