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Financial Results of the 3rd Quarter for Fiscal Year ending June 2023

May 15, 2023

(Securities code: 7747 Prime of Tokyo Stock Exchange,
Premier of Nagoya Stock Exchange)



FYE June 2023 Q3 YTD Main Points - 1

Revenue 69,774 Mil.Yen <Year-on-year +23.1%>

Increased in both Medical and Device Division due to exchange rate fluctuation and increasing demand from the recovery of number of cases, etc.

■ **Medical Division ~ Increased due to exchange rate fluctuation and increasing demand from the recovery of number of cases ~**

- Increased year-on-year in the number of cases due to recovery from the impact of Covid-19
- In Cardiovascular field, increased in all overseas regions, mainly in China and U.S.
 - China: Increased our main products due to exchange rate fluctuation, strong needs in market and inventory securement
 - US: Increased main products due to exchange rate fluctuation and recovering cases, etc.
- In Non-Cardiovascular field, increased favorably mainly in US and Asia
 - US: Strong sales of OEM business (Rev1) in addition to exchange rate fluctuation
 - Asia: Increased all fields and OEM business due to recovery of number of cases and exchange rate fluctuation
- Decreased due to reimbursement price reduction (Domestic) (-502 Mil. Yen)
- Increased in revenue due to the exchange rate fluctuation (Yen depreciation)

■ **Device Division ~ Increased in Medical Components in overseas market mainly in US ~**

- In Medical Components business, increased in Cardiovascular ultrasound catheter components and Cardiovascular examination catheter components for US market
- In Industrial Components business, remained flat due to decreasing construction-related transactions , though increased in leisure-related transaction
- Increased revenue due to exchange rate fluctuation (Yen depreciation)

□ **Impact of increased revenue due to exchange rate fluctuation (Yen depreciation) + 7,484 Mil. Yen**



FYE June 2023 Q3 YTD Main Points - 2

Increased in operating income due to increased in revenue despite increasing SGA

- **Gross profit: 46,286 Mil.Yen < YoY +22.8% >**
 - Increased in gross profit due to increased in revenue
- **Operating income excluding goodwill amortization, etc.: 17,851 Mil. Yen < YoY +35.2% >**
 - Increased revenue and expenses related to sales promotion activities in overseas market
 - Increased in R&D expenses (7,095 Mil.Yen) (YoY +624 Mil.Yen, Ratio of Revenue 10.2 %)
- **Operating income: 16,418 Mil.Yen < YoY +37.0% >**
 - Increased goodwill amortization, etc. (1,433 Mil. Yen) (YoY +218Mil. Yen)
- **Ordinary income: 15,952 Mil.Yen < YoY +24.5% >**
 - Increase in foreign exchange loss (Including a decrease of foreign exchange gain YoY +1,183 Mil.Yen)
- **Net Income attributable to parent company shareholders: 11,985 Mil.Yen < YoY +35.2% >**
 - Increased in insurance proceeds on disaster at Cebu factory (YoY +305 Mil.Yen)
 - Decreased in loss on disaster at Cebu factory (YoY +477 Mil. Yen)
 - Decreased in gain on step acquisitions (YoY -615 Mil. Yen)

Exchange rate (Unit : JPY)	US \$	EURO	CNY	BAHT
FYE June 2023 Q3 YTD	137.51	141.95	19.81	3.87
FYE June 2022 Q3 YTD	113.31	130.10	17.69	3.42



Highlights Year-on-Year

	FYE June 2022 Q3 YTD		FYE June 2023 Q3 YTD			
	Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	YoY	
					Changes (Mil.Yen)	Changes (%)
Revenue	56,684	100.0	69,774	100.0	+13,090	+23.1
Gross Profit	37,694	66.5	46,286	66.3	+8,592	+22.8
Operating Income excluding goodwill amortization, etc.	13,199	23.3	17,851	25.6	+4,652	+35.2
Operating Income	11,984	21.1	16,418	23.5	+4,433	+37.0
Ordinary Income	12,810	22.6	15,952	22.9	+3,141	+24.5
Net income attributable to parent company shareholders	8,861	15.6	11,985	17.2	+3,123	+35.2
EPS (yen)	32.66	—	44.12	—	+11.46	+35.1
EBITDA	17,508	—	22,868	—	+5,360	+30.6

(Reference) At the same exchange rate as the previous year			
Amount (Mil.Yen)	Ratio (%)	YoY	
		Changes (Mil.Yen)	Changes (%)
62,290	100.0	+5,605	+9.9
41,012	65.8	+3,318	+8.8
14,094	22.6	+895	+6.8
12,827	20.6	+842	+7.0

