

(Excerpt translation)

November 6, 2012

**BRIEF ANNOUNCEMENT OF SETTLEMENT OF ACCOUNTS FOR
THE SECOND QUARTER OF THE FISCAL YEAR ENDING MARCH 31, 2013**

(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 13, 2012

Scheduled date of payment of
dividends: -

Quarterly supplemental
explanatory material prepared: Yes

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

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

1. Consolidated business results for the second quarter of the fiscal year ending March 31, 2013
(April 1, 2012 through September 30, 2012):

(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, 2013	68,287	(-) 15.8	(4,745)	-	(5,433)	-	(11,831)	-
Second quarter of the year ended March 31, 2012	81,124	(-) 12.5	(4,627)	-	(5,353)	-	(5,599)	-

(Note) Comprehensive income:

Second quarter of the year ending March 31, 2013: (¥13,122 million) (-%)
 Second quarter of the year ended March 31, 2012: (¥7,913 million) (-%)

	Net income per share (basic)	Net income per share (diluted)
	(yen)	(yen)
Second quarter of the year ending March 31, 2013	(135.29)	-
Second quarter of the year ended March 31, 2012	(64.03)	-

(2) Consolidated financial condition:

	Total assets	Net assets	Net worth ratio
	(million yen)	(million yen)	(%)
Second quarter of the year ending March 31, 2013	162,232	95,965	59.2
Year ended March 31, 2012	152,660	109,087	71.5

(For reference) Net worth: Second quarter of the year ending March 31, 2013: ¥95,965 million
 Year ended March 31, 2012: ¥109,087 million

2. State of dividends:

	Annual dividend (yen)				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Year ended March 31, 2012	—	—	—	0.00	0.00
Year ending March 31, 2013	—	—			
Year ending March 31, 2013 (forecast)			—	0.00	0.00

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

3. Forecast of consolidated business results for the fiscal year ending March 31, 2013 (April 1, 2012 through March 31, 2013):

(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	162,000	(-) 3.1	(4,500)	-	(5,500)	-	(12,500)	-	(142.93)

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

* Notes:

- | | | |
|-----|---|-------------------|
| (1) | Changes in important subsidiaries during the period under review: | None |
| (2) | Application of accounting treatments special to the preparation of the quarterly consolidated financial statements: | Yes |
| (3) | Changes in accounting policies, changes in accounting estimates and modifications and restatements: | |
| | 1) Changes in accounting policies associated with changes in accounting standards: | Yes |
| | 2) Other changes in accounting policies: | None |
| | 3) Changes in accounting estimates: | Yes |
| | 4) Modifications and restatements: | None |
| (4) | Number of issued shares (shares of common stock): | |
| | 1) Number of issued shares (including shares of treasury stock) as of the end of the period: | |
| | Second quarter of the year ending March 31, 2013: | 87,498,119 shares |
| | Year ended March 31, 2012: | 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, 2013: | 45,736 shares |
| | Year ended March 31, 2012: | 45,652 shares |
| | 3) Average number of shares during the period (cumulative): | |
| | Second quarter of the year ending March 31, 2013: | 87,452,425 shares |
| | Second quarter of the year ended March 31, 2012: | 87,453,091 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 "1. Qualitative Information on the Settlement of Accounts for the Quarter of the Fiscal Year under Review: (3) Qualitative information on the forecasts of consolidated business results" on page 7 hereof.

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

(1) Qualitative information on the consolidated operating results

To overview the global economic situations during the consolidated second-quarter cumulative period of the fiscal year under review, in the United States, personal consumption showed a sign of recovery, though slow, but in Europe, real GDP continued to register negative growth due to the implementation of austere fiscal policies in the course of the recurrence of the debt problem. Additionally, due to the deceleration of economic growth in the emerging countries, the global economy generally has slowed down.

In Japan, demand for recovery from the Great East Japan Earthquake has shifted into full swing and the economy, specifically domestic demand, has shown a strong upturn due to subsidies for purchases of eco cars, among others. However, with the global economy decelerating and the appreciation of the yen continuing, exports have declined and the economy recently has shown a clearer sign of slowdown.

In our electronic parts industry, while the market for growth products, including smart phones and tablet devices, and car-mounted devices has continued to expand, the market for products related to flat-panel TVs and PCs has flagged. In addition, due to declines in selling prices of set products, prices of parts have continued to drop.

