

(Excerpt translation)

August 7, 2014

**BRIEF ANNOUNCEMENT OF SETTLEMENT OF ACCOUNTS FOR
THE FIRST QUARTER OF THE FISCAL YEAR ENDING MARCH 31, 2015**

(Based on Japanese GAAP) (Consolidated)

Name of listed company: MITSUMI ELECTRIC CO., LTD.

Listing exchange: Tokyo Stock Exchange

Code number: 6767

URL: <http://www.mitsumi.co.jp/>

Representative: Shigeru Moribe
President and Representative Director

Person to contact: Kunihiro Noguchi
General Manager of General Affairs Dept.

Scheduled date of submission of quarterly report: August 12, 2014

Scheduled date of payment of dividends: -

Quarterly supplemental explanatory material prepared: None

Quarterly results briefing held: None

(Figures are indicated by discarding fractions of a million yen.)

1. Consolidated business results for the first quarter of the fiscal year ending March 31, 2015 (April 1, 2014 through June 30, 2014):

(1) Consolidated operating results:

(The percentages indicate the rates of increase (decrease) from the first quarter of the previous fiscal year.)

	Net sales		Operating income		Recurring income		Net income	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
First quarter of the year ending March 31, 2015	26,477	(9.4)	(3,314)	-	(3,796)	-	(3,996)	-
First quarter of the year ended March 31, 2014	29,209	3.9	(2,701)	-	(1,694)	-	(1,674)	-

(Note) Comprehensive income:

First quarter of the year ending March 31, 2015: ¥(4,082) million (-%)
First quarter of the year ended March 31, 2014: ¥(502) million (-%)

	Net income per share (basic)	Net income per share (diluted)
	(yen)	(yen)
First quarter of the year ending March 31, 2015	(45.71)	-
First quarter of the year ended March 31, 2014	(19.15)	-

(2) Consolidated financial condition:

	Total assets	Net assets	Net worth ratio
	(million yen)	(million yen)	(%)
First quarter of the year ending March 31, 2015	139,769	100,902	72.2
Year ended March 31, 2014	142,981	102,992	72.0

(For reference) Net worth: First quarter of the year ending March 31, 2015: ¥100,902 million
 Year ended March 31, 2014: ¥102,992 million

2. State of dividends:

	Annual dividend (yen)				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Year ended March 31, 2014	—	—	—	5.00	5.00
Year ending March 31, 2015	—				
Year ending March 31, 2015 (forecast)		—	—	7.00	7.00

(Note) Adjustment to the most recently publicized forecast of dividends: None

3. Forecast of consolidated business results for the fiscal year ending March 31, 2015 (April 1, 2014 through March 31, 2015):

(The percentages indicate the rates of increase (decrease) from the previous fiscal year in respect of the whole-year period, and from the second-quarter cumulative period of the previous fiscal year in respect of the second-quarter cumulative period, respectively.)

	Net sales		Operating income		Recurring income		Net income		Net income per share
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(yen)
Second-quarter (cumulative) period	72,000	(5.4)	(1,500)	-	(1,500)	-	(1,000)	-	(11.43)
Whole-year period	165,000	4.9	3,000	376.3	2,000	(24.0)	1,500	(53.5)	17.15

(Note) Adjustment to the most recently publicized forecast of consolidated business results: None

Notes:

- (1) Changes in important subsidiaries (changes in specific subsidiaries associated with a change in the scope of consolidation) during the period under review: None
- (2) Application of accounting treatments special to the preparation of the quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and modifications and restatements:
- 1) Changes in accounting policies associated with changes in accounting standards: Yes
 - 2) Other changes in accounting policies: None
 - 3) Changes in accounting estimates: None
 - 4) Modifications and restatements: None
- (4) Number of issued shares (shares of common stock):
- 1) Number of issued shares (including shares of treasury stock) as of the end of the period:

First quarter of the year ending March 31, 2015:	87,498,119 shares
Year ended March 31, 2014:	87,498,119 shares
 - 2) Number of shares of treasury stock as of the end of the period:

First quarter of the year ending March 31, 2015:	47,018 shares
Year ended March 31, 2014:	46,958 shares
 - 3) Average number of shares during the period:

First quarter of the year ending March 31, 2015:	87,451,119 shares
First quarter of the Year ended March 31, 2014:	87,451,946 shares

* Statement on the state of performance of quarterly review procedures:

This brief announcement of settlement of accounts for the period under review is not subject to quarterly review procedures under the Financial Instruments and Exchange Act of Japan. The review procedures of quarterly financial statements in accordance with the Financial Instruments and Exchange Act have not been completed at the time of disclosure hereof.

