

Summary Report of Consolidated Financial Results

For the Six Months Period ended September 30, 2014



November 12, 2014

TSE-1st section

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Code No.8086

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Supplemental material on quarterly reporting: Yes

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

(Note: Amounts are truncated to one million yen)

1. Consolidated Results for the Six Months ended September 30, 2014 (From April 1, 2014 to September 30, 2014)

(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, 2014	154,501	7.7	7,939	36.9	8,618	48.9	5,470	108.8
6 months ended September 30, 2013	143,407	22.3	5,797	(8.0)	5,787	19.5	2,619	(60.4)

Note: Comprehensive income 6 months ended September 30, 2014: (209) million yen (-%) 6 months ended September 30, 2013: 26,025 million yen (-%)

	Earnings per share	Diluted Earnings per share
	Yen	Yen
6 months ended September 30, 2014	36.28	32.34
6 months ended September 30, 2013	15.99	14.38

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio
	Millions of yen	Millions of yen	%
6 months ended September 30, 2014	633,574	136,029	19.8
Year ended March 31, 2014	619,654	135,960	20.2

Note: Equity 6 months ended September 30, 2014: 125,560 million yen Year ended March 31, 2014: 125,426 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, 2014	-	16.00	-	14.50	30.50
Year ending March 31, 2015	-	18.00			
Year ending March 31, 2015 (Forecast)			-	14.50	32.50

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, 2015 (From April 1, 2014 to March 31, 2015)

(Note: The % displays in the line of year ending March 31, 2015 show increase/decrease ratio against the year ended March 31, 2014)

	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, 2015	330,000	9.7	20,000	62.7	18,600	56.1	10,400	263.4	68.97

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

*Notes

(1) Change in Significant Subsidiaries during the Current Period
(Change in specified subsidiaries caused a change in the scope of consolidation): No
Additional: 0 Removal: 0

(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: More information can be found in P.4 "2. Summary (Other) Information, (3) Changes in Accounting Policies and Accounting Estimate and Restatement" 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, 2014: 171,459,479 shares Year ended March 31, 2014: 171,459,479 shares

[2] Number of treasury stock at end of the period:
6 months ended September 30, 2014: 17,556,287 shares Year ended March 31, 2014: 20,730,973 shares

[3] Average number of shares during the period:
6 months ended September 30, 2014: 150,792,006 shares 6 months ended September 30, 2013: 163,829,523 shares

Note: Number of the treasury stocks as of September 30, 2014 included 1,067,900 shares, and as of March 31, 2014 included 1,187,500 shares owned by Trust Account E

*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-Month Period Ended September 30, 2014, (3) Commentary on Forward-Looking Statements Including Forecast of Consolidated Financial Results" in the attachment.

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1. Qualitative Information for the Six-Month Period Ended September 30, 2014

(1) Commentary on Business Results

During the six months of the fiscal year under review, the global economy generally remained on a gradual recovery trend while an improvement in personal consumption could not lead significant recovery in the United States and Europe showed signs of partial economic recovery in unstable situation with political unrest of Ukraine. In China and emerging countries, a sense of uncertainty is increasing due to declining economic growth rates. On the other hand, the Japanese economy showed continued improvement although there were a rapid yen depreciation and a fallback after the last-minute surge in demand before the consumption tax rate hike and.

Under such circumstances, the Nipro Group has worked to improve operating results through its continued efforts to expand sales and reduce costs.

As a result, consolidated sales for the six-month period ended September 30, 2014 increased by 7.7% from the same period of the previous year to 154,501 million yen. As for the profit, consolidated operating income increased by 36.9% from the same period of the previous year to 7,939 million yen. Consolidated ordinary income, moreover, increased by 48.9% from the same period of the previous year to 8,618 million yen due to the foreign exchange gain for yen's depreciation. Consolidated net income increased by 108.8% from the same period of the previous year to 5,470 million yen thanks to the record of gain on sales of investment securities.

The overview of the results for the current quarter period under review by business segment is as follows.

Effective from this reporting period, overseas glass department is reclassified from Medical-Related Business to Glass-Related Business with the current classification.

