

Summary Report of Consolidated Financial Results

For the Nine Months Period ended December 31, 2010



February 10, 2011
TSE/OSE-1st section

Company name: NIPRO CORPORATION

Code No.8086

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Filing date of quarterly reporting: February 14, 2011

Payment date of cash dividends: N/A

Supplemental material on quarterly reporting: None

Presentation on quarterly results: No

(Note: Amounts are truncated to one million yen)

1. Consolidated results for the Nine months ended December 31, 2010 (From April 1, 2010 to December 31, 2010)

(1) Consolidated results of operations

(Note: % of change from the same period a year ago)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
9 months ended Dec. 31,2010	145,223	9.1	14,286	(3.3)	9,959	(20.3)	4,002	(37.0)
9 months ended Dec. 31,2009	133,063	(1.1)	14,767	35.4	12,503	98.8	6,352	137.9

	Earnings per Share	Diluted Earnings per share
	Yen	Yen
9 months ended Dec. 31,2010	63.12	56.93
9 months ended Dec. 31,2009	100.15	-

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
9 months ended Dec. 31,2010	406,286	116,118	27.9	1,790.17
Year ended March 31, 2010	383,396	116,070	29.8	1,802.33

Note: Equity 9 months ended Dec. 31, 2010 113,536 million yen Year ended March 31, 2010 114,309 million yen

2. Dividends

	Annual dividends per share				
	First-quarter	Second-quarter	Third-quarter	Year-end Dividends	Annual dividends
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2010	-	23.50	-	29.50	53.00
Year ending March 31, 2011	-	18.50			
Year ending March 31, 2011 (Forecast)			-	22.50	41.00

Note: Whether the forecast of cash dividends has been revised in the current quarter or not: No

3. Forecast of Consolidated Financial Results for the Year ending March 31, 2011 (From April 1, 2010 to March 31, 2011)

(Note: The % display shows increase/decrease ratio against the year ended March 31, 2010)

	Net Sales		Operating Income		Ordinary Income		Net Income		Earnings per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Year ending March 31, 2011	200,000	12.5	17,200	(4.9)	12,100	(18.8)	4,950	(31.7)	78.05

Note: Whether the forecast of consolidated financial results has been revised in the current quarter or not: No

4. Others (For details, please refer to "2. Other information" on page 4 of attached materials.)

(1) Change in significant subsidiaries during the current period: No

(Note) Change in specified subsidiaries during the period that caused a change in the scope of consolidation

(2) Adoption of accounting treatments simplified or unique for preparation: Yes

(Note) Adoption of accounting treatments simplified and unique for preparation of quarterly consolidated financial statements

(3) Changes in accounting principles, procedures or presentation for consolidated financial statements

[1] Changes by a newly issued accounting pronouncement: Yes

[2] Changes other than [1]: No

(Note) Changes in significant accounting principles, procedure and presentation which are to be stated in "Change in significant matter of basis of preparation for consolidated financial statements"

(4) Issued shares (Common stock)

[1] Number of issued shares at end of the period (Including treasury stock):

9 months ended Dec. 31, 2010: 63,878,505 shares Year ended March 31, 2010: 63,878,505 shares

[2] Number of treasury stock at end of the period:

9 months ended Dec. 31, 2010: 456,228 shares Year ended March 31, 2010: 455,328 shares

[3] Average number of shares during the period:

9 months ended Dec. 31, 2010: 63,422,787 shares 9 months ended Dec. 31, 2009: 63,426,103shares

*Information regarding the quarterly review procedure

This report is exempt from quarterly review procedure based on the Financial Instruments and Exchange Act. The review procedure has been finished at the time of disclosure of this report.

*Disclaimer regarding projection information including appropriate use of forecasted financial results, and other special notes

The projection figures shown above are based on information that was available at the time of preparation and may contain certain uncertainties. 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 in P.4 "1. Qualitative information for the nine months period ended December 31, 2010, (3) Qualitative information concerning forecast of consolidated financial results" in the attachments.

