Positioning fiscal year 2018—the first and important year of the new TF2020 mid-term business plan—as the first year of a shift toward a growth trajectory for the measurement business, we began to strive for discontinuous growth (expansion of business scope and geographical areas) over the next 10 years, while further strengthening existing businesses and maintaining a sound financial footing. As part of our effort to strengthen existing businesses, we expanded our market share by releasing the WT5000 precision power analyzer which has a world-class measurement accuracy of ±0.03% and the DLM3000, a premium-quality, compact oscilloscope series. Regarding the expansion of business scope, we targeted markets such as electric vehicles, connected cars and 5G mobile communication systems that are centers for innovation, and are proceeding smoothly with proposals for integrated solutions that make use of new measurement technology, software and peripheral equipment while keeping an eye out for opportunities to collaborate and partner with other companies. As for geographic expansion, we focused on India, in view of its potential for growth, and reinforced our sales organization there.

In fiscal year 2019, we will not only further accelerate our activities but also endeavor to expand our pressure instrument business in expanding our business scope. While we released a pressure sensor with a range extended up to 70MPa in fiscal year 2018, we will focus on benchtop measurement instruments and endeavor to expand our business with a view to offering pressure calibrators for laboratory in fiscal year 2019. In expanding our geographical areas, while strengthening our sales organization in India, we will reinforce our efforts in Southeast Asia and direct our attention to South America, which has strong growth potential.

In fiscal year 2018, despite commercial aviation business remained firm, orders, net sales and operating income were down from the previous year due in part to the impact of the transfer of Yokogawa Denshikiki Co., Ltd., which mainly engaged in the marine navigation equipment business.

While the business environment for the aviation business targeting government offices remains challenging, net sales of commercial aviation business continue to grow year after year. As we focus our resources on the aircraft-related business following this transfer of the subsidiary, in fiscal year 2019, we will develop and expand sales of next-generation products with high customer needs while capitalizing on our proprietary advanced technologies. Further, we will endeavor to strengthen our business foundations and restore our profitability to a sound level with the aim of enhancing corporate value.

In the aviation business, safety comes first. High reliability is essential in the flat-panel displays that are used in cockpits and other types of navigation systems. For its customers in the airline and aircraft manufacturing industries, Yokogawa will supply the state-of-the-art technology needed to ensure the safe transportation of passengers and cargo.