

Summary Report of Consolidated Financial Results

For the Six Months Period ended September 30, 2011



November 10, 2011
TSE/OSE-1st section

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

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Payment date of cash dividends: December 9, 2011

Supplemental material on quarterly reporting: No

Presentation on quarterly results: Yes (for corporate investors and analysts)

(Note: Amounts are truncated to one million yen)

1. Consolidated Results for the Six Months ended September 30, 2011 (From April 1, 2011 to September 30, 2011)

(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	%
6 months ended September 30, 2011	102,432	8.2	8,168	(9.6)	5,121	(6.4)	457	(81.5)
6 months ended September 30, 2010	94,640	8.2	9,031	(2.5)	5,470	(21.8)	2,469	(29.3)

Note: Comprehensive income 6 months ended September 30, 2011: (15,697) million yen (-%) 6 months ended September 30, 2010: (666) million yen (-%)

	Earnings per share	Diluted Earnings per share
	Yen	Yen
6 months ended September 30, 2011	3.61	3.16
6 months ended September 30, 2010	19.47	17.56

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Millions of yen	Millions of yen	%
6 months ended September 30, 2011	477,019	91,816	18.5
Year ended March 31, 2011	476,510	109,037	22.4

Note: Equity 6 months ended September 30, 2011: 88,429 million yen Year ended March 31, 2011: 106,509 million yen

2. Dividends

	Annual Dividends per Year				
	First-quarter	Second-quarter	Third-quarter	Year-end Dividends	Annual Dividends
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2011	-	18.50	-	31.50	50.00
Year ending March 31, 2012	-	12.00	-	-	-
Year ending March 31, 2012 (Forecast)	-	-	-	13.50	25.50

Note: Revisions to the forecast of cash dividends in the current quarter: Yes

3. Forecast of Consolidated Financial Results for the Year ending March 31, 2012 (From April 1, 2011 to March 31, 2012)

(Note: The % displays in the line of year ending March 31, 2012 show increase/decrease ratio against the year ended March 31, 2011)

	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, 2012	214,000	9.2	16,000	(7.1)	12,550	(6.1)	4,050	64.9	31.93

Note: Revisions to the forecast of consolidated financial results in the current quarter: Yes

4. Others

- (1) Change in Significant Subsidiaries during the Current Period
(Change in specified subsidiaries caused a change in the scope of consolidation): Yes
Additional: 2 (Corporate name: Nipro India Corporation Pvt Ltd.) Removal: 0
(Corporate name: Nipro Medical (Hefei) Co., Ltd.)
- (2) Adoption of Accounting Treatments Simplified or Unique for Preparation: No
- (3) Change in Accounting Policies and Accounting Estimate and Restatement
[1] Changes in accounting policies by a newly issued accounting pronouncement : Yes
[2] Changes other than [1] : No
[3] Change in accounting estimate : No
[4] Restatement : No
(Note: The detail can be found in P.4 "Summary information (Others)" in the attachment.)
- (4) Issued Shares (Common stock)
[1] Number of issued shares at end of the period (including treasury stock)
6 months ended September 30, 2011 : 127,757,010 shares
Year ended March 31, 2011 : 127,757,010 shares
[2] Number of treasury stock at end of the period
6 months ended September 30, 2011 : 913,738 shares
Year ended March 31, 2011 : 912,840 shares
[3] Average number of shares during the period
6 months ended September 30, 2011 : 126,843,790 shares
6 months ended September 30, 2010 : 126,845,858 shares
(Note: The company has split one share of common stock into two shares on October 1, 2011. In this stock split, the number of issued shares is calculated on the assumption that the two-for-one stock split of common stock is conducted at the beginning of fiscal year 2010.)

*Information regarding the quarterly review procedure

This quarterly summary report is exempt from quarterly review procedure based on the Financial Instruments and Exchanges Act. It is under the review procedure process at the time of disclosure of this report

*Disclaimer regarding projection information including appropriate use of forecasted financial result, 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 six months period ended September 30, 2011, (3) Qualitative information concerning forecast of consolidated financial results" in the attachment.

