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Securities Code: 6707
June 7, 2016

To Those Shareholders with Voting Rights

Takashi Wada
President
Sanken Electric Co., Ltd.
6-3, Kitano 3-chome, Niiza-shi,
Saitama Prefecture

NOTICE OF CONVOCATION OF THE 99TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

You are cordially invited to attend the 99th Ordinary General Meeting of Shareholders. The meeting will be held as described below.
If you are unable to attend the meeting, you can exercise your voting rights by mail or via the Internet through either of the methods described on the next page. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m., Thursday, June 23, 2016.

Notice

1. **Date and Time:** 10:00 a.m., Friday, June 24, 2016

2. **Place:** The Company's Head Office
6-3, Kitano 3-chome, Niiza-shi, Saitama Prefecture

3. **Agenda of the Meeting:**

Matters to be reported:

1. The Business Report, the Consolidated Financial Statements and results of the audit on the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Board for the 99th Fiscal Term (from April 1, 2015 to March 31, 2016)

2. The Non-Consolidated Financial Statements for the 99th Fiscal Term (from April 1, 2015 to March 31, 2016)

Proposals to be resolved:

Proposal No. 1: Election of Eight Directors

Proposal No. 2: Election of One Audit and Supervisory Board Member

- If the Business Report, the Consolidated Financial Statements, the Non-Consolidated Financial Statements and the Reference Documents for the General Meeting of Shareholders are amended, the amended items will be disclosed on our website (http://www.sanken-ele.co.jp/).
- The CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS and NOTES TO CONSOLIDATED FINANCIAL STATEMENTS and the NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS and NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS are disclosed on our website (http://www.sanken-ele.co.jp/) in accordance with laws and regulations and the provisions of Article 16 of the Articles of Incorporation of the Company. Therefore, they are not stated in the Attached Documents provided with this Notice.

Method for Exercising Your Voting Rights

Voting rights for the General Meeting of Shareholders are valuable rights for the shareholders.
Please review the Reference Documents for the General Meeting of Shareholders (Pages 27 to 32) and exercise your voting rights.

- **In case you attend the meeting in person:**
  Please present the enclosed Voting Rights Exercise Form to the receptionist.
  Please note that proxies who are not shareholders, persons accompanying shareholders, and any other persons with no voting rights are not allowed to enter the place of the General Meeting of Shareholders. For the purpose of resource saving, you are also requested to bring this Notice as a meeting material when you attend the meeting.

- **In case you vote in writing by postal mail:**
  Please return the Voting Rights Exercise Form with your vote by postal mail. The completed form must reach us by the deadline as below:
  Deadline: 5:00 p.m., Thursday, June 23, 2016

- **In case you vote via the Internet:**
  Please access our website (http://www.web54.net) from your PC or smart phone, enter the code for the exercise of voting rights and the temporary password on the Voting Rights Exercise Form, and register your approval or disapproval for each proposal by following the instructions on the screen.
  Deadline: 5:00 p.m., Thursday, June 23, 2016
  (Please refer to "A Guide for the Exercise of Your Voting Rights via the Internet" on page 33.)

If you exercise your voting rights by two different methods, that is, via the Internet as well as by postal mail, the votes via the Internet shall be deemed to be valid. If you exercise your voting rights via the Internet more than once, your final votes shall be deemed to be valid.

For Institutional Investors: The Electronic Voting Platform for Institutional Investors operated by Investor Communications Japan Inc. is available for Institutional Investors that have applied to use such platform in advance.

Attached Documents

BUSINESS REPORT

(from April 1, 2015 to March 31, 2016)

1. Current Status of the Company

(1) Review of Operations

The global economy remained on a moderate recovery trend as a whole during the first half of the current consolidated fiscal year. The US economy continued to expand on the back of increased job opportunities and favorable personal consumption associated therewith; the European economy also gradually recovered as personal consumption continuously improved; the Chinese economy progressed favorably thanks to a steady increase in consumption in spite of the growing trend of economic slowdown. A host of concerns developed, however, from the second half of the current consolidated fiscal year onward, such as the advancing trend of overall economic slowdown in emerging countries and resource-rich countries resulting mainly from the effects of declining crude oil prices, and the further rising of geopolitical risks in Europe and the Middle East such as terrorist acts and the refugee issue. The Japanese economy lacked strength due to sluggish consumer sentiment although the employment trend held steady. In the electronics market the Company mainly services with its products, sales of electronic parts for automotive products remained firm mainly as a consequence of increased sales, etc. of automobiles in North America and Europe, while sales in markets for office equipment and industrial machinery slumped. Sales in the white goods market were also sluggish, mainly due to the stagnant Chinese economy and inventory adjustments for air conditioners, etc.

Under these circumstances we set out a basic policy stressing “Increase sales in strategic market” and “Generate cash flows by achieving optimal manufacturing.” We strove to increase sales by entering into growing markets with reinforced sales initiatives and developing new products in a timely manner, worked toward optimal and efficient production by taking advantage of the new Sanken ERP system launched in the current consolidated fiscal year, and focused on financial improvements by curtailing fixed costs.

For the business results of the consolidated fiscal year, consolidated net sales were ¥155,919 million, a decrease of ¥4,804 million (3.0%) compared to the previous fiscal year. These results were a consequence of lower sales levels in the semiconductor devices segment versus the previous fiscal year mainly due to the sluggish Chinese market, as well as a sales decline in the power systems segment on the impact of contracted capital investments for mobile phone base-stations. For income, the amounts were considerably decreased. The declines in income were attributable to decreased income linked to decreased net sales, lower factory utilization ratios at subsidiaries linked to inventory reductions, decreased income associated with the defective processing of wafers due to contaminated chemicals purchased, disposal costs for defective wafers, and the posting of extraordinary losses arising from various structural reforms in the Group. As a result, we recorded consolidated operating income of ¥6,803 million, a decrease of ¥4,396 million (39.3%) compared to the previous fiscal year, consolidated ordinary income of ¥3,791 million, a decrease of ¥6,542 million (63.3%), and net income attributable to owners of the parent company of ¥171 million, a decrease of ¥7,770 million (97.8%) compared to the previous fiscal year.

Overview of the Business Segments

Semiconductor Device Business

In this segment, sales of automotive products increased, as compared to the previous year, partly due to the effect of an additional amount in sales boosted by the weaker yen. However, sales of products for white goods such as air conditioners, products for office equipment, industrial machinery and TVs and audio products decreased. As a result, consolidated net sales for this segment were ¥125,117 million, a decrease of ¥1,431 million (1.1%) as compared to the previous fiscal year. For income, consolidated operating income was ¥9,247 million, including ¥700 million derived from the effect of the weaker yen, a decrease of ¥3,489 million (27.4%) as compared to the previous fiscal year. These results were attributable to factors such as sluggish sales, decreased income stemming from the contamination of chemicals purchased, and the increase in expenses related to the new Sanken ERP system and the Allegro Plant in Thailand.

Power Modules

In this segment, sales of products for printers for offices decreased, sales of industrial machinery mostly stayed unchanged from the previous year, while sales of adapters mainly for TVs expanded. As a result,

consolidated net sales for this segment were ¥15,922 million, an increase of ¥367 million (2.4%) as compared to the previous fiscal year. For income, we have redoubled our emphasis on strategically focused markets mainly by increasing sales in automotive and industrial machinery markets and have promoted structural reforms in business such as reduced production costs. These efforts, however, were insufficient to compensate for deteriorating cost rate linked to the increased number of unprofitable products and the overall drops in sales prices. As a result, we were forced to record consolidated operating loss of ¥973 million (a consolidated operating loss of ¥594 million in the previous fiscal year).

Power Supplies

Sales in this segment remained sluggish, chiefly due to decreased sales of the power-supply units for telecommunication facilities associated with contracted corporate investments mainly for mobile phone stations, while sales in the new energy sector on which we focus as a growing market increased. As a result, consolidated net sales were ¥14,879 million, a decrease of ¥3,739 million (20.1%) as compared to the previous fiscal year. For income, consolidated operating income was ¥973 million, a decrease of ¥353 million (26.6%) as compared to the previous fiscal year.

Consolidated Sales by Segment

Category	98th Term (Year ended March 31, 2015)	Percentage of total	99th Term (Year ended March 31, 2016)	Percentage of total
Semiconductor Device Business	(millions of yen) 126,549	% 78.7	(millions of yen) 125,117	% 80.3
PM Business	15,555	9.7	15,922	10.2
PS Business	18,619	11.6	14,879	9.5
Total	160,724	100.0	155,919	100.0

(2) Capital Investment

Capital investment of the current consolidated fiscal year amounted to 10,411 million yen. This mainly consisted of investment for the purpose of expanding the semiconductor device production capacity of subsidiaries such as Ishikawa Sanken Co., Ltd., Allegro MicroSystems, LLC, and Polar Semiconductor, LLC.

(3) Financing

In order to appropriate funds for some portion of the redemption of commercial paper, the Company procured 30,000 million yen in total during the fiscal term under review by issuing the 9th Unsecured Bond and 10th Unsecured Bond.

(4) Issues to be Addressed

Looking into the future of the global economy, we expect that the US economy will remain stable thanks to rising personal consumption and stronger private-sector housing investment mainly stemming from improved employment, though uncertainty about the future US economy still persists due to the adjustment of its interest hike timing in consideration of the global economy. The economic recoveries in Europe and Japan were sluggish, while a growing mood of economic decline increased uncertainty about the future of the economy in China in spite of the introduction of the economic stimulus policies. In the markets the Company mainly services with its products, the sales volume of automobiles is expected to increase steadily in the US and Europe and the sales of white goods are projected to increase in emerging countries. Demand for the relevant electronic parts is likely to increase steadily as a result. Meanwhile, products for industrial machinery, TVs and audio products may face sluggish demand due to overall uncertainty about the expansion of the world economy.

