



Flash Report for the Year Ended March 31, 2012 [Japan GAAP] (on a consolidated basis)

May 11, 2012

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 annual general meeting of shareholders: June 28, 2012

Date for initiation of dividend payments (subject to change): June 29, 2012

Scheduled date for submission of securities report: June 29, 2012

Prepared earnings results briefing material: Yes

Held earnings results briefing (for institutional investors and securities analysts): Yes

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

1. Results for the Year Ended March 31, 2012 (April 1, 2011 to March 31, 2012)

(1) Operating results

(¥ million)

	Net sales		Operating income		Ordinary income		Net income	
Year ended March 31, 2012	¥82,561	(5.5)%	¥5,023	(31.4)%	¥3,699	(39.3)%	¥1,502	(67.2)%
Year ended March 31, 2011	87,330	12.1	7,325	31.7	6,099	27.0	4,575	—

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

2. Comprehensive income

Year ended March 31, 2012: ¥1,139 million (down 71.7%) Year ended March 31, 2011: ¥4,025 million (104.0%)

	Net income per share (¥)		Net income on equity	Ordinary income to total assets	Operating income to net sales
	Basic	Diluted			
Year ended March 31, 2012	¥13.73	—	4.3%	3.4%	6.1%
Year ended March 31, 2011	42.70	—	13.7	6.1	8.4

Note: Earnings from investments in equity-method affiliates

Year ended March 31, 2012: ¥191 million Year ended March 31, 2011: ¥146 million

(2) Financial position

(¥ million)

	Total assets	Net assets	Equity ratio	Net assets per share (¥)
As of March 31, 2012	¥111,920	¥34,541	30.9%	¥322.20
As of March 31, 2011	103,336	35,714	34.1	316.06

Note: Owners' equity

As of March 31, 2012: ¥34,541 million As of March 31, 2011: ¥35,248 million

(3) Cash flows

(¥ million)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
Year ended March 31, 2012	¥6,533	¥(3,947)	¥4,642	¥35,255
Year ended March 31, 2011	9,443	(3,021)	(1,585)	28,178

2. Dividends

	Cash dividends per share (¥)					Total dividends (full term) (¥ million)	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	Quarter-end			Year-end	Annual			
	1st	2nd	3rd					
Year ended March 31, 2011	¥—	¥0.00	¥—	¥2.50	¥2.50	¥257	5.9%	0.8%
Year ended March 31, 2012	—	0.00	—	3.50	3.50	360	25.5	1.1
Year ending March 31, 2013 (forecast)	—	0.00	—	3.50	3.50		18.9	

Note: "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 Page 3, "4. 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 (¥)
First-half period	¥43,200	2.2%	¥1,500	(58.1)%	¥ 700	(72.3)%	¥ 300	(83.2)%	¥ 2.49
Full term	88,900	7.7	4,900	(2.5)	2,800	(24.3)	2,000	33.1	18.56

Note: Percentage figures represent year-on-year comparisons.

Note:

(1) Changes in the scope of consolidation (changes in specific subsidiaries)

Inclusion: None

Exclusion: None

(2) 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

(3) Number of shares issued, end of the year (including treasury stock)

As of March 31, 2012: 103,388,848 shares As of March 31, 2011: 103,388,848 shares

Number of shares in treasury at the end of the year

As of March 31, 2012: 332,730 shares As of March 31, 2011: 325,728 shares

Average number of shares during the period

Year ended March 31, 2012: 103,058,958 shares

Year ended March 31, 2011: 103,068,782 shares

(Reference)**Non-Consolidated Results for the Year Ended March 31, 2012 (April 1, 2011 to March 31, 2012)****(1) Operating results**

(¥ million)

	Net sales		Operating income		Ordinary income	
	¥	(%)	¥	(%)	¥	(%)
Year ended March 31, 2012	¥79,677	(3.5)%	¥1,362	(64.8)%	¥1,055	(69.2)%
Year ended March 31, 2011	82,571	15.2	3,872	113.1	3,432	116.4

	Net income		Net income per share (¥)	
			Basic	Diluted
	Year ended March 31, 2012	¥1,016	(67.4)%	¥ 9.02
Year ended March 31, 2011	3,114	—	28.52	—

Note: Percentage figures represent year-on-year comparisons.

