



ASAHI

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Financial Results of the 1st Quarter for Fiscal Year ending June 2016

November 13, 2015

(Securities code: 7747

2nd section of the Tokyo Stock Exchange,
2nd section of the Nagoya Stock Exchange)



FYE June 2016 Q1 YTD Main Points

■ Net sales increased in both segment divisions: 10,234 Mil. Yen <Year-on-year +24.1%>

~Medical Division and Device Division, both progress favorably~

- Medical Division ~In addition to firm demands, US currency appreciation supports performance with large increase~

Japan [● Continuous growth of PTCA GW especially due to “SION Series”
● Good progress of Penetration Catheter due to “Caravel” launched in September 2014

Overseas [● Trend of strong growth shown for PTCA GW in all areas
● Strong growth for the Penetration Catheter “Corsair” in US, EU/Middle East, and Asia

- Device Division ~Medical and Industrial components, both progress favorably especially in overseas market ~

- In Medical component business, orders increased both in Japan and overseas
- Industrial components business became brisk especially in leisure markets overseas

■ While R&D expenses and sales expenses increased, positive sales growth contributed to large operating income performance

- Gross profit: 6,668 Mil. Yen <YoY: +28.5%>
- Operating income: 3,167 Mil. Yen <YoY: +53.5%>
 - ◆ Increased R&D expenses: (813 Mil. Yen) (YoY: +90 Mil. Yen, Sales ratio: 8.0%)
 - ◆ Increased sales related expenses, etc.
- Ordinary income: 3,208 Mil. Yen <YoY: +45.0%>
 - ◆ Increased currency exchange loss: (87 Mil. Yen)
- Net income: 2,338 Mil. Yen <YoY: +55.2%>

Exchange rate	(Unit: JPY)		
FYE June 2015	US\$	105.35	BAHT 3.28
Q1 YTD	EURO	137.62	CNY 17.09
FYE June 2016	US\$	121.73	BAHT 3.40
Q1 YTD	EURO	135.92	CNY 19.23



Highlights

	FYE June 2015 Q1 YTD		FYE June 2016 Q1 YTD			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	YoY	
					Changes (Mil. Yen)	Changes (%)
Net sales	8,247	100.0	10,234	100.0	+1,987	+24.1
Gross profit	5,187	62.9	6,668	65.2	+1,480	+28.5
Operating income	2,063	25.0	3,167	30.9	+1,104	+53.5
Ordinary income	2,212	26.8	3,208	31.4	+996	+45.0
Net income	1,507	18.3	2,338	22.8	+831	+55.2
EPS [*]	23.51 yen	-	36.98 yen	-	+13.47 yen	+57.3

* : As of August 1, 2015, one ordinary share was split into two shares. As such, as to EPS, figures after share splits are shown in assumption of splits of share at the beginning of the previous fiscal year.



Net Sales by Segment Division

	FYE June 2015 Q1 YTD		FYE June 2016 Q1 YTD			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Changes (%)
Medical	6,427	77.9	7,908	77.3	+1,480	+23.0
Device	1,819	22.1	2,325	22.7	+506	+27.8
Total amount	8,247	100.0	10,234	100.0	+1,987	+24.1

(Reference)

Medical field	6,955	84.3	8,819	86.2	+1,863	+26.8
Industrial field	1,291	15.7	1,414	13.8	+123	+9.6

