

July 28, 2008

First Quarter of Fiscal 2009
(April 1, 2008 – June 30, 2008)

Business Results



1

Profit increase from last year in each segment

Consumer Electronics - Regaining profitability along with structural reform

Entertainment & Professional Electronics - Decreased revenue, but improved profit

Components & Devices - Cleanup the last year's deficit with the transfer of business

2

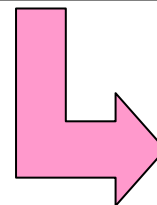
Continuing structural reform process

Recordable media - Spin-off into a separate company

Display - Structural reform in Japan and Europe are right on schedule.

Audio - In the process of reconstruction and addressing challenges

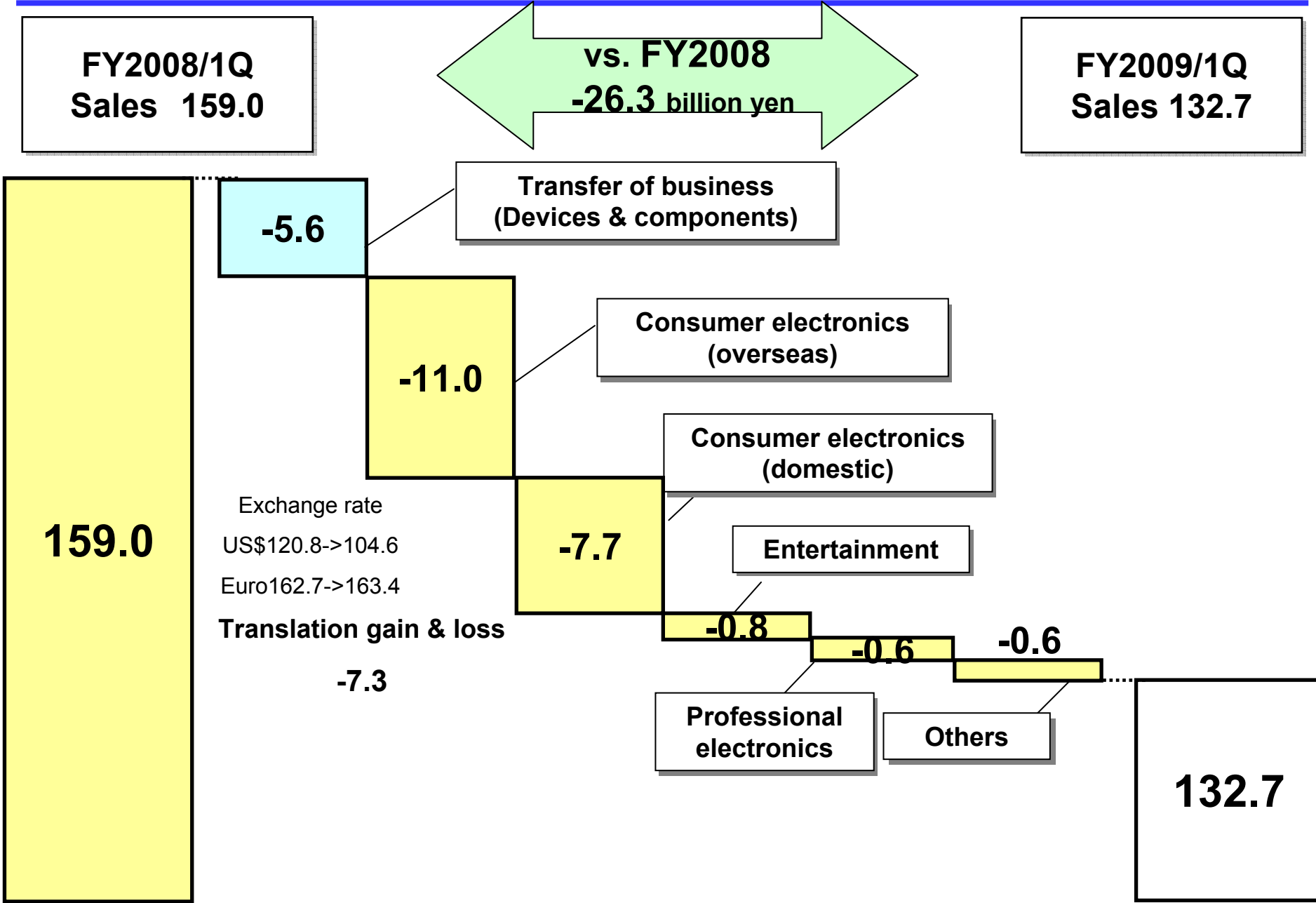
FY2009/1Q	(billion yen)	FY2009/1Q	FY2008/1Q	change vs. FY2008
	Sales	132.7	159.0	83%
	Operating income	-1.3	-6.3	5.0
	Ordinary income	-2.4	-7.7	5.3
	Net income	-6.9	-13.0	6.1