(2) Financial position

(¥ million)

	Total assets	Net assets	Equity ratio	Net assets per share (¥)
As of March 31, 2012	¥104,117	¥31,135	29.9%	¥289.14
As of March 31, 2011	93,501	31,834	34.0	282.93

Note: Owners' equity

As of March 31, 2012: ¥31,135 million As of March 31, 2011: ¥31,834 million

* Disclosure of Implementation Status of Audit Procedures

Audit procedures under the Financial Instruments and Exchange Law had not been completed as of the release of this financial report. (This financial report is not subject to audit 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.

4. 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	—	0.00	—	15.40	15.40
Year ending March 31, 2013 (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 March 31, 2012	As of March 31, 2011
Assets		
Current assets:		
Cash and deposits	¥ 35,501	¥ 28,178
Notes and accounts receivable – trade	20,549	20,554
Finished products	4,754	5,391
Work in process	3,320	3,706
Raw materials	9,150	7,388
Deferred tax assets	280	228
Other	3,117	1,830
Allowance for doubtful accounts	(24)	(14)
Total current assets	76,649	67,263
Noncurrent assets:		
<i>Tangible fixed assets –</i>		
Buildings and structures	7,766	8,701
Machinery, equipment and vehicles	5,656	5,787
Land	4,824	4,867
Leased assets – net	1,466	1,843
Construction in progress	384	350
Other – net	895	998
Total tangible fixed assets	20,993	22,550
<i>Intangible assets –</i>		
Software	510	379
Leased assets	77	98
Other	112	188
Total intangible assets	700	666
<i>Investments and other assets –</i>		
Investments in securities	10,667	9,971
Deferred tax assets	1,303	1,419
Other	1,655	1,499
Allowance for doubtful accounts	(49)	(34)
Total investments and other assets	13,577	12,855
Total noncurrent assets	35,271	36,072
Total assets	¥111,920	¥103,336

Note: Amounts under one million yen are omitted.

	Millions of yen	
	As of March 31, 2012	As of March 31, 2011
Liabilities		
Current liabilities:		
Notes and accounts payable – trade	¥ 17,902	¥ 15,607
Short-term loans payable	4,787	4,753
Current portion of bonds	5,400	—
Lease obligations	660	608
Income taxes payable	—	288
Provision for bonuses	716	582
Deferred taxes liabilities	3	—
Other	3,889	3,790
Total current liabilities	33,360	25,629
Long-term liabilities:		
Bonds payable	6,600	12,000
Long-term loans payable	26,458	19,410
Lease obligations	1,117	1,516
Deferred tax liabilities	428	454
Provision for retirement benefits	9,152	8,172
Provision for directors' retirement benefits	5	31
Asset retirement obligations	144	145
Other	112	261
Total long-term liabilities	44,019	41,991
Total liabilities	77,379	67,621
Net assets		
Shareholders' equity:		
Capital stock	17,823	17,823
Capital surplus	9,009	10,336
Retained earnings	9,182	8,111
Treasury stock	(112)	(110)
Total shareholders' equity	35,902	36,161
Accumulated other comprehensive income (loss):		
Valuation difference on available-for-sale securities	713	666
Foreign currency translation adjustment	(2,074)	(1,579)
Total accumulated other comprehensive loss	(1,361)	(912)
Minority interests		
	—	465
Total net assets	34,541	35,714
Total liabilities and net assets	¥111,920	¥103,336