Under these circumstances, the Company sets out a basic policy stressing “Focus on growing markets” and “Enhance financial performance” in the second year of the “2015 Mid-term Business Plan.” In order to promptly settle the issues facing each business segment, the Company positions the following items as priority measures and is striving to achieve the targets set for those measures.

< Semiconductor devices business>

・Promote marketing activities, and carry out product strategy and sales strategy in the strategic markets
・Increase sales by actively launching new products and expanding sales through the horizontal development of existing products
・Release power processes and establish core assembly technologies
・Reform profit structure, curtail fixed costs, and improve productivity
・Re-establish and strengthen manufacturing capabilities through design to production
・Withdraw unprofitable products, and allocate resources to growing fields
・Promote inventory reduction activities in which all employees participate, such as the use of the new Sanken ERP system

< Power modules business and power systems business>

・Carry out product strategy and sales strategy based on the results of marketing activities
・Thoroughly promote sales in new energy markets, and expand shares in telecommunication and infrastructure markets
・Strengthen the development of strategic products, and promote collaboration between Power Modules and Power Systems
・Complete cost reduction from the stage of design by calculating costs backwards from market sales prices
・Reduce costs and significantly improve productivity through production innovations
・Consistently consolidate management, maximize the utilization of group resources, and promote inventory reduction activities in which all employees participate
・Improve profitability in low-profitability departments, and accelerate the reinforcement of growing fields

(5) Business Results and Summary of Assets

Category		Fiscal term ended March 31, 2013 (96th Term)	Fiscal term ended March 31, 2014 (97th Term)	Fiscal term ended March 31, 2015 (98th Term)	Fiscal term ended March 31, 2016 (99th Term)
Net sales	(millions of yen)	126,386	144,467	160,724	155,919
Ordinary income	(millions of yen)	4,047	7,573	10,334	3,791
Profit attributable to owners of parent	(millions of yen)	2,272	5,029	7,942	171
Net income per share	(yen)	18.73	41.47	65.50	1.41
Total assets	(millions of yen)	148,517	164,762	193,267	184,711
Net assets	(millions of yen)	39,436	49,108	63,021	53,959

Note: Net income per share is calculated based on the average number of shares outstanding in each fiscal term. The average number of shares outstanding excludes treasury stock.

(6) Principal Business of the Company

The Company mainly engages in the development, manufacture and sale of electric equipment and devices.

Segment	Products
Semiconductors	Power ICs, Control ICs, Hall-effect ICs, Bipolar transistors, MOSFETs, IGBTs, Thyristors, Rectifier Diodes, Light Emitting Diodes (LEDs)
PMs	Switching mode power supplies, Transformers
PSs	Uninterruptible power supplies (UPSs), Inverters, DC power supplies, High-intensity airway beacon system, General Purpose Power Supplies

(7) Principal Offices and Plants

(i) The Company

Offices	Location
Head Office	Niiza-shi, Saitama Prefecture
Kawagoe Plant	Kawagoe-shi, Saitama Prefecture
Tokyo Office	Toshima-ku, Tokyo
Osaka Branch	Osaka-shi, Osaka
Sapporo Sales Office	Sapporo-shi, Hokkaido
Sendai Sales Office	Sendai-shi, Miyagi Prefecture
Nagoya Sales Office	Nagoya-shi, Aichi Prefecture
Kanazawa Sales Office	Kanazawa-shi, Ishikawa Prefecture
Hiroshima Sales Office	Hiroshima-shi, Hiroshima Prefecture
Kyushu Sales Office	Fukuoka-shi, Fukuoka Prefecture

(ii) Subsidiaries

Name	Offices	Location
Ishikawa Sanken Co., Ltd.	Head Office, Horimatsu Plant	Shika-machi, Hakui-gun, Ishikawa Prefecture
	Shika Plant	Shika-machi, Hakui-gun, Ishikawa Prefecture
	Machino Plant	Wajima-shi, Ishikawa Prefecture
	Uchiura Plant	Noto-machi, Housu-gun, Ishikawa Prefecture
Yamagata Sanken Co., Ltd.	Head Office	Higashine-shi, Yamagata Prefecture
Kashima Sanken Co., Ltd.	Head Office	Kamisu-shi, Ibaraki Prefecture
Fukushima Sanken Co., Ltd.	Head Office	Nihonmatsu-shi, Fukushima Prefecture
Sanken Optoproducts Co., Ltd.	Head Office	Shika-machi, Hakui-gun, Ishikawa Prefecture
Dalian Sanken Electric Co., Ltd.	Head Office	Liaoning, China
Sanken North America, Inc.	Head Office	Massachusetts, U.S.A.
Allegro MicroSystems, LLC	Head Office	Massachusetts, U.S.A.
Polar Semiconductor, LLC	Head Office	Minnesota, U.S.A.
Sanken Power Systems (UK) Limited	Head Office	Bridgend, U.K.
P.T. Sanken Indonesia	Head Office	West Java, Indonesia
Korea Sanken Co., Ltd.	Head Office	Changwon City, Korea
Sanken L.D. Electric (Jiangyin) Co., Ltd.	Head Office	Jiangsu, China

(8) Status of Principal Subsidiaries

Name	Common stock	Percentage of equity participation	Principal business
Ishikawa Sanken Co., Ltd.	95 million yen	100.0%	Manufacture of semiconductors
Yamagata Sanken Co., Ltd.	100 million yen	100.0%	Manufacture of semiconductors
Kashima Sanken Co., Ltd.	75 million yen	100.0%	Manufacture of semiconductors
Fukushima Sanken Co., Ltd.	50 million yen	100.0%	Manufacture and sale of semiconductors
Sanken Optoproducts Co., Ltd.	90 million yen	100.0%	Manufacture of semiconductors and PSs
Dalian Sanken Electric Co., Ltd.	66 million yuan	100.0%	Manufacture of semiconductors; manufacture and sale of PMs
Sanken North America, Inc.	10 million US dollars	100.0%	Development, manufacture, and sale of semiconductors
Allegro MicroSystems, LLC	63 million US dollars	* 100.0%	Development, manufacture, and sale of semiconductors
Polar Semiconductor, LLC	100 million US dollars	* 100.0%	Manufacture of semiconductors
Sanken Power Systems (UK) Limited	5 million Stg. pounds	100.0%	Sale of semiconductors and PMs
P.T. Sanken Indonesia	21 million US dollars	100.0%	Manufacture and sale of PMs
Korea Sanken Co., Ltd.	759 million won	100.0%	Manufacture and sale of semiconductors
Sanken L.D. Electric (Jiangyin) Co., Ltd.	36 million yuan	60.0%	Manufacture and sale of PSs

Notes: 1. Allegro MicroSystems, LLC and Polar Semiconductor, LLC are both wholly owned subsidiaries of Sanken North America, Inc., a wholly owned subsidiary of the Company.
2. Asterisks (*) indicate indirect ownership through Sanken North America, Inc.
3. No specific wholly owned subsidiary exists as of the end of the current consolidated fiscal year.

(9) Employees

Number of employees	Year-on-year
10,044	-410

Note: The number of employees of the Company (non-consolidated) is 1,239. This is a decrease of 15 employees from the previous year.

(10) Major Creditors

Creditors	Loan Outstanding
Resona Bank, Limited.	5,791 million yen
Development Bank of Japan Inc	5,000 million yen
Mizuho Bank, Ltd.	4,861 million yen
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	4,542 million yen
The Hachijuni Bank, Ltd.	4,097 million yen
Saitama Resona Bank, Limited	3,800 million yen

2. Shares of the Company

(1) Total number of shares authorized to be issued 257,000,000

(2) Total number of shares issued 125,490,302

(The number includes 4,275,417 shares of treasury stock)

(3) Number of shareholders 14,147

(4) Major shareholders

Name	Capital contribution	
	Number of shares (thousands)	Percentage of Ownership
Japan Trustee Services Bank, Limited (Trust Account)	11,736	9.68%
The Master Trust Bank of Japan, Limited (Trust Account)	7,128	5.88%
Saitama Resona Bank, Limited	6,011	4.95%
CBNY - GOVERNMENT OF NORWAY	2,735	2.25%
BARCLAYS BANK PLC A/C CLIENT SEGREGATED A/C PB CAYMAN CLIENTS	2,091	1.72%
Chase Manhattan Bank GTS Clients Account Escrow	1,865	1.53%
The Hachijuni Bank, Ltd	1,556	1.28%
Sompo Japan Nipponkoa Insurance Inc.	1,386	1.14%
Bank of New York GCM Client Account JPRD ISG (FE-AC)	1,289	1.06%
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	1,215	1.00%

Notes: 1. The Company holds 4,275,417 shares of treasury shares that are excluded from the major shareholders listed above.

2. Percentage of ownership is calculated after deducting the number of shares held as treasury shares from the total number of shares issued, and digits below the third decimal place are omitted.

