

Fiscal 2007 , ended March 31, 2007

Business Results



When included in this presentation, the words “will”, “should”, “expects”, “intends”, “anticipates”, “estimates”, and similar expressions, among others, identify forward looking statements. Such statements are inherently subject to a variety of risks and uncertainties that could cause actual results to differ materially from those set forth in this presentation. These forward-looking statements are made only as of the date of this presentation. The Company expressly disclaims any obligations or undertaking to release any update or revision to any forward-looking statement contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based. Actual results may vary widely from forecasts due to the following factors : 1) drastic changes in economic conditions and product supply and demand in major markets (Japan, Europe, The Americas, Asia etc.), 2) changes in trade regulations and other regulatory changes in major domestic and international markets, 3) Drastic changes in foreign exchange rates (yen-dollar, yen-euro etc.), 4) sharp moves in the capital markets, and 5) changes in social infrastructure caused by drastic changes in technology etc. Risks and uncertainties also include the impact of any future events with material unforeseen impacts.

1

Difficulty for Consumer Electronics business

- Difficulty for Display business in U.S.
- Lack of sales appeal for LCD TVs in Japan and increase of sales promotion **costs**
- Stable growth of camcorder business

2

Slumping Software & Media business

- Lack of big hits from Victor Entertainment in second half
- Difficulty in recording media business due to the sudden change of camcorder recording media
- However, good performance **by** Teichiku Entertainment

3

Decline in business performance in Q4

- Both sales and profit getting worse compared to the figures announced **on** Feb.19.

Fiscal 2007 Consolidated Financial Results

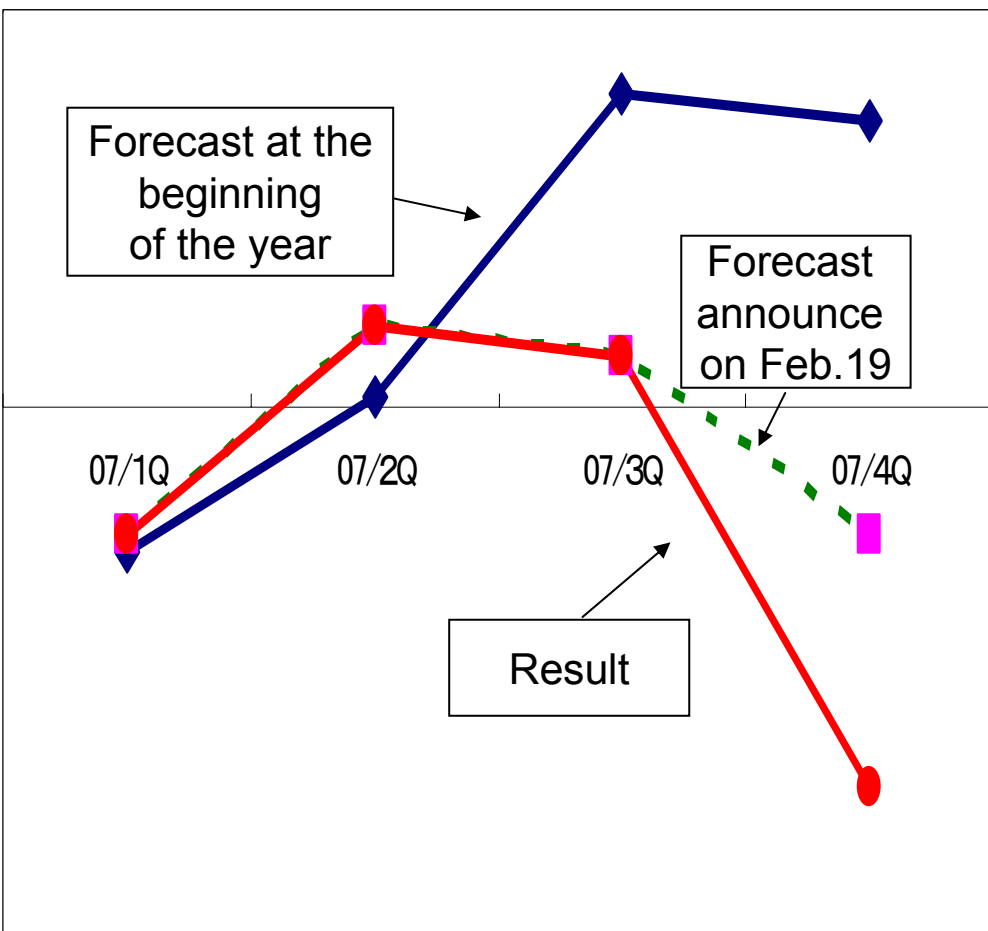
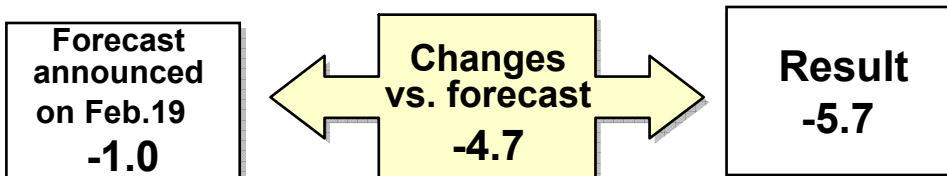
(Consolidated)	Results	Revision made on Feb.19	FY06	Changes vs revision	Changes vs FY06
Net sales	742.7	764.0	806.9	(21.3)	92%
Operating income(loss)	-7.7% (5.7)	(1.0)	-0.9% (6.9)	(4.7)	1.2
Ordinary income(loss)	-1.6% (11.7)	(7.0)	-1.9% (15.0)	(4.7)	3.3
Income (loss) before income taxes	0.3% 2.6	-	-2.7% (22.1)	-	24.7
Net income (loss)	-1.1% (7.9)	0	-3.8% (30.6)	(7.9)	22.7

