

Annual Report

For the year ended March 31, 2012

 FUJITSU TEN

FUJITSU TEN LIMITED

MESSAGE FROM THE PRESIDENT

Please accept our gratitude for your continued support.

Below are some remarks on the report for FUJITSU TEN's 42nd term (April 2011 to March 2012).



Takashi Shigematsu, President

(1) Business Environment

Looking at the economy this term, although overseas business conditions in ASEAN and so on were good, the Chinese economy is showing signs of uncertainty. Moreover, advanced economies on the whole have been stagnant. In Japan, impacts of the Great East Japan Earthquake and flooding in Thailand led to a temporary downturn in business. Although the economy displayed some signs of recovery thanks to the restoration of supply chains and so on, the positive developments were delayed somewhat due to overseas economic trends and the impact of dramatic appreciation in the yen.

In the domestic automotive market, restoration of the eco car subsidy program helped boost car sales, while the complete transition to terrestrial digital broadcasting encouraged repurchase demand for navigation products and so on, however, this was not enough to bring about full-scale recovery.

Due to the effects of the Great East Japan Earthquake and flooding in Thailand, clients of automotive makers had to suspend operations and supply chains were severed, thus leading to reduced sales and production for FUJITSU TEN. Moreover, against a background of advancing price reduction for navigation products, intensifying competition with rival companies, dramatic and record-breaking appreciation of the yen and stagnation of the Japanese car market, which is our primary sales area, we were unfortunately unable to recover our sales figures.

In addition to the crisis triggered by the reduction in production and sales brought about by the Great East Japan Earthquake and flooding in Thailand, this term was marked by the manifestation of environmental shifts that will trigger changes in our business base, for example, commoditization of major product areas, acceleration in the shift of the automotive market to emerging countries and so forth. Summing up, our business in this fiscal year was conducted amidst extremely challenging economic conditions.

(2) Approach for the current term

In these circumstances, FUJITSU TEN Group strived to normalize production activities that had been suspended in the aftermath of the Great East Japan Earthquake and flooding in Thailand with a view to fulfilling our supply commitment to automotive makers. As a result of conducting wholehearted efforts with immense cooperation from our suppliers, we were able to resume normal production faster than originally expected.

Meanwhile, based on the awareness that responding to the abovementioned environmental changes is the most important issue confronting FUJITSU TEN, we have embarked on a drastic structural reform and business review. The structural reform committee that was launched last October took the initiative in examining short-term profit and loss improvement measures geared to building a corporate constitution more resistant to changes in the business environment as well as a growth strategy for launching competitive products and drastically improving corporate competitiveness, and a three-year plan starting from the second half of FY 2011 was compiled.

Based on this plan, we initiated short-term profit and loss improvement measures from the second half of this term. Specifically, we carried out a realignment of plants aimed at realizing the optimum production configuration and strengthening our cost competitiveness. The Group until now has operated three domestic production centers, however, we intend to integrate these into two locations (Nakatsugawa Plant and TOCHIGI FUJITSU TEN) by May this year. Moreover, we consolidated three domestic retail subsidiaries into one company on April 1. In addition to aiming for more efficient and slimmer business management and securing a stable earnings base, we intend to strengthen marketing capacity and realize greater sales and market share. We also introduced an employee redeployment support program and implemented an employment structural reform which included preferential measures for early retirees.

Also, in order to put the Group on a more stable growth path, we made a Group-wide effort to bolster activities geared to bring in orders. Concerning expansion of the overseas business, we conducted vigorous suggestion activities to local makers in China. Also, we established bases in India and Brazil and embarked on activities geared to business expansion. Moreover, in China and ASEAN, we attempted to strengthen our constitution while also considering alliances with local capital. Concerning development of innovative products, we have been working on creating "interfaces connecting people and cars" and launched a memory navigation that links with smartphones last June. Furthermore, in order to strengthen our network services business, we established "Tokyo Creative Square" and promoted concrete service plans while utilizing the ICT technology of the Fujitsu Group.

(3) Results for the current term

The results for the current term were affected by the Great East Japan Earthquake, flooding in Thailand and the efforts to achieve structural reform, and it wasn't possible to fully restore sales. Regarding profit and loss, despite cost reductions and efforts to cut overheads, we were unable to fully absorb the impact of declining sales and currency appreciation, so both the operating profit and ordinary profit deteriorated over the previous year. Incidentally, extraordinary losses arising from the earthquake disaster and restructuring expenses (Headcount reduction) amounted to ¥9.93 billion (consolidated).

	Consolidated	Non-consolidated
Sales	¥ 249.1 billion 7.3% down from the previous term	¥ 198.6 billion 6.4% down from the previous term
Operating income (loss)	(¥ 4.13 billion) the previous term : ¥480 million	(¥ 8.54 billion) the previous term : (¥ 6.28 billion)
Ordinary income (loss)	(¥ 4.33 billion) the previous term : (¥ 1.16 billion)	(¥ 6.41 billion) the previous term : (¥ 5.16 billion)
Net income (loss)	(¥ 15.63 billion) the previous term : (¥ 9.83 billion)	(¥ 15.56 billion) the previous term : (¥ 12.13 billion)

(4) Year-end dividends

Considering this term's performance and future prospects, we have most reluctantly decided to shelve this term's dividends. We express our deepest apologies for being unable to meet the expectations of our shareholders.

(5) Future business environment

Regarding the future business environment, looking overseas, in spite of fears that the credit crisis will flare up again in Europe, it is forecast that growth will be sustained primarily in emerging countries. In Japan too, gentle recovery underpinned by the demand from reconstruction is anticipated.

In the automotive market, it is predicted that restoration of the eco car subsidy system will impart a temporary upturn in the demand for cars, although no long-term market growth is expected. Overseas, countries such as India and Indonesia are entering an era of advancing motorization, so further growth can be anticipated in the emerging nations.

On-board instrumentation is expected to display major growth due to linkage with car control systems and linkage with applications mounted in on-board information devices. In the automotive electronic device field, since demand for safe and secure cars will also arise in the new emerging nations currently experiencing rapid motorization, it is forecast that demand will grow for low-cost devices designed for safe and secure driving. In advanced nations too, due to trends such as the obligatory adoption of emergency braking systems in Europe and so on, demand is expected to grow for products that are geared to improving safety, security, and environmental performance.

