(Translation)

70th Ordinary General Meeting of Shareholders
Information to be Posted on the Website

For the fiscal year ended March 31, 2015
(from April 1, 2014 to March 31, 2015)

1. **Notes to Consolidated Financial Statements**
2. **Notes to Non-Consolidated Financial Statements**

Mitsumi Electric Co., Ltd.

Of the documents to be provided upon giving notice of the 70th Ordinary General Meeting of Shareholders, the "consolidated notes" to the consolidated financial statements and the "non-consolidated notes" to the non-consolidated financial statements are provided to the shareholders by the Company by posting them on our Internet website (http://www.mitsumi.co.jp) in accordance with the applicable laws and ordinances and the Articles of Incorporation of the Company.

Notes to Consolidated Financial Statements

1. Important matters forming the basis of preparation of consolidated financial statements

(1) Matters concerning the scope of consolidation:

(i) Consolidated subsidiaries:

- Number of consolidated subsidiaries: 18 companies

The names of major consolidated subsidiaries are as described in "1. Current state of the Mitsumi Group (the "Group"): (3) Major parent company and subsidiaries: (ii) State of major subsidiaries" of the business report.

(ii) Non-consolidated subsidiaries:

- Number of non-consolidated subsidiaries: 2 companies
- Names of non-consolidated subsidiaries: MGI Co., Ltd.
MITSUMI REALTY INC.
- Reason for excluding the subsidiaries from the scope of consolidation:

The scale of business conducted by 2 non-consolidated subsidiaries are small, and their respective total assets, net sales, net income or loss and retained earnings (based on the Company's equity interest) do not have a material impact on the consolidated financial statements.

(2) Matters concerning the application of the equity method:

(i) Affiliates to which the equity method is applied:

- Number of equity method affiliates: 1 company
- Name of the equity method affiliate: MITSUMI REALTY INC.

(ii) Non-consolidated subsidiaries to which the equity method is not applied:

- Number of non-consolidated subsidiaries to which the equity method is not applied: 1 company
- Name of the non-consolidated subsidiary to which the equity method is not applied: MGI Co., Ltd.
- Reason for not applying the equity method to such company:

The company to which the equity method is not applied has no significant impact on net income or loss and retained earnings (based on the Company's equity interest), and in general has no significant impact on the consolidated financial statements. Hence, the equity method is not applied to the company and it is valued at cost.

(3) Matters concerning the fiscal years of consolidated subsidiaries:

The balance sheet date of Zhuhai Mitsumi Electric Co., Ltd. and six other consolidated subsidiaries is December 31 of each year. For the purpose of consolidated accounting, the accounts of such consolidated subsidiaries are settled provisionally as of the consolidated balance sheet date.

(4) Matters concerning accounting standards:

(i) Basis and method of valuation of important assets:

a. Securities:

Other securities:

- Those with market value: At market value, determined by market prices, etc. as of the close of the fiscal year (Revaluation differences are all transferred directly to net assets. Selling costs are determined by the moving average method.)
- Those without market value: At cost, determined by the moving average method

b. Inventories:

Inventories are stated at cost (the balance sheet values are calculated by the write-down method based on declined margins).

- Finished products and work in process: Determined by the periodic average method or the moving average method
- Raw materials and storage: Determined by the last cost method principally

(ii) Method of depreciation of important depreciable assets:

a. Tangible fixed assets (excluding lease assets):

Declining balance method based on the useful lives of assets estimated by category, structure and usage; provided, however, that the straight-line method is applicable to the buildings (excluding any appurtenances thereto) acquired on or after April 1, 1998 and some overseas consolidated subsidiaries.

Useful lives of principal tangible fixed assets are as described below:

Buildings and structures:	15 to 38 years
Machinery and equipment and motor vehicles:	5 to 10 years
Tools, furniture and fixtures:	2 to 8 years

b. Intangible fixed assets (excluding lease assets):

Straight-line method based on the useful lives of assets estimated by category and usage.

Useful lives of principal intangible fixed assets are as described below:

Software installed in products for sale:	3 years
Software for use by the Company:	5 years
Goodwill:	5 years

c. Lease assets:

Lease assets related to finance lease transactions that do not transfer ownership are depreciated by the straight-line method, based on the assumption that the useful life equals to the lease term and the residual value equals to zero.

