

May 12, 2008

NIHON KOHDEN CORPORATION (6849)

Stock Exchange Listing: 1st section Tokyo Stock Exchange
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1. Consolidated Financial Highlights for FY2007 (From April 1, 2007 to March 31, 2008)

(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 | 104,825 | 8.4 | 9,817 | 23.1 | 9,545 | 13.0 | 5,631 | 11.5 |
| FY2006 | 96,679 | 7.0 | 7,973 | 7.5 | 8,448 | 4.5 | 5,052 | -12.7 |

| | Net income per share- Basic | Net income per share - Diluted | Return on Equity | Ordinary profit to total assets | Operating profit Margin |
|---------------|-----------------------------|--------------------------------|------------------|---------------------------------|-------------------------|
| | yen | yen | % | % | % |
| FY2007 | 128.01 | - | 11.3 | 12.2 | 9.4 |
| FY2006 | 114.12 | - | 10.7 | 11.3 | 8.2 |

Note: Investment income for equity method: FY2007: -9 million yen FY2006: 46 million yen

(2) Consolidated Financial Conditions

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---------------|-----------------|-----------------|--------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| FY2007 | 80,630 | 51,814 | 63.8 | 1,170.31 |
| FY2006 | 75,894 | 48,864 | 63.9 | 1,101.41 |

(Note) Equity Capital: FY2007: 51,418 million yen FY2006: 48,503 million yen

(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 | 8,621 | -2,857 | -2,887 | 13,797 |
| FY2006 | 5,882 | -3,050 | -2,591 | 11,027 |

2. Dividends

| | Dividends per share | | | Total dividend payment amount | Pay-out ratio (consolidated) | Dividend to net assets (consolidated) |
|-------------------|---------------------|--------------|--------------|-------------------------------|------------------------------|---------------------------------------|
| | Interim | Year end | Total | | | |
| | yen | yen | yen | Millions of yen | % | % |
| FY2006 | 15.00 | 15.00 | 30.00 | 1,325 | 26.3 | 2.8 |
| FY2007 | 17.00 | 20.00 | 37.00 | 1,627 | 28.9 | 3.3 |
| FY2008 (Forecast) | 18.00 | 19.00 | 37.00 | - | 31.3 | - |

3. Forecast for FY2008 (From April 1, 2008 to March 31, 2009)

| | 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 |
| Interim | 50,000 | -1.4 | 3,000 | -38.3 | 3,000 | -39.0 | 1,800 | -38.7 | 40.97 |
| Full year | 107,000 | 2.1 | 8,500 | -13.4 | 8,500 | -11.0 | 5,200 | -7.7 | 118.35 |

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

4. Other

(1) Change in Scope of consolidation: None

(2) Changes in Accounting Rules, Procedures, Presentation Method, etc. for the Consolidation Financial Statement: Yes

(3) Number of outstanding shares (Common Stock)

Number of outstanding shares at the end of the period: FY2007: 45,765,490 FY2006: 45,765,490
 Number of treasury stocks: FY2007: 1,829,595 FY2006: 1,727,745

(Reference) Non-Consolidated Financial Highlights

1. Non-Consolidated Financial Highlights for FY2007 (From April 1, 2007 to March 31, 2008)

(1) Non-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 | 69,052 | 11.0 | 8,350 | 30.7 | 8,742 | 13.9 | 5,283 | -0.5 |
| FY2006 | 62,231 | 7.2 | 6,387 | 7.8 | 7,675 | 4.5 | 5,310 | -9.5 |

| | Net income per share- Basic | Net income per share - Diluted |
|---------------|-----------------------------|--------------------------------|
| | yen | yen |
| FY2007 | 120.10 | - |
| FY2006 | 119.94 | - |

(2) Non-Consolidated Financial Conditions

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---------------|-----------------|-----------------|--------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| FY2007 | 73,823 | 47,202 | 63.9 | 1,074.35 |
| FY2006 | 67,734 | 44,558 | 65.8 | 1,011.83 |

(Note) Equity Capital: FY2007: 47,202 million yen FY2006: 44,558 million yen

2. Non-Consolidated Forecast for FY2008 (From April 1, 2008 to March 31, 2009)

| | 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 |
| Interim | 32,000 | -3.1 | 2,200 | -45.5 | 2,600 | -42.8 | 1,600 | -47.1 | 36.42 |
| Full year | 69,100 | 0.1 | 6,200 | -25.8 | 6,800 | -22.2 | 4,200 | -20.5 | 95.59 |

(Note) Percentage figures in the above tables indicate increase/decrease over the corresponding period of previous 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.

