Notice: This document is a translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

February 17, 2025
80, Oshimada-machi, Nagano-shi, 381-2287 Japan
SHINKO ELECTRIC INDUSTRIES CO., LTD.
Stock exchange code: 6967, TSE Prime

JICC-04, Ltd.
Representative: Osamu Itabashi

Announcement Regarding Commencement of the Tender Offer for the Shares of SHINKO ELECTRIC INDUSTRIES CO., LTD. (Securities Code: 6967) by JICC-04, Ltd.

This is to announce the "Announcement Regarding Commencement of the Tender Offer for the Shares of SHINKO ELECTRIC INDUSTRIES CO., LTD. (Securities Code: 6967)" by JICC-04, Ltd. attached hereto today.

The purpose of this document is to, in accordance with Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act, make an announcement based on a request that JICC-04, Ltd. (the tender offeror) made to SHINKO ELECTRIC INDUSTRIES CO., LTD. (the target company of the tender offer).

(Attachment)
“Announcement Regarding Commencement of the Tender Offer for the Shares of SHINKO ELECTRIC INDUSTRIES CO., LTD. (Securities Code: 6967)” as of February 17, 2025.

February 17, 2025

Company Name JICC-04, Ltd.

Representative Osamu Itabashi, Representative Director

Announcement Regarding Commencement of the Tender Offer for the Shares of SHINKO ELECTRIC INDUSTRIES CO., LTD. (Securities Code: 6967)

As announced in the "Announcement Regarding Planned Commencement of Tender Offer for SHINKO ELECTRIC INDUSTRIES CO., LTD. (Securities Code: 6967)" dated December 12, 2023 (as amended; the "Offeror's Press Release Dated December 12, 2023"), on the same day, JICC-04, Ltd. (the "Offeror") decided to acquire the common stock of SHINKO ELECTRIC INDUSTRIES CO., LTD. (Securities Code: 6967, Prime Market of the Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange"); the company is hereinafter referred to as the "Target Company," and its common stock, the "Target Company Shares") through a tender offer (the "Tender Offer") under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the "Act").

As announced in the Offeror's Press Release Dated December 12, 2023, the Offeror entered into a master transaction agreement with Fujitsu Limited ("Fujitsu") as of the same date (the "Master Transaction Agreement"; for details of the Master Transaction Agreement, please refer to "(A) Master Transaction Agreement" in "(6) Matters relating to material agreements regarding the Tender Offer" below). The Offeror decided to conduct the Tender Offer for all of the Target Company Shares (excluding the Target Company Shares held by Fujitsu (number of shares held: 67,587,024 shares, ownership percentage (Note 1): 50.02%; the "Fujitsu Holding Shares") and the treasury shares held by the Target Company) on the following date (the "Tender Offer Commencement Date"): a date that is (i) within 10 Business Days after the procedures and steps required under domestic and foreign competition laws and foreign investment control laws and regulations are completed and other conditions precedent (Note 2) set out in the Master Transaction Agreement (the "Tender Offer Conditions Precedent") (excluding those to be satisfied on the commencement date of the Tender Offer) are satisfied (or waived at the discretion of the Offeror (Note 3)) (however, if a Counter Proposal (as defined in "(6) Matters relating to material agreements regarding the Tender Offer" below; hereinafter the same) has been made as of such date, then the earlier of (a) the date on which 20 Business Days have elapsed since the date on which Fujitsu makes a request to the Offeror for consultation regarding changing the Tender Offer Price (as defined in "(1) Summary of the Tender Offer" in "1. Purposes of tender offer" below; hereinafter the same) and the Repurchase Price (as defined in "(1) Summary of the Tender Offer" in "1. Purposes of tender offer" below; hereinafter the same) or (b) the date on which Fujitsu covenants in writing that it will not accept the Counter Proposal) and (ii) determined by the Offeror upon consultation with Fujitsu, as part of the series of transactions aimed at making the Offeror the sole shareholder of the Target Company and taking the Target Company Shares listed on the Prime Market of the Tokyo Stock Exchange private (the "Transactions") on the condition that the Tender Offer Conditions Precedent (excluding those to be satisfied on the commencement date of the Tender Offer) are satisfied or, at the discretion of the Offeror, waived.

Note 1: "Ownership percentage" means the ratio of the shares owned (rounded to two decimal places) to the sum (135,117,392 shares; the "Reference Number of Shares") of the total number of issued shares of the Target Company as of December 31, 2024 (135,171,942 shares) as stated in the "Summary of Consolidated FY 2024 Third-Quarter Financial Results (Based on Japanese GAAP)" announced by the Target Company on January 31, 2025 (the "Target Company's Third-Quarter Financial Results") minus the treasury shares (54,550 shares) owned by the Target Company as of December 31, 2024. This applies hereinafter in the calculation of the ownership percentage.

Note 2: Under the Master Transaction Agreement, the Tender Offer Conditions Precedent are stipulated as follows: (i) the permanent Special Committee (as defined in "(B) Procurement by the Target Company of a written report from an independent special committee" in "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer" in "1. Purposes of tender offer" below), established by the Target Company on June 17, 2022 based on the Corporate Governance Code published by the Tokyo Stock Exchange, has reported to the board of directors of the Target Company that it is appropriate for the board of directors of the Target Company to express its opinion in favor of the Transactions and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer, and the report has not been changed or withdrawn; (ii) the board of directors of the Target Company has adopted a resolution with the unanimous approval of all disinterested directors to express its opinion in favor of the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer, and that opinion has been publicly announced in accordance with laws and regulations and has not been changed or withdrawn, and no resolution in contradiction therewith has been passed; (iii) no judgment has been made or is likely to be made by any judicial or administrative agency that restricts or prohibits the Transactions; (iv) Fujitsu has performed and complied with, in all material respects, all of its obligations under the Master Transaction Agreement (Note 4), and there has been no breach of Fujitsu's representations and warranties under the Master Transaction Agreement (Note 5) that would have a material adverse effect (Note 6) (however, Fujitsu shall be given an opportunity to cure any nonperformance, noncompliance, or breach in advance, and if the nonperformance, noncompliance, or breach is cured within a reasonable period of time, the foregoing conditions shall be deemed satisfied); (v) the acquisition of Clearance (Note 7) has been completed; (vi) confirmation has been obtained in writing from the Target Company that, as of the Business Day immediately preceding the Tender Offer Commencement Date, there is no material fact regarding the business, etc. (excluding those publicly announced in accordance with Article 166, Paragraph 4 of the Act of the Target Company as provided for in Article 166, Paragraph 2 of the Act, except for matters relating to the Transactions including the Tender Offer to be announced on that date by the Target Company; (vii) no settlement failure event (Note 8) has occurred with regard to the financial institution that will become the lender in the borrowings (including mezzanine borrowings) by the Offeror or its parent company for the purpose of financing the Transactions; (viii) the "Memorandum of Understanding Regarding Tender Offer" (the "MOU") between the Offeror and the Target Company dated as of the date of execution of the Master Transaction Agreement remains in effect, and the Target Company has performed and complied with, in all material respects, all of its obligations under the MOU (however, the foregoing conditions shall be deemed satisfied unless a breach of such obligations has a material adverse effect); (ix) if the Tender Offer has commenced on or after the date of execution of the Master Transaction Agreement, no circumstances have arisen in the Target Company that would allow the withdrawal of the Tender Offer pursuant to the provisions of the proviso of Article 27-11, Paragraph 1 of the Act (however, limited to the circumstances set out in Article 14, Paragraph 1, Item 3 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; the "Enforcement Order")) (the foregoing condition shall be deemed satisfied unless the circumstances have a material adverse effect); and (x) no proposal for a dividend of surplus to be implemented on or after the execution date of the Master Transaction Agreement has been approved at any shareholders' meeting of the Target Company. If any Counter Proposal is made before the commencement of the Tender Offer, the Offeror shall not bear an obligation to commence the Tender Offer unless Fujitsu covenants in writing not to accept the Counter Proposal or the Offeror changes the Tender Offer Price to an amount higher than the consideration proposed in the Counter Proposal and changes the Repurchase Price to an amount that, taking tax effects into account, is in substance higher than the consideration proposed in the Counter Proposal. Further, since the Master Transaction Agreement sets out termination events (Note 9), the Offeror will not bear an obligation to commence the Tender Offer in the event that the Master Transaction Agreement terminates. Please refer to "(A) Master Transaction Agreement" in "(6) Matters relating to material agreements regarding the Tender Offer" in "1. Purposes of tender offer" below for details of the Master Transaction Agreement.

Note 3: The Master Transaction Agreement stipulates that any or all of the Tender Offer Conditions Precedent may be waived at the discretion of the Offeror.

Note 4: Please refer to "(A) Master Transaction Agreement" in "(6) Matters relating to material agreements regarding the Tender Offer" in "1. Purposes of tender offer" below for details of Fujitsu's obligations under the Master Transaction Agreement.

Note 5: Please refer to "(A) Master Transaction Agreement" in "(6) Matters relating to material agreements regarding the Tender Offer" in "1. Purposes of tender offer" below for details of the representations and warranties of Fujitsu under the Master Transaction Agreement.

Note 6: "Material adverse effect" means any material adverse effect on the business, financial condition, assets, liabilities, operating results, or cash flow of the Target Company and its subsidiaries as a whole or on the execution of the Transactions, or any specific risk thereof.

Note 7: "Clearance" means the obtainment (including the expiration of the applicable waiting period without objection from the relevant authorities) of permits and authorizations, etc. (meaning a permit, authorization, license, approval, consent, registration, notification, or any other similar act or procedure by the national government, a local government, or any other public agency or administrative agency as required by relevant laws and regulations; hereinafter the same) under the competition laws and regulations of Japan, China, South Korea, and Vietnam.

Note 8: "Settlement failure event" means, with regard to the financial institutions that will become the lenders in the borrowings by the Offeror or its parent company for the purpose of financing the Transactions (referring to MUFG Bank, Ltd. ("MUFG Bank"), Sumitomo Mitsui Banking Corporation ("SMBC"), The Hachijuni Bank, Ltd. ("Hachijuni Bank"), and Aozora Bank, Ltd. ("Aozora Bank")), (i) any natural disaster, war, or outbreak of terrorism, (ii) any breakdown or failure of electric, communication or various clearing systems, (iii) any event where, in the Tokyo Interbank Market, a loan of yen funds cannot be executed, and (iv) any other event that is similar to (i) through (iii) above for any reason not attributable to the financial institutions for which the financial institutions objectively and reasonably determine that it is objectively impossible to conduct the settlement of the financing due to that event.

Note 9: Please refer to "(A) Master Transaction Agreement" in "(6) Matters relating to material agreements regarding the Tender Offer" below for details of termination events set out in the Master Transaction Agreement.

The Offeror has been conducting the above-mentioned procedures and steps for the purpose of implementing the Tender Offer. However, as announced in the "Announcement Regarding Progress, etc. of the Tender Offer for the Shares of SHINKO ELECTRIC INDUSTRIES CO., LTD. (Securities Code: 6967) by JICC-04, Ltd." dated August 26, 2024 (the "Offeror's Press Release Dated August 26, 2024"), from among the procedures and steps required under the competition laws of Japan, South Korea, Vietnam, and China, the procedures and steps required under the competition laws of Vietnam and China have not been completed as of that date. Subsequently, the Offeror received a notice dated November 20, 2024 from the Vietnam Competition Commission stating that the Vietnam Competition Commission had decided to approve the acquisition of the Target Company Shares through the Tender Offer (the "Share Acquisition"), and therefore the Offeror has confirmed that the procedures required under the competition law of Vietnam have been completed. In addition, with respect to the prior notification regarding the Share Acquisition required under the competition law of China, the Offeror received a notice dated December 27, 2024 from the State Administration of Market Regulation of the People's Republic of China ("SAMR (PRC)") stating that it had decided to approve the Share Acquisition, and therefore the Offeror has confirmed that the procedures required under the competition law of China have been completed.

Further, the Offeror has confirmed that, as described below, all of the other Tender Offer Conditions Precedent have been satisfied by February 17, 2025, and therefore decided on the same day to commence the Tender Offer from February 18, 2025.

(A) The Offeror received a report from the Target Company to the effect that, as of February 17, 2025, the Special Committee has reported to the board of directors of the Target Company that it is appropriate for the board of directors of the Target Company to express its opinion in favor of the Transactions and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer, and the report has not been changed or withdrawn. Therefore, the Offeror confirmed that item (i) in the Tender Offer Conditions Precedent mentioned above has been satisfied.

(B) The Offeror received a report from the Target Company to the effect that, as of February 17, 2025, the board of directors of the Target Company has adopted a resolution with the unanimous approval of all disinterested directors to express its opinion in favor of the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer, and that opinion will be publicly announced in the Target Company's Press Releases (as defined below; hereinafter the same) and has not been changed or withdrawn, and no resolution in contradiction therewith has been passed. Thereafter, upon the announcement of the Target Company's Press Releases, the Offeror confirmed that item (ii) in the Tender Offer Conditions Precedent mentioned above has been satisfied.

(C) The Offeror received a report from the Target Company to the effect that, as of February 17, 2025, no judgment has been made or is likely to be made by any judicial or administrative agency that restricts or prohibits the Transactions, and the Offeror is not aware of any such judgment being made or likely to be made. Therefore, the Offeror confirmed that item (iii) in the Tender Offer Conditions Precedent mentioned above has been satisfied.

(D) The Offeror received a report from Fujitsu to the effect that Fujitsu has performed and complied with, in all material respects, all of its obligations under the Master Transaction Agreement, and there has been no breach of Fujitsu's representations and warranties under the Master Transaction Agreement that would have a material adverse effect, and the Offeror has confirmed that such obligations have been performed or complied with and is not aware of any breach of such representations and warranties. Therefore, the Offeror confirmed that item (iv) in the Tender Offer Conditions Precedent mentioned above has been satisfied.

(E) The acquisition of Clearance has been completed by February 17, 2025. Therefore, the Offeror confirmed that item (v) in the Tender Offer Conditions Precedent mentioned above has been satisfied.

(F) The Offeror received confirmation in writing from the Target Company to the effect that, as of February 17, 2025, there is no material fact regarding the business, etc. (excluding those publicly announced in accordance with Article 166, Paragraph 4 of the Act) of the Target Company as provided for in Article 166, Paragraph 2 of the Act, except for matters relating to the Transactions including the Tender Offer to be announced on that date by the Target Company. Therefore, the Offeror confirmed that item (vi) in the Tender Offer Conditions Precedent mentioned above has been satisfied.

(G) The Offeror has not received a report from the financial institution that will become the lender in the borrowings by the Offeror for the purpose of financing the Transactions to the effect that, as of February 17, 2025, any settlement failure event has occurred, and the Offeror is not aware that any such settlement failure event has occurred. Therefore, the Offeror confirmed that item (vii) in the Tender Offer Conditions Precedent mentioned above has been satisfied.

(H) The Offeror received a report from the Target Company to the effect that the MOU remains in effect, and the Target Company has performed and complied with, in all material respects, all of its obligations under the MOU, and the Offeror is not aware of any termination of the MOU or any non-performance or non-compliance by the Target Company of its obligations. Therefore, the Offeror confirmed that item (viii) in the Tender Offer Conditions Precedent mentioned above has been satisfied.

(I) The Offeror received a report from the Target Company to the effect that, if the Tender Offer has commenced on or after the date of execution of the Master Transaction Agreement, no circumstances have arisen in the Target Company that would allow the withdrawal of the Tender Offer pursuant to the provisions of the proviso of Article 27-11, Paragraph 1 of the Act (however, limited to the circumstances set out in Article 14, Paragraph 1, Item 3 of the Enforcement Order that have a material adverse effect). Therefore, the Offeror confirmed that item (ix) in the Tender Offer Conditions Precedent mentioned above has been satisfied.

(J) The Offeror received a report from the Target Company to the effect that no proposal for a dividend of surplus to be implemented on or after the execution date of the Master Transaction Agreement has been approved at any shareholders' meeting of the Target Company. Therefore, the Offeror confirmed that item (x) in the Tender Offer Conditions Precedent mentioned above has been satisfied.

There are no changes to the terms and conditions of the Tender Offer as announced in the Offeror's Press Release Dated December 12, 2023.

1. Purposes of tender offer

(1) Summary of the Tender Offer

The Offeror is a stock company (*kabushiki kaisha*) established on September 29, 2023 and whose business primarily consists of controlling and managing the business activities of the Target Company through the acquisition and holding of the Share Certificates, Etc. of the Target Company after the completion of the Tender Offer. As of today, JIC PEFJ1 Limited Partnership ("JIC PEFJ1"), managed by JIC Capital, Ltd. ("JICC"), which is a wholly-owned subsidiary of Japan Investment Corporation ("JIC"), holds all of the issued shares of the Offeror. In addition, during the period from the completion of the Tender Offer to the time of settlement of the Tender Offer, the Offeror will commence procedures for a capital contribution by a third-party allotment of common shares through which shares are allotted by the Offeror to the JICC Funds (meaning JIC PEF1 Limited Partnership ("JIC PEF1"), JIC PEFJ1, and Hachijuni-JICC Limited Partnership in which JIC PEF1, JIC PEFJ1, and Hachijuni Sustainability No. 1 Fund (general partner: Hachijuni Investment Co., Ltd. ("Hachijuni Investment")) will invest as a limited partner; the same shall apply hereinafter), Dai Nippon Printing Co., Ltd. ("DNP"), and Mitsui Chemicals, Inc. ("Mitsui Chemicals"; the JICC Funds, DNP, and Mitsui Chemicals are hereinafter collectively referred to as the "JICC Alliance," and the capital contribution, the "Contribution (Common Shares)") and procedures for a capital increase by a third-party allotment of preferred shares (non-voting class shares with no conversion rights to common stock) through which shares are allotted by the Offeror to DNP and Mitsui Chemicals (the "Contribution (Preferred Shares)"; together with the Contribution (Common Shares), the "Contributions") for the purpose of providing for the funds necessary to execute the Transactions. JIC, the JICC Alliance, and the Offeror do not hold any Target Company Shares as of today. After the Contributions, the JICC Funds, DNP, and Mitsui Chemicals will hold 80.00%, 15.00%, and 5.00% of common stock of the Offeror, respectively.

The Transactions consist of the following procedures through which the Offeror intends to ultimately make the Target Company a wholly-owned subsidiary of the Offeror:

(A) the Tender Offer by the Offeror;

(B) procedures for the Share Consolidation (as defined in "(4) Policy for organizational restructuring after the Tender Offer (matters relating to a so-called "Two-Step Acquisition")" below; hereinafter the same) to be conducted by the Target Company in order to make the Offeror and Fujitsu the only shareholders of the Target Company if the Offeror is not able to acquire all of the Target Company Shares (excluding the Fujitsu Holding Shares and the treasury shares held by the Target Company) through the Tender Offer (the "Squeeze-Out Procedures");

(C) (i) the provision of funds to the Target Company by the Offeror (which is expected to be through a capital increase by a third-party allotment through which shares are allotted to the Offeror and through a loan to the Target Company (the "Financing")) and (ii) a decrease in the amounts of the stated capital, capital reserve, and retained earnings reserve of the Target Company in accordance with Article 447, Paragraph 1 and Article 448, Paragraph 1 of the Companies Act (Act No. 86 of 2005, as amended, the "Companies Act") (the "Capital Decrease, Etc.") (Note 1), each to be conducted by the Target Company for the purpose of procuring funds and a distributable amount necessary for conducting the Target Company's acquisition of the Fujitsu Holding Shares on the condition that the Share Consolidation becomes effective (the "Share Repurchase"); and

(D) the Share Repurchase.

Please refer to "(4) Policy for organizational restructuring after the Tender Offer (matters relating to a so-called "Two-Step Acquisition")" below for details of the Share Consolidation.

Note 1: It is planned that, upon the Capital Decrease, Etc., the Target Company will transfer (i) part or all of the decreased stated capital and capital reserve to other capital surplus and (ii) all of the decreased retained earnings to retained earnings carried forward.

In connection with the Tender Offer, the Offeror has executed the Master Transaction Agreement with Fujitsu as of December 12, 2023, pursuant to which Fujitsu has agreed (i) not to tender any of the Fujitsu Holding Shares that it holds in the Tender Offer, and (ii) to sell all of the Fujitsu Holding Shares that it holds in response to the Share Repurchase. For details of the Master Transaction Agreement, please refer to "(A) Master Transaction Agreement" in "(6) Matters relating to material agreements regarding the Tender Offer" below.

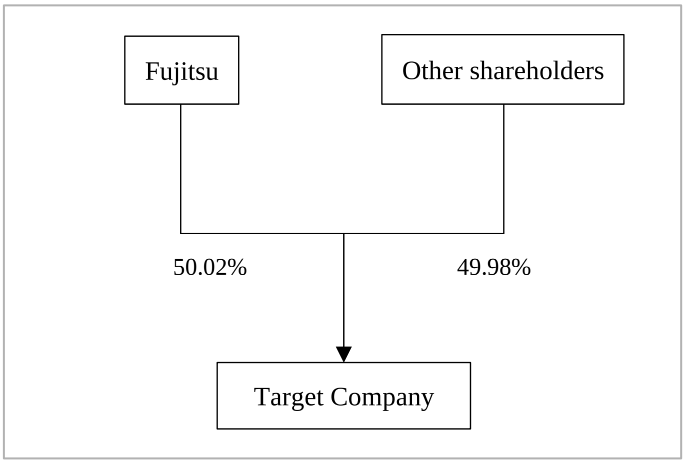
If the total number of Share Certificates, Etc. tendered in response to the Tender Offer (the "Tendered Share Certificates, Etc.") is less than the minimum number of shares to be purchased (22,491,200 shares (Note 2), ownership percentage: 16.65%), then the Offeror will not purchase any of the Tendered Share Certificates, Etc. Since the purpose of the Transactions is to take the Target Company Shares private, the minimum number has been set as the number of shares required to carry out the Transactions given that a special resolution in the shareholders' meeting as provided for in Article 309, Paragraph 2 of the Companies Act is required for carrying out the procedures for the Share Consolidation as described in "(4) Policy for organizational restructuring after the Tender Offer (matters relating to a so-called "Two-Step Acquisition")" below and given that the Offeror has agreed with Fujitsu that Fujitsu will not tender the Fujitsu Holding Shares in the Tender Offer and that the Offeror and Fujitsu will vote in favor of each proposal regarding the Squeeze-Out Procedures if the Tender Offer is successfully completed. On the other hand, because the purpose of the Transactions is to take the Target Company Shares private, the Offeror has not set a limit on the maximum number of shares to be purchased, and if the total number of Tendered Share Certificates, Etc. is equal to or greater than the minimum number of the shares to be purchased (22,491,200 shares), then the Offeror will purchase all of the Tendered Share Certificates, Etc.

Note 2: The minimum number of shares to be purchased (22,491,200 shares) is the number of shares calculated by (i) subtracting the treasury shares (54,550 shares) owned by the Target Company as of December 31, 2024 from the total number of issued shares of the Target Company as of December 31, 2024 (135,171,942 shares) as stated in the Target Company's Third-Quarter Financial Results, (ii) multiplying the number of voting rights (1,351,173 voting rights) represented by that number of shares (135,117,392 shares) by two thirds, (iii) deducting from that number (900,782 voting rights) the number of voting rights (675,870 voting rights) represented by the Fujitsu Holding Shares (67,587,024 shares), and then (iv) multiplying that number (224,912 voting rights) by 100.

Diagrams summarizing the Transactions are provided below.

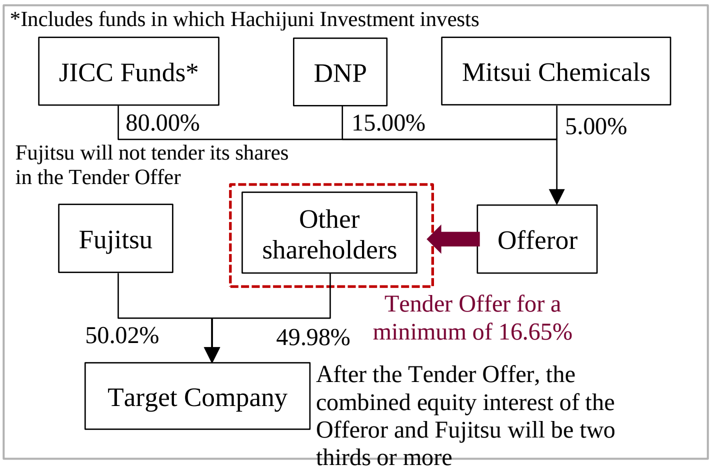
Before the implementation of the Tender Offer (current status)

As of today, Fujitsu holds 67,587,024 Target Company Shares (ownership percentage: 50.02%) and other shareholders (excluding the Target Company) hold the remaining 67,530,368 shares (ownership percentage: 49.98%).



