

ROHM CO., LTD. Financial Highlights for the First Quarter of Fiscal Year Ending March 31, 2005



August 6, 2004

1. Consolidated Financial Results

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

		First quarter of	First quarter of	Increase/decrease from the first		Year ended	Year ending March 31, 2005 (Projected)		
		fiscal year ending	fiscal year ended	quarter of fiscal year ended	quarter of fiscal year ended	March 31, 2004	Annual	Increase/ decrease from the previous year	First six months
		March 31, 2005	March 31, 2004	Match 31, 2004	Match 31, 2004				
		Actual	Actual	Amount	Percentage	Actual			
Net sales	Millions of yen	97,984	89,032	+8,952	+10.1%	355,630	396,000	+11.4%	202,000
Cost of sales	Millions of yen	53,689	48,083	+5,606	+11.7%	194,856	219,000		108,300
Selling, general and administrative expenses	Millions of yen	17,619	16,503	+1,116	+6.8%	66,266	70,000		36,700
Operating income	Millions of yen	26,674	24,445	+2,229	+9.1%	94,507	107,000	+13.2%	57,000
(Operating income margin)		(27.2%)	(27.5%)	(-0.3%)		(26.6%)	(27.0%)		(28.2%)
Ordinary income	Millions of yen	29,156	24,265	+4,891	+20.2%	92,083	109,000	+18.4%	58,000
(Ordinary income margin)		(29.8%)	(27.3%)	(+2.5%)		(25.9%)	(27.5%)		(28.7%)
Net income	Millions of yen	17,652	13,928	+3,724	+26.7%	63,717	67,000	+5.2%	35,000
(Net income margin)		(18.0%)	(15.6%)	(+2.4%)		(17.9%)	(16.9%)		(17.3%)
Basic net income per share	Yen	148.61	117.26	+31.35	+26.7%	535.62	564.06		294.66
Return on equity	%					9.2			
Ordinary income to total assets	%					11.1			
Total assets	Millions of yen	870,862	813,238			846,799			
Shareholders' equity	Millions of yen	732,473	691,461			715,938			
Shareholders' equity ratio	%	84.1	85.0			84.5			
Shareholders' equity per share	Yen	6,166.59	5,821.12			6,026.56			
Foreign exchange rate (Average yen-dollar rate)	Yen/US\$	108.41	119.35			113.97	105		105

(Note) The financial figures for the first quarters of the fiscal years ended March 31, 2004 and ending March 31, 2005 have not been audited by independent auditors.

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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.



Consolidated Financial Status and Business Results Highlights for the First Quarter of Fiscal Year Ending March 31, 2005

August 6, 2004

Listed Company Name: ROHM CO., LTD.

(Code No.: 6963; Listed on the first sections of the Tokyo Stock Exchange and the Osaka Securities Exchange)

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

Contact	Title and name of representative	President, Ken Sato	
	Title and name of person responsible for contact	Director, Administration	(TEL: (075) 311-2121)
		Headquarters, Eiichi Sasayama	

1. Information on Presenting Quarterly Business Results Highlights

- ① Adopting a concise procedure in accounting policies : None
- ② Changes in accounting policies from consolidated report for most recent fiscal year : None
- ③ Changes in scope of consolidation and application of equity method : None

2. Financial Status and Business Results Highlights for the First Quarter of Fiscal 2005 (From April 1, 2004 to June 30, 2004)

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

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First quarter of fiscal year ending March 31, 2005	97,984	10.1	26,674	9.1	29,156	20.2	17,652	26.7
First quarter of fiscal year ended March 31, 2004	89,032	-6.2	24,445	-22.9	24,265	-6.3	13,928	-5.9
(Reference) Year ended March 31, 2004	355,630	1.5	94,507	-1.7	92,083	0.4	63,717	20.2

	Basic net income per share	Diluted net income per share
	Yen	Yen
First quarter of fiscal year ending March 31, 2005	148.61	-
First quarter of fiscal year ended March 31, 2004	117.26	-
(Reference) Year ended March 31, 2004	535.62	-

(Note) Percentage (%) shown for Net sales, Operating income and others represents change from the data of the same quarter of the previous year.

