

Summary of Consolidated Financial & Business Performance Results for 3rd Quarter of the fiscal year ending in March 2008

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Code Number: 6974

Listed Exchange: Section 1 of TSE
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(Note) Figures rounded down to millions of yen

1. Consolidated Business Performance for Third Quarter of Fiscal Year 2007 (From April 1, 2007 to December 31, 2007)

(1) Consolidated business performance (% indicates the changes to corresponding numbers of previous periods)

	Sales		Operating income		Ordinary income		Net income	
	Mil yen	%	Mil yen	%	Mil yen	%	Mil yen	%
Nine months ended Dec.31, 2007	29,476	6.5	768	(54.4)	396	(69.5)	212	(75.4)
Nine months ended Dec.31, 2006	27,681	12.5	1,687	9.9	1,299	1.7	861	12.4
(Ref) Full FY 2006	36,712	—	1,845	—	1,297	—	834	—

	E.P.S		Diluted E.P.S	
	Yen	sen	Yen	sen
Nine months ended Dec.31, 2007	6.85		—	
Nine months ended Dec.31, 2006	28.42		28.34	
(Ref) Full FY 2006	27.40		27.33	

(2) Consolidated financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Net worth per Share
	Mil yen	Mil yen	%	Yen
As of Dec.31, 2007	40,041	12,097	30.2	390.83
As of Dec.31, 2006	36,218	12,054	33.3	389.91
(Ref) As of Mar.31, 2007	39,193	12,019	30.7	388.56

(3) Consolidated cash flow status

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of 3rd quarter
	Mil yen	Mil yen	Mil yen	Mil yen
Nine months ended Dec.31, 2007	374	(3,175)	2,495	2,048
Nine months ended Dec.31, 2006	(947)	(2,282)	1,676	1,504
(Ref) Full FY 2006	(1,210)	(3,144)	3,628	2,317

2. Consolidated business performance forecast for FY 2007 (April 1, 2007 ~ March 31, 2008)

There is no change in the full year consolidated business performance forecast that was announced on November 13, 2007.

3. Others

- (1) Changes in significant subsidiaries during 3rd quarter of FY2007 (changes in certain subsidiaries accompanying the changes in scope of consolidation) : None
- (2) Adoption of simplified methods in accounting : Yes
- (3) Changes in accounting methods since the most recent consolidated fiscal year : Yes

(Note) For detailed information, please refer to relevant info in [Comment on consolidated performance and Consolidated Financial Statements] on next page.

The business performance forecast was made based on the premise that we judged rationally with reasonable information available at the current point. We would like you to bear in mind that there are possibilities that actual business results might be materially different from our current forecast due to various risk factors and uncertainties.

【 Comment on Consolidated Performances and Consolidated Financial Statements 】

1. Consolidated sales of third quarter increased 6.5%YOY to 29,476million yen, of which products sales decreased 3.0% to 15,750million yen while trading sales increased 20.0% to 13,726million yen.

Sales of discrete semiconductor products for consumer-use applications decreased 6%YOY to 10,765million yen. Even though sales of Schottky Barrier Diode (SBD) for liquid crystal display (LCD) increased 37%YOY, sales for personal computers decreased because of delay at introduction of 8-inch wafer new products and overall sales did not grow. Sales of Fast Recovery Epitaxial Diode (FRED) decreased 31%YOY because production adjustment continued in plasma display panel (PDP) producers, although sales of FRED for automotive were good. Replacement continued from previous package to new type 8-inch wafer low profile package in small current rectifier diode sector, which is expected to grow for solar panel products.

Sales of semiconductor-applied product for industrial use increased 4%YOY to 4,985million yen. Sales of power module for general use inverter and machinery, which are main products of this sector, cell phone base unit and air conditioner were good. However, sales for railway signal and welding machine in automotive production line decreased.

In trading sector, sales were robust and much higher than last year because of high demand of previous quarter from amusement products producers continued and sales of high margin developed products such as customized power supply unit, LCD and optical device grew.

Income decreased from last year and operating income was 768million yen, ordinary income was 396million yen and net income was 212million yen. Reason of this decrease is that we could not contain high depreciation cost because of sluggish products sales, on top of that, product unit sales price decrease and material price appreciation.

