

## Panasonic IR Day 2012

# Healthcare Company Business Strategy

May 23, 2012  
Panasonic Corporation  
Healthcare Company  
President Kenji Yamane

*Notes: 1. This is an English translation from the original presentation in Japanese.  
2. In this presentation, "fiscal 2012" or "FY 2012" refers to the year ended March 31, 2012. In addition, "fiscal 2013" or "FY 2013" refers to the year ending March 31, 2013.*

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▪ **Outline of Healthcare Company/Organization/Business Vision/  
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▪ **FY 2012 Summary**

▪ **Industry Position of Main Businesses**

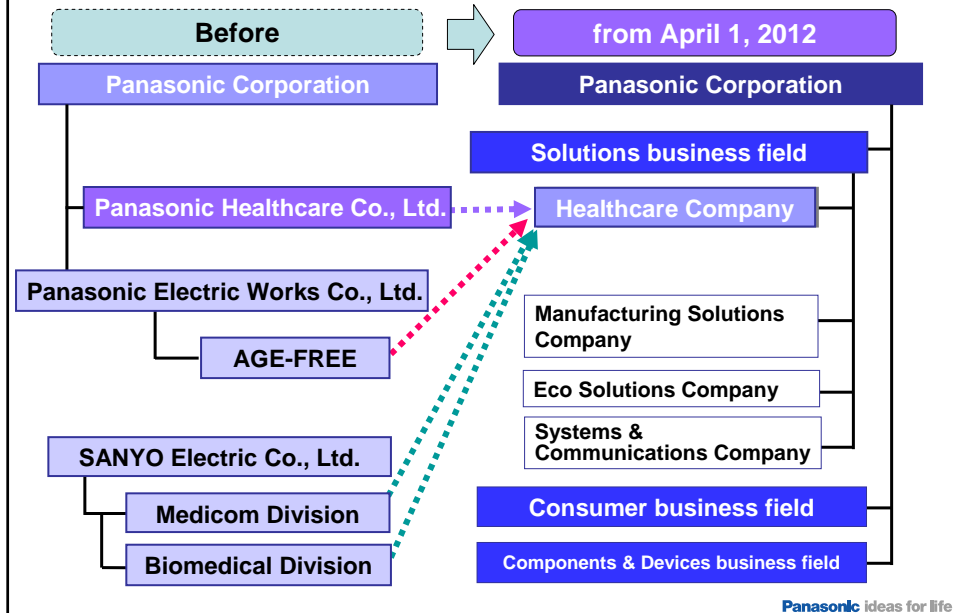
▪ **FY 2013 Business Policy**

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toward FY 2016**

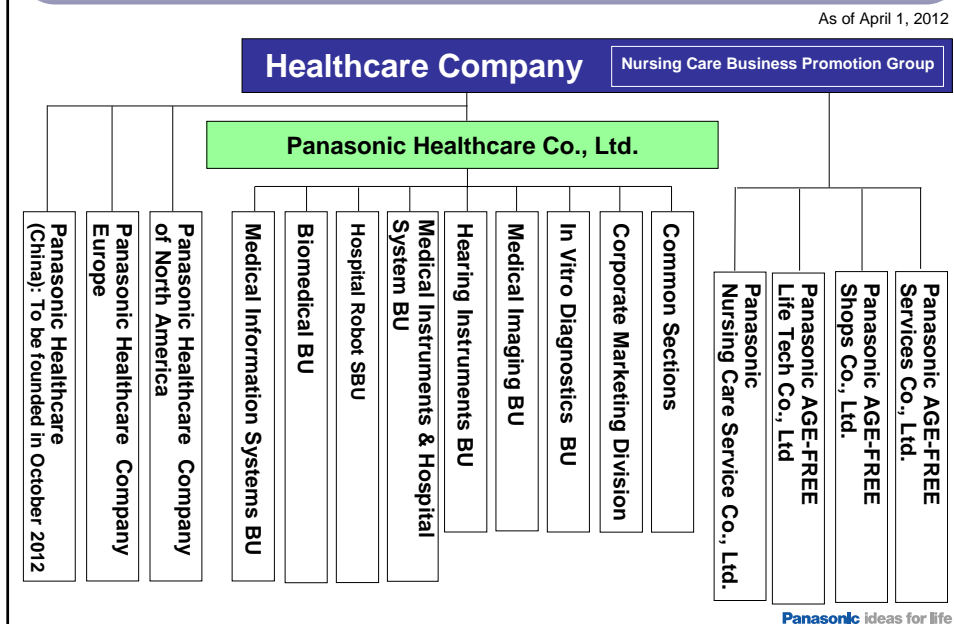
**Overview of Healthcare Company**

Name	Healthcare Company
Representative	Kenji Yamane, President
Business	Medical Instrument/Development, Production, Sale and Service related to Nursing Care Equipment/Nursing Care Services
Number of Employees	approx. 7,000
Headquarter location	2-38-5 Nishishinbashi, Minato-ku, Tokyo, Japan
Major Subsidiary Companies	Domestic Operations: 14
	Overseas Operations: 6 (US, Germany, Netherlands, Singapore and Indonesia)

## Overview of Company (New Organization) 5



## Overview of Company (Organizational Structure) 6

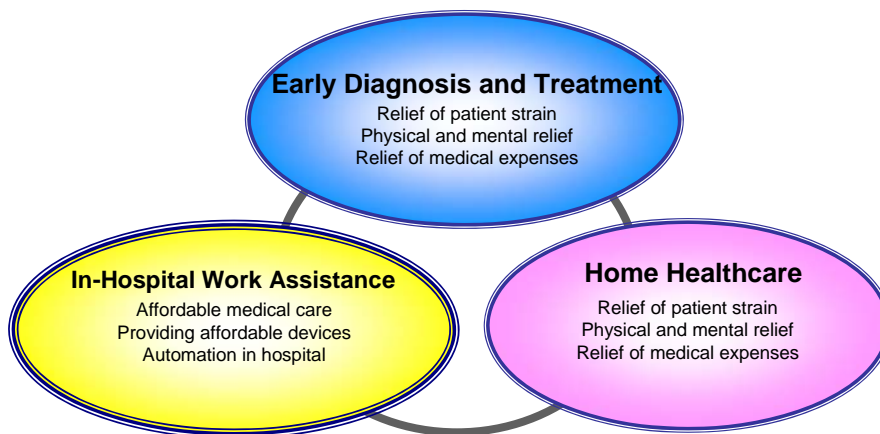


## Business Vision

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### Contribute to Healthy Life

Contributing to healthy and more affluent lifestyles by offering healthcare products available to more people around the world.  
From home to hospital, Panasonic aims for 'affordable healthcare'.



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## Business Fields and Major Products

