



1st Quarter of Fiscal 2012 Supplementary Materials

HOGY MEDICAL Co., Ltd.

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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 (Actual and Forecast, Consolidated)

First Quarter

¥ millions, rounded down

	June 2012 1st Quarter Results		June 2011 1st Quarter Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	8,040	100.0	7,838	100.0	202	102.6
Cost of Sales	3,940	49.0	3,643	46.5	296	108.1
Gross profit	4,100	51.0	4,194	53.5	△ 94	97.8
SG&A expenses	2,082	25.9	2,006	25.6	76	103.8
Operating income	2,018	25.1	2,188	27.9	△ 170	92.2
Other income	32		37		△ 5	
Other expenses	31		33		△ 1	
Ordinary income	2,018	25.1	2,193	28.0	△ 174	92.0
Extraordinary income	3		0		3	
Extraordinary expenses	0		0		0	
Income before income taxes and minority interests	2,022	25.2	2,193	28.0	△ 171	92.2
Corporation tax, etc.	758		872		△ 114	
(Tax burden)	37.5%		39.8%			
Minority interests	0		0		△ 0	
Net income	1,264	15.7	1,320	16.8	△ 56	95.7

EPS (total shares)	77.35	80.80
EPS (minus treasury shares)	80.36	83.94
Number of shares outstanding	16,341,155	16,341,155
Average number of shares outstanding (after deducting treasury shares)	15,729,900	15,730,180

Second Quarter

¥ millions, rounded down

	Sept. 2012 Plan		Sept. 2011 Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	8,219	100.0	7,997	100.0	221	102.8
Cost of Sales	3,824	46.5	4,101	51.3	△ 277	93.2
Gross profit	4,394	53.5	3,895	48.7	499	112.8
SG&A expenses	2,167	26.4	2,083	26.1	84	104.0
Operating income	2,226	27.1	1,811	22.7	414	122.9
Other income	17		38		△ 20	
Other expenses	△ 11		63		△ 75	
Ordinary income	2,256	27.5	1,786	22.3	469	126.3
Extraordinary income	△ 3		△ 0		△ 3	
Extraordinary expenses	△ 0		2		△ 2	
Income before income taxes and minority interests	2,252	27.4	1,784	22.3	468	126.2
Corporation tax, etc.	841		734		107	
(Tax burden)	37.4%		41.2%			
Minority interests	0		0		0	
Net income	1,409	17.2	1,049	13.1	360	134.3

First Half

¥ millions, rounded down

	Sept. 2012 Interim Plan		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	16,260	100.0	15,835	100.0	424	102.7	16,260	100.0	-	100.0
Cost of Sales	7,765	47.8	7,745	48.9	19	100.3	7,765	47.8	-	100.0
Gross profit	8,495	52.2	8,090	51.1	404	105.0	8,495	52.2	-	100.0
SG&A expenses	4,250	26.1	4,089	25.8	160	103.9	4,250	26.1	-	100.0
Operating income	4,245	26.1	4,000	25.3	244	106.1	4,245	26.1	-	100.0
Other income	50		76		△ 26		50		-	
Other expenses	20		97		△ 77		20		-	
Ordinary income	4,275	26.3	3,979	25.1	295	107.4	4,275	26.3	-	100.0
Extraordinary income	-		0		△ 0		-		-	
Extraordinary expenses	-		2		△ 2		-		-	
Income before income taxes and minority interests	4,275	26.3	3,977	25.1	297	107.5	4,275	26.3	-	100.0
Corporation tax, etc.	1,600		1,607		△ 7		1,600		-	
(Tax burden)	37.4%		40.4%				37.4%		-	
Minority interests	1		0		0		1		-	
Net income	2,674	16.4	2,369	15.0	304	112.8	2,674	16.4	-	100.0

EPS (total shares)	163.64	145.03	163.64
EPS (minus treasury shares)	170.00	150.67	170.00
Number of shares outstanding	16,341,155	16,341,155	16,341,155
Average number of shares outstanding (after deducting treasury shares)	15,729,762	15,730,135	15,729,762

