Notice of Agreement for the Merger through Absorption (Simplified Absorption-type Merger) of a Consolidated Subsidiary of Fujitsu Limited

Tokyo, November 28, 2019 — Fujitsu Limited announced today that it has concluded an agreement for an absorption-type merger with FUJITSU CIT LIMITED (hereinafter referred to as “FJCIT”) which is a consolidated subsidiary of Fujitsu Limited.

Because mergers with FJCIT is an absorption-type merger of consolidated subsidiary, certain disclosure items and details have been omitted from this notice.

1. Purpose of the Merger

In its efforts to expand the Digital Transformation (DX) business, the Fujitsu Group focuses not only on its clients but also its own internal DX. As part of this initiative, Fujitsu will push forward with efforts to reform IT systems and business processes that can deliver greater work efficiency through the optimization of its internal IT infrastructure and the utilization of cutting-edge technologies, as well as higher levels of visualization and analysis of business conditions.

To accelerate these reforms, Fujitsu will absorb and merge with FJCIT, which is tasked with planning and developing internal IT systems for Fujitsu Group. Its functions will be integrated into Fujitsu, which is responsible for the formulation and governance of group-wide IT systems. With this change, Fujitsu will further strengthen governance in the Group’s IT systems and speed up decision-making. Furthermore, through central management and utilizing the know-how of business processes and IT systems, Fujitsu will create optimized IT systems.

2. Summary of the Merger

(1) Schedule
Because the merger meets the requirements of simplified absorption-type merger, Fujitsu Limited will be carried out without the approval of a resolution at the Annual Shareholders’ Meeting.

Date of resolution by Board of Directors: November 28, 2019 (today)
Date agreement for the merger was concluded: November 28, 2019 (today)
Effective date of the merger: January 1, 2020 (scheduled)

(2) Method of the Merger
The merger will be conducted through an absorption-type merger method in which Fujitsu Limited will be the surviving company and FJCIT will be dissolved as the absorbed company.

(3) Allocation of Consideration for the Merger
No shares will be issued or consideration paid in conjunction with the merger.

(4) Treatment of Share Subscription Rights and Bonds with Share Subscription Rights
FJCIT has not issued share subscription rights or bonds with share subscription rights.

3. Overview of the Merger

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<th>Surviving Company</th>
<th>Absorbed Company</th>
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<tr>
<td>Company Name</td>
<td>Fujitsu Limited</td>
<td>FUJITSU CIT LIMITED</td>
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Address | Kawasaki, Kanagawa, Japan | Yokohama, Kanagawa, Japan  
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Representative | Takahito Tokita, President | Takahiko Kouketsu, President  
Business Description | Manufacturing and sales of communications systems and information processing systems, and provision of related services. | Provision of corporate backbone information system and network/infrastructure through their entire life cycles.  
Capital | 324,625 million yen | 250 million yen  
Date Established | June 20, 1935 | January 10, 1991  
Number of Shares Issued | 207,001,821 shares | 8,000 shares  
Fiscal Year-End | March 31 | March 31  
| Shareholder | % | Fujitsu Limited, 100% shareholder  
| Ichigo Trust Pte. Ltd. | 7.35% |  
| The Master Trust Bank of Japan, Ltd. (for trust) | 6.39% |  
| Japan Trustee Services Bank, Ltd. (for trust) | 5.33% |  
| Fuji Electric Co., Ltd. | 2.94% |  
| SSBTC CLIENT OMNIBUS ACCOUNT | 2.77% |  
Financial Condition and Financial Performance in the Most Recent Fiscal Year (as of March 31, 2019) | (Consolidated) (Unit: Million Yen, except per share data) | (Unconsolidated) (Unit: Million Yen, except per share data)  
| Equity | 1,253,630 | Net Assets: 407  
| Total Assets | 3,104,842 | Total Assets: 2,856  
| Equity per Share Attributable to Owners of the Parent | 5,585.35 | Net Assets per Share: 50,898.31  
| Revenue | 3,952,437 | Net Sales: 5,444  
| Operating Profit | 130,227 | Operating Income: 136  
| Profit before Income Taxes | 161,785 | Recurring profit: 132  
| Profit for the Year Attributable to Owners of the Parent | 104,562 | Net Loss: -683  
| Basic Earnings per Share | 512.50 | Net Loss per Share: -85,420.00  
| Diluted Earnings per Share | 512.33 |  
*Fujitsu has adopted International Financial Reporting Standards (IFRS) for the preparation of consolidated financial statements.  

4. Status After the Merger  
After the merger, there will be no changes to Fujitsu Limited's company name, address, name and title of representative, business description, capital, or fiscal year-end.  

5. Business Impact  
The impact of the merger on Fujitsu Limited's consolidated financial results is insignificant.
Press Contacts:
Fujitsu Limited
Public and Investor Relations Division

About Fujitsu
Fujitsu is the leading Japanese information and communication technology (ICT) company, offering a full range of technology products, solutions, and services. Approximately 132,000 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 4.0 trillion yen (US $36 billion) for the fiscal year ended March 31, 2019. For more information, please see www.fujitsu.com.