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### Early Diagnosis & Treatment

Blood Glucose Monitoring Sensor



Image: Blood Glucose Monitoring

Ultra-Low Temperature Freezer



CO<sub>2</sub> Incubator



CPWS



In Vitro Diagnostics (Blood Glucose Monitoring Systems) Biomedical (lab use instruments)

### In-Hospital Work Assistance

Computer System for Health Insurance Pharmacy



Computer-based Patient's Record System



Medicom (In-hospital IT)

Automatic Tablet Counting & Dispensing System



Medication Picking Robot System



Auto-conveyor Robot (Under Development)



In-hospital Robots (In-hospital Work Assistance Robots)

### Home Healthcare

Nursing Service at Homes/Facilities



Rebuilding Houses for Welfare



AGE-FREE (Nursing Care Services/Instruments to Support Human Functions) Hearing Instrument

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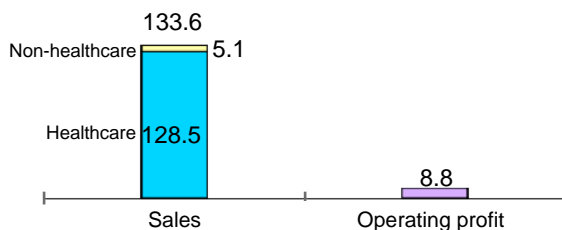
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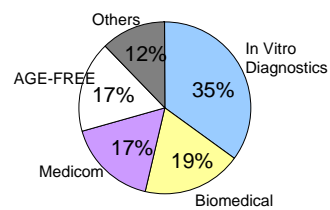
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Sales/Operating Profit (bil. yen)



Sales by business



● Sustainable growth, primarily in four main businesses

- In Vitro Diagnostics : Outperformed industry growth with robust demand, primarily in Europe  
: Commenced selling blood glucose monitoring system to Japanese hospitals
- Biomedical : Maintained high level sales of ultra-low temperature and dual-cooling freezers (500 liters, 700 liters) with marketing tailored to posers saving at research labs
- Medicom : Increased sales, primarily with receipt computers for health insurance pharmacies and electronic medication history systems
- AGE-FREE : Increased sales, primarily with bathing goods and equipment for anywhere else using water in care facilities and day care nursing

