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

Internet Disclosure Information in Connection with the Notice of the 66th General Meeting of Shareholders

Notes to Consolidated Financial Statements

Notes to Non-consolidated Financial Statements

(From April 1, 2016 to March 31, 2017)

Sanshin Electronics Co., Ltd.

In accordance with the applicable laws and regulations, and the provision of Article 15 of the Company's Article of Incorporation, the "Notes to Consolidated Financial Statements" and "Notes to Non-consolidated Financial Statements" are deemed to have been provided to the shareholders by being available at Company's website (http://www.sanshin.co.jp).

Notes to Consolidated Financial Statements

(Notes on the Basic Important Points for Preparing the Consolidated Financial Statements of This Term)

1. Scope of consolidation

Number of consolidated subsidiaries: 8

Names of companies:

SANSHIN ELECTRONICS (HONG KONG) CO., LTD.
SANSHIN ELECTRONICS SINGAPORE (PTE) LTD.
TAIWAN SANSHIN ELECTRONICS CO., LTD.
SANSHIN ELECTRONICS CORPORATION
SANSHIN ELECTRONICS KOREA CO., LTD.
SANSHIN ELECTRONICS (THAILAND) CO., LTD.
SANSHIN ELECTRONICS (SHANGHAI) CO., LTD.
SANSHIN NETWORK SERVICE CO., LTD.

Number of non-consolidated subsidiaries: 6

Names of companies:

SANSHIN MEDIA SOLUTIONS CO., LTD.
AXIS DEVICE TECHNOLOGY CO., LTD.
TAKUMI CORPORATION
SANSHIN SYSTEM DESIGN CO., LTD.
SANSHIN ELECTRONICS (SHENZHEN) CO., LTD.
SAN SHIN ELECTRONICS (MALAYSIA) SDN. BHD.

Rationale for exclusion of non-consolidated subsidiaries from the scope of consolidation:

The size of each of the non-consolidated subsidiaries is small, and each company’s total assets, net sales and net profit or loss (amount corresponding to equity) and retained earnings (amount corresponding to equity) are small in size and neither does significantly affect the consolidated financial statements.

The standards for judging whether or not the subsidiary has materiality are based on the past five-year average net profit or loss on the part of both the Company and the subsidiaries.

2. Application of equity method

Non-consolidated subsidiaries and affiliated companies to which the equity method is not applied

Names of companies:

SANSHIN MEDIA SOLUTIONS CO., LTD.
AXIS DEVICE TECHNOLOGY CO., LTD.
TAKUMI CORPORATION
SANSHIN SYSTEM DESIGN CO., LTD.
SANSHIN ELECTRONICS (SHENZHEN) CO., LTD.
SAN SHIN ELECTRONICS (MALAYSIA) SDN. BHD.
SHINEI COMMUNICATION SYSTEMS CO., LTD.

Rationale for non-application of the equity method:

Based on each of the non-consolidated subsidiaries’ net profit or loss (amount corresponding to equity) and retained earnings (amount corresponding to equity) etc., and neither does significantly affect the Company’s consolidated financial statements, nor have importance as a whole, even if excluded from the subject of equity method.

The standards for judging whether or not the subsidiary has materiality are based on the past five-year average net profit or loss on the part of both the Company and the subsidiaries.

3. Matters concerning accounting methods

A. Valuation standards and methods for major assets

a. Available-for-sale securities

Other available-for-sale securities

With market value: At market value, using the fair market value at the end of this consolidated fiscal year. (Appraisal differences are dealt with by means of the direct capital influx method, with cost of securities sold calculated by means of the moving average method.)

Without market value: At cost, using the moving average method.

b. Derivatives

At market value.

c. Inventories

Merchandise: Primarily at cost, using the moving average method. (Figures stated on balance sheets are calculated by means of the write-down method based on a decline in profitability.)

Partly-finished work: At cost, using the specific identification method. (Figures stated on balance sheets are calculated by means of the write-down method based on a decline in profitability.)

