

February 7, 2008

Consolidated Financial Results
for the 3rd Quarter of the Fiscal Year Ending March 31, 2008

NIHON KOHDEN CORPORATION (6849)

Stock Exchange Listing:	1 st section Tokyo Stock Exchange
Head Office:	Tokyo
Representative:	Kazuo Ogino, President and CEO
Contact:	Takeshi Akahane, Corporate Director, General Manager, Managing and Planning Dept.
	Phone: +81 / 3-5996-8003 (URL http://www.nihonkohden.co.jp)

1. Consolidated Financial Highlights for the 3rd Quarter of FY2007 (From April 1, 2007 to December 31, 2007)

(1) Consolidated Operating Results

(Amounts are rounded down to the nearest million yen)

	Net sales		Operating profit		Ordinary profit		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY2007 3Q (9 months)	74,499	7.1	6,430	30.1	6,623	23.4	3,858	26.3
FY2006 3Q (9 months)	69,579	13.7	4,941	23.2	5,368	18.2	3,054	-3.2
FY2006	96,679		7,973		8,448		5,052	

	Net income per share - Basic	Net income per share - Diluted
	Yen	Yen
FY2007 3Q (9 months)	87.66	—
FY2006 3Q (9 months)	68.92	—
FY2006	114.12	—

Note: Percentage figures in the above tables indicate increase/decrease over the corresponding period of the previous fiscal year.

(2) Consolidated Financial Conditions

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
FY2007 3Q (9 months)	74,468	50,629	67.5	1,144.28
FY2006 3Q (9 months)	72,549	47,804	65.4	1,070.44
FY2006	75,894	48,864	63.9	1,101.41

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents, end of the period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
FY2007 3Q (9 months)	4,532	- 1,889	- 2,408	11,210
FY2006 3Q (9 months)	4,244	- 2,452	- 1,665	11,108
FY2006	5,882	- 3,050	- 2,591	11,027

2. (Reference) Forecast for FY2007 (From April 1, 2007 to March 31, 2008)

There is no revision of the forecast for FY2007 announced on November 12, 2007.

	Net sales		Operating profit		Ordinary profit		Net income		Net income per share - Basic
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	102,800	6.3	9,500	19.1	9,600	13.6	6,000	18.7	136.25

Note: Percentage figures in the above tables indicate increase/decrease over the corresponding period of the previous fiscal year.

*The above estimates are based on information available on the date of this report's announcement. Actual results may differ from such estimates due to unforeseen circumstances.

3. Review of Operations

During the term under review (April 1, 2007 to December 31, 2007), National Health Insurance reform in Japan continued its progress and medical equipment suppliers continued to face a severe business environment.

Japan: Sales of AED (automated external defibrillators) grew favorably due to the increased placement of AEDs in the public facilities, schools and corporated offices. As a result, sales of Treatment Equipment showed strong growth. Sales of Patient Monitors increased moderately and Sales of Medical Supplies also increased steadily. Physiological Measuring Equipment sales decreased from the prior year quarter when we had large-scale orders for diagnostic information systems and it also led to lower sales of locally purchased products in Other Medical Equipment. As a result, domestic sales increased 1.3% over the third quarter of FY2006, to ¥54,465 million.

International: While sales growth in Physiological Measuring Equipment was flat, sales of all other product categories such as Patient Monitors increased steadily. In the Americas, sales in North America increased due to solid sales of Patient Monitors. Sales of Patient Monitors and Medical Supplies in Latin America surged mainly due to the shipment of the balance of large-scale orders, which was carried forward from the prior year. Sales in Europe were up with good performance in Patient Monitors, Hematology Analyzers and Medical Supplies. Sales of ECGs in China were weak, while sales in other Asian countries increased with higher sales of hematology analyzers. As a result, international sales increased 26.7% over the prior year quarter, to ¥20,034 million.

Overall sales during the term under review grew 7.1% over the prior year quarter to ¥74,499 million. Operating profit, ordinary profit and net income also increased as a result of higher sales and higher gross profit ratio, primarily due to a favorable product mix with increased sales of our own products. Operating profit increased 30.1% to ¥6,430 million, ordinary profit increased 23.4% to ¥6,623 million and net income increased 26.3% to ¥3,858 million over the third quarter of FY2006.

4. Consolidated Sales results by product segment

(Millions of yen)

	Nine months ended December 31, 2007			(Reference) FY2006	
	Amount	Change (%)	Composition (%)	Amount	Composition (%)
Physiological Measuring Equipment	11,129	- 6.4	14.9	16,481	17.0
Patient Monitors	15,751	13.1	21.1	19,673	20.3
Treatment Equipment	11,545	15.4	15.5	13,488	14.0
Medical Supplies	24,728	15.7	33.2	29,407	30.4
Other Medical Equipment	11,343	- 8.4	15.3	17,627	18.3
Total	74,499	7.1	100.0	96,679	100.0
(Reference) Overseas Sales	20,034	26.7	26.9	21,928	22.7

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets (Summary)

(Millions of yen)

