



Consolidated Financial Statements for the Three-Month Period Ended June 30, 2007

August 7, 2007

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1. Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2008

(April 1, 2007, to June 30, 2007)

(1) Operating Results (Consolidated)

Amounts less than one million yen have been omitted; percentages represent increases from the corresponding period of the previous year.

Millions of yen

	Net Sales		Operating Income		Ordinary Income		(Quarterly) Net Income	
Three-Month Period Ended June 30, 2007	68,906	5.2%	3,315	19.0%	3,963	32.0%	2,338	29.5%
Three-Month Period Ended June 30, 2006	65,508	4.8%	2,787	(16.9%)	3,003	(11.7%)	1,805	(22.1%)
Fiscal Year Ended March 31, 2007	265,054		10,110		12,015		5,729	

	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
Three-Month Period Ended June 30, 2007	33.53	—
Three-Month Period Ended June 30, 2006	25.88	—
Fiscal Year Ended March 31, 2007	82.12	—

(2) Financial Position (Consolidated)

Millions of yen unless otherwise stated; amounts less than one million yen have been omitted.

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (Yen)
June 30, 2007	187,898	124,497	65.2	1,757.21
June 30, 2006	174,510	113,538	64.1	1,604.52
March 31, 2007	181,185	120,908	65.7	1,706.54

(3) Consolidated Cash Flows

Millions of yen, amounts less than one million yen; have been omitted.

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents, End of Period
Three-Month Period Ended June 30, 2007	2,353	(3,882)	(1,087)	35,769
Three-Month Period Ended June 30, 2006	3,161	(2,876)	(316)	33,514
Fiscal Year Ended March 31, 2007	16,398	(11,887)	(1,540)	37,507

2. Dividend

	Dividends per share (Yen)		
	End of Interim Period	End of Fiscal Year	Full Year
Fiscal Year Ended March 31, 2007	10.00	15.00	25.00
Fiscal Year Ending March 31, 2008 (Forecast)	10.00	15.00	25.00

3. Projections for Fiscal Year Ending March 31, 2008 (April 1, 2007, to March 31, 2008)

Percentages represent increases from the corresponding period of the previous year.

Millions of yen, unless otherwise stated

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share (Yen)
	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	
Six-Month Period Ending September 30, 2007	130,000	3.2%	4,500	(1.3%)	5,500	(0.2%)	3,000	(7.4%)	43.00
Fiscal Year Ending March 31, 2008	255,000	(3.8%)	8,000	(20.9%)	9,000	(25.1%)	5,000	(12.7%)	71.67

4. Other Notes

- (1) No Changes have been made in major subsidiaries during the period (including changes in specific subsidiaries affecting the scope of consolidation).
- (2) The simplified method of accounting for the period has been applied.
- (3) No Changes have been made in accounting principles in the preparation of the financial statements from those used in recent years.

Note: For details, please refer to "Qualitative Information, Financial Statements and Other," "4. Other" on page 6.

[Reference] Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2008

(April 1, 2007, to June 30, 2007)

(1) Operating Results (Non-Consolidated)

Amounts less than one million yen have been omitted; percentages represent increases from the corresponding period of the previous year.

Millions of yen

	Net Sales		Operating Income		Ordinary Income		Net Income	
Three-Month Period Ended June 30, 2007	51,578	1.6%	1,149	28.0%	1,860	42.0%	1,283	42.5%
Three-Month Period Ended June 30, 2006	50,779	6.5%	898	(45.7%)	1,310	(30.7%)	900	(28.1%)
Fiscal Year Ended March 31, 2007	195,056		2,492		5,583		3,201	

	Net Income per Share (Yen)
Three-Month Period Ended June 30, 2007	18.40
Three-Month Period Ended June 30, 2006	12.91
Fiscal Year Ended March 31, 2007	45.89

(2) Financial Position (Non-Consolidated)

Millions of yen, unless otherwise stated; amounts less than one million yen have been omitted.

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (Yen)
June 30, 2007	129,950	93,723	72.1	1,343.42
June 30, 2006	126,369	90,116	71.3	1,291.60
March 31, 2007	131,292	92,719	70.6	1,329.03

2. Projections for Fiscal Year Ending March 31, 2008 (April 1, 2007, to March 31, 2008)

Percentages represent increases from the corresponding period of the previous year.

