

(This notice has been translated from the original notice in Japanese. In the event of any discrepancy, the original in Japanese shall prevail.)



August 3, 2011

**Summary of Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2012
(Three Months Ended June 30, 2011)
[Japan Standards] (Consolidated)**

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 Scheduled date of filing of Quarterly Report: August 12, 2011
 Scheduled date of dividend payment: -
 Supplementary materials for the quarterly financial results: No
 Investor conference for the quarterly financial results: No

(Amounts are rounded down to the nearest million yen)

1. Consolidated Business Performance for the First Quarter of March 2012 Term (April 1, 2011 – June 30, 2011)

(1) Consolidated business performance (consolidated)

(The percentages shown for net sales, operating profit, ordinary profit and net profit represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
1Q March 2012 Term	35,558	(14.0)	214	(62.9)	226	(68.6)	149	(68.8)
1Q March 2011 Term	41,329	(10.7)	578	53.5	720	90.5	479	64.7

(Note) Comprehensive profit 1Q March 2012Term: -154 million yen (-%) 1Q March 2011 Term: -34 million yen (-%)

	Net profit per share	Diluted net profit per share
	Yen	Yen
1Q March 2012 Term	4.93	-
March 2011 Term	15.83	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
June 2011 Term	83,637	59,138	70.7
March 2011 Term	92,422	59,596	64.5

Reference) Shareholders' equity 1Q March 2012 Term: 59,138 million yen March 2011 Term: 59,596 million yen

2. Dividends

(Record date)	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
March 2011 Term	-	10.00	-	10.00	20.00
March 2012 Term	-	-	-	-	-
March 2012 Term (forecast)	-	10.00	-	10.00	20.00

(Note) Revision of most recent dividend forecast : None

3. Forecasts for Consolidated Business Performance for March 2012 Term (April 1, 2011 – March 31, 2012)

(The percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Net profit		Net profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	81,000	(10.6)	270	(78.3)	300	(77.3)	150	(80.1)	4.95
Full year	178,000	(2.6)	1,550	(28.4)	1,600	(29.1)	1,100	(24.0)	36.33

(Note) Revision of most recent dividend forecast: None

4. Others

(1) Changes in consolidated subsidiaries during the term (changes in scope of consolidation): None

Newly added: - Excluded: -

(2) Application of unique accounting to the preparation of quarterly consolidated financial statements: None

(3) Change of design policy, change of accounting estimate, and redisplay after revision

1) Change of accounting policy caused by revision of accounting standards: None

2) Change of accounting policy other than : Yes

3) Change of accounting estimate: None

4) Redisplay after revision: None

Note: Please refer to “2. Matters Concerning Summary Information (Other) - (3) Change of accounting policy, change of accounting estimate, and redisplay after revision”, on page 3 of [Appendix] for further information.

(4) Number of shares outstanding (ordinary shares)

1) Number of shares outstanding at the end of term (including treasury stock):

1Q March 2012 Term: 30,281,373 shares March 2011 Term: 30,281,373 shares

2) Number of treasury stock at the end of term:

1Q March 2012 Term: 1,000 shares March 2011 Term: 965 shares

3) Number of average stock during the term (quarterly total):

1Q March 2012 Term: 30,280,400 shares 1Q March 2011 Term: 30,280,662 shares

*Indication concerning execution condition of quarterly review procedure

The audit procedure of quarterly financial statements based on Financial Instruments and Exchange Law has not finished at the time of indication of this brief quarterly report.

* Cautionary statement with respect to forward-looking statements

The above forecast is a forecast for the future based on data currently available and contains potential risks and uncertain factors. The actual performance may considerably differ from the forecast due to various factors.

See the section “1. Qualitative Information Concerning the Current Quarterly Settlement - (3) Qualitative information concerning consolidated business performance” on page 3 of [Appendix] regarding the relevant matters for the above forecast for the business performance.

