

July 24 , 2007

First Quarter of Fiscal 2008

(April 1, 2007 – June 30, 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

Delay in recovering Consumer Electronics business

- Difficulty of Display business in Europe & Japan
- Delay in recovering audio business
- Stable growth of camcorder business
& D-ILA front projector business

2

Slumping Entertainment business & Components & Devices business

Fiscal 2008 1Q Consolidated Financial Results

	Results	FY07 1Q	Changes vs FY07 1Q
Net sales	159.0	176.1	90%
Operating income(loss)	-4.0% (6.3)	-1.1% (1.9)	(4.4)
Ordinary income(loss)	-4.9% (7.7)	-1.7% (2.9)	(4.8)
Net income (loss)	-8.1% (13.0)	-1.9% (3.4)	(9.5)

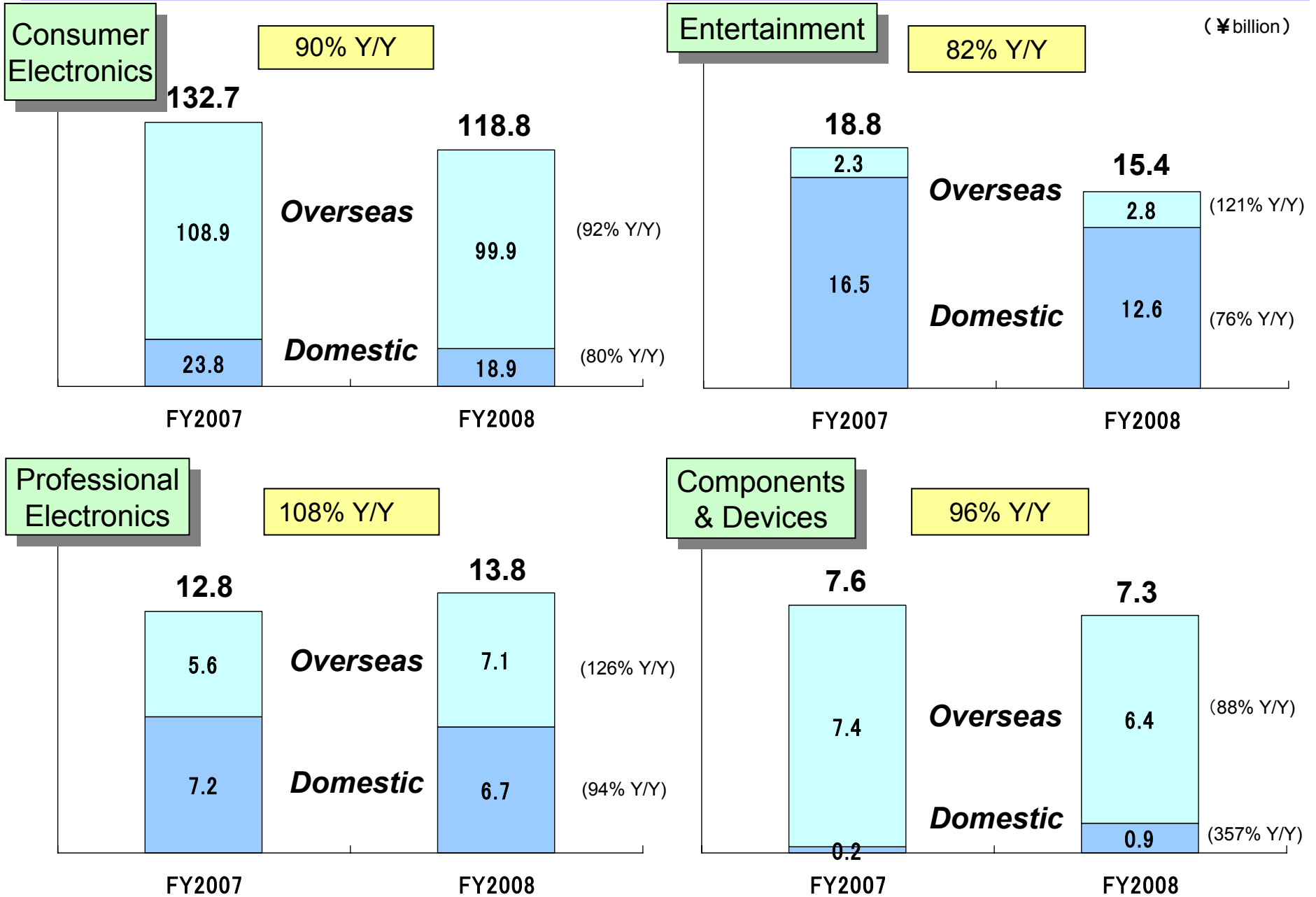
(¥ billion)