B. Depreciation method for major depreciable assets

a. Property and equipment: (Excluding leased assets) Primarily the declining-balance method

However, buildings (excluding equipment and installations), and the equipment and installations of buildings and structures acquired on or after April 1, 2016 are depreciated by the straight-line method.

The useful life of buildings and structures is 15 to 45 years; for other property and equipment, it is 3 to 20 years.

b. Intangible assets: (Excluding leased assets) Straight-line method

The estimated useful life of software for internal use is 3 to5 years.

c. Leased assets: Straight-line method using the lease period as the useful life and zero residual value.

C. Accounting standards for major allowances

a. Allowance for doubtful accounts:

Provided at an amount sufficient to cover probable losses on collection. It consists of the estimated uncollectible amount with respect to certain identified doubtful receivables and an amount calculated using the rate of actual collection losses with respect to the remaining receivables.

b. Allowance for bonuses to employees:

Allowance for employees' bonuses is provided at an amount applicable to this consolidated fiscal year based on the estimated amount to be paid in the next year.

c. Allowance for bonuses to directors and Audit & Supervisory Board members:

Allowance for directors' bonuses is provided at an amount applicable to this consolidated fiscal year based on the estimated amount to be paid in the next year.

D. Major foreign currency transactions

Receivables and payables denominated in foreign currencies are translated into Japanese yen at the consolidated-fiscal-year-end spot market exchange rates; any foreign exchange gains and losses from transactions are specified in the statement of income. Assets and liabilities of overseas subsidiaries are translated into yen at the exchange rates in effect as of the fiscal year end, and revenues and expenses are translated into yen at the average exchange rates for the fiscal year. The resulting translation adjustments are included in the foreign currency translation adjustment in net assets.

E. Significant hedge accounting

a. Hedge accounting methods:

Primarily the deferred hedge accounting method

Hedge accounting is adopted for foreign currency receivables and payables, etc. on exchange forward contracts.

b. Hedging instruments and hedged items:

Hedging instrument:	Foreign currency forward contracts
Hedged items:	Both payables and receivables, and forecasted transactions denominated in foreign currencies

c. Hedge policy:

The Company uses foreign currency derivatives as a means of hedging exposure to foreign currency risk. Such transactions are all carried out with the finance department of the Company as the lead department, according to Company regulations. The Company does not enter into derivatives for trading or speculative purposes not stated in its regulations.

d. Hedge effectiveness assessment:

Hedge effectiveness is evaluated at least every six months by evaluating whether the cash flow changes in the hedged item and cash flow changes in the hedge instrument cancel each other out at a high level.

F. Accounting standards for net defined benefit liability

Net defined benefit liability is provided in the amount equal to the benefit obligations minus the pension assets based on the projected amount at the end of this consolidated fiscal year, in order to prepare for the allowance for employees' severance and retirement benefits. The retirement benefit obligations are calculated using a payment calculation standard which is a method of attributing projected retirement benefits for the service period up to the current consolidated fiscal year.

The prior service expenses are amortized by the straight-line method for a given number of years (10 years) within employees' average remaining years of service, at the time of occurrence. The actuarial gains and losses are amortized in the year subsequent to their occurrence, by the straight-line method or a given number of years (10 years) within employees'average remaining period of service.

Unrecognized actuarial gains and losses and unrecognized past service expenses are reflected in remeasurements of defined benefit plans in the accumulated other comprehensive income of net assets, after adjusting for tax effects.

G. Consumption tax and similar taxes

Excluded from transaction amounts for the Company and its consolidated domestic subsidiaries.

Notes to Changes in Accounting Principles

(Application of Practical Solutions on Accounting for Changes in the Depreciation Method Related to Revisions to the FY2016 Tax Law)

In accordance with revisions to the Corporate Tax Law, we have adopted the "Practical Solutions on Accounting for Changes in the Depreciation Method Related to Revisions to the FY2016 Tax Law" (Practical Issues Task Force No. 32 of June 17, 2016), effective from the consolidated fiscal year under review. Accordingly, we have changed the depreciation method for equipment/installations and structures acquired on or after April 1, 2016, from the declining-balance method to the straight-line method.

