

FY 2004 First Quarter Consolidated Financial Results

(April 1, 2004 to June 30, 2004)

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1. Items Relevant to Preparation of Quarterly Financial Results

Whether the simplified method is adopted in the accounting treatment : Yes

- Income tax reporting standard

2. Financial Results for the Quarter of FY 2004 (April 1, 2004 to June 30, 2004)

(1) Consolidated results of Operations

(Millions of yen)

| | Net sales | Operating income | Ordinary income | Net income |
|----------------------|-----------------|------------------|-----------------|---------------|
| FY 2004, 1st Quarter | 38,312 (10.9%) | 1,954 (13.2%) | 1,772 (30.3%) | 1,071 (61.4%) |
| FY 2003, 1st Quarter | 34,550 (-) | 1,726 (-) | 1,360 (-) | 663 (-) |
| FY 2003 | 147,176 (0.8%) | 11,687 (11.4%) | 8,627 (20.0%) | 5,784 (44.5%) |

| | Net income per share | Fully diluted net income per share |
|----------------------|----------------------|------------------------------------|
| FY 2004, 1st Quarter | 8.80 yen | - yen |
| FY 2003, 1st Quarter | 5.45 yen | - yen |
| FY 2003 | 47.07 yen | - yen |

Note: Indication of percentage of net sales and operating income, etc., shows the ratio of increase or decrease from the first quarter of the previous year.

[Qualitative Information with Respect to the Consolidated Operating Results]

Our consolidated business results for the current first quarter reported net sales of 38,312 million yen, operating income of 1,954 million yen, ordinary income of 1,772 million yen and net income of 1,071 million yen. The general condition by segment is as follows.

Sales of semiconductor business increased by 3,409 million yen (10.7%) from the first quarter of the previous year to 35,390 million yen. Out of which, sales of semiconductor products increased by 1,122 million yen (4.3%) from the first quarter of the previous year to 27,344 million yen. Sales of IC and discrete devices reported an increase in those for TVs and white goods home appliances, while sales for audio-visual products decreased. Allegro MicroSystems, Inc. made steady progress in products for automobiles and mobile phones. In the field of optical device products, CCFL has shown continued large growth both for liquid crystal TVs and notebook PCs. Sales of switching mode power supplies (SMPS) increased by 2,287 million yen (39.7%) from the first quarter of the previous year to 8,045 million yen. In addition to the steady increase in AC adapters for notebook PCs, a significant increase in products for new markets, including products for plasma display panels resulted in a large sales increase.

Sales of power supply equipment business increased by 353 million yen (13.8%) from the first quarter of the previous year to 2,922 million yen. While sales of power supply equipment for telecommunications equipment, our major product, dropped, Sanken L.D. Electric (Jiangyin) Co., Ltd. has contributed to sales gains.

(2) Consolidated Financial Position

(Millions of yen)

| | Total assets | Shareholders' equity | Shareholders' equity ratio | Shareholders' equity per share |
|----------------------|--------------|----------------------|----------------------------|--------------------------------|
| FY 2004, 1st Quarter | 141,682 | 63,887 | 45.1 % | 524.86 yen |
| FY 2003, 1st Quarter | 144,957 | 59,436 | 41.0 % | 487.70 yen |
| FY 2003 | 144,383 | 62,518 | 43.3 % | 513.56 yen |

[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 |
|----------------------|---|---------------------------------------|---------------------------------------|--|
| FY 2004, 1st Quarter | -908 | -2,242 | -1,431 | 13,405 |
| FY 2003, 1st Quarter | 912 | -1,575 | -3,129 | 12,761 |
| FY 2003 | 15,806 | -123 | -14,199 | 17,871 |

[Qualitative Information with Respect to the Consolidated Financial Position]

Balance of cash and cash equivalents at the end of the 1st quarter amounted to 13,405 million yen.

Cash flows used in operating activities amounted to 908 million yen, while profits increased, due to a lump-sum contribution to a pension fund reserve shortage of 3,327 million yen and payment of corporate tax, etc.

Cash flows used in investing activities amounted to 2,242 million yen due to capital investment payments.

Cash flows used in financing activities amounted to 1,431 million yen due to the payment of dividends, etc., in addition to continuous reduction of interest-bearing debts.

