Company Profile
Founding Spirit

Good Parts Create Good Final Products

Model 680 Receiver: Manufactured in 1937, our prize-winning model (On display in our first-floor showroom at our Head Office.)

Showa Musen Kogyo Co., Ltd. (SMK) was founded in 1929. In 1932 we opened our Head Office Factory, and started producing radio receiving equipment for general consumers. Then in 1937 SMK’s “Olympic 680” model took a prize for excellence at the First Radio Competitive Exhibition, held by the Japan Radio Association. It was a remarkable accomplishment, just five years after we began making receivers.

SMK Philosophy

SMK is committed to the advancement of mankind through development of the information society, by integrating its current technological strengths and creating advanced technology.

SMK Action Guidelines

1. Contribute to society with pride and confidence.
2. Be customer-oriented, with zeal and sincerity.
3. Challenge courageously for higher goals without fear of failure.
4. Trust and respect each other for a brighter working atmosphere.
5. Keep an open mind, and view SMK from a global perspective.

Challenge for Innovations

Since the foundation in 1925, the SMK group has responded appropriately to the changing market, while preserving our founding spirit of “Good Parts Create Good Final Products”. Also, we have, in accordance with the “SMK Philosophy”, always developed pioneering techniques and provided attractive products and services from our bases all around the globe.

In the electronics industry, our field is expanding, along with the accelerating development of car electronics, the rise of the network society due to the progress of Internet of Things (IoT), and growing environmental market.

In addition to responding to changes in existing businesses and expanding them as a matter of course, the SMK Group will build corporate system to achieve sustainable growth by proactively pursuing initiatives to create new business through promotion of open innovation.

Under our management slogan of “CREATIVE CONNECTIVITY”, we will maintain a spirit of challenge to solve the various issues which society and customers face, the creativity to generate ingenious ideas, and the capability to come up with solutions to these issues, aiming to become a company that is able to contribute to the creation of a better society and future.

July 2017

President, CEO and COO
Yasumitsu Ikeda
Our Vision

We in the SMK Group aim to become an organization and corporate group that possesses the desire for “Challenge, Creativity, & Solutions,” linking these three to create high levels of executive ability to solve issues for society and our customers.

Aspiring to become a cultural corporation which nurtures our human resource

SMK aspires to become a corporate group that targets Challenge, Creativity and Solutions, having our employees grow on a long-term basis by emphasizing a structural system and corporate culture that can nurture human resources with the ability to execute these targets.

Aspiring to become a company in high demand by society

SMK aspires to become a corporate group that can propose innovative and original solutions to the challenges of our times, especially in the business realm of “Connectivity”.

**CREATIVE CONNECTIVITY**

"Challenges" begin with parts and expand from there

We require even more ability to tackle challenges in order to solve issues faced by society and our customers. This refers to looking beyond the horizons for parts, not getting caught up in the framework of parts, and working on necessary developments before anyone else while imagining the systems that will be required by society and the products required for these systems. Or, in other words, the “challenges” that expand out, starting from parts.

The spirit of challenge for continual reform is also important in terms of production, human resources, and organizations.

SMK will continue to tackle the challenges of solving the very real issues facing society and customers and of solving their potential issues as well.
Creativity

The power to come up with creative ideas

To make what was impossible possible, to provide the world with objects and systems that never existed before, we need the ability to come up with unique, creative ideas. With today’s extensive networking between objects and information, expectations are high for dramatic enrichment of our lifestyles, society, and even the natural environment. So, now more than ever is the time for SMK to exercise the creativity it has developed over the years in “linking technologies (connectivity technology),” drawing on its overall high levels of technology.

We will remain sensitive to needs and technologies, questioning our preconceptions and thinking them through carefully to come up with creative ideas to carve out a bright future.

Solutions

The power to realize ideas

Ideas to solve issues and carve out a bright future could be achieved in the form of connectivity technology. They could also be achieved in the form of new parts which never existed previously. The power to achieve ideas is the power to provide solutions.

This requires a range of different powers:

- The production engineering to create cutting-edge parts;
- The ability to provide customers with solutions;
- The research and development ability to achieve new performance and functions;
- The design ability to link people with people, people with things, and things with things;
- Absolute quality.

At SMK, people with high technical skills in each of their fields are linked beyond their boundaries, and we offer solutions that contribute to the creation of a rich, evolving future for society and customers.
Leveraging high levels of technology developed over our long history and new, cutting-edge concepts, SMK supports your changing lifestyles through a range of products for a range of scenarios, whether that be in the home, the office, the street, or in the car.

