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# Financial Results of the 1<sup>st</sup> Quarter for Fiscal Year ending June 2022

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November 12, 2021

(Securities code: 7747 First Section of the Tokyo Stock Exchange,  
First Section of the Nagoya Stock Exchange)



# FYE June 2022 Q1 YTD Main Points-1

**Revenue 18,120 Mil.Yen <Year-on-year +25.8% >**

**Increase greatly in both medical and device division due to recovery from the impact of Covid-19 and increasing market needs**

- **Medical Division ~ Significant increase in revenue due to recovery of the number of cases and increasing market needs in overseas market ~**

## Japan

- Decrease in the number of cases due to the impact of Covid-19 year-on-year
- Remained flat in the cardiovascular field mainly for PTCA GW and Penetration Catheter
- Temporarily slight decrease in non-cardiovascular field due to the return of gastrointestinal products following the switch to direct sales.

## Overseas

- Increased number of cases of Covid-19 impact in all regions year on year
- Strong sales in the cardiovascular field mainly for PTCA GW and Penetration Catheter in all regions especially in China and Europe
- Increase in non-cardiovascular field mainly for Peripheral ,Abdominal vascular and OEM products
- Increase in sales due to M&A (Cardiovascular and Non-cardiovascular)

- **Device Division ~ Increasing trend in both Medical and Industrial components business mainly for overseas market ~**

- ◆ In Medical components business, increase in Abdominal vascular catheter components and cardiovascular examination catheter component for US market
- ◆ In Industrial components business, decrease in business related to domestic construction market, on the other hand, increase in overseas leisure, automobile and construction markets

- **Influence of exchange rate fluctuation (weaker Yen) +762 Mil.Yen**



## FYE June 2022 Q1 YTD Main Points-2

Increase in operating income due to strong revenue despite increasing in R&D and SGA expenses related to M&A handling cost

■ **Gross profit: 11,978 Mil.Yen <YoY +19.6% >**

- Increase in gross profit due to increase in revenue

■ **Operating income: 3,757 Mil.Yen <YoY +6.3% >**

- Increase in R&D expenses (1,961 Mil.Yen, YoY +238 Mil.Yen, Ratio of Revenue 10.8%)
- Increase in revenue of overseas market and increase in sales-related expenses due to promotion of direct sales
- Increase in goodwill amortization related to acquisition of shares in 4 companies (397 Mil.Yen, YoY +359 Mil.Yen)
- Increase in cost of target company related to M&A (YoY +169 Mil.Yen)

■ **Ordinary income: 3,798 Mil.Yen <YoY +9.1% >**

- Increase in currency exchange gain (YoY +118 Mil.Yen)
- Share issuance cost (82 Mil.Yen)

■ **Net income attributable to parent company shareholders: 3,332 Mil.Yen <YoY +28.6% >**

- Gains on step acquisitions (615 Mil.Yen)

Exchange rate (Unit: JPY)	US \$	EURO	CNY	BAHT
FYE June 2022 Q1 YTD	110.10	129.83	17.02	3.35
FYE June 2021 Q1 YTD	106.23	124.08	15.35	3.39



## Highlights Year-on-Year

	FYE June 2021		FYE June 2022				(Reference)			
	Q1 YTD		Q1 YTD				At the same exchange rate as the previous year			
	Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	YoY		Amount (Mil.Yen)	Ratio (%)	YoY	
					Changes (Mil.Yen)	Changes (%)			Changes (Mil.Yen)	Changes (%)
<b>Revenue</b>	14,407	100.0	18,120	100.0	3,712	25.8	17,358	100.0	2,950	20.5
<b>Gross Profit</b>	10,015	69.5	11,978	66.1	1,962	19.6	11,235	64.7	1,219	12.2
<b>Operating Income before goodwill amortization</b>	3,572	24.8	4,154	22.9	582	16.3	—	—	—	—
<b>Operating Income</b>	3,534	24.5	3,757	20.7	222	6.3	3,106	17.9	-428	-12.1
<b>Ordinary income</b>	3,483	24.2	3,798	21.0	315	9.1	3,148	18.1	-335	-9.6
<b>Net income attributable to parent company shareholders</b>	2,591	18.0	3,332	18.4	740	28.6	2,681	15.4	90	3.5
<b>EPS</b>	9.95 yen	—	12.31 yen	—	2.36	23.7	—	—	—	—
<b>EBITDA</b>	4,715		5,474		759	16.1				



## Net Revenue by Segment

	FYE June 2021 Q1 YTD		FYE June 2022 Q1 YTD			
	Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	Changes (Mil.Yen)	Changes (%)
Medical	12,673	88.0	15,903	87.8	3,229	25.5
Device	1,734	12.0	2,217	12.2	483	27.9
<b>Total amount</b>	<b>14,407</b>	<b>100.0</b>	<b>18,120</b>	<b>100.0</b>	<b>3,712</b>	<b>25.8</b>

