

(Excerpt translation)

November 4, 2010

**BRIEF ANNOUNCEMENT OF SETTLEMENT OF ACCOUNTS FOR
THE SECOND QUARTER OF THE FISCAL YEAR ENDING MARCH 31, 2011**

(Based on Japanese GAAP) (CONSOLIDATED)

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

Listing exchange: Tokyo Stock Exchange and
Osaka Securities 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: November 11, 2010

Scheduled date of payment of
dividends: -

Quarterly supplemental
explanatory material prepared: Yes

Quarterly results briefing held: Yes (results briefing for analysts and
institutional investors)

(Figures are indicated by counting fractions of 1/2 or
more of a million yen as one and discarding the rest)

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

- (1) Consolidated operating results (cumulative):

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

	Net sales		Operating income		Recurring income		Net income	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
Second quarter of the year ending March 31, 2011	92,742	(-) 9.7	(2,422)	-	(3,234)	-	(1,923)	-
Second quarter of the year ended March 31, 2010	102,684	(-) 28.2	6,284	(-) 59.8	5,231	(-) 67.0	3,508	(-) 62.7

	Net income per share (basic)	Net income per share (diluted)
	(yen)	(yen)
Second quarter of the year ending March 31, 2011	(22.00)	-
Second quarter of the year ended March 31, 2010	40.12	-

(2) Consolidated financial condition:

	Total assets	Net assets	Net worth ratio	Net assets per share
	(million yen)	(million yen)	(%)	(yen)
Second quarter of the year ending March 31, 2011	202,849	140,992	69.5	1,612.19
Year ended March 31, 2010	202,570	148,617	73.4	1,699.37

(For reference) Net worth: Second quarter of the year ending March 31, 2011: 140,992 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: None

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.)

	Net sales		Operating income		Recurring income		Net income		Net income per share
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(yen)
Whole-year period	192,800	(-) 7.1	1,500	-	(2,600)	-	(1,500)	-	(17.15)

(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 disclosure 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:

Second 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:

Second quarter of the year ending March 31, 2011: 44,017 shares
Year ended March 31, 2010: 43,464 shares

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

Second quarter of the year ending March 31, 2011: 87,454,395 shares
Second quarter of the year ended March 31, 2010: 87,455,597 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:

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 Second Quarter of the Fiscal Year under Review

(1) Qualitative information on the consolidated operating results

To overview the global economic situations during the second quarter of the fiscal year under review, the economy has slowed growth as the effectiveness of the economic stimulus measures in the developed countries has been reduced though emerging countries have remained on the phase of expansion.

In the Japanese economy, favorable factors, including increased demand for some consumer durables due to extraordinary hot summer, the subsidization of purchases of environment-responsive automobiles, household electronic appliances and houses and replacement demand for TV sets due to the planned shift to terrestrial digital broadcasting, have existed to stimulate the economy, while negative factors, including a slowdown in capital expenditures due to latent surplus capacity, inventory adjustments as a result of the backlash of last-minute orders and a pressure of the abrupt appreciation of the yen since August on operating results of exporters, have emerged.

In our electronic parts industry, sales of related parts have continued to increase favorably due to the expansion of the market for smart phones, flat-screen TVs and automobiles, among others, driven by steady demand from the emerging countries. However, inventories of parts for PCs have continued to be adjusted and sales of parts related to car-mounted equipment have exhibited a declining trend.

The Group has continued to record an increase in orders received for general-purpose products for smart phones, flat-screen TVs and other uses, while orders received for amusement-related products have decreased. As a result, for the second quarter of the fiscal year under review, on a consolidated basis, net sales amounted to ¥92,742 million (90.3% in comparison with the corresponding period of the previous fiscal year). With regard to profits and losses, due to the higher yen in spite of various measures to reduce cost, the Company registered an operating loss of ¥2,422 million (operating income of ¥6,284 million for the corresponding period of the previous fiscal year) and a recurring loss of ¥3,234 million (recurring income of ¥5,231 million for the corresponding period of the previous fiscal year). Net loss amounted to ¥1,923 million (net income of ¥3,508 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 second quarter of the fiscal year under review:

As of the end of the second quarter of the fiscal year under review, on a consolidated basis, total assets accounted for ¥202,849 million, up ¥278 million from the end of the previous fiscal year, principally due to an increase of ¥7,593 million in inventories, an increase of ¥3,473 million in cash and deposits and an increase of ¥2,315 million in tangible fixed assets, in spite of a decrease of ¥14,677 million in trade notes and trade accounts receivable.

Total liabilities accounted for ¥61,857 million, up ¥7,903 million from the end of the previous fiscal year, principally due to an increase of ¥6,838 million in trade notes and trade accounts payable.

