

Summary of Financial Results for the Nine Months Ended December 31, 2007

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

1. Consolidated Financial Results for the Nine Months Ended December 31, 2007

(April 1, 2007 – December 31, 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	%
Nine months ended Dec. 2007	7,075	(16.5)	1,004	(37.6)	954	(41.2)	524	(45.2)
Nine months ended Dec. 2006	8,475	(5.9)	1,611	(28.3)	1,621	(30.2)	957	(28.7)
Fiscal year ended Mar. 2007	10,787	(8.5)	1,910	(28.6)	1,898	(31.1)	1,111	(18.0)

	Net income per share (basic)		Net income per share (diluted)	
	Yen		Yen	
Nine months ended Dec. 2007	23.45		-	
Nine months ended Dec. 2006	41.97		-	
Fiscal year ended Mar. 2007	48.74		-	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 31, 2007	11,421	9,933	87.0	452.58
As of Dec. 31, 2006	12,193	9,964	81.7	436.93
As of Mar. 31, 2007	12,067	10,110	83.8	443.29

(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
Nine months ended Dec. 2007	912	(1,853)	(830)	1,672
Nine months ended Dec. 2006	830	(107)	(433)	2,921
Fiscal year ended Mar. 2007	1,524	(188)	(520)	3,448

2. Dividends

	Dividend per share
	Yen
Nine months ended Dec. 2007	-
Nine months ended Dec. 2006	-

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 (basic)
	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)	40.24

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.

4. Others

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation): Yes

(2) Adoption of the simplified method for accounting: Yes

(3) Changes in accounting principles from recent consolidated fiscal years: Yes

Note: Please refer to “Qualitative Information and Financial Statements, 4. Others” on page 4 for further information.

(Reference) Summary of Non-consolidated Financial Results

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

1. Non-consolidated Financial Results for the Nine Months Ended December 31, 2007**(April 1, 2007 – December 31, 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	%
Nine months ended Dec. 2007	6,312	(17.9)	974	(38.4)	930	(41.9)	588	(37.6)
Nine months ended Dec. 2006	7,693	(4.5)	1,583	(26.9)	1,601	(28.7)	943	(27.5)
Fiscal year ended Mar. 2007	9,742	(7.5)	1,852	(27.8)	1,851	(30.2)	1,085	(16.4)

	Net income per share (basic)	Net income per share (diluted)
	Yen	Yen
Nine months ended Dec. 2007	26.29	-
Nine months ended Dec. 2006	41.36	-
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 Dec. 31, 2007	11,170	9,772	87.5	445.27
As of Dec. 31, 2006	11,882	9,751	82.1	427.57
As of Mar. 31, 2007	11,735	9,881	84.2	433.26

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 (basic)
	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)	39.05

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.

Qualitative Information and Financial Statements

1. Qualitative Information Regarding Consolidated Results of Operations

During the first three quarters of the current fiscal year, sales volume of lamps for projectors increased in line with the plan just as it did at mid-term closing. However, due to the increase of lower-priced projectors, which make up the bulk of sales volume, sales declined 15.9% year-on-year to 4,626 million yen.

In large-screen TVs, including rear-projection televisions (RPTVs), manufacturers of LCD and plasma televisions are locked in a bruising price competition. Due to this competition, the price advantage of RPTVs declined, and while for the time being the Company can expect continual and stable demand for replacement lamps, demand for newly produced TVs is uncertain. Given this condition, RPTV lamp sales declined 39.2% year-on-year to 690 million yen.

In order to boost profit, the Company continued to take a number of initiatives in response to the decline in sales prices. These included examining every production process to make improvements, such as by increasing the use of automation, as well as diversifying supply sources and using new materials and parts for lower-priced projectors.

Despite the initiatives, consolidated net sales decreased 16.5% year-on-year to 7,075 million yen, recurring profit was down 41.2% to 954 million yen and net income decreased 45.2% to 524 million yen.