Table of contents of attached materials

1. Qualitative information for the nine months period ended Dec. 31, 2010	P.2
(1)Qualitative information concerning consolidated financial results	P.2
(2)Qualitative information on the consolidated financial position	P.3
(3)Qualitative information concerning forecast of consolidated financial results	P.4
2. Other information	P.4
(1)Overview of changes in significant consolidated subsidiaries	P.4
(2)Overview of accounting treatments simplified or unique for preparation	P.4
(3)Overview of changes in accounting principles, procedures, and disclosure for preparation	P.5
3. Consolidated financial statements	P.7
(1)Quarterly consolidated balance sheets	P.7
(2)Quarterly consolidated statements of income	P.9
(3)Quarterly consolidated statements of cash flows	P.10
(4)Notes related to going concern	P.12
(5)Segment information	P.12
(6)Notes to statements of shareholders' equity, if having significant variation	P.15

1. Qualitative information for the nine months period ended December 31, 2010

(1) Qualitative information concerning consolidated financial results

During the nine months period ended December 31, 2010, despite the emerging countries could enjoy steady economic progress, the whole world economy could not take such trends as granted because there were slowdown in the U.S. and European economies. The Japanese economy could avert a recession thanks to the exports to Asia and emergency economic package, but there still remains the uncertainty about the recovery due to the concern about expiration of policy effects and the sharp appreciation of yen.

Under such circumstances, we aimed to expand sales and production, improve business efficiency and promoted manufacturing in each location on the basis of local production for local consumption, all of which have been strived by us to improve our business performance.

Therefore, we grew each business and the consolidated sales in this nine months period increased 9.1% compared with the same period a year ago to 145,223 million yen.

However, as for the profit, consolidated operating income decreased 3.3% compared with the same period a year ago to 14,286 million yen mainly due to the increase of selling, general and administrative expenses. Ordinary income decreased 20.3% compared with the same period a year ago to 9,959 million yen mainly due to the increase of non-operating expenses. Net income decreased 37.0% compared with the same period a year ago to 4,002 million yen.

The overviews of the results by segment in the current period are as follows.

[1] Medical business

On the domestic side of medical business, our business and market conditions remained severe by the reduction of official reimbursement price of drug and special treatment materials. Under such circumstances, we have aimed to expand our market share aggressively and improved sales efficiency.

Sales grew greatly in vascular-related products (such as blood-clot trapping catheters, coronary artery stent and angiographic kit). In addition, sales of high-value-added products which can prevent malpractice and reduce infection risks, enteral alimentation-related products, ecologically friendly products, dialysis related products (such as blood tube and dialysis solution) and testing-related products like glucose analysis device grew steadily and made a profit.

On the international side of the business, we had great impact by more advancing appreciation of Japanese yen against the U.S. dollar and Euro in the foreign exchange market. However, we continued active sales promotion in Asian market where the economy is significantly growing, and strengthened the community-based sales promotion in Latin American and European market so as to increase the sales amount.

Sales grew greatly in diabetic-related products, as well as the sales in dialysis-related product (such as dialyzer, dialysis machine and blood tube) by means of our active sales promotions in the dialysis market such as in China and oxygenator increased steadily

As a result, net sales of the business were 98,150 million yen.

[2] Pharmaceutical business

In pharmaceutical business, we can divide into two categories; one is generic drug business whose mission is to provide low price and high quality drugs, and the other is contract manufacturing business where we have capacities to produce various drugs and to offer high value added solutions against customer needs.

On the sales of generic drug, under governmental policy calling for the dissemination of generic products as 'generic drug share in quantity shall be expanded more than 30% until end of year 2012', the raising up of additional points against dispensing of generic drug has been implemented since April 2010. Thus, while the market is in underlying expansion, we have proactively promoted selling to dispensing pharmacy group to result order increasing in sales of oral drug and drug for external use. In addition, injectable drug sales of our main product grew steadily as a result of new launching goods which are admitted as long term listing drug at November 2010 and our detailed information service mainly to the hospitals subjected to the DPC system (Diagnostic Procedure Combination; comprehension payment system of medical cost for acute hospitalization).

Though we could not avoid the sales decrease by drug price revision (scheduled biyearly), we registered significant sales growth at last, compared to the same period of the prior year.

On the sales of contract manufacturing business, the sales resulted in exceeding prior year's results by focusing on getting contracts in oral drug sales, on top of injectable drug sales, since one of the biggest oral drug plant in Japan was completed two years ago, and led by starting sell-in of new oral drugs and production lines for steroidal and penem drugs.