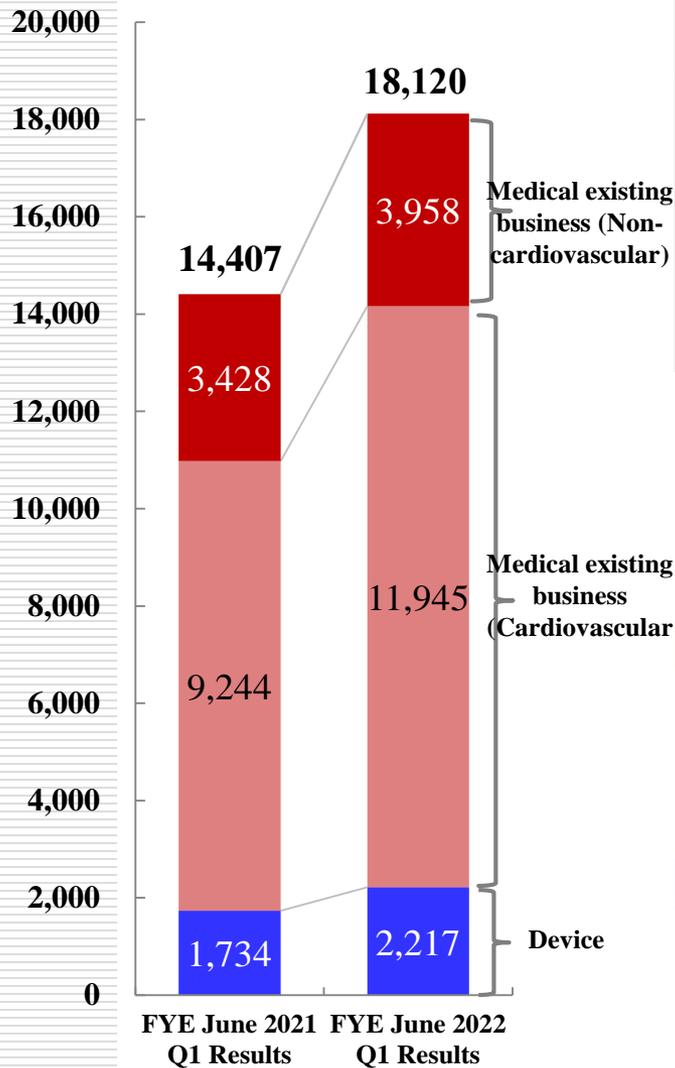
### (Reference)

Medical field	13,409	93.1	16,972	93.7	3,562	26.6
Industrial field	997	6.9	1,148	6.3	150	15.1



# Revenue Trends in Q1

(Mil.Yen)



(Mil.Yen)	FYE June 2021	FYE June 2022	YoY	
	Q1 Results	Q1 Results	Changes	Changes (%)
Revenue Total	14,407	18,120	3,712	25.8
Medical existing business (Cardiovascular)	9,244	11,945	2,700	29.2
Medical existing business (Non-cardiovascular)	3,428	3,958	529	15.4
Device	1,734	2,217	483	27.9
New business	-	-	-	-

## Medical existing business (Cardiovascular)

- Recovery of the number of cases in overseas market

- Increased revenue in overseas market due to increasing needs

## Medical existing business (Non-cardiovascular)

- Increase in OEM transactions due to M&A

- Increase of Abdominal vascular products in overseas market

## Device

- Increase in both medical and industrial components business mainly in overseas market

