

To Whom It May Concern

17th May, 2006

Name of Company : Sanshin Electronics Co., Ltd.
Representative : Mitsumasa Matsunaga (President)
(Code No. 8150 Listed in the First Section of the Tokyo Stock Exchange)
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Termination of the Retirement Allowance Scheme for Directors
and Corporate Auditors

At the meeting held today (17th May, 2006), the Board of Directors decided to terminate the retirement allowance scheme for directors and the corporate auditors at the close of the regular general meeting of shareholders scheduled to take place on 23rd June, 2006. This decision was taken to emphasise suitable remuneration during the period of active service rather than at the time of retirement with a view to making the managerial responsibility of senior management clearer and strengthening the business competitiveness of the Company. This termination of the retirement allowance scheme for the corporate auditors has been agreed by the current corporate auditors.

Following this decision, another resolution was passed to propose the payment of a retirement allowance reflecting the length of service to each of the current directors and the corporate auditors at the time of their retirement at the Company's regular general meeting of shareholders scheduled to take place on 23rd June, 2006.

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