As a result, net sales of this business were 28,775 million yen.

[3] Glass & Materials business

In the field of glass materials, the sales of glass tube for pharmaceutical purpose performed steady as whole thanks to the acquisition of the pharmaceutical glass tube manufacturing companies as subsidiaries, though the domestic demands in glass tube for pharmaceutical purpose decreased. Furthermore, we established the business of glass for pharmaceutical purpose in China and India and started the operation in overseas. The export of glass for thermos bottles had showed temporarily the trend of recovery but the demands decreased at last due to the sharp appreciation of the yen. As for the sales of glass for lighting purposes, the sales of glass tube for electric lamp increased thanks to the good condition in domestic production for automobile, on the other hand the sales of glass tube for backlights decreased under the influence of penetration of LED products.

In the field of other pharmaceutical container, the sales of rubber stopper for pharmaceutical use, container for combination products, bags for antimicrobial agent and parts of pre-filled syringe increased steadily in the first and second quarter period, based on our plastics, metal and rubber processing technologies. However, in the third quarter period ended December 31, 2010, the sales decreased slightly by the influence of inventory adjustment by pharmaceutical companies.

As for the medicinal preparation and administration related device, we are advancing commercialization of products by both of self-development and joint development with pharmaceutical companies so as to meet the diverse needs. Furthermore, we continue to promote contract manufacturing and development cooperating with domestic and foreign pharmaceutical companies in general life cycle management of pharmaceuticals, entering the development of combination products, systematization for self-injection and modification of dosage form in the view.

As a result, net sales of this business were 17,982 million yen.

[4] Other business

In the other business, the sales from real estate rental income were 314 million yen.

(2) Qualitative information on the consolidated financial position

[1] Analysis concerning the conditions of assets, liabilities and net assets

Total assets increased 22,889 million yen from the end of the previous period to 406,286 million yen. Current assets increased 14,927 million yen and noncurrent assets increased 7,962 million yen. Main reason for the increase in current assets was that notes and accounts receivable-trade increased 7,552 million yen and merchandise and finished goods increased 4,728 million yen. Main reason for the increase in noncurrent assets was that machinery, equipment and vehicles increased 5,832 million yen and goodwill increased 10,713 million yen.

Total liabilities increased 22,842 million yen to 290,168 million yen. Current liabilities increased 8,043 million yen and noncurrent liabilities increased 14,798 million yen. Current liabilities increased mainly due to the increase of 10,767 million yen in Short-term loans payable and main reason for the increase in noncurrent liabilities was that long-term loans payable increased 15,648 million yen.

Net assets increased 47 million yen to 116,118 million yen from the end of the previous period. Shareholders' equity increased 957 million yen and valuation and translation adjustments decreased 1,729 million yen.

[2] Analysis concerning the conditions of cash flows

The ending balance of cash and cash equivalents, hereinafter called Cash, in the period under review decreased 1,886 million yen to 54,301 million yen.

The conditions and main factors of each cash flow during the period under review were as follows.

(Cash flows from operating activities)

Net Cash provided by operating activities was 10,497 million yen. The main accounts of Cash inflow were income before income taxes and minority interests, 9,581 million yen, depreciation and amortization, 14,746 million yen. The main accounts of Cash outflow were increase of notes and accounts receivable-trade 6,367 million yen, increase of inventories 6,924 million yen, and payment of corporate income tax, 8,117 million yen.

(Cash flows from investing activities)

Net Cash used in investing activities was 26,080 million yen. The main account of Cash outflow were purchase of investment securities 10,905 million yen and purchase of noncurrent assets 13,257 million yen.

(Cash flows from financing activities)

Net Cash provided by financing activities was 12,493 million yen. The main accounts of Cash inflow were proceeds from long-term loans payable, 37,743 million yen. The main accounts of Cash outflow were decrease in commercial papers, 10,000 million yen, and repayment of long-term loans payable, 15,864 million yen.

(3) Qualitative information concerning forecast of consolidated financial results

In the world economy in the future, U.S. economy is expected to recover gradually, on the other hand economic activities in emerging countries and resource-rich country may bring price appreciation of natural resource and food in the world economy. In the Japanese economy, impact of decreasing demands by the shrinking and aging population and sharp appreciation of the yen will remain the business environment more severe.