3. Officers of the Company

(1) Directors and Audit and Supervisory Board Members

Position	Name	Assignment or significant concurrent office
Director, President	Takashi Wada	
Director	Akira Ota	Executive Vice President, Corporate Administration Headquarters
Director	Masao Hoshino	Senior Vice President, Engineering Headquarters
Director	Yoshihiro Suzuki	Senior Vice President and General Manager, Global Business Strategy Office Director and CEO, Sanken North America, Inc.
Director	Kazunori Suzuki	Senior Corporate Officer, Sales Headquarters and General Manager, Overseas Sales Division
Director	Takeshi Soroji	Senior Corporate Officer, Production Headquarters
Director	Richard R. Lury	Attorney-at-law,
Standing Audit and Supervisory Board Member (Full-time)	Tatsuo Okino	
Audit and Supervisory Board Member (Full-time)	Noboru Suzuki	
Audit and Supervisory Board Member	Mikihiko Wada	
Audit and Supervisory Board Member	Jin Takeda	Attorney-at-law; Partner, the Marunouchi Sogo Law Office External Statutory Auditor, Dowa Holdings Co., Ltd.

Notes:
1. Mr. Takeshi Soroji, Director, was newly elected at the 98th Ordinary General Meeting of Shareholders held on June 26, 2015 and assumed his office.
2. Mr. Richard R. Lury is an Outside Director, and Messrs. Mikihiko Wada and Jin Takeda are Outside Audit and Supervisory Board Members. The Company has appointed each of them as an independent officer unlikely to have conflicts of interest with general shareholders and has filed a notification to that effect with the Tokyo Stock Exchange.
3. Mr. Mikihiko Wada, Audit and Supervisory Board Member, has long experience working at a financial institution and extensive knowledge in finance and accounting.
4. Mr. Sadatoshi Iijima retired from office as a Director upon the expiration of his term of office at the closing of the 98th Ordinary General Meeting of Shareholders held on June 26, 2015.
5. Mr. Richard R. Lury, Director, retired from office as a partner of Kelley Drye & Warren LLP, so the name of that entity was deleted from his “significant concurrent office” column. No special relationship exists between the Company and that entity.
6. Mr. Mikihiko Wada, Audit and Supervisory Board Member, retired from office as an External Statutory Auditor of Sanyo Engineering & Construction Inc. upon the expiration of his term of office on June 25, 2015. No special relationship exists between the Company and Sanyo Engineering & Construction Inc.

7. Corporate Officers of the Company who do not double as Directors as of March 31, 2016:

Position	Name	Assignment
Senior Corporate Officer	Hiroyuki Ouchi	Head, Power System Headquarters
Corporate Officer	Masahiro Sasaki	General Manager, Development Division, Engineering Headquarters
Corporate Officer	Yukiyasu Taniyama	General Manager, LED Division, Production Headquarters
Corporate Officer	Kiyoshi Murakami	Deputy Head, Corporate Administration Headquarters and General Manager, General Affairs and Human Resources Division, Corporate Administration Headquarters
Corporate Officer	Shigeru Ito	General Manager, Power Marketing Division, Power System Headquarters
Corporate Officer	Kiyonori Orito	Deputy Head, Sales Headquarters and General Manager, Nagoya Sales Division
Corporate Officer	Hideki Nakamichi	Deputy Head, Engineering Headquarters and General Manager, Device Marketing Division
Corporate Officer	Hideo Takani	General Manager, Management Planning Office, Corporate Administration Headquarters
Corporate Officer	Masaki Kanazawa	General Manager, AMBD Division, Engineering Headquarters
Corporate Officer	Makoto Iwata	General Manager, Device Production Division, Production Headquarters
Corporate Officer	Myungjun Lee	Deputy Head, Engineering Headquarters

(2) Outline of liability limitation agreement

The Company has entered into an agreement with Outside Directors and Outside Audit and Supervisory Board Members to limit their liability for damages arising from negligence of duties pursuant to Article 427, Paragraph 1 of the Companies Act. The maximum liability amount under the agreement is as set forth by laws and regulations.

(3) Compensation paid to Directors and Audit and Supervisory Board Members

Category	Number of persons paid	Amount of compensation
Director	8	178 million yen
Audit and Supervisory Board Member	4	46 million yen
Total	12	224 million yen
(of which Outside Director and Outside Audit and Supervisory Board Member)	(3)	(16 million yen)

Notes: 1. The number of Directors paid and the amount of compensation paid to Directors include those for one Director who retired during the period under review.

2. Separately from the above, the amount of compensation to the outside officers paid by the consolidated subsidiaries of the Company as their officers is 14 million yen.

3. The Company resolved to abolish the retirement benefit program for retiring Directors and Audit and Supervisory Board Members at the conclusion of the 89th Ordinary General Meeting of Shareholders held on June 23, 2006, and to grant retirement benefits to the Directors and Audit and Supervisory Board Members in office after the close of the said General Meeting in amounts corresponding to their respective terms of office up to the abolition of the program, to be paid at the time of their respective retirements. Pursuant to the resolution, separately from the compensation shown above, the Company paid 9 million yen of retirement benefits to one Director who retired from office during the period under review.

(3) Outside Officers

(i) Relationship between the Company and other companies of which significant offices are concurrently held

Category	Name	Significant concurrent office and the relationship with the Company
Outside Audit and Supervisory Board Member	Jin Takeda	Mr. Jin Takeda concurrently serves as an Outside Audit and Supervisory Board Member of Dowa Holdings Co., Ltd. There are no special relationship between the Company and Dowa Holdings Co., Ltd. In addition, Jin Takeda is a lawyer who serves as a partner at the Marunouchi Sogo Law Office, a firm with which the Company has executed a legal advisory agreement. However, Jin Takeda is in no way involved in any matters covered under the agreement, and the transactions between the Company and the firm do not reach significant amounts annually for either the Company or the firm.

(ii) Major activities

Category	Name	Major activities
Outside Director	Richard R. Lury	Mr. Richard R. Lury attended all 10 meetings of the Board of Directors held during the period under review. He contributed to these meetings with comments based on his experience and knowledge in international corporate legal affairs.
Outside Audit and Supervisory Board Member	Mikihiko Wada	Mr. Mikihiko Wada attended all 10 meetings of the Board of Directors held during the period under review. He contributed to these meetings with comments based mainly on the extensive knowledge and experience he has accumulated over his many years as a corporate executive. He also attended all 14 meetings of the Audit and Supervisory Board held during the period under review. He contributed to these meetings chiefly with exchanges of views on audit findings and with consultations on important matters regarding audits.
Outside Audit and Supervisory Board Member	Jin Takeda	Mr. Jin Takeda attended 9 out of 10 meetings of the Board of Directors held during the period under review. He contributed to these meetings with comments based mainly on his professional perspective as a lawyer. He also attended 12 out of 14 meetings of the Audit and Supervisory Board held during the period under review. He contributed to these meetings chiefly with exchanges of views on audit findings and with consultations on important matters regarding audits.

4. Accounting Auditors

(1) Name of Accounting Auditor Ernst & Young ShinNihon LLC

(2) Compensation paid to Accounting Auditor for the year under review

Classification	Amount paid
(i) Compensation paid or payable to the Accounting Auditor concerning the audit services for the year under review	71 million yen
(ii) The total amount of money and property interests paid or payable to the Accounting Auditor for the Company and subsidiaries	78 million yen

Notes: 1. The Audit contract between the Company and the Accounting Auditor does not separate the compensation concerning the Audit for the Companies Act from the compensation concerning the Audit described by the Financial Instruments and Exchange Act. Accordingly, the amount described in (i) represents the total amount of these compensations.

2. Some subsidiaries of the Company employ certified public accountants or audit corporations (or persons with equivalent qualifications in foreign countries concerned) for auditing.

3. Reasons for the agreement by the Audit and Supervisory Board on compensation paid to the Accounting Auditor

The Audit and Supervisory Board conducted a required examination to determine whether or not the contents of the Accounting Auditor's auditing plans, status of the performance of duties of the accounting audit, basis for calculating the estimated compensation, etc. were appropriate, and thereupon decided to agree on compensation, etc. as set forth in Article 399, Paragraph 1 of the Companies Act, in accordance with the "Practical Guidance for Cooperation with Accounting Auditors" published by the Japan Audit & Supervisory Board Members Association.

(3) Non-Auditing Services

During the period under review, the Company entrusted the Accounting Auditor with the following services other than the auditing & attestation engagement prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Act: the preparation of a comfort letter related to the 9th Unsecured Bond and 10th Unsecured Bond, and advices on the development, implementation, evaluation, etc. of internal control related to financial reporting in line with implementation of the next generation system.

(4) Policy for determining the dismissal or non-reappointment of Accounting Auditor

If the Audit and Supervisory Board has judged that it will be necessary to dismiss or forego reappointment of an Accounting Auditor, such as in cases when the execution of duties by an Accounting Auditor is adversely affected, the Audit and Supervisory Board shall determine the details of a proposal for the dismissal or non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders, and thereupon the Board of Directors shall submit the proposal to the General Meeting of Shareholders.

If an Accounting Auditor is deemed to fall under any of the items of Article 340, Paragraph 1 of the Companies Act, such Accounting Auditor shall be dismissed subject to the unanimous approval at the Audit and Supervisory Board. In this case, one of the Audit and Supervisory Board members designated by the Audit and Supervisory Board shall report the dismissal of the Accounting Auditor and the reason for the dismissal to the first shareholders' meeting to be convened after the dismissal.

