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DISCLOSED INFORMATION ON THE INTERNET AT THE TIME OF  
NOTIFYING CONVOCATION OF THE 102ND ORDINARY GENERAL  
MEETING OF SHAREHOLDERS

**For The 102<sup>nd</sup> Fiscal Term (from April 1, 2018 to March 31, 2019)**

CONSOLIDATED FINANCIAL STATEMENTS

- CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
- NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

- NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
- NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

**Sanken Electric Co., Ltd.**

All matters above are provided to shareholders of the Company on the website of the Company on the Internet (<https://www.sanken-ele.co.jp/>) in accordance with all laws and Article 16 of the Articles of incorporation of the Company.

Please note that the documents disclosed on our website formed part of the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Audit and Supervisory Board Members and Accounting Auditor during the preparation of the Audit Reports.

# CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(From April 1, 2018 to March 31, 2019)

(millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
<b>Balance at beginning of current period</b>	<b>20,896</b>	<b>26,003</b>	<b>16,964</b>	<b>(4,017)</b>	<b>59,846</b>
<b>Change of items during the period</b>					
Dividends of surplus			(727)		(727)
Profit attributable to owners of parent			3,967		3,967
Purchase of treasury stock				(6)	(6)
Disposal of treasury stock		(0)		0	0
Share-based payment transaction		211			211
Net change of items other than shareholders' equity					–
<b>Total changes of items during the period</b>	<b>–</b>	<b>211</b>	<b>3,240</b>	<b>(5)</b>	<b>3,445</b>
<b>Balance at the end of current period</b>	<b>20,896</b>	<b>26,214</b>	<b>20,204</b>	<b>(4,023)</b>	<b>63,292</b>

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
<b>Balance at beginning of current period</b>	<b>390</b>	<b>(909)</b>	<b>(3,991)</b>	<b>(4,510)</b>	<b>16,947</b>	<b>72,283</b>
<b>Change of items during the period</b>						
Dividends of surplus				–		(727)
Profit attributable to owners of parent				–		3,967
Purchase of treasury stock				–		(6)
Disposal of treasury stock				–		0
Share-based payment transaction				–		211
Net change of items other than shareholders' equity	(344)	1,121	(1,279)	(501)	3,314	2,812
<b>Total changes of items during the period</b>	<b>(344)</b>	<b>1,121</b>	<b>(1,279)</b>	<b>(501)</b>	<b>3,314</b>	<b>6,258</b>
<b>Balance at the end of current period</b>	<b>45</b>	<b>212</b>	<b>(5,270)</b>	<b>(5,012)</b>	<b>20,261</b>	<b>78,541</b>

Note: Figures less than one million are rounded down to the nearest million.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## Notes to Going Concern Assumption

Not applicable

## Notes to Significant Fundamental Matters in Preparing the Consolidated Financial Statements

### 1. Scope of Consolidation

(1) Number of consolidated majority-owned subsidiaries and other subsidiaries: 36

(2) Names of principal consolidated subsidiaries:

Ishikawa Sanken Co., Ltd., Yamagata Sanken Co., Ltd., Kashima Sanken Co., Ltd., Fukushima Sanken Co., Ltd., Sanken Optoproducts Co., Ltd., Sanken Densetsu Co., Ltd., Allegro Microsystems, Inc., Allegro MicroSystems, LLC, Polar Semiconductor, LLC, Korea Sanken Co., Ltd., P.T. Sanken Indonesia, Sanken Electric Singapore Pte. Ltd., Sanken L.D. Electric (Jiang Yin) Co., Ltd., Sanken Electric Hong Kong Co., Ltd., Sanken Electric Korea Co., Ltd., Taiwan Sanken Electric Co., Ltd., Sanken Electric (Shanghai) Co., Ltd., Dalian Sanken Electric Co., Ltd., etc.

2. Application of equity method

Not applicable

3. Fiscal term of consolidated majority-owned subsidiaries

The fiscal year ends on December 31 for the following consolidated subsidiaries:

Sanken L. D. Electric (Jiangyin) Co., Ltd.

Sanken Electric (Shanghai) Co., Ltd.