(iii) Basis for translation of foreign currency assets and liabilities into Japanese currency:

Receivables and payables in foreign currency are translated into Japanese yen based on the spot exchange rate as of the close of the fiscal year and exchange differences are treated as exchange gains or losses. With regard to the overseas consolidated subsidiaries, assets and liabilities are translated into Japanese yen based on the spot exchange rate as of the close of the fiscal year and incomes and expenses are translated into Japanese yen based on the average exchange rate for the year, and exchange differences are reported by inclusion in the foreign exchange translation adjustment in the section of net assets.

(iv) Basis for providing for important reserves:

a. Allowance for doubtful receivables:

To meet losses from loan default, the Company sets aside an estimated uncollectible amount, by taking into consideration the actual loss rate in respect of general credits and the individual possibilities of collection in respect of possible non-performing credits and claims in bankruptcy and corporate reorganization. Its overseas consolidated subsidiaries set aside an estimated uncollectible amount based on individual estimates.

b. Accrued bonuses:

To meet the payment of bonuses to employees, the Company and some of its overseas consolidated subsidiaries set aside an estimated amount of bonuses to be paid for the fiscal year under review.

(v) Method of important hedge accounting:

a. Method of hedge accounting:

The Company engages in forward exchange contracts. A periodic allocation approach may be applicable to foreign currency receivables with forward exchange contracts.

b. Hedging instruments and hedged items:

(Hedging instruments)	Forward exchange contracts
(Hedged items)	Foreign currency receivables

c. Hedging policy:

To hedge risks of currency fluctuations in foreign currency transactions.

d. Method of evaluating the effectiveness of a hedge:

The Company applies the periodic application approach to foreign currency transactions in accordance with its risk management policies. Hence, the determination of effectiveness of such transactions as at the close of the fiscal year is not made.

(vi) Method of accounting for retirement benefits:

To meet the payment of retirement benefits to employees, the Company provides an amount obtained by deducting the amount of plan assets from retirement benefit obligations, based on their respective estimated amounts as of the end of the fiscal year under review, as a net defined benefit liability.

With regard to the difference of ¥12,579 million upon restatement of the accounts, ¥2,279 million was amortized by the creation of a retirement benefit trust and the balance of ¥10,300 million, except for the amount to be amortized due to the transfer of the substitutional portion of the Employee Pension Fund, is treated as expenses, based on a pro rata basis for 15 years.

Prior service cost is amortized by the straight-line method for a specific period of years (10 years) not exceeding the average remaining years of service of employees when such cost occurs.

Actuarial differences are principally amortized based on a pro rata basis by the straight-line method over a specific period of years (10 years) not exceeding the average remaining years of service of employees when such differences occur in each fiscal year, from the subsequent fiscal year.

The unappropriated amount of unrecognized actuarial differences and unrecognized prior service cost, after adjusting for taxes, is recognized as remeasurements of defined benefit plans under accumulated other comprehensive income in the net assets section.

(vii) Accounting treatment of consumption taxes:

Consumption taxes are treated for accounting purpose on a tax-excluded basis.

(5) Change in the important matters forming the basis of preparation of consolidated financial statements:

(Change in the accounting policy)

Effective April 1, 2014, the Company adopted certain provisions prescribed in paragraph 35 of the "Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012; hereinafter referred to as the "Standard") and paragraph 67 of the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, March 26, 2015). In accordance with those provisions, the Company revised the method for calculating retirement benefit obligations and service cost and changed the method of attributing expected benefits to periods from a straight-line method to a benefit formula basis. In addition, the Company changed the determination of discount rates from using rates determined by reference to the average remaining period of employees to using primarily multiple rates determined for each estimated payment period of retirement benefits.

In accordance with a transitional provision prescribed in paragraph 37 of the Standard, the Company accounted for the effect from the revision of the method for calculating retirement benefit obligations and service cost as an adjustment to retained earnings as of April 1, 2014.

As a result, net defined benefit liability as of April 1, 2014 decreased by ¥2,430 million and retained earnings as of April 1, 2014 increased by ¥2,430 million. The effect of those changes on operating income, recurring income and income before income taxes and others for the fiscal year under review is not material.

