

**ROHM CO., LTD. Interim Financial Highlights for the Six-Month Period Ended
September 30, 2005**



November 9, 2005

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, 2005 |
|--|-------------------|------------------|------------------|---|------------|---------------|---------------|--|
| | | Mar. 31, 2006 | Mar. 31, 2005 | ended Sept. 30, 2004 | | Mar. 31, 2005 | Mar. 31, 2006 | |
| | | First six months | First six months | Amount | Percentage | Annual | Annual | |
| | | Actual | Actual | | | Actual | Projected | |
| Net sales | Millions of yen | 193,033 | 200,411 | -7,378 | -3.7% | 369,023 | 382,000 | +3.5% |
| Cost of sales | Millions of yen | 121,445 | 111,942 | +9,503 | +8.5% | 221,132 | 242,400 | |
| Selling, general and administrative expenses | Millions of yen | 37,221 | 34,453 | +2,768 | +8.0% | 71,836 | 74,600 | |
| Operating income | Millions of yen | 34,366 | 54,015 | -19,649 | -36.4% | 76,054 | 65,000 | -14.5% |
| (Operating income margin) | | (17.8%) | (27.0%) | (-9.2%) | | (20.6%) | (17.0%) | |
| Ordinary income | Millions of yen | 40,461 | 58,695 | -18,234 | -31.1% | 79,320 | 72,000 | -9.2% |
| (Ordinary income margin) | | (21.0%) | (29.3%) | (-8.3%) | | (21.5%) | (18.8%) | |
| Net income | Millions of yen | 24,238 | 36,733 | -12,495 | -34.0% | 45,135 | 44,000 | -2.5% |
| (Net income margin) | | (12.6%) | (18.3%) | (-5.7%) | | (12.2%) | (11.5%) | |
| Basic net income per share | Yen | 208.91 | 309.25 | -100.34 | -32.4% | 380.22 | 379.44 | |
| Return on equity | % | | | | | 6.2 | | |
| Ordinary income to total assets | % | | | | | 9.3 | | |
| Total assets | Millions of yen | 892,459 | 903,696 | -11,237 | -1.2% | 867,322 | | |
| Shareholders' equity | Millions of yen | 756,465 | 757,090 | -625 | -0.1% | 739,329 | | |
| Shareholders' equity ratio | % | 84.8 | 83.8 | +1.0 | | 85.2 | | |
| Shareholders' equity per share | Yen | 6,527.65 | 6,373.91 | +153.74 | +2.4% | 6,326.64 | | |
| Capital expenditures | Millions of yen | 31,256 | 35,568 | -4,312 | -12.1% | 85,171 | 87,000 | +2.1% |
| Depreciation (Tangible fixed assets) | Millions of yen | 24,920 | 21,031 | +3,889 | +18.5% | 47,102 | 55,000 | +16.8% |
| Research and development costs | Millions of yen | 16,135 | 15,370 | +765 | +5.0% | 32,342 | 33,000 | +2.0% |
| Net financial revenue | | | | | | | | |
| (Interest and dividend income) | (Millions of yen) | (2,689) | (1,362) | (+1,327) | (+97.5%) | (3,318) | | |
| Foreign currency exchange gains/losses | Millions of yen | (gain)3,405 | (gain)3,237 | (gain)168 | | (gain) 332 | | |
| Foreign exchange rate (Average yen-dollar rate) | Yen/US\$ | 109.40 | 109.19 | +0.21 | +0.2% | 107.28 | 110.00 | (Second half of the year) |
| Number of employees | | 20,597 | 20,254 | +343 | +1.7% | 19,803 | | |
| (Number of R&D employees) | | (2,345) | (2,193) | (+152) | (+6.9%) | (2,155) | | |
| Overseas production ratio | % | 56 | 53 | +3 | | 56 | 58 | |
| Number of consolidated subsidiaries | | 44 | 47 | -3 | | 47 | | |
| (Domestic) | | (13) | (13) | (0) | | (13) | | |
| (Overseas) | | (31) | (34) | (-3) | | (34) | | |
| Number of companies accounted for by equity method | | 2 | 2 | 0 | | 2 | | |
| Number of non-consolidated subsidiaries | | 0 | 0 | 0 | | 0 | | |

* The projected 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 projected

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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.

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 period | | Year ended | Year ending | Increase/decrease from the year ended Mar. 31, 2005 |
|--|-----------------|----------------------------|----------------------------|---|------------|------------------|---------------------|--|
| | | Mar. 31, 2006 | Mar. 31, 2005 | ended Sept. 30, 2004 | | Mar. 31, 2005 | Mar. 31, 2006 | |
| | | First six months Actual | First six months Actual | Amount | Percentage | Annual Actual | Annual Projected | |
| Sales by product category and geographical region | | | | | | | | |
| Integrated circuits | Millions of yen | 85,467 | 86,828 | -1,361 | -1.6% | 159,022 | 169,668 | +6.7% |
| (Japan) | | (40,697) | (42,431) | (-1,734) | (-4.1%) | (81,750) | (81,258) | (-0.6%) |
| (Asia) | | (40,677) | (39,536) | (+1,141) | (+2.9%) | (68,391) | (80,985) | (+18.4%) |
| (Americas) | | (2,156) | (1,898) | (+258) | (+13.6%) | (3,207) | (3,648) | (+13.7%) |
| (Europe) | | (1,935) | (2,962) | (-1,027) | (-34.7%) | (5,672) | (3,776) | (-33.4%) |
| Discrete semiconductor devices | | 74,836 | 76,506 | -1,670 | -2.2% | 141,787 | 147,133 | +3.8% |
| (Japan) | | (26,029) | (28,118) | (-2,089) | (-7.4%) | (53,345) | (51,369) | (-3.7%) |
| (Asia) | | (41,907) | (40,401) | (+1,506) | (+3.7%) | (74,000) | (82,511) | (+11.5%) |
| (Americas) | | (3,464) | (3,803) | (-339) | (-8.9%) | (6,811) | (6,660) | (-2.2%) |
| (Europe) | | (3,436) | (4,183) | (-747) | (-17.9%) | (7,629) | (6,592) | (-13.6%) |
| Passive components | | 12,127 | 12,445 | -318 | -2.6% | 23,610 | 24,437 | +3.5% |
| (Japan) | | (3,715) | (4,367) | (-652) | (-14.9%) | (8,446) | (7,730) | (-8.5%) |
| (Asia) | | (6,032) | (5,512) | (+520) | (+9.4%) | (10,510) | (12,113) | (+15.2%) |
| (Americas) | | (964) | (964) | (+0) | (+0.0%) | (1,612) | (1,550) | (-3.9%) |
| (Europe) | | (1,415) | (1,601) | (-186) | (-11.6%) | (3,040) | (3,042) | (+0.0%) |
| Displays | | 20,602 | 24,630 | -4,028 | -16.4% | 44,603 | 40,761 | -8.6% |
| (Japan) | | (6,661) | (10,854) | (-4,193) | (-38.6%) | (18,308) | (13,723) | (-25.0%) |
| (Asia) | | (11,439) | (11,153) | (+286) | (+2.6%) | (21,257) | (21,645) | (+1.8%) |
| (Americas) | | (1,154) | (1,239) | (-85) | (-6.8%) | (2,359) | (2,163) | (-8.3%) |
| (Europe) | | (1,346) | (1,383) | (-37) | (-2.7%) | (2,678) | (3,230) | (+20.6%) |

Sales by application

| | | | | | | |
|--------------------|---|------|------|------|--|------|
| Visual | % | 7.7 | 7.4 | +0.3 | | 7.2 |
| Audio | | 11.8 | 13.5 | -1.7 | | 12.4 |
| Home appliance | | 2.2 | 2.1 | +0.1 | | 2.3 |
| Other consumer | | 4.8 | 5.4 | -0.6 | | 5.3 |
| Computer and OA | | 22.1 | 21.2 | +0.9 | | 21.8 |
| Telecommunications | | 17.0 | 16.0 | +1.0 | | 16.9 |
| Automotive | | 5.1 | 4.6 | +0.5 | | 4.9 |
| Other industrial | | 1.4 | 1.3 | +0.1 | | 1.5 |
| Subassemblies | | 13.9 | 13.6 | +0.3 | | 13.3 |
| Others | | 14.0 | 14.9 | -0.9 | | 14.4 |

Capital expenditures by product category

| | | | | | | | | |
|--------------------------------|-----------------|--------|--------|--------|--------|--------|--------|--------|
| Integrated circuits | Millions of yen | 14,164 | 15,070 | -906 | -6.0% | 38,295 | 45,000 | +17.5% |
| Discrete semiconductor devices | | 9,115 | 13,363 | -4,248 | -31.8% | 22,052 | 24,500 | +11.1% |
| Passive components | | 823 | 843 | -20 | -2.4% | 1,689 | 2,500 | +48.0% |
| Displays | | 2,346 | 2,967 | -621 | -21.0% | 6,779 | 4,500 | -33.6% |
| Others | | 4,807 | 3,323 | +1,484 | +44.6% | 16,353 | 10,500 | -35.8% |

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, 2005 |
|--|-------------------|----------------------------|----------------------------|---|------------|------------------|---------------------|--|
| | | Mar. 31, 2006 | Mar. 31, 2005 | ended Sept. 30, 2004 | | Mar. 31, 2005 | Mar. 31, 2006 | |
| | | First six months Actual | First six months Actual | Amount | Percentage | Annual Actual | Annual Projected | |
| Net sales | Millions of yen | 178,590 | 186,105 | -7,515 | -4.0% | 342,450 | 359,000 | +4.8% |
| Operating income | Millions of yen | 10,355 | 22,031 | -11,676 | -53.0% | 23,050 | 21,000 | -8.9% |
| (Operating income margin) | | (5.8%) | (11.8%) | (-6.0%) | | (6.7%) | (5.8%) | |
| Ordinary income | Millions of yen | 21,576 | 50,842 | -29,266 | -57.6% | 51,257 | 33,000 | -35.6% |
| (Ordinary income margin) | | (12.1%) | (27.3%) | (-15.2%) | | (15.0%) | (9.2%) | |
| Net income | Millions of yen | 15,861 | 38,194 | -22,333 | -58.5% | 39,872 | 24,000 | -39.8% |
| (Net income margin) | | (8.9%) | (20.5%) | (-11.6%) | | (11.6%) | (6.7%) | |
| Basic net income per share | Yen | 136.71 | 321.56 | -184.85 | -57.5% | 336.25 | 206.97 | |
| Return on equity | % | | | | | 7.9 | | |
| Ordinary income to total assets | % | | | | | 8.4 | | |
| Total assets | Millions of yen | 613,092 | 655,125 | -42,033 | -6.4% | 610,135 | | |
| Shareholders' equity | Millions of yen | 509,441 | 531,075 | -21,634 | -4.1% | 507,455 | | |
| Shareholders' equity ratio | % | 83.1 | 81.1 | +2.0 | | 83.2 | | |
| Shareholders' equity per share | Yen | 4,396.04 | 4,471.10 | -75.06 | -1.7% | 4,342.71 | | |
| Interim cash dividends | Yen | 45.0 | 42.5 | +2.5 | | | | |
| (Annual cash dividends) | (Yen) | | | | | (85.0) | (90.0) | |
| Capital expenditures | Millions of yen | 4,918 | 4,954 | -36 | -0.7% | 20,699 | 11,500 | -44.4% |
| Depreciation (Tangible fixed assets) | Millions of yen | 3,399 | 4,159 | -760 | -18.3% | 9,642 | 7,500 | -22.2% |
| Net financial revenue | | | | | | | | |
| (Interest income) | (Millions of yen) | (963) | (718) | (+245) | (+34.0%) | (1,616) | | |
| (Dividend income) | (Millions of yen) | (6,816) | (23,892) | (-17,076) | (-71.5%) | (23,909) | | |
| Total | Millions of yen | 7,779 | 24,610 | -16,831 | -68.4% | 25,525 | | |
| Foreign currency exchange gains/losses | Millions of yen | (gain)2,417 | (gain)3,139 | (loss) 722 | -23.0% | (gain)1,101 | | |
| Number of employees | | 3,416 | 3,292 | +124 | +3.8% | 3,293 | | |
| Number of shareholders | | 26,998 | 23,676 | +3,322 | +14.0% | 26,773 | | |
| Financial institution shareholding ratio | % | 26.69 | 34.21 | -7.52 | | 30.24 | | |
| Foreign shareholding ratio | % | 50.15 | 47.18 | +2.97 | | 48.71 | | |

