

ROHM CO., LTD. Interim Financial Highlights for the Six-Month Period Ended September 30, 2003



November 5, 2003

1. Consolidated Financial Results

(Figures are rounded down to the nearest million yen. Any fraction less than the unit are rounded off.)

		Year ending	Year ended	Increase/decrease from the six-month period		Year ended	Year ending	Increase/decrease from the year ended Mar. 31, 2003
		Mar. 31, 2004	Mar. 31, 2003	ended Sept. 30, 2002		Mar. 31, 2003	Mar. 31, 2004	
		First six months	First six months	Amount	Percentage	Actual	Annual	
		Actual	Actual			Actual	Projected	
Net sales	Millions of yen	181,981	188,980	-6,999	-3.7%	350,281	358,000	+2.2%
Cost of sales	Millions of yen	99,638	98,142	+1,496	+1.5%	185,795	197,000	
Selling, general and administrative expenses	Millions of yen	31,701	29,362	+2,339	+8.0%	68,363	64,000	
Operating income	Millions of yen	50,641	61,475	-10,834	-17.6%	96,122	97,000	+0.9%
(Operating income margin)		(27.8%)	(32.5%)	(-4.7%)		(27.4%)	(27.1%)	
Ordinary income	Millions of yen	46,977	56,343	-9,366	-16.6%	91,684	94,000	+2.5%
(Ordinary income margin)		(25.8%)	(29.8%)	(-4.0%)		(26.2%)	(26.3%)	
Net income	Millions of yen	26,808	32,614	-5,806	-17.8%	53,003	62,000	+17.0%
(Net income margin)		(14.7%)	(17.3%)	(-2.6%)		(15.1%)	(17.3%)	
Net income per share	Yen	225.69	274.71	-49.02	-17.8%	445.52	521.96	
Return on equity	%					8.1		
Ordinary income to total assets	%					11.9		
Total assets	Millions of yen	819,551	792,063	+27,488	+3.5%	805,692		
Shareholders' equity	Millions of yen	694,335	658,309	+36,026	+5.5%	676,577		
Shareholders' equity ratio	%	84.7	83.1	+1.6		84.0		
Shareholders' equity per share	Yen	5,845.38	5,542.86	+302.52	+5.5%	5,694.92		
Interest-bearing debt	Millions of yen	-	100	-100	-	-		
Capital expenditures	Millions of yen	17,721	18,956	-1,235	-6.5%	40,547	60,000	+48.0%
Depreciation (Tangible fixed assets)	Millions of yen	21,358	24,902	-3,544	-14.2%	52,041	48,500	-6.8%
Research and development costs	Millions of yen	14,771	15,258	-487	-3.2%	31,827	30,000	-5.7%
Net financial revenue								
(Interest and dividend income)	(Millions of yen)	(1,187)	(1,418)	(-231)	(-16.3%)	(2,786)		
(Interest expense)	(Millions of yen)	(-)	(-0)	(0)	(-)	(-1)		
Net	Millions of yen	1,187	1,418	-231	-16.3%	2,785		
Foreign currency exchange gains/losses	Millions of yen	(loss) 5,195	(loss) 6,648	(gain) 1,453		(loss) 7,240		
Foreign exchange rate (Average yen-dollar rate)	Yen/US\$	119.20	123.74	-4.54	-3.7%	122.28	110	(Second half of the year)
Number of employees		17,949	16,598	+1,351	+8.1%	16,841		
(Number of R&D employees)		(1,934)	(1,724)	(+210)	(+12.2%)	(1,720)		
Overseas production ratio	%	52	48	+4		50	53	
Number of consolidated subsidiaries		46	48	-2		48		
(Domestic)		(12)	(13)	(-1)		(13)		
(Overseas)		(34)	(35)	(-1)		(35)		
Number of companies accounted for by equity method		3	3	0		3		
Number of non-consolidated subsidiaries		0	0	0		0		

Contact: Public Relations and Investor Relations Dept., ROHM CO., LTD.

21, Saiin Mizosaki-cho, Ukyoku, Kyoto 615-8585 Japan (075)315-5729 (Direct line)

Note: This report is a translation of the financial highlights of the Company prepared in accordance with the provisions set forth in the Securities and Exchange Law and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan. The original version of this report is written in Japanese. In the event of any discrepancies in words, accounts, figures or the like between this report and the original, the original Japanese version shall govern.

1. Consolidated Financial Results (Continued from previous page)

(Figures are rounded down to the nearest million yen. Any fraction less than the unit are rounded off.)

		Year ending	Year ended	Increase/decrease from the six-month		Year ended	Year ending	Increase/decrease from the year ended Mar. 31, 2003
		Mar. 31, 2004	Mar. 31, 2003	period		Mar. 31, 2003	Mar. 31, 2004	
		First six months Actual	First six months Actual	ended Sept. 30, 2002		Annual Actual	Annual Projected	
				Amount	Percentage			
Sales by product category and geographical region								
Integrated circuits	Millions of yen	81,955	88,029	-6,074	-6.9%	159,424	159,485	+0.0%
(Japan)		(41,476)	(46,079)	(-4,603)	(-10.0%)	(83,846)	(81,569)	(-2.7%)
(Asia)		(35,829)	(37,382)	(-1,553)	(-4.2%)	(67,363)	(68,718)	(+2.0%)
(Americas)		(1,788)	(2,202)	(-414)	(-18.8%)	(3,935)	(3,909)	(-0.7%)
(Europe)		(2,860)	(2,365)	(+495)	(+20.9%)	(4,279)	(5,288)	(+23.6%)
Discrete semiconductor devices		69,193	72,447	-3,254	-4.5%	136,252	137,793	+1.1%
(Japan)		(26,554)	(28,709)	(-2,155)	(-7.5%)	(55,126)	(54,722)	(-0.7%)
(Asia)		(35,035)	(34,557)	(+478)	(+1.4%)	(63,677)	(67,926)	(+6.7%)
(Americas)		(3,949)	(5,490)	(-1,541)	(-28.1%)	(9,880)	(7,636)	(-22.7%)
(Europe)		(3,653)	(3,689)	(-36)	(-1.0%)	(7,568)	(7,507)	(-0.8%)
Passive components		12,183	12,544	-361	-2.9%	24,688	24,825	+0.6%
(Japan)		(4,236)	(3,999)	(+237)	(+5.9%)	(7,974)	(9,124)	(+14.4%)
(Asia)		(5,125)	(5,051)	(+74)	(+1.5%)	(9,889)	(10,120)	(+2.3%)
(Americas)		(1,013)	(1,351)	(-338)	(-25.0%)	(2,557)	(2,029)	(-20.6%)
(Europe)		(1,806)	(2,141)	(-335)	(-15.6%)	(4,267)	(3,550)	(-16.8%)
Displays		18,649	15,959	+2,690	+16.9%	29,916	35,895	+20.0%
(Japan)		(7,694)	(8,279)	(-585)	(-7.1%)	(14,510)	(15,204)	(+4.8%)
(Asia)		(8,409)	(5,033)	(+3,376)	(+67.1%)	(10,440)	(15,970)	(+53.0%)
(Americas)		(831)	(970)	(-139)	(-14.4%)	(1,738)	(1,629)	(-6.3%)
(Europe)		(1,714)	(1,675)	(+39)	(+2.3%)	(3,227)	(3,092)	(-4.2%)

Sales by application

Visual	%	8.0	8.8	-0.8		8.2
Audio		14.2	16.9	-2.7		14.6
Home appliance		2.3	2.5	-0.2		2.5
Other consumer		6.2	7.3	-1.1		6.6
Computer and OA		20.8	20.6	+0.2		21.1
Telecommunications		15.9	13.2	+2.7		13.8
Automotive		5.1	5.2	-0.1		5.3
Other industrial		1.3	1.2	+0.1		1.3
Subassemblies		13.5	13.9	-0.4		14.4
Others		12.7	10.4	+2.3		12.2

Capital expenditures by product category

Integrated circuits	Millions of yen	5,957	9,193	-3,236	-35.2%	19,273	27,000	+40.1%
Discrete semiconductor devices		6,452	5,666	+786	+13.9%	13,814	20,000	+44.8%
Passive components		763	533	+230	+43.0%	1,484	2,000	+34.8%
Displays		1,994	1,629	+365	+22.4%	3,498	4,500	+28.6%
Others		2,553	1,933	+620	+32.1%	2,478	6,500	+162.3%

2. Non-consolidated Financial Results

(Figures are rounded down to the nearest million yen. Any fraction less than the unit are rounded off.)

		Year ending	Year ended	Increase/decrease from the six-month period		Year ended	Year ending	Increase/decrease from the year ended Mar. 31, 2003
		Mar. 31, 2004	Mar. 31, 2003	ended Sept. 30, 2002		Mar. 31, 2003	Mar. 31, 2004	
		First six months	First six months	Amount	Percentage	Actual	Projected	
	Actual	Actual						
Net sales	Millions of yen	164,402	168,556	-4,154	-2.5%	315,624	324,000	+2.7%
Operating income	Millions of yen	19,139	31,890	-12,751	-40.0%	41,271	39,000	-5.5%
(Operating income margin)		(11.6%)	(18.9%)	(-7.3%)		(13.1%)	(12.0%)	
Ordinary income	Millions of yen	25,753	30,389	-4,636	-15.3%	39,865	46,000	+15.4%
(Ordinary income margin)		(15.7%)	(18.0%)	(-2.3%)		(12.6%)	(14.2%)	
Net income	Millions of yen	19,284	18,173	+1,111	+6.1%	23,618	35,000	+48.2%
(Net income margin)		(11.7%)	(10.8%)	(+0.9%)		(7.5%)	(10.8%)	
Net income per share	Yen	162.35	153.07	+9.28	+6.1%	198.54	294.65	
Return on equity	%					5.1		
Ordinary income to total assets	%					7.3		
Total assets	Millions of yen	589,112	571,857	+17,255	+3.0%	567,097		
Shareholders' equity	Millions of yen	488,247	465,068	+23,179	+5.0%	469,216		
Shareholders' equity ratio	%	82.9	81.3	+1.6		82.7		
Shareholders' equity per share	Yen	4,110.40	3,915.80	+194.60	+5.0%	3,949.75		
Interim cash dividends	Yen	12.5	9.5	+3.0				
(Annual cash dividends)	(Yen)					(22.0)	(25.0)	
Interest-bearing debt	Millions of yen	-	100	-100	-	-		
Capital expenditures	Millions of yen	1,634	2,895	-1,261	-43.5%	8,627	13,000	+50.7%
Depreciation (Tangible fixed assets)	Millions of yen	3,271	3,458	-187	-5.4%	8,169	8,000	-2.1%
Net financial revenue								
(Interest income)	(Millions of yen)	(814)	(1,119)	(-305)	(-27.2%)	(2,103)		
(Dividend income)	(Millions of yen)	(9,882)	(886)	(+8,996)	(+1015.1%)	(897)		
(Interest on expense)	(Millions of yen)	(-)	(-0)	(0)	(-)	(-1)		
Net	Millions of yen	10,697	2,004	+8,693	+433.5%	3,000		
Foreign currency exchange gains/losses	Millions of yen	(loss) 4,217	(loss) 3,763	(loss) 454		(loss) 4,357		
Number of employees		3,053	2,906	+147	+5.1%	2,873		
Number of shareholders		20,759	21,209	-450	-2.1%	19,989		
Financial institution shareholding ratio	%	34.37	43.63	-9.26		42.09		
Foreign shareholding ratio	%	48.12	37.87	+10.25		40.71		

Consolidated Interim Financial Report for Fiscal Year Ending March 31, 2004

November 5, 2003

Listed Company Name ROHM CO., LTD.