Industry forecast is unclear under Yen currency appreciation, slowing economy in United States, very heavy snow in China, which may cause decrease of production capacity there where 70% of power supply unit production worldwide is sited. There are signs of recovery in sales since we are strengthening sales force in Taiwan and China, although full recovery will be seen in next fiscal year.

We will enhance our performance utilizing 8-inch wafer supply capacity and further strengthen promotion into Chinese market and Japanese power supply unit producers, so that to build well balanced customers spectrum ranging from high growth LCD TV in the middle, to automotive, industrial machinery, clean energy and power factor correction device producer.

2. (Summary) Third Quarter Consolidated Financial Statements

(1) (Summary) 3rd quarter consolidated balance sheet

Millions of yen, %

Item	3rd Quarter FY2007 〔As of Dec.31, 2007〕		3rd Quarter FY2006 〔As of Dec.31, 2006〕		Variance Y-O-Y		(Note) Full FY2006 (As of Mar.31, 2007)	
	Amount	%	Amount	%	Amount	%	Amount	%
(Assets)								
I Current assets	26,562	66.3	23,832	65.8	2,730	11.5	25,708	65.6
1 Cash and deposits in bank	2,148		1,604		544		2,417	
2 Notes and accounts receivable	11,592		11,893		(301)		11,949	
3 Inventory assets	12,069		9,315		2,754		9,995	
4 Deferred tax assets	76		180		(104)		138	
5 Assets to be leased back within one year	—		40		(40)		327	
6 Other	681		802		(121)		884	
7 Allowances for doubtful accounts	(6)		(4)		(2)		(3)	
II Fixed assets	13,403	33.5	12,350	34.1	1,053	8.5	13,416	34.2
1 Tangible fixed assets	10,027	25.0	9,020	24.9	1,007	11.2	9,873	25.2
(1) Buildings and structures	4,034		3,531		503		3,518	
(2) Machinery and vehicles	3,806		2,476		1,330		3,806	
(3) Land	1,310		1,310		—		1,310	
(4) Construction in process	511		1,414		(903)		818	
(5) Other	364		287		77		420	
2 Intangible fixed assets	72	0.2	64	0.2	8	11.9	66	0.2
(1) Software	25		27		(2)		30	
(2) Other	46		37		9		36	
3 Investments and other assets	3,303	8.3	3,264	9.0	39	1.2	3,475	8.8
(1) Investment securities	2,578		2,232		346		2,587	
(2) Long - term prepaid expenses	116		235		(119)		166	
(3) Deferred tax assets	302		494		(192)		423	
(4) Other	327		312		15		319	
(5) Allowances for doubtful accounts	(22)		(11)		(11)		(22)	
III Deferred assets	75	0.2	36	0.1	39	106.9	69	0.2
1 Preoperating costs	0		1		(1)		1	
2 Bond issuance costs	74		35		39		68	
Total assets	40,041	100.0	36,218	100.0	3,823	10.6	39,193	100.0

Millions of yen, %

Item	3rd Quarter FY2007 (As of Dec.31, 2007)		3rd Quarter FY2006 (As of Dec.31, 2006)		Variance Y-O-Y		(Note) Full FY2006 (As of Mar.31, 2007)	
	Amount	%	Amount	%	Amount	%	Amount	%
(Liabilities)								
I Current Liabilities	14,676	36.7	16,360	45.2	(1,684)	(10.3)	16,993	43.4
1 Notes and accounts payable	9,865		9,322		543		9,791	
2 Short-term loans	2,867		4,190		(1,323)		3,699	
3 Bonds, due within one year	500		500		—		500	
4 Other accounts payable	313		1,390		(1,077)		1,743	
5 Income taxes payable	(16)		79		(95)		19	
6 Accrued expenses	565		469		96		437	
7 Allowance for bonuses	174		179		(5)		291	
8 Other current liabilities	406		228		178		511	
II Fixed liabilities	13,267	33.1	7,804	21.5	5,463	70.0	10,180	25.9
1 Bonds	8,450		4,500		3,950		7,100	
2 Long-term borrowings	3,420		1,360		2,060		1,240	
3 Allowances for retirement benefits	1,226		1,766		(540)		1,663	
4 Other fixed liabilities	171		177		(6)		177	
Total Liabilities	27,943	69.8	24,164	66.7	3,779	15.6	27,174	69.3
(Net Assets)								
I Shareholders' equity	11,958	29.9	11,926	32.9	32	0.3	11,903	30.4
1 Common stock	4,041		4,036		5		4,039	
2 Capital surplus	4,077		4,073		4		4,075	
3 Retained earnings	4,347		4,324		23		4,297	
4 Treasury stock	(509)		(508)		(1)		(508)	
II Appraisals and exchange adjustments	139	0.3	128	0.4	11	8.5	116	0.3
1 Unrealized gain on investment securities	444		447		(3)		452	
2 Foreign currency exchange adjustments	(304)		(319)		15		(336)	
III Stock option	—	—	—	—	—	—	—	—
IV Minority interest	—	—	—	—	—	—	—	—
Total net assets	12,097	30.2	12,054	33.3	43	0.4	12,019	30.7
Total liabilities and net assets	40,041	100.0	36,218	100.0	3,823	10.6	39,193	100.0