Exchange rate (Unit : JPY)	US \$	EURO	CNY	BAHT
FYE June 2023 Q3 YTD	137.51	141.95	19.81	3.87
FYE June 2022 Q3 YTD	113.31	130.10	17.69	3.42



Revenue by Segment Year-on-year

	FYE June 2022 Q3 YTD		FYE June 2023 Q3 YTD			
	Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	Changes (Mil.Yen)	Changes (%)
Medical	49,948	88.1	61,075	87.5	+11,127	+22.3
Device	6,736	11.9	8,699	12.5	+1,962	+29.1
Total amount	56,684	100.0	69,774	100.0	+13,090	+23.1

(Reference)

Medical Field	53,385	94.2	66,421	95.2	+13,035	+24.4
Device Field	3,299	5.8	3,353	4.8	+54	+1.7



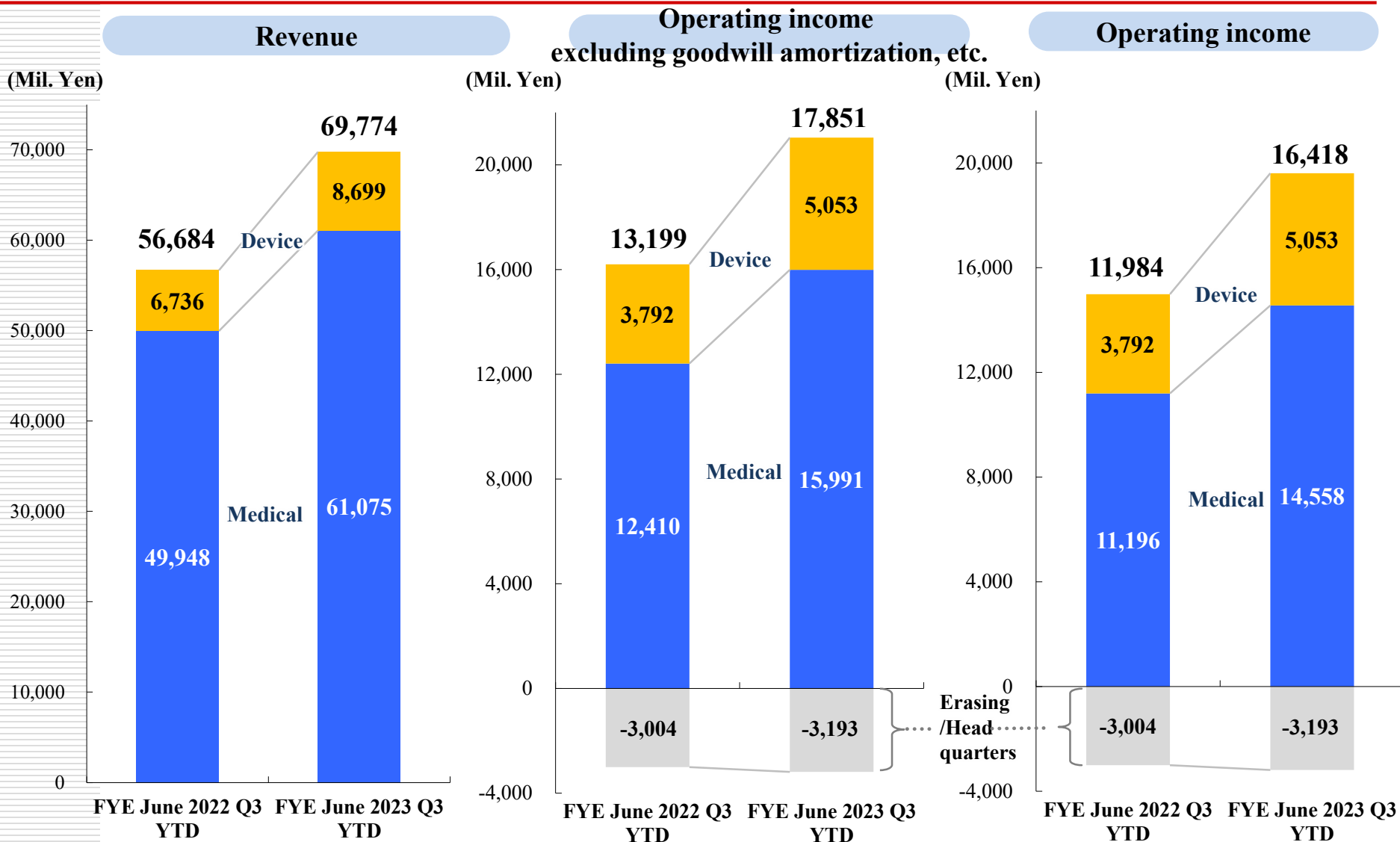
Operating Income by Segment Year-on-year

