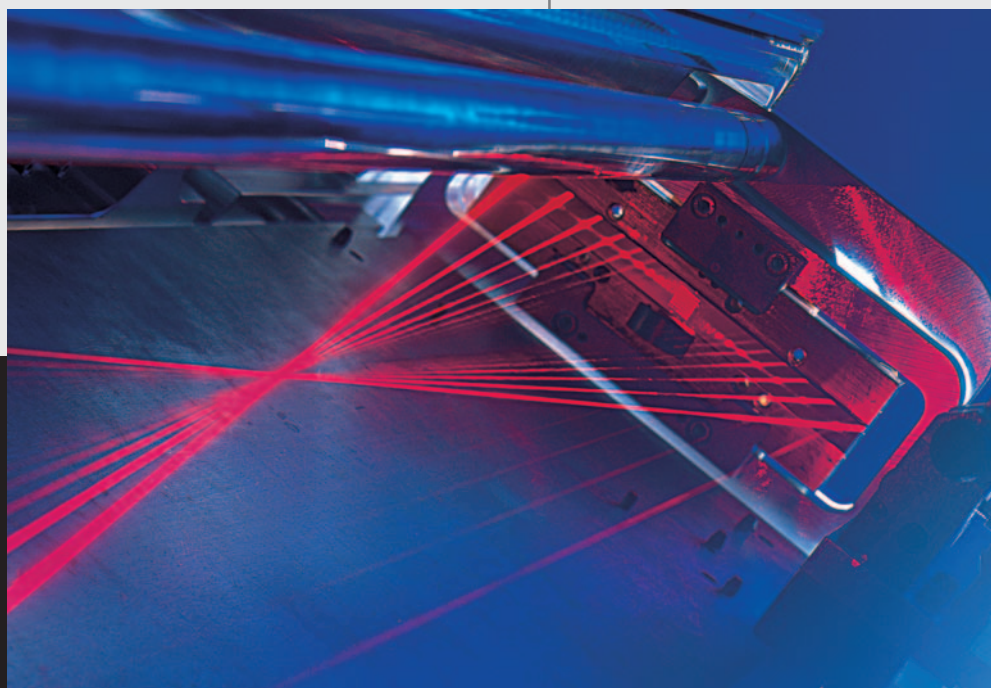


Quarterly Report

3rd Quarter Fiscal 2005

Apr. 1, 2005 - Jun. 30, 2005



ROFIN-SINAR Technologies Inc.

NASDAQ: RSTI

Prime Standard: ISIN US7750431022

WE THINK LASER

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES AND EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2005

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES AND EXCHANGE ACT OF 1934

Commission file number: 000-21377

ROFIN-SINAR TECHNOLOGIES INC.

(Exact name of registrant as specified in its charter)

Delaware

38-3306461

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

40984 Concept Drive, Plymouth, MI

48170

(Address of principal executive offices)

(Zip Code)

(734) 455-5400

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year,
if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports) and (2) has been subject to
such filing requirements for the past 90 days. Yes / No

Indicate by check mark whether the registrant is an accelerated filer (as
defined in Rule 12b-2 of the Exchange Act of 1934). Yes / No

15,117,150 shares of the registrant's common stock, par value \$0.01 per
share, were outstanding as of August 8, 2005.

ROFIN-SINAR TECHNOLOGIES INC.

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PART I. ITEM 1. FINANCIAL INFORMATION
Rofin-Sinar Technologies Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(dollars in thousands)

	June 30, 2005 (Unaudited)	September 30, 2004 (Audited)
	-----	-----
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 111,509	\$ 100,266
Accounts receivable, net of allowance for doubtful accounts of \$2,353 and \$2,519, respectively	66,193	80,314
Inventories (Note 3)	109,042	106,420
Other current assets and prepaid expenses	13,376	10,633
	-----	-----
Total current assets	300,120	297,633
Property and equipment, net	34,536	34,128
Goodwill, net (Note 5)	61,514	61,779
Other intangibles, net (Note 5)	14,019	18,069
Other assets	2,331	2,197
	-----	-----
Total assets	\$ 412,520	\$ 413,806
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Line of credit and short term borrowings	\$ 18,434	\$ 49,819
Accounts payable, trade	16,192	17,306
Accounts payable to related party	247	1,790
Accrued liabilities (Note 4)	55,880	65,178
	-----	-----
Total current liabilities	90,753	134,093
Long-term debt	22,730	4,983
Pension obligations	9,012	8,567
Minority interests	1,853	1,700
Other long-term liabilities	5,196	7,079
	-----	-----
Total liabilities	129,544	156,422
Stockholders' equity		
Preferred stock, 5,000,000 shares authorized, none issued or outstanding	0	0
Common stock, \$0.01 par value, 50,000,000 shares authorized, 15,113,550 (14,930,550 at September 30, 2004) issued and outstanding	151	149
Additional paid-in-capital	162,078	158,777
Retained earnings	112,759	87,096
Accumulated other comprehensive income	7,988	11,362
	-----	-----
Total stockholders' equity	282,976	257,384
	-----	-----
Total liabilities and stockholders' equity	\$ 412,520	\$ 413,806
	=====	=====

