

Summary Report of Consolidated Financial Results

For the Nine Months Period ended December 31, 2003 (Fiscal Year ending March 31, 2004)

Company name: **NIPRO CORPORATION** (Code No.: 8086 TSE-1st Section)(URL: <http://www.nipro.co.jp/>)

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1. Matters related to the preparation of quarterly financial summary
 - (1) Difference in the method of accounting recognition from the most recent fiscal year: N/A
 - (2) Changes of reporting entities: N/A
2. Business results and financial position for the Nine Months ended December 31, 2003 (From April 1, 2003 to December 31, 2003)

(1) Results of Operations (Note: Amounts are rounded off per one million yen)

	Net Sales		Operating Income		Recurring Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2003	142,256	-	10,066	-	8,049	-	3,889	-
Nine months ended December 31, 2002	-	-	-	-	-	-	-	-
Previous fiscal year	180,369		14,899		11,397		5,077	

	Basic Earnings per Share	Diluted Earnings per Share
	Yen	Yen
Nine months ended December 31, 2003	61.13	-
Nine months ended December 31, 2002	-	-
Previous fiscal year	84.25	78.48

(Note) Figures of the nine months period of the previous fiscal year and the ratios in comparison with the corresponding period of the previous fiscal year are not given, as the preparation of the consolidated quarterly financial statements was initiated in this fiscal year.

[Supplementary information on the consolidated results of operations]

The Japanese economy for this nine months period of the fiscal year ended December 31, 2003 showed some signs of recovery in terms of increase in production and capital investments. However, individual income conditions were continuously severe, and the mood of recession generally remained for the period under review.

Under such conditions, Nipro has focused on Research and Development and conducted active sales activities.

As a result, net sales for the nine months period ended December 31, 2003 amounted to 142,256 million yen, operating income amounted to 10,066 million yen, recurring income amounted to 8,049 million yen and net income amounted to 3,889 million yen.

(2) Financial Position

	Total Assets	Shareholders' Equity	Shareholders' Equity Ratio	Shareholders' Equity per Share
	Millions of yen	Millions of yen	%	Yen
Nine months ended December 31, 2003	272,347	90,573	33.3	1423.59
Nine months ended December 31, 2003	-	-	-	-
Previous fiscal year	252,847	83,532	33.0	1,310.72

(Note) Figures of the nine months period of the previous fiscal year are not given, as the preparation of the consolidated quarterly financial statements was initiated in this fiscal year.

Cash Flows

(Millions of yen)

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Nine months ended December 31, 2003	7,926	(9,867)	13,642	40,937
Nine months ended December 31, 2002	-	-	-	-
Previous Fiscal Year	5,453	(30,107)	11,469	29,393

(Note) Figures of the nine months period of the previous fiscal year are not given, as the preparation of the consolidated quarterly financial statements was initiated in this fiscal year.

[Supplementary information on the changes in the financial position]

(1) Changes in the financial position

Total assets increased by 19,499 million yen from the end of the previous fiscal year to 272,347 million yen. Current assets increased by 11,406 million yen to 127,837 million yen, and fixed assets increased by 8,092 million yen to 144,509 million yen. In the current assets, cash and bank deposits increased by 11,064 million yen. In the fixed assets, investment securities increased by 7,269 million yen. Liabilities increased by 12,471 million yen from the end of the previous fiscal year to 180,018 million yen. Current liabilities increased by 6,948 million yen to 95,837 million yen, and noncurrent liabilities increased by 5,523 million yen to 84,180 million yen. In the current liabilities, current portion of bonds increased by 8,000 million yen, and in the noncurrent liabilities, convertible-bond-type bonds with stock acquisition rights increased by 14,000 million yen. Shareholders' equity increased by 7,040 million yen from the end of the previous fiscal year to 90,573 million yen. In this section, earned surplus increased by 2,378 million yen to 30,283 million yen and valuation differences of other securities increased by 4,919 million yen to 7,770 million yen.

(2) Cash flows

Net cash provided by operating activities was 7,926 million yen, net cash used in investing activities was 9,867 million yen, net cash provided by financing activities was 13,642 million yen and cash and cash equivalents increased by 11,544 million yen to 40,937 million yen. Net cash used in investing activities mainly reflected the purchases of fixed assets for 11,139 million yen, and net cash provided by financing activities was mainly due to proceeds from issuance of bonds for 13,921 million yen.