The Tender Offer by the Offeror

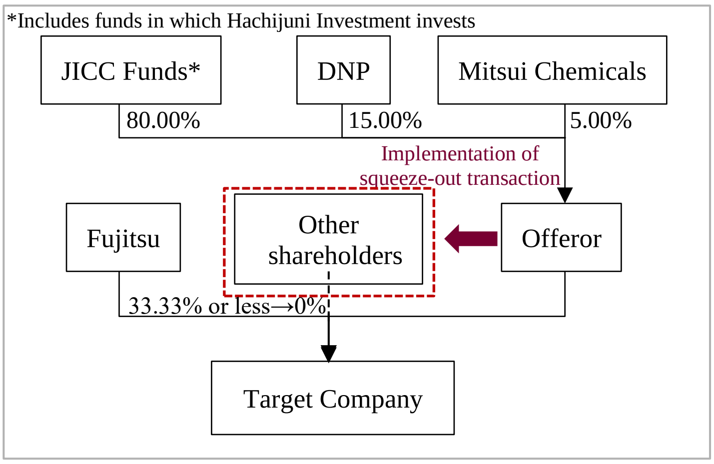
- The Offeror will conduct the Tender Offer for all of the Target Company Shares (excluding the Fujitsu Holding Shares and the treasury shares held by the Target Company).



* The JICC Funds include Hachijuni-JICC Limited Partnership in which Hachijuni Investment will invest as a limited partner. The same shall apply hereinafter.

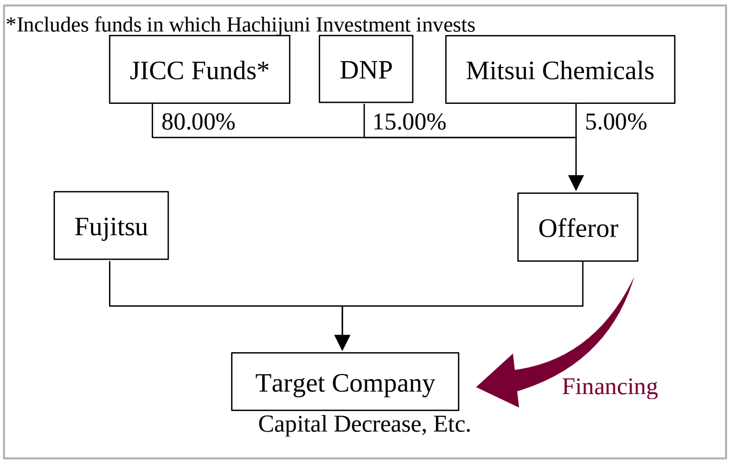
The Squeeze-Out Procedures through the Share Consolidation by the Offeror

If the Tender Offer has been successfully completed, but the Offeror is unable to acquire all of the Target Company Shares (excluding the Fujitsu Holding Shares and the treasury shares held by the Target Company) in the Tender Offer, then the Offeror intends to request the Target Company to conduct the Share Consolidation and carry out procedures for making the Offeror and Fujitsu the only shareholders of the Target Company.



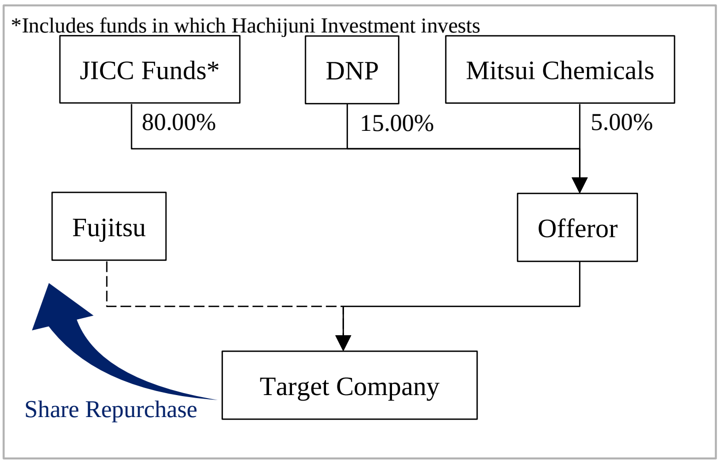
The Financing and the Capital Decrease, Etc. to be conducted for the purpose of procuring funds for the Share Repurchase and a distributable amount

- After the Target Company Shares are delisted and the Share Consolidation takes effect, the Offeror will provide the Financing to the Target Company, and the Target Company will conduct the Capital Decrease, Etc. in order to procure funds required for the Share Repurchase and a distributable amount.



The Share Repurchase from Fujitsu by the Target Company

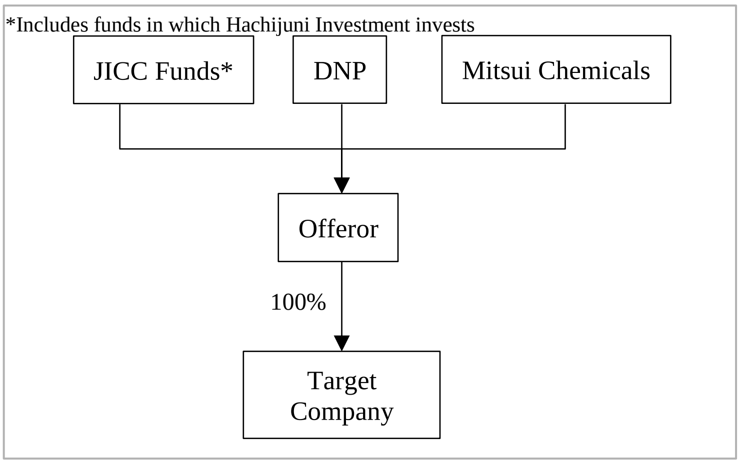
- After the Capital Decrease, Etc. has been completed, the Target Company will use the funds and distributable amount procured by the Funding and Capital Decrease, Etc. to conduct the Share Repurchase to acquire all of the Fujitsu Holding Shares held by Fujitsu.



- While there is a possibility that the Share Repurchase will be conducted after the Share Consolidation prior to the approval of the exemption from the obligation to file an annual securities report, the Share Repurchase is intended to be conducted after the delisting of the Target Company Shares. As the delisted shares will not constitute "listed share certificates, etc." (Article 24-6, Paragraph 1 of the Act and Article 4-3 of the Enforcement Order), which would be subject to a tender offer of treasury shares (Article 27-22-2 of the Act), a tender offer of treasury shares is not planned to be conducted upon the execution of the Share Repurchase.

After the Transactions

- After the Transactions, the Offeror will hold all of the issued shares of the Target Company (excluding the treasury shares held by the Target Company).



The Offeror plans to cover the funds required for settlement of the Tender Offer through the Contributions, and the funds required for other settlement regarding the Transactions through the Contributions and borrowing from MUFG Bank, SMBC, Hachijuni Bank, and Aozora Bank (the "Bank Loan"). The Offeror intends to receive the Contributions by the Business Day immediately preceding the commencement date of settlement of the Tender Offer subject to the successful completion of the Tender Offer and other conditions. The details of the loan terms of the Bank Loan will be specified in the loan agreement for the Bank Loan upon separate discussion with each bank. The loan agreement for the Bank Loan will stipulate that all of the issued shares of the Offeror to be held by the JICC Funds (80% of the issued shares of the Offeror) and certain assets, including the Target Company Shares to be acquired by the Offeror through the Tender Offer, will be provided as security. Of the assets to be provided as security for the Bank Loan, the assets held by the Target Company and its consolidated subsidiaries will be provided as security after the Squeeze-Out Procedures are completed.

In addition, although the Share Repurchase will be conducted within the limit of the distributable amount of the Target Company, the Offeror intends to provide the Financing after the Share Consolidation, taking into account the funds required for the Share Repurchase, the amount of deposits held by the Target Company, and the level of deposits required for business operations after the Share Consolidation. Additionally, the purchase price per share of the Target Company Shares in the Tender Offer (the "Tender Offer Price") and the consideration for the repurchase of treasury shares in the Share Repurchase (per share prior to share consolidation; the "Repurchase Price") were calculated so that (i) the amount calculated as the after-tax earnings of Fujitsu if the Share Repurchase were to be conducted at the Repurchase Price is equal to (ii) the amount of earnings that Fujitsu would receive if it were to tender its shares in the Tender Offer at the Tender Offer Price. Accordingly, Fujitsu will not receive greater benefits than the minority shareholders of the Target Company.

According to the "Notice Concerning Expression of Opinion to Support Commencement of Tender Offer for Company Shares by JICC-04, Ltd. and Recommendation to Tender Thereto" released by the Target Company on December 12, 2023 (the "Target Company's Press Release Dated December 12, 2023"), at the board of directors meeting of the Target Company held on December 12, 2023, a resolution was adopted to the effect that, if the Tender Offer commences, the current position of the Target Company is that it will express an opinion in support of the Tender Offer and that it will recommend that the Target Company's shareholders tender their shares in the Tender Offer.

Furthermore, according to the "Notice Concerning Expression of Opinion to Support the Tender Offer for Company Shares by JICC-04, Ltd. and Recommendation to Tender Thereto" released by the Target Company today (together with the Target Company's Press Release Dated December 12, 2023, the "Target Company's Press Releases"), on January 22, 2025, the Offeror notified the Target Company that the necessary procedures and steps required under domestic and foreign competition laws (in Japan, China, South Korea, and Vietnam) have been completed, and among the Tender Offer Conditions Precedent set out in the Master Transaction Agreement, the Tender Offer Conditions Precedent requiring that the acquisition of Clearance be completed have been satisfied, and as such, it intends to commence the Tender Offer on February 18, 2025 as the tender offer commencement date, based on the assumption that the other Tender Offer Conditions Precedent to be satisfied on the date of announcement of the Tender Offer will be satisfied or waived. In response, the Target Company again carefully considered the terms of the Tender Offer based on the Target Company's business performance and the environment surrounding the Transactions, while respecting the contents of the Additional Written Report (as defined in "(C) Decision-making process and reasons of the Target Company to issue the opinion to support the Tender Offer") submitted by the Special Committee to the maximum possible extent; as a result, the Target Company concluded that as of February 17, 2025, there are no factors to change its opinion regarding the Tender Offer. Therefore, at the board of directors meeting held today (together with the board of directors meeting held on December 12, 2023, the "Board of Directors Meetings"), a resolution was again adopted to the effect that the board of directors will express an opinion in support of the Tender Offer and that it will recommend that the Target Company's shareholders tender their shares in the Tender Offer.

For details of the above-mentioned resolutions at the board of directors meetings of the Target Company, please refer to "(E) Unanimous approval of all non-interested directors of the Target Company" in "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer" below.

(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer

The background, purpose, and decision-making process leading to the decision to conduct the Tender Offer as well as the management policy following the Tender Offer are described below. The description of the Target Company included below is based on information released by the Target Company, the Target Company's Press Releases, and explanations received from the Target Company.

(A) The Target Company's business environment, etc.

The Target Company was founded in February 1946 as Nagano Katei Denki Saisei-jo with the main goal of recycling household lightbulbs, and it reorganized and renamed itself SHINKO ELECTRIC INDUSTRIES CO., LTD. in September of the same year to expand operations. In 1957, thanks to capital funding from Fujitsu, the Target Company newly expanded its operations into the semiconductor field. As a company that prides itself on being a leading company of semiconductor packaging in the ever-advancing electronics industry, the Target Company has developed, manufactured, and sold products based on a wide range of semiconductor packaging technologies. Specifically, as of today, the Target Company group, comprising the Target Company and nine subsidiaries (the "Target Company Group"), engages in the following main businesses with an integrated production system (from development/design to shipment): development, manufacture, and sale of various semiconductor packages, such as flip-chip type packages (Note 3), plastic BGA substrates (Note 4), and leadframes (Note 5), each of which has a world-leading market share; assembly and sale of ICs; and development, manufacture, and sale of ceramic electrostatic chucks (Note 6) for semiconductor manufacturing equipment. Furthermore, the Target Company Shares came to be listed on the Second Section of the Tokyo Stock Exchange in December 1984, reassigned to the First Section in September 1996, and after the reorganization of the Tokyo Stock Exchange, they came to be listed on the Prime Market of the Tokyo Stock Exchange as of today.

The Target Company Group aims for "Progress without Limits" in the electronics industry, which is expected to grow in the medium- to long-term, by supporting the evolution of semiconductors, working to create products that enrich the lives of people around the world based on technology that links the superb functions of semiconductors with people's lives, and developing, manufacturing, and selling superb products that start with the needs of customers. Furthermore, the Target Company Group upholds as its corporate visions "Global Outlook" and "Responsibility to Individual," in addition to "Technology Leadership" and "Long Term Vision"; in accordance with these visions, the

Target Company Group is committed to coexisting and prospering in the international community as a global company that engages in business with customers around the world and operates offices in various regions, striving to create an environment that brings together the talents of diverse human resources and enables each and every employee to achieve personal growth, and promoting business with a management stance that takes into consideration "respect for the global environment and humanity," thereby aiming to contribute to the healthy development of society and creation of a brighter future.

Note 3: Flip-chip type packages are semiconductor packages used for high-performance semiconductors, such as CPUs for computers and servers, that meet the need for higher speed and higher density semiconductors with fine line patterning, multilayered structures, and excellent electrical characteristics.

Note 4: Plastic BGA substrates are semiconductor packages used primarily for semiconductor memory for smartphones and micro-control units (MCU) for automobiles that meet the need for size reduction as well as thinner and higher density semiconductors with fine line patterning and multilayered structures.

Note 5: Leadframes are widely used in smartphones, computers, automobiles, and home appliances. The Target Company provides various types of leadframes through stamping using precise dies and etching processes.

Note 6: Ceramic electrostatic chucks are parts used for semiconductor manufacturing equipment such as etching; they adsorb and fix silicon wafers using static electricity, and meet the need for higher performance in semiconductor manufacturing equipment.

Economic and societal structures are being changed by the spread of fifth-generation mobile communications systems (5G) and the progression of DX due to the increasing use of big data, artificial intelligence (AI), the Internet of things (IoT), and other advanced technologies. These technologies have the potential to create innovation on a different order of magnitude than ever before. It is expected that semiconductors, as the key technology for achieving this potential, will continue to evolve. At the same time, the importance of semiconductors is growing from a strategic perspective. Moreover, the markets for semiconductors are expected to continue expanding in the future, including in the automotive market, where technological developments, such as autonomous driving and EVs, are accelerating, as well as in the medical field to support people's health. In addition, semiconductor needs are expected to become more sophisticated and diverse as key devices that speed up the transition to a decarbonized society and support the evolution of technologies that is essential for realizing green transformation (GX). Meanwhile, in terms of the semiconductor manufacturing process, progress in miniaturization during the upstream process of forming circuit patterns on wafers previously led to improvements in semiconductor performance. In recent years, however, the importance of the downstream packaging process has increased to meet the need for more advanced and multifunctional semiconductors. In particular, the Target Company's main business of semiconductor packages, beginning with flip-chip type packages used in high-performance semiconductors such as CPUs for computers and servers, is increasing needs and attracting attention in the semiconductor industry, as core products indispensable for semiconductors with advanced functionality and speed as well as power saving.

In such industry, the Target Company Group is committed to developing highly competitive products and innovating the art of manufacturing, beginning with various semiconductor packages that have a leading product share in the industry based on diverse, cutting-edge semiconductor packaging technologies that it has cultivated to date. The Target Company Group strives to provide customers with high-value products and services in terms of function/performance, cost, and quality, and to support their success. Through these initiatives, the Target Company Group pursues its own development and growth. In addition, the Target Company Group focuses on cash flow and on building a solid management foundation able to continually generate profits, as well as fulfilling corporate governance, while executing a management strategy that emphasizes "focus on growth areas," "building a robust production system" and "promoting the Shinko Way."

As for the future business environment, in the U.S., personal consumption is expected to remain firm due to solid employment and incomes. In Japan, a gradual recovery is expected as socioeconomic activities normalize. However, the global and Japanese economies are expected to remain uncertain due to soaring energy and raw material prices, as well as concerns about economic recessions caused by the prolonged Russia-Ukraine conflict and ongoing global inflation, monetary tightening in the U.S. and Europe, and the slowing Chinese economy, among others.

The semiconductor industry is expected to face a severe market environment due to factors such as the decline in demand for PCs and smartphones and prolonged inventory adjustments due to the underlying global economic slowdown and the backlash from COVID-related special demand, as well as the impact of semiconductor export restrictions. On the other hand, with the spread of 5G, the increasing use of AI and IoT, and the progression of Digital Transformation (DX), etc., society and the economy are becoming digitized. Consequently, the applications for semiconductors are expected to keep growing, further increasing the demand over the medium- to long-term, as well as the need for even higher functionality and performance. Moreover, the significance of semiconductors as key technologies to support the promotion of green transformation (GX), including the transition to renewable energy and advancements in energy conservation, is growing while efforts to achieve a decarbonized society accelerate. At the same time, global competition is expected to intensify, requiring that development and production systems that can adapt rapidly and flexibly to increasingly sophisticated and diverse market needs and changing demand be set up.

In such a severe environment, the Target Company Group is working hard, across the board, to boost productivity and cut costs. The Target Company Group also developed proactive sales drives to generate consistent revenues. The Target Company Group has been making continual, focused capital investments in markets with promising growth and has augmented its production capacity to increase sales. The Target Company Group's focus is on steadily making capital investments in and technological developments for these growing markets, with sights set on the Target Company Group's future development. For flip-chip type packages, which meet the need for semiconductors with enhanced functionality, speed, and power saving, the Target Company Group is committed to reinforcing its production system and broadening the customer base in view of the expansion of the cutting-edge semiconductor market, especially for servers. The Target Company Group is focusing on the development of the Target Company's sixth production plant, Chikuma Plant (Chikuma City, Nagano Prefecture), which was completed in December 2023. Furthermore, in order to meet the needs of the high-performance computing (HPC) market, which is expected to experience significant growth in the medium- to long-term, the Target Company plans to make new capital investments in the Chikuma Plant for next-generation flip-chip type packages developed by the Target Company, beginning with i-THOP® (integrated Thin film High density Organic Package). This plan is certified as a "plan for ensuring supply" under the Act on the Promotion of Ensuring National Security through Integrated Implementation of Economic Measures (the "Economic Security Promotion Act"). As the semiconductor manufacturing equipment market continues to grow, the Target Company anticipates steady demand for ceramic electrostatic chucks as a key component. Accordingly, the Target Company is trying to expand its mass production system through the development of a new building in its Takaoka Plant (Nakano City, Nagano Prefecture). Further, at its Arai Plant (Myoko City, Niigata Prefecture), the Target Company is proceeding with the construction of a new building, which has already started, in order to increase the production capacity of its plastic BGA substrates to meet the demand for semiconductor memory with higher speeds and lager capacities, aiming to further develop the market for its products that contribute to higher performance semiconductors.

In addition, in order to further strengthen its earnings base in this severe business environment, the Target Company strives to establish a production system that can provide a stable supply of superb products by ensuring quality at all stages, from development and design to production, and is focusing on the development and commercialization of highly-competitive new products based on its diverse semiconductor packaging technologies that it has cultivated to date, while accurately identifying market trends.

In the above described business environment surrounding the Target Company, in order to identify the potential for medium- to long-term market growth of its products and technologies and aim for "Progress without Limits," it will become increasingly important to develop technologies that anticipate market needs and to make flexible capital investments, and the size of funds required for these investments is expected to increase as well. In an increasingly severe competitive environment, the Target Company has been considering various measures to achieve continued enhancement of its corporate value, including its capital structure, such as faster decision-making, diversification of financing methods, and expansion of human capital, which is fundamental to the promotion of its business, while taking into consideration minority shareholder interests.

(B) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer

JICC is a wholly-owned subsidiary of JIC, which is an investment company established in September 2018 under the Industrial Competitiveness Enhancement Act with the aim of contributing to the realization of policy objectives, which are to strengthen industrial competitiveness through open innovation (Note 7) and to expand private sector investment. JICC was established with aim of generating a virtuous cycle of risk capital to support next-generation industries in Japan. To achieve this vision, JICC promotes open innovation as a means of supporting the growth and enhancing the competitiveness of businesses. JICC approaches these challenges by stimulating private sector investments through the provision of funds while fostering the development of investment professionals. JICC aims to achieve both a financial return and the policy objectives of promoting business portfolio transformation to enhance the international competitiveness of Japanese industries, creating new businesses and industries to realize Society 5.0 (Note 8), establishing next-generation social infrastructure to promote Digital Transformation (DX) (Note 9), solving social issues, and serving as a catalyst for private sector investment through the supply of large-scale, long-term, neutral risk capital. JICC, which was established based on this philosophy, aims to conduct the Transactions for the main purposes of (a) enhancing the Target Company's corporate value by taking the Target Company private that is not limited by its current capital structure and is not affected by short-term fluctuations in business performance and (b) thereby providing an opportunity for acquisition of private funds to strengthen the international competitiveness of the semiconductor industry in which the Target Company operates.

Note 7: "Open innovation" refers to the intentional and proactive utilization of the flow of internal and external resources, such as technologies and ideas, in and out of the organization to promote internal innovation and then deploying the resulting internal innovations outside the organization to increase market opportunities.

Note 8: "Society 5.0" was proposed in the 5th Science and Technology Basic Plan approved by the Cabinet on January 22, 2016 as a future society that Japan should aspire to. It refers to a human-centered society that balances economic advancement with the resolution of social problems by a system that highly integrates cyberspace (virtual space) and physical space (real space).

Note 9: "Digital Transformation (DX)" refers to, in the case of business enterprises, the response to rapid changes in the business environment and reforms to a company's products, services, and business model in response to customer and social needs by utilizing data and digital technology. At the same time, it involves the implementation of reforms in the business operation itself, the organization, business processes, corporate culture and climate, in order to establish a competitive advantage.

Since its establishment in September 2020, JICC has studied investment opportunities as a fund responsible for buyout investments (Note 10) and large growth investments (Note 11) within the JIC Group (collectively referring to JIC and its subsidiaries and affiliates). Specifically, JICC has completed its capital participation in Hitachi Astemo, Ltd. in October 2023. Through JICC's capital participation, JICC will utilize its extensive track record of investment and support, including in the automotive industry, as well as its knowledge and information network based on that experience to support Hitachi Astemo, Ltd. in realizing sustained growth by leveraging its competitive software development technology with accelerating investment in advanced fields.

Note 10: "Buyout investment" refers to an investment strategy aimed at reforming industrial structures and strengthening international competitiveness through reorganization and integration of domestic and foreign companies.

Note 11: "Large growth investment" refers to an investment strategy aimed at strengthening the international competitiveness of a company by investing in domestic and foreign high-growth companies.

Additionally, in the semiconductor materials field, JICC announced on June 26, 2023 that it intends to take JSR Corporation ("JSR") private through a tender offer, and the privatization was completed on June 25, 2024. Through the privatization of JSR, JICC, as a partner of JSR, will support the smooth restructuring and integration of the semiconductor materials industry in Japan by taking advantage of its neutral position as a government-affiliated fund and will also support JSR in achieving increased corporate value by promoting JSR's structural reforms that will not be affected by short-term fluctuations in business performance.

Furthermore, several personnel have joined JICC with investment experience at Innovative Network Corporation Japan ("INCJ"), in which JIC holds all shares and which has a similar mission to that of JICC. In addition to a wide network of corporations and industries in Japan and overseas across private and public sectors, JICC has accumulated knowledge through investments in adjacent fields, domestic industry reorganization projects and large-scale and complex projects, as mentioned above.

As an example of investment in the semiconductor field, in 2012, INCJ invested in Renesas Electronics Corporation ("Renesas"), formerly the semiconductor businesses of Mitsubishi Electric Corporation, Hitachi, Ltd. and NEC Corporation. This investment was intended to support Renesas with its world-leading technology in promoting reforms and growth investments to build a solid earnings structure to thrive in the extremely volatile semiconductor industry, thus aiming to restore and strengthen the international competitiveness of Japan’s semiconductor industry. Since INCJ made that investment, Renesas has established governance under a new shareholder structure while executing comprehensive structural reforms encompassing production, operation, and talent management, enabling the company to transform into a profit making entity. Furthermore, since 2017, Renesas has acquired semiconductor companies, including Intersil Corporation, Integrated Device Technology, Inc., and Dialog Semiconductor Plc, and has succeeded in accelerating its growth as a global semiconductor manufacturer by expanding its product lineup and customer base.

