SUMMARY OF FINANCIAL STATEMENTS [Japan GAAP] (CONSOLIDATED)

Financial Results for the First Three Quarters (April 1 to December 31, 2012) of the Fiscal Year Ending March 31, 2013

February 8, 2013

Company Name: Yamaichi Electronics Co., Ltd.
Code：6941 Tokyo Stock Exchange 1st section URL: http://www.yamaichi.co.jp
President：Shunji Orita
Managing Director：katsuichi kato Tel: (03)3778-6111
Scheduled date of securities report submission: February 14, 2013
Scheduled date of dividend payment commencement: —
Supplementary materials for the quarterly financial statements: No
Presentation to explain for the quarterly financial statements: No

1. Consolidated Financial Results (April 1 to December 31, 2012) for the Fiscal Year Ending March 31, 2013

(1) Consolidated Operating Results (aggregated)

(Percentage figures represent changes from the same period of the previous year.)

	Net Sales		Operating profit		Ordinary profit		Net profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First three quarters ended December 31, 2012	15,156	△12.8	△917	–	△838	–	△2,468	–
December 31, 2011	17,376	△19.7	△302	–	△619	–	△830	–

Note: Comprehensive income First three quarters ended December 31, 2012 ¥△2,321 million (–%)
First three quarters ended December 31, 2011 ¥△1,352 million (–%)

	Net profit per share	Diluted net profit per share
	Yen	Yen
First three quarters ended December 31, 2012	△105.99	–
December 31, 2011	△35.66	–

(2) Consolidated Financial Positions

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2012	23,062	12,684	54.9	543.91
As of March 31, 2012	26,328	15,006	57.1	643.58

Reference: Shareholders' equity as of December 31, 2012: ¥12,666 million; as of March 31, 2012: ¥14,987 million.

2. Dividends

	Dividends per share				
	1Q	2Q	3Q	4Q	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2012	–	0.00	–	0.00	0.00
Year ending March 31, 2013	–	0.00	–		
Forecast: Year ending March 31, 2013				0.00	0.00

Note: Modifications in the dividend projection from the latest announcement: No

3. Forecast of Consolidated Operating Results for the year ending March 31, 2013

(Percentage figures represent changes from the same period of previous year.)

	Net Sales		Operating profit		Ordinary profit		Net profit		Net profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2013	20,000	△13.7	△1,200	–	△960	–	△2,580	–	△110.79

Note: Modifications in forecasts of consolidated operating results from the latest announcement: Yes

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4. Other

(1) Changes in significant subsidiaries during the period: No

(Changes in specified subsidiaries resulting in the change in consolidation scope)

(2) Adoption of special accounting treatments for quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and restatements

1) Changes in accounting policies due to revisions of accounting standards etc.: Yes

2) Changes in accounting policies other than 1): No

3) Changes in accounting estimates: Yes

4) Restatements: No

(4) Number of shares outstanding (common stock)

1) Number of shares outstanding (including treasury stock) at term end:

December 31, 2012	23,289,775 shares
March 31, 2012	23,289,775 shares

2) Number of shares of treasury stock at term end:

December 31, 2012	2,790 shares
March 31, 2012	2,790 shares

3) Average number of outstanding shares (during the three quarters ended December 31):

December 31, 2012	23,286,985 shares
December 31, 2011	23,287,160 shares

＊ Status of Performance of Quarterly Review Procedures

This summary of financial statements is exempt from quarterly review procedures required by Financial Instruments and Exchange Act. A part of quarterly review for securities report based on Financial Instruments and Exchange Act have not finished at the time of disclosure of this summary of financial statements.

＊ Explanation of the appropriate use of performance forecasts and other related items

All forecasts in this presentation are based on information currently available to the management and on assumptions judged to be reasonable. The Company’s actual results may differ substantially from such statements due to various risks and uncertainties.

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5. Qualitative Information on Current Quarter Account Settlement

(1) Qualitative Information on Consolidated Operation Results

Business environments of the Company Group in the current third quarter consolidated cumulative period continued unpredictable because of the aggravation of prolonged fiscal and financial problems in European countries, concerns over economic slowdown in emerging countries including China, and so on. However, expectations on the new government that started in December pushed cheap yen and strong stock prices with signs of changes beginning to be seen.

In the electronics industry related to the Company Group, business generally remained sluggish because of slow sale in digital home appliances such as notebook-type PCs, TVs and digital cameras and prolonged dull semiconductor equipment investment though smart-phone and tablet terminals behaved fairly well.

Under these business environments, the Company Group aggressively pushed focusing business recourses into key segments including PV Solution segment abolition and cost structure renovation and, at the same time, tackled personnel rationalization through voluntary retirement recruitment etc. and fixed cost reduction through implementation of reduction etc. in officer remuneration and employee salary and bonus. However, the main business sectors, i.e., the digital home appliances market and the semiconductor market, respectively, suffered sluggishness and investment slowdown longer than expected.