Net assets accounted for ¥140,992 million, down ¥7,625 million from the end of the previous fiscal year, principally due to the payment of dividends during the first quarter of the fiscal year under review and a change of ¥2,631 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 second quarter of the fiscal year under review decreased by 3.9 points from the end of the previous fiscal year to 69.5%. Net assets per share decreased by ¥87.18 to ¥1,612.19.

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

Cash and cash equivalents ("net cash") at the end of the second quarter of the fiscal year under review increased by ¥3,040 million from the end of the previous fiscal year to account for ¥58,910 million on a consolidated basis.

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

(Cash flows from operating activities)

Cash flow from operating activities resulted in receipts of ¥13,920 million (receipts of ¥20,495 million for the corresponding period of the previous fiscal year) principally due to a decrease in trade accounts receivable and an increase in trade accounts payable, in spite of a loss of ¥3,170 million before income taxes and others and an increase in inventories.

(Cash flows from investing activities)

Cash flows from investing activities resulted in payments of ¥6,862 million (payments of ¥3,621 million for the corresponding period of the previous fiscal year) principally due to payments for the acquisition of tangible fixed assets and the placing of time deposits.

(Cash flows from financing activities)

Cash flows from financing activities resulted in payments of ¥3,056 million (payments of ¥3,680 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

With regard to the forecast of consolidated business results of the Group for the fiscal year ending March 31, 2011, please refer to the "Notice on the Differences between the Forecasted Amounts and Actual Amounts of Business Results for the Second-Quarter Cumulative Period of the Fiscal Year Ending March 31, 2011 and the Adjustment to the Forecast of Business Results for the Whole-Year Period of the Fiscal Year Ending March 31, 2011" publicized on November 4, 2010.

2. Other Information

(Translation omitted)

3. Consolidated Quarterly Financial Statements

(1) Consolidated quarterly balance sheets

(million yen)

	Second quarter of the year ending March 31, 2011 (as of September 30, 2010)	[Condensed] Year ended March 31, 2010 (as of March 31, 2010)
<u>ASSETS:</u>		
Current assets:		
Cash and deposits	60,721	57,247
Trade notes and trade accounts receivable	54,901	69,579
Finished products	2,903	2,995
Work in process	3,577	3,229
Raw materials and storage	25,613	18,276
Other assets	6,972	4,916
Allowance for doubtful receivables	(63)	(90)
Total current assets	154,627	156,154
Fixed assets:		
Tangible fixed assets	41,606	39,291
Intangible fixed assets	1,877	2,089
Investments and other assets	4,738	5,034
Total fixed assets	48,222	46,415
TOTAL ASSETS	202,849	202,570
<u>LIABILITIES:</u>		
Current liabilities:		
Trade notes and trade accounts payable	41,552	34,714
Short-term borrowings	5,113	5,675
Accrued corporate taxes, etc.	289	281
Allowance for bonuses	1,503	1,630
Other current liabilities	9,692	7,933
Total current liabilities	58,151	50,235
Long-term liabilities:		
Reserve for employee retirement benefits	595	623
Other long-term liabilities	3,110	3,094
Total long-term liabilities	3,705	3,717
TOTAL LIABILITIES	61,857	53,953
<u>NET ASSETS:</u>		
Shareholders' equity:		
Capital	39,890	39,890
Additional paid-in capital	43,252	43,252
Retained earnings	73,760	78,745
Treasury stock	(89)	(88)
Total shareholders' equity	156,813	161,798
Revaluation and exchange differences, etc.:		
Valuation difference of other securities	2	10
Foreign exchange translation adjustment	(15,822)	(13,191)
Total revaluation and exchange differences, etc.	(15,820)	(13,181)
TOTAL NET ASSETS	140,992	148,617
TOTAL LIABILITIES AND NET ASSETS	202,849	202,570

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

(million yen)

	Second-quarter cumulative period of the year ended March 31, 2010 (April 1, 2009 through September 30, 2009)	Second-quarter cumulative period of the year ending March 31, 2011 (April 1, 2010 through September 30, 2010)
Net sales	102,684	92,742
Cost of sales	89,313	88,730
Gross profit on sales	13,370	4,012
Selling, general and administrative expenses	7,086	6,435
Operating income (loss)	6,284	(2,422)
Non-operating income		
Interest income	56	47
Royalty received	65	62
Reformed patent fees	-	198
Other income	112	150
Total non-operating income	234	458
Non-operating expenses		
Interest expense	53	25
Loss on disposition of fixed assets	207	161
Foreign exchange loss	427	933
Other expenses	598	150
Total non-operating expenses	1,287	1,270
Recurring income (loss)	5,231	(3,234)
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	5,233	(3,170)
Corporate, inhabitant and enterprise taxes	1,724	(1,246)
Net income (loss)	3,508	(1,923)

(3) Consolidated quarterly statements of cash flows

(million yen)

