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Securities Code: 5803
June 6, 2016
Fujikura Ltd.
5-1, Kiba 1-chome
Koto-ku, Tokyo, Japan

Notice of Invitation to Fujikura's 168th Annual General Meeting of Shareholders

To our shareholders:

You are cordially invited to attend the 168th Annual General Meeting of Shareholders of Fujikura Ltd. (the "Company"), which will be held as indicated below.

If you cannot attend the meeting, please review the Reference Document for the General Meeting of Shareholders hereinafter and exercise your voting rights no later than June 28, 2016 (Tuesday) at 5:30 p.m. (JST) according to the "Instructions Concerning the Exercise of Voting Rights" on page 3:

- 1. Date and time:** June 29, 2016 (Wednesday) at 10:00 a.m. (JST)
- 2. Place:** Assembly Hall, Fujikura head office
5-1, Kiba 1-chome, Koto-ku, Tokyo

3. Purpose of the meeting

Matters to be reported:

1. Details of the business report, the consolidated financial statements, and the reports by the independent accounting auditors and the Board of Statutory Auditors on the audit results of consolidated financial statements for the Company's 168th business year (from April 1, 2015 to March 31, 2016).
2. Details of non-consolidated financial statements for the Company's 168th business year (from April 1, 2015 to March 31, 2016).

Matters to be acted upon:

- | | |
|--------------------------------|--|
| 1st Proposal | Appropriation of surplus |
| 2nd Proposal | Election of ten Directors |
| 3rd Proposal | Election of two Statutory Auditors |
| 4th Proposal | Election of one substitute Statutory Auditor |

Masahiko Ito
President & CEO & Representative Director

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- Pursuant to the laws and regulations and our Articles of Incorporation, the following items to be attached to Notice of Invitation to Annual General Meeting of Shareholders are posted on the Company's website. Therefore, those items are not included in the attachment hereto.
 - (i) "Outline of system to secure appropriate operation and operational status of the system" in the business report
 - (ii) Notes to consolidated financial statements
 - (iii) Notes to non-consolidated financial statements
 - If there arises any circumstance which gives rise to the need for alteration in Reference Document for the General Meeting of Shareholders, the business report, consolidated financial statements and non-consolidated financial statements, we will post the altered contents on the Company's website.

Website of the Company: <http://www.fujikura.co.jp/ir/statement/meeting/index.html>

Instructions Concerning the Exercise of Voting Rights

You may exercise your voting rights using the following three methods.

1. In case of attending the General Meeting of Shareholders:

Please submit the voting form to the receptionist. (Not required to place a seal.)

Date and time:

June 29, 2016 (Wednesday) at 10:00 a.m. (JST)

Place:

Assembly Hall, Fujikura head office, 5-1, Kiba 1-chome, Koto-ku, Tokyo

2. In case of exercising the voting rights by post:

Please indicate your approval or disapproval on each of the proposals on the enclosed voting form and return the completed form to us without affixing a postage stamp.

Voting deadline:

It must be received by no later than June 28, 2016 (Tuesday) at 5:30 p.m. (JST)

3. In case of exercising the voting rights via the Internet:

Please use a PC or smartphone to access the website for exercise of voting rights (<http://www.web54.net>) and enter your approval or disapproval on each of the proposals in accordance with instructions on the screen using the “voting right exercise code” and the “password” indicated on the enclosed voting form.

Voting deadline:

No later than June 28, 2016 (Tuesday) at 5:30 p.m. (JST)

Electronic Voting Rights Execution Platform

Nominee shareholders such as trust and custody banks (including standing proxies) may use the electronic voting rights execution platform operated by the Investor Communications Japan (ICJ), Inc., a joint venture established by the Tokyo Stock Exchange, Inc. and others, as an electromagnetic mean for exercising voting rights at the General Meeting of Shareholders of the Company other than the exercise of voting rights via the Internet, provided that application for the use of this electronic voting platform is made in advance.

Reference Document for the General Meeting of Shareholders

1st Proposal Appropriation of surplus

The Company's basic policy is to make a stable and constant return of profit to shareholders in overall consideration of our business results, dividend and internal reserves for our future business development, targeting a total return ratio of 30%.

We utilize our retained earnings to invest management resources in businesses with growth potentials and streamline existing businesses.

In the fiscal year under review, operating profit and ordinary income increased due to the favorable performance of FPCs (Flexible Printed Circuit Boards) for smartphones in electronics business which has been substantially restored after the damage of floods in the Kingdom of Thailand as well as the effect of a weaker yen trend in foreign exchange rate.

As a result of careful consideration from the above standpoints, we would like to propose that the year-end dividend be ¥4.0 per share, an increase of ¥0.5 per share, as shown below.

- (i) Kind of dividend property:
Cash
- (ii) Matters concerning allocation of dividend property to shareholders and the total amount thereof:
¥4.0 per share of common stock of the Company
Total amount: ¥1,198,554,700
- (iii) Effective date for dividends from surplus:
June 30, 2016

2nd Proposal Election of ten Directors

The term of office for all the current nine Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests the election of ten Directors.

The business execution system of the Company, which is organized into units of in-house companies, is carried out with the executive directors who are in-house company chiefs serving as the entities responsible for the business execution, while steering the direction of the Company as a whole, the controlling activities of the Company as a whole, and its research and development, etc. are undertaken by the corporate divisions, production divisions and research and development divisions, which are each controlled by the executive director in charge of respective unit.

In order to establish the corporate structure that can undertake the mandate given by all stakeholders, notably the shareholders, in this proposal, the Company requests the election of Directors who are qualified for respective fields of operation based on the business execution system of the Company.

The Company is working on substantial rejuvenation of its business execution system and the fundamental reform of decision-making on the basis of the corporate governance code to address the business environment which is becoming increasingly severe and surely achieve “2020 Mid-Term Business Plan” starting from the fiscal year 2016.

Since it requires a considerable transitional period to establish this new management structure in its sound condition, in this proposal, the Company would like to request shareholders to approve an increase of one member to the total number of Directors.

No.	Name of candidate		Current Position and Responsibilities at the Company
1	Yoichi Nagahama	[Re-election]	Chairman of the Board & Representative Director
2	Masahiko Ito	[Re-election]	President & CEO & Representative Director
3	Takashi Sato	[Re-election]	Senior Executive Vice President & Representative Director, Chief of the Corporate Sales & Marketing Unit and Chief of the Electronics Business Company
4	Akira Wada	[Re-election]	Senior Vice President & Member of the Board, Chief of the Corporate R&D Unit and Chief of the Corporate Production Unit
5	Akira Sasagawa	[Re-election]	Senior Vice President & Member of the Board and Chief of the Automotive Products Company
6	Hideyuki Hosoya	[Re-election]	Senior Vice President & Member of the Board and Chief of the Power & Telecommunication Systems Company
7	Takeaki Kitajima	[New candidate]	Managing Executive Officer, Deputy Chief of the Corporate Sales & Marketing Unit and Deputy Chief of the Electronics Business Company
8	Takashi Takizawa	[New candidate]	Managing Executive Officer, and Responsible for Corporate Strategy Planning Division, Legal Department, Personnel Department, and General Affairs & Public Relations Division, the Information Business System Engineering Division and Corporate Procurement Division
9	Tetsu Ito	[New candidate]	Managing Executive Officer, and Responsible for Finance & Accounting Division, Audit Division and the Real Estate Company
10	Kenichiro Abe	[Re-election] [Outside]	Outside Director

Note:

Mr. Kenichiro Abe is an Independent Officer of the Company and the Company has filed a notification to the Tokyo Stock Exchange.

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company and Significant Concurrent Positions	
1	Yoichi Nagahama (January 1, 1950) [Re-election] Ownership of the Company's Shares 57,255	April 1973	Joined the Company
		July 1999	General Manager of the Finance & Accounting Division
		June 2003	Member of the Board
		April 2005	Member of the Board and General Manager of the Management Planning Division
		April 2006	Senior Vice President & Member of the Board and General Manager of the Corporate Strategy Planning Division
		April 2008	Senior Vice President & Member of the Board, Chief of the Staff Unit, General Manager of the Corporate Strategy Planning Division and General Manager of the Security Export Administrative Division
		April 2009	President & CEO & Representative Director
		April 2014	President & CEO & Representative Director and Chief of the Power & Telecommunication Systems Company
		April 2016 to present	Chairman of the Board & Representative Director
		Reason for the selection of candidate for Director Having served as Member of the Board from June 2003, and President & CEO & Representative Director from April 2009 until March 2016, Mr. Yoichi Nagahama has taken command of the formulation and execution of the "2015 Mid-Term Business Plan," addressing the tumultuous change in the power cable market in the aftermath of the Great East Japan Earthquake, and the restoration from the damage of the floods in the Kingdom of Thailand. The extensive reform of the business execution system and the new corporate decision-making system, which is being carried out concurrently with the start of the "2020 Mid-Term Business Plan," will greatly revolutionize how the Company is managed. The Company proposes him as a candidate for Director because it considers that his experience as a veteran of the Company who possesses intricate knowledge concerning its management and his extensive insight cultivated as President & CEO are essential for these new changes to take root for the expectations of all stakeholders to be met.	
		Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.	
	The number of years in office as Director 13 years The number of attendance at the Board of Directors Meetings 16/16		

