



The Nine Months Ended December 31, 2010 Supplementary Materials

HOGY MEDICAL Co., Ltd.

January 20, 2011

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Consolidated Basis

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Non-Consolidated Basis

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(Notes Concerning Forward-Looking Statements)

Projections throughout these materials are provided as a reference for investors. They are based on estimates and forecasts, and shall not be regarded as pledges or guarantees. They shall be used on the full acknowledgment that actual results may naturally differ from projections.

Fiscal 2010 Statements of Income (Consolidated)

First Half

¥ millions, rounded down

| | Sept. 2010 Interim Results | | Sept. 2009 Interim Results | | Year-on-Year Comparison | |
|--------------------------------------------------------------------------|----------------------------|-------------|----------------------------|-------------|-------------------------|--------------|
| | Amount | % of total | Amount | % of total | Amount | % |
| Net sales | 15,653 | 100.0 | 15,846 | 100.0 | △ 193 | 98.8 |
| Cost of Sales | 7,425 | 47.4 | 7,732 | 48.8 | △ 306 | 96.0 |
| Gross profit | 8,227 | 52.6 | 8,113 | 51.2 | 113 | 101.4 |
| SG&A expenses | 3,932 | 25.1 | 4,094 | 25.8 | △ 162 | 96.0 |
| Operating income | 4,294 | 27.4 | 4,019 | 25.4 | 275 | 106.9 |
| Other income | 70 | | 79 | | △ 9 | |
| Other expenses | 156 | | 139 | | 16 | |
| Ordinary income | 4,208 | 26.9 | 3,959 | 25.0 | 249 | 106.3 |
| Extraordinary income | 11 | | 4 | | 6 | |
| Extraordinary expenses | 46 | | 4 | | 41 | |
| Income before income taxes and minority interests | 4,173 | 26.7 | 3,959 | 25.0 | 214 | 105.4 |
| Corporation tax, etc. | 1,655 | | 1,581 | | 73 | |
| (Tax burden) | 39.7% | | 39.9% | | | |
| Minority interests | 0 | | 1 | | 0 | |
| Net income | 2,517 | 16.1 | 2,376 | 15.0 | 140 | 105.9 |
| EPS (total shares) | 154.06 | | 145.43 | | | |
| EPS (minus treasury shares) | 160.04 | | 153.91 | | | |
| Number of shares outstanding | 16,341,155 | | 16,341,155 | | | |
| Weighted-average number of shares outstanding (after deducting treasury) | 15,730,795 | | 15,440,720 | | | |

Third Quarter

¥ millions, rounded down

| | Third Quarter Ended Dec. 2010 Results | | Third Quarter Ended Dec. 2009 Results | | Year-on-Year Comparison | |
|--------------------------------------------------------------------------|---------------------------------------|-------------|---------------------------------------|-------------|-------------------------|--------------|
| | Amount | % of total | Amount | % of total | Amount | % |
| Net sales | 23,891 | 100.0 | 23,906 | 100.0 | △ 15 | 99.9 |
| Cost of Sales | 11,265 | 47.2 | 11,519 | 48.2 | △ 253 | 97.8 |
| Gross profit | 12,625 | 52.8 | 12,387 | 51.8 | 238 | 101.9 |
| SG&A expenses | 5,906 | 24.7 | 6,145 | 25.7 | △ 238 | 96.1 |
| Operating income | 6,718 | 28.1 | 6,241 | 26.1 | 477 | 107.6 |
| Other income | 118 | | 130 | | △ 12 | |
| Other expenses | 197 | | 113 | | 83 | |
| Ordinary income | 6,640 | 27.8 | 6,258 | 26.2 | 381 | 106.1 |
| Extraordinary income | 11 | | 88 | | △ 76 | |
| Extraordinary expenses | 112 | | 9 | | 103 | |
| Income before income taxes and minority interests | 6,539 | 27.4 | 6,337 | 26.5 | 201 | 103.2 |
| Corporation tax, etc. | 2,598 | | 2,499 | | 98 | |
| (Tax burden) | 39.7% | | 39.4% | | | |
| Minority interests | 1 | | 1 | | 0 | |
| Net income | 3,940 | 16.5 | 3,836 | 16.0 | 104 | 102.7 |
| EPS (total shares) | 241.12 | | 234.75 | | | |
| EPS (minus treasury shares) | 250.47 | | 246.88 | | | |
| Number of shares outstanding | 16,341,155 | | 16,341,155 | | | |
| Weighted-average number of shares outstanding (after deducting treasury) | 15,730,727 | | 15,537,908 | | | |