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Establish main businesses with strong basic technology and customer contact

	Market Environment	Our Strengths
<b>Blood glucose monitoring system (Global) In Vitro Diagnostics</b>	<ul style="list-style-type: none"> <li>Steady market growth with rising number of diabetic patients</li> <li>Price pressure in developed market increased</li> </ul>	<ul style="list-style-type: none"> <li>Technology for high precision (bio-sensing technology)</li> <li>Manufacturing expertise for high quality product</li> <li>Provision of user-friendly monitoring instruments</li> </ul>
<b>Laboratory equipment (Global) Biomedical</b>	<ul style="list-style-type: none"> <li>More competition on energy conservation</li> <li>Focus on cell therapy-related research amidst in general research budget cut</li> </ul>	<ul style="list-style-type: none"> <li>Cooling and heating technology with world top level performance on energy conservation</li> <li>Close user networks with universities and research institutes</li> <li>Japan's No.1 cell therapy-related facility management expertise</li> </ul>
<b>Hospital IT (Japan) Medicom</b>	<ul style="list-style-type: none"> <li>Receipt computer market matured</li> <li>Electronic medical record market expanding</li> </ul>	<ul style="list-style-type: none"> <li>Top market share with 50,000 patient contacts in clinics and health insurance pharmacies</li> <li>Trustful support for physicians and pharmacists</li> </ul>
<b>Nursing business (Japan) AGE-FREE</b>	<ul style="list-style-type: none"> <li>Domestic market: steady growth and intensifying competition with increasing new comers</li> <li>Aging society in Asia</li> </ul>	<ul style="list-style-type: none"> <li>Comprehensive value chain from nursing services to manufacture and sales of nursing equipment</li> <li>Product and service development from on-the-job nursing</li> </ul>

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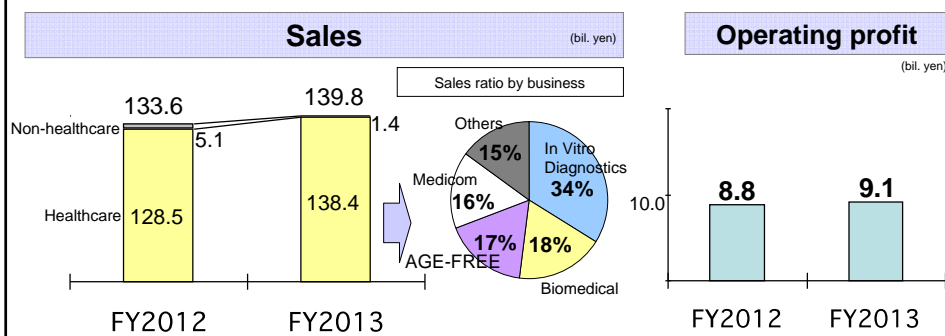
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FY 2013 Business Plan



- Main points for FY 2013
  - Healthcare business growth: +8% vs FY2012 (total +5%)
  - Boost in vitro diagnostics business :Expand sales introducing next-generation high precision sensors
  - Expand overseas sales :Establish specialized sales companies in US, Europe and China
  - Ultra-low temperature freezers, CO<sub>2</sub> incubators, automatic tablet counting & dispensing systems
  - Grow with strong customer contacts in Biomedical and Medicom businesses

**FY 2013 Business Policy: by Business (1)**



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Business	Business Strategy
<p><b>In Vitro Diagnostics</b> (Blood glucose monitoring system)</p> 	<ul style="list-style-type: none"> <li>● Improve product competitiveness: Increase monitoring instrument variations to meet patient segments (increase number of users)</li> <li>● Initiatives to expand sales: Focus on expanding sales to insulin pump users Expand sales of systems to Japanese hospitals</li> </ul>
<p><b>Biomedical</b></p> 	<ul style="list-style-type: none"> <li>● Improve product competitiveness: Launch ultra-low temperature freezers with top level performance on energy conservation</li> <li>● Major initiatives: Reduce impact from exchange rate fluctuations by expanding overseas production Expand new businesses (cell therapy, drug compounding business)</li> </ul>

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**FY 2013 Business Policy: by Business (2)**

