

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



November 9, 2005

1. Consolidated Financial Results

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

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

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

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

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

1. Consolidated Financial Results (Continued from previous page)

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

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

Sales by application

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

Capital expenditures by product category

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

2. Non-consolidated Financial Results

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

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

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



November 9, 2005

Listed Company Name ROHM CO., LTD.

Stock Exchange Listings Tokyo, Osaka

Code No.: 6963

Head Office Location

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

Kyoto Prefecture

Company representative Title: President

Name: Ken Sato

Contact person Title: Group General Manager

Name: Eiichi Sasayama

TEL (075) 311 - 2121

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

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

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

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

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2005	193,033	-3.7	34,366	-36.4	40,461	-31.1
Six months ended September 30, 2004	200,411	10.1	54,015	6.7	58,695	24.9
Year ended March 31, 2005	369,023		76,054		79,320	

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

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

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

(iii) Change in accounting policies: Yes

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

(2) Consolidated Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	yen
Six months ended September 30, 2005	892,459	756,465	84.8	6,527.65
Six months ended September 30, 2004	903,696	757,090	83.8	6,373.91
Year ended March 31, 2005	867,322	739,329	85.2	6,326.64

(Note) Number of shares outstanding (consolidated) at end of term Six months ended Sept. 30, 2005: 115,886,475 shares
Six months ended Sept. 30, 2004: 118,779,579 shares Year ended Mar. 31, 2005: 116,850,835 shares

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of term
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Six months ended September 30, 2005	44,137	-36,504	-15,074	288,984
Six months ended September 30, 2004	56,866	-43,515	-5,074	325,868
Year ended March 31, 2005	91,919	-87,429	-30,037	288,974

(4) Scope of consolidation and application of equity method

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

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

Companies newly consolidated: None Companies excluded from consolidation: 3

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

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

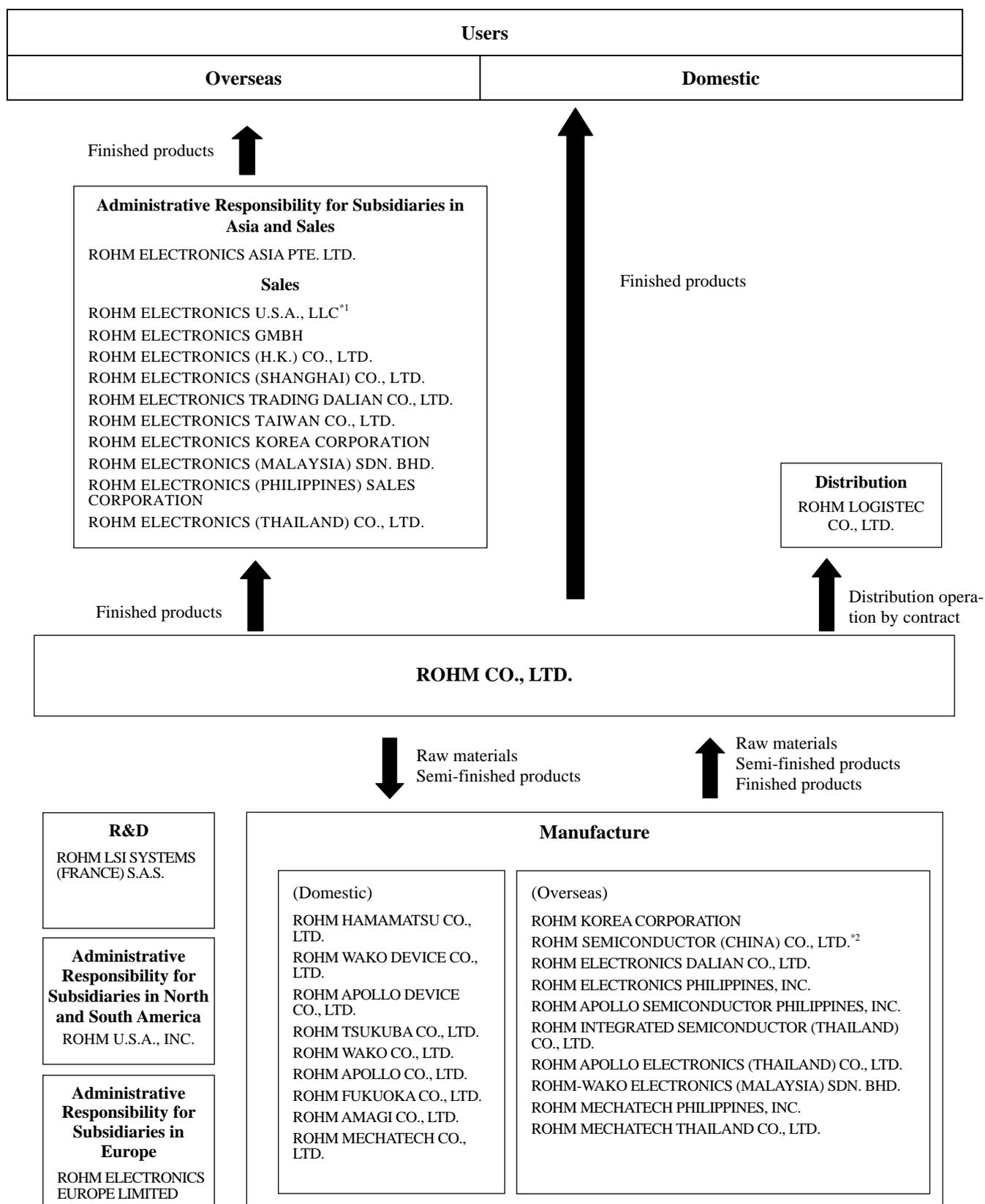
	Net sales	Ordinary income	Net income
	Millions of yen	Millions of yen	Millions of yen
Fiscal 2006	382,000	72,000	44,000

