PHOENIX Electric Co.,Ltd.

May 15, 2008

Financial Results for the Fiscal Year Ended 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		
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Scheduled date of filing of General Meeting of Shareholders: June 24, 2008
Scheduled date of filing of Annual Securities Report: June 25, 2008
Scheduled date of payment of dividend: June 25, 2008

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

1. Consolidated Financial Results (April 1, 2007 – March 31, 2008)

(1) Consolidated results of operations

(Percentages for net sales, operating income, recurring profit and net income represent year-on-year changes)

	Net sales		Operating income		Recurring profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 2008	9,005	(16.5)	972	(49.1)	787	(58.6)	361	(67.5)
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)	ROE	Recurring profit to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 2008	16.25	-	3.7	6.9	10.8
Fiscal year ended Mar. 2007	48.74	-	11.4	15.5	17.7

Reference: Equity in earnings of affiliates (million yen) Mar. 2008: - Mar. 2007: -

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2008	10,894	9,645	88.5	444.92
As of Mar. 31, 2007	12,067	10,110	83.8	443.29

Reference: Shareholders' equity (million yen) Mar. 2008: 9,645 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
Fiscal year ended Mar. 2008	1,423	(2,184)	(1,044)	1,641
Fiscal year ended Mar. 2007	1,524	(188)	(520)	3,448

2. Dividends

	Dividend per share			Total dividends (Annual)	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
Record date	Interim	Year-end	Annual			
	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 2007	5.00	5.00	10.00	228	20.5	2.3
Fiscal year ended Mar. 2008	5.00	5.00	10.00	219	61.5	2.3
Fiscal year ending Mar. 2009 (forecast)	2.25	2.25	4.50	-	27.8	-

3. Consolidated Forecast for the Fiscal Year Ending March 31, 2009 (April 1, 2008 – March 31, 2009)

(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
First half	3,557	(26.6)	131	(81.7)	137	(79.8)	81	(78.9)	3.76
Full year	7,909	(12.2)	591	(39.2)	622	(20.9)	351	(2.8)	16.20

4. Others

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

Newly added: - Excluded: 1 (PEC LAMP USA CORP.)

Note: Please refer to "Corporate Group" on page 6 for further information.

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

1) Changes caused by revision of accounting standards: None

2) Other changes: Yes

Note: Please refer to "Significant Accounting Policies in the Preparation of the Consolidated Financial Statements" on page 14 for further information.

(3) Number of shares outstanding (common shares)

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

Mar. 2008: 22,806,900 shares Mar. 2007: 22,806,900 shares

2) Number of treasury stock at the end of period

Mar. 2008: 1,128,422 shares Mar. 2007: 99 shares

Note: Please refer to "Per Share Data" on page 23 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 – March 31, 2008)

(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	%
Fiscal year ended Mar. 2008	8,001	(17.9)	920	(50.3)	745	(59.7)	412	(62.0)
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
Fiscal year ended Mar. 2008	18.54	-
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 Mar. 31, 2008	10,624	9,472	89.2	436.94
As of Mar. 31, 2007	11,735	9,881	84.2	433.26

Reference: Shareholders' equity (million yen) Mar. 2008: 9,472 Mar. 2007: 9,881

2. Non-consolidated Forecast for the Fiscal Year Ending March 31, 2009 (April 1, 2008 – March 31, 2009)

(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
First half	3,160	(27.1)	103	(85.2)	113	(82.9)	67	(82.1)	3.11
Full year	7,063	(11.7)	525	(43.0)	564	(24.3)	316	(23.2)	14.61

<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 from these projections for a number of factors. Please refer to "Outlook for new fiscal year" on page 4 for further information concerning these forecasts.

1. Results of Operations

(1) Analysis of Results of Operations

1) Overview

During the fiscal year's first half, Japan's economy continued to recover at a moderate pace because of strong exports and capital expenditures. In the second half, though, the economy weakened and the outlook became increasingly unclear. The causes included the higher cost of crude oil and other raw materials, volatility in global financial and capital markets sparked by the U.S. subprime mortgage crisis, and the rapid appreciation of the yen.

In this environment, there was only a small increase in sales in the projector market. Almost all growth was due to growth in sales of lower-priced models used by companies and schools.

Projector lamp sales decreased 18.5% to 5,717,679 thousand yen compared with one year earlier. One reason was a lower sales volume as orders from major customers declined. Another factor was a decline in unit price because of an increase in sales of lamps for lower-priced projectors.

Sales of rear projection television (RPTV) lamps were down 27.6% to 986,353 thousand yen. In the market for large-screen televisions, intense price competition has forced RPTVs out of the market. The Company is thus producing these lamps solely as replacement parts.

Sales of exposure equipment lamps totaled 104,926 thousand yen. This is a new business for the Company. In the third quarter of the fiscal year, deliveries of color filter exposure lamps and lead frame exposure lamps started. These new products immediately earned an excellent reputation as high-energy illumination sources. The Company expects to receive a steady stream of orders from now on.

