



Fiscal 2014 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 2014 Statements of Income (Consolidated)

First Quarter Results

\ millions, rounded down

	June 2014 First Quarter Results		June 2013 First Quarter Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	8,398	100.0	8,371	100.0	26	100.3
Cost of Sales	4,179	49.8	4,122	49.2	56	101.4
Gross profit	4,218	50.2	4,249	50.8	30	99.3
SG&A expenses	2,210	26.3	2,149	25.7	61	102.8
Operating income	2,007	23.9	2,099	25.1	91	95.6
Other income	34		95		60	
Other expenses	26		0		26	
Ordinary income	2,016	24.0	2,194	26.2	178	91.9
Extraordinary income	0		0		0	
Extraordinary expenses	4		0		4	
Income before income taxes and minority interests	2,012	24.0	2,195	26.2	182	91.7
Corporation tax, inhabitants' taxes, etc (Tax burden)	694		819		124	
	34.5%		37.3%			
Minority interests	0		0		0	
Net income	1,317	15.7	1,375	16.4	57	95.8
EPS (total shares)	¥80.64		¥84.19			
EPS (minus treasury shares)	¥83.78		¥87.47			
Number of shares outstanding	16,341,155		16,341,155			
Average number of shares outstanding (after deducting treasury shares)	15,729,140		15,729,526			

Second Quarter

\ millions, rounded down

	Sept. 2014 Interim Results		Sept. 2013 Interim Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	17,237	100.0	17,057	100.0	180	101.1
Cost of Sales	8,703	50.5	8,386	49.2	316	103.8
Gross profit	8,533	49.5	8,670	50.8	136	98.4
SG&A expenses	4,457	25.9	4,350	25.5	107	102.5
Operating income	4,075	23.6	4,320	25.3	244	94.3
Other income	163		151		12	
Other expenses	11		3		8	
Ordinary income	4,227	24.5	4,468	26.2	240	94.6
Extraordinary income	47		0		46	
Extraordinary expenses	6		0		5	
Income before income taxes and minority interests	4,268	24.8	4,468	26.2	199	95.5
Corporation tax, inhabitants' taxes, etc (Tax burden)	1,475		1,665		189	
	34.6%		37.3%			
Minority interests	0		0		0	
Net income	2,792	16.2	2,802	16.4	10	99.6
EPS (total shares)	¥170.91		¥171.53			
EPS (minus treasury shares)	¥177.56		¥178.20			
Number of shares outstanding	16,341,155		16,341,155			
Average number of shares outstanding (after deducting treasury shares)	15,729,102		15,729,414			

Third Quarter Results (Cumulative)

\ millions, rounded down

	Dec. 2014 Third Quarter Results		Dec. 2013 Third Quarter Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	26,532	100.0	26,408	100.0	124	100.5
Cost of Sales	13,374	50.4	12,855	48.7	519	104.0
Gross profit	13,158	49.6	13,553	51.3	394	97.1
SG&A expenses	6,669	25.1	6,662	25.2	6	100.1
Operating income	6,489	24.5	6,890	26.1	401	94.2
Other income	268		327		58	
Other expenses	12		3		9	
Ordinary income	6,744	25.4	7,214	27.3	469	93.5
Extraordinary income	47		97		50	
Extraordinary expenses	6		10		4	
Income before income taxes and minority interests	6,786	25.6	7,300	27.6	514	92.9
Corporation tax, inhabitants' taxes, etc (Tax burden)	2,340		2,718		378	
	34.5%		37.2%			
Minority interests	0		0		0	
Net income	4,445	16.8	4,582	17.4	136	97.0
EPS (total shares)	¥272.06		¥280.41			
EPS (minus treasury shares)	¥282.65		¥291.32			
Number of shares outstanding	16,341,155		16,341,155			
Average number of shares outstanding (after deducting treasury shares)	15,729,046		15,729,351			

Full-year Results

\ millions, rounded down

	Fiscal 2014 Results		Fiscal 2013 Results		Year-on-Year Comparison		Fiscal 2014 Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	35,233	100.0	34,793	100.0	440	101.3	35,870	100.0	636	98.2
Cost of Sales	17,855	50.7	17,046	49.0	809	104.7	17,990	50.2	134	99.3
Gross profit	17,378	49.3	17,747	51.0	368	97.9	17,880	49.8	501	97.2
SG&A expenses	8,872	25.2	8,999	25.9	127	98.6	9,000	25.1	127	98.6
Operating income	8,505	24.1	8,747	25.1	241	97.2	8,880	24.8	374	95.8
Other income	279		316		37		219		60	127.4
Other expenses	16		8		8		29		12	57.0
Ordinary income	8,768	24.9	9,055	26.0	287	96.8	9,070	25.3	301	96.7
Extraordinary income	47		312		264		48		0	
Extraordinary expenses	137		482		345		8		129	
Income before income taxes and minority interests	8,678	24.6	8,885	25.5	206	97.7	9,110	25.4	431	95.3
Corporation tax, inhabitants' taxes, etc (Tax burden)	3,019		3,252		233		3,169		150	
	34.8%		36.6%				36.6%			
Minority interests	0		0		0		0		0	
Net income	5,659	16.1	5,632	16.2	26	100.5	5,940	16.6	280	95.3
EPS (total shares minus directors' bonuses)	¥346.34		¥344.70				¥363.50			
EPS (minus treasury shares and directors' bonuses)	¥359.81		¥358.10				¥377.65			
Number of shares outstanding	16,341,155		16,341,155				16,341,155			
Average number of shares outstanding (after deducting treasury shares)	15,729,011		15,729,305				15,729,011			

Fiscal 2014 Statements of Income by Quarter (Consolidated)

