

FY 2005 Third Quarter Consolidated Financial Results

(April 1, 2005 to December 31, 2005)

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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 nine months ended December 31, 2005

(1) Consolidated Results of Operations

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income
Nine months ended Dec.31,2005	124,860 (7.4%)	7,087 (-6.7%)	7,207 (19.3%)	4,280 (9.6%)
Nine months ended Dec.31,2004	116,215 (7.6%)	7,598 (-2.7%)	6,039 (10.2%)	3,903 (8.5%)
FY 2004	156,216	12,082	9,948	6,682

	Net income per share	Fully diluted net income per share
Nine months ended Dec.31,2005	35.20 yen	- yen
Nine months ended Dec.31,2004	32.07 yen	- yen
FY 2004	54.50 yen	- yen

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

[Qualitative Information with Respect to the Consolidated Operating Results]

As for consolidated business results for the current third quarter(nine months ended Dec.31,2005), net sales were 124,860 million yen, operating income was 7,087 million yen, ordinary income was 7,207 million yen and quarterly net income was 4,280 million yen. In contrast to increase of net sales, operating income decreased by 6.7% from the same period of the previous year. This is mainly due to the effects of translation adjustments within the group in connection with a sharp depreciation in the yen at the end of the quarter. On the other hand, ordinary income increased by 19.3% from the same period of the previous year, due to decrease of non-operating expenses from the same period of the previous year, in addition to posting a income caused by above adjustments as non-operating income.

An outline of the business by segments is as follows.

Net sales of our semiconductor business were 116,040 million yen, which was an increase of 10,079 million yen (9.5%) from the same period of the previous year. Out of which net sales of semiconductor products were 92,818 million yen, an increase of 9,938 million yen (12.0%) from the same period of the previous year. Regarding CCFLs, sales increased to twice their amount as compared to the same period of the previous year and made great contributions to the expansion of this business, as demand for LCD TVs showed remarkable growth and production capacity was also enhanced. On the other hand, regarding semiconductor devices, our main products, demand for conventional types of audio-visual equipment continued to decrease, and sales saw sluggish growth, though sales for thin-type TVs and automobile electronic components showed steady growth since last summer. Net sales of SMPSSs were 23,221 million yen, an increase of 140 million yen (0.6%) from the same period of the previous year due to the growth of power supply units for plasma TVs in addition to the transfer of general-purpose compact size UPSs from the power supply equipment business, though sales of AC adapters decreased.

Regarding the power supply equipment business, net sales were 8,819 million yen, a decrease of 1,434 million yen(14.0%) from the same period of the previous year due to transfer of general-purpose compact size UPSs business to SMPSSs business in addition to net sales decrease of VVVF inverters in the Chinese market and customized UPSs.

For your information, if compared after reclassification of the business segment of the previous year with the revised segment, net sales of SMPSSs decreased by 1,087 million yen(4.5%), and net sales of the power supply equipment business decreased by 206 million yen(2.3%).

(2) Consolidated Financial Position

(Millions of yen)

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
As of Dec.31,2005	163,672	74,251	45.4 %	610.94 yen
As of Dec.31,2004	139,102	65,700	47.2 %	540.06 yen
FY 2004	140,917	68,121	48.3 %	560.07 yen

[Consolidated Results of Cash Flows]

(Millions of yen)

	Net cash provided by (used in) operating activities	Net cash used in investing activities	Net cash provided by (used in) financing activities	Balance of cash and cash equivalents at the end of the quarter
Nine months ended Dec.31,2005	5,988	(16,784)	9,058	10,003
Nine months ended Dec.31,2004	4,902	(9,226)	(4,393)	9,641
FY 2004	9,508	(11,010)	(5,725)	11,302

[Qualitative Information with Respect to the Consolidated Financial Position]

Balance of cash and cash equivalents at the end of the current third quarter(nine months ended Dec.31,2005) was 10,003 million yen.

Net cash provided by operating activities was 5,988 million yen as a result of an increase in profit and depreciation, although there was an increase in accounts receivable.

Net cash used in investing activities was 16,784 million yen as a result of strategic investments such as acquisition of a U. S. semiconductor manufacturing corporation in addition to capital investment for enhancement of production of CCFLs.

Net cash provided by financing activities was 9,058 million yen as a result of fund raising due to the issuance of commercial paper for the above strategic investments.

