

Summary Report of Consolidated Financial Results

For the Three Months Period ended June 30, 2008 (Year ending March 31, 2009)



August 11, 2008

Company name: **NIPRO CORPORATION**

TSE/OSE-1st section

Code No.8086URL: <http://www.nipro.co.jp/>

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(Note: Amounts are truncated to one million yen)

1. Financial results for the three months ended June 30, 2008.(From April 1, 2008 to June 30, 2008)

(1) Consolidated Results of Operations (Note: The % displays show increase/decrease ratio against the same period of the previous year.)

	Net Sales		Operating Income		Recurring Income		Net(Quarter) Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
3 months ended June 30,2008	42,525	-	3,469	-	5,163	-	2,734	-
3 months ended June 30,2007	41,376	(21.1)	3,757	(5.2)	4,684	38.3	2,964	82.5

	Earnings per Share	Diluted Earnings per Share
3 months ended June 30,2008	43.10 Yen	- Yen
3 months ended June 30,2007	46.69	-

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
3 months ended June 30,2008	341,186	119,352	34.6	1,858.07
Year ended March 31,2008	349,302	119,544	33.8	1,861.79

(Notes) Shareholders' equity 3 months ended June 30, 2008 117,912 million yen, Year ended March 31, 2008 118,155 million yen

2. Dividends

	End of 1st Quarter	End of 2nd Quarter	End of 3rd Quarter	Year end	Annual total of dividends
	yen	yen	yen	yen	yen
Year ended March 31,2008	-	28.00	-	9.50	37.50
Year ending March 31,2009	-	-----	-----	-----	-----
Year ending March 31,2009(Projection)	-----	21.00	-----	28.00	49.00

3. Projected Consolidated Financial Results for the Year ending March 31, 2009 (From April 1, 2008 to March 31, 2009)

(Note: % shows increase/decrease ratio against March 31, 2008)

	Net Sales		Operating Income		Recurring Income		Net Income		Earnings Per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
6 months ending Sep.30,2008	88,400	-	5,800	-	4,900	-	2,700	-	42.54
Year ending March 31,2009	184,000	6.9	12,800	(6.4)	11,200	15.8	6,100	37.0	96.10

4. Others

- (1) Change in significant subsidiaries during the period ended June 30, 2008(Resulting in a change in scope of consolidation): None
 (2) Adoption of accounting treatments simplified and unique for preparation of quarterly consolidated financial statements: Yes
 (3) Change in policies and procedures for accounting treatment of preparation of quarterly consolidated financial reports (to be stipulated in significant matters for preparation of quarterly consolidated financial reports: Yes

[1] Change for revision of accounting standards: Yes

[2] Change for other than [1]: Yes

(Note) Further detail information can be found in page 4. [Qualitative information, financial reports and others] 5. Others

(4) Issued shares (Common stock)

	3 months ended June 30,2008	Year ended March 31, 2008
[1] Number of issued shares at end of the period	63,878,505 shares	63,878,505 shares
[2] Number of treasury stock at end of the period	419,200 shares	415,037 shares
[3] Number of average shares during the period	63,462,347 shares	63,483,532 shares

*Disclaimer for appropriate use of forecasted financial results, and other special notes

1. The projection figures shown above are based on information that was available at the time of preparation and, therefore, actual performance and other factors may differ from these projections due to changes in circumstances and other developments. More information concerning these forecasts can be found on page 4. [Qualitative information, financial reports and others] 4. Qualitative information on the projected consolidated financial results, in the attachments.

2. We have adopted "Accounting standards for quarterly financial reporting"(Accounting Standards Board of Japan(ASBJ), statement No.12, issued on March 14, 2007) and "Implementation guidance of accounting standards for quarterly financial reporting"(ASBJ guidance No.14, issued on March 14, 2007) " from this consolidated accounting period as well as prepared the quarterly consolidated financial reports in conformity with "Quarterly consolidated financial reporting regulation(Cabinet decree No.64 of year 2007).

1. Qualitative information on the consolidated results of operation

In the current first quarter period, the situation of world economy has decelerated by confusion of financial market in the United States and the high raw material price such as oil price has spreaded fear for inflation world widely. Meanwhile, continuously affected by foreign exchange fluctuation of strong yen rate and weak U.S. dollars rate in addition to the high oil and raw material price, Japanese economy also has generally remained further tendency to retreat by slowing down growth of investment in plant and equipment and individual consumption. Under such situation, we have promoted to develop innovative medical equipment in the field of artificial organs and regenerative medicines as well as reinforced injection drug and oral drug business to expand business contents and to enhance revenues.

