

Consolidated Financial Results for the Third Quarter of Fiscal Year ending September 30, 2009

August 3, 2009

Company name : Hamamatsu Photonics K.K.

ID number : 6965

Stock listing : Tokyo Stock Exchange First Section

URL : www.hamamatsu.com

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

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

Scheduled date to submit Securities Report : August 6, 2009

Scheduled date to begin dividend payments : -

1. Consolidated financial results for the nine months ended June 30, 2009 (From Oct. 1, 2008 through Jun. 30, 2009)

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

(1) Consolidated operating results

Notes: Percentage figures represent changes from the same quarter of the previous year.

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended Jun. 30, 2009	52,918	-	2,518	-	3,295	-	7	-
Nine months ended Jun. 30, 2008	72,643	1.4	15,097	(6.8)	15,906	(3.1)	9,692	(2.3)

	Net income per share	Diluted net income per share
	Yen	Yen
Nine months ended Jun. 30, 2009	0.09	0.09
Nine months ended Jun. 30, 2008	120.67	119.65

(2) Consolidated financial position

	Total assets	Net Assets	Shareholders' equity ratio	Net Assets per share
	Millions of yen	Millions of yen	%	Yen
as of Jun. 30, 2009	160,912	116,454	71.4	1,428.65
as of Sep. 30, 2008	174,991	122,363	69.0	1,501.62

Reference: Shareholders' equity

Nine months ended Jun. 30, 2009 : 114,854 million yen

Fiscal year ended Sep. 30, 2008 : 120,721 million yen

2. Dividends

(Base date)	Dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of fiscal year	Full fiscal year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended Sep. 30, 2008	-	20.00	-	26.00	46.00
Fiscal year ended Sep. 30, 2009	-	23.00	-		
Fiscal year ended Sep. 30, 2009 (Outlook)				7.00	30.00

Note: Whether the dividend forecast under review have been revised: None

Breakdown of year-end dividend for Fiscal year ended Sep. 30, 2008: Regular dividend of JPY 23.00, Commemorative dividend of JPY 3.00

3. Forecast of consolidated results for the fiscal year ended Sep. 30, 2009 (From Oct. 1, 2008 through Sep. 30, 2009)

Notes: Percentage figures represent changes from the same period of the previous year.

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ended Sep. 30, 2009	68,800	(30.4)	700	(96.5)	1,300	(93.8)	(700)	-	(8.71)

Note: Whether the forecasts for consolidated figures under review have been revised: None

4. Others

- (1) Changes in consolidated subsidiaries (Changes in scope of consolidation): None
- (2) Whether the Company has adopted simplified accounting methods : Yes
- (3) Changes in principles, procedures, presentation methods for the quarterly consolidated financial statements
 - (a) Changes arising from revision of accounting principles: Yes
 - (b) Changes arising from other factors: Yes
- (4) Number of shares outstanding
 - (a) Number of shares outstanding at end of period including treasury stock
 - Nine months ended Jun. 30, 2009: 83,763,184 shares
 - Fiscal year ended Sep. 30, 2008: 83,763,184 shares
 - (b) Number of treasury stock at end of period
 - Nine months ended Jun. 30, 2009: 3,369,439 shares
 - Fiscal year ended Sep. 30, 2008: 3,369,003 shares
 - (c) Average number of shares issued during the period (third-quarter accumulation (Nine months))
 - Nine months ended Jun. 30, 2009: 80,393,867 shares
 - Nine months ended Jun. 30, 2008: 80,326,590 share

The above forecast has been prepared based on the information which is available at this moment.
Actual results may differ from the forecast due to various factors that may arise in the future.

1. Comments on Consolidated Performance

(1) Summary of Consolidated Performance for the Third Quarter of this Fiscal Year

Although the recession seems to have bottomed out, the business environment during the third quarter of this fiscal year was still in a difficult situation. This is due to a rapid decrease of corporate profits, an increase in unemployment and decrease in personal income. Against this background, our group strove to improve our products' competitiveness in order to speed our business recovery. Moreover, we undertook to boost our revenue and income by streamlining operating expenses.

As a result of the above factors, we closed the third quarter with net sales of JPY 52,918 million, down by JPY 19,724 million (27.2%), operating income of JPY 2,518 million, down by JPY 12,578 million (83.3%) and ordinary income of JPY 3,295 million, down by JPY 12,611 million (79.3%) over one year before respectively. Net income resulted in JPY 7 million, down by JPY 9,685 million (99.9%).