Extraordinary Loss	Results
Structural reform charges for consolidated subsidiaries	-1.6
Loss on (foreign) exchange in capital reduction of consolidated subsidiaries	-2.6
Others	-0.5
Total	-4.7

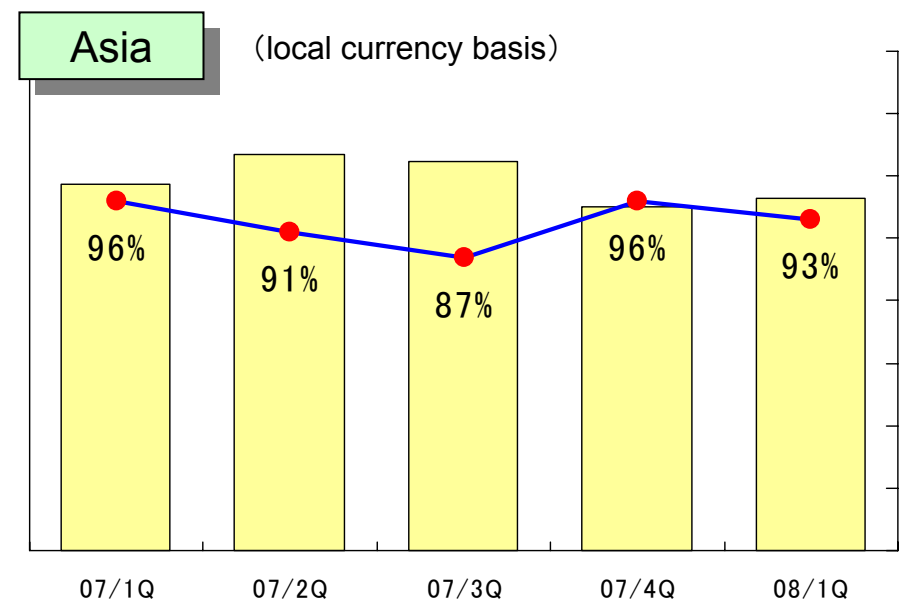
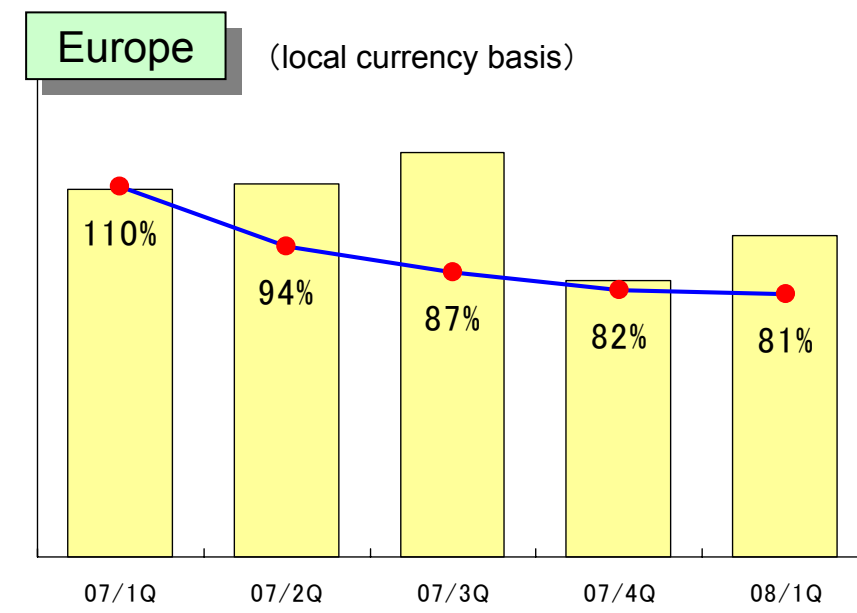
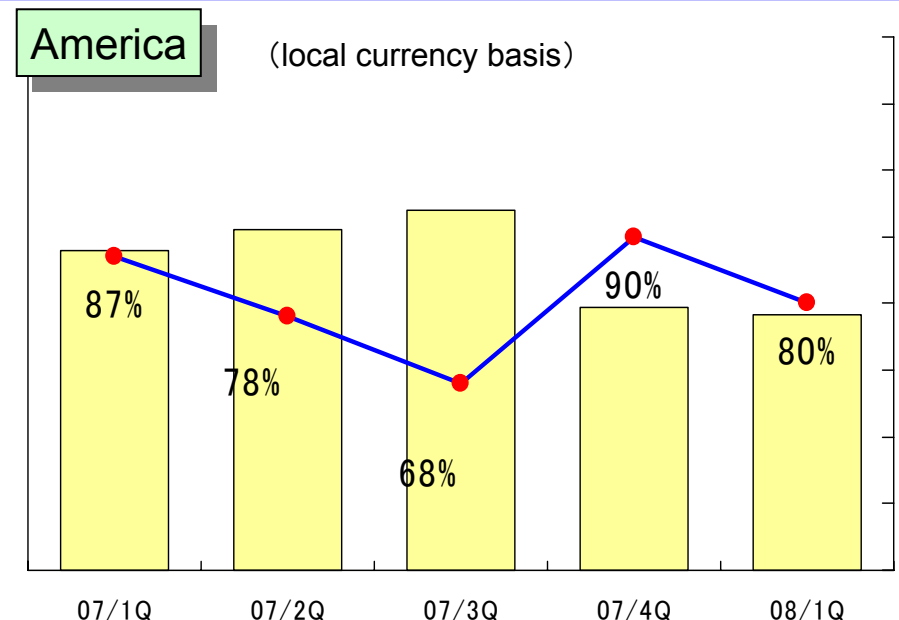
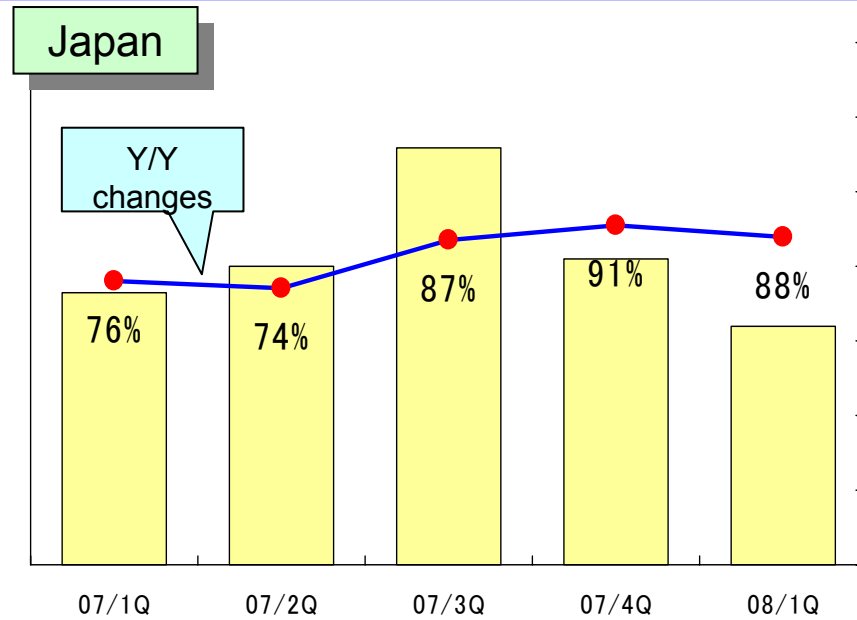
(¥ billion)