3. Projected Consolidated Financial Results for the Fiscal Year ending March 31, 2004 (From April 1, 2003 to March 31, 2004)

	Net Sales	Recurring Income	Net Income	Net Income per Share
	Millions of yen	Millions of yen	Millions of yen	Yen
Fiscal year ending March 31, 2004	187,000	9,200	4,150	63.48

[Supplementary information on the business forecasts]

The Japanese economy is anticipated to remain in the uncertainty, due to the concerns in appreciation of yen and rise of interest rate arising from the expectation of economic recovery. Under such circumstances, we will strive to improve the business performance by focusing on Research & Development and Sales & Marketing.

There is no amendment to the forecast announced on November 25, 2003.

The projections shown above are prepared based on information available as of the issuing date of this report. The actual results may differ from the projected figures due to various factors.

Consolidated Balance Sheets

(Unit: Millions of yen)

Account	As of December 31, 2003		As of March 31, 2003	
	Amount	Ratio	Amount	Ratio
(ASSETS)		%		%
Current assets	<u>127,837</u>	46.9	<u>116,431</u>	46.0
Cash and bank deposits	43,604		32,539	
Trade notes and accounts receivable	46,093		42,761	
Inventories	32,867		31,213	
Deferred tax assets	1,779		2,244	
Others	3,642		7,873	
Allowance for doubtful accounts	(149)		(201)	
Fixed assets	<u>144,509</u>	53.1	<u>136,416</u>	54.0
Tangible fixed assets	<u>92,244</u>	33.9	<u>91,146</u>	36.1
Buildings and structures	40,618		38,841	
Machinery and equipment	21,186		19,748	
Land	22,464		22,459	
Construction in progress	4,577		6,852	
Others	3,396		3,245	
Intangible fixed assets	<u>1,076</u>	0.4	<u>1,271</u>	0.5
Consolidation adjustments	93		213	
Others	983		1,057	
Investments and other assets	<u>51,188</u>	18.8	<u>43,998</u>	17.4
Investment securities	34,287		27,018	
Long-term loans receivable	2,786		2,601	
Deferred tax assets	214		175	
Lease deposits	11,801		12,234	
Others	2,783		2,660	
Allowance for doubtful accounts	(684)		(692)	
Total Assets	272,347	100.0	252,847	100.0

Consolidated Balance Sheets

(Unit: Millions of yen)

Account	As of December 31, 2003		As of March 31, 2003	
	Amount	Ratio	Amount	Ratio
(LIABILITIES)		%		%
Current liabilities	<u>95,837</u>	35.2	<u>88,888</u>	35.2
Trade notes and accounts payable	30,237		27,085	
Short-term bank loans	38,159		36,257	
Current portion of bonds	10,000		2,000	
Other payables	3,984		3,783	
Income taxes payable	1,045		2,619	
Reserve for employees bonuses	1,204		1,587	
Allowance for price reduction	-		1,359	
Notes payable for plant and equipment	1,709		3,356	
Commercial paper	6,500		7,000	
Others	2,995		3,838	
Non-current liabilities	<u>84,180</u>	30.9	<u>78,657</u>	31.1
Bonds	26,000		36,000	
Convertible-bond-type bonds with stock acquisition rights	14,000		-	
Long-term borrowings	34,641		36,821	
Deferred tax liabilities	3,519		541	
Accrued pension and severance cost	2,429		1,977	
Others	3,589		3,317	
Total Liabilities	180,018	66.1	167,546	66.3
(MINORITY INTERESTS)				
Minority interests	1,755	0.6	1,768	0.7
(SHAREHOLDERS' EQUITY)				
Capital	28,663	10.5	28,663	11.3
Capital surplus	29,972	11.0	29,972	11.9
Earned surplus	30,283	11.1	27,904	11.0
Valuation differences of other securities	7,770	2.9	2,850	1.1
Foreign currency translation adjustments	(5,623)	(2.0)	(5,406)	(2.1)
Treasury stock	(491)	(0.2)	(451)	(0.2)
Total Shareholders' equity	90,573	33.3	83,532	33.0
Total Liabilities, minority interests and shareholders' equity	272,347	100.0	252,847	100.0

