

(Excerpt translation)

May 12, 2015

**BRIEF ANNOUNCEMENT OF SETTLEMENT OF ACCOUNTS FOR
THE FISCAL YEAR ENDED MARCH 31, 2015**

(Based on the accounting principles generally accepted in Japan)
(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. Tel. (042) 310-5333
Scheduled date of the Ordinary General Meeting of Shareholders:	June 24, 2015
Scheduled date of filing of securities report:	June 25, 2015
Scheduled date of payment of dividends:	June 25, 2015
Preparation of supplementary information on statement of accounts:	Yes
Holding of results briefing:	Yes (results briefing for analysts and institutional investors)

(Figures are stated by discarding fractions of one million yen.)

1. Consolidated business results for the fiscal year ended March 31, 2015 (April 1, 2014 through March 31, 2015):

(1) Consolidated operating results:

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

	Net sales		Operating income		Recurring income		Net income	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
Year ended March 31, 2015	153,045	(2.7)	952	51.2	3,980	51.2	3,826	18.5
Year ended March 31, 2014	157,360	3.5	629	-	2,632	-	3,228	-

(Note) Comprehensive income:

Year ended March 31, 2015: ¥10,446 million (85.2%)
Year ended March 31, 2014: ¥5,641 million (-%)

	Net income per share (basic)	Fully diluted earnings per share	Percentage of net income to net worth	Percentage of recurring income to total assets	Percentage of operating income to net sales
	(yen)	(yen)	(%)	(%)	(%)
Year ended March 31, 2015	43.75	-	3.5	2.6	0.6
Year ended March 31, 2014	36.92	-	3.2	1.9	0.4

(For reference) Gain on equity method investments:

Year ended March 31, 2015: ¥3 million
Year ended March 31, 2014: ¥4 million

(2) Consolidated financial condition:

	Total assets	Net assets	Net worth ratio	Net assets per share
	(million yen)	(million yen)	(%)	(yen)
Year ended March 31, 2015	161,089	115,431	71.7	1,319.96
Year ended March 31, 2014	142,981	102,992	72.0	1,177.71

(For reference) Net worth

Year ended March 31, 2015: ¥115,431 million
Year ended March 31, 2014: ¥102,992 million

(3) State of consolidated cash flows:

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of the year
	(million yen)	(million yen)	(million yen)	(million yen)
Year ended March 31, 2015	(173)	(17,870)	2,532	33,689
Year ended March 31, 2014	8,739	(10,026)	(5)	45,413

2. State of dividends:

	Annual dividend per share (yen)					Total dividends (annual) (million yen)	Dividend propensity (consolidated) (%)	Ratio of dividends to shareholders' equity (consolidated) (%)
	First quarter -end	Second quarter -end	Third quarter -end	Year-end	Total			
Year ended March 31, 2014	-	-	-	5.00	5.00	437	13.5	0.4
Year ended March 31, 2015	-	-	-	14.00	14.00	1,224	32.0	1.1
Year ending March 31, 2016 (forecast)	-	-	-	12.00	12.00		35.0	

3. Forecast of consolidated operating results for the fiscal year ending March 31, 2016 (April 1, 2015 through March 31, 2016):

(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	82,000	20.8	500	-	0	-	0	-	0.00
Whole-year period	175,000	14.3	5,000	425.2	3,500	(12.1)	3,000	(21.6)	34.31

* Notes:

- (1) Changes in important subsidiaries (changes in specific subsidiaries associated with changes in the scope of consolidation) during the year: None
- (2) Changes in accounting policies, changes in accounting estimates and modifications and restatements:
 - (i) Changes in accounting policies associated with changes in accounting standards: Yes

- (ii) Other changes in accounting policies: None
- (iii) Changes in accounting estimates: None
- (iv) Modifications and restatements: None
- (3) Number of issued shares (shares of common stock):
- (i) Number of issued shares (including shares of treasury stock) as of the end of the fiscal year:
- | | |
|----------------------------|-------------------|
| Year ended March 31, 2015: | 87,498,119 shares |
| Year ended March 31, 2014: | 87,498,119 shares |
- (ii) Number of shares of treasury stock as of the end of the fiscal year:
- | | |
|----------------------------|---------------|
| Year ended March 31, 2015: | 47,667 shares |
| Year ended March 31, 2014: | 46,958 shares |
- (iii) Average number of shares during the fiscal year:
- | | |
|----------------------------|-------------------|
| Year ended March 31, 2015: | 87,450,790 shares |
| Year ended March 31, 2014: | 87,451,618 shares |

(For reference) Summary of the non-consolidated operating results

Non-consolidated operating results for the year ended March 31, 2015 (April 1, 2014 through March 31, 2015):

(1) Non-consolidated operating results:

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

	Net sales		Operating income		Recurring income		Net income	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
Year ended March 31, 2015	140,129	(3.1)%	(1,154)	-	1,984	667.8	990	235.0
Year ended March 31, 2014	144,653	3.2%	(923)	-	258	-	295	-

	Net income per share (basic)	Fully diluted earnings per share
	(yen)	(yen)
Year ended March 31, 2015	11.33	-
Year ended March 31, 2014	3.38	-

(2) Non-consolidated financial condition:

	Total assets	Net assets	Net worth ratio	Net assets per share
	(million yen)	(million yen)	(%)	(yen)
Year ended March 31, 2015	142,016	100,879	71.0	1,153.56
Year ended March 31, 2014	131,874	98,756	74.9	1,129.27

(For reference) Net worth

Year ended March 31, 2015: ¥100,879 million
 Year ended March 31, 2014: ¥98,756 million

* Statement on the state of performance of audit procedures:

This brief announcement of settlement of accounts for the fiscal year under review is not subject to audit procedures under the Financial Instruments and Exchange Act of Japan. The audit of this brief announcement of settlement of accounts for the fiscal year under review in accordance with the Financial Instruments and Exchange Act has 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. ANALYSIS OF OPERATING RESULTS AND FINANCIAL CONDITIONS: (1) Analysis of Operating Results" on page 7 hereof.