Fiscal 2008 1Q Sales Results by Segment

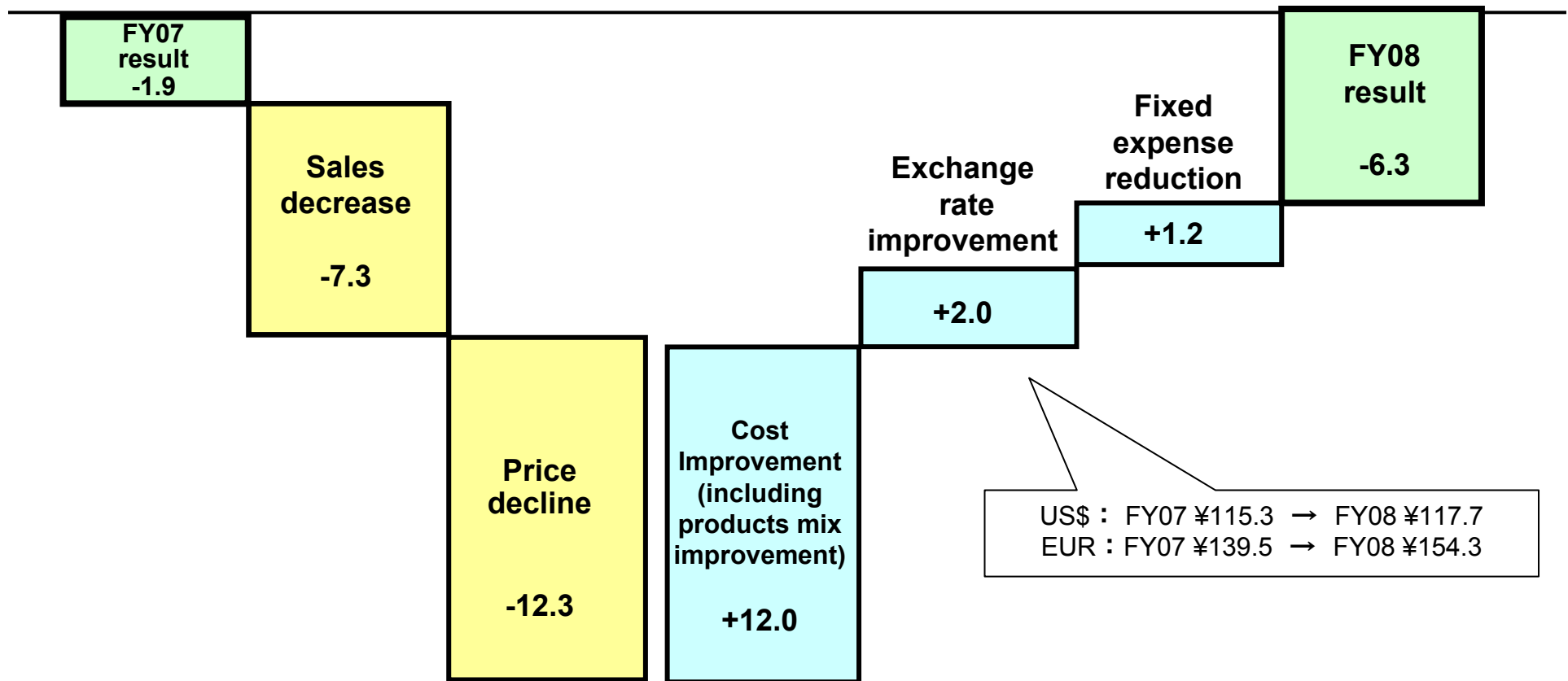
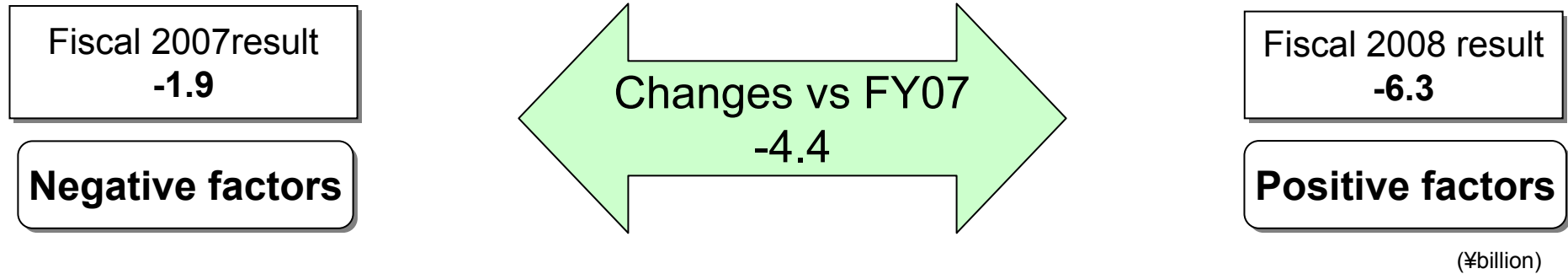
(¥ billion)