Contents of Appendix

1. Qualitative Information Concerning the Current Quarterly Settlement	2
(1) Qualitative Information of Business Results	2
(2) Qualitative Information Concerning the Consolidated Financial Status	2
(3) Qualitative Information Concerning Consolidated Business Performance	3
2. Matters Concerning Summary Information (Other)	3
(1) Significant Subsidiary Change in the Consolidated Cumulative Period of This Quarter	3
(2) Application of Unique Accounting to the Preparation of Quarterly Consolidated Financial Statements.....	3
(3) Change of Accounting Policy, Change of Accounting Estimate, and Redisplay after Revision.....	3
3. Quarterly Consolidated Financial Statements	4
(1) Quarterly Consolidated Balance Sheets	4
(2) Quarterly Consolidated Profit and Loss Statement, Consolidated Comprehensive Profit Statement.....	6
(3) Notes regarding Growing Concern.....	8
(4) Segment Information.....	8
(5) Notes regarding Remarkable Change of Shareholder's Equity.....	8

1. Qualitative Information Concerning the Current Quarterly Settlement

(1) Qualitative Information of Business Results

1) Overview for the first quarter of the consolidated fiscal year ending March 2012

In the current first quarter of the consolidated cumulative period, the global economy remained unstable without resolutions of factors such as stagnant employment in the United States, prolonged financial issues in Europe, and inflation in developing countries. Japan's economy faced severe situations such as a continuously strong yen and a slowdown of corporate profit increase due to the Great East Japan Earthquake.

The electronics industry to which the Group belongs became uncertain about the future because the Great East Japan Earthquake damaged supply chains, slowed production activities, and caused concern about the influence of future power saving on production activities.

Under these circumstances, the Group made a continuous effort to increase sales and improve profit gaining with strengthening our business power and consolidating management foundation.

However, due to changes in the business environment and the influence of the great disaster, net sales decreased 14.0% year-on-year to 35,558 million yen, operating profit decreased 62.9% to 214 million yen in the first quarter of the consolidated cumulative period.

Ordinary profit decreased 68.6% to 226 million yen, and net profit decreased 68.8% to 149 million yen.

2) Overview of performance by business segment

a. Device Business

In the device segment, our leading products are semiconductors (including system LSIs, microcomputers, LCD driver ICs, and memories, etc.) and electronic components (including connectors, capacitors, and circuit boards, etc.). These products are sold mainly to the electronics manufacturers. We also provide technical support, such as software development and ASIC designs.

In the current consolidated cumulative period of the first quarter, the semiconductor business showed a decline in system LSIs for game consoles and chipsets for mobile phones, and sales decreased from the previous term despite the growth of the new commercial stream gained by the integration of main suppliers. In the electronic parts segment, the sale of connectors for digital electric home appliances remained steady but the demand for game consoles declined, and sales decreased from the previous term.

As a result, consolidated segment sales decreased 15.0% year-on-year to 33,689 million yen. The segment balance ended at 229 million yen (down 74.1% from the previous term).

Orders received stood at 32,239 million yen, and the order backlog was 35,209 million yen.

b. Solution Business

In the solution segment, the Company develops business related to network and image editing systems. In the network system business, we offer services including sales, maintenance, and support of the information communication network and enterprise resource planning (ERP) systems, mainly targeting companies, medical institutions, and national and local government agencies. In the image editing system business, we provide systems and software products for editing, transmitting, and distribution of video content to customers including the broadcast stations and video production companies.

In the current consolidated cumulative period of the first quarter, sales increased from levels recorded in the previous fiscal year in both network and image editing systems business.

As a result, consolidated segment sales increased 10.7% year-on-year to 1,868 million yen. The segment balance ended in a profit of 55 million yen (144 million yen up from the previous fiscal year).

Orders received totaled 1,582 million yen, while the order backlog stood at 4,108 million yen.

(2) Qualitative Information Concerning the Consolidated Financial Status

Assets, liabilities and net assets

As of June 30, 2011, assets totaled 83,637 million yen. This represented a decrease of 8,785 million yen compared with March 31, 2011. This was mainly attributable to a decrease of 8,526 million yen in notes and accounts receivable.

Liabilities decreased 8,327 million yen to 24,498 million yen, mainly because of a 5,755 million yen decrease in purchase liabilities and a 2,475 million yen decrease in short-term loans payable.

