Consolidated Financial Statements
for the Nine Months Ended December 31, 2008

February 3, 2009

Listed Company Name: Alpine Electronics, Inc.
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1. Financial Results for the First Nine Months of the Fiscal Year Ending March 31, 2009
(April 1, 2008, to December 31, 2008)

(1) Consolidated Operating Results

(Millions of yen unless otherwise stated; amounts less than one million yen have been omitted.)
(Percentages represent increases from the corresponding period of the previous year.)

	Net Sales		Operating Income (Loss)		Ordinary Income		Net Income	
Nine Months Ended December 31, 2008	164,466	—	(2,933)	—	338	—	842	—
Nine Months Ended December 31, 2007	191,882	(1.3%)	6,384	(31.3%)	7,285	(33.0%)	3,604	(35.7%)

	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
Nine Months Ended December 31, 2008	12.08	—
Nine Months Ended December 31, 2007	51.66	—

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio (%)	Net Assets per Share (Yen)
December 31, 2008	156,268	109,718	69.5	1,557.62
March 31, 2008	167,785	116,264	68.5	1,646.38

[Reference] Shareholders' equity
Nine months ended December 31, 2008: ¥108,667 million
Fiscal year ended March 31, 2008 ¥114,857 million

2. Dividends

	Dividends per Share (Yen)				
Date of Record	End of First Quarter	End of Second Quarter	End of Third Quarter	End of Fiscal Year	Full Year
Fiscal Year Ended March 31, 2008	—	10.00	—	15.00	25.00
Fiscal Year Ending March 31, 2009	—	10.00	—	——	——
Fiscal Year Ending March 31, 2009 (Forecast)	——	——	——	15.00	25.00

(Note) Changes in dividend forecasts during the quarter under review: None

3. Projections for Fiscal Year Ending March 31, 2009 (April 1, 2008, to March 31, 2009)

(Millions of yen unless otherwise stated; amounts less than one million yen have been omitted.)
(Percentages represent changes from the corresponding period of the previous year.)

	Net Sales		Operating Loss		Ordinary Loss		Net Loss		Net Loss Per Share (Yen)
Fiscal Year Ending March 31, 2009	200,000	(20.7%)	(9,000)	—	(2,000)	—	(1,500)	—	(21.50)

(Note) Changes in projections during the quarter under review: Yes

4. Others

(1) Changes in material subsidiaries during the period (changes in specific subsidiaries affecting the scope of consolidation): No

(2) Application of simplified methods of accounting and accounting methods specific to the preparation of quarterly financial statements: Yes
For details, please refer to section 4. (3) of the "Consolidated Business Results" on page 5.

(3) Changes in accounting principles, processes, presentation methods, etc., related to the preparation of quarterly consolidated financial statements (recorded in changes to important items that form the basis for preparation of quarterly consolidated financial statements)
1) Changes due to revisions to accounting standards, etc.: Yes
2) Changes other than 1): No
For details, please refer to section 4. (3) of the "Consolidated Business Results" on page 5.

(4) Average number of outstanding shares (ordinary shares)
1) Number of shares outstanding as of the end of period (including treasury shares)
First nine months ended December 31, 2008: 69,784,501
Fiscal year ended March 31, 2008: 69,784,501
2) Number of treasury shares as of the end of period
First nine months ended December 31, 2008: 19,778
Fiscal year ended March 31, 2008: 20,464
3) Average number of shares during the period (cumulative figure for consolidated quarterly accounting period)
First nine months ended December 31, 2008: 69,763,901
First half ended September 30, 2007: 69,764,327

Notes: Cautionary Statement Regarding Performance Forecasts

1. We have revised the performance forecasts for the full fiscal year ending March 31, 2009, that were announced on November 4, 2008.
2. The forecasts and future projections stated above have been prepared on the basis 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 a variety of factors.
3. In the current consolidated fiscal year, the Company began applying the "Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard No. 12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard Implementation Guidance No. 14). The quarterly consolidated financial statements were also prepared in accordance with the "Regulations on Quarterly Consolidated Financial Statements."

1. Consolidated Business Results

1. Qualitative Information Regarding Consolidated Business Results

During the first nine months of the fiscal year ending March 31, 2009, worldwide the real economy was severely affected by the rapidly worsening U.S. financial crisis. Even in the automobile industry, which had sustained continuous growth, conditions became unprecedentedly critical, with sharp drops in sales and production cuts around the globe.