See accompanying notes to condensed consolidated financial statements

Rofin-Sinar Technologies Inc. and Subsidiaries
Condensed Consolidated Statements of Operations (Unaudited)
Periods Ended June 30, 2005 and 2004
(dollars in thousands, except per share amounts)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2005	2004	2005	2004
Net sales	\$ 89,528	\$ 82,067	\$ 276,253	\$ 229,073
Cost of goods sold	53,018	48,900	165,979	138,886
Gross profit	36,510	33,167	110,274	90,187
Selling, general, and administrative expenses	15,203	14,440	48,844	42,599
Research and development expenses	5,613	5,726	17,099	15,908
Intangibles amortization	1,250	496	4,091	1,460
Income from operations	14,444	12,505	40,240	30,220
Other expense (income):				
Interest, net	(94)	419	271	1,568
Foreign currency (gains)/losses	1,278	263	469	(455)
Other income	(47)	(188)	(502)	(451)
Income before income taxes and minority interest	13,307	12,011	40,002	29,558
Income tax expense	4,734	4,338	13,964	10,493
Income before minority interest	8,573	7,673	26,038	19,065
Minority interest	166	288	375	829
Net income	\$ 8,407	\$ 7,385	\$ 25,663	\$ 18,236
Net income per common share (Note 8)				
Basic	\$ 0.56	\$ 0.50	\$ 1.70	\$ 1.40
Diluted	\$ 0.54	\$ 0.48	\$ 1.65	\$ 1.35
Weighted average shares used in computing net income per share (Note 8)				
Basic	15,101,255	14,889,277	15,056,357	12,989,727
Diluted	15,553,199	15,417,529	15,545,829	13,547,933

See accompanying notes to condensed consolidated financial statements

Rofin-Sinar Technologies Inc. and Subsidiaries
Condensed Consolidated Statements Of Stockholders' Equity and
Comprehensive Income (Unaudited)
Nine Months Ended June 30, 2005 and 2004
(dollars in thousands)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Stockholders' Equity
	-----	-----	-----	-----	-----
BALANCES at September 30, 2004	\$ 149	\$ 158,777	\$ 87,096	\$ 11,362	\$ 257,384
Comprehensive income:					
Foreign currency translation adjustment	--	--	--	(3,598)	(3,598)
Fair value of interest swap agreement, net of tax	--	--	--	224	224
Net income	--	--	25,663	--	25,663
Total comprehensive income					----- 22,289
Common stock issued	2	3,301	--	--	3,303
BALANCES at June 30, 2005	----- \$ 151	----- \$ 162,078	----- \$ 112,759	----- \$ 7,988	----- \$ 282,976
BALANCES at September 30, 2003	\$ 119	\$ 79,918	\$ 54,666	\$ 5,883	\$ 140,586
Comprehensive income:					
Foreign currency translation adjustment	--	--	--	3,100	3,100
Fair value of interest swap agreement, net of tax	--	--	--	270	270
Net income	--	--	18,236	--	18,236
Total comprehensive income					----- 21,606
Common stock issued	30	76,966	--	--	76,996
BALANCES at June 30, 2004	----- \$ 149	----- \$ 156,884	----- \$ 72,902	----- \$ 9,253	----- \$ 239,188

See accompanying notes to condensed consolidated financial statements

Rofin-Sinar Technologies Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows (Unaudited)
Nine Months Ended June 30, 2005 and 2004
(dollars in thousands)

	Nine months Ended June 30,	
	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 25,663	\$ 18,236
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in operating assets and liabilities	(3,990)	(1,901)
Other adjustments	5,501	6,283
	27,174	22,618
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of property and equipment	203	135
Additions to property and equipment	(5,270)	(2,968)
Aquisition of business, net of cash acquired	(1,182)	(741)
	(6,249)	(3,574)
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings from banks	37,500	8,789
Repayment to banks	(50,270)	(26,303)
Proceeds from issuance of common stock	2,105	77,128
Other adjustments	--	(470)
	(10,665)	59,144
Effect of foreign currency translation on cash and cash equivalents	983	397
Net increase in cash and cash equivalents	11,243	78,585
Cash and cash equivalents at beginning of period	100,266	44,487
Cash and cash equivalents at end of period	\$111,509	\$123,072
Cash paid for interest	\$ 1,848	\$ 3,140
Cash paid for taxes	\$ 14,579	\$ 9,425

See accompanying notes to condensed consolidated financial statements

Rofin-Sinar Technologies Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (Unaudited)
(dollars in thousands)

1. Summary of Accounting Policies

The accompanying condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, consistent with those reflected in the Company's annual report to stockholders for the fiscal year ended September 30, 2004, and should be read in conjunction with the Company's annual report on Form 10-K. All adjustments necessary for a fair presentation have been made which comprise only normal recurring adjustments; however, interim results of operations are not necessarily indicative of results to be expected for the year.

2. Acquisitions

On February 28, 2004, the Company acquired 90% of the common stock of Optoskand AB, Gothenburg, Sweden, through its wholly owned subsidiary Rofin-Sinar Laser GmbH, Hamburg, Germany ("RSL") for cash.

On August 20, 2004 the Company acquired an additional 15% of the share capital of Dilas Diodenlaser GmbH, Mainz, Germany, through its wholly-owned subsidiary RSTE. The Company currently holds 95% of the share capital.