Fiscal 2012 Sales Results and Plan by Product Line (Consolidated)

First Quarter

¥ millions, rounded down

	June 2012 1st Quarter Results		June 2011 1st Quarter Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Sterilization products	898	11.2%	853	10.9%	45	105.3%
Surgical products	6,885	85.6%	6,745	86.1%	140	102.1%
Treatment products	57	0.7%	60	0.8%	△ 2	95.1%
Others	198	2.5%	179	2.3%	19	110.9%
Total	8,040	100.0%	7,838	100.0%	202	102.6%

Itemized surgical products

Non-woven products	2,636	32.8%	2,729	34.8%	△ 93	96.6%
Other non-woven products	326	4.1%	300	3.8%	25	108.4%
Kit products	3,909	48.6%	3,698	47.2%	210	105.7%
Steel instruments	14	0.2%	16	0.2%	△ 2	85.6%

Itemized external sales by subsidiary

Non-woven products	21		14		6	
Others	16		7		8	

Second Quarter

¥ millions, rounded down

	Sept. 2012 Plan		Sept. 2011 Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Sterilization products	814	9.9%	901	11.3%	△ 86	90.4%
Surgical products	7,141	86.9%	6,744	84.3%	396	105.9%
Treatment products	56	0.7%	60	0.8%	△ 3	94.6%
Others	206	2.5%	290	3.6%	△ 84	70.9%
Total	8,219	100.0%	7,997	100.0%	221	102.8%

Itemized surgical products

Non-woven products	2,596	31.6%	2,638	33.0%	△ 41	98.4%
Other non-woven products	302	3.7%	305	3.8%	△ 3	98.9%
Kit products	4,223	51.4%	3,783	47.3%	440	111.7%
Steel instruments	17	0.2%	17	0.2%	0	101.0%

Itemized external sales by subsidiary

Non-woven products	26		16		10	
Others	3		14		△ 11	

First Half

¥ millions, rounded down

	Sept. 2012 Interim Plan		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	1,713	10.5%	1,754	11.1%	△ 41	97.6%	1,713	10.5%	-	100.0%
Surgical products	14,026	86.3%	13,489	85.2%	536	104.0%	14,026	86.3%	-	100.0%
Treatment products	114	0.7%	120	0.8%	△ 6	94.8%	114	0.7%	-	100.0%
Others	405	2.5%	470	3.0%	△ 65	86.2%	405	2.5%	-	100.0%
Total	16,260	100.0%	15,835	100.0%	424	102.7%	16,260	100.0%	-	100.0%

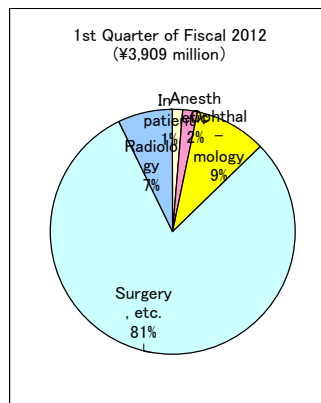
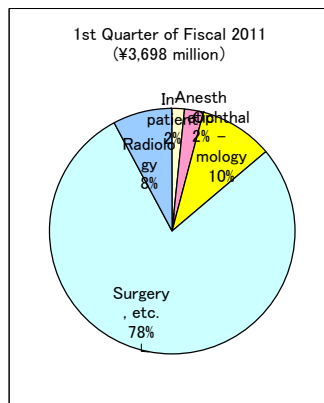
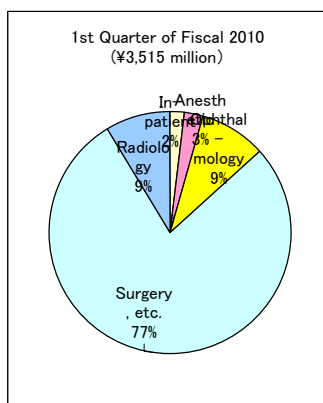
Itemized surgical products