Stock Exchange Listings Tokyo, Osaka

Code No.: 6963

Head Office Location

(URL <http://www.rohm.co.jp>)

Kyoto Prefecture

Company representative Title: President

Name: Ken Sato

Contact person Title: Director, Administration Headquarters

Name: Eiichi Sasayama

TEL (075) 311 - 2121

Date of Board of Directors meeting for approval of financial statements: November 5, 2003

Adoption of the GAAP in the U.S. : None

1. Consolidated Business Results for the Six-month Period Ended September 30, 2003 (From April 1, 2003 to September 30, 2003)

(1) Consolidated Results of Operations (Figures are rounded down to the nearest million yen)

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2003	181,981	-3.7	50,641	-17.6	46,977	-16.6
Six months ended September 30, 2002	188,980	13.1	61,475	70.2	56,343	56.3
Year ended March 31, 2003	350,281		96,122		91,684	

	Net income		Basic net income per share	Diluted net income per share
	Millions of yen	%	yen	yen
Six months ended September 30, 2003	26,808	-17.8	225.69	-
Six months ended September 30, 2002	32,614	74.8	274.71	274.53
Year ended March 31, 2003	53,003		445.52	445.31

(Notes) (i) Equity in income (losses) Six months ended Sept. 30, 2003: - 2 million yen Six months ended Sept. 30, 2002: - 5 million yen
Year ended Mar. 31, 2003: - 7 million yen

(ii) Average number of shares outstanding (consolidated) Six months ended Sept. 30, 2003: 118,784,750 shares
Six months ended Sept. 30, 2002: 118,724,317 shares Year ended Mar. 31, 2003: 118,743,246 shares

(iii) Change in accounting policies: None

(iv) Percentage (%) shown for Net sales, Operating income, Ordinary income and Net income represents change from the data of the corresponding period of the previous year.

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	yen
Six months ended September 30, 2003	819,551	694,335	84.7	5,845.38
Six months ended September 30, 2002	792,063	658,309	83.1	5,542.86
Year ended March 31, 2003	805,692	676,577	84.0	5,694.92

(Note) Number of shares outstanding (consolidated) at end of term Six months ended Sept. 30, 2003: 118,783,479 shares
Six months ended Sept. 30, 2002: 118,767,159 shares Year ended Mar. 31, 2003: 118,785,890 shares

(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 term
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Six months ended September 30, 2003	34,388	-23,335	-1,519	322,147
Six months ended September 30, 2002	77,314	-27,230	-1,188	274,030
Year ended March 31, 2003	140,931	-38,381	-2,544	322,549

(4) Scope of consolidation and application of equity method

Number of consolidated subsidiaries: 46 Number of non-consolidated subsidiaries accounted for by equity method: None

Number of associated companies accounted for by equity method: 3

(5) Changes in scope of consolidation and application of equity method

Companies newly consolidated: None Companies excluded from consolidation: 2

Companies newly accounted for by equity method: None Companies no longer accounted for by equity method: None

2. Consolidated Business Results Forecast for Fiscal 2004 (From April 1, 2003 to March 31, 2004)

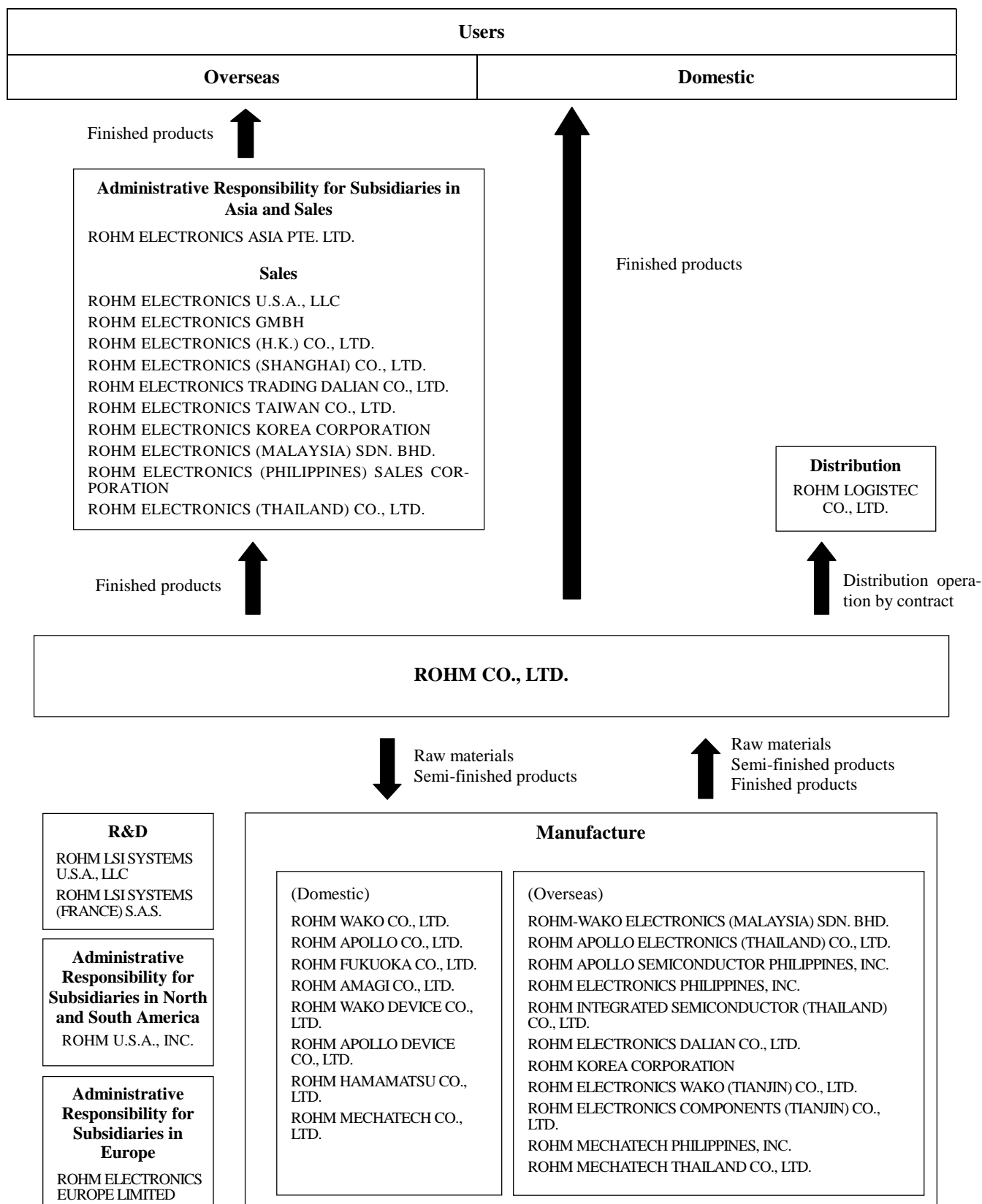
	Net sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Fiscal 2004	358,000	94,000	62,000

(Note) Projected net income per share for the year ending March 31, 2004: ¥521.96

* The forecast data are based on the information available at the time of release of this report. Therefore, a number of important factors including changes in business conditions may cause actual results to differ materially from those discussed in the prospective statements. Refer to pages 8 to 9 of the attached documents for reasons for the forecast and other relevant information.

Status of the ROHM Group

The ROHM Group consists of ROHM CO., LTD., 46 consolidated subsidiaries (12 in Japan and 34 outside Japan) and 3 associated companies (2 in Japan and 1 outside Japan). We are a comprehensive electronic component manufacturer, whose principal business is the manufacture and sales of electronic components. The Group diagram and information on our consolidated subsidiaries are given below.