We propose and provide a range of diverse solutions for the car electronics market, which is rapidly becoming digital, the information communication market, which is seeing the rapid spread of smartphones and tablets, as well as other new markets and fields such as wearable devices, industrial devices, environment and energy, healthcare, home networks, and IoT.

SMK will continue its firm grasp of needs, evolving on a global basis, and contribute to achieving a rich and evolving future for society and our customers.

We provide solutions for a range of lifestyle scenarios.
**Market**  In use all around you.

For example, in the office...

Using our technological abilities to create small, light products, SMK develops and provides parts for small devices such as smartphones and other mobile phones, tablet computers, and wearable devices. SMK’s technology is also widely used for laptop computers and office equipment.

For example, in the car...

SMK parts are also contributing to touch panels for car navigation or safety and peace of mind fields for which the market has been expanding recently. Our products which increase durability for vehicle use clear the strict standards required of vehicle parts and are highly regarded.
**Market**  In use all around you.

For example, in your home, or for medical treatment and health care...

SMK products help provide you with a comfortable lifestyle. We develop and provide products such as Bluetooth® Modules for HEMS use, products for photovoltaic power generation, which is becoming an increasingly popular clean energy source, products that help save energy, and the high added value remote control units required to operate home networks.

In addition, SMK product groups are widely used in a range of markets, including medical and health treatment, commercial facilities, and traffic infrastructure.

*ECHONET Lite™ is a trademark of ECHONET CONSORTIUM.  
*The Bluetooth® word mark and logos are registered trademarks owned by Bluetooth SIG, Inc. and any use of such marks by SMK Corporation is under license.
SMK's Connectivity
All SMK departments are linked transnationally.

Our marketing and sales collects and analyzes the latest data for a range of markets and expands development proposals for new products and the opening up of new markets.

SMK’s three product divisions and the Research & Development Center develop and manufacture a wide variety of products for use in various fields.

With the pursuit of high-level technology and speedy cost response capabilities as our key words, each department -- Production Engineering, which establishes higher-level, efficient product systems; Quality Assurance, which believes in absolute quality and serves as the pivotal point for SMK’s quality; and Human Resources, which trains the people who support SMK based on the spirit of “autonomy, self-help, and independence” -- is linked trans-nationally, providing proposals to make society richer and more comfortable.
Divisions

CS Division

Connectors required for electronics. We contribute to improving added value for customer products, using the techniques for miniaturization, high currents and high speed transmission we have developed over the years to make mobile devices smaller and thinner, to increase current in industrial devices, or to increase the transmission speed of car electronics. We are expanding into a wide range of markets, with uses as diverse as smartphones, tablets, car electronics, and digital home appliances, as well as wearable devices, the environment and energy, and medical and healthcare areas.

〈MAIN PRODUCTS〉
Coaxial Connectors  FPC Connectors  Jacks

TP Division

Touch panels noted for complex processes which include chemical technology elements such as printing and etching. In a wide range of uses, such as for vehicles where durability is required, for smartphones where a range of operability is required, or for ATMs used in public places, SMK plays a highly regarded role in man-machine interfaces. In addition, we are also working on developing new technologies to take us to the next level, such as resistive touch panels which use transparent conductive films in place of ITOs made from rare metals, a limited resource.

〈MAIN PRODUCTS〉
Resistive Touch Panels  Capacitive Touch Panels  Optical Touch Panels

FC Division

Focuses on developing and manufacturing remote control units, switches, vehicle camera modules, Bluetooth® modules, and so on. Recently, we have been rolling out input devices such as high-function remote control units with motion sensors for STB (set-top boxes) and OTT (over the top) worldwide, and have been introducing camera modules, electrostatic operation pads, and so on for vehicles. In addition, we are actively developing new products for the smartphone market using “energy saving” as our development theme.

〈MAIN PRODUCTS〉
Remote Control Units  Switches  Camera Modules

Research & Development Center

The Research & Development Center independently researches and develops standard items and new technologies. It plays a leading role in developing wireless modules based on high-frequency waves such as Bluetooth® modules and Sub-GHz modules. In addition, it has its eye on fields where growth is expected, such as home networks and healthcare, and carries out research and development into next-generation products.