Net assets decreased 457 million yen to 59,138 million yen, mainly because of a 153 million yen decrease in retained earnings, a 27 million yen decrease in unrealized losses on available-for-sale securities, a 331 million yen decrease in foreign exchange conversion adjustments, and a 54 million yen increase in deferred hedge gains/losses.

(3) Qualitative Information Concerning Consolidated Business Performance

The forecasts throughout the term and the consolidated cumulative period of the second quarter are not changed from the ones stated in the brief settlement report of the term ended March 2011 (announced on May 18, 2011).

2. Matters Concerning Summary Information (Other)

(1) Significant Subsidiary Change in the Consolidated Cumulative Period of This Quarter

None

(2) Application of Unique Accounting to the Preparation of Quarterly Consolidated Financial Statements

None

(3) Change of Accounting Policy, Change of Accounting Estimate, and Redisplay after Revision

(Change of tax expense calculation method)

Tax expenses used to be calculated on the basis of a tax rate annually forecast from the normal effective statutory tax rate. Starting from this first quarter of the consolidated accounting period, tax expenses are calculated by the same method as for annual settlement.

Customers are shifting production overseas and there is an increase in the ratio of dividends from consolidated subsidiaries and other items which are permanently excluded from quarterly income before taxes. Since the ratio exceeded that of taxable income at the calculation of the estimated effective statutory tax rate for the fiscal year, the conventional method was judged not able to appropriately reflect operating results in the quarterly consolidated cumulative period. Therefore, the same method as for annual settlement was adopted to reflect tax expenses on the taxable income in the quarterly consolidated cumulative period more accurately and show operating results more accurately. This change of accounting policy was applied retroactively. The quarterly consolidated financial statements of the previous fiscal year are based on the new method.

In the consolidated cumulative period of the previous first quarter after the retroactive application, the previous quarterly income before taxes was 1 million yen more and the total amount of corporate taxes and other was 64 million yen less. This resulted in an increase of 66 million yen in the quarterly income.

3. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	March 2011 Term (As of Mar. 31, 2011)	1Q March 2012 Term (As of Jun. 30, 2011)
Assets		
Current assets		
Cash and deposits	6,824	11,087
Notes and accounts receivable-trade	54,856	46,329
Merchandise inventories	20,996	18,405
Partly-finished work	14	5
Others	3,165	1,347
Allowance for doubtful receivables	(26)	(25)
Total current assets	85,830	77,151
Fixed assets		
Property and equipment	4,417	4,388
Intangible fixed assets		
Goodwill	27	22
Others	265	233
Total intangible fixed assets	292	255
Investments and other assets		
Others	1,923	1,883
Allowance for doubtful receivables	(41)	(40)
Total investments and other assets	1,882	1,842
Total fixed assets	6,592	6,486
Total assets	92,422	83,637
Liabilities		
Current liabilities		
Notes and accounts payable-trade	23,218	17,462
Short-term loans payable	7,788	5,313
Accrued corporate tax, etc.	135	136
Allowance	638	245
Others	821	1,120
Total current liabilities	32,601	24,278
Fixed liabilities	224	220
Total liabilities	32,826	24,498

(Million yen)

	March 2011 Term (As of Mar. 31, 2011)	1Q March 2012 Term (As of Jun. 30, 2011)
Net assets		
Shareholders' equity		
Capital stock	14,811	14,811
Capital surplus	15,329	15,329
Retained earnings	32,215	32,061
Treasury stock	(0)	(0)
Total shareholders' equity	62,355	62,202
Accumulated other comprehensive income		
Unrealized gains on available-for-sale securities	98	71
Deferred hedge gains/losses	(22)	31
Foreign exchange conversion adjustments	(2,835)	(3,166)
Total Accumulated other comprehensive income	(2,759)	(3,063)
Total net assets	59,596	59,138
Total liabilities and net assets	92,422	83,637

(2) Quarterly Consolidated Profit and Loss Statement, Consolidated Comprehensive Profit Statement
 (Quarterly Consolidated Profit and Loss Statement for the First Quarter)

(Million yen)

