

HOGY



July 15, 2009



Financial Report

First Quarter of Fiscal 2009

(April 1 – June 30, 2009)

Jun-ichi Hoki, President and CEO

Kazuo Takahashi, Director, Management Planning Dept.

Yukio Ishii, General Manager, Administration Div.

Notice Regarding Forward-Looking Statements

This presentation contains statements about the Company's plans, forecasts, strategies, and beliefs related to its future performance. Such forward-looking statements were prepared based on judgments of the Company's management according to information available when this presentation was prepared. Readers are asked not to rely completely on performance forecasts contained herein, and understand that actual results may differ from such forecasts.

Financial results reported herein have not been audited.

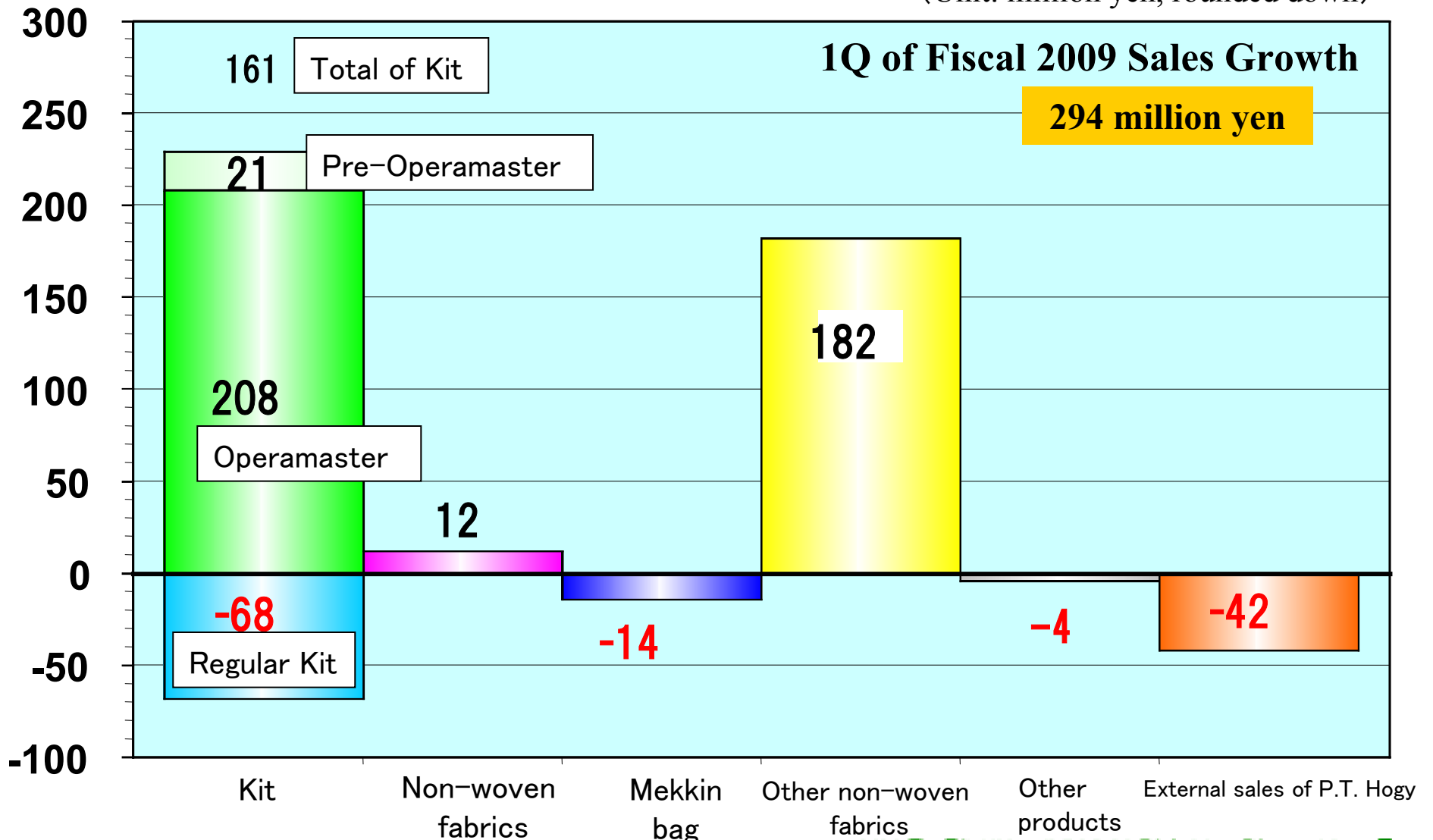
Performance Overview

Fiscal 2009-First Quarter Income Statements

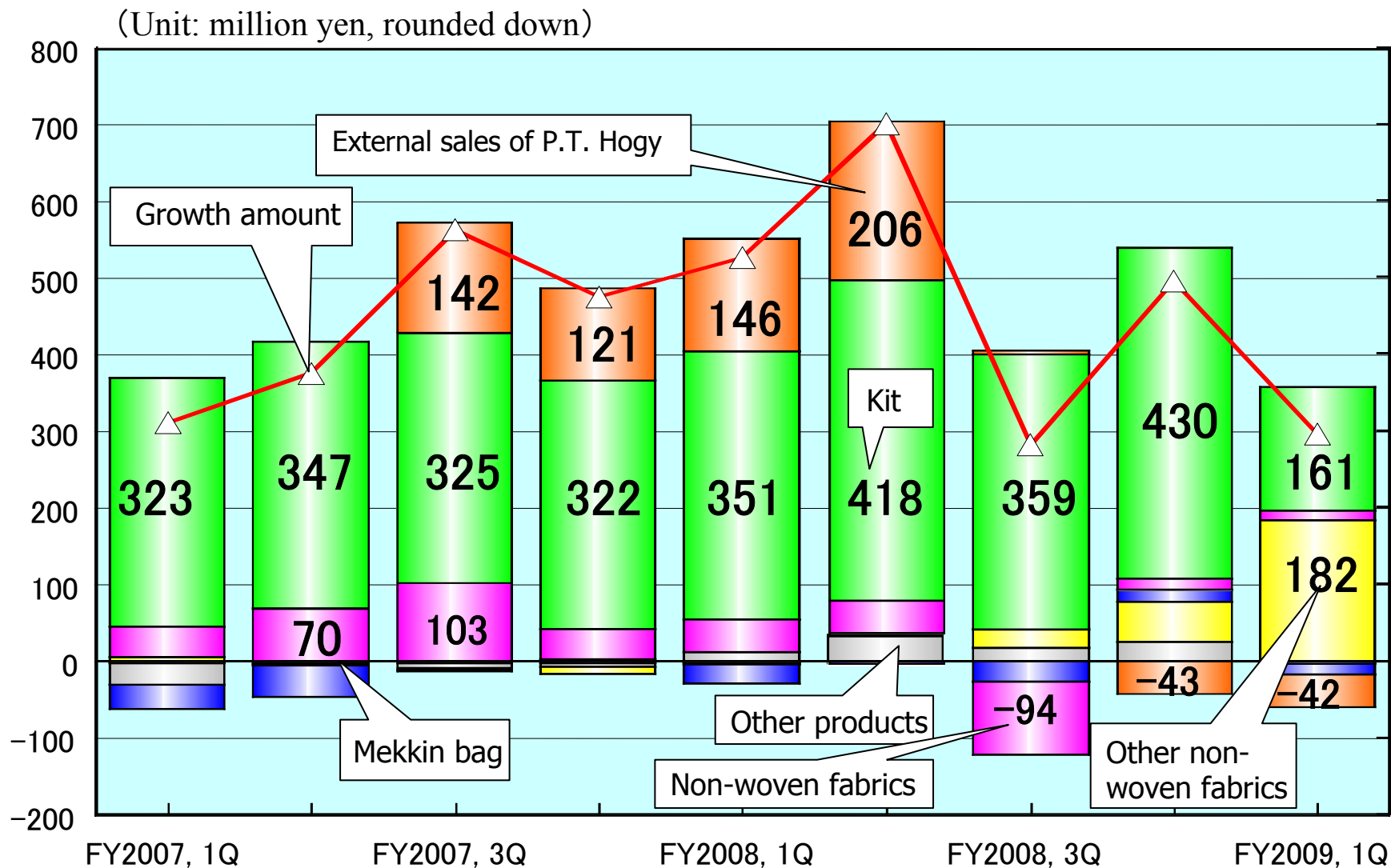
(Unit: million yen, rounded down)	Fiscal 2008 First Quarter Results		Fiscal 2009 First Quarter Results		Year-on-Year Comparison	
	Amount	% of Total	Amount	% of Total	Amount	%
Net sales	7,522		7,817		294	103.9%
Operating income	1,754	23.3%	1,984	25.4%	229	113.1%
Ordinary income	1,778	23.6%	1,981	25.3%	203	111.5%
Net income	1,068	14.2%	1,183	15.1%	115	110.8%
EPS	71.05 yen		78.13 yen			

Fiscal 2009-First Quarter Sales Growth by Major Products

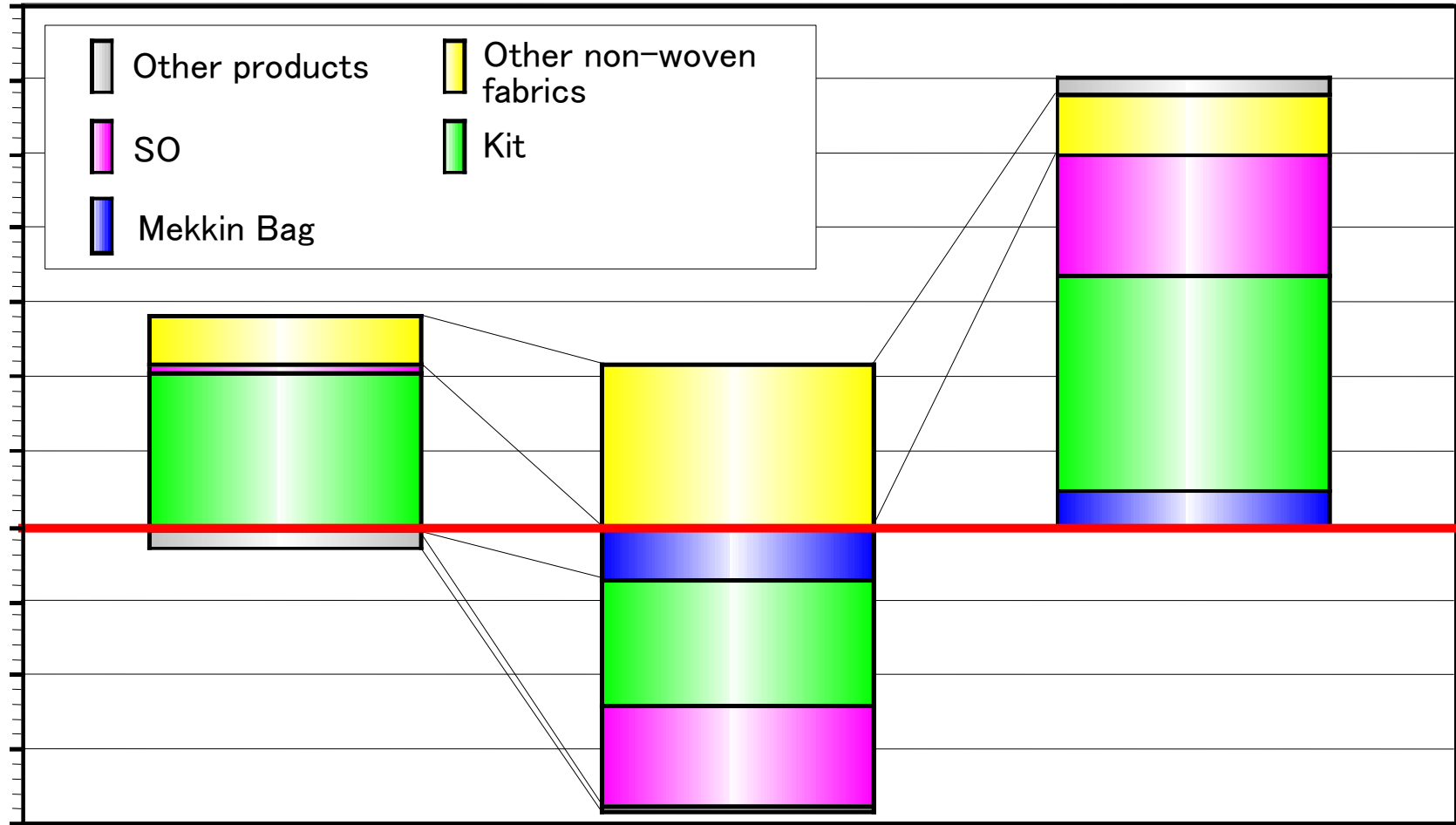
(Unit: million yen, rounded down)



