



## Flash Report for the First-Quarter Period Ended June 30, 2011 [Japan GAAP] (on a consolidated basis)

August 5, 2011

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 11, 2011

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

Prepared quarterly earnings results briefing material: Not applicable

Held quarterly earnings results briefing: Not applicable

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

### 1. Results for the First-Quarter Period (April 1 to June 30, 2011)

(1) Operating results (¥ million)

	Net sales		Operating income		Ordinary income		Net income	
1st quarter ended June 30, 2011	¥20,996	(4.6)%	¥1,833	14.3%	¥1,511	5.7%	¥1,176	46.9%
1st quarter ended June 30, 2010	22,004	43.5%	1,604	—	1,429	—	800	—

Note: Comprehensive income (loss)

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

1st quarter ended June 30, 2010: ¥ (312) million (—%)

	Net income per share (¥)	
	basic	diluted
1st quarter ended June 30, 2011	¥10.99	¥—
1st quarter ended June 30, 2010	7.77	—

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

(2) Financial position (¥ million)

	Total assets	Net assets	Equity ratio	Net assets per share (¥)
As of June 30, 2011	¥105,492	¥36,583	34.2%	¥325.58
As of March 31, 2011	103,336	35,714	34.1	316.06

Note: Owners' equity

As of June 30, 2011: ¥36,098 million

As of March 31, 2011: ¥35,248 million

### 2. Dividends

	Cash dividends per share (¥)				
	Quarter-end			Year-end	Annual
	1st	2nd	3rd		
Year ended March 31, 2011	¥—	¥0.00	¥—	¥2.50	¥2.50
Year ending March 31, 2012	—				
Year ending March 31, 2012 (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 “5. Dividends by Class Shares.”

### 3. Business Performance Forecasts for the Year Ending March 31, 2012

(April 1, 2011 to March 31, 2012)

(¥ million)

	Net sales		Operating income		Ordinary income		Net income		Net income per share (¥)
First-half period	¥41,300	(8.8)%	¥2,000	(53.6)%	¥1,400	(58.7)%	¥ 900	(63.6)%	¥ 7.88
Full term	85,900	(1.6)	5,700	(22.2)	4,200	(31.1)	3,300	(27.9)	30.32

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

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

### 4. Others

(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: Not applicable

Changes in accounting policies other than above: Not applicable

Changes in accounting estimates: Not applicable

Correction of errors: Not applicable

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

As of June 30, 2011: 103,388,848 shares      As of March 31, 2011: 103,388,848 shares

Number of shares in treasury at the end of the period

As of June 30, 2011: 326,705 shares      As of March 31, 2011: 325,728 shares

Average number of shares during the period

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

1st quarter ended June 30, 2010: 103,072,502 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.

## 5. 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, 2011	¥—	¥0.00	¥—	¥15.40	¥15.40
Year ended March 31, 2012	—				
Year ending March 31, 2012 (forecast)		0.00	—	15.40	15.40

Note: The above amounts for the dividend per Class A preferred share are rounded to the second decimal place.

## Consolidated Balance Sheets

	Millions of yen	
	As of June 30, 2011	As of March 31, 2011
<b>Assets</b>		
Current assets:		
Cash and deposits	¥ 31,487	¥ 28,178
Notes and accounts receivable – trade	19,959	20,554
Finished products	5,200	5,391
Work in process	4,440	3,706
Raw materials	7,413	7,388
Deferred tax assets	81	228
Other	866	1,830
Allowance for doubtful accounts	(20)	(14)
<b>Total current assets</b>	<b>69,426</b>	<b>67,263</b>
Noncurrent assets:		
<i>Tangible fixed assets –</i>		
Buildings and structures	8,542	8,701
Machinery, equipment and vehicles	5,734	5,787
Land	4,872	4,867
Other – net	3,225	3,193
<b>Total tangible fixed assets</b>	<b>22,375</b>	<b>22,550</b>
<i>Intangible assets –</i>		
Software	362	379
Other	279	286
<b>Total intangible assets</b>	<b>642</b>	<b>666</b>
<i>Investments and other assets –</i>		
Investment securities	9,871	9,971
Deferred tax assets	1,473	1,419
Other	1,731	1,499
Allowance for doubtful accounts	(29)	(34)
<b>Total investments and other assets</b>	<b>13,048</b>	<b>12,855</b>
<b>Total noncurrent assets</b>	<b>36,065</b>	<b>36,072</b>
<b>Total assets</b>	<b>¥105,492</b>	<b>¥103,336</b>

Note: Amounts under one million yen are omitted.