The company has split one share of common stock into two shares on October 1, 2011. In this stock split, earnings per share and diluted earnings per share are calculated on the assumption that the two-for-one stock split of common stock is conducted at the beginning of fiscal year 2010.

Table of Contents

1. Qualitative Information for the Six-Month Period ended September 30, 2011	2
(1) Qualitative Information Concerning Consolidated Financial Results	2
(2) Qualitative Information on the Consolidated Financial Position	3
(3) Qualitative Information Concerning Forecast of Consolidated Financial Results	3
2. Summary (Other) Information	3
(1) Changes in Significant Consolidated Subsidiaries	3
(2) Accounting Treatments Simplified or Unique for Preparation	3
(3) Changes in Accounting Policies and Accounting Estimate and Restatement	3
(4) Additional Information	3
3. Consolidated Financial Statements	5
(1) Quarterly Consolidated Balance Sheets	5
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	7
Quarterly Consolidated Statements of Income	7
Quarterly Consolidated Statements of Comprehensive Income	7
(3) Quarterly Consolidated Statements of Cash Flows	8
(4) Notes Related to Going Concern	10
(5) Segment Information	10
(6) Notes to Statements of Shareholders' Equity, If Having Significant Variation	11
(7) Material Subsequent Event	12

1. Qualitative Information for the Six-Month Period ended September 30, 2011

(1) Qualitative Information Concerning Consolidated Financial Results

During the six-month period ended September 30, 2011, the world economy slowed down due to delayed economic recovery in America and enhancement of financial crisis in Europe especially in Greece.

As for the domestic economy, on the other hand, the strong appreciation of the yen is getting fixed to spread sense of uncertainty even though the limit on supply for the Great East Japan Earthquake is relaxed gradually to show the sign of partial economic recovery.

Under such situations, the Nipro Group recovers the proper functions in almost all direct offices and plants which got damaged by the earthquake. We also have worked actively to acquire manufacturing and sales bases in foreign countries for being one of the top companies in our core businesses.

As a result, the consolidated net sales in the six-month period ended September 30, 2011 increased 8.2% from the same period of the previous year to 102,432 million yen.

As for the profit, consolidated operating income decreased 9.6% from the same period of the previous year to 8,168 million yen due to the increase in selling, general and administrative expenses, and consolidated ordinary income decreased 6.4% from the same period of the previous year to 5,121 million yen. The consolidated net income decreased 81.5% from the same period of the previous year to 457 million yen because extraordinary loss increased by the generation of loss due to disaster and loss on valuation of investment securities.

The overviews of the results by segment are as follows.

[1] Medical Business

Domestic market and business conditions were seriously sever because of the lagged recovery from the Great East Japan Earthquake and stagnation in the economy. Under such circumstances, sales grew greatly in auto-adjusting dialysis machine, dialysis-related pharmaceutical products (such as substitution fluid for hemo(dia)filtration) and blood coagulation inhibitor) and dialysis-related products (such as hemodiafiltration dialyzer and continuous hemofiltration dialyzer). Enteral-alimentation-related products (such as semisolid food, alimentation catheter and transfusion kit for enteral alimentation), testing-related products (such as glucose analysis device) and vascular-related products (such as coronary artery stent) showed fine sales as well. However, the sales in transfusion- and injection-related products and dialyzer remained flat, even though it has headed for recovering, because of the impact of the great earthquake.

Overseas sales suffered great effect from the appreciation of yen against the dollar and euro, but we have kept performing the community-based sales. Sales in blood glucose meter showed significant growth thanks to aggressive promotion at overseas, and also sales in dialysis-related products grew steadily as a result of active sales promotion to dialysis market. Plants in India, Hefei (China), Indonesia and Bangladesh are under construction as planned. India plant will start to operate from next July.

As a result, net sales of this business increased 9.8% from the same period of the previous year to 70,102 million yen

[2] Pharmaceutical Business

This business consist of two main divisions; one is the generic drugs division to provide low cost and high quality medical drugs, and the other is contracted manufacturing division to offer high value-added products for customer needs.