The overviews of the results by segment are as follows.

<Medical equipment division>

In the domestic business, its environment remained severe, in the circumstance of price appreciation such as raw material and freight cost by appreciation of oil price, due to further downward pressures on medical costs in medical institutions and lowering of market price, revised prescription prices effective as of April this year.

Under such circumstances, we have promoted active market development, enhancing selling efficiency, enlarging line up of main products to show a good growth in product categories as dialysis-related products, diabetes-related products and injection-and-infusion-related products.

In the international business, although we made effort to expand the sales by enlarging selling entities, the sales remained stagnant, affected by fluctuation of foreign exchange for strong yen rate and weak U.S. dollars rate.

Among the product groups, the sales of artificial organs equipment such as dialyzers decreased and injection-and-infusion related products such as butterfly needles increased.

As a result, net sales of this division decreased 0.8% from the same period of the previous year to 26,240 million yen.

<Pharmaceutical division>

In the Pharmaceutical division, the environment of market also remained very severe, due to the governmental measures to suppress medicine costs by the reform of medical administration against augmentation of domestic medical cost, and furthermore, revision of the prescriptions prices and increase of facilities to introduce DPC (Diagnosis Procedure Combination, a prescription system to reimburse comprehensively) system and the intensive price competitions against the product of competitors.

Under such severe circumstances, we actively expanded sales of remarkable products such as powdered dialysate solutions, kit product of substitution fluid for hemofiltration and hemodiafiltration and pre-filled syringe kits, antibiotic agents by "liquid-and-powder" double-bag kits and injectables in plastic-ampoules.

As a result, net sales of this division increased 12.5% from the same period of the previous year to 13,564 million yen.

<Glass & Materials division>

In the field of glass for pharmaceutical purposes, sales of glass for tube bottle for pharmaceuticals, make-up and baby milk, all resulted in good order. Sales of glass tubes for ampoule also marked firm sales results relatively, including exportation.

In the field of other glass & materials products, good sales in export of glass for vacuum bottle mainly to middle east area covered the drop of domestic demand, however, sales of glass for lighting purpose, especially the related materials for backlight, largely decreased for application to the requirements for cost reduction by makers of Liquid Cristal Display panel. The materials other than glass showed little growth generally due to the underperforming consumers trend, in spite of strenuous efforts in health-food-related products of Ashitaba(Angelica keiskei), and so on.

As a result, net sales of this division decreased 3.5% from he same period of the previous year to 2,568 million yen.

<Other division>

Net sales of this division, consisting mainly of sales of machine for manufacture of medical equipment and real estate rentals, decreased 29.0% from the same period of the previous year to 152 million yen.

As a result, net sales for the three months ended June 30, 2008 was 42,525 million yen, increased by 2.8% from the same period of the previous year.

As for profits, Operating income decreased 7.7% from the same period of the previous year to 3,469 million yen due to the increase of selling, general and administrative expenses, while recurring income increased 10.2% from the same period of the previous year to 5,163 million yen due to the accrual of non-operating income such as foreign exchange gain. However, net quarter income decreased 7.7% from the same period of the previous year to 2,734 million yen mainly due to the loss on measurement of inventories.

2. Qualitative information on the consolidated financial position

Total assets at end of June 30, 2008 decreased 8,115 million yen to 341,186 million yen from end of the previous period. Current assets decreased 11,792 million yen and fixed assets increased 3,676 million yen from end of the previous period. Current assets decreased mainly due to the decrease of 7,161 million yen in the cash on hand in banks and fixed assets increased mainly due to the increase of 7,037 million yen in investment securities.

Total liabilities decreased 7,924 million yen to 221,834 million yen from end of the previous period. Current liabilities decreased 8,282 million yen and fixed liabilities increased 358 million yen from end the previous period. Current liabilities decreased mainly due to decrease of 10,000 million yen in current portion of bonds.

Net assets amounted to 119,352 million yen, where shareholders' equity increased 2,208 million yen and valuation and translation difference decreased 2,451 million yen, from end of the previous period.