The Group has been affected by decreases in orders received for amusement- and flat-panel TV-related products while orders received for products related to smart phones and other information communications terminals and car-mounted devices increased.

As a result, for the second-quarter cumulative period of the fiscal year under review, on a consolidated basis, net sales amounted to ¥68,287 million (84.2% in comparison with the corresponding period of the previous fiscal year). With regard to profits and losses, due to a decrease in net sales, as well as a decrease in turnout arising from a temporary suspension of operations at the manufacturing subsidiaries of the Company in China in the course of anti-Japan demonstrations in China that took place in September 2012, among others, the Company registered an operating loss of ¥4,745 million (operating loss of ¥4,627 million for the corresponding period of the previous fiscal year) and a recurring loss of ¥5,433 million (recurring loss of ¥5,353 million for the corresponding period of the previous fiscal year). Net loss amounted to ¥11,831 million (net loss of ¥5,599 million for the corresponding period of the previous fiscal year) as the Company recorded the amount of damage from the anti-Japan demonstrations in China and restructuring and other expenses in its semiconductor devices business as special losses, as well as the reversal of deferred tax assets as corporate, inhabitant and enterprise taxes.

(2) Qualitative information on the consolidated financial condition

(i) Change in the financial condition 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 ¥162,232 million, up ¥9,571 million from the end of the previous fiscal year, principally due to an increase of ¥18,811 million in inventories,

an increase of ¥5,372 million in trade notes and trade accounts receivable and an increase of ¥1,619 million in tangible fixed assets in spite of a decrease of ¥13,687 million in cash and deposits.

Total liabilities accounted for ¥66,266 million, up ¥22,694 million from the end of the previous fiscal year, principally due to an increase of ¥23,543 million in trade notes and trade accounts payable.

Total net assets accounted for ¥95,965 million, down ¥13,122 million from the end of the previous fiscal year, principally due to a decrease of ¥11,831 million of retained earnings as a result of a net loss and a decrease of ¥1,283 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 12.3 points from the end of the previous fiscal year to 59.2%.

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

Cash and cash equivalents ("net cash") on a consolidated basis at the end of the second-quarter cumulative period of the fiscal year under review decreased by ¥24,600 million in comparison with the previous fiscal year, accounting for ¥32,358 million.

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

Cash flows from operating activities

Cash flows from operating activities resulted in payments of ¥7,701 million (receipts of ¥10,167 million for the corresponding period of the previous fiscal year) principally due to a loss before income taxes and others, an increase in trade accounts receivable and an increase in inventories in spite of an increase in trade accounts payable.

Cash flows from investing activities

Cash flows from investing activities resulted in payments of ¥16,181 million (payments of ¥4,331 million for the corresponding period of the previous fiscal year) principally due to payments for placing of time deposits and payments for the acquisition of tangible fixed assets.

Cash flows from financing activities

Cash flows from financing activities resulted in payments of ¥3 million (payments of ¥1,749 million for the corresponding period of the previous fiscal year) principally due to payments of dividends.

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

With regard to the forecast of consolidated business results for the fiscal year ending March 31, 2013, please refer to the "Notice on the Adjustment to the Forecasts of Business Results and Dividends, the Recording of Special Losses and the Reversal of Deferred Tax Assets" publicized on October 29, 2012.

2. Matters Concerning Summary Information (Notes)

(Translation omitted)

3. Consolidated Quarterly Financial Statements

(1) Consolidated quarterly balance sheets

(million yen)