Consolidated Statements of Income

(Unit: Millions of yen)

Account	Period		Previous Fiscal Year ended March 31, 2003 (From April 1, 2002 to March 31, 2003)	
	Amount	Ratio	Amount	Ratio
		%		%
Net sales	142,256	100.0	180,369	100.0
Cost of sales	103,180	72.5	128,775	71.4
Gross profit	39,076	27.5	51,594	28.6
Selling, general and administrative expenses	29,009	20.4	36,695	20.3
Operating Income	10,066	7.1	14,899	8.3
Non-operating Income	<u>792</u>	0.6	<u>755</u>	0.4
Interest income	122		207	
Dividend income	183		190	
Gains on sales of investment securities	139		-	
Others	346		357	
Non-operating expenses	<u>2,809</u>	2.0	<u>4,256</u>	2.4
Interest expenses	1,240		1,671	
Equity in losses of affiliate	604		657	
Exchange losses	838		1,749	
Others	124		177	
Recurring Income	8,049	5.7	11,397	6.3
Extraordinary profits	<u>124</u>	0.1	<u>1,334</u>	0.7
Reversion of allowance for doubtful accounts	108		42	
Subsidies received	-		1,129	
Others	15		163	
Extraordinary losses	<u>983</u>	0.7	<u>3,951</u>	2.2
Losses on sales and disposals of fixed assets	258		341	
Losses on devaluation of investment securities	110		628	
Advanced depreciation deductions	-		1,129	
Abnormal manufacturing costs	202		111	
Losses on claims	13		308	
Loss from bad debts	290		-	
Compensation for breach of contract	-		1,178	
Others	108		254	
Net income before adjustment for taxes	7,190	5.1	8,780	4.8
Corporate, inhabitant and enterprise taxes	3,226	2.3	4,957	2.7
Adjustment for taxes	50	0.1	(1,340)	(0.7)
Minority interests in net income of consolidated subsidiaries	23	0.0	85	0.0
Net income	3,889	2.7	5,077	2.8

Consolidated Statements of Cash Flows

(Unit: Millions of yen)

Account	Period	Nine months ended December 31, 2003 (From April 1, 2003 to December 31, 2003)	Previous Fiscal Year ended March 31, 2003 (From April 1, 2002 to March 31, 2003)
		Amount	Amount
Cash flows from operating activities			
Net income before adjustment for taxes		7,190	8,780
Depreciation and amortization		7,089	8,766
Amortization of consolidation adjustments		120	222
Equity in losses of affiliate		604	657
Loss from bad debts		290	-
Increase (decrease) in allowance for doubtful accounts		(58)	(15)
Interest and dividend income		(305)	(397)
Interest expenses		1,240	1,671
Exchange losses (gains)		948	1,039
Decrease (increase) in trade receivables		(4,047)	(3,883)
Decrease (increase) in inventories		(1,748)	(4,517)
Increase (decrease) in trade payables		3,326	(1,004)
Decrease (increase) in other assets		581	(675)
Increase (decrease) in other liabilities		(1,270)	436
Bonuses to directors and corporate auditors		(111)	(168)
Other non-operating income/expenses and extraordinary profits/losses		149	2,727
Subtotal		14,001	13,639
Interests and dividends received		214	362
Interests paid		(1,457)	(1,755)
Other revenues		577	736
Other expenditures		(603)	(1,702)
Corporate taxes paid		(4,805)	(5,826)
Cash flows from operating activities		7,926	5,453
Cash flows from investing activities			
Deposits in time deposits		(2,345)	(3,493)
Proceeds from matured time deposits		2,793	1,373
Payments for purchases of securities		(14)	(4,060)
Proceeds from sales of securities		448	20
Payments for purchases of fixed assets		(11,139)	(23,886)
Proceeds from sales of fixed assets		484	143
Lending of loans		(109)	(257)
Proceeds from collections of loans receivable		39	56
Payments for other investments		(23)	(4)
Proceeds from other investments		-	1
Cash flows from investing activities		(9,867)	(30,107)
Cash flows from financing activities			
Net increase (decrease) in short-term bank loans		110	3,718
Net increase (decrease) in commercial paper		(500)	7,000
Proceeds from long-term borrowings		4,365	23,598
Repayment of long-term borrowings		(4,739)	(8,181)
Proceeds from issuance of bonds		13,921	5,966
Payments for redemption of bonds		(2,000)	(13,122)
Proceeds from issuance of common stock		-	105
Payments for purchases of treasury stock		(40)	(396)
Payments for finance lease obligations		(244)	(268)
Payments for dividends		(1,373)	(2,810)
Reimbursement of funds for redemption of convertible bonds		4,141	-
Deposit of funds for redemption of convertible bonds		-	(4,141)
Others		-	(0)
Cash flows from financing activities		13,642	11,469
Effect of exchange rate changes on cash and cash equivalents		(157)	(206)
Increase (decrease) in cash and cash equivalents		11,544	(13,391)
Balance of cash and cash equivalents at the beginning of the period		29,393	42,784
Balance of cash and cash equivalents at the end of the period		40,937	29,393

