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List of Documents (Annex A)

HIKARI TSUSHIN, INC.

Information Distributed since December 25, 2003

Exhibit List

PROCESSED

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I. Documents Submitted Herewith in English Translation

1. Requirements of the Tokyo Stock Exchange

- (a) Redemption of No.6 unsecured Bonds, Press Release, dated December 25, 2003 [in English translation].
- (b) Monthly Business Report: November 2003, Press Release, dated January 8, 2004 [in English translation].
- (c) Lawsuit Settlement against Shichosha Co., in favor of Hikari Tshuin, Inc., Press Release, dated January 13, 2004 [in English translation].
- (d) Personnel Change, Press Release, dated January 30, 2004 [in English translation].
- (e) Monthly Business Report: December 2003, Press Release, dated February 3, 2004 [in English translation].
- (f) Monthly Business Report: January 2004, Press Release, dated March 5, 2004 [in English translation].
- (g) Hikari Tsushin Revises Annul Dividend Forecast for Fiscal Year 2004, Press Release, dated March 18, 2004 [in English translation].
- (h) Quarterly Consolidated Financial Report (Nine Months Ended December 31, 2003), dated February 13, 2004 [summary English translation].

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PRESS RELEASE

04 APR -1 AM 7:21

December 25, 2003

Hikari Tsushin, Inc. (TSE Code: 9435)
 Investor and Public Relations Dept.
 Tel: 81-3-5951-3718

Redemption of No.6 Unsecured Bonds

Hikari Tsushin, Inc. announced today that it redeemed its No.6 Unsecured Bonds, which remaining balance was 23.9 billion Japanese yen as of the end of September 2003. After this redemption, the balance of interest-bearing debts that peaked over 230 billion Japanese yen in April 2000 stands at approximately 6 billion Japanese yen including of 3.6 unsecured bonds and 2.3 bank borrowings.

The company now has completed its plan of reducing interest-bearing debts. From now on, the company will secure enough liquidity for its business volume mainly from operating cash flows and maintain sound financial standing.

(Reference: list of remaining bonds)

| | Issue date | Due date | Interest | Remaining balance (As of Dec. 24, 2003) |
|----------------------|-------------------|-------------------|----------|--|
| No.4 unsecured bonds | November 24, 1999 | November 24, 2004 | 1.75% | 300 million JPY |
| No.5 unsecured bonds | November 24, 1999 | November 24, 2006 | 2.35% | 3,300 million JPY |
| No.6 unsecured bonds | December 24, 1999 | December 24, 2003 | 1.70% | -- |

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January 8, 2004

Hikari Tsushin, Inc. (TSE Code: 9435)
Chairman and CEO: Yasumitsu Shigeta
Investor and Public Relations Dept.
Tel: 81-3-5951-3718

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Monthly Business Report: November 2003

1. Sales of mobile phone and retained subscriptions

The total number of consolidated mobile phones sold during November 2003 was 86,600 (New subscriptions: 37,900, Changing/replacing handsets: 48,700), a 4.0% increase over the same month last year.

The number of consolidated retained mobile phone subscriptions at the end of October 2003 was 2,653,500, decreased by 1.0% from the preceding month.

(Sales of mobile phone)

| | Total | (Change over last yr.) | New | Changing |
|---------|--------|------------------------|--------|----------|
| 2003/09 | 86,900 | (113.0%) | 41,000 | 45,900 |
| 2003/10 | 90,600 | (100.3%) | 39,700 | 50,900 |
| 2003/11 | 86,600 | (104.0%) | 37,900 | 48,700 |

(Mobile phone subscriptions retained)

| | |
|---------|-----------|
| 2003/08 | 2,729,200 |
| 2003/09 | 2,680,100 |
| 2003/10 | 2,653,500 |

Note: Figures of mobile phone subscription retained are calculated one month after sales figures are confirmed.