Full Year

¥ millions, rounded down

| | Fiscal 2010 Revised Plan | | Fiscal 2009 Results | | Year-on-Year Comparison | | Fiscal 2010 Initial Plan | | Initial Plan Comparison | |
|--------------------------------------------------------------------------|--------------------------|-------------|---------------------|-------------|-------------------------|--------------|--------------------------|-------------|-------------------------|--------------|
| | Amount | % of total | Amount | % of total | Amount | % | Amount | % of total | Amount | % |
| Net sales | 31,350 | 100.0 | 31,339 | 100.0 | 10 | 100.0 | 31,350 | 100.0 | 0 | 100.0 |
| Cost of Sales | 14,850 | 47.4 | 15,143 | 48.3 | △ 293 | 98.1 | 14,850 | 47.4 | 0 | 100.0 |
| Gross profit | 16,500 | 52.6 | 16,195 | 51.7 | 304 | 101.9 | 16,500 | 52.6 | 0 | 100.0 |
| SG&A expenses | 7,990 | 25.5 | 8,220 | 26.2 | △ 230 | 97.2 | 7,990 | 25.5 | 0 | 100.0 |
| Operating income | 8,510 | 27.1 | 7,974 | 25.4 | 535 | 106.7 | 8,510 | 27.1 | 0 | 100.0 |
| Other income | 150 | | 157 | | △ 7 | | 150 | | 0 | |
| Other expenses | 200 | | 111 | | 88 | | 200 | | 0 | |
| Ordinary income | 8,460 | 27.0 | 8,020 | 25.6 | 439 | 105.5 | 8,460 | 27.0 | 0 | 100.0 |
| Extraordinary income | 10 | | 97 | | △ 87 | | - | | 0 | |
| Extraordinary expenses | 60 | | 13 | | 46 | | 60 | | 0 | |
| Income before income taxes and minority interests | 8,410 | 26.8 | 8,103 | 25.8 | 306 | 103.8 | 8,410 | 26.8 | 0 | 100.0 |
| Corporation tax, etc. | 3,368 | | 3,180 | | 188 | | 3,368 | | 0 | |
| (Tax burden) | 40.1% | | 39.2% | | | | 40.1% | | | |
| Minority interests | 1 | | 2 | | 0 | | 1 | | 0 | |
| Net income | 5,040 | 16.1 | 4,921 | 15.7 | 118 | 102.4 | 5,040 | 16.1 | 0 | 100.0 |
| EPS (total shares) | 308.42 | | 301.14 | | | | 308.42 | | | |
| EPS (minus treasury shares) | 320.40 | | 315.74 | | | | 320.40 | | | |
| Number of shares outstanding | 16,341,155 | | 16,341,155 | | | | 16,341,155 | | | |
| Weighted-average number of shares outstanding (after deducting treasury) | 15,730,327 | | 15,585,531 | | | | 15,730,327 | | | |

Fiscal 2010 Sales by Product Grouping (Consolidated)

First Half

¥ millions, rounded down

| | Sept. 2010 Interim Results | | Sept. 2009 Interim Results | | Year-on-Year Comparison | |
|------------------------|----------------------------|--------------|----------------------------|--------------|-------------------------|-------------|
| | Amount | % of total | Amount | % of total | Amount | % |
| Sterilization products | 1,877 | 12.0 | 1,809 | 11.4 | 68 | 103.8 |
| Surgical products | 13,287 | 84.9 | 13,328 | 84.1 | △ 41 | 99.7 |
| Treatment products | 117 | 0.8 | 139 | 0.9 | △ 21 | 84.7 |
| Others | 370 | 2.4 | 569 | 3.6 | △ 199 | 65.0 |
| Total | 15,653 | 100.0 | 15,846 | 100.0 | △ 193 | 98.8 |

Itemized surgical products

| | | | | | | |
|--------------------------|-------|------|-------|------|-------|-------|
| Non-woven products | 5,507 | 35.2 | 5,516 | 34.8 | △ 9 | 99.8 |
| Other non-woven products | 590 | 3.8 | 958 | 6.0 | △ 368 | 61.6 |
| Kit products | 7,159 | 45.7 | 6,824 | 43.1 | 334 | 104.9 |
| Steel instruments | 30 | 0.2 | 28 | 0.2 | 1 | 106.6 |