Segment information

1. Segment information by business category

(1) Nine months ended December 31, 2003 (From April 1, 2003 to December 31, 2003) (Millions of yen)

	Medical	Pharmaceutical	Glass & Materials	Super-market	Other	Total	Eliminations /Corporate	Consolidated
Net sales and operating income								
Net sales								
(1) Sales to third parties	58,897	19,130	8,734	54,416	1,078	142,256	-	142,256
(2) Inter-segment sales and transfers	498	-	1,822	-	443	2,764	(2,764)	-
Total	59,395	19,130	10,557	54,416	1,521	145,020	(2,764)	142,256
Operating expenses	50,118	17,090	9,171	53,916	1,203	131,501	688	132,189
Operating income	9,276	2,039	1,385	499	317	13,519	(3,452)	10,066

(2) Fiscal year ended March 31, 2003 (From April 1, 2002 to March 31, 2003) (Millions of yen)

	Medical	Pharmaceutical	Glass & Materials	Super-market	Other	Total	Eliminations /Corporate	Consolidated
Net sales and operating income								
Net sales								
(1) Sales to third parties	76,008	21,979	11,063	69,559	1,758	180,369	-	180,369
(2) Inter-segment sales and transfers	534	-	2,473	0	667	3,674	(3,674)	-
Total	76,542	21,979	13,536	69,559	2,425	184,044	(3,674)	180,369
Operating expenses	62,368	19,997	11,760	68,450	2,277	164,854	615	165,470
Operating income	14,174	1,981	1,776	1,109	147	19,189	(4,290)	14,899

- Note: 1. Classification of business categories and main products in each business category
 Business categories are classified based on the proximity in terms of purposes and manners of usage of the products in the market.
 Main products belonging to each business categories are as follows

Business category	Main products
Medical	Dialyzers, blood tubing sets, injection needles, syringes and infusion sets, etc.
Pharmaceutical	Half-type and full-type kits, double-bag kits, pre-filled syringes, dialysate solution and circulatory drugs, etc.
Glass & Materials	Glass for pharmaceutical containers, glass for thermos bottles, glass for lighting purposes, stoppers for plastic containers and rubber stoppers, etc.
Supermarket	Fresh meat and fish, vegetables, fruit, processed food, daily foods, frozen foods, general groceries and medicine, etc.
Other	Machinery for manufacture of medical equipment and real estate rental income, etc.

2. Operating expenses of "Eliminations/Corporate" for the nine months ended December 31, 2003 and the fiscal year ended March 31, 2003 included unallocated corporate costs of 3,452 million yen and 4,290 million yen, respectively. The unallocated corporate costs consisted primarily of the parent company's research and development costs and the headquarters administration costs.

2. Segment information by geographical area

(1) Nine months ended December 31, 2003 (From April 1, 2003 to December 31, 2003) (Millions of yen)

	Japan	America	Europe	Asia	Total	Eliminations /Corporate	Consoli- dated
Net sales and operating income							
Net sales							
(1) Sales to third parties	132,935	3,351	4,536	1,432	142,256	-	142,256
(2) Inter-segment sales and transfers	7,061	290	24	6,373	13,748	(13,748)	-
Total	139,997	3,641	4,560	7,805	156,005	(13,748)	142,256
Operating expenses	126,788	3,967	4,674	7,126	142,556	(10,366)	132,189
Operating income (loss)	13,208	(325)	(113)	678	13,448	(3,382)	10,066