(i) Medical-Related Business

Looking at the domestic market, the Medical Sales Division largely increased sales and profits of the drug-eluting balloon catheter "SeQuent® Please" in the field of vascular products and they also show strong sales of HDF filter with diffusion of on-line HDF treatment. On the other hand, sales and profits of the cardiovascular (CVS) products were in the midst of the severe environment where a competitor's ventricular assisting device was launched into the market and new clinical trials were started by other companies. As a whole, the sales and profit was continuously sluggish due to the revision of medical fees and drug prices and the fallback after the special demand arose before the consumption tax rate hike. The Pharmaceutical Sales Division gained solid net sales thanks to an increase in newly adopted drugs particularly for oral and external use. This is partly because hospitals subject to diagnosis procedure combination (DPC) and dispensing pharmacies promoted a switch to generic drugs following the revision of medical fees led by the government's generic drug promotion measures. Such development offset a decline in unit prices of drugs due to a revision of their wholesale prices (selling prices to wholesale dealers) following the revision in drug prices in April 2014. However, large markets of new big listing items have being continuously entered by over 30 competitors and initial sales of AG (authorized generic) allows to market occupation, that made the market price competition more intensified to impact significantly to sales and profit.

Regarding overseas sales, on the other hand, direct sales activities were promoted with enhancement of overseas sales channel based on our concept of "local production for local consumption" and expanded our sales responding immediately to demand from medical front. In addition, sales prices were reviewed throughout the world to improve our profitability. Furthermore, yen's depreciation against dollar and euro in foreign exchange market increasing export profitability resulted double-digit growth in sales and profit from the same period of the previous year. By product, we have promoted academic activities through international societies or exhibition of dialysis or kidney disease as well as enhanced dialysis product line, and consequently sales of the related products such as artificial kidneys (dialyzers) showed a strong increase. New overseas plants (in India, Indonesia and Bangladesh) further improved their production system and realized stable production expansion under established quality system to promote their sales widely in their countries and surrounding areas. Especially sales of syringe have grown by double-digit rate from the same period of the previous year thanks to expansion of production in new overseas plant, India and Indonesia.

As a result, net sales of this business increased by 7.0% from the same period of the previous year to 112,538 million yen.

(ii) Pharmaceutical-Related Business

In the Pharmaceutical-Related Business, we have promoted finely-tuned sales activities to win contracted businesses by offering various contracted services such as contracted development based on our characteristic of development and supply from packaging container such as vial, syringe and bag and support for value adding initiatives, in addition to our conventional contracted manufacturing service. We have also worked to expand the contracted manufacturing business through joint development with generic drug divisions and new drug development divisions of leading pharmaceutical manufacturers inside and outside of Japan. Furthermore, the self-developed blockbuster syringe preparations, shipment of which started at the end of the previous fiscal year, contributed to the solid sales of this segment.

Sales of pharmaceutical containers as well as devices related to pharmaceutical preparation and administration were strong thanks to our efforts to offer containers and systems suitable to each pharmaceutical product. Such efforts were made to meet various needs in the medical front, including small-volume bags for antimicrobial agents and osteoporosis drugs, materials for pre-filled syringes (plastic and glass), etc., on top of rubber stoppers for pharmaceutical and vaccine use and containers for kit products. We developed the containers and systems by ourselves or through joint development with pharmaceutical manufactures based on our processing technologies for plastics, rubbers, and metals. In addition, under the government's policy to curb medical expenses, we have worked together with domestic and foreign pharmaceutical manufactures in enhancing comprehensive lifecycle management of pharmaceutical products, taking into consideration the development of combination products, self-injection systems, and dosage form/administrating path modification in the future.

As a result, net sales of this business increased 14.5% from the same period of the previous year to 27,775 million yen.

(iii) Glass-Related Business

In the Glass-Related Business, adding to our conventional glass containers for medical use, we have developed high-value added vials to support diverse injectable formulation with a high level of quality requirements to acquire new demand and global customer's needs. We also improved our manufacturing facilities and environment for the stable supply of these products.

In domestic glass department, we have promoted our sales activity for the processing technique of vials with low alkali elution to the medical and pharmaceutical industries. Meanwhile, we also started full-scale operation of the "Biwako Factory," a state-of-the-art plant for glass containers for domestic medical use, with the purpose of further improving our quality assurance system for good manufacturing practice (GMP). Under the system, we have established the production and sales setup enabling the stable supply of high-quality and eco-friendly glass containers for medical use required by pharmaceutical manufacturers. Among other glass-related products, sales of automotive electric bulbs showed a solid growth partially due to the effect of quality improvement, while sales of glass for thermos bottles decreased from the same period of the previous year due to weak domestic demand against the recovery of export. Whole sales of this department slightly decreased but sales of vial for medical purpose, especially high-valued vial such as large vial, increased thanks to the acquisition of new demand.