Under such condition we aim to expand sales and production and improve its efficiency, and promote manufacturing in each location on the basis of local production for local consumption so as to improve our business performance.

As for the forecast of consolidated financial results, we have not revise the forecast of consolidated financial results for the fiscal year 2010 (Year ending March 31, 2011) which was published November 10, 2010.

2. Other information

(1) Overview of changes in significant subsidiaries

N/A

(2) Overview of accounting treatments simplified or unique for preparation

[1] Simplified accounting procedures

1) Calculation of estimated impairment for general receivables

As it was accepted that there was no significant change between the actual rate or index of bad debts accrual calculated at the end of the current quarterly consolidated accounting period and at the 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 second quarter of this consolidated accounting year.

3) Calculation method for depreciation of noncurrent assets

The noncurrent assets depreciated in declining balance method were calculated by prorating the depreciation amount in the consolidated accounting year

4) Deferred tax assets and liabilities

As for the judgment of collectability of deferred tax assets, the forecasted financial results and tax planning used in the end of the previous consolidated accounting year was utilized, as it was accepted that there was no significant change in the situation of accrued temporally differences from the end of the previous consolidated accounting year.

[2] Accounting procedures unique for preparation of quarterly consolidated financial statements: N/A

(3) Overview of changes in accounting principles, procedures, and disclosure for preparation

[1] Change in accounting principles

(Application of Revised Accounting Standard for Equity Method of Accounting for Investments)

Effective from the first quarter of fiscal year 2010, the Company has applied the Revised Accounting Standard for Equity Method of Accounting for Investments (Accounting and Standards Board of Japan (ASBJ) Statement No. 16, issued March 10, 2008) and the Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method (Practical Issues Task Force (PITF) No. 24, issued March 10, 2008). There is no impact on profit and loss regarding to this change.

(Application of Accounting Standard for Asset Retirement Obligations)

Effective from the first quarter of fiscal year 2010, the Company has applied the Accounting Standard for Asset Retirement Obligations (ASBJ Statement No. 18, issued on March 31, 2008) and Guidance on Accounting Standard for Asset Retirement Obligations (ASBJ Guidance No. 21, issued on March 31, 2008).

The impact of this change was to reduce both operating income and ordinary income by 9 million yen and income before income taxes by 98 million yen.

(Application of Accounting Standards for Business Combinations)

Effective from the first quarter of fiscal year 2010, the Company has applied Accounting Standard for Business Combinations (ASBJ Statement No. 21), issued on December 26, 2008; Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22), issued on December 26, 2008; Partial Amendments to Accounting Standard for Research and Development Costs (ASBJ Statement No. 23), issued on December 26, 2008; Revised Accounting Standard for Business Divestitures (ASBJ Statement No. 7, revised 2008), issued on December 26, 2008; Revised Accounting Standard for Equity Method of Accounting for Investments (ASBJ Standard No. 16, revised 2008), issued on December 26, 2008; and Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10, revised 2008), issued on December 26, 2008. There is no impact on profit and loss regarding to this change.

(Additional Information)

The revision of retirement benefit scheme

The Company and the consolidated subsidiary company, Nipro Medical Industries Co., Ltd. had adopted the retirement benefit scheme framed by unfunded defined benefit pension plan and tax-qualified retirement pension plan. However, from January 1st, 2011, the retirement benefit scheme is transferred to the scheme framed by unfunded defined benefit plan, funded defined benefit pension plan and defined contribution pension plan while the tax-qualified retirement pension plan was finished.

In accordance with this transfer, we resulted 453 million yen of "gain on revision of retirement benefit plan" as extraordinary gain, applying "Accounting standard for transfer between retirement benefit plans" (ASBJ Guidance No.1).

[2] Change in accounting principles

(Overview of changes in significant consolidated subsidiaries)

As a result of the application of the Cabinet Office Ordinance Partially Revising Regulation on Terminology, Forms and Preparation of Financial Statements (Cabinet Office Ordinance No.5, March 24, 2009) based on the Accounting Standard for Consolidated Financial Statements (ASJB Statements No. 22 of December 26, 2008), the item "Income before minority interests" is included in the financial statements in the current nine months period.

