

Consolidated Financial Results for the Six Months ended March 31, 2005

May 16, 2005

Company name : Hamamatsu Photonics K.K.

ID number : 6965

URL : www.hamamatsu.com

Representative : Teruo Hiruma, Chairman and Chief Executive Officer

Interim Board of Directors Meeting : May 16, 2005

U.S. accounting standard : Not adopted

Stock listing : Tokyo Stock Exchange First Section

Headquarters : Hamamatsu City, Japan

1. Consolidated financial results for the six months ended Mar. 31, 2005 (From Oct. 1, 2004 through Mar. 31, 2005)

(1) Consolidated operating results

Note : All amounts are rounding down to the nearest million yen

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended Mar. 31, 2005	37,526	10.2	7,049	63.2	7,224	64.5
Six months ended Mar. 31, 2004	34,068	8.4	4,319	61.7	4,391	57.0
Fiscal year ended Sep. 30, 2004	70,466		9,688		9,999	

	Net income		Net income per share		Diluted net income per share	
	Millions of yen	%	Yen		Yen	
Six months ended Mar. 31, 2005	4,566	115.2	70.26		59.31	
Six months ended Mar. 31, 2004	2,122	76.5	32.06		29.04	
Fiscal year ended Sep. 30, 2004	4,652		69.86		63.25	

Notes: 1. Gain or (loss) on investments accounted for by equity method

Six months ended Mar. 31, 2005 : 61 million yen

Six months ended Mar. 31, 2004 : 48 million yen

2. Average number of shares outstanding

Six months ended Mar. 31, 2005 : 64,990,049 shares

Six months ended Mar. 31, 2004 : 66,184,827 shares

3. Changes in accounting method : None

4. Percentages shown in the list for Net sales, Operating income, Ordinary income and Net income represent an increase or decrease from corresponding period of previous fiscal year.

Six months ended Mar. 31, 2005 : 61 million yen

Fiscal year ended Sep. 30, 2004 : 100 million yen

Six months ended Mar. 31, 2005 : 64,990,049 shares

Six months ended Mar. 31, 2004 : 66,184,827 shares

Fiscal year ended Sep. 30, 2004 : 65,749,873 shares

(2) Consolidated financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Six months ended Mar. 31, 2005	137,910	54,792	39.7	843.08
Six months ended Mar. 31, 2004	112,533	50,497	44.9	765.21
Fiscal year ended Sep. 30, 2004	119,045	50,966	42.8	783.30

Notes: Number of shares outstanding at end of period

Six months ended Mar. 31, 2005 : 64,991,407 shares

Six months ended Mar. 31, 2004 : 65,991,718 shares

Six months ended Mar. 31, 2005 : 64,991,407 shares

Fiscal year ended Sep. 30, 2004 : 64,989,991 shares

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Six months ended Mar. 31, 2005	7,193	(4,566)	15,323	40,976
Six months ended Mar. 31, 2004	6,701	(2,086)	(3,210)	17,956
Fiscal year ended Sep. 30, 2004	12,861	(4,526)	(2,045)	23,126

(4) Scope of consolidation and application of equity method

Consolidated subsidiaries : 21

Non-consolidated subsidiaries accounted for by equity method : 0

Affiliates accounted for by equity method : 4

(5) Changes in scope of consolidation and application of equity method

Consolidation : (inclusion) 0 (exclusion) 0

Equity method : (inclusion) 0 (exclusion) 0

2. Forecast of consolidated result for the fiscal year ending Sep. 30, 2005 (From Oct. 1, 2004 through Sep. 30, 2005)

	Net sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Fiscal year ending Sep. 30, 2005	74,300	12,300	7,800

Reference : Projected net income per share for the fiscal year : Yen 119.24

Summary of Consolidated Performance for the First Half of Fiscal Year ending September 30, 2005

I. Business Performance

(1) Summary of the first half:

The business environment in the first half of this fiscal year remained somewhat uneasy. While personal spending was stable and corporate income improved; there was reduction in production in IT related industries due to inventory adjustment and unpredictable oil price.

Under these circumstances, our group, continued to attempt to create new industries. Employing our own knowledge and photonics technologies to a variety of applications, we boosted revenue and income by introducing high-value-added products to the markets.

The first half closed with net sales of JPY 37,526 million, up by JPY 3,458 million (10.2%) and ordinary income of JPY 7,224 million, up by JPY 2,832 million(64.5%) over one year before respectively. Net income resulted in JPY 4,566 million, up by 115.2%, which is JPY 2,444 million over last year.

