



Flash Report for the First-Half Period Ended September 30, 2005 (on a nonconsolidated basis)

November 11, 2005

Name: Shindengen Electric Manufacturing Co., Ltd. Securities Exchange: Tokyo Stock Exchange
 Code Number: 6844 Registered Head Office: Tokyo
 (URL <http://www.shindengen.co.jp>)
 Representative: Kojiroh Oda, President
 Inquiries: Todomu Yakubo, Director and General Manager of Corporate Planning Group Tel: +81-3-3279-4431
 Date of directors' meeting for account settlement: November 11, 2005
 Interim dividend: paid Date of interim dividend payment: December 9, 2005 or after
 Unit share system for trading purposes: 1 trading unit = 1,000 shares

1. Business Results (April 1 to September 30, 2005)

(1) Operating Results

(millions of yen: amounts less than ¥1 million rounded down to the nearest million; YoY % change)

	Net sales (millions of yen)		Operating income (millions of yen)		Ordinary income (millions of yen)	
First-half period under review	¥42,140	5.5%	¥1,209	100.3%	¥1,014	(21.9)%
Previous first half	39,960	4.2	603	—	1,299	—
Previous term (April 1, 2004 to March 31, 2005)	80,364		1,756		2,986	

	Net income (millions of yen)		Net income per share (yen)
First-half period under review	¥ 477	(43.0)%	¥ 5.89
Previous first half	837	—	10.32
Previous term	1,591		19.61

Notes: 1. Average number of shares outstanding:
 First-half period: 81,137,047 shares
 Previous first half: 81,168,810 shares
 Previous term: 81,160,858 shares
 2. Changes in accounting standards: yes

(2) Dividend Payment

	Interim dividends per share (yen)	Annual dividends per share (yen)
First-half period under review	¥2.50	¥ —
Previous first half	0.00	—
Previous term	—	2.50

(3) Financial Position

	Total assets (millions of yen)	Shareholders' equity (millions of yen)	Shareholders' equity to total assets (%)	Shareholders' equity per share (yen)
First-half period under review	¥86,885	¥39,575	45.5%	¥487.83
Previous first half	85,651	37,638	43.9	463.74
Previous term	86,946	38,448	44.2	473.82

Notes: 1. Number of shares outstanding at end of period:
 First-half period: 81,125,454 shares
 Previous first half: 81,162,295 shares
 Previous term: 81,145,902 shares
 2. Number of treasury shares outstanding at end of period:
 First-half period: 151,160 shares
 Previous first half: 114,319 shares
 Previous term: 130,712 shares

2. Business Forecast for Current Term (April 1, 2005 to March 31, 2006)

	Net sales (millions of yen)	Ordinary income (millions of yen)	Net income (millions of yen)	Annual dividends per share (yen)	
				Term-end	Total
Full term	¥86,000	¥2,500	¥1,300	¥2.50	¥5.00

(Reference) Estimated net income per share for the current term ending March 31, 2006: ¥16.02

* The above projections of business performance are based on information available to the Company's management as of the date of publication, and the reader should be aware that actual results may differ from the projections as a result of a variety of factors.

Nonconsolidated Interim Balance Sheets

	Millions of yen					
	September 30, 2005		September 30, 2004		March 31, 2005	
	Amount	Ratio to total assets	Amount	Ratio to total assets	Amount	Ratio to total assets
Assets						
Current assets:						
Cash and bank deposits	¥ 2,959		¥ 2,536		¥ 3,684	
Trade notes receivable	138		215		170	
Trade accounts receivable	27,147		27,191		26,051	
Inventories	9,821		10,429		10,363	
Other accounts receivable	4,686		5,448		5,197	
Short-term loans receivable	6,048		4,039		4,801	
Deferred tax assets	1,427		1,471		1,400	
Other current assets	505		676		1,069	
Allowance for doubtful accounts	(12)		(12)		(11)	
Total current assets	52,724	60.7%	51,998	60.7%	52,728	60.7%
Noncurrent assets:						
<i>Tangible fixed assets –</i>						
Buildings	3,325		3,530		3,389	
Other	6,243		6,202		6,467	
Total tangible fixed assets	9,568	11.0	9,733	11.4	9,857	11.3
<i>Intangible assets –</i>						
Software	355		328		317	
Other	21		22		22	
Total intangible assets	377	0.4	350	0.4	339	0.4
<i>Investments and other assets –</i>						
Investment securities	11,518		9,330		10,283	
Investments in affiliates	5,642		5,819		5,642	
Long-term loans receivable	4,640		4,184		4,546	
Deferred tax assets	1,075		2,887		2,192	
Other	1,343		1,521		1,426	
Allowance for doubtful accounts	(71)		(102)		(82)	
Reserve for loss on investment	—		(84)		—	
Total investments and other assets	24,148	27.8	23,558	27.5	24,010	27.6
Total noncurrent assets	34,094	39.2	33,642	39.3	34,207	39.3
Deferred charges:						
Bond issuance costs	66		11		11	
Total deferred charges	66	0.1	11	0.0	11	0.0
Total assets	¥86,885	100.0%	¥85,651	100.0%	¥86,946	100.0%