3. Qualitative information on the state of the consolidated cash flow

(Cash flows from operating activities)

Net cash provided by operating activities amounted to 5,461 million yen. The main accounts of inflow were net income before adjustment of taxes, 4,862 million yen, depreciation and amortization, 4,019 million yen and the main accounts of outflow were increase in trade receivables, 3,591 million yen, increase in inventories, 1,326 million yen.

(Cash flow from investing activities)

Net cash used in investing activity amounted to 4,085 million yen. The main account of outflow was payments for acquisition of fixed assets

(Cash flow from financing activities)

Net cash used in financing activities amounted to 8,718 million yen. The main accounts of outflow were redemption of bonds, 10,000 million yen and repayment of long-term borrowings, 3,963 million yen.

4. Qualitative information on the projected consolidated financial results

The world economy in future are still becoming more unpredictable as the business condition in the United States has retreated and European economy is not expected to be improved from the situation of economical deceleration. This made concern of decrease in corporate revenues by high oil and raw material prices also in Japanese economy, and, furthermore, reinforcement of the governmental measures to suppress medicine costs and escalation of further competitions among the global enterprises are to be prospective. Under such circumstance, we, however, continuously endeavor to expand our business more to strengthen the foundation, and therefore the figures of the projected consolidated financial results for the year ending March 31, 2009 (From April 1, 2008 to March 31, 2009) announced on May 19, 2008, have been unchanged.

5. Others

(1) Change in significant subsidiaries during three months ended June 30, 2008(Resulting in a change in scope of consolidation)

N/A

(2) Adoption of accounting treatments simplified and unique for preparation of quarterly consolidated financial reports

[1] Simplified accounting treatments

1) Calculation of estimated impairment for general receivables.

As it is accepted that there is no significant change between the actual rate or index of bad debts accrual calculated at end of the current quarterly consolidated accounting period and end of the previous consolidated accounting year, the later rate or index was utilized for estimation of impairment of general receivables.

2) Measurement for inventory

As for the inventory amount at end of the current quarterly consolidated accounting period, actual stock counting procedure was omitted and the inventory amount was calculated by the reasonable method based on the actual stock balance at end of the previous consolidated accounting year.

[2] Unique accounting treatment for preparation of quarterly consolidated financial reports

N/A

(3) Change in policies, procedures and presentation for accounting treatment of preparation of quarterly consolidated financial reports

[1] Adaptation of accounting standards for quarterly financial reporting

We have adopted the "Accounting standards for quarterly financial reporting" (Accounting Standards Board of Japan (hereafter called ASBJ), Statement No.12, issued on March 14, 2007) and the "Implementation guidance of accounting standards for quarterly financial reporting" (ASBJ guidance No.14, issued on March 14, 2007)" from this consolidated accounting period. We have prepared the quarterly consolidated financial reports in conformity with the "Quarterly consolidated financial reporting regulation (Cabinet decree No.64 of year 2007).

[2] Application of accounting standards for measurement of inventories

We have adopted the "Accounting standards for measurement of inventories"(ASBJ, Statement No.9, issued on July 5, 2006) from the current 1st quarter consolidated accounting period and the basis of measurement has been changed from cost method to writing down method below cost to the net selling value for decreased profitability. As a result, gross profit, operating profit and recurring profit, decreased 20 million yen and net income before adjustment of taxes decreased 250 million yen, comparing with the computation by the previous method.

As for the affection to the segment information, please see the notes in the segment information.

[3] Application of practical solution on unification of accounting policies applied to foreign subsidiaries for consolidated financial statements

We have adopted the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ Practical Issues Task Force No. 18) from the current 1st quarter consolidation accounting period to make necessary adjustments on consolidation closing process. As a result, the affections against gross profit and operating profit were not material, however, recurring income decreased 43 million yen and net income before adjustment of taxes decreased 96 million yen.

As for the affection to the segment information, please see the notes in the segment information.

[4] Application of accounting standard for lease transaction

We have adopted, in advance, the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13, issued on June 7, 1993, ultimate revision on March 30, 2007) and the “Guidance on Accounting Standard for Lease Transactions” (ASBJ Guidance No.16, issued on January 18, 1994, ultimate revision on March 30, 2007) from the current 1st quarter consolidation accounting period to change the treatment of finance lease transaction that does not transfer ownership from the one similar to an ordinary rental transaction to the one similar to ordinary sale and purchase transaction, to be an assets under finance lease.

As for the method of depreciation of the assets under finance lease, its useful lives are equals to the lease term and the residual values are equal to zero.

