

Annual Report

2008

IWASAKI ELECTRIC CO., LTD

Profile

Tokyo-based Iwasaki Electric Co.,Ltd. is a high-technology manufacturer with marketing and manufacturing operations worldwide.

The Company's principal operating area is lighting products include high intensity discharge(HID), incandescent and fluorescent lamps and fixtures, which are used in commercial and industrial lighting systems, electronics products and communications equipment.

Iwasaki also develops innovative applied optics applications for ultraviolet, infrared and electron-beam radiation for customers in fields such as photo-chemistry, electronics, semiconductor manufacturing and biotechnology.

Contents

Message from the President	1
Consolidated Six-Year Summary	2
Status of the Business	3
Financial Review	6
Consolidated Balance Sheets	8
Consolidated Statements of Income	10
Consolidated Statements of Changes in Net Assets	11
Consolidated Statements of Cash Flows	13
Notes to Consolidated Financial Statements	14
Report of Independent Auditors	32
Board of Directors and Corporate Data	33
Directory	34

Message from the President

Regarding the performance for the consolidated fiscal year ended March 31, 2008, the Lighting Sector was robust, with net sales exceeding planned growth as more public work-related orders than expected were concentrated in this fiscal year, especially in the area of roads and tunnels, although such orders have been declining in recent years. HID products also showed growth, reflecting the general energy-saving trend, as highly efficient metal halide lamps or ceramic metal halide lamps are replacing conventional mercury lamps at factories in measures to reduce electric expenses. As for production, we focused on cost reduction by continued transferal of some parts of HID lamp production to our overseas subsidiary, Dalian Iwasaki Electric Co., Ltd. Moreover, given the impact of price surges for materials such as steel and oil reducing the margin for lighting fixtures, we consider the necessity of price revision in the near future.

While the Lighting Sector performed stronger than initially expected, the Applied Optics Sector failed to achieve the planned goal, except for information equipment-related products. A decline in selling price due to fierce price competition is one reason, as well as the temporary lull in the economy, where many companies are delaying capital expenditures, resulting in delivery dates being postponed for one year despite orders having been received. We expect such delays to result in net sales for this fiscal year, and are therefore determined to focus on achieving the goals of our mid-term management plan while reinforcing a unified system of development, manufacturing and sales activities.

As for the prospects for this consolidated fiscal year, we will aggressively promote product development and sales activities in line with our “Environment, Safety and Reassurance” theme while making efforts to double net sales of HID lamps, our mainstay item. In the Lighting Sector, although we recalled the CERALUX ceramic metal halide lamp due to a defect, which resulted in an extraordinary loss in the previous fiscal year, we have completed improvement of the product. In addition, in the Applied Optics Sector, we will concentrate on investments in human development and R&D in order to expand our business utilizing our optical technologies.

We will put out our utmost efforts to realize management that is more efficient and expansion of businesses to achieve the goals set under the mid-term management plan established in the spring of 2007, “Run-up 2011,” and to improve our performance with all the Group companies. We would be grateful for your continued support.

Takao Kumasaka
President



Consolidated Six-Year Summary

	Millions of yen						Thousands of U.S. dollars ²
	Year ended March 31						
	2008	2007	2006	2005	2004	2003	2008
For the year:							
Net sales	¥71,746	¥70,989	¥71,743	¥72,486	¥70,497	¥70,920	\$716,030
Net income (loss)	1,035	475	745	1,554	649	337	10,331
At year-end:							
Total assets	¥76,823	¥78,114	¥77,996	¥79,445	¥78,826	¥78,420	\$766,702
Total shareholders' equity ³	29,526	30,228	30,247	28,968	28,275	26,712	294,672
Working capital	21,721	23,788	18,787	18,116	22,298	15,316	216,777
Long-term bank loans, less current portion	903	3,234	3,328	433	2,454	653	9,009
Amounts per share:⁴							
Net income (loss) ⁵	¥13.61	¥6.10	¥9.32	¥19.43	¥7.85	¥3.98	\$0.14
Cash dividends, applicable to earnings of the year ⁶	5.00	5.00	5.00	5.00	5.00	5.00	0.05

1. Yen figures in the Consolidated Six-Year Summary have been truncated, omitting numbers below the million mark in accordance with the Japanese Commercial Code and generally accounting in Japan.

2. See Note 1 of Notes to Consolidated Financial Statements.

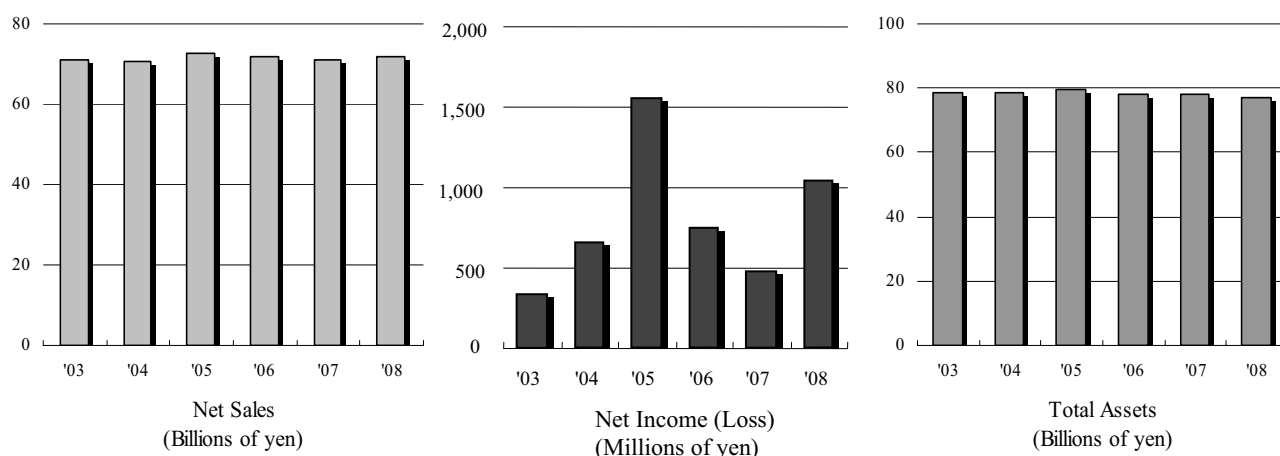
3. Total shareholders' equity = Total net assets – Minority interests

4. Per share figures are in exact yen and U.S. dollar amounts.

5. See Note 1 of Notes to Consolidated Financial Statements.

6. Cash dividends per share represent the cash dividends approved by the Board of Directors as applicable to the respective years together with interim cash dividends paid.

Cash dividends per share do not reflect cash dividends approved at the shareholders' meeting that is held after the end of each fiscal year.



Status of the Business

Outline of the Operating Results

1. Operating Results

For this consolidated fiscal year, the Japanese economy showed an upward trend amid a moderate increase in exports in the first half of the period, while some companies faced difficulties in their revenues. However, in the second half of the fiscal year, uncertainty for the future prevailed, backed by the rise in global credit insecurity triggered by the so-called sub-prime housing loan issues and rapid changes in foreign exchange and stock markets as well as the surge of raw material prices, including oil.

Under such an economic environment, the Group focused on improving its business performance by developing and launching new products in order to meet market needs.

As a result, consolidated net sales and operating income amounted to ¥71,746 million (a 1.1% increase from ¥70,989 million in the previous term) and ¥2,688 million (a 0.3% increase from ¥2,681 million in the previous term), respectively. Net income stood at ¥1,035 million (an increase of 117.9% from ¥475 million in the previous term) after accounting for extraordinary losses consisting of ¥255 million in checkup and replacement expenses arising from a defect in CERALUX lamps, ¥238 million in losses on disposal of finished products and ¥183 million in unrealized losses on investment securities.

Operating results by business segment are described below:

<Lighting Sector>

As the leading manufacturer of HID (High Intensity Discharge) lamp products, this sector has developed products and promoted sales activities in line with the Company's contemporary theme, "The Environment, Safety and Reassurance."

The sector performance was robust specifically in the area of roads and tunnels due to a recovery in orders from public works, which were depressed in the previous consolidated fiscal year. However, given that the public works market is forecasted to shrink in the end, we do not estimate that strong growth can be expected in the future. On the other hand, energy-saving HID products for factory use showed favorable sales in the private sector.

As for production, we have focused on cost reductions amid the soaring prices of general materials by continued transferal of some parts of HID production to our overseas subsidiary, Dalian Iwasaki Electric Co., Ltd.

As a result, net sales and operating income for this sector were ¥41,524 million (a 3.3% increase from ¥40,211 million in the same period last year) and ¥2,108 million (a 7.1% increase from ¥1,968 million in the same period last year), respectively.

<Applied Optics Sector>

Despite our intensive efforts to improve the performance of the applied optics sector, except for information equipment-related products, as the future growth sector, both sales and profits declined due to decreased sales prices, etc. amid severe price competition. As for the light source for data projectors in the image operation area, while the sales volume for luminous tube and mirror sets decreased, the sales volume for single luminous tubes increased, resulting in an overall growth in sales volume. However, both sales and profits shrank due to continuously declining sales prices. Other areas of sterilization systems and equipment for special uses also showed decreased sales and profits in general.

Meanwhile, for information equipment-related products, sales and profits grew due to increased orders received for public works, which were limited in the previous consolidated fiscal year.

As a result, net sales and operating income for this sector totaled ¥29,415 million (increased by 2.9%, compared to ¥28,589 million in the previous term) and ¥2,864 million (decreased by 9.3%, compared to ¥3,156 million in the previous term), respectively.

<Other Sector>

Other Sector net sales and operating losses were ¥806 million (a 63.2% decrease from ¥2,188 million in the previous fiscal year) and ¥170 million (¥80 million improvement over ¥250 million in the previous term), respectively. Principal reasons include a termination of business and merger with a Group company by a consolidated subsidiary that had been engaged in the manufacture, sale and processing of construction materials in the previous consolidated fiscal year and substantial withdrawal from the Tokyo Metropolitan Expressway road repair and maintenance business by a consolidated subsidiary in this consolidated fiscal year.

Operating results by geographical segment are as follows:

<Japan>

Net sales and operating income in Japan respectively totaled ¥65,432 million (a 0.4% decrease from ¥65,699 million in the previous term) and ¥3,932 million (a decrease of 10.7% from ¥4,402 million in the previous term), resulting from sluggish Applied Optics Sector performance in contrast to growth in information equipment-related products and the road and tunnel areas in the Lighting Sector.

