Fujitsu Limited
January 28, 2021

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

Tokyo, January 28, 2021 — Fujitsu Limited (herein after referred to as "Fujitsu") announced today that Fujitsu has made a resolution at its board of directors meeting held today that effective on April 1, 2021, its consolidated subsidiary, Fujitsu Laboratories Limited (hereinafter referred to as "Fujitsu Laboratories") will merge with Fujitsu and it has concluded an agreement for an absorption-type merger with Fujitsu Laboratories.

Because the merger with Fujitsu Laboratories 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 its Management Direction presentation in September 2019, Fujitsu announced its intent to transform from an IT company into a DX company to lead the digital transformation of its customers and other stakeholders and play an even greater role in contributing to the resolution of social issues. To accelerate this shift by driving innovation through the research and development of advanced technologies, Fujitsu Laboratories will be fully integrated into Fujitsu. The move offers Fujitsu the potential to further strengthen its technological strategic planning function by consolidating research and analysis functions scattered throughout the company. These will be collectively established as a new organization called "Fujitsu Research" with direct report to the CTO to cement the alignment of this critical role with the company's leadership team, while promoting further research and development with rapid decision-making and judgments in line with Fujitsu's overall direction and strategy.

2. Summary of the Merger

(1) Schedule of the merger

Because the merger meets the requirements of 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 28, 2021 (today)
Date agreement for the merger was concluded:	January 28, 2021 (today)
Effective date of the merger:	April 1, 2021 (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 Fujitsu Laboratories 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

Fujitsu Laboratories 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 Laboratories Limited
Address	Kawasaki, Kanagawa, Japan		Kawasaki, Kanagawa, Japan
Representative	Takahito Tokita, CEO and Representative Director		Hirotaka Hara, President and Representative Director
Business Description	Manufacturing and sales of communications systems and information processing systems, and provision of related services.		R & D on Information Systems, Communication Systems, and Electronic Devices.
Capital	324,625 million yen		5,000 million yen
Date Established	June 20, 1935		November 1, 1968
Number of Shares Issued	207,001,821 shares		10,000,000 shares
Fiscal Year-End	March 31		March 31
Major Shareholders and Percentage of Shares Held (as of September 30, 2020) ※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)	8.59%	
	Ichigo Trust Pte. Ltd.	7.44%	
	Custody Bank of Japan, Ltd. (for trust)	5.77%	
	Fuji Electric Co., Ltd.	2.97%	
	Fujitsu Employee Shareholding Association	2.31%	
Financial Condition and Financial Performance in the Most Recent Fiscal Year (as of March 31, 2020)	(Consolidated) (Unit: Million Yen, except per share data) Equity: 1,348,435 Total Assets: 3,187,445 Equity per Share Attributable to Owners of the Parent: 6,197.11 Revenue: 3,857,797 Operating Profit: 211,483 Profit before Income Taxes: 228,564 Profit for the Year Attributable to Owners of the Parent: 160,042 Basic Earnings per Share: 791.20 Diluted Earnings per Share: 790.76 *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: 5,216 Total Assets: 11,955 Net Assets per Share: 521.62 Net Sales: 23,298 Operating Income: 315 Ordinary Income: 299 Net Profit: 166 Net Profit per Share: 16.62

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:
Fujitsu Limited
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 130,000 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 3.9 trillion yen (US$35 billion) for the fiscal year ended March 31, 2020.

For more information, please see www.fujitsu.com