Fiscal 2009 Sales Growth by Quarter



Fiscal 2009-First Quarter Monthly Sales Growth



April

May

June



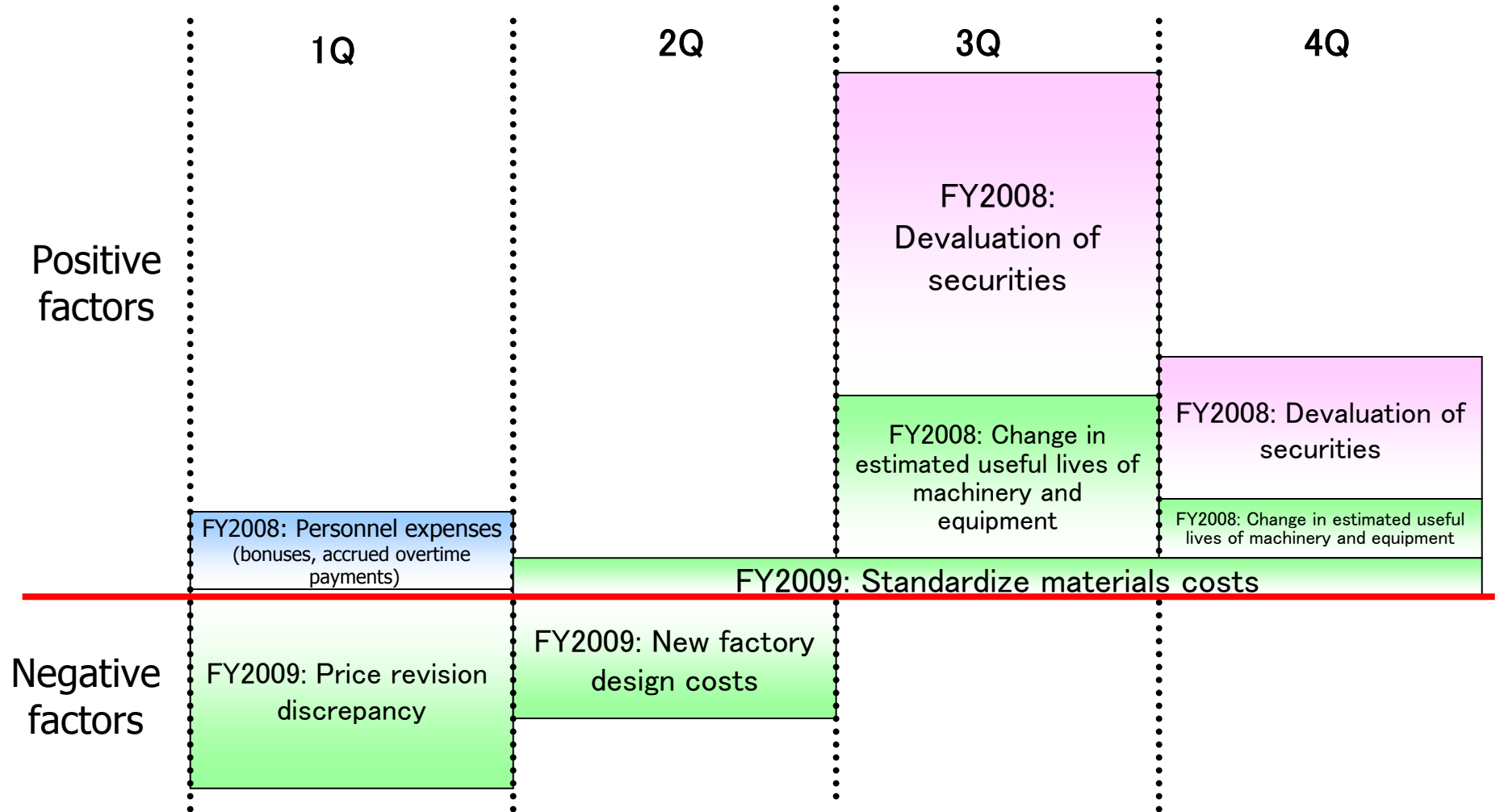
Fiscal 2009-First Quarter Main Points

- Began proposing our surgery management system to customers
- Signed four new Operamaster contracts and canceled five (107 contracts in force at end of term)
- Spread of new influenza strain
- Operating income figure reflected our forecast

Fiscal 2009 Projected Statement of Income

(Unit: million yen, rounded down)	Fiscal 2008 Results		Fiscal 2009 First Quarter Results		Fiscal 2009 Plans		Year-on-Year Comparison	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	%
Net sales	31,009		7,817		32,600		1,590	105.1%
Cost of sales	15,474	49.9%	3,817	48.8%	15,660	48.0%	185	101.2%
Gross profit	15,534	50.1%	3,999	51.2%	16,940	52.0%	1,405	109.0%
SG & A expenses	8,033	25.9%	2,015	25.8%	8,350	25.6%	316	103.9%
Operating income	7,501	24.2%	1,984	25.4%	8,590	26.3%	1,088	114.5%
Non-operating income/loss	125		-2		120		-5	
Ordinary income	7,627	24.6%	1,981	25.3%	8,710	26.7%	1,082	114.2%
Extraordinary income/loss	-1,631		-1		-20		1,611	
Net income	3,584	19.3%	1,183	15.1%	5,210	16.0%	1,625	145.3%
EPS	238.47 yen		78.13 yen		331.18 yen			

Fiscal 2009 Major Changes by Quarter (Plan)



Overview of Medium-Term Business Plan



Medium-Term Business Plan: Key Tasks

- (1) Further reinforce Operamaster and Surrem strategies
- (2) Develop new products
- (3) Ensure stable supply of safe products
- (4) Improve Groupwide productivity
- (5) Implement capital expenditure plan to reach performance targets
- (6) Respond to external conditions
- (7) Further strengthen internal control and compliance systems
- (8) Reinforce personnel development and other internal systems



Medium-Term Business Plan: Performance Targets

- **Sustainable earnings growth**
 - ◆ ROE target: 10%
 - ◆ EPS target: ¥500

- **Ensure safe, reliable manufacturing equipment**
 - ◆ Match capital expenditures to net sales growth
 - ◆ Raise efficiency through automation of new kit product factory



Medium-Term Business Plan: Performance Targets

- **Net sales**

- ◆ Target continued net sales growth driven by kit-based products, centering on Operamaster
- ◆ Shore up sales of non-woven fabric products and Mekkin bag