<North America>

As a result of continued sales channel expansion efforts by two subsidiaries engaged in production and sale of lighting and electron beams, net sales and operating income in North America stood at ¥5,773 million (a 16.7% increase from ¥4,945 million in the previous term) and ¥764 million (increasing 44.3%, compared to ¥529 million in the previous term), respectively.

<Asia>

Net sales and operating income in Asia were ¥1,595 million (a 46.4% increase from ¥1,089 million in the previous term) and ¥222 million (an increase of 310.2% from ¥54 million in the previous term), respectively, as a result of signing large contracts mainly in Singapore and Malaysia.

<Europe>

Net sales and operating losses in Europe were ¥156 million (16.3% decrease from ¥187million in the previous term) and ¥17 million (deteriorating of ¥2 million from ¥15 million in the previous term), respectively, due to a temporary decline in the sales force.

2. Cash Flows

Net cash and cash equivalents as of the end of the consolidated fiscal year increased by ¥533 million compared to the previous year, to ¥12,336 million.

(1) Cash flows from operating activities

Net cash provided by operating activities in the fiscal year under review increased by ¥3,443 million (¥1,597 million in the previous term). Principal reasons for the increase include ¥1,368 million in income before income taxes, ¥1,992 million in depreciation and amortization and decrease of ¥1,187 million in accounts receivable-trade. The main contributing factor for the larger inflow compared to the previous year is a decrease in accounts receivable-trade and an increase in accounts payable-trade.

(2) Cash flows from investing activities

Net cash used in investing activities in this consolidated fiscal year decreased by ¥1,434 million, compared to a decrease of ¥955 million in the same period last year. The main outflow item is payment on purchases of tangible fixed assets. The principal factor for increased outflow from the previous fiscal year is a decrease in income on sales of tangible fixed assets.

(3) Cash flows from financing activities

Net cash used for financing activities in this consolidated fiscal year decreased by ¥1,328 million, compared to a decrease of ¥249 million in the previous term. The significant outflow items are payments of ¥864 million on the repurchase of treasury stock and ¥390 million in dividend payments. The increased outflow amount is attributable to the payment for the repurchase of treasury stock in this term.

3. Challenges Facing the Company

The economic environment surrounding us has been increasingly severer due to shrinkage of the public works market and tough price competition. Amid such circumstances, the Company plans to concentrate on highly profitable businesses by reviewing the details of the businesses, and to strengthen the cost competitiveness for higher profitability. For such purposes, we are aware of the necessity for focused investments to realize sophisticated technology and its systematization. Furthermore, for sustainable growth, we will concentrate on searching out and developing seeds of new businesses that are expected to become the pillars of future revenue sources.

<Lighting Sector>

- (1) We will substantially increase the supply of HID lamps for the domestic manufacturers specializing in fixtures.
- (2) Our efforts will focus on systematization of technologies for light sources, circuits and optical design, and development of products with high added value.
- (3) Maintenance of demands from government agencies, supply of products to private markets, and reinforcement of sales activities will be our main focus.

<Applied Optics Sector>

- (1) We will expand sales channels, and reinforce the sales force.
- (2) We will develop and expand new markets.
- (3) We will strengthen our R&D systems and commercialize the seeds of new businesses.

4. Important Business Agreements, etc.

Not applicable.

Financial Review

Analyses of the Financial Position and Operating Results

1. Financial Position

(Current Assets)

Current assets as of the end of this consolidated fiscal year totaled ¥46,806 million, decreasing ¥205 million from a year earlier. This was principally attributable to a decrease of ¥1,235 million in accounts receivable-trade, in contrast to increases of ¥527 million in cash and time deposits and ¥514 million in inventories.

(Fixed Assets)

Fixed assets as of the end of this consolidated fiscal year stood at ¥30,013 million, a decrease of ¥1,082 million compared to the previous consolidated fiscal year-end. This was mainly due to a decrease of ¥622 million in tangible fixed assets caused by differences between capital expenditure and depreciation, a decrease of ¥917 million in investment securities as a result of mark-to-market revaluation of the stocks held, and an increase of ¥489 million in deferred tax assets.

(Current Liabilities)

Current liabilities as of the end of this consolidated fiscal year were ¥25,085 million, a ¥1,861 million increase over the previous year. It is largely due to a transfer of ¥2,300 million in the current portion of long-term bank loans from long-term liabilities to current liabilities, and others.

(Long-Term Liabilities)

Long-term liabilities as of this consolidated fiscal year-end decreased by ¥2,049 million from the previous year to ¥20,268 million. It is mainly attributable to a transfer of ¥2,300 million in the current portion of long-term bank loans from long-term liabilities to current liabilities, and others.

(Net Assets)

Net assets as of the end of this consolidated fiscal year totaled ¥31,469 million, decreasing ¥1,104 million from the previous year. The main reason was a decline of ¥855 million in treasury stock due to repurchase, etc.

2. Analysis of Operating Results

(Gross Profit)

Gross profit for this consolidated fiscal year decreased by ¥278 million from the previous consolidated fiscal year, to ¥19,187 million. While net sales in both the Lighting Sector and information equipment-related products in the Applied Optics Sector expanded, such growth was offset by a decline of ¥1,382 million in net sales in Other Sector. The decline was mainly due to a consolidated subsidiary that had been engaged in the manufacture, sale and processing of construction materials in the previous consolidated fiscal year terminating business and merging with another Group company, in addition to a substantial withdrawal from Tokyo Metropolitan Expressway road repair and maintenance business by a consolidated subsidiary, in this consolidated fiscal year. Moreover, gross profit was reduced, as both net sales and profits in Applied Optics Sector, excluding the information equipment-related products, fell due to plunges in selling prices reflecting the severe price competition.

(Operating Income)

Operating income for this consolidated fiscal year amounted to ¥2,688 million, a ¥7 million increase compared to the previous consolidated year. The main contributors to this increase were the same as the decreasing factor explained in “Gross Profit” above, and the fall in selling, general and administrative expenses due to a consolidated subsidiary’s withdrawal from business in Other Sector.

(Income before Income Taxes)

Income before income taxes for this consolidated fiscal year was ¥1,368 million, a decrease of ¥150 million from the previous term. This decrease was mainly attributable to the factors described under “Gross Profit” and “Operating Income,” in addition to ¥291 million in foreign exchange loss and ¥199 million in loss on disposal of inventories in non-operating expenses incurred despite an increase of ¥110 million in amortization of negative goodwill in non-operating income. Moreover, lower extraordinary losses compared to the previous consolidated fiscal year was another factor for the decrease (¥440 million in provisions for director retirements and severance benefits and ¥200 million in a penalty for breach of contract were recorded as extraordinary losses in the previous consolidated fiscal year).

(Net Income)

Net income for this consolidated fiscal year stood at ¥1,035 million, an increase of ¥560 million from the previous consolidated fiscal year. The main reason for the increase was as described in “Income before Income Taxes” above, in addition to the decrease in income tax-deferred due to a rise in deferred tax assets.

Consolidated Balance Sheets

March 31, 2008 and 2007

ASSETS

	Millions of yen		Thousands of U.S. dollars (note 2)
	March 31, 2008	March 31, 2007	March 31, 2008
Current assets:			
Cash and time deposits	¥ 13,188	¥ 12,660	\$ 131,616
Trade notes and accounts receivable (note 19)	19,810	21,046	197,704
Inventories	11,724	11,210	117,012
Deferred tax assets (note 7)	899	634	8,972
Other current assets	1,257	1,551	12,554
Allowance for doubtful accounts	(72)	(89)	(727)
Total current assets	46,806	47,012	467,131
Investments and other assets:			
Investment securities (notes 4 and 9)	3,844	4,761	38,360
Long-term loans	171	175	1,707
Deferred tax assets (note 7)	3,301	2,811	32,942
Other	768	933	7,670
Allowance for doubtful accounts	(288)	(382)	(2,884)
Total investments and other assets	7,796	8,298	77,795
Property, plant and equipment (notes 10 and 11):			
Land	12,216	12,251	121,921
Buildings and structures	13,937	13,957	139,097
Machinery, equipment and vehicles	17,409	17,464	173,746
Tools, furniture and fixtures	8,540	8,746	85,225
Construction in progress	349	341	3,487
	52,451	52,759	523,476
Accumulated depreciation	(31,041)	(30,725)	(309,798)
Property, plant and equipment, net	21,410	22,034	213,678
Intangible assets, net of accumulated amortization:			
Software	615	567	6,141
Other	192	197	1,920
Intangible assets, net	807	764	8,061
Deferred initial costs of business, net of accumulated amortization	4	6	37
Total assets	¥ 76,823	¥ 78,114	\$ 766,702

See accompanying notes to consolidated financial statements.

Consolidated Balance Sheets

March 31, 2008 and 2007

LIABILITIES AND NET ASSETS

	Millions of yen		Thousands of U.S. dollars (note 2)
	March 31, 2008	March 31, 2007	March 31, 2008
Current liabilities:			
Trade notes and accounts payable	¥ 15,855	¥ 15,529	\$ 158,237
Short-term bank loans (note 5 and 10)	5,059	2,625	50,486
Current portion of bond (note 6)	-	-	-
Accrued income taxes	274	534	2,730
Consumption taxes payable	90	162	897
Accrued employees' bonuses	943	843	9,414
Allowance for claims management	68	-	682
Accrued directors' bonuses	47	55	472
Other current liabilities	2,749	3,476	27,436
Total current liabilities	25,085	23,224	250,354
Long-term liabilities:			
Bonds, less current portion (note 6)	3,900	3,900	38,922
Long-term bank loans, less current portion (note 5 and 10)	903	3,234	9,009
Deferred tax liability on land revaluation (note 11)	2,194	2,194	21,898
Accrued employees' retirement and severance benefits (note 18)	9,520	9,116	95,008
Accrued directors' retirement and severance benefits	260	440	2,597
Other	3,492	3,433	34,844
Total long-term liabilities	20,269	22,317	202,278
Total liabilities	45,354	45,541	452,632
Shareholders' equity			
Common stock:			
Authorized 239,000,000 shares in 2008 and 2007			
Issued and outstanding 78,219,507 shares in 2008 and 2007	8,640	8,640	86,233
Capital surplus	6,175	6,173	61,629
Retained earnings	12,196	11,551	121,719
Treasury stock	(934)	(79)	(9,331)
Total shareholders' equity	26,077	26,285	260,250
Valuation and translation adjustments:			
Unrealized holding gain (loss) on available-for-sale securities	610	1,147	6,084
Surplus from land revaluation (note 11)	3,067	3,067	30,617
Foreign currency translation adjustments	(228)	(271)	(2,279)
Total valuation and translation adjustments	3,449	3,943	34,422
Minority interests	1,943	2,345	19,398
Total net assets	31,469	32,573	314,070
Contingent liabilities (note 19)			
Total liabilities and net assets	¥ 76,823	¥ 78,114	\$ 766,702

See accompanying notes to consolidated financial statements.

