

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

Investor Meeting for the First Half of the Year ending March 2016

November 10, 2015

 **SANSHIN ELECTRONICS CO., LTD.**

Toshiro Suzuki, President & COO

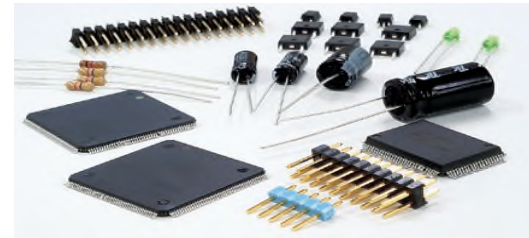
(Stock code: 8150)

As a general electronics trading company committed to being "customers' best partner", Sanshin Electronics runs two major businesses: device business and solution business.

Device Business

— Addressing diversified market needs through a wide product lineup —

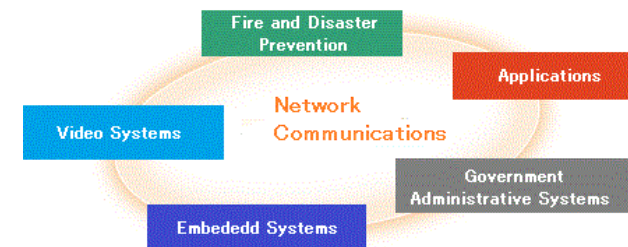
We cover a wide array of manufacturers, from both domestic and overseas major semiconductors/electronic parts makers all the way to emerging manufacturers that are currently developing products with excellent performance. In a time when market needs are constantly diversifying, we respond to our customers' requests through a full lineup and detailed system of both domestic and overseas sales.



Solution Business

— Building up social infrastructures interconnected through ICT —

With information and telecommunications network at the core of our operations, we are committed to proposing and building up the optimal system to fit our customers' needs. We provide our customers with a safe and reliable infrastructure through bundled services, including a support menu, after the system implementation.



I. Year Ending March 2016 Performance Summary for the First Half

- Net sales increased 3.1% year on year (mainly the Information/Communication Sector increased by 28%), in part reflecting the depreciation of the yen
- Operating/ordinary profits decreased due to a decline in gross profit margin accompanying changes in the sales structure
- Net profit slightly increased due to a reduction of the corporate income tax rate in Japan

	03/15 1st half Result	03/16 1st half Result	YoY Change	Forecast*	Achievement Ratio
Net Sales	1,002.4	1,033.9	103%	1,020.0	101%
Gross Profit on Sales	6.4% 64.6	6.1% 63.6	98%	6.2% 63.0	101%
SG&A Expenses	5.1% 50.7	5.0% 52.0	103%	5.2% 53.5	97%
Operating Profit	1.4% 13.9	1.1% 11.5	83%	0.9% 9.5	121%
Ordinary Profit	1.2% 12.3	1.1% 11.5	94%	0.9% 9.0	128%
Net Profit	0.8% 7.9	0.8% 8.0	101%	0.6% 6.5	123%
Interim Dividend Per Share	¥10.0	¥10	±¥0	¥10	±¥0
Payout Ratio	35.5%	35.2%	-0.3P	43.4%	-8.2P
Exchange Rate (1 US dollar)	¥103.04	¥121.80	+ ¥18.76	¥110.00	+ ¥11.80

*1) Assessment figures announced at the Investor Meeting (May 20, 2015).

*2) Figures in the YoY Change represent increases or decreases in interim dividend per share/dividend payout ratio/exchange rate as compared with the same period of the previous term.

■ Device Business

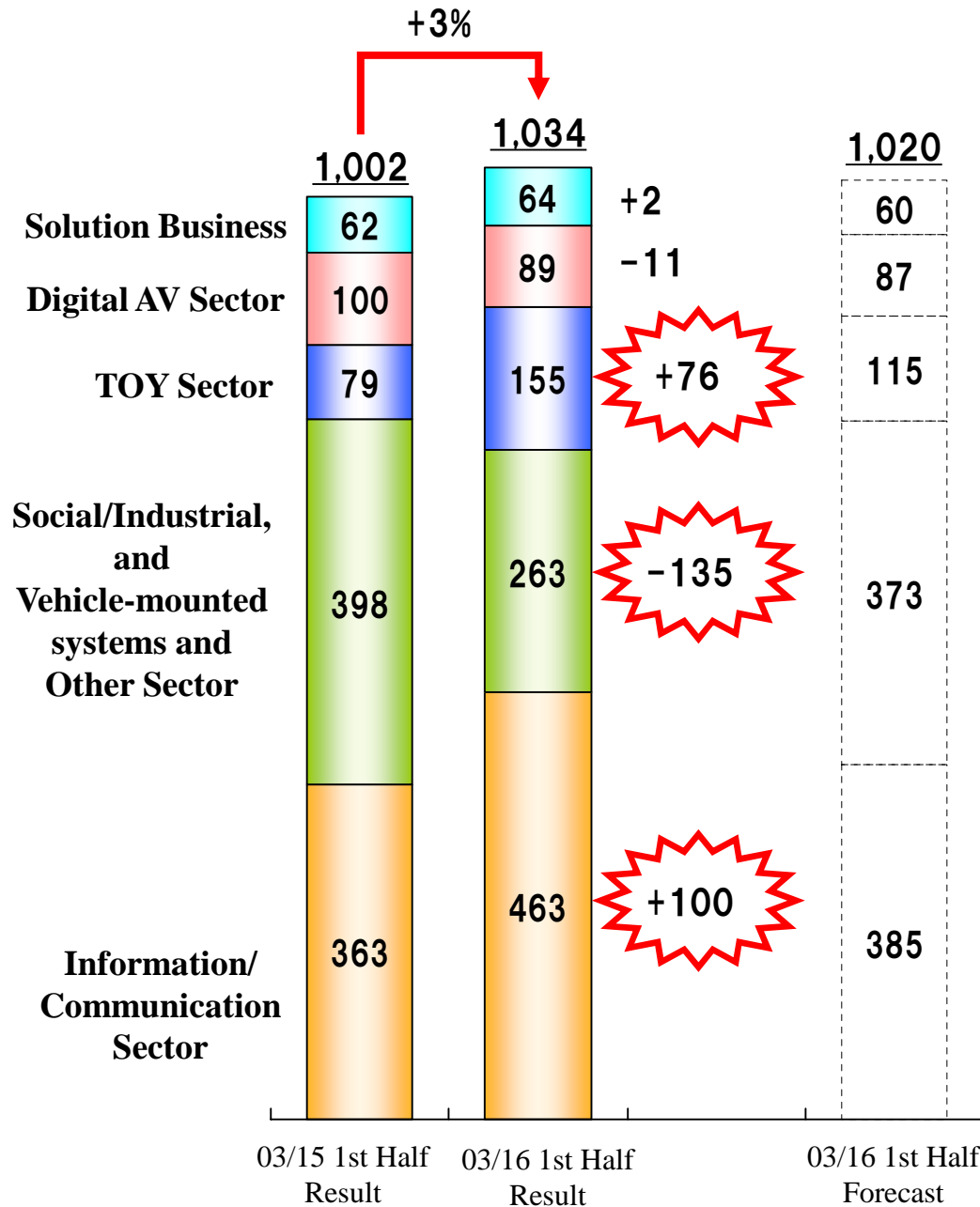
- Net sales remained favorable for mobile devices on the back of the depreciation of the yen, although sales for social infrastructure decreased. Additionally, it was also the sales plan expected to start from the third quarter of current term, but brought forward due to a change in the delivery time, that contributed to this favorable performance.
- Segment profit decreased due to a decline in gross profit margin accompanying changes in the sales structure.

■ Solution Business

- As regards net sales, embedded systems and transmission equipment updates/portable video transmitters remained solid.
- Segment profit decreased due to an increase in selling, general and administrative expenses, in part because of upfront investments such as the launch of Sanshin Data Center, in addition to an expansion of personnel meant to strengthen our business power.

		03/15 1st half Result	03/16 1st half Result	YoY Change	Forecast	Achievement Ratio
Device Business	Net Sales	940.9	969.8	103%	960.0	101%
	Segment Profit	0.8% 7.7	0.7% 7.0	91%	0.5% 5.0	140%
Solution Business	Net Sales	61.5	64.1	104%	60.0	107%
	Segment Profit	7.6% 4.7	7.0% 4.5	97%	6.7% 4.0	113%
Exchange rate (1 US dollar)		¥103.04	¥121.80	+ ¥18.76	¥110.00	+ ¥10.80

*1) Figures in the YoY Change and Achievement Ratio represent increases or decreases from the same period of the previous term.



【 Year-to-Year Comparison of Fluctuations 】

- Solution Business
 - Those for embedded system and video systems increased
- Digital AV Sector
 - Those for TVs/BDs decreased
- TOY Sector
 - Those for gaming consoles recovered
- Social/Industrial, and Vehicle-mounted systems and Other Sector
 - Those for vehicle-mounted systems remained solid
 - Those for social infrastructure and other decreased
- Information/Communication Sector
 - Those for mobile devices increased

II. Year Ending March 2016

Full-Year Business Forecasts

- Net sales will increase 0.4% year on year (mainly the Information/Communication Sector will increase by 16%), in part reflecting the depreciation of the yen
- Operating/ordinary/net profits are expected to increase thanks to an increase in net sales and improvements in gross profit margin. ROE is also expected to improve to 3.5%.

	03/12 Result	03/13 Result	03/14 Result	03/15 Result	03/16 Forecast	YoY Change	Initial Forecast	Achievement Ratio
Net Sales	1,448.8	1,479.6	1,922.4	2,190.9	2,200.0	100%	2,200.0	100%
Gross Profit on Sales	7.2% 104.4	7.5% 110.6	6.4% 123.9	6.3% 137.2	6.4% 140.2	102%	6.4% 140.9	100%
SG&A Expenses	6.5% 94.3	6.1% 90.3	5.1% 98.7	4.8% 104.6	4.8% 106.2	102%	4.9% 106.9	99%
Operating Profit	0.7% 10.1	1.4% 20.3	1.3% 25.2	1.5% 32.6	1.5% 34.0	104%	1.5% 34.0	100%
Ordinary Profit	0.6% 8.0	1.1% 16.3	1.4% 26.6	1.4% 31.2	1.5% 33.0	106%	1.5% 33.0	100%
Net Profit	0.4% 5.2	0.8% 11.3	0.9% 18.1	0.9% 20.0	1.0% 23.0	115%	1.0% 23.0	100%
ROE	0.9%	1.9%	3.0%	3.1%	3.5%	+0.4P	3.5%	±0P
Annual dividend Per Share	¥20	¥20	¥20	¥40	¥40	±¥0	¥40	±¥0
Payout ratio	117.0%	51.7%	31.4%	56.3%	49.0%	-7.3P	49.0%	±0P
Exchange rate (1 US dollar)	¥79.07	¥83.11	¥100.23	¥109.93	¥120.00	+¥10.07	¥110.00	+¥10.00

*1) Initial assessment figures announced at the Investor Meeting (May 20, 2015).

*2) Figures in the YoY Change represent increases or decreases in ROE/annual dividend per share/dividend payout ratio/exchange rate from the previous term.

■ In the device business segment, net sales will increase by 1% year on year. Segment profit will also increase by 26% thanks to the revenue growth and improvements in gross profit margin.

→ We expect sales for vehicle-mounted systems and information and communication sector to remain solid, sales for the TOY sector to recover, and to start new businesses. We also expect the exchange rate to benefit of a weaker yen.

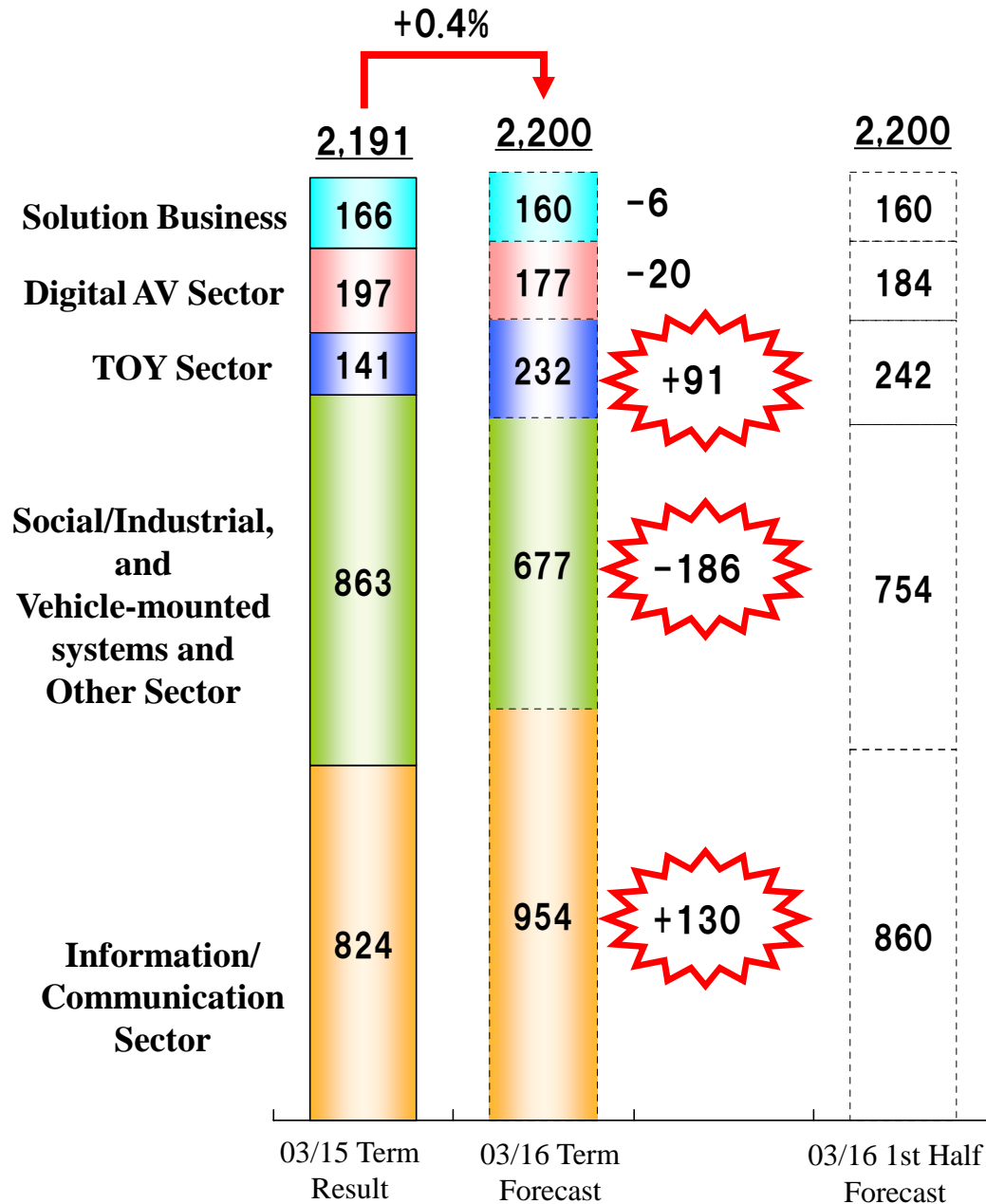
■ In the solution business segment, both net sales and segment profit will decrease by 4% and 12%, respectively, year on year.