Itemized external sales by subsidiary

| | | | | | | |
|-----------------|----|--|-----|--|-------|--|
| Sontara | 25 | | 20 | | 4 | |
| Others(PT.HOGY) | 17 | | 223 | | △ 206 | |

Third Quarter

¥ millions, rounded down

| | Third Quarter Ended Dec. 2010 Results | | Third Quarter Ended Dec. 2009 Results | | Year-on-Year Comparison | |
|------------------------|---------------------------------------|--------------|---------------------------------------|--------------|-------------------------|-------------|
| | Amount | % of total | Amount | % of total | Amount | % |
| Sterilization products | 2,854 | 11.9 | 2,757 | 11.5 | 97 | 103.5 |
| Surgical products | 20,293 | 84.9 | 20,206 | 84.5 | 86 | 100.4 |
| Treatment products | 179 | 0.8 | 198 | 0.8 | △ 19 | 90.2 |
| Others | 564 | 2.4 | 743 | 3.1 | △ 179 | 75.8 |
| Total | 23,891 | 100.0 | 23,906 | 100.0 | △ 15 | 99.9 |

Itemized surgical products

| | | | | | | |
|--------------------------|--------|------|--------|------|-------|-------|
| Non-woven products | 8,383 | 35.1 | 8,339 | 34.9 | 44 | 100.5 |
| Other non-woven products | 927 | 3.9 | 1,395 | 5.8 | △ 468 | 66.5 |
| Kit products | 10,935 | 45.8 | 10,426 | 43.6 | 508 | 104.9 |
| Steel instruments | 46 | 0.2 | 45 | 0.2 | 1 | 103.2 |

Itemized external sales by subsidiary

| | | | | | | |
|-----------------|----|--|-----|--|-------|--|
| Sontara | 37 | | 39 | | △ 1 | |
| Others(PT.HOGY) | 27 | | 226 | | △ 199 | |

Full Year

¥ millions, rounded down

| | Fiscal 2010 Revised Plan | | Fiscal 2009 Results | | Year-on-Year Comparison | | Fiscal 2010 Initial Plan | | Initial Plan Comparison | |
|------------------------|--------------------------|--------------|---------------------|--------------|-------------------------|--------------|--------------------------|--------------|-------------------------|--------------|
| | Amount | % of total | Amount | % of total | Amount | % | Amount | % of total | Amount | % |
| Sterilization products | 3,630 | 11.6 | 3,679 | 11.7 | △ 49 | 98.6 | 3,630 | 11.6 | 0 | 100.0 |
| Surgical products | 26,690 | 85.1 | 26,480 | 84.5 | 209 | 100.8 | 26,690 | 85.1 | 0 | 100.0 |
| Treatment products | 260 | 0.8 | 262 | 0.8 | △ 2 | 98.9 | 260 | 0.8 | 0 | 100.0 |
| Others | 770 | 2.5 | 916 | 2.9 | △ 146 | 84.0 | 770 | 2.5 | 0 | 100.0 |
| Total | 31,350 | 100.0 | 31,339 | 100.0 | 10 | 100.0 | 31,350 | 100.0 | 0 | 100.0 |

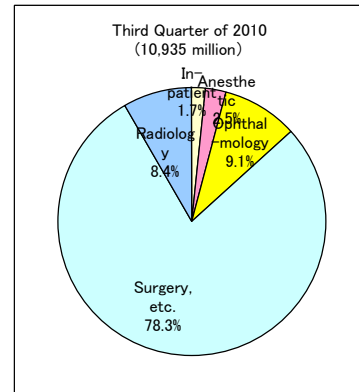
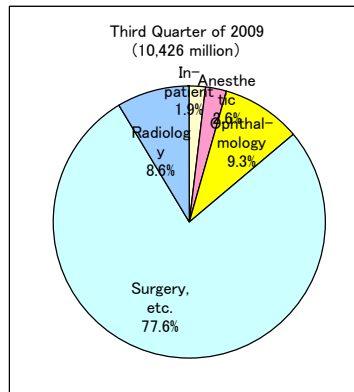
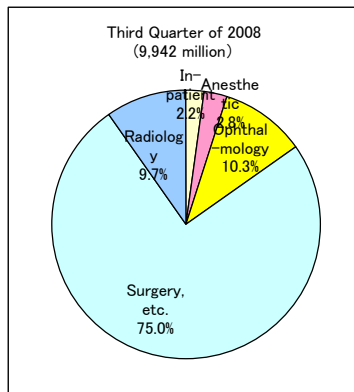
Itemized surgical products