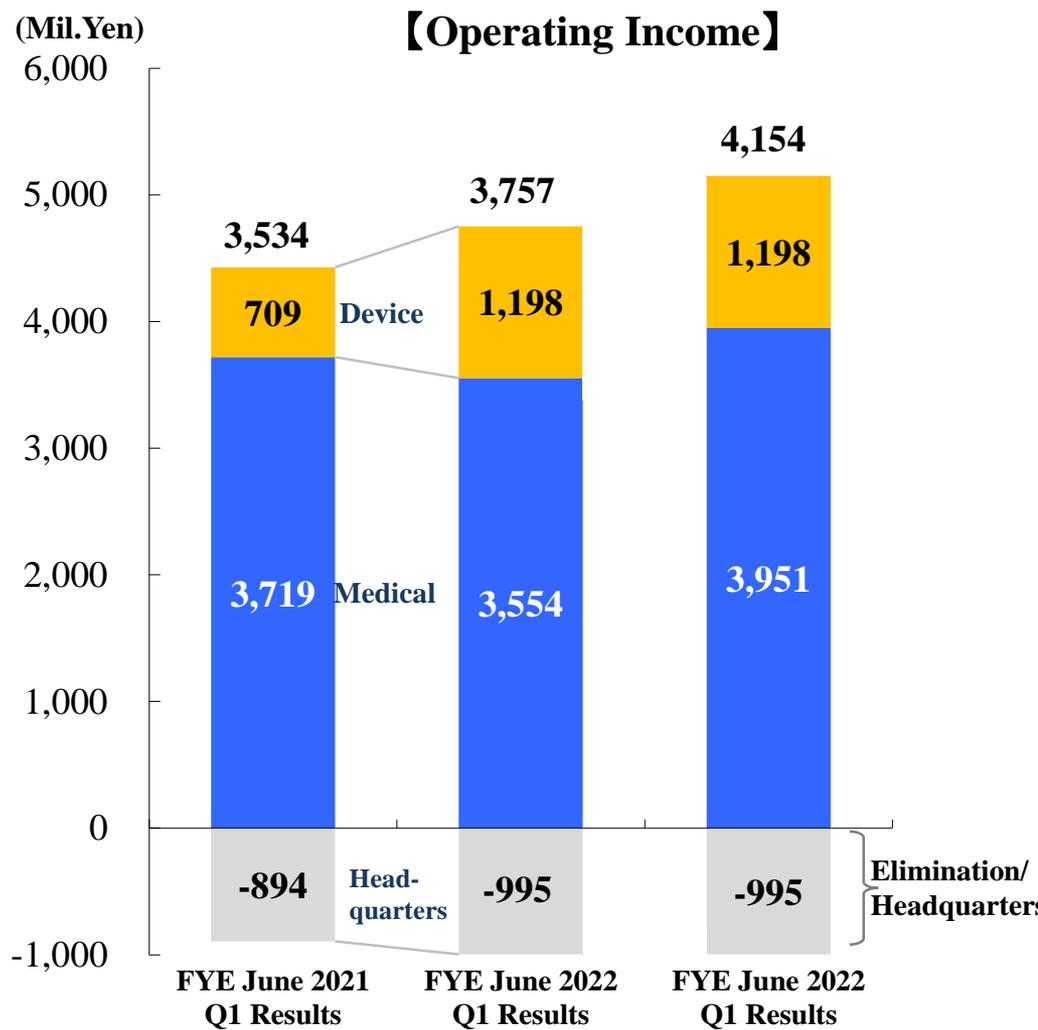
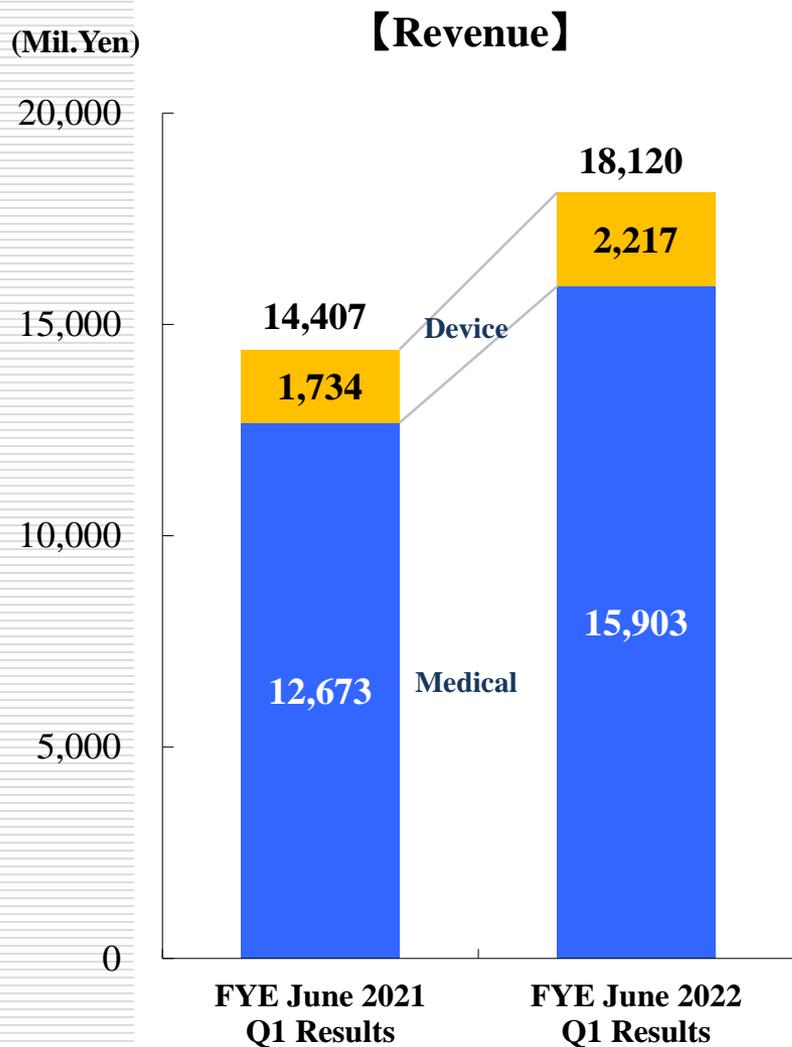


## Operating Income by Segment

	FYE June 2021 Q1 YTD		FYE June 2022 Q1 YTD			
	Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	Changes (Mil.Yen)	Changes (%)
<b>Medical</b>	<b>3,719</b>	<b>84.0</b>	<b>3,554</b>	<b>74.8</b>	<b>-164</b>	<b>-4.4</b>
<b>Device</b>	<b>709</b>	<b>16.0</b>	<b>1,198</b>	<b>25.2</b>	<b>+489</b>	<b>69.0</b>
<b>Subtotal</b>	<b>4,429</b>	<b>100.0</b>	<b>4,753</b>	<b>100.0</b>	<b>+324</b>	<b>7.3</b>
<b>Elimination &amp; Headquarters</b>	<b>-894</b>	<b>-</b>	<b>-995</b>	<b>-</b>	<b>-101</b>	<b>11.4</b>
<b>Total amount</b>	<b>3,534</b>	<b>-</b>	<b>3,757</b>	<b>-</b>	<b>+222</b>	<b>+6.3</b>
<b>(Reference) Device Division Segment Revenue</b>	<b>1,488</b>	<b>-</b>	<b>2,964</b>	<b>-</b>	<b>+1,476</b>	<b>+99.2</b>



