



# The Nine Months Ended December 31, 2011 Supplementary Materials

**HOGY MEDICAL Co., Ltd.**

**January 19, 2012**

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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 2011 Statements of Income (Consolidated)

### First Half

¥ millions, rounded down

	Sept. 2011 Interim Results		Sept. 2010 Interim Results		Year-on-Year Comparison		Sept. 2011 Interim Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	15,835	100.0	15,653	100.0	182	101.2	15,390	0.0	445	102.9
Cost of Sales	7,745	48.9	7,425	47.4	319	104.3	7,700	50.0	45	100.6
<b>Gross profit</b>	<b>8,090</b>	<b>51.1</b>	<b>8,227</b>	<b>52.6</b>	<b>△ 137</b>	<b>98.3</b>	<b>7,690</b>	<b>50.0</b>	<b>400</b>	<b>105.2</b>
SG&A expenses	4,089	25.8	3,932	25.1	156	104.0	4,190	27.2	△ 100	97.6
<b>Operating income</b>	<b>4,000</b>	<b>25.3</b>	<b>4,294</b>	<b>27.4</b>	<b>△ 294</b>	<b>93.2</b>	<b>3,500</b>	<b>22.7</b>	<b>500</b>	<b>114.3</b>
Other income	76		70		5		65		11	
Other expenses	97		156		△ 59		17		80	
<b>Ordinary income</b>	<b>3,979</b>	<b>25.1</b>	<b>4,208</b>	<b>26.9</b>	<b>△ 228</b>	<b>94.6</b>	<b>3,548</b>	<b>23.1</b>	<b>431</b>	<b>112.2</b>
Extraordinary income	0		11		△ 10		-		0	
Extraordinary expenses	2		46		△ 44		10		△ 7	
<b>Income before income taxes and minority interests</b>	<b>3,977</b>	<b>25.1</b>	<b>4,173</b>	<b>26.7</b>	<b>△ 195</b>	<b>95.3</b>	<b>3,538</b>	<b>23.0</b>	<b>439</b>	<b>112.4</b>
Corporation tax, etc.	1,607		1,655		△ 47		1,396		211	
(Tax burden)	40.4%		39.7%				39.5%			
Minority interests	0		0		△ 0		1		△ 0	
<b>Net income</b>	<b>2,369</b>	<b>15.0</b>	<b>2,517</b>	<b>16.1</b>	<b>△ 147</b>	<b>94.1</b>	<b>2,141</b>	<b>13.9</b>	<b>228</b>	<b>110.7</b>
EPS (total shares)	145.03		154.06				131.02			
EPS (minus treasury shares)	150.67		160.04				136.11			
Number of shares outstanding	16,341,155		16,341,155				16,341,155			
Weighted-average number of shares outstanding (after deducting treasury)	15,730,135		15,730,795				15,730,135			

### Third Quarter

¥ millions, rounded down

	Third Quarter Ended Dec. 2011 Results		Third Quarter Ended Dec. 2010 Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	24,078	100.0	23,891	100.0	186	100.8
Cost of Sales	11,738	48.8	11,265	47.2	472	104.2
<b>Gross profit</b>	<b>12,339</b>	<b>51.2</b>	<b>12,625</b>	<b>52.8</b>	<b>△ 285</b>	<b>97.7</b>
SG&A expenses	6,179	25.7	5,906	24.7	272	104.6
<b>Operating income</b>	<b>6,160</b>	<b>25.6</b>	<b>6,718</b>	<b>28.1</b>	<b>△ 558</b>	<b>91.7</b>
Other income	95		118		△ 23	
Other expenses	87		197		△ 110	
<b>Ordinary income</b>	<b>6,169</b>	<b>25.6</b>	<b>6,640</b>	<b>27.8</b>	<b>△ 471</b>	<b>92.9</b>
Extraordinary income	0		11		△ 11	
Extraordinary expenses	3		112		△ 109	
<b>Income before income taxes and minority interests</b>	<b>6,166</b>	<b>25.6</b>	<b>6,539</b>	<b>27.4</b>	<b>△ 373</b>	<b>94.3</b>
Corporation tax, etc.	2,538		2,598		△ 59	
(Tax burden)	41.2%		39.7%			
Minority interests	0		1		△ 0	
<b>Net income</b>	<b>3,627</b>	<b>15.1</b>	<b>3,940</b>	<b>16.5</b>	<b>△ 312</b>	<b>92.1</b>
EPS (total shares)	221.99		241.12			
EPS (minus treasury shares)	230.61		250.47			
Number of shares outstanding	16,341,155		16,341,155			
Weighted-average number of shares outstanding (after deducting treasury)	15,730,101		15,730,727			

