

Please note that the following is an unofficial English translation of the Japanese original text of the 67th Ordinary General Meeting of Shareholders of Hamamatsu Photonics K.K. This translation is provided for reference and convenience purposes only and without any assurance as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

(Securities Code: 6965)

November 27, 2014

To Our Shareholders

Akira Hiruma, President and CEO  
Hamamatsu Photonics K.K.  
1126-1, Ichino-cho, Higashi-ku  
Hamamatsu City, Shizuoka Prefecture

## NOTICE OF CONVOCATION OF THE 67th ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 67th Ordinary General Meeting of Shareholders of Hamamatsu Photonics K.K. (the “Company”), to be held as follows.

**If you are unable to attend the meeting, you may exercise your voting rights by one of the following methods. Please read the attached REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS, and exercise your voting rights by 5:00 p.m., Thursday, December 18, 2014, Japan Time.**

### **[Exercise of Voting Rights in Writing]**

Please indicate your approval or disapproval of each of the proposals on the enclosed Voting Rights Exercise Form, and return it so that it will reach us by the above exercise deadline.

### **[Exercise of Voting Rights by Electronic Means (via the Internet, etc.)]**

Please access the Website for the Exercise of Voting Rights designated by the Company (<http://www.web54.net>), enter the Voting Rights Exercise Code and Password, both of which are indicated on the enclosed Voting Rights Exercise Form, and then enter your approval or disapproval of each of the proposals following the guidance on the screen by the above exercise deadline.

For the exercise of voting rights by electronic means (via the Internet, etc.), please refer to “Guide to the Exercise of Voting Rights by Electronic Means (via the Internet, etc.)” on page 6.

- 1. Time and Date:** 10:00 a.m., Friday, December 19, 2014
- 2. Place:** ACT CITY HAMAMATSU Concert Hall  
111-1, Itaya-machi, Naka-ku, Hamamatsu City,  
Shizuoka Prefecture

### **3. Agenda of the Meeting:**

- Matters to be reported:**
1. Reports on the Business Report and the Consolidated Financial Statements for the 67th Fiscal Year (From October 1, 2013 through September 30, 2014), as well as Results of the Audits of the Consolidated Financial Statements by the Independent Auditors and the Audit & Supervisory Board
  2. Report on the Non-consolidated Financial Statements for the 67th Fiscal Year (From October 1, 2013 through September 30, 2014)

**Matters to be resolved:**

- Proposal No. 1: Appropriation of Surplus  
Proposal No. 2: Election of 1 Director  
Proposal No. 3: Election of 1 Audit & Supervisory Board Member

### **4. Matters Regarding the Exercise of Voting Rights:**

- (1) If there is no indication of approval or disapproval of the proposal on your Voting Rights Exercise Form, the Company shall deem that you have indicated your approval of the proposal.
- (2) If you have exercised your voting rights more than once by electronic means (via the Internet, etc.), only the final exercise of the voting rights shall be deemed effective.
- (3) If you have exercised your voting rights both by electronic means (via the Internet, etc.) and the Voting Rights Exercise Form, only the exercise of the voting rights by electronic means (via the Internet, etc.) shall be deemed effective.
- (4) If you wish to exercise your voting rights by proxy on the day of the general meeting of shareholders, you may entrust its exercise to a single shareholder other than you who is also a shareholder of the Company with voting rights. In this case, a document certifying the relevant power of representation shall be presented together with your Voting Rights Exercise Form.

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1. For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk upon arrival at the meeting.
  2. Please note that “Systems to Ensure the Propriety of Business Operations” of the Business Report, “Notes to the Consolidated Financial Statements” of the Consolidated Financial Statements and “Notes to the Non-consolidated Financial Statements” of the Non-consolidated Financial Statements, which are generally provided with this Notice of Convocation of the Ordinary General Meeting of Shareholders, are not attached herein. Instead, these are published on our website (<http://www.hamamatsu.com/ja/ir/index.html>) in accordance with the applicable laws and regulations and Article 15 of the Articles of Incorporation (Japanese

**only).**

- 3. If any amendment is made to the REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS or any attachments, the amended information will be posted on the Company's Website (<http://www.hamamatsu.com/ja/ir/index.html>).**

## **REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS**

### **Proposals and References**

#### **Proposal No. 1: Appropriation of Surplus**

The Company hereby proposes to appropriate the surplus as described below.

##### **1. Matters Regarding Fiscal Year-end Dividend**

The Company places the highest priority on distribution of results through dividends as a measure of returning profits to shareholders. Therefore, our dividend policy centers on efforts to increase dividends steadily by the continuous increase of net income per share through the further enhancement and reinforcement of the Company's profitability based on a long-term perspective.

On the other hand, the Company deems that maintaining a high level of retained earnings is vital for it to establish its status as a leading company in photonics, as technical developments to increase its corporate value in the long term and investments for growth to generate new photon-based industries are indispensable.

After thoroughly reviewing above policy and various factors including its financial results, the Company proposes a year-end dividend of 30 yen per share. The amount of annual dividend will be 55 yen per share including an interim dividend (25 yen per share) that was already paid, which is 5 yen more than that for the previous fiscal year.

(1) Type of property for dividends:

Cash

(2) Allotment of property for dividends and total amount thereof:

30 yen per share of common stock of the Company for a total of 2,415,860,670 yen

(3) Effective date for distribution of dividends from surplus:

December 22, 2014

##### **2. Other Matters Regarding Appropriation of Surplus**

To reinforce its management base to prepare for business developments in the future, the Company proposes to make an account transfer as follows.

(1) Item of surplus to be increased and amount thereof:

General reserve: 5,000,000,000 yen

(2) Item of surplus to be decreased and amount thereof:

Retained earnings brought forward: 5,000,000,000 yen

## Proposal No. 2: Election of 1 Director

Director Soichiro Okudaira resigned on April 30, 2014, and the Company seeks to appoint 1 Director as an alternate.

The candidate for Director is as follows.