The DNP Group conducts business activities that create a better future with a long-term view in order to realize a sustainable, better society and more comfortable lifestyles based on its corporate philosophy, “The DNP Group connects individuals and society and provides new value.” The DNP Group is working to solve social issues and create new value that meets people’s expectations by utilizing its unique strengths, printing and information (P&I). Under the medium-term management plan covering the three-year period from fiscal 2023 to fiscal 2025, which was formulated in April 2023, the DNP Group positions the semiconductor-related business, which underpins the information society, as one of its focus business areas, and provides semiconductor components known as “photomasks.” The DNP Group also develops a type of cutting-edge semiconductor package, “TGV Glass Core Substrate,” as a new business that drives its next-generation growth in the semiconductor-related business.

Mitsui Chemicals is a company that was newly formed through an equal merger between Mitsui Petrochemicals Industries, Ltd., the predecessor of Mitsui Chemicals, and Mitsui Toatsu Chemicals, Inc. on October 1, 1997, and its roots date back to April 1933, when Toyo Koatsu Industries, the predecessor to Mitsui Toatsu Chemicals, Inc., began operating an ammonium sulfate plant in Omuta City, Fukuoka Prefecture. Mitsui Petrochemicals Industries, Ltd., which was established by eight companies in the Mitsui Group in July 1955, was newly listed on the Second Section of the Tokyo Stok Exchange and the Second Section of the Osaka Securities Exchange in October 1962, and in February 1965, it was moved to the First Section of each exchange (it was delisted from the First Section of the Osaka Securities Exchange in December 2003). Due to a market restructuring by the Tokyo Stock Exchange in April 2022, as of today, it is listed on the Prime Market of the Tokyo Stock Exchange. Mitsui Chemicals, together with its 127 consolidated subsidiaries, 4 joint operations, and 25 affiliates and joint ventures (the “Mitsui Chemicals Group”) (as of December 31, 2024) has the following four business portfolios as its core businesses: (i) Life & Healthcare Solutions; (ii) Mobility Solutions; (iii) ICT Solutions; and (iv) Basic & Green Materials. Under the long-term business plan “Vision 2030,” the Mitsui Chemicals Group has identified the three businesses listed in (i), (ii), and (iii) above as growing areas and aims to bring them to a level of a rapidly growing, highly profitable global specialty chemicals business. The Mitsui Chemicals Group will endeavor to promote growth in (iii) ICT Solutions business as its third pillar by defining four business areas in the business, namely “semiconductor and packaging solutions,” “imaging solutions,” “battery materials solutions,” and “converting solutions,” and by employing a strategy to create and increase unique business opportunities.

While the Target Company was considering various management strategies to enhance its corporate value in the business environment stated in "(A) The Target Company's business environment, etc." above, in response to Fujitsu's plan to sell all or part of the Fujitsu Holding Shares Fujitsu announced in September 2021, in January 2022, the Target Company began to have discussions with Fujitsu concerning the specific method of selling the Fujitsu Holding Shares. Subsequently, Fujitsu held meetings with multiple potential buyer candidates and considered various options, such as means of carve-out from the Fujitsu Group and a capital and business alliance with potential buyer candidates. During this time, although there were intermittent discussions, there was no progress in the discussions as there were no specific negotiations between Fujitsu and the Target Company. However, as the Target Company subsequently received a specific proposal from Fujitsu in June 2022, in July 2022, the Target Company appointed Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. ("MUMSS") as its financial advisor and third-party valuation organization, SMBC Nikko Securities Inc. ("SMBC Nikko") as its financial advisor, and Nishimura & Asahi (currently Nishimura & Asahi (*Gaikokuho Kyodo Jigyo*); "N&A") as its legal advisor.

The Target Company then carefully considered the various options, including maintaining its listed status in order to both maximize the interests of its minority shareholders in addition to those of the Fujitsu group and further enhance the Target Company Group's corporate value in light of the discussions it engaged in with Fujitsu from July 2022 to March 2023. As a result, the Target Company reached the decision that it would be desirable for the Target Company and its shareholders to implement a bidding procedure in relation to the Target Company's capital policy by selling all Fujitsu Holding Shares to multiple candidates who are expected to show a strong interest in the Target Company's business (the "Bidding Process"). Based on this decision, since late March 2023, the Target Company and Fujitsu have been making initial approaches to potential buyers, including a business company and investment funds with a sufficient investment track record in the Japanese market, which were assumed to be interested in collaborating with the Target Company in light of business synergies, and commenced the primary bidding process for one business company and eight investment funds (including JICC) who showed an interest in participating in the Bidding Process.

JICC had been continually exchanging opinions regarding various investment opportunities, including investment in the Target Company, through meetings with Fujitsu, and as part of the primary bidding process, JICC was approached by Nomura Securities Co., Ltd. ("Nomura Securities"), Fujitsu's financial advisor, regarding participation in that bidding process and decided to participate.

In response to being approached, JICC conducted initial studies based on information on the outlook of the Target Company's business, management policies, and other similar matters provided by the Target Company, and on May 12, 2023, JICC submitted a non-legally binding letter of intent proposing to take the Target Company Shares private through a tender offer for the Target Company Shares and squeeze-out procedures in order to increase the Target Company's corporate value from a medium- to long-term perspective (the "Initial Letter of Intent").

Because multiple candidates, including JICC, submitted letters of intent premised on a transaction method involving the acquisition of Fujitsu shares from Fujitsu in late May of the same year, after carefully deliberating their content, the Target

Company and Fujitsu selected four investment funds, including JICC, to whom they would make initial approaches concerning their participation in the secondary bidding process.

After that, the Target Company and Fujitsu started the secondary bidding process in late June of the same year, and after due diligence on the Target Company by the candidates, the Target Company and Fujitsu received a non-legally binding proposal from JICC in September of the same year, a written non-legally binding proposal from another candidate in October of the same year, and a written legally binding final proposal from JICC in November of the same year. Since no legally binding final proposal was submitted by the other candidate, the Target Company and Fujitsu comprehensively reviewed the proposals of each candidate, and as a result, later in the same month, the Target Company and Fujitsu decided to select JICC as the final candidate from among JICC and the other candidates, with the transaction price, transaction certainty, and transaction speed as the main decision-making criteria, and began discussions and deliberations toward implementing the Transactions, including the Share Repurchase, with JICC.

After submitting the Initial Letter of Intent, in late June 2023, JICC received notification from Nomura Securities, the financial advisor of Fujitsu, and MUMSS, the financial advisor of the Target Company, that it had successfully cleared the primary bidding process and was asked to confirm whether it intended to participate in the secondary bidding process. Additionally, JICC had been exchanging information with DNP and separately with Mitsui Chemicals since before the commencement of the Bidding Process in order to jointly examine new investment opportunities, including investments in corporations other than the Target Company. As part of that information exchange, they also identified the Target Company as a potential investment opportunity and exchanged information in regard thereto, and when doing so, taking into account the publication of a speculative article by Bloomberg regarding the sale of Fujitsu's subsidiaries on June 1, 2023, they began specific discussions in regard to cooperating to conduct the Transactions. Subsequently, when considering the Transactions in the secondary bidding process, in late June 2023, JICC requested the Target Company and Fujitsu to allow cooperation between JICC, DNP, and Mitsui Chemicals in the Transactions and received notification approving that request. Taking these facts into account, in order to further increase the likelihood of procuring funds for the Transactions, maximize the corporate value of the Target Company by leveraging the knowledge of DNP and Mitsui Chemicals, and obtain further understanding from stakeholders, JICC began considering participating in the secondary bidding process in cooperation with DNP and Mitsui Chemicals. JICC conducted due diligence on the Target Company from late July to mid-September 2023 in cooperation with DNP and Mitsui Chemicals to develop a deeper understanding of the Target Company's businesses, management environment, growth strategies, and management issues, as well as to confirm accounting, tax, legal, and environmental matters involving the Target Company. While conducting due diligence, JICC, DNP, and Mitsui Chemicals confirmed their understanding that the Transactions are valuable opportunities to work with the Target Company in maintaining the Target Company's position as a world-leading entity and came to strongly believe that the Offeror, a consortium composed of JICC, DNP, and Mitsui Chemicals, was the best partner for the Target Company. Specifically, the JICC, DNP, and Mitsui Chemicals believe that by JICC, which is a government-affiliated fund that is able to provide large-scale, long-term, neutral risk capital, playing the lead role in taking the Target Company private, the Offeror would promote initiatives that contribute to the enhancement of corporate value from a medium- to long-term perspective without being affected by short-term fluctuations in business performance even in the midst of an uncertain economic environment. In the business environment surrounding the Target Company, JICC expects that it will become increasingly important to develop technologies that anticipate market needs and to promptly make capital investments and that the funds required to do so will grow larger in scale as well, and therefore, JICC believes that it is particularly important to expedite initiatives and decision-making from a medium- to long-term perspective without being affected by short-term fluctuations in business performance by taking the Target Company private. Additionally, JICC, DNP, and Mitsui Chemicals believe that DNP would contribute to the next-generation semiconductor business that the Target Company aims to achieve by combining DNP's micromachining technology, fine coating technology, and material development technology developed over many years with the Target Company's semiconductor package technology, and that Mitsui Chemicals would aim to strengthen and maintain the Target Company's market competitiveness in the field of next-generation semiconductor package substrates and strengthen its ability to propose solutions to customers by integrating the semiconductor package substrate technology of the Target Company and the materials technology of Mitsui Chemicals. Accordingly, JICC, DNP, and Mitsui believe that it will be able to greatly contribute to improving the corporate value of the Target Company over the medium- to long-term that they work together on the matters stated above.

JICC believes that there are no particular significant demerits to taking the Target Company private. Specifically, although the possible effects of the Target Company leaving the Fujitsu group include a loss of the creditworthiness that the Target Company possesses as a member of the Fujitsu group and a loss of operational support from Fujitsu, JICC believes that it will be possible to supplement the creditworthiness of the Target Company even after taking it private through JICC, a fund affiliated with the government of Japan, and DNP and Mitsui Chemicals, major corporations in Japan, becoming shareholders of the Target Company, and that operational support from Fujitsu can be replaced through outsourcing and other such means even after taking the Target Company private. Therefore, JICC believes that there are no significant demerits to the Target Company leaving the Fujitsu group.

Additionally, in late August 2023, JICC received communication from Hachijuni Bank, with which JICC was engaged in discussions as a candidate to provide funding for the Tender Offer, to the effect that it wished to also cooperate in the Transactions through Hachijuni Investment, its group company, from the viewpoint of providing more multi-faceted support for the increase of the corporate value of the Target Company over the medium- to long-term, which in turn would contribute to regional revitalization within Nagano Prefecture by leveraging its track record of supporting the Target Company as one of its main banks for many years to support the growth of the Target Company through the provision of risk capital. In early September 2023, JICC received notification from the Target Company and Fujitsu that they would allow Hachijuni Investment to cooperate in the Transactions, and in late September 2023, Hachijuni Investment conducted due diligence on the Target Company, as a result of which Hachijuni Investment decided to invest in the

JICC Funds as a limited partner through Hachijuni Sustainability No. 1 Fund.

Through achieving the privatization of the Target Company, which is considered to be one of the companies that fulfills a central role in the development of advanced semiconductors in Japan, JICC desires to create a way to contribute to the further development of industry in Japan by fully drawing out the latent growth potential of each business of the Target Company, thereby maintaining and evolving its globally top-level technologies. Specifically, JICC believes that the Target Company holds an important position as a components and materials company that will support technological innovation in the future from the perspective of strengthening the foundations of semiconductor manufacturing as envisioned by the Ministry of Economy, Trade and Industry.

With the spread of 5G, the increasing use of AI and IoT, and the progression of Digital Transformation (DX), etc., society and the economy are becoming digitized, and consequently, the applications for semiconductors are expected to keep growing, further increasing the demand over the medium- to long-term, as well as the need for even higher functionality and performance. On the other hand, global competition is expected to intensify, such as requiring that development and production systems that can adapt rapidly and flexibly to such needs be set up.

Against this background, in order to enable the Target Company to promote initiatives that contribute to the enhancement of corporate value from a medium- to long-term perspective without being affected by short-term business performance, JICC believes that through the Tender Offer and the privatization of the Target Company, together with DNP, Mitsui Chemicals, and Hachijuni Investment, it would strongly support the commercialization of the field of advanced semiconductor packaging, such as chiplet technology and photonic-electronic integration technology, based on the diverse semiconductor packaging technologies that the Target Company has cultivated to date.

JICC believes that by doing so, the businesses and technologies of the Target Company will be able to greatly contribute to technological development in advanced fields centered around fine-lining competition and three-dimensional packaging for semiconductor processes and to achieving practical implementation of next-generation semiconductor technologies such as photonic-electronic integration ahead of other countries.

In this way, the JICC Alliance consisting of JICC, DNP, and Mitsui Chemicals believes that by means such as providing knowledge based on its rich investment experience in related industries, offering referrals to portfolio companies, and engaging in technical cooperation, it is possible to maximize the interests of the Target Company as well as its shareholders, management, and other stakeholders.

Based on the examinations above, JICC made a non-legally binding proposal in writing to Fujitsu and the Target Company on September 15, 2023 to set the Tender Offer Price per Target Company Share at 6,000 yen and the Repurchase Price per Target Company Share at 4,320 yen. (The proposal of the Tender Offer Price per Target Company Share at 6,000 yen represents (i) a discount of 0.25% (rounded to two decimal places; the same applies in the calculations of premium and discount rates below) on 6,015 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of September 14, 2023, which is the Business Day immediately preceding the date on which the proposal was made (September 15, 2023), (ii) a premium of 1.57% on 5,907 yen, the simple average closing price for the preceding one-month period ending on that date (rounded to the nearest whole yen; the same applies in the calculations of simple average closing prices below), (iii) a premium of 3.13% on 5,818 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 17.49% on 5,107 yen, the simple average closing price for the preceding six-month period ending on that date.)

Following that, in response to receiving a request from Fujitsu to consider raising the Tender Offer Price and the Repurchase Price on September 21, 2023, JICC made a non-legally binding proposal in writing to Fujitsu and the Target Company on September 26, 2023 to raise the Tender Offer Price per Target Company Share at 6,100 yen and the Repurchase Price per Target Company Share at 4,391 yen. (The proposal of the Tender Offer Price per Target Company Share at 6,100 yen represents (i) a premium of 3.48% on 5,895 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of September 25, 2023 (which is the Business Day immediately preceding the date on which the proposal was made (September 26, 2023)), (ii) a premium of 2.99% on 5,923 yen, the simple average closing price for the preceding one-month period ending on that date, (iii) a premium of 4.40% on 5,843 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 17.02% on 5,213 yen, the simple average closing price for the preceding six-month period ending on that date.) At that time, among the methods of procuring the funds necessary for the Transactions, the Offeror had not obtained commitment letters from investors for contributions through common stock and contributions through non-voting class preferred shares and had not obtained commitment letters from financial institutions for senior loans.

Subsequently, on October 18, 2023, JICC received an explanation from the Target Company regarding the latest outlook on its business performance for the third quarter of the fiscal year ending March 2024 and thereafter (the “October 18, 2023 Business Performance Explanation”). In the October 18, 2023 Business Performance Explanation, the Target Company explained that based on the latest market conditions, the recovery in the Target Company’s business performance would be delayed beyond the initial outlook, and that therefore the sales for the fiscal year ending March 2024 had been revised downwards. Taking the content of that explanation into consideration, JICC repeatedly engaged in continual discussions and negotiations with Fujitsu regarding the contents of the proposal, the Tender Offer Price, and the Repurchase Price, as a result of which JICC determined that the cash flows that could be created by the Target Company had decreased, particularly in the short term, and that as a result, the capability of the Target Company to make additional investments in future upsides had declined. Therefore, on November 7, 2023, ahead of the submission of a final proposal, JICC made a proposal to Fujitsu to lower the Tender Offer Price to 5,700 yen per Target Company Share. (The proposal of the Tender Offer Price per Target Company Share at 5,700 yen represents (i) a premium of 6.64% on 5,345 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of November 6, 2023, which is the Business Day immediately preceding the date on which the proposal was made (November 7, 2023), (ii) a premium of 4.86% on 5,436 yen, the simple average closing price for the preceding one-month period ending on that date, (iii) a discount of 0.26% on 5,715 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 2.61% on 5,555 yen, the simple average closing price for the preceding six-month period ending on that date.) Following that, on November 7, 2023, JICC received a request from Fujitsu to consider raising the Tender Offer Price, and on November 7, 2023, JICC made a proposal to Fujitsu to raise the Tender Offer Price to 5,900 yen per Target Company Share as a price that is within the range considered appropriate by JICC. (The proposal of the Tender Offer Price per Target Company Share at 5,900 yen represents (i) a premium of 10.38% on 5,345 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of November 6, 2023, which is the Business Day immediately preceding the date on which the proposal was made (November 7, 2023), (ii) a premium of 8.54% on 5,436 yen, the simple average closing price for the preceding one-month period ending on that date, (iii) a premium of 3.24% on 5,715 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 6.21% on 5,555 yen, the simple average closing price for the preceding six-month period ending on that date.) Additionally, Fujitsu subsequently made a request to JICC on November 8, 2023 to again consider raising the Tender Offer Price, and in response, on November 8, 2023, JICC made a proposal to Fujitsu to raise the Tender Offer Price to 5,910 yen per Target Company Share as a price that is within the range considered appropriate by JICC. (The proposal of the Tender Offer Price per Target Company Share at 5,910 yen represents (i) a premium of 16.87% on 5,057 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of November 7, 2023, which is the Business Day immediately preceding the date on which the proposal was made (November 8, 2023), (ii) a premium of 9.10% on 5,417 yen, the simple average closing price for the preceding one-month period ending on that date, (iii) a premium of 3.68% on 5,700 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 6.45% on 5,552 yen, the simple average closing price for the preceding six-month period ending on that date.)

Following that, on November 11, 2023, JICC made a non-legally binding proposal in writing to Fujitsu and the Target Company to set the Tender Offer Price at 5,910 yen per Target Company Share and the Repurchase Price at 4,211 yen per Target Company Share. (The proposal of the Tender Offer Price per Target Company Share at 5,910 yen represents (i) a premium of 10.94% on 5,327 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of November 10, 2023, which is the Business Day immediately preceding the date on which the proposal was made (November 11, 2023), (ii) a premium of 9.81% on 5,382 yen, the simple average closing price for the preceding one-month period ending on that date, (iii) a premium of 4.18% on 5,673 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 5.91% on 5,580 yen, the simple average closing price for the preceding six-month period ending on that date.) Based on the opinion of the Special Committee after it considered the content of that proposal, on November 16, 2023, the Target Company requested JICC to raise the Tender Offer Price on the grounds that it could not be concluded to be at a sufficient level to ensure the interests of the minority shareholders of the Target Company, but on November 20, 2023, JICC made a legally binding final proposal (the "Final Proposal") in writing to Fujitsu and the Target Company to set the Tender Offer Price at 5,910 yen per Target Company Share and the Repurchase Price at 4,211.1 yen per Target Company Share. (The proposal of the Tender Offer Price per Target Company Share at 5,910 yen represents (i) a premium of 8.14% on 5,465 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of November 17, 2023 (which is the Business Day immediately preceding the date on which the proposal was made (November 20, 2023)), (ii) a premium of 11.22% on 5,314 yen, the simple average closing price for the preceding one-month period ending on that date, (iii) a premium of 4.69% on 5,645 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 5.10% on 5,623 yen, the simple average closing price for the preceding six-month period ending on that date.) When submitting the Final Proposal, among the methods of procuring the funds necessary for the Transactions, JICC had finished obtaining commitment letters from investors (namely, JICC, DNP, Mitsui Chemicals, and Hachijuni Investment) for contributions through common stock and contributions through non-voting class preferred shares and had finished obtaining commitment letters from financial institutions (namely, MUFG Bank, SMBC, Hachijuni Bank, and Aozora Bank) for senior loans. Based on the opinion of the Special Committee after it considered the content of the Final Proposal, on November 21, 2023, the Target Company again requested JICC to raise the Tender Offer Price on the grounds that a decrease in the price was undesirable given that the medium- to long-term outlook of the Target Company's business had not changed and that the price could not be concluded to be at a sufficient level to ensure the interests of the minority shareholders of the Target Company, but JICC determined that it was not necessary to revise the Tender Offer Price based on a comprehensive judgment in light of factors such as the latest semiconductor market conditions.

Subsequently, following the submission of the Final Proposal, as JICC, Fujitsu, and the Target Company repeatedly engaged in continual discussions and negotiations regarding the content of the Final Proposal, the Tender Offer Price, and the Repurchase Price, on November 27, 2023, JICC received a written inquiry from the Special Committee regarding the views and reasons on which the Offeror based its proposed Tender Offer Price of 5,910 yen per Target Company Share and regarding the reasons for the Tender Offer Price and the Repurchase Price in the Final Proposal being lower than those set out in the proposal dated September 26, 2023. In response, on November 30, 2023, JICC replied in writing to the Special Committee stating (i) that based on factors such as financial information and other materials disclosed by the Target Company and the results of the due diligence conducted by JICC regarding the Target Company from late July to mid-September 2023, JICC conducted a multifaceted and comprehensive analysis of the Target Company's business and financial status, prepared a financial model reflecting that analysis, and calculated a tender offer price that secures a return on investment as required by JICC and (ii) that JICC lowered the Tender Offer Price and the Repurchase Price due to a comprehensive judgment based not only on the October 18, 2023 Business Performance Explanation and the second quarter financial results announced on October 26, 2023 but also on uncertainties in the macro environment, such as the latest semiconductor market conditions and interest rate trends.

Additionally, on November 28, 2023, JICC received from Fujitsu a written request to raise the Tender Offer Price. Moreover, on December 4, 2023,JICC received a document from the Target Company stating the views of the Target Company and the Special Committee and requesting that the Tender Offer Price be raised. Taking into consideration the opinion of the Special Committee after it considered JICC's response regarding the views and reasons on which the Tender Offer Price was based and the reasons for lowering the price, that document requested that the Tender Offer Price be raised on grounds such as (i) that there had been no change in the medium- to long-term business outlook of the Target Company, which is the basis of the Target Company's intrinsic value on which the Target Company and the Special Committee place emphasis when making decisions, (ii) that although the Target Company revised its business performance forecast for the fiscal year ending March 2024 due to an expected delay in the recovery of the semiconductor market, that delay would not have any substantial impact on the intrinsic value of the Target Company, and (iii) that although the Target Company and the Special Committee believed that a significant amount of consideration must be given to the premiums based on the share price of the Business Day preceding the announcement of the Tender Offer, at the level of premiums based on the current Tender Offer Price of 5,910 yen, there were concerns regarding the likelihood of the Tender Offer being successfully completed.

Subsequently, on December 5, 2023, JICC received a further written inquiry from the Special Committee regarding matters such as the reasons for lowering the Tender Offer Price despite there being no change in the medium- to long-term business outlook of the Target Company and whether there had been a change in JICC's evaluation of the macro environment, such as semiconductor market conditions and interest trends, in the short period from September 26 to November 20, 2023, the day on which the Final Proposal was submitted.

In response, on December 6, 2023, JICC replied to the Target Company in writing that it would maintain the Tender Offer Price at 5,910 yen. In that reply, JICC stated that lowering the price was appropriate due to factors such as (i) the Target Company's financial results for the second quarter, the revision to the performance forecast for the entire year, and the risk that growth investment would be delayed due to that downward revision, (ii) macro environment considerations such as delayed recovery and volatility in the semiconductor market, unpredictable interest rate trends, and potential geopolitical risks due to an unstable global situation, and (iii) the views regarding premiums in past transactions in regard to which speculative media reports had been made, and that therefore, JICC would maintain the Tender Offer Price at 5,910 yen.

Additionally, on December 7, 2023, JICC responded to the inquiry from the Special Committee to the effect that lowering the price was appropriate based on the macro environment considerations stated above.

Following that, on December 8, 2023, JICC received a document from the Target Company stating the views of the Target Company and the Special Committee and requesting that the Tender Offer Price be raised. Taking into consideration the opinion of the Special Committee after it considered the content of JICC's response, that document requested that the Tender Offer Price be raised on grounds such as (i) that the short-term changes in macro economic conditions asserted by JICC would not have any substantial impact on the intrinsic value of the Target Company and (ii) that at the level of premiums based on the current Tender Offer Price of 5,910 yen, there were concerns regarding the likelihood of the Tender Offer being successfully completed.

In response, on December 10, 2023, JICC sent a reply in writing to the Target Company stating that it would maintain the Tender Offer Price at 5,910 yen due to a comprehensive judgment based not only on the medium- to long-term business outlook but also the impact on future upsides caused by the worsened short-term business outlook, macro factors such as the semiconductor market outlook and macro economic conditions, and other such factors.