(2) Segment Information (sales amounts include inter-segment transaction)

1. Sales by Business Sector

a. Opto-Electronic Devices:

Photomultiplier Tubes (PMTs) increased market share in nuclear medicine fields such as PET (Positron Emission Tomography) by addressing high-quality and high-reliability products that meet customers' requirements. In blood and DNA analysis, our unique technologies such as compactness, high sensitivity and low noise performance were sought after by the market. This success continued to demonstrate our strength in this sector. As a whole, PMTs penetrated medical as well as analytical and academic applications and recorded net sales of JPY 8,659 million, up by JPY 1,048 million from one year before.

In the *Light Sources and Imaging Devices* sector, the UV Spot Light Source showed an opposite trend from the year before, recording substantial loss in sales that stemmed from cutbacks in capital investments for example in the Digital Appliance Industry. This loss was recovered by increases in dental imaging; where our high sensitivity and high resolution Fiber Optic Plate with X-ray Scintillator was accepted well. Also helping to offset the loss was increases in sales of static electricity removal systems which utilizes our Photoionizer. The net sales inched up by JPY 94 million to JPY 5,969 million.

Silicon Photodiodes for X-ray CT (Computer Tomography) had a rapid increase in demand due to launching an upgraded version timed well with the market demand. Image sensors for dental application continued to post a steady increase. The Photo IC for automotive industry increased sales thanks to its high durability and reliability. Further, the mini-spectrometer, that contains, an optical sensor, the circuitry need to drive the detector, and a dispersive element was released to the market. This device, which measures light intensity with ease at various wavelengths, helped contributed to the increase. Net sales of *Opto-semiconductor* turned out to be JPY 15,560 million, which was an increase of JPY 1,590 million from one year before.

In summary, net sales for this sector were JPY 30,842 million, up by 10.4% over last year and operating profit JPY 10,265million, up by 26.2%.

b. Imaging and Measurement Instruments:

In line with the increased capital investment in the semiconductor industry, our Semiconductor Failure Analysis Systems, that can pinpoint and analyze a short or broken circuit inside of a semiconductor chip, gained sales mostly in the domestic market. OEM business continued to expand for Digital Cameras in Europe and the U.S. because of their high sensitivity and high-speed detection. The X-ray Line Sensor Camera also showed a steady increase.

Net sales for this sector resulted in JPY 6,638 million, up by 7.2% and operating profit JPY 1,336 million, up by 23.0% over last year respectively..

c. Others:

Net sales for the first half of this fiscal year were JPY 364 million, up by 10.9% and operating loss JPY 41 million, down by 23.0% respectively over last year.

2. Sales by Region

Domestically, the industrial production sector saw a substantial reduction in UV Spot Light Source for UV curing; offset by the Semiconductor Failure Analysis System that rose due to growth in capital investment. In the medical field, Silicon Photodiode for X-ray CT and Photomultiplier Tube for Gamma Ray Cameras saw their gains mostly in Asia. CCD Image Sensor for Dental application gained in Europe. The total domestic sales were JPY 33,040 million, up by 8.9% over last year and operating profits JPY 10,139 million, up by 25.0% compared with one year before.

In *North America*, in the medical field, Silicon Photodiode for X-ray CT declined, but Photomultiplier Tube for PET and Fiber Optic Plate with X-ray Scintillator recorded growth. In the industrial section, Digital Camera showed a gain. The total sales for the region were JPY 8,463 million, up by 15.4% and operating profit JPY 340 million, up by 661.1% over last year respectively.

Europe experienced a steady increase in Opto-semiconductors such as Photo ICs for automotive and Image Sensors for dental application. The total sales were JPY 7,500 million, up by 26.5% and operating profit JPY 953 million, up by 16.2% over last year respectively.

In *Other Regions* mostly represented by China, net sales were JPY 586 million; up by 29.5% and operating profit JPY 58 million, up by 66.1%.

(3) Projection for the year

We expect the Japanese economy will enter into recovery after landing. However, such recovery seems to rely largely on overseas economic expansion and stable oil prices. Finally, the international situation surrounding this country continues to concern us. We thus have to recognize an optimistic approach may not prevail.

Under those severe situation, we project annual sales will be JPY 74,300 million, up by 5.4% ordinary income JPY12,300 million up by 23.0% and net income JPY7,800 million up by 67.6% respectively over last year.

