



Flash Report for the Year Ended March 31, 2013 [Japan GAAP] (on a consolidated basis)

May 10, 2013

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 annual general meeting of shareholders: June 27, 2013

Date for initiation of dividend payments (subject to change): June 28, 2013

Scheduled date for submission of securities report: June 28, 2013

Prepared earnings results briefing material: Yes

Held earnings results briefing (for institutional investors and securities analysts): Yes

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

1. Results for the Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(1) Operating results (¥ million)

	Net sales		Operating income		Ordinary income		Net income	
Year ended March 31, 2013	¥88,426	7.1%	¥3,333	(33.6)%	¥3,317	(10.3)%	¥4,009	166.8%
Year ended March 31, 2012	82,561	(5.5)	5,023	(31.4)	3,699	(39.3)	1,502	(67.2)

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

2. Comprehensive income

Year ended March 31, 2013: ¥5,873 million (up 415.5%) Year ended March 31, 2012: ¥1,139 million (down 71.7%)

	Net income per share (¥)		Net income on equity	Ordinary income to total assets	Operating income to net sales
	Basic	Diluted			
Year ended March 31, 2013	¥38.06	—	10.8%	2.9%	3.8%
Year ended March 31, 2012	13.73	—	4.3	3.4	6.1

Note: Earnings from investments in equity-method affiliates

Year ended March 31, 2013: ¥307 million Year ended March 31, 2012: ¥191 million

(2) Financial position (¥ million)

	Total assets	Net assets	Equity ratio	Net assets per share (¥)
As of March 31, 2013	¥118,700	¥39,746	33.5%	¥372.73
As of March 31, 2012	111,920	34,541	30.9	322.20

Note: Owners' equity

As of March 31, 2013: ¥39,746 million As of March 31, 2012: ¥34,541 million

(3) Cash flows (¥ million)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
Year ended March 31, 2013	¥7,657	¥(6,915)	¥ (107)	¥37,148
Year ended March 31, 2012	6,533	(3,947)	4,642	35,255

2. Dividends

	Cash dividends per share (¥)					Total dividends (full term) (¥ million)	Payout ratio (consolidated)	Dividends to net assets to net assets (consolidated)
	Quarter-end							
	1st	2nd	3rd	Year-end	Annual			
Year ended March 31, 2012	¥—	¥0.00	¥—	¥3.50	¥3.50	¥360	25.5%	1.1%
Year ended March 31, 2013	—	0.00	—	3.50	3.50	360	9.2	1.0
Year ending March 31, 2014 (forecast)	—	0.00	—	5.00	5.00		17.7	

Note: “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 Page 3, “4. Dividends by Class Shares.”

3. Business Performance Forecasts for the Year Ending March 31, 2014

(April 1, 2013 to March 31, 2014)

	(¥ million)								
	Net sales		Operating income		Ordinary income		Net income		Net income per share (¥)
First-half period	¥ 47,400	16.4%	¥1,800	730.5%	¥1,400	—%	¥1,400	—%	¥13.16
Full term	101,000	14.2	5,500	65.0	4,200	26.6	3,000	(25.2)	28.26

Note: Percentage figures represent year-on-year comparisons.

Note

(1) Significant changes in the scope of consolidation

Inclusion: None

Exclusion: None

(2) 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

Note: The depreciation and amortization method has been changed from the first quarter of the fiscal year under review, and this change is applicable to cases when it is difficult to distinguish between a change in an accounting policy and a change in an accounting estimate.

(3) Number of ordinary shares issued, end of the year (including treasury stock)

As of March 31, 2013: 103,388,848 shares As of March 31, 2012: 103,388,848 shares

Number of shares in treasury at the end of the year

As of March 31, 2013: 339,982 shares As of March 31, 2012: 332,730 shares

Average number of shares during the period

Year ended March 31, 2013: 103,052,562 shares

Year ended March 31, 2012: 103,058,958 shares

(Reference)
Non-Consolidated Results for the Year Ended March 31, 2013 (April 1, 2012 to March 31, 2013)

(1) Operating results (¥ million)

	Net sales		Operating income		Ordinary income	
Year ended March 31, 2013	¥80,964	1.6%	¥1,456	7.0%	¥2,371	124.6%
Year ended March 31, 2012	79,677	(3.5)	1,362	(64.8)	1,055	(69.2)

	Net income		Net income per share (¥)	
			Basic	Diluted
Year ended March 31, 2013	¥2,171	113.5%	¥20.22	—
Year ended March 31, 2012	1,016	(67.4)	9.02	—

Note: Percentage figures represent year-on-year comparisons.

