

**ROHM CO., LTD. Financial Highlights for Year Ended
March 31, 2007**



May 10, 2007

1. Consolidated Financial Results

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

		Year ended	Year ended	Increase/decrease from the year		Year ending March 31, 2008 (Projected)			
		March 31, 2007	March 31, 2006	ended March 31, 2006		Annual	Increase/ decrease from the previous year	First six months	Increase/ decrease from the corresponding six months of the previous year
		Actual	Actual	Amount	Percentage				
Net sales	Millions of yen	395,081	387,790	+7,291	+1.9%	400,000	+1.2%	196,000	-4.5%
Cost of sales	Millions of yen	251,516	243,516	+8,000	+3.3%	252,500		124,400	
Selling, general and administrative expenses	Millions of yen	74,067	75,954	-1,887	-2.5%	73,500		36,600	
Operating income	Millions of yen	69,497	68,318	+1,179	+1.7%	74,000	+6.5%	35,000	-13.1%
(Operating income margin)		(17.6%)	(17.6%)	(0.0%)		(18.5%)		(17.9%)	
Ordinary income	Millions of yen	77,578	78,437	-859	-1.1%	83,000	+7.0%	39,000	-12.1%
(Ordinary income margin)		(19.6%)	(20.2%)	(-0.6%)		(20.8%)		(19.9%)	
Net income	Millions of yen	47,446	48,304	-858	-1.8%	53,000	+11.7%	25,000	-13.4%
(Net income margin)		(12.0%)	(12.5%)	(-0.5%)		(13.3%)		(12.8%)	
Basic net income per share	Yen	413.57	416.39	-2.82	-0.7%	467.43		220.43	
Ratio of net income to equity	%	5.9	6.3	-0.4					
Ordinary income to total assets	%	8.1	8.6	-0.5					
Total assets	Millions of yen	962,602	951,441	+11,161	+1.2%				
Net assets	Millions of yen	817,818	787,214	+30,604	+3.9%				
Equity ratio	%	84.9	82.7	+2.2					
Net assets per share	Yen	7,182.64	6,821.68	+360.96	+5.3%				
Capital expenditures	Millions of yen	60,925	80,239	-19,314	-24.1%	68,000	+11.6%	23,000	-13.0%
Depreciation (Tangible fixed assets)	Millions of yen	60,638	56,669	+3,969	+7.0%	60,000	-1.1%	27,800	-2.2%
Research and development costs	Millions of yen	33,891	33,794	+97	+0.3%	33,700	-0.6%	17,500	+6.6%
Net financial revenue	(Interest and dividend income)	(Millions of yen)	(10,414)	(6,283)	(+4,131)	(+65.8%)			
Foreign currency exchange	Millions of yen	(loss) 946	(gain) 4,466	(loss) 5,412					
Foreign exchange rate (Average yen-dollar rate)	Yen/US\$	117.02	113.09	+3.93	+3.5%	115.00		115.00	
Number of employees		20,422	20,279	+143	+0.7%				
(Number of R&D employees)		(2,158)	(2,208)	(-50)	(-2.3%)				
Overseas production ratio	%	61	56	+5		62			
Number of consolidated subsidiaries		40	41	-1					
(Domestic)		(12)	(12)	(0)					
(Overseas)		(28)	(29)	(-1)					
Number of companies accounted for by equity method		2	2	0					
Number of non-consolidated subsidiaries		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.

**Contact: Public Relations and Investor Relations Dept., ROHM CO., LTD.
21, Saiin Mizosaki-cho, Ukyoku, Kyoto 615-8585 Japan (075)315-5729 (Direct line)**

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

1. Consolidated Financials

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

	Year ended March 31, 2007	Year ended March 31, 2006	Increase/decrease from the year ended March 31, 2006		Year ending March 31, 2008 (Projected)				
			Actual	Actual	Amount	Percentage	Annual	Increase/decrease from the previous year	First six months
Sales by product category and geographical region									
Integrated circuits	Millions of yen	173,441	170,087	+3,354	+2.0%	179,746	+3.6%	85,942	-5.4%
(Japan)		(85,874)	(82,977)	(+2,897)	(+3.5%)	(88,732)	+3.3%	(41,938)	-5.6%
(Asia)		(80,145)	(79,375)	(+770)	(+1.0%)	(84,109)	+4.9%	(40,606)	-4.3%
(Americas)		(3,598)	(3,861)	(-263)	(-6.8%)	(3,155)	-12.3%	(1,625)	-16.8%
(Europe)		(3,822)	(3,872)	(-50)	(-1.3%)	(3,748)	-1.9%	(1,772)	-12.8%
Discrete semiconductor devices		156,535	150,636	+5,899	+3.9%	160,937	+2.8%	79,954	-0.3%
(Japan)		(50,037)	(51,840)	(-1,803)	(-3.5%)	(49,091)	-1.9%	(24,291)	-3.7%
(Asia)		(92,167)	(85,108)	(+7,059)	(+8.3%)	(98,351)	+6.7%	(48,953)	+3.1%
(Americas)		(7,097)	(6,935)	(+162)	(+2.3%)	(7,205)	+1.5%	(3,768)	-0.6%
(Europe)		(7,233)	(6,752)	(+481)	(+7.1%)	(6,288)	-13.1%	(2,940)	-19.7%
Passive components		24,735	24,998	-263	-1.1%	23,037	-6.9%	11,605	-8.3%
(Japan)		(6,601)	(7,558)	(-957)	(-12.7%)	(5,374)	-18.6%	(2,695)	-21.8%
(Asia)		(13,856)	(12,716)	(+1,140)	(+9.0%)	(14,284)	+3.1%	(7,199)	+2.7%
(Americas)		(1,728)	(1,915)	(-187)	(-9.8%)	(1,436)	-16.9%	(736)	-17.7%
(Europe)		(2,548)	(2,807)	(-259)	(-9.2%)	(1,941)	-23.8%	(974)	-25.5%
Displays		40,369	42,068	-1,699	-4.0%	36,279	-10.1%	18,497	-14.2%
(Japan)		(11,157)	(13,891)	(-2,734)	(-19.7%)	(10,098)	-9.5%	(5,001)	-20.0%
(Asia)		(23,568)	(22,899)	(+669)	(+2.9%)	(20,139)	-14.5%	(10,556)	-15.3%
(Americas)		(2,788)	(2,426)	(+362)	(+14.9%)	(3,068)	+10.0%	(1,399)	-1.9%
(Europe)		(2,854)	(2,850)	(+4)	(+0.1%)	(2,971)	+4.1%	(1,539)	+8.7%
Total		395,081	387,790	+7,291	+1.9%	400,000	+1.2%	196,000	-4.5%
(Japan)		(153,671)	(156,268)	(-2,597)	(-1.7%)	(153,296)	-0.2%	(73,926)	-6.8%
(Asia)		(209,738)	(200,100)	(+9,638)	(+4.8%)	(216,885)	+3.4%	(107,316)	-1.9%
(Americas)		(15,212)	(15,138)	(+74)	(+0.5%)	(14,866)	-2.3%	(7,530)	-6.7%
(Europe)		(16,459)	(16,282)	(+177)	(+1.1%)	(14,951)	-9.2%	(7,227)	-14.1%

Sales by application

Visual	%	6.7	7.4	-0.7
Audio		11.8	11.1	+0.7
Home appliance		2.4	2.3	+0.1
Other consumer		6.1	4.7	+1.4
Computer and OA		21.1	22.1	-1.0
Telecommunications		18.7	18.3	+0.4
Automotive		5.7	5.2	+0.5
Other industrial		1.5	1.5	0.0
Subassemblies		15.7	13.5	+2.2
Others		10.3	13.9	-3.6

Capital expenditures by product category

Integrated circuits	Millions of yen	34,403	44,254	-9,851	-22.3%	26,600	-22.7%	8,300	-35.3%
Discrete semiconductor devices		17,291	20,820	-3,529	-17.0%	25,800	+49.2%	8,500	-2.5%
Passive components		2,445	1,886	+559	+29.6%	2,000	-18.2%	1,000	-19.1%
Displays		2,018	3,546	-1,528	-43.1%	2,900	+43.7%	1,800	+70.8%
Others		4,767	9,731	-4,964	-51.0%	10,700	+124.4%	3,400	+31.4%
Total		60,925	80,239	-19,314	-24.1%	68,000	+11.6%	23,000	-13.0%

2. Non-consolidated Financial Results

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

		Year ended	Year ended	Increase/decrease from the year		Year ending March 31, 2008 (Projected)			
		March 31, 2007	March 31, 2006	ended March 31, 2006		Annual	Increase/ decrease from the previous year	First six months	Increase/ decrease from the corresponding six months of the previous year
		Actual	Actual	Amount	Percentage				
Net sales	Millions of yen	359,802	360,870	-1,068	-0.3%	360,000	+0.1%	176,500	-5.9%
Operating income	Millions of yen	32,125	24,129	+7,996	+33.1%	43,000	+33.9%	18,000	+6.4%
(Operating income margin)		(8.9%)	(6.7%)	(+2.2%)		(11.9%)		(10.2%)	
Ordinary income	Millions of yen	42,392	38,035	+4,357	+11.5%	51,000	+20.3%	24,000	-6.1%
(Ordinary income margin)		(11.8%)	(10.5%)	(+1.3%)		(14.2%)		(13.6%)	
Net income	Millions of yen	30,284	27,238	+3,046	+11.2%	33,000	+9.0%	16,000	-18.9%
(Net income margin)		(8.4%)	(7.5%)	(+0.9%)		(9.2%)		(9.1%)	
Basic net income per share	Yen	263.98	234.91	+29.07	+12.4%	291.04		141.07	
Total assets	Millions of yen	602,024	630,721	-28,697	-4.5%				
Net assets	Millions of yen	513,235	513,433	-198	-0.0%				
Equity ratio	%	85.3	81.4	+3.9					
Net assets to per share	Yen	4,509.52	4,449.39	+60.13	+1.4%				
Annual cash dividends	Yen	100.0	90.0	+10.0		130.0		65.0	
(Year-end cash dividends)	(Yen)	(55.0)	(45.0)	(10.0)					
Capital expenditures	Millions of yen	6,569	9,401	-2,832	-30.1%	8,900	+35.5%	3,800	+30.9%
Depreciation (Tangible fixed assets)	Millions of yen	7,257	7,620	-363	-4.8%	7,300	+0.6%	3,300	-2.4%
Net financial revenue									
(Interest income)	(Millions of yen)	(3,565)	(2,109)	(+1,456)	(+69.0%)				
(Dividend income)	(Millions of yen)	(6,755)	(6,859)	(-104)	(-1.5%)				
Total	Millions of yen	10,321	8,969	+1,352	+15.1%				
Foreign currency exchange gains/losses	Millions of yen	(loss) 227	(gain) 3,919	(loss) 4,146					
Number of employees		3,290	3,315	-25	-0.8%				
Number of shareholders		25,384	27,099	-1,715	-6.3%				
Financial institution shareholding ratio	%	24.18	24.84	-0.66					
Foreign shareholding ratio	%	52.03	51.65	+0.38					



Financial Report for Fiscal Year Ended March 31, 2007

May 10, 2007

Listed Company Name: ROHM CO., LTD.