Consolidated Interim Financial Report for Fiscal Year Ending March 31, 2006



November 9, 2005

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: Group General Manager

Name: Eiichi Sasayama

TEL (075) 311 - 2121

Date of Board of Directors meeting for approval of financial statements: November 9, 2005

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

1. Consolidated Business Results for the Six-month Period Ended September 30, 2005 (From April 1, 2005 to September 30, 2005)

(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, 2005 | 193,033 | -3.7 | 34,366 | -36.4 | 40,461 | -31.1 |
| Six months ended September 30, 2004 | 200,411 | 10.1 | 54,015 | 6.7 | 58,695 | 24.9 |
| Year ended March 31, 2005 | 369,023 | | 76,054 | | 79,320 | |

| | Net income | | Basic net income per share | Diluted net income per share |
|-------------------------------------|-----------------|-------|----------------------------|------------------------------|
| | Millions of yen | % | yen | yen |
| Six months ended September 30, 2005 | 24,238 | -34.0 | 208.91 | - |
| Six months ended September 30, 2004 | 36,733 | 37.0 | 309.25 | - |
| Year ended March 31, 2005 | 45,135 | | 380.22 | - |

(Notes) (i) Equity in income (losses) Six months ended Sept. 30, 2005: -2 million yen Six months ended Sept. 30, 2004: 5 million yen
Year ended Mar. 31, 2005: 1 million yen

(ii) Average number of shares outstanding (consolidated) Six months ended Sept. 30, 2005: 116,024,848 shares
Six months ended Sept. 30, 2004: 118,780,714 shares Year ended Mar. 31, 2005: 118,561,981 shares

(iii) Change in accounting policies: Yes

(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, 2005 | 892,459 | 756,465 | 84.8 | 6,527.65 |
| Six months ended September 30, 2004 | 903,696 | 757,090 | 83.8 | 6,373.91 |
| Year ended March 31, 2005 | 867,322 | 739,329 | 85.2 | 6,326.64 |

(Note) Number of shares outstanding (consolidated) at end of term Six months ended Sept. 30, 2005: 115,886,475 shares
Six months ended Sept. 30, 2004: 118,779,579 shares Year ended Mar. 31, 2005: 116,850,835 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, 2005 | 44,137 | -36,504 | -15,074 | 288,984 |
| Six months ended September 30, 2004 | 56,866 | -43,515 | -5,074 | 325,868 |
| Year ended March 31, 2005 | 91,919 | -87,429 | -30,037 | 288,974 |

(4) Scope of consolidation and application of equity method

Number of consolidated subsidiaries: 44 Number of non-consolidated subsidiaries accounted for by equity method: None
Number of associated companies accounted for by equity method: 2

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

Companies newly consolidated: None Companies excluded from consolidation: 3

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

2. Consolidated Business Results Forecast for Fiscal 2006 (From April 1, 2005 to March 31, 2006)

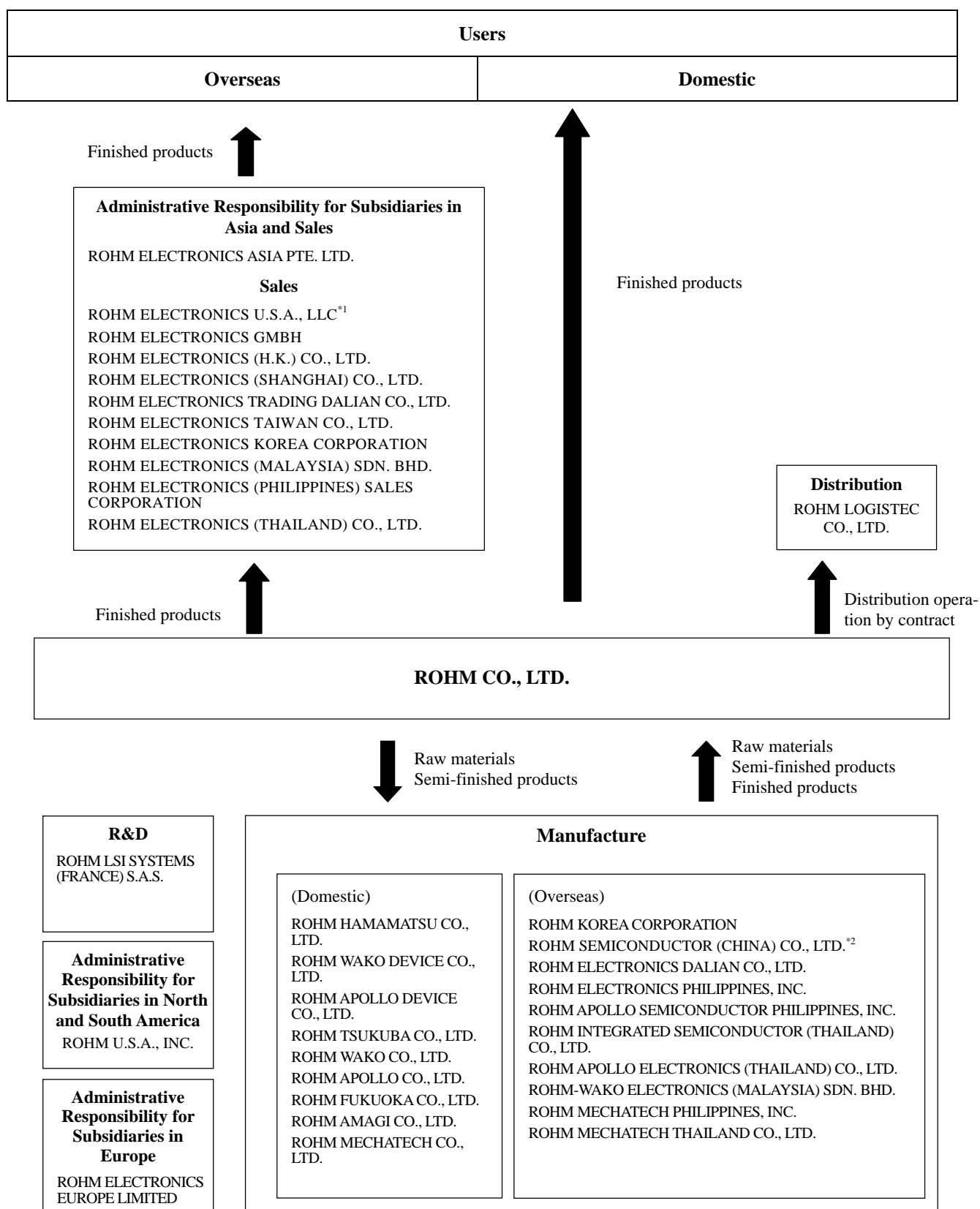
| | Net sales | Ordinary income | Net income |
|-------------|-----------------|-----------------|-----------------|
| | Millions of yen | Millions of yen | Millions of yen |
| Fiscal 2006 | 382,000 | 72,000 | 44,000 |

(Note) Projected net income per share for the year ending March 31, 2006: 379.44 yen

* 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 9 to 10 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., 44 consolidated subsidiaries (13 in Japan and 31 outside Japan) and 2 associated companies (1 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.



*1 ROHM LSI SYSTEMS U.S.A., LLC was absorbed by ROHM ELECTRONICS U.S.A., LLC in April 2005.

*2 ROHM ELECTRONICS WAKO (TIANJIN) CO., LTD. and ROHM ELECTRONICS COMPONENTS (TIANJIN) CO., LTD. merged with ROHM IC DESIGN (TIANJIN) CO., LTD. to become ROHM SEMICONDUCTOR (CHINA) CO., LTD. in April 2005.

Management Policies

Basic Management Policy

ROHM believes that it must allocate the added values produced by the Company, in appropriate proportions, to all its stakeholders, including shareholders, employees, and local communities, as well as to the retained earnings for business investment to help make the Company more competitive. Thus ROHM regards it essential to obtain the understanding and cooperation of all its stakeholders to create long-lasting, extensive corporate values under continuous improvement. ROHM thereby intends to make its shares more attractive to investors, and this is one of the Company's highest priorities in management.

Accordingly, ROHM is committed to developing products that will become market leaders worldwide. One result is high-value-added system LSI chips for digital information appliances, mobile electronic equipment, automotive components, and similar products expected to grow in demand. Another is optical devices, which also have great potential for growth. Furthermore, ROHM seeks as a basic policy the enhancement of cost competitiveness through the best use of its distinctive production technologies, and will continue to lead the world's electronic component market.

Basic Policy on Distribution of Profits

Regarding profit distribution to shareholders, ROHM will make efforts to live up to shareholders' expectations in comprehensive consideration of various factors, including business performance, financial standing, and expected demand for funds to improve corporate value through business investment. More specifically, the Company intends to improve the total return ratio by keeping the dividend rate consecutive in consideration of the consolidated dividend payout ratio, while implementing flexible return-improvement measures such as treasury-stock purchasing in light of cash-flow conditions.

For ROHM to sustain its growth and improve its performance in the semiconductor industry, the market for which is expected to grow in the medium to long term, it is indispensable to have product development capabilities outstripping other manufacturers and to enhance cost competitiveness. With the accelerated sophistication of development and manufacturing technologies, which serve as core factors in such competition, funds needed for investment in R&D and production facilities in the Company's core business areas; mainly, semiconductors and optical devices, are increasing each year. ROHM considers that to make appropriate and prompt investment aimed at maintaining and strengthening its international competitiveness and growth potential in a semiconductor industry that is undergoing drastic changes, it is vital, in terms of management, to maintain ample funds in reserve. Specifically, the Company considers that it will be increasingly necessary to make large-scale investment in the construction of production lines for large-diameter 300 mm wafers, 90 nm or smaller ultra-fine processes, and optical devices. ROHM intends to use retained earnings effectively to improve the Company's corporate value over the medium to long term, as well as to tie up with or acquire Japanese and overseas companies, expecting synergy effects in our business.

Policy on Changes in Minimum Trading Lot Size

ROHM reduced the minimum trading lot size of its shares from 1,000 to 100. We consider that the change has produced positive results because the number of shareholders has increased rapidly since then.

Regarding a further reduction in the minimum trading lot size, we intend to make a decision after carefully examining the factors concerned, including cost-benefit performance and the liquidity of shares.

Referenced Corporate Performance Indexes

ROHM is extending efforts to ensure profits by undertaking various new measures and continuing to strengthen existing ones, including the development of new products and the reinforcement of sales operations. We attach importance to indexes representing the rate of return, such as EBITDA*, as well as asset turnover ratio and business investment efficiency.

* EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization)

An index obtained by adding interest expenses and depreciation to income before income taxes and minority interests. This index is commonly used to compare corporate earnings internationally.

Medium- to Long-term Corporate Strategies

Although the electronics market is expected to expand over the medium to long term in parallel with the emergence of a highly sophisticated information society, international competition is becoming increasingly intense amid growing fluctuation in the demand for electronic components, which encourages a realignment of the industry and a 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 a strengthening of service and technical support systems for customers. ROHM attaches overriding importance to the integrated development-production system, development of custom-designed products, and quality, as well as persistent efforts to formulate and implement measures in these respects.