(5) Business suspension order issued against an Accounting Auditor in the past two years

Overview of the disciplinary action announced by the Financial Services Agency effective on December 22, 2015

(i) Entity subject to the disciplinary action: Ernst & Young ShinNihon LLC

(ii) Details of the disciplinary action

* Suspension of business related to the conclusion of new contracts
  Three months (From January 1, 2016 to March 31, 2016)
* Business improvement order (for improvement of business management structure)

(iii) Reasons for the disciplinary action

* When auditing the financial documents of TOSHIBA CORPORATION for the fiscal year ended March 31, 2010, March 31, 2012, and March 31, 2013, certified public accountants of Ernst & Young ShinNihon LLC failed to pay reasonable attention, erroneously certified that financial documents containing material misstatements were free of material misstatements.
* The management of Ernst & Young ShinNihon LLC was determined to be extremely improper.

5. System for Ensuring Appropriate Conduct of Operations and Outline of the Status of Implementation of the System

(I) System for Ensuring Appropriate Conduct of Operations

The Company's Board of Directors adopted a series of resolutions on the system to ensure proper operation, as follows:

(1) System for ensuring that the directors and employees perform their duties in accordance with laws, regulations, and the Article of Incorporation.

1) The Board of Directors deliberates material business execution, supervises the execution of duties by each director, and checks legality, in accordance with "Regulations of the Board of Directors."
2) The Company establishes and implements a "Management Philosophy," "Code of Conduct," and "Sanken Conduct Guideline." The Company also ensures that the executives and employees comply with laws, regulations and the Articles of Incorporation, by familiarizing them with the compliance mindset and the importance of compliance and by implementing ongoing educational training activities, both arranged by Representative Directors.
3) The internal audit department audits the performance of duties in the Company and each of the group companies and ensures the effectiveness of the compliance system by making the most of a whistle-blowing protocol.
4) To appropriately respond to the internal control report system (hereinafter referred to as "J-SOX") under the Financial Instruments and Exchange Act, the Company has established a person in charge of J-SOX at its internal audit department and secures the reliability of financial information by undertaking a company-wide review of the control systems and measures to improve the systems on an ongoing basis.
5) The Company has no relationship with antisocial forces. The Company usually endeavors to establish close relationships and cooperation systems with external organizations such as police agencies and lawyers. Should the Company be subject to an undue claim, it will adopt a resolute stand and decisively refuse it.

(2) System for the storage and management of information with regard to the execution of duties by directors

The Minutes of the Board of Directors and other documents and records on important meetings, as well as the results of decision-making and other records on business execution, shall be appropriately stored and managed in accordance with laws, regulations, and various internal rules.

(3) Rules and other aspects of the system for managing risks of loss

1) Risks associated with key investments or new businesses are discussed from various viewpoints and determined deliberatively at the Board of Directors, Management Committee, and other important meetings.
2) The internal audit department recognizes and analyzes risks in the course of business for the Company and group companies through internal audits. The Crisis Management Committee implements unified, cross-sectional, and group-wide risk management.

(4) System for ensuring that the duties of the directors are efficiently performed

1) The Board of Directors formulates the mid-term management plan and annual budget, and checks the progress of business execution based on the report on the progress of achievement, while the Management Committee is responsible for monthly performance management.
2) The Management Committee discusses basic and material matters among the items on the agenda to be resolved at the Board of Directors and the business operations to be executed by the Representative Directors. It also performs business promptly and flexibly using the corporate officer system.

3) The Company develops “the Fundamental Standards for Organization and Authorities,” “the Regulations on the Division of Duties,” etc. to clarify the responsibilities and authorities of each department. The Company also conducts efficient decision-making and business execution through efforts for the appropriate division of duties and cooperation among organizations.

(5) System for ensuring appropriate business operations within the Company and within each group company

1) When necessary, the Company sends its officers and employees to Group companies as incoming directors to follow up on the Company's management policy, determine material business-related issues, and promote efficient management.
2) The scope of duties, authorities and responsibilities between the Company and each group company, as well as the matters to be reported to the Company, are clarified in accordance with “the Administration Standards for Subsidiaries and Affiliates” and “the Management Guidelines.”
3) An organization in charge of each group company is established at the Company to bear responsibility for the guidance of management and enhancement of managerial performance through close information sharing.

(6) Matters regarding employees appointed for the support of Audit and Supervisory Board members when so requested by Audit and Supervisory Board members

1) Staff of the General Affairs Division will assist the deskwork of the Secretariat's Office of Audit and Supervisory Board.
2) When the Audit and Supervisory Board members so request, the appointment and other personnel affairs of exclusive staff for the support of the Audit and Supervisory Board members shall be determined through consultation among the directors and Audit and Supervisory Board members.
3) Such exclusive staff shall comply with instructions from each Audit and Supervisory Board member to ensure their independence from directors and the effectiveness of the instructions from the Audit and Supervisory Board members.

(7) System for reporting to Audit and Supervisory Board members

1) Standing Audit and Supervisory Board members attend the Management Committee meetings, inspect and receive principal documents, thereby obtain information on the businesses of the Company and group companies, and report the contents of such information to the Audit and Supervisory Board.
2) Each of the directors, internal audit department, and the Accounting Auditor meet with the Audit and Supervisory Board members regularly to report the management situations of the Company and group companies and audit results.
3) If officers or employees find any fact or event which is likely to cause material damage to the Company or any of the group companies or discover any illegal actions in the course of business operations, such officers or employees must report the matter to the Audit and Supervisory Board members.
4) The internal audit department reports the results of internal audits, the status of implementation of the whistle-blowing protocol, and the contents of whistle-blowing to the Audit and Supervisory Board members.
5) Regulations on the whistle-blowing protocol are stipulated to ensure that a whistle-blower will not be subjected to any disadvantageous treatment because of the said whistle-blowing.

(8) Policy for handling expenses and liabilities incurred from the execution of duties by Audit and Supervisory Board members

If, with respect to any expenses to be incurred when Audit and Supervisory Board members perform their duties, the Audit and Supervisory Board members request the Company to pay them in advance, repay them, or otherwise, the Company shall promptly process the expenses unless they are judged to be unnecessary.

(9) Other system for ensuring effective auditing by the Audit and Supervisory Board members

The Audit and Supervisory Board draws up the auditing standards, audit plans, and audit policies. Each Audit and Supervisory Board member conducts audits properly based on his own expertise and experience.

An efficient and highly effective audit system is realized through these efforts.

(II) Outline of the Status of Implementation of the System for Ensuring Appropriate Conduct of Operations

(1) Status of efforts for compliance

The internal audit department decides themes and conducts internal audits of the Company. Group companies regularly implement internal audits of overall administration systems as well. The planning, progress, and results of these internal audits are regularly reported to the Audit and Supervisory Board members. With respect to the internal control report system (hereinafter referred to as "J-SOX") under the Financial Instruments and Exchange Act, a person in charge of J-SOX at the internal audit department continuously implements company-wide reviews and improvements in efforts to ensure the reliability of financial information. The Company regularly implements educational training activities on the contents of the "Sanken Conduct Guideline," the Company's basic manual for compliance, and strives to thoroughly spread the compliance mindset. Further, the Company has developed and manages a whistle-blowing protocol, and the implementation status and contents of whistle-blowing are regularly reported to the Audit and Supervisory Board members. The officers and employees always pay due attention with respect to the Company's responses to antisocial forces, while the Company continuously exchanges related information with external organizations such as police agencies and relevant bodies to develop ongoing cooperation systems.

(2) Status of efforts for managing risks of loss

The Company has established the Crisis Management Committee as an organization to supervise risk. The Crisis Management Committee meetings were held twice for the year under review to endeavor to realize, analyze, and respond to risk, while the Company implemented training for a disaster.

If any fact or event which is likely to cause material damage to the Company or any of the group companies is found or any illegal actions in the course of business operations is discovered through the implementation of internal audits and the whistle-blowing protocol, the contents of whistle-blowing are reported to the Audit and Supervisory Board members each time, and advice and corrections are decided on a case-by-case basis.

(3) Status of efforts for ensuring the appropriateness and efficiency of the execution of duties

The Board of Directors consists of seven directors, including one outside director. Four Audit and Supervisory Board members, including two outside Audit and Supervisory Board members, also attend the Board of Directors meetings. The Board of Directors meetings were held ten times during the year under review to deliberate proposals, supervise the status of business execution, and actively exchange opinions. We therefore believe that the effectiveness of decision-making and supervision is ensured.

(4) Status of efforts for the appropriateness of business within the group

The Company sends its officers and employees to group companies to follow up on the Company's management policy, determine material business-related issues, and promote efficient management. The Company stipulates and implements matters to be discussed in advance between each group company and a department in charge at the Company.

(5) Status of efforts for ensuring the effectiveness of audits by the Audit and Supervisory Board members

The Audit and Supervisory Board comprises four Audit and Supervisory Board members, including two outside Audit and Supervisory Board members. Audit and Supervisory Board meetings were held fourteen times during the year under review to carry out discussions and adopt resolutions after reports on important matters related to audits were received. Further, the Audit and Supervisory Board members regularly meet the President and internal audit department, as well as the Accounting Auditor, to exchange opinions mainly on the development and implementation status of compliance and internal control.

6. Basic Policy on Control of the Company

(1) Basic Policy on Composition of Persons to Control Decision-Making over Financial and Business Policies of the Company

As a listed Company, the stock of the Company may be traded freely by shareholders and investors, and the Board of Directors believes that the composition of persons to control decision-making over the financial and business policies of the Company should ultimately be decided by the will of the shareholders, and that the final judgment as to whether to sell the shares of the Company in response to a mass acquisition of the shares of the Company should ultimately be decided based on the will of the shareholders holding the shares.