Regarding earnings, the Company continued to take many actions during the previous fiscal year to improve each production process, such as by using automation, with the goal of raising production yields and productivity. In addition, there were measures to respond to falling sales prices, such as increasing the number of suppliers and using new materials for products used in lower-priced projectors.

Despite these initiatives, net sales decreased 16.5% to 9,005,637 thousand yen, operating income fell 49.1% to 972,499 thousand yen, recurring profit was down 58.6% to 787,063 thousand yen, and net income dropped 67.5% to 361,294 thousand yen.

Due to the application of "Accounting Standard for Measurement of Inventories" in the fiscal year that ended in March 31, 2008, which was prior to the required use of this standard, there was a valuation loss of 132,418 thousand yen. Of this amount, 90,665 thousand yen was posted as an extraordinary loss.

2) 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	5,717,679	81.5	63.5
Lamps for RPTVs	986,353	72.4	11.0
Lamps for exposure equipment	104,926	-	1.1
Other halogen lamps	1,069,928	81.9	11.9
Purchased products	1,126,750	102.1	12.5
Total	9,005,637	83.5	100.0

3) 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.

4) Outlook for new fiscal year

There are worries about the negative impact of several trends on the Japanese economy, which had been recovering slowly. The subprime mortgage crisis has still not come to an end and the yen may strengthen even more. The uncertain U.S. economic outlook and much higher cost of crude oil and other basic materials are also sources of concern. As a result, it is difficult to predict earnings at Japanese companies.

In the projector market, which is the primary source of demand for the Group's products, demand for projects is expected to grow for products used by companies, schools and individuals. However, lower-priced models will probably account for an even larger share of sales.

To overcome these challenges, the Group plans to increase sales by establishing ties with new customers while cutting costs through heightened collaboration among sales, technology, manufacturing and procurement activities in order to offer more competitive prices.

In the exposure equipment lamp business, the Company's products have generated a strong market response for use as high-energy illumination sources. As a result, the Company will start full-scale operations in this business, based on the outlook for a steady stream of orders and plans to offer lamps for even more applications.

Regarding LED lamps, which is a new product category, the Company anticipates rapid growth in demand because of social needs involving environmental protection. Plans call for concentrating resources on R&D and sales activities for these lamps in order to start generating sales and earnings.

Based on this outlook, the Company is forecasting consolidated net sales of 7,909 million yen, recurring profit of 622 million yen and net income of 351 million yen in the fiscal year ending in March 31, 2009.

(2) Analysis of Financial Position

1) Balance sheet position

i) Assets

Total assets totaled 10,894,975 thousand yen at the end of March 2008, 1,172,371 thousand yen less than one year earlier. Current assets decreased 368,867 thousand yen. There was a 288,578 thousand yen decline in notes and accounts receivable mainly because of lower sales and a 132,418 thousand yen reduction in inventories due to the application of a new standard "Accounting Standard for Measurement of Inventories." In fixed assets, there was a 515,516 thousand yen decrease in property, plant and equipment mainly because of depreciation on property, plant and equipment of 630,667 thousand yen. The decrease in total assets also includes the elimination from the balance sheet of the total assets of PEC LAMP USA CORPORATION due to the sale of this consolidated subsidiary. Assets of this company amounted to 143,637 thousand yen at the time of the sale.

ii) Liabilities

Liabilities decreased 707,581 thousand yen to 1,249,722 thousand yen. There were declines of 250,840 thousand yen in long-term borrowings, 222,784 thousand yen in notes and accounts payable, and 127,726 thousand yen in other accounts payable (decrease in current liabilities and other).

iii) Net assets

Net assets decreased 464,790 thousand yen to 9,645,252 thousand yen. This was primarily the net result of net income of 361,294 thousand yen, the repurchase of 1,128 thousand shares of treasury stock at a cost of 563,187 thousand yen, and dividend payments of 224,985 thousand yen.

2) Cash flow position

Cash and cash equivalents as of March 31, 2008 totaled 1,641,068 thousand yen, a net decrease of 1,807,397 thousand yen compared with one year earlier. The main reason was the transfer of 2,000,000 thousand yen to time deposits.

A summary of cash flows and major components follows.

Operating activities:

Net cash provided by operating activities was 1,423,519 thousand yen compared with 1,524,211 thousand yen one year earlier. Sales of projector lamp decreased 18.5% as sales volume declined 2.9% to 1,075,000 units and the sales price per lamp was lower as well. In addition, sales of RPTV lamps were down 28.7% in terms of unit volume and 27.6% in terms of monetary value as the RPTV market became smaller. The result was a drop in net income before income taxes from 1,885,367 thousand yen to 667,701 thousand yen. Depreciation and amortization was 634,171 thousand yen, there were decreases of 287,649 thousand yen in notes and accounts receivable and 235,709 thousand yen in inventories (excluding the effect of the reduction in valuation), and income taxes paid of 331,572 thousand yen.

