

Notice of Agreement for Mergers through Absorption (Short-Form Mergers) of Consolidated Subsidiaries of Fujitsu Limited

Tokyo, September 29, 2016 — Fujitsu Limited announced today that it has concluded agreements for absorption-type mergers with Fujitsu Systems East Limited (hereinafter referred to as “FEAST”), Fujitsu Systems West Limited (hereinafter referred to as “FWEST”), and FUJITSU MISSION CRITICAL SYSTEMS LIMITED (hereinafter referred to as “FMCS”), all of which are consolidated subsidiaries of Fujitsu Limited.

Because mergers with FEAST (Merger 1), FWEST (Merger 2), and FMCS (Merger 3; Merger 1, Merger 2, and Merger 3 are collectively referred herein as “the mergers”) are all absorption-type mergers of consolidated subsidiaries, certain disclosure items and details have been omitted from this notice.

1. Purpose of the Mergers

The ICT-related industry is now facing a major turning point in the technological evolution and business environment, moving into a full-fledged phase of digital business development and global expansion.

As Fujitsu looks to expand its digital and global business, which has promising growth potential, to develop new digital business opportunities by centralizing currently dispersed front-line operations, collect industry or work related know-how to enhance customer support functions, and create globally competitive services, the company will, through the mergers, integrate the operations of FEAST, FWEST, and FMCS into Fujitsu Limited.

2. Summary of the Mergers

(1) Schedule

Because the mergers meet the requirements of short-form mergers, Fujitsu Limited will be carried out without the approval of a resolution at the Annual Shareholders’ Meeting.

Date of resolution by Board of Directors:	September 29, 2016 (today)
Date agreements for the mergers were concluded:	September 29, 2016 (today)
Effective date of the mergers:	November 1, 2016(scheduled)

(2) Method of the Mergers

Merger 1

The merger will be conducted through an absorption-type merger method in which Fujitsu Limited will be the surviving company and FEAST will be dissolved as the absorbed company.

Merger 2

The merger will be conducted through an absorption-type merger method in which Fujitsu Limited will be the surviving company and FWEST will be dissolved as the absorbed company.

Merger 3

The merger will be conducted through an absorption-type merger method in which Fujitsu Limited will be the surviving company and FMCS will be dissolved as the absorbed company.

(3) Allocation of Consideration for the Mergers

No shares will be issued or consideration paid in conjunction with the mergers.

(4) Treatment of Share Subscription Rights and Bonds with Share Subscription Rights

None of the Absorbed Companies will issue share subscription rights or bonds with share subscription rights.

3. Overview of the Mergers

Merger 1

	Surviving Company		Absorbed Company
Company Name	Fujitsu Limited		Fujitsu Systems East Limited
Address of Headquarters	Kawasaki, Kanagawa, Japan		Minato-ku, Tokyo, Japan
Representative	Tatsuya Tanaka, President		Susumu Ishikawa, President
Business Description	Manufacturing and sales of communications systems and information processing systems, and provision of related services.		Provision of consulting and other services related to the construction and operation of systems
Capital	324,625 million yen		500 million yen
Date Established	June 1935		April 1979
Number of Shares Issued	2,070,018,213 shares		2,300,000 shares
Fiscal Year-End	March 31		March 31
Major Shareholders and Percentage of Shares Held	Shareholder	%	Fujitsu Limited, 100% shareholder
	Fuji Electric Co., Ltd.	11.04%	
	Japan Trustee Services Bank, Ltd. (for trust)	4.17%	
	The Master Trust Bank of Japan, Ltd. (for trust)	3.55%	
	Fujitsu Employee Shareholding Association	2.68%	
	Mizuho Bank, Ltd.	1.79%	
Financial Condition and Financial Performance in the Most Recent Fiscal Year	(Consolidated) (Unit: Million Yen, except per share data) Equity: 926,240 Total Assets: 3,226,303 Equity per Share Attributable to Owners of the Parent: 378.37 Revenue: 4,739,294 Operating Profit: 120,612 Profit before Income Taxes: 131,822 Profit for the Year Attributable to Owners of the Parent: 86,763 Basic Earnings per Share: 41.94 Diluted Earnings per Share: 41.93 *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: 11,585 Total Assets: 61,634 Net Assets per Share: 5,037.05 Net Sales: 120,383 Operating Income: 11,603 Net Income: 8,722 Net Income per Share: 3,792.49

Merger 2

	Surviving Company	Absorbed Company
Company Name	Fujitsu Limited	Fujitsu Systems West Limited
Address of Headquarters		Osaka, Osaka, Japan
Representative		Kazuo Miyata, President
Business Description		Provision of consulting and other services related to the construction and operation of systems
Capital		500 million yen
Date Established		June 1981
Number of Shares Issued		800,000 shares
Fiscal Year-End		March 31
Major Shareholders and Percentage of Shares Held		Fujitsu Limited, 100% shareholder
Financial Condition and Financial Performance in the Most Recent Fiscal Year	Omitted	(Unconsolidated) (Unit: Million Yen, except per share data) Net Assets: 9,452 Total Assets: 50,070 Net Assets per Share: 11,815.43 Net Sales: 95,448 Operating Income: 10,739 Net Income: 7,043 Net Income per Share: 8,804.53

Merger 3

	Surviving Company	Absorbed Company
Company Name	Fujitsu Limited	FUJITSU MISSION CRITICAL SYSTEMS LIMITED
Address of Headquarters		Yokohama, Kanagawa, Japan
Representative		Masaaki Hamaba, President
Business Description		Development and sales of software products and provision of consulting services related to software products
Capital		500 million yen
Date Established		August 1982
Number of Shares Issued		1,400,000 shares
Fiscal Year-End		March 31
Major Shareholders and Percentage of Shares Held	Omitted	Fujitsu Limited, 100% shareholder
Financial Condition and Financial Performance in the Most Recent Fiscal Year		(Unconsolidated) (Unit: Million Yen, except per share data) Net Assets: 5,727 Total Assets: 27,047 Net Assets per Share: 4,090.77 Net Sales: 67,413 Operating Income: 6,311 Net Income: 4,168 Net Income per Share: 2,977.40

4. Status After the Mergers

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

5. Business Impact

The impact of the mergers on Fujitsu Limited's consolidated financial results is insignificant.

Press Contacts

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About Fujitsu

Fujitsu is the leading Japanese information and communication technology (ICT) company, offering a full range of technology products, solutions, and services. Approximately 156,000 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 4.7 trillion yen (US\$41 billion) for the fiscal year ended March 31, 2016. For more information, please see <http://www.fujitsu.com>.