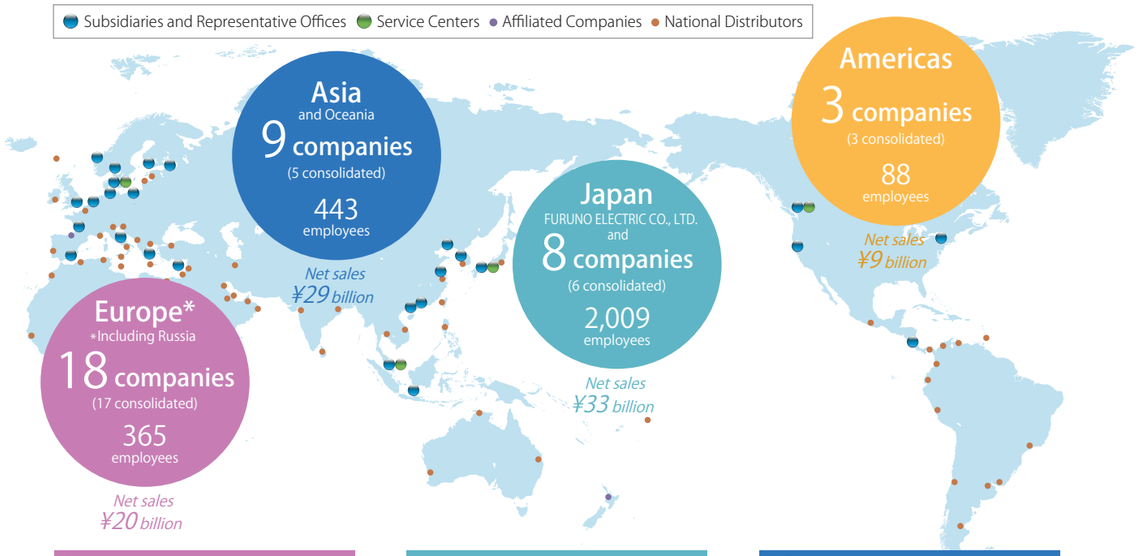
Corporate Information / Global Network (as of March 1, 2016)



Europe

FURUNO (UK) LTD.
FURUNO NORGE A/S
FURUNO DANMARK A/S
FURUNO BROADBAND SERVICE CENTER ApS
FURUNO SVERIGE AB
FURUNO FINLAND OY
FURUNO POLSKA Sp. Zo.o.
FURUNO DEUTSCHLAND GmbH
FURUNO EUROPE B.V.
FURUNO FRANCE S.A.S.
FURUNO ESPAÑA, S.A.
FURUNO ITALIA S.R.L.
FURUNO HELLAS S.A.
FURUNO (CYPRUS) LTD
FURUNO EURUS LLC

Japan

FURUNO KYUSHU HANBAI CO., LTD.
FURUNO KANSAI HANBAI CO., LTD.
KYORITSU RADIO SERVICE CO., LTD.
FURUNO SYSTEMS CO., LTD.
FURUNO LIFEBEST CO., LTD.
FURUNO SOFTECH CO., LTD.
LABOTECH INTERNATIONAL CO., LTD.

Asia

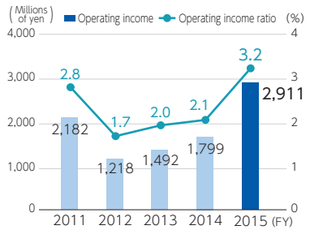
FURUNO CHINA CO., LTD.
FURUNO SOFTECH (DALIAN) CO., LTD.
FUNOTEC (DALIAN) CO., LTD.
FURUNO SHANGHAI CO., LTD.
FURUNO HONG KONG CO., LTD.
FURUNO KOREA CO., LTD.
FURUNO SINGAPORE PTE LTD
PT. FURUNO ELECTRIC INDONESIA

North America

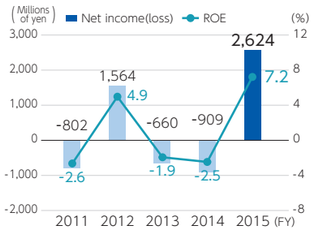
FURUNO U.S.A., INC.
FURUNO PANAMA, S.A.