(2) Sales by Segment

a. Opto-Electronic Devices:

Photomultiplier Tube sales in medical fields such as gamma camera and Positron Emission Tomography (PET) increased steadily in the US market attributed to their superior performance. On the other hand, sales in the field of emission analyses experienced a sudden decrease, although last year, their sales were up, due to an increase of steel demand mainly in China.

In the **Light Sources and Imaging Devices**, the sales of Microfocus X-ray sources for non-destructive inspection systems and UV Spot Light Source for UV cure bonding decreased sharply. This was due to adjustment of production and reduction of capital investment largely attributable to customers in Japan.

In the **Opto-semiconductor** sector, sales of Image Sensors for dental applications, which had been increasing rapidly for the last few years, were down in Japan and Asia, due to an adjustment of our customer's inventories. Sales of Photo ICs used in communication network applications for the European automobile industry also grew at a sluggish pace

In total Opto-Electronic Devices closed the third quarter with JPY 45,731 million, down by 26.8% and operating income of JPY 9,722 million, down by 54.1% from one year previous.

b. Imaging and Measurement Instruments:

Semiconductor Failure Analysis Systems sales, mainly to domestic and Asia market, dropped rapidly due to reduction of capital investment in the field of semiconductors. In addition, sales of drug screening systems (FDSS) for research in pharmaceuticals were down.

Net sales for this sector resulted in JPY 7,305 million, down by 28.4% and operating income of JPY 140 million, down by 90.7% from one year before.

c. Others:

Net sales for the third quarter of this fiscal year were JPY 429 million, down by 16.1% over last year and operating loss was JPY 14 million (Third Quarter of FY 2008 was JPY 54 million loss).

(3) Sales by Location of companies

In **Japan**, export sales of Photomultiplier Tubes in medical applications, such as nuclear medical imaging systems, including gamma cameras and PET increased steadily centered mainly in the U.S. market. Meanwhile domestic sales and export sales to Asia of X-ray Image Sensors for dental instrumentation along with export sales of Photo ICs used in communication network applications for the automobile industry to Europe decreased. In addition, domestic sales and export sales to Asia of the UV Spot Light Source for UV cure bonding and sales of industrial Semiconductor Failure Analysis Systems decreased. Total sales in Japan were JPY 46,018 million, down by 26.6% and operating profits JPY 7,730 million, down by 58.8% compared with one year before respectively.

In **North America**, sales of Photomultiplier Tubes in the medical field for PET and gamma cameras increased steadily. However, sales of Imaging and Measurement Instruments decreased; an appreciation of the yen caused a decrease in sales. The total sales for the region were JPY 15,304 million, down by 17.6% and operating profit JPY 264 million, down by 55.1% over last year respectively.

Europe experienced a decrease in sales of Photo ICs for automotive network applications. In addition, a stronger yen led to a decrease in sales. Total sales were JPY 13,613 million, down by 25.6% and operating profit JPY 1,031 million, down by 60.3% over last year respectively.

In **Other Regions** mostly represented by China, net sales were JPY 1,962 million; up by 17.4% and operating profit JPY 276 million, down by 20.1%.

2. Comments on Financial Position

(1) Summary of Financial Position

Current assets decreased to JPY 12,693 million from the year ended September 30, 2008. This results mainly from a decrease in cash on hand and in banks of JPY 16,664 million due to a purchase of investment securities and to capital investment, and decreases in trade notes and accounts receivable of JPY 8,482 million, while there were increases in work in process and investment securities. Fixed assets were decreased JPY 1,385 million from the last fiscal year end, due mainly to decrease in the value of fixed assets, down by JPY 1,289 million. The total assets at the end of the third quarter were JPY 160,912 million, down by JPY 14,078 million from the year ended September 30, 2008.

Current liabilities decreased to JPY 5,113 million. This is mainly from decreases in account payable, down by JPY 4,692 million and income taxes payable, down by JPY 2,267 million. Fixed liabilities decreased to JPY 3,056 million from the last fiscal year end, due mainly to a decrease payment of long-term bank loans, down by JPY 3,625 million, while there was an increase in allowance for employees' retirement, up by JPY 672 million. The total liabilities at the end of the third quarter were JPY 44,458 million, down by JPY 8,170 million.

Net Assets were JPY 116,454 million, down by JPY 5,908 million, due mainly to decreased retained earnings because of a dividend payment, JPY 3,945 million and foreign currency translation adjustment.

(2) Summary of Cash Flow

Cash flow created from operations during the third quarter was JPY 7,657 million, down by JPY 7,005 million over last year. This is mainly from a decrease in income before income taxes.