Fiscal 2014 Results

¥ millions, rounded down

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Half	Third Quarter (Cumulative)	Full-year
Net sales	8,398	8,839	9,295	8,700	17,237	26,532	35,233
Cost of Sales	4,179	4,524	4,671	4,480	8,703	13,374	17,855
Gross profit	4,218	4,314	4,624	4,219	8,533	13,158	17,378
SG&A expenses	2,210	2,246	2,211	2,203	4,457	6,669	8,872
Operating income	2,007	2,067	2,413	2,016	4,075	6,489	8,506
Other income	34	128	105	10	163	268	279
Other expenses	26	14	1	3	11	12	16
Ordinary income	2,016	2,211	2,517	2,023	4,227	6,744	8,768
Extraordinary income	0	46	0	0	47	47	47
Extraordinary expenses	4	1	0	131	6	6	137
Income before income taxes and minority interests	2,012	2,256	2,517	1,892	4,268	6,786	8,678
Corporation tax, inhabitants' taxes, etc.	694	781	864	678	1,475	2,340	3,019
(Tax burden)	34.5%	34.6%	34.3%	35.9%	34.6%	34.5%	34.8%
Minority interests	0	0	0	0	0	0	0
Net income	1,317	1,475	1,652	1,213	2,792	4,445	5,659

Fiscal 2013 Results

¥ millions, rounded down

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Half	Third Quarter (Cumulative)	Full-year
Net sales	8,371	8,685	9,351	8,385	17,057	26,408	34,793
Cost of Sales	4,122	4,254	4,468	4,191	8,386	12,855	17,046
Gross profit	4,249	4,421	4,882	4,193	8,670	13,553	17,747
SG&A expenses	2,149	2,200	2,312	2,336	4,350	6,662	8,999
Operating income	2,099	2,220	2,569	1,857	4,320	6,890	8,747
Other income	95	55	175	10	151	327	316
Other expenses	0	3	0	5	3	3	8
Ordinary income	2,194	2,273	2,745	1,841	4,468	7,214	9,055
Extraordinary income	0	-	96	214	0	97	312
Extraordinary expenses	0	0	10	472	0	10	482
Income before income taxes and minority interests	2,195	2,273	2,832	1,584	4,468	7,300	8,885
Corporation tax, inhabitants' taxes, etc.	819	846	1,053	533	1,665	2,718	3,252
(Tax burden)	37.3%	37.2%	37.2%	33.7%	37.3%	37.2%	36.6%
Minority interests	0	0	0	0	0	0	0
Net income	1,375	1,427	1,779	1,050	2,802	4,582	5,632

Change(Amount)

¥ millions, rounded down

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Half	Third Quarter (Cumulative)	Full-year
Net sales	26	153	55	315	180	124	440
Cost of Sales	54	259	202	289	316	519	805
Gross profit	30	106	258	25	136	394	368
SG&A expenses	61	46	101	133	107	6	127
Operating income	91	153	156	159	244	401	241
Other income	60	72	70	20	12	58	37
Other expenses	26	17	1	1	8	9	8
Ordinary income	178	62	228	181	240	469	287
Extraordinary income	0	46	96	214	46	50	264
Extraordinary expenses	4	0	10	340	5	4	345
Income before income taxes and minority interests	182	17	315	308	199	514	206
Corporation tax, inhabitants' taxes, etc.	124	64	188	145	189	378	233
(Tax burden)							
Minority interests	0	0	0	0	0	0	0
Net income	57	47	126	163	10	136	26

Change(%)

(%)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Half	Third Quarter (Cumulative)	Full-year
Net sales	100.3	101.8	99.4	103.8	101.1	100.5	101.3
Cost of Sales	101.4	106.1	104.5	106.9	103.8	104.0	104.7
Gross profit	99.3	97.6	94.7	100.6	98.4	97.1	97.9
SG&A expenses	102.8	102.1	95.6	94.3	102.5	100.1	98.6
Operating income	95.6	93.1	93.9	108.6	94.3	94.2	97.2
Other income							
Other expenses							
Ordinary income	91.9	97.3	91.7	109.9	94.6	93.5	96.8
Extraordinary income							
Extraordinary expenses							
Income before income taxes and minority interests	91.7	99.3	88.9	119.5	95.5	92.9	97.7
Corporation tax, inhabitants' taxes, etc.							
(Tax burden)							
Minority interests							
Net income	95.8	103.4	92.9	115.5	99.6	97.0	100.5

Fiscal 2014 Breakdown

(%)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Half	Third Quarter (Cumulative)	Full-year
Net sales	1000	1000	1000	1000	1000	1000	1000
Cost of Sales	49.8	51.2	50.3	51.5	50.5	50.4	50.7
Gross profit	50.2	48.8	49.7	48.5	49.5	49.6	49.3
SG&A expenses	26.3	25.4	23.8	25.3	25.9	25.1	25.2
Operating income	23.9	23.4	26.0	23.2	23.6	24.5	24.1
Other income							
Other expenses							
Ordinary income	24.0	25.0	27.1	23.3	24.5	25.4	24.9
Extraordinary income							
Extraordinary expenses							
Income before income taxes and minority interests	24.0	25.5	27.1	21.8	24.8	25.6	24.6
Corporation tax, inhabitants' taxes, etc.							
(Tax burden)							
Minority interests							
Net income	15.7	16.7	17.8	14.0	16.2	16.8	16.1

Fiscal 2015 Projected Statements of Income (Consolidated)

Cumulative

\ millions, rounded down

	First Half	%of total	Full-year	%of total
Net sales	18,170	100.0	37,100	100.0
Operating income	4,340	23.9	8,290	22.3
Ordinary income	4,410	24.3	8,420	22.7
Net income	2,910	16.0	5,500	14.8

EPS (before deducting treasury shares)

¥178.08

¥336.57

EPS (minus treasury shares)

¥185.01

¥349.68

16,341,155 Number of shares outstanding

15,728,807 Shares outstanding at FY2014 year-end
(deducting treasury shares)

Fiscal 2014 Results

Net sales	17,237	100.0	35,233	100.0
Operating income	4,075	23.6	8,505	24.1
Ordinary income	4,227	24.5	8,768	24.9
Net income	2,792	16.2	5,659	16.1

Change (Amount and %)

Net sales	932	105.4	1,866	105.3
Operating income	264	106.5	215	97.5
Ordinary income	182	104.3	348	96.0
Net income	117	104.2	159	97.2

Fiscal 2014 Sales Results by Product Line (Consolidated)

The new products include surgical management system · EMARO · IC tracer steel utensils. Surgery supplies. Regarding other categories, enter chestnut has occurred.