(2) Financial position (¥ million)

	Total assets	Net assets	Equity ratio	Net assets per share (¥)
As of March 31, 2013	¥109,724	¥33,857	30.9%	¥315.58
As of March 31, 2012	104,117	31,135	29.9	289.14

Note: Owners' equity

As of March 31, 2013: ¥33,857 million As of March 31, 2012: ¥31,135 million

* Disclosure of Implementation Status of Audit Procedures

Audit procedures under the Financial Instruments and Exchange Law had not been completed as of the release of this financial report. (This financial report is not subject to audit 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. The Company makes absolutely no promises regarding the achievement of said earnings forecasts and other forward-looking statements. Actual earnings may differ significantly due to various factors.

4. 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 ended March 31, 2013	—	0.00	—	15.40	15.40
Year ending March 31, 2014 (forecast)	—	0.00	—	15.40	15.40

Consolidated Balance Sheets

	Millions of yen	
	As of March 31, 2013	As of March 31, 2012
Assets		
Current assets:		
Cash and deposits	¥ 34,193	¥ 35,501
Notes and accounts receivable – trade	20,816	20,549
Securities	3,500	—
Finished products	6,125	4,754
Work in process	3,386	3,320
Raw materials	9,101	9,150
Deferred tax assets	471	280
Other	2,062	3,117
Allowance for doubtful accounts	(21)	(24)
Total current assets	79,635	76,649
Noncurrent assets:		
<i>Tangible fixed assets –</i>		
Buildings and structures	8,396	7,766
Machinery, equipment and vehicles	6,906	5,656
Land	4,839	4,824
Leased assets – net	1,093	1,466
Construction in progress	686	384
Other – net	1,157	895
Total tangible fixed assets	23,080	20,993
<i>Intangible assets –</i>		
Goodwill	156	—
Software	464	510
Leased assets	70	77
Other	239	112
Total intangible assets	930	700
<i>Investments and other assets –</i>		
Investment securities	13,160	10,667
Deferred tax assets	1,346	1,303
Other	596	1,655
Allowance for doubtful accounts	(49)	(49)
Total investments and other assets	15,054	13,577
Total noncurrent assets	39,065	35,271
Total assets	¥118,700	¥111,920

Note: Amounts under one million yen are omitted.

Millions of yen

As of March 31, 2013 As of March 31, 2012

Liabilities

Current liabilities:

Notes and accounts payable – trade	¥ 18,596	¥ 17,902
Short-term loans payable	5,939	4,787
Current portion of bonds	400	5,400
Lease obligations	634	660
Income taxes payable	15	—
Provision for bonuses	707	716
Deferred taxes liabilities	—	3
Other	2,645	3,889
Total current liabilities	28,938	33,360

Long-term liabilities:

Bonds payable	6,200	6,600
Long-term loans payable	31,752	26,458
Lease obligations	712	1,117
Deferred tax liabilities	942	428
Provision for retirement benefits	10,177	9,152
Provision for directors' retirement benefits	6	5
Asset retirement obligations	145	144
Other	78	112
Total long-term liabilities	50,015	44,019
Total liabilities	78,954	77,379

Net assets

Shareholders' equity:

Capital stock	17,823	17,823
Capital surplus	9,009	9,009
Retained earnings	12,652	9,182
Treasury stock	(114)	(112)
Total shareholders' equity	39,371	35,902

Accumulated other comprehensive income (loss):

Valuation difference on available-for-sale securities	1,713	713
Foreign currency translation adjustment	(1,338)	(2,074)
Total accumulated other comprehensive income (loss)	375	(1,361)