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company and Significant Concurrent Positions
2	Masahiko Ito (September 1, 1957) [Re-election] Ownership of the Company's Shares 12,000 The number of years in office as Director 1 year The number of attendance at the Board of Directors Meetings 12/13	April 1982 Joined the Company January 2005 General Manager of the Cable Manufacturing Dept., Power Cable Division of VISCAS Corporation. May 2011 General Manager of the Superconductor Business Development Division of the New Business Development Center April 2013 Executive Officer and General Manager of the Superconductor Business Development Division of the New Business Development Center April 2014 Managing Executive Officer, Deputy Chief of the Power & Telecommunication Systems Company, Responsible for the Infrastructure Business Segment, and General Manager of the Superconductor Business Development Division of the New Business Development Center April 2015 Managing Executive Officer, Deputy Chief of the Power & Telecommunication Systems Company June 2015 Senior Vice President & Member of the Board and Deputy Chief of the Power & Telecommunication Systems Company April 2016 President & CEO & Representative Director to present
		Reason for the selection of candidate for Director Mr. Masahiko Ito possesses mainly experience accumulated over many years in the Power Systems business segment. Since 2015, he has served in the Company's management as Senior Vice President & Member of the Board, and in April 2016, he was appointed President & CEO. Mr. Ito took part in senior management in the position of being in charge of the joint-venture VISCAS Corporation, and later he led initiatives to start up new businesses and played a leading role in business mergers with other companies and business reorganization in the fields of industrial electric wires and power cables that were forced to undergo stringent business restructuring and reform. In order for the management of the Company, which operates in various business fields, to undertake the mandate given by all stakeholders, notably the shareholders, it is necessary to take a wide view of the entire company to accurately grasp the issues, expeditiously carry out decisions in the aspects that require reform, and execute business with strong leadership. The Company proposes Mr. Ito as a candidate for Director as it considers that he has the suitable experience and knowledge for such a task.
		Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company and Significant Concurrent Positions	
3	Takashi Sato (May 2, 1951) [Re-election] Ownership of the Company’s Shares 48,000 The number of years in office as Director 13 years The number of attendance at the Board of Directors Meetings 15/16	April 1974	Joined the Company
		March 1999	General Manager of the Electronics Marketing Division 1
		June 2003	Member of the Board and General Manager of the Electronics Marketing Division 1
		April 2006	Senior Vice President & Member of the Board
		April 2007	Senior Vice President & Member of the Board and Chief of the Electronics & Automotive Segment
		April 2010	Executive Vice President & Member of the Board and Chief of the Electronics & Automotive Segment
		April 2011	Executive Vice President & Member of the Board and Chief of the Marketing & Sales Segment
		April 2012	Representative Director, Executive Vice President & Member of the Board and Chief of the Marketing & Sales Segment
		April 2013	Representative Director, Executive Vice President & Member of the Board, Chief of the Power & Telecommunication Systems Company and Chief of the Corporate Sales & Marketing Unit
		April 2014 to present	Senior Executive Vice President & Representative Director, Chief of the Corporate Sales & Marketing Unit and Chief of the Electronics Business Company
	Reason for the selection of candidate for Director Mr. Takashi Sato was appointed as Member of the Board since June 2003 and currently as a Senior Executive Vice President & Representative Director, he has been involved in the management of the Company for many years. Upon the commencement of “2015 Mid-Term Business Plan,” as the Chief of the Corporate Marketing & Sales Segment, he worked on improving the business results in the midst of the massive change in the market caused by the effect of Great East Japan Earthquake or others. In addition, as a top management of the Electronics Business Company, he contributed tremendously to the recovery of the business from the damage of floods in the Kingdom of Thailand. The Company proposes him as a candidate for Director, because it considers that he can contribute to realize the Company’s future management goal by utilizing his gained experience and cultivated knowledge.		
	Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.		

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company and Significant Concurrent Positions	
4	Akira Wada (February 26,1955) [Re-election] Ownership of the Company's Shares 9,000 The number of years in office as Director 2 years The number of attendance at the Board of Directors Meetings 16/16	April 1982 Joined the Company July 2003 General Manager of the Optics and Electronics Laboratory April 2006 Head of the Electronics & Automotive Products Development Center April 2009 Executive Officer and Head of the Electronics & Automotive Products Development Center April 2011 Managing Executive Officer and Head of the Electronic Component Development Center April 2013 Managing Executive Officer and Head of the Corporate R&D Planning Center April 2014 Managing Executive Officer, Chief of the Corporate R&D Unit and Chief of the Corporate Production Unit June 2014 to present Senior Vice President & Member of the Board, Chief of the Corporate R&D Unit and Chief of the Corporate Production Unit	Reason for the selection of candidate for Director Mr. Akira Wada was appointed as Senior Vice President & Member of the Board in 2014. He has been engaged in the R&D of the Company consistently and contributed to one of the Company's management goal of promoting the power of metabolism. The Company proposes him as a candidate for Director, because it considers that he has considerable experience and superior knowledge for deciding a future direction and investment of resources concerning research and development. Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company and Significant Concurrent Positions
5	Akira Sasagawa (February 21,1958) [Re-election] Ownership of the Company's Shares 12,000 The number of years in office as Director 1 year The number of attendance at the Board of Directors Meetings 13/13	August 1982 Joined the Company March 2008 President of Fujikura Automotive America LLC November 2009 Deputy General Manager of the Automotive Products Division April 2013 Executive Officer and Deputy Chief of the Automotive Products Company April 2014 Managing Executive Officer, Deputy Chief of the Automotive Products Company and General Manager of the Automotive Products Division April 2015 Managing Executive Officer and Chief of the Automotive Products Company June 2015 to present Senior Vice President & Member of the Board and Chief of the Automotive Products Company
		Reason for the selection of candidate for Director Appointed as manager of automotive products business in the U.S. in 2008, and Senior Vice President & Member of the Board in 2015, Mr. Akira Sasagawa has been in charge of Automotive Products Company. The Company proposes him as a candidate for Director, because it considers that, in addition to his wealth of experience in overseas operation, he has considerable experience and knowledge in running this business which is expected to continue further globalizing since its major markets are overseas in such regions as the U.S., China and Europe.
		Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company and Significant Concurrent Positions	
6	Hideyuki Hosoya (February 10,1959) [Re-election] Ownership of the Company's Shares 9,000	April 1983	Joined the Company
		April 2006	General Manager of the Optics and Electronics Laboratory
		April 2010	President of OPTOENERGY Inc.
		January 2013	General Manager of the Fiber Laser Business Development Division of the New Business Development Center
		April 2014	Managing Executive Officer and Deputy General Manager of the New Business Development Center
	The number of years in office as Director 1 year The number of attendance at the Board of Directors Meetings 13/13	April 2015	Managing Executive Officer, Deputy Chief of the Power & Telecommunication Systems Company and Responsible for the Optical Fiber Division
		June 2015	Senior Vice President & Member of the Board and Deputy Chief of the Power & Telecommunication Systems Company and Responsible for the Optical Fiber Division
		April 2016 to present	Senior Vice President & Member of the Board and Chief of the Power & Telecommunication Systems Company
		Reason for the selection of candidate for Director Mr. Hideyuki Hosoya has had many years of experience of engaging in the research and development of information and communication technology. Thereafter, he gained experience as a corporate manager of a company specializing in the development of semiconductor lasers that had been acquired by the Company, and he started working on the establishment of the fiber laser business as a new business in 2013 by utilizing the devices of semiconductor lasers. In 2015, he was appointed as Senior Vice President & Member of the Board, and has been in charge of Telecommunication Systems business segment. Since April 2016, he has been in charge of Power & Telecommunication Systems Company, which is the biggest in-house company of the Company. The Company proposes him as a candidate for Director, because it considers that, in addition to his sophisticated technical knowledge, he has experience as a general manager of a laboratory and as a corporate manager, and considerable knowledge as a manager of the aforementioned in-house company.	
		Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.	

