# Consolidated Earnings Report for the Third Quarter of Fiscal 2008

January 25, 2008

Company Name: KOITO MANUFACTURING CO., LTD.

Stock Listing: First Section, Tokyo Stock Exchange

Code Number: 7276

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(¥ millions are rounded down)

1. Consolidated Results for the Third Quarter of Fiscal 2008 (April 1, 2007 to December 31, 2007)

Third Quarter,	Net sa	ales	Operating income Recurring profit		Net inc	come		
Fiscal 2008	338,039	5.4%	17,516	38.5%	18,422	23.2%	9,769	22.5%
Fiscal 2007	320,738	15.5%	12,644	1.1%	14,947	△1.6%	7,975	2.2%
(Ref.) Full Year Fiscal 2007	452,520		21,328		24,600		13,374	

Third Quarter,	Net income per share (¥)	Net income per share (diluted) (¥)
Fiscal 2008	60.79	
Fiscal 2007	49.63	
(Ref.) Full Year Fiscal 2007	83.23	_

#### (2) Consolidated Financial Position

(¥ millions)

	Total assets	Net assets	Equity ratio (%)	Net assets per share (¥)
Third Quarter of Fiscal 2008	381,944	184,386	40.0	950.42
Third Quarter of Fiscal 2007	378,180	177,403	38.7	910.50
(Ref.) Fiscal 2007	385,300	180,434	38.8	930.54

#### (3) Consolidated Cash Flows

(¥ millions)

Third Quarter,	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at end of period
Fiscal 2008	27,421	△ 27,587	△ 5,560	14,388
Fiscal 2007	26,962	△ 25,910	△ 2,773	14,201
(Ref.) Full Year Fiscal 2007	38,553	△ 32,640	△ 1,814	19,996

## 2. Dividends

	Dividend per share (¥)				
(Recording Date)	First half	Year-end	Full year		
Fiscal 2007	11.00	11.00	22.00		
Fiscal 2008	11.00	_	22.00		
Fiscal 2008 (forecast)	_	11.00	22.00		

## 3. Forecast of Consolidated Results for Fiscal 2008 (April 1, 2007 to March 31, 2008)

The Koito Group's operating results remain largely on track with forecasts previously announced on October 25, 2007. As a result, the Company has not revised the forecasts.

(¥ millions; the percentages show changes from the previous fiscal year)

	Net sa	les	Operating	income	Recurring	g profit	Net inc	come	Net income per share (¥)
Full year	456,400	0.9%	26,000	21.9%	29,000	17.9%	15,200	13.7%	94.58

<sup>\*</sup>Explanations concerning proper use of forecast of operating results and other particularly noteworthy matters
The above forecasts are based on information available at the time of release of this report. Actual results could differ from forecasts due to a variety of factors.

- 4. Others
- (1) Changes in scope of consolidation or number of equity-method affiliates: None
- (2) Application of simplified accounting methods: None
- (3) Changes in accounting standards for financial accounts in most recent fiscal year: Yes

# 《 For Reference Only 》

# Non-consolidated Earnings Report for the Third Quarter of Fiscal 2008

- 1. Non-consolidated Results for the Third Quarter of Fiscal 2008 (April 1, 2007 to December 31, 2007)
- (1) Non-consolidated Operating Results

(¥ millions; the percentage figures represent year-on-year changes)

Third Quarter,	Net sa	les	Operating income		Recurring profit		Net income	
Fiscal 2008	180,386	7.6%	10,320	30.9%	14,335	25.3%	8,669	26.6%
Fiscal 2007	167,591	11.2%	7,886	2.8%	11,444	0.0%	6,846	△ 0.6%
(Ref.) Full Year Fiscal 2007	228,723		11,699		18,150		12,014	

Third Quarter,	Net income per share (¥)	Net income per share (diluted) (¥)
Fiscal 2008	53.94	_
Fiscal 2007	42.60	_
(Ref.) Full Year Fiscal 2007	74.76	_

#### (2) Non-consolidated Financial Position

(¥ millions)

	Total assets	Net assets	Equity ratio (%)	Net assets per share (¥)
Third Quarter of Fiscal 2008	214,998	129,522	60.2	805.93
Third Quarter of Fiscal 2007	209,645	124,500	59.4	774.66
(Ref.) Fiscal 2007	215,689	128,033	59.4	796.64

2. Forecast of Non-consolidated Results for Fiscal 2008 (April 1, 2007 to March 31, 2008)

The Company's operating results remain largely on track with forecasts previously announced on October 25, 2007. As a result, it has not revised the forecasts.

(¥ millions; the percentages show changes from the previous fiscal year)

	Net sa	les	Opera inco	U	Recurring	g profit	Net inc	ome	Net income per share (¥)
Full year	241,700	5.7%	14,300	22.2%	20,600	13.5%	12,400	3.2%	77.16

<sup>\*</sup>Explanations concerning proper use of forecast of operating results and other particularly noteworthy matters
The above forecasts are based on information available at the time of release of this report. Actual results could differ from forecasts due to a variety of factors.

#### [Qualitative Information and Financial Statements, etc.]

### 1. Qualitative Information Regarding Consolidated Operaring Results

In the third quarter of fiscal 2008, the nine-month period from April 1, 2007 to December 31, 2007, consolidated net sales rose 5.4% year on year to ¥338.0 billion. This result reflected firm performance in Japan and overseas from the Group's core Automotive Lighting Equipment operations. Earnings, meanwhile, increased substantially, with operating income up 38.5% to ¥17.5 billion, and recurring profit up 23.2% to ¥18.4 billion.

Compared with our original targets, net sales, operating income, recurring profit, and net income for this quarter were all largely on target.

