

Welcome to the First Number



Shigeo Yamamoto
President and Chief Executive Officer

Following the collapse of the Japanese economic bubble in the early 1990s, Japan entered its most serious recessionary period to date. This has compelled the nation to reevaluate its structures and perceptions and to undertake drastic change. The resulting restructuring has led to increased transparency in various sectors, bringing what was hidden to light and opening previously monopolized fields to entry by innovative venture businesses. The same effort to adapt to new circumstances has also led to further deregulation of international trade, a trend toward open computer systems, changes in the established distribution system, fuller disclosure of information by the government and private sector, and shared use of information through information networks.

Since its establishment in 1927, Sanyo Denki has maintained a course of steady development through cooperation with customers in the creation of new technologies. At the same time, we have consistently worked closely with our customers to supply products matched to their particular circumstances and specific working conditions.

Today, while continuing these efforts, we are directing efforts toward the development of new technologies designed to stimulate nascent needs in anticipation of future market demand. We believe that the business climate described above makes this approach both advisable and promising. Instead of simply reacting to requirements and demands from inside a surrounding wall, in other words, we are striving to break down barriers ourselves, supported by a faith in our own capabilities and a willingness to devote our energies to the development of new technologies.

Sanyo Denki is currently reaffirming itself as a corporation that contributes positively to the search for solutions to some of the most pressing problems facing humankind. These include the issues of "Compatibility of the Global Environment with

Industrial Progress”, “Maintenance of Human Health and Safety” and “Energy Conservation and the Utilization of New Energy Sources.”

I hope that this newly-issued Technical Report will make interesting and useful reading.

May1996

SANYO DENKI Technical Report
No.1 May - 1996