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company and Significant Concurrent Positions
7	Takeaki Kitajima (June 28,1957) [New candidate] Ownership of the Company's Shares 25,000	April 1981 Joined the Company June 2007 Senior Director of DDK Ltd. February 2009 President of Fujikura America Ltd. April 2013 Executive Officer, General Manager of the Electronic Information Marketing Division April 2014 Managing Executive Officer, General Manager of the Electronic Information Marketing Division April 2015 Managing Executive Officer and General Manager of Kansai Branch April 2016 to present Managing Executive Officer, Deputy Chief of the Corporate Sales & Marketing Unit and Deputy Chief of the Electronics Business Company Reason for the selection of candidate for Director Mr. Takeaki Kitajima has been engaged in sales and marketing of electronics business for many years, and he also has been contributed to expand the business of a subsidiary for connectors business as a corporate manager of the subsidiary. Appointed as Executive Officer in 2013 and Managing Executive Officer in 2014, he has been in charge of Marketing & Sales Segment for the electronics business, having considerable knowledge about the business. Accordingly, the Company proposes him as a candidate for Director, because it considers that he is a necessary person for executing the operation of Electronics Business Company. Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company and Significant Concurrent Positions	
8	Takashi Takizawa (November 11, 1958) [New candidate] Ownership of the Company's Shares 20,000	April 1982	Joined the Company
		April 2013	General Manager of the Printed Circuit Board Division
		April 2014	Managing Executive Officer and Deputy General Manager of the Printed Circuit Board Division
		January 2015	Managing Executive Officer, General Manager of the Corporate Strategy Planning Division
9	Tetsu Ito (August 22, 1960) [New candidate] Ownership of the Company's Shares 16,249	April 2016 to present	Managing Executive Officer, and Responsible for Corporate Strategy Planning Division, Legal Department, Personnel Department, and General Affairs & Public Relations Division, the Information Business System Engineering Division and Corporate Procurement Division
		Reason for the selection of candidate for Director Mr. Takashi Takizawa has a wide range of experience for engaging with several operations, such as technical engineering, research and development, and business management in electronics business of the Company, and he also has considerable knowledge in Company's businesses. As Managing Executive Officer and General Manager of the Corporate Strategy Planning Division since 2015, he has been involved in the formulation of 2020 Mid-Term Business Plan from the standpoint to supervise the Company as a whole. Accordingly, the Company proposes him as a candidate for Director, because it considers that he is a necessary person for the commencement of 2020 Mid-Term Business Plan to achieve further growth of the Company.	
		Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.	
9	Tetsu Ito (August 22, 1960) [New candidate] Ownership of the Company's Shares 16,249	April 1983	Joined the Company
		April 2009	General Manager of the Finance & Accounting Division
		April 2015	Executive Officer, General Manager of the Finance & Accounting Division
		April 2016	Managing Executive Officer, and Responsible for Finance & Accounting Division, Audit Division and the Real Estate Business Company
9	Tetsu Ito (August 22, 1960) [New candidate] Ownership of the Company's Shares 16,249	Reason for the selection of candidate for Director Mr. Tetsu Ito has long-standing experience in the Finance & Accounting Division of the Company and he has a considerable knowledge of finance and accounting. In addition, his experience of being stationed overseas has given him extensive insight into the administrative processes of the Company from a global perspective. He was appointed as General Manager of the Finance & Accounting Division in 2009 and Executive Officer in 2015. In April 2016, he was appointed as Managing Executive Officer and Chief of the Real Estate Business Company in addition to being responsible for the Finance and Accounting Division. Accordingly, the Company proposes him as a candidate for Director, because it considers that he is a necessary person for the growth of the Group, which is expanding on a global scale, and the construction of healthy financial conditions.	
		Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.	

Candidate No.	Name (Date of Birth)	Career Summary, Position and Responsibilities at the Company and Significant Concurrent Positions
10	Kenichiro Abe (June 9, 1952) [Re-election] [Outside] Ownership of the Company's Shares 0 The number of years in office as Director 3 years The number of attendance at the Board of Directors Meetings 16/16	March 1984 Registered as Certified Public Accountant September 2006 Representative partner of PricewaterhouseCoopers Aarata June 2012 Resigned from PricewaterhouseCoopers Aarata June 2013 Member of the Board of the Company to present
		Independence The Company has registered Mr. Kenichiro Abe as Independent Officer with the Tokyo Stock Exchange.
		Reason for the selection of candidate for Outside Director The Company judges Mr. Kenichiro Abe to be qualified for the position of Outside Director, which requires an independent standpoint, as he is a certified public accountant with highly specialist know-how and has been engaged in corporate accounting and audits of many companies for a long time and possesses ample knowledge in corporate management. At the meeting of the Board of Directors, he took part in discussions and decisions from an independent standpoint, and, utilizing his expertise and work experience as a certified public accountant, he made appropriate remarks when needed by making questions to confirm the objective and details of the discussion and expressing his opinions on the matters should be noted.
		Accordingly, the Company proposes him as a candidate for Director, because it considers that he is a necessary person to further enhance the Company's supervising function of the management.
		Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.
		Contracts for limitation of liability The Company has entered into an agreement with Mr. Kenichiro Abe to limit his liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act pursuant to Article 427, Paragraph 1 of the same law, and the maximum amount of liability for damages based on this agreement shall be the amount prescribed in laws and regulations. In the event that his re-election is approved, the Company plans to continue the said agreement.

3rd Proposal Election of two Statutory Auditors

Statutory Auditor Mr. Takashi Kunimoto will resign and the term of office for Statutory Auditor Mr. Masaaki Shimojima will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests the election of two Statutory Auditors.

The candidate for Statutory Auditor, Mr. Yasuyuki Oda is nominated as a substitute for Mr. Takashi Kunimoto who is resigning; if this proposal is approved, his term of office shall be until the expiry of that of Mr. Takashi Kunimoto in accordance with provisions of the Articles of Incorporation.

This proposal has gained the consent of the Board of Statutory Auditors.

The candidates for the Statutory Auditors are as follows.

Candidate No.	Name (Date of Birth)	Background and Position at the Company and Significant Concurrent Positions
1	Yasuyuki Oda (September 5, 1957) [New candidate] Ownership of the Company's Shares 81,435	April 1980 Joined the Company May 2006 General Manager of the Finance & Accounting Division April 2009 General Manager of the Corporate Strategy Planning Division April 2013 Executive Officer, General Manager of the Corporate Strategy Planning Division January 2015 Executive Officer, Managing Director of Fujikura Europe Ltd. June 2016 Executive Officer of the Company to present
		Reason for the selection of candidate for Statutory Auditor Since Mr. Yasuyuki Oda has been engaged in Finance & Accounting Division for many years, he has a significantly high level of knowledge about finance and accounting. He also has experience in the Corporate Strategy Planning Division as well as directly engaged in management of an overseas group company. With his specialist know-how on finance & accounting and he has wide range of experience for engaging with corporate management, the Company proposes him as a candidate for Statutory Auditor, because it considers that he is a necessary person to further enhance the audit system of the Company.
		Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.

Candidate No.	Name (Date of Birth)	Background and Position at the Company and Significant Concurrent Positions	
2	Masaaki Shimojima (April 13, 1950)	April 1974	Joined The Mitsui Bank, Limited (current Sumitomo Mitsui Banking Corporation)
		June 2002	Executive Officer and Head of Regional Cities Corporate Banking Division of Sumitomo Mitsui Banking Corporation
		June 2003	Resigned from Sumitomo Mitsui Banking Corporation
		May 2008	Director & President of Muromachi Building Service Co., Ltd.
		June 2012	Statutory Auditor of the Company
	[Re-election] [Outside]	Independence The Company has registered Mr. Masaaki Shimojima as Independent Officer with the Tokyo Stock Exchange.	
	Ownership of the Company's Shares 0 The number of years in office as Director 4 years The number of attendance at the Board of Directors Meetings 16/16 The number of attendance at the Board of Statutory Auditors Meetings 18/18	Reason for the selection of candidate for Outside Statutory Auditor Mr. Masaaki Shimojima has considerable insight in the areas of finance and accounting from his service in important positions at a leading city bank over the course of many years, as well as sufficient experience in business management. Therefore the Company judges the candidate to be qualified for the position of Outside Statutory Auditor, which requires an independent standpoint. At the Board of Directors meetings, he took part in discussions from an independent standpoint, and, utilizing his expertise and knowledge, he made appropriate remarks when needed by making questions to confirm the objective and details of the discussion and expressing his opinions on the matters should be noted. Accordingly, the Company proposes him as a candidate for Statutory Auditor, because it considers that he is a necessary person to further enhance the audit system of the Company.	
		Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.	
		Contracts for limitation of liability The Company has entered into an agreement with Mr. Masaaki Shimojima to limit his liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act pursuant to Article 427, Paragraph 1 of the same law, and the maximum amount of liability for damages based on this agreement shall be the amount prescribed in laws and regulations. In the event that his re-election is approved, the Company plans to continue the said agreement.	

4th Proposal Election of one substitute Statutory Auditor

The Company requests the appointment of one substitute Statutory Auditor, in preparation of the case that the number of the Company's Statutory Auditors would be less than the number stipulated in laws or regulations. The Company requests the appointment of the candidate as a substitute for Outside Statutory Auditor Mr. Masaaki Shimojima on the condition of the approval of Outside Statutory Auditor Soichiro Sekiuchi and the 3rd Proposal.

This proposal has gained the consent of the Board of Statutory Auditors.

The candidate for the substitute Statutory Auditor is as follows.