Regarding overseas glass department, on the other hand, sales and profit of vial and ampoule have increased stably in India and China under the changing of market that requires high-quality medical containers in developing countries. In Europe and the United States, high-tech prefilled syringe has marked find sales.

As a result, net sales of this business increased 1.8% from the same period of the previous year to 14,124 million yen.

(iv) Other Business

Among other business, sales from the real-estate rental business were 63 million yen (down by 46.0% from the same period of the previous year).

(2) Analysis Concerning Financial Position

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

Total assets increased by 13,919 million yen from the end of the previous year to 633,574 million yen. Current assets increased by 20,113 million yen primarily due to an increase of 14,914 million yen in cash and deposits, and noncurrent assets decreased by 6,193 million yen primarily due to a decrease of 6,967 million yen in other of investment and other assets.

Total liabilities increased by 13,850 million yen from the end of the previous year to 497,544 million yen. Current liabilities decreased by 16,027 million yen primarily due to an decrease of 6,175 million yen in income taxes payable, and noncurrent liabilities increased by 29,877 million yen primarily due to an increase of 31,313 million yen in long-term loans payable.

Total net assets increased by 69 million yen from the end of the previous year to 136,029 million yen. Shareholders' equity increased by 5,622 million yen and accumulated other comprehensive income decreased by 5,489 million yen.

[2] Condition of cash flow

The ending balance of cash and cash equivalents in the period under review increased 14,480 million yen from the previous year to 85,372 million yen.

(Cash flows from operating activities)

Net cash provided by operating activities was 2,476 million yen. The main accounts of cash inflow were income before income taxes and minority interests, 10,796 million yen and depreciation and amortization, 12,835 million yen. The main account of cash outflow was payment of corporate income tax, 9,868 million yen.

(Cash flows from investing activities)

Net cash used in investing activities was 13,275 million yen. The main account of cash inflow was proceeds from withdrawal of time deposits, 7,788 million yen. The main accounts of cash outflow were purchase of noncurrent assets, 18,371 million yen.

(Cash flows from financing activities)

Net cash provided by financing activities was 24,727 million yen. The main account of cash inflow was proceeds from long-term loans payable, 55,539 million yen. The main account of cash outflow was repayment of long-term loans payable, 28,155 million yen.

(3) Commentary on Forward-Looking Statements Including Forecast of Consolidated Financial Results

We expect that the global economy will continue to be on the gradual recovery trend. Similarly, in Japan, economic activities will continue to gradually improve amid the easing of the fallback after the last-minute surge in demand before the consumption tax rate hike.

Even under such circumstances, the Nipro Group will work to improve profits through its continued efforts to expand sales and reduce production costs.

We have revised the forecast of consolidated financial results for the year ending March 31, 2015, which was announced on August 12, 2014, based on the current movement in performance.

2. Summary (Other) Information

(1) Changes in Significant Consolidated Subsidiaries

N/A

(2) Accounting Treatments Simplified or Unique for Preparation

N/A

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

(Change in Accounting Policies)

Application of the Accounting Standard for Retirement Benefits and its Guidance

From the first quarter of the consolidated fiscal year under review, we adopted the "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26, May 17, 2012; hereinafter referred to as the "Retirement Benefits Standard") and the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, May 17, 2012; hereinafter referred to as the "Retirement Benefits Guidance") with regard to the provisions specified under the main clause

of paragraph 35 of the Retirement Benefits Standard and paragraph 67 of the Retirement Benefits Guidance. The calculation method of retirement benefit obligations and service costs was reviewed, the period attribution method of the expected amount of retirement benefits was changed from a straight - line attribution to a benefit calculation standard and the decision method of the discount rate was changed from the way in which the number of years approximate to the average remaining service period of employees is used for the period of bonds that serves as the basis for determining the discount rate to the way in which a single weighted average discount rate is used to reflect the expected payment period of retirement benefits and the amount for each expected payment period.

In applying the Retirement Benefits Standard and its Guidance, the effect of the changes in the calculation method of retirement benefit obligations and service costs was adjusted in retained earnings at the beginning of the first quarter of the consolidated fiscal year under review according to the transitional treatment set forth in the paragraph 37 of the Retirement Benefits Standard.