Dalian Sanken Electric Co., Ltd.

Dalian Sanken Trade Co., Ltd.

Allegro (Shanghai) Micro Electronics Commercial & Trading Co., Ltd

The financial statements of each company were prepared based on provisionary account settlement as of the consolidated fiscal year end.

4. Matters relating to Accounting Policies

(1) Standards and methods of valuing the significant assets

(i) Securities

Other securities

Securities with market value

Market value method based on the market price as of the end of the consolidated fiscal term.  
(Differences in valuation are included directly in net assets and costs of sold securities are calculated using the moving-average method.)

Securities without market value

Stated at cost using the moving-average method

(ii) Derivative transactions

Market value method

(iii) Inventories

Inventory held for the purpose of ordinary sales

Stated mainly at cost using the moving-average method

(The carrying amounts in the accompanying consolidated balance sheets are stated after reducing the book value according to the decreased profitability.)

(2) Depreciation methods for significant depreciable assets

(i) Tangible fixed assets (excluding lease assets)

Mainly adopts the straight-line method.

Useful lives of main asset are as follows:

Buildings and structures 8 to 60 years

Machinery and transportation equipment 3 to 12 years

(ii) Intangible assets (excluding lease assets)

Straight-line method

As for software (for in-house use), the straight-line method is used with a useful life of 5 or 10 years.

(iii) Lease assets

Lease assets arising from finance lease transactions in which ownerships is transferred

Depreciation shall be computed mainly by the same method applicable to the Company's fixed assets.

Lease assets arising from finance lease transactions in which ownership is not transferred  
Depreciation shall be computed by the straight-line method based on the assumptions that the useful life equals the lease term and the residual value equals zero.

- (3) Standards of accounting for significant allowances and accruals
- (i) Allowance for doubtful receivables  
Estimated uncollectible amounts are calculated using historical data for trade receivables and individually considering the probability of collection for doubtful receivables.
  - (ii) Accrued retirement benefits for directors and statutory auditors  
Accrued retirement benefits for directors and statutory auditors at the end of fiscal term are calculated based on the internal rules of some consolidated majority-owned domestic subsidiaries.
- (4) Other significant matters for the preparation of the consolidated financial statements
- (i) Accounting method for deferred assets  
Bond issuance cost is expensed as incurred.
  - (ii) Accounting method for retirement benefits  
Method for attributing retirement benefit estimates to periods  
When calculating retirement benefit obligations, the benefit formula basis serves as the main basis for attributing the retirement benefit estimates to the periods of up to the end of the current consolidated fiscal year.  
Method for allocating net unrecognized actuarial gain or loss and past service cost  
Net unrecognized actuarial gain or loss is amortized in the year following the year in which the gain or loss is recognized primarily by the declining-balance method over various periods (10 years through 18 years).  
Prior service cost is amortized in the year following the year in which the gain or loss is recognized primarily by the declining-balance method over various periods (10 years through 20 years) which do not exceed the average remaining service period of employees.  
Adoption of the simple method at small businesses, etc.  
Some consolidated subsidiaries adopt the simple method under which an amount of payment required for retirement benefits for personal reasons at the end of fiscal term is used as retirement benefit obligations when calculating net defined benefit liability and retirement benefit costs,.
  - (iii) Accounting method for consumption tax  
The tax exclusion method is adopted for consumption tax and local consumption tax.
  - (iv) Foreign currency translation  
All monetary assets and liabilities in denominated in foreign currencies are converted into Japanese yen at the exchange rates prevailing as of the consolidated fiscal term end, and the resulting gain or loss is credited or charged to income.  
The Majority-owned overseas consolidated subsidiaries' assets and liabilities are translated into Japanese yen at the exchange rate prevailing as of the end of the consolidated fiscal term. Revenues and expenses are translated into Japanese yen at the average exchange rate during the consolidated fiscal term, and translation differences are included in the translation adjustment account and non-controlling interests of net assets.
  - (v) Consolidated tax payment system  
The Company adopts the consolidated tax payment system.