On the sales of generic drug, under government policy for the dissemination of generic products 'generic drug share in quantity shall be expanded more than 30% until year 2012,' the market is expected to be larger with some policies for encouraging the use of generic products. A big pharmaceutical manufacturer make a full-scale entry into the market and foreign generic manufacturers strengthen marketing strategies, which makes the competitive environment surrounding the domestic market more sever. Under such circumstance, we have proactively enforced sales promotion to dispensing pharmacy and deepened the cooperation with wholesaler of drug so as to increase the sales of oral drug. In addition, the sales of injectable drug, our main product, exceeded the sales in the same period of the previous year as a result of 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).

On the sales of contracted manufacturing business, we worked hard for realizing various fine services such as contracted development and support for value adding other than ordinary contracted manufacturing. During this period, the effect of the Great East Japan Earthquake dropped the operation capacity in some plants, but a number of new products have launched so the sales of this division could keep same level as the sales in the same period of the previous year. In addition, Kagamiishi plant of Tohoku Nipro Pharmaceutical Corporation, which had shut down the operation, recovered their all functions and restarted the business form this September.

As a result, net sales of this business increased 0.8% from the same period of the previous year to 18,950 million yen.

[3] Material Business

The sales of material glass tube for ampoule, a kind of pharmaceutical glass tube, decreased from the same period of the previous year due to the stagnation of domestic demand. Concerning material glass tube for tube bottles, on the other hand, the domestic demand remained steadily and overseas sales was enforced to increase the sales compared with the same period of the previous year. Furthermore, we have advanced the formulation of pharmaceutical glass business in India and China to promoted overseas sales activities. The export of glass for thermos bottles decreased a little because of the effect of appreciating yen, but in the domestic market, power saving campaign due to the earthquake disaster created the demand of glass thermos bottles, which raise the net sales of this products compared with the same period of the previous year. As for the sales of glass for lighting purpose, we recovered the usual operation capacity of automotive bulb from the effect of the great earthquake. However, the sales of glass for LCD backlight decreased its demand under the influence of penetration of LED products, so overall, the sales of glass products for lighting purpose and material glass tube for bulb decreased from the same period of the previous year.

In the field of pharmaceutical container, the sales of rubber stopper for pharmaceutical use and container for kit form increased steadily based on our processing technique for plastics, metal and rubber. However, the sales of bags for

antimicrobial agent and parts of pre-filled syringe decreased slightly.

As for the medical preparation and administration related device, the sales had showed good increase, and we are advancing commercialization of products by both of self- development and joint development with pharmaceutical companies so as to meet the diverse need. Furthermore, we continue to promote contract manufacturing and development cooperating with domestic and foreign pharmaceutical companies in general life cycle management of pharmaceuticals, which includes the development of pharmaceutical combination products, systematization for self-injection at home and modification of dosage form to such as orally-disintegrating tablet which can be taken without water.

As a result, net sales of this business increased 12.7% from the same period of the previous year to 13,242 million yen.

[4] Other Business

In the other business, the sale from real estate rental income is 137 million yen.

(2) Qualitative Information on the Consolidated Financial Position

[1] Analysis Concerning the Conditions of Assets, Liabilities and Net Assets

Total assets increased 509 million yen from the end of the previous period to 477,019 million yen. Current assets increased 15,224 million yen mainly due to the increase of 5,195 million yen in cash and cash equivalent, and the increase of 4,780 million yen in notes and accounts receivable-trade, and noncurrent assets decreased 14,714 million yen mainly due to the decrease of 20,781 million yen in investment securities and the decrease of 3,493 million yen in guarantee deposits.

Total liabilities increased 17,730 million yen from the end of the previous period to 385,203 million yen. Current liabilities decreased 1,529 million yen mainly due to the decrease of 3,567 million yen in notes payable-facilities, and noncurrent liabilities increased 19,259 million yen mainly due to the increase of 24,464 million yen in long-term loans payable.