5. Review of Operations

During the term under review (April 1, 2007 to March 31, 2008), as the Japanese government made progress on National Health Insurance reform, the business environment remained severe for medical equipment suppliers. Meanwhile, the importance of early defibrillation by AED (automated external defibrillators) has been widely recognized and the devices are being placed in public facilities, schools and private companies.

Outside Japan, competition intensified as cross-border M&A and alliances accelerated global reorganization of the international medical device industry. Meanwhile, the demand for medical equipment has expanded with the economic growth in emerging countries such as BRICs.

With these circumstances in mind, to sustain group growth and enhance its corporate value, Nihon Kohden started a new 3-year business plan, SPEED UP II, for the period until FY2009 (ending March 2010).

The Company continues to introduce high value-added and high quality products that can help to improve patients' Quality of Life as well as medical safety and efficiency. In Physiological Measuring Equipment, Nihon Kohden introduced an intraoperative neurophysiology monitoring system to prevent nerve damage from operative manipulations. In Patient Monitors, a new central monitor was developed with the concept of "medical safety" and enhanced alarm functions. In Treatment Equipment, Nihon Kohden launched a new AED for home use with a compact and lightweight body.

Nihon Kohden has built a consistent quality assurance system and emphasizes improvement of quality and reliability. In October 2007, the Company's Reliability Center received ISO/IEC 17025 accreditation as a safety-testing laboratory for medical electrical equipment. The Reliability Center can assess products for obtaining certification based on the specifications instead of outsourcing the assessment to third parties. This enables the Company to shorten the testing period and speed up product development.

As a result, overall sales during the term under review increased 8.4% over FY2006 to ¥104,825 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 23.1% to ¥9,817 million, ordinary profit increased 13.0% to ¥9,545 million and net income increased 11.5% to ¥5,631 million over the previous fiscal year.

[Sales by region]

Japan: Sales in the university market, public and private hospital markets increased, primarily supported by the sales growth of system network products as hospitals have introduced IT systems. Sales in the clinic market also increased, reflecting our focus on consulting business for private practice startups. AED also experienced strong sales growth due to the increased penetration of AEDs in the PAD (public access defibrillation) market. As a result, domestic sales increased 5.9% over FY2006, to ¥79,138 million.

International: Sales in North America increased due to solid sales of Patient Monitors. Sales of Patient Monitors and Medical Supplies in Latin America soared mainly due to the shipment of the balance of large-scale orders, which was carried forward from the previous fiscal year. Sales in Europe were up with good performance in Patient Monitors, hematology analyzers and Medical Supplies. Sales in China were weak due to reorganization of the local distribution channel in order to prepare for the establishment of our sales subsidiary in the fourth quarter, while sales in other Asian countries increased. As a result, international sales increased 17.1% over the fiscal 2006, to ¥25,687 million.

[Sales by product category]

Physiological Measuring Equipment: Increased sales of EEGs driven by new product introductions and diagnostic information systems favorably impacted domestic sales, partially offset by lower sales of polygraphs. Internationally, sales of ECGs decreased, while sales of EEGs increased. Overall, sales increased 3.2% over the previous fiscal year to ¥17,001 million.

Patient Monitors: In Japan, Patient Monitors sales increased due to higher sales of bedside monitors and clinical information systems. Sales of central monitors also grew due to a new product launch. Outside Japan, sales in the Americas and Europe were up with good performance in bedside monitors. Overall, sales increased 11.2% over the previous fiscal year to ¥21,882 million.