CONTENTS OF ATTACHMENT

1.	ANALYSIS OF OPERATING RESULTS AND FINANCIAL CONDITIONS.....	7
(1)	Analysis of Operating Results.....	7
(2)	Analysis of Financial Conditions.....	10
(3)	Basic Principles Concerning the Distribution of Profits and Dividends for the Fiscal Year under Review and the Next Fiscal Year	12
(4)	Risk Factors in Business.....	12
2.	STATE OF CORPORATE GROUP.....	14
3.	BUSINESS POLICY	18
(1)	Basic Management Policy	18
(2)	Target Management Benchmark.....	18
(3)	The Company's Middle- and Long-Range Management Strategies.....	18
(4)	Issues to be Addressed by the Company.....	19
4.	BASIC STANCE ON THE SELECTION OF ACCOUNTING STANDARDS.....	19
5.	CONSOLIDATED FINANCIAL STATEMENTS	20
(1)	Consolidated Balance Sheets.....	20
(2)	Consolidated Statements of Income and Consolidated Statements of Comprehensive Income.....	22
(3)	Consolidated Statements of Changes in Net Assets.....	24
(4)	Consolidated Statements of Cash Flows	26
(5)	Notes on the Premises of a Going Concern.....	27
6.	NON-CONSOLIDATED FINANCIAL STATEMENTS	28
(1)	Balance Sheets.....	28
(2)	Statements of Income.....	30
(3)	Statements of Shareholders' Equity, Etc.	31
(4)	Notes on the Premises of a Going Concern.....	33
7.	OTHERS	33
(3)	Change of Officers.....	33

Qualitative Information, Financial Statements, Etc.

1. ANALYSIS OF OPERATING RESULTS AND FINANCIAL CONDITIONS

(1) Analysis of Operating Results

1) Operating results for the year ended March 31, 2015

To overview the global economic situations during 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. However, in Europe, the economy was in a slump and in the emerging countries, there was a slowdown in economic growth. In addition, in resource-producing countries, the economy deteriorated as prices of resources declined. Thus, the global economy generally has been in the phase of a modest recovery.

In Japan, consumer spending has continued to remain depressed as a result of the rise in the consumption tax rate. However, there has been an improvement in companies' business performances and an increase in corporate capital spending. Thus, the Japanese economy has remained in the phase of slow recovery.

In our electronic parts industry, while the market for PCs and digital cameras has flagged, the market for information communications equipment, including 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 such products as actuators for camera modules and products related to car-mounted devices, while sales of amusement-related products decreased. As a result, for the fiscal year under review, on a consolidated basis, net sales amounted to ¥153,045 million (97.3% in comparison with the previous fiscal year).

With regard to profits and losses, the Company registered an operating income of ¥952 million (151.2% in comparison with the previous fiscal year) and a recurring income of ¥3,980 million (151.2% in comparison with the previous fiscal year). Net income amounted to ¥3,826 million (118.5% in comparison with the previous fiscal year).

The operating results by product aggregation category for the fiscal year under review are as follow:

(i) Semiconductor Devices:

Orders received by the Group for semiconductors for lithium-ion secondary batteries increased. As a result, consolidated net sales of semiconductor devices amounted to ¥28,649 million (112.3% in comparison with the previous fiscal year).

(ii) Optical Devices:

With regard to camera modules, which are the Group's main products, orders received for partially finished products for specific clients and amusement-related products decreased. As a result, consolidated net sales of optical devices amounted to ¥6,891 million (59.9% in comparison with the previous fiscal year).

(iii) System Parts:

Orders received by the Group for system parts for smartphones increased but orders received for amusement-related products decreased. As a result, consolidated net sales of system parts amounted to ¥75,058 million (95.5% in comparison with the previous fiscal year).

(iv) High-Frequency Parts:

Orders received by the Group for high-frequency parts for use in car-mounted devices increased. As a result, consolidated net sales of high-frequency parts amounted to ¥23,660 million (115.0% in comparison with previous fiscal year).

(v) Power-Unit Parts:

Orders received by the Group for built-in power-unit parts increased but orders received for power-unit parts for amusement-related products and adapters for smartphones for Japanese-affiliated clients decreased. As a result, consolidated net sales of power-unit parts amounted to ¥18,785 million (88.5% in comparison with the previous fiscal year).

2) Prospect for the fiscal year ending March 31, 2016

In our electronics parts industry, for the next fiscal year, as with the fiscal year under review, parts related to information and portable devices, such as smart phones and tablet PCs, as well as parts related to car-mounted devices with the increased use of electronics, are expected to carry the market and the market for parts related to environments and energy, as well as medicine and healthcare, is expected to sustain a high rate of growth.

Under these market circumstances, the Group, based on the results from the improved profitability through business restructuring until the previous fiscal year, has shifted to business management of giving high priority to business expansion since the fiscal year under review. For the next fiscal year, the Group will maintain this policy and focus its management resources on the growth market to seek a scale merit, whereby materializing business expansion through a sales increase.

Specifically, with regard to the lines of products, such as semiconductor devices related to secondary cells and actuators for cameras, which retain a high market share worldwide, the Group will focus its efforts on developing and launching to the market new

technologies ahead of other companies and further sharpen its edge in the market. In addition, with regard to the lines of products, such as products related to car-mounted devices and healthcare equipment, with high growth potential in the future, the Group will apply its expertise nurtured in the audio-visual and communications market to create a new market.

Under these policies, the following is an earnings outlook for the next fiscal year at present:

Earnings outlook on a consolidated basis:

Net sales:	¥175,000 million	(114.3% in comparison with the fiscal year under review)
Operating income:	¥5,000 million	(525.2% in comparison with the fiscal year under review)
Recurring income:	¥3,500 million	(87.9% in comparison with the fiscal year under review)
Net income:	¥3,000 million	(78.4% in comparison with the fiscal year under review)

As to exchange rates for the fiscal year ending March 31, 2016, the rate is estimated at \$1 = ¥115. The above earnings outlook on a consolidated basis is calculated based on the information available to management and the certain assumptions considered by management to be the most rational at the time of publication hereof. The actual results may materially differ from the above forecast.

(2) Analysis of Financial Conditions

1) Assets, liabilities and net assets

(i) Assets

Current assets increased by 12.5% in comparison with the previous fiscal year, accounting for ¥126,015 million, almost equivalent to the amount as at the end of the previous fiscal year, principally due to an increase of ¥8,111 million in trade notes and trade account receivable and an increase of ¥7,890 million in inventories while cash and deposits decreased by ¥3,299 million.

Fixed assets increased by 13.1% in comparison with the previous fiscal year, accounting for ¥35,073 million, principally due to an increase of ¥1,861 million in machinery and equipment and motor vehicles, an increase of ¥700 million in tools, furniture and fixtures, an increase of ¥1,273 million in construction in progress and an increase of ¥831 million in net defined benefit asset while investment securities decreased by ¥440 million.