3. Consolidated Financial Statements

(1) [Consolidated Balance Sheets]

(Amount: million yen)

	As of December 31, 2010	As of March 31, 2010
Assets		
Current assets		
Cash and deposits	57,179	59,266
Notes and accounts receivable-trade	63,856	56,303
Merchandise and finished goods	43,231	38,503
Work in process	8,286	6,192
Raw materials and supplies	11,058	10,008
Deferred tax assets	2,907	3,149
Other	8,837	6,937
Allowance for doubtful accounts	(501)	(432)
Total current assets	194,856	179,928
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	111,704	107,011
Accumulated depreciation and impairment loss	(60,464)	(56,495)
Buildings and structures, net	51,239	50,515
Machinery, equipment and vehicles	133,331	117,534
Accumulated depreciation and impairment loss	(91,359)	(81,395)
Machinery, equipment and vehicles, net	41,971	36,138
Land	19,826	19,766
Lease assets	1,495	1,393
Accumulated depreciation	(369)	(173)
Lease assets, net	1,126	1,220
Construction in progress	10,832	11,992
Other	26,977	25,032
Accumulated depreciation and impairment loss	(21,957)	(20,456)
Other, net	5,019	4,575
Total property, plant and equipment	130,015	124,208
Intangible assets		
Goodwill	11,275	561
Lease assets	144	78
Other	1,840	1,736
Total intangible assets	13,260	2,376
Investments and other assets		
Investment securities	63,589	72,875
Deferred tax assets	407	334
Guarantee deposits	3,956	4,071
Other	3,407	2,788
Allowance for doubtful accounts	(3,206)	(3,186)
Total investments and other assets	68,154	76,883
Total noncurrent assets	211,430	203,468
Total assets	406,286	383,396

(Amount: million yen)

	As of December 31, 2010	As of March 31, 2010
Liabilities		
Current liabilities		
Notes and accounts payable-trade	34,373	29,203
Short-term loans payable	75,210	64,442
Commercial papers	-	10,000
Current portion of bonds	10,050	10,160
Lease obligations	340	318
Accounts payable-other	5,969	5,792
Accrued directors' bonuses	-	204
Income taxes payable	1,203	4,932
Provision for bonuses	1,347	1,758
Provision for directors' bonuses	114	23
Provision for loss on business liquidation	1,954	1,954
Notes payable-facilities	7,326	3,869
Other	8,358	5,543
Total current liabilities	146,248	138,204
Noncurrent liabilities		
Bonds payable	28,000	28,000
Convertible bond-type bonds with subscription rights to shares	15,000	15,000
Long-term loans payable	88,488	72,839
Lease obligations	1,020	1,098
Deferred tax liabilities	7,388	7,771
Provision for retirement benefits	1,555	1,972
Provision for directors' retirement benefits	633	614
Provision for loss on litigation	170	170
Other	1,664	1,655
Total noncurrent liabilities	143,920	129,121
Total liabilities	290,168	267,325
Net assets		
Shareholders' equity		
Capital stock	28,663	28,663
Capital surplus	29,972	29,972
Retained earnings	48,178	47,219
Treasury stock	(863)	(862)
Total shareholders' equity	105,590	104,993
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	14,100	15,024
Foreign currency translation adjustment	(6,514)	(5,708)
Total valuation and translation adjustments	7,586	9,316
Minority interests	2,581	1,761
Total net assets	116,118	116,070
Total liabilities and net assets	406,286	383,396

(2) [Consolidated Statements of Income]

(Amount: million yen)

