

INTERIM FINANCIAL STATEMENTS FOR FIRST HALF OF FISCAL YEAR 2015

- from April 1, 2015 to September 30, 2015 -

SHINKO ELECTRIC INDUSTRIES CO., LTD.

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Interim Financial Statements

The Financial Statements have been prepared in accordance with accounting principles and practices generally accepted in Japan.

Notes: 1. U.S. dollar amounts in this report are converted from yen, for convenience only, at the rate of 119.96 yen = U.S.\$1.00, the approximate rate of exchange in effect on September 30, 2015.
2. The Company's fiscal year runs from April 1 through March 31.

1. Consolidated Financial Highlights

	Yen (millions)		U.S. Dollars (thousands)
Six months ended September 30	2015	2014	2015
Net sales	73,112	68,985	609,473
Profit attributable to owners of parent	1,908	1,760	15,907
Net profit per share (Yen/U.S.Dollars)	14.13	13.03	0.118
Cash dividends per share (Yen/U.S. Dollars)	12.5	10.0	0.104
Total assets	180,111	183,147	1,501,427
Net assets	135,438	132,834	1,129,028
Net sales by product category			
IC Lead Frames	14,451	15,196	120,470
IC Packages	45,402	43,431	378,481
Hermetic Seal Parts	12,783	10,106	106,564
Others	474	250	3,957
Total	73,112	68,985	609,473

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

	Yen (millions)		U.S. Dollars (thousands)
	As of Sep. 30, 2015	As of Mar. 31, 2015	As of Sep. 30, 2015
Assets			
Current assets	103,381	99,712	861,797
Fixed assets:			
Property, plant and equipment	71,810	77,160	598,620
Intangible assets	1,060	993	8,841
Investments and other assets	3,859	4,036	32,169
Total fixed assets	76,730	82,190	639,630
Total assets	180,111	181,903	1,501,427
	Yen (millions)		U.S. Dollars (thousands)
	As of Sep. 30, 2015	As of Mar. 31, 2015	As of Sep. 30, 2015
Liabilities			
Current liabilities	35,438	35,879	295,417
Long-term liabilities	9,234	9,616	76,980
Total liabilities	44,672	45,495	372,398
Net assets			
Shareholders' equity:			
Common stock	24,223	24,223	201,925
Capital surplus	24,129	24,129	201,146
Retained earnings	96,052	96,171	800,708
Treasury stock	(92)	(92)	(769)
Total shareholders' equity	144,313	144,431	1,203,011
Accumulated other comprehensive income	(8,874)	(8,023)	(73,982)
Total net assets	135,438	136,407	1,129,028
Total liabilities and net assets	180,111	181,903	1,501,427

(2) Consolidated Statements of Income

	Yen (millions)		U.S. Dollars (thousands)
Six months ended September 30	<u>2015</u>	<u>2014</u>	<u>2015</u>
Net sales	73,112	68,985	609,473
Operating costs and expenses:			
Cost of goods sold	60,587	62,395	505,061
Selling, general and administrative expenses	6,097	6,200	50,827
	<u>66,684</u>	<u>68,596</u>	<u>555,888</u>
Operating income	6,427	388	53,584
Other income (expenses):			
Interest received	77	100	647
Interest charges	(4)	(6)	(41)
Other, net	(2,332)	1,969	(19,444)
	<u>(2,259)</u>	<u>2,064</u>	<u>(18,838)</u>
Income before income taxes	4,168	2,452	34,745
Income taxes:			
Current	2,081	427	17,348
Deferred	178	264	1,490
	<u>2,259</u>	<u>692</u>	<u>18,838</u>
Profit attributable to owners of parent	<u>1,908</u>	<u>1,760</u>	<u>15,907</u>

(3) Consolidated Statements of Cash Flows

	Yen (millions)		U.S. Dollars (thousands)
Six months ended September 30	<u>2015</u>	<u>2014</u>	<u>2015</u>
Cash flows from operating activities	14,570	7,766	121,459
Cash flows from investing activities	(8,524)	(12,465)	(71,059)
Cash flows from financing activities	(2,053)	(2,047)	(17,122)
Effect of exchange rate changes on cash and cash equivalents	(509)	749	(4,245)
Net increase (decrease) in cash and cash equivalents	3,482	(5,997)	29,033
Cash and cash equivalents at beginning of year	44,337	55,023	369,605
Cash and cash equivalents at end of the half year	47,820	49,025	398,638

Corporate Outline

1. Corporate Data (as of September 30, 2015)

Name: SHINKO ELECTRIC INDUSTRIES CO., LTD.