Financial Highlights (Consolidated) Years ended the last day of February

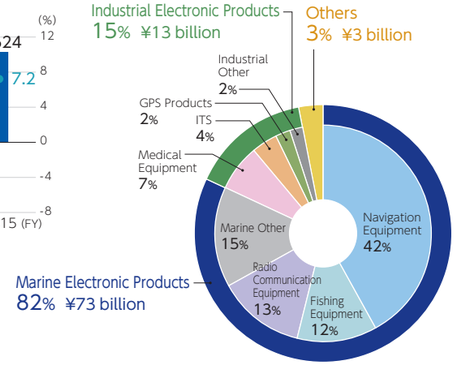
Operating income / Operating income ratio



Net income(loss) / ROE



Net sales by business



Company Outline (as of February 29, 2016)

Incorporated	May 23, 1951
Capital	¥7,534 million
Number of Employees	2,905 (consolidated)
Consolidated Sales	¥89,720 million ($787.0 million)*

*U.S. dollar amounts represent translations of Japanese yen at the approximate exchange rate on February 29, 2016 of 114 yen = U.S.$1.

FURUNO ELECTRIC CO., LTD.
9-52 Ashihara-cho, Nishinomiya City, Hyogo 662-8580, Japan
Phone: +81 (0)798 65-2111
www.furuno.com

• The information in this pamphlet is current as of May 27, 2016.
• All brand and product names are registered trademarks, trademarks or service marks of their respective holders.
• iPad and iPhone are trademarks of Apple Inc. registered in the U.S. and other countries.

FURUNO

Corporate **Report**

Corporate Profile & CSR Report 2016

FURUNO ELECTRIC CO., LTD.

Technology for Visibility

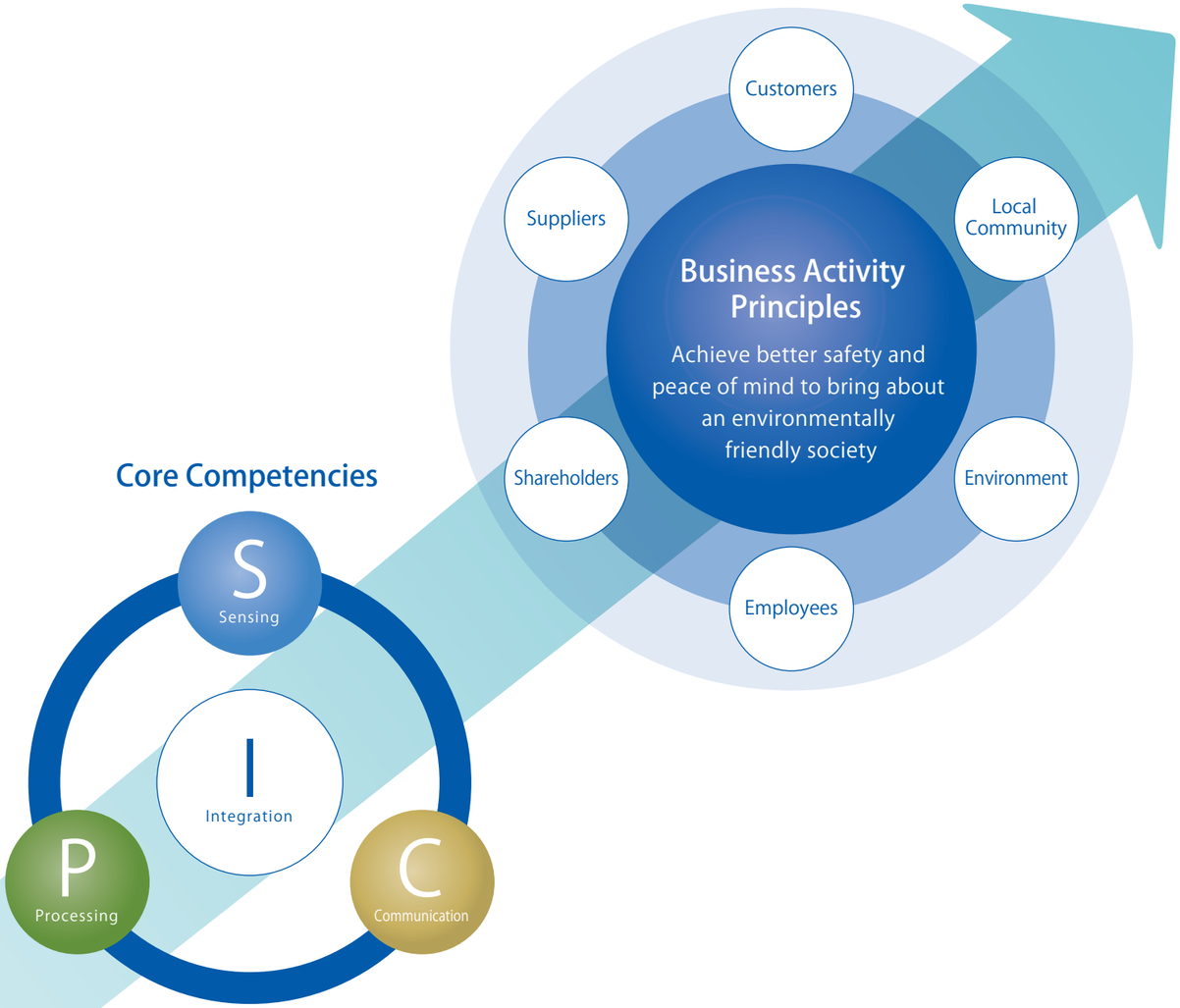
FURUNO ELECTRIC CO., LTD. (FURUNO) was the first company in the world to successfully commercialize a fish finder in 1948, and in the more than half century since that time, we have contributed to the progress of society and industry by offering cutting-edge, innovative electronic devices that serve customers' needs. "Contributing to the society by creating new values" is what we consider as our role in the society and this spirit is regarded as the most important value to be borne by all of our employees and is clearly stated in our management principles.