Minority interests

Total net assets	39,746	34,541
Total liabilities and net assets	¥118,700	¥111,920

Consolidated Statements of Income and Comprehensive Income

	Millions of yen	
	Year ended March 31, 2013	Year ended March 31, 2012
Net sales	¥88,426	¥82,561
Cost of sales	74,229	67,056
Gross profit	14,197	15,505
Selling, general and administrative expenses	10,864	10,482
Operating income	3,333	5,023
Nonoperating income:		
Interest income	88	89
Dividends income	219	189
Foreign exchange gain	825	—
Equity in earnings of affiliates	307	191
Other	414	340
Total nonoperating income	1,855	810
Nonoperating expenses:		
Interest expenses	771	745
Foreign exchange loss	—	264
Amortization of net retirement benefit obligation at transition	618	618
Other	480	504
Total nonoperating expenses	1,871	2,133
Ordinary income	3,317	3,699
Extraordinary income:		
Insurance income	1,133	—
Gain on sale of investments in affiliates	—	29
Total extraordinary income	1,133	29
Extraordinary losses:		
Loss on valuation of investment securities	22	8
Impairment losses	7	55
Loss on disaster	—	1,059
Total extraordinary losses	30	1,123
Income before income taxes	4,421	2,605
Income taxes – current	887	1,014
Income taxes – refunded	(244)	—
Income taxes – deferred	(231)	3
Total income taxes	411	1,018
Income before minority interests	4,009	1,587
Minority interests	—	84
Net income	¥ 4,009	¥ 1,502
Minority interests	—	84
Income before minority interests	4,009	1,587
Other comprehensive income (loss):		
Valuation difference on available-for-sale securities	999	47
Foreign currency translation adjustment	797	(388)
Share of other comprehensive income of associates accounted for using equity method	66	(107)
Total other comprehensive income (loss)	1,863	(448)
Comprehensive income	¥ 5,873	¥ 1,139
(Breakdown)		
Comprehensive income attributable to owners of the parent company	¥ 5,873	¥ 1,054
Comprehensive income attributable to minority interests	—	85

Note: Amounts under one million yen are omitted.

Consolidated Statements of Changes in Net Assets

	Millions of yen	
	Year ended March 31, 2013	Year ended March 31, 2012
Shareholders' equities		
Common stock:		
Balance at beginning of year	¥17,823	¥17,823
Changes during year:		
Total changes during year	—	—
Balance at end of year	¥17,823	¥17,823
Capital surplus:		
Balance at beginning of year	¥ 9,009	¥10,336
Changes during year:		
Retirement of treasury stock	—	(1,326)
Total changes during year	—	(1,326)
Balance at end of year	¥ 9,009	¥ 9,009
Retained earnings:		
Balance at beginning of year	¥ 9,182	¥ 8,111
Changes during year:		
Dividends from surplus	(448)	(432)
Net income	4,009	1,502
Due to increase in consolidated subsidiary	(91)	—
Total changes during year	3,470	1,070
Balance at end of year	¥12,652	¥ 9,182
Treasury stock:		
Balance at beginning of year	¥ (112)	¥ (110)
Changes during year:		
Acquisition of treasury stock	(1)	(1,328)
Retirement of treasury stock	—	1,326
Total changes during year	(1)	(2)
Balance at end of year	¥ (114)	¥ (112)
Total shareholders' equity:		
Balance at beginning of year	¥35,902	¥36,161
Changes during year:		
Dividends from surplus	(448)	(432)
Net income	4,009	1,502
Due to increase in consolidated subsidiary	(91)	—
Acquisition of treasury stock	(1)	(1,328)
Total changes during year	3,468	(258)
Balance at end of year	¥39,371	¥35,902

Note: Amounts under one million yen are omitted.