First Half Results \ millions, rounded down

	Sept. 2014 Interim Results		Sept. 2013 Interim Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Sterilization products	1,782	10.3	1,848	10.8	66	96.4
Surgical products	14,910	86.5	14,657	85.9	253	101.7
Treatment products	109	0.6	110	0.6	1	98.6
Others	435	2.5	440	2.6	5	98.9
Total	17,237	100.0	17,057	100.0	180	101.1

Itemized surgical products

Non-woven products	5,011	29.1	5,160	30.3	148	97.1
Other non-woven products	691	4.0	687	4.0	4	100.7
Kit products	9,176	53.2	8,785	51.5	391	104.5
Steel instruments	30	0.2	24	0.1	6	124.6

Itemized external sales by subsidiary

Non-woven products	58		54		3	
Others	36		32		4	

Third Quarter Results (Cumulative)

\ millions, rounded down

	Dec. 2014 Third Quarter Results		Dec. 2013 Third Quarter Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Sterilization products	2,716	10.2	2,789	10.6	73	97.4
Surgical products	22,981	86.6	22,786	86.3	195	100.9
Treatment products	164	0.6	170	0.6	5	96.7
Others	670	2.5	662	2.5	7	101.2
Total	26,532	100.0	26,408	100.0	124	100.5

Itemized surgical products

Non-woven products	7,662	28.9	7,931	30.0	269	96.6
Other non-woven products	1,098	4.1	1,090	4.1	7	100.7
Kit products	14,176	53.4	13,640	51.7	536	103.9
Steel instruments	44	0.2	123	0.5	79	36.0

Itemized external sales by subsidiary

Non-woven products	100		87		12	
Others	55		45		9	

Full-year Results

\ millions, rounded down

	Fiscal 2014 Results		Fiscal 2013 Results		Year-on-Year Comparison		Fiscal 2014 Revised Plan		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Sterilization products	3,609	10.2	3,736	10.7	126	96.6	3,622	10.1	12	99.7
Surgical products	30,516	86.6	29,954	86.1	561	101.9	31,195	87.0	678	97.8
Treatment products	219	0.6	223	0.6	3	98.6	220	0.6	0	100.0
Others	887	2.5	879	2.5	8	100.9	832	2.3	54	106.6
Total	35,233	100.0	34,793	100.0	440	101.3	35,870	100.0	636	98.2

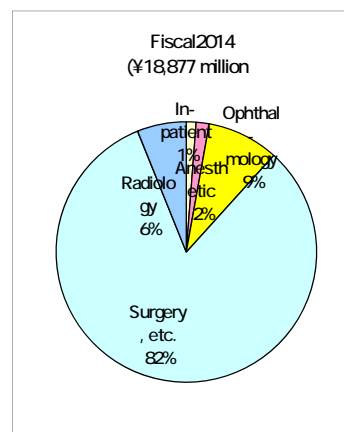
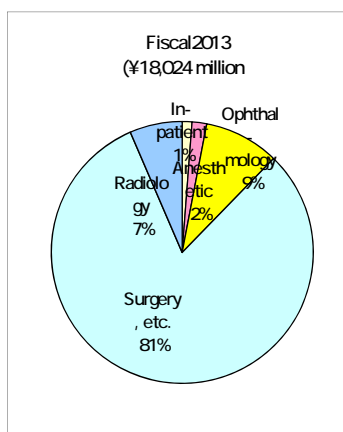
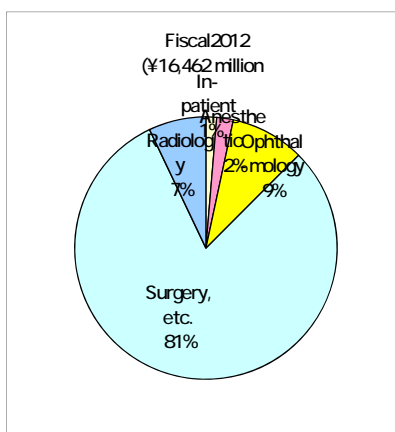
Itemized surgical products

Non-woven products	10,011	28.4	10,353	29.8	342	96.7	10,068	28.1	57	99.4
Other non-woven products	1,450	4.1	1,442	4.1	8	100.6	1,440	4.0	10	100.7
Kit products	18,877	53.6	18,024	51.8	853	104.7	19,500	54.4	622	96.8
Steel instruments	177	0.5	135	0.4	41	130.9	187	0.5	9	94.8

Itemized external sales by subsidiary

Non-woven products	162		122		40		150		12	
Others	85		66		18		60		25	

Sales Composition by Kit Treatment Category



Fiscal 2015 Sales Plan by Product Line (Consolidated)

\ millions, rounded down

	First Half	Full-year
Sterilization products	1,749	3,556
Surgical products	15,857	32,420
Treatment products	106	215
Others	449	908
Total	18,163	37,100

Itemized surgical products

Non-woven products	4,870	9,783
Other non-woven products	700	1,450
Kit products	9,990	20,580
Steel instruments	296	606

Itemized external sales by subsidiary

Non-woven products	111	234
Others	42	85

\ millions, rounded down

Change (Amount)	First Half	Full-year
Sterilization products	32	53
Surgical products	946	1,903
Treatment products	2	4
Others	14	21
Total	926	1,866

Itemized surgical products

Non-woven products	141	227
Other non-woven products	8	0
Kit products	813	1,702
Steel instruments	265	429

Itemized external sales by subsidiary

Non-woven products	52	72
Others	6	0

\ millions, rounded down

Fiscal 2014 Net Sales	First Half	Full-year
Sterilization products	1,782	3,609
Surgical products	14,910	30,516
Treatment products	109	219
Others	435	887
Total	17,237	35,233

