

Annual Report

For the year ended March 31, 2015

 FUJITSU TEN

FUJITSU TEN LIMITED

- “VISION 2022” - FUJITSU TEN 10 -year vision
Building relationships with customers and society while treasuring
“MAKOTO (sincerity)”



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MESSAGE FROM THE PRESIDENT

Please accept our gratitude for your continued special support.

Before showing the report for FUJITSU TEN's 45th term, I would like to present my views briefly.

During the current term, with regard to new car sales, although there was a decline due to the consumption tax hike in Japan, it was strong in the world as a whole. In business areas of our company, competition was extremely intensified by development race for automatic driving and the trend of concentration of management resources on vehicle-mounted equipment businesses.

Amid the business environment like this, FUJITSU TEN defined *Future Link™* as the concept name of the business, and declared our determination to shift pillars of our business to the "Vehicle-ICT" and transform ourselves into the in-vehicle information systems manufacturer. As the first series, in addition to launching the full-fledged linking navigation system with automatic map update function in the domestic commercial market, we have accelerated our efforts for commercialization in the fields of telematics and advanced safety area. At the same time, to improve the development efficiency for the future, we worked to strengthen the management foundation by jointly developing the in-vehicle platform in an alliance.

As for the results for the current term, we could bring consolidated sales back to 329.7 billion yen which is the second sales in our history. In terms of profit and loss, mainly due to our positive investment in advanced technologies in anticipation of the realization of automatic driving vehicles in the future, the consolidated operating income remained at 2.8 billion yen (operating profit ratio of 0.9%). In addition, the consolidated net loss reached 3 billion yen due to the tax expense growth in overseas subsidiaries. Due to these results, with regard to the term-end dividend, we passed it off following the interim dividend.

In FY2015, to shift our core business from price competition area to value creation area, by deepening the cooperation with FUJITSU Group and utilizing strategic alliance with other companies, we will accelerate our efforts for fiscal consolidation and strengthening our corporate structure while working on the transformation of our business portfolio.

FUJITSU TEN Group philosophy is to contribute to customers and society with "MAKOTO (sincerity)" in the center, which has been treasured since its founding. Based on this philosophy, aims to be the company trusted by customers and partners in the automobile manufacturing by committing to product development and service delivery which go ahead of the customers' expectations.

We would appreciate it if you could continue to support and cooperate with us.

June 2015



Takashi Shigematsu, Chairman



Akira Yamanaka, President

BUSINESS OVERVIEW

I .Transition of Business, and Its Results and Problems

(1) Business Environment

Concerning the world economy in the current term, although the economic recovery trend has been continued in the United States, it was weak in the ASEAN region in general. In China, domestic demand expansion trend was weakened and the economic expansion tempo was slowed. In Japan, we had some signs of gradual recovery from the effects of post-consumption tax hike due to policy effects and low price of crude oil.

Concerning the automotive industry, vehicle sales in North America continued steadily. In ASEAN, although the performance has been solid in the Philippines, stagnation continued in Thailand. While in China the expansion of vehicle sales has been continuing, the growth rate showed slowdown compared with the previous term. Although there are signs of recovery in the economy in Japan, car sales has been continued to decline due to the consumption tax hike.

In our business area, movement was observed in our competitors to concentrate its management resources on the in-vehicle equipment business and efforts have been accelerated for realizing telematics and automatic driving services and the competition with domestic/overseas mega suppliers intensified in terms of both technical development and prices on a global scale.

(2) Approach for the current term

FUJITSU TEN Group aims to contribute to the realization of the free and comfortable mobility society by linking people and vehicles, society and vehicles through realization of "Vehicle-ICT" which enhances the added value of vehicles centering information/communication, and in-vehicle technology.

In the current term, FUJITSU TEN Group has worked on the materialization of "Vehicle-ICT" business shown in the "Vision2022" in order to overcome the competition in the challenging business environment. We established *Future Link*[™] as a concept name of the business, shifted our core business to "Vehicle-ICT", and declared our determination that we will transform ourselves into an in-vehicle information systems manufacturer.

Future Link[™] is the generic term for linking service that provides new value and new mobility life by linking data of in-vehicle equipment, "people", "car", and "society" to individual users including the areas of comfort/convenience, safety and security, and the environment.

As the first series of *Future Link*[™], FUJITSU TEN launched the sales of "ECLIPSE" 2014 Autumn model product in November 2014, and introduced full-fledged linking navigation system equipped with an automatic map update function in the domestic commercial market.

Moreover, in the ITS/AS business positioned as a next-generation business we have accelerated the commercialization of telematics products such as performing an emergency call system demonstration at two locations in Europe and Russia simultaneously. In addition, we promoted the commercialization of new technologies such as delivering a "multi-angle vision TM" which has a see-through view function jointly developed with Toyota Motor Corporation. Furthermore, for the development of a next-generation advanced safety system, FUJITSU TEN promoted activities including alliance.

As a measure to expand region and customers, following the start of the operation of an Indian factory in 2013, FUJITSU TEN initiated the mass production in Indonesia factory in May 2014 and is promoting business expansion. FUJITSU TEN opened sales offices (2 domestic sites, and three overseas sites) near the customer base to strengthen the customer-centric sales structure. As a result of these efforts, in the current term, we were able to expand businesses for other than Toyota Group and we obtained a breaking through in the ratio of overseas sales of 50%.

In an effort to consolidate the management foundation, we promoted a review of profit and loss management system and other elements with the aim of developing efficient business expansion utilizing the alliance. Specifically, since June 2014, we have advanced the joint development of an in-vehicle platform for the purpose of improvement of product competitiveness and development efficiency with Alpine Electronics, Inc. and in the current term we could complete the development of the platform as planned.

(3) Results for the current term

As a result, with regard to the current term's performance, due to the brisk vehicle sales in North America, and increasing sales through customer expansion, sales marked an increase to 329.7 billion yen, up 8.7% on a consolidated basis compared with the previous term (an increase of 26.4 billion yen). With regard to profit and loss, due to active development investments in advanced technologies in addition to the increasing running cost imposed by full-scale mass production of manufacturing bases in India and Indonesia and the quality processing costs incurred, the consolidated operating profit or loss decreased to 2.81 billion yen, down 25.6% compared with the previous term (a decrease of 0.96 billion yen). This decrease resulted in the consolidated net loss of 3.02 billion yen due to the increase of tax expenses in overseas subsidiaries.