→ We expect the demand for equipment updates to settle down in anticipation of the digitalization of wireless communication systems for firefighting and emergency services, and to increase our number of employees in order to boost earnings.

		03/12 Result	03/13 Result	03/14 Result	03/15 Result	03/16 Forecast	YoY Change	Initial Forecast	Achievement Ratio
Device Business	Net Sales	1,331.3	1,351.1	1,760.5	2,024.5	2,040.0	101%	2,040.0	100%
	Segment Profit	-0.1% -0.7	0.3% 4.7	0.6% 10.8	0.7% 14.7	0.9% 18.5	126%	0.9% 18.5	100%
Solution Business	Net Sales	110.3	128.5	161.9	166.4	160.0	96%	160.0	100%
	Segment Profit	7.9% 8.8	9.0% 11.6	9.8% 15.8	9.9% 16.5	9.1% 14.5	88%	9.1% 14.5	100%
Exchange rate (1 US dollar)		¥79.07	¥83.11	¥100.23	¥109.93	¥120.00	+ ¥10.07	¥110.00	+ ¥10.00

*1) The total amount of segment profit adjustments such as costs related to the management division has been allocated to each business since the fiscal year ended March 2014. For comparison purposes, results for the fiscal year ended March 2013 are also allocated to each business in this presentation.

*2) Figures in the YoY Change represent increases or decreases in the exchange rate from the previous term.



【Year-to-Year Comparison of Fluctuations】

- Solution Business
 - Those public systems including wireless communications for firefighting and emergency services will settle down
- Digital AV Sector
 - Those for TVs/BDs will decrease
- TOY Sector
 - Those for gaming consoles will recover
- Social/Industrial, and Vehicle-mounted systems and Other Sector
 - Those for vehicle-mounted systems will remain solid, and new businesses will be launched
 - Those for social Infrastructure will decrease
- Information/Communication Sector
 - Those for mobile devices will increase

Forecast of Shareholder Returns

	03/12 Term Result	03/13 Term Result	03/14 Term Result	03/15 Term Result	03/16 Term Forecast
1) Consolidated net profit	¥516 million	¥1,131 million	¥1,806 million	¥2,003 million	¥2,300 million
2) Comprehensive profit	¥492 million	¥2,035 million	¥3,385 million	¥3,993 million	-
3) Consolidated equity ratio	73.5%	72.3%	66.6%	64.5%	60.3%
4) Total dividend (Dividend per share)	¥595 million (¥20)	¥580 million (¥20)	¥563 million (¥20)	¥1,127 million (¥40)	¥1,127 million (¥40)
5) Consolidated payout ratio	117.0%	51.7%	31.4%	56.3%	49.0%
6) Value of treasury stocks acquired (Number of shares acquired)	¥766 million (1,000,000 shares)	¥321 million (500,000 shares)	¥366 million (600,000 shares)	-	Suspense
7) Total payout ratio (4+6) ÷ 1	263.9%	79.7%	51.4%	56.3%	Suspense
8) Cancellation of treasury stocks	-	-	1,000,000 shares	-	Suspense
9) Total number of shares issued (Excluding treasury stocks)	30,281,000 shares (29,280,000 shares)	30,281,000 shares (28,779,000 shares)	29,281,000 shares (28,179,000 shares)	29,281,000 shares (28,179,000 shares)	Suspense
10) Net profit per share	¥17.10	¥38.67	¥63.78	¥71.11	¥81.62
11) Net assets per share	¥2,005.34	¥2,081.88	¥2,209.24	¥2,328.64	¥2,352.81

Notes:

1. Those acquired along with purchase requests for odd shares are not included in acquisition of own shares.
2. Net profit per share is calculated based on the average number of issued shares (shares other than treasury shares) during the period.
3. Net assets per share is calculated based on the total number of shares issued (excluding treasury stocks) at fiscal year end.
4. The forecast for net profit per share and net assets per share for 03/16 term is calculated based on the total number of shares issued (excluding treasury stock) as of September 30, 2015.

● Basic Policies

Determine an appropriate amount through comprehensive consideration for returning profits to shareholders while also ensuring sufficient internal reserves.

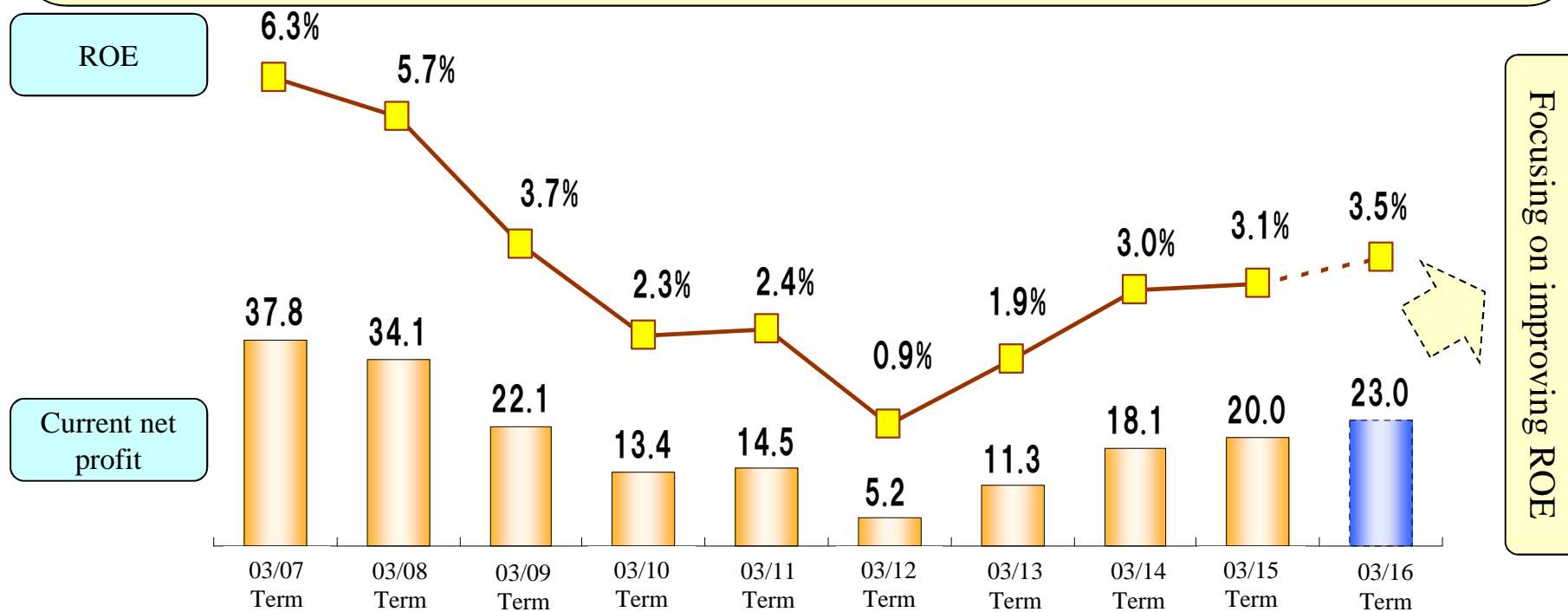
Based on this policy, the Company is targeting a consolidated dividend payout ratio of 50% in order to return profits to its shareholders.

● Predicted Dividends for the Year Ending March 2016

- An annual dividend of ¥40 per share, the same amount of the previous fiscal year
 - ¥10 at midterm; ¥30 at term-end
 - Consolidated dividend payout ratio of 49.0%
- Average consolidated dividend payout ratio from the term ended Mar. 2012 to the term ending Mar. 2016: 51.5%

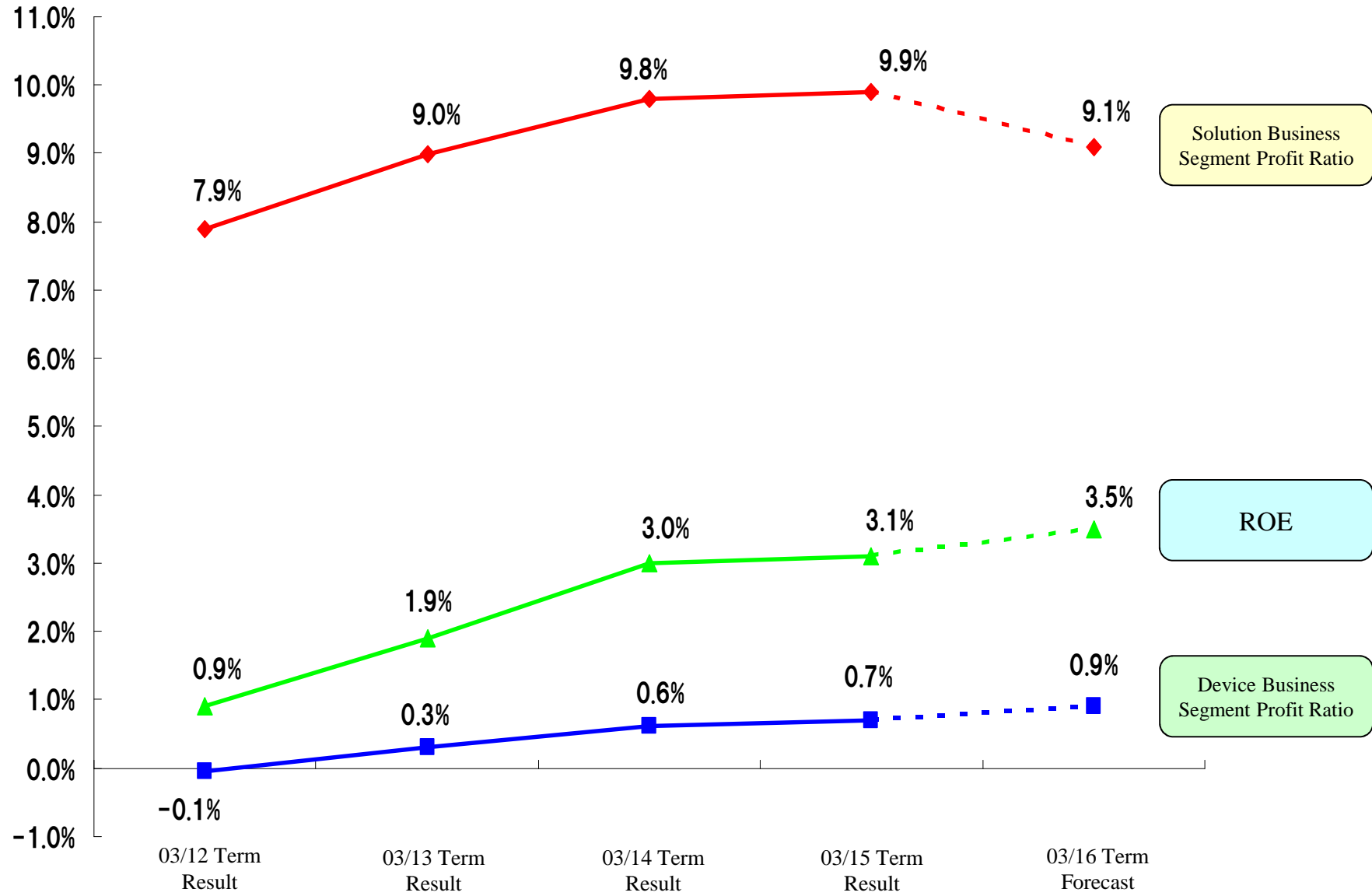
III. Business Policies / Priority Issues

- The Group is currently implementing its V66 Medium-Term Management Plan, which will end on March 31, 2017.
- By establishing ROE as one of the Company's important business indicators, we will endeavor to improve earnings.
- In order to earn and maintain the trust of our stakeholders, we will enhance corporate governance.



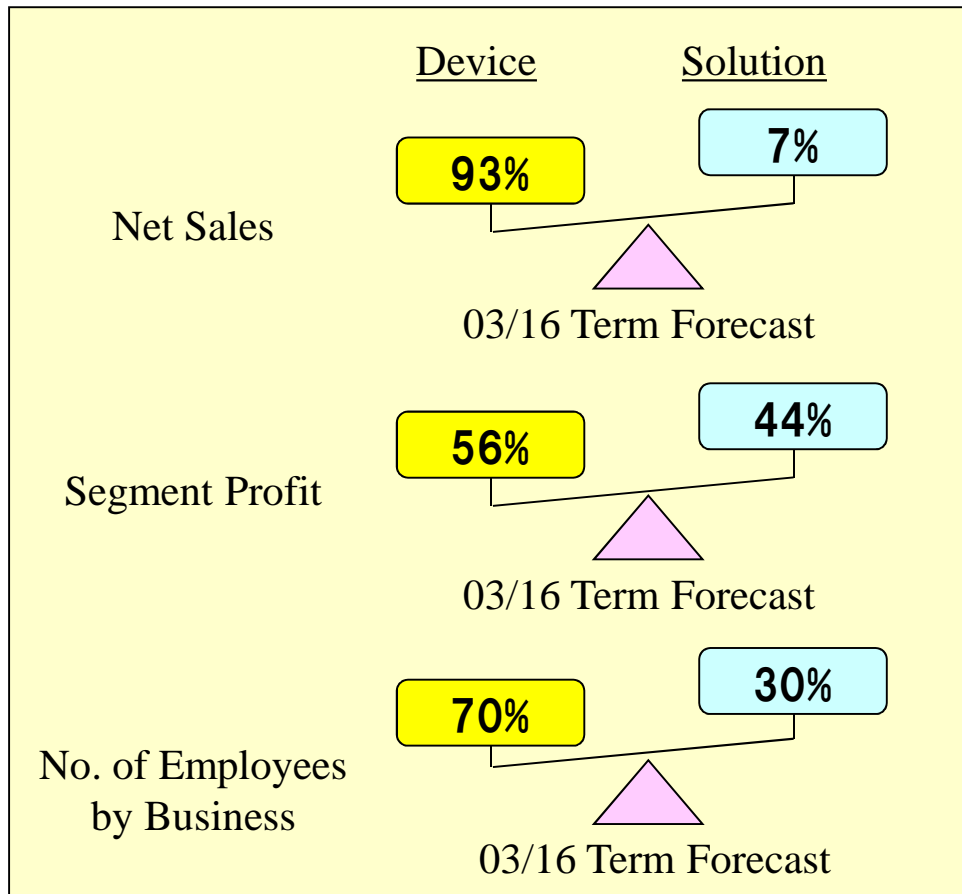
Dividend Per Share	¥33	¥38	¥38	¥20	¥20	¥20	¥20	¥20	¥40	¥40
Payout Ratio	28.3%	35.5%	53.1%	45.2%	41.8%	117.0%	51.7%	31.4%	56.3%	49.0%
Equity Ratio	52.9%	61.4%	72.1%	68.6%	64.5%	73.5%	72.3%	66.6%	64.5%	60.3%

ROE & Segment Profit Ratio (Transition)



We are committed to creating and providing corporate value to all our stakeholders, including clients suppliers and shareholders, and to improving ROE by expanding our earnings scale.