	Year ended March 31, 2012 (as of March 31, 2012)	Second quarter of the year ending March 31, 2013 (as of September 30, 2012)
<u>ASSETS:</u>		
Current assets:		
Cash and deposits	58,178	44,491
Trade notes and trade accounts receivable	40,753	46,126
Finished products	1,885	1,850
Work in process	4,546	8,939
Raw materials and storage	14,303	28,756
Other assets	2,255	2,091
Allowance for doubtful receivables	(33)	(47)
Total current assets	121,889	132,209
Fixed assets:		
Tangible fixed assets	24,444	26,064
Intangible fixed assets	913	877
Investments and other assets		
Others	5,537	3,301
Allowance for doubtful receivables	(123)	(220)
Total investments and other assets	5,413	3,081
Total fixed assets	30,771	30,022
TOTAL ASSETS	152,660	162,232
<u>LIABILITIES:</u>		
Current liabilities:		
Trade notes and trade accounts payable	23,532	47,075
Short-term borrowings	5,013	4,733
Accrued corporate taxes, etc.	183	215
Allowance for bonuses	1,416	1,286
Other current liabilities	11,713	10,612
Total current liabilities	41,859	63,923
Long-term liabilities:		
Reserve for employee retirement benefits	707	726
Other long-term liabilities	1,005	1,617
Total long-term liabilities	1,712	2,343
TOTAL LIABILITIES	43,572	66,266
<u>NET ASSETS:</u>		
Shareholders' equity:		
Capital	39,890	39,890
Additional paid-in capital	43,252	43,252
Retained earnings	42,077	30,246
Treasury stock	(91)	(91)
Total shareholders' equity	125,128	113,297
Accumulated other comprehensive income:		
Valuation difference of other securities	6	(1)
Foreign exchange translation adjustment	(16,047)	(17,330)
Total accumulated other comprehensive income	(16,041)	(17,332)
TOTAL NET ASSETS	109,087	95,965
TOTAL LIABILITIES AND NET ASSETS	152,660	162,232

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

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

(million yen)

	Second-quarter cumulative period of the year ended March 31, 2012 (April 1, 2011 through September 30, 2011)	Second-quarter cumulative period of the year ending March 31, 2013 (April 1, 2012 through September 30, 2012)
Net sales	81,124	68,287
Cost of sales	79,889	67,827
Gross profit on sales	1,235	460
Selling, general and administrative expenses	5,863	5,205
Operating loss	(4,627)	(4,745)
Non-operating income		
Interest income	57	58
Royalties earned	65	80
Other income	98	202
Total non-operating income	222	341
Non-operating expenses		
Interest expense	17	21
Loss on disposition of fixed assets	132	43
Foreign exchange loss	649	702
Other expenses	148	262
Total non-operating expenses	948	1,029
Recurring loss	(5,353)	(5,433)
Special income		
Gain on sales of fixed assets	173	78
Gain on sales of investment securities	1	-
Total special income	174	78
Special loss		
Impairment loss on fixed assets	-	264
Special retirement allowances	1	-
Business restructuring expenses	-	967
Loss from disaster	-	2,012
Total special loss	1	3,244
Loss before income taxes and others	(5,180)	(8,599)
Corporate, inhabitant and enterprise taxes	418	3,232
Net loss	(5,599)	(11,831)

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

	(million yen)	
	Second-quarter cumulative period of the year ended March 31, 2012 (April 1, 2011 through September 30, 2011)	Second-quarter cumulative period of the year ending March 31, 2013 (April 1, 2012 through September 30, 2012)
Net loss	(5,599)	(11,831)
Other comprehensive income		
Valuation difference of other securities	(6)	(7)
Foreign exchange translation adjustment	(2,307)	(1,283)
Total other comprehensive income	(2,314)	(1,291)
Quarterly comprehensive income	(7,913)	(13,122)
(Items)		
Quarterly comprehensive income related to the shareholders of the parent company	(7,913)	(13,122)
Quarterly comprehensive income related to the minority shareholders	-	-

(3) Consolidated quarterly statements of cash flows

(million yen)

	Second-quarter cumulative period of the year ended March 31, 2012 (April 1, 2011 through September 30, 2011)	Second-quarter cumulative period of the year ending March 31, 2013 (April 1, 2012 through September 30, 2012)
Cash flows from operating activities:		
Loss before income taxes and others	(5,180)	(8,599)
Depreciation	5,652	2,854
Impairment loss on fixed assets	-	264
Business restructuring expenses	-	967
Loss from disaster	-	2,012
Increase (decrease) in allowance for doubtful receivables	(126)	110
Increase (decrease) in reserve for employee retirement benefits	45	45
(Increase) decrease in prepaid pension cost	529	479
Interest and dividend income	(58)	(58)
Interest expenses	17	21
Foreign exchange (income) loss	(331)	(312)
(Gain) loss on sale of fixed assets	(176)	(87)
Loss from write-off and retirement of fixed assets	132	43
(Increase) decrease in trade accounts receivable	10,416	(6,117)
(Increase) decrease in inventories	(7,615)	(20,392)
Increase (decrease) in trade accounts payable	7,318	24,364
Others	(207)	302
Subtotal	10,414	(4,103)
Interest and dividends received	54	49
Interest paid	(17)	(21)
Special retirement benefits paid	(62)	(3,859)
Governmental subsidies received	-	420
Insurance claims received	-	48
Corporate taxes paid	(563)	(236)
Corporate taxes refunded	343	-
Net cash (used in) provided by operating activities	10,167	(7,701)
Cash flows from investing activities:		
Placing of time deposits	(419)	(11,114)
Withdrawal of time deposits	46	159
Acquisition of tangible fixed assets	(4,095)	(5,160)
Sale of tangible fixed assets	506	166
Acquisition of intangible fixed assets	(117)	(74)
Acquisition of investment securities	(299)	(156)
Sale of investment securities	25	-
Others	22	(1)
Net cash (used in) provided by investing activities	(4,331)	(16,181)
Cash flows from financing activities:		

