

## Consolidated Financial Results for the First Quarter of Fiscal Year ending September 30, 2009

February 9, 2009

Company name : Hamamatsu Photonics K.K.

ID number : 6965

URL : www.hamamatsu.com

Representative : Teruo Hiruma, Chairman of the Board and Chief Executive Officer

Contact : Tadahiko Shimazu, Director and General Manager of Accounting Div. (Phone: +81-53-452-2141)

Scheduled date to submit Securities Report : February 13, 2009

Stock listing : Tokyo Stock Exchange First Section

Headquarters : Hamamatsu City, Japan

### 1. Consolidated financial results for the three months ended December 31, 2008 (From Oct. 1, 2008 through Dec. 31, 2008)

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

#### (1) Consolidated operating results

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended Dec. 31, 2008	19,442	-	1,952	-	2,207	-	1,346	-
Three months ended Dec. 31, 2007	23,206	0.9	4,911	(3.4)	5,175	2.0	3,331	3.4

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Dec. 31, 2008	16.74	16.62
Three months ended Dec. 31, 2007	41.49	41.12

#### (2) Consolidated financial position

	Total assets	Net Assets	Shareholders' equity ratio	Net Assets per share
	Millions of yen	Millions of yen	%	Yen
as of Dec. 31, 2008	169,396	119,295	69.4	1,462.82
as of Sep. 30, 2008	174,991	122,363	69.0	1,501.62

Notes: Shareholders' equity

Three months ended Dec. 31, 2008 : 117,601 million yen

Fiscal year ended Sep. 30, 2007 : 120,721 million yen

### 2. Dividends

(Base date)	Dividends per share				
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Sep. 30, 2008	-	20.00	-	26.00	46.00
Fiscal year ended Sep. 30, 2009	-	-	-	-	-
Fiscal year ended Sep. 30, 2009 (Outlook)	-	23.00	-	23.00	46.00

### 3. Forecast of consolidated results for the fiscal year ended Sep. 30, 2009 (From Oct. 1, 2008 through Sep. 30, 2009)

Notes: Percentage figures represent changes from the same period of the previous year.

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ended Mar. 31, 2009	39,900	(19.4)	3,000	(72.2)	3,100	(72.9)	900	(87.3)	11.19
Fiscal year ended Sep. 30, 2009	-	-	-	-	-	-	-	-	-

Note: Whether the forecasts for consolidated figures under review have been revised: Yes

We are now revising our forecast for the last six months of this fiscal year and will disclose the forecast as soon as we are able to do so.

### 4. Others

(1) Changes in consolidated subsidiaries (Changes in scope of consolidation) : None

(2) Whether the Company has adopted simplified accounting methods : Yes

(3) Changes in principles, procedures, presentation methods for the quarterly consolidated financial statements

(a) Changes arising from revision of accounting principles: Yes

(b) Changes arising from other factors: Yes

(4) Number of shares outstanding

(a) Number of shares outstanding at end of period including treasury stock

Three months ended Dec. 31, 2008: 83,763,184 shares

Fiscal year ended Sep. 30, 2008: 83,763,184 shares

(b) Number of treasury stock at end of period

Three months ended Dec. 31, 2008: 3,369,367 shares

Fiscal year ended Sep. 30, 2008: 3,369,003 shares

(c) Average number of shares issued during the period (first-quarter accumulation (three months))

Three months ended Dec. 31, 2008: 80,394,004 shares

Three months ended Dec. 31, 2007: 80,301,814 shares

The above forecast has been prepared based on the information which is currently available at this moment.

Actual results may differ from the forecast due to various factors that may arise in the future.

## 1. Comments on Consolidated Performance

### (1) Summary of Consolidated Performance for the First Quarter of this Fiscal Year

The business environment in Japan during the first quarter of this fiscal year suffered from a sharp downturn in the economy caused by the recession in the global economy and the sharp appreciation of the yen. Meanwhile, production and exports decreased significantly.

Against this background, our group strove to project the need for and develop products for the future. Moreover, we undertook to boost our revenue and income by intensive sales activities and streamlining operating expenses.

As a result of the above factors, we closed the first quarter with net sales of JPY 19,442 million, down by JPY 3,764 million (16.2%), operating income of JPY 1,952 million, down by JPY 2,959 million (60.3%) and ordinary income of JPY 2,207 million, down by JPY 2,967 million (57.3%) over one year before respectively. Net income resulted in JPY 1,346 million, down by JPY 1,985 million (59.6%).