	Millions of yen	
	Year ended March 31, 2013	Year ended March 31, 2012
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities:		
Balance at beginning of year	¥ 713	¥ 666
Changes during year:		
Net changes in items other than shareholders' equity	999	47
Total changes during year	999	47
Balance at end of year	¥ 1,713	¥ 713
Foreign currency translation adjustments:		
Balance at beginning of year	¥ (2,074)	¥ (1,579)
Changes during year:		
Net changes in items other than shareholders' equity	736	(495)
Total changes during year	736	(495)
Balance at end of year	¥ (1,338)	¥ (2,074)
Total accumulated other comprehensive income:		
Balance at beginning of year	¥ (1,361)	¥ (912)
Changes during year:		
Net changes in items other than shareholders' equity	1,736	(448)
Total changes during year	1,736	(448)
Balance at end of year	¥ 375	¥ (1,361)
Minority interests in consolidated subsidiaries		
Balance at beginning of year	¥ —	¥ 465
Changes during year:		
Net changes in items other than shareholders' equity	—	(465)
Total changes during year	—	(465)
Balance at end of year	¥ —	¥ —
Total net assets		
Balance at beginning of year	¥34,541	¥35,714
Changes during year:		
Dividends from surplus	(448)	(432)
Net income	4,009	1,502
Due to increase in consolidated subsidiary	(91)	—
Acquisition of treasury stock	(1)	(1,328)
Net changes in items other than shareholders' equity	1,736	(913)
Total changes during year	5,204	(1,172)
Balance at end of year	¥39,746	¥34,541

Consolidated Statements of Cash Flows

	Millions of yen	
	Year ended March 31, 2013	Year ended March 31, 2012
Cash flows from operating activities:		
Income before income taxes and minority interests	¥ 4,421	¥ 2,605
Depreciation and amortization	4,358	4,355
Impairment loss	7	55
Loss on disaster	—	1,059
Increase (decrease) in allowance for doubtful accounts	(4)	26
Increase (decrease) in provision for bonuses	(8)	155
Increase (decrease) in provision for retirement benefits	1,009	1,103
Interest and dividends income	(307)	(278)
Interest expenses	771	745
Insurance income	(1,133)	—
Decrease (increase) in notes and accounts receivable – trade	969	(1,812)
Decrease (increase) in inventories	(405)	(2,992)
Decrease (increase) in accrued consumption taxes	174	(81)
Decrease (increase) in accounts receivable – other	468	(438)
Increase (decrease) in notes and accounts payable – trade	(2,879)	4,232
Increase (decrease) in accounts payable	(449)	352
Loss (gain) on sale of investments in subsidiaries	—	(29)
Loss (gain) on valuation of investments in securities	22	8
Loss on disposal of tangible fixed assets	127	88
Other – net	(475)	(907)
Sub-total	6,665	8,249
Interest and dividend received	368	300
Interest paid	(779)	(735)
Proceeds from insurance income	1,964	—
Income taxes paid	(806)	(1,280)
Income taxes refunded	244	—
Net cash provided by operating activities	7,657	6,533
Cash flows from investing activities:		
Proceeds from sale of investments in securities	—	29
Payment for investments in capital of subsidiaries and affiliates	—	(245)
Purchase of stocks of subsidiaries and affiliates	(701)	—
Payment for sale of investments in subsidiaries resulting in change in the scope of consolidation	—	(432)
Purchases of tangible fixed assets	(5,721)	(2,925)
Proceeds from sale of tangible fixed assets	184	64
Purchases of intangible assets	(122)	(257)
Other – net	(554)	(181)
Net cash used in investing activities	(6,915)	(3,947)

	Millions of yen	
	Year ended March 31, 2013	Year ended March 31, 2012
Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable	194	(245)
Proceeds from long-term loans payable	11,000	11,750
Repayment of long-term loans payable	(4,702)	(4,414)
Redemption of bonds	(5,400)	—
Purchases of treasury stock	(1)	(1,328)
Repayment of lease obligations	(749)	(682)
Cash dividends paid	(448)	(432)
Cash dividends paid to minority shareholders	—	(4)
Net cash provided by (used in) financing activities	(107)	4,642
Effect of exchange rate changes on cash and cash equivalents	747	(151)
Net increase (decrease) in cash and cash equivalents	1,382	7,076
Cash and cash equivalents at beginning of year	35,255	28,178
Increase in cash and cash equivalents from newly consolidated subsidiaries and others	511	—
Cash and cash equivalents at end of year	¥37,148	¥35,255

Note: Amounts under one million yen are omitted.