* Explanation for the appropriate use of the forecast of business results and other special instructions:

The description of the future in this material, including the forecast of business results, is based on the information currently available to the Company and certain assumptions currently considered reasonable by the Company. The actual results may change depending on various factors. As for the conditions precedent to the forecasts of business results and the instructions on the use of the forecasts of business results, please refer to "1. Qualitative Information on the Settlement of Accounts for the Quarter of the Fiscal Year under Review: (3) Explanations on the forecasts of consolidated business results and other future forecast information" on page 6 hereof.

CONTENTS OF ATTACHMENT

1.	Qualitative Information on the Settlement of Accounts for the Quarter of the Fiscal Year under Review	5
	(1) Explanations on the operating results	5
	(2) Explanations on the financial position.....	5
	(3) Explanations on the forecasts of consolidated business results and other future forecast information	6
2.	Matters Concerning Summary Information (Notes).....	6
3.	Consolidated Quarterly Financial Statements.....	7
	(1) Consolidated quarterly balance sheets.....	7
	(2) Consolidated quarterly statements of income and consolidated quarterly statements of comprehensive income	8
	(3) Notes on consolidated quarterly statements.....	9
	(Note on assumptions for going concern).....	9
	(Note on material change (if any) in the amount of shareholders' equity)	9
	(Segment information).....	9
4.	Supplementary Information	10
	(1) Production, orders received and sales.....	10
	(2) Overseas net sales	11

1. Qualitative Information on the Settlement of Accounts for the Quarter of the Fiscal Year under Review

(1) Explanations on the operating results

To overview the global economic situations during the consolidated first-quarter period of the fiscal year under review, the U.S. economy continued to show a tone of expansion due to strong consumer spending and an increase in corporate capital spending. In Europe, the economy continued to recover in a patchy fashion from country to country. In the emerging countries, there was a slowdown in economic growth. Thus, the global economy generally has been in the phase of a modest recovery.

In Japan, there has been an increase in corporate capital spending and the impact of the rebound from the demand rush that preceded the rise in the consumption tax rate has been immaterial to consumer spending. Thus, the Japanese economy has remained in the phase of slow recovery.

In our electronic parts industry, while the market for products related to PCs and digital cameras has flagged, the market for smart phones and tablet devices, which integrate some functions of PCs and digital cameras, has continued to grow. The market for car-mounted devices has accelerated growth with more electronic components mounted on automobiles.

Under these circumstances, the Mitsumi Group experienced an increase in sales of products related to car-mounted devices, while sales of amusement-related products continued to decrease. Smart phone-related products were affected by temporary production adjustment as a result of product transitions. As a result, for the first-quarter period of the fiscal year under review, on a consolidated basis, net sales amounted to ¥26,477 million (90.6% in comparison with the corresponding period of the previous fiscal year).

With regard to profits and losses, the Company registered an operating loss of ¥3,314 million (an operating loss of ¥2,701 million for the corresponding period of the previous fiscal year) and a recurring loss of ¥3,796 million (a recurring loss of ¥1,694 million for the corresponding period of the previous fiscal year). Net loss amounted to ¥3,996 million (a net loss of ¥1,674 million for the corresponding period of the previous fiscal year).

(2) Explanations on the financial condition

As of the end of the first quarter of the fiscal year under review, on a consolidated basis, total assets accounted for ¥139,769 million, down ¥3,211 million from the end of the previous fiscal year, due principally to a decrease of ¥7,232 million in trade notes and trade accounts receivable in spite of an increase of ¥2,004 million in inventories and an increase of ¥2,607 million in tangible fixed assets.