Consolidated Statements of Income and Comprehensive Income

	Millions of yen	
	Year ended March 31, 2012	Year ended March 31, 2011
Net sales	¥82,561	¥87,330
Cost of sales	67,056	69,463
Gross profit	15,505	17,866
Selling, general and administrative expenses	10,482	10,541
Operating income	5,023	7,325
Nonoperating income:		
Interest income	89	64
Dividends income	189	165
Rental revenues	61	105
Equity in earnings of affiliates	191	146
Royalty	131	84
Other	146	258
Total nonoperating income	810	824
Nonoperating expenses:		
Interest expenses	745	738
Foreign exchange loss	264	211
Amortization of net retirement benefit obligation at transition	618	618
Other	504	481
Total nonoperating expenses	2,133	2,049
Ordinary income	3,699	6,099
Extraordinary income:		
Gain on sale of investments in affiliates	29	—
Total extraordinary income	29	—
Extraordinary losses:		
Loss on disaster	1,059	128
Impairment losses	55	—
Loss on valuation of investment securities	8	117
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	118
Loss on sale of investments in affiliates	—	86
Loss on sale of investments in securities	—	3
Total extraordinary losses	1,123	454
Income before income taxes	2,605	5,645
Income taxes – current	1,014	1,009
Income taxes – deferred	3	(31)
Total income taxes	1,018	978
Income before minority interests	1,587	4,667
Minority interests	84	91
Net income	¥ 1,502	¥ 4,575
Minority interests	84	91
Income before minority interests	1,587	4,667
Other comprehensive income (loss):		
Valuation difference on available-for-sale securities	47	(207)
Foreign currency translation adjustment	(388)	(360)
Share of other comprehensive income of associates accounted for using equity method	(107)	(73)
Total other comprehensive loss	(448)	(641)
Comprehensive income	¥ 1,139	¥ 4,025
(Breakdown)		
Comprehensive income attributable to owners of the parent company	¥ 1,054	¥ 3,933
Comprehensive income attributable to minority interests	85	91

Note: Amounts under one million yen are omitted.

Consolidated Statements of Changes in Net Assets

	Millions of yen	
	Year ended March 31, 2012	Year ended March 31, 2011
Shareholders' equities		
Common stock:		
Balance at beginning of year	¥17,823	¥17,823
Changes during year:		
Total changes during year	—	—
Balance at end of year	¥17,823	¥17,823
Capital surplus:		
Balance at beginning of year	¥10,336	¥13,555
Changes during year:		
Dividends from surplus – other capital surplus	—	(73)
Transfer to retained earnings from capital surplus	—	(3,145)
Disposal of treasury stock	—	0
Retirement of treasury stock	(1,326)	—
Total changes during year	(1,326)	(3,219)
Balance at end of year	¥ 9,009	¥10,336
Retained earnings:		
Balance at beginning of year	¥ 8,111	¥390
Changes during year:		
Dividends from surplus	(432)	—
Transfer to retained earnings from capital surplus	—	3,145
Net income	1,502	4,575
Due to increase in consolidated subsidiary	—	0
Total changes during year	1,070	7,721
Balance at end of year	¥ 9,182	¥ 8,111
Treasury stock:		
Balance at beginning of year	¥ (110)	¥ (105)
Changes during year:		
Acquisition of treasury stock	(1,328)	(4)
Disposal of treasury stock	—	0
Retirement of treasury stock	1,326	—
Total changes during year	(2)	(4)
Balance at end of year	¥ (112)	¥ (110)
Total shareholders' equity:		
Balance at beginning of year	¥36,161	¥31,663
Changes during year:		
Dividends from surplus	(432)	—
Dividends from surplus – other capital surplus	—	(73)
Net income	1,502	4,575
Due to increase in consolidated subsidiary	—	0
Acquisition of treasury stock	(1,328)	(4)
Disposal of treasury stock	—	0
Retirement of treasury stock	—	—
Total changes during year	(258)	4,497
Balance at end of year	¥35,902	¥36,161

Note: Amounts under one million yen are omitted.

	Millions of yen	
	Year ended March 31, 2012	Year ended March 31, 2011
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities:		
Balance at beginning of year	¥ 666	¥ 873
Changes during year:		
Net changes in items other than shareholders' equity	47	(207)
Total changes during year	47	(207)
Balance at end of year	¥ 713	¥ 666
Foreign currency translation adjustments:		
Balance at beginning of year	¥ (1,579)	¥ (1,144)
Changes during year:		
Net changes in items other than shareholders' equity	(495)	(434)
Total changes during year	(495)	(434)
Balance at end of year	¥ (2,074)	¥ (1,579)
Total accumulated other comprehensive income:		
Balance at beginning of year	¥ (912)	¥ (270)
Changes during year:		
Net changes in items other than shareholders' equity	(448)	(641)
Total changes during year	(448)	(641)
Balance at end of year	¥ (1,361)	¥ (912)
Minority interests in consolidated subsidiaries		
Balance at beginning of year	¥ 465	¥ 436
Changes during year:		
Net changes in items other than shareholders' equity	(465)	28
Total changes during year	(465)	28
Balance at end of year	¥ —	¥ 465
Total net assets		
Balance at beginning of year	¥35,714	¥31,829
Changes during year:		
Dividends from surplus	(432)	—
Dividends from surplus – other capital surplus	—	(73)
Net income	1,502	4,575
Due to increase in consolidated subsidiary	—	0
Acquisition of treasury stock	(1,328)	(4)
Disposal of treasury stock	—	0
Retirement of treasury stock	—	—
Net changes in items other than shareholders' equity	(913)	(612)
Total changes during year	(1,172)	3,884
Balance at end of year	¥34,541	¥35,714

