

Jan. 1, 2012

2012: New Year Greeting From President

Last year, there occurred natural disasters – the Great East Japan Earthquake, the massive floods in Thailand, and others – that directly impacted the lives of large numbers of people. We offer our wishes that the disaster-stricken people and regions will revive as speedily as possible and take new strides ahead. I also hope that we ourselves can get over these hardships and take on the challenges of this new year in an upbeat manner.



President and Representative Director
Takashi Shigematsu,

◆ Severe Business Environment

In addition to the unanticipated disasters, an economic crisis in Europe and the soaring yen exchange rate that resulted from it also dealt heavy blows to domestic enterprises. Our business performance in the first half of fiscal 2011 showed a decrease in sales and profits in comparison with the same period of the previous year, due largely to the impacts of the earthquake. Regarding the outlook for fiscal 2011 as a whole, in view of a recovery in automobile sales in the second half, we will be aiming for sales volume on a par with fiscal 2010 and to turn our operating profit/loss into the black. As for net profit/loss, special losses were sustained in connection with the earthquake, so that we are projected to be in the red once again as in fiscal 2010.

◆ Toward Turning into the Black and a V-shaped Upturn

In order to break out of this situation, we will proceed with the efforts below, with the goals of “turning fiscal 2012 into the black” out of fiscal 2011’s red, and “establishing methods for a V-shaped upturn from fiscal 2014 onward.”

- **Establishment of growth strategy** – Introduce the latest digital technology and information technology, so as to open up new markets with products not previously existent, etc.
- **Strengthening of sales and profit structure** – Reorganization of domestic production system, etc.
- **Workplace consciousness and ethos reform** – Rigorous customer-orientation, etc.

◆ Directions for FUJITSU TEN to aim in – Creation of a “connecting” business model –

Due to the information revolution that is sweeping rapidly across the emerging nations and regions, technologies that formerly had value as forms of expertise are being turned into standard modules designable and producible by anyone anywhere. What is more, information capabilities that had been available only in cars – such as navigation functions – have become available for use anywhere via handheld terminals such as smartphones.

Against such background, FUJITSU TEN will be tackling the following two broad areas with an eye to the future, as the directions for the company to aim in. The first is “reassuring and safe service business” that customers

make connections with, and has simple hardware as its basis. The other is new “green business” targeting the new generation of cars – electric vehicles and so forth. We will be hurrying ahead with establishing the software technology and information and communication technology, in particular, and in collaboration with the Fujitsu Group will be proceeding to put setups in place so that these two businesses will take shape on a global scale. The surrounding business environment is increasingly severe, but for our company, which has business in both the automobile and ICT domains, it constitutes a big chance to accomplish further leaps ahead. We will be cognizant of such opportunity as we go through with the efforts outlined above.

About FUJITSU TEN

FUJITSU TEN LIMITED(Kobe, Hyogo prefecture, Japan; Capital: 5.3 billion yen), established in 1972 with investment from FUJITSU LIMITED, TOYOTA MOTOR CORPORATION, and DENSO CORPORATION, is a leading manufacturer of automotive electronic equipment. It is a globally-recognized manufacturer of car navigation and audio systems, ECU for engine and airbag control, and mobile communication equipment. Consolidated sales totaled 269 billion yen(US\$3.2 billion) for the fiscal year ending March 31, 2011.

FUJITSU TEN is involved in the development of systems that use sensor technologies such as cameras and millimeter wave radar to detect obstacles near automobiles. It is expanding its business globally by fulfilling orders for genuine products for Toyota and other automobile manufactures both domestically and overseas. The ECLIPSE brand of car navigation and audio products receives high evaluations in various markets throughout the world.

The integrated AVN (Audio Visual Navigation) system, first introduced in 1997, has become the standard format for car navigation systems.

FUJITSU TEN will continue to build a business that “connects” automobiles with society, by integrating its superior automotive technology with ICT technology from the FUJITSU Group.

For more information, see <http://www.fujitsu-ten.com/>.

【Inquiries from the press】

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