Millions of yen, unless otherwise stated

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income Per Share (Yen)
Six-Month Period Ending September 30, 2007	97,000	(0.2%)	2,000	124.2%	4,000	20.8%	2,300	1.9%	32.97
Fiscal Year Ending March 31, 2008	193,000	(1.1%)	3,300	32.4%	5,000	(10.4%)	3,000	(6.3%)	43.00

Cautionary Statement Regarding Performance Forecasts

1. The interim consolidated and non-consolidated forecasts announced on April 27, 2007 have been revised in this report.
2. The forecasts and future projections in this report have been produced based on rational assessment of the information available as of the date of announcement of this summary information, and the actual results could differ significantly from forecast figures depending on operating performance and a variety of other factors which may occur hereafter. For details on assumptions for these operating projections and revisions to forecasts of 1 above, please refer to “Qualitative Information, Financial Statements and Other,” and “3. Qualitative Information Regarding Consolidated Projections” on page 6.

Qualitative Information, Financial Statements and Other

1. Qualitative Information Regarding Consolidated Business Results

During the first quarter of the fiscal year ending March 31, 2008, the car electronics industry was influenced by the rise in installation rates for new vehicles and a consequent contraction in the after-sales market. In addition, affordably priced portable navigation systems became more prevalent in the U.S. and European markets.

In the domestic market, manufacturers introduced navigation systems with new features, including terrestrial digital broadcasting and mobile telephone capability, as well as compatibility with computers and the Internet.

Japanese automobile manufacturers launched integrated equipment with new functions compatible with real-time information and communication systems, leading to expectations of future market growth.

In this environment, consolidated net sales for the three-month period ended June 30, 2007, were ¥68.9 billion, up 5.2% from the corresponding period of the previous fiscal year, taking into account the impact of a weaker yen. On the earnings front, operating income climbed 19.0% year on year, to ¥3.3 billion and ordinary income leapt 32.0%, to ¥3.9 billion. Net income for the quarter was ¥2.3 billion, up 29.5% from the corresponding period of the previous fiscal year.

Segment information by type of business is summarized as follows.

Audio Products Segment

In the Audio Products segment, sales were supported by robust performance by Alpine's iDA-X001 head unit, which is compatible with iPod® and USB memory devices, as well as other digital audio equipment. However, sales of CD players were impacted by integration with visual and navigation systems, leading to a 10% decline in sales in the after-sales market.

Sales to automobile manufacturers grew, benefiting from favorable sales of new vehicles with installed DVD audio and CD audio systems and an increase in factory-installed high-quality sound speakers and power amplifiers.

As a result, sales in this segment were ¥32.5 billion, down 0.1% year on year.

Information and Communication Equipment Segment

In the Information and Communication Equipment segment, sales in the domestic after-sales market rose, owing to higher sales of navigation systems compatible with full-segment (1-Seg + 12-segment) and rear-seat large-screen entertainment systems compatible with DVD and terrestrial digital broadcasting.

The North American after-sales market faced a harsh sales environment. Strong sales of our newly launched IVA-W205 portable navigation AV product with expanded functions were countered by intensified price competition for the “Blackbird” portable navigation system.

Factory installation rates grew for integrated products, led by navigation systems. Robust new car sales encouraged steady progress in Alpine's sales to automobile manufacturers.

Accounting for these factors, sales in this segment climbed 10.4% year on year, to ¥36.3 billion.

2. Qualitative Information Regarding Consolidated Financial Position

Total assets stood at ¥187.8 billion as of June 30, 2006, up ¥6.7 billion from the end of the previous fiscal year. Net assets climbed ¥3.5 billion, to ¥124.4 billion. As a result, the equity ratio was 65.2%.

Current assets were up ¥4.1 billion, owing to ¥2.3 billion increase in merchandise and ¥2.3 billion higher goods in process. Fixed assets were ¥2.5 billion higher, prompted by gains of ¥0.5 billion in tangible fixed assets and ¥1.5 billion higher investments in securities.