Name (Date of Birth)	Brief History and Positions in the Company and Responsibilities (Significant Positions Concurrently Held)	Number of Shares of the Company Held
Kiyotaka Ise (March 2, 1955)	Jun. 2007 Managing Officer, Toyota Motor Corporation Apr. 2013 Senior Managing Officer, Toyota Motor Corporation (present) (Significant Positions Concurrently Held) Senior Managing Officer, Toyota Motor Corporation Outside Audit & Supervisory Board Member, Tokai Rika Co., Ltd.	0

- Notes:
1. Because Kiyotaka Ise, candidate for Director, will be elected as an alternate, his term of office shall be until the conclusion of the term of office of the other Directors then serving, as set forth in the Company's Articles of Incorporation.
  2. There are no special interest relationships between the Company and Kiyotaka Ise, candidate for Director.
  3. Matters related to Outside Directors
    - (1) Kiyotaka Ise, candidate for Director, is a candidate for Outside Director.
    - (2) We propose the election of Kiyotaka Ise as Outside Director. Mr. Ise is a Senior Managing Officer of Toyota Motor Corporation. Based on his broad knowledge and experience, the Company expects him to provide well-informed advice, which will contribute to further reinforcing the Company's management structure. The Company is scheduled to file him as the independent director/auditor with the Tokyo Stock Exchange, in accordance with the rules of the Exchange. Although the Company has transactional relationships with Toyota Motor Corporation and Tokai Rika Co., Ltd. including sales of electronic devices, the scale of such transactions with Toyota Motor Corporation is no more than roughly JPY 12 million on an annual basis (equivalent to 0.01% of the Company's consolidated net sales), and the scale of such transactions with Tokai Rika Co., Ltd. is roughly JPY 88 million on an annual basis (equivalent to 0.1% of the Company's consolidated net sales). Therefore, the Company is sufficiently convinced he will maintain his independent status.

## Proposal No. 3: Election of 1 Audit & Supervisory Board Member

Audit & Supervisory Board Member Fumio Muramatsu will resign at the conclusion of the General Meeting, and the Company seeks to appoint 1 Audit & Supervisory Board Member as an alternate.

Audit & Supervisory Board has given its consent to this proposal.

The candidate for Audit & Supervisory Board Member is as follows.

Name (Date of Birth)	Brief History and Positions in the Company (Significant Positions Concurrently Held)	Number of Shares of the Company Held
Hiroshi Mizushima (July 28, 1949)	Mar. 1972 Joined the Company Apr. 2008 Deputy General Manager, System Division Jul. 2014 Retired from the Company	18,912

- Notes:
1. Because Hiroshi Mizushima, candidate for Audit & Supervisory Board Member, will be elected as an alternate, his term of office shall be until the conclusion of the term of office of his predecessor, as set forth in the Company's Articles of Incorporation.
  2. There are no special interest relationships between the Company and Hiroshi Mizushima, candidate for Audit & Supervisory Board Member.

## **Guide to the Exercise of Voting Rights by Electronic Means (via the Internet, etc.)**

### **1. To Shareholders Using Electronic Means (via the Internet, etc.):**

Please read the following information carefully before exercising your voting rights using electronic means (via the Internet, etc.).

- 1) You may exercise your voting rights using electronic means (via the Internet, etc.), which is only available on the Website for the Exercise of Voting Rights designated by the Company (<http://www.web54.net>). This website is inaccessible from mobile phones. Please be noted that the ability to exercise your voting rights on the Website above is dependent upon your Internet environment.
- 2) You will need the Voting Rights Exercise Code and Password, both of which are indicated on the right-hand side of the enclosed Voting Rights Exercise Form, to exercise your voting rights using electronic means (via the Internet, etc.). The code and password are applicable only for this General Meeting of Shareholders. Your password will be locked and rendered invalid after certain incorrect password attempts. If you wish to create a new one, please follow the guidance on the screen appearing on the Website for the Exercise of Voting Rights.
- 3) For the purpose of timely vote tabulation, we request that you exercise your voting rights using electronic means (via the Internet, etc.) by 5:00 p.m., Thursday, December 18, 2014, Japan Time, which is the day before the General Meeting of Shareholders.
- 4) If you have exercised your voting rights more than once by electronic means (via the Internet, etc.), only the final exercise of the voting rights shall be deemed effective.
- 5) If you have exercised your voting rights both by electronic means (via the Internet, etc.) and the Voting Rights Exercise Form, only the exercise of the voting rights by electronic means (via the Internet, etc.) shall be deemed effective.
- 6) Please be noted that any fees incurred by accessing the Website for the Exercise of Voting Rights are the responsibility of shareholders.

**Inquiries regarding the exercise of voting rights by electronic means  
(via the Internet, etc.):**

Sumitomo Mitsui Trust Bank , Limited  
Stock Transfer Agency Web Support  
Telephone: 0120-652-031  
Business hours: 9:00 – 21:00

### **2. To Institutional Investors:**

With a preliminary application, nominee shareholders of custodian banks (standing proxies included) can use the platform for the said electronic means at the Company's General Meeting of Shareholders.

**(Attachments)**

**Business Report**

(From October 1, 2013 through September 30, 2014)

**1. Matters Concerning the Corporate Group**

**(1) Business Operations and Results**

During the fiscal year ended September 30, 2014 (from October 1, 2013 through September 30, 2014), Japan's economy as a whole maintained a gradual economic recovery trend. Capital investment rose gradually as corporate earnings strengthened and the employment and income environment showed improvement as well, against the backdrop of various economic measures and the Bank of Japan's monetary easing policy. On the other hand, the economic picture overseas remained uncertain despite moves toward a recovery that could be seen in some areas, and factors leading to instability, including a slowdown in newly developing countries and geopolitical risks, lingered.

Given such circumstances, our Group pursued basic and applied research in photonics, and strove to ensure net sales and earnings by undertaking aggressive sales and marketing activities, maintaining capital investment aimed at developing high-value-added products that address customers' needs and strengthening production capacity.

For the fiscal year ended September 30, 2014 net sales resulted in JPY 112,092 million, an increase of JPY 9,936 million (9.7%) compared with the previous year. Increased net sales resulted in similar performance from an earnings perspective as well, with ordinary income of JPY 22,531 million, up by JPY 4,647 million (26.0%), and net income of JPY 15,155 million, up by JPY 3,626 million (31.5%) over one year earlier respectively. Consequently, as a result of our domestic sales growth and the increase in our overseas sales because of the exchange rate effect, net sales and income both rose to record levels.

A summary of business performance by business segment and product is reported below.

**< Electron Tube >**

**Photomultiplier tubes (PMT)**

Sales of photomultiplier tubes (PMT) fell in oil-well logging applications in the measuring instrument field, but remained strong in the medical field for inspection and monitoring system such as blood analyzers. Sales of photomultiplier tubes (PMT) gained as well, including higher sales for use in equipment such as laser scanning microscopes used in the field of biotechnology, which are highly regarded for their excellent sensitivity.

**Imaging devices and light sources**

Imaging devices and light sources benefitted from the recovery in semiconductor plant and equipment investment in the industrial field, which boosted sales of xenon lamps for semiconductor inspection equipment and our Stealth Dicing Engine for high-speed, high-quality silicon wafer dicing. In addition sales of imaging devices and light sources also moved upward, including higher sales of microfocus X-ray sources for non-destructive testing, which have earned an excellent reputation for their ability to generate high-definition images.

In total, the Electron Tube business comprised of photomultiplier tubes (PMT) and imaging devices and light sources closed the year with net sales of JPY 45,550 million, up by 4.1% from the previous year.