The Group's Situation



Business Policies

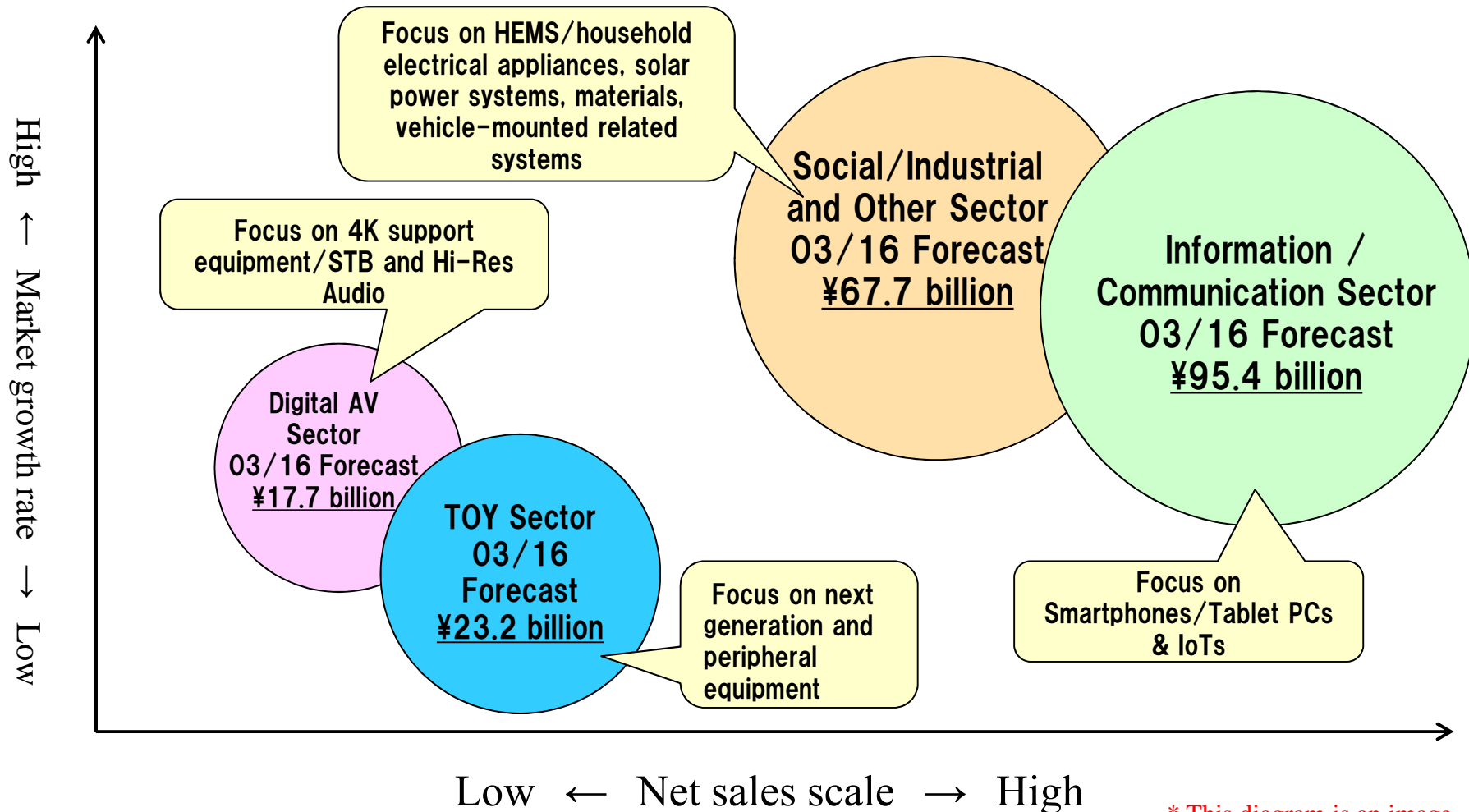
Recovery in revenue and further strengthening of the device business

A profit structure proportional to the size of the business

Securing higher and more stable revenue in the solution business

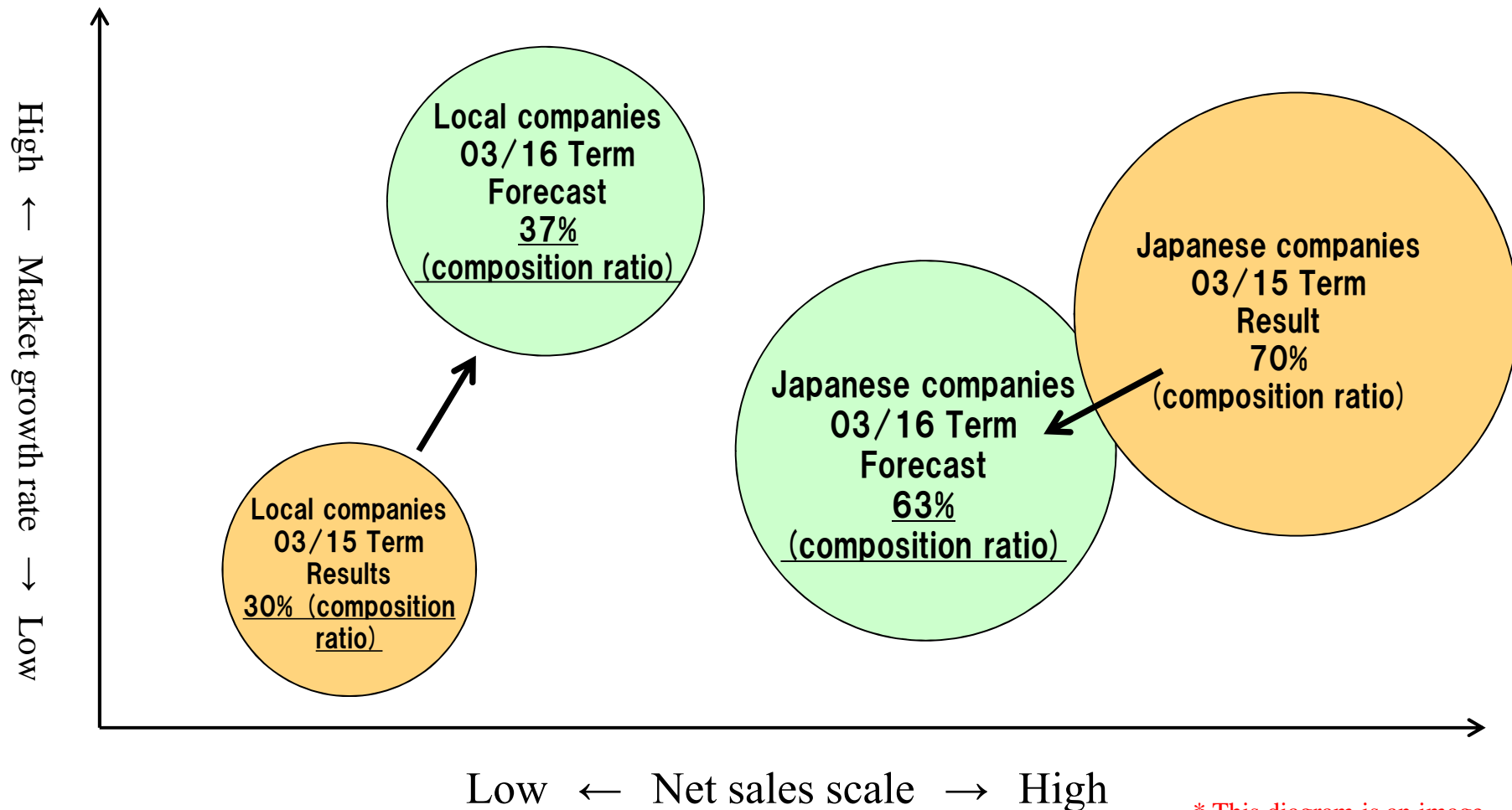
Priority Issues	
Strengthening of business capabilities	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>【Device business】</p> <ol style="list-style-type: none"> 1) Promotion of strategies by market segment 2) Strengthening capabilities to expand overseas businesses 3) Promotion of new businesses </div> <div style="width: 45%;"> <p>【Solution business】</p> <ol style="list-style-type: none"> 1) Strengthening of system proposals and constructing functions <ol style="list-style-type: none"> a. Establishment of a cloud computing platform b. Initiatives for new businesses/commercial products 2) Strengthening of cross-sell </div> </div>
Consolidation of management foundation	<div style="text-align: center; margin-bottom: 10px;"> <div style="background-color: yellow; border: 1px solid black; border-radius: 15px; padding: 5px 20px; display: inline-block;">Expansion of business areas</div> </div> <ol style="list-style-type: none"> 1) Strengthening of corporate governance and risk response capabilities <ol style="list-style-type: none"> (1) Activities focusing on compliance, sustained growth, and proper accounting (2) Construction of a system as to reinforce SR(shareholder relations) 2) Reinforcement of human resources and organization <ol style="list-style-type: none"> a. Leverage of our human resources' diversity and enhancement of our collective strengths b. Reinforcement of our personnel in the solution business and provision of periodical training on the latest technologies

- Attract new suppliers and consequently enhance our product lineup.
- Focus our efforts on expanding sales by market segment while sharing the products we handle on a group-wide level
- Develop total solutions inspired by the Group's product lineup



* This diagram is an image.

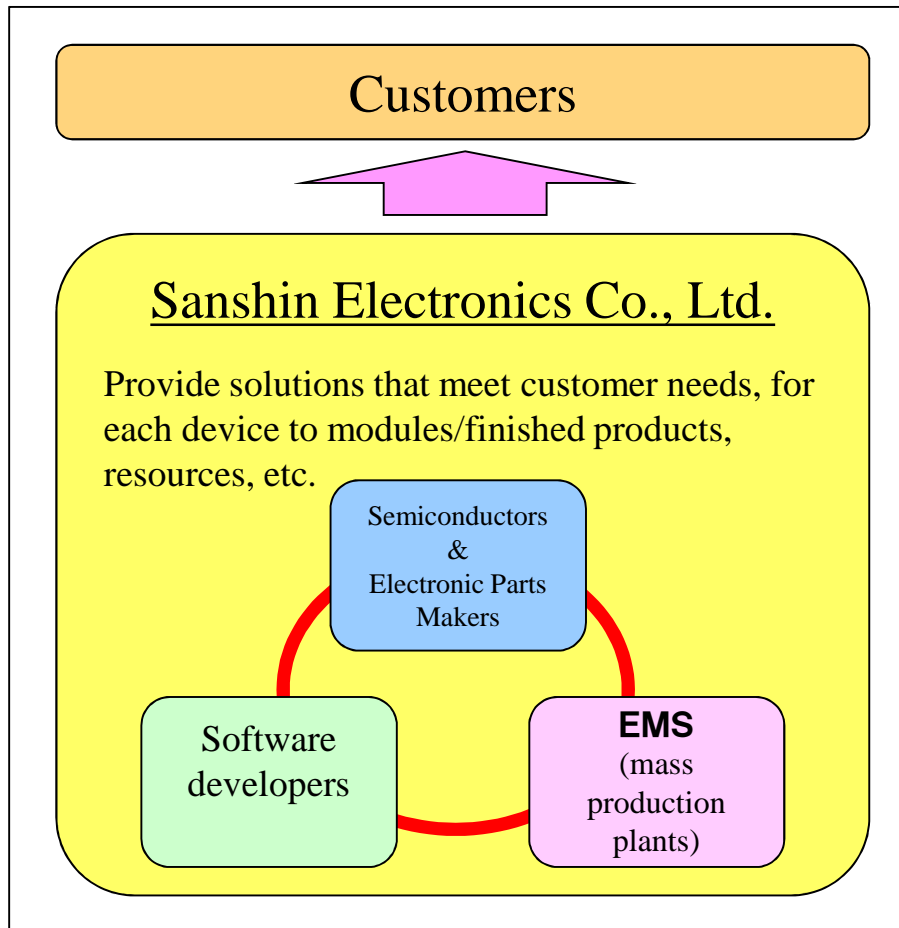
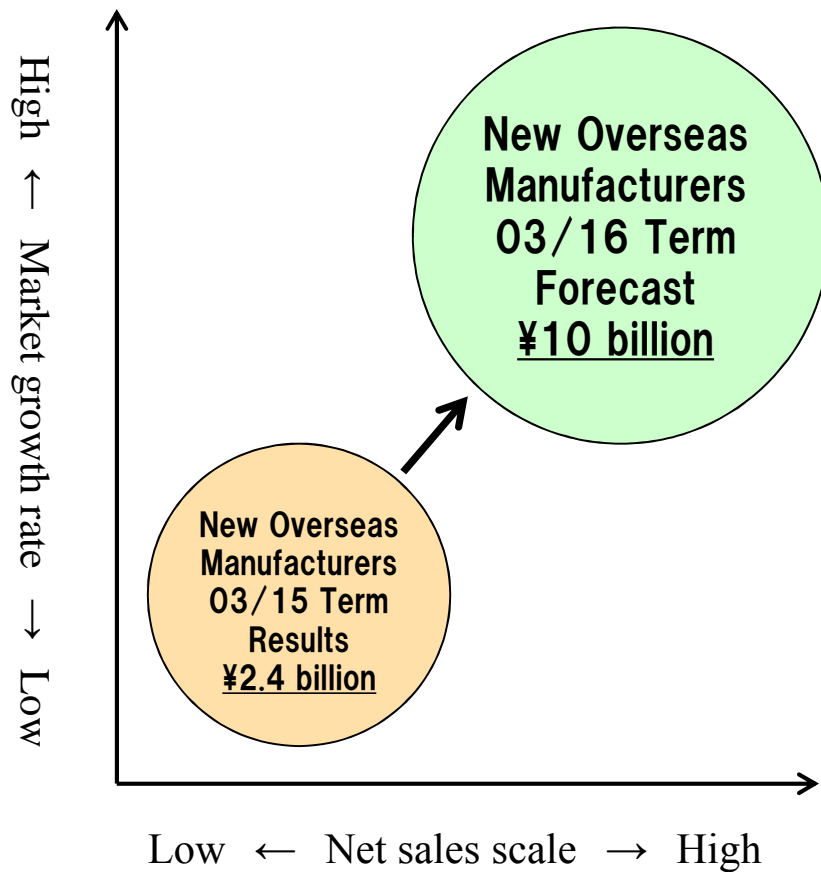
- Support Japanese companies in their shift to overseas production and promote local design-in projects
- Expand sales to local companies by exploring new commercial products of local manufacturers and partnering with local distributors.
- Implement new local strategies centered on the Chinese and ASEAN markets



* This diagram is an image.