As a result, total assets increased by 12.7% in comparison with the previous fiscal year, accounting for ¥161,089 million.

(ii) Liabilities

Current liabilities increased by ¥21.2% in comparison with the previous fiscal year, accounting for ¥41,142 million, principally due to an increase of ¥2,958 million in trade notes and trade accounts payable and an increase of ¥3,998 million in short-term borrowings.

Long-term liabilities decreased by 25.2% in comparison with the previous fiscal year, accounting for ¥4,515 million, principally due to a decrease of ¥2,330 million in net defined benefit liability while long-term deferred tax liabilities increased by ¥827 million.

As a result, total liabilities increased by 14.2% in comparison with the previous fiscal year, accounting for ¥45,657 million.

(iii) Net assets

Net assets increased by 12.1% in comparison with the previous fiscal year, accounting for ¥115,431 million, principally due to an increase of ¥5,819 million in retained earnings and an increase of ¥5,543 million in foreign exchange translation adjustment.

2) State of cash flows

Cash and cash equivalents ("net cash") on a consolidated basis at the end of the fiscal

year under review decreased by ¥11,723 million in comparison with the previous fiscal year, accounting for ¥33,689 million.

The state of cash flows for the fiscal year under review and the reasons therefor are as follows:

(i) Cash flows from operating activities

Cash flows from operating activities resulted in payments of ¥173 million (receipts of ¥8,739 million for the previous fiscal year) principally due to an increase in trade accounts receivable and an increase in inventories in spite of an income of ¥4,796 million before income taxes and others.

(ii) Cash flows from investing activities

Cash flows from investing activities resulted in payments of ¥17,870 million (payments of ¥10,026 million for the previous fiscal year) principally due to placing of time deposits and payments for the acquisition of tangible fixed assets.

(iii) Cash flows from financing activities

Cash flows from financing activities resulted in receipts of ¥2,532 million (payments of ¥5 million for the previous fiscal year) principally due to receipts from short-term borrowings in spite of repayments of short-term borrowings and payments of dividends.

The trends in cash flow indices of the Company are as shown below:

	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2014	Year ended March 31, 2015
Net worth ratio (%)	71.5	72.2	72.0	71.7
Net worth ratio on a market value basis (%)	40.8	32.1	45.7	48.5
Ratio of interest-bearing debt to cash flows (%)	22.3	-	71.8	-
Interest coverage ratio	569.8	-	187.8	-

(Notes)	Net worth ratio:	Net worth / Total assets
	Net worth ratio on a market value basis:	Aggregate market value of listed stock / Total assets
	Ratio of interest-bearing debt to cash flows:	Interest-bearing debt / Cash provided by operating activities
	Interest coverage ratio:	Cash provided by operating activities / Interest payments

- Each of the indices is calculated based on financial data on a consolidated basis.

2. The aggregate market value of listed stock is calculated based on the closing stock price at the end of each fiscal year multiplied by the total number of shares issued as of the end of each fiscal year (with the deduction of shares of treasury stock).
3. As cash provided by operating activities, cash flows from operating activities in the consolidated statement of cash flows are used. Interest-bearing debt covers all debt with interest being paid which is stated in the consolidated balance sheet.
4. For the fiscal year ended March 31, 2013 and the fiscal year ended March 31, 2015, the ratio of interest-bearing debt to cash flows and interest coverage ratio were not calculated as cash provided by operating activities was negative.

(3) Basic Principles Concerning the Distribution of Profits and Dividends for the Fiscal Year under Review and the Next Fiscal Year

The Company believes that increasing its enterprise value matches interests of its shareholders and expected interests of other stakeholders. The Company follows a fundamental policy of distributing profits based on operating results and intends to maintain the constant payment of dividends to its shareholders. While aiming to maintain the dividend payout ratio at 30% or more based on consolidated operating results for the time being, the Company will endeavor to gradually increase dividends per share. Furthermore, the Company will, with due considerations to environmental issues, invest internal reserves efficiently in the development of new products by applying foreseeable technological innovations ahead of the competition, as well as measures to reduce cost, in an effort to improve performance.

The Company will, in consideration of its operating results for the fiscal year under review, business developments in the future and other factors, pay ¥14 per share for the fiscal year under review. The Company plans to pay a dividend of ¥12 per share for the next fiscal year.

(4) Risk Factors in Business

The factors that may affect the operating results, financial position, stock prices, etc. of the Group are described below:

1) Impact of the global economic conditions

The Group sells products in various areas of the world, including the major markets of Asia, North America and Europe. Therefore, demand for products of the Group is affected by the economies of the countries or regions where the trading partners of the Group are located or end-users of products of the trading partners are located.

2) Technological development and the introduction of new products

In connection with products, specifically digital equipment, of the Group,

technological innovation advances rapidly and product cycles are shorter. Therefore, the development of new technologies, adoption of new systems, emergence of new products or rise of rival companies in the society and the market may cause rapid obsolescence and price reductions in a way the Company cannot foresee, and consequently affect the operating results of the Group.

3) Risks of lower product prices

In global competition among companies, the Group is exerting its efforts to promote rapid development of new products and the improvement of cost prices to increase profitability. In this situation, requests by its clients for product price reductions or price competition with rival companies may render it difficult for the Group to maintain profitability and consequently affect the operating results and financial position of the Group.

4) Risks of higher prices of parts and materials, higher labor costs and higher costs and expenses

Higher purchase prices of materials and parts due to soaring prices of raw materials and energy, higher labor costs in the Philippines, China and other areas in which the major manufacturing sites of the Company are located and higher costs and expenses may render it difficult for the Group to maintain profitability and consequently affect the operating results and financial position of the Group.

5) Potential risks involving overseas presence

Almost all products of the Group, excluding semiconductor devices, are manufactured by the Company's overseas manufacturing subsidiaries, which are located mainly in the Philippines, China, Taiwan, Malaysia, Thailand and Mexico. Therefore, the Group is exposed to many risks related to these overseas manufacturing activities and its overseas business transactions, such as (i) political unrests, (ii) economic conditions of the overseas markets, (iii) trade restrictions and changes in customs and duties, (iv) unforeseeable changes in statutory or regulatory requirements, (v) relatively limited protection of intellectual property rights and other legal rights or the inadequate implementation thereof and (vi) the possibilities of unfavorable taxation treatment. If any of the events occurs, it may affect the execution of business, operating results and financial position of the Group.