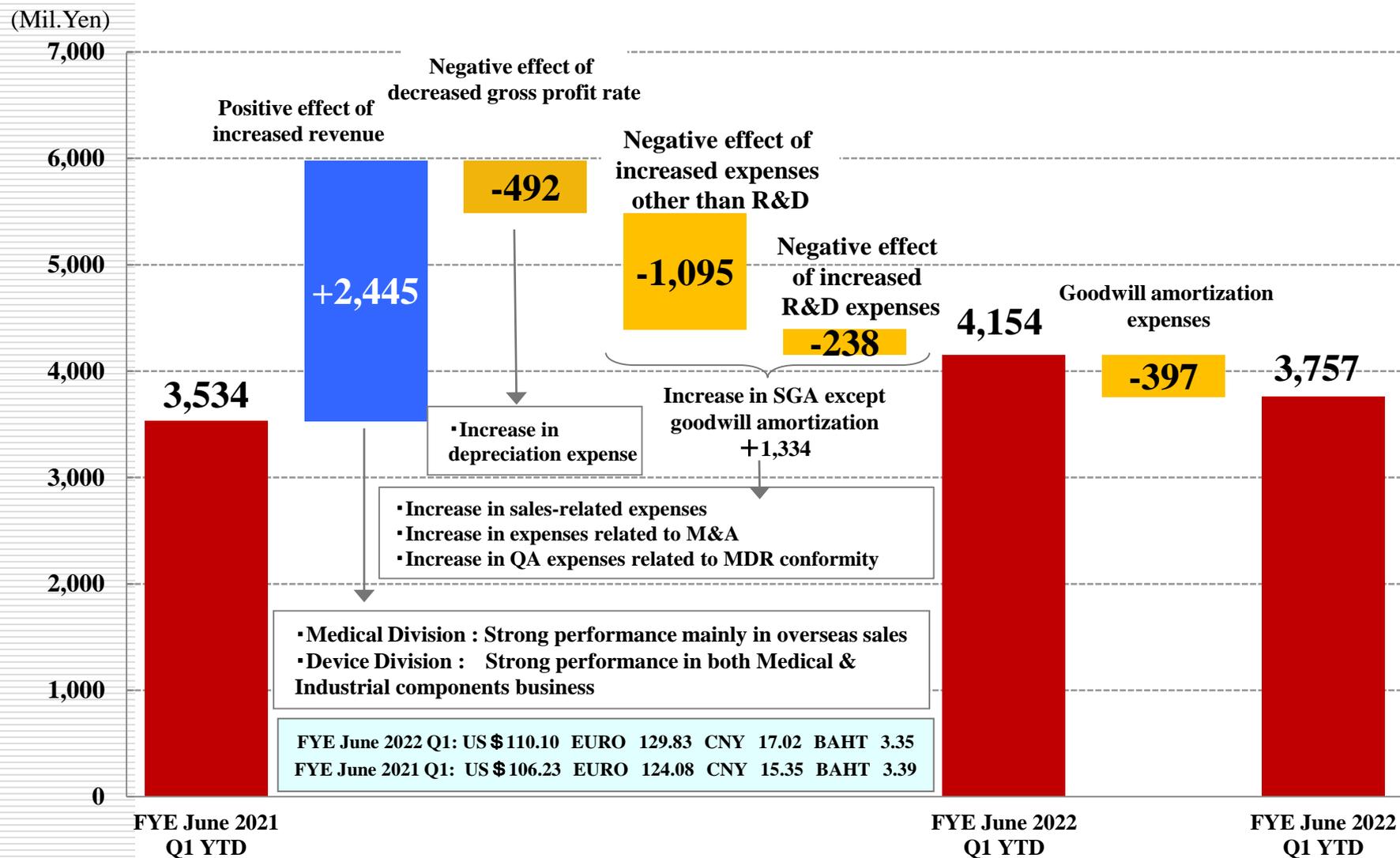
# Earnings Performance by Segment



(Before goodwill amortization, etc)



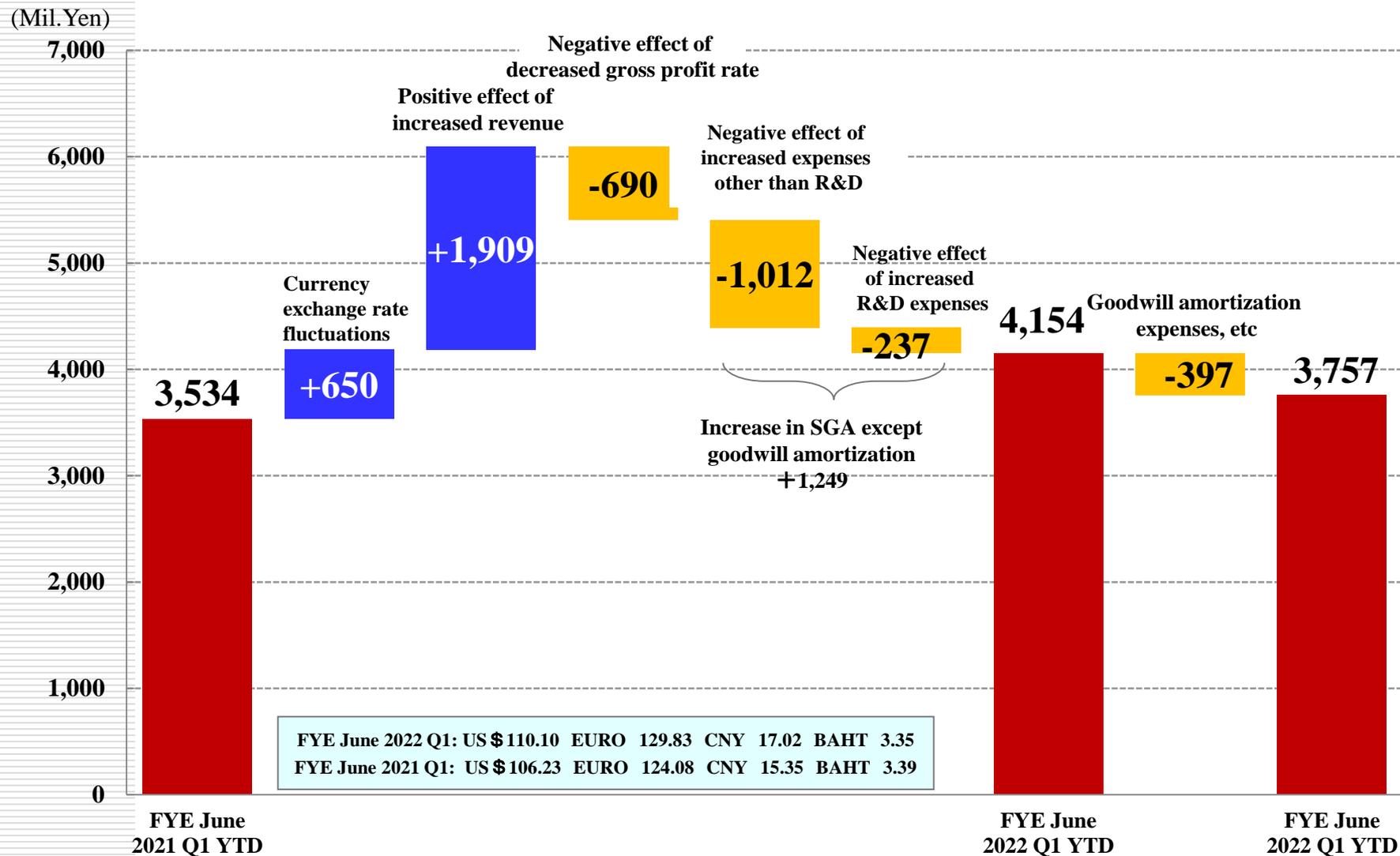
# Attribution Analysis of Operating Income – 1 (Exchange Rate Fluctuations Included)



