



Flash Report for the First-Quarter Period Ended June 30, 2012 [Japan GAAP] (on a consolidated basis)

August 6, 2012

Name: Shindengen Electric Manufacturing Co., Ltd. Securities Exchange: Tokyo Stock Exchange
Code Number: 6844 Registered Head Office: Tokyo

(URL <http://www.shindengen.co.jp>)

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Scheduled date for submission of Quarterly Report: August 9, 2012

Date for initiation of dividend payments (subject to change): —

Prepared quarterly earnings results briefing material: No

Held quarterly earnings results briefing (for institutional investors and securities analysts): No

* All amounts are rounded down to the nearest million yen.

1. Results for the First-Quarter Period (April 1 to June 30, 2012)

(1) Operating results (¥ million)

	Net sales		Operating income		Ordinary income		Net income	
1st quarter ended June 30, 2012	¥20,699	(1.4)%	¥ 255	(86.1)%	¥ 51	(96.6)%	¥ 90	(92.3)%
1st quarter ended June 30, 2011	20,996	(4.6)	1,833	14.3	1,511	5.7	1,176	46.9

Notes: 1. Percentage figures for net sales, operating income, ordinary income and net income represent year-on-year comparisons.

2. Comprehensive income

1st quarter ended June 30, 2012: ¥ (221) million (—%)

1st quarter ended June 30, 2011: ¥ 1,306 million (—%)

	Net income per share (¥)	
	basic	diluted
1st quarter ended June 30, 2012	¥ 0.67	¥—
1st quarter ended June 30, 2011	10.99	—

(2) Financial position (¥ million)

	Total assets	Net assets	Equity ratio
As of June 30, 2012	¥110,392	¥33,652	30.5%
As of March 31, 2012	111,920	34,541	30.9

Note: Owners' equity

As of June 30, 2012: ¥33,652 million

As of March 31, 2012: ¥34,541 million

2. Dividends

	Cash dividends per share (¥)				
	Quarter-end			Year-end	Annual
	1st	2nd	3rd		
Year ended March 31, 2012	¥—	¥0.00	¥—	¥3.50	¥3.50
Year ending March 31, 2013	—				
Year ending March 31, 2013 (forecast)		0.00	—	3.50	3.50

Note: Revisions to dividend payment forecasts during the reporting period: Not applicable

“Dividends” above refers to dividend payments on ordinary shares of the Company's common stock. For information on dividends paid on class shares (unlisted) issued by the Company that are different in nature from ordinary shares in terms of claims and obligations, please see “Dividends by Class Shares.”

3. Business Performance Forecasts for the Year Ending March 31, 2013

(April 1, 2012 to March 31, 2013)

(¥ million)

	Net sales		Operating income		Ordinary income		Net income		Net income per share (¥)
First-half period	¥43,200	2.2%	¥1,500	(58.1)%	¥ 700	(72.3)%	¥ 300	(83.2)%	¥ 2.49
Full term	88,900	7.7	4,900	(2.5)	2,800	(24.3)	2,000	33.1	18.56

Notes: 1. Percentage figures represent year-on-year comparisons.

2. Revisions to performance forecasts during the reporting period: Not applicable

Note

(1) Significant changes in the scope of consolidation

Inclusion: None

Exclusion: None

(2) Application of special accounting methods for the preparation of quarterly consolidated financial statements

Not applicable

(3) Changes in accounting policies, accounting estimates and correction of errors

Changes in accounting policies due to revision of the accounting standards: Applicable

Changes in accounting policies other than above: Not applicable

Changes in accounting estimates: Applicable

Correction of errors: Not applicable

(4) Number of ordinary shares issued, end of period (including treasury stock)

As of June 30, 2012: 103,388,848 shares As of March 31, 2012: 103,388,848 shares

Number of shares in treasury at the end of the period

As of June 30, 2012: 332,830 shares As of March 31, 2012: 332,730 shares

Average number of shares during the period

1st quarter ended June 30, 2012: 103,056,018 shares

1st quarter ended June 30, 2011: 103,062,798 shares

*Disclosure of Implementation Status of Quarterly Review Procedures

Quarterly review procedures under the Financial Instruments and Exchange Law had not been completed as of the release of this financial report. (This quarterly financial report is not subject to quarterly review procedures under Japan's Financial Instruments and Exchange Law.)