This measure is expected to have a negligible effect on the Company's earnings.

Additional Information

(Implementation of the Application Guidelines for Collectability of Deferred Tax Assets)

We have adopted the "Application Guidelines for Collectability of Deferred Tax Assets" (Corporate Accounting Standards No. 26 of March 28, 2016), effective from the consolidated fiscal year under review.

Notes to the Consolidated Balance Sheets

1. Accumulated depreciation of property and equipment ¥ 5,066 million
2. Liabilities for guarantees

Guarantees for bank borrowings

Employees* ¥40 million

* Of loan guarantees to financial institutions concerning employee's borrowings to acquire housing, the portion to which home loan insurance applies has almost no risk attached and thus is excluded from liabilities for guarantees.

Notes to Consolidated Profit and Loss Statements

1. Impairment loss

The Group recorded impairment loss on the following asset group in the consolidated fiscal year under review.

Location: Yokohama-shi, Kanagawa

Purpose of use: Company dormitory

Asset type: Building, land, etc.

Based on business classification, assets of the Group are generally divided into the minimal units that generate independent cash flow mainly by designating each office as one unit.

As the Company had decided to sell its company dormitory located in Yokohama-shi, the Company reduced the book value of the asset to the recoverable value and posted the relevant decrease in value to the extraordinary losses as an impairment loss (¥34 million).

The recoverable value of the asset was determined by the net sale value, and such net sale value was appraised based on the buying prices offered by real estate brokers.

Notes to the Consolidated Statement of Changes in Shareholders' Equity

1. Matters concerning types and numbers of outstanding shares and treasury shares

	No. of shares at the beginning of Fiscal 2016 (consolidated)	Increase in no. of shares during Fiscal 2016 (consolidated)	Decrease in no. of shares during Fiscal 2016 (consolidated)	No. of shares at the end of Fiscal 2016 (consolidated)
Outstanding shares				
Common shares	29,281,373	―	―	29,281,373
Total	29,281,373	―	―	29,281,373
Treasury shares				
Common shares (Note)	1,102,476	154	―	1,102,630
Total	1,102,476	154	―	1,102,630

Note: The Common stock increased by 154 treasury shares due to the purchase of 154 odd-lot shares.

2. Matters concerning dividends

A. Payment of dividends

Resolution	Type of shares	Total amount of dividends (¥million)	Dividends per share (¥)	Record date	Effective date
The Ordinary General Meeting of Shareholders on June 24, 2016	Common shares	845	30	March 31, 2016	June 27, 2016
The Board of Directors Meeting on November 7, 2016	Common shares	281	10	September 30, 2016	December 1, 2016

B. Out of dividends whose record date is within this consolidated fiscal year, those for which the effective date will come after the end of this fiscal year

Resolution	Type of shares	Total amount of dividends (¥million)	Sources of dividends	Dividends per share (¥)	Record date	Effective date
The Ordinary General Meeting of Shareholders on June 23, 2017 (scheduled)	Common shares	422	Retained earnings	15	March 31, 2017	June 26, 2017

Financial Instruments

1. Matters concerning the state of financial instruments

(1) Policy Initiatives for Financial Instruments

The Group manages funds with safe and secure financial instruments, and primarily performs fund procurement through bank loans. Derivatives are used to avoid the risk of exchange rate fluctuations, and we do not perform speculative trading.

(2) Financial instruments, Risks Involved and Risk Management Systems

Notes and accounts receivable, which are operating receivables, are exposed to customer credit risks. Operating receivables in foreign currency, which arise from our efforts to globally expand business, are also exposed to the risk of exchange rate fluctuations. Regarding customer credit risk, in accordance with company regulations, we have established systems for performing term administration and balance management, as well as regularly evaluating major clients' credit statuses. As for exchange rate fluctuation risks, we use forward exchange contracts to offset any risks relating to business in foreign currency within the scope of actual demand required to conduct such business.

Shares, which are investment securities, are exposed to the risk of fluctuations in market values, although these are mainly shares in companies that we have business relations with, and periodically evaluated market values are reported to the board of directors.