## < Opto-semiconductor >

### **Opto-semiconductors**

In opto-semiconductors, sales in the medical field of core silicon photodiodes were boosted by growth in foreign countries in particular, while sales of our flat panel sensors, which enjoy a strong reputation for features such as high definition and high resolution, remained steady centered on dental applications. Also in the industrial field, sales of image sensors for semiconductor inspection equipment rose significantly as well, and sales of opto-semiconductors in general increased strongly as sales expanded for products such as LEDs and photo ICs, which have various applications in the FA (Factory Automation) sector, including controls for industrial robotic technology.

As a result, net sales in the Opto-semiconductor business came to JPY 49,161 million, up by 16.6% from the previous year.

## < Imaging and Measurement Instruments >

### **Image processing and measurement systems**

Sales of image processing and measurement systems were pushed higher by substantially greater sales of digital cameras, particularly for the field of life sciences and biotechnology, together with higher sales of failure analysis systems for semiconductor devices, which reflected not only growth in demand in Asia but also the solid reputation these systems have earned in a wide range of fields for achieving high definition and high sensitivity. Sales of digital slide scanners in pathology also advanced. Supported by these positive factors, sales of image processing and measurement systems increased.

As a result, net sales in the Imaging and Measurement Instruments business were JPY 14,022 million, up by 5.9% over the previous year.

**Net sales by business segment and by product**

(Millions of Japanese Yen)

Business segment	Product		FY2014	FY2013	Increase (decrease)	
			Amount	Amount	Amount	Percentage
Electron tube	Photomultiplier tubes (PMT)	Japan	4,324	3,898	425	10.9 %
		Overseas	21,264	21,493	(229)	(1.1)
		Total	25,588	25,392	196	0.8
	Imaging devices and light sources	Japan	7,209	6,367	841	13.2
		Overseas	12,752	12,004	747	6.2
		Total	19,961	18,371	1,589	8.7
	Subtotal	Japan	11,533	10,266	1,267	12.3
		Overseas	34,016	33,497	518	1.5
		Total	45,550	43,764	1,786	4.1
Opto-semicon ductor	Opto-semiconductors	Japan	18,480	15,565	2,915	18.7
		Overseas	30,681	26,611	4,070	15.3
		Total	49,161	42,176	6,985	16.6
Imaging and measurement instruments	Image processing and measurement systems	Japan	4,784	4,922	(137)	(2.8)
		Overseas	9,238	8,318	919	11.1
		Total	14,022	13,240	782	5.9
Other business segments		Japan	2,025	1,640	384	23.4
		Overseas	1,333	1,334	(1)	(0.1)
		Total	3,358	2,975	383	12.9
Total		Japan	36,823	32,393	4,429	13.7
		Overseas	75,268	69,762	5,506	7.9
		Total	112,092	102,156	9,936	9.7

The status of our research and development is reported below.

### < Basic Research Sector >

In the medical care sector, we moved forward with development of a mitochondrial function measurement procedure using PET. Because cell function abnormalities that cause illnesses occur when cell mitochondrial function is disrupted, measuring this function is extremely useful for diagnosis and prevention of illnesses. The Company recently applied technology cultivated over long years of research to develop a novel PET probe for labeling mitochondrial function, which was used to discover for the first time the decline of mitochondrial function that occurs in the brains of aged monkeys compared with young monkeys. We will develop this in the future for use in clinical research, and pursue verification of its utility for early diagnosis of dementia and Parkinson's disease and therapy evaluation.

In the biotechnology sector, we pursued research on methods for evaluating functionalities of foods. Food products also contain constituents that help people stay in shape and prevent sickness. Using technology for simultaneous monitoring fluorescence and chemiluminescence, we succeeded in simultaneously identifying the action of foods to eliminate active oxygen<sup>1</sup> (antioxidation), its actions on white blood cells so they do not produce excess active oxygen (anti-inflammation), and its actions in activating immunity (immune activation). This technology will help clarify food's physiological functions, and is expected to prevent illnesses through "foods" as well as contribute to the realization of a healthy, long-lived society.

In the optical physics sector, we are conducting LG (Laguerre-Gaussian) beam<sup>2</sup> research using our proprietary Spatial Light Modulator (SLM) and hologram technology. As an application, we achieved the world's first successful attempt to freely move minute objects by converging an LG beam in a high-quality position to form a light vortex, which captures an object smaller than a micron<sup>3</sup> to rotate. The manipulation of minute objects using light is already an indispensable technology in sectors such as nanotechnology, and is expected to find application in diverse sectors in the future.

In the materials research sector, we successfully created a film from high-power ultraviolet light emitting material by depositing particles discharged by laser ablation<sup>4</sup> onto a substrate, a task that was difficult using previous technologies, and commercialized a mercury-free source of ultraviolet light with long service life. We will apply this technology to undertake research and development on high-performance optical devices that are unavailable from other companies.

### < Development Sector >

#### **MEMS-fabricated ultra-small FTIR engine with optical interferometer in a fingertip-sized device**

We developed the world's first ultra-small FTIR<sup>5</sup> engine that combined an optical interferometer in a fingertip-sized device. While traditional FTIR have the advantage of not needing expensive image sensors, most devices are large, expensive table-top units because they require a highly accurate optical interferometer. By fabricating all of the optical interferometer components on a silicon wafer through the use of our proprietary MEMS<sup>6</sup> technology, our product has simplified the manufacturing process, making it possible to achieve lower cost and miniaturization, together with a high sensitivity, highly accurate spectrum. As a result, unlike

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1 Active oxygen is generated by daily organic activity, and excess active oxygen is said to cause various illnesses such as lifestyle-related diseases.

2 A special beam with a helical light wave aspect at its center.

3 One micron is one-millionth of a meter.

4 A phenomenon in which high-energy particles are ejected from the surface of a material when that material is irradiated with high-density, high-intensity laser light.

5 A Fourier transform infrared spectroscopy used for analysis of components such as gases and liquids.

6 State-of-the-art technology for three-dimensional micromachining of semiconductor materials.

traditional measurement at a large-scale plant or laboratory, it is now feasible to perform spectrometry in convenient, on-the-spot locations. This technology is expected to find applications in new sectors in the future, such as detection of alcohol in exhaust during automobile operation and real-time soil monitoring at agricultural sites.

#### **Failure analysis systems for semiconductor device: iPHEMOS-MP**

We developed the iPHEMOS-MP to enable semiconductor device failure analysis to be performed proficiently. Semiconductor device failure analysis requires making observations with a wide field of view to understand the approximate failure location, and then efficiently ascertaining the precise failure location quickly by narrowing the target scope. The iPHEMOS-MP we developed achieves a wide field of view and detailed analysis with a single instrument, by combining specialized lenses for wide-field observation and cameras capable of detecting the low-light emissions from failure locations with high degree of sensitivity and definition. This has greatly improved failure location accuracy. Furthermore, by preparing options such as a function to observe the semiconductor device transistor status during operation, we've realized functions that greatly extend the range of failure analysis.