2. Notes to change in presentation methods:

"Provision of allowance for doubtful receivables", which was included in the item of "Other expenses" under the non-operating expenses in the previous fiscal year, is independently presented as from the fiscal year under review, due to its increased significance in monetary terms.

The provision of allowance for doubtful receivables in the previous fiscal year was ¥0 million.

"Other income", which was presented under "Non-operating income" in the previous fiscal year, is presented as "Other" as from the fiscal year under review, to be consistent with consolidated financial statements under the Financial Instruments and Exchange Act of Japan.

"Other expenses", which were presented under "Non-operating expenses" in the previous fiscal year, are presented as "Other" as from the fiscal year under review, to be consistent with consolidated financial statements under the Financial Instruments and Exchange Act of Japan.

3. Notes to consolidated balance sheet

Accumulated depreciation of tangible fixed assets: ¥117,789 million

4. Notes to consolidated statement of income

(1) Governmental subsidies:

¥1,434 million of governmental subsidies is an income on the relocation of a factory of a manufacturing subsidiary in China due to the urban redevelopment plan.

(2) Gain on sales of fixed assets:

¥1,036 million of gain on sales of fixed assets comprises a gain of ¥221 million on sales of lands for business use in Japan and a gain of ¥814 million on sales of a factory of a subsidiary in China.

(3) Impairment loss on fixed assets:

(i) Summary of the assets or assets groups with regard to which impairment losses were recognized:

Usage	Item	Location
Business-use asset	Buildings and structures	Japan
Business-use asset	Machinery and equipment and motor vehicles	Japan and the Philippines
Business-use asset	Tools, furniture and fixtures	Japan, the Philippines and China
Business-use asset	Construction in progress	Japan
Business-use asset	Intangible fixed assets	Japan and China

(ii) Background of the recognition of impairment loss on fixed assets:

With regard to business-use assets, as a result of the investigation of their future recoverability, cash flow proved unlikely to be better than initially estimated. Accordingly, the book values of the fixed assets of the Company and some of its consolidated subsidiaries were reduced to the recoverable values.

(iii) Amount of impairment losses:

Buildings and structures	¥4 million
Machinery and equipment and motor vehicles	¥700 million
Tools, furniture and fixtures	¥298 million
Construction in progress	¥76 million
Intangible fixed assets	¥23 million
Total	¥1,104 million

(iv) Method of the grouping of assets:

The Group groups its business-use assets by consolidated business, for which profits and losses are monitored on an ongoing basis, as a basic unit. The Group groups idle assets in an individual asset unit.

(v) Method of the calculation of recoverable values:

The recoverable values are calculated based on the use values or net sale values.

The use values, the expected future cash flows before discount of which have proved negative at present, and the net sales values, which are difficult to be calculated rationally by asset, are valued at zero.

5. Notes to consolidated statement of shareholders' equity, etc.

(1) Total number of issued shares:

Class	Number of shares as of April 1, 2014	Increase in the number of shares during the year	Decrease in the number of shares during the year	Number of shares as of March 31, 2015
Shares of common stock	87,498 thousand shares	-	-	87,498 thousand shares

(2) Matters concerning the distribution of retained earnings:

(i) Amount of payment for dividends, etc.:

Resolution	Class	Aggregate amount of dividends	Amount of dividend per share	Record date	Effective date
Ordinary general meeting of shareholders dated June 25, 2014	Shares of common stock	437 million yen	5 yen	March 31, 2014	June 26, 2014

(ii) Dividends for which the record date falls during the fiscal year under review but the effective date falls during the next fiscal year:

Resolution (expected)	Class	Source of dividends	Aggregate amount of dividends	Amount of dividend per share	Record date	Effective date
Ordinary general meeting of shareholders dated June 24, 2015	Shares of common stock	Retained earnings	1,224 million yen	14 yen	March 31, 2015	June 25, 2015

6. Notes on financial instruments

(1) Matters relating to the status of financial instruments:

The Group invests funds only by short-term deposits and raises funds by loans from banks and financial institutions.

With regard to risks relating to the collection of trade notes and trade accounts receivable, the Group has stipulated its sales administrative task rules, credit management rules and related bylaws thereof to reduce risks.

With regard to investment securities, which are principally stocks, the market prices of listed stocks are recognized for each quarter.

