

News Release Dated October 18, 2004

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

**Revisions to Interim Consolidated and Non-Consolidated Forecasts
 for the Fiscal Year Ending March 2005**

PHOENIX Electric Co., Ltd. has revised its interim consolidated and non-consolidated forecasts for the fiscal year ending March 2005 (April 1, 2004 – September 30, 2004).

1. Revision to consolidated interim forecasts (Apr. 1, 2004 - Sep. 30, 2004)

Yen in millions, %

	Net sales	Recurring profit	Net income
Revised forecast (A)	5,285	1,265	743
Previous forecast (B) (May 28, 2004)	4,832	962	575
Change (A-B)	453	303	168
Pct. Change (%)	9.4	31.6	29.3
[Reference] Interim previous fiscal year (interim ended Sep. 2003)	3,080	381	229

2. Revision to non-consolidated interim forecasts (Apr. 1, 2004 - Sep. 30, 2004)

Yen in millions, %

	Net sales	Recurring profit	Net income
Revised forecast (A)	4,725	1,204	710
Previous forecast (B) (May 28, 2004)	4,284	929	557
Change (A-B)	441	275	153
Pct. Change (%)	10.3	29.7	27.6
[Reference] Interim previous fiscal year (interim ended Sep. 2003)	2,548	345	209

3. Reasons for revision

Demand for projectors and large-screen rear projection TVs is expanding much faster than projected. As a result lamp manufacturers are finding it difficult to cope with demand.

In response, PHOENIX quickly increased production capacity, thus achieving sales well above initial forecasts.

As a result, consolidated recurring profit for the first six months of the current fiscal year is expected to rise to 1,265 million yen on sales of 5,285 million yen. Net income is likely to be 743 million yen. Non-consolidated sales and income are also expected to surpass previous forecasts. Non-consolidated net sales are likely to be 4,725 million yen and recurring profit 1,204 million yen. Non-consolidated net income is now projected at 710 million yen.

We are now reviewing our full fiscal year forecasts and plan to announce revisions when we release interim results on November 19, 2004.