Notes Pertaining to Going Concern Assumption

None

Segment Information

Year ended March 31, 2013 (April 1, 2012 to March 31, 2013)

1. Reporting segment overview

The Company's reportable operating segments are components of an entity for which separate financial information is available and evaluated regularly by the board of directors in determining the allocation of management resources and in assessing performance.

The Shindengen Group formulates comprehensive domestic and overseas strategies for the products that its business divisions provide.

The Shindengen Group's business is organized into three reportable segments—Device Business, Module Business and System Business—which form the base of its business divisions.

The Device Business manufactures diodes, thyristors, MOSFET and high-withstand voltage power ICs. The Module Business manufactures automotive electronics components, inverters and DC/DC converters. The System Business manufactures rectifiers for information communication and switching power supplies for information and industrial equipment.

2. Method of calculating sales, income (loss), identifiable assets/liabilities and other items by reporting segment

The accounting method for business segments reported is based on the same method applied to consolidated financial statements. Income by reporting segment is the amount based on operating income. In addition, inter-segment sales and transfers are primarily based on market prices or manufacturing costs.

(Change in Depreciation and Amortization Method)

In accordance with an amendment of the Corporation Tax Act of Japan, the Company and its domestic consolidated subsidiaries have changed the depreciation and amortization method from the fiscal year under review for tangible fixed assets acquired on or after April 1, 2012. This change had a minimal impact on consolidated operating income, ordinary income and income before income taxes for the fiscal year under review.

3. Net sales, income (loss), identifiable assets/liabilities and other items by reporting segment

	Millions of yen							
	Year ended March 31, 2013							
	Devices Business	Module Business	System Business	Total	Other (Notes 2)	Total	Adjustments (Notes 3)	Financial Statement Amount (Notes 4)
Net sales:								
Outside customers	¥29,304	¥46,310	¥9,975	¥85,590	¥2,836	¥88,426	¥ —	¥ 88,426
Inter-segment	4,143	70	—	4,214	—	4,214	(4,214)	—
Total	33,448	46,380	9,975	89,804	2,836	92,641	(4,214)	88,426
Segment income	¥ 2,714	¥ 2,707	¥ 467	¥ 5,889	¥ 29	¥ 5,918	¥ (2,584)	¥ 3,333
Segment assets	¥31,387	¥26,365	¥7,689	¥65,442	¥1,201	¥66,643	¥52,057	¥118,700
Other items								
Depreciation and amortization	2,365	1,255	290	3,911	2	3,913	444	4,358
Increases in property, plant and equipment and intangible assets	2,189	3,002	192	5,384	0	5,384	1,051	6,435

Notes: 1. Amounts under one million yen are omitted.

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

3. Details of adjustments are below:

(1) ¥(2,584) million posted 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.

(2) Segment assets totaling ¥52,057 million posted under "Adjustments" comprise corporate assets of ¥52,288 million not allocated to each reporting segment and other adjustments of ¥(230) million.

(3) Depreciation and amortization totaling ¥444 million posted under "Adjustments" mainly comprises corporate expenses not attributable to each reporting segment.

(4) The increases in property, plant and equipment and intangible assets amounting to ¥1,051 million posted under "Adjustments" primarily comprises corporate assets not attributable to each reporting segment.

4. Segment income is adjusted to the operating income stated on the consolidated statements of income and consolidated statements of comprehensive income.

Significant Subsequent Events

Insurance Claim Settlement for Damages Resulting from the Floods in Thailand

An insurance claim covering damages to the assets of a Group company following the floods that struck Thailand in October 2011 was submitted in the wake of the disaster. In April 2013, SHINDENGEN (THAILAND) CO., LTD. reached an agreement with the insurance company to receive a payment of approximately ¥451 million (141 million bahts). Plans are in place to record this payment as extraordinary income during the interim period of the fiscal year ending March 31, 2014. Agreement to the amount of payment concludes all matters relating to the receipt and settlement of the insurance claim as a result of the floods in Thailand.