[Qualitative Information on Trends in Consolidated Results of Operations]

Overall review of results of operations

In the first quarter of the fiscal year ending March 31, 2005, the world economy continued to recover due to favorable personal consumption in the U.S. as a result of an improving employment situation and, in addition, to increased exports from Asia to the U.S. market. In Japan, some signs of recovery finally appeared, such as the recovery of the corporate sector's performance and increased capital investment. The world economy generally remained favorable, although the economic recovery was not so robust in Europe. In the electronics industry, digital audio/video and other consumer equipment markets appeared to be well on the road to recovery, as the Olympics to be held in Athens awakened brisk demand, although recovery of the economy as a whole was underway. However, the cellular phone market remained generally sluggish as a result of production adjustments made by overseas manufacturers and the maturation of the Japanese domestic market, although third-generation phones were gaining acceptance in the marketplace. The personal computer market has also been soft as it was a 'drop-off' season. In the electronic components industry, the supply-and-demand situation was tight in some components including flash memories and those for compact portable equipment. Digital audio/video and other consumer equipment markets showed favorable signs of recovery. Demand in this industry remained strong.

Under these circumstances, ROHM has enhanced its product line-up for markets expected to grow in the near future, such as digital audio/video equipment and camera-equipped cellular phones.

As a consequence, ROHM's net sales for the first quarter of the fiscal year ending March 31, 2005, increased 10.1% to ¥97.984 billion from the same quarter of the previous year, and ordinary income and net income were up 20.2% and 26.7% to ¥29.156 billion and ¥17.652 billion, respectively.

Divisional review of results of operations

<Integrated circuits>

ROHM's sales of integrated circuits for the first quarter of the fiscal year ending March 31, 2005 increased 2.7% to ¥42.022 billion.

Sales remained robust in system-LSI devices for third-generation phones, LCD-driver LSI devices, and power management LSI devices for digital audio/video equipment, although the PC peripheral market showed seasonal adjustments.

< Discrete semiconductor devices >

ROHM's sales of discrete semiconductor devices for the first quarter of the fiscal year ending March 31, 2005 increased 13.5% to ¥38.133 billion.

Sales of transistors and diodes for digital audio/video equipment such as thin TV sets and DVD recorders were strong. ROHM also focused on sales expansion of new products such as blue and white LEDs and high-power semiconductor lasers for DVD recorders.

<Passive components>

ROHM's sales of passive components for the first quarter of the fiscal year ending March 31, 2005 increased 6.5% to ¥6.312 billion.

As the market showed signs of recovery, we directed our efforts towards increased sales of high-reliability resistors with high-breakdown/high-surge voltage characteristics and of microminiature capacitors designed for cellular phones.

<Displays>

ROHM's sales of displays for the first quarter of the fiscal year ending March 31, 2005 increased 34.0% to ¥11.516 billion.

ROHM steadily increased the sales of its printheads for multifunction printers, the market for which is expanding, and for miniaturized printers for POS (Point-of-Sale) systems, as well as its LCD modules, as they become increasingly employed in cellular phones. Furthermore, CMOS image sensors, which went on the market in the previous year, contributed to the sales.

(2) Trends in Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
First quarter of fiscal year ending March 31, 2005	870,862	732,473	84.1	6,166.59
First quarter of fiscal year ended March 31, 2004	813,238	691,461	85.0	5,821.12
(Reference) Year ended March 31, 2004	846,799	715,938	84.5	6,026.56

[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 year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
First quarter of fiscal year ending March 31, 2005	29,447	-22,233	-5,058	316,075
First quarter of fiscal year ended March 31, 2004	4,303	718	-1,497	326,788
(Reference) Year ended March 31, 2004	78,365	-72,136	-3,028	310,578

[Qualitative Information on Trends in Consolidated Financial Position]

As of June 30, 2004, total assets, total liabilities, minority interest and total shareholders' equity amounted to ¥870.862 billion (up ¥24.063 billion from March 31, 2004), ¥138.083 billion (up ¥7.517 billion), ¥305 million (up ¥11 million) and ¥732.473 billion (up ¥16.535 billion), respectively.

The status of cash flow for the first quarter of the fiscal year ending March 31, 2005 is as follows:

Net cash provided by operating activities amounted to ¥29.447 billion (¥4.303 billion for the first quarter 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 as a result of increases in accounts receivable and the payment of corporate taxes.

Net cash used in investing activities amounted to ¥22.233 billion (¥718 million provided by for the first quarter 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 ¥5.058 billion (¥1.497 billion for the first quarter of the previous year), primarily as a result of dividend payments.

As a total balance of these gains and expenditures plus the balance of converted values of cash and cash equivalents, cash and cash equivalents amounted to ¥316.075 billion at the end of the first quarter of the fiscal year ending March 31, 2005, up ¥5.496 billion from March 31, 2004.