(Extraordinary items)

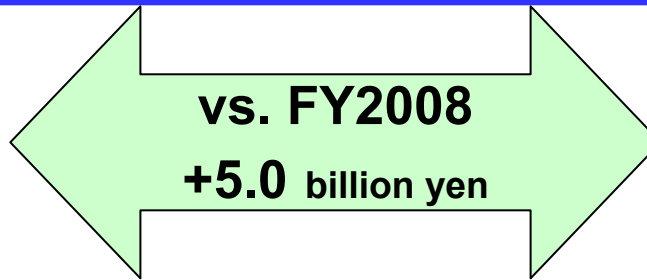
Structural Reform - Recording Media	-1.4
Structural Reform - Display	-0.6
Inventory write-down & others	-1.7
Total	-3.7

First Quarter FY2009 **Sales Breakdown by Segment** (vs. FY2008)

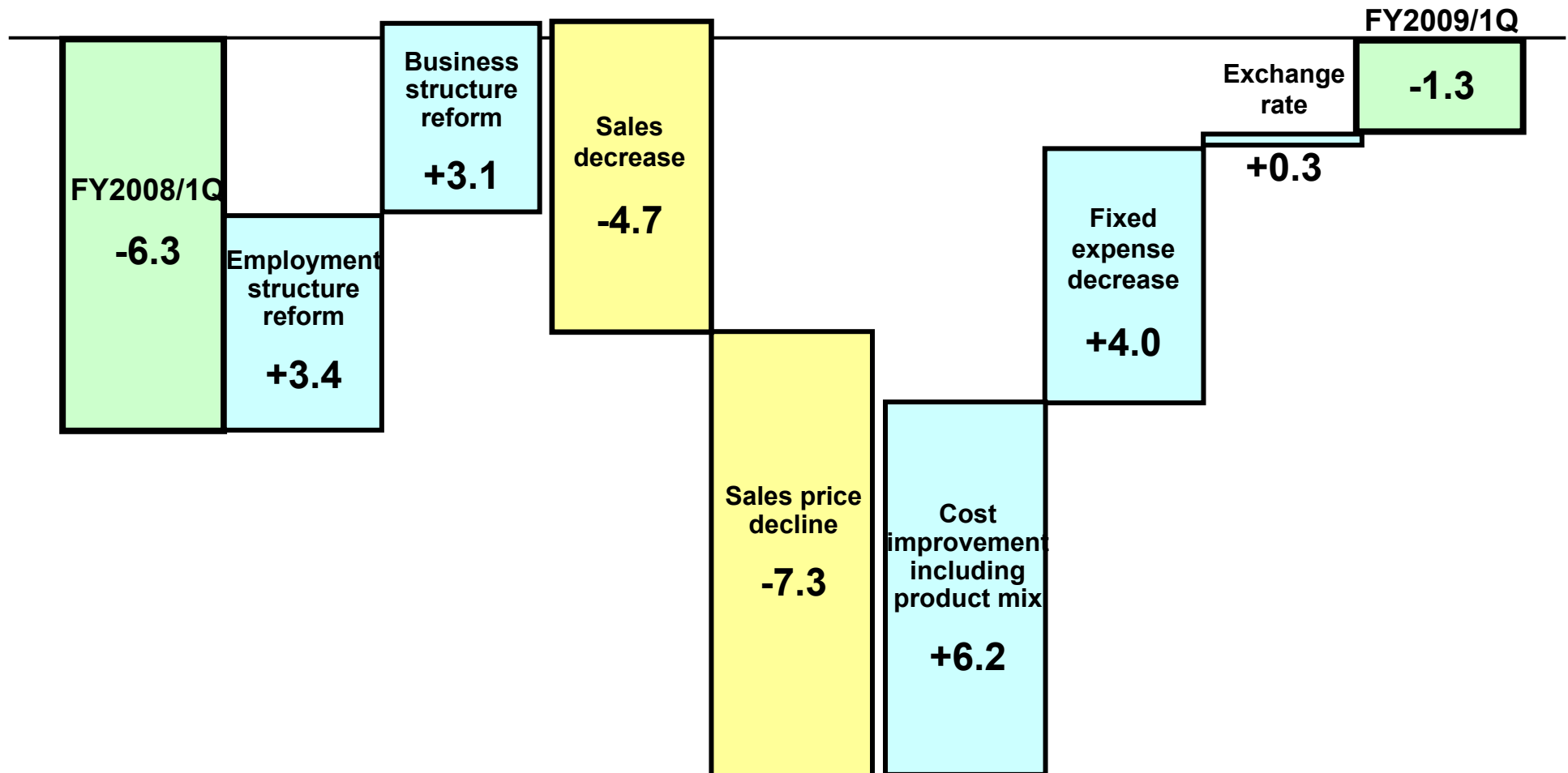


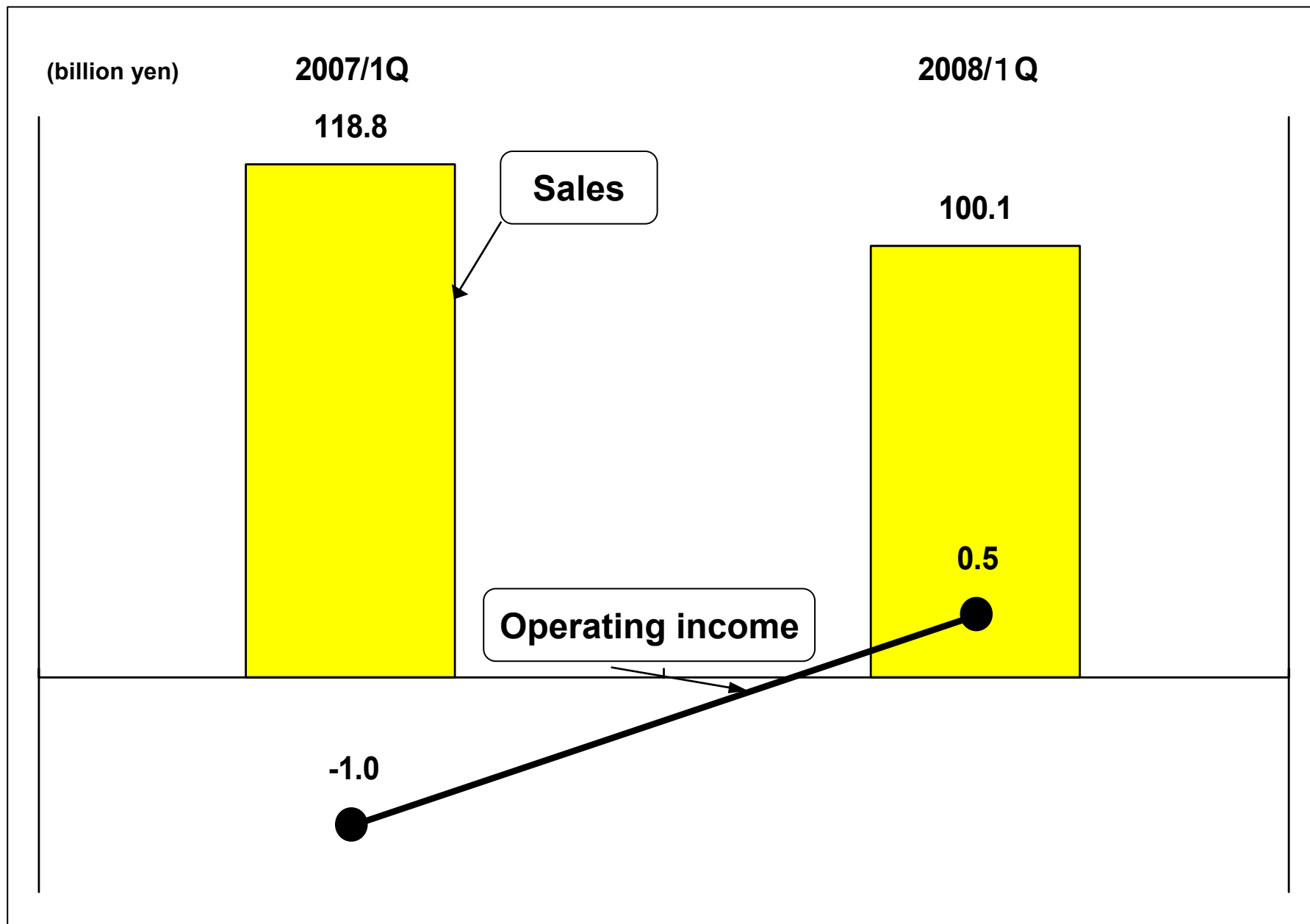
First Quarter FY2009 **Operating Income Breakdown** (vs. FY2008)