### Full Year

¥ millions, rounded down

	Fiscal 2011 Revised Plan		Fiscal 2010 Results		Year-on-Year Comparison		Fiscal 2011 Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	31,460	100.0	31,311	100.0	148	100.5	30,700	100.0	760	102.5
Cost of Sales	15,500	49.3	14,829	47.4	670	104.5	15,500	50.5	-	100.0
<b>Gross profit</b>	<b>15,960</b>	<b>50.7</b>	<b>16,482</b>	<b>52.6</b>	<b>△ 522</b>	<b>96.8</b>	<b>15,200</b>	<b>49.5</b>	<b>760</b>	<b>105.0</b>
SG&A expenses	8,580	27.3	7,880	25.2	699	108.9	8,300	27.0	280	103.4
<b>Operating income</b>	<b>7,380</b>	<b>23.5</b>	<b>8,601</b>	<b>27.5</b>	<b>△ 1,221</b>	<b>85.8</b>	<b>6,900</b>	<b>22.5</b>	<b>480</b>	<b>107.0</b>
Other income	110		134		△ 24		100		10	
Other expenses	90		174		△ 84		30		60	
<b>Ordinary income</b>	<b>7,400</b>	<b>23.5</b>	<b>8,561</b>	<b>27.3</b>	<b>△ 1,161</b>	<b>86.4</b>	<b>6,970</b>	<b>22.7</b>	<b>430</b>	<b>106.2</b>
Extraordinary income	-		117		△ 117		-		-	
Extraordinary expenses	10		1,203		△ 1,193		20		△ 10	
<b>Income before income taxes and minority interests</b>	<b>7,390</b>	<b>23.5</b>	<b>7,475</b>	<b>23.9</b>	<b>△ 85</b>	<b>98.9</b>	<b>6,950</b>	<b>22.6</b>	<b>440</b>	<b>106.3</b>
Corporation tax, etc.	3,039		3,020		18		2,748		291	
(Tax burden)	41.1%		40.4%				39.5%			
Minority interests	1		1		△ 0		2		△ 1	
<b>Net income</b>	<b>4,350</b>	<b>13.8</b>	<b>4,453</b>	<b>14.2</b>	<b>△ 103</b>	<b>97.7</b>	<b>4,200</b>	<b>13.7</b>	<b>150</b>	<b>103.6</b>
EPS (total shares)	266.20		272.52				257.02			
EPS (minus treasury shares)	276.54		283.10				267.00			
Number of shares outstanding	16,341,155		16,341,155				16,341,155			
Weighted-average number of shares outstanding (after deducting treasury)	15,730,021		15,730,617				15,730,200			

