

September 19, 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)

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For Immediate Release:

Notice Regarding Transfer of Non-Current Assets and Accounting of Extraordinary Profits

At the Board of Directors meeting held today, the Company passed the following resolution regarding the transfer of non-current assets.

Details

1. Reason for Transfer

The Company's distribution center is being transferred from the Atsugi facility to an external distribution company's facilities. As a result, the applicable land and building will become idle assets, so the decision has been made to transfer their ownership.

2. Content of Transfer Assets

Address and Content of Assets	Capital Gains	Present Use
1-1-4 and 1-1129-7 Kawaraguchi, Ebina-shi, Kanagawa Land: 6,019.98 m ² / Building: 6,563.30 m ²	¥588 million	Atsugi Distribution Center

*Although the transfer price and other details will be kept confidential per the transferee's request, the transfer price was determined through bidding, and was an appropriate price which reflected market conditions. The capital gains value above is the transfer price with the book value and miscellaneous expenses deducted.

3. Overview of Transferee

Information about the transferee will be kept confidential per the transferee's request.

In addition, there are no notable capital ties, personnel ties, or business relationships linking the transferee and the Company, and the transferee is not a party with any connection to the Company.

4. Transfer Schedule

Date of Board of Directors meeting resolution: September 19, 2018

Date of contract execution: September 2018 (scheduled)

Date of property transfer: February 2019 (scheduled)

5. Effects on Performance

As a result of this transfer of non-current assets, extraordinary profit of ¥588 million is scheduled to be included (as gain on sales of non-current assets) in accounting figures for the 4th quarter of the 2019 fiscal year. However, regarding the consolidated earnings forecast for the 2019 fiscal year as a whole, future accounting of extraordinary losses is anticipated due to migration costs for the Company's distribution, as well as special retirement benefits related to the closure of Atsugi Distribution Center. These factors are currently under consideration, and a notification will be issued promptly if revisions to the performance forecast are determined necessary.