### (2) Sales by Segment

#### a. Opto-Electronic Devices:

**Photomultiplier Tube** sales in the medical fields such as gamma camera and Positron Emission Tomography (PET) increased steadily mainly in U.S. market. However, an appreciation of the yen caused a net decrease of sales in this sector.

In the **Light Sources and Imaging Devices**, the sales of UV Spot Light Source for UV cure bonding in the industrial field decreased centered mostly in the Japanese market.

In the **Opto-semiconductor** sector, sales of Silicon Photodiodes for the medical field such as X-ray CT continued to grow in the U.S. market. However, sales of Image Sensors for dental applications primarily in Europe and Asia, and sales of Photo ICs used in communication network applications for the European automobile industry, both grew at a sluggish pace. Beyond the fall of demand, a stronger yen resulted in decreased sales from the conversion of foreign currency into Yen.

In total Opto-Electronic Devices closed the first quarter with JPY 17,165 million, down by 15.1% and operating income of JPY 4,491 million, down by 36.1% from one year previous.

#### b. Imaging and Measurement Instruments:

Semiconductor Failure Analysis Systems sales were down mainly in Japan and Europe. In the field of academic research, sales of our digital slide observation system for the medical pathology market in addition to digital cameras sales were also down.

Net sales for this sector resulted in JPY 2,316 million, down by 22.6% from one year before operating loss was JPY 21 million (1st Quarter of FY 2008 was JPY 399 million profit).

#### c. Others:

Net sales for this fiscal year were JPY 149 million, down by 15.1% over last year and operating income was JPY 3 million (First Quarter of FY 2008 was JPY 11 million loss).

### (3) Sales by Location of companies

In **Japan**, export sales of Photomultiplier Tubes in medical applications, such as nuclear medical imaging systems, including gamma cameras and PET increased steadily centered mainly in the U.S. market. Likewise, Silicon Photodiodes for X-ray CT also increased again predominately in the U.S. market. Meanwhile export sales of X-ray Image Sensors for dental instrumentation sold mainly to Europe and Asia along with export sales of Photo ICs used in communication network applications for the automobile industry to Europe decreased. In addition, domestic sales and export sales to Asia of the UV Spot Light Source for UV cure bonding and sales of industrial Semiconductor Failure Analysis Systems decreased. Total sales in Japan were JPY 18,247 million, down by 11.7% and operating profit JPY 3,798 million, down by 41.1% compared with one year before respectively.

In **North America**, sales of Photomultiplier Tubes in the medical field for PET and Silicon Photodiodes for X-ray CT increased steadily. However, an appreciation of the yen caused decreased sales. The total sales for the region were JPY 5,009 million, down by 12.7% and operating profit JPY 21 million, down by 95.5% over last year respectively.

**Europe** experienced a decrease in sales of Opto-semiconductors. Three areas significantly contributed to this decrease. They were medical applications, Photo ICs for automotive network applications, and Image Sensors for dental X-ray imaging. In addition, a stronger yen led to a decrease in sales. Total sales were JPY 4,924 million, down by 14.5% and operating profit JPY 446 million, down by 40.3% over last year respectively.

In **Other Regions** mostly represented by China, net sales were JPY 761 million; up by 55.2% and operating profit JPY 208 million, up by 136.9%.

## 2. Comments on Financial Position

### (1) Summary of Financial Position

Current assets decreased in JPY 5,989 million from the year ended September 30, 2008. This results mainly from a decrease in cash on hand and in banks of JPY 6,666 million due to payment of income tax and to capital investment, and decreases in trade notes and accounts receivable of JPY 2,427 million. Fixed assets were increased JPY 394 million from the last fiscal year end, due mainly to an acquisition of a building, up by JPY 541 million, while there was a decrease in the value of investment securities. The total assets at the end of the first quarter were JPY 169,396 million, down by JPY 5,594 million from the year ended September 30, 2008.

Current liabilities decreased in JPY 2,164 million. This is mainly from decreases in income taxes payable, down by JPY 2,251 million and allowance for bonuses, down by JPY 1,416 million over last year respectively, while there was an increase in facilities payable. Fixed liabilities decreased in JPY 363 million from the last fiscal year end, due mainly to a decrease payment of long-term bank loans, down by JPY 511 million. The total liabilities at the end of the first quarter were JPY 50,100 million, down by JPY 2,527 million.

Net Assets were JPY 119,295 million, down by JPY 3,067 million, due mainly to decreased retained earnings because of a dividend payment, while there was a net income for the three months of JPY 1,346 million.