## Fiscal 2011 Sales by Product Grouping (Consolidated)

### First Half

¥ millions, rounded down

	Sept. 2011 Interim Results		Sept. 2010 Interim Results		Year-on-Year Comparison		Sept. 2011 Interim Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Sterilization products	1,754	11.1	1,877	12.0	△ 122	93.5	1,745	11.3	9	100.5
Surgical products	13,489	85.2	13,287	84.9	202	101.5	13,178	85.6	311	102.4
Treatment products	120	0.8	117	0.8	3	102.6	107	0.7	13	113.0
Others	470	3.0	370	2.4	99	126.9	359	2.3	110	130.8
<b>Total</b>	<b>15,835</b>	<b>100.0</b>	<b>15,653</b>	<b>100.0</b>	<b>182</b>	<b>101.2</b>	<b>15,390</b>	<b>100.0</b>	<b>445</b>	<b>102.9</b>
<b>Itemized surgical products</b>										
Non-woven products	5,367	33.9	5,507	35.2	△ 139	97.5	5,310	34.5	57	101.1
Other non-woven products	606	3.8	590	3.8	16	102.8	570	3.7	36	106.5
Kit products	7,481	47.2	7,159	45.7	321	104.5	7,270	47.2	211	102.9
Steel instruments	34	0.2	30	0.2	3	111.3	28	0.2	5	120.1
<b>Itemized external sales by subsidiary</b>										
Sontara	30		25		5		30		0	
Others(PT.HOGY)	22		17		5		20		2	

### Third Quarter

¥ millions, rounded down

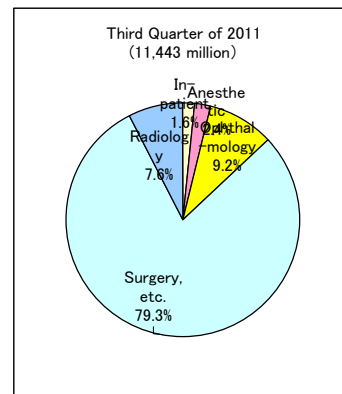
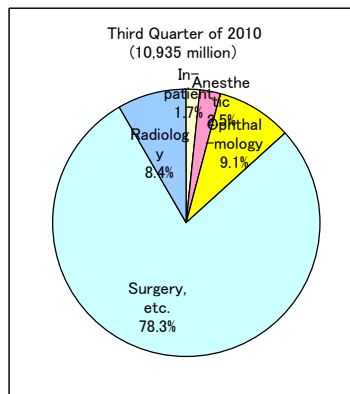
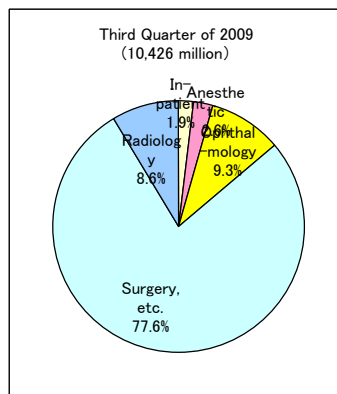
	Third Quarter Ended Dec. 2011 Results		Third Quarter Ended Dec. 2010 Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Sterilization products	2,674	11.1	2,854	11.9	△ 180	93.7
Surgical products	20,565	85.4	20,293	84.9	272	101.3
Treatment products	181	0.8	179	0.8	2	101.1
Others	656	2.7	564	2.4	92	116.4
<b>Total</b>	<b>24,078</b>	<b>100.0</b>	<b>23,891</b>	<b>100.0</b>	<b>186</b>	<b>100.8</b>
<b>Itemized surgical products</b>						
Non-woven products	8,130	33.8	8,383	35.1	△ 253	97.0
Other non-woven products	944	3.9	927	3.9	16	101.8
Kit products	11,443	47.5	10,935	45.8	507	104.6
Steel instruments	48	0.2	46	0.2	1	104.0
<b>Itemized external sales by subsidiary</b>						
Sontara	48		37		10	
Others(PT.HOGY)	32		27		5	