Information on Consolidated Subsidiaries

Corporate name	Location	Capital	Principal business	Percentage of voting right held by ROHM CO., LTD.	Remarks
ROHM WAKO CO., LTD.	Okayama	Million yen 450	Manufacture of electronic components	100.0 %	
ROHM APOLLO CO., LTD.	Fukuoka	Million yen 450	Manufacture of electronic components	100.0	
ROHM FUKUOKA CO., LTD.	Fukuoka	Million yen 385	Manufacture of electronic components	100.0	
ROHM AMAGI CO., LTD.	Fukuoka	Million yen 300	Manufacture of electronic components	100.0	
ROHM WAKO DEVICE CO., LTD.	Okayama	Million yen 450	Manufacture of electronic components	100.0 (25.0)	
ROHM APOLLO DEVICE CO., LTD.	Fukuoka	Million yen 492	Manufacture of electronic components	100.0 (25.0)	
ROHM HAMAMATSU CO., LTD.	Shizuoka	Million yen 400	Manufacture of electronic components	95.0	
ROHM MECHATECH CO., LTD.	Kyoto	Million yen 98	Manufacture of electronic components	100.0	
ROHM LOGISTEC CO., LTD.	Okayama	Million yen 20	Distribution of electronic components	100.0	
IDD CO., LTD.	Tokyo	Million yen 96	Development and design of electronic circuitry	100.0	
NARITA GIKEN CO., LTD.	Hyogo	Million yen 80	Development and design of electronic circuitry	93.7	
WAKO SERVICE CO., LTD.	Okayama	Million yen 10	Plant and equipment maintenance	100.0 (100.0)	
ROHM-WAKO ELECTRONICS (MALAYSIA) SDN. BHD.	Malaysia	Thousand M\$ 53,400	Manufacture of electronic components	100.0 (100.0)	
ROHM APOLLO ELECTRONICS (THAILAND) CO., LTD.	Thailand	Thousand baht 448,000	Manufacture of electronic components	100.0 (100.0)	
ROHM APOLLO SEMICONDUCTOR PHILIPPINES, INC.	Philippines	Thousand peso 377,000	Manufacture of electronic components	100.0 (100.0)	
ROHM ELECTRONICS PHILIPPINES, INC.	Philippines	Thousand peso 980,000	Manufacture of electronic components	100.0 (100.0)	
ROHM INTEGRATED SEMICONDUCTOR (THAILAND) CO., LTD.	Thailand	Thousand baht 667,500	Manufacture of electronic components	100.0 (100.0)	
ROHM ELECTRONICS DALIAN CO., LTD.	China	Million yen 5,135	Manufacture of electronic components	100.0 (100.0)	* 1
ROHM KOREA CORPORATION	Korea	Million Won 9,654	Manufacture of electronic components	100.0 (100.0)	
ROHM ELECTRONICS WAKO (TIANJIN) CO., LTD.	China	Million yen 3,600	Manufacture of electronic components	100.0 (100.0)	* 1
ROHM ELECTRONICS COMPONENTS (TIANJIN) CO., LTD.	China	Thousand US\$ 22,200	Manufacture of electronic components	100.0 (100.0)	* 1
ROHM MECHATECH PHILIPPINES, INC.	Philippines	Thousand peso 50,000	Manufacture of electronic components	100.0 (75.0)	
ROHM MECHATECH THAILAND CO., LTD.	Thailand	Thousand baht 100,000	Manufacture of electronic components	100.0 (100.0)	
ROHM DEVICE U.S.A., LLC	U. S. A.	Thousand US\$ 50,676	Manufacture of electronic components	100.0 (100.0)	
ROHM ELECTRONICS U.S.A., LLC	U. S. A.	Thousand US\$ 26,298	Sales of electronic components	100.0 (100.0)	
ROHM ELECTRONICS GMBH	Germany	Thousand EURO 511	Sales of electronic components	100.0 (100.0)	
ROHM ELECTRONICS (H.K.) CO., LTD.	Hong Kong	Thousand HK\$ 27,000	Sales of electronic components	100.0 (100.0)	
ROHM ELECTRONICS (SHANGHAI) CO., LTD.	China	Thousand US\$ 200	Sales of electronic components	100.0 (100.0)	* 1
ROHM ELECTRONICS TRADING DALIAN CO., LTD.	China	Thousand US\$ 200	Sales of electronic components	100.0 (100.0)	* 1
ROHM ELECTRONICS TAIWAN CO., LTD.	Taiwan	Thousand NT\$ 140,500	Sales of electronic components	100.0 (100.0)	
ROHM ELECTRONICS KOREA CORPORATION	Korea	Million Won 1,000	Sales of electronic components	100.0 (100.0)	

Corporate name	Location	Capital	Principal business	Percentage of voting right held by ROHM CO., LTD.	Remarks
ROHM ELECTRONICS ASIA PTE. LTD.	Singapore	Thousand S\$ 90,630	Administrative responsibility for subsidiaries in Asia and sales of electronic components	% 100.0	
ROHM ELECTRONICS (MALAYSIA) SDN. BHD.	Malaysia	Thousand M\$ 700	Sales of electronic components	49.0 (49.0) [51.0]	
ROHM ELECTRONICS (PHILIPPINES) SALES CORPORATION	Philippines	Thousand peso 13,250	Sales of electronic components	100.0 (100.0)	
ROHM ELECTRONICS (THAILAND) CO., LTD.	Thailand	Thousand baht 104,000	Sales of electronic components	100.0 (100.0)	
ROHM ELECTRONICS BRAZIL LIMITADA	Brazil	Thousand R\$ 11,584	Sales of electronic components	99.9 (99.9)	* 1
ROHM ELECTRONICS (U.K.) LIMITED	United Kingdom	Thousand £Stg. 500	Sales of electronic components	100.0 (100.0)	
ROHM LSI SYSTEMS U.S.A., LLC	U. S. A.	Thousand US\$ 1,608	Research and development	100.0 (100.0)	
ROHM LSI SYSTEMS (FRANCE) S.A.S.	France	Thousand EURO 800	Research and development	100.0 (100.0)	
ROHM LSI DESIGN PHILIPPINES, INC.	Philippines	Thousand peso 52,500	Design of electronic components	100.0	
ROHM LSI TECHNOLOGY THAILAND CO., LTD.	Thailand	Thousand baht 30,000	Design of electronic components	100.0 (100.0)	
ROHM IC DESIGN (TIANJIN) CO., LTD.	China	Million yen 869	Design of electronic components	100.0 (100.0)	* 1
ROHM U.S.A., INC.	U. S. A.	Thousand US\$ 133,642	Administrative responsibility for subsidiaries in North and South America	100.0	
ROHM ELECTRONICS EUROPE LIMITED	United Kingdom	Thousand £Stg. 3,400	Administrative responsibility for subsidiaries in Europe	100.0	
ROHM REALTY CORPORATION	Philippines	Thousand peso 34,100	Real estate leasing	100.0 (74.1)	
ROHM ASSETS PHILIPPINES INC.	Philippines	Thousand peso 15,000	Holding company	40.0 (40.0) [60.0]	

(Note) *1 Consolidated subsidiary whose interim accounting date differs from that of ROHM CO., Ltd. on September 30

- 2 The percentages in parentheses indicate indirect voting right held by ROHM CO., LTD., and the figures in brackets indicate the percentage of voting right held by those (other than ROHM CO., LTD.) having close relationship with the subsidiary.

Management Policies

Basic Management Policy

One of ROHM's highest priority measures in management is to increase corporate value for shareholders. This requires ROHM to make its shares more attractive to investors by enhancing international competitiveness in the ever-growing electronics industry, and consequently attaining high profits.

Accordingly, ROHM is committed to developing the world's market-leading products, including high-value-added system LSIs for digital information appliances and mobile electronic equipment, which are expected to undergo rapid growth, along with optical devices, which is also an area with great potential for growth. ROHM also seeks as a basic policy the enhancement of cost competitiveness through the best use of its distinctive production technologies, and will thereby continue to lead the world electronic component market.

Basic Policy on Distribution of Profits

Besides placing priority on the enhancement of corporate value for shareholders, ROHM intends to implement profit distributions by developing favorable relationships with customers, employees, local communities and other stakeholders surrounding the Company, thereby making long-term contributions to society as a good corporate citizen.

While maintaining as a basic policy the stable and continuous payment of dividends, ROHM makes its decisions on profit distributions to shareholders based on a flexible dividend policy following comprehensive consideration given to various factors, including consolidated dividend payout ratio, business performance, financial position, and expected demand for funds for business investment where the aim is to improve corporate value.

We will continue to utilize retained earnings for investment in R&D and production systems mainly in the semiconductor-related field, in order to undertake business expansion in response to the intensifying international competition.

Policy on Changes in Minimum Trading Lot Size

ROHM reduced the size of the minimum trading lot of its shares from 1,000 to 100 shares in August 1999. We consider that some positive results have been achieved since then, including a considerable increase in the number of shareholders.

Medium- to Long-term Corporate Strategies

While expansion of the electronics market is anticipated over the medium to long term in parallel with the advancement of the highly sophisticated information society, international competition is expected to intensify amid the widening fluctuation in demand, encouraging realignment of the industry and the shakeout of uncompetitive businesses.

To ensure stable growth and a strong and well-balanced financial position under these circumstances, a range of measures should be taken, including development of creative, high-value-added products utilizing world leading advanced technologies, enhancement of cost competitiveness, establishment of a global production and distribution network that enables high customer satisfaction in both domestic and overseas markets, and strengthening of service and technical support systems for customers. ROHM will make persistent efforts to formulate and implement such measures, with consistent emphasis on the development of custom-designed products and top priority on quality.

As part of these efforts, ROHM is, with increased personnel for research and development, promoting the development of system LSIs for, chiefly, the markets for digital home appliances and information and communications equipment, by continuing to upgrade our newly-developed, innovative LSI design system "REAL SOCKET," together with our established digital and combined digital/analog technologies. We are also focusing on the development of optical devices, including laser diodes, the market for which is expected to undergo rapid growth especially in the fields of next-generation high-density optical discs and optical communications, and organic EL (electroluminescence) displays, which are attracting attention as next-generation displays. Moreover, we will continue to upgrade our high-quality, high-reliability product line for the increasingly electronically sophisticated automobile-related markets. As a base for these technological improvement activities, ROHM constructed and commenced operation of the Yokohama Technology Center, followed by the Optical Device Research Center and the LSI Test Technology Center. As for next-generation technological development, ROHM is actively involved in a wide range of joint R&D projects, including the establishment of a comprehensive industrial-academic collaboration alliance with Kyoto University and leading Japanese companies, R&D cooperation with Semiconductor Industry Research Institute Japan, which is a think-tank for the Japanese semiconductor industry, and participation in Japanese national leading-edge R&D projects, ASCA (Advanced Semiconductors through Collaborative Achievement), MIRAI (Millennium Re-

search for Advanced Information Technology), and HALCA (High-performance & Agilent Clean-room Association), to which the wisdom of academic, industrial, and governmental circles is concentrated. Moreover, ROHM promotes partnerships with companies complementing our technologies wherever necessary, thus facilitating the efficiency of R&D activities. Regarding production system improvement, ROHM is aggressively accelerating the production shift to Thailand, the Philippines and China to enhance its supply system and improve cost competitiveness in the global market. Our existing domestic plants are clearly positioned as “mother” plants for the construction of the ROHM Group’s production network, with the focus on further accumulation of production technologies. Such production technologies established by our domestic plants will then be shared with overseas plants to manufacture and supply ROHM’s high quality products throughout the world.

Focusing on quality first and foremost not only in the manufacturing division but also in the field of technological development, including LSI circuit design and manufacturing technologies, ROHM will continue to promote company-wide efforts to enhance the reliability of its products. The Company will also develop and continuously supply industry-leading high-reliability products to our customers in Japan and overseas, thus further strengthening our international competitiveness.

Moreover, the ROHM Group as a whole will continue to pursue further management efficiency improvement and swifter decision-making, through the restructuring and integration of the corporate organization both in and outside Japan.

To contribute to environmental conservation, the ROHM Group as a whole continues to make progress with establishing and implementing an environmental management system based on ISO 14001 standards. Our environmental conservation activities include the development of low-power-consumption, energy-saving products, recycling of waste, and “green” procurement and supply. In addition, we are implementing tree-planting project as part of the fight against global warming.

Priority Issues

While the electronics industry is expected to grow from the mid- and long-term viewpoint due to the increasing demand for digital information appliances and more sophisticated automobile electronic control systems, technological competition is also expected to continue to intensify on a global scale. Therefore, it will be increasingly necessary to supply internationally competitive products constantly to the market, through sustained efforts toward innovative, high quality products and technologies.