■ Launch new business models that aggregate the product lineup handled and other companies' services into the Group's managerial resources such as technological capabilities, know-how or networks

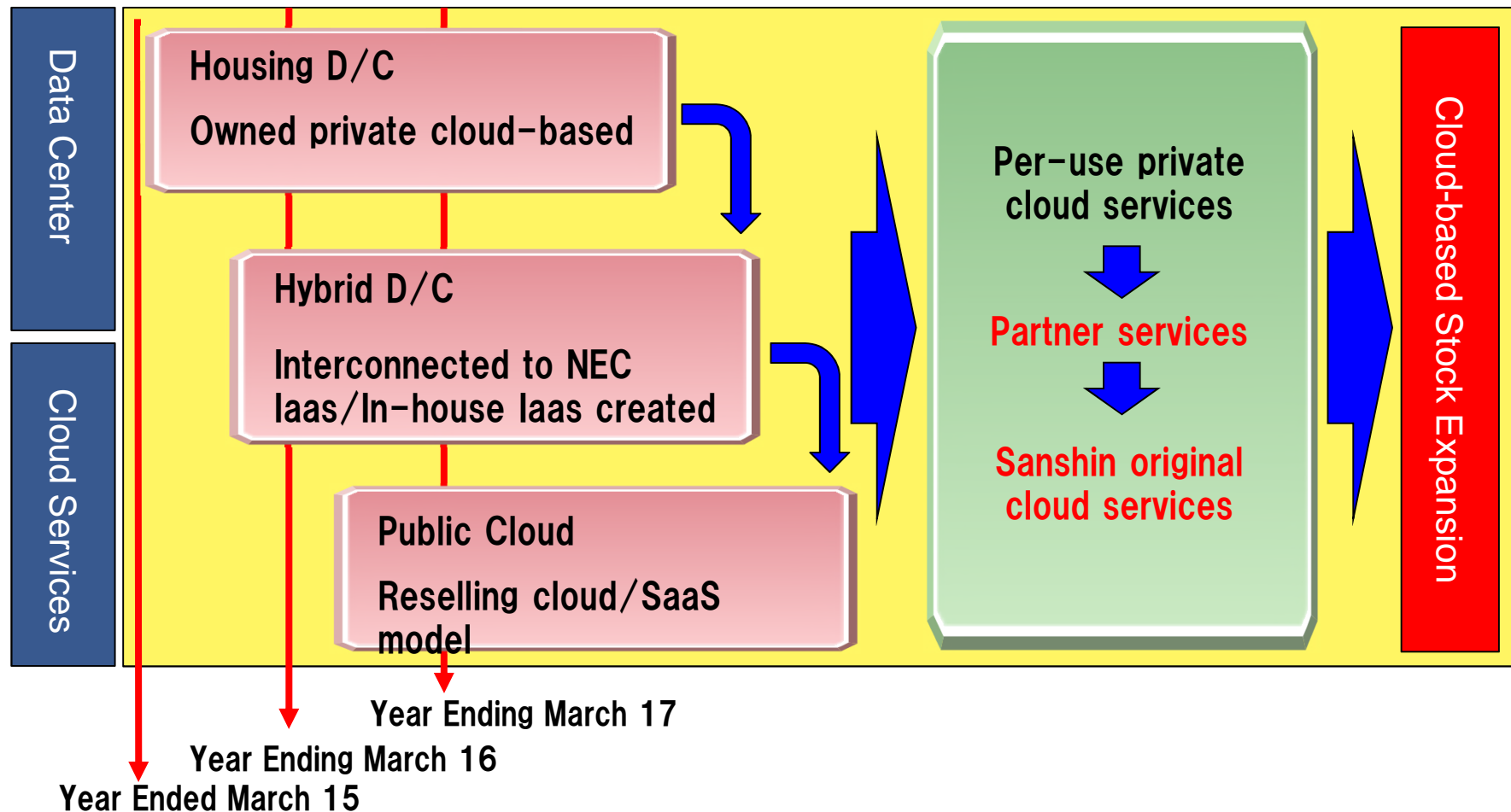
→ Business models that benefit from our wireless, high resolution, mobile, social/industrial solutions, as well as our trading company functionality, etc.



* This diagram is an image.

- Step up initiatives to promote cloud computing business with Sanshin Data Center at the core
- Broaden our system proposal scope and enhance operation and maintenance by expanding one-stop services
- Increase our human resources and reinforce our close tie-ups with business partners

【Sanshin Data Center Business Development】



- Enhance initiatives for new businesses/commercial products that generate revenue
- Complete the digitalization of wireless communication systems for firefighting and emergency services, and explore for revenue sources for the upcoming terms
- Provide support for corporate systems to cope with the implementation of the My Number system

Measures addressing firefighting and disaster prevention business

- 1) Response to the digitalization of disaster administration wireless communication systems
 - Acceleration of digitalization based on the policy regarding wireless equipment of the Ministry of Internal Affairs and Communications
- 2) Construction of a maintenance system for firefighting wireless communication systems
- 3) Sales expansion of new commercial products in cooperation with our partners

Disaster support systems

Disaster prevention information systems

Repair center

Measures addressing the My Number system

- 1) Improvement of the corporate (HR & payroll) system and security enhancement
- 2) Proposals for the information gathering process
- 3) Compliance with the outsourcing needs of our customers, and data center and cloud interconnection

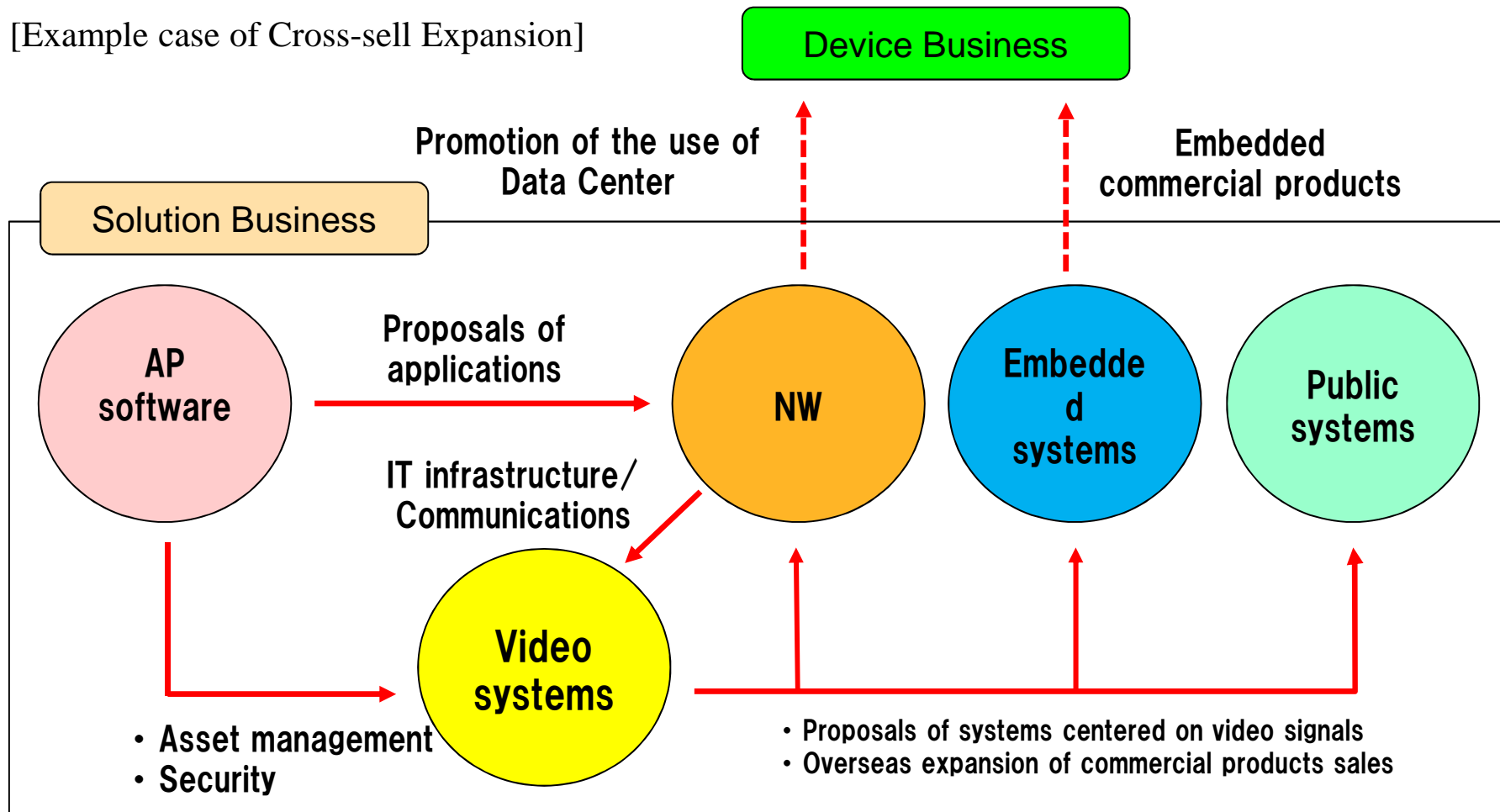
Security enhancement

Workflow

Outsourcing

- Address our customers' needs through thorough solutions business power
- Accelerate cross selling across our departments by sharing our customer needs among our business units
- Tackle cross selling across all our operations by strengthening also collaboration with the device business

[Example case of Cross-sell Expansion]



Response Policy for Corporate Governance Code Implementation

- Reinforce supervisory functions by increasing the number of external directors (1 external director → several external directors: transition to be effective from fiscal year starting April 2016 is currently under review)
- Ensure the effectiveness of external directors' activities by establishing an advisory committee and reinforcing its functions
- Offer guidance towards the optimal corporate governance system meant to resolve the Company's management issues, and achieve a sustainable enhancement of its corporate value

Further examination through dialogue with shareholders

Specializing in SR (Shareholder Relations), the SR Department was newly established to attend shareholders through a constructive dialogue.

- Administration Division - SR Dept. (Tel: +81-3-3453-5111)

IV. Financial Situation

■ 03/15 Term Results: cash and deposits increased, as the decrease in other assets and the interest-bearing debts compensated for the increase in inventories and other

■ 03/16 Term Forecast: cash and deposits will increase as the interest-bearing debts will compensate for an increase in accounts receivable; shareholders' equity ratio will be maintained at around 60%

1) Balance Sheets

	FY ended Mar. 15 Result (A)	H1 ended Sept. 15 Result (B)	B-A Increase/ Decrease	FY ending Mar. 16 Forecast (C)	C-A Increase/ Decrease
Cash and deposits	124.9	156.7	31.8	150.0	25.1
Accounts receivable	594.7	578.9	-16	662.0	67.3
Inventories	173.6	184.8	11	165.0	-8.6
Other assets	123.5	100.2	-23	123.0	-0.5
Total assets	1,016.7	1,020.6	4	1,100.0	83.3
Accounts payable	312.7	298.9	-14	312.0	-0.6
Interest bearing liabilities	17.4	45.7	28	100.0	82.6
Other liabilities	30.5	25.1	-5	25.0	-5.5
Total net assets	656.2	650.9	-5	663.0	6.8
Total liabilities and net assets	1,016.7	1,020.6	3.9	1,100.0	83.3
Equity ratio	64.5%	63.8%	-0.7P	60.3%	-4.2P

2) Cash flows

	FY ended Mar. 15 Result	H1 ended Sept. 15 Result	03/16 Forecast
Decrease (increase) in accounts receivable-trade	-83.2	8.2	-67.3
Decrease (increase) in inventories	-32.7	-12.5	8.6
Increase (decrease) in accounts payable-trade	56.6	-8.6	-0.6
Other	-1.6	26.0	16.4
Operating C/F	-60.9	13.1	-42.9
Investing C/F	-2.0	-2.9	-4.0
Financing C/F	-34.9	21.6	71.0
Foreign currency conversion adjustments	5.1	-1.0	
Increase (decrease) in cash and deposits	-92.7	30.8	24.1
Balance of cash and deposits at term-end	124.9	155.7	149.0

*Time deposits with maturities over three months excluded from cash and deposits on the cash flow statement.