Non-consolidated	Results	Revision made on Feb.19	FY06	Change vs revision	Changes vs FY06
Net sales	369.6	383.0	433.1	(13.4)	85%
Operating income(loss)	-1.2% (4.5)	-	-0.8% (3.4)	-	(1.1)
Ordinary income(loss)	-1.9% (7.0)	(3.0)	-1.1% (4.8)	(4.0)	(2.2)
Income before income taxes	-4.5% (16.6)	-	-2.7% (11.7)	-	(4.9)
Net income (loss)	-6.6% (24.5)	7.0	-3.9% (16.7)	(31.5)	(7.8)

Fiscal 2007 1H Operating Income (Loss) Breakdown

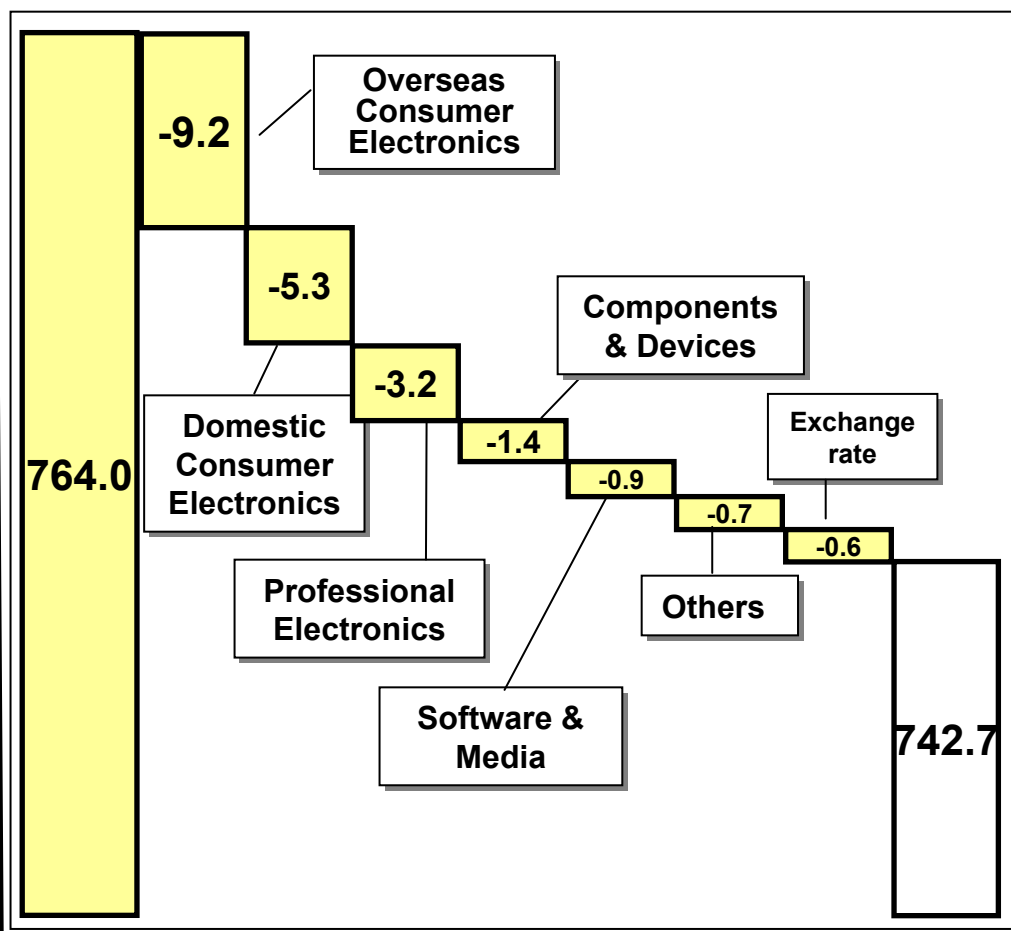
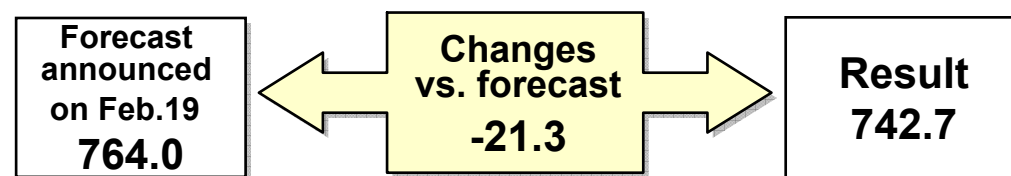
(Changes vs. business forecast announced on Feb.19)