〈MAIN PRODUCTS〉
Bluetooth® Modules

Divisions
We are SMK

It’s when problems occur that my abilities are really tested.

Right now, I’m working on quality control for connectors for vehicle cameras. My main job is managing things to prevent problems before they happen during production, monitoring production processes and liaising with other departments to nip problems in the bud.

By organically working as a team from the development stage to design, production engineering, production, and quality control, we can embed product quality before starting mass production.

Quality control is vital to allow our customers to always be satisfied by our products, so I’m proud to be doing this job.

Mr. T.A., Quality Control Department

Production Engineering’s work is the linchpin of manufacturing

One of my jobs in Production Engineering involves trying to find that “optimal production method” that will satisfy quality and cost for newly developed products.

Studying proposals from the design stage with a view to ease of assembly and appropriate inspections is one job where I get to ramp up both the difficulty of creation and my creativity to full speed, really giving me a sense of satisfaction.

I learn a lot from my mistakes, and when one of the products I’m responsible for gets shipped, I feel like a parent sending out a child into the world. When the results go as I hoped, I get this feeling like I want to do better next time, which helps me think more deeply about manufacturing.

I feel that the work of Production Engineering in creating a production process really is the linchpin in creating things.

Ms. Y. E., Production Engineering Department

“Sales” is a creative job.

Selling SMK products to set makers and creating new products based on customer needs are my main jobs, but I also provide support for overseas projects.

Lately, I’ve been doing a lot of proposals that go the extra mile, after understanding what the customer’s product needs. Liaising with other departments in the company is very important for this, and whenever I do so, I take care not to just rely on emails but use the phone or talk face-to-face, letting the customer know that I personally really do understand their issues.

I am involved from the specifications stage, and the feeling of achievement I get when a product is delivered and the maker sells it as part of his product is something special. For me, “sales” is a creative job.

Mr. W.Y., Sales Department

Enjoying the challenges of work

The Marketing Department plans and executes effective sales promotion measures based on business plans, sales strategies, and product plans that respond agilely to changes in the market environment and our clients’ needs.

My job in this is to plan sales promotions, including creating catalogs, brand reinforcement, and support for exhibits.

The latest topic that’s come my way is managing our 90th Anniversary logo, formatting the overall design of catalogs, unifying the image of our different products, and revamping the SMK Note (diary).

The job of Marketing involves a lot of challenges, but I get great pleasure from seeing them be given form.

Ms. K.Y., Marketing Department

The Human Resources Department is a place of learning for me, because I put my own abilities under the microscope.

My job covers employment in general, as well as supporting non-Japanese nationals when they join the company and visa processes for staff going overseas.

What I value in recruiting new people understanding the background to each department’s recruitment and sketching out the image of the ideal person in my own way. By putting out information from the job-seeker’s perspective, I really get a sense of satisfaction when we get people to take an interest in SMK or someone who joins us says how glad they are to be on board.

To me, the work of HR is both an important job that affects the lives of many, and at the same time, a “learning place” where I get the chance to examine who I am.

Ms. H.M., Human Resources Department
SMK’s Corporate Social Responsibility

Achieving a sustainable society, or sustainability, requires the promotion of CSR (Corporate Social Responsibility) by companies that have a major effect on society. SMK promotes CSR from a range of angles in order to meet our social responsibilities as a company in our business activities both in Japan and overseas.

In 1997, we established the SMK Group Charter for Corporate Behavior as an announcement of our stance on approaches to CSR as a company. In addition, we have adopted the concept of “PSR” (Personal Social Responsibility), which is unique to SMK, and established the SMK Group Charter for Employee Behavior in 2006.

We require each employee to consider CSR and act responsibly. We have also set up the SMK Ethics Help Line, with contact portals both in the company and outside, in line with our establishment of this Charter.

We also carry out regular questionnaires on the extent of compliance within SMK targeted at our suppliers and customer satisfaction surveys targeted at our customers, reflecting the valuable we obtain in our CSR activities.

Moreover, when it comes to responses to risk management, an area we have been dealing with for some time now, we used the 2011 Great East Japan Earthquake to revise and strengthen our BCM (Business Continuity Management) over the entire Group, minimizing the effects of a major disaster or other incident on our business activities, thus working to fulfill our responsibilities towards stakeholders.

