

Consolidated Financial Results for the Fiscal Year ended September 30, 2012 (Japanese GAAP)

November 12, 2012

Company name : Hamamatsu Photonics K.K.

Stock listing : Tokyo Stock Exchange First Section

ID number : 6965

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

Representative : Akira Hiruma, President and Chief Executive Officer

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

Scheduled date of Annual General Meeting of Shareholders : December 20, 2012

Scheduled date to submit securities report : December 20, 2012

Scheduled date to begin dividend payments : December 21, 2012

Supplementary materials to the financial statements have been prepared : Yes

Presentation will be held to explain the financial statements : Yes

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

1. Consolidated financial results for the fiscal year ended Sep. 30, 2012 (From Oct. 1, 2011 through Sep. 30, 2012)

(1) Consolidated operating results

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended Sep. 30, 2012	98,067	(3.7)	17,587	(19.4)	18,350	(17.4)	11,206	(18.2)
Fiscal year ended Sep. 30, 2011	101,858	12.0	21,830	38.6	22,216	38.3	13,702	19.2

Notes: Comprehensive income

Fiscal year ended Sep. 30, 2012: 11,096 million yen (-11.3%)

Fiscal year ended Sep. 30, 2011: 12,515 million yen (26.4%)

	Net income per share	Diluted net income per share	Return on Equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Fiscal year ended Sep. 30, 2012	139.39	-	8.2	9.7	17.9
Fiscal year ended Sep. 30, 2011	170.44	-	10.7	12.2	21.4

For reference: Gain or (loss) on investments accounted for by equity method

Fiscal year ended Sep. 30, 2012: 83 million yen

Fiscal year ended Sep. 30, 2011: 51 million yen

(2) Consolidated financial position

	Total assets	Net Assets	Shareholders' equity ratio	Net Assets per share
	Millions of yen	Millions of yen	%	Yen
as of Sep. 30, 2012	189,970	140,873	73.9	1,745.18
as of Sep. 30, 2011	188,091	133,434	70.5	1,650.23

For reference: Shareholders' equity

Fiscal year ended Sep. 30, 2012: 140,303 million yen

Fiscal year ended Sep. 30, 2011: 132,670 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended Sep. 30, 2012	14,939	(8,800)	(3,505)	35,764
Fiscal year ended Sep. 30, 2011	20,418	(11,959)	(3,448)	33,045

2. Dividends

(Base date)	Dividends per share					Total dividends (annual) Millions of yen	Dividend propensity (consolidated) %	Dividends to net assets (consolidated) %
	End of Q1	End of Q2	End of Q3	End of FY	Full FY			
Fiscal year ended Sep. 30, 2011	-	22.00	-	22.00	44.00	3,543	25.8	2.8
Fiscal year ended Sep. 30, 2012	-	23.00	-	23.00	46.00	3,704	33.0	2.7
Fiscal year ended Sep. 30, 2013	-	23.00	-	23.00	46.00		32.4	

3. Forecast of consolidated performances for the fiscal year ended Sep. 30, 2013 (From Oct. 1, 2012 through Sep. 30, 2013)

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
Through the second quarter of FY 2013	50,700	(0.1)	8,300	(15.0)	8,400	(17.5)	5,500	(10.0)	68.41
Fiscal year ended Sep. 30, 2013	101,800	3.8	16,700	(5.0)	17,000	(7.4)	11,400	1.7	141.80

4. Others

- (1) Changes in consolidated subsidiaries (Changes in scope of consolidation) : None
- (2) Changes in principles, procedures, presentation methods for the interim consolidated financial statements
- (a) Changes in accounting principles accompanying revisions in accounting standards: None
- (b) Changes other than those in (a) above: None
- (c) Changes in accounting estimates: None
- (d) Changes in presentation due to revisions: None
- (3) Number of shares outstanding
- (a) Number of shares outstanding at end of period including treasury stock
 Fiscal year ended Sep. 30, 2012: 83,764,984 shares Fiscal year ended Sep. 30, 2011: 83,764,984 shares
- (b) Number of treasury stock at end of period
 Fiscal year ended Sep. 30, 2012: 3,370,025 shares Fiscal year ended Sep. 30, 2011: 3,370,025 shares
- (c) Average number of shares issued during the period
 Fiscal year ended Sep. 30, 2012: 80,394,959 shares Fiscal year ended Sep. 30, 2011: 80,395,029 shares

(Reference) Non-consolidated Financial Results for the Fiscal year ended Sep. 30, 2012

1. Non-consolidated financial results for the Fiscal year ended Sep. 30, 2012 (From Oct. 1, 2011 through Sep. 30, 2012)

(1) Non-consolidated operating results

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended Sep. 30, 2012	85,108	(6.2)	13,682	(25.3)	15,734	(21.8)	9,531	(24.9)
Fiscal year ended Sep. 30, 2011	90,732	14.5	18,328	53.1	20,124	50.4	12,689	27.1

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended Sep. 30, 2012	118.36	-
Fiscal year ended Sep. 30, 2011	157.57	-

(2) Non-consolidated financial position

	Total assets	Net Assets	Shareholders' equity ratio	Net Assets per share
	Millions of yen	Millions of yen	%	Yen
as of Sep. 30, 2012	174,725	131,347	75.2	1,631.06
as of Sep. 30, 2011	175,032	125,445	71.7	1,557.76

For reference: Shareholders' equity

Fiscal year ended Sep. 30, 2012 : 131,347 million yen

Fiscal year ended Sep. 30, 2011 : 125,445 million yen

2. Forecast of non-consolidated performances for the fiscal year ending Sep. 30, 2013 (From Oct. 1, 2012 through Sep. 30, 2013)

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
Through the second quarter of FY 2013	44,000	(0.0)	6,600	(18.2)	7,800	(17.6)	5,400	(6.8)	67.06
Fiscal year ended Sep. 30, 2013	89,000	4.6	13,500	(1.3)	15,000	(4.7)	10,300	8.1	127.90

The above forecast has been prepared based on the information which is currently available at this moment.