Note: Amounts under one million yen are omitted.

	Millions of yen					
	September 30, 2005		September 30, 2004		March 31, 2005	
	Amount	Ratio to total assets	Amount	Ratio to total assets	Amount	Ratio to total assets
Liabilities and shareholders' equity						
Current liabilities:						
Trade notes payable	¥ 1,769		¥ 1,289		¥ 1,414	
Trade accounts payable	11,972		11,472		11,537	
Short-term loans	3,484		8,671		5,952	
Current portion of bonds	—		4,000		4,000	
Current portion of convertible bonds	—		2,191		2,191	
Accrued bonuses	486		354		412	
Other current liabilities	4,291		5,300		5,733	
Total current liabilities	22,004	25.4%	33,280	38.9%	31,241	35.9%
Long-term liabilities:						
Bonds	9,000		4,000		4,000	
Bonds with non-detachable warrants	3,000		—		3,000	
Long-term loans	7,912		6,242		5,327	
Reserve for employees' retirement benefits	5,032		4,157		4,559	
Reserve for directors' retirement allowances	361		331		370	
Total long-term liabilities	25,305	29.1	14,732	17.2	17,257	19.9
Total liabilities	47,309	54.5	48,013	56.1	48,498	55.8
Shareholders' equity:						
Common stock	13,617	15.7	13,617	15.9	13,617	15.7
Capital surplus:						
Appropriation for legal reserve	12,825		12,825		12,825	
Remaining portion	0		0		0	
Total capital surplus	12,826	14.8	12,826	15.0	12,826	14.7
Retained earnings:						
Appropriation for legal reserve	1,246		1,246		1,246	
Voluntary reserve	8,678		8,678		8,678	
Unappropriated retained earnings (deficit)	983		(44)		709	
Total retained earnings	10,908	12.5	9,880	11.5	10,634	12.2
Unrealized gain on available-for-sale securities	2,266	2.6	1,344	1.5	1,406	1.6
Treasury stock	(43)	(0.1)	(29)	(0.0)	(35)	(0.0)
Total shareholders' equity	39,575	45.5	37,638	43.9	38,448	44.2
Total liabilities and shareholders' equity	¥86,885	100.0%	¥85,651	100.0%	¥86,946	100.0%

Nonconsolidated Interim Statements of Income

	Millions of yen					
	6 months ended September 30, 2005		6 months ended September 30, 2004		Year ended March 31, 2005	
	Amount	Ratio to net sales	Amount	Ratio to net sales	Amount	Ratio to net sales
Net sales	¥42,140	100.0%	¥39,960	100.0%	¥80,364	100.0%
Cost of sales	36,914	87.6	35,804	89.6	71,608	89.1
Gross profit	5,225	12.4	4,155	10.4	8,755	10.9
Selling, general and administrative expenses	4,016	9.5	3,551	8.9	6,999	8.7
Operating income	1,209	2.9	603	1.5	1,756	2.2
Nonoperating income	749	1.7	1,810	4.5	3,211	4.0
Nonoperating expenses	944	2.2	1,114	2.8	1,981	2.5
Recurring profit	1,014	2.4	1,299	3.2	2,986	3.7
Extraordinary income	416	1.0	574	1.4	1,115	1.4
Extraordinary losses	332	0.8	259	0.6	954	1.2
Income before income taxes	1,098	2.6	1,615	4.0	3,147	3.9
Income taxes:						
Current	121		87		142	
Deferred	499		690		1,413	
Total income taxes	621	1.5	777	1.9	1,555	1.9
Net income	477	1.1	837	2.1	1,591	2.0
Retained earnings (deficit) brought forward	506		(874)		(874)	
Unappropriated deficit resulting from merger	—		7		7	
Unappropriated retained earnings (deficit)	¥ 983		¥ (44)		¥ 709	

Note: Amounts under one million yen are omitted.