Investing activities:

Net cash used in investing activities was 2,184,344 thousand yen compared with 188,138 thousand yen one year earlier. The principal uses of cash were payments of 2,000,000 thousand yen for time deposits and 151,111 thousand yen for capital investment.

Financing activities:

Net cash used in financing activities was 1,044,919 thousand yen compared with 520,376 thousand yen one year earlier. The principal uses of cash were 563,187 thousand yen for acquisition of treasury stock from the market, 224,985 thousand yen in cash dividends paid, and 253,160 thousand yen in repayment of borrowings.

(Reference) Cash Flow Indicators

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

	FY3/04	FY3/05	FY3/06	FY3/07	FY3/08
Shareholders' equity ratio	65.2	68.3	75.3	83.8	88.5
Shareholders' equity ratio at market cap	329.4	335.0	204.2	109.6	53.7
Interest-bearing debt to cash flow ratio	2.2	1.0	0.3	0.3	0.2
Interest coverage ratio	148.6	64.1	187	176.5	164.8

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 consolidated statements of cash flows. Interest-bearing debt refers to the total of liabilities shown on the consolidated balance sheets on which interest is paid. Interests paid refer to "interests paid" as shown in the consolidated statements of cash flows.

(3) Fundamental Policy Regarding Distribution of Earnings and Dividends for FY3/08 and FY3/09

Returning earnings to shareholders is one of the Company's highest priorities. The Company plans to pay a year-end dividend of 5 yen per share, which will result in a dividend of 10 yen per share applicable to the fiscal year.

The fundamental policy is to pay a dividend that is linked to earnings by, in principle, maintaining a dividend payout ratio of 25%. Based on this policy, in principle, the Company plans to set dividends so that the payout ratio stays at about 25%.

(4) Business Risks

The information other than the above is not presented since there are no significant changes from the latest financial results (released on May 15, 2007).

2. Corporate Group

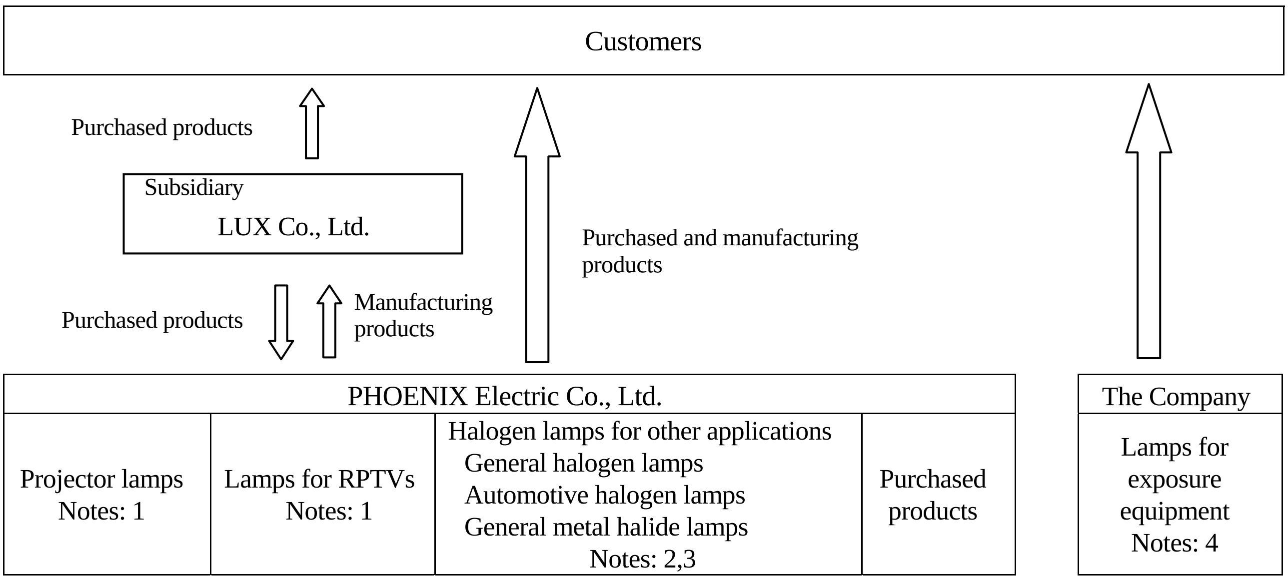
The PHOENIX Electric Group (the Group) is made up of PHOENIX Electric Co., Ltd., the parent company (the Company) and one subsidiary. The Group is engaged primarily in the manufacture and sale of lamps for projectors, large-screen rear projection televisions (RPTVs), general halogen lamps, automotive halogen lamps, general metal halide lamps and exposure equipment lamps.

(1) Business activities of group companies are as follows.

Company	Location	Major activities
PHOENIX Electric Co., Ltd.	Hyogo Prefecture	Manufacture and sale of lamps for projectors, lamps for RPTVs, other halogen lamps , lamps for exposure equipment and other products
LUX Co., Ltd.	Hyogo Prefecture	Sale of illumination lamps and illumination products

Notes: 1. LUX Co., Ltd. is a wholly owned consolidated subsidiary of the Company.
2. On November 1, 2007, the Company sold its consolidated subsidiary PEC LAMP USA Corporation to Bright Lite Corporation.