The car electronics industry also experienced a substantial decrease in orders for brand-name products by automobile manufacturers, due to the drop in demand for new automobiles. After-market sales also deteriorated significantly, due to slack personal consumption.

Under these conditions and compounded by rapid yen appreciation, during the first nine months of the fiscal year the Alpine Group posted consolidated net sales of ¥164.4 billion, down 14.3% compared with the corresponding period of the previous fiscal year. The operating loss was ¥2.9 billion, compared with ¥6.3 billion in operating income during the corresponding period of the previous fiscal year, and ordinary income fell 95.4%, to ¥0.3 billion. Net income for the period was ¥0.8 billion, down 76.6%.

Segment information by type of business is summarized as follows. Sales figures indicate sales to external customers.

Audio Products Segment

In the Audio Products segment, sales of Alpine's iPod-LINK automotive CD player and digital media head unit, which had sustained strong after-market sales, suffered from sluggish market conditions and fierce price competition. Consequently, the sales environment for these products became difficult, as it already had for core products such as CD players.

Sales of brand-name products for automobile manufacturers also declined, owing to a decrease in orders for CD audio systems because of cuts in the production of compact cars, for which sales had been strong in the first half of the fiscal year.

As a result of the aforementioned factors, Audio Products segment sales fell 20.6%, compared with the corresponding period of the previous fiscal year, to ¥73.8 billion.

Information and Communication Equipment Segment

The Information and Communication Equipment segment focused its domestic efforts on the solutions business, which helps add value. We also sought to boost sales by redoubling sales efforts on the Rear Vision X077, which packages a large, high-resolution screen with a next-generation car navigation system. Nonetheless, domestic sales proved difficult, owing to deteriorating market conditions.

Sales of brand-name products for automobile manufacturers also declined, due to falling orders for large-scale systems, which had driven sales in the first half. This situation resulted from lower sales by automobile makers in the mainstay North American market, as well by production cutbacks by European manufacturers.

Owing to the above-mentioned factors, segment sales decreased 8.4% year on year, to ¥90.6 billion.

Year-on-year changes noted above are included for reference.

2. Qualitative Information Regarding Consolidated Financial Position

(1) Assets, liabilities and net assets

Total assets stood at ¥156.2 billion as of December 31, 2008, down ¥11.5 billion from the figure as of the end of March 31, 2008, and net assets came to ¥109.7 billion, down ¥6.5 billion. As a result, the equity ratio was 69.5%. Primary reasons for this change included a ¥2.1 billion decrease in cash and deposits, a ¥7.7 billion decrease in notes and accounts receivable–trade, and a ¥1.1 billion rise in other current assets, which together caused total current assets to fall ¥8.7 billion. Noncurrent assets decreased ¥2.7 billion, due to a ¥3.5 billion decline in investment securities and ¥0.9 billion higher deferred tax assets.

Current liabilities fell ¥4.6 billion. Notable in this category were notes and accounts payable–trade, which dropped ¥4.8 billion.

Noncurrent liabilities declined ¥0.3 billion, owing to a ¥0.2 billion decrease in deferred tax liabilities and other factors.

(2) Cash flows

Cash and cash equivalents as of December 31, 2008, were ¥27.2 billion, down ¥2.9 billion, or 9.8%, from the end of the previous fiscal year.

(Cash flows from operating activities)

Net cash provided by operating activities came to ¥10.0 billion. Major cash inflows were income before income taxes and minority interests of ¥1.7 billion, depreciation and amortization of ¥7.8 billion and a decrease in notes and accounts receivable–trade of ¥4.2 billion. Major cash outflows included a ¥4.1 billion increase in inventories.

(Cash flows from investing activities)

Net cash used in investing activities was ¥9.5 billion. This figure was mainly attributable to the purchase of tangible fixed assets of ¥6 billion, the purchase of intangible fixed assets of ¥2.4 billion and the purchase of investment securities of ¥0.2 billion.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥1.4 billion. The principal component was cash dividends paid of ¥1.7 billion.

As a result of these factors, the net increase in free cash flow was ¥0.4 billion. Free cash flow is the sum of cash flows from operating activities and investing activities.

3. Qualitative Information Regarding Consolidated Performance Forecasts

In light of recent performance trends, we have revised our consolidated performance forecasts announced on November 4, 2008, for the fiscal year ending March 31, 2009, as follows. Furthermore, assumed exchange rates for the fourth quarter are taken as US$1= ¥90 and €1= ¥120.