3. FY 2005 Consolidated Financial Forecast (April 1, 2005 to March 31, 2006)

With regard to the forecast for the interim and full fiscal year, there is no change in the forecast figures announced on November 7, 2005 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

	3rd Quarter FY 2005	3rd Quarter FY 2004	FY 2004
Assets			
Current assets:			
Cash and deposits	10,233	9,876	11,546
Notes and accounts receivable	46,697	38,359	39,327
Inventories	33,619	33,412	32,167
Other current assets	8,972	5,381	5,641
Total current assets	99,523	87,028	88,684
Fixed assets:			
Property, plant and equipment, net	48,431	42,629	42,826
Intangible assets	1,612	1,493	1,638
Investments and other assets	14,104	7,950	7,767
Total fixed assets	64,148	52,074	52,233
Total assets	163,672	139,102	140,917
Liabilities			
Current liabilities:			
Notes and accounts payable	25,703	23,166	22,264
Short-term bank loans	11,144	10,000	8,954
Commercial Paper	20,000	8,700	9,000
Other current liabilities	11,653	9,406	10,765
Total current liabilities	68,502	51,273	50,984
Long-term liabilities:			
Bonds and debentures	10,000	10,000	10,000
Long-term debt	3,343	5,789	5,429
Other long-term liabilities	7,230	5,965	6,150
Total long-term liabilities	20,574	21,754	21,580
Total liabilities	89,076	73,028	72,564
Minority interests	344	373	231
Shareholders' equity			
Capital stock	20,896	20,896	20,896
Capital surplus	21,169	21,167	21,167
Retained earnings	34,830	28,965	31,139
Unrealized loss on securities	1,983	1,066	1,037
Translation adjustments	(939)	(2,882)	(2,576)
Treasury stock	(3,689)	(3,513)	(3,542)
Total shareholders' equity	74,251	65,700	68,121
Total liabilities and shareholders' equity	163,672	139,102	140,917

CONSOLIDATED STATEMENTS OF INCOME(SUMMARY)

Millions of yen

	3rd Quarter FY 2005	3rd Quarter FY 2004	FY 2004
Net sales	124,860	116,215	156,216
Cost of sales	98,962	90,715	121,052
Gross profit	25,897	25,499	35,164
Selling, general and administrative expenses	18,810	17,900	23,081
Operating income	7,087	7,598	12,082
Non-operating income	1,787	630	970
Non-operating expenses	1,667	2,190	3,104
Ordinary income	<u>7,207</u>	<u>6,039</u>	<u>9,948</u>
Extraordinary income	<u>36</u>	<u>290</u>	<u>455</u>
Extraordinary loss	<u>436</u>	<u>69</u>	<u>212</u>
Income before income taxes , minority interests	6,808	6,260	10,191
Income taxes	2,457	2,230	3,357
Minority interest in consolidated subsidiaries	70	127	151
Net income	<u>4,280</u>	<u>3,903</u>	<u>6,682</u>

CONSOLIDATED STATEMENTS OF CASH FLOWS(SUMMARY)

Millions of yen

	3rd Quarter FY 2005	3rd Quarter FY 2004	FY 2004
Operating activities			
Income before income taxes and minority interests in earnings of affiliates	6,808	6,260	10,191
Depreciation and amortization	6,329	5,289	7,422
Decrease (increase) in notes and accounts receivable	(6,308)	1,475	795
(Increase) decrease in inventories	(249)	(871)	759
(Increase) decrease in notes and accounts payable	2,531	(1,772)	(2,983)
Other	(261)	(2,906)	(3,748)
Income taxes paid	(2,860)	(2,572)	(2,929)
Net cash provided by (used in) operating activities	5,988	4,902	9,508
Investing activities			
Purchases of property , plant and equipment	(9,805)	(9,393)	(11,437)
Proceeds from sales of property , plant and equipment	189	41	145
(Increase) decrease in investment securities	(4,706)	531	824
Increase (decrease) in Loan	(2,321)	(3)	0
Other	(140)	(402)	(542)
Net cash used in investing activities	(16,784)	(9,226)	(11,010)
Financing activities			
Increase (decrease) in short-term bank loans	2,637	1,714	948
(Decrease) increase in Commercial Paper	11,000	8,700	9,000
Proceeds from issuance of long-term bank loans	292	-	-
Repayment of long-term debt	(3,399)	(3,310)	(4,255)
Expenditure from bond repayment	-	(10,000)	(10,000)
Redemption of treasury stock	(145)	(106)	(135)
Cash dividends paid	(1,159)	(1,162)	(1,219)
Dividends paid to minority interests	(167)	(228)	(64)
Net cash provided by (used in) financing activities	9,058	(4,393)	(5,725)
Effect of exchange rate changes on cash and cash equivalents	244	193	277
Net (decrease) increase in cash and cash equivalents	(1,493)	(8,524)	(6,950)
Cash and cash equivalents at beginning of the term	11,302	17,871	17,871
Increase of beginning cash and cash equivalents due to new entry of a subsidiary	194	274	381
Cash and cash equivalents at end of term	10,003	9,641	11,302