Name (Date of Birth)	Background and Significant Concurrent Positions
Yutaka Miyake (November 26, 1953) [Outside] Ownership of the Company's Shares 0	April 1987 to present Registered as an attorney at law (Daini Tokyo Bar Association) Attorney at Law, Tokyo Yurakucho Law Office
	Independence If Mr. Yutaka Miyake assumes the office of Outside Statutory Auditor, the Company will register him as Independent Officer with the Tokyo Stock Exchange.
	Reason for the selection of candidate for substitute Statutory Auditor The Company judges Mr. Yutaka Miyake to be qualified for the position of Outside Statutory Auditor, which requires an independent standpoint, as he is an attorney at law with highly specialist know-how and has been involved in corporate legal affairs for many years and possesses ample knowledge in corporate management. Accordingly, the Company proposes him as a candidate for substitute Statutory Auditor, because it considers that he is a necessary person to maintain the audit system of the Company in preparation of the case that the number of the Company's Statutory Auditors would be less than the number stipulated in laws or regulations.
	Special conflicts of interest between the Company and the candidate There are no special conflicts of interest between the candidate and the Company.
	Contracts for limitation of liability If Mr. Yutaka Miyake assumes the office of Outside Statutory Auditor, the Company plans to enter into an agreement to limit liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act in accordance with Article 427, Paragraph 1 of the same law, and the maximum amount of liability for damages based on this agreement shall be the amount prescribed in laws and regulations.

Business Report 168th period (from April 1, 2015 to March 31, 2016)

1. Current Status of the Fujikura Group

(1) Business Progress and Results

The Japanese economy during the fiscal year 2015 was in a mild recovery trend reflecting the improvement of corporate earnings and employment situation as well as the effect of a weaker yen. With regard to overseas markets, the U.S. economy remained firm thanks to an increase in consumer spending and housing investment whereas a sign of decelerating growth of the economy became clear in China.

As for the business performance of the Fujikura Group for the fiscal year 2015, net sales increased by 2.6% year on year to ¥678.5 billion, operating profit increased by 30.1% year on year to ¥32.6 billion and ordinary income increased by 16.8% year on year to ¥24.6 billion.

With regard to sales, although there was a drop in the price of copper, a raw material used in industrial electrical wiring, and a weakening of sales of wire harnesses for automobiles due to economic slowdown in China and South America, the favorable performance of FPCs (Flexible Printed Circuit Boards) for smartphones and the effect of the overall trend of a weaker yen mainly led to an increase in sales.

As for the operating profit, despite a decrease in sales of wire harnesses for automobiles as well as an increase in its personnel costs overseas, there was a significant increase in profit not only due to the effect of a weaker yen, but also increased revenues and improved productivity in the electronics business, notably the FPCs. The results of FPC business in the fiscal year 2015 reflected the accomplishment of recovery in its profitability following upgrades and recovery of production capacity in the fiscal year 2013 after having almost all production sites suffered substantially from floods in the Kingdom of Thailand in 2011.

As for the ordinary income, despite the increase of ¥2.7 billion in non-operating income, as a result of recording of total ¥10.7 billion in non-operating expenses including the investment loss on equity-method of ¥4.4 billion in association with the poor financial performance of VISCAS Corporation in which the Company has a 50% stake, the Company achieved ordinary income of ¥24.6 billion.

Profit attributable to owners of parent decreased by ¥0.8 billion year on year to ¥11.3 billion, as a result of recording of restructuring related expenditures, etc. of ¥6.3 billion and other extraordinary losses totaling ¥10.1 billion for the restructuring of VISCAS Corporation, although there were extraordinary gains on sales of investment securities, etc. of ¥2.7 billion.

The Company proceeded to acquire treasury stock in July 2015 and during February through April 2016, and acquired 9,554 thousand shares in total, for the total amount of ¥5.5 billion during the fiscal year under review. On May 2016, the Company cancelled 65,000 thousand of treasury stock it possessed.

Power & Telecommunication Systems Company

Major Lines of Business:

This in-house company offers a variety of cables and equipment, including those for industrial use, and for power transmission, distribution and communication as well as optical fiber cables and various products for the construction of optical networks.

Industrial electric wires, telecommunications metal cables, overhead power transmission wires, power distribution lines, cable for power supply, magnet wires, cable connection components, OPGW (Optical Ground Wire), optical fibers and cables, connection components including optical connectors, optical devices, optical fusion splicers, optical line monitoring systems, optical transmitters, optical wiring systems and related installation work

The in-house company as a whole posted net sales of ¥364.1 billion, down 0.6% year on year and an operating profit of ¥15.7 billion, up 34.1% year on year.

In the Power Systems business segment, net sales declined year on year owing to the effect of the lower price of copper, which is a raw material used for industrial electric wires. Operating profit rose year on year, mainly reflecting a strong performance by OPGW (Optical Ground Wire) in North America and an increase in the supply of cable for solar power generation system in Japan.

On April 1, 2016, a business integration was carried out between the Company and Mitsubishi Cable Industries, Ltd., which included integration of production capacities. This integration involves extending the preexisting scope of integration of “Fujikura Dia Cable Ltd.,” a joint-venture company between the Company and Mitsubishi Cable Industries, Ltd., from being limited to only part of the market to encompassing manufacturing and sales of industrial electric wires overall. In addition to generating synergistic effect by utilizing both companies’ strengths, thorough rationalization and streamlining of the business operations by unifying the manufacturing and sales operations shall be proceeded to strive for survival in the field of industrial electric wires.

Moreover, on April 25, 2016, the Company concluded a basic agreement with Furukawa Electric Co., Ltd. concerning the dissolution of the electric power cable company VISCAS Corporation, a joint-venture company between the two companies. The joint venture’s business operations have been carried out since it was established in 2001. Both companies share the view that due to the current circumstances of continuing weak financial performance, it is difficult to continue the joint venture. Accordingly, after the result of extensive review, it has been decided that the joint venture will be resolved with the business associated with the power distribution line/overhead power transmission line business being succeeded by the Company and the underground and undersea power transmission line business being succeeded by Furukawa Electric Co., Ltd.

In the Telecommunication Systems business segment, the optical fiber performed favorably, supported by strong worldwide demand, particularly in China. Optical connection parts performed strongly for the data center and the telecommunication infrastructure upgrade and optical fusion splicers performed favorably in North America and China due to strong demand in those countries. On top of the aforementioned, there were also favorable effects from foreign exchange. As a result, there were increases in both revenue and profit overall.

Against the backdrop of the popularization of cloud computing, data centers are continually being established. In order to make a full-scale entry into this market, where we are beginning to see the establishment of hyperscale data centers that have made dramatic leaps forward with respect to storage capacity compared with the conventional data centers, the Company acquired “NetIG, LLC” (Washington State in the U.S.), which conducts business with big customers in the U.S., a major market in this field, on December 2015. By carrying out such moves, the Company aims to expand the optical connection parts business.

Electronics Business Company

Major Lines of Business:

This in-house company provides various components of electronic equipment for digital home electronics and mobile devices, etc.

FPCs, connectors, electronic wires, HDD components, sensors, micro heat pipes and heat sinks

The in-house company posted net sales of ¥161.1 billion, up 14.7% year on year, and operating profit of ¥12.0 billion, up 74.0% year on year.

In the FPC business, which has fully recovered from the devastation caused by the floods in the Kingdom of Thailand, both revenue and profit increased year on year, with a particularly strong performance for the smartphone. This was partly due to higher-than-expected demand from major customers but it also reflected the results of our efforts carried out up until now to enhance productivity and improve quality.

Sales for connectors decreased, as those for portable base stations and industrial machines were stagnant.

Automotive Products Company

Major Lines of Business:

This in-house company provides various electric components for automobiles.

Wire harnesses and automotive components

The in-house company posted net sales of ¥135.8 billion, down 2.4% year on year, and operating profit of ¥2.3 billion, down 45.1% year on year.

An overall decline in revenue is mainly a reflection of weaker sales in the markets of China and South America due to the slowing down of their respective economies, despite ongoing strong performance in the North American market.

The factors behind the considerable decline in operating profit include not only the decline in revenue, but also an overall increase in costs, including the occurrence of surplus personnel caused by production adjustments in China, and a rise in personnel expenses in Europe. The Company has since taken measures to address the changes in the Chinese market by carrying out structural reforms that include the closing of some production sites.

Real Estate Business Company

Major Lines of Business:

This in-house company is engaged in the building rental business, operating “Fukagawa GATHARIA.”

With rent income from “Fukagawa GATHARIA,” which is the redevelopment business on the former site of Fukagawa Works, the in-house company continuously recorded stable profit with net sales of ¥10.7 billion and operating profit of ¥5.3 billion.

Issues facing the Group

In the five-year plan “2015 Mid-Term Business Plan,” which began in fiscal year 2011, the Company has set the goal of reaching 6.3% or higher operating profit margin in fiscal year 2015, the last year of the Plan. However, after the formulation of the Plan in March 2011, capital investment of electric power companies drastically dropped following the Great East Japan Earthquake and the Fukushima Daiichi nuclear power plant accident; and in October of the same year, major production sites for the Company’s electronics business suffered devastating damage from large-scale floods in the Kingdom of Thailand.

Despite having suffered from extremely rare natural disasters repeatedly, the performance in the fiscal year 2015 which is the final year of the “2015 Mid-Term Business Plan,” the Company achieved roughly 80% of the targeted operating profit margin with the net sales of ¥678.5 billion, operating profit of ¥32.6 billion and the operating profit margin of 4.8%.