Under these circumstances, ROHM will continue to pursue business performance improvement through the development of high-value-added products and technologies in anticipation of future needs of customers, quality and reliability improvement, enhancement of production and marketing systems, and thorough company-wide rationalization and cost reduction.

Basic Policy and Measures for Corporate Governance

As proper corporate governance is increasing in importance, ROHM places top priority on maintaining a fair and appropriate management system.

As one of the specific measures to this end, the Company has reduced the number of members of the Board of Directors and has no outside board members so as to, with the appropriate size of the Board, increase the effectiveness and efficiency of the Board and ensure swift and proper decision-making after thorough discussion. As for management control, while maintaining the existing auditing system, ROHM ensures the adequate number of corporate auditors and appoints all corporate auditors from outside the Company, so as to strengthen management auditing functions, thereby ensuring a fair and appropriate corporate management structure. When appointing outside corporate auditors, we select candidates who have no stake in the Company. In an effort to enhance corporate governance, our internal auditing department and accounting auditors work in coordination and cooperation with each other to improve the quality of the audit.

ROHM is also committed to disclosure of information so as to ensure fair and transparent management. A wide range of information disclosure initiatives carried out by the Company in this connection include holding of information sessions for research analysts, fund managers and other institutional investors, as well as disclosure of financial information on the Internet. In addition, in a further effort toward information disclosure, ROHM began to disclose information on its quarterly performance, as from this fiscal year.

ROHM is also striving to improve its corporate ethics and promote employee education through formulating the Rules of Conduct for Employees and making sure that the Rules are fully understood and observed by employees, thereby ensuring compliance with statutes and boosting employee morale.

Operating Results and Financial Status

1. Operating Results

(1) Review for the Six-month Period Ended September 30, 2003

Overall review of results of operations

In the six-month period ended September 30, 2003, the world economy as a whole remained sluggish due to the effects of international conflict and SARS, as well as continuous employment uncertainty in the U.S. despite steady consumer spending. The Japanese economy did not attain full-fledged recovery either, despite improvement shown by some economic indicators and a stock market upturn.

The electronic components industry entered a recovery phase in spring due to certain seasonal factors, but thereafter the recovery remained slow. Despite a strong growth in the demand for some electronic components, including CCDs for digital still cameras and camera phones as well as flash memories, recovery in the demand for electronic components was weak in major established markets, such as those for audio/video equipment, personal computers and cellular phones.

In Japan, the market for new digital audio/video equipment such as DVD recorders was on the upswing, while the demand for conventional audio/video equipment and personal computer-related equipment remained sluggish due to economic uncertainty. The Asian electronics market, with delays in new product launches caused by the outbreak of SARS, remained slow in recovery despite the continued production shift from Japan, the U.S., Europe and other parts of the world to Asia as the new global base for electronics production. In the U.S., while consumer spending was relatively strong, demand for electronics components remained slow, affected by the accelerated production shift to Asia in the area of cellular phones, personal computers and other electronics. The electronics component market was also stagnant in Europe due to production adjustment of cellular phones and production shift to China and other Asian countries.

Under these circumstances, ROHM concentrated its efforts, as in the previous year, on capital investment efficiency improvement, an accelerated shift to overseas production, and streamlining of the manufacturing process, so as to ensure profits. The Company also continued its restructuring of the production system of the ROHM Group as a whole, and accelerated the shift of domestic production lines to overseas plants in Thailand, the Philippines, China and some other countries. Moreover, in an effort to establish a system to respond to future market growth from medium- to long-term viewpoints, ROHM reached an agreement with LSI Logic Japan Semiconductor Inc., the Japanese subsidiary of the U.S. company, LSI Logic Corporation, to purchase an LSI Logic's semiconductor manufacturing plant in Tsukuba, Ibaraki Prefecture, so as to secure sufficient production capacity in anticipation of a growth in demand for semiconductor products.

In addition, ROHM took a progressive approach to the development of innovative products ahead of the market needs, enhancing its product line intended for cellular phones and digital audio/video equipment.

As a result of these aggressive efforts, ROHM's net sales for the six-month period ended September 30, 2003, decreased 3.7% to ¥181.981 billion from the corresponding period of the previous year, and ordinary income and net income were down 16.6% and 17.8% to ¥46.977 billion and ¥26.808 billion respectively.

Divisional review of results of operations

<Integrated circuits>

ROHM's sales of integrated circuits for the six-month period ended September 30, 2003 decreased 6.9% to ¥81.955 billion.

Despite the weak recovery of the market for integrated circuits, mainly in the area of audio/video and other consumer equipment, various types of ROHM's LSIs for cellular phones sold steadily. The Company also increased its market share in the area of LSIs for compact portable equipment such as portable audio/video equipment. In product development, ROHM focused on the development of products for information and communications equipment and digital audio/video equipment in anticipation of market expansion, including multimedia image processor LSIs for cellular phones and 64-polyphonic-tone melody sound source LSIs. Moreover, ROHM expanded the LSI Development Center, Kyoto Technology Center and Yokohama Technology Center to enhance our capability to develop system LSIs and to strengthen our customer support system.

While accelerating the shift of post-process operations to the plants in Thailand and the Philippines to increase overseas production, the Company has directed efforts toward further improvement in production efficiency, quality and reliability at our domestic plants, where we have also carried out the development of a new, minia-

ture and thin package product line intended for portable equipment. Regarding the LSI wafer processes, the production system for highly-sought-after LSIs for digital audio/video equipment and power LSIs for power supply control has been enhanced.

In addition, the Company expanded and reinforced the activities of its LSI Test Technology Center in an effort to further improve product quality and reliability.

In the area of function modules, ROHM has poured its sales promotion efforts into new products such as IrDA modules incorporating a remote control function for audio/video equipment, as well as lithium-ion battery protection modules. Moreover, the Company has promoted the production shift to China to reduce manufacturing costs.

<Discrete semiconductor devices>

ROHM's sales of discrete semiconductor devices for the six-month period ended September 30, 2003 decreased 4.5% to ¥69.193 billion.

Sales of discrete semiconductor devices as a whole remained low, while the demand for products for digital still cameras and other digital audio/video equipment remained steady. Under these circumstances, ROHM has enhanced its product line-up for compact cellular phones and other portable equipment, with the development of miniaturized MOS FETs (field-effect transistors) and rectifier diodes. The Company has also directed efforts toward upgrading its high-reliability product series for the promising automobile-related markets. Moreover, in response to the growing demand for white LEDs, intended mainly for cellular phones, the Company has expanded its line-up of these products, in particular miniature chip LEDs. As for production system improvement, ROHM continued from the previous fiscal year to enhance the production systems at overseas production bases in Thailand, the Philippines and China.

<Passive components>

ROHM's sales of passive components for the six-month period ended September 30, 2003 decreased 2.9% to ¥12.183 billion.

ROHM has enhanced its line-up of ultra-miniature chip resistors and other high-reliability, high-accuracy products intended for audio/video and automotive equipment, the markets for which are expected to undergo rapid growth. The Company has also expanded its product line of miniature, high-accuracy, high-capacity capacitors intended for mobile communications equipment and other markets.

ROHM also pursued cost reduction in various ways, besides promoting the shift to overseas production in Thailand and other countries.

<Displays>

ROHM's sales of displays for the six-month period ended September 30, 2003 increased 16.9% to ¥18.649 billion.

Printheads for miniaturized printers for POS (Point-of-Sale) systems and image sensor heads for multifunction printers sold favorably mainly in the overseas market.

In addition, with the increasing sophistication of cellular phones, including color cellular phone screens, ROHM achieved a strong growth in sales of color LCDs.

Besides carrying out production system improvement for displays at production bases in China in anticipation of market growth, the Company also directed efforts toward a reduction in production costs.

Distribution of profits for six-month period ended September 30, 2003

The Company has decided to pay interim dividends of ¥12.50 per share in light of business performance of the six-month period ended September 30, 2003, expected demand for funds, and other factors.

(2) Forecast for Fiscal Year Ending March 31, 2004

Overall Business Result Outlook for Fiscal 2004

With the current steady consumer spending in the U.S. combined with some recovery in the Asian economy, the world economic outlook as a whole seems to be on the upturn. The Japanese economy showed some signs of recovery, including an upward trend in stock prices, although it remains to be seen whether sustained economic recovery can be achieved due to sharp appreciation of the Japanese yen.

In the electronic components industry, while there are some indications of a market upturn, including sales growth in products intended for some digital audio/video equipment such as digital still cameras and DVD recorders, the profitability situation of the industry has become increasingly severe due to intensifying competition, mainly in the Asian market, and price reduction pressure as well as the appreciation of the Japanese yen.

Under these circumstances, ROHM will aggressively proceed with, in anticipation of the needs of tomorrow, the development of innovative products and technologies, as well as enhancement of production technologies, including the development of system LSIs and ultra-miniature chip components for digital audio/video equipment and mobile communications equipment, as well as strengthening of the Company's line-up of high-reliability, high-quality products for the promising automobile-related markets. Moreover, the Company will continue to pursue improvements in business performance through enhancement of marketing systems and company-wide rationalization and cost reduction.

Furthermore, we will continue to encourage environmentally friendly business activities, thus contributing to environmental conservation.

Consolidated forecast for the fiscal year 2004 is as follows:

Net sales: 358,000 million yen (2.2% up from previous year)

Ordinary income: 94,000 million yen (2.5% up from previous year)

Net income: 62,000 million yen (17.0% up from previous year)

Consolidated divisional sales forecast is given below.

Integrated circuits	159,400 million yen (0.0% up from previous year)
Discrete semiconductor devices	137,700 million yen (1.1% up from previous year)
Passive components	24,800 million yen (0.6% up from previous year)
Displays	35,800 million yen (20.0% up from previous year)

The forecasts are based on exchange rates of ¥119.20 to US\$1 for the first half of the fiscal year (actual), and ¥110.00 to US\$1 for the second half of the fiscal year (projected).

Distribution of profits for fiscal 2004

The Company plans to pay dividends of ¥25.00 per share for the fiscal year 2004 in light of business performance of the fiscal 2004 ending March 31, 2004, expected demand for funds, and other factors.

2. Financial Position

As of September 30, 2003, total assets, total liabilities, minority interest and total shareholders' equity amounted to ¥819.551 billion (up ¥13.859 billion from March 31, 2003), ¥124.978 billion (down ¥3.893 billion), ¥238 million (down ¥6 million) and ¥694.335 billion (up ¥17.758 billion), respectively.

