

## Toshiba, Fujitsu to merge mobile phone business

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A Toshiba mobile phone handset is modelled at a technology fair in Barcelona. Technology giants Toshiba and Fujitsu have said they will merge their mobile phone businesses in Japan to create the nation's second-largest cell phone maker.

Technology giants Toshiba and Fujitsu said Thursday they will merge their mobile phone businesses in Japan to create the nation's secondlargest cell phone maker.

The two firms have decided to join hands to strengthen their handset development, particularly in terms of making smartphones.



<u>Toshiba</u> will transfer its mobile phone business to a new company set for launch in October, in which Fujitsu will acquire the majority of shares.

"By combining their mobile phone development know-how and technological strengths, Fujitsu and Toshiba intend on enhancing their handset development capabilities and at the same time improving business efficiency," they said in a joint statement.

The step would create the nation's number-two mobile maker with a 18.7 percent share of the domestic market after the industry leader Sharp, which has a 26.2 percent share.

Fujitsu makes handsets for the nation's top mobile carrier, NTT DoCoMo.

Toshiba mainly supplies to the second-leading carrier KDDI, although it releases its products to NTT DoCoMo and Softbank.

Japanese cell phone makers are realigning their partnerships, as they look to shore up their <u>market share</u> in the saturated and competitive domestic mobile phone sector while trying to expand overseas.

<u>Fujitsu</u> and Toshiba plan to sign a final contract at the end of July.

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