(6) The challenges to overcome

The conditions currently facing FUJITSU TEN are extremely harsh as may be gathered from the fact that the company has recorded a consolidated operating deficit and fallen into an overall deficit two years' running for the first time in its history. In order to find a fundamental solution to these difficulties, we are advancing a drastic structural reform founded on reinforcement of the earnings constitution and implementation of a growth strategy. In FY 2011, as a result of conducting short-term profit improvement activities, we are making headway on reducing fixed costs in FY 2012. Meanwhile, FY 2012 marks the full-scale start of our three-year plan of business structural reform and we intend to realize further improvement in our earnings constitution through certainly achieving order targets and solidifying our low-cost constitution and so on. At the same time we will fundamentally strengthen corporate competitiveness through creating new products and boosting the competitiveness of existing products and so on. Through utilizing every means possible to certainly execute structural reform, we intend to go into the black in FY 2012 and achieve V-shaped recovery by FY 2014.

Strengthening of earnings constitution

We will downsize and consolidate our organization and personnel as well as select and concentrate our business centers. In addition to reviewing our production setup, we will rearrange the Group companies and seek to improve efficiency in areas of overlapping head office functions and indirect functions. Meanwhile, we will shift resources to new and priority business areas with a view to securing a new earnings base. We will also put all our efforts into expanding sales as a prerequisite for improving business performance. In future, through improving marketing efficiency via our domestic sales company that was consolidated on April 1 and conducting aggressive marketing activities in China, India and the ASEAN region, we aim to reinforce activities geared to receiving orders from priority customers.

In addition, we will implement reforms geared to achieving further cost cutting and promoting autonomy of overseas corporations through thoroughly reinforcing conventional activities such as eradicating unprofitable models, conducting cost planning activities and implementing profit management activities as well as developing platforming and standardization technologies.

Growth strategy

Utilizing our strength as a member of the Fujitsu Group, in order to contribute to reform of the automobile society, we intend to conduct product innovation based on our mission of "Connecting cars and people, and cars and society."

In the linkage business area, we aim to develop new products for offering comfort, security and safety through merging the conventional AE, ITS and CI fields and utilizing the ICT technology of the Fujitsu Group. Also, through utilizing Fujitsu Group's peripheral monitoring, DMS (driving management system) and information processing technology, we will strive to make Advanced Safety a new business area. As for pre-existing products, we will conduct thorough cost cutting with a view to realizing products that are globally price competitive, expanding markets and customers and maximizing sales.

Organization and climate reform

In order to strengthen technology development and advanced planning and research as well as bolster our ability to receive orders and respond to customers, we conducted an organizational reform on April 1. Through doing so we aim to speed up decision making through slimming down and simplifying our organization and improve productivity through expanding the responsibility and authority of top management. Also, we consolidated our conventional organization into four headquarters comprising three business areas, namely AE (Environment), AS (Safety) and CI (Comfort), and the SS (Soft Services) department acting as the base for these. We will implement our growth strategy under this new setup. In addition, we will accelerate efforts to reform the corporate climate through, for example, promoting a more customer-oriented climate and so forth. In order to nurture global human resources who can support the expansion of markets and customers, we will review our personnel and training systems.

(7) Corporate philosophy

Since its founding, the FUJITSU TEN Group has strived to develop products and provide services that go beyond our customers' expectations, as our main corporate philosophy is "*MAKOTO* ("sincerity" in Japanese)", that is, to make sincere contributions to both our customers and society.

Finally, we would like to express our sincere gratitude to all our shareholders and ask for your continuous guidance and support in years to come.

June 2012

OUTLOOK FOR BUSINESS

1. General overview

Business strategy

Connections with the Fujitsu Group

We are utilizing the management resources of automotive businesses in the Fujitsu Group to engage in activities for creating new value in automobiles. The aim is to select a variety of communication methods that link the interior and exterior of vehicles in order to provide accurate information according to conditions. We are developing component technologies and software services geared to achieving this goal. During the current term, we moved forward on planning and development with peripheral monitoring technology such as "Mutli Angle Vision™" and millimeter wave radar, systems for linking smartphones and on-board devices, utilization of taxi probe information geared to dynamic route guidance and so on. In addition, we participated in smart grid field testing in Japan. Last April, we established a new Network Division and opened "Tokyo Creative Square" in Tokyo (Omori) as part of our efforts to build a system for realizing network business activities. In addition, we have embarked on technology development with a view to providing high-level "comfort, security and safety" services through utilizing data processing technology from various information both the inside and outside of cars. Looking ahead to our future business developments, we aim to collaborate with the Fujitsu Group in a broad range of fields with a view to contributing to reform of the automobile society.

Quality

Winner of J.D. Power and Associates quality satisfaction survey for three years running

FUJITSU TEN CORP. OF AMERICA received the highest quality award in the AM/FM/Single CD/Satellite Radio/Navigation categories in the J.D. Power and Associates car audio quality satisfaction survey, for improvements in operability and navigation functions. The survey targeted consumers who have purchased a new 2011 model car in North America. This is the third consecutive award received from this survey, following 2009's awards in the AM/FM/Single CD/Satellite radio categories and last year's awards in the AM/FM/Multi CD changer/Satellite Radio categories. We believe that these awards for three years running have been made possible because, based on our policy of giving top priority to customer satisfaction, we collect customers' opinions throughout the year based on a variety of indicators, and promptly return the results as continuous feedback to the design process.

Development of a system for automatically evaluating functions of automotive multimedia products

Having developed a system for automatically evaluating software troubles in car navigation and car audio products or complex devices under development, we have started utilizing this in developing FUJITSU TEN products. Through automating the rapidly expanding volume of software tests and concentrating resources on evaluation of important functions and mechanization, we have succeeded in improving test precision, and we believe that this will lead to greater reliability in product quality. Moreover, this system can be controlled remotely via the internet. It will also contribute to solving problems in terms of the time and cost incurred in transporting products and taking export procedures. Furthermore, when conducting onsite design and development in future, this will help build know-how for realizing Japanese quality levels overseas.

Global environment

Introduction of Design for Environment (DfE)

FUJITSU TEN makes every effort starting at the planning stage to reduce the burden our products place on the environment (Design for Environment: DfE). We developed the "LCA calculation system", the "environmental efficiency factor calculation system", and the "green evaluation system" in FY 2010 to quantitatively assess DfE level. In addition to these, we have established a DfE operating standard and developed a DfE task management system. Through establishing evaluation rules and support systems for quality review from product planning through to manufacture, such systems allow us to develop environmentally friendly products. Furthermore, we decided models for phasing in such systems in each product category and embarked on phased introduction in FY 2011. Moreover, since last November we have improved the "LCA calculation system" so that it is now possible to incorporate the techniques of LIME (Life-cycle Impact Assessment Method based on Endpoint Modeling) and calculate emissions of NO_x (nitrogen oxides) and SO_x (sulfur oxides) in addition to CO₂.