Operating income



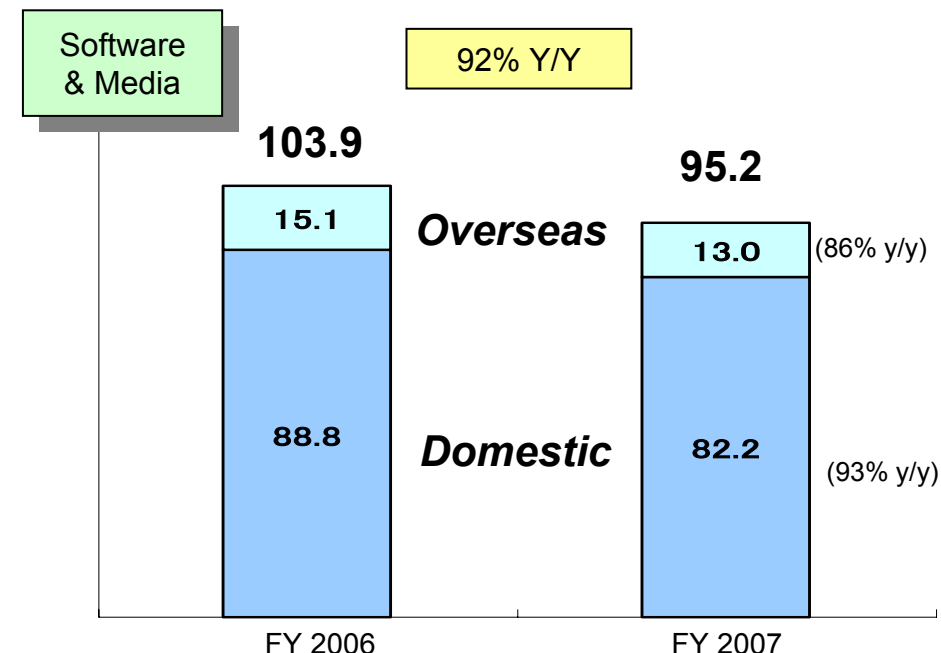
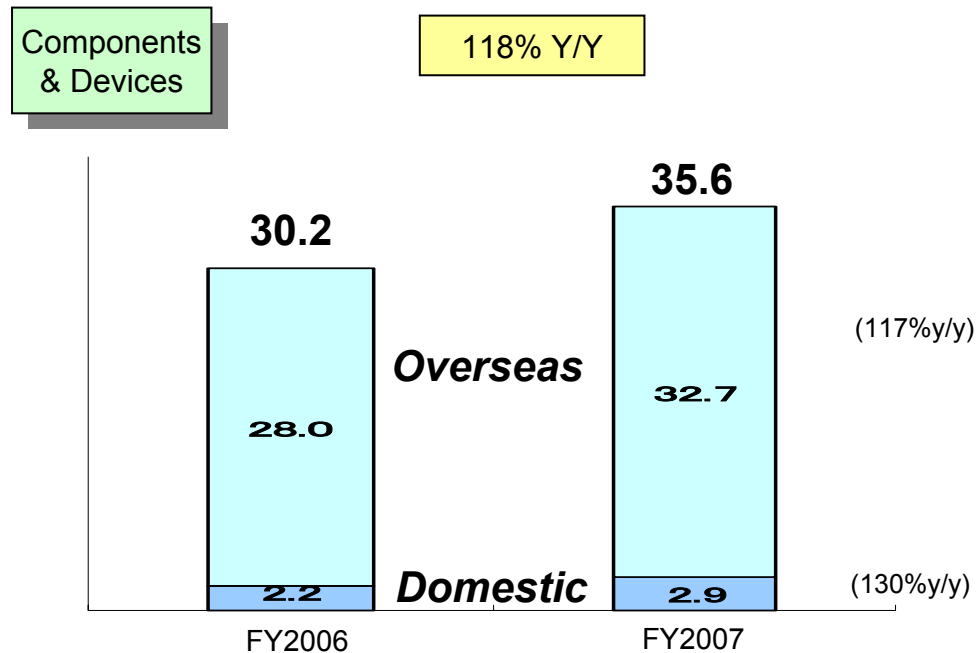
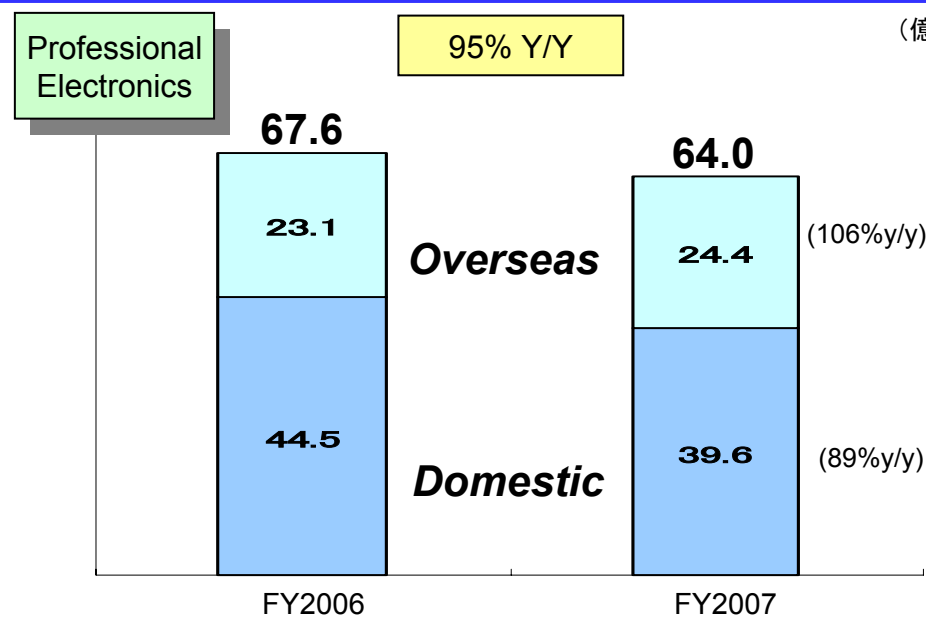
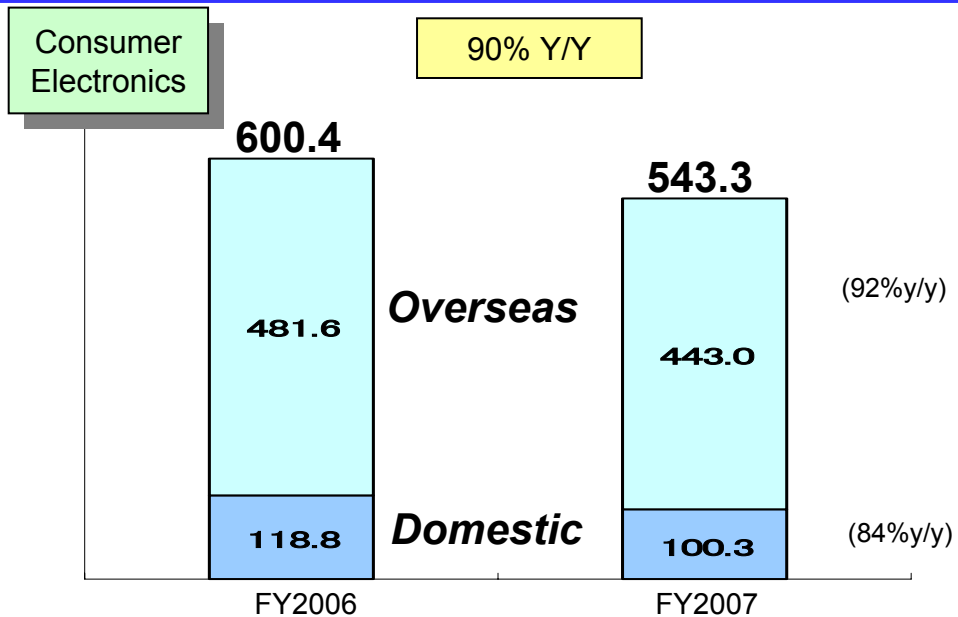
Net sales

