Lenovo Organization and Leadership Announcement

18 March 2016

Lenovo is undertaking the following structural and leadership changes to drive stronger innovation, more customer-centric products and experiences and fast growth.

The PC Group (PCG) will undertake a significant realignment, becoming Lenovo's PC & Smart Device Business Group, responsible for delivering PCs, detatchables, tablets, phablets, gaming and smart home products across Windows, Chrome and Android based products. The change will fuel Lenovo's ability to continue to grow share in the consolidating PC market, while focusing on the rapidly emerging smart device market. The new PC & Smart Device Business Group will be led by Gianfranco Lanci, Lenovo Group President and COO who continues to report to Lenovo's Chairman and CEO. Lenovo's geographic sales and global operations organizations will continue to report to Lanci.

Lenovo's Enterprise Business Group will become the Data Center Group (DCG), focused on this high-growth, high-potential market. As an end-to-end business within Lenovo, DCG will be empowered to move faster and more freely, while also efficiently leveraging the Lenovo Group's scale and assets where needed. The new DCG will be an even more nimble and disruptive competitor, accelerating its open, partnership-focused approach with traditional, hyperscale and hyperconverged customers. Gerry Smith is President of the new Lenovo Data Center Group and now reports to Lenovo's Chairman and CEO. Peter Hortensius, currently Lenovo Group's CTO, will join DCG as both CTO and head of strategy. Hortensius will also continue acting as Lenovo's global CTO while we search for a successor. Additionally, Qingtong Zhou will join DCG as CFO, while remaining Lenovo's global CIO.

Lenovo's Mobile Business Group has unique advantages to compete globally and win globally: with a stronghold in China, powerful brands, worldwide sales channels and a robust IP portfolio. Today, Xudong Chen and Aymar de Lencquesaing become co-presidents of MBG, reporting to Yuanqing Yang, to maximize these advantages. The mobile markets in China and the rest of the world are very different, so Chen will focus on the China mobile business, leveraging his deep experience in China to help Lenovo become a leader in this major market, while de Lencquesaing, formerly head of Lenovo North America, will use his global experience in complex, competitive tech industries to drive rapid growth in emerging markets and help Lenovo breakthrough in major mature markets. Rick Osterloh has decided to leave Motorola Mobility. His steady leadership since Lenovo's acquisition is appreciated and Lenovo wishes him continued success in the future. The Motorola Mobility teams that currently report to Osterloh will now report under de Lencquesaing, who will become Chairman and President of Motorola. The talent and innovation capabilities in Motorola are among Lenovo's strongest advantages in mobile, so the Motorola teams will continue to enable the entire MBG, including in China.

While cloud is critical to the future, the landscape for Lenovo's Ecosystem and Cloud Services (ECS) Group has changed. Lenovo can now take better advantage of opportunities in ecosystem innovation through a newly structured group, the Lenovo Capital and Incubator Group. George He, formerly head of ECS, will lead this new group, focusing on developing new, innovative technologies through Lenovo spinoffs or investments in standalone startups, while continuing to develop Lenovo's overall cloud and big data platform. Because Lenovo must continue to differentiate through a "device + cloud" strategy, the product-related personal cloud services functions of ECS will be moved into the business groups delivering end to end customer experiences in their own product and service areas.

These changes are effective on April 1.

Quote attributable to Yang Yuanqing, Lenovo's Chairman and CEO
"In the last year, Lenovo has delivered solid results, the fast integration of Motorola and System x businesses, and a series of innovative product launches across our portfolio. Now we must further accelerate our transformation into a customer-centric company. The changes announced today will build on our successes, rapidly deliver this transformation and ultimately drive Lenovo into a new phase of growth."