Total assets decreased 17,220 million yen from the end of the previous period to 91,816 million yen. Shareholders' equity decreased 1,609 million yen and accumulated other comprehensive income decreased 16,470 million yen.

[2] Analysis Concerning the Conditions of Cash Flows

The ending balance of cash and cash equivalents in the period under review decreased 885 million yen to 78,035 million yen

The conditions and main factors of each cash flow were as follows.

(Cash flows from operating activities)

Net cash provided by operating activities was 2,475 million yen. The main accounts of cash inflow were income before income taxes and minority interests, 3,132 million yen, depreciation and amortization, 10,211 million yen. The main accounts of cash outflow were increase of notes and accounts receivable-trade, 4,061 million yen and inventories, 4,126 million yen, and payment of corporate income tax, 2,938 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 34,511 million yen. The main accounts of cash outflow were purchase of investment securities 14,029 million yen and purchase of noncurrent assets 12,102 million yen.

(Cash flows from financing activities)

Net cash used in investing activities was 22,268 million yen. The main accounts of cash inflow were proceeds from long-term loans payable, 43,870 million yen. The main accounts of cash outflow were decrease repayment of long-term loans payable, 16,407 million yen

(3) Qualitative Information Concerning Forecast of Consolidated Financial Results

In the world economy in the future, we are concerned about delayed economic expansion in America and the risk of economic downturn by debt crisis in Europe. As for the domestic economy, there are a lot of challenges such as the problem of nuclear power station and historical hover of appreciating yen, and they are expected to bring more sever business condition.

In such situation, we will aim to improve expansion and efficiency of production and sales continuously for aiming one of the top companies in our core business.

At this moment, the forecast of consolidated financial results for the fiscal year 2011 which was published May 13, 2011 is revised based on the current movement in performance.

2. Summary (Other) Information

(1) Changes in Significant Consolidated Subsidiaries

Nipro India Corporation Pvt Ltd. and Nipro Medical (Hefei) Co. Ltd. are included in the scope of consolidation from the previous period because their materiality increased in our group.

(2) Accounting Treatments Simplified or Unique for Preparation

N/A

(3) Change in Accounting Policies and Accounting Estimate and Restatement

(Application of Accounting Standard for earnings per share)

From the first quarter of fiscal year 2011, the company has applied Accounting Standard for Earnings Per Share (ASBJ Statement No.2, issued on June 30, 2010), Guidance on Accounting Standard for Earnings Per Share (ASBJ No.4, issued on June 30, 2010) and Practical Solution on Accounting for Earnings Per Share (ASBJ PITF No.9 issued on June 30, 2010).

In addition, the company has split one share of common stock into two shares on October 1, 2011 based on the resolution at the board of directors' meeting held on August 27, 2011. In accordance with this application, earnings per share and diluted earnings per share are calculated on the assumption that the two-for-one stock split of common stock is conducted at the beginning of fiscal year 2010.

If these accounting standards had not been applied, earnings per share and diluted earnings per share of the previous first quarter were as follows:

Earnings per share	: 38.94 yen
Diluted earnings per share	: 35.13 yen

(4) Additional Information

(Application of Accounting Standard for Accounting Changes and Error Corrections)

Effective after the beginning of the first quarter of fiscal year 2011, the Company has applied the Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No.24, issued on December 4, 2009) and Guidance on Accounting Standard for Accounting Changes and Error Corrections (ASBJ Statement No.24, issued on December 4, 2009).

3. Consolidated Financial Statements

(1) [Quarterly Consolidated Balance Sheets]

(Millions of yen)