Specifically, ROHM will increase R&D personnel and reinforce the corporate operations handling of digital technologies and digital-analog integration technologies. Taking advantage of its original REAL SOCKET design system, which enables the development of complicated high-performance system LSI chips, and its REAL PLATFORM, which slashes design lead time and speeds up the development of system LSI chips, ROHM intends to satisfy various customer needs, especially in the digital home appliance market and the information and communications equipment market, both of which demand larger-scale and higher-performance system LSI chips in a shorter lead time. We are also committed to the development of optical devices, including laser diodes—an area expected to grow rapidly in the markets of next-generation high-density optical discs and optical communications technologies; LEDs that use zinc oxide as the main material; and organic electroluminescence displays, which are attracting attention as next-generation displays. Furthermore, we intend to upgrade our high-quality, high-reliability product lines to satisfy needs from the automobile industry, which is increasingly incorporating electronics.

ROHM runs the Yokohama Technology Center, Optical Device Research Center, and LSI Test Technology Center, all of which operate as corporate bases for technological-reinforcement efforts to provide customers with better support services and to reinforce the in-house R&D system for further growth.

To contribute to the development of next-generation technologies, ROHM is actively involved in a wide range of joint R&D projects. These projects include comprehensive industrial-academic collaboration alliances with Kyoto University and other leading institutions and joint efforts with the Semiconductor Industry Research Institute Japan, which is a think tank for the Japanese semiconductor industry. ROHM is also a member of Japanese national leading-edge R&D projects, which integrate the wisdom of academic, industrial, and governmental circles. Moreover, ROHM promotes partnerships with other companies wherever necessary to complement its technologies, thus improving the efficiency of R&D activities.

Regarding its corporate production system, ROHM is aggressively committed to improving cost competitiveness and reinforcing the corporate supply system for sales worldwide. Specifically, concerning the front-end process of semiconductor production, the Company is committed to adopting larger-diameter wafer processes, such as 300 mm wafers, and ultra-fine process technologies. Concerning the back-end process, ROHM is upgrading overseas plants, including those in Thailand, the Philippines, and China, and aggressively shifting production to them. We intend to use our existing domestic plants as the mother plants for the production network of the entire ROHM Group to continuously accumulate production technologies. These technologies established by our domestic plants will then be transferred to the overseas plants, enabling them to manufacture and supply ROHM's high-quality products throughout the world.

Focusing on quality first and foremost not only in manufacturing operations, but also in technological operations, such as LSI chip design and manufacturing technology development, ROHM will continue to promote company-wide efforts to enhance the reliability of its products. ROHM intends to make further attempts to develop products that will overwhelm those of competitors in quality and reliability by proactively committing itself to internally producing more components, such as wafers, photo-masks, and lead frames. The Company also intends to further reduce lead time, thus improving its international competitiveness.

Moreover, ROHM plans to strengthen its sales and technical support operations in Asia, especially in China, with new sales bases and design centers that will expand market share in the growing global markets. Continued efforts will be made to achieve more-efficient management and swifter decision making by restructuring and streamlining cooperative organizations within and outside of Japan.

To contribute to environmental conservation, the ROHM Group as a whole is committed to establishing an environmental management system based on ISO 14001 standards, aiming to develop low-consumption products that will contribute to the saving of energy. At all ROHM production bases in Japan and overseas, the Company is also continuously committed to achieving zero emissions through the promotion of waste recycling and to increasing green procurement and supply. ROHM is also proactively involved in a tree-planting project as part of the fight against global warming. Leading the industry, ROHM has already completed the actions necessary to satisfy the RoHS Directive, the environment conservation regulations that will take effect in 2006 in Europe. ROHM is expending utmost efforts to be friendly to the global environment throughout its business activities.

Priority Issues

Although the electronic industry is expected to grow in the medium to long term as a result of the growing demand for digital home information appliances and the increasing application of electronic technologies in automobiles, technological competition and price wars are also expected to intensify continuously on a global scale. Therefore it is becoming increasingly necessary to constantly supply internationally competitive products to the market through sustained activities to develop innovative, high-quality products and technologies and by thorough cost reduction.

Under these circumstances, the ROHM Group is improving its business performance through the development of high-value-added products and technologies in anticipation of future customer needs, the improvement of quality and reliability, the reinforcement of production and marketing systems, and the thorough streamlining and cost-reduction attempts throughout the entire Group.

Basic Policies and Measures for Corporate Governance

(1) Basic policy concerning corporate governance

It is imperative that corporate governance functions effectively today. Under such circumstances, the Company believes that corporate management and actions should be fair, unbiased, and transparent, based on the idea that a company is an entity supported by all the stakeholders, including shareholders, customers, local communities, and employees. In this respect, we regard the establishment of corporate governance as an extremely important issue.

Based on the above understanding, ROHM performs various actions, giving top priority to the improvement of its corporate value, in consideration of its stakeholders.

(2) Updates on the performance of corporate governance-related actions

In the semiconductor industry, the conditions surrounding corporate management change frequently. At ROHM, the Directors, who are well informed of the Company's businesses and technologies, have executive power and supervise one another because ROHM believes that under such severe business conditions, this flexible and effective management system is the most effective. As the function supervising ROHM's managerial execution, ROHM retains the conventional auditor system, based on the idea that the supervision of managerial execution functions sufficiently by strengthening and reinforcing the corporate-auditor-performed audit system.

For the Board of Directors to have sufficient discussion and to make adequate and swift decisions, the Board is proper in size, which enhances its function. (All directors are members of the Company.)

Concerning the supervision of managerial execution, we have five corporate auditors, and none is a Company member, thus reinforcing auditing functions. The auditors are committed to building a fair management supervision system through legally stipulated audits.

For the internal control system, ROHM has the Internal Audit Department, which is directly supervised by the President, in addition to the corporate auditors. The Division has three members, one of whom functions as its head. It audits individual in-house divisions to check for operational compliance with in-house rules and regulations, thereby ensuring that corporate governance is followed throughout the company. Concerning the timely disclosure of corporate information, we direct all the divisions of the Company and affiliated companies to control information comprehensively, based on in-house regulations (such as insider-trading prevention control regulations and confidential information control regulations). We also distribute action guidelines to company employees and hold in-house lectures, thus educating and making employees informed, thereby ensuring proper information control and timely and adequate information disclosure. Regarding financial reporting, we practice strict control activities to ensure fairness. More specifically, asset securities reports and semiannual reports need to obtain written in-house approvals by the person responsible for the divisions involved in the preparation of these reports, as well as by the person senior to the one responsible for the divisions. Furthermore, the Internal Audit Department audits the written internal approvals to ensure their fairness.

ROHM's auditing procedures specify that the corporate auditors attend major managerial meetings, such as those of the Board of Directors, and that the corporate auditors and the Internal Audit Department audit the individual divisions of the Head Office and domestic and overseas affiliates by holding meetings with those in their managerial positions and inspecting documents and reports. ROHM thus audits its corporate operations from every angle, ensuring that the Directors perform their duties in compliance with the laws, that the Group's internal control system is well prepared and working, that in-house regulations are compliant, and that its assets are sound.

For internal audits, audits of corporate auditors, and accounting audits, the corporate auditors, the Internal Audit Department, and the accounting auditors have reporting meetings regularly and exchange information

and opinions proactively by continuously maintaining close cooperation and association with each other, thus sharing the information they obtain by their respective auditing operations and enhancing auditing accuracy and improving auditing operation effectively.

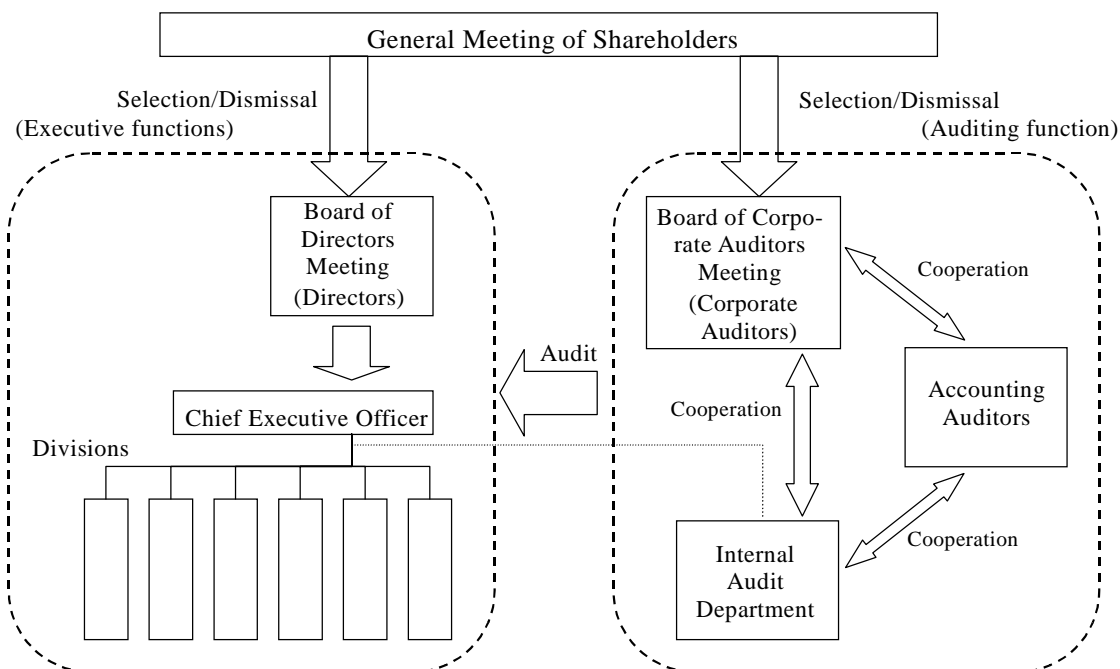
Concerning accounting audits, ROHM is under contract with auditing organization Deloitte Touche Tohmatsu, and has its accounting audited based on the commercial laws of special applicability and on the Securities Exchange Act. ROHM has an established environment where the Deloitte organization can perform audits from a fair, unbiased position as an independent third party.

Concerning risk control, individual corporate organizations take measures to suit the characteristics of the risks each may confront. Committees are established to deal with certain risks that require professional knowledge to preclude the risks or to minimize their influence.

ROHM is also proactively committed to disclose information to ensure fair and transparent management. A wide range of information disclosure initiatives are carried out by the Company in this regard, including the holding of information sessions for research analysts, fund managers, and other institutional investors and the disclosure of financial information on the Internet.

ROHM is also committed to carrying out its social responsibilities for sustainable development as a corporate citizen. Specifically, the Company is performing various activities, such as donations of research equipment to universities and proactive involvement in local community activities, to retain and improve good relationships with society and the communities.

<ROHM Corporate Governance System>



- (3) Personal relations, capital relations, business relations, and other relations of interest among the Company, the outside board members of the Company, and the outside corporate auditors

As mentioned previously, we have no outside board members. The five outside corporate auditors have no personal or business relationships with the Company that might influence the independency of the audits.

- (4) Efforts during the past year to improve the Company's corporate governance

As part of continuing efforts to improve corporate governance, the Company committed itself to educational activities for the improvement of corporate morale. To be more specific, we established a Privacy Policy in response to the enforcement of the Law concerning the Protection of Personal Information and have been actively engaged in the improvement and reinforcement of corporate organization in regards to the control of information. Concerning the laws applicable to the internal control of financial reporting, we have established a project team to create an adequate corporate system, thus reinforcing our commitment to internal control.

