



## Flash Report for the First-Quarter Period Ended June 30, 2009 (on a consolidated basis)

August 7, 2009

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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Date for initiation of dividend payments (subject to change): not applicable

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

### 1. Results for the First-Quarter Period (April 1 to June 30, 2009)

#### (1) Operating results

(¥ million)

	Net sales		Operating loss		Ordinary income (loss)		Net income (loss)	
1st quarter ended June 30, 2009	¥15,338	(33.9)%	¥(2,125)	—%	¥(2,263)	—%	¥(3,306)	—%
1st quarter ended June 30, 2008	23,209	—	(173)	—	507	—	94	—

	Net income (loss) per share (¥)	
	basic	diluted
1st quarter ended June 30, 2009	¥(38.13)	¥ —
1st quarter ended June 30, 2008	1.09	1.08

Note: Percentage figures for net sales, operating loss, ordinary income (loss) and net income (loss) represent year-on-year comparisons.

#### (2) Financial position

(¥ million)

	Total assets	Net assets	Equity ratio	Net assets per share (¥)
As of June 30, 2009	¥83,192	¥21,901	25.9%	¥248.28
As of March 31, 2009	90,620	23,764	25.8	269.71

Note: Owners' equity

As of June 30, 2009: ¥21,530 million

As of March 31, 2009: ¥23,390 million

### 2. Dividends

	Cash dividends per share (¥)				
	Quarter-end			Year-end	Annual
	1st	2nd	3rd		
Year ended March 31, 2009	¥ —	¥3.50	¥ —	¥0.00	¥3.50
Year ending March 31, 2010	—				
Year ending March 31, 2010 (forecast)		0.00	—	Not yet decided	

Notes: 1. Revisions to dividend payment forecasts during the reporting period: not applicable

2. The term-end dividend to be paid for the year ending March 31, 2010 is undecided.

### 3. Business Performance Forecasts for the Year Ending March 31, 2010

(April 1, 2009 to March 31, 2010)

(¥ million)

	Net sales		Operating income (loss)		Ordinary income (loss)		Net loss		Net loss per share (¥)
First-half period	¥32,500	(33.5)%	¥(1,700)	—%	¥(2,400)	—%	¥(5,300)	—%	¥(61.09)
Full term	72,400	(15.1)	4,000	—	3,000	—	(1,100)	—	(12.68)

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

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

### 4. Others

(1) Changes in the scope of consolidation

Inclusion: none

Exclusion: none

(2) Application of simplified methods for accounting procedures: applicable

(3) Changes in significant accounting policies

Changes in accounting standard: not applicable

Other: applicable

(4) Number of ordinary shares issued at the end of the period

As of June 30, 2009: 87,027,848 shares

As of March 31, 2009: 87,027,848 shares

Number of shares in treasury at the end of the period

As of June 30, 2009: 308,924 shares

As of March 31, 2009: 304,801 shares

Average number of shares during the period

1st quarter ended June 30, 2009: 86,720,201 shares

1st quarter ended June 30, 2008: 86,790,569 shares

The above forecasts are based on data available as of the date of release of this document as well as assumptions based on uncertain factors, which might have a material effect on the Company's performance in the future. Readers are advised that actual results may differ substantially from the above forecasts due to various unforeseeable factors.

## Consolidated Balance Sheets

	Millions of yen	
	As of June 30, 2009	As of March 31, 2009
<b>Assets</b>		
Current assets:		
Cash and time deposits	¥11,771	¥14,289
Trade notes and accounts receivable	14,796	17,098
Merchandise and finished products	4,893	6,583
Work in process	4,666	4,553
Raw materials and supplies	6,590	7,427
Deferred tax assets	1,278	1,189
Other current assets	996	2,098
Allowance for doubtful accounts	(290)	(263)
Total current assets	44,703	52,976
Noncurrent assets:		
<i>Tangible fixed assets –</i>		
Buildings and structures – net	9,855	9,769
Machinery, equipment and vehicles – net	7,314	7,587
Land	4,867	4,875
Other – net	3,507	3,838
Total tangible fixed assets	25,544	26,071
<i>Intangible assets –</i>		
Software	470	436
Other	180	209
Total intangible assets	650	646
<i>Investments and other assets –</i>		
Investments in securities	8,798	7,617
Deferred tax assets	2,416	2,334
Other	1,174	1,071
Allowance for doubtful accounts	(94)	(96)
Total investments and other assets	12,294	10,926
Total noncurrent assets	38,489	37,644
Total assets	¥83,192	¥90,620

Note: Amounts under one million yen are omitted.