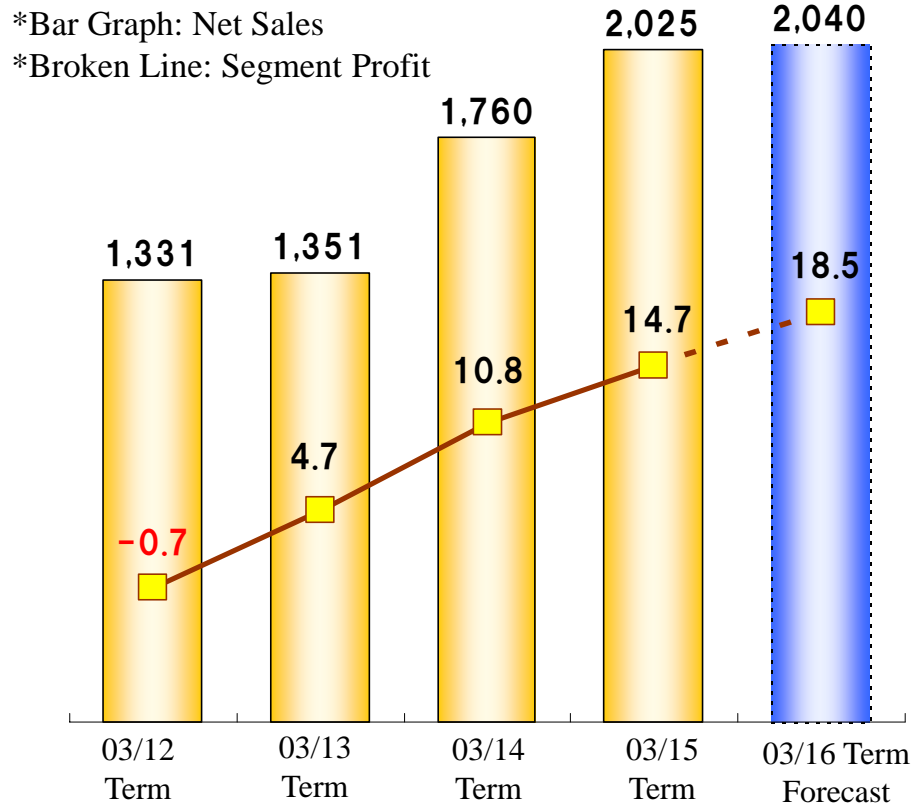
Supplemental Materials (1)

Year Ending March 2016

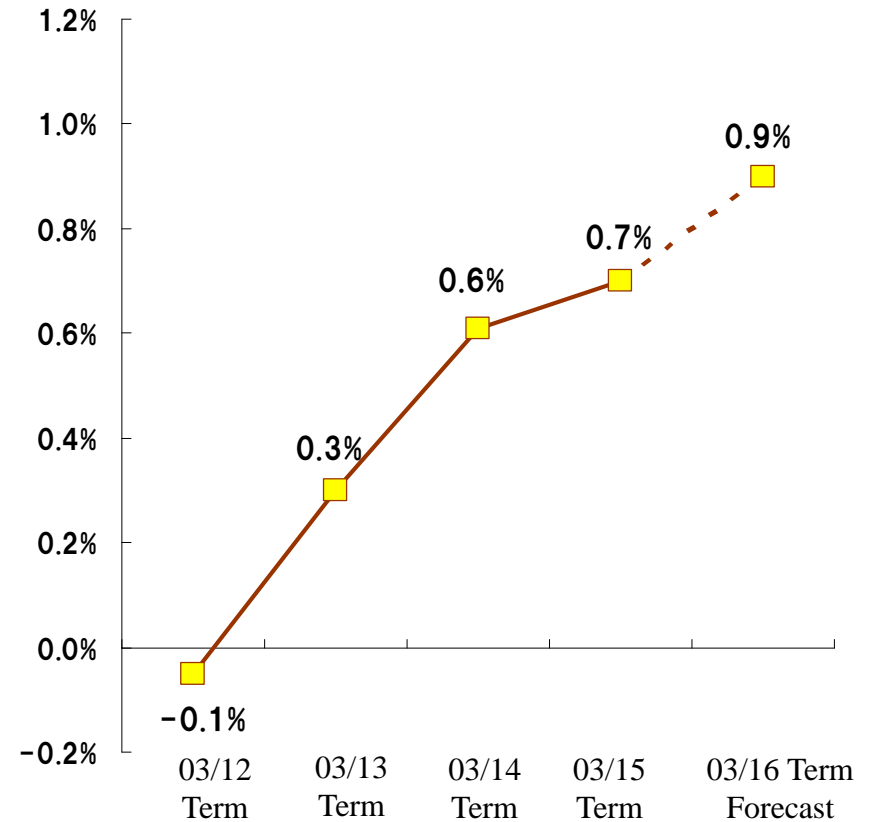
Device Business Forecasts

Business has been steadily recovering from a bottom in the 03/12 term, and therefore we need to make further efforts for earnings recovery to mark the 4th consecutive fiscal year of growth in both sales and profit.

Net Sales/Segment Profit

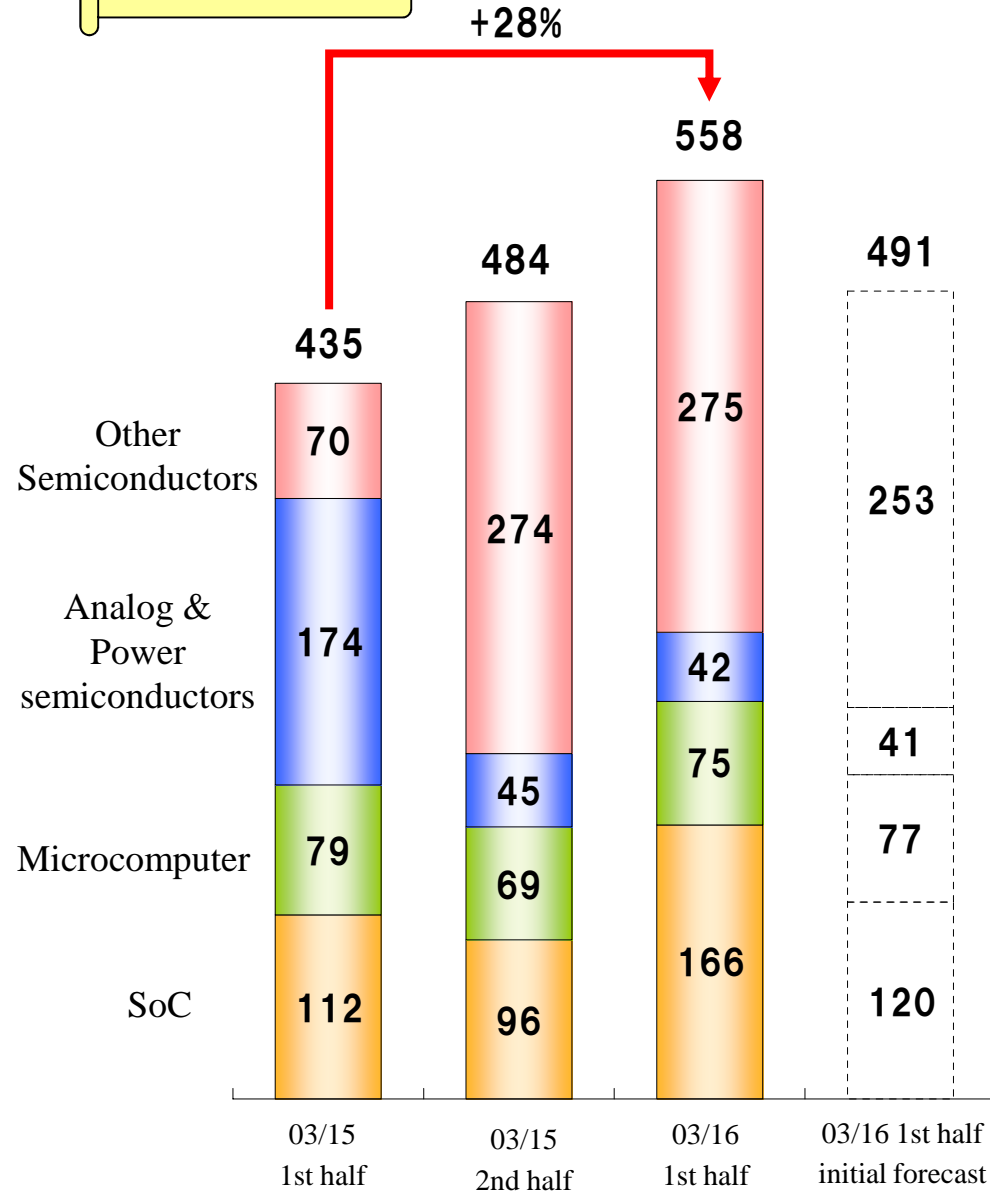


Segment Profit Ratio



Note: The total amount of segment profit adjustments such as costs related to the management division has been allocated to each business since the fiscal year ended March 2014. For comparison purposes, results from 03/12 term through 03/13 term are also allocated to each business in this presentation.

Sales for the First Half of the Year

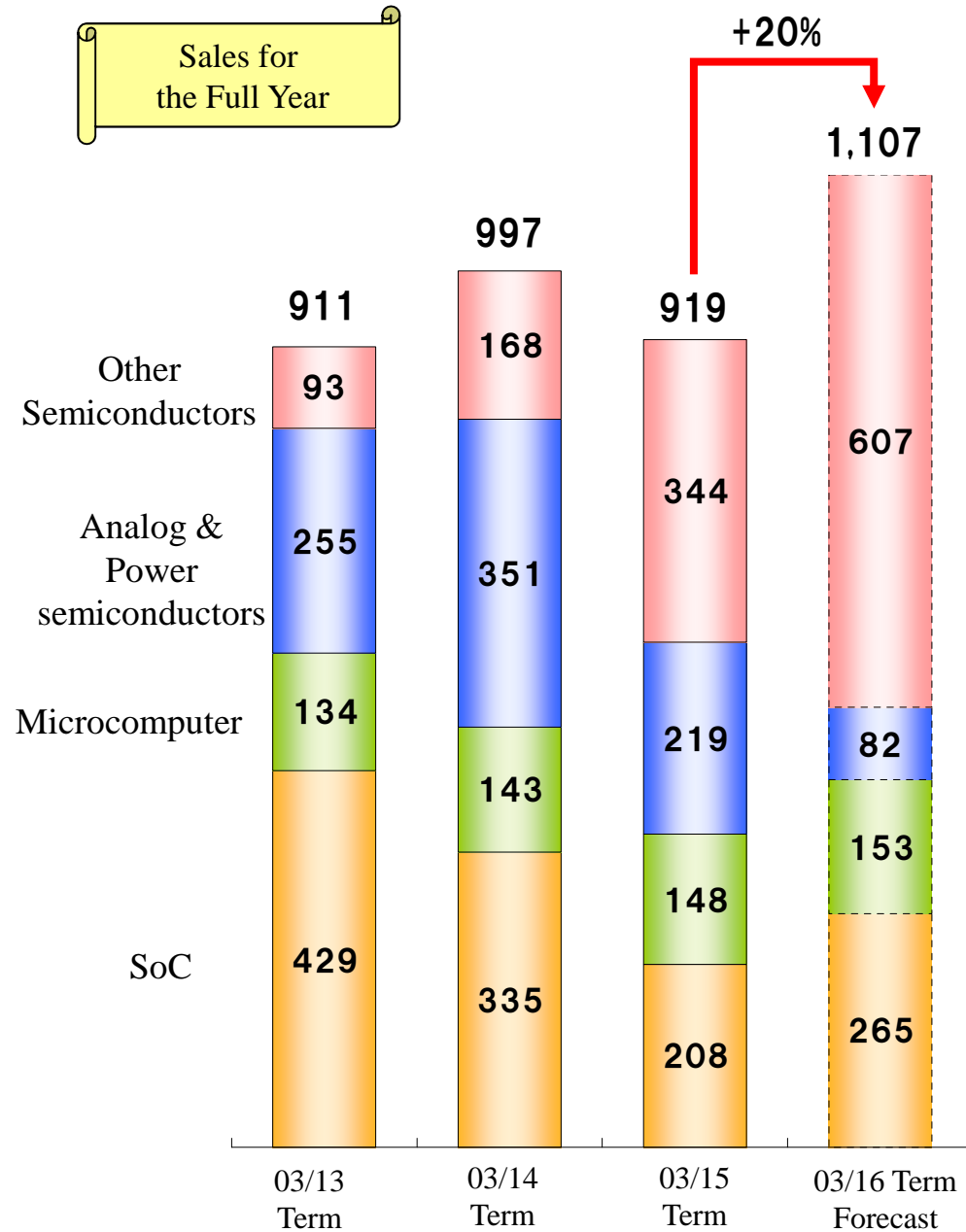


【Year-to-Year Comparison of Fluctuations】

- SoC (System LSIs)
 - Those for gaming consoles recovered
 - Those for digital AV appliances decreased
- Microcomputers
 - Those for digital AV/household electrical appliances decreased
 - Those for vehicle-mounted systems performed strong, and those for gaming consoles also recovered
- Analog & Power Semiconductors
 - From the 2nd half of 03/15 term, the control of the old RSP products has been passed over to the "Other semiconductors" segment
 - A decrease was recorded due to planned production cease at a supplier
- Other Semiconductors
 - From the 2nd half of 03/15 term, the control of the old RSP products has been passed over to the "Other semiconductors" segment
 - Those of products from new overseas manufacturers increased

	03/16 1st Half Results	
	Compared to 03/15 1st half	Compared to 03/15 2nd half
SoC	+48%	+72%
Microcomputer	-5%	+9%
Analog & Power Semiconductors	-76%	-7%
Other Semiconductors	+294%	+0.6%