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

(Millions of yen)

| | Net sales | Operating income | Ordinary income | Net income |
|----------------------|-----------|------------------|-----------------|------------|
| FY 2004, 1st Quarter | 28,859 | 1,240 | 1,122 | 744 |

| | Total assets | Shareholders' equity |
|----------------------|--------------|----------------------|
| FY 2004, 1st Quarter | 116,092 | 63,045 |

3. FY 2004 Consolidated Financial Forecast (April 1, 2004 to March 31, 2005)

With regard to the forecast for the interim and full fiscal year, there is no change in the forecast figures announced on May 7, 2004 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

| | June 30 2004 | June 30 2003 | March 31 2004 |
|--|-----------------|-----------------|------------------|
| Assets | | | |
| Current assets: | | | |
| Cash and deposits | 13,722 | 12,948 | 18,165 |
| Notes and accounts receivable | 38,331 | 34,846 | 38,698 |
| Inventories | 33,436 | 33,243 | 32,306 |
| Other current assets | 5,350 | 6,247 | 5,684 |
| Total current assets | 90,840 | 87,286 | 94,855 |
| Fixed assets: | | | |
| Property, plant and equipment, net | 40,156 | 47,805 | 38,780 |
| Intangible assets | 1,526 | 1,748 | 1,558 |
| Investments and other assets | 9,158 | 8,116 | 9,189 |
| Total fixed assets | 50,841 | 57,671 | 49,528 |
| Total assets | 141,682 | 144,957 | 144,383 |
| Liabilities | | | |
| Current liabilities: | | | |
| Notes and accounts payable | 23,813 | 19,335 | 23,466 |
| Short-term bank loans | 8,629 | 11,074 | 8,627 |
| Straight Bonds Current Portion | - | 20,000 | 10,000 |
| Commercial Paper | 10,000 | 6,000 | - |
| Other current liabilities | 11,032 | 9,348 | 11,715 |
| Total current liabilities | 53,474 | 65,757 | 53,808 |
| Long-term liabilities: | | | |
| Bonds and debentures | 10,000 | - | 10,000 |
| Long-term debt | 8,462 | 12,028 | 9,041 |
| Other long-term liabilities | 5,598 | 7,577 | 8,776 |
| Total long-term liabilities | 24,060 | 19,605 | 27,818 |
| Total liabilities | 77,535 | 85,363 | 81,627 |
| Minority interests | 259 | 158 | 237 |
| Shareholders' equity | | | |
| Capital stock..... | 20,896 | 20,896 | 20,896 |
| Capital surplus | 21,167 | 21,167 | 21,167 |
| Retained earnings..... | 26,722 | 21,666 | 25,651 |
| Unrealized loss on securities..... | 1,129 | 268 | 1,172 |
| Translation adjustments..... | (2,604) | (1,334) | (2,961) |
| Treasury stock..... | (3,424) | (3,228) | (3,407) |
| Total shareholders' equity..... | 63,887 | 59,436 | 62,518 |
| Total liabilities and shareholders' equity..... | 141,682 | 144,957 | 144,383 |

CONSOLIDATED STATEMENTS OF INCOME(SUMMARY)

Millions of yen

| | 1st Quarter FY 2004 | 1st Quarter FY 2003 | FY 2003 |
|---|------------------------|------------------------|---------|
| Net sales..... | 38,312 | 34,550 | 147,176 |
| Cost of sales | 30,133 | 27,265 | 113,716 |
| Gross profit..... | 8,179 | 7,284 | 33,460 |
| Selling, general and administrative expenses | 6,225 | 5,557 | 21,772 |
| Operating income | 1,954 | 1,726 | 11,687 |
| Non-operating income..... | 390 | 257 | 856 |
| Non-operating expenses..... | 572 | 623 | 3,917 |
| Ordinary income..... | 1,772 | 1,360 | 8,627 |
| Extraordinary income | 151 | 12 | 274 |
| Extraordinary loss..... | 38 | 22 | 156 |
| Income before income taxes , minority interests | 1,885 | 1,351 | 8,745 |
| Income taxes | 787 | 686 | 2,864 |
| Minority interest in consolidated subsidiaries | 26 | 1 | 96 |
| Net income..... | 1,071 | 663 | 5,784 |

CONSOLIDATED STATEMENTS OF CASH FLOWS(SUMMARY)