Consolidated Statements of Income

Years ended March 31, 2008 and 2007

	Millions of yen		Thousands of U.S. dollars (note 2)
	Year ended March 31, 2008	Year ended March 31, 2007	Year ended March 31, 2008
Net sales	¥ 71,746	¥ 70,989	\$ 716,030
Cost of sales	52,559	51,524	524,541
Gross profit	19,187	19,465	191,489
Selling, general and administrative expenses (note 12)	16,498	16,784	164,653
Operating income	2,689	2,681	26,836
Other income (note 13):			
Interest and dividends	179	99	1,786
Equity in earnings of affiliates	72	154	714
Amortization of negative goodwill	184	74	1,839
Foreign exchange profits	-	11	-
Gain on sale of property, plant and equipment	3	193	27
Compensation fees received	38	-	377
Gain on sale of investment securities	2	1	22
Reversal of allowance for doubtful receivables	21	5	213
Other	217	156	2,168
	716	693	7,146
Other expenses (note 14):			
Interest expenses	219	201	2,185
Loss on disposal of inventories	438	-	4,365
Foreign exchange loss	292	-	2,913
Loss on sale and retirement of property, plant and equipment	101	59	1,008
Loss on valuation of investment securities	183	-	1,828
Amortization of transition difference arising from change in accounting for employees' retirement and severance benefits	312	314	3,117
Litigation expenses	59	156	585
Penalty for breach of contract	-	201	-
Expenses for business reorganization of subsidiaries	40	165	401
Provision for directors' retirement and severance benefits	-	440	-
Claims management expenses	146	-	1,457
Transfer to allowance for claims management	110	-	1,098
Allowance for doubtful accounts	1	5	10
Other	136	145	1,360
	2,037	1,856	20,327
Income before income taxes and minority interests	1,368	1,518	13,655
Income taxes: (note 7)			
Current	703	989	7,021
Deferred	(405)	81	(4,051)
	298	1,070	2,970
Income before minority interests	1,070	448	10,685
Minority interests	(35)	27	(354)
Net income	¥ 1,035	¥ 475	\$ 10,331

See accompanying notes to consolidated financial statements.

Consolidated Statements of Changes in Net Assets

Years ended March 31, 2008 and 2007

	Number of shares of common stock issued	Millions of yen				
		Shareholders' equity				
		Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2006	78,219,507	¥8,640	¥6,173	¥11,476	(¥75)	¥26,214
Gain on redemption of treasury stock	-	-	-	(391)	-	(390)
Cash dividends	-	-	-	(24)	-	(24)
Bonuses to directors and statutory auditors	-	-	-	475	-	475
Net income	-	-	-	-	(4)	(4)
Treasury stock acquired, net	-	-	-	29	-	29
Net changes in foreign currency translation adjustments	-	-	-	(14)	-	(14)
Net changes of items other than shareholders' equity	-	-	-	-	-	-
Balance at March 31, 2007	78,219,507	¥8,640	¥6,173	¥11,551	(¥79)	¥26,285
Cash dividends (note 15)	-	-	-	(390)	-	(390)
Bonuses to directors and statutory auditors	-	-	-	-	-	0
Net income	-	-	-	1,035	-	1,035
Treasury stock acquired, net	-	-	2	-	(855)	(853)
Adjustment for decrease in consolidated subsidiaries	-	-	-	-	-	0
Net changes in foreign currency translation adjustments	-	-	-	-	-	0
Net changes of items other than shareholders' equity	-	-	-	-	-	-
Balance at March 31, 2008	78,219,507	¥8,640	¥6,175	¥12,196	(¥934)	¥26,077
		Millions of yen				
		Valuation and translation adjustments				
		Unrealized holding gain (loss) on available-for-sale securities	Surplus from land revaluation	Foreign currency translation adjustments	Total Valuation and translation adjustments	Minority interests
Balance at March 31, 2006	¥1,386	¥3,067	(¥420)	¥4,033	¥3,258	¥33,505
Gain on redemption of treasury stock	-	-	-	-	-	(391)
Cash dividends	-	-	-	-	-	(24)
Bonuses to directors and statutory auditors	-	-	-	-	-	475
Net income	-	-	-	-	-	(4)
Treasury stock acquired, net	-	-	-	-	-	29
Net changes in foreign currency translation adjustments	-	-	-	0	-	(14)
Net changes of items other than shareholders' equity	(239)	-	149	(90)	(913)	(1,003)
Balance at March 31, 2007	¥1,147	¥3,067	(¥271)	¥3,943	¥2,345	¥32,573
Cash dividends (note 15)	-	-	-	-	-	(390)
Bonuses to directors and statutory auditors	-	-	-	-	-	0
Net income	-	-	-	-	-	1,035
Treasury stock acquired, net	-	-	-	-	-	(853)
Adjustment for decrease in consolidated subsidiaries	-	-	-	-	-	0
Net changes in foreign currency translation adjustments	-	-	-	-	-	0
Net changes of items other than shareholders' equity	(537)	-	43	(494)	(402)	(896)
Balance at March 31, 2008	¥610	¥3,067	(¥228)	¥3,449	¥1,943	¥31,469

	Number of shares of common stock issued	Thousands of U.S. dollars (note 2)				
		Shareholders' equity				
		Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2007	78,219,507	\$86,233	\$61,603	\$115,284	(\$794)	\$262,326
Cash dividends (note 15)	-	-	-	(3,896)	-	(3,896)
Bonuses to directors and statutory auditors	-	-	-	-	-	0
Net income	-	-	-	10,331	-	10,331
Treasury stock acquired, net	-	-	26	-	(8,537)	(8,511)
Adjustment for decrease in consolidated subsidiaries	-	-	-	-	-	0
Net changes in foreign currency translation adjustments	-	-	-	-	-	0
Net changes of items other than shareholders' equity	-	-	-	-	-	0
Balance at March 31, 2008	78,219,507	\$86,233	\$61,629	\$121,719	(\$9,331)	\$260,250

	Thousands of U.S. dollars (note 2)					
	Valuation and translation adjustments				Minority interests	Total net assets
	Unrealized holding gain (loss) on available-for-sale securities	Surplus from land revaluation	Foreign currency translation adjustments	Total Valuation and translation adjustments		
Balance at March 31, 2007	\$11,452	\$30,617	(\$2,710)	\$39,359	\$23,404	\$325,089
Cash dividends (note 15)	-	-	-	-	-	(3,896)
Bonuses to directors and statutory auditors	-	-	-	-	-	0
Net income	-	-	-	-	-	10,331
Treasury stock acquired, net	-	-	-	-	-	(8,511)
Adjustment for decrease in consolidated subsidiaries	-	-	-	-	-	0
Net changes in foreign currency translation adjustments	-	-	-	-	-	0
Net changes of items other than shareholders' equity	(\$5,368)	-	\$431	(\$4,937)	(\$4,006)	(\$8,943)
Balance at March 31, 2008	\$6,084	\$30,617	(\$2,279)	\$34,422	\$19,398	\$314,070

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Years ended March 31, 2008 and 2007

	Millions of yen		Thousands of U.S. dollars (note 2)
	March 31, 2008	March 31, 2007	March 31, 2008
Cash Flows from Operating Activities:			
Income (loss) before income taxes and minority interests	¥ 1,368	¥ 1,518	\$ 13,655
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	1,993	1,808	19,887
Amortization of negative goodwill	(184)	(74)	(1,839)
Accrued employees' retirement and severance benefits	404	428	4,030
Accrued directors' retirement and severance benefits	(180)	440	(1,798)
Increase (Decrease) in allowance for claims management	68	-	682
Accrued employees bonuses	100	(44)	1,000
Accrued directors' bonuses	(8)	55	(79)
Allowance for doubtful accounts	(104)	(30)	(1,038)
Interest and dividends	(179)	(99)	(1,786)
Interest expenses	233	214	2,321
Foreign exchange gain (loss)	143	0	1,429
Gain on sales of marketable and investment securities	(2)	0	(22)
Loss on valuation of investment securities	183	-	1,828
Loss on sale and retirement of property, plant and equipment	98	(134)	981
Equity in earnings or losses of affiliates	(72)	(154)	(714)
Penalty for breach of contract	-	200	-
Bonuses to directors and statutory auditors	-	(30)	-
Change in assets and liabilities:			
Receivables	1,187	29	11,847
Inventories	(563)	(791)	(5,619)
Payables	346	(1,658)	3,456
Other, net	(429)	1,254	(4,284)
Subtotal	4,402	2,932	43,937
Interest and dividends	239	150	2,394
Special charges and penalty for breach of contract	-	(467)	-
Interest	(230)	(195)	(2,299)
Income taxes	(968)	(823)	(9,669)
Net cash provided by operating activities	3,443	1,597	34,363
Cash Flows from Investing Activities:			
Increase in time deposit (more than 3 months)	(11)	(14)	(110)
Decrease in time deposit (more than 3 months)	17	75	170
Purchases of property, plant and equipment	(1,332)	(1,262)	(13,302)
Proceeds from sales of property, plant and equipment	90	487	906
Purchases of intangible assets	(267)	(278)	(2,662)
Purchases of investment securities	(219)	(73)	(2,190)
Proceeds from sales of investment securities	20	1	208
Payment of loans	(171)	(121)	(1,715)
Proceeds from collection of loans	181	136	1,805
Other, net	257	94	2,570
Net cash used in investing activities	(1,435)	(955)	(14,320)
Cash Flows from Financing Activities:			
Increase in short-term bank loans	15,210	16,658	151,806
Repayments of short-term bank loans	(14,843)	(16,890)	(148,136)
Increase in long-term bank loans	30	203	299
Repayments of long-term bank loans	(295)	(130)	(2,948)
Proceeds from issuance of bonds	-	3,900	-
Redemptions of bond	-	(3,400)	-
Proceeds from sales of treasury stock	16	0	163
Purchases of treasury stock	(864)	(4)	(8,624)
Purchases of subsidiaries treasury stock by the subsidiaries	(51)	(85)	(516)
Dividends paid	(390)	(391)	(3,896)
Dividends paid to minority interests	(141)	(110)	(1,408)
Net cash used in financing activities	(1,328)	(249)	(13,260)
Effect of exchange rate changes	(147)	95	(1,464)
Net Increase (Decrease) in Cash and Cash Equivalents	533	488	5,319
Cash and Cash Equivalents at Beginning of Year	11,803	11,315	117,797
Cash and Cash Equivalents at End of Year (note16)	¥ 12,336	¥ 11,803	\$ 123,116

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

March 31, 2008 and 2007

1. Summary of Significant Accounting Policies

(a) Basis of presentation

The accompanying consolidated financial statements of IWASAKI ELECTRIC Co., Ltd. (“the Company”) and consolidated subsidiaries are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to the application and disclosure requirements of International Financial Reporting Standards, and are compiled from the consolidated financial statements prepared by the Company as required by the Securities and Exchange Law of Japan.