"SPC & I" embodies the basis upon which we create new values. By "Integrating" our knowledge, experience and know-how derived from our business activities together with our three technical core competencies, "Sensing", "Processing" and "Communication", we shall strive to continually provide solutions that are of value to our customers on a globe scale.

Our fields of business have extended from our main business field of the maritime industry to medical as well as ICT industries. It is our mission in our business activities to continually contribute to the society by "achieving better safety and peace of mind to bring about an environmentally friendly society", and we shall continue to strive to achieve that end.

We respectfully appreciate your thorough understanding and support.

President
Yukio Furuno



Management Principles

A company exists to serve society.

Its management must be creative.

The happiness of its employees comes with the growth of a company.

FURUNO's Three Technical Core Competencies

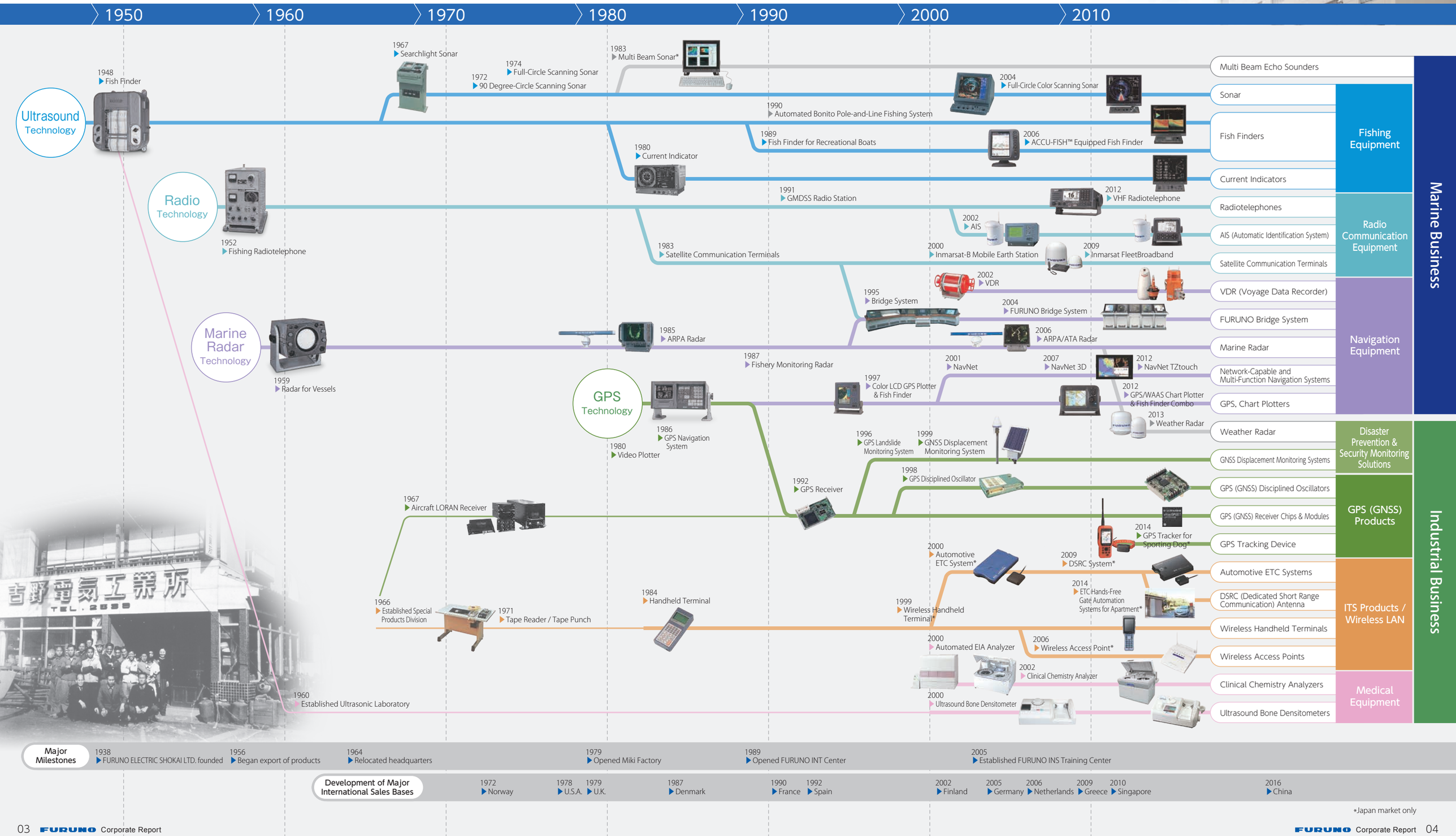
Through SPC & I based on **Integration** of our know-how with **Sensing**, **Processing** and **Communication**, we achieve better safety and peace of mind to bring about an environmentally friendly society.