(¥billion)

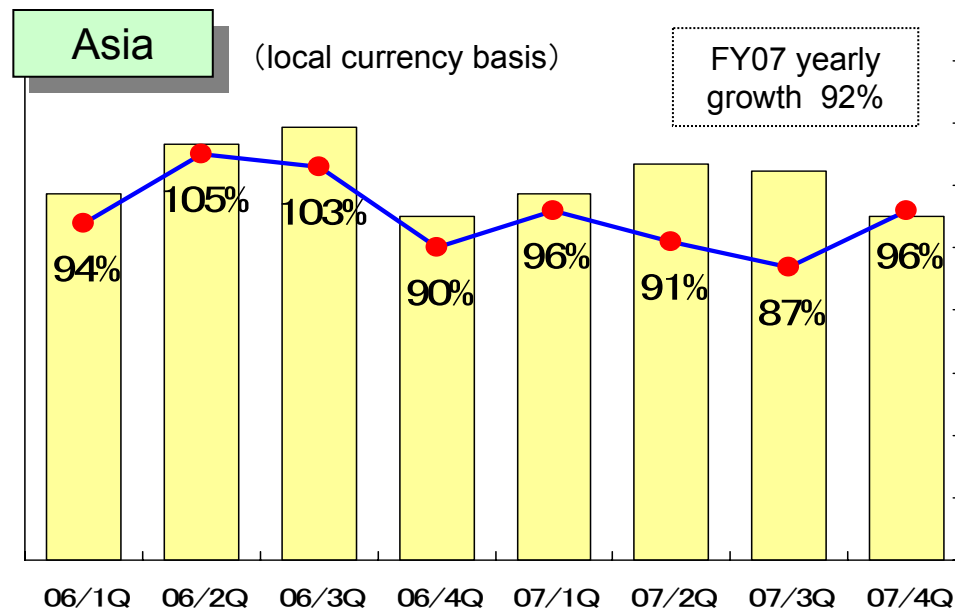
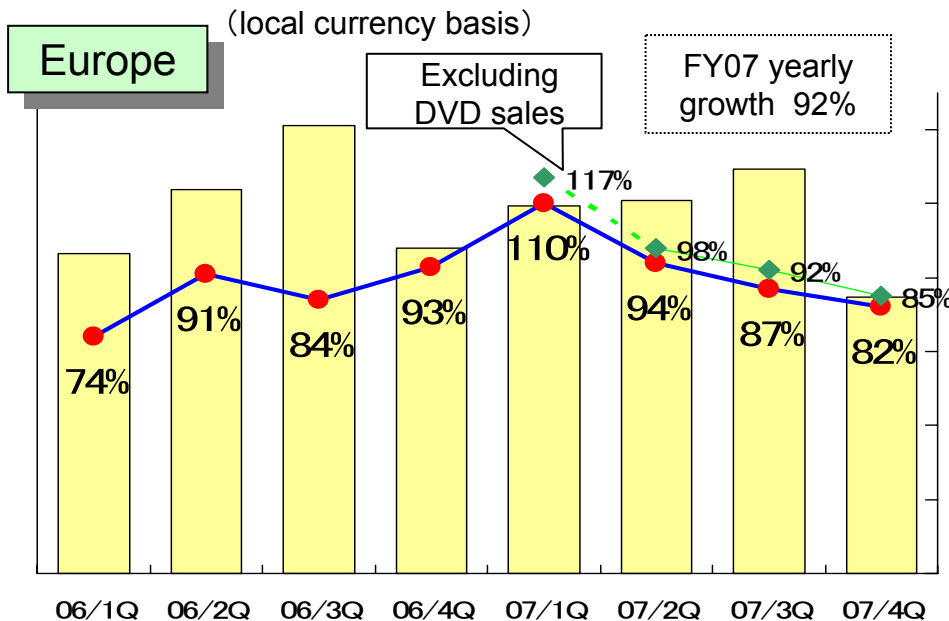
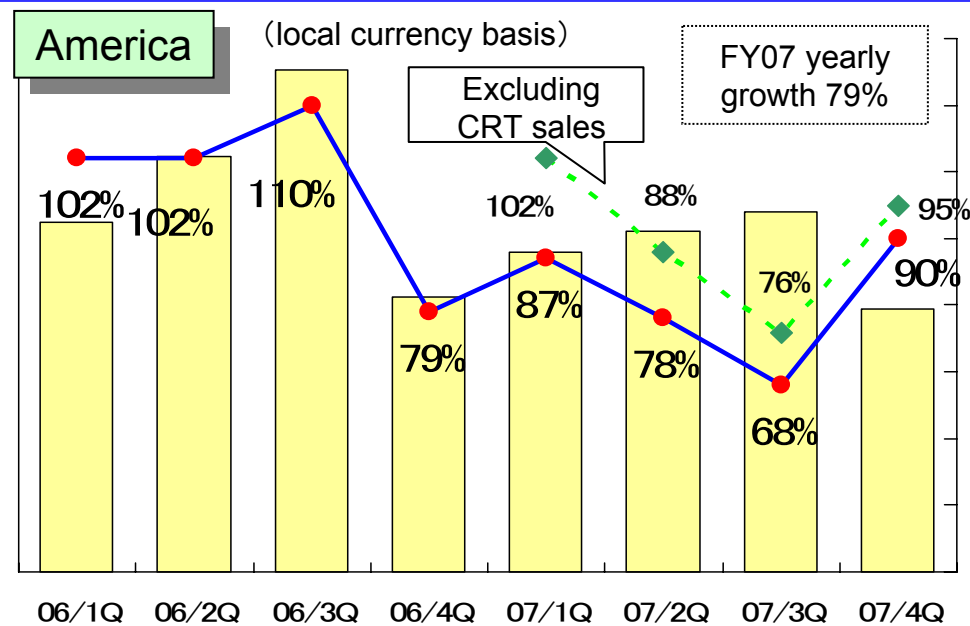
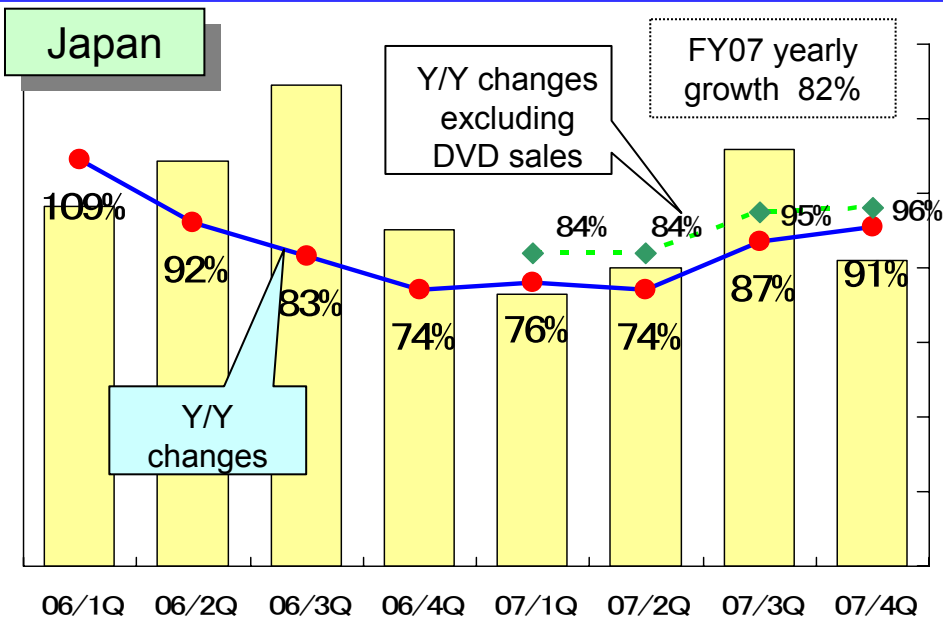


