

Non-consolidated Financial Results for the Six Months ended March 31, 2003

May 19, 2003

Company name : Hamamatsu Photonics K.K.

Stock ID number : 6965

URL : www.hpk.co.jp/eng/annualr/annual.htm

Representative : Teruo Hiruma, President and Chief Executive Officer

Interim Board of Directors Meeting : May 19, 2003

Starting date of interim dividends payment : June 10, 2003

Stock listing : Tokyo Stock Exchange First Section

Headquarters : Hamamatsu City, Japan

Interim dividend system : Yes

Trading unit system : Yes (100shares per trading unit)

1. Non-consolidated financial results for the six months ended Mar. 31, 2003 (From Oct. 1, 2002 through Mar. 31, 2003)

(1) Non-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, 2003	26,986	7.9	2,394	4.3	3,116	1.8
Six months ended Mar. 31, 2002	25,014	(10.2)	2,295	(49.6)	3,061	(34.6)
Fiscal year ended Sep. 30, 2002	50,583		4,432		5,184	

	Net income		Net income per share		Diluted net income per share	
	Millions of yen	%	Yen	Yen	Yen	Yen
Six months ended Mar. 31, 2003	1,740	20.2	25.64		23.69	
Six months ended Mar. 31, 2002	1,447	(26.4)	21.45		19.78	
Fiscal year ended Sep. 30, 2002	2,548		37.72		34.86	

Notes: 1. Average number of shares outstanding

Six months ended Mar. 31, 2002 : 67,505,631 shares

Six months ended Mar. 31, 2003 : 67,877,453 shares

Fiscal year ended Sep. 30, 2002 : 67,550,864 shares

2. Changes in accounting method : None

3. 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.

(2) Dividends

	Interim dividends per share	Annual dividends per share
	Yen	Yen
Six months ended Mar. 31, 2003	5.00	-
Six months ended Mar. 31, 2002	5.00	-
Fiscal year ended Sep. 30, 2002	-	10.00

(3) Non-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, 2003	108,916	48,986	45.0	720.46
Six months ended Mar. 31, 2002	107,819	46,560	43.2	689.13
Fiscal year ended Sep. 30, 2002	106,369	47,264	44.4	698.88

Notes: 1. Number of shares outstanding at end of period

Six months ended Mar. 31, 2002 : 67,564,094 shares

Six months ended Mar. 31, 2003 : 67,993,247 shares

Fiscal year ended Sep. 30, 2002 : 67,628,830 shares

2. Number of treasury stock at end of period

Six months ended Mar. 31, 2002 : 460 shares

Six months ended Mar. 31, 2003 : 2,814 shares

Fiscal year ended Sep. 30, 2002 : 1,077 shares

2. Forecast of non-consolidated result for the fiscal year ending Sep. 30, 2003 (From Oct. 1, 2002 through Sep. 30, 2003)

	Net sales	Ordinary income	Net income	Annual dividends per share	
				Year-end	Year-end
	Millions of yen	Millions of yen	Millions of yen	Yen	Yen
Fiscal year ending Sep. 30, 2003	54,500	4,700	2,500	5.00	10.00

Reference : Projected net income per share for the fiscal year : Yen 36.77

Interim Non-consolidated Financial Statements

Interim Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of March 31, 2003		As of March 31, 2002		As of September 30, 2002	
	Amount	%	Amount	%	Amount	%
Assets						
Current assets						
Cash on hand and in banks	17,061		21,632		18,988	
Trade notes receivable	3,181		3,353		2,905	
Accounts receivable	17,007		14,809		15,527	
Finished goods and merchandise	1,592		1,788		1,677	
Raw material	2,281		2,445		2,418	
Work in process	5,857		5,468		5,887	
Supplies	536		413		480	
Deferred income taxes	1,103		682		815	
Other	553		647		732	
Allowance for doubtful receivables	(51)		(44)		(66)	
Total current assets	49,125	45.1	51,195	47.5	49,365	46.4
Fixed assets						
Tangible fixed assets	42,525	39.1	43,258	40.1	42,867	40.3
Buildings	16,785		18,251		17,383	
Machinery and equipment	8,703		7,380		8,941	
Tools, furniture and fixtures	3,525		3,475		3,305	
Land	11,703		11,260		11,260	
Construction in progress	1,359		2,373		1,496	
Other	448		518		480	
Intangible fixed assets	358	0.3	353	0.3	278	0.3
Investments and other assets	16,907	15.5	13,012	12.1	13,858	13.0
Investment securities	1,931		1,782		1,576	
Shares of affiliates	6,280		5,105		5,122	
Investment in capital	12		12		12	
Investment in affiliates	1,310		1,298		1,310	
Long-term loans receivable	11		11		11	
Investment property	2,325		480		1,182	
Deferred income taxes	4,324		3,609		3,934	
Other	727		728		725	
Allowance for doubtful receivables	(16)		(16)		(17)	
Total fixed assets	59,791	54.9	56,624	52.5	57,004	53.6
Total assets	108,916	100.0	107,819	100.0	106,369	100.0