(2) A schematic of workflows is shown below.



Notes: 1. Except for just a few short-arc metal halide lamps for projectors, lamps manufactured by the Company are super-high-pressure mercury lamps.
2. Halogen lamp—Conventional incandescent light bulbs are filled with an inert gas such as nitrogen to reduce evaporation, or sublimation, of the tungsten filament. In halogen lamps, halogen is used in addition to an inert gas, reducing lamp size to about 3% of a comparable incandescent light bulb. Other advantages are a longer life and the ability to generate light that is brighter and closer to the color of sunlight.
3. Metal halide lamp—A high-intensity discharge lamp that uses metal halide gases to produce greater brightness (lumens) per watt.
4. Exposure equipment lamps use super-high-pressure mercury lamps as the light source of exposure equipment used for manufacturing LCD and similar products. These lamps are capable of producing the consistent, high-luminance light that is best suited for exposure equipment.
5. LUX Co., Ltd. purchases halogen lamps and general metal halide lamps from the Company for sale to external customers and purchases lamps manufactured by other companies for sale to its customers.
The Company purchases lighting fixtures from LUX Co., Ltd. for sale to external customers as part of its lamp business.

3. Management Policies

Information on (1) Fundamental Management Policies, (2) Targets and Performance Indicators, (3) Medium- and Long-term Management Strategies 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) Important Issues

The PHOENIX Electric Group is dedicated to rewarding all its stakeholders, including shareholders, customers, suppliers, employees and society. For this purpose, the entire Group is dedicated to improving operating results, increasing corporate value and fulfilling its social obligations.

In the projector market, which is the core market sector for the Group, more growth in demand is foreseen for projectors used by companies, schools and individuals. However, intense price competition is having a significant impact on projector lamps. Following the launch of the exposure equipment business in the second half of the previous fiscal year, the Group completed work on LED lamps, a new product that is environmentally responsible.

In this environment, the Group will continue to allocate resources only to carefully selected business fields. Other goals are building a powerful management structure and sustaining growth in business operations. To accomplish these goals, the Group is concentrating on the following issues.

1) Increase collaboration among sales, technology, manufacturing and procurement divisions to become more cost-competitive
2) Develop lamps that meet customer demands for better performance (longer life and superior brightness) and better reliability
3) Start full-scale operations in the exposure equipment lamp business and commercialize newly developed products (LED lamps)
4) Take specific actions to establish a framework based on the “Fundamental Policy for Internal Control Systems”

(5) Other Important Matters

No reportable information.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Thousands of yen)

		FY3/07 As of Mar. 31, 2007		FY3/08 As of Mar. 31, 2008		Change
Account	Note	Amount	%	Amount	%	Amount
ASSETS						
I Current assets						
1. Cash and deposits with banks		3,448,465		3,641,068		192,602
2. Notes and accounts receivable	*2	2,437,304		2,148,726		(288,578)
3. Inventories		1,162,736		793,869		(368,867)
4. Deferred tax assets		173,318		147,828		(25,490)
5. Others		415,815		253,373		(162,441)
Allowance for doubtful accounts		(4,768)		(3,410)		1,358
Total current assets		7,632,872	63.3	6,981,455	64.1	(651,416)
II Fixed assets						
1. Property, plant and equipment						
(1) Buildings and structures	*1	1,264,932		1,185,041		(79,890)
(2) Machinery and vehicles	*1	1,825,581		1,420,574		(405,007)
(3) Land		1,001,437		1,001,437		-
(4) Construction in progress		17,263		8,710		(8,553)
(5) Others	*1	108,427		86,362		(22,065)
Total property, plant and equipment		4,217,642	35.0	3,702,125	34.0	(515,516)
2. Intangible assets		9,856	0.1	29,768	0.3	19,911
3. Investments and other assets						
(1) Investment securities		139,081		81,505		(57,576)
(2) Deferred tax assets		21,323		56,692		35,369
(3) Others		49,294		45,336		(3,957)
Allowance for doubtful accounts		(2,724)		(1,909)		814
Total investments and other assets		206,976	1.7	181,625	1.7	(25,350)
Total fixed assets		4,434,475	36.7	3,913,519	35.9	(520,955)
Total assets		12,067,347	100.0	10,894,975	100.0	(1,172,371)

(Thousands of yen)