[Reference]

Consolidated Business Results Forecast for Fiscal 2005 (From April 1, 2004 to March 31, 2005)

No change from the consolidated business results forecast presented in the financial report for the fiscal year ended March 31, 2004 released on May 13, 2004.

	Forecasted net sales	Forecasted ordinary income	Forecasted net income
	Millions of yen	Millions of yen	Millions of yen
First six months of fiscal 2005	202,000	58,000	35,000
Fiscal 2005	396,000	109,000	67,000

(Note) Projected net income per share for the year ending March 31, 2005: 564.06 yen

* The forecast 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.

Consolidated Quarterly Balance Sheets

Accounts	Period	First quarter of fiscal 2005 (As of June 30, 2004) (Unaudited)		First quarter of fiscal 2004 (As of June 30, 2003) (Unaudited)		Fiscal 2004 (As of March 31, 2004)		Increase/decrease (-) from the end of fiscal 2004 on March 31, 2004
		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		311,454		309,943		307,319		4,135
Notes and accounts receivable - trade		102,644		93,042		92,508		10,136
Securities		40,980		49,577		38,681		2,299
Inventories		62,093		52,889		61,493		600
Prepaid pension cost		4,378		4,676		4,356		22
Deferred tax assets		13,601		12,931		12,425		1,176
Refundable income taxes		76		-		3,560		- 3,484
Other		7,477		7,715		10,279		- 2,802
Allowance for doubtful notes and accounts		- 564		- 621		- 502		- 62
Total current assets		542,142	62.3	530,156	65.2	530,121	62.6	12,021
Fixed assets								
Property, plant and equipment								
Buildings and structures		151,473		147,813		150,281		1,192
Machinery, equipment and vehicles		335,821		320,638		328,069		7,752
Tools and furniture		28,224		26,569		27,691		533
Land		54,406		52,059		53,968		438
Construction in progress		28,079		16,521		23,592		4,487
Accumulated depreciation		- 370,637		- 348,994		- 365,976		- 4,661
Total tangible fixed assets		227,368	26.1	214,607	26.4	217,627	25.7	9,741
Intangible fixed assets		2,458	0.3	2,938	0.4	2,632	0.3	- 174
Investments and other assets								
Investment securities		91,015		56,022		89,084		1,931
Deferred tax assets		6,510		7,334		5,794		716
Other		1,793		2,550		1,835		- 42
Allowance for doubtful accounts		- 426		- 372		- 294		- 132
Total investments and other assets		98,893	11.3	65,535	8.0	96,419	11.4	2,474
Total fixed assets		328,720	37.7	283,081	34.8	316,678	37.4	12,042
Total assets		870,862	100.0	813,238	100.0	846,799	100.0	24,063

Accounts	Period	First quarter of fiscal 2005 (As of June 30, 2004) (Unaudited)		First quarter of fiscal 2004 (As of June 30, 2003) (Unaudited)		Fiscal 2004 (As of March 31, 2004)		Increase/decrease (-) from the end of fiscal 2004 on March 31, 2004
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	
(Liabilities)								
Current liabilities								
Notes and accounts payable - trade	26,184		20,703		23,431		2,753	
Other accounts payable	45,834		27,814		42,213		3,621	
Accrued income taxes	10,217		13,481		10,400		- 183	
Deferred tax liabilities	790		1,300		381		409	
Other	10,809		11,914		11,892		- 1,083	
Total current liabilities	93,836	10.8	75,214	9.3	88,319	10.5	5,517	
Long-term liabilities								
Deferred tax liabilities	35,008		27,599		32,857		2,151	
Liability for retirement benefits	7,346		16,810		7,404		- 58	
Allowance for directors' retirement benefits	1,891		1,896		1,983		- 92	
Total long-term liabilities	44,246	5.1	46,306	5.7	42,246	5.0	2,000	
Total liabilities	138,083	15.9	121,520	15.0	130,566	15.5	7,517	
(Minority interests)								
Minority interests	305	0.0	256	0.0	294	0.0	11	
(Shareholders' equity)								
Common stock	86,969	10.0	86,969	10.7	86,969	10.3	-	
Capital surplus	102,403	11.7	102,403	12.6	102,403	12.1	-	
Retained earnings	579,259	66.5	518,449	63.7	566,749	66.9	12,510	
Net unrealized gain on available-for-sale securities	2,458	0.3	1,249	0.1	2,673	0.3	- 215	
Foreign currency translation adjustments	- 38,307	- 4.4	- 17,355	- 2.1	- 42,556	- 5.0	4,249	
Treasury stock - at cost	- 310	- 0.0	- 255	- 0.0	- 301	- 0.1	- 9	
Total shareholders' equity	732,473	84.1	691,461	85.0	715,938	84.5	16,535	
Total liabilities, minority interests and shareholders' equity	870,862	100.0	813,238	100.0	846,799	100.0	24,063	