	Consolidated	Non-consolidated
Sales	¥329.7bil *up 8.7% from the previous term	¥211.4bil *down 0.9% from the previous term
Operating income (loss)	¥2.81bil *down ¥0.96 bil from the previous term	(¥5.39bil) *up ¥1.6bil from the previous term
Operating profit ratio	0.9% *1.2% in the previous term	(2.6%) *(3.3%) in the previous term

Ordinary income (loss)	¥2.76bil *down ¥1.02 bil from the previous term	¥4.11bil *up ¥5.85bil from the previous term
Net income (loss)	(¥3.02bil) *down ¥3.6 bil from the previous term	¥1.71bil *up ¥4.03bil from the previous term

(4) Status of capital investment

The capital investment in current term was implemented focusing on the investment for the expansion of production capacity at overseas production bases accompanying our expansion of overseas businesses and the investment amount reached 7 billion yen (decrease of 13.8% compared with the previous term) on consolidated base and 1.3 billion yen (decrease of 16.2% compared with the previous term) on non-consolidated base.

(5) Problems that must be addressed

Regarding the future business environment, the world economy is expected to continue to be on a gradual recovery trend. Conversely, the impact of reduction of the US monetary easing and slower growth in emerging countries are concerned. In Japan, the improvement in the employment and income environment owing to effects of government policies is expected. Conversely, the impact of potential downturn of overseas economies is concerned.

In the automotive industry, automotive sales is expected to continue to expand on a global scale centering on North America and emerging countries; however, the domestic car sales would take more time for a full-fledged recovery.

In business areas related to FUJITSU TEN, continuous development investment for new business areas are required to overcome the competition when we consider the accelerating commercialization of telematics and advanced safety and full-scale entry of global IT manufacturers into the automotive equipment business. Conversely, to continue to perform well with regards to development investment, we need to shift the core business to the value creation area out of the existing business area, where price competition with mega suppliers and competitors is becoming fierce.

Under such severe business environment, in order to ensure new growth, FUJITSU TEN Group aims to strengthen the management structure, and works on activities for consolidating the foundation to pave the way to a new growth path in and after FY 2020.

The ideal that FUJITSU TEN Group aims beyond the medium to long term, is to look ahead of the implementation of automatic driving, and develop itself into a “system supplier of cloud interlocked in-vehicle information equipment and services providing businesses” that can contribute to the realization of connected cars which increases the value of the automobiles.

To realize this goal, we will continue to work on reforming the business portfolio by further deepening cooperation with FUJITSU Group and strategic alliance with other

companies, in order to shift our core business from conventional business of the price competition area to the business of the value creation area.

As a business strategy, for the CI business (infotainment equipment), we will work on the improvement of drastic cost competitiveness through selection and concentration. For the AE business (electronic control device), we will expand the area while ensuring the profitability. For the AS business (collision safety and preventive safety equipment), we will specialize in the sensor business and establish it as a new business. For the ITS business (telematics equipment and services), we will fuse and evolve functions to link with the CI business technologies and make it grow as a next generation core business to realize the benefits and growth.

As key measures of FY2015, we will promote strengthening of business as an in-vehicle equipment manufacturer of FUJITSU Group, strengthening of the business structure, strengthening of management foundation, and the development of human resources and corporate culture reform.

In particular, concerning the strengthening of the business structure, we recognize that as a result of the expansion of areas and customers and aggressive marketing activities, globalization of our business has been progressed, and we started to have some challenges in "QCD+E (Engineering)" which constitutes a basic of business activities. Under such recognition, to re-enforce "QCD+E", we will work on strengthening the development capabilities by "MONOZUKURI (craftsmanship)" reform and rectifying development processes etc. including cost-cutting activities through VA/VE activities at company level led by top-down approach, rebuilding of quality assurance systems placing emphasis on the design quality, and establishing AAA activities (activities which transform tacit knowledge to explicit knowledge) globally.

II OUTLOOK FOR BUSINESS

(1) Summary of Segments

■ Car Infotainment (CI)

The CI business is made up of audio/navigation system equipment and others including memory navigation system product, display audio and time domain audio system. We are aiming for providing products to maximize “comfort and convenience” of drivers by linking social infrastructures and automobiles, which contributes to “producing of cars that makes people like to be in those cars”.

With regard to the OEM business in the current term, delivery of display audio products and others performed well for Toyota Motor, GM, Fuji Heavy Industries, and Honda.

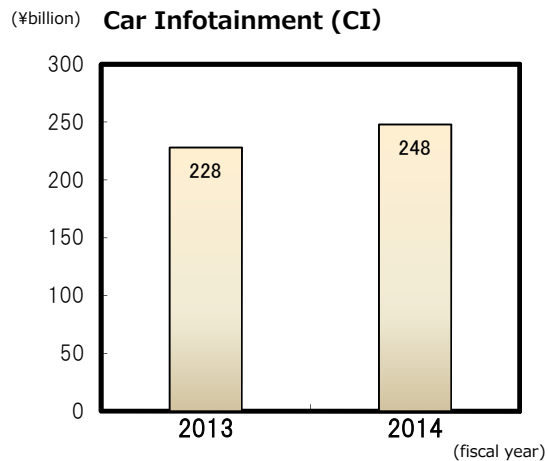
Toyota Motor adopted our navigation system products including 9-inch models corresponding to the new telematics service "T-Connect" as a dealer option, and we started delivery of navigation system products for fuel cell automotive "MIRAI" of which sales was

launched in December 2014. For GM, our audio products, FUJITSU TEN NGI (NEXT GENERATION INFORTAINMENT) were adopted for large pickup vehicles for North America and the delivery was started. For Fuji Heavy Industries, the navigation system products and display audios were adopted in new Legacy. In addition to conventional navigation system, display audio was set as well. FUJITSU TEN will take in charge of two high-end models.

We started the delivery of display audio products for which we firstly adopted Android™ as the platform, for the North American automobile manufacturers and others. In addition to this, in the ASEAN region, we began to deliver CD tuner products to TOYOTA local group management company which was developed under the initiative of the ASEAN subsidiary. In India and Indonesia where we newly advanced, we have delivered products produced in our local manufacturing base to the local Japanese automobile manufacturers.

With regard to sales in the current term, the consolidated sales reached 248.6 billion yen (increase of 8.8% compared with the previous term).

In the CI business, we will continue to provide attractive products which excel in cost competitiveness by taking full advantage of our possessed technologies and streamlining the development by a strategic alliance.



□Further evolution of "ECLIPSE" 2014 autumn model with linking service

We have launched new products 9 models of "AVN" including models further advanced with linking service in November 2014. By taking advantage of advanced information and communication technology (ICT) owned by FUJITSU Group, enhancing various "Linking functions", we offer new mobility life linking the data of "people", "automobiles", and "society". As one of this, the model is equipped with the automatic map updating function for once in every month which is the first in the commercially available products.



AVN-SZX04i

□Development of industry's top class in-vehicle "light-weight" speaker

We have developed the light-weight speaker for in-vehicle use which is the industry's top class (*) of which weight is reduced about 30% compared to previous products while maintaining the sound quality. From the perspective of conserving the global environment, weight reduction of vehicle components are demanded for improving the fuel efficiency, however, with regard to speakers, weight reduction that does not impair the sound quality was difficult in terms of technology and cost, and the development was stagnant. We worked on the challenge and developed two types of speakers which use the neodymium magnet and the ferrite magnet and began delivery to domestic automobile manufacturers. We will contribute to the conservation of the global environment through the weight reduction of vehicles by proposing products using the newly developed technology to domestic and overseas automobile manufacturers, and make them installed on more vehicles.