Stock Exchange Listings Tokyo, Osaka

Code No.: 6963

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

Company representative: Ken Sato, President

TEL: (075) 311-2121

Contact person: Eiichi Sasayama, Director, Accounting & Finance Headquarters

Scheduled date of annual meeting of shareholders June 28, 2007

Scheduled first-dividend payment date June 29, 2007

Scheduled date of securities report submission June 28, 2007

(Figures are rounded down to the nearest million yen)

1. Consolidated Business Results for Year Ended March 31, 2007 (From April 1, 2006 to March 31, 2007)

(1) Consolidated Results of Operations

(The percentages [%] represent changes from the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2007	395,081	1.9	69,497	1.7	77,578	-1.1	47,446	-1.8
Year ended March 31, 2006	387,790	5.1	68,318	-10.2	78,437	-1.1	48,304	7.0

	Basic net income per share	Diluted net income per share	Ratio of net income to equity	Ordinary income to total assets	Operating income to net sales
	Yen	Yen	%	%	%
Year ended March 31, 2007	413.57	—	5.9	8.1	17.6
Year ended March 31, 2006	416.39	—	6.3	8.6	17.6

(Reference) Equity in income (losses)

Year ended Mar. 31, 2007: -4 million yen

Year ended Mar. 31, 2006: 0 million yen

(2) Consolidated Financial Position

	Total assets	Shareholder's equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	Yen
Year ended March 31, 2007	962,602	817,818	84.9	7,182.64
Year ended March 31, 2006	951,441	787,214	82.7	6,821.68

(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 year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2007	103,929	-50,142	-27,367	312,178
Year ended March 31, 2006	94,548	-95,332	-25,310	280,465

2. Dividend Details

(Base date)	Dividend per share			Total annual dividend	Shareholder payout ratio (consolidated)	Dividend on equity ratio (consolidated)
	Interim	End of year	Annual			
	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2006	45.00	45.00	90.00	10,407	21.6	1.4
Year ended March 31, 2007	45.00	55.00	100.00	11,402	24.2	1.4
Year ending March 31, 2008 (estimates)	65.00	65.00	130.00		27.8	

3. Consolidated Business Results Forecast for Fiscal 2008 (From April 1, 2007 to March 31, 2008)

(The percentages [%] shown for the year-end figures represent changes from the previous year, and those for the Interim figures represent changes from the interim data of the previous year.)

	Net sales		Operating income		Ordinary income		Net income		Basic net income per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	
Interim	196,000	-4.5	35,000	-13.1	39,000	-12.1	25,000	-13.4	220.43	
Fiscal 2008	400,000	1.2	74,000	6.5	83,000	7.0	53,000	11.7	467.43	

ROHM Co., Ltd. Financial Report for the Year Ended on March 31, 2007

4. Other

(1) Major changes to subsidiaries during the year ended March 31, 2007 (Changes to designated subsidiaries involving changes to the range of consolidation) None

(2) Changes to accounting policies, procedures, indication methods, etc. concerned with the preparation of financial statements (changes to be entered as changes to major conditions for the preparation of consolidated financial statements)

① Changes according to revision of accounting standards Yes

② Other changes None

(Note) For details, please refer to “Changes to the Basis of Presenting Consolidated Financial Statements” on page 16.

(3) Number of shares outstanding (common shares)

① Year-end number of shares outstanding (incl. treasury shares)

Year ended March 31, 2007: 118,801,388 shares

Year ended March 31, 2006: 118,801,388 shares

② Year-end number of treasury shares

Year ended March 31, 2007: 4,989,889 shares

Year ended March 31, 2006: 3,417,119 shares

(Note) For the number of shares used as the basis for calculating the net income per share, please refer to “Per Share Data” on page 22

(Reference) Summary of non-consolidated operating results

1. Non-consolidated performance of the year ended March 31, 2007 (From April 1, 2006 to March 31, 2007)

(1) Non-consolidated operating results

(The percentages [%] represent changes from the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2007	359,802	-0.3	32,125	33.1	42,392	11.5	30,284	11.2
Year ended March 31, 2006	360,870	5.4	24,129	4.7	38,035	-25.8	27,238	-31.7

	Basic net income per share	Diluted net income per share
	Yen	Yen
Year ended March 31, 2007	263.98	—
Year ended March 31, 2006	234.91	—

(2) Non-consolidated financial status

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Year ended March 31, 2007	602,024	513,235	85.3	4,509.52
Year ended March 31, 2006	630,721	513,433	81.4	4,449.39

2. Estimated non-consolidated operating results for the year ending March 31, 2008 (April 1, 2007 through March 31, 2008)

(The percentages [%] shown for the year-end figures represent changes from the previous year, and those for the Interim figures represent changes from the interim data of the previous year.)

	Net sales		Operating income		Ordinary income		Net income		Basic net income per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	
Interim	176,500	-5.9	18,000	6.4	24,000	-6.1	16,000	-18.9	141.07	
Fiscal 2008	360,000	0.1	43,000	33.9	51,000	20.3	33,000	9.0	291.04	

* 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.

For the conditions and other related factors based on which the above forecast data have been obtained, please refer to page 5 of the attached document.

The Basic net income per share was calculated in consideration of the treasury shares scheduled to be purchased after March 31, 2007. (Please refer to the section “Critical Subsequent Events” on pages 22 and 28.)

Operating Results

1. Operating Results Analysis

(1) Operating Results for the Year Ended March 31, 2007

An overall review of the results of operations

During the fiscal year ended March 31, 2007, the world economy remained firm in general, mainly because exports expanded in Asia, because the European economy recovered, and because Christmas merchandise sales were relatively strong in the United States, although with a temporary crude-oil price surge and a slowdown in the housing market and consumer spending, concerns of economic slowdown grew in the U.S. The Japanese economy remained firm, owing to brisk plant and equipment spending and export, as well as increase in consumer spending pulled up by recovery in the performance of the business sector.

In the electronics market, the sales of digital audio/visual equipment, such as thin TVs, showed considerable growth, due mainly to the Soccer World Cup. In the automobile market, the application of electronics in cars grew, increasing the demand for semiconductors. The mobile-phone market also showed a rapid increase, owing mainly to the increase in supply to newly emerging markets such as the BRICs*1. In the latter half of the year, though the demand temporarily increased because of the launch of a new gaming machine, the market growth decelerated, chiefly due to a slowdown in the personal-computer market and the production adjustment of digital audio/visual equipment following the Soccer World Cup.

Regarding markets in different regions, in Japan, the sales of thin TVs, digital still cameras and gaming machines were favorable. The sales of mobile phones, which were sluggish in the first half of the year, showed a small recovery owing mainly to the start of the phone-number portability system and the launch of new models. The personal-computer market stayed slow. The Asian market remained favorable in the first half, because the finished-product assembly production industry remained brisk and because of the continuing shift of production bases from Europe and Japan to Asian regions continued. In the latter half, the Asian market entered the adjustment phase, because of inventory adjustment and seasonal factors. In Europe and North America, the shift of production bases to the Asian region continued and overall performance remained slow, though the demand for thin TVs increased in the European market.

Under such circumstances, the ROHM Group placed continued efforts into such areas as the reinforcement and streamlining of the manufacturing process, the research and development of new products, and the reinforcement of sales operations and customer relations, while making continued efforts to improve efficiency in capital investment. Concerning manufacturing process lines, for the front-end process ROHM pressed ahead with the establishment of an integrated production system and, to deal with increase in the demand for semiconductors, built an additional LSI wafer process plant at ROHM Hamamatsu Co., Ltd., a ROHM Group company. Concerning the back-end process, ROHM built new assembly plants at its mass-production bases in Thailand, the Philippines, and Tianjin (China). Concerning the development of new products, ROHM proactively committed itself to developing such new products as system LSI devices, power transistors and power diodes, for use in such applications as thin TVs, mobile phones, and automotive components. Concerning the reinforcement of sales operations and customer relations, ROHM proceeded with the improvement of development bases in and outside Japan. As part of this improvement effort, ROHM established the Nagoya Design Center last spring. The Company also made efforts to enhance and enrich its sales operations.

ROHM's net sales for the fiscal year ended March 31, 2007, increased 1.9% to ¥395,081 million over the previous year. However, the ratio of gross profit to sales deteriorated 0.9 points from the previous year, influenced mainly by changes in the ratios of individual products.

The operating income increased 1.7% to ¥69,497 million over the previous year because sales expenses and general and administrative expenses decreased 1,887 million yen from the previous year.

The non-operating losses (net) decreased from a positive ¥10,118 million of the previous year to a positive ¥8,081 million. A major reason being that, while interest income increased ¥4,101 million, foreign currency exchange losses occurred in spite of the previous year's foreign currency exchange gains, resulting in a decrease of ¥5,413 million.

As a result of these factors, ROHM's ordinary income for the year ended March 31, 2007 decreased 1.1% to ¥77,578 million from the previous year.

ROHM's net income for the year ended March 31, 2007 decreased 1.8% to ¥47,446 million from the previous year.

*1.BRICs

A collective term that refers to four countries, Brazil, Russia, India and China, which are achieving substantial economic growth.

Divisional review of the results of operations

<Integrated circuits>

ROHM's sales of integrated circuits for the fiscal year ended March 31, 2007 were ¥173,441 million, 2.0% up over the previous year.

Concerning products for home appliances markets, the sales of various LSI devices for thin TV panels grew steadily in the market of components for digital audio/visual equipment, and the sales of lens controller and driver LSI devices^{*2} and system power supplies for digital still cameras and digital video cameras remained favorable, as did the sales of LSI devices for gaming machines. The conventional audio/visual equipment market continued to be severe. Concerning the mobile-phone market, the employment of TFT-LCD driver LSI devices and analog front-end LSI devices^{*3} became increasingly common, while a production adjustment occurred in the domestic mobile-phone market, negatively influencing ROHM's sales.

Concerning production systems, ROHM continued its efforts to increase in-house production of components such as 300-mm wafers, lead frames, and photomasks. ROHM also committed itself to increasing the capacity of 300-mm-wafer production process in the front-end process and to improving production efficiency by adopting automatic conveyor facilities. To be prepared for future demand increase, ROHM acquired land in Chikugo-shi, Fukuoka Prefecture, to build a 300-mm-wafer process production plant. Concerning the back-end process, ROHM made continued efforts to strengthen overseas production systems, and committed itself to enriching its compact, thin package lineup and increasing the capacity of production.