*Appropriate use of earnings forecasts and other matters

The earnings forecasts and other forward-looking statements noted in this document are based on information available at the time and on assumptions deemed rational. Actual earnings may differ significantly due to various factors.

Dividends by Class Shares

Dividends per share paid on class shares that are different in nature from ordinary shares in terms of claims and obligations are as follows.

	Cash dividends per share (¥)				
	Quarter-end			Year-end	Annual
	1st	2nd	3rd		
Class A preferred shares					
Year ended March 31, 2012	¥—	¥0.00	¥—	¥15.40	¥15.40
Year ending March 31, 2013	—				
Year ending March 31, 2013 (forecast)		0.00	—	15.40	15.40

Consolidated Balance Sheets

	Millions of yen	
	As of June 30, 2012	As of March 31, 2012
Assets		
Current assets:		
Cash and deposits	¥ 35,615	¥ 35,501
Notes and accounts receivable – trade	19,750	20,549
Finished products	5,642	4,754
Work in process	3,462	3,320
Raw materials	8,743	9,150
Deferred tax assets	180	280
Other	2,041	3,117
Allowance for doubtful accounts	(24)	(24)
Total current assets	75,413	76,649
Noncurrent assets:		
<i>Tangible fixed assets –</i>		
Buildings and structures	8,256	7,766
Machinery, equipment and vehicles	6,714	5,656
Land	4,836	4,824
Other – net	2,917	2,746
Total tangible fixed assets	22,725	20,993
<i>Intangible assets –</i>		
Software	545	510
Other	286	190
Total intangible assets	831	700
<i>Investments and other assets –</i>		
Investment securities	9,558	10,667
Deferred tax assets	1,334	1,303
Other	577	1,655
Allowance for doubtful accounts	(49)	(49)
Total investments and other assets	11,421	13,577
Total noncurrent assets	34,978	35,271
Total assets	¥110,392	¥111,920

Note: Amounts under one million yen are omitted.

Millions of yen

As of June 30, 2012 As of March 31, 2012

Liabilities

Current liabilities:

Notes and accounts payable – trade	¥ 17,320	¥ 17,902
Short-term loans payable	4,978	4,787
Current portion of bonds	5,400	5,400
Deferred taxes liabilities	3	3
Provision for bonuses	—	716
Other	6,676	4,549
Total current liabilities	34,378	33,360

Long-term liabilities:

Bonds payable	6,500	6,600
Long-term loans payable	25,030	26,458
Provision for retirement benefits	9,486	9,152
Provision for directors' retirement benefits	5	5
Asset retirement obligations	146	144
Deferred tax liabilities	75	428
Other	1,115	1,230
Total long-term liabilities	42,360	44,019
Total liabilities	76,739	77,379

Net assets

Shareholders' equity:

Capital stock	17,823	17,823
Capital surplus	9,009	9,009
Retained earnings	8,733	9,182
Treasury stock	(112)	(112)
Total shareholders' equity	35,453	35,902

Accumulated other comprehensive income (loss):

Valuation difference on available-for-sale securities	30	713
Foreign currency translation adjustment	(1,831)	(2,074)
Total accumulated other comprehensive loss	(1,801)	(1,361)
Total net assets	33,652	34,541
Total liabilities and net assets	¥110,392	¥111,920