Sales for the Full Year

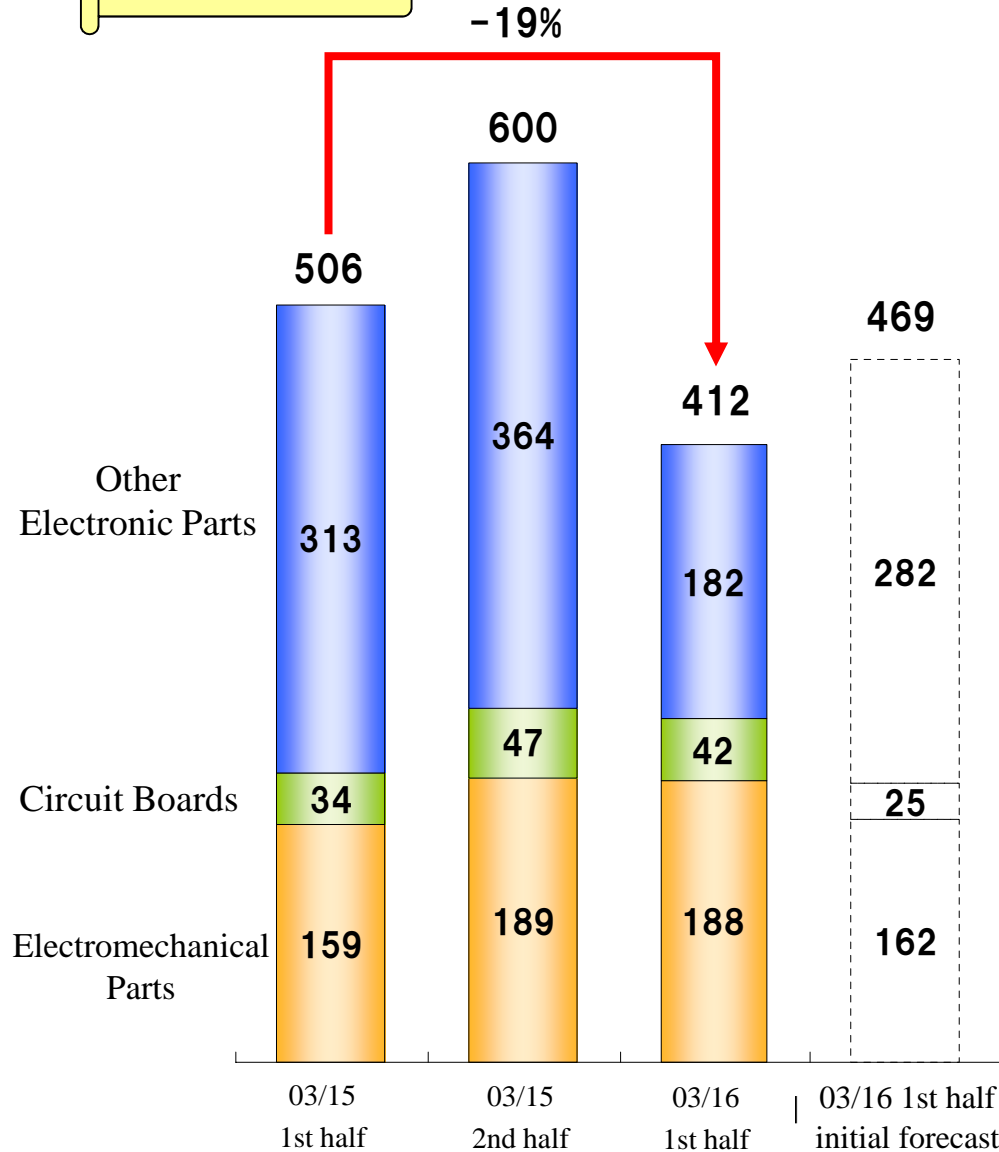


【Year-to-Year Comparison of Fluctuations】

- SoC (System LSIs)
 - Those for gaming consoles will recover
 - Those for digital AV appliances will decrease
- Microcomputers
 - Those for vehicle-mounted systems/household electrical appliances will increase
 - Those of digital AV appliances will decrease
- Analog & Power Semiconductors
 - From the 2nd half of 03/15 term, the control of the old RSP products has been passed over to the "Other semiconductors" segment
 - A decrease was recorded due to planned production cease at a supplier
- Other Semiconductors
 - From the 2nd half of 03/15 term, the control of the old RSP products has been passed over to the "Other semiconductors" segment
 - Those of products from new overseas manufacturers will increase

	YoY change
SoC	+27%
Microcomputer	+3%
Analog & Power Semiconductors	-62%
Other Semiconductors	+77%

Sales for the First Half of the Year

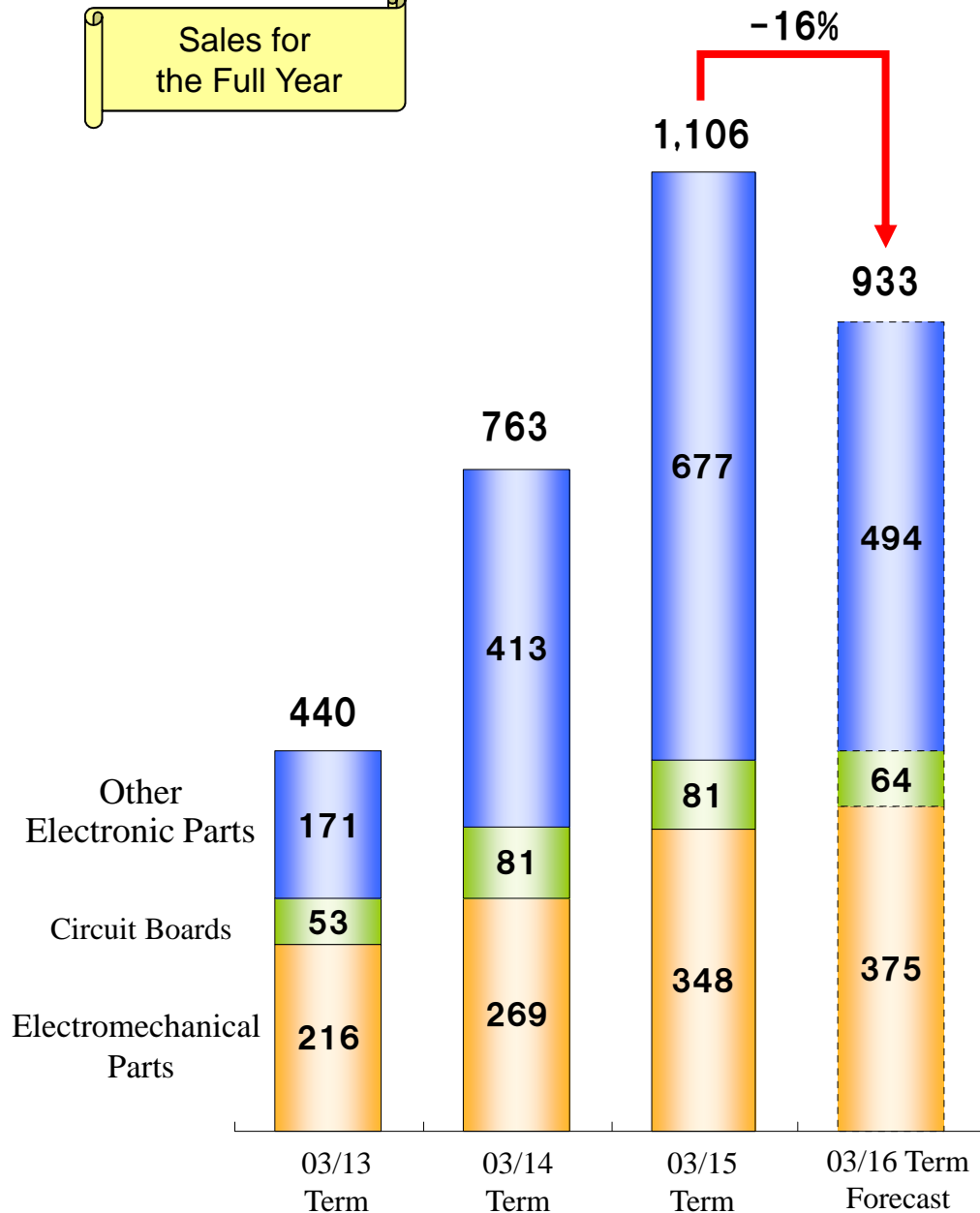


【Year-to-Year Comparison of Fluctuations】

- Electromechanical Parts
 - Those for mobile devices increased, and those for gaming consoles recovered
- Circuit Boards
 - Those for mobile devices increased
- Other Electronic Parts
 - Those related to raw materials decreased

	03/16 1st Half Results	
	Compared to 03/15 1st half	Compared to 03/15 2nd half
Electromechanical Parts	+18%	-1%
Circuit Boards	+23%	-11%
Other	-42%	-50%

Sales for the Full Year

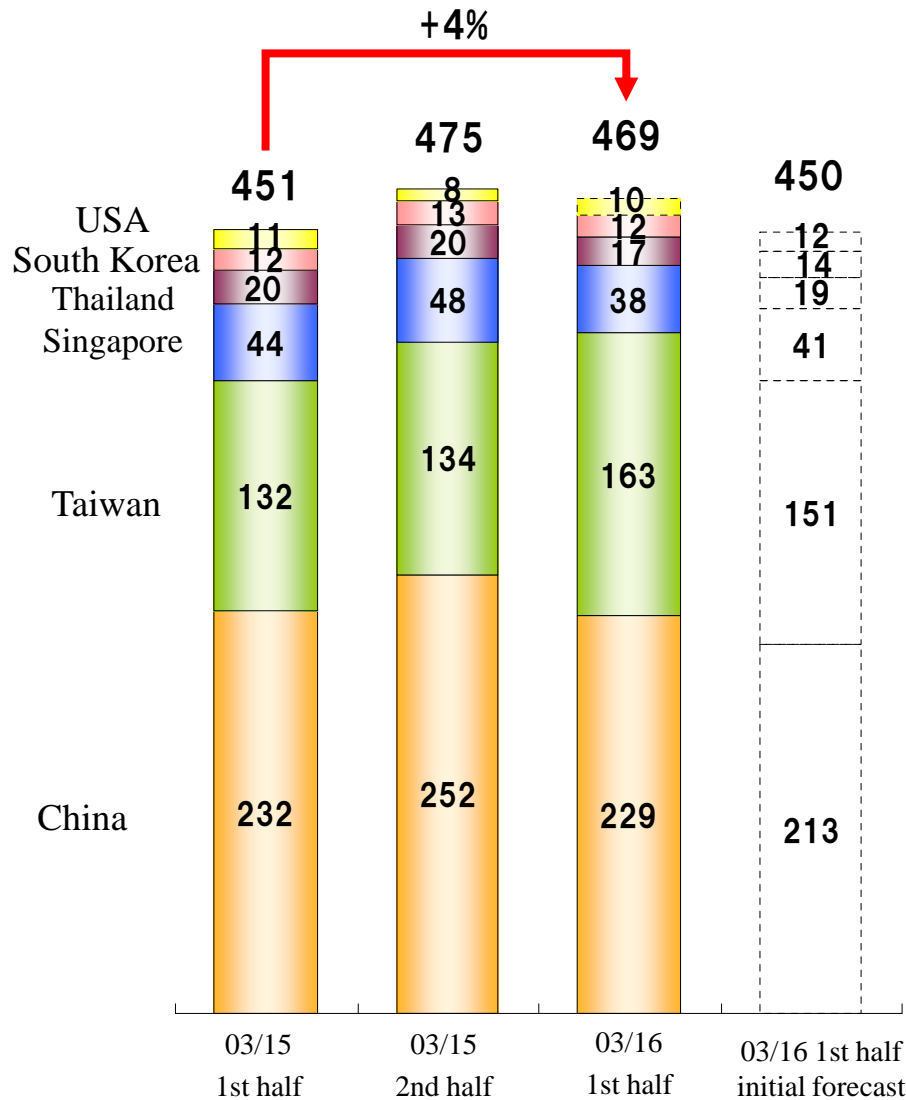


【Year-to-Year Comparison of Fluctuations】

- Electromechanical Parts
 - Those for mobile devices will increase
 - Those for mobile devices will decrease
- Circuit Boards
 - We expect to launch new businesses and for sales related to materials to decrease
- Other Electronic Parts
 - We expect to launch new businesses and for sales related to materials to decrease

	YoY Change
Electromechanical Parts	+8%
Circuit Boards	-20%
Other	-27%

Sales for the First Half of the Year



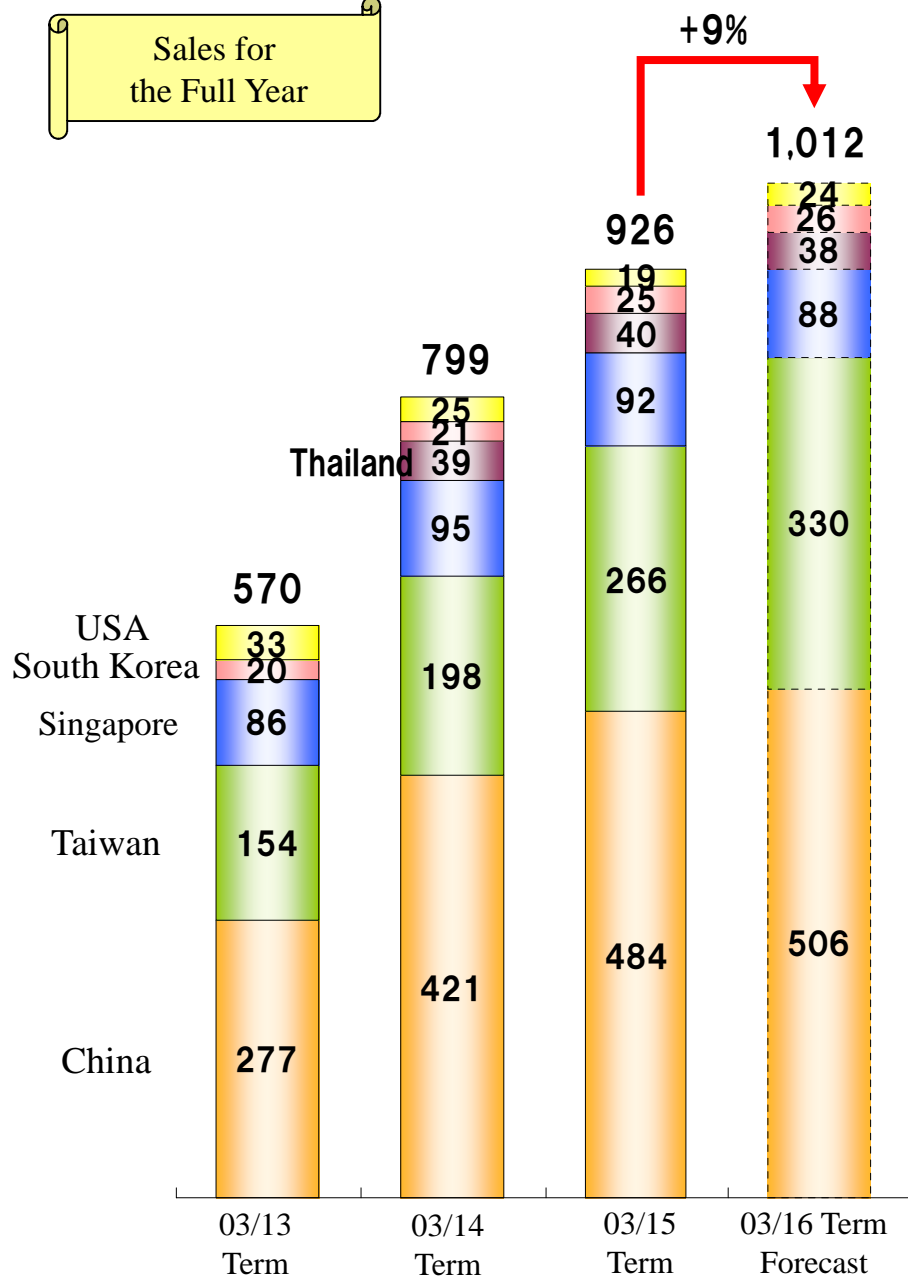
【 Year-to-Year Comparison of Fluctuations 】