Contents

President's Message / Management Principles ····· 01
FURUNO's History ····· 03
FURUNO's Business Fields (1) Marine Business ····· 05
FURUNO's Business Fields (2) Industrial Business ····· 09
FURUNO CSR Efforts ····· 13
Relationships with Customers ····· 13
Risk Management ····· 14
Corporate Information / Global Network / Financial Highlights ····· 15

FURUNO's History

FURUNO will contribute to the development of society previously invisible, using our SPC core competencies and industry by giving visual form to that and our accumulated know-how.



Major Milestones

- 1938 FURUNO ELECTRIC SHOKAI LTD. founded
- 1956 Began export of products
- 1964 Relocated headquarters
- 1979 Opened Miki Factory
- 1989 Opened FURUNO INT Center
- 2005 Established FURUNO INS Training Center

Development of Major International Sales Bases

- 1972 Norway
- 1978 U.S.A.
- 1979 U.K.
- 1987 Denmark
- 1990 France
- 1992 Spain
- 2002 Finland
- 2005 Germany
- 2006 Netherlands
- 2009 Greece
- 2010 Singapore
- 2016 China

*Japan market only

1 Marine Business

FURUNO equipment supports safe, worry-free navigation.

Since successfully commercializing the world's first fish finder in 1948, FURUNO has met customer needs by developing and marketing various types of navigation and communications equipment.
Today, we offer equipment to ensure safety, peace of mind, and higher efficiency for a wide variety of ships, from large merchant vessels, to fishing boats and recreational boats.

Merchant For Merchant Vessels Fishing For Fishing Vessels Recreational For Recreational Boats Government For Government Vessels

Merchant

VDR (Voyage Data Recorder)

VDR records and stores navigation data and information. This data is obtained from onboard sensors, and can be analyzed in the event of a marine accident to pinpoint the cause and prevent further recurrence.

Merchant Fishing Recreational Government

Satellite Communications Equipment / Service

We offer communications equipment and services employing communications satellites. This enables telephone and facsimile communication with the shore, as well as onboard connectivity to the Internet.

Merchant Fishing Recreational Government

AIS (Automatic Identification System)

AIS allows for ship information (e.g., ID, position, heading direction) to be exchanged among ocean-going ships and vessels. These systems help prevent collisions and ensure safe navigation. They also make it possible to detect ships, which do not appear on radar because they are hidden in the shadow of islands.

Merchant Fishing Recreational Government

Radar

Radar acts as the eyes of a ship, sending out radio waves as a means of detecting other vessels and obstructions in the surrounding area. Radar allows ships to navigate safely, even when dense fog reduces visibility.

Fishing Government

Coastal Monitoring System

These systems monitor the sea and harbor by combining surveillance radar, surveillance cameras and other equipment. They support a broad array of applications, from wide-range surveillance for marine traffic control, to surveillance over a limited range such as fishing grounds and aquaculture areas.