### 2. Qualitative Information Regarding Consolidated Financial Position

As stated earlier under "Consolidated Financial Position," total assets as of December 31, 2007 stood at ¥381.9 billion, down ¥3.3 billion from the previous fiscal year-end (March 31, 2007). This was the net result of an increase in retained earnings, primarily due to the net income recorded for the quarter, combined with a reduction in trade receivables. Net assets, meanwhile, rose ¥3.9 billion to ¥184.3 billion. The equity ratio was 40.0%.

## 3. Qualitative Information Regarding Consolidated Financial Forecasts

Crude oil and raw material prices continue to be high, while currency movements are extremely uncertain. The Company has therefore decided not to revise the financial forecasts made when it announced its interim results.

#### 4. Other

Changes in accounting standards for financial accounts in most recent fiscal year

(Change in method for depreciating property, plant and equipment)

The Company's consolidated subsidiaries in Japan changed their depreciation method in line with revisions to the Corporation Tax Law.

# **Consolidated Balance Sheets**

Consolidated Balance Sheets				(¥ millions)
Period	Third Quarter of Fiscal 2008 As of December 31, 2007	Fiscal 2007 As of March 31, 2007	Change	Third Quarter of Fiscal 2007 As of December 31, 2006
Assets				
Current assets:				
Cash and time deposits	10,887	12,624	△ 1,736	12,910
Trade notes and accounts receivable	84,859	98,092	△ 13,233	85,125
Marketable securities	8,784	16,603	△ 7,818	8,101
Inventories	44,032	38,547	5,485	42,312
Deferred income tax assets	6,199	6,036	162	6,104
Other current assets	14,502	9,107	5,394	11,556
Less: Allowance for doubtful accounts	△ 1,023	△ 1,127	104	△ 1,125
Total current assets	168,243	179,885	△ 11,641	164,984
Fixed assets:				
Property, plant and equipment				
Buildings and structures	35,707	32,877	2,830	33,638
Machinery and transportation equipment	39,226	36,607	2,619	37,247
Fixtures, equipment and tools	14,674	15,160	△ 485	17,184
Land	12,498	12,415	83	12,888
Construction in progress	3,718	5,985	△ 2,266	5,935
Total property, plant and equipment	105,827	103,045	2,781	106,893
Intangible fixed assets	814	966	△ 151	760
Investments and other assets:				
Investment securities	100,843	97,716	3,126	101,787
Loans	571	529	41	568
Deferred income tax assets	1,461	_	1,461	_
Other investments	4,423	3,399	1,023	3,427
Less: Allowance for doubtful accounts	△ 240	△ 242	1	△ 242
Total investments and other assets	107,058	101,403	5,655	105,541
Total fixed assets	213,700	205,415	8,285	213,195
Total assets	381,944	385,300	△ 3,356	378,180

		1	ı	(¥ millions)
Period	Third Quarter	Fiscal 2007		Third Quarter
Teriod	of Fiscal 2008	As of March	Change	of Fiscal 2007
Item	As of December	31, 2007	- Change	As of December
	31, 2007	,		31, 2006
Liabilities				
Current liabilities:				
Trade notes and accounts payable	76,116	80,395	△ 4,279	76,325
Short-term loans	37,954	36,313	1,640	29,398
Accrued expenses	17,795	18,229	△ 434	16,628
Income taxes payable	1,788	5,126	△ 3,338	1,577
Allowance for employees' bonuses	4,595	4,482	113	4,504
Allowance for directors' and corporate	·			•
auditors' bonuses	209	280	△ 70	209
Reserve for product warranties	1,400	1,400	_	1,400
Other current liabilities	11,247	9,474	1,771	11,812
Total current liabilities	151,107	155,703	△ 4,596	141,856
N				
Non-current liabilities:	17 444	10.026	A 2.401	27.492
Long-term debt Allowance for employees' retirement	17,444	19,936	△ 2,491	27,482
benefits	26,655	26,107	547	26,909
Allowance for directors' and corporate				
auditors' retirement benefits	1,478	1,582	△ 104	1,516
Deferred income taxes	_	861	△ 861	2,359
Other non-current liabilities	873	675	198	652
Total non-current liabilities	46,450	49,162	△ 2,711	58,920
Total liabilities	197,558	204,866	△ 7,307	200,776
Net assets				
Shareholders' equity:	14.070	14.050		14.050
Common stock	14,270	14,270	_	14,270
Additional paid-in capital	17,107	17,107	_	17,107
Retained earnings	105,534	99,299	6,234	93,985
Treasury common stock, at cost	△ 61	△ 54	△ 7	△ 51
Total shareholders' equity	136,851	130,624	6,226	125,312
Revaluations and translation adjustments:				
Valuation adjustment on investment	12.700	17.701	A 2.040	10.245
securities	13,790	17,731	△ 3,940	19,345
Translation adjustments	2,101	1,196	904	1,674
Total revaluations and translation	15,892	18,928	△ 3,036	21,020
adjustments			·	
Minority interests	31,642	30,881	761	31,070
Total liabilities and not assets	184,386	180,434	3,951	177,403
Total liabilities and net assets	381,944	385,300	△ 3,356	378,180