Itemized surgical products

Non-woven products	5,011	10,011
Other non-woven products	691	1,450
Kit products	9,176	18,877
Steel instruments	30	177

Itemized external sales by subsidiary

Non-woven products	58	162
Others	36	85

(%)

Change (%)	First Half	Full-year
Sterilization products	98.2	98.5
Surgical products	106.3	106.2
Treatment products	98.0	97.9
Others	103.3	102.4
Total	105.4	105.3

Itemized surgical products

Non-woven products	97.2	97.7
Other non-woven products	101.2	100.0
Kit products	108.9	109.0
Steel instruments	96.7	342.3

Itemized external sales by subsidiary

Non-woven products	190.6	144.5
Others	117.5	100.4

Net Sales Breakdown	First Half	Full-year
Sterilization products	9.6	9.6
Surgical products	87.3	87.4
Treatment products	0.6	0.6
Others	2.5	2.4
Total	100.0	100.0

Itemized surgical products

Non-woven products	26.8	26.4
Other non-woven products	3.9	3.9
Kit products	55.0	55.5
Steel instruments	1.6	1.6

Itemized external sales by subsidiary

Non-woven products	0.6	0.6
Others	0.2	0.2

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

SG&A Expenses

¥ millions, rounded down

	Fiscal 2014 Results	Fiscal 2013 Results	Year-on-Year Comparison	Fiscal 2015 Plan	Year-on-Year Comparison
Packaging and transportation	923	894	29	920	3
Samples	384	385	0	406	21
Advertising	101	106	5	143	42
Personnel	3,619	3,585	33	3,642	23
Travel	545	520	24	534	10
Communication	162	174	11	157	5
Consumables	116	153	36	95	20
Taxes and public charges	203	204	0	209	6
Depreciation	951	922	28	1,069	117
Testing and research	458	570	112	451	6
Land and housing rent	450	470	20	434	15
Miscellaneous	342	396	54	355	13
Others	612	615	2	627	14
Total	8,872	8,999	127	9,050	177

Other Income/Expenses

¥ millions, rounded down

	Fiscal 2014 Results	Fiscal 2013 Results	Year-on-Year Comparison	Fiscal 2015 Plan	Year-on-Year Comparison
Interest received	11	5	5	-	11
Dividend received	62	60	2	60	2
(Total financial earnings)	73	65	7	60	13
Foreign exchange gain	115	111	4	-	115
Miscellaneous income	89	139	50	79	9
Total Other income	279	316	37	140	139
Paid interest	-	-	-	-	-
(Total financial expenses)	-	-	-	-	-
Foreign exchange loss	-	-	-	-	-
Miscellaneous losses	16	8	8	10	6
Total non-operating expenses	16	8	8	10	6

Capital Expenditures and Depreciation Expenses (Actual and Forecast, Consolidated)

Capital Expenditures

	Capital Expenditures	Year-on-Year Comparison
Fiscal 2004	3,745	143.7
Fiscal 2005	5,266	140.6
Fiscal 2006	1,471	27.9
Fiscal 2007	1,649	112.1
Fiscal 2008	2,893	175.4
Fiscal 2009	3,717	128.5
Fiscal 2010	4,311	116.0
Fiscal 2011	1,637	38.0
Fiscal 2012	1,915	117.0
Fiscal 2013	7,174	374.6
Fiscal 2014	15,082	210.2
Fiscal 2015	8,300	55.0

Depreciation Expenses

\ millions, rounded down

	SG&A Expenses	Year-on-Year Comparison	Manufacturing Costs	Year-on-Year Comparison	Total Depreciation Expenses	Year-on-Year Comparison
Fiscal 2004	502	85.8	1,733	90.5	2,236	89.4
Fiscal 2005	504	100.4	1,812	104.6	2,316	103.6
Fiscal 2006	827	164.1	2,086	115.1	2,914	125.8
Fiscal 2007	812	98.2	1,915	91.8	2,728	93.6
Fiscal 2008	744	91.6	2,192	114.5	2,936	107.6
Fiscal 2009	715	96.1	1,842	84.0	2,557	87.1
Fiscal 2010	642	89.8	1,634	88.7	2,277	89.0
Fiscal 2011	724	112.8	2,340	143.2	3,064	134.6
Fiscal 2012	844	116.6	2,127	90.9	2,971	97.0
Fiscal 2013	922	109.2	1,942	91.3	2,865	96.4
Fiscal 2014	951	103.1	1,757	90.5	2,708	94.5
Fiscal 2015	1,069	112.4	2,360	134.3	3,429	126.6

Note: Figures for Fiscal 2015 are Company forecasts.

Depreciation at P.T. HOGY INDONESIA is included in manufacturing costs.

Fiscal 2004 Operamaster expansion line:1,576, New distribution center:826
 Fiscal 2005 Operamaster expansion line:1,469, New distribution center:1,947
 Fiscal 2006 New distribution center:886
 Fiscal 2007 Industrial-use land :973
 Fiscal 2008 Industrial-use land :752, Sterilization equipment:876 ,Indonesia factory:381
 Fiscal 2009 Sterilization equipment:1833 ,Indonesia factory:995
 Fiscal 2010 Sterilization equipment:2,732
 Fiscal 2013 New plant construction costs:5,166
 Fiscal 2014 New plant construction costs: 8,113 New plant equipment costs: 4,567

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

Major Changes on Balance Sheets

\ millions, rounded down

	Balance at March 31, 2015	Change		Balance at March 31, 2015	Change
Current assets	42,863	4,568	Current liabilities	16,620	3,389
Cash and bank deposits	23,033	5,562	Notes and accounts payable	4,472	126
Notes and accounts receivable	10,932	740	Accrued expenses	3,096	2,410
Inventories	7,521	239	Income taxes	1,419	495
Others	1,375	492	Allowance for employees' bonuses	423	34
			Payable notes for equipment	6,237	5,934
			Others	970	453
Fixed assets	60,081	17,101	Long-term liabilities	3,021	1,220
Property, plant and equipment	44,845	11,895	Others	3,021	1,220
Buildings and structures	11,326	285	Total liabilities	19,642	4,610
Machinery, equipment and vehicles	4,306	502	Total net assets	83,301	7,922
Land	9,626	141	Common stock	7,123	-
Construction in progress	19,068	12,517	Capital surplus	8,336	-
Others	517	24	Retained earnings	64,335	3,913
Intangibles	2,532	717	Treasury stock	3,323	1
Investments and others	12,703	4,488	Others	6,829	4,010
Investments securities	10,035	4,377			
Others	2,667	110			
Total assets	102,944	12,533	Total liabilities and shareholders' equity	102,944	12,533