In module products, the sales of communication modules compatible with IrDA (Infrared Data Association) standards for use in mobile phones and custom modules for on-vehicle use remained firm, but the sales of power modules for use in portable equipment were sluggish. ROHM proceeded with the shift of production to China as part of efforts to realize efficient production systems.

*2. Lens controller and driver LSI devices

LSI devices that focus the camera lens and control the functions such as zooming and the correction of image blurred by hand movement.

*3. Analog front-end LSI chips

LSI chips that convert radio waves (analog signals) received by a mobile phone into digital signal data that can be processed.

<Discrete semiconductor devices>

ROHM's sales of discrete semiconductor devices for the fiscal year ended March 31, 2007 were ¥156,535 million, 3.9% up over the previous year.

Regarding transistors and diodes, the market was in an adjustment phase during the summer and thereafter, but the sales of power MOS FETs^{*4} were strong mainly for thin TVs, and the sales of ultra-small diodes for the mobile-phone market and power diodes for on-vehicle use increased. The sales of light-emitting diodes (LEDs) suffered severe conditions, chiefly because the price competition of blue and white LEDs intensified. For laser diodes, the sales of single-wavelength laser diodes for reading CDs showed signs of recovery, and high-power double-wavelength laser diodes for reading and writing CDs and DVDs remained favorable. The sales of high-power single-wavelength laser diodes for CD-R and CD-RW were sluggish.

Regarding production systems and as a move concerning the front-end process, ROHM made continued efforts to increase production capacity of MOS FETs at ROHM Tsukuba Co., Ltd., a group member Company. For the back-end sequence, ROHM proceeded with the transfer of production to overseas, mainly to China (Tianjin) and Thailand, and with the streamlining of manufacturing processes, to become more cost competitive.

*4. MOS FET

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

<Passive components>

ROHM's sales of passive components for the fiscal year ended March 31, 2007 were ¥24,735 million, 1.1% down from the previous year.

Though price competition continued to be intense in the resistor market, the sales of low ohmic resistors and multiple-chip compound products increased for use in mobile phones and gaming machines. Regarding the capacitors category, the sales of compact, large-capacitance tantalum capacitors of the face-down type for use in mobile phones remained firm.

Regarding production systems, ROHM committed itself to the reinforcement of the supply system in overseas markets and to cost reduction, mainly by shifting the production of tantalum capacitors to Thailand.

ROHM's Multi-layer Ceramic Capacitor business was transferred to Murata Manufacturing Co., Ltd. in January 2007, streamlining the corporate operations.

<Displays>

ROHM's sales of displays for the fiscal year ended March 31, 2007 were ¥40,369 million, 4.0% down from the previous year.

Concerning printheads, the sales of printheads for miniaturized printers, typically used with point-of-sale (POS) systems, remained healthy. The sales of LED displays were firm, principally because the sales of numeric displays increased briskly. The sales of LCD modules were severe owing to adverse factors such as intensified price competition in the market of products for mobile phones, although ROHM made efforts to increase the sales of custom LCD modules for use in industrial equipment.

(2) Forecast for the Next Fiscal Year Ending March 31, 2008

Overall Business Result Outlook for Fiscal 2008

The global economy as a whole is expected to stay steady chiefly because investment in infrastructures and equipment spending is expected to accelerate before the Beijing Olympic Games in 2008 in the latter half of the year, although there are signs of uncertainty, such as an economic slowdown in the United States and probable production/inventory adjustment phases in the information-technology and digital sectors. The Japanese economy is also expected to stay steady, owing to firm equipment spending and consumer spending resulting from firm corporate performance and improvement in the employment environment. In the electronic components industry, growth is expected to slow down, but the production of digital home appliances, automotive components and information and communications equipment is expected to grow.

Under these circumstances, ROHM commits itself to the development of high-value-added products, including high-function, high-performance LSI devices and compact, high-reliability power discrete products, mainly for use in mobile phones, digital audio/visual equipment such as thin TVs, and automotive equipment. For manufacturing processes, ROHM intends to increase production capacity and expand its 300-mm wafer process in preparation for the expected demand increase. ROHM also intends to commit itself to improving product quality and reliability while reducing cost. It intends to make across-the-board efforts to achieve higher results, by improving its sales and technical-support systems both in Japan and overseas.

ROHM also intends to continue its efforts in environmental conservation acts by implementing environmental-friendly business activities.

Consolidated forecast for the fiscal year 2008 is as follows:

Net sales: 400,000 million yen (1.2% up from the previous year)
 Ordinary income: 83,000 million yen (7.0 % up from the previous year)
 Net income: 53,000 million yen (11.7 % up from the previous year)

Consolidated divisional sales forecast is given below.

Integrated circuits	179,700 million yen	(3.6 % up from previous year)
Discrete semiconductor devices	160,900 million yen	(2.8 % up from previous year)
Passive components	23,000 million yen	(6.9 % down from previous year)
Displays	36,200 million yen	(10.1% down from previous year)

The forecasts are based on the exchange rate of ¥115.00 to US\$1.

2. Financial Analysis

Analysis of assets, debts, net assets and cash flow:

As of March 31, 2007, total assets amounted to ¥962,602 million, up ¥11,161 million over March 31, 2006. The major factors in the rise are that cash and bank deposits increased ¥25,214 million and that the value of marketable, available-for-sale securities increased ¥11,364 million, although the value of investment securities decreased ¥17,756 million and the value of tangible fixed assets decreased ¥8,255 million.

Debts decreased to ¥144,784 million, down ¥19,139 million from March 31, 2006. The major factors are that the accrued expenses reduced ¥13,043 million and that the accrued enterprise tax decreased ¥7,933 million.

Net assets amounted to ¥817,818 million.

As a result of these changes, the shareholders' equity ratio increased to 84.9 % from 82.7 % as of March 31, 2006.

The cash flow status for the fiscal year ended March 31, 2007 is as follows:

Cash flow from operating activities increased ¥9,381 million over the previous year, due mainly to an increase of ¥18,998 million resulting from changes in inventory assets, an increase of ¥5,983 million resulting from changes in the total amount of receivables, a decrease of ¥10,309 million resulting from changes in the amount of purchase liabilities and a decrease of ¥8,656 million resulting from an increase in corporate taxes.

Cash flow from investing activities increased ¥45,190 million from the previous year. This is attributed chiefly to an increase of ¥35,949 million due to changes in the amount of time and savings deposits, an increase of ¥18,371 million due to changes in the balance of purchase and sale of tangible fixed assets, and a decrease of ¥8,145 million due to changes in the balance of purchase and sale of marketable, available-for-sale securities and investment securities.

The cash flows from financial activities decreased ¥2,057 million from the previous year mainly because the expenses concerned with the acquisition of treasury stocks increased ¥1,903 million.

As a result of these increases and decreases, the total amount of cash and cash equivalents increased ¥31,713 million, bringing the balance as of March 31, 2007 to ¥312,178 million.

As the events expected to have a considerable impact on the cash flows for the upcoming year, ROHM plans to spend ¥68,000 million in capital investments and allot ¥60,000 million in depreciation (tangible fixed assets).

Reference: Changes in cash-flow indicators

	Year ended March 31, 2003	Year ended March 31, 2004	Year ended March 31, 2005	Year ended March 31, 2006	Year ended March 31, 2007
Shareholders' equity ratio	84.0%	84.5%	85.2%	82.7%	84.9%
Shareholders' equity ratio on market value basis	189.5%	188.9%	139.4%	151.0%	126.4%
Interest coverage ratio	136,959.4	—	—	—	—

(Computation)

Shareholder's equity ratio = equity capital/total assets

Shareholders' equity ratio on market value basis = aggregate market value of shares/total assets

Interest coverage ratio = cash flows from operating activities/interest expenses

3. Basic Policy for Profit Distribution and Dividends for the Years Ended March 31, 2007 and March 31, 2008

(1) Basic Policy for Profit Distribution

Concerning profit distribution for shareholders, ROHM intends to implement actions so as to meet their expectations, by thoroughly considering the Company's results of operations, financial status, and fund demands for business investments to improve the value of the Company in the future.

More specifically, ROHM intends to pay a return to shareholders that will be no less than 100% of the consolidated cash flow (*) in each of the upcoming three years. As the means to realize these returns, ROHM intends to use ordinary dividends, the acquisition of treasury stock, and extraordinary dividends. Concerning ordinary dividends, ROHM intends to increase the consolidated payout ratio from the current ratio of approximately 20% to 30% as a target, thus ensuring continued stable dividend payout.

In the semiconductor industry, while market expansion is anticipated over the medium to long term in parallel with the progress of a highly sophisticated information society, international competition is expected to be more intense than ever, involving the realignment of the industry and the elimination of non-competitive businesses. For ROHM to continue to grow and expand its business under these circumstances, it must reinforce its expertise of developing original products and enhance cost competitiveness, surpassing other companies. ROHM intends to continue company-wide efforts to further improve its value as a company by continuing to invest cash reserves and generated cash flow carefully and effectively on the plants and equipment required to enhance its developmental and technological expertise, which is the source of its competitiveness, and on strategic business projects such as joint ventures, which will produce synergy effects, and the acquisition of other companies, thus ensuring attractive returns.

By carrying out these plans, ROHM intends to improve the earnings per share (EPS) and return on equity (ROE).

* Free cash flow

The *free cash flow* is the amount obtained by a simple calculation method; namely, it is the sum of the earnings per share and the cost of depreciation and amortization, minus plant-and-equipment investments and operating capital investments.

(2) Distribution of profits for fiscal year ended March 31, 2007

As a result of comprehensively examining its future business projections, financial forecasts, capital needs for future business investments aimed for improving its company value, ROHM has decided to pay ¥55 per share as the year-end dividend, up ¥10 over the previous year. Accordingly, the total yearly dividend is expected to be ¥100 per share.

During the year ended March 31, 2007, ROHM purchased 1,103,000 shares amounting to ¥11,996.763 million as treasury stock before September 15, 2006, based on the decision made at the board of directors' meeting held on August 11, 2006. In addition, based on the decision made at the board of director's meeting held on March 9, 2007, ROHM purchased 466,000 shares amounting to ¥4,992.984 million as treasury stock before March 19, 2007.

(3) Distribution of profits for fiscal 2008

For the distribution of profits for the year ended March 31, 2008, ROHM plans to distribute ¥65 per share as the interim dividend and ¥65 as the year-end dividend, totaling ¥130. In response to the issue of cash flow conditions addressed during the board meeting, ROHM decided to implement agile return-to-shareholder measures such as acquiring treasury stock in 2008.

4. Risks Concerning the Company's Businesses

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

(1) Risks Associated with Market Changes

The semiconductor industry and electronics component industry are subject to sharp, abrupt changes in market conditions, as end set manufacturers may adjust production according to the sales conditions of electronic products and competition in prices and technology development with rival companies. Prices are especially susceptible to a sudden drop according to supply-demand relationship, the pricing strategies of other companies, and other factors. Such price changes may adversely influence the statements of income in regard to maintaining or increasing sales.