# **Consolidated Statements of Income**

								nillions)
Period	Third Qua of Fiscal 2 April 1, 200 December 3	008 07 to	of Fiscal 2007 April 1, 2006 to Y-o-Y change		Y-o-Y change		Fiscal 200 April 1, 200 March 31, 2	6 to
		%		%		%		%
Net sales	338,039	100.0	320,738	100.0	17,300	5.4	452,520	100.0
Cost of sales	292,934	86.7	282,038	87.9	10,895		395,650	87.4
Gross profit	45,105	13.3	38,700	12.1	6,405		56,869	12.6
Selling, general and administrative expenses	27,589	8.1	26,055	8.2	1,533		35,540	7.9
Operating income	17,516	5.2	12,644	3.9	4,871	38.5	21,328	4.7
Non-operating income	3,611		3,606		4		5,091	
Interest income and dividends Equity in earnings of affiliates	( 1,778 ) $( \triangle 3 )$		( 1,557 ) ( 57 )		$( 220 )  ( \triangle 60 )$		( 1,893 ) ( 42 )	
Other non-operating income	( 1,836 )		( 1,991 )		( $\triangle$ 154 )		( 3,155)	
Non-operating expenses	2,704		1,303		1,401		1,819	
Interest expenses and discounts	( 1,035 )		( 1,037 )		( △ 1)		( 1,387 )	
Other non-operating expenses	( 1,669 )		( 266 )		( 1,402 )		( 432 )	
Recurring profit	18,422	5.4	14,947	4.7	3,474	23.2	24,600	5.4
Extraordinary gains	47		118		△ 71		1,035	
Extraordinary losses	217		596		△ 378		837	
Income before income taxes	18,252	5.4	14,470	4.5	3,781	26.1	24,799	5.5
Income taxes	6,869		5,439		1,430		10,411	
Income tax adjustment	212		204		8		△ 789	
Total	7,082		5,643		1,438		9,622	
Minority interest in consolidated subsidiaries	△1,400		△ 851		△ 549		△ 1,802	
Net income	9,769	2.9	7,975	2.5	1,794	22.5	13,374	3.0

# Consolidated Changes in Shareholders' Equity

Third Quarter of Fiscal 2008 (April 1, 2007 to December 31, 2007)

	Shareholders' equity							
	Common stock	Additional paid-in capital	Retained earnings	Treasury common stock, at cost	Total shareholders' equity			
Balances as of March 31, 2007	14,270	17,107	99,299	△ 54	130,624			
Changes in the quarter								
Dividends from retained earnings	_	_	△ 3,535	_	△ 3,535			
Net income for the quarter	_	_	9,769	_	9,769			
Purchases of treasury stock	_	_	0	△ 7	△ 6			
Net change in non-shareholders' equity items for the quarter	_				_			
Total changes for the quarter	_		6,234	△ 7	6,226			
Balances as of December 31, 2007	14,270	17,107	105,534	△ 61	136,851			

	Revaluations	and translation	adjustments		
	Valuation adjustment on investment securities	Translation adjustments	Total revaluations and translation adjustments	Minority interests	Total net assets
Balances as of March 31, 2007	17,731	1,196	18,928	30,881	180,434
Changes in the quarter					
Dividends from retained earnings	_	_	_	_	△ 3,535
Net income for the quarter	_	_	_	_	9,769
Purchases of treasury stock	_	_	_	_	△ 6
Net change in non-shareholders' equity items for the quarter	△ 3,940	904	△ 3,036	761	△ 2,275
Total changes for the quarter	△ 3,940	904	△ 3,036	761	3,951
Balances as of December 31, 2007	13,790	2,101	15,892	31,642	184,386

Third Quarter of Fiscal 2007 (April 1, 2006 to December 31, 2006)

	Shareholders' equity								
	Common stock	Additional paid-in capital	Retained earnings	Treasury common stock, at cost	Total shareholders' equity				
Balances as of March 31, 2006	14,270	17,107	89,548	△ 140	120,786				
Changes in the quarter									
Dividends from retained earnings	_	_	△ 3,534	_	△ 3,534				
Net income for the quarter	_	_	7,975	_	7,975				
Purchases of treasury stock	_	_	_	△ 3	△ 3				
Disposal of treasury stock	_	_	$\triangle$ 1	91	90				
Other	_	_	$\triangle$ 2	_	△ 2				
Net change in non-shareholders' equity items for the quarter	_	_	_	_	_				
Total change for the quarter	_		4,437	88	4,525				
Balances as of December 31, 2006	14,270	17,107	93,985	△ 51	125,312				

	Revaluations and translation adjustments							
	Valuation adjustments on investment securities	Translation adjustments	Total revaluations and translation adjustments	Minority interests	Total net assets			
Balances as of March 31, 2006	18,679	382	19,062	30,436	170,285			
Changes in the quarter								
Dividends from retained earnings	_	_	_	_	△ 3,534			
Net income for the quarter	_	_	_	_	7,975			
Purchases of treasury stock	_	_	_	_	△ 3			
Disposal of treasury stock	_	_	_	_	90			
Other	_	_	_	_	△ 2			
Net change in non-shareholders' equity items for the quarter	665	1,292	1,958	633	2,591			
Total change for the quarter	665	1,292	1,958	633	7,117			
Balances as of December 31, 2006	19,345	1,674	21,020	31,070	177,403			