As a result, business results in the current third quarter consolidated cumulative period posted a big revenue decrease with sales of 15,156 million yen (down 12.8% from the year-earlier same period). In terms of profit and loss, operating loss was 917 million yen (vs. operating loss of 302 million yen for the same period the year before) because of the big decrease in revenue, ordinary loss was 838 million yen (vs. ordinary loss of 619 million yen for the same period the year before) because of the posting of exchange profit of 178 million yen due to cheap yen, and the quarterly net loss was 2,468 million yen (vs. quarterly net loss of 830 million yen for the same period the year before) because of the posting of special losses such as special additional retirement benefit of 635 million yen due to voluntary retirement recruitment and fixed asset impairment loss of 837 million yen.

Business results by segment are as follows:

[Test Solution Business]

Sale remained sluggish for test socket products and burn-in socket products with semiconductor equipment investment staying dull in the current third quarter period both domestically and abroad for semiconductor testing IC socket products of his segment.

As a result, business results were 5,578 million yen sales (down 8.3% from the year-earlier same period), and 189 million yen operating profit (down 66.6% from the year-earlier same period).

[Connector Solution Business]

Sale remained dull for connector products of this segment because of the delay in the mass production and delivery of optic module cable products for communications infrastructure and slowdown in sale for core digital home appliances such as digital cameras, printers and TVs.

As a result, business results were 6,870 million yen sales (down 15.1% from the year-earlier same

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period) and 423 million yen operating loss (vs. 230 million yen operating profit in the year-earlier same period).

[PV Solution Business]

Because of the segment abolition at the end of September, no new orders have been taken at this segment except for junction box product continuation cases.

As a result, business results were 913 million yen sales (down 24.4% from the year-earlier same period) and 353 million yen operating loss (vs. 707 million yen operating loss in the year-earlier same period).

[Optical-Related Business]

Sale remained slow for filter products of this segment for video equipment like digital cameras and digital video cameras.

As a result, business results were 890 million yen sales (down 22.6% from the year-earlier same period) and 1 million yen operating profit (down 96.8% from the year-earlier same period).

[EMS Business]

EMS segment at Matty Co., Ltd. launched touch-panel testing business and, at the same time, implemented fixed cost reduction through voluntary retirement recruitment. PCB mounting segment at Pricon Microelectronics Inc. remained dull because of the effect of the dull HDD market.

As a result, business results were 903 million yen sales (up 7.9% from the year-earlier same period) and 84 million yen operating loss (vs. 178 million yen operating loss for the year-earlier same period).

(2) Qualitative Information on Consolidated Financial Condition

Total assets at the end of the current third quarter consolidated accounting period were 23,062 million yen (down 3,176 million yen from the end of the preceding period).

Liquid assets decreased 2,347 million yen mainly because of the decrease in cash and deposit due to special retirement benefit payment etc. at the Company and subsidiaries and the decrease in bills receivable and trade accounts receivable due to the decrease in sales.

Tangible fixed assets decreased 717 million yen mainly because of impairment loss posting on connector solution business, PV solution business and EMS business plant equipment.

Investment and other assets decreased 102 million yen because of investment securities appraisal variance decrease etc.

Liabilities were 10,377 million yen (down 854 million yen from the end of the preceding period).

Liquid liabilities decreased 1,084 million yen mainly because of decrease in bills payable and trade accounts payable due to decrease in purchases resulting from decrease in sales and because of decrease in short-term loans payable.

Fixed liabilities increased 229 million yen mainly because of bond issue at subsidiary companies and increase in long-term loans payable.

Net assets were 12,684 million yen (down 2,321 million yen from the end of the preceding period).

Shareholders' equity decreased 2,468 million yen because of the posting of the quarter net loss.

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6. Matters Concerning Summary Information (Annotations)

Representation of Accounting Policy Changes, Accounting Estimate Changes and Revisions

Accounting Policy Changes

(Depreciation Method Changes)

Because of the revision of the Corporate Tax Law, the Company changed to the depreciation method under the revised Corporate Tax Law effective from the first quarter consolidated accounting period for application to tangible fixed assets (excluding metal molds possessed by the Company) acquired on and after April 1, 2012.

Effects of the change on operating loss, ordinary loss and quarterly net loss before adjustment for tax etc. in the current third quarter consolidated cumulative period are slight.