* Comparison with end of previous fiscal year:
Equity ratio decreased from 83.4% at the end of the previous fiscal year to 80.9%

Statements of Cash Flows

\ millions, rounded down

Operating activities	7,935	Income before income taxes and minority interests	8,678
		Depreciation	2,708
		Inventories	561
		Income taxes paid	3,606
Investing activities	11,973	Capital expenditures	10,525
Financing activities	1,747	Disposal of treasury stock	1,745
Effect of exchange rate changes	219		
Net changes in cash and cash equivalents	5,566		

Fiscal 2014 Statements of Income (Non-Consolidated)

First Quarter Results

\ millions, rounded down

	June 2014 First Quarter Results		June 2013 First Quarter Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	8,351	100.0	8,328	100.0	22	100.3
Cost of Sales	4,313	51.7	4,253	51.1	60	101.4
Gross profit	4,037	48.3	4,074	48.9	37	99.1
SG&A expenses	2,195	26.3	2,132	25.6	62	103.0
Operating income	1,842	22.1	1,942	23.3	100	94.8
Other income	39		102		62	
Other expenses	20		-		20	
Ordinary income	1,861	22.3	2,045	24.6	183	91.0
Extraordinary income	0		0		0	
Extraordinary expenses	4		0		4	
Income before income taxes	1,857	22.2	2,045	24.6	188	90.8
Corporation tax, inhabitants' taxes, etc.	651		777		125	
(Tax burden)	35.1%		38.0%			
Net income	1,205	14.4	1,268	15.2	62	95.1

EPS (total shares)	¥73.78	¥77.62
EPS (minus treasury shares)	¥76.65	¥80.64
Number of shares outstanding	16,341,155	16,341,155
Average number of shares outstanding (after deducting treasury shares)	15,729,140	15,729,526

First Half Results

\ millions, rounded down

	Sept. 2014 Interim Results		Sept. 2013 Interim Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	17,142	100.0	16,969	100.0	172	101.0
Cost of Sales	8,946	52.2	8,683	51.2	263	103.0
Gross profit	8,196	47.8	8,286	48.8	90	98.9
SG&A expenses	4,425	25.8	4,309	25.4	115	102.7
Operating income	3,770	22.0	3,976	23.4	206	94.8
Other income	183		161		22	
Other expenses	11		1		10	
Ordinary income	3,942	23.0	4,137	24.4	194	95.3
Extraordinary income	46		0		45	
Extraordinary expenses	6		0		5	
Income before income taxes	3,982	23.2	4,137	24.4	154	96.3
Corporation tax, inhabitants' taxes, etc.	1,397		1,571		174	
(Tax burden)	35.1%		38.0%			
Net income	2,585	15.1	2,565	15.1	19	100.8

EPS (total shares)	¥158.22	¥157.00
EPS (minus treasury shares)	¥164.38	¥163.10
Number of shares outstanding	16,341,155	16,341,155
Average number of shares outstanding (after deducting treasury shares)	15,729,102	15,729,414

Third Quarter Results (Cumulative)

\ millions, rounded down

	June 2014 First Quarter Results		June 2013 First Quarter Results		Year-on-Year Comparison	
	Amount	% of total	Amount	% of total	Amount	%
Net sales	26,377	100.0	26,275	100.0	102	100.4
Cost of Sales	13,786	52.3	13,320	50.7	466	103.5
Gross profit	12,591	47.7	12,955	49.3	364	97.2
SG&A expenses	6,619	25.1	6,607	25.1	11	100.2
Operating income	5,971	22.6	6,347	24.2	375	94.1
Other income	292		342		49	
Other expenses	12		1		11	
Ordinary income	6,251	23.7	6,688	25.5	436	93.5
Extraordinary income	46		97		50	
Extraordinary expenses	6		10		4	
Income before income taxes	6,291	23.9	6,775	25.8	483	92.9
Corporation tax, inhabitants' taxes, etc.	2,207		2,573		366	
(Tax burden)	35.1%		38.0%			
Net income	4,084	15.5	4,201	16.0	116	97.2

EPS (total shares)	¥249.97	¥257.10
EPS (minus treasury shares)	¥259.69	¥267.10
Number of shares outstanding	16,341,155	16,341,155
Average number of shares outstanding (after deducting treasury shares)	15,729,046	15,729,351

Full-year Results

\ millions, rounded down

	Sept. 2014 Interim Results		Sept. 2013 Interim Results		Year-on-Year Comparison		Fiscal 2014 Revised Plans		Initial Plan Comparison	
	Amount	% of total	Amount	% of total	Amount	%	Amount	% of total	Amount	%
Net sales	34,985	100.0	34,605	100.0	380	101.1	35,660	100.0	674	98.1
Cost of Sales	18,536	53.0	17,719	51.2	816	104.6	18,610	52.2	73	99.6
Gross profit	16,449	47.0	16,885	48.8	436	97.4	17,050	47.8	600	96.5
SG&A expenses	8,797	25.1	8,918	25.8	120	98.6	8,930	25.0	132	98.5
Operating income	7,651	21.9	7,966	23.0	315	96.0	8,120	22.8	468	94.2
Other income	395		407		11		312		83	
Other expenses	16		2		13		12		4	
Ordinary income	8,030	23.0	8,371	24.2	341	95.9	8,420	23.6	389	95.4
Extraordinary income	46		312		265		47		0	
Extraordinary expenses	137		482		345		7		130	
Income before income taxes	7,939	22.7	8,200	23.7	260	96.8	8,460	23.7	520	93.9
Corporation tax, inhabitants' taxes, etc.	2,797		3,040		243		2,970		172	
(Tax burden)	35.2%		37.1%				35.1%			
Net income	5,142	14.7	5,160	14.9	17	99.7	5,490	15.4	347	93.7