On August 31, 2004, the Company acquired 100% of the share capital of PRC Laser Corporation based in Landing, New Jersey (including its wholly-owned European subsidiary PRC Europe N.V., Oudenaarde, Belgium) and Lee Laser, Inc. based in Orlando, Florida.

Effective December 5, 2004, the Company purchased an additional 5% of the share capital of Rofin-Sinar U.K. Ltd. through Rofin-Sinar Technologies Europe S.L. under an option agreement between the Company and the former minority shareholders. The Company currently holds 76% of the share capital. This purchase resulted in goodwill of \$0.6 million.

3. Inventories

Inventories are stated at the lower of cost or market, after provisions for excess and obsolete inventory salable at prices below cost. Costs are determined using the first in, first out and weighted average cost methods and are summarized as follows:

	June 30, 2005	September 30, 2004
Finished goods	\$ 13,662	\$ 14,147
Work in progress	27,699	26,659
Raw materials and supplies	40,317	38,804
Demonstration inventory	9,027	9,525
Service parts	18,337	17,285
	-----	-----
Total inventories	\$ 109,042	\$ 106,420
	=====	=====

4. Accrued Liabilities

Accrued liabilities are comprised of the following:

	June 30, 2005	September 30, 2004
Employee compensation	\$ 14,378	\$ 14,308
Warranty reserve	10,717	13,375
Customer deposits	9,521	11,313
Income taxes payable	7,528	9,307
Other	13,736	16,875
	-----	-----
Total accrued liabilities	\$ 55,880	\$ 65,178
	=====	=====

5. Goodwill and Other Intangible Assets

The changes in the carrying amount of goodwill for the nine-month period ended June 30, 2005 are as follows:

	Germany	United States	Rest of World	Total
	-----	-----	-----	-----
Balance as of September 30, 2004	\$ 39,390	\$ 9,506	\$ 12,883	\$ 61,779
Additional goodwill from Acquisitions	--	300	608	908
Currency exchange difference	(822)	(65)	(286)	(1,173)
	-----	-----	-----	-----
Balance as of June 30, 2005	\$ 38,568	\$ 9,741	\$ 13,205	\$ 61,514
	=====	=====	=====	=====

The carrying value of other intangible assets are as follows:

	June 30, 2005		September 30, 2004	
	-----		-----	
	Gross	Accumulated	Gross	Accumulated
	Carrying	Amortization	Carrying	Amortization
	Amount		Amount	
	-----		-----	
Amortized Intangible Assets:				
Patents	\$ 7,199	\$ 2,050	\$ 7,421	\$ 1,698
Customer base	13,488	5,783	13,655	3,943
Other	3,739	2,574	3,668	1,034
	-----		-----	
Total	\$ 24,426	\$ 10,407	\$ 24,744	\$ 6,675
	=====	=====	=====	=====

Amortization expense for the nine-month periods ended June 30, 2005 and 2004 was \$4.1 million and \$1.5 million, respectively. At June 30, 2005, estimated amortization expense for the remainder of fiscal 2005 and the next five fiscal years is as follows:

2005 (remainder)	\$ 1.2 million
2006	3.5 million
2007	2.8 million
2008	2.1 million
2009	2.0 million
2010	0.7 million

6. Product Warranties

The Company provides for the estimated costs of product warranties when revenue is recognized. The estimate of costs to fulfill our warranty obligations is based on historical experience and expectation of future conditions. The change in warranty reserves for the nine-month periods ended June 30, 2005 and 2004 is as follows:

	2005	2004
	-----	-----
Balance at September 30, 2004 and 2003	\$ 13,375	\$ 10,528
Additional accruals for warranties		
during the period	1,840	5,526
Usage during the period	(4,379)	(4,068)
Currency translation	(119)	369
	-----	-----
Balance at June 30,	\$ 10,717	\$ 12,355
	=====	=====

7. Stock Based Compensation

The following table illustrates the pro forma effect on net income and net income per common share that would have resulted if the fair value based method of SFAS No. 123 had been applied to all outstanding and unvested awards in each period:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2005	2004	2005	2004
Net income - as reported	\$ 8,407	\$ 7,385	\$ 25,663	\$ 18,236
Deduct: Total stock-based employee compensation expense determined under the fair value based method for all awards, net of related tax effects	470	225	1,063	675
Pro forma net income	\$ 7,937	\$ 7,160	\$ 24,600	\$ 17,561
Earnings per share:				
Basic - as reported	\$ 0.56	\$ 0.50	\$ 1.70	\$ 1.40
Basic - pro forma	\$ 0.53	\$ 0.48	\$ 1.63	\$ 1.35
Diluted - as reported	\$ 0.54	\$ 0.48	\$ 1.65	\$ 1.35
Diluted - pro forma	\$ 0.52	\$ 0.46	\$ 1.60	\$ 1.30

8. Net Income Per Common Share

Basic earnings per common share (EPS) is computed by dividing net income by the weighted average number of common shares outstanding during the period. Diluted earnings per common share reflects the potential dilution from common stock equivalents (stock options).