However, we still have adopted the similar manner to an ordinary rental transaction for the finance lease transactions that do not transfer ownership and the starting dates of the lease transactions were before 1st April 2008. No affection against profit and loss will be given by the change.

(Additional information)

Change in useful life of tangible fixed assets

Nipro Corporation and its domestic subsidiary companies have changed the useful lives of machinery from the current 1st quarter consolidated accounting period according to the revision of the domestic corporate income tax law. As a result, gross profit decreased 346 million yen, operating profit decreased 344 million yen, recurring income and net income before adjustment of taxes decreased 337 million yen, comparing with the computation by the previous useful lives.

As for the affection to the segment information, please see the notes in the segment information.

5. Summary of Quarterly Consolidated Financial Reports
(1) Quarterly Consolidated Balance Sheets

(Note: Amounts are truncated to one million yen)

	As of June 30, 2008	As of March 31, 2008
(ASSETS)		
Current Assets	<u>150,954</u>	<u>162,746</u>
Cash on hand and in banks	42,307	49,469
Trade notes and accounts receivable	52,156	53,507
Merchandise and finished products	33,994	34,120
Work in process	5,635	4,810
Raw material and supplies	8,396	9,146
Deferred tax assets	2,783	2,902
Other current assets	6,167	9,264
Allowance for doubtful accounts	(487)	(473)
Fixed Assets	<u>190,231</u>	<u>186,555</u>
Tangible fixed assets	<u>116,035</u>	<u>118,811</u>
Buildings and structures	44,258	45,414
Machinery and vehicles	35,522	37,780
Land	19,329	19,412
Construction in progress	12,221	11,220
Others	4,702	4,983
Intangible fixed assets	<u>2,910</u>	<u>3,163</u>
Goodwill	1,296	1,425
Others	1,614	1,737
Investments and other assets	<u>71,285</u>	<u>64,580</u>
Investment securities	66,963	59,925
Long-term loans receivable	217	223
Deferred tax assets	99	159
Lease deposits	4,403	4,466
Other assets	2,494	2,779
Allowance for doubtful accounts	(2,893)	(2,972)
Total Assets	341,186	349,302

(Note: Amounts are truncated to one million yen)

	As of June 30, 2008	As of March 31, 2008
(LIABILITIES)		
Current liabilities	<u>100,552</u>	<u>108,835</u>
Trade notes and accounts payable	29,497	30,008
Short-term borrowings	47,458	43,234
Current portion of bonds	5,150	15,150
Other payables	4,563	5,388
Accrued income taxes	2,868	2,226
Allowance for bonuses payable	892	1,528
Allowance for bonuses payable for directors and corporate auditor	1	75
Allowance for loss on clearance of business	1,954	1,954
Notes payable for plant and equipment	3,216	5,225
Others	4,949	4,043
Fixed liabilities	<u>121,281</u>	<u>120,923</u>
Bonds	36,300	36,300
Convertible bond type bonds with stock acquisition rights	14,000	14,000
Long-term borrowings	53,902	56,405
Deferred tax liabilities	12,680	9,833
Accrued pension and severance cost	2,220	2,128
Accrued severance indemnity for directors and corporate auditors	599	700
Allowance for loss on lawsuit	170	170
Other fixed liabilities	1,408	1,385
Total Liabilities	221,834	229,758
(NET ASSETS)		
Shareholders' Equity	<u>99,528</u>	<u>97,320</u>
Capital	28,663	28,663
Capital surplus	29,975	29,975
Earned surplus	41,692	39,476
Treasury stock	(802)	(794)
Valuation and translation differences	<u>18,383</u>	<u>20,835</u>
Valuation differences of other securities	23,091	18,947
Foreign currency translation adjustments	(4,708)	1,887
Minority interests	<u>1,440</u>	<u>1,388</u>
Total Net Assets	119,352	119,544
Total Liabilities and Net Assets	341,186	349,302

(2) Quarterly Consolidated Statements of Income

(Note: Amounts are truncated to one million yen)

