PHOENIX Electric Co.,Ltd.

November 15, 2007

Interim Financial Results for the Fiscal Year Ending March 31, 2008

Company name: PHOENIX Electric Co., Ltd. Listing: Tokyo Stock Exchange, First Section; JASDAQ
Stock code: 6927 URL: http://www.phoenix-elec.co.jp
Representative: Hiroya Tahara, President
Contact: Youichi Kawasaka, General Manager, Administration Dept. Tel: +81-79-264-5711

Scheduled date of filing of Semiannual Report: December 20, 2007
Scheduled date of payment of dividend: December 11, 2007

(All amounts are rounded down to the nearest million yen)

1. Consolidated Interim Financial Results (April 1, 2007 – September 30, 2007)

(1) Consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Interim ended Sep. 2007	4,845	(16.4)	719	(36.8)	680	(40.3)	385	(40.3)
Interim ended Sep. 2006	5,797	(4.4)	1,139	(25.0)	1,139	(27.8)	645	(27.2)
Fiscal year ended Mar. 2007	10,787	-	1,910	-	1,898	-	1,111	-

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Interim ended Sep. 2007	17.12	-
Interim ended Sep. 2006	28.32	-
Fiscal year ended Mar. 2007	48.74	-

Reference: Equity in earnings of affiliates (million yen) Sep. 2007: - Sep. 2006: - Mar. 2007: -

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Sep. 30, 2007	11,877	10,036	84.5	452.30
As of Sep. 30, 2006	12,334	9,765	79.2	428.17
As of Mar. 31, 2007	12,067	10,110	83.8	443.29

Reference: Shareholders' equity (million yen) Sep. 2007: 10,036 Sep. 2006: 9,765 Mar. 2007: 10,110

(3) Consolidated cash flow position

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Interim ended Sep. 2007	581	(1,617)	(571)	1,844
Interim ended Sep. 2006	738	(57)	(281)	3,028
Fiscal year ended Mar. 2007	1,524	(188)	(520)	3,448

2. Dividends

	Dividend per share		
Record date	Interim	Year-end	Annual
	Yen	Yen	Yen
Fiscal year ended Mar. 2007	5.00	5.00	10.00
Fiscal year ending Mar. 2008 (actual)	5.00	-	-
Fiscal year ending Mar. 2008 (forecast)	-	5.00	10.00

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2008 (April 1, 2007 – March 31, 2008)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	10,497	(2.7)	1,536	(19.5)	1,560	(17.8)	910	(18.1)	40.73

4. Others

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): None

(2) Changes in accounting principles, procedures and presentation methods for preparation of consolidated interim financial statements

1) Changes caused by revision of accounting standards: Yes

2) Other changes: None

Note: Please refer to "Significant Accounting Policies in the Preparation of the Consolidated Interim Financial Statements" on page 13 for further information.

(3) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of period (including treasury stock)

Sep. 2007:	22,806,900 shares	Sep. 2006:	22,806,900 shares	Mar. 2007:	22,806,900 shares

2) Number of treasury stock at the end of period

Sep. 2007:	616,621 shares	Sep. 2006:	99 shares	Mar. 2007:	99 shares

Note: Please refer to "Per Share Data" on page 26 for the number of shares used in calculating consolidated net income per share.

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results (April 1, 2007 – September 30, 2007)

(1) Non-consolidated results of operations (Percentages represent year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Interim ended Sep. 2007	4,337	(17.5)	700	(37.6)	662	(41.4)	375	(41.2)
Interim ended Sep. 2006	5,257	(2.9)	1,123	(23.0)	1,129	(25.7)	639	(25.3)
Fiscal year ended Mar. 2007	9,742	-	1,852	-	1,851	-	1,085	-

	Net income per share (basic)
	Yen
Interim ended Sep. 2007	16.69
Interim ended Sep. 2006	28.03
Fiscal year ended Mar. 2007	47.59

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Sep. 30, 2007	11,542	9,794	84.9	441.41
As of Sep. 30, 2006	12,031	9,560	79.5	419.18
As of Mar. 31, 2007	11,735	9,881	84.2	433.26

Reference: Shareholders' equity (million yen) Sep. 2007: 9,794 Sep. 2006: 9,560 Mar. 2007: 9,881

2. Non-consolidated Forecast for the Fiscal Year Ending March 31, 2008 (April 1, 2007 – March 31, 2008)

(Percentages represent year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	9,369	(3.8)	1,440	(22.3)	1,474	(20.4)	857	(21.0)	38.34

<u> Cautionary statement with respect to forward- looking statements</u>*

The above-stated forecast of operating results is based on information available to management at the time this report was prepared. Readers should be aware that actual results may differ substantially from these projections for a number of factors. Please refer to page 4 for further information concerning these forecasts.

1. Results of Operations

(1) Analysis of Results of Operations

During the first half of the fiscal year, Japan's economy was generally healthy despite somewhat lackluster consumer spending. The economy was supported mainly by growth in private-sector capital expenditures, a reflection of increasing earnings at manufacturers and other companies, and exports. Overseas, U.S. economic growth slowed as the subprime loan problem triggered volatility in financial markets and brought down home prices. However, the rapid growth rate of the BRIC countries kept the global economy generally healthy.

In this environment, the projector market continued to post strong growth, primarily due to demand for lower-priced models. In the first half of the current fiscal year, the volume of projector lamp sales increased but there was a decline in unit prices. The result was an 11.1% decrease in projector lamp sales compared with one year earlier.

In the market for large-screen televisions, there was a sharp drop in the market share of rear-projection televisions (RPTVs) because of fierce competition from plasma and LCD televisions. This caused a substantial decline in demand for the Company's RPTV lamps, resulting in a 49.9% drop in sales of these lamps.

The Company plans to develop exposure equipment lamps into the nucleus of a new business. Shipments of these lamps started in the second quarter of this fiscal year, immediately delivering performance that met customers' requirements for high-energy illumination sources.

Regarding earnings, the Company conducted extensive actions to make improvements, including the automation of production processes. These initiatives cut costs by raising production yields and the efficiency of manufacturing activities. As a result, the marginal profit ratio rose to an all-time high in the first half.

Due to challenging market conditions, consolidated net sales decreased 16.4% to 4,845 million yen, operating income was down 36.8% to 719 million yen, recurring profit fell 40.3% to 680 million yen, and net income decreased 40.3% to 385 million yen.

1) Results by business segment

Based on the similarity of its products and how they are manufactured, the Group operates in a single business segment, the lamp business. For this reason, results are presented here by product category.

Product category	Net sales (Thousands of yen)	YoY change (%)	Composition (%)
Lamps for projector	3,196,471	88.9	66.0
Lamps for RPTVs	492,171	50.1	10.2
Other halogen lamps	564,071	83.0	11.6
Lamps for exposure equipment	49,300	-	1.0
Purchased products	543,706	100.5	11.2
Total	4,845,721	83.6	100.0

2) Results by geographical segment

Results by geographical segment are not presented because Japan accounts for more than 90% of the total sales and assets of all geographical segments.

