

Non-consolidated Financial Results for the Six Months ended March 31, 2004

May 17, 2004

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 17, 2004

Starting date of interim dividends payment : June 8, 2004

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, 2004 (From Oct. 1, 2003 through Mar. 31, 2004)

(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, 2004	29,962	11.0	3,499	46.2	4,238	36.0
Six months ended Mar. 31, 2003	26,986	7.9	2,394	4.3	3,116	1.8
Fiscal year ended Sep. 30, 2003	53,295	-	3,393	-	4,050	-

	Net income		Net income per share
	Millions of yen	%	Yen
Six months ended Mar. 31, 2004	2,873	65.1	43.33
Six months ended Mar. 31, 2003	1,740	20.2	25.64
Fiscal year ended Sep. 30, 2003	1,801		25.77

Notes: 1. Average number of shares outstanding

Six months ended Mar. 31, 2004 : 66,319,129 shares

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

Six months ended Mar. 31, 2004 : 66,319,129 shares

Fiscal year ended Sep. 30, 2003 : 67,761,636 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, 2004	5.00	-
Six months ended Mar. 31, 2003	5.00	-
Fiscal year ended Sep. 30, 2003	-	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, 2004	105,262	48,531	46.1	733.93
Six months ended Mar. 31, 2003	108,916	48,986	45.0	720.46
Fiscal year ended Sep. 30, 2003	104,654	48,117	46.0	714.50

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

Six months ended Mar. 31, 2004 : 66,126,020 shares

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

Six months ended Mar. 31, 2004 : 66,126,020 shares

Fiscal year ended Sep. 30, 2003 : 67,266,800 shares

2. Number of treasury stock at end of period

Six months ended Mar. 31, 2004 : 2,035,507 shares

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

Six months ended Mar. 31, 2004 : 2,035,507 shares

Fiscal year ended Sep. 30, 2003 : 783,578 shares

2. Forecast of non-consolidated result for the fiscal year ending Sep. 30, 2004 (From Oct. 1, 2003 through Sep. 30, 2004)

	Net sales	Ordinary income	Net income	Annual dividends per share	
	Millions of yen	Millions of yen	Millions of yen	Year-end	Yen
Fiscal year ending Sep. 30, 2004	60,700	7,100	4,000	5.00	10.00

Reference : Projected net income per share for the fiscal year : Yen 60.49

Interim Non-consolidated Financial Statements

Interim Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of March 31, 2004		As of March 31, 2003		As of September 30, 2003	
	Amount	%	Amount	%	Amount	%
Assets						
Current assets						
Cash on hand and in banks	13,522		17,061		12,877	
Trade notes receivable	3,058		3,181		2,856	
Accounts receivable	16,371		17,007		16,342	
Finished goods and merchandise	1,200		1,592		1,256	
Raw material	2,168		2,281		2,131	
Work in process	6,417		5,857		6,246	
Supplies	723		536		662	
Deferred income taxes	1,290		1,103		1,116	
Other	962		553		1,122	
Allowance for doubtful receivables	(19)		(51)		(20)	
Total current assets	45,696	43.4	49,125	45.1	44,591	42.6
Fixed assets						
Tangible fixed assets	43,153	41.0	42,525	39.1	41,970	40.1
Buildings	16,857		16,785		16,252	
Machinery and equipment	8,789		8,703		9,104	
Tools, furniture and fixtures	3,987		3,525		3,412	
Land	11,931		11,703		11,703	
Construction in progress	1,001		1,359		1,079	
Other	585		448		419	
Intangible fixed assets	342	0.3	358	0.3	329	0.3
Investments and other assets	16,070	15.3	16,907	15.5	17,763	17.0
Investment securities	3,533		1,931		3,334	
Shares of affiliates	6,143		6,280		6,063	
Investment in capital	12		12		12	
Investment in affiliates	1,474		1,310		1,310	
Long-term loans receivable	11		11		11	
Deferred income taxes	3,747		4,324		3,454	
Investment property	486		2,325		2,870	
Other	677		727		721	
Allowance for doubtful receivables	(17)		(16)		(17)	
Total fixed assets	59,565	56.6	59,791	54.9	60,063	57.4
Total assets	105,262	100.0	108,916	100.0	104,654	100.0

