Stock Code: 600699 **Stock Abbreviation: Joyson Electronics**

Ningbo Joyson Electronic Corp.

2015 Annual Report Summary

1. Important Notification

1.1 This annual report summary originates from full text of Joyson Electronics 2015 annual report. Please refer to the full text on the Shanghai Stock Exchange official website or other websites authorized by China Securities Regulatory Commission for details.

1.3 According to the audit report (Ruihua audit No. [2016]31170005) issued by Ruihua Certified Public Accountants (Limited Liability Partnership), in 2015, the parent company achieved the net profit of RMB 17.49734768 million. According to the regulations of *Company Law*, *Articles of Association* and new *Accounting Standards for Business Enterprises*, after drawing 10% of the legal surplus common reserve fund RMB 1,749,734.77, plus the undistributed profit of RMB 74,206,235.73 at the beginning of the year, minus the actually distributed profit of MRB 69,975,929.87 in 2015, the accumulated distributable profit for the shareholders in the end of 2015 was added up to RMB 19,977,918.77. At present, the company is at the important stage of strategic upgrading and carrying out the material asset purchasing, which means, respectively purchasing the vehicle information section business of the American company KSS Holdings, Inc. and German company TechniSat Digital GmbH, Daun in cash. The above two transactions have reached the standards in Articles of Association for major investment project or cash credit. According to the related regulations in Articles of Ass

company draws up the 2015 annual preplan of profit distribution as: no cash bonus, no bonus shares; no conversion from capital reserve to better safeguard the long-term interest

and strategic plans of industrial upgrading.

2. Brief Introduction to Major Business within the Reporting Period

Joyson Electronics is one of the well-known multinational automobile electronic enterprises that is mainly engaged in researching and manufacturing the intelligent driving control system, new energy BMS, industrial automation and robot, assembly of high-end vehicle functional parts etc, serving the major vehicle manufacturers overseas and the domestic forefront vehicle manufacturers while leading the way in the segment market all over the world. During the reporting ed down, while the global automotive market went up and down, and the OEMs sales volume kept a slower growth rate. To cope with more complicated market, company adhered

business to grow rapidly by means of the two wheels-driven strategies of endogenous growth and extensional development. Company focused on four major product lines, that is, automotive electronics, automotive high-end components and assembly, new energy BMS and industrial automation & robot integration ms of extensive development, company took

the targets, paid attention actively to the latest trends of the industrial development; it achieved substantial breakthrough and progress in several fields, such as car connectivities system and intelligent driving etc., in various ways.

3. Key Accounting Data and Financial Indicators

	[redacted]			

shareholders of the company excluding non-recurring gains and losses				
Net assets attributable to shareholders of the company	3,794,230,053.20	2,420,335,888.65	56.76	2,287,876,529.31
Net cash flow generated from operating activities	585,155,500.25	737,519,428.75	-20.66	650,462,416.16
Total share capital	689,369,800.00	636,144,817.00	8.37	636,144,817.00
Basic EPS (RMB/share)	0.61	0.55	10.91	0.47
Diluted EPS (RMB/share)	0.61	0.55	10.91	0.47
Weighted average ROE %	13.51	14.74	1.23 decrease	14.36

4. Major Financial Indicators of Four Quarters in 2015

Unit: Yuan Currency: RMB

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Revenue	1,854,016,029.21	2,043,919,258.98	2,119,223,552.37	2,065,375,374.77
Net profits attributable to shareholders of the company	92,364,359.53	96,070,527.91	81,907,683.65	129,515,313.78
Net profits attributable to shareholders of the company excluding non-recurring gains and losses	85,311,182.44	87,733,092.44	69,899,705.10	81,124,877.50

Net cash flow generated from operating activities	-100,065,134.31	295,678,327.79	9,244,844.31	380,297,462.46

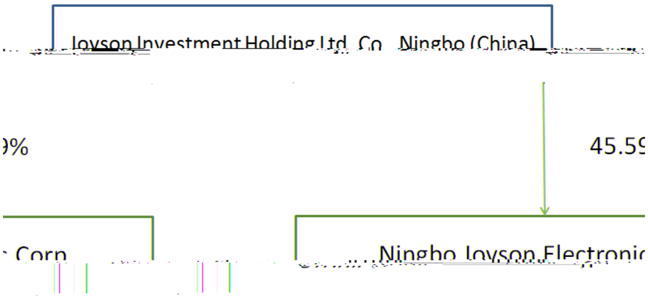
5. Shareholdr Information

5.1 Total number of common shareholders and top 10 common shareholders by 2015/12/31

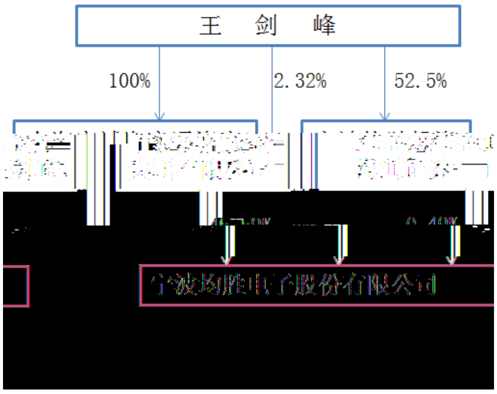
Particulars about shares held by top 10 shareholders							
Name of shareholder	Flux	Total shares held at the period-end	Percentage (%)	Number of non-tradable shares held	Number of shares pledged or frozed		Nature of shareholder
					Status	Number	
Joyson Investment Holding Ltd. Co., Ningbo (China)	-69,998,858	314,251,428	45.59		Pledge	203,900,000	Domestic non-state-owned corporation
Urumqi Xierying Equity Investment Limited Partnership		31,311,505	4.54		N/A		