Notes and accounts payable, which are business debts, all have a payment deadline of within one year. Although some of these are exposed to exchange rate fluctuation risks, as a result of being derived from imports from overseas and therefore being in foreign currency, we use forward exchange contracts to offset any risks relating mainly to the relevant business in foreign currency within the scope of actual demand required to conduct such business.

Loans are mainly funds procured for business transactions. Although floating-rate borrowings are exposed to interest rate fluctuation risks, the Group manages these by distributing repayment dates so that short term loans may be repaid flexibly when there is a financing surplus.

Regarding execution and management of derivatives transactions, the Group complies with company regulations specifying authority to perform transactions, and when using derivatives, in order to reduce credit risk we only deal with high-rating financial institutions.

Business debts and loans are also exposed to liquidity risks. However, the Group manages this through methods such as having each company produce monthly financing plans.

(3) Further Notes on Matters Concerning Market Values of Financial Instruments

Market values of financial instruments include values based on market prices, or, where no market price exists, reasonably calculated values. Because variable factors are incorporated in the calculation of these values, the values may change when different assumptions are used.

2. Items Concerning Market Values of Financial Instruments

Consolidated balances sheet amounts, market values and their differences, as of March 31, 2017, are as outlined below. Items for which it was deemed prohibitively difficult to evaluate market value are not included in the following table. (see Note 2)

Millions of yen

	Amount stated on Consolidated Balance Sheets (*1)	Market value (*1)	Difference
(1) Cash and deposits	19,599	19,599	–
(2) Notes and accounts receivable-trade	43,597	43,597	–
(3) Electronically recorded monetary claims	9,009	9,009	–
(4) Accrued income	97	97	–
(5) Investment securities	1,686	1,686	–
(6) Notes and accounts payable-trade	(16,717)	(16,717)	–
(7) Short-term loans payable	(13,124)	(13,124)	–
(8) Accrued corporate tax, etc.	(156)	(156)	–
(9) Derivative transactions (*2)	(20)	(20)	–

*1: Numbers in parenthesis indicate liabilities.

*2: Net credits and debts arising from derivatives trading are displayed as net values.

Notes: 1. Methods used for calculating market values of financial instruments, and items concerning securities and derivatives trading

(1) (1) Cash and deposits, (2) Notes and accounts receivable-trade, (3) Electronically recorded monetary claims and (4) Accrued income

As these are settled quickly, their market value is roughly equal to their book value, and therefore they are determined by the relevant book value.

(5) Investment securities

With these market values, share prices are those given by the Stock Exchange.

(6) Trade notes and accounts payable, (7) Short-term loans payable and (8) Accrued corporate tax, etc.

As these are settled quickly, their market values are almost equal to book values, and therefore they are determined by the relevant book value.

(9) Derivative transactions

Market value is measured by the price or other information provided by client financial institution, etc.

2. Financial instruments for which it is deemed prohibitively difficult to evaluate market value

With unlisted shares (recorded at ¥970 million in the consolidated balance sheet), because there are no market values, and evaluating their value is deemed prohibitively difficult, these are not included in “(5) Investment securities.”

Notes on Per-Share Information

Net assets per share	¥2,183.84
Net profit (loss) per share	(¥55.90)

Notes on Significant Subsequent Events

(Solicitation of voluntary retirement)

On the Board of Directors meeting held on April 19, 2017, the Company resolved to solicit voluntary retirement.

(1) Reasons for solicitation of voluntary retirement

As there has been a decline in the earning capacity of the Company's device business due to aggravation of structural business environment, we have been striving to address the problem by improving business portfolio, but these efforts did not bear fruit in the fiscal year ended March 31, 2017. Therefore, in order to speed up the recovery of earning capacity and achieve a shift to a stable revenue structure, it was decided to promote consolidation and integration of business bases, consolidate organizations and functions, promote multitasking on the organizational level, rationalize the business processes, and optimize the personnel structure.

(2) Outline of solicitation for voluntary retirement

1) Eligible persons : Key personnel aged 45 to 58 as of June 30, 2017 on the register in the device business segment of the Company.