Operating Results and Financial Status

1. Operating Results

(1) Review for the Six-month Period Ended September 30, 2005

Overall review of results of operations

In the six-month period ended September 30, 2005, the world economy remained firm in general because of continued brisk consumer spending in many countries, including the United States, though adversely influenced by some negative factors such as a crude-oil price surge and natural disasters. The Japanese economy showed signs of a modest recovery, with steady continuation of consumer spending and capital investment.

In the electronic component industry, the market of consumer appliances was partially brisk while sluggish in some other areas. The demand for electronic components for a limited variety of digital audio-visual equipment such as thin TVs was buoyant. The demand for conventional audio-visual equipment, such as portable CD players, remained stagnant. Compared with the previous year, when the market was favorably influenced by demand generated by the Athens Olympic Games, the consumer appliance market as a whole was sluggish, partially due to a general slowdown in spring. The production of personal computers—especially notebook computers—remained firm, but the market was adversely influenced by a decline in sales prices. The mobile-phone market was favorably influenced by production increase in the global market, by the spread of third-generation mobile phones and their advanced functions.

Regarding individual regions, thin profile TV sets and related products sold well in Japan, but the mobile phone and personal computer markets were stagnant. In Asia, the markets generally remained firm because plasma TVs, portable music players, and similar products experienced good sales figures, but the market for conventional audio-visual equipment, such as portable CD players, continued the slow pace. In Europe and the Americas, the markets generally remained stagnant, adversely influenced by the sluggish car sales of some US automobile manufacturers and by a slowdown in the demand for mobile phones.

Under these circumstances, the ROHM Group was continuously committed to streamlining manufacturing process lines and realizing more-efficient capital investment as it poured efforts into research and development for new products. It was also committed to reinforcing sales operations and customer-support operations. Concerning manufacturing process lines, the Company pushed forward with the plan to manufacture products entirely in-house, including wafers, as it constantly expanded the 300 mm wafer process. ROHM completed a new plant in Dalian, China, and began transferring the production of module-related products from plants in Japan to the new plant. The Group also continued to shift production from Japan to conventional overseas plants in Thailand, the Philippines, and China. At the same time, activities were undertaken to develop various system LSI chips for mobile phones and digital audiovisual equipment, as their markets are expected to grow further. We also increased the product line-up and production capacity of MOS FETs^{*1} and other power devices^{*2} along with miniaturized and thin-packaged devices. To expand sales and customer support operations, new sales bases were built within and outside of Japan along with new design centers overseas, creating a corporate system strengthened by technical support operations and close communication with customers.

Due to these efforts, ROHM's consolidated results for the six-month period ended September 30, 2005, were as follows: sales decreased 3.7%, to ¥193.033 billion, from the same period of the previous year, and ordinary income and net income were down 31.1% and 34.0%, to ¥40.461 billion and ¥24.238 billion, respectively, from the same period a year ago.

^{*1} MOS FET

Metal-oxide semiconductor field-effect transistor, featuring low power dissipation.

^{*2} Power device

A semiconductor used to control high currents and high voltages. Power devices with higher efficiency and less heat production are considered desirable.

Divisional review of the results of operations

<Integrated circuits>

ROHM's sales of integrated circuits for the six-month period ended September 30, 2005, decreased 1.6%, to ¥85.467 billion, compared with the same period of the previous year.

In the market of home appliances, the sales of new products increased for application in digital audio-visual equipment, including various LSI chips for thin panels, such as LCD TVs, and audio-related LSI chips for portable music players provided with hard disks or flash memories. On the other hand, the sales of products for conventional audiovisual equipment, such as portable CD players, were extremely slow.

In the mobile phone market, the sales of LCD driver LSI chips for overseas markets and various power-supply LSI chips and MSDL transceiver LSI chips^{*3} for Japanese third-generation mobile phones all increased.

In the area of general-purpose LSI chips, the sales of EEPROM^{*4}, which thanks to our original double-cell (W-CELL) system achieves high reliability levels, delivered continued strength.

In production operations, we continued activities to perform a greater part of front-end processing in-house. Activities such as the production of wafers, photo-masks^{*5}, and lead frames^{*6}. We started mass production in the 300 mm wafer process, while committing the Company to ultra-thin technologies, aiming to develop the 65 nm process, which is the leading technology in the industry. For the back-end process, we reinforced overseas production operations and enriched the line-ups of miniaturized-package and thin-package devices for mobile phones.

Regarding module products, the sales of IrDA^{*7} communication modules for mobile phones stayed brisk. We made attempts to reduce costs by transferring production to China and other countries.

^{*3} MSDL transceiver LSI chips

Using ROHM's original technologies, this LSI chip enables high-speed data transmission through a decreased number of wires at the hinge of folding mobile phones at low EMI* and low power dissipation. (* EMI: electromagnetic interference, caused by electromagnetic noise emitted from electronic components)

^{*4} EEPROM

This is short for *electrically erasable programmable read-only memory*, on which data can be electrically rewritten repeatedly. Used in many electric products including personal computers, TVs, and automobiles.

^{*5} Photomask

A glass plate used to transfer LSI circuit patterns onto silicon wafers.

^{*6} Lead frame

Frame components, such as pins, for connection between the silicon chips sealed in a package and the board.

^{*7} IrDA

An Infrared Data Association communications standard commonly used in notebook computers and mobile phones

<Discrete semiconductor devices>

ROHM's sales of discrete semiconductor devices for the six-month period ended September 30, 2005, decreased 2.2%, to ¥74.836 billion, compared with the same period of the previous year.

For transistors and diodes, we worked to increase the sales of power devices for use in digital audiovisual equipment, as an example. The sales of MOS FETs and power diodes remained brisk for applications mostly used in the various power supplies of mobile equipment. However, the sales of small-signal transistors and diodes were extremely severe, influenced by a price decline and sluggish demand.

Nonetheless the sales of high-power laser diodes for writing on CDs remained brisk for use in personal computers. On the other hand, the sales of CD/DVD read laser diodes were adversely influenced by a stagnant market.

For LEDs, the sales of blue-and-white LEDs grew mainly for use in mobile phones.

For production operations, we tried to increase the capacity of power devices, such as MOS FETs and laser diodes, whose demands are expected to grow further. We also made cost-reduction efforts by continually shifting production to overseas plants.

<Passive components>

ROHM's sales of passive components for the six-month period ended September 30, 2005, decreased 2.6%, to ¥12.127 billion, compared with the same period of the previous year.

In overseas markets, competition became more intense. Under these severe market conditions, we obtained an increased number of orders for low-resistance resistors, ultra-miniature products such as 0603 size products, multiple combination products, and large-capacity products. Moreover, the sales of miniaturized, high-capacity tantalum capacitors increased for use in compact portable equipment, such as mobile phones and notebook computers.

In production operations, we continued to transfer production to overseas plants as one way of cost efficiency while streamlining production and distribution operations.

<Displays>

ROHM's sales of displays for the six-month period ended September 30, 2005, decreased 16.4%, to ¥20.602 billion, compared with the same period of the previous year.

The sales of image sensor heads for multifunction printers^{*8}, and printheads for miniaturized printers, including POS (Point-of-Sale) systems, continued brisk results.

In regard to LED displays, however, product orders for large dot-matrix-type displays decreased. Sales were influenced by increasingly fierce price competition.

The sales of LCD modules were severe because of sales adjustments in the mobile-phone market in some parts of Asia, including China. Sales of camera modules slowed, resulting from an influence by rapid price declines.

For production operations, we continued attempts to reduce costs in production operations by transferring production to the new plant in Dalian, China.

^{*8} Multifunction printer

A printer capable of performing multiple functions besides printing, such as copying, faxing, and scanning

Distribution of profits for the six-month period ended September 30, 2005

Concerning the distribution of profits for the six-month period ended September 30, 2005, in consideration of the business performance during the six-month period and of future capital needs ROHM will pay a dividend of 45.00 Japanese yen per share as planned at the beginning of the period,.

At the annual meeting of shareholders held on June 29, 2005, a proposal passed to allow ROHM to purchase its common stock of up to 1.5 million common shares or a maximum of ¥15 billion in appraisal value as treasury stock, during the period between the end of the meeting and the end of the next meeting, based on the provisions of Article 210 of the Commercial Law.

(2) Forecast for the Fiscal Year Ending March 31, 2006

Overall Business Result Outlook for Fiscal 2006

Currently the world economy is at a solid state; however, we cannot be optimistic about the future: the price of crude oil is soaring, the European economy shows no strong signs of recovery, the Chinese economy has slowed down, and consumer spending in the U.S. is expected to be influenced by damages from heavy hurricanes that hit the country. In the electronic component industry, expectations are high for a substantial expansion of the market of digital audiovisual equipment, including thin TVs. Concerns are that price competition will continue to be intense and that the market may enter an adjustment period after autumn when the demand for products during the year-end shopping season has settled down.

Under these circumstances, ROHM intends to continue developing high-value-added products, including high-performance system LSI chips and other miniaturized, high-reliability power discrete products. We continue to target the information and communications equipment market in applications such as mobile phones; the digital audiovisual equipment market, including plasma TVs; and the automobile-related market that is expected to adopt more electronic content. We will also continue our commitment to improving quality and reliability and to reinforcing sales and technical support operations, such as customer support services in Japan and elsewhere, while streamlining corporate operations across the board and making cost-reduction efforts.

At the same time ROHM will expand its participation in environmental conservation, conducting environment-friendly business activities.

Consolidated forecast for the fiscal year 2006 is as follows:

Net sales: 382,000 million yen (up 3.5% over the previous year)

Ordinary income: 72,000 million yen (down 9.2% from the previous year)

Net income: 44,000 million yen (down 2.5% from the previous year)

The consolidated divisional sales forecast is given below.

| | |
|--------------------------------|---|
| Integrated circuits | 169,600 million yen (6.7% up from previous year) |
| Discrete semiconductor devices | 147,100 million yen (3.8% up from previous year) |
| Passive components | 24,400 million yen (3.5% up from previous year) |
| Displays | 40,700 million yen (8.6% down from previous year) |

The actual period-end exchange rate of ¥109.40 to US\$1 is used for the first half year, and the predicted rate of ¥110.00 to US\$1 for the second half.

Distribution of profits for fiscal 2006

The Company plans to pay dividends of ¥90.00 per share for the fiscal year 2006, in consideration of the business performance during fiscal 2006, ending March 31, 2006, expected demand for funds, and other factors.

2. Analysis of Financial Status and Operating Results

For the six-month period ended September 30, 2005, the total assets amounted to ¥892.459 billion, up ¥25.137 billion over the fiscal year ended on March 31, 2005, because of increases in trade notes and accounts receivable, by ¥10.285 billion; in inventory, by ¥5.841 billion; and in tangible fixed assets, by ¥8.086 billion.

The trade notes and accounts receivable increased over the previous six-month period ended on March 31, 2005, because compared with the previous six-month period, sales in this period were relatively steady. Tangible fixed assets increased because ROHM vigorously invested in facilities related to 300 mm wafer processing and in overseas manufacturing subsidiaries.

Liabilities amounted to ¥135.661 billion, up ¥8.009 billion over the end of the fiscal year on March 31, 2005. Although accounts payable decreased ¥6.751 billion, this rise in liabilities developed because of offsetting increases: deferred tax liability (fixed), ¥8.114 billion; notes and accounts payable, ¥3.791 billion; and other current liabilities such as accrued expenses, ¥2.034 billion.

The deferred tax liability (fixed) increased as a result of growth in the accumulated earnings of overseas subsidiaries. The notes and accounts payable increased because of an accrual in the procurement of materials, and the increase in other current liabilities is attributed mainly to the growth of personnel costs and patent-related costs. The accounts payable decreased because the amounts payable related to facilities were reduced by way of a large repayment. These facilities had temporarily expanded at fiscal year end.

