

Notice of agreement for the merger through absorption (simplified absorption-type merger) of a consolidated subsidiary of Fujitsu Limited (Fujitsu Semiconductor Limited)

Tokyo, January 31, 2023 — Fujitsu Limited announced that it has made a resolution at its board of directors meeting held today that effective April 1, 2023, its consolidated subsidiary, Fujitsu Semiconductor Limited (hereinafter FSL), will merge with Fujitsu Limited and that it has concluded an agreement for an absorption-type merger with FSL.

As the merger with FSL is an absorption-type merger of a consolidated subsidiary, certain disclosure items and details have been omitted from this notice.

1. Purpose of the Merger

In line with its Management Direction, Fujitsu is currently promoting efforts to concentrate management resources in its core Technology Solutions business, while carving out non-core businesses as an initiative to achieve desired business portfolio.

Under these circumstances, Fujitsu has worked on the development of its Semiconductor business by creating a group structure in which FSL has performed a controlling role. The FSL Group completed the carving out of all businesses in its portfolio on September 30, 2022, when shares of Fujitsu Semiconductor Memory Solution Limited, a subsidiary of FSL, were transferred.

For the purpose to further improve the Fujitsu Group's management efficiency in the future, Fujitsu will absorb and merge FSL as of April 1, 2023.

2. Summary of the Merger

(1) Schedule of the merger

As the merger meets the requirements for a simplified absorption-type merger, Fujitsu will carry it out without the approval of a resolution at the Shareholders' Meeting.

Date of resolution by Board of Directors:	January 31, 2023 (today)
Date of conclusion of the merger agreement:	January 31, 2023 (today)
Effective date of the merger:	April 1, 2023 (scheduled)

(2) Method of the Merger

The merger will be conducted through an absorption-type merger method in which Fujitsu will be the surviving company and FSL 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

FSL has not issued share subscription rights or bonds with share subscription rights.

3. Overview of the Merger

	Surviving Company	Absorbed Company	
Company Name	Fujitsu Limited	Fujitsu Semiconductor Limited	
Address	Kawasaki-shi, Kanagawa, Japan	Yokohama-shi, Kanagawa, Japan	
Representative	Takahito Tokita, Representative Director and CEO	Takeshi Isobe, Representative Director and President	
Business Description	Manufacturing and sales of communications systems and information processing systems, and provision of related services.	Control and management of its subsidiaries engaged in the semiconductor business	
Capital	324,625 million yen	1 million yen	
Date Established	June 20, 1935	September 1, 2014	
Number of Shares Issued	207,001,821 shares	400,000 shares	
Fiscal Year-End	March 31	March 31	
Major Shareholders and Percentage of Shares Held (as of September 30, 2022) ※The Percentage of Shares Held is calculated after exclusion of treasury stock holdings.	Shareholder	%	Fujitsu Limited, 100% shareholder
	The Master Trust Bank of Japan, Ltd. (for trust)	17.40%	
	Ichigo Trust Pte. Ltd.	7.58%	
	Custody Bank of Japan, Ltd. (for trust)	6.61%	
	GIC PRIVATE LIMITED – C	3.73%	
	SSBTC CLIENT OMNIBUS ACCOUNT	1.94%	
Financial Condition and Financial Performance in the Most Recent Fiscal Year (as of March 31, 2022)	(Consolidated) (Unit: Million Yen, except per share data) Equity: 1,715,749 Total Assets: 3,331,809 Equity per Share Attributable to Owners of the Parent: 8,094.70 Yen Revenue: 3,586,839 Operating Profit: 219,201 Profit before Income Taxes: 239,986 Profit for the Year Attributable to Owners of the Parent: 182,691 Basic Earnings per Share: 924.21 Yen Diluted Earnings per Share: 922.97 Yen *Fujitsu has adopted International Financial Reporting Standards (IFRS) for the preparation of consolidated financial statements.	(Unconsolidated) (Unit: Million Yen, except per share data) Net Assets: 18,976 Total Assets: 19,970 Net Assets per Share: 47,441.94 Yen Net Sales: 597 Operating Income: -174 Ordinary Income: 622 Net Profit: 314 Net Profit per Share: 785.47 Yen	

4. Status After the Merger

After the merger, there will be no changes to Fujitsu'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's consolidated and non-consolidated financial results are insignificant.

Press Contacts:

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About Fujitsu

Fujitsu's purpose is to make the world more sustainable by building trust in society through innovation. As the digital transformation partner of choice for customers in over 100 countries, our 124,000 employees work to resolve some of the greatest challenges facing humanity. Our range of services and solutions draw on five key technologies: Computing, Networks, AI, Data & Security, and Converging Technologies, which we bring together to deliver sustainability transformation. Fujitsu Limited (TSE:6702) reported consolidated revenues of 3.6 trillion yen (US\$32 billion) for the fiscal year ended March 31, 2022 and remains the top digital services company in Japan by market share. Find out more:

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