



Date: May 10, 2017

To Whom It May Concern

Company Name: Sanken Electric Co., Ltd.  
Code No.: 6707 (the TSE, 1<sup>st</sup> Section)  
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### Notice of Difference between the Forecasted Consolidated Business Results and the Actual Business Results for the Fiscal and Distribution of Surplus (Resumed Dividend and Commemorative Dividend)

The Company hereby announces the details on the difference between its forecasted consolidated business results, which were announced on May 9, 2016, and actual business results which were announced today, for the fiscal year ended March 2017. The Company also announces that the Board of Directors meeting held today approved a decision to distribute dividends with a reference date of March 31, 2017.

#### 1. Difference between the Forecasted Consolidated Business Results and Actual Business Results for the Fiscal Year

##### (1) Difference between the Forecasted Consolidated Business Results and Actual Business Results for the Fiscal Year (from April 1, 2016 to March 31, 2017)

	Net Sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income per share
Previous forecast (A) (Announced on May 9, 2016)	(millions of yen) 156,000	(millions of yen) 7,000	(millions of yen) 5,500	(millions of yen) 2,500	(yen) 20.62
Actual results (B)	158,772	5,930	5,026	1,739	14.35
Change (B-A)	2,772	- 1,069	- 473	- 760	-
Ratio of change (%)	1.8%	- 15.3%	- 8.6%	-30.4%	-
<Reference> Results of the previous year (FY ended March 31, 2016)	155,919	6,803	3,791	171	1.41

##### (2) Reasons for the Difference

In the current consolidated fiscal year, sales of products for the telecommunication market and the new energy market were sluggish in the power systems segment. In the semiconductor devices segment, on the other hand, sales of products for white goods and automotive products increased favorably, leading to an increase in consolidated net sales as compared to the performance forecast. For income, however, consolidated operating income decreased mainly due to production adjustments in line with our efforts to improve the manufacturing process in Polar Semiconductor, LLC, a wafer factory, in addition to the aforementioned sluggish sales in power systems segment. The difference between the financial forecast and actual performance arose as a result, as mentioned above.

## 2. Distribution of retained earnings

### (1) Details of the Dividend

	Actual results	Previously announced forecast (Disclosed on May 9, 2016)	Actual results of the previous year (Year ended Mar. 31, 2016)
Record Date	Mar. 31, 2017	Same as left	Mar. 31, 2016
Dividend per Share	3yen 50sen (Ordinary; 3yen 00sen) (Commemorative; 0yen 50sen)	To Be Determined	0yen 00sen
Total Dividends Paid	424million yen	-	-
Effective Date	Jun. 26, 2017	-	-
Dividend Resource	Retained earnings	-	-

### (2) Reasons

The management of the Company has been placing distribution of profits to our shareholders as one of the most important corporate policies, and is committed to ensure a steady and stable stream of dividends through improvements in our profitability while securing the internal reserves necessary to develop businesses and strengthen a financial basis and an overall management foundation for the future.

For the business results of the current fiscal year, because non-operating income and expenses improved and extraordinary losses decreased as compared to the previous fiscal year, the individual non-consolidated net assets that would constitute the source of dividends increased. Based on the improved assumption, we have judged that we can resume dividends, in light of the outlook on future business conditions and other factors, while duly considering the securement of internal reserves as before.

As a result, we have set the year-end dividend for the current fiscal year of ¥3.00 per share. In commemoration of the 70th anniversary of our foundation celebrated last September, we decided to add a 70th anniversary commemorative dividend of ¥0.50. Combined with the ordinary dividend, we decided to resume dividends for the current fiscal year in the amount of ¥3.50 per share.

### (Reference) Breakdown of annual dividend per share

Record Date	Dividend per share		
	Interim	End of year	Annual
	Yen	Yen	Yen
Actual results of the previous year (Year ended March 31, 2016)	3.50	-	3.50
Actual results of this year (Year ended March 31, 2017)	-	3.50	3.50

The above description about future matters including financial forecast is based upon information available as of the present time and assumptions we considered valid. Due to various factors, our actual performance could greatly differ from the forecast.