FY2008/1Q
Operating income
-6.3

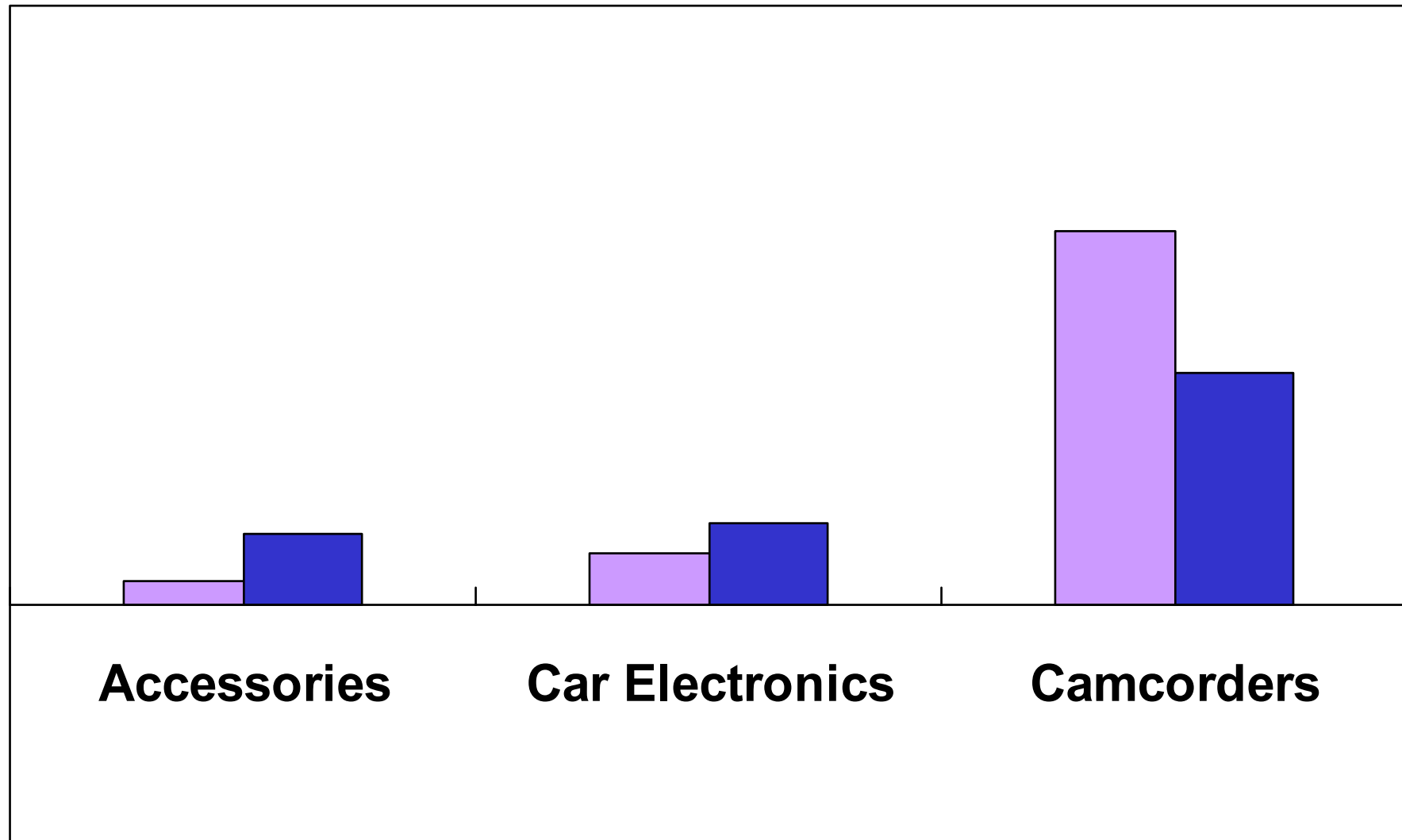


FY2009/1Q
Operating income
-1.3





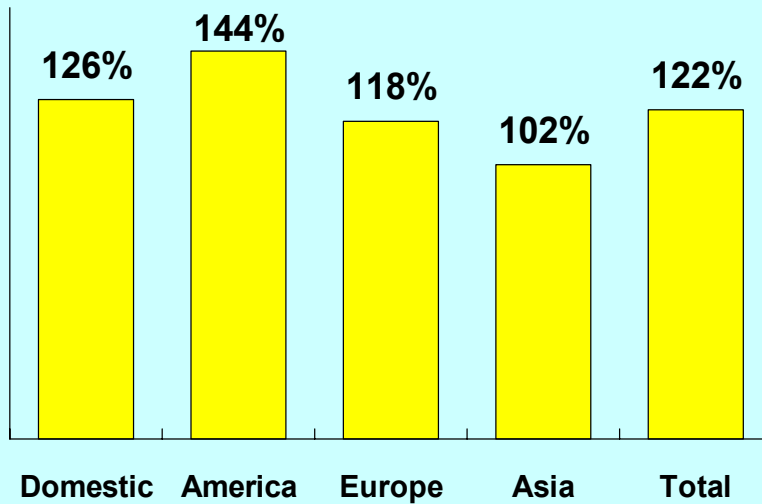
Consumer Electronics - Operating Income (profit-earning business)



■ 2007/1Q ■ 2008/1Q