3) Outlook for fiscal year

Many factors make the outlook for the Japanese economy uncertain. In particular, there are concerns about the effects of the subprime loan problem, the high cost of crude oil and foreign exchange rate volatility. In addition, consumer spending in Japan may weaken. Despite these concerns, earnings at Japanese companies are expected to remain firm, mainly at manufacturers.

In the projector market, which is the primary source of demand for the Group's products, demand for projectors is expected to remain firm for products used by companies, schools and individuals. However, lower-priced models are accounting for a large share of sales. In the market for large-screen televisions, falling prices for plasma and LCD televisions are making it increasingly difficult to sell RPTVs. This situation is creating difficulties the Group.

To overcome these challenges, the Group plans to increase sales by deepening relationships with current customers and establishing ties with new customers. At the same time, the Group plans to achieve more cost reductions through heightened collaboration among technology, manufacturing, procurement and other activities in order to offer more competitive prices.

Regarding illumination units for exposure equipment, which the Group plans to develop into a new business, shipments began in the first half and the Group started aggressive sales activities to back the full-scale launch of this business.

Based on this outlook, the Company is forecasting consolidated net sales of 10,497 million yen, operating income of 1,536 million yen, recurring profit of 1,560 million yen and net income of 910 million yen in the fiscal year ending in March 31, 2008. This is basically in line with the Company's initial plan.

(2) Analysis of Financial Position

Cash flow position

The balance of cash and cash equivalents as of September 30, 2007 totaled 1,844,365 thousand yen, 1,604,099 thousand yen less than as of March 31, 2007, on a consolidation basis.

A summary of cash flows and major components follows.

Operating activities:

Net cash provided by operating activities was 581,284 thousand yen compared with 738,119 thousand yen one year earlier. Major sources of cash were net income before income taxes of 667,228 thousand yen, down from 1,126,920 thousand yen one year earlier, and depreciation and amortization of 309,173 thousand yen. Major uses of cash were a 197,423 thousand yen increase in notes and accounts receivable and a 92,573 thousand yen decrease in other accounts payable.

Investing activities:

Net cash used in investing activities was 1,674,056 thousand yen compared with 57,054 thousand yen one year earlier. The primary uses of cash were payments of 1,588,943 thousand yen for investments in money in trusts other than money trusts and 700,000 thousand yen for time deposits, both as temporary investments of funds to be used to repurchase Company stock.

Financing activities:

Net cash used in financing activities was 514,562 thousand yen compared with 281,822 thousand yen one year earlier. There were payments of 332,542 thousand yen for the acquisition of treasury stock, 114,034 thousand yen for cash dividends and 124,520 thousand yen for the repayment of borrowings.

A summary of cash flow-related indicators is as follows.

(Reference) Cash Flow Indicators

	Interim FY3/06	FY3/06	Interim FY3/07	FY3/07	Interim FY3/08
Shareholders' equity ratio	75.6	75.3	79.2	83.8	84.5
Shareholders' equity ratio at market cap	281.0	204.2	139.6	109.6	105.6
Interest-bearing debt to cash flow ratio	1.9	0.3	0.9	0.3	0.7
Interest coverage ratio	69.8	187.0	160.2	176.5	187.4

Shareholders' equity ratio: shareholders' equity/ total assets

Shareholders' equity ratio at market cap: market capitalization/ total assets

Interest coverage ratio: operating cash flow/ interests paid

* All of the above indicators are calculated using figures from the consolidated financial statements.
* Market capitalization is calculated by multiplying the share price at the end of the period by the number of shares outstanding (net of treasury stock) at the end of the period.
* Operating cash flows refers to "net cash provided by (used in) operating activities" as shown on the statements of cash flows. Interest-bearing debt refers to the total of liabilities shown on the balance sheets on which interest is paid. Interests paid refer to "interests paid" as shown in the statements of cash flows.

(3) Fundamental Policy Regarding Distribution of Earnings and Dividends for FY3/08

Returning earnings to shareholders is one of the Company's highest priorities. Dividends are linked to earnings by, in principle, maintaining a dividend payout ratio of 25%. Based on this policy, the Company plans to pay an interim dividend of 5 yen per share.

(4) Business Risks

The information other than the above is not presented since there are no significant changes from the latest Annual Security Report (filed on June 25, 2007).

2. Corporate Group

The information other than the above is not presented since there are no significant changes from business activities and the positioning of each company of the Group listed in the latest Annual Security Report (filed on June 25, 2007).

3. Management Policies

Information on (1) Fundamental Management Policies, (2) Targets and Performance Indicators, (3) Medium- and Long-term Management Strategies, (4) Important Issues is not presented since there are no significant changes from the latest financial results (released on May 15, 2007).

Please link to the following page of our website for the financial statements

PHOENIX Electric website

http://www.phoenix-elec.co.jp

Tokyo Stock Exchange website (company search)

http://www.tse.or.jp/listing/compsearch/index.html

4. Consolidated Interim Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

		Interim FY3/07 As of Sep. 30, 2006			Interim FY3/08 As of Sep. 30, 2007			FY3/07 Summary As of Mar. 31, 2007		
Account	Note	Amount		%	Amount		%	Amount		%
ASSETS										
I Current assets										
1. Cash and deposits with banks			3,028,976			2,344,214			3,448,465	
2. Notes and accounts receivable	*2		2,850,631			2,634,728			2,437,304	
3. Securities			-			864,338			-	
4. Inventories			1,208,780			1,041,242			1,162,736	
5. Deferred tax assets			243,253			124,316			173,318	
6. Others			283,360			667,359			415,815	
Allowance for doubtful accounts			(7,687)			(5,215)			(4,768)	
Total current assets			7,607,314	61.7		7,670,985	64.6		7,632,872	63.3
II Fixed assets										
1. Property, plant and equipment										
(1) Buildings and structures	*1		1,302,942			1,236,787			1,264,932	
(2) Machinery and vehicles	*1		2,033,553			1,628,189			1,825,581	
(3) Land			1,001,437			1,001,437			1,001,437	
(4) Construction in progress			32,830			21,203			17,263	
(5) Others	*1		119,043			106,944			108,427	
Total property, plant and equipment			4,489,807	36.4		3,994,561	33.6		4,217,642	35.0
2. Intangible assets			10,679	0.1		19,950	0.2		9,856	0.1
3. Investments and other assets										
(1) Deferred tax assets			21,027			33,345			21,323	
(2) Others			210,051			161,640			188,376	
Allowance for doubtful accounts			(4,218)			(2,841)			(2,724)	
Total investments and other assets			226,860	1.8		192,144	1.6		206,976	1.7
Total fixed assets			4,727,347	38.3		4,206,655	35.4		4,434,475	36.7
Total assets			12,334,661	100.0		11,877,641	100.0		12,067,347	100.0

