

FY 2003 Third Quarter Consolidated Financial Results

(April 1, 2003 to December 31, 2003)

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1. Items Relevant to Preparation of Quarterly Financial Results

Differences in the method of recognition between the accounting treatments applied here and those for the most recent consolidated full-year financial statements : Yes

- Standards used for preparing financial statements : The regulations covering interim consolidated financial statements
- Income tax reporting standard : Based on the simplified method

2. Financial Results for the nine months ended December 31, 2003

(1) Consolidated results of Operations (Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Nine months ended Dec.31,2003	108,024	7,808	5,482	3,597
FY 2002	146,070	10,491	7,188	4,002

	Net income per share	Fully diluted net income per share
Nine months ended Dec.31,2003	29.52 yen	-
FY 2002	31.96 yen	29.96 yen

Note : As disclosure of quarterly results has been made from the 1st quarter of FY 2003, results of the 3rd quarter in the previous year are not stated, and no comparison has been made with the 3rd quarter of the previous year.

[Qualitative Information with Respect to the Consolidated Operating Results]

Regarding consolidated results for the current 3rd quarter, net sales were 108,024 million yen, operating income was 7,808 million yen, ordinary income recorded 5,482 million yen and current net income reached 3,597 million yen, which ensured the level expected at the time of announcement of the forecast last November. Summary by segment is as follows.

Sales of semiconductor business reached 97,900 million yen. Out of which sales of semiconductor products were 79,103 million yen. While sales of products for audio-visual devices showed sluggish growth, CCFL for liquid crystal TVs achieved significant growth, and Allegro MicroSystems, Inc., our subsidiary, expanded sales of products for automotive electronic components, as a whole total sales have progressed steadily. Sales of switching mode power supplies (SMPS) reached 18,796 million yen to record firm sales along with the solid growth of AC adapters for notebook PCs and also due to the start of new products for plasma display TVs.

In the power supply equipment business, sales reached 10,124 million yen due to an increase in the receipt of orders for our core communications equipment power supplies for base stations of 3rd generation mobile phones.

(2) Consolidated Financial Position (Millions of yen)

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
As of Dec.31,2003	145,497	60,919	41.9 %	500.28 yen
FY 2002	148,745	58,251	39.2 %	477.87 yen

Note : As disclosure of quarterly results has been made from the 1st quarter of FY 2003, results of the 3rd quarter in the previous year are not stated, and no comparison has been made with the 3rd quarter of the previous year.

[Consolidated Results of Cash Flows]

(Millions of yen)

	Net cash provided by operating activities	Net cash used by investing activities	Net cash used by financing activities	Balance of cash and cash equivalents at the end of the quarter
Nine months ended Dec.31,2003	6,575	-4,868	-6,264	11,847
FY 2002	24,621	-4,266	-15,578	16,410

Note : As disclosure of quarterly results has been made from the 1st quarter of FY 2003, results of the 3rd quarter in the previous year are not stated, and no comparison has been made with the 3rd quarter of the previous year.

[Qualitative Information with Respect to the Consolidated Financial Position]

Balance of cash and cash equivalents at the end of the 3rd quarter amounted to 11,847 million yen.

Cash flow provided by operating activities amounted to 6,575 million yen due to profit improvement in SMPS operation despite the payment of corporate taxes.

Cash flow used in investment activities amounted to 4,868 million yen due to capital investment payments.

Cash flow used in financial activities amounted to 6,264 million yen due to repayment of interest-bearing debts and payment of dividends.

[Non-Consolidated Results of Operations (Reference only)]

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Nine months ended Dec.31,2003	82,543	4,126	3,022	1,663

	Total assets	Shareholders' equity
As of Dec.31,2003	115,615	61,281

3. FY 2003 Consolidated Financial Forecast (April 1, 2003 to March 31, 2004)

With regard to the forecast for the interim and full fiscal year, there is no change in the forecast figures announced on November 5, 2003 for both consolidated and non-consolidated business results.