Under the new five-year plan “2020 Mid-Term Business Plan” which began in fiscal year 2016, the Company regards it as the priority issues to possessing higher earning power and stronger metabolic power, and improving the financial position by maintaining and strengthening the “earning power” which is regaining by the previous Mid-Term Business Plan, and pursues the management goal of reaching sales of ¥900 billion yen, operating profit margin of 7.0% or higher, ROE of 10% or higher, and D/E ratio of 40:60 (0.66 times) in the fiscal year 2020.

As the growth strategy, the Company will promote the following four points:

i) Expand strategic customers

By closely interacting with strategic customers, we will grasp new business opportunities, while striving to grow the existing business further.

ii) Speed up the creation of new businesses

We will strengthen the system to promote new businesses. We will regard automobile related, industrial equipment and medical equipment as priority fields, and focus on them.

iii) Open innovation

We will generate new value for customers by considering supplementing what is lacking (functions, products, etc.) in business structure of the Company or in procurement through sales from other companies and speeding up necessary technological development, business development and growth of business.

iv) Reform of management and business structure

While responding to the Corporate Governance Code, we will strive to improve the quality and speed of decision-making on diversified businesses as well as strengthen management base.

In the consolidated business plan for the fiscal year of 2016, the first year of 2020 Mid-Term Business Plan, we will pursue sales of ¥690 billion (up 1.7% year on year), operating profit of ¥28 billion (down 14.2% year on year), ordinary income of ¥25 billion (up 1.5% year on year), and profit attributable to owners of parent of ¥15 billion (up 32.5% year on year). Concerning profits, although we expect a decline in operating profit due to the negative effect of foreign exchange rates and other factors, in terms of ordinary income, and profit attributable to owners of parent, we expect an increase in profits as a result of a decrease in non-operating expenses and decrease in extraordinary losses such as the business structural reform costs recorded in the previous year.

For returning profit to shareholders, up until now, in addition to the acquisition of treasury stock, the Company had been targeting 30% for its total return ratio. However, since we start to find prospects for the optimization of the total number of issued shares that we have been working on, the Company has changed its policy to regard the amounts of interim and year-end dividends as objectives for returning profit and setting a target of 20% for its dividend payout ratio from the fiscal year 2016. Accordingly, the annual dividend per share is scheduled to be increased from the previous year by ¥2 per share to ¥10 per share (aggregate of interim and year-end dividends of ¥5 each).

The following are priority issues for each company in fiscal year 2016.

Power & Telecommunication Systems Company

In the Power Systems business segment, restructuring of the industrial electric wire business for

domestic market will be completed. Moreover, the in-house company will strive to establish business bases overseas, including in Myanmar and Brazil.

In the telecommunication systems business segment, it will strive to strengthen businesses for optical fiber network development and data centers all over the world.

Electronics Business Company

For FPCs and connectors, the in-house company will strive to grow by strengthening relationship with strategic customers through speedy responses.

Automotive Products Company

The in-house company will proceed with the establishment of efficient production systems for the start of mass production for products for multiple new automobile models, particularly for the European and Central and South American markets. It will also work on strengthening its business by enhancing its responsiveness to customers.

It will also proceed with the upgrade of its structure for new products and business development for the automotive market.

(2) Group Capital Expenditure

The Group made capital expenditures of ¥31.9 billion in total for the 168th period.

Principal capital expenditure items are as follows.

Electronics Business Company

To respond to the increasing orders-received due to robust demand, the Company made capital investments to increase FPC production in the Kingdom of Thailand or other countries.

Automotive Products Company

The Company constructed new manufacturing bases and expanded existing ones of automotive wire harness in East Europe and Central and South America in line with customers' activities such as the launch of new cars.

(3) Group Fund Procurement

1) Fund procurement

No notable matters.

2) Principal lenders and loan amounts

(Millions of yen)

Lender	Balance of loan at the end of the 168th period
Sumitomo Mitsui Banking Corporation	32,551
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	14,080
Mizuho Bank, Ltd.	11,207
Sumitomo Mitsui Trust Bank, Limited	8,400
The Shizuoka Bank, Ltd.	8,055
Sumitomo Mitsui Banking Corporation (China) Limited	6,152
Syndicated loan	41,350

Note:

The syndicated loan is a loan from a syndicate, with Sumitomo Mitsui Banking Corporation as the arranger.

(4) Financial Position and Business Performance of the Group

(Millions of yen)

Title	165th period FY2011	166th period FY2013	167th period FY2014	168th period (current period) FY2015
Net Sales	491,118	590,980	661,510	678,528
Ordinary Income	1,279	13,839	21,082	24,629
Profit attributable to owners of parent	3,049	3,328	12,201	11,317
EPS (yen)	8.65	9.99	37.93	36.98
Net Assets	204,771	207,242	234,527	217,981
Total Assets	528,900	537,281	577,567	552,678

(5) Principal Business Locations of the Group (Names and locations)*** The Company**

Head office: Koto-ku, Tokyo

Branches: Kansai Branch (Osaka Prefecture), Chubu Branch (Aichi Prefecture)

Plants: Sakura Works (Chiba Prefecture), Suzuka Works (Mie Prefecture) and Numazu Works (Shizuoka Prefecture)

Laboratories: Advanced Technology Laboratory (Chiba Prefecture)

*** Subsidiaries**

Nishi Nippon Electric Wire & Cable Co., Ltd. (Oita Prefecture), Yonezawa Electric Wire Co., Ltd. (Fukushima Prefecture), Shinshiro Cable, Ltd. (Aichi Prefecture), America Fujikura Ltd. (U.S.), DDK Ltd. (Tochigi Prefecture), Fujikura Electronics (Thailand) Ltd. (the Kingdom of Thailand), Fujikura Electronics Shanghai Ltd. (China), Fujikura Automotive Asia Ltd. (Yamagata Prefecture), Fujikura Automotive Europe S.A.U. (Spain) and Fujikura Zhuhai Co., Ltd. (China)

(6) Employees of the Group (as of March 31, 2016)

Segments, etc.	Number of employees (persons)	
Power & Telecommunication Systems Company	11,197	(1,090)
Electronics Business Company	15,969	(5,317)
Automotive Products Company	25,731	(6,020)
Real Estate Business Company	10	(24)
Head office and other	1,207	(254)
Total	54,114	(12,705)

Note:

Figures shown in parentheses above are annual average numbers of temporary employees, excluded from the total number of employees.

(7) Principal Subsidiaries

An outline of principal subsidiaries of the Company is as follows. Each subsidiary manufactures and markets the products listed in the right column.

The Company has 99 consolidated subsidiaries (same as previous year) and 10 subsidiaries under the equity method (an increase of 2 from the previous year).

Company name	Major lines of business
Nishi Nippon Electric Wire & Cable Co., Ltd. Capital: ¥960 million Ownership percentage: 60.7%	Electric wires and cables, multifunction electric wires, unit cables for indoor wiring, eco electric wires, machines and equipment for uninterruptible power supply construction work, machines and equipment for laying electric wires and cables underground, optical fiber cables and optical fiber cables with connectors
Yonezawa Electric Wire Co., Ltd. Capital: ¥400 million Ownership percentage: 94.8%	Electric wires and cables
Shinshiro Cable, Ltd. Capital: ¥480 million Ownership percentage: 100.0%	Electric wires and cables
America Fujikura Ltd. Capital: 202 million U.S. dollars Ownership percentage: 100.0%	Supervision and management of group companies in the U.S. and possession of shares OPGW, cable connection parts, optical fiber cables, optical fusion splicers, optical measuring instruments, optical fibers cables with connectors, optical parts and telecommunications related work, wire harnesses for automobiles
DDK Ltd. Capital: ¥100 million Ownership percentage: 99.8%	Various connectors
Fujikura Electronics (Thailand) Ltd. Capital: 11,552 million Thai baht Ownership percentage: 100.0%	FPCs, various electronic wires, heat sinks, micro heat pipes, HDD components, membrane switches, optical fiber cables with connectors and optical couplers
Fujikura Electronics Shanghai Ltd. Capital: 97 million renminbi Ownership percentage: 100.0%	FPCs
Fujikura Automotive Asia Ltd. Capital: ¥1,772 million Ownership percentage: 100.0%	Wire harnesses for automobiles, wire harnesses for equipment, automotive products
Fujikura Automotive Europe S.A.U. Capital: 10 million euros Ownership percentage: 100.0%	Wire harnesses for automobiles and automotive products
Fujikura Zhuhai Co., Ltd. Capital: 132 million renminbi Ownership percentage: 100.0%	Wire harnesses for automobiles and automotive products

2. Matters Concerning the Company's Stock (As of March 31, 2016)

(1) Number of Authorized Shares	1,190,000,000 shares
(2) Number of Shares Issued	360,863,421 shares (Including 61,224,746 shares of treasury stock)
(3) Number of Shareholders	22,171 (3,015 down from the previous fiscal year end)
(4) Major Shareholders	

(Thousand shares; %)

Name	Number of shares held	Percentage of total shares issued
The Master Trust Bank of Japan, Ltd. (Trust Account)	20,955	6.99
Japan Trustee Services Bank, Ltd. (Trust Account)	16,733	5.58
Mitsui Life Insurance Company Limited	10,192	3.40
Sumitomo Mitsui Banking Corporation	8,456	2.82
The Shizuoka Bank, Ltd.	7,713	2.57
CBNY DFA INTL SMALL CAP VALUE PORTFOLIO	7,655	2.55
Japan Trustee Services Bank, Ltd. (Sumitomo Mitsui Trust Bank, Limited Retirement Benefit Trust Account)	6,777	2.26
Dowa Metals & Mining Co., Ltd.	6,563	2.19
MELLON BANK, N.A. AS AGENT FOR ITS CLIENT MELLON OMNIBUS US PENSION	5,531	1.84
Fujikura Employees Shareholding Association	5,336	1.78

Notes:

1. The numbers presented in "Number of shares held" are presented based on the list of shareholders.
2. Although the Company owns 61,224,746 shares of treasury stock, this is excluded from the above table.
3. The percentage values presented in "Percentage of total shares issued" are calculated excluding treasury stock.

