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On Starting the Second Mid-term Management Plan Not Only For SANYO DENKI

The first mid-term management plan that was initiated in April of 1994, ended in March this year.

Sales targets were achieved for the company as a whole, even though performance varied by department and product.

Japan has been mired in a recession for the past seven years, and there are still no signs of recovery. All of the economic restoration policies that have been announced have missed the mark and ended in failure.

However, management that awaits economic recovery or blames poor business performance on the recession is inexcusable.

I believe that the key issues are to identify and implement both "what we want to do" and "what we can do now," while monitoring the changes and trends in society.

What has changed in the past several years in society?

If I had to summarize the changes in one word, it would be the movement toward "openness." By that, I mean movement toward deregulation, toward open markets, toward disclosure of information, and toward open architecture. These trends have emerged and are accelerated because they are fairer, more economical, and what people fervently want.

Another change is the growing awareness of the mission of human beings in society. Many plans for conserving the earth's environment are now being implemented to help curb global warming, prevent depletion of the ozone layer, recycle industrial products, and reduce industrial wastes.

When we analyze Sanyo Denki, we find we have a corporate philosophy. Our corporate philosophy encourages us to believe in the infinite possibilities of human power while maintaining a modest attitude: "We SANYO DENKI make the dreams of people come true for the happiness of people in cooperation with people." We strive toward that goal with confidence.

In our second mid-term management plan, we have decided to draw up and implement both "What we want to do" and "What we can do" while monitoring changes and trends in society, and thus fulfill our corporate philosophy.

In this plan, we have defined the following six business domains on which to focus our efforts:

- Information Information and communication
- Industry Industrial equipment
- Energy Energy conversion
- Medical Medical equipment
- Environment Environmental conservation
- Home Home automation

In all of these domains, we desire not only to fulfill our customers' needs as well as market needs, but also to identify promising technologies and to develop them for the happiness of people, and by so doing, to strengthen the foundation of Sanyo Denki.

We sincerely hope that the second mid-term management plan will contribute not only to Sanyo Denki, but to society as well.