EPS (total shares minus directors' bonuses)	¥314.70	¥315.77	¥335.96
EPS (minus treasury shares and directors' bonuses)	¥326.95	¥328.05	¥349.04
Number of shares outstanding	16,341,155	16,341,155	16,341,155
Average number of shares outstanding (after deducting treasury shares)	15,729,011	15,729,305	15,728,922

Fiscal 2014 Statements of Income Half (Non-Consolidated)

Fiscal 2014 Results

¥ millions, rounded down

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Net sales	8,351	8,791	9,234	8,608
Cost of Sales	4,313	4,633	4,839	4,750
Gross profit	4,037	4,158	4,395	3,857
SG&A expenses	2,195	2,230	2,193	2,178
Operating income	1,842	1,928	2,201	1,679
Other income	39	143	109	102
Other expenses	20	8	1	3
Ordinary income	1,861	2,060	2,309	1,778
Extraordinary income	0	45	0	0
Extraordinary expenses	4	1	0	131
Income before income taxes	1,857	2,125	2,309	1,647
Corporation tax, inhabitants' taxes, etc.	651	745	810	590
(Tax burden)	35.1%	35.1%	35.1%	35.8%
Net income	1,205	1,379	1,499	1,057

	First Half	Third Quarter (Cumulative)	Full-year
Net sales	17,142	26,377	34,985
Cost of Sales	8,946	13,786	18,536
Gross profit	8,196	12,591	16,449
SG&A expenses	4,425	6,619	8,797
Operating income	3,770	5,971	7,651
Other income	183	292	395
Other expenses	11	12	16
Ordinary income	3,942	6,251	8,030
Extraordinary income	46	46	46
Extraordinary expenses	6	6	137
Income before income taxes	3,982	6,291	7,939
Corporation tax, inhabitants' taxes, etc.	1,397	2,207	2,797
(Tax burden)	35.1%	35.1%	35.2%
Net income	2,585	4,084	5,142

Fiscal 2013 Results

¥ millions, rounded down

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Net sales	8,328	8,641	9,305	8,329
Cost of Sales	4,253	4,429	4,637	4,399
Gross profit	4,074	4,212	4,668	3,930
SG&A expenses	2,132	2,177	2,297	2,310
Operating income	1,942	2,034	2,370	1,619
Other income	102	58	180	65
Other expenses	-	1	-	1
Ordinary income	2,045	2,092	2,551	1,683
Extraordinary income	0	-	96	214
Extraordinary expenses	0	0	10	472
Income before income taxes	2,045	2,091	2,637	1,425
Corporation tax, inhabitants' taxes, etc.	777	794	1,002	466
(Tax burden)	38.0%	38.0%	38.0%	32.8%
Net income	1,268	1,297	1,635	958

	First Half	Third Quarter (Cumulative)	Full-year
Net sales	16,969	26,275	34,605
Cost of Sales	8,683	13,320	17,719
Gross profit	8,286	12,955	16,886
SG&A expenses	4,309	6,607	8,918
Operating income	3,976	6,347	7,966
Other income	161	342	407
Other expenses	1	1	2
Ordinary income	4,137	6,688	8,371
Extraordinary income	0	97	312
Extraordinary expenses	0	10	482
Income before income taxes	4,137	6,775	8,200
Corporation tax, inhabitants' taxes, etc.	1,571	2,573	3,040
(Tax burden)	38.0%	38.0%	37.1%
Net income	2,565	4,201	5,160

Change(Amount)

¥ millions, rounded down

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Net sales	22	149	70	278
Cost of Sales	60	203	202	350
Gross profit	37	53	273	72
SG&A expenses	62	52	103	132
Operating income	100	105	169	60
Other income	62	84	71	37
Other expenses	20	10	1	2
Ordinary income	183	11	242	95
Extraordinary income	0	45	96	214
Extraordinary expenses	4	0	10	340
Income before income taxes	188	33	328	222
Corporation tax, inhabitants' taxes, etc.	125	49	192	123
(Tax burden)				
Net income	62	82	136	99

	First Half	Third Quarter (Cumulative)	Full-year
Net sales	172	102	380
Cost of Sales	263	466	816
Gross profit	90	364	436
SG&A expenses	115	11	120
Operating income	205	375	315
Other income	22	49	11
Other expenses	10	11	13
Ordinary income	194	436	341
Extraordinary income	45	50	265
Extraordinary expenses	5	4	345
Income before income taxes	154	483	260
Corporation tax, inhabitants' taxes, etc.	174	366	243
(Tax burden)			
Net income	19	116	17

Change(%)

(%)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Net sales	100.3	101.7	99.2	103.3
Cost of Sales	101.4	104.6	104.4	108.0
Gross profit	99.1	98.7	94.1	98.2
SG&A expenses	103.0	102.4	95.5	94.3
Operating income	94.8	94.8	92.9	103.7
Other income				
Other expenses				
Ordinary income	91.0	99.5	90.5	105.7
Extraordinary income				
Extraordinary expenses				
Income before income taxes	90.8	101.6	87.5	115.6
Corporation tax, inhabitants' taxes, etc.				
(Tax burden)				
Net income	95.1	105.4	91.7	110.3

	First Half	Third Quarter (Cumulative)	Full-year
Net sales	101.0	100.4	101.1
Cost of Sales	103.0	103.5	104.6
Gross profit	98.9	97.2	97.4
SG&A expenses	102.7	100.2	98.6
Operating income	94.8	94.1	96.0
Other income			
Other expenses			
Ordinary income	95.3	93.5	95.9
Extraordinary income			
Extraordinary expenses			
Income before income taxes	96.3	92.9	96.8
Corporation tax, inhabitants' taxes, etc.			
(Tax burden)			
Net income	100.8	97.2	99.7