6) Fluctuations of foreign exchanges

Local currencies in the Group's overseas manufacturing bases, or the Philippines, China, Taiwan, Malaysia, Thailand and Mexico, as well as sale and purchase transactions in foreign currencies are materially subject to currency fluctuations. With regard to transactions in the U.S. dollar, to hedge risks associated with foreign currency fluctuations, the Company has engaged in forward exchange contract transactions. However, even if it is possible to ease the impact of fluctuations of foreign exchanges by such measures, it is impossible to eliminate it completely. Therefore, the operating results and financial

position of the Group may more or less be affected.

7) Impacts of natural calamities on business

The Group maintains manufacturing bases in Japan, the Philippines and China, as well as other Asian nations and Mexico and prepares against any natural calamity that may hamper manufacturing of any base by utilizing other bases to reduce the impacts thereof. However, it is impossible to immediately transfer the manufacturing of all products to any other base. Additionally, infrastructure, including electricity, running water and transportation, may fail and procurement of raw materials may be hampered. As a consequence, the execution of business, operating results and financial position of the Group may be affected.

2. STATE OF CORPORATE GROUP

The Group principally engages in the production and sale of electronic parts and parts of communications equipment. The Group comprises the Company (Mitsumi Electric Co., Ltd.) and its 18 consolidated subsidiaries, one non-consolidated subsidiary subject to the equity method and one non-consolidated subsidiary not subject to the equity method.

The product aggregation categories (business divisions) of the Group and the positioning of the Company and its related companies in the business divisions are described below:

(i) Semiconductor Devices

This business division covers the production and sale of various semiconductor products for use in electronic equipment, such as communications equipment, digital AV equipment, OA equipment and measuring devices. Its main lines are semiconductor devices for resetting and related with batteries, as well as modules for use in lithium-ion batteries for portable devices. For future development, the Group will focus on battery-related semiconductor devices and analog semiconductor devices in which the Company has an edge to increase its market share.

Major consolidated subsidiary: CEBU MITSUMI, INC.

(ii) Optical Devices

The Group has endeavored to expand the business of camera modules, sensors and others in the market of cellular phones, web cameras and automobile-related equipment, by utilizing its nurtured optical technologies and mechatronics technologies.

For future development, the Group plans to expand business by extending the scope of application of its technologies by further sophisticating its ultra-precision fabrication and assembly techniques, and creating new markets and new categories of products.

Major consolidated subsidiary: CEBU MITSUMI, INC.

(iii) System Parts

This business division consists of key parts, including micro actuators, optical image stabilizers, connectors, switches, coils and motors, and assembly parts. Demand is expected to increase steadily from the market of digital AV equipment, amusement equipment and car-mounted devices.

Hence, the Group will further sophisticate its precision fabrication and assembly technologies in the business of key parts, including micro actuators, connectors and switches and continuously launch new products, compact, high-performance and price-competitive, to the market to expand business.

Major consolidated subsidiaries:

CEBU MITSUMI, INC., QINGDAO MITSUMI ELECTRONICS CO., LTD.
and ZHUHAI MITSUMI ELECTRIC CO., LTD.

(iv) High-Frequency Parts

This business division covers products utilizing high-frequency technology at which the Company excels, including GPS and satellite broadcasting antennas, wireless modules and digital network equipment.

Specifically, as demand is expected to increase widely for wireless module products in the market for car-mounted devices and mobile equipment, as well as for antenna products in the market for car-mounted devices, the Group will aggressively expand business.

Major consolidated subsidiaries:

MITSUMI PHILIPPINES, INC. and TIANJIN MITSUMI ELECTRIC CO.,
LTD.

(v) Power-Unit Parts

This business division covers various products related to power units for use in digital AV equipment, mobile equipment and amusement equipment. Products related to power-unit parts are used for various purposes and the market is growing in the long term.

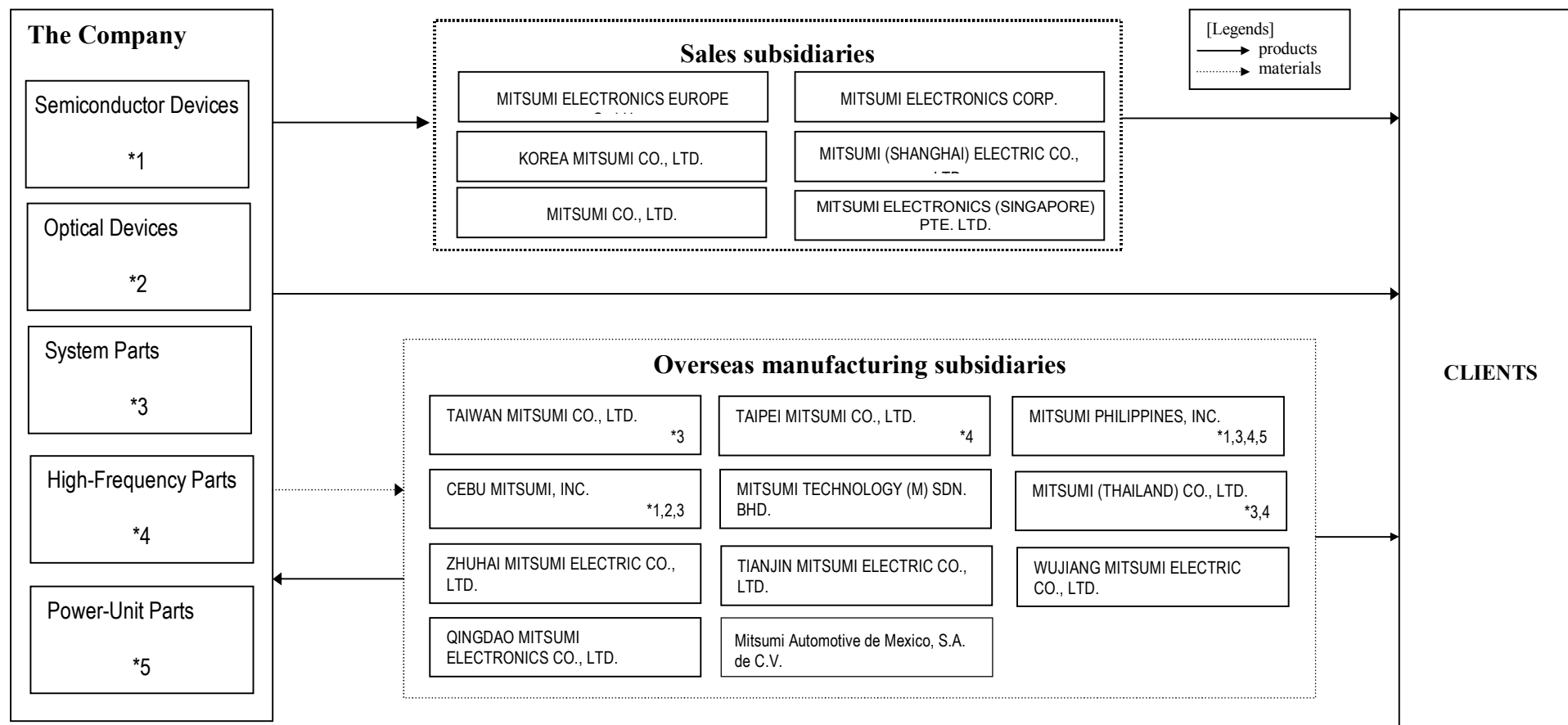
With regard to built-in products, the Group manufactures ultra-thin and high-efficiency power units for the markets for LCD TVs and copiers. With regard to AC adaptor-related products, the Group manufactures small and high-efficiency battery chargers for use in mobile equipment and digital AV equipment. The Group will also launch new products, such as power units for use in LED lighting equipment, to the