However, the management of the Company and the Company Group requires a wide range of know-how and ample experience in technical subjects, including proprietary manufacturing technologies for wafer fabrication and semiconductor device assembly, as well as the integration of power supply systems with optical devices based on leading-edge circuit technologies. Further, a full understanding of the relationships that the Company has developed with stakeholders such as customers, suppliers, and employees is indispensable to management. Persons to control decision-making over financial and business policies of the Company require this understanding in order to appropriately judge the shareholder value to be realized in the future, and could potentially significantly damage the Company's corporate value and the common interests of the shareholders without it.

In addition, there is a possibility that some Large Purchases, such as to persons related to the Company conducting transactions at high prices, could substantially impair the common interests of the shareholders. In such cases, in order for the Company to appropriately receive the judgment of the shareholders regarding the relative merits and demerits of a given large-scale purchase, the Company will both request the supply of required information from the entity attempting to engage in the large-scale purchase and will also strive to ensure there is an appropriate amount of time for the disclosure of such information and deliberation on it by shareholders. Regarding the extents that are permitted by laws and regulations such as the Financial Instruments and Exchange Act, we believe that appropriate measures should be taken (Hereinafter referred to as the "Basic Policy").

(2) Measures Taken to Realize the Basic Policy and Increase Corporate Value

The Company has acted in accordance with its Management Philosophy, which states that the Company should endeavor to create and innovate technologies in its core business of semiconductors, expand global business based on proprietary technologies, and ensure a firm management base in order to maximize corporate value through timely response to social expectations for the company and long-lasting harmony with the environment. Furthermore, as a medium- to long-term management strategy, the Company has developed a medium-term management plan covering a three-year period that the entire Group has worked toward.

Also, the Company is involved in efforts to gain an appropriate evaluation of its corporate value by deepening understanding through closer dialogues with various stakeholders regarding its position as a proprietary power semiconductor manufacturer as well as its management policies and plans meant to maximize use of this position.

In order to strengthen corporate governance, the company has strengthened the supervisory function of the Board of Directors by electing independent Outside Directors and by developing a flexible system for operational execution and enhanced management functions by adopting a Corporate Officer system. In addition, in order to realize a management system able to promptly respond to changes in the management environment, and to clarify the management responsibility of the Directors for the corresponding fiscal year, the Company's term of office for Directors is one year.

The Board of Directors believes that these measures improve the Company's corporate value and decrease the likelihood that a Large Purchase will significantly harm the common interests of the shareholders. Accordingly, these efforts are deemed to be in compliance with the Basic Policy, and are in the common interests of the shareholders.

CONSOLIDATED BALANCE SHEET (As of March 31, 2016)

Account item	Current fiscal year	(For reference) Previous fiscal year
(Assets)	(millions of yen)	(millions of yen)
Current assets	**112,204**	**116,183**
Cash and deposits	17,924	17,443
Notes and accounts receivable — trade	33,999	37,489
Merchandise and finished goods	17,971	16,963
Work in process	24,778	24,351
Raw materials and supplies	9,839	12,585
Deferred tax assets	2,095	1,201
Other	5,606	6,168
Allowance for doubtful receivables	(10)	(19)
Non-current assets	**72,507**	**77,084**
Total property, plant and equipment	**62,015**	**65,795**
Buildings and structures	22,837	20,325
Machinery, equipment and vehicles, net	26,788	26,213
Tools, furniture and fixtures, net	1,105	1,119
Land	5,039	5,263
Lease assets, net	1,323	2,565
Construction in progress	4,921	10,308
Intangible assets	**5,671**	**5,971**
Software	3,717	3,915
Other	1,954	2,056
Investments and other assets	**4,820**	**5,317**
Investment securities	1,204	1,397
Deferred tax assets	204	286
Net defined benefit asset	–	1,022
Other	3,656	2,852
Allowance for doubtful receivables	(244)	(242)
Total Assets	**184,711**	**193,267**

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

Account item	Current fiscal year	(For reference) Previous fiscal year
(Liabilities)	(millions of yen)	(millions of yen)
Current liabilities	**79,499**	**87,353**
Notes and accounts payable - trade	16,120	20,909
Short-term loans payable	20,635	26,570
Current portion of bonds	25,900	4,100
Commercial paper	4,000	22,500
Lease obligations	924	1,233
Provision for directors' bonuses	–	30
Accrued expenses	9,490	9,896
Income taxes payable	423	186
Other	2,004	1,926
Non-current liabilities	**51,252**	**42,892**
Bonds payable	30,000	25,900
Long-term loans payable	12,500	7,500
Lease obligations	329	1,253
Deferred tax liabilities	2,668	1,930
Net defined benefit liability	4,104	2,993
Provision for Directors' retirement benefits	17	25
Other	1,633	3,288
Total Liabilities	**130,751**	**130,245**
(Net Assets)		
Shareholders' equity	**54,641**	**55,331**
Capital stock	20,896	20,896
Capital surplus	10,301	10,301
Retained earnings	27,434	28,114
Treasury shares	(3,994)	(3,981)
Accumulated other comprehensive income	**(1,068)**	**7,252**
Valuation difference on available-for-sale securities	249	371
Foreign currency translation adjustment	1,689	5,778
Remeasurements of defined benefit plans	(3,007)	1,102
Non-controlling interests	**387**	**437**
Total Net Assets	**53,959**	**63,021**
Total Liabilities and Net Assets	**184,711**	**193,267**

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

CONSOLIDATED STATEMENT OF INCOME (From April 1, 2015 to March 31, 2016)

Account item	Current fiscal year	(For reference) Previous fiscal year
	(millions of yen)	(millions of yen)
Net sales	**155,919**	**160,724**
Cost of sales	**115,113**	**116,834**
Gross profit	**40,806**	**43,889**
Selling, general and administrative expenses	34,003	32,689
Operating income	**6,803**	**11,199**
Non-operating income	**483**	**794**
Interest income	11	12
Dividends income	41	39
Gain on insurance adjustment	110	82
Foreign exchange gains	–	251
Gains on sale of waste	94	92
Miscellaneous income	226	315
Non-operating expenses	**3,495**	**1,659**
Interest expenses	843	783
Foreign exchange losses	1,058	–
Product compensation expenses	646	50
Miscellaneous loss	946	825
Ordinary income	**3,791**	**10,334**
Extraordinary income	**–**	**1,264**
Gains on sale of non-current assets	–	488
Gains on sale of investment securities	–	776
Extraordinary losses	**1,723**	**23**
Loss on sales of non-current assets	24	–
Loss on disposition of non-current assets	39	23
Loss on valuation of investment securities	4	–
Business restructuring expenses	621	–
Loss on countermeasures against abnormal properties of chemicals	1,032	–
Income before income taxes and non-controlling interests	**2,068**	**11,575**
Income taxes - current	1,886	2,509
Income taxes - deferred	13	1,113
Profit (loss)	**168**	**7,952**
Profit (loss) attributable to non-controlling interests	(3)	10
Profit (loss) attributable to owners of parent	**171**	**7,942**

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

NON-CONSOLIDATED BALANCE SHEET (As of March 31, 2016)

Account item	Current fiscal year	(For reference) Previous fiscal year
(Assets)	(millions of yen)	(millions of yen)
Current assets	**85,922**	**88,842**
Cash and deposits	5,222	4,474
Notes receivable	2,108	1,674
Accounts receivable — trade	26,784	31,146
Lease investment assets	775	440
Merchandise and finished goods	13,129	10,840
Work in process	1,978	2,770
Raw materials and supplies	4,545	5,135
Prepaid expenses	345	290
Deferred tax assets	404	–
Short-term loans receivable	16,470	14,239
Accounts receivable — other	16,861	20,723
Other	706	–
Allowance for doubtful receivables	(3,408)	(2,893)
Fixed assets	**51,212**	**46,808**
Tangible fixed assets	**4,916**	**5,325**
Buildings	2,785	2,888
Structures	130	139
Machinery and equipment	795	866
Autos and trucks	0	0
Tools, furniture and fixtures	258	268
Land	721	740
Lease assets	173	336
Construction in progress	51	86
Intangible assets	**3,638**	**3,859**
Software	3,587	3,793
Lease assets	2	4
Other	48	61
Investments and other assets	**42,657**	**37,622**
Investment securities	1,188	1,378
Investments in subsidiaries and affiliates	25,988	25,988
Long-term loans receivable	14,201	8,297
Prepaid pension cost	1,328	–
Lease investment assets	91	1,318
Other	1,155	1,109
Allowance for doubtful receivables	(1,296)	(469)
Total Assets	**137,134**	**135,650**