Consolidated Quarterly Statements of Income

Accounts	Period	First quarter of fiscal 2005 From April 1, 2004 To June 30, 2004 (Unaudited)		First quarter of fiscal 2004 From April 1, 2003 To June 30, 2003 (Unaudited)		Increase/decrease (-) from the first quarter of fiscal 2004	Fiscal 2004 From April 1, 2003 To March 31, 2004	
		Amount	Percentage	Amount	Percentage		Amount	Percentage
		Millions of yen	%	Millions of yen	%	Millions of yen	Millions of yen	%
Net sales		97,984	100.0	89,032	100.0	8,952	355,630	100.0
Cost of sales		53,689	54.8	48,083	54.0	5,606	194,856	54.8
Gross profit		44,294	45.2	40,949	46.0	3,345	160,773	45.2
Selling, general and administrative expenses		17,619	18.0	16,503	18.5	1,116	66,266	18.6
Operating income		26,674	27.2	24,445	27.5	2,229	94,507	26.6
Non-operating income		2,578	2.7	888	1.0	1,690	4,058	1.1
Non-operating expenses		96	0.1	1,067	1.2	- 971	6,482	1.8
Ordinary income		29,156	29.8	24,265	27.3	4,891	92,083	25.9
Extraordinary gains		2	0.0	2	0.0	- 0	12,812	3.6
Extraordinary losses		105	0.1	1,073	1.2	- 968	3,826	1.1
Income before income taxes and minority interests		29,052	29.7	23,194	26.1	5,858	101,070	28.4
Income taxes - current		10,214	10.5	6,515	7.4	3,699	26,731	7.5
Income taxes - deferred		1,178	1.2	2,737	3.1	- 1,559	10,537	3.0
Minority interests		7	0.0	12	0.0	- 5	84	0.0
Net income		17,652	18.0	13,928	15.6	3,724	63,717	17.9

Consolidated Quarterly Statements of Cash Flows

Accounts	Period	First quarter of fiscal 2005 From April 1, 2004 To June 30, 2004 (Unaudited)	First quarter of fiscal 2004 From April 1, 2003 To June 30, 2003 (Unaudited)	Increase/decrease (-) from the first quarter of fiscal 2004	Fiscal 2004 From April 1, 2003 To March 31, 2004
		Amount	Amount	Amount	Amount
		Millions of yen	Millions of yen	Millions of yen	Millions of yen
I Operating Activities					
1. Income before income taxes and minority interests		29,052	23,194	5,858	101,070
2. Depreciation and amortization		9,794	10,559	- 765	45,868
3. Amortization of goodwill - net		167	4	163	16
4. Interest and dividends income		- 629	- 623	- 6	- 2,370
5. Foreign currency exchange losses (- gains) - net		- 1,454	- 566	- 888	2,015
6. Compensation for expropriation		-	-	-	- 1,837
7. Increase (- decrease) in net liability for retirement benefits		- 95	56	- 151	- 8,977
8. Decrease (- increase) in notes and accounts receivables - trade		- 9,079	- 8,309	- 770	- 10,822
9. Decrease (- increase) in inventories		72	- 269	341	- 12,142
10. Increase (- decrease) in notes and accounts payables - trade		2,967	3,088	- 121	6,604
11. Other - net		3,577	- 1,704	5,281	4,448
Sub-total		34,371	25,429	8,942	123,873
12. Interest and dividends - received		637	699	- 62	2,569
13. Compensation for expropriation - received		1,383	-	1,383	-
14. Income taxes - refunded (- paid)		- 6,946	- 21,825	14,879	- 48,077
Net cash provided by operating activities		29,447	4,303	25,144	78,365
II Investing Activities					
1. Decrease (- increase) in time deposits		877	4,630	- 3,753	- 4,782
2. Purchases of securities and investment securities		- 17,049	- 12,441	- 4,608	- 62,585
3. Proceeds from sales and repayments of securities and investment securities		10,865	14,946	- 4,081	39,270
4. Purchases of property, plant and equipment		- 17,731	- 6,548	- 11,183	- 45,221
5. Other - net		803	131	672	1,180
Net cash used in investing activities		- 22,233	718	- 22,951	- 72,136
III Financing Activities					
1. Dividends paid		- 5,048	- 1,484	- 3,564	- 2,969
2. Other - net		- 10	- 12	2	- 59
Net cash used in financing activities		- 5,058	- 1,497	- 3,561	- 3,028
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents		3,342	715	2,627	- 15,171
V Net Increase (- decrease) in Cash and Cash Equivalents		5,496	4,238	1,258	- 11,971
VI Cash and Cash Equivalents at Beginning of Year		310,578	322,549	- 11,971	322,549
VII Cash and Cash Equivalents at End of Year		316,075	326,788	- 10,713	310,578