Segment Information

1.Segment information by business

This Term (April 1, 2005 to December 31, 2005)

Millions of yen

	Semicon- ductors	SMPSs	Power Supply Equipment	Total	Eliminations or unallocated amounts	Consolidated
Sales						
(1) Third parties	92,818	23,221	8,819	124,860	-	124,860
(2) Intersegment	21	463	7	493	(493)	-
Total	92,840	23,685	8,827	125,353	(493)	124,860
Operating expenses	83,037	25,217	8,379	116,634	1,138	117,773
Operating income	9,803	(1,532)	447	8,718	(1,631)	7,087

Previous Term (April 1, 2004 to December 31, 2004)

Millions of yen

	Semicon- ductors	SMPSs	Power Supply Equipment	Total	Eliminations or unallocated amounts	Consolidated
Sales						
(1) Third parties	82,879	23,081	10,254	116,215	-	116,215
(2) Intersegment	48	159	3	211	(211)	-
Total	82,928	23,240	10,257	116,426	(211)	116,215
Operating expenses	73,764	22,826	10,213	106,804	1,811	108,616
Operating income	9,163	413	44	9,621	(2,022)	7,598

Last Fiscal Year (April 1, 2004 to March 31, 2005)

Millions of yen

	Semicon- ductors	SMPSs	Power Supply Equipment	Total	Eliminations or unallocated amounts	Consolidated
Sales						
(1) Third parties	111,926	29,550	14,739	156,216	-	156,216
(2) Intersegment	74	221	3	299	(299)	-
Total	112,001	29,771	14,742	156,516	(299)	156,216
Operating expenses	98,044	29,559	14,327	141,932	2,202	144,134
Operating income	13,956	212	414	14,583	(2,501)	12,082

2.Segment information by geographic area

This Term (April 1, 2005 to December 31, 2005)

Millions of yen

	Japan	Asia	North America	Europe	Total	Eliminations or unallocated amounts	Consolidated
Sales							
(1) Third parties	90,277	13,676	12,631	8,274	124,860	-	124,860
(2) Intersegment	7,851	20,577	10,642	68	39,139	(39,139)	-
Total	98,128	34,253	23,274	8,342	163,999	(39,139)	124,860
Operating expenses	90,392	34,465	21,456	8,765	155,079	(37,306)	117,773
Operating income	7,736	(211)	1,817	(422)	8,920	(1,832)	7,087

Previous Term (April 1, 2004 to December 31, 2004)

Millions of yen

	Japan	Asia	North America	Europe	Total	Eliminations or unallocated amounts	Consolidated
Sales							
(1) Third parties	81,418	14,921	11,490	8,385	116,215	-	116,215
(2) Intersegment	8,949	13,853	8,494	213	31,511	(31,511)	-
Total	90,368	28,774	19,985	8,599	147,727	(31,511)	116,215
Operating expenses	83,213	27,993	18,672	8,393	138,272	(29,656)	108,616
Operating income	7,154	781	1,312	205	9,454	(1,855)	7,598

Last Fiscal Year (April 1, 2004 to March 31, 2005)

Millions of yen

	Japan	Asia	North America	Europe	Total	Eliminations or unallocated amounts	Consolidated
Sales							
(1) Third parties	110,305	19,147	15,581	11,182	156,216	-	156,216
(2) Intersegment	11,568	19,036	11,726	281	42,612	(42,612)	-
Total	121,874	38,184	27,308	11,463	198,829	(42,612)	156,216
Operating expenses	110,325	37,645	25,292	11,195	184,459	(40,325)	144,134
Operating income	11,548	538	2,015	267	14,370	(2,287)	12,082

3.Overseas Sales

This Term (April 1, 2005 to December 31, 2005)

Millions of yen

	Asia	North America	Europe	Other Regions	Total
Overseas sales	54,252	8,076	8,361	108	70,798
Consolidated sales					124,860
Ratio of overseas sales to consolidated sales (%)	43.5	6.5	6.7	0.1	56.7

Previous Term (April 1, 2004 to December 31, 2004)

Millions of yen

	Asia	North America	Europe	Other Regions	Total
Overseas sales	46,800	7,377	8,220	173	62,572
Consolidated sales					116,215
Ratio of overseas sales to consolidated sales (%)	40.2	6.4	7.1	0.1	53.8

Last Fiscal Year (April 1, 2004 to March 31, 2005)

Millions of yen

	Asia	North America	Europe	Other Regions	Total
Overseas sales	61,951	9,935	11,109	191	83,188
Consolidated sales					156,216
Ratio of overseas sales to consolidated sales (%)	39.7	6.4	7.1	0.1	53.3