	FYE June 2022 Q3 YTD		FYE June 2023 Q3 YTD			
	Amount (Mil.Yen)	Operating margin (%)	Amount (Mil.Yen)	Operating margin (%)	Changes (Mil.Yen)	Changes (%)
Operating income excluding goodwill amortization, etc.						
Medical	12,410	24.8	15,991	26.2	+3,580	+28.9
Device	3,792	56.3	5,053	58.1	+1,260	+33.2
Erasing & Head Quarters	-3,004	—	-3,193	—	-188	+6.3
Total	13,199	23.3	17,851	25.6	+4,652	+35.2
Operating income						
Medical	11,196	22.4	14,558	23.8	+3,362	+30.0
Device	3,792	56.3	5,053	58.1	+1,260	+33.2
Erasing & Head Quarters	-3,004	—	-3,193	—	-188	+6.3
Total	11,984	21.1	16,418	23.5	+4,433	+37.0
(Reference)						
Device Division Segment Revenue	10,294	—	11,273	—	+978	+9.5

*Operating income in device division increased in proportion to increase intersegment sales



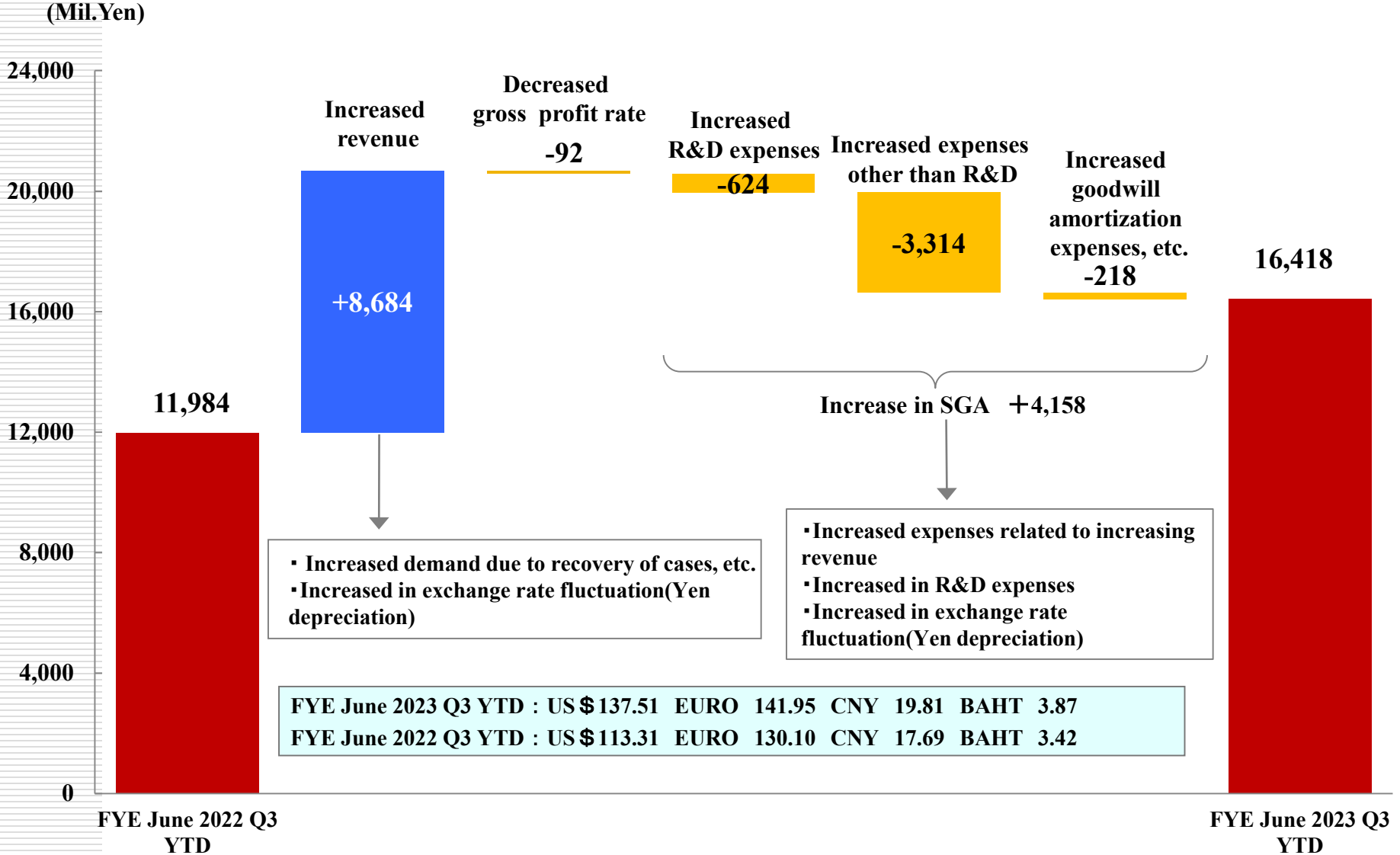
Earnings Performance by Segment



*Operating income in device division increased in proportion to higher intersegment sales