(Thousands of yen)

Account	Note	Interim FY3/07 As of Sep. 30, 2006 Amount	%	Interim FY3/08 As of Sep. 30, 2007 Amount	%	FY3/07 Summary As of Mar. 31, 2007 Amount	%
LIABILITIES							
I Current liabilities							
1. Notes and accounts payable	*2	692,104		620,259		688,651	
2. Current portion of long-term borrowings		249,040		253,160		253,160	
3. Accrued income taxes		404,260		232,190		65,546	
4. Accrued bonuses		140,774		123,325		178,889	
5. Others	*2	577,626		368,244		402,498	
Total current liabilities		2,063,805	16.7	1,597,179	13.4	1,588,746	13.2
II Long-term liabilities							
1. Long-term borrowings		379,480		126,320		250,840	
2. Long-term accounts payable		123,888		115,291		115,291	
3. Deferred tax liabilities		1,166		1,088		1,226	
4. Others		1,200		1,200		1,200	
Total long-term liabilities		505,735	4.1	243,899	2.1	368,557	3.1
Total liabilities		2,569,540	20.8	1,841,079	15.5	1,957,303	16.2
NET ASSETS							
I Shareholders' equity							
1. Common stock		2,133,177		2,133,177		2,133,177	
2. Capital surplus		2,563,867		2,563,867		2,563,867	
3. Retained earnings		5,001,340		5,624,790		5,353,214	
4. Treasury stock		(79)		(332,622)		(79)	
Total shareholders' equity		9,698,305	78.6	9,989,211	84.1	10,050,179	83.3
II Valuation and translation adjustments							
1. Unrealized holding gain on other securities		65,967		39,356		55,156	
2. Foreign currency translation adjustments		847		7,993		4,707	
Total valuation and translation adjustments		66,815	0.5	47,349	0.4	59,864	0.5
Total net assets		9,765,120	79.2	10,036,561	84.5	10,110,043	83.8
Total liabilities and net assets		12,334,661	100.0	11,877,641	100.0	12,067,347	100.0

(2) Consolidated Interim Statements of Income

(Thousands of yen)

		Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006			Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007			FY3/07 Summary Apr. 1, 2006 – Mar. 31, 2007		
Account	Note	Amount		%	Amount		%	Amount		%
I NET SALES			5,797,336	100.0		4,845,721	100.0		10,787,440	100.0
II Cost of goods sold			3,668,818	63.3		3,124,798	64.5		6,986,721	64.8
Gross profit			2,128,518	36.7		1,720,923	35.5		3,800,718	35.2
III Selling, general, and administrative expenses	*1		989,159	17.1		1,001,097	20.7		1,890,636	17.5
OPERATING INCOME			1,139,358	19.7		719,826	14.9		1,910,082	17.7
IV Non-operating income										
1. Interest income		643			2,295			987		
2. Dividend income		412			512			412		
3. Foreign exchange gains		3,735			-			-		
4. Incentive for employment promotion		-			-			5,870		
5. Gain on valuation of investment securities		-			2,514			-		
6. Gain on sale of waste metal		-			1,096			-		
7. Rent income		-			707			1,797		
8. Miscellaneous revenue		2,689	7,479	0.1	793	7,918	0.2	4,002	13,069	0.1
V Non-operating expenses										
1. Interest expense		4,725			3,102			8,636		
2. Loss on valuation of investment securities		586			-			-		
3. Foreign exchange losses		-			40,943			10,675		
4. Loan commitment fees		2,508			-			4,008		
5. Miscellaneous loss		-	7,820	0.1	3,508	47,554	1.0	858	24,178	0.2
RECURRING PROFIT			1,139,018	19.6		680,190	14.0		1,898,973	17.6
VI Extraordinary income										
1. Reversal from allowance for doubtful accounts		1,275	1,275	0.0	-	-	-	873	873	0.0
VII Extraordinary loss										
1. Loss on disposal of fixed assets	*2	1,814			9			2,920		
2. Impairment losses	*3	-			12,952			-		
3. Accrued officers' severance benefits		11,558	13,373	0.2	-	12,961	0.3	11,558	14,479	0.1
Net income before income taxes			1,126,920	19.4		667,228	13.8		1,885,367	17.5
Income taxes- current		386,781			233,925			603,492		
Income taxes- deferred		94,342	481,124	8.3	47,693	281,618	5.8	170,171	773,663	7.2
NET INCOME			645,796	11.1		385,609	8.0		1,111,704	10.3

(3) Consolidated Statements of Changes in Shareholders' Equity

Interim FY3/07 (Apr. 1, 2006 – Sep. 30, 2006)

(Thousands of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' equity
Balance as of Mar. 31, 2006	2,133,177	2,563,867	4,570,522		9,267,567
Changes in the period					
Dividend of surplus			(159,648)		(159,648)
Bonuses for officers through appropriation of income			(55,330)		(55,330)
Net income			645,796		645,796
Acquisition of treasury stock				(79)	(79)
Total changes in the period			430,817	(79)	430,737
Balance as of Sep. 30, 2006	2,133,177	2,563,867	5,001,340	(79)	9,698,305

	Valuation and translation adjustments			Total net assets
	Unrealized holding gain on other securities	Foreign currency translation adjustments	Total valuation and translation adjustments	
Balance as of Mar. 31, 2006	88,361	2,323	90,685	9,358,252
Changes in the period				
Dividend of surplus				(159,648)
Bonuses for officers through appropriation of income				(55,330)
Net income				645,796
Acquisition of treasury stock				(79)
Changes (net) in items other than shareholders' equity	(22,393)	(1,476)	(23,869)	(23,869)
Total changes in the period	(22,393)	(1,476)	(23,869)	406,867
Balance as of Sep. 30, 2006	65,967	847	66,815	9,765,120

Interim FY3/08 (Apr. 1, 2007 – Sep. 30, 2007)

(Thousands of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' equity
Balance as of Mar. 31, 2007	2,133,177	2,563,867	5,353,214	(79)	10,050,179
Changes in the period					
Dividend of surplus			(114,034)		(114,034)
Net income			385,609		385,609
Acquisition of treasury stock				(332,542)	(332,542)
Total changes in the period			271,575	(332,542)	(60,967)
Balance as of Sep. 30, 2007	2,133,177	2,563,867	5,624,790	(332,622)	9,989,211

