

## Consolidated Financial Results for Nine Months Ended December 31, 2009 (U. S. GAAP)

February 9, 2010

SANYO Electric Co.,Ltd.

Stock Exchange Listings: Tokyo, Osaka

Company Code: 6764 URL: <http://jp.sanyo.com>

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Expected date to file for third-quarter report (Japanese) : February 12, 2010

(Amounts below one million yen are rounded off)

### 1. Consolidated Business Results for the Nine Months Ended December 31, 2009

#### (1) Consolidated Business Results (Cumulative) (%: Changes from the corresponding period of the previous fiscal year)

	Net sales		Operating income		Loss from continuing operations, before taxes	
	Million yen	%	Million yen	%	Million yen	%
3rd quarter ended Dec. 31, 2009	1,211,553	(15.5)	19,923	(35.4)	(33,517)	--
3rd quarter ended Dec. 31, 2008	1,434,178	(6.4)	30,831	(44.9)	(2,535)	--

	Net income per share		Diluted net income per share	
	Yen		Yen	
3rd quarter ended Dec. 31, 2009	--		--	
3rd quarter ended Dec. 31, 2008	2.98		2.98	

Net income (loss) of this quarter attributable to SANYO \*

3rd quarter ended Dec. 31, 2009: ¥ (44,742) Million (The rate of change from the corresponding period of the previous fiscal year: --)

3rd quarter ended Dec. 31, 2008: ¥ 18,321 Million (The rate of change from the corresponding period of the previous fiscal year: (36.3)% )

Net loss per share of this quarter attributable to SANYO \* 3rd quarter ended Dec. 31, 2009: ¥ (7.29)

Diluted income per share of this quarter attributable to SANYO \* 3rd quarter ended Dec. 31, 2009: ¥ --

\* "Net income (loss) of this quarter attributable to SANYO is the same as "Net income (loss) of this quarter of 3rd quarter ended Dec. 31, 2008.

#### (2) Consolidated Financial Position

	Total assets	Stockholders' equity	Stockholders' equity ratio	Stockholders' equity per share
	Million yen	Million yen	%	Yen
As of Dec. 31, 2009	1,385,825	106,505	7.7	17.34
As of Mar. 31, 2009	1,345,403	146,454	10.9	(25.00)

Note: The amount of SANYO stockholders' equity is presented in stockholders' equity.

### 2. Cash dividends

	Dividend per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended Mar. 31, 2009	--	0.00	--	0.00	0.00
Year ending Mar. 31, 2010	--	0.00	--		
Year ending Mar. 31, 2010 (forecast)				0.00	0.00

Note: Changes to the forecast of dividends during this quarter: None

### 3. Forecast for the Fiscal Year Ending March 2010

(%: Changes from the corresponding period of the previous fiscal year)

	Net sales		Operating income		Loss from continuing operations before taxes	
	Million yen	%	Million yen	%	Million yen	%
Full fiscal year	1,600,000	(9.6)	25,000	202.1	(36,000)	--

Note: Changes to the forecasted consolidated business results during this quarter: Applicable

Net loss attributable to SANYO

Year ending Mar. 31, 2010 (50,000) Million yen

Net loss per share attributable to SANYO

Year ending Mar. 31, 2010 (8.14) Yen

\* "Net income (loss) of this quarter attributable to SANYO is the same as "Net income (loss) of this quarter of the year ended Mar. 31, 2009.

#### **4. Others**

- (1) Changes in scope of consolidated subsidiaries during the quarter (Companies newly consolidated or removed from consolidation): None
- (2) Adoption of simplified accounting or accounting used particularly for preparation of consolidated quarterly financial statements: None
- (3) Changes in accounting principles, practices, and presentation for consolidated quarterly financial statements
- Adoption of new accounting standards: Applicable
- Other changes: Applicable
- Note: Please refer to "4. Others" in "Qualitative Information & Consolidated Financial Statements"

(4) Outstanding stocks (common stocks)

Number of stocks outstanding (including treasury stock)

As of December 31, 2009 (end of 3rd quarter):	6,158,053,099 stocks	As of March 31, 2009:	1,872,338,099 stocks
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Number of treasury stocks

As of December 31, 2009 (end of 3rd quarter):	16,684,474 stocks	As of March 31, 2009:	16,526,796 stocks
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Average number of stocks

3rd quarter ended December 31, 2009:	2,383,076,613 stocks	3rd quarter ended December 31, 2008:	1,855,296,320 stocks
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Note: During this period, in response to a request from shareholders to convert all portion of their SANYO Class A and B preferred shares, SANYO issued common shares in exchange for the corresponding preferred shares.

#### **Note: Remarks on appropriate use of forecasted results of operations and other special matters**

All statements in this report, other than past factual matters, represent outlooks for projected future results and are in accordance with SANYO's present plans, outlooks, and strategies, based on the judgement of management in light of currently available information.

There are various risks and uncertainties relating to factors that cause changes in business results. The principal factors influencing results include 1) large changes in economic conditions and capital markets, as well as changes in consumption trends in the business segments in which SANYO operates, 2) the effects of changes in exchange rates between the yen and the dollar, as well as the yen and other currencies, on SANYO's international business activities, 3) Various trade restrictions in the markets of individual countries, and 4) SANYO's ability to provide new technologies, new products and new services amid rapid technological innovation, market competition and price competition.

With respect to this forecast, please refer to "3. Qualitative Information on Forecast for Consolidated Business Results" in "Qualitative Information & Consolidated Financial Statements" for the forward-looking statements.