Millions of yen

As of June 30, 2009      As of March 31, 2009

**Liabilities**

Current liabilities:

Trade notes and accounts payable	¥ 9,560	¥11,764
Short-term borrowings	12,197	11,860
Current portion of bonds	2,000	2,000
Current portion of bonds with non-detachable warrants	204	204
Income taxes payable	—	28
Accrued bonuses	—	471
Other current liabilities	3,963	6,929
<b>Total current liabilities</b>	<b>27,925</b>	<b>33,258</b>

Long-term liabilities:

Bonds	8,000	8,000
Long-term borrowings	16,151	16,313
Accrued retirement benefits	7,424	7,421
Accrued retirement benefits for directors	61	59
Deferred tax liabilities	0	0
Other	1,728	1,804
<b>Total long-term liabilities</b>	<b>33,365</b>	<b>33,598</b>
<b>Total liabilities</b>	<b>61,290</b>	<b>66,856</b>

**Net assets**

Shareholders' equity:

Common stock	14,773	14,773
Capital surplus	10,506	13,981
Retained earnings	(2,472)	(2,640)
Treasury stock	(104)	(103)
<b>Total shareholders' equity</b>	<b>22,703</b>	<b>26,010</b>

Valuation and translation adjustments:

Unrealized loss on available-for-sale securities	(145)	(1,237)
Foreign currency translation adjustments	(1,026)	(1,382)
<b>Total valuation and translation adjustments</b>	<b>(1,172)</b>	<b>(2,620)</b>

Minority interests in consolidated subsidiaries

	371	373
<b>Total net assets</b>	<b>21,901</b>	<b>23,764</b>
<b>Total liabilities and net assets</b>	<b>¥83,192</b>	<b>¥90,620</b>

## Consolidated Statements of Operations

	Millions of yen	
	1st quarter ended June 30, 2009	1st quarter ended June 30, 2008
Net sales	¥15,338	¥23,209
Cost of sales	15,032	20,087
Gross profit	306	3,121
Selling, general and administrative expenses	2,431	3,295
Operating loss	(2,125)	(173)
Nonoperating income:		
Interest income	12	32
Dividend received	49	99
Foreign exchange gain	—	698
Equity in earnings of affiliates	65	—
Other	174	224
Total nonoperating income	301	1,055
Nonoperating expenses:		
Interest expenses	180	123
Foreign exchange loss	41	—
Amortization of transition amount for accrued retirement benefits	154	154
Other	63	97
Total nonoperating expenses	439	374
Ordinary income (loss)	(2,263)	507
Extraordinary income:		
Gain on sale of investments in securities	—	55
Gain on sale of investments in affiliates	—	54
Total extraordinary income	—	109
Extraordinary losses:		
Corporate restructuring expenses	1,090	—
Loss on impairment of fixed assets	17	—
Total extraordinary losses	1,107	—
Income (loss) before income taxes	(3,371)	616
Income taxes – current	102	232
Income taxes – deferred	(169)	270
Total income taxes	(66)	503
Minority interests in net income of consolidated subsidiaries	2	18
Net income (loss)	¥(3,306)	¥ 94

Note: Amounts under one million yen are omitted.

## Consolidated Statements of Cash Flows

	Millions of yen	
	1st quarter ended June 30, 2009	1st quarter ended June 30, 2008
Cash flows from operating activities:		
Income (loss) before income taxes	¥(3,371)	¥ 616
Depreciation and amortization	1,111	1,205
Decrease in accrued bonuses	(471)	(1,008)
Increase in accrued retirement benefits	2	271
Increase (decrease) in accrued retirement benefits for directors	2	(508)
Loss on impairment of fixed assets	17	—
Interest and dividend income	(61)	(132)
Interest expenses	180	123
Gain on sale of investments in securities	—	(55)
Gain on sale of investments in affiliates	—	(54)
Decrease in notes and accounts receivable	2,582	753
Decrease in inventories	2,696	87
Increase (decrease) in notes and accounts payable	(2,812)	1,594
Other – net	(1,514)	(1,336)
Sub-total	(1,637)	1,558
Interest and dividend received	60	140
Interest paid	(146)	(78)
Income taxes paid	(185)	(318)
Net cash provided by (used in) operating activities	(1,907)	1,301
Cash flows from investing activities:		
Proceeds from sale of investments in affiliates	—	60
Payment for investments in partnership of affiliates	(97)	—
Purchases of tangible fixed assets	(745)	(889)
Proceeds from sale of tangible fixed assets	61	1,515
Other – net	(75)	120
Net cash provided by (used in) investing activities	(857)	807
Cash flows from financing activities:		
Net increase (decrease) in short-term loans	115	(347)
Proceeds from long-term debt	1,013	—
Repayment of long-term debt	(1,035)	(858)
Cash dividends paid	—	(303)
Cash dividends paid to minority shareholders	(5)	(5)
Other – net	(68)	(1)
Net cash provided by (used in) financing activities	20	(1,515)
Effect of exchange rate changes on cash and cash equivalents	228	(448)
Net increase (decrease) in cash and cash equivalents	(2,517)	144
Cash and cash equivalents at beginning of period	14,243	8,947
Cash and cash equivalents at end of period	¥11,726	¥9,092

Note: Amounts under one million yen are omitted.