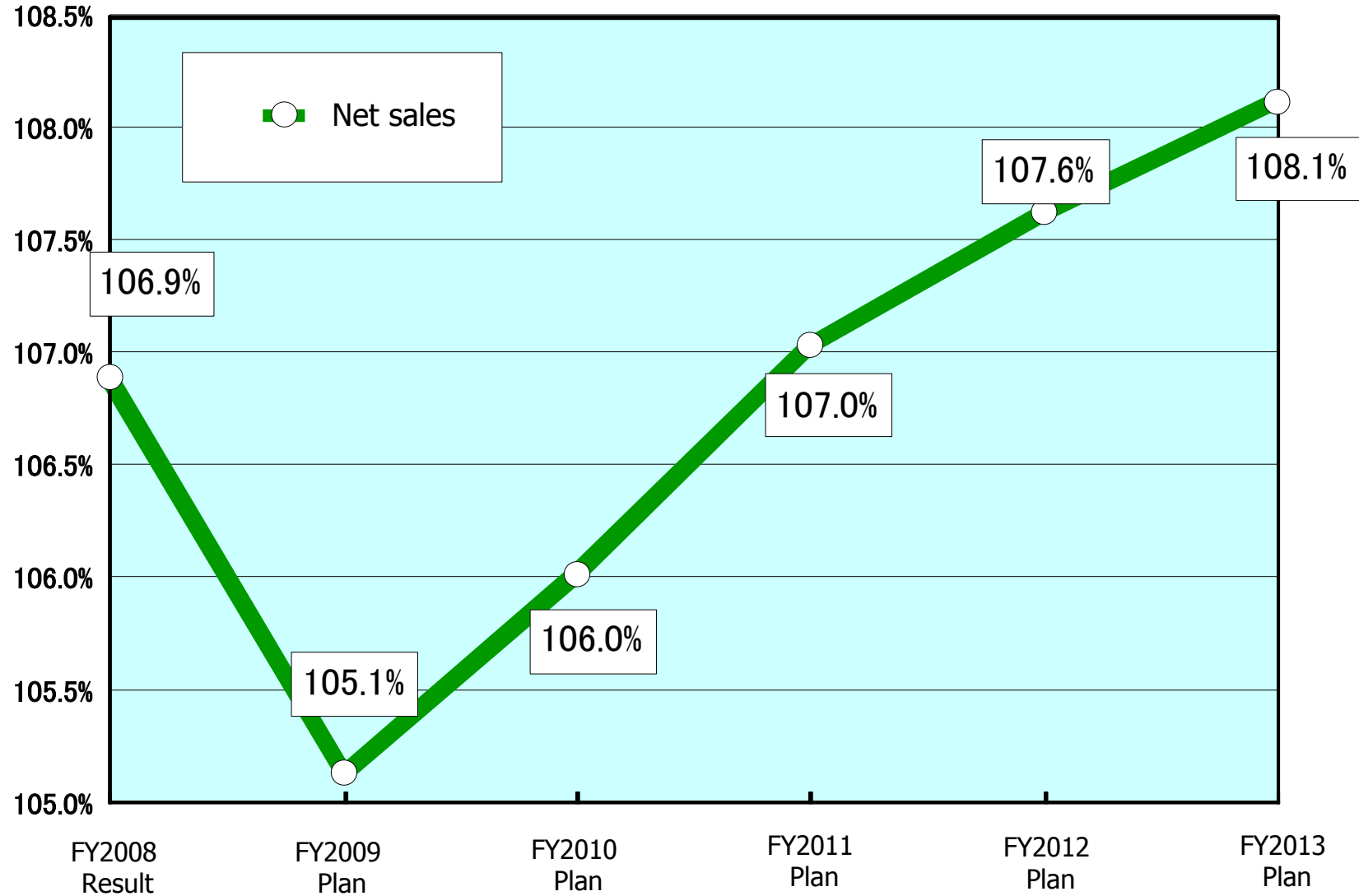
- **Earnings**

- ◆ Operating income target: ¥10 billion
- ◆ Operating margin target: 30%

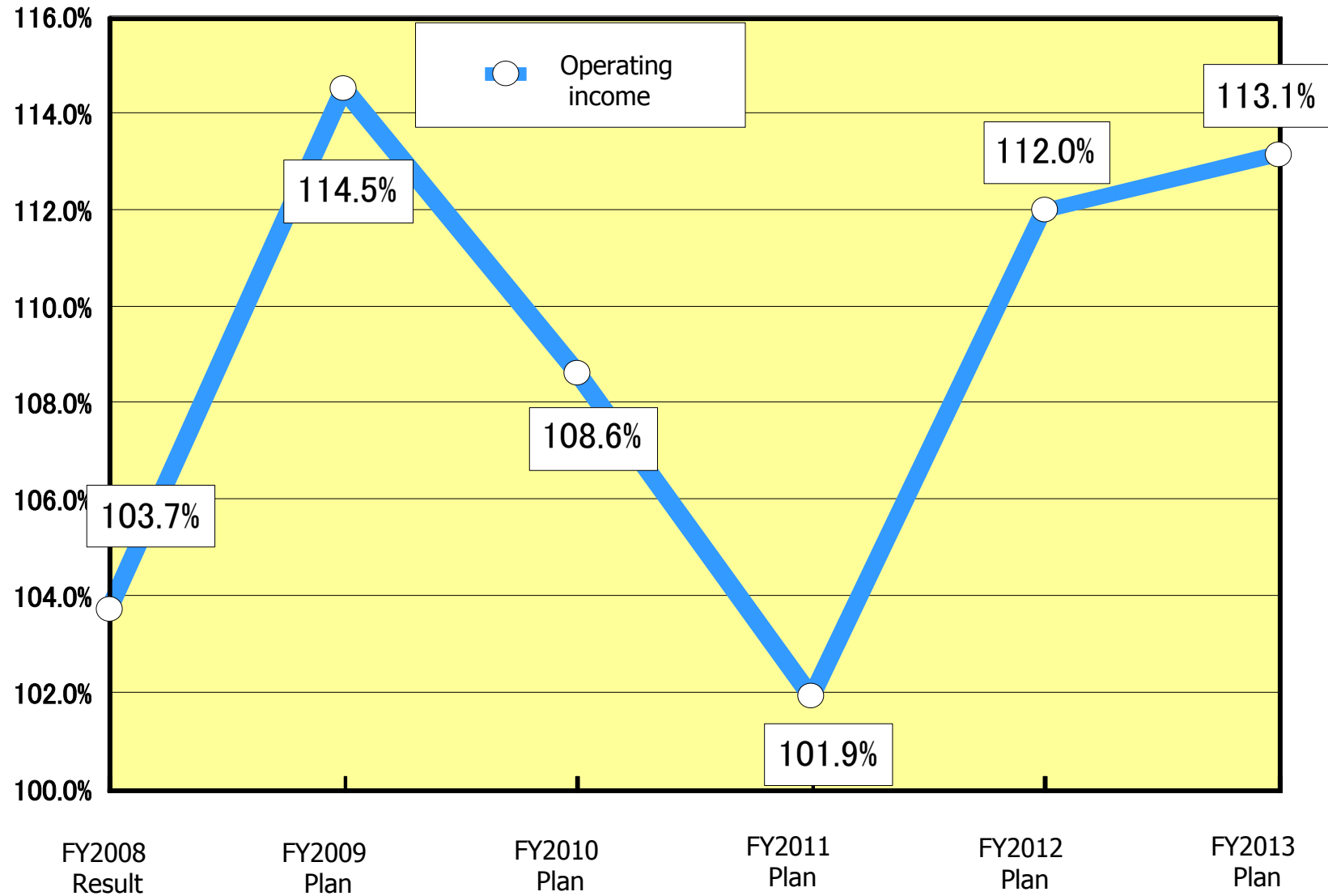
Medium-Term Business Plan: Income Statements

(Unit: million yen, rounded down)	Fiscal 2009 Plans	Fiscal 2010 Plans	Fiscal 2011 Plans	Fiscal 2012 Plans	Fiscal 2013 Plans
Net sales	32,600	34,560	36,990	39,810	43,040
Operating income	8,590	9,330	9,510	10,650	12,050
Ordinary income	8,710	9,450	9,630	10,770	12,170
Net income	5,210	5,660	5,780	6,470	7,300
EPS (minus treasury shares)	331 yen	359 yen	367 yen	411 yen	464 yen
ROE	9.5%	9.4%	9.0%	9.4%	10.0%

Net Sales Growth Rate



Operating Income Growth Rate



Medium-Term Business Plan: Income Statements

(Unit: million yen, rounded down)	Fiscal 2009 Plans	Fiscal 2010 Plans	Fiscal 2011 Plans	Fiscal 2012 Plans	Fiscal 2013 Plans
Net sales	32,600	34,560	36,990	39,810	43,040
Operating income	8,590	9,330	9,510	10,650	12,050
Ordinary income	8,710	9,450	9,630	10,770	12,170
Net income	5,210	5,660	5,780	6,470	7,300
EPS (minus treasury shares)	331 yen	359 yen	367 yen	411 yen	464 yen
ROE	9.5%	9.4%	9.0%	9.4%	10.0%
Total depreciation and amortization	2,650	2,590	3,950	3,770	3,860

Capital Investment Plan

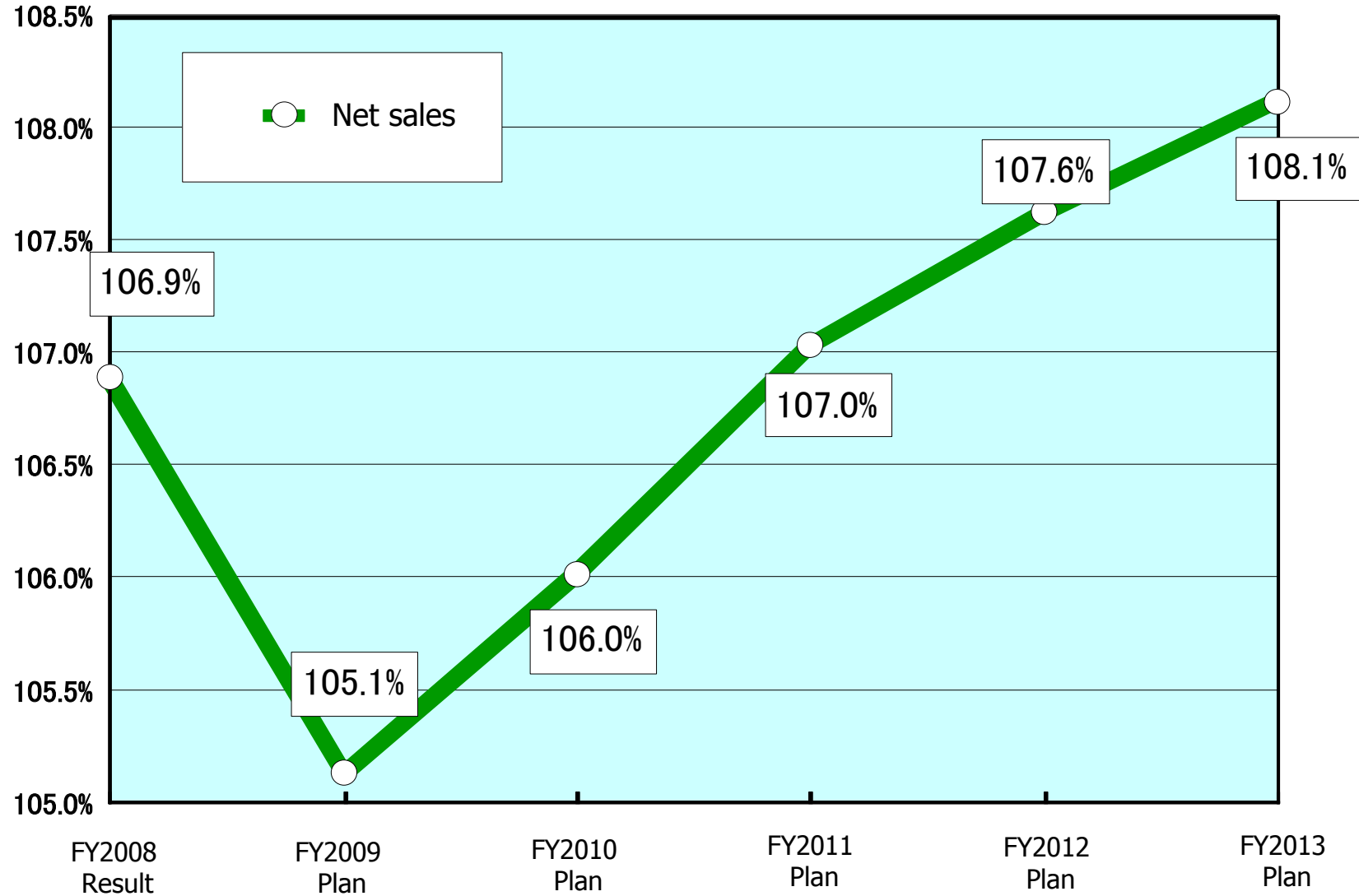
	Fiscal 2008 Results	Fiscal 2009	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013
Plan	Expansion of P.T. Hogy Indonesia			Cumulative expenditures (FY2008–2013): ¥29.1 billion Acquisition of land (FY2007–2009): ¥2.5 billion		
		Sterilization center		Strengthen production CPU		Materials center
			Materials center		New factory (first phase)	
Total capital expenditures	2,141	5,500	7,400	6,200	4,600	3,300

