

**News Release Dated October 15, 2004**

Company name: PHOENIX Electric Co., Ltd  
President: Sadaichi Saito  
Stock code: 6927  
Stock exchange listing: JASDAQ  
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**Delisting and Re-listing our Shares Pertaining to JASDAQ transformation**

**~ We announce that we have applied to Jasdaq Securities Exchange Inc. to list on its new stock exchange and delist from the current OTC trading market ~**

Our company's shares are currently registered on the JASDAQ over-the-counter trading market established by the Japan Securities Dealers Association (hereafter 'JSDA'). However, Jasdaq Market Inc., which operates the JASDAQ market on authority from JSDA, will change to "Jasdaq Securities Exchange Inc." in early December 2004 in order to establish a new securities exchange.

We have therefore decided to apply to Jasdaq Securities Exchange Inc. to have our shares listed on the new securities exchange that it will establish.

We will also apply to the JSDA to delist our shares from the current OTC trading market if our application to Jasdaq Securities Exchange Inc. to list on its new securities exchange is approved.

Our listing and delisting applications are subject to: 1) the successful transfer of Jasdaq Market Inc. to a securities exchange, which will require a license from the Prime Minister for the establishment of a securities exchange in accordance with Article 80, Section 1 of the Securities and Exchange Law (Law No.25, 1948); and 2) approval by Jasdaq Securities Exchange Inc. for the listing of our shares on its new securities exchange (listing approval will be disclosed by Jasdaq Securities Exchange Inc.).

Our shares will list on the new securities exchange on the day Jasdaq Securities Exchange Inc. begins operations, but will continue to be available for trading on the current OTC market (the JASDAQ market) up through the day before.