

October 31, 2019

Company Name: Fuji Electric Co., Ltd.

Representative: Michihiro Kitazawa, President and Chairman of the Board of Directors

Code Number: 6504, listed on the first sections of TSE and NSE; and on FSE

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### **Notice Regarding Application for Tender Offer for Treasury Stock by METAWATER Co., Ltd.**

At a meeting of the Board of Directors of Fuji Electric Co., Ltd., convened today, a resolution was passed to apply for the tender offer for treasury stock issued by METAWATER Co., Ltd., that was resolved at the meeting of this company's board of directors convened on October 29, 2019. Through its application, the Fuji Electric will seek to sell 2,200,000 of the shares of the common stock of METAWATER held by the Company.

Should METAWATER purchase all shares for which Fuji Electric is applying under this tender offer, Fuji Electric's ratio of ownership of METAWATER will decrease from 28.93% of this company's issued shares (as of September 30, 2019) to 20.44% (calculation method described below). METAWATER will remain an equity-method affiliate of the Company even after the tender offer.

#### 1. Overview of Tender Offer

Fuji Electric will apply to sell shares of the common stock of METAWATER through the tender offer with the following conditions.

Number of shares to be sold: 2,200,000 shares of common stock

Selling price: ¥3,402 per share

#### 2. Reason for Application for Tender Offer

After receiving the proposal for the tender offer from METAWATER, Fuji Electric examined the conditions and decided to apply for the offer after judging that the selling price and other conditions were appropriate. The capital acquired for the sale of the applicable stock will be used to fund future growth investments and otherwise improve corporate value.

#### 3. Overview of METAWATER

(1) Corporate name: METAWATER Co., Ltd.

(2) Head office: 1-25, Kanda-sudacho, Chiyoda-ku, Tokyo, 101-0041, Japan

(3) Representatives: Yasushi Nakamura, President

(4) Business activities: Design and construction of equipment for water treatment plants, sewage treatment plants, and waste treatment facilities; design, manufacture, and sale of various devices; implementation of repair work; provision of services including operation management

(5) Capital: ¥11,946 million

(6) Date of establishment: April 2008

(7) Number of employees: 2,317 (consolidated, as of March 31, 2019)

(8) Net sales: ¥117,342 million (consolidated, fiscal year ended March 31, 2019)

#### 4. Changes in Shareholding Through Tender Offer

(1) Number of shares held before tender offer	7,500,000 shares (28.93% of total shares issued)
(2) Number of shares to be sold through tender offer	2,200,000 shares (8.49% of total shares issued)
(3) Number of shares held after tender offer	5,300,000 shares (20.44% of total shares issued)

#### Notes:

1. The figure for “number of shares held after tender offer” represents the number of shares to be held if the tender offer is carried out as planned and all 2,200,000 applicable shares of common stock in METAWATER are sold. The upper limit for shares to be purchased by METAWATER through this tender offer is 4,300,000. However, other companies may also apply to sell shares, and it therefore cannot be guaranteed that all 2,200,000 of the shares Fuji Electric seeks to sell will be sold.

2. Percentages of total shares issued are calculated based on the number of shares issued as of September 30, 2019, of 25,923,500 listed in *CONSOLIDATED RESULTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2019 (Unaudited)*, for which the Japanese-language version was published by METAWATER on October 29, 2019 (figures have been rounded to two decimal points).

#### 5. Schedule for Tender Offer

(1) Board of directors' resolution by METAWATER	October 29, 2019
(2) Announcement of tender offer	October 30, 2019
(3) Tender offer period	October 30–November 27, 2019
(4) Announcement of tender offer results	November 28, 2019
(5) Commencement of transaction processing	December 19, 2019

#### 6. Future Outlook

The impact of the tender offer on the consolidated performance of the Company is expected to be minimal.