In preparing the accompanying consolidated financial statements, certain reclassifications have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar with regard to Japan. In addition, the notes to the consolidated financial statements include information that is not required under accounting principles generally accepted in Japan but is presented herein as “Additional information.”

Certain reclassifications of previously reported amounts have been made to conform the consolidated financial statements for the year ended March 31, 2007 to the 2008 presentation.

(b) Principles of consolidation and accounting for investments in unconsolidated subsidiaries and affiliates

The accompanying consolidated financial statements include the accounts of the Company and of all significant subsidiaries.

The investments in significant affiliates are accounted for by the equity method.

Investments in unconsolidated subsidiaries and affiliates not accounted for by the equity method are stated at cost or less. Where there has been a permanent decline in the value of the investments, the Company has written them down to reflect the impairment.

All significant intercompany balances and transactions have been eliminated in consolidation.

(c) Accounting period

The accounting period of the Company and its domestic subsidiaries begin on April 1 and end March 31 of the following year.

The accounts of foreign consolidated subsidiaries have fiscal years ending on December 31. The necessary adjustment for significant transactions between December 31 and March 31 of the following year, if any, are made in the preparation of the consolidated financial statements.

(d) Translation of foreign currency transactions and financial statements

Monetary assets and liabilities, including non-current receivables and payables denominated in foreign currencies are translated into yen at the rates in effect at the balance sheet date and the assets and liabilities of foreign consolidated subsidiaries are translated into yen at the rate of exchange in effect at the balance sheet date. Foreign exchange gains and losses resulting from foreign currency transactions are credited or charged to operations and translation differences resulting from the translation of the financial statements are included in net assets and minority interests.

(e) Marketable securities and investment securities

Trading securities are carried at market value and held-to-maturity securities are amortized or accumulated to face value.

Other securities with a market value are classified as available-for-sale securities and carried at market value.

The difference between the acquisition cost and the carrying value of other securities is recognized in unrealized loss on available-for-sale securities, net of related deferred income taxes, in net assets.

Other securities without a market value are stated at cost determined by the moving average method.

The cost of other securities sold is calculated based by the moving average method. During the years ended March 31, 2008 and 2007, the Company and consolidated subsidiaries had neither trading securities nor held-to-maturity securities.

(f) Derivatives and the hedging activities

The Company uses derivative financial instruments to manage the risks arising from fluctuations in foreign currency exchange rates and their exposures to fluctuations in interest rates. Interest rate swaps are utilized by the Company to reduce interest rate risks. Gains or losses arising from changes in the fair value of financial instruments designated as hedging instruments are deferred as assets or liabilities and charged to gains or losses during the same period in which the gains or losses on the hedged items are recognized. If interest rate swap agreements meet certain hedging criteria, the net amount to be paid or received under the agreement is added to or deducted from the interest on the hedged items. The Company does not enter into derivative for trading or speculative purposes.

Trade receivables, payable and forecasted transaction hedged by qualified forward foreign exchange contracts are translated at the corresponding foreign exchange contract rates.

(g) Inventories

Inventories are stated at cost as determined by the weighted-average method.

(h) Property, plant and equipment, and depreciation

Property, plant and equipment are stated at cost. Depreciation of property, plant and equipment of the Company and its domestic subsidiaries except for buildings, excluding structures, is principally calculated by the declining-balance method in conformity with the Corporation Tax Law of Japan. Depreciation of property, plant and equipment of foreign subsidiaries and buildings, excluding structures, of the Company and its domestic subsidiaries is calculated by the straight-line method.

Changes in Accounting Policy.

Effective April 1, 2007, the Company and its domestic consolidated subsidiaries have changed their method of depreciation based on an amendment to the Corporation Tax Law of Japan for tangible fixed assets acquired on or after April 1, 2007. As a result of this change, operating income and income before income taxes decreased by ¥75 million (US\$749 thousand), respectively.

Impacts of such change on the segment information are explained in the sections of such segments.

Effective April 1, 2007, the Company and its domestic consolidated subsidiaries have changed their method of depreciation based on an amendment to the Corporation Tax Law of Japan for tangible fixed assets acquired on or prior to March 31, 2007. Such tangible fixed assets are to be depreciated based on the difference between the equivalent of 5% of acquisition cost and memorandum value over a period of 5 years once they have been fully depreciated to the limits of their respective depreciable amounts effective April 1, 2007. As a result of this change, operating income decreased by ¥162 million (US\$1,615 thousand), and ordinary income and income before income taxes shrank by ¥163 million (US\$1,631 thousand), respectively. Impacts of such change on the segment information are explained in the sections of such segments.

(i) Intangible assets and long-term prepaid expenses

Intangible assets and long-term prepaid expenses of the Company and its subsidiaries are principally amortized by the straight-line method. Cost of software purchased for internal use is amortized by the straight-line method over 5 years, the useful lives of purchased software.

(j) Allowance for doubtful receivables

The Company and domestic subsidiaries provide allowances for estimated bad debt losses of the amounts calculated based on the past experience for receivables other than doubtful receivables and the uncollectible amounts estimated separately on each doubtful receivable. Overseas subsidiaries provide allowances for doubtful receivables principally based on the estimated uncollectible amounts.

(k) Accrued employee bonuses

Accrued employee bonuses are provided for payments of bonuses to employees at reasonably estimated amounts calculated based on the Company's bonus payment regulations and its subsidiaries except for foreign subsidiaries.

(l) Accrued bonuses to directors and corporate auditors

Accrued bonuses to directors and corporate auditors are provided for the expected payment of director and corporate auditor bonuses for the current fiscal year to those directors and corporate auditors serving at the end of the fiscal year.

(m) Employees' retirement and severance benefits

Accrued retirement and severance benefits are provided based on the actuarially calculated value of retirement and severance benefits obligation and the pension assets.

The transitional obligation of ¥4,680 million (US\$46,707 thousand) arising from the adoption of the accounting standard is amortized using straight-line method over 15 years from the year ended March 31, 2001. Actuarial gain or loss is amortized using the straight-line method over 15 years, which is within the estimated average remaining service years of employees.

From this consolidated fiscal year, "Partial Amendments (No. 2) to Accounting Standards for Retirement Benefits" (Accounting Standard No. 14 issued on May 15, 2007) was applied.

(n) Retirement benefits for directors and corporate auditors

Retirement benefits for directors and corporate auditors are provided for at an amount based upon internal rules at the balance sheet date.

(o) Allowance for claims management

Allowance for claims management is provided for free checkup and replacement expenses arising from any faults in "CERALUX" lamps at the end of the fiscal year.

(p) Leases

Finance leases, except for those that transfer ownership of the property to the lessees, are accounted for similar to operating leases.

(q) Amortization of negative goodwill

Negative goodwill is amortized evenly over 5 years; if the amount is very small, however, it is amortized in a lump at occurrence.

(r) Consumption taxes

Consumption tax is calculated by the tax-segregated method.

(s) Cash and cash equivalents

Cash and cash equivalents in the cash flow statements consist of cash on hand, demand deposit and liquid short-term investments with maturity of three months or less from acquisition dates.

(t) Comparatives

Certain accounts in consolidated financial statements for the year ended March 31, 2007, have been reclassified to conform to the 2008 presentation.

2. Basis of Translating Financial Statements

The consolidated financial statements presented herein are expressed in yen and, solely for the convenience of the reader, have been translated into U.S. dollar amounts at the rate of ¥100.2=U.S.\$1, the approximate exchange rate on the Tokyo Foreign Exchange Market on March 31, 2008. This translation should not be construed as a representation that the amounts shown could be converted into U.S. dollars at such date.

3. Investment Securities

Information regarding marketable securities classified as available-for-sale securities with market value at March 31, 2008 and 2007 is summarized as follows:

	Millions of yen					
	2008			2007		
	Original cost	Carrying amount (Market value)	Unrealized gain (Loss)	Original cost	Carrying amount (Market value)	Unrealized gain (Loss)
Securities whose carrying amount (market value) exceeds their original costs:						
Equity securities	¥956	¥2,021	¥1,065	¥1,268	¥3,221	¥1,953
Debt securities						
Government bonds	—	—	—	—	—	—
Corporate bonds	—	—	—	—	—	—
Other	—	—	—	18	20	2
Subtotal	956	2,021	1,065	1,286	3,241	1,955
Securities whose original cost exceeds carrying amount (market value):						
Equity securities	551	511	(40)	205	182	(23)
Debt securities						
Government bonds	—	—	—	—	—	—
Corporate bonds	—	—	—	—	—	—
Other	—	—	—	—	—	—
Other	—	—	—	—	—	—
Subtotal	550	511	(40)	205	182	(23)
Total	¥1,507	¥2,532	¥1,025	¥1,491	¥3,423	¥1,932

	Thousands of U.S. dollars		
	2008		
	Original cost	Carrying amount (Market value)	Unrealized gain (Loss)
Securities whose carrying amount (market value) exceeds their original costs:			
Equity securities	\$9,550	\$ 20,178	\$10,628
Debt securities			
Government bonds	—	—	—
Corporate bonds	—	—	—
Other	—	—	—
Subtotal	9,550	20,178	10,628
Securities whose original cost exceeds carrying amount (market value):			
Equity securities	5,497	5,103	(394)
Debt securities			
Government bonds	—	—	—
Corporate bonds	—	—	—
Other	—	—	—
Other	—	—	—
Subtotal	5,497	5,103	(394)
Total	\$15,047	\$25,281	\$10,234

Note: As for the shares with market values under the Other Securities category, an impaired loss of ¥183 million was stated for this consolidated fiscal year. Accounting for impaired assets was applied to cases where the market value at the fiscal year-end was 30% or less than the acquisition cost of such shares, and the amount recognized as necessary was recorded as a loss, taking the possibilities of recovery into consideration.