Merchant Fishing Recreational Government

GPS, Chart Plotter

Navigating in the open seas requires accurate assessment of one's current position.
GPS chart plotters pinpoint a vessel's position based on radio waves sent from GPS satellites. The position is displayed on a simplified navigational chart.

Fishing Recreational

Fish Finder / Sonar

These systems detect fish schools using ultrasound waves, which travel in straight lines as they penetrate the water and bounce back to the original source after hitting fish, the seabed or other objects. The depth and distance to schools of fish can be calculated based on the time it takes for the ultrasound waves to return.

For safe and efficient navigation

As part of our mission to contribute to safe and efficient navigation, FURUNO offers a variety of navigation and communications equipment. These products are designed for all types and sizes of merchant vessels, carrying both people and goods.
With regards to newly-built vessels, we have built up a track record and global network commensurate with our top market share. Leveraging these assets, our business spans from new vessel construction to upkeep and lifecycle maintenance and retrofitting.

(Model FAR-3000)

Chart Radar

Displaying electronic navigational charts and radar images on the same screen is useful for collision prevention and course monitoring. Clear images are displayed in accordance with ocean conditions, thereby supporting safe, efficient navigation.

(Model FMD-3100/3200/3300)

ECDIS (Electronic Chart Display and Information System)

This system supports course planning and navigation monitoring. The FURUNO ECDIS allows for smooth display switching between information from various types of equipment connected to the network. It contributes to safer and more efficient navigation by realizing natural operation based on an intuitive understanding of current conditions.

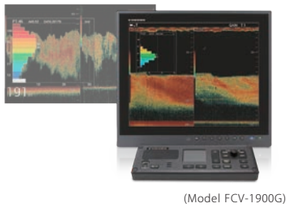
(Model FELCOM250/500)

Inmarsat

This system provides high-speed broadband communication while at sea anywhere in the world. In addition to operational communications, it contributes significantly to crew welfare by allowing communication with their families.

For safe fishing and sustainable use of fishery resources

Since our founding, FURUNO has offered electronic fishing equipment to modernize and improve the efficiency of commercial fishing. FURUNO is working to develop fisheries with resource management, through the fishery consulting capability that we have previously cultivated in countries around the world, and by providing products and services that are both innovative and optimally suited for the market.


(Model FCV-1900G)

TruEcho Chirp with Unique Fish Size Indicator

The fish size graph enables measurement of fish size and size distribution, all through an easy-to-read display.

(Model FSV-25)

Scanning Sonar

This system supports efficient operations by detecting schools of fish from a long distance as well as schools on the surface and near the sea floor. It also detects fast-moving individual fish. Additionally, it supports safe fishing boat operations by preventing marine accidents such as collisions with flotsam.

(Model DR-100/DM-200)

Radiotelephone

This system supports safe and efficient operations with communication capabilities for transmitting and receiving not only voice communication, but also data. It also has a unit for ascertaining the real-time position of other vessels in addition to one's own vessel.

For safe and comfortable life at sea

FURUNO offers high-quality products for users of all types of recreational boats, including sport fishing boats, sailboats and yachts. While continuing to supply innovative and highly reliable products to the users of small workboats, such as coastal security vessels and tug boats, we are expanding our efforts to enhance customer value.

(NavNet TZtouch)

Multi-Function Display

This device integrates everything needed for navigation at sea. It is equipped with a touchscreen that provides easy intuitive operation by using a single finger. Plotter and radar screen operations can also be performed at will.

(Model FCV-588/628)

Fish Finder

Among compact fish finders, the latest devices are equipped with functions such as displaying fish size with numbers or marks, and the ability to discriminate seabed composition. FURUNO digital technology renders fish images clearer and makes it easier to identify fish schools on the sea bottom and in the shallows.

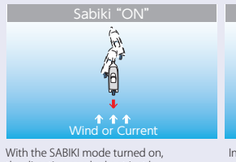
(Model DRS4W)

1st Watch Wireless Radar

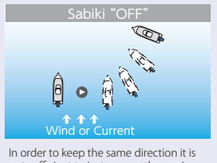
Using the wireless function, an iPad or iPhone can be used to directly display radar images as well as change settings and operate the radar. The ability to check the surrounding situation from anywhere on board contributes to safe navigation.

TOPICS Autopilot systems support comfortable cruising and fishing

An autopilot system automatically controls the rudder so that the ship travels in the designated direction.
FURUNO's NAVpilot series of autopilots reliably maintain a designated course and realize stable and optimal automatic steering by taking vessel speed and hull shape into account and responding automatically to changes in sea conditions. They also enable automatic steering to maintain the heading of the vessel's stern when moving under reverse thrust. This maneuvering support reduces the burden on the boat operator and allows greater concentration on fishing for boats with a small crew.