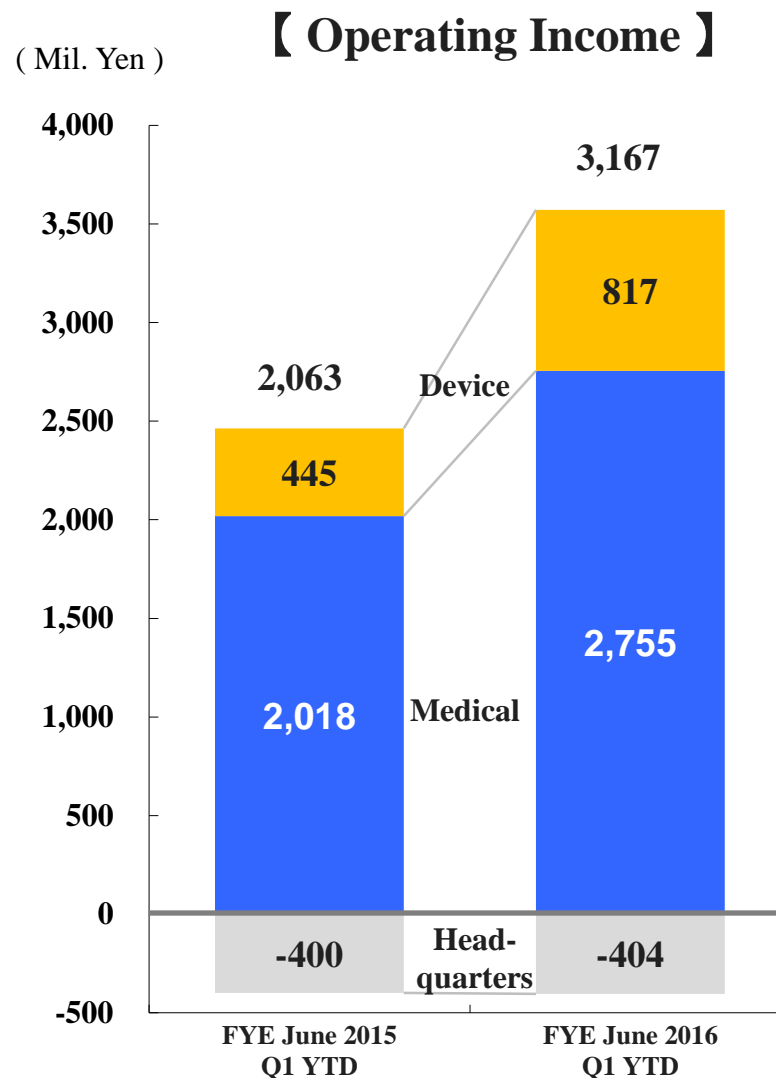
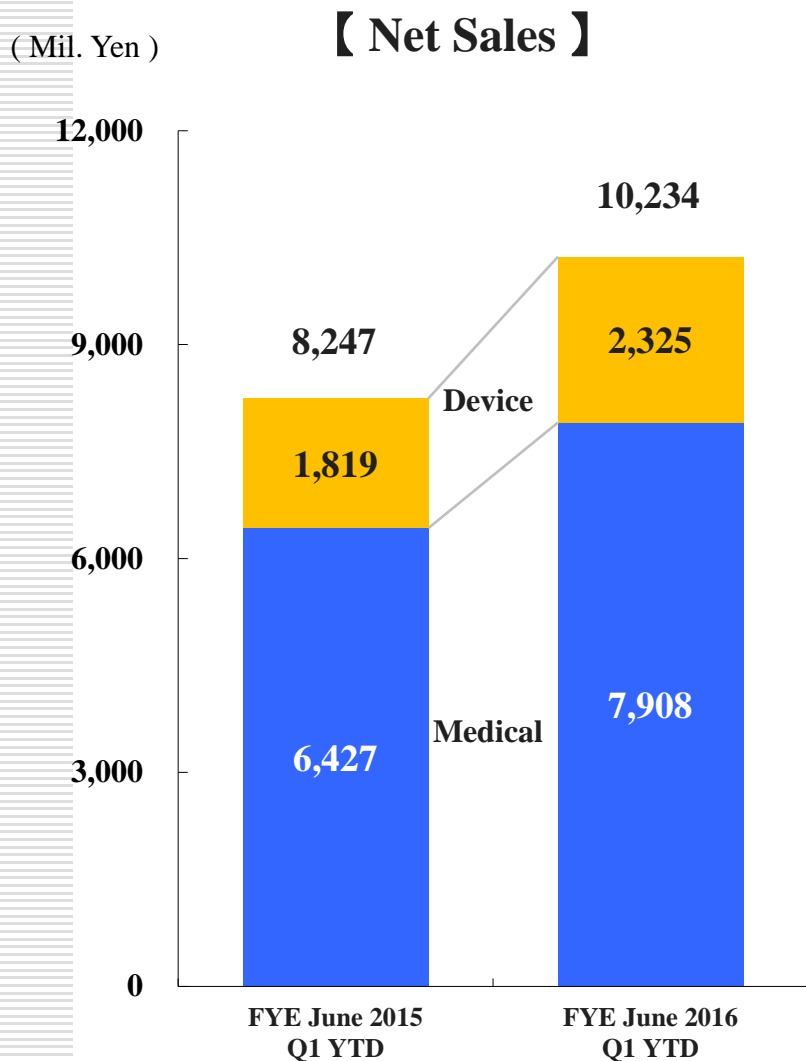


