

January 7, 2019

Name of Company	KAGA ELECTRONICS CO., LTD.
Stock Code	8154 Tokyo Stock Exchange, First Section
Head Office	20 Kandamatsunagacho, Chiyoda-ku, Tokyo
Representative	Ryoichi Kado, President & COO
Contact	Eiji Kawamura, Managing Director, Head of Administration Headquarters TEL 03-5657-0111

(Progression of Matters Disclosed)

Notice Regarding the Acquisition of Shares in Fujitsu Electronics Inc. (and Making It a Subsidiary)

Kaga Electronics Co., Ltd. (“the Company”) has executed Phase 1 of the initiative announced in its press release on September 10, 2018 (“Notice Regarding Acquisition of Shares in Fujitsu Electronics Inc. [and Making It a Subsidiary]”), in accordance with which it has acquired 70% of the shares of Fujitsu Electronics Inc. from Fujitsu Semiconductor Limited, as result of which Fujitsu Electronics Inc. became a subsidiary of the Company on January 1, 2019.

In addition to forming a corporate group with total net sales of around 500 billion yen, this Share Acquisition reinforces our management foundation, enabling us to close in on our goal of becoming “Japan’s No. 1 corporate group in the industry,” as set out in the Company’s Medium Term Management Plan. Moreover, by leveraging the resulting solid footing, and continuing our efforts to expand the scale of the group’s operations and improve the quality of its management, we seek to become a “World Class Company” that can stand up to overseas competitors with sales exceeding the trillion yen mark.

1. Overview of Fujitsu Electronics Inc.

(1)	Name	Fujitsu Electronics Inc.
(2)	Address of head office	Shin-Yokohama Chuo Building, 2-100-45, Shin-Yokohama, Kohoku-ku, Yokohama, Kanagawa Prefecture, Japan
(3)	Title and name of representative	Chairman and Representative Director Isao Tsukamoto (Chairman and Representative Director, Kaga Electronics Co., Ltd.) President and Representative Director Junji Ogihara
(4)	Business	Design, development, and sale of electronic devices
(5)	Capital	4,878 million yen
(6)	Date of establishment	May 2, 1952
(7)	Major shareholders and their ownership ratios	Kaga Electronics Co., Ltd. 70% Fujitsu Semiconductor Limited 30%
(8)	Composition of Directors & Auditor	Chairman and Representative Director : Isao Tsukamoto President and Representative Director : Junji Ogihara Directors : Takeshi Tsukamoto, Yoshitomo Abe, Yasuhiro Ishihara, Ryoichi Kado, Motonori Toshinari, Kazuo Yuasa, Kagemasa Magaribuchi Auditor : Takahiro Ishii

2. Outlook going forward

The impact of this Share Acquisition on the consolidated performance of the Company is as announced in its press release of November 6, 2018 (“KAGA ELECTRONICS Announces Revision of Consolidated Performance Forecast and Interim Dividend Payout from Retained Earnings”).