

August. 31, 2020
T-Gaia Corporation

**Notice Regarding Acquisition of Mobile Phone Sales Business of Fujitsu Personal System
Limited through Absorption-type Company Split method**

~Further Expansion of Mobile Telecommunication Business and Enterprise Solutions Business~

The Board of Directors of T-Gaia Corporation (hereinafter “T-Gaia”) resolved today the acquisition of all shares of the new company (hereinafter “Target Company”), which will be established and succeed Mobile Phone Sales Business of Fujitsu Personal System Limited (hereinafter, “FJP”) (hereafter “The Business”).

As to this acquisition, Fujitsu Limited (hereinafter, “Fujitsu”) will establish the Target Company and succeed The Business through an absorption-type company split method, and thereafter T-Gaia will acquire all the shares of the Target Company.

1. Purpose of Acquisition of the Shares

T-Gaia group (T-Gaia and its consolidated subsidiaries and affiliates, herein after, “The Group”) aims to achieve growth and expansion as “A Comprehensive Provider of ICT-Related Domains” by stabilizing Mobile Telecommunications Business and exploration/development of Enterprise Solutions Business, Payment Service Business and other Business. T-Gaia considers Mobile Telecommunications Business as its core business and intends to strategically expand it through M&A so that it will be able to keep No.1 position in Mobile Phone Sales Business market and provide the improved and advanced service.

FJP, established in September 1995 as 100% subsidiary of Fujitsu, has built solid position in the mobile phone sales market as the primary sales agent of NTT Docomo and is now operating numbers of “Docomo Shops” in all over Japan. FJP has also steadily expanded the Mobile Phone Sales and ICT-related Solution Business to corporate customers and established strong customer base and high sales force over many years.

T-Gaia believes that this acquisition will enable it to establish nationwide network of high-quality mobile phone sales shops, improve their services and productivity by sharing the skill of sales staff, shop management and sales know-how in Mobile Telecommunication Business.

In addition, in Enterprise Solutions Business, T-Gaia is confident that it is possible to provide new value with the clients by integrating the business expertise and capabilities of FJP and T-Gaia which have been established through product development capabilities and recent M&A activities. T-Gaia also believes that business synergies within The Group will be created through the integration of the business carried out by FJP and T-Gaia, which will lead to further growth and expansion. Such

synergies will bring the positive effects and provide our customers and client companies with excitement, delight, and safety.

2. Outline of Subsidiary (Target Company)

(1)	Company name	To be determined	
(2)	Head office	2-15-2 Konan, Minato-ku, Tokyo, Japan	
(3)	Representative	Representative Director Yasuhiro Shirataki (tentative)	
(4)	Main business	Sales of mobile handsets and provision of services related (tentative)	
(5)	Capital stock	[10 million yen] (tentative)	
(6)	Establishment	Early September	
(7)	Principal shareholders and shareholding ratio	Fujitsu Limited (100%) (tentative)	
(8)	The relationship between T-Gaia and the subsidiary	Capital relationship	[None]
		Human relationship	[None]
		Business relationship	[None]
(9)	Consolidated Results of Operations and Financial Position for the last 2 years		
	Fiscal year	FY 19/3	FY20/3
	Consolidated net assets	4,045 million yen	3,031 million yen
	Total assets	20,130 million yen	16,611 million yen
	Consolidated Net Sales	49,240 million yen	41,223 million yen
	Consolidated operating profit	1,123 million yen	1,089 million yen

(*1) Target Company has not been established yet, the results of operations and financial position of the Target Business (the Mobile Phone Sales Business of FJP) for the years ended March 31, 2019 and 2020 are described. The above figures are not reviewed by any audit corporation.

(*2) In addition to the above, Fujitsu Personal Retail Service Co. Ltd, which is a subsidiary of FJP, and will be a subsidiary of the Target Company is also the scope of the acquisition so that it become a subsidiary (second tier subsidiary) of T-Gaia.

3. Outline of Parties (Seller of Shares)

(1)	Company name	Fujitsu Limited
(2)	Head office	4-1-1, Kamikodanaka, Nakahara-ku, Kawasaki-shi, Kanagawa, Japan
(3)	Representative	President and Representative Director Takahito Tokita

(4)	Main business	Development, manufacture, sale of products and services in the fields of software, information processing, products, systems, visual and telecommunications	
(5)	Capital stock	324,625 million yen (As of June 30, 2020)	
(6)	Establishment	June 20, 1935	
(7)	Net assets	1,343,561 million yen (As of June 30, 2020)	
(8)	Total assets	2,985,074 million yen (As of June 30, 2020)	
(9)	Principal shareholders and shareholding ratio (As of March 31, 2020)	Name	Percentage of shares held
		Ichigo Trust Pte. Ltd.	7.44%
		The Master Trust Bank of Japan, Ltd. (trust account)	7.38%
		Japan Trustee Services Bank, Ltd. (trust account)	5.35%
		Fuji Electric CO., LTD.	2.97%
		SSBTC CLIENT OMNIBUS ACCOUNT	2.76%
		Fujitsu Employee Shareholding Association	2.40%
		Japan Trustee Services Bank, Ltd. (trust account t 5)	1.96%
		Japan Trustee Services Bank, Ltd. (trust account)	1.89%
		Asahi Mutual Life Insurance Company	1.76%
		STATE STREET BANK AND TRUST COMPANY 505103	1.75%
(10)	The relationship between T-Gaia and the subsidiary	Capital relationship	[None]
		Human relationship	[None]
		Business relationship	[None]
		Applicable status to related parties	[None]

4. Number of shares acquired, price, and status of shares held before and after acquisition

(1)	Number of shares held before transfer	None (Number of voting rights : None) (Percentage of Voting rights held : None)
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(2)	Number of shares acquired	30,410 stocks (Number of voting rights : 30,410)
(3)	Acquisition price	Common stock of the Target Company 28,600 million yen Advisory costs (estimated amount) 118 million yen Entirely costs (estimated amount) 28,718 million yen
(4)	Number of shares held after the acquisition	30,410 stocks (Number of voting rights : 30,410) (Percentage of Voting rights held : 100%)

* The acquisition price of common stock of the Target Company will be adjusted by the method prescribed in the share purchase agreement.

5. Schedule

(1)	Date of resolution of the Board of Directors	August 31, 2020
(2)	Date of contract	August 31, 2020
(3)	Effective date of absorption-type company split• effective date of share transfer	November 2, 2020 (tentative)

6. Outlook

T-Gaia estimates that there is no material impact on its consolidated forecast for the fiscal year ending March 31, 2021. T-Gaia will make another announcement when the acquisition will have any material impact on the performance.