(2) Exchange Risks

ROHM has development bases, manufacturing bases and sales bases around the world. The financial statements prepared in local currencies are translated into Japanese yen to prepare the consolidated financial statement. Therefore, even if the values in the local currencies are 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 produces products in Japan and other Asian countries and sells them in Japan, other Asian countries, the Americas and Europe. Accordingly different currencies are used between production bases and sales bases, and ROHM is influenced by exchange rate fluctuation. Generally, a strong Japanese yen conversion adversely influences our business performance, while a weak yen conversion has favorable influence.

(3) Risks of Product Defects

The ROHM Group places top priority on quality, as stated in the Company Mission, and produces products under severe quality control. However, this does not guarantee that it never produces defective products or that it will never be liable to pay for product losses by a buyer. If a buyer makes a claim for losses with regard to ROHM products, statements of income may be adversely influenced.

(4) Legal Risks

To manufacture products distinguished from the products of other companies, ROHM develops various new technologies and produces and sells products worldwide based on these original technologies. ROHM has a division that specializes in the strict supervision of in-house activities to ensure that the technologies the Group uses doesn't infringe on the intellectual property rights of other companies, such as patent rights. In addition, to conserve the environment, protect health and ensure safety, ROHM Group complies with all the relevant laws and regulations in all the fields its business is involved in, monitoring gas emissions, drainage, harmful-material utilization and handling, waste treatment, and soil/underground water pollution. However, the Group may accept legal responsibilities in this respect because of a difference in views among those concerned or unexpected events, possibly having an adverse influence on the statements of income.

(5) Natural Disasters and Geopolitical Risks

The ROHM Group performs development, manufacturing and sales activities not only in Japan but also around the world. To diversify the risks, the Group locates production lines at different bases as a countermeasure. However, the production bases may suffer damage due to earthquake, typhoon, flood and other natural disasters, or political uncertainty or international conflict. If these events prevent the supplying products to customers, ROHM's statements of income may be adversely influenced.

(6) Other Risks and Corporate Risk Management System

In addition to the above-mentioned risks, there are various risks that may influence financial conditions and administrative performance during business activities. These risks include logistics, material procurement and information system. The ROHM Group has an in-house Risk Control Committee to preclude these risks or minimize its influence.

Status of the ROHM Group

The status of the ROHM Group has not undergone any major change from that appearing in the Group's latest securities report submitted on June 29, 2006, namely, in the Group diagram of the business description section and in the conditions presented in the subsidiaries information section. Consequently this present report has omitted the disclosure of the Group's status information.

Management Policies

1. ROHM's Basic Management Policy

ROHM believes added values created by the company's performance should be allocated to all constituents; including shareholders, employees, and local communities in appropriate proportions as well as allotment of retained earnings for business investment and increased competitive strengths. To pursue this objective and to establish an extensive and continuous value, it is essential to obtain the understanding and cooperation of all who have stakes in the company's performance. Making ROHM stocks more attractive to investors has been one of the highest priorities of the company's management.

It is based on these considerations that ROHM has committed itself to developing market-leading products, including high-value-added system LSIs for digital information technology and mobile electronic equipment, which are expected to undergo rapid growth, along with optical devices, another area with considerable growth potential. As another fundamental policy, ROHM also pursues the enhancement of cost competitiveness through optimal utilization of its distinctive production technologies and consequently maintain a leading position in the global electronic component market.

2. Referenced Corporate Performance Indexes

ROHM is making continued efforts to ensure its earning power by taking various steps, including the development of new products while reinforcing its sales operations. ROHM appends importance to indexes representing the rate of return, such as EBITDA*, as well as asset turnover ratio and business investment efficiency.

In addition, we are making efforts to improve the earnings per share (EPS) and return on equity (ROE), to enhance shareholder value.

*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.

3. Medium- to Long-term Corporate Strategies

Amidst the anticipated expansion of the electronics market over the medium to long term in parallel with the progress of the highly sophisticated information society, international competition is expected to intensify mainly due to the broadening in demand fluctuations, mandating realignment of the industry and the elimination of non-competitive businesses.

To ensure stable growth and a strong, well-balanced financial position under these circumstances, a range of measures should be taken. These include development of creative and high-value-added products utilizing world leading advanced technologies, enhancement of cost competitiveness, establishment of a global production and distribution network that conveys high customer satisfaction in both domestic and overseas markets as well as strengthening technical support and service systems for customers.

An integrated developmental production system, development of custom-designed products, higher levels of quality, and above all, persistent efforts to formulate implementation measures in these respects, hold unequivocal importance to ROHM.

To elaborate more specifically, ROHM is increasing R&D personnel and strengthening the corporate operations in digital, analog, and digital/analog integrated technologies. In addition to its original REAL SOCKET design system used to develop complicated, high-performance system LSI circuits, ROHM has newly developed REAL PLATFORM, which cuts design lead-time and speeds up the development of system LSI circuits. With these innovative technologies, ROHM aims at satisfying various customer needs, including the supply of larger-scale and higher-performance system LSI circuits in shorter cycles; particularly in the markets for digital home appliances and information and communications equipment.

ROHM is also committed to reinforcing its high-quality, high-reliability product lines for automobiles, in which the use of electronics is rapidly increasing. The Company is committed to research and development to take the initiative in next-generation technologies, including optical devices such as blue-purple laser diodes using a non-polar plane, which are expected to be applied to the development of green laser diodes, as well as developing power devices using a silicon carbide substrate, which are expected to be far superior to semiconductor devices using conventional silicon substrates in terms of voltage endurance, high electric current, and small losses. The Company is also committed to the research and development of biosensors, aiming to strengthen its presence in the medical industry.

ROHM's bases for technological enhancement include the Yokohama Technology Center, Optical Device Research Center and the LSI Test Technology Center, along with the Kyoto Technology Center. These bases reinforce the in-house R&D system for further growth in the future.

ROHM is also providing product-related recommendations and technical support to customers worldwide. To increase contributions toward the development of next-generation technologies, ROHM is actively involved in a wide range of joint R&D projects; including the recently agreed industrial-academic joint development project with Tsinghua University, China; comprehensive industrial-academic collaboration alliances with Kyoto University and other leading institutions; joint efforts with

the Semiconductor Industry Research Institute of Japan—a research organization for the Japanese semiconductor industry; and participation in other Japanese national leading-edge R&D projects: ASCA (Advanced Semiconductors through Collaborative Achievement) and MIRAI (Millennium Research for Advanced Information Technology), both of which integrate the expertise of academic, industrial, and governmental colleagues. ROHM is also promoting partnerships with other companies whenever necessary to complement its technologies and consequently improve the efficiency of R&D activities.

Regarding the organization of its production system, ROHM is vigorously improving cost competitiveness and reinforcing the corporate supply system capable of handling a worldwide market. More details in this area concern the front-end process of semiconductor production, where the company is adopting larger-diameter wafer processes, such as the 300mm wafer process. For the back-end process, ROHM is forcefully shifting production to overseas plants, including locations such as Thailand, the Philippines and China, while expanding production capacity. ROHM's existing domestic plants are clearly positioned as the main hub for other plants in the ROHM Group's production network, with the focus on advancing production technologies. These production technologies established by domestic plants will then be shared with overseas plants to manufacture and supply ROHM's high quality products on a global scale.

Through focusing on quality first and foremost— not only in the manufacturing division but also in the field of technological development, including LSI circuit design and manufacturing technologies, ROHM will extend company-wide efforts to enhance the reliability of its products. ROHM is also determined to produce components such as wafers, photomasks and lead frames in-house. Developing products in-house that exceed competitors' products in quality and reliability will reduce lead-time and ultimately improve international competitiveness.

To expand its shares in growing overseas markets, ROHM intends to open new sales bases and design centers as well as improve quality assurance center networks in Europe, North America and Asia, thus reinforcing its customer-support systems in terms of sales, technology and quality. At the same time ROHM is proceeding with restructuring and integrating corporate organizations in and outside Japan, thus continuously improving administrative efficiency and speeding up the decision-making process.

To contribute to environmental conservation, ROHM Group as a whole continues to make progress with establishing and implementing an environmental management system based on ISO 14001 standards. ROHM environmental conservation activities include the development of low-power-consumption, energy-saving products as well as efforts to swiftly attain zero emission goals through the promotion of recycling waste and support of “green” procurement and supply at all production bases in Japan and overseas. ROHM continues to implement the tree-planting project in Australia as part of the fight against global warming. ROHM complied with the RoHS Directive, the European environmental regulations that took effect in July 2006, ahead of its enforcement, leading the industry. ROHM performs business operations so as to conserve the global environment.

4. Priority Issues

As the electronics industry is expected to grow in the medium to long term due to the increasing demand for digital home information equipment and more sophisticated automotive electronic control systems, material cost increase, international technological competition, and price conflicts are also intensifying continuously on a global scale. This increasingly intense condition mandates a constant supply of internationally competitive products through innovative, high-quality processes and technologies, and continuous cost-reduction efforts.

Under such circumstances, the ROHM Group intends to make its utmost, across-the-board effort to increase business performance, by developing new, high-value-added products and technologies that will satisfy emerging customer needs, by further enhancing quality and reliability as well as strengthening production and sales organization through improvement in manufacturing technologies, and by streamlining corporate operations and cutting cost.