### **Notes to changes in the accounting policies**

Change in the accounting policies

Not applicable

## Notes to changes in presentation

Effective from the current consolidated fiscal year, the Company has applied the “Ministerial Order for Partial Amendment to the Regulation for Enforcement of the Companies Act and the Regulation on Corporate Accounting” (Ministry of Justice Order No. 5; March 26, 2018) associated with the “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28; February 16, 2018). Accordingly, deferred tax assets are presented in the segment of investments and other assets, and deferred tax liabilities are presented in the segment of non-current liabilities.

## Notes to changes in accounting estimates

Not applicable

## Notes to error corrections

Not applicable

## Notes to the Consolidated Balance Sheet

### (1) Assets offered as collateral and collateralized liabilities

#### 1) Assets offered as collateral

Buildings	53 million yen
Other intangible assets	7 million yen
Total	61 million yen

#### 2) Collateralized liabilities

Short-term bank loans	49 million yen
Total	49 million yen

(2) Accumulated depreciation of tangible fixed assets 156,580 million yen

### (3) Accounting for notes matured at the end of the current consolidated fiscal year

Notes receivable - trade to be matured at the end of the current consolidated fiscal year (a holiday for financial institutions) of 107 million yen are accounted for as if they were settled on the same date.

## Notes to the Consolidated Statement of Changes in Net Assets

### (1) Shares issued and outstanding (shares)

Type of share	Balance at beginning of current consolidated year	Increase	Decrease	Balance at end of current consolidated year
Common stock	25,098,060	—	—	25,098,060

### (2) Treasury Stock (shares)

Type of share	Balance at beginning of current consolidated year	Increase	Decrease	Balance at end of current consolidated year
Common stock	863,123	2,252	60	865,315

(Note) Effective as of October 1, 2018, the Company carried out a share consolidation of common shares at a rate of one-for-five consolidation.

### (Summary of Reason for change)

Increase and decrease in treasury stock of common stock were due to purchase and disposal of less-than-a full-unit shares, respectively.

### (3) Dividends

#### (i) Amount to be paid

The amount of dividends to be paid for the current fiscal year is treated as if the amount was determined in advance at the end of the previous fiscal year.

Resolution	Class of share	Total amount (million yen)	Dividend per share (yen)	Record date	Effective date
Shareholders' Meeting held on June 22, 2018	Common stock	363	3.00	March 31, 2018	June 25, 2018
Board of Directors' Meeting held on November 5, 2018	Common stock	363	3.00	September 30, 2018	December 5, 2018

(Note) Effective as of October 1, 2018, the Company carried out a share consolidation of common shares at a rate of one-for-five consolidation. Accordingly, amount before the share consolidation is stated for "dividend per share".

#### (ii) Dividends of which the record dates fall in the current fiscal year but the effective dates fall after the end of the current fiscal year

Resolution	Class of share	Total amount (million yen)	Dividend per share (yen)	Record date	Effective date
Shareholders' Meeting held on June 21, 2019	Common stock	363	15.00	March 31, 2019	June 24, 2019

### (4) Stock Acquisition Rights

Not applicable

## Notes to Financial Instruments

### (1) Matters concerning the current situation of financial instruments

The Company Group raises funds necessary for capital investments, R&D, etc. by bond issues and bank loans. It manages temporary surplus funds through highly secured financial instruments, and also raises short-term operating funds by issuing commercial papers and bank loans. The Company Group follows a policy of using derivatives to hedge foreign currency exchange fluctuation risks and of avoiding any speculative dealings.

Customer credit risks related with notes receivable and accounts receivable — trade are reduced through measures taken in accordance with provisions of credit management regulations. Receivables denominated in foreign currencies are exposed to foreign currency exchange fluctuation risks. The Company Group hedges this risk mainly through the use of forward exchange contracts against positions after netting payables denominated in foreign currencies, in principle.

Investment securities are mainly the shares of corporations with which the Company Group has business relationships and therefore are exposed to the risk of market price fluctuations. The Company Group regularly monitors the fair value and financial positions, etc. of the issuing entities (business partners) and continuously reviews the holding status in consideration of its relationships with business partners.