Treatment Equipment: Domestic sales of AED grew favorably due to the increased placement of AEDs. Sales of ventilators also increased. Sales of defibrillators in medical facilities and ambulances, as well as pacemakers, decreased slightly. Internationally, sales of defibrillators in medical facilities and ambulances increased in Latin America and Europe. Overall, sales increased 17.6% over the previous fiscal year to ¥15,862 million.

Medical Supplies: In Japan, sales of consumables such as catheters, sensors and disposable electrodes increased. Maintenance service sales also increased. International consumables sales favorably increased, including a large-scale order in Latin America. Overall, sales increased 13.0% over the previous fiscal year to ¥33,217 million.

Other Medical Equipment: In Japan, sales of hematology analyzers increased, while sales of locally purchased products decreased considerably. Internationally, sales of hematology analyzers increased. Overall, sales decreased 4.3% over the previous fiscal year to ¥16,861 million.

6. Consolidated Sales Results of FY2007 by Product Segment

(Millions of yen)

| | FY2007 | |
|-----------------------------------|---------|-----------------|
| | Amount | Growth rate (%) |
| Physiological Measuring Equipment | 17,001 | 3.2 |
| Patient Monitors | 21,882 | 11.2 |
| Treatment Equipment | 15,862 | 17.6 |
| Medical Supplies | 33,217 | 13.0 |
| Other Medical Equipment | 16,861 | -4.3 |
| Total | 104,825 | 8.4 |
| (Reference) Overseas Sales | 25,687 | 17.1 |

7. Forecast for FY 2008

As the Japanese government made progress on National Health Insurance reform, the business environment changed drastically for medical equipment suppliers. Outside Japan, market competition will continue to intensify as global restructuring of the international medical device industry accelerates.

Under these circumstances, Nihon Kohden aims to enhance its corporate value by steadily implementing various measures in its new 3-year business plan, SPEED UP II, for the period until FY2009 (ending March 2010).

Nihon Kohden continues to explore new business opportunities with the aim of sustaining group growth. As a first step, it acquired Nippon Biotest Labo, the independent supplier of antibodies for reagents. This will help the Company strengthen its immunology business in the rapidly growing POCT (Point of Care Testing) market.

The Company is working to expand key areas where it can leverage its strength with the aim of sustaining group growth and stable earnings. As Japan's only domestic AED maker, Nihon Kohden focuses on timely development of high value-added AED that will satisfy the needs of the PAD market. The Company will also seek a new distribution channel to encourage the spread of AED in the PAD market. In addition, the Company will enhance its product lineup of patient monitors and expand its patient monitor business domestically and internationally.

Nihon Kohden is accelerating its international consumables business with the aim of stable earnings. It plans to establish a reagent factory in India to meet increased local sales of hematology analyzers.

Nihon Kohden will also strive to further strengthen its business base for future growth. The Company's main production facility at Tomioka plans to expand its manufacturing capability to meet the increased sales of in-house AED and the expansion of overseas business. To enhance its overseas sales network, the Company established a sales subsidiary in China and reorganized Nihon Kohden Italia S.r.l.. In addition, the Company will restructure its business operating system to raise business efficiency, and enhance human resources to enlarge its business scale.

As a result, Nihon Kohden forecasts overall sales, operating profit, ordinary profit and net income for FY2008 to be ¥107,000 million, ¥8,500 million, ¥8,500 million and ¥5,200 million, respectively. Domestic sales are expected to be ¥81,700 million, an increase of 3.2% over the prior year. In its international business, the Company doesn't foresee large tenders such as Latin America's large-scale orders in FY2007 and the sharp appreciation of the yen will negatively impact the conversion of overseas sales into yen. As result, overseas sales is expected to be ¥25,300 million, a decrease of 1.5% over fiscal 2007. SG&A costs will increase due to up-front investments such as capital expenditures for future growth and enhancement of human resources, in addition to the heavier burden of pension costs. The pension fund asset value has eroded because of the stock market slump and this has driven up pension costs. For these reasons, operating profit, ordinary profit and net income for FY2008 are expected to decrease over FY2007.

The Company's forecast for FY2008 is based on an exchange rate of 105 yen to the dollar and 150 yen to the euro. Exchange rate fluctuations will not have much impact on operating profit because the Company's import and export business are roughly balanced.