Consumer Electronics Quarterly Sales by Region



Fiscal 2008 1Q Operating Loss Breakdown



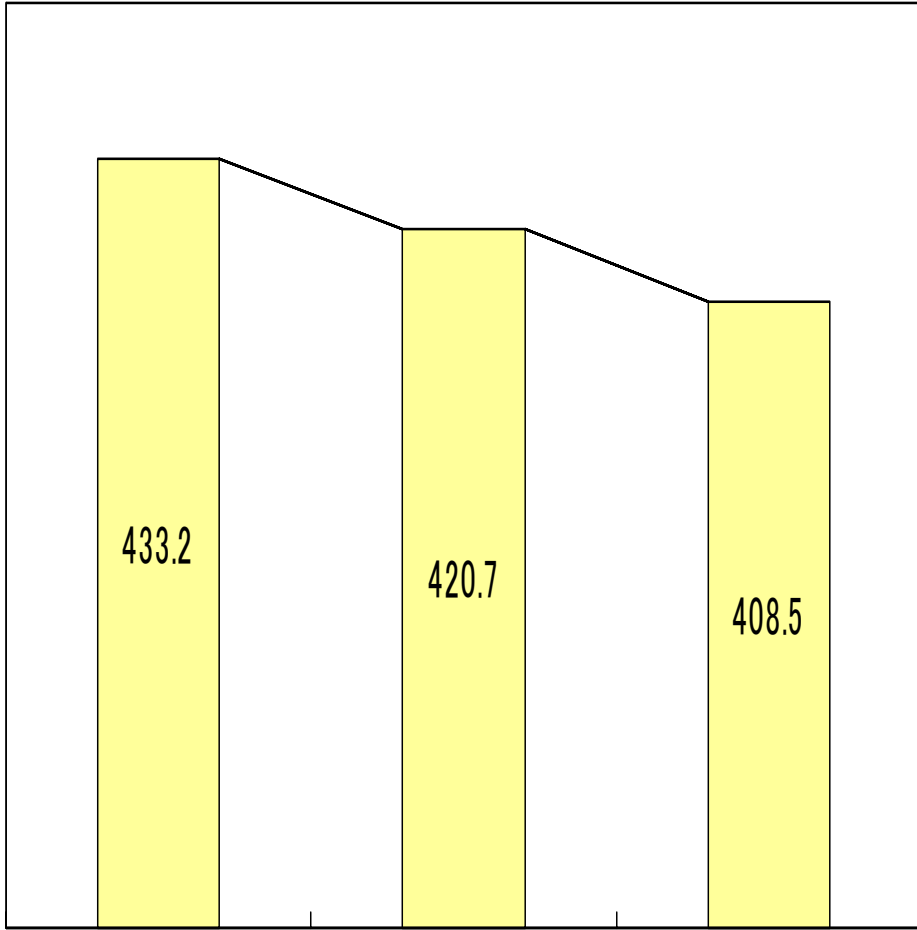
Fiscal 2008 1Q Sales Results by Segment

(¥billion)

	Net sales			Operating income(loss)		
	Result	FY07	changes vs FY07	Result	FY07	changes vs FY07
Consumer Electronics	118.8	132.7	90%	-0.9% (1.0)	0.2% 0.3	(1.3)
Entertainment	15.4	18.8	82%	-10.3% (1.6)	-0.3% (0.1)	(1.5)
Professional Electronics	13.8	12.8	108%	-7.7% (1.1)	-9.7% (1.2)	0.2
Components & Devices	7.3	7.6	96%	-22.8% (1.7)	-1.9% (0.1)	(1.5)
Others	3.7	4.2	89%	-16.1% (0.6)	-7.1% (0.3)	(0.3)

