



# The Nine Months Ended December 31, 2012 Supplementary Materials

**HOGY MEDICAL Co., Ltd.**

**January 22, 2013**

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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 2012 Statements of Income (Consolidated)

### First Half

¥ millions, rounded down

	Sept. 2012 Interim Results		Sept. 2011 Interim Results		Year-on-Year Comparison		Sept. 2012 Interim Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	16,316	100.0	15,835	100.0	480	103.0	16,260	0.0	56	100.3
Cost of Sales	8,056	49.4	7,745	48.9	310	104.0	7,765	47.8	291	103.8
<b>Gross profit</b>	8,259	50.6	8,090	51.1	169	102.1	8,495	52.2	△ 235	97.2
SG&A expenses	4,218	25.9	4,089	25.8	129	103.2	4,250	26.1	△ 31	99.3
<b>Operating income</b>	4,041	24.8	4,000	25.3	40	101.0	4,245	26.1	△ 203	95.2
Other income	62		76		△ 13		50		12	
Other expenses	57		97		△ 40		20		37	
<b>Ordinary income</b>	4,046	24.8	3,979	25.1	67	101.7	4,275	26.3	△ 228	94.7
Extraordinary income	3		0		3		-		3	
Extraordinary expenses	2		2		△ 0		-		2	
<b>Income before income taxes and minority interests</b>	4,048	24.8	3,977	25.1	70	101.8	4,275	26.3	△ 226	94.7
Corporation tax, etc.	1,529		1,607		△ 78		1,600		△ 70	
(Tax burden)	37.8%		40.4%				37.4%			
Minority interests	0		0		△ 0		1		△ 0	
<b>Net income</b>	2,519	15.4	2,369	15.0	149	106.3	2,674	16.4	△ 154	94.2
EPS (total shares)	154.18		145.03				163.64			
EPS (minus treasury shares)	160.17		150.67				170.00			
Number of shares outstanding	16,341,155		16,341,155				16,341,155			
Weighted-average number of shares outstanding (after deducting treasury)	15,729,819		15,730,135				15,729,819			

### Third Quarter

¥ millions, rounded down

	Third Quarter Ended Dec. 2012 Results		Third Quarter Ended Dec. 2011 Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	25,203	100.0	24,078	100.0	1,124	104.7
Cost of Sales	12,317	48.9	11,738	48.8	579	104.9
<b>Gross profit</b>	12,885	51.1	12,339	51.2	545	104.4
SG&A expenses	6,379	25.3	6,179	25.7	200	103.3
<b>Operating income</b>	6,505	25.8	6,160	25.6	344	105.6
Other income	124		95		28	
Other expenses	0		87		△ 86	
<b>Ordinary income</b>	6,629	26.3	6,169	25.6	460	107.5
Extraordinary income	3		0		3	
Extraordinary expenses	2		3		△ 0	
<b>Income before income taxes and minority interests</b>	6,630	26.3	6,166	25.6	464	107.5
Corporation tax, etc.	2,498		2,538		△ 39	
(Tax burden)	37.7%		41.2%			
Minority interests	0		0		△ 0	
<b>Net income</b>	4,132	16.4	3,627	15.1	504	113.9
EPS (total shares)	252.88		221.99			
EPS (minus treasury shares)	262.71		230.61			
Number of shares outstanding	16,341,155		16,341,155			
Weighted-average number of shares outstanding (after deducting treasury)	15,729,778		15,730,101			