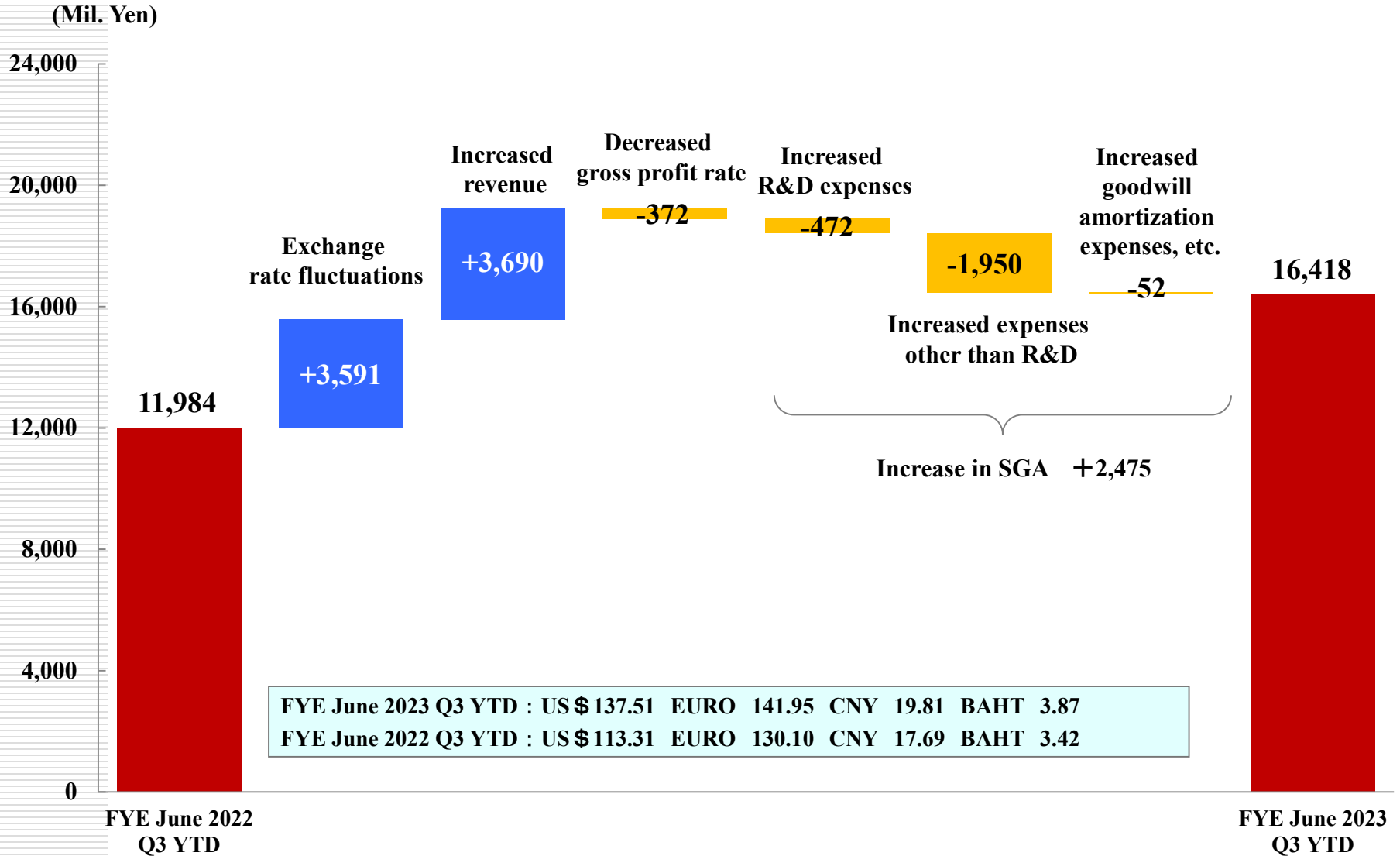


Attribution Analysis of Operating Income – 1 (Exchange Rate Fluctuations Included)