Fiscal 2007 Sales Results by Segment

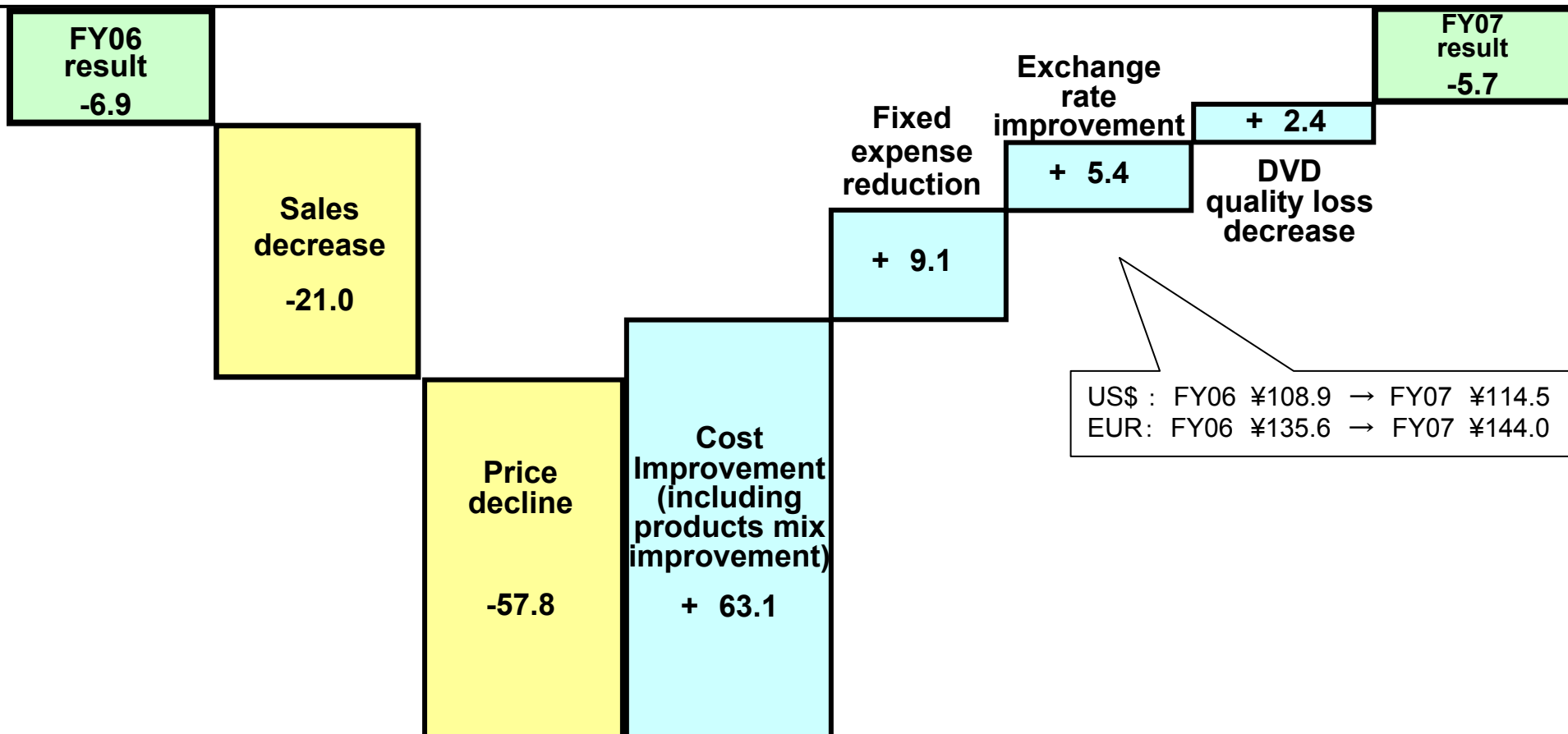
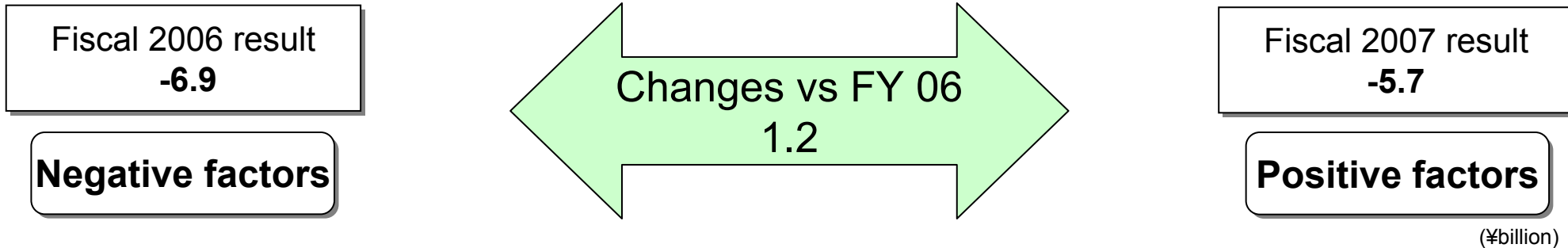
(億円)