(Before goodwill amortization)



# Attribution Analysis of Operating Income – 2 (Exchange Rate Fluctuations Included)



FYE June 2022 Q1: US \$110.10 EURO 129.83 CNY 17.02 BAHT 3.35  
 FYE June 2021 Q1: US \$106.23 EURO 124.08 CNY 15.35 BAHT 3.39

(Before goodwill amortization)



# Per Segment by Medical Division (by Geography -1)

## 【Revenue (YoY)】

■ **Japan** : Decrease due to the number of cases and returns associated to direct sales

- Decrease in the number of cases due to the impact of Covid-19 YOY

- **Cardiovascular**: Sales remain flat mainly PTCA GW and Penetration Catheter

- **Non-cardiovascular**: Temporarily slight decrease due to returns associated with the shift to direct sales of gastrointestinal products

■ **Overseas** : Substantial increase due to recovery in the number of cases in all regions and increasing needs

- **US**

- **Cardiovascular** : Increase mainly in PTCA GW and Penetration Catheter due to recovery in the number of cases and promotion of direct sales

- **Non-cardiovascular** : Increase in OEM transactions due to M&A

- **Europe**

- **Cardiovascular** : Increase due to recovery in the number of cases, promotion of direct sales in Germany, M&A, and carryover from the previous fiscal year

- **Non-cardiovascular** : Increase transactions due to M&A

- **China**

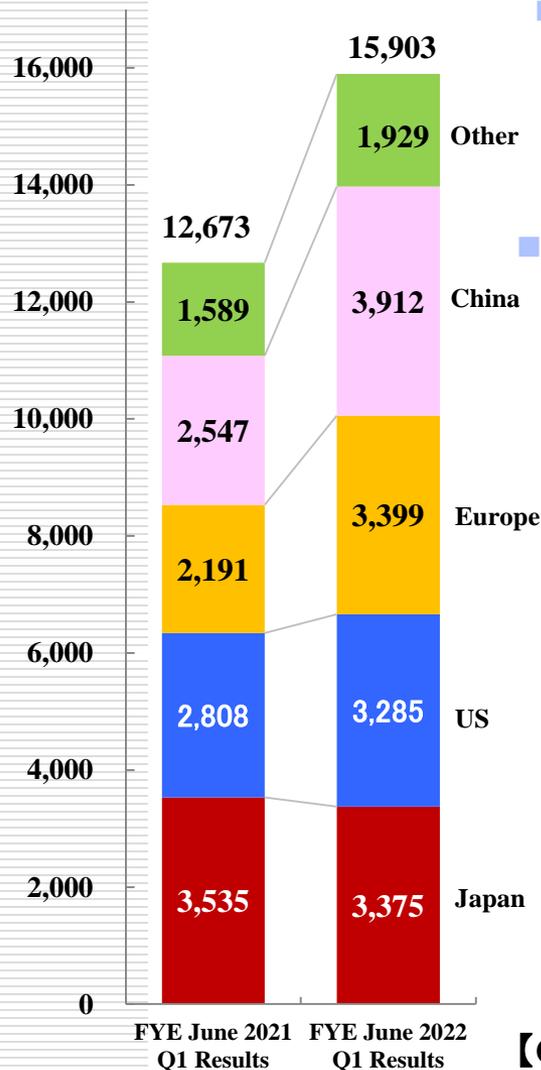
- **Cardiovascular** : Substantial increase due to recovery in the number of cases and increase in orders including building up of distributors' inventory, strong sales of PTCA GW and Penetration Catheter as well as guiding catheter "Hyperion"

- **Non-cardiovascular** : Increase due to strong sales of Abdominal vascular products

- **Other** : Strong sales in both cardiovascular and non-cardiovascular fields, especially in Asia

【Operating Income】 Decrease income due to increase in SGA while increase in revenue

(Mil.Yen)