	Nine months ended December 31, 2009	Nine months ended December 31, 2010
Net sales	133,063	145,223
Cost of sales	93,642	101,200
Gross profit	39,421	44,022
Selling, general and administrative expenses	24,653	29,736
Operating income	14,767	14,286
Non-operating income		
Interest income	175	248
Dividends income	598	654
Other	534	286
Total non-operating income	1,308	1,190
Non-operating expenses		
Interest expenses	1,694	1,768
Depreciation	166	-
Foreign exchange losses	534	3,367
Equity in losses of affiliates	1,055	176
Other	121	205
Total non-operating expenses	3,571	5,517
Ordinary income	12,503	9,959
Extraordinary income		
Gain on sales of noncurrent assets	23	15
Compensation income	193	122
Surrender value of insurance	109	-
Licensed dealership charges	-	300
Gain on revision of retirement benefit plan	-	453
Other	26	85
Total extraordinary income	352	976
Extraordinary loss		
Loss on retirement of noncurrent assets	53	97
Abnormal manufacturing cost	486	159
Corresponding loss to compensation income	190	-
Loss on voluntary product recall	159	-
Loss on liquidation of business	-	906
Other	142	190
Total extraordinary losses	1,031	1,353
Income before income taxes and minority interests	11,824	9,581
Income taxes-current	5,521	4,214
Income taxes-deferred	(295)	968
Total income taxes	5,225	5,183
Income before minority interests	-	4,398
Minority interests in income	246	395
Net income	6,352	4,002

(3) [Consolidated Statements of Cash Flows]

(Amount: million yen)

	Nine months ended December 31, 2009	Nine months ended December 31, 2010
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	11,824	9,581
Depreciation and amortization	13,401	14,746
Impairment loss	-	26
Amortization of goodwill	220	1,841
Equity in (earnings) losses of affiliates	1,055	176
Increase (decrease) in allowance for doubtful accounts	1	140
Interest and dividends income	(773)	(903)
Interest expenses	1,694	1,768
Foreign exchange losses (gains)	32	310
Decrease (increase) in notes and accounts receivable-trade	(9,286)	(6,367)
Decrease (increase) in inventories	(2,558)	(6,924)
Increase (decrease) in notes and accounts payable-trade	5,060	6,734
Decrease (increase) in other assets	230	(1,299)
Increase (decrease) in other liabilities	(765)	(1,467)
Other loss (gain)	(76)	531
Subtotal	20,059	18,896
Interest and dividends income received	882	914
Interest expenses paid	(1,507)	(1,569)
Other proceeds	763	669
Other payments	(425)	(296)
Income taxes paid	(4,091)	(8,117)
Net cash provided by (used in) operating activities	15,681	10,497
Net cash provided by (used in) investing activities		
Payments into time deposits	(1,679)	(2,304)
Proceeds from withdrawal of time deposits	1,604	2,481
Purchase of investment securities	(8)	(10,905)
Purchase of Investments in subsidiaries resulting in change in scope of consolidation	-	(632)
Purchase of noncurrent assets	(22,947)	(13,257)
Proceeds from sales of noncurrent assets	55	46
Proceeds from governmental subsidies for investment in property and equipment	202	25
Net decrease (increase) in short-term loans receivable	343	(490)
Payments of loans receivable	-	(413)
Collection of loans receivable	0	11
Other payments	-	(641)
Other proceeds	2	0
Net cash provided by (used in) investment activities	(22,427)	(26,080)

(Amount: million yen)

	Nine months ended December 31, 2009	Nine months ended December 31, 2010
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	12,839	4,026
Increase (decrease) in commercial papers	10,000	(10,000)
Proceeds from long-term loans payable	17,777	37,743
Repayment of long-term loans payable	(13,560)	(15,864)
Proceeds from issuance of bonds	2,982	-
Redemption of bonds	(17,120)	(110)
Decrease (increase) in treasury stock	(11)	(3)
Repayments of finance lease obligations	(152)	(266)
Cash dividends paid	(1,477)	(3,023)
Cash dividends paid for minority shareholders	(2)	(3)
Other payments	(21)	(6)
Net cash provided by (used in) financing activities	11,254	12,493
Effect of exchange rate change on cash and cash equivalents	(494)	(391)
Net increase (decrease) in cash and cash equivalents	(4,014)	(3,481)
Cash and cash equivalents at beginning of period	45,352	56,188
Increase in cash and cash equivalents from newly consolidated subsidiary	-	1,595
Cash and cash equivalents at end of period	49,366	54,301

(4) Notes related to going concern
N/A

(5) Segment information

<Segment information by business category>

Nine months ended December 31, 2009

(Millions of yen)

	Medical Equipment	Pharmaceutical	Glass & Materials	Other	Total	Eliminations /Corporate	Consolidated
Net sales							
(1)Sales to third parties	82,806	43,126	6,485	645	133,063	-	133,063
(2)Inter-segment sales and transfers	-	0	3,079	70	3,149	(3,149)	-
Total	82,806	43,126	9,564	715	136,213	(3,149)	133,063
Operating income	14,045	4,037	1,417	70	19,571	(4,803)	14,767

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 category 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, dialysis 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.