Consumer Electronics Quarterly Sales by Region

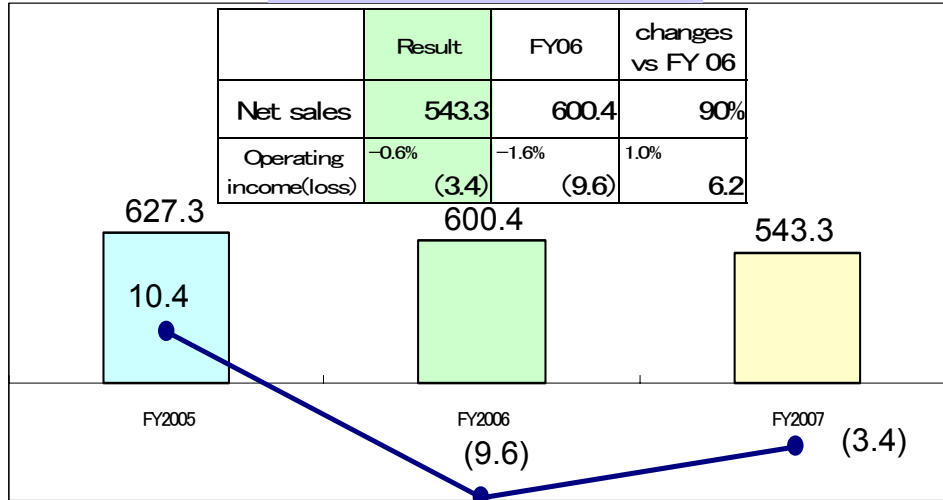


Fiscal 2007 Operating Income(Loss) Breakdown



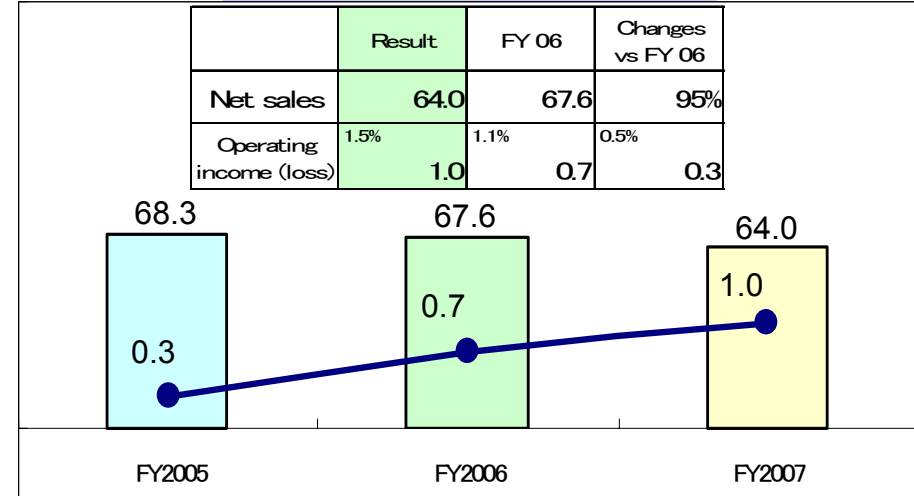
Fiscal 2007 Sales Results by Segment

Consumer Electronics

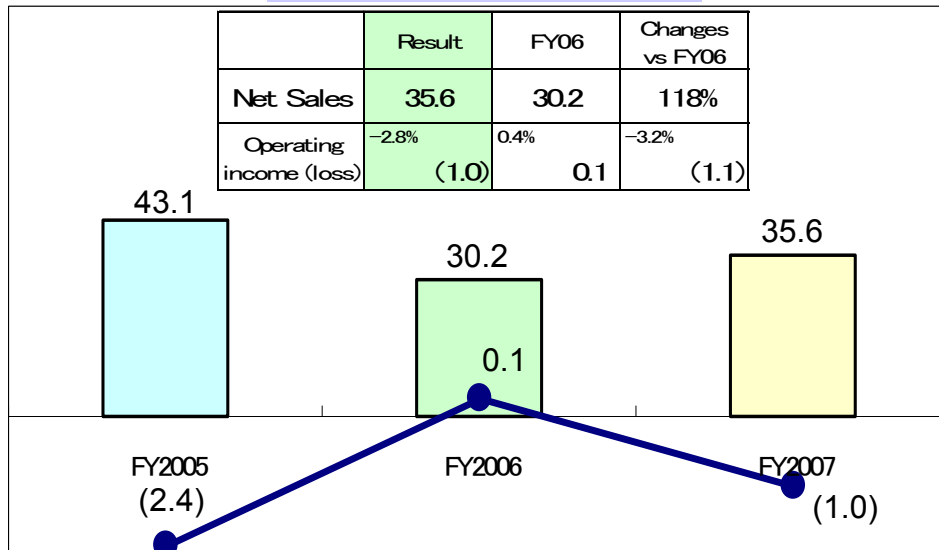


Professional Electronics

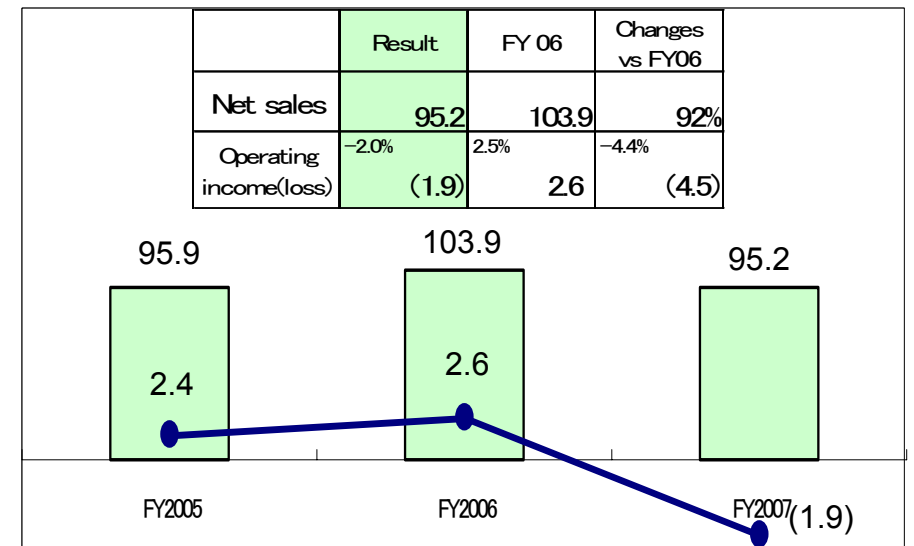
(¥billion)



Components & Devices



Software & Media



Fiscal 2007 Extraordinary Profit (Loss)

(¥billion)

	1H	2H	FY2007