1. Projection for Consolidated Performances for the Year

(unit: in million JPY)

item \ period	First Half Records	compared with previous year	Projection for the Year	
				compared with previous year
Net Sales	37,526	10.2%	74,300	5.4%
Operating Income	7,049	63.2%	11,950	23.3%
Ordinary Income	7,224	64.5%	12,300	23.0%
Net Income	4,566	115.2%	7,800	67.6%

2. Projection for Non-consolidated Performances for the Year

(unit: in million JPY)

item \ period	First Half Records	compared with previous year	Projection for the Year	
				compared with previous year
Net Sales	32,642	8.9%	64,900	4.3%
Operating Income	5,810	66.0%	9,400	19.8%
Ordinary Income	6,647	56.8%	10,400	18.6%
Net Income	4,557	58.6%	700	43.2%

II. Financial Conditions

Summary of cash flow the first half:

Cash flow created from operations for the period was JPY 7,193 million. While there were an increase in income tax payment and a decrease in accounts payable, an increase in pre-tax income and a decrease in accounts receivable contributed to turn to a positive difference of JPY 491 million over last year.

Cash flow from investment activity was minus JPY 4,566 million. Compared with last year, a decrease in withdrawal of over 90 day time deposit and an increase in tangible fixed assets and security investment produced JPY 2,479 million outlay in total.

Financial activity made a cash flow of JPY 15,323 million, up by JPY 18,534 million from previous year due mainly to an issuance of bond while repayment of long-term debts increased.

At the end of first half in this fiscal year, cash and cash equivalent stood at JPY 40,976 million, up by JPY 3,019 million from the last fiscal year end.

Interim Consolidated Financial Statements

Interim Consolidated Balance Sheets

(Millions of Japanese Yen)

	As of March 31, 2005		As of March 31, 2004		As of September 30, 2004	
	Amount	%	Amount	%	Amount	%
Assets						
Current assets	78,147	56.7	53,667	47.7	60,934	51.2
Cash on hand and in banks	41,777		18,334		23,633	
Trade notes and accounts receivable	20,099		18,976		20,470	
Inventories	13,088		12,611		13,250	
Deferred income taxes	2,101		2,340		2,112	
Other	1,226		1,485		1,594	
Allowance for doubtful receivables	(146)		(80)		(127)	
Fixed assets	59,762	43.3	58,866	52.3	58,111	48.8
Tangible fixed assets	48,905	35.5	48,241	42.9	47,921	40.2
Buildings and structures	19,689		19,968		19,648	
Machinery and transportation equipment	8,791		9,201		8,888	
Furniture, fixtures and office equipment	4,165		4,269		4,399	
Land	13,449		13,487		13,424	
Construction in progress	2,809		1,314		1,560	
Intangible fixed assets	579	0.4	1,116	1.0	594	0.5
Investments and other assets	10,278	7.4	9,508	8.4	9,595	8.1
Investment securities	4,724		4,037		3,726	
Investment properties	407		486		442	
Deferred income taxes	4,301		3,837		4,341	
Other	862		1,163		1,102	
Allowance for doubtful receivables	(17)		(17)		(17)	
Total assets	137,910	100.0	112,533	100.0	119,045	100.0

Interim Consolidated Financial Statements

Interim Consolidated Balance Sheets

(Millions of Japanese Yen)

	As of March 31, 2005		As of March 31, 2004		As of September 30, 2004	
	Amount	%	Amount	%	Amount	%
Liabilities						
Current liabilities	22,582	16.4	28,566	25.4	29,609	24.9
Trade notes and accounts payable	9,311		10,080		10,513	
Short-term bank loans and current portion of long-term debt	3,069		9,335		8,651	
Current portion of convertible debentures	-		196		-	
Income taxes payable	2,651		1,991		3,139	
Accrued product warranty expenses	-		7		-	
Accrued bonuses	2,132		2,053		2,128	
Notes payable - construction	621		1,150		530	
Other	4,795		3,753		4,645	
Long-term liabilities	59,937	43.5	32,871	29.2	37,866	31.8
Convertible debentures	39,103		19,107		19,107	
Long-term bank loans	9,218		2,798		7,333	
Allowance for employees' retirement and severance benefits	10,226		9,644		10,061	
Allowance for retirement benefits for directors and corporate auditors	1,318		1,251		1,284	
Other	71		71		79	
Total liabilities	82,519	59.9	61,438	54.6	67,476	56.7
Minority interests in consolidated subsidiaries	597	0.4	597	0.5	603	0.5
Common stock	16,078	11.7	15,982	14.2	16,076	13.5
Capital surplus	15,829	11.5	15,733	14.0	15,827	13.3
Retained earnings	28,744	20.8	23,013	20.5	25,213	21.2
Unrealized loss on securities, net of tax	1,070	0.8	825	0.7	642	0.5
Adjustment arising from translation of accounts of foreign subsidiaries	(926)	(0.7)	(1,367)	(1.2)	(790)	(0.7)
Less treasury stock, at cost	(6,003)	(4.4)	(3,689)	(3.3)	(6,003)	(5.0)
Total shareholders' equity	54,792	39.7	50,497	44.9	50,966	42.8
Total liabilities and shareholders' equity	137,910	100.0	112,533	100.0	119,045	100.0