2. Shops

The total number of shops selling mobile phones stood at 447 at the end of November.

| | Total | Specialized Shops | | | | Non-specialized shops | |
|---------|-------|-------------------|---------|------|--------|-----------------------|---------|
| | | AU | J-Phone | TUKA | Others | Roadside | In-shop |
| 2003/09 | 446 | 158 | 46 | 62 | 2 | 57 | 121 |
| 2003/10 | 444 | 156 | 46 | 64 | 2 | 58 | 118 |
| 2003/11 | 447 | 155 | 46 | 64 | 2 | 60 | 120 |

3. Investments

At the end of November 2003, the market value of marketable securities held by Hikari Tsushin was 5,282 million yen and unrealized gain totaled 5,172 million yen, excluding its subsidiary Crayfish Co., Ltd (*reference*).

| | Market Value | Unrealized Profit | (¥ million) |
|----------|--------------|-------------------|-------------|
| 2003/09E | 3,961 | 3,827 | |
| 2003/11E | 5,282 | 5,172 | |

Note1: Securities subject to "Investments" are ones in which Hikari Tsushin made investments when their shares were unlisted and became public afterwards.

(Reference: Value of Crayfish's shares held by Hikari Tsushin)

| | Market Value | Unrealized Profit | (¥ million) |
|----------|--------------|-------------------|-------------|
| 2003/11E | 4,184 | 3,756 | |

PRESS RELEASE

04 APR -1 AM 7:21

January 13, 2004

Hikari Tsushin, Inc. (TSE Code: 9435)
Chairman and CEO: Yasumitsu Shigeta
Investor and Public Relations Dept.
Tel: 81-3-5951-3718

Lawsuit Settlement against Shinchosha Co., in favor of Hikari Tsushin, Inc.

On January 13, 2003, the lawsuit filed by Hikari Tsushin and its CEO Yasumitsu Shigeta against Shinchosha Co. reached a settlement in favor of Hikari Tsushin.

Shinchosha, on its magazines "Shukan Shincho" and "FOCUS", published articles describing as if Hikari Tsushin and its CEO Shigeta engaged in stock price manipulation of Hikari's subsidiary Crayfish Co., Ltd and business of sex industry. Hikari Tsushin and its CEO claimed that those articles were groundless and filed a lawsuit against Shinchosha for libel caused by the articles on March 2001. After Tokyo District Court found that those articles had no basis in fact and ordered Shinchosha to pay JPY660 million to Hikari and Shigeta as indemnification for damage caused by the articles on July 25, 2003, Shinchosha appealed to a higher court.

In the settlement reached today, Shinchosha agreed to pay settlement money to Hikari Tsushin and Shigeta and expressed regret over the lawsuit.

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PRESS RELEASE

January 30, 2004

04 APR -1 AM 7:21

Hikari Tsushin, Inc. (TSE Code: 9435)
Chairman and CEO: Yasumitsu Shigeta
Investor and Public Relations Dept.
Tel: 81-3-5951-3718

Personnel Change

Hikari Tsushin, Inc. announced that Hideki Yamagishi, Director of SHOP business, proposed to resign as director at the end of January 2004 and the company accepted his request today.

Hideaki Wada, General Manager of Telemarketing Business, will succeed Hideki Yamagishi and Yamagishi will be General Manager of Partnership Business division.

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PRESS RELEASE

February 3, 2004

04 APR -1 AM 7:21

Hikari Tsushin, Inc. (TSE Code: 9435)
 Chairman and CEO: Yasumitsu Shigeta
 Investor and Public Relations Dept.
 Tel: 81-3-5951-3718

Monthly Business Report: December 2003

1. Sales of mobile phone and retained subscriptions

The total number of consolidated mobile phones sold during December 2003 was 119,200 (New subscriptions: 52,900, Changing/replacing handsets: 66,300), a 3.8% increase over the same month last year.

The number of consolidated retained mobile phone subscriptions at the end of November 2003 was 2,585,600, decreased by 2.6% from the preceding month.

(Sales of mobile phone)

| | Total (Change over last yr.) | New | Changing |
|---------|------------------------------|--------|----------|
| 2003/10 | 90,600 (100.3%) | 39,700 | 50,900 |
| 2003/11 | 86,600 (104.0%) | 37,900 | 48,700 |
| 2003/12 | 119,200 (103.8%) | 52,900 | 66,300 |

(Mobile phone subscriptions retained)

| | |
|---------|-----------|
| 2003/09 | 2,680,100 |
| 2003/10 | 2,653,500 |
| 2003/11 | 2,585,600 |

Note: Figures of mobile phone subscription retained are calculated one month after sales figures are confirmed.