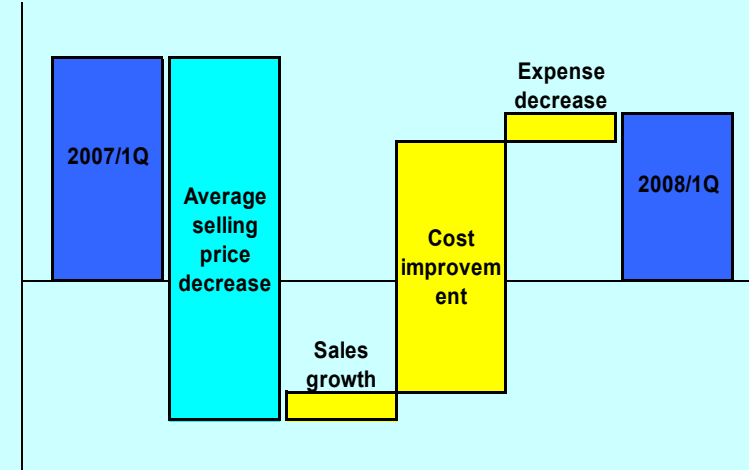
Camcorder business in 2008/1Q

Shipment growth of HDD camcorders
(vs. 2007/1Q)



Unit sales increased in each region driven by a big hit, Everio MG330

Operating profit (vs. 2007/1Q)