market to expand business.

Major consolidated subsidiaries:

MITSUMI PHILIPPINES, INC., ZHUHAI MITSUMI ELECTRIC CO., LTD.
and TIANJIN MITSUMI ELECTRIC CO., LTD.

Chart of the operations of the Group described above:



(Notes)

1. Numbers 1 through 5 in the chart indicate the relations between the Company's product divisions and the respective operations of its subsidiaries.
2. Certain overseas manufacturing subsidiaries sell their products directly to external customers.

3. BUSINESS POLICY

(1) Basic Management Policy

With the mission of making contributions to the people of the world by supplying electronic parts as a general electronic part manufacturer, the Group has engaged in development, manufacture and sale of products in broad areas by utilizing a broad range of its unique technologies, while placing emphasis on the "market-in" idea.

The Group will strive to take advantage of its features and strengthen its comprehensive capabilities by generating and enhancing synergistic effects among its product divisions. In addition, the Group will concentrate its managerial and technological resources on growing sectors, and strengthen its product competitiveness by accelerating the development and practical application of new technology, developing new products to meet market needs ahead of the competition and reducing cost by automatization and other means, all in an effort to develop its growth potentialities and improve profitability.

Furthermore, the Group regards the protection of the global environment to maintain a harmonious balance with nature as one of its most serious issues for management and will exert Group-wide efforts for that purpose.

(2) Target Management Benchmark

With the aim of boosting ROE (Return On Equity) on a consolidated basis to 10% or more, the Company will exert its efforts to increase its shareholder value.

(3) The Company's Middle- and Long-Range Management Strategies

To sustain its growth in the future, the Group will redefine the growth areas that will allow the Company to create values, and focus its management resources, including human resources, on such areas, all in an effort to increase net sales and improve profitability. The growth areas will be three markets for (i) information communications equipment, such as smart phones and tablet PCs, (ii) car-mounted devices with the advancement of electronic and information networks and (iii) healthcare and home electric appliances with an advance in demand expected.

Furthermore, to maintain and enhance competitiveness of its products in these growth areas, the Group will further strengthen its "product development capabilities" and "manufacturing capabilities" by further cultivating its proprietary technologies covering semiconductor technology, high-frequency technology, power-unit technology, optical technology and ultra-precision fabrication technology. In addition, by transferring its production controlling functions and transplanting technologies from its sites in Japan to the counterparts overseas, the Group will construct in stages organizational structures in which all operations are completed overseas.

Through these strategies, the Group intends to materialize a sustainable growth in its

corporate value.

(4) Issues to be Addressed by the Company

With regard to the business lines of the Group, while the information communications equipment-related market is continuously and rapidly expanding, its Japanese-affiliated clients have downsized or discontinued their information communications equipment business one after another and the market share of the companies in the emerging economies has increased.

Thus, the main battlefield already has shifted to the emerging economies. Simultaneously, with the expanding business size of EMS (electronic manufacturing service) companies, the horizontal division of labor has developed and in our electronic parts industry, dependence on specific manufacturers has grown and the market has become oligopolistic on a global scale. Consequently, technology progress and price drops are further accelerating. In the market for components for car-mounted devices, the market size is growing with further computerization and information networking of automobiles and entries of large electronics and information-related companies are accelerating.

To respond to such market transformation, the Group will construct structures in which its engineers will directly engage in sales promotional activities in the overseas market and market needs will be taken in its product strategies on a timely basis, and commoditize high value added products incorporating advanced technology that may not possibly be surpassed by companies of emerging countries, based on its own core competence. Furthermore, to minimize the effects of rising operating cost in the emerging countries, the Group will expand the business size of its manufacturing sites in the Philippines and make optimal production of items within China.

With regard to components for information equipment, to increase sales in China, the largest market, the Group will expand and strengthen its technology development function and marketing function in the Greater China region. The Group also will make optimal allocation of its functions of marketing, technical support and manufacturing of components for car-mounted devices on a global scale and establish a system to respond to customer needs in the entire regions.

The Company regards corporate social responsibility as one of the most important managerial issues and has exerted its group-wide efforts with its CSR Promotion Committee playing a central role. For the purposes of management control, compliance with laws and social norms, information management and timely disclosure, the Company will focus its efforts on enhancing the levels of its subsidiaries, specifically and further strengthen the system of the entire Group to promote such purposes.

4. BASIC STANCE ON THE SELECTION OF ACCOUNTING STANDARDS

The Company has a policy of applying Japanese standards at the moment. However, in preparation for the application of IFRS (International Financial Reporting Standards) in the future, the Company is conducting a study on the preparation of internal rules and manuals and the time to apply the standards.

