

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

November 7, 2016

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 Discrepancies between Values of Business Forecast and Actual Results

Discrepancies have appeared between the Company's consolidated business forecast for the first half ended September 30, 2016 (forecast announced on August 4, 2016), and its actual results for the same period announced today.

Details

1. Discrepancies with the consolidated business forecast for the first half ended September 30, 2016
(April 1, 2016 to September 30, 2016)

(Million yen)

	Net sales	Operating profit	Ordinary profit	Net profit attributable to shareholders of parent company	Net profit per share (yen)
Previous Forecast (A)	83,000	(350)	(1,900)	(1,800)	(63.88)
Actual Results (B)	85,308	(192)	(1,684)	(1,966)	(69.79)
Increase/Decrease (B-A)	2,308	158	216	(166)	
Rate of Increase/Decrease (%)	2.8	—	—	—	
(Reference) Results for the Consolidated First Half of Previous Term (Ended September 30, 2015)	103,391	1,153	1,151	800	28.40

2. Reason for discrepancies

Sanshin Electronics runs two major businesses: device business and solution business. In the device business segment, we mainly sell semiconductors and electronic components and also provide technical support. In the solution business segment, we mainly offer ICT solutions. During the first half of the term, the profitability (on consolidated basis) of the device business improved exceeding the initial forecast, which resulted in net sales, operating profit, and ordinary profit all exceeding the initial forecast. The net profit attributable to shareholders of parent company, however, decreased from the initial forecast due to an increase in the amount of reversal of deferred tax assets.