2. Shops

The total number of shops selling mobile phones stood at 442 at the end of December.

| | Total | Specialized Shops | | | | Non-specialized shops | |
|---------|-------|-------------------|---------|------|--------|-----------------------|---------|
| | | AU | J-Phone | TUKA | Others | Roadside | In-shop |
| 2003/10 | 444 | 156 | 46 | 64 | 2 | 58 | 118 |
| 2003/11 | 447 | 155 | 46 | 64 | 2 | 60 | 120 |
| 2003/12 | 442 | 155 | 46 | 62 | 2 | 58 | 119 |

3. Investments

At the end of December 2003, the market value of marketable securities held by Hikari Tsushin, excluding its subsidiary Crayfish Co., Ltd, was 4,068 million yen and unrealized gain totaled 3,994 million yen,

| | Market Value | Unrealized Profit | (¥ million) |
|----------|--------------|-------------------|-------------|
| 2003/09E | 3,961 | 3,827 | |
| 2003/12E | 4,088 | 3,994 | |

Note1: Securities subject to "Investments" are ones in which Hikari Tsushin made investments when their shares were unlisted and became public afterwards.

(Note)

The value of marketable securities held by Hikari Tsushin will not be disclosed monthly from 2004.

The Company has been disclosing such value because fluctuation in value of marketable securities had significant impact on its earnings and those marketable securities were regarded as additional funds to repay interest-bearing debts.

Now that the company has secured enough cash on hand to repay debts and the amount of marketable securities decreased, as the company has been liquidating, to the level where the impact of fluctuation in value bears little significance on earnings.

PRESS RELEASE

March 5, 2004

Hikari Tsushin, Inc. (TSE Code: 9435)
 Chairman and CEO: Yasumitsu Shigeta
 Investor and Public Relations Dept.
 Tel: 81-3-5951-3718

Monthly Business Report: January 2004

1. Sales of mobile phone and retained subscriptions

The total number of consolidated mobile phones sold during January 2004 was 93,000 (New subscriptions: 39,600, Changing/replacing handsets: 53,400), a 2.3% decrease over the same month last year.

The number of consolidated retained mobile phone subscriptions at the end of December 2003 was 2,562,000, decreased by 0.9% from the preceding month.

(Sales of mobile phone)

| | Total (Change over last yr.) | New | Changing |
|---------|------------------------------|--------|----------|
| 2003/10 | 90,600 (100.3%) | 39,700 | 50,900 |
| 2003/11 | 86,600 (104.0%) | 37,900 | 48,700 |
| 2003/12 | 119,200 (103.8%) | 52,900 | 66,300 |
| 2004/01 | 93,000 (97.7%) | 39,600 | 53,400 |

(Mobile phone subscriptions retained)

| | |
|---------|-----------|
| 2003/10 | 2,653,500 |
| 2003/11 | 2,585,600 |
| 2003/12 | 2,562,000 |

Note: Figures of mobile phone subscription retained are calculated one month after sales figures are confirmed.

2. Shops

The total number of shops selling mobile phones stood at 437 at the end of January 2004.

| | Total | Specialized Shops | | | | Non-specialized shops | |
|---------|-------|-------------------|---------|------|--------|-----------------------|---------|
| | | AU | J-Phone | TUKA | Others | Roadside | In-shop |
| 2003/10 | 444 | 156 | 46 | 64 | 2 | 58 | 118 |
| 2003/11 | 447 | 155 | 46 | 64 | 2 | 60 | 120 |
| 2003/12 | 442 | 155 | 46 | 62 | 2 | 58 | 119 |
| 2004/01 | 437 | 155 | 46 | 59 | 2 | 57 | 118 |

(Note)

The value of marketable securities held by Hikari Tsushin is not disclosed monthly from 2004.

The Company was disclosing such value until 2003 because fluctuation in value of marketable securities had significant impact on its earnings and those marketable securities were regarded as additional funds to repay interest-bearing debts.

Now that the company has secured enough cash on hand to repay debts and the amount of marketable securities decreased, as the company was liquidating, to the level where the impact of fluctuation in value bears little significance on earnings.

PRESS RELEASE

March 18, 2004

Hikari Tsushin, Inc. (TSE Code: 9435)
 Investor and Public Relations Dept.
 Tel: 81-3-5951-3718

Hikari Tsushin Revises Annual Dividend Forecast for Fiscal Year 2004

Hikari Tsushin announced today that its Board of Directors revised annual dividend forecast for fiscal year ending March 31, 2004 from 0 yen per share of previous forecast to 30 yen per share.

