

Consolidated Financial Highlights for the First Quarter of FY2012

(From April 1, 2012 to June 30, 2012)



NIHON KOHDEN CORPORATION

August 2, 2012

Fighting Disease with Electronics

1) Consolidated Financial Results for the 1st Quarter of FY2012

(Amounts of less than ¥1 million are rounded down)

	FY2011 1Q	FY2012 1Q	YoY (%)
Net Sales	24,952	27,775	11.3
Domestic Sales	20,520	22,784	11.0
Overseas Sales	4,431	4,991	12.6
Operating Income	1,050	2,167	106.3
Ordinary Income	1,035	1,853	79.0
Net Income	637	1,060	66.5

Currency Effect
- ¥0.2 billion (- 4%)

Gross Margin Ratio
FY2011 1Q ⇒ FY2012 1Q
50.4% 52.1%

SG&A Ratio
FY2011 1Q ⇒ FY2012 1Q
46.2% 44.3%

Average Exchange Rate	(2011/6)	(2012/6)
1 US Dollar	82	81
1 EURO	119	105

2) Highlights of FY2012 1Q

Net Sales : +11.3%

- Japan: Sales in the hospital market and the clinic market increased favorably. AED sales also increased. Sales of all product categories increased.
- International: Both sales in the U.S. and China showed strong growth and this led to double-digit sales growth in the Americas and Asia. Sales in Europe decreased mainly due to unfavorable foreign currency impacts.

Operating Income : +106.3%

- Operating income almost doubled, benefiting from increased sales volumes and higher gross margin.
- Gross margin improved due to a favorable sales mix and increased production efficiency.
- Although SG&A increased largely due to the increased sales promotion expenses, SG&A as a percentage of sales declined.

3) Revision of Consolidated Forecast for the 1st Half of FY2012

(Millions of yen)

	First half FY2012		Difference	Difference as percentage (%)
	Original Forecast (announced May 10)	Revised Forecast (announced Aug. 2)		
Net Sales	60,000	60,000	0	0.0
Operating Income	4,300	5,000	700	16.3
Ordinary Income	4,300	4,700	400	9.3
Net Income	2,600	2,800	200	7.7

- Sales forecast for the 1st half of FY2012 remain unchanged as recent performance trends are in line with estimates.
- As income in the 1st quarter of FY2012 exceeded the Company's estimates, income forecasts for the 1st half of FY2012 are revised upward from the original forecasts.
- Based on economic uncertainty such as a strong yen and financial anxiety in Europe, the Company's forecasts for FY2012 full-term remain unchanged.

4) Topics

Continue to launch new products

Physiological Measuring Equipment

- **Electrode junction box with 256 channels: JE-120A**

March 2012 (International),
June 2012 (Japan)



- **Home Sleep Testing Device: SAS-3200**

January 2012 (Japan)



- **Polysomnography: PSG-1100**

March 2012 (Japan),
April 2012 (International)



Patient Monitors

- **Patient Monitor for ambulance: BSM-3000 series**

June 2012 (Japan),
March 2011 (International)



- **Oxygen mask with CO₂ monitoring**

for pediatric : YG-232T
for infant : YG-242T

July 2012 (Japan)



Treatment Equipment

- **Illustrated guidance: AED-2150**
ECG waveform display: AED-2151



- **Semi-auto mode : AED-2152**

January 2012 (International,
AED-2152 only), April 2012 (Japan)

- **CO₂ monitoring for ventilators: IAS-V110**

June 2012 (Japan)



Accomplish to consolidate 3 Chinese subsidiaries in July 2012

Its three Chinese subsidiaries which had been engaged in R&D, manufacture and sales were consolidated into one subsidiary in order to accelerate and streamline business operations.

