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NIHON KOHDEN CORPORATION (6849)

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Announcement of a new long-term vision

Nihon Kohden today announced a new long-term vision toward 2030. Based on its management philosophy that we contribute to the world by fighting disease and improving health with advanced technology, and create a fulfilling life for our employees, a new long-term vision, BEACON 2030, has been designed with the twin aims of achieving a sustainable society and enhancing the corporate value of the Company. A new medium-term business plan starting from April 2021 will be announced during in this fiscal year.

I. Long-term vision, BEACON 2030

<Vision Statement>

Illuminating Medicine for Humanity

Create a better future for people and healthcare by solving global medical issues

1. **Illuminate the future of medicine through our understanding of humanity**
We will seek better patient outcomes and economy of medical care by remaining a close partner with healthcare professionals and patients around the world, and by leveraging our problem-solving capabilities rooted in clinical expertise.
2. **Illuminate the lives of many by co-creating unprecedented value**
We will realize the optimal care cycle for each patient, by utilizing our core strength in Human Machine Interface technology* with advanced digital technology and data collected from medical sites.
3. **Illuminate the potential of our people and organization by embracing new challenges**
We will build an open-minded and creative team of individuals around the world who take pride in their contribution to healthcare and their mission to solve global medical issues facing humankind.

<Value Creation Compass>

The Company will combine its core technologies such as HMI* technology and clinical expertise with advanced digital technology driven by data in collaboration with global partners, to create valuable solutions that help solve global medical issues.

*Human Machine Interface (HMI) is the user interface that connects human and machine. For Nihon Kohden, this refers to sensor technology, signal processing technology, and data analysis technology.

<Three Transforms>

- Transform into a global company creating high added value
- Create a solution business providing superior customer value
- Establish a global organization founded on Operational Excellence

<Three Phases>

Nihon Kohden has set three phases. Phase I will be started from April 2021, as the Company places priority on ensuring health and safety of employees at work and fulfilling its responsibility as a medical device company in this fiscal year.

Phase I (FY2021 to FY2023) Strengthen foundation

Improve the profitability of existing businesses, Cultivate new business areas and business models

Phase II (FY2024 to FY2026) Invest for growth

Step up its investment in growth areas, Collaborate b/w new business models and existing businesses

Phase III (FY2027 to FY2029) Realize BEACON 2030

Achieve profitability of new business models,

Establish a position as a solution provider that helps solve global medical issues

<Management Index>

The Company gives priority to operating margin and overseas sales ratio with the aim of becoming a global company that creates high added value. The target levels in the fiscal year ending March 2030 are an operating margin of 15% and overseas sales ratio of 45%.

II. Core Values of Nihon Kohden

In conjunction with a new long-term vision, Nihon Kohden has established its Core Values, which will be shared by and help connect Nihon Kohden staff worldwide.

Integrity	We work with duty and pride to save the lives of many.
Humbleness	We are humble in the face of challenges and act proactively to solve them.
Diversity	We are able to reach our potential by leveraging diversity with trust and understanding.
Initiative	We think and act autonomously with leadership.
Customer Centric	We take every action to improve the experience of our customers and patients.
Goal Oriented	We think of how we can achieve our goals, rather than dwell on what we cannot do.
Creativity	We are not bound by the past, but instead we innovate to create unprecedented value.

*Please refer to the briefing posted on the Company's website for the details. <https://www.nihonkohden.com/>

Disclaimer: This document is based on Company evaluations and analyses at the time of writing and does not in any way constitute a guarantee or warranty that the Company will achieve the numerical targets or implement the measures stated herein.