Investment activity required a cash flow of JPY 30,400 million, up by JPY 25,182 million from previous year due mainly to an acquisition of investment securities and there was an increase in time deposits.

Financial activity decreased cash flow to JPY 5,460 million due mainly to dividend and long-term loans payments, while the cash flow last year was increased JPY 4,556 million, due mainly to reimbursement of redemption of convertible debentures.

At the end of the third quarter, cash and cash equivalent stood at JPY 15,802 million, down by JPY 29,002 million from the year ended September 30, 2008.

3. Comments on Consolidated Financial Forecast

There is no change to the annual projection for this fiscal year released on June 26, 2009.

Consolidated Financial Statements

Consolidated Balance Sheets

	As of	As of
	Jun. 30, 2009	Sep. 30, 2008
	Amount	Amount
Assets		
Current assets		
Cash on hand and in banks	42,343	59,007
Trade notes and accounts receivable	15,007	23,489
Securities	10,000	-
Merchandise and finished goods	5,200	4,503
Work in process	11,583	10,841
Raw materials and supplies	4,998	4,895
Other	6,400	5,498
Allowance for doubtful receivables	(172)	(179)
Total current assets	95,361	108,054
Fixed assets		
Tangible fixed assets		
Buildings and structures, net	22,494	23,162
Machinery, equipment and vehicles, net	10,609	11,843
Tools, furniture and fixtures, net	3,713	4,051
Land	12,801	13,644
Lease assets, net	64	-
Construction in progress	4,715	2,987
Total tangible fixed assets	54,399	55,689
Intangible fixed assets	370	347
Investments and other assets		
Investment securities	2,481	2,582
Deferred income taxes	6,120	6,117
Other	2,200	2,216
Allowance for doubtful receivables	(21)	(16)
Total investments and other assets	10,781	10,899
Total fixed assets	65,551	66,936
Total assets	160,912	174,991

Consolidated Financial Statements

Consolidated Balance Sheets

	As of Jun. 30, 2009	As of Sep. 30, 2008
	Amount	Amount
Liabilities		
Current liabilities		
Trade notes and accounts payable	7,902	12,594
Short-term loans payable	1,481	1,401
Current portion of long-term debt	3,453	1,450
Current portion of non-collateral bonds with warrants to buy stocks	1,360	1,360
Income taxes payable	822	3,089
Accrued bonuses	3,718	2,749
Other	7,567	8,774
Total current liabilities	26,306	31,419
Long term liabilities		
Long-term bank loans	3,354	6,979
Allowance for employees' retirement and severance benefits	13,263	12,591
Allowance for retirement benefits for directors and corporate auditors	1,398	1,521
Other	134	115
Total long term liabilities	18,151	21,208
Total liabilities	44,458	52,628
Net assets		
Shareholders' equity		
Common stock	34,926	34,926
Capital surplus	34,670	34,670
Retained earnings	53,497	57,542
Less treasury stock, at cost	(6,046)	(6,045)
Total shareholders' equity	117,048	121,094
Unrealized gains and adjustment		
Unrealized gain on securities, net of tax	295	407
Deferred Hedge Gain (Loss)	-	27
Foreign Currency Translation Adjustment	(2,489)	(807)
Total unrealized gains and adjustment	(2,194)	(372)
Minority interests in consolidated subsidiaries	1,600	1,641
Total net assets	116,454	122,363
Total liabilities and net assets	160,912	174,991

Third Quarter Consolidated Financial Statements

Third Quarter Consolidated Income Statements

(Millions of Japanese Yen)

	Nine months ended Jun. 30, 2009
	Amount
Net sales	52,918
Cost of sales	28,467
Gross profit	24,451
Selling, general and administrative expenses	21,932
Operating income	2,518
Non-operating income	
Interest income	311
Foreign exchange gain	218
Gain on investments accounted for by the equity method	77
Other	380
Total non-operating income	987
Non-operating expenses	
Interest expenses	117
Rental expenses for investment property	89
Other	4
Total non-operating expenses	211
Ordinary income	3,295
Extraordinary income	
Gain on sales of fixed assets	6
Subsidy income	236
Other	0
Total extraordinary income	243
Extraordinary loss	
Loss on sales of fixed assets	16
Loss on disposal of fixed assets	59
Advanced depreciations	211
Impairment loss	1,075
Loss on revaluation of marketable securities	1
Loss on reorganization of subsidiary	108
Total extraordinary loss	1,472
Income before income taxes and minority interest	2,066
Income taxes	1,992
Minority interests in consolidated subsidiaries	66
Net income	7