Millions of yen

As of June 30, 2011      As of March 31, 2011

**Liabilities**

Current liabilities:

Notes and accounts payable – trade	¥ 15,544	¥ 15,607
Short-term loans payable	4,728	4,753
Current portion of bonds	100	—
Income taxes payable	—	288
Deferred taxes liabilities	3	—
Provision for bonuses	—	582
Other	4,643	4,398
<b>Total current liabilities</b>	<b>25,019</b>	<b>25,629</b>

Long-term liabilities:

Bonds payable	11,900	12,000
Long-term loans payable	21,168	19,410
Provision for retirement benefits	8,600	8,172
Provision for directors' retirement benefits	32	31
Asset retirement obligations	143	145
Deferred tax liabilities	414	454
Other	1,630	1,777
<b>Total long-term liabilities</b>	<b>43,889</b>	<b>41,991</b>
<b>Total liabilities</b>	<b>68,909</b>	<b>67,621</b>

**Net assets**

Shareholders' equity:

Capital stock	17,823	17,823
Capital surplus	10,336	10,336
Retained earnings	8,855	8,111
Treasury stock	(110)	(110)
<b>Total shareholders' equity</b>	<b>36,905</b>	<b>36,161</b>

Accumulated other comprehensive income (loss):

Valuation difference on available-for-sale securities	587	666
Foreign currency translation adjustment	(1,393)	(1,579)
<b>Total accumulated other comprehensive income (loss)</b>	<b>(806)</b>	<b>(912)</b>

Minority interests

Minority interests	485	465
<b>Total net assets</b>	<b>36,583</b>	<b>35,714</b>
<b>Total liabilities and net assets</b>	<b>¥105,492</b>	<b>¥103,336</b>

## Quarterly Consolidated Statements of Operations and Comprehensive Income

	Millions of yen	
	1st quarter ended June 30, 2011	1st quarter ended June 30, 2010
Net sales	¥20,996	¥22,004
Cost of sales	16,639	17,715
Gross profit	4,356	4,288
Selling, general and administrative expenses	2,523	2,684
Operating income	1,833	1,604
Nonoperating income:		
Interest income	15	18
Dividends income	65	59
Royalty income	73	77
Equity in earnings of affiliates	56	37
Other	42	61
Total nonoperating income	253	254
Nonoperating expenses:		
Interest expenses	191	183
Foreign exchange loss	154	27
Amortization of net retirement benefit obligation at transition	154	154
Other	75	62
Total nonoperating expenses	575	429
Ordinary income	1,511	1,429
Extraordinary losses:		
Loss on valuation of investment securities	15	57
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	118
Total extraordinary losses	15	175
Income before income taxes	1,495	1,254
Income taxes – current	198	360
Income taxes – deferred	96	68
Total income taxes	295	428
Income before minority interests	1,200	825
Minority interests	23	24
Net income	¥ 1,176	¥ 800
Minority interests	23	24
Income before minority interests	1,200	825
Other comprehensive income (loss):		
Unrealized holding loss on available-for-sale securities	(79)	(1,252)
Foreign currency translation adjustment	206	166
Share of other comprehensive income of associates accounted for using equity method	(21)	(52)
Total other comprehensive income (loss)	106	(1,138)
Comprehensive income (loss)	¥ 1,306	¥ (312)
(Breakdown)		
Comprehensive income (loss) attributable to owners of the parent company	¥ 1,282	¥ (337)
Comprehensive income (loss) attributable to minority interests	23	24

Note: Amounts under one million yen are omitted.

## Notes Pertaining to Going Concern Assumption

None

### Segment Information

#### 1. Net Sales and Profit or Loss by Reporting Segment

Previous First Quarter Period (From April 1, 2010 to June 30, 2010)

Millions of yen								
1st quarter ended June 30, 2010								
	Devices Business	Module Business	System Business	Total	Other (Notes 1)	Total	Adjustments (Notes 2)	Quarterly Consolidated Statements of Operations and Comprehensive Income
Net sales:								
Outside customers	¥ 9,357	¥7,855	¥3,409	¥20,621	¥1,382	¥22,004	¥ —	¥22,004
Inter-segment	1,037	13	—	1,050	—	1,050	(1,050)	—
Total	10,394	7,868	3,409	21,672	1,382	23,054	(1,050)	22,004
Segment income	¥ 857	¥1,047	¥ 184	¥ 2,090	¥ 126	¥ 2,216	¥ (612)	¥ 1,604

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

2. ¥(612) 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 is adjusted to the operating income stated on the Quarterly Consolidated Statements of Operations and Comprehensive Income.

#### 2. Net Sales and Profit or Loss by Reporting Segment

Reporting 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 Operations and Comprehensive Income
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 Operations and Comprehensive Income.

### Notes on Significant Changes in the Amount of Shareholders’ Equity

None