The calculation of the weighted average number of common shares outstanding for each period is as follows:

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2005	2004	2005	2004
Weighted average number of shares for BASIC net income per common share	15,101,255	14,889,277	15,056,357	12,989,727
Potential additional shares due to outstanding dilutive stock options	451,944	528,252	489,472	558,206
Weighted average number of shares for DILUTED net income per common share	15,553,199	15,417,529	15,545,829	13,547,933

Excluded from the calculation of diluted EPS for the three months ended June 30, 2005 and 2004, were 589,500 and 285,500 outstanding stock options, respectively. There were no shares excluded from the calculation of diluted EPS for the nine months ended June 30, 2005. Excluded from the calculation of diluted EPS for the nine months ended June 30, 2004 were 285,500 outstanding stock options. These could potentially dilute future EPS calculations but were not included in the current period because their effect would have been antidilutive.

9. Defined Benefit Plans

Components of net periodic cost were as follows for the nine months ended June 30, 2005 and 2004:

	Pension Plans		Other Postretirement Benefits	
	2005	2004	2005	2004
Service cost	\$ 413	\$ 424	\$ --	\$ 112
Interest cost	494	476	--	3
Expected return on plan assets	(204)	(147)	--	--
Amortization of prior service Cost	--	47	--	--
Amortization of net loss	47	--	--	--
Net periodic benefit cost	\$ 750	\$ 800	\$ --	\$ 115

10. Segment and Geographic Information

The Company manages its business under geographic regions that are aggregated together as one segment in the global industrial laser industry. Sales from these regions have similar long-term financial performance and economic characteristics. The products from these regions are produced utilizing similar manufacturing processes and similar production equipment, which may be interchanged from group to group. The Company distributes, sells and services final product to the same type of customers from all regions.

Assets, net sales and income before taxes and minority interest by geographic region, are summarized below:

	June 30, 2005	September 30, 2004
	-----	-----
ASSETS		
United States	\$ 172,981	\$ 179,741
Germany	228,416	237,044
Other	136,953	132,809
Intercompany eliminations	(125,830)	(135,788)
	-----	-----
Total assets	\$ 412,520	\$ 413,806
	=====	=====

	Three Months Ended June 30,		Nine Months Ended June 30,	
	-----		-----	
	2005	2004	2005	2004
	-----	-----	-----	-----
United States	\$ 26,424	\$ 18,131	\$ 81,787	\$ 49,853
Germany	68,125	73,523	211,491	205,461
Other	29,748	29,854	89,221	81,339
Intercompany eliminations	(34,769)	(39,441)	(106,246)	(107,580)
	-----	-----	-----	-----
	\$ 89,528	\$ 82,067	\$ 276,253	\$ 229,073
	=====	=====	=====	=====

	Three Months Ended June 30,		Nine Months Ended June 30,	
	-----		-----	
	2005	2004	2005	2004
	-----	-----	-----	-----
United States	\$ 1,100	\$ 877	\$ 2,172	\$ 2,734
Germany	28,236	31,067	87,589	85,665
Other	5,433	7,497	16,485	19,181
Intercompany eliminations	(34,769)	(39,441)	(106,246)	(107,580)
	-----	-----	-----	-----
	\$ --	\$ --	\$ --	\$ --
	=====	=====	=====	=====

EXTERNAL SALES

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2005	2004	2005	2004
United States	\$ 25,324	\$ 17,254	\$ 79,615	\$ 47,119
Germany	39,889	42,456	123,902	119,796
Other	24,315	22,357	72,736	62,158
	\$ 89,528	\$ 82,067	\$ 276,253	\$ 229,073
	=====	=====	=====	=====

INCOME BEFORE INCOME TAXES AND MINORITY INTEREST

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2005	2004	2005	2004
United States	\$ 2,048	\$ 3,299	\$ 9,334	\$ 7,348
Germany	9,242	7,850	27,468	19,206
Other	1,652	1,962	5,864	5,830
Intercompany eliminations	365	(1,100)	(2,664)	(2,826)
	\$ 13,307	\$ 12,011	\$ 40,002	\$ 29,558
	=====	=====	=====	=====

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this Quarterly Report on Form 10-Q constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Reform Act"). Forward-looking statements include all statements that do not relate solely to historical or current facts, and can be identified by the use of words such as "may", "believe", "will", "expect", "project", "anticipate", "estimate", "plan" or "continue". These forward looking statements are based on the current plans and expectations of our management and are subject to a number of uncertainties and risks that could significantly affect our current plans and expectations, as well as future results of operations and financial condition. In making these forward-looking statements, we claim the protection of the safe-harbor for forward-looking statements contained in the Reform Act. We do not assume any obligation to update these forward-looking statements to reflect actual results, changes in assumptions, or changes in other factors affecting such forward-looking statements.

Overview

Rofin-Sinar Technologies Inc. (herein also referred to as "Rofin-Sinar", or the "Company" or "we", "us" or "our") is a leader in the design, development, engineering, manufacture and marketing of laser-based products used for cutting, welding and marking a wide range of materials.

Through our global manufacturing, distribution and service network, we provide a comprehensive range of laser sources and laser based system solutions to three principal target markets: the machine tool, automotive, and semiconductor/electronics industries. We sell principally to end-users and original equipment manufacturers ("OEMs") (principally in the machine tool industry) that integrate our laser sources with other system components. Many of our customers are among the largest global participants in their respective industries.