Short-term bank loans and commercial papers are fundraising instruments that mainly pertain to operating funds, while long-term bank loans, bonds, and lease obligations under finance lease transactions are fundraising instruments necessary mainly for the purpose of capital investment. Some of them are on floating interest rates and therefore exposed to the risk of interest rate fluctuation. When borrowing a bank loan on a floating interest rate, the Company Group reduces the risk by limiting the loan term within three years in principle, monitoring the remaining term until the interest rate renewal date, monitoring the interest rate fluctuation trend, and responding in consideration of the balances between short-term loans and long-term loans or between fixed interest rates and floating interest rates.

With respect to derivative transactions, the financial division of the Company conducts transaction contracts, checks balances, and handles the accounting. A monthly report on the status of derivative transactions is prepared and submitted to the management meeting.

### (2) Matters concerning the fair value of financial instruments

The amount posted on the consolidated balance sheet, the fair value, and the differences between the two were as follows, as of March 31, 2019 (consolidated closing date for the current fiscal year). However, financial instruments for which the fair value is deemed to be extremely difficult to determine are not included in the following table. (See Note 2)

(Millions of yen)

	Amount posted on consolidated balance sheet (*1)	Fair value (*1)	Difference
(1) Cash and deposits	23,564	23,564	—
(2) Notes and accounts receivable — trade	33,586	33,586	—
(3) Investment securities			
Other securities	688	688	—
(4) Notes and accounts payable — trade	(18,075)	(18,075)	—
(5) Short-term bank loans	(12,991)	(12,991)	—
(6) Commercial paper	(11,000)	(11,000)	—
(7) Bonds payable	(35,000)	(35,188)	188
(8) Long-term bank loans (Including current portion long-term loans payable)	(12,501)	(12,714)	212
(9) Lease obligations	(71)	(70)	-1
(10) Derivative transactions (*2)	(250)	(250)	—

\*1: Amounts posted in liabilities are indicated in ( ).

\*2: Derivative transactions are indicated in net amounts after offsetting the receivables and payables.

Note 1: Calculation method for the fair value of financial instruments, and matters concerning securities and derivative transactions

- (1) Cash and deposits; and (2) Notes and accounts receivable — trade  
The fair value is approximately equal to the book value because both are settled in the short term. Therefore, the fair value is based on the book value.
- (3) Investment securities  
The fair value of stocks is based on the prices on the stock exchange.
- (4) Notes and accounts payable — trade; (5) Short-term bank loans; and (6) Commercial paper  
The fair value is approximately equal to the book value because both are settled in the short term. Therefore, the fair value is based on the book value.
- (7) Bonds payable  
The fair value of bonds issued by the Company is based on market prices.
- (8) Long-term bank loans  
With floating interest rate, the fair value of long-term bank loans is deemed to reflect market interest rates in the short term and is therefore deemed to be very similar to the book value. Accordingly, it is stated at book value. With fixed interest rate, the fair value of long-term bank loans is based on the present value of the total principal and interest discounted by the interest rate, assuming that the Company newly takes out the same bank loans.
- (9) Lease obligations  
The fair value of lease obligations is based on present value discounted by the interest rate, assuming that the Company newly initiates the same lease transaction.
- (10) Derivative transactions
  - (i) Not subject to hedge accounting  
The fair value of a derivative transaction not subject to hedge accounting is based on the price etc. presented by correspondent financial institutions.
  - (ii) Subject to hedge accounting  
Not applicable.

Note 2: The fair value of unlisted stocks (404 million yen on the consolidated balance sheet) is considered to be extremely difficult to calculate, as there are no market prices and no valuations of future cash flows. Therefore, these stocks are not included in “(3) Investment securities; Other securities.”

#### Notes to lease properties

Not applicable

#### Notes to per share information

(1) Net assets per share	2,405.01 yen
(2) Net income per share	163.70 yen

(Note) Net assets per share and net income per share are calculated, respectively, on the assumption that a share consolidation, which was in fact carried out in the current consolidated fiscal year, was carried out at the beginning of the current consolidated fiscal year.