Third Quarter Consolidated Financial Statements

Third Quarter Consolidated Statements of Cash Flow

(Millions of Japanese Yen)

	Nine months ended Jun. 30, 2009
Cash flows from operating activities	
Income before income taxes and minority interests	2,066
Depreciation	7,133
Impairment loss	1,075
Increase (Decrease) in accrued bonuses	995
Interest and dividend income	(335)
Interest expense	117
(Gain) loss on investments accounted for by the equity method	(77)
(Increase) decrease in receivables, trade	7,763
(Increase) decrease in inventories	(2,017)
Increase (decrease) in payables, trade	(4,036)
Other	807
Subtotal	13,492
Interest and dividend received	335
Interest expense paid	(117)
Income taxes paid	(6,053)
Net cash provided by operating activities	7,657
Cash flows from investing activities	
(Increase) decrease in time deposits	(12,341)
Payments for acquisition of marketable securities	(18,646)
Proceeds from sales of marketable securities	9,184
Payments for acquisition of fixed assets	(7,876)
Payments for loans receivable	(723)
Other	3
Net cash used in investing activities	(30,400)
Cash flows from financing activities	
Increase (decrease) in short-term debt	15
Proceeds from (payment of) long-term debt	(1,622)
Dividends paid by the parent company	(3,827)
Other	(25)
Net cash provided by (used in) financing activities	(5,460)
Effect of exchange rate changes on cash and cash equivalents	(798)
Net increase (decrease) in cash and cash equivalents	(29,002)
Cash and cash equivalents at beginning of period	44,805
Cash and cash equivalents at end of period	15,802

Segment Information

Business Segment

Nine months ended Jun. 30, 2009

(Millions of Japanese Yen)

	Opto-electronic devices	Imaging and measurement instruments	Other	Segment total	Elimination or corporate	Consolidated total
Net sales						
Outside customers	45,211	7,278	429	52,918	-	52,918
Intersegment	520	26	-	547	(547)	-
Total net sales	45,731	7,305	429	53,465	(547)	52,918
Operating expenses	36,009	7,164	443	43,617	6,782	50,400
Operating income	9,722	140	(14)	9,848	(7,329)	2,518

Notes:

1. Business segments are classified based on the similarities of products, markets and so on.
2. Major products in each business segment ;

Opto-electronic devices	Photomultiplier Tubes, Imaging Devices and Light Sources (X-ray Scintillator, X-ray Image Intensifier, Microchannel Plate, Deuterium Lamp, Spot Light Source, Microfocus X-ray Source), Opto-semiconductors (Photo Diode, Infrared Detector, Image Sensor, Light Emitting Diode, Photo IC)
Imaging and measurement instruments	Image Processing and Measurement Systems (Special Purpose Video Camera, Image Processing System, Low-Level Light Image Acquisition System, Ultrafast Optical Measurement System, Image Processing and Analysis System for Optical Microscope, Nondestructive Inspection System)
Other	Hotel operations

Geographical Segment

Nine months ended Jun. 30, 2009

(Millions of Japanese Yen)

	Japan	North America	Europe	Other	Segment total	Elimination or corporate	Consolidated total
Net sales							
Outside customers	23,334	15,044	13,443	1,096	52,918	-	52,918
Intersegment	22,684	259	170	865	23,979	(23,979)	-
Total net sales	46,018	15,304	13,613	1,962	76,898	(23,979)	52,918
Operating expenses	38,288	15,039	12,582	1,685	67,596	(17,195)	50,400
Operating income	7,730	264	1,031	276	9,302	(6,784)	2,518

Notes :

1. The countries or areas are classified based on the geographical proximity.
2. Major countries and areas which belong to each classification:
 North America : U.S.A.
 Europe : Germany, France, U.K.
 Other : China

Overseas Sales

Nine months ended Jun. 30, 2009

(Millions of Japanese Yen)

	North America	Europe	Asia	Other	Consolidated total
Overseas sales	14,393	13,281	6,823	281	34,780
Consolidated net sales	-	-	-	-	52,918
Ratio of overseas sales to consolidated net sales	27.2%	25.1%	12.9%	0.5%	65.7%

Notes :

1. The countries or areas are classified based on the geographical proximity.
2. Major countries and areas which belong to each classification:
 North America : U.S.A.
 Europe : Germany, France, U.K.
 Asia : Israel, India, China, Korea, Taiwan
 Other : Australia