The status of cash flow for the six-month period ended September 30, 2003 is as follows:

Net cash provided by operating activities amounted to ¥34.388 billion (¥77.314 billion for the corresponding period of the previous year). This resulted primarily from cash increases due to the growth in income before income taxes and minority interests and in depreciation/amortization, as well as from cash decreases due to the increase in trade notes and accounts receivable.

Net cash used in investing activities amounted to ¥23.335 billion (¥27.230 billion for the corresponding period of the previous year), primarily as a result of purchases of securities and investment securities, as well as acquisition of tangible fixed assets associated with capital expenditures.

Net cash used in financing activities amounted to ¥1.519 billion (¥1.188 billion for the corresponding period of the previous year), primarily as a result of dividend payments.

As a result of these changes in cash flows and after adjustment for the effects of exchange rate changes on cash and cash equivalents, cash and cash equivalents amounted to ¥322.147 billion at the end of the current six-month period, down ¥402 million from the end of the corresponding period of the previous year.

The scheduled amounts of capital expenditures and depreciation (tangible fixed assets) for the current fiscal year that will greatly affect the annual cash flow are ¥60 billion and ¥48.5 billion, respectively.

Consolidated Interim Balance Sheets

Accounts	First six months of fiscal 2004 (As of September 30, 2003)		First six months of fiscal 2003 (As of September 30, 2002)		Fiscal 2003 (As of March 31, 2003)		Increase/decrease (-) from the year ended March 31, 2003
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
(Assets)							
Current assets							
Cash and time deposits	311,359		270,729		310,054		1,305
Trade notes and accounts receivable	98,391		102,353		84,350		14,041
Securities	45,408		43,482		47,960		- 2,552
Inventories	50,616		54,105		52,487		- 1,871
Prepaid pension cost	4,631		5,049		4,752		- 121
Deferred tax assets	12,709		15,099		14,159		- 1,450
Other	7,108		5,648		6,820		288
Allowance for doubtful notes and accounts	- 550		- 902		- 590		40
Total current assets	529,676	64.6	495,566	62.6	519,996	64.5	9,680
Fixed assets							
Property, plant and equipment							
Buildings and structures	148,821		142,681		146,664		2,157
Machinery, equipment and vehicles	321,342		315,833		314,428		6,914
Tools and furniture	26,537		25,756		25,584		953
Land	52,170		52,488		52,537		- 367
Construction in progress	14,480		22,123		17,779		- 3,299
Accumulated depreciation	- 353,516		- 331,422		- 340,792		- 12,724
Total tangible fixed assets	209,836	25.6	227,460	28.7	216,201	26.8	- 6,365
Intangible fixed assets	2,774	0.4	3,086	0.4	2,871	0.4	- 97
Investments and other assets							
Investment securities	68,203		54,946		57,355		10,848
Deferred tax assets	7,061		8,499		6,966		95
Other	2,360		2,871		2,691		- 331
Allowance for doubtful accounts	- 360		- 367		- 389		29
Total investments and other assets	77,264	9.4	65,949	8.3	66,623	8.3	10,641
Total fixed assets	289,875	35.4	296,497	37.4	285,696	35.5	4,179
Total assets	819,551	100.0	792,063	100.0	805,692	100.0	13,859

Accounts	Period		First six months of fiscal 2004		First six months of fiscal 2003		Fiscal 2003		Increase/decrease (-) from the year ended March 31, 2003
			(As of September 30, 2003)		(As of September 30, 2002)		(As of March 31, 2003)		
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Amount	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	Millions of yen	
(Liabilities)									
Current liabilities									
Trade notes and trade accounts payable	20,634		26,553		17,866		2,768		
Other accounts payable	30,512		19,016		22,975		7,537		
Accrued income taxes	14,027		26,631		28,732		- 14,705		
Deferred tax liabilities	833		1,283		747		86		
Other	13,008		13,976		13,359		- 351		
Total current liabilities	79,015	9.7	87,460	11.1	83,681	10.4	- 4,666		
Long-term liabilities									
Deferred tax liabilities	27,530		27,522		26,253		1,277		
Liability for retirement benefits	16,514		16,469		16,801		- 287		
Allowance for directors' retirement benefits	1,918		2,054		2,135		- 217		
Total long-term liabilities	45,962	5.6	46,047	5.8	45,190	5.6	772		
Total liabilities	124,978	15.3	133,507	16.9	128,871	16.0	- 3,893		
(Minority interests)									
Minority interests	238	0.0	246	0.0	244	0.0	- 6		
(Shareholders' equity)									
Common stock	86,969	10.6	86,919	11.0	86,969	10.8	-		
Capital surplus	102,403	12.5	102,353	12.9	102,403	12.7	-		
Retained earnings	531,329	64.8	486,841	61.5	506,100	62.8	25,229		
Net unrealized gain on available-for-sale securities	2,006	0.2	735	0.1	709	0.1	1,297		
Foreign currency translation adjustments	- 28,096	- 3.4	- 18,524	- 2.4	- 19,362	- 2.4	- 8,734		
Treasury stock - at cost	- 277	- 0.0	- 16	- 0.0	- 243	- 0.0	- 34		
Total shareholders' equity	694,335	84.7	658,309	83.1	676,577	84.0	17,758		
Total liabilities, minority interests and shareholders' equity	819,551	100.0	792,063	100.0	805,692	100.0	13,859		

Consolidated Interim Statements of Income

Accounts	First six months of fiscal 2004 From April 1, 2003 To September 30, 2003		First six months of fiscal 2003 From April 1, 2002 To September 30, 2002		Increase/decrease (-) from the first six months of fiscal 2003	Fiscal 2003 From April 1, 2002 To March 31, 2003	
	Amount	Percentage	Amount	Percentage		Amount	Percentage
	Millions of yen	%	Millions of yen	%	Millions of yen	Millions of yen	%
Net sales	181,981	100.0	188,980	100.0	- 6,999	350,281	100.0
Cost of sales	99,638	54.8	98,142	51.9	1,496	185,795	53.0
Gross profit	82,342	45.2	90,838	48.1	- 8,496	164,486	47.0
Selling, general and administrative expenses	31,701	17.4	29,362	15.6	2,339	68,363	19.6
Operating income	50,641	27.8	61,475	32.5	- 10,834	96,122	27.4
Non-operating income	2,011	1.1	2,448	1.3	- 437	4,649	1.4
Non-operating expenses	5,675	3.1	7,581	4.0	- 1,906	9,087	2.6
Ordinary income	46,977	25.8	56,343	29.8	- 9,366	91,684	26.2
Extraordinary gains	6	0.0	123	0.0	- 117	190	0.0
Extraordinary losses	1,238	0.7	435	0.2	803	1,399	0.4
Income before income taxes and minority interests	45,745	25.1	56,031	29.6	- 10,286	90,476	25.8
Income taxes - current	14,039	7.7	25,206	13.3	- 11,167	35,280	10.1
Income taxes - deferred	4,884	2.7	- 1,777	- 1.0	6,661	2,198	0.6
Minority interests	13	0.0	- 12	- 0.0	25	- 6	- 0.0
Net income	26,808	14.7	32,614	17.3	- 5,806	53,003	15.1

Consolidated Interim Statements of Retained Earnings

Accounts	Period	First six months of fiscal 2004	First six months of fiscal 2003	Fiscal 2003
		From April 1, 2003 To September 30, 2003	From April 1, 2002 To September 30, 2002	From April 1, 2002 To March 31, 2003
		Amount	Amount	Amount
		Millions of yen	Millions of yen	Millions of yen
(Capital surplus)				
Capital surplus at beginning of term		102,403	102,236	102,236
Increase in capital surplus				
Stock issued on conversion of convertible debt		-	117	167
Decrease in capital surplus		-	-	-
Capital surplus at end of term		102,403	102,353	102,403
(Retained earnings)				
Retained earnings at beginning of term		506,100	455,743	455,743
Increase in retained earnings				
Net income		26,808	32,614	53,003
Decrease in retained earnings				
Cash dividends		1,484	1,127	2,255
Bonuses to directors		94	320	321
Loss on sales of treasury stock		-	68	68
Retained earnings at end of term		531,329	486,841	506,100

Consolidated Interim Statements of Cash Flows

Period Accounts	First six months of fiscal 2004	First six months of fiscal 2003	Increase/ Decrease (-) from the first six months of fiscal 2003	Fiscal 2003
	From April 1, 2003 To September 30, 2003	From April 1, 2002 To September 30, 2002	Amount	From April 1, 2002 To March 31, 2003
Amount	Amount	Amount	Amount	Amount
Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
I Operating Activities				
1. Income before income taxes and minority interests	45,745	56,031	- 10,286	90,476
2. Depreciation and amortization	21,526	25,040	- 3,514	52,424
3. Amortization of goodwill - net	8	- 268	276	- 260
4. Interest and dividends income	- 1,187	- 1,418	231	- 2,786
5. Foreign currency exchange losses (- gains) - net	3,326	4,428	- 1,102	4,983
6. Increase (- decrease) in net liability for retirement benefits	- 165	889	- 1,054	1,529
7. Decrease (- increase) in trade receivables	- 15,691	- 18,594	2,903	- 901
8. Decrease (- increase) in inventories	139	- 8,416	8,555	- 7,654
9. Increase (- decrease) in notes and accounts payables - trade	3,589	9,250	- 5,661	569
10. Other - net	4,189	2,558	1,631	381
Sub-total	61,481	69,499	- 8,018	138,761
11. Interest and dividends - received	1,273	1,489	- 216	3,036
12. Interest - paid	-	0	0	- 1
13. Income taxes – refunded (- paid)	- 28,366	6,326	- 34,692	- 866
Net cash provided by operating activities	34,388	77,314	- 42,926	140,931
II Investing Activities				
1. Decrease (- increase) in time deposits	3,541	1,159	2,382	11,186
2. Purchases of securities and investment securities	- 25,168	- 22,991	- 2,177	- 46,294
3. Proceeds from sales of securities and investment securities	18,227	15,667	2,560	31,444
4. Purchases of property, plants and equipment	- 20,130	- 21,074	944	- 35,827
5. Other - net	194	9	185	1,110
Net cash used in investing activities	- 23,335	- 27,230	3,895	- 38,381
III Financing Activities				
1. Dividends paid	- 1,484	- 1,127	- 357	- 2,255
2. Other - net	- 35	- 60	25	- 289
Net cash used in financing activities	- 1,519	- 1,188	- 331	- 2,544
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	- 9,934	- 5,205	- 4,729	- 7,795
V Net Increase (- decrease) in Cash and Cash Equivalents	- 402	43,690	- 44,092	92,209
VI Cash and Cash Equivalents at Beginning of Term	322,549	230,340	92,209	230,340
VII Cash and Cash Equivalents at End of Term	322,147	274,030	48,117	322,549

(Note) Breakdown of “Cash and cash equivalents at end of term” is as follows:

	(First six months of fiscal 2004)	(First six months of fiscal 2003)	(Increase/decrease)	(Fiscal 2003)
Cash and time deposits	301,119 million yen	247,119 million yen	54,000 million yen	296,413 million yen
Securities	21,027	26,911	- 5,884	26,136
Total cash and cash equivalents	322,147	274,030	48,117	322,549

[Basis of Presenting Consolidated Interim Financial Statements]

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 46

(2) Names of consolidated subsidiaries

Consolidated subsidiaries are listed in the “Information on Consolidated Subsidiaries” section of “Status of the ROHM GROUP.”

