



February 9, 2022

Dear All

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(Code: 5803 First Section of TSE)
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**Notice on an Organizational Restructuring within the Group
(Simplified Absorption-Type Company Split Related to Power Systems Business)**

Fujikura Ltd. (hereinafter referred to as the “Company”) hereby announces that, in its board of directors meeting held today, it has decided to spin off the power transmission and metal cables business conducted by the Company to a separate company. This is planned to be done by succeeding the business to a company to be newly established and wholly-owned by the Company (hereinafter referred to as the “Successor Preparatory Company”) under the company split method. The company split is scheduled to be a simplified absorption-type company split to the Company’s wholly-owned subsidiary.

1. Purpose of the Organizational Restructuring

In regards to its Power Systems business, the Company has examined its business state and implemented various measures for many years under its “Power Systems business structural reform.”

Since then, faced with the rapid deterioration in business performance in fiscal year 2019, the Company has formulated the operational turnaround plan (100-Day Plan) and has focused on early business recovery. The Company has promoted various initiatives under its basic policy of company-wide stabilization of its businesses and optimization of business scale, with an emphasis on profitability.

As part of the abovementioned initiatives, the Company has decided to split the Company’s power transmission and metal cables business and to establish an entity that is leaner and that enables efficient operations.

2. Summary of the Organizational Restructuring

Schedule of the Organizational Restructuring

Establishment of Successor Preparatory Company	To be decided
Conclusion date of the absorption-type company split agreement (Date of resolution by the Board of Directors)	To be decided
Effective date of the absorption-type company split	October 1, 2022 (Scheduled)

3. Effect on income

The Company Spin-off is a 100% subsidiary newly established by the Company and the Company, and the effect of the Spin-off on the consolidated results of operations is immaterial.

The details of the company split will be announced as soon as they are determined.