## **[Qualitative Information & Consolidated Financial Statements]**

### **1. Qualitative Information on Results of Operations**

#### **Overview for the nine months ended December 31, 2009 (from April 1, 2009 to December 31, 2009)**

During the nine months ended December 31, 2009, the economies of China and other Asian countries showed signs of recovery and the global economy also showed a mild upwards trend, however the future of the global economy remained uncertain, due to the negative effects caused by the financial crisis in the previous year.

In the Japanese economy, the harsh conditions continued; however, personal consumption showed some signs of improvement and reductions in capital investment showed signs of abating.

Meanwhile, based on the partially revised Mid-term Management Plan, SANYO promoted "Intensive Strengthening of Management Structure" by positioning fiscal 2010 as the year for the establishment of the foundation base for steady growth from the following fiscal year and going forward. SANYO has implemented structural reforms to ensure continuous future profitability in response to the unclear economic environment. The structural reforms primarily include further strengthening of the management structure of SANYO and shifting resources to business areas which are positioned for significant growth in the future. In addition, SANYO decided to establish an "energy solution business" to present "solutions for generating, storing and utilizing clean energy efficiently" and set up a new organization accordingly for further growth in the future.

#### **Overview of Consolidated Business Results**

For the nine months ended December 31, 2009, consolidated net sales decreased by 15.5% from the same period of the previous year to ¥1,211.6 billion. Within that total, domestic sales decreased by 8.5% from the same period of the previous year to ¥483.9 billion, while overseas sales decreased by 19.6% from the same period of the previous year to ¥727.7 billion.

In the Consumer business segment, sales of digital cameras and air conditioners decreased, primarily overseas. As a result, sales decreased by 12.7% from the same period of the previous year to ¥473.5 billion.

In the Commercial business segment, while sales of medical information systems increased, there was a decrease in the sales of commercial air conditioners. As a result, sales decreased by 19.5% from the same period of the previous year to ¥156.6 billion.

In the Component business segment, while sales of optical pickups and photovoltaic systems increased, decreases in sales of semiconductors and overseas sales of rechargeable batteries, resulted in an overall sales decrease of 15.8% from the same period of the previous year to ¥563.5 billion.

Operating income was ¥19.9 billion, a decrease of ¥10.9 billion from the same period of the previous year, mainly due to a decrease in sales. Due to expenditures related to washer/dryer product recalls and the cost of implementing the "Special Career Support Plan", income from continuing operations before taxes for the nine months ended December 31, 2009 resulted in a loss of ¥33.5 billion; a decrease of ¥31.0 billion from the same period of the previous year. Net income attributable to SANYO for the nine months ended December 31, 2009 realized a loss of ¥44.7 billion, a decrease of ¥63.1 billion from the same period of the previous year.

## **2. Qualitative Information on Financial Position**

### **<Assets>**

Total assets as of December 31, 2009 were ¥1,385.8 billion, an increase of ¥40.4 billion from the end of the previous fiscal year. This increase was mainly due to a ¥44.0 billion increase in time deposits and a ¥36.2 billion increase in notes receivable and accounts receivable, which were offset by a decrease in cash of ¥34.5 billion.

### **<Liabilities and SANYO Stockholders' Equity>**

Total liabilities as of December 31, 2009 were ¥1,255.4 billion, an increase of ¥81.6 billion from the end of the previous fiscal year. This increase was mainly due to a ¥126.7 billion increase in long-term debt from the end of the previous fiscal year, while the current portion of long-term debt decreased ¥46.1 billion from the end of the previous fiscal year.

Total SANYO stockholders' equity was ¥106.5 billion, a decrease of ¥39.9 billion from the end of the previous fiscal year. This decrease is due to a ¥44.7 billion increase in accumulated deficit from the end of the previous fiscal year. Accumulated other comprehensive loss decreased by ¥4.8 billion from the end of the previous fiscal year.

### **<Cash Flows>**

For the nine months ended December 31, 2009, net cash provided by operating activities amounted to ¥9.9 billion, net cash used in investing activities amounted to ¥70.6 billion, and net cash provided by financial activities amounted to ¥70.6 billion. With the effect of exchange rate changes, cash and cash equivalents as of December 31, 2009 were ¥229.0 billion, an increase of ¥9.6 billion from the end of the previous fiscal year.

## **3. Qualitative Information on the Forecast of the Consolidated Business Results**

The full-year consolidated business forecast for the fiscal year ending March 31, 2010 is as follows:

### Forecast for Consolidated Business Results

Net sales	¥1,600 billion ((9.6)% compared to the same period of the previous year)
Operating income	¥25 billion (202.1% compared to the same period of the previous year)
Loss from continuing operations, before taxes	¥(36) billion (-)
Net loss attributable to SANYO	¥(50) billion (-)

\* The forecasts above are based on assumptions deemed reasonable at the time they were prepared, actual results may differ significantly from forecasts. Actual results may be influenced by but not limited to the following factors: changes in the political and economic situation in a region, increases in materials prices and fluctuations in the foreign exchange markets.

## **4. Others**

(1) Changes in significant subsidiaries during the period (Changes in specified subsidiaries with a change in the consolidation scope)

None

(2) Adoption of simplified accounting or accounting used particularly for preparation of consolidated quarterly financial statement

None

(3) Changes in accounting principles, practices, and presentation of consolidated quarterly financial statements

### ***Adoption of FASB Statement No. 168***

In June 2009, the Financial Accounting Standards Board (FASB) issued Financial Accounting Standard (FAS) No. 168, "The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles - a replacement of FASB Statement No. 162" (FAS 168). FAS 168 prescribes the Accounting Standards Codification (ASC) as the single source of authoritative nongovernmental U.S. generally accepted accounting principles (GAAP), other than guidance issued by the U.S. Securities and Exchange Commission (SEC). FAS 168 is effective for interim and annual periods ending after September 15, 2009 and is required to be adopted by SANYO in the second quarter beginning on July 1, 2009. The adoption of FAS 168 did not have any impact on SANYO's consolidated results of operations and financial position. However, references to specific accounting standards in financial statements disclosure have been changed in accordance with the Codification.