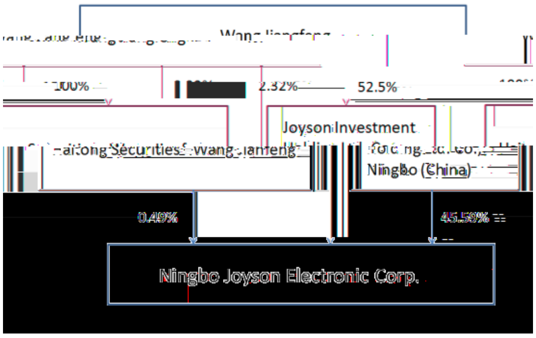
Configuration Hybrid Securities Investment Fund							
National Social Security Fund (No.109 Portfolio)	6,099,896	6,099,896	0.88		N/A		Other
Central Huijin Asset Management Co., Ltd.	5,726,000	5,726,000	0.83		N/A		Domestic state-owned corporation

Explanation on associated



The ownership and controlling relationship between the actual controller of the company and the company is detailed as follows:





6. Management Discussion and Analysis

Company achieved the evenue of RMB 8.083 billion within the reporting period with a year-on-year growth of 14.21%; in which about RMB 400 million was the net profit attributable to shareholders of the company with a year-on-year growth of 15.27%. As the product strategy and merger strategy were implemented and promoted in order, company achieved favorable state of operation, sales volumes of all product lines were stably increased while the cost of operation were effectively controlled and the profitability continuously improved. In addition, the obvious cooperative effect after merging QuinGmbH promoted the operating revenue, operating profit and net profit to increase. Within the reporting period, the operating revenue of German Purui (in Euros) has realized a year-on-year growth of 24.91%, which has done well in overcoming the influences on the combined statements brought forth by the Euro exchange rate fluctuations.

Within the reporting period, the company has focuses on the strategies driven by the two

endogenous aspect, the company is committed to promoting the layout of the existing four major product line, namely the human-machine interaction HMI products, new-energy vehicle power control system, industrial automation and high-end internal decorative products; in the extensional aspect, it has been actively searching for the merger projects related to vehicle safety, intelligence and EMC/Pcument4(r)3(64(t)cl)67tdrokT ; 63-164(of)-6( )-153(t)573e mit 11(oo(nce)n)-9

Within the reporting period, company provided an innovative central console control system for the new vehicle type 918 Spyder of Porsche , the high-end luxury sports car. In this operation system, the black light-sensation operation panel technology and the operating functions of smart mobile phone were fused into the vehicle driving. In the design of black panel of the central console, the company initially adopted the cambered tempered glass. There were three knobs and touch-sensitive icons instead of the traditional press keys inlaid on the central console for the purpose of simplifying the functional selection with the auditory feedback. In addition, a piece of TFT display screen in the optical joint technology equipped with the handwritten character recognition function was adopted on the top of the central console; all these were the unique characteristics of this touch-
company customized the operating system All-in-Touch with high quality and advanced performance for Audi Q7, the largest feature of this system was a piece of large-area touch-control panel that will make sound and haptic feedback when the user was inputing information.

Provide the central console for Porsche 918 Provide the central console All-in-Touch for Audi Q7

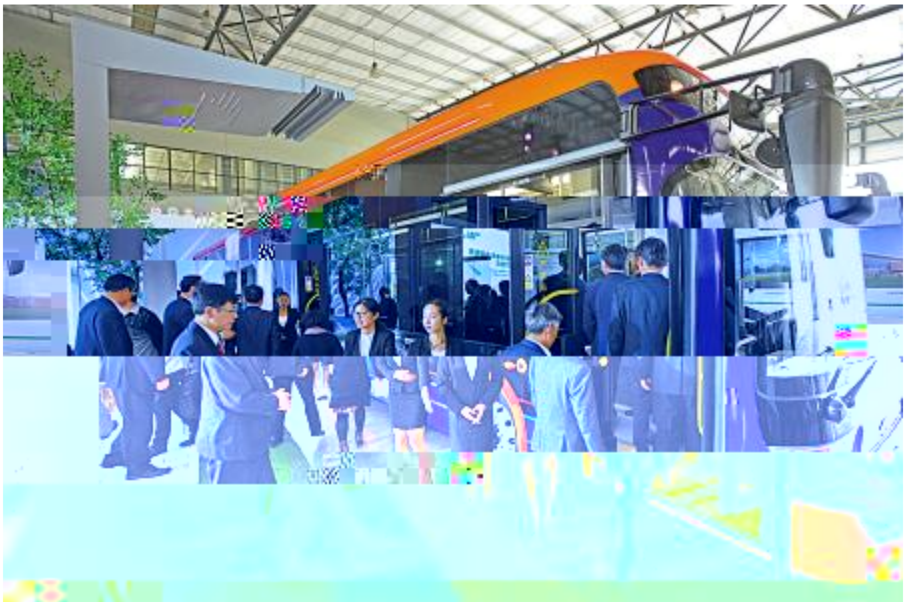
2. Kept its leading position in the new-energy power control system and exploited the new application fields