Derivatives are exchange contracts to hedge foreign currency risk relating to foreign currency trade accounts receivable. The Company has a policy of not engaging in speculative transactions. The hedging instruments, hedged items, hedging policy, method of evaluating the effectiveness of a hedge, etc. relating to hedge accounting are as described in "1. Important matters forming the basis of preparation of consolidated financial statements: (4) Matters concerning accounting standards: (v) Method of important hedge accounting" above.

(2) Matters concerning fair values, etc. of financial instruments:

The following chart shows amounts for items recorded in the consolidated balance sheet as of March 31, 2015, along with their fair values and the variances; however, the chart does not include any item the fair value of which is recognized as being extremely difficult to determine:

(million yen)

	Balance sheet amount*	Fair value*	Variance
(1) Cash and deposits	43,018	43,018	-
(2) Trade notes and trade accounts receivable	44,804	44,804	-
(3) Investment securities: Other marketable securities	70	70	-
(4) Trade notes and trade accounts payable	(21,268)	(21,268)	-
(5) Short-term borrowings	(10,276)	(10,276)	-

* The items recognized as liabilities are shown in the parentheses.

(Notes) 1. Matters concerning the calculation method of the fair values of financial instruments, as well as marketable securities:

(1) Cash and deposits and (2) Trade notes and trade accounts receivable:
The book value is used for these items, as the fair value is nearly equal to the book value as a result of their short settlement periods.

(3) Investment securities:
The fair value of stocks is determined by the prices of the stocks traded on an exchange.

(4) Trade notes and trade accounts payable and (5) Short-term borrowings:
The book value is used for these items, as the fair value is nearly equal to the book value as a result of their short settlement periods.

2. Unlisted shares and convertible-bonds-type bonds with stock acquisition rights (¥408 million on the balance sheet) have no market price and it is impossible to estimate their future cash flow. As determining the market value thereof is recognized as being extremely difficult, they are not included in "(3) Investment securities – Other marketable securities".

7. Notes on information per share

(1) Net assets per share: ¥1,319.96

(2) Net income per share: ¥43.75

Notes to Non-Consolidated Financial Statements

1. Notes to the matters concerning significant accounting policies:

(1) Basis and method of valuation of marketable securities:

(i) Investment in subsidiaries' stock and affiliated companies' stock: At cost, determined by the moving average method

(ii) Other securities:

- Those with market value: At market value, determined by market prices, etc. as of the close of the fiscal year (Revaluation differences are all transferred directly to net assets. Selling costs are determined by the moving average method.)
- Those without market value: At cost, determined by the moving average method

(2) Basis and method of evaluation of inventories:

Inventories are stated at cost (the balance sheet values are calculated by the write-down method based on declined margins).

- Merchandise: Determined by the moving average method
- Finished products and work in process: Determined by the periodic average method
- Raw materials and storage: Determined by the last cost method principally

(3) Method of depreciation of fixed assets (excluding lease assets):

(i) Tangible fixed assets (excluding lease assets):

Declining balance method based on the useful lives of assets estimated by category, structure and usage; provided, however, that the straight-line method is applicable to the buildings (excluding any appurtenances thereto) acquired on or after April 1, 1998.

Useful lives of principal tangible fixed assets are as described below:

Buildings and structures	15 to 38 years
Machinery and equipment	5 to 8 years
Tools, furniture and fixtures	2 to 8 years

(ii) Intangible fixed assets (excluding lease assets):

Straight-line method based on the useful lives of assets estimated by category and usage.

Useful lives of principal intangible fixed assets are as described below:

Software installed in products for sale:	3 years
Software for use by the Company:	5 years
Goodwill:	5 years

(iii) Lease assets:

Lease assets related to finance lease transactions that do not transfer ownership are depreciated by the straight-line method, based on the assumption that the useful life equals to the lease term and the residual value equals to zero.

(4) Basis for translation of foreign currency assets and liabilities into Japanese currency:

Receivables and payables in foreign currency are translated into Japanese yen based on the spot exchange rate as of the close of the fiscal year and exchange differences are treated as exchange gains or losses.

(5) Basis for providing for reserves:

(i) Allowance for doubtful receivables:

To meet losses from loan default, the Company sets aside an estimated uncollectible amount, by taking into consideration the actual loss rate in respect of general credits and the individual possibilities of collection in respect of possible non-performing credits and claims in bankruptcy and corporate reorganization.

