

Non-consolidated Financial Results for the Third Quarter of Fiscal Year ending September 30, 2006

July 26, 2006

Company name : Hamamatsu Photonics K.K.

ID number : 6965

URL : <http://www.hamamatsu.com/ir/index.html>

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

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

Stock listing : Tokyo Stock Exchange First Section

Headquarters : Hamamatsu City, Japan

1. Matters concerning the presentation of quarterly financial result

Accounting method differed from the latest fiscal year : Yes

Depreciation method of fixed assets : Estimated depreciation amount corresponding to the reported period

Computation of income taxes : Income taxes calculated based on the estimated effective tax rates

2. Non-consolidated financial results for the nine months ended Jun. 30, 2006 (From Oct. 1, 2005 through Jun. 30, 2006)

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

(1) Non-consolidated operating results

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended Jun. 30, 2006	53,687	12.5	9,611	27.9	10,669	25.7
Nine months ended Jun. 30, 2005	47,706	5.3	7,515	45.3	8,489	42.1
(Reference) Fiscal year ended Sep. 30, 2005	64,234		9,411		10,558	

	Net income		Net income per share	Diluted net income per share
	Millions of yen	%	Yen	Yen
Nine months ended Jun. 30, 2006	6,418	11.8	94.94	79.29
Nine months ended Jun. 30, 2005	5,741	69.2	88.16	73.23
(Reference) Fiscal year ended Sep. 30, 2005	6,525		99.35	81.93

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) Non-consolidated financial position

	Total assets	Net assets	Net assets ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of Jun. 30, 2006	141,629	70,156	49.5	996.30
As of Jun. 30, 2005	131,550	52,729	40.1	809.65
(Reference) As of Sep. 30, 2005	134,426	53,916	40.1	826.98

Non-consolidated Financial Results for the Third Quarter of Fiscal Year ending September 30, 2006

Third Quarter Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of June 30, 2006		As of June 30, 2005		Change		As of Sep. 30, 2005	
	Amount	%	Amount	%	Amount	%	Amount	%
Assets								
Current assets								
Cash on hand and in banks	42,770		38,213		4,556		39,304	
Trade notes receivable	3,609		3,261		348		2,698	
Accounts receivable	17,515		16,969		546		17,644	
Inventories	12,523		11,467		1,056		11,155	
Deferred income taxes	1,457		1,341		116		1,466	
Other	753		471		282		704	
Total current assets	78,630	55.5	71,724	54.5	6,906	9.6	72,973	54.3
Fixed assets								
Tangible fixed assets	44,899	31.7	42,460	32.3	2,438	5.7	43,923	32.7
Intangible fixed assets	414	0.3	469	0.4	(54)	(11.7)	456	0.3
Investments and other assets	17,685	12.5	16,897	12.8	787	4.7	17,072	12.7
Shares of affiliates	6,486		6,806		(319)		6,506	
Deferred income taxes	4,444		4,260		183		4,415	
Other	6,754		5,830		923		6,149	
Total fixed assets	62,998	44.5	59,826	45.5	3,172	5.3	61,452	45.7
Total assets	141,629	100.0	131,550	100.0	10,078	7.7	134,426	100.0
Liabilities								
Current liabilities								
Trade notes payable	4,625		4,017		607		4,030	
Trade accounts payable	6,856		5,474		1,381		5,498	
Short-term bank loans	-		500		(500)		400	
Current portion of long-term debt	4,263		263		4,000		263	
Income taxes payable	1,750		1,164		586		2,328	
Other	9,978		8,215		1,763		8,651	
Total current liabilities	27,474	19.4	19,634	14.9	7,839	39.9	21,172	15.8
Long-term liabilities								
Non-collateral bonds with warrants to buy stocks	8,548		19,994		(11,446)		19,985	
Convertible debentures	18,723		19,107		(384)		19,107	
Long-term bank loans	3,969		8,233		(4,263)		8,057	
Allowance for employees' retirement and severance benefits	11,389		10,517		871		10,835	
Allowance for retirement benefits for directors and corporate auditors	1,369		1,335		33		1,352	
Total long-term liabilities	43,999	31.1	59,186	45.0	(15,187)	(25.7)	59,337	44.1
Total liabilities	71,473	50.5	78,821	59.9	(7,347)	(9.3)	80,510	59.9

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

Non-consolidated Financial Results for the Third Quarter of Fiscal Year ending September 30, 2006