8. Consolidated Forecast for FY 2008 by Product Segment

(Millions of yen)

| | FY2008 (Forecast) | |
|-----------------------------------|-------------------|-----------------|
| | Amount | Growth rate (%) |
| Physiological Measuring Equipment | 17,300 | 1.8 |
| Patient Monitors | 22,800 | 4.2 |
| Treatment Equipment | 17,000 | 7.2 |
| Medical Supplies | 33,900 | -2.1 |
| Other Medical Equipment | 16,000 | -5.1 |
| Total | 107,000 | 2.1 |
| (Reference) Overseas Sales | 25,300 | -1.5 |

9. Changes in Representative Directors

| Name | New Title | Former Title |
|--------------|------------------------------------|---|
| Kazuo Ogino | Representative Director, Chairman | Representative Director, President |
| Fumio Suzuki | Representative Director, President | Director, General Manager of General Affairs & Personnel Department |

10. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

| | March 31, 2007 | | March 31, 2008 | | Change |
|---|----------------|--------------|----------------|--------------|---------------|
| | Amount | % | Amount | % | Amount |
| ASSETS | | | | | |
| Current Assets: | | | | | |
| Cash | 11,060 | | 8,303 | | -2,756 |
| Trade notes and accounts receivable | 28,805 | | 30,941 | | +2,135 |
| Marketable Securities | - | | 5,500 | | +5,500 |
| Inventories | 15,008 | | 14,442 | | -565 |
| Deferred income taxes | 3,214 | | 3,372 | | +157 |
| Other current assets | 947 | | 1,377 | | +430 |
| Allowance for doubtful receivables | -128 | | -219 | | -91 |
| Total current assets | 58,908 | 77.6 | 63,718 | 79.0 | +4,810 |
| Fixed Assets: | | | | | |
| Tangible fixed assets: | | | | | |
| Buildings and structures | 3,189 | | 3,096 | | -92 |
| Machinery, equipment and vehicles | 697 | | 829 | | +132 |
| Tools, furniture and fixtures | 2,639 | | 2,676 | | +36 |
| Land | 2,499 | | 2,550 | | +51 |
| Construction in progress | 288 | | 433 | | +145 |
| Total tangible fixed assets | 9,314 | 12.3 | 9,587 | 11.9 | +273 |
| Intangible fixed assets | 1,043 | 1.4 | 1,222 | 1.5 | +179 |
| Investments and other assets: | | | | | |
| Investments in securities | 4,910 | | 3,665 | | -1,244 |
| Deferred income taxes | 19 | | 176 | | +156 |
| Prepaid pension expenses | - | | 1,185 | | +1,185 |
| Other investments and other assets | 2,064 | | 1,355 | | -709 |
| Allowance for doubtful receivables | -366 | | -281 | | +84 |
| Total investments and other assets | 6,627 | 8.7 | 6,100 | 7.6 | -527 |
| Total fixed assets | 16,985 | 22.4 | 16,911 | 21.0 | -74 |
| Total Assets | 75,894 | 100.0 | 80,630 | 100.0 | +4,736 |
| LIABILITIES | | | | | |
| Current Liabilities: | | | | | |
| Trade notes and accounts payable | 16,121 | | 18,016 | | +1,894 |
| Short-term debt | 2,522 | | 1,336 | | -1,186 |
| Other payables | 859 | | 1,528 | | +669 |
| Accrued income taxes | 1,923 | | 2,122 | | +199 |
| Accrued expenses | 1,938 | | 1,914 | | -24 |
| Accrued bonuses | 1,806 | | 2,079 | | +273 |
| Accrued bonuses to directors and corporate auditors | 77 | | - | | -77 |
| Other current liabilities | 1,127 | | 1,244 | | +116 |
| Total current liabilities | 26,376 | 34.7 | 28,242 | 35.0 | +1,865 |
| Non-current liabilities: | | | | | |
| Long-term debt | 111 | | 28 | | -83 |
| Long-term accounts payable | - | | 271 | | +271 |
| Deferred income taxes | 222 | | 232 | | +10 |
| Liabilities for retirement and severance benefits | 281 | | - | | -281 |
| Other non-current liabilities | 37 | | 41 | | +4 |
| Total non-current liabilities | 653 | 0.9 | 573 | 0.7 | -79 |
| Total liabilities | 27,029 | 35.6 | 28,815 | 35.7 | +1,786 |
| NET ASSETS | | | | | |
| Stockholders' equity: | | | | | |
| Common stock | 7,544 | 9.9 | 7,544 | 9.4 | - |
| Additional paid-in capital | 10,485 | 13.8 | 10,485 | 13.0 | +0 |
| Retained earnings | 30,709 | 40.5 | 34,932 | 43.3 | +4,223 |
| Treasury stock | -1,755 | -2.3 | -2,012 | -2.5 | -256 |
| Total stockholders' equity | 46,983 | 61.9 | 50,950 | 63.2 | +3,966 |
| Valuation and translation adjustments: | | | | | |
| Net unrealized gain on other securities | 1,468 | 1.9 | 494 | 0.6 | -974 |
| Deferred gains on hedges | 0 | 0.0 | - | 0.0 | -0 |
| Foreign currency translation adjustments | 49 | 0.1 | -26 | -0.0 | -75 |
| Total valuation and translation adjustments | 1,519 | 2.0 | 468 | 0.6 | -1,051 |
| Minority interests | 361 | 0.5 | 395 | 0.5 | +34 |
| Total Net Assets | 48,864 | 64.4 | 51,814 | 64.3 | +2,949 |
| Total Liabilities and Net Assets | 75,894 | 100.0 | 80,630 | 100.0 | +4,736 |