Consolidated Balance Sheets

(Thousand of yen)

	As of March 31, 2012	As of December 31, 2012
	Amount	Amount
(ASSETS)		
Current assets		
Cash and deposits	5,297,850	3,739,311
Notes and accounts receivable-trade	4,498,599	3,821,857
Merchandise and finished goods	1,195,825	1,070,035
Work in process	312,821	318,798
Raw materials and supplies	1,639,621	1,698,851
Deferred tax assets	38,946	32,631
Other	734,554	726,532
Allowance for doubtful accounts	△11,109	△48,611
Total current assets	13,707,110	11,359,407
Fixed assets		
Tangible fixed assets		
Buildings and structures	3,024,414	2,998,635
Machinery, equipment and vehicles	1,952,432	1,375,451
Tools, furniture and fixtures	1,618,172	1,420,414
Land	3,472,112	3,475,488
Lease assets	52,488	44,131
Construction in progress	109,394	196,928
Total tangible fixed assets	10,229,014	9,511,049
Intangible fixed assets		
Total intangible fixed assets	106,442	93,105
Investments and other assets		
Investment securities	1,154,487	1,079,280
Deferred tax assets	122,330	130,615
Other	1,033,628	1,008,909
Allowance for doubtful accounts	△114,653	△125,885
Total investments and other assets	2,195,793	2,092,921
Total fixed assets	12,531,249	11,697,076
Deferred assets		
Total deferred assets	—	5,734
Total assets	26,238,360	23,062,217

(Thousand of yen)

	As of March 31, 2012	As of December 31, 2012
	Amount	Amount
(LIABILITIES)		
Current liabilities		
Notes and accounts payable-trade	1,560,037	1,172,170
Short-term loans payable	6,331,270	5,587,786
Income taxes payable	49,489	33,178
Provision for bonuses	252,731	94,663
Deferred tax liabilities	80,909	66,276
Other	1,462,055	1,698,294
Total current liabilities	9,736,494	8,652,370
Long-term liabilities		
Bonds payable	—	215,000
Long-term borrowings	745,000	765,200
Accrued severance indemnities	53,232	37,760
Allowance for director's retirement benefits	41,705	40,612
Deferred tax liabilities	173,214	152,832
Other	481,952	513,462
Total long-term liabilities	1,495,104	1,724,868
Total liabilities	11,231,599	10,377,238
(NET ASSETS)		
Shareholders' equity		
Common stock	10,047,063	10,047,063
Capital surplus	5,004,947	4,520,001
Retained earnings	1,205,403	△777,840
Treasury stock - at cost	△3,754	△3,754
Total shareholders' equity	16,253,660	13,785,470
Valuation and translation adjustments		
Unrealized gains on available-for-sale securities	108,548	71,465
Foreign currency translation adjustments	△1,375,125	△1,190,896
Total valuation and translation adjustments	△1,266,577	△1,119,430
Minority interests	19,677	18,939
Total net assets	15,006,760	12,684,979
Total liabilities and total net assets	26,238,360	23,062,217

Consolidated Statements of Income

(Thousand of yen)

	3Q period of previous year (From April 1, 2011 to December 31, 2011)	3Q period of current year (From April 1, 2012 to December 31, 2012)
	Amount	Amount
Net sales	17,376,095	15,156,544
Cost of sales	13,240,574	12,007,433
Gross profit	4,135,520	3,149,110
Selling, general and administrative expenses	4,437,564	4,066,676
Operating income	△302,043	△917,565
Non-operating income		
Interests income	7,645	7,616
Dividends income	18,756	15,848
Foreign exchange gain	—	178,786
Other	196,668	118,097
Total non-operating income	223,073	320,349
Non-operating expenses		
Interests expense	133,869	136,271
Foreign exchange loss	334,902	—
Other	71,331	105,107
Total non-operating expenses	540,103	241,379
Ordinary income	△619,074	△838,595
Extraordinary income		
Gain on sales of fixed assets	778	9,408
Gain on sales of golf membership	2,042	—
Total extraordinary income	2,821	9,408
Extraordinary loss		
Loss on sale of fixed assets	869	33
Impairment loss	—	837,178
Special retirement expenses	88,729	635,920
Loss on liquidation of subsidiaries and affiliates	—	72,881
Other	19,999	14,215
Total extraordinary loss	109,598	1,560,231
Income before income taxes	△725,851	△2,389,419
Income taxes	104,963	79,665
Minority interests	△358	△894
Net income	△830,455	△2,468,189

(Thousand of yen)

	3Q period of previous year (From April 1, 2011 to December 31, 2011)	3Q period of current year (From April 1, 2012 to December 31, 2012)
	Amount	Amount
Income before minority interests	△830,814	△2,469,084
Other comprehensive income		
Unrealized gains on available-for-sale securities	△230,187	△37,082
Foreign currency translation adjustments	△281,413	171,382
Other	△10,033	13,002
Total other comprehensive income	△521,634	147,302
Comprehensive income	△1,352,448	△2,321,781
Attribute to		
Comprehensive income attribute to owners of the parent	△1,351,929	△2,321,043
Comprehensive income attribute to minority interests	△519	△738