(5) Other Significant Matters Concerning the Company's Stock

Acquisition of own stock

The Company acquired the following own stock during the fiscal year under review.

- Date of resolution: July 29, 2015
Date of acquisition: July 30, 2015
Number of acquired shares: 3,824 thousand shares
Total acquisition price: ¥2,432,064,000
- Date of resolution: February 22, 2016
Acquisition period: From February 23, 2016 to April 14, 2016
Number of acquired shares: 10,000 thousand shares
(Total number of shares repurchased as of March 31, 2016: 5,730 thousand shares)
Total acquisition price: ¥5,359,986,950
(Total amount of repurchasing as of March 31, 2016: ¥3,135,930,003)

On May 18 2016, the Company cancelled 65,000 thousand of treasury stock it possessed.

3. Matters Concerning the Company's Officers (As of March 31, 2016)

(1) Directors and Statutory Auditors

Position	Name	Responsibilities
President & CEO & Representative Director*	Yoichi Nagahama	Supervising Power & Telecommunication Systems Company
Senior Executive Vice President & Representative Director*	Takashi Sato	Supervising Corporate Sales & Marketing Unit, Electronics Business Company
Senior Vice President & Member of the Board	Akio Miyagi	Supervising Corporate Staff Unit Responsible for the Corporate Strategy Planning Division, Human Resources & General Affairs Division, Information Business System Engineering Division
Senior Vice President & Member of the Board	Hideo Shiwa	Supervising Real Estate Business Company Supervising Corporate Staff Unit as deputy chief Responsible for Legal Department, Finance & Accounting Division, Audit Division
Senior Vice President & Member of the Board	Akira Wada	Supervising Corporate R&D Unit, Corporate Production Unit
Senior Vice President & Member of the Board	Masahiko Ito	Supervising Power & Telecommunication Systems Company as deputy chief
Senior Vice President & Member of the Board	Akira Sasagawa	Supervising Automotive Products Company
Senior Vice President & Member of the Board	Hideyuki Hosoya	Supervising Power & Telecommunication Systems Company as deputy chief
Member of the Board	Kenichiro Abe	
Full-time Statutory Auditor	Takashi Kunimoto	
Full-time Statutory Auditor	Masato Koike	
Statutory Auditor (from outside the Company)	Soichiro Sekiuchi	
Statutory Auditor (from outside the Company)	Masaaki Shimojima	

Notes:

1. The asterisk (*) indicates officers holding the position of Representative Director.
2. Member of the Board Mr. Kenichiro Abe serves as an Outside Director, as provided for in Article 2, Item 15 of the Companies Act.
3. Statutory Auditors Mr. Soichiro Sekiuchi and Mr. Masaaki Shimojima serve as Outside Statutory Auditors, as provided for in Article 2, Item 16 of the Companies Act.
4. Statutory Auditor Mr. Masaaki Shimojima has assumed key posts in a major city bank for many years and has a significantly high level of knowledge about finance and accounting.
5. Significant concurrent positions are as follows.
Mr. Soichiro Sekiuchi is an attorney at law at Tokyo Yurakucho Law Office.
6. Mr. Kenichiro Abe, Mr. Soichiro Sekiuchi and Mr. Masaaki Shimojima are registered as Independent Officers with the Tokyo Stock Exchange.
7. On April 1, 2016, positions were changed as follows.

Name	After Change	Before Change
Yoichi Nagahama	Chairman of the Board & Representative Director	President & CEO & Representative Director
Masahiko Ito	President & CEO & Representative Director	Senior Vice President & Member of the Board
Akio Miyagi	Member of the Board	Senior Vice President & Member of the Board
Hideo Shiwa	Member of the Board	Senior Vice President & Member of the

	Board
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8. Executive Officers other than Members of the Board are as follows. (as of March 31, 2016)

Senior Managing Executive Officer	Hideo Naruse
Senior Managing Executive Officer	Yoshikazu Nomura
Managing Executive Officer	Izumi Ishikawa
Managing Executive Officer	Tadatoshi Kuge
Managing Executive Officer	Jody E. Gallagher
Managing Executive Officer	Toru Aizawa
Managing Executive Officer	Takeaki Kitajima
Managing Executive Officer	Takashi Takizawa
Managing Executive Officer	Masahiro Ikegami
Managing Executive Officer	Ichiro Kamada
Managing Executive Officer	Teiji Suzuki
Executive Officer	Kiminori Sato
Executive Officer	Morio Suzuki
Executive Officer	Yasuyuki Oda
Executive Officer	Ikuo Kobayashi
Executive Officer	Keisuke Okamura
Executive Officer	Kenji Nishide
Executive Officer	Ryoichi Hara
Executive Officer	Takeshi Sato
Executive Officer	Tetsu Ito

(2) Overview of provisions in contracts for limitation of liability

The Company and each Outside Director and Outside Statutory Auditor have entered into a contract to limit their liability to damages in Article 423, Paragraph 1 of the Companies Act, in accordance with the provisions of Article 427, Paragraph 1 of the said act. The maximum amount of liability for damages under this contract is defined as the amount as stipulated by laws and regulations.

(3) Matters Concerning Officers from Outside the Company

The Company's Officers from outside the Company are Member of the Board Mr. Kenichiro Abe, Statutory Auditors Mr. Soichiro Sekiuchi and Mr. Masaaki Shimojima.

Main activities during the 168th Period

	Attendance and Statements Contribution
Member of the Board Kenichiro Abe	He attended all 16 meetings of the Board of Directors, which were held during the current fiscal year. He took part in discussions and decisions at the meetings of the Board of Directors from a standpoint independent from management, asked questions in order to confirm the purposes and details of the agenda, and, utilizing his expertise and work experience as a certified public accountant, made appropriate remarks as required on matters requiring caution, etc.

	Attendance and Statements Contribution
Statutory Auditor Soichiro Sekiuchi	He attended all 16 meetings of the Board of Directors, which were held during the current fiscal year, and all 18 meetings of the Board of Statutory Auditors. He took part in discussions at the meetings of the Board of Directors from a standpoint independent from management, asked questions in order to confirm the purposes and details of the agenda, and, utilizing his expertise and work experience as an attorney at law, made appropriate remarks as required on matters requiring caution, etc.
Statutory Auditor Masaaki Shimojima	He attended all 16 meetings of the Board of Directors, which were held during the current fiscal year, and all 18 meetings of the Board of Statutory Auditors. He took part in discussions at the meetings of the Board of Directors from a standpoint independent from management, asked questions in order to confirm the purposes and details of the agenda, and, by utilizing his experience and knowledge acquired in important positions in a major city bank over the years, made appropriate remarks as required on matters requiring caution, etc.

There is nothing applicable to the disclosure items concerning outside officers, stipulated in Article 124 of the Ordinance for Enforcement of the Companies Act, except for the aforementioned and following in next (4).

(4) Total Amount of Compensation to Directors and Statutory Auditors

Office	Number of payees	Total amount of payments
Directors	12	¥ 363,000,000
(Outside Director)	(1)	(¥7,000,000)
Statutory Auditors	4	¥ 57,000,000
(Outside Statutory Auditors)	(2)	(¥10,000,000)

Notes:

1. The above number of payees includes three Directors who left their offices at the conclusion of the 167th Annual General Meeting of Shareholders on June 26, 2015.
2. It was resolved that the amount of compensation to Directors should be under ¥510 million per year (including not more than ¥30 million for Outside Director) at the 167th Annual General Meeting of Shareholders.
3. It was resolved that the amount of compensation to Statutory Auditors should be under ¥6 million per month at the 158th Annual General Meeting of Shareholders.

(5) Outline of Policy Concerning Decision of Compensation to Officers

*** Level of Compensation to Officers**

The Company not only deals with a variety of products but also promotes a global business operation. Accordingly, the duties of officers are diverse and require expertise.

Therefore, the level of compensation to officers should be set at a level appropriate to recruit qualified people capable of fulfilling these duties, and this level is decided in reference to surveys conducted by a number of research agencies that target mainly listed companies.

*** Compensation to Directors**

Director compensation consists of a fixed portion which corresponds to the monitoring and supervisory functions of the Director (fixed compensation), and a flexible portion which corresponds to the execution responsibilities of the Director, which is linked to performance (performance-linked compensation).