(million yen)

	Second-quarter cumulative period of the year ended March 31, 2012 (April 1, 2011 through September 30, 2011)	Second-quarter cumulative period of the year ending March 31, 2013 (April 1, 2012 through September 30, 2012)
Purchase of treasury stock	(0)	(0)
Cash dividends paid	(1,748)	(3)
Net cash (used in) provided by financing activities	(1,749)	(3)
Translation gain (loss) related to cash and cash equivalents	(1,036)	(713)
Net increase (decrease) in cash and cash equivalents	3,050	(24,600)
Cash and cash equivalents at beginning of the period	43,417	56,959
Cash and cash equivalents at end of the period	46,467	32,358

(4) Note on assumptions for going concern

Not applicable.

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

Not applicable.

(6) Segment information

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

4. Supplementary Information

(1) Production, orders received and sales

(i) Production

Production by product division for the consolidated second-quarter cumulative period of the fiscal year ending March 31, 2013:

Division	Production	Comparison with the corresponding period of the previous fiscal year
	(million yen)	(%)
Semiconductor Devices	14,382	91.4
Optical Devices	7,466	134.5
System Parts	25,773	73.3
High-Frequency Parts	8,100	54.6
Power-Unit Parts	11,324	132.6
Information Communications Equipment	1,063	79.7
Total	68,110	83.9

(ii) Orders received

Orders received by product division for the consolidated second-quarter cumulative period of the fiscal year ending March 31, 2013:

Division	Orders received	Comparison with the corresponding period of the previous fiscal year	Balance of orders received	Comparison with the corresponding period of the previous fiscal year
	(million yen)	(%)	(million yen)	(%)
Semiconductor Devices	14,466	90.2	3,009	76.2
Optical Devices	8,706	148.0	1,923	132.2
System Parts	25,980	74.6	4,851	93.5
High-Frequency Parts	8,344	74.6	2,655	68.8
Power-Unit Parts	12,042	139.6	2,573	155.7
Information Communications Equipment	1,009	72.1	92	90.2
Total	70,550	90.5	15,106	93.2

(iii) Sales

Sales by product division for the consolidated second-quarter cumulative period of the fiscal year ending March 31, 2013:

Division	Sales	Comparison with the corresponding period of the previous fiscal year
	(million yen)	(%)
Semiconductor Devices	14,562	92.3
Optical Devices	7,449	134.8
System Parts	25,847	73.2
High-Frequency Parts	8,179	56.1
Power-Unit Parts	11,208	131.9
Information Communications Equipment	1,039	73.0
Total	68,287	84.2

(2) Overseas net sales

For the consolidated second-quarter cumulative period of the fiscal year ended March 31, 2012 (April 1, 2011 through September 30, 2011):

(million yen)

	Asia	Europe	North America	Total
I Overseas net sales	31,987	1,957	611	34,555
II Consolidated net sales				81,124
III Ratio of overseas net sales to consolidated net sales (%)	39.4	2.4	0.8	42.6

For the consolidated second-quarter cumulative period of the fiscal year ending March 31, 2013 (April 1, 2012 through September 30, 2012):

(million yen)

	Asia	Europe	North America	Total
I Overseas net sales	30,875	1,492	635	33,003
II Consolidated net sales				68,287
III Ratio of overseas net sales to consolidated net sales (%)	45.2	2.2	0.9	48.3

- END -