Account	Note	FY3/07 As of Mar. 31, 2007 Amount	%	FY3/08 As of Mar. 31, 2008 Amount	%	Change Amount
LIABILITIES						
I Current liabilities						
1. Notes and accounts payable	*2	688,651		465,866		(222,784)
2. Current portion of long-term borrowings		253,160		250,840		(2,320)
3. Accrued income taxes		65,546		13,665		(51,881)
4. Accrued bonuses		178,889		138,627		(40,262)
5. Others	*2	402,498		265,432		(137,066)
Total current liabilities		1,588,746	13.2	1,134,431	10.4	(454,315)
II Long-term liabilities						
1. Long-term borrowings		250,840		-		(250,840)
2. Long-term accounts payable		115,291		115,291		-
3. Deferred tax liabilities		1,226		-		(1,226)
4. Others		1,200		-		(1,200)
Total long-term liabilities		368,557	3.1	115,291	1.1	(253,266)
Total liabilities		1,957,303	16.2	1,249,722	11.5	(707,581)
NET ASSETS						
I Shareholders’ equity						
1. Common stock		2,133,177	17.7	2,133,177	19.6	-
2. Capital surplus		2,563,867	21.2	2,563,867	23.5	-
3. Retained earnings		5,353,214	44.4	5,489,523	50.4	136,309
4. Treasury stock		(79)	(0.0)	(563,267)	(5.2)	(563,187)
Total shareholders’ equity		10,050,179	83.3	9,623,300	88.3	(426,878)
II Valuation and translation adjustments						
1. Unrealized holding gain on other securities		55,156	0.5	21,952	0.2	(33,204)
2. Foreign currency translation adjustments		4,707	0.0	-	-	(4,707)
Total valuation and translation adjustments		59,864	0.5	21,952	0.2	(37,912)
Total net assets		10,110,043	83.8	9,645,252	88.5	(464,790)
Total liabilities and net assets		12,067,347	100.0	10,894,975	100.0	(1,172,371)

(2) Consolidated Statements of Income

(Thousands of yen)

		FY3/07 Apr. 1, 2006 – Mar. 31, 2007			FY3/08 Apr. 1, 2007 – Mar. 31, 2008			Change	
Account	Note	Amount		%	Amount		%	Amount	
I NET SALES			10,787,440	100.0		9,005,637	100.0		(1,781,802)
II Cost of goods sold			6,986,721	64.8		6,015,860	66.8		(970,860)
Gross profit			3,800,718	35.2		2,989,776	33.2		(810,941)
III Selling, general, and administrative expenses	*1,2		1,890,636	17.5		2,017,277	22.4		126,641
OPERATING INCOME			1,910,082	17.7		972,499	10.8		(937,583)
IV Non-operating income									
1. Interest income		987			6,072			5,084	
2. Dividend income		412			512			100	
3. Incentive for employment promotion		5,870			21,775			15,905	
4. Rent income		1,797			1,311			(485)	
5. Miscellaneous revenue		4,002	13,069	0.1	4,907	34,578	0.4	905	21,509
V Non-operating expenses									
1. Interest expense		8,636			5,421			(3,214)	
2. Foreign exchange losses		10,675			202,414			191,739	
3. Loan commitment fees		4,008			-			(4,008)	
4. Miscellaneous loss		858	24,178	0.2	12,178	220,015	2.4	11,320	195,836
RECURRING PROFIT			1,898,973	17.6		787,063	8.7		(1,111,909)
VI Extraordinary income									
1. Reversal from allowance for doubtful accounts		873			-			(873)	
2. Gain on sale of affiliate stock		-	873	0.0	74	74	0.0	74	(799)
VII Extraordinary loss									
1. Loss on disposal of fixed assets	*3	2,920			4,805			1,884	
2. Impairment losses	*4	-			23,965			23,965	
3. Loss on valuation of inventories		-			90,665			90,665	
4. Allowance for officer's severance benefits		11,558	14,479	0.1	-	119,436	1.3	(11,558)	104,956
Net income before income taxes			1,885,367	17.5		667,701	7.4		(1,217,666)
Income taxes- current		603,492			279,281			(324,210)	
Income taxes- deferred		170,171	773,663	7.2	27,125	306,406	3.4	(143,046)	(467,256)
NET INCOME			1,111,704	10.3		361,294	4.0		(750,409)

(3) Consolidated Statements of Changes in Shareholders' Equity

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					
Dividends from surplus (Note)			(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

Note: Appropriation of earnings resolved at the general meeting of shareholders in June 2006.

	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				
Dividends from 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

FY3/08 (Apr. 1, 2007 – Mar. 31, 2008)

(Thousands of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total Shareholders' equity
Balance as of March 31, 2007	2,133,177	2,563,867	5,353,214	(79)	10,050,179
Changes in the fiscal year					
Dividends from surplus			(224,985)		(224,985)
Net income			361,294		361,294
Acquisition of treasury stock				(563,187)	(563,187)
Changes (net) in items other than shareholders' equity					
Total changes in the fiscal year			136,309	(563,187)	(426,878)
Balance as of March 31, 2008	2,133,177	2,563,867	5,489,523	(563,267)	9,623,300

	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, 2007	55,156	4,707	59,864	10,110,043
Changes in the fiscal year				
Dividends from surplus				(224,985)
Net income				361,294
Acquisition of treasury stock				(563,187)
Changes (net) in items other than shareholders' equity	(33,204)	(4,707)	(37,912)	(37,912)
Total changes in the fiscal year	(33,204)	(4,707)	(37,912)	(464,790)
Balance as of March 31, 2008	21,952	-	21,952	9,645,252

