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**NIHON KOHDEN CORPORATION (6849)**

Stock Exchange Listing: 1<sup>st</sup> section Tokyo Stock Exchange  
Head Office: Tokyo  
Representative: Fumio Suzuki, President and COO  
Contact: Toshihiko Hiraoka, Operating Officer, General Manager, Corporate Planning Dept.  
Phone: +81 / 3-5996-8003

**Nihon Kohden announces investment in a new production facility**

Nihon Kohden today announced plans to invest in a new production facility in Tomioka City, Gunma prefecture.

**1. Reason**

In its long-term vision, “The Change 2020 – The Global Leader of Medical Solutions,” Nihon Kohden aims to achieve sales of ¥200 billion, operating income of ¥25 billion and overseas sales ratio of 35% in the period ending March 2020. In order to realize this long-term vision, Nihon Kohden started a mid-term business plan, Strong Growth 2017, which aims at sustainable growth in Japan and strong growth in international markets. As part of enhancing manufacturing facilities to prepare for increasing production volume and reducing costs, Nihon Kohden plans to invest in a new plant for medical electronics.

Currently we have two plants for medical electronics in Tomioka City. The new plant will become the mother factory. It will enhance efficiency by integrating the major production functions and allow increased production volume in order to enhance global production - distribution operations and meet future expansion of demand.

**2. Overview of new plant**

- (1) Location: Tomioka City, Gunma prefecture
- (2) Total floor area: approx. 26,000m<sup>2</sup>  
(Reference) 1<sup>st</sup> plant: approx. 19,000m<sup>2</sup>, 2<sup>nd</sup> plant: approx. 10,000m<sup>2</sup>
- (3) Relocation: Autumn 2014 (scheduled)
- (4) Total investment amount: approx. 2,100 million-yen
- (5) Number of employees: approx. 650 (scheduled)  
Most employees will move from the 1<sup>st</sup> plant and 2<sup>nd</sup> plant.

**3. Effect on Operating Results of Nihon Kohden**

Possible effect of the investment on the consolidated results for the fiscal year ending March 31, 2014 would be minor.