5. CONSOLIDATED FINANCIAL STATEMENTS

(1) Consolidated Balance Sheets

(million yen)

	Year ended March 31, 2014 (as of March 31, 2014)	Year ended March 31, 2015 (as of March 31, 2015)
ASSETS:		
Current assets:		
Cash and deposits	46,317	43,018
Trade notes and trade accounts receivable	36,692	44,804
Finished products	2,832	4,243
Work in process	8,057	13,280
Raw materials and storage	16,737	17,993
Deferred tax assets	109	159
Other assets	1,256	2,672
Allowance for doubtful receivables	(25)	(156)
Total current assets	111,977	126,015
Fixed assets:		
Tangible fixed assets:		
Buildings and structures	30,959	29,835
Accumulated depreciation	(21,043)	(19,901)
Buildings and structures (net)	9,915	9,934
Machinery and equipment and motor vehicles	76,528	74,308
Accumulated depreciation	(68,042)	(63,960)
Machinery and equipment and motor vehicles (net)	8,486	10,348
Tools, furniture and fixtures	36,632	37,552
Accumulated depreciation	(33,707)	(33,927)
Tools, furniture and fixtures (net)	2,925	3,625
Lands	5,490	5,427
Construction in progress	979	2,253
Total tangible fixed assets	27,797	31,587
Intangible fixed assets	1,322	1,218
Investments and other assets:		
Investment securities	919	478
Net defined benefit asset	-	831
Deferred tax assets	357	338
Other investments and other assets	723	859
Allowance for doubtful receivables	(118)	(241)
Total investments and other assets	1,882	2,267
Total fixed assets	31,003	35,073
TOTAL ASSETS	142,981	161,089

(million yen)

	Year ended March 31, 2014 (as of March 31, 2014)	Year ended March 31, 2015 (as of March 31, 2015)
<u>LIABILITIES:</u>		
Current liabilities:		
Trade notes and trade accounts payable	18,309	21,268
Short-term borrowings	6,278	10,276
Accrued expenses	3,450	3,570
Accrued corporate taxes, etc.	534	440
Allowance for bonuses	1,315	1,389
Other current liabilities	4,067	4,196
Total current liabilities	33,956	41,142
Long-term liabilities:		
Deferred tax liabilities	1,363	2,190
Net defined benefit liability	4,459	2,128
Other long-term liabilities	210	196
Total long-term liabilities	6,033	4,515
TOTAL LIABILITIES	39,989	45,657
<u>NET ASSETS:</u>		
Shareholders' equity:		
Capital	39,890	39,890
Additional paid-in capital	43,252	43,252
Retained earnings	33,733	39,552
Treasury stock	(92)	(92)
Total shareholders' equity	116,783	122,602
Accumulated other comprehensive income:		
Valuation difference of other securities	49	55
Foreign exchange translation adjustment	(9,698)	(4,154)
Remeasurements of defined benefit plans	(4,142)	(3,071)
Total accumulated other comprehensive income	(13,790)	(7,170)
TOTAL NET ASSETS	102,992	115,431
TOTAL LIABILITIES AND NET ASSETS	142,981	161,089

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income

(million yen)

	Year ended March 31, 2014 (April 1, 2013 through March 31, 2014)	Year ended March 31, 2015 (April 1, 2014 through March 31, 2015)
Net sales	157,360	153,045
Cost of sales	146,253	140,321
Gross profit on sales	11,107	12,723
Selling, general and administrative expenses	10,477	11,771
Operating income	629	952
Non-operating income		
Interest income	95	240
Royalties earned	75	10
Foreign exchange gain	1,709	3,463
Other income	496	585
Total non-operating income	2,377	4,300
Non-operating expenses		
Interest expense	45	69
Provision of allowance for doubtful receivables	0	243
Loss on disposition of fixed assets	85	97
Payment compensation	203	333
Foreign withholding tax	-	313
Other expenses	40	214
Total non-operating expenses	375	1,271
Recurring income	2,632	3,980
Special income:		
Governmental subsidies	-	1,434
Gain on sales of fixed assets	-	1,036
Insurance claims received	1,768	-
Total special income	1,768	2,470
Special loss:		
Impairment loss on fixed assets	366	1,104
Special retirement benefits	8	128
Business restructuring expenses	272	-
Revaluation loss on investment securities	76	421
Total special loss	723	1,654
Income before income taxes and others	3,678	4,796
Corporate, inhabitant and enterprise taxes	538	503
Interperiod tax allocation adjustment	(89)	466
Total corporate taxes, etc.	449	970
Net income	3,228	3,826

Consolidated Statements of Comprehensive Income

(million yen)

	Year ended March 31, 2014 (April 1, 2013 through March 31, 2014)	Year ended March 31, 2015 (April 1, 2014 through March 31, 2015)
Net income	3,228	3,826
Other comprehensive income:		
Valuation difference of other securities	20	5
Foreign exchange translation adjustment	2,392	5,543
Remeasurements of defined benefit plans	-	1,070
Total other comprehensive income	2,413	6,620
Comprehensive income	5,641	10,446
(Items)		
Comprehensive income attributable to owners of the parent	5,641	10,446
Comprehensive income attributable to minority interests	-	-

(3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(million yen)

	Shareholders' equity				
	Capital	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2013	39,890	43,252	30,532	(91)	113,583
Cumulative effect of changes in accounting policies					-
Balance at start of current year adjusted for change in accounting policies	39,890	43,252	30,532	(91)	113,583
Changes of items during the fiscal year					
Distribution of retained earnings			-		-
Net income			3,228		3,228
Acquisition of treasury stock				(0)	(0)
Change in scope of consolidation			(27)		(27)
Net changes of items other than shareholders' equity					
Total changes of items during the fiscal year	-	-	3,200	(0)	3,199
Balance as of March 31, 2014	39,890	43,252	33,733	(92)	116,783

	Accumulated other comprehensive income				Total net assets
	Valuation difference of securities	Foreign exchange translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance as of April 1, 2013	29	(12,090)	-	(12,061)	101,521
Cumulative effect of changes in accounting policies					-
Balance at start of current year adjusted for change in accounting policies	29	(12,090)	-	(12,061)	101,521
Changes of items during the fiscal year					
Distribution of retained earnings					-
Net income					3,228
Acquisition of treasury stock					(0)
Change in scope of consolidation					(27)
Net changes of items other than shareholders' equity	20	2,392	(4,142)	(1,729)	(1,729)
Total changes of items during the fiscal year	20	2,392	(4,142)	(1,729)	1,470
Balance as of March 31, 2014	49	(9,698)	(4,142)	(13,790)	102,992

Year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(million yen)