(4) Consolidated Statements of Cash Flows

(Thousands of yen)

	FY3/07 Apr. 1, 2006 – Mar. 31, 2007	FY3/08 Apr. 1, 2007 – Mar. 31, 2008	Change
Account	Amount	Amount	Amount
I CASH FLOWS FROM OPERATING ACTIVITIES			
1. Net income before income taxes	1,885,367	667,701	(1,217,666)
2. Depreciation and amortization	754,549	634,171	(120,377)
3. Impairment losses	-	23,965	23,965
4. Loss on write-down of inventories	-	132,418	132,418
5. Increase (decrease) in allowance for officer’s severance benefits	(143,532)	-	143,532
6. Increase (decrease) in accrued bonuses	(46,354)	(40,262)	6,092
7. Increase (decrease) in allowance for doubtful accounts	(3,303)	(2,904)	398
8. Interest and dividend income	(1,399)	(6,584)	(5,184)
9. Interest expense	8,636	5,421	(3,214)
10. Gain on sale of affiliate stock	-	(74)	(74)
11. Loss on disposal of fixed assets	2,920	4,805	1,884
12. Decrease (increase) in notes and accounts receivable	466,960	287,649	(179,310)
13. Decrease (increase) in inventories	98,842	235,709	136,866
14. Decrease (increase) in other accounts receivable	(170,932)	154,125	325,057
15. Increase (decrease) in notes and accounts payable	(42,403)	(223,324)	(180,920)
16. Increase (decrease) in other accounts payable	(236,076)	(129,021)	107,055
17. Increase (decrease) in long-term accounts payable	115,291	-	(115,291)
18. Bonuses for officers through appropriation of income	(55,330)	-	55,330
19. Others	(12,152)	13,231	25,384
Subtotal	2,621,084	1,757,029	(864,054)
20. Interests and dividends received	1,399	3,578	2,178
21. Interests paid	(8,541)	(5,516)	3,024
22. Income taxes paid	(1,089,731)	(331,572)	758,159
Net cash provided by operating activities	1,524,211	1,423,519	(100,692)
II CASH FLOWS FROM INVESTING ACTIVITIES			
1. Payment for time deposits	-	(2,000,000)	(2,000,000)
2. Payment for purchases of securities	-	(2,188,943)	(2,188,943)
3. Proceeds from sale of securities	-	2,190,080	2,190,080
4. Proceeds from sale of affiliate stock	-	(20,869)	(20,869)
5. Payment for purchases of property, plant and equipment	(191,231)	(151,111)	40,119
6. Payment for purchases of intangible assets	-	(24,208)	(24,208)
7. Proceeds from sale of property, plant, and equipment	1,689	7,982	6,293
8. Others	1,404	2,725	1,321
Net cash used in investing activities	(188,138)	(2,184,344)	(1,996,206)
III CASH FLOWS FROM FINANCING ACTIVITIES			
1. Repayment of long-term borrowings	(244,920)	(253,160)	(8,240)
2. Payment for purchases by installment	(1,694)	-	1,694
3. Payment for settlement of equipment notes payable	-	(3,586)	(3,586)
4. Payment for acquisition of treasury stock	(79)	(563,187)	(563,107)
5. Cash dividends paid	(273,682)	(224,985)	48,696
Net cash used in financing activities	(520,376)	(1,044,919)	(524,542)
IV Effect of exchange rate changes on cash and cash equivalents	472	(1,652)	(2,124)
V Increase in cash and cash equivalents	816,168	(1,807,397)	(2,623,565)
VI Cash and cash equivalents at beginning of period	2,632,297	3,448,465	816,168
VII Cash and cash equivalents at end of period	3,448,465	1,641,068	(1,807,397)

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

	FY3/07 Apr. 1, 2006 – Mar. 31, 2007	FY3/08 Apr. 1, 2007 – Mar. 31, 2008
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.	The accompanying financial statements include the accounts of the Company and its Company's one consolidated subsidiary: Name of subsidiary: LUX Co., Ltd. Effective from the current fiscal year, PEC LAMP USA CORP. is excluded from the consolidation, as it was sold on November 1, 2007.
2. Application of equity method	The Company has no affiliates accounted for by the equity method.	Same as on the left.
3. Accounting period end of consolidated subsidiaries	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.	At the consolidated subsidiary, the accounting year ends on December 31. The financial statements of the relevant consolidated subsidiary as of its closing date is incorporated therein after necessary adjustments applied for consolidation purposes regarding the material transactions that have occurred between its 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. Valuation criteria and methods for 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 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. c. Valuation criteria and methods for 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.	a. Valuation criteria and methods for 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 Stated at cost, cost being determined by the moving-average method. b. Assets and liabilities deriving from derivatives Same as on the left. c. Valuation criteria and methods for inventories Inventories are valued at cost (method in which book value is reduced when profitability declines). The Company carries inventories at cost, cost being determined by the weighted average method. Consolidated subsidiary carries inventories at cost, cost being determined by the first-in-first-out method.