In its new illumination units for exposure equipment business, following the launch of color filter exposure units in the third quarter, the Company completed and delivered lead frame exposure units. This lamp has been well regarded as high-energy illumination equipment, and we anticipate that we will receive ongoing orders for this product.

2. Qualitative Information Regarding Consolidated Financial Position

Total assets amounted to 11,421 million yen as of December 31, 2007, 771 million yen less than one year earlier. The drop in total assets is the net result of a decline of 531 million yen in total property, plant and equipment due to depreciation, and decrease in cash and deposits with banks due to acquisition of treasury stock of 455 million yen.

Cash Flow Position

The balance of cash and cash equivalents as of December 31, 2007 totaled 1,672 million yen, 1,775 million 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 912 million yen compared with 830 million yen one year earlier. This was mainly a net result of 935 million yen in income before income taxes, 469 million yen in depreciation, and income taxes paid of 380 million yen.

(Investing activities)

Net cash used in investing activities was 1,853 million yen compared with 107 million yen one year earlier. The principal uses of cash were payments of 1,000 million yen for time deposits and 600 million yen for investments in money in trusts other than money trusts as temporary investments of funds to be used to repurchase Company stock.

(Financing activities)

Net cash used in financing activities was 830 million yen compared with 433 million yen one year earlier. The principal uses of cash were 455 million yen for acquisition of treasury stock, 224 million yen in cash dividends paid, and 161 million yen in repayment of borrowings.

3. Qualitative Information Regarding Consolidated Forecasts

In the third quarter, instability factors included significant volatility in the exchange market due to the sub-prime mortgage loan problem and uncertainties about the U.S. market. At this time, however, the Company maintains the full fiscal year consolidated forecasts for FY3/08 announced on May 15, 2007.

4. Others

(1) Changes in consolidated subsidiaries during the period (changes in scope of consolidation)

On November 1, 2007, the Company sold its consolidated subsidiary PEC LAMP USA Corporation to Bright Lite Corporation (Head office: Toshima-ku, Tokyo).

(2) Adoption of the simplified method for accounting

Income taxes are recorded in accordance with the statutory effective tax rate.

(3) Changes in accounting principles from recent consolidated fiscal years

In accordance with the revision to the Corporate Tax Law effective from the current fiscal year, depreciation of property, plant and equipment acquired on and after April 1, 2007 is calculated based on the revised standard.

The effect of this change is insignificant.

5. Summary Consolidated Financial Statements

(1) Summary Consolidated Balance Sheets

(Thousands of yen, %)

Account	3Q FY3/08	3Q FY3/07	Change		FY3/07
	As of Dec. 31, 2007	As of Dec. 31, 2006	Amount	%	As of Mar. 31, 2007
	Amount	Amount	Amount	%	Amount
ASSETS					
I Current assets					
1. Cash and deposits with banks	2,672,489	2,921,072	(248,582)		3,448,465
2. Notes and accounts receivable	2,502,197	2,931,714	(429,517)		2,437,304
3. Securities	730,305	-	730,305		-
4. Inventories	1,068,186	1,147,045	(78,859)		1,162,736
5. Deferred tax assets	121,447	246,667	(125,220)		173,318
6. Others	273,483	342,387	(68,903)		415,815
Allowance for doubtful accounts	(1,850)	(5,493)	3,643		(4,768)
Total current assets	7,366,259	7,583,393	(217,134)	(2.9)	7,632,872
II Fixed assets					
1. Property, plant and equipment					
(1) Buildings and structures	1,210,524	1,274,473	(63,949)		1,264,932
(2) Machinery and vehicles	1,517,194	1,909,802	(392,607)		1,825,581
(3) Land	1,001,437	1,001,437	-		1,001,437
(4) Construction in progress	17,835	74,173	(56,338)		17,263
(5) Others	94,534	113,350	(18,815)		108,427
Total property, plant and equipment	3,841,526	4,373,237	(531,711)	(12.2)	4,217,642
2. Intangible assets	21,198	10,016	11,181	111.6	9,856
3. Investments and other assets					
(1) Investment securities	112,974	159,314	(46,339)		139,081
(2) Deferred tax assets	38,534	18,968	19,566		21,323
(3) Others	43,930	52,392	(8,462)		49,294
Allowance for doubtful accounts	(2,841)	(4,060)	1,218		(2,724)
Total investments and other assets	192,597	226,614	(34,016)	(15.0)	206,976
Total fixed assets	4,055,322	4,609,869	(554,546)	(12.0)	4,434,475
Total assets	11,421,581	12,193,262	(771,681)	(6.3)	12,067,347

