

Notice on reorganization of corporate legal structure of Fujitsu's European subsidiaries

Tokyo, March 28, 2024 – At the board of directors meeting held today, Fujitsu Limited (hereinafter “Fujitsu”) has resolved to further pursue its plans for the reorganization of the corporate legal structure of its European subsidiaries and liquidation of certain European Holding subsidiaries (including the change in a specified subsidiary) accompanying this reorganization. Details are as follows.

1. Overview

Fujitsu is working to achieve sustainable growth in its corporate value by pursuing new business opportunities and enhancing profitability through the expansion of global solutions and services, with a focus on Fujitsu Uvance.

To accomplish this, Fujitsu is accelerating the transformation of its business portfolio to streamline management efficiency and governance through reorganizing the current complex corporate legal structure into alignment with a new business management framework in Europe.

Fujitsu aims to establish a clear, separate business management framework for both its services business and hardware business in Europe, aligning the corporate legal structure with the business management structure in each country.

Through this reorganization, the European services business will be integrated under Fujitsu Technology Solutions (Holding) B.V. (hereinafter “FTS Holding”), reflecting Fujitsu’s aims to maintain healthy business growth by improving management efficiency and enhancing governance.

For the European hardware business, Fujitsu plans to establish a more flexible management structure by positioning the hardware business under the management of a European subsidiary of Fsas Technologies Inc., which is a company dedicated to hardware such as servers and storage (planned to be established on April 1st, 2024).

After the transfer of the services business subsidiaries to FTS Holding, Fujitsu Services Holdings PLC (hereinafter “FS Holding”) will end its current role as a holding company and will be liquidated.

These moves will allow Fujitsu to continue dedicating the appropriate management resources necessary to achieve robust, sustainable growth for its European business together with Fujitsu group companies.

2. Outline of specified subsidiary to be changed

Through this reorganization, FS Holding, which is one of the intermediate holding companies, will be liquidated

(1)	Name	Fujitsu Services Holdings PLC, UK-		
(2)	Location	Lovelace Road, Bracknell, Berkshire, RG12 8SN		
(3)	Names and titles of Representatives	Director Hidenori Furuta, Director Paul Patterson		
(4)	Business	Intermediate holding company in Europe		
(5)	Equity capital	£1,598,001 thousand		
(6)	Date of foundation	November 22, 1915		
(7)	Major shareholders and percentage of shares held	Fujitsu Limited 100%		
(8)	Relationship between the parties	Capital	Fujitsu owns 100% of said company's shares.	
		Personnel	Fujitsu dispatches directors to said company.	
		Business relationship	Fujitsu makes loans to said company.	
		Status of related parties	Said company is a wholly owned subsidiary of Fujitsu and falls under related parties.	
(9)	Operating performance and financial condition in the three most recent fiscal years			
	Fiscal year end	March 31, 2021	March 31, 2022	March 31, 2023
	Net assets	698 million £	698 million £	146 million £
	Total assets	702 million £	702 million £	150 million £
	Net assets per share	0 £	0 £	0 £
	Revenue	0 million £	0 million £	0 million £
	Operating profit	0 million £	0 million £	-552 million £
	Net profit	0 million £	0 million £	-552 million £
	Net profit per share	0 £	0 £	0 £
	Dividends per share	0 £	0 £	0 £

3. Schedule of this reorganization

Date of resolution by the Board of Directors of Fujitsu:

Thursday, March 28, 2024 (today)

Date of commencement of the reorganization procedures:

Second half of fiscal 2024 (scheduled)

Date of completion of the reorganization procedures:

Tuesday, April 1, 2025 (scheduled)

The liquidation procedures for FS Holdings will begin within fiscal 2025.

Liquidation is planned to be completed in fiscal 2026 and after.

4. Future outlook

- Non-consolidated financial results

Accompanying the transfer of FS Holdings, Fujitsu expects to record a valuation loss on shares in subsidiaries of approximately 80 billion yen as extraordinary loss. In addition, the effect of the decrease in tax expense of approximately 130 billion yen is expected to be recorded as income tax adjustments and is expected to be realized for tax purposes as well.

- Consolidated financial results

The valuation loss on shares in subsidiaries recorded in the non-consolidated financial results will be eliminated in the consolidation of financial results. Thus, there is no impact on the consolidated financial results. Meanwhile, income tax adjustments recorded in the non-consolidated financial results will have an effect on the consolidated financial results.

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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 3.7 trillion yen (US\$28 billion) for the fiscal year ended March 31, 2023 and remains the top digital services company in Japan by market share. Find out more: www.fujitsu.com.