(Full year)

(Millions of yen unless otherwise stated)

	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)	Net Income (Loss) per Share (Yen)
Previously Announced Forecasts (A)	235,000	0	4,500	3,000	43.00
Revised Forecasts (B)	200,000	(9,000)	(2,000)	(1,500)	(21.50)
Difference (B-A)	(35,000)	(9,000)	(6,500)	(4,500)	—
Change (%)	(.14.9)	—	—	—	—
Performance for the Year Ended March 31, 2008	252,071	7,011	6,403	3,554	50.95

4. Others

(1) Changes in material subsidiaries during the period (changes in specific subsidiaries affecting the scope of consolidation)

Nothing to report

(2) Application of simplified methods of accounting and accounting methods specific to the preparation of quarterly financial statements

1) With regard to computing the balance of inventories as of December 31, 2008, physical inventory checks were omitted, but for valuation of inventories a rational calculation method was employed based on the actual inventory level.

2) In calculating tax expenses for the Company and certain of its consolidated subsidiaries during the current fiscal year, including the period under review, income taxes were estimated rationally, using the effective tax rate after applying tax effect accounting multiplied by income before income taxes to estimate the appropriate effective tax rate.

The adjustment of corporate taxes is included within "income taxes–current."

3) The method of calculating the amount of corporate tax payments for certain other consolidated subsidiaries was limited to calculating significant increases or decreases and tax deductions.

In determining the recoverability of deferred tax assets, the operating performance forecasts and tax planning methods used during and prior to the fiscal year ended March 31, 2008, were applied to the period under review, as no significant changes in the operating environment or sudden and significant changes in conditions were recognized.

(3) Changes in accounting principles, processes, presentation methods, etc., related to the preparation of quarterly consolidated financial statements

1) In the current fiscal year, the Company began applying the "Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard No. 12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (Financial Accounting Standard Implementation Guidance No. 14). The consolidated quarterly financial statements were also prepared in accordance with the "Regulations on Quarterly Consolidated Financial Statements."

2) In the past, the Company and its domestic consolidated subsidiaries typically valued wholesale assets held for the purpose of sale mainly on a cost basis using the gross average method. However, the "Accounting Standard for Valuing Inventory Assets" (Financial Accounting Standard No. 9, July 5, 2006) was applied from the first quarter of the current fiscal year. As a result, the method of valuing these assets was changed from principally the gross average method on a cost basis to a cost basis (marking down the book value in line with profitability decreases).

The impact of this change was to raise operating income and ordinary income ¥603 million and reduce income before income taxes ¥487 million, compared with the previous method.

The effects of this change on segment information are noted in the corresponding section.

3) From the first quarter of the current fiscal year, the Company began applying the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No. 18, May 17, 2006), making the necessary adjustments to the consolidated financial statements.

This change reduced operating income ¥82 million, ordinary income ¥79 million and income before income taxes ¥73 million, compared with the previous method.

The effects of this change on segment information are noted in the corresponding section.

5. Consolidated Quarterly Financial Statements (Summary)

(1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	December 31, 2008	March 31, 2008
ASSETS		
Current assets		
Cash and deposits	28,062	30,172
Notes and accounts receivable–trade	24,056	31,825
Finished goods	20,549	20,252
Raw materials	5,894	5,977
Work in process	1,853	1,738
Supplies	407	497
Deferred tax assets	2,798	3,338
Other	11,921	10,740
Allowance for doubtful accounts	(558)	(788)
Total current assets	94,985	103,756
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	24,005	23,020
Accumulated depreciation	(13,223)	(12,960)
Buildings and structures, net	10,782	10,060
Machinery, equipment and vehicles	19,438	19,331
Accumulated depreciation	(10,973)	(10,269)
Machinery, equipment and vehicles, net	8,465	9,061
Tools, furniture, fixtures and dies	49,956	50,080
Accumulated depreciation	(43,301)	(42,846)
Tools, furniture, fixtures and dies, net	6,655	7,233
Land	5,041	5,136
Construction in progress	569	1,359
Total property, plant and equipment	31,513	32,851
Intangible assets	7,471	7,004
Investments and other assets		
Investment securities	16,374	19,908
Deferred tax assets	1,326	350
Other	4,621	3,937
Allowance for doubtful accounts	(24)	(22)
Total investments and other assets	22,297	24,173
Total noncurrent assets	61,283	64,029
Total assets	156,268	167,785

(Millions of yen)