Primary activities of group companies

Establishment of a local corporation in Brazil (FTBL)

FUJITSU TEN DO BRASIL LTDA was established in Sao Paulo as a subsidiary of FUJITSU TEN CORP.OF AMERICA with the aims of strengthening services to Brazilian customers and bolstering marketing functions geared to unearthing unique needs in Brazil and the rest of South America. This company commenced business on August 1 last year, and it launched repair services from March this year as part of efforts to improve handling of received orders. In addition to responding to the unique requirements of Brazil and

establishing a stable business foundation there, this company aims to further advance the strengthening of marketing functions and expand customers and products based on suggestion activities founded on local needs.

Establishment of the FTTL India Branch (India Bangalore Branch)

The Indian branch of FUJITSU TEN (THAILAND) COMPANY LIMITED was established in Bangalore with the aims of strengthening services to Indian customers and bolstering marketing functions geared to unearthing unique local needs and so on, and it commenced operations on September 1 last year. Through conducting suggestion activities founded on local needs, this aims to maintain and expand business with existing customers while developing new customers with a view to establishing the business base in India.

Integration of three retail subsidiaries in Japan

Three domestic retail subsidiaries, namely FUJITSU TEN EAST JAPAN SALES LIMITED, FUJITSU TEN CHUBU SALES LIMITED and FUJITSU TEN WEST JAPAN SALES LIMITED, were integrated into a single company, FUJITSU TEN SALES LIMITED., on April 1 this year, and this company will work on expanding the domestic after-sales market business for on-board AV devices. The sales subsidiary in Japan is mainly responsible for conducting retail, maintenance and service activities for "ECLIPSE" car navigation systems and drive recorders as well as taxi dispatch systems, etc. This integration of sales companies has been implemented with the goal of rapidly responding to environmental changes in the domestic after-sales market for on-board AV devices. Through integrating the companies, we have consolidated management resources and strengthened our sales and marketing functions (setup). We will continue to further enhance products and services based on market needs and strive to achieve further business expansion.

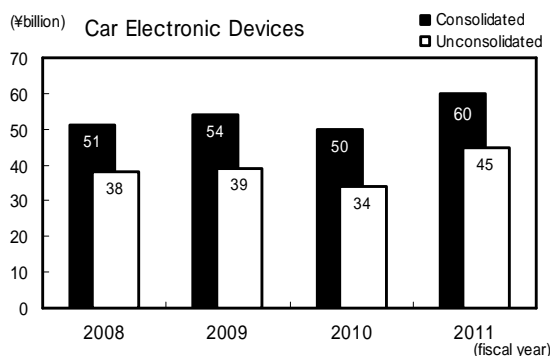
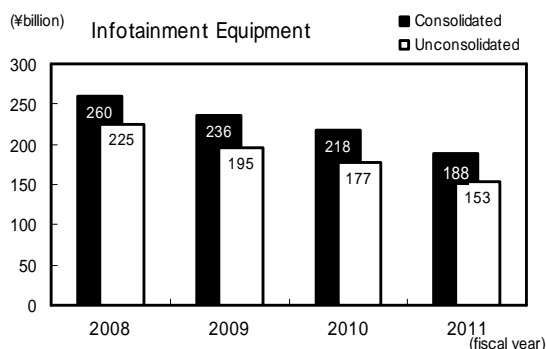
Establishment of the TECHNOSEPTA North American Subsidiary (TTUI)

FUJITSU TEN TECHNOSEPTA LIMITED., which is a resin molding subsidiary for FUJITSU TEN, established TEN TECHNOSEPTA USA, INC. as a fully owned subsidiary in McAllen, Texas, United States on November 11 last year. This company will start production of resin mold components for FUJITSU TEN de MEXICO, S.A.de C.V. from November this year. Conventionally, resin components were supplied from Japan, China and ASEAN, however, through switching to local production, physical distribution and inventory costs will be reduced and lead-times will be shortened.

2. An overview of each segment

Consolidated sales for infotainment equipment were ¥188.5 billion (a 13.6% drop compared to the previous term). Non-consolidated sales were ¥153.5 billion (a 13.4% drop compared to the previous term).

Consolidated sales for car electronic devices were ¥60.6 billion (an increase 19.6% over the previous term). Non-consolidated sales were ¥45.0 billion (an increase 29.3% over the previous term).



(1) Infotainment Equipment

< OEM Products >

Start of supply of Display Audio compatible with Smart G-Book for Thailand Toyota

To coincide with the introduction in Thailand of "Smart G-Book" – the first telematics service for Toyota in Asia – this April, FUJITSU TEN developed the Display Audio on-board device and commenced deliveries from March. This product is compatible with the Toyota "Smart G-Book" and makes it possible for the user to receive operator services via smartphone. This project marked the 50th anniversary of Toyota in Thailand, and FUJITSU TEN contributed to its development over a short lead-time.

Receipt of Related Awards of Global Toyota in 2011

FUJITSU TEN Group companies received a number of awards from overseas Toyota affiliates in 2011. In Europe, we received the "Project Management Award" and "Supply Award" from TOYOTA MOTOR EUROPE (TME); in China, we received the "Quality Excellence Award" from five FAW Toyota entities, and in ASEAN, we received the "ASEAN District Cost Improvement Award" from TOYOTA MOTOR ASIA PACIFIC ENGINEERING & MANUFACTURING (TMAP-EM). Such awards demonstrated how well we are being received in China and the ASEAN region too.

Receipt of 3 Awards in the VE/VA Field at the General Assembly of Daihatsu Suppliers

At the General Assembly of Daihatsu Suppliers held in April this year, we received the "VE Activities Contribution Award", "VA Proposal Excellence Award", and "Cost Improvement Activities Special Award" for 2011. In particular, since only suppliers that have received the VA Proposal Excellence Award for 10 consecutive years are eligible to receive the Cost Improvement Activities Special Award, we proudly regard this award as recognition for our positive efforts in VE/VA over the long term.