Subsequently, on December 12, 2023, taking into consideration the opinion of the Special Committee after it considered the content of JICC's response, JICC received an oral explanation from the Target Company and Fujitsu regarding the views of the Target Company, the Special Committee, and Fujitsu and requesting that the Tender Offer Price be raised on grounds such as that although the previous responses from JICC could be found to be reasonable to a certain extent, it remained difficult to conclude that the interests of the minority shareholders of the Target Company had been sufficiently ensured.

In response to these requests from the Target Company, the Special Committee, and Fujitsu, on December 12, 2023, JICC made a proposal in writing to the Target Company and Fujitsu to set the Tender Offer Price at 5,920 yen per Target Company Share and the Repurchase Price at 4,218.1 yen per Target Company Share in order to increase the likelihood of the Tender Offer being successfully completed while setting a price within the evaluated range of the Target Company's intrinsic value on the grounds that JICC had received repeated requests from the Special Committee, the Target Company, and Fujitsu. Following that, on December 12, 2023, JICC received a response in writing from the Target Company and Fujitsu agreeing to JICC's proposal.

Thereafter, the Offeror has been conducting the procedures and steps required under domestic and foreign competition law for the purpose of implementing the Tender Offer. However, as announced in the Offeror's Press Release Dated August 26, 2024, from among the procedures and steps required under the competition laws of Japan, South Korea, Vietnam, and China, the procedures and steps required under the competition laws of Vietnam and China have not been completed as of that date. Subsequently, the Offeror received a notice dated November 20, 2024 from the Vietnam Competition Commission stating that the Vietnam Competition Commission had decided to approve the Share Acquisition, and therefore the Offeror has confirmed that the procedures required under the competition law of Vietnam have been completed. In addition, with respect to the prior notification regarding the Share Acquisition required under the competition law of China, the Offeror received a notice dated December 27, 2024 from SAMR (PRC) stating that it had decided to approve the Share Acquisition, and therefore the Offeror has confirmed that the procedures required under the competition law of China have been completed. Further, as stated in "(1) Summary of the Tender Offer" above, the Offeror has confirmed that all of the other Tender Offer Conditions Precedent have been satisfied, and therefore decided to commence the Tender Offer from February 18, 2025.

The Tender Offer Price of 5,920 yen represents (i) a premium of 12.98% on 5,240 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of December 11, 2023 (which was the Business Day immediately preceding the submission date of the proposal (December 12, 2023)), (ii) a premium of 10.10% on 5,377 yen, the simple average closing price for the preceding one-month period ending on that date, (iii) a premium of 7.60% on 5,502 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 4.63% on 5,658 yen, the simple average closing price for the preceding six-month period ending on that date. Additionally, the Tender Offer Price represents (i) a premium of 18.88% on 4,980 yen, the closing price of the Target Company Shares as of the Business Day immediately preceding the publication of a speculative article by Bloomberg regarding the sale of Fujitsu's subsidiary on June 1, 2023 that triggered changes in the share price of the Target Company due to expectations that the Fujitsu group would undergo a reorganization, (ii) a premium of 31.00% on 4,519 yen, the simple average closing price for the preceding one-month period ending on that date, (iii) a premium of 44.60% on 4,094 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 51.87% on 3,898 yen, the simple average closing price for the preceding six-month period ending on that date.

That proposal set out the scheme for the Transactions after setting the Tender Offer Price and the Repurchase Price based on the belief that it is possible to both maximize the Tender Offer Price and ensure fairness among shareholders by increasing the amounts distributed to the minority shareholders of the Target Company, taking into consideration that it is expected that the provisions of the Corporation Tax Act on excluding deemed dividends from gross profits will be applied in regard to Fujitsu. Additionally, the Tender Offer Price and the Repurchase Price were calculated so that (i) the amount calculated as the after-tax earnings of Fujitsu if the Share Repurchase were to be conducted at the Repurchase Price is equivalent to (ii) the amount of earnings that Fujitsu would receive if it were to tender its shares in the Tender Offer at the Tender Offer Price. Accordingly, Fujitsu will not receive greater benefits than the minority shareholders of the Target Company.

(C) Decision-making process and reasons of the Target Company to issue the opinion to support the Tender Offer

As stated in "(B) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer" above, while the Target Company was deliberating various management strategies to enhance its corporate value in the business environment, as described in "(A) The Target Company's business environment, etc." above, in response to Fujitsu's plan to sell all or part of the Target Company Shares held by Fujitsu, as announced in September 2021, in January 2022, the Target Company began to have discussions with Fujitsu concerning the specific method of sale of the Fujitsu Holding Shares. Subsequently, Fujitsu held meetings with multiple potential buyer candidates and deliberated on various options, such as means of carve-out from the Fujitsu Group, and a capital and business alliance with potential buyer candidates. During this time, although there were intermittent discussions, there was no progress in the discussions as there were no specific negotiations between Fujitsu and the Target Company. However, as the Target Company subsequently received a specific proposal from Fujitsu in June 2022, in July 2022, the Target Company appointed MUMSS as its financial advisor and third-party valuation organization, SMBC Nikko as its financial advisor, and N&A as its legal advisor. Then, in light of the discussions the Target Company engaged in with Fujitsu from July 2022 to March 2023, the Target Company carefully deliberated the various options in relation to its capital policy in order to both maximize the interests of its minority shareholders in addition to those of the Fujitsu group and further enhance the Target Company's corporate value, and reached the decision that it would be desirable for the Target Company and its shareholders to implement the Bidding Process, and commenced the same. To be specific, since late March 2023, the Target Company and Fujitsu have commenced a Bidding Process comprised of the primary and secondary bidding processes and conducted the bidding processes, including due diligence covering multiple candidates and discussions with each candidate. Subsequently, the Target Company and Fujitsu received a non-legally binding proposal from JICC in September of the same year, a written non-legally binding proposal from another candidate in October of the same year and a written legally binding final proposal from JICC in November of the same year. However, as no legally binding final proposal was submitted by the other candidate, as a result of a comprehensive review of the proposals of each candidate, JICC was selected as the final purchase candidate from among JICC and the other candidates later in the same month, with the transaction price, transaction certainty and transaction speed as the main decision-making criteria, the Target Company and JICC commenced discussions and deliberations on the implementation of the Transactions, including the Share Repurchase.

To be specific, Fujitsu and the Target Company received a non-legally binding proposal in writing from JICC on September 26, 2023 to raise the Tender Offer Price per Target Company Share at 6,100 yen and the Repurchase Price per Target Company Share at 4,391 yen.

Subsequently, on October 18, 2023, the Target Company provided the October 18, 2023 Business Performance Explanation to JICC. In the October 18, 2023 Business Performance Explanation, the Target Company explained that based on the latest market conditions, the recovery in the Target Company’s business performance would be delayed beyond the initial outlook, and that therefore the outlook of sales for the fiscal year ending March 2024 had been revised downwards.

Following that, on November 11, 2023, Fujitsu and the Target Company received a non-legally binding proposal in writing from JICC to set the Tender Offer Price at 5,910 yen per Target Company Share and the Repurchase Price at 4,211 yen per Target Company Share. Based on the opinion of the Special Committee after it considered the content of that proposal, on November 16, 2023, the Target Company requested JICC to raise the Tender Offer Price on the grounds that it could not be concluded to be at a sufficient level to ensure the interests of the minority shareholders of the Target Company, but on November 20, 2023, Fujitsu and the Target Company received a legally binding final proposal in writing from JICC to set the Tender Offer Price at 5,910 yen per Target Company Share and the Repurchase Price at 4,211.1 yen per Target Company Share.

Following the submission of the Final Proposal, as JICC, Fujitsu, and the Target Company repeatedly engaged in continual discussions and negotiations regarding the content of the Final Proposal, based on the opinion of the Special Committee after it considered the content of the Final Proposal, on November 21, 2023, the Target Company again requested JICC to raise the Tender Offer Price on the grounds that a decrease in the price was undesirable given that the medium- to long-term outlook of the Target Company’s business had not changed and that the price could not be concluded to be at a sufficient level to ensure the interests of the minority shareholders of the Target Company, but received communication from JICC to the effect that JICC had determined that it was not necessary to revise the Tender Offer Price.

Subsequently, on November 27, 2023, the Special Committee submitted a written inquiry to JICC regarding the underlying idea and rationale for the tender offer price and the reasons for the price reduction, and received answers in writing from JICC on November 30, 2023. On November 28, 2023, JICC received from Fujitsu a written request to raise the Tender Offer Price. Moreover, on December 4, 2023, JICC received a document from the Target Company stating the views of the Target Company and the Special Committee and requesting that the Tender Offer Price be raised. Taking into consideration the opinion of the Special Committee after it considered JICC's response regarding the views and reasons on which the Tender Offer Price was based and the reasons for lowering the price, that document requested that the Tender Offer Price be raised on grounds such as that there had been no change in the medium- to long-term business outlook of the Target Company, which is the basis of the Target Company's intrinsic value on which the Target Company and the Special Committee place emphasis when making decisions, at the level of premiums based on the current Tender Offer Price of 5,910 yen, there were concerns regarding the likelihood of the Tender Offer being successfully completed. Subsequently, on December 5, 2023, the Special Committee submitted a further written inquiry to JICC regarding matters such as the reasons for lowering the Tender Offer Price despite there being no change in the medium- to long-term business outlook of the Target Company and whether there had been a change in JICC's evaluation of the macro environment, such as semiconductor market conditions and interest trends, in the short period from September 26 to November 20, 2023, the day on which the Final Proposal was submitted. In response, on December 6, 2023, the Target Company received a reply in writing from JICC that it would maintain the Tender Offer Price at 5,910 yen. In that reply, JICC stated that lowering the price was appropriate due to factors such as (i) the Target Company's financial results for the second quarter, the revision to the performance forecast for the entire year, (ii) macro environment considerations such as delayed recovery and volatility in the semiconductor market, unpredictable interest rate trends, and potential geopolitical risks due to an unstable global situation, and (iii) the views regarding premiums in past transactions in regard to which speculative media reports had been made, and that therefore, JICC would maintain the Tender Offer Price at 5,910 yen. Additionally, on December 7, 2023, in response to its second inquiry, the Special Committee received a reply from JICC to the effect that lowering the price was appropriate based on the macro environment considerations stated above. Following that, on December 8, 2023, the Target Company again sent JICC a document stating the views of the Target Company and the Special Committee and requesting that the Tender Offer Price be raised. Taking into consideration the opinion of the Special Committee after it considered the content of JICC's response, that document requested that the Tender Offer Price be raised on grounds such as (i) that the short-term changes in macro economic conditions asserted by JICC would not have any substantial impact on the intrinsic value of the Target Company and (ii) that at the level of premiums based on the current Tender Offer Price of 5,910 yen, there were concerns regarding the likelihood of the Tender Offer being successfully completed. On December 10, 2023, the Target Company received a reply in writing from JICC stating that it would maintain the Tender Offer Price at 5,910 yen due to a comprehensive judgment based not only on the medium- to long-term business outlook but also the impact on future upsides caused by the worsened short-term business outlook, macro factors such as the semiconductor market outlook and macro economic conditions, and other such factors. Subsequently, on December 12, 2023, taking into consideration the opinion of the Special Committee after it considered the content of JICC's response, the Target Company again provided an oral explanation to JICC regarding the views of the Target Company, the Special Committee, and Fujitsu and requesting that the Tender Offer Price be raised on grounds such as that although the previous responses from JICC could be found to be reasonable to a certain extent, it remained difficult to conclude that the interests of the minority shareholders of the Target Company had been sufficiently ensured.

Subsequently, on December 12, 2023, the Target Company and Fujitsu received a proposal in writing from JICC to set the Tender Offer Price at 5,920 yen per Target Company Share and the Repurchase Price at 4,218.1 yen per Target Company Share in order to increase the likelihood of the Tender Offer being successfully completed while setting a price within the evaluated range of the Target Company's intrinsic value on the grounds that JICC had received repeated requests from the Special Committee, the Target Company, and Fujitsu. Based on this proposal, on December 12, 2023, the Target Company and Fujitsu sent a response in writing to JICC agreeing to JICC's proposal as stated in "(B) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer."

In light of the possibility that the interests of Fujitsu and those of the Target Company's minority shareholders do not necessarily align, as stated in "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer" below, the Target Company consulted with the permanent special committee established on June 17, 2022 in accordance with the Corporate Governance Code established by the Tokyo Stock Exchange (the "Special Committee") on April 14, 2023, immediately after commencing the primary bidding process, regarding matters such as fairness and appropriateness of the procedures concerning the Transactions in order to eliminate any arbitrariness in the Target Company's decision-making in relation to the Transactions and the candidate selection process during the Bidding Process, and enhance its corporate value and ensure the interests of its minority shareholders, as well as to deliberate and make decisions as to the justification and reasonableness of the purpose of the Transactions, fairness of the procedures concerning the Transactions, and fairness and appropriateness of the terms of the Transactions (for details of the composition of the Special Committee and the specific matters of inquiry, please refer to "(B) Procurement by the Target Company of a written report from an independent special committee" in "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer" below). Additionally, the Target Company took the measures stated in "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer" below, in light of the content of the share valuation report obtained from MUMSS, the Target Company's financial advisor and third-party valuation organization, as well as the legal advice from N&A, the Target Company's legal advisor, the Target Company carefully discussed and deliberated matters such as whether it is appropriate for the board of directors to express an opinion to support the Tender Offer and recommend that the Target Company's shareholders tender in the Tender Offer, and whether implementing the Transactions is disadvantageous to the Target Company's minority shareholders, giving the utmost respect to the written report submitted by the Special Committee on December 12, 2023 (the "Written Report Dated December 12, 2023").

Specifically, the Target Company conducted the Bidding Process and comprehensively deliberated on the details of the proposals by the candidates who participated in the secondary bidding process, including JICC, taking into consideration the perspectives such as: the assessed value of the share value, the Tender Offer Price, the transactional structure, the ability to raise funds/conditions for raising funds, and the management strategy after implementation of the Transactions and the structure to support the same, including the measures to enhance corporate value; management policy and other terms and conditions such as employee compensation and governance structure, the certainty of procedures such as obtaining clearances under competition laws and other applicable laws and regulations; and the perspective of maximizing the interests of minority shareholders. As a result, in light of the fact that only the final proposal presented by JICC on December 12, 2023 was a legally-binding proposal and the presented assessed value of the share value and the Tender Offer Price being 5,920 yen, the Offeror would be the best partner for the Target Company to aim for "Progress without Limits" in light of the measures to enhance corporate value, the management strategy after implementation of the Transactions and the structure to support the same, including value-increasing measures; and that it is important to have an accurate understanding of the potential for medium- to long-term market expansion for the Target Company's products and technologies, and to make flexible and agile management decisions in the semiconductor industry, where market conditions change rapidly, the Target Company came to conclude that by promoting measures such as the expansion of human capital, which is fundamental to the promotion of our business, will contribute to increasing our corporate value in the future. By conducting the Transactions with a tender offeror that is focused on JICC as a government-affiliated fund, which basically supports the Target Company's business policy of focusing on capital investment and technological development in growth markets, the Target Company will be able to promote initiatives that contribute to enhancing corporate value from a medium- to long-term perspective, without being swayed by short-term fluctuations in business performance as its partner, and since the Target Company is planning to execute the Transactions with JICC as a partner, the Target Company will be able to make decisions more quickly than before, and promote measures such as the expansion of human capital, which is fundamental to the promotion of the Target Company's business, which will contribute to future enhancement of corporate value. The Target Company also believes that the superb, unique technologies of DNP and Mitsui Chemicals, combined with the Target Company's semiconductor packaging technologies, will contribute to promotion of the next-generation semiconductor business the Target Company aims to pursue, and reinforce the Target Company's market competitiveness in next-generation products, thereby contributing to the enhancement of the Target Company's medium- to long-term corporate value.

In light of the above, the Target Company determined that the Transactions would contribute to the enhancement of the Target Company's corporate value.

Furthermore, the Target Company determined that the Tender Offer provides the Target Company's shareholders with a reasonable opportunity to sell shares, in light of the following factors relating to the Tender Offer Price (5,920 yen):

(a) As stated above, the assessed value of the share value and the Tender Offer Price presented by JICC was the only proposal presented as a legally binding proposal and the Tender Offer Price was 5,920 yen.

(b) Among the results of the Target Company Shares calculated by MUMSS, as stated in "(D) Procurement by the Target Company of a share valuation report from an independent financial advisor and third-party valuation organization" of "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer," the Tender Offer Price is above the upper end of the range of calculation results using market share price analysis and the mid-point of the range calculated by the comparable companies analysis, and close to the median of the range of the results of the calculation based on the Discounted Cash Flow analysis ("DCF Analysis").

(c) The Tender Offer Price includes: a premium of 18.88% on 4,980 yen, the closing price of the Target Company Shares as of May 31, 2023, which is the Business Day immediately preceding June 1, 2023, the date on which the leaked report on the Transactions that triggered a fluctuation in the Target Company Shares was published; a premium of 31.00% on 4,519 yen, the simple average closing price for the past one month (from May 1 to 31, 2023); a premium of 44.60% on 4,094 yen, the simple average closing price for the past three months (from March 1 to May 31, 2023); and a premium of 51.87% on 3,898 yen, the simple average closing price for the past six months (from December 1, 2022 to May 31, 2023), respectively. Furthermore, the Tender Offer Price includes: a premium of 12.98% on 5,240 yen, the closing price of the Target Company Shares on the Tokyo Stock Exchange as of December 11, 2023, which is the Business Day immediately preceding the day implementation of the Tender Offer was announced; a premium of 10.10% on 5377 yen, the simple average closing price for the past one month; a premium of 7.60% on 5,502yen, the simple average closing price for the past three months; and a premium of 4.63% on 5,658 yen, the simple average closing price for the past six months, respectively. Under the circumstances where it is not unreasonable to assume that the share price before the publication of the leaked media report and the subsequent multiple speculative reports had a considerable impact on the expected value of the Transaction, etc., if the share price is used as the basis for the price before the publication of the leaked media report, it is not unreasonable to assume that the premium is sufficiently reasonable in comparison with the level of premiums in 185 cases of other takeover bids for listed companies aiming to go private since the publication of the "Guidelines on Fair M&A -Towards enhancing corporate value and securing shareholder interests-" by the Ministry of Economy, Trade and Industry, is sufficiently reasonable in comparison with the level of premiums in 185 cases of other tender offers for the purpose of taking listed companies private after June 28, 2019, the date of the publication of the said article (Note 12). The premium level for the closing price on the reference date and the simple average closing price for the last one month on the reference date, which are sensitive to the share price fluctuations in the immediate past, is relatively low, while the premium level for the simple average closing price for the last three months on the reference date and the last six months on the reference date, which reflect more medium- to long-term share price trends, is relatively high. The share price of the Target Company increased by 25.60% from December 1, 2022, which is six months prior to May 31, 2023 (the "Reference Date"), the Business Day immediately preceding the publication of the leaked media report. However, since 95.10%

of this 25.60% increase is accounted for by the 24.34% increase from April 3, 2023 (which is two months prior to the Reference Date) to the Reference Date, it can be confirmed that the increase within two months prior to the Reference Date was particularly significant. While such a rapid increase is considered difficult to explain rationally, even in light of the information disclosed by the Target Company, it is appropriate to consider the level of the premium on the market share price by considering the average value over a longer period of time, rather than judging it in light of the simple average closing price on the current reference date and over the most recent one month. It is not unreasonable to consider that it is appropriate to consider the premium level of the Tender Offer Price in light of the simple average of the closing prices for the three months preceding the current reference date or the six months preceding the current reference date, and that the premium level of the Tender Offer Price is sufficiently reasonable.

(d) The measures to ensure fairness of Tender Offer stated in "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer" below have been taken, and therefore the interests of general shareholders have been taken into consideration.

Note 12: The average premium is 41.46% of the closing price on the same day, 44.89% of the simple average closing price over the past month up to the same day, 47.05% of the simple average closing price over the past three months up to the same day and 47.57% of the simple average closing price over the past six months up to the same day, using the Business Day before the day of publication as the reference date. The median premium was 38.74% over the closing price on the same day, 40.46% over the simple average closing price over the past month up to the same day, 41.05% over the simple average closing price over the past three months up to the same day and 44.59% over the simple average closing price over the past six months up to the same day.

For the reasons above, the Target Company resolved at its board of directors meeting held on December 12, 2023 that it will express its opinion as of the same day that, if commenced, it will express an opinion to support the Tender Offer and to recommend that its shareholders tender their shares in the Tender Offer.

As of December 12, 2023, the Offeror planned to commence the Tender Offer on a date that is (i) within 10 Business Days after the Tender Offer Conditions Precedent (excluding those to be satisfied on the commencement date of the Tender Offer) are satisfied (or waived at the discretion of the Offeror) (however, if a Counter Proposal has been made as of such date, then the earlier of (a) the date on which 20 Business Days have elapsed since the date on which Fujitsu makes a request to the Offeror for consultation regarding changing the Tender Offer Price and the Repurchase Price or (b) the date on which Fujitsu covenants in writing that it will not accept the Counter Proposal) and (ii) separately notified to the Target Company in advance by the Offeror. As of December 12, 2023, the Offeror aimed to commence the Tender Offer in or around late August 2024, based on discussions with local law firms about the procedures and steps required under domestic and foreign competition laws and foreign investment control laws and regulations, but it was difficult to accurately estimate the amount of time required for the procedures involving foreign competition authorities and authorities having jurisdiction over investment control laws and regulations (please refer to "(1) Summary of the Tender Offer" above for details).

In light of the above circumstances, at the above board of directors meeting, the Target Company also resolved (i) that when the Tender Offer is commenced, the board of directors will request that the Special Committee (x) consider whether there are any changes in its opinion as expressed to the board of directors as of December 12, 2023, and (y) if there are no changes, make a statement to that effect, or if there are changes, state the changed opinion, to the board of directors (the "Additional Matters of Inquiry"); and (ii) that based on such opinion of the Special Committee, the Target Company will express its opinions on the Tender Offer again when the Tender Offer is commenced.

Subsequently, on January 22, 2025, the Offeror notified the Target Company that the necessary procedures and steps required under domestic and foreign competition laws (in Japan, China, South Korea, and Vietnam) have been completed, and among the Tender Offer Conditions Precedent, the Tender Offer Conditions Precedent requiring that the acquisition of Clearance be completed have been satisfied, and as such, it intends to commence the Tender Offer on February 18, 2025 as the tender offer commencement date, based on the assumption that the other Tender Offer Conditions Precedent to be satisfied on the date of announcement of the Tender Offer will be satisfied or waived. Consequently, at the meeting of the Special Committee held on February 17, 2025, the Target Company reported information on the status of the Target Company and the Offeror to each member of the Special Committee. In addition, as stated in "(B) Procurement by the Target Company of a written report from an independent special committee" in "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer" below, the Special Committee verified the facts concerning whether any material change in the situation that could have an impact on the Transactions occurred on or after December 12, 2023, and as a result of carefully considering the Additional Matters of Inquiry, it confirmed that there were no circumstances that would require a change in the findings of the Written Report Dated December 12, 2023 even after taking into consideration the circumstances from December 12, 2023 through February 17, 2025. On February 17, 2025, the Special Committee submitted to the board of directors of the Target Company an additional written report (the "Additional Written Report") to the effect that its opinion in the Written Report Dated December 12, 2023 had not changed. The Target Company again carefully considered the terms of the Tender Offer based on the Target Company's business performance and the environment surrounding the Transactions, while respecting the contents of the Additional Written Report submitted by the Special Committee to the maximum possible extent; as a result, the Target Company concluded that as of February 17, 2025, there are no factors to change its opinion regarding the Tender Offer. Therefore, at the board of directors meeting held today, a resolution was again adopted to the effect that the board of directors will express an opinion in support of the Tender Offer and that it will recommend that the Target Company's shareholders tender their shares in the Tender Offer.

For details of the above-mentioned resolutions at the Board of Directors Meetings, please refer to "(E) Unanimous approval of all non-interested directors of the Target Company" in "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer" below.

(D) Management policy after the Tender Offer

As stated in "(1) Summary of the Tender Offer" above, if the Tender Offer is successfully completed, the Offeror intends to make Fujitsu and the Offeror the only shareholders of the Target Company through the Squeeze-Out Procedures. Following that, after the completion of the Squeeze-Out Procedures, through the Target Company conducting the Share Repurchase for all of the Target Company Shares owned by Fujitsu at that time, the Offeror will come to own 100% of the Target Company Shares (excluding treasury shares).