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

Account item	Current fiscal year	(For reference) Previous fiscal year
(Liabilities)	(millions of yen)	(millions of yen)
Current liabilities	**67,660**	**72,150**
Notes payable	2,201	2,406
Accounts payable — trade	12,023	13,351
Short-term bank loans	18,867	23,862
Current portion of bonds	25,900	4,100
Commercial paper	4,000	22,500
Lease obligations	850	1,126
Accounts payable — other	804	910
Accrued expenses	2,844	3,056
Accrued income taxes	76	82
Advances received	18	35
Deposits received	66	67
Provision for directors' bonuses	–	30
Other	7	620
Long-term liabilities	**42,027**	**33,891**
Bonds payable	30,000	25,900
Long-term bank loans	10,000	5,000
Lease obligations	168	1,002
Deferred tax liabilities	531	193
Accrued retirement benefits	–	38
Accrued retirement benefits for directors and statutory auditors	–	6
Other	1,327	1,750
Total Liabilities	**109,687**	**106,042**
(Net Assets)		
Shareholders' equity	**27,198**	**29,239**
Common stock	**20,896**	**20,896**
Capital surplus	**10,207**	**10,208**
Capital reserve	5,225	5,225
Other capital surplus	4,982	4,983
Retained earnings	**88**	**2,115**
Other retained earnings	88	2,115
Reserve for advanced depreciation of fixed assets	41	39
Retained earnings carried forward	46	2,075
Treasury stock	**(3,994)**	**(3,981)**
Valuation and translation adjustments	**248**	**368**
Unrealized gain on securities	248	368
Total Net Assets	**27,447**	**29,608**
Total Liabilities and Net Assets	**137,134**	**135,650**

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

NON-CONSOLIDATED STATEMENT OF INCOME (From April 1, 2015 to March 31, 2016)

Account item	Current fiscal year	(For reference) Previous fiscal year
	(millions of yen)	(millions of yen)
Net sales	**99,241**	**107,096**
Cost of sales	89,629	96,326
Gross profit	**9,612**	**10,770**
Selling, general and administrative expenses	9,956	10,308
Operating income (loss)	**(344)**	**461**
Other income	**2,786**	**2,956**
Interest income	269	185
Dividends income	2,348	2,669
Miscellaneous income	167	101
Other expenses	**3,485**	**1,903**
Interest expenses	765	708
Foreign currency translation losses	333	112
Product compensation expenses	646	50
Provision of allowance for doubtful accounts for subsidiaries and affiliates	1,343	690
Miscellaneous losses	395	342
Ordinary income (loss)	**(1,043)**	**1,514**
Extraordinary income	**–**	**1,263**
Gains on sale of non-current assets	–	486
Gains on sale of investment securities	–	776
Extraordinary loss	**27**	**3**
Loss on sales of non-current assets	22	–
Loss on disposition of fixed assets	0	3
Loss on valuation of investment securities	4	–
Income (loss) before income taxes	**(1,071)**	**2,774**
Income taxes	109	124
Deferred income taxes	(1)	(2)
Net income (loss)	**(1,178)**	**2,652**

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

Certified Copy of the Accounting Auditors' Report

INDEPENDENT AUDITORS' REPORT

May 24, 2016

The Board of Directors
Sanken Electric Co., Ltd.

Ernst & Young ShinNihon LLC.

Hidehito Uchida, CPA (Seal)
Designated Limited Liability Partner,
Engagement Partner

Masaya Kiyomoto, CPA (Seal)
Designated Limited Liability Partner,
Engagement Partner

Pursuant to Article 444, Paragraph 4 of Companies Act, we have audited the consolidated financial statements, that is, the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and notes to consolidated financial statements of the Company for the 99th fiscal term from April 1, 2015 to March 31, 2016.

Responsibility of the Company's management regarding the consolidated financial statements
The responsibility of the Company's management is to prepare and properly present the consolidated financial statements in accordance with the accounting standards generally accepted in Japan. This includes the development and implementation of internal controls that the Company's management considers necessary for the preparation and proper presentation of consolidated financial statements that contain no material misstatements due to fraud or error.

Responsibility of the Auditor
Our responsibility is to independently express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with the auditing standards generally accepted in Japan. Those standards require that we prepare an audit plan and conduct an audit based on the plan in order to obtain reasonable assurance as to whether the consolidated financial statements are free of material misstatements.
When auditing, we perform audit procedures to obtain audit evidence supporting the amounts and disclosures in the consolidated financial statements. We decide to select and apply audit procedures based on our assessment of the risks of material misstatements in the consolidated financial statements resulting from fraud or errors. Though the audit does not aim to express an opinion on the effectiveness of internal control, we, when assessing risks, examine internal control associated with the preparation and fair presentation of the consolidated financial statements, in order to plan appropriate audit procedures according to the situations at hand. Our audit includes assessments of the accounting policies used and significant estimates made by management, as well as an evaluation of the overall presentation of the consolidated financial statements.
We believe that we have obtained sufficient and appropriate audit evidence constituting a basis for expressing our opinion.

Audit opinion
In our opinion, the above consolidated financial statements fairly present, in every material aspect, the financial position and results of operations of the consolidated group consisting of the Company and its consolidated subsidiaries for the relevant term of the consolidated financial statements, in accordance with the business accounting standards generally accepted in Japan.

Conflict of interest
Our firm and engagement partners have no interest in the Company which must be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Certified Copy of the Accounting Auditors' Report

INDEPENDENT AUDITORS' REPORT

May 24, 2016

The Board of Directors
Sanken Electric Co., Ltd.

Ernst & Young ShinNihon LLC

Hidehito Uchida, CPA (Seal)
Designated Limited Liability Partner,
Engagement Partner

Masaya Kiyomoto, CPA (Seal)
Designated Limited Liability Partner,
Engagement Partner

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the non-consolidated financial statements, that is, the non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets and notes to the non-consolidated financial statements, and the supplementary schedules of the Company for the 99th fiscal term from April 1, 2015 to March 31, 2016.

Responsibility of the Company's management regarding the consolidated financial statements

The responsibility of the Company's management is to prepare and properly present the non-consolidated financial statements and the supplementary schedules in accordance with the accounting standards generally accepted in Japan. This includes the development and implementation of internal controls that the Company's management considers necessary for the preparation and proper presentation of non-consolidated financial statements and supplementary schedules that contain no material misstatements due to fraud or error.

Responsibility of the Auditor

Our responsibility is to independently express an opinion on the non-consolidated financial statements and the supplementary schedules based on our audit. We conducted our audit in accordance with the auditing standards generally accepted in Japan. Those standards require that we prepare an audit plan and conduct the audit based on the plan in order to obtain reasonable assurance as to whether the non-consolidated financial statements and the supplementary schedules are free of material misstatements.

When auditing, we perform audit procedures to obtain audit evidence supporting the amounts and disclosures in the non-consolidated financial statements and the supplementary schedules. We decide to select and apply audit procedures based on our assessment of the risks of material misstatements in the non-consolidated financial statements and the supplementary schedules resulting from fraud or errors. Though the audit does not aim to express an opinion on the effectiveness of internal control, we, when assessing risks, examine internal control associated with the preparation and fair presentation of the non-consolidated financial statements and the supplementary schedules, in order to plan appropriate audit procedures according to the situations at hand. Our audit includes assessments of the accounting policies used and significant estimates made by management, as well as an evaluation of the overall presentation of the non-consolidated financial statements and the supplementary schedules.

We believe that we have obtained sufficient and appropriate audit evidence constituting a basis for expressing our opinion.

Audit opinion

In our opinion, the above non-consolidated financial statements and supplementary schedules fairly present, in every material aspect, the financial position and results of operations of the Company for the relevant term of the non-consolidated financial statements, in accordance with the business accounting standards generally accepted in Japan.

Conflict of interest

Our firm and engagement partners have no interest in the Company which must be disclosed pursuant to the provisions of the Certified Public Accountants Act.

Certified Copy of the Audit report by the Audit and Supervisory Board

AUDIT REPORT

The Audit and Supervisory Board, following review and deliberations on the reports made by each Audit and Supervisory Board Member concerning the methods and results of the audit of execution of duties by Directors of the Board for the 99th fiscal term from April 1, 2015 to March 31, 2016, prepared this Audit Report and hereby submits it as follows:

1. Summary of Auditing Methods by Audit and Supervisory Board Members and Audit and Supervisory Board

(1) The Audit and Supervisory Board established the auditing policies and division of duties, received reports and explanations regarding the status of audits and the results thereof from each Audit and Supervisory Board Member, as well as reports and explanations regarding the status of the execution of duties from the Directors and Accounting Auditor, and requested explanation as necessary.

(2) In accordance with the auditing standards for Audit and Supervisory Board Members determined by the Audit and Supervisory Board and the auditing policies and division of duties, each Audit and Supervisory Board Member made efforts to collect information and established auditing circumstances through communication with internal audit staff and other employees, and conducted audit in accordance with the following procedures.

(i) Each Audit and Supervisory Board Member attended the Board of Directors' meeting and other important meetings to receive reports regarding execution of duties from directors and employees and requested explanations as necessary. Each Audit and Supervisory Board Member also inspected the approved documents and examined the status of operations and conditions of assets at its head office and principal offices. In addition, each Audit and Supervisory Board Member received from subsidiaries their business reports as necessary through communication and information sharing with their Directors and Audit and Supervisory Board Members.

(ii) With respect to the resolutions adopted by the Board of Directors regarding the establishment of the system for ensuring that the Directors' duties are performed in conformity of laws, regulations and the Articles of Incorporation of the Company as specified in the business reports and the establishment of the system necessary to ensure proper business operations of the company group, which consists of joint stock company and its consolidated subsidiaries, as set forth in Items 1 and 3 of Article 100 of the Ordinance for Enforcement of the Companies Act, as well as the systems (Internal Control System) established in accordance with the resolution of the Board of Directors, each Audit and Supervisory Board Member regularly received reports from directors and employees on the status of the establishment and operations thereof, requested explanations as necessary, and expressed his opinions.

(iii) Based on discussion of the Board of Directors, the Audit and Supervisory Board Members reviewed the details of the Basic Policy on the Composition of Persons to Control Decision-Making over Financial and Business Policies of the Company specified in the business reports.