Gain on sales of property	11.6	4.9	16.5
Gain on sales of investments securities	2.5	1.2	3.6
Inventory disposal loss and Imparement loss on DVD business	(2.2)	(0.7)	(2.9)
Imparement loss on display factory in the Americas	(1.1)	0.0	(1.1)
Structural reform charges for overseas factories	(0.8)	(1.0)	(1.7)
Others	0.3	(0.5)	(0.2)
Total	10.4	3.8	14.3

Gross asset



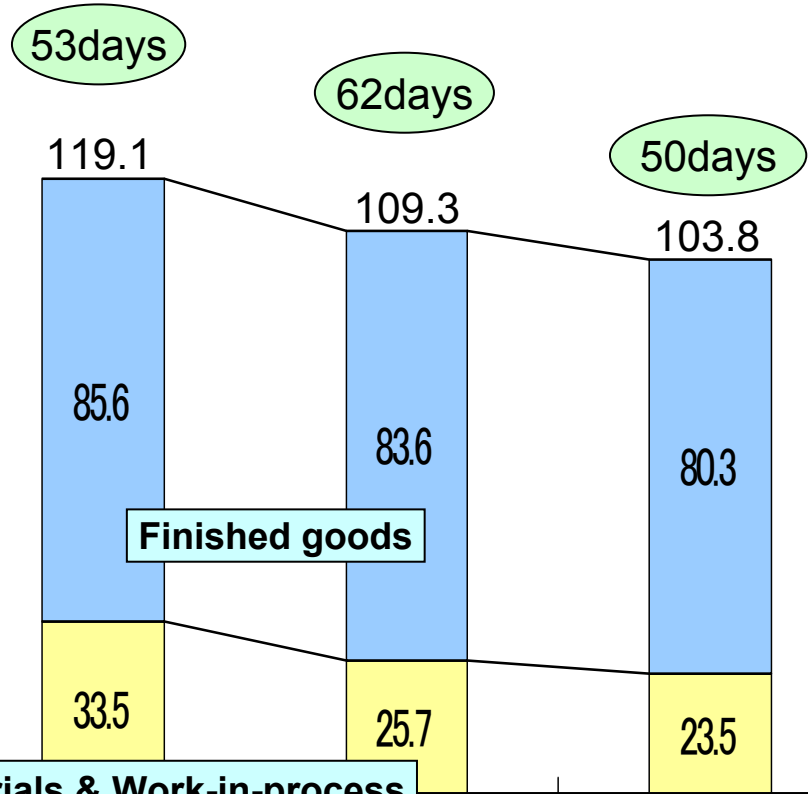
End of Mar. '06

End of Sep. '06

End of Mar. '07

Inventory

(¥billion)



