

November 29, 2004

Company name: Hamamatsu Photonics K.K.
Stock ID number: 6965 Tokyo Stock Exchange, First Section

Notice of issuing conditions for Fourth Non-collateral Bonds with Warrants to buy Stocks.

ON THE 29TH OF NOVEMBER THE BOARD OF DIRECTORS OF Hamamatsu Photonics K.K. announced the issuance of the Fourth Non-collateral Bonds with Warrants to buy Stocks with a 130% call option (clause of downward revision of conversion price and financial covenants that entitle bondholders to equal claims to collateral). The proceeds will be used to finance the Company's research and development and on-going operations. This matter was discussed at the Board of Directors Meeting held on November 19, 2004.

Matters regarding the Warrants to buy Stocks:

Conversion Price: 2,222 yen per share

Date of determination of conversion price: November 29, 2004

Closing price of common stock on November 29, 2004 on the Tokyo Stock Exchange: 2,020 yen per share

Mark up rate [$\{(Conversion\ price) / (Stock\ price\ (Closing\ price)) - 1\} \times 100$]: 10.0%

Capital Stock will increase by 1,111 yen per share after the conversion.

Interest rate: The Bonds bear no interest.

Explanation for determining the issue price of the Warrants to buy Stocks at zero value and the amount to be paid upon conversion:

The issue price of the Warrants to buy Stocks was to be valued at zero, taking into consideration that the Bonds and the Warrant have a close interrelation on the grounds that the Warrants are attached to the Bonds, the Bonds shall expire upon exercise of the Warrants due to the advance payment as well as the early retirement of the Bonds, regardless of the financial value of the Warrants, as well as its value of the Bonds estimated from the interest rate, the issue price, as well as the terms and conditions of the issuance of the Bonds.

The amount to be paid upon exercise of each Warrant has been determined as the amount equal to the issue price of each Bond and the initial Conversion Price determined by the amount obtained by multiplying the closing price of the share of the common stock, of the company, at the Tokyo Stock Exchange on November 29, 2004 by 110%.

Reference:

Date of resolution: November 19, 2004

Subscription period: From November 30, 2004 through December 2, 2004

Date of issuance (date of payment): December 17, 2004

Note: This press release is intended as general information regarding Hamamatsu Photonics K.K.'s issuance of the Bonds and shall not be considered offering of securities. Investors are advised to read the Prospectus (and correction notice) prepared by Hamamatsu Photonics K.K. for the offering of the Bonds with Warrants to buy Stocks prior to making their own investment decision.

The Bonds are listed at Tokyo Bond Market from December 20, 2004