#### **High frequency electrical discharge-type compact excimer lamp light source**

Our excimer lamp light source makes it possible to perform high-quality surface treatment and cleansing of various materials by efficiently irradiating them with high-energy ultraviolet light. In addition, unlike systems used traditionally, the light source is environmental friendly because no waste liquid treatment is required and doesn't damage the materials or generate dust. Furthermore, by developing the industry's only long, rectangular lamp for the high-frequency electrical discharge-type light emitting component, we've made it possible to achieve stable light emission and uniform irradiation over a large area. Now we've taken these features and developed a small and lightweight, low-priced excimer lamp light source with built-in power supply designed for production technology development. As a result, it's possible to evaluate surface treatments and cleansing whenever and wherever needed, with just a simple test.

As reported above, we are using the proprietary optical technologies our Group has cultivated over many years to pursue basic research aimed at the creation of new knowledge and new industries and undertake development that seeks to create new products and further enhance the high performance and added value of existing products in sectors such as biotechnology, medical care, information, telecommunications, energy, materials, space and astronomy, and agriculture.

For the fiscal year ended September 30, 2014, research and development expenses increased to JPY 10,977 million (up by 0.8%) compared with the previous fiscal year.

### **(2) Capital Investment**

For the fiscal year ended September 30, 2014, we made total capital investments of JPY 15,499 million for purposes such as expanding production capacity and strengthening our development capabilities. The amount of capital investment by business segment was JPY 7,413 million for Electron Tube, JPY 5,244 million for Opto-semiconductor, JPY 240 million for Imaging and Measurement Instruments and JPY 2,601 million for Other.

### **(3) Fund Procurement**

There was no fund procurement during the fiscal year ended September 30, 2014.

### **(4) Issues to be Addressed**

With regard to the business environment surrounding our Group, we recognize that although a sense of anticipation can be seen concerning the future business outlook, including the ongoing

recovery trend in corporate capital investment driven by improved domestic corporate earnings, there also remain causes for concern, such as the uncertain conditions overseas, which create a situation under which we still cannot take an optimistic view.

Nevertheless, there remain many unknown areas in the light-related sectors the Company is pursuing that have yet to be clarified, and we believe industrial applications of optical technology will expand even more in the future.

As a Group, we recognize that to lead the photonics industry of the 21st century and emerge the winner in global competition, we must implement aggressive research and development activities and capital investment, pursue the development of highly competitive products, further improve state-of-the-art optical technologies that other companies cannot duplicate and further reinforce our operating base, and build a strong earnings organization capable of supporting these endeavors.

Finally, as a Group we must focus on uninterrupted growth by expanding our business domains through the creation of new industries that apply the optical technologies we have cultivated over many years, and never forget the venture mentality we have maintained since our Company was established.

We look forward to continuing to receive your unwavering support and encouragement in the future.

#### **(5) Change in Business Results and Financial Position for the Three Most Recent Fiscal Years**

(Millions of Japanese Yen, except for net income per share and net assets per share, which are in Japanese Yen)

Year				
Classification	FY2011	FY2012	FY2013	FY2014
Net sales	101,858	98,067	102,156	112,092
Ordinary income	22,216	18,350	17,883	22,531
Net income	13,702	11,206	11,529	15,155
Net income per share	170.44	139.39	143.41	188.52
Total assets	188,091	189,970	198,278	215,412
Net assets	133,434	140,873	154,385	168,815
Net assets per share	1,650.23	1,745.18	1,913.98	2,093.11

- Notes:
1. Net income per share is calculated using the number of shares after deducting treasury shares from the average total shares issued during the period. Net assets per share are calculated using the number of shares after deducting treasury shares from the total shares issued at the end of the period.
  2. Amounts less than 0.01 yen are rounded.

## (6) Key Subsidiaries

Company name	Capital stock	Percent owned	Main businesses
Photonics Management Corp.	33,521,000 US dollars	100.0 %	Holding company
Hamamatsu Photonics (China) Co., Ltd.	50,000,000 Chinese yuan	100.0	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems
Hamamatsu Photonics Deutschland GmbH	2,000,000 euros	100.0	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems
Hamamatsu Photonics France S.A.R.L.	1,136,000 euros	100.0	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems
Hamamatsu Photonics Italia S.r.l.	728,000 euros	100.0	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems
Hamamatsu Photonics UK Limited	400,000 UK pounds	100.0	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems
Koso Corporation	85,000,000 yen	100.0	Manufacture of light sources
China Healthcare K.K.	80,000,000 yen	100.0	Medical device research and development
Hamamatsu Photonics Norden AB	2,700,000 Swedish krona	100.0	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems
Hamamatsu Photonics Europe GmbH	200,000 euros	100.0	Sales promotion in Europe
Beijing Hamamatsu Photonics Techniques, Inc.	200,000,000 Chinese yuan	94.0	Manufacture and sale of photomultiplier tubes (PMT)
Takaoka Electronics Co., Ltd.	98,000,000 yen	88.6	Manufacture of photomultiplier tubes (PMT)
Hamamatsu Electronic Press Co., Ltd.	30,000,000 yen	60.0	Manufacture of electronic components and molds
Iwata Grand Hotel Inc.	480,000,000 yen	57.1	Hotel operations
Hamamatsu Photonics Scientific Instrument (Beijing) Co., Ltd.	5,000,000 Chinese yuan	[100.0]	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems
Hamamatsu Corporation	426,000 US dollars	(100.0)	Sale of photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, image processing and measurement systems
Hangzhou Hamamatsu Photonics Science and Technology Co., Ltd.	3,000,000 Chinese yuan	<70.0>	Medical device research and development

Notes: 1. The figures in [ ] for percent owned are the indirect ownership percentage held by Hamamatsu Photonics (China) Co., Ltd..

2. The figures in ( ) for percent owned are the indirect ownership percentage held by Photonics Management Corp.
3. The figures in < > for percent owned are the indirect ownership percentage held by China Healthcare K.K.
4. The resolution of Universal Spectrum Corporation was completed on April 16, 2014.
5. To smoothly conduct foreign currency settlement activities in China, in April 2014 the Company established Hamamatsu Photonics Scientific Instrument (Beijing) Co., Ltd. in China.
6. To expand sales in Taiwan, in August 2014 the Company resolved to establish a local subsidiary in Taiwan.

**(7) Main Businesses (As of September 30, 2014)**

The main business of our Group is the manufacture and sale of light-related products such as photomultiplier tubes (PMT), imaging devices and light sources, opto-semiconductors, and image processing and measurement systems, and activities incidental to these businesses.

Our main products and business activities are described below.