Interim Consolidated Financial Statements

Interim Consolidated Income Statements

(Millions of Japanese Yen)

	Six months ended March 31,2005		Six months ended March 31,2004		Fiscal year ended September 30,2004	
	Amount	%	Amount	%	Amount	%
Net sales	37,526	100.0	34,068	100.0	70,466	100.0
Cost of sales	17,358	46.3	16,575	48.7	33,996	48.2
Gross profit	20,167	53.7	17,492	51.3	36,470	51.8
Selling, general and administrative expenses	13,117	34.9	13,172	38.6	26,781	38.1
Operating income	7,049	18.8	4,319	12.7	9,688	13.7
Non-operating income	435	1.2	344	1.0	746	1.1
Interest and dividend income	32		25		67	
Rental income on fixed assets	73		83		146	
Rental income on investment property	140		144		285	
Gain on investments accounted for by the equity method	61		48		100	
Insurance Income	66		-		-	
Other	62		42		146	
Non-operating expenses	261	0.7	273	0.8	434	0.6
Interest expenses	88		158		263	
Bond issue expenses	44		-		-	
Expenses for investment property	55		59		110	
Foreign exchange loss	71		30		32	
Other	0		25		27	
Ordinary income	7,224	19.3	4,391	12.9	9,999	14.2
Extraordinary income	5	0.0	25	0.1	70	0.1
Extraordinary loss	76	0.2	964	2.9	1,975	2.8
Loss on sales and disposal of fixed assets	21		42		256	
Loss from discontinued operations of subsidiary	30		817		481	
Provision of retirement benefit for directors and corporate auditors for prior years	16		-		-	
Loss on revaluation of equity investment	8		-		-	
Loss on revaluation of investment securities	-		-		2	
Impairment of goodwill	-		-		514	
Expenses for preparation for establishment of graduate university	-		105		720	
Income before income taxes and minority interests	7,152	19.1	3,452	10.1	8,094	11.5
Income taxes	2,785	7.4	2,108	6.2	4,293	6.1
Deferred income taxes	(215)	(0.5)	(771)	(2.3)	(843)	(1.2)
Minority interests in consolidated subsidiaries	15	0.0	(6)	(0.0)	(8)	(0.0)
Net income	4,566	12.2	2,122	6.2	4,652	6.6

Interim Consolidated Financial Statements

Interim Consolidated Statements of Retained Earnings

(Millions of Japanese Yen)

	Six months ended March 31,2005		Six months ended March 31,2004		Fiscal year ended September 30,2004	
Capital surplus						
Beginning balance		15,827		15,675		15,675
Increase in capital surplus						
Conversion of convertible debentures	-		57		151	
Gain on sales of treasury stock	2	2	-	57	-	151
Ending balance		15,829		15,733		15,827
Retained earnings						
Beginning balance		25,213		21,247		21,247
Increase in retained earnings						
Net income	4,566		2,122		4,652	
Increase due to change in holding ratio	-	4,566	40	2,163	40	4,693
Decrease in retained earnings						
Cash dividends	976		336		666	
Bonuses to directors and corporate auditors	58		59		59	
Employees' bonus and welfare fund	0	1,035	1	396	1	727
Ending balance		28,744		23,013		25,213

Interim Consolidated Financial Statements
Interim Consolidated Statements of Cash Flow

(Millions of Japanese Yen)