### Full Year

¥ millions, rounded down

	Fiscal 2011 Revised Plan		Fiscal 2010 Results		Year-on-Year Comparison		Fiscal 2011 Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Sterilization products	3,515	11.2	3,790	12.1	△ 274	92.8	3,500	11.4	15	100.4
Surgical products	26,875	85.4	26,550	84.8	324	101.2	26,256	85.5	618	102.4
Treatment products	233	0.7	233	0.7	0	100.0	214	0.7	19	108.9
Others	835	2.7	737	2.4	98	113.3	728	2.4	107	114.7
<b>Total</b>	<b>31,460</b>	<b>100.0</b>	<b>31,311</b>	<b>100.0</b>	<b>148</b>	<b>100.5</b>	<b>30,700</b>	<b>100.0</b>	<b>760</b>	<b>102.5</b>
<b>Itemized surgical products</b>										
Non-woven products	10,622	33.8	10,860	34.7	△ 237	97.8	10,500	34.2	122	101.2
Other non-woven products	1,224	3.9	1,248	4.0	△ 24	98.0	1,150	3.7	74	106.5
Kit products	14,966	47.6	14,379	45.9	586	104.1	14,550	47.4	416	102.9
Steel instruments	62	0.2	61	0.2	0	101.2	56	0.2	5	109.2
<b>Itemized external sales by subsidiary</b>										
Sontara	71		46		24		100		△ 28	
Others(PT.HOGY)	48		36		11		50		△ 1	

### Sales Composition by Kit Treatment Category



## Fiscal 2011 Itemized SG&A Expenses and Other Income/Expenses (Consolidated)

### SG&A Expenses

¥ millions, rounded down

	Third Quarter Ended Dec. 2011 Results	Third Quarter Ended Dec. 2010 Results	Year-on-Year Comparison
Packaging and transportation	633	622	11
Losses on doubtful accounts	–	–	–
Samples	330	238	91
Advertising	49	68	△ 19
Personnel	2,688	2,649	38
Travel	344	346	△ 1
Communication	116	90	25
Consumables	62	71	△ 8
Taxes and public charges	157	144	12
Depreciation	518	473	44
Testing and research	277	232	44
Land and housing rent	350	356	△ 5
Miscellaneous	257	248	8
Others	392	362	30
<b>Total</b>	<b>6,179</b>	<b>5,906</b>	<b>272</b>

### Other Income/Expenses

¥ millions, rounded down

	Third Quarter Ended Dec. 2011 Results	Third Quarter Ended Dec. 2010 Results	Year-on-Year Comparison
Interest received	2	2	△ 0
Interest on negotiable securities	–	–	–
Dividend received	55	51	3
(Total financial earnings)	57	54	2
Foreign exchange gain	–	–	–
Miscellaneous income	38	64	△ 26
<b>Total Other income</b>	<b>95</b>	<b>118</b>	<b>△ 23</b>
Paid interest	5	16	△ 11
(Total financial expenses)	5	16	△ 11
Foreign exchange loss	81	178	△ 97
Miscellaneous losses	0	1	△ 1
<b>Total non-operating expenses</b>	<b>87</b>	<b>197</b>	<b>△ 110</b>

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, 2011	Change		Balance at Dec. 31, 2011	Change
<b>Current assets</b>	35,257	1,744	<b>Current liabilities</b>	6,289	△ 2,032
Cash and bank deposits	18,958	453	Notes and accounts payable	3,633	295
Notes and accounts receivable	10,377	1,285	Accrued expenses	329	△ 251
Short-term investments	-	-	Long-term loans due within 1 year	-	△ 925
Inventories	5,191	248	Income taxes	1,070	△ 506
Others	730	△ 243	Allowance for employees' bonuses	133	△ 273
			Payable notes for equipment	166	△ 213
			Reserve for disaster loss	407	△ 283
			Others	547	124
<b>Fixed assets</b>	34,964	△ 1,356	<b>Long-term liabilities</b>	1,000	187
Property, plant and equipment	30,052	△ 1,466	Long-term loans	-	-
Buildings and structures	12,720	△ 581	Others	1,000	187
Machinery, equipment and vehic	6,671	2,452	<b>Total liabilities</b>	7,290	△ 1,845
Land	9,357	△ 18	<b>Total net assets</b>	62,931	2,233
Construction in progress	980	△ 3,302	Common stock	7,123	-
Others	321	△ 15	Capital surplus	8,336	-
Intangibles	1,073	184	Retained earnings	52,115	2,605
Investments and others	3,839	△ 74	Treasury stock	△ 3,317	△ 0
Investments securities	2,182	△ 74	Others	△ 1,326	△ 371
Others	1,656	△ 0			
<b>Total assets</b>	70,222	387	<b>Total liabilities and shareholders' equity</b>	70,222	387

\* Comparison with end of previous fiscal year:

Equity ratio increased from 86.9% at the end of the previous fiscal year to 89.6%.