(*) As of January 2015, according to data from FUJITSU TEN surveys.

■ Automotive electronics (AE)

The AE business, made up of the engine control ECU and power management ECU, etc., develops the electronic equipment for automobiles using the power train control technology and contributes to the "earth-friendly vehicle designing". We are aiming to promote the development of the advanced control technology which realizes lower fuel consumption and lower exhaust gas of the engine and the electric power train control technology which realizes the expansion of eco-friendly cars such as hybrid vehicles and electric vehicles and to provide them as system products.

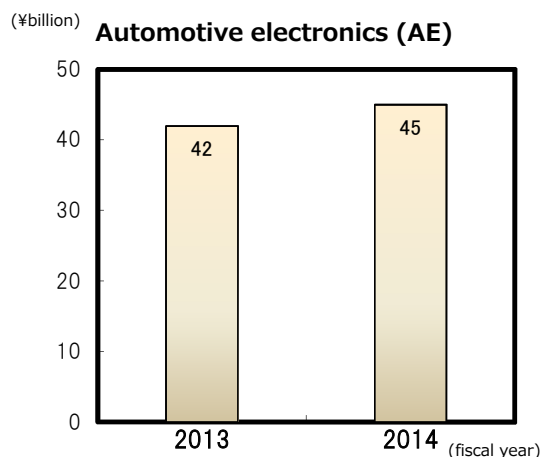
In the current term, we began delivery of the ECU for TVD (torque vectoring differential) to Toyota Lexus RC-F. This is the technology to realize the optimum turning performance in each running scene by arbitrarily generating a torque difference between the left and right rear tires using electronic control. TVD is the system adopted for a FR vehicle for the first time in the world. This product won the Toyota Project Awards (CE Special Award).

In global, mass production of PMDC (Power Management DC/DC converter) for local automobile manufacturer in China has been started for the first time as FUJITSU TEN. In Indonesia, at a local subsidiary established in 2013, delivery of ECU for EFI has been started for the local Japanese automobile manufacturers.

Furthermore, with regard to the battery management system (BMS) that optimally manages the battery of a hybrid vehicle, etc. for which FUJITSU TEN has been working on the advanced research for expanding the business area, we started receiving orders and won the preceding prototype development order from domestic car manufacturers.

Concerning the sales in the current term, the consolidated sales reached 45.9 billion yen (increase of 8.1% compared with the previous term).

In the environmental protection and energy saving trend, the development and popularization of eco-friendly cars have been accelerated. Even for electronic devices that support automobiles, more and more technologies and products that contribute to environmental protection are demanded such as cleaner exhaust gas and improved fuel efficiency. FUJITSU TEN will develop products that lead the world by working closely with automobile manufacturers.



■ Advanced Safety (AS)

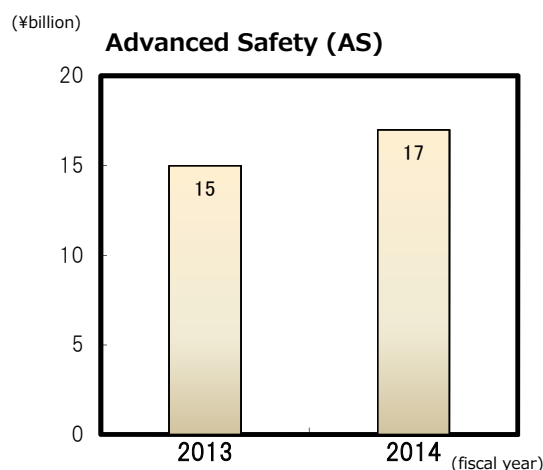
The AS business aims to provide the state-of-the-art advanced safety technologies which can contribute to the "safe and secure automobile manufacturing". It is made up of 3 areas comprising "collision safety (occupant protection)" intending to mitigate the damage at the time of collision, "preventive safety (accident prevention and risk avoidance)" intending to avoid the risk when the risk of collision occurs, and "safety (comfort)" intending to support the safe and comfortable driving.

In the current term, as a sensor business, we worked on the expansion of the millimeter-wave radar business and were able to win new orders from local Japanese auto manufacturers in China.

Also, for the development and delivery of the next-generation advanced safety system of Toyota Motors, we strongly promoted activities including alliance. Furthermore, we promoted the mass product development for European customers in collaboration with system suppliers in Europe.

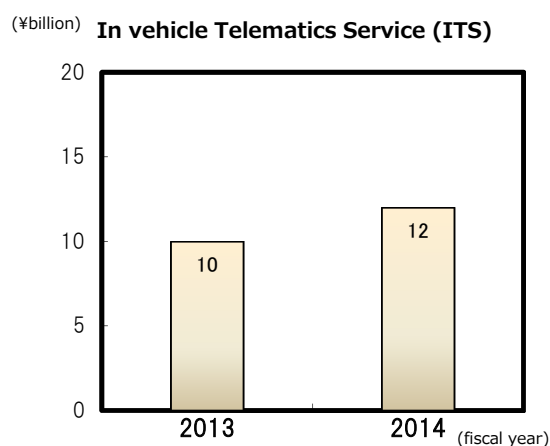
With regard to the sales in the current term, the consolidated sales reached 17.1 billion yen (increase of 11.0% compared with the previous term).

In the future, advanced safety technology is expected to be demanded more and more with the tightening regulations in developed countries, popularization of automobiles in emerging countries, and strengthened activities toward the practical use of automatic driving technology. FUJITSU TEN will work on the business expansion of the next-generation advanced safety systems for automobile manufacturers by focusing on the development of sensors and utilizing the strategic alliance with system suppliers.



■ In vehicle Telematics Service (ITS)

In the ITS business, supported by the increasing needs for highly advanced safety and security systems and further penetration of IT technologies to the in-vehicle equipment, we are working on expansion of the business related to "telematics". In addition to the existing camera system / communication module/ business system, we are aiming to provide services with new added values by utilizing data obtained from the position information of the vehicle and in-vehicle sensor camera.