Account	Current Period (From April 1, 2008 To June 30, 2008)
Net sales	42,525
Cost of goods sold	30,177
Gross profit	12,347
Selling, general and administrative expenses	8,878
Operating income	3,469
Non-operating income	<u>2,369</u>
Interest income	104
Dividend income	375
Exchange gain	1,682
Equity in profit of affiliate	66
Others	140
Non-operating expenses	<u>675</u>
Interest expenses	582
Depreciation	78
Others	14
Recurring income	5,163
Extraordinary gains	<u>292</u>
Gain on sale of fixed assets	246
Others	45
Extraordinary losses	<u>592</u>
Loss on sale and disposal of fixed assets	40
Impairment loss on fixed assets	129
Loss on measurement of inventories	229
Others	193
Net(Quarter) income before adjustment of taxes	4,862
Corporate, inhabitants and enterprise taxes	1,858
Adjustment for deferred taxes	193
Minority shareholders' share	75
in net income of consolidated subsidiaries	
Net(Quarter) income	2,734

(3) Quarterly Consolidated Statements of Cash Flow

(Note: Amounts are truncated to one million yen)

	Current Period (From April 1, 2008 To June 30, 2008)
Cash flows from operating activities	
Net income before adjustment of taxes	4,862
Depreciation and amortization	4,019
Impairment loss on fixed assets	129
Amortization of goodwill	85
Equity in loss(gains) of affiliate	(66)
Increase (decrease) in allowance for doubtful accounts	14
Interest and dividend income	(480)
Interest expenses	582
Exchange loss (gain)	286
Decrease (increase) in trade receivables	(3,591)
Decrease (increase) in inventories	(1,326)
Increase (decrease) in trade payables	2,360
Decrease (increase) in other assets	196
Increase (decrease) in other liabilities	(221)
Other losses(gains)	(243)
Subtotal	6,607
Interest and dividends received	463
Interest paid	(486)
Other revenues	85
Other expenditures	(28)
Income taxes paid	(1,180)
Cash flows from operating activities	5,461
Cash flows from investing activities	
Deposits in time deposits	(178)
Proceeds from matured time deposits	178
Payments for purchases of investment securities	(0)
Payments for acquisition of fixed assets	(6,250)
Proceeds from sales of fixed assets	252
Proceeds from governmental subsidies	1,838
Increase(decrease) in short-term lending	48
Collections of loans receivable	24
Revenues from other investments	1
Cash flows from investing activities	(4,085)
Cash flows from financing activities	
Net increase (decrease) in short-term borrowings	3,948
Proceeds from long-term borrowings	1,800
Repayment of long-term borrowings	(3,963)
Payments for redemption of bonds	(10,000)
Proceeds from issuance of shares for minority interests	9
Proceeds from disposal of treasury stock	1
Payments for acquisitions of treasury stock	(9)
Repayments of finance lease obligations	(6)
Payments for dividends	(534)
Other payments	(0)
Cash flows from financing activities	(8,718)
Effect of exchange rate changes on cash and cash equivalents	(562)
Increase (decrease) in cash and cash equivalents	(7,905)
Balance of cash and cash equivalents at the beginning of the period	47,656
Increase in cash and cash equivalents due to inclusion of new subsidiary in consolidation	809
Balance of cash and cash equivalents at the end of the period	40,560

We have adopted the “Accounting standards for quarterly financial reporting” (Accounting Standards Board of Japan (hereafter called ASBJ), Statement No.12, issued on March 14, 2007) and the “Implementation guidance of accounting standards for quarterly financial reporting” (ASBJ guidance No.14, issued on March 14, 2007)” from this consolidated accounting period. We have prepared the quarterly consolidated financial reports in conformity with the “Quarterly consolidated financial reporting regulation (Cabinet decree No.64 of year 2007).

(4) Notes related to going concern

N/A

(5) Segment information

[1] Segment information by business category

Current 1st quarter period (From April 1, 2008 to June 30, 2008) (Note: Amounts are truncated to one million yen)

	Medical Equipment	Pharmaceutical	Glass & Materials	Other	Total	Eliminations /Corporate	Consolidated
Net sales							
(1)Sales to third parties	26,240	13,564	2,568	152	42,525	-	42,525
(2)Inter-segment sales and transfers	-	0	796	18	815	(815)	-
Total	26,240	13,564	3,364	171	43,340	(815)	42,525
Operating income(loss)	3,561	1,213	455	30	5,260	(1,791)	3,469

- (Notes) 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 and commodities
Medical Equipment	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.
Other	Machinery for manufacture of medical equipment and real estate rental income, etc.

