

# Message from the President



We will continue to prepare for the next big leap by expanding sales channels and evolving our manufacturing capabilities

I would like to extend my most sincere thanks to all our stakeholders, including our shareholders and investors, partner companies, and local communities.

In the fiscal year ended in March 2017, consolidated sales declined 4.0% compared to the previous year to ¥230.7 billion, while operating income declined 47.0% to ¥12.3 billion. As a result of the booking of business structure improvement expenses in line with structural reform efforts at the overseas subsidiaries, net income attributable to owners of parent company was down 63.2% to ¥5.4 billion.

We are focusing our efforts on developing sales channels for automotive and industrial equipment applications, where the market appears likely to show stable growth moving forward. Sales of our highly reliable products that are used in these markets are showing steady growth. Thanks to improved functionality, including multi-banding and changes in communication methods, we were able to expand sales of FBAR/SAW mobile communication devices for smartphones. Although sales and profit did not increase for a fifth consecutive year due to yen appreciation, there appears no change in the growth trend for

electronic components. Demand for cutting-edge products with strong competitive advantages remains firm as expectations for next-generation smartphones increase and IoT (Internet of Things) technology is making progress. We also expect an ongoing expansion in demand for automotive and industrial equipment products.

Against this backdrop, we continue to prepare for the next big leap, not only increasing production capacity, but also working to further improve efficiency by evolving our manufacturing capabilities.

I wish to express my sincere thanks to all our stakeholders for your continued support and encouragement.

A handwritten signature in black ink, which appears to read 'S. Tosaka'.

Shoichi Tosaka  
President and Chief Executive Officer