



Flash Report for the Third-Quarter Period Ended December 31, 2012 [Japan GAAP] (on a consolidated basis)

February 6, 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>)

Representative: Masato Morikawa, President

Inquiries: Shoji Chiba, Manager of Corporate Planning Group, Planning Dept.

Tel: +81-3-3279-4431

Scheduled date for submission of Quarterly Report: February 13, 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 Three Quarters (April 1 to December 31, 2012)

(1) Operating results (¥ million)

	Net sales		Operating income		Ordinary income		Net income	
Three quarters ended December 31, 2012	¥61,370	(1.3)%	¥1,248	(70.7)%	¥ 676	(77.7)%	¥1,216	(36.0)%
Three quarters ended December 31, 2011	62,160	(7.4)	4,258	(34.3)	3,034	(43.2)	1,900	(51.9)

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

2. Comprehensive income

Three quarters ended December 31, 2012: ¥1,203 million (—%)

Three quarters ended December 31, 2011: ¥(130) million (—%)

	Net income per share (¥)	
	basic	diluted
Three quarters ended December 31, 2012	¥11.17	¥—
Three quarters ended December 31, 2011	17.17	—

(2) Financial position (¥ million)

	Total assets	Net assets	Equity ratio
As of December 31, 2012	¥109,199	¥35,076	32.1%
As of March 31, 2012	111,920	34,541	30.9

Note: Owners' equity

As of December 31, 2012: ¥35,076 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	—	0.00	—		
Year ending March 31, 2013 (forecast)				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 (¥)
Full term	¥88,000	6.6%	¥2,100	(58.2)%	¥1,500	(59.5)%	¥2,000	33.1%	¥18.56

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

2. Revisions to performance forecasts during the reporting period: 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 December 31, 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 December 31, 2012: 338,996 shares As of March 31, 2012: 332,730 shares

Average number of shares during the period

Three quarters ended December 31, 2012: 103,053,693 shares

Three quarters ended December 31, 2011: 103,059,799 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	—	0.00	—		
Year ending March 31, 2013 (forecast)				15.40	15.40

Consolidated Balance Sheets

Millions of yen

	As of December 31, 2012	As of March 31, 2012
Assets		
Current assets:		
Cash and deposits	¥ 33,480	¥ 35,501
Notes and accounts receivable – trade	18,684	20,549
Finished products	6,387	4,754
Work in process	3,323	3,320
Raw materials	8,287	9,150
Deferred tax assets	123	280
Other	2,117	3,117
Allowance for doubtful accounts	(19)	(24)
Total current assets	72,384	76,649
Noncurrent assets:		
<i>Tangible fixed assets –</i>		
Buildings and structures	8,099	7,766
Machinery, equipment and vehicles	6,573	5,656
Land	4,824	4,824
Other – net	2,990	2,746
Total tangible fixed assets	22,488	20,993
<i>Intangible assets –</i>		
Goodwill	165	—
Software	479	510
Other	295	190
Total intangible assets	939	700
<i>Investments and other assets –</i>		
Investment securities	11,534	10,667
Deferred tax assets	1,345	1,303
Other	557	1,655
Allowance for doubtful accounts	(51)	(49)
Total investments and other assets	13,386	13,577
Total noncurrent assets	36,814	35,271
Total assets	¥109,199	¥111,920

Note: Amounts under one million yen are omitted.

Millions of yen

As of December 31, 2012 As of March 31, 2012

Liabilities

Current liabilities:

Notes and accounts payable – trade	¥ 16,560	¥ 17,902
Short-term loans payable	5,483	4,787
Current portion of bonds	400	5,400
Deferred taxes liabilities	3	3
Provision for bonuses	—	716
Asset retirement obligations	2	—
Other	4,145	4,549
Total current liabilities	26,596	33,360

Long-term liabilities:

Bonds payable	6,300	6,600
Long-term loans payable	29,675	26,458
Provision for retirement benefits	10,033	9,152
Provision for directors' retirement benefits	6	5
Asset retirement obligations	145	144
Deferred tax liabilities	430	428
Other	935	1,230
Total long-term liabilities	47,527	44,019
Total liabilities	74,123	77,379

Net assets

Shareholders' equity:

Capital stock	17,823	17,823
Capital surplus	9,009	9,009
Retained earnings	9,859	9,182
Treasury stock	(113)	(112)
Total shareholders' equity	36,578	35,902

Accumulated other comprehensive income (loss):

Valuation difference on available-for-sale securities	756	713
Foreign currency translation adjustment	(2,258)	(2,074)
Total accumulated other comprehensive loss	(1,502)	(1,361)
Total net assets	35,076	34,541
Total liabilities and net assets	¥109,199	¥111,920

Quarterly Consolidated Statements of Income and Comprehensive Income

	Millions of yen	
	Three quarters ended December 31, 2012	Three quarters ended December 31, 2011
Net sales	¥61,370	¥62,160
Cost of sales	52,168	50,241
Gross profit	9,202	11,919
Selling, general and administrative expenses	7,954	7,660
Operating income	1,248	4,258
Nonoperating income:		
Interest income	57	57
Dividends income	174	154
Foreign exchange gain	1	—
Equity in earnings of affiliates	213	106
Other	319	259
Total nonoperating income	766	578
Nonoperating expenses:		
Interest expenses	586	566
Foreign exchange loss	—	541
Amortization of net retirement benefit obligation at transition	464	464
Other	287	230
Total nonoperating expenses	1,337	1,802
Ordinary income	676	3,034
Extraordinary income:		
Insurance income	881	—
Total extraordinary income	881	—
Extraordinary losses:		
Loss on valuation of investment securities	59	1
Impairment losses	6	—
Total extraordinary losses	66	1
Income before income taxes	1,492	3,033
Income taxes – current	406	834
Income taxes – refunded	(244)	—
Income taxes – deferred	113	226
Total income taxes	275	1,061
Income before minority interests	1,216	1,972
Minority interests	—	71
Net income	1,216	¥ 1,900
Minority interests	—	71
Income before minority interests	1,216	1,972
Other comprehensive income (loss):		
Valuation difference on available-for-sale securities	42	(1,548)
Foreign currency translation adjustment	(38)	(388)
Share of other comprehensive income of associates accounted for using equity method	(17)	(165)
Total other comprehensive loss	(13)	(2,102)
Comprehensive income (loss)	¥ 1,203	¥ (130)
(Breakdown)		
Comprehensive income (loss) attributable to owners of the parent company	¥ 1,203	¥ (201)
Comprehensive income attributable to minority interests	—	71

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 Three Quarters (From April 1, 2011 to December 31, 2011)

	Millions of yen							
	Three quarters ended December 31, 2011							Quarterly Consolidated Statements of Income and Comprehensive Income (Notes 3)
	Devices Business	Module Business	System Business	Total	Other (Notes 1)	Total	Adjustments (Notes 2)	
Net sales:								
Outside customers	¥23,808	¥27,926	¥7,116	¥58,851	¥3,308	¥62,160	¥ —	¥62,160
Inter-segment	3,275	45	—	3,321	—	3,321	(3,321)	—
Total	27,084	27,972	7,116	62,172	3,308	65,481	(3,321)	62,160
Segment income	¥ 3,791	¥ 2,002	¥ 0	¥ 5,794	¥ 367	¥ 6,161	¥(1,902)	¥ 4,258

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

2. ¥(1,902) 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 Income and Comprehensive Income.

2. Net Sales and Profit or Loss by Reporting Segment

Reporting Three Quarters (From April 1, 2012 to December 31, 2012)

	Millions of yen							
	Three quarters ended December 31, 2012							Quarterly Consolidated Statements of Income and Comprehensive Income (Notes 3)
	Devices Business	Module Business	System Business	Total	Other (Notes 1)	Total	Adjustments (Notes 2)	
Net sales:								
Outside customers	¥21,542	¥30,687	¥6,964	¥59,193	¥2,177	¥61,370	¥ —	¥61,370
Inter-segment	2,946	54	—	3,000	—	3,000	(3,000)	—
Total	24,488	30,742	6,964	62,194	2,177	64,371	(3,000)	61,370
Segment income	¥ 2,223	¥ 936	¥ 20	¥ 3,179	¥ 21	¥ 3,201	¥(1,953)	¥ 1,248

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

2. ¥(1,953) 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 Income and Comprehensive Income.