## **Consolidated Statements of Cash Flows**

Item	Consolidated Statements of Cash Flows	1		(¥ millions)
Item	Period	-		Fiscal 2007
Item				April 1, 2006 to
Income before income taxes		December 31, 2007	December 31, 2006	March 31, 2007
Depreciation		10.050	4.4.4	24.50
Equity in earnings of affiliated companies			· ·	
Provision for allowance for doubtful accounts         △75         22           Provision for accrued retirement benefits         448         1,577           Provision for accrued retirement benefits         448         1,577           Interest and dividends received         △1,778         △1,557         △           Interest payments         1,035         1,037         ∠           Loss on sale of property and equipment         179         321           Changes in trade notes and accounts receivable         13,796         14,412         △           Changes in interdenotes and accounts receivable         13,796         14,412         △           Changes in other current assets         △4,997         △147         △           Changes in other current assets         △4,997         △147         △           Changes in trade notes and accounts payable         △4,648         1,660         ✓           Changes in trade notes and accounts payable         △4,648         1,660         ✓           Changes in trade notes and accounts payable         △4,648         1,660         ✓           Changes in trade notes and accounts payable         △4,648         1,660         ✓           Changes in trade notes and accounts payable         △4,648         1,660         ✓	-		•	•
Provision for accrued retirement benefits         448         1,577           Provision for reserve for bonuses         322         270           Interest and dividends received         △1,778         △1,557         △           Interest payments         1,035         1,037           Loss on sale and revaluation of marketable securities         △41         △150         ∠           Loss on sale of property and equipment         179         321         △           Changes in trade notes and accounts receivable         13,796         14,412         △           Changes in inventories         △5,278         △11,571         △           Changes in trade notes and accounts payable         △4,648         1,660         ✓           Changes in trade notes and accounts payable         △4,648         1,660         ✓           Changes in accrued expenses and other current liabilities         1,676         △1,198         ✓           Directors' and corporate auditors' bonuses paid         △280         △270         ✓           Sub total         36,913         35,223         4           Interest paid         △1,035         △1,035         △1,035           Interest paid         △1,035         △1,037         △1           Incent taxes paid				△42
Provision for reserve for bonuses   322   270     Interest and dividends received				82
Interest and dividends received			· ·	1,892
Interest payments				39
Loss on sale and revaluation of marketable securities		*		,
Loss on sale of property and equipment			•	
Changes in trade notes and accounts receivable         13,796         14,412         △           Changes in inventories         △5,278         △11,571         △           Changes in other current assets         △4,997         △147         △           Changes in trade notes and accounts payable         △4,648         1,660         ✓           Changes in accrued expenses and other current liabilities         1,676         △1,198         ✓           Directors' and corporate auditors' bonuses paid         △280         △270         ✓           Sub total         36,913         35,223         ✓           Interest and dividends received         1,778         1,557           Interest paid         △1,035         △1,037         △           Income taxes paid         △10,235         △8,781         △1           Net cash provided by operating activities         27,421         26,962         3           Income taxes paid         △10,235         △8,781         △1           Net cash provided by operating activities         27,421         26,962         3           I. Cash flows from investing activities         27,421         26,962         3           Proceeds from investing activities         △27,385         △20,977         △2				
Changes in inventories         △5,278         △11,571         △5           Changes in other current assets         △4,997         △147         ∴           Changes in trade notes and accounts payable         △4,648         1,660         ∴           Changes in accrued expenses and other current liabilities         1,676         △1,198         ∠           Directors' and corporate auditors' bonuses paid         △280         △270         ∠           Sub total         36,913         35,223         ₄           Interest and dividends received         1,778         1,557           Interest paid         △1,035         △1,035         △1,037         △           Income taxes paid         △10,235         △8,781         △1           Net cash provided by operating activities         27,421         26,962         33           II. Cash flows from investing activities         27,421         26,962         33           II. Cash flows from time deposits         △290         △409         ∠4           Payments for purchase of marketable and investment securities         △27,385         △20,977         △22           Proceeds from sale of marketable and investment securities         21,030         22,458         33           Payments for purchase of marketable and investment securitie				428
Changes in other current assets         △4,997         △147           Changes in trade notes and accounts payable         △4,648         1,660           Changes in accrued expenses and other current liabilities         1,676         △1,198           Directors' and corporate auditors' bonuses paid         △280         △270         ∠           Sub total         36,913         35,223         ₄           Interest and dividends received         1,778         1,557           Interest paid         △10,035         △1,037         △           Income taxes paid         △10,235         △8,781         △11           Net cash provided by operating activities         27,421         26,962         3           II. Cash flows from investing activities         27,421         26,962         3           II. Cash flows from investing activities         220         △409         ∠           Payments into time deposits         △290         △409         ∠           Payments deposits         △290         △409         ∠           Payments for purchase of marketable and investment securities         △21,335         △20,977         △22           Proceeds from sale of marketable and investment securities         21,030         22,458         3           Payments for purchase		·	· ·	*
Changes in trade notes and accounts payable         △4,648         1,660         1.676         △1,198         ∠270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △270         ∠280         △280         △270         ∠280         △280         △270         ∠280         △280         △270         ∠280         △280         △280         △280         △280         △280         △280         △280         △280         △287         △287         △287         △287         △287         △287         △287         △287         △287         △290         △409         ∠285         △290         △409         ∠285         △290         △409         ∠285         △290         △409         ∠285         △290         △409         ∠285         △290         △409         ∠285         △295         △297         △22         △295         △297         △22         △295         △297         △22         △295         △2977 <td< td=""><td>Changes in inventories</td><td>·</td><td>· ·</td><td>△8,498</td></td<>	Changes in inventories	·	· ·	△8,498