	December 31, 2008	March 31, 2008
LIABILITIES		
Current liabilities		
Notes and accounts payable–trade	21,506	26,360
Short-term loans payable	455	215
Income taxes payable	692	810
Accrued expenses	9,243	10,055
Deferred tax liabilities	17	129
Provision for bonuses	1,115	1,817
Provision for directors' bonuses	19	53
Provision for product warranties	3,392	4,822
Other	7,188	4,000
Total current liabilities	43,630	48,265
Noncurrent liabilities		
Deferred tax liabilities	1,042	1,283
Provision for retirement benefits	639	669
Provision for directors' retirement benefits	719	704
Other	519	598
Total noncurrent liabilities	2,920	3,255
Total liabilities	46,550	51,520
NET ASSETS		
Shareholders' equity		
Capital stock	25,920	25,920
Capital surplus	24,905	24,905
Retained earnings	57,973	58,592
Treasury stock	(29)	(30)
Total shareholders' equity	108,769	109,388
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,225	4,753
Deferred gains or losses on hedges	1,309	—
Revaluation reserve for land	(1,394)	(1,394)
Foreign currency translation adjustment	(2,242)	2,111
Total valuation and translation adjustments	(102)	5,469
Minority interests	1,051	1,406
Total net assets	109,718	116,264
Total liabilities and net assets	156,268	167,785

(2) Consolidated Quarterly Statements of Income

(Millions of yen)

	Nine Months Ended December 31, 2008 (April 1, 2008, to December 31, 2008)
Net sales	164,466
Cost of sales	139,819
Gross profit	24,646
Selling, general and administrative expenses	27,580
Operating income (loss)	(2,933)
Non-operating income	
Interest income	195
Dividends income	470
Foreign exchange gains	1,742
Equity in earnings of affiliates	672
Other	604
Total non-operating income	3,684
Non-operating expenses	
Interest expenses	82
Sales discounts	141
Other	189
Total non-operating expenses	413
Ordinary income	338
Extraordinary income	
Gain on sales of noncurrent assets	20
Gain on sales of investment securities	120
Reversal of allowance for doubtful accounts	53
Gain on valuation of options	2,829
Total extraordinary income	3,023
Extraordinary loss	
Loss on sales and retirement of noncurrent assets	254
Loss on valuation of investment securities	55
Loss on valuation of inventories	1,090
Other	162
Total extraordinary losses	1,563
Income before income taxes and minority interests	1,798
Income taxes–current	531
Income taxes–deferred	333
Minority interests in income	90
Net income	842

(3) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

	Nine Months Ended December 31, 2008 (April 1, 2008, to December 31, 2008)
Net cash provided by (used in) operating activities	
Income before income taxes and minority interests	1,798
Depreciation and amortization	7,862
Decrease (increase) in notes and accounts receivable–trade	4,288
Decrease (increase) in inventories	(4,173)
Increase (decrease) in notes and accounts payable-trade	(617)
Other, net	513
Subtotal	9,672
Interest and dividends income received	666
Interest expenses paid	(80)
Income taxes paid	(1,115)
Income taxes refunded	859
Net cash provided by (used in) operating activities	10,001
Net cash provided by (used in) investment activities	
Purchase of property, plant and equipment	(6,027)
Proceeds from sales of property, plant and equipment	69
Purchase of intangible assets	(2,468)
Purchase of investment securities	(252)
Proceeds from sales of investment securities	133
Purchase of investments in subsidiaries	(544)
Payments for loans receivable	(96)
Collections of loans receivable	53
Other, net	(427)
Net cash provided by (used in) investment activities	(9,559)
Net cash provided by (used in) financing activities	
Net increase (decrease) in short-term loans payable	331
Cash dividends paid	(1,742)
Cash dividends paid to minority shareholders	(16)
Other, net	0
Net cash provided by (used in) financing activities	(1,427)
Effect of exchange rate changes on cash and cash equivalents	(1,966)
Net increase (decrease) in cash and cash equivalents	(2,951)
Cash and cash equivalents at beginning of period	30,159
Cash and cash equivalents at end of period	27,207

In the current consolidated fiscal year, the Company began applying the “Accounting Standard for Quarterly Financial Reporting” (Financial Accounting Standard No. 12) and the “Guidance on Accounting Standard for Quarterly Financial Reporting” (Financial Accounting Standard Implementation Guidance No. 14).

(4) Notes related to the assumption of an ongoing concern

Nothing to report.