	FY3/07 Apr. 1, 2006 – Mar. 31, 2007	FY3/08 Apr. 1, 2007 – Mar. 31, 2008
		(Changes in accounting method) Effective from the current fiscal year, the Company has adopted “Accounting Standard for Measurement of Inventories” (ASBJ Statement No. 9: Accounting Standards Board of Japan, July 5, 2006). The effect of this change was to decrease gross profit, operating income and recurring profit by 41 million yen each, net income before income taxes by 132 million yen, and net income by 78 million yen compare to the previous method. In the first half of the current fiscal year, the Company was not prepared to begin using the new accounting standard for inventories. The new standard was applied starting at the end of the current fiscal year. If the new standard for inventories had been used in the first half of the current fiscal year, gross profit, operating income and recurring profit would have been 42 million yen lower, net income before income taxes 145 million yen lower and net income 86 million yen lower compared to the current standard.
(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. (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 subsidiary 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. This change in accounting policy has no significant effect on profits.

	FY3/07 Apr. 1, 2006 – Mar. 31, 2007	FY3/08 Apr. 1, 2007 – Mar. 31, 2008
		(Supplementary information) The Company and its domestic consolidated subsidiary depreciate 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, 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.
(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) 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.
	(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. Accrued bonuses To prepare for payment of bonuses to employees, an allowance is provided for an estimated accrued amount for the current fiscal year.	b. Accrued bonuses Same as on the left.
	c. Allowance for officer's severance benefits Although the Company had provided an allowance for officer's severance benefits as required in accordance with an internal rule, it was resolved that the Company should abolish the benefit program at the 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 officer's severance benefits and transferred it to the account of "Others" in current liabilities and "Long-term payables" in long-term liabilities under review.	―――
(4) Accounting for hedges	1) Accounting for hedges Deferred hedge accounting is applied to interest rate swap transactions that qualify for extraordinary treatment.	1) Accounting for hedges Same as on the left.

	FY3/07 Apr. 1, 2006 – Mar. 31, 2007	FY3/08 Apr. 1, 2007 – Mar. 31, 2008
	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. 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 balance sheet date is not evaluated since the interest rate swap transaction qualifies for extraordinary treatment.	2) Hedging instruments and risks hedged Same as on the left. 3) Hedging method Same as on the left. 4) Evaluation of the effectiveness of a hedge Same as on the left.
(5) 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.	a. Accounting for consumption taxes Same as on the left.
5. Evaluation of assets and liabilities of consolidated subsidiaries	Assets and liabilities of the consolidated subsidiaries are fully evaluated by the fair market value method.	Same as on the left.
6. Scope of cash and cash equivalents on consolidated statements of cash flows	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.	Same as on the left.

Change in Accounting Principles

FY3/07 Apr. 1, 2006 – Mar. 31, 2007	FY3/08 Apr. 1, 2007– Mar. 31, 2008
(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 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, 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, August 11, 2006). The effect of this change on profit/loss is insignificant.	―――― ――――

Reclassification

FY3/07 Apr. 1, 2006 – Mar. 31, 2007	FY3/08 Apr. 1, 2007 – Mar. 31, 2008
(Consolidated statements of income) Effective the current fiscal year, “Rent income,” included in “Miscellaneous revenue” under non-operating income in prior periods, is reclassified and presented as a separate line item, given that it now exceeds 10/100 of total non-operating income. “Rent income” totaled 1,736 thousand yen in the previous fiscal year.	――――

(6) Notes to Consolidated Financial Statements

Notes to consolidated balance sheets

(Thousands of yen)

FY3/07 As of Mar. 31, 2007	FY3/08 As of Mar. 31, 2008
*1. Accumulated depreciation on property, plant and equipment 3,169,720	*1. Accumulated depreciation on property, plant and equipment 3,668,374
*2. The settlement of trade notes maturing on the balance sheet date is accounted on the clearance date. As the balance sheet date was a bank holiday, the trade notes maturing on the balance sheet date, in the following amounts were included in each account at the end of fiscal year. Notes and accounts receivable 17,219 Notes and accounts payable 26,822 Other (current liabilities) 3,675	*2. The settlement of trade notes maturing on the balance sheet date is accounted on the clearance date. As the balance sheet date was a bank holiday, the trade notes maturing on the balance sheet date, in the following amounts were included in each account at the end of fiscal year. Notes and accounts receivable 1,949

Notes to consolidated statements of income

(Thousands of yen)