Changes in accrued expenses and other current liabilities         1,676         △1,198         △2           Directors' and corporate auditors' bonuses paid         △280         △270         ∠2           Sub total         36,913         35,223         44           Interest and dividends received         1,778         1,557           Income taxes paid         △1,035         △1,037         △           Income taxes paid         △10,235         △8,781         △IU           Net cash provided by operating activities         27,421         26,962         33           II. Cash flows from investing activities         27,421         26,962         33           II. Cash flows from investing activities         △20         △409         ∠409	Changes in other current assets	△4,997	△147	2,124
Directors' and corporate auditors' bonuses paid	Changes in trade notes and accounts payable	△4,648	1,660	9,825
Sub total   36,913   35,223   44     Interest and dividends received   1,778   1,557     Interest paid   △1,035   △1,037   △ △ △ △ △ △ △ △ △ △ △ △ △ △ △ △ △ △	Changes in accrued expenses and other current liabilities	1,676	△1,198	△145
Interest and dividends received	Directors' and corporate auditors' bonuses paid	△280	△270	△270
Interest paid	Sub total	36,913	35,223	48,283
Income taxes paid	Interest and dividends received	1,778	1,557	1,893
Net cash provided by operating activities         27,421         26,962         33           II. Cash flows from investing activities         290         △409         ∠409           Payments into time deposits         462         285           Payments for purchase of marketable and investment securities         △27,385         △20,977         △22           Power proceeds from sale of marketable and investment securities         21,030         22,458         3           Payments for purchase of property and equipment         △20,509         △27,073         △3-3           Proceeds from sale of property and equipment         357         322           Payments for new loans         △5355         △406         △2           Proceeds from loan repayments         242         395           Other payments relating to investments         △959         △505         △           Net cash used in investing activities         △27,587         △25,910         △3           III. Cash flows from financing activities         △960         644         △           Decrease in short-term loans         △960         644         △           Increase in long-term debt         △692         △717         △           Payments for repurchase of treasury stock         △         △         △	Interest paid	△1,035	△1,037	△1,387
II. Cash flows from investing activities   Payments into time deposits   A62   285     Proceeds from time deposits   A62   285     Payments for purchase of marketable and investment securities   A27,385   A20,977   A29     Proceeds from sale of marketable and investment securities   A21,030   22,458   33     Payments for purchase of property and equipment   A20,509   A27,073   A39     Payments for purchase of property and equipment   A357   322     Payments for new loans   A353   A406   A29     Proceeds from loan repayments   A242   A395     Other payments relating to investments   A242   A395     Other payments relating activities   A27,587   A25,910   A39     III. Cash flows from financing activities   A2960   A44     Increase in long-term debt   A240   1,705   A29     Repayment of long-term debt   A240   1,705   A29     Payments for repurchase of treasury stock   A29   A39     Proceeds from sale of treasury stock   A39   A39     Dividends paid by parent company   A3,307   A3,324   A20     Dividends paid to minority shareholders   A39   A39     Dividends paid to minority shareholders   A39   A3,307   A3,324   A30     Dividends paid to minority shareholders   A39   A39   A39     Dividends paid to minority shareholders   A39   A39   A39     Dividends paid to minority shareholders   A39   A39   A39     Dividends paid to minority shareholders   A39	Income taxes paid	△10,235	△8,781	△10,236
Payments into time deposits $\triangle 290$ $\triangle 409$ $\triangle 409$ Proceeds from time deposits $462$ $285$ Payments for purchase of marketable and investment securities $\triangle 27,385$ $\triangle 20,977$ $\triangle 20,977$ Proceeds from sale of marketable and investment securities $21,030$ $22,458$ $33,300$ Payments for purchase of property and equipment $\triangle 20,509$ $\triangle 27,073$ $\triangle 30,300$ Proceeds from sale of property and equipment $357$ $322$ Payments for new loans $\triangle 535$ $\triangle 406$ $\triangle 400$ Proceeds from loan repayments $242$ $395$ Other payments relating to investments $\triangle 959$ $\triangle 505$ $\triangle 505$ Net cash used in investing activities $\triangle 27,587$ $\triangle 25,910$ $\triangle 30,950$ III. Cash flows from financing activities $\triangle 960$ $644$ $\triangle 960$ $\triangle 40,960$ Decrease in short-term loans $\triangle 960$ $\triangle 40,960$ $\triangle 40,960$ $\triangle 40,960$ $\triangle 40,960$ Increase in long-term debt $\triangle 692$ $\triangle 717$ $\triangle 60,960$ $\triangle 717$ $\triangle 717,960$ Repayments for repurchase of treasury stock $\triangle 8$ $\triangle 4$ $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock $\triangle 8$ $\triangle 4$ $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock $\triangle 8$ $\triangle 4$ $\triangle 8$ $\triangle 4$ Protecteds from sale of treasury stock $\triangle 8$ $\triangle 4$ $\triangle 8$ $\triangle 4$ Protecteds from sale of treasury stock $\triangle 8$ $\triangle 4$ $\triangle 8$ $\triangle 4$ Dividends paid to minority shareholders $\triangle 8,33$	Net cash provided by operating activities	27,421	26,962	38,553
Proceeds from time deposits $462$ $285$ Payments for purchase of marketable and investment securities $\triangle 27,385$ $\triangle 20,977$ $\triangle 2$ Proceeds from sale of marketable and investment securities $21,030$ $22,458$ $33$ Payments for purchase of property and equipment $\triangle 20,509$ $\triangle 27,073$ $\triangle 3$ Proceeds from sale of property and equipment $357$ $322$ Payments for new loans $\triangle 535$ $\triangle 406$ $\triangle 2$ Proceeds from loan repayments $242$ $395$ Other payments relating to investments $\triangle 959$ $\triangle 505$ $\triangle 2$ Net cash used in investing activities $\triangle 27,587$ $\triangle 25,910$ $\triangle 3$ III. Cash flows from financing activities $\triangle 400$ $\triangle 400$ $\triangle 400$ $\triangle 400$ Decrease in short-term loans $\triangle 960$ $\triangle 440$ $\triangle 400$ $\triangle 400$ $\triangle 400$ $\triangle 400$ Increase in long-term debt $\triangle 400$ </td <td>II. Cash flows from investing activities</td> <td></td> <td></td> <td></td>	II. Cash flows from investing activities			