Actual results may differ from the forecast due to various factors that may arise in the future.

1. Business Performance

(1) Analysis of Business Performance

a. *Summary of the Fiscal Year*

At the beginning of the consolidated fiscal period, there were some signs of improvement in the Japanese economy as recovery demand from the Great East Japan Earthquake spurred slight rebounds in industry and capital investment. But this trend was not robust and had come to a standstill by the end of the fiscal period. Overseas, the world economy struggled with difficulties such as the financial crisis in Europe, and high valuation of yen against other currencies continued unabated.

Given such circumstances, as a Company we found ourselves in as challenging a selling environment as ever. To maintain revenue and profit, we strove to develop new products for customers' needs by leveraging our optical technology, derived from our basic and applied research in photonics. These efforts were bolstered by proactive sales activities.

Nevertheless, sales in fiscal year 2012 in overseas market dropped, while sales in domestic market edged up slightly compared with the previous fiscal year, resulting in decreases in revenue and profit. We closed the year with net sales of JPY 98,067 million, down by JPY 3,791 million (3.7%), operating income of JPY 17,587 million, down by JPY 4,242 million (19.4%), ordinary income of JPY 18,350 million, down by JPY 3,865 million (17.4%) and net income of JPY 11,206 million, down by JPY 2,495 million (18.2%) over one year before respectively.

Performance by segment was as follows;

(Electron Tube)

Photomultiplier tubes (PMT) are used in a wide variety of applications. For oil well logging, which requires PMTs that can withstand harsh operating conditions when used thousands of meters underground, we released new devices that contributed to increased sales. However, overall sales of PMTs decreased due to factors such as inventory adjustment by overseas customers in the medical field (PET imaging systems, blood analyzers, etc.).

In the Light Sources and Imaging Devices segment, growth in sales were achieved among products such as scintillators for converting X-rays into visible light as well as light sources for analytical and industrial applications. On the other hand, reduction in capital spending in the industrial sector had an adverse affect on the sales of microfocus X-ray sources for non-destructive testing. Sales of our Stealth Dicing Engine for high-speed, high-quality dicing of various types of wafers were similarly affected.

In total Electron Tube business closed the year with JPY 42,245 million, down by 3.7% and operating income of JPY 16,215 million, down by 6.5% from one year previous.

(Opto-semiconductor)

In opto-semiconductor business, strong sales of image sensors for dental X-ray imaging were achieved, particularly in overseas markets, thanks to increased market demand and the suitability of our products for customers' needs. However, sales of the major product line of silicon photodiodes were less than the previous period because of overstocking in 2011 by customers after the Great East Japan Earthquake. Also, the high valuation of the Japanese yen had a negative impact on sales of products such as Photo ICs, which are used for optical communication networks in cars.

Net sales for this business resulted in JPY 42,228 million, down by 2.4% and operating income was JPY 14,034 million, down by 11.3% from one year before.

(Imaging and Measurement Instruments)

Among our various systems, the FDSS (Functional Drug Screening System) for drug discovery had strong sales thanks to its high sensitivity and high reliability. As for digital cameras, while the new ORCA-Flash4.0 did well in the scientific measurement market, this product category as a whole had significantly lower sales due to inventory adjustments at our customers and also to reduction in research funds by the U.S. government. Similarly, sales of failure analysis systems for semiconductor manufacturing were negatively affected by changes in the capital spending plans of Japanese customers.

Net sales for this sector resulted in JPY 10,983 million, down by 11.0% and operating income was JPY 587 million, down by 60.9% from one year before.

(Others)

Others sales were primarily in the semiconductor laser business and hotel operations. Net sales for the businesses were JPY 2,609 million, up by 10.0% and operating loss was JPY 197 million (FY 2011 was JPY 260 million loss).

b. *Projection for the year*

The future of the global economy is uncertainty due to financial problem in the EU and the protracted yen appreciation. In addition, the EU economic situation might make an impact on the lower US unemployment figures and the Asian economies growth. Therefore, we still have to recognize that our business situation will continue to be difficult.

Under such conditions, we expect that our consolidated sales for the next year are JPY 101,800 million, up by 3.8%, operating income JPY 16,700 million, down by 5.0%, ordinary income JPY 17,000 million, down by 7.4% and net income JPY 11,400 million, up by 1.7% respectively over the previous year.

We assume that yen/US dollar exchange rate is JPY 80 and yen/Euro exchange rate is JPY 95.