After the Transactions are completed, JICC desires to create a way to contribute to the further development of industry in Japan by fully drawing out the latent growth potential of each business of the Target Company, thereby maintaining and evolving its globally top-level technologies. Specifically, JICC believes that the Target Company holds an important position as a components and materials company that supports technological innovation from the perspective of strengthening the foundations of semiconductor manufacturing, and that its businesses and technologies can greatly contribute to (i) technological development in advanced fields centered around three-dimensional packagings for semiconductor processes and (ii) the practical implementation of next-generation semiconductor technologies such as photonic-electronic integration. Additionally, JICC, together with the officers and employees of the Target Company, will aim to further grow the Target Company's business and enhance its corporate value by utilizing the solid business foundation that the Target Company has built thus far and, given that several personnel have joined JICC with investment experience at INCJ, which has a similar mission to that of JICC, by utilizing the knowledge and networks gained through INCJ's extensive investment experience in the semiconductor and electrical component industry. JICC's basic policy is to re-list the Target Company Shares after business growth and enhancement of corporate value are realized for the Target Company through the Transactions.

Additionally, the Target Company conducts its business based on its corporate vision regarding technology leadership, the art of manufacturing, long-term vision, global outlook, and responsibility to individuals as well as its founder's philosophy of economizing and achieving innovation through the manufacturing site. After the Transactions are completed, the Offeror will aim to achieve a leap in the growth of the Target Company that enables it to further contribute to international society and regional communities by supporting the business operation of the Target Company while giving priority to respecting the corporate vision and philosophy and also taking into consideration DNP's group vision, "The DNP Group connects individuals and society and provides new value," and Mitsui Chemicals' management vision, "Contributing to society by providing high-quality products and services to customers through innovation and the creation of materials while remaining in harmony with the global environment." The Offeror intends to promote a partnership that can provide new value to society by combining the strengths possessed by the Target Company, JICC, DNP, and Mitsui Chemicals.

After the Transactions are completed, in order to increase management efficiency, the Offeror plans to transition the Target Company from a company with an audit and supervisory committee to a company with a board of corporate auditors and, as stated in "(C) Shareholders' agreement" in "(6) Matters related to material agreements regarding the Tender Offer" below, the directors and corporate auditors of the Target Company will be appointed by the JICC Funds and DNP, respectively, but the specific number and candidates for the directors and corporate auditors have not yet been decided and will be decided upon consultation with the Target Company moving forward.

For the time being after the completion of the Transactions, the Offeror plans to make efforts to continue the employment of the employees who are employed by the Target Company as of the completion of the Transactions and to maintain their working conditions. The Offeror also plans to introduce an incentive plan, such as stock options, for the officers and employees of the Target Company and to establish a system that has the Offeror and the officers and employees of the Target Company aim to improve the long-term corporate value of the Target Company together. Additionally, after the Transactions, the Offeror will continue to respect the business relationships between the Target Company and its material clients and business partners.

(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer

As of December 12, 2023, when the Offeror decided to conduct the Tender Offer, and as of today, the Target Company is not a subsidiary of the Offeror, and the Tender Offer does not fall under a tender offer by a controlling shareholder. Furthermore, the Tender Offer is not a tender offer for which the Offeror is an officer of the Target Company or a person who is conducting the tender offer at the request of an officer of the Target Company and who has a common interest with the Target Company's officers. The Transactions, including the Tender Offer, also do not fall under a so-called management buy-out (MBO) transaction.

However, since the Transactions are transactions proposed by Fujitsu, as the controlling shareholder (parent company) of the Target Company, and in light of the possibility that the interests of Fujitsu and those of the Target Company's minority shareholders do not necessarily align, the Offeror and the Target Company implemented the following measures to ensure fairness of the Tender Offer Price and to avoid conflicts of interest.

Since Fujitsu, the parent company of the Target Company, holds 67,587,024 Target Company Shares (ownership percentage: 50.02%) as stated in "(1) Summary of the Tender Offer" above, and given that setting a so-called "majority of minority" minimum number of shares to be purchased may make the completion of the Tender Offer uncertain because the minimum number of shares to be purchased in the Tender Offer would be high, and doing so may cause the Tender Offer not to contribute to the interests of minority shareholders wishing to tender their shares therein, the Offeror has not set a "majority of minority" minimum number of shares to be purchased in the Tender Offer. The Offeror believes that the interests of the Target Company's minority shareholders are sufficiently taken into consideration because the Offeror and the Target Company have carried out the measures described below.

Also, of the measures described below, descriptions regarding those implemented by the Offeror are based on the Target Company's Press Releases and explanations received from the Offeror.

(A) Implementation of bidding procedure

As stated in "(B) Background, purpose, and decision-making process leading the

Offeror to conduct the Tender Offer” in “(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer” above, the Target Company and Fujitsu implemented the Bidding Process, which targeted multiple candidates, including business companies and investment funds with a sufficient investment track record in the Japanese market, which were assumed to be interested in collaborating with the Target Company in light of business synergies, starting from late March 2023, and commenced the first bidding process for one business company and eight investment funds that were interested in participating in this bidding process. In late May 2023, several candidates, including JICC, submitted letters of intent premised on a transaction method involving the acquisition of Fujitsu shares from Fujitsu, and after careful consideration of the contents, four investment funds, including JICC, were selected to participate in the second bidding process. Subsequently, the second bidding process began from late June 2023, and after the candidates performed due diligence on the Target Company until mid-September 2023, the Target Company and Fujitsu received non-legally binding proposal from JICC in September of the same year, a written non-legally binding proposal from another candidate in October of the same year and a written legally binding final proposal from JICC in November of the same year. However, as no legally binding final proposal was submitted by the other candidates, as a result of a comprehensive review of the proposals of each candidate, JICC was selected as the final purchase candidate from among JICC and the other candidates later in the same month, with the transaction price, transaction certainty and transaction speed as the main decision-making criteria, JICC and the Offeror commenced discussions and deliberations on the implementation of the Transaction, including the Share Repurchase. Subsequently, JICC, Fujitsu and the Target Company held ongoing discussions and negotiations, and as a result, in light of the fact that only the final proposal presented by JICC on December 12, 2023 was a legally-binding proposal and the presented assessed value of the share value and the Tender Offer Price being 5,920 yen, the Target Company decided that, the Offeror is the best partner for the Target Company to aim for “unlimited development” in terms of the proposed management strategy and support system after implementation of the Transaction, including measures to enhance corporate value, and the Offeror is also the best partner for the Target Company in the semiconductor industry where the market environment is changing rapidly and the Target Company’s products and technologies have the potential to expand the market in the medium- to long-term. Based on the recognition that it is important to accurately grasp the potential for medium- and long-term market expansion for the Target Company’s products and technologies and to make flexible and agile management decisions, the Offeror basically supports the Target Company’s business policy of focusing on capital investment and technology development for growth markets and, as a government-affiliated fund, will not be swayed by short-term fluctuations in business performance and will promote initiatives that contribute to the enhancement of corporate value from a medium- and long-term perspective. The Target Company reached the conclusion that executing the Transactions with the Offeror as a partner, which consists mainly of JICC, which is capable of promoting initiatives that contribute to the enhancement of corporate value from a medium- to long-term perspective without being swayed by short-term performance fluctuations as a sovereign wealth fund, and promoting measures such as the expansion of human capital, which is fundamental to the promotion of our business, to accelerate decision-making even further, will contribute to enhancing our corporate value in the future. The decision was reached to accelerate the decision-making process even more than before. In addition, by combining the excellent proprietary technologies of DNP and Mitsui Chemicals with the semiconductor packaging-related technologies of the Target Company, the Target Company believes that it will be possible to make a significant contribution to the medium- to long-term corporate value of the Target Company by promoting the next-generation semiconductor business and strengthening the market competitiveness of next-generation products, which are the goals of the Target Company.

In light of the above, the Target Company determined that the Transactions would contribute to the enhancement of the Target Company's corporate value, and no candidate existed that offered more favorable terms to the Target Company's shareholders compared to the proposal made by JICC.

(B) Procurement by the Target Company of a written report from an independent special committee

According to the Target Company's Press Releases, in light of the fact that the Tender Offer is part of the Transactions for the purpose of delisting the Target Company Shares, on April 14, 2023, immediately after commencement of the primary bidding process, the board of directors of the Target Company consulted with the Target Company's permanent Special Committee, established based on the Corporate Governance Code published by the Tokyo Stock Exchange and composed of three members—Mr. Jun Niimi (Outside Director of the Target Company), Ms. Namiko Araki (Outside Director and Audit and Supervisory Committee Member of the Target Company), and Mr. Kunikazu Kobayashi (Outside Director and Audit and Supervisory Committee Member of the Target Company)—independent of the Offeror, the Target Company, and completion of the Transactions, as to the following matters, in order to secure fairness of the Tender Offer Price, eliminate arbitrariness in the Target Company's decision making regarding the Transactions, ensure fairness, transparency, and objectivity of the Target Company's decision-making process, and avoid conflicts of interest: (i) justification and reasonableness of the purpose of the Transactions (including whether the Transactions contribute to enhancement of the Target Company's corporate value), (ii) fairness of the procedures concerning the Transactions, (iii) fairness and appropriateness of the terms of the Transactions, (iv) whether it is appropriate for the board of directors of the Target Company to express an opinion to support the Tender Offer and recommend that the Target Company's shareholders tender in the Tender Offer, and (v) whether implementing the Transactions (including the board of directors expressing an opinion to support the Tender Offer and recommending that the Target Company's shareholders tender in the Tender Offer) is disadvantageous to the Target Company's minority shareholders (collectively referred to as the "Matters of Inquiry"). Also, the board of directors of the Target Company entrusted the Special Committee with submitting to the Target Company a written report regarding the Matters of Inquiry. The Special Committee was established on June 17, 2022 as a permanent special committee, based on the Corporate Governance Code (Supplementary Principle 4.8.3) published by the Tokyo Stock Exchange, without taking the Transactions as an opportunity, for the purpose of deliberating on material transactions and actions that may give rise to conflicts of interest between the controlling shareholder and minority shareholders and reporting to the board of directors. The members of the Special Committee have not changed since the establishment thereof. Furthermore, regardless of the particulars of the report, a fixed amount of remuneration will be paid to each member as consideration for their duties.

In addition, the Target Company has also resolved that the board of directors of the Target Company will make decisions concerning the Transactions while respecting the opinions of the Special Committee to the utmost extent and that it will oppose the Transactions (and the Tender Offer) if the Special Committee decides that the transaction terms of the Transactions are not appropriate. Moreover, the board of directors of the Target Company resolved to grant to the Special Committee (i) the authority to independently appoint an attorney-at-law, third-party valuation organization, certified public accountant, and other advisors and (ii) the authority to get substantially involved in the process of negotiating the transaction terms by confirming in advance the policy for negotiating the transaction terms of the Transactions, receiving reports on the status of the negotiations in a timely manner, and stating opinions and making instructions or requests on material aspects. However, the Special Committee has not exercised its authority to independently appoint advisors, because each of MUMSS (the Target Company's financial advisor and third-party valuation organization), SMBC Nikko (financial advisor), and N&A (legal advisor) have no issues regarding independence or expertise.

The Special Committee held meetings during the period from April 14, 2023 to December 12, 2023, 13 times in total. In addition, the Special Committee carefully considered the Matters of Inquiry by collecting information and deliberating as necessary.

Specifically, the Special Committee approved the appointment of MUMSS (the Target Company's financial advisor and third-party valuation organization), SMBC Nikko (financial advisor), and N&A (legal advisor) after confirming that there were no issues regarding their independence or expertise.

MUMSS is not a related party of the Offeror, Fujitsu, or the Target Company and does not have any material interest in the Transactions, including the Tender Offer, that is required to be disclosed. In addition, same as MUFG Bank, MUMSS is a member of the Mitsubishi UFJ Financial Group and MUFG Bank conducts financing transactions for the Target Company as part of a series of ordinary banking transactions, and plans to provide the Offeror with funds for settlement of the Transaction. According to MUMSS, in compliance with the applicable laws and regulations of Article 36, Paragraph 2 of the Act and Article 70-4 of the Cabinet Office Order on Financial Instruments Business (Cabinet Office Order No. 52 of 2007; as amended), MUMSS, the Target Company's financial advisor, and MUFG Bank have, between them and within each company, established and implemented a means to prevent adverse effects, including an appropriate management structure for conflicts of interest, such as an information barrier to strictly manage information regarding the Target Company. Therefore, MUMSS has performed its duties as a financial advisor without being affected by MUFG Bank's decisions and has calculated the Target Company's share value in a position that is independent from MUFG Bank's position as a lender. Based on the fact that a strict information management structure has been established for information management between MUMSS and MUFG Bank and within each of them, as well as the fact that MUMSS was formerly a third-party valuation organization for a similar transaction, the Target Company has appointed MUMSS as its financial advisor and third-party valuation organization independent from the Offeror and the Target Company.

Furthermore, SMBC Nikko is not a related party of the Offeror, the Target Company, or Fujitsu, and does not have any material interest in the Transactions, including the Tender Offer, that is required to be disclosed. Like SMBC, SMBC Nikko is a member of the Sumitomo Mitsui Financial Group, Inc. The Target Company appointed SMBC Nikko as a financial advisor in accordance with SMBC Nikko's actual performance as a financial advisor, and based on the fact that (a) as a measure to prevent adverse effects, the required information barrier has been implemented between the department providing financial advisory services and the other departments at SMBC Nikko, and SMBC, (b) SMBC Nikko's independence as a financial advisor is secured because the transaction has been conducted between the Target Company and SMBC Nikko on transaction terms similar to those of general clients, and (c) SMBC Nikko is not a related party of the Offeror, the Target Company, or Fujitsu. The compensation payable to SMBC Nikko in connection with the Transactions includes contingent compensation payable subject to completion of the Transactions, including the Tender Offer, and other conditions; however, by taking into consideration general customary practices in similar types of transactions, the Target Company has appointed SMBC Nikko as the Target Company's financial advisor with the compensation structure described above.

Based on the background stated above, as a result of carefully deliberating and considering the Matters of Inquiry, taking into consideration each of the explanations above, advice from each advisor, and other explanatory materials for consideration, the Special Committee submitted to the board of directors of the Target Company the Written Report Dated December 12, 2023 mainly to the following effect, as of December 12, 2023, with the unanimous consent of its members.

(i) Justification and reasonableness of the purpose of the Transactions (including whether it contribute to the enhancement of the Target Company's corporate value)

Given the business environment surrounding the Target Company, the Target Company believes that in order to identify the potential for medium- to long-term market growth of its products and technologies and to aim for "Progress without Limits," it will become increasingly important to develop technologies that anticipate market needs and to make flexible capital investments, and the size of funds required for these investments is expected to increase as well. In this increasingly severe competitive environment, the Target Company came to the conclusion that it could enhance its corporate value through faster decision-making and expansion of human capital, which is fundamental to the promotion of its business, and that with JICC as a government-affiliated fund, which basically supports the Target Company's business policy of focusing on capital investments and technological developments in growth markets, the Target Company will be able to promote initiatives that contribute to enhancing corporate value from a medium- to long-term perspective, without being swayed by short-term fluctuations in business performance as a government-affiliated fund, and that since the Target Company is planning to execute the Transactions with the Offeror, consisting mainly of JICC as a partner, the Target Company will be able to make decisions more quickly than before, and promote measures such as expansion of human capital, which is fundamental to the promotion of the Target Company's business, which will contribute to future corporate value enhancement. The Target Company also believes that the superb, unique technologies of DNP and Mitsui Chemicals, combined with the Target Company's semiconductor packaging technologies, will contribute to promotion of the next-generation semiconductor business the Target Company aims to pursue, and reinforce the Target Company's market competitiveness in next-generation products, thereby contributing to enhancement of the Target Company's medium- to long-term corporate value. Fujitsu and the Target Company's management team, are not deemed to be using their positions to benefit themselves or third parties at the expense of general shareholders (the term "general shareholder" is synonymous with "minority shareholder" in Rule 441-2 of the Securities Listing Regulations of the Tokyo Stock Exchange; the same applies hereinafter), and the Transactions are considered reasonable because they will lead to the sustainable development of the Target Company Group, improve its earnings, and enhance the corporate value of the Target Company's group.

Furthermore, the growth strategy and corporate value enhancement plan expected by JICC do not contain any unreasonable points that raise suspicion concerning the possibility of realizing them and are considered to be reasonable because it is assumed that they will to contribute to faster decision-making and further expansion of human capital than before. There are no other points in the management policy explained by JICC that might be unreasonable.

Based on the foregoing, the Transactions are believed to contribute to enhancement of the Target Company's corporate value.

On the other hand, the following are believed to be matters with regard to which the Transactions may have an adverse effect on enhancement of the Target Company's corporate value: (i) the effects of dissolution of the capital relationship with Fujitsu, (ii) the effects of going private, (iii) the effects of the Target Company's liabilities, etc., and (iv) the effects on existing customers and business partners of the JICC Alliance becoming a shareholder of the Target Company. However, since appropriate measures for handling and resolving all of these matters can be taken, it is considered that they will not have a material adverse effect on the Target Company's corporate value.

As referenced above, the Transactions have the possibility of contributing to enhancement of the Target Company's corporate value, and the purpose of the Transactions is considered to be justifiable and reasonable.

(ii) Fairness of the procedures concerning the Transactions

Based on facts like the various following measures being taken to secure the fairness of the Transactions, the procedures relating to the Transactions are deemed to be fair.

The procedures relating to the Transactions are believed to be fair, in light of the following aspects of the Transactions: (a) the independent Special Committee has been involved in the Transactions since the candidate's initial presentation of transaction terms in the primary bidding process and has been granted the authority to appoint/approve advisors, and other relevant matters, as well as to get substantially involved in the process of negotiating the transaction terms and other aspects of the Transactions. Given that, a resolution was passed at the meeting of the board of directors of the Target Company requiring that the Target Company make decisions concerning the Transactions while respecting the particulars of the report of the Special Committee to the utmost extent. By exercising its authority, the Special Committee was found to have been substantially involved in the process of negotiating the transaction terms of the Transactions between the candidate and Fujitsu as relevant to the overall process, including the method by which to conduct the Bidding Process. Moreover, no particular problems were found with the establishment of the Special Committee and the timing of consultations, members of the Special Committee, the process for establishment, consultation, and appointment of members of the Special Committee, appointment of advisors, etc., information acquisition, compensation, and the Target Company's internal consideration structure, etc.; (b) the Target Company selected N&A as its legal advisor independent of the Target Company, Fujitsu, the JICC Alliance, the Offeror, and the candidate, and has received various legal advice from N&A; (c) the Target Company requested that MUMSS, the Target Company's financial advisor and a third-party valuation organization independent from the Target Company, Fujitsu, the JICC Alliance, the Offeror, and the candidate, calculate the Target Company's share value, and has acquired the Share Valuation Report dated December 12, 2023; (d) the Bidding Process was carried out by Fujitsu and the Target Company with the substantial involvement of the Special Committee, and it can be determined that the market check for the Bidding Process was performed with proper consideration; (e) while the tender offer period for the Tender Offer is set at 20 Business Days, in consideration of the fact that the Tender Offer is a tender offer with advance notice, and a relatively long period was secured after the announcement of the series of transaction terms and before commencement of the Tender Offer, it can be determined that an appropriate opportunity for the Target Company's shareholders to decide whether to tender in the Tender Offer, as well as an opportunity for persons other than the Offeror to make competing tender offers for the Target Company Shares, was secured; (f) the MOU contains an obligation to maintain the Opinion (as defined in "(B) Memorandum of Understanding Regarding Tender Offer" in "(6) Matters relating to material agreements regarding the Tender Offer" below) and an obligation not to enter into agreements with third parties, offer to enter into agreements, invite offers, or accept, discuss, negotiate, solicit, or provide information, etc. concerning competing transactions. If a serious acquisition proposal is made, depending on the concreteness of the competing acquisition proposal and the appropriateness and realizability of its purpose, then the board of directors' avoidance of serious consideration will be objectively and reasonably deemed to constitute a breach of the duty of care of a prudent manager by Directors, and the Target Company may either revoke or amend the Opinion, or pass a resolution or carry out a conflicting transaction that contradicts the Opinion, based on the following under the MOU: (i) if the Target Company reasonably determines that Directors' (a) maintaining the Opinion without making any changes or (b) avoiding passing a resolution or carrying out a conflicting transaction (in certain cases, including consulting or providing information regarding suggestions concerning the conflicting transaction) contradictory to the Opinion will constitute a breach by the Directors of their duty of care of a prudent manager, then the Target Company should explain the details and reasons therefor to the Offeror in advance and engage in good faith consultations with the Offeror to determine the handling thereof, and (ii) if, even after good-faith consultations with the Offeror, the Target Company's (a) maintaining the Opinion without making any changes or (b) avoiding passing a resolution or carrying out a conflicting transaction contradictory to the Opinion is still deemed to constitute a breach of the duty of care of a prudent manager by Directors, then the Target Company may revoke or amend the Opinion, or pass a resolution or carry out a conflicting transaction contradictory to the Opinion. Also, the provisions above will contribute, to a certain extent, to enhancement of the stability of the Transactions, based on the fact that the Target Company, Fujitsu, and the JICC Alliance have conducted the Bidding Process at a considerable amount of time and cost. Therefore, the provisions are believed not to immediately and inappropriately restrict competing acquisition proposals; and (g) attention has been paid to not coercing general shareholders.

A "majority of minority" is not set for the Transactions. However, in consideration of the fact that (a) Fujitsu, the Target Company's parent company, holds 67,587,024 Target Company Shares (ownership percentage: 50.02%), and if a "majority of minority" is set, then the lower limit of the number of shares planned to be purchased in the Tender Offer will become high and successful completion of the Tender Offer would become uncertain, resulting in the possibility of non-contribution to the interests of general shareholders who wish to tender their shares in the Tender Offer; (b) measures to secure fairness have been adopted, as stated above; and (c) the transaction terms of the Transactions are considered to be fair and appropriate, as stated in (iii) below, the Target Company believes that the fairness of the Transactions will not be damaged by not establishing a "majority of minority."

(iii) Fairness and appropriateness of the terms of the Transactions

The transaction terms of the Transactions were agreed to as a result of the Bidding Process conducted by the Target Company and Fujitsu, during which, pursuant to the Special Committee's request, the Target Company, Fujitsu, and JICC agreed on the Tender Offer Price after negotiating it multiple times even after JICC submitted the legally-binding final proposal. Accordingly, the process of consultations and negotiations for the transaction terms of the Transactions is determined to be on fair terms negotiated between independent parties, and circumstances were secured under which reasonable efforts were made to ensure that the Transactions were conducted on terms as favorable as possible to general shareholders while enhancing corporate value. Furthermore, according to the Share Valuation Report, the range of the calculated share value per Target Company Share is 5,240 yen to 5,658 yen using market share price analysis, 5,238 yen to 6,220 yen using comparable companies analysis, and 5,077 yen to 6,780 yen using DCF Analysis. The Tender Offer Price of 5,920 yen exceeds the upper end of the range of calculation results using market share price analysis and exceeds the midpoint of the range of calculation results using the comparable companies analysis and is close to the median of the range of calculation results using DCF Analysis.

The premium on the Target Company's market share price based on the Business Day immediately preceding the preparation date of the Written Report Dated December 12, 2023 is not necessarily high compared to premiums in past similar cases as described in "(C) Decision-making process and reasons of the Target Company to issue the opinion to support the Tender Offer" in "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer" above. However, considering that there were speculative media reports containing observations concerning the sale of a Fujitsu subsidiary that caused a fluctuation in the market price of the Target Company Shares, it is not irrational to consider that the share price during the period pertaining to the above calculation of the premium was considerably impacted by expectations about the sale of Fujitsu Holding Shares due to those speculative media reports and multiple speculative media reports that followed. Furthermore, compared to premiums in past similar cases as described in "(C) Decision-making process and reasons of the Target Company to issue the opinion to support the Tender Offer" in "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer" above, considering a fluctuation in the market price of the Target Company Shares, it is not unreasonable to conclude that it is appropriate to consider the average price over a longer time period than in light of the simple average closing price on the record date of May 31, 2023, which is the Business Day preceding the speculative media report date, and the simple average closing price over the most recent one month, and the premium of the Tender Offer Price is sufficiently reasonable in light of the simple average of the closing prices for the three months immediately preceding the relevant reference date or the six months immediately preceding the relevant reference date.