| | | | | | | | | | | |
|--------------------------|--------|------|--------|------|-------|-------|--------|------|---|-------|
| Non-woven products | 10,870 | 34.7 | 10,893 | 34.8 | △ 23 | 99.8 | 10,870 | 34.7 | 0 | 100.0 |
| Other non-woven products | 1,240 | 4.0 | 1,713 | 5.5 | △ 473 | 72.4 | 1,240 | 4.0 | 0 | 100.0 |
| Kit products | 14,520 | 46.3 | 13,808 | 44.1 | 711 | 105.2 | 14,520 | 46.3 | 0 | 100.0 |
| Steel instruments | 60 | 0.2 | 65 | 0.2 | △ 5 | 92.2 | 60 | 0.2 | 0 | 100.0 |

Itemized external sales by subsidiary

| | | | | | | | | | | |
|-----------------|----|--|-----|--|-------|--|----|--|---|--|
| Sontara | 40 | | 51 | | △ 11 | | 40 | | 0 | |
| Others(PT.HOGY) | 60 | | 240 | | △ 180 | | 60 | | 0 | |

Sales Composition by Kit Treatment Category



Fiscal 2010 Itemized SG&A Expenses and Other Income/Expenses (Consolidated)

SG&A Expenses

¥ millions, rounded down

| | Third Quarter Ended Dec. 2010 Results | Third Quarter Ended Dec. 2009 Results | Year-on-Year Comparison |
|------------------------------|---------------------------------------------|---------------------------------------------|----------------------------|
| Packaging and transportation | 622 | 622 | 0 |
| Losses on doubtful accounts | 0 | 0 | 0 |
| Samples | 238 | 208 | 29 |
| Advertising | 68 | 42 | 26 |
| Personnel | 2,649 | 2,775 | △ 125 |
| Travel | 346 | 289 | 57 |
| Communication | 90 | 90 | 0 |
| Consumables | 71 | 87 | △ 16 |
| Taxes and public charges | 144 | 152 | △ 7 |
| Depreciation | 473 | 534 | △ 61 |
| Testing and research | 232 | 245 | △ 12 |
| Land and housing rental | 356 | 357 | 0 |
| Miscellaneous | 248 | 346 | △ 98 |
| Others | 362 | 394 | △ 32 |
| Total | 5,906 | 6,145 | △ 238 |

Other Income/Expenses

¥ millions, rounded down

| | Third Quarter Ended Dec. 2010 Results | Third Quarter Ended Dec. 2009 Results | Year-on-Year Comparison |
|-------------------------------------|---------------------------------------------|---------------------------------------------|----------------------------|
| Interest received | 2 | 5 | △ 3 |
| Interest on negotiable securities | 0 | 0 | 0 |
| Dividend received | 51 | 44 | 7 |
| (Total financial earnings) | 54 | 49 | 4 |
| Foreign exchange gain | 0 | 0 | 0 |
| Miscellaneous income | 64 | 81 | △ 16 |
| Total Other income | 118 | 130 | △ 12 |
| Paid interest | 16 | 27 | △ 11 |
| (Total financial expenses) | 16 | 27 | △ 11 |
| Foreign exchange loss | 178 | 74 | 103 |
| Miscellaneous losses | 1 | 11 | △ 9 |
| Total non-operating expenses | 197 | 113 | 83 |

Fiscal 2010 Major Change on Balance Sheets and Statements of Cash Flows (Consolidated)