Non-woven products	5,233	32.2%	5,367	33.9%	△ 134	97.5%	5,233	32.2%	-	100.0%
Other non-woven products	629	3.9%	606	3.8%	22	103.6%	629	3.9%	-	100.0%
Kit products	8,133	50.0%	7,481	47.2%	651	108.7%	8,133	50.0%	-	100.0%
Steel instruments	31	0.2%	34	0.2%	△ 2	93.5%	31	0.2%	-	100.0%

Itemized external sales by subsidiary

Non-woven products	48		30		17		48		-	
Others	20		22		△ 2		20		-	

Sales Composition by Kit Treatment Category



SG&A and Other Income / Expenses (Actual and Forecast, Consolidated)

SG&A Expenses

¥ millions, rounded down

	June 2012 1st Quarter Results	June 2011 1st Quarter Results	Year-on-Year Comparison
Packaging and transportation	219	211	8
Losses on doubtful accounts	-	-	-
Samples	97	130	△ 32
Advertising	13	9	3
Personnel	901	879	22
Travel	125	108	17
Communication	44	34	9
Consumables	25	20	5
Taxes and public charges	54	55	△ 1
Depreciation	188	157	31
Testing and research	84	87	△ 3
Land and housing rent	116	118	△ 1
Miscellaneous	64	73	△ 8
Others	145	120	25
Total	2,082	2,006	76

Other Income/Expenses

¥ millions, rounded down

	June 2012 1st Quarter Results	June 2011 1st Quarter Results	Year-on-Year Comparison
Interest received	0	0	0
Dividend received	21	25	△ 4
(Total financial earnings)	22	26	△ 3
Miscellaneous income	9	11	△ 1
Total Other income	32	37	△ 5
Paid interest	-	2	△ 2
(Total financial expenses)	-	2	△ 2
Foreign exchange loss	31	30	1
Miscellaneous losses	0	0	0
Total non-operating expenses	31	33	△ 1

Major Changes on Balance Sheets / Statements of Cash Flows (Consolidated)

Major Changes on Balance Sheets

¥ millions, rounded down

	Balance at June 30, 2012	Change		Balance at June 30, 2012	Change
Current assets	36,755	289	Current liabilities	6,954	△ 651
Cash and bank deposits	19,537	△ 72	Notes and accounts payable	3,849	133
Notes and accounts receivable	10,410	53	Accrued expenses	227	△ 525
Short-term investments	-	-	Long-term loans due within 1 year	-	-
Inventories	5,888	376	Income taxes	784	△ 1,016
Others	919	△ 67	Allowance for employees' bonuses	248	△ 245
			Payable notes for equipment	590	110
			Reserve for disaster loss	-	-
			Others	1,253	891
Fixed assets	35,911	△ 144	Long-term liabilities	580	△ 322
Property, plant and equipment	29,394	△ 191	Long-term loans	-	-
Buildings and structures	12,419	△ 132	Others	580	△ 322
Machinery, equipment and vehic	6,093	△ 259	Total liabilities	7,534	△ 974
Land	9,378	16	Total net assets	65,133	1,119
Construction in progress	1,073	91	Common stock	7,123	-
Others	428	92	Capital surplus	8,336	-
Intangibles	1,413	122	Retained earnings	53,653	902
Investments and others	5,104	△ 75	Treasury stock	△ 3,318	△ 0
Investments securities	2,637	9	Others	△ 661	217
Others	2,466	△ 85			
Total assets	72,667	145	Total liabilities and shareholders' equity	72,667	145

* Comparison with end of previous fiscal year:

Equity ratio increased from 88.3% at the end of the previous fiscal year to 89.6%.