2) Target number of applicants : 50

3) Application period : From May 29 to May 31, 2017

4) Date of retirement : June 30, 2017

5) Preferential treatment : A special retirement benefit will be paid in addition to the normal retirement benefit paid to those leaving at the convenience of the company. Re-employment support services will also be provided on request.

(3) Future outlook

The special retirement benefits paid on this solicitation of voluntary retirement will be recorded as extraordinary loss in the fiscal year ending March 31, 2018.

Notes to Non-consolidated Financial Statements

1. Notes to Matters concerning Significant Accounting Principles

A. Valuation standards and methods for assets

a. Valuation standards and methods for available-for-sale securities

Shares of subsidiaries and affiliates:

At cost, using the moving average method.

Other available-for-sale securities:

With market value: At market value, using the fair market value at term-end. (Appraisal differences are dealt with by means of the direct capital influx method, with cost of securities sold calculated by means of the moving average method.)

Without market value: At cost, using the moving average method.

b. Valuation standards and methods for derivatives

At market value.

c. Valuation standards and methods for inventories

Merchandise: At cost, using the moving average method. (Figures stated on balance sheets are calculated by means of the write-down method based on a decline in profitability.)

Partly-finished work: At cost, using the specific identification method (figures stated on balance sheets are calculated by means of the write-down method based on a decline in profitability.)

B. Depreciation method for non-current assets

a. Property and equipment:	Declining-balance method
(Excluding leased assets)	However, buildings (excluding equipment and installations), and the equipment and installations of buildings and structures acquired on or after April 1, 2016 are depreciated by the straight-line method. Estimated useful lives are generally as follows: Buildings: 15-45 years Structures: 15-40 years Vehicles: 4 years Equipment: 4-20 years
b.Intangible assets:	Straight-line method
(Excluding leased assets)	The estimated useful life of software for internal use is five years.
c. Leased assets:	Straight-line method using the lease period as the useful life and zero residual value。

C. Accounting standards for allowances

a. Allowance for doubtful accounts:

Provided at an amount sufficient to cover probable losses on collection. It consists of the estimated uncollectible amount with respect to certain identified doubtful receivables and an amount calculated using the rate of actual collection losses with respect to the remaining receivables.

b. Allowance for bonuses to employees:

Allowance for employees' bonuses is provided at an amount applicable to this term based on the estimated amount to be paid in the next term.

c. Allowance for bonuses to directors:

Allowance for directors' bonuses is provided at an amount applicable to this term based on the estimated amount to be paid in the next term.

d. Employees' severance and retirement benefits:

The Company makes provision for the necessary amount of allowance for employees' severance and retirement benefits deemed to accrue during the term, based on the Company's payment obligation and the pension fund balance at the term-end. The retirement benefit obligations are calculated using a payment calculation standard which is a method of attributing projected retirement benefits for the service period up to the current business year.

The prior service obligation is amortized by the straight-line method for a given number of years (10 years) within employees' average remaining years of service.

The actual gain or loss is amortized, from the year following the year in which the gain or loss is recognized, by the straight-line method or a given number of years (10 years) within employees' average remaining period of service.

D. Foreign currency transactions

All foreign-currency-denominated receivables and payables are converted into Japanese yen at the term-end spot market exchange rate; any foreign exchange gains and losses from transactions are specified in the statement of income.

E. Hedge accounting

a. Hedge accounting method

Deferred hedge accounting method

Hedge accounting is adopted for foreign currency receivables and payables etc. on exchange forward contract

b. Hedging instruments and hedged items:

Hedging instrument:	Foreign currency forward contracts
Hedged items:	Both payables and receivables, and forecasted transactions denominated in foreign currencies

c. Hedge policy:

The Company uses foreign currency derivatives as a means of hedging exposure to foreign currency risk. Such transactions are all carried out with the finance department of the Company as the lead department, according to Company regulations. The Company does not enter into derivatives for trading or speculative purposes not stated in its regulations.

d. Hedge effectiveness assessment:

Hedge effectiveness is evaluated at least every six months by evaluating whether the cash flow changes in the hedged item and cash flow changes in the hedge instrument cancel each other out at a high level.