	As of March 31, 2011	As of September 30, 2011
Assets		
Current Assets		
Cash and deposits	81,115	86,310
Notes and accounts receivable-trade	61,237	66,017
Merchandise and finished goods	42,697	44,720
Work in process	6,783	8,156
Raw materials and supplies	11,461	12,761
Deferred tax assets	4,204	4,258
Other	9,935	10,450
Allowance for doubtful accounts	(414)	(430)
Total current assets	217,021	232,245
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	111,353	112,706
Accumulated depreciation and impairment loss	(61,064)	(60,816)
Buildings and structures, net	50,289	51,899
Machinery, equipment and vehicles	135,449	137,825
Accumulated depreciation and impairment loss	(92,361)	(97,211)
Machinery equipment and vehicles, net	43,087	40,613
Land	20,115	20,243
Lease assets	1,519	1,650
Accumulated depreciation	(437)	(582)
Lease assets, net	1,082	1,067
Construction in progress	8,989	13,725
Other	27,150	27,863
Accumulated depreciation and impairment loss	(22,209)	(22,883)
Other, net	4,941	4,980
Total property, plant and equipment	128,505	132,519
Intangible assets		
Goodwill	7,833	9,371
Lease assets	291	273
Other	5,442	5,592
Total intangible assets	13,568	15,237
Investments and other assets		
Investment securities	105,564	84,783
Deferred tax assets	2,489	6,738
Guarantee deposits	3,905	411
Other	8,439	8,070
Allowance for doubtful accounts	(2,984)	(2,987)
Total investments and other assets	117,414	97,016
Total noncurrent assets	259,488	244,774
Total assets	476,510	477,019

(Millions of yen)

	As of March 31, 2011	As of September 30, 2011
Liabilities		
Current liabilities		
Notes and accounts payable-trade	33,581	35,217
Short-term loans payable	96,659	97,229
Commercial papers	10,000	10,000
Current portion of bonds	5,000	5,000
Lease obligations	375	403
Accounts payable-other	5,771	4,871
Accrued directors' bounuses	208	—
Income taxes payable	3,165	2,664
Provision for bounuses	2,112	2,557
Provision for directors' bounuses	26	123
Provision for loss on business liquidation	1,954	1,954
Provision for loss on disaster	4,040	1,618
Notes payable-facilities	5,937	2,369
Other	7,568	11,162
Total current liabilities	176,401	174,872
Noncurrent liabilities		
Bonds payable	43,000	44,000
Convertible bond-type bonds with subscription rights to shares	15,000	15,000
Long-term loans payable	120,549	145,013
Lease obligations	1,086	1,018
Deferred tax liabilities	7,465	1,128
Provision for retirement benefits	1,615	1,704
Provision for directors' retirement benefits	668	660
Provision for loss on litigation	170	170
Other	1,516	1,633
Total noncurrent liabilities	191,070	210,330
Total liabilities	367,472	385,203
Net assets		
Shareholders' equity		
Capital stock	28,663	58,000
Capital surplus	29,972	636
Retained earnings	46,631	45,022
Treasury stock	(864)	(864)
Total shareholders' equity	104,403	102,793
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,387	(4,278)
Foreign currency translation adjustment	(9,281)	(10,085)
Total accumulated other comprehensive income	2,106	(14,364)
Minority interests	2,527	3,387
Total net assets	109,037	91,816
Total liabilities and net assets	476,510	477,019

(2) [Quarterly Consolidated Statements of Income and Quarterly Consolidated Statement of Comprehensive Income]
 Quarterly Consolidated Statements of Income

(Millions of yen)

	FY2010 first six months (From April 1, 2010 to September 30, 2010)	FY2011 first six months (From April 1, 2011 to September 30, 2011)
Net sales	94,640	102,432
Cost of sales	65,927	72,021
Gross profit	28,713	30,411
Selling, general and administrative expenses	19,682	22,243
Operating income	9,031	8,168
Non-operating income		
Interest income	160	257
Dividends income	346	362
Other	239	420
Total non-operating income	746	1,039
Non-operating expenses		
Interest expenses	1,179	1,616
Exchange loss	2,785	2,039
Equity in loss of affiliates	155	43
Other	186	388
Total non-operating expenses	4,307	4,087
Ordinary income	5,470	5,121
Extraordinary income		
Gain on sales of noncurrent assets	14	112
Compensation income	122	—
Licensed dealership charges	300	—
State subsidy	—	86
Other	106	10
Total extraordinary income	543	209
Extraordinary loss		
Loss on retirement of noncurrent assets	75	285
Abnormal manufacturing cost	104	—
Loss on adjustment for change of accounting standard for asset retirement obligations	88	—
Loss on valuation of investment securities	—	675
Loss due to disaster	—	1,111
Other	132	125
Total extraordinary losses	401	2,197
Income before income taxes and minority interests	5,612	3,132
Income taxes-current	2,707	2,333
Income taxes-deferred	203	9
Total income taxes	2,911	2,342
Income before minority interests	2,700	790
Minority interests in income	231	332
Net income	2,469	457