Current liabilities grew ¥2.7 billion, owing mainly to rises in notes and accounts payable of ¥0.4 billion, accrued expenses of ¥0.7 billion and provision for product warranties of ¥0.4 billion. Long-term liabilities rose ¥0.4 billion, as a result of such factors as higher deferred tax liabilities.

Consolidated Cash Flows

For the fiscal period under review, cash flows provided by operating activities totaled ¥2.3 billion. Major cash inflows included ¥3.9 billion in net income before tax and other adjustments, ¥2.4 billion in depreciation and amortization and a ¥0.8 billion decrease in notes and accounts receivable. Major cash outflows included a ¥3.0 billion increase in inventories and income other taxes paid of ¥1.3 billion.

Net cash used in investing activities was ¥3.8 billion. This figure was mainly attributable to payment for tangible fixed assets.

Net cash used in financing activities amounted to ¥1.0 billion. The principal component was cash dividends paid.

As a result of these activities, the net decrease in cash and cash equivalents as of June 30, 2007 was ¥1.7 billion, bringing cash and cash equivalents as of the end of the fiscal period under review to ¥35.7 billion.

3. Qualitative Information Regarding Consolidated Projections

Performance during the first quarter surpassed the levels of our original plans, primarily due to the impact of depreciation of the yen against foreign currencies. As a result, we have upwardly revised projections for operating performance during the interim term for net sales, operating income, ordinary income and net income. This accounts for the revision to formerly announced interim consolidated performance projections.

Full-year projections announced on April 27, 2007 have not been revised.

Differences from the interim consolidated operating projections in the consolidated financial statements announced on April 27, 2007 are as follows.

[Consolidated Six-Month Period]

Millions of yen, unless otherwise stated

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share
Formerly Announced Projection (A)	125,000	4,000	4,500	2,500	35.84
Current Projection (B)	130,000	4,500	5,500	3,000	43.00
Difference (B – A)	5,000	500	1,000	500	7.16
Rate of Change (%)	4.0	12.5	22.2	20.0	20.0
Actual Performance During Six-Month Period Ending September 31, 2006	126,022	4,558	5,511	3,239	46.44

[Reference: Non-Consolidated Six-Month Period]

Millions of yen, unless otherwise stated

	Net Sales	Operating Income	Ordinary Income	Net Income	Net Income Per Share
Formerly Announced Projection (A)	94,000	1,000	2,500	1,800	25.80
Current Projection (B)	97,000	2,000	4,000	2,300	32.97
Difference (B-A)	3,000	1,000	1,500	500	7.17
Rate of Change (%)	3.2	100.0	60.0	27.8	27.8
Actual Performance During Six-Month period Ending September 31, 2006	97,186	892	3,312	2,256	32.34

4. Other Notes

- (1) No Changes have been made in major subsidiaries during the period (including changes in specific subsidiaries affecting the scope of consolidation)
- (2) The simplified method of accounting for the period has been applied.
 - Calculation for depreciation of fixed assets is made using one quarter of the forecast full-year amount.
 - Tax-effect accounting has been applied based on the simplified method.
- (3) No Changes have been made in accounting principles in the preparation of the financial statements from those used in recent years.

5. Quarterly Consolidated Financial Statements (Summary)

(1) Quarterly Consolidated Balance Sheets (Summary)

Millions of yen, %

	June 30, 2006		June 30, 2007		March 31, 2006		Change
		%		%		%	
ASSETS							
Current Assets:	115,312	66.1	119,130	63.4	114,937	63.4	4,192
Cash and time deposits	33,968		35,786		37,553		(1,766)
Notes and accounts receivable	39,551		39,111		38,605		506
Merchandise	23,176		23,271		20,936		2,334
Raw materials	7,058		6,140		6,004		136
Goods in process	2,353		2,813		1,425		1,388
Inventories	438		575		466		109
Deferred tax assets	3,295		4,300		4,121		178
Other current assets	6,359		8,252		6,808		1,444
Allowance for doubtful receivables	(888)		(1,123)		(984)		(139)
Fixed Assets:	59,197	33.9	68,768	36.6	66,247	36.6	2,520
Tangible Fixed Assets:	27,455	15.7	30,689	16.3	30,090	16.6	599
Buildings and structures	9,114		9,033		9,134		(101)
Machinery and equipment	7,403		8,977		8,512		465
Fixtures and fittings	5,857		6,635		6,571		64
Land	4,940		5,204		5,179		25
Construction in progress	140		838		692		145
Intangible Fixed Assets:	5,871	3.4	6,941	3.7	6,923	3.8	18
Investments and Other Assets:	25,870	14.8	31,137	16.6	29,234	16.2	1,902
Investments in securities	16,480		19,871		18,335		1,536
Deferred tax assets	198		230		228		1
Other investments	9,246		11,094		10,727		366
Allowance for doubtful receivables	(55)		(58)		(57)		(1)
Total Assets	174,510	100.0	187,898	100.0	181,185	100.0	6,713