(2) Consolidated Statements of Income

(Millions of yen)

| | Year ended March 31, 2007 | | Year ended March 31, 2008 | | Change |
|--|------------------------------|--------------|------------------------------|--------------|---------------|
| | Amount | % | Amount | % | Amount |
| Net sales | 96,679 | 100.0 | 104,825 | 100.0 | +8,146 |
| Cost of sales | 49,246 | 50.9 | 52,083 | 49.7 | +2,836 |
| Gross profit | 47,432 | 49.1 | 52,742 | 50.3 | +5,309 |
| Selling, general and administrative expenses | 39,458 | 40.9 | 42,924 | 40.9 | +3,465 |
| Operating profit | 7,973 | 8.2 | 9,817 | 9.4 | +1,844 |
| Interest income | 26 | | 40 | | |
| Dividend income | 55 | | 74 | | |
| Equity in earnings of affiliates | 46 | | - | | |
| Exchange gain | 429 | | - | | |
| Other, net | 257 | | 216 | | |
| Non-operating profit | 815 | 0.8 | 331 | 0.3 | -484 |
| Interest expenses | 92 | | 66 | | |
| Loss on disposal of property, plant and equipment | 67 | | 72 | | |
| Equity in losses of affiliates | - | | 9 | | |
| Exchange loss | - | | 300 | | |
| Other, net | 180 | | 154 | | |
| Non-operating expenses | 341 | 0.4 | 603 | 0.6 | +262 |
| Ordinary profit | 8,448 | 8.7 | 9,545 | 9.1 | +1,096 |
| Reversal of allowance for doubtful accounts | 13 | | 97 | | |
| Gain on sale of investment in securities | 19 | | - | | |
| Extraordinary profit | 33 | 0.1 | 97 | 0.1 | +64 |
| Office relocation expenses | 171 | | - | | |
| Loss on devaluation of investment in securities | - | | 3 | | |
| Extraordinary expenses | 171 | 0.2 | 3 | 0.0 | -168 |
| Income before income taxes and minority interests | 8,310 | 8.6 | 9,639 | 9.2 | +1,329 |
| Income taxes and enterprise taxes | 3,137 | | 3,628 | | |
| Income taxes adjustments | 65 | | 329 | | |
| Income taxes | 3,202 | 3.3 | 3,958 | 3.8 | +755 |
| Minority interests | 55 | 0.1 | 49 | 0.0 | -5 |
| Net income | 5,052 | 5.2 | 5,631 | 5.4 | +579 |