### Full Year

¥ millions, rounded down

	Fiscal 2012 Revised Plan		Fiscal 2011 Results		Year-on-Year Comparison		Fiscal 2012 Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	32,870	100.0	31,873	100.0	996	103.1	32,870	100.0	-	100.0
Cost of Sales	16,180	49.2	15,711	49.3	468	103.0	16,180	49.2	-	100.0
<b>Gross profit</b>	16,690	50.8	16,162	50.7	527	103.3	16,690	50.8	-	100.0
SG&A expenses	8,690	26.4	8,412	26.4	277	103.3	8,690	26.4	-	100.0
<b>Operating income</b>	8,000	24.3	7,750	24.3	249	103.2	8,000	24.3	-	100.0
Other income	100		109		△ 9		100		-	
Other expenses	40		33		6		40		-	
<b>Ordinary income</b>	8,060	24.5	7,825	24.6	234	103.0	8,060	24.5	-	100.0
Extraordinary income	-		0		△ 0		-		-	
Extraordinary expenses	-		3		△ 3		-		-	
<b>Income before income taxes and minority interests</b>	8,060	24.5	7,822	24.5	237	103.0	8,060	24.5	-	100.0
Corporation tax, etc.	3,015		3,197		△ 182		3,015		-	
(Tax burden)	37.4%		40.9%				37.4%		-	
Minority interests	2		0		1		2		-	
<b>Net income</b>	5,043	15.3	4,624	14.5	418	109.0	5,043	15.3	-	100.0
EPS (total shares)	308.61		283.01				308.61			
EPS (minus treasury shares)	320.60		294.01				320.60			
Number of shares outstanding	16,341,155		16,341,155				16,341,155			
Weighted-average number of shares outstanding (after deducting treasury)	15,729,682		15,730,070				15,729,732			

## Fiscal 2012 Sales by Product Grouping (Consolidated)

### First Half

¥ millions, rounded down

	Sept. 2012 Interim Results		Sept. 2011 Interim Results		Year-on-Year Comparison		Sept. 2012 Interim Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Sterilization products	1,809	11.1	1,754	11.1	55	103.1	1,713	10.5	96	105.6
Surgical products	13,987	85.7	13,489	85.2	497	103.7	14,026	86.3	△ 39	99.7
Treatment products	118	0.7	120	0.8	△ 2	98.2	114	0.7	4	103.6
Others	400	2.5	470	3.0	△ 70	85.1	405	2.5	△ 4	98.8
<b>Total</b>	<b>16,316</b>	<b>100.0</b>	<b>15,835</b>	<b>100.0</b>	<b>480</b>	<b>103.0</b>	<b>16,260</b>	<b>100.0</b>	<b>56</b>	<b>100.3</b>

#### Itemized surgical products

Non-woven products	5,272	32.3	5,367	33.9	△ 95	98.2	5,233	32.2	39	100.7
Other non-woven products	649	4.0	606	3.8	42	107.0	629	3.9	20	103.2
Kit products	8,038	49.3	7,481	47.2	557	107.5	8,133	50.0	△ 94	98.8
Steel instruments	27	0.2	34	0.2	△ 6	81.0	31	0.2	△ 4	86.6

#### Itemized external sales by subsidiary

Sontara	41		30		11		48		△ 6	
Others(PT.HOGY)	28		22		5		20		8	

### Third Quarter

¥ millions, rounded down

	Third Quarter Ended Dec. 2012 Results		Third Quarter Ended Dec. 2011 Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Sterilization products	2,756	10.9	2,674	11.1	82	103.1
Surgical products	21,649	85.9	20,565	85.4	1,083	105.3
Treatment products	176	0.7	181	0.8	△ 4	97.4
Others	620	2.5	656	2.7	△ 35	94.5
<b>Total</b>	<b>25,203</b>	<b>100.0</b>	<b>24,078</b>	<b>100.0</b>	<b>1,124</b>	<b>104.7</b>

#### Itemized surgical products

Non-woven products	8,111	32.2	8,130	33.8	△ 18	99.8
Other non-woven products	1,035	4.1	944	3.9	90	109.6
Kit products	12,460	49.4	11,443	47.5	1,017	108.9
Steel instruments	41	0.2	48	0.2	△ 7	85.5

#### Itemized external sales by subsidiary

Sontara	66		48		17	
Others(PT.HOGY)	41		32		8	

### Full Year

¥ millions, rounded down

	Fiscal 2012 Revised Plan		Fiscal 2011 Results		Year-on-Year Comparison		Fiscal 2012 Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Sterilization products	3,407	10.4	3,587	11.3	△ 179	95.0	3,407	10.4	-	100.0
Surgical products	28,355	86.3	27,205	85.4	1,149	104.2	28,355	86.3	-	100.0
Treatment products	232	0.7	237	0.7	△ 5	97.6	232	0.7	-	100.0
Others	874	2.7	842	2.6	31	103.8	874	2.7	-	100.0
<b>Total</b>	<b>32,870</b>	<b>100.0</b>	<b>31,873</b>	<b>100.0</b>	<b>996</b>	<b>103.1</b>	<b>32,870</b>	<b>100.0</b>	<b>-</b>	<b>100.0</b>