The Company recognizes that stable dividend is a fundamental policy to return profits to shareholders, however, for last three fiscal years the company has forgone dividend payments while restructuring its business structure and financial standing in order to improve earnings.

During the current fiscal year, the company believes that it has completed its restructurings to rebuild sound business foundation on which future growth would be nurtured. Under such circumstances, considering the importance of returning profits to shareholders, the Company has decided to resume annual dividend and for this current year annual dividend of 30 yen per share is declared.

(Reference)

| | (Amount per share) | | |
|---|--------------------|----------|----------|
| | Semi-Annual | Annual | Total |
| Previous Forecast (As of May 28, 2003) | 0.0 yen | 0.0 yen | 0.0 yen |
| Revised Forecast | 0.0 yen | 30.0 yen | 30.0 yen |
| Dividend for Previous Fiscal Year | 0.0 yen | 0.0 yen | 0.0 yen |

Note: Annual dividend payment is subject to approval at General Shareholders Meeting scheduled on late June 2004.

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Quarterly Consolidated Financial Report — Nine Months Ended December 31, 2003

Company Name: HIKARI TSUSHIN, INC.
 Code No.: 9435 Tokyo Stock Exchange – First Section
 Corporate Headquarters: 2-29-6 Nishi-ikebukuro, Toshima-ku, Tokyo, Japan
 Investor Relations: Tel: +81 3 5951-3718 Fax: +81 5951-3709

1. Consolidated Financial Summary (April 1, 2003 ~ December 31, 2004)

(1) Consolidated Operating Results

| | Sales | Operating Income | Ordinary Income |
|-------------------|--------------------------------|--------------------------------|--------------------------------|
| | (%: Change over previous year) | (%: Change over previous year) | (%: Change over previous year) |
| | Millions of yen | Millions of yen | Millions of yen |
| FY 2004Q3 (9 mos) | 108,894 (—) | 12,073 (—) | 10,713 (—) |
| FY 2003 | 124,105 (—) | 10,269 (—) | 3,403 (—) |

| | Net Income | Net Income Per Share | Diluted Net Income Per Share |
|------------------|-----------------|----------------------|------------------------------|
| | (% Change) | | |
| | Millions of yen | Yen | Yen |
| FY2004Q3 (9 mos) | 5,574 (—) | 99.14 | 95.73 |
| FY 2003 | (7,922) (—) | (171.13) | — |

(Note)

- ① Investment Loss on Equity Method: FY2004Q3 (9mos): -214 million yen FY2003: -2,102 million yen
 ② Weighted-Average Number of Common Shares Outstanding: FY2004Q3: 56,223,419 FY2003: 46,295,451

(2) Consolidated Financial Conditions

| | Total Assets | Shareholders' Equity | Shareholders' Equity / Total Assets | Shareholders' Equity Per Share |
|------------|-----------------|----------------------|-------------------------------------|--------------------------------|
| | Millions of yen | Millions of yen | % | Yen |
| FY 2004 Q3 | 93,083 | 63,837 | 68.6 | 1,111.54 |
| FY 2003 | 122,078 | 53,028 | 43.4 | 1,026.45 |

(Note) Number of consolidated outstanding shares:

December 31, 2003: 57,432,209 shares March 31, 2003: 51,661,825 shares

(3) Consolidated Statement of Cash Flows

| | Cash Flows in Ordinary Operations | Cash Flows in Investment Activities | Cash Flows in Financial Activities | Cash and its Equivalent Balance at the End of Period |
|-------------------|-----------------------------------|-------------------------------------|------------------------------------|--|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| FY 2004Q3 (9 mos) | 12,171 | 3,165 | (35,693) | 9,257 |
| FY 2003 | 8,180 | 5,819 | (39,783) | 29,669 |

(4) Regarding the Applicability of Consolidated Accounting and Equity Method (As of December 31, 2003)

Consolidated Subsidiaries: 31 Non-consolidated subsidiaries applied on equity method: 2
 Affiliates applied on equity method: 6

(5) Change in the Applicability of Consolidated Accounting and Equity Method (Compared to September 30, 2003)

Consolidated: new 7 exception 2 Equity Method: new 1 exception 1

2. Estimates of Consolidated Business Performance (FY 2004: April 1, 2003~March 31, 2004)

| | Sales | Operating Income | Ordinary Income | Net Income |
|--------|-----------------|------------------|-----------------|-----------------|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| Annual | 150,000 | 17,500 | 14,000 | 7,000 |

Forward-looking statements are based on Hikari Tsushin's current expectations, which have been deprived from information that is available to it currently, and involve a number of risks and uncertainties. Actual results may differ significantly from these "forward-looking" statements.

