

## Non-consolidated Financial Results for the Fiscal year ended September 30, 2004

November 15, 2004

Company name : Hamamatsu Photonics K.K.

Stock ID number : 6965

URL : [www.hpk.co.jp/eng/annual/annual.htm](http://www.hpk.co.jp/eng/annual/annual.htm)

Representative : Teruo Hiruma, President and Chief Executive Officer

Board of Directors Meeting : November 15, 2004

General meeting of shareholders : December 21, 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 fiscal year ended Sep. 30, 2004 (From Oct. 1, 2003 through Sep. 30, 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	%
Fiscal year ended Sep. 30, 2004	62,245	16.8	7,848	131.3	8,771	116.5
Fiscal year ended Sep. 30, 2003	53,295	5.4	3,393	(23.4)	4,050	(21.9)

	Net income		Net income per share	Diluted net income per share	Return on equity	Ordinary income to total assets	Ordinary income to net sales
	Millions of yen	%	Yen	Yen	%	%	%
Fiscal year ended Sep. 30, 2004	4,889	171.4	73.37	66.42	10.2	8.2	14.1
Fiscal year ended Sep. 30, 2003	1,801	(29.3)	25.77	23.55	3.8	3.8	7.6

Notes: 1. Average number of shares outstanding

Fiscal year ended Sep. 30, 2004 : 65,884,175 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

	Annual dividends per share			Total dividends paid for the year	Dividend Pay-out ratio	Dividends to Shareholders' equity
	Yen	Interim	Year-end			
Fiscal year ended Sep. 30, 2004	20.00	5.00	15.00	1,307	27.3	2.7
Fiscal year ended Sep. 30, 2003	10.00	5.00	5.00	676	38.8	1.4

#### (3) Non-consolidated financial position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Sep. 30, 2004	109,718	47,907	43.7	734.79
Sep. 30, 2003	104,654	48,117	46.0	714.50

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

Fiscal year ended Sep. 30, 2004 : 65,124,293 shares

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

2. Number of treasury stock at end of period

Fiscal year ended Sep. 30, 2004 : 3,221,975 shares

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

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

	Net sales	Ordinary income	Net income	Annual dividends per share		
				Interim	Year-end	
Six months ending Mar. 31, 2005	32,300	5,100	3,650	5.00	-	-
Fiscal year ending Sep. 30, 2005	64,700	9,100	6,300	-	5.00	10.00

Reference : Projected net income per share for the fiscal year : Yen 96.74

## Non-consolidated Financial Statements

### Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of Sep. 30, 2004		As of Sep. 30, 2003		Increase (decrease)	
	Amount	%	Amount	%	Amount	%
<b>Assets</b>						
<b>Current assets</b>	51,398	46.8	44,591	42.6	6,807	15.3
Cash on hand and in banks	17,676		12,877		4,798	
Trade notes receivable	3,221		2,856		365	
Accounts receivable	17,420		16,342		1,077	
Merchandise	21		20		0	
Finished goods	1,500		1,236		264	
Raw material	2,412		2,131		280	
Work in process	6,298		6,246		52	
Supplies	699		662		36	
Prepaid expense	-		28		(28)	
Deferred income taxes	1,370		1,116		254	
Other accounts receivable	664		681		(16)	
Other	134		413		(278)	
Allowance for doubtful receivables	(21)		(20)		(0)	
<b>Fixed assets</b>	58,319	53.2	60,063	57.4	(1,743)	(2.9)
<b>Tangible fixed assets</b>	41,641	38.0	41,970	40.1	(328)	(0.8)
Buildings	16,447		16,252		194	
Structures	529		391		137	
Machinery and equipment	8,439		9,104		(664)	
Vehicles	25		27		(2)	
Tools, furniture and fixtures	3,487		3,412		75	
Land	11,839		11,703		136	
Construction in progress	873		1,079		(205)	
<b>Intangible fixed assets</b>	475	0.4	329	0.3	146	44.3
Patent	213		95		117	
Software	246		217		29	
Other	16		16		(0)	
<b>Investments and other assets</b>	16,202	14.8	17,763	17.0	(1,560)	(8.8)
Investment securities	3,194		3,334		(140)	
Shares of affiliates	6,736		6,063		672	
Investment in capital	12		12		0	
Investment in affiliates	882		1,310		(428)	
Long-term loans receivable	11		11		-	
Deferred income taxes	4,291		3,454		837	
Investment property	442		2,870		(2,428)	
Other	647		721		(73)	
Allowance for doubtful receivables	(17)		(17)		0	
<b>Total assets</b>	109,718	100.0	104,654	100.0	5,063	4.8