### ***Adoption of ASC 810***

In December 2007, the FASB issued ASC 810 "Consolidation" (former FASB Statement No.160, "Noncontrolling Interests in Consolidated Financial Statements - an amendment to ARB No. 51." ASC 810 requires noncontrolling interests (previously referred to as minority interests in subsidiaries) to be reported as a component of equity. ASC 810 has been applied prospectively to all noncontrolling interests, including any that arose before the effective date, which became effective for SANYO from the first quarter of fiscal 2010 beginning on April 1, 2009. Accordingly, noncontrolling interests, which were previously referred to as minority interests in subsidiaries and presented between total liabilities and stockholders' equity on the consolidated balance sheets, are now treated as a separate component of equity. Based on this ¥25,150 million is posted therein. The adoption of ASC 810 also impacted certain captions previously used on the Consolidated Statement of Operations, largely identifying net income including noncontrolling interest and net income attributable to SANYO. The presentation and disclosure requirements have been adopted retrospectively and prior year amounts in the consolidated financial statements have been adjusted to conform with ASC 810.

### ***Changes in the depreciation method of property, plant and equipment, etc.***

Effective April 1, 2009, SANYO elected to change the depreciation method of major property, plant and equipment from the declining-balance method to the straight-line method. As a result of analysis made of capital investment plans, production output and sales, SANYO believes that this change provides better matching of costs and revenues over the assets' estimated useful lives. In addition, SANYO has also reviewed the useful life of property, plant and equipment. As a result, the useful life of assets has been reduced. In accordance with ASC 250 "Accounting Changes and Error Corrections (former FASB Statement No. 154, "Accounting Changes and Error Corrections - a replacement of APB Opinion No. 20 and FASB Statement No. 3"), a change in depreciation method and review of useful life is treated as a change in accounting estimate, without any restatement of prior period results. The effects of these changes for the consolidated results of operations for the nine months ended December 31, 2009 reduced both operating income and income from continuing operations, before taxes by ¥3,744 million.

**Comparative Consolidated Balance Sheets (Unaudited)**

(Millions of yen)

Item	As of December 31, 2009 (A)	As of March 31, 2009 (B)	Change (A - B)	Item	As of December 31, 2009 (A)	As of March 31, 2009 (B)	Change (A - B)
<b>(Assets)</b>				<b>(Liabilities)</b>			
<b>Current assets</b>				<b>Current liabilities</b>			
Cash	120,735	155,205	(34,470)	Short-term borrowings	53,093	57,195	(4,102)
Time deposits	108,237	64,188	44,049	Current portion of long-term debt	55,804	101,924	(46,120)
Notes and accounts receivable – Trade	320,976	284,806	36,170	Notes and accounts payable – Trade	290,362	243,761	46,601
Notes and accounts receivable – Affiliates	24,440	25,247	(807)	Notes and accounts payable – Affiliates	7,259	5,058	2,201
Allowance for doubtful – accounts	(6,356)	(7,508)	1,152	Notes and accounts payable – Construction	20,981	48,288	(27,307)
Inventories	247,040	254,474	(7,434)	Accrued income taxes	6,456	5,723	733
Deferred income taxes	5,294	6,220	(926)	Deposits received from employees	10,118	10,543	(425)
Assets held for sale	11,830	-	11,830	Liabilities held for sale	11,350	-	11,350
Others	46,573	47,113	(540)	Others	149,284	159,488	(10,204)
<b>Total current assets</b>	<b>878,769</b>	<b>829,745</b>	<b>49,024</b>	<b>Total current liabilities</b>	<b>604,707</b>	<b>631,980</b>	<b>(27,273)</b>
<b>Investment and advances</b>				<b>Long-term debt</b>	<b>432,015</b>	<b>305,272</b>	<b>126,743</b>
Affiliates	39,847	40,180	(333)	<b>Accrued pension and severance costs</b>	<b>205,419</b>	<b>222,305</b>	<b>(16,886)</b>
Securities and other investments	27,954	25,339	2,615	<b>Deferred income taxes</b>	<b>7,097</b>	<b>6,824</b>	<b>273</b>
<b>Total investment and advances</b>	<b>67,801</b>	<b>65,519</b>	<b>2,282</b>	<b>Others</b>	<b>6,161</b>	<b>7,418</b>	<b>(1,257)</b>
<b>Property, plant and equipment</b>				<b>Total liabilities</b>	<b>1,255,399</b>	<b>1,173,799</b>	<b>81,600</b>
Buildings	359,774	364,816	(5,042)	<b>(Equity)</b>			
Machinery and equipment	698,431	729,161	(30,730)	<b>SANYO stockholders' equity</b>			
Accumulated depreciation	(783,060)	(814,344)	31,284	Capital	322,242	322,242	-
Land	84,207	87,277	(3,070)	Additional paid-in capital	781,959	781,951	8
Construction in progress	14,471	26,703	(12,232)	Accumulated deficit	(747,154)	(702,409)	(44,745)
<b>Net property, plant and equipment</b>	<b>373,823</b>	<b>393,613</b>	<b>(19,790)</b>	Accumulated other comprehensive loss	(243,995)	(248,811)	4,816
Deferred income taxes	9,656	11,032	(1,376)	Treasury stock, at cost	(6,547)	(6,519)	(28)
Other assets	55,776	45,494	10,282	<b>Total SANYO stockholders' equity</b>	<b>106,505</b>	<b>146,454</b>	<b>(39,949)</b>
				<b>Noncontrolling interests</b>	<b>23,921</b>	<b>25,150</b>	<b>(1,229)</b>
				<b>Total equity</b>	<b>130,426</b>	<b>171,604</b>	<b>(41,178)</b>
<b>Total assets</b>	<b>1,385,825</b>	<b>1,345,403</b>	<b>40,422</b>	<b>Total liabilities and equity</b>	<b>1,385,825</b>	<b>1,345,403</b>	<b>40,422</b>