Millions of yen

| | 1st Quarter FY 2004 | 1st Quarter FY 2003 | FY 2003 |
|--|------------------------|------------------------|-----------|
| Operating activities | | | |
| Income before income taxes and minority interests in earnings of affiliates | 1,885 | 1,351 | 8,745 |
| Depreciation and amortization | 1,646 | 2,169 | 8,852 |
| Decrease (increase) in notes and accounts receivable | 586 | 288 | (4,003) |
| (Increase) decrease in inventories | (864) | (561) | (435) |
| (Increase) decrease in notes and accounts payable | (34) | (581) | 3,783 |
| Other | (2,314) | 404 | 2,474 |
| Income taxes paid | (1,813) | (2,160) | (3,610) |
| Net cash provided by operating activities | (908) | 912 | 15,806 |
| Investing activities | | | |
| Purchases of property , plant and equipment | (2,310) | (1,668) | (8,439) |
| Proceeds from sales of property , plant and equipment | 9 | 60 | 8,589 |
| (Increase) decrease in investment securities | 208 | (4) | 244 |
| Increase (decrease) in Loan | 0 | 9 | (11) |
| Other | (149) | 28 | (505) |
| Net cash used by investing activities | (2,242) | (1,575) | (123) |
| Financing activities | | | |
| Increase (decrease) in short-term bank loans | 931 | 1,198 | 645 |
| (Decrease) increase in Commercial Paper..... | 10,000 | (1,000) | (7,000) |
| Proceeds from issuance of long-term bank loans | - | 0 | 56 |
| Repayment of long-term debt | (1,766) | (2,698) | (6,444) |
| Proceeds from bond issue | - | - | 10,000 |
| Expenditure from bond repayment | (10,000) | - | (10,000) |
| Income from issuance of shares to minority intersets | - | - | 70 |
| Redemption of treasury stock | (16) | (26) | (205) |
| Cash dividends paid | (548) | (547) | (1,222) |
| Dividends paid to minority interests | (30) | (55) | (99) |
| Net cash used in financing activities | (1,431) | (3,129) | (14,199) |
| Effect of exchange rate changes on cash and cash equivalents | 115 | 144 | (152) |
| Net (decrease) increase in cash and cash equivalents | (4,466) | (3,649) | 1,330 |
| Cash and cash equivalents at beginning of the term | 17,871 | 16,410 | 16,410 |
| Increase of beginning cash and cash equivalents due to new entry of a subsidiary..... | - | - | 129 |
| Cash and cash equivalents at end of term | 13,405 | 12,761 | 17,871 |

Segment Information

1. Segment information by business

This Term (April 1, 2004 to June 30, 2004)

Millions of yen

| | Semicon- ductors | SMPSs | Power Supply Equipmen | Total | Eliminations or unallocated amounts | Consolidated |
|--------------------|---------------------|-------|-----------------------------|--------|---|--------------|
| Sales | | | | | | |
| (1) Third parties | 27,344 | 8,045 | 2,922 | 38,312 | - | 38,312 |
| (2) Intersegment | 6 | 33 | 1 | 41 | (41) | - |
| Total | 27,351 | 8,078 | 2,924 | 38,354 | (41) | 38,312 |
| Operating expenses | 24,477 | 8,149 | 3,050 | 35,677 | 681 | 36,358 |
| Operating income | 2,873 | (70) | (126) | 2,676 | (722) | 1,954 |

Previous Term (April 1, 2003 to June 30, 2003)

Millions of yen

| | Semicon- ductors | SMPSs | Power Supply Equipmen | Total | Eliminations or unallocated amounts | Consolidated |
|--------------------|---------------------|-------|-----------------------------|--------|---|--------------|
| Sales | | | | | | |
| (1) Third parties | 26,222 | 5,758 | 2,569 | 34,550 | - | 34,550 |
| (2) Intersegment | 4 | 13 | - | 18 | (18) | - |
| Total | 26,227 | 5,771 | 2,569 | 34,568 | (18) | 34,550 |
| Operating expenses | 23,170 | 6,249 | 2,744 | 32,163 | 659 | 32,823 |
| Operating income | 3,057 | (477) | (174) | 2,404 | (677) | 1,726 |

Last Fiscal Year (April 1, 2003 to March 31, 2004)

Millions of yen

| | Semicon- ductors | SMPSs | Power Supply Equipmen | Total | Eliminations or unallocated amounts | Consolidated |
|--------------------|---------------------|--------|-----------------------------|---------|---|--------------|
| Sales | | | | | | |
| (1) Third parties | 106,544 | 26,329 | 14,302 | 147,176 | - | 147,176 |
| (2) Intersegment | 114 | 93 | 1 | 209 | (209) | - |
| Total | 106,658 | 26,423 | 14,303 | 147,385 | (209) | 147,176 |
| Operating expenses | 93,427 | 25,619 | 14,158 | 133,205 | (2,283) | 135,489 |
| Operating income | 13,231 | 804 | 144 | 14,180 | (2,492) | 11,687 |