(ii) Accrued bonuses:

To meet the payment of bonuses to employees, the Company sets aside an estimated amount of bonuses to be paid for the fiscal year under review.

(iii) Reserve for employee retirement benefits:

To meet the payment of retirement benefits to employees, the Company provides an amount, based on estimated retirement benefit obligations and plan assets as of the close of the fiscal year under review.

With regard to the difference of ¥12,579 million upon restatement of the accounts, ¥2,279 million was amortized by the creation of a retirement benefit trust and the balance of ¥10,300 million, except for the amount to be amortized due to the transfer of the substitutional portion of the Employee Pension Fund, is treated as expenses, based on a pro rata basis for 15 years.

Past service cost is treated as expenses, based on a pro rata basis for a specific period of years (10 years) not exceeding the average remaining years of service of employees when such cost occurs.

Actuarial differences are principally amortized based on a pro rata basis by the straight-line method over a specific period of years (10 years) not exceeding the average remaining years of service of employees when such differences occur in each fiscal year, from the subsequent fiscal year.

The Company accounted for "prepaid pension cost" under investments and other intangible fixed assets as at the end of the fiscal year under review.

(iv) Allowance for operating loss:

To meet losses from the operations of its related companies, the Company sets aside an estimated amount of loss to be incurred by the Company, in excess of the amounts of investment in and receivables from the related companies.

(6) Method of hedge accounting:

- Method of hedge accounting:

  The Company engages in forward exchange contracts. A periodic allocation approach may be applicable to foreign currency receivables with forward exchange contracts.

- Hedging instruments and hedged items:

(Hedging instruments)	Forward exchange contracts
(Hedged items)	Foreign currency receivables

- Hedging policy:

  To hedge risks of currency fluctuations in foreign currency transactions.

- Method of evaluating the effectiveness of a hedge:

  The Company applies the periodic application approach to foreign currency transactions in accordance with its risk management policies. Hence, the determination of effectiveness of such transactions as at the close of the fiscal year is not made.

(7) Accounting treatment of employee retirement benefits:

The treatment of the unappropriated amount of unrecognized actuarial differences and unrecognized prior service cost relating to employee retirement benefits differs from the treatment thereof in the consolidated financial statements.

(8) Accounting treatment of consumption taxes:

Consumption taxes are treated for accounting purpose on a tax-excluded basis.

2. Notes to change in the accounting policy

Effective April 1, 2014, the Company adopted the "Accounting Standard for Retirement Benefits" (Accounting Standards Board of Japan (ASBJ) Statement No. 26, May 17, 2012; hereinafter referred to as the "Standard") and the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, March 26, 2015). Accordingly, the Company revised the method for calculating retirement benefit obligations and service cost and changed the method of attributing expected benefits to periods from a straight-line method to a benefit formula basis. In addition, the Company changed the determination of discount rates from using rates determined by reference to the average remaining period of employees to using primarily multiple rates determined for each estimated payment period of retirement benefits.

In accordance with a transitional provision prescribed in paragraph 37 of the Standard, the Company accounted for the effect from the revision of the method for calculating retirement benefit obligations and service cost as an adjustment to retained earnings as of April 1, 2014.

As a result, prepaid pension cost as of April 1, 2014 increased by ¥2,430 million, deferred tax liabilities recorded under long-term liabilities as of April 1, 2014 increased by ¥866 million and retained earnings as of April 1, 2014 increased by ¥1,564 million. The effect of those changes on operating loss, recurring income and income before income taxes for the fiscal year under review is not material.

3. Notes to change in presentation methods:

(1) Non-consolidated balance sheet

"Trade receivables on supply of raw materials" (¥1,923 million for the fiscal year under review) and "Other accounts receivable" (¥1,015 million for the fiscal year under review), which were independently presented under current assets in the previous fiscal year, are presented by inclusion in "Other" under current assets as from the fiscal year under review, to be consistent with consolidated financial statements under the Financial Instruments and Exchange Act of Japan.

"Utility rights" (¥2 million for the fiscal year under review) and "Telephone rights" (¥30 million for the fiscal year under review), which were independently presented under fixed assets in the previous fiscal year, are presented by inclusion in "Other" under intangible fixed assets as from the fiscal year under review, to be consistent with consolidated financial statements under the Financial Instruments and Exchange Act of Japan.