3rd Quarter Consolidated Financial Statements

3rd Quarter Consolidated Balance Sheet

(Millions of Yen)

| | FY 2004 Q3 (As of December 31, 2003) | | FY 2003 (As of March 31, 2003) | |
|---|---|----------------|-----------------------------------|----------------|
| | A m o u n t | Comp. Ratio | A m o u n t | Comp. Ratio |
| ASSETS | | % | | % |
| I Current Assets | | | | |
| 1. Cash and Bank Deposits | 10,228 | | 31,209 | |
| 2. Notes and Accounts Receivable--Trade | 16,864 | | 16,545 | |
| 3. Inventories | 2,856 | | 2,580 | |
| 4. Other Current Assets | 6,009 | | 4,825 | |
| 5. Allowance for Doubtful Accounts | (433) | | (1,302) | |
| Total Current Assets | 35,526 | 38.2 | 53,857 | 44.1 |
| II Fixed Assets | | | | |
| 1. Property and Equipments | 5,292 | 5.7 | 5,498 | 4.5 |
| 2. Intangible Assets | | | | |
| (1)Consolidated Adjustment Accounts | 849 | | 981 | |
| (2)Other intangible Assets | 1,198 | | 1,281 | |
| Total Intangible Assets | 2,047 | 2.2 | 2,263 | 1.9 |
| 3. Investments and Other Assets | | | | |
| (1)Investment Securities | 25,011 | | 27,543 | |
| (2)Investments in Capital | 6,476 | | 10,696 | |
| (3)Lease Deposits | 3,977 | | 3,771 | |
| (4)Delinquent Receivables | 6,510 | | 10,262 | |
| (5)Differed Income Taxes | 22,233 | | 26,425 | |
| (6)Other Investments | 3,660 | | 3,961 | |
| (7)Allowance for Loss on Investments | (10,895) | | (14,212) | |
| (8)Allowance for Doubtful Accounts | (6,756) | | (7,987) | |
| Total Investments and Other Assets | 50,216 | 53.9 | 60,460 | 49.5 |
| Total Fixed Assets | 57,557 | 61.8 | 68,221 | 55.9 |
| TOTAL ASSETS | 93,083 | 100.0 | 122,078 | 100.0 |

(Millions of Yen)

| | FY 2004 Q3 (As of December 31, 2003) | | FY 2003 (As of March 31, 2003) | |
|--|---|----------------|-----------------------------------|----------------|
| | A m o u n t | Comp. Ratio | Amount | Comp. Ratio |
| LIABILITIES | | % | | % |
| I Current Liabilities | | | | |
| 1. Notes and Accounts Payable-Trade | 13,751 | | 12,523 | |
| 2. Short-term Borrowings | 2,285 | | 3,094 | |
| 3. Current Portion of Bonds | 300 | | 28,736 | |
| 4. Accrued Bonuses | 153 | | 583 | |
| 5. Other Current Liabilities | 8,509 | | 7,160 | |
| Total Current Liabilities | 25,000 | 26.9 | 52,098 | 42.7 |
| II Long-term Liabilities | | | | |
| 1. Bonds | 3,300 | | 3,600 | |
| 2. Convertible Bonds | — | | 5,480 | |
| 3. Long-term Borrowings | 260 | | 1,861 | |
| 4. Retirement Benefits for Directors and Auditors | 81 | | 76 | |
| 5. Other Long-term Liabilities | 96 | | 233 | |
| Total Long-term Liabilities | 3,738 | 4.0 | 11,251 | 9.2 |
| TOTAL LIABILITIES | 28,739 | 30.9 | 63,349 | 51.9 |
| MINORITY INTERESTS | 506 | 0.5 | 5,700 | 4.7 |
| SHAREHOLDERS' EQUITY | | | | |
| I Common Stock | 53,328 | 57.3 | 50,542 | 41.4 |
| II Additional Paid-in Capital | 24,329 | 26.1 | 29,220 | 23.9 |
| III Retained Earnings (Accumulated Losses) | (15,484) | (16.6) | (28,745) | (23.5) |
| IV Net Unrealized Holding Gains on Securities | 1,556 | 1.7 | 1,808 | 1.5 |
| V Foreign Currency Translation Adjustments | 118 | 0.1 | 205 | 0.1 |
| VI Treasury Stock, at cost | (10) | (0.0) | (3) | (0.0) |
| TOTAL SHAREHOLDERS' EQUITY | 63,837 | 68.6 | 53,028 | 43.4 |
| TOTAL LIABILITIES, MINORITY INTERESTS, AND SHAREHOLDERS' EQUITY | 93,083 | 100.0 | 122,078 | 100.0 |