(5) Segment Information

a) Information by Business Segment

First Nine Months of the Fiscal Year Ending March 31, 2009 (April 1, 2008, to December 31, 2008)

(Millions of yen)

	Audio Products	Information and Communication Equipment	Total	Elimination and/or Corporate	Consolidated
Net Sales					
(1) Outside Customers	73,826	90,639	164,466	—	164,466
(2) Within Consolidated Group	562	253	816	(816)	—
Total	74,388	90,893	165,282	(816)	164,466
Operating Income (Loss)	770	1,265	2,036	(4,969)	(2,933)

Notes:

1. Business segments are based on internal administrative segmentation.
2. The Company’s primary business activities include:
   (1) The audio products business, which includes car audio systems and accessories.
   (2) The information and communication equipment business, which includes car communications, electronic components and imaging unit components.
3. Changes in accounting method
   (Accounting Standard for Valuing Inventory Assets)
   As stated in section 4. (3) 2) of the “Consolidated Business Results,” from the first quarter of the current fiscal year the Company adopted the “Accounting Standard for Valuing Inventory Assets” (Financial Accounting Standard No. 9, July 5, 2006). Owing to this change, operating income was ¥151 million higher in the Audio Products segment and ¥452 million higher in the Information and Communication Equipment segment than it would have been under the previous method.
   (Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)
   As stated in section 4. (3) 3) of the “Consolidated Business Results,” from the first quarter of the current fiscal year the Company adopted the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ Practical Issues Task Force No. 18, May 17, 2006). As a result, operating income was ¥50 million lower in the Audio Products Segment and ¥31 million lower in the Information and Communication Equipment Segment than it would have been under the previous method.

b) Geographic Area Information

First Nine Months of the Fiscal Year Ending March 31, 2009 (April 1, 2008, to December 31, 2008)

(Millions of yen)

	Japan	North America	Europe	Asia	Other Areas	Total	Elimination and/or Corporate	Consolidated
Net Sales								
(1) Outside Customers	27,663	46,985	76,513	12,136	1,166	164,466	—	164,466
(2) Within Consolidated Group	105,502	868	22,152	34,257	22	162,803	(162,803)	—
Total	133,166	47,853	98,666	46,394	1,189	327,270	(162,803)	164,466
Operating Income (Loss)	400	(44)	(1,263)	1,744	64	901	(3,834)	(2,933)

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 Hungary
   (3) Asia: Singapore, China and Thailand
   (4) Other Areas: Australia
3. Changes in accounting method
   (Accounting Standard for Valuing Inventory Assets)
   As stated in section 4. (3) 2) of the "Consolidated Business Results," from the first quarter of the current fiscal year the Company adopted the "Accounting Standard for Valuing Inventory Assets" (Financial Accounting Standard No. 9, July 5, 2006). Owing to this change, operating income was ¥603 million higher in Japan than it would have been under the previous method.
   (Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)
   As stated in section 4. (3) 2) of the "Consolidated Business Results," from the first quarter of the current fiscal year the Company adopted the "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements" (ASBJ Practical Issues Task Force No. 18, May 17, 2006). As a result, the operating loss was ¥36 million higher in Europe and operating income was ¥46 million lower in Asia than it would have been under the previous method.

c) Overseas Sales

First Nine Months of the Fiscal Year Ending March 31, 2009 (April 1, 2008, to December 31, 2008)

(Millions of yen)

	North America	Europe	Asia	Other Areas	Total
I. Overseas Sales	46,472	76,529	14,781	1,688	139,472
II. Consolidated Sales					164,466
III. Ratio of Overseas Sales (%)	28.3	46.5	9.0	1.0	84.8

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) Asia: Singapore, China and Thailand
   (4) Other Areas: Australia
3. Overseas sales are sales of the Company and its consolidated subsidiaries outside Japan.

(6) Notes Concerning Significant Changes in Shareholders' Equity

Nothing to report.

Reference

Consolidated Quarterly Financial Statements for the First Nine Months of the Previous Year

(1) Consolidated Quarterly Statements of Income

(Millions of yen, % of total)

	Nine Months Ended December 31, 2007 (April 1, 2007, to December 31, 2007)		
I Net sales		191,882	100.0%
II Cost of sales		154,960	80.8%
Gross profit		36,921	19.2%
III Selling, general and administrative expenses		30,536	15.9%
Operating income		6,384	3.3%
IV Other income			
1. Interest income	288		
2. Dividend income	463		
3. Equity in gain from affiliated companies	670		
4. Other	586	2,009	1.1%
V Other expenses			
1. Interest expense	110		
2. Foreign exchange loss	444		
3. Sales discounts	226		
4. Loss on adjustment of customer molds	148		
5. Other	178	1,108	0.6%
Ordinary income		7,285	3.8%
VI Extraordinary income			
1. Gain on sales of fixed assets	12	12	0.0%
VII **Extraordinary losses**			
1. Loss on sales of fixed assets	314		
2. Loss on valuation of investments in securities	27	341	0.2%
Income before income taxes		6,956	
Additional corporate tax and others	3,280		
Income tax adjustments	(24)	3,255	1.7%
Minority interests in net income		96	0.0%
Net income		3,604	1.9%