The shareholders' equity in this six-month period increased to ¥756.465 billion, up ¥17.136 billion over the end of the fiscal year ended March 31, 2005. The major increase factors: retained earnings increased ¥19.221 billion and the foreign currency translation adjustment account amounted to an increase of ¥6.837 billion. A decrease factor was a ¥10.107 billion increase in treasury stock.

These changes resulted in a decrease of the ratio of shareholders' equity to 84.8%, down from 85.2%, as of the end of the 2005 fiscal year.

The status of cash flow for the six-month period ended September 30, 2005, is as follows:

The cash flow provided by operating activities decreased ¥12.729 billion from the same six-month period of the previous year, primarily because the interim income before income taxes and minority interests decreased ¥21.131 billion and the cash inflow provided by notes and accounts receivable increased by ¥8.572 billion.

The cash flow provided by investment activities increased ¥7.011 billion over the same six-month period of the previous year, chiefly because of an increase of ¥22.350 billion mainly resulting from the acquisition and sales of securities and investment securities, a decrease of ¥12.384 billion because of changes in the amounts of increase and/or decrease of time deposits, and a decrease of ¥2.666 billion because of an increase in expenses resulting from the acquisition of tangible fixed assets.

The cash flow provided by financing activities decreased ¥10 billion from the same six-month period of the previous year, mainly because of a ¥10.082 billion increase of expenses resulting from the acquisition of treasury stock.

3. Risks Concerning the Company's Businesses

The following are the risks that may have a great impact on the Company's financial status and operating results:

(1) Risks Associated with Market Changes

The semiconductor industry and the electronic component industry are subject to rapid, abrupt changes in market conditions as end product manufacturers may adjust production according to the sales conditions of electronic products, price competition, and technology development with rival companies. Pricing is especially susceptible to a sudden drop because of such factors as the supply-demand relationship and price competition with emerging Southeast Asian manufacturers. These may work as instability factors in maintaining or increasing sales and ensuring profits.

(2) Exchange Risks

ROHM has development bases, manufacturing bases, and sales bases around the world. The values in the financial statements prepared in local currencies are converted into Japanese yen to prepare the consolidated financial statement. Therefore even if a value in a local currency remains the same, the profits and losses on the consolidated financial statement may be different because of the exchange rates at the time of translation.

The ROHM Group manufactures products in Japan and other Asian countries and sells them in Japan, other Asian countries, the Americas, and Europe. Because different currencies are used between production bases and sales offices, our business performance is continuously influenced by exchange-rate fluctuations. Generally a strong Japanese yen adversely influences our business performance, but a weak yen works favorably on it.

(3) Risks of Product Defects

The Company persistently places top priority on quality, as stated in the Company Mission, and production is constantly under severe quality control. However, this does not guarantee that we never produce defective products or that we will never be liable to pay for product losses by a buyer. Therefore if a buyer makes a claim for losses due to ROHM products, business performance may be adversely influenced.

(4) Legal Risks

To manufacture products distinguished from the products of other companies, we regularly develop new technologies and know-how and produce and sell products worldwide based on these original technologies. We have a specialized division that strictly supervises in-house activities to ensure that the technologies and expertise the Group uses do not infringe on the intellectual property rights of other companies, such as patent rights. Further, in every field we do business in, we comply with all relevant laws and regulations concerning gas emissions, drainage, the utilization and handling of hazardous materials, waste treatment, the investigation of soil and underground water pollution, environmental conservation, health protection, and security. However, we may shoulder legal responsibilities because of different interpretations among those concerned or unexpected events that may possibly have adverse effects on our performance.

(5) Natural Disasters and Geopolitical Risks

ROHM Group conducts development and manufacturing activities not only in Japan, but also in various locations around the world. Although we have production lines at different bases as a measure against the risks of natural disasters and geopolitical risks, we may suffer damage at our bases if a natural disaster such as an earthquake, typhoon, or flood occurs, or if incidents out of political uncertainties or international conflicts take place. If these events prevent us from supplying products, our business performance may be adversely affected.

Consolidated Interim Balance Sheets

| Accounts | Period | | First six months of fiscal 2006 | | First six months of fiscal 2005 | | Fiscal 2005 | | Increase/decrease (-) from the year ended March 31, 2005 |
|--|-----------------|-------|---------------------------------|-------|---------------------------------|-------|------------------------|-----------------|---|
| | | | (As of September 30, 2005) | | (As of September 30, 2004) | | (As of March 31, 2005) | | |
| | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | | |
| (Assets) | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | Millions of yen | |
| Current assets | | | | | | | | | |
| Cash and time deposits | 295,711 | | 315,098 | | 270,337 | | 25,374 | | |
| Notes and accounts receivable - trade | 103,363 | | 111,259 | | 93,078 | | 10,285 | | |
| Securities | 30,729 | | 46,625 | | 58,175 | | - 27,446 | | |
| Inventories | 73,878 | | 66,635 | | 68,037 | | 5,841 | | |
| Prepaid pension cost | 3,775 | | 4,047 | | 3,676 | | 99 | | |
| Deferred tax assets | 12,710 | | 14,211 | | 12,138 | | 572 | | |
| Refundable income taxes | 983 | | 339 | | 1,645 | | - 662 | | |
| Other | 7,289 | | 9,320 | | 6,494 | | 795 | | |
| Allowance for doubtful notes and accounts | - 760 | | - 536 | | - 594 | | - 166 | | |
| Total current assets | 527,682 | 59.1 | 567,001 | 62.7 | 512,990 | 59.1 | 14,692 | | |
| Fixed assets | | | | | | | | | |
| Property, plant and equipment | | | | | | | | | |
| Buildings and structures | 164,102 | | 153,288 | | 156,327 | | 7,775 | | |
| Machinery, equipment and vehicles | 383,917 | | 349,852 | | 364,086 | | 19,831 | | |
| Tools and furniture | 32,932 | | 29,251 | | 31,391 | | 1,541 | | |
| Land | 64,616 | | 54,351 | | 64,582 | | 34 | | |
| Construction in progress | 28,309 | | 26,792 | | 33,181 | | - 4,872 | | |
| Accumulated depreciation | - 411,835 | | - 380,098 | | - 395,610 | | - 16,225 | | |
| Total tangible fixed assets | 262,044 | 29.4 | 233,437 | 25.8 | 253,958 | 29.3 | 8,086 | | |
| Intangible fixed assets | 1,717 | 0.2 | 2,253 | 0.3 | 1,803 | 0.2 | - 86 | | |
| Investments and other assets | | | | | | | | | |
| Investment securities | 91,096 | | 92,922 | | 89,781 | | 1,315 | | |
| Deferred tax assets | 8,194 | | 6,614 | | 7,253 | | 941 | | |
| Other | 1,995 | | 1,802 | | 1,785 | | 210 | | |
| Allowance for doubtful accounts | - 270 | | - 335 | | - 250 | | - 20 | | |
| Total investments and other assets | 101,015 | 11.3 | 101,004 | 11.2 | 98,570 | 11.4 | 2,445 | | |
| Total fixed assets | 364,777 | 40.9 | 336,695 | 37.3 | 354,332 | 40.9 | 10,445 | | |
| Total assets | 892,459 | 100.0 | 903,696 | 100.0 | 867,322 | 100.0 | 25,137 | | |

| Accounts | Period | | First six months of fiscal 2006 | | First six months of fiscal 2005 | | Fiscal 2005 | | Increase/decrease (-) from the year ended March 31, 2005 |
|---|----------------------------|--------------|---------------------------------|--------------|---------------------------------|--------------|-----------------|--|---|
| | (As of September 30, 2005) | | (As of September 30, 2004) | | (As of March 31, 2005) | | | | |
| | 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 | 25,944 | | 26,416 | | 22,153 | | 3,791 | | |
| Other accounts payable | 35,509 | | 40,882 | | 42,260 | | - 6,751 | | |
| Accrued income taxes | 9,450 | | 20,905 | | 8,873 | | 577 | | |
| Deferred tax liabilities | 468 | | 234 | | 477 | | - 9 | | |
| Other | 14,233 | | 12,498 | | 12,199 | | 2,034 | | |
| Total current liabilities | 85,607 | 9.6 | 100,936 | 11.2 | 85,964 | 10.0 | - 357 | | |
| Long-term liabilities | | | | | | | | | |
| Deferred tax liabilities | 47,010 | | 36,000 | | 38,896 | | 8,114 | | |
| Liability for retirement benefits | 1,002 | | 7,423 | | 805 | | 197 | | |
| Allowance for directors' retirement benefits | 2,006 | | 1,925 | | 1,986 | | 20 | | |
| Other | 35 | | - | | - | | 35 | | |
| Total long-term liabilities | 50,054 | 5.6 | 45,349 | 5.0 | 41,688 | 4.8 | 8,366 | | |
| Total liabilities | 135,661 | 15.2 | 146,286 | 16.2 | 127,652 | 14.8 | 8,009 | | |
| (Minority interests) | | | | | | | | | |
| Minority interests | 331 | 0.0 | 320 | 0.0 | 340 | 0.0 | - 9 | | |
| (Shareholders' equity) | | | | | | | | | |
| Common stock | 86,969 | 9.7 | 86,969 | 9.6 | 86,969 | 10.0 | - | | |
| Capital surplus | 102,403 | 11.5 | 102,403 | 11.3 | 102,403 | 11.8 | - | | |
| Retained earnings | 620,910 | 69.6 | 598,338 | 66.2 | 601,689 | 69.4 | 19,221 | | |
| Net unrealized gain on available for-sale securities | 3,755 | 0.4 | 3,078 | 0.4 | 2,569 | 0.3 | 1,186 | | |
| Foreign currency translation adjustments | - 27,224 | - 3.0 | - 33,373 | - 3.7 | - 34,061 | - 3.9 | 6,837 | | |
| Treasury stock - at cost | - 30,348 | - 3.4 | - 326 | - 0.0 | - 20,241 | - 2.4 | - 10,107 | | |
| Total shareholders' equity | 756,465 | 84.8 | 757,090 | 83.8 | 739,329 | 85.2 | 17,136 | | |
| Total liabilities, minority interests and shareholders' equity | 892,459 | 100.0 | 903,696 | 100.0 | 867,322 | 100.0 | 25,137 | | |

Consolidated Interim Statements of Income

| Accounts | First six months of fiscal 2006 From April 1, 2005 To September 30, 2005 | | First six months of fiscal 2005 From April 1, 2004 To September 30, 2004 | | Increase/decrease (-) from the first six months of fiscal 2005 | Fiscal 2005 From April 1, 2004 To March 31, 2005 | |
|--|--|------------|--|------------|---|--|------------|
| | Amount | Percentage | Amount | Percentage | | Amount | Percentage |
| | Millions of yen | % | Millions of yen | % | Millions of yen | Millions of yen | % |
| Net sales | 193,033 | 100.0 | 200,411 | 100.0 | - 7,378 | 369,023 | 100.0 |
| Cost of sales | 121,445 | 62.9 | 111,942 | 55.9 | 9,503 | 221,132 | 59.9 |
| Gross profit | 71,587 | 37.1 | 88,469 | 44.1 | - 16,882 | 147,891 | 40.1 |
| Selling, general and administrative expenses | 37,221 | 19.3 | 34,453 | 17.1 | 2,768 | 71,836 | 19.5 |
| Operating income | 34,366 | 17.8 | 54,015 | 27.0 | - 19,649 | 76,054 | 20.6 |
| Non-operating income | 6,704 | 3.5 | 5,230 | 2.6 | 1,474 | 4,767 | 1.3 |
| Non-operating expenses | 608 | 0.3 | 550 | 0.3 | 58 | 1,501 | 0.4 |
| Ordinary income | 40,461 | 21.0 | 58,695 | 29.3 | - 18,234 | 79,320 | 21.5 |
| Extraordinary gains | 234 | 0.1 | 5 | 0.0 | 229 | 21 | 0.0 |
| Extraordinary losses | 3,272 | 1.7 | 145 | 0.1 | 3,127 | 8,500 | 2.3 |
| Income before income taxes and minority interests | 37,424 | 19.4 | 58,555 | 29.2 | - 21,131 | 70,841 | 19.2 |
| Income taxes - current | 10,975 | 5.7 | 22,696 | 11.3 | - 11,721 | 20,975 | 5.7 |
| Income taxes - deferred | 2,226 | 1.1 | - 890 | - 0.4 | 3,116 | 4,691 | 1.3 |
| Minority interests | - 16 | - 0.0 | 16 | 0.0 | - 32 | 40 | 0.0 |
| Net income | 24,238 | 12.6 | 36,733 | 18.3 | - 12,495 | 45,135 | 12.2 |