#### Notes to important subsequent events

Not applicable

# NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(From April 1, 2018 to March 31, 2019)

(millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus		Retained earnings	
		Capital reserve	Other capital surplus	Other retained earnings	
				Reserve for advanced depreciation of fixed assets	Retained earnings carried forward
<b>Balance at beginning of the fiscal year</b>	<b>20,896</b>	<b>5,225</b>	<b>4,982</b>	<b>37</b>	<b>13,407</b>
<b>Change during the fiscal year</b>					
Dividends of surplus					(727)
Net loss					(3,528)
Acquisition of treasury stock					
Disposal of treasury stock			(0)		
Reversal of reserve for advanced depreciation of fixed assets				(1)	1
Net change in items other than shareholders' equity during the fiscal year					
<b>Total change during the fiscal year</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>(1)</b>	<b>(4,253)</b>
<b>Balance at end of the fiscal year</b>	<b>20,896</b>	<b>5,225</b>	<b>4,982</b>	<b>36</b>	<b>9,154</b>

	Shareholders' equity		Valuation and translation adjustments	Total net assets
	Treasury stock	Total shareholders' equity	Unrealized gain on securities	
<b>Balance at beginning of the fiscal year</b>	<b>(4,017)</b>	<b>40,532</b>	<b>387</b>	<b>40,920</b>
<b>Change during the fiscal year</b>				
Dividends of surplus		(727)		(727)
Net loss		(3,528)		(3,528)
Acquisition of treasury stock	(6)	(6)		(6)
Disposal of treasury stock	0	0		0
Reversal of reserve for advanced depreciation of fixed assets		-		-
Net change in items other than shareholders' equity during the fiscal year		-	(341)	(341)
<b>Total change during the fiscal year</b>	<b>(5)</b>	<b>(4,261)</b>	<b>(341)</b>	<b>(4,603)</b>
<b>Balance at end of the fiscal year</b>	<b>(4,023)</b>	<b>36,271</b>	<b>45</b>	<b>36,317</b>

Note: Figures less than one million are rounded down to the nearest million.



# NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

## Notes to Going Concern Assumption

Not applicable

## Notes to significant accounting policies

### 1. Standards and methods of valuing the assets

#### (1) Securities

Stocks of subsidiaries and affiliates ..... Stated at cost using the moving-average method

#### Other securities

Securities with market value ..... Market value method based on the closing market price as of the end of the fiscal term

Differences in valuation are included directly in net assets and costs of sold securities are calculated using the moving-average method.

Securities without market value ..... Stated at cost using the moving-average method

#### (2) Derivative transactions

Market value method

#### (3) Inventories

Inventories held for the purpose of ordinary sales

Stated mainly at cost using the moving-average method

(The carrying amounts in the accompanying non-consolidated balance sheets are stated after reducing the book value according to the decreased profitability.)

### 2. Depreciation methods for fixed assets

#### (1) Tangible fixed assets

(excluding lease assets) ..... Straight-line method

#### (2) Intangible assets

(excluding lease assets) ..... Straight-line method

As for software (for in-house use), the straight-line method is used with a useful life of 5 or 10 years.

(3) Lease assets ..... Lease assets arising from finance lease transactions in which ownership is not transferred

Depreciation shall be computed by the straight-line method based on the assumptions that the useful life equals the lease term and the residual value equals zero.

### 3. Standards of accounting for allowances and accruals

#### (1) Allowance for doubtful receivables

Estimated uncollectible amounts are calculated using historical data for trade receivables and individually considering the probability of collection for doubtful receivables.

#### (2) Accrued retirement benefits

Accrued employees' retirement benefits are calculated based on estimates of retirement benefit obligations and pension assets as of the end of the fiscal term.

##### (i) Method for attributing retirement benefit estimates to periods

When calculating retirement benefit obligations, the benefit formula basis serves as the main basis for attributing retirement benefit estimates to the periods of up to the end of the current fiscal. If pension assets to be recognized as of the end of the fiscal term exceed the amount of difference between retirement benefit obligations and net unrecognized actuarial gain or loss, the difference is recorded as prepaid pension cost in Investments and other assets.

(ii) Method for allocating net unrecognized actuarial gain or loss and past service cost

Net unrecognized actuarial gain or loss is amortized in the year following the year in which the gain or loss is recognized primarily by the declining-balance method over 14 years which is not more than the average remaining service term of employees.