"Notes payable relating to facilities" (¥284 million for the fiscal year under review), which were independently presented under current liabilities in the previous fiscal year, are presented by inclusion in "Other" under current liabilities as from the fiscal year under review, to be consistent with consolidated financial statements under the Financial Instruments and Exchange Act of Japan.

(2) Non-consolidated statement of income

"Provision of allowance for doubtful receivables", which was included in the item of "Other expenses" under "Non-operating expenses" in the previous fiscal year, is independently presented as from the fiscal year under review, due to its increased significance in monetary terms. The provision of allowance for doubtful receivables in the previous fiscal year was ¥0 million.

"Other income", which was presented under "Non-operating income" in the previous fiscal year, is presented as "Other" as from the fiscal year under review, to be consistent with consolidated financial statements under the Financial Instruments and Exchange Act of Japan.

"Other expenses", which were presented under "Non-operating expenses" in the previous fiscal year, are presented as "Other" as from the fiscal year under review, to be consistent with consolidated financial statements under the Financial Instruments and Exchange Act of Japan.

4. Notes to non-consolidated balance sheet

(1) Accumulated depreciation of tangible fixed assets: ¥80,591 million

(2) Money debts due from and payable to related companies:

(i) Short-term money debts due from related companies: ¥13,525 million

(ii) Short-term money debts payable to related companies: ¥6,518 million

(3) Aggregate money debts payable to Directors and Statutory Auditors:

Long-term money debts payable to Directors and Statutory Auditors: ¥71 million

5. Notes to non-consolidated statement of income

(1) Transactions with related companies:

(i) Sales: ¥43,551 million

(ii) Purchases: ¥52,472 million

(iii) Provision for value: ¥2,952 million

(iv) Transactions other than ordinary business: ¥2,824 million

(2) Gain on sales of fixed assets:

¥221 million of gain on sales of fixed assets is a gain on sales of lands for business use in Japan.

(3) Impairment loss on fixed assets:

(i) Summary of the assets or assets groups with regard to which impairment losses were recognized:

Usage	Item	Location
Business-use asset	Buildings and structures	Atsugi City, Kanagawa
Business-use asset	Machine and equipment	Chitose City, Hokkaido, etc.
Business-use asset	Tools, furniture and fixtures	Atsugi City, Kanagawa, etc.
Business-use asset	Construction in progress	Chitose City, Hokkaido
Business-use asset	Intangible fixed assets	Atsugi City, Kanagawa, etc.

(ii) Background of the recognition of impairment loss on fixed assets:

With regard to business-use assets, as a result of the investigation of their future recoverability, cash flow proved unlikely to be better than initially estimated. Accordingly, the book values of the fixed assets of the Company were reduced to the recoverable values.

(iii) Amount of impairment losses:

Buildings and structures	¥4 million
Machinery and equipment	¥635 million
Tools, furniture and fixtures	¥209 million
Construction in progress	¥76 million
Intangible fixed assets	¥14 million
Total	¥940 million

(iv) Method of the grouping of assets:

The Company groups its business-use assets by business, for which profits and losses are monitored on an ongoing basis, as a basic unit. The Company groups idle assets in an individual asset unit.

(v) Method of the calculation of recoverable values:

The recoverable values are calculated based on the use values or net sale values.

The use values, the expected future cash flows before discount of which have proved negative at present, and the net sales values, which are difficult to be calculated rationally by asset, are valued at zero.

6. Notes to non-consolidated statement of shareholders' equity, etc.

Matters concerning the number of shares of treasury stock:

Class	Number of shares as of April 1, 2015	Increase in the number of shares during the year	Decrease in the number of shares during the year	Number of shares as of March 31, 2015
Shares of common stock	46 thousand shares	0 thousand share	-	47 thousand shares

(Note) The number of shares of treasury stock increased as a result of the purchases of less-than-one-unit shares.