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



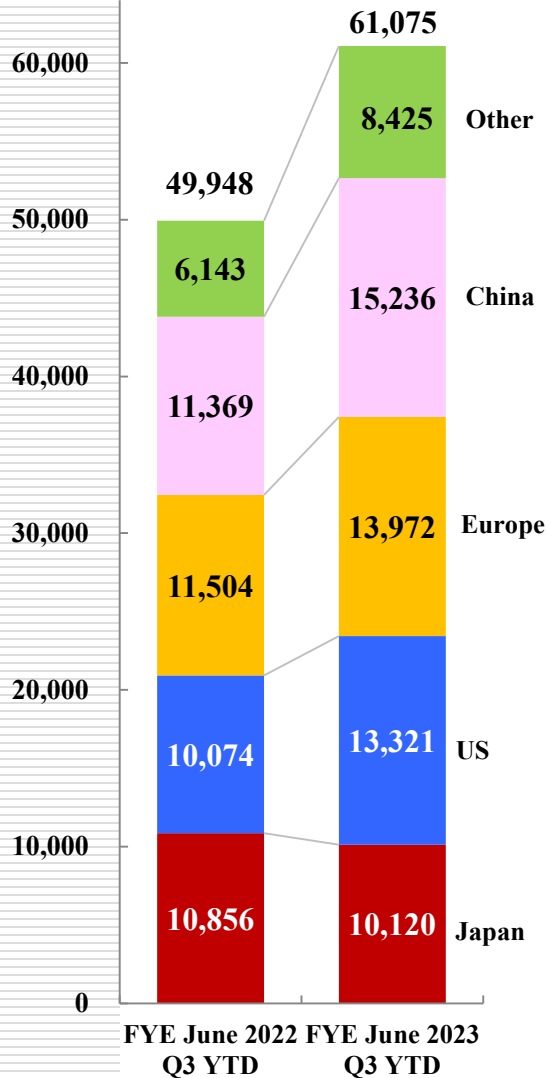


Situation Per Segment Division



Per Segment by Medical Division (by Geography-1)

(Mil. Yen)



【Revenue (YoY)】

- **Japan** : Decreased due to reimbursement price reduction (-502 Mil. Yen) and decrease in OEM transaction despite recovery of the number of cases
- **Cardiovascular field** : Decreased due to the impact of reimbursement price reduction, etc.
- **Non-cardiovascular field** : Increased Gastrointestinal products although decreased in OEM transaction related endoscopy
- **Overseas** : Increased due to exchange rate fluctuation, recovering the number of cases and strong demand
- **US**
 - **Cardiovascular field** : Increased mainly in PCI GW/Penetration Catheter
 - **Non-cardiovascular field** : Strong sales of OEM transaction (Rev.1)
- **Europe**
 - **Cardiovascular field** : Strong sales of PCI GW/Penetration Catheter mainly in western Europe
 - **Non-cardiovascular field** : Increased for distributor sales in western Europe
 - **Both Non-cardiovascular / Cardiovascular sales** include inventory building for MDR conformity
- **China**
 - **Cardiovascular field** : Strong sales of PCI GW due to sales promotion and increased sales of Guiding Catheter though number of cases declined
 - **Non-cardiovascular field** : Decreased due to the impact of distributor inventory adjustment (No impact for in- market)
- **Other**
 - **Cardiovascular field** : Strong sales of PCI GW/Penetration Catheter mainly in Asia
 - **Non-cardiovascular field** : Strong sales in all fields and OEM transaction in Asia

【Operating Income】 Operating income increased in proportion to revenue



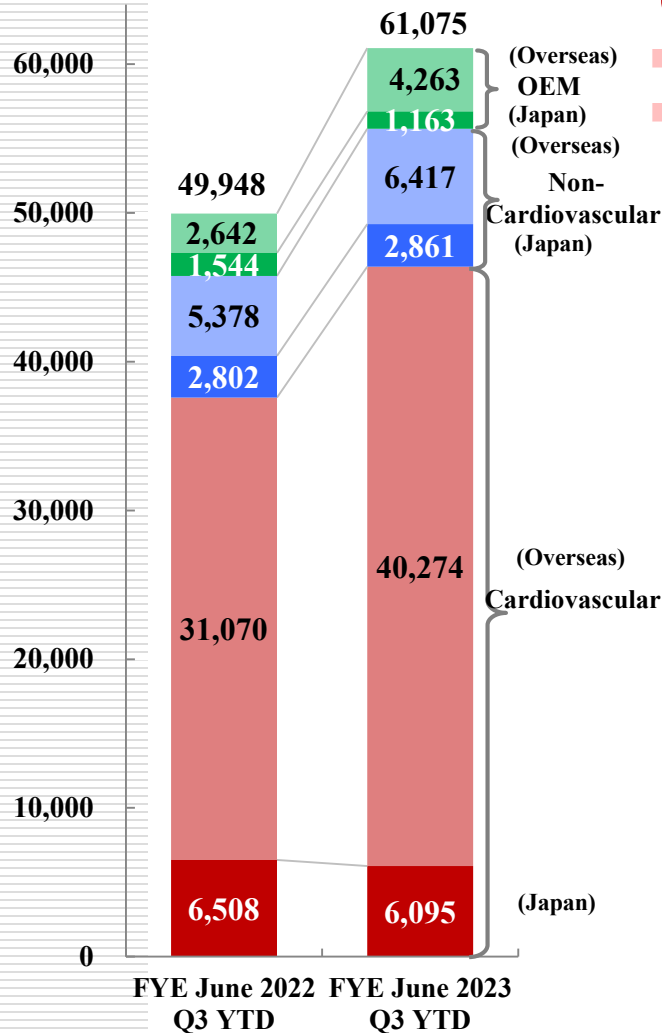
Per Segment by Medical Division (by Geography – 2)

