

Corporate Vision

**FURUNO GLOBAL VISION "NAVI NEXT 2030"**

On December 3, 2018, to mark the 70th anniversary of its foundation, FURUNO Group has formulated a new management vision, FURUNO GLOBAL VISION "NAVI NEXT 2030", to carry the company through to 2030.



**Business Vision**

Achieve better safety, security and comfort to bring about a society and sea navigation that considers the needs of people and the environment

This business vision expresses the priority all businesses in the FURUNO Group place on working to bring about safety, security and comfort on the sea and land, as the basis for achieving a society and sea navigation that considers the needs of people and the environment. We have expanded the focus of the FURUNO Group's business activities from offering the values of safety, security and environmental consciousness to also include comfort and humanity. This is a new marker for us as we move forward in providing customers with greater value in our existing businesses and cultivate new businesses in associated fields. Since the time of our inception in 1948, when we commercialized the world's first practical fish finder, the FURUNO Group has been fulfilling its mission of solving social issues through our businesses. Meanwhile, the United Nation's Sustainable Development Goals (SDGs) are becoming a shared awareness in the international society, and companies are now being called on to contribute to realizing the SDGs through their business activities. The FURUNO Group will also actively incorporate SDGs into our corporate management and basic policy for business activities, while carefully preserving the values we have cultivated since our foundation.

**Human Resources and Corporate Culture Vision**

VALUE through GLOBALIZATION and SPEED

This is our key proposal for the focused strengthening and assessment of human resources, a valuable resource in corporate management, and corporate culture to achieve our business vision. It comprises the following three points.

**Value — Creating greater value together**

We will cultivate a deep understanding of our vision and adopt a highly autonomous approach to achieving it. We will work together with every FURUNO Group stakeholder to create even greater value in society.

**Globalization — Comprehensive globalization**

We will foster a global mindset in our organization, and ensure the optimal and maximum use of our internal and external resources to achieve our vision, irrespective of their affiliated division, region, country, etc.

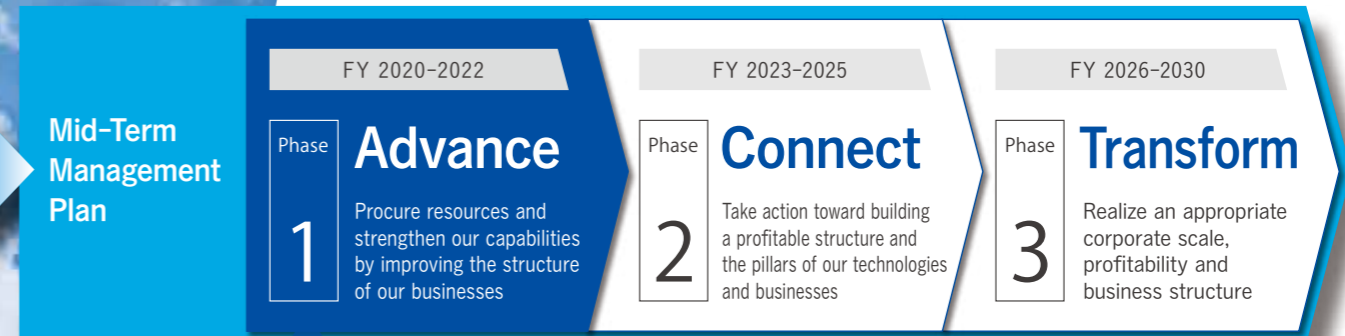
**Speed — Quick and agile decisions and action**

We will not falter in the face of change, as we strive to continue creating a new era.

FURUNO GLOBAL VISION  
**NAVIXT 2030**



We will progressively and promptly work toward realizing the FURUNO GLOBAL VISION "NAVI NEXT 2030" through the following three phases. Our growth targets for FY 2030, the completion year of the three phases, are consolidated net sales of 120 billion yen, operating margin of 10%, and new business composition ratio of 30%.



**Overview of the Mid-Term Management Plan of Phase I**

In "Phase I" of the mid-term management plan, covering the three-year period for fiscal years 2020 through 2022, we will improve profitability by implementing initiatives and individual business strategies to improve and strengthen our business.

**Main Initiatives**

<b>Strengthen Inventory Control and Achieve Appropriate Inventory Levels</b>	Promote the reduction of inventories in all areas of the value chain by working together to refine production plans by improving the accuracy of demand forecasts, review logistics systems by optimizing distribution bases, and shortening procurement and production lead times.
<b>Further Improvements in Quality</b>	Based on a "Quality Before Everything" mentality, we aim to further reduce the cost of quality loss by reviewing and steadily implementing back-to-basics quality processes in each business division, fostering quality management human resources by upgrading the quality education system, and enhancing the corporate culture.
<b>Optimization of Product Development Functions</b>	Improve development efficiency by optimizing the global development system, promoting common design, utilizing simulation, and automating the inspection process.
<b>Optimization of Comprehensive Manufacturing Functions</b>	Optimize the global production system, automate production processes, expand configured production, thoroughly eliminate waste, and promote 1/2 manufacturing.
<b>New Strategic Investment Quota</b>	Investment for future growth in Phase 2 and beyond, including fostering new businesses, R&D investment, including advanced technology areas, business expansion into peripheral areas of existing businesses, and infrastructure development.