During the third quarter of fiscal years 2005 and 2004, we realized approximately 48% and 51%, respectively, of revenues from the sale and servicing of laser products for macro applications and approximately 52% and 49%, respectively, from the sale and servicing of laser products for marking and micro applications.

Management believes that the softening in our macro business, especially in Europe from the machine tool industry and in North America from the automotive industry, will continue over the next quarter. The micro business is performing in accordance with expectations and in the marking business we foresee a strengthening in demand from the semiconductor sector for the second half of this calendar year. The Company believes that its large product portfolio and broad technology base should help mitigate a worsening of business conditions in a single industrial or geographical market in the future. Management will continue to invest in increasing its sales and service activities in Asia and extending its technology portfolio into new applications.

At June 30, 2005, Rofin-Sinar had 1,387 employees compared to 1,251 employees at June 30, 2004.

Results of Operations

For the periods indicated, the following table sets forth the percentage of net sales represented by the respective line items in the Company's consolidated statements of operations.

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2005	2004	2005	2004
Net sales	100%	100%	100%	100%
Cost of goods sold	59%	60%	60%	61%
Gross profit	41%	40%	40%	39%
Selling, general and administrative expenses	17%	17%	18%	18%
Research and development expenses	6%	7%	6%	7%
Intangibles amortization	2%	1%	1%	1%
Income from operations	16%	15%	15%	13%
Income before income taxes and minority interest	15%	15%	15%	13%
Net income	9%	9%	9%	8%

Net Sales - Net sales of \$89.5 million and \$276.3 million represent increases of \$7.4 million or 9% and \$47.2 million or 21% for the three-month and the nine-month periods ended June 30, 2005, as compared to the corresponding periods in fiscal 2004. The increase for the three-month period ended June 30, 2005 resulted from a net sales increase of \$9.1 million, or 53%, in the United States offset by a decrease of \$1.6 million, or 2%, in Europe and Asia. The increase for the nine-month period ended June 30, 2005, compared to the corresponding period in fiscal 2004, resulted from a net sales increase of \$12.4 million, or 7%, in Europe/Asia and an increase of \$34.7 million, or 74%, in the United States. Fluctuations in the U.S. dollar against foreign currencies, primarily against the Euro, had a favorable effect on net sales of \$1.9 million and \$10.8 million for the three-month and the nine-month periods ended June 30, 2005, respectively. Net sales of laser products for macro applications increased by \$1.0 million, or 2%, to \$43.2 million and by \$25.5 million, or 22%, to \$142.1 million for the three-month and nine-month periods ended June 30, 2005 as compared to the corresponding periods of fiscal 2004. The increase in the three-month period is mainly due to the contribution of PRC Laser, which was acquired at the end of August 2004, offset by a decrease in sales to the machine tool and automotive industries. In the nine-month period, 65% of the increase was due to the contribution of PRC Laser, and the remaining increase was primarily due to a shift in product mix for lasers with higher output power. Net sales of lasers for marking and micro applications increased by 16% to \$46.3 million for the three-month period ended June 30, 2005 and increased by 19% to \$134.2 million for the nine-month period ended June 30, 2005 as compared to the corresponding periods in fiscal 2004. Thirty-six percent and 41% of the increase in sales of lasers for marking and micro applications in the three-month and nine-month periods can be attributed to our August 2004 acquisition of Lee Laser, and the remaining increase is mainly due to the demand for our micro application products series.

Gross Profit - Gross profit of \$36.5 million and \$110.3 million for the three-month and the nine-month periods ended June 30, 2005 represents increases of \$3.3 million (10%) and \$20.1 million (22%) from the corresponding periods of fiscal year 2004. As a percentage of sales compared to the corresponding three-month period of fiscal year 2004, gross profit increased from 40% to 41% and increased from 39% to 40% for the nine-month period ended June 30, 2005 as compared to the corresponding period in 2004. The increase in our gross margins were primarily a result of the favorable product mix within our businesses, as described under net sales. Additionally, the Company was able to achieve these overall higher profit margins without the technical license income recognized in prior periods. Gross profit was favorably affected by \$0.8 million and \$3.1 million for the three-month and nine-month periods ended June 30, 2005 due to the fluctuations of the U.S. dollar against foreign currencies, primarily against the Euro.

Selling, General and Administrative Expenses - Selling, general and administrative (SG&A) expenses of \$15.2 million and \$48.8 million for the three-month and nine-month periods ended June 30, 2005 represent increases of \$0.8 million (6%) and \$6.2 million (15%) from the corresponding periods of fiscal 2004, primarily due to the consolidation of the businesses we acquired last year, PRC Laser and Lee Laser, and costs incurred in connection with preparing to provide management's assessment of internal control over financial reporting as required under Section 404 of the Sarbanes-Oxley Act of 2002. SG&A, a significant portion of which is incurred in foreign currencies, was unfavorably affected by \$0.2 million and \$2.0 million for the three-month and nine-month periods ended June 30, 2005 due to the fluctuations of the U.S. dollar against foreign currencies, primarily the Euro.