### (2) Summary of Cash Flow

Cash flow created from operations during the first quarter was JPY 688 million, down by JPY 2,168 million over last year. This is mainly from a decrease in income before income taxes and an increase in inventories.

Investment activity required a cash flow of JPY 593 million, up by JPY 359 million from previous year due mainly to an acquisition of tangible fixed assets, up by JPY 1,154 million and an acquisition of investment securities, while there was an increase in time deposits.

Financial activity decreased cash flow to JPY 2,434 million due mainly to payment of dividend, while the cash flow last year was increased JPY 6,500 million due mainly to reimbursement of redemption of convertible debentures.

At the end of the first quarter, cash and cash equivalent stood at JPY 41,435 million, down by JPY 3,369 million from the year ended September 30, 2008.

## 3. Comments on Consolidated Financial Forecast

We have made the following revisions on our forecast for the second quarter of this fiscal year that was announced on November 12, 2008.

The Financial Crisis has had a serious and precipitous effect on the global economy rapidly during the first quarter of this fiscal year. Against this background, orders have been reduced more than we expected, due to inventory adjustments and decreased production. In addition, a stronger yen/U.S. dollar and European currency exchange rates caused a quick downturn in our business situation.

We find it difficult to release our forecast for the year ended September 30, 2009 at this time. We are now revising our forecast for the last six months of this fiscal year and will disclose the forecast as soon as we are able to do so.

	Net sales	Operating income	Ordinary income	Net income	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Previous forecast (A)	46,400	6,200	6,400	3,600	44.78
Revised forecast (B)	39,900	3,000	3,100	900	11.19
Difference (B -A)	(6,500)	(3,200)	(3,300)	(2,700)	-
Differential ratio (%)	(14.0)	(51.6)	(51.6)	(75.0)	-
Result in previous second quarter	49,475	10,780	11,454	7,112	88.56

## Consolidated Financial Statements

### Consolidated Balance Sheets

	As of	As of
	Dec. 31, 2008	Sep. 30, 2008
	Amount	Amount
<b>Assets</b>		
<b>Current assets</b>		
Cash on hand and in banks	52,340	59,007
Trade notes and accounts receivable	21,062	23,489
Merchandise and finished goods	5,609	4,503
Work in process	10,887	10,841
Raw materials and supplies	5,349	4,895
Other	6,971	5,498
Allowance for doubtful receivables	(154)	(179)
Total current assets	102,065	108,054
<b>Fixed assets</b>		
<b>Tangible fixed assets</b>		
Buildings and structures, net	23,775	23,162
Machinery, equipment and vehicles, net	12,115	11,843
Tools, furniture and fixtures, net	4,000	4,051
Land	13,480	13,644
Construction in progress	2,858	2,987
Total tangible fixed assets	56,230	55,689
<b>Intangible fixed assets</b>	346	347
<b>Investments and other assets</b>		
Investment securities	2,342	2,582
Deferred income taxes	6,127	6,117
Other	2,301	2,216
Allowance for doubtful receivables	(16)	(16)
Total investments and other assets	10,754	10,899
Total fixed assets	67,331	66,936
<b>Total assets</b>	<b>169,396</b>	<b>174,991</b>

## Consolidated Financial Statements

### Consolidated Balance Sheets

	As of Dec. 31, 2008	As of Sep. 30, 2008
	Amount	Amount
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade notes and accounts payable	12,295	12,594
Short-term loans payable	1,401	1,401
Current portion of long-term debt	1,450	1,450
Current portion of non-collateral bonds with warrants to buy stocks	1,360	1,360
Income taxes payable	838	3,089
Accrued bonuses	1,332	2,749
Other	10,576	8,774
Total current liabilities	29,255	31,419
<b>Long term liabilities</b>		
Long-term bank loans	6,468	6,979
Allowance for employees' retirement and severance benefits	12,877	12,591
Allowance for retirement benefits for directors and corporate auditors	1,368	1,521
Other	131	115
Total long term liabilities	20,845	21,208
<b>Total liabilities</b>	50,100	52,628
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	34,926	34,926
Capital surplus	34,670	34,670
Retained earnings	56,718	57,542
Less treasury stock, at cost	(6,046)	(6,045)
Total shareholders' equity	120,269	121,094
<b>Unrealized gains and adjustment</b>		
Unrealized gain on securities, net of tax	241	407
Deferred Hedge Gain (Loss)	-	27
Foreign Currency Translation Adjustment	(2,909)	(807)
Total unrealized gains and adjustment	(2,667)	(372)
<b>Minority interests in consolidated subsidiaries</b>	1,694	1,641
<b>Total net assets</b>	119,295	122,363
<b>Total liabilities and net assets</b>	169,396	174,991