First adoption of overseas vehicle maker options for Fuji Heavy Industries

In September of last year, FUJITSU TEN began delivering AVN as maker options for the Fuji Heavy Industries WRX, Forester and Impreza intended for sale in North America. This was the first time that FUJITSU TEN car navigation systems were adopted as maker options mounted in Fuji Heavy Industries vehicles intended for overseas. In order to realize high functions and excellent cost performance, we incorporated a number of new technologies, for example, an integrated control platform in a single CPU and a broad utility OS for allowing global application development. We believe that the decision by Fuji Heavy Industries to select our products was made because of its high regard for FUJITSU TEN's record as a supplier to numerous auto makers as well as our development concept geared to mounting the functions demanded by customers while seeking affordability against a backdrop of falling prices in the car navigation market in recent years.

Launch of memory navigation for Suzuki

Our memory navigation system "AVN Lite" was adopted as a dealer option for Suzuki cars on sale in Japan, and this went on sale in 13 models including the Wagon R last July. This product is based around the ECLIPSE "AVN Lite" Series "one-seg" model and it has also been made compatible with the Suzuki brand steering audio switch. FUJITSU TEN has so far supplied drive recorders as Suzuki dealer options for domestic sale, but this is the first time that our car navigation systems have been adopted. The enhanced functions, easy operation and reasonable prices of our products, compatibility for users of the light and compact vehicles provided by Suzuki, and our past record in shipping more than 300,000 units in commercial sales all contributed to winning this order.

GM Supplier of the Year for 3 consecutive years

In March this year, in recognition of our technology and quality as well as the ability of FUJITSU TEN to satisfy customer demands, we received the "2011 Supplier of the Year Award" from General Motors (GM) for the third year running. The award for 2011 was made in particular recognition of our ability to continue supplying without any impact following the Great East Japan Earthquake as well as our development and supply support for GM global centers.

< Commercial Products >

Launch of 3 memory navigation models for the ECLIPSE Summer 2011 model; and development on an iPhone application

We launched the "ECLIPSE" 2011 Summer model with three "Linked" memory navigation models – the "AVN-F01i", "AVN-Z01", and "AVN-V01". In particular, the "AVN-F01i" realized linkage with the Apple iPhone (*1), making it possible to view iPhone application screens on a car navigation screen for the first time in the commercial market. We have developed three dedicated applications, namely "Twit Drive", which utilizes Twitter (*2) so that users can share information on their car navigation maps, "Doco Car", which records parking information by GPS and guides the user back to the parking area, and "Car News Reader", which reads out the news, and these offer new value for making the driving experience more enjoyable and active. Furthermore, we launched our new application – "RemoTalk" on the App Store (*1) on March 30 this year. This application offers a new communication service whereby drivers use their Twitter accounts to post audio messages and exchange information about interesting locations on maps. Through enabling "live" exchange of information that cannot be easily conveyed in written letters, for example, the level of congestion at an intended store or traffic conditions on the way to a destination, this application makes the en-route driving experience more enjoyable.



Eclipse 2011 Summer model
<AVN-F01i>



iPhone application
『Twit Drive』

Launch of three ECLIPSE car navigation models for fall of 2011

We launched the "ECLIPSE" 2011 Fall model with three memory navigation models – the "AVN-G01", "AVN111M", and "AVN111MBC." The "AVN-G01" is reasonably priced but, having "Smart beauty" as a key theme, it is mounted with a high-definition 7-inch WVGA display for running terrestrial digital broadcasts (full-seg) and playing DVDs. As for our "AVN Lite Series", which already has a good reputation for easy operability, we have improved usability through shortening activation time and upgrading maps to the latest version.

Development of "Tokyomusen Version of Sugukuru Taxi" and launch of services

Tokyomusen Cooperative, FUJITSU TEN and Meitetsucom Co. Limited. collaborated to develop 'Tokyomusen Version of "Sugukuru Taxi" (Soon-Arriving Taxi)', which is a system for easily calling taxis from a smartphone (iPhone / Android™ terminals), and launched services on April 1 this year. This system represents a collaboration between the smartphone car dispatch reception system developed by Meitetsucom and the taxi automatic dispatch system developed by FUJITSU TEN. By downloading the free dedicated application on a smartphone, users can designate their position on the map and call a taxi without talking to an operator in three button operations from application activation. It only takes 20 to 30 seconds (*3) for the dispatched taxi to be decided. Through having more taxi operators introduce and mutually utilize this service, we aim to further enhance services for taxi users.



"Tokyomusen Version of Sugukuru Taxi"

Development of LSI "Vivid View Processor™3" equipped with the world's first sunlight correction function for automotive displays

We developed the image processing LSI "Vivid View Processor™3" equipped with image correcting function for improving visibility when direct sunlight falls on automotive displays in a joint effort with FUJITSU Semiconductor Ltd. and FUJITSU Laboratories Ltd. and mounted it in some of the models in the ECLIPSE Series. This utilizes irradiation sensors to detect sunlight, which fluctuates according to various factors such as season, time and location, and automatically and instantaneously correct the gradation (color and brightness), intensity (chroma) and contrast of the original picture according to the irradiation of sunlight falling on the display. This function improves the visibility of displays and supports safe and secure driving. Moreover, through adopting a function for controlling the LED backlight, we have reduced the display power consumption by a maximum of 54% and 24% on average (compared to our conventional products).

(2) Car Electronic Devices

Start of supply of new generation small airbag ECU for the Toyota Aqua (new HV)

We started supplying the next generation small airbag ECU (Electronic Control Unit) for the new Toyota HV - the Aqua - last December.

Start of supply of plug-in ECU for the Toyota Prius PHV

We started supplying the plug-in ECU for controlling vehicle battery charging for the Prius PHV, which is Toyota's first plug-in hybrid (PHV) vehicle to be put on general sale. This product controls charging from household power supply and also transmits battery charge status to mobile phones and conducts charging based on a timer. At the same time, we also launched delivery of a hybrid system control ECU.

Supply of the experimental integrated ECU for Daihatsu light commercial electric vehicles

FUJITSU TEN supplied the ECU mounted in the vehicles that were provided by Daihatsu for field experiments of light commercial electric vehicles in Shiga Prefecture and Oita Prefecture. As a vehicle control unit that permits comprehensive control over electric vehicles, this ECU consolidates information from the vehicle's main control ECUs (battery, charging, motor, etc.) and transmits optimum motor torque and charge command values to each ECU by CAN communication. For example, it issues commands to the battery and motor based on the driver's accelerator and brake information, etc., and thereby controls the running of the vehicle.

