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Summary of Management Policy Announced by President Yoshihiko Sano of Nipro Corporation, Delivered at the New Year's Management Meeting on January 14, 2017

At the Nipro's New Year's Management meeting held on January 14, 2017, Yoshihiko Sano, President of Nipro Corporation, announced the 2017 Nipro Group Management Policy in a speech delivered to Nipro executives, as summarized below.

(Summary)

Further Improving Product Competitiveness for Continued Growth Despite Turbulence from the Inward-Looking Global Trend

Last year was a turbulent year with the world becoming more inward-looking than before, unable to withstand the side effects of globalization.

If the Nipro Group is to survive in such a global environment, we need to manage our business in the direction described below.

This year, by taking the following steps, we will pave the road for our further advancement, thereby achieving the consolidated sales goals of 500 billion yen by FY2020 and one trillion yen by FY2030.

- 1. Based on the idea of local production and consumption, we will build factories in many countries of the world. Then we will plan, develop, and manufacture the products that each factory will produce as its mother plant.
- 2. Each factory will establish division of product planning and development dedicated to fulfilling customer needs from the user's viewpoint and, through cooperation with the head office's production and development departments and other factories, ensure quality consistency, zero defects, and cost reduction.
- 3. As basic sales efforts, we will re-emphasize the importance of not only route sales but also technical sales, and actively use medical training facilities such as "iMEP" and establish such facilities worldwide.

- 4. Strategic product categories to focus on in the years ahead:
 - (1) Hemodialysis-related products, vascular products, surgery-related products, diagnostic system products, systemized products for nursing service management
 - (2) Products related to pain management clinics
 - (3) Regenerative medicine products, culture media products
 - (4) Generic drugs, make-to-order drugs
 - (5) Pharma-Packaging and Containers
 - (6) Medical Technology and Electronic System
 - (7) Medical software engineering
 - (8) Promoting systematization in all product categories