## Per Segment by Medical Division(by Geography – 2)

(Mil. Yen)

		FYE June 2021 Q1 YTD	FYE June 2022 Q1 YTD	YoY	
				Changes	Changes(%)
Exchange Rate(Yen)	USD	106.23	110.10	+3.87	+3.6
	EURO	124.08	129.83	+5.75	+4.6
	CNY	15.35	17.02	+1.67	+10.9
Total Revenue		12,673	15,903	+3,229	+25.5
Japan		3,535	3,375	-159	-4.5
Overseas		9,138	12,527	+3,389	+37.1
US		2,808	3,285	+476	+17.0
Europe		2,191	3,399	+1,207	+55.1
China		2,547	3,912	+1,364	+53.6
Other		1,589	1,929	+340	+21.4
Operating Income		3,719	3,554	-165	-4.4



# Per Segment by Medical Division (by Treatment – 1)

【Revenue (YoY)】

## Cardiovascular

- **Japan** : Despite decrease in number of cases, sales of main products remain flat
  - Sales remained flat, mainly for PTCA GW and Penetration Catheter
- **Overseas** : Increase in all regions due to recovery of number of cases and increased market needs
  - Strong sales in the cardiovascular field, mainly PTCA GW and Penetration Catheter in all regions especially in China and Europe

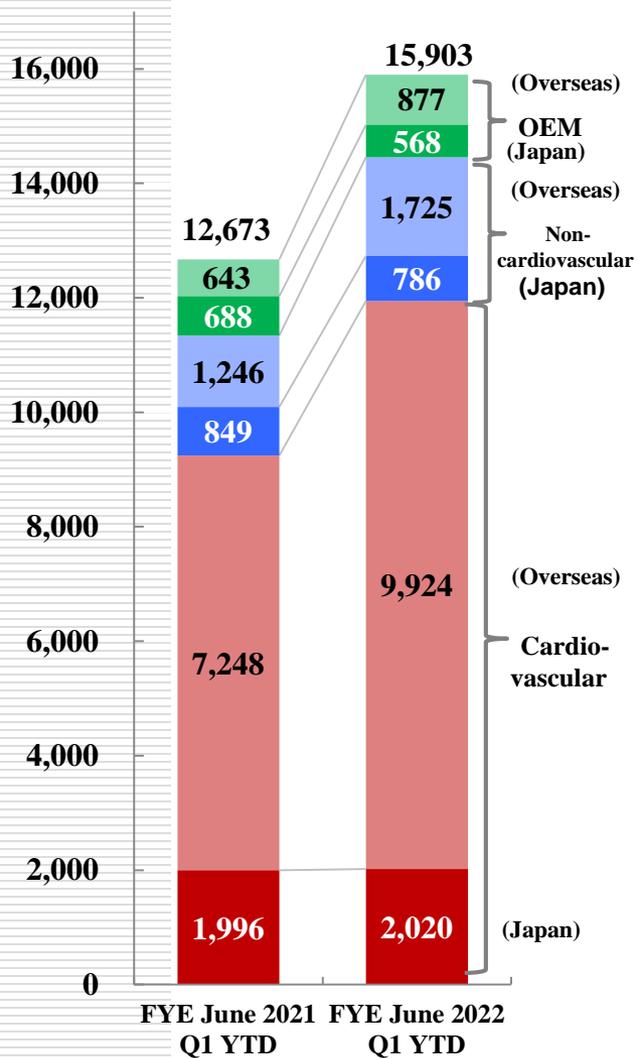
## Non-cardiovascular

- **Japan** : Temporary decrease due to the returns of gastrointestinal products following the switch to direct sales.
- **Overseas** : Increase of Abdominal vascular products in Chinese market and increased sales in European market due to M&A

## OEM

- **Japan** : Change in sales classification due to direct sales of gastrointestinal products
- **Overseas** : Increase in sales due to M&A and increase in supply of Neurovascular components for Chinese market

(Mil. Yen)





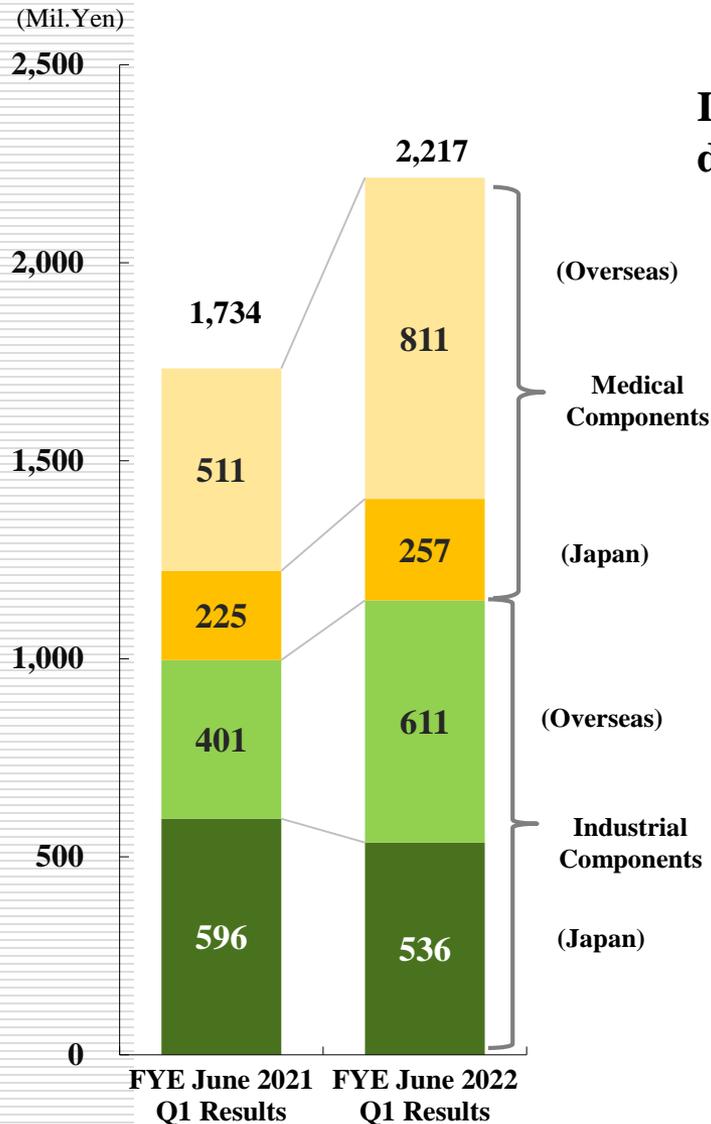
## Per Segment by Medical Division (by Treatment -2)