Moreover, the Transactions include the Share Consolidation, which is to take place after the Tender Offer. Sufficient consideration is found to have been given to the interests of general shareholders after the Share Consolidation such that they will not be placed in a situation where they could expect to be treated unfavorably if they did not tender in the Tender Offer. Furthermore, the Transactions include the Share Repurchase after the Share Consolidation, with the Repurchase Price of 4,218.1 yen. Adopting a scheme that involves a combination of the Tender Offer and the Share Repurchase enables the price of the Tender Offer in which general shareholders tender their shares to be set higher compared to Fujitsu selling the Target Company Shares via the Tender Offer. It can also be evaluated as a fair distribution of the tax benefits enjoyed by Fujitsu to general shareholders and thus would not be disadvantageous to them. Accordingly, the transaction terms with a scheme involving the Share Repurchase are not unfair or inappropriate. Additionally, the Offeror's financing would not have a material adverse impact on the Target Company's financial status.

Consequently, the Target Company's corporate value has been appropriately assessed, and the transaction terms of the Transactions, including the Tender Offer Price, and the compensation to be paid upon the Share Consolidation to the Target Company's shareholders who did not tender their shares in the Tender Offer, are assessed to have been set appropriately. Therefore, the terms of the Transactions are fair and appropriate.

(iv) Whether it is appropriate for the board of directors of the Target Company to express an opinion to support the Tender Offer and recommend that the Target

Company’s shareholders tender in the Tender Offer

As stated in (i) through (iii) above, because the Transactions contribute to enhancement of the Target Company’s corporate value, and the purpose of the Transactions is justified and reasonable, it is appropriate for the board of directors to express an opinion to support the Tender Offer.

Furthermore, as appropriateness of the procedures for the Transactions has been ensured, and thus the transaction terms of the Transactions are found to be fair and appropriate, recommending that the Target Company’s shareholders tender their shares in the Tender Offer is considered to be appropriate.

However, it is expected to take a considerable amount of time from announcement of the Tender Offer to its commencement. As such, other considerations may become necessary if, for example, during the period before commencement of the Tender Offer, there are fluctuations in the Target Company’s market price causing it to exceed the Tender Offer Price. Accordingly, the response to (iv) of the Special Committee’s Matters of Inquiry is premised on the situation as of the date of the Written Report Dated December 12, 2023.

(v) Whether implementing the Transactions (including the board of directors of the Target Company expressing an opinion to support the Tender Offer and recommending that the Target Company’s shareholders tender in the Tender Offer) is disadvantageous to the Target Company’s general shareholders

As stated in (i) through (iv) above, the Target Company came to the conclusion that providing the Target Company’s general shareholders with an opportunity to sell their Target Company Shares at an appropriate price through the Tender Offer would be the best option that takes shareholder interests into consideration. Accordingly, the Transactions are justifiable and reasonable, the appropriateness of procedures for the Transactions is ensured, and the transaction terms of the Transactions are fair and appropriate. Therefore, conducting the Transactions (including the board of directors passing a resolution to express an opinion to support the Tender Offer and recommend that the Target Company’s shareholders tender in the Tender Offer) is not considered to be disadvantageous to the Target Company’s general shareholders.

Subsequently, at the meeting of the Special Committee held on January 14, 2025, the Target Company reported to each member of the Special Committee on the progress of the necessary procedures and steps required under domestic and foreign competition laws at the Offeror, and as stated in “(i) Name of third-party valuation organization and its relationship with the Target Company and the Offeror” in “(D) Procurement by the Target Company of a share valuation report from an independent financial advisor and third-party valuation organization” below, MUMSS explained to each member of the Special Committee that there is sufficient reason to believe that there is no need to change the contents of the Share Valuation Report.

Subsequently, on January 22, 2025 the Offeror notified the Target Company that the necessary procedures and steps required under domestic and foreign competition laws (in Japan, China, South Korea, and Vietnam) have been completed, and among the Tender Offer Conditions Precedent, the Tender Offer

Conditions Precedent requiring that the acquisition of Clearance be completed have been satisfied, and as such, it intends to commence the Tender Offer on February 18, 2025 as the tender offer commencement date, based on the assumption that the other Tender Offer Conditions Precedent to be satisfied on the date of announcement of the Tender Offer will be satisfied or waived. Consequently, at the meeting of the Special Committee held on February 17, 2025, the Target Company reported information on the status of the Target Company and the Offeror to each member of the Special Committee. The Special Committee verified the facts concerning whether any material change in the situation that could have an impact on the Transactions occurred on or after December 12, 2023, and as a result of carefully considering the above-mentioned matters of inquiry, it confirmed that there were no circumstances that would require a change in the findings of the Written Report Dated December 12, 2023 even after taking into consideration the circumstances from December 12, 2023 through February 17, 2025. On February 17, 2025, the Special Committee submitted to the board of directors of the Target Company the Additional Written Report to the effect that its opinion in the Written Report Dated December 12, 2023 had not changed. A total of two additional meetings of the Special Committee were held during the period from January 14, 2025 to February 17, 2025 for a total of approximately one hours to deliberate and consider the Additional Matters of Inquiry.

As stated in "(i) Name of third-party valuation organization and its relationship with the Target Company and the Offeror" in "(D) Procurement by the Target Company of a share valuation report from an independent financial advisor and third-party valuation organization" below, given that (i) there are no unreasonable aspects in the explanation by MUMSS that there is sufficient reason to believe that there is no need to change the contents of the Share Valuation Report, (ii) no material event has occurred on or after December 12, 2023, and the fact that the Target Company has not made any changes to the business plan on which the share valuation by MUMSS was based as of the preparation date of the Additional Written Report is not unreasonable, and (iii) there has been no particular change in the business environment surrounding the Target Company Group or the industry, the Special Committee has determined that there is no need to request any changes or updates to the contents of the Share Valuation Report.

(C) Procurement of advice to the Target Company from an independent legal advisor

According to the Target Company's Press Releases, in order to ensure fairness, transparency, and objectivity of the Target Company's decision-making concerning the Transactions, including the Tender Offer, as stated in "(B) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer" in "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer" above, the Target Company selected N&A as its legal advisor independent of the Offeror, Fujitsu, and the Target Company, and has received necessary legal advice from the same in relation to decision-making methods and processes for the Transactions, as well as other points to note in decision-making concerning the Transactions. Furthermore, N&A is not a related party of the Offeror, Fujitsu, or the Target Company, and has no material interest in the Transactions, including the Tender Offer. Fees to N&A only consist of fees based on hourly rates to be paid irrespective of whether or not the Transactions are consummated, and does not include any conditional fees contingent upon consummation of the Transactions.

(D) Procurement by the Target Company of a share valuation report from an independent financial advisor and third-party valuation organization

(i) Name of third-party valuation organization and its relationship with the Target Company and the Offeror

According to the Target Company's Press Releases, in determining its opinion on the Tender Offer and as a measure to ensure fairness, as stated in "(B) Background, purpose, and decision-making process leading the Offeror to conduct the Tender Offer" in "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer" above, the Target Company appointed MUMSS as its financial advisor and third-party valuation organization independent from the Offeror, Fujitsu, and the Target Company and received advice from a financial viewpoint. The Target Company requested that MUMSS calculate the Target Company's share value, and has acquired a share valuation report (the "Share Valuation Report") dated December 12, 2023 from MUMSS, subject to the conditions precedent set forth in (ii) below and certain other conditions.

Given that (i) although the Target Company is currently being affected by the continued slump in the semiconductor market, which can be seen in the Target Company's full-year consolidated performance forecast for the fiscal year ending March 2025 being revised downward on October 25, 2024 and January 31, 2025 following the announcement of the Transactions, given that semiconductors are expected to continue to be in strong demand in the medium- to long-term as the key technology for driving the evolution of telecommunications infrastructure that enables ultrahigh-speed, high-capacity communications as well as the progression of DX due to the rapid expansion in the use of AI and IoT and for supporting social and economic growth, there has been no particular change in the business environment surrounding the Target Company or in its medium-to long-term business outlook, and there are no significant changes to the assumptions affecting the Share Valuation Report even in light of the circumstances during the period from the board of directors meeting held on December 12, 2023 to February 17, 2025, (ii) based on these factors, there are no unreasonable aspects in the explanation by MUMSS that there is sufficient reason to believe that there is no need to change the contents of the Share Valuation Report, and (iii) as stated in "(B) Procurement by the Target Company of a written report from an independent special committee" in "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer" below, the Special Committee has determined that there is no need to request any changes or updates to the contents of the Share Valuation Report, the board of directors of the Target Company has determined that there is no need to change or update the contents of the Share Valuation Report.

As stated in "(B) Procurement by the Target Company of a written report from an independent special committee" above, MUMSS is not a related party of the Offeror, Fujitsu, or the Target Company and does not have any material interest in the Transactions, including the Tender Offer, that is required to be disclosed.

Also, as stated in "(B) Procurement by the Target Company of a written report from an independent special committee" above, same as MUFG Bank, MUMSS is a member of the Mitsubishi UFJ Financial Group and MUFG Bank conducts financing transactions for the Target Company as part of a series of ordinary banking transactions, and plans to provide the Offeror with funds for settlement of the Transaction. However, according to MUMSS, in compliance with the applicable laws and regulations of Article 36, Paragraph 2 of the Act and Article 70-4 of the Cabinet Office Order on Financial Instruments Business (Cabinet Office Order No. 52 of 2007; as amended), MUMSS, the Target Company's financial advisor, and MUFG Bank have, between them and within each company, established and implemented means to prevent adverse effects, including an appropriate management structure for conflicts of interest, such as an information barrier to strictly manage information regarding the Target Company. Therefore, MUMSS has performed its duties as a financial advisor without being affected by MUFG Bank's decisions and has calculated the Target Company's share value in a position that is independent from MUFG Bank's position as a lender. Based on the fact that a strict information management structure has been established for information management between MUMSS and MUFG Bank and within each of them, as well as the fact that MUMSS was formerly a third-party valuation organization for a similar transaction, the Target Company has appointed MUMSS as its financial advisor and third-party valuation organization independent from the Offeror and the Target Company.

Furthermore, the compensation payable to MUMSS in connection with the Transactions includes contingent compensation payable subject to public announcement of the Transactions, including the Tender Offer, and completion of the Squeeze-Out Procedures. By taking into consideration general customary practices in similar types of transactions, the Target Company has decided that MUMSS's independence is not ruled out by the inclusion of contingent compensation payable subject to public announcement of the Transactions, including the Tender Offer, and completion of the Squeeze-Out Procedures.

In addition, in consideration of the interests of minority shareholders, the Target Company has implemented various measures as stated in "(A) Implementation of bidding procedure" through "(F) Measures to ensure opportunities for purchase for parties other than the Offeror" below, in the Offeror and the Target Company, to ensure fairness of the Tender Offer. Therefore, the Target Company has not obtained from MUMSS an opinion on fairness of the Tender Offer Price (fairness opinion).

(ii) Outline of calculation

As a result of considering the valuation method for the Tender Offer, MUMSS calculated the value of the Target Company Shares using each of (i) the market share price analysis because the Target Company Shares are listed on the Prime Market of the Tokyo Stock Exchange and a market share price exists, (ii) the comparable companies analysis because there are multiple listed companies similar and comparable to the Target Company and it is possible to infer by analogy the share value of the Target Company by comparing the Target Company with such similar listed companies, and (iii) the DCF Analysis so as to reflect the Target Company's intrinsic value based on the status of future business activities, from the perspective that it would be appropriate to assess the share value of the Target Company Shares in multiple ways.

The ranges of the per-share value of the Target Company Shares calculated using such methods are as follows:

Market share price analysis:	5,240 yen to 5,658 yen
Comparable companies analysis:	5,238 yen to 6,220 yen
DCF Analysis:	5,077 yen to 6,780 yen

Under the market share price analysis, where December 11, 2023 was the reference date, the per-share value of the Target Company Shares was calculated as ranging from 5,240 yen to 5,658 yen, based on the following prices of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange: the closing price as of the reference date (5,240 yen); the simple average of the closing price for the one month immediately preceding the reference date (5,377 yen); the simple average of the closing price for the three months immediately preceding the reference date (5,502 yen); and the simple average of the closing price for the six months immediately preceding the reference date (5,658 yen).

Under the comparable companies analysis, the per-share value of the Target Company Shares was calculated as ranging from 5,238 yen to 6,220 yen, through comparison with market share prices and financial indices indicating profitability, etc. of similar listed companies engaged in business that is relatively similar to that of the Target Company.

Under the DCF Analysis, the Target Company's corporate value and share value were calculated by making certain financial adjustments, such as adding the values of the Target Company's cash equivalents, etc. (including excess cash and deposits held by the Target Company) to the business values calculated by rebating the free cash flow that is expected to be generated by the Target Company in the future at a certain discount rate to the present value, in light of the Target Company's future projections in and after the fiscal year ending in March 2024, which takes into account various factors, such as the Target Company's business plan for fiscal years from the fiscal year ending in March 2024 through the fiscal year ending in March 2028, recent business result trends, and publicly available information. Using this methodology, the per-share value of the Target Company Shares was calculated as ranging from 5,077 yen to 6,780 yen.

MUMSS has used the information provided by the Target Company and publicly available information in calculating the Target Company's share value, has assumed that that information is all accurate and complete, and has not independently verified the accuracy or completeness thereof. In addition, information regarding the Target Company's financial projections is assumed to have been reasonably prepared based on the Target Company's best projections and judgments currently available. With regard to the financial projections, questions have been asked to and answers have been received from the Special Committee, and the reasonability of the contents and conditions precedent, etc. thereof has been confirmed. Furthermore, MUMSS has not independently evaluated or appraised the assets and liabilities of the Target

Company (including off-balance sheet assets and off-balance sheet liabilities, and other contingent liabilities) and has not requested any appraisals or evaluations from third-party organizations. The calculation by MUMSS reflects the above information as of December 11, 2023.

Moreover, the Target Company's business plan, which MUMSS used as the basis for the DCF Analysis calculation, includes a fiscal year in which significant increases or decreases in profits are expected in comparison with the previous year. Specifically, while the semiconductor industry is expected to face a severe market environment as negative growth had been expected in 2023, the semiconductor market is expected to expand in the medium- to long-term.

The Target Company has been making continual, focused capital investments in markets with promising growth, and is committed to reinforcing its production system and broadening the customer base in view of the growing markets by: proceeding with the development of the Chikuma Plant (Chikuma City, Nagano Prefecture), which was established in December 2023, as a new production plant for flip-chip type packages used in high-performance semiconductors; working to expand its mass production system through the development of a new building completed in 2023 at its Takaoka Plant (Nakano City, Nagano Prefecture) for ceramic electrostatic chucks; and proceeding with the construction of a new building that has started at its Arai Plant (Myoko City, Niigata Prefecture) for producing plastic BGA substrates for cutting-edge memories. In the business plan prepared by the Target Company, although the consolidated operating profit of approximately 35 billion yen for the fiscal year ending March 31, 2024 is expected to decrease significantly by approximately 50% year-on-year due to the sluggish semiconductor market, the Target Company anticipates continuous growth with steady year-on-year increase by approximately 50% in the consolidated operating profit, which will reach 52 billion yen in the fiscal year ending March 31, 2025, due to the above initiatives as well as further productivity improvement and cost reduction throughout the Target Company. In addition, consolidated operating profit of approximately 87 billion yen for the year ending March 31, 2027 is expected to increase significantly by approximately 40% compared to the previous year. The consolidated free cash flow used in the DCF Analysis is expected to increase or decrease significantly in each financial year due to the above increase and decrease in profits and the impact of the Target Company's capital expenditure. Specifically, the significant increase and decrease in consolidated free cash flow due to the above-mentioned increase/decrease in profits and the Target Company's capital expenditure is expected to be approximately -36 billion yen in the year ending March 31, 2024, a decrease of approximately 88 billion yen compared to the previous year; approximately -4 billion yen in the year ending March 31, 2025, an increase of approximately 32 billion yen compared to the previous year; approximately 38 billion yen in the year ending March 31, 2026, an increase of approximately 42 billion yen compared to the previous year; 68 billion yen in the year ending March 31, 2027, a decrease of approximately 30 billion yen compared to the previous year; and 42 billion yen in the year ending March 31, 2028, a decrease of approximately 26 billion yen compared to the previous year. Further, since it is difficult to make a specific estimation of synergies that are expected to be realized by executing the Transactions at present, such synergies were not taken into account in the business plan.

(E) Unanimous approval of all non-interested directors of the Target Company

According to the Target Company's Press Releases, as stated in "(C) Decision-making process and reasons of the Target Company to issue the opinion to support the Tender Offer" in "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer" above, the board of directors of the Target Company carefully discussed and considered whether the Transactions, including the Tender Offer, would contribute to improvement of the Target Company's corporate value and whether the transaction terms related to the Transactions, including the Tender Offer Price, were appropriate, taking into consideration the legal advice received from N&A, the advice from a financial perspective received from MUMSS, and the content of the Share Valuation Report, while giving the utmost respect to the Special Committee's decision as shown in the Written Report Dated December 12, 2023.

As a result, the Target Company determined that the transaction terms related to the Transactions, including the Tender Offer Price, were appropriate as they ensured the benefits that should be enjoyed by minority shareholders of the Target Company and that the Tender Offer would provide minority shareholders of the Target Company with a reasonable opportunity to sell the Target Company Shares, and consequently adopted a resolution at the board of directors meeting held on December 12, 2023 to express an opinion in support of the Tender Offer and to recommend that shareholders of the Target Company tender their shares in the Tender Offer via a unanimous decision of all seven of the eight directors of the Target Company participating in the deliberations and resolutions, excluding Mr. Yasuhisa Makino as explained below. Furthermore, as stated in "(C) Decision-making process and reasons of the Target Company to issue the opinion to support the Tender Offer" of "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer" above, as of December 12, 2023, the Tender Offer was planned to be commenced promptly on a date that is (i) within 10 Business Days from the date on which the Tender Offer Conditions Precedent (excluding those to be satisfied on the commencement date of the Tender Offer) are satisfied (or waived by the Offeror) (however, if a Counter Proposal has been made as of such date, then the earlier of (a) the date on which 20 Business Days have elapsed since the date on which Fujitsu makes a request to the Offeror for consultation regarding changing the Tender Offer Price and the Repurchase Price or (b) the date on which Fujitsu covenants in writing that it will not accept the Counter Proposal) and (ii) separately notified to the Target Company in advance by the Offeror, and as of December 12, 2023, the Offeror aimed to commence the Tender Offer around late August 2024 based on the discussions with local law firms regarding necessary procedures and measures under domestic and foreign competition laws and foreign investment control laws and regulations, etc.; however, it was difficult to accurately estimate the period required for, among others, procedures involving foreign competition authorities and authorities supervising inward direct investments. Therefore, at the board of directors meeting mentioned above, the Target Company also resolved (i) that when the Tender Offer is commenced, the board of directors will request that the Special Committee (x) consider whether there are any changes in its opinion as expressed to the board of directors of the Target Company as of December 12, 2023, and (y) if there are no changes in its opinion, make a statement to that effect, or if there are changes in its opinion, state the changed opinion, to the board of directors of the Target Company; and (ii) that based on such opinion of the Special Committee, the Target Company will express its opinion on the Tender Offer again when the Tender Offer is commenced.

Subsequently, on January 22, 2025 the Offeror notified the Target Company that the necessary procedures and steps required under domestic and foreign competition laws (in Japan, China, South Korea, and Vietnam) have been completed, and among the Tender Offer Conditions Precedent, the Tender Offer Conditions Precedent requiring that the acquisition of Clearance be completed have been satisfied, and as such, it intends to commence the Tender Offer on February 18, 2025 as the tender offer commencement date, based on the assumption that the other Tender Offer Conditions Precedent to be satisfied on the date of announcement of the Tender Offer will be satisfied or waived. In response, the Target Company again carefully considered the terms of the Tender Offer while respecting the contents of the Additional Written Report submitted by the Special Committee to the maximum possible extent; as a result, the Target Company concluded that as of today, there are no factors to change its opinion regarding the Tender Offer. Therefore, at the board of directors meeting held today, a resolution was again adopted to the effect that the board of directors will express an opinion in support of the Tender Offer and that it will recommend that the Target Company's shareholders tender their shares in the Tender Offer.

In addition, as stated in "(i) Name of third-party valuation organization and its relationship with the Target Company and the Offeror" in "(D) Procurement by the Target Company of a share valuation report from an independent financial advisor and third-party valuation organization" above, given that (i) although the Target Company is currently being affected by the continued slump in the semiconductor market, which can be seen in the Target Company's full-year consolidated performance forecast for the fiscal year ending March 2025 being revised downward on October 25, 2024 and January 31, 2025 following the announcement of the Transactions, given that semiconductors are expected to continue to be in strong demand in the medium- to long-term as the key technology for driving the evolution of telecommunications infrastructure that enables ultrahigh-speed, high-capacity communications as well as the progression of DX due to the rapid expansion in the use of AI and IoT and for supporting social and economic growth, there has been no particular change in the business environment surrounding the Target Company or in its medium-to long-term business outlook, and there are no significant changes to the assumptions affecting the Share Valuation Report even in light of the circumstances during the period from the board of directors meeting held on December 12, 2023 to today, (ii) there are no unreasonable aspects in the explanation by MUMSS that there is sufficient reason to believe that there is no need to change the contents of the Share Valuation Report, and (iii) as stated in "(B) Procurement by the Target Company of a written report from an independent special committee" above, the Special Committee has determined that there is no need to request any changes or updates to the contents of the Share Valuation Report, the board of directors of the Target Company has determined that there is no need to change or update the contents of the Share Valuation Report.

Furthermore, in light of the fact that among the Target Company's directors, Mr. Yasuhisa Makino is originally from Fujitsu, and only two years had passed since his employment at Fujitsu, he did not participate in any deliberations or resolutions relating to the Transactions at the Board of Directors Meetings, including the deliberations and resolutions at the board of directors meeting mentioned above, nor did he, in the capacity as a representative of the Target Company, participate in any discussions or negotiations with the Offeror, in order to avoid suspicions of conflicts of interest and to ensure fairness of the Transactions. Mr. Yasuhisa Makino has also retired from his position as a director of the Target Company at the close of the Target Company's general shareholders' meeting held on June 26, 2024 due to expiration of his term of office. Moreover, Mr. Masami Fujita is originally from Fujitsu and has acted as the Corporate Senior Executive Vice President and Representative Director of Fujitsu, and as the President and Representative Director of Fujitsu Marketing Limited (currently Fujitsu Japan Limited) ("Fujitsu Marketing"), a wholly-owned Fujitsu subsidiary, as well as the Executive Advisor of Fujitsu (until the end of March 2018) and the Executive Advisor of Fujitsu Marketing (until the end of March 2019); however, he has participated in deliberations and resolutions relating to the Transactions at board of directors meetings, including the deliberations and resolutions at the Board of Directors Meetings mentioned above, and, in the capacity as a representative of the Target Company, participated in discussions and negotiations with the Offeror, in light of facts such as six or more years having passed since his employment at Fujitsu, and five or more years having passed since he left Fujitsu Marketing, which therefore obviously makes it impossible for him to be involved in Fujitsu's decision-making, and subsequently there has been no relationship between him and Fujitsu or Fujitsu Marketing that could give rise to a conflict of interests with the Target Company and therefore his relationship with Fujitsu seemingly being poor. In addition, Mr. Takashi Ozawa is originally from Fujitsu, but he has participated in deliberations and resolutions relating to the Transactions at board of directors meetings, including the deliberations and resolutions at the Board of Directors Meetings mentioned above, and, in the capacity as a representative of the Target Company, participated in discussions and negotiations with the Offeror, in light of the fact that 20 or more years have passed since his employment at Fujitsu, which therefore obviously makes it impossible for him to be involved in Fujitsu's decision-making, and subsequently there has been no relationship between him and Fujitsu that could give rise to a conflict of interests with the Target Company and therefore his relationship with Fujitsu seemingly being poor.

(F) Measures to ensure opportunities for purchase for parties other than the Offeror

Although the Tender Offer Period has been set at 20 Business Days, which is the minimum period stipulated by law, the Tender Offer is a so-called prior disclosure-type tender offer, where the transaction terms including the Tender Offer Price are disclosed in advance. As a result, a relatively long period is ensured from the announcement of the transaction terms until the commencement of the Tender Offer. Further, the Offeror has not reached an agreement with the Target Company that would excessively restrict the Target Company from contacting competing offerors. The Offeror therefore believes that it has ensured that the Target Company's shareholders have an opportunity to properly determine whether to tender their shares, etc. in the Tender Offer and that it has provided an opportunity for competing offerors to make offers.