	Valuation and translation adjustments			Total net assets
	Unrealized holding gain on other securities	Foreign currency translation adjustments	Total valuation and translation adjustments	
Balance as of Mar. 31, 2007	55,156	4,707	59,864	10,110,043
Changes in the period				
Dividend of surplus				(114,034)
Net income				385,609
Acquisition of treasury stock				(332,542)
Changes (net) in items other than shareholders' equity	(15,800)	3,285	(12,514)	(12,514)
Total changes in the period	(15,800)	3,285	(12,514)	(73,482)
Balance as of Sep. 30, 2007	39,356	7,993	47,349	10,036,561

FY3/07 (Apr. 1, 2006 – Mar. 31, 2007)

(Thousands of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' equity
Balance as of March 31, 2006	2,133,177	2,563,867	4,570,522		9,267,567
Changes in the fiscal year					
Dividend of surplus			(273,682)		(273,682)
Bonuses for officers through appropriation of income			(55,330)		(55,330)
Net income			1,111,704		1,111,704
Acquisition of treasury stock				(79)	(79)
Changes (net) in items other than shareholders' equity					
Total changes in the fiscal year			782,691	(79)	782,611
Balance as of March 31, 2007	2,133,177	2,563,867	5,353,214	(79)	10,050,179

	Valuation and translation adjustments			Total net assets
	Unrealized holding gain on other securities	Foreign currency translation adjustments	Total valuation and translation adjustments	
Balance as of March 31, 2006	88,361	2,323	90,685	9,358,252
Changes in the fiscal year				
Dividend of surplus				(273,682)
Bonuses for officers through appropriation of income				(55,330)
Net income				1,111,704
Acquisition of treasury stock				(79)
Changes (net) in items other than shareholders' equity	(33,204)	2,383	(30,820)	(30,820)
Total changes in the fiscal year	(33,204)	2,383	(30,820)	751,790
Balance as of March 31, 2007	55,156	4,707	59,864	10,110,043

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006	Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007	FY3/07 Apr. 1, 2006 – Mar. 31, 2007
	Amount	Amount	Amount
I CASH FLOWS FROM OPERATING ACTIVITIES			
1. Income before income taxes	1,126,920	667,228	1,885,367
2. Depreciation and amortization	370,407	309,173	754,549
3. Impairment losses	-	12,952	-
4. Decrease in allowance for officers' severance benefits	(143,532)	-	(143,532)
5. Decrease in accrued bonuses	(84,469)	(55,564)	(46,354)
6. Increase (decrease) in allowance for doubtful accounts	1,110	564	(3,303)
7. Interest and dividend income	(1,055)	(2,807)	(1,399)
8. Interest expense	4,725	3,102	8,636
9. Loss (gain) on valuation of investment securities	586	(2,514)	-
10. Loss on disposal of fixed assets	1,814	9	2,920
11. Decrease (increase) in notes and accounts receivable	53,634	(197,423)	466,960
12. Decrease in inventories	52,799	121,493	98,842
13. Increase in other accounts receivable	(24,486)	(4,792)	(170,932)
14. Decrease in notes and accounts payable	(38,950)	(68,391)	(42,403)
15. Decrease in other accounts payable	(85,123)	(92,573)	(236,076)
16. Increase in long-term accounts payable	123,888	-	115,291
17. Bonuses for officers through appropriation of income	(55,330)	-	(55,330)
18. Others	(21,721)	(39,893)	(12,152)
Subtotal	1,281,218	650,562	2,621,084
19. Interests and dividends received	1,055	2,313	1,399
20. Interests paid	(4,606)	(3,123)	(8,541)
21. Income taxes paid	(539,548)	(68,468)	(1,089,731)
Net cash provided by operating activities	738,119	581,284	1,524,211
II CASH FLOWS FROM INVESTING ACTIVITIES			
1. Payment for time deposits	-	(700,000)	-
2. Payment for purchases of securities	-	(1,588,943)	-
3. Proceeds from sale of securities		724,605	
4. Payment for purchases of property, plant and equipment	(56,841)	(97,870)	(191,231)
5. Payment for purchases of intangible assets	-	(11,278)	-
6. Proceeds from sale of property, plant, and equipment	-	-	1,689
7. Others	(212)	(569)	1,404
Net cash used in investing activities	(57,054)	(1,674,056)	(188,138)
III CASH FLOWS FROM FINANCING ACTIVITIES			
1. Repayment of long-term borrowings	(120,400)	(124,520)	(244,920)
2. Payment for settlement of equipment notes payable	-	56,534	-
3. Payment for purchases by installment	(1,694)	-	(1,694)
4. Payment for acquisition of treasury stock	(79)	(332,542)	(79)
5. Cash dividends paid	(159,648)	(114,034)	(273,682)
Net cash used in financing activities	(281,822)	(514,562)	(520,376)
IV Effect of exchange rate changes on cash and cash equivalents	(2,563)	3,234	472
V Increase (decrease) in cash and cash equivalents	396,679	(1,604,099)	816,168
VI Cash and cash equivalents at beginning of period	2,632,297	3,448,465	2,632,297
VII Cash and cash equivalents at end of period	3,028,976	1,844,365	3,448,465

(5) Significant Accounting Policies in the Preparation of the Consolidated Interim Financial Statements

	Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006	Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007	FY3/07 Apr. 1, 2006 – Mar. 31, 2007
1. Scope of consolidation	The accompanying financial statements include the accounts of the Company and its Company's two consolidated subsidiaries: Name of subsidiaries: LUX Co., Ltd. PEC LAMP USA CORP.	Same as on the left.	Same as on the left.
2. Application of equity method	The Company has no affiliates accounted for by the equity method.	Same as on the left.	Same as on the left.
3. Accounting period end of consolidated subsidiaries	At the two consolidated subsidiaries, the interim accounting period ends on June 30. The interim financial statements of the relevant consolidated subsidiaries as of their closing date are incorporated therein after necessary adjustments applied for consolidation purposes regarding the material transactions that have occurred between their closing date of June 30 and the consolidated balance sheets date, September 30.	Same as on the left.	At the two consolidated subsidiaries, the accounting year ends on December 31. The financial statements of the relevant consolidated subsidiaries as of their closing date are incorporated therein after necessary adjustments applied for consolidation purposes regarding the material transactions that have occurred between their closing date of December 31 and the consolidated balance sheets date, March 31.
4. Significant accounting standards (1) Valuation criteria and methods for significant assets	a. Securities Other securities Securities with market quotations Other securities that have market value are carried at fair value on the interim balance sheet date. (Unrealized holding gain or loss is included in the net assets. The cost of securities sold is determined by the moving-average method.) Securities without market quotations Securities without market quotations are stated at cost, cost being determined by the moving-average method. b. Assets and liabilities deriving from derivatives Carried at fair value on the balance sheet date.	a. Securities Other securities Securities with market quotations Same as on the left. Securities without market quotations Same as on the left. Money in trusts other than money trusts Based on the acquisition cost of money in trusts other than money trusts. b. Assets and liabilities deriving from derivatives Same as on the left.	a. Securities Other securities Securities with market quotations Other securities that have market value are carried at fair value on the balance sheet date. (Unrealized holding gain or loss is included in the net assets. The cost of securities sold is determined by the moving-average method.) Securities without market quotations Same as on the left. b. Assets and liabilities deriving from derivatives Same as on the left.

	Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006	Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007	FY3/07 Apr. 1, 2006 – Mar. 31, 2007
	c. Inventories The Company and its overseas consolidated subsidiaries carry inventories at cost, cost being determined by the weighted average method. Domestic consolidated subsidiaries carry inventories at cost, cost being determined by the first-in-first-out method.	c. Inventories Same as on the left.	c. Inventories Same as on the left.
(2) Depreciation of property, plant, and equipment and amortization of intangible assets	a. Property, plant, and equipment Depreciation of property, plant, and equipment at the Company and its domestic consolidated subsidiaries is computed by the declining-balance method. The useful and residual value is based on a method similar to that provided in the Corporation Tax Law. Depreciation of property, plant and equipment at overseas consolidated subsidiaries is computed by the straight-line method. The useful life and residual value are based on accounting standards applied in the countries of their domicile. However, depreciation of buildings (excluding equipment and fixtures) acquired on or after April 1, 1998, at the Company and its domestic consolidated subsidiaries is calculated using the straight-line method in accordance with the provisions of the Corporation Tax Law. Useful lives of principal assets are as follows (years): Buildings and structures: 7-38 Machinery and vehicles: 4-15	a. Property, plant and equipment Same as on the left. Useful lives of principal assets are as follows (years): Buildings and structures: 7-38 Machinery and vehicles: 4-15 (Changes in accounting method) Pursuant to an amendment to the Corporation Tax Law (Partial Revision of Income Tax Law, Law No. 6, March 30, 2007) and Partial Revision of Income Tax Law Enforcement Ordinance, Cabinet Order No. 83, March 30, 2007), the Company and its domestic consolidated subsidiaries have changed the treatment of depreciation on property, plant and equipment acquired on or after April 1, 2007 to the method stipulated in the amended Corporation Tax Law.	a. Property, plant and equipment Same as on the left. Useful lives of principal assets are as follows (years): Buildings and structures: 7-38 Machinery and vehicles: 4-15

	Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006	Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007	FY3/07 Apr. 1, 2006 – Mar. 31, 2007
		In addition, the residual book values of property, plant and equipment acquired on or before March 31, 2007, for which depreciation up to the depreciable amounts is complete, are depreciated up to the memorandum value using the straight-line method over five years. This change in accounting policy has no significant effect on profits.	
	b. Intangible assets The development costs of software intended for internal use are amortized over an expected useful life of 5 years by the straight-line method.	b. Intangible assets Same as on the left.	b. Intangible assets Same as on the left.
(3) Significant allowances	a. Allowance for doubtful accounts To prepare for credit losses on accounts receivable.	a. Allowance for doubtful accounts Same as on the left.	a. Allowance for doubtful accounts Same as on the left.
	(a) General receivables Allowances equal to the estimated amount of uncollectible receivables are provided for general receivables based on the historical write-off ratio.	(a) General receivables Same as on the left.	(a) General receivables Same as on the left.
	(b) Bad receivables and claim in bankruptcy Bad receivables and claim in bankruptcy based on case-by-case determination of collectibility.	(b) Bad receivables and claim in bankruptcy Same as on the left.	(b) Bad receivables and claim in bankruptcy Same as on the left.
	b. Accrued bonuses To prepare for payment of bonuses to employees, an allowance is provided for an estimated accrued amount for the current interim period.	b. Accrued bonuses Same as on the left.	b. Accrued bonuses To prepare for payment of bonuses to employees, an allowance is provided for an estimated accrued amount for the current fiscal year.

	Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006	Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007	FY3/07 Apr. 1, 2006 – Mar. 31, 2007
	c. Accrued officers' severance benefits Although the Company had provided an allowance for accrued officers' severance benefits as required in accordance with an internal rule, it was resolved that the Company should abolish the benefit program at the annual general meeting of shareholders on June 23, 2006. It was simultaneously approved that each eligible officer should receive nothing more than an amount equivalent to the benefits that are calculated based on his/her applicable service period till then. Accordingly, the Company reversed the balance of 123,888 thousand yen in the account of allowance for accrued officers' severance benefits and transferred it to the account of "Long-term payables" in long-term liabilities under review.	―――――	c. Accrued officers' severance benefits Although the Company had provided an allowance for accrued officers' severance benefits as required in accordance with an internal rule, it was resolved that the Company should abolish the benefit program at the annual general meeting of shareholders on June 23, 2006. It was simultaneously approved that each eligible officer should receive nothing more than an amount equivalent to the benefits that are calculated based on his/her applicable service period till then. Accordingly, the Company reversed the balance of 123,888 thousand yen in the account of allowance for accrued officers' severance benefits and transferred it to the account of "Others" in current liabilities and "Long-term payables" in long-term liabilities under review.
(4) Significant lease transactions	Finance leases of the Company other than those that deemed to transfer the ownership of the leased assets to the lessees are accounted for as operating leases under accounting principles generally accepted in Japan.	―――――	―――――
(5) Accounting for hedges	1) Accounting for hedges Deferred hedge accounting is applied to interest rate swap transactions that qualify for extraordinary treatment. 2) Hedging instruments and risks hedged Hedging instrument: Interest rate swaps Risk hedged: Interest on borrowings 3) Hedging method The Company uses cash flow hedges comprising interest rate swaps to reduce its exposure to fluctuations in interest rates on its borrowings.	1) Accounting for hedges Same as on the left. 2) Hedging instruments and risks hedged Same as on the left. 3) Hedging method Same as on the left.	1) Accounting for hedges Same as on the left. 2) Hedging instruments and risks hedged Same as on the left. 3) Hedging method Same as on the left.

	Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006	Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007	FY3/07 Apr. 1, 2006 – Mar. 31, 2007
	4) Evaluation of the effectiveness of a hedge The Company enters into interest rate swap transactions that meet the following conditions: I. The principal of the interest rate swap transaction matches the principal of long-term borrowings. II. The contract periods of the interest rate swap transaction match the repayment period of long-term borrowings. III. The index of the long-term borrowings and the floating interest rate index of the interest rate swap transaction match at TIBOR + 0.43%. IV. The conditions for the revision of the interest rate on the long-term borrowings match that of the interest rate swap transaction. V. The payment term for the interest rate swap transaction is fixed through the swap period. The effectiveness of the hedge on the interim balance sheet date is not evaluated since the interest rate swap transaction qualifies for extraordinary treatment.	4) Evaluation of the effectiveness of a hedge Same as on the left.	4) Evaluation of the effectiveness of a hedge Same as on the left. The effectiveness of the hedge on the balance sheet date is not evaluated since the interest rate swap transaction qualifies for extraordinary treatment.
(6) Other significant accounting policies in presentation of financial statements	a. Accounting for consumption taxes All amounts stated are exclusive of national and local consumption taxes. Consumption taxes suspense payments and receipts are balanced out and included in the “Other” under current assets.	a. Accounting for consumption taxes Same as on the left.	a. Accounting for consumption taxes All amounts stated are exclusive of national and local consumption taxes.
5. Scope of cash and cash equivalents on consolidated statements of cash flows	For the purpose of interim consolidated statements of cash flows, cash and cash equivalents consists of vault cash, deposits that can be withdrawn on demand, and short-term investments, with original maturities of three months or less, that are readily convertible to known amounts of cash and present insignificant risk of change in value.	Same as on the left.	For the purpose of consolidated statements of cash flows, cash and cash equivalents consists of vault cash, deposits that can be withdrawn on demand, and short-term investments, with original maturities of three months or less, that are readily convertible to known amounts of cash and present insignificant risk of change in value.

Change in Accounting Principles

Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006	Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007	FY3/07 Apr. 1, 2006 – Mar. 31, 2007
(Accounting standard concerning presentation of net assets on balance sheet) Effective from the current interim period, the Company has adopted “Accounting Standard for Presentation of Net Assets on Balance Sheet” (ASBJ Statement No. 5: Accounting Standards Board of Japan, December 9, 2005) and “Accounting Standard Implementation Guidance for Presentation of Net Assets on Balance Sheet” (ASBJ Guidance No. 8: Accounting Standards Board of Japan, December 9, 2005). The effect of this change on profit/loss is insignificant. The amount equivalent to “Total shareholders’ equity” under the previous accounting standard is 9,765,120 thousand yen. Effective from the current interim period, the Company has adopted the amended “Regulations Regarding Terminology, Forms, and Methods of Preparation of Consolidated Interim Financial Statements.” Accordingly, the consolidated interim financial statements conform to the amended regulations.	―――――	(Accounting standard concerning presentation of net assets on balance sheet) Effective from the current fiscal year, the Company has adopted “Accounting Standard for Presentation of Net Assets on Balance Sheet” (ASBJ Statement No. 5: Accounting Standards Board of Japan, December 9, 2005) and “Accounting Standard Implementation Guidance for Presentation of Net Assets on Balance Sheet” (ASBJ Guidance No. 8: Accounting Standards Board of Japan, December 9, 2005). The effect of this change on profit/loss is insignificant. The amount equivalent to “Total shareholders’ equity” under the previous accounting standard is 10,110,043 thousand yen. Effective from the current fiscal year, the Company has adopted the amended “Regulations Regarding Terminology, Forms, and Methods of Preparation of Consolidated Financial Statements.” Accordingly, the consolidated financial statements conform to the amended regulations.
(Changes in accounting standards for treasury stock and reduction of legal reserves) Effective from the current interim period, the Company has adopted “Accounting Standard for Treasury Stock and Reduction of Legal Reserves”(ASBJ Statement No.1: last revision by Accounting Standards Board of Japan on August 11, 2006), and “Guideline on Accounting Standards for Treasury Stock and Reduction of Legal Reserves” (ASBJ Guidance No. 2: last revision by Accounting Standards Board of Japan on August 11, 2006). The effect of this change on profit/loss is insignificant. Effective from the current interim period, the Company has adopted the amended “Regulations Regarding Terminology, Forms, and Methods of Preparation of Consolidated Interim Financial Statements.” Accordingly, the consolidated interim financial statements conform to the amended regulations.	―――――	(Changes in accounting standards for treasury stock and reduction of legal reserves) Effective from the current fiscal year, the Company has adopted “Accounting Standard for Treasury Stock and Reduction of Legal Reserves”(ASBJ Statement No.1: last revision by Accounting Standards Board of Japan on August 11, 2006), and “Guideline on Accounting Standards for Treasury Stock and Reduction of Legal Reserves” (ASBJ Guidance No. 2: last revision by Accounting Standards Board of Japan on August 11, 2006). The effect of this change on profit/loss is insignificant.

(6) Notes to Consolidated Interim Financial Statements

Notes to consolidated balance sheets

(Thousands of yen)

Interim FY3/07 As of Sep. 30, 2006	Interim FY3/08 As of Sep. 30, 2007	FY3/07 As of Mar. 31, 2007
*1. Accumulated depreciation on property, plant and equipment 2,796,416	*1. Accumulated depreciation on property, plant and equipment 3,434,245 Accumulated impairment loss on property, plant and equipment 12,952	*1. Accumulated depreciation on property, plant and equipment 3,169,720
*2. The settlement of trade notes maturing on the balance sheet date of the period is accounted on the clearance date. As the balance sheet date of the period was a bank holiday, the trade notes maturing on the balance sheet date of the period, in the following amounts were included in notes and accounts receivable-trade at the end of period. Notes and accounts receivable 10,715 Notes and accounts payable 45,210	*2. The settlement of trade notes maturing on the balance sheet date of the period is accounted on the clearance date. As the balance sheet date of the period was a bank holiday, the trade notes maturing on the balance sheet date of the period, in the following amounts were included in notes and accounts receivable-trade at the end of period. Notes and accounts receivable 18,642 Notes and accounts payable 20,572 Other (current liabilities) 6,575	*2. The settlement of trade notes maturing on the balance sheet date of the period is accounted on the clearance date. As the balance sheet date of the period was a bank holiday, the trade notes maturing on the balance sheet date of the period, in the following amounts were included in notes and accounts receivable-trade at the end of fiscal year. Notes and accounts receivable 17,219 Notes and accounts payable 26,822 Other (current liabilities) 3,675

Notes to consolidated statements of income

(Thousands of yen)

	Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006	Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007	FY3/07 Apr. 1, 2006 – Mar. 31, 2007
*1 Significant components of selling, general and administrative expenses			
Packing and transportation	68,658	46,992	123,726
Officers' remunerations	80,081	105,077	188,851
Employee' wages	213,320	224,608	393,755
Provision of accrued bonuses	45,735	30,703	97,583
Retirement benefit expenses	5,952	7,625	12,806
Other personnel expenses	51,421	49,901	104,745
Commissions paid	66,513	80,359	141,579
Depreciation and amortization	34,792	34,690	70,522
R&D expenses	176,789	148,425	304,209
Entertainment expenses		72,825	79,507
Others	245,894	199,887	373,349
Total	989,159	1,001,097	1,890,636
*2 Significant components of loss on disposal of fixed assets			
Loss on disposal of buildings and structures			1,192
Loss on disposal of machinery and vehicles	1,814	9	1,728
Total			2,920
*3 Impairment losses	―――	See below	―――

Interim FY3/08 (Apr. 1, 2007 – Sep. 30, 2007):

*3 Impairment losses

The amounts of impairment losses with respect to the Group's assets are as follows:

(Thousands of yen)

Purpose:	Idle assets
Type:	Machinery
Location:	Himeji City, Hyogo
Amount:	12,952

(Explanation)
The above machinery is used to fabricate internal tubes for projector lamps. Due to the use of automated equipment, there have been fewer opportunities to this older machinery. Since the Company does not expect to use this machinery any more, the decision was made to classify this machinery as an idle asset and post an impairment loss.

