

(Excerpt translation)

August 5, 2010

**BRIEF ANNOUNCEMENT OF SETTLEMENT OF ACCOUNTS FOR
THE FIRST QUARTER OF THE FISCAL YEAR ENDING MARCH 31, 2011**
(CONSOLIDATED) (Based on Japanese GAAP)

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

Listing exchange: Tokyo Stock Exchange, 1st Section and
Osaka Securities Exchange, 1st Section

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, 2010

Scheduled date of payment of
dividends: -

Quarterly supplemental
explanatory material prepared: None

Quarterly results briefing held: None

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

1. Consolidated business results for the first quarter of the fiscal year ending March 31, 2011
(April 1, 2010 through June 30, 2010):

(1) Consolidated operating results (cumulative):

(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, 2011	44,131	(-) 6.3	(1,348)	-	(1,896)	-	(2,091)	-
First quarter of the year ended March 31, 2010	47,103	(-) 29.1	2,266	(-) 66.1	1,909	(-) 73.9	1,224	(-) 71.3

	Net income per share (basic)	Net income per share (diluted)
	(yen)	(yen)
First quarter of the year ending March 31, 2011	(23.91)	-
First quarter of the year ended March 31, 2010	14.00	-

(2) Consolidated financial condition:

	Total assets	Net assets	Net worth ratio	Net assets per share
	(million yen)	(million yen)	(%)	(yen)
First quarter of the year ending March 31, 2011	196,262	141,702	72.2	1,620.31
Year ended March 31, 2010	202,570	148,617	73.4	1,699.37

(For reference) Net worth: First quarter of the year ending March 31, 2011: 141,702 million yen
 Year ended March 31, 2010: 148,617 million yen

2. State of dividends:

	Annual dividend (yen)				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Year ended March 31, 2010	—	—	—	35.00	35.00
Year ending March 31, 2011	—	—	—	—	—
Year ending March 31, 2011 (forecast)	—	—	—	20.00	20.00

(Note) Adjustment to the forecast of dividends during the quarter under review: Yes

3. Forecast of consolidated business results for the fiscal year ending March 31, 2011 (April 1, 2010 through March 31, 2011):

(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	93,000	(-) 9.4	(1,300)	-	(1,900)	-	(2,500)	-	(-) 28.59
Whole-year period	203,000	(-) 2.2	2,700	(-) 71.3	1,900	(-) 77.1	700	(-) 88.1	8.00

(Note) Adjustment to the forecast of consolidated business results during the quarter under review: Yes

4. Others:

(1) Changes in important subsidiaries during the period: None

(Note) This item indicates whether there was any change in specific subsidiaries related to a change in the scope of consolidation during the period under review.

(2) Application of simplified accounting treatments and special accounting treatments: Yes

(Note) This item indicates whether simplified accounting treatments or accounting treatments special to the preparation of the quarterly consolidated financial statements were applied.

(3) Changes in accounting principles, procedures, disclosure methods, etc.:

1) Changes associated with changes in accounting standards: Yes

2) Other changes: None

(Note) This item indicates whether there were any changes in accounting principles, procedures or presentation methods related to the preparation of the quarterly consolidated financial statements noted in "Changes in Significant Matters Fundamental to the Preparation of Quarterly Consolidated Financial Statements."

(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, 2011:	87,498,119 shares
Year ended March 31, 2010:	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, 2011:	43,683 shares
Year ended March 31, 2010:	42,464 shares

3) Average number of shares during the period (quarterly cumulative period):

First quarter of the year ending March 31, 2011:	87,454,556 shares
First quarter of the year ended March 31, 2010:	87,455,724 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 Law of Japan. The review of this brief announcement of settlement of accounts for the period under review in accordance with the Financial Instruments and Exchange Law 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:

Amendment to the forecast of consolidated business results for the second-quarter cumulative period and the whole-year period of the year ending March 31, 2011 publicized on May 14, 2010 has been made in this material.

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 "Qualitative information on the forecasts of consolidated business results" on page 7 hereof.

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1. Qualitative Information on the Consolidated Business Results and Others for the First Quarter of the Fiscal Year under Review

(1) Qualitative information on the consolidated operating results

To overview the economic situations during the first quarter of the fiscal year under review, the global economy generally registered a tone of expansion as economic stimulus measures in the developed countries and demand expansion measures in the emerging countries had continued to get good results though there were causes of concern for a downturn in economy, such as a financial crisis that had broken in some European areas and the subsequent depreciation of the euro.