(iv) Each Audit and Supervisory Board Member monitored and verified that Accounting Auditor maintains independence and conduct the audits appropriately. Each Audit and Supervisory Board Member also received reports of the status of the execution of duties from Accounting Auditor and requested explanation as necessary. In addition, we were informed of the arrangement of the "System for ensuring that the duties are performed appropriately" (matters stipulated in the items of Article 131 of the Corporate Calculation Regulations in accordance with "Standards for the Quality Control of Audits" (Business Accounting Council, October 28, 2005)) from the Accounting Auditor and requested explanations as necessary.

In accordance with the procedures mentioned above, we reviewed the business reports and supplementary schedules, the non-consolidated financial statements (non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in net assets and notes to the non-consolidated financial statements), the supplementary schedules thereto, and the consolidated financial statements (consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and notes to the consolidated financial statements) for the year ended on March 31, 2016.

2. Results of Audit

(1) Results of audit of business report

(i) The business reports and supplementary schedules present fairly the financial condition of the Company in conformity with related laws, regulations, and the Articles of Incorporation of the Company;

(ii) Regarding the execution of duties by Directors, there were no instances of misconduct or material matters in violation of laws, regulations, nor the Articles of Incorporation of the Company;

(iii) Resolution of the Board of Directors regarding the internal control system is fair and reasonable. There are no matters requiring additional mention regarding the content of business reports description on such internal control and the execution of duties by Directors; and

(iv) There are no matters requiring additional mention regarding the Basic Policy on the Composition of Persons to Control Decision-Making over Financial and Business Policies of the Company specified in the business reports.

(2) Results of audit of non-consolidated financial statements and supplementary schedules

The auditing methods and results of the Accounting Auditor, Ernst & Young ShinNihon LLC., are fair and reasonable.

(3) Results of audit of consolidated financial statements

The auditing methods and results of the Accounting Auditor, Ernst & Young ShinNihon LLC., are fair and reasonable.

May 26, 2016

The Audit and Supervisory Board of Sanken Electric Co., Ltd.

Tatsuo Okino (Seal)
Standing Audit and Supervisory Board Member
(Full-time)

Noboru Suzuki (Seal)
Audit and Supervisory Board Member (Full-time)

Mikihiko Wada (Seal)
Outside Audit and Supervisory Board Member

Jin Takeda (Seal)
Outside Audit and Supervisory Board Member

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and references

Proposal No. 1: Election of Eight Directors

All seven directors will complete their respective terms of office at the conclusion of this meeting. Accordingly, we shall propose the election of eight directors, in order to further strengthen the Company's corporate governance structure by increasing the number of outside directors by one.

The table below lists the nominees for those positions.

<table>
<tr><th>No.</th><th>Name
(Date of Birth)</th><th>Brief personal history, position and assignment of the Company, and significant office(s) concurrently held</th><th>No. of the Company shares held</th></tr>
<tr><td rowspan="2">1</td><td>Takashi Wada
(September 3, 1954)</td><td>April 1979: Entered the Company
April 2007: General Manager, Production Division, Production Headquarters
June 2007: Corporate Officer
April 2009: Head, Production Headquarters
June 2009: Director and Senior Vice President
June 2012: Director and Executive Vice President
April 2015: President and Representative Director (to the present)</td><td>32,000</td></tr>
<tr><td colspan="2">- Reasons for the appointment as a candidate for Director
Mr. Takashi Wada has played the role of an engine for the production division of the Company for a long period and has concentrated on the structural reform of the production subsidiaries. He has played a leading role in various phases of the planning and execution of management strategy of the Company, such as the formulation of the "Mid-term Management Plan 2012" and "Mid-term Management Plan 2015." He has been engaged in the management of the Company since assuming the office of Director in June 2009. Since becoming President in April 2015, he has promoted the shift to business areas that have potential for growth and made efforts to reform the business structure and improve the financial position of the Group. We therefore anticipate that his abundant experience and deep insight in corporate management will continue to be indispensable for the management of the Company. Thus, the Company selected him as a candidate for Director.</td><td></td></tr>
<tr><td rowspan="2">2</td><td>Masao Hoshino
(January 23, 1959)</td><td>April 1981: Entered the Company
April 2002: General Manager, Integrated Circuit Development Division, Semiconductor Headquarters
April 2006: General Manager, Advanced Technology Development Division, Engineering Headquarters
June 2007: Corporate Officer
April 2009: Head, Engineering Headquarters (to the present)
June 2009: Director and Senior Corporate Officer
June 2012: Director and Senior Vice President (to the present)</td><td>12,000</td></tr>
<tr><td colspan="2">- Reasons for the appointment as a candidate for Director
Mr. Masao Hoshino has been engaged in the development of semiconductor devices for a long period and has made significant contributions to the Company in the development of products. He has assumed an important responsibility as the head of the technology development division since 2009 and administered the Company's technology development operations for a long time. We therefore anticipate that his experience and knowledge will continuously be indispensable for the management of the Company. Thus, the Company selected him as a candidate for Director.</td><td></td></tr>
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<table>
<tr><th>No.</th><th>Name
(Date of Birth)</th><th>Brief personal history, position and assignment of the Company, and significant office(s) concurrently held</th><th>No. of the Company shares held</th></tr>
<tr><td rowspan="2">3</td><td>Yoshihiro Suzuki
(October 10, 1958)</td><td>April 1982: Entered the Company
October 1998: Allegro Group Leader, Production Division, Semiconductor Headquarters
May 2001: Vice President and Director, Allegro Microsystems, Inc.
April 2005: General Manager, Management Planning Division, Administration Headquarters
April 2006: General Manager, Global Business Strategy Office (to the present)
June 2006: Corporate Officer
June 2011: Senior Corporate Officer
March 2013: Director and CEO, Sanken North America, Inc.
June 2013: Director and Senior Corporate Officer
June 2015: Director and Senior Vice President (to the present)
May 2016: Director, President and CEO, Sanken North America, Inc. (to the present)</td><td>46,000</td></tr>
<tr><td colspan="2">- Reasons for the appointment as a candidate for Director
Mr. Yoshihiro Suzuki has played a leading role in the overseas business of the Company for a long period and has been engaged in the management of Allegro Microsystems Inc. In 2013 he assumed the office of CEO of Sanken North America Inc., a U.S. Headquarters subsidiary, and has since made efforts to improve its profitability. He has promoted U.S. business, an important segment for the Group companies. We therefore anticipate that his experience and knowledge will continue to be indispensable for the management of the Company. Thus, the Company selected him as a candidate for Director.</td><td></td></tr>
<tr><td rowspan="2">4</td><td>Kazunori Suzuki
(September 17, 1957)</td><td>April 1981: Entered the Company
August 1996: First Sales Section Manager, First Sales Department, First Semiconductor Sales Division, Semiconductor Headquarters
May 2002: President and Director of Sanken Power Systems (UK) Limited
April 2007: General Manager, Overseas Sales Division, Sales Headquarters
June 2008: Corporate Officer
April 2012: Head, Sales Headquarters (to the present)
June 2012: Director and Senior Corporate Officer (to the present)</td><td>13,000</td></tr>
<tr><td colspan="2">- Reasons for the appointment as a candidate for Director
Mr. Kazunori Suzuki has been engaged in the sales of semiconductor devices for a long period and has made a significant contributions to the Company in the promotion of sales strategy. Since becoming Head of the Sales Headquarters 2012, he has administered the Company’s global sales strategy and achieved successful results, especially in the expansion of sales overseas. We therefore anticipate that his experience and knowledge will continue to be indispensable for the management of the Company. Thus, the Company selected him as a candidate for Director.</td><td></td></tr>
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<table>
<tr><th>No.</th><th>Name
(Date of Birth)</th><th>Brief personal history, position and assignment of the Company, and significant office(s) concurrently held</th><th>No. of the Company shares held</th></tr>
<tr><td rowspan="2">5</td><td>Takeshi Soroji
(June 5, 1955)</td><td>April 1981: Entered the Company
April 2007: Manager, Production Administration Department, Production Division, Production Headquarters
April 2009: General Manager, Device BU, Production Headquarters
June 2010: Corporate Officer
April 2015: Head, Production Headquarters (to the present)
June 2015: Director and Senior Corporate Officer (to the present)</td><td>3,000</td></tr>
<tr><td colspan="2">- Reasons for the appointment as a candidate for Director
Mr. Takeshi Soroji has been engaged in the production division for a long period. As the current Head of the Production Headquarters, he bears the important responsibility of managing all production by the Company. He has promoted the improvement of profitability by improving lean manufacturing and production innovation and has shown laudable performance in the steps the Company has taken to globalize production, such as establishment of overseas production bases. We therefore anticipate that the performance and knowledge he has demonstrated as a leader of production strategy for the Group will continue to be indispensable for the management of the Company. Thus, the Company selected him as a candidate for Director.</td><td></td></tr>
<tr><td rowspan="2">6</td><td>Hideo Takani
(September 27, 1958)
<Newly appointed></td><td>April 1982: Entered the Company
April 2007: General Manager, Intellectual Property and Legal Affairs Division, Administration Headquarters
April 2010: General Manager, IR Office and General Manager, Intellectual Property and Legal Affairs Office, Administration Headquarters
October 2011: General Manager, Management Planning Office and General Manager, Intellectual Property and Legal Affairs Office, Administration Headquarters
June 2014: Corporate Officer (to the present)
April 2016: Head, Administration Headquarters (to the present)</td><td>4,000</td></tr>
<tr><td colspan="2">- Reasons for the appointment as a candidate for Director
Mr. Hideo Takani has been engaged in the administration division for a long period and is experienced in wide-ranging fields of operation, including legal affairs, intellectual property, IR, administration of overseas offices, and management planning. In April 2016 he assumed office as the Head of Administration Headquarters. We therefore anticipate that his abundant experience and deep knowledge in business administration of the Group will be indispensable for the management of the Company. Thus, the Company selected him as a candidate for Director.</td><td></td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of Birth)</th><th>Brief personal history, position and assignment of the Company, and significant office(s) concurrently held</th><th>No. of the Company shares held</th></tr>
<tr><td rowspan="2">7</td><td>Richard R. Lury
(January 21, 1948)
<Outside Director>
<Independent Officer>