Start of supply of EFI ECU compatible with European exhaust gas controls for Daihatsu

Last November, we started supplying EFI ECU for the new AVANZA to Astra Daihatsu Motors (ADM), which is the Indonesian production center of Daihatsu. Moreover, the EFI ECU for export vehicles is compatible with Euro IV, which is the latest exhaust gas control in Europe.

*1: "iPhone" and "AppStore" are registered trademarks of Apple Inc. in the United States and other countries.

*2: "Twitter" is the registered trademark of Twitter, Inc.

*3: Depending on the operating condition of taxis, this time may be exceeded.

BRIEF DESCRIPTION OF OPERATIONS DURING THE FISCAL YEAR OF 2011

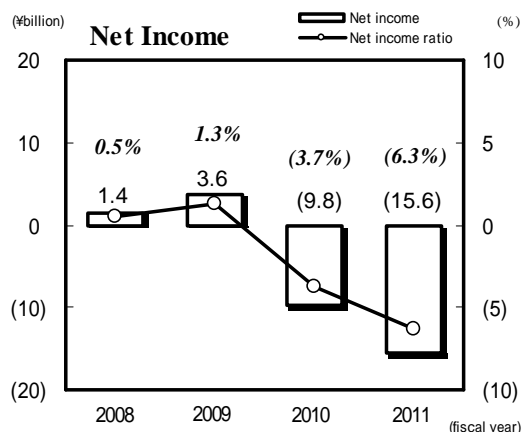
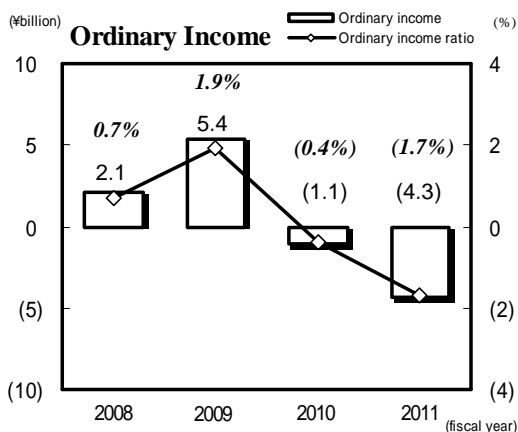
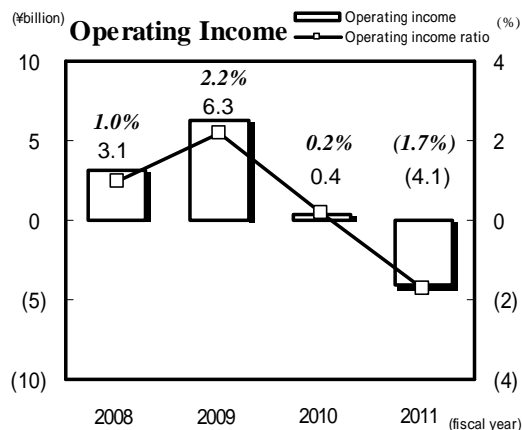
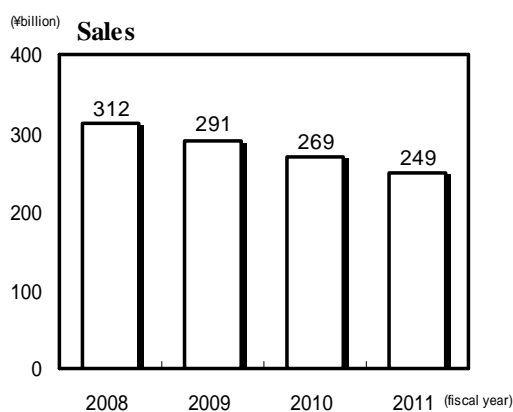
(1) Consolidated Business Results of the Past 4 Fiscal Years

	Yen (millions)[except per share data]				U.S.dollars (thousand) [except per share data]
	2008	2009	2010	2011	2011
Sales	<Breakdown %>				
Infotainment Equipment	260,599	236,864	218,365	188,578	<75.7>
Car Electronic Devices	51,963	54,762	50,647	60,612	<24.3>
Total	312,563	291,626	269,012	249,190	<100>
<Overseas sales>	<85,507>	<91,129>	<89,400>	<82,961>	<33.3>
Operating income	3,114	6,375	482	(4,139)	(50,362)
Ordinary income(loss)	2,142	5,416	(1,168)	(4,339)	(52,792)
Net income(loss)	1,431	3,689	(9,830)	(15,637)	(190,258)
Net income per share(loss)	¥ 311	¥ 802	¥ (2,137)	¥ (3,399)	US\$ (41)
Total assets	128,536	155,482	123,914	128,182	1,559,583
Net assets	63,512	66,833	53,283	37,126	451,712

Note : Net assets include shares held by minority shareholders.