	1Q March 2011 Term (Apr. 1, 2010 – Jun. 30, 2010)	1Q March 2012 Term (Apr. 1, 2011 – Jun. 30, 2011)
Net sales	41,329	35,558
Cost of sales	38,450	33,046
Gross profit on sales	2,878	2,511
Selling, general and administrative expenses	2,300	2,297
Operating profit	578	214
Non-operating profit		
Interest income	6	3
Dividend income	115	7
Exchange gain	31	-
Others	14	16
Total non-operating profit	168	27
Non-operating expenses		
Interest expenses	5	8
Sales discounts	5	1
Foreign exchange loss	-	3
Others	15	1
Total non-operating expenses	26	15
Ordinary profit	720	226
Extraordinary profits		
Gain on sale of fixed assets	-	2
Gain on sale of investment securities	0	0
Income from refund of allowance for doubtful receivables	0	-
Gain on transfer of goodwill	3	-
Total extraordinary profits	4	2
Extraordinary losses		
Loss on sales of fixed assets	0	-
Loss on valuation of investment securities	0	-
Total extraordinary losses	1	-
Net profit before tax and adjustments	723	228
Corporate, resident and enterprise taxes	94	42
Adjustment for corporate tax, etc.	149	36
Total income taxes	244	79
Income before minority interest	479	149
Net profit	479	149

(Quarterly Consolidated Comprehensive Profit Statement)
(Consolidated cumulative period of the first quarter)

	1Q March 2011 Term (Apr. 1, 2010 – Jun. 30, 2010)	1Q March 2012 Term (Apr. 1, 2011 – Jun. 30, 2011)
Income before minority interest	479	149
Other comprehensive incomes		
Valuation difference on available-for-sale securities	(167)	(27)
Deferred hedge gains/losses	182	54
Foreign currency translation adjustment	(528)	(331)
Total of other comprehensive incomes	(513)	(304)
Comprehensive profit	(34)	(154)
(Details)		
Comprehensive income relating to parental company	(34)	(154)
Comprehensive income relating to minority shareholders	-	-

(3) Notes regarding Growing Concern

There are no relevant matters.

(4) Segment Information

(Segment Information)

I. 1Q March 2011 Term (Apr. 1, 2010 – Jun. 30, 2010)

Information regarding the amounts of sales, profit or loss, assets, liabilities, and other items in each report segment
(Million yen)

	Reported segment			Adjustment amount (Note)1	Amount accounted on quarterly consolidated profit and loss statement (Note) 2
	Device segment	Solution segment	Total		
Net sales					
Sales to outside customers	39,641	1,688	41,329	-	41,329
Inter-segment sales or transfers	-	-	-	-	-
Total	39,641	1,688	41,329	-	41,329
Segment profit or loss	888	(89)	798	(78)	720

Notes: 1. The adjustment amount of segment income or loss (78) million yen includes expenses related to such management divisions as planning, general affairs, accounting, and personnel affairs divisions that were not apportioned to each report segment and interest expense that was apportioned to each report segment.

2. The segment income or loss is adjusted with the ordinary income in the quarterly consolidated profit and loss statement.

II. 1Q March 2012 Term (Apr. 1, 2011 – Jun. 30, 2011)

Information regarding the amounts of sales, profit or loss, assets, liabilities, and other items in each report segment
(Million yen)

	Reported segment			Adjustment amount (Note)1	Amount accounted on quarterly consolidated profit and loss statement (Note) 2
	Device segment	Solution segment	Total		
Net sales					
Sales to outside customers	33,689	1,868	35,558	-	35,558
Inter-segment sales or transfers	-	-	-	-	-
Total	33,689	1,868	35,558	-	35,558
Segment profit	229	55	285	(58)	226

Notes: 1. The adjustment amount of segment income -58 million yen includes expenses related to such management divisions as planning, general affairs, accounting, and personnel affairs divisions that were not apportioned to each report segment and interest expense that was apportioned to each report segment.

2. The segment income is adjusted with the ordinary income in the quarterly consolidated profit and loss statement.

(5) Notes regarding Remarkable Change of Shareholder's Equity

None