1. Projection for Consolidated Performances for the fiscal year ending Sep. 30, 2013

(Millions of Japanese Yen)

period item	Through	compared with previous year	Projection	compared with previous year
	the second quarter		for the Year	
Net Sales	50,700	(0.1%)	101,800	3.8%
Operating Income	8,300	(15.0%)	16,700	(5.0%)
Ordinary Income	8,400	(17.5%)	17,000	(7.4%)
Net Income	5,500	(10.0%)	11,400	1.7%

2. Projection for Non-consolidated Performances for the fiscal year ending Sep. 30, 2013

(Millions of Japanese Yen)

period item	Through	compared with previous year	Projection	compared with previous year
	the second quarter		for the Year	
Net Sales	44,000	(0.0%)	89,000	4.6%
Operating Income	6,600	(18.2%)	13,500	(1.3%)
Ordinary Income	7,800	(17.6%)	15,000	(4.7%)
Net Income	5,400	(6.8%)	10,300	8.1%

(2) Analysis of Financial Conditions

a. Summary of Financial Position

Current assets were increased JPY 3,454 million from the year ended September 30, 2011. This is mainly from increases in cash and deposits of JPY 3,486 million and in inventories of JPY 2,008 million, while there were decreases in securities, down by JPY 1,500 million. Noncurrent assets were decreased JPY 1,575 million from the last fiscal year end, due mainly to a decreases in property, plant and equipment of JPY 888 million and in deferred tax assets of JPY 758 million. The total assets at the fiscal year end were JPY 189,970 million, up by JPY 1,878 million from the year ended September 30, 2011.

Current liabilities were decreased JPY 2,028 million from the last fiscal year end. This is mainly from decreases in income taxes payable of JPY 3,376 million and in notes and accounts payable-trade of JPY 1,796 million, while there was an increase in current portion of long-term loans payable of JPY 3,009 million. Noncurrent liabilities were decreased JPY 3,531 million from the last fiscal year end, due mainly to decreases in long-term debts of JPY 3,202 million and in provision for retirement benefits of JPY 558 million. The total liabilities at the fiscal year end were JPY 49,097 million, down by JPY 5,560 million.

Net Assets were JPY 140,873 million, up by JPY 7,438 million, due mainly to an increase of retained earnings, up by JPY 7,582 million, because of net income.

b. Summary of Cash Flow

At the end of this fiscal year, cash and cash equivalent stood at JPY 35,764 million, up by JPY 2,719 million from the year ended September 30, 2011.

Cash flow created from operations during the year was JPY 14,939 million, down by JPY 5,478 million over last year. This is mainly from decreases in net income before income taxes of JPY 3,907 million and in notes and accounts payable-trade.

Investment activity used a cash flow of JPY 8,800 million, down by JPY 3,158 million from previous year due mainly to net decrease in time deposits of JPY 22,983 million and purchase of short-term investment securities of JPY 10,000 million, while there was a decrease in proceeds from sales of short-term investment securities of JPY 27,000 million.

Financial activity required a cash flow of JPY 3,505 million, up by JPY 56 million from previous year due mainly to increase in payment of dividend, up by JPY 81 million over last year.

(Reference) Trends in Cash-Flow Indicators

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Net Assets Ratio (%)	69.0	73.3	70.1	70.5	73.9
Net Assets Ratio Based on Current Market Price (%)	116.9	109.4	124.1	134.4	113.5
Debt Redemption Period (Years)	0.6	1.1	0.4	0.5	0.7
Interest Coverage Ratio (Times)	112.8	57.5	180.8	173.3	129.0

Notes: Calculation Methods of the above indicators are as following;

Net Assets Ratio: Net Assets / Total assets

Net Assets Ratio based on Current Market Price: Total market value of common stock / Total assets

Debt Redemption Period: Interest-bearing debt / Net cash provided by operating activities

Interest Coverage Ratio: Net cash provided by operating activities / interest payments

- * All indicators are calculated based on consolidated financial figures.
- * Total market value of common stock is calculated by multiplying the closing stock price at the end of each period by the number of shares issued (excluding treasury stock) at that end of the period.
- * Net cash provided by operating activities refers to activities detailed in the Consolidated Statements of Cash Flows.
- * Interest-bearing debt refers to all the debts in the Consolidated Balance Sheets which involve interest payment. Interest payments refer to the figure for the amount of interest paid in the Consolidated Statements of Cash Flows.

c. *Basic Policy for Allocation of Profit and Dividend for FY 2012 and FY 2013*

Our group understands that investment in technical development and the creation of a new, Photon based industry, will build our business value. This is essential for establishing our status as a leading company in the 21st century. We maintain a high level of retained earnings to reach that goal.

Regarding our shareholders, we will continue to place the highest priority on an allocation of profit as dividends. Our dividend policy centers on efforts to maintain stable growth of profit per share and dividend along with increased corporate profitability based on our long-term vision.

Based on this policy, the amount of year-end dividend is going to be JPY 23 per share and our annual dividend for FY 2012 is going to be JPY 46 per share (Last fiscal year: JPY 44 per share), including interim dividend of JPY 23 per share.

For FY 2013, our annual dividend is going to be JPY 46 per share (including interim dividend of JPY 23 and year-end dividend of JPY 23 per share).

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of Japanese Yen)

	As of Sep. 30, 2011	As of Sep. 30, 2012
Assets		
Current assets		
Cash and deposits	71,073	74,559
Notes and accounts receivable-trade	23,781	23,469
Short-term investment securities	1,500	-
Merchandise and finished goods	6,014	6,446
Work in process	11,183	12,430
Raw materials and supplies	5,147	5,478
Deferred tax assets	3,338	3,063
Other	1,648	1,684
Allowance for doubtful accounts	(145)	(134)
Total current assets	123,542	126,996
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	54,620	55,018
Accumulated depreciation	(30,612)	(32,867)
Buildings and structures, net	24,008	22,150
Machinery, equipment and vehicles	57,397	60,276
Accumulated depreciation	(49,388)	(52,468)
Machinery, equipment and vehicles, net	8,009	7,808
Tools, furniture and fixtures	24,996	26,357
Accumulated depreciation	(22,385)	(23,176)
Tools, furniture and fixtures, net	2,610	3,180
Land	15,565	15,149
Lease assets	474	486
Accumulated depreciation	(198)	(246)
Lease assets, net	275	239
Construction in progress	1,777	2,831
Total property, plant and equipment	52,247	51,359
Intangible assets	1,581	1,669
Investments and other assets		
Investment securities	2,052	2,004
Real estate for investment	1,363	1,302
Accumulated depreciation	(1,169)	(1,131)
Real estate for investment, net	194	170
Deferred tax assets	7,130	6,372
Other	1,360	1,415
Allowance for doubtful accounts	(18)	(18)
Total investments and other assets	10,719	9,944
Total noncurrent assets	64,549	62,973
Total assets	188,091	189,970