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

* The forecast data are based on the information available at the time of release of this report. Therefore, a number of important factors including changes in business conditions may cause actual results to differ materially from those discussed in the prospective statements. Refer to pages 9 to 10 of the attached documents for reasons for the forecast and other relevant information.

Status of the ROHM Group

The ROHM Group consists of ROHM CO., LTD., 44 consolidated subsidiaries (13 in Japan and 31 outside Japan) and 2 associated companies (1 in Japan and 1 outside Japan). We are a comprehensive electronic component manufacturer, whose principal business is the manufacture and sales of electronic components. The Group diagram and information on our consolidated subsidiaries are given below.



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

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

Management Policies

Basic Management Policy

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

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

Basic Policy on Distribution of Profits

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

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

Policy on Changes in Minimum Trading Lot Size

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

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

Referenced Corporate Performance Indexes

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

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

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

Medium- to Long-term Corporate Strategies

Although the electronics market is expected to expand over the medium to long term in parallel with the emergence of a highly sophisticated information society, international competition is becoming increasingly intense amid growing fluctuation in the demand for electronic components, which encourages a realignment of the industry and a shakeout of uncompetitive businesses.

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

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

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

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

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

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

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

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

Priority Issues

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

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

Basic Policies and Measures for Corporate Governance

(1) Basic policy concerning corporate governance

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

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

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

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

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

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

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

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

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

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

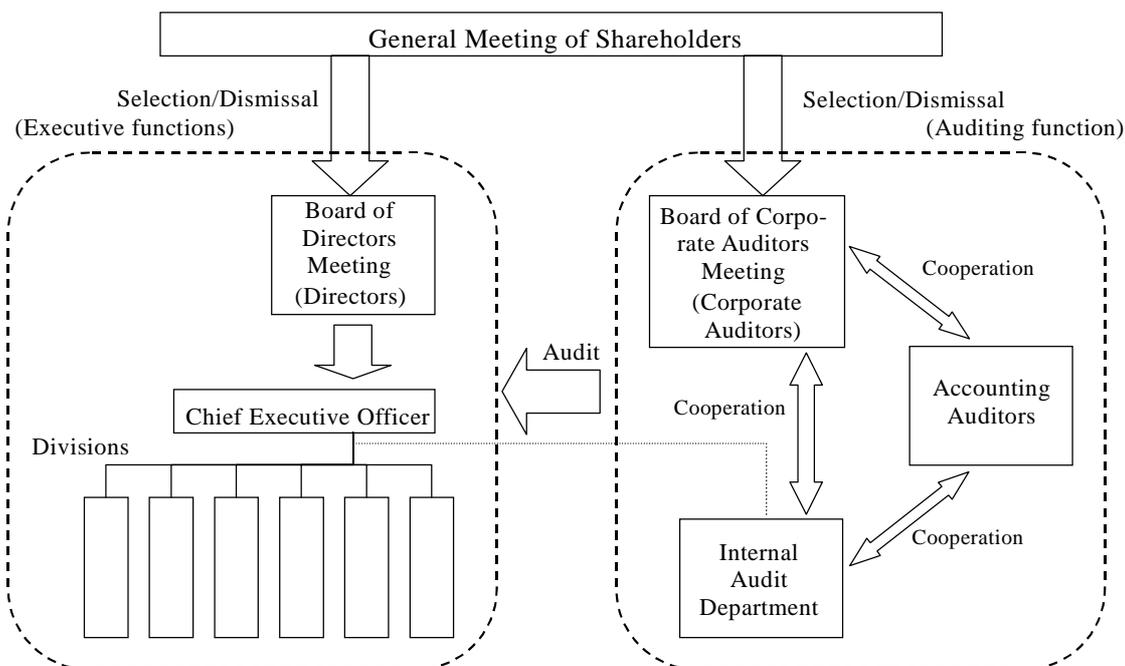
Concerning accounting audits, ROHM is under contract with auditing organization Deloitte Touche Tohmatsu, and has its accounting audited based on the commercial laws of special applicability and on the Securities Exchange Act. ROHM has an established environment where the Deloitte organization can perform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