In the Japanese economy, exports to emerging countries continued to increase favorably and the capacity utilization ratio of export-related companies increased. However, latent surplus capacity has not been eliminated and the amount of capital expenditures has not increased substantially. With regard to private spending, while employment has not increased, sales of consumer durables have continued to increase favorably.

In our electronic parts industry, sales of related parts continued to increase favorably due to the expansion of the market for flat-screen TVs, cellular phones with enhanced functionality and automobiles, among others, driven by healthy economy in the emerging countries. In addition, a recovery in demand for parts for use in industrial machinery boosted orders received by our industry as a whole.

However, the Group has recorded an increase in orders received for general-purpose products due to the expansion of the market, while orders received for some products, including amusement-related products decreased due to slow demand. As a result, for the first quarter of the fiscal year under review, on a consolidated basis, net sales amounted to ¥44,131 million (93.7% in comparison with the corresponding period of the previous fiscal year). With regard to profits and losses, in spite of such measures as reductions of fixed cost, the Company registered an operating loss of ¥1,348 million (operating income of ¥2,266 million for the corresponding period of the previous fiscal year) and a recurring loss of ¥1,896 million (recurring income of ¥1,909 million for the corresponding period of the previous fiscal year). Net loss amounted to ¥2,091 million (net income of ¥1,224 million for the corresponding period of the previous fiscal year).

(2) Qualitative information on the consolidated financial position

(i) Changes in the state of financial position for the first quarter of the fiscal year under review:

As of the end of the first quarter of the fiscal year under review, on a consolidated basis, total assets accounted for ¥196,262 million, down ¥6,308 million from the end of the previous fiscal year, principally due to a decrease of ¥17,957 million in trade notes and trade accounts receivable, in spite of an increase of ¥7,074 million in cash and deposits and an increase of ¥3,563 million in inventories.

Total liabilities accounted for ¥54,559 million, up ¥606 million from the end of the previous fiscal year, principally due to an increase of ¥1,570 million in other current

liabilities, including accounts payable for equipment, social security premiums and tax collected, in spite of a decrease of ¥806 million in allowance for bonuses.

Net assets accounted for ¥141,702 million, down ¥6,914 million from the end of the previous fiscal year, principally due to a decrease of ¥5,152 million in retained earnings as a result of the payment of dividends and the registering of a net loss during the first quarter of the fiscal year under review, and a change of ¥1,755 million in foreign exchange translation adjustment as a result of the appreciation of the yen.

As a result, the net worth ratio as of the end of the first quarter of the fiscal year under review decreased by 1.2 points from the end of the previous fiscal year to 72.2%. Net assets per share decreased by ¥79.06 to ¥1,620.31.

(ii) State of cash flows for the first quarter of the fiscal year under review:

Cash and cash equivalents ("net cash") at the end of the first quarter of the fiscal year under review increased by ¥7,058 million from the end of the previous fiscal year to account for ¥62,928 million on a consolidated basis.

The state of cash flows for the first quarter of the fiscal year under review is as follows:

(Cash flows from operating activities)

Cash flow from operating activities resulted in receipts of ¥14,265 million (receipts of ¥13,736 million for the corresponding period of the previous fiscal year) principally due to a decrease in trade accounts receivable, in spite of a net loss of ¥1,832 million and an increase in inventories.

(Cash flows from investing activities)

Cash flows from investing activities resulted in payments of ¥3,323 million (payments of ¥1,633 million for the corresponding period of the previous fiscal year) principally due to payments for the acquisition of tangible fixed assets.

(Cash flows from financing activities)

Cash flows from financing activities resulted in payments of ¥3,062 million (payments of ¥3,062 million for the corresponding period of the previous fiscal year) principally due to the payment of dividends.

(3) Qualitative information on the forecasts of consolidated business results

The global economy during the fiscal year under review is expected to continue registering a tone of expansion, specifically in emerging countries, though it involves such negative factors as a slowdown in recovery and sluggish domestic demand in the developed countries. Under these business circumstances, with regard to the forecast of consolidated business results of the Group for the second-quarter cumulative period of the year ending March 31, 2011, orders received for general-use products in its sectors of Semiconductor Devices, Optical Devices and System Parts are expected to increase favorably. However,

orders received for and sales of amusement-related products and other products are expected to fall below the initial plan. Profits are also expected to fall below the forecast made at the time of the most recent announcement of settlement of accounts (on May 14, 2010). Accordingly, the Company will make adjustment to the forecast of consolidated business results.

With regard to such adjustment to the forecast of consolidated business results, please refer to the "Notice on Adjustment to the Forecast of Consolidated Business Results for the Whole-Year Period of the Fiscal Year Ending March 31, 2011" publicized today (August 5, 2010).