Regarding 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

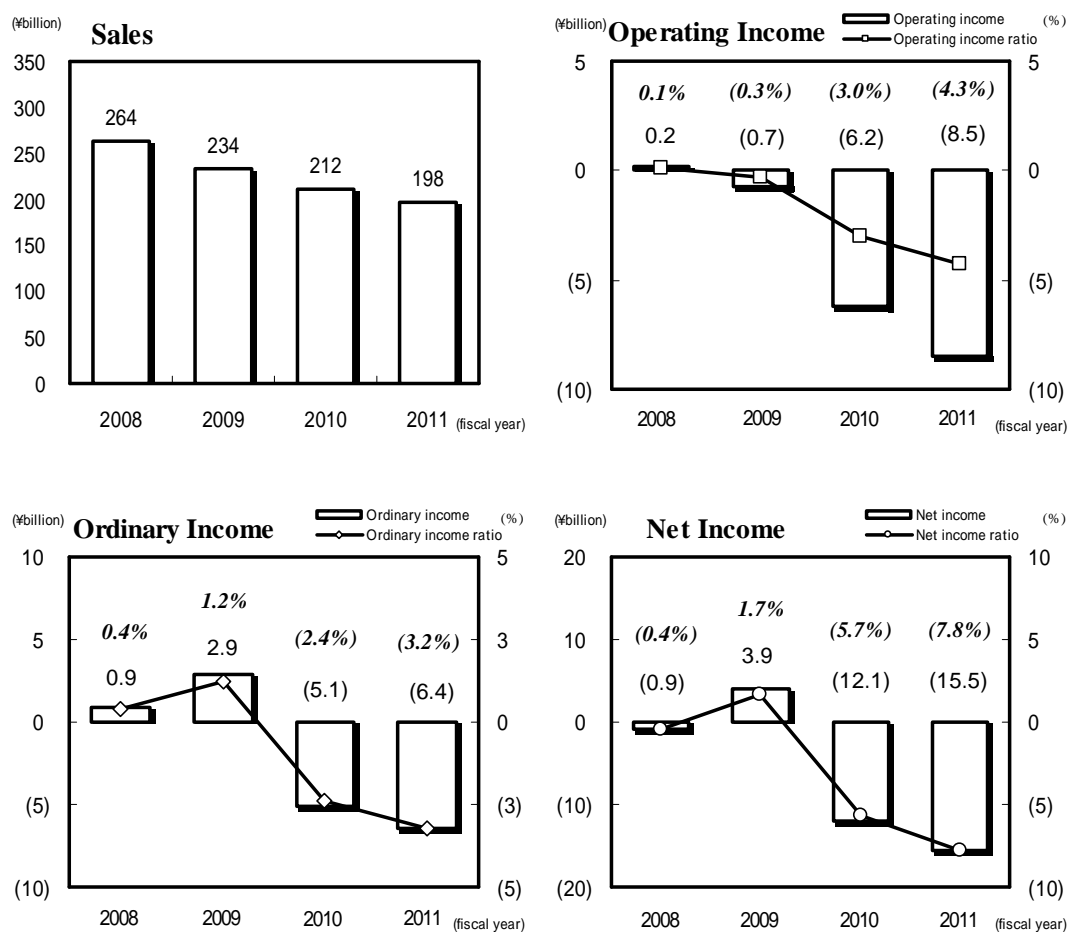


(3) Unconsolidated Business Results of the Past 4 Fiscal Years

	Yen (millions)[except per share data]				U.S.dollars (thousand) [except per share data]
	2008	2009	2010	2011	2011
Sales				<Breakdown %>	
Infotainment Equipment	225,916	195,683	177,493	153,556 <77.3>	1,868,308
Car Electronic Devices	38,191	39,296	34,856	45,077 <22.7>	548,457
Total	264,108	234,980	212,350	198,634 <100>	2,416,766
<Export sales>	<42,722>	<40,382>	<39,585>	<38,675> <19.5>	470,564
Operating income(loss)	205	(714)	(6,281)	(8,545)	(103,974)
Ordinary income(loss)	962	2,935	(5,163)	(6,417)	(78,083)
Net income(loss)	(999)	3,954	(12,134)	(15,569)	(189,431)
Net income per share(loss)	¥ (217)	¥ 859	¥ (2,638)	¥ (3,384)	US\$ (41)
Total assets	97,314	123,844	94,628	99,026	1,204,847
Net assets	44,348	48,454	34,721	19,303	234,870

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.

(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 ¥82.19=US\$1, the mid rate of TTS and TTB rates prevailing at March 31, 2012. 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, 2012)

Item	Yen (Million)	US\$ (Thousand)	Item	Yen (Million)	US\$ (Thousand)
<u>ASSETS</u>			<u>LIABILITIES</u>		
<u>Current Assets</u>	89,653	1,090,804	<u>Current Liabilities</u>	82,942	1,009,161
Cash and Cash equivalents	11,892	144,694	Accounts payable	43,335	527,257
Accounts receivable	43,321	527,092	Short-term loans	16,184	196,910
Inventories	27,889	339,326	Other current liabilities	23,423	284,992
Deferred tax assets	415	5,058	<u>Fixed Liabilities</u>	8,112	98,710
Other current assets	6,134	74,633	Reserve for employee's retirement allowance	5,570	67,769
<u>Fixed Assets</u>	38,528	468,779	Long-term borrowing	108	1,315
<u>Tangible Assets</u>	31,059	377,895	Other fixed liabilities	2,434	29,524
<u>Intangible Assets</u>	3,793	46,155	TOTAL LIABILITIES	91,055	1,107,871
<u>Investment</u>	3,676	44,727	<u>NET ASSETS</u>		
Deferred tax asset	255	3,104	<u>Stockholder's Equity</u>	36,214	440,621
Others	3,420	41,622	Capital Stock	5,300	64,484
			Other Equity	30,914	376,136
			<u>Valuation and Translation Adjustments</u>	(3,195)	(38,875)
			<u>Minority Interests</u>	4,106	49,967
			TOTAL NET ASSETS	37,126	451,712
TOTAL ASSETS	128,182	1,559,583	TOTAL LIABILITIES & NET ASSETS	128,182	1,559,583

(2) Consolidated Income Statement (April 1, 2011 through March 31, 2012)

Item	Yen (Million)	US\$ (Thousand)
<u>Sales</u>	249,190	3,031,883
Operating Costs and Expenses		
Cost of goods sold	217,952	2,651,807
Selling, general and administrative expenses	35,377	430,438
<u>Operating Income</u>	(4,139)	(50,362)
Non-operating revenue	828	10,084
Non-operating expense	1,028	12,514
<u>Ordinary Income(loss)</u>	(4,339)	(52,792)
Extraordinary income	-	-
Extraordinary expense	9,935	120,890
<u>Income(loss) before Income Taxes</u>	(14,275)	(173,683)
Corporation Tax, Inhabitant Tax and Business Tax	1,362	16,575
<u>Net Income(loss)</u>	(15,637)	(190,258)

(3) Unconsolidated Balance Sheet (As of March 31, 2012)