**Comparative Consolidated Statements of Operations (Unaudited)**

(Millions of yen)

Item	Nine Months Ended December 31, 2009 (A)		Nine Months Ended December 31, 2008 (B)		Change [Amount: A - B] Percentage of change [%: (A-B) / B]	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Net sales	1,211,553	100.0	1,434,178	100.0	(222,625)	(15.5)
Other operating revenue	50,340	4.2	54,910	3.8	(4,570)	(8.3)
Net sales and total operating revenue	1,261,893	104.2	1,489,088	103.8	(227,195)	(15.3)
Cost of sales	1,036,743	85.6	1,210,783	84.4	(174,040)	(14.4)
Selling, general and administrative	205,227	17.0	247,474	17.3	(42,247)	(17.1)
Operating income	19,923	1.6	30,831	2.1	(10,908)	(35.4)
Other income (expense):						
Interest and dividend income	1,723	0.2	3,042	0.2	(1,319)	--
Other income	12,453	1.0	16,664	1.2	(4,211)	--
Interest expense	(7,934)	(0.7)	(9,516)	(0.7)	1,582	--
Other expenses	(59,682)	(4.9)	(43,556)	(3.0)	(16,126)	--
<b>Loss from continuing operations, before taxes</b>	<b>(33,517)</b>	<b>(2.8)</b>	<b>(2,535)</b>	<b>(0.2)</b>	<b>(30,982)</b>	<b>--</b>
Provision for income taxes	10,716	0.9	7,547	0.5	3,169	42.0
<b>Loss from continuing operations</b>	<b>(44,233)</b>	<b>(3.7)</b>	<b>(10,082)</b>	<b>(0.7)</b>	<b>(34,151)</b>	<b>--</b>
Income from discontinued operations	--	--	31,557	2.2	(31,557)	--
Provision for income taxes	--	--	795	0.0	(795)	--
Income from discontinued operations, net of taxes	--	--	30,762	2.2	(30,762)	--
<b>Net income (loss) before allocation to noncontrolling interests</b>	<b>(44,233)</b>	<b>(3.7)</b>	<b>20,680</b>	<b>1.5</b>	<b>(64,913)</b>	<b>--</b>
Net income attributable to noncontrolling interests	509	0.0	2,359	0.2	(1,850)	--
<b>Net income (loss) attributable to SANYO</b>	<b>(44,742)</b>	<b>(3.7)</b>	<b>18,321</b>	<b>1.3</b>	<b>(63,063)</b>	<b>--</b>

**Comparative Consolidated Statements of Cash Flows (Unaudited)**

(Millions of yen)

Item	Nine Months Ended December 31, 2009	Nine Months Ended December 31, 2008
<b>I. Cash flows from operating activities</b>		
Net income (loss) before allocation to noncontrolling interests	(44,233)	20,680
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities		
Depreciation and amortization	51,465	61,449
Impairment loss on fixed assets	1,478	1,527
Decrease (increase) in notes and accounts receivable	(30,881)	20,010
Decrease (increase) in inventories	3,296	(41,390)
Increase (decrease) in notes and accounts payable	58,499	(1,055)
Other, net	(29,747)	(26,358)
<b>Net cash provided by operating activities</b>	<b>9,877</b>	<b>34,863</b>
<b>II. Cash flows from investing activities</b>		
Proceeds from sale of marketable securities and investment securities, net of payments for purchase	222	3,476
Payments for purchase of property, plant and equipment	(70,072)	(60,272)
Proceeds from sale of property, plant and equipment	1,290	5,999
Other, net	(2,046)	49,586
<b>Net cash used in investing activities</b>	<b>(70,606)</b>	<b>(1,211)</b>
<b>III. Cash flows from financing activities</b>		
Increase (decrease) in short-term borrowings	(8,222)	(15,631)
Increase (decrease) in long-term debt	79,373	(36,212)
Dividends paid	(500)	(761)
Other, net	(73)	337
<b>Net cash provided by (used in) financing activities</b>	<b>70,578</b>	<b>(52,267)</b>
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	<b>(714)</b>	<b>(11,148)</b>
<b>V. Cash and cash equivalents included in assets held for sale</b>	<b>(1,217)</b>	<b>-</b>
<b>VI. Net increase (decrease) in cash and cash equivalents</b>	<b>7,918</b>	<b>(29,763)</b>
. Cash and cash equivalents at beginning of the period	219,393	280,706
. Cash and cash equivalents of newly consolidated subsidiaries	1,661	-
. Cash and cash equivalents at end of the period	228,972	250,943



**Segment Information (Unaudited)**

(Millions of yen)