Proceeds from sales of securities classified as available-for-sale securities totaled ¥20 million (US\$208 thousand) and ¥1 million for the year ended March 31, 2008 and 2007, respectively, with gross realized gain of ¥2 million (US\$21 thousand) for the year ended March 31, 2008, and gross realized gain of ¥0 for the year ended March 31, 2007.

Securities recorded at cost at March 31, 2008 and 2007, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Other securities:			
Non-marketable equity securities (except for equity securities listed on the over-the-counter market)	¥422	¥ 422	\$4,213
Total	¥422	¥ 422	\$4,213

4. Short-Term Bank Loans, Long-Term Bank Loans and Other Long-Term Liability with Interest

Short-term loans from banks at average interest rate of 1.24% amounted to ¥2,699 million (US\$26,932 thousand) and ¥2,331 million at March 31, 2008 and 2007, respectively.

Long-term bank loans and deposits received classified as other long-term liabilities with interest at March 31, 2008 and 2007 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Loans, principally from banks, maturing in installments through 2012 with average interest rate 1.19%	¥3,262	¥ 3,528	\$32,562
Less current portion with average interest rate 1.19%	(2,360)	(294)	(23,554)
Net loans	902	3,234	9,008
Deposits received with average interest rate 3.10%	2,845	2,833	28,394
Total of long-term bank loans and deposits received with interest	3,747	¥ 6,067	37,402

The aggregate annual maturities of long-term bank loans subsequent to March 31, 2008 are summarized as follows:

	Loans		Other long-term liabilities	
	Millions of yen	Thousands of U.S. dollars	Millions of yen	Thousands of U.S. dollars
Year ending March 31,				
2008	¥ 2,360	\$23,554	¥ –	\$ –
2009	137	1,365	–	–
2010	751	7,493	–	–
2011	15	150	–	–
2012	–	–	–	–

5. Bonds

Bonds at March 31, 2008 and 2007 consisted of the following:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Unsecured straight bond, issued on October 11, 2006, due October 9, 2009 With interest rate 1.29%	1,600	1,600	15,968
Unsecured straight bond, issued on October 10, 2006, due October 9, 2009 With interest rate 1.25%	1,200	1,200	11,976
Unsecured straight bond, issued on October 12, 2006, due October 9, 2009 With interest rate 1.15%	500	500	4,990
Unsecured straight bond, issued on October 12, 2006, due October 9, 2009 With interest rate 1.08%	300	300	2,994
Unsecured straight bond, issued on October 10, 2006, due October 9, 2009 With interest rate 1.34%	300	300	2,994
Total	¥ 3,900	¥ 3,900	\$38,922
Less current portion	-	-	-
	¥ 3,900	¥ 3,900	\$38,922

The aggregate annual maturities of bonds subsequent to March 31, 2008 are summarized as follows:

	Millions of yen	Thousands of U.S. dollars
Year ending March 31,		
2009	¥ -	\$ -
2010	3,900	\$38,922

6. Income Taxes

The tax effect of temporary differences that give rise to significant portion of the deferred tax assets and deferred tax liabilities at March 31, 2008 and 2007 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Deferred tax assets:			
Operating loss carry forward for tax Purposes	¥578	¥1,073	\$5,768
Accrued employees' retirement and severance benefits	3,744	3,592	37,365
Unrealized loss on available-for-sale securities	15	9	155
Other	1,033	1,014	10,307
Gross deferred tax assets	5,370	5,688	53,595
Valuation allowance	(572)	(1,294)	(5,706)
Total deferred tax assets	¥4,798	¥ 4,394	\$47,889
Deferred tax liabilities:			
Land revaluation	(115)	(115)	(1,146)
Unrealized gain on available-for-sale securities	(425)	(776)	(4,246)
Other	(58)	(58)	(584)
Gross deferred tax liabilities	(598)	(949)	(5,976)
Net deferred tax assets	¥ 4,200	¥ 3,445	\$41,913

The reconciliation from the Japanese statutory tax rate to the actual tax rate applicable to the Company for the year ended March 31, 2008 and 2007 were as follows:

	2008	2007
Japanese statutory tax rate	40.0 %	40.0 %
Permanent differences, including entertainment etc.	4.3	37.5
Permanent differences, including dividend income	13.3	(26.1)
Inhabitant taxes per capita etc.	5.8	5.0
Valuation allowance	(35.7)	3.5
Amortization of negative goodwill	(5.2)	-
Other	(0.7)	10.6
Actual tax rate	21.8 %	70.5 %

7. Shareholders' equity

The Corporation Law of Japan (hereafter, "the "Law") provides that an amount equal to at least 10% of the amount to be disbursed as distributions of earnings be appropriated to the legal reserve until the sum of the reserve and the additional paid-in capital account, which is included in Capital Surplus in consolidated balance sheet, equals 25% of the common stock account. The Law provides that neither additional paid-in capital nor the legal reserve in available for dividends, but both may be used to reduce or eliminate a deficit by resolution of the shareholders or may be transferred to common stock upon approval by the Board of Directors. Accordingly, the Law provides that if the total amount of additional paid-in capital and the legal reserve exceeds 25% of the amount of common stock, the excess may be distributed to the shareholders either as a return of capital or as dividends subject to the approval of the shareholders.

8. Investments in Unconsolidated Subsidiaries and Affiliates

Investments in unconsolidated subsidiaries and affiliates at March 31, 2008 and 2007 amounted to ¥888 million (US\$8,866 thousand) and ¥916 million, respectively, and accounted for principally by the equity method.

9. Pledged and Deposited Assets

A summary of assets pledged as collateral for short-term loans from bank in the amount of ¥ 1,134 million (US\$11,317 thousand) and ¥0, and long-term debt in the amount of ¥16 million (US\$160 thousand) and ¥1,197 million at March 31, 2008 and 2007, respectively, is presented below:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Buildings and structures	¥ 811	¥ 849	\$8,097
Machinery and equipment	1,257	1,367	12,542
Land	3,101	3,101	30,947
	¥ 5,169	¥ 5,317	\$51,586

10. Surplus from Land Revaluation

Based on the Law Land Revaluation promulgated on March 31, 1998, the Company revalued its land used for business purposes as of March 31, 2000, in accordance with the revaluation method as stated in Article 3-3 of the Law Concerning Land Revaluation.

The value of land is based on the official notice prices calculated as directed by public notification of the Commissioner of the National Tax Administration and as provided for in the Law Concerning Public Notification of Land Prices, as stipulated in Article 2-4 of the Ordinance Implementing the Law Concerning Land Revaluation (Government Ordinance No. 119, promulgated March 3, 1998), after making reasonable adjustments.

The differences between the revalued carrying amount and the fair value as of March 31, 2008 and 2007 of lands revalued pursuant to the Article 10 of the law were ¥1,808 million (US\$18,044 thousand) and ¥2,096 million, respectively.

The amount of tax effect on the revaluation differences is included in the deferred tax liabilities. The revaluation difference less this tax liability is reported as surplus from land revaluation in shareholders' equity.

11. Selling General and Administrative Expenses

Major expenses included in selling, general and administrative expenses for the year ended March 31, 2008 and 2007 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Salaries	¥ 5,829	¥ 6,047	\$58,178
Packing and transportation costs	1,881	1,831	18,776
Employees' bonuses	903	1,001	9,017

Research and development expenses included in general and administrative expenses and manufacturing cost for the year ended March 31, 2008 and 2007, amounted to ¥460 million (US\$4,586 thousand) and ¥459 million respectively.

12. Other Income

Other income included gain on sale of machinery and equipment, etc of ¥3 million (US\$27 thousand) in 2008 and sale of land of ¥ 193 million in 2007.

13. Other expenses

For the year ended March 31, 2008, other expenses included loss on retirement and sale of tools, furniture and fixtures of ¥24 million (US\$235 thousand), loss on retirement of buildings of ¥18 million (US\$184 thousand), and loss on retirement of machinery and equipment of ¥37 million (US\$373 thousand), respectively.

Litigation expenses, including attorney's fees, represent the cost of protecting certain of the Company's intellectual property rights.

For the year ended March 31, 2007, other expenses included loss on retirement and sale of buildings of ¥9 million, and loss on retirement of machinery and equipment of ¥9 million, of tools, furniture and fixtures of ¥32 million, and sales of tools, furniture and fixtures of ¥6 million, respectively.

Litigation expenses, including attorney's fees, represent the cost of protecting certain of the Company's intellectual property rights.

Loss on disposal of inventories of ¥238 million (US\$2,377 thousand) is incurred from disposal of products that are not permitted to be distributed from the next fiscal year due to enforcement of Electrical Appliance and Material Safety Law ("PSE Law").

Claims management expenses represent the expenses incurred from free checkup and replacement due to faults in "CERALUX" lamps.

14. Supplemental information of Consolidated Statements of Changes in Net Assets

(a) Type and number of shares outstanding and treasury stock

	Number of shares (thousand)			
	March 31, 2007	Increased	Decreased	March 31, 2008
Type of shares outstanding				
Common stock	78,219	-	-	78,219
Total	78,219	-	-	78,219
Type of treasury stock				
Common stock	354	3,687	42	3,999
Total	354	3,687	42	3,999

Note: Increase of 3,687,229 shares in treasury stock of common stock is a total of 3,669,000 shares acquired based on the resolution of the Board of Directors, 11,830 shares from purchase of shares held by shareholders not comprising one trading unit, and 6,399 shares due to changes in equity. The decrease of 42,115 shares consists of 3,935 shares sold to shareholders holding shares not comprising one trading unit, and 38,180 shares sold.