SMK Group Charter for Corporate Behavior
1. For customer confidence, we will develop and provide superior goods in terms of quality, cost, and safety through our accumulated advanced technology.
2. To be understood/supported by stakeholders such as customers, business partners, and shareholders, we will engage in fair, transparent, and free competition, under the spirit of independence, self-help, and self-regulation.
3. We will promote communication with society, by fairly disclosing corporate information, as an open enterprise in the advanced information network age. In addition, we will protect and properly manage personal and customer data and other types of information.
4. We will take independent and positive action, fully recognizing the necessity of environment conservation.
5. We will strive to make it possible for employees to lead pleasant and enriched lives, by guaranteeing a comfortable and safe work environment and respecting our employees’ dignity and individuality.
6. We will actively engage in social contribution activities as a good corporate citizen.
7. We will stand firm against anti-social forces and organizations that threaten the order and security of civil society.
8. In overseas operations, we will comply with the laws and regulations of the countries and regions, respect human rights and other international norms, and manage ourselves in a manner that contributes to local development.
9. To make the spirit of the Charter a reality, top executives will always listen to the voices within and outside SMK, take the lead in raising awareness of the Charter among all relevant Group members and to bring corporate systems into line with it, and endeavor to cultivate corporate ethics.
10. When the Charter is violated, top executives will take the initiative in resolving the problem, endeavoring to clarify its causes and prevent its recurrence, and take the necessary action. This includes precise explanation to the society and punishment for responsible persons, including themselves.

Support for Athletes
SMK has hired wheelchair rugby player Masayuki Haga and supports his competitive activities.

https://smk.tokyo/
Environmental Preservation

〈Preventing Global Warming〉
Hitachi Works

North Ibaraki Solar Power Plant
Green Curtain

〈Using Resources Effectively〉
We create school chairs and sketchbooks from waste material and donate them to local elementary school (Philippines Plant).

At SMK, we consider preventing global warming to be one of our core business issues, promoting energy-saving and resource-saving activities. We work to contribute to our local communities through our range of environmental preservation activities.

〈Environment & Social Contribution Activities〉
Cleaning Activities (Hitachi Factory, Dongguan Factory -China-)

〈Eco-Conscious Products〉
Connectors for Photovoltaic Modules
LT-10/LT-11 Series Connectors for LED Lighting (COB type)
EN-31 Series FPC Connectors for High-Speed Transmission
Micro USB Connectors (spring terminal)
One Glass Solution (OGS) Capacitive Touch Panels for Vehicles
ECHONET Lite® Adapter (Wired)
Bluetooth® Modules

SMK Group Environmental Charter
1. Basic Philosophy
The SMK Group pursues environmental preservation as well as economic development, by integrating its current technological strengths and creating advanced technology. As a good corporate citizen, every one of us will contribute to the promotion of sustainable global development.

2. Action Guidelines
(1) Develop environmentally friendly products
(2) Reduce waste by using everything to its fullest extent
(3) Preserve natural resources and saving of energy
(4) Encourage 3R (reduce, reuse and recycle)
(5) Realize waste-free procurement and manufacturing

Eco-Conscious Products
〈Preventing Global Warming〉 〈Environment & Social Contribution Activities〉 〈Using Resources Effectively〉
Social Action

As a responsible corporation, we of SMK Group have been involved in a range of efforts including social welfare activities and regional contributions for many years.

Activities of the Showa Ikeda Memorial Public Interest Foundation

The Showa Ikeda Memorial Foundation was established in 1976 with the authorization of the Tokyo Metropolitan Government in celebration of the 50th anniversary of the founding of SMK Corporation (formerly known as Showa Musen Kogyo Co., Ltd. founded 1925) through the personal investment of the company founder, the late Mr. Heishiro Ikeda, and his wife, the late Mrs. Shizuko Ikeda, to promote social welfare activities, with additional funding from SMK.

Following the amendment of the Charitable Corporations Act, the Foundation received a new lease of life when on March 25, 2013, it was certified by the Governor of Tokyo as an incorporated charitable organization. From April 1, it thus became officially known as the Showa Ikeda Memorial Foundation (Incorporated Charitable Organization).

Since its founding, the Foundation quietly carries out a number of different activities, including scholarships as well as welfare for the mentally and physically disabled, children, and the aged. Of note is the Foundation’s scholarship for outstanding schoolchildren and students, aimed at fostering the next generation.

In 2006, thirty years after it was founded, the foundation expanded its support to offer special scholarships for graduate students in the sciences. From 1991 to the present day, the foundation has also provided scholarships to foreign students studying at the Tokyo Japanese Language Education Center.