(4) Policy for organizational restructuring after the Tender Offer (matters relating to a so-called "Two-Step Acquisition")

As stated in “(1) Summary of the Tender Offer” above, if the Offeror fails to acquire all of the Target Company Shares (excluding Fujitsu Holding Shares and the treasury shares owned by the Target Company) in the Tender offer, the Offeror will request the Target Company, after the completion of the settlement of the Tender Offer, to hold an extraordinary shareholders’ meeting at which the following proposals will be submitted (the “Extraordinary Shareholders’ Meeting”): (i) to conduct a consolidation of the Target Company Shares (the “Share Consolidation”) under Article 180 of the Companies Act and (ii) to make a partial amendment to the Target Company’s Articles of Incorporation to abolish the share unit number provisions on the condition that the Share Consolidation becomes effective. In addition, the Offeror believes that from the perspective of enhancing the corporate value of the Target Company Group, it is desirable to hold the Extraordinary Shareholders’ Meeting as soon as possible and therefore plans to request the Target Company during the Tender Offer Period to make a public notice of the establishment of a record date so that the record date for the Extraordinary Shareholders’ Meeting is a day soon after the commencement date of settlement of the Tender Offer. The Offeror and Fujitsu intend to approve each of those proposals at the Extraordinary Shareholders’ Meeting. If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders’ Meeting, the shareholders of the Target Company will come to own the number of Target Company Shares proportionate to the ratio of the Share Consolidation that is approved at the Extraordinary Shareholders’ Meeting as of the effective date of the Share Consolidation. In such case, if, due to the Share Consolidation, the number is a fraction less than one, each shareholder of the Target Company who holds such fractional shares will receive an amount of cash obtained by selling the Target Company Shares equivalent to the total number of shares less than one unit (with such aggregate sum rounded down to the nearest whole number; the same applies hereinafter) to the Target Company or the Offeror as per the procedures specified in Article 235 of the Companies Act and other relevant laws and regulations. The purchase price for the aggregate sum of the Target Company Shares that are less than one unit will be valued so that the amount of cash received by each shareholder who did not tender its shares in the Tender Offer as a result of the sale will be equal to the price obtained by multiplying the Tender Offer Price by the number of Target Company Shares owned by each such shareholder. The Offeror will request the Target Company to file a petition to the court for permission to purchase such Target Company Shares on this basis. Although the ratio of the Share Consolidation of the Target Company Shares has not been determined as of today, it is intended that the shares of shareholders who did not tender their shares in the Tender Offer (excluding the Offeror, Fujitsu, and the Target Company) will be classified as shares less than one unit in order for the Offeror and Fujitsu to become the sole owners of all of the Target Company Shares. According to the Target Company’s Press Releases, the Target Company intends to accept these requests of the Offeror. In addition, if the Extraordinary Shareholders’ Meeting is to be held, it will be held around mid-May 2025. The specific procedures and timing of the meeting will be announced promptly by the Target Company once it has decided them after consultation with the Offeror.

According to the provisions of the Companies Act that aim to protect the rights of minority shareholders in relation to the Share Consolidation, the Companies Act provides that if the Share Consolidation occurs and there are shares less than one unit as a result thereof, each shareholder of the Target Company may request that the Target Company purchase all such shares less than one unit at a fair price, and such shareholders may file a petition to the court to determine the price of the Target Company Shares in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations. The purchase price per share by this method will be finally determined by the court.

The Tender Offer is not intended to solicit the shareholders of the Target Company to approve the proposal at the Extraordinary Shareholders' Meeting.

With regard to the procedures described above, it is possible that, depending on circumstances such as the interpretation of the relevant laws and regulations by authorities, more time may be required or alternative methods may be utilized to implement the procedures. However, even in such a case, the Offeror intends to make the Target Company a wholly-owned subsidiary of the Offeror by a method whereby the shareholders of the Target Company who do not tender their shares in the Tender Offer (excluding the Offeror, Fujitsu, and the Target Company) will ultimately receive cash consideration equal to the number of Target Company Shares held by such shareholders multiplied by the Tender Offer Price.

The specific procedures, timing of implementation, and other such matters in the case set out above will be announced promptly by the Target Company once it has decided them after consultation with the Offeror. Shareholders of the Target Company are requested to confirm with tax experts regarding tax treatment relating to tendering in the Tender Offer and the procedures set out above at their own responsibility.

(5) Expected delisting and reasons therefor

The Target Company Shares are currently listed on the Prime Market of the Tokyo Stock Exchange as of today. However, since the Offeror has not set a limit on the maximum number of share certificates, etc. to be purchased in the Tender Offer, the Target Company Shares may be delisted through prescribed procedures in accordance with the stock delisting criteria of the Tokyo Stock Exchange, depending on the result of the Tender Offer.

Also, even in the event that the delisting standards are not met upon completion of the Tender Offer, if the Squeeze-Out Procedures are carried out as stated in "(4) Policy for organizational restructuring after the Tender Offer (matters relating to a so-called "Two-Step Acquisition")" above after the successful completion of the Tender Offer, then the Target Company Shares will be delisted through the prescribed procedures in accordance with the stock delisting criteria of the Tokyo Stock Exchange. After delisting, the Target Company Shares will no longer be traded on the Prime Market of the Tokyo Stock Exchange.

(6) Matters relating to material agreements regarding the Tender Offer

(A) Master Transaction Agreement

As stated in "(1) Summary of the Tender Offer" above, the Offeror has, in connection with the Tender Offer, executed the Master Transaction Agreement with Fujitsu regarding the Transactions on December 12, 2023. In the Master Transaction Agreement, Fujitsu has agreed (i) that it will not tender the Fujitsu Holding Shares in the Tender Offer and that it will not conduct any transaction that competes, contradicts, or conflicts with the Tender Offer or impedes or is likely to impede the implementation of the Tender Offer (a "Competing Transaction"), (ii) that it will not reach an agreement regarding a Competing Transaction with a third party, make any application for such agreement, or make any invitation for, approve, discuss, negotiate about, make any solicitation for, or exchange information about a Competing Transaction, and (iii) that if it is engaged in any consultation or negotiation regarding any Competing Transaction at the time of execution of the

Master Transaction Agreement, it will promptly suspend such consultation or negotiation. However, in the case where Fujitsu receives a proposal on a Competing Transaction from a third party other than the Offeror without any breach of such agreement, if, by the last day of the Tender Offer Period, Fujitsu reasonably determines that the proposal is sincere and reasonably expected to lead to a tender offer to acquire all of the shares of common stock of the Target Company with no limit on the maximum number of shares to be purchased through a transaction in which the consideration is equivalent to an amount that exceeds the Tender Offer Price by a certain percentage or more (a "Counter Proposal"), Fujitsu may consult with or provide information to the third party with respect to the proposal to the minimum extent necessary. If Fujitsu or the Target Company receives a written proposal regarding a Competing Transaction during the period from the execution date of the Master Transaction Agreement until the last day of the Tender Offer Period, Fujitsu shall immediately notify the Offeror to that effect and of the details of the proposal and, at the request of the Offeror, consult with the Offeror to a reasonable extent regarding the progress of the consultations and negotiations regarding the Competing Transaction.

If a Counter Proposal is commenced by a third party set out above whom Fujitsu may consult with or provide information to by the last day of the Tender Offer Period, Fujitsu may request the Offeror to consult regarding changing the Tender Offer Price and the Repurchase Price, and, even taking into account such consultation, if the Offeror does not, by the earlier of the date on which 20 Business Days have elapsed since the date of the request or the last day of the Tender Offer Period, change the Tender Offer Price to an amount higher than the consideration proposed in the Counter Proposal and change the Repurchase Price to an amount that, taking tax effects into account, is in substance higher than the consideration proposed in the Counter Proposal, Fujitsu may accept the Counter Proposal in regard to all of the Fujitsu Holding Shares, unless Fujitsu is in violation of its obligations set out in the Master Transaction Agreement. If any Counter Proposal is made before the commencement of the Tender Offer, the Offeror shall not bear an obligation to commence the Tender Offer unless Fujitsu covenants in writing not to accept the Counter Proposal or the Offeror conducts the acts set out above.

Additionally, the Master Transaction Agreement sets out the conditions precedent for the commencement of the Tender Offer (the "Tender Offer Conditions Precedent" set out in the preamble), the representations and warranties of the Offeror and Fujitsu (Note 1), obligations of Fujitsu (Note 2), obligations of the Offeror (Note 3), and termination events (Note 4).

Note 1: In the Master Transaction Agreement, the Offeror represents and warrants (i) its incorporation, existence, and the existence of the power necessary for the execution and performance of the Master Transaction Agreement, (ii) the validity and enforceability of the Master Transaction Agreement, (iii) the obtainment or implementation of permits and authorizations, etc. necessary for the execution and performance of the Master Transaction Agreement, except for the acquisition of Clearance, and the implementation of the procedures necessary for the execution and performance of the Master Transaction Agreement, (iv) the absence of any conflict with laws and regulations regarding the execution and performance of the Master Transaction Agreement, (v) the absence of any bankruptcy procedures, (vi) that it is not an antisocial force and has no relationship with any antisocial forces, and (vii) the sufficiency of funds necessary for the settlement of the Tender Offer and the existence of reasonable prospects for securing such funds. In addition, in the Master Transaction Agreement, Fujitsu represents and warrants (i) its incorporation, existence, and the existence of the power necessary for the execution and performance of the Master Transaction Agreement, (ii) the validity and enforceability of the Master Transaction Agreement, (iii) the obtainment or implementation of permits and authorizations, etc. necessary for the execution and performance of the Master Transaction Agreement and the implementation of the procedures necessary for the execution and performance of the Master Transaction Agreement, (iv) the absence of any conflict with laws and regulations regarding the execution and performance of the Master Transaction Agreement, (v) the absence of any bankruptcy procedures, (vi) that it does not fall under an antisocial force and has no relationship with any antisocial forces, (vii) matters relating to the legal and valid holding, etc. of the Fujitsu Holding Shares, (viii) matters relating to the Target Company Shares, (ix) the accuracy of securities reports of the Target Company filed after April 1, 2021, and (x) the accuracy of the information disclosed in due diligence.

Note 2: The following is a summary of the obligations owed by Fujitsu in the Master Transaction Agreement: (i) obligation not to tender in the Tender Offer or transfer or otherwise dispose of the Fujitsu Holding Shares, (ii) obligation regarding the implementation of the Squeeze-Out Procedures, (iii) obligation to cause the Target Company to conduct the Financing and the Capital Decrease, Etc., (iv) obligation regarding the conduct of the Share Repurchase, (v) obligation to cooperate and make efforts for the satisfaction of the Tender Offer Conditions Precedent, (vi) obligation to notify the Offeror if it breaches any of its representations and warranties, breaches any of its obligations, or finds that it might be unable to satisfy the Tender Offer Conditions Precedent, (vii) obligation to cooperate and make efforts for the prompt execution of the Transactions, (viii) obligation to consult in good faith in regard to continuing the services provided by Fujitsu and its subsidiaries to the Target Company Group for the period necessary to support transition procedures, (ix) obligation regarding certain patents that the Target Company Group holds and uses, (x) obligation to take certain measures in relation to the Target Company's health insurance system and retirement pension system, (xi) non-competition obligations for a certain period after the date of the Share Repurchase, (xii) obligation not to solicit the officers and employees of the Target Company Group for a certain period after the execution date of the Master Transaction Agreement, (xiii) obligation to cooperate with the Offeror in financing, (xiv) obligation to cooperate in the acquisition of Clearance, (xv) obligation to pay compensation if it breaches any of its representations and warranties or breaches any of its obligations, (xvi) confidentiality obligations, (xvii) obligation to bear taxes and public charges and expenses it incurs, and (xviii) obligation not to assign any of its contractual rights and obligations.

Note 3: The following is a summary of the obligations owed by the Offeror in the Master Transaction Agreement: (i) obligation to commence the Tender

Offer on or after the date on which the Conditions Precedent are satisfied, (ii) obligation to make efforts to conduct all acts necessary under laws and regulations for the acquisition of Clearance and efforts to complete the acquisition of Clearance, (iii) obligation regarding the implementation of the Squeeze-Out Procedures, (iv) obligation to cause the Target Company to conduct the Financing and the Capital Decrease, Etc., (v) obligation regarding the conduct of the Share Repurchase, (vi) obligation to cooperate and make efforts for the satisfaction of the Tender Offer Conditions Precedent, (vii) obligation not to amend the MOU without the prior written consent of Fujitsu, (viii) obligation not to make any communication with any judicial or administrative agency in relation to Fujitsu's burdens arising out of or in connection with the Transactions without the prior written consent of Fujitsu, (ix) obligation to notify Fujitsu if it breaches any of its representations and warranties, breaches any of its obligations, or finds that it might be unable to satisfy the Tender Offer Conditions Precedent, (x) obligation to cooperate and make efforts for the prompt execution of the Transactions, (xi) obligation to take certain measures in relation to the Target Company's health insurance system and retirement pension system, (xii) obligation not to solicit the officers and employees of the Target Company Group for a certain period after the execution date of the Master Transaction Agreement, (xiii) obligation to pay compensation if it breaches any of its representations and warranties or breaches any of its obligations, (xiv) confidentiality obligations, (xv) obligation to bear taxes and public charges and expenses it incurs, (xvi) obligation not to assign any of its contractual rights and obligations, and (xvii) obligation to make efforts in relation to the extension of the effective terms of commitment letters or the execution of new commitment letters (see Note 4).

Note 4: Under the Master Transaction Agreement, the Offeror and Fujitsu may terminate the Master Transaction Agreement by notifying the other party in writing by the end of the Tender Offer Period if (i) there is a breach of any of the other party's representations and warranties that may have a material adverse effect on the implementation of the Transactions, (ii) the other party fails to perform or comply with any of its obligations under the Master Transaction Agreement in any material respect and, despite being requested in writing to remedy such nonperformance or noncompliance, fails to remedy such nonperformance or noncompliance within a reasonable period of time, (iii) a petition is filed against the other party for commencement of bankruptcy proceedings, (iv) the Tender Offer is not commenced by September 30, 2024 (however, if the effective term of a commitment letter regarding the borrowings by the Offeror from a financial institution necessary for the implementation of the Transactions is extended to a date after the same date, or if a substitute new commitment letter is executed with a financial institution, then the expiration date of the extended commitment letter or the expiration date of the new commitment letter) due to any event not attributable to itself (the Offeror shall use its reasonable best efforts to extend the effective term of such commitment letter or to execute a new commitment letter; if the Offeror commences consultation with a financial institution regarding the extension of the effective term of such commitment letter or the execution of a new commitment letter, the Offeror shall provide Fujitsu with information regarding the status of consultation with the financial institution; if the Offeror becomes aware of a specific risk that would make it difficult to extend the effective term of the commitment letter or execute a new commitment letter, the Offeror shall promptly notify Fujitsu of such risk, as well as the details of relevant matters considered by the Offeror and the status of negotiations with the financial institution, and shall consult with Fujitsu in good faith regarding the response to the situation before the Offeror exercises its termination right; JICC has submitted to Fujitsu as of December 12, 2023 a document to the effect that JICC covenants these matters as summarized above (Note 5)), (v) the Tender Offer is not commenced by June 30, 2025 due to any reason not attributable to itself, or (vi) there is any change in a person who directly or indirectly controls the Offeror through the exercise of voting rights or the exercise of contractual rights or any other change of control in relation to the Offeror. The Master Transaction Agreement provides that the Master Transaction Agreement will automatically terminate if any of the following events occurs: (i) the Offeror lawfully withdraws the Tender Offer in accordance with the Act and other applicable laws and regulations, (ii) a tender offer under a Counter Proposal is commenced, Fujitsu becomes able to accept the Counter Proposal, and Fujitsu announces that it will accept the Counter Proposal, or (iii) the total number of share certificates, etc. tendered in response to the Tender Offer is less than the minimum number of shares to be purchased.

Note 5: On September 30, 2024, the Offeror executed a new commitment letter with a financial institution to replace the existing commitment letter, with the effective term of the new commitment letter being until the end of June 2025.

(B) Memorandum of Understanding Regarding Tender Offer

Upon the Tender Offer, the Offeror and the Target Company have entered into the MOU regarding the Transactions on December 12, 2023. The MOU sets out the obligations of the Target Company (Note 6), the obligations of the Offeror (Note 7), and termination events (Note 9).

Note 6: The following is a summary of the obligations owed by the Target Company in the MOU: (i) obligation to adopt a resolution to express its opinion in support of the Tender Offer and recommending that the Target Company’s shareholders tender their shares in the Tender Offer (the “Opinion”) and maintain such resolution, and obligation not to conduct any Competing Transaction (Note 8), (ii) obligation to implement and cooperate in procedures necessary for the implementation of the Transactions, (iii) obligation to cooperate in the acquisition of Clearance, (iv) obligation to conduct its business within the ordinary course thereof, (v) obligation to make efforts so that the balance of its deposit account as of the end of the last day of the Tender Offer Period is no less than a certain amount, (vi) obligation of the Target Company Group to maintain permits and authorizations, etc. and comply with laws and regulations, (vii) obligation to grant the Offeror access to information on the Target Company Group and its officers and employees, (viii) obligation to cooperate with the Offeror in financing, (ix) obligation not to be involved with anti-social forces or conduct any anti-social act, (x) obligation to make efforts to obtain consent from certain business partners in relation to the Transactions, (xi) obligation to notify certain business partners of the Transactions, (xii) obligation to provide explanations, etc. regarding the Transactions to the Shinko Electric Workers Union, (xiii) obligation to cooperate in the tendering of shares in the Tender Offer by a directors and officers shareholding association or employees shareholding association of the Target Company or a member thereof, (xiv) obligation to make indemnity if it breaches any of its obligations, (xv) confidentiality obligations, (xvi) obligation to bear taxes and public charges and other expenses it incurs, and (xvii) obligation not to assign any of its contractual rights and obligations.

Note 7: In the MOU, the Offeror owes the obligations (i) to make efforts to, in principle, continue the employment and maintain the working conditions of the Target Company Group's employees for the meantime after the completion of the Transactions, (ii) not to propose an amendment of the articles of incorporation to change in the Target Company's trade name for the time being after the completion of the Transactions, (iii) to respect business relationships between the Target Company and its material clients and business partners, (iv) to respect the Target Company Founder's Philosophy and Corporate Vision, etc., (v) to make efforts to complete the acquisition of Clearance, (vi) not to be involved with anti-social forces or conduct any anti-social act, (vii) to make indemnity if it breaches any of its obligations, (viii) to maintain confidentiality, (ix) to bear taxes and public charges and other expenses it incurs, and (x) not to transfer any of its contractual rights and obligations.

Note 8: The MOU sets out provisions regarding the maintenance of the Opinion and provisions that restrict the Target Company from reaching an agreement regarding a Competing Transaction with a third party, making any application for such agreement, or making any invitation for, approving, discussing, negotiating about, making any solicitation for, or exchanging information about a Competing Transaction. However, under the MOU, it is provided that if the Target Company reasonably determines that it would violate the fiduciary duty of its directors to maintain the Opinion without change, not to make a resolution that conflicts with the Opinion, or not to conduct a Competing Transaction (including consultation or information exchange regarding a proposal in relation to a Competing Transaction in certain cases), the Target Company shall provide the Offeror with prior explanation of the details and reasons therefor and discuss in good faith with the Offeror regarding the response to that situation. It is also provided that if, even after discussion in good faith with the Offeror, it is objectively and reasonably considered that it would violate the fiduciary duty of the Target Company's directors to maintain the Opinion without change, not to make a resolution that conflicts with the Opinion, or not to conduct a Competing Transaction, the Target Company may withdraw or change the Opinion, make a resolution that conflicts with the Opinion, or conduct a Competing Transaction.

Note 9: The MOU provides that the MOU will automatically terminate in the event that the Master Transaction Agreement terminates.

(C) Shareholders' agreement

Upon the Tender Offer, the JICC Funds, DNP, and Mitsui Chemicals entered into a shareholders' agreement (the "Shareholders' Agreement") that includes the matters stated below on February 17, 2025 and agreed on matters regarding the management of the Offeror and the Target Company, the handling of shares, and the like. Matters regarding the Target Company in the Shareholders' Agreement shall be applicable from the time of completion of the Share Repurchase, except for certain provisions such as prohibition of assignment of the Target Company Shares.

(i) Matters regarding the governance, etc. of the Target Company

- The Target Company will have a total of six directors, with the JICC Funds nominating five directors and DNP nominating one director.
- The Target Company will have one representative director to be nominated by the JICC Funds.
- The Target Company will have a total of three corporate auditors to be nominated by the JICC Funds.
- Prior consent of DNP and Mitsui Chemicals will be required for important matters including amendments to the Articles of Incorporation of the Target Company, acquisition of treasury shares, dissolution or liquidation, and squeeze-out, etc.

(ii) Matters regarding the business operation of the Target Company

- JICC, DNP, and Mitsui Chemicals will not bear any obligation to make additional contributions or warranties, etc. to the Offeror or the Target Company.
- JICC, DNP, and Mitsui Chemicals will use their best efforts for the successful business operation of the Target Company Group.
- JICC, DNP, and Mitsui Chemicals will consult regarding business collaboration between each of the Joint Investors and the Target Company Group (including a business alliance between each of the Joint Investors and the Target Company leveraging each other's strengths, including the development and expansion of next-generation technologies in the semiconductor business) and cooperate toward the execution of an agreement regarding such alliance.

(iii) Matters regarding the disposal, etc. of the Target Company Shares

- If the Target Company conducts an issuance, etc. of shares, the JICC Funds, DNP, and Mitsui Chemicals will have preemptive rights in accordance with their voting rights ratio.
- The assignment, etc. of the Target Company Shares will be prohibited for a certain period.

2. Outline of the Tender Offer

(1) Outline of the Target Company

(i)	Name	SHINKO ELECTRIC INDUSTRIES CO., LTD.
(ii)	Address	80 Oshimadamachi, Nagano City, Nagano
(iii)	Name and Title of Representative Director	Susumu Kurashima, Representative Director of Board, President
(iv)	Businesses	Development, manufacturing, and sale of semiconductor packages
(v)	Capital	24,223 million yen (as of September 30, 2024)
(vi)	Date of Foundation	September 12, 1946
(vii)	Major Shareholders and Ownership Percentage, as of September 30, 2024	• Fujitsu – 50.02% • The Master Trust Bank of Japan, Ltd. (Trust Account) – 6.73% • BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) (Standing proxy: MUFG Bank, Ltd.) – 4.21% • Goldman Sachs International (Standing proxy: Goldman Sachs Securities Co., Ltd.) – 3.28% • JP JPMSE LUX RE UBS AG LONDON BRANCH EQ CO (Standing proxy: MUFG Bank, Ltd.) – 1.81% • Custody Bank of Japan, Ltd. (Trust Account) – 1.70% • Hachijuni Bank, Ltd. – 1.36% • JPLLC CLIENT ASSETS-SK J (Standing proxy: Citibank, N.A., Tokyo Branch) – 1.32% • GOLDMAN, SACHS & CO. REG (Standing proxy: Goldman Sachs Securities Co., Ltd.) – 0.91% • BNP PARIBAS NEW YORK BRANCH - PRIME BROKERAGE CLEARANCE ACCOUNT (Standing proxy: The Hongkong and Shanghai Banking Corporation Limited Tokyo Branch) – 0.89%
(viii)	Relationships Between the Offeror and the Target Company	
	Capital Relationships	Not applicable
	Personnel Relationships	Not applicable

	Business Relationships	Not applicable
	Related Party Relationships	Not applicable

Note: Statements in “(vii) Major Shareholders and Ownership Percentage, as of September 30, 2024” are based on the information stated in the “Status of the Major Shareholders” in the Semiannual Securities Report (for the 90th fiscal year) submitted by the Target Company on November 13, 2024 (the “Target Company’s Semiannual Securities Report”).

(2) Schedule

(A) Schedule

Determination date	March 17, 2025 (Monday)
Date of public notice of commencement of the Tender Offer	February 18, 2025 (Tuesday) Public notices will be made electronically via the Internet, and a notice to that effect will be published in the Nikkei Newspaper. (URL of the electronic public notice: https://disclosure2.edinet-fsa.go.jp/)
Filing date of the tender offer registration statement	February 18, 2025 (Tuesday)

(B) Tender offer period at the time of filing

From February 18, 2025 (Tuesday) to March 18, 2025 (Tuesday) (20 Business Days)

(C) Possibility of extension of tender offer period upon request of the Target Company

If the Target Company submits a Position Statement in accordance with Article 27-10, Paragraph 3 of the Act to the effect that the Target Company requests an extension of the Tender Offer Period, the Tender Offer Period will be extended to April 2, 2025 (Wednesday) (30 Business Days).

