



Date: March 26, 2013

To Whom It May Concern

Company Name: Sanken Electric Co., Ltd
Code No.: 6707 (the TSE, 1st Section)
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Notice of Establishment of a Headquarters Company in North America and Change of Corporate Structure of Subsidiaries

Sanken Electric Co., Ltd. (the “Company”) hereby announces that at its meeting of Board of Directors held on March 26, 2013, it has been resolved to establish a headquarters company in North America and to change the corporate structure and name of its subsidiaries as follows.

1. Establishment of a Headquarters Company in North America

(1) Reasons for the Headquarters Company

- Allegro MicroSystems Inc. (“AMI”), a wholly owned subsidiary of the Company, began in 2002 outsourcing production of some of its wafers to the then-Polar Fab LLC (currently Polar Semiconductor Inc. (“PSI”), a wholly owned subsidiary of the Company) .
- AMI has increased its wafer production outsourced to PSI as sales of AMI increased and the production shift accelerated after the Company acquired PSI in 2005.
- As part of its medium- and long-term strategy, AMI terminated its production of six-inch wafers and transferred all of its production capacity to PSI’s eight-inch wafers production lines.
- PSI has been increasing in several phases its production capacity for eight-inch wafers in order to meet the wafer demands from the Company and AMI.
- In view of the ever closer operational ties between AMI and PSI mentioned above, there have been increasingly fewer management requirements to ask the two companies to form individual management strategies, judging from the viewpoint of the Company’s group-wide comprehensive strategy.
- In order to enhance management agility, raise efficiency and to facilitate swift decision-making in North America, the Company decided to establish a headquarters company with fully integrated functions of front-end process (wafer fabrication) of PSI and development, back-end process (assembly and test) and sales operations of AMI.

- (2) Corporate Name: Sanken North America, Inc.
- (3) Representative: Yoshihiro Suzuki, CEO (Concurrently Senior Corporate Officer and General Manager, Overseas Business Strategy Office of the Company)
- (4) Address: 115 Northeast Cutoff,
Worcester, MA 01606, U.S.A
(same address as the head office of AMI)
- (5) Date of Incorporation: March 30, 2013
- (6) Investments: US\$176 million (Contribution in kind of AMI and PSI shares)

- (7) Amount of Capital US\$10 million
(8) Shareholder: 100% wholly-owned by Sanken Electric Co., Ltd.
(9) Fiscal Year End: End of March

2. Change of Corporate Structure of the Subsidiaries

Since the Company establishes the headquarters company by contributing in kind of AMI and PSI shares, AMI and PSI both become subsidiaries of the newly incorporated headquarters company (i.e. sub-subsidiaries of the Company). Additionally, in order to further improve management efficiency in North America, the Company changes the corporate structure of the two sub-subsidiaries as follows.

(1) Outline of the Companies

- a. Current Corporate Name: Allegro MicroSystems Inc.
 Address: 115 Northeast Cutoff
 Worcester, MA 01606, U.S.A

 Representative: Dennis H. Fitzgerald, President and CEO
 Business: Development, manufacture and sale of semiconductor
 devices

 Capital: US\$250,000
- b. Current Corporate Name: Polar Semiconductor Inc.
 Address: 2800 East Old Shakopee Road
 Bloomington, MN 55425-1350, U.S.A.

 Representative: Yoshihiro Suzuki, President and CEO
 Business: Manufacture of semiconductor devices

 Capital: US\$10,000,000

(2) New Corporate Names

- a. Allegro MicroSystems LLC
b. Polar Semiconductor LLC

* The corporate name changes will take effect on March 30, 2013.

3. Impact on Business Results

The changes will have no material impact on the business results for the fiscal year ending March 31, 2013.