7. Notes on tax effect accounting

(1) Analysis of principal items that caused the accrual of deferred tax assets and deferred tax liabilities:

(million yen)

Current assets and current liabilities:	
Deferred tax assets	
Non-admitted accrued bonuses	401
Non-admitted revaluation loss of inventories	335
Non-admitted accrued expenses	204
Foreign corporate taxes	10
Other	122
Sub-total	1,073
Valuation allowance	(1,065)
Balance of deferred tax assets	8
Offset against deferred tax liabilities	(8)
Net deferred tax assets	-
Deferred tax liabilities	
Reserve for deferred income tax on fixed assets	(8)
Total deferred tax liabilities	(8)
Offset against deferred tax assets	8
Net deferred tax liabilities	-
Fixed assets and long-term liabilities:	
Deferred tax assets	
Excess depreciation amount	562
Non-admitted impairment loss on fixed assets	1,321
Loss carry-forward	10,032
Valuation loss of investment in related companies' stock	474
Valuation loss of investment capital in related companies' stock	483
Reserve for employee retirement benefits	221
Other	1,383
Sub-total	14,479
Valuation allowance	(14,338)
Balance of deferred tax assets	140
Offset against deferred tax liabilities	(140)
Net deferred tax assets	-
Deferred tax liabilities	
Prepaid pension cost	(799)
Reserve for deferred income tax on fixed assets	(140)
Valuation loss of investment in related companies' stock	(194)
Other	(26)
Total deferred tax liabilities	(1,160)
Offset against deferred tax assets	140
Net deferred tax liabilities	(1,019)

(2) Analysis of principal items that caused a difference between the statutory effective tax rate and the corporate tax charge rate after application of tax effect accounting:

Item	Tax charge rate
Statutory effective tax rate	35.6%
(Adjustment)	
Non-deductible entertainment expenses	1.3%
Exclusion of dividends received from gross profits	(76.2)%
Deduction of loss carryforward	(23.4)%
Foreign tax exemption	15.0%
Valuation allowance	36.3%
Inhabitant tax on a per capita basis	4.4%
Downward revision of year-end deferred tax liabilities due to tax rate revision	(12.4)%
Other	(1.4)%
Corporate tax charge rate after application of tax effect accounting	(20.7)%

(3) Revision of deferred tax assets and deferred tax liabilities as a result of the revision of the rate of corporate tax, etc.

The "Act for Partial Amendment of the Income Tax Act, etc." and the "Act for Partial Amendment of the Local Tax Act, etc." were promulgated on March 31, 2015. Consequently, the statutory effective tax rate used for the calculation of deferred tax assets and deferred tax liabilities is reduced from 35.6% for the previous fiscal year to 33.1% for the period from April 1, 2015 to March 31, 2016 during which a recovery or payment is expected, and to 32.3% for the fiscal year commencing on April 1, 2016 and thereafter.

The tax rate revision has decreased the amount of deferred tax liabilities reported in the fiscal year under review by ¥104 million and the amount of interperiod tax allocation adjustment by ¥101 million, respectively and increased the amount of valuation difference of other securities by ¥2 million.

8. Notes on transactions with related parties

Subsidiaries, etc.

Attribute	Corporate name	Address	Capital stock or contribu-tion	Business	Ratio of voting rights held by (in) the Company	Relationship		Transaction	Transaction amount (million yen)	Account	Year-end balance (million yen)
						Number of interlocking officers	Business relationship				
Subsidiary	MITSUMI CO., LTD.	Hong Kong	HK$8,000 thousand	Sale of electronic and communications equipment parts	Held by the Company Direct: 100%	None	Sale of products of the Company	Sales of products	28,033	Trade accounts receivable	6,916
Subsidiary	CEBU MITSUMI INC.	Danao City, Province of Cebu, Philippine	PHP 1,145,683 thousand	Manufacture of electronic and communications equipment parts	Held by the Company Direct: 100%	1	Manufacture of semiconductor devices, optical devices and system parts of the Company	Sales of products	11,580	Trade accounts payable	1,620
Subsidiary	MITSUMI ELECTRONICS (SINGAPORE) PTE. LTD.	Singapore	S$3,800 thousand	Sale of electronic and communications equipment parts	Held by the Company Direct: 100%	None	Sale of products of the Company	Sales of products	8,225	Trade accounts receivable	1,509

(Notes) Terms of transactions and the policy on determination thereof, etc.:

1. Sales and purchases of products are determined by negotiations from time to time, in consideration of market prices and gross costs.
2. The transaction amount and the year-end balance do not include consumption taxes.

9. Notes on information per share

(1) Net assets per share: ¥1,153.56

(2) Net income per share: ¥11.33

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