Prior service cost is amortized in the year following the year in which the gain or loss is recognized primarily by the declining-balance method over 14 years which is not more than the average remaining service term of employees.

4. Other significant matters constituting basis for the preparation of the financial statements

(1) Accounting for retirement benefits

The accounting methods adopted for net unrecognized actuarial gain or loss and unrecognized past service cost relating to retirement benefits in the non-consolidated financial statements differ from those adopted in the consolidated financial statements.

(2) Accounting method for deferred assets

Bond issuance cost is expensed as incurred.

(3) Accounting method for consumption taxes

The tax exclusion method is adopted for consumption tax and local consumption tax.

**Notes to changes in the accounting policies**

Not applicable

**Notes to changes in presentation**

Effective from the current fiscal year, the Company has applied the “Ministerial Ordinance for Partial Amendment to the Regulation for Enforcement of the Companies Act and the Regulation on Corporate Accounting” (Ministry of Justice Order No. 5; March 26, 2018) associated with the “Partial Amendments to Accounting Standard for Tax Effect Accounting” (ASBJ Statement No. 28; February 16, 2018). Accordingly, deferred tax assets are presented in the segment of investments and other assets, and deferred tax liabilities are presented in the segment of long-term liabilities.

**Notes to changes in accounting estimates**

Not applicable

**Notes to error corrections**

Not applicable

**Additional information**

Not applicable

**Notes to balance sheet**

1. Accumulated depreciation of tangible fixed assets	23,786 million yen
2. Contingent liabilities	
The Company guarantees bank loans of the other companies and others.	
P.T. Sanken Indonesia	976 million yen
Sanken Electric Korea Co., Ltd.	1,026 million yen
Total	<u>2,003 million yen</u>
3. Receivables from, and payables to subsidiaries and affiliates:	
(1) Short-term receivables	33,795 million yen
(2) Short-term payables	11,959 million yen
(3) Long-term receivables	15,499 million yen

**Notes to statement of income**

1. Operating transactions with subsidiaries and affiliates	
(1) Net sales	26,136 million yen
(2) Purchases	96,151 million yen
(3) Raw materials, etc. provided	40,721 million yen
(4) Other operating transactions	1,362 million yen
2. Transactions with subsidiaries and affiliates other than operating transactions	1,094 million yen

**Notes to statement of changes in net assets**

Number of treasury stock as of the end of the fiscal term	common stock	865,315
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**Notes to accounting for income taxes**

Details of recognition of deferred tax assets and liabilities by principal causes

Deferred tax assets:	Tax loss carry forwards	10,003 million yen
	Loss on revaluation of securities of subsidiaries and affiliates	5,853 million yen
	Allowance for doubtful receivables	1,754 million yen
	Loss on revaluation of inventories	634 million yen
	Accrued bonuses	320 million yen
	Impairment loss	196 million yen
	Loss on liquidation of subsidiaries and affiliates	163 million yen
	Others	451 million yen
	Sub-total of deferred tax assets	<u>19,377 million yen</u>
	Valuation allowance	(18,763) million yen
	Total of deferred tax assets	<u>613 million yen</u>
Deferred tax liabilities:	Prepaid pension cost	(1,097) million yen
	Unrealized gain on securities	(19) million yen
	Others	(15) million yen
	Total of deferred tax liabilities	<u>(1,133) million yen</u>
	Net of deferred tax assets (liabilities)	<u>(520) million yen</u>