Consolidated Statements of Cash Flows

	Millions of yen	
	Year ended March 31, 2012	Year ended March 31, 2011
Cash flows from operating activities:		
Income before income taxes and minority interests	¥ 2,605	¥ 5,645
Depreciation and amortization	4,355	4,175
Loss on adjustment for changes of accounting standard for asset retirement obligations		118
Impairment loss	55	
Loss on disaster	1,059	128
Increase (decrease) in allowance for doubtful accounts	26	(66)
Increase (decrease) in provision for bonuses	155	63
Increase (decrease) in provision for retirement benefits	1,103	850
Interest and dividends income	(278)	(230)
Interest expenses	745	738
Decrease (increase) in notes and accounts receivable – trade	(1,812)	(427)
Decrease (increase) in inventories	(2,992)	(2,361)
Decrease (increase) in accrued consumption taxes	(81)	(496)
Decrease (increase) in accounts receivable – other	(438)	572
Increase (decrease) in notes and accounts payable – trade	4,232	304
Increase (decrease) in accounts payable	352	191
Loss (gain) on sale of investments in securities	(0)	3
Loss (gain) on sale of investments in subsidiaries	(29)	86
Loss (gain) on valuation of investments in securities	8	117
Loss on disposal of tangible fixed assets	88	168
Other – net	(907)	1,326
Sub-total	8,249	10,908
Interest and dividend received	300	237
Interest paid	(735)	(735)
Income taxes paid	(1,280)	(967)
Net cash provided by operating activities	6,533	9,443
Cash flows from investing activities:		
Purchases of investments in securities	(0)	(100)
Proceeds from sale of investments in securities	29	7
Payment for investments in capital of subsidiaries and affiliates	(245)	(739)
Payment for sale of investments in subsidiaries resulting in change in the scope of consolidation	(432)	
Proceeds from sale of investments in subsidiaries resulting in change in the scope of consolidation		28
Purchases of tangible fixed assets	(2,925)	(2,195)
Proceeds from sale of tangible fixed assets	64	40
Purchases of intangible assets	(257)	(323)
Other – net	(181)	260
Net cash used in investing activities	(3,947)	(3,021)

	Millions of yen	
	Year ended March 31, 2012	Year ended March 31, 2011
Cash flows from financing activities:		
Net increase (decrease) in short-term loans payable	(245)	(3,145)
Proceeds from long-term loans payable	11,750	6,500
Repayment of long-term loans payable	(4,414)	(4,254)
Purchases of treasury stock	(1,328)	(4)
Repayment of lease obligations	(682)	(601)
Cash dividends paid	(432)	(73)
Cash dividends paid to minority shareholders	(4)	(5)
Other – net		0
Net cash provided by (used in) financing activities	4,642	(1,585)
Effect of exchange rate changes on cash and cash equivalents	(151)	(526)
Net increase (decrease) in cash and cash equivalents	7,076	4,309
Cash and cash equivalents at beginning of year	28,178	23,842
Increase in cash and cash equivalents from newly consolidated subsidiaries and others		26
Cash and cash equivalents at end of year	¥35,255	¥28,178

Note: Amounts under one million yen are omitted.

Segment Information

Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

1. Reporting segment overview

The Company's reportable operating segments are components of an entity for which separate financial information is available and evaluated regularly by the board of directors in determining the allocation of management resources and in assessing performance.

The Shindengen Group formulates comprehensive domestic and overseas strategies for the products that its business divisions provide.

The Shindengen Group's business is organized into three reportable segments—Device Business, Module Business and System Business—which form the base of its business divisions.

The Device Business manufactures diodes, thyristors, MOSFET and high-withstand voltage power ICs. The Module Business manufactures automotive electronics components, inverters and DC/DC converters. The System Business manufactures rectifiers for information communication and switching power supplies for information and industrial equipment.