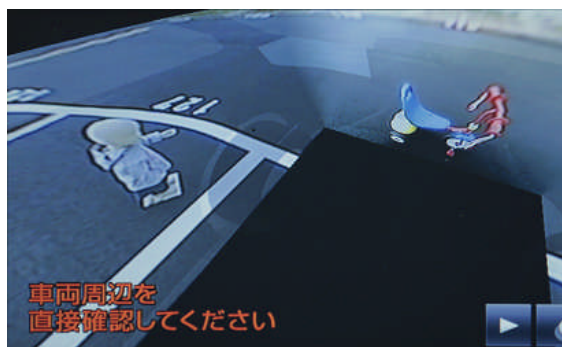
In the current term, as a product using multi-angle vision™, we started to deliver the product to which panoramic view monitor for Toyota Motor Lexus NX and see-through view function which was jointly developed with Toyota Motor is added. Drive recorders of FUJITSU TEN have been adopted as a dealer option for many domestic automobile manufacturers and two kinds (camera integrated type/separated type) of high resolution drive recorders of our new product were adopted as dealer option for Japan market by Toyota Motors. We started sales in August 2014 targeting almost all types of vehicles. In telematics control unit, we accelerated our efforts for commercialization such as performing the verification test of an emergency call system in two simultaneous locations in Europe and Russia. We received orders for the product for the emergency call system from several Japanese automakers.

Concerning the sales in the current term, the consolidated sales reached 12.1 billion yen (increase of 10.8% compared with the previous term).

Concerning the ITS business, in cooperation with FUJITSU Group, we will realize "Vehicle-ICT" by fusing and advancing the linking function with technologies of the CI business.

□ Addition of new functionality to “Multi-angle vision™”

Concerning "Multi-angle Vision ™" with which users can recognize the surroundings by displaying overview images on the screen of a car navigation system or another similar device, we have developed a new screen mode drivers can recognize around a vehicle with the display like seeing through vehicle parts including the vehicle body and seat from the driver's line of sight in addition to the conventional display mode that looks down on the vehicle from the outside. As a result, obstacles can be recognized with larger display, and safety confirmation of the vicinity when starting the vehicle is further supported.



**New screen of Multi-angle Vision
(Display seeing through with the
driver's line of sight)**

In addition, using the new screen that was developed this time, we have co-developed a "See-through view" function of the panoramic view monitor for new models of ALPHARD and VELLFIRE launched by Toyota in January 2015. With regard to "Multi-angle Vision ™", we shared the prize with Toyota Motor of “Scientific and Engineering Award (development category)” in “The Commendation for Science and Technology by the Minister of Education, Culture, Sports, Science and Technology (MEXT) in 2015” with “Development of a System Giving Wraparound, 3D View of Vehicles”.

□ Release of two models of drive recorders from "ECLIPSE "

We launched drive recorders for general vehicles that provide "security" for driving, "DREC4000" (camera-body separation type) and "DREC200" (camera body-integrated type) in October 2014. By adopting 1/2.7 inches CMOS sensor which is a maximum class in the commercial



DREC4000

industry, recording of high quality images that does not miss detailed information such as the vehicle number that were previously difficult to discern became possible. In addition, the image synthesis function "HDR synthesis" of the image sensor corrects "black defects" in tunnel etc. and "halation" of license plate illuminated by headlights, thus also significantly improved the visibility.

(※) Change of business segments

We changed business segments from FY2014, and we are using the segments after the change from the interim period of FY 2014. Numerical values set forth in FY 2013 are reference values created with the division after the change.

(2) Other Topics

■ Our efforts for quality

We still have problems in our product quality and some important quality problems occurred in the current term. With the recognition, going back to the corporate philosophy “Customer Focus & Highest Possible Quality”, we worked on each measure for improving the product quality centering the self-contained/completed processes of Monozukuri. Especially, for securing software quality which is important issues to be addressed, under cooperation with FUJITSU Group, we worked on measures such as establishing the system to determine the product quality including purchased software by the quality assurance, design, and procurement department cooperatively in a team. In addition, we worked on measures to prevent the spread of important quality issues and EDER (Early Detection, Early Resolution) in a global scale. In the process phase, we are working on spreading our quality management system to the site of each group around the world while enhancing conformity of the system and promoting operational reforms using process control. In addition, we promoted the project for extracting failures specific to the global local sites before anything happens and addressed the development of the actual driving evaluation environment for taking the future trend in advance, and the processes maintenance. We will start to operate it in FY 2015.

Aiming for strengthening the system placing more emphasis on the design quality, we established the dedicated quality assurance unit in each department in April 2015.

■ Our efforts for quality

□ Won three “Environmental Contributions Award” of FUJITSU Group

In May 2014, in "FUJITSU Group Environmental Contribution Award" sponsored by FUJITSU, "Development of world-class ultra-lightweight in-vehicle speaker" and “Winning of Environmental Performance Award by PEZA (Philippine Economic Zone Authority) by FUJITSU TEN Philippines” won "the Excellence Award" and “Enhancement of the audit function by restructuring of the internal audit organization” won “Special Award” respectively.

□ Community/Social contribution activities through music support

“KOBE JAZZ CITY JAZZ GUIDE MAP” which FUJITSU TEN produced from the 2012 was adopted as the certified tool of Kobe-city in 2014 and they are given out free of charge at various places in the city including the Kobe City General Information Center, Kobe Airport, libraries, ward offices (about 10,000 copies). We opened the site “KOBEjazz.jp” collecting information on jazz in 2006 with the thought that “more people touch the music culture of Kobe” as a corporation headquartered in Kobe known as the birthplace of jazz in Japan, and

as the “company involving sound” engaging in manufacturing and sales of car AV equipment and home audios. Then, we released the guide map with information of jazz spots in the city which are listed in the site. Under the idea of "contributing to society through sound" in addition to site operation, we are engaging in various music scenes including the sponsorship of music events, hosting of charity concerts, recording support of young artists in the studio in the headquarters.

■ Awards

In the current term, we were awarded following prizes.

- Reception of “Car navigation system/AV category award” of Nikkan Kogyo Shimbun “Car Accessories Awards 2014” by “AVN-ZX03i”
- Reception of “Outstanding performance award” by FUJITSU TEN Manufacturing Limited Nakatsugawa Plant from Toyota Motor Hirose Plant
- Reception of “Supplier Quality Excellence Award (Gold Award)” by FUJITSU TEN America won from North America Subaru
- Reception of “Supplier Quality Excellence Awards” by four overseas manufacturing sites from GM
- Reception of Toyota Project Awards (CE Special Awards) by TVD ECU for Lexus RC-F
- Reception of Total quality progress awards by Distribution company in China (Guangzhou branch) from GAC Hino
- Joint reception of “Scientific and Engineering Award (development category)” in “The Commendation for Science and Technology by the Minister of Education, Culture, Sports, Science and Technology (MEXT) in 2015” by “Development of a System Giving Wraparound, 3D View of Vehicles” (April 2015)

*Company names and product names described in this report are trademarks or registered trademarks of their respective companies.

COMPANY OUTLINE

(1) Profile

- 1. Company name:** FUJITSU TEN LIMITED
- 2. Head office address:** 2-28, Goshō-dori 1-chome, Hyogo-ku, Kobe 652-8510, Japan
- Phone:** +81-78-671-5081
- Facsimile:** +81-78-671-5325
- 3. Established:** October 25, 1972
- 4. Number of employee:** 2,909 (As of March 31, 2015)

5. Business description

Major businesses of FUJITSU TEN includes manufacturing and sales of infotainment equipment, electronic control equipment, collision safety and preventive safety equipment, telematics equipment and related services. Major products of each business area are as follows.