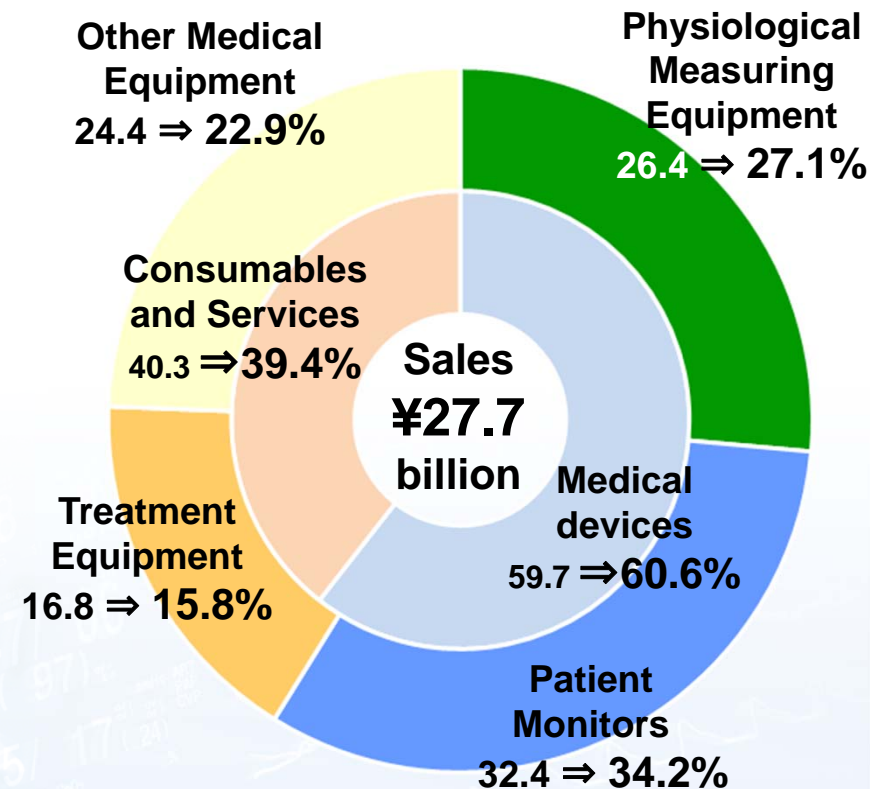
5) Sales by Product Category

(Sales, millions of yen)

	FY2011 1Q	FY2012 1Q	YoY (%)
Physiological Measuring Equipment	6,594	7,518	14.0
Patient Monitors	8,091	9,503	17.5
Treatment Equipment	4,180	4,393	5.1
Other Medical Equipment	6,086	6,360	4.5
Total Sales	24,952	27,775	11.3
(Reference)			
Consumables and Services	10,054	10,951	8.9

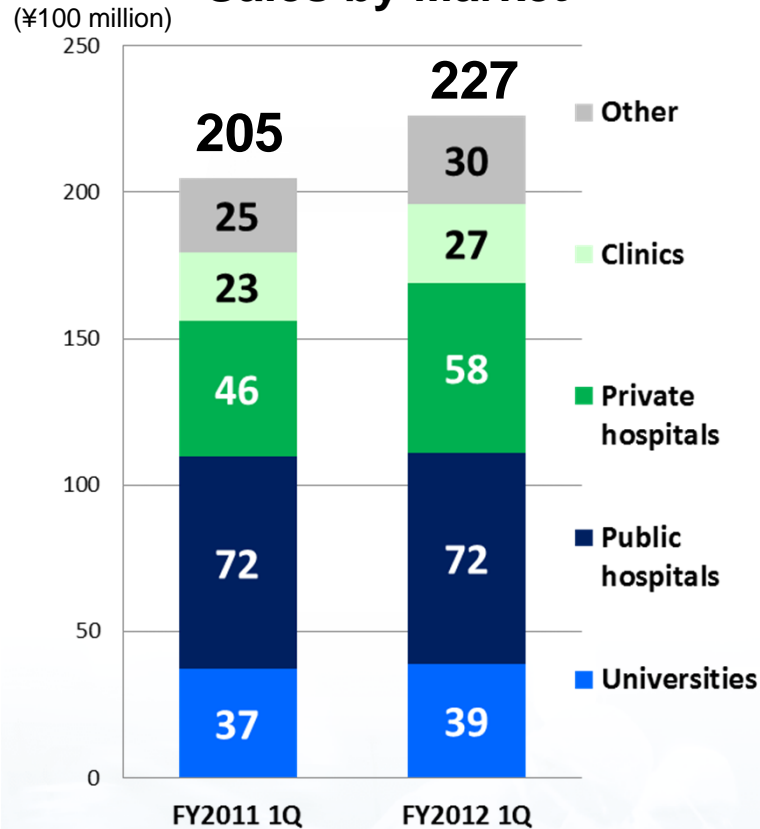
Sales composition by product category

(FY2011 1Q ⇒ FY2012 1Q)



6) Domestic Sales

Sales by Market



Sales by Product Category

(Sales, millions of yen)

	FY2011 1Q	FY2012 1Q	YoY (%)
Physiological Measuring Equipment	5,370	6,055	12.8
Patient Monitors	6,071	7,151	17.8
Treatment Equipment	3,638	3,917	7.7
Other Medical Equipment	5,440	5,659	4.0
Total Sales	20,520	22,784	11.0

【Market】

Sales in the private hospital market, the clinic market and the PAD market increased favorably.

【Product】

Physiological Measuring Equipment: Sales of EEGs, ECGs, polygraphs for cath labs and diagnostic information systems increased favorably.