2. As described in “Change in policies, procedures and presentation for accounting treatment of preparation of quarterly consolidated financial reports” [2], we have adopted the “Accounting standards for measurement of inventories” from the current 1st quarter consolidation accounting period and the basis of measurement has been changed from cost method to writing down method below cost to the net selling value for decreased profitability. As a result, operating profit in “Medical Equipment” and “Pharmaceutical” decreased 0 million yen and 20 million yen respectively, comparing with the computation by the previous method.

3. As described in “Change in policies, procedures and presentation for accounting treatment of preparation of quarterly consolidated financial reports” [3], we have adopted the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” from the current 1st quarter consolidation accounting period to make necessary adjustments on consolidation. However, the affections against gross profit and operating profit were not material.

4. As described in “Change in policies, procedures and presentation for accounting treatment of preparation of quarterly consolidated financial reports” (Additional information), Nipro Corporation and its domestic subsidiary companies have changed the useful lives of machinery from the current 1st quarter consolidated accounting period according to the revision of corporate income tax law. As a result, operating profit in “Medical Equipment”, “Glass and Material” and “Others” decreased 430 million yen, 9 million yen, and 0 million yen, respectively, while in “Pharmaceutical” increased 95 million yen, comparing with the computation by the previous useful lives.

[2] Segment information by geographical area

Current 1st quarter period (From April 1, 2008 to June 30, 2008) (Note: Amounts are truncated to one million yen)

	Japan	America	Europe	Asia	Total	Eliminations /Corporate	Consolidated
Net sales							
(1)Sales to third parties	34,085	4,023	2,526	1,890	42,525	-	42,525
(2)Inter-segment sales and transfers	7,405	221	1	3,480	11,108	(11,108)	-
Total	41,490	4,245	2,527	5,370	53,633	(11,108)	42,525
Operating expenses	33,685	5,419	2,082	4,402	45,589	(7,971)	37,618
Operating income(loss)	5,344	(325)	(11)	329	5,336	(1,866)	3,469

(Notes)

- As described in “Change in policies, procedures and presentation for accounting treatment of preparation of quarterly consolidated financial reports” [2], we have adopted the “Accounting standards for measurement of inventories” from the current 1st quarter consolidation accounting period and the basis of measurement has been changed from cost method to writing down method below cost to the net selling value for decreased profitability. As a result, operating profit in “Japan” decreased 20 million yen, comparing with the computation by the previous method.
- As described in “Change in policies, procedures and presentation for accounting treatment of preparation of quarterly consolidated financial reports” [3], we have adopted the “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” from the current 1st quarter consolidation accounting period to make necessary adjustments on consolidation closing process. However, the affections against gross profit and operating profit were not material.
- As described in “Change in policies, procedures and presentation for accounting treatment of preparation of quarterly consolidated financial reports” (Additional information), Nipro Corporation and its domestic subsidiary companies have changed the useful lives of machinery from the current 1st quarter consolidated accounting period according to the revision of corporate income tax law. As a result, operating profit in “Japan”, and “Eliminations/corporate” decreased 344 million yen, and 0 million yen, respectively, comparing with the computation by the previous useful lives.
- Classification of countries or areas is based on geographical proximity.
- The major countries included in each geographical area are as follows:
America..... The United States of America and Brazil
Europe..... Belgium
Asia..... China, Thailand and Singapore

[3] Overseas Sales

Current 1st quarter period (From April 1, 2008 to June 30, 2008) (Note: Amounts are truncated to one million yen)

	America	Europe	Asia	Total
1. Overseas sales	7,372	4,473	2,380	14,226
2. Consolidated net sales				42,525
3. Percentage of overseas sales to consolidated net sales (%)	17.3%	10.5%	5.6%	33.4%

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

(6) Notes to Statements of Shareholders' Equity, if having significant variation.

N/A

[Reference Information]

Quarterly Consolidated Financial Reports for 1st quarter of previous consolidation accounting period

(1) Quarterly Consolidated Statements of Income

(Note: Amounts are truncated to one million yen)

Account	Previous Period (From April 1, 2007 To June 30, 2007)
Net sales	41,376
Cost of goods sold	29,470
Gross profit	11,905
Selling, general and administrative expenses	8,148
Operating income	3,757
Non-operating income	<u>1,592</u>
Interest income	94
Dividend income	312
Exchange gain	1,003
Others	182
Non-operating expenses	<u>666</u>
Interest expenses	440
Depreciation	28
Equity in loss of affiliate	166
Others	30
Recurring income	4,684
Extraordinary gains	<u>223</u>
Gain on sale of fixed assets	4
Governmental subsidies received	1
Reversal of allowance for bonus payables	18
Life insurance income	191
Others	7
Extraordinary losses	<u>122</u>
Loss on sale and disposal of fixed assets	34
Loss on disposal of inventories	12
Abnormal manufacturing cost	27
Advanced depreciation on fixed assets	1
Others	47
Net(Quarter) income before adjustment of taxes	4,785
Corporate, inhabitants and enterprise taxes	1,425
Adjustment for deferred taxes	372
Minority shareholders' share in net income of consolidated subsidiaries	23
Net(Quarter) income	2,964