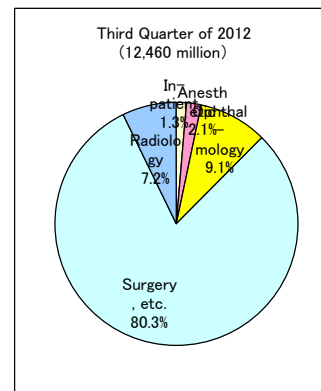
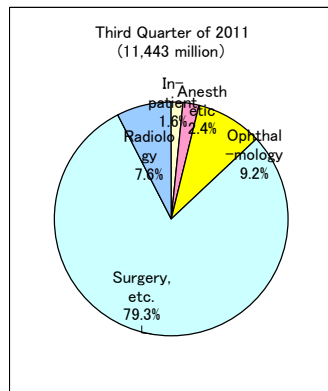
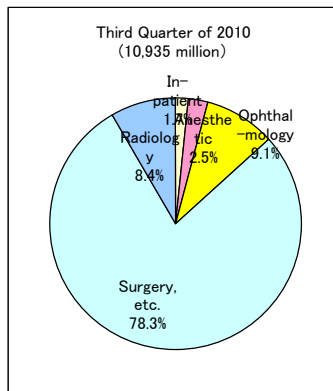
#### Itemized surgical products

Non-woven products	10,490	31.9	10,638	33.4	△ 148	98.6	10,490	31.9	-	100.0
Other non-woven products	1,271	3.9	1,273	4.0	△ 2	99.8	1,271	3.9	-	100.0
Kit products	16,530	50.3	15,232	47.8	1,297	108.5	16,530	50.3	-	100.0
Steel instruments	64	0.2	61	0.2	2	104.1	64	0.2	-	100.0

#### Itemized external sales by subsidiary

Sontara	120		68		51		120		-	
Others(PT.HOGY)	50		47		2		50		-	

### Sales Composition by Kit Treatment Category



## Fiscal 2012 Itemized SG&A Expenses and Other Income/Expenses (Consolidated)

### SG&A Expenses

¥ millions, rounded down

	Third Quarter Ended Dec. 2012 Results	Third Quarter Ended Dec. 2011 Results	Year-on-Year Comparison
Packaging and transportation	667	633	33
Losses on doubtful accounts	–	–	–
Samples	292	330	△ 38
Advertising	58	49	8
Personnel	2,595	2,688	△ 92
Travel	386	344	41
Communication	136	116	20
Consumables	69	62	6
Taxes and public charges	151	157	△ 5
Depreciation	604	518	86
Testing and research	331	277	54
Land and housing rental	349	350	△ 0
Miscellaneous	271	257	14
Others	464	392	72
<b>Total</b>	<b>6,379</b>	<b>6,179</b>	<b>200</b>

### Other Income/Expenses

¥ millions, rounded down

	Third Quarter Ended Dec. 2012 Results	Third Quarter Ended Dec. 2011 Results	Year-on-Year Comparison
Interest received	3	2	1
Interest on negotiable securities	–	–	–
Dividend received	45	55	△ 9
(Total financial earnings)	48	57	△ 8
Foreign exchange gain	38	–	38
Miscellaneous income	37	38	△ 0
Total Other income	124	95	28
Paid interest	–	5	△ 5
(Total financial expenses)	–	5	△ 5
Foreign exchange loss	–	81	△ 81
Miscellaneous losses	0	0	0
Total non-operating expenses	0	87	△ 86

Fiscal 2011 Major Change on Balance Sheets and Statements of Cash Flows (Consolidated)