<Segment information by geographical area>

Nine months ended December 31, 2009

(Millions of yen)

	Japan	America	Europe	Asia	Total	Eliminations /Corporate	Consolidated
Net sales							
(1) Sales to third parties	104,723	13,209	9,613	5,517	133,063	-	133,063
(2) Inter-segment sales and transfers	22,356	488	3	11,439	34,287	(34,287)	-
Total	127,079	13,697	9,616	16,956	167,351	(34,287)	133,063
Operating income (loss)	18,301	(49)	78	1,652	19,982	(5,214)	14,767

Notes: 1. Classification of countries or areas is based on geographical proximity.

2. 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

<Overseas sales>

Nine months ended December 31, 2009

(Millions of yen)

	America	Europe	Asia	Total
1. Overseas sales	21,121	15,226	7,744	44,092
2. Consolidated net sales				133,063
3. Percentage of overseas sales to consolidated net sales (%)	15.9%	11.4%	5.8%	33.1%

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

<Segment information>

1. Outline of reportable operating segments

The reportable operating segments are components of an entity for which separate financial information is available and evaluated regularly by the board of director in determining the allocation of management resources and in assessing performance.

We currently operate our business on a stand-alone basis with the divisional organization and evaluate the performance of sales and manufacture of each division regardless of their products. Accordingly, we divide our operations into 3 reportable operating segments on the basis of its main products: Medical, Pharmaceuticals and Glass & Materials.

*Medical

Domestic division sells injection- and infusion-related products, artificial organ-related products, highly functional products, dialysis-related products and diabetic-related products.

In the international division, head office plays the center role and place overseas sales and manufacturing base for medical equipment and sales injection- and infusion-related products, artificial organ-related products and diabetic-related products.

*Pharmaceutical

Mainly, domestic subsidiaries sell and manufacture injectable drug, oral drugs and products by contract manufacturing like combination products (Kit injectable).

*Glass & Materials

In the field of glass for pharmaceutical purposes, we sell glass for glass tube, glass for ampoule. In the field of glass & materials products, we sell glass for thermos bottles and glass for lighting purpose. In addition, we sell container for combination products and undertake the contract sales of pharmaceuticals related to the container for combination products from pharmaceutical company.

2. Sales and profit by reportable operating segments

Nine months ended December 31, 2010

(Millions of yen)

	Segment				Other Note.1	Total	Adjust- ment Note.2	Consolidated statements of income Note.3
	Medical	Pharma- ceutical	Glass & Materials	Total				
Net sales								
(1)Sales to third parties	98,150	28,775	17,982	144,908	314	145,223	-	145,223
(2)Inter-segment sales and transfers	141	13,448	2,938	16,517	32	16,550	(16,550)	-
Total	98,292	42,223	20,910	161,426	347	161,774	(16,550)	145,223
Segment profit	14,540	1,888	2,002	18,432	66	18,498	(4,211)	14,286

- Notes:
1. "Other" is the business segment which is not included in the reporting segment and consist of real estate income and sales by headquarter.
 2. Adjustment for the segment profit of (4,211) million yen includes elimination of inter-segment transaction of 255 million yen and corporate cost of (4,467) million yen. Corporate cost consisted primarily of sales, general and administrative expenses and research and development cost which do not belong to the reporting segment.
 3. Segment profit is adjusted to the operating income on the consolidated statements of income.

3. Information on goodwill by reportable operating segments

(Significant variation in the amount of goodwill)

We included the Nipro Diagnostics, Inc. and other 3 companies in the scope of consolidation.

The regarding increase in the amount of goodwill was 10,543 million yen compared with the end of the previous year.

(Additional information)

Effective from the first quarter ended June 30, 2010, we have applied the revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Statement No. 17, issued March 27, 2009) and Guidance on Accounting Standard for Disclosures about Segments of an Enterprise and Related Information (ASBJ Guidance No. 20, issued March 21, 2008).

(6)Notes to statements of shareholders' equity, if having significant variation

N/A