	Yen (Million)	US\$ (Thousand)		Yen (Million)	US\$ (Thousand)
ASSETS			LIABILITIES		
<u>Current Assets</u>			<u>Current Liabilities</u>		
Cash and Cash equivalents	1,486	18,084	Accounts payable	41,251	501,898
Notes receivable	291	3,550	Short-term loans	14,265	173,561
Accounts receivable	34,722	422,463	Lease liability	337	4,102
Electronically recorded			Other accounts payable	13,895	169,064
monetary claims	3,481	42,364	Income tax payable	155	1,889
Merchandise and finished goods	5,789	70,437	Advance received	14	173
Work in progress	1,704	20,743	Deposits received	344	4,192
Raw materials and supplies	4,658	56,680	Provision for product warranties	2,646	32,204
Short-term loans	1,499	18,246	Allowance for directors' bonus	6	79
Accounts receivable-nontrade	13,808	168,012	Provisions for Restructuring	455	5,546
Other current assets	1,120	13,628	Other current liabilities	92	1,127
Allowance for doubtful accounts	(851)	(10,365)	Total Current Liabilities	73,464	893,841
Total Current Assets	67,711	823,845			
<u>Fixed Assets</u>			<u>Fixed Liabilities</u>		
<u>Tangible Assets</u>			Lease liability	341	4,155
Buildings (net)	5,215	63,455	Reserve for employee's		
Structures (net)	102	1,245	retirement allowance	5,043	61,368
Machinery and Equipment (net)	1,596	19,424	Reserve for retirement benefits		
Car and Industrial vehicle (net)	106	1,300	for directors and corporate auditors	371	4,516
Tools, furniture and fixtures (net)	3,031	36,884	Deferred tax liability	448	5,451
Land	4,090	49,773	Asset retirement obligation	52	643
Construction in progress	220	2,684	Total Fixed Liabilities	6,257	76,135
Total Tangible Assets	14,364	174,768	TOTAL LIABILITIES	79,722	969,977
<u>Intangible Assets</u>			<u>NET ASSETS</u>		
Software	2,724	33,148	<u>Stockholder's Equity</u>		
Other intangible assets	666	8,108	Capital stock	5,300	64,484
Total Intangible Assets	3,390	41,257	Capital surplus		
<u>Investment and Other assets</u>			Capital reserves	5,653	68,783
Investment in securities	1,730	21,049	Total Capital surplus	5,653	68,783
Investment in affiliates stock	7,310	88,947	Retained earnings		
Investment in affiliates capital	2,944	35,830	Legal earned reserved	1,325	16,121
Long-term loans receivable	1,021	12,432	Other accumulated earnings	6,223	75,719
Other investments	581	7,079	General reserve	21,475	261,284
Allowance for doubtful accounts	(29)	(363)	Unappropriated		
Total Investment and			retained earnings	(15,251)	(185,565)
Other assets	13,559	164,976	Total Retained earnings	7,548	91,840
Total Fixed Assets	31,314	381,002	Total Stockholder's Equity	18,501	225,108
			<u>Valuation and Translation</u>		
			<u>Adjustments</u>		
			Net unrealized gains on securities		
			available for sale	802	9,761
			Total Valuation and		
			Translation Adjustments	802	9,761
TOTAL ASSETS	99,026	1,204,847	TOTAL NET ASSETS	19,303	234,870
			TOTAL LIABILITIES &	99,026	1,204,847
			NET ASSETS		

(4) Unconsolidated Income Statement (April 1, 2011 through March 31, 2012)

Item	Yen (Million)	US\$ (Thousand)
<u>Sales</u>	198,634	2,416,766
Cost of goods sold	181,251	2,205,273
<u>Gross profit on sales</u>	17,382	211,492
Selling, general and administrative expenses	25,928	315,467
<u>Operating Income(loss)</u>	(8,545)	(103,974)
Non-operating Income		
Interest and dividends income	3,587	43,651
Miscellaneous income	353	4,305
Total Non-operating Income	3,941	47,957
<u>Non-operating Expenses</u>		
Interest expenses paid	175	2,135
Miscellaneous expenses	1,638	19,930
Total Non-operating Expenses	1,813	22,066
<u>Ordinary Income(loss)</u>	(6,417)	(78,083)
<u>Extraordinary loss</u>		
Disaster loss reserve	4,364	53,099
Restructuring Expense (Headcount reduction)	4,079	49,635
Appraised loss for affiliate	282	3,434
Impairment loss	0	9
Total Extraordinary loss	8,726	106,179
<u>Income(loss) before Income Taxes</u>	(15,144)	(184,263)
Corporation Tax, Inhabitant Tax and Business Tax	474	5,769
Adjustments of income tax and other tax expenses	(49)	(601)
<u>Total income taxes</u>	424	5,168
<u>Net Income(loss)</u>	(15,569)	(189,431)

(5) Unconsolidated Statements of Changes in Stockholders' Equity
(April 1, 2011 through March 31, 2012)

	Stockholders' Equity								Valuation and translation Adjustments	Total net assets
	Capital stock	Capital surplus		Legal earned reserve	Retained earnings			Total stockholders' equity		
		Capital reserve	Total capital surplus		Other retained earnings		Total retained earnings			
					General reserve	Unappropriated retained earnings				
Balance at end of previous period	5,300 64,484	5,653 68,783	5,653 68,783	1,325 16,121	32,475 395,121	(10,682) (129,970)	23,117 281,272	34,071 414,540	650 7,914	34,721 422,454
Changes during the current period										
Payment of dividends	-	-	-	-	-	0 0	0 0	0 0	-	0 0
Reversal of general reserve	-	-	-	-	(11,000) (133,836)	11,000 133,836	-	-	-	-
<u>Net Income(loss)</u>	-	-	-	-	-	(15,569) (189,431)	(15,569) (189,431)	(15,569) (189,431)	-	(15,569) (189,431)
Changes(net amount) of items other than stockholders' equity during the current period	-	-	-	-	-	-	-	-	151 1,847	151 1,847
Total changes during the current period	-	-	-	-	(11,000) (133,836)	(4,569) (55,595)	(15,569) (189,431)	(15,569) (189,431)	151 1,847	(15,417) (187,584)
Balance at end of current period	5,300 64,484	5,653 68,783	5,653 68,783	1,325 16,121	21,475 261,284	(15,251) (185,565)	7,548 91,840	18,501 225,108	802 9,761	19,303 234,870

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

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:** 3,824 (As of March 31, 2012)
- 5. Business description**

FUJITSU TEN manufactures and sells mainly automobile-related equipments.
The principal products are described below.

Product Line		Description	
Infotainment Equipment	Audio and Car Navigation Equipment	For automobiles	Individual units and combined products (integrated units) of: Audio products Radio Digital radio CD player Power amp Audio-visual products Display product DVD player Terrestrial digital TV tuner Navigation systems* HDD navigation system Flash-memory navigation system Portable navigation system in dashboard Back guide monitor Back eye camera Front eye camera (Blind corner monitor) Multi-Angle Vision ^{TM*}
		For home use	Deck Mechanism DVD/CD deck mechanism Speaker/Antenna
			Time Domain audio system Speaker Power amp

Product Line		Description
Infotainment Equipment	Mobile Communications Radios	Information-communication-applied systems* Taxi radio dispatch control system Information-communication-applied equipment* Car-mounted unit for vehicle operation management system Business-use navigation equipment Business-use radio communication equipment Drive recorder equipment
	Car Electronic Devices	Electronic Control Units (ECU) and sensors used for; Engine control Hybrid system control Gear control Vehicle Security System (VSS) Air Bag Multiplexing body control Relay integration Electric Power Steering (EPS) Remote Engine Starters Intrusion Sensors (24GHz band) Millimeter-wave radar units*(76GHz band) Computer Aided Multi-Analysis System (“CRAMAS”)

Note : Products indicated with an asterisk(*) are ITS-related products.