Since 1981 the Foundation has continued to support outstanding schoolchildren and students with the annual Showa Ikeda Prize (under the auspices of the Ministry of Education, Culture, Sports, Science and Technology).

The Foundation also continues to contribute broadly to social causes, such as with its donations to welfare facilities of wheelchairs and vehicles and equipment, its funding for activities and events, and projects aimed at encouraging the pursuit of traditional arts and crafts.

SMK Network

Surpassing Borders. Surpassing Time. SMK Group Spreads from Japan, to the World.

Developing transnational business on a global scale: that is SMK’s fundamental stance. SMK’s development sites, production sites, and sales sites both in Japan and spread around the world carry out their work for development, production, and sales through close liaisons that go beyond time differences or national borders to always provide our customers around the world with better products.
The SMK Group has 6,188 employees (as of March 2017). Of these, 82% work overseas. Throughout our 47 facilities around the world, all SMK Group members work together to always swiftly deliver the reliability that customers really want. 24 hours a day, somewhere in the world, we are always working.
### Corporate Outline (as of March 31, 2017)

- **Name**: SMK Corporation
- **Date of establishment**: April 1925
- **Capital**: 7,996 million yen
- **Shares**: Number of shares scheduled for issuance 195,961,274
  Number of shares issued 75,000,000
- **Settlement term**: March 31
- **Sales**: 62,971 million yen (consolidated)
- **Number of employees**: 6,188 (in the Group)
- **Head Office**:
  6-5-5 Togoshi, Shinagawa-ku, Tokyo 142-8511
  TEL (03) 3785-1111
  FAX (03) 3785-1878
- **URL**: http://www.smk.co.jp/

### Organization Chart

- Shareholders’ Meeting
- Board of Directors’ Meeting
- Auditors’ Meeting
- Corporate Planning Dept.
- Secretarial Dept.
- General Affairs Dept.
- Corporate Legal Dept.
- Public Relations Dept.
- Computer Systems & Data Processing Dept.
- Human Resources Dept.
- Accounting & Finance Dept.

#### Technology Division

- Research & Development Center
- Strategic Planning Dept.
- Production Engineering Center
- Quality Assurance Center
- Environmental Protection Center
- Technology Management Dept.
- Production Management Dept.
- Overseas Factories
- Business Unit
- Sales Division

#### CS Division

- Home Electronics Market Dept.
- Car Electronics Market Dept.
- Information Technology Market Dept.
- Industry Market Dept.
- Japan-Asia Distributor Sales Dept.

#### FC Division

- Osaka Branch
- Nagoya Branch
- Marketing Dept.
- Business Affairs Dept.
- Domestic Sales Offices
- Overseas Sales Offices

#### TP Division

- VP Division

### Board of Directors and Auditors (as of June 22, 2017)

**[DIRECTORS and AUDITORS]**

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>President, Chief Executive Officer and Chief Operating Officer</td>
<td>Yawausumi Ikeda</td>
</tr>
<tr>
<td>Director and Executive Deputy President, Chief Technology Officer</td>
<td>Yoshiyuki Kaku</td>
</tr>
<tr>
<td>Director and Executive Vice President, Chief Operating Officer</td>
<td>Mikio Wakabayashi</td>
</tr>
<tr>
<td>Director and Executive Vice President, Chief Information Officer</td>
<td>Paul Evans</td>
</tr>
<tr>
<td>Director</td>
<td>Toshio Nakamura</td>
</tr>
<tr>
<td>Director and Chairman of Auditors’ Meeting</td>
<td>Tetsuya Nakamura</td>
</tr>
<tr>
<td>Auditor</td>
<td>Naru Nakashima</td>
</tr>
<tr>
<td>Auditor</td>
<td>Ichiro Shimizu</td>
</tr>
<tr>
<td>Auditor</td>
<td>Morikazu Fukui</td>
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</tbody>
</table>