Term of office as an Outside Director:
Two years as of the closing of this meeting</td><td>September 1974: Admitted to the bar of the State of New York
September 1989: Partner, Kelley Drye & Warren LLP (retired from the entity in January 2015)
June 2003: Admitted to the bar of the State of New Jersey
March 2013: Outside Director, Sanken North America, Inc. (to the present)
June 2014: Outside Director of the Company (to the present)</td><td>0</td></tr>
<tr><td colspan="3">- Reasons for the appointment as a candidate for Outside Director
Mr. Richard R. Lury has served as a partner of a law firm in the United States for a long period and has experience and expertise in international corporate legal affairs. We anticipate that he will give valuable advice and opinions from the viewpoint of promoting global management. As he is also expected to supervise management from an objective perspective as an attorney-at-law, we believe that he will help to significantly strengthen the supervisory function of the Board of Directors of the Company. In addition, he is expected to make similar contributions to the management of the corporate group, as he has formerly held and currently holds offices as an Outside Director of principal subsidiaries of the Company. Anticipating that he will appropriately perform his duties as an Outside Director. Thus, the Company selected him as a candidate for Director.</td></tr>
<tr><td rowspan="2">8</td><td>Noriharu Fujita
(September 26, 1950)
<Outside Director>
<Newly appointed></td><td>September 1975: Entered Ito Accounting Firm
May 1980: Obtained MBA from The University of Illinois at Urbana–Champaign
July 1980: Entered ICI Japan Ltd.
January 1989: Senior Manager, Ernst & Young, LLP Chicago Office
October 1997: Partner, Ernst & Young, LLP New York Office (retired from the entity in June 2007)
September 2008: Executive Partner, Ernst & Young ShinNihon LLC
October 2008: JBS Global Services Leader, Ernst & Young ShinNihon LLC (retired from the entity in June 2013)
July 2013: Representative, Fujita Noriharu Accounting Firm (to the present)
August 2015: Independent Non-Executive Director, CITIC Limited (to the present)</td><td>0</td></tr>
<tr><td colspan="3">- Reasons for the appointment as a candidate for Outside Director
Mr. Noriharu Fujita is qualified as a CPA in Japan and the U.S. and has acquired deep knowledge about finance and accounting through his many years of experience in audit practice. In view of his abundant international experiences as a partner in a U.S. auditing firm and other posisions, we anticipate that he will give valuable advice and opinions from the viewpoint of promoting global management. We also expect him to supervise management from an objective perspective as a certified public accountant who remains independent from the management, and thereby help to significantly strengthen the supervisory function of the Board of Directors of the Company. Anticipating that Mr. Noriharu Fujita will appropriately perform his duties as an Outside Director for the reasons above. Thus, the Company selected him as a candidate for Director.</td></tr>
</table>

Notes: 1. No conflicts of interest exist between the Company and any of the above candidates.

2. Matters concerning a candidate for Outside Director:
   - The Company has filed with the Tokyo Stock Exchange a notification that the Company has appointed Mr. Richard R. Lury as an independent officer of the Company. If his re-election is approved, the Company plans to continue to appoint him as an independent officer. Mr. Noriharu

Fujita satisfies the requirements for independent officer set forth in the regulations of the Tokyo Stock Exchange. If his election is approved, the Company will appoint him as an independent officer.

- The Company has entered into an agreement with Mr. Richard R. Lury to limit his liability for damages arising from negligence of duties to an amount set forth by laws and regulations pursuant to Article 427, Paragraph 1 of the Companies Act. If this Proposal is approved as proposed, the Company plans to continue the same agreement with Mr. Richard R. Lury and to enter into a liability limitation agreement with Mr. Noriharu Fujita under the same conditions.
- Mr. Richard R. Lury will assume office as an outside director of Hitachi Zosen Corporation on June 23, 2016.

Proposal No. 2: Election of One Audit and Supervisory Board Member

Mr. Tatsuo Okino, Audit and Supervisory Board Member, will resign at the conclusion of this meeting. Accordingly, we shall propose the election of one Audit and Supervisory Board Member. The Audit and Supervisory Board has approved the submission of this proposal.
The candidate for Audit and Supervisory Board Member is as follows:

Name (Date of Birth)	Brief personal history, position of the Company, and significant office(s) concurrently held	No. of the Company shares held
Akira Ota (November 11, 1957) <Newly appointed>	September 1989: Entered the Company October 2002: Accounting Manager, Corporate Administration Headquarters June 2005: Corporate Officer April 2006: General Manager, Planning and Finance Division, Corporate Administration Headquarters and General Manager, IR Office June 2010: Director and Senior Corporate Officer April 2011: Head, Corporate Administration Headquarters and General Manager, Planning and Finance Division June 2012: Director and Senior Vice President June 2015: Director and Executive Vice President (to the present) April 2016: Assistant to President (to the present)	24,000

- Reasons for the appointment as a candidate for Audit & Supervisory Board Member

Mr. Akira Ota has been engaged in the operations of accounting and finance divisions since entering the Company and has acquired abundant practical experience in finance and accounting for a long period. Since June 2010 he has been involved in management as a Director. Since becoming the Head of the Corporate Administration Headquarters in April 2011, he has played a leading role in refining and systematizing administration and reforming the personnel system. Anticipating that he will fully apply his abundant experience and knowledge in the auditing of the Company. Thus, the Company selected him as a candidate for Audit and Supervisory Board Member.

Note: No conflicts of interest exist between the Company and the above candidate.

[A GUIDE FOR THE EXERCISE OF YOUR VOTING RIGHTS VIA THE INTERNET]

When exercising your voting rights via the Internet, please review the following points. Votes via the Internet are accepted until 5:00 p.m. of the day before the date of the Ordinary General Meeting of Shareholders. Please submit your votes well in advance before this time.

1. Matters to note concerning the method and exercise of your voting rights
   (1) Exercise of voting rights via the Internet is only possible by accessing the website designated by the Company for the purpose of exercising voting rights.
   Website for the exercise of voting rights: **http://www.web54.net**
   (2) When exercising your voting rights via the Internet, please enter the code for the exercise of voting rights and the temporary password on the Voting Rights Exercise Form, and register your approval or disapproval for each proposal by following the instructions on the screen.
   (3) Any fees payable to Internet providers and telecommunication carriers (including access charges) incurred through access to the website for the exercise of voting rights will be borne by the shareholders.
   (4) If you exercise your voting rights via the Internet more than once, your final votes shall be deemed to be valid. If you exercise your voting rights by two different methods, that is, via the Internet as well as by mailing, the votes via the Internet shall be deemed to be valid.

2. Matters to note concerning exercise of the temporary password and the code for the exercise of voting rights
   (1) The code for the exercise of voting rights on the Voting Rights Exercise Form is effective only for this Ordinary General Meeting of Shareholders.
   (2) A temporary password is sensitive information and means to verify if the person voting is a genuine shareholder. Please maintain this password as strictly confidential in the same manner as a registered seal or a personal identification number.
   (3) If you enter your temporary password erroneously more than a certain number times, our system will disable your access rights with the temporary password. Please follow the instructions on the screen if you wish to have a temporary password reissued.

3. System requirements
   Before exercising your voting rights via the Internet, please confirm that your computer system satisfies all of the following requirements for exercising your voting rights.
   - If a pop-up block function is activated in your web browser, browser plug-ins, etc., please disable (or temporarily disable) that function and enable cookies from our website by adjusting your browser's privacy settings.
   - If you are unable to access our website, please confirm your settings as a firewall, proxy server, or security software application or anything such may be restricting telecommunication via the Internet on your computer.

4. Help desk for guidance on operating your personal computer
   In case you need instructions on how to operate your personal computer for exercising your voting rights on this website, please contact the following support desk:
   - Transfer Agent Web Support, Sumitomo Mitsui Trust Bank, Limited.
     Phone: 0120-652-031 (9:00 a.m.～9:00 p.m.)
   - For other inquiries, please contact the following:
     i) Shareholders who have accounts at securities companies
     Please contact your securities companies.
     ii) Shareholders who have no accounts at securities companies (who have shares at special accounts)
     Transfer Agent Business Center, Sumitomo Mitsui Trust Bank, Limited.
     Phone: 0120-782-031 (9:00 a.m.～5:00 p.m., weekdays)

Location of Ordinary General Meeting of Shareholders

Place: Sanken Electric Co., Ltd., Head Office
6-3, Kitano 3-chome, Niiza-shi, Saitama Prefecture
Phone: +81-48-472-1111
Access: 15-minute walk from Shiki Station (South Exit), Tobu-Tojo Line