Classification	Major products
Car Infotainment (CI business)	Car navigation system / Display audio Car AV system / Car audio In-vehicle camera equipment In-vehicle speaker / Amp/speaker for home
Automotive Electronics (AE business)	Engine ECU / Hybrid ECU / Power management ECU Electric power steering ECU / ECO-RUN ECU
Advanced Safety (AS business)	Millimeter-wave radar Air-bag ECU
In vehicle Telematics Service (ITS business)	Vehicle surrounding monitoring system (Multi-Angle Vision™) Drive recorder / In-vehicle communication unit Remote engine starter / In-vehicle security equipment Business-use vehicle management system (Taxi automatic dispatch system)

(2) Capital Situation (As of March 31, 2015)

1. Capital stock ¥5,300 Million

2. Shares

Number of authorized shares	10,400,000 shares
Number of shares issued	4,600,000 shares
Number of shareholders	3

3. Shareholders

FUJITSU LIMITED	2,530,000 shares (55%)
TOYOTA MOTOR CORPORATION	1,610,000 shares (35%)
DENSO CORPORATION	460,000 shares (10%)

(3) Business Components

1. Relationship to Parent Company

The parent company of FUJITSU TEN is FUJITSU LIMITED that holds 55% of shares issued.

2. Subsidiaries (As of March 31, 2015)

Domestic	Overseas
<p>Manufacture</p> <ul style="list-style-type: none"> • FUJITSU TEN MANUFACTURING LIMITED • FUJITSU TEN TECHNOSEPTA LIMITED(*1) 	<p>Americas</p> <ul style="list-style-type: none"> • FUJITSU TEN CORP. OF AMERICA • TEN TECHNOSEPTA USA, INC. (*1) • FUJITSU TEN de MEXICO, S.A. de C.V. • FUJITSU TEN CANADA INC. • FUJITSU TEN DO BRASIL LTDA.
<p>Sales</p> <ul style="list-style-type: none"> • FUJITSU TEN SALES LIMITED 	<p>Europe</p> <ul style="list-style-type: none"> • FUJITSU TEN (EUROPE) GmbH • FUJITSU TEN ESPAÑA, S.A.
<p>Others</p> <ul style="list-style-type: none"> •FUJITSU TEN RESEARCH LIMITED •FUJITSU TEN STAFF LIMITED •FUJITSU TEN TECHNOLOGY LIMITED •FUJITSU TEN SERVICE LIMITED 	<p>China</p> <ul style="list-style-type: none"> • FUJITSU TEN (CHINA) LTD. • TIANJIN FUJITSU TEN ELECTRONICS CO., LTD. • FUJITSU TEN ELECTRONICS (WUXI) LTD. • FUJITSU TEN (TIANJIN) PRECISION ELECTRONICS CO.,LTD(*1) • FUJITSU TEN TRADING (TIANJIN) LTD. • FUJITSU TEN RESEARCH & DEVELOPMENT (TIANJIN) LTD.
	<p>ASEAN/India</p> <ul style="list-style-type: none"> • FUJITSU TEN (THAILAND) COMPANY LIMITED • Fujitsu Ten Minda India Pvt. Ltd. • PT. FUJITSU TEN MANUFACTURING INDONESIA • FUJITSU TEN CORPORATION OF THE PHILIPPINES • Minda F-Ten Pvt. Ltd (*1) • PT. FUJITSU TEN AVE INDONESIA • FUJITSU TEN (SINGAPORE) PTE. LTD. • FUJITSU TEN SOLUTIONS PHILIPPINES, INC. • DIEZ CORPORATION (*2)
	<p>Others</p> <ul style="list-style-type: none"> • FUJITSU TEN (AUSTRALIA) PTY. LTD. • FUJITSU TEN KOREA LIMITED

Note: (1) FUJITSU TEN TECHNOSEPTA LIMITED., TEN TECHNOSEPTA USA, INC., TIANJIN RIJI PRECISION ELECTRONIC CO., LTD., FUJITSU TEN (TIANJIN) PRECISION ELECTRONICS CO.,LTD and Minda F-Ten Pvt. Ltd. are nonconsolidated subsidiaries.

(2) The controlling shares for the pay-out base is 92%.

(3) As of April 3, 2014, 5% of the outstanding shares of PT. FUJITSU TEN MANUFACTURING INDONESIA were assigned from FUJITSU TEN to Toyota Tsusho Corporation.

(4) As of December 18, 2014, FUJITSU TEN (Tianjin) Precision Electronics Co.,Ltd absorbed TIANJIN RIJI PRECISION ELECTRONIC CO.LTD.

(4) Main Business Locations (As of March 31, 2015)

Head Office	2-28, Goshō-dori 1-chome, Hyogo-ku, Kobe, Hyogo, Japan 652-8510 Phone +81-78-671-5081 Fax +81-78-671-5325
Nakatsugawa Technical Center:	1683-1963, Nasubigawa, Nakatsugawa, Gifu, Japan 509-9132 Phone +81-573-68-7002 Fax +81-573-68-7003
Tokyo Office	Omori Bellport D,9F, 26-3, Minami Oi 6-chome, Shinagawa-ku, Tokyo, Japan 140-0013 Phone +81-3-5764-2288 Fax +81-3-5764-2289
Kawasaki Sensor Development Center:	Oki Densen Honsha Bldg 5F, 2-12-8 Shimokodanaka, Nakahara-ku, Kawasaki, Japan 211-0041 Phone +81-44-874-3555 Fax +81-44-799-5144
Toyota Branch Office:	FUJITSU TEN Toyota Bldg., 1-11, Motoshiro-cho, Toyota, Aichi, Japan 471-0024 Phone +81-565-32-2501 Fax +81-565-32-2310
Tokyo Sales Office:	Nishi-Shinjuku KF Bldg., 14-24, Nishi-Shinjuku 8-chome, Shinjuku-ku, Tokyo, Japan 160-0023 Phone +81-3-5330-6244 Fax +81-3-5330-6245
Utsunomiya Office:	Chuo Utsunomiya Bldg., 3-1-1, Higashi-shukugo, Utsunomiya, Tochigi, Japan 321-0953 Phone +81-28-651-3925 Fax +81-28-651-3926
Ota Office	Grundy Ota Building 3F, Iida-cho 1053, Ota, Gunma, Japan 373-0851 Phone +81-276-60-1291 Fax +81-276-60-1292
Hamamatsu Office:	Maru H Building 4F, Kaji-machi 124, Naka-ku, Hamamatsu, Shizuoka, Japan 430-0933 Phone +81-53-454-0606 Fax +81-53-454-0607
Beijing Office:	Room 4008B, Chang Fu Gong Office Building, No.26 Jian Guo Men Wai Street, Beijing, CHINA 100022 Phone +86-10-8590-6672 Fax +86-10-8590-6673