(Calculation of amount that can be recovered)
This amount is based on net sales proceeds (the price received upon disposal the equipment).

(Method used for grouping)
Individual grouping is used for items classified as idle assets that the Company does not expect to use any more.

Notes to consolidated statements of changes in shareholders' equity

Interim FY3/07 (Apr. 1, 2006 – Sep. 30, 2006)

1. Type and number of outstanding stock

Type of share	Number of shares as of Mar. 31, 2006	Increase during the current period	Decrease during the current period	Number of shares as of Sep. 30, 2006
Common shares (shares)	22,806,900	-	-	22,806,900

2. Type and number of treasury stock

Type of share	Number of shares as of Mar. 31, 2006	Increase during the current period	Decrease during the current period	Number of shares as of Sep. 30, 2006
Common shares (shares)	-	99	-	99

Outline of changes:
Increase in the number of shares (itemized) as follows.
Increase due to the acquisition of odd lot shares: 99 shares

3. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousand yen)	Dividend per share (Yen)	Record date	Effective date
General meeting of shareholders on June 23, 2006	Common shares	159,648	7.00	March 31, 2006	June 26, 2006

(2) Dividends with a record date in the current period but an effective date in the following period

Resolution	Type of share	Source of funds	Total amount of dividend (Thousand yen)	Dividend per share (Yen)	Record date	Effective date
Board of directors on November 15, 2006	Common shares	Retained earnings	114,034	5.00	September 30, 2006	December 11, 2006

Interim FY3/08 (Apr. 1, 2007 – Sep. 30, 2007)

1. Type and number of outstanding stock

Type of share	Number of shares as of Mar. 31, 2007	Increase during the current period	Decrease during the current period	Number of shares as of Sep. 30, 2007
Common shares (shares)	22,806,900	-	-	22,806,900

2. Type and number of treasury stock

Type of share	Number of shares as of Mar. 31, 2007	Increase during the current period	Decrease during the current period	Number of shares as of Sep. 30, 2007
Common shares (shares)	99	616,522	-	616,621

Outline of changes:
Increase in the number of shares (itemized) as follows.
Increase due to the acquisition of odd lot shares: 22 shares
Increase due to the resolution of purchase of treasury stock: 616,500 shares

3. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousand yen)	Dividend per share (Yen)	Record date	Effective date
General meeting of shareholders on June 22, 2007	Common shares	114,034	5.00	March 31, 2007	June 25, 2007

(2) Dividends with a record date in the current period but an effective date in the following period

Resolution	Type of share	Source of funds	Total amount of dividend (Thousand yen)	Dividend per share (Yen)	Record date	Effective date
Board of directors on November 15, 2007	Common shares	Retained earnings	110,951	5.00	September 30, 2007	December 11, 2007

FY3/07 (Apr. 1, 2006 – Mar. 31, 2007)

1. Type and number of outstanding stock

Type of share	Number of shares as of Mar. 31, 2006	Increase during the current fiscal year	Decrease during the current fiscal year	Number of shares as of Mar. 31, 2007
Common shares (shares)	22,806,900	-	-	22,806,900

2. Type and number of treasury stock

Type of share	Number of shares as of Mar. 31, 2006	Increase during the current fiscal year	Decrease during the current fiscal year	Number of shares as of Mar. 31, 2007
Common shares (shares)	-	99	-	99

Outline of changes:
Increase in the number of shares (itemized) as follows.
Increase due to the acquisition of odd lot shares: 99 shares

3. Dividends

(1) Dividend payment

Resolution	Type of share	Total amount of dividend (Thousand yen)	Dividend per share (Yen)	Record date	Effective date
General meeting of shareholders on June 23, 2006	Common shares	159,648	7.00	March 31, 2006	June 26, 2006
Board of directors on November 15, 2006	Common shares	114,034	5.00	September 30, 2006	December 11, 2006

(2) Dividends with a record date in the current fiscal year but an effective date in the following fiscal year

Resolution	Type of share	Source of funds	Total amount of dividend (Thousand yen)	Dividend per share (Yen)	Record date	Effective date
General meeting of shareholders on June 22, 2007	Common shares	Retained earnings	114,034	5.00	March 31, 2007	June 25, 2007

Notes to consolidated statements of cash flows

(Thousands of yen)

Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006	Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007	FY3/07 Apr. 1, 2006 – Mar. 31, 2007
Reconciliation of consolidated balance sheet items to cash and cash equivalents in consolidated statements of cash flows: (As of Sep. 30, 2006) Cash and deposits with banks 3,028,976 Cash and cash equivalents 3,028,976	Reconciliation of consolidated balance sheet items to cash and cash equivalents in consolidated statements of cash flows: (As of Sep. 30, 2007) Cash and deposits with banks 2,344,214 Other current assets (Deposit with banks) 200,151 Total 2,544,365 Time deposits with maturities longer than 3 months (700,000) Cash and cash equivalents 1,844,365	Reconciliation of consolidated balance sheet items to cash and cash equivalents in consolidated statements of cash flows: (As of Mar. 31, 2007) Cash and deposits with banks 3,448,465 Cash and cash equivalents 3,448,465

Segment Information

1. Operating segment information

Interim FY3/07 (Apr. 1, 2006 – Sep. 30, 2006)

Given the similarities in the type of products, manufacturing methods and markets, the Group can be considered to operate in a single industry categorized as lamps. Accordingly, no operational segment information is presented.

Interim FY3/08 (Apr. 1, 2007 – Sep. 30, 2007)

Given the similarities in the type of products, manufacturing methods and markets, the Group can be considered to operate in a single industry categorized as lamps. Accordingly, no operational segment information is presented.

FY3/07 (Apr. 1, 2006 – Mar. 31, 2007)

Given the similarities in the type of products, manufacturing methods and markets, the Group can be considered to operate in a single industry categorized as lamps. Accordingly, no operational segment information is presented.

2. Geographical segment information

Interim FY3/07 (Apr. 1, 2006 – Sep. 30, 2006)

The geographic segment information is not presented since the combined segment sales in Japan represented more than 90% of total consolidated sales.

Interim FY3/08 (Apr. 1, 2007 – Sep. 30, 2007)

The geographic segment information is not presented since the combined segment sales in Japan represented more than 90% of total consolidated sales.

FY3/07 (Apr. 1, 2006 – Mar. 31, 2007)

The geographic segment information is not presented since the combined segment sales in Japan represented more than 90% of total consolidated sales and assets.