* Total capital expenditures excludes cost of land acquisition

Medium-Term Business Plan

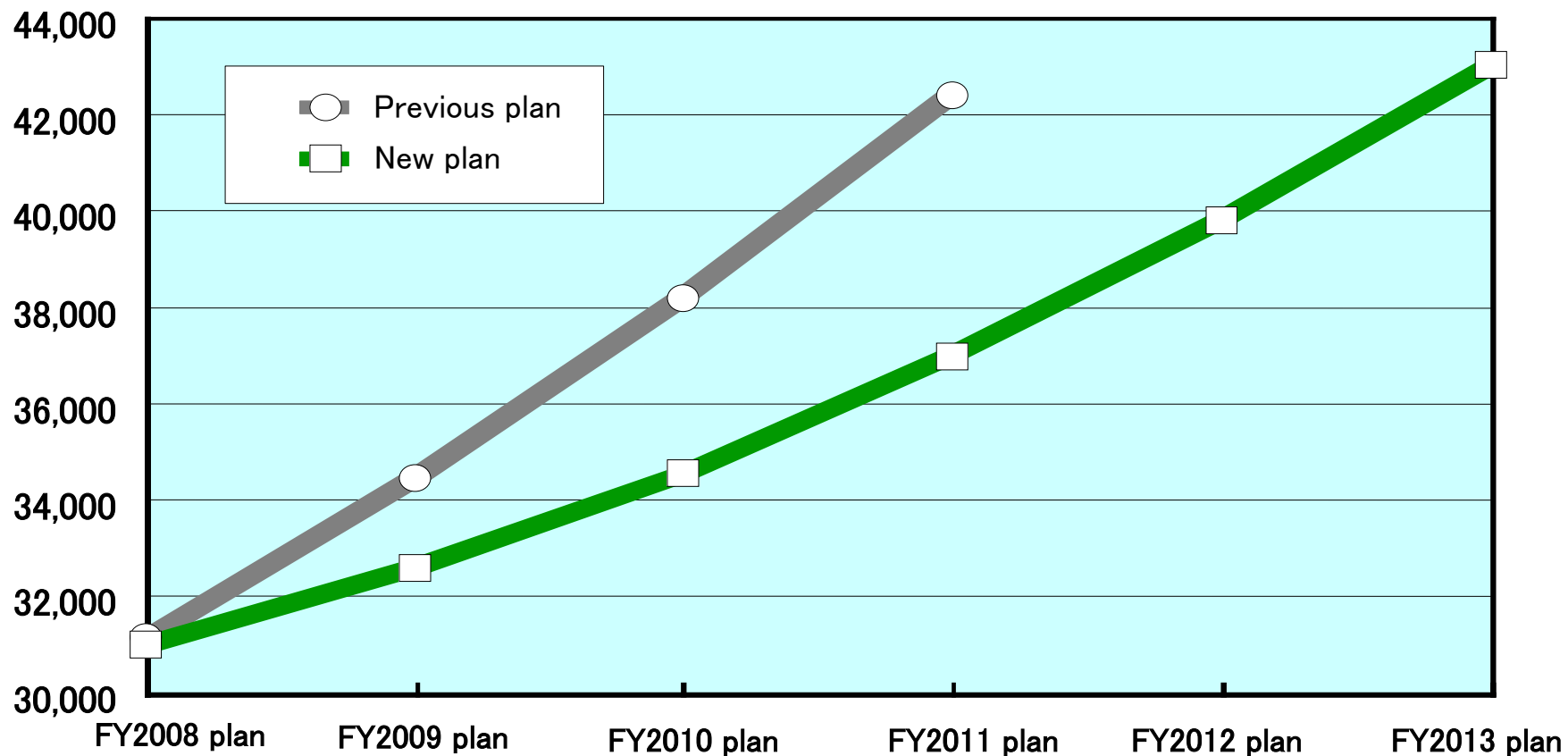
(03/2010-03/2014)

Net Sales Growth Rate



Comparison with Previous Announcement (Net Sales)

(Unit: million yen, rounded down)

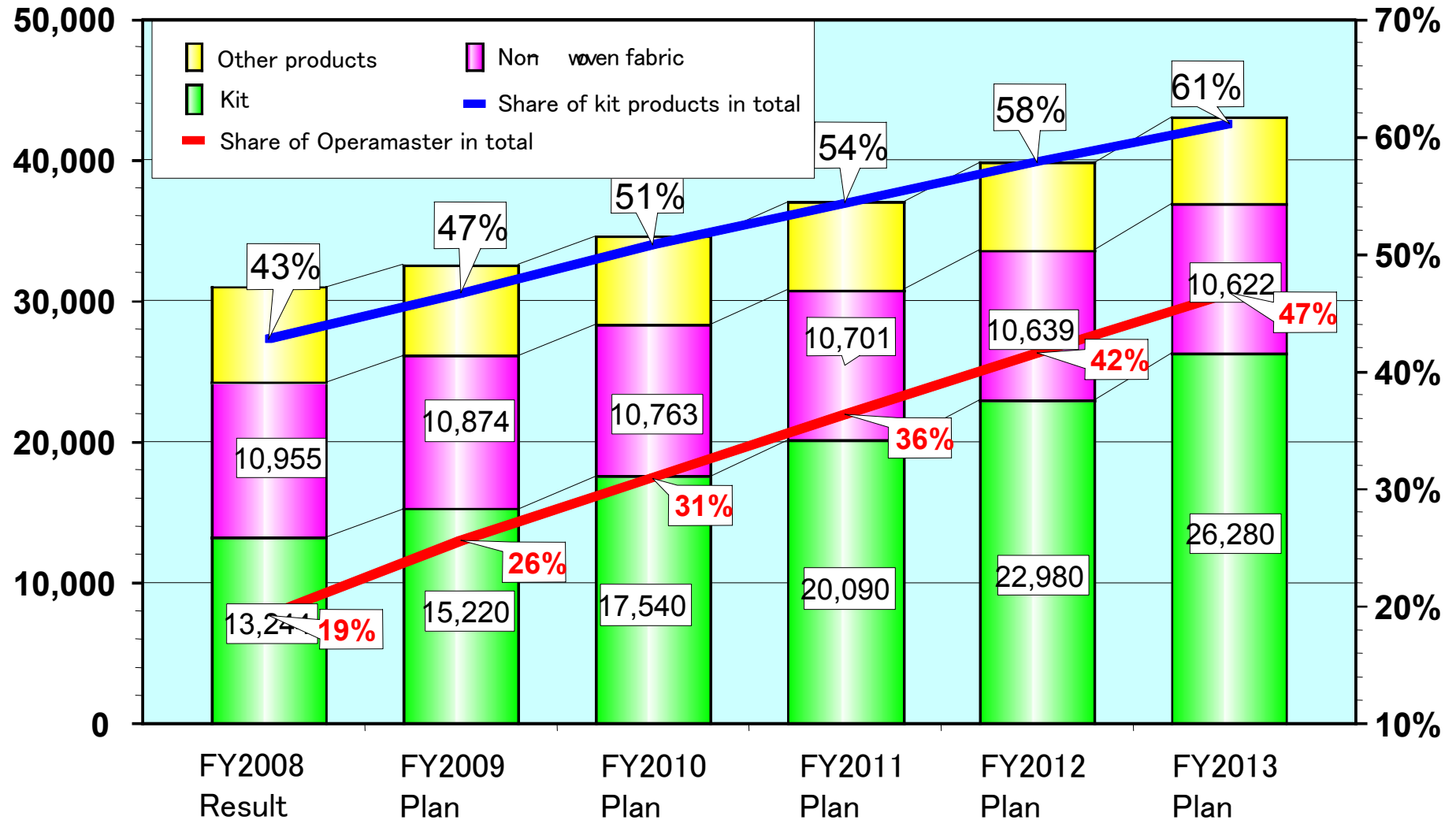


	FY2008 plan	FY2009 plan	FY2010 plan	FY2011 plan	FY2012 plan	FY2013 plan
Previous plan	31,150	34,450	38,200	42,400		
New plan	(*) 31,009	32,600	34,560	36,990	39,810	43,040

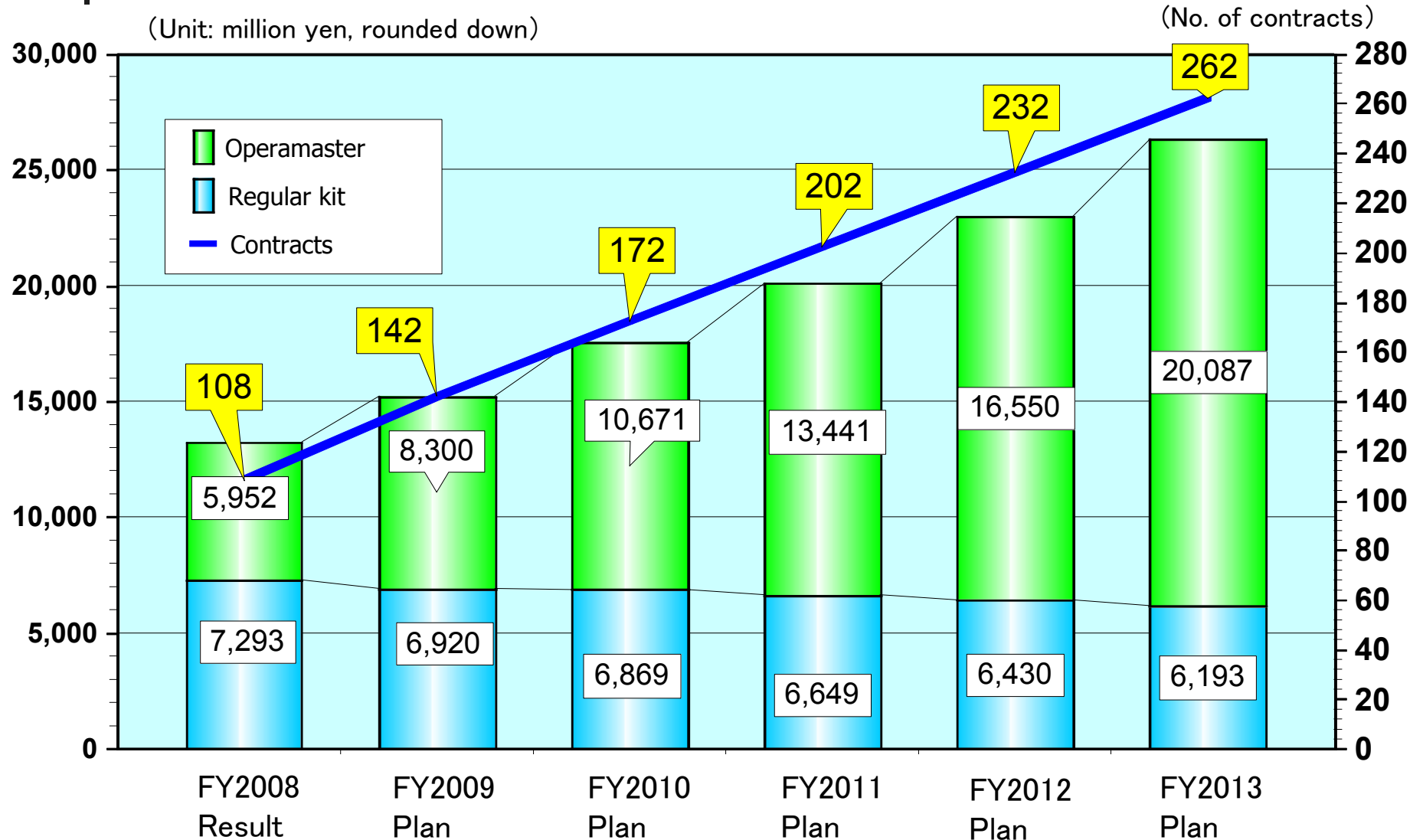
(*) ...Actual result

Sales Plan for Major Products

(Unit: million yen, rounded down)