(2) (Summary) 3rd quarter consolidated profit and loss statement

Millions of yen, %

Item	3rd quarter of FY2007 〔From April 1, 2007〕 〔To Dec.31, 2007〕		3rd quarter of FY2006 〔From April 1, 2006〕 〔To Dec.31, 2006〕		Variance Y-O-Y		Note: Full FY2006	
	Amount	%	Amount	%	Amount	%	Amount	%
I Sales	29,476	100.0	27,681	100.0	1,795	6.5	36,712	100.0
Products	15,750	53.4	16,238	58.7	(488)	(3.0)	21,392	58.3
Merchandises	13,726	46.6	11,442	41.3	2,284	20.0	15,320	41.7
II Cost of sales	25,012	84.9	22,352	80.7	2,660	11.9	29,976	81.7
Products	12,839	81.5	12,060	74.3	779	6.5	16,222	75.8
Merchandises	12,173	88.7	10,292	89.9	1,881	18.3	13,753	89.8
Gross profit	4,464	15.1	5,328	19.3	(864)	(16.2)	6,736	18.3
Products	2,911	18.5	4,178	25.7	(1,267)	(30.3)	5,169	24.2
Merchandises	1,552	11.3	1,150	10.1	402	35.0	1,566	10.2
III Selling, general administrative and R&D expenses	3,695	12.5	3,641	13.2	54	1.5	4,891	13.3
Operating income	768	2.6	1,687	6.1	(919)	(54.4)	1,845	5.0
IV Non-operating income	138	0.4	119	0.4	19	15.9	169	0.5
V No-operating expenses	510	1.7	507	1.8	3	0.7	717	2.0
Ordinary income	396	1.3	1,299	4.7	(903)	(69.5)	1,297	3.5
VI Extraordinary gain	21	0.1	18	0.1	3	17.5	15	0.0
VI Extraordinary loss	29	0.1	22	0.1	7	30.6	27	0.1
Income before taxes	389	1.3	1,295	4.7	(906)	(70.0)	1,285	3.4
Income taxes and etc.	176	0.6	433	1.6	(257)	(59.2)	450	1.2
Net income	212	0.7	861	3.1	(649)	(75.4)	834	2.2

(3) (Summary) 3rd quarter consolidated statement of changes in Shareholders' equity, etc.

Current period (3rd quarter of FY 2007 ending Mar.31, 2008)

Millions of yen

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2007	4,039	4,075	4,297	(508)	11,903
Changes of items during the period					
New issuance of common stock	2	2	—	—	4
Dividend payment from surplus	—	—	(247)	—	(247)
Net income	—	—	212	—	212
Acquisition of treasury stock	—	—	—	0	0
Disposal of treasury stock	—	0	—	0	0
Increased amount due to functional currency changes in overseas subsidiaries	—	—	85	—	85
Total changes of items during the period	2	2	49	0	54
Balance at Dec.31, 2007	4,041	4,077	4,347	(509)	11,958