2. Application of equity method

(1) Number of unconsolidated subsidiaries accounted for by equity method: 0

(2) Number of associated companies accounted for by equity method: 3

3. Interim accounting date of consolidated subsidiaries

The interim accounting date of ROHM ELECTRONICS DALIAN CO., LTD. and six other consolidated subsidiaries is June 30, which is different from that of ROHM CO., LTD. on September 30.

4. Accounting standards

(1) Valuation basis and method for significant assets

(i) Securities

Marketable securities classified as available-for-sale securities are reported at fair value (based on market prices on the interim accounting date, or the like), with unrealized gains and losses directly included in shareholders' equity. The cost of available-for-sale securities sold is principally determined based on the moving average method. Non-marketable securities are stated at cost determined by the moving average method.

(ii) Inventories

Inventories of ROHM Co., Ltd. and its domestic consolidated subsidiaries are stated principally at cost determined by the average method. Inventories of its overseas consolidated subsidiaries are stated primarily at the lower of cost or market, cost being determined by the first-in, first-out method.

(2) Depreciation of significant tangible fixed assets

Depreciation of tangible fixed assets is computed principally by the declining-balance method, while the straight-line method is applied to buildings (excluding building improvements) acquired by ROHM Co., Ltd. or its domestic consolidated subsidiaries after April 1, 1998.

(3) Accounting for significant allowances

(i) The allowance for doubtful accounts is provided at an estimated amount of the past actual ratio of losses on bad debts. Certain allowance is provided for estimated uncollectible receivables.

(ii) Liability for retirement benefits is stated at the amount calculated based on the retirement benefit obligation and the fair value of the plan assets at the end of the current fiscal year.

On December 16, 2002, ROHM Co., Ltd. and certain domestic subsidiaries received approval from the Minister of Health, Labor and Welfare for exemption from the future benefit obligation of the “substitutional” portion of their employees' pension fund (EPF) plans; under the conventional pension system, EPFs substitute for a portion of the old-age pensions of the Government-run employees' pension insurance.

Plan assets associated with the substitutional portion to be returned to the Government (minimum actuarial liability) were calculated at ¥12.2 billion as of the interim accounting date (September 30, 2003). If Paragraph 44-2 of the “Practical Guidelines on Retirement Benefits Accounting (Interim Report)” (Report No. 13 of the Accounting System Committee of the Japanese Institute of Certified Public Accountants) were applied on the assumption that the plan assets associated with the substitutional portion were returned to the Government on the interim accounting date, a gain of ¥10.738 billion on exemption from the substitutional portion of EPF would be accounted for as extraordinary gains for the six months under review.

(iii) For ROHM Co., Ltd. and certain domestic subsidiaries, retirement benefits to directors and corporate auditors are provided at the amount which would be required if all directors and corporate auditors retired at the interim accounting date based on the internal rules.

(4) Basis for translation of significant foreign currency assets and liabilities

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the current exchange rates at the interim accounting date. The foreign exchange gains and losses from translation are recognized in the income statement to the extent that they are not hedged by forward exchange contracts.

The balance sheet accounts of the overseas consolidated subsidiaries and the like are translated into Japanese yen at the current exchange rates as of the interim accounting dates of such subsidiaries and the like. Revenue and expense accounts of the overseas subsidiaries and the like are translated into Japanese yen at the average annual exchange rates. Differences arising from such translation are included in “Minority Interests,” as well as “Foreign currency translation adjustments” in a separate component of shareholders' equity.

(5) Significant lease transactions

Finance lease transactions, other than those that are deemed to transfer ownership of the leased property to the lessee, are accounted for as operating lease transactions.

(6) Significant hedge accounting

Foreign exchange forward contracts are used for hedge accounting.

(7) Others

Consumption tax

All transactions are recorded net of consumption taxes.

5. Cash and cash equivalents in consolidated interim statements of cash flows

Cash and cash equivalents consist of cash on hand, cash in banks that can be withdrawn at any time, and short-term investments with a maturity of three months or less when purchased, which can easily be converted to cash and are subject to little risk of change in value.

[Notes]

(Notes to Consolidated Interim Statements of Income)

	Six-month period ended Sept. 30, 2003	Six-month period ended Sept. 30, 2002	Year ended Mar. 31, 2003
1. Non-operating income			
Interest income	1,170 million yen	1,403 million yen	2,760 million yen
2. Non-operating expenses			
Foreign currency exchange losses	5,195	6,648	7,240
3. Extraordinary loss			
Loss on sale/disposal of fixed assets	1,238	428	595

[Segment information]

1. Industry segments

The Group's main operations are the manufacture and sales of electronic components. As net sales and operating income of the Group's main industry segment constituted more than 90% of the consolidated totals for the six-month periods ended September 30, 2002 and 2003 and the year ended March 31, 2003, the disclosure of industry segment information has been omitted.

2. Geographical segments

First six months of fiscal 2004 (From April 1, 2003 to September 30, 2003)

(Millions of yen)

	Japan	Asia	Americas	Europe	Total	Elimina- tions/ (Corporate)	Consoli- dated
Sales							
(1) Sales to customers	81,110	83,146	7,223	10,500	181,981	-	181,981
(2) Interarea transfer	26,804	51,563	123	189	78,680	(78,680)	-
Total sales	107,914	134,709	7,346	10,690	260,661	(78,680)	181,981
Operating expenses	86,176	106,333	7,249	10,192	209,952	(78,612)	131,339
Operating income	21,737	28,376	97	497	50,709	(67)	50,641

First six months of fiscal 2003 (From April 1, 2002 to September 30, 2002)

(Millions of yen)

	Japan	Asia	Americas	Europe	Total	Elimina- tions/ (Corporate)	Consoli- dated
Sales							
(1) Sales to customers	88,307	80,556	9,630	10,486	188,980	-	188,980
(2) Interarea transfer	29,440	54,930	188	198	84,757	(84,757)	-
Total sales	117,747	135,486	9,818	10,685	273,738	(84,757)	188,980
Operating expenses	84,719	108,042	8,999	10,035	211,797	(84,292)	127,505
Operating income	33,028	27,444	819	649	61,941	(465)	61,475

Fiscal 2003 (From April 1, 2002 to March 31, 2003)

(Millions of yen)

	Japan	Asia	Americas	Europe	Total	Eliminations/ (Corporate)	Consolidated
Sales							
(1) Sales to customers	164,399	148,016	17,419	20,446	350,281	-	350,281
(2) Interarea transfer	55,369	103,304	295	366	159,336	(159,336)	-
Total sales	219,768	251,320	17,715	20,812	509,617	(159,336)	350,281
Operating expenses	174,163	202,027	17,524	19,674	413,389	(159,231)	254,158
Operating income	45,605	49,293	191	1,138	96,228	(105)	96,122

(Notes) 1. Countries and areas are segmented based on their geographical proximity.

2. Major countries and areas which belong to segments other than Japan are as follows:

Asia : Hong Kong, Singapore, Taiwan

Americas : The United States

Europe : Germany

3. Unallocable operating expenses included in "Eliminations (Corporate)" are shown below. Unallocable operating expenses consist primarily of expenses relating to the administrative division of the headquarters of the Company.

First six months of fiscal 2004 1,264 million yen

First six months of fiscal 2003 1,882

Fiscal 2003 3,289

3. Sales to foreign customers

First six months of fiscal 2004 (From April 1, 2003 to September 30, 2003)

(Millions of yen)

	Asia	Americas	Europe	Total
I Sales to foreign customers	84,399	7,582	10,034	102,017
II Net sales				181,981
III Sales to foreign customers as a percentage of net sales	46.4 %	4.2 %	5.5 %	56.1 %

First six months of fiscal 2003 (From April 1, 2002 to September 30, 2002)

(Millions of yen)

	Asia	Americas	Europe	Total
I Sales to foreign customers	82,024	10,014	9,872	101,912
II Net sales				188,980
III Sales to foreign customers as a percentage of net sales	43.4 %	5.3 %	5.2 %	53.9 %

Fiscal 2003 (From April 1, 2002 to March 31, 2003)

(Millions of yen)

	Asia	Americas	Europe	Total
I Sales to foreign customers	151,371	18,111	19,342	188,824
II Net sales				350,281
III Sales to foreign customers as a percentage of net sales	43.2 %	5.2 %	5.5 %	53.9 %

(Notes) 1. Countries and areas are segmented based on their geographical proximity.

2. Major countries and areas which belong to segments other than Japan are as follows:

Asia : Hong Kong, Singapore, Taiwan

Americas : The United States

Europe : Germany

3. Sales to foreign customers consist of export sales of the Company and its domestic consolidated subsidiaries and sales (other than exports to Japan) of the overseas consolidated subsidiaries.

[Leases]

Finance leases that do not transfer ownership of the leased property to the lessee

1. Pro forma information of the acquisition cost, accumulated depreciation and net book value of the leased property

	Six-month period ended Sept. 30, 2003	Six-month period ended Sept. 30, 2002	Year ended Mar. 31, 2003
	Tools, furniture and other	Tools, furniture and other	Tools, furniture and other
Acquisition cost	161 million yen	197 million yen	215 million yen
Accumulated depreciation	130	140	170
Net leased property	31	56	44

2. Pro forma obligations under finance leases

Due within 1 year	22	35	29
Due after 1 year	8	21	14
Total	31	56	44

3. Lease payments and depreciation of the leased property

Lease payments	16	23	43
Depreciation	16	23	43

4. Depreciation of leased property is calculated by the straight-line method over the respective lease terms regarded as being the useful life, with the residual value of zero.

5. Acquisition cost and the pro forma obligations under finance leases presented above are calculated prior to the deduction of portions attributable to interest expense, as the term-end balance of the obligations accounts for only a small percentage of the term-end tangible fixed assets.