Research and Development - The Company spent net \$5.6 million and \$17.1 million on research and development (R&D) during the three-month and nine-month periods ended June 30, 2005. This represents a decrease of 2% for the three-month period and an increase of 8% for the nine-month period ended June 30, 2005, compared to the corresponding period of the prior year, and is mainly attributed to the consolidation of PRC Laser and Lee Laser. Gross research and development expenses for the three-month periods ended June 30, 2005 and 2004 were \$6.0 million and \$5.9 million, respectively, and were reduced by \$0.4 million and \$0.2 million of government grants during each respective period. Gross research and development expenses for the nine-month periods ended June 30, 2005 and 2004 were \$17.9 million and \$16.4 million, respectively, and were reduced by \$0.8 and \$0.5 million of government grants during each respective period. R&D, a significant portion of which is conducted in Europe, and therefore incurred in foreign currencies, was unfavorably affected by \$0.2 million and \$0.9 million for the three-month and nine-month periods ended June 30, 2005 due to the fluctuations of the U.S. dollar against foreign currencies, primarily the Euro.

Amortization expense - Amortization expense for the three-month and nine-month periods ended June 30, 2005 amounted to \$1.3 million and \$4.1 million, respectively. This was an increase of \$0.8 million and \$2.6 million when compared to the same periods of fiscal year 2004 due to the amortization of the intangibles acquired in connection with the acquisitions of PRC Laser and Lee Laser.

Other Expense (Income) - Net other expenses of \$1.1 million and \$0.2 million for the three-month and nine-month periods ended June 30, 2005 represent an increase of \$0.6 million and a decrease of \$0.4 million compared to the corresponding periods of fiscal year 2004. The increase in other expenses for the three-month period ended June 30, 2005 resulted from increased currency losses of \$1.0 million, reduced interest expenses of \$0.5 million, and lower other income of \$0.1 million. The decrease for the nine-month period ended June 30, 2005 primarily resulted from a \$0.9 million change from foreign currency gains to foreign currency loss, and reduced interest expenses of \$1.3 million.

Income Tax Expense - Income tax expense of \$4.7 million and \$14.0 million for the three-month and the nine-month periods ended June 30, 2005 represents effective tax rates of 35% for both periods, compared to 36% and 35% for the corresponding periods of the prior year. Income tax expense, a significant portion of which is incurred in foreign currencies, was unfavorably affected by \$0.2 million and \$0.6 million for the three-month and nine-month periods ended June 30, 2005 due to the fluctuations of the U.S. dollar against foreign currencies, primarily the Euro.

Net Income - As a result of the foregoing factors, the Company realized consolidated net income of \$8.4 million and \$25.7 million for the three-month and nine-month periods ended June 30, 2005, which represent increases of \$1.0 million and \$7.5 million compared to the corresponding periods in fiscal 2004. For the three-month period ended June 30, 2005, basic and diluted net income per common share equaled \$0.56 and \$0.54, respectively, based upon a weighted average of 15.1 million and 15.6 million common shares outstanding, as compared to basic and diluted net income per common share of \$0.50 and \$0.48, respectively, for the three-month period ended June 30, 2004, based upon a weighted average of 14.9 million and 15.4 million common shares outstanding.

Liquidity and Capital Resources

The Company's primary sources of liquidity at June 30, 2005 were cash and cash equivalents of \$111.5 million, an annually renewable \$25.0 million facility with Deutsche Bank AG and several other lines of credit to support foreign subsidiaries in their local currencies in an aggregate amount of \$68.2 million (translated at the applicable exchange rate at June 30, 2005). As of June 30, 2005, \$10.6 million (of which \$5.8 million is classified as a current liability) was outstanding under the Deutsche Bank facility and \$27.9 million (of which \$10.0 million is classified as a current liability) was outstanding under other lines of credit. Approximately \$54.7 million is unused and available under the Company's bank facility and lines of credit at June 30, 2005. The Company is subject to financial covenants under this facility and these lines of credit, which could restrict the Company from drawing money under them. At June 30, 2005, the Company was in compliance with these covenants.

Additionally, the Company has outstanding short-term debt under a credit agreement with a German bank, which was used to finance part of the acquisition and to refinance the existing debt of Baasel Lasertech. At June 30, 2005, \$2.7 million was outstanding under this credit agreement. Based on the maturity of this debt, it has been included in the caption "line of credit and short term borrowings" in the accompanying consolidated balance sheet.

Cash and cash equivalents increased by \$11.2 million during the nine-month period ended June 30, 2005. Approximately \$27.2 million in cash and cash equivalents was provided by operating activities, primarily as the result of improved net income and other non-cash items, principally depreciation and amortization. Operating cash flow was negatively affected by a decrease in accrued liabilities and an increase in inventory, partially offset by a decrease in accounts receivable.

Net cash used in investing activities totaled \$6.2 million for the nine-month period ended June 30, 2005 and related primarily to the purchase of property and equipment and the Company's acquisition of minority shareholdings in subsidiaries during the period.

Net cash used in financing activities totaled \$10.7 million and was primarily related to current period repayments of bank debt of \$50.3 million, offset with new borrowings from banks of \$37.5 million. This use of cash was partially offset by an increase in stockholders' equity of \$2.1 million related to the issuance of additional common stock through the exercise of stock options.