2. Other Information

(Translation omitted)

3. Consolidated Quarterly Financial Statements

(1) Consolidated quarterly balance sheets

(million yen)

	First quarter of the year ending March 31, 2011 (as of June 30, 2010)	[Condensed] Year ended March 31, 2010 (as of March 31, 2010)
<u>ASSETS:</u>		
Current assets:		
Cash and deposits	64,321	57,247
Trade notes and trade accounts receivable	51,622	69,579
Finished products	2,586	2,995
Work in process	3,956	3,229
Raw materials and storage	21,522	18,276
Other assets	5,154	4,916
Allowance for doubtful receivables	(89)	(90)
Total current assets	149,074	156,154
Fixed assets:		
Tangible fixed assets	40,385	39,291
Intangible fixed assets	1,935	2,089
Investments and other assets	4,866	5,034
Total fixed assets	47,187	46,415
TOTAL ASSETS	196,262	202,570
<u>LIABILITIES:</u>		
Current liabilities:		
Trade notes and trade accounts payable	34,857	34,714
Short-term borrowings	5,397	5,675
Accrued corporate taxes, etc.	349	281
Allowance for bonuses	824	1,630
Other current liabilities	9,504	7,933
Total current liabilities	50,932	50,235
Long-term liabilities:		
Reserve for employee retirement benefits	578	623
Other long-term liabilities	3,048	3,094
Total long-term liabilities	3,626	3,717
TOTAL LIABILITIES	54,559	53,953
<u>NET ASSETS:</u>		
Shareholders' equity:		
Capital	39,890	39,890
Additional paid-in capital	43,252	43,252
Retained earnings	73,592	78,745
Treasury stock	(89)	(88)
Total shareholders' equity	156,646	161,798
Revaluation and exchange differences, etc.:		
Valuation difference of other securities	3	10
Foreign exchange translation adjustment	(14,946)	(13,191)
Total revaluation and exchange differences, etc.	(14,943)	(13,181)
TOTAL NET ASSETS	141,702	148,617
TOTAL LIABILITIES AND NET ASSETS	196,262	202,570

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

(million yen)

	First-quarter cumulative period of the year ended March 31, 2010 (April 1, 2009 through June 30, 2009)	First-quarter cumulative period of the year ending March 31, 2011 (April 1, 2010 through June 30, 2010)
Net sales	47,103	44,131
Cost of sales	41,293	42,188
Gross profit on sales	5,809	1,942
Selling, general and administrative expenses	3,543	3,291
Operating income (loss)	2,266	(1,348)
Non-operating income		
Interest income	27	20
Royalty received	-	62
Other income	37	44
Total non-operating income	65	127
Non-operating expenses		
Interest expense	29	12
Loss on disposition of fixed assets	113	95
Foreign exchange loss	185	478
Other expenses	92	87
Total non-operating expenses	421	675
Recurring income (loss)	1,909	(1,896)
Special income		
Reversal of allowance for doubtful receivables	2	-
Gain on insurance claims	-	63
Total special income	2	63
Special loss	-	-
Income (loss) before income taxes and others	1,911	(1,832)
Corporate, inhabitant and enterprise taxes	687	258
Net income (loss)	1,224	(2,091)

(3) Consolidated quarterly statements of cash flows

(million yen)

	First-quarter cumulative period of the year ended March 31, 2010 (April 1, 2009 through June 30, 2009)	First-quarter cumulative period of the year ending March 31, 2011 (April 1, 2010 through June 30, 2010)
Cash flows from operating activities:		
Income (loss) before income taxes and others	1,911	(1,832)
Depreciation	2,496	2,358
Increase (decrease) in reserve for employee retirement benefits	(187)	(10)
(Increase) decrease in prepaid pension cost	-	96
Interest and dividend income	(28)	(21)
Interest expenses	29	12
Foreign exchange (income) loss	(144)	(276)
(Gain) loss on sale of fixed assets	5	(1)
Loss from write-off and retirement of fixed assets	113	95
Gain on insurance claims	-	(63)
(Increase) decrease in trade accounts receivable	1,884	17,534
(Increase) decrease in inventories	2,067	(3,806)
Increase (decrease) in trade accounts payable	6,090	547
Others	(43)	(323)
Subtotal	14,195	14,309
Interest and dividends received	39	29
Interest paid	(29)	(12)
Insurance claims received	-	285
Corporate taxes paid	(468)	(346)
Net cash (used in) provided by operating activities	13,736	14,265
Cash flows from investing activities:		
Placing of time deposits	(52)	(152)
Withdrawal of time deposits	60	45
Acquisition of tangible fixed assets	(1,553)	(3,277)
Sale of tangible fixed assets	25	125
Acquisition of intangible fixed assets	(72)	(63)
Others	(40)	(1)
Net cash (used in) provided by investing activities	(1,633)	(3,323)
Cash flows from financing activities:		
Purchase of treasury stock	(0)	(0)
Cash dividends paid	(3,061)	(3,062)
Net cash (used in) provided by financing activities	(3,062)	(3,062)
Translation gain/loss related to cash and cash equivalents	(105)	(821)
Net increase (decrease) in cash and cash equivalents	8,936	7,058
Cash and cash equivalents at beginning of the year	38,636	55,869
Cash and cash equivalents at end of the period	47,572	62,928