	Six months ended March 31,2005	Six months ended March 31,2004	Fiscal year ended September 30,2004
Cash flows from operating activities			
Income before income taxes and minority interests	7,152	3,452	8,094
Depreciation	3,139	3,437	7,098
Amortisation of consolidation adjustments	12	22	44
Increase (decrease) in allowance for doubtful accounts	21	(22)	20
Increase (decrease) in allowance for bonuses	3	(75)	(2)
Increase in allowance for retirement and severance benefits	164	316	733
Increase in allowance for retirement benefit for directors and corporate auditors	34	(51)	(19)
Interest and dividend income	(32)	(25)	(67)
Interest expense	88	158	263
Foreign exchange (gain) loss	73	(43)	(36)
Bond issue expenses	44	-	-
(Gain) loss on investments accounted for by the equity method	(61)	(48)	(100)
Loss on disposal of properties	20	41	254
(Gain) loss on sales of properties	(4)	(3)	(69)
(Increase) decrease in receivables, trade	308	(1,864)	(3,103)
(Increase) decrease in inventories	112	51	(429)
Increase (decrease) in payables, trade	(1,142)	1,883	2,050
Payment of bonuses to directors and corporate auditors	(59)	(61)	(61)
Other	642	570	336
Subtotal	10,520	7,738	15,007
Interest and dividend received	38	25	70
Interest expense paid	(88)	(129)	(235)
Income taxes paid	(3,276)	(932)	(1,981)
Net cash provided by operating activities	7,193	6,701	12,861
Cash flows from investing activities			
(Increase) decrease in time deposits	(314)	2,000	1,888
Payments for acquisition of market securities	(257)	-	-
Payments for acquisition of property, plant and equipment	(4,127)	(3,985)	(6,928)
Proceeds from sales of property, plant and equipment	34	12	99
Payments for acquisition of intangible fixed assets	(62)	(95)	(176)
Payments for purchases of investment securities	-	(7)	(7)
Acquisition of subsidiaries' stock with change in consolidation scope	152	-	561
Other	9	(11)	35
Net cash used in investing activities	(4,566)	(2,086)	(4,526)
Cash flows from financing activities			
Increase (decrease) in short-term debt	(541)	395	(219)
Proceeds from long-term debt	2,000	20	4,760
Payment of long-term debt	(5,117)	(1,196)	(1,511)
Proceeds from bond issue	20,000	-	-
Acquisition of treasury stock	(0)	(2,295)	(4,608)
Dividends paid by the parent company	(970)	(336)	(667)
Other	(46)	201	201
Net cash provided by (used in) financing activities	15,323	(3,210)	(2,045)
Effect of exchange rate changes on cash and cash equivalents	(100)	(97)	186
Net increase (decrease) in cash and cash equivalents	17,850	1,306	6,475
Cash and cash equivalents at beginning of period	23,126	16,650	16,650
Cash and cash equivalents at end of period	40,976	17,956	23,126

Segment Information

Business Segment

Six months ended March 31, 2005

(Millions of Japanese Yen)

	Opto-electronic devices	Imaging and measurement instruments	Other	Segment total	Elimination or corporate	Consolidated total
Net sales						
Outside customers	30,537	6,623	364	37,526	-	37,526
Intersegment	304	14	-	319	(319)	-
Total net sales	30,842	6,638	364	37,846	(319)	37,526
Operating expenses	20,577	5,301	406	26,285	4,190	30,476
Operating income(loss)	10,265	1,336	(41)	11,560	(4,510)	7,049

Six months ended March 31, 2004

(Millions of Japanese Yen)

	Opto-electronic devices	Imaging and measurement instruments	Other	Segment total	Elimination or corporate	Consolidated total
Net sales						
Outside customers	27,564	6,175	328	34,068	-	34,068
Intersegment	364	14	-	379	(379)	-
Total net sales	27,928	6,189	328	34,447	(379)	34,068
Operating expenses	19,796	5,103	404	25,303	4,444	29,748
Operating income(loss)	8,132	1,086	(75)	9,143	(4,823)	4,319

Fiscal year ended September 30, 2004

(Millions of Japanese Yen)

	Opto-electronic devices	Imaging and measurement instruments	Other	Segment total	Elimination or corporate	Consolidated total
Net sales						
Outside customers	57,882	11,930	653	70,466	-	70,466
Intersegment	628	28	-	656	(656)	-
Total net sales	58,511	11,958	653	71,123	(656)	70,466
Operating expenses	41,402	9,837	826	52,066	8,711	60,778
Operating income(loss)	17,109	2,121	(173)	19,057	(9,368)	9,688

Notes:

1. Business segments are classified based on the similarities of products, markets and so on.
2. Major products in each business segment ;