**[ CORPORATIVE EXECUTIVE OFFICERS ]**

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Vice President, Chief Financial Officer</td>
<td>Kohei Ohgaki</td>
</tr>
<tr>
<td>Executive Vice President</td>
<td>Shigechika Yanagi</td>
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<tr>
<td>Vice President</td>
<td>Hideo Matsumoto</td>
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<td>Vice President</td>
<td>Hiroshi Miyakawa</td>
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<td>Vice President</td>
<td>Takemi Ishibashi</td>
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<td>Vice President</td>
<td>Masanobu Ikee</td>
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<td>Vice President</td>
<td>Mitsuhiro Goto</td>
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<tr>
<td>Vice President</td>
<td>Tetsuo Hara</td>
</tr>
<tr>
<td>Vice President, Chief Information Officer</td>
<td>Tsuyuki Masubuchi</td>
</tr>
<tr>
<td>Vice President, Chief Operating Officer</td>
<td>Hiroshi Usami</td>
</tr>
<tr>
<td>Vice President</td>
<td>Fumikazu Hata</td>
</tr>
</tbody>
</table>

### Officer Introduction

- **DIRECTORS**
  - President, Chief Executive Officer and Chief Operating Officer: Yawausumi Ikeda
  - Director and Executive Deputy President, Chief Technology Officer: Yoshiyuki Kaku
  - Director and Executive Vice President: Paul Evans
  - Director: Toshio Nakamura
  - Director: Kaoru Ishikawa

- **AUDITORS**
  - Auditor and Chairman of Auditors’ Meeting: Tetsuya Nakamura
  - Auditor: Naru Nakashima
  - Auditor: Ichiro Shimizu
  - Auditor: Morikazu Fukui

- **CORPORATIVE EXECUTIVE OFFICERS**
  - Executive Vice President, Chief Financial Officer: Kohei Ohgaki
  - Executive Vice President: Shigechika Yanagi
  - Vice President: Hideo Matsumoto
  - Vice President: Hiroshi Miyakawa
  - Vice President: Takemi Ishibashi
  - Vice President: Masanobu Ikee
  - Vice President: Mitsuhiro Goto
  - Vice President: Tetsuo Hara
  - Vice President: Tsuyuki Masubuchi
  - Vice President: Hiroshi Usami
  - Vice President: Fumikazu Hata
### Business Results Transition (Consolidated) (Unit: millions of yen)

![Graph showing business results transition over time]

### Sales by Market (Consolidated) (Unit: millions of yen, percentage of total sales in parenthesis)

<table>
<thead>
<tr>
<th>Markets</th>
<th>2015.3 '14.4 – '15.3</th>
<th>2016.3 '15.4 – '16.3</th>
<th>2017.3 '16.4 – '17.3</th>
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</thead>
<tbody>
<tr>
<td>Sales</td>
<td>66,230</td>
<td>77,206</td>
<td>62,971</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>21,178 (31.1%)</td>
<td>4,171 (5.3%)</td>
<td>2,678 (4.2%)</td>
</tr>
<tr>
<td>Net Profit</td>
<td>19,341 (29.2%)</td>
<td>32,207 (41.7%)</td>
<td>18,982 (29.9%)</td>
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<tr>
<td>ICT</td>
<td>19,341 (29.2%)</td>
<td>22,591 (29.3%)</td>
<td>24,086 (38.2%)</td>
</tr>
<tr>
<td>Home Appliance</td>
<td>16,700 (24.7%)</td>
<td>16,700 (21.7%)</td>
<td>11,825 (18.8%)</td>
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<tr>
<td>Car Electronics</td>
<td>16,691 (25.2%)</td>
<td>16,700 (21.7%)</td>
<td>11,825 (18.8%)</td>
</tr>
<tr>
<td>Industry/Others</td>
<td>16,691 (25.2%)</td>
<td>16,700 (21.7%)</td>
<td>11,825 (18.8%)</td>
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</tbody>
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### Certification of Quality Management System and Environmental Management System.