Fixed compensation is a fixed amount based on rank with adjustments made for experience. Performance-linked compensation evaluates the performance of each executive director in each fiscal year by assessing their level of achievement against that year's business plan and other performance targets in the executive director's area of responsibility. Performance-linked compensation is set to within 30% of the fixed compensation amount.

*** Compensation to Statutory Auditors**

Compensation to Statutory Auditors is fixed based on the duties of the position.

Regarding the compensation to Directors, the Company is examining the ratio of performance-linked compensation and considering the introduction of compensation system which includes compensation by own shares as compensation. Moreover, it is also considering voluntarily establishing a compensation committee in order to improve the objectivity and transparency of the process of deciding compensation.

4. Matters Concerning Accounting Auditor

(1) Accounting Auditor

PricewaterhouseCoopers Aarata

Effective July 1, 2015, the Japanese name of PricewaterhouseCoopers Aarata was changed from “Aarata Kansa-houjin” to “PwC Aarata Kansa-houjin.”

(2) Content of Non-Audit Services

Not applicable.

(3) Compensation paid by the Total Group

	Amount
1. Compensations as Accounting Auditor of the Company for the 168th period	¥100 million
2. Sum of amount the Company and its subsidiaries owe to Accounting Auditor (including the amount in 1).	¥157 million

Notes:

1. Because there is no distinction in the audit contract concluded by the Company with the Accounting Auditor between the amounts of compensation for the audit based on the Companies Act and that based on the Financial Instruments and Exchange Act, and practically it is impossible to distinguish, the amount in “1.” above is the sum of them.
2. The Company’s principal subsidiary companies, America Fujikura Ltd., Fujikura Electronics (Thailand) Ltd., Fujikura Electronics Shanghai Ltd., Fujikura Automotive Europe S.A.U., and Fujikura Zhuhai Co., Ltd. are subject to audits by audit corporations other than the Company’s accounting auditor.
3. Taking into account the “Practical Guidelines for Cooperation with Accounting Auditors” released by Japan Audit & Supervisory Board Members Association, the Board of Statutory Auditors, by acquiring necessary documents and hearing reports from Accounting Auditor and relevant sections within the Company, compares the audit plan with the actual results of the previous fiscal year; confirms the time and contents of audit by auditing item for the fiscal year under review; and examines the appropriateness of the amount of compensation. After these examinations, the Board of Statutory Auditors gives its consent to the compensation etc. of Accounting Auditor in accordance with Article 399, Paragraph 1 of the Companies Act.

(4) Policy on Decision Concerning Dismissal or Non-Reappointment of Accounting Auditor

It is the policy of the Company that the Accounting Auditor shall be dismissed with the consent of all Statutory Auditors in the case that the Accounting Auditor infringes on or violates laws and regulations such as the Companies Act and the Certified Public Accountant Law. Moreover, in the case that it determines that a serious impediment or possibility of a serious impediment arises in the Company’s auditing in light of changes in the nature of the Company’s business or the corporate scale including consolidated group, or smoothness of partnership with other audit organizations, the Board of Statutory Auditors shall propose to a General Meeting of Shareholders “Dismissal or Non-reappointment of Accounting Auditor.”

Note:

Monetary amounts and numbers of shares less than stated units in this Business Report are rounded down.

Consolidated Balance Sheets

(As of March 31, 2016)

(Millions of yen)

ASSETS		LIABILITIES	
Current Assets	282,438	Current Liabilities	201,919
Cash and deposits	34,961	Notes and accounts payable, trade	73,734
Notes and accounts receivable, trade	143,857	Short-term borrowings	66,328
Merchandise and finished goods	32,189	Current portion of bonds	20,000
Work in process	19,168	Tax payable	2,029
Raw materials and supplies	27,910	Provision for business structure improvement	1,907
Deferred income taxes	5,263	Other current liabilities	37,920
Other current assets	19,845		
Less: Allowance for doubtful accounts	(759)	Long-term Liabilities	132,777
Fixed Assets	270,239	Bonds	30,000
Tangible Fixed Assets	179,953	Long-term borrowings	81,317
Buildings and structures	80,052	Deferred taxes liabilities	766
Machinery, equipment and vehicles	56,067	Provision for business structure improvement	578
Land	15,732	Allowance for loss on guarantees	213
Lease assets	2,657	Other provision	32
Construction in progress	15,888	Net defined benefit liability	9,218
Other tangible fixed assets	9,554	Other long-term liabilities	10,649
Intangible Fixed Assets	21,295	Total Liabilities	334,697
Goodwill	10,949	NET ASSETS	
Other intangible fixed assets	10,346	Shareholders' Equity	193,608
Investments and Other Assets	68,990	Common stock	53,075
Investment securities	38,533	Capital surplus	57,333
Net defined benefit asset	1,547	Retained earnings	108,553
Deferred income taxes	10,643	Treasury stock	(25,353)
Other investments and assets	20,452	Accumulated other comprehensive income	4,964
Less: Allowance for doubtful accounts	(2,149)	Unrealized gains on investment securities, net of taxes	5,607
Less: Allowance for investment loss	(36)	Deferred hedge losses	(8)
		Foreign currency translation adjustment	8,010
		Remeasurements of defined benefit plans	(8,644)
		Non-controlling interests	19,407
		Total Net Assets	217,981
Total Assets	552,678	Total Liabilities and Net Assets	552,678

Consolidated Statements of Income

(From April 1, 2015 through March 31, 2016)

(Millions of yen)

Net Sales		678,528
Cost of sales		551,920
Gross Profit		126,607
Selling, general and administrative expenses		93,974
Operating Profit		32,632
Non-operating Income		
Interest income	227	
Dividend income	1,210	
Foreign exchange gains	134	
Gain on reversal of product repair expenses	313	
Other non-operating income	838	2,725
Non-operating Expenses		
Interest expense	2,783	
Equity in losses of affiliates	2,918	
Litigation expenses	1,389	
Other non-operating expenses	3,635	10,727
Ordinary Income		24,629
Extraordinary Gains		
Gain on sales of investment securities	2,420	
Gains on the sale of fixed assets	325	2,745
Extraordinary Losses		
Restructuring related expenditures	7,801	
Litigation settlement	1,155	
Other extraordinary losses	1,227	10,183
Net Profit before Income Taxes		17,191
Corporate Income, Resident, and Business Taxes	8,711	
Adjustment for corporate income taxes	(4,069)	4,641
Profit		12,549
Profit attributable to non-controlling interests		1,232
Profit attributable to owners of parent		11,317

Consolidated Statements of Shareholders' Equity

(From April 1, 2015 through March 31, 2016)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance outstanding as of April 1, 2015	53,075	55,035	99,539	(19,762)	187,888
Changes during the fiscal year					
Dividends from retained earnings			(2,303)		(2,303)
Profit attributable to owners of parent			11,317		11,317
Acquisition of treasury stock				(5,590)	(5,590)
Disposal of treasury stock		0		0	0
Change in treasury shares of parent arising from transactions with non-controlling shareholders		2,282			2,282
Purchase of shares of consolidated subsidiaries		15			15
Change of scope of equity method			(0)		(0)
Changes in other than shareholders' equity during the fiscal year, net					-
Total changes during the fiscal year	-	2,297	9,013	(5,590)	5,720
Balance outstanding as of March 31, 2016	53,075	57,333	108,553	(25,353)	193,608

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Unrealized gains on investment securities, net of taxes	Deferred hedge losses	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance outstanding as of April 1, 2015	11,078	71	24,059	(4,516)	30,692	15,946	234,527
Changes during the fiscal year							
Dividends from retained earnings					-		(2,303)
Profit attributable to owners of parent					-		11,317
Acquisition of treasury stock					-		(5,590)
Disposal of treasury stock					-		0
Change in treasury shares of parent arising from transactions with non-controlling shareholders					-		2,282
Purchase of shares of consolidated subsidiaries					-		15
Change of scope of equity method					-		(0)
Changes in other than shareholders' equity during the fiscal year, net	(5,471)	(80)	(16,048)	(4,127)	(25,727)	3,461	(22,266)
Total changes during the fiscal year	(5,471)	(80)	(16,048)	(4,127)	(25,727)	3,461	(16,545)
Balance outstanding as of March 31, 2016	5,607	(8)	8,010	(8,644)	4,964	19,407	217,981

Non-consolidated Balance Sheets

(As of March 31, 2016)

(Millions of yen)