(2) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

	Nine Months Ended December 31, 2007 (April 1, 2007, to December 31, 2007)
I Cash Flows from Operating Activities	
Income before tax and other adjustments	6,956
Depreciation and amortization	7,676
Increase in notes and accounts receivable	7,509
Increase in inventories	(5,160)
Decrease in notes and accounts payable	(3,317)
Other	(3,733)
Subtotal	9,931
Income taxes paid	(4,133)
Other	640
Net cash provided by operating activities	6,438
II Cash Flows from Investing Activities	
Payments for acquisition of property, plant and equipment	(10,432)
Other	(759)
Net cash used in investing activities	(11,192)
III Cash Flows from Financing Activities	
Increase in short-term borrowings	1,227
Cash dividends paid	(1,734)
Other	(167)
Net cash used in financing activities	(674)
IV Effect of exchange rate changes on cash and cash equivalents	144
V Net decrease in cash and cash equivalents	(5,284)
VI Cash and cash equivalents at beginning of period	37,507
VII Increase in cash and cash equivalents acquired due to merger of consolidated and non-consolidated subsidiaries	97
VIII Cash and cash equivalents at end of period	32,319

(3) Segment Information

a) Information by Business Segment

First Nine Months of the Fiscal Year Ended March 31, 2008 (April 1, 2007, to December, 2007)

(Millions of yen)

	Audio Products	Information and Communication Equipment	Total	Elimination and/or Corporate	Consolidated
Net Sales					
(1) Outside Customers	92,944	98,937	191,882	—	191,882
(2) Within Consolidated Group	472	319	791	(791)	—
Total	93,416	99,256	192,673	(791)	191,882
Costs and expenses	88,741	91,517	180,258	5,239	185,497
Operating Income	4,675	7,739	12,415	(6,030)	6,384

b) Geographic Area Information

First Nine Months of the Fiscal Year Ended March 31, 2008 (April 1, 2007, to December 31, 2007)

(Millions of yen)

	Japan	North America	Europe	Asia	Other Areas	Total	Elimination and/or Corporate	Consolidated
Net sales								
(1) Outside Customers	31,283	70,532	73,544	15,298	1,223	191,882	—	191,882
(2) Within Consolidated Group	115,960	1,331	25,984	36,214	—	179,491	(179,491)	—
Total	147,244	71,863	99,529	51,512	1,223	371,374	(179,491)	191,882
Costs and Expenses	139,036	69,643	99,091	49,409	1,153	358,334	(172,836)	185,497
Operating Income	8,207	2,220	438	2,102	70	13,039	(6,655)	6,384

c) Overseas Sales

First Nine Months of the Fiscal Year Ended March 31, 2008 (April 1, 2007, to December 31, 2007)

(Millions of yen, unless otherwise stated)

	North America	Europe	Asia	Other Areas	Total
III. Overseas Sales	69,726	73,557	21,086	2,094	166,463
IV. Consolidated Sales	—	—	—	—	191,882
III. Ratio of Overseas Sales (%)	36.3	38.3	11.0	1.1	86.8

6. Production, Orders Received and Sales

(1) Production

Production for the first nine months of the fiscal year ending March 31, 2009, by business segment was as follows.

(Millions of yen)

Business Segment	Production
Audio Products	59,235
Information and Communication Equipment	68,714
Total	127,949

Notes:
1. Stated amounts are calculated based on sales prices.
2. Consumption tax is not included in the above-stated amounts.

(2) Orders Received

Orders received for the first nine months of the fiscal year ending March 31, 2009, by business segment were as follows.

(Millions of yen)

Business Segment	Orders Received	Order Balance
Audio Products	66,147	5,057
Information and Communication Equipment	79,274	6,393
Total	145,422	11,450

Note: Consumption tax is not included in the above-stated amounts.

(3) Sales

Sales for the first nine months of the fiscal year ending March 31, 2009, by business segment were as follows.

(Millions of yen)

Business Segment	Sales
Audio Products	73,826
Information and Communication Equipment	90,639
Total	164,466

Note: Consumption tax is not included in the above-stated amounts.