Materials & Work-in-process

Finished goods

End of Mar. '06

End of Sep. '06

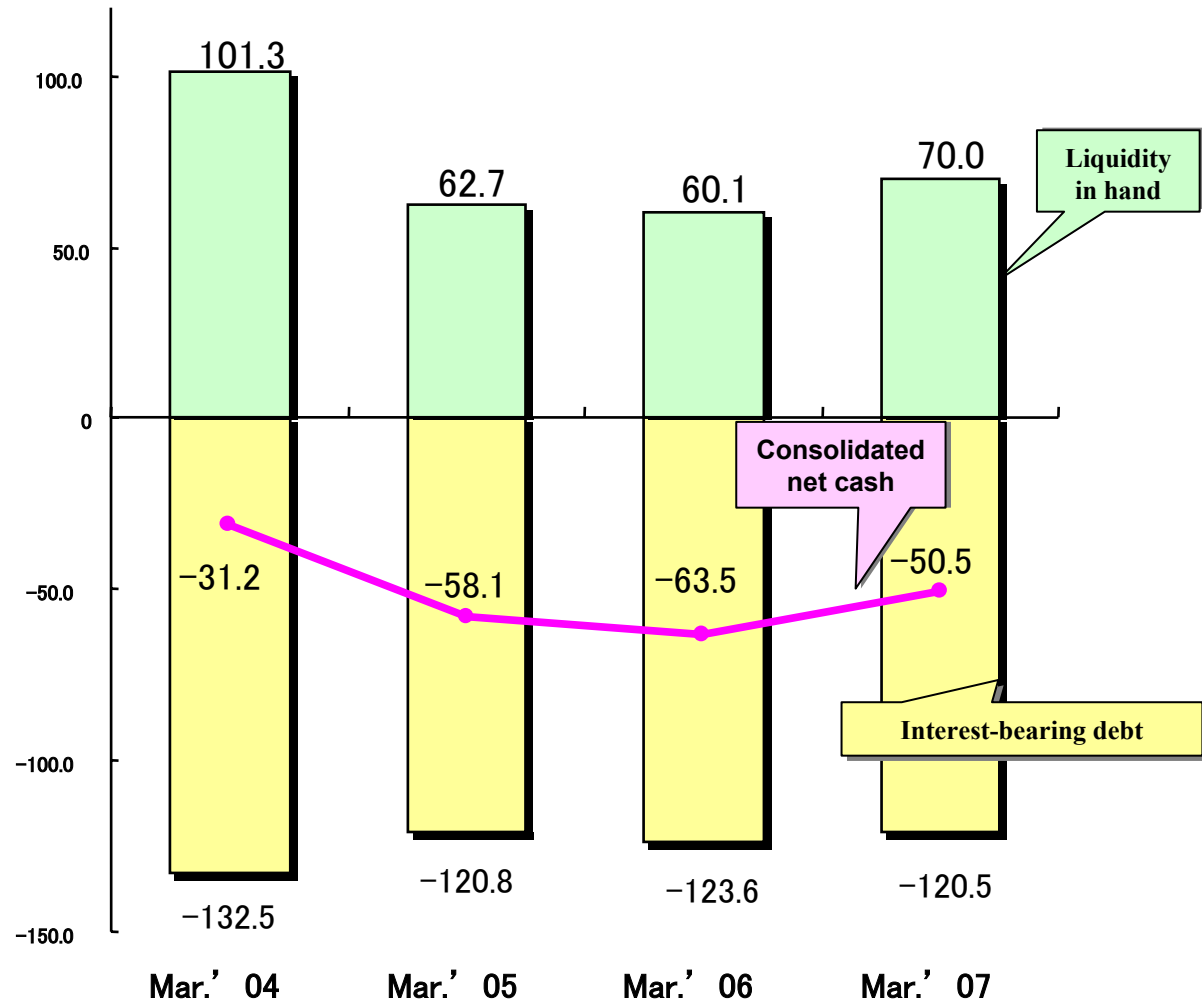
End of Mar. '07

Exch..rate	2006/3	2006/9	2007/3
US \$	117	118	118
EUR	143	150	157

(億円)

Consolidated statements of cash flow

Income before income taxes	2.6
Depreciation	23.3
Decrease in inventory	19.7
Operating capital	(9.1)
Others	(24.4)
Net cash provided by operating activities	12.1
Fixed asset	(11.0)
Metal mold investment	(10.5)
Proceeds from sales of marketable securities, property, etc	18.8
Others	3.1
Net cash used in investing activities	0.4
Free cash flow	12.5
Net cash used in financing activities	(4.9)
Other adjustments	2.0
Net increase in cash	9.6
Cash at the beginning of the year	60.1
Cash at the end of the year	70.0



	【Fixed assets excluding mold cost】 (¥billion)	【Forecast of capital expenditure】 (¥billion)
Capital expenditure	13.3	18.0
Depreciation & amortization	16.6	17.0