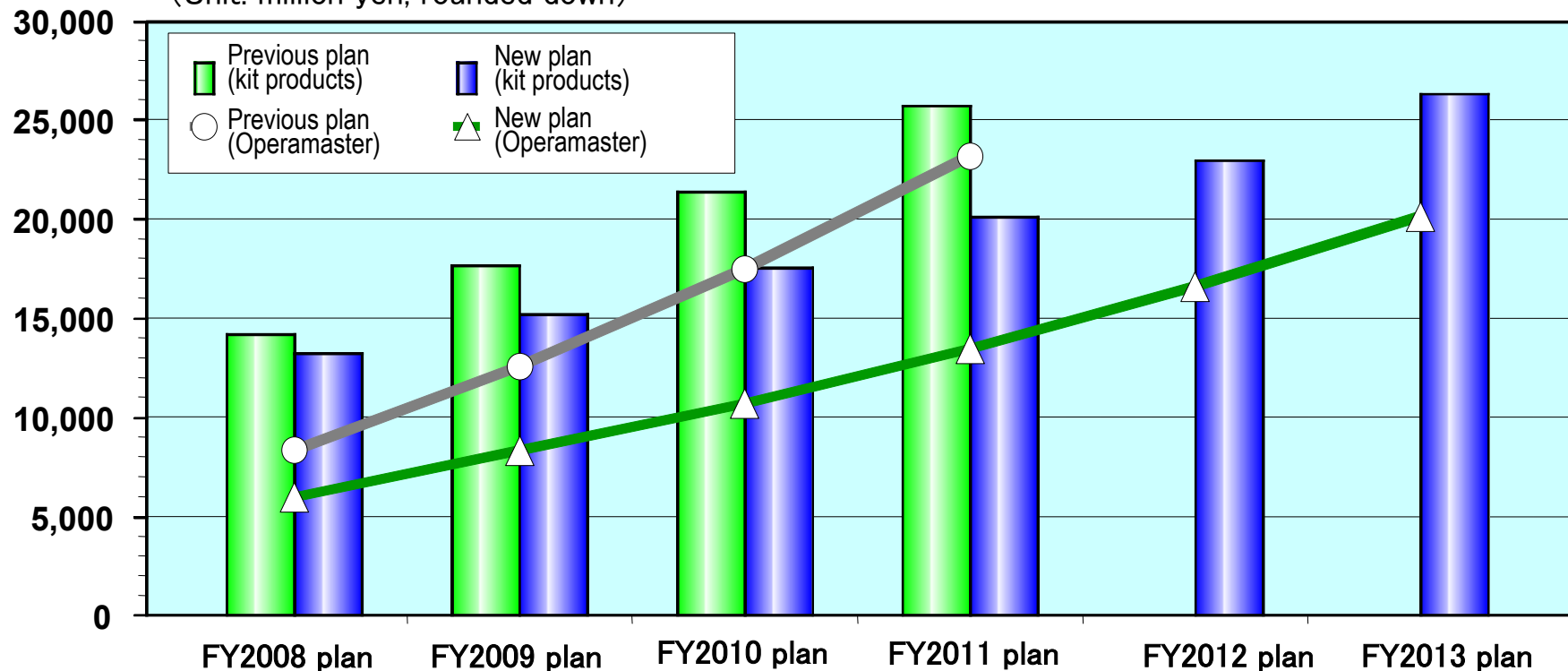


Sales Plan for Operamaster



Comparison with Previous Announcement (Net Sales of Kit Products and Operamaster)

(Unit: million yen, rounded down)

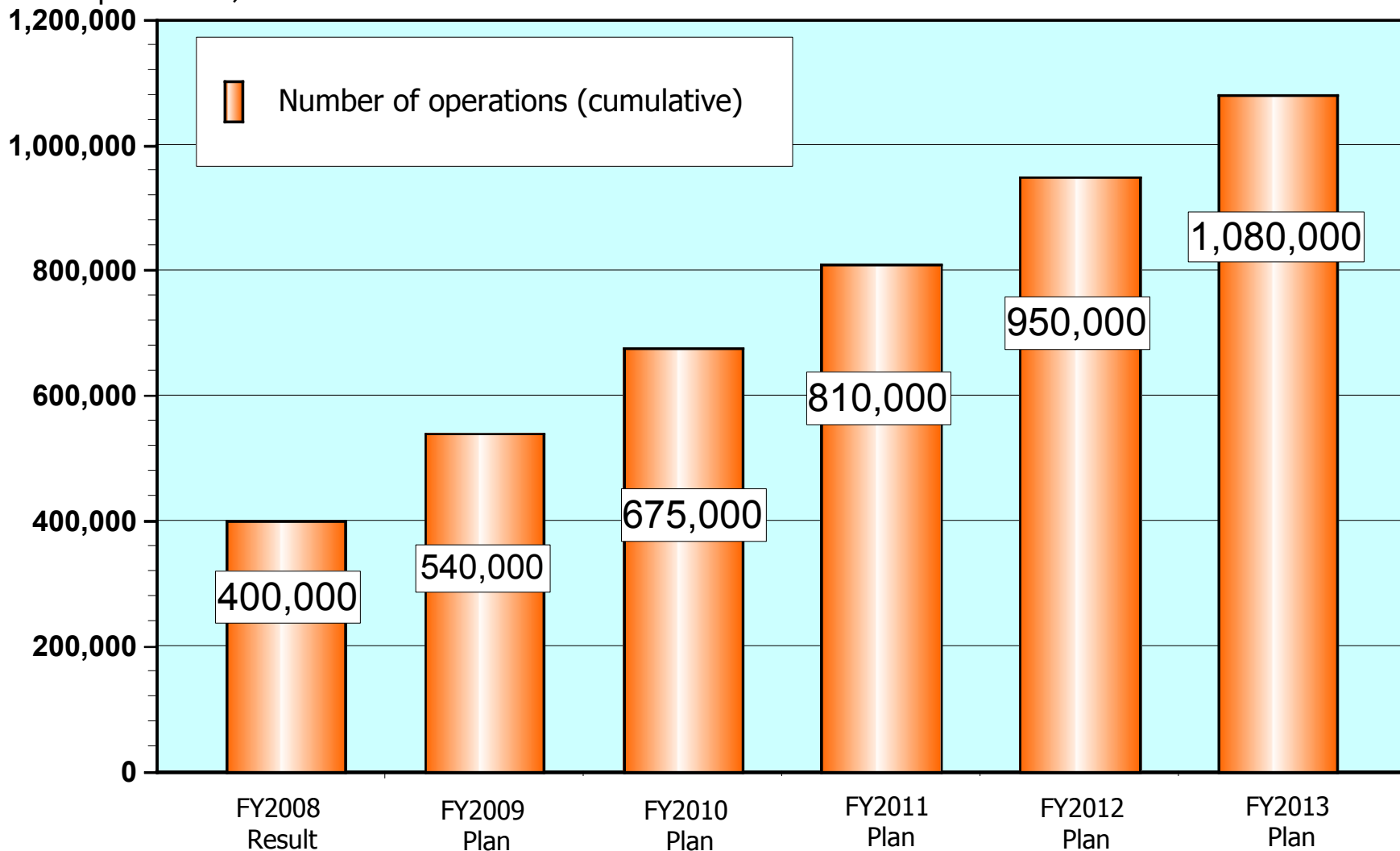


	FY2008 plan	FY2009 plan	FY2010 plan	FY2011 plan	FY2012 plan	FY2013 plan
Previous plan (kit products)	14,250	17,650	21,450	25,750		
New plan (kit products)	(*) 13,244	15,220	17,540	20,090	22,980	26,280
Previous plan (Operamaster)	8,340	12,530	17,450	23,150		
New plan (Operamaster)	(*) 5,951	8,300	10,671	13,441	16,549	20,086

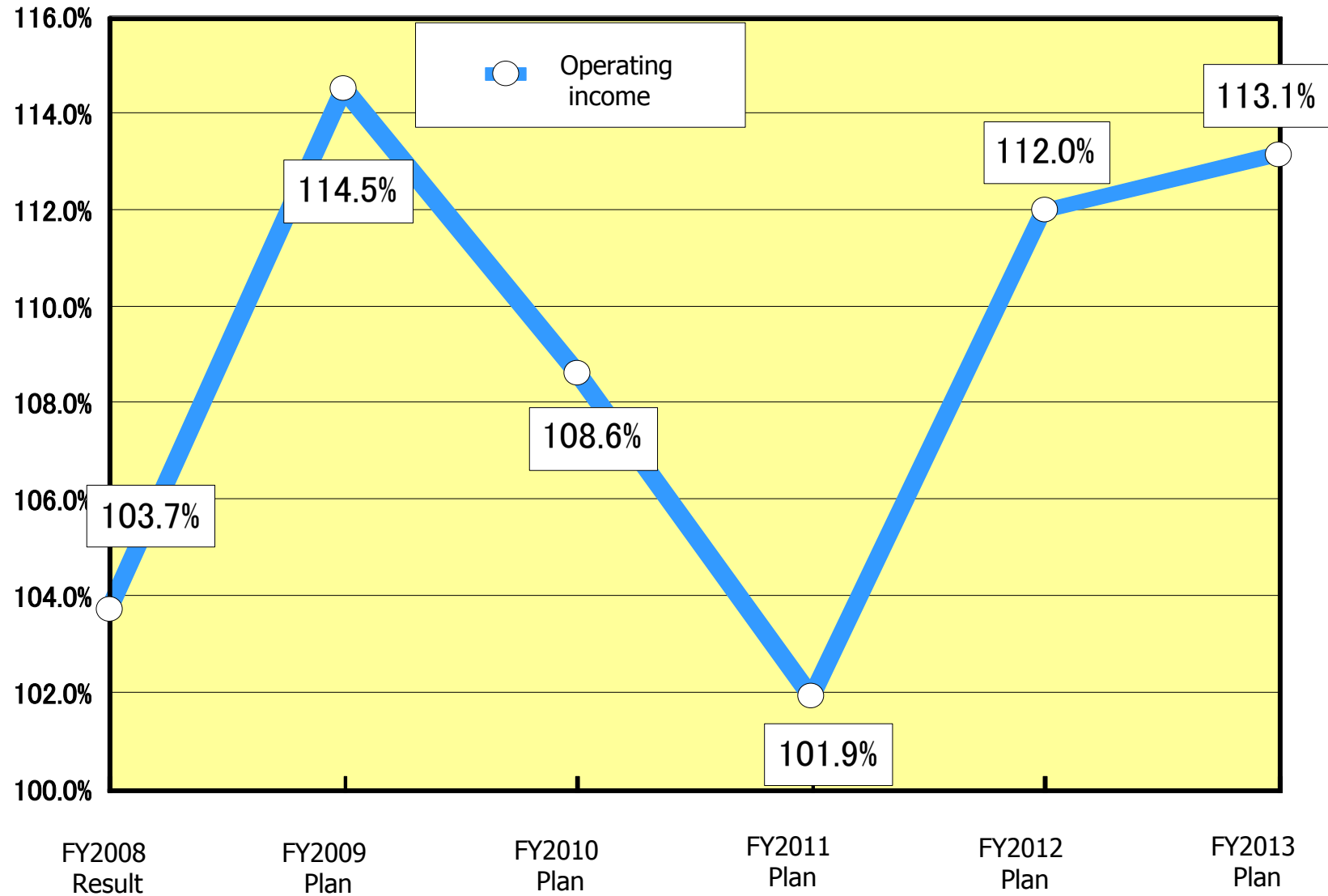
(*) ...Actual result

Operations Performed through Operamaster Contracts (Plan)

