



## News Release Dated September 12, 2003

Company name: PHOENIX Electric Co., Ltd.  
President: Sadaichi Saito  
Stock code: 6927  
Stock exchange listing: JASDAQ  
Contact: Youichi Kawasaki, Director, Manager, Administration Dept.  
Tel: +81-792-64-5711

### Notice of Public Sale of Existing Shares

The Board of Directors of PHOENIX Electric Co., Ltd. on September 12, 2003 approved a resolution for the sale existing shares of stock to the public as follows.

1. Number of shares: 1,000,000 shares of common stock
2. Price per share: Undecided (to be determined during the period from September 24 (Wednesday) to September 30 (Tuesday), 2003)
3. Holder of shares: Masaya Nakamura, 1,000,000 shares
4. Method of sale:  
The shares are to be offered by NOMURA SECURITIES CO., LTD., SMBC FRIEND SECURITIES Co., Ltd., UFJ Tsubasa Securities Co., Ltd., TAKAGI SECURITIES Co., Ltd., Okasan Securities Co., Ltd., Ichiyoshi Securities Co., Ltd., Shinko Securities Co., Ltd. and Ace Securities Co., Ltd. under a firm commitment underwriting agreement. Compensation for the underwriters will be the difference between the price at which the shares are sold to the public and the amount paid (the underwriting price) to the holder of the shares to be sold.
5. Subscription period: Subscription period is to be the three business days following the day when the sale price is determined (tentative)
6. Transfer date: Ownership of the shares is to be transferred on the seventh business day following the day when the sale price is determined (tentative)
7. Subscription deposit: Same as the sales price per share
8. Subscription unit: 100 shares
9. The above-mentioned sale of existing shares is subject to approval of the Securities Notification Form filed on September 12, 2003 as prescribed by the Securities and Exchange Law.
10. The Company's president and representative director will be solely responsible for determining the sale price and other items required for this sale of shares.

(Supplemental information)

Purpose of sale of shares

These shares are being sold for the purposes of improving the distribution of share ownership and the liquidity of company stock.

*Note:*

*This document is a press release that was prepared solely for the purpose of providing information to the public concerning the sale of these shares. This is not a solicitation to purchase these shares.*

*Before making an investment decision, investors are urged to read the company's prospectus (and amendments) concerning this transaction.*