	June 30, 2006		June 30, 2007		March 31, 2006		Change
		%		%		%	
LIABILITIES							
Current Liabilities:	56,289	32.2	56,483	30.0	53,763	29.7	2,720
Notes and accounts payable	32,121		29,457		28,971		486
Bank loans	695		161		174		(12)
Income taxes payable	2,167		2,174		1,946		227
Accrued expenses	9,483		11,403		10,678		725
Deferred tax liabilities	103		73		52		21
Allowance for employee bonuses	1,005		1,054		1,849		(795)
Provision for product warranties	4,912		6,265		5,775		489
Provision for facility use cancellation	43		—		—		—
Other current liabilities	5,756		5,893		4,314		1,578
Long-Term Liabilities:	4,682	2.7	6,917	3.7	6,513	3.6	404
Deferred tax liabilities	2,582		4,843		4,219		624
Accrued retirement benefits	650		674		619		54
Directors' severance and retirement benefits	624		621		718		(97)
Other long-term liabilities	824		778		955		(177)
Total Liabilities	60,972	34.9	63,401	33.7	60,276	33.3	3,124
NET ASSETS							
Stockholders' Capital	104,421	59.9	109,431	58.3	108,141	59.7	1,290
Capital stock	25,920	14.9	25,920	13.8	25,920	14.3	—
Additional paid-in capital	24,905	14.3	24,905	13.3	24,905	13.8	—
Retained earnings	53,622	30.7	58,635	31.2	57,344	31.6	1,290
Treasury stock	(27)	(0.0)	(29)	(0.0)	(29)	(0.0)	0
Evaluation and Conversions	7,518	4.3	13,159	7.0	10,914	6.0	2,244
Valuation adjustment, other marketable securities	6,788	3.9	8,556	4.5	7,789	4.3	767
Land revaluation adjustment	(1,394)	(0.8)	(1,394)	(0.7)	(1,394)	(0.8)	—
Foreign currency translation	2,125	1.2	5,997	3.2	4,520	2.5	1,477
Minority Interests	1,597	0.9	1,905	1.0	1,852	1.0	53
Total Net Assets	113,538	65.1	124,497	66.3	120,908	66.7	3,588
Total Liabilities and Net Assets	174,510	100.0	187,898	100.0	181,185	100.0	6,713

(2) Quarterly Consolidated Statements of Income (Summary)

Millions of yen, %

	Three-Month Period Ended June 30, 2006		Three-Month Period Ended June 30, 2007		Change	Fiscal Year Ended March 31, 2007	
		%		%			%
Net Sales	65,508	100.0	68,906	100.0	3,398	265,054	100.0
Cost of Sales	52,534	80.2	55,446	80.5	2,911	210,442	79.4
Gross Profit	12,973	19.8	13,460	19.5	486	54,612	20.6
Selling, General and Administrative Expenses	10,185	15.5	10,144	14.7	(41)	44,502	16.8
Operating Income	2,787	4.3	3,315	4.8	528	10,110	3.8
Other income							
Interest income	57		88		31	297	
Dividend Income	209		241		32	437	
Equity in income from affiliated companies	—		81		81	676	
Foreign exchange gain	39		367		328	788	
Others—net	165		104		(61)	506	
Total	471	0.7	883	1.3	412	2,706	1.0
Other Expenses							
Interest expense	32		40		8	125	
Equity in loss of affiliated companies	65		—		(65)	—	
Other	158		195		37	675	
Total	256	0.4	236	0.3	(19)	801	0.3
Ordinary Income	3,003	4.6	3,963	5.8	960	12,015	4.5
Extraordinary Income							
Gain on sales of fixed assets	3		1		(2)	31	
Other	—		—		—	1	
Total	3	0.0	1	0.0	(2)	32	0.0
Extraordinary Losses							
Loss on sales of fixed assets	20		19		(1)	261	
Other	15		—		(15)	1,483	
Total	35	0.1	19	0.1	(16)	1,745	0.6
Income before Income Taxes	2,970	4.5	3,944	5.7	974	10,302	3.9
Income taxes	1,327	2.0	1,537	2.2	209	4,738	1.7
Income tax adjustments	(199)	(0.3)	7	0.0	207	(372)	(0.1)
Minority Interests in Net Income of Consolidated	37	0.0	61	0.1	23	207	0.1
Net Income	1,805	2.8	2,338	3.4	533	5,729	2.2