Note for the use of our forecasted business results

The forecast described above is based upon information available as of the present time and assumptions we considered valid. Please be advised that there is a host of uncertain factors that could greatly impact actual performance, including global market conditions, competitive environment, the introduction of new products and their acceptance or lack thereof, fluctuations in foreign exchange rates, and the impact of fair-market-value accounting.

CONSOLIDATED BALANCE SHEETS(SUMMARY)

Millions of yen

	December 31 2003	March 31 2003
Assets		
Current assets:		
Cash and deposits	12,031	16,596
Notes and accounts receivable	38,144	35,099
Inventories	32,365	32,647
Other current assets	6,511	6,408
Total current assets	<u>89,053</u>	<u>90,752</u>
Fixed assets:		
Property, plant and equipment, net	45,838	48,563
Intangible assets	1,581	1,396
Investments and other assets	9,023	8,032
Total fixed assets	<u>56,443</u>	<u>57,992</u>
 Total assets	 <u>145,497</u>	 <u>148,745</u>
Liabilities		
Current liabilities:		
Notes and accounts payable	20,779	19,872
Short-term bank loans	10,628	10,804
Straight Bonds Current Portion	10,000	10,000
Commercial Paper	15,000	7,000
Other current liabilities	9,448	11,445
Total current liabilities	<u>65,856</u>	<u>59,121</u>
Long-term liabilities:		
Bonds and debentures	-	10,000
Long-term debt	9,948	13,933
Other long-term liabilities	8,426	7,261
Total long-term liabilities	<u>18,374</u>	<u>31,194</u>
Total liabilities	<u>84,230</u>	<u>90,316</u>
 Minority interests	 <u>347</u>	 <u>177</u>
Shareholders' equity		
Capital stock.....	20,896	20,896
Capital surplus	21,167	21,167
Retained earnings.....	24,050	21,002
Unrealized loss on securities.....	984	(105)
Translation adjustments.....	(2,823)	(1,506)
Treasury stock.....	(3,355)	(3,201)
Total shareholders' equity.....	<u>60,919</u>	<u>58,251</u>
 Total liabilities and shareholders' equity.....	 <u>145,497</u>	 <u>148,745</u>

CONSOLIDATED STATEMENTS OF INCOME(SUMMARY)

Millions of yen

	3rd Quarter FY 2003	FY 2002
Net sales.....	108,024	146,070
Cost of sales	84,049	114,404
Gross profit.....	23,975	31,666
Selling, general and administrative expenses	16,166	21,174
Operating income	7,808	10,491
Non-operating income.....	617	677
Non-operating expenses.....	2,943	3,980
Ordinary income.....	5,482	7,188
Extraordinary income	81	911
Extraordinary loss.....	40	2,527
Income before income taxes , minority interests	5,524	5,572
Income taxes	1,869	1,538
Minority interest in consolidated subsidiaries	57	31
Net income.....	3,597	4,002

CONSOLIDATED STATEMENTS OF CASH FLOWS(SUMMARY)

Millions of yen

	3rd Quarter FY 2003	FY 2002
Operating activities		
Income before income taxes and minority interests in earnings of affiliates	5,524	5,572
Depreciation and amortization	6,655	9,939
Decrease (increase) in notes and accounts receivable	(3,324)	(894)
(Increase) decrease in inventories	(350)	4,723
(Increase) decrease in notes and accounts payable	925	3,788
Other	529	553
Income taxes paid	(3,383)	(940)
Net cash provided by operating activities	6,575	24,621
Investing activities		
Purchases of property , plant and equipment	(4,997)	(6,013)
Proceeds from sales of property , plant and equipment	60	1,952
(Increase) decrease in investment securities	60	10
Increase (decrease) in Loan	9	16
Other	(1)	(231)
Net cash used by investing activities	(4,868)	(4,266)
Financing activities		
Increase (decrease) in short-term bank loans	1,845	(1,924)
(Decrease) increase in Commercial Paper.....	8,000	7,000
Proceeds from issuance of long-term bank loans	0	2,836
Repayment of long-term debt	(4,844)	(8,092)
Redemption of Convertible Bonds.....	(10,000)	(9,967)
Redemption of treasury stock	(154)	(4,133)
Cash dividends paid	(1,170)	(1,243)
Dividends paid to minority interests	(11)	(53)
Net cash used in financing activities	(6,264)	(15,578)
Effect of exchange rate changes on cash and cash equivalents	(135)	(418)
Net (decrease) increase in cash and cash equivalents	(4,692)	4,358
Cash and cash equivalents at beginning of the term	16,410	12,350
Decrease of beginning cash and cash equivalents balance due to change of fiscal period of a subsidiary	-	(298)
Increase of beginning cash and cash equivalents due to new entry of a subsidiary.....	129	-
Cash and cash equivalents at end of term	11,847	16,410