(2) Capital Situation (As of March 31, 2012)

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, 2012)

Domestic	Overseas
<p>Manufacture</p> <ul style="list-style-type: none"> • TOCHIGI FUJITSU TEN LIMITED • FUJITSU TEN TECHNOSEPTA LIMITED 	<p>Manufacture</p> <ul style="list-style-type: none"> • FUJITSU TEN CORP. OF AMERICA • TEN TECHNOSEPTA USA, INC. (*3) • FUJITSU TEN de MEXICO, S.A. de C.V. • FUJITSU TEN ESPAÑA, S.A. • FUJITSU TEN (THAILAND) COMPANY LIMITED • TIANJIN FUJITSU TEN ELECTRONICS CO., LTD. • FUJITSU TEN ELECTRONICS (WUXI) LTD. • TIANJIN RIJI PRECISION ELECTRONIC CO., LTD. (*3) • FUJITSU TEN CORPORATION OF THE PHILIPPINES
<p>Sales</p> <ul style="list-style-type: none"> • FUJITSU TEN EAST JAPAN SALES LIMITED • FUJITSU TEN CHUBU SALES LIMITED • FUJITSU TEN WEST JAPAN SALES LIMITED 	<p>Sales</p> <ul style="list-style-type: none"> • FUJITSU TEN CANADA INC. • FUJITSU TEN DO BRASIL LTDA. • ECLIPSE TD (UK) LIMITED • FUJITSU TEN (EUROPE) GmbH • FUJITSU TEN KOREA LIMITED • FUJITSU TEN TRADING (TIANJIN) LTD. • FUJITSU TEN (AUSTRALIA) PTY. LTD.
<p>Others</p> <ul style="list-style-type: none"> • FUJITSU TEN ACTY LIMITED • FUJITSU TEN RESEARCH LIMITED • FUJITSU TEN STAFF LIMITED • FUJITSU TEN TECHNOLOGY LIMITED • FUJITSU TEN SERVICE LIMITED 	<p>Others</p> <ul style="list-style-type: none"> • FUJITSU TEN (SINGAPORE) PTE. LTD. • FUJITSU TEN RESEARCH & DEVELOPMENT (TIANJIN) LTD. • DIEZ CORPORATION (*4) • FUJITSU TEN SOLUTIONS PHILIPPINES, INC.

Note: (1) Ratios marked with an asterisk include investment from subsidiaries.

(2) FUJITSU TEN TECHNOSEPTA LIMITED, its subsidiary TIANJIN RIJI PRECISION ELECTRONIC CO., LTD. and TEN TECHNOSEPTA USA, INC. are nonconsolidated subsidiaries.

(3) Indirect ownership (100% controlling share) via FUJITSU TEN TECHNOSEPTA LIMITED.

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

(5) On November 11, 2011, FUJITSU TEN TECHNOSEPTA LIMITED funded the establishment of TEN TECHNOSEPTA USA, INC.

(6) On 19 April 2011, INMOTION AUDIO (AUSTRALIA) PTY. LTD was filed for liquidation.

(7) On June 6, 2011, FUJITSU TEN CORP. OF AMERICA funded the establishment of FUJITSU TEN DO BRASIL LTDA.

[Situation after the term end]

(1) On April 1, 2012, FUJITSU TEN EAST JAPAN SALES LIMITED absorbed FUJITSU TEN CHUBU SALES LIMITED and FUJITSU TEN WEST JAPAN SALES LIMITED and renamed itself as FUJITSU TEN SALES LIMITED.

(2) On April 1, 2012, FUJITSU TEN STAFF LIMITED absorbed FUJITSU TEN ACTY LIMITED.

(3) On April 5, 2012, FUJITSU TEN LIMITED funded the establishment of FUJITSU TEN (CHINA) LTD., and this started operations on June 25.

(4) Main Business Locations (As of March 31, 2012)

Head Office and Plant:	2-28, Goshō-dori 1-chome, Hyogo-ku, Kobe 652-8510, Japan Phone +81-78-671-5081 Fax +81-78-671-5325
Nakatsugawa Plant:	2110, Naegi, Nakatsugawa, Gifu 508-0101, Japan Phone +81-573-66-5121 Fax +81-573-66-5126
Nakatsugawa Technical Center:	1683-1963, Nasubigawa Aza, Nakatsugawa, Gifu 509-9132, Japan Phone +81-573-68-7002 Fax +81-573-68-7003
Tokyo Sales Office:	Nishi-Shinjuku KF Bldg., 14-24, Nishi-Shinjuku 8-chome, Shinjuku-ku, Tokyo 160-0023, Japan Phone +81-3-5330-6244 Fax +81-3-5330-6245
Toyota Branch Office:	Fujitsu Ten Toyota Bldg., 11, Motoshiro-cho 1-chome, Toyota 471-0024, Japan Phone +81-565-32-2501 Fax +81-565-32-2310
Beijing Office:	Room 2710-2711, Building 1, China World Trade Centre, No.1, Jian Guo Men Wai Avenue, Chao Yang Distric, Beijing, China 100004 Phone +86-10-6505-3535 Fax +86-10-6505-3534

Management

(As of March 31, 2012)

BOARD OF DIRECTORS

Chairman and Representative Director	Keijiro Katsumaru
President and Representative Director	Takashi Shigematsu
Executive Vice President and Director	Michitaka Ogura
Executive Directors	Takashi Nagamitsu
	Koichi Ueda
	Takashi Kondo
Director	Hideyuki Sasou

CORPORATE EXECUTIVE OFFICERS

Senior Managing Officers	Yasuyuki Kawanishi
	Noriaki Yagishi
Managing Officers	Keiji Suzuki
	Hiroshi Ogawa
	Kiyoshi Yagi
	Shoji Kawamura
	Satoshi Matsui
	Ryoji Otowa
	Takao Yamaguchi

AUDITORS

Standing Auditor	Masahiro Morikaku	Takao Tomimori
Auditors	Masamichi Ogura	Masahiro Hata
	Moritaka Yoshida	Kazuki Komukaemori
		Hiroyuki Asada

FUJITSU TEN LIMITED

2-28,Gosho-dori 1-chome
Hyogo-ku, Kobe 652-8510, Japan