With the SABIKI mode turned on, the direction can be kept just by adjusting the throttle.



In order to keep the same direction it is not sufficient to just reverse the engine and mode astern. The steering has to be constantly adjusted to keep direction.

(Model NAVpilot-711C)

2 Industrial Business

FURUNO products are at work in many areas of daily life.

Based on technology developed for marine electronic equipment, FURUNO has expanded into new fields, including medical equipment and ICT devices, such as GPS and ITS (intelligent transportation systems) products. Our aim is to realize a comfortable society with greater safety and peace of mind.

GPS/ITS GPS & ITS Products　Medical Medical Equipment　Disaster/Security Monitoring Disaster Prevention & Security Monitoring Solutions　Wireless LAN Wireless LAN Systems

Disaster/Security Monitoring

Meteorological Monitoring and Analyzing System

As an application of small marine radar, we offer compact, low-cost weather radar, which can be installed at multiple locations. The system observes rain clouds, predicts sudden localized heavy downpours, and helps to mitigate damage due to regional disasters.

Disaster/Security Monitoring

GNSS Displacement Monitoring System

These systems determine displacement of features such as the earth's crust, the ground and man-made structures by using GPS (GNSS) based precision positioning technology. They are used for tasks such as monitoring volcanic activity and landslides, as well as managing safety and determining impact on the surrounding area during construction of high-rise buildings.

Medical

Clinical Chemistry Analyzer

These analyzers automatically take precise measurements of enzymes, fats, sugars, proteins and other substances in the blood.

Medical

Ultrasound Bone Densitometer

Devices that measure bone density by applying ultrasound to the heel bone, enabling quicker and safer screening than X-ray equipment.

GPS/ITS

GPS (GNSS) Disciplined Oscillator

By synchronizing the built-in oscillator with GPS, these devices generate a high-precision reference frequency and a 1-second pulse accurately synchronized with UTC (Coordinated Universal Time). They are at work in mobile phone base stations and broadcast relay stations for terrestrial digital TV.

GPS/ITS

DSRC (Dedicated Short Range Communication) System

Installed at a parking lot entrance, construction site entry gate or similar location, these systems enable exchange of vehicle information and other data with ETC systems. The result is smoother access, improved safety and enhanced security.

GPS/ITS

Automotive ETC (Electronic Toll Collection) System

These terminals allow for toll payment processing on toll roads without the need to bring the vehicle to a halt. Recently, applications have broadened to vehicle access control at parking lots and construction sites.

Wireless LAN

Wireless Handheld Terminal

These terminals are for central management of information and work support using a wireless LAN system. They make various kinds of work quicker and more efficient through real-time management of work status and product data at distribution warehouses, shopping centers, production sites and elsewhere.

Wireless LAN

Wireless Access Point

These devices create an environment enabling wireless use of the Internet, at locations such as train stations, cafés and hotels. They allow connection to the Internet regardless of mobile carrier, resulting in growing demand at educational facilities, such as schools and private tutoring schools, as well as at hotels, tourist spots and other areas that attract tourists.

GPS/ITS

GPS (GNSS) Receiver

These high-precision position sensors can accurately pinpoint their current position anywhere on earth by receiving and processing signals from GPS (GNSS) satellites. These units are incorporated into automotive devices such as navigation systems, operation management terminals and car-to-car communication terminals. They are also used in mobile devices including mobile phones.

For a support of healthy life

We are expanding our business into the healthcare field, especially medical care, and are providing products for the early prevention of disease and monitoring treatment, utilizing the sensing technology which we have cultivated in the maritime field. Our medical products contribute to people staying healthy by minimizing healthcare costs.

(Model CA-800)

Clinical Chemistry Analyzer

This analyzer contributes to early diagnosis and prevention of disease by measuring the composition of samples such as blood and urine. FURUNO provides small- to medium-sized analyzers and these product lines realize high-quality medical care while reducing the burden of introducing new equipment at healthcare facilities.

(Model CM-300)

Ultrasound Bone Densitometer

This device measures bone density safely by using ultrasound. Measurement operation is simple and easy-to-use while the product itself has a compact and portable design. The device is best suited for osteoporosis screening tests and will contribute to early diagnosis of osteoporosis and reduction in medical costs.