Item	Nine Months Ended December 31, 2009 (A)		Nine Months Ended December 31, 2008 (B)		Change [Amount: A - B] Percentage of change [%: (A-B) / B]		
	Amount	Percentage	Amount	Percentage	Amount	Percentage	
Net sales & other operating revenue	Consumer business segment	477,118	37.5	545,160	36.3	(68,042)	(12.5)
	Commercial business segment	157,051	12.3	195,472	13.0	(38,421)	(19.7)
	Component business segment	569,369	44.8	677,802	45.1	(108,433)	(16.0)
	Other business segment	68,783	5.4	84,095	5.6	(15,312)	(18.2)
	Total	1,272,321	100.0	1,502,529	100.0	(230,208)	(15.3)
	Corporate expenses and eliminations	(10,428)	--	(13,441)	--	3,013	--
	Consolidated	1,261,893	--	1,489,088	--	(227,195)	(15.3)
Operating income (loss)	Consumer business segment	12,870	31.0	654	1.3	12,216	--
	Commercial business segment	5,116	12.3	5,633	10.7	(517)	(9.2)
	Component business segment	25,534	61.5	45,756	87.2	(20,222)	(44.2)
	Other business segment	(1,972)	(4.8)	426	0.8	(2,398)	--
	Total	41,548	100.0	52,469	100.0	(10,921)	(20.8)
	Corporate expenses and eliminations	(21,625)	--	(21,638)	--	13	--
	Consolidated	19,923	--	30,831	--	(10,908)	(35.4)

(Notes) 1. The major products and services of each operating segment are as follows:

- Consumer business segment : Video equipment such as TVs and projectors, audio equipment, information and communication equipment such as digital cameras and navigation systems, home appliances such as refrigerators, air conditioners and washing machines
- Commercial business segment : Commercial equipment, such as refrigerated showcases and commercial air conditioners, and commercial kitchen equipment
- Component business segment : Semiconductors, electronic components, primary batteries, rechargeable batteries, PV systems, and other products
- Other business segment : Logistics business, maintenance service business, and others

2. Fundamental research and development expenses, and corporate expenses relating to administrative and management functions of SANYO head office are included in "corporate expenses and eliminations."
3. In accordance with ASC205 "Presentation of Financial Statements - Discontinued Operations" (previous SFAS No. 144), operating results from discontinued operations are excluded from the above segment information.

**Assumption for going concern**

None

**Significant changes in stockholders' equity**

None

**Comparative Net Sales by Business Segment (Unaudited)**

(Millions of yen)

Item	Nine Months Ended December 31, 2009 (A)		Nine Months Ended December 31, 2008 (B)		Change [Amount: A - B] Percentage of change [%: (A-B) / B]		
	Amount	Percentage	Amount	Percentage	Amount	Percentage	
Consumer business segment	473,546	39.1	542,732	37.8	(69,186)	(12.7)	
Commercial business segment	156,576	12.9	194,469	13.6	(37,893)	(19.5)	
Component business segment	563,521	46.5	669,411	46.7	(105,890)	(15.8)	
Other business segment	17,910	1.5	27,566	1.9	(9,656)	(35.0)	
Total	1,211,553	100.0	1,434,178	100.0	(222,625)	(15.5)	
Sales by area	Domestic sales	483,863	39.9	528,827	36.9	(44,964)	(8.5)
	Overseas sales	727,690	60.1	905,351	63.1	(177,661)	(19.6)

**Highlight of Consolidated Financial Results (Unaudited)**

(Millions of yen)

	<b>Nine Months Ended December 31, 2009 (A)</b>	Nine Months Ended December 31, 2008 (B)	Percentage of change [%: (A-B) / B]
Net sales	<b>1,211,553</b>	1,434,178	(15.5) %
Operating income	<b>19,923</b> * (1.6) %	30,831 * (2.1) %	(35.4) %
Loss from continuing operations, before taxes	<b>(33,517)</b> * (2.8) %	(2,535) * (0.2) %	--
Net income (loss) attributable to SANYO	<b>(44,742)</b> * (3.7) %	18,321 * (1.3) %	--
Net income (loss) per share attributable to SANYO	<b>¥(7.29)</b>	¥2.98	--

1. Our consolidated financial statements are prepared in accordance with U.S. GAAP.
2. Operating income (loss) and segment information are presented in accordance with Japanese GAAP.
3. Number of consolidated subsidiaries: 164, Equity method affiliates: 51
4. Value with asterisk indicates the percentage of net sales.

**Supplemental Financial Data for the Third Quarter  
(Nine Months) Ended December 31, 2009**

1. Consolidated Results of Operations
2. Business Segment
3. Non-operating Balance
4. Net Sales
  - (1) Sales by Product Category
  - (2) Sales by Area
  - (3) Sales of Major Products
5. Consolidated Balance Sheets
6. Consolidated Cash Flows
7. Supplemental Information

\* Amounts below one million yen are rounded off.

(Notice Related to Future Outlook)

All statements in this report, other than past factual matters, are future results projected in accordance with SANYO's present plans, outlooks and strategies, based on management judgments in light of information currently available. Therefore, SANYO cannot guarantee the accuracy and reliability of this information, and requests that you should not rely on this information alone.

There are various factors influencing business forecasts such as business risks and uncertainties. The principal factors that may cause changes in the forecasts include: 1) large changes in economic conditions and capital markets, as well as consumption changes in businesses SANYO engages in, 2) the effects on SANYO's international business activities of fluctuation in exchange rates between the yen and the U.S. dollar, as well as the yen and other currencies, 3) various trade restrictions in the markets of individual countries, and 4) SANYO's ability to provide new technologies, new products and new services amid rapid technological innovation, market competition and price competition. However, it should be noted that factors affecting SANYO's performance are not limited to those mentioned above; there are other factors that pose latent risks and uncertainties.