Third Quarter Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of June 30, 2006		As of June 30, 2005		Change		As of Sep. 30, 2005	
	Amount	%	Amount	%	Amount	%	Amount	%
Net asset								
Shareholders' equity								
Common stock	21,994	15.5	-	-	-	-	-	-
Capital surplus	21,709	15.3	-	-	-	-	-	-
Retained earnings	30,580	21.6	-	-	-	-	-	-
Less treasury stock, at cost	(6,008)	(4.2)	-	-	-	-	-	-
Total shareholders' equity	68,275	48.2	-	-	-	-	-	-
Unrealized gains and adjustment								
Unrealized gain on securities, net of tax	1,880	1.3	-	-	-	-	-	-
Total Unrealized gains and adjustment	1,880	1.3	-	-	-	-	-	-
Total net asset	70,156	49.5	-	-	-	-	-	-
Total liabilities and net asset	141,629	100.0	-	-	-	-	-	-
Shareholders' equity								
Common stock	-	-	16,079	12.2	-	-	16,084	12.0
Capital surplus	-	-	15,794	12.0	-	-	15,799	11.7
Retained earnings	-	-	25,780	19.6	-	-	26,563	19.8
Unrealized gain on securities, net of tax	-	-	1,075	0.8	-	-	1,470	1.1
Less treasury stock, at cost	-	-	(6,000)	(4.5)	-	-	(6,001)	(4.5)
Total shareholders' equity	-	-	52,729	40.1	-	-	53,916	40.1
Total liabilities and shareholders' equity	-	-	131,550	100.0	-	-	134,426	100.0

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

Non-consolidated Financial Results for the Third Quarter of Fiscal Year ending September 30, 2006

Third Quarter Non-consolidated Income Statements

(Millions of Japanese Yen)

	Nine months ended Jun. 30, 2006		Nine months ended Jun. 30, 2005		Change		Fiscal year ended Sep. 30, 2005	
	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	53,687	100.0	47,706	100.0	5,980	12.5	64,234	100.0
Cost of sales	28,738	53.5	25,059	52.5	3,679	14.7	34,377	53.5
Gross profit	24,948	46.5	22,647	47.5	2,301	10.2	29,856	46.5
Selling, general and administrative expenses	8,942	16.7	8,530	17.9	412	4.8	11,581	18.0
Research and development	6,395	11.9	6,601	13.8	(206)	(3.1)	8,863	13.8
Operating income	9,611	17.9	7,515	15.8	2,095	27.9	9,411	14.7
Non-operating income	1,220	2.3	1,190	2.5	30	2.6	1,427	2.2
Non-operating expenses	163	0.3	216	0.5	(53)	(24.6)	281	0.5
Ordinary income	10,669	19.9	8,489	17.8	2,179	25.7	10,558	16.4
Extraordinary Income	89	0.2	3	0.0	85	2136.5	35	0.1
Extraordinary loss	244	0.5	46	0.1	198	423.8	776	1.2
Income before income taxes	10,513	19.6	8,447	17.7	2,066	24.5	9,817	15.3
Income taxes	3,420	6.4	2,705	5.7	714	26.4	3,292	5.1
Income taxes for past years	674	1.2	-	-	674	-	-	-
Net income	6,418	12.0	5,741	12.0	677	11.8	6,525	10.2

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

Non-consolidated Financial Results for the Third Quarter of Fiscal Year ending September 30, 2006

(1) By major product categories

(Millions of Japanese Yen)

Major product category		Nine months ended Jun. 30, 2006		Nine months ended Jun. 30, 2005		Change	Fiscal Year ended Sep. 30, 2005	
		Amount	Ratio	Amount	Ratio		Amount	Ratio
Photomultiplier tubes	Total	11,886	22.1	10,290	21.6	15.5	13,753	21.4
	Export	8,635	16.1	7,122	14.9	21.2	9,404	14.6
Imaging devices & Lamps	Total	9,387	17.5	7,744	16.2	21.2	10,275	16.0
	Export	4,762	8.9	3,531	7.4	34.9	4,768	7.4
Opto - Semiconductors	Total	23,946	44.6	21,246	44.5	12.7	28,428	44.2
	Export	12,144	22.6	10,416	21.8	16.6	14,058	21.9
Imaging & Measuring Systems	Total	7,236	13.5	7,371	15.5	(1.8)	10,319	16.1
	Export	3,586	6.7	3,118	6.5	15.0	4,300	6.7
Others	Total	1,230	2.3	1,053	2.2	16.8	1,457	2.3
	Export	137	0.2	65	0.2	108.8	118	0.2
Company Net Sales	Total	53,687	100.0	47,706	100.0	12.5	64,234	100.0
	Export	29,266	54.5	24,253	50.8	20.7	32,650	50.8

Note : Number in the lower column in each section is for export sales and is included in the total sales amount in each section.

(2) By regions

(Millions of Japanese Yen)

Region	Nine months ended Jun. 30, 2006		Nine months ended Jun. 30, 2005		Change	Fiscal Year ended Sep. 30, 2005	
	Amount	Ratio	Amount	Ratio		Amount	Ratio
Domestic	24,421	45.5	23,452	49.2	4.1	31,583	49.2
United States	10,014	20.5	9,114	19.1	20.8	12,222	19.0
Europe	9,636	18.0	7,733	16.2	24.6	10,633	16.6
Asia	8,392	15.6	7,185	15.1	16.8	9,507	14.8
Others	223	0.4	219	0.4	1.7	287	0.4
Company Net Sales	53,687	100.0	47,706	100.0	12.5	64,234	100.0