[Debt and equity securities]

First six months of fiscal 2004 (as of September 30, 2003)

1. Marketable available-for-sale securities

(Millions of yen)

Classification	Acquisition cost	Amount on consolidated interim balance sheet	Difference
(1) Equity securities	2,843	6,120	3,277
(2) Government and corporate bonds	85,449	85,513	63
(3) Other	21,005	21,027	21
Total	109,298	112,661	3,362

2. Major securities whose fair value is not readily determinable

Available-for-sale securities

Unlisted equity securities (Excluding over-the-counter securities) 935 million yen

First six months of fiscal 2003 (as of September 30, 2002)

1. Marketable available-for-sale securities

(Millions of yen)

Classification	Acquisition cost	Amount on consolidated interim balance sheet	Difference
(1) Equity securities	3,331	4,467	1,136
(2) Government and corporate bonds	66,004	66,119	114
(3) Other	22,005	22,017	11
Total	91,341	92,604	1,263

2. Major securities whose fair value is not readily determinable

Available-for-sale securities

Mutual funds investing in bonds 4,893 million yen

Fiscal 2003 (as of March 31, 2003)

1. Marketable available-for-sale securities

(Millions of yen)

Classification	Acquisition cost	Amount on consolidated balance sheet	Difference
(1) Equity securities	2,852	3,859	1,007
(2) Government and corporate bonds	74,236	74,397	160
(3) Other	21,005	21,022	16
Total	98,094	99,279	1,184

2. Major securities whose fair value is not readily determinable

Available-for-sale securities

Mutual funds investing in bonds

5,113 million yen

[Derivatives]

First six months of fiscal 2004 (From April 1, 2003 to September 30, 2003)

Currency derivatives

Not disclosed because hedge accounting is adopted.

First six months of fiscal 2003 (From April 1, 2002 to September 30, 2002)

Currency derivatives

Not disclosed because hedge accounting is adopted.

Fiscal 2003 (From April 1, 2002 to March 31, 2003)

Currency derivatives

Not disclosed because hedge accounting is adopted.

Production, Orders Received and Sales

(1) Actual production

(Millions of yen)

Product category		Period		Increase/Decrease (-) from the first six months of fiscal 2003	Fiscal 2003 From April 1, 2002 To March 31, 2003
		First six months of fiscal 2004 From April 1, 2003 To September 30, 2003	First six months of fiscal 2003 From April 1, 2002 To September 30, 2002		
Electronic Components	Integrated circuits	80,344	91,310	- 10,966	162,134
	Discrete semiconductor devices	69,110	73,321	- 4,211	138,299
	Passive components	11,998	12,657	- 659	24,771
	Displays	18,567	15,892	2,675	30,531
Total		180,021	193,182	- 13,161	355,736

(Notes) 1. The amounts above are calculated based on the average sales prices for each accounting period and are exclusive of consumption tax and the like.

2. Major products included in each category are as follows:

Product category		Major products
Electronic Components	Integrated circuits	Monolithic ICs, Power Modules, Photo Link Modules
	Discrete semiconductor devices	Transistors, Diodes, Light Emitting Diodes, Laser Diodes
	Passive components	Resistors, Capacitors
	Displays	Liquid Crystal Displays, Thermal Heads, Image Sensor Heads, LED Displays, Others

(2) Orders

(Millions of yen)

Product category		Period		Increase/Decrease (-) from the first six months of fiscal 2003		Fiscal 2003 From April 1, 2002 To March 31, 2003			
		First six months of fiscal 2004 From April 1, 2003 To September 30, 2003		First six months of fiscal 2003 From April 1, 2002 To September 30, 2002					
		Orders received	Order backlog	Orders received	Order backlog	Orders received	Order backlog		
Electronic Components	Integrated circuits	80,985	20,696	82,794	20,183	- 1,809	513	155,672	21,666
	Discrete semiconductor devices	70,320	17,242	71,028	17,161	- 708	81	133,786	16,115
	Passive components	12,242	3,158	12,731	3,372	- 489	- 214	24,602	3,098
	Displays	19,858	7,204	15,415	4,552	4,443	2,652	30,816	5,995
Total		183,407	48,302	181,970	45,269	1,437	3,033	344,876	46,875

(3) Actual sales

Actual sales by product category (domestic)

(Millions of yen)

Product category		Period		First six months of fiscal 2004		First six months of fiscal 2003		Increase/Decrease (-)		Fiscal 2003	
		From April 1, 2003 To September 30, 2003		From April 1, 2002 To September 30, 2002		from the first six months of fiscal 2003		From April 1, 2002 To March 31, 2003			
		Sales	Domestic ratio	Sales	Domestic ratio	Sales	Increase/Decrease ratio	Sales	Domestic ratio		
Electronic Components	Integrated circuits	41,476	50.6%	46,079	52.3%	- 4,603	- 10.0%	83,846	52.6%		
	Discrete semiconductor devices	26,554	38.4	28,709	39.6	- 2,155	- 7.5	55,126	40.5		
	Passive components	4,236	34.8	3,999	31.9	237	5.9	7,974	32.3		
	Displays	7,694	41.3	8,279	51.9	- 585	- 7.1	14,510	48.5		
Total		79,963	43.9	87,068	46.1	- 7,105	- 8.2	161,456	46.1		

Actual sales by product category (overseas)

(Millions of yen)

Product category		Period		First six months of fiscal 2004		First six months of fiscal 2003		Increase/Decrease (-)		Fiscal 2003	
		From April 1, 2003 To September 30, 2003		From April 1, 2002 To September 30, 2002		from the first six months of fiscal 2003		From April 1, 2002 To March 31, 2003			
		Sales	Overseas ratio	Sales	Overseas ratio	Sales	Increase/Decrease ratio	Sales	Overseas ratio		
Electronic Components	Integrated circuits	40,478	49.4%	41,949	47.7%	- 1,471	- 3.5%	75,577	47.4%		
	Discrete semiconductor devices	42,638	61.6	43,738	60.4	- 1,100	- 2.5	81,126	59.5		
	Passive components	7,946	65.2	8,544	68.1	- 598	- 7.0	16,714	67.7		
	Displays	10,954	58.7	7,679	48.1	3,275	42.7	15,406	51.5		
Total		102,017	56.1	101,912	53.9	105	0.1	188,824	53.9		

Actual sales by product category (total)

(Millions of yen)

Product category		Period		First six months of fiscal 2004		First six months of fiscal 2003		Increase/Decrease (-)		Fiscal 2003	
		From April 1, 2003 To September 30, 2003		From April 1, 2002 To September 30, 2002		from the first six months of fiscal 2003		From April 1, 2002 To March 31, 2003			
		Sales	Sales as a percentage of net sales	Sales	Sales as a percentage of net sales	Sales	Increase/Decrease ratio	Sales	Sales as a percentage of net sales		
Electronic Components	Integrated circuits	81,955	45.0%	88,029	46.6%	- 6,074	- 6.9%	159,424	45.5%		
	Discrete semiconductor devices	69,193	38.0	72,447	38.3	- 3,254	- 4.5	136,252	38.9		
	Passive components	12,183	6.7	12,544	6.6	- 361	- 2.9	24,688	7.1		
	Displays	18,649	10.3	15,959	8.5	2,690	16.9	29,916	8.5		
Total		181,981	100.0	188,980	100.0	- 6,999	- 3.7	350,281	100.0		

Summarized Non-consolidated Interim Financial Statements for Fiscal Year Ending March 31, 2004

November 5, 2003

Listed Company Name ROHM CO., LTD.

Stock Exchange Listings Tokyo, Osaka

Code No.: 6963

Head Office Location

(URL <http://www.rohm.co.jp>)

Kyoto Prefecture

Company representative Title: President

Name: Ken Sato

Contact person Title: Director, Administration Headquarters

Name: Eiichi Sasayama

TEL (075) 311 - 2121

Date of Board of Directors meeting for approval of financial statements: November 5, 2003

Existence of interim dividend system: Yes

Date of commencement of interim dividend payment: December 5, 2003

Adoption of trading unit system: Yes (1 unit: 100 shares)

1. Business Results for the Six-month Period Ended September 30, 2003 (From April 1, 2003 to September 30, 2003)

(1) Results of Operations (Figures are rounded down to the nearest million yen)

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2003	164,402	-2.5	19,139	-40.0	25,753	-15.3
Six months ended September 30, 2002	168,556	25.2	31,890	155.6	30,389	100.2
Year ended March 31, 2003	315,624		41,271		39,865	

	Net income		Basic net income per share
	Millions of yen	%	yen
Six months ended September 30, 2003	19,284	6.1	162.35
Six months ended September 30, 2002	18,173	90.9	153.07
Year ended March 31, 2003	23,618		198.54

(Notes) (i) Average number of shares outstanding Six months ended Sept. 30, 2003: 118,784,750 shares

Six months ended Sept. 30, 2002: 118,724,317 shares Year ended Mar. 31, 2003: 118,743,246 shares

(ii) Change in accounting policies: None

(iii) Percentage (%) shown for Net sales, Operating income, Ordinary income and Net income represents change from the data of the corresponding period of the previous year.

(2) Dividend Information

	Interim dividends per share	Annual dividends per share
	yen	yen
Six months ended September 30, 2003	12.50	-
Six months ended September 30, 2002	9.50	-
Year ended March 31, 2003	-	22.00

(3) Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	yen
Six months ended September 30, 2003	589,112	488,247	82.9	4,110.40
Six months ended September 30, 2002	571,857	465,068	81.3	3,915.80
Year ended March 31, 2003	567,097	469,216	82.7	3,949.75

(Notes) (i) Number of shares outstanding at end of term Six months ended Sept. 30, 2003: 118,783,479 shares

Six months ended Sept. 30, 2002: 118,767,159 shares Year ended Mar. 31, 2003: 118,785,890 shares

(ii) Number of treasury stock at end of term Six months ended Sept. 30, 2003: 17,909 shares

Six months ended Sept. 30, 2002: 1,058 shares Year ended Mar. 31, 2003: 15,498 shares

2. Business Results Forecast for Fiscal 2004 (From April 1, 2003 to March 31, 2004)

	Net sales	Ordinary income	Net income	Annual dividends per share	
				End of fiscal year	
	Millions of yen	Millions of yen	Millions of yen	yen	yen
Fiscal 2004	324,000	46,000	35,000	12.50	25.00

(Note) Projected net income per share for the year ending March 31, 2004: ¥294.65

* The forecast data are based on the information available at the time of release of this report. Therefore, a number of important factors including changes in business conditions may cause actual results to differ materially from those discussed in the prospective statements.

Refer to pages 8 to 9 of the attached documents for reasons for the forecast and other relevant information.