Business segment	Product	Main products and business activities
Electron tube	Photomultiplier tubes (PMT)	Photomultiplier tubes (PMT), photo-sensor modules, microchannel plate photomultiplier tubes, peripheral devices for photomultiplier tubes (PMT), electron multipliers, image intensifiers, high-speed gate image intensifier units, phototubes, photon detection units, UV power meters, Immunochromato-readers, pinhole inspection units
	Imaging devices and light sources	Microfocus X-ray sources, X-ray scintillators, X-ray image intensifiers, microchannel plates, FOP (fiber optic plates), streak tubes, deuterium lamps, xenon lamps, mercury xenon lamps, Stealth Dicing Engine (SDE), UV-LED light sources, products using light sources, electrostatic removers (photoionizer), flame sensors (UV TRON)
Opto-semiconductor	Opto-semiconductors	Photodiodes (Si, GaAs, GaAsP, GaP), APD (Si, InGaAs), MPPC, photo ICs, phototransistors, PSD (position sensitive detectors), infrared detectors (InGaAs, PbS, PbSe, InSb, InAs, MCT, photon drag detectors, thermopile), InGaAs image sensors, CCD image sensors, CMOS image sensors, photodiode arrays with amplifier, NMOS image sensors, X-ray flat panel sensors, LED, LCOS-SLM (phase spatial light modulators), mini-spectrometers, photosensor amplifiers, PSD signal processing circuits, APD/MPPC modules, distance sensors, image sensor driver circuits and application products, optical communication devices, automotive devices, special detectors for high energy particles, radiation detection modules
Imaging and measurement instruments	Image processing and measurement systems	Digital CCD cameras for measurement, CMOS cameras for scientific measurement, TDI cameras, X-ray line sensor cameras, streak cameras, fluorescence lifetime spectrometers, multichannel spectrographs, quantum yield measurement systems, failure analysis systems for semiconductor manufacturing, plasma process monitors, thickness measurement systems, Optical NanoGauge/MicroGauge, imaging and analysis devices for life sciences, drug screening systems, non-invasive brain oxygen monitors, biological tissue fluorescent monitoring systems, pathology digital slide scanners
	Other	Semiconductor laser business, hotel operations

**(8) Main Office Locations & Factories (As of September 30, 2014)**

## a. Hamamatsu Photonics K.K.

Office name	Location	Office name	Location
Headquarters	Naka-ku, Hamamatsu City	Sendai Sales Office	Aoba-ku, Sendai City
Main Factory	Higashi-ku, Hamamatsu City	Tsukuba Sales Office	Tsukuba City, Ibaraki Pref.
Mitsue Factory	Iwata City, Shizuoka Pref.	Tokyo Sales Office	Minato-ku, Tokyo
Shingai Factory	Minami-ku, Hamamatsu City	Chubu Sales Office	Naka-ku, Hamamatsu City
Toyooka Factory	Iwata City, Shizuoka Pref.	Osaka Sales Office	Chuo-ku, Osaka City
Tenno Glass Works	Higashi-ku, Hamamatsu City	Nishinohon Sales Office	Hakata-ku, Fukuoka City
Joko Factory	Higashi-ku, Hamamatsu City	Central Research Laboratory	Hamakita-ku, Hamamatsu City
Miyakoda Factory	Kita-ku, Hamamatsu City	Tsukuba Research Laboratory	Tsukuba City, Ibaraki Pref.
Tokyo Branch Office	Minato-ku, Tokyo	Industries Development Laboratory	Nishi-ku, Hamamatsu City

## b. Subsidiaries

Company Name		Location
Japan	Koso Corporation	Iwata City, Shizuoka Pref.
	China Healthcare K.K.	Naka-ku, Hamamatsu City
	Takaoka Electronics Co., Ltd.	Naka-ku, Hamamatsu City
	Hamamatsu Electronic Press Co., Ltd.	Iwata City, Shizuoka Pref.
	Iwata Grand Hotel Inc.	Iwata City, Shizuoka Pref.
Overseas	Photonics Management Corp.	USA
	Hamamatsu Photonics (China) Co., Ltd.	China
	Hamamatsu Photonics Deutschland GmbH	Germany
	Hamamatsu Photonics France S.A.R.L.	France
	Hamamatsu Photonics Italia S.r.l.	Italy
	Hamamatsu Photonics UK Limited	UK
	Hamamatsu Photonics Norden AB	Sweden
	Hamamatsu Photonics Europe GmbH	Germany
	Beijing Hamamatsu Photon Techniques, Inc.	China
	Hamamatsu Photonics Scientific Instrument (Beijing) Co., Ltd.	China
	Hamamatsu Corporation	USA
Hangzhou Hamamatsu Photonics Science and Technology Co., Ltd.	China	

**(9) Employees (As of September 30, 2014)**

Business segment	No. of employees
Electron tube	1,846
Opto-semiconductor	1,155
Imaging and measurement instruments	515
Other	295
Corporate (shared)	609
Total	4,420

- Notes: 1. The number of employees is the numbers of full-time employees.  
2. Employees designated as “Corporate (shared)” are individuals affiliated with management departments who cannot be classified in a specific business segment.

**(10) Main Banks and Amount of Borrowing (As of September 30, 2014)**

(Millions of Japanese Yen)

Bank	Amount
Bank of Tokyo-Mitsubishi UFJ, Ltd.	3,000
Resona Bank, Limited	2,400
Shizuoka Bank, Ltd.	1,467

**(11) Summary of Other Important Matters Concerning the Corporate Group**

Not applicable

**2. Matters Concerning the Company’s Stock (As of September 30, 2014)****Common stock**

- a. Authorized: 250,000,000 shares  
b. Issued: 83,764,984 shares (including 3,236,295 shares of treasury shares)  
c. Number of shareholders: 22,627  
e. Major shareholders:

Name of shareholder	No. of shares	Percentage of shareholding
The Master Trust Bank of Japan, Ltd. (Trust Account)	4,340,100	5.4
Toyota Motor Corporation	4,200,000	5.2
State Street Bank and Trust Company	3,299,211	4.1
Hamamatsu Photonics K.K. employees	3,063,430	3.8
Japan Trustee Services Bank, Ltd. (Trust Account)	2,245,300	2.8
Japan Trustee Services Bank, Ltd. (Trust Account 9)	1,719,500	2.1
Teruo Hiruma	1,576,242	2.0
The Nomura Trust and Banking Co., Ltd. (Investment Trust)	1,407,500	1.7
Mellon Bank N.A. As Agent For Its Client Mellon Omnibus US Pension	1,297,770	1.6
JP Morgan Chase Bank 385632	1,163,813	1.4

- Notes: 1. The Company holds 3,236,295 shares of treasury shares that is not included in the shares of the major shareholders shown above.  
2. The percentage of shareholding is calculated after excluding treasury shares. Fractional amounts of less than a single unit have been rounded.