Fiscal 2014 Breakdown

(%)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Net sales	100.0	100.0	100.0	100.0
Cost of Sales	51.7	52.7	52.4	55.2
Gross profit	48.3	47.3	47.6	44.8
SG&A expenses	26.3	25.4	23.8	25.3
Operating income	22.1	21.9	23.8	19.5
Other income				
Other expenses				
Ordinary income	22.3	23.7	25.0	20.7
Extraordinary income				
Extraordinary expenses				
Income before income taxes	22.2	24.2	25.0	19.1
Corporation tax, inhabitants' taxes, etc.				
(Tax burden)				
Net income	14.4	15.7	16.2	12.3

	First Half	Third Quarter (Cumulative)	Full-year
Net sales	100.0	100.0	100.0
Cost of Sales	52.2	52.3	53.0
Gross profit	47.8	47.7	47.0
SG&A expenses	25.8	25.1	25.1
Operating income	22.0	22.6	21.9
Other income			
Other expenses			
Ordinary income	23.0	23.7	23.0
Extraordinary income			
Extraordinary expenses			
Income before income taxes	23.2	23.9	22.7
Corporation tax, inhabitants' taxes, etc.			
(Tax burden)			
Net income	15.1	15.5	14.7

Fiscal 2015 Projected Statements of Income (Consolidated)

Cumulative

\ millions, rounded down

	First Half	%of total	Full-year	%of total
Net sales	18,010	100.0	36,780	100.0
Operating income	3,889	21.6	7,533	20.5
Ordinary income	3,959	22.0	7,743	21.1
Net income	2,574	14.3	5,016	13.6

EPS (before deducting treasury shares)

¥157.52

¥306.96

EPS (minus treasury shares)

¥163.65

¥318.91

16,341,155 Number of shares outstanding

15,728,807 Shares outstanding at FY2014 year-end (deducting treasury shares)

Fiscal 2014 Results

Net sales	17,142	100.0	34,985	100.0
Operating income	3,770	22.0	7,651	21.9
Ordinary income	3,942	23.0	8,030	23.0
Net income	2,585	15.1	5,142	14.7

Change (Amount and %)

Net sales	867	105.1	1,794	105.1
Operating income	118	103.1	118	98.5
Ordinary income	16	100.4	287	96.4
Net income	11	99.6	126	97.5

Total Manufacturing Costs (Non-Consolidated)

\ millions, rounded down

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY2013	FY2014	PLAN FY2015
Materials	8,212	8,601	9,069	9,117	9,093	9,712	10,295	10,821	11,728	13,882
Personnel	1,500	1,638	1,754	1,730	1,713	1,780	1,761	1,882	1,797	1,603
Outsourcing	136	173	282	262	333	368	367	414	389	400
Depreciation expenses	1,936	1,732	2,018	1,629	1,388	2,102	1,868	1,603	1,370	1,969
Others	1,190	1,306	1,344	1,391	1,226	1,466	1,460	1,512	1,492	1,527
Total	12,977	13,453	14,469	14,131	13,755	15,430	15,752	16,234	16,779	19,383

Increase Rate

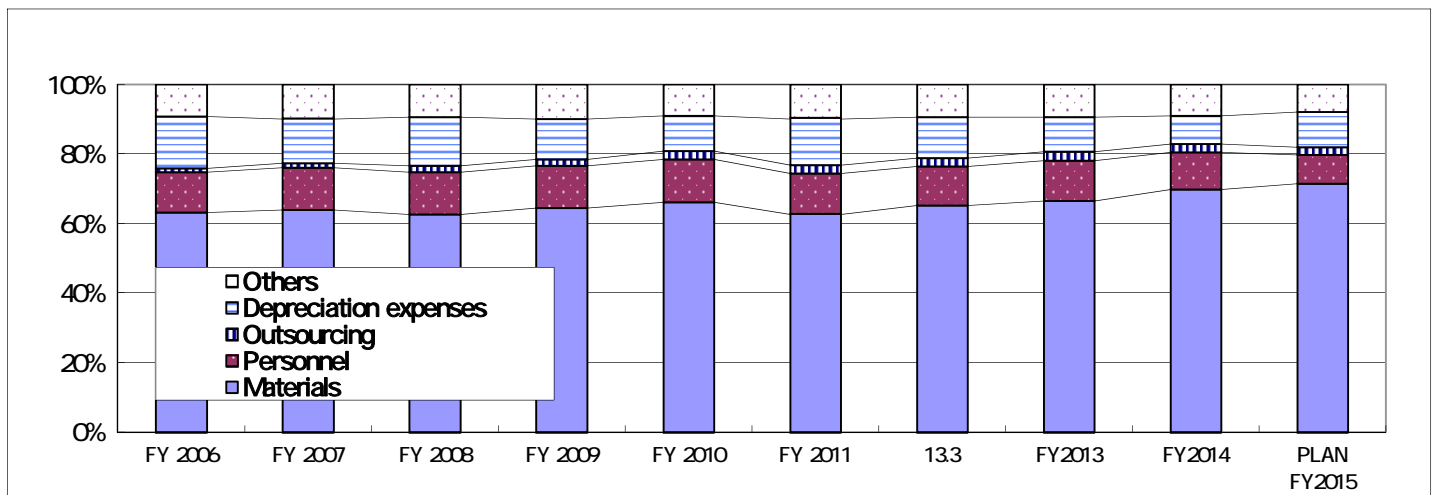
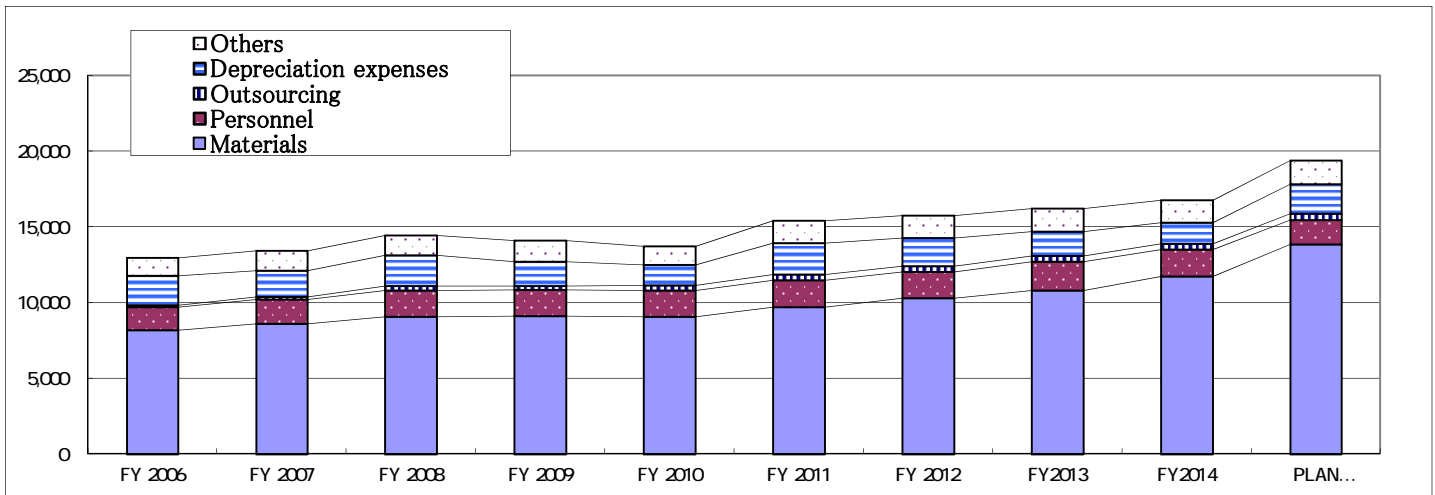
(%)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	13.3	FY2013	FY2014	PLAN FY2015
Materials	105.6	104.7	105.4	100.5	99.7	106.8	106.0	105.1	108.4	118.4
Personnel	97.7	109.2	107.1	98.6	99.0	103.9	98.9	106.9	95.5	89.2
Outsourcing	82.3	127.1	162.7	93.0	126.9	110.3	99.7	112.9	93.9	102.9
Depreciation expenses	115.1	89.5	116.5	80.7	85.2	151.3	88.9	85.8	85.5	143.6
Others	78.4	109.7	102.9	103.5	88.1	119.6	99.6	103.5	98.7	102.3
Total	102.4	103.7	107.5	97.7	97.3	112.2	102.1	103.1	103.4	115.5