[Segment information]

1. Geographical segments

First quarter of fiscal 2005 (From April 1, 2004 to June 30, 2004) (Unaudited) (Millions of yen)

	Japan	Asia	Americas	Europe	Total	Elimin- ations / Corporate	Consoli- dated
Sales							
(1) Sales to customers	42,574	46,289	3,783	5,335	97,984	-	97,984
(2) Interarea transfer	14,776	28,039	62	103	42,981	(42,981)	-
Total sales	57,351	74,329	3,845	5,439	140,965	(42,981)	97,984

First quarter of fiscal 2004 (From April 1, 2003 to June 30, 2003) (Unaudited) (Millions of yen)

	Japan	Asia	Americas	Europe	Total	Elimin- ations / Corporate	Consoli- dated
Sales							
(1) Sales to customers	41,383	39,024	3,495	5,128	89,032	-	89,032
(2) Interarea transfer	13,200	26,745	60	104	40,110	(40,110)	-
Total sales	54,584	65,769	3,555	5,233	129,143	(40,110)	89,032

Fiscal 2004 (From April 1, 2003 to March 31, 2004) (Millions of yen)

	Japan	Asia	Americas	Europe	Total	Elimin- ations / Corporate	Consoli- dated
Sales							
(1) Sales to customers	158,765	161,086	14,087	21,690	355,630	-	355,630
(2) Interarea transfer	53,200	107,033	235	406	160,876	(160,876)	-
Total sales	211,966	268,120	14,323	22,096	516,506	(160,876)	355,630

2. Sales to foreign customers

First quarter of fiscal 2005 (From April 1, 2004 to June 30, 2004) (Unaudited) (Millions of yen)

	Asia	Americas	Europe	Total
I Sales to foreign customers	46,779	3,963	5,046	55,789
II Net sales				97,984
III Sales to foreign customers as a percentage of net sales	47.7 %	4.0 %	5.2 %	56.9 %

First quarter of fiscal 2004 (From April 1, 2003 to June 30, 2003) (Unaudited) (Millions of yen)

	Asia	Americas	Europe	Total
I Sales to foreign customers	39,735	3,662	4,921	48,318
II Net sales				89,032
III Sales to foreign customers as a percentage of net sales	44.7 %	4.1 %	5.5 %	54.3 %

Fiscal 2004 (From April 1, 2003 to March 31, 2004) (Millions of yen)

	Asia	Americas	Europe	Total
I Sales to foreign customers	163,457	14,811	20,597	198,867
II Net sales				355,630
III Sales to foreign customers as a percentage of net sales	46.0 %	4.1 %	5.8 %	55.9 %

3. Actual sales

Actual sales by product category

(Millions of yen)

Product category		First quarter of fiscal 2005 From April 1, 2004 To June 30, 2004 (Unaudited)		First quarter of fiscal 2004 From April 1, 2003 To June 30, 2003 (Unaudited)		Increase/Decrease (-) from the first quarter of fiscal 2004		Fiscal 2004 From April 1, 2003 To March 31, 2004	
		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	42,022	42.9%	40,928	46.0%	1,094	2.7%	155,446	43.7%
	Discrete semicon- ductor devices	38,133	38.9	33,583	37.7	4,550	13.5	139,009	39.1
	Passive components	6,312	6.4	5,925	6.7	387	6.5	24,601	6.9
	Displays	11,516	11.8	8,594	9.6	2,922	34.0	36,573	10.3
Total		97,984	100.0	89,032	100.0	8,952	10.1	355,630	100.0