Comments on change in central items

Notes and accounts receivable Increase in operating income

Buildings and structures Due to depreciation

Machinery and vehicles Sterlizaion Center

Construction in progress Sterlizaion Center

Long-term loans due within 1 year

Retained earnings

Repaid during period

From net profit

Statements of Cash Flows

¥ millions, rounded down

<b>I Operating activities</b>	3,984	Income before income taxes and minority interests	6,166
		Depreciation	2,235
		Increase in notes and accounts receivable	△ 1,309
		Income taxes paid	△ 2,691
<b>II Investing activities</b>	△ 1,524	Capital expenditures	△ 1,185
<b>III Financing activities</b>	△ 1,947	Disposal of treasury stock	△ 1,021
		Long-term loans	△ 925
<b>IV Effect of exchange rate changes</b>	△ 59		
<b>Net changes in cash and cash equivalents</b>	452		

## Fiscal 2011 Statements of Income (First 2 Quarters Results; Non-consolidated)

### First Quarter

¥ millions, rounded down

	Sept. 2011 Interim Results		Sept. 2010 Interim Results		Year-on-Year Comparison		Sept. 2011 Interim Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	15,782	100.0	15,610	100.0	171	101.1	15,340	100.0	442	102.9
Cost of Sales	7,907	50.1	7,658	49.1	248	103.2	7,976	52.0	△ 68	99.1
<b>Gross profit</b>	<b>7,875</b>	<b>49.9</b>	<b>7,951</b>	<b>50.9</b>	<b>△ 76</b>	<b>99.0</b>	<b>7,364</b>	<b>48.0</b>	<b>511</b>	<b>106.9</b>
SG&A expenses	4,086	25.9	3,932	25.2	154	103.9	4,190	27.3	△ 103	97.5
<b>Operating income</b>	<b>3,788</b>	<b>24.0</b>	<b>4,018</b>	<b>25.7</b>	<b>△ 230</b>	<b>94.3</b>	<b>3,174</b>	<b>20.7</b>	<b>614</b>	<b>119.4</b>
Other income	83		86		△ 2		77		6	
Other expenses	94		156		△ 62		10		84	
<b>Ordinary income</b>	<b>3,777</b>	<b>23.9</b>	<b>3,949</b>	<b>25.3</b>	<b>△ 171</b>	<b>95.7</b>	<b>3,241</b>	<b>21.1</b>	<b>536</b>	<b>116.6</b>
Extraordinary income	-		11		△ 11		-		-	
Extraordinary expenses	2		46		△ 44		10		△ 7	
<b>Income before income taxes</b>	<b>3,775</b>	<b>23.9</b>	<b>3,914</b>	<b>25.1</b>	<b>△ 138</b>	<b>96.5</b>	<b>3,231</b>	<b>21.1</b>	<b>544</b>	<b>116.8</b>
Corporation tax, etc.	1,533		1,584		△ 51		1,312		221	
(Tax burden)	40.6%		40.5%				40.6%			
<b>Net income</b>	<b>2,241</b>	<b>14.2</b>	<b>2,329</b>	<b>14.9</b>	<b>△ 87</b>	<b>96.2</b>	<b>1,919</b>	<b>12.5</b>	<b>322</b>	<b>116.8</b>
EPS (total shares)	137.18		142.55				117.43			
EPS (minus treasury shares)	142.51		148.08				122.00			
Number of shares outstanding	16,341,155		16,341,155				16,341,155			
Weighted-average number of share outstanding (after deducting treasury shares)	15,730,135		15,730,795				15,730,135			