(3) Quarterly Consolidated Statements of Changes in Stockholders' Capital
Three Month Period Ended June 30, 2006

Millions of yen

	Stockholders' Capital					Valuation and Conversions				Minority Interests	Total Net Assets
	Capital	Capital Surplus	Retained Earnings	Treasury Stock	Total Stockholders' Capital	Valuation adjustment, other marketable securities	Land Revaluation Adjustment	Foreign Currency Translation Adjustment	Total Valuation and Conversions		
Balance as of March 31, 2006	25,920	24,905	52,213	(27)	103,012	7,124	(1,394)	2,039	7,769	1,594	112,376
Increase (decrease) during the quarter											
Cash dividends			(697)		(697)						(697)
Directors' bonuses (Note)			(60)		(60)						(60)
Net income			1,805		1,805						1,805
Increase attributed to the increase in consolidated subsidiaries			227		227						227
Increase attributed to the merger of consolidated and non-consolidated subsidiaries			134		134						134
Acquisition of treasury stock				(0)	(0)						(0)
Other			(0)		(0)						(0)
Net change in items excluding stockholders' capital during the period						(336)		85	(250)	3	(247)
Total increase (decrease) during the quarter	—	—	1,409	(0)	1,409	(336)	—	85	(250)	3	1,161
Balance as of June 30, 2006	25,920	24,905	53,622	(27)	104,421	6,788	(1,394)	2,125	7,518	1,597	113,538

Note: The appropriation of retained earnings was approved at the Annual General Meeting of Stockholders held in June 2006.

Three –Month Period Ended June 30, 2007

Millions of yen

	Stockholders' Capital					Valuation and Conversions				Minority Interests	Total Net Assets
	Capital	Capital Surplus	Retained Earnings	Treasury Stock	Total Stockholders' Capital	Valuation adjustment, other marketable securities	Land Revaluation Adjustment	Foreign Currency Translation Adjustment	Total Valuation and Conversions		
Balance as of March 31, 2007	25,920	24,905	57,344	(29)	108,141	7,789	(1,394)	4,520	10,914	1,852	120,908
Increase (decrease) during the quarter											
Cash dividends			(1,046)		(1,046)						(1,046)
Net income			2,338		2,338						2,338
Acquisition of treasury stock				(0)	(0)						(0)
Other (Employee Welfare Benefit Fund)			(1)		(1)						(1)
Net change in items excluding stockholders' capital during the period						767		1,477	2,244	53	2,298
Total increase (decrease) during the quarter	—	—	1,290	(0)	1,290	767	—	1,477	2,244	53	3,588
Balance as of June 30, 2007	25,920	24,905	58,635	(29)	109,431	8,556	(1,394)	5,997	13,159	1,905	124,497