For a safer and more convenient society

We supply solutions for movement monitoring and time synchronization utilizing Global Navigation Satellite System (GNSS) and Dedicated Short Range Communication (DSRC) technologies. We also provide equipment for Intelligent Transportation Systems (ITS). We are expanding our business to realize a safer and more convenient society.

Cloud-Based ETC-Enabled Vehicle Recognition Service "Cao Through" *

This is a cloud-based ETC-enabled vehicle recognition service that utilizes a DSRC antenna. Without any additional effort, only pre-registered vehicles are allowed to enter and exit. Through this system we aim to realize improved convenience and tightened security.

(Dog Navi™)

GPS Tracker for Sporting Dog*

This is the first sporting dog tracker in Japan that complies with the Radio Act. By attaching a microphone-equipped GPS tracker to a sporting dog, hunters can know the location of the dog and receive audio information, which enables greater hunting efficiency.

(eRideOPUS 7)

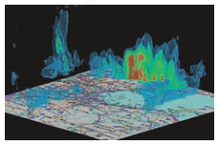
GPS (GNSS) Receiver Chip & Module

We offer devices that are able to receive GPS and GLONASS* signals simultaneously. They provide precise location information even in places such as tunnels and metropolitan areas where radio wave reception is poor.

*GLONASS—a Russian global navigation satellite system

For a safe, worry-free society

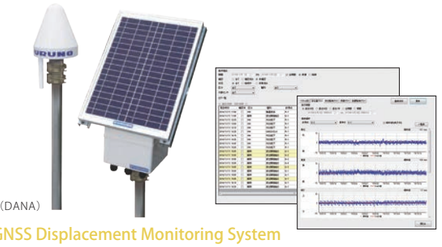
FURUNO is providing system solutions to support everyday safety and peace of mind by offering systems that predict meteorological events, such as sudden localized heavy downpours, with weather radar, and geological events such as volcanic activity and landslides using ground displacement monitoring systems.



(Model WR-2100)

Meteorological Monitoring and Analyzing System

This system provides detailed analysis of the movement speed and tracks the development of cumulonimbus clouds that bring sudden localized heavy downpours, and can display the information as a high-precision 3-dimensional observation image. The compact and lightweight design is easy to install and useful in cities for flood control measures, and in transportation management applications for railways and roads, thus contributing to a higher level of disaster preparedness.



(DANA)

GNSS Displacement Monitoring System

This remote automatic monitoring system measures displacement of terrain and structures over the long term. It monitors terrain displacement to help avoid danger from volcanic activity, landslides, dam/tunnel construction, and similar conditions, and ensures people's safety and security by mitigating disasters.

TOPICS Supporting an ICT learning environment in a pleasant wireless LAN environment

For the educational field, where adoption of ICT (information and communication technology) equipment is growing, we have developed wireless access points for applications such as displaying video images on large-screen digital TVs and sending images from tablet terminals for display on electronic blackboards. Some say that in future schools and educational environments, every student will have a tablet. This will require a stable infrastructure that will not interfere with classes due to network problems. We have therefore developed a video-compatible wireless access point, ACERA Education, which provides a stable connection. We support classes that are easy for everyone to understand, where seeing, communicating and sharing are realized on a high level.

Note: This product is handled by FURUNO SYSTEMS CO., LTD.
(Model ACERA 950)*
http://www.furunosystems.co.jp

*Japan market only

» Relationships with Customers

FURUNO listens carefully to the views of customers throughout the world, and all of our departments, from research and development to service, are working to provide higher quality products and services.

Research and Development

Contributing to the realization of a safe, secure and comfortable society with "Technology for Visibility"

With "Technology for Visibility," we provide solutions to help our customers in monitoring underwater conditions and ship surroundings, as well as other fields.

Efforts to Improve Quality in Research and Development

All of our divisions have acquired certification according to the ISO 9001 international standard for quality management systems. In addition, we have set our own quality standards, and employ reliability assessment techniques at each stage of development, in order to realize optimal quality for the countries/regions, environments and applications in which each product is used. We continually review these standards and assessment techniques, and strive to provide products that our customers can use with confidence.

Production

The trusted FURUNO brand, created through the devoted efforts of each of our employees

Marine electronic equipment is used in an extremely punishing environment, and thus we have a wide variety of testing systems to enable simulation of virtually any maritime environment. In addition, we have established a facility for EMC testing to enable investigation of the effects of electromagnetic radiation, and we are working to create products that do not emit unnecessary electromagnetic radiation, nor are affected by such radiation at or below standard limits.