(3) Price of tender offer

Common stock: 5,920 yen per share of common stock

(4) Basis for the calculation of the Tender Offer Price

(A) Basis of calculation

In determining the Tender Offer Price, JICC conducted a multifaceted and comprehensive analysis of the Target Company’s business and financial status based on the Target Company’s disclosed financial information and other similar materials and the results of due diligence conducted with respect to the Target Company from late July 2023 to mid-September 2023 and then prepared a financial model reflecting that analysis. As a result, a tender offer price that secures a return on investment as required by JICC has been calculated. In light of the fact that the Target Company Shares are traded on a financial instruments exchange, in order to ascertain the valuation of the Target Company’s corporate value by the equity market, JICC also referred to (i) the closing price (5,240 yen) of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of December 11, 2023, which was the Business Day immediately preceding the announcement date of the planned commencement of the Tender Offer (December 12, 2023), and (ii) the simple average closing prices of the Target Company Shares over the preceding one-month period (from November 13, 2023 to December 11, 2023), three-month period (from September 12, 2023 to December 11, 2023), and six-month period (from June 12, 2022 to December 11, 2023) (5,377 yen, 5,502 yen, and 5,658 yen, respectively). Similarly, JICC referred to (i) the closing price (4,980 yen) of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of May 31, 2023, which was the Business Day immediately preceding the date of the speculative article published by Bloomberg regarding the sale of Fujitsu's subsidiaries (June 1, 2023) that triggered changes in the share price of the Target Company due to expectations that the Fujitsu group would undergo a reorganization, and (ii) the simple average closing prices of the Target Company Shares over the preceding one-month period (from May 1, 2023 to May 31, 2023), three-month period (from March 1, 2023 to May 31, 2023), and six-month period (from December 1, 2022 to May 31, 2023) (4,519 yen, 4,094 yen, and 3,898 yen, respectively).

As JICC has determined the price by comprehensively taking into consideration the factors described above, JICC has not obtained a share valuation report from any third-party appraiser.

The Tender Offer Price of 5,920 yen also represents (i) a premium of 12.98% on 5,240 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of the Business Day immediately preceding the announcement date of the planned commencement of the Tender Offer (December 11, 2023), (ii) a premium of 10.10% on 5,377 yen, the simple average closing price for the preceding one-month period ending on that date, (iii) a premium of 7.60% on 5,502 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 4.63% on 5,658 yen, the simple average closing price for the preceding six-month period ending on that date. In addition, the Tender Offer Price of 5,920 yen also represents (i) a premium of 18.88% on 4,980 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of May 31, 2023, which was the Business Day immediately preceding the date of the speculative article published by Bloomberg regarding the sale of Fujitsu's subsidiaries (June 1, 2023), (ii) a premium of 31.00% on 4,519 yen, the simple average closing price for the preceding one-month period ending on that date, (iii) a premium of 44.60% on 4,094 yen, the simple average closing price for the preceding three-month period ending on that date, and (iv) a premium of 51.87% on 3,898 yen, the simple average closing price for the preceding six-month period ending on that date.

Furthermore, the Tender Offer Price of 5,920 yen represents a premium of 0.82% on 5,872 yen, the closing price of the Target Company Shares on the Prime Market of the Tokyo Stock Exchange as of February 14, 2025, which was the Business Day immediately preceding today.

(B) Process of calculation

On December 12, 2023, JICC decided on the Tender Offer Price of 5,920 yen based on the discussions and negotiations with the Target Company while comprehensively taking into account the matters stated in "(A) Basis of calculation" above as well as whether or not the Target Company supports the Tender Offer and the prospect of the successful completion of the Tender Offer. Since JICC decided on the Tender Offer Price upon discussions and negotiations with the Target Company while taking into consideration the factors described above, and JICC believes that sufficient consideration has been given to the interests of the minority shareholders of the Target Company since JICC and the Target Company have taken measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest (specifically, the measures stated in "(A) Implementation of bidding procedure" through "(F) Measures to ensure opportunities for purchase for parties other than the Offeror" in "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer" in "1. Purposes of tender offer" above), JICC did not obtain a share valuation report or fairness opinion from a third-party appraiser.

(C) Relationships with appraisers

As the Offeror did not obtain a share price valuation report or an opinion regarding the fairness of the Tender Offer Price (fairness opinion) from any third-party appraiser when determining the Tender Offer Price, this matter is not applicable.

(5) Number of Share Certificates, Etc. to be purchased

Class of Share Certificates, Etc.	Number of shares to be purchased	Minimum number of shares to be purchased	Maximum number of shares to be purchased
Common stock	67,530,368 (shares)	22,491,200 (shares)	None
Total	67,530,368 (shares)	22,491,200 (shares)	None

Note 1: If the total number of Tendered Share Certificates, Etc. is less than the minimum number of shares to be purchased (22,491,200 shares), the Offeror will not purchase any of the Tendered Share Certificates, Etc. If the total number of Tendered Share Certificates, Etc. is equal to or exceeds the minimum number of shares to be purchased (22,491,200 shares), the Offeror will purchase all of the Tendered Shares Certificates, Etc.

Note 2: In the Tender Offer, the Offeror has not set a maximum number of shares to be purchased, so the number of shares to be purchased is stated as the maximum number of Target Company Shares that can be purchased by the Offeror in the Tender Offer (67,530,368 shares). This maximum number is equal to the figure (67,530,368 shares) calculated by the Reference Number of Shares (135,117,392 shares) less the number of the Fujitsu Holding Shares (67,587,024 shares).

Note 3: Shares less than one unit are also subject to the Tender Offer. If a right to request a purchase of shares less than one unit is exercised by shareholders in accordance with the Companies Act, the Target Company may purchase its own shares less than one unit during the Tender Offer Period in accordance with procedures required by laws and regulations.

Note 4: The Offeror does not intend to acquire the treasury shares held by the Target Company through the Tender Offer.

(6) Changes to share ownership percentages due to the tender offer

Number of voting rights represented by share certificates, etc. held by the Offeror prior to the tender offer	-	Ownership percentage of share certificates, etc. prior to the tender offer: -%
Number of voting rights represented by share certificates, etc. held by special related parties prior to the tender offer	675,870	Ownership percentage of share certificates, etc. prior to the tender offer: 50.02%

Number of voting rights represented by share certificates, etc. held by the Offeror after the tender offer	675,303	Ownership percentage of share certificates, etc. after the tender offer: 49.98%
Number of voting rights represented by share certificates, etc. held by special related parties after the tender offer	675,870	Ownership percentage of share certificates, etc. after the tender offer: 50.02%
Total number of voting rights of all shareholders of the Target Company	1,350,973	

Note 1: Since the share certificates, etc. held by special related parties, excluding the Fujitsu Holding Shares held by Fujitsu and the treasury shares owned by the Target Company, are also subject to purchase in the Tender Offer, the number of voting rights represented by the Fujitsu Holding Shares (67,587,024 shares) is stated as the "Number of voting rights represented by share certificates, etc. held by special related parties after the tender offer."

Note 2: The "Number of voting rights represented by share certificates, etc. held by the Offeror after the tender offer" is the number of voting rights represented by the number of shares to be purchased (67,530,368 shares) in the Tender Offer stated in "(5) Number of share certificates, etc. to be purchased" above.

Note 3: The "Total number of voting rights of all shareholders of the Target Company (as of September 30, 2024)" is the number of voting rights of all shareholders, etc. as of September 30, 2024 as stated in the Target Company's Semiannual Securities Report. However, since shares less than one unit are also subject to the Tender Offer, when calculating the "Ownership percentage of share certificates, etc. prior to the tender offer" and the "Ownership percentage of share certificates, etc. after the tender offer," the number of voting rights (1,351,173) represented by the sum (135,117,392 shares) of the total number of issued shares of the Target Company as of September 30, 2024 (135,171,942 shares) as stated in the Target Company's Semiannual Securities Report less the number of the treasury shares (54,550 shares) owned by the Target Company as of September 30, 2024 is used as a denominator.

Note 4: The "Ownership percentage of share certificates, etc. prior to the tender offer" and the "ownership percentage of share certificates, etc. after the tender offer" have been rounded to the second decimal place.

(7) Purchase price

399,779,778,560 yen

Note: The purchase price above has been calculated by multiplying the number of shares to be purchased in the Tender Offer stated in "(5) Number of share certificates, etc. to be purchased" above by the Tender Offer Price (5,920 yen) and is therefore subject to change if the actual number of shares to be purchased in the Tender Offer is altered due to fluctuation, etc. hereafter.

(8) Method of settlement

(A) Name and address of head office of financial instruments business operator, bank, etc. in charge of settlement of tender offer

Mizuho Securities Co., Ltd. 1-5-1, Otemachi, Chiyoda-ku, Tokyo

Rakuten Securities, Inc. (subagent) 2-6-21, Minami-Aoyama, Minato-ku, Tokyo

(B) Commencement date of settlement

March 26, 2025 (Wednesday)

Note: In accordance with Article 27-10 Paragraph 3 of the Act, if the Target Company submits the Target Company's Position Statement including a request of extension of Tender Offer Period, the commencement date of settlement will be April 9, 2025 (Wednesday).

(C) Method of settlement

In the case of tendering shares through Mizuho Securities Co., Ltd.:

A notice regarding the purchase under the Tender Offer will be mailed to the address of the Tendering Shareholders (or the standing proxy in the case of Non-Resident Shareholders) without delay after the expiration of the Tender Offer Period. The purchase will be settled in cash. The tender offer agent will remit the sales proceeds of the Share Certificates, Etc. purchased, in accordance with the instructions given by the Tendering Shareholders (or the standing proxy in the case of Non-Resident Shareholders), without delay after the commencement date of the settlement, either to the address designated by the Tendering Shareholders (or the standing proxy in the case of Non-Resident Shareholders), or into the account of the Tendering Shareholders who tendered their shares through the tender offer agent.

In the case of tendering shares through Rakuten Securities, Inc.:

A notice regarding the purchase under the Tender Offer will be delivered by electromagnetic means to the Tendering Shareholders without delay after the expiration of the Tender Offer Period. The purchase will be settled in cash. The subagent will remit the sales proceeds of the Share Certificates, Etc. purchased to the Tendering Shareholder Account (Subagent) without delay after the commencement date of the settlement.

(D) Method of return of Share Certificates, Etc.

In the case of tendering shares through Mizuho Securities Co., Ltd.:

In the event that all of the Tendered Share Certificates, Etc. will not be purchased under the terms set forth in "(A) Conditions set forth in each item of Article 27-13, Paragraph 4 of the Act and the details thereof" or "(B) Conditions of withdrawal, etc. of the tender offer, details thereof and method of disclosure of withdrawal, etc." under "(9) Other conditions and methods of purchase" below, the tender offer agent will revert the Share Certificates, Etc. that are required to be returned promptly after the date falling two Business Days after the last day of the Tender Offer Period (or the day of withdrawal, etc. if the Offeror withdraws the Tender Offer) to their original condition at the time of the tender.

In the case of tendering shares through Rakuten Securities, Inc.:

In the event that all of the Tendered Share Certificates, Etc. will not be purchased under the terms set forth in "(A) Conditions set forth in each item of Article 27-13, Paragraph 4 of the Act and the details thereof" or "(B) Conditions of withdrawal, etc. of the tender offer, details thereof and method of disclosure of withdrawal, etc." under "(9) Other conditions and methods of purchase" below, the subagent will return the Share Certificates, Etc. that are required to be returned promptly after the date falling two Business Days after the last day of the Tender Offer Period (or the day of withdrawal, etc. if the Offeror withdraws the Tender Offer).

(9) Other conditions and methods of purchase

(A) Conditions set forth in each item of Article 27-13, Paragraph 4 of the Act and the details thereof

If the total number of the Tendered Share Certificates, Etc. does not meet the minimum number of Shares to be purchased (22,491,200 shares), the Offeror will not purchase any of the Tendered Share Certificates, Etc.. If the total number of the Tendered Share Certificates, Etc. meets or exceeds the minimum number of Share Certificates, Etc. to be purchased (22,491,200 shares), the Offeror will purchase all the Tendered Share Certificates, Etc..

(B) Conditions of withdrawal, etc. of the tender offer, details thereof and method of disclosure of withdrawal, etc.

If any event listed in Article 14, Paragraph 1, Items (1)1 through (1)10 and Items (1)13 through (1)20, and Items (3)1 through (3)8 and (3)10, as well as Article 14, Paragraph 2, Items (3) through (6) of the Enforcement Order occurs, the Offeror may withdraw the Tender Offer. In the event that the organ that makes decisions concerning the Target Company's execution of operations decides to pay a dividend of surplus with a record date prior to the commencement date of settlement of the Tender Offer (excluding the monetary amount of proceeds and other property to be delivered to shareholders that is expected to be less than the amount equivalent to 10% of the book value of the net assets on the non-consolidated balance sheet on the last day of the Target Company's most recent fiscal year (26,016 million yen (Note)); this includes cases where said organ decides to set the record date for the dividend of surplus before the commencement date of settlement for the Tender Offer, without indicating the specific amount of the dividend of surplus), or decides to submit a proposal to a shareholders' meeting of the Target Company to propose paying the above dividend, and in the event that the organ that makes decisions concerning the Target Company's execution of operations decides to acquire treasury shares (excluding the monetary amount of proceeds and other property to be delivered in exchange for the acquisition of shares that is expected to be less than the amount equivalent to 10% of the book value of the net assets on the non-consolidated balance sheet on the last day of the Target Company's most recent fiscal year (26,016 million yen (Note)), then the Offeror may withdraw the Tender Offer due to falling under "events which are equivalent to those listed in Items (3)1 through (3)19" as set forth in Article 14, Paragraph 1, Item 1(20) of the Enforcement Order. In addition, the "events which are equivalent to those listed in Items (3)1 through (3)9" set out in Article 14, Paragraph 1, Item (3)10 of the Enforcement Order refers to either (i) the case where any of the statutory disclosure documents submitted by the Target Company in the past is found to contain a false statement on a material fact, or omit a statement on a material fact that should have been stated, or (ii) the case where any of the facts listed in Article 14, Paragraph 1, Items (3)1 through (3)7 of the Enforcement Order occurs in respect of a significant subsidiary of the Target Company.

If the Offeror intends to withdraw the Tender Offer, the Offeror will give an electronic public notice and publish a notice to that effect in the Nikkei. However, if it is deemed difficult to give the public notice by the last day of the Tender Offer Period, the Offeror will make a public announcement by the method set out in Article 20 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers (Ministry of Finance Ordinance

No. 38 of 1990, as amended; the “Cabinet Ordinance”) and give a public notice immediately after the announcement.

Note: Assuming that there is no change in the total number of issued shares and the number of treasury shares, the amount of dividend per share will be equivalent to 193 yen (specifically, this is calculated by dividing (i) the amount of 26,016 million yen (rounded down to the nearest million yen), which is equivalent to 10% of the amount of 260,164 million yen for net assets on the non-consolidated balance sheet of the Target Company as of March 31, 2024, as stated in the Annual Securities Report for the 89th fiscal term (from April 1, 2023 to March 31, 2024) filed by the Target Company on June 27, 2024, by (ii) the Reference Number of Shares (135,117,392 shares), rounded up to the nearest yen).

(C) Conditions to reduce purchase price, details thereof and method of disclosure of reduction

Under Article 27-6, Paragraph 1, Item (1) of the Act, if the Target Company conducts any act set out in Article 13, Paragraph 1 of the Enforcement Order during the Tender Offer Period, the Offeror may reduce the purchase price in accordance with the standards set out in Article 19, Paragraph 1 of the Cabinet Ordinance.

If the Offeror intends to reduce the purchase price, the Offeror will give an electronic public notice and publish a notice to that effect in the Nikkei. However, if it is deemed difficult to give the public notice by the last day of the Tender Offer Period, the Offeror will make a public announcement by the method set out in Article 20 of the Cabinet Ordinance and give public notice immediately after the announcement. If the purchase price is reduced, the Offeror will also purchase the Share Certificates, Etc. tendered on or before the date of the public notice at the reduced purchase price.

(D) Matters concerning right of Tendering Shareholders to cancel the agreement

The Tendering Shareholders may, at any time during the Tender Offer Period, cancel their agreements for the Tender Offer.

The Offeror will not make any claim for damages or a penalty payment due to the Tendering Shareholders’ cancellation of their agreements. Further, the cost of returning Tendered Share Certificates, Etc. to the Tendering Shareholders will be borne by the Offeror. If a Tendering Shareholder, has requested cancellation, the Tendered Share Certificates, Etc. will be returned promptly thereto after the procedures for such cancellation request are consummated in the manner set out above in “(D) Method of return of Share Certificates, Etc.” under “(8) Method of settlement.”

(E) Method of disclosure if the conditions of the Tender Offer are changed

The Offeror may change the conditions, etc. of the Tender Offer during the Tender Offer Period unless such change is prohibited under Article 27-6, Paragraph 1 of the Act or Article 13 of the Enforcement Order. If the Offeror intends to change any conditions, etc. of the Tender Offer, the Offeror will give an electronic public notice and publish a notice to that effect in the Nikkei. However, if it is deemed difficult to give the notice by the last day of the Tender Offer Period, the Offeror will make a public announcement in the manner set out in Article 20 of the Cabinet Ordinance and give a public notice immediately after the announcement. If the conditions, etc. of the Tender Offer are changed, the Offeror will also purchase the Share Certificates, Etc. tendered on or before the date of the public notice in accordance with the changed conditions, etc. of the Tender Offer.

(F) Method of disclosure if amendment statement is filed

If an amendment statement is submitted to the Director-General of the Kanto Local Finance Bureau (unless otherwise provided for in the proviso in Article 27-8, Paragraph 11 of the Act), the Offeror will immediately make a public announcement of the content of that amendment statement that is relevant to the content of the public notice of the commencement of the Tender Offer in the manner set out in Article 20 of the Cabinet Ordinance. The Offeror will also immediately amend the explanatory statement of the Tender Offer and deliver the amended explanatory statement to the Tendering Shareholders who have already received the previous explanatory statement. However, if the amendments are limited in scope, the Offeror may instead prepare and deliver to Tendering Shareholders a document stating the reason for the amendments, the matters amended, and the details thereof.

(G) Method of disclosure of results of the Tender Offer

Tender Offer will be made public on the day following the last day of the Tender Offer Period in the manner set out in Article 9-4 of the Enforcement Order and Article 30-2 of the Cabinet Ordinance.

(H) Other matters

This press release has been prepared for the purpose of informing the public of the Tender Offer and has not been prepared for the purpose of soliciting an offer to sell, or making an offer to purchase, any securities. If shareholders wish to make an offer to sell their shares in the Tender Offer, they should first read the Tender Offer Explanation Statement for the Tender Offer and offer their shares or stock options for sale at their own discretion. This press release neither constitutes, nor constitutes a part of, an offer to sell or purchase, or a solicitation of an offer to sell or purchase, any securities; neither this press release (or a part thereof) nor its distribution may be interpreted to be the basis of any agreement in relation to the Tender Offer; and this press release may not be relied on at the time of entering into any such agreement.

The Target Company Shares of the Target Company, a company incorporated in Japan, are subject to the Tender Offer. The Tender Offer will be conducted in accordance with the procedures and information disclosure standards prescribed in the laws of Japan, which may differ from the procedures and information disclosure standards in the United States. In particular, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended; hereinafter the same) and the rules prescribed thereunder do not apply to the Tender Offer, and the Tender Offer does not conform to those procedures and standards. Financial information contained in this press release has been prepared in accordance with Japanese accounting standards, which may be materially different from the generally accepted accounting standards in the United States or other countries. In addition, as the Offeror is a legal entity established outside the United States and all or some of its officers are non-U.S. residents, it may become difficult to exercise rights or requests which would be claimed under U.S. securities laws. Furthermore, it may not be possible to commence legal proceedings against the legal entity established outside the United States and its officers in a non-U.S. court for violations of U.S. securities laws. Furthermore, U.S. courts may not necessarily have jurisdiction over legal entities and their respective subsidiaries and affiliates outside the United States.

Unless otherwise specified, all procedures relating to the Tender Offer are to be conducted entirely in the Japanese language. While all or any part of a document relating to the Tender Offer is prepared in the English language, if there is any inconsistency between the English-language documentation and the Japanese-language documentation, the Japanese-language documentation will prevail.

This press release includes statements that fall under a "forward-looking statement" defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934. Due to the known and unknown risks and uncertainties and other factors, the actual results might differ significantly from the statements that are implicitly or explicitly forward-looking. The Offeror and its affiliates do not guarantee the events portrayed in such implicit and explicit forward-looking statements will materialize. The "forward-looking statements" in this press release were prepared based on the information obtained by the Offeror or the Target Company as of today, and unless required by law, the Offeror and its affiliates are not obligated to amend or revise such forward-looking statements to reflect future matters and situation.

The financial advisors to JICC, the JICC Alliance, the Offeror, and the Target Company, and the tender offer agent (including their respective affiliates) may, within their ordinary course of business, engage during the Tender Offer Period, in the purchase of, or an arrangement to purchase the Target Company Shares for their own account or for their customers' accounts outside the Tender Offer in accordance with Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934, to the extent permitted under Japanese securities regulations and other applicable laws and regulations. Such purchases, etc. may be made at the market price through market transactions or at a price determined by negotiation outside of the market. In the event that information regarding such purchases, etc. is disclosed in Japan, such information will also be disclosed in a similar manner in the United States.

If a right to request a purchase of shares less than one unit is exercised by shareholders in accordance with the Companies Act, the Target Company may purchase its own shares less than one unit during the Tender Offer Period in accordance with procedures required by laws and regulations.

(I) Date of public notice of commencement of the Tender Offer

February 18, 2025 (Tuesday)

(J) Tender offer agent

Mizuho Securities Co., Ltd. 1-5-1, Otemachi, Chiyoda-ku, Tokyo

The tender offer agent has appointed the following company as subagent to delegate part of its work.

Rakuten Securities, Inc. (subagent) 2-6-21, Minami-Aoyama, Minato-ku, Tokyo

3. Post-tender offer policy, etc. and future outlook

For the policy, etc. after the Tender Offer, please refer to "(D) Management policy after the Tender Offer" under "(2) Background, purpose, and decision-making process leading to the decision to conduct the Tender Offer, and management policy following the Tender Offer" of "1. Purposes of tender offer" above.

4. Other matters

(1) Agreements between the Offeror and the Target Company or its directors or officers, and the contents thereof

(A) Support for the Tender Offer

According to the Target Company's Press Release Dated December 12, 2023, the Target Company resolved at its board of directors meeting held on December 12, 2023 to express its opinion in support of the Tender Offer and to recommend to the shareholders of the Target Company to tender shares in the Tender Offer as the Target Company's opinion as of the same day.

In addition, according to the Target Company's Press Release Dated February 17, 2025, the Target Company resolved again at its board of directors meeting held on February 17, 2025 to express an opinion in support of the Tender Offer and recommend that the shareholders of the Target Company tender their shares in the Tender Offer, with no change in its opinion on the Tender Offer as of December 12, 2023.

For details, please refer to the Target Company's Press Releases and "(E) Unanimous approval of all non-interested directors of the Target Company" in "(3) Measures to ensure the fairness of the Tender Offer Price and avoid conflicts of interest, and other measures to ensure the fairness of the Tender Offer" in "1. Purposes of tender offer" above.

(B) Memorandum of Understanding regarding the Tender Offer

In connection with the Tender Offer, the Offeror and the Target Company entered into the MOU regarding the Transactions on December 12, 2023. For the details of the MOU, please refer to "(B) Memorandum of Understanding Regarding Tender Offer" in "(6) Matters relating to material agreements regarding the Tender Offer " in "1. Purposes of tender offer" above.

(2) Announcement of "Notice Concerning Revisions to Earnings Forecasts"

The Target Company announced the "Notice of Revision of Earnings Forecasts" on January 31, 2025. For details, please refer to the announcement.

(3) Announcement of "Summary of Consolidated FY 2024 Third-Quarter Financial Results (Based on Japanese GAAP)"

The Target Company announced the Target Company's Third-Quarter Financial Results on January 31, 2025. The matters disclosed in the announcement have not been subject to a quarterly review by an auditing firm in accordance with the provisions of Article 193-2, Paragraph 1 of the Act. In addition, the outline of the matters disclosed in the announcement provided below is an excerpt of the matters disclosed by the Target Company, so please refer to the announcement for details.

(i) Status of profit and loss (consolidated)

Accounting period	Third Quarter ending March 2025
Net sales	159,891 million yen
Operating profit	19,121 million yen
Ordinary profit	19,115 million yen
Profit attributable to owners of parent	13,598 million yen

(ii) Status per share (consolidated)

Accounting period	Third Quarter ending March 2025
Earnings per share	100.64 yen

JICC's financial advisor is BofA Securities, Inc., and JICC's legal advisors are Mori Hamada & Matsumoto and Davis Polk & Wardwell LLP.

End