	Stockholders' Equity					Valuation and Conversions				Minority Interests	Total net assets
	Capital stock	Additional paid-in capital	Retained earnings	Treasury stock	Total Stockholders' Equity	Valuation adjustment, other marketable securities	Land revaluation adjustment	Foreign currency translation adjustment	Total valuation and Conversions		
Balance as of March 31, 2006	25,920	24,905	52,213	(27)	103,012	7,124	(1,394)	2,039	7,769	1,594	112,376
Increase (decrease) during the year											
Cash dividends (Note)			(697)		(697)						(697)
Cash dividends			(697)		(697)						(697)
Directors' bonuses (Note)			(60)		(60)						(60)
Net income			5,729		5,729						5,729
Increase attributed to the increase in consolidated subsidiaries			227		227						227
Increase attributed to the merger of consolidated and non-consolidated subsidiaries			134		134						134
Increase by change of equity of equity method companies			513		513						513
Acquisition of treasury stock				(2)	(2)						(2)
Retirement of treasury stock		0		0	0						0
Employee welfare benefit fund			(17)		(17)						(17)
Net change in items excluding stockholders' capital during the period						664		2,480	3,145	257	3,402
Total increase (decrease) during the year	—	0	5,131	(2)	5,128	664	—	2,480	3,145	257	8,531
Balance as of March 31, 2007	25,920	24,905	57,344	(29)	108,141	7,789	(1,394)	4,520	10,914	1,852	120,908

Note: The appropriation of retained earnings was approved at the Annual General Meeting of Stockholders held in June 2006.

(4) Quarterly Consolidated Statements of Cash Flows (Summary)

Millions of yen

	Three-Month Period Ended June 30, 2006	Three-Month Period Ended June 30, 2007	Fiscal Year Ended March 31, 2007
I Cash Flows from Operating Activities			
Income before tax and other adjustments	2,970	3,944	10,302
Depreciation and amortization	2,341	2,469	9,326
Decrease (increase) in notes and accounts receivable	695	855	3,503
Decrease (increase) in inventories	(4,216)	(3,035)	1,129
Increase (decrease) in notes and accounts payable	2,466	(1,663)	(2,307)
Others — net	(638)	968	(1,537)
Subtotal	3,619	3,539	20,417
Income taxes paid	(687)	(1,347)	(3,692)
Others — net	229	162	(325)
Net cash (used in) provided by operating activities	3,161	2,353	16,398
II Cash Flows from Investing Activities			
Payments for purchase of property, plant and equipment	(2,613)	(3,412)	(12,166)
Others — net	(263)	(470)	278
Net cash used in investing activities	(2,876)	(3,882)	(11,887)
III Cash Flows from Financing Activities			
Increase (decrease) in bank loans	420	(30)	(120)
Cash dividends paid	(697)	(1,030)	(1,395)
Others — net	(39)	(26)	(24)
Net cash used in financing activities	(316)	(1,087)	(1,540)
IV Effect of exchange rate changes on cash and cash equivalents	149	879	1,139
V Increase (decrease) in cash and cash equivalents	117	(1,737)	4,110
VI Cash and cash equivalents at beginning of the year	33,206	37,507	33,206
VII Cash and cash equivalents of newly consolidated subsidiaries	162	—	162
VIII Increase in cash and cash equivalents due to amalgamation of consolidated and non-consolidated subsidiaries	26	—	26
IX Cash and cash equivalents at end of the year	33,514	35,769	37,507

6. Segment Information

(1) Business Segments

Millions of yen

	First Quarter of the Fiscal Year Ended March 31, 2007 (April 1, 2006 to June 30, 2006)				
	Audio Products	Information and Communication Equipment	Total	Elimination and/or Corporate	Consolidated
Net sales					
(1) Outside customers	32,580	32,928	65,508	—	65,508
(2) Within consolidated group	181	86	268	(268)	—
Total	32,761	33,014	65,776	(268)	65,508
Costs and expenses	30,192	30,904	61,097	1,623	62,720
Operating income	2,568	2,110	4,679	(1,891)	2,787

Millions of yen

	First Quarter of the Fiscal Year Ended March 31, 2008 (April 1, 2007 to June 30, 2007)				
	Audio Products	Information and Communication Equipment	Total	Elimination and/or Corporate	Consolidated
Net sales					
(1) Outside customers	32,553	36,352	68,906	—	68,906
(2) Within consolidated group	150	105	256	(256)	—
Total	32,704	36,458	69,162	(256)	68,906
Costs and expenses	30,319	33,659	63,978	1,611	65,590
Operating income	2,384	2,799	5,183	(1,868)	3,315