FY3/07 Apr. 1, 2006 – Mar. 31, 2007	FY3/08 Apr. 1, 2007 – Mar. 31, 2008
*1 Significant components of selling, general and administrative expenses Packing and transportation 123,726 Officers' remunerations 188,851 Employee' wages 393,755 Provision of accrued bonuses 97,583 Retirement benefit expenses 12,806 Other personnel expenses 104,745 Commissions paid 141,579 Depreciation and amortization 70,522 R&D expenses 304,209 Entertainment expenses 79,507 Others 373,349 Total 1,890,636	*1 Significant components of selling, general and administrative expenses Packing and transportation 91,779 Officers' remunerations 206,308 Employee' wages 374,663 Provision of accrued bonuses 85,412 Retirement benefit expenses 12,574 Other personnel expenses 94,011 Commissions paid 156,383 Depreciation and amortization 61,371 R&D expenses 366,113 Entertainment expenses 100,658 Others 468,000 Total 2,017,277
*2 Aggregate R&D expenses of 304,209,000 yen are presented as a component of general and administrative expenses.	*2 Aggregate R&D expenses of 366,113,000 yen are presented as a component of general and administrative expenses.
*3 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 1,728 Total 2,920	*3 Significant components of loss on disposal of fixed assets Loss on disposal of structures 4,109 Loss on disposal of machinery 695 Total 4,805
――――	*4 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: 23,965 The above machinery is used mainly for finishing work on projector lamps at the second factory. Due to the more efficient use of machinery, the Company does not expect to use the above machinery any longer. Consequently, the decision was made to revalue the machinery at its net sales price (scrap price) and to recognize the difference as an impairment loss.

Notes to consolidated statements of changes in shareholders' equity

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	Decrease	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	Decrease	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 Jun. 23, 2006	Common shares	159,648	7.00	Mar. 31, 2006	Jun. 26, 2006
Board of directors on Nov. 15, 2006	Common shares	114,034	5.00	Sep. 30, 2006	Dec. 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 Jun. 22, 2007	Common shares	Retained earnings	114,034	5.00	Mar. 31, 2007	Jun. 25, 2007

FY3/08 (Apr. 1, 2007 – Mar. 31, 2008)

1. Type and number of outstanding stock

Type of share	Number of shares as of Mar. 31, 2007	Increase	Decrease	Number of shares as of Mar. 31, 2008
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	Decrease	Number of shares as of Mar. 31, 2008
Common shares (shares)	99	1,128,323	-	1,128,422

Outline of changes:
Increase in the number of shares (itemized) as follows.
Increase due to the acquisition of odd lot shares: 23 shares
Increase due to the purchase of treasury stock: 1,128,300 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 Jun. 22, 2007	Common shares	114,034	5.00	Mar. 31, 2007	Jun. 25, 2007
Board of directors on Nov. 15, 2007	Common shares	110,951	5.00	Sep. 30, 2007	Dec. 10, 2007

(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 Jun. 24, 2008	Common shares	Retained earnings	108,392	5.00	Mar. 31, 2008	Jun. 25, 2008

Notes to consolidated statements of cash flows

(Thousands of yen)

FY3/07 Apr. 1, 2006 – Mar. 31, 2007	FY3/08 Apr. 1, 2007 – Mar. 31, 2008
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	Reconciliation of consolidated balance sheet items to cash and cash equivalents in consolidated statements of cash flows: (As of Mar. 31, 2008) Cash and deposits with banks 3,641,068 Time deposits with maturities longer than 3 months (2,000,000) Cash and cash equivalents 1,641,068

Segment Information

1. Operating segment information

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.

FY3/08 (Apr. 1, 2007 – Mar. 31, 2008)

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

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.

FY3/08 (Apr. 1, 2007 – Mar. 31, 2008)

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.

3. Overseas sales

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.

FY3/08 (Apr. 1, 2007 – Mar. 31, 2008)

(Thousands of yen)

	N. America	Asia	Other regions	Total
I. Overseas sales	519,925	4,066,943	52,922	4,639,791
II. Consolidated sales	-	-	-	9,005,637
III. Overseas sales as a percentage of consolidated sales (%)	5.8	45.2	0.6	51.5

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.

Per Share Data

(Yen)

FY3/07 Apr. 1, 2006 – Mar. 31, 2007		FY3/08 Apr. 1, 2007 – Mar. 31, 2008	
Net assets per share	443.29	Net assets per share	444.92
Net income per share	48.74	Net income per share	16.25
Net income per share (diluted) is not presented since there is no outstanding potential stock.		Same as on the left.	

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)*

	FY3/07 As of Mar. 31, 2007	FY3/08 As of Mar. 31, 2008
Total net assets on the consolidated balance sheets	10,110,043	9,645,252
Net assets applicable to common stock	10,110,043	9,645,252
Number of shares outstanding (shares)	22,806,900	22,806,900
Number of treasury stock (shares)	99	1,128,422
Number of common stock used in calculation of net assets per share (shares)	22,806,801	21,678,478

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

	FY3/07 Apr. 1, 2006 – Mar. 31, 2007	FY3/08 Apr. 1, 2007 – Mar. 31, 2008
Net income per share		
Net income	1,111,704	361,294
Amount not attributable to common shareholders	-	-
Net income available to common stock	1,111,704	361,294
Average number of shares outstanding (shares)	22,806,844	22,233,568

Subsequent Events

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.

FY3/08 (Apr. 1, 2007 – Mar. 31, 2008)

No reportable information.

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.