(Mil. Yen)		FYE June 2022 Q3 YTD	FYE June 2023 Q3 YTD	YoY	
				Changes	Changes (%)
Exchange rate (Yen)	USD	113.31	137.51	+24.20	+21.4
	EURO	130.10	141.95	+11.85	+9.1
	CNY	17.69	19.81	+2.12	+12.0
Total Revenue		49,948	61,075	+11,127	+22.3
Japan		10,856	10,120	-736	-6.8
Overseas		39,091	50,955	+11,863	+30.3
US		10,074	13,321	+3,246	+32.2
Europe		11,504	13,972	+2,467	+21.4
China		11,369	15,236	+3,866	+34.0
Other		6,143	8,425	+2,282	+37.2
Operating income		11,196	14,558	+3,362	+30.0



Per Segment by Medical Division (by Treatment –1)

(Mil. Yen)



【Revenue (YoY)】

Cardiovascular

- **Japan**: Decreased due to the impact of reimbursement price reduction
- **Overseas**: Increased due to exchange rate fluctuation and strong demand due to recovery of cases
 - **US**: Increased mainly PCI GW / Penetration Catheter
 - **Europe**: Strong sales of PCI GW/Penetration Catheter mainly in western Europe
 - **China**: Strong sales of PCI GW, Guiding Catheter
 - **Other**: Strong sales of PCI GW/Penetration Catheter mainly in Asia

Non-Cardiovascular

- **Japan**: Increased in Gastrointestinal products
- **Overseas**: Increased in all fields
 - **Europe**: Increased in sales for western Europe distributors which include building inventory for MDR conformity
 - **China**: Decreased due to impact of inventory adjustment of distributor (No impact for in-market)
 - **Other**: Strong sales in all fields in Asia

OEM

- **Japan**: Decreased endoscopy related transaction
- **Overseas**: Increased due to strong sales in U.S. (Rev.1), China and Asia regions



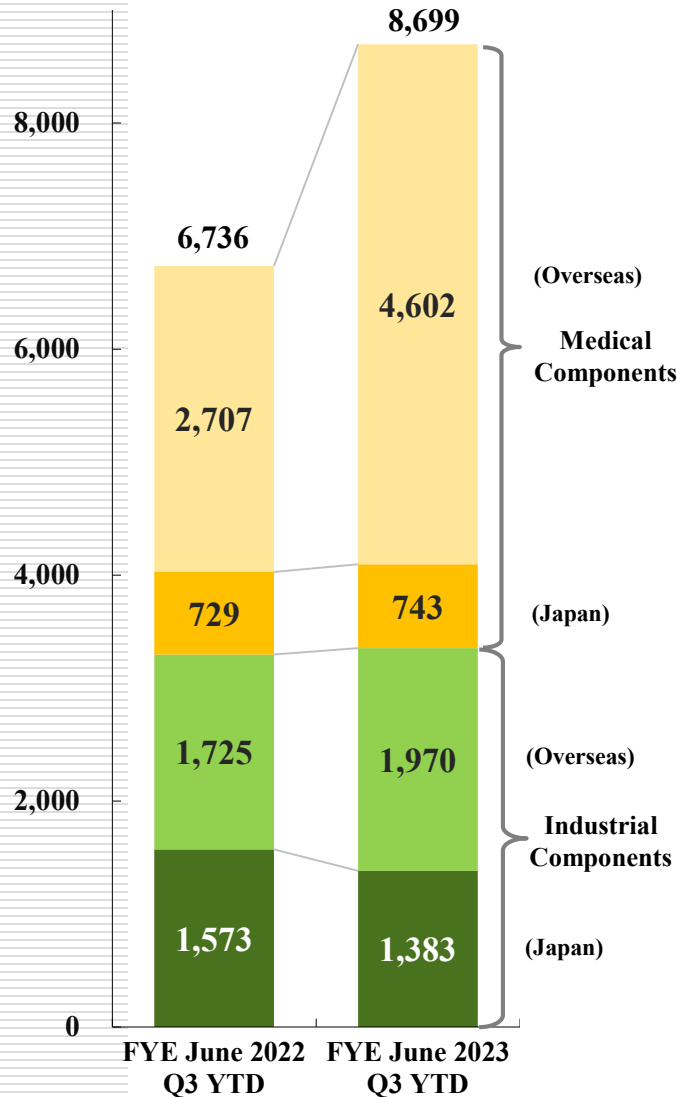
Per Segment by Medical Division (by Treatment – 2)