	Shareholders' equity				
	Capital	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance as of April 1, 2014	39,890	43,252	33,733	(92)	116,783
Cumulative effect of changes in accounting policies			2,430		2,430
Balance at start of current year adjusted for change in accounting policies	39,890	43,252	36,163	(92)	119,213
Changes of items during the fiscal year					
Distribution of retained earnings			(437)		(437)
Net income			3,826		3,826
Acquisition of treasury stock				(0)	(0)
Change in scope of consolidation					-
Net changes of items other than shareholders' equity					
Total changes of items during the fiscal year	-	-	3,389	(0)	3,388
Balance as of March 31, 2015	39,890	43,252	39,552	(92)	122,602

	Accumulated other comprehensive income				Total net assets
	Valuation difference of securities	Foreign exchange translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance as of April 1, 2014	49	(9,698)	(4,142)	(13,790)	102,992
Cumulative effect of changes in accounting policies					2,430
Balance at start of current year adjusted for change in accounting policies	49	(9,698)	(4,142)	(13,790)	105,422
Changes of items during the fiscal year					
Distribution of retained earnings					(437)
Net income					3,826
Acquisition of treasury stock					(0)
Change in scope of consolidation					-
Net changes of items other than shareholders' equity	5	5,543	1,070	6,620	6,620
Total changes of items during the fiscal year	5	5,543	1,070	6,620	10,008
Balance as of March 31, 2015	55	(4,154)	(3,071)	(7,170)	115,431

(4) Consolidated Statements of Cash Flows

(million yen)

	Year ended March 31, 2014 (April 1, 2013 through March 31, 2014)	Year ended March 31, 2015 (April 1, 2014 through March 31, 2015)
Cash flows from operating activities:		
Income before income taxes and others	3,678	4,796
Depreciation	6,526	7,132
Impairment loss on fixed assets	366	1,104
Business restructuring expenses	272	-
Increase (decrease) in allowance for doubtful receivables	(148)	250
Increase (decrease) in net defined benefit liability	(520)	555
(Increase) decrease in prepaid pension cost	876	-
Special retirement benefits	8	128
Interest and dividend income	(96)	(411)
Interest expenses	45	69
Foreign exchange (income) loss	392	1,013
(Gain) loss on sale of fixed assets	(131)	(1,212)
Loss from write-off and retirement of fixed assets	85	97
Government subsidies	-	(1,434)
Insurance claims received	(1,768)	-
Revaluation (income) loss on investment securities	76	421
(Increase) decrease in trade accounts receivable	(1,213)	(5,667)
(Increase) decrease in inventories	2,319	(6,650)
Increase (decrease) in trade accounts payable	(3,319)	669
(Increase) decrease in uncollected consumption taxes	(24)	(353)
Increase (decrease) in accrued consumption taxes	(460)	376
(Increase) decrease in other assets	1,293	(784)
Increase (decrease) in other liabilities	(861)	(392)
Subtotal	7,394	(293)
Interest and dividends received	96	389
Interest paid	(46)	(71)
Special retirement benefits paid	(61)	(128)
Governmental subsidies received	476	690
Insurance received	1,796	-
Business restructuring expenses paid	(824)	(101)
Corporate taxes paid	(361)	(700)
Corporate taxes refunded	270	40
Net cash (used in) provided by operating activities	8,739	(173)

Cash flows from investing activities:

(million yen)

	Year ended March 31, 2014 (April 1, 2013 through March 31, 2014)	Year ended March 31, 2015 (April 1, 2014 through March 31, 2015)
Placing of time deposits	(680)	(9,041)
Withdrawal of time deposits	434	802
Acquisition of tangible fixed assets	(10,303)	(11,987)
Sale of tangible fixed assets	1,409	2,565
Acquisition of intangible fixed assets	(244)	(164)
Acquisition of investment securities	(137)	(101)
Acquisition of business	(540)	-
Others	36	56
Net cash (used in) provided by investing activities	(10,026)	(17,870)
Cash flows from financing activities:		
Receipt of short-term borrowings	-	5,500
Repayment of short-term borrowings	-	(2,527)
Purchase of treasury stock	(0)	(0)
Cash dividends paid	(4)	(438)
Net cash (used in) provided by financing activities	(5)	2,532
Translation gain related to cash and cash equivalents	1,311	3,787
Net increase (decrease) in cash and cash equivalents	18	(11,723)
Cash and cash equivalents at beginning of the year	45,364	45,413
Increase in cash and cash equivalents resulting from change in scope of consolidation	29	-
Cash and cash equivalents at end of the year	45,413	33,689

(5) Notes on the Premises of a Going Concern

Not applicable

6. NON-CONSOLIDATED FINANCIAL STATEMENTS

(1) Balance Sheets

(million yen)

	Year ended March 31, 2014 (as of March 31, 2014)	Year ended March 31, 2015 (as of March 31, 2015)
ASSETS:		
Current assets:		
Cash and deposits	20,801	13,072
Trade notes receivable	169	62
Trade accounts receivable	35,236	43,293
Securities	-	120
Merchandise and finished products	123	187
Work in process	7,418	12,352
Raw materials and storage	12,630	13,477
Prepaid expenses	38	135
Other current assets	2,356	3,400
Allowance for doubtful receivables	(1,491)	(2,105)
Total current assets	77,282	83,996
Fixed assets:		
Tangible fixed assets:		
Buildings	3,945	3,907
Structures	121	99
Machinery and equipment	5,924	7,665
Motor vehicles	7	14
Tools, furniture and fixtures	2,015	2,481
Lands	5,226	5,042
Construction in progress	233	446
Total tangible fixed assets	17,474	19,656
Intangible fixed assets:		
Goodwill	248	196
Software	317	274
Others	35	33
Total intangible fixed assets	600	504
Investments and other assets:		
Investment securities	869	429
Investment in related companies' stock	17,497	17,832
Investment capital in related companies' stock	17,525	17,045
Prepaid pension cost	491	2,471
Other investments and other assets	249	320
Allowance for doubtful receivables	(118)	(241)
Total investments and other assets	36,516	37,858
Total fixed assets	54,591	58,019
TOTAL ASSETS	131,874	142,016

(million yen)