Company kept

company always vigorously promoted the expansion of this business at home; at present, it won mass-production and some R&D orders from the domestic forefront manufacturers, which again proved

Within the reporting period, company co-invested with Ningbo Chancheng Investment -Joyson New-energy Technology Co., was mainly responsible for the products such as the ultra-capacitor management system on -capacitor new-energy bus; this ultra-capacitor new-energy bus was put into operation in Ningbo and 1200 buses were expected to be delivered within 5 years. To -energy vehicle power system business, -energy vehicle power control technology in fields such as urban public transport , the company, together with Ningbo Zhongcheng Equity Investment Management Co.,Ltd, Ningbo Chancheng Investment Management Co., Ltd (carrier of investment and cooperation for Ningbo Municipal Government and CRRC) and Ningbo Younger Health Technology Industry Investment Fund Partnership Business (Limited partnership) co- Ningbo Zhongcheng New-energy -energy is% positioned as the supplier of total solutions for public transport industry and product application in the new-energy cities; in the future, it will cooperate with CRRC to build the headquarters platform for the total solution service of the new-energy public transport in the Chinese cities and expand the modern new-energy electrical vehicle industry.

In addition, within the reporting period, the company won the orders from the field of household energy-storage in Europe. Developing from its original battery management system to the ultra-capacitor management system, extending from the passenger vehicles to the commercial vehicles and various fields, it was more extensively applied in the different fields of energy storage.



the original European and American customers. Within the reporting period, the company won the air outlet orders of Nissan in China, which was a good start to exploit the Japanese and South Korean markets.

4. Explore the global market of industrial robot integration

The industrial automation&robot integration series are developing obviously with a year-on-year growth rate of 53.93%. Excluding the influences of the Euro exchange rate fluctuations, the operating revenue amplitude of this business is 81%, which is rapid. According to the customer demands, the company is capable of customizing and developing full set of digital intelligent manufacturing solutions at different industrial height integration with the highly flexible manufacturing functions to lead the way the the global technology. As the Chinese population

expansion in the industrial automation at home; it has achieved obvious integration effect with

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automation, it has accumulated rich technical experiences in various industries so as to provide the industrial robot integration and automation solutions for various fields like vehicle parts, medical treatment and fast moving consumption. On base of maintaining the advanced German

and understanding for the dom

problems fed back by the customers rapidly in the domestic R&D center. Within the report period, the industrial automation keeps a stable growth rate; it achieves an obvious growth rate in the Asia-Pacific markets and has won orders of the global famous enterprises in China, for instance, BORGWARNER, SUSPA and TRW; it has been highly recognized by the quality customers all over the world.

Here in China, the company combines Industry 4.0 with the domestic reality to build the digital

production process and equipment of the business unit of functional parts for the purpose of realizing the intelligence of production, warehousing and logistic. By deploying the sensor network and automatic control technology, it has realized the real-time monitoring and self-adaptive control on the whole production process, which has guaranteed that the process and technology shall be at the optimum state. By integrating the product life cycle management (PLM), customer relationship management (CRM) supplier relationship management system (SRM) and manufacturing execution system (MES) before being integrated with ERP total system, it has realized the information linkage from supply of goods, material delivery, production to shipment of finished-

Within the reporting period, the company has kept up with the merger strategies of endogenous growth and local extension to develop; it has optimized the existing product series and increased the cooperative effect in between each product series. In terms of the layout

ness and consolidate its leading position in the global market.

7. Related matters involving the financial statements

7.1 Comparing with the financial statements of the previous year, company should explain the situations, reasons and influences in case of any change in the accounting policy ,accounting estimation and estimation methods.

1. Approval procedures, contents, reasons and applicable time points for changes n accounting esti (4 has deliberated and adopted the matters of adjusting the fixed number of years for amortization of the intangible assets which are mainly the comprehensive technical intangible assets of the mechanotronics and vehicle electronic control system in the professional fields such as mechanical manufacturing, electronics, micro-

Euros), while the operating cost has been reduced by RMB 21.2476 million, the profit amount has been increased by RMB 21.2476 million, in which, the net profit of the parent company has been increased by RMB 14.7249 million (or 2.1199 million Euros). The influence on each year in the future is that the intangible assets-special technology will amortize ~~less 4.0786 Euros while the net profit of the parent company shall be~~ increased by 2.8266 million Euros.

7.2 Within the reporting period, there were no significant accounting error corrections needing to be retrospected and restated.

7.3 Comparing with the financial statements of the previous year,