Date of Establishment: September 12, 1946

Head Office: 80, Oshimada-machi, Nagano-shi, 381-2287, Japan

Phone: +81-26-283-1000 Facsimile: +81-26-284-8861

Major Business Lines:

Manufacturing and sales of lead frames, plastic laminated packages (PLPs)
and glass-to-metal seals
IC assembly

Number of Employees: 4,123 (Consolidated: 4,926)

Plants & Facilities:

Kohoku Plant
Wakaho Plant
Takaoka Plant
Arai Plant
Kyogase Plant
SHINKO R&D Center
Kurita Sogo Center

Sales Offices:

(Japan)

Tokyo, Osaka, Sendai, Nagano, Nagoya, Oita, Fukuoka

Representative Office:

(Overseas)

Manila

Subsidiaries:

(Japan)

SHINKO PARTS CO., LTD.

SHINKO TECHNOSERVE CO., LTD.

(Overseas)

Plants & Facilities:

SHINKO ELECTRONICS (MALAYSIA) SDN. BHD.

Lot PT717A, Jalan Serendah 26/17, Seksyen 26, 40400 Shah Alam,
Selangor Darul Ehsan, Malaysia

Phone: +60-3-5191-4902 Facsimile: +60-3-5191-4912

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32 Sandan1-gil, Seo-myeon, Suncheon-si, Jeollanam-do, 57927 Republic of
Korea

Phone: +82-61-753-8801 Facsimile: +82-61-753-8804

SHINKO ELECTRIC INDUSTRIES (WUXI) CO., LTD.

No. 105, Xixian Road, Mei Cun Industrial Park, Wuxi, Jiangsu, 214112, China

Phone: +86-510-8534-3006 Facsimile: +86-510-8534-3180

Sales Offices:

SHINKO ELECTRIC AMERICA, INC.

1280 East Arques Avenue, MS 275 Sunnyvale, CA 94085 U.S.A.

Phone: +1-408-232-0499 Facsimile: +1-408-955-0368

KOREA SHINKO TRADING CO., LTD.

#1223, Hyundai Venture Bldg, 10, Bamgogae-ro 1-gil, Gangnam-gu, Seoul,
135-539, Republic of Korea

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Affiliated Company:

SHINKO MICROELECTRONICS (THAILAND) CO., LTD.

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Ratchadapisek Road, Huaykwang, Bangkok 10310, Thailand

Phone: +66-2-693-3300

Facsimile: +66-2-693-3301

2. Shareholders' Data (as of September 30, 2015)**Total Number of Authorized Shares:** 540,000,000 shares**Total Number of Shares Issued:** 135,171,942 shares**Paid-in Capital:** 24,223,020,480 yen**Number of Shareholders:** 15,263**Principal Shareholders:**

Name	Number of shares held (thousands)	Ownership ratio (%)
FUJITSU LIMITED	67,587	50.00
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT 9)	3,260	2.41
JAPAN TRUSTEE SERVICES BANK, LTD. (TRUST ACCOUNT)	2,774	2.05
CMBL S.A. RE MUTUAL FUNDS	2,585	1.91
THE MASTER TRUST BANK OF JAPAN, LTD. (TRUST ACCOUNT)	2,043	1.51
THE BANK OF NEW YORK 133522	2,027	1.50
JP MORGAN CHASE BANK 385093	1,872	1.39
THE HACHIJUNI BANK, LTD.	1,836	1.36
STATE STREET BANK AND TRUST COMPANY 505223	1,748	1.29
STATE STREET BANK AND TRUST COMPANY	1,636	1.21

Stock Exchange Listing: The First Section of The Tokyo Stock Exchange

3. Board of Directors and Auditors (as of September 30, 2015)

Chairman and Director	Akira Fujimoto
President and Representative Director	Mitsuharu Shimizu
Director and Executive Vice President, Corporate Officer	Noriyuki Toyoki
Director and Executive Managing Corporate Officer	Toshihisa Yoda
Director and Managing Corporate Officers	Yoshihiro Asano Hidenori Takayanagi
Director and Senior Corporate Officer	Hiroshi Hasebe
Standing Auditor	Yoshihiko Ogawa
Auditors	Koji Kitazawa Mitsuya Yasui

4. Corporate Officers (as of September 30, 2015)

Managing Corporate Officer	Kunihiko Imai
Senior Corporate Officers	Seizo Mitsui Toshihiko Ogiwara Takahiro Kiyono Takato Kikuchi Akihiko Murata
Corporate Officers	Hiroshi Aruga Junichi Kobayashi Kazuo Koike Toshiyasu Hirabayashi Katsuo Minamisawa Susumu Kurashima

Masashi Obinata

Tetsuo Taguchi

Masato Tanaka

Kinji Nagata

Akihiko Ito

Takashi Ozawa

Tadashi Kodaira