	December 31, 2006	December 31, 2007	March 31, 2007	Change from March 31, 2007	
	Amount	Amount	Amount	Amount	%
Assets					
Current assets					
Cash	11,143	11,220	11,060	160	1.4
Trade notes and accounts receivable	25,167	27,181	28,805	- 1,624	- 5.6
Inventories	15,904	14,998	15,008	- 9	- 0.1
Other current assets	3,604	4,307	4,033	273	6.8
Total current assets	55,819	57,707	58,908	- 1,200	- 2.0
Fixed assets					
Tangible fixed assets	8,983	9,012	9,314	- 302	- 3.2
Intangible fixed assets	852	1,099	1,043	56	5.4
Investments and other assets	6,894	6,649	6,627	21	0.3
Total fixed assets	16,730	16,760	16,985	- 224	- 1.3
Total assets	72,549	74,468	75,894	- 1,425	- 1.9
Liabilities					
Current liabilities					
Trade notes and accounts payable	15,960	14,988	16,121	- 1,133	- 7.0
Short-term debt	2,713	1,875	2,522	- 646	- 25.6
Other current liabilities	5,440	6,627	7,732	- 1,104	- 14.3
Total current liabilities	24,114	23,491	26,376	- 2,884	- 10.9
Non-current liabilities					
Long-term debt	122	35	111	- 75	- 68.0
Other non-current liabilities	508	310	541	- 230	- 42.6
Total non-current liabilities	631	346	653	- 306	- 46.9
Total liabilities	24,745	23,838	27,029	- 3,191	- 11.8
Net assets					
Stockholders' equity					
Common stock	7,544	7,544	7,544	—	—
Additional paid-in capital	10,485	10,485	10,485	0	0.0
Retained earnings	28,696	33,158	30,709	2,448	8.0
Treasury stock	- 1,019	- 2,011	- 1,755	- 256	14.6
Total stockholders' equity	45,707	49,177	46,983	2,193	4.7
Valuation and translation adjustments					
Net unrealized gain on other securities	1,677	985	1,468	- 483	- 32.9
Deferred gains and losses on hedges	7	- 5	0	- 5	- 628.6
Foreign currency translation adjustments	53	117	49	67	136.0
Total valuation and translation adjustments	1,738	1,097	1,519	- 421	- 27.7
Minority interests	358	354	361	- 6	- 1.7
Total net assets	47,804	50,629	48,864	1,765	3.6
Total liabilities and net assets	72,549	74,468	75,894	- 1,425	- 1.9

(2) Consolidated Statements of Income (Summary)

(Millions of yen)

	Nine months ended December 31, 2006	Nine months ended December 31, 2007	Change		Year ended March 31, 2007
	Amount	Amount	Amount	%	Amount
Net sales	69,579	74,499	4,919	7.1	96,679
Cost of sales	35,497	36,666	1,169	3.3	49,246
Gross profit	34,082	37,833	3,750	11.0	47,432
Selling, general and administrative expenses	29,140	31,402	2,261	7.8	39,458
Operating profit	4,941	6,430	1,488	30.1	7,973
Non-operating profit	617	467	- 149	- 24.3	815
Non-operating expenses	190	274	84	44.1	341
Ordinary profit	5,368	6,623	1,254	23.4	8,448
Extraordinary profit	31	44	12	39.4	33
Extraordinary expenses	190	—	- 190	—	171
Income before income taxes and minority interests	5,210	6,668	1,457	28.0	8,310
Income taxes	2,118	2,776	658	31.1	3,202
Minority interests	37	33	- 4	- 11.2	55
Net income	3,054	3,858	803	26.3	5,052

(3) Consolidated Statements of Cash Flows (Summary)

(Millions of yen)

	Nine months ended December 31, 2006	Nine months ended December 31, 2007	Year ended March 31, 2007
	Amount	Amount	Amount
Cash flows from operating activities			
Income before income taxes and minority interests	5,210	6,668	8,310
Depreciation and amortization	1,268	1,486	1,698
Increase in allowance	- 242	- 1,298	835
Decrease in trade notes and accounts receivable	5,189	2,086	1,599
(Increase) decrease in inventories	- 1,822	9	- 926
Increase in trade notes and accounts payable	- 1,390	- 1,133	- 1,228
Other, net	- 3,968	- 3,287	- 4,405
Net cash provided by operating activities	4,244	4,532	5,882
Cash flows from investing activities			
Capital expenditures and others	- 2,476	- 1,918	- 3,117
Other, net	24	28	67
Net cash used in investing activities	- 2,452	- 1,889	- 3,050
Cash flows from financing activities			
Increase (decrease) in debt	- 398	- 716	- 580
Dividends paid to stockholders	- 1,261	- 1,396	- 1,238
Other, net	- 5	- 294	- 772
Net cash used in financing activities	- 1,665	- 2,408	- 2,591
Effect of exchange rate changes on cash and cash equivalents	176	- 51	- 17
Net increase in cash and cash equivalents	303	182	223
Cash and cash equivalents at beginning of term	10,804	11,027	10,804
Cash and cash equivalents at end of term	11,108	11,210	11,027

6. Overseas Sales

Nine months ended December 31, 2006

(Millions of yen)

	Americas	Europe	Asia	Other	Total
Overseas sales	6,067	4,966	4,223	560	15,817
Consolidated sales					69,579
Percentage of overseas sales to consolidated sales (%)	8.7	7.1	6.1	0.8	22.7

Nine months ended December 31, 2007

(Millions of yen)

	Americas	Europe	Asia	Other	Total
Overseas sales	9,240	5,833	4,221	739	20,034
Consolidated sales					74,499
Percentage of overseas sales to consolidated sales (%)	12.4	7.8	5.7	1.0	26.9

FY2006

(Millions of yen)

	Americas	Europe	Asia	Other	Total
Overseas sales	8,941	6,898	5,317	771	21,928
Consolidated sales					96,679
Percentage of overseas sales to consolidated sales (%)	9.2	7.1	5.5	0.8	22.7

Note: 1. Overseas sales comprise sales of the Company and its consolidated subsidiaries in countries and regions other than Japan.

2. The major countries or regions in the respective divisions are as follows:

Americas: U.S.A., Venezuela, Mexico and Colombia

Europe: Germany, Italy, Spain, France and Russia

Asia: China, Korea, Thailand and Vietnam