		FYE June 2021 Q1 YTD	FYE June 2022 Q1 YTD	YoY	
				Changes	Changes(%)
Exchange rate (Yen)	USD	106.23	110.10	+3.87	+3.6
	EURO	124.08	129.83	+5.75	+4.6
	CNY	15.35	17.02	+1.67	+10.9
<b>Total Revenue</b>		<b>12,673</b>	<b>15,903</b>	<b>+3,229</b>	<b>+25.5</b>
	<b>Japan</b>	<b>3,535</b>	<b>3,375</b>	<b>-159</b>	<b>-4.5</b>
	<b>Overseas</b>	<b>9,138</b>	<b>12,527</b>	<b>+3,389</b>	<b>+37.1</b>
<b>Cardiovascular</b>		<b>9,244</b>	<b>11,945</b>	<b>+2,700</b>	<b>+29.2</b>
	<b>Japan</b>	<b>1,996</b>	<b>2,020</b>	<b>+24</b>	<b>+1.2</b>
	<b>Overseas</b>	<b>7,248</b>	<b>9,924</b>	<b>+2,676</b>	<b>+36.9</b>
<b>Non-cardiovascular</b>		<b>2,096</b>	<b>2,512</b>	<b>+416</b>	<b>+19.8</b>
	<b>Japan</b>	<b>849</b>	<b>786</b>	<b>-63</b>	<b>-7.4</b>
	<b>Overseas</b>	<b>1,246</b>	<b>1,725</b>	<b>+479</b>	<b>+38.4</b>
<b>OEM</b>		<b>1,332</b>	<b>1,445</b>	<b>+113</b>	<b>+8.5</b>
	<b>Japan</b>	<b>688</b>	<b>568</b>	<b>-120</b>	<b>-17.4</b>
	<b>Overseas</b>	<b>643</b>	<b>877</b>	<b>+233</b>	<b>+36.3</b>

(Mil. Yen)



# Per Segment by Device Division - 1



**【Revenue (YoY)】**  
 Increased both Industrial and Medical components business due to the recovery from the impact of Covid-19

### Medical Components

- **Japan:** Increase in catheter components transaction
- **Overseas:** Increase in sales of cardiovascular ultrasound catheters for other area and Abdominal vascular catheters for US

### Industrial Components

- **Japan:** Decrease due to decrease transaction of construction market and home appliance market despite increase in transaction of office automation equipment and automobile
- **Overseas:** Increase in transaction of leisure, automobile and construction

### 【Operating Income】

- Increase in proportion to increased revenue



## Per Segment by Device Division -2

		FYE June 2021 Q1 YTD	FYE June 2022 Q1 YTD	YoY	
				Changes	Changes(%)
Exchange rate (Yen)	USD	106.23	110.10	+3.87	+3.6
Total Revenue		1,734	2,217	+483	+27.9
Japan		821	794	-27	-3.3
Overseas		912	1,422	+510	+55.9
Medical Components		736	1,068	+332	+45.1
Japan		225	257	+32	+14.5
Overseas		511	811	+299	+58.6
Industrial Components		997	1,148	+150	+15.1
Japan		596	536	-59	-10.0
Overseas		401	611	+210	+52.5
Operating Income		709	1,198	+489	69.0
(Reference) Segment Revenue		1,488	2,964	+1,476	+99.2

(Mil. Yen)



## Reference: P/L

	FYE June 2021 Q1 YTD		FYE June 2022 Q1 YTD			
	Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	Changes (Mil.Yen)	Main comparison factors
Revenue	14,407	100.0	18,120	100.0	+3,712	Revenue increased due to recovery from the impact of Covid-19 and increasing market needs
Cost of sales	4,391	30.5	6,142	33.9	+1,750	
Gross profit	10,015	69.5	11,978	66.1	+1,962	Increased profit due to increased sales
SGA	6,481	45.0	8,221	45.4	+1,740	Increase in sales-related expenses, amortization of goodwill, R & D expenses, etc.
Operating income	3,534	24.5	3,757	20.7	+222	
Non-operating income	44	0.3	183	1.0	+138	Increase in foreign exchange gains
Non-operating expense	95	0.7	141	0.8	+45	Share issuance cost
Ordinary income	3,483	24.7	3,798	21.0	+315	
Extraordinary gain	-	0.0	615	3.4	+615	Gains on step acquisitions
Extraordinary loss	-	0.0	65	0.4	+65	
Net income attributable to parent company shareholders	2,591	18.0	3,332	18.4	+740	
Comprehensive income	1,953	13.6	3,168	17.5	+1,215	<ul style="list-style-type: none"> <li>• Increase in valuation difference on available-for-sale securities: +369</li> <li>• Increase in foreign currency translation adjustment: +76</li> </ul>