(Thousands of yen, %)

Account	3Q FY3/08	3Q FY3/07	Change		FY3/07
	As of Dec. 31, 2007	As of Dec. 31, 2006	Amount	%	As of Mar. 31, 2007
	Amount	Amount	Amount		Amount
LIABILITIES					
I Current liabilities					
1. Notes and accounts payable	591,635	816,484	(224,848)		688,651
2. Current portion of long-term borrowings	253,160	249,040	4,120		253,160
3. Accrued income taxes	45,614	15,800	29,814		65,546
4. Accrued bonuses	84,444	115,267	(30,822)		178,889
5. Others	307,901	563,245	(255,344)		402,498
Total current liabilities	1,282,756	1,759,837	(477,081)	(27.1)	1,588,746
II Long-term liabilities					
1. Long-term borrowings	89,060	342,220	(253,160)		250,840
2. Long-term accounts payable	115,291	123,888	(8,597)		115,291
3. Deferred tax liabilities	-	1,192	(1,192)		1,226
4. Others	1,200	1,200	-		1,200
Total long-term liabilities	205,551	468,501	(262,950)	(56.1)	368,557
Total liabilities	1,488,307	2,228,339	(740,031)	(33.2)	1,957,303
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	5,652,958	5,198,546	454,412		5,353,214
4. Treasury stock	(455,431)	(79)	(455,351)		(79)
Total shareholders' equity	9,894,570	9,895,510	(939)	0.0	10,050,179
II Valuation and translation adjustments					
1. Unrealized holding gain (loss) on other securities	38,703	67,274	(28,571)		55,156
2. Foreign currency translation adjustments	-	2,138	(2,138)		4,707
Total valuation and translation adjustments	38,703	69,413	(30,709)	(44.2)	59,864
Total net assets	9,933,274	9,964,923	(31,649)	(0.3)	10,110,043
Total liabilities and net assets	11,421,581	12,193,262	(771,681)	(6.3)	12,067,347

(2) Summary Consolidated Statements of Income*(Thousands of yen, %)*

Account	3Q FY3/08 Apr. 1, 2007 - Dec. 31, 2007	3Q FY3/07 Apr. 1, 2006 - Dec. 31, 2006	Change		FY3/07 Apr. 1, 2006 - Mar. 31, 2007
	Amount	Amount	Amount	%	Amount
I NET SALES	7,075,461	8,475,972	(1,400,511)	(16.5)	10,787,440
II Cost of goods sold	4,581,324	5,423,042	(841,718)	(15.5)	6,986,721
Gross profit	2,494,137	3,052,929	(558,792)	(18.3)	3,800,718
III Selling, general, and administrative expenses	1,489,232	1,441,338	47,894	3.3	1,890,636
OPERATING INCOME	1,004,904	1,611,591	(606,687)	(37.6)	1,910,082
IV Non-operating income	30,399	20,365	10,034	49.3	13,069
1. Interest income	2,796	823	1,973		987
2. Dividend income	512	412	100		412
3. Foreign exchange gains	-	9,145	(9,145)		-
4. Incentive for employment promotion	21,775	-	21,775		5,870
5. Miscellaneous revenue	5,315	9,985	(4,669)		5,800
V Non-operating expenses	81,198	10,002	71,196	711.8	24,178
1. Interest expense	4,316	6,744	(2,428)		8,636
2. Foreign exchange losses	69,633	-	69,633		10,675
3. Miscellaneous loss	7,248	3,258	3,990		4,867
RECURRING PROFIT	954,105	1,621,954	(667,849)	(41.2)	1,898,973
VI Extraordinary income	-	813	(813)		873
Reversal from allowance for doubtful accounts	-	813	(813)		873
VII Extraordinary loss	18,962	13,442	5,520	41.1	14,479
1. Loss on disposal of fixed assets	685	1,883	(1,197)		2,920
2. Impairment losses	12,952	-	12,952		-
3. Loss on sale of affiliate stock	5,324	-	5,324		-
4. Allowance for officers' severance benefits	-	11,558	(11,558)		11,558
Net income before income taxes	935,142	1,609,326	(674,183)	(41.9)	1,885,367
Income taxes	410,413	652,290	(241,876)	(37.1)	773,663
NET INCOME	524,729	957,035	(432,306)	(45.2)	1,111,704