Non-consolidated Interim Balance Sheets

Accounts	First six months of fiscal 2004 (As of September 30, 2003)		First six months of fiscal 2003 (As of September 30, 2002)		Fiscal 2003 (As of March 31, 2003)		Increase/decrease (-) from the year ended March 31, 2003
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
(Assets)							
Current assets							
Cash and time deposits	132,412		110,535		125,721		6,691
Trade notes receivable	4,147		5,076		4,423		- 276
Trade accounts receivable	86,831		88,525		75,689		11,142
Securities	43,262		35,953		40,945		2,317
Inventories	19,664		24,253		21,138		- 1,474
Prepaid pension cost	200		480		263		- 63
Deferred tax assets	7,372		7,161		7,540		- 168
Sundry receivables	30,605		28,025		25,498		5,107
Other	20,497		19,291		18,541		1,956
Allowance for doubtful notes and accounts	- 51		- 30		- 63		12
Total current assets	344,943	58.6	319,272	55.8	319,699	56.4	25,244
Fixed assets							
Property, plant and equipment							
Buildings	22,376		23,726		23,539		- 1,163
Machinery and equipment	6,853		6,742		7,681		- 828
Land	35,102		35,266		35,379		- 277
Other	7,096		7,312		6,448		648
Total tangible fixed assets	71,428	12.1	73,048	12.8	73,049	12.9	- 1,621
Intangible fixed assets	1,177	0.2	1,243	0.2	1,270	0.2	- 93
Investments and other assets							
Investment securities	121,074		113,331		112,799		8,275
Long-term loans receivable	41,436		54,857		49,862		- 8,426
Deferred tax assets	8,489		9,147		9,723		- 1,234
Other	907		1,212		1,065		- 158
Allowance for doubtful accounts	- 345		- 256		- 372		27
Total investments and other assets	171,562	29.1	178,293	31.2	173,078	30.5	- 1,516
Total fixed assets	244,168	41.4	252,584	44.2	247,397	43.6	- 3,229
Total assets	589,112	100.0	571,857	100.0	567,097	100.0	22,015

Accounts	First six months of fiscal 2004		First six months of fiscal 2003		Fiscal 2003		Increase/decrease (-) from the year ended March 31, 2003
	(As of September 30, 2003)		(As of September 30, 2002)		(As of March 31, 2003)		
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen
(Liabilities)							
Current liabilities							
Trade accounts payable	61,859		63,830		50,044		11,815
Current portion of convertible bond	-		100		-		-
Other accounts payable	20,518		11,985		15,278		5,240
Accrued income taxes	3,720		16,540		18,150		- 14,430
Other	6,079		5,899		5,722		357
Total current liabilities	92,176	15.6	98,355	17.2	89,195	15.7	2,981
Long-term liabilities							
Liability for retirement benefits	7,313		7,132		7,343		- 30
Allowance for directors' retirement benefits	1,374		1,301		1,340		34
Total long-term liabilities	8,687	1.5	8,433	1.5	8,684	1.6	3
Total liabilities	100,864	17.1	106,789	18.7	97,880	17.3	2,984
(Shareholders' equity)							
Common stock	86,969	14.8	86,919	15.2	86,969	15.3	-
Capital surplus							
Capital surplus	97,253		97,203		97,253		-
Total capital surplus	97,253	16.5	97,203	17.0	97,253	17.1	-
Retained earnings							
Legal reserve	2,464		2,464		2,464		-
General reserve	277,615		257,408		257,408		20,207
Unappropriated retained earnings	22,314		20,447		24,764		- 2,450
Total retained earnings	302,394	51.3	280,321	49.0	284,637	50.2	17,757
Net unrealized gain on available-for-sale securities	1,907	0.3	640	0.1	599	0.1	1,308
Treasury stock - at cost	- 277	- 0.0	- 16	- 0.0	- 243	- 0.0	- 34
Total shareholders' equity	488,247	82.9	465,068	81.3	469,216	82.7	19,031
Total liabilities and shareholders' equity	589,112	100.0	571,857	100.0	567,097	100.0	22,015

Non-consolidated Interim Statements of Income

Accounts	Period	First six months of fiscal 2004		First six months of fiscal 2003		Increase/decrease (-) from the first six months of fiscal 2003	Fiscal 2003	
		From April 1, 2003 To September 30, 2003		From April 1, 2002 To September 30, 2002			From April 1, 2002 To March 31, 2003	
		Amount	Percentage	Amount	Percentage		Amount	Percentage
		Millions of yen	%	Millions of yen	%	Millions of yen	Millions of yen	%
Net sales		164,402	100.0	168,556	100.0	- 4,154	315,624	100.0
Cost of sales		121,648	74.0	116,163	68.9	5,485	226,125	71.6
Gross profit		42,754	26.0	52,392	31.1	- 9,638	89,498	28.4
Selling, general and administrative expenses		23,614	14.4	20,502	12.2	3,112	48,227	15.3
Operating income		19,139	11.6	31,890	18.9	- 12,751	41,271	13.1
Non-operating income		11,383	7.0	3,014	1.8	8,369	4,539	1.4
Non-operating expenses		4,769	2.9	4,515	2.7	254	5,944	1.9
Ordinary income		25,753	15.7	30,389	18.0	- 4,636	39,865	12.6
Extraordinary gains		130	0.1	158	0.1	- 28	128	0.1
Extraordinary losses		1,251	0.8	307	0.2	944	264	0.1
Income before income taxes		24,633	15.0	30,241	17.9	- 5,608	39,729	12.6
Income taxes - current		4,841	3.0	16,524	9.8	- 11,683	21,471	6.8
Income taxes - deferred		507	0.3	- 4,456	- 2.7	4,963	- 5,359	- 1.7
Net income		19,284	11.7	18,173	10.8	1,111	23,618	7.5
Unappropriated retained earnings brought forward from the previous year		3,029		2,342		687	2,342	
Loss on sales of treasury stock		-		68		- 68	68	
Interim dividends		-		-		-	1,128	
Unappropriated retained earnings		22,314		20,447		1,867	24,764	

[Basis of Presenting Interim Financial Statements]

1. Valuation basis and method for securities

(1) Securities

Investment securities in subsidiaries and associated companies are stated at cost determined by the moving average method. Marketable securities classified as available-for-sale securities are reported at fair value (based on market prices on the interim accounting date, or the like), with unrealized gains and losses directly included in shareholders' equity. The cost of available-for-sale securities sold is principally determined based on the moving average method. Non-marketable securities are stated at cost determined by the moving average method.

(2) Inventories

Finished products, semi-finished products, raw materials and work in process are stated at cost determined by the average method. Supplies are stated at cost determined by the last purchase method.

2. Depreciation of fixed assets

(1) Depreciation of tangible fixed assets is computed by the declining-balance method, while the straight-line method is applied to buildings (excluding building improvements) acquired after April 1, 1998.

(2) Depreciation of intangible fixed assets is computed by the straight-line method.

3. Accounting for allowances

(1) The allowance for doubtful accounts is provided at an estimated amount of the past actual ratio of losses on bad debts. Certain allowance is provided for estimated uncollectible receivables.

(2) Liability for retirement benefits is stated at the amount calculated based on the retirement benefit obligation and the fair value of the plan assets at the end of the current fiscal year.

On December 16, 2002, ROHM Co., Ltd. received approval from the Minister of Health, Labor and Welfare for exemption from the future benefit obligation of the "substitutional" portion of their employees' pension fund (EPF) plans; under the conventional pension system, EPFs substitute for a portion of the old-age pensions of the Government-run employees' pension insurance.

Plan assets associated with the substitutional portion to be returned to the Government (minimum actuarial liability) were calculated at ¥6.713 billion as of the interim accounting date (September 30, 2003). If Paragraph 44-2 of the "Practical Guidelines on Retirement Benefits Accounting (Interim Report)" (Report No. 13 of the Accounting System Committee of the Japanese Institute of Certified Public Accountants) were applied on the assumption that the plan assets associated with the substitutional portion were returned to the Government on the interim accounting date, a gain of ¥5.009 billion on exemption from the substitutional portion of EPF would be accounted for as extraordinary gains for the six months under review.

(3) Retirement benefits to directors and corporate auditors are provided at the amount that would be required if all directors and corporate auditors retired at the interim accounting date based on the internal rules.

4. Basis for translation of foreign currency assets and liabilities

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the current exchange rates at the interim accounting date. The foreign exchange gains and losses from translation are recognized in the income statement to the extent that they are not hedged by forward exchange contracts.

5. Lease transactions

Finance lease transactions, other than those that are deemed to transfer ownership of the leased property to the lessee, are accounted for as operating lease transactions.

6. Hedge accounting

Foreign exchange forward contracts are used for hedge accounting.

7. Others

Consumption tax

All transactions are recorded net of consumption taxes.

[Notes]

(Notes to non-consolidated interim balance sheets)

Accumulated depreciation of tangible fixed assets

Six-month period ended Sept. 30, 2003	Six-month period ended Sept. 30, 2002	Year ended Mar. 31, 2003
101,581 million yen	97,367 million yen	99,511 million yen

(Notes to non-consolidated interim statements of income)

	<u>Six-month period ended Sept. 30, 2003</u>	<u>Six-month period ended Sept. 30, 2002</u>	<u>Year ended Mar. 31, 2003</u>
1. Non-operating income			
Interest income (including interest on securities)	814 million yen	1,119 million yen	2,103 million yen
Dividend income	9,882	886	897
2. Non-operating expenses			
Foreign currency exchange losses	4,217	3,763	4,357
3. Extraordinary losses			
Losses on sale/disposal of fixed as- sets	1,251	307	264

[Leases]

Finance leases that do not transfer ownership of the leased property to the lessee

1. Pro forma information of the acquisition cost, accumulated depreciation and net book value of the leased property

	<u>Six-month period ended Sept. 30, 2003</u>	<u>Six-month period ended Sept. 30, 2002</u>	<u>Year ended Mar. 31, 2003</u>
	<u>Other in tangible fixed assets</u>	<u>Other in tangible fixed assets</u>	<u>Other in tangible fixed assets</u>
Acquisition cost	45 million yen	55 million yen	47 million yen
Accumulated depreciation	22	29	19
<u>Net leased property</u>	<u>22</u>	<u>26</u>	<u>27</u>

2. Pro forma obligations under finance leases

Due within 1 year	14	13	15
<u>Due after 1 year</u>	<u>8</u>	<u>12</u>	<u>12</u>
Total	22	26	27

3. Lease payments and depreciation of the leased property

Lease payments	8	7	15
Depreciation	8	7	15

4. Depreciation of leased property is calculated by the straight-line method over the respective lease terms regarded as being the useful life, with the residual value of zero.

5. Acquisition cost and the pro forma obligations under finance leases presented above are calculated prior to the deduction of portions attributable to interest expense, as the term-end balance of the obligation accounts for only a small percentage of the term-end tangible fixed assets.