Interim Non-consolidated Financial Statements

Interim Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of March 31, 2004		As of March 31, 2003		As of September 30, 2003	
	Amount	%	Amount	%	Amount	%
Liabilities						
Current liabilities						
Trade notes payable	7,324		6,474		6,299	
Trade accounts payable	2,758		1,795		1,985	
Short-term bank loans	1,050		1,100		1,100	
Current portion of convertible debentures	196		57		308	
Current portion of long-term debt	5,373		5,554		2,487	
Other accounts payable	1,110		1,809		1,121	
Accrued expenses	508		492		498	
Income taxes payable	1,720		1,589		675	
Advances received	280		465		211	
Accrued bonuses	1,928		1,759		1,933	
Notes payable - construction	1,150		1,913		2,918	
Employee deposits	678		707		657	
Other	170		90		79	
Total current liabilities	24,250	23.0	23,808	21.8	20,275	19.4
Long-term liabilities						
Convertible debentures	19,107		19,423		19,110	
Long-term debt	2,496		6,730		6,532	
Allowance for employees' retirement and severance benefits	9,625		8,884		9,316	
Allowance for retirement benefits for directors and corporate auditors	1,251		1,085		1,303	
Total long-term liabilities	32,480	30.9	36,122	33.2	36,261	34.6
Total liabilities	56,730	53.9	59,930	55.0	56,537	54.0
Common stock	15,982	15.2	15,895	14.6	15,925	15.2
Capital surplus						
Additional paid-in capital	15,697		15,611		15,640	
Total capital surplus	15,697	14.9	15,611	14.3	15,640	14.9
Retained earnings						
Legal reserve	695		695		695	
General reserve	15,200		14,130		14,130	
Unappropriated retained earnings	3,816		2,682		2,403	
Total retained earnings	19,711	18.7	17,508	16.1	17,229	16.5
Unrealized loss on securities, net of tax	825	0.8	(22)	(0.0)	712	0.7
Less treasury stock, at cost	(3,685)	(3.5)	(6)	(0.0)	(1,390)	(1.3)
Total shareholders' equity	48,531	46.1	48,986	45.0	48,117	46.0
Total liabilities and shareholders' equity	105,262	100.0	108,916	100.0	104,654	100.0

Interim Non-consolidated Financial Statements

Interim Non-consolidated Income Statements

(Millions of Japanese Yen)

	Six months ended March 31,2004		Six months ended March 31,2003		Fiscal year ended September 30,2003	
	Amount	%	Amount	%	Amount	%
Net sales	29,962	100.0	26,986	100.0	53,295	100.0
Cost of sales	16,650	55.6	15,327	56.8	30,774	57.7
Gross profit	13,311	44.4	11,658	43.2	22,521	42.3
Selling, general and administrative expenses	9,811	32.7	9,264	34.3	19,127	35.9
Operating income	3,499	11.7	2,394	8.9	3,393	6.4
Non-operating income	988	3.3	973	3.6	1,276	2.4
Interest and dividend income	764		736		780	
Rental income on investment property	144		129		264	
Other	79		106		232	
Non-operating expenses	249	0.9	251	1.0	619	1.2
Interest expenses	115		136		256	
Interest on debentures	20		21		42	
Expenses for investment property	59		54		213	
Foreign exchange loss	36		37		102	
Other	17		0		4	
Ordinary income	4,238	14.1	3,116	11.5	4,050	7.6
Extraordinary income	2	0.0	45	0.2	105	0.2
Extraordinary loss	137	0.4	432	1.6	735	1.4
Loss on sales and disposal of fixed assets	32		61		98	
Expenses for preparation for establishment of graduate university	105		-		-	
Advanced depreciation of fixed assets	-		-		21	
Loss on revaluation of marketable securities	-		187		32	
Loss on revaluation of affiliates shares	-		-		216	
Provision of retirement benefit for directors and corporate auditors for prior years	-		182		364	
Other	-		1		1	
Income before income taxes	4,103	13.7	2,729	10.1	3,421	6.4
Income taxes	1,775	5.9	1,658	6.2	1,946	3.6
Deferred income taxes	(545)	(1.8)	(669)	(2.5)	(326)	(0.6)
Net income	2,873	9.6	1,740	6.4	1,801	3.4
Unappropriated retained earnings at beginning of the period	942		942		942	
Interim dividends	-		-		339	
Unappropriated retained earnings at end of the period	3,816		2,682		2,403	