As a result, net defined benefit liability decreased 150 million yen and retained earnings increased 97 million yen at the beginning of the current quarterly period under review. This change had no impact on operating income, ordinary income and income before income taxes and minority interests in the current quarterly period under review.

3. Consolidated Financial Statements

(1) [Quarterly Consolidated Balance Sheets]

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
Assets		
Current Assets		
Cash and deposits	84,957	99,871
Notes and accounts receivable-trade	103,179	104,755
Merchandise and finished goods	59,517	62,133
Work in process	10,968	10,411
Raw materials and supplies	20,000	20,818
Deferred tax assets	7,354	5,705
Other	12,154	14,578
Allowance for doubtful accounts	(2,010)	(2,040)
Total current assets	296,119	316,233
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	158,109	163,935
Accumulated depreciation and impairment loss	(77,025)	(77,637)
Buildings and structures, net	81,083	86,298
Machinery, equipment and vehicles	192,277	196,715
Accumulated depreciation and impairment loss	(135,012)	(139,937)
Machinery equipment and vehicles, net	57,265	56,778
Land	23,367	21,104
Lease assets	2,409	2,239
Accumulated depreciation	(1,507)	(1,577)
Lease assets, net	902	662
Construction in progress	20,534	23,295
Other	37,683	38,961
Accumulated depreciation and impairment loss	(29,242)	(30,378)
Other, net	8,440	8,583
Total property, plant and equipment	191,593	196,721
Intangible assets		
Goodwill	28,493	27,922
Lease assets	443	372
Other	13,278	14,337
Total intangible assets	42,216	42,633
Investments and other assets		
Investment securities	65,507	60,001
Net defined benefit asset	98	103
Deferred tax assets	8,453	9,211
Other	18,535	11,579
Allowance for doubtful accounts	(2,870)	(2,909)
Total investments and other assets	89,724	77,986
Total noncurrent assets	323,534	317,341
Total assets	619,654	633,574

(Millions of yen)

	As of March 31, 2013	As of September 30, 2014
Liabilities		
Current liabilities		
Notes and accounts payable-trade	45,661	47,718
Short-term loans payable	127,384	126,305
Commercial papers	10,000	10,000
Current portion of bonds	4,315	1,905
Current portion of convertible bond-type bonds with subscription rights to shares	14,895	12,420
Lease obligations	949	706
Accounts payable-other	8,563	7,345
Accrued directors' bounuses	415	—
Income taxes payable	10,734	4,558
Provision for bounuses	3,516	3,350
Provision for directors' bounuses	123	249
Provision for loss on business liquidation	2,438	—
Notes payable-facilities	2,897	5,878
Other	18,820	14,249
Total current liabilities	250,714	234,687
Noncurrent liabilities		
Bonds payable	45,832	44,375
Long-term loans payable	177,004	208,317
Lease obligations	1,510	1,352
Deferred tax liabilities	1,976	2,019
Net defined benefit liability	4,042	3,924
Provision for directors' retirement benefits	449	466
Provision for loss on litigation	284	276
Other	1,878	2,124
Total noncurrent liabilities	232,979	262,856
Total liabilities	483,694	497,544
Net assets		
Shareholders' equity		
Capital stock	84,397	84,397
Capital surplus	688	635
Retained earnings	52,567	55,489
Treasury stock	(17,999)	(15,246)
Total shareholders' equity	119,654	125,276
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(7,443)	(8,099)
Deferred gains or losses on hedges	38	(45)
Foreign currency translation adjustment	13,535	8,735
Remeasurements of defined benefit plans	(357)	(306)
Total accumulated other comprehensive income	5,772	283
Minority interests	10,533	10,469
Total net assets	135,960	136,029
Total liabilities and net assets	619,654	633,574

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

(Amount: million yen)