Payments for purchase of marketable and investment securities $\triangle 27,385$ $\triangle 20,977$ $\triangle 20$ Proceeds from sale of marketable and investment securities $21,030$ $22,458$ $33$ Payments for purchase of property and equipment $\triangle 20,509$ $\triangle 27,073$ $\triangle 36$ Proceeds from sale of property and equipment $357$ $322$ Payments for new loans $\triangle 535$ $\triangle 406$ $\triangle 20$ Proceeds from loan repayments $242$ $395$ Other payments relating to investments $\triangle 959$ $\triangle 505$ $\triangle 20$ Net cash used in investing activities $\triangle 27,587$ $\triangle 25,910$ $\triangle 30$ III. Cash flows from financing activities $\triangle 960$ $\triangle 44$ $\triangle 64$ Increase in short-term loans $\triangle 960$ $\triangle 44$ $\triangle 64$ Increase in long-term debt $\triangle 692$ $\triangle 717$ $\triangle 60$ Repayment of long-term debt $\triangle 692$ $\triangle 717$ $\triangle 60$ Payments for repurchase of treasury stock $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock $\triangle 8$ $\triangle 4$ Dividends paid by parent company $\triangle 3,307$ $\triangle 3,324$ $\triangle 60$ Dividends paid to minority shareholders $\triangle 8,34$ $\triangle 1,170$ $\triangle 60$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle 60$ IV. Effect of exchange rate changes on cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ $\triangle 5,608$ VI. Cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ $\triangle 5,572$ $\triangle 5,$	Payments into time deposits	△290	△409	△452
Proceeds from sale of marketable and investment securities         21,030         22,458         33           Payments for purchase of property and equipment         △20,509         △27,073         △3           Proceeds from sale of property and equipment         357         322           Payments for new loans         △535         △406         △2           Proceeds from loan repayments         242         395           Other payments relating to investments         △959         △505         △           Net cash used in investing activities         △27,587         △25,910         △3           III. Cash flows from financing activities         △960         644         △           Decrease in short-term loans         △960         644         △           Increase in long-term debt         △40         1,705         △           Repayment of long-term debt         △692         △717         △           Payments for repurchase of treasury stock         △8         △4           Proceeds from sale of treasury stock         1         93           Dividends paid by parent company         △3,307         △3,324         △           Net cash provided by or used in financing activities         △5,560         △2,773         △           IV. Effect of exchange rate	Proceeds from time deposits	462	285	356
Payments for purchase of property and equipment $\triangle 20,509$ $\triangle 27,073$ $\triangle 3.50$ Proceeds from sale of property and equipment357322Payments for new loans $\triangle 535$ $\triangle 406$ $\triangle 20,000$ Proceeds from loan repayments242395Other payments relating to investments $\triangle 959$ $\triangle 505$ $\triangle 505$ Net cash used in investing activities $\triangle 27,587$ $\triangle 25,910$ $\triangle 3.50$ III. Cash flows from financing activities $\triangle 960$ $644$ $\triangle 960$ $\triangle 40$ Decrease in short-term loans $\triangle 960$ $\triangle 40$ $\triangle 40$ $\triangle 40$ Increase in long-term debt $\triangle 692$ $\triangle 717$ $\triangle 60$ Repayment of long-term debt $\triangle 692$ $\triangle 717$ $\triangle 60$ Payments for repurchase of treasury stock $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock $\triangle 8$ $\triangle 4$ Dividends paid by parent company $\triangle 3,307$ $\triangle 3,324$ $\triangle 5,500$ Dividends paid to minority shareholders $\triangle 834$ $\triangle 1,170$ $\triangle 60$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle 60$ IV. Effect of exchange rate changes on cash and cash equivalents $\triangle 18$ $\triangle 149$ V. Change in cash and cash equivalents $\triangle 19,996$ $\triangle 15,772$ $\triangle 10$ VI. Cash and cash equivalents at beginning of period $\triangle 19,996$ $\triangle 15,773$ $\triangle 10$	Payments for purchase of marketable and investment securities	△27,385	△20,977	$\triangle$ 29,592
Proceeds from sale of property and equipment         357         322           Payments for new loans         △535         △406         ∠           Proceeds from loan repayments         242         395           Other payments relating to investments         △959         △505         ∠           Net cash used in investing activities         △27,587         △25,910         △33           III. Cash flows from financing activities         ✓         <	Proceeds from sale of marketable and investment securities	21,030	22,458	32,523
Payments for new loans $\triangle 535$ $\triangle 406$ $\triangle 242$ Proceeds from loan repayments $242$ $395$ Other payments relating to investments $\triangle 959$ $\triangle 505$ Net cash used in investing activities $\triangle 27,587$ $\triangle 25,910$ $\triangle 35$ III. Cash flows from financing activities $\triangle 960$ $644$ $\triangle 960$ $\triangle 44$ Increase in short-term loans $\triangle 960$ $\triangle 44$ $\triangle 960$ $\triangle 44$ Increase in long-term debt $\triangle 692$ $\triangle 717$ $\triangle 692$ $\triangle 717$ $\triangle 692$ Payments for repurchase of treasury stock $\triangle 8$ $\triangle 4$ $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock $\triangle 8$ $\triangle 4$ $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock $\triangle 834$ $\triangle 1,170$	Payments for purchase of property and equipment	△20,509	△27,073	△34,988
Proceeds from loan repayments242395Other payments relating to investments $\triangle 959$ $\triangle 505$ $\triangle 2505$ Net cash used in investing activities $\triangle 27,587$ $\triangle 25,910$ $\triangle 33$ III. Cash flows from financing activities $\triangle 960$ $644$ $\triangle 960$ $\triangle 960$ Decrease in short-term loans $\triangle 960$ $\triangle 960$ $\triangle 960$ $\triangle 960$ Increase in long-term debt $\triangle 960$ $\triangle 960$ $\triangle 960$ $\triangle 960$ Repayment of long-term debt $\triangle 960$ $\triangle 960$ $\triangle 960$ $\triangle 960$ Payments for repurchase of treasury stock $\triangle 960$ $\triangle 960$ $\triangle 960$ $\triangle 960$ Proceeds from sale of treasury stock $\triangle 960$ $\triangle 960$ $\triangle 960$ $\triangle 960$ Dividends paid by parent company $\triangle 3,307$ $\triangle 3,307$ $\triangle 3,324$ $\triangle 5,500$ Dividends paid to minority shareholders $\triangle 834$ $\triangle 1,170$ $\triangle 60$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle 60$ IV. Effect of exchange rate changes on cash and cash equivalents $\triangle 118$ $\triangle 149$ V. Change in cash and cash equivalents $\triangle 15,608$ $\triangle 1,572$ $\triangle 15,608$ $\triangle 15,773$ $\triangle 15,608$ VI. Cash and cash equivalents at beginning of period $\triangle 15,996$ $\triangle 15,773$ $\triangle 15,996$	Proceeds from sale of property and equipment	357	322	404
Other payments relating to investments $\triangle 959$ $\triangle 505$ Net cash used in investing activities $\triangle 27,587$ $\triangle 25,910$ $\triangle 35$ III. Cash flows from financing activities $\triangle 960$ $644$ $\triangle 644$	Payments for new loans	△535	△406	△461