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of Japanese Yen)

	As of Sep. 30, 2011	As of Sep. 30, 2012
Liabilities		
Current liabilities		
Notes and accounts payable-trade	13,454	11,657
Short-term loans payable	865	1,345
Current portion of long-term loans payable	281	3,290
Income taxes payable	4,698	1,321
Provision for bonuses	3,398	3,033
Notes payable-facilities	630	636
Other	8,369	8,384
Total current liabilities	31,698	29,669
Noncurrent liabilities		
Long-term loans payable	7,326	4,123
Deferred tax liabilities	131	166
Provision for retirement benefits	13,929	13,371
Provision for directors' retirement benefits	1,245	1,370
Other	325	396
Total noncurrent liabilities	22,958	19,427
Total liabilities	54,657	49,097
Net assets		
Shareholders' equity		
Capital stock	34,928	34,928
Capital surplus	34,672	34,672
Retained earnings	74,902	82,484
Treasury stock	(6,048)	(6,048)
Total shareholders' equity	138,455	146,038
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	163	157
Foreign currency translation adjustment	(5,948)	(5,892)
Total accumulated other comprehensive income	(5,785)	(5,734)
Minority interests	764	569
Total net assets	133,434	140,873
Total liabilities and net assets	188,091	189,970

Consolidated Financial Statements

Consolidated Statements of Income

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011	Fiscal year ended Sep. 30, 2012
Net sales	101,858	98,067
Cost of sales	49,069	47,836
Gross profit	52,789	50,231
Selling, general and administrative expenses		
Freightage and packing expenses	950	941
Advertising expenses	497	582
Salaries	7,602	7,831
Provision for bonuses	985	912
Provision for retirement benefits	409	505
Provision for directors' retirement benefits	66	124
Depreciation	1,225	1,191
Commission fee	2,281	2,292
Research and development expenses	10,081	10,765
Provision of allowance for doubtful accounts	31	23
Other	6,827	7,471
Total selling, general and administrative expenses	30,959	32,643
Operating income	21,830	17,587
Non-operating income		
Interest income	148	156
Dividends income	37	42
Rent income on noncurrent assets	63	69
Rent of real estate for investment	156	174
Foreign exchange gains	-	103
Equity in earnings of affiliates	51	83
Gain on sales of scraps	53	99
Other	283	249
Total non-operating income	794	978
Non-operating expenses		
Interest expenses	117	115
Rent expenses on real estates	92	74
Foreign exchange losses	139	-
Other	58	25
Total non-operating expenses	408	215
Ordinary income	22,216	18,350

Consolidated Financial Statements

Consolidated Statements of Income

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011	Fiscal year ended Sep. 30, 2012
Extraordinary income		
Gain on sales of noncurrent assets	9	13
Subsidy	507	825
Total extraordinary income	516	839
Extraordinary loss		
Loss on sales of noncurrent assets	9	5
Loss on retirement of noncurrent assets	149	44
Loss on reduction of noncurrent assets	483	810
Impairment loss	-	424
Loss on valuation of investment securities	272	91
Loss on adjustment for changes of accounting standard for asset retirement obligations	99	-
Total extraordinary losses	1,013	1,377
Income before income taxes and minority interests	21,719	17,812
Income taxes-current	8,466	5,702
Income taxes-deferred	(508)	1,067
Total income taxes	7,958	6,769
Income before minority interests	13,760	11,042
Minority interests in income	58	(163)
Net income	13,702	11,206

Consolidated Financial Statements

Consolidated Statements of Comprehensive Income

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011	Fiscal year ended Sep. 30, 2012
Income before minority interests	13,760	11,042
Other comprehensive income		
Valuation difference on available-for-sale securities	119	(5)
Foreign currency translation adjustment	(1,337)	62
Share of other comprehensive income of associates accounted for using equity method	(27)	(3)
Total other comprehensive income	(1,245)	54
Comprehensive income	12,515	11,096
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	12,473	11,257
Comprehensive income attributable to minority interests	42	(160)

Consolidated Financial Statements

Consolidated statements of changes in net assets

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011	Fiscal year ended Sep. 30, 2012
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	34,928	34,928
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	34,928	34,928
Capital surplus		
Balance at the beginning of current period	34,672	34,672
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	34,672	34,672
Retained earnings		
Balance at the beginning of current period	64,743	74,902
Changes of items during the period		
Dividends from surplus	(3,543)	(3,623)
Net income	13,702	11,206
Total changes of items during the period	10,159	7,582
Balance at the end of current period	74,902	82,484
Treasury stock		
Balance at the beginning of current period	(6,047)	(6,048)
Changes of items during the period		
Purchase of treasury stock	(0)	-
Total changes of items during the period	(0)	-
Balance at the end of current period	(6,048)	(6,048)
Total shareholders' equity		
Balance at the beginning of current period	128,296	138,455
Changes of items during the period		
Dividends from surplus	(3,543)	(3,623)
Net income	13,702	11,206
Purchase of treasury stock	(0)	-
Total changes of items during the period	10,158	7,582
Balance at the end of current period	138,455	146,038