Management believes that the cash flows from operations, along with existing cash and cash equivalents and availability under the credit facilities and lines of credit, will provide adequate resources to meet both our capital requirements and operational needs on both a short-term and long-term basis.

Currency Exchange Rate Fluctuations

Although we report our Consolidated Financial Statements in U.S. dollars, approximately 66% of sales are denominated in other currencies, primarily the Euro, British pound, Swedish krona, Singapore dollar, Taiwanese dollar, Korean won and Japanese yen. Net sales, costs and related assets and liabilities of our operations are generally denominated in the functional currencies of the relevant operating units, thereby serving to reduce the Company's exposure to exchange gains and losses.

Exchange differences upon translation from each operating unit's functional currency to U.S. dollars are accumulated as a separate component of equity. The currency translation adjustment component of stockholders' equity had the effect of increasing total equity by \$8.0 million at June 30, 2005 as compared to \$11.6 million at September 30, 2004.

The fluctuation of the Euro and the other relevant functional currencies against the U.S. dollar has had the effect of increasing or decreasing (as applicable) reported net sales, cost of goods sold, gross margin and selling, general and administrative expenses, denominated in such foreign currencies when translated into U.S. dollars as compared to prior periods.

Critical Accounting Policies

Our significant accounting policies are more fully described in Note 1 of our consolidated financial statements in our Annual Report on Form 10-K for the fiscal year ended September 30, 2004. Certain of the accounting policies require the application of significant judgment by management in selecting appropriate assumptions for calculating financial estimates. By their nature, these judgments are subject to an inherent degree of uncertainty.

Allowance for Doubtful Accounts

The Company records allowances for uncollectible customer accounts receivable based on historical experience. Additionally, an allowance is made based on an assessment of specific customers' financial condition and liquidity. If the financial condition of the Company's customers were to deteriorate, additional allowances may be required.

Inventory Valuation

Inventories are stated at the lower of cost or market, after provisions for excess and obsolete inventory salable at prices below cost. Provisions for slow moving and obsolete inventories are provided based on current assessments about historical experience and future product demand and production requirements for the next twelve months. These factors are impacted by market conditions, technology changes, and changes in strategic direction, and require estimates and management judgment that may include elements that are uncertain. We evaluate the adequacy of these provisions quarterly. Although we strive to achieve a balance between market demands and risk of inventory excess or obsolescence, it is possible that, should conditions change, additional provisions may be needed. Any changes in reserves will impact operating income during a given period.

Warranty Reserves

The Company provides for the estimated costs of product warranties when revenue is recognized. The Company relies upon historical experience, expectation of future conditions, and its service data to estimate its warranty reserve. The Company continuously monitors this data to ensure that the reserve is sufficient. To the extent we experience increased warranty claim activity or increased costs associated with servicing those claims, revisions to the estimated warranty liability would be required. While such expenses have historically been within its expectations, the Company cannot guarantee this will continue in the future.

Pension

The determination of the Company's obligation and expense for pension is dependent on the selection of certain assumptions used by actuaries in calculating those amounts. Assumptions are made about interest rates, expected investment return on plan assets, total turnover rates, and rates of future compensation increases. In addition, the Company's actuarial consultants use subjective factors such as withdrawal rates and mortality rates to develop their calculations of these amounts. The Company generally reviews these assumptions at the beginning of each fiscal year. The Company is required to consider current market conditions, including changes in interest rates, in making these assumptions. The actuarial assumptions that the Company may use may differ materially from actual results due to changing market and economic conditions, higher or lower withdrawal rates or longer or shorter life spans of participants. These differences may result in a significant impact on the amount of expense related to pension benefits the Company has recorded or may record.

The discount rate enables the Company to state expected future cash flows at a present value on the measurement date. The Company has little latitude in selecting this rate, and it must represent the market rate of high-quality fixed income investments. A lower discount rate increases the present value of benefit obligations and increases pension expense.

To determine the expected long-term rate of return on plan assets, the Company considers the current and expected asset allocations, as well as historical and expected returns on various categories of plan assets.

Recent Accounting Pronouncements

In April 2005, the Securities and Exchange Commission issued an amendment to Statement of Financial Accounting Standard ("SFAS") No. 123 (Revised 2004) ("SFAS No. 123R"), "Share-Based Payment" regarding the compliance date for implementation. The Company will prospectively adopt SFAS 123R on October 1, 2005, as required by this amendment.

The effect on results of operations of future option grants will depend on the level of future option grants and the calculation of the fair value of the options granted at such future date, as well as the vesting periods provided, and so the future impact on the results of operations cannot currently be predicted. Upon adoption, there will be no significant effect on the Company's financial position.

Ownership of Common Stock By Directors

The following table sets forth information as of June 30, 2005 with respect to beneficial ownership of the Company's Common Stock and exercisable options by each director.

Name	Number of Shares of Common Stock Beneficially Owned	Total Number of Stock Options Owned at June 30, 2005	Number of Exercisable Stock Options Owned at June 30, 2005
Peter Wirth	3,300	260,000	134,000
Gunther Braun	--	200,000	82,000
Carl F. Baasel	19,000	80,000	27,000
William R. Hoover (1)	42,000	--	--
Ralph E. Reins (1)	18,500	--	--
Gary K. Willis (1)	18,500	--	--
Daniel Smoke (1)	4,950	--	--

(1) Outside, non-executive directors

Item 3. Quantitative and Qualitative Disclosures About Market Risk

For the nine-month period ended June 30, 2005, we did not experience any material change in market risk exposures affecting the quantitative and qualitative disclosures as presented in our Annual Report on Form 10-K for the fiscal year ended September 30, 2004.