### Second Quarter

¥ millions, rounded down

	Third Quarter Ended Dec. 2011 Results		Third Quarter Ended Dec. 2010 Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	23,996	100.0	23,825	100.0	171	100.7
Cost of Sales	11,992	50.0	11,600	48.7	392	103.4
<b>Gross profit</b>	<b>12,003</b>	<b>50.0</b>	<b>12,225</b>	<b>51.3</b>	<b>△ 221</b>	<b>98.2</b>
SG&A expenses	6,164	25.7	5,906	24.8	257	104.4
<b>Operating income</b>	<b>5,839</b>	<b>24.3</b>	<b>6,318</b>	<b>26.5</b>	<b>△ 478</b>	<b>92.4</b>
Other income	108		142		△ 34	
Other expenses	83		197		△ 114	
<b>Ordinary income</b>	<b>5,865</b>	<b>24.4</b>	<b>6,263</b>	<b>26.3</b>	<b>△ 398</b>	<b>93.6</b>
Extraordinary income	0		11		△ 11	
Extraordinary expenses	3		112		△ 109	
<b>Income before income taxes</b>	<b>5,862</b>	<b>24.4</b>	<b>6,162</b>	<b>25.9</b>	<b>△ 300</b>	<b>95.1</b>
Corporation tax, etc.	2,435		2,495		△ 60	
(Tax burden)	41.5%		40.5%			
<b>Net income</b>	<b>3,426</b>	<b>14.3</b>	<b>3,667</b>	<b>15.4</b>	<b>△ 240</b>	<b>93.5</b>

### First Half

¥ millions, rounded down

	Fiscal 2011 Revised Plan		Fiscal 2010 Results		Year-on-Year Comparison		Fiscal 2011 Initial Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	31,340	100.0	31,228	100.0	111	100.4	30,550	100.0	790	102.6
Cost of Sales	15,850	50.6	15,273	48.9	576	103.8	16,000	52.4	△ 150	99.1
<b>Gross profit</b>	<b>15,490</b>	<b>49.4</b>	<b>15,954</b>	<b>51.1</b>	<b>△ 464</b>	<b>97.1</b>	<b>14,550</b>	<b>47.6</b>	<b>940</b>	<b>106.5</b>
SG&A expenses	8,545	27.3	7,880	25.2	664	108.4	8,300	27.2	245	103.0
<b>Operating income</b>	<b>6,945</b>	<b>22.2</b>	<b>8,073</b>	<b>25.9</b>	<b>△ 1,128</b>	<b>86.0</b>	<b>6,250</b>	<b>20.5</b>	<b>695</b>	<b>111.1</b>
Other income	180		218		△ 38		190		△ 10	
Other expenses	82		176		△ 94		20		62	
<b>Ordinary income</b>	<b>7,043</b>	<b>22.5</b>	<b>8,115</b>	<b>26.0</b>	<b>△ 1,072</b>	<b>86.8</b>	<b>6,420</b>	<b>21.0</b>	<b>623</b>	<b>109.7</b>
Extraordinary income	-		117		△ 117		-		-	
Extraordinary expenses	10		1,203		△ 1,193		20		△ 10	
<b>Income before income taxes</b>	<b>7,033</b>	<b>22.4</b>	<b>7,028</b>	<b>22.5</b>	<b>4</b>	<b>100.1</b>	<b>6,400</b>	<b>20.9</b>	<b>633</b>	<b>109.9</b>
Corporation tax, etc.	2,913		2,879		33		2,600		313	
(Tax burden)	41.4%		41.0%				40.6%			
<b>Net income</b>	<b>4,120</b>	<b>13.1</b>	<b>4,148</b>	<b>13.3</b>	<b>△ 28</b>	<b>99.3</b>	<b>3,800</b>	<b>12.4</b>	<b>320</b>	<b>108.4</b>
EPS (total shares)	252.12		253.89				232.54			
EPS (minus treasury shares)	261.92		263.75				241.57			
Number of shares outstanding	16,341,155		16,341,155				16,341,155			
Weighted-average number of share outstanding (after deducting treasury shares)	15,730,021		15,730,617				15,730,200			