- China
 - Those for mobile devices will decrease
- Taiwan
 - Those for mobile devices will increase
- Singapore
 - Those for digital AV appliances will decrease
- Thailand
 - Those for vehicle-mounted systems/household electrical appliances will decrease
- South Korea
 - Those for PCs will increase, while those for household electrical appliances will decrease
- USA
 - Those for digital AV appliances will decrease

	03/16 1st Half Results	
	Compared to 03/15 1st half	Compared to 03/15 2nd half
China	-1%	-9%
Taiwan	+23%	+21%
Singapore	-11%	-20%
Thailand	-18%	-19%
South Korea	+1%	-2%
USA	-5%	+19%

Full Year Business Forecasts for Overseas Operations, by Region

Sales for the Full Year



【Year-to-Year Comparison of Fluctuations】

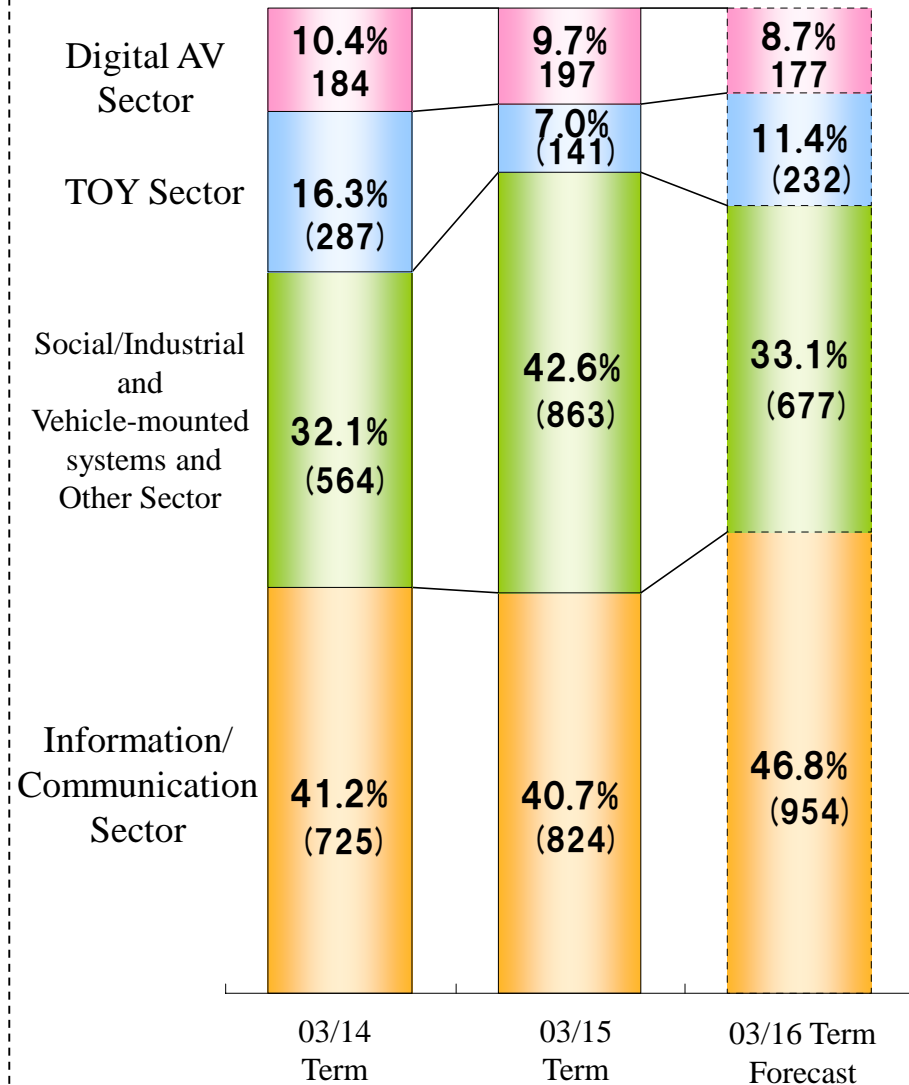
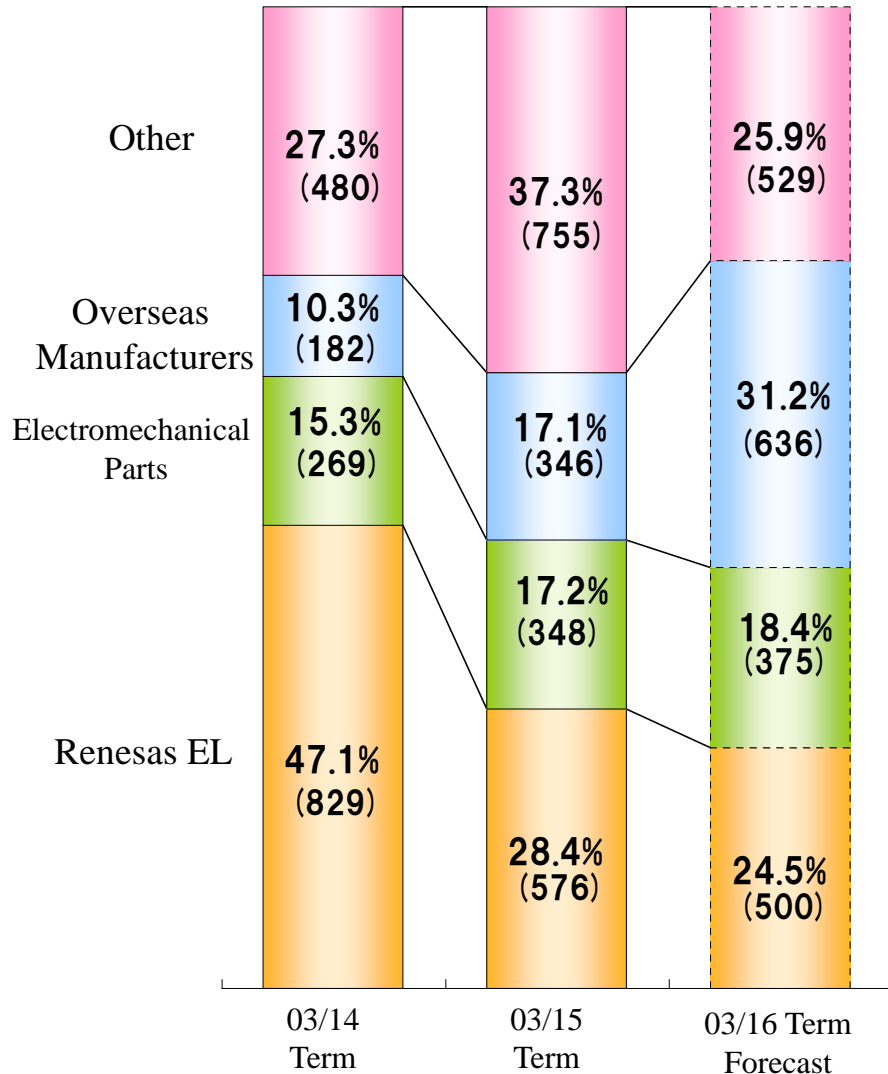
- China
 - Those for digital AV appliances will increase, and we expect to launch new businesses
 - Those for mobile devices will decrease
- Taiwan
 - Those for mobile devices will increase, and we expect to launch new businesses
- Singapore
 - Those for digital AV appliances will decrease
- Thailand
 - Those for vehicle-mounted systems/household electrical appliances will decrease
- South Korea
 - Those for mobile devices will decrease, while those for PCs/household electrical appliances will increase
- USA
 - Those for wearable devices will increase, and we expect to launch new businesses

	YoY Change
China	+5%
Taiwan	+24%
Singapore	-4%
Thailand	-7%
South Korea	+3%
USA	+23%

Sales Composition Ratio by Supplier

* Figures in brackets represent net sales (unit: ¥100 million)

Sales Composition Ratio by Sector



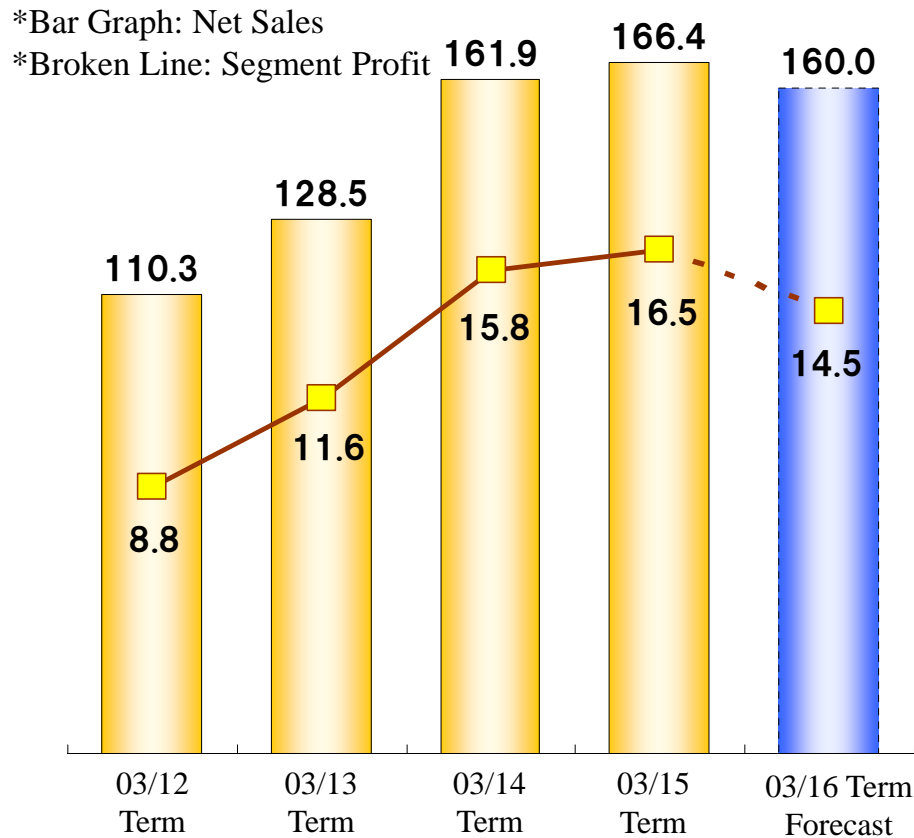
* From the 2nd half of 03/15 term, there has been a transfer of duties to overseas manufacturers with regards to the old RSP products (Renesas EL).

Supplemental Materials (2)

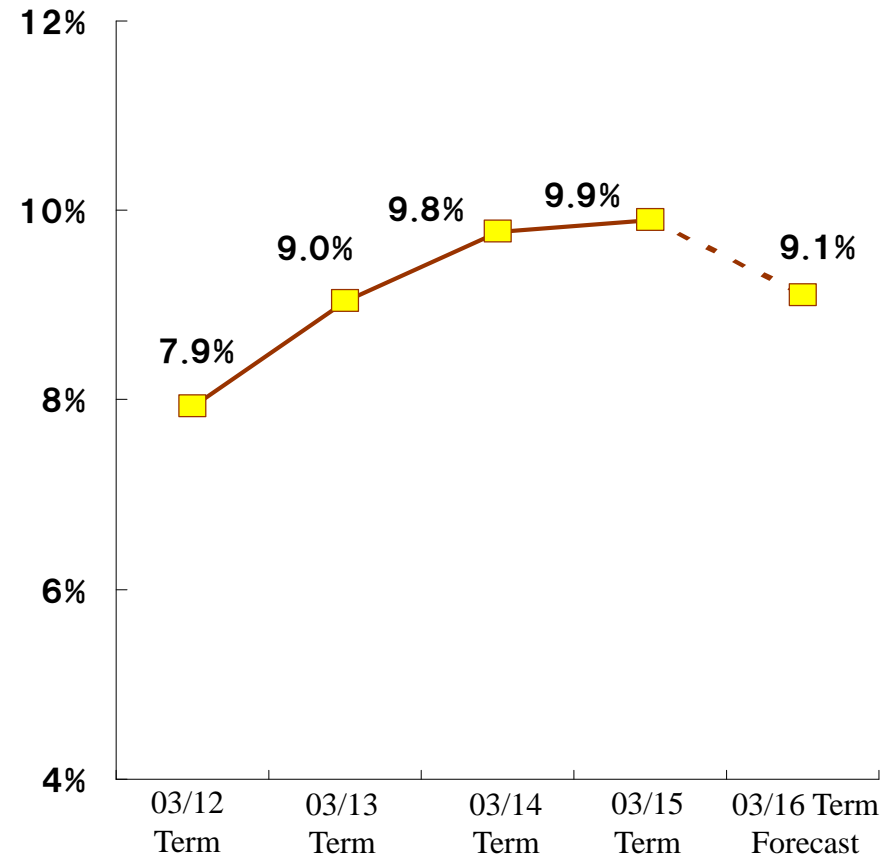
Year Ending March 2016 Solution Business Forecasts

The last term increased profit for seven consecutive years and posted a new record high in earnings. Therefore, during this term, we need to further strengthen our corporate structure to boost earnings.