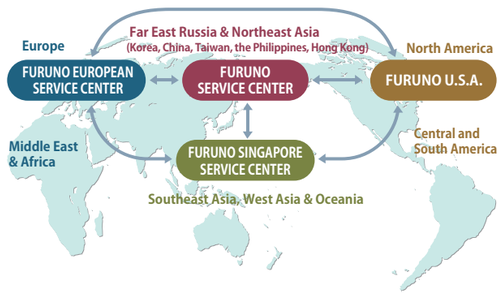
Service

We have built a global service network to enable rapid and accurate response to a diverse range of needs

FURUNO marine products are designed for ease-of-operation, but in order for them to exhibit their peak performance and to contribute to safe, worry-free navigation, it is essential to improve not only product quality, but also installation quality. This is ensured through proper installation, setting and operation guidance on-site where the equipment is to be used. Through our local affiliates around the world, we actively provide guidance on fitting and installation at shipbuilding facilities, as well as offer technical support to distribution agents and operational training for end-users.

Worldwide Service Network

FURUNO has four service centers located in Japan, the U.S., Germany and Singapore, together with authorized distributors in more than 40 countries. Our online Service Management System (SMS) shares equipment installation and maintenance-related information for each vessel with our distributors and service bases. Information acquired through the SMS is stored in a database, and problems, points of interest, and other information identified from service records are provided as feedback to the sales/service departments and development/quality departments to improve the quality of our products and operations. We have also adopted a unique Fly-Away Spare Parts Kit (FASK) system which can supply parts needed at 10 locations worldwide. This system enables us to meet the demands of customers around the world for speedy repair, installation and inspection services.



Providing Training Services for Crewmembers

Due to mandatory requirements, installation of ECDIS equipment is proceeding on cargo ships, passenger ships, and other vessels. Installing ECDIS simplifies the process of navigational chart information management and navigation monitoring, and helps avoid maritime accidents, such as running aground. However, getting maximum benefit from these systems requires a high level of familiarity with the capabilities and operation methods of ECDIS equipment. FURUNO has therefore established FURUNO INS Training Centers (INSTC) in Denmark and Singapore. In addition to instruction in normal operations, we provide education and training in areas such as how to deal with emergency situations. In 2012, we began an Internet-based distance learning program. Through this program, we contribute to increased customer satisfaction and safe navigation by providing training services tailored to each customer's environment.

We furthermore established a new ECDIS Call Center in 2015 and are moving to expedite and bolster our response to frequently made inquiries so as to improve customer satisfaction.

» Risk Management

We have developed a company-wide risk management system supervised by the Risk Management Committee. This committee is chaired by the President. Based on our Risk Management Rules, we are working to reduce the risk of major impacts on management or employees.

Risk Response in a Disaster

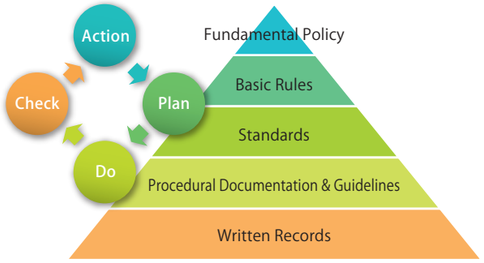
In light of the Great Tohoku Earthquake which occurred in 2011, in FY2012 we carried out an overall review of the best approach for FURUNO to respond to a disaster. We have developed disaster response policies, Company-wide Disaster Response Rules (which define roles and responsibilities when a disaster occurs), and Business Continuity Management Rules that establish a system for ensuring business continuity. We will also strengthen our response capability by continually conducting personal safety confirmation drills and disaster prevention drills for earthquake scenarios. Furthermore, in order to ensure the appropriate implementation of risk management across the company, we have instituted a Risk Management Committee and are pursuing measures to minimize respective categories of risk, including non-disaster operational risk and compliance risk.

Fire drill at the Nishinomiya Office

Disaster education at the Yaizu Sales Office

Information Security Measures

In 2003, we established a security framework based on an information security management system (ISMS). Since then, we have been continually engaged in activities such as establishing regulations, implementing employee training, planning incident responses and countermeasures, and conducting evaluations and monitoring. In this way, we aim to protect against information security threats, reduce the occurrence of incidents, and achieve stable corporate management.
Due to the increased use of e-mail in recent years, we have adopted recipient address confirmation and automatic encryption of attachments as measures to prevent information leaks due to misdirected or intercepted e-mails. We are furthermore strengthening measures to prevent information leaks from inside the company, and expanding our information security efforts across group companies.



Operation of ISMS and continuous improvement activities