(No. of operations)

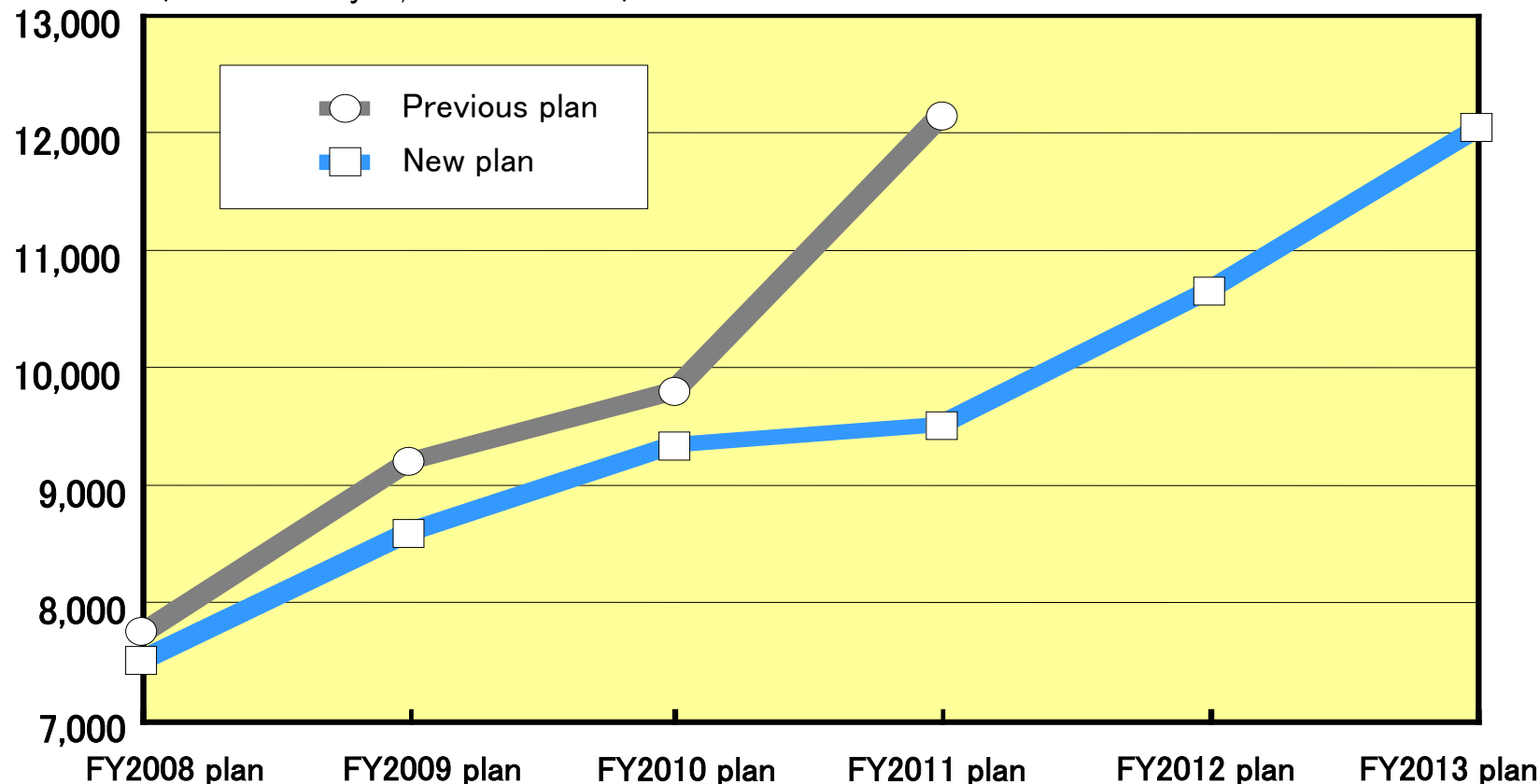


Operating Income Growth Rate



Comparison with Previous Announcement (Operating Income)

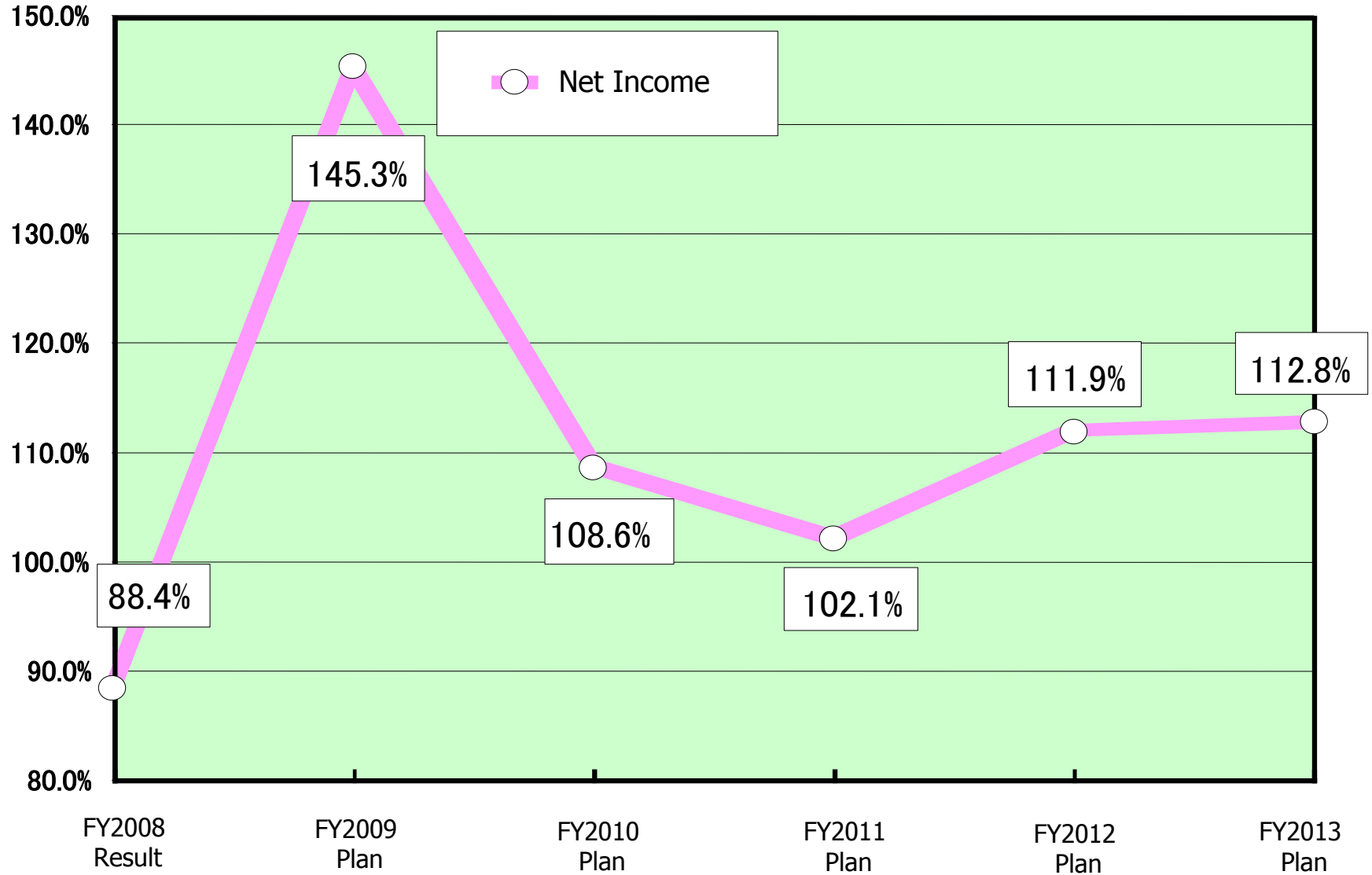
(Unit: million yen, rounded down)



	FY2008 plan	FY2009 plan	FY2010 plan	FY2011 plan	FY2012 plan	FY2013 plan
Previous plan	7,750	9,200	9,800	12,150		
New plan	(*) 7,501	8,590	9,330	9,510	10,650	12,050