3rd Quarter Consolidated Profit and Loss Statement

(Millions of Yen)

| | FY 2004 Q3 (April 2003 ~ December 2003) | | | FY 2003 (April 2002 ~ March 2003) | | |
|---|--|---------|----------------|--------------------------------------|---------|----------------|
| | A m o u n t | | Comp. Ratio | A m o u n t | | Comp. Ratio |
| | | | % | | | % |
| I Net Sales | | 108,894 | 100.0 | | 124,105 | 100.0 |
| II Cost of Sales | | 59,212 | 54.4 | | 68,821 | 55.5 |
| Gross Profit | | 49,682 | 45.6 | | 55,284 | 44.5 |
| III Selling, General and Administrative Expenses | | | | | | |
| 1. Sales Commissions | 12,965 | | | 14,937 | | |
| 2. Salaries | 11,569 | | | 13,192 | | |
| 3. Rental Expenses | 2,248 | | | 3,071 | | |
| 4. Depreciation Expenses | 636 | | | 1,043 | | |
| 5. Other Expenses | 10,189 | 37,608 | 34.5 | 12,770 | 45,015 | 36.2 |
| Operating Profit | | 12,073 | 11.1 | | 10,269 | 8.3 |
| IV Non-operating Income | | | | | | |
| 1. Gain on sales of investment securities | 2,591 | | | 1,762 | | |
| 2. Other Non-operating Income | 773 | 3,365 | 3.1 | 987 | 2,749 | 2.2 |
| V Non-operating Expenses | | | | | | |
| 1. Interest Expense | 421 | | | 1,026 | | |
| 2. Equity in Net Loss of Affiliates | 214 | | | 2,102 | | |
| 3. Loss on Investments in Capital | 2,363 | | | 3,857 | | |
| 4. Others Non-operating Income | 1,726 | 4,725 | 4.4 | 2,629 | 9,615 | 7.8 |
| Ordinary Income | | 10,713 | 9.8 | | 3,403 | 2.7 |
| VI Extra-ordinary Income | | 933 | 0.9 | | 3,045 | 2.5 |
| VII Extra-ordinary Losses | | | | | | |
| 1. Litigation Settlement | 1,018 | | | — | | |
| 2. Other Extra-ordinary Losses | 712 | 1,731 | 1.6 | 13,473 | 13,473 | 10.9 |
| Net Income (Loss) Before Taxes and minority Interests | | 9,915 | 9.1 | | (7,024) | (5.7) |
| Taxes | | 4,409 | 4.0 | | 665 | 0.5 |
| Minority Interests (Loss) | | (67) | (0.0) | | 232 | 0.2 |
| Net Income (Loss) | | 5,574 | 5.1 | | (7,922) | (6.4) |

Quarterly Non-Consolidated Financial Report – Nine Months Ended December 31, 2003

Company Name: HIKARI TSUSHIN, INC.
 Code No.: 9435 Tokyo Stock Exchange – First Section
 Corporate Headquarters: 2-29-16 Nishi-Ikebukuro, Toshima-ku, Tokyo, Japan
 Investor Relations: Tel: +81 3 5951-3718 Fax: +81 3 5951-3709

1. Non-Consolidated Financial Statement (April 1, 2003 ~ December 31, 2003)

(1) Non-Consolidated Operating Results

| | Sales | Operating Income | Ordinary Income |
|--------------------|--------------------------------|--------------------------------|--------------------------------|
| | (%: Change over previous year) | (%: Change over previous year) | (%: Change over previous year) |
| | Millions of yen | Millions of yen | Millions of yen |
| FY 2004 Q3 (9 mos) | 26,113 (—) | 4,431 (—) | 4,227 (—) |
| FY 2003 | 31,791 (—) | 6,232 (—) | 4,017 (—) |

| | Net Income | Net Income | Diluted Net Income |
|--------------------|-----------------|------------|--------------------|
| | (% Change) | Per Share | Per Share |
| | Millions of yen | Yen | Yen |
| FY 2004 Q3 (9 mos) | 3,598 (—) | 64.00 | 61.80 |
| FY 2003 | (7,686) (—) | (166.00) | — |