2. Method of calculating sales, income (loss), identifiable assets/liabilities and other items by reporting segment

The accounting method for business segments reported is based on the same method applied to consolidated financial statements. Income by reporting segment is the amount based on operating income. In addition, inter-segment sales and transfers are primarily based on market prices or manufacturing costs.

3. Net sales, income (loss), identifiable assets/liabilities and other items by reporting segment

	Millions of yen							
	Year ended March 31, 2012							
	Devices Business	Module Business	System Business	Total	Other (Notes 2)	Total	Adjustments (Notes 3)	Financial Statement Amount (Notes 4)
Net sales:								
Outside customers	¥30,932	¥36,500	¥10,699	¥78,132	¥4,428	¥82,561	¥ —	¥ 82,561
Inter-segment	4,756	60	—	4,816	—	4,816	(4,816)	—
Total	35,689	36,560	10,699	82,949	4,428	87,378	(4,816)	82,561
Segment income	¥ 4,439	¥ 2,403	¥ 337	¥ 7,180	¥ 461	¥ 7,641	¥(2,618)	¥ 5,023
Segment assets	¥30,635	¥22,712	¥ 7,602	¥60,950	¥1,280	¥62,231	¥49,689	¥111,920
Other items								
Depreciation and amortization	2,531	1,010	338	3,879	53	3,933	422	4,355
Increases in property, plant and equipment and intangible assets	2,196	847	50	3,094	62	3,157	607	3,764

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

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

3. Details of adjustments are below:

- (1) Segment loss totaling ¥2,618 million posted under "Adjustments" includes "Common expenses" that have not been allocated to each reporting segment. "Common expenses" are primarily general and administrative expenses that cannot be attributed to any reporting segment.
- (2) Segment assets totaling ¥49,689 million posted under "Adjustments" comprise corporate assets of ¥50,058 million not allocated to each reporting segment and other adjustments of – ¥368 million.
- (3) Depreciation and amortization totaling ¥422 million posted under "Adjustments" mainly comprises corporate expenses not attributable to each reporting segment.
- (4) The amount of tangible fixed asset and intangible asset increase amounting to ¥607 million posted under "Adjustments" primarily comprises corporate assets not attributable to each reporting segment.

4. Segment income is adjusted to the operating income stated on the consolidated statements of income and consolidated statements of comprehensive income.

Related Information

Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)

1. Information by finished product and service

The appropriate information is identical to data disclosed under “Segment Information.” Accordingly, this information has been omitted.

2. Information by geographic segment

(1) Net sales

(¥ million)

Japan	Asia	Other area	Total
¥43,483	¥34,738	¥4,339	¥82,561

Note: Net sales are based on the location of customers classified according to country or region.

(2) Tangible fixed assets

(¥ million)

Japan	Asia	Other area	Total
¥17,973	¥3,017	¥2	¥20,993

3. Information by major customer

There were no customers that accounted for 10% or more of total net sales recorded under consolidated statements of income and comprehensive income included in net sales to outside customers. Accordingly, information has been omitted.

Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

1. Information by finished product and service

The appropriate information is identical to data disclosed under “Segment Information.” Accordingly, this information has been omitted.

2. Information by geographic segment

(1) Net sales

(¥ million)

Japan	Asia	Other area	Total
¥47,307	¥35,345	¥4,677	¥87,330

Note: Net sales are based on the location of customers classified according to country or region.

(2) Tangible fixed assets

(¥ million)

Japan	Asia	Other area	Total
¥19,591	¥2,954	¥4	¥22,550

3. Information by major customer

There were no customers that accounted for 10% or more of total net sales recorded under consolidated statements of income and comprehensive income included in net sales to outside customers. Accordingly, information has been omitted.

Information concerning noncurrent asset impairment loss by reporting segment**Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)**

(¥ million)

	Devices Business	Module Business	System Business	Other	Elimination and Corporate	Total
Impairment loss	—	¥33	¥16	—	¥5	¥55

Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

Not applicable

Information concerning the amortized amount and unamortized balance of goodwill by reporting segment**Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)**

Not applicable

Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

Not applicable

Information concerning the gains on negative goodwill profit by reporting segment**Year ended March 31, 2012 (April 1, 2011 to March 31, 2012)**

Not applicable

Year ended March 31, 2011 (April 1, 2010 to March 31, 2011)

Not applicable