### 3. Matters Concerning Company Stock Acquisition Rights

Not applicable

### 4. Matters Concerning Company Directors

#### (1) Directors and Audit & Supervisory Board Members (As of September 30, 2014)

Name	Company Position	Responsibilities and Significant Positions Concurrently Held
Teruo Hiruma	Director and Chairman of the Board	
Akira Hiruma	Representative Director and President	(Note 1)
Haruji Ohtsuka	Representative Director and Vice President	
Koei Yamamoto	Representative Director and Senior Managing Director	General Manager, Solid State Division
Junichi Takeuchi	Representative Director and Senior Managing Director	General Manager, Electron Tube Division
Hitoshi Iida	Managing Director	General Manager, System Division
Kenji Suzuki	Managing Director	Deputy General Manager, Electron Tube Division
Mitsutaka Takemura	Managing Director	Deputy General Manager, Solid State Division
Tsutomu Hara	Managing Director	General Manager, Central Research Laboratory
Kenji Yoshida	Managing Director	General Manager, Administrative Division
Hirofumi Uchiyama	Director	General Manager, Power Laser R&D Group
Takashi Koike	Director	General Manager, Tokyo Branch Office
Tadahiko Shimazu	Director	General Manager, Accounting Division
Fumio Muramatsu	Audit & Supervisory Board Member (Standing)	
Kazuhiko Mori	Audit & Supervisory Board Member (Standing)	
Masaharu Hamakawa	Audit & Supervisory Board Member	
Yuji Maki	Audit & Supervisory Board Member	Project General Manager, Accounting Division, Toyota Motor Corporation

Notes: 1. The following significant positions are concurrently held by Representative Director and President Akira Hiruma.

Company Name	Position
Photonics Management Corp.	Director and President
Hamamatsu Corporation	Director
Roland DG Corporation	Outside Director
Research Foundation for Opto-Science and Technology	Director and President
Hamamatsu Medical Photonics Foundation	President
The Graduate School for the Creation of New Photonics Industries.	President

- Audit & Supervisory Board member Masaharu Hamakawa and Audit & Supervisory Board member Yuji Maki are Outside Audit & Supervisory Board members.
- The Company has notified the Tokyo Stock Exchange of Audit & Supervisory Board Member Masaharu Hamakawa and Audit & Supervisory Board Member Yuji Maki as independent directors/auditors, as provided by the securities listing regulations of the Tokyo Stock Exchange.
- At the 66th Ordinary General Meeting of Shareholders held on December 20, 2013, all of the directors

were reelected and assumed their respective positions. All of the directors were reappointed.

5. At the Board of Directors meeting held on December 20, 2013, the representative directors and directors were elected and assumed their respective positions. All of the representative directors and directors were reappointed.
6. At the Board of Directors meeting held on December 20, 2013, Managing Director Kenji Yoshida's responsibilities were changed from General Manager, President Office to General Manager, Administrative Division.
7. The following director retired during the fiscal year ended as of September 30, 2014.

Name	Retirement Date	Reason for Retirement	Position and Responsibilities and Significant Positions Concurrently Held at Time of Retirement
Soichiro Okudaira	April 30, 2014	Resigned	Outside Director Senior Managing Officer, Toyota Motor Corporation Director, Toyota Boshoku Corporation

8. In addition to his many years of experience at Resona Bank, limited, Audit & Supervisory Board member Kazuhiko Mori is engaged in accounting and financial activities as General Manager of the Company's Finance Division and has the appropriate degree of knowledge concerning financial affairs and accounting.
9. Audit & Supervisory Board member Masaharu Hamakawa has many years of experience at The Bank of Tokyo Ltd. and The Bank of Tokyo-Mitsubishi, Ltd. (both now The Bank of Tokyo-Mitsubishi UFJ, Ltd.), and has the appropriate degree of knowledge concerning financial affairs and accounting.

## (2) Remuneration and Other Amounts Paid to Directors and Audit & Supervisory Board Members

- a. Total remuneration and other benefits pertaining to the fiscal year ended September 30, 2014

Classification	Number of compensated individuals	Amount paid	Summary
Director	14	JPY 478 million	(1 Outside Director JPY 896 thousand)
Audit & Supervisory Board Member	3	JPY 42 million	(1 Outside Audit & Supervisory Board Member JPY 4 million)
Total	17	JPY 521 million	

- Notes:
1. The amount of remuneration for Directors was established at a monthly amount of up to JPY 55 million (up to JPY 1 million for Outside Directors), excluding the salary payable in the capacity of employees, by a resolution of the 65th Ordinary General Meeting of Shareholders convened on December 20, 2012.
  2. The amount of remuneration for Audit & Supervisory Board members was established at a monthly amount up to JPY 6 million by a resolution of the 65th Ordinary General Meeting of Shareholders convened on December 20, 2012.
  3. Total remuneration paid to Directors does not include the employee salary portions paid to Directors serving concurrently as employees.
  4. The number of compensated individuals shown above includes one director who retired on April 30, 2014.

- b. Retirement benefits paid in the fiscal year ended September 30, 2014

Retirement benefits paid during the fiscal year ended September 30, 2014 based on a resolution of the 65th Ordinary General Meeting of Shareholders held on December 20, 2012 to pay final benefits following abolition of the retirement benefit plan were as follows.

Outside Director: 1 JPY 120 thousand

(The amount shown above was already disclosed as a transfer of the provision for directors' retirement benefits included in the total amount of directors' remuneration and other benefits in the Business Report for the prior fiscal year.)

**(3) Outside Officers**

a. Significant positions concurrently held at other corporations etc. and relationship between the Company and said other corporations etc.

Name	Significant Positions Concurrently Held
Soichiro Okudaira (Outside Director)	Senior Managing Officer, Toyota Motor Corporation Director, Toyota Boshoku Corporation
Yuji Maki (Outside Audit & Supervisory Board Member)	Project General Manager, Accounting Division, Toyota Motor Corporation

Notes: 1. Director Soichiro Okudaira retired on April 30, 2014. The significant positions concurrently held that are shown above were as of April 30, 2014.  
2. Toyota Motor Corporation is a major shareholder and owns 5.2% of the Company's total shares issued (excluding treasury shares). The Company has business transactions, including the sale and purchase of products, with Toyota Motor Corporation.

b. Main activities

Name	Remarks etc. at meetings of the Board of Directors and Audit & Supervisory Board
Soichiro Okudaira (Outside Director)	Contributes remarks and advice based on his extensive experience and deep insights, mainly in sectors such as corporate management. Attended 7 of the 10 Board of Directors meetings held until the time he retired on April 30, 2014.
Masaharu Hamakawa (Outside Audit & Supervisory Board Member)	Takes advantage of his experience in the banking industry to contribute remarks and advice on all aspects of corporate management, including operations management and the financial accounting system. Attended 16 of the 17 Board of Directors meetings, and 5 of the 6 Audit & Supervisory Board meetings.
Yuji Maki (Outside Audit & Supervisory Board Member)	Contributes remarks and advice based on his practical experience and perspective in the accounting division of a listed company. Attended 16 of the 17 Board of Directors meetings and all six of the Audit & Supervisory Board meetings.

c. Summary of contents of agreements to limit liability

Although the Company has established provisions in Article 26 and Article 35 of its Articles of Incorporation that enable it to enter agreements with its Outside Directors and Outside Audit & Supervisory Board members that limit their liability, the Company has not entered into such agreements to limit liability.