Total liabilities accounted for ¥38,867 million, down ¥1,121 million from the end of the previous fiscal year, due principally to a decrease of ¥643 million in trade notes and trade accounts payable, a decrease of ¥652 million in allowance for bonuses and a decrease of ¥2,550 million in net defined benefit liability in spite of an increase of ¥2,994 million in other current liabilities.

Total net assets accounted for ¥100,902 million, down ¥2,089 million from the end of the previous fiscal year, due principally to a decrease of ¥2,003 million in retained earnings.

As a result, the net worth ratio as of the end of the first quarter of the fiscal year under review increased by 0.2 percentage points from the end of the previous fiscal year to 72.2%.

(3) Explanations on the forecasts of consolidated business results and other future forecast information

With regard to the forecast of consolidated business results for the fiscal year ending March 31, 2015, No amendment will be made to the forecast of consolidated business results publicized on May 12, 2014.

2. Matters Concerning Summary Information (Notes)

(Translation omitted)

3. Consolidated Quarterly Financial Statements

(1) Consolidated quarterly balance sheets

(million yen)

	Year ended March 31, 2014 (as of March 31, 2014)	First-quarter period of the year ending March 31, 2015 (as of June 30, 2014)
ASSETS:		
Current assets:		
Cash and deposits	46,317	45,232
Trade notes and trade accounts receivable	36,692	29,459
Finished products	2,832	3,179
Work in process	8,057	9,673
Raw materials and storage	16,737	16,778
Other assets	1,366	1,841
Allowance for doubtful receivables	(25)	(21)
Total current assets	111,977	106,143
Fixed assets:		
Tangible fixed assets	27,797	30,405
Intangible fixed assets	1,322	1,272
Investments and other assets		
Others investments and other assets	2,001	2,066
Allowance for doubtful receivables	(118)	(117)
Total investments and other assets	1,882	1,948
Total fixed assets	31,003	33,626
TOTAL ASSETS	142,981	139,769
LIABILITIES:		
Current liabilities:		
Trade notes and trade accounts payable	18,309	17,666
Short-term borrowings	6,278	6,182
Accrued corporate taxes, etc.	534	432
Allowance for bonuses	1,315	663
Other current liabilities	7,518	10,512
Total current liabilities	33,956	35,457
Long-term liabilities:		
Net defined benefit liability	4,459	1,908
Other long-term liabilities	1,573	1,501
Total long-term liabilities	6,033	3,409
TOTAL LIABILITIES	39,989	38,867
NET ASSETS:		
Shareholders' equity:		
Capital	39,890	39,890
Additional paid-in capital	43,252	43,252
Retained earnings	33,733	31,729
Treasury stock	(92)	(92)
Total shareholders' equity	116,783	114,779
Accumulated other comprehensive income:		
Valuation difference of other securities	49	48
Foreign exchange translation adjustment	(9,698)	(10,013)
Remeasurements of defined benefit plans	(4,142)	(3,911)
Total accumulated other comprehensive income	(13,790)	(13,876)
TOTAL NET ASSETS	102,992	100,902
TOTAL LIABILITIES AND NET ASSETS	142,981	139,769

(2) Consolidated quarterly statements of income and consolidated quarterly statements of comprehensive income

Consolidated quarterly statements of income
 (For the consolidated first-quarter period)

(million yen)

	First-quarter period of the year ended March 31, 2014 (April 1, 2013 through June 30, 2013)	First-quarter period of the year ending March 31, 2015 (April 1, 2014 through June 30, 2014)
Net sales	29,209	26,477
Cost of sales	29,294	26,912
Gross profit (loss) on sales	(84)	(435)
Selling, general and administrative expenses	2,616	2,879
Operating loss	(2,701)	(3,314)
Non-operating income		
Interest income	25	26
Royalties earned	10	1
Foreign exchange gains	909	-
Reversal of allowance for doubtful receivables	1	-
Other income	93	98
Total non-operating income	1,040	125
Non-operating expenses		
Interest expense	10	11
Loss on disposition of fixed assets	11	32
Payment compensation	8	40
Foreign exchange loss	-	499
Other expenses	2	23
Total non-operating expenses	33	607
Recurring loss	(1,694)	(3,796)
Special income	-	-
Special loss		
Impairment loss on fixed assets	44	206
Special retirement allowances	7	-
Total special loss	51	206
Loss before income taxes and others	(1,745)	(1,003)
Corporate, inhabitant and enterprise taxes	(70)	(6)
Net loss	(1,674)	(3,996)