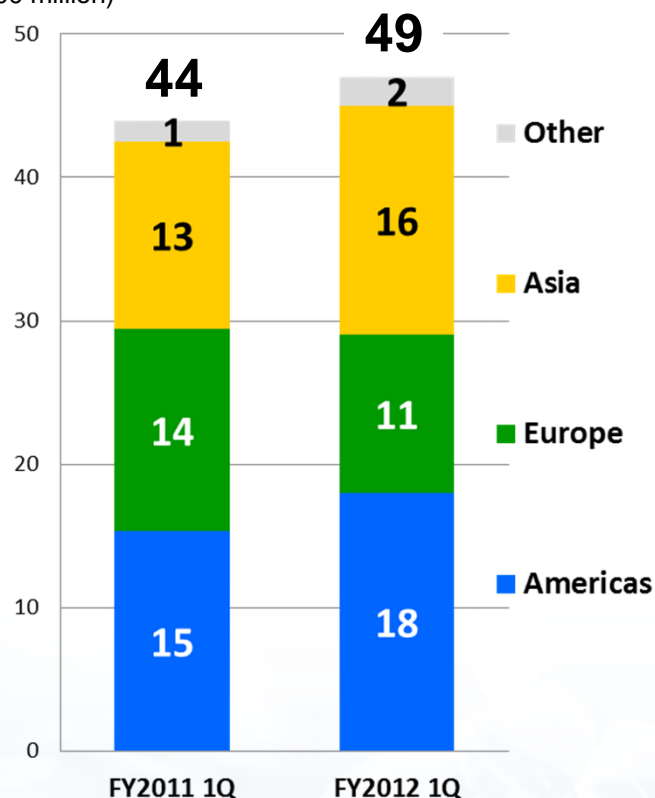
Patient Monitors: Bedside monitors and consumables such as sensors showed solid growth.

Treatment Equipment: AED sales increased favorably driven by the AED remote monitoring system which is well received in the market and the launch of new AEDs .

7) Overseas Sales

Geographic segments

(¥100 million)



Sales by Product Category

(Sales, millions of yen)

	FY2011 1Q	FY2012 1Q	YoY (%)
Physiological Measuring Equipment	1,223	1,463	19.6
Patient Monitors	2,019	2,352	16.5
Treatment Equipment	542	475	-12.4
Other Medical Equipment	645	700	8.5
Total Sales	4,431	4,991	12.6

Currency Effect
- ¥0.2 billion (- 4%)

【Region】 Americas: Sales in the U.S. showed strong growth and sales in Latin America also increased.

Europe: Sales decreased mainly due to unfavorable foreign currency impacts. Sales in Germany and Turkey declined against a strong 1st quarter of FY2011.

Asia: Sales in China showed strong growth and sales in India also increased favorably.

【Product】 Physiological Measuring Equipment: Sales of EEGs increased in the Americas and Asia.
Sales of ECGs increased in Asia.

Patient Monitors: Sales increased in all 3 areas, especially sales in the Americas showed strong growth.

Treatment Equipment: Sales of Metran ventilators decreased. Sales of defibrillators also decreased in Europe.

Other Medical Equipment: Sales of hematology analyzers and reagents increased favorably in China.

8) Depreciation & R&D Costs

(Millions of yen)

	FY2011 1Q	FY2012 1Q	Change	FY2011 Actual	FY2012 Plan
Depreciation	614	624	9	2,849	3,200
R&D costs	1,223	1,213	-10	5,583	5,800

● FY2012 Plan:

Capital Investments

Molds for new products, products for demonstration, expansion of production capacity (¥0.4 billion) and enhancement of ERP system (¥0.3 billion).

9) Forecast for FY2012

(Amounts of less than ¥1 million are rounded down)

	FY2011 Actual	FY2012 Forecast	YoY (%)
Net Sales	120,718	130,000	7.7
Domestic Sales	99,706	105,000	5.3
Overseas Sales	21,011	25,000	19.0
Operating Income	12,027	13,000	8.1
Ordinary Income	12,193	13,000	6.6
Net Income	7,621	7,900	3.7
Percentage of Overseas Sales	17.4%	19.2%	
Average Exchange Rate			
1 US Dollar	79 yen	80 yen	
1 EURO	110 yen	100 yen	

(Ref.) Consolidated Forecast for FY2012 by Product Category

(Amounts of less than ¥1 million are rounded down)

	FY2011 Actual	FY2012 Forecast	YoY (%)
Physiological Measuring Equipment	30,676	32,650	6.4
Patient Monitors	39,352	43,550	10.7
Treatment Equipment	20,288	21,550	6.2
Other Medical Equipment	30,400	32,250	6.1
Total	120,718	130,000	7.7
(Reference)			
Consumables and Services	44,525	47,550	6.8

Disclaimer:

Contents described in this document are based on the Company's best judgments at the time it was prepared and do not constitute a guarantee or promise that the Company will achieve its numerical targets or implement the measures.