F. Consumption tax and similar taxes

Consumption tax and local consumption tax are excluded from transaction amounts.

2. Notes to Changes in Accounting Principles

(Application of Practical Solutions on Accounting for Changes in the Depreciation Method Related to Revisions to the FY2016 Tax Law)

In accordance with revisions to the Corporate Tax Law, we have adopted the "Practical Solutions on Accounting for Changes in the Depreciation Method Related to Revisions to the FY2016 Tax Law" (Practical Issues Task Force No. 32 of June 17, 2016), effective from the consolidated fiscal year under review. Accordingly, we have changed the depreciation method for equipment/installations and structures acquired on or after April 1, 2016, from the declining-balance method to the straight-line method.

This measure is expected to have a negligible effect on the Company's earnings.

Additional Information

(Implementation of the Application Guidelines for Collectability of Deferred Tax Assets)

We have adopted the "Application Guidelines for Collectability of Deferred Tax Assets" (Corporate Accounting Standards No. 26 of March 28, 2016), effective from the consolidated fiscal year under review.

3. Notes to the Non-Consolidated Balance Sheets

A. Accumulated depreciation of property and equipment		¥ 4,795 million
B. Liabilities for guarantees		
Guarantees for bank borrowings		
Employees*		¥ 40 million
SANSHIN ELECTRONICS (HONG KONG) CO., LTD.		¥ 6,150 million
		(US$ 54,822 thousand)
TAIWAN SANSHIN ELECTRONICS CO., LTD.		¥ 2,654 million
		(US$ 23,660 thousand)
	Total	¥ 8,845 million
Guarantees for notes and accounts payable-trade		
SANSHIN ELECTRONICS (HONG KONG) CO., LTD.		¥ 27 million
		(US$ 247 thousand)
TAIWAN SANSHIN ELECTRONICS CO., LTD.		¥ 46 million
		(US$ 417 thousand)
	Total	¥ 74 million

* Of loan guarantees to financial institutions concerning employee's borrowings to acquire housing, the portion to which home loan insurance applies has almost no risk attached and thus is excluded from liabilities for guarantees.

C. Monetary assets and liabilities due from or to subsidiaries and affiliates	
a. Short-term assets due from subsidiaries and affiliates	¥ 3,476 million
b. Short-term liabilities due to subsidiaries and affiliates	¥ 261 million

4. Notes to the Non-Consolidated Statement of Income

Transactions with subsidiaries and affiliates

a. Sales	¥ 29,882 million
b. Purchases	¥ 1,681 million
c. Transactions other than operating activities	¥ 547 million

5. Notes to the Non-Consolidated Statement of Changes in Shareholders' Equity

Matters concerning type and number of treasury shares

(share)

Type of shares	No. of shares at the beginning of Fiscal 2016	Increase in No. of shares during Fiscal 2016	Decrease in No. of shares during Fiscal 2016	No. of shares at the end of Fiscal 2016
Common shares(Note)	1,102,476	154	―	1,102,630

Note: The Common stock increased by 154 treasury shares due to the purchase of 154 odd-lot shares.

6. Notes on Tax Effect Accounting

(1) Breakdown by cause of deferred tax assets and liabilities:

Deferred tax assets (current)	
Excess of allowance for bonuses over the deductible limit	¥ 150 million
Non-deductible valuation loss on merchandise	¥ 496 million
Deferred hedge gains (losses)	¥ 3 million
Other	¥ 80 million
Subtotal	¥ 730 million
Valuation reserve	(¥ 377 million)
Total deferred tax assets	¥ 353 million
Deferred tax assets (non-current)	
Excess of allowance for doubtful accounts over the deductible limit	¥ 0 million
Non-deductible reserve for directors' and Audit & Supervisory Board members' retirement allowances	¥ 25 million
Employees' severance and retirement benefits	¥ 49 million
Evaluation loss on securities held for investment excluded from expenses	¥ 8 million
Non-deductible loss on valuation of golf club memberships	¥ 3 million
Impairment loss excluded from expenses	¥ 5 million
Non-deductible loss on expenses for development of internal company systems	¥ 44 million
Loss carried forward	¥ 405 million
Other	¥ 2 million
Subtotal	¥ 545 million
Valuation reserve	(¥ 545 million)
Total deferred tax assets	¥ ー million
Deferred tax liabilities (non-current)	
Valuation difference on available-for-sale securities	(¥ 284 million)
Total deferred tax liabilities	(¥ 284 million)
Net deferred tax assets	¥ 69 million