Consolidated Interim Statements of Retained Earnings

| Accounts | Period | First six months of fiscal 2006 | First six months of fiscal 2005 | Fiscal 2005 |
|--|--------|---|---|---|
| | | From April 1, 2005 To September 30, 2005 | From April 1, 2004 To September 30, 2004 | From April 1, 2004 To March 31, 2005 |
| | | Amount | Amount | Amount |
| | | Millions of yen | Millions of yen | Millions of yen |
| (Capital surplus) | | | | |
| Capital surplus at beginning of term | | 102,403 | 102,403 | 102,403 |
| Capital surplus at end of term | | 102,403 | 102,403 | 102,403 |
| (Retained earnings) | | | | |
| Retained earnings at beginning of term | | 601,689 | 566,749 | 566,749 |
| Increase in retained earnings | | | | |
| Net income | | 24,238 | 36,733 | 45,135 |
| Decrease in retained earnings | | | | |
| Cash dividends | | 4,966 | 5,048 | 10,096 |
| Bonuses to directors | | 51 | 91 | 91 |
| Reserve for Employees' welfare fund | | - | 4 | 7 |
| Retained earnings at end of term | | 620,910 | 598,338 | 601,689 |

Consolidated Interim Statements of Cash Flows

| Accounts | Period | First six months of fiscal 2006 | First six months of fiscal 2005 | Increase/ Decrease (-) from the first six months of fiscal 2005 | Fiscal 2005 |
|---|--------|--|--|--|---|
| | | From April 1, 2005 To September 30, 2005 | From April 1, 2004 To September 30, 2004 | | From April 1, 2004 To March 31, 2005 |
| | | 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 | | 37,424 | 58,555 | - 21,131 | 70,841 |
| 2. Depreciation and amortization | | 25,093 | 21,200 | 3,893 | 47,442 |
| 3. Amortization of goodwill - net | | - | 334 | - 334 | 668 |
| 4. Interest and dividends income | | - 2,689 | - 1,362 | - 1,327 | - 3,318 |
| 5. Foreign currency exchange losses (- gains) - net | | - 3,962 | - 3,340 | - 622 | - 1,320 |
| 6. Increase (- decrease) in net liability for retirement benefits | | 79 | 292 | - 213 | - 6,003 |
| 7. Decrease (- increase) in notes and accounts receivables - trade | | - 8,583 | - 17,155 | 8,572 | 716 |
| 8. Decrease (- increase) in inventories | | - 4,402 | - 4,171 | - 231 | - 5,252 |
| 9. Increase (- decrease) in notes and accounts payables - trade | | 3,604 | 3,165 | 439 | - 1,630 |
| 10. Other - net | | 4,053 | 5,431 | - 1,378 | 5,323 |
| Sub-total | | 50,617 | 62,950 | - 12,333 | 107,465 |
| 11. Interest and dividends - received | | 2,878 | 1,035 | 1,843 | 3,510 |
| 12. Compensation for expropriation - received | | - | 1,383 | - 1,383 | 1,383 |
| 13. Income taxes - refunded (- paid) | | - 9,359 | - 8,503 | - 856 | - 20,440 |
| Net cash provided by operating activities | | 44,137 | 56,866 | - 12,729 | 91,919 |
| II Investing Activities | | | | | |
| 1. Decrease (- increase) in time deposits | | - 4,274 | 8,110 | - 12,384 | 15,909 |
| 2. Purchases of securities and investment securities | | - 18,470 | - 32,528 | 14,058 | - 56,497 |
| 3. Proceeds from sales and repayments of securities and investment securities | | 26,416 | 18,124 | 8,292 | 31,932 |
| 4. Purchases of property, plant and equipment | | - 40,452 | - 37,786 | - 2,666 | - 78,753 |
| 5. Other - net | | 275 | 565 | - 290 | - 19 |
| Net cash used in investing activities | | - 36,504 | - 43,515 | 7,011 | - 87,429 |
| III Financing Activities | | | | | |
| 1. Purchases of treasury stock | | - 10,107 | - 25 | - 10,082 | - 19,940 |
| 2. Dividends paid | | - 4,966 | - 5,048 | 82 | - 10,096 |
| 3. Other - net | | - 1 | 1 | 0 | 1 |
| Net cash used in financing activities | | - 15,074 | - 5,074 | - 10,000 | - 30,037 |
| IV Effect of Exchange Rate Changes on Cash and Cash Equivalents | | | | | |
| | | 7,450 | 7,013 | 437 | 3,944 |
| V Net Increase (- decrease) in Cash and Cash Equivalents | | | | | |
| | | 9 | 15,290 | - 15,281 | - 21,603 |
| VI Cash and Cash Equivalents at Beginning of Term | | | | | |
| | | 288,974 | 310,578 | - 21,604 | 310,578 |
| VII Cash and Cash Equivalents at End of Term | | | | | |
| | | 288,984 | 325,868 | - 36,884 | 288,974 |

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

| | (First six months of fiscal 2006) | (First six months of fiscal 2005) | (Increase/decrease) | (Fiscal 2005) |
|---------------------------------|--------------------------------------|--------------------------------------|---------------------|---------------------|
| Cash and time deposits | 288,984 million yen | 304,832 million yen | -15,848 million yen | 267,934 million yen |
| Securities | - | 21,036 | -21,036 | 21,040 |
| Total cash and cash equivalents | 288,984 | 325,868 | -36,884 | 288,974 |

[Basis of Presenting Consolidated Interim Financial Statements]

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 44

(2) Names of major consolidated subsidiaries

The consolidated subsidiaries are listed in the section of "Status of the ROHM GROUP."

2. Application of equity method

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

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

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 differs from that of ROHM CO., LTD., which is on September 30.

Changes in the method of account processing

Concerning these consolidated subsidiaries, whose accounting dates are different from the date of consolidated settlement of accounts, their financial statements created as of their own settlement dates were used to produce the consolidated financial statements until the end of the previous fiscal year. From this six-month period, in consideration of the importance of these consolidated subsidiaries, their accounts are provisionally settled as of the interim date of consolidated settlement, and the consolidated financial statements are produced based on these provisional settlement results to produce a more appropriate consolidated financial statement.

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 are stated principally at cost determined by the average 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.

(iii) For ROHM Co., Ltd. and certain domestic consolidated 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 conversion 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 conversion 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 interim 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, 2005 | Six-month period ended Sept. 30, 2004 | Year ended Mar. 31, 2005 |
|--|--|--|-----------------------------|
| 1. Non-operating income | | | |
| Interest income | 2,659 million yen | 1,336 million yen | 3,275 million yen |
| Foreign currency exchange gains | 3,405 | 3,237 | 332 |
| 2. Extraordinary loss | | | |
| Loss on sale/disposal of fixed assets | 2,622 | 145 | 565 |
| Loss related to early retirement program | 650 | - | 7,934 |

[Segment information]

1. Industry segments

The Group's main operations are the manufacturing 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, 2004 and 2005 and the year ended March 31, 2005, consequently the disclosure of industry segment information has been omitted.

2. Geographical segments

First six months of fiscal 2006 (From April 1, 2005 to September 30, 2005)

(Millions of yen)

| | Japan | Asia | Americas | Europe | Total | Eliminations/ Corporate | Consolidated |
|---------------------------|---------|---------|----------|--------|---------|----------------------------|--------------|
| Sales | | | | | | | |
| (1) Sales to customers | 77,280 | 99,672 | 6,832 | 9,248 | 193,033 | - | 193,033 |
| (2) Interarea transfer | 27,999 | 75,238 | 126 | 167 | 103,532 | (103,532) | - |
| Total sales | 105,280 | 174,911 | 6,958 | 9,416 | 296,565 | (103,532) | 193,033 |
| Operating expenses | 96,826 | 145,412 | 7,863 | 9,562 | 259,664 | (100,997) | 158,667 |
| Operating income (losses) | 8,453 | 29,498 | - 904 | - 146 | 36,901 | (2,534) | 34,366 |

First six months of fiscal 2005 (From April 1, 2004 to September 30, 2004)

(Millions of yen)

| | Japan | Asia | Americas | Europe | Total | Eliminations/ Corporate | Consolidated |
|---------------------------|---------|---------|----------|--------|---------|----------------------------|--------------|
| Sales | | | | | | | |
| (1) Sales to customers | 86,452 | 95,700 | 7,515 | 10,743 | 200,411 | - | 200,411 |
| (2) Interarea transfer | 30,627 | 58,093 | 111 | 252 | 89,085 | (89,085) | - |
| Total sales | 117,080 | 153,794 | 7,626 | 10,995 | 289,496 | (89,085) | 200,411 |
| Operating expenses | 92,270 | 123,752 | 8,004 | 10,683 | 234,711 | (88,316) | 146,395 |
| Operating income (losses) | 24,809 | 30,042 | - 378 | 312 | 54,784 | (769) | 54,015 |

Fiscal 2005 (From April 1, 2004 to March 31, 2005)

(Millions of yen)

| | Japan | Asia | Americas | Europe | Total | Eliminations/ Corporate | Consolidated |
|---------------------------|---------|---------|----------|--------|---------|----------------------------|--------------|
| Sales | | | | | | | |
| (1) Sales to customers | 162,816 | 172,729 | 13,111 | 20,366 | 369,023 | - | 369,023 |
| (2) Interarea transfer | 58,288 | 115,210 | 219 | 874 | 174,592 | (174,592) | - |
| Total sales | 221,104 | 287,939 | 13,331 | 21,240 | 543,615 | (174,592) | 369,023 |
| Operating expenses | 188,002 | 243,004 | 14,343 | 21,164 | 466,515 | (173,545) | 292,969 |
| Operating income (losses) | 33,102 | 44,935 | - 1,012 | 75 | 77,100 | (1,046) | 76,054 |

(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 2006 3,175 million yen

First six months of fiscal 2005 2,142

Fiscal 2005 3,766

3. Sales to foreign customers

First six months of fiscal 2006 (From April 1, 2005 to September 30, 2005) (Millions of yen)

| | Asia | Americas | Europe | Total |
|---|---------|----------|--------|---------|
| I Sales to foreign customers | 100,056 | 7,739 | 8,133 | 115,929 |
| II Net sales | | | | 193,033 |
| III Sales to foreign customers as a percentage of net sales | 51.9 % | 4.0 % | 4.2 % | 60.1 % |

First six months of fiscal 2005 (From April 1, 2004 to September 30, 2004) (Millions of yen)

| | Asia | Americas | Europe | Total |
|---|--------|----------|--------|---------|
| I Sales to foreign customers | 96,603 | 7,905 | 10,130 | 114,639 |
| II Net sales | | | | 200,411 |
| III Sales to foreign customers as a percentage of net sales | 48.2 % | 3.9 % | 5.1 % | 57.2 % |

Fiscal 2005 (From April 1, 2004 to March 31, 2005) (Millions of yen)

| | Asia | Americas | Europe | Total |
|---|---------|----------|--------|---------|
| I Sales to foreign customers | 174,159 | 13,990 | 19,021 | 207,171 |
| II Net sales | | | | 369,023 |
| III Sales to foreign customers as a percentage of net sales | 47.2 % | 3.8 % | 5.1 % | 56.1 % |