Segment Information

1. Segment information by business

This Term (April 1, 2003 to December 31, 2003)

Millions of yen

	Semicon- ductors	SMPSs	Power Supply Equipmen	Total	Eliminations or unallocated amounts	Consolidated
Sales						
(1) Third parties	79,103	18,796	10,124	108,024	-	108,024
(2) Intersegment	64	65	0	131	(131)	-
Total	79,168	18,862	10,124	108,155	(131)	108,024
Operating expenses	69,504	18,623	10,276	98,403	1,812	100,216
Operating income	9,664	239	(151)	9,752	(1,943)	7,808

Previous Term (April 1, 2002 to March 31, 2003)

Millions of yen

	Semicon- ductors	SMPSs	Power Supply Equipmen	Total	Eliminations or unallocated amounts	Consolidated
Sales						
(1) Third parties	106,622	24,716	14,731	146,070	-	146,070
(2) Intersegment	167	23	-	191	(191)	-
Total	106,790	24,739	14,731	146,261	(191)	146,070
Operating expenses	93,159	25,391	14,728	133,279	2,299	135,578
Operating income	13,630	(651)	3	12,982	(2,490)	10,491

2. Segment information by geographic area

This Term (April 1, 2003 to December 31, 2003)

Millions of yen

	Japan	Asia	North America	Europe	Total	Eliminations or unallocated amounts	Consolidated
Sales							
(1) Third parties	76,386	12,124	10,864	8,649	108,024	-	108,024
(2) Intersegment	7,537	10,181	8,315	250	26,283	(26,283)	-
Total	83,923	22,305	19,180	8,899	134,308	(26,283)	108,024
Operating expenses	77,885	21,584	17,286	8,528	125,284	(25,068)	100,216
Operating income	6,038	721	1,893	371	9,023	(1,215)	7,808

Previous Term (April 1, 2002 to March 31, 2003)

Millions of yen

	Japan	Asia	North America	Europe	Total	Eliminations or unallocated amounts	Consolidated
Sales							
(1) Third parties	101,492	17,523	15,940	11,113	146,070	-	146,070
(2) Intersegment	12,152	12,488	10,520	77	35,239	(35,239)	-
Total	113,645	30,012	26,461	11,190	181,309	(35,239)	146,070
Operating expenses	102,422	29,054	25,065	11,048	167,590	(32,011)	135,578
Operating income	11,223	958	1,395	141	13,718	(3,227)	10,491

3.Overseas Sales

This Term (April 1, 2003 to December 31, 2003)

Millions of yen

	Asia	North America	Europe	Other Regions	Total
Overseas sales	38,772	7,362	8,606	160	54,901
Consolidated sales					108,024
Ratio of overseas sales to consolidated sales (%)	35.9	6.8	8.0	0.1	50.8

Previous Term (April 1, 2002 to March 31, 2003)

Millions of yen

	Asia	North America	Europe	Other Regions	Total
Overseas sales	53,004	9,681	12,087	300	75,074
Consolidated sales					146,070
Ratio of overseas sales to consolidated sales (%)	36.3	6.6	8.3	0.2	51.4