Consolidated quarterly statements of comprehensive income
 (For the consolidated first-quarter period)

(million yen)

	First-quarter period of the year ended March 31, 2014 (April 1, 2013 through June 30, 2013)	First-quarter period of the year ending March 31, 2015 (April 1, 2014 through June 30, 2014)
Net loss	(1,674)	(3,996)
Other comprehensive income		
Valuation difference of other securities	11	(1)
Foreign exchange translation adjustment	1,160	(315)
Remeasurements of defined benefit plans	-	230
Total other comprehensive income	1,172	(85)
Quarterly comprehensive income	(502)	(4,082)
(Items)		
Quarterly comprehensive income related to the shareholders of the parent company	(502)	(4,082)
Quarterly comprehensive income related to the minority shareholders	-	-

(3) Notes on consolidated quarterly statements

(Note on assumptions for going concern)

Not applicable.

(Note on material change (if any) in the amount of shareholders' equity)

Not applicable.

(Segment information)

The business of the Group is comprised of a single segment of production and sale of parts of electronic and communications devices and equipment. Hence, the descriptions of segment information are omitted.

4. Supplementary Information

(1) Production, orders received and sales

(i) Production

Production by product division for the consolidated first-quarter period of the fiscal year ending March 31, 2015:

Division	Production	Comparison with the corresponding period of the previous fiscal year
	(million yen)	(%)
Semiconductor Devices	6,644	110.7
Optical Devices	1,513	59.6
System Parts	9,762	84.8
High-Frequency Parts	5,153	112.4
Power-Unit Parts	3,248	67.4
Total	26,322	89.3

(ii) Orders received

Orders received by product division for the consolidated first-quarter period of the fiscal year ending March 31, 2015:

Division	Orders received	Comparison with the corresponding period of the previous fiscal year	Balance of orders received	Comparison with the corresponding period of the previous fiscal year
	(million yen)	(%)	(million yen)	(%)
Semiconductor Devices	7,098	116.4	3,853	117.9
Optical Devices	1,731	39.8	1,219	52.1
System Parts	12,160	91.2	6,939	109.2
High-Frequency Parts	5,467	101.9	3,026	89.5
Power-Unit Parts	4,117	100.7	2,307	93.5
Total	30,576	92.0	17,345	97.4

(iii) Sales

Sales by product division for the consolidated first-quarter period of the fiscal year ending March 31, 2015:

Division	Sales	Comparison with the corresponding period of the previous fiscal year
	(million yen)	(%)
Semiconductor Devices	6,781	114.4
Optical Devices	1,489	58.4
System Parts	9,927	85.4
High-Frequency Parts	5,099	113.4
Power-Unit Parts	3,178	68.9
Total	26,477	90.6

(2) Overseas net sales

For the consolidated first-quarter period of the fiscal year ended March 31, 2014 (April 1, 2013 through June 30, 2013):

(million yen)

	Asia	Europe	North America	Total
I Overseas net sales	15,792	822	909	17,524
II Consolidated net sales				29,209
III Ratio of overseas net sales to consolidated net sales (%)	54.1	2.8	3.1	60.0

For the consolidated first-quarter period of the fiscal year ending March 31, 2015 (April 1, 2014 through June 30, 2014):

(million yen)

	Asia	Europe	North America	Total
I Overseas net sales	15,729	739	1,178	17,646
II Consolidated net sales				26,477
III Ratio of overseas net sales to consolidated net sales (%)	59.4	2.8	4.4	66.6

- END -