	FY2013 first three months (From April 1, 2013 to September 30, 2013)	FY2014 first three months (From April 1, 2014 to September 30, 2014)
Net sales	143,407	154,501
Cost of sales	101,691	107,832
Gross profit	41,715	46,668
Selling, general and administrative expenses	35,918	38,728
Operating income	5,797	7,939
Non-operating income		
Interest income	415	362
Dividends income	942	829
Foreign exchange gain	589	1,940
Other	668	1,012
Total non-operating income	2,615	4,144
Non-operating expenses		
Interest expenses	1,988	2,027
Equity in losses of affiliates	—	80
Other	636	1,356
Total non-operating expenses	2,625	3,465
Ordinary income	5,787	8,618
Extraordinary income		
Gain on sales of noncurrent assets	203	27
State subsidy□	544	—
Gain on sales of investment securities	18	3,402
Compensation income	735	33
Other	305	20
Total extraordinary income	1,807	3,483
Extraordinary loss		
Loss on retirement of noncurrent assets	32	38
Loss on valuation of investment securities	10	0
Loss on sales of investment securities	—	1,233
Loss on reduction of non-current assets	530	—
Other	191	33
Total extraordinary losses	765	1,305
Income before income taxes and minority interests	6,829	10,796
Income taxes-current	5,324	4,119
Income taxes-deferred	(1,222)	1,032
Total income taxes	4,102	5,152
Income before minority interests	2,727	5,644
Minority interests in income	107	174
Net income	2,619	5,470

[Quarterly Consolidated Statements of Comprehensive Income]

(Amount: million yen)

	FY2013 first three months (From April 1, 2013 to September 30, 2013)	FY2014 first three months (From April 1, 2014 to September 30, 2014)
Income before minority interests	2,727	5,644
Other comprehensive income		
Valuation difference on available-for-sale securities	9,407	(654)
Deferred gains or losses on hedges	—	(84)
Foreign currency translation adjustment	13,891	(5,166)
Remeasurements of defined benefit plans	—	50
Total other comprehensive income	23,298	(5,854)
Comprehensive income	26,025	(209)
Comprehensive income attributable to owners of the parent	25,086	(18)
Comprehensive income attributable to minority interests	938	(190)

(3) [Quarterly Consolidated Statements of Cash Flows]

(Amount: million yen)

	FY2013 first three months (From April 1, 2013 to September 30, 2013)	FY2014 first three months (From April 1, 2014 to September 30, 2014)
Net cash provided by (used in) operating activities		
Income before income taxes and minority interests	6,829	10,796
Depreciation and amortization	11,948	12,835
Impairment loss	1	12
Amortization of goodwill	2,354	2,598
Equity in (earnings) losses of affiliates	—	80
Increase (decrease) in allowance for doubtful accounts	38	102
Increase (decrease) in provision for retirement benefits	146	—
Increase (decrease) in net defined benefit liability	—	114
Interest and dividends income	(1,357)	(1,191)
Interest expenses	1,988	2,027
Foreign exchange losses (gains)	(2,011)	(697)
Loss (gain) on sales of investment securities	(18)	(2,169)
Decrease (increase) in notes and accounts receivable-trade	(2,993)	(3,004)
Decrease (increase) in inventories	(439)	(3,954)
Increase (decrease) in notes and accounts payable-trade	(3,054)	3,110
Decrease (increase) in other assets	(117)	(3,456)
Increase (decrease) in other liabilities	(1,892)	(3,684)
Other loss (gain)	(64)	(254)
Subtotal	11,358	13,267
Interest and dividends income received	1,284	1,131
Interest expenses paid	(2,020)	(2,048)
Other proceeds	439	140
Other payments	(435)	(145)
Income taxes paid	(4,177)	(9,868)
Net cash provided by (use in) operating activities	6,449	2,476
Net cash provided by (used in) investing activities		
Payments into time deposits	(2,589)	(8,706)
Proceeds from withdrawal of time deposits	731	7,788
Purchase of investment securities	(3,169)	(1,484)
Proceeds from sales of investment securities	75	6,227
Payments for sales of investments in subsidiaries resulting in change in scope of consolidation	(5,612)	(751)
Payments for investments in capital	(1,407)	—
Purchase of noncurrent assets	(14,662)	(18,371)
Proceeds from sales of noncurrent assets	351	2,094
Payments for retirement of noncurrent assets	(1)	(9)
Proceeds from capital investment subsidies received	609	—
Net decrease (increase) in short-term loans receivable	(138)	(14)
Payments of loans receivable	(114)	(146)
Collection of loans receivable	55	82
Other payments	(13)	—
Other proceeds	1	16
Net cash provided by (use in) investment activities	(25,883)	(13,275)

(Amount: million yen)