Consolidated Balance Sheets

Accounts	Period	Fiscal year 2007 (As of March 31, 2007)		Fiscal year 2006 (As of March 31, 2006)		Increase/decrease (-) from the year ended March 31, 2006
		Amount	Ratio	Amount	Ratio	Amount
		Millions of yen	%	Millions of yen	%	Millions of yen
(Assets)						
Current assets						
Cash and time deposits		336,122		310,908		25,214
Notes and accounts receivable - trade		102,419		102,048		371
Securities		50,538		39,174		11,364
Inventories		85,059		86,725		- 1,666
Prepaid pension cost		4,417		3,894		523
Deferred tax assets		11,758		17,787		- 6,029
Refundable income taxes		1,174		1,032		142
Other		11,792		7,257		4,535
Allowance for doubtful notes and accounts		- 578		- 717		139
Total current assets		602,704	62.6	568,111	59.7	34,593
Fixed assets						
Property, plant and equipment						
Buildings and structures		196,505		173,011		23,494
Machinery, equipment and vehicles		457,425		431,447		25,978
Tools and furniture		39,396		35,661		3,735
Land		61,617		67,541		- 5,924
Construction in progress		17,994		21,909		- 3,915
Accumulated depreciation		- 497,731		- 446,109		- 51,622
Total tangible fixed assets		275,207	28.6	283,462	29.8	- 8,255
Intangible fixed assets		2,674	0.3	2,546	0.3	128
Investments and other assets						
Investment securities		69,763		87,519		- 17,756
Deferred tax assets		10,364		8,056		2,308
Other		2,284		2,154		130
Allowance for doubtful accounts		- 397		- 410		13
Total investments and other assets		82,015	8.5	97,320	10.2	- 15,305
Total fixed assets		359,898	37.4	383,329	40.3	- 23,431
Total assets		962,602	100.0	951,441	100.0	11,161

Accounts	Fiscal year 2007 (As of March 31, 2007)		Fiscal year 2006 (As of March 31, 2006)		Increase/decrease (-) from the year ended March 31, 2006
	Amount	Ratio	Amount	Ratio	Amount
	Millions of yen	%	Millions of yen	%	Millions of yen
(Liabilities)					
Current liabilities					
Notes and accounts payable - trade	23,649		27,622		- 3,973
Other accounts payable	34,066		47,109		- 13,043
Accrued income taxes	8,079		16,012		- 7,933
Deferred tax liabilities	780		538		242
Other	13,807		14,495		- 688
Total current liabilities	80,382	8.3	105,778	11.2	- 25,396
Long-term liabilities					
Deferred tax liabilities	61,245		55,041		6,204
Liability for retirement benefits	957		989		- 32
Allowance for directors' retirement benefits	2,159		2,069		90
Other	39		44		- 5
Total long-term liabilities	64,401	6.7	58,144	6.1	6,257
Total liabilities	144,784	15.0	163,923	17.3	- 19,139
(Net assets)					
Shareholders' equity					
Common stock	86,969	9.0	-	-	-
Capital surplus	102,403	10.6	-	-	-
Retained earnings	676,749	70.3	-	-	-
Treasury stock - at cost	- 52,400	- 5.4	-	-	-
Total shareholders' equity	813,722	84.5	-	-	-
Unrealized or translated gains/losses					
Net unrealized gain on available-for-sale securities	3,614	0.4	-	-	-
Foreign currency translation adjustments	131	0.0	-	-	-
Total of unrealized or translated gains/losses	3,746	0.4	-	-	-
Minority interests	349	0.1	-	-	-
Total net assets	817,818	85.0	-	-	-
Total of liabilities and net assets	962,602	100.0	-	-	-
(Minority interests)					
Minority interests	-	-	303	0.0	-
(Shareholders' equity)					
Common stock	-	-	86,969	9.1	-
Capital surplus	-	-	102,403	10.8	-
Retained earnings	-	-	639,760	67.2	-
Net unrealized gain on available for-sale securities	-	-	6,524	0.7	-
Foreign currency translation adjustments	-	-	- 13,074	- 1.4	-
Treasury stock - at cost	-	-	- 35,369	- 3.7	-
Total shareholders' equity	-	-	787,214	82.7	-
Total liabilities, minority interests and shareholders' equity	-	-	951,441	100.0	-

Consolidated Statements of Income

Accounts	Period	Fiscal year 2007		Fiscal year 2006		Increase/decrease (-) from the year ended March 31, 2006
		From April 1, 2006 To March 31, 2007		From April 1, 2005 To March 31, 2006		
		Amount	Percentage	Amount	Percentage	Amount
		Millions of yen	%	Millions of yen	%	Millions of yen
Net sales		395,081	100.0	387,790	100.0	7,291
Cost of sales		251,516	63.7	243,516	62.8	8,000
Gross profit		143,565	36.3	144,273	37.2	- 708
Selling, general and administrative expenses		74,067	18.7	75,954	19.6	- 1,887
Operating income		69,497	17.6	68,318	17.6	1,179
Non-operating income		10,889	2.7	12,157	3.1	- 1,268
Non-operating expenses		2,808	0.7	2,039	0.5	769
Ordinary income		77,578	19.6	78,437	20.2	- 859
Extraordinary gains		2,246	0.6	248	0.0	1,998
Extraordinary losses		1,951	0.5	4,827	1.2	- 2,876
Income before income taxes and minority interests		77,874	19.7	73,857	19.0	4,017
Income taxes - current		17,902	4.5	25,297	6.5	- 7,395
Income taxes - deferred		12,497	3.2	192	0.0	12,305
Minority interests		28	0.0	63	0.0	- 35
Net income		47,446	12.0	48,304	12.5	- 858

Consolidated Statements of Retained Earnings

Accounts	Period	Fiscal year 2006 From April 1, 2005 To March 31, 2006
	Amount	
	Millions of yen	
(Capital surplus)		
Capital surplus at beginning of term		102,403
Capital surplus at end of term		102,403
(Retained earnings)		
Retained earnings at beginning of term		601,689
Increase in retained earnings		
Net income		48,304
Decrease in retained earnings		
Cash dividends		10,181
Bonuses to directors		51
Reserve for Employees' welfare fund		0
Retained earnings at end of term		639,760

Consolidated Statements of Shareholders' Equity

Fiscal year 2007 (from April 1, 2006 to March 31, 2007)

(Millions of yen)

	Shareholders' equity					Unrealized or translated gains/losses			Minority interests	Total net assets
	Common stock	Capital surplus	Retained earnings	Treasury stock - at cost	Total shareholders' equity	Net unrealized gain on available-for-sale securities	Foreign currency translation adjustments	Total of unrealized or translated gains/losses		
Balance as of March 31, 2006	86,969	102,403	639,760	- 35,369	793,764	6,524	- 13,074	- 6,550	303	787,517
Changes during the year ended March 31, 2007										
Dividends from retained earnings (Note)			- 5,192		- 5,192					- 5,192
Dividends from retained earnings			- 5,142		- 5,142					- 5,142
Bonus to directors (Note)			- 95		- 95					- 95
Reserve fund for employee benefits			- 26		- 26					- 26
Net income			47,446		47,446					47,446
Acquisition of treasury stock				- 17,031	- 17,031					- 17,031
Changes (net) in sections other than shareholders' equity						- 2,909	13,206	10,296	45	10,342
Total changes during the year ended March 31, 2007	-	-	36,989	- 17,031	19,957	- 2,909	13,206	10,296	45	30,300
Balance as of March 31, 2007	86,969	102,403	676,749	- 52,400	813,722	3,614	131	3,746	349	817,818

(Note) Account of earnings appropriation as per decisions made at the Ordinary General Meeting of shareholders held in June 2006

Consolidated Statements of Cash Flows

Accounts	Period	Fiscal year 2007 From April 1, 2006 To March 31, 2007	Fiscal year 2006 From April 1, 2005 To March 31, 2006	Increase/decrease (-) from the year ended March 31, 2006
		Amount	Amount	Amount
		Millions of yen	Millions of yen	Millions of yen
I Operating Activities				
1. Income before income taxes and minority interests		77,874	73,857	4,017
2. Depreciation and amortization		61,141	57,032	4,109
3. Amortization of goodwill - net		-	40	40
4. Interest and dividends income		- 10,414	- 6,283	- 4,131
5. Foreign currency exchange losses (- gains) - net		- 1,966	- 8,996	- 7,030
6. Increase (- decrease) in net liability for retirement benefits		- 598	- 106	- 492
7. Write-down of investment securities		32	8	24
8. Decrease (- increase) in notes and accounts receivables - trade		562	- 5,421	5,983
9. Decrease (- increase) in inventories		4,724	- 14,274	18,998
10. Increase (- decrease) in notes and accounts payables - trade		- 5,237	5,072	- 10,309
11. Other - net		- 6,601	4,494	- 11,095
Sub-total		119,516	105,342	14,174
12. Interest and dividends - received		10,516	6,652	3,864
13. Income taxes - refunded (- paid)		- 26,103	- 17,447	- 8,656
Net cash provided by operating activities		103,929	94,548	9,381
II Investing Activities				
1. Decrease (- increase) in time deposits		8,385	- 27,564	35,949
2. Purchases of securities and investment securities		- 40,169	- 36,093	- 4,076
3. Proceeds from sales and repayments of securities and investment securities		40,054	44,123	4,069
4. Purchases of property, plant and equipment		- 68,985	- 76,067	7,082
5. Proceeds from the sale of tangible fixed assets		11,289	-	11,289
6. Other - net		- 716	269	- 985
Net cash used in investing activities		- 50,142	- 95,332	45,190
III Financing Activities				
1. Purchases of treasury stock		- 17,031	- 15,128	- 1,903
2. Dividends paid		- 10,334	- 10,181	- 153
3. Other - net		- 1	1	0
Net cash used in financing activities		- 27,367	- 25,310	- 2,057
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents		5,293	17,585	- 12,292
V Net Increase (-decrease) in Cash and Cash Equivalents		31,713	- 8,509	40,222
VI Cash and Cash Equivalents at Beginning of Year		280,465	288,974	- 8,509
VII Cash and Cash Equivalents at End of Year		312,178	280,465	31,713

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

	(Fiscal 2007)	(Fiscal 2006)	(Increase/decrease)
Cash and time deposits	310,318 million yen	277,293 million yen	33,025 million yen
Securities	1,859	3,171	- 1,312
Total cash and cash equivalents	312,178	280,465	31,713

[Basis of Presenting Consolidated Financial Statements]

The disclosure of information other than the Changes to the Basis of Presenting Consolidated Financial Statements (below) has been omitted because no significant changes have been made in the information since its disclosure in the latest securities report (submitted on June 29, 2006).

[Changes to the Basis of Presenting Consolidated Financial Statements]

(“Accounting Standard for Directors’ Bonus”)

From the year ended March 31, 2007, “Accounting Standard for Directors’ Bonus” (established by the Accounting Standards Board of Japan, dated November 29, 2005, released in ASBJ Statement No. 4) has been adopted.

Accordingly, the operating income, ordinary income, and income before income taxes and minority interests each are reduced by ¥112 million.

(“Accounting Standard for Presentation of Net Assets in the Balance Sheet”)

From the year ended March 31, 2007, “Accounting Standard for Presentation of Net Assets in the Balance Sheet” (established by the Accounting Standards Board of Japan, dated December 9, 2005, released in ASBJ Statement No. 5) and “Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet” (established by the Accounting Standards Board of Japan, dated December 9, 2005, released in ASBJ Statement No. 8) have been adopted.

The amount that corresponds to the total of the Shareholders’ Equity section in the conventional balance sheets is ¥817,468 million.

The Net Assets section in the balance sheet for the year ended March 31, 2007 was prepared based on the revised accounting standards for consolidated financial statements.