(2) Reconciliation between the statutory income tax rate and the effective income tax rate after the adoption of tax-effect accounting

Statutory effective rate	30.9%
(Reconciliation items)	
Entertainment expenses and others that are permanently non-deductible	(0.5%)
Dividends and others that are permanently excluded	3.1%
Foreign withholding tax	(2.1%)
Per capita inhabitant's tax	(1.4%)
Increase/decrease in valuation reserve	(46.9%)
Other	(0.2%)
Effective income tax rate after the adoption of tax-effect accounting	(17.1%)

7. Notes on Transactions with Related Parties

Type	Company Name	Percentage of Ownership of Voting Rights, etc. (%)	Relationship with Related Parties	Transaction Details	Transaction Amounts (Million yen)	Item	Balance as of the end of fiscal year (Million yen)
Subsidiary	SANSHIN ELECTRONICS (HONG KONG) CO., LTD.	100% directly owned	Mutual supply of some products of the Company and the relevalent companies	Sales of products	13,396	Trade accounts receivable	1,282
				Receipt of business advisory fee	193	Accrued income	29
				Loan guarantees (Note) 2	6,150	—	—
Subsidiary	TAIWAN SANSHIN ELECTRONICS CO., LTD.	100% directly owned	Mutual supply of some products of the Company and the relevalent companies	Sales of products	11,281	Trade accounts receivable	850
				Loan guarantees (Note) 2	2,654	—	—
Subsidiary	SANSHIN ELECTRONICS (SHANGHAI) CO., LTD.	100% indirectly owned	Mutual supply of some products of the Company and the relevalent companies	Sales of products	2,169	Trade accounts receivable	750

Notes: 1. Prices and other terms and conditions are determined through price negotiations, with consideration given to prevailing market conditions.
2. The Company provides loan guarantees for bank borrowings of SANSHIN ELECTRONICS (HONG KONG) CO., LTD. and TAIWAN SANSHIN ELECTRONICS CO., LTD.
3. Consumption taxes are not included in the above transaction amounts.

8. Notes on Per Share Information

(1) Net assets per share ¥ 1,845.78
(2) Net profit (loss) per share (¥ 78.01)

9. Notes on Significant Subsequent Events

(Solicitation of voluntary retirement)

On the Board of Directors meeting held on April 19, 2017, the Company resolved to solicit voluntary retirement.

(1) Reasons for solicitation of voluntary retirement

As there has been a decline in the earning capacity of the Company's device business due to aggravation of structural business environment, we have been striving to address the problem by improving business portfolio, but these efforts did not bear fruit in the fiscal year ended March 31, 2017. Therefore, in order to speed up the recovery of earning capacity and achieve a shift to a stable revenue structure, it was decided to promote consolidation and integration of business bases, consolidate organizations and functions, promote multitasking on the organizational level, rationalize the business processes, and optimize the personnel structure.

(2) Outline of solicitation for voluntary retirement

1) Eligible persons	:	Key personnel aged 45 to 58 as of June 30, 2017 on the register in the device business segment of the Company.
2) Target number of applicants	:	50
3) Application period	:	From May 29 to May 31, 2017
4) Date of retirement	:	June 30, 2017
5) Preferential treatment	:	A special retirement benefit will be paid in addition to the normal retirement benefit paid to those leaving at the convenience of the company. Re-employment support services will also be provided on request.

(3) Future outlook

The special retirement benefits paid on this solicitation of voluntary retirement will be recorded as extraordinary loss in the fiscal year ending March 31, 2018.