(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, 2005 | Six-month period ended Sept. 30, 2004 | Year ended Mar. 31, 2005 |
|--------------------------|---|---|-------------------------------|
| | Tools, furniture and other | Tools, furniture and other | Tools, furniture and other |
| Acquisition cost | 47 million yen | 153 million yen | 52 million yen |
| Accumulated depreciation | 20 | 137 | 25 |
| Net leased property | 27 | 16 | 27 |

2. Pro forma obligations under finance leases

| | | | |
|-------------------|----|----|----|
| Due within 1 year | 15 | 10 | 14 |
| Due after 1 year | 12 | 5 | 13 |
| Total | 27 | 16 | 27 |

3. Lease payments and depreciation of the leased property

| | | | |
|----------------|---|----|----|
| Lease payments | 9 | 10 | 19 |
| Depreciation | 9 | 10 | 19 |

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 2006 (as of September 30, 2005)

1. Marketable available-for-sale securities

(Millions of yen)

| Classification | Acquisition cost | Amount on consolidated interim balance sheet | Difference |
|------------------------------------|------------------|--|------------|
| (1) Equity securities | 7,912 | 14,599 | 6,686 |
| (2) Government and corporate bonds | 106,153 | 105,749 | - 404 |
| Total | 114,065 | 120,348 | 6,282 |

2. Major securities whose fair value is not readily determinable

Available-for-sale securities

Unlisted equity securities 1,064 million yen

Unlisted foreign securities 408

Total 1,472

First six months of fiscal 2005 (as of September 30, 2004)

1. Marketable available-for-sale securities

(Millions of yen)

| Classification | Acquisition cost | Amount on consolidated interim balance sheet | Difference |
|------------------------------------|------------------|--|------------|
| (1) Equity securities | 8,311 | 13,520 | 5,209 |
| (2) Government and corporate bonds | 103,560 | 104,187 | 627 |
| (3) Other | 21,005 | 21,053 | 48 |
| Total | 132,877 | 138,762 | 5,884 |

2. Major securities whose fair value is not readily determinable

Available-for-sale securities

Unlisted equity securities (Excluding over-the-counter securities) 775 million yen

Fiscal 2005 (as of March 31, 2005)

1. Marketable available-for-sale securities

(Millions of yen)

| Classification | Acquisition cost | Amount on consolidated interim balance sheet | Difference |
|------------------------------------|------------------|--|------------|
| (1) Equity securities | 7,910 | 12,459 | 4,548 |
| (2) Government and corporate bonds | 113,191 | 113,028 | - 163 |
| (3) Other | 21,005 | 21,040 | 34 |
| Total | 142,108 | 146,528 | 4,420 |

2. Major securities whose fair value is not readily determinable

Available-for-sale securities

Unlisted equity securities 1,006 million yen

Unlisted foreign securities 416

Total 1,422

[Derivatives]

First six months of fiscal 2006 (From April 1, 2005 to September 30, 2005)

Currency derivatives

Not disclosed because hedge accounting is adopted.

First six months of fiscal 2005 (From April 1, 2004 to September 30, 2004)

Currency derivatives

Not disclosed because hedge accounting is adopted.

Fiscal 2005 (From April 1, 2004 to March 31, 2005)

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 2005 | Fiscal 2005 From April 1, 2004 To March 31, 2005 |
|-----------------------|--------------------------------|---|---|--|--|
| | | First six months of fiscal 2006 From April 1, 2005 To September 30, 2005 | First six months of fiscal 2005 From April 1, 2004 To September 30, 2004 | | |
| Electronic Components | Integrated circuits | 83,194 | 85,287 | - 2,093 | 158,675 |
| | Discrete semiconductor devices | 74,434 | 79,885 | - 5,451 | 145,218 |
| | Passive components | 12,405 | 12,435 | - 30 | 23,365 |
| | Displays | 23,082 | 25,471 | - 2,389 | 43,811 |
| Total | | 193,115 | 203,079 | - 9,964 | 371,070 |

(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, Camera Modules, Others |

(2) Orders

(Millions of yen)

| Product category | | Period | | First six months of fiscal 2005 | | Increase/Decrease (-) from the first six months of fiscal 2005 | | Fiscal 2005 From April 1, 2004 To March 31, 2005 | |
|-----------------------|--------------------------------|---|------------------|---|------------------|--|------------------|--|------------------|
| | | First six months of fiscal 2006 From April 1, 2005 To September 30, 2005 | | First six months of fiscal 2005 From April 1, 2004 To September 30, 2004 | | from the first six months of fiscal 2005 | | From April 1, 2004 To March 31, 2005 | |
| | | Orders received | Order backlog | Orders received | Order backlog | Orders received | Order backlog | Orders received | Order backlog |
| Electronic Components | Integrated circuits | 87,281 | 24,446 | 82,328 | 20,506 | 4,953 | 3,940 | 156,647 | 22,631 |
| | Discrete semiconductor devices | 76,895 | 22,111 | 74,814 | 19,295 | 2,081 | 2,816 | 140,853 | 20,053 |
| | Passive components | 12,799 | 3,665 | 12,009 | 3,080 | 790 | 585 | 23,087 | 2,993 |
| | Displays | 20,765 | 8,270 | 24,043 | 7,473 | - 3,278 | 797 | 44,648 | 8,106 |
| Total | | 197,742 | 58,493 | 193,196 | 50,355 | 4,546 | 8,138 | 365,236 | 53,784 |

(3) Actual sales

Actual sales by product category (domestic)

(Millions of yen)

| Product category | | Period | | First six months of fiscal 2006 | | First six months of fiscal 2005 | | Increase/Decrease (-) from the first six months of fiscal 2005 | | Fiscal 2005 | |
|-----------------------|--------------------------------|--|----------------|--|----------------|---------------------------------|-------------------------|--|----------------|--------------------------------------|--|
| | | From April 1, 2005 To September 30, 2005 | | From April 1, 2004 To September 30, 2004 | | Sales | | Increase/Decrease ratio | | From April 1, 2004 To March 31, 2005 | |
| | | Sales | Domestic ratio | Sales | Domestic ratio | Sales | Increase/Decrease ratio | Sales | Domestic ratio | | |
| Electronic Components | Integrated circuits | 40,697 | 47.6% | 42,431 | 48.9% | - 1,734 | - 4.1% | 81,750 | 51.4% | | |
| | Discrete semiconductor devices | 26,029 | 34.8 | 28,118 | 36.8 | - 2,089 | - 7.4 | 53,345 | 37.6 | | |
| | Passive components | 3,715 | 30.6 | 4,367 | 35.1 | - 652 | - 14.9 | 8,446 | 35.8 | | |
| | Displays | 6,661 | 32.3 | 10,854 | 44.1 | - 4,193 | - 38.6 | 18,308 | 41.0 | | |
| Total | | 77,104 | 39.9 | 85,772 | 42.8 | 8,668 | - 10.1 | 161,852 | 43.9 | | |

Actual sales by product category (overseas)

(Millions of yen)

| Product category | | Period | | First six months of fiscal 2006 | | First six months of fiscal 2005 | | Increase/Decrease (-) from the first six months of fiscal 2005 | | Fiscal 2005 | |
|-----------------------|--------------------------------|--|----------------|--|----------------|---------------------------------|-------------------------|--|----------------|--------------------------------------|--|
| | | From April 1, 2005 To September 30, 2005 | | From April 1, 2004 To September 30, 2004 | | Sales | | Increase/Decrease ratio | | From April 1, 2004 To March 31, 2005 | |
| | | Sales | Overseas ratio | Sales | Overseas ratio | Sales | Increase/Decrease ratio | Sales | Overseas ratio | | |
| Electronic Components | Integrated circuits | 44,769 | 52.4% | 44,397 | 51.1% | 372 | 0.8% | 77,271 | 48.6% | | |
| | Discrete semiconductor devices | 48,807 | 65.2 | 48,388 | 63.2 | 419 | 0.9 | 88,441 | 62.4 | | |
| | Passive components | 8,412 | 69.4 | 8,078 | 64.9 | 334 | 4.1 | 15,163 | 64.2 | | |
| | Displays | 13,940 | 67.7 | 13,775 | 55.9 | 165 | 1.2 | 26,294 | 59.0 | | |
| Total | | 115,929 | 60.1 | 114,639 | 57.2 | 1,290 | 1.1 | 207,171 | 56.1 | | |

Actual sales by product category (total)

(Millions of yen)

| Product category | | Period | | First six months of fiscal 2006 | | First six months of fiscal 2005 | | Increase/Decrease (-) from the first six months of fiscal 2005 | | Fiscal 2005 | |
|-----------------------|--------------------------------|--|------------------------------------|--|------------------------------------|---------------------------------|-------------------------|--|------------------------------------|--------------------------------------|--|
| | | From April 1, 2005 To September 30, 2005 | | From April 1, 2004 To September 30, 2004 | | Sales | | Increase/Decrease ratio | | From April 1, 2004 To March 31, 2005 | |
| | | 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 | 85,467 | 44.3% | 86,828 | 43.3% | - 1,361 | - 1.6% | 159,022 | 43.1% | | |
| | Discrete semiconductor devices | 74,836 | 38.7 | 76,506 | 38.2 | - 1,670 | - 2.2 | 141,787 | 38.4 | | |
| | Passive components | 12,127 | 6.3 | 12,445 | 6.2 | - 318 | - 2.6 | 23,610 | 6.4 | | |
| | Displays | 20,602 | 10.7 | 24,630 | 12.3 | - 4,028 | - 16.4 | 44,603 | 12.1 | | |
| Total | | 193,033 | 100.0 | 200,411 | 100.0 | - 7,378 | - 3.7 | 369,023 | 100.0 | | |

**Summarized Non-consolidated Interim Financial Statements
for Fiscal Year Ending March 31, 2006**



November 9, 2005

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: Group General Manager

Name: Eiichi Sasayama

TEL (075) 311 - 2121

Date of Board of Directors meeting for approval of financial statements: November 9, 2005

Existence of interim dividend system: Yes

Date of commencement of interim dividend payment: December 2, 2005

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

1. Business Results for the Six-month Period Ended September 30, 2005 (From April 1, 2005 to September 30, 2005)

(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, 2005 | 178,590 | -4.0 | 10,355 | -53.0 | 21,576 | -57.6 |
| Six months ended September 30, 2004 | 186,105 | 13.2 | 22,031 | 15.1 | 50,842 | 97.4 |
| Year ended March 31, 2005 | 342,450 | | 23,050 | | 51,257 | |

| | Net income | | Basic net income per share |
|-------------------------------------|-----------------|-------|----------------------------|
| | Millions of yen | % | yen |
| Six months ended September 30, 2005 | 15,861 | -58.5 | 136.71 |
| Six months ended September 30, 2004 | 38,194 | 98.1 | 321.56 |
| Year ended March 31, 2005 | 39,872 | | 336.25 |

(Notes) (i) Average number of shares outstanding Six months ended Sept. 30, 2005: 116,024,848 shares

Six months ended Sept. 30, 2004: 118,780,714 shares Year ended Mar. 31, 2005: 118,561,981 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, 2005 | 45.00 | - |
| Six months ended September 30, 2004 | 42.50 | - |
| Year ended March 31, 2005 | - | 85.00 |

(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, 2005 | 613,092 | 509,441 | 83.1 | 4,396.04 |
| Six months ended September 30, 2004 | 655,125 | 531,075 | 81.1 | 4,471.10 |
| Year ended March 31, 2005 | 610,135 | 507,455 | 83.2 | 4,342.71 |

(Notes) (i) Number of shares outstanding at end of term Six months ended Sept. 30, 2005: 115,886,475 shares

Six months ended Sept. 30, 2004: 118,779,579 shares Year ended Mar. 31, 2005: 116,850,835 shares

(ii) Number of treasury stock at end of term Six months ended Sept. 30, 2005: 2,914,913 shares

Six months ended Sept. 30, 2004: 21,809 shares Year ended Mar. 31, 2005: 1,950,553 shares

2. Business Results Forecast for Fiscal 2006 (From April 1, 2005 to March 31, 2006)

| | 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 2006 | 359,000 | 33,000 | 24,000 | 45.00 | 90.00 |

(Note) Projected net income per share for the year ending March 31, 2006: 206.97 yen

* 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 9 to 10 of the attached documents for reasons for the forecast and other relevant information.