## First Quarter Consolidated Financial Statements

### First Quarter Consolidated Income Statements

(Millions of Japanese Yen)

	Three months ended Mar. 31, 2008
	Amount
Net sales	19,442
Cost of sales	9,839
Gross profit	9,602
Selling, general and administrative expenses	7,650
Operating income	1,952
Non-operating income	
Interest income	128
Foreign exchange gain	48
Gain on investments accounted for by the equity method	38
Other	103
Total non-operating income	318
Non-operating expenses	
Interest expenses	36
Rental expenses for investment property	25
Other	1
Total non-operating expenses	63
Ordinary income	2,207
Extraordinary income	
Gain on sales of fixed assets	1
Other	0
Total extraordinary income	1
Extraordinary loss	
Loss on sales of fixed assets	8
Loss on disposal of fixed assets	16
Loss on revaluation of marketable securities	94
Loss on reorganization of subsidiary	102
Total extraordinary loss	220
Income before income taxes and minority interest	1,988
Income taxes	590
Minority interests in consolidated subsidiaries	51
Net income	1,346

## First Quarter Consolidated Financial Statements

### First Quarter Consolidated Statements of Cash Flow

(Millions of Japanese Yen)

	Three months ended Dec. 31, 2008
<b>Cash flows from operating activities</b>	
Income before income taxes and minority interests	1,988
Depreciation	2,248
Increase (Decrease) in allowance for retirement and severance benefits	(1,386)
Interest and dividend income	(128)
Interest expense	36
(Gain) loss on investments accounted for by the equity method	(38)
(Increase) decrease in receivables, trade	1,351
(Increase) decrease in inventories	(2,322)
Increase (decrease) in payables, trade	877
Other	868
<b>Subtotal</b>	<b>3,495</b>
Interest and dividend received	128
Interest expense paid	(36)
Income taxes paid	(2,899)
<b>Net cash provided by operating activities</b>	<b>688</b>
<b>Cash flows from investing activities</b>	
(Increase) decrease in time deposits	3,297
Payments for acquisition of marketable securities	(1,000)
Payments for acquisition of fixed assets	(2,126)
Payments for loans receivable	(787)
Other	22
<b>Net cash used in investing activities</b>	<b>(593)</b>
<b>Cash flows from financing activities</b>	
Increase (decrease) in short-term debt	(1)
Proceeds from (payment of) long-term debt	(511)
Dividends paid by the parent company	(1,918)
Other	(2)
<b>Net cash provided by (used in) financing activities</b>	<b>(2,434)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(1,029)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(3,369)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>44,805</b>
<b>Cash and cash equivalents at end of period</b>	<b>41,435</b>

## Segment Information

### Business Segment

Three months ended Dec. 31, 2008

(Millions of Japanese Yen)

	Opto-electronic devices	Imaging and measurement instruments	Other	Segment total	Elimination or corporate	Consolidated total
Net sales						
Outside customers	16,988	2,304	149	19,442	-	19,442
Intersegment	177	12	-	189	(189)	-
Total net sales	17,165	2,316	149	19,631	(189)	19,442
Operating expenses	12,673	2,337	146	15,157	2,332	17,490
Operating income	4,491	(21)	3	4,473	(2,521)	1,952

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 Scintillator, X-ray Image Intensifier, Microchannel Plate, Deuterium Lamp, 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	Hotel operations

### Geographical Segment

Three months ended Dec. 31, 2008

(Millions of Japanese Yen)

	Japan	North America	Europe	Other	Segment total	Elimination or corporate	Consolidated total
Net sales							
Outside customers	9,268	4,900	4,874	399	19,442	-	19,442
Intersegment	8,979	109	50	361	9,501	(9,501)	-
Total net sales	18,247	5,009	4,924	761	28,943	(9,501)	19,442
Operating expenses	14,448	4,987	4,478	552	24,467	(6,977)	17,490
Operating income	3,798	21	446	208	4,476	(2,523)	1,952

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 : U.S.A.  
 Europe : Germany, France, U.K.  
 Other : China

### Overseas Sales

Three months ended Dec. 31, 2008

(Millions of Japanese Yen)