	Second-quarter cumulative period of the year ended March 31, 2010 (April 1, 2009 through September 30, 2009)	Second-quarter cumulative period of the year ending March 31, 2011 (April 1, 2010 through September 30, 2010)
Cash flows from operating activities:		
Income (loss) before income taxes and others	5,233	(3,170)
Depreciation	5,277	4,989
Increase (decrease) in reserve for employee retirement benefits	(208)	8
(Increase) decrease in prepaid pension cost	312	181
Interest and dividend income	(57)	(48)
Interest expenses	53	25
Foreign exchange (income) loss	(456)	(617)
(Gain) loss on sale of fixed assets	0	3
Loss from write-off and retirement of fixed assets	207	161
Gain on insurance claims	-	(63)
(Increase) decrease in trade accounts receivable	(5,271)	13,946
(Increase) decrease in inventories	(5,474)	(7,992)
Increase (decrease) in trade accounts payable	20,733	7,541
Others	617	(897)
Subtotal	20,969	14,067
Interest and dividends received	65	54
Interest paid	(55)	(24)
Insurance claims received	-	285
Corporate taxes paid	(483)	(462)
Net cash (used in) provided by operating activities	20,495	13,920
Cash flows from investing activities:		
Placing of time deposits	(113)	(674)
Withdrawal of time deposits	69	61
Acquisition of tangible fixed assets	(3,295)	(6,169)
Sale of tangible fixed assets	145	116
Acquisition of intangible fixed assets	(195)	(192)
Acquisition of investment securities	(199)	-
Others	(32)	(3)
Net cash (used in) provided by investing activities	(3,621)	(6,862)
Cash flows from financing activities:		
Repayment of long-term borrowings	(625)	-
Purchase of treasury stock	(1)	(0)
Cash dividends paid	(3,054)	(3,055)
Net cash (used in) provided by financing activities	(3,680)	(3,056)
Translation gain/loss related to cash and cash equivalents	(875)	(961)
Net increase (decrease) in cash and cash equivalents	12,317	3,040
Cash and cash equivalents at beginning of the period	38,636	55,869
Cash and cash equivalents at end of the period	50,954	58,910

(4) Note on assumptions for going concern

Not applicable.

(5) Segment information

[Segment information by geographic area]

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

(million yen)

	Japan	Asia	Europe	North America	Total	Eliminated or group-wide	Consolidated
Net sales							
(1) External customers	63,489	37,851	898	444	102,684	-	102,684
(2) Intersegment or transfer	32,378	54,536	16	223	87,155	(87,155)	-
Total	95,867	92,388	915	668	189,839	(87,155)	102,684
Operating income	2,644	3,799	19	25	6,489	(205)	6,284

[Overseas net sales]

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

(million yen)

	Asia	Europe	North America	Total
I Overseas net sales	39,602	2,493	450	42,546
II Consolidated net sales				102,684
III Ratio of overseas net sales to consolidated net sales	38.6	2.4	0.4	41.4

(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 second-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	19,425	130.8
Optical Devices	6,485	123.7
System Parts	36,051	75.0
High-Frequency Parts	17,226	100.9
Power-Unit Parts	10,537	74.1
Information Communications Equipment	2,783	66.3
Total	92,508	89.3

(ii) Orders received

Orders received by product division for the consolidated second-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	19,740	128.4	3,729	115.2
Optical Devices	6,452	120.4	1,638	85.7
System Parts	37,848	78.0	5,367	85.8
High-Frequency Parts	18,331	94.3	6,775	119.4
Power-Unit Parts	10,572	70.0	1,510	55.7
Information Communications Equipment	3,692	97.5	1,195	328.2
Total	96,637	89.8	20,218	100.3

(iii) Sales

Sales by product division for the consolidated second-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	19,346	130.1
Optical Devices	6,518	124.1
System Parts	36,298	77.1
High-Frequency Parts	17,162	100.5
Power-Unit Parts	10,571	74.2
Information Communications Equipment	2,843	68.6
Total	92,742	90.3

(2) Income/loss by geographic area

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

(million yen)

	Japan	Asia	Europe	North America	Total	Eliminated or group-wide	Consolidated
Net sales							
(1) External customers	49,783	41,279	1,157	522	92,742	-	92,742
(2) Intersegment or transfer	35,739	46,329	17	295	82,382	(82,382)	-
Total	85,523	87,608	1,175	817	175,124	(82,382)	92,742
Operating income (loss)	(4,840)	2,487	68	63	(2,221)	(201)	(2,422)

(3) Overseas net sales

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

(million yen)

	Asia	Europe	North America	Total
I Overseas net sales	44,176	1,996	767	46,941
II Consolidated net sales				92,742
III Ratio of overseas net sales to consolidated net sales	47.6	2.2	0.8	50.6

- END -