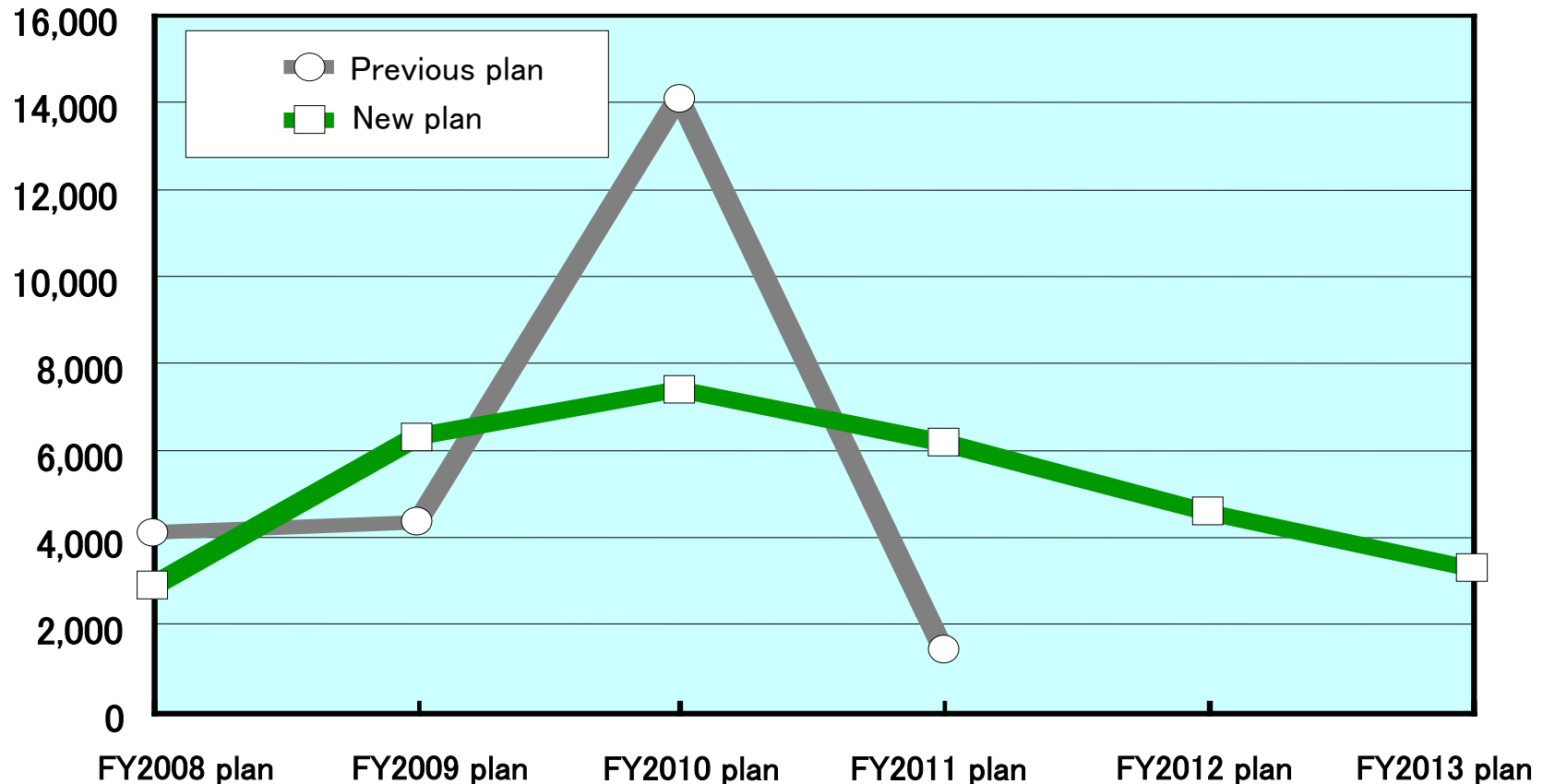
(*) ... Actual result

Net Income Growth Rate



Comparison with Previous Announcement (Capital Investments)

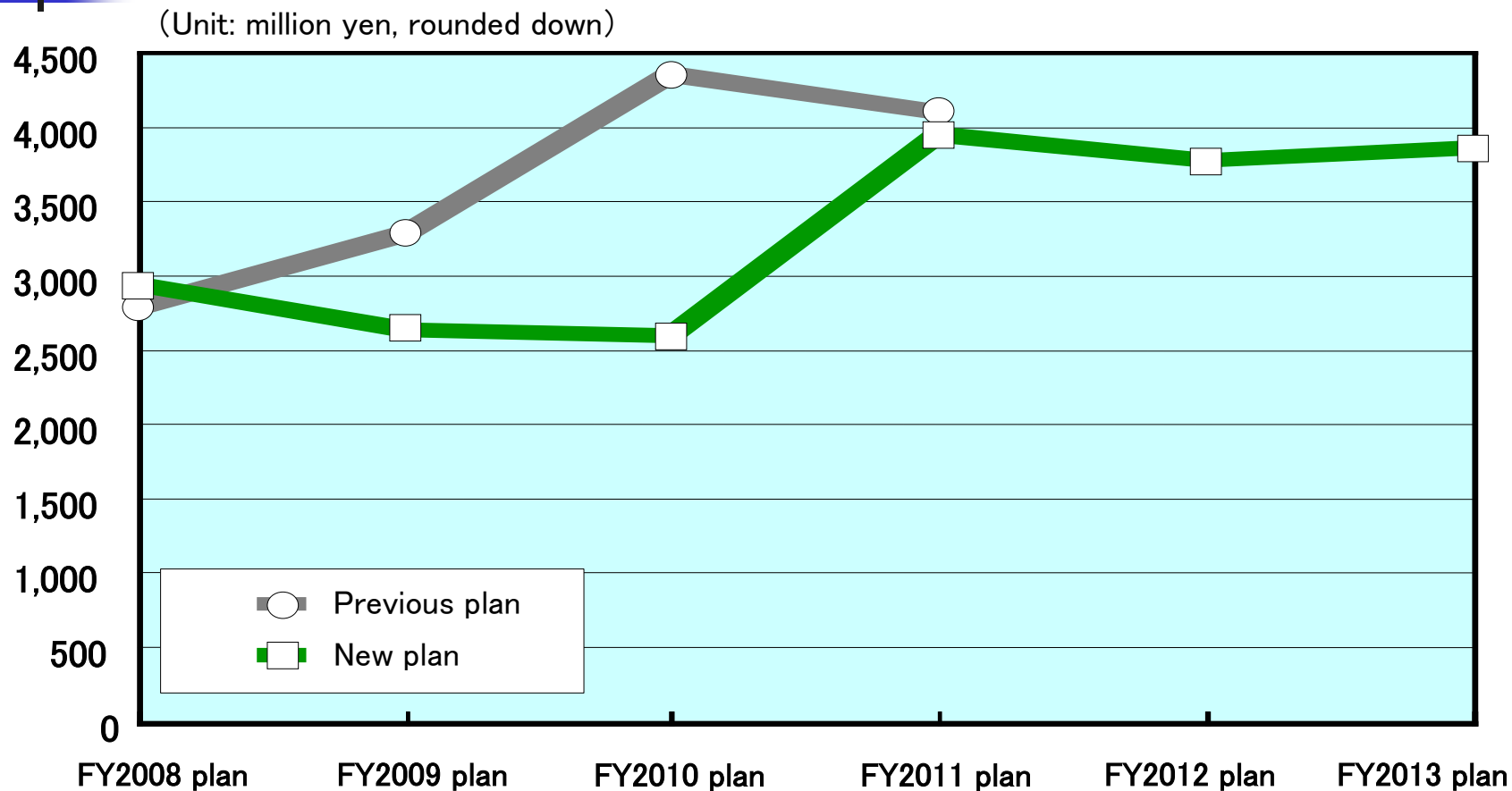
(Unit: million yen, rounded down)



	FY2008 plan	FY2009 plan	FY2010 plan	FY2011 plan	FY2012 plan	FY2013 plan
Previous plan	4,120	4,390	14,100	1,440		
New plan	(*) 2,893	6,300	7,400	6,200	4,600	3,300

(*) ...Actual result

Comparison with Previous Announcement (Depreciation)



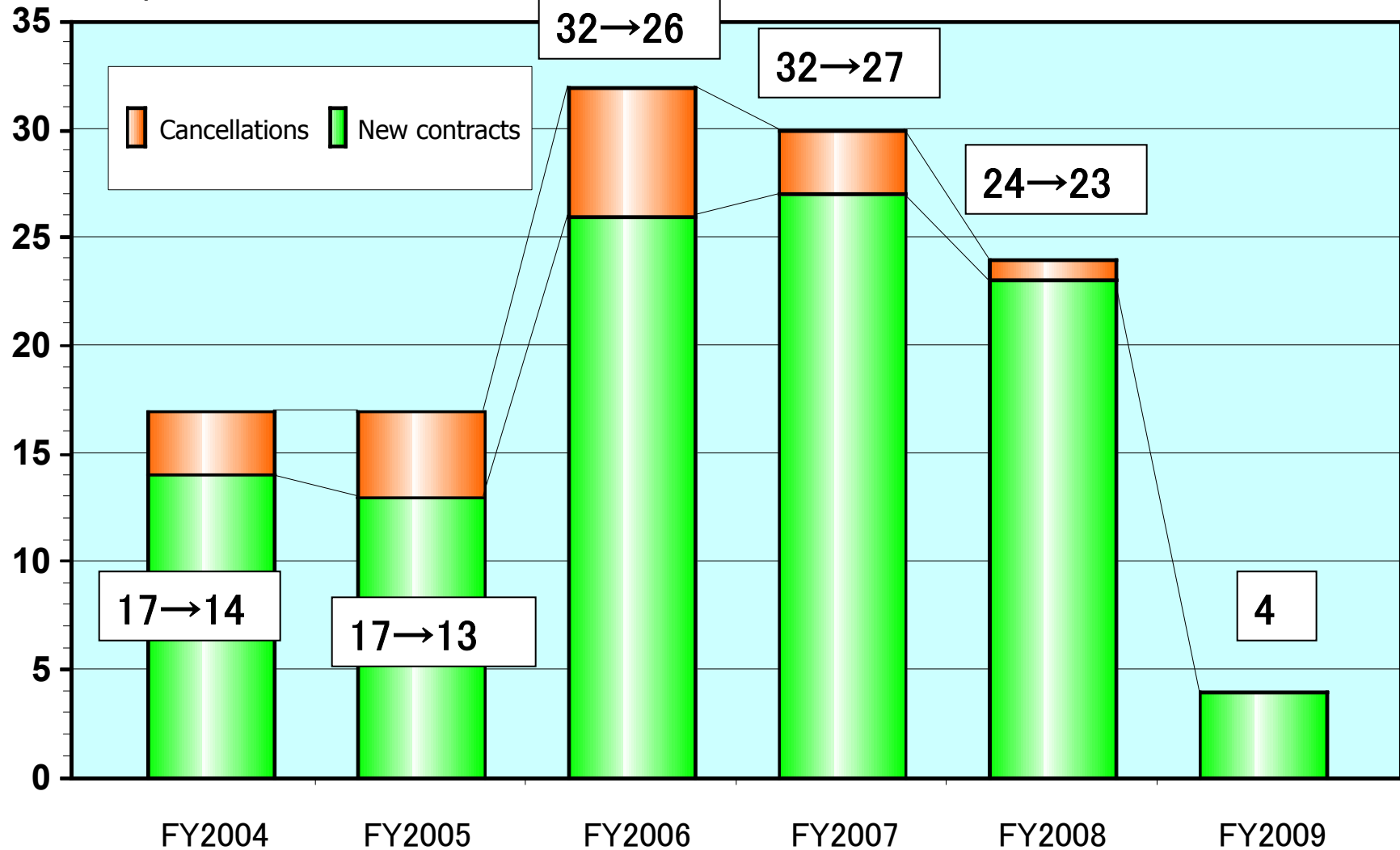
	FY2008 plan	FY2009 plan	FY2010 plan	FY2011 plan	FY2012 plan	FY2013 plan
Previous plan	2,792	3,287	4,356	4,112		
New plan	(*) 2,936	2,650	2,590	3,950	3,770	3,860