## 5. Independent Auditor

### (1) Name of Independent Auditor

Ernst & Young ShinNihon LLC

### (2) Amount of Compensation and Other Benefits Paid to the Independent Auditor Pertaining to the Fiscal Year Ended September 30, 2014

Classification	Amount
Amount of compensation and other fees related to activities prescribed in Article 2 paragraph (1) of the Certified Public Accountants Act (Law No. 103 of 1948)	JPY 60 million
Total amount of cash and other financial interests the Company and its subsidiary companies will pay to the Company's independent auditor	JPY 60 million

Notes: The amount of compensation and other benefits pertaining to the fiscal year ended September 30, 2014 is reported in these total amounts because the amounts of the audit fees etc. for audits based on the Companies Act and audits based on the Financial Instruments and Exchange Act are not classified separately and cannot be substantively classified in the audit agreement between the Company and its independent auditor.

### (3) Consolidated Subsidiary Audits

The following important consolidated subsidiaries of the Company are subject to audits by certified public accountants or audit entities other than the Company's independent auditor (including individuals in other countries holding qualifications that correspond to these qualifications).

Corporation Name
Hamamatsu Corporation
Hamamatsu Photonics Deutschland GmbH

### (4) Company Policy Concerning Decisions to Dismiss or Not Reappoint the Independent Auditor

The Company's Audit & Supervisory Board will dismiss the independent auditor by a resolution of the Audit & Supervisory Board based on the consensus of all Audit & Supervisory Board members if the independent auditor corresponds to any of the reasons provided in the sub-paragraphs of Article 340 paragraph (1) of the Companies Act. In this case, an Audit & Supervisory Board member selected by the Audit & Supervisory Board will report on the dismissal and the reason at the first Ordinary General Meeting of Shareholders convened after such dismissal.

In addition the situation described above, if it recognizes the independent auditor will have difficulty in appropriately accomplishing their duties, the Company's Audit & Supervisory Board will conduct a study based on the facts, and if it is judged dismissal or non-reappointment is reasonable the Audit and Supervisory Board will request to the Board of Directors to make that intent a purpose of the Ordinary General Meeting of Shareholders.

Note: For descriptions of amounts in this Business Report, fractional amounts of less than a single unit have been rounded down.

## Consolidated Balance Sheets

(As of September 30, 2014)

(Millions of Japanese Yen)

Assets		Liabilities	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>142,947</b>	<b>Current liabilities</b>	<b>36,046</b>
Cash and deposits	83,758	Notes and accounts payable-trade	5,033
Notes and accounts receivable-trade	25,956	Electronically recorded obligations-operating	7,946
Merchandise and finished goods	6,726	Short-term loans payable	1,733
Work in process	13,802	Current portion of long-term loans payable	3,179
Raw materials and supplies	6,349	Income taxes payable	4,133
Deferred tax assets	3,449	Provision for bonuses	3,735
Other	3,046	Other	10,283
Allowance for doubtful accounts	(143)	<b>Non-current liabilities</b>	<b>10,550</b>
<b>Non-current assets</b>	<b>72,464</b>	Long-term loans payable	3,904
<b>Property, plant and equipment</b>	<b>61,623</b>	Deferred tax liabilities	187
Buildings and structures	23,544	Net defined benefit liability	4,830
Machinery, equipment and vehicles	7,811	Other	1,626
Tools, furniture and fixtures	3,202	<b>Total liabilities</b>	<b>46,596</b>
Land	15,897	<b>Net assets</b>	
Leased assets	129	<b>Shareholders' equity</b>	<b>164,828</b>
Construction in progress	11,037	Capital stock	34,928
<b>Intangible assets</b>	<b>1,735</b>	Capital surplus	34,672
<b>Investments and other assets</b>	<b>9,105</b>	Retained earnings	101,278
Investment securities	2,621	Treasury shares	(6,050)
Real estate for investment	261	<b>Accumulated other comprehensive income</b>	<b>3,445</b>
Deferred tax assets	5,168	Valuation difference on available-for-sale securities	695
Other	1,072	Foreign currency translation adjustment	1,589
Allowance for doubtful accounts	(19)	Remeasurements of defined benefit plans	1,160
		<b>Minority interests</b>	<b>541</b>
		<b>Total net assets</b>	<b>168,815</b>
<b>Total assets</b>	<b>215,412</b>	<b>Total liabilities and net assets</b>	<b>215,412</b>

## Consolidated Statements of Income

(From October 1, 2013 through September 30, 2014)

(Millions of Japanese Yen)

Item	Amount	
<b>Net sales</b>		<b>112,092</b>
<b>Cost of sales</b>		<b>53,451</b>
<b>Gross profit</b>		<b>58,641</b>
<b>Selling, general and administrative expenses</b>		<b>36,975</b>
<b>Operating income</b>		<b>21,665</b>
<b>Non-operating income</b>		
Interest income	207	
Dividend income	39	
Rent income on non-current assets	86	
Rent of real estate for investment	70	
Foreign exchange gains	293	
Share of profit of entities accounted for using equity method	71	
Other	305	<b>1,074</b>
<b>Non-operating expenses</b>		
Interest expenses	96	
Rent expenses on real estates	67	
Other	44	<b>208</b>
<b>Ordinary income</b>		<b>22,531</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	10	
Subsidy income	2	<b>13</b>
<b>Extraordinary loss</b>		
Loss on sales of non-current assets	7	
Loss on retirement of non-current assets	65	
Loss on reduction of non-current assets	2	
Loss on sales of investment securities	3	
Loss on valuation of investment securities	3	<b>82</b>
<b>Income before income taxes and minority interests</b>		<b>22,462</b>
Income taxes-current	7,359	
Income taxes-deferred	(83)	<b>7,276</b>
<b>Income before minority interests</b>		<b>15,185</b>
Minority interests in income		<b>29</b>
<b>Net income</b>		<b>15,155</b>

## Consolidated Statements of Changes in Net Assets

(From October 1, 2013 through September 30, 2014)

(Millions of Japanese Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	34,928	34,672	90,309	(6,048)	153,862
Changes of items during period					
Dividends of surplus	-	-	(4,187)	-	(4,187)
Net income	-	-	15,155	-	15,155
Purchase of treasury shares	-	-	-	(1)	(1)
Net changes of items other than shareholders' equity	-	-	-	-	-
Total changes of items during period	-	-	10,968	(1)	10,966
Balance at end of current period	34,928	34,672	101,278	(6,050)	164,828

(Millions of Japanese Yen)