	Year ended March 31, 2014 (as of March 31, 2014)	Year ended March 31, 2015 (as of March 31, 2015)
<u>LIABILITIES:</u>		
Current liabilities:		
Trade notes payable	1,331	1,840
Trade accounts payable	18,408	20,087
Short-term loans payable	6,278	10,276
Other accounts payable	1,278	1,872
Accrued expenses	2,349	2,666
Accrued corporate taxes, etc.	229	170
Allowance for bonuses	1,201	1,241
Other current liabilities	661	1,026
Total current liabilities	31,738	39,182
Long-term liabilities:		
Deferred tax liabilities	416	1,019
Allowance for operating loss	858	858
Other long-term liabilities	104	76
Total long-term liabilities	1,380	1,954
TOTAL LIABILITIES	35,118	41,136
<u>NET ASSETS:</u>		
Shareholders' equity:		
Capital	39,890	39,890
Additional paid-in capital:		
Capital reserve	42,250	42,250
Total additional paid-in capital	42,250	42,250
Retained earnings:		
Earned surplus reserve	1,505	1,505
Other retained earnings:		
Reserve for deferred income tax on fixed assets	155	144
Retained earnings brought forward from the previous year	14,997	17,126
Total retained earnings	16,658	18,776
Treasury stock	(92)	(92)
Total shareholders' equity	98,706	100,823
Revaluation and exchange differences, etc.:		
Valuation difference of other securities	49	55
Total revaluation and exchange differences, etc.	49	55
TOTAL NET ASSETS	98,756	100,879
TOTAL LIABILITIES AND NET ASSETS	131,874	142,016

(2) Statements of Income

(million yen)

	Year ended March 31, 2014 (April 1, 2013 through March 31, 2014)	Year ended March 31, 2015 (April 1, 2014 through March 31, 2015)
Net sales	144,653	140,129
Cost of sales	136,613	131,234
Gross profit on sales	8,040	8,895
Selling, general and administrative expenses	8,963	10,050
Operating loss	(923)	(1,154)
Non-operating income		
Interest income	12	9
Dividend income	1	1,674
Royalties earned	75	10
Foreign exchange income	1,326	2,431
Others	391	113
Total non-operating income	1,807	4,238
Non-operating expenses		
Interest expense	42	55
Provision of allowance for doubtful receivables	0	243
Loss from disposition of fixed assets	34	55
Compensation expenses	203	349
Provision of allowance for operating loss	311	-
Foreign withholding tax	-	313
Others	33	82
Total non-operating expenses	625	1,098
Recurring income	258	1,984
Special income		
Gain on sales of fixed assets	-	221
Insurance claims received	719	-
Total special income	719	221
Special loss		
Impairment loss on fixed assets	324	940
Business restructuring expenses	272	-
Special retirement benefits	-	23
Revaluation loss on investment securities	76	421
Total special loss	672	1,385
Income before income taxes and others	304	820
Corporate, inhabitant and enterprise taxes	136	91
Interperiod tax allocation adjustment	(127)	(262)
Total corporate taxes, etc.	8	(170)
Net income	295	990

(3) Statements of Shareholders' Equity, Etc.

Year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

(million yen)

	Shareholders' equity					
	Capital	Additional paid-in capital	Retained earnings			Total retained earnings
		Capital reserve	Earned surplus reserve	Other retained earnings		
			Reserve for deferred income tax on fixed assets	Retained earnings brought forward from the previous year		
Balance as of April 1, 2013	39,890	42,250	1,505	166	14,690	16,362
Cumulative effect of changes in accounting policies						
Balance at start of current year adjusted for change in accounting policies	39,890	42,250	1,505	166	14,690	16,362
Changes of items during the fiscal year						
Distribution of retained earnings					-	-
Reversal of reserve for deferred income tax on fixed assets				(11)	11	-
Net income					295	295
Acquisition of treasury stock						
Net changes of items other than shareholders' equity						
Total changes of items during the fiscal year	-	-	-	(11)	306	295
Balance as of March 31, 2014	39,890	42,250	1,505	155	14,997	16,658

	Shareholders' equity		Revaluation and exchange differences, etc.	Total net assets
	Treasury stock	Total shareholders' equity	Valuation differences of other securities	
Balance as of April 1, 2013	(91)	98,411	29	98,440
Cumulative effect of changes in accounting policies		-		-
Balance at start of current year adjusted for change in accounting policies	(91)	98,411	29	98,440
Changes of items during the fiscal year				
Distribution of retained earnings		-		-
Reversal of reserve for deferred income tax on fixed assets		-		-
Net income		295		295
Acquisition of treasury stock	(0)	(0)		(0)
Net changes of items other than shareholders' equity			20	20
Total changes of items during the fiscal year	(0)	295	20	315
Balance as of March 31, 2014	(92)	98,706	49	98,756

Year ended March 31, 2015 (from April 1, 2014 to March 31, 2015)

(million yen)

	Shareholders' equity					
	Capital	Additional paid-in capital	Retained earnings			Total retained earnings
			Capital reserve	Earned surplus reserve	Other retained earnings	
				Reserve for deferred income tax on fixed assets	Retained earnings brought forward from the previous year	
Balance as of April 1, 2014	39,890	42,250	1,505	155	14,997	16,658
Cumulative effect of changes in accounting policies					1,564	1,564
Balance at start of current year adjusted for change in accounting policies	39,890	42,250	1,505	155	16,562	18,222
Changes of items during the fiscal year						
Distribution of retained earnings					(437)	(437)
Reversal of reserve for deferred income tax on fixed assets				(10)	10	-
Net income					990	990
Acquisition of treasury stock						
Net changes of items other than shareholders' equity						
Total changes of items during the fiscal year	-	-	-	(10)	564	553
Balance as of March 31, 2015	39,890	42,250	1,505	144	17,126	18,776

	Shareholders' equity		Revaluation and exchange differences, etc.	Total net assets
	Treasury stock	Total shareholders' equity	Valuation differences of other securities	
Balance as of April 1, 2014	(92)	98,706	49	98,756
Cumulative effect of changes in accounting policies		1,564		1,564
Balance at start of current year adjusted for change in accounting policies	(92)	100,270	49	100,320
Changes of items during the fiscal year				
Distribution of retained earnings		(437)		(437)
Reversal of reserve for deferred income tax on fixed assets		-		-
Net income		990		990
Acquisition of treasury stock	(0)	(0)		(0)
Net changes of items other than shareholders' equity			5	5
Total changes of items during the fiscal year	(0)	552	5	558
Balance as of March 31, 2015	(92)	100,823	55	100,879

(4) Notes on the Premises of a Going Concern:

Not applicable

7. OTHERS

(3) Change of Officers

(i) Change of representative

Not applicable

(ii) Change of other officers

Not applicable