Management

(As of March 31, 2015)

BOARD OF DIRECTORS

Chairman and Representative Director	Takashi Shigematsu
President and Representative Director	Akira Yamanaka
Corporate Senior Executive Vice President and Director	Mitsuru Takada
Corporate Executive Vice President and Director	Shoji Kawamura
	Yasuyuki Kawanishi
Corporate Senior Vice President and Director	Takao Tomimori
	Satoshi Matsui
Director	Hideyuki Sasou
	Tokuhisa Nomura

CORPORATE EXECUTIVE OFFICERS

Corporate Senior Vice President	Kazuki Komukaemori
	Hiroyuki Asada
Corporate Vice President	Takao Yamaguchi
	Takashi Ogawa
	Kazuo Sugata
	Yoriyasu Fukatsu
	Hiraki Morishita
	Masato Suzuki
	Tadashi Homma
	Osamu Katsuno
	Hiroyuki Fujiwara
	Osamu Keishima

AUDITORS

Audit & Supervisory Board Member	Takehiko Doi
Audit & Supervisory Board Member (External)	Kazuhiko Kato
	Keiji Masui

BRIEF DESCRIPTION OF OPERATIONS DURING THE FISCAL YEAR OF 2014

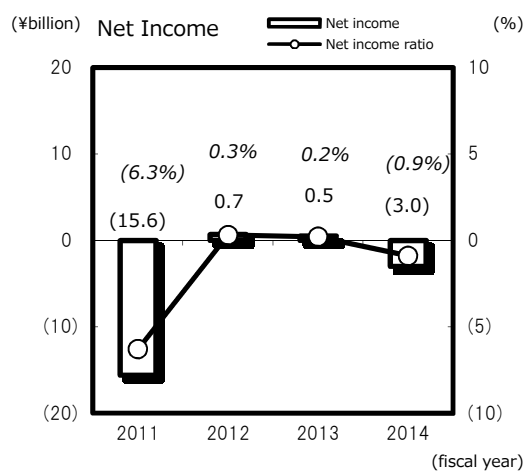
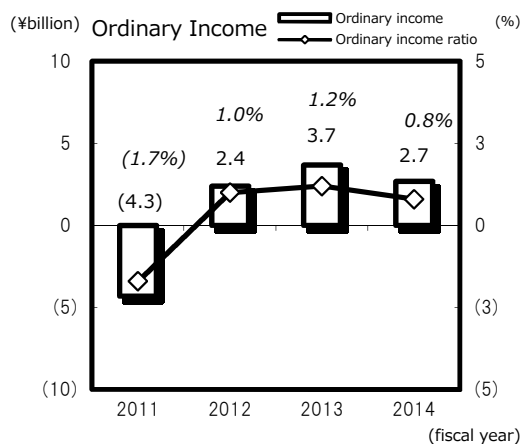
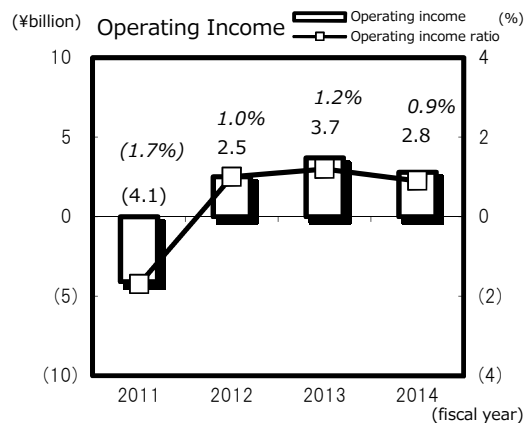
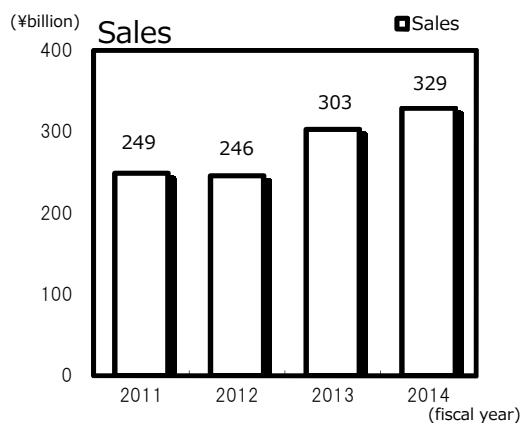
(1) Consolidated Business Results of the Past 4 Fiscal Years

	Yen (millions)[except per share data]				U.S.dollars (thousand) [except per share data]
	2011	2012	2013	2014	2014
Sales	<Breakdown %>				
Total	249,190	246,411	303,376	329,787	<100>
<Overseas sales>	<82,961>	<90,687>	<135,438>	<169,308>	<51.3>
Operating income	(4,139)	2,534	3,780	2,812	23,403
Ordinary income(loss)	(4,339)	2,432	3,791	2,765	23,017
Net income(loss)	(15,637)	799	583	(3,024)	(25,169)
Net income per share(loss)	¥ (3,399)	¥ 173	¥ 126	¥ (657)	US\$ (5)
Total assets	128,182	129,275	155,172	170,900	1,422,158
Net assets	37,126	41,562	40,413	42,510	353,753

Note : ①Net assets include shares held by minority shareholders.

②Regarding the 42nd term, ¥9,935 million has been earmarked as "extraordinary loss" due to disaster (Great East Japan Earthquake) and to cover restructuring expenses (Headcount reduction), etc.

