## Third Quarter of FY2007.3 Performance Outline

<table>
<thead>
<tr>
<th></th>
<th>3Q Results</th>
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<th>3Q Results</th>
<th>Initial Projections</th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Oct. 06-Dec. 06)</td>
<td>(Oct. 05-Dec. 05)</td>
<td>(Apr. 06-Dec. 06)</td>
<td>(Apr. 05-Dec. 05)</td>
<td>(Oct. 31, 2006)</td>
<td>(Previous Year)</td>
</tr>
<tr>
<td>Net Sales</td>
<td>152.0</td>
<td>149.2</td>
<td>416.5</td>
<td>406.4</td>
<td>546.0</td>
<td>542.5</td>
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<tr>
<td>Japan Sales</td>
<td>74.9</td>
<td>(49.3%)</td>
<td>75.0</td>
<td>(50.2%)</td>
<td>219.1</td>
<td>224.3</td>
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<tr>
<td>Overseas Sales</td>
<td>77.1</td>
<td>(59.7%)</td>
<td>74.3</td>
<td>(49.8%)</td>
<td>197.4</td>
<td>182.1</td>
</tr>
<tr>
<td>Operating Income</td>
<td>13.0</td>
<td>(8.6%)</td>
<td>11.5</td>
<td>(7.7%)</td>
<td>26.9</td>
<td>25.8</td>
</tr>
<tr>
<td>Recurring Profit</td>
<td>15.5</td>
<td>(10.2%)</td>
<td>14.2</td>
<td>(9.5%)</td>
<td>38.5</td>
<td>35.5</td>
</tr>
<tr>
<td>Net Income</td>
<td>12.5</td>
<td>(8.2%)</td>
<td>10.9</td>
<td>(7.3%)</td>
<td>29.9</td>
<td>27.5</td>
</tr>
<tr>
<td>Rate (yen)</td>
<td>146/EUR</td>
<td>135/EUR</td>
<td>142/EUR</td>
<td>134/EUR</td>
<td>141/EUR</td>
<td>143/EUR</td>
</tr>
<tr>
<td>ROE (%)</td>
<td>14.7%</td>
<td>14.2%</td>
<td>12.0%</td>
<td>12.4%</td>
<td>8.5%</td>
<td>9.2%</td>
</tr>
<tr>
<td>ROA (%)</td>
<td>8.9%</td>
<td>8.3%</td>
<td>7.4%</td>
<td>7.1%</td>
<td>5.4%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Earnings per share</td>
<td>-</td>
<td>-</td>
<td>145.2yens</td>
<td>133.2yens</td>
<td>140.7yens</td>
<td>146.0yens</td>
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<tr>
<td>Capital Expenditure</td>
<td>4.2</td>
<td>5.0</td>
<td>15.9</td>
<td>14.8</td>
<td>26.5</td>
<td>25.5</td>
</tr>
<tr>
<td>Depreciation</td>
<td>5.0</td>
<td>5.1</td>
<td>14.7</td>
<td>14.3</td>
<td>20.0</td>
<td>19.6</td>
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<tr>
<td>R&amp;D Expenditure</td>
<td>6.2</td>
<td>6.6</td>
<td>17.9</td>
<td>18.1</td>
<td>24.5</td>
<td>24.5</td>
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<tr>
<td>Loans &amp; Equivalents (*3)</td>
<td>-</td>
<td>-</td>
<td>0.3</td>
<td>13.6</td>
<td>-10.2</td>
<td>-9.4</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>-</td>
<td>-</td>
<td>86.3</td>
<td>84.7</td>
<td>74.3</td>
<td>76.5</td>
</tr>
<tr>
<td>No. of Employees</td>
<td>Japan</td>
<td>-</td>
<td>11,785</td>
<td>11,799</td>
<td>11,730</td>
<td>11,700</td>
</tr>
<tr>
<td></td>
<td>Overseas</td>
<td>-</td>
<td>14,023</td>
<td>13,129</td>
<td>13,520</td>
<td>13,800</td>
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<tr>
<td>Total (**)</td>
<td>-</td>
<td>-</td>
<td>25,808</td>
<td>24,928</td>
<td>25,250</td>
<td>25,500</td>