Millions of yen

	Fiscal Year Ended March 31, 2007 (April 1, 2006 to March 31, 2007)				
	Audio Products	Information and Communication Equipment	Total	Elimination and/or Corporate	Consolidated
Net sales					
(1) Outside customers	129,337	135,717	265,054	—	265,054
(2) Within consolidated group	753	391	1,145	(1,145)	—
Total	130,090	136,108	266,199	(1,145)	265,054
Costs and expenses	120,129	127,252	247,381	7,562	254,944
Operating income	9,961	8,856	18,818	(8,708)	10,110

Notes:

- Business segments are based on internal administrative segmentation.
- The Company's primary business activities include:
 - Audio Products business: Car audio systems and accessories

(2) Information and Communication Equipment business: Car communication, electronic components and imaging unit components

3. Unallocated costs and expenses included in Elimination and/or Corporate comprise mainly corporate administrative and research and development costs. These costs totaled:

First quarter ended June 30, 2007: ¥1,868 million

First quarter ended June 30, 2006: ¥1,891 million

Fiscal year ended March 31, 2007: ¥8,708 million

4. Changes to product segmentation

In an effect to better reflect the nature of each business segment according to its products, the Company has reallocated DVD audio products from the Information and Communication Business segment to the Audio Products Business segment from the interim period ended September 30, 2006. Business segment information for the three-month period ended June 30, 2006, restated in line with the revised product classification used for the quarter under review, is as follows:

Millions of yen

	First Quarter of the Fiscal Year Ended March 31, 2007 (April 1, 2006 to June 30, 2006)				
	Audio Products	Information and Communication Equipment	Total	Elimination and/or Corporate	Consolidated
Net sales					
(1) Outside customers	32,601	32,906	65,508	—	65,508
(2) Within consolidated group	181	86	268	(268)	—
Total	32,783	32,993	65,776	(268)	65,508
Costs and expenses	30,595	30,501	61,097	1,623	62,720
Operating income	2,187	2,491	4,679	(1,891)	2,787

(2) Geographic Areas

Millions of yen

	First Quarter of the Fiscal Year Ended March 31, 2007 (April 1, 2006 to June 30, 2006)							
	Japan	North America	Europe	Asia	Other Areas	Total	Elimination and/or Corporate	Consolidated
Net sales								
(1) Outside customers	13,232	24,197	25,426	2,374	278	65,508	—	65,508
(2) Within consolidated group	39,780	368	7,903	9,637	1	57,691	(57,691)	—
Total	53,013	24,565	33,329	12,011	279	123,199	(57,691)	65,508
Costs and expenses	49,846	23,884	32,477	11,415	283	117,907	(55,186)	62,720
Operating income	3,167	681	852	595	-3	5,292	(2,505)	2,787

Millions of yen

	First Quarter of the Fiscal Year Ended March 31, 2008 (April 1, 2007 to June 30, 2007)							
	Japan	North America	Europe	Asia	Other Areas	Total	Elimination and/or Corporate	Consolidated
Net sales								
(1) Outside customers	11,985	25,651	27,046	3,888	333	68,906	—	68,906
(2) Within consolidated group	41,175	438	9,828	10,175	—	61,618	(61,618)	—
Total	53,161	26,090	36,874	14,063	333	130,524	(61,618)	68,906
Costs and expenses	49,801	25,162	36,490	13,291	324	125,069	(59,479)	65,590
Operating income	3,360	928	384	772	9	5,454	(2,139)	3,315

Millions of yen

	Fiscal Year Ended March 31, 2007 (April 1, 2006 to March 31, 2007)							
	Japan	North America	Europe	Asia	Other Areas	Total	Elimination and/or Corporate	Consolidated
Net sales								
(1) Outside customers	47,777	99,330	103,519	12,962	1,464	265,054	—	265,054
(2) Within consolidated group	154,896	1,759	31,704	46,575	1	234,937	(234,937)	—
Total	202,674	101,089	135,224	59,538	1,466	499,992	(234,937)	265,054
Costs and expenses	190,821	97,726	134,051	56,603	1,430	480,632	(225,687)	254,944
Operating income	11,852	3,363	1,173	2,934	35	19,360	(9,250)	10,110

Notes:

1. Differentiation between countries and regions is based on geographic proximity.

2. Major countries and regions are:

- (1) North America: The United States of America and Canada
- (2) Europe: Germany, France, the United Kingdom, Italy and Spain
- (3) Asia: Singapore, China and Thailand
- (4) Other Areas: Australia