(2) Consolidated Figures



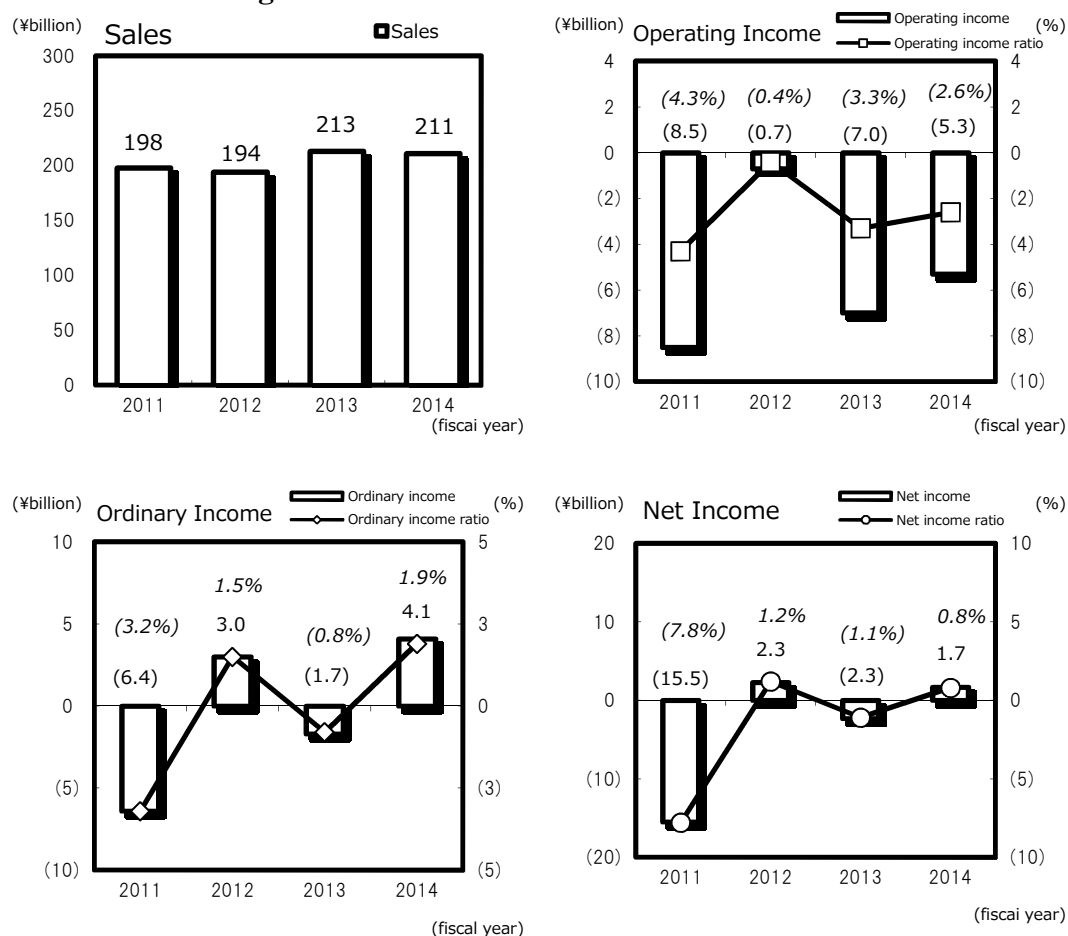
(3) Unconsolidated Business Results of the Past 4 Fiscal Years

	Yen (millions)[except per share data]				U.S.dollars (thousand) [except per share data]
	2011	2012	2013	2014	2014
Sales				<Breakdown %>	
Total	198,634	194,759	213,536	211,440	<100> 1,759,515
<Export sales>	<38,675>	<43,524>	<53,140>	<57,197>	<27.1> <475,967>
Operating income(loss)	(8,545)	(734)	(7,003)	(5,394)	(44,892)
Ordinary income(loss)	(6,417)	3,001	(1,743)	4,111	34,214
Net income(loss)	(15,569)	2,321	(2,316)	1,714	14,270
Net income per share(loss)	¥ (3,384)	¥ 504	¥ (503)	¥ 372	US\$ (3)
Total assets	99,026	99,988	109,787	119,934	998,036
Net assets	19,303	21,729	19,274	25,006	208,091

Note : *Regarding the 42nd term, ¥8,726 million has been earmarked as "extraordinary loss" due to disaster (Great East Japan Earthquake) and to cover restructuring expenses (Headcount reduction), etc.

*Regarding the 45th term, we have recorded 1,513 million yen as "extraordinary loss".

(4) Unconsolidated Figures



FINANCIAL STATEMENTS

The financial statements presented herein have been prepared in conformity with Companies Act of Japan. FUJITSU TEN maintains its accounts in Japanese Yen. Solely for the convenience of the reader, the financial statements have also been expressed in US dollars, by converting all Japanese Yen amounts at the rate of ¥120.17=US\$1, the mid rate of TTS and TTB rates prevailing at March 31, 2015. This, however, should not be construed as a representation that all the amounts could be converted into U.S. dollars.

(1) Consolidated Balance Sheet (As of March 31, 2015)

Item	Yen (Million)	US\$ (Thousand)	Item	Yen (Million)	US\$ (Thousand)
ASSETS			LIABILITIES		
<u>Current Assets</u>	112,574	936,795	<u>Current Liabilities</u>	115,738	963,126
Cash and Cash equivalents	5,269	43,851	Accounts payable	49,084	408,458
Accounts receivable	57,544	478,857	Short-term loans	38,759	322,542
Inventories	39,326	327,254	Other current liabilities	27,894	232,125
Deferred tax assets	1,776	14,780	<u>Fixed Liabilities</u>	12,651	105,278
Other current assets	8,658	72,051	Debt pertaining to		
<u>Fixed Assets</u>	58,326	485,363	retirement benefit	7,562	62,930
<u>Tangible Assets</u>	37,584	312,762	Long-term borrowing	1,018	8,472
<u>Intangible Assets</u>	13,840	115,178	Other fixed liabilities	4,070	33,875
<u>Investment</u>	6,900	57,422	TOTAL LIABILITIES	128,390	1,068,404
Deferred tax asset	715	5,951	NET ASSETS		
Others	6,185	51,470	<u>Stockholder's Equity</u>	37,413	311,337
TOTAL ASSETS	170,900	1,422,158	Capital Stock	5,300	44,104
			Other Equity	32,113	267,233
			<u>Valuation and Translation</u>		
			Adjustments	2	18
			<u>Minority Interests</u>	5,094	42,397
			TOTAL NET ASSETS	42,510	353,753
			TOTAL LIABILITIES & NET ASSETS	170,900	1,422,158

(2) Consolidated Income Statement (April 1, 2014 through March 31, 2015)

Item	Yen (Million)	US\$ (Thousand)
<u>Sales</u>	329,787	2,744,338
Operating Costs and Expenses		
Cost of goods sold	290,766	2,419,629
Selling, general and administrative expenses	36,207	301,306
<u>Operating Income(loss)</u>	2,812	23,403
Non-operating revenue	450	3,750
Non-operating expense	497	4,136
<u>Ordinary Income(loss)</u>	2,765	23,017
Extraordinary income	—	—
Extraordinary expense	—	—
<u>Income(loss) before Income Taxes</u>	2,765	23,017
Corporation Tax, Inhabitant Tax and Business Tax	5,790	48,187
<u>Net Income(loss)</u>	(3,024)	(25,169)

(3) Unconsolidated Balance Sheet (As of March 31, 2015)