(b) Matters related to dividends

Approvals by ordinary general meeting of shareholders held on June 28, 2007 are as follows;

Dividends on Common stock

Total amount of dividends	¥390 million (US\$3,896 thousand)
Dividends per share	¥5 (US\$0.05)
Record date	March 31, 2007
Effective date	June 29, 2007

Dividends whose record date is attributable to the accounting period ended March 31, 2008, but become effective after the said accounting period. The Company resolved approval at the General Meeting of Shareholders to be held on June 28, 2008 as follows;

Dividends on Common stock

Total amount of dividends	¥372 million (US\$3,714 thousand)
Funds for dividends	Retained earnings
Dividends per share	¥5 (US\$0.05)
Record date	March 31, 2008
Effective date	June 30, 2008

15. Supplemental Cash Flow Information

A reconciliation of cash and cash equivalents as of March 31, 2008 and 2007 to accounts and amounts in the accompanying balance sheets was as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Cash and time deposits	¥ 13,188	¥ 12,661	\$ 131,616
Time deposits with maturity in excess of three months	(852)	(858)	(8,500)
Cash and cash equivalents	¥ 12,336	¥ 11,803	\$ 123,116

16. Leases

Finance leases, except for those which transfer ownership of the property to the lessees, are accounted for similar to operating leases.

(1) A summary of pro forma amounts (inclusive of imputed interest expense portion) of acquisition cost, accumulated depreciation and net book value at March 31, 2008 and 2007, of mainly leased tools, furniture and fixtures was, if they had been capitalized, as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Acquisition cost	¥ 1,395	¥ 1,308	\$13,927
Accumulated depreciation	917	865	9,148
Net book value	¥ 478	¥ 442	\$4,779

(2) A summary of future minimum lease payments (inclusive of imputed interest expense portion), required under non-cancelable operating lease at March 31, 2008 and 2007, was as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Paid in one year or less	¥ 172	¥ 174	\$1,715
Paid after one year	307	269	3,064
Total	¥479	¥ 443	\$4,779

(3) Lease payments and pro forma depreciation for the year ended March 31, 2008 and 2007 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Lease fees paid	¥ 207	¥ 233	\$2,063
Depreciation expense	207	233	2,063

(4) Depreciation charges are calculated using the straight-line method over lease terms assuming no residual value.

17. Employees' Retirement and Severance Benefits

The Company and certain of its domestic subsidiaries have defined benefit plans covering substantially all of its employees. The plan includes the tax-qualified funded pension plan. Under the plan, employees are entitled to lump sum or pension of severance or retirement benefits, determined by points accumulated monthly based on employees' contributions, length of service and the conditions under which the termination occurs.

The plans' funded status and amount recognized in the accompanying consolidated balance sheets at March 31, 2008 and 2007, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Project benefit obligations	¥ (15,930)	¥ (15,983)	(158,985)
Plan assets at fair value	2,562	2,844	25,570
Projected benefit obligation in excess of plan assets	(13,368)	(13,139)	(133,415)
Unrecognized transitional obligation	2,192	2,496	21,880
Unrecognized actuarial loss	1,656	1,527	16,528
Accrued employees' retirement and Severance benefits	¥ (9,520)	¥ (9,116)	\$(95,007)

The components of net periodic cost of employees' retirement and severance benefits for the year ended March 31, 2008 and 2007, were as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Service cost	¥ 900	¥ 931	\$8,983
Interest cost	283	285	2,829
Expected return on plan assets	(71)	(66)	(718)
Amortization of actuarial loss	162	167	1,618
Amortization of transitional obligation	312	313	3,117
Net periodic benefit costs	¥1,586	¥1,630	\$15,829
Gain on dissolution of a contributory defined Benefit pension plan	(5)	-	(48)
Total	¥ 1,581	¥ 1,630	\$15,781

The actuarial assumptions used in accounting for the pension plans for the year ended March 31, 2008 and 2007, were as follows:

	2008	2007
Discount rate	1.9%	1.9%
Expected return on plan assets	2.7%	2.5%
Amortization period of actuarial gain/loss	15years	15years
Amortization period of transitional obligation	15years	15years

18. Commitment and Contingent Liabilities

As of March 31, 2008 and 2007, notes receivable discounted with banks amounted to ¥0 and ¥33 million, respectively.

As of March 31, 2008 and 2007, the Company has entered into loan commitment agreements with banks for timely financing amounting to ¥7,000 million (US\$69,860 thousand) and ¥7,000 million, respectively. As of March 31, 2008 and 2007, the unused balances under these credit facilities amounted to ¥5,600 million (US\$55,888 thousand) and ¥5,900 million, respectively.

19. Derivatives

The Company has entered into forward exchange contracts for the purpose of hedging its exposure to adverse fluctuations in foreign exchange rates related to its trade receivables, payable and forecasted transaction denominated in foreign currencies. The Company has entered into interest rate swap agreement to reduce its exposure to future adverse fluctuations in interest rate to its debt instruments. It is the policy of the Company and its subsidiaries not to enter into speculative derivative transactions.

As the Company enters into contracts with domestic banks with high credit ratings, the Company does not anticipate any risk of nonperformance by these counterparties.

In addition, the execution and control of derivative transactions are carried out by the finance division based on the approval by authorized personal in accordance with the Company's internal control policy in terms of the nature and maximum amount of transactions and authorization.

In the year ended March 31, 2008, the Company adopted hedge accounting for all derivative instruments and omitted disclosure regarding their notional amounts and estimated fair value outstanding at March 31, 2008, in accordance with generally accepted accounting principles in Japan.

20. Segment Information

Operations by business group and geographic area are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	March 31, 2008	March 31, 2007	March 31, 2008
(a) Industry Segments			
Sales:			
Lighting Sector	¥ 41,524	¥ 40,212	\$ 414,413
Applied Optics Sector	29,416	28,589	293,572
Other Sector	806	2,188	8,045
	71,746	70,989	716,030
Corporate and eliminations	—	—	—
	¥ 71,746	¥ 70,989	\$ 716,030
Operating cost:			
Lighting Sector	¥ 39,415	¥ 38,243	\$ 393,366
Applied Optics Sector	26,552	25,433	264,987
Other Sector	976	2,439	9,743
	66,943	66,115	668,096
Corporate and eliminations	2,114	2,193	21,098
	¥ 69,057	¥ 68,308	\$ 689,194
Operating income:			
Lighting Sector	¥ 2,109	¥ 1,969	\$ 21,047
Applied Optics Sector	2,864	3,156	28,585
Other Sector	(170)	(251)	(1,698)
	4,803	4,874	47,934
Corporate and eliminations	(2,114)	(2,192)	(21,098)
	¥ 2,689	¥ 2,681	\$ 26,836
Assets:			
Lighting Sector	¥ 31,572	¥ 30,640	\$ 315,090
Applied Optics Sector	28,986	27,512	289,283
Other Sector	859	2,544	8,572
	61,417	60,696	612,945
Corporate and eliminations	15,406	17,418	153,757
	¥ 76,823	¥ 78,114	\$ 766,702
Depreciation:			
Lighting Sector	¥ 1,432	¥ 1,153	\$ 14,286
Applied Optics Sector	517	596	5,160
Other Sector	6	24	62
	1,955	1,773	19,508
Corporate and eliminations	38	35	379
	¥ 1,993	¥ 1,808	\$ 19,887
Capital expenditures:			
Lighting Sector	¥ 1,184	¥ 1,263	\$ 11,817
Applied Optics Sector	388	221	3,874
Other Sector	3	46	34
	1,575	1,530	15,725
Corporate and eliminations	24	11	239
	¥ 1,599	¥ 1,541	\$ 15,964

Industry segments include Lighting Sector, Applied Optics Sector and Others.

1. Industry segments are defined by similarity of products.
2. The main products in each industry segment include:

Lighting Sector	HID lamps and Luminaires/Incandescent lamps and Luminaires/Fluorescent lamps and Luminaires
Applied Optics Sector	Information Display Systems/UV Curing Systems/EB Radiation Systems
Other Sector	Shop & Home Facilities and Agency Services for EYE Group
3. Unallocatable operating costs included in “Corporate and eliminations” are incurred mainly in corporate division of the Company.
4. Assets included in “Corporate and eliminations” are mainly composed of “Cash and time deposits”, “Marketable securities”, “Investment securities” and assets used in the corporate decision in the company.
5. Depreciation method of tangible fixed assets
As explained in “Changes in accounting Policy”,
Effective April 1, 2007, the Company and its domestic consolidated subsidiaries have changed their method of depreciation based on an amendment to the Corporation Tax Law of Japan for tangible fixed assets acquired on or after April 1, 2007.
As a result of this change, operating expenses increased by ¥58 million (US\$576 thousand) in the Lighting sector, ¥17 million (US\$172 thousand) in the Applied Optics sector, ¥0 million in the Other sector and ¥0 million in Eliminations and Corporate, respectively.
Operating income for the respective sectors decreased by the same amount, compared with the method applied prior to the amendment of the Law.

Effective April 1, 2007, the Company and its domestic consolidated subsidiaries have changed their method of depreciation based on an amendment to the Corporation Tax Law of Japan for tangible fixed assets acquired on or prior to March 31, 2007.

Such tangible fixed assets are to be depreciated based on the difference between the equivalent of 5% of acquisition cost and memorandum value over a period of 5 years once they have been fully depreciated to the limits of their respective depreciable amounts effective April 1, 2007.

As a result of this change, operating expenses increased ¥127 million (US\$1,276 thousand) in the Lighting sector, ¥31 million (US\$313 thousand) in the Applied Optics sector, ¥0 million in the Other sector and ¥2 million (US\$25 thousand) in Eliminations and Corporate, respectively.

Operating income for the respective sectors decreased by the same amount, compared with the method applied prior to the amendment of the Law.