ASSETS		LIABILITIES	
Current Assets	126,564	Current Liabilities	129,306
Cash and deposits	3,949	Notes payable	4,041
Notes receivable	2,884	Accounts payable, trade	35,601
Accounts receivable, trade	76,532	Short-term borrowings	26,107
Merchandise and finished goods	4,417	Current portion of bonds	20,000
Work in process	6,433	Accrued expenses	9,063
Raw materials and supplies	2,418	Deposit money	26,402
Accounts receivable	16,894	Provision for business structure improvement	1,907
Short-term loans	10,041	Other current liabilities	6,184
Other current assets	2,993		
		Long-term Liabilities	109,963
		Bonds	30,000
Fixed Assets	221,492	Long-term borrowings	70,063
Tangible Fixed Assets	71,599	Long-term lease and guarantee deposited	8,628
Buildings	49,763	Provision for business structure improvement	578
Structures	2,157	Allowance for loss on guarantees	190
Machinery and equipment	6,674	Other long-term liabilities	502
Land	9,384		
Construction in progress	2,514	Total Liabilities	239,270
Other tangible fixed assets	1,105		
		NET ASSETS	
Intangible Fixed Assets	2,355	Shareholders' Equity	103,534
Software	1,931	Common stock	53,075
Other intangible fixed assets	424	Capital surplus	55,179
		Capital reserve	13,268
Investments and Other Assets	147,537	Other capital surplus	41,910
Investment securities	23,645	Retained earnings	20,583
Investments in subsidiaries and affiliates	88,845	Other retained earnings	20,583
Contribution to subsidiaries' and affiliates' capital	22,008	Reserve for deferral of capital gain	953
Long-term loans receivable	2,508	Retained earnings brought forward	19,629
Prepaid pension expenses	10,951	Treasury stock	(25,304)
Other investments	4,200		
Less: Allowance for doubtful accounts	(2,769)	Valuation and translation adjustments	5,252
Less: Allowance for investment losses	(1,853)	Unrealized gains on investment securities, net of taxes	5,212
		Deferred hedge gains	39
Total Assets	348,056	Total Net Assets	108,786
		Total Liabilities and Net Assets	348,056

Non-consolidated Statements of Income

(From April 1, 2015 through March 31, 2016)

(Millions of yen)

Net sales		325,361
Cost of sales		291,770
Gross profit		33,590
Selling, general and administrative expenses		29,979
Operating Profit		3,611
Non-operating Income		
Interest and dividend income	6,269	
Foreign exchange gains	909	
Other non-operating income	702	7,881
Non-operating Expenses		
Interest expenses	1,148	
Interest on bonds	455	
Litigation expenses	1,099	
Other non-operating expenses	1,866	4,570
Ordinary Income (Loss)		6,923
Extraordinary Gains		
Gain on sales of investment securities	2,240	2,240
Extraordinary Losses		
Loss on valuation of investments in subsidiaries and affiliates	13,550	
Restructuring related expenditures	2,486	
Other extraordinary losses	1,639	17,676
Net Profit (Loss) before Income Taxes		(8,512)
Corporate Income, Resident, and Business Taxes	306	
Adjustment for Corporate Income Taxes	(2,992)	(2,685)
Net Profit (Loss)		(5,827)

Non-Consolidated Statements of Shareholders' Equity

(From April 1, 2015 through March 31, 2016)

(Millions of yen)

	Shareholders' equity						
	Common stock	Capital surplus			Retained earnings		Total Retained earnings
		Capital reserve	Other capital surplus	Total capital reserve	Other retained earnings Reserve for deferral of capital gain	Retained earnings brought forward	
Balance outstanding as of April 1, 2015	53,075	13,268	41,910	55,179	933	27,780	28,714
Changes during the fiscal year							
Dividends from retained earnings				-		(2,303)	(2,303)
Provision of reserve for advanced depreciation of fixed assets				-	19	(19)	-
Net profit (loss)				-		(5,827)	(5,827)
Acquisition of treasury stock				-			-
Disposal of treasury stock			0	0			-
Changes in other than shareholders' equity during the fiscal year, net				-			-
Total changes during the fiscal year	-	-	0	0	19	(8,150)	(8,130)
Balance outstanding as of March 31, 2016	53,075	13,268	41,910	55,179	953	19,629	20,583

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury stock	Total shareholders' equity	Unrealized gains on investment securities, net of taxes	Deferred hedge losses	Total valuation and translation adjustments	
Balance outstanding as of April 1, 2015	(19,714)	117,255	10,518	56	10,575	127,830
Changes during the fiscal year						
Dividends from retained earnings		(2,303)			-	(2,303)
Provision of reserve for advanced depreciation of fixed assets		-			-	-
Net profit (loss)		(5,827)			-	(5,827)
Acquisition of treasury stock	(5,590)	(5,590)			-	(5,590)
Disposal of treasury stock	0	0			-	0
Changes in other than shareholders' equity during the fiscal year, net		-	(5,305)	(17)	(5,322)	(5,322)
Total changes during the fiscal year	(5,590)	(13,721)	(5,305)	(17)	(5,322)	(19,044)
Balance outstanding as of March 31, 2016	(25,304)	103,534	5,212	39	5,252	108,786

The Board of Statutory Auditors' Audit Report

Based on the audit report prepared by each of the Statutory Auditors regarding the execution of the duties of the directors of Fujikura Ltd. (hereafter, "the Company") for the 168th business year (April 1, 2015 to March 31, 2016), the Board of Statutory Auditors of the Company has prepared this report after deliberations and now reports as follows.

1. Conduct of audit by Statutory Auditors and the Board of Statutory Auditors, and details of audit
 - (1) The Board of Statutory Auditors established an audit policy, assigned duties to each Statutory Auditor and received reports from each Statutory Auditor on both the implementation and the results of audit. The Board of Statutory Auditors received reports from both the Directors and the Accounting Auditors regarding the execution of their duties and sought explanations as necessary.
 - (2) Each Statutory Auditor, according to the audit standards prescribed by the Board of Statutory Auditors, and in keeping with the audit policy and the assignment of duties established, maintained good communications with the Directors, the Internal Audit Division and other officers, strove to collect information and develop the audit environment, and conducted an audit by following the methods described below:
 - (i) We attended meetings of the Board of Directors and other important meetings, received reports from both Directors and officers on the execution of their duties, sought explanations as necessary, scrutinized important documents pertaining to decision-making, and examined the business and financial conditions at the head office and other principal offices. Regarding subsidiaries, we communicated and exchanged information with Directors and Statutory Auditors of subsidiaries, and received reports with respect to their business from subsidiaries as necessary, and examined the business and financial conditions of those subsidiaries.
 - (ii) We received regular reports from Directors and employees on the situation of the structure and the operation concerning the content of the resolution of the Board of Directors concerning the maintenance of the system for ensuring that the execution of duties by the Directors as described in the Business Report complies with laws and regulations and the Company's Articles of Incorporation, and other systems for ensuring the appropriateness of business operations of the corporate group comprised of a stock company and its subsidiaries stipulated in Paragraphs 1 and 3 of Article 100 of the Enforcement Regulations Regarding the Companies Act and the status of the system based on such resolution (Internal Control Systems), and on these matters, we sought additional explanations from Directors and employees as necessary and expressed our opinions. With respect to the internal control over financial reporting stipulated in the Financial Instruments and Exchange Act, we received reports on evaluations of the said internal control and the status of auditing from the Directors and PricewaterhouseCoopers Aarata, and requested explanations from them as necessary.
 - (iii) We monitored and verified whether Accounting Auditors maintained their independence and implemented appropriate audits, and we received reports from the Accounting Auditors regarding the performance of its duties and sought explanations as necessary. Also, we received notice from the Accounting Auditors that "the System for ensuring that duties are performed properly" (matters set forth in each item of Article 131 of the Corporate Accounting Regulations) is organized in accordance with the "Quality Management Standards Regarding Audits" (Business Accounting Council, October 28, 2005) and other relevant standards, and sought explanations as necessary.

Based on the above methods, we examined the Business Report and its annexed specifications, non-consolidated financial statements (“non-consolidated balance sheets,” “non-consolidated statements of income,” “non-consolidated statements of shareholders’ equity,” and “notes to non-consolidated financial statements”), their accompanying detailed statements, and consolidated financial statements (“consolidated balance sheets,” “consolidated statements of income,” “consolidated statements of shareholders’ equity,” and “notes to consolidated financial statements”) for this business year.

2. Audit results

(1) Results of audit of the Business Report

- (i) We confirm that the Business Report and its annexed specifications fairly represent the condition of the Company in accordance with the relevant laws and regulations and the Articles of Incorporation.
- (ii) We confirm that there were no improper acts or violations of any laws and regulations or the Articles of Incorporation of the Company committed by any of the Directors in connection with the execution of their duties.
- (iii) We confirm that the details of the resolution made by the Board of Directors concerning internal control systems are proper. Furthermore, we confirm that there are no matters on which to remark with regard to performance duties of the Directors and content of the Business Report concerning aforementioned internal control systems.

Furthermore, the Board of Statutory Auditors has received reports from the Directors and PricewaterhouseCoopers Aarata stating that there are no important deficiencies that should be reported as of the time the reports were prepared regarding the internal control over financial reporting as per the Financial Instruments and Exchange Act.

(2) Results of audit of the non-consolidated financial statements and their annexed specifications

We found the method and the results of the audit by Accounting Auditor PricewaterhouseCoopers Aarata to be appropriate.

(3) Results of audit of the consolidated financial statements

We found the method and the results of the audit by Accounting Auditor PricewaterhouseCoopers Aarata to be appropriate.

May 17, 2016

Full-time Statutory Auditor: Takashi Kunimoto (seal)

Full-time Statutory Auditor: Masato Koike (seal)

Statutory Auditor (Outside Statutory Auditor): Soichiro Sekiuchi (seal)

Statutory Auditor (Outside Statutory Auditor): Masaaki Shimojima (seal)