(4) Note on assumptions for going concern

Not applicable.

(5) Segment information

[Segment information by geographic area]

For the consolidated first-quarter cumulative period of the fiscal year ended March 31, 2010 (April 1, 2009 through June 30, 2009):

(million yen)

	Japan	Asia	Europe	North America	Total	Eliminated or group-wide	Consolidated
Net sales							
(1) External customers	29,360	17,126	395	220	47,103	-	47,103
(2) Intersegment or transfer	14,484	24,946	8	85	39,524	(39,524)	-
Total	43,845	42,072	403	306	86,627	(39,524)	47,103
Operating income	995	1,343	4	7	2,350	(84)	2,266

[Overseas net sales]

For the consolidated first-quarter cumulative period of the fiscal year ended March 31, 2010 (April 1, 2009 through June 30, 2009):

(million yen)

	Asia	Europe	North America	Total
I Overseas net sales	17,872	1,165	167	19,206
II Consolidated net sales				47,103
III Ratio of overseas net sales to consolidated net sales	37.9	2.5	0.4	40.8

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

Not applicable.

4. Additional Information

(1) Production, orders received and sales

(i) Production

Production by product division for the consolidated first-quarter cumulative period of the fiscal year ending March 31, 2011:

Division	Production (million yen)	Comparison with the corresponding period of the previous fiscal year (%)
Semiconductor Devices	9,134	134.5
Optical Devices	3,458	145.6
System Parts	16,204	73.5
High-Frequency Parts	8,642	117.1
Power-Unit Parts	5,057	77.8
Information Communications Equipment	1,089	48.6
Total	43,587	92.1

(ii) Orders received

Orders received by product division for the consolidated first-quarter cumulative period of the fiscal year ending March 31, 2011:

Division	Orders received (million yen)	Comparison with the corresponding period of the previous fiscal year (%)	Balance of orders received (million yen)	Comparison with the corresponding period of the previous fiscal year (%)
Semiconductor Devices	10,328	139.6	4,601	136.2
Optical Devices	4,695	169.5	2,933	131.7
System Parts	17,695	78.4	4,699	83.1
High-Frequency Parts	8,854	100.5	5,898	124.0
Power-Unit Parts	5,076	74.8	1,527	77.7
Information Communications Equipment	1,433	68.5	614	101.2
Total	48,083	95.3	20,275	109.1

(iii) Sales

Sales by product division for the consolidated first-quarter cumulative period of the fiscal year ending March 31, 2011:

Division	Sales (million yen)	Comparison with the corresponding period of the previous fiscal year (%)
Semiconductor Devices	9,062	134.2
Optical Devices	3,466	147.4
System Parts	16,813	77.3
High-Frequency Parts	8,562	116.0
Power-Unit Parts	5,059	75.9
Information Communications Equipment	1,166	52.8
Total	44,131	93.7

(2) Income/loss by geographic area

For the consolidated first-quarter cumulative period of the fiscal year ending March 31, 2011 (April 1, 2010 through June 30, 2010):

(million yen)

	Japan	Asia	Europe	North America	Total	Eliminated or group-wide	Consolidated
Net sales							
(1) External customers	23,226	20,080	573	251	44,131	-	44,131
(2) Intersegment or transfer	17,053	20,149	10	138	37,352	(37,352)	-
Total	40,280	40,230	583	389	81,484	(37,352)	44,131
Operating income (loss)	(2,314)	920	32	13	(1,347)	(1)	(1,348)

(3) Overseas net sales

For the consolidated first-quarter cumulative period of the fiscal year ending March 31, 2011 (April 1, 2010 through June 30, 2010):

(million yen)

	Asia	Europe	North America	Total
I Overseas net sales	21,467	1,013	320	22,802
II Consolidated net sales				44,131
III Ratio of overseas net sales to consolidated net sales	48.7	2.3	0.7	51.7

- END -