- Indicates that certification has been acquired

<table>
<thead>
<tr>
<th>Country</th>
<th>Division or Business Unit</th>
<th>ISO9001</th>
<th>ISO14001</th>
<th>ISO/TS16949</th>
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<tr>
<td><strong>Japan</strong></td>
<td>Product Division</td>
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<td>CS Division</td>
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<td>PC Division</td>
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<td>TP Division</td>
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<td></td>
<td>Office and Works</td>
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<td></td>
<td>Head Office and Domestic Office</td>
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<td></td>
<td>Toyama Works</td>
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<td>Hitachi Works</td>
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<td><strong>USA and Mexico</strong></td>
<td>SMK America Group</td>
<td>●</td>
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<tr>
<td><strong>UK</strong></td>
<td>SMK Electronics (Europe) Limited, U.K. Branch</td>
<td>●</td>
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<td><strong>Hungary</strong></td>
<td>SMK Hungary Kft.</td>
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<td><strong>Malaysia</strong></td>
<td>SMK Electronics (Malaysia) Sdn. Bhd.</td>
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<tr>
<td><strong>China</strong></td>
<td>SMK Electronics (Dongguan) Co., Ltd.</td>
<td>●</td>
<td>●</td>
<td>—</td>
</tr>
<tr>
<td></td>
<td>SMK Electronics (Shenzhen) Co., Ltd.</td>
<td>●</td>
<td>●</td>
<td>—</td>
</tr>
<tr>
<td></td>
<td>SMK Electronics Technology Development (Shenzhen) Co. Ltd.</td>
<td>●</td>
<td>●</td>
<td>—</td>
</tr>
<tr>
<td><strong>Philippines</strong></td>
<td>SMK Electronics (Phils.) Corporation</td>
<td>●</td>
<td>●</td>
<td>—</td>
</tr>
</tbody>
</table>

* : In Japan, ISO9001 certification is acquired by product division and ISO14001 certification by office/works.

### Sales (Unit: millions of yen) As of March 2017

<table>
<thead>
<tr>
<th>Markets</th>
<th>2015.3 '14.4 – '15.3</th>
<th>2016.3 '15.4 – '16.3</th>
<th>2017.3 '16.4 – '17.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>62,971</td>
<td>77,206</td>
<td>62,971</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>21,178 (31.1%)</td>
<td>4,171 (5.3%)</td>
<td>2,678 (4.2%)</td>
</tr>
<tr>
<td>Net Profit</td>
<td>19,341 (29.2%)</td>
<td>32,207 (41.7%)</td>
<td>18,982 (29.9%)</td>
</tr>
<tr>
<td>ICT (Information and Communication Technology)</td>
<td>19,341 (29.2%)</td>
<td>22,591 (29.3%)</td>
<td>24,086 (38.2%)</td>
</tr>
<tr>
<td>Home Appliance</td>
<td>16,700 (24.7%)</td>
<td>16,700 (21.7%)</td>
<td>11,825 (18.8%)</td>
</tr>
<tr>
<td>Car Electronics</td>
<td>16,691 (25.2%)</td>
<td>16,700 (21.7%)</td>
<td>11,825 (18.8%)</td>
</tr>
<tr>
<td>Industry/Others</td>
<td>16,691 (25.2%)</td>
<td>16,700 (21.7%)</td>
<td>11,825 (18.8%)</td>
</tr>
</tbody>
</table>

### Number of SMK Group Employees (Unit: person) As of March 2017

- **Europe**: 3,277
- **Japan**: 13,545
- **Asia**: 23,473
- **Total**: 62,971

- **Europe**: 61
- **North America**: 656
- **Japan**: 1,118
- **Asia**: 4,353
- **Total**: 6,188
1979 SMK Electronics (H.K.) Ltd. established in 1978
Listed on the first section of the Tokyo stock exchange.
1976 Showa Ikeda Memorial Foundation
1973 Terutaka Ikeda inaugurated as President
Ibaraki Factory, currently Hitachi Works, established. (Part of the Toyama Technopolis Plan.)
1970 Toyama Factory, currently Toyama Works, established.
1963 Toyama Factory, currently Toyama Works, established.
1976 Listed on the second section of the Tokyo stock exchange (capital 100 million yen).
1962 Listed on the second section of the Tokyo stock exchange.
1937 The company’s Olympic 680 type dynamic 4-sphere receiver was awarded a prize at the first competitive exhibition held by the Japan Radio Association.
1925 The late Heishiro Ikeda established Ikeda Musen Denki Seisakujo.
1929 Company reorganized and renamed Showa Musen Kogyo Kabushiki Kaisha.

### History

#### Timeline

1979 SMK Electronics (H.K.) Ltd. established in 1978
Listed on the first section of the Tokyo stock exchange.
1976 Showa Ikeda Memorial Foundation
1973 Terutaka Ikeda inaugurated as President and COO.
Establishment of SMK Electronics Corporation U.S.A. in America, and SMK Europe N.V., currently SMK Electronics (Europe) Limited, in Belgium.
1976 Showa Ikeda Memorial Foundation established.
1971 Listed on the first section of the Tokyo stock exchange.
SMK Electronics (H.K.) Ltd. established in Hong Kong.
1981 Swiss franc convertible bonds issued (first time).
Student essays accepted for the First Showa Ikeda Prize Competition.
1982 SMK Manufacturing, Inc. established in America.

