

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

May 14, 2018

Name of Company: Sanshin Electronics Co., Ltd.

Representative: Toshiro Suzuki (Representative Director, COO)

(Code No. 8150 Listed in the First Section of the Tokyo Stock Exchange)

Enquiries to: Akio Misono (Director, Operating Officer)

(Tel: +81-3-3453-5111)

For Immediate Release:

## Notice Regarding Reduction of Capital Reserve

The Company hereby announces that the Company's Board of Directors meeting which was held today, May 14, 2018, resolved to include a reduction of capital reserve in the agenda of the 67th Ordinary General Meeting of Shareholders of the Company scheduled to be held on June 22, 2018.

### Details

#### 1. Objective of Reduction of Capital Reserve

In order to secure flexibility and mobility in the Company's future capital policy, the Company will reduce its capital reserve based on the stipulations of Paragraph 1 of Article 448 in the Companies Act of Japan and transfer the reduced amount to other capital surplus.

#### 2. Details of the Reduction of Capital Reserve

##### (1) Reduced Amount of Capital Reserve

	As of End of March 2018	Reduced Amount	After Reduction
Capital Reserve	¥15,329,906,456	¥10,000,000,000	¥5,329,906,456

##### (2) Reduction Method of Capital Reserve

All of the reduced amount will be transferred to other capital surplus.

#### 3. Schedule for Reduction of Capital Reserve

(1) Date of Resolution by the Board of Directors	May 14, 2018
(2) Date of Announcement for Creditors to Allow for Objections	May 29, 2018 (subject to change)
(3) Date of Resolution by the General Meeting of Shareholders	June 22, 2018 (subject to change)
(4) Deadline for Objections by Creditors	June 29, 2018 (subject to change)
(5) Effective Date	June 30, 2018 (subject to change)

#### 4. Future Outlook

This is a matter of transfer between accounts in the "Net Assets" section in the balance sheet, and the Company's net asset amount will not change and no impact will be placed on the Company's business performance.