



January 27, 2012

Company Name: SHINDENGEN ELECTRIC MANUFACTURING CO. LTD  
Representative Name: Masato Morikawa, President and Representative Director  
(Securities Code: 6844, First Section, Tokyo Stock Exchange)  
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## Notice of Partial Reacquisition and Cancellation of Class A Preferred Shares

To whom it may concern,

This notice is to inform you that, at a meeting of the Board of Directors held today, our Company decided to reacquire, in accordance with Article 13, Section 7 (Acquisitions in Exchange for Remuneration) of our Company's Articles of Incorporation, and cancel, in accordance with the provisions of Article 178 of the Companies Act, a portion of our Company's outstanding Class A preferred shares, as described below.

### 1. Reason for This Reacquisition of Shares

In order to stabilize our financial base in response to a loss in market capitalization following the substantial deficit that we posted in our consolidated results for the fiscal year ending in March of 2009, our company issued Class A preferred shares on October 29 of that same year.

In the more than two years that have passed since this capital increase, our Company has implemented both organizational reforms and a new growth strategy, thereby succeeding in improving our business performance and achieving a certain degree of financial stability. In consideration of these facts, our company has decided to reacquire a portion of these Class A preferred shares.

### 2. Matters Pertaining to this Reacquisition

(1) Type of Shares Subject to Acquisition: SHINDENGEN ELECTRIC MANUFACTURING CO. LTD  
Class A Preferred Shares  
(2) Total Number of Shares Involved: 5,681,000 Shares  
(3) Acquisition Price: 233.502 Yen per Share  
In accordance with the provisions of our Company's Articles of Incorporation and with the purview of the Class A preferred shares issued, the aforementioned acquisition price is equivalent to the total of the accrued dividend to be paid on each Class A preferred share added to the original amount paid in per share (220 yen).

(4) Total Acquisition Cost: 1,326,524,862 Yen

### 3. The Other Parties to the Reacquisition of Shares, and Their Respective Numbers of Shares and Total Acquisition Costs

Other Party	Shares Reacquired	Total Acquisition Cost
Century Tokyo Leasing Corporation	3,250,000 Shares	758,881,500 Yen
CHUO FUDOSAN K.K.	909,000 Shares	212,253,318 Yen
ANDO Corporation	681,500 Shares	159,131,613 Yen
Takasago Thermal Engineering Co., Ltd.	681,500 Shares	159,131,613 Yen
RENESAS EASTON Co., Ltd.	159,000 Shares	37,126,818 Yen
Totals	5,681,000 Shares	1,326,524,862 Yen

4. Total Number of Shares to be Cancelled: 5,681,000 Shares

5. Reacquisition and Cancellation Schedule

Notification to Shareholders:	Friday, January 27, 2012
Planned Date of Reacquisition:	Tuesday, February 14, 2012
Planned Date of Cancellation:	Tuesday, February 14, 2012

6. Total Number of Outstanding Class A Preferred Shares following Cancellation

Total Number of Shares Issued:	11,362,000 Shares (as of January 27, 2012)
Total Number of Shares to be Cancelled:	5,681,000 Shares
Outstanding Shares following Cancellation:	5,681,000 Shares

Further, with regard to the remaining outstanding Class A preferred shares, while working carefully to ascertain our business performance and financial situation in the future, we intend to proceed with considerations concerning the timing and conditions for the reacquisition of these shares as well.