**1. Consolidated Results of Operations**

(Millions of Yen)

	Nine months ended Dec. 31			Third Quarter (Three months ended Dec. 31)			Fiscal year ended Mar. 31		
	2009 Actual	2008 Actual	Increase (Decrease)	2009 Actual	2008 Actual	Increase (Decrease)	2010 Forecast	2009 Actual	Increase (Decrease)
<b>Net sales</b>	1,211,553	1,434,178	(222,625)	427,549	427,519	30	1,600,000	1,770,656	(170,656)
<b>Operating income</b>	19,923	30,831	(10,908)	16,577	6,866	9,711	25,000	8,276	16,724
<b>Income (loss) from continuing operations, before taxes</b>	(33,517)	(2,535)	(30,982)	(2,898)	(11,210)	8,312	(36,000)	(113,748)	77,748
<b>Income (loss) from discontinued operations, net of taxes</b>	-	30,762	(30,762)	-	(37)	37	-	28,932	(28,932)
<b>Net income (loss) attributable to SANYO</b>	(44,742)	18,321	(63,063)	(7,384)	(14,327)	6,943	(50,000)	(93,226)	43,226
<b>Net income (loss) attributable to SANYO per share</b> (yen)	(7.29)	2.98	(10.27)	(1.20)	(2.33)	1.13	(8.14)	(15.18)	7.04

(Note) According to the accounting principles generally accepted in the U.S., "Net income" is changed to "Net income attributable to SANYO" from the fiscal year ending March 31, 2010.

**2. Business Segment**

(Millions of Yen)

		Nine months ended Dec. 31			Third Quarter (Three months ended Dec. 31)		
		2009 Actual	2008 Actual	Increase (Decrease)	2009 Actual	2008 Actual	Increase (Decrease)
<b>Net sales and operating revenues</b>	<b>Consumer</b>	477,118	545,160	(68,042)	169,458	170,601	(1,143)
	AV/Information and Communication Equipment	336,669	382,760	(46,091)	120,765	118,977	1,788
	Home Appliances	140,449	162,400	(21,951)	48,693	51,624	(2,931)
	<b>Commercial</b>	157,051	195,472	(38,421)	50,936	65,575	(14,639)
	<b>Component</b>	569,369	677,802	(108,433)	203,985	188,431	15,554
	Electronic Devices	152,643	204,082	(51,439)	53,457	54,921	(1,464)
	Batteries	322,880	387,586	(64,706)	113,820	110,863	2,957
	Others	93,846	86,134	7,712	36,708	22,647	14,061
	<b>Others</b>	68,783	84,095	(15,312)	24,134	26,377	(2,243)
	<b>Corporate expenses and Eliminations</b>	(10,428)	(13,441)	3,013	(2,981)	(4,769)	1,788
<b>Total</b>	1,261,893	1,489,088	(227,195)	445,532	446,215	(683)	
<b>Operating income (loss)</b>	<b>Consumer</b>	12,870	654	12,216	7,008	946	6,062
	AV/Information and Communication Equipment	10,115	3,760	6,355	4,507	1,369	3,138
	Home Appliances	2,755	(3,106)	5,861	2,501	(423)	2,924
	<b>Commercial</b>	5,116	5,633	(517)	1,682	3,015	(1,333)
	<b>Component</b>	25,534	45,756	(20,222)	14,383	9,574	4,809
	Electronic Devices	(5,483)	(8,347)	2,864	(2,812)	(6,073)	3,261
	Batteries	25,740	52,960	(27,220)	13,078	15,454	(2,376)
	Others	5,277	1,143	4,134	4,117	193	3,924
	<b>Others</b>	(1,972)	426	(2,398)	288	468	(180)
	<b>Corporate expenses and Eliminations</b>	(21,625)	(21,638)	13	(6,784)	(7,137)	353
<b>Total</b>	19,923	30,831	(10,908)	16,577	6,866	9,711	

**3. Non-operating Balance**

(Millions of Yen)

	Nine months ended Dec. 31			Third Quarter (Three months ended Dec. 31)		
	2009 Actual	2008 Actual	Increase (Decrease)	2009 Actual	2008 Actual	Increase (Decrease)
Financial balance	(6,211)	(6,474)	263	(2,050)	(2,286)	236
Exchange loss, net	(2,377)	(12,940)	10,563	(105)	(12,237)	12,132
Investment profit on equity method	748	1,125	(377)	376	312	64
Others, net	(45,600)	(15,077)	(30,523)	(17,696)	(3,865)	(13,831)
<b>Non-operating balance</b>	(53,440)	(33,366)	(20,074)	(19,475)	(18,076)	(1,399)

(Note) The following expenses are included among "Others, net" for nine months ended Dec.31, 2009 —  
 ¥ 14 billion of TOB-related expenses, ¥ 14 billion of product quality problem-related expenses and  
 ¥ 11 billion of the "Special Career Support Plan"-related expenses.

#### 4. Net Sales

##### (1) Sales by Product Category

(Millions of Yen)