Major Change on Balance Sheets

¥ millions, rounded down

| | Balance at Dec. 31, 2010 | Change | | Balance at Dec. 31, 2010 | Change |
|--------------------------------|-----------------------------|---------|---------------------------------------------------|-----------------------------|---------|
| Current assets | 32,482 | △ 880 | Current liabilities | 6,852 | △ 1,154 |
| Cash and bank deposits | 16,575 | △ 1,191 | Notes and accounts payable | 3,324 | △ 127 |
| Notes and accounts receivable | 10,363 | 1,238 | Accrued expenses | 168 | △ 298 |
| Short-term investments | - | - | Long-term loans due within 1 year | 1,000 | - |
| Inventories | 4,889 | △ 753 | Income taxes | 993 | △ 998 |
| Others | 654 | △ 174 | Allowance for employees' bonuses | 113 | △ 342 |
| | | | Payable notes for equipment | 560 | 378 |
| | | | Others | 692 | 234 |
| Fixed assets | 35,967 | 1,071 | Long-term liabilities | 816 | △ 929 |
| Property, plant and equipment | 31,073 | 951 | Long-term loans | - | △ 925 |
| Buildings and structures | 11,934 | △ 440 | Others | 816 | △ 4 |
| Machinery, equipment and vehic | 4,424 | △ 472 | Total liabilities | 7,668 | △ 2,083 |
| Land | 9,384 | △ 25 | Total net assets | 60,781 | 2,275 |
| Construction in progress | 4,960 | 1,823 | Common stock | 7,123 | - |
| Others | 369 | 66 | Capital surplus | 8,336 | - |
| Intangibles | 789 | 192 | Retained earnings | 49,390 | 2,791 |
| Investments and others | 4,104 | △ 72 | Treasury stock | △ 3,316 | △ 2 |
| Investments securities | 2,498 | △ 199 | Others | △ 752 | △ 513 |
| Others | 1,605 | 126 | | | |
| Total assets | 68,450 | 191 | Total liabilities and shareholders' equity | 68,450 | 191 |

* Comparison with end of previous fiscal year:

Equity ratio decreased from 85.7% at the end of the previous fiscal year to 88.8%.

Comments on change in central items

Notes and accounts receivable Increase in operating income

Buildings and structures Due to depreciation Long-term debt Repaid during period
Machinery and vehicles Due to depreciation Retained earnings From net profit
Construction in progress Sterlizaion Center

Statements of Cash Flows

¥ millions, rounded down

| | | | |
|-------------------------------------------------|---------|-------------------------------------------|---------|
| I Operating activities | 3,993 | Income before income taxes and minor | 6,539 |
| | | Depreciation | 1,689 |
| | | Increase in notes and accounts receivable | △ 1,285 |
| | | Income taxes paid | △ 3,535 |
| II Investing activities | △ 3,046 | Capital expenditures | △ 2,609 |
| III Financing activities | △ 2,075 | Disposal of treasury stock | △ 1,148 |
| | | Long-term loans | △ 925 |
| IV Effect of exchange rate changes | △ 68 | | |
| Net changes in cash and cash equivalents | △ 1,196 | | |

Fiscal 2010 Statements of Income (Non-consolidated)

First Half

¥ millions, rounded down

| | Sept. 2010 Interim Results | | Sept. 2009 Interim Results | | Year-on-Year Comparison | |
|--------------------------------------------------------------------------|----------------------------|------------|----------------------------|------------|-------------------------|-------|
| | Amount | % of total | Amount | % of total | Amount | % |
| Net sales | 15,610 | 100.0 | 15,601 | 100.0 | 8 | 100.1 |
| Cost of Sales | 7,658 | 49.1 | 7,770 | 49.8 | △ 111 | 98.6 |
| Gross profit | 7,951 | 50.9 | 7,831 | 50.2 | 119 | 101.5 |
| SG&A expenses | 3,932 | 25.2 | 4,094 | 26.2 | △ 162 | 96.0 |
| Operating income | 4,018 | 25.7 | 3,736 | 24.0 | 282 | 107.5 |
| Other income | 86 | | 78 | | 8 | |
| Other expenses | 156 | | 149 | | 6 | |
| Ordinary income | 3,949 | 25.3 | 3,665 | 23.5 | 283 | 107.7 |
| Extraordinary income | 11 | | 0 | | 11 | |
| Extraordinary expenses | 46 | | 4 | | 41 | |
| Income before income taxes | 3,914 | 25.1 | 3,661 | 23.5 | 252 | 106.9 |
| Corporation tax, etc. | 1,584 | | 1,496 | | 88 | |
| (Tax burden) | 40.5% | | 40.9% | | | |
| Net income | 2,329 | 14.9 | 2,164 | 13.9 | 164 | 107.6 |
| EPS (total shares) | 142.55 | | 132.46 | | | |
| EPS (minus treasury shares) | 148.08 | | 140.19 | | | |
| Number of shares outstanding | 16,341,155 | | 16,341,155 | | | |
| Weighted-average number of shares outstanding (after deducting treasury) | 15,730,795 | | 15,440,720 | | | |