(3) Consolidated Statements of Changes in Shareholders' Equity

3Q FY3/08 (Apr. 1, 2007 - Dec. 31, 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					
Dividends from surplus	-	-	(224,985)	-	(224,985)
Net income	-	-	524,729	-	524,729
Acquisition of treasury stock	-	-	-	(455,351)	(455,351)
Total changes in the period	-	-	299,743	(455,351)	(155,608)
Balance as of Dec. 31, 2007	2,133,177	2,563,867	5,652,958	(455,431)	9,894,570

	Valuation and translation adjustments			Total net assets
	Unrealized holding gain (loss) 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				
Dividends from surplus	-	-	-	(224,985)
Net income	-	-	-	524,729
Acquisition of treasury stock	-	-	-	(455,351)
Changes (net) in items other than shareholders' equity	(16,453)	(4,707)	(21,161)	(21,161)
Total changes in the period	(16,453)	(4,707)	(21,161)	(176,769)
Balance as of Dec. 31, 2007	38,703	-	38,703	9,933,274

3Q FY3/07 (Apr. 1, 2006 - Dec. 31, 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					
Dividends from surplus	-	-	(273,682)	-	(273,682)
Bonuses for officers	-	-	(55,330)	-	(55,330)
Net income	-	-	957,035	-	957,035
Acquisition of treasury stock	-	-	-	(79)	(79)
Total changes in the period	-	-	628,023	(79)	627,943
Balance as of Dec. 31, 2006	2,133,177	2,563,867	5,198,546	(79)	9,895,510

	Valuation and translation adjustments			Total net assets
	Unrealized holding gain (loss) 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				
Dividends from surplus	-	-	-	(273,682)
Bonuses for officers	-	-	-	(55,330)
Net income	-	-	-	957,035
Acquisition of treasury stock	-	-	-	(79)
Changes (net) in items other than shareholders' equity	(21,087)	(185)	(21,272)	(21,272)
Total changes in the period	(21,087)	(185)	(21,272)	606,670
Balance as of Dec. 31, 2006	67,274	2,138	69,413	9,964,923