## Non-consolidated Financial Statements

### Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of Sep. 30, 2004		As of Sep. 30, 2003		Increase (decrease)	
	Amount	%	Amount	%	Amount	%
<b>Liabilities</b>						
<b>Current liabilities</b>	25,050	22.8	20,275	19.4	4,774	23.5
Trade notes payable	4,606		6,299		(1,692)	
Trade accounts payable	5,797		1,985		3,811	
Short-term bank loans	500		1,100		(600)	
Current portion of convertible debentures	-		308		(308)	
Current portion of long-term debt	5,263		2,487		2,776	
Other accounts payable	2,107		1,121		986	
Accrued expenses	511		498		12	
Income taxes payable	2,824		675		2,149	
Advances received	204		211		(7)	
Deposits received	76		67		9	
Accrued bonuses	1,964		1,933		30	
Notes payable - construction	514		2,918		(2,403)	
Employee deposits	645		657		(12)	
Other	34		12		21	
<b>Long-term liabilities</b>	36,760	33.5	36,261	34.6	499	1.4
Convertible debentures	19,107		19,110		(3)	
Long-term debt	6,321		6,532		(211)	
Allowance for employees' retirement and severance benefits	10,048		9,316		732	
Allowance for retirement benefits for directors and corporate auditors	1,284		1,303		(19)	
<b>Total liabilities</b>	<b>61,811</b>	<b>56.3</b>	<b>56,537</b>	<b>54.0</b>	<b>5,273</b>	<b>9.3</b>
<b>Shareholders' equity</b>						
<b>Common stock</b>	16,076	14.7	15,925	15.2	151	1.0
<b>Capital surplus</b>	15,791	14.4	15,640	14.9	151	1.0
Additional paid-in capital	15,791		15,640		151	
<b>Retained earnings</b>	21,396	19.5	17,229	16.5	4,167	24.2
Legal reserve	695		695		-	
General reserve	15,200		14,130		1,069	
Unappropriated retained earnings	5,501		2,403		3,097	
<b>Unrealized gain (loss) on securities, net of tax</b>	642	0.6	712	0.7	(70)	(9.9)
<b>Less treasury stock, at cost</b>	(5,999)	(5.5)	(1,390)	(1.3)	(4,608)	331.5
<b>Total shareholders' equity</b>	<b>47,907</b>	<b>43.7</b>	<b>48,117</b>	<b>46.0</b>	<b>(209)</b>	<b>(0.4)</b>
<b>Total liabilities and shareholders' equity</b>	<b>109,718</b>	<b>100.0</b>	<b>104,654</b>	<b>100.0</b>	<b>5,063</b>	<b>4.8</b>

## Non-consolidated Financial Statements

### Non-consolidated Statements of Income

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30,2004		Fiscal year ended Sep. 30,2003		Increase (decrease)	
	Amount	%	Amount	%	Amount	%
<b>Net sales</b>	62,245	100.0	53,295	100.0	8,949	16.8
Cost of sales	34,381	55.2	30,774	57.7	3,607	11.7
<b>Gross profit</b>	27,863	44.8	22,521	42.3	5,342	23.7
Selling, general and administrative expenses	20,015	32.2	19,127	35.9	887	4.6
Postage and delivery	596		520		76	
Advertising and promotion	497		262		234	
Salary	3,615		3,452		163	
Provision for bonuses	540		509		31	
Provision for retirement benefit	347		333		14	
Provision for retirement benefit to directors	67		71		(3)	
Depreciation	677		775		(98)	
Commissions	1,554		1,743		(188)	
Research and development	8,505		8,113		391	
Other	3,612		3,346		266	
<b>Operating income</b>	7,848	12.6	3,393	6.4	4,455	131.3
<b>Non-operating income</b>	1,280	2.1	1,276	2.4	3	0.3
Interest income	5		6		(1)	
Dividend income	785		773		11	
Rental income on investment property	285		264		21	
Other	203		232		(28)	
<b>Non-operating expenses</b>	357	0.6	619	1.2	(261)	(42.3)
Interest expenses	173		256		(82)	
Interest on debentures	39		42		(2)	
Expenses for investment property	110		213		(103)	
Foreign exchange loss	5		102		(97)	
Other	27		4		23	
<b>Ordinary income</b>	8,771	14.1	4,050	7.6	4,720	116.5
<b>Extraordinary income</b>	17	0.0	105	0.2	(87)	(83.1)
Gain on sales of fixed assets	17		32		(14)	
Subsidy income	-		22		(22)	
Reversal of allowance for doubtful receivables	-		44		(44)	
Other	-		6		(6)	
<b>Extraordinary loss</b>	1,125	1.8	735	1.4	390	53.1
Loss on sales and disposal of fixed assets	402		98		303	
Loss on revaluation of marketable securities	2		32		(30)	
Expenses for preparation for establishment of graduate university	720		-		720	
Loss on revaluation of affiliates shares	-		216		(216)	
Provision of retirement benefit for directors and corporate auditors for prior years	-		364		(364)	
Other	-		23		(23)	
<b>Income before income taxes</b>	7,663	12.3	3,421	6.4	4,242	124.0
<b>Income taxes</b>	3,791	6.1	1,946	3.6	1,845	
<b>Deferred income taxes</b>	(1,016)	(1.6)	(326)	(0.6)	(690)	
<b>Net income</b>	4,889	7.8	1,801	3.4	3,087	171.4
<b>Unappropriated retained earnings at beginning of the period</b>	942		942		0	
<b>Interim dividends</b>	330		339		(9)	
<b>Unappropriated retained earnings at end of the period</b>	5,501		2,403		3,097	128.9

**Proposed Appropriation of Retained Earnings**

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30,2004	Fiscal year ended Sep. 30,2003	Increase (decrease)
	Amount	Amount	Amount
<b>Unappropriated retained earnings at end of the period</b>	5,501	2,403	3,097
<b>Reversal of unappropriate reserve</b>			
Reversal of reserve for special depreciation	33	47	(13)
	5,534	2,450	3,083
<b>Appropriation</b>			
Dividends	976	336	640
	(per share: 15 yen)	(per share: Yen 5)	
	(ordinary: 5 yen)		
	(commemorative: 10 yen)		
Bonuses to directors and corporate auditors	55	55	-
(Bonuses to corporate auditors in the amounts	6	6	-)
Unappropriated reserve			
Reserve for special depreciation	66	16	49
General reserve	3,000	1,100	1,900
	4,098	1,508	2,590
<b>Unappropriated retained earnings carried forward</b>	1,436	942	493