## Notes to transactions with affiliated parties

### Subsidiaries, etc.

Type	Name of Company, etc.	Location	Common stock or investments (millions of yen)	Field of business or occupation	Ownership of voting rights, etc. (Ownership percentage)	Details of relationship		Details of transaction	Amount of transaction (millions of yen)	Account	Balance as of the end of the fiscal term (millions of yen)
						Concurrently serving directors or audit and supervisory board members, etc.	Factual relationship				
Subsidiary	Ishikawa Sanken Co., Ltd.	Shika-machi, Hakui-gun, Ishikawa Prefecture	95	Semiconductor Device	Direct ownership 100%	Number of concurrently serving directors or audit and supervisory board members: 4	Manufacture of our products	Purchase of semiconductor products Onerous provision of raw materials	39,315 9,912	Accounts payable-trade Accounts receivable-other	— 2,273
	Fukushima Sanken Co., Ltd.	Nihonmatsu-shi, Fukushima Prefecture	50	Semiconductor Device	Direct ownership 100%	Number of concurrently serving directors or audit and supervisory board members: 3	Manufacture of our products	Purchase of semiconductor elements and products Onerous provision of raw materials	12,111 16,746	Accounts payable-trade Accounts receivable-other	— 7,751
	Korea Sanken Co., Ltd.	Changwon City, Korea	759,000 thousand won	Semiconductor Device	Direct ownership 100%	Number of concurrently serving directors or audit and supervisory board members: 1	Manufacture of our products	Lending of funds Receipt of interest	331 —	Loans receivable	5,248
	Dalian Sanken Electric Co., Ltd.	Dalian City, Liaoning, China	66,349 thousand RMB	Semiconductor Device Power Systems	Direct ownership 100%	Number of concurrently serving directors or audit and supervisory board members: 1	Manufacture of our products	Onerous provision of raw materials	4,139	Accounts receivable-other	2,093
	P.T. Sanken Indonesia	Bekasi, West Java, Indonesia	96,000 thousand US dollars	Power Systems	Direct ownership 100%	Number of concurrently serving directors or audit and supervisory board members: 1	Manufacture of our products	Implementation of debt equity swap	8,322	—	—
	Allegro MicroSystems, Inc.	Manchester, New Hampshire, USA	105 thousand US dollars	Semiconductor Device	Direct ownership 67.2%	Number of concurrently serving directors or audit and supervisory board members: 4	Manufacture of our products	Borrowing of funds Payment of interest	3,330 3	Loans payable Accrued expenses	3,330 3
	Allegro MicroSystems, LLC	Manchester, New Hampshire, USA	63,428 thousand US dollars	Semiconductor Device	Indirect ownership 67.2%	—	Manufacture of our products	Purchase of semiconductor products	13,114	Accounts payable-trade	1,916
	Sanken Electric Hong Kong Co., Ltd.	Hong Kong, China	1,000 thousand HK dollars	Semiconductor Device Power Systems	Direct ownership 100%	Number of concurrently serving directors or audit and supervisory board members: 1	Sale of our products	Sale of products	11,425	Accounts receivable-trade	2,868
Sanken Business Service Co., Ltd.	Niiza-shi, Saitama Prefecture	90	Business transaction services	Direct ownership 100%	—	Factoring transactions	Factoring transactions	19,061	Accounts payable-trade	4,619	

Notes: 1. The amount of factoring transactions include consumption tax.

2. Concurrently serving directors or audit and supervisory board members are presented as of March 31, 2019.

### Conditions of transactions and decision policies thereof

- The sale and purchase prices of our products are determined based on the market value as a reference.
- The onerous provision prices of raw materials are determined on the basis of the Company's estimated cost.
- As for the accounts payable-trade to Sanken Business Service Co., Ltd., basic agreement is entered into among the Company, supplier of the Company, and Sanken Business Service Co., Ltd., and the accounts are settled by way of factoring transactions.
- With respect to the lending and the borrowing of funds, interest rates are reasonably determined in consideration of market rates. With respect to the lending of funds to Korea Sanken Co., Ltd., interest payments are exempted for the purpose of assisting structural reforms.
- With respect to loans receivable from P.T. Sanken Indonesia, debt equity swap was carried out.
- With respect to doubtful receivables from subsidiaries, a total amount of 5,500 million yen is recorded as allowance for doubtful receivables.

### Notes to per share data

- Net assets per share 1,498.69 yen
- Net loss per share 145.59 yen

(Note) Net assets per share and net loss per share are calculated, respectively, on the assumption that a share consolidation, which was in fact carried out in the current fiscal year, was carried out at the beginning of the current fiscal year.

**Notes to important subsequent events**

Not applicable

**Notes to the company adopting the dividend regulations on a consolidated basis**

The Company adopted the dividend regulations on a consolidated basis.