Operating Income by Segment Division

	FYE June 2015 Q1 YTD		FYE June 2016 Q1 YTD			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Changes (%)
Medical	2,018	81.9	2,755	77.1	+737	+36.5
Device	445	18.1	817	22.9	+371	+83.5
Subtotal	2,463	100.0	3,572	100.0	+1,108	+45.0
Erasing & Head Quarters	-400	-	-404	-	-4	+1.1
Total amount	2,063	-	3,167	-	+1,104	+53.5

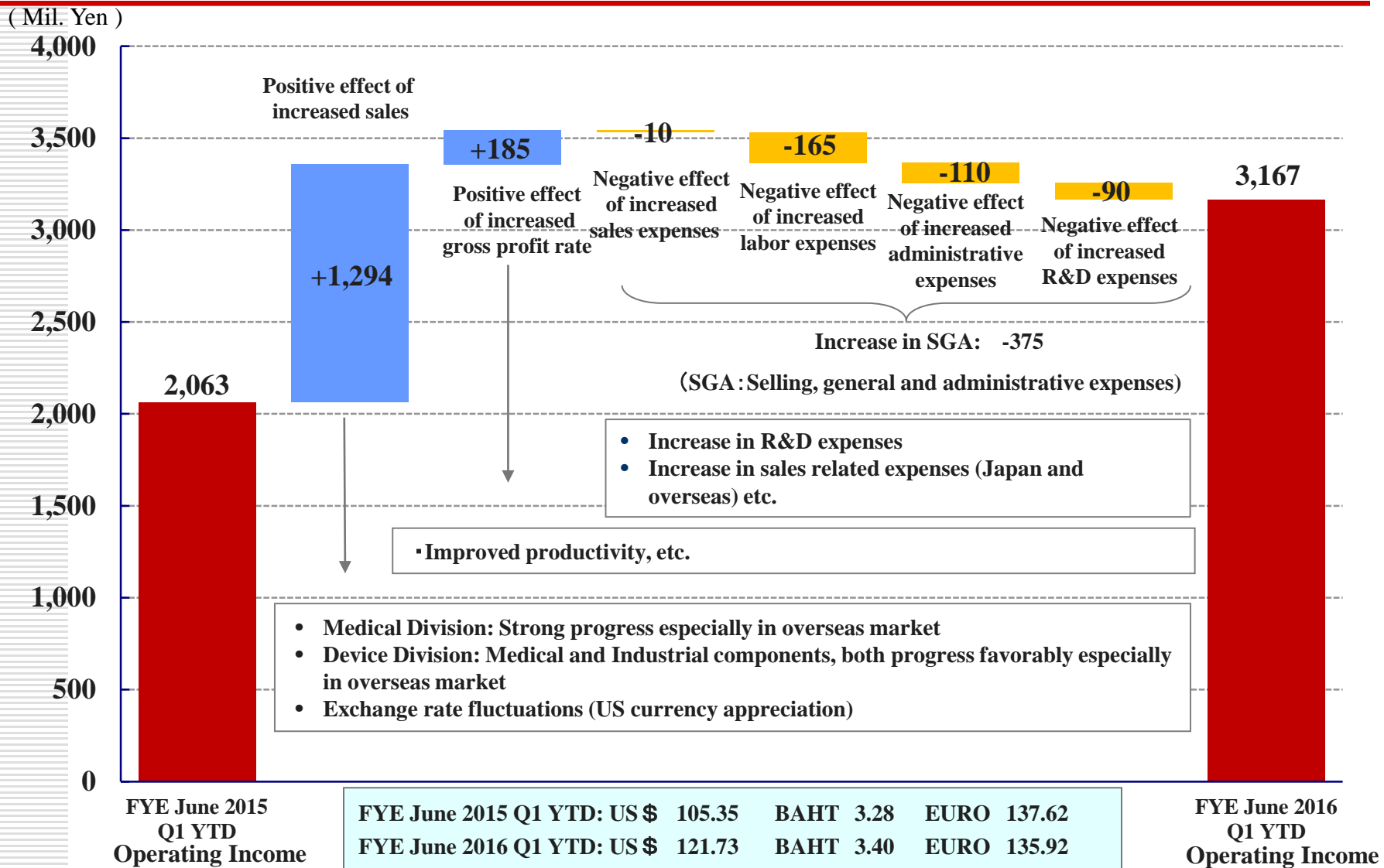


Earnings Performance by Segment Division



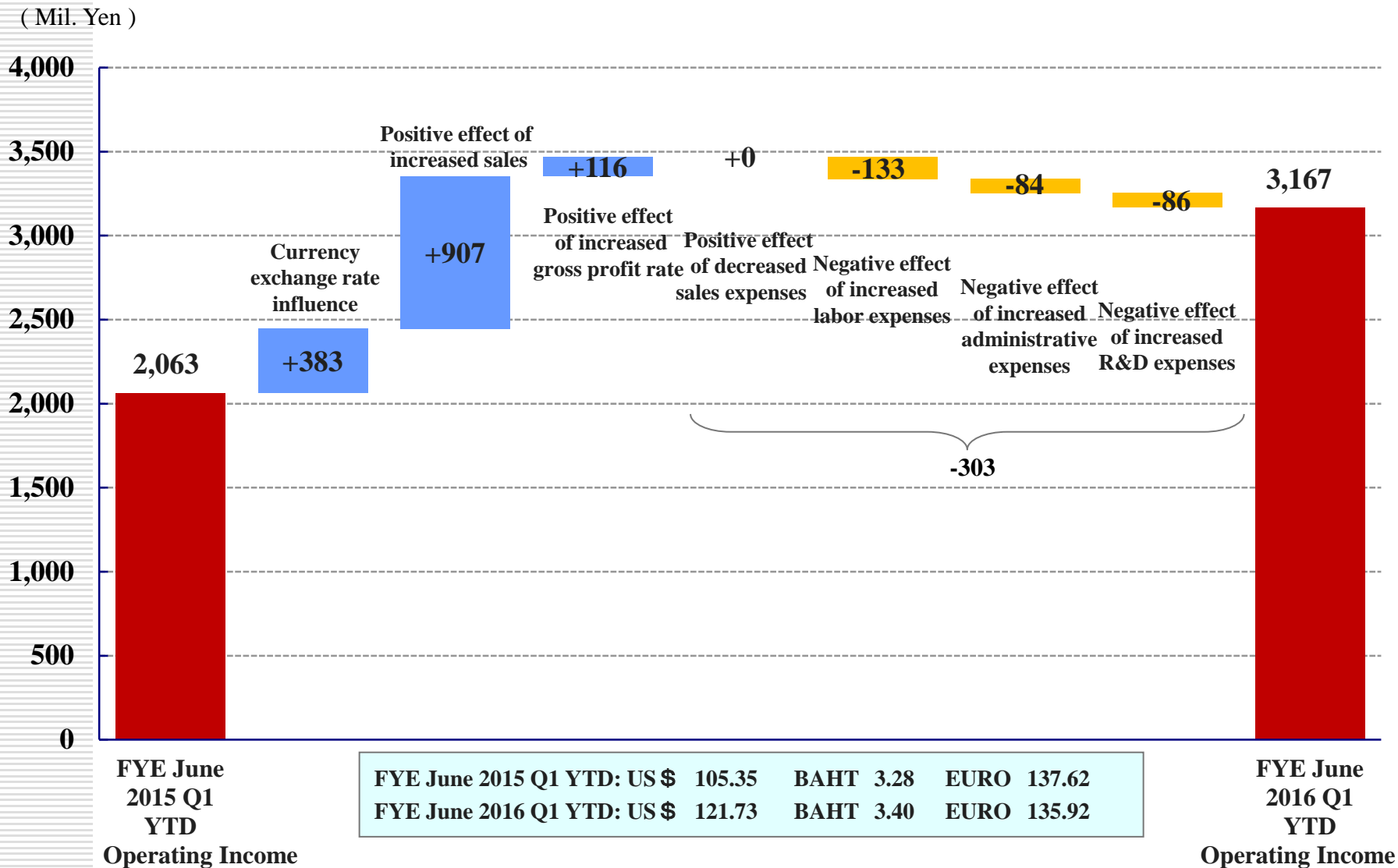


Attribution Analysis of Operating Income – 1 (Exchange Rate Fluctuations Included)