(4) Consolidated Statements of Cash Flows*(Thousands of yen)*

	3Q FY3/08	3Q FY3/07	FY3/07
	Apr. 1, 2007 - Dec. 31, 2007	Apr. 1, 2006 - Dec. 31, 2006	Apr. 1, 2006 - Mar. 31, 2007
	Amount	Amount	Amount
I CASH FLOWS FROM OPERATING ACTIVITIES			
1. Income before income taxes	935,142	1,609,326	1,885,367
2. Depreciation and amortization	469,968	559,273	754,549
3. Impairment losses	12,952	-	-
4. Decrease in allowance for officers' severance benefits	-	(143,532)	(143,532)
5. Decrease in accrued bonuses	(94,445)	(109,976)	(46,354)
6. Decrease in allowance for doubtful accounts	(2,800)	(1,241)	(3,303)
7. Interest and dividend income	(3,308)	(1,235)	(1,399)
8. Interest expense	4,316	6,744	8,636
9. Loss (gain) on valuation of investment securities	(1,592)	(502)	-
10. Loss on sale of affiliate stock	5,324	-	-
11. Loss on disposal of fixed assets	685	1,883	2,920
12. Decrease (increase) in notes and accounts receivable	(64,892)	(27,449)	466,960
13. Decrease (increase) in inventories	94,550	114,533	98,842
14. Decrease (increase) in other accounts receivable	203,080	(67,320)	(170,932)
15. Increase (decrease) in notes and accounts payable	(97,015)	85,429	(42,403)
16. Decrease in other accounts payable	(128,260)	(144,723)	(236,076)
17. Increase in long-term accounts payable	-	123,888	115,291
18. Bonuses for officers through appropriation of income	-	(55,330)	(55,330)
19. Others	(38,390)	(37,289)	(12,152)
Subtotal	1,295,315	1,912,478	2,621,084
20. Interests and dividends received	2,629	1,235	1,399
21. Interests paid	(4,356)	(5,797)	(8,541)
22. Income taxes paid	(380,934)	(1,076,994)	(1,089,731)
Net cash provided by operating activities	912,653	830,921	1,524,211
II CASH FLOWS FROM INVESTING ACTIVITIES			
1. Payment for time deposits	(1,000,000)	-	-
2. Payment for purchases of securities	(2,789,791)	-	-
3. Proceeds from sale of securities	2,059,486	-	-
4. Payment for purchases of property, plant and equipment	(114,125)	(107,302)	(191,231)
5. Proceeds from sale of property, plant, and equipment	-	-	1,689
6. Payment for purchases of intangible assets	(14,138)	-	-
7. Proceeds from sales of subsidiary stock	10,347	-	-
8. Others	(5,596)	(78)	1,404
Net cash used in investing activities	(1,853,818)	(107,381)	(188,138)
III CASH FLOWS FROM FINANCING ACTIVITIES			
1. Repayment of long-term borrowings	(161,780)	(157,660)	(244,920)
2. Payment for purchases by installment	-	(1,694)	(1,694)
3. Payment for settlement of equipment notes payable	12,013	-	-
4. Payment for acquisition of treasury stock	(455,351)	(79)	(79)
5. Cash dividends paid	(224,985)	(273,682)	(273,682)
Net cash used in financing activities	(830,103)	(433,116)	(520,376)
IV Effect of exchange rate changes on cash and cash equivalents	(4,707)	(1,647)	472
V Increase in cash and cash equivalents	(1,775,975)	288,775	816,168
VI Cash and cash equivalents at beginning of period	3,448,465	2,632,297	2,632,297
VII Cash and cash equivalents at end of period	1,672,489	2,921,072	3,448,465

(5) Segment Information**Operating segment information**

3Q FY3/08 (Apr. 1, 2007 - Dec. 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.

3Q FY3/07 (Apr. 1, 2006 - Dec. 31, 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.

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.

Geographical segment information

3Q FY3/08 (Apr. 1, 2007 - Dec. 31, 2007)

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

3Q FY3/07 (Apr. 1, 2006 - Dec. 31, 2006)

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

FY3/07 (Apr. 1, 2006 - Mar. 31, 2007)

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

Overseas sales

3Q FY3/08 (Apr. 1, 2007 - Dec. 31, 2007)

(Thousands of yen)

	N. America	Asia	Other regions	Total
I. Overseas sales	310,397	3,498,329	46,338	3,855,065
II. Consolidated sales	-	-	-	7,075,461
III. Overseas sales as a percentage of consolidated sales (%)	4.4	49.4	0.7	54.5

3Q FY3/07 (Apr. 1, 2006 - Dec. 31, 2006)

(Thousands of yen)

	N. America	Asia	Other regions	Total
I. Overseas sales	287,203	4,403,927	26,393	4,717,524
II. Consolidated sales	-	-	-	8,475,972
III. Overseas sales as a percentage of consolidated sales (%)	3.4	52.0	0.3	55.7

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

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.