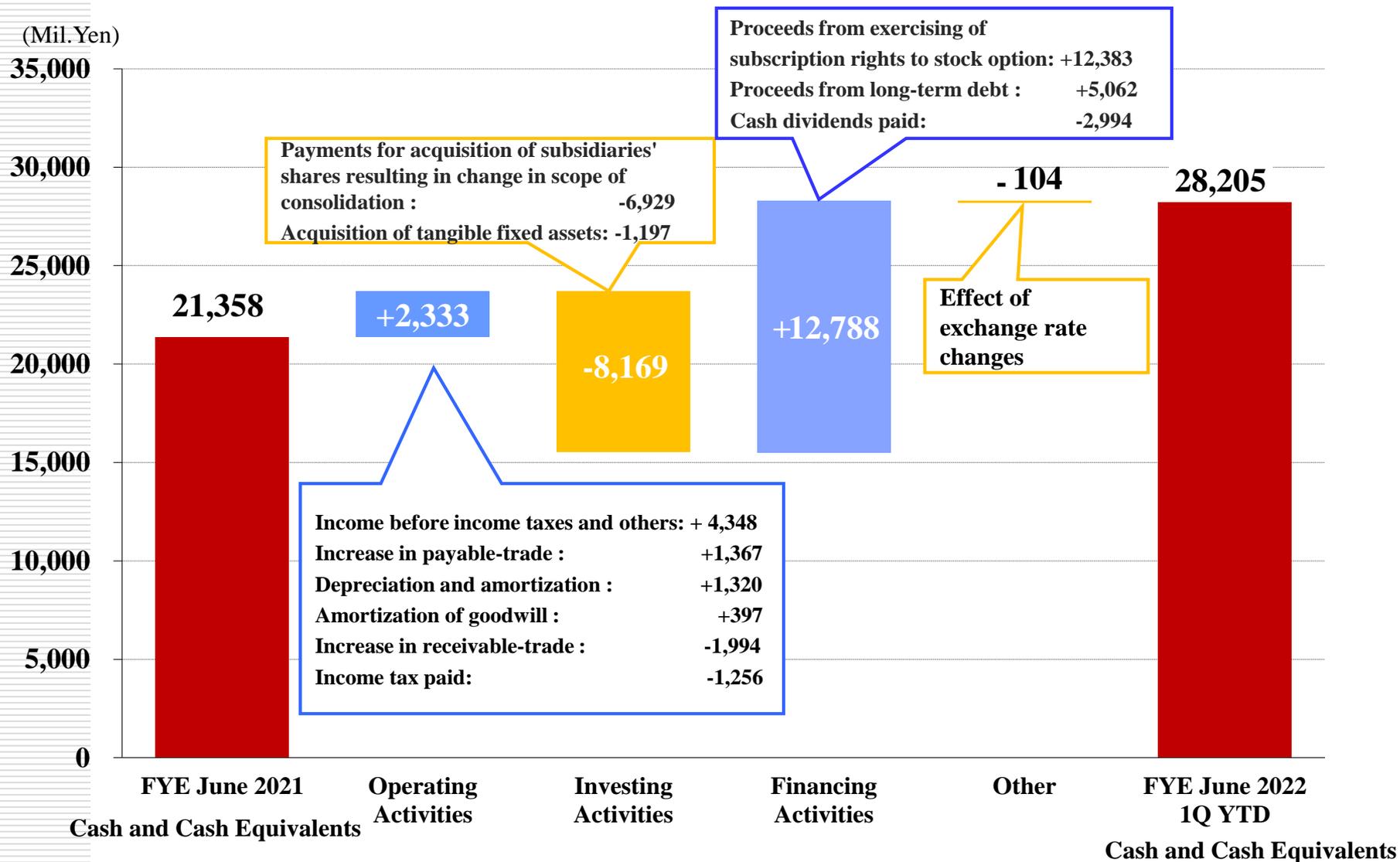


## Reference: B/S

		FYE June 2021		FYE June 2022 Q1 YTD			
		Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	Changes (Mil.Yen)	Main comparison factor
Assets	Current assets	61,132	53.0	69,117	50.8	+7,984	Cash and deposit: +6,847 Bills / accounts receivable: +3,118
	Fixed assets	54,294	47.0	67,031	49.2	+12,737	Goodwill: +5,534 Other intangible assets : +7,023
Total assets		115,427	100.0	136,149	100.0	+20,722	
Liabilities	Current liabilities	14,672	12.7	14,290	10.5	-381	Short-term debt: -1,361 Bills payable / accounts payable: +1,032
	Fixed liabilities	7,816	6.8	14,989	11.0	+7,173	Long-term debt: +4,972 Other fixed liabilities: +2,151
Total liabilities		22,488	19.5	29,280	21.5	+6,791	
Total net assets		92,938	80.5	106,869	78.5	+13,930	Capital stock +6,213 Capital surplus +6,210
Total liabilities & net assets		115,427	100.0	136,149	100.0	+20,722	



# Reference: C/F





# Caution Regarding Information Presented

**All forward looking statements contained herein, including revenue forecasts, outlooks, and strategic plans, are based on the best currently available data; however, risk and uncertainty are involved in these statements. Please note that actual results may differ greatly from plans presented here.**

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