	FY2013 first three months (From April 1, 2013 to September 30, 2013)	FY2014 first three months (From April 1, 2014 to September 30, 2014)
Net cash provided by (use in) financial activities		
Net increase (decrease) in short-term loans payable	16,721	3,962
Proceeds from long-term loans payable	19,125	55,539
Repayment of long-term loans payable	(26,952)	(28,155)
Redemption of bonds	(588)	(3,867)
Proceeds from stock issuance to minority shareholders	153	—
Decrease (increase) in treasury stock	(17,196)	—
Proceeds from sales of treasury shares	—	108
Purchase of treasury shares	—	(0)
Repayments of finance lease obligations	(663)	(634)
Cash dividends paid	(2,638)	(2,204)
Cash dividends paid to minority shareholders	(10)	(20)
Net cash provided by (use in) financing activities	(12,050)	24,727
Effect of exchange rate change on cash and cash equivalents	3,782	(103)
Net increase (decrease) in cash and cash equivalents	(27,702)	13,824
Cash and cash equivalents at beginning of period	92,622	70,892
Increase in cash and cash equivalents from newly consolidated subsidiary	19	655
Cash and cash equivalents at end of period	64,940	85,372

(3) Notes Regarding Consolidated Financial Statement

(Notes regarding going concern)
N/A

(Notes regarding significant changes in the amount of shareholders' equity)
N/A

(Segment Information)

I FY2013 (From April 1, 2013 to September 30, 2013)

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- Related	Pharmaceutical- Related	Glass- Related	Total				
Net sales								
(1)Sales to third parties	105,162	24,259	13,868	143,289	117	143,407	—	143,407
(2)Inter-segment sales and transfers	635	3,710	276	4,621	19	4,641	(4,641)	—
Total	105,797	27,969	14,144	147,911	136	148,048	(4,641)	143,407
Segment profit	9,444	3,798	(1,294)	11,949	109	12,058	(6,260)	5,797

(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 (6,260) million yen includes elimination of inter-segment transaction of (1,215) million yen and corporate cost of (5,045) million yen. Corporate cost consisted primarily of 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 about Impairment Loss on Fixed Assets and Goodwill by Reportable Operating Segment

(Significant Change in Goodwill)

Regarding Medical-Related Business, we acquired the share of Nichihos Co., Ltd. and its 10 subsidiaries to include them in the scope of consolidation. In accordance with it, goodwill increased 6,851million yen from the end of the previous year.

II FY2014 (From April 1, 2014 to September 30, 2014)

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- Related	Pharmaceutical- Related	Glass- Related	Total				
Net sales								
(1)Sales to third parties	112,538	27,775	14,124	154,437	63	154,501	—	154,501
(2)Inter-segment sales and transfers	788	4,100	322	5,211	17	5,229	(5,229)	—
Total	113,326	31,875	14,447	156,649	80	159,730	(5,229)	154,501
Segment profit	11,154	4,860	(1,603)	14,411	76	14,488	(6,548)	7,939

(Notes)

4. "Other" is the business segment which is not included in the segment and consist of real estate income and sales by headquarter.
5. Adjustment for the segment profit of (6,548) million yen includes elimination of inter-segment transaction of (1,232) million yen and corporate cost of (5,316) million yen. Corporate cost consisted primarily of general and administrative expenses and research and development cost which do not belong to the reporting segment.
6. Segment profit is adjusted to the operating income on the consolidated statements of income.

2. Changes in Reportable Segments

- (1) Effective from this reporting period, Nipro Glass India PVT. LTD., Nipro Tube Glass PVT. LTD., Nipro Glass Americas Corporation, Nipro Glass France S.A.S., Nipro Glass Belgium N.V., Nipro Pharma Glass AG, Nipro Glass Germany AG, Nipro Sterile Glass Germany AG, Chengdu Pingyuan Nipro Pharmaceutical Packaging Co., Ltd., Jilin Nipro Jiaheng Pharmaceutical Packaging Co., Ltd. and Anyang Nipro Changda Pharmaceutical Packaging Co., Ltd. are reclassified from Medical-Related Business to Glass-Related Business with current review of organization system in Nipro group.
- (2) Effective from the first period ended June 30, 2014, the calculation method of retirement benefit obligations and service costs in business segment was changed following the changes in accounting policy.
This change had no impact to profit and loss.

3. Information on Impairment Loss on Fixed Assets and on Goodwill by Reportable Segment

N/A