(Mil. Yen)		FYE June 2022 Q3 YTD	FYE June 2023 Q3YTD	YoY	
				Changes	Changes(%)
Exchange rate (Yen)	USD	113.31	137.51	+24.20	+21.4
	EURO	130.10	141.95	+11.85	+9.1
	CNY	17.69	19.81	+2.12	+12.0
Total Revenue		49,948	61,075	+11,127	+22.3
	Japan	10,856	10,120	-736	-6.8
	Overseas	39,091	50,955	+11,863	+30.3
Cardiovascular		37,579	46,369	+8,790	+23.4
	Japan	6,508	6,095	-413	-6.3
	Overseas	31,070	40,274	+9,203	+29.6
Non-Cardiovascular		8,181	9,278	+1,096	+13.4
	Japan	2,802	2,861	+58	+2.1
	Overseas	5,378	6,417	+1,038	+19.3
OEM		4,186	5,427	+1,240	+29.6
	Japan	1,544	1,163	-381	-24.7
	Overseas	2,642	4,263	+1,621	+61.4



Per Segment by Device Division - 1

(Mil. Yen)



【Revenue (YoY)】

Increased significantly medical components in overseas market mainly in US due to recovering the impact of Covid-19

Medical Component

- Japan: Remained flat and no significant increase and decrease
- Overseas: Increased in Cardiovascular ultrasound catheter components and Cardiovascular examination catheter components for US market

Industrial Component

- Japan: Decreased in construction transactions
- Overseas: Increased favorably due to the transaction of leisure despite decreased construction transactions

【 Operating income 】

- Increased due to increasing external revenue and intersegment transactions



Per Segment by Device Division - 2

(Mil. Yen)		FYE June 2022 Q3 YTD	FYE June 2023 Q3 YTD	YoY	
				Changes	Changes (%)
Exchange rate (Yen)	USD	113.31	137.51	+24.20	+21.4
Total Revenue		6,736	8,699	+1,962	+29.1
	Japan	2,303	2,127	-176	-7.6
	Overseas	4,433	6,572	+2,138	+48.2
Medical Components		3,437	5,345	+1,908	+55.5
	Japan	729	743	+13	+1.9
	Overseas	2,707	4,602	+1,894	+70.0
Industrial Components		3,299	3,353	+54	+1.7
	Japan	1,573	1,383	-189	-12.1
	Overseas	1,725	1,970	+244	+14.2
Operating income		3,792	5,053	+1,260	+33.2
(Reference) Segment Revenue		10,294	11,273	+978	+9.5



Reference: P/L

	FYE June 2022 Q3 YTD		FYE June 2023 Q3 YTD			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Main comparison factors
Revenue	56,684	100.0	69,774	100.0	+13,090	<ul style="list-style-type: none"> •Increase demand due to recovery of cases •Exchange rate fluctuation (Yen depreciation)
Cost of sales	18,990	33.5	23,488	33.7	+4,497	
Gross profit	37,694	66.5	46,286	66.3	+8,592	
SGA	25,709	45.4	29,868	42.8	+4,158	•Increased expenses related to sales and R&D
Operating income excl. goodwill amortization	13,199	23.3	17,851	25.6	+4,652	
Operating income	11,984	21.1	16,418	23.5	+4,433	
Non-operating income	1,135	2.0	163	0.2	-972	•Decreased in foreign exchange gain
Non-operating expense	309	0.5	629	0.9	+320	•Increased in foreign exchange loss
Ordinary income	12,810	22.6	15,952	22.9	+3,141	
Extraordinary income	615	1.1	305	0.4	-310	<ul style="list-style-type: none"> •Decreased in gains due to step acquisitions •Increased in insurance proceeds on disaster at Cebu factory
Extraordinary loss	603	1.1	187	0.3	-415	•Decreased in loss on disaster at Cebu factory
Net income attributable to parent company shareholders	8,861	15.6	11,985	17.2	+3,123	
Comprehensive income	12,082	21.3	12,094	17.3	+11	