## Segment Information

### Industry segment information

	Millions of yen					
	1st quarter ended June 30, 2009					
	Devices	Equipment	Other	Total	Elimination or corporate	Consolidated
Net sales:						
Outside customers	¥6,075	¥8,401	¥861	¥15,338	¥ —	¥15,338
Inter-group	194	0	—	195	(195)	—
Total	6,269	8,402	861	15,533	(195)	15,338
Operating income (loss)	(1,651)	210	7	(1,433)	(691)	(2,125)

	Millions of yen					
	1st quarter ended June 30, 2008					
	Devices	Equipment	Other	Total	Elimination or corporate	Consolidated
Net sales:						
Outside customers	¥10,042	¥11,715	¥1,451	¥23,209	¥ —	¥23,209
Inter-group	473	5	—	479	(479)	—
Total	10,516	11,721	1,451	23,688	(479)	23,209
Operating income (loss)	(351)	995	87	731	(905)	(173)

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

2. Principal products of each segment:

Devices: Rectifier diodes, Thyristors, Power transistors, Power ICs, Hybrid ICs

Equipment: Rectifiers for information communication, Switching power supplies, High frequency power supply components, DC/DC converters, Automotive electronics components

Other: Solenoids

3. Changes to accounting standards:

a. Change in method of valuation of inventory assets

The Company has adopted the “Accounting Standards for the Valuation of Inventory Assets (ASBJ Statement No. 9, July 5, 2006)” with effect from the previous term. In line with this change, compared with the figures that would have resulted from the use of the previous accounting standards, operating loss increased by ¥263 million for the Devices segment, operating income decreased by ¥244 million for the Equipment segment and less than ¥1 million for the Other segment.

b. Application of new accounting standards for the accounting procedures of foreign subsidiaries for consolidated financial statements

As of the previous term, the Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements (ASBJ Practical Issues Task Force Report No. 18, May 17, 2006) is being applied.

In line with this change, compared with the figures that would have resulted from the use of the previous accounting standards, operating loss increased by ¥31 million for the Devices segment, operating income decreased by ¥36 million for the Equipment and less than ¥1 million for the Other segment.

## Information by geographic segment

	Millions of yen						
	1st quarter ended June 30, 2009						
	Japan	Asia	North America	Europe	Total	Elimination or corporate	Consolidated
Net sales:							
Outside customers	¥10,909	¥3,947	¥293	¥187	¥15,338	¥ —	¥15,338
Inter-group	3,871	2,315	—	—	6,186	(6,186)	—
Total	14,781	6,263	293	187	21,524	(6,186)	15,338
Operating income (loss)	(1,756)	332	(17)	7	(1,433)	(691)	(2,125)

	Millions of yen						
	1st quarter ended June 30, 2008						
	Japan	Asia	North America	Europe	Total	Elimination or corporate	Consolidated
Net sales:							
Outside customers	¥15,851	¥ 6,390	¥562	¥404	¥23,209	¥ —	¥23,209
Inter-group	7,331	5,283	0	—	12,616	(12,616)	—
Total	23,183	11,674	563	404	35,826	(12,616)	23,209
Operating income	527	187	0	16	731	(905)	(173)

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

2. These countries are classified as follows:

Asia: Thailand, Singapore, Philippines, China, Indonesia

North America: U.S.A.

Europe: U.K.

3. Changes to accounting standards:

a. Change in method of valuation of inventory assets

The Company has adopted the “Accounting Standards for the Valuation of Inventory Assets (ASBJ Statement No. 9, July 5, 2006)” with effect from the previous term. In line with this change, compared with the figures that would have resulted from the use of the previous accounting standards, operating income declined by ¥507 million for the Japan segment.

b. Application of new accounting standards for the accounting procedures of foreign subsidiaries for consolidated financial statements

As of the previous term, the Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements (ASBJ Practical Issues Task Force Report No. 18, May 17, 2006) is being applied.

In line with this change, compared with the figures that would have resulted from the use of the previous accounting standards, operating income declined by ¥67 million for the Asia segment and less than ¥1 million for North America segment.



## Overseas sales

	Millions of yen				
	1st quarter ended June 30, 2009				
	Asia	North America	Europe	Other area	Total
Overseas sales	¥6,200	¥526	¥437	¥2	¥ 7,167
Consolidated net sales					¥ 15,338
Overseas sales as a percentage of consolidated net sales	40.4%	3.4%	2.9%	0.0%	46.7%

	Millions of yen				
	1st quarter ended June 30, 2008				
	Asia	North America	Europe	Other area	Total
Overseas sales	¥8,368	¥820	¥872	¥17	¥ 10,078
Consolidated net sales					¥ 23,209
Overseas sales as a percentage of consolidated net sales	36.0%	3.5%	3.8%	0.1%	43.4%

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

2. The term "overseas sales" refers to sales posted by the reporting entity ("the Company") and its consolidated subsidiaries registered in countries outside of Japan.

3. These countries are classified as follows:

Asia: Thailand, Singapore, Philippines, China, Indonesia

North America: U.S.A.

Europe: U.K.

Other area: Brazil