Net cash used in investing activities $\triangle 27,587$ $\triangle 25,910$ $\triangle 35$ III. Cash flows from financing activities $\triangle 960$ $\triangle 44$ $\triangle 960$ $\triangle 44$ Decrease in short-term loans $\triangle 960$ $\triangle 44$ $\triangle 960$ $\triangle 44$ Increase in long-term debt $\triangle 692$ $\triangle 717$ $\triangle 692$ Repayment of long-term debt $\triangle 692$ $\triangle 717$ $\triangle 692$ Payments for repurchase of treasury stock $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock1 $93$ Dividends paid by parent company $\triangle 3,307$ $\triangle 3,324$ $\triangle 3,324$ Dividends paid to minority shareholders $\triangle 834$ $\triangle 1,170$ $\triangle 60$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle 60$ IV. Effect of exchange rate changes on cash and cash equivalents $\triangle 118$ $\triangle 149$ V. Change in cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ $\triangle 60$ VI. Cash and cash equivalents at beginning of period $\triangle 19,996$ $\triangle 15,773$ $\triangle 15,773$	Proceeds from loan repayments	242	395	488
III. Cash flows from financing activities         Decrease in short-term loans       △960       644       ∠         Increase in long-term debt       240       1,705       ∠         Repayment of long-term debt       △692       △717       ∠         Payments for repurchase of treasury stock       △8       △4         Proceeds from sale of treasury stock       1       93         Dividends paid by parent company       △3,307       △3,324       △         Dividends paid to minority shareholders       △834       △1,170       △         Net cash provided by or used in financing activities       △5,560       △2,773       △         IV. Effect of exchange rate changes on cash and cash equivalents       118       149         V. Change in cash and cash equivalents       △5,608       △1,572       △         VI. Cash and cash equivalents at beginning of period       19,996       15,773       15	Other payments relating to investments	△959	△505	△918
Decrease in short-term loans $\triangle 960$ $644$ $\triangle 644$ Increase in long-term debt $240$ $1,705$ $\triangle 692$ Repayment of long-term debt $\triangle 692$ $\triangle 717$ $\triangle 692$ Payments for repurchase of treasury stock $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock $1$ $93$ Dividends paid by parent company $\triangle 3,307$ $\triangle 3,324$ Dividends paid to minority shareholders $\triangle 834$ $\triangle 1,170$ $\triangle$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle$ IV. Effect of exchange rate changes on cash and cash equivalents $118$ $149$ V. Change in cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ VI. Cash and cash equivalents at beginning of period $19,996$ $15,773$ $15$	Net cash used in investing activities	△27,587	△25,910	△32,640
Increase in long-term debt $240$ $1,705$ Repayment of long-term debt $\triangle 692$ $\triangle 717$ Payments for repurchase of treasury stock $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock $1$ $93$ Dividends paid by parent company $\triangle 3,307$ $\triangle 3,324$ $\triangle 3,324$ Dividends paid to minority shareholders $\triangle 834$ $\triangle 1,170$ $\triangle$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle$ IV. Effect of exchange rate changes on cash and cash equivalents $118$ $149$ V. Change in cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ $\triangle$ VI. Cash and cash equivalents at beginning of period $19,996$ $15,773$ $15$	III. Cash flows from financing activities			
Repayment of long-term debt $\triangle 692$ $\triangle 717$ $\triangle 692$ Payments for repurchase of treasury stock $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock       1       93         Dividends paid by parent company $\triangle 3,307$ $\triangle 3,324$ $\triangle 1$ Dividends paid to minority shareholders $\triangle 834$ $\triangle 1,170$ $\triangle 1$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle 1$ IV. Effect of exchange rate changes on cash and cash equivalents       118       149         V. Change in cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ $\triangle 1$ VI. Cash and cash equivalents at beginning of period       19,996       15,773       15	Decrease in short-term loans	△960	644	△961
Repayment of long-term debt $\triangle 692$ $\triangle 717$ $\triangle 692$ Payments for repurchase of treasury stock $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock       1       93         Dividends paid by parent company $\triangle 3,307$ $\triangle 3,324$ $\triangle 1,170$ Dividends paid to minority shareholders $\triangle 834$ $\triangle 1,170$ $\triangle 5,560$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle 5,560$ IV. Effect of exchange rate changes on cash and cash equivalents       118       149         V. Change in cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ VI. Cash and cash equivalents at beginning of period       19,996       15,773       15	Increase in long-term debt			
Payments for repurchase of treasury stock $\triangle 8$ $\triangle 4$ Proceeds from sale of treasury stock       1       93         Dividends paid by parent company $\triangle 3,307$ $\triangle 3,324$ Dividends paid to minority shareholders $\triangle 834$ $\triangle 1,170$ $\triangle$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle$ IV. Effect of exchange rate changes on cash and cash equivalents       118       149         V. Change in cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ VI. Cash and cash equivalents at beginning of period       19,996       15,773       15	-	△692	· ·	△727
Proceeds from sale of treasury stock       1       93         Dividends paid by parent company $\triangle 3,307$ $\triangle 3,324$ Dividends paid to minority shareholders $\triangle 834$ $\triangle 1,170$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ IV. Effect of exchange rate changes on cash and cash equivalents       118       149         V. Change in cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ VI. Cash and cash equivalents at beginning of period       19,996       15,773				△7
Dividends paid by parent company $\triangle 3,307$ $\triangle 3,324$ $\triangle 5$ Dividends paid to minority shareholders $\triangle 834$ $\triangle 1,170$ $\triangle$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle$ IV. Effect of exchange rate changes on cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ VI. Cash and cash equivalents at beginning of period $\triangle 19,996$ $\triangle 15,773$ 1:				
Dividends paid to minority shareholders $\triangle 834$ $\triangle 1,170$ $\triangle$ Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle$ IV. Effect of exchange rate changes on cash and cash equivalents       118       149         V. Change in cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ VI. Cash and cash equivalents at beginning of period       19,996       15,773       15	-	△3.307		
Net cash provided by or used in financing activities $\triangle 5,560$ $\triangle 2,773$ $\triangle$ IV. Effect of exchange rate changes on cash and cash equivalents       118       149         V. Change in cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ VI. Cash and cash equivalents at beginning of period       19,996       15,773				
IV. Effect of exchange rate changes on cash and cash equivalents       118       149         V. Change in cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ VI. Cash and cash equivalents at beginning of period       19,996       15,773				
V. Change in cash and cash equivalents $\triangle 5,608$ $\triangle 1,572$ VI. Cash and cash equivalents at beginning of period       19,996       15,773       15				159
VI. Cash and cash equivalents at beginning of period 19,996 15,773 1:				4,258
	-			
consolidated subsidiary	VII. Decrease in cash and cash equivalents due to exclusion of a previously	19,990	-	△35
		14 388	14 201	19,996