Millions of yen

	Appraisals and exchange adjustments			Stock option	Minority interest	Total net assets
	Unrealized loss on investment securities	Exchange adjustments	Total appraisals and adjustments			
Balance at March 31, 2007	452	(336)	116	—	—	12,019
Changes of items during the period						
New issuance of common stock	—	—	—	—	—	4
Dividend payment from surplus	—	—	—	—	—	(247)
Net income	—	—	—	—	—	212
Acquisition of treasury stock	—	—	—	—	—	0
Disposal of treasury stock	—	—	—	—	—	0
Increased amount due to functional currency changes in overseas subsidiaries	—	—	—	—	—	85
Net changes of items other than shareholders' equity	(8)	31	23	—	—	23
Total changes of items during the period	(8)	31	23	—	—	77
Balance at Dec.31, 2007	444	(304)	139	—	—	12,097

(4) (Summary) 3rd quarter consolidated statement of changes in Shareholders' equity, etc.

Previous period (3rd quarter of FY 2006 ended Mar.31, 2007)

Millions of yen

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2006	4,025	3,994	3,774	(124)	11,669
Changes of items during the period					
New issuance of common stock	11	11	—	—	22
Dividend payment from surplus	—	—	(278)	—	(278)
Bonus to directors	—	—	(33)	—	(33)
Net income	—	—	861	—	861
Acquisition of treasury stock	—	—	—	(2,146)	(2,146)
Disposal of treasury stock	—	67	—	1,761	1,828
Total changes of items during the period	11	78	550	(384)	256
Balance at Dec.31, 2006	4,036	4,073	4,324	(508)	11,926

Millions of yen

	Appraisals and exchange adjustments			Stock option	Minority interest	Total net assets
	Unrealized loss on investment securities	Exchange adjustments	Total appraisals and adjustments			
Balance at March 31, 2006	514	(300)	213	—	—	11,883
Changes of items during the period						
New issuance of common stock	—	—	—	—	—	22
Dividend payment from surplus	—	—	—	—	—	(278)
Bonus to directors	—	—	—	—	—	(33)
Net income	—	—	—	—	—	861
Acquisition of treasury stock	—	—	—	—	—	(2,146)
Disposal of treasury stock	—	—	—	—	—	1,828
Net changes of items other than shareholders' equity	(66)	(18)	(85)	—	—	(85)
Total changes of items during the period	(66)	(18)	(85)	—	—	171
Balance at Dec.31, 2006	447	(319)	128	—	—	12,054

(5) (Summary) Consolidated statement of cash flows

Millions of yen

	3rd quarter of FY2007 〔 From April 1, 2007 To Dec.31, 2007 〕	3rd quarter of FY2006 〔 From April 1, 2006 To Dec.31, 2006 〕	(Note) Full FY2006
Item	Amount	Amount	Amount
I Cash flows from operating activities			
Income before taxes	389	1,295	1,285
Depreciation and amortization	1,411	853	1,154
Decrease(increase) in notes and accounts receivable	303	(1,357)	(1,447)
Decrease(increase) in inventories	(2,116)	(2,055)	(2,768)
Increase(decrease) in notes and accounts payable	128	1,063	1,558
Changes in other items	249	(141)	(406)
Payment of income taxes and etc.	9	(606)	(585)
Net cash provided by (used in) operating activities	374	(947)	(1,210)
II Cash flows from investing activities			
Expenditures for the acquisition of tangible fixed assets	(3,164)	(1,345)	(1,853)
Purchases of investment securities	(12)	(927)	(1,275)
Changes in other items	1	(10)	(15)
Net cash used in investing activities	(3,175)	(2,282)	(3,144)
III Cash flows from financing activities			
Net increase(decrease) in short-term loans	191	(1,164)	(1,687)
Proceeds from long-term debt	2,400	1,200	1,200
Repayments of long-term debt	(1,210)	(266)	(341)
Proceeds from issuance of bonds	1,579	2,465	5,276
Repayments of bonds	(250)	—	(250)
Cash dividends paid to stockholders	(220)	(263)	(278)
Changes in other items	4	(294)	(290)
Net cash provided by financing activities	2,495	1,676	3,628
IV Differences of foreign exchange rate translation on cash and cash equivalents	37	(31)	(46)
V Net increase(decrease) in cash and cash equivalents	(268)	(1,585)	(772)
VI Cash and cash equivalents at beginning of period	2,317	3,089	3,089
VII Cash and cash equivalents at the end of period	2,048	1,504	2,317