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

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

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

<ROHM Corporate Governance System>



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

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

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

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

Operating Results and Financial Status

1. Operating Results

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

Overall review of results of operations

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

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

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

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

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

^{*1} MOS FET

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

^{*2} Power device

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

Divisional review of the results of operations

<Integrated circuits>

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

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

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

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

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

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

^{*3} MSDL transceiver LSI chips

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

^{*4} EEPROM

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

^{*5} Photomask

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

^{*6} Lead frame

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

^{*7} IrDA

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

<Discrete semiconductor devices>

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

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

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

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

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

<Passive components>

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

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

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

<Displays>

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

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

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

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

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

^{*8} Multifunction printer

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

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

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

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

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

Overall Business Result Outlook for Fiscal 2006

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

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

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

Consolidated forecast for the fiscal year 2006 is as follows:

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

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

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

The consolidated divisional sales forecast is given below.

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

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

Distribution of profits for fiscal 2006

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

2. Analysis of Financial Status and Operating Results

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

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

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

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

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

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

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

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

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

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

3. Risks Concerning the Company's Businesses

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

(1) Risks Associated with Market Changes

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

(2) Exchange Risks

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

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

(3) Risks of Product Defects

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

(4) Legal Risks

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

(5) Natural Disasters and Geopolitical Risks

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

Consolidated Interim Balance Sheets

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

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

Consolidated Interim Statements of Income

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

Consolidated Interim Statements of Retained Earnings

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

Consolidated Interim Statements of Cash Flows

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

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

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

[Basis of Presenting Consolidated Interim Financial Statements]

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 44

(2) Names of major consolidated subsidiaries

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

2. Application of equity method

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

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

3. Interim accounting date of consolidated subsidiaries

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

Changes in the method of account processing

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

4. Accounting standards

(1) Valuation basis and method for significant assets

(i) Securities

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

(ii) Inventories

Inventories are stated principally at cost determined by the average method.

(2) Depreciation of significant tangible fixed assets

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

(3) Accounting for significant allowances

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

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

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

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

Monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the current exchange rates at the interim accounting date. The foreign exchange gains and losses from conversion are recognized in the income statement to the extent that they are not hedged by forward exchange contracts. The balance sheet accounts of the overseas consolidated subsidiaries and the like are translated into Japanese yen at the current exchange rates as of the interim accounting dates of such subsidiaries and the like. Revenue and expense accounts of the overseas subsidiaries and the like are translated into Japanese yen at the average interim annual exchange rates. Differences arising from such translation are included in "Minority Interests," as well as "Foreign currency translation adjustments" in a separate component of shareholders' equity.

(5) Significant lease transactions

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

(6) Significant hedge accounting

Foreign exchange forward contracts are used for hedge accounting.

(7) Others

Consumption tax

All transactions are recorded net of consumption taxes.

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

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

[Notes]

(Notes to Consolidated Interim Statements of Income)

	Six-month period ended Sept. 30, 2005	Six-month period ended Sept. 30, 2004	Year ended Mar. 31, 2005
1. Non-operating income			
Interest income	2,659 million yen	1,336 million yen	3,275 million yen
Foreign currency exchange gains	3,405	3,237	332
2. Extraordinary loss			
Loss on sale/disposal of fixed assets	2,622	145	565
Loss related to early retirement program	650	-	7,934

[Segment information]

1. Industry segments

The Group's main operations are the manufacturing and sales of electronic components. As net sales and operating income of the Group's main industry segment constituted more than 90% of the consolidated totals for the six-month periods ended September 30, 2004 and 2005 and the year ended March 31, 2005, consequently the disclosure of industry segment information has been omitted.