(2) Fiscal year ended March 31, 2003 (From April 1, 2002 to March 31, 2003) (Millions of yen)

	Japan	America	Europe	Asia	Total	Eliminations /Corporate	Consoli- dated
Net sales and operating income							
Net sales							
(1) Sales to third parties	168,847	4,544	5,360	1,617	180,369	-	180,369
(2) Inter-segment sales and transfers	8,801	419	34	8,234	17,488	(17,488)	-
Total	177,648	4,963	5,394	9,851	197,858	(17,488)	180,369
Operating expenses	159,549	4,710	5,239	8,966	178,467	(12,996)	165,470
Operating income	18,098	253	154	884	19,391	(4,492)	14,899

- Note:
- Classification of countries or areas is based on geographical proximity.
 - The major countries and areas included in each geographical area are as follows
 - America The United States of America and Brazil
 - Europe Belgium
 - Asia China and Thailand
 - Operating expenses of "Eliminations/Corporate" for the nine months ended December 31, 2003 and the fiscal year ended March 31, 2003 included unallocated corporate costs of 3,452 million yen and 4,290 million yen, respectively. The unallocated corporate costs consisted primarily of the parent company's research and development costs and headquarters administration costs.

3. Overseas sales

(1) Nine months ended December 31, 2003 (From April 1, 2003 to December 31, 2003) (Millions of yen)

	America	Europe	Asia	Total
1. Overseas sales	15,255	14,443	4,332	34,032
2. Consolidated net sales				142,256
3. Percentage of overseas sales against consolidated net sales (%)	10.7%	10.2%	3.0%	23.9%

(2) Fiscal year ended March 31, 2003 (From April 1, 2002 to March 31, 2003) (Millions of yen)

	America	Europe	Asia	Total
1. Overseas sales	19,031	17,364	5,427	41,822
2. Consolidated net sales				180,369
3. Percentage of overseas sales against consolidated net sales (%)	10.6%	9.6%	3.0%	23.2%

- Note:
1. Classification of countries or areas is based on geographical proximity.
 2. The major countries and areas included in each geographical area are as follows
 - America The United States of America, Canada and Brazil
 - Europe Belgium, Denmark and Germany
 - Asia China, Taiwan and Thailand
 3. Overseas sales represent those of the Company and the consolidated subsidiaries to countries and areas outside of Japan.

Production, Orders received and Sales

1. Production

(Unit: Millions of yen)

Business segment	Nine months ended Dec. 31, 2003 (From April 1, 2003 to Dec. 31, 2003)		Fiscal year ended March 31, 2003 (From April 1, 2002 to Mar. 31, 2003)	
	Amount produced	Ratio against the same period of the previous fiscal year(%)	Amount produced	Ratio against the same period of the previous fiscal year(%)
Medical	43,067	-	57,473	1.3
Pharmaceutical	18,842	-	23,126	42.1
Glass & Materials	2,786	-	3,396	(14.4)
Other	527	-	1,239	94.7
Total	65,223	-	85,236	9.8

- Note:
1. Amounts produced are calculated based on average selling prices.
 2. The above amounts are after eliminations of the intersegment transactions.
 3. The above amounts do not include the related consumption taxes, etc.

2. Orders received

Since we adopt the production system based on estimated orders, there is nothing applicable hereto regarding the amount and the balance of orders received.

3. Sales

(Unit: Millions of yen)

Business segment	Nine months ended Dec. 31, 2003 (From April 1, 2003 to Dec. 31, 2003)		Fiscal year ended March 31, 2003 (From April 1, 2002 to Mar. 31, 2003)	
	Amount sold	Ratio against the same period of the previous fiscal year(%)	Amount sold	Ratio against the same period of the previous fiscal year(%)
Medical	58,897	-	76,008	(2.0)
Pharmaceutical	19,130	-	21,979	37.8
Glass & Materials	8,734	-	11,063	(1.5)
Supermarket	54,416	-	69,559	7.4
Other	1,078	-	1,758	3.4
Total	142,256	-	180,369	5.3

- Note:
1. The above amounts are after eliminations of the intersegment transactions.
 2. The above amounts do not include the related consumption taxes, etc.