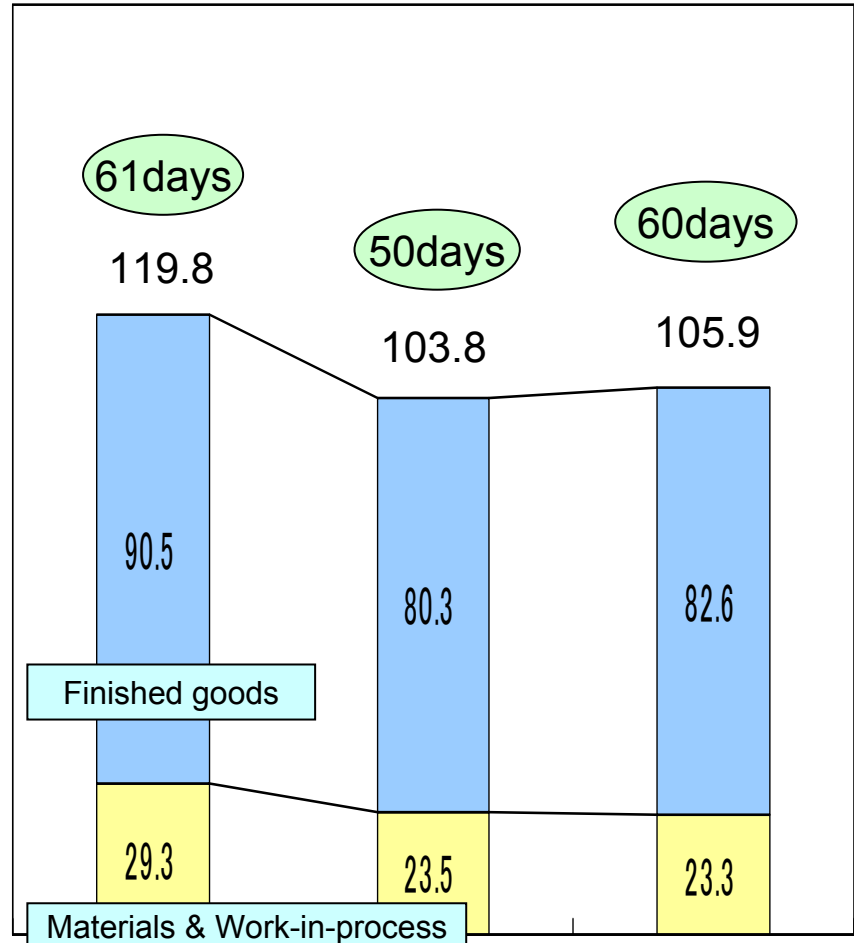
Trend in Asset and inventory

Gross asset



Inventory

(¥billion)