2.Segment information by geographic area

This Term (April 1, 2004 to June 30, 2004)

Millions of yen

| | Japan | Asia | North America | Europe | Total | Eliminations or unallocated amounts | Consolidated |
|--------------------|--------|-------|---------------|--------|--------|-------------------------------------|--------------|
| Sales | | | | | | | |
| (1) Third parties | 26,586 | 4,619 | 4,068 | 3,038 | 38,312 | - | 38,312 |
| (2) Intersegment | 2,771 | 4,876 | 2,957 | 66 | 10,672 | (10,672) | - |
| Total | 29,358 | 9,495 | 7,025 | 3,105 | 48,985 | (10,672) | 38,312 |
| Operating expenses | 27,411 | 9,155 | 6,597 | 3,073 | 46,238 | (9,879) | 36,358 |
| Operating income | 1,946 | 340 | 428 | 31 | 2,746 | (792) | 1,954 |

Previous Term (April 1, 2003 to June 30, 2003)

Millions of yen

| | Japan | Asia | North America | Europe | Total | Eliminations or unallocated amounts | Consolidated |
|--------------------|--------|-------|---------------|--------|--------|-------------------------------------|--------------|
| Sales | | | | | | | |
| (1) Third parties | 24,081 | 3,606 | 3,896 | 2,964 | 34,550 | - | 34,550 |
| (2) Intersegment | 2,499 | 3,585 | 3,141 | 136 | 9,361 | (9,361) | - |
| Total | 26,580 | 7,191 | 7,038 | 3,101 | 43,911 | (9,361) | 34,550 |
| Operating expenses | 25,099 | 7,090 | 6,409 | 3,011 | 41,611 | (8,787) | 32,823 |
| Operating income | 1,481 | 101 | 628 | 89 | 2,300 | (574) | 1,726 |

Last Fiscal Year (April 1, 2003 to March 31, 2004)

Millions of yen

| | Japan | Asia | North America | Europe | Total | Eliminations or unallocated amounts | Consolidated |
|--------------------|---------|--------|---------------|--------|---------|-------------------------------------|--------------|
| Sales | | | | | | | |
| (1) Third parties | 104,417 | 16,601 | 14,438 | 11,719 | 147,176 | - | 147,176 |
| (2) Intersegment | 10,327 | 14,329 | 10,769 | 406 | 35,833 | (35,833) | - |
| Total | 114,744 | 30,931 | 25,208 | 12,125 | 183,010 | (35,833) | 147,176 |
| Operating expenses | 105,359 | 29,648 | 22,951 | 11,703 | 169,663 | (34,174) | 135,489 |
| Operating income | 9,384 | 1,283 | 2,256 | 422 | 13,346 | (1,659) | 11,687 |

3.Overseas Sales

This Term (April 1, 2004 to June 30, 2004)

Millions of yen

| | Asia | North America | Europe | Other Regions | Total |
|---|--------|---------------|--------|---------------|--------|
| Overseas sales | 13,941 | 2,408 | 3,038 | 125 | 19,514 |
| Consolidated sales | | | | | 38,312 |
| Ratio of overseas sales to consolidated sales (%) | 36.4 | 6.3 | 7.9 | 0.3 | 50.9 |

Previous Term (April 1, 2003 to June 30, 2003)

Millions of yen

| | Asia | North America | Europe | Other Regions | Total |
|---|--------|---------------|--------|---------------|--------|
| Overseas sales | 11,431 | 2,693 | 2,973 | 36 | 17,134 |
| Consolidated sales | | | | | 34,550 |
| Ratio of overseas sales to consolidated sales (%) | 33.1 | 7.8 | 8.6 | 0.1 | 49.6 |

Last Fiscal Year (April 1, 2003 to March 31, 2004)

Millions of yen

| | Asia | North America | Europe | Other Regions | Total |
|---|--------|---------------|--------|---------------|---------|
| Overseas sales | 52,550 | 9,675 | 11,590 | 329 | 74,145 |
| Consolidated sales | | | | | 147,176 |
| Ratio of overseas sales to consolidated sales (%) | 35.7 | 6.6 | 7.9 | 0.2 | 50.4 |