[Notes Concerning the Consolidated Financial Statements]

(Notes to Consolidated Statements of Income)

	Year ended Mar. 31, 2007	Year ended Mar. 31, 2006
1. Non-operating income		
Interest income	10,330 million yen	6,229 million yen
Foreign currency exchange gains	-	4,466
2. Major components of non-operating expenses		
Foreign currency exchange losses	946	-
3. Main components of extraordinary gain		
Gain on sale of fixed assets	2,150	-
4. Extraordinary loss		
Loss on sale/disposal of fixed assets	1,951	2,896

(Notes Concerning the Consolidated Statements of Changes in Shareholders’ Equity)

(April 1, 2006 through March 31, 2007)

1. Classifications and total number of shares outstanding and classifications and numbers of treasury shares

(Unit: thousand shares)

	At the end of the previous year	Increase during the year ended March 31, 2007	Decrease during the year ended March 31, 2007	Number of shares on March 31, 2007
Shares outstanding				
Common shares	118,801	-	-	118,801
Total	118,801	-	-	118,801
Treasury shares				
Common shares	3,417	1,572	-	4,989
Total	3,417	1,572	-	4,989

(Note) Concerning common shares, the increase of 1,572,000 units of treasury shares consists of 1,569,000 units purchased according to Clause 156 of the Japanese Corporation Law and of the 3,000 odd shares purchased.

2. Notes Concerning Dividends

(1) Dividends paid

(Decision)	Classification of shares	Total dividend amount	Dividend per share	Base date	Date of effect
Annual meeting of shareholders of June 29, 2006	Common shares	¥5,192 million	¥45.00	March 31, 2006	June 30, 2006
Board of directors' meeting November 9, 2006	Common shares	¥5,142 million	¥45.00	September 30, 2006	December 1, 2006

(2) Of the dividends whose base date belongs to the year ended March 31, 2007, those whose dates of effect are after the end of the year

(Decision)	Classification of shares	Total dividend amount	Assets available for dividends	Dividend per share	Base date	Date of effect
Board of Directors' meeting June 28, 2007	Common shares	¥6,259 million	Retained earnings	¥55.00	March 31, 2007	June 29, 2007

[Segment information]

1. Industry segments

The Group's main operations are the manufacturing and sales of electronic components. As net sales, operating income and total assets of the Group's main industry segment constituted more than 90% of the consolidated totals for the years ended March 31, 2006 and 2007, consequently the disclosure of industry segment information has been omitted.

2. Geographical segments

Fiscal 2007 (From April 1, 2006 to March 31, 2007)

(Millions of yen)

	Japan	Asia	Americas	Europe	Total	Eliminations/ Corporate	Consolidated
I Sales and operating income/loss							
Sales							
(1) Sales to customers	153,999	208,816	14,139	18,126	395,081	-	395,081
(2) Inter-area transfer	170,030	192,925	234	49	363,240	(363,240)	-
Total sales	324,030	401,741	14,374	18,175	758,322	(363,240)	395,081
Operating expenses	288,152	358,034	14,723	19,071	679,981	(354,397)	325,584
Operating income (- loss)	35,877	43,707	- 349	- 895	78,340	(8,843)	69,497
II Assets	440,464	364,958	13,408	18,080	836,912	125,690	962,602

Fiscal 2006 (From April 1, 2005 to March 31, 2006)

(Millions of yen)

	Japan	Asia	Americas	Europe	Total	Eliminations/ Corporate	Consolidated
I Sales and operating income/loss							
Sales							
(1) Sales to customers	156,654	199,217	13,525	18,393	387,790	-	387,790
(2) Inter-area transfer	55,502	136,862	386	302	193,053	(193,053)	-
Total sales	212,156	336,080	13,911	18,695	580,843	(193,053)	387,790
Operating expenses	198,189	275,928	15,062	19,162	508,343	(188,872)	319,471
Operating income (- loss)	13,967	60,151	- 1,151	- 467	72,500	(4,181)	68,318
II Assets	450,558	315,025	14,782	16,042	796,408	155,032	951,441

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

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

Asia : China, 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.

Fiscal 2007 5,023 million yen

Fiscal 2006 5,896

4. Total Group assets included in "Eliminations (Corporate)" are shown below. Total Group assets consist primarily of surplus funds for investment (cash, deposits and securities), long-term investment funds (investment securities), and assets relating to the administrative division of the headquarters of the Company.

Fiscal 2007 223,941 million yen

Fiscal 2006 230,956

3. Sales to foreign customers

Fiscal 2007 (From April 1, 2006 to March 31, 2007)

(Millions of yen)

	Asia	Americas	Europe	Total
I Sales to foreign customers	209,738	15,212	16,459	241,410
II Net sales				395,081
III Sales to foreign customers as a percentage of net sales	53.1%	3.8%	4.2%	61.1%

Fiscal 2006 (From April 1, 2005 to March 31, 2006)

(Millions of yen)

	Asia	Americas	Europe	Total
I Sales to foreign customers	200,100	15,138	16,282	231,521
II Net sales				387,790
III Sales to foreign customers as a percentage of net sales	51.6%	3.9%	4.2%	59.7%

- (Notes)
- Countries and areas are segmented based on their geographical proximity.
 - Major countries and areas which belong to segments other than Japan are as follows:
 - Asia : China, Singapore, Taiwan
 - Americas : The United States
 - Europe : Germany
 - 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.

[Tax effect accounting]

1. Deferred tax assets and deferred tax liabilities by main source

	Year ended Mar. 31, 2007	Year ended Mar. 31, 2006
Deferred tax assets		
Securities	1,374 million yen	467 million yen
Inventories	7,272	8,685
Depreciation	12,438	11,563
Accrued enterprise tax	879	350
Accrued expenses	1,904	1,997
Liability for retirement benefits	14	14
Foreign tax credit	2,934	6,525
Other	6,644	7,068
Deferred tax assets subtotal	33,464	36,674
Valuation allowance	-	1,469
Total deferred tax assets	31,028	35,204
Deferred tax liabilities		
Undistributed earnings of foreign subsidiaries	- 66,445	- 58,689
Prepaid pension cost	- 1,539	- 1,511
Other	- 2,946	- 4,739
Total deferred tax liabilities	- 70,932	- 64,941
Net deferred tax assets (- liabilities)	- 39,903	- 29,736

(Note) Net deferred tax assets (-liabilities) as of March 31, 2006 and 2007 are included in the following accounts in the consolidated balance sheets:

	Year ended Mar. 31, 2007	Year ended Mar. 31, 2006
Current assets - Deferred tax assets	11,758 million yen	17,787 million yen
Fixed assets - Deferred tax assets	10,364	8,056
Current liabilities - Deferred tax liabilities	- 780	- 538
Long-term liabilities - Deferred tax liabilities	- 61,245	- 55,041

2. A reconciliation between the normal effective statutory tax rates and the actual effective tax rates reflected in the accompanying consolidated statements of income

	Year ended Mar. 31, 2006
Normal effective statutory tax rate	40.6%
(Adjustments)	
Lower income tax rates applicable to income in certain foreign countries	- 3.0
Tax credit for research and development expenses	- 2.7
Other - net	- 0.4
Actual effective tax rates	34.5%

(Note) The difference between the normal effective statutory tax rates and the actual effective tax rates is no more than 5% of the normal effective statutory tax rate for the year ended March 31, 2007. Consequently, the breakdown of the major factors underlying the difference has been omitted.

[Debt and equity securities]

Fiscal 2007

1. Marketable available-for-sale securities (March 31, 2007)

(Millions of yen)

Classification	Acquisition costs	Carrying values	Differences
Securities whose carrying value exceeds their acquisition cost			
(1) Equity securities	3,794	11,447	7,653
(2) Government and corporate bonds			
Government bonds, local government bonds etc.	4,004	4,019	14
Corporate bonds	20,598	20,629	31
Sub-total	28,397	36,097	7,699
Securities whose carrying value does not exceed their acquisition cost			
(1) Equity securities	5,121	3,693	1,427
(2) Government and corporate bonds			
Government bonds, local government bonds etc.	13,658	13,405	252
Corporate bonds	62,531	62,408	123
(3) Other	999	999	0
Sub-total	82,310	80,506	1,804
Total	110,708	116,603	5,895

2. Available-for-sale securities sold in the year ended March 31, 2007 (From April 1, 2006 to March 31, 2007)

(Millions of yen)

Proceeds from sale	Gross realized gains	Gross realized losses
0	0	-

3. Major securities whose market values are not evaluated, and their carrying values (March 31, 2007)

Available-for-sale securities (Millions of yen)

Classification	Carrying values
(1) Unlisted equity securities	893
(2) Unlisted foreign corporate bonds	943
(3) Overseas negotiable certificates of deposit	1,859
Total	3,696

4. Carrying values of debt securities by contractual maturities for securities classified as available-for-sale (March 31, 2007)

(Millions of yen)

Classification	Due in 1 year or less	Due after 1 year through 5 years	Due after 5 year through 10 years
(1) Government and corporate bonds			
Government bonds, local government bonds etc.	3,659	12,826	1,180
Corporate bonds	44,000	37,800	1,943
(2) Other	2,858	—	—
Total	50,517	50,626	3,124

(Note) As of March 31, 2007, the values of available-for-sale securities were impaired by the amount of ¥32 million. The impaired securities are those whose market values at the end of the fiscal year are lower by about 50% or more compared with their acquisition costs. For those whose depreciation is between 30% and 50%, the values were impaired within the values judged appropriate in consideration of the significance of the amount and the possibility of value recovery.

Fiscal 2006

1. Marketable available-for-sale securities (March 31, 2006)

(Millions of yen)

Classification	Acquisition costs	Carrying values	Differences
Securities whose carrying value exceeds their acquisition cost			
(1) Equity securities	7,912	19,627	11,714
Government and corporate bonds			
Corporate bonds	11,820	11,828	8
Sub-total	19,733	31,456	11,722
Securities whose carrying value does not exceed their acquisition cost			
(1) Equity securities	1,000	955	- 44
(2) Government and corporate bonds			
Government bonds, local government bonds etc.	17,472	16,961	- 511
Corporate bonds	72,479	72,231	- 247
Sub-total	90,951	90,148	- 803
Total	110,685	121,604	10,919

2. Available-for-sale securities sold in the year ended March 31, 2006 (From April 1, 2005 to March 31, 2006)

(Millions of yen)

Proceeds from sales	Gross realized gains	Gross realized losses
22,892	36	150

3. Major securities whose market values are not evaluated, and their carrying values (March 31, 2007)

Available-for-sale securities

(Millions of yen)

Classification	Carrying values
(1) Unlisted equity securities	1,053
(2) Unlisted foreign corporate bonds	856
(3) Overseas negotiable certificates of deposit	3,171
Total	5,082

4. Carrying values of debt securities by contractual maturities for securities classified as available-for-sale (March 31, 2006)

(Millions of yen)

Classification	Due in 1 year or less	Due after 1 year through 5 years	Due after 5 year through 10 years
(1) Government and corporate bonds			
Government bonds, local government bonds etc.	3,862	12,409	1,176
Corporate bonds	32,100	51,800	856
(2) Other	3,171	—	—
Total	39,134	64,209	2,032

(Note) As of March 31, 2007, the values of available-for-sale securities were impaired by the amount of ¥8 million. The impaired securities are those whose market values at the end of the fiscal year are lower by about 50% or more compared with their acquisition costs. For those whose depreciation is between 30% and 50%, the values were impaired within the values judged appropriate in consideration of the significance of the amount and the possibility of value recovery.