Consolidated Financial Statements

Consolidated statements of changes in net assets

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011	Fiscal year ended Sep. 30, 2012
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	43	163
Changes of items during the period		
Net changes of items other than shareholders' equity	119	(5)
Total changes of items during the period	119	(5)
Balance at the end of current period	163	157
Foreign currency translation adjustment		
Balance at the beginning of current period	(4,599)	(5,948)
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,348)	56
Total changes of items during the period	(1,348)	56
Balance at the end of current period	(5,948)	(5,892)
Total accumulated other comprehensive income		
Balance at the beginning of current period	(4,556)	(5,785)
Changes of items during the period		
Net changes of items other than shareholders' equity	(1,229)	50
Total changes of items during the period	(1,229)	50
Balance at the end of current period	(5,785)	(5,734)
Minority interests		
Balance at the beginning of current period	740	764
Changes of items during the period		
Net changes of items other than shareholders' equity	23	(194)
Total changes of items during the period	23	(194)
Balance at the end of current period	764	569
Total net assets		
Balance at the beginning of current period	124,481	133,434
Changes of items during the period		
Dividends from surplus	(3,543)	(3,623)
Net income	13,702	11,206
Purchase of treasury stock	(0)	-
Net changes of items other than shareholders' equity	(1,206)	(143)
Total changes of items during the period	8,952	7,438
Balance at the end of current period	133,434	140,873

Consolidated Financial Statements

Consolidated statements of cash flows

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011	Fiscal year ended Sep. 30, 2012
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	21,719	17,812
Depreciation and amortization	8,090	8,734
Impairment loss	-	424
Increase (decrease) in allowance for doubtful accounts	22	(8)
Increase (decrease) in provision for bonuses	313	(362)
Increase (decrease) in provision for retirement benefits	(335)	(555)
Increase (decrease) in provision for directors' retirement benefits	(42)	124
Interest and dividends income	(186)	(198)
Interest expenses	117	115
Foreign exchange losses (gains)	(3)	(6)
Equity in (earnings) losses of affiliates	(51)	(83)
Loss on retirement of property, plant and equipment	149	44
Loss (gain) on sales of property, plant and equipment	(0)	(7)
Loss (gain) on valuation of investment securities	272	91
Decrease (increase) in notes and accounts receivable-trade	(1,535)	322
Decrease (increase) in inventories	(2,215)	(2,004)
Increase (decrease) in notes and accounts payable-trade	1,779	(1,841)
Other, net	1,012	1,333
Subtotal	29,105	23,934
Interest and dividends income received	186	198
Interest expenses paid	(117)	(115)
Income taxes paid	(8,756)	(9,077)
Net cash provided by (used in) operating activities	20,418	14,939
Net cash provided by (used in) investing activities		
Net decrease (increase) in time deposits	(23,756)	(772)
Purchase of short-term investment securities	(10,000)	-
Proceeds from sales of short-term investment securities	28,500	1,500
Purchase of property, plant and equipment	(6,162)	(8,915)
Proceeds from sales of property, plant and equipment	36	35
Purchase of intangible assets	(564)	(603)
Other, net	(13)	(45)
Net cash provided by (used in) investing activities	(11,959)	(8,800)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(1,073)	474
Proceeds from long-term loans payable	1,525	90
Repayment of long-term loans payable	(243)	(283)
Purchase of treasury stock	(0)	-
Cash dividends paid	(3,546)	(3,627)
Other, net	(110)	(158)
Net cash provided by (used in) financing activities	(3,448)	(3,505)
Effect of exchange rate change on cash and cash equivalents	(711)	85
Net increase (decrease) in cash and cash equivalents	4,298	2,719
Cash and cash equivalents at beginning of period	28,747	33,045
Cash and cash equivalents at end of period	33,045	35,764

Segment Information

1. Summary of Reporting Segments

The Company's reportable segments are components of the Company about which separate financial information is available. These segments are subject to periodic examinations to enable the Company's board of directors to decide how to allocate resources and assess performance.

The Company's business divisions are based on product and service categories. Each of the divisions conduct business based on comprehensive strategies formulated for the products and services that they handle.

Therefore, the Company's business segments, based on the products and services handled by each of the divisions, comprise its three principal reporting segments, which are Electron tube, Opto-semiconductor, and Imaging and measurement instruments.

The electron tube business segment manufactures and sells Photomultiplier tubes (PMTs) and light sources and imaging devices. The Opto-semiconductor business segment manufactures and sells opto-semiconductor devices. The imaging and measurement instruments business segment manufactures and sells image processing and measurement systems.

2. Method for Calculating the Sales, Income (Loss), Assets, Liabilities, and Other Items for Reporting Segments

Figures for income in reporting segments are on an operating income basis. Intersegment sales and transfers are based on prevailing market prices.

3. Information on the Amounts of Sales, Income (Loss), Assets, Liabilities, and Other Items for Reporting Segments

Fiscal year ended September 30, 2011

(Millions of Japanese Yen)

	Reportable Segment				Others (Note 1)	Total	Adjustments (Note 2)	Consolidated total (Note 3)
	Electron tube	Opto- semiconductor	Imaging and measurement instruments	Total				
Net sales								
Outside customers	43,877	43,271	12,338	99,486	2,371	101,858	-	101,858
Intersegment	1,285	723	78	2,088	551	2,639	(2,639)	-
Total net sales	45,163	43,994	12,417	101,574	2,922	104,497	(2,639)	101,858
Segment income	17,338	15,818	1,501	34,659	(260)	34,399	(12,569)	21,830
Segment assets	35,762	33,962	10,589	80,314	4,527	84,841	103,249	188,091
Other items								
Depreciation and amortization	2,793	2,570	845	6,209	251	6,460	1,546	8,007
Increase in property, plant and equipment and intangible assets	3,173	3,017	601	6,792	161	6,954	1,580	8,534