	Millions of yen		Thousands of U.S. dollars	
	March 31, 2008	March 31, 2007	March 31, 2008	
(b) Geographic Segments				
Sales:				
Japan	¥ 65,432	¥ 65,700	\$ 653,016	
North America	5,773	4,945	57,617	
Asia	1,595	1,089	15,920	
Europe	157	187	1,564	
	72,957	71,921	728,117	
Corporate and eliminations	(1,211)	(932)	(12,087)	
	¥ 71,746	¥ 70,989	\$ 716,030	
Operating cost				
Japan	¥ 61,500	¥ 61,297	\$ 613,774	
North America	5,009	4,416	49,991	
Asia	1,373	1,035	13,699	
Europe	174	202	1,738	
	68,056	66,950	679,202	
Corporate and eliminations	1,001	1,358	9,992	
	¥ 69,057	¥ 68,308	\$ 689,194	
Operating income				
Japan	¥ 3,932	¥ 4,403	\$ 39,242	
North America	764	529	7,626	
Asia	222	54	2,221	
Europe	(17)	(15)	(174)	
	4,901	4,971	48,915	
Corporate and eliminations	(2,212)	(2,290)	(22,079)	
	¥ 2,689	¥ 2,681	\$ 26,836	
Assets:				
Japan	¥ 55,351	¥ 55,952	\$ 552,408	
North America	4,313	3,564	43,039	
Asia	1,908	1,527	19,043	
Europe	299	318	2,987	
	61,871	61,361	617,477	
Corporate assets and eliminations	14,952	16,753	149,225	
	¥ 76,823	¥ 78,114	\$ 766,702	

Geographic segments are defined by geographical proximity.

1. Each region consists principally of the countries as follows:

North America-U.S.A

Asia-China, Singapore and Malaysia

Europe-the United Kingdom

2. Unallocatable operating costs included in “Corporate and eliminations” are incurred mainly in corporate division of the Company.

3. Assets included in “Corporate and eliminations” are mainly composed of “Cash and time deposits”, “Marketable securities”, “Investment securities” and assets used in the corporate decision in the company.

4. Depreciation method of tangible fixed assets

As explained in “Changes in accounting Policy”,

Effective April 1, 2007, the Company and its domestic consolidated subsidiaries have changed their method

of depreciation based on an amendment to the Corporation Tax Law of Japan for tangible fixed assets acquired on or after April 1, 2007.

Effective April 1, 2007, the Company and its domestic consolidated subsidiaries have changed their method of depreciation based on an amendment to the Corporation Tax Law of Japan for tangible fixed assets acquired on or prior to March 31, 2007.

Such tangible fixed assets are to be depreciated based on the difference between the equivalent of 5% of acquisition cost and memorandum value over a period of 5 years once they have been fully depreciated to the limits of their respective depreciable amounts effective April 1, 2007.

As a result of this change, operating expenses increased ¥ 234(US\$2,340 thousand) million in Japan and ¥ 2 million(US\$24 thousand) in Eliminations and Corporate, respectively, while operating income in each location decreased by the same amount, compared with the method applied prior to the amendment of the Law.

	Millions of yen		Thousands of U.S. dollars
	March 31, 2008	March 31, 2007	March 31, 2008
(c) Overseas sales			
Sales:			
To North America	¥ 5,796	¥ 5,346	\$ 57,849
To Asia	1,903	1,373	18,987
To Europe	527	495	5,264
To other	496	436	4,951
	¥ 8,722	¥ 7,650	\$ 87,051
Ratio to consolidated net sales:			
To North America	8.1 %	7.5 %	
To Asia	2.7	1.9	
To Europe	0.7	0.7	
To other	0.7	0.6	
	12.2 %	10.7 %	

1. Each region consists principally of the following countries:

 North America-U.S.A

 Asia-China, Singapore and Malaysia

 Europe-the United Kingdom

 Other-Australia

2. Overseas sales include the export sales of the parent company and domestic subsidiaries and the domestic sales of the subsidiaries abroad.

21. Amounts Per Share

	Yen		U.S. dollars
	2008	2007	2008
Net income	¥ 13.61	¥ 6.10	\$0.136
Net assets	397.82	388.22	3,970

A basis of the computation of net income per share for the year ended March 31, 2008 and 2007 were as follows:

	Millions of yen		Thousands of U.S. dollars
	2008	2007	2008
Net income per share			
Net income	¥1,035	¥ 475	\$10,331
Amount of unrelated to normal shareholders	—	—	—
Net	¥1,035	¥ 475	\$10,331
Average numbers of shares For the period (share)	76,042,772	77,872,394	76,042,772

22. Business Combination

(Combination of consolidated subsidiary)

- (1) Name of combined company, the legal form of the combination, content of the combined business, principal reasons for the business combination, and overview of the business combination.
 - i) Name of combined company and content of the combined business
 - a. IWASAKI ELECTRIC CO., Ltd
Production of various light sources and lighting equipment, sale, and facilities construction.
 - b. Iwasaki Information Systems Co., Ltd
Production and sale of telecommunications equipment, parts and accessories, and facilities construction.
 - ii) Legal form of the combination
Merger (IWASAKI ELECTRIC CO., Ltd is the surviving company, and Iwasaki Information Systems Co., Ltd. is the extinct company.)
 - iii) Name of the company after combination
IWASAKI ELECTRIC CO., Ltd.
 - iv) Principal reasons for the combination and overview of the business combination
For the purpose of utilizing the availability of the financial resources of the group, improving operational efficiency, and raising corporate value, IWASAKI ELECTRIC CO., Ltd merged with Iwasaki Information Systems Co., Ltd.
 - v) Date of combination
April 1, 2007

(2) Overview of accounts processing

This combination is based on the “Accounting Standards for Business Combination” (issued by the Business Accounting Council on October 31, 2003) and “Guidance on Accounting Standards for Business Combination and Business Separation” (Accounting Standards Board of Japan Guidance No. 10 issued on December 27, 2005). This merger falls under business under the common rule.

(3) The matter of additional acquisition of subsidiary stocks

The Company acquired treasury stocks for ¥9 million (US\$90 thousand) from minority stockholders with the aim of making Iwasaki Information Systems Co., Ltd. a 100% subsidiary before this merger. As a result, negative goodwill, which amounted to ¥492 million (US\$4,910 thousand) occurred. Negative goodwill is amortized evenly over 5 years; if the amount is very small, however, it is amortized in a lump at occurrence.

23. Other Information

On March 31, 2008, four regional bureaus of the Ministry of Land, Infrastructure, Transport and Tourism filed a claim for damages of about 1,306 million yen (including delinquency charges) against the Company and seven other contractors concerning government-contracted works for traffic information display systems. (Of the amount claimed, the portion relating to the work ordered from the Company is 289 million yen.)

At this moment, there is no reasonable estimate of the amount to be paid by the Company, as the grounds for the plaintiff's calculation of damages and many other points are not clear.

In addition, in a patent claim filed against the Company by U.S. Philips Corporation on January 8, 2003, in the United States District Court for the Southern District of New York, alleging infringement of its U.S. patent on a projector lamp, the jury found against the Company on June 24, 2008 (local time). Philips estimated their damages at approximately 53 million dollars. While continuing the negotiation with Philips, the Company intends to appeal the case if the judge rules against the Company in the decision scheduled in about two months.

In Japan, the Intellectual Property High Court on March 20, 2006 dismissed Philips' request for it to repeal of the invalidation of its Japanese patent by the Japan Patent Office.

Report of Independent Auditors

The Board of Directors
IWASAKI ELECTRIC CO., Ltd.

We have audited the accompanying consolidated balance sheets of IWASAKI ELECTRIC CO., Ltd. and consolidated subsidiaries as of March 31, 2008 and 2007, and the related consolidated statements of income, changes in net assets, and cash flows for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

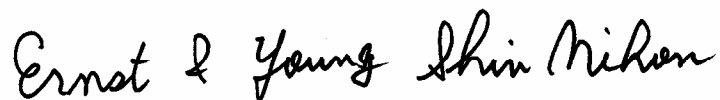
We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of IWASAKI ELECTRIC CO., Ltd. and consolidated subsidiaries at March 31, 2008 and 2007, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles and practices generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2008 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 2 to the consolidated financial statements.

Ernst & Young ShinNihon

June 27, 2008



Board of Directors and Corporate Data

President
Takao Kumasaka
Representative Director

IWASAKI ELECTRIC CO., LTD.
Date of Establishment: August 18, 1944

Senior Managing Director
Tsuneo Baba

12-4, Shiba 3-chome, Minato-ku,
Tokyo 105-0014, Japan
Phone: (03)3452-5351
Facsimile: (03) 3769-8446
<http://www.eye.co.jp/>

Managing Directors
Noriaki Yamauchi
Sales & Marketing Division,
Lighting Business Operations

Capital: ¥8,640 million

Bunya Watanabe
Manufacturing Division

Common Stock
Authorized: 239,000,000 shares
Issued: 78,219,507 Shares

Zentaro Takahashi
Intellectual Property & Legal Department,
Sales Technical Department,
Quality Assurance Department,
Technology, Quality Operations

Number of Shareholders: 9,197

Hiroshi Kawai
R&D Division
Applied Optics Business Operations

Director & Senior Adviser
Akio Tazaki

Directors
Toshifumi Sato
Sales & Marketing Division

Hiroyuki Fujita
Sales & Marketing Division
West Japan Sales Department

Shunichi Sasaki
Manufacturing Division
Light Source Development Department
Development Operations

Masuaki Atsumi
Administrative Division
International Business Division,
General Affairs Operations

Yoshihiro Shibata
Sales & Marketing Division
Applied Optics Sales Department

Corporate Auditors
Yoshiaki Iio
Kazuei Aima

Auditors
Hirokazu Hyodo
Ryohei Nakasu

(As of July 1, 2008)

Major Shareholders	% of Total
Japan Trustee Services Bank, Ltd.(Trust Account)	3.80
Mizuho Corporate Bank, Ltd	3.63
The Sumitomo Mitsui Banking Corp.	3.44
The Meiji Yasuda Life Insurance Company	3.23
The Master Trust Bank of Japan ,Ltd.	2.62
Sompo Japan Insurance Inc.	2.53
EYE LAMP employee stock ownership plan	1.91
The Dai-Ichi Mutual Life Insurance Company	1.91
CBNY DFA INT'L CAP VALUE PORTFOLIO	1.87
Iwasaki Electric Cooperative Association Stock Ownership Plan	1.80

Stock Exchange Listings
Tokyo Stock Exchange 1st Section

Transfer Agent and Registrar
Mizuho Trust & Banking Co., Ltd
2-1, Yaesu 1-chome,
Chuo-ku, Tokyo 103-8670, Japan

Independent Certified Public Accountants
Ernst & Young ShinNihon

Directory

Domestic Plants and Offices

Head Office
12-4, Shiba 3-chome, Minato-ku,
Tokyo 105-0014, Japan
Phone: (03)3452-5351
Facsimile: (03) 3769-8446

International Business Division
7,8th floor, Clair Oda Bldg. 1-2,
Shiba 5-chome, Minato-ku,
Tokyo 108-0014, Japan
Phone: (03) 3454-1841
Facsimile: (03) 3454-1974

Manufacturing Division
Saitama Plant (Saitama Pref.)
Ibaraki Plant (Ibaraki Pref.)