Interim Non-consolidated Financial Statements

Interim Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of March 31, 2003		As of March 31, 2002		As of September 30,2002	
	Amount	%	Amount	%	Amount	%
Liabilities						
Current liabilities						
Trade notes payable	6,474		5,795		5,933	
Trade accounts payable	1,795		1,844		1,736	
Short-term bank loans	1,100		2,100		2,000	
Current portion of convertible debentures	57		-		415	
Current portion of long-term debt	5,554		420		3,420	
Other accounts payable	1,809		1,612		1,214	
Accrued expenses	1,589		1,195		1,048	
Income taxes payable	492		371		245	
Advances received	465		303		232	
Accrued bonuses	1,759		1,692		1,962	
Notes payable - construction	1,913		3,957		2,397	
Employee deposits	707		608		573	
Other	90		171		67	
Total current liabilities	23,808	21.8	20,073	18.6	21,247	20.0
Long-term liabilities						
Convertible debentures	19,423		19,939		19,456	
Long-term debt	6,730		12,264		8,999	
Allowance for employees' retirement and severance benefits	8,884		8,331		8,534	
Allowance for retirement benefits for directors and corporate auditors	1,085		651		868	
Total long-term liabilities	36,122	33.2	41,185	38.2	37,857	35.6
Total liabilities	59,930	55.0	61,259	56.8	59,105	55.6

Interim Non-consolidated Financial Statements

Interim Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of March 31, 2003		As of March 31, 2002		As of September 30,2002	
	Amount	%	Amount	%	Amount	%
Shareholders' equity						
Common stock	-	-	15,666	14.5	15,700	14.8
Additional paid-in capital	-	-	15,381	14.3	15,415	14.5
Legal reserve	-	-	695	0.7	695	0.6
Retained earnings						
Reserve for special depreciation	-		215		215	
General reserve	-		12,100		12,100	
Unappropriated retained earnings	-		2,386		3,149	
Total retained earnings	-	-	14,702	13.6	15,465	14.5
Unrealized loss on securities, net of tax	-	-	115	0.1	(9)	(0.0)
Less treasury stock, at cost	-	-	(1)	(0.0)	(3)	(0.0)
Common stock	15,895	14.6	-	-	-	-
Capital surplus						
Additional paid-in capital	15,611		-		-	
Total capital surplus	15,611	14.3	-	-	-	-
Retained earnings						
Legal reserve	695		-		-	
General reserve	14,130		-		-	
Unappropriated retained earnings	2,682		-		-	
Total retained earnings	17,508	16.1	-	-	-	-
Unrealized loss on securities, net of tax	(22)	(0.0)	-	-	-	-
Less treasury stock, at cost	(6)	(0.0)	-	-	-	-
Total shareholders' equity	48,986	45.0	46,560	43.2	47,264	44.4
Total liabilities and shareholders' equity	108,916	100.0	107,819	100.0	106,369	100.0

Interim Non-consolidated Financial Statements

Interim Non-consolidated Income Statements

(Millions of Japanese Yen)

	Six months ended March 31,2003		Six months ended March 31,2002		Fiscal year ended September 30,2002	
	Amount	%	Amount	%	Amount	%
Net sales	26,986	100.0	25,014	100.0	50,583	100.0
Cost of sales	15,327	56.8	13,989	55.9	28,633	56.6
Gross profit	11,658	43.2	11,025	44.1	21,950	43.4
Selling, general and administrative expenses	9,264	34.3	8,729	34.9	17,517	34.7
Operating income	2,394	8.9	2,295	9.2	4,432	8.7
Non-operating income	973	3.6	1,006	4.0	1,209	2.4
Interest and dividend income	736		447		502	
Rental income on investment property	129		127		257	
Foreign exchange gain	-		344		235	
Other	106		86		214	
Non-operating expenses	251	1.0	241	1.0	457	0.9
Interest expenses	136		147		286	
Interest on debentures	21		26		52	
Expenses for investment property	54		64		115	
Foreign exchange loss	37		-		-	
Other	0		2		3	
Ordinary income	3,116	11.5	3,061	12.2	5,184	10.2
Extraordinary income	45	0.2	25	0.1	3	0.0
Extraordinary loss	432	1.6	648	2.6	915	1.8
Loss on sales and disposal of fixed assets	61		106		176	
Loss on revaluation of marketable securities	187		349		364	
Provision of retirement benefit for directors and corporate auditors for prior years	182		182		364	
Other	1		9		10	
Income before income taxes	2,729	10.1	2,438	9.7	4,271	8.4
Income taxes	1,658	6.2	1,501	6.0	2,604	5.1
Deferred income taxes	(669)	(2.5)	(511)	(2.1)	(881)	(1.7)
Net income	1,740	6.4	1,447	5.8	2,548	5.0
Unappropriated retained earnings at beginning of the period	942		939		939	
Interim dividends	-		-		337	
Unappropriated retained earnings at end of the period	2,682		2,386		3,149	