	North America	Europe	Asia	Other	Consolidated total
Overseas sales	4,704	4,813	2,745	110	12,374
Consolidated net sales	-	-	-	-	19,442
Ratio of overseas sales to consolidated net sales	24.2%	24.7%	14.1%	0.6%	63.6%

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 : U.S.A.  
 Europe : Germany, France, U.K.  
 Asia : Israel, India, China, Korea, Taiwan  
 Other : Australia

**(Supplementary Information)**

**(1) First Quarter Consolidated Financial Statements**

Summary of First Quarter Consolidated Income Statements

(Millions of Japanese Yen)

	Three months ended Mar. 31, 2007
	Amount
Net sales	23,206
Cost of sales	10,446
Gross profit	12,759
Selling, general and administrative expenses	5,349
Research and development	2,498
Operating income	4,911
Non-operating income	323
Non-operating expenses	60
Ordinary income	5,175
Extraordinary income	7
Extraordinary loss	16
Income before income taxes and minority interest	5,165
Income taxes	1,804
Minority interests in consolidated subsidiaries	29
Net income	3,331

## (2) First Quarter Consolidated Financial Statements

### Summary of First Quarter Consolidated Statements of Cash Flow

(Millions of Japanese Yen)

	Three months ended Dec. 31, 2007
<b>Cash flows from operating activities</b>	
Income before income taxes and minority interests	5,165
Depreciation	2,033
Increase (Decrease) in allowance for retirement and severance benefits	122
(Increase) decrease in receivables, trade	642
(Increase) decrease in inventories	(941)
Increase (decrease) in payables, trade	667
Other	(1,590)
<b>Subtotal</b>	<b>6,099</b>
Income taxes paid	(3,319)
Other	77
<b>Net cash provided by operating activities</b>	<b>2,856</b>
<b>Cash flows from investing activities</b>	
(Increase) decrease in time deposits	1,020
Payments for acquisition of fixed assets	(972)
Other	(282)
<b>Net cash used in investing activities</b>	<b>(234)</b>
<b>Cash flows from financing activities</b>	
Increase (decrease) in short-term debt	(19)
Proceeds from (payment of) long-term debt	(2,013)
Proceeds from redemption of convertible debenture	9,372
Dividends paid by the parent company	(1,519)
Other	680
<b>Net cash provided by (used in) financing activities</b>	<b>6,500</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>(51)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>9,070</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>35,067</b>
<b>Cash and cash equivalents at end of period</b>	<b>44,137</b>

### (3) Segment Information

#### Business Segment

Three months ended Dec. 31, 2007

(Millions of Japanese Yen)

	Opto-electronic devices	Imaging and measurement instruments	Other	Segment total	Elimination or corporate	Consolidated total
Net sales						
Outside customers	20,052	2,977	176	23,206	-	23,206
Intersegment	166	15	-	181	(181)	-
Total net sales	20,219	2,992	176	23,388	(181)	23,206
Operating expenses	13,185	2,592	188	15,966	2,328	18,294
Operating income	7,033	399	(11)	7,421	(2,509)	4,911

Notes: Major products in each business segment:

Opto-electronic devices	Photomultiplier Tubes, Imaging Devices and Light Sources (X-ray Scintillator, X-ray Image Intensifier, Microchannel Plate, Deuterium Lamp, 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

#### Geographical Segment

Three months ended Dec. 31, 2007

(Millions of Japanese Yen)

	Japan	North America	Europe	Other	Segment total	Elimination or corporate	Consolidated total
Net sales							
Outside customers	11,651	5,589	5,671	293	23,206	-	23,206
Intersegment	9,022	149	85	197	9,454	(9,454)	-
Total net sales	20,674	5,738	5,756	490	32,660	(9,454)	23,206
Operating expenses	14,223	5,252	5,008	402	24,887	(6,593)	18,294
Operating income	6,450	485	748	88	7,772	(2,861)	4,911

Notes : Major countries and areas which belong to each classification:

North America : U.S.A.

Europe : Germany, France, U.K.

Other : China

#### Overseas Sales

Three months ended Dec. 31, 2007

(Millions of Japanese Yen)

	North America	Europe	Asia	Other	Consolidated total
Overseas sales	5,495	5,633	3,516	126	14,772
Consolidated net sales	-	-	-	-	23,206
Ratio of overseas sales to consolidated net sales	23.7%	24.3%	15.2%	0.5%	63.7%

Notes : Major countries and areas which belong to each classification:

North America : U.S.A.

Europe : Germany, France, U.K.

Asia : Israel, India, China, Korea, Taiwan

Other : Australia