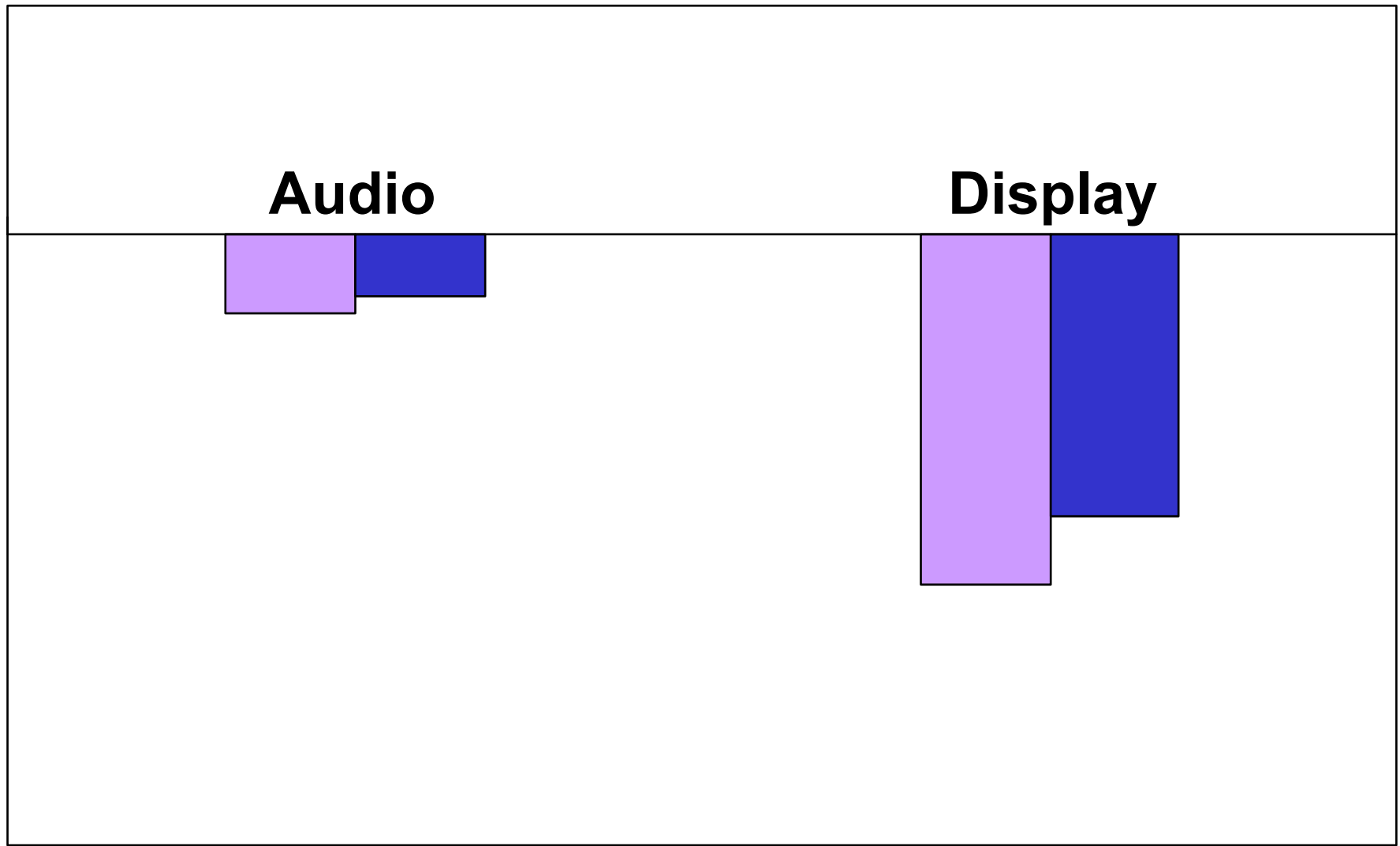


In addition to price decline, price markdowns on previous model in distribution inventory were taken.