	Accumulated other comprehensive income				Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	541	(530)	-	11	512	154,385
Changes of items during period						
Dividends of surplus	-	-	-	-	-	(4,187)
Net income	-	-	-	-	-	15,155
Purchase of treasury shares	-	-	-	-	-	(1)
Net changes of items other than shareholders' equity	153	2,120	1,160	3,434	29	3,463
Total changes of items during period	153	2,120	1,160	3,434	29	14,429
Balance at end of current period	695	1,589	1,160	3,445	541	168,815

## Non-consolidated Balance Sheets

(As of September 30, 2014)

(Millions of Japanese Yen)

Assets		Liabilities	
Item	Amount	Item	Amount
<b>Current assets</b>	<b>114,097</b>	<b>Current liabilities</b>	<b>30,516</b>
Cash and deposits	65,186	Notes payable - trade	176
Notes receivable - trade	3,269	Electronically recorded obligations - operating	7,946
Accounts receivable - trade	20,181	Accounts payable - trade	4,711
Merchandise and finished goods	2,657	Current portion of long-term loans payable	3,000
Work in process	13,389	Lease obligations	53
Raw materials and supplies	5,856	Accounts payable - other	2,543
Deferred tax assets	2,067	Accrued expenses	885
Accounts receivable - other	1,807	Income taxes payable	3,856
Other	129	Advances received	112
Allowance for doubtful accounts	(447)	Deposits received	152
<b>Non-current assets</b>	<b>72,366</b>	Provision for bonuses	3,386
<b>Property, plant and equipment</b>	<b>53,405</b>	Electronically recorded obligations - facilities	1,953
Buildings	18,063	Deposits received from employees	1,667
Structures	767	Other	69
Machinery and equipment	6,983	<b>Non-current liabilities</b>	<b>10,772</b>
Vehicles	14	Long-term loans payable	3,000
Tools, furniture and fixtures	2,752	Lease obligations	40
Land	13,861	Provision for retirement benefits	6,237
Leased assets	85	Asset retirement obligations	147
Construction in progress	10,877	Other	1,347
<b>Intangible assets</b>	<b>1,124</b>	<b>Total liabilities</b>	<b>41,289</b>
Patent right	463	<b>Net assets</b>	
Software	642	<b>Shareholders' equity</b>	<b>144,479</b>
Other	18	<b>Capital stock</b>	<b>34,928</b>
<b>Investments and other assets</b>	<b>17,836</b>	<b>Capital surplus</b>	<b>34,636</b>
Investment securities	1,814	Legal capital surplus	34,636
Shares of subsidiaries and associates	8,216	<b>Retained earnings</b>	<b>80,960</b>
Investments in capital	1	Legal retained earnings	695
Investments in capital of subsidiaries and associates	1,303	Other retained earnings	80,264
Deferred tax assets	5,709	Reserve for special depreciation	25
Real estate for investment	125	Reserve for dividends	4,500
Other	685	General reserve	60,600
Allowance for doubtful accounts	(19)	Retained earnings brought forward	15,139
		<b>Treasury shares</b>	<b>(6,046)</b>
		<b>Valuation and translation adjustments</b>	<b>695</b>
		Valuation difference on available-for-sale securities	695
		<b>Total net assets</b>	<b>145,174</b>
<b>Total assets</b>	<b>186,463</b>	<b>Total liabilities and net assets</b>	<b>186,463</b>

## Non-consolidated Statements of Income

(From October 1, 2013 through September 30, 2014)

(Millions of Japanese Yen)

Item	Amount	
<b>Net sales</b>		<b>92,583</b>
<b>Cost of sales</b>		<b>51,232</b>
<b>Gross profit</b>		<b>41,350</b>
<b>Selling, general and administrative expenses</b>		<b>25,597</b>
<b>Operating income</b>		<b>15,753</b>
<b>Non-operating income</b>		
Interest income	61	
Dividend income	2,329	
Rent of real estate for investment	37	
Foreign exchange gains	87	
Miscellaneous income	249	
		<b>2,765</b>
<b>Non-operating expenses</b>		
Interest expenses	66	
Rent expenses on real estates	60	
Miscellaneous loss	50	
		<b>177</b>
<b>Ordinary income</b>		<b>18,340</b>
<b>Extraordinary income</b>		
Gain on sales of non-current assets	3	
Subsidy income	2	
		<b>6</b>
<b>Extraordinary losses</b>		
Loss on sales of non-current assets	4	
Loss on retirement of non-current assets	54	
Loss on reduction of non-current assets	2	
Loss on valuation of investment securities	3	
		<b>66</b>
<b>Income before income taxes</b>		<b>18,281</b>
Income taxes - current	5,447	
Income taxes - deferred	(18)	
		<b>5,429</b>
<b>Net income</b>		<b>12,851</b>

## Non-consolidated Statements of Changes in Net Assets

(From October 1, 2013 through September 30, 2014)

(Millions of Japanese Yen)

	Shareholders' equity								Treasury shares	Total shareholders' equity
	Capital stock	Capital surplus		Retained earnings						
		Legal capital surplus	Legal retained earnings	Other retained earnings						
				Reserve for special depreciation	Reserve for dividends	General reserve	Retained earnings brought forward			
Balance at beginning of current period	34,928	34,636	695	21	4,500	56,600	10,479	(6,044)	135,816	
Changes of items during period										
Provision of reserve for special depreciation	-	-	-	6	-	-	(6)	-	-	
Reversal of reserve for special depreciation	-	-	-	(3)	-	-	3	-	-	
Provision of general reserve	-	-	-	-	-	4,000	(4,000)	-	-	
Dividends of surplus	-	-	-	-	-	-	(2,174)	-	(2,174)	
Dividends of surplus (interim dividends)	-	-	-	-	-	-	(2,013)	-	(2,013)	
Net income	-	-	-	-	-	-	12,851	-	12,851	
Purchase of treasury shares	-	-	-	-	-	-	-	(1)	(1)	
Net changes of items other than shareholders' equity	-	-	-	-	-	-	-	-	-	
Total changes of items during period	-	-	-	3	-	4,000	4,660	(1)	8,662	
Balance at end of current period	34,928	34,636	695	25	4,500	60,600	15,139	(6,046)	144,479	

(Millions of Japanese Yen)

	Valuation and translation adjustments	Total net assets
	Valuation difference on available-for-sale securities	
Balance at beginning of current period	541	136,358
Changes of items during period		
Provision of reserve for special depreciation	-	-
Reversal of reserve for special depreciation	-	-
Provision of general reserve	-	-
Dividends of surplus	-	(2,174)
Dividends of surplus (interim dividends)	-	(2,013)
Net income	-	12,851
Purchase of treasury shares	-	(1)
Net changes of items other than shareholders' equity	153	153
Total changes of items during period	153	8,815
Balance at end of current period	695	145,174

- END -