</tr>
<tr>
<td>Inventories at year-end</td>
<td>-</td>
<td>-</td>
<td>86.3</td>
<td>84.7</td>
<td>74.3</td>
<td>76.5</td>
</tr>
<tr>
<td>Sales by Business segment</td>
<td>-</td>
<td>-</td>
<td>25,808</td>
<td>24,928</td>
<td>25,250</td>
<td>25,500</td>
</tr>
<tr>
<td>Musical Instruments</td>
<td>88.7</td>
<td>(58.4%)</td>
<td>86.2</td>
<td>(57.8%)</td>
<td>246.1</td>
<td>237.0</td>
</tr>
<tr>
<td>AV/IT</td>
<td>22.8</td>
<td>(15.0%)</td>
<td>25.4</td>
<td>(17.0%)</td>
<td>57.6</td>
<td>60.8</td>
</tr>
<tr>
<td>Lifestyle-Related</td>
<td>14.3</td>
<td>(9.4%)</td>
<td>14.2</td>
<td>(9.5%)</td>
<td>41.9</td>
<td>42.6</td>
</tr>
<tr>
<td>Recreation</td>
<td>12.9</td>
<td>(8.5%)</td>
<td>12.5</td>
<td>(8.4%)</td>
<td>35.4</td>
<td>46.0</td>
</tr>
<tr>
<td>Others</td>
<td>9.0</td>
<td>(5.9%)</td>
<td>8.6</td>
<td>(4.4%)</td>
<td>22.3</td>
<td>17.7</td>
</tr>
<tr>
<td>Operating Income by Business segment</td>
<td>-</td>
<td>-</td>
<td>25,808</td>
<td>24,928</td>
<td>25,250</td>
<td>25,500</td>
</tr>
<tr>
<td>Musical Instruments</td>
<td>9.3</td>
<td>7.6</td>
<td>20.3</td>
<td>15.7</td>
<td>20.0</td>
<td>21.0</td>
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<tr>
<td>AV/IT</td>
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<td>1.9</td>
<td>2.6</td>
<td>2.6</td>
<td>2.0</td>
<td>1.5</td>
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<tr>
<td>Lifestyle-Related</td>
<td>1.3</td>
<td>1.7</td>
<td>3.5</td>
<td>6.9</td>
<td>2.5</td>
<td>3.0</td>
</tr>
<tr>
<td>Others</td>
<td>0.6</td>
<td>0.8</td>
<td>1.0</td>
<td>1.9</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Recurring Profit</td>
<td>-0.5</td>
<td>-0.9</td>
<td>-1.1</td>
<td>-1.6</td>
<td>-1.5</td>
<td>-1.5</td>
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<tr>
<td>Other</td>
<td>0.5</td>
<td>0.3</td>
<td>0.6</td>
<td>0.5</td>
<td>1.0</td>
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<tr>
<td>Non Consolidated Basis</td>
<td>82.0</td>
<td>84.5</td>
<td>251.7</td>
<td>254.7</td>
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<tr>
<td>Operating Income</td>
<td>4.3</td>
<td>3.4</td>
<td>4.0</td>
<td>4.9</td>
<td>10.0</td>
<td>11.0</td>
</tr>
<tr>
<td>Recurring Profit</td>
<td>6.7</td>
<td>6.2</td>
<td>4.2</td>
<td>5.0</td>
<td>19.9</td>
<td>17.1</td>
</tr>
<tr>
<td>Net Income</td>
<td>5.0</td>
<td>6.1</td>
<td>2.7</td>
<td>3.2</td>
<td>14.0</td>
<td>11.9</td>
</tr>
</tbody>
</table>

*1 ROE and ROA are calculated on an annually adjusted basis.
*2 Loans & Equivalents = Loans/Short term + Long term - Cash & Bank Deposit
*3 No. of Employees = No. of Full-time Staff at end of period + Average No. of Temp. Staff
*4 4Q Currency Exchange Rates US$=115JPY, EUR=148JPY

The forward-looking statements in this document contain inherent risks and uncertainties insofar as they are based on future projections and plans that may differ materially from the actual results achieved.