Sales & Marketing Division (Tokyo)

Branches:
East Japan Sales Department
West Japan Sales Department
Local Offices: 48 locations

Corporate Advanced
Technology Center
(Saitama Pref.)

Domestic Affiliates

●Manufacture

EYE LIGHTING SYSTEMS
CORPORATION
A joint venture with GE,
established in 1973
Manufacture of lighting luminaires,
power sources, ballasts and circuits

TAISEIDENKIKOGYO CO., LTD.
Established in 1961
Manufacture and sales of luminaires
and parts

AISHIN CO., LTD.
Established in 1973
Manufacture and sales of luminaires and
electrical appliances

CHICHIBU IWASAKI CO., LTD.
Established in 1985
Manufacture of Halogen lamps,
Thin film products, etc.

KAN-ETSU IWASAKI CO., LTD.
Established in 1985
Manufacture of high-pressure sodium lamp
arc tubes and quartz tubes (cutting)

EYE ELECTRON BEAM CO., LTD.
Established in 1986
Manufacture and sales of EB products,
EB machine installation and maintenance
services

EYE THREE MFG. CO., LTD.
Established in 1988
Manufacture and sales of light poles,
stands and customized lighting luminaires

YAMATO CO., LTD.
Established in 1990
Assembly of FL luminaires for facilities,
and press working

ITO DENKI CO., LTD.
Acquired in 1997
Manufacture of explosion proof luminaires

●Sales and Administration

EYE GRAPHICS CO., LTD.
Established in 1977
Sales of UV applied equipment and printing
platemakers

LIGHT CUBE CO., LTD.
Established in 1978
Design, manufacture, sales and application
of luminaires and allied products

LIGHT FORCE CO., LTD.
Established in 1995
Design, manufacture and sales of luminaires
including for emergency exit sign and of
components

KINKI LIGHT CUBE CO., LTD.
Established in 1995
Design, manufacture and sales of luminaires
including for emergency exit sign and of
components

ITO DENKI HANBAI CO., LTD.
Established in 1999
Sales of explosion proof luminaires

IWASAKI ELECTRIC
ENGINEERING SERVICE CO., LTD.
Established in 1994
Maintenance & inspection, troubleshooting
and remedy proposal of electric equipment

TEITO DENKI CO., LTD.
Established in 1966
Electrical work, and maintenance
management of buildings and road facilities

EYE ONE CO., LTD.
Established in 1987
Service trade for the Iwasaki Group, such as
insurance agency operations

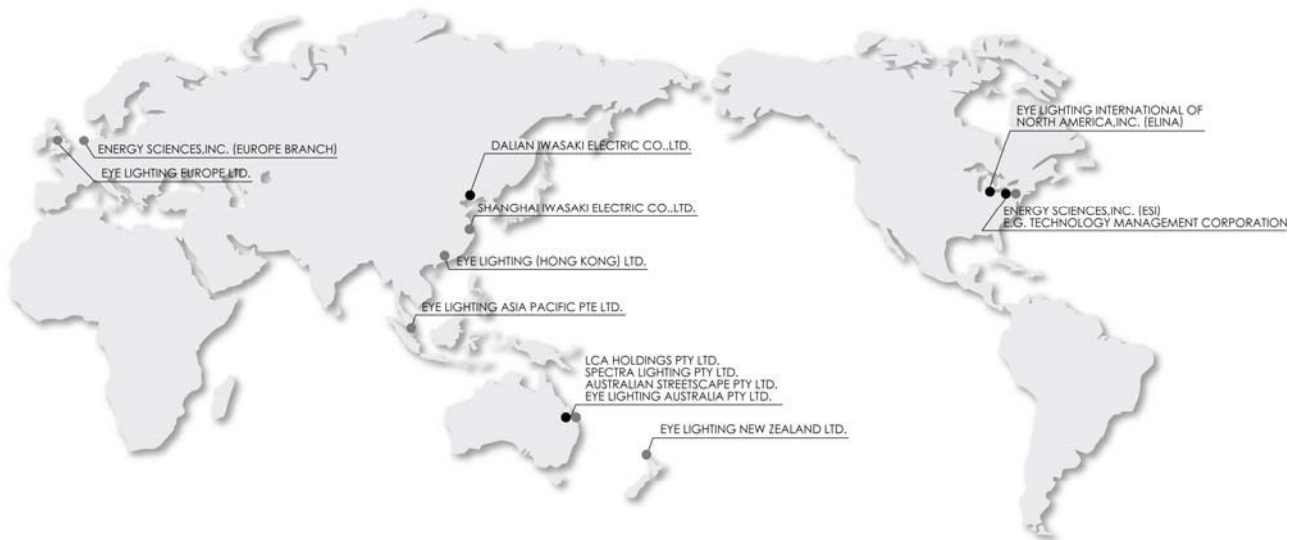
EYE TRADING CO., LTD.
Established in 1988
Import of raw materials and materials, and
export of products other than luminaires

WEST LOGISTICS CO., LTD.
Established in 1996
Autotruck carrier business and joint delivery

EAST LOGISTICS CO., LTD.
Established in 1996
Autotruck carrier business and Joint delivery

(As of July 31, 2008)

Global Network



● Manufacture

ENERGY SCIENCES, INC. (ESI)
Acquired in 1988
42 Industrial Way, Wilmington,
MA 01887, U.S.A.
Phone: (978) 694-9000
Facsimile: (978) 694-9046
Manufacture and Sales of EB
& UV irradiation equipment
and electric equipment

**EYE LIGHTING INTERNATIONAL OF
NORTH AMERICA, INC. (ELINA)**
Established in 1989
9150 Hendricks Road, Mentor,
OHIO44060, U.S.A.
Phone: (440) 350-7000
Facsimile: (440) 350-7001
Manufacture and sales of HID lamp,
arc tubes and outer bulbs

DALIAN IWASAKI ELECTRIC CO., LTD.
Established in 1995
Zheng Pong Industrial Area I-8-3, Dalian
Development Zone, Dalian, P.R. China
Phone: (411) 8751-4186
Facsimile: (411) 8751-4189
Manufacture of HID lamps, stems
and UV lamps

SPECTRA LIGHTING PTY LTD.
Acquired in 1999
15 Industrial Avenue Wacol QLD 4076,
Australia
Phone: (7) 3335-3500
Facsimile: (7) 3335-3550
Manufacture and sales of luminaires

AUSTRALIAN STREETSCAPE PTY LTD.
Acquired in 1999
152 Musgrave Road Coopers Plains
QLD 4108, Australia
Phone: (7) 3274-2183
Facsimile: (7) 3274-2189
Manufacture and sales
of streetscape luminaires

● Sales and Administration

**E.G. TECHNOLOGY MANAGEMENT
CORPORATION**
Established in 1992
42 Industrial Way, Wilmington,
MA 01887, U.S.A.
Phone: 978(694) 9000
Facsimile: 978(694) 9069
Management of EG technology-related Patent

**ENERGY SCIENCES INC.
(EUROPE BRANCH)**
Established in 2000
Nijverheidsweg Noord 131
NL-3812 PL Amersfoort The NetherLands
Phone: (33)422-7288
Facsimile: (33)422-7280
Import and distributor of electron-beam
Processors

EYE LIGHTING ASIA PACIFIC PTE. LTD.
Established in 1988
21 Kaki Bukit Place, Eunos Techpark
Singapore 416199, Singapore
Phone: 6742-3611
Facsimile: 6743-5202
Sales of lamps, Luminaires and electric
Equipment

EYE LIGHTING (HONG KONG) LTD.
A joint venture with Hosoda
Trading Company, Established in 1992
Room 609, Silvercord Tower 2, 30 Canton Road,
Tsimshatsui, Kowloon, Hong Kong
Phone: 2368-8782
Facsimile: 2481-2661
Sales of lamps, Luminaires and electric
Equipment

LCA HOLDINGS PTY LTD.
A joint venture with Marubeni Corporation,
Established in 2000
151 Wellington Road,
East Brisbane QLD4169, Australia
Phone: (7) 3391-8622
Facsimile: (7) 3393-0394
Holding Company

EYE LIGHTING AUSTRALIA PTY LTD.
Acquired in 1974
151 Wellington Road,
East Brisbane QLD4169, Australia
Phone: (7) 3391-8622
Facsimile: (7) 3393-0394
Sales of lamps, Luminaires and electric
Equipment

EYE LIGHTING NEW ZEALAND LTD.
Established in 1989
6 Tiri place, Mt. Wellington,
Auckland, New Zealand
Phone: (9) 276-8099
Facsimile: (9) 276-3474
Sales of lamps, Luminaires
and electric equipment

EYE LIGHTING EUROPE LTD.
Established in 2007
Unit2, Chartridge Development,
Eskdale Road, Uxbridge,
Middlesex UB8 2RT, U.K.
Phone: (1895) 814418
Facsimile: (1895) 814666
Sales of lamps,
Luminaires and electric equipment

**SHANGHAI IWASAKI
ELECTRIC CO.,LTD.**
Established in 2007
Room2412 Bldg."B"Far East International
Plaza No.317 Xianxia Road,Shanghai,
200051, P.R. China
Phone: 21-6235-1352
Facsimile: 21-6235-1353
Materials procurement in China,
inspection and exports
Sales in China of lamps, luminaries
and electric equipment

(As of July 31, 2008)

【MEMO】



IWASAKI ELECTRIC CO., LTD.

12-4, Shiba 3-chome, Minato-ku, Tokyo 105-0014, Japan
<http://www.eye.co.jp/>