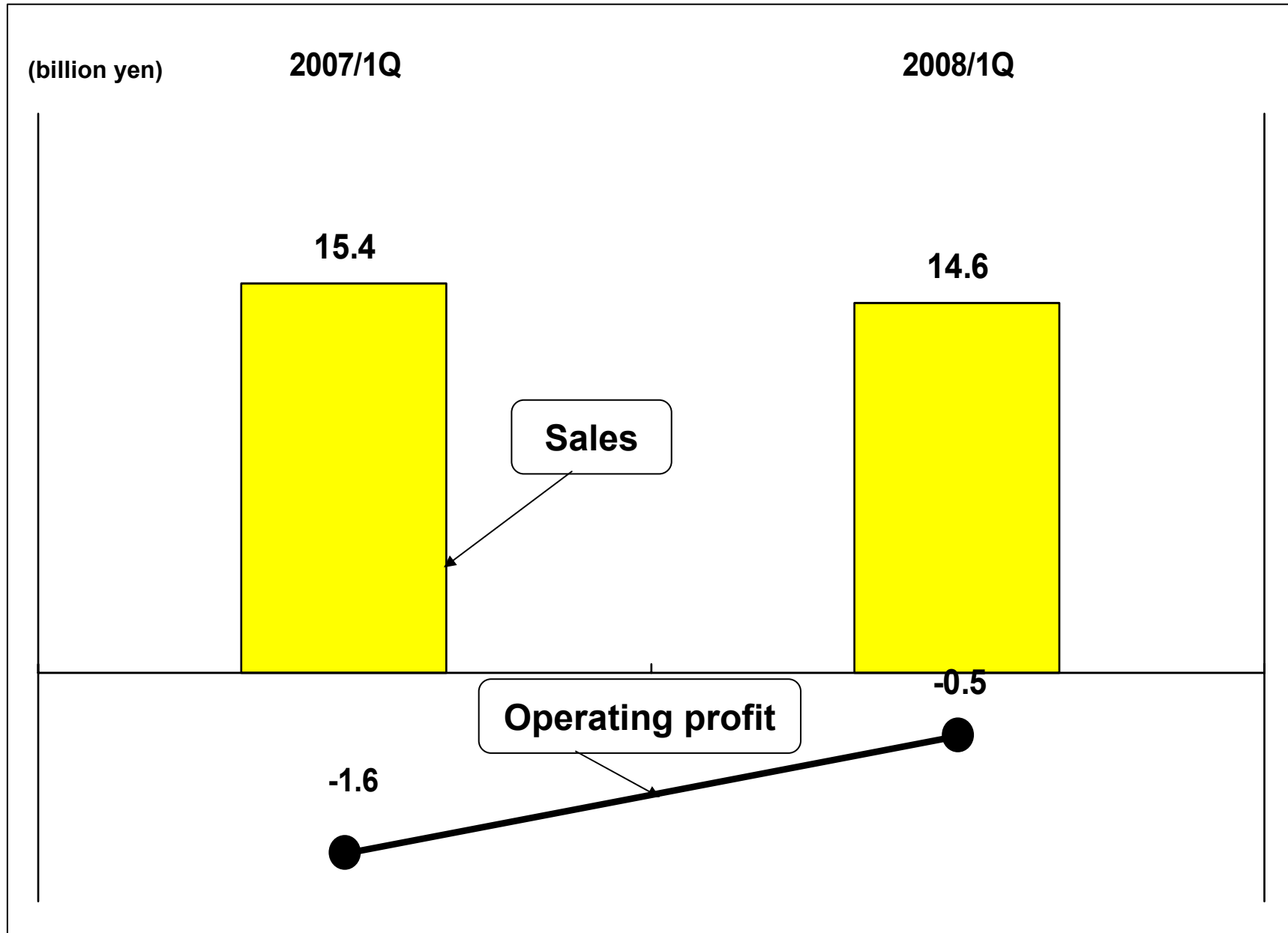
Approach of Camcorder business in FY2009/Q2