Net Sales/Segment Profit



Segment Profit Ratio

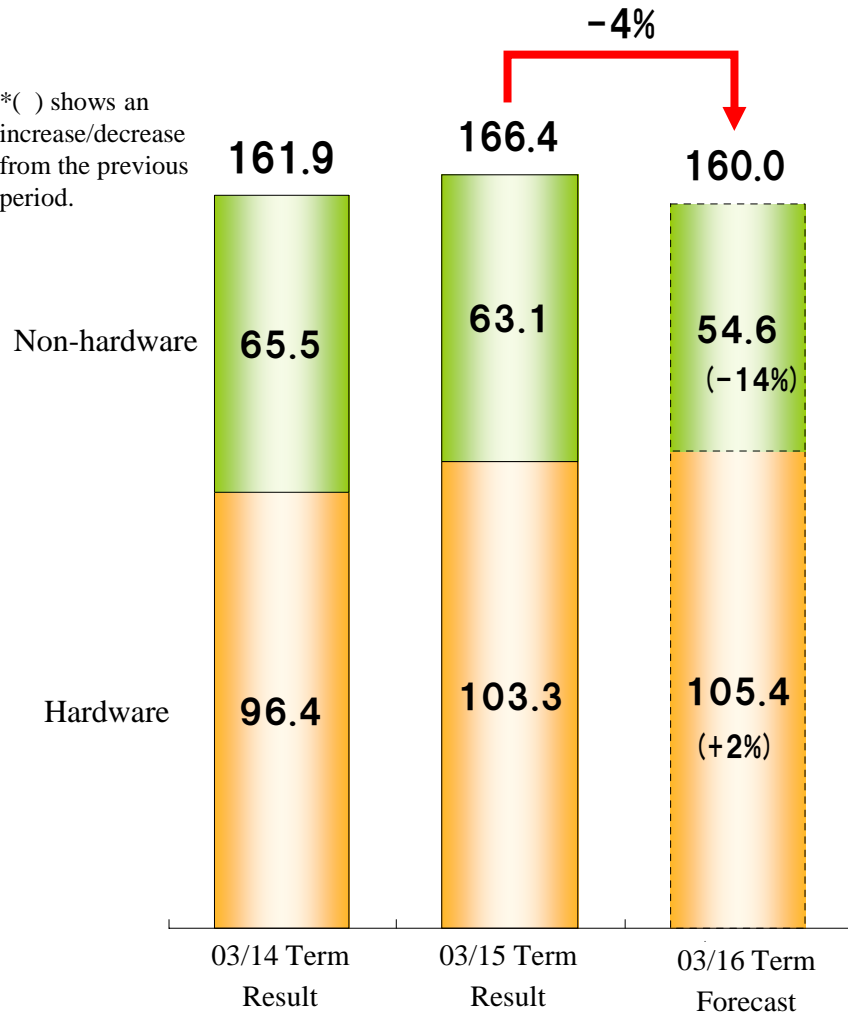


Note: The total amount of segment profit adjustments such as costs related to the management division has been allocated to each business since the fiscal year ended March 2014. For comparison purposes, results from 03/12 term through 03/13 term are also allocated to each business in this presentation.

Changes in Net Sales by Product

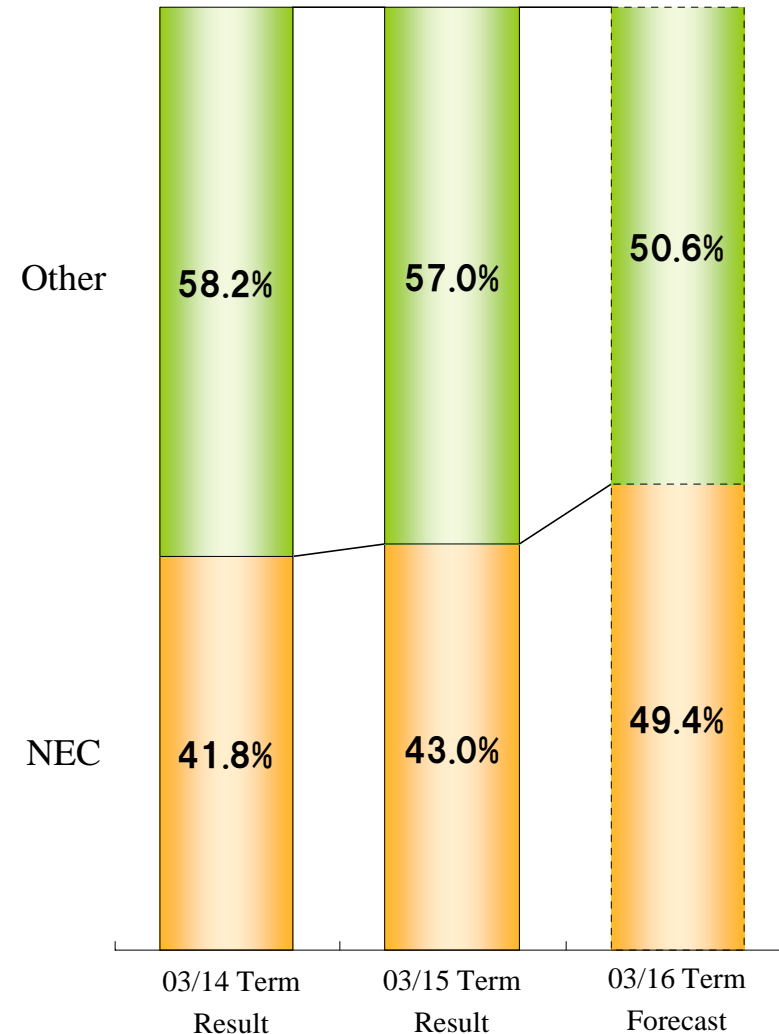
- Hardware: Embedded system sales will increase
- Non-hardware: Spots for public systems will decrease

*() shows an increase/decrease from the previous period.

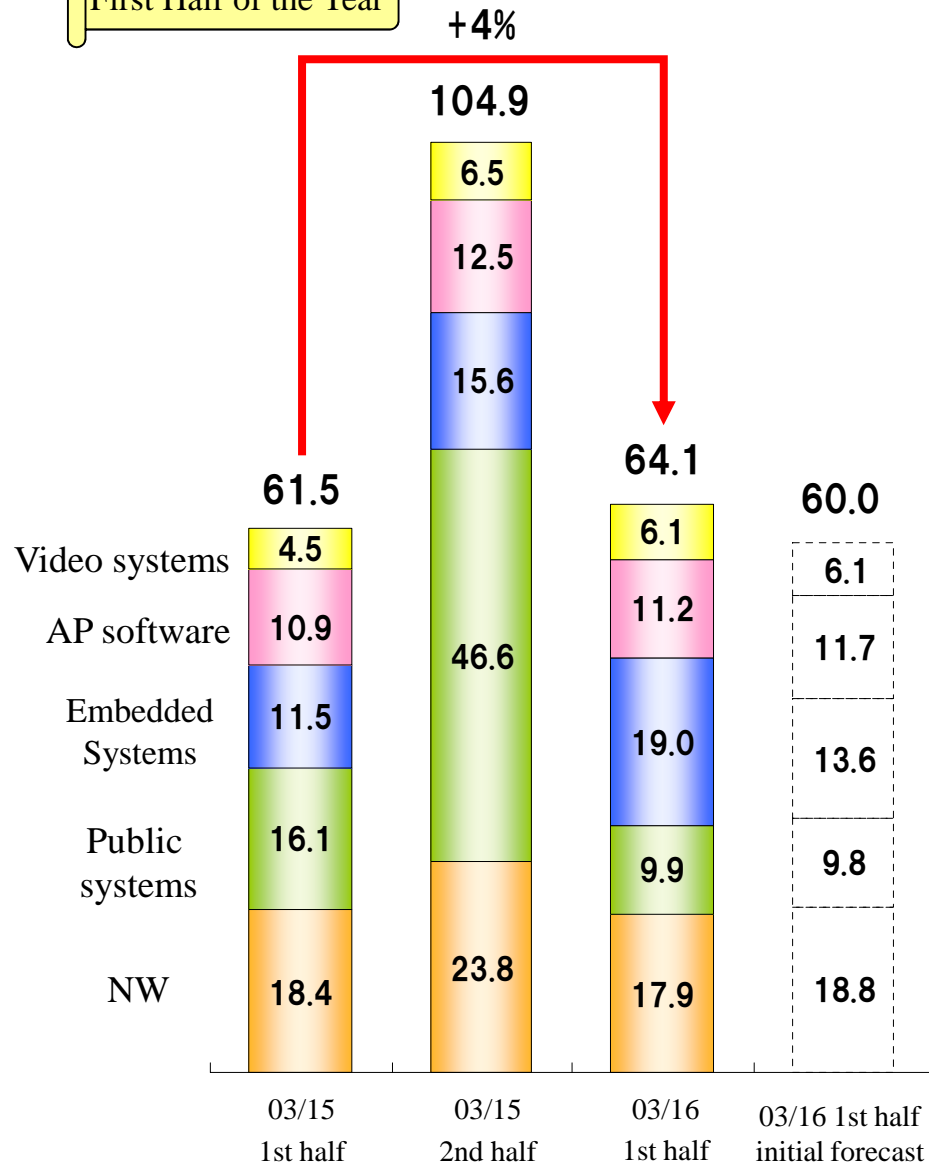


Sales Composition Ratio by Supplier

- Proportion taken by NEC is expected to expand in the period ending March 2016



Sales for the First Half of the Year

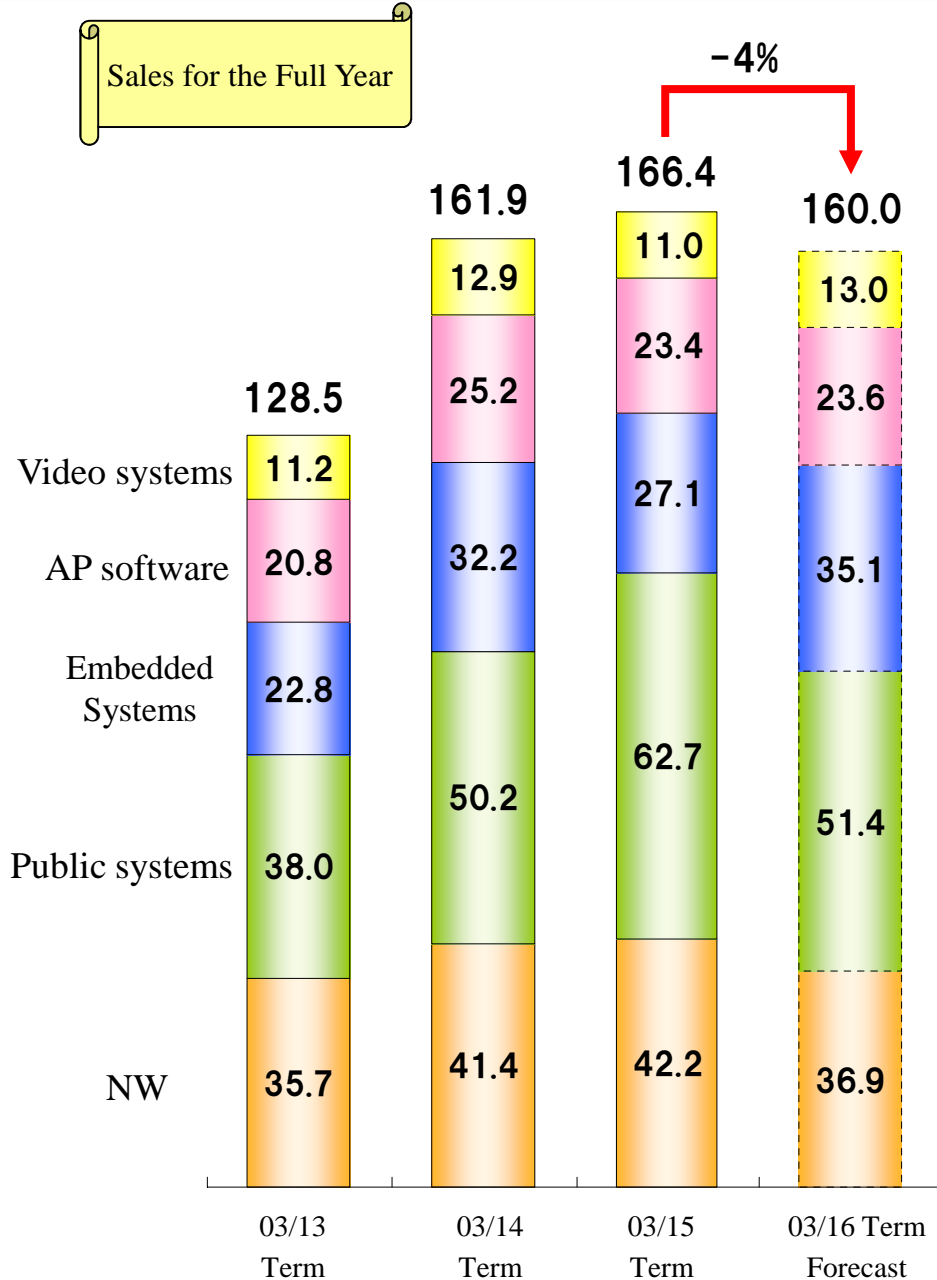


【Year-to-Year Comparison of Fluctuations】

- NW
 - Infrastructure-related business for private sector posted a slight decrease
- Public Systems (fire stations & public administration offices)
 - Wireless communication systems(digitalization) for firefighting and emergency services will post a decrease
- Embedded Systems
 - Those for OEM devices will increase
- AP Software
 - Production/sales management, etc. will increase
- Video Systems
 - Delivery systems/portable video transmitters, etc., will post an increase

	03/16 1st Half Results	
	Compared to 03/15 1st half	Compared to 03/15 2nd half
NW	-2%	-24%
Public systems	-39%	-79%
Embedded systems	+65%	+21%
AP software	+3%	-11%
Video systems	+35%	-7%

Sales for the Full Year



【Year-to-Year Comparison of Fluctuations】

- NW
 - Infrastructure-related business for the private sector will post a decrease
- Public Systems (fire stations & public administration offices)
 - Wireless communication systems(digitalization) for firefighting and emergency services will post a decrease
- Embedded Systems
 - Those for OEM devices will increase
- AP Software
 - Production/sales management, etc. will increase
- Video Systems
 - Delivery systems, etc. will post an increase

	YoY Change
NW	-13%
Public systems	-18%
Embedded systems	+30%
AP software	+1%
Video systems	+18%

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TRUST

*Business cannot
succeed without trust.
It begins and ends
with trust.*

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PRINCIPLES

*Do not just pursue
profit. But act based
on principles, which
can be realized
through self-
discipline.*

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SINCERITY

*Always act sincerely.
Rise to the challenge
head-on.*

Thank you for your attention.

***Note for Use of This Reference Material**

Business forecasts and other statements contained in this reference material regarding the future are predictions based on information available at the time of writing and are not intended as a promise of performance on the part of the Company. Due to various factors, actual results may differ from assessment figures. Major factors affecting actual results are mainly those listed below.

- Economic conditions and consumption trends in Japan, North America and Asia
- Purchaser's production trends and product development
- Supplier's supply situation and product development
- Price drops due to intensifying competition
- Significant fluctuations in exchange rates