Notes :

- The classification of "Others" is the business segment, which is not included in the reportable segments, and its businesses are mainly Semiconductor laser business and Hotel operations.
- Adjustment of segment profit of negative JPY 12,569 million represents intersegment transactions of negative JPY 1,083 million and unallocated corporate expenses of negative JPY 11,485 million. Corporate expenses mainly consist of general and administrative expenses and basic research expenses that are unattributable to reportable segments.
Adjustment of segment assets of JPY 103,249 million consist of common assets that are not distributed to reportable segments.
Adjustment of depreciation and amortization of JPY 1,546 million is depreciation and amortization of common assets that are not distributed to reportable segments.
Adjustment of increase in property, plant and equipment and intangible assets of JPY 1,580 million is an increase in common assets that are not distributed to reportable segments.
- Segment income is adjusted with operating income in the quarterly consolidated statements of income.

Segment Information

Fiscal year ended September 30, 2012

(Millions of Japanese Yen)

	Reportable Segment				Others (Note 1)	Total	Adjustments (Note 2)	Consolidated total (Note 3)
	Electron tube	Opto- semiconductor	Imaging and measurement instruments	Total				
Net sales								
Outside customers	42,245	42,228	10,983	95,458	2,609	98,067	-	98,067
Intersegment	1,246	617	46	1,910	390	2,300	(2,300)	-
Total net sales	43,492	42,846	11,029	97,368	2,999	100,368	(2,300)	98,067
Segment income	16,215	14,034	587	30,836	(197)	30,639	(13,051)	17,587
Segment assets	37,696	33,803	9,829	81,328	4,328	85,657	104,312	189,970
Other items								
Depreciation and amortization	2,934	2,840	931	6,706	261	6,967	1,702	8,670
Increase in property, plant and equipment and intangible assets	3,557	2,619	933	7,110	296	7,407	1,827	9,235

Notes :

1. The classification of "Others" is the business segment, which is not included in the reportable segments, and its businesses are mainly Semiconductor laser business and Hotel operations.
2. Adjustment of segment profit of negative JPY 13,051 million represents intersegment transactions of negative JPY 780 million and unallocated corporate expenses of negative JPY 12,270 million. Corporate expenses mainly consist of general and administrative expenses and basic research expenses that are unattributable to reportable segments.
Adjustment of segment assets of JPY 104,312 million consist of common assets that are not distributed to reportable segments.
Adjustment of depreciation and amortization of JPY 1,702 million is depreciation and amortization of common assets that are not distributed to reportable segments.
Adjustment of increase in property, plant and equipment and intangible assets of JPY 1,827 million is an increase in common assets that are not distributed to reportable segments.
3. Segment income is adjusted with operating income in the quarterly consolidated statements of income.

Related Information

Fiscal year ended September 30, 2011 (From Oct. 1, 2010 through Sep. 30, 2011)

1. Information by product and service

Since the Company discloses the same information in its segment information section, this information has been omitted.

2. Information by geographical segment

(1) Sales

(Millions of Japanese Yen)

Japan	North America	Europe	Asia	Other	Total
34,804	27,258	24,996	14,387	411	101,858

Notes: Sales information is based on the geographical location of customers, and it is classified by country or region.

(2) Property, plant and equipment

Since property, plant and equipment within Japan occupied more than 90% of total property, plant and equipment under consolidated balance sheets, this information has been omitted.

3. Information by principal customer

Since there were no customers that accounted for 10% or more of total net sales recorded under consolidated statements of income, this information has been omitted.

Fiscal year ended September 30, 2012 (From Oct. 1, 2011 through Sep. 30, 2012)

1. Information by product and service

Since the Company discloses the same information in its segment information section, this information has been omitted.

2. Information by geographical segment

(1) Sales

(Millions of Japanese Yen)

Japan	North America	Europe	Asia	Other	Total
35,477	24,020	24,221	13,849	499	98,067

Note: Sales information is based on the geographical location of customers, and it is classified by country or region.

(2) Property, plant and equipment

Since property, plant and equipment within Japan occupied more than 90% of total property, plant and equipment under consolidated balance sheets, this information has been omitted.

3. Information by principal customer

Since there were no customers that accounted for 10% or more of total net sales recorded under consolidated statements of income, this information has been omitted.

Information on impairment losses on non-current assets by reporting segment

Fiscal year ended September 30, 2011 (From Oct. 1, 2010 through Sep. 30, 2011)

Not applicable

Fiscal year ended September 30, 2012 (From Oct. 1, 2011 through Sep. 30, 2012)

(Millions of Japanese Yen)

	Electron tube	Opto-semiconductor	Imaging and measurement instruments	Others (Note)	Adjustments	Total
Impairment loss	-	-	-	424	-	424

Notes: The amount of others related to Hotel operations.

Information related to the amount of amortization of goodwill and the unamortized amount of goodwill by reporting segment

Fiscal year ended September 30, 2011 (From Oct. 1, 2010 through Sep. 30, 2011)

Since the amounts are not material, this information has been omitted.

Fiscal year ended September 30, 2012 (From Oct. 1, 2011 through Sep. 30, 2012)

Since the amounts are not material, this information has been omitted.