Non-consolidated Interim Balance Sheets

| Accounts | First six months of fiscal 2006 (As of September 30, 2005) | | First six months of fiscal 2005 (As of September 30, 2004) | | Fiscal 2005 (As of March 31, 2005) | | Increase/decrease (-) from the year ended March 31, 2005 |
|--|---|-------|---|-------|---------------------------------------|-------|---|
| | 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 | 122,415 | | 157,693 | | 106,396 | | 16,019 |
| Notes receivable - trade | 1,440 | | 2,456 | | 2,031 | | - 591 |
| Accounts receivable - trade | 97,694 | | 99,614 | | 85,741 | | 11,953 |
| Securities | 25,788 | | 44,727 | | 53,052 | | - 27,264 |
| Inventories | 20,489 | | 24,453 | | 22,455 | | - 1,966 |
| Prepaid pension cost | 406 | | 252 | | 312 | | 94 |
| Deferred tax assets | 8,417 | | 9,358 | | 7,725 | | 692 |
| Sundry receivables | 31,737 | | 37,641 | | 40,361 | | - 8,624 |
| Other | 19,213 | | 18,035 | | 19,244 | | - 31 |
| Allowance for doubtful notes and accounts | - 56 | | - 71 | | - 29 | | - 27 |
| Total current assets | 327,547 | 53.4 | 394,163 | 60.2 | 337,291 | 55.3 | - 9,744 |
| Fixed assets | | | | | | | |
| Property, plant and equipment | | | | | | | |
| Buildings | 21,171 | | 21,211 | | 21,592 | | - 421 |
| Machinery and equipment | 7,624 | | 9,001 | | 8,785 | | - 1,161 |
| Land | 44,831 | | 34,995 | | 44,528 | | 303 |
| Other | 12,344 | | 12,835 | | 9,273 | | 3,071 |
| Total tangible fixed assets | 85,971 | 14.0 | 78,043 | 11.9 | 84,180 | 13.8 | 1,791 |
| Intangible fixed assets | 805 | 0.2 | 983 | 0.1 | 893 | 0.1 | - 88 |
| Investments and other assets | | | | | | | |
| Investment securities | 135,051 | | 136,367 | | 138,325 | | - 3,274 |
| Long-term loans receivable | 58,692 | | 38,913 | | 43,718 | | 14,974 |
| Deferred tax assets | 4,234 | | 6,138 | | 5,238 | | - 1,004 |
| Other | 925 | | 789 | | 746 | | 179 |
| Allowance for doubtful accounts | - 136 | | - 274 | | - 257 | | 121 |
| Total investments and other assets | 198,768 | 32.4 | 181,934 | 27.8 | 187,771 | 30.8 | 10,997 |
| Total fixed assets | 285,545 | 46.6 | 260,962 | 39.8 | 272,844 | 44.7 | 12,701 |
| Total assets | 613,092 | 100.0 | 655,125 | 100.0 | 610,135 | 100.0 | 2,957 |

| Accounts | First six months of fiscal 2006 | | First six months of fiscal 2005 | | Fiscal 2005 | | Increase/decrease (-) from the year ended March 31, 2005 |
|--|---------------------------------|-------|---------------------------------|-------|------------------------|-------|---|
| | (As of September 30, 2005) | | (As of September 30, 2004) | | (As of March 31, 2005) | | |
| | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount |
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen |
| (Liabilities) | | | | | | | |
| Current liabilities | | | | | | | |
| Accounts payable - trade | 68,901 | | 73,915 | | 63,317 | | 5,584 |
| Other accounts payable | 22,088 | | 26,972 | | 26,439 | | - 4,351 |
| Accrued income taxes | 3,964 | | 12,517 | | 5,013 | | - 1,049 |
| Other | 7,176 | | 5,725 | | 6,426 | | 750 |
| Total current liabilities | 102,129 | 16.7 | 119,131 | 18.2 | 101,196 | 16.6 | 933 |
| Long-term liabilities | | | | | | | |
| Liability for retirement benefits | - | | 3,472 | | - | | - |
| Allowance for directors' retirement benefits | 1,497 | | 1,446 | | 1,483 | | 14 |
| Other | 23 | | - | | - | | 23 |
| Total long-term liabilities | 1,521 | 0.2 | 4,918 | 0.7 | 1,483 | 0.2 | 38 |
| Total liabilities | 103,651 | 16.9 | 124,049 | 18.9 | 102,680 | 16.8 | 971 |
| (Shareholders' equity) | | | | | | | |
| Common stock | 86,969 | 14.2 | 86,969 | 13.3 | 86,969 | 14.3 | - |
| Capital surplus | | | | | | | |
| Capital surplus | 97,253 | | 97,253 | | 97,253 | | - |
| Total capital surplus | 97,253 | 15.9 | 97,253 | 14.8 | 97,253 | 15.9 | - |
| Retained earnings | | | | | | | |
| Legal reserve | 2,464 | | 2,464 | | 2,464 | | - |
| General reserve | 323,227 | | 283,121 | | 283,121 | | 40,106 |
| Unappropriated retained earnings | 25,896 | | 58,483 | | 55,112 | | - 29,216 |
| Total retained earnings | 351,588 | 57.3 | 344,069 | 52.5 | 340,698 | 55.8 | 10,890 |
| Net unrealized gain on available-for-sale securities | 3,978 | 0.6 | 3,109 | 0.5 | 2,775 | 0.5 | 1,203 |
| Treasury stock - at cost | - 30,348 | - 4.9 | - 326 | - 0.0 | - 20,241 | - 3.3 | - 10,107 |
| Total shareholders' equity | 509,441 | 83.1 | 531,075 | 81.1 | 507,455 | 83.2 | 1,986 |
| Total liabilities and shareholders' equity | 613,092 | 100.0 | 655,125 | 100.0 | 610,135 | 100.0 | 2,957 |

Non-consolidated Interim Statements of Income

| Accounts | Period | First six months of fiscal 2006 | | First six months of fiscal 2005 | | Increase/decrease (-) from the first six months of fiscal 2005 | Fiscal 2005 | |
|---|--------|---|------------|---|------------|---|---|------------|
| | | From April 1, 2005 To September 30, 2005 | | From April 1, 2004 To September 30, 2004 | | | From April 1, 2004 To March 31, 2005 | |
| | | Amount | Percentage | Amount | Percentage | | Amount | Percentage |
| | | Millions of yen | % | Millions of yen | % | Millions of yen | Millions of yen | % |
| Net sales | | 178,590 | 100.0 | 186,105 | 100.0 | - 7,515 | 342,450 | 100.0 |
| Cost of sales | | 139,150 | 77.9 | 137,963 | 74.1 | 1,187 | 263,875 | 77.1 |
| Gross profit | | 39,439 | 22.1 | 48,142 | 25.9 | - 8,703 | 78,575 | 22.9 |
| Selling, general and administrative expenses | | 29,083 | 16.3 | 26,111 | 14.1 | 2,972 | 55,524 | 16.2 |
| Operating income | | 10,355 | 5.8 | 22,031 | 11.8 | - 11,676 | 23,050 | 6.7 |
| Non-operating income | | 11,641 | 6.5 | 29,225 | 15.7 | - 17,584 | 29,409 | 8.6 |
| Non-operating expenses | | 419 | 0.2 | 413 | 0.2 | 6 | 1,202 | 0.3 |
| Ordinary income | | 21,576 | 12.1 | 50,842 | 27.3 | - 29,266 | 51,257 | 15.0 |
| Extraordinary gains | | 209 | 0.1 | 427 | 0.2 | - 218 | 743 | 0.2 |
| Extraordinary losses | | 498 | 0.3 | 35 | 0.0 | 463 | 278 | 0.1 |
| Income before income taxes | | 21,288 | 11.9 | 51,234 | 27.5 | - 29,946 | 51,723 | 15.1 |
| Income taxes - current | | 5,936 | 3.3 | 15,168 | 8.1 | - 9,232 | 11,218 | 3.3 |
| Income taxes - deferred | | 510 | - 0.3 | - 2,128 | - 1.1 | 1,618 | 632 | 0.2 |
| Net income | | 15,861 | 8.9 | 38,194 | 20.5 | - 22,333 | 39,872 | 11.6 |
| Unappropriated retained earnings brought forward from the previous year | | 10,034 | | 20,288 | | - 10,254 | 20,288 | |
| Interim dividends | | - | | - | | - | 5,048 | |
| Unappropriated retained earnings | | 25,896 | | 58,483 | | - 32,587 | 55,112 | |

[Basis of Presenting Interim Financial Statements]

1. Valuation basis and method for assets

(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.

However, because the fair value of the plan assets exceeded the projected benefit obligation as of the end of the current term, the excess is accounted for as "Prepaid pension cost," resulting in the balance of "Liability for retirement benefits" being zero.

(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

| | <u>Six-month period ended Sept. 30, 2005</u> | <u>Six-month period ended Sept. 30, 2004</u> | <u>Year ended Mar. 31, 2005</u> |
|--|--|--|-------------------------------------|
| | 109,186 million yen | 105,131 million yen | 106,791 million yen |

(Notes to non-consolidated interim statements of income)

| | <u>Six-month period ended Sept. 30, 2005</u> | <u>Six-month period ended Sept. 30, 2004</u> | <u>Year ended Mar. 31, 2005</u> |
|--|--|--|-------------------------------------|
| 1. Non-operating income | | | |
| Interest income (including interest on securities) | 963 million yen | 718 million yen | 1,616 million yen |
| Dividend income | 6,816 | 23,892 | 23,909 |
| Foreign currency exchange gains | 2,417 | 3,139 | 1,101 |

| | <u>Six-month period ended Sept. 30, 2005</u> | <u>Six-month period ended Sept. 30, 2004</u> | <u>Year ended Mar. 31, 2005</u> |
|--|--|--|-------------------------------------|
| 2 Extraordinary gains | | | |
| Gain on sale of fixed assets | 209 million yen | 427 million yen | 743 million yen |
| 3 Extraordinary losses | | | |
| Losses on sale/disposal of fixed assets | 498 | 35 | 278 |

[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, 2005</u> | <u>Six-month period ended Sept. 30, 2004</u> | <u>Year ended Mar. 31, 2005</u> |
|--------------------------|--|--|---|
| | <u>Other in tangible fixed assets</u> | <u>Other in tangible fixed assets</u> | <u>Other in tangible fixed assets</u> |
| Acquisition cost | 44 million yen | 33 million yen | 48 million yen |
| Accumulated depreciation | 18 | 20 | 23 |
| Net leased property | 25 | 13 | 24 |

2. Pro forma obligations under finance leases

| | | | |
|-------------------|----|----|----|
| Due within 1 year | 13 | 9 | 12 |
| Due after 1 year | 11 | 3 | 12 |
| Total | 25 | 13 | 24 |

3. Lease payments and depreciation of the leased property

| | | | |
|----------------|---|---|----|
| Lease payments | 8 | 7 | 16 |
| Depreciation | 8 | 7 | 16 |

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.