2. Geographical segments

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

(Millions of yen)

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

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

(Millions of yen)

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

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

(Millions of yen)

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

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

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

Asia : Hong Kong, Singapore, Taiwan

Americas : The United States

Europe : Germany

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

First six months of fiscal 2006 3,175 million yen

First six months of fiscal 2005 2,142

Fiscal 2005 3,766

3. Sales to foreign customers

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

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

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

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

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

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

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

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

Asia : Hong Kong, Singapore, Taiwan

Americas : The United States

Europe : Germany

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

[Leases]

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

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

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

2. Pro forma obligations under finance leases

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

3. Lease payments and depreciation of the leased property

Lease payments	9	10	19
Depreciation	9	10	19

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

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

[Debt and equity securities]

First six months of fiscal 2006 (as of September 30, 2005)

1. Marketable available-for-sale securities

(Millions of yen)

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

2. Major securities whose fair value is not readily determinable

Available-for-sale securities

Unlisted equity securities 1,064 million yen

Unlisted foreign securities 408

Total 1,472

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

1. Marketable available-for-sale securities

(Millions of yen)

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

2. Major securities whose fair value is not readily determinable

Available-for-sale securities

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

Fiscal 2005 (as of March 31, 2005)

1. Marketable available-for-sale securities

(Millions of yen)

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

2. Major securities whose fair value is not readily determinable

Available-for-sale securities

Unlisted equity securities 1,006 million yen

Unlisted foreign securities 416

Total 1,422

[Derivatives]

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

Currency derivatives

Not disclosed because hedge accounting is adopted.

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

Currency derivatives

Not disclosed because hedge accounting is adopted.

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

Currency derivatives

Not disclosed because hedge accounting is adopted.

Production, Orders Received and Sales

(1) Actual production

(Millions of yen)

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

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

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

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

(2) Orders

(Millions of yen)

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

(3) Actual sales

Actual sales by product category (domestic)

(Millions of yen)

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

Actual sales by product category (overseas)

(Millions of yen)

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

Actual sales by product category (total)

(Millions of yen)

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

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



November 9, 2005

Listed Company Name **ROHM CO., LTD.**

Stock Exchange Listings Tokyo, Osaka

Code No.: 6963

Head Office Location

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

Kyoto Prefecture

Company representative Title: President

Name: Ken Sato

Contact person Title: Group General Manager

Name: Eiichi Sasayama

TEL (075) 311 - 2121

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

Existence of interim dividend system: Yes

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

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

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

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

	Net sales		Operating income		Ordinary income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2005	178,590	-4.0	10,355	-53.0	21,576	-57.6
Six months ended September 30, 2004	186,105	13.2	22,031	15.1	50,842	97.4
Year ended March 31, 2005	342,450		23,050		51,257	

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

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

Six months ended Sept. 30, 2004: 118,780,714 shares Year ended Mar. 31, 2005: 118,561,981 shares

(ii) Change in accounting policies: None

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

(2) Dividend Information

	Interim dividends per share	Annual dividends per share
	yen	yen
Six months ended September 30, 2005	45.00	-
Six months ended September 30, 2004	42.50	-
Year ended March 31, 2005	-	85.00

(3) Financial Position

	Total assets	Shareholders' equity	Shareholders' equity ratio	Shareholders' equity per share
	Millions of yen	Millions of yen	%	yen
Six months ended September 30, 2005	613,092	509,441	83.1	4,396.04
Six months ended September 30, 2004	655,125	531,075	81.1	4,471.10
Year ended March 31, 2005	610,135	507,455	83.2	4,342.71

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

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

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

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

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

	Net sales	Ordinary income	Net income	Annual dividends per share	
				End of fiscal year	
	Millions of yen	Millions of yen	Millions of yen	yen	yen
Fiscal 2006	359,000	33,000	24,000	45.00	90.00

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

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

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

Non-consolidated Interim Balance Sheets

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

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

Non-consolidated Interim Statements of Income

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

[Basis of Presenting Interim Financial Statements]

1. Valuation basis and method for assets

(1) Securities

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

(2) Inventories

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

2. Depreciation of fixed assets

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

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

3. Accounting for allowances

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

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

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

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

4. Basis for translation of foreign currency assets and liabilities

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

5. Lease transactions

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

6. Hedge accounting

Foreign exchange forward contracts are used for hedge accounting.

7. Others

Consumption tax

All transactions are recorded net of consumption taxes.

[Notes]

(Notes to non-consolidated interim balance sheets)

Accumulated depreciation of tangible fixed assets

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

(Notes to non-consolidated interim statements of income)

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

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

[Leases]

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

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

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

2. Pro forma obligations under finance leases

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

3. Lease payments and depreciation of the leased property

Lease payments	8	7	16
Depreciation	8	7	16

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

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