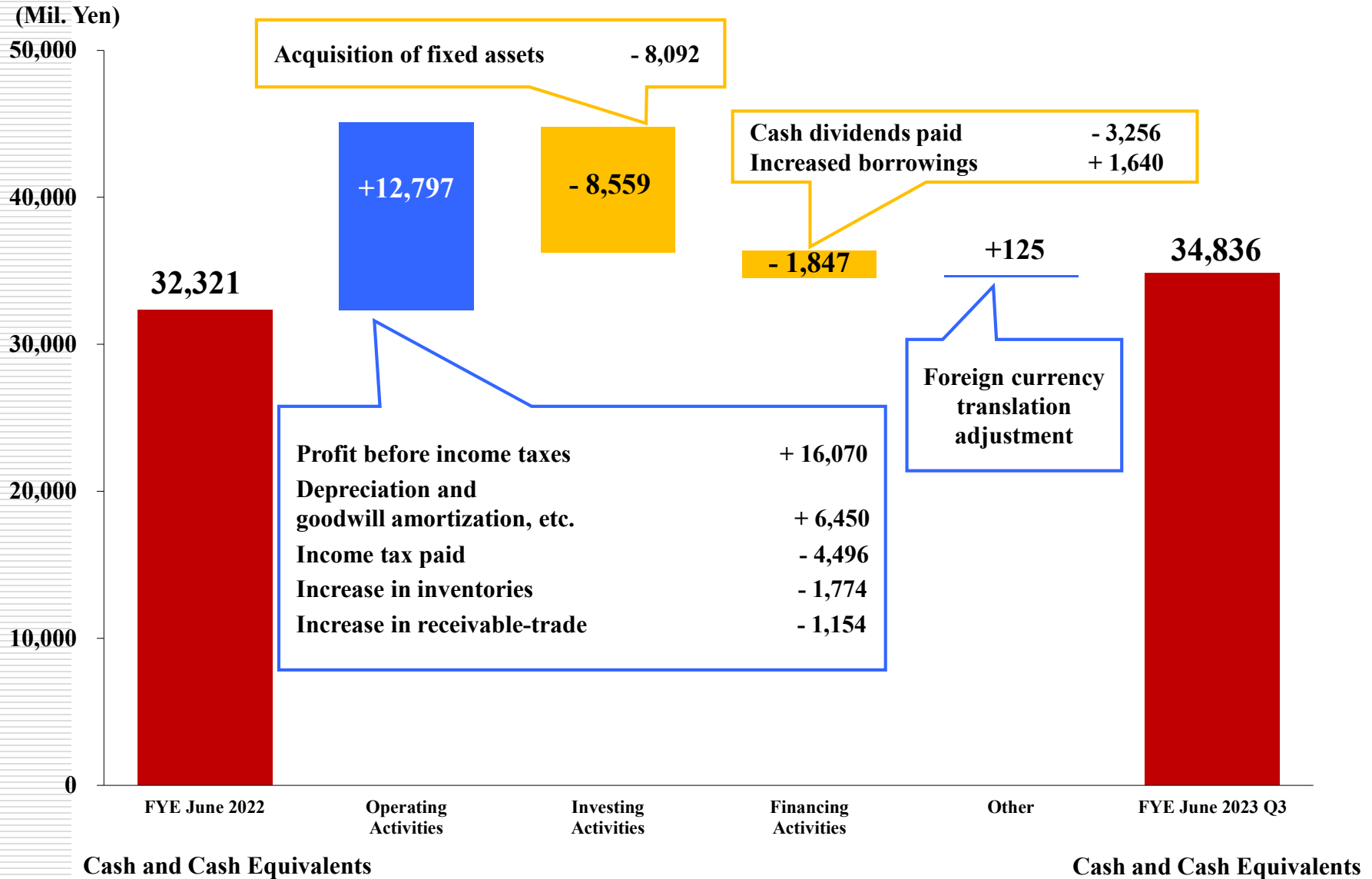


Reference: B/S

		FYE June 2022		FYE June 2023 Q3 YTD				
		Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Main comparison factors	
Assets	Current assets	79,609	51.3	87,204	53.5	+7,594	Cash and deposit Inventories Bills / accounts receivable	+2,515 +1,805 +961
	Fixed assets	75,517	48.7	75,786	46.5	+268		
Total assets		155,127	100.0	162,990	100.0	+7,863		
Liabilities	Current liabilities	20,761	13.4	19,227	11.8	-1,534	Income taxes payable Notes and accounts payable-trade Provision for bonuses	-980 - 237 - 230
	Fixed liabilities	13,234	8.5	13,766	8.4	+531	Retirement benefit liability Other	+182 +623
Total liabilities		33,996	21.9	32,993	20.2	-1,003		
Total net assets		121,130	78.1	129,997	79.8	+8,866	Retained earnings	+8,728
Total liabilities & net assets		155,127	100.0	162,990	100.0	+7,863		



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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