



February 9, 2022

Dear All

Company Name: Fujikura Ltd.
Representative: Masahiko Ito, Director of President, CEO
(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 FPC Business)**

Fujikura Ltd. (hereinafter referred to as the “Company”) hereby announces that, in its board of directors meeting held today, it has decided to succeed the flexible printed circuits (hereinafter referred to as “FPC”) business currently conducted by the Company’s wholly-owned subsidiaries, Fujikura Shoji Co., Ltd. (hereinafter referred to as “Fujikura Shoji”) and Tohoku Fujikura Ltd. (hereinafter referred to as “Tohoku Fujikura”), 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 (hereinafter referred to as the “Company Split”).

Since this Company Split is a simplified absorption-type company split to the Company’s wholly-owned subsidiary, some disclosure items and details have been omitted from this announcement. Matters yet to be determined will be announced as soon as they are determined.

1. Purpose of the Company Split

Faced with the rapid deterioration in business performance in fiscal year 2019, the Company formulated the operational turnaround plan (100-Day Plan) and has focused on early business recovery. With regard to the revitalization of the FPC business, the Company's basic policy is to restrain investment, optimize the business scale, and focus on profitability. From this perspective, the Company has decided to review the current business structure of the Company and its multiple subsidiaries and reorganize them into an entity that is leaner and that enables efficient operations.

2. Summary of the Company Split

(1) Schedule of the Organizational Restructuring

Establishment of Successor Preparatory Company	March 1, 2022
Conclusion date of the absorption-type company split agreement (Date of resolution by the Board of Directors)	March 15, 2022
Effective date of the absorption-type company split	May 1, 2022 (Scheduled)

For both the Company and FUJIKURA SHOJI, the Company Split is a simplified absorption-type company split as prescribed in Paragraph 2 of Article 796 of the Companies Act. Therefore, the Company Split is scheduled to be conducted without the approval in the shareholder meeting in both companies. TOHOKU FUJIKURA is scheduled to acquire an approval in its shareholder meeting.

(2) Method of the Company Split

The Company Split is scheduled to be an absorption-type company split in which the Company, FUJIKURA SHOJI, and TOHOKU FUJIKURA will be the splitting companies and the Successor Preparatory Company will be the successor company. FUJIKURA SHOJI and TOHOKU FUJIKURA will split their human resources.

(3) Details of allotment pertaining to the Company Split

Upon the Spin-off, the Spin-off Preparation Company shall issue new shares of common stock in accordance with the amount of assets assumed and allocate them to the Spin-off Company.

(4) Handling of new share subscription rights and new share subscription bonds in relation to the Company Split

Not applicable.

(5) Increase/decrease in capital due to the Company Split

The Company Split will not result in an increase or a decrease in capital in the Company or FUJIKURA SHOJI. TOHOKU FUJIKURA expects a certain amount of decrease in capital.

(6) Rights and obligations to be succeeded by the successor company

The Successor Preparatory Company will succeed to the assets, liabilities, contractual status, and other rights and obligations related to the succeeding business that are specified in the absorption-type company split agreement. The assumption of liabilities will be based on the method of assumption of obligations without specific liabilities.

(7) Prospects of fulfillment of obligations

The Company has determined that there are no problems with the prospects for the fulfillment of obligations to be borne by the successor company in the absorption-type company split after the Company Split.

3. Overview of the Companies in the Company Split

Splitting Company in the Absorption-Type Split			
(1) Name	Fujikura Ltd.	Fujikura Shoji Co., Ltd.	Tohoku Fujikura Ltd..
(2) Head office	5-1, Kiba 1-chome, Koto-ku, Tokyo, Japan	28-38, Shinkawa 1-chome, Chuo-ku, Tokyo, Japan	1-2, Goshonoyumoto 5-chome, Akita City, Akita, Japan
(3) Name and title of representative	Masahiko Ito, Director, President and CEO	Representative Director and President, Kinya Takimura	President, Toshiyuki Takeshima
(4) Main business	Manufacturing and sale of electric wires/cables, optical fibers, optical fiber cables, telecommunication equipment/components, electronic equipment/components, automotive equipment/components, etc.	Sale of telecommunication products, electronic components, electronic materials, electric wires, cables, accessories, components for power distribution, fastener products, etc.	Manufacturing of flexible printed circuits, semiconductor pressure sensors, etc.
(5) Capital	53,076 million yen	301 million yen	1,000 million yen

(6) Establishment	March 18, 1910	December 16, 1947	April 1, 1989
(7) No. of shares issued	295,863 thousand shares	1,775 thousand shares	20 thousand shares
(8) Fiscal year end	March 31	March 31	March 31
(9) Major shareholders and shareholding ratio	<p>The Master Trust Bank of Japan, Ltd. (Trust Account) 17.51%</p> <p>Custody Bank of Japan, Ltd. (Trust Account) 6.75%</p> <p>TAIJU LIFE INSURANCE COMPANY LIMITED 3.69%</p> <p>Sumitomo Mitsui Banking Corporation 3.06%</p> <p>Custody Bank of Japan, Ltd. (Sumitomo Mitsui Trust Bank, Limited Retirement Benefit Trust Account) 2.45%</p>	Fujikura Ltd. 100%	Fujikura Ltd. 100%
(10) Financial position and business performance in the most recent fiscal year (Figures for the Company are consolidated)			
Net assets (Million yen)	184,483	1,912	1,233
Total assets (Million yen)	569,124	17,476	5,504
Net assets per share (Yen)	591.24	1,076.55	61,635.00
Net sales (Million yen)	643,736	47,030	7,703
Operating profit (Million yen)	24,422	1,041	405
Ordinary profit (Million yen)	18,380	1,028	418
Profit/loss attributable to owners of parent Or net loss (Million yen)	(5,369)	707	(82)
Net income/loss per share Or net loss (Yen)	(19.50)	398.04	(4,104.00)
Successor Company in the Absorption-Type Split (Scheduled)			
(1) Name	Fujikura Printed Circuits Ltd.		
(2) Head office	5-1, Kiba 1chome, Koto-ku, Tokyo, Japan		
(3) Name and title of representative	Koji Ueda, and Representative Director and President		
(4) Main business	Manufacturing and sale of flexible printed circuits, etc.		
(5) Capital	10 million yen		
(6) Establishment	March 1, 2022		
(7) No. of shares issued	100 shares		
(8) Fiscal year end	March 31		

(9) Major shareholder and shareholding ratio	Fujikura Ltd. 100%
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4. Outline of Business Segment to Be Split

(1) Details of The Company's Business to Be Split

FPC business

(2) Business Results of the Segment to Be Split (Fiscal year ended March 31, 2021)

Net sales 111,832 million yen

(3) Items and Book Value of Assets and Liabilities to Be Split (Fiscal year ended March 31, 2021) (Million yen)

Assets		Liabilities	
Current assets	15,761	Current liabilities	12,877
Non-current assets	25,718	Non-current liabilities	1,665
Total	41,479	Total	14,542

(Note) The actual amount to be succeeded will be the amount above adjusted for any increase or decrease up to the effective date.

5. Status Following the Organizational Restructuring

There are no plans to changes to the name, head office, name and title of representative, major business, capital and fiscal year end of the Company, FUJIKURA SHOJI and TOHOKU FUJIKURA due to the Company Split.

6. Future Outlook

The Company Split is an absorption-type split with the Company, the Company's wholly-owned subsidiary, Fujikura Shoji and Tohoku Fujikura, and the Newly established Company's wholly owned subsidiary. Therefore, the impact on the Company's consolidated business performance is minor.

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