[Retirement benefits]

1. Outline of retirement benefits scheme adopted

ROHM Co., Ltd. and certain domestic consolidated subsidiaries had defined benefit pension plans, i.e., employees' pension fund plans, approved retirement annuity plans and lump-sum payment plans.

Certain overseas consolidated subsidiaries of the Company have defined contribution pension plans in addition to defined benefit pension plans.

ROHM shifted from lump-sum payment plans to approved retirement annuity plans in September 1967, followed by its domestic consolidated subsidiaries thereafter.

The Company and domestic consolidated subsidiaries replaced corporate defined benefit pension plans with defined contribution pension plans in March 2005.

2. Liability for employees' retirement benefits

	Year ended March 31, 2007	Year ended March 31, 2006
(1) Projected benefit obligation	- 18,180 million yen	- 17,130 million yen
(2) Fair value of plan assets	24,298	22,398
(3) Unfunded retirement benefit obligation ((1)+(2))	6,118	5,267
(4) Unrecognized actuarial loss	- 2,658	- 2,362
(5) Net Liability ((3)+(4))	3,460	2,905
(6) Prepaid pension cost	4,417	3,894
(7) Liability for retirement benefits ((5)-(6))	- 957	- 989

3. Net periodic benefit cost

	Year ended March 31, 2007	Year ended March 31, 2006
(1) Service cost	1,602 million yen	1,641 million yen
(2) Interest cost	375	346
(3) Expected return on plan assets	- 492	- 371
(4) Recognized actuarial loss	- 7	316
(5) Other	340	427
(6) Net periodic benefit cost ((1)+(2)+(3)+(4)+(5))	1,818	2,360

(Notes) 1. "(5) Other" includes premiums paid for defined contribution pension plans.

2. In addition to the above retirement benefit cost, losses related to early retirement in the amount of ¥1,931 million were generated during the year ended March 31, 2006, which is accounted as an extraordinary loss.

4. Assumptions used for calculation

	Year ended March 31, 2007	Year ended March 31, 2006
(1) Allocation method of the retirement benefits expected to be paid at the retirement date	Straight-line method based on years of service	Straight-line method based on years of service
(2) Discount rate	2.0%	2.0%
(3) Expected rate of return on plan assets	2.0%	2.0%
(4) Amortization period of prior service credit (Amortization from the accrual year by straight-line method)	10 years	10 years
(5) Recognition period of actuarial gain/loss (Amortization from the year following the accrual year by straight-line method)	10 years	10 years

[Per Share Data]

	Year ended March 31, 2007	Year ended March 31, 2006
Net asset per share	7,182.64 yen	6,821.68 yen
Net income per share	413.57 yen	416.39 yen

(Note) 1. The diluted earnings per share are not shown because no diluted earnings exist.

2. The basis for the calculation of the net asset per share is as follows:

	Year ended March 31, 2007	Year ended March 31, 2006
Total net income	817,818 million yen	– million yen
Amount deducted from the total of net income	351	–
(Minority interests included in the above amount)	(349)	(–)
Year-end net income from common shares	817,466	–
Year-end number of common shares used to calculate per-share net income	113,811 thousand shares	– thousand shares

3. The basis for the calculation of the net income per share is as follows:

	Year ended March 31, 2007	Year ended March 31, 2006
Net income	47,446 million yen	48,304 million yen
Amount not attributable to common shareholders	1	99
(Bonuses for board members by appropriation)	(–)	(95)
Net income from common shares	47,444	48,204
Average number of common shares	114,720 thousand shares	115,768 thousand shares

[Omission from the Disclosed Statement]

Concerning leases, businesses with parties concerned, and derivatives trading, notes are omitted because disclosure in this financial statement is deemed unnecessary.

[Critical Subsequent Events]

(Treasury Shares Obtained after the End of the Year)

Based on the decision made at the board of directors' meeting of ROHM on March 9, 2007, ROHM acquired 462,000 units of ROHM common shares (total acquisition price: ¥5,000 million) before April 10, 2007.

Non-consolidated Balance Sheets

Accounts	Period	Fiscal year 2007 (As of March 31, 2007)		Fiscal year 2006 (As of March 31, 2006)		Increase/decrease (-) from the year ended March 31, 2006
		Amount	Ratio	Amount	Ratio	Amount
		Millions of yen	%	Millions of yen	%	Millions of yen
(Assets)						
Current assets						
Cash and time deposits		118,767		120,174		- 1,407
Notes receivable - trade		1,336		1,501		- 165
Accounts receivable - trade		94,220		95,323		- 1,103
Securities		45,035		32,190		12,845
Inventories		25,200		29,122		- 3,922
Prepaid pension cost		728		464		264
Deferred tax assets		9,058		12,466		- 3,408
Sundry receivables		26,304		38,599		- 12,295
Other		13,581		9,916		3,665
Allowance for doubtful notes and accounts		- 40		- 58		18
Total current assets		334,193	55.5	339,703	53.9	- 5,510
Fixed assets						
Property, plant and equipment						
Buildings		45,894		45,825		69
Machinery and equipment		82,718		83,575		- 857
Land		39,325		46,093		- 6,768
Other		15,323		20,168		- 4,845
Accumulated depreciation		- 112,125		- 110,921		- 1,204
Total tangible fixed assets		71,137	11.8	84,742	13.4	- 13,605
Intangible fixed assets		1,779	0.3	1,635	0.3	144
Investments and other assets						
Investment securities		55,931		74,290		- 18,359
Investment in subsidiaries and associated companies		59,050		59,050		-
Long-term loans receivable		74,854		68,515		6,339
Deferred tax assets		4,140		1,944		2,196
Other		1,020		949		71
Allowance for doubtful accounts		- 83		- 111		28
Total investments and other assets		194,913	32.4	204,640	32.4	- 9,727
Total fixed assets		267,830	44.5	291,018	46.1	- 23,188
Total assets		602,024	100.0	630,721	100.0	- 28,697

Accounts	Period	Fiscal year 2007 (As of March 31, 2007)		Fiscal year 2006 (As of March 31, 2006)		Increase/decrease (-) from the year ended March 31, 2006
		Amount	Ratio	Amount	Ratio	
		Millions of yen	%	Millions of yen	%	Millions of yen
(Liabilities)						
Current liabilities						
Accounts payable - trade		56,075		68,642		- 12,567
Other accounts payable		18,643		29,540		- 10,897
Accrued income taxes		5,271		10,445		- 5,174
Other		7,155		7,098		57
Total current liabilities		87,145	14.5	115,727	18.4	- 28,582
Long-term liabilities						
Allowance for directors' retirement benefits		1,618		1,536		82
Other		23		23		-
Total long-term liabilities		1,642	0.2	1,560	0.2	82
Total liabilities		88,788	14.7	117,287	18.6	- 28,499
(Net assets)						
Shareholders' equity						
Common stock		86,969	14.4	-	-	-
Capital surplus						
Capital reserves		97,253		-	-	-
Total capital surplus		97,253	16.2	-	-	-
Retained earnings						
Legal reserve		2,464		-	-	-
Additional retained earnings						
Research and development reserve		1,500		-	-	-
Overseas investment loss reserve		39		-	-	-
General reserve		338,500		-	-	-
Retained earnings carried		35,151		-	-	-
Total retained earnings		377,655	62.8	-	-	-
Treasury stock - at cost		- 52,400	- 8.7	-	-	-
Total shareholders' equity		509,478	84.7	-	-	-
Unrealized or translated gains/losses						
Net unrealized gain on available-for-sale securities		3,757	0.6	-	-	-
Total unrealized or translated gains/losses		3,757	0.6	-	-	-
Total net assets		513,235	85.3	-	-	-
Total of liabilities and net assets		602,024	100.0	-	-	-
(Shareholders' equity)						
Common stock		-	-	86,969	13.8	-
Capital surplus		-	-	97,253	15.4	-
Capital reserves		-		97,253		-
Total capital surplus		-	-	97,253	15.4	-
Retained earnings		-	-	357,750	56.7	-
Legal reserve		-		2,464		-
General reserve		-		323,227		-
Unappropriated retained earnings		-		32,058		-
Total retained earnings		-	-	357,750	56.7	-
Net unrealized gain on available-for-sale securities		-	-	6,830	1.1	-
Treasury stock - at cost		-	-	- 35,369	- 5.6	-
Total shareholders' equity		-	-	513,433	81.4	-
Total of liabilities and shareholders' equity		-	-	630,721	100.0	-

Non-consolidated Statements of Income

Accounts	Period	Fiscal year 2007		Fiscal year 2006		Increase/decrease (-) from the year ended March 31, 2006
		From April 1, 2006 To March 31, 2007		From April 1, 2005 To March 31, 2006		
		Amount	Percentage	Amount	Percentage	Amount
		Millions of yen	%	Millions of yen	%	Millions of yen
Net sales		359,802	100.0	360,870	100.0	- 1,068
Cost of sales		272,932	75.9	277,506	76.9	- 4,574
Gross profit		86,870	24.1	83,363	23.1	3,507
Selling, general and administrative expenses		54,744	15.2	59,234	16.4	- 4,490
Operating income		32,125	8.9	24,129	6.7	7,996
Non-operating income		12,068	3.4	15,601	4.3	- 3,533
Non-operating expenses		1,802	0.5	1,695	0.5	107
Ordinary income		42,392	11.8	38,035	10.5	4,357
Extraordinary gains		2,275	0.6	479	0.1	1,796
Extraordinary losses		1,340	0.4	537	0.1	803
Income before income taxes		43,327	12.0	37,977	10.5	5,350
Income taxes - current		9,730	2.7	14,956	4.2	- 5,226
Income taxes - deferred		3,312	0.9	- 4,218	- 1.2	7,530
Net income		30,284	8.4	27,238	7.5	3,046
Unappropriated retained earnings brought forward from the previous year		-		10,034		-
Interim dividends		-		5,214		-
Unappropriated retained earnings		-		32,058		-

Statements of Appropriation of Retained Earnings

Accounts	Period	First six months of fiscal 2006
		From April 1, 2005 To March 31, 2006
		Amount
		Millions of yen
Unappropriated retained earnings		32,058
Appropriation of retained earnings		
Cash dividends		5,192
Bonuses to directors		43
Voluntary reserve		
Reserve for overseas investment loss		7
General reserve		16,800
Balance to be carried forward		10,014

Non-consolidated Statements of Changes in Shareholders' Equity

Fiscal year 2007 (from April 1, 2006 to March 31, 2007)

(Millions of yen)