	Nine months ended Dec. 31				Third Quarter (Three months ended Dec. 31)			
	2009 Actual	2008 Actual	Increase (Decrease)	%	2009 Actual	2008 Actual	Increase (Decrease)	%
<b>Consumer</b>	473,546	542,732	(69,186)	(12.7%)	167,848	168,269	(421)	(0.3%)
Domestic	218,363	236,390	(18,027)	(7.6%)	78,559	81,230	(2,671)	(3.3%)
Overseas	255,183	306,342	(51,159)	(16.7%)	89,289	87,039	2,250	2.6%
<b>Commercial</b>	156,576	194,469	(37,893)	(19.5%)	51,547	65,598	(14,051)	(21.4%)
Domestic	109,447	126,110	(16,663)	(13.2%)	36,146	42,068	(5,922)	(14.1%)
Overseas	47,129	68,359	(21,230)	(31.1%)	15,401	23,530	(8,129)	(34.5%)
<b>Component</b>	563,521	669,411	(105,890)	(15.8%)	201,621	185,748	15,873	8.5%
Domestic	141,053	140,532	521	0.4%	50,960	41,792	9,168	21.9%
Overseas	422,468	528,879	(106,411)	(20.1%)	150,661	143,956	6,705	4.7%
<b>Others</b>	17,910	27,566	(9,656)	(35.0%)	6,533	7,904	(1,371)	(17.3%)
Domestic	15,000	25,795	(10,795)	(41.8%)	5,460	7,117	(1,657)	(23.3%)
Overseas	2,910	1,771	1,139	64.3%	1,073	787	286	36.3%
<b>Total</b>	1,211,553	1,434,178	(222,625)	(15.5%)	427,549	427,519	30	0.0%
Domestic	483,863	528,827	(44,964)	(8.5%)	171,125	172,207	(1,082)	(0.6%)
Overseas	727,690	905,351	(177,661)	(19.6%)	256,424	255,312	1,112	0.4%

(Note) The amounts are sales of major products to outside customers, and do not include internal sales.

As such, amounts herein do not correspond to sales in Business Segment.

##### (2) Sales by Area

(Millions of Yen)

	Nine months ended Dec. 31				Third Quarter (Three months ended Dec. 31)			
	2009 Actual	2008 Actual	Increase (Decrease)	%	2009 Actual	2008 Actual	Increase (Decrease)	%
<b>Overseas Total</b>	727,690	905,351	(177,661)	(19.6%)	256,424	255,312	1,112	0.4%
North America	152,051	185,489	(33,438)	(18.0%)	50,812	53,199	(2,387)	(4.5%)
Europe	109,809	163,414	(53,605)	(32.8%)	37,307	46,254	(8,947)	(19.3%)
Asia	416,636	504,532	(87,896)	(17.4%)	148,519	140,344	8,175	5.8%
Others	49,194	51,916	(2,722)	(5.2%)	19,786	15,515	4,271	27.5%
<b>Domestic Total</b>	483,863	528,827	(44,964)	(8.5%)	171,125	172,207	(1,082)	(0.6%)
<b>Total</b>	1,211,553	1,434,178	(222,625)	(15.5%)	427,549	427,519	30	0.0%

## (3) Sales of Major Products

(Millions of Yen)

		Nine months ended Dec. 31				Third Quarter (Three months ended Dec. 31)				
		2009 Actual	2008 Actual	Increase (Decrease)	%	2009 Actual	2008 Actual	Increase (Decrease)	%	
<b>Consumer</b>	TVs	85,426	83,939	1,487	1.8%	30,254	25,663	4,591	17.9%	
		Domestic	3,640	5,421	(1,781)	(32.9%)	1,512	2,033	(521)	(25.6%)
		Overseas	81,786	78,518	3,268	4.2%	28,742	23,630	5,112	21.6%
	Projectors	33,129	38,820	(5,691)	(14.7%)	12,360	11,876	484	4.1%	
		Domestic	1,325	1,339	(14)	(1.0%)	444	409	35	8.6%
		Overseas	31,804	37,481	(5,677)	(15.1%)	11,916	11,467	449	3.9%
	Digital Cameras	117,065	152,362	(35,297)	(23.2%)	38,349	49,461	(11,112)	(22.5%)	
		Domestic	73,795	83,837	(10,042)	(12.0%)	23,722	29,475	(5,753)	(19.5%)
		Overseas	43,270	68,525	(25,255)	(36.9%)	14,627	19,986	(5,359)	(26.8%)
	Information Equipment	44,847	43,286	1,561	3.6%	18,527	13,036	5,491	42.1%	
		Domestic	41,028	35,461	5,567	15.7%	17,199	10,523	6,676	63.4%
		Overseas	3,819	7,825	(4,006)	(51.2%)	1,328	2,513	(1,185)	(47.2%)
	Refrigerators	30,507	31,307	(800)	(2.6%)	8,610	7,394	1,216	16.4%	
		Domestic	13,938	13,465	473	3.5%	3,535	3,422	113	3.3%
		Overseas	16,569	17,842	(1,273)	(7.1%)	5,075	3,972	1,103	27.8%
	Air Conditioners	19,457	27,763	(8,306)	(29.9%)	4,783	5,578	(795)	(14.3%)	
	Domestic	3,908	4,945	(1,037)	(21.0%)	788	949	(161)	(17.0%)	
	Overseas	15,549	22,818	(7,269)	(31.9%)	3,995	4,629	(634)	(13.7%)	
Washing Machines	28,578	29,385	(807)	(2.7%)	9,342	10,430	(1,088)	(10.4%)		
	Domestic	22,027	22,218	(191)	(0.9%)	6,943	8,327	(1,384)	(16.6%)	
	Overseas	6,551	7,167	(616)	(8.6%)	2,399	2,103	296	14.1%	
<b>Commercial</b>	Showcases	41,065	43,321	(2,256)	(5.2%)	11,640	14,639	(2,999)	(20.5%)	
		Domestic	26,314	27,041	(727)	(2.7%)	7,637	8,889	(1,252)	(14.1%)
		Overseas	14,751	16,280	(1,529)	(9.4%)	4,003	5,750	(1,747)	(30.4%)
	Commercial Air Conditioners	31,533	52,338	(20,805)	(39.8%)	9,728	17,163	(7,435)	(43.3%)	
		Domestic	16,045	20,595	(4,550)	(22.1%)	4,766	6,224	(1,458)	(23.4%)
		Overseas	15,488	31,743	(16,255)	(51.2%)	4,962	10,939	(5,977)	(54.6%)
	Commercial Kitchen Equipment	21,392	28,025	(6,633)	(23.7%)	6,139	10,038	(3,899)	(38.8%)	
		Domestic	20,402	25,524	(5,122)	(20.1%)	5,703	9,601	(3,898)	(40.6%)
	Overseas	990	2,501	(1,511)	(60.4%)	436	437	(1)	(0.2%)	
<b>Component</b>	Semiconductors	75,419	102,075	(26,656)	(26.1%)	26,280	26,069	211	0.8%	
		Domestic	28,100	39,684	(11,584)	(29.2%)	10,648	11,003	(355)	(3.2%)
		Overseas	47,319	62,391	(15,072)	(24.2%)	15,632	15,066	566	3.8%
	Electronic Components	65,671	82,076	(16,405)	(20.0%)	22,265	22,868	(603)	(2.6%)	
		Domestic	6,642	9,623	(2,981)	(31.0%)	2,578	3,142	(564)	(18.0%)
		Overseas	59,029	72,453	(13,424)	(18.5%)	19,687	19,726	(39)	(0.2%)
	Rechargeable Batteries	210,232	284,163	(73,931)	(26.0%)	71,343	79,053	(7,710)	(9.8%)	
		Domestic	42,955	49,300	(6,345)	(12.9%)	14,393	15,742	(1,349)	(8.6%)
		Overseas	167,277	234,863	(67,586)	(28.8%)	56,950	63,311	(6,361)	(10.0%)
	Photovoltaic Systems	73,601	67,238	6,363	9.5%	29,134	20,331	8,803	43.3%	
		Domestic	37,166	16,005	21,161	132.2%	15,157	5,600	9,557	170.7%
		Overseas	36,435	51,233	(14,798)	(28.9%)	13,977	14,731	(754)	(5.1%)
Optical Pickups	79,757	68,382	11,375	16.6%	31,389	16,334	15,055	92.2%		
	Domestic	2,318	4,329	(2,011)	(46.5%)	38	102	(64)	(62.7%)	
	Overseas	77,439	64,053	13,386	20.9%	31,351	16,232	15,119	93.1%	