3. Overseas sales

Interim FY3/07 (Apr. 1, 2006 – Sep. 30, 2006)

(Thousands of yen)

	N. America	Asia	Other regions	Total
I. Overseas sales	207,733	3,062,803	20,529	3,291,066
II. Consolidated sales	-	-	-	5,797,336
III. Overseas sales as a percentage of consolidated sales (%)	3.6	52.8	0.4	56.8

Notes:
1. The geographic segmentation is decided primarily by geographic proximity.
2. Major countries and regions, excluding Japan, included in geographic segmentation:
North America: The United States, Canada, and Mexico
Asia: China, Taiwan, Hong Kong, Malaysia, Singapore, India, and Saudi Arabia
Other Regions: Europe, Oceania, South America, and Africa
3. Overseas sales represent sales of the Company and its consolidated subsidiaries, excluding sales in Japan.

Interim FY3/08 (Apr. 1, 2007 – Sep. 30, 2007)

(Thousands of yen)

	N. America	Asia	Other regions	Total
I. Overseas sales	163,305	2,508,301	35,018	2,706,625
II. Consolidated sales	-	-	-	4,845,721
III. Overseas sales as a percentage of consolidated sales (%)	3.4	51.8	0.7	55.9

Notes:
1. The geographic segmentation is decided primarily by geographic proximity.
2. Major countries and regions, excluding Japan, included in geographic segmentation:
North America: The United States, Canada, and Mexico
Asia: China, Taiwan, Hong Kong, Malaysia, Singapore, India, and Saudi Arabia
Other Regions: Europe, Oceania, South America, and Africa
3. Overseas sales represent sales of the Company and its consolidated subsidiaries, excluding sales in Japan.

FY3/07 (Apr. 1, 2006 – Mar. 31, 2007)

(Thousands of yen)

	N. America	Asia	Other regions	Total
I. Overseas sales	370,019	5,642,311	39,362	6,051,693
II. Consolidated sales	-	-	-	10,787,440
III. Overseas sales as a percentage of consolidated sales (%)	3.4	52.3	0.4	56.1

Notes:
1. The geographic segmentation is decided primarily by geographic proximity.
2. Major countries and regions, excluding Japan, included in geographic segmentation:
North America: The United States, Canada, and Mexico
Asia: China, Taiwan, Hong Kong, Malaysia, Singapore, India, and Saudi Arabia
Other Regions: Europe, Oceania, South America, and Africa
3. Overseas sales represent sales of the Company and its consolidated subsidiaries, excluding sales in Japan.

Securities

Interim FY3/07 (Apr. 1, 2006 – Sep. 30, 2006)

1. Securities with market quotations

(Thousands of yen)

Security	Acquisition cost	Carrying value	Unrealized gain
Other securities			
Equity securities	23,344	134,400	111,056

2. Securities without market quotations

Securities classified as "Other securities"

(Thousands of yen)

Security	Carrying value
Unlisted foreign stock	21,624

Interim FY3/08 (Apr. 1, 2007 – Sep. 30, 2007)

1. Securities with market quotations

(Thousands of yen)

Security	Acquisition cost	Carrying value	Unrealized gain
Other securities			
Equity securities	23,344	89,600	66,256

2. Securities without market quotations

Securities classified as "Other securities"

(Thousands of yen)

Security	Carrying value
Unlisted foreign stock	25,396

Money in trusts (funds for repurchasing Company stock)

(Thousands of yen)

Security	Carrying value
Money in trusts other than money trusts	864,338

FY3/07 (Apr. 1, 2006 – Mar. 31, 2007)

1. Securities with market quotations

(Thousands of yen)

Security	Acquisition cost	Carrying value	Unrealized gain
Other securities			
Equity securities	23,344	116,200	92,856

2. Securities without market quotations

Securities classified as "Other securities"

(Thousands of yen)

Security	Carrying value
Unlisted foreign stock	22,881

Per Share Data

(Yen)

Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006	Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007	FY3/07 Apr. 1, 2006 – Mar. 31, 2007
Net assets per share 428.17 Net income per share 28.32 Interim net income per share (diluted) is not presented since there is no outstanding potential stock.	Net assets per share 452.30 Net income per share 17.12 Same as on the left.	Net assets per share 443.29 Net income per share 48.74 Net income per share (diluted) is not presented since there is no outstanding potential stock.

Note: Basis for calculation of net assets per share and net income per share are as follows:

1. Net assets per share *(Thousands of yen)*

	Interim FY3/07 As of Sep. 30, 2006	Interim FY3/08 As of Sep. 30, 2007	FY3/07 As of Mar. 31, 2007
Total net assets on the consolidated balance sheets	9,765,120	10,036,561	10,110,043
Net assets applicable to common stock	9,765,120	10,036,561	10,110,043
Number of shares outstanding (shares)	22,806,900	22,806,900	22,806,900
Number of treasury stock (shares)	99	616,621	99
Number of common stock used in calculation of net assets per share (shares)	22,806,801	22,190,279	22,806,801

2. Net income per share *(Thousands of yen)*

	Interim FY3/07 Apr. 1, 2006 – Sep. 30, 2006	Interim FY3/08 Apr. 1, 2007 – Sep. 30, 2007	FY3/07 Apr. 1, 2006 – Mar. 31, 2007
Net income per share			
Net income	645,796	385,609	1,111,704
Amount not attributable to common shareholders	-	-	-
Net income available to common stock	645,796	385,609	1,111,704
Average number of shares outstanding (shares)	22,806,888	22,529,559	22,806,844

Subsequent Events

Interim FY3/07 (Apr. 1, 2006 – Sep. 30, 2006)

No reportable information.

Interim FY3/08 (Apr. 1, 2007 – Sep. 30, 2007)

On October 26, 2007, the Company’s Board of Directors approved a resolution to sell consolidated subsidiary PEC LAMP USA Corporation to Bright Lite Corporation (Head office: Toshima-ku, Tokyo) on November 1, 2007. The effective of sales of consolidated subsidiary on the Group is insignificant.

FY3/07 (Apr. 1, 2006 – Mar. 31, 2007)

On May 15, 2007, the Company’s Board of Directors approved a resolution to repurchase up to 2 million shares of the Company’s common stock between May 16, 2007 and November 15, 2007. The cost of these purchases is not to exceed 1.2 billion yen.

Omission of Disclosure

Notes on lease transactions, derivatives, business combinations, etc. are not presented since the disclosure of this information is not significant in the context of the interim financial results.

Note: This is a translation of Japanese kessan Tanshin (including attachments), a summary of financial statements prepared in accordance with accounting principles generally accepted in Japan. This translation is prepared and provided for the purpose of the reader’s convenience. All readers are recommended to refer to the original version in Japanese of the report for complete information.