(4) Quarterly Consolidated Statements of Cash Flow

(Note: Amounts are truncated to one million yen)

	Previous Period (From April 1, 2007 To June 30, 2007)
Cash flows from operating activities	
Net income before adjustment of taxes	4,785
Depreciation and amortization	3,174
Amortization of goodwill	49
Equity in loss of affiliate	166
Increase (decrease) in allowance for doubtful accounts	9
Interest and dividend income	(406)
Interest expenses	440
Exchange loss (gain)	(65)
Decrease (increase) in trade receivables	(228)
Decrease (increase) in inventories	(3,328)
Increase (decrease) in trade payables	2,222
Decrease (increase) in other assets	606
Increase (decrease) in other liabilities	(2,304)
Other losses(gains)	(274)
Subtotal	4,844
Interest and dividends received	400
Interest paid	(425)
Other revenues	600
Other expenditures	(67)
Income taxes paid	(7,375)
Cash flows from operating activities	(2,023)
Cash flows from investing activities	
Deposits in time deposits	(551)
Proceeds from matured time deposits	551
Payments for purchases of securities	(10)
Payments for acquisition of shares with change In scope of consolidated subsidiary	(2,479)
Payments for acquisition of fixed assets	(5,422)
Proceeds from sales of fixed assets	34
Increase(decrease) in short-term lending	(245)
Collections of loans receivable	13
Expenditures for other investments	(0)
Revenues from other investments	21
Cash flows from investing activities	(8,087)
Cash flows from financing activities	
Net increase (decrease) in short-term borrowings	827
Proceeds from long-term borrowings	1,445
Repayment of long-term borrowings	(3,067)
Proceeds from issuance of shares	3
Proceeds from disposal of treasury stock	1
Payments for acquisitions of treasury stock	(17)
Repayments of finance lease obligations	(15)
Payments for dividends	(2,039)
Other payments	(14)
Cash flows from financing activities	(2,875)
Effect of exchange rate changes on cash and cash equivalents	241
Increase (decrease) in cash and cash equivalents	(12,744)
Balance of cash and cash equivalents at the beginning of the period	46,109
Balance of cash and cash equivalents at the end of the period	33,365

(3) Segment information

[1] Segment information by business category

Previous 1st quarter period (From April 1, 2007 to June 30, 2007) (Note: Amounts are truncated to one million yen)

	Medical Equipment	Pharmaceutical	Glass & Materials	Other	Total	Eliminations /Corporate	Consolidated
Net sales							
(1)Sales to third parties	26,440	12,060	2,660	215	41,376	-	41,376
(2)Inter-segment sales and transfers	-	-	852	32	885	(885)	-
Total	26,440	12,060	3,513	247	42,261	(885)	41,376
Operating income(loss)	3,889	1,079	471	22	5,461	(1,704)	3,757

[2] Segment information by geographical area]

Previous 1st quarter period (From April 1, 2007 to June 30, 2007) (Note: Amounts are truncated to one million yen)

	Japan	America	Europe	Asia	Total	Eliminations /Corporate	Consolidated
Net sales							
(1)Sales to third parties	33,069	4,791	2,165	1,350	41,376	-	41,376
(2)Inter-segment sales and transfers	6,689	328	2	3,287	10,308	(10,308)	-
Total	39,758	5,120	2,168	4,637	51,684	(10,308)	41,376
Operating income(loss)	6,072	(299)	85	235	6,094	(2,337)	3,757

[3] Overseas Sales]

Previous 1st quarter period (From April 1, 2007 to June 30, 2007) (Note: Amounts are truncated to one million yen)

	America	Europe	Asia	Total
1. Overseas sales	8,625	4,856	2,050	15,532
2. Consolidated net sales				41,376
3. Percentage of overseas sales to consolidated net sales (%)	20.8%	11.7%	5.0%	37.5%