**5. Consolidated Balance Sheets**

(Millions of Yen)

	As of Dec. 31, 2009	As of Mar. 31, 2009	Increase (Decrease)
Total assets	1,385,825	1,345,403	40,422
Stockholders' equity	106,505	146,454	(39,949)
Stockholders' equity ratio	7.7%	10.9%	(3.2point)
Inventories	247,040	254,474	(7,434)
Interest-bearing debt	527,494	447,939	79,555
Net interest-bearing debt	298,522	228,546	69,976
Debt equity ratio	5.0times	3.1times	1.9times
Stockholders' equity per share (yen)	17.34	(25.00)	42.34

(Note) "Stockholders' equity" presented herein is the same as "SANYO stockholders' equity" presented in the balance sheets.

**6. Consolidated Cash Flows**

(Millions of Yen)

	Nine months ended Dec. 31			Third Quarter (Three months ended Dec. 31)		
	2009 Actual	2008 Actual	Increase (Decrease)	2009 Actual	2008 Actual	Increase (Decrease)
Cash flows from operating activities	9,877	34,863	(24,986)	(12,548)	8,993	(21,541)
Cash flows from investing activities	(70,606)	(1,211)	(69,395)	(11,565)	(15,926)	4,361
Free cash flows	(60,729)	33,652	(94,381)	(24,113)	(6,933)	(17,180)
Cash flows from financing activities	70,578	(52,267)	122,845	1,577	(7,610)	9,187
Cash and cash equivalents at end of the period	228,972	250,943	(21,971)	228,972	250,943	(21,971)

**7. Supplemental Information**

(Millions of Yen)

	Nine months ended Dec. 31			Third Quarter (Three months ended Dec. 31)		
	2009 Actual	2008 Actual	Increase (Decrease)	2009 Actual	2008 Actual	Increase (Decrease)
Capital expenditure (excluding Intangibles)	41,261	63,660	(22,399)	19,847	17,834	2,013
For Batteries	23,856	32,749	(8,893)	14,144	8,907	5,237
For Electronic components	5,110	11,320	(6,210)	2,134	2,601	(467)
For Semiconductors	1,733	3,827	(2,094)	401	912	(511)
For Others	10,562	15,764	(5,202)	3,168	5,414	(2,246)
Depreciations (excluding Intangibles)	46,774	54,075	(7,301)	15,993	17,879	(1,886)
R&D expenses	45,722	58,017	(12,295)	15,430	19,611	(4,181)

	Nine months ended Dec. 31			Third Quarter (Three months ended Dec. 31)				
	2009 Actual	2008 Actual	Increase (Decrease)	2009 Actual	2008 Actual	Increase (Decrease)		
Exchange rate	U.S. Dollars	Average	94yen	103yen	(9yen)	90yen	96yen	(6yen)
		End of the period	92yen	91yen	1yen	92yen	91yen	1yen
	Euro	Average	133yen	151yen	(18yen)	133yen	127yen	6yen
		End of the period	132yen	128yen	4yen	132yen	128yen	4yen

	As of Dec. 31, 2009	As of Mar. 31, 2009	As of Dec. 31, 2008	Increase (Decrease)	
				Compared to Mar. 31, 2009	Compared to Dec. 31, 2008
Number of consolidated subsidiaries	164	176	183	(12)	(19)
Number of equity method affiliates	51	54	57	(3)	(6)
Number of employees	97,701	86,016	92,879	11,685	4,822
Domestic	27,528	28,292	29,385	(764)	(1,857)
Overseas	70,173	57,724	63,494	12,449	6,679