# **Segment Information**

# (1) Industry Segment Information

Third quarter of Fiscal 2008 (April 1, 2007 to December 31, 2007)

(¥ millions)

	Automotive Lighting Equipment	Non- Automotive Electrical Equipment	Other Products & Services	Total	Corporate and elimination	Consolidated total
Sales						
(1) Sales to outside customers	290,185	22,998	24,854	338,039	_	338,039
(2) Inter-segment sales and transfers	93,217	428	4,580	98,225	(98,225)	_
Total	383,402	23,426	29,435	436,264	(98,225)	338,039
Operating expenses	365,123	22,935	29,613	417,671	(97,148)	320,523
Operating income or loss	18,279	491	△ 178	18,592	(1,076)	17,516

Third quarter of Fiscal 2007 (April 1, 2006 to December 31, 2006)

(¥ millions)

	Automotive Lighting Equipment	Non- Automotive Electrical Equipment	Other Products & Services	Total	Corporate and elimination	Consolidated total
Sales						
(1) Sales to outside customers	280,576	20,089	20,072	320,738	_	320,738
(2) Inter-segment sales and transfers	67,019	401	2,506	69,927	(69,927)	_
Total	347,596	20,490	22,579	390,666	(69,927)	320,738
Operating expenses	332,401	21,437	22,783	376,621	(68,528)	308,093
Operating income or loss	15,195	△ 946	△ 204	14,044	(1,399)	12,644

# (2) Geographical Segment Information

Third quarter of Fiscal 2008 (April 1, 2007 to December 31, 2007)

(¥ millions)

	Japan	North America	Asia	Europe	Total	Corporate and elimination	Consolidated total
Sales							
(1) Sales to outside customers	209,145	42,742	66,862	19,289	338,039	_	338,039
(2) Inter-segment sales and transfers	73,391		5,942	18,890	98,225	(98,225)	_
Total	282,536	42,742	72,805	38,179	436,264	(98,225)	338,039
Operating expenses	269,179	40,963	69,309	38,218	417,671	(97,148)	320,523
Operating income or loss	13,357	1,778	3,495	△ 38	18,592	(1,076)	17,516

# Third quarter of Fiscal 2007 (April 1, 2006 to December 31, 2006)

	Japan	North America	Asia	Europe	Total	Corporate and elimination	Consolidated total
Sales							
(1) Sales to outside customers	196,996	40,657	64,992	18,090	320,738	_	320,738
(2) Inter-segment sales and transfers	49,797	_	2,580	17,549	69,927	(69,927)	_
Total	246,794	40,657	67,573	35,640	390,666	(69,927)	320,738
Operating expenses	237,559	38,906	64,613	35,541	376,621	(68,528)	308,093
Operating income or loss	9,234	1,751	2,960	98	14,044	(1,399)	12,644