(Note)

Weighted-Average Number of Common Shares Outstanding : FY2004Q3: 56,223,419 FY2003: 46,303,401

(2) Quarterly Non-Consolidated Financial Conditions

| | Total Assets | Shareholders' Equity | Shareholders' Equity /Total Assets | Shareholders' Equity Per Share |
|------------|-----------------|----------------------|------------------------------------|--------------------------------|
| | Millions of Yen | Millions of Yen | % | Yen |
| FY 2004 Q3 | 106,499 | 83,362 | 78.3 | 1,451.50 |
| FY 2003 | 123,579 | 74,505 | 60.3 | 1,442.17 |

(Note)

① Common Stock Issued and Outstanding: December 31, 2003: 57,360,137 March 31, 2003: 51,661,825
 ② Treasury Stock: December 31, 2003: 5,233 March 31, 2003: 3,056

2. Estimates of Non-Consolidated Business Performance (FY 2004: April 1, 2003~March 31, 2004)

| | Sales | Operating Income | Ordinary Income | Net Income |
|--------|-----------------|------------------|-----------------|-----------------|
| | Millions of yen | Millions of yen | Millions of yen | Millions of yen |
| Annual | 35,000 | 6,300 | 5,000 | 3,000 |

Forward-looking statements are based on Hikari Tsushin's current expectations, which have been deprived from information that is available to it currently, and involve a number of risks and uncertainties. Actual results may differ significantly from these "forward-looking" statements.

Quarterly Non-Consolidated Financial Statements

3rd Quarter Non-Consolidated Balance Sheet

(Millions of Yen)

| | FY 2004 Q3 (As of December 31, 2003) | | FY 2003 (As of March 31, 2003) | |
|---|---|----------------|-----------------------------------|----------------|
| | A m o u n t | Comp. Ratio | A m o u n t | Comp. Ratio |
| ASSETS | | % | | % |
| I Current Assets | | | | |
| 1. Cash and Bank Deposits | 2,657 | | 3,432 | |
| 2. Notes and Accounts Receivable-Trade | 4,151 | | 4,270 | |
| 3. Inventories | 20 | | 216 | |
| 4. Accounts Receivable-Other | 4,871 | | 2,572 | |
| 5. Other Current Assets | 1,937 | | 2,505 | |
| 6. Allowance for Doubtful Accounts | (82) | | (83) | |
| Total Current Assets | 13,555 | 12.7 | 12,913 | 10.4 |
| II Fixed Assets | | | | |
| 1. Property and Equipments | 3,734 | 3.5 | 3,830 | 3.1 |
| 2. Intangible Assets | 648 | 0.6 | 620 | 0.5 |
| 3. Investments and Other Assets | | | | |
| (1)Investment Securities | 76,468 | | 83,989 | |
| (2)Investments in Capital | 6,382 | | 10,627 | |
| (3)Long-term Loans | 6,361 | | 17,839 | |
| (4)Lease Deposits | 3,054 | | 2,641 | |
| (5)Delinquent Receivables | 5,641 | | 8,732 | |
| (6)Differed Income Taxes | 21,219 | | 26,515 | |
| (7)Other Investments | 995 | | 1,638 | |
| (8)Allowance for Loss on Investments | (25,743) | | (35,231) | |
| (9)Allowance for Doubtful Accounts | (5,817) | | (9,538) | |
| Total Investments and Other Assets | 88,562 | 83.2 | 106,214 | 86.0 |
| Total Fixed Assets | 92,944 | 87.3 | 110,665 | 89.6 |
| TOTAL ASSETS | 106,499 | 100.0 | 123,579 | 100.0 |