Statements of Cash Flows

¥ millions, rounded down

I Operating activities	1,081	Income before income taxes and minority interests	2,022
		Depreciation	693
		Income taxes paid	△ 1,754
II Investing activities	△ 852	Capital expenditures	△ 679
III Financing activities	△ 362	Cash dividends paid	△ 361
IV Effect of exchange rate changes	60		
Net changes in cash and cash equivalents	△ 72		

Fiscal 2012 Statements of Income (Actual and Forecast, Non-Consolidated)

First Quarter

¥ millions, rounded down

	June 2012 1st Quarter Results		June 2011 1st Quarter Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	8,003	100.0	7,816	100.0	186	102.4
Cost of Sales	4,031	50.4	3,752	48.0	278	107.4
Gross profit	3,971	49.6	4,064	52.0	△ 92	97.7
SG&A expenses	2,068	25.8	2,006	25.7	62	103.1
Operating income	1,903	23.8	2,057	26.3	△ 154	92.5
Other income	37		40		△ 2	
Other expenses	30		31		△ 1	
Ordinary income	1,910	23.9	2,066	26.4	△ 156	92.4
Extraordinary income	3		-		3	
Extraordinary expenses	0		0		0	
Income before income taxes and minority interests	1,914	23.9	2,066	26.4	△ 152	92.6
Corporation tax, etc.	727		839		△ 111	
(Tax burden)	38.0%		40.6%			
Net income	1,186	14.8	1,226	15.7	△ 40	96.7
EPS (total shares)	72.60		75.09			
EPS (minus treasury shares)	75.42		78.00			
Number of shares outstanding	16,341,155		16,341,155			
Average number of shares outstanding (after deducting treasury shares)	15,729,900		15,730,180			

Second Quarter

¥ millions, rounded down

	Sept. 2012 Plan		Sept. 2011 Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	8,188	100.0	7,965	100.0	223	102.8
Cost of Sales	4,106	50.1	4,154	52.2	△ 48	98.8
Gross profit	4,082	49.9	3,810	47.8	271	107.1
SG&A expenses	2,141	26.2	2,080	26.1	60	102.9
Operating income	1,940	23.7	1,730	21.7	210	112.2
Other income	21		43		△ 22	
Other expenses	△ 20		62		△ 83	
Ordinary income	1,982	24.2	1,711	21.5	271	115.9
Extraordinary income	△ 3		-		△ 3	
Extraordinary expenses	△ 0		2		△ 2	
Income before income taxes and minority interests	1,978	24.2	1,708	21.5	269	115.8
Corporation tax, etc.	755		694		61	
(Tax burden)	38.2%		40.6%			
Net income	1,223	14.9	1,014	12.7	208	120.6

First Half

¥ millions, rounded down

	Sept. 2012 Interim Plan		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	16,192	100.0	15,782	100.0	409	102.6	16,192	100.0	-	100.0
Cost of Sales	8,138	50.3	7,907	50.1	230	102.9	8,138	50.3	-	100.0
Gross profit	8,054	49.7	7,875	49.9	178	102.3	8,054	49.7	-	100.0
SG&A expenses	4,210	26.0	4,086	25.9	123	103.0	4,210	26.0	-	100.0
Operating income	3,844	23.7	3,788	24.0	55	101.5	3,844	23.7	-	100.0
Other income	59		83		△ 24		59		-	
Other expenses	10		94		△ 84		10		-	
Ordinary income	3,893	24.0	3,777	23.9	115	103.1	3,893	24.0	-	100.0
Extraordinary income	-		-		-		-		-	
Extraordinary expenses	-		2		△ 2		-		-	
Income before income taxes and minority interests	3,893	24.0	3,775	23.9	117	103.1	3,893	24.0	-	100.0
Corporation tax, etc.	1,483		1,533		△ 50		1,483		-	
(Tax burden)	38.1%		40.6%				38.1%		-	
Net income	2,410	14.9	2,241	14.2	168	107.5	2,410	14.9	-	100.0
EPS (total shares)	147.48		137.18				147.48			
EPS (minus treasury shares)	153.21		142.51				153.21			
Number of shares outstanding	16,341,155		16,341,155				16,341,155			
Average number of shares outstanding (after deducting treasury shares)	15,729,762		15,730,135				15,729,762			