Major Change on Balance Sheets

¥ millions, rounded down

	Balance at Dec. 31, 2012	Change		Balance at Dec. 31, 2012	Change
<b>Current assets</b>	38,348	1,882	<b>Current liabilities</b>	5,932	△ 1,674
Cash and bank deposits	20,076	466	Notes and accounts payable	3,749	33
Notes and accounts receivable	11,098	741	Accrued expenses	123	△ 628
Short-term investments	-	-	Long-term loans due within 1 year	-	-
Inventories	6,288	777	Income taxes	942	△ 858
Others	884	△ 102	Allowance for employees' bonuses	92	△ 402
			Payable notes for equipment	299	△ 179
			Reserve for disaster loss	-	-
			Others	724	362
<b>Fixed assets</b>	35,858	△ 197	<b>Long-term liabilities</b>	745	△ 157
Property, plant and equipment	28,431	△ 1,154	Long-term loans	-	-
Buildings and structures	12,023	△ 529	Others	745	△ 157
Machinery, equipment and vehic	5,839	△ 514	<b>Total liabilities</b>	6,677	△ 1,831
Land	9,375	13	<b>Total net assets</b>	67,529	3,516
Construction in progress	754	△ 228	Common stock	7,123	-
Others	439	103	Capital surplus	8,336	-
Intangibles	1,622	331	Retained earnings	55,766	3,015
Investments and others	5,804	624	Treasury stock	△ 3,318	△ 0
Investments securities	3,125	497	Others	△ 377	501
Others	2,679	127			
<b>Total assets</b>	74,207	1,684	<b>Total liabilities and shareholders' equity</b>	74,207	1,684

\* Comparison with end of previous fiscal year:

Equity ratio increased from 88.3% at the end of the previous fiscal year to 91.0%.

Statements of Cash Flows

¥ millions, rounded down

<b>I Operating activities</b>	3,274	Income before income taxes and minority interests	6,630
		Depreciation	2,151
		Increase in notes and accounts receivable	△ 741
		Income taxes paid	△ 3,349
<b>II Investing activities</b>	△ 1,680	Capital expenditures	△ 1,049
<b>III Financing activities</b>	△ 1,117	Disposal of treasury stock	△ 1,117
<b>IV Effect of exchange rate changes</b>	△ 6		
<b>Net changes in cash and cash equivalents</b>	469		

## Fiscal 2012 Statements of Income (First 2 Quarters Results; Non-consolidated)

### First Quarter

¥ millions, rounded down

	Sept. 2012 Interim Results		Sept. 2011 Interim Results		Year-on-Year Comparison		Sept. 2012 Interim Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	16,246	100.0	15,782	100.0	464	102.9	16,192	100.0	54	100.3
Cost of Sales	8,206	50.5	7,907	50.1	299	103.8	8,138	50.3	68	100.8
<b>Gross profit</b>	<b>8,039</b>	<b>49.5</b>	<b>7,875</b>	<b>49.9</b>	<b>164</b>	<b>102.1</b>	<b>8,054</b>	<b>49.7</b>	<b>△ 14</b>	<b>99.8</b>
SG&A expenses	4,190	25.8	4,086	25.9	103	102.5	4,210	26.0	△ 19	99.5
<b>Operating income</b>	<b>3,849</b>	<b>23.7</b>	<b>3,788</b>	<b>24.0</b>	<b>61</b>	<b>101.6</b>	<b>3,844</b>	<b>23.7</b>	<b>5</b>	<b>100.1</b>
Other income	73		83		△ 10		59		14	
Other expenses	52		94		△ 42		10		42	
<b>Ordinary income</b>	<b>3,870</b>	<b>23.8</b>	<b>3,777</b>	<b>23.9</b>	<b>92</b>	<b>102.5</b>	<b>3,893</b>	<b>24.0</b>	<b>△ 22</b>	<b>99.4</b>
Extraordinary income	3		-		3		-		3	
Extraordinary expenses	2		2		△ 0		-		2	
<b>Income before income taxes</b>	<b>3,872</b>	<b>23.8</b>	<b>3,775</b>	<b>23.9</b>	<b>97</b>	<b>102.6</b>	<b>3,893</b>	<b>24.0</b>	<b>△ 20</b>	<b>99.5</b>
Corporation tax, etc.	1,472		1,533		△ 61		1,483		△ 10	
<b>(Tax burden)</b>	<b>38.0%</b>		<b>40.6%</b>				<b>38.1%</b>			
<b>Net income</b>	<b>2,400</b>	<b>14.8</b>	<b>2,241</b>	<b>14.2</b>	<b>158</b>	<b>107.1</b>	<b>2,410</b>	<b>14.9</b>	<b>△ 9</b>	<b>99.6</b>
EPS (total shares)	146.88		137.18				147.48			
EPS (minus treasury shares)	152.59		142.51				153.21			
Number of shares outstanding	16,341,155		16,341,155				16,341,155			
Weighted-average number of shares outstanding (after deducting treasury shares)	15,729,819		15,730,135				15,729,819			