(Millions of Yen)

| | FY 2004 Q3 (As of December 31, 2003) | | FY 2003 (As of March 31, 2003) | |
|--|---|----------------|-----------------------------------|----------------|
| | A m o u n t | Comp. Ratio | Amount | Comp. Ratio |
| LIABILITIES | | % | | % |
| I Current Liabilities | | | | |
| 1. Notes and Accounts Payable-Trade | 1,408 | | 1,677 | |
| 2. Short-term Borrowings | 12,333 | | 2,882 | |
| 3. Current Portion of Bonds | 300 | | 28,736 | |
| 4. Accrued Bonuses | 40 | | 159 | |
| 5. Other Current Liabilities | 4,525 | | 3,834 | |
| Total Current Liabilities | 18,608 | 17.5 | 37,289 | 30.2 |
| II Long-term Liabilities | | | | |
| 1. Bonds | 3,748 | | 4,048 | |
| 2. Convertible Bonds | — | | 5,480 | |
| 3. Long-term Borrowings | 250 | | 1,700 | |
| 4. Retirement Benefits for Directors and Auditors | 81 | | 76 | |
| 5. Other Long-term Liabilities | 447 | | 479 | |
| Total Long-term Liabilities | 4,528 | 4.2 | 11,784 | 9.5 |
| TOTAL LIABILITIES | 23,136 | 21.7 | 49,074 | 39.7 |
| SHAREHOLDERS' EQUITY | | | | |
| I Common Stock | 53,328 | 50.0 | 50,542 | 40.9 |
| II Additional Paid-in Capital | 24,883 | 23.4 | 29,773 | 24.1 |
| III Retained Earnings (Accumulated Losses) | 3,598 | 3.4 | (7,686) | (6.2) |
| IV Net Unrealized Holding Gains on Securities | 1,563 | 1.5 | 1,878 | 1.5 |
| VI Treasury Stock, at cost | (10) | (0.0) | (3) | (0.0) |
| TOTAL SHAREHOLDERS' EQUITY | 83,362 | 78.3 | 74,505 | 60.3 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 106,499 | 100.0 | 123,579 | 100.0 |

3rd Quarter Non-Consolidated Profit and Loss Statement

(Millions of Yen)

| | FY 2004 Q3 (April 2003 ~ December 2003) | | | FY 2003 (April 2002 ~ March 2003) | | |
|--|--|--------|----------------|--------------------------------------|---------|----------------|
| | A m o u n t | | Comp. Ratio | A m o u n t | | Comp. Ratio |
| | | | % | | | % |
| I Net Sales | | 26,113 | 100.0 | | 31,791 | 100.0 |
| II Cost of Sales | | 8,883 | 34.0 | | 11,557 | 36.4 |
| Gross Profit | | 17,230 | 66.0 | | 20,234 | 63.6 |
| III Selling, General and Administrative Expenses | | | | | | |
| 1. Sales Commissions | 8,068 | | | 8,134 | | |
| 2. Salaries | 1,417 | | | 1,892 | | |
| 3. Rental Expenses | 1,034 | | | 1,325 | | |
| 4. Depreciation Expenses | 292 | | | 502 | | |
| 5. Other Expenses | 1,985 | 12,798 | 49.0 | 2,147 | 14,002 | 44.0 |
| Operating Profit | | 4,431 | 17.0 | | 6,232 | 19.6 |
| IV Non-operating Income | | | | | | |
| 1. Gain on Sales of Investment Securities | 2,658 | | | 1,757 | | |
| 2. Other Non-operating Income | 1,602 | 4,260 | 16.3 | 2,059 | 3,816 | 12.0 |
| V Non-operating Expenses | | | | | | |
| 1. Interest Expense | 435 | | | 896 | | |
| 2. Loss on Investments in Capital | 2,252 | | | 3,857 | | |
| 3. Others Non-operating Income | 1,666 | 4,465 | 17.1 | 1,275 | 6,031 | 19.0 |
| Ordinary Income | | 4,227 | 16.2 | | 4,017 | 12.6 |
| VI Extra-ordinary Income | | | | | | |
| 1. Cash Dividend from the Subsidiary's Capital Reduction | 4,797 | | | — | | |
| 2. Other Extra-ordinary Income | 247 | 5,044 | 19.3 | 2,252 | 2,252 | 7.1 |
| VII Extra-ordinary Losses | | | | | | |
| 1. Litigation Settlement | 236 | | | — | | |
| 2. Provision for loss on investments | 1,995 | | | 5,934 | | |
| 3. Other Extra-ordinary Losses | 425 | 2,656 | 10.2 | 7,927 | 13,861 | 43.6 |
| Net Income (Loss) Before Taxes | | 6,614 | 25.3 | | (7,591) | (23.9) |
| Taxes | | 3,016 | 11.5 | | 94 | 0.3 |
| Net Income (Loss) | | 3,598 | 13.8 | | (7,686) | (24.2) |