[Quarterly Consolidated Statements of Comprehensive Income]

(Millions of yen)

	FY2010 first six months (From April 1, 2010 to September 30, 2010)	FY2011 first six months (From April 1, 2011 to September 30, 2011)
Income before minority interests	2,700	790
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,339)	(15,666)
Foreign currency translation adjustment	(1,027)	(821)
Total other comprehensive income	(3,366)	(16,488)
Comprehensive income	(666)	(15,697)
Comprehensive income attributable to shareholders of parent company	(885)	(16,013)
Comprehensive income attributable to minority interests	219	315

(3) [Quarterly Consolidated Statements of Cash Flows]

(Millions of yen)

	FY2010 first six months (From April 1, 2010 to September 30, 2010)	FY2011 first six months (From April 1, 2011 to September 30, 2011)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	5,612	3,132
Depreciation and amortization	9,319	10,211
Impairment loss	67	—
Amortization of goodwill	1,142	1,147
Equity in (earnings) losses of affiliates	155	43
Increase (decrease) in allowance for doubtful accounts	42	7
Interest and dividends income	(506)	(619)
Interest expenses	1,179	1,616
Foreign exchange losses (gains)	285	1,175
Decrease (increase) in notes and accounts receivable-trade	(2,290)	(4,061)
Decrease (increase) in inventories	(4,019)	(4,126)
Increase (decrease) in notes and accounts payable-trade	4,532	940
Decrease (increase) in other assets	74	(1,017)
Increase (decrease) in other liabilities	(924)	(2,949)
Other loss (gain)	(7)	873
Subtotal	14,662	6,373
Interest and dividends income received	504	625
Interest expenses paid	(1,172)	(1,567)
Other proceeds	467	130
Other payments	(223)	(147)
Income taxes paid	(4,654)	(2,938)
Net cash provided by (used in) operating activities	9,583	2,475
Net cash provided by (used in) investing activities		
Payments into time deposits	(1,390)	(7,162)
Proceeds from withdrawal of time deposits	1,990	1,064
Purchase of investment securities	(2,820)	(14,029)
Proceeds from sales of investment securities	—	10
Proceeds from purchase of investments in subsidiaries resulting in change in scope of consolidation	—	(2,587)
Purchase of noncurrent assets	(9,214)	(12,102)
Proceeds from sales of noncurrent assets	40	148
Payments for retirement of noncurrent assets	—	(5)
Proceeds from governmental subsidies for investment in property and equipment	25	33
Net decrease (increase) in short-term loans receivable	(294)	882
Payments of loans receivable	(23)	(708)
Collection of loans receivable	7	23
Other payments	(997)	(75)
Net cash provided by (used in) investment activities	(12,676)	(34,511)

(Millions of yen)

	FY2010 first six months (From April 1, 2010 to September 30, 2010)	FY2011 first six months (From April 1, 2011 to September 30, 2011)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(223)	(3,975)
Increase (decrease) in commercial papers	(10,000)	—
Proceeds from long-term loans payable	20,809	43,870
Repayment of long-term loans payable	(10,157)	(16,407)
Proceeds from issuance of bonds	—	979
Redemption of bonds	(110)	—
Decrease (increase) in treasury stock	(1)	(0)
Repayments of finance lease obligations	(179)	(202)
Cash dividends paid	(1,864)	(1,992)
Cash dividends paid for minority shareholders	(3)	(4)
Other payments	(6)	—
Net cash provided by (used in) financing activities	(1,735)	22,268
Effect of exchange rate change on cash and cash equivalents	(326)	(384)
Net increase (decrease) in cash and cash equivalents	(5,154)	(10,152)
Cash and cash equivalents at beginning of period	56,188	78,921
Increase in cash and cash equivalents from newly consolidated subsidiary	1,595	9,266
Cash and cash equivalents at end of period	52,628	78,035