Third Quarter

¥ millions, rounded down

| | Third Quarter Ended Dec. 2010 Results | | Third Quarter Ended Dec. 2009 Results | | Year-on-Year Comparison | |
|----------------------------|---------------------------------------|------------|---------------------------------------|------------|-------------------------|-------|
| | Amount | % of total | Amount | % of total | Amount | % |
| Net sales | 23,825 | 100.0 | 23,640 | 100.0 | 184 | 100.8 |
| Cost of Sales | 11,600 | 48.7 | 11,680 | 49.4 | △ 79 | 99.3 |
| Gross profit | 12,225 | 51.3 | 11,960 | 50.6 | 264 | 102.2 |
| SG&A expenses | 5,906 | 24.8 | 6,145 | 26.0 | △ 238 | 96.1 |
| Operating income | 6,318 | 26.5 | 5,814 | 24.6 | 503 | 108.7 |
| Other income | 142 | | 138 | | 4 | |
| Other expenses | 197 | | 131 | | 66 | |
| Ordinary income | 6,263 | 26.3 | 5,822 | 24.6 | 441 | 107.6 |
| Extraordinary income | 11 | | 0 | | 11 | |
| Extraordinary expenses | 112 | | 9 | | 103 | |
| Income before income taxes | 6,162 | 25.9 | 5,812 | 24.6 | 349 | 106.0 |
| Corporation tax, etc. | 2,495 | | 2,376 | | 118 | |
| (Tax burden) | 40.5% | | 40.9% | | | |
| Net income | 3,667 | 15.4 | 3,436 | 14.5 | 230 | 106.7 |

Full Year

¥ millions, rounded down

| | Fiscal 2010 Revised Plan | | Fiscal 2009 Results | | Year-on-Year Comparison | | Fiscal 2010 Initial Plan | | Initial Plan Comparison | |
|--------------------------------------------------------------------------|--------------------------|------------|---------------------|------------|-------------------------|-------|--------------------------|------------|-------------------------|-------|
| | Amount | % of total | Amount | % of total | Amount | % | Amount | % of total | Amount | % |
| Net sales | 31,250 | 100.0 | 31,046 | 100.0 | 203 | 100.7 | 31,250 | 100.0 | 0 | 100.0 |
| Cost of Sales | 15,280 | 48.9 | 15,446 | 49.8 | △ 166 | 98.9 | 15,280 | 48.9 | 0 | 100.0 |
| Gross profit | 15,970 | 51.1 | 15,600 | 50.2 | 369 | 102.4 | 15,970 | 51.1 | 0 | 100.0 |
| SG&A expenses | 7,990 | 25.6 | 8,220 | 26.5 | △ 230 | 97.2 | 7,990 | 25.6 | 0 | 100.0 |
| Operating income | 7,980 | 25.5 | 7,379 | 23.8 | 600 | 108.1 | 7,980 | 25.5 | 0 | 100.0 |
| Other income | 220 | | 236 | | △ 16 | | 220 | | 0 | |
| Other expenses | 170 | | 127 | | 42 | | 170 | | 0 | |
| Ordinary income | 8,030 | 25.7 | 7,488 | 24.1 | 541 | 107.2 | 8,030 | 25.7 | 0 | 100.0 |
| Extraordinary income | 10 | | 8 | | 1 | | 10 | | 0 | |
| Extraordinary expenses | 70 | | 13 | | 56 | | 70 | | 0 | |
| Income before income taxes | 7,970 | 25.5 | 7,483 | 24.1 | 486 | 106.5 | 7,970 | 25.5 | 0 | 100.0 |
| Corporation tax, etc. | 3,210 | | 3,005 | | 204 | | 3,210 | | 0 | |
| (Tax burden) | 40.3% | | 40.2% | | | | 40.3% | | | |
| Net income | 4,760 | 15.2 | 4,477 | 14.4 | 282 | 106.3 | 4,760 | 15.2 | 0 | 100.0 |
| EPS (total shares) | 291.29 | | 274.01 | | | | 291.29 | | | |
| EPS (minus treasury shares) | 302.60 | | 287.30 | | | | 302.60 | | | |
| Number of shares outstanding | 16,341,155 | | 16,341,155 | | | | 16,341,155 | | | |
| Weighted-average number of shares outstanding (after deducting treasury) | 15,730,327 | | 15,585,531 | | | | 15,730,327 | | | |