Information on profit arising from negative goodwill by reporting segment

Fiscal year ended September 30, 2011 (From Oct. 1, 2010 through Sep. 30, 2011)

Not applicable

Fiscal year ended September 30, 2012 (From Oct. 1, 2011 through Sep. 30, 2012)

Not applicable

Per Share Information

(Japanese Yen)

Fiscal year ended September 30, 2011 (From Oct. 1, 2010 through Sep. 30, 2011)		Fiscal year ended September 30, 2012 (From Oct. 1, 2011 through Sep. 30, 2012)	
Net assets per share	1,650.23	Net assets per share	1,745.18
Net income per share	170.44	Net income per share	139.39
There are no latent shares and no figures for earnings per share after adjustment for latent shares have been disclose.		There are no latent shares and no figures for earnings per share after adjustment for latent shares have been disclose.	

Notes: Basis for Calculations of Net Income per Share

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011 (Oct. 1, 2010 - Sep. 30, 2011)	Fiscal year ended Sep. 30, 2012 (Oct. 1, 2011 - Sep. 30, 2012)
Net income per share:		
Net income	13,702	11,206
Value not attributed to common stock	-	-
Net income attributed to common stock	13,702	11,206
Average number of outstanding shares during the period (Thousands shares)	80,395	80,394

Important Subsequent Events

Not Applicable

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of Sep. 30, 2011	As of Sep. 30, 2012
Assets		
Current assets		
Cash and deposits	61,445	63,746
Notes receivable-trade	3,157	3,168
Accounts receivable-trade	22,592	21,539
Short-term investment securities	1,500	-
Merchandise and finished goods	2,182	2,303
Work in process	10,953	12,178
Raw materials and supplies	4,762	5,011
Deferred tax assets	2,034	1,652
Accounts receivable-other	1,080	1,009
Other	128	288
Allowance for doubtful accounts	(345)	(401)
Total current assets	109,492	110,496
Noncurrent assets		
Property, plant and equipment		
Buildings	46,357	46,872
Accumulated depreciation	(26,988)	(28,902)
Buildings, net	19,369	17,970
Structures	2,252	2,271
Accumulated depreciation	(1,405)	(1,514)
Structures, net	846	757
Machinery and equipment	55,420	58,198
Accumulated depreciation	(48,111)	(51,107)
Machinery and equipment, net	7,308	7,090
Vehicles	152	148
Accumulated depreciation	(126)	(126)
Vehicles, net	25	22
Tools, furniture and fixtures	23,344	24,681
Accumulated depreciation	(20,998)	(21,820)
Tools, furniture and fixtures, net	2,345	2,861
Land	13,722	13,273
Lease assets	424	426
Accumulated depreciation	(182)	(218)
Lease assets, net	241	208
Construction in progress	1,723	2,733
Total property, plant and equipment	45,583	44,916

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of Sep. 30, 2011	As of Sep. 30, 2012
Intangible assets		
Patent right	813	655
Software	435	583
Other	11	16
Total intangible assets	1,260	1,255
Investments and other assets		
Investment securities	1,328	1,230
Stocks of subsidiaries and affiliates	8,291	7,981
Investment in capital	1	1
Investment in capital of subsidiaries and affiliates	652	1,303
Deferred tax assets	7,111	6,239
Real estate for investment	1,363	1,302
Accumulated depreciation	(1,169)	(1,131)
Real estate for investment, net	194	170
Other	1,134	1,149
Allowance for doubtful accounts	(18)	(18)
Total investments and other assets	18,695	18,057
Total noncurrent assets	65,539	64,229
Total assets	175,032	174,725
Liabilities		
Current liabilities		
Notes payable-trade	4,944	4,607
Accounts payable-trade	8,443	7,177
Current portion of long-term loans payable	-	3,000
Lease obligations	103	115
Accounts payable-other	3,614	3,114
Accrued expenses	803	933
Income taxes payable	4,452	1,004
Advances received	181	15
Deposits received	134	292
Provision for bonuses	3,155	2,746
Notes payable-facilities	625	636
Deposits received from employees	1,697	1,862
Other	91	63
Total current liabilities	28,247	25,569

Non-consolidated Financial Statements

Non-consolidated Balance Sheets

(Millions of Japanese Yen)

	As of Sep. 30, 2011	As of Sep. 30, 2012
Noncurrent liabilities		
Long-term loans payable	6,000	3,000
Lease obligations	154	132
Provision for retirement benefits	13,798	13,161
Provision for directors' retirement benefits	1,245	1,370
Asset retirement obligations	140	143
Total noncurrent liabilities	21,339	17,807
Total liabilities	49,586	43,377
Net assets		
Shareholders' equity		
Capital stock	34,928	34,928
Capital surplus		
Legal capital surplus	34,636	34,636
Total capital surpluses	34,636	34,636
Retained earnings		
Legal retained earnings	695	695
Other retained earnings		
Reserve for special depreciation	36	19
Reserve for dividends	4,500	4,500
General reserve	41,600	50,600
Retained earnings brought forward	14,929	11,854
Total earned surpluses	61,760	67,668
Treasury stock	(6,044)	(6,044)
Total shareholders' equity	125,282	131,190
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	163	157
Total valuation and translation adjustments	163	157
Total net assets	125,445	131,347
Total liabilities and net assets	175,032	174,725