End of Jun.'06

End of Mar.'07

End of Jun.'07

End of Jun.'06

End of Mar.'07

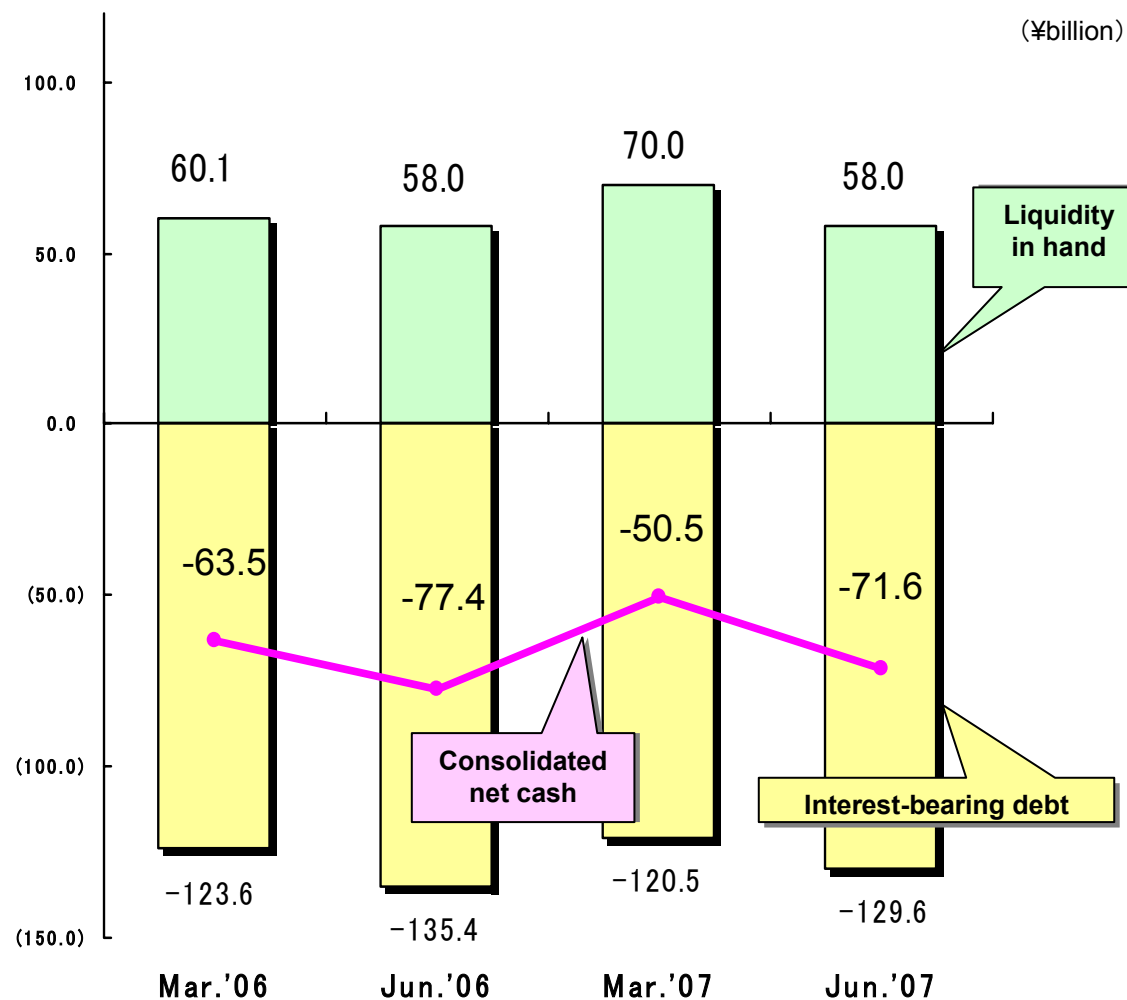
End of Jun.'07

Exch..rate	2006/6	2007/3	2007/6
US \$	115	118	123
EUR	146	157	166

Fiscal 2008 1Q Cash Flow

Consolidated statements of cash flow

Income before income taxes	(12.4)
Depreciation	5.7
Decrease in inventory	1.1
Operating capital	(3.2)
Others	(7.3)
Net cash provided by operating activities	(16.1)
Fixed asset	(2.5)
Metal mold investment	(2.3)
Others	0.4
Net cash used in operating activities	(4.4)
Free cash flow	(20.5)
Net cash used in financing activities	6.2
Other adjustments	2.3
Net increase in cash	(12.0)
Cash at the beginning of the year	70.0
Cash at the end of the year	58.0



【Fixed assets excluding mold cost】 (¥billion)

Capital expenditure	1.5
Depreciation & amortization	4.2

【Forecast of capital expenditure】 (¥billion)

Capital expenditure	12.0
Depreciation & amortization	13.1

Business Forecasts for FY08 (year ending March 31, 2008)

(¥billion)

< Consolidated basis >

	Current forecast	May 30 forecast	FY07 Results	Changes vs May 30 forecast	Changes vs FY07
Net Sales	740.0	760.0	742.7	(20.0)	100%
Operating Income(Loss)	1.1% 8.1	2.0% 15.0	- 0.8% (5.7)	(6.9)	13.8
Ordinary Income(Loss)	0.1% 0.6	0.9% 7.0	- 1.6% (11.7)	(6.4)	12.3
Net Income(Loss)	-2.3% (17.2)	- 1.4% (10.5)	- 1.1% (7.9)	(6.7)	(9.3)

<1H Forecasts>

(¥billion)

	Current forecast	May 30 forecast	1H of FY07 Results	Changes vs May 30	Changes vs 1H of FY07
Net Sales	340.0	358.0	371.2	(18.0)	92%
Operating Income(Loss)	-1.9% (6.3)	-0.6% (2.0)	-0.2% (0.7)	(4.3)	(5.6)
Ordinary Income(Loss)	-3.1% (10.4)	-1.8% (6.5)	-0.9% (3.4)	(3.9)	(7.0)
Net Income(Loss)	-10.3% (35.1)	-7.4% (26.5)	1.4% 5.0	(8.6)	(40.1)

< Fiscal 2008 Forecasts by Segment >

(¥billion)

	Net sales			Operating income(loss)		
	Current forecast	May 30 forecast	changes vs May 30	Current forecast	May 30 forecast	changes vs May 30
Consumer Electronics	539.5	555.2	(15.7)	1.2% 6.3	2.3% 13.0	(6.7)
Entertainment	68.9	68.4	0.5	2.5% 1.7	2.0% 1.4	0.3
Professional Electronics	69.8	70.2	(0.4)	2.9% 2.0	2.8% 2.0	0.0
Components & Devices	44.2	46.1	(1.9)	0.7% 0.3	1.1% 0.5	(0.2)