The following discussion about the Company's market risk disclosures involves forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements. The Company is exposed to market risk related to changes in interest rates and foreign currency exchange rates. The Company does not use derivative financial instruments for trading purposes.

Interest Rate Sensitivity

As of June 30, 2005, the Company maintained a cash equivalents portfolio of \$74.0 million, consisting mainly of non-taxable interest bearing securities and demand deposits all with maturities of less than three months. If short-term interest rates were to increase or decrease by 10%, interest income would increase or decrease by approximately \$0.2 million.

At June 30, 2005, the Company had \$3.6 million of variable rate debt on which the interest rate is reset every six months, \$5.5 million of variable rate debt on which the interest rate is set annually and \$32.1 million of fixed rate debt. Maturities of this debt are as follows: \$3.4 million is due in 2005, \$16.9 million is due in 2006, \$3.7 million is due in 2007, \$14.2 million is due in 2008, and \$3.0 million is due in 2009. A 10% change in the variable interest rates of the Company's debt would result in an increase or decrease in annual pre-tax interest expense of less than \$0.1 million. Additionally, the company entered into interest swap agreements of Euro 13.0 million to fix the interest expense on short term and long term debt.

Foreign Currency Exchange Risk

The Company enters into foreign currency forward contracts and forward exchange options generally of less than one year duration to hedge a portion of its foreign currency risk on sales transactions. At June 30, 2005, the Company held no forward exchange options. Additionally, the Company entered into a currency and interest swap agreement of 20.6 million Swiss Franc total notional amount to minimize the interest expense on short-term and long-term debt. As of June 30, 2005, an amount of 3.4 million Swiss Franc (equivalent to \$2.7 million based on the exchange rate at June 30, 2005) was outstanding under this swap agreement. The gains or losses resulting from a 10% change in currency exchange rates would result in an increase of \$0.2 million or a decrease of \$0.1 million of net income after tax.

Item 4. Controls and Procedures

As of the end of the 90-day period covered by this report, the Chief Executive Officer and Chief Financial Officer of the Company (the "certifying officer") has, under the supervision and with the participation of management, evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934, as amended). These disclosure controls and procedures are designed to ensure that the information required to be disclosed by the Company in its periodic reports filed with the Securities and Exchange Commission (the "Commission") is recorded, processed, summarized and reported within the time periods specified by the Commission's rules and forms, and that the information is communicated to the certifying officer on a timely basis.

The certifying officer concluded, based on his evaluation, that the Company's disclosure controls and procedures are effective in ensuring that material information relating to the Company, including its consolidated subsidiaries, is made known to him in a timely fashion, taking into consideration the size and nature of the Company's business and operations.

There have not been changes in the Company's internal control over financial reporting that occurred during the Company's last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We have been and are likely to be involved from time to time in litigation involving our intellectual property and routine litigation arising in the ordinary course of business.

The licensor of patents covering the technology used in certain of the Company's CO2 lasers has asserted that the Company has calculated royalties due in respect of certain sales of such CO2 lasers in a manner that is not consistent with the applicable license agreement. In addition, the licensor claims that it has not been provided with copies of invoices and other documentation relating to such sales, to which it asserts it is entitled under the license agreement. The Company disputes these and related allegations and believes that it is in compliance with its obligations under the license agreement. The Company is currently in discussions with the licensor in order to resolve these disagreements. The parties have reached an agreement in principle that an independent auditor should be appointed to review the calculations made by the Company in connection with the royalties it has paid in the past. Management believes that they will achieve a resolution of this matter that will not have a material adverse impact on the Company's financial condition or results of operations or cash flows.

Item 6. Exhibits

31.1 Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer and Chief Financial Officer

32.1 Section 1350 Certification of Chief Executive Officer and Chief Financial Officer

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Rofin-Sinar Technologies Inc.

(Registrant)

Date: August 8, 2005

/s/ Gunther Braun

Gunther Braun
President, Chief Executive Officer and
Chief Financial Officer

RULE 13a-14(a)/15d-14(a) CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

I, Gunther Braun, Chief Executive Officer, President, and Chief Financial Officer of Rofin-Sinar Technologies, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rofin-Sinar Technologies Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report, based on such evaluation; and
 - c) disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors:
 - a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

- b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 8, 2005

/s/ Gunther Braun

Gunther Braun

Chief Executive Officer
President and
Chief Financial Officer

SECTION 1350 CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER AND
CHIEF FINANCIAL OFFICER

I, Gunther Braun, Chief Executive Officer and Chief Financial Officer of Rofin-Sinar Technologies Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the best of my knowledge:

1. The Quarterly Report on Form 10-Q of the Company for the quarterly period ended June 30, 2005 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 8, 2005

/s/ Gunther Braun

Gunther Braun

Chief Executive Officer
President and
Chief Financial Officer