Opto-electronic devices	Photomultiplier Tubes, Imaging Devices and Light Sources (X-ray Image Intensifier, Microchannel Plate, Deuterium Lamp, UV Spot Light Source, Microfocus X-ray Source), Opto-semiconductors (Photo Diode, Infrared Detector, Image Sensor, Light Emitting Diode, Photo IC)
Imaging and measurement instruments	Image Processing and Measurement Systems (Special Purpose Video Camera, Image Processing System, Low-Level Light Image Acquisition System, Ultrafast Optical Measurement System, Image Processing and Analysis System for Optical Microscope, Nondestructive Inspection System)
Other	Photosensitizer R&D, Hotel operations

3. Operating expenses in elimination or corporate are principally basic research and corporate general and administrative expenses which can not be allocated to each business segment. The amounts of those expenses were 4,367 million yen, 4,661 million yen and 9,091 million yen for the six months ended Mar. 31, 2005, 2004 and the fiscal year ended Sep. 30, 2004, respectively.

Segment Information
Geographical Segment

Six months ended March 31, 2005

(Millions of Japanese Yen)

	Japan	North America	Europe	Other	Segment total	Elimination or corporate	Consolidated total
Net sales							
Outside customers	21,667	8,148	7,457	252	37,526	-	37,526
Intersegment	11,373	35	42	333	12,064	(12,064)	-
Total net sales	33,040	8,463	7,500	586	49,590	(12,064)	37,526
Operating expenses	22,900	8,122	6,546	527	38,098	(7,621)	30,476
Operating income(loss)	10,139	340	953	58	11,492	(4,442)	7,049

Six months ended March 31, 2004

(Millions of Japanese Yen)

	Japan	North America	Europe	Other	Segment total	Elimination or corporate	Consolidated total
Net sales							
Outside customers	20,936	6,983	5,909	238	34,068	-	34,068
Intersegment	9,394	350	19	214	9,979	(9,979)	-
Total net sales	30,330	7,334	5,929	452	44,047	(9,979)	34,068
Operating expenses	22,219	7,290	5,108	417	35,035	(5,287)	29,748
Operating income(loss)	8,110	44	820	35	9,011	(4,691)	4,319

Fiscal year ended September 30, 2004

(Millions of Japanese Yen)

	Japan	North America	Europe	Other	Segment total	Elimination or corporate	Consolidated total
Net sales							
Outside customers	42,582	15,141	12,359	382	70,466	-	70,466
Intersegment	20,405	737	55	468	21,666	(21,666)	-
Total net sales	62,987	15,879	12,414	851	92,133	(21,666)	70,466
Operating expenses	46,211	15,383	10,799	778	73,172	(12,394)	60,778
Operating income(loss)	16,776	495	1,615	72	18,960	(9,271)	9,688

Notes :

- The countries or areas are classified based on the geographical proximity.
- Major countries and areas which belong to each classification:
North America : The United States
Europe : Germany, France, U.K.
Other : China
- Operating expenses in elimination or corporate which can not be allocated to each business segment were 4,367 million yen, 4,661 million yen and 9,091 million yen for the six months ended Mar. 31, 2005, 2004 and the fiscal year ended Sep. 30, 2004, respectively.

Segment Information

Overseas sales

Six months ended March 31,2005

(Millions of Japanese Yen)

	North America	Europe	Asia	Other	Consolidated total
Overseas sales	8,089	7,393	5,034	190	20,708
Consolidated net sales	-	-	-	-	37,526
Ratio of overseas sales to consolidated net sales	21.6%	19.7%	13.4%	0.5%	55.2%

Six months ended March 31,2004

(Millions of Japanese Yen)

	North America	Europe	Asia	Other	Consolidated total
Overseas sales	7,289	5,893	3,839	161	17,184
Consolidated net sales	-	-	-	-	34,068
Ratio of overseas sales to consolidated net sales	21.4%	17.3%	11.2%	0.5%	50.4%

Fiscal year ended September 30,2004

(Millions of Japanese Yen)

	North America	Europe	Asia	Other	Consolidated total
Overseas sales	15,525	12,251	8,865	369	37,011
Consolidated net sales	-	-	-	-	70,466
Ratio of overseas sales to consolidated net sales	22.0%	17.4%	12.6%	0.5%	52.5%

Notes :

1. The countries or areas are classified based on the geographical proximity.
2. Major countries and areas which belong to each classification:
North America :The United States
Europe : Germany, France, U.K.
Asia : Israel, India, China, Korea, Taiwan
Other : Australia