(4) Notes Related to Going Concern
N/A

(5) Segment Information

I FY2010 (From April 1, 2010 to September 30, 2010)

1. Sales and Profit by Reportable Operating Segment

(Millions of yen)

	Segment				Other (Note.1)	Total	Adjust- ment (Note.2)	Consolidated statement of income (Note.3)
	Medical	Pharma- ceutical	Glass & Materials	Total				
Net Sales								
(1)Outside	63,866	18,808	11,754	94,428	212	94,640	-	94,640
(2)Intersegment	108	8,714	1,936	10,759	19	10,778	(10,778)	-
Total	63,974	27,522	13,691	105,187	231	105,419	(10,778)	94,640
Segment profit	9,440	1,021	1,294	11,756	44	11,801	(2,770)	9,031

(Notes)

1. "Other" is the business segment which is not included in the segment and consist of real estate income and sales by headquarter.
2. Adjustment for the segment profit of (2,770) million yen includes elimination of inter-segment transaction of 302 million yen and corporate cost of (3,073) 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.

2. Information on Goodwill by Reportable Operating Segment

N/A

II FY2011 (From April 1, 2011 to September 30, 2011)

1. Sales and Profit by Reportable Operating Segment

(Millions of yen)

	Segment				Other (Note.1)	Total	Adjust- ment (Note.2)	Consolidated statements of Income (Note.3)
	Medical	Pharma- ceutical	Materials	Total				
Net sales								
(1)Outside	70,102	18,950	13,242	102,295	137	102,432	-	102,432
(2)Intersegment	657	9,389	1,708	11,754	22	11,777	(11,777)	-
Total	70,759	28,339	14,951	114,050	159	114,210	(11,777)	102,432
Segment profit	8,497	2,110	1,178	11,786	109	11,895	(3,727)	8,168

(Notes)

1. "Other" is the business segment which is not included in the segment and consist of real estate income and sales by headquarter.
2. Adjustment for the segment profit of (3,727) million yen includes elimination of inter-segment transaction of (249) million yen and corporate cost of (3,477) 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.

2. Change in Reportable Segment

From the first quarter period ended June 30, 2011, the name of business segment was changed partially and "Glass & Materials" is displayed as "Materials". This change is just only for the name, and there is no difference about business segment itself from the same period of the previous year.

3. Information about Impairment Loss of Tangible Assets and Goodwill by Reportable Operating Segment

N/A

(6) Notes to Statements of Shareholder's Equity, if having Significant Variation

N/A

(7) Material Subsequent Event

Stock Split and Partial Revisions of the Articles of Incorporation

The Company has conducted a stock split and revised the article of incorporation partially on October 1, 2011 based on the resolution at the board of directors' meeting held on August 27, 2011.

1. Purpose of the stock split and partial revisions of the article of incorporation
The purpose of the stock split is to make the stock more affordable to a wider pool of investors and provide the greater liquidity in order to increase the capital stock and prepare for the aggressive business expansion at home and abroad in the future.
2. Overview of stock split
 - (1) Method of Split
Common stock held by shareholders listed or recorded in the final shareholder register as of September 30, 2011, has split at a ratio of two for one.
 - (2) Increase in total number of authorized shares
The article of incorporation has been revised partially on October 1, 2011 to increase total number of authorized shares from 200,000,000 shares to 4000,000,000 shares.
3. Date of stock split
Effective date of stock split is October 1, 2011.
In the stock split mentioned above, earnings per share and diluted earnings per share are calculated on the assumption that the two-for-one stock split of common stock is conducted at the beginning of fiscal year 2010.
If these accounting standards had not been applied, earnings per share and diluted earnings per share of the previous first quarter were as follows:

Earnings per share	: 38.94 yen
Diluted earnings per share	: 35.13 yen