3. Unallocated costs and expenses included in Elimination and/or Corporate comprise mainly corporate administrative and research and

development costs. These costs totaled:

First quarter ended June 30, 2007: ¥1,868 million

First quarter ended June 30, 2006: ¥1,891 million

Fiscal year ended March 31, 2007: ¥8,708 million

(3) Overseas Sales

Millions of yen, unless otherwise stated

	First Quarter of the Fiscal Year Ended March 31, 2007 (April 1, 2006 to June 30, 2006)			
	North America	Europe	Other Areas	Total
I. Overseas sales	23,875	25,445	5,812	55,132
II. Consolidated sales				65,508
III. Ratio of overseas sales (%)	36.4	38.8	8.9	84.2

Millions of yen, unless otherwise stated

	First Quarter of the Fiscal Year Ended March 31, 2008 (April 1, 2007 to June 30, 2007)			
	North America	Europe	Other Areas	Total
I. Overseas sales	25,371	27,051	7,224	59,648
II. Consolidated sales				68,906
III. Ratio of overseas sales (%)	36.8	39.3	10.5	86.6

Millions of yen, unless otherwise stated

	Fiscal Year Ended March 31, 2007 (April 1, 2006 to March 31, 2007)			
	North America	Europe	Other Areas	Total
I. Overseas sales	98,249	103,574	26,555	228,379
II. Consolidated sales				265,054
III. Ratio of overseas sales (%)	37.1	39.1	10.0	86.2

Notes:

1. Differentiation between countries and regions is based on geographic proximity.

2. Major countries and regions are:

(1) North America: The United States of America and Canada

(2) Europe: Germany, France, the United Kingdom, Italy, Spain and Sweden

(3) Other Areas: Australia, China and Thailand

3. Overseas sales are sales of the Company and its consolidated subsidiaries outside Japan.

7. Production, Orders Received and Sales

(1) Production

Production for the first quarter of the fiscal year ended March 31, 2007 by business segment is as follows.

Millions of yen, unless otherwise stated

Business Segment	Three-Month Period Ended June 30, 2006	Three-Month Period Ended June 30, 2007	Change	Fiscal Year Ended March 31, 2007
	Production	Production	(%)	Production
Audio Products	28,544	30,825	8.0	113,777
Information and Communication Equipment	31,357	28,593	(8.8)	109,028
Total	59,902	59,418	(0.8)	222,805

Notes:

1. Stated amounts are calculated based on sales prices.
2. Consumption tax is not included in stated amounts.

(2) Orders Received

Orders received for the first quarter of the fiscal year ended March 31, 2007 by business segment are as follows.

1) Orders received

Millions of yen, unless otherwise stated

Business Segment	Three-Month Period Ended June 30, 2006	Three-Month Period Ended June 30, 2007	Change	Fiscal Year Ended March 31, 2007
	Orders Received	Orders Received	(%)	Orders Received
Audio Products	30,803	31,802	3.2	129,336
Information and Communication Equipment	28,871	34,917	20.9	133,308
Total	59,674	66,719	11.8	262,644

2) Order balance

Millions of yen, unless otherwise stated

Business Segment	Three-Month Period Ended June 30, 2006	Three-Month Period Ended June 30, 2007	Change	Fiscal Year Ended March 31, 2007
	Order Balance	Order Balance	(%)	Order Balance
Audio Products	14,192	15,216	7.2	15,968
Information and Communication Equipment	13,695	13,907	1.5	15,342
Total	27,887	29,124	4.4	31,311

Note: Consumption tax is not included in stated amounts.

(3) Sales

Sales for the first quarter of the fiscal year ended March 31, 2007 by business segment are as follows.

Millions of yen, unless otherwise stated

Business Segment	Three-Month Period Ended June 30, 2006	Three-Month Period Ended June 30, 2007	Change	Fiscal Year Ended March 31, 2007
	Sales	Sales	(%)	Sales
Audio Products	32,580	32,553	(0.1)	129,337
Information and Communication Equipment	32,928	36,352	10.4	135,717
Total	65,508	68,906	5.2	265,054

Note: Consumption tax is not included in stated amounts.