

November 30, 2017

To Whom It May Concern:

Funai Electric Co., Ltd.  
Representative Director  
President and CEO:  
Hideaki Funakoshi  
(Code No.: 6839 First Section of TSE)

## Notice on Capital and Business Alliance with FOMM Corporation

Notice is hereby given that Funai Electric Co., Ltd. (the "Company") entered into a capital and business alliance agreement (the "Alliance") with the FOMM Corporation (headquarters: Kawasaki-shi, Kanagawa-ken, the "FOMM") which advances innovative mobility development based on the concept of "New idea of compact Electric Vehicles".

### 1. Purpose of the Alliance

The Company recognizes that environmental and social contribution activities are corporate social responsibilities and achieving sustainable growth and increasing corporate value is an important management issue.

Through the Alliance, the Company will promote environmental conservation by accelerating the spread of compact Electric Vehicles that can be expected to contribute to reducing environmental impact. Furthermore, the Company sets out to create a common social value through expansion of the business domain and performance improvement by collaborating with alliances in compact Electric Vehicles business, which is expected to expand rapidly in the future.

### 2. Content of the Alliance

#### (1) Content of business alliance

The Company and the FOMM set out to combine the know-how of compact Electric Vehicles development owned by FOMM with the manufacturing capabilities (mass production technology, purchasing power, productivity) that the Company has cultivated in the consumer electronics field.

#### (2) Content of capital alliance

The FOMM will issue new shares by way of a third-party allocation of shares, and the Company will undertake this.

### 3. Profile of the FOMM

(1) Company Name	FOMM Corporation
(2) Address	Kawasaki Business Incubation Center Honkan214, 7-7 Shinkawasaki, Saiwai-ku Kawasaki-shi, Kanagawa-ken, 212-0032, JAPAN
(3) Position and Name of the representative	President / Hideo Tsurumaki
(4) Business description	① Develop and produce compact electric vehicles (in 2014, announced world's smallest class 4-seater electric vehicle) ② Product development (develop high-performance in-wheel motors for compact electric vehicles) ③ Technical consultants for micro electric vehicles ④ R&D (Design and develop functions and performance to meet regional needs)
(5) Capital	1,052 million yen (at the date of October 31, 2017)

### 4. Schedule

Due date of payment: November 30, 2017

### 5. Future prospects

The Company believes that the Alliance will contribute to the improvement of corporate value over the medium to long-term. However, the impact on our consolidated results is minimal at this time.

The Company will immediately make an announcement if and when it becomes necessary.

For further information, please contact  
Investor and Public Relations Office  
E-mail: [investor\\_relations@funai.co.jp](mailto:investor_relations@funai.co.jp)