# Olympic Model 680 Receiver (1937)

The power transformers we produced in 1929, when Showa Musen Kogyo Co., Ltd. was founded, were trademarked as “Olympic.”

“The world wirelessly. Foster a company rich in the youth and vitality of the Olympic Games, and in the future, spread our sales routes around the world.” These were the ideas behind this trademark.

In 1932 we opened our Head Office Factory, and started producing radio receiving equipment for general consumers.

Then in 1937 SMK’s “Olympic 680” model took a prize for excellence at the First Radio Competitive Exhibition, held by the Japan Radio Association, beating out 107 other exhibited devices for the prize. This amazing result was just five years after we started out making receivers.

The photo shows this same model, currently housed at SMK.

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1984 Completed construction of the current Head Office building.
SMK Philosophy and Action Guidelines established.
New Toyama Factory, currently Toyama Works, established. (Part of the Toyama Technopolis Plan.)
1985 Changed the company name to SMK Corporation.
First SMK technology exposition held.
1987 Established SMK (U.K.) Ltd. in U.K.
1988 SMK Electronica S.A. de C.V. established in Mexico, and IRI SMK Corporation, currently SMK Korea Co., Ltd., in Korea.
1991 Toyama Technology Center established.
1995 SMK Europe N.V., U.K. Branch established in U.K.
1996 SMK Electronics (Shenzhen) Co., Ltd. established in China.
1997 SMK Europe N.V., Munich Office established in Germany.
1998 SMK Electronics (Philips.) Corporation established in Philippines.
SMK Europe N.V., France Office established in France.
1999 Gate City Office established in Osaka, Tokyo.
2000 SMK Hungary Kft. established in Hungary.
2001 Construction of the SMK Electronics (Shenzhen) Co., Ltd. new factory completed.
Construction of the SMK Electronics (Philips.) Corporation new factory completed.
2002 Tetsuya Nakamura assumed the President and COO of the company.
Operation at SMK Hungary Kft. started.
2005 Establishment of SMK Electronics Trading (Shanghai) Co., Ltd. in China.
2007 Acquisition of remote control units business segments of Interlink Electronics, Inc.
2009 SMK Electronics Technology Development (Shenzhen) Co., Ltd. established.
SMK Electronics (Philips.) Corporation factory extended.
2011 Acquisition of Movea’s Gyration segments.
Yasumitsu Ikeda inaugurated as President and COO.
Establishment of SMK Electronics (Shenzhen) Co., Ltd. Chongqing Office in China.
Establishment of SMK Europe N.V., Dusseldorf Branch in Germany.
2013 Relocation and integration of SMK Electronica S.A de C.V. and start of a One-site Operation.
2014 Establishment of SMK Europe N.V., London Office in U.K.
Establishment of SMK Eletrônica Brasil Ltda, São Paulo Office in Brazil.
2015 Ninetieth Anniversary.
SMK Europe Group moved its head office functions to Ireland, starting operation at SMK Electronics (Europe) Limited. SMK-LOGOMOTION established.
Acquisition of MITEC.
2017 SMK Electronics (Phils.) Corporation opened a new factory.
Ninth SMK technology exposition, “SMK TEXP 2015” held.
Acquisition of MITEC.
2018 SMK Electronics (Phils.) Corporation opened a new second factory.
2019 SMK Europe Group moved its head office to the new second factory.
Fortieth Anniversary of Showa Ikeda Memorial Foundation.
2020 SMK Electronics (Phils.) Corporation opened a new second factory.
2021 Ninth SMK technology exposition, “SMK TEXP 2021” held.
Acquisition of MITEC.
2022 SMK Electronics (Phils.) Corporation opened a new second factory.
2023 SMK Electronics (Phils.) Corporation opened a new second factory.
2024 SMK Electronics (Phils.) Corporation opened a new second factory.
2025 SMK Electronics (Phils.) Corporation opened a new second factory.
2026 SMK Electronics (Phils.) Corporation opened a new second factory.
2027 SMK Electronics (Phils.) Corporation opened a new second factory.
2028 SMK Electronics (Phils.) Corporation opened a new second factory.
2029 SMK Electronics (Phils.) Corporation opened a new second factory.
2030 SMK Electronics (Phils.) Corporation opened a new second factory.