

Notice concerning the company split (simplified absorption-type split) with a consolidated subsidiary

Tokyo, April 27, 2018 – Fujitsu Limited (“Fujitsu”) announces that it has made a resolution at its Board of Directors Meeting held today that effective of June 12, 2018, the image retrieval and analysis business of sporting fields of Fujitsu will be succeeded by our consolidated subsidiary, RUN. EDGE Division Preparation Limited (hereinafter referred to as the “Succession Company”) by a company split (hereinafter referred to as the “the Company Split”), and hereby gives notice to that effect as stated below. Since the Company Split is a simplified absorption-type demerger to be implemented between Fujitsu and its wholly owned subsidiary, information and details disclosed here are omitted in part.

1. Objectives of the Company Split

Fujitsu has been operating the image retrieval and analysis business of sporting fields, and has resolved to newly establish a wholly owned subsidiary, Succession Company, and to have them succeed such image retrieval and analysis business in a form of absorption-type demerger effective of June 12, 2018, for the purpose of enhancing an enterprise value of the consolidated Fujitsu group. The Succession Company will aim to grow its business by specializing in the area of Sports Analytics.

The Succession Company will conduct a private placement of new shares with Skylight Consulting Inc. as at June 12, 2018, and jointly operate with them the image retrieval and analysis business of sporting fields as result of such investment.

2. Summary of the Company Split

(1) Schedule of the Company Split

Board resolution	April 27, 2018 (Friday)
Conclusion of company-split contract	April 27, 2018 (Friday) (est.)
Effective date of split	June 12, 2018 (Tuesday) (est.)

(Note) The Company Split shall be executed without going through the resolution at the shareholders’ meeting since such split falls into the classification of simplified absorption-type demerger as provided for in Article 784, Paragraph 2 of the Companies Act.

(2) Method of the Company Split

The Company Split is an absorption-type demerger with Fujitsu being a split company and the Succession Company being a succeeding company.

(3) Share allocation concerned with the Company Split

Upon the Company Split, the Succession Company will issue 6,700 ordinary shares and allocate all the shares to Fujitsu (Split Company).

(4) Treatment of share warrant and bond with stock acquisition right arising from the Company Split

There is no applicable matter.

(5) Increase or decrease in capital stock as result of the Company Split

There will be no increase or decrease in capital stock of Fujitsu as result of such Company Split.

(6) Rights and obligations succeeded by the Succession Company

The Succession Company will succeed the assets and liabilities concerned with the image retrieval and analysis business of sporting fields operated by Fujitsu upon the Company Split. However, they will not succeed the employment contracts with the employees engaged in such image retrieval and analysis business

of sporting fields. Liabilities assumed by the Succession Company will be in a form of noncumulative taking of obligation.

(7) Expected performance of liabilities

Regarding the Company Split, we judge that there will be no problem with the performance of obligations to be assumed by the Succession Company.

3. Company summary of the parties to the Company Split

	Split company	Succeeding company																				
(1) Name	Fujitsu Limited	RUN. EDGE Division Preparation Limited																				
(2) Address	4-1-1, Kamikodanaka, Nakahara-ku, Kawasaki	1-17-25, Shin-kamata, Ota-ku, Tokyo																				
(3) Name and title of representative	Tatsuya Tanaka, Representative Director and President	Ryuichi Kubota, Representative Director and President																				
(4) Business	Development, production, and distribution of software, information processing and communication products, and provision of related services	Development and distribution of software and information processing products, and provision of related services																				
(5) Equity capital	324,625 million yen	10 million yen																				
(6) Date of foundation	June 20, 1935	April 26, 2018																				
(7) Outstanding shares issued	2,070,018,213 shares	100 shares																				
(8) Financial year end	End of March	End of March																				
(9) Major shareholder and shareholding ratio (%) (as at March 31, 2018)	<table border="0"> <tr> <td>The Master Trust Bank of Japan, Ltd. (for trust)</td> <td>4.93</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (for trust)</td> <td>4.69</td> </tr> <tr> <td>Ichigo Trust Pte. Ltd.</td> <td>3.30</td> </tr> <tr> <td>Fuji Electric Co., Ltd.</td> <td>2.89</td> </tr> <tr> <td>Fujitsu Employee Shareholding Association</td> <td>2.71</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (for trust 5)</td> <td>1.91</td> </tr> <tr> <td>STATE STREET BANK WEST CLIENT – TREATY 505234</td> <td>1.82</td> </tr> <tr> <td>Mizuho Bank, Ltd.</td> <td>1.80</td> </tr> <tr> <td>Asahi Mutual Life Insurance Company</td> <td>1.71</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd. (for trust 1)</td> <td>1.42</td> </tr> </table>	The Master Trust Bank of Japan, Ltd. (for trust)	4.93	Japan Trustee Services Bank, Ltd. (for trust)	4.69	Ichigo Trust Pte. Ltd.	3.30	Fuji Electric Co., Ltd.	2.89	Fujitsu Employee Shareholding Association	2.71	Japan Trustee Services Bank, Ltd. (for trust 5)	1.91	STATE STREET BANK WEST CLIENT – TREATY 505234	1.82	Mizuho Bank, Ltd.	1.80	Asahi Mutual Life Insurance Company	1.71	Japan Trustee Services Bank, Ltd. (for trust 1)	1.42	Fujitsu Limited 100
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(10) Operating performance and financial conditions of the preceding business year.																						
	Fujitsu (Consolidated)	RUN. EDGE Division Preparation Limited (Unconsolidated)																				
Net asset	1,204,902 million yen	Such information is not available since there has been no business year finalized.																				
Total asset	3,121,522 million yen																					
Net asset per share	528.38 yen																					
Revenue	4,098,379 million yen																					
Operating income	182,489 million yen																					

Recurring profit	-	
Current net profit attributable to shareholders of parent company	169,340 million yen	
Current net profit per share	82.53 yen	
Dividend per share	11.00 yen	

[Outline of business to be split]

(1) Summary of the business to be split

Image retrieval and analysis business of sporting fields (Operation of FUJITSU Business Application Operational Data Management & Analytics PITCHBASE).

(2) Operating performance of the business to be split

(Unit: million yen)

	Business to be split (a)	Fujitsu results (consolidated) (b)	Ratio (a/b)
Revenue	151	4,098,379	0.004%

(3) Items and value of assets and liabilities to be split (as of March 31, 2018)

(Unit: million yen)

Assets		Liabilities	
Current assets	90	Current liabilities	0
Fixed assets	544	Fixed liabilities	0
Total	634	Total	0

4. Situation after the Company Split

There will be no changes to the trade names, business contents, the addresses of the head offices, representatives, capital stock, and the financial year concerned with both Fujitsu and the succeeding company as result of the Company Split. Further, the value of net asset and total asset to be transferred are not yet determined at the moment.

5. Future prospect

The Company Split will have little effect on the consolidated financial results of Fujitsu.

Separately, the Succession Company is scheduled to conduct a private placement of new shares with Skylight Consulting Inc. after the Company Split.

Press Contacts

Fujitsu Limited

Public and Investor Relations Division

<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 140,000 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 4.1 trillion yen (US \$39 billion) for the fiscal year ended March 31, 2018. For more information, please see <http://www.fujitsu.com>