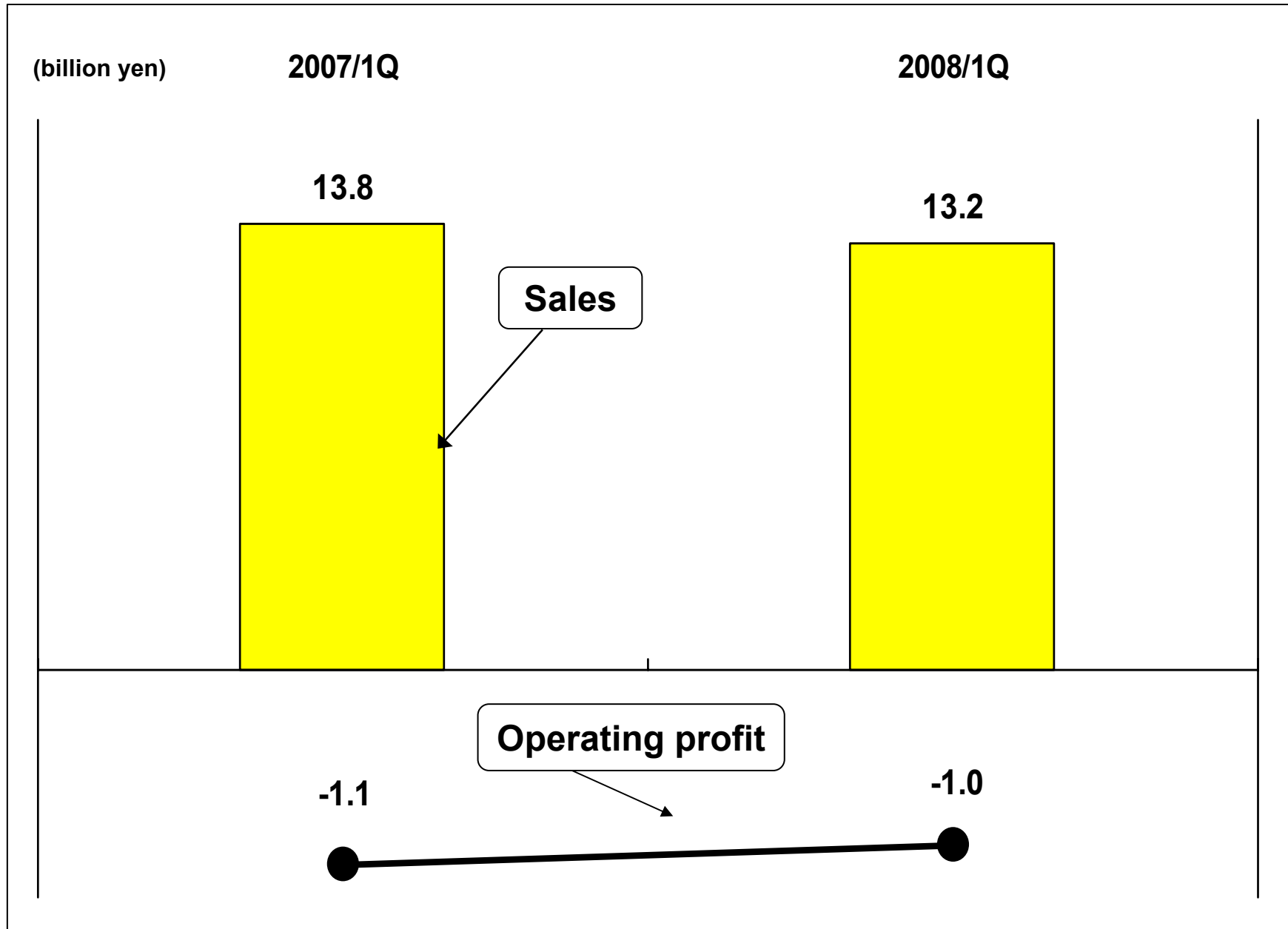
- 1. Strengthen the market position through bringing out new line of hi-definition camcorders (GZ-HD30/40)**
- 2. Release Memory camcorder, attracting new demand and grabbing market share from DVD camcorders**
- 3. Increased lineup of SD & HD in FY2009/Q2
Embark on a marketing drive with advertising campaign**

Consumer Electronics - Operating Income (business in reform process)



■ 2007/1Q ■ 2008/1Q





(billion yen)	2007/03 (12 month)
Total Assets	420.7
Net Assets	133.8
Operating Income	-5.7
ROA (Operating Income/Total Assets)	-2.7%

2007/06	2008/03 (12 month)	2008/06	change vs. 2007
408.5	315.0	309.3	-99.2
128.3	114.1	110.1	-18.2
-6.3	3.3	-1.3	5.0
-6.1%	0.9%	-1.6%	4.4%

	50days
Inventory Assets	103.8

60days	43days	53days	-7days
105.9	78.5	78.6	-27.3

Bonds	30.0
Loans	90.5
Interest-bearing Debt (excl. lease debt)	120.5
Net Funds	-50.5

30.0	42.5	42.5	12.5
99.6	27.1	36.6	-63.1
129.6	69.6	79.1	-50.5
-71.6	-26.2	-43.2	28.4

Free Cash Flow	12.5
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-20.5	-5.3	-16.3	4.2
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Capital Expenditure (excl. die & mold)	13.3
Depreciation (excl. die & mold)	16.8

1.5	7.0	1.7	0.2
4.2	16.3	2.8	-1.4

Forecast remains the same as provided on April 25.

	FY2009 (12 month)			FY2009/2Q (6month)		
(billion yen)	Forecast	FY2008	vs. FY2008	Forecast	FY2008/2Q	vs. FY2008/2Q
Sales	595.0	658.4	90%	291.0	330.2	88%
Operating Income	1.3% 8.0	0.5% 3.3	4.7	0.0% 0.0	-1.6% -5.4	5.4
Ordinary Income	0.0% 0.0	-1.2% -8.0	8.0	-1.4% -4.2	-3.2% -10.5	6.3
Net Income	0.0% 0.0	-7.2% -47.5	47.5	-1.2% -3.4	-12.7% -42.1	38.7



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