Non-consolidated Financial Statements

Non-consolidated Statements of income

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011	Fiscal year ended Sep. 30, 2012
Net sales	90,732	85,108
Cost of sales		
Beginning goods	10	12
Beginning finished goods	2,211	2,170
Cost of purchased goods	39	34
Cost of products manufactured	48,896	47,016
Total	51,158	49,233
Ending goods	12	13
Ending finished goods	2,170	2,290
Valuation loss on raw materials	60	29
Valuation loss on work in process	74	174
Total cost of sales	49,110	47,133
Gross profit	41,621	37,974
Selling, general and administrative expenses		
Freightage and packing expenses	900	882
Advertising expenses	211	235
Salaries	4,014	4,200
Provision for bonuses	783	685
Provision for retirement benefits	363	369
Provision for directors' retirement benefits	66	124
Depreciation	835	891
Commission fee	1,821	1,828
Research and development expenses	9,934	10,517
Provision of allowance for doubtful accounts	61	61
Other	4,299	4,493
Total selling, general and administrative expenses	23,293	24,292
Operating income	18,328	13,682
Non-operating income		
Interest income	88	104
Dividends income	1,405	1,548
Rent of real estate for investment	156	174
Foreign exchange gains	26	67
Miscellaneous income	320	334
Total non-operating income	1,997	2,229
Non-operating expenses		
Interest expenses	73	75
Rent expenses on real estates	92	74
Miscellaneous loss	36	28
Total non-operating expenses	202	177
Ordinary income	20,124	15,734

Non-consolidated Financial Statements

Non-consolidated Statements of income

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011	Fiscal year ended Sep. 30, 2012
Extraordinary income		
Gain on sales of noncurrent assets	5	8
Subsidy	507	626
Total extraordinary income	512	635
Extraordinary loss		
Loss on sales of noncurrent assets	9	4
Loss on retirement of noncurrent assets	113	36
Loss on reduction of noncurrent assets	483	619
Loss on valuation of investment securities	272	91
Loss on valuation of stocks of subsidiaries and affiliates	-	310
Loss on adjustment for changes of accounting standard for asset retirement obligations	77	-
Total extraordinary losses	955	1,063
Income before income taxes	19,680	15,306
Income taxes-current	7,202	4,518
Income taxes-deferred	(210)	1,256
Total income taxes	6,991	5,774
Net income	12,689	9,531

Non-consolidated Financial Statements

Non-consolidated statements of changes in net assets

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011	Fiscal year ended Sep. 30, 2012
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	34,928	34,928
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	34,928	34,928
Capital surplus		
Legal capital surplus		
Balance at the beginning of current period	34,636	34,636
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	34,636	34,636
Total capital surplus		
Balance at the beginning of current period	34,636	34,636
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	34,636	34,636
Retained earnings		
Legal retained earnings		
Balance at the beginning of current period	695	695
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	695	695
Other retained earnings		
Reserve for special depreciation		
Balance at the beginning of current period	54	36
Changes of items during the period		
Reversal of reserve for special depreciation	(18)	(17)
Total changes of items during the period	(18)	(17)
Balance at the end of current period	36	19
Reserve for dividends		
Balance at the beginning of current period	4,500	4,500
Changes of items during the period		
Total changes of items during the period	-	-
Balance at the end of current period	4,500	4,500

Non-consolidated Financial Statements

Non-consolidated statements of changes in net assets

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011	Fiscal year ended Sep. 30, 2012
General reserve		
Balance at the beginning of current period	35,600	41,600
Changes of items during the period		
Provision of general reserve	6,000	9,000
Total changes of items during the period	6,000	9,000
Balance at the end of current period	41,600	50,600
Retained earnings brought forward		
Balance at the beginning of current period	11,764	14,929
Changes of items during the period		
Reversal of reserve for special depreciation	18	17
Provision of general reserve	(6,000)	(9,000)
Dividends from surplus	(1,771)	(1,771)
Dividends from surplus (interim dividends)	(1,771)	(1,852)
Net income	12,689	9,531
Total changes of items during the period	3,164	(3,074)
Balance at the end of current period	14,929	11,854
Total retained earnings		
Balance at the beginning of current period	52,614	61,760
Changes of items during the period		
Dividends from surplus	(1,771)	(1,771)
Dividends from surplus (interim dividends)	(1,771)	(1,852)
Net income	12,689	9,531
Total changes of items during the period	9,146	5,907
Balance at the end of current period	61,760	67,668
Treasury stock		
Balance at the beginning of current period	(6,043)	(6,044)
Changes of items during the period		
Purchase of treasury stock	(0)	-
Total changes of items during the period	(0)	-
Balance at the end of current period	(6,044)	(6,044)

Non-consolidated Financial Statements

Non-consolidated statements of changes in net assets

(Millions of Japanese Yen)

	Fiscal year ended Sep. 30, 2011	Fiscal year ended Sep. 30, 2012
Total shareholders' equity		
Balance at the beginning of current period	116,136	125,282
Changes of items during the period		
Dividends from surplus	(1,771)	(1,771)
Dividends from surplus (interim dividends)	(1,771)	(1,852)
Net income	12,689	9,531
Purchase of treasury stock	(0)	-
Total changes of items during the period	9,145	5,907
Balance at the end of current period	125,282	131,190
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	43	163
Changes of items during the period		
Net changes of items other than shareholders' equity	119	(5)
Total changes of items during the period	119	(5)
Balance at the end of current period	163	157
Total valuation and translation adjustments		
Balance at the beginning of current period	43	163
Changes of items during the period		
Net changes of items other than shareholders' equity	119	(5)
Total changes of items during the period	119	(5)
Balance at the end of current period	163	157
Total net assets		
Balance at the beginning of current period	116,180	125,445
Changes of items during the period		
Dividends from surplus	(1,771)	(1,771)
Dividends from surplus (interim dividends)	(1,771)	(1,852)
Net income	12,689	9,531
Purchase of treasury stock	(0)	-
Net changes of items other than shareholders' equity	119	(5)
Total changes of items during the period	9,265	5,902
Balance at the end of current period	125,445	131,347