### Second Quarter

¥ millions, rounded down

	Third Quarter Ended Dec. 2012 Results		Third Quarter Ended Dec. 2011 Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	25,095	100.0	23,996	100.0	1,098	104.6
Cost of Sales	12,573	50.1	11,992	50.0	580	104.8
<b>Gross profit</b>	<b>12,521</b>	<b>49.9</b>	<b>12,003</b>	<b>50.0</b>	<b>517</b>	<b>104.3</b>
SG&A expenses	6,338	25.3	6,164	25.7	174	102.8
<b>Operating income</b>	<b>6,182</b>	<b>24.6</b>	<b>5,839</b>	<b>24.3</b>	<b>343</b>	<b>105.9</b>
Other income	147		108		39	
Other expenses	-		83		△ 83	
<b>Ordinary income</b>	<b>6,330</b>	<b>25.2</b>	<b>5,865</b>	<b>24.4</b>	<b>465</b>	<b>107.9</b>
Extraordinary income	3		0		3	
Extraordinary expenses	2		3		△ 0	
<b>Income before income taxes</b>	<b>6,331</b>	<b>25.2</b>	<b>5,862</b>	<b>24.4</b>	<b>469</b>	<b>108.0</b>
Corporation tax, etc.	2,407		2,435		△ 27	
<b>(Tax burden)</b>	<b>38.0%</b>		<b>41.5%</b>			
<b>Net income</b>	<b>3,924</b>	<b>15.6</b>	<b>3,426</b>	<b>14.3</b>	<b>497</b>	<b>114.5</b>

### First Half

¥ millions, rounded down

	Fiscal 2012 Revised Plan		Fiscal 2011 Results		Year-on-Year Comparison		Fiscal 2012 Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	32,700	100.0	31,757	100.0	942	103.0	32,700	100.0	-	100.0
Cost of Sales	16,680	51.0	16,072	50.6	607	103.8	16,680	51.0	-	100.0
<b>Gross profit</b>	<b>16,020</b>	<b>49.0</b>	<b>15,685</b>	<b>49.4</b>	<b>334</b>	<b>102.1</b>	<b>16,020</b>	<b>49.0</b>	-	100.0
SG&A expenses	8,600	26.3	8,382	26.4	217	102.6	8,600	26.3	-	100.0
<b>Operating income</b>	<b>7,420</b>	<b>22.7</b>	<b>7,303</b>	<b>23.0</b>	<b>116</b>	<b>101.6</b>	<b>7,420</b>	<b>22.7</b>	-	100.0
Other income	180		185		△ 5		180		-	
Other expenses	20		29		△ 9		20		-	
<b>Ordinary income</b>	<b>7,580</b>	<b>23.2</b>	<b>7,459</b>	<b>23.5</b>	<b>120</b>	<b>101.6</b>	<b>7,580</b>	<b>23.2</b>	-	100.0
Extraordinary income	-		0		△ 0		-		-	
Extraordinary expenses	-		3		△ 3		-		-	
<b>Income before income taxes</b>	<b>7,580</b>	<b>23.2</b>	<b>7,455</b>	<b>23.5</b>	<b>124</b>	<b>101.7</b>	<b>7,580</b>	<b>23.2</b>	-	100.0
Corporation tax, etc.	2,882		3,061		△ 179		2,882		-	
<b>(Tax burden)</b>	<b>38.0%</b>		<b>41.1%</b>				<b>38.0%</b>			
<b>Net income</b>	<b>4,698</b>	<b>14.4</b>	<b>4,393</b>	<b>13.8</b>	<b>304</b>	<b>106.9</b>	<b>4,698</b>	<b>14.4</b>	-	100.0
EPS (total shares)	287.49		268.89				287.49			
EPS (minus treasury shares)	298.67		279.33				298.67			
Number of shares outstanding	16,341,155		16,341,155				16,341,155			
Weighted-average number of shares outstanding (after deducting treasury shares)	15,729,682		15,730,070				15,729,682			