(*) ...Actual result

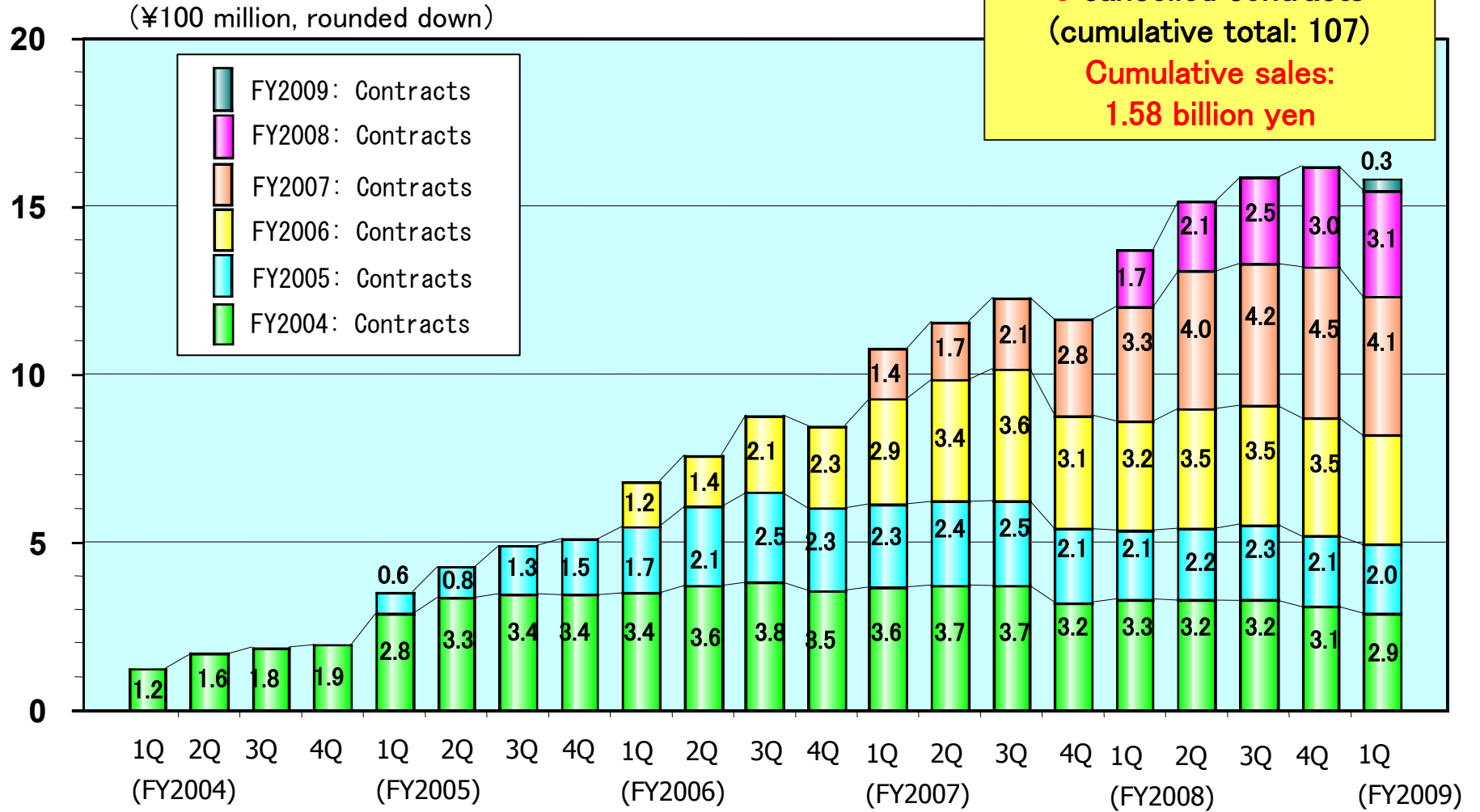
Supplementary Materials

Status of Operamaster Contracts in Force

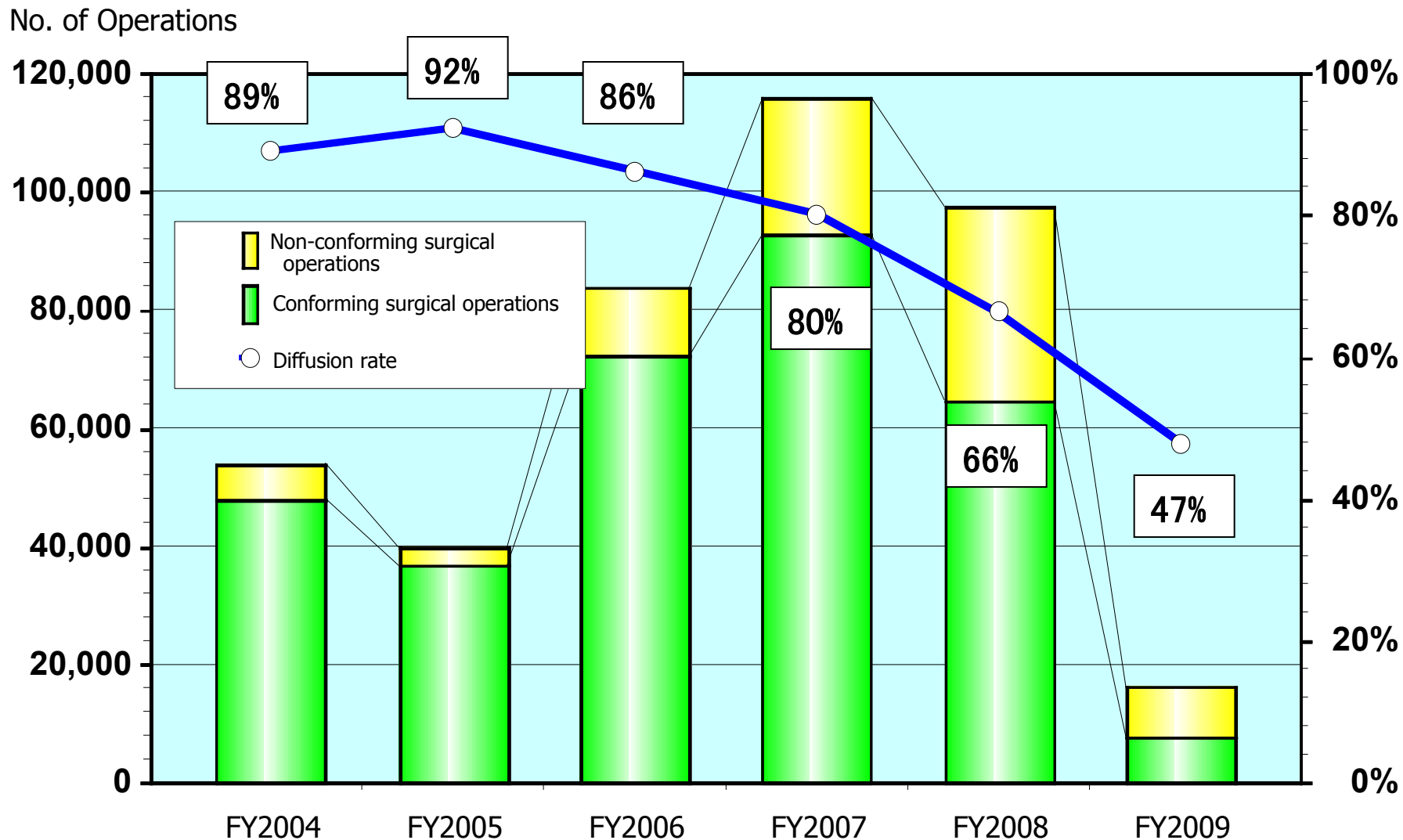
No. of hospitals



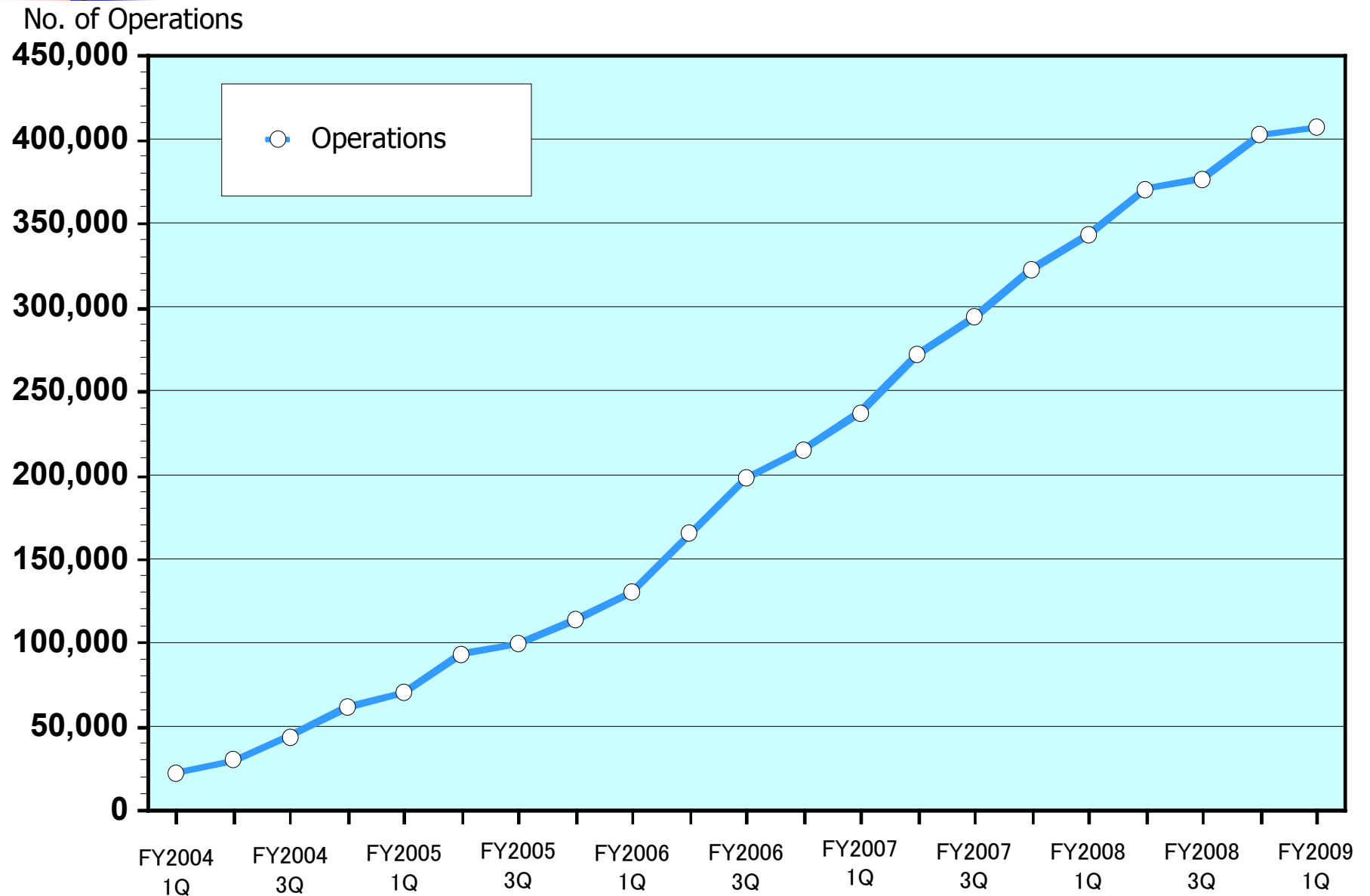
Sales of Operamaster



Operamaster-Diffusion Rate and Number of Operations



Number of Operamaster Operations



Operamaster-Contracted Hospitals Breakdown by size