Composition Rate

(%)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	13.3	FY2013	FY2014	PLAN FY2015
Materials	63.3	63.9	62.7	64.5	66.1	62.9	65.4	66.7	69.9	71.6
Personnel	11.6	12.2	12.1	12.2	12.5	11.5	11.2	11.6	10.7	8.3
Outsourcing	1.1	1.3	2.0	1.9	2.4	2.4	2.3	2.6	2.3	2.1
Depreciation expenses	14.9	12.9	13.9	11.5	10.1	13.6	11.9	9.9	8.2	10.2
Others	9.2	9.7	9.3	9.8	8.9	9.5	9.3	9.3	8.9	7.9
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0



Fiscal 2012- 2014 Sales Results by Product Line (Consolidated)

FY2012

By quarter

\ millions, rounded down

	First quarter	Second quarter	Third quarter	Forth quarter	First half	Second half of the fiscal year	Full business year
Sterilization products	898	911	946	886	1,809	1,833	3,643
Surgical products	6,885	7,101	7,665	6,748	13,987	14,413	28,400
Treatment products	57	61	57	56	118	114	233
Others	198	201	217	199	400	416	817
Total	8,040	8,275	8,886	7,890	16,316	16,777	33,094

Itemized surgical products

Non-woven products	2,636	2,635	2,839	2,385	5,272	5,224	10,497
Other non-woven products	326	322	385	336	649	722	1,371
Kit products	3,909	4,129	4,422	4,001	8,038	8,424	16,462
Steel instruments	14	13	17	24	27	42	69

Itemized external sales by subsidiary

Non-woven products	21	20	24	31	41	55	97
Others	16	11	13	19	28	32	60

FY2013

By quarter

\ millions, rounded down

	First quarter	Second quarter	Third quarter	Forth quarter	First half	Second half of the fiscal year	Full business year
Sterilization products	906	942	940	946	1,848	1,887	3,736
Surgical products	7,201	7,456	8,128	7,168	14,657	15,297	29,954
Treatment products	55	54	59	52	110	112	223
Others	213	229	219	216	443	435	879
Total	8,376	8,683	9,348	8,385	17,060	17,733	34,793

Itemized surgical products

Non-woven products	2,571	2,589	2,771	2,421	5,160	5,192	10,353
Other non-woven products	345	341	403	351	687	754	1,442
Kit products	4,270	4,514	4,855	4,383	8,785	9,239	18,024
Steel instruments	12	11	99	11	24	110	135

Itemized external sales by subsidiary

Non-woven products	28	26	32	34	54	67	122
Others	15	17	13	20	32	33	66

FY2014

By quarter

\ millions, rounded down

	First quarter	Second quarter	Third quarter	Forth quarter	First half	Second half of the fiscal year	Full business year
Sterilization products	871	911	934	893	1,782	1,827	3,609
Surgical products	7,256	7,653	8,070	7,535	14,910	15,605	30,516
Treatment products	55	53	55	55	109	110	219
Others	215	220	235	216	435	451	887
Total	8,398	8,839	9,295	8,700	17,237	17,996	35,233

Itemized surgical products

Non-woven products	2,473	2,538	2,650	2,348	5,011	4,999	10,011
Other non-woven products	341	350	406	352	691	758	1,450
Kit products	4,425	4,750	5,000	4,701	9,176	9,701	18,877
Steel instruments	16	13	13	132	30	146	177

Itemized external sales by subsidiary

Non-woven products	26	31	41	62	58	104	162
Others	20	15	18	30	36	48	85