Quarterly Consolidated Statements of Income and Comprehensive Income

	Millions of yen	
	1st quarter ended June 30, 2012	1st quarter ended June 30, 2011
Net sales	¥20,699	¥20,996
Cost of sales	17,719	16,639
Gross profit	2,979	4,356
Selling, general and administrative expenses	2,724	2,523
Operating income	255	1,833
Nonoperating income:		
Interest income	25	15
Dividends income	65	65
Royalty	74	73
Equity in earnings of affiliates	62	56
Other	118	42
Total nonoperating income	347	253
Nonoperating expenses:		
Interest expenses	201	191
Foreign exchange loss	145	154
Amortization of net retirement benefit obligation at transition	154	154
Other	48	75
Total nonoperating expenses	551	575
Ordinary income	51	1,511
Extraordinary losses:		
Loss on valuation of investment securities	19	15
Impairment losses	4	—
Total extraordinary losses	24	15
Income before income taxes	27	1,495
Income taxes – current	110	198
Income taxes – refunded	(244)	—
Income taxes – deferred	70	96
Total income taxes	(63)	295
Income before minority interests	90	1,200
Minority interests	—	23
Net income	¥ 90	¥ 1,176
Minority interests	—	23
Income before minority interests	90	1,200
Other comprehensive income (loss):		
Valuation difference on available-for-sale securities	(682)	(79)
Foreign currency translation adjustment	482	206
Share of other comprehensive income of associates accounted for using equity method	(112)	(21)
Total other comprehensive income (loss)	(312)	106
Comprehensive income (loss)	¥ (221)	¥ 1,306
(Breakdown)		
Comprehensive income (loss) attributable to owners of the parent company	¥ (221)	¥ 1,282
Comprehensive income attributable to minority interests	—	23

Note: Amounts under one million yen are omitted.

Notes Pertaining to Going Concern Assumption

None

Notes on Significant Changes in the Amount of Shareholders' Equity

None

Segment Information

1. Net Sales and Profit or Loss by Reporting Segment

Previous First Quarter Period (From April 1, 2011 to June 30, 2011)

	Millions of yen							
	1st quarter ended June 30, 2011							
	Devices Business	Module Business	System Business	Total	Other (Notes 1)	Total	Adjustments (Notes 2)	Quarterly Consolidated Statements of Income and Comprehensive Income (Notes 3)
Net sales:								
Outside customers	¥8,572	¥9,235	¥2,125	¥19,933	¥1,063	¥20,996	¥ —	¥20,996
Inter-segment	1,059	15	—	1,074	—	1,074	(1,074)	—
Total	9,631	9,250	2,125	21,007	1,063	22,070	(1,074)	20,996
Segment income (loss)	¥1,693	¥ 695	¥ (98)	¥ 2,289	¥ 118	¥ 2,407	¥ (574)	¥ 1,833

Notes: 1. The "Other" category includes activities not included in the reporting segments, such as solenoids.

2. ¥(574) million under "Adjustments" includes "Corporate Expenses" that have not been allocated to each reporting segment. "Corporate Expenses" are primarily general and administrative expenses that cannot be attributed to any reporting segment.

3. Segment income or loss is adjusted to the operating income stated on the Quarterly Consolidated Statements of Income and Comprehensive Income.

2. Net Sales and Profit or Loss by Reporting Segment

Reporting First Quarter Period (From April 1, 2012 to June 30, 2012)

	Millions of yen							
	1st quarter ended June 30, 2012							
	Devices Business	Module Business	System Business	Total	Other (Notes 1)	Total	Adjustments (Notes 2)	Quarterly Consolidated Statements of Income and Comprehensive Income (Notes 3)
Net sales:								
Outside customers	¥7,383	¥10,510	¥2,041	¥19,935	¥764	¥20,699	¥ —	¥20,699
Inter-segment	1,047	15	—	1,062	—	1,062	(1,062)	—
Total	8,430	10,525	2,041	20,997	764	21,761	(1,062)	20,699
Segment income (loss)	¥ 736	¥ 331	¥ (130)	¥ 937	¥ 8	¥ 945	¥ (690)	¥ 255

Notes: 1. The "Other" category includes activities not included in the reporting segments, such as solenoids.

2. ¥(690) million under "Adjustments" includes "Corporate Expenses" that have not been allocated to each reporting segment. "Corporate Expenses" are primarily general and administrative expenses that cannot be attributed to any reporting segment.

3. Segment income or loss is adjusted to the operating income stated on the Quarterly Consolidated Statements of Income and Comprehensive Income.