	Shareholders' equity										
	Common stock	Capital surplus		Retained earnings						Treasury stock - at cost	Total shareholders' equity
		Capital reserves	Total capital surplus	Legal reserve	Additional retained earnings				Total retained earnings		
					Research and development reserve	Overseas investment loss reserve	General reserve	Retained earnings carried			
Balance as of March 31, 2006	86,969	97,253	97,253	2,464	1,500	27	321,700	32,058	357,750	- 35,369	506,603
Changes during the year ended March 31, 2007											
Addition to overseas investment loss reserve (Note)						7		- 7	-		-
Addition to overseas investment loss reserve						7		- 7	-		-
Withdrawal from overseas investment loss reserve						- 1		1	-		-
Addition to general reserve (Note)							16,800	- 16,800	-		-
Dividends from retained earnings (Note)								- 5,192	- 5,192		- 5,192
Dividends from retained earnings								- 5,142	- 5,142		- 5,142
Bonus to directors (Note)								- 43	- 43		- 43
Net income								30,284	30,284		30,284
Acquisition of treasury stock										- 17,031	- 17,031
Changes (net) in sections other than shareholders' equity											
Total changes during the year ended March 31, 2007	-	-	-	-	-	12	16,800	3,093	19,905	- 17,031	2,874
Balance as of March 31, 2007	86,969	97,253	97,253	2,464	1,500	39	338,500	35,151	377,655	- 52,400	509,478

	Unrealized or translated gains/losses		Total net assets
	Net unrealized gain on available-for-sale securities	Total of unrealized or translated gains/losses	
Balance as of March 31, 2006	6,830	6,830	513,433
Changes during the year ended March 31, 2007			
Addition to overseas investment loss reserve (Note)			-
Addition to overseas investment loss reserve			-
Withdrawal from overseas investment loss reserve			-
Addition to general reserve (Note)			-
Dividends from retained earnings (Note)			- 5,192
Dividends from retained earnings			- 5,142
Bonus to directors (Note)			- 43
Net income			30,284
Acquisition of treasury stock			- 17,031
Changes (net) in sections other than shareholders' equity	- 3,072	- 3,072	- 3,072
Total changes during the year ended March 31, 2007	- 3,072	- 3,072	- 198
Balance as of March 31, 2007	3,757	3,757	513,235

(Note) Account of earnings appropriation as per decisions made at the Ordinary General Meeting of shareholders held in June 2006

[Major Changes to the Accounting Policy]

(“Accounting Standard for Directors’ Bonus”)

From the year ended March 31, 2007, “Accounting Standard for Directors’ Bonus” (established by the Accounting Standards Board of Japan, dated November 29, 2005, released in ASBJ Statement No. 4) has been adopted.

Accordingly, the operating income, ordinary income, and income before income taxes and minority interests each are reduced by ¥58 million.

(“Accounting Standard for Presentation of Net Assets in the Balance Sheet”)

From the year ended March 31, 2007, “Accounting Standard for Presentation of Net Assets in the Balance Sheet” (established by the Accounting Standards Board of Japan, dated December 9, 2005, released in ASBJ Statement No. 5) and “Guidance on Accounting Standard for Presentation of Net Assets in the Balance Sheet” (established by the Accounting Standards Board of Japan, dated December 9, 2005, released in ASBJ Statement No. 8) have been adopted.

The amount that corresponds to the total of the Shareholders’ Equity section in the conventional balance sheets is ¥513,235 million.

The Net Assets section in the balance sheet for the year ended March 31, 2007 was prepared based on the revised accounting standards for consolidated financial statements.

[Notes on Non-consolidated Financial Statements]

(Notes to non-consolidated statements of income)

	Year ended Mar. 31, 2007	Year ended Mar. 31, 2006
1. Non-operating income		
Interest income (including interest on securities)	3,565 million yen	2,109 million yen
Dividend income	6,755	6,859
Foreign currency exchange gains	-	3,919
2. Major components of non-operating expenses		
Foreign currency exchange losses	227	-
3. Extraordinary gain		
Gain on sale of fixed assets	2,255	479
4. Extraordinary loss		
Loss on sale/disposal of fixed assets	1,340	537

(Notes Concerning Non-consolidated Statements of Changes in Shareholders’ Equity)

(April 1, 2006 through March 31, 2007)

Notes Concerning the Classifications and Numbers of Treasury Shares

(Unit: 1,000 shares)

	At the end of the previous year	Increase during the year ended March 31, 2007	Decrease during the year ended March 31, 2007	Number of shares on March 31, 2007
Treasury shares				
Common shares	3,417	1,572	-	4,989
Total	3,417	1,572	-	4,989

(Note) Concerning the common shares, the increase of 1,572,000 treasury shares consists of 1,569,000 shares purchased according to Clause 156 of the Japanese Corporation Law and of the 3,000 odd shares purchased.

[Tax effect accounting]

1. Deferred tax assets and deferred tax liabilities by main source

	Year ended Mar. 31, 2007	Year ended Mar. 31, 2006
Deferred tax assets		
Securities	464 million yen	462 million yen
Inventories	5,497	5,791
Depreciation	5,510	5,305
Accrued enterprise tax	820	99
Accrued expenses	1,411	1,515
Other	2,381	6,113
Total	16,085	19,287
Deferred tax liabilities		
Prepaid pension cost	- 295	- 188
Net unrealized gain on available-for-sale securities	- 2,568	- 4,668
Other	- 22	- 19
Total	- 2,886	- 4,876
Net deferred tax assets	13,198	14,411

2. A reconciliation between the normal effective statutory tax rates and the actual effective tax rates reflected in the statement of Income

	Year ended Mar. 31, 2007	Year ended Mar. 31, 2006
Normal effective statutory tax rate	40.6%	40.6%
(Adjustments)		
Income not taxable for income tax purposes	- 6.2	- 5.9
Foreign tax credit	- 0.0	- 0.8
Tax credit for research and development expenses	- 3.6	- 5.2
Other	- 0.7	- 0.4
Actual effective tax rate after application of tax effect accounting	30.1%	28.3%

[Per Share Data]

	Year ended March 31, 2007	Year ended March 31, 2006
Net asset per share	4,509.52 yen	4,449.39 yen
Net income per share	263.98 yen	234.91 yen

(Notes) 1. The diluted earnings per share are not shown because no diluted earnings exist.

2. The basis for the calculation of the net asset per share is as follows:

	Year ended March 31, 2007	Year ended March 31, 2006
Net income per share	513,235 million yen	- million yen
Amount deducted from the total of net income	-	-
Year-end net income from common shares	513,235	-
Year-end number of common shares used to calculate per-share net income	113,811 thousand shares	- thousand shares

3. The basis for the calculation of the net income per share is as follows:

	Year ended March 31, 2007	Year ended March 31, 2006
Net income	30,284 million yen	27,238 million yen
Amount not attributable to common shareholders	-	43
(Bonuses for board members by appropriation)	(-)	(43)
Net income from common shares	30,284	27,194
Average number of common shares	114,720 thousand shares	115,768 thousand shares

[Critical Subsequent Events]

(Treasury Shares Obtained after the End of the Year)

Based on the decision made at the board of directors' meeting on March 9, 2007, ROHM acquired 462,000 units of ROHM common shares (total acquisition price: ¥5,000 million) before April 10, 2007.

Other

1. Production, orders, and actual sales status (consolidated)

(1) Actual production

(Millions of yen)

Product category		Period		Increase/Decrease (-)
		Fiscal 2007 From April 1, 2006 To March 31, 2007	Fiscal 2006 From April 1, 2005 To March 31, 2006	
Electronic Components	Integrated circuits	172,540	175,534	2,994
	Discrete semiconductor devices	157,014	154,555	2,459
	Passive components	24,845	25,695	850
	Displays	40,427	44,929	4,502
Total		394,828	400,715	5,887

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

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

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

(2) Orders

(Millions of yen)

Product category		Period		Fiscal 2006		Increase/Decrease (-)	
		Fiscal 2007 From April 1, 2006 To March 31, 2007		From April 1, 2005 To March 31, 2006			
		Orders received	Order backlog	Orders received	Order backlog	Orders received	Order backlog
Electronic Components	Integrated circuits	169,565	23,624	174,956	27,500	5,391	3,876
	Discrete semiconductor devices	150,511	19,177	155,785	25,201	5,274	6,024
	Passive components	23,586	2,714	25,866	3,862	2,280	1,148
	Displays	38,851	6,817	42,296	8,334	3,445	1,517
Total		382,514	52,333	398,905	64,900	16,391	12,567

(3) Actual sales

Actual sales by product category (domestic)

(Millions of yen)

Product category		Period		Fiscal 2006		Increase/Decrease (-)	
		Fiscal 2007 From April 1, 2006 To March 31, 2007		From April 1, 2005 To March 31, 2006			
		Sales	Domestic ratio	Sales	Domestic ratio	Sales	Increase/Decrease ratio
Electronic Components	Integrated circuits	85,874	49.5%	82,977	48.8%	2,897	3.5%
	Discrete semiconductor devices	50,037	32.0	51,840	34.4	- 1,803	- 3.5
	Passive components	6,601	26.7	7,558	30.2	- 957	- 12.7
	Displays	11,157	27.6	13,891	33.0	- 2,734	- 19.7
Total		153,671	38.9	156,268	40.3	- 2,597	- 1.7

Actual sales by product category (overseas)

(Millions of yen)

Product category		Fiscal 2007 From April 1, 2006 To March 31, 2007		Fiscal 2006 From April 1, 2005 To March 31, 2006		Increase/Decrease (-)	
		Sales	Overseas ratio	Sales	Overseas ratio	Sales	Increase/ Decrease ratio
Electronic Components	Integrated circuits	87,567	50.5%	87,109	51.2%	458	0.5%
	Discrete semiconductor devices	106,498	68.0	98,795	65.6	7,703	7.8
	Passive components	18,133	73.3	17,439	69.8	694	4.0
	Displays	29,211	72.4	28,176	67.0	1,035	3.7
Total		241,410	61.1	231,521	59.7	9,889	4.3

Actual sales by product category (total)

(Millions of yen)

Product category		Fiscal 2007 From April 1, 2006 To March 31, 2007		Fiscal 2006 From April 1, 2005 To March 31, 2006		Increase/Decrease (-)	
		Sales	Sales as a percentage of net sales	Sales	Sales as a percentage of net sales	Sales	Increase/ Decrease ratio
Electronic Components	Integrated circuits	173,441	43.9%	170,087	43.9%	3,354	2.0%
	Discrete semiconductor devices	156,535	39.6	150,636	38.8	5,899	3.9
	Passive components	24,735	6.3	24,998	6.4	- 263	- 1.1
	Displays	40,369	10.2	42,068	10.9	- 1,699	- 4.0
Total		395,081	100.0	387,790	100.0	7,291	1.9

2. Changes in the Boards of Directors and Auditors

(1) Candidate for the Board of Directors

Eiichi Sasayama (currently Director, Accounting & Finance Headquarters)

(2) Candidate for the Board of Auditors as Outside Auditor

Yoshiaki Nakano

(3) Director retiring from the Board of Directors

Akitaka Idei (currently Director in charge of sales)