	Yen (Million)	US\$ (Thousand)		Yen (Million)	US\$ (Thousand)
ASSETS			LIABILITIES		
<u>Current Assets</u>			<u>Current Liabilities</u>		
Cash and Cash equivalents	655	5,454	Accounts payable	43,022	358,010
Notes receivable	15	128	Short-term loans	36,287	301,970
Electronically recorded credit	3,770	31,376	Lease liability	195	1,627
Accounts receivable	46,446	386,510	Other accounts payable	11,380	94,699
Merchandise and finished goods	3,828	31,858	Income tax payable	244	2,032
Work in progress	1,842	15,329	Advance received	2	21
			Deposits received	271	2,261
Raw materials and supplies	4,238	35,270	Provision for product warranties	832	6,925
Short-term loans	1,637	13,628	Allowance for directors' bonus	28	237
Accounts receivable-nontrade	17,739	147,623	Other current liabilities	90	752
Other current assets	574	4,778			
Allowance for doubtful accounts	(586)	(4,879)	Total Current Liabilities	92,355	768,539
Total Current Assets	80,163	667,080			
<u>Fixed Assets</u>			<u>Fixed Liabilities</u>		
<u>Tangible Assets</u>			Lease liability	475	3,959
Buildings (net)	3,484	28,993	Reserve for employee's retirement allowance	478	3,985
Structures (net)	36	307	Reserve for retirement benefits for directors and corporate auditors	133	1,109
Machinery and Equipment (net)	258	2,147	Deferred tax liability	1,004	8,361
Car and Industrial vehicle (net)	94	785	Asset retirement obligation	50	416
Tools, furniture and fixtures (net)	2,636	21,938	Other fixed liabilities	429	3,574
Land	3,845	31,999	Total Fixed Liabilities	2,572	21,405
Construction in progress	220	1,830	TOTAL LIABILITIES	94,927	789,945
Total Tangible Assets	10,575	88,003	<u>NET ASSETS</u>		
<u>Intangible Assets</u>			<u>Stockholder's Equity</u>		
Software	6,929	57,666	Capital stock	5,300	44,104
Other intangible assets	3,601	29,968	Capital surplus		
Total Intangible Assets	10,531	87,634	Capital reserves	5,653	47,044
<u>Investment and Other assets</u>			Total Capital surplus	5,653	47,044
Investment in securities	3,509	29,205	Retained earnings		
Investment in affiliates stock	10,525	87,589	Legal earned reserved	1,325	11,026
Investment in affiliates capital	3,936	32,758	Other accumulated earnings	10,618	88,366
Long-term loans receivable	214	1,783	General reserve	5,475	45,560
Other investments	495	4,124	Unappropriated retained earnings	5,143	42,805
Allowance for doubtful accounts	(17)	(143)	Total Retained earnings	11,943	99,392
Total Investment and Other assets	18,664	155,318	Total Stockholder's Equity	22,897	190,540
			<u>Valuation and Translation Adjustments</u>		
Total Fixed Assets	39,771	330,956	Net unrealized gains on securities available for sale	2,109	17,550
			Total Valuation and Translation Adjustments	2,109	17,550
TOTAL ASSETS	119,934	998,036	TOTAL NET ASSETS	25,006	208,091
			TOTAL LIABILITIES & NET ASSETS	119,934	998,036

(4) Unconsolidated Income Statement (April 1, 2014 through March 31, 2015)

Item	Yen (Million)	US\$ (Thousand)
<u>Sales</u>	211,440	1,759,515
Cost of goods sold	199,558	1,660,636
<u>Gross profit on sales</u>	11,882	98,879
Selling, general and administrative expenses	17,277	143,771
<u>Operating Income(loss)</u>	(5,394)	(44,892)
Non-operating Income		
Interest and dividends income	8,985	74,769
Exchange gain	857	7,136
Total Non-operating Income	9,842	81,905
<u>Non-operating Expenses</u>		
Interest expenses paid	336	2,798
Total Non-operating Expenses	336	2,798
<u>Ordinary Income(loss)</u>	4,111	34,214
<u>Extraordinary loss</u>		
Appraised loss for affiliate	1,513	12,591
Total Extraordinary loss	1,513	12,591
<u>Income(loss) before Income Taxes</u>	2,598	21,623
Corporation Tax, Inhabitant Tax and Business Tax	884	7,362
Adjustments of income tax and other tax expenses	(1)	(9)
<u>Total income taxes</u>	883	7,323
<u>Net Income(loss)</u>	1,714	14,270

(5) Unconsolidated Statements of Changes in Stockholders' Equity
(April 1, 2014 through March 31, 2015)

	Stockholders' Equity								Valuation and translation Adjustments	Total net assets
	Capital stock	Capital surplus		Legal earned reserve	Other retained earnings		Total retained earnings	Total stockholders' equity		
		Capital reserve	Total capital surplus		General reserve	Unappropriated retained earnings				
									Net unrealized gains on securities available for sale	
Balance at the start of the term	5,300	5,653	5,653	1,325	5,475	132	6,932	17,886	1,388	19,274
	44,104	47,044	47,044	11,026	45,560	1,105	57,692	148,840	11,553	160,393
Cumulative effects of changes in accounting policies						3,342	3,342	3,342		3,342
						27,811	27,811	27,811		27,811
Balance at the beginning of current period reflecting the change in the accounting policy	5,300	5,653	5,653	1,325	5,475	3,475	10,275	21,228	1,388	22,616
	44,104	47,044	47,044	11,026	45,560	28,917	85,504	176,652	11,553	188,205
Changes during the current period										
Payment of dividends	—	—	—	—	—	(46)	(46)	(46)	—	(46)
						(382)	(382)	(382)		(382)
<u>Net Income</u>	—	—	—	—	—	1,714	1,714	1,714	—	1,714
						14,270	14,270	14,270		14,270
Changes(net amount) of items other than stockholders' equity during the current period	—	—	—	—	—	—	—	—	720	720
									5,997	5,997
Total changes during the current period	—	—	—	—	—	1,668	1,668	1,668	720	2,389
						13,887	13,887	13,887	5,997	19,885
Balance at end of current period	5,300	5,653	5,653	1,325	5,475	5,143	11,943	22,897	2,109	25,006
	44,104	47,044	47,044	11,026	45,560	42,805	99,392	190,540	17,550	208,091

Upper column : Yen (Million) / Lower column : U.S. Dollars (Thousand)

(※) Changes in accounting policies

<Application of standards for retirement benefits (Consolidated)>

In FY 2013, the unrecognized obligation for retirement benefits (4,714 million yen) was recognized as the liabilities, we reduced the net assets (4,478 million yen). In FY 2014, we reviewed the calculating method of retirement benefits liabilities and service costs, and changed the period attribution method of expected retirement benefits from the period attribution method to the benefit formula basis and changed the method of determining the discount rate to use the method which uses the single weighted average discount rate that reflects the payment per retirement benefit payment possibility period and per expected period. As a result, the liabilities decreased 332 million yen, and the net assets increased by 402 million yen.

<Application of standards for retirement benefits (Non-consolidated)>

In FY 2014, we reviewed the calculating method of the retirement benefit obligations and service costs, and changed the period attribution method of the expected retirement benefits from the period straight-line basis to the benefit formula criteria, and changed the method for deciding the discount rate to the one which uses a single weighted average discount rate that reflects the expected period and the amount of each payment. As a result, the fixed liabilities of the beginning of the term of this accounting year decreased 3,342 million yen and the net asset increased 3,342 million yen (retained earnings increased 3,342 million yen).

FUJITSU TEN

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