(3) Consolidated Statements of Cash Flows

(Millions of yen)

| | Year ended | Year ended | Change |
|--|----------------|----------------|---------------|
| | March 31, 2007 | March 31, 2008 | Amount |
| | Amount | Amount | Amount |
| Cash flows from operating activities: | | | |
| Income before income taxes and minority interests | 8,310 | 9,639 | +1,329 |
| Depreciation and amortization | 1,698 | 2,106 | +407 |
| Amortization of goodwill | 74 | - | -74 |
| Loss on disposal of property, plant and equipment | 99 | 72 | -27 |
| Allowance for doubtful receivables | -7 | 6 | +14 |
| Increase (decrease) in accrued bonuses | 739 | 273 | -466 |
| Increase (decrease) in accrued bonuses to directors and corporate auditors | 77 | -77 | -154 |
| Increase in prepaid pension expenses | -567 | -561 | +5 |
| Increase (decrease) in directors retirement allowances | 26 | -281 | -308 |
| Interest and dividend income | -82 | -114 | -32 |
| Interest expenses | 92 | 66 | -26 |
| Exchange (gain) loss | 71 | 11 | -60 |
| Loss on devaluation of investments in securities | 18 | 16 | -1 |
| Gain on sale of investments in securities | -19 | - | +19 |
| (Increase) decrease in trade notes and accounts receivable | 1,599 | -1,861 | -3,461 |
| (Increase) decrease in inventories | -926 | 565 | +1,491 |
| Increase (decrease) in trade notes and accounts payable | -1,228 | 1,894 | +3,123 |
| Increase (decrease) in consumption taxes payable | -124 | 199 | +324 |
| Equity in earnings of affiliates | -46 | 9 | +55 |
| Other, net | -238 | 94 | +332 |
| Sub total | 9,565 | 12,058 | +2,493 |
| Interest and dividend received | 84 | 115 | +30 |
| Interest paid | -87 | -86 | +0 |
| Income taxes paid | -3,680 | -3,466 | +214 |
| Net cash provided by operating activities | 5,882 | 8,621 | +2,739 |
| Cash flows from investing activities: | | | |
| Proceeds from sale of investments in securities | 60 | - | -60 |
| Purchase of investments in securities | -461 | -416 | +44 |
| Proceeds from sale of property, plant and equipment | 9 | 19 | +10 |
| Capital expenditures | -2,242 | -1,787 | +454 |
| Purchase of intangible assets | -484 | -537 | -53 |
| Proceeds from purchases of subsidiary stock due to changing scope of consolidation | 30 | - | -30 |
| Other, net | 36 | -136 | -173 |
| Net cash used in investing activities | -3,050 | -2,857 | +192 |
| Cash flows from financing activities: | | | |
| Decrease in short-term debt | -538 | -1,089 | -551 |
| Payments on long-term debt | -42 | -83 | -41 |
| Dividends paid to stockholders | -1,238 | -1,409 | -170 |
| Purchase of treasury stock | -740 | -256 | +484 |
| Dividends paid to minority interests | -31 | -38 | -7 |
| Other, net | - | -10 | -10 |
| Net cash used in financing activities | -2,591 | -2,887 | -296 |
| Effect of exchange rate changes on cash and cash equivalents | -17 | -106 | -88 |
| Net increase in cash and cash equivalents | 223 | 2,769 | +2,546 |
| Cash and cash equivalents at beginning of year | 10,804 | 11,027 | +223 |
| Cash and cash equivalents at end of year | 11,027 | 13,797 | +2,769 |

11. Overseas Sales

Year ended March 31, 2007

(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 |

Year ended March 31, 2008

(Millions of yen)

| | Americas | Europe | Asia | Other | Total |
|---|---------------|--------------|--------------|--------------|---------------|
| Overseas sales | 11,445 | 8,043 | 5,173 | 1,024 | 25,687 |
| Consolidated sales | | | | | 104,825 |
| Percentage of overseas sales to consolidated sales (%) | 10.9 | 7.7 | 4.9 | 1.0 | 24.5 |

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, Colombia, Mexico and Brazil

Europe: Germany, Italy, Spain, France and Russia

Asia: China, Korea, Vietnam, Thailand and Iran