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Business	Business Strategy
<p><b>Medicom</b></p> 	<ul style="list-style-type: none"> <li>● Improve product competitiveness: Launch electronic medical record system integrating receipt management and administrative features with enhanced image connectivity functions</li> <li>● Initiatives to expand sales: Capture electronic medical record system replacement demand (provide application for data migration from other companies' systems)</li> </ul>
<p><b>AGE-FREE</b> (Nursing care business)</p> 	<ul style="list-style-type: none"> <li>● Improve product competitiveness: Enter into elderly housing/service business (Three sites scheduled to open in FY 2013)</li> <li>● Major initiatives: Launch Digital Mirror</li> </ul>

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Business	Business Strategy
<p><b>Hearing instruments</b></p> 	<ul style="list-style-type: none"> <li>● Improve product competitiveness: Launch new body-worn hearing instruments</li> <li>● Initiatives to expand sales: Promote sales in partnership with home appliance sales division targeting sales expansion at Panasonic stores</li> </ul>
<p><b>In-hospital robots</b> (In-hospital Work Assistance Robots)</p>  <p>(Under development)</p>	<ul style="list-style-type: none"> <li>● Improve product competitiveness: Launch auto-conveyor robot (HOSPI) for transporting medicines and specimens</li> <li>● Initiatives to expand sales: Increase sales targeting demand for hospital rebuilding and streamlined pharmaceutical services</li> </ul>

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■ Establish and enhance global sales channels

1. Strengthen customer contact

- Build contacts with global clinical and academic structure
- Establish domain sales subsidiaries in US, Europe, and China

2. Build structure to ensure sustainable profitability

- In addition to equipment sales, secure profit from service and maintenance

■ Establish new businesses

1. Provide equipment to supports cell therapy sector





2. Extend hospital service assistance robots

Cell Therapy Solution




Panasonic maintains No.1 market share

- With our products for cell therapy and labs (hardware) and facility management knowledge (software), provide solutions for entire medical facilities to customers

[ Products for Labs ]

<p>Pharmaceutical Refrigerator</p>  <p>Preservation of medicine (2~14°C)</p>	<p>Biomedical Freezer</p>  <p>Preservation of reagents (-20~-30°C)</p>	<p>Ultra-Low Temperature Freezer</p>  <p>Preservation of cells (-85°C)</p>	<p>CO2 Incubator</p>  <p>Incubation of cells (room temperature+5~50°C)</p>
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Instruments to provide aseptic conditions to adjust and process cells

 <p>Processing Work Station (CPWS)</p>	 <p>Cell Processing Isolator (CP Isolator)</p>	 <p>Cell Processing Center (CPC)</p>
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## New Business (2)

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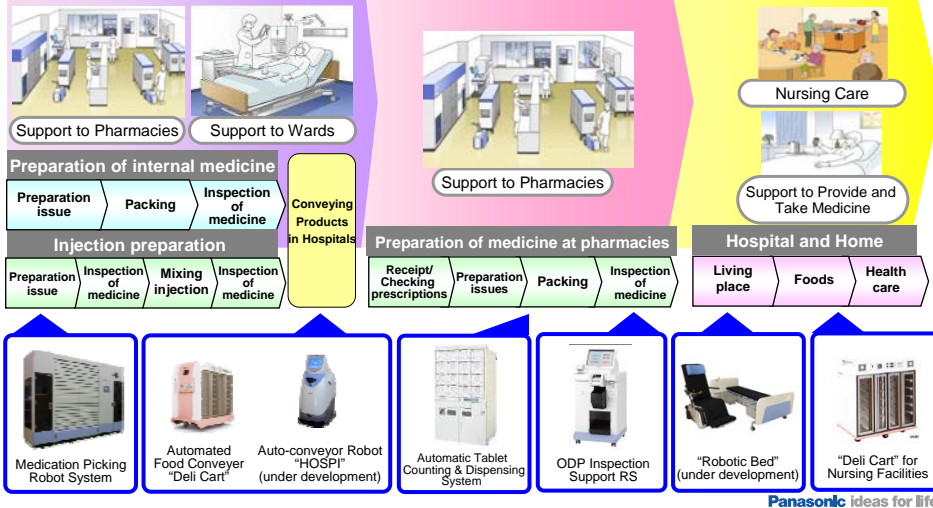
- Develop In-hospital Work Assistance Robot in hospitals and homes

In-hospital Business

Pharmacies

Nursing Care

Automated 1) Information network 2) Evidence-based treatment 3) Secure traceability



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