(Supplementary Information)

(1) Third Quarter Consolidated Financial Statements

(Millions of Japanese Yen)

	Nine months ended Jun. 30, 2008
	Amount
Net sales	72,643
Cost of sales	33,552
Gross profit	39,091
Selling, general and administrative expenses	16,406
Research and Development	7,587
Operating income	15,097
Non-operating income	1,041
Non-operating expenses	231
Ordinary income	15,906
Extraordinary income	508
Extraordinary loss	595
Income before income taxes and minority interests	15,819
Income taxes	6,037
Minority interests in consolidated subsidiaries	89
Net income	9,692

(2) Third Quarter Consolidated Statements of Cash Flow

(Millions of Japanese Yen)

	Nine months ended Jun. 30, 2008
Cash flows from operating activities	
Income before income taxes and minority interests	15,819
Depreciation	6,665
Increase in allowance for retirement and severance benefits	383
(Increase) decrease in receivables, trade	532
(Increase) decrease in inventories	(3,560)
Increase (decrease) in payables, trade	2,168
Other	(337)
Subtotal	21,672
Income taxes paid	(7,244)
Other	235
Net cash provided by operating activities	14,663
Cash flows from investing activities	
(Increase) decrease in time deposits	1,506
Payments for acquisition of fixed assets	(6,214)
Other	(509)
Net cash used in investing activities	(5,218)
Cash flows from financing activities	
Increase (decrease) in short-term debt	(20)
Proceeds from (payment of) long-term debt	(2,110)
Proceeds from redemption of convertible debenture	9,372
Dividends paid by the parent company	(3,364)
Other	678
Net cash provided by (used in) financing activities	4,556
Effect of exchange rate changes on cash and cash equivalents	(307)
Net increase (decrease) in cash and cash equivalents	13,693
Cash and cash equivalents at beginning of period	35,067
Cash and cash equivalents at end of period	48,761

(3) Segment Information

Business Segment

Nine months ended Jun. 30, 2008

(Millions of Japanese Yen)

	Opto-electronic devices	Imaging and measurement instruments	Other	Segment total	Elimination or corporate	Consolidated total
Net sales						
Outside customers	61,970	10,161	511	72,643	-	72,643
Intersegment	509	35	-	544	(544)	-
Total net sales	62,479	10,196	511	73,188	(544)	72,643
Operating expenses	41,317	8,690	566	50,573	6,972	57,546
Operating income	21,162	1,506	(54)	22,614	(7,517)	15,097

Notes: Major products in each business segment:

Opto-electronic devices	Photomultiplier Tubes, Imaging Devices and Light Sources (X-ray Scintillator, X-ray Image Intensifier, Microchannel Plate, Deuterium Lamp, Spot Light Source, Microfocus X-ray Source), Opto-semiconductors (Photo Diode, Infrared Detector, Image Sensor, Light Emitting Diode, Photo IC)
Imaging and measurement instruments	Image Processing and Measurement Systems (Special Purpose Video Camera, Image Processing System, Low-Level Light Image Acquisition System, Ultrafast Optical Measurement System, Image Processing and Analysis System for Optical Microscope, Nondestructive Inspection System)
Other	Photosensitizer R&D, Hotel operations

Geographical Segment

Nine months ended Jun. 30, 2008

(Millions of Japanese Yen)

	Japan	North America	Europe	Other	Segment total	Elimination or corporate	Consolidated total
Net sales							
Outside customers	35,710	18,062	17,886	983	72,643	-	72,643
Intersegment	26,966	504	406	688	28,566	(28,566)	-
Total net sales	62,676	18,567	18,293	1,672	101,209	(28,566)	72,643
Operating expenses	43,893	17,979	15,696	1,325	78,894	(21,348)	57,546
Operating income	18,783	588	2,596	346	22,315	(7,217)	15,097

Notes : Major countries and areas which belong to each classification:

North America : U.S.A.

Europe : Germany, France, U.K.

Other : China

Overseas Sales

Nine months ended Jun. 30, 2008

(Millions of Japanese Yen)

	North America	Europe	Asia	Other	Consolidated total
Overseas sales	17,733	17,725	10,356	376	46,192
Consolidated net sales	-	-	-	-	72,643
Ratio of overseas sales to consolidated net sales	24.4%	24.4%	14.3%	0.5%	63.6%

Notes : Major countries and areas which belong to each classification:

North America : U.S.A.

Europe : Germany, France, U.K.

Asia : Israel, India, China, Korea, Taiwan

Other : Australia