

Financial Results for FY2012 Presentation Q&A

Q: How much production capacity increase of major products do you plan for this fiscal year? Furthermore, how much capacity ratio and inventory level do you plan for coming high demand?

A: We plan to raise the production capacity of MLCCs by 5% mainly for ultra-compact and high-capacitance MLCCs in the first half of this fiscal year. We have not decided the expansion plan of production capacity in the second half, but we will sooner decide assessing the market demand. By product, we have plan to raise capacity of SAW filters by 20% in the first half owing to getting stringent of SAW filters' supply and demand. Regarding inventory, we plan to increase by 3 billion yen in the first half for the peak demand of this fiscal year and by 5 billion yen in the second half for the demand of next fiscal year.

Q: What will be impacted for you by the penetration of smartphones and tablet devices made by Chinese maker?

A: It is difficult to measure the impact because our business is through distributor, but we expect significant growth of the sales in this market. Even though sales per unit of these devices in China may be lower than high-end devices, we try to get orders for the demand unflinchingly.

Q: Do you think that sales per unit of smartphones increase more, even if the smartphones of Chinese brand is expanded?

A: Yes, we expect it will be increased. Additionally, we expect to expand demands of high value added communication modules.

Q: Would you please inform capacity ratio of MLCC in this fiscal year?

A: As based on 27 operating days per month, the capacity ratio of MLCCs was 90% in the 12Q4. We also expect the same 90% in fiscal year 2013. Although the capacity ratio of the general-purpose MLCCs are low, the ratio of the leading edge products such as ultra-compact and high-capacitance products are full operation continuously. The ratio of company overall based on 20 operating days per month was 97% in the 12Q4 and will be over 100% in the fiscal year 2013.

Q: Was the allowance for the compensation payment of the litigation totaling 2billion yen included in the original forecast?

A: It was not included in our original forecast.

Q: How much did order intake in March increase from February?

A: The order intake in January was expanded taking into account order intake for Chinese new year. Hence, the order intake in February decreased because of the impact of the January. The order intake in March was higher up 10 to 15% than January. As consequence, in terms of order intake by application in 12Q4, order from the communication market maintained peak level. Order from distributors was also good. All application except AV increased.

Q: How much is order level in April?

A: Order intake from communication and computer and peripherals continuously keep high level as well as the last month.

Q: You forecasted the units of LTE handsets will be grown. What is the base of your forecast?

A: We estimate based on customers' production forecast. We don't use demands by region.

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