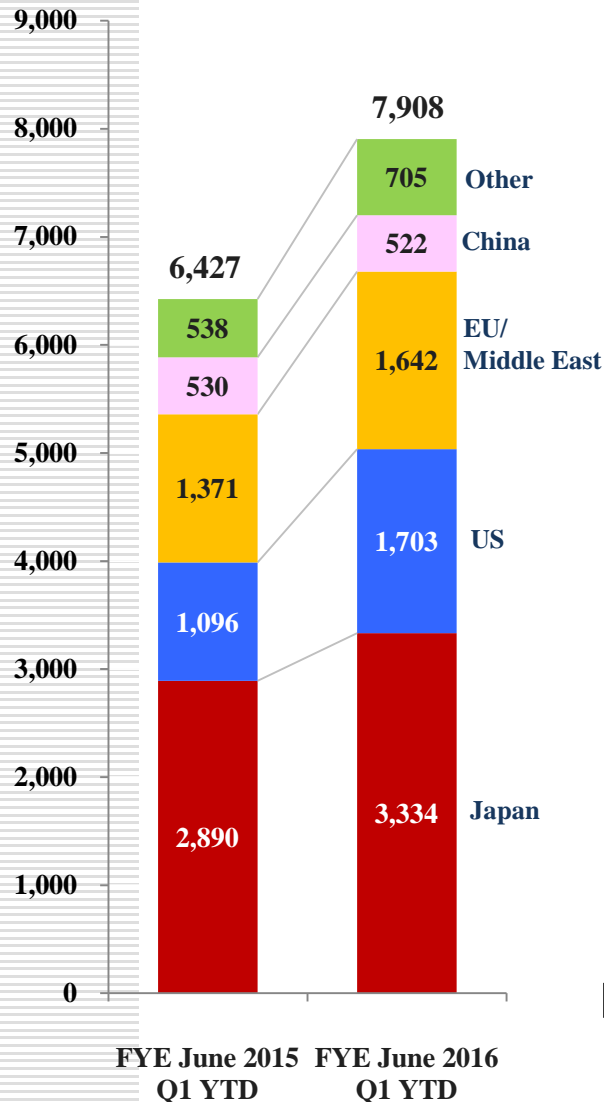
Attribution Analysis of Operating Income – 2 (Exchange Rate Fluctuations Excluded)





Per Segment by Medical Division (by Geography - 1)

(Mil. Yen)



【Net Sales (YoY)】

■ Japan: Cardiovascular and non-cardiovascular segments favorably progressed

- PTCA GW: Volume increases based on “SION Series”
- Penetration Catheter: Favorable growth of all-purpose “Caravel”
- PTCA Guiding Catheter: Increased share by “Hyperion”
- Non-cardiovascular segment: Increase in Abdominal vascular, Peripheral vascular, and Neurovascular products

■ Overseas: In addition to good market demand, US currency appreciation supported further increase

- <US>
PTCA GW: Growth trends of shipments above contractual minimums
Penetration Catheter: “Corsair” showed good progress from direct sales effects
Peripheral vascular products: Increases based on peripheral guide wire switched to direct sales on July 2015
- <EU/Middle East>
PTCA GW and Penetration Catheter “Corsair”: Growth trends due to increased share
- <China>
PTCA GW and Abdominal vascular products: Increased sales year on year
Penetration Catheter: Decreased sales of “Corsair” (Batch shipment at the end of the previous fiscal year)
- <Other>
PTCA GW and Penetration Catheter “Corsair”: Growth trends by expanding market in Asia

【Operating Income】

- While expending R&D and Sales related expenses, sales growth contributed to large profit performance



Per Segment by Medical Division (by Geography - 2)

(Mil. Yen)

	FYE June 2015 Q1 YTD	FYE June 2016 Q1 YTD	YoY	
			Changes	Changes (%)
(Exchange rate: USD→Yen)	105.35	121.73	+16.38	+15.5
Net sales	6,427	7,908	+1,480	+23.0
Japan	2,890	3,334	+443	+15.4
Overseas	3,537	4,574	+1,036	+29.3
US	1,096	1,703	+607	+55.4
EU/Middle East	1,371	1,642	+270	+19.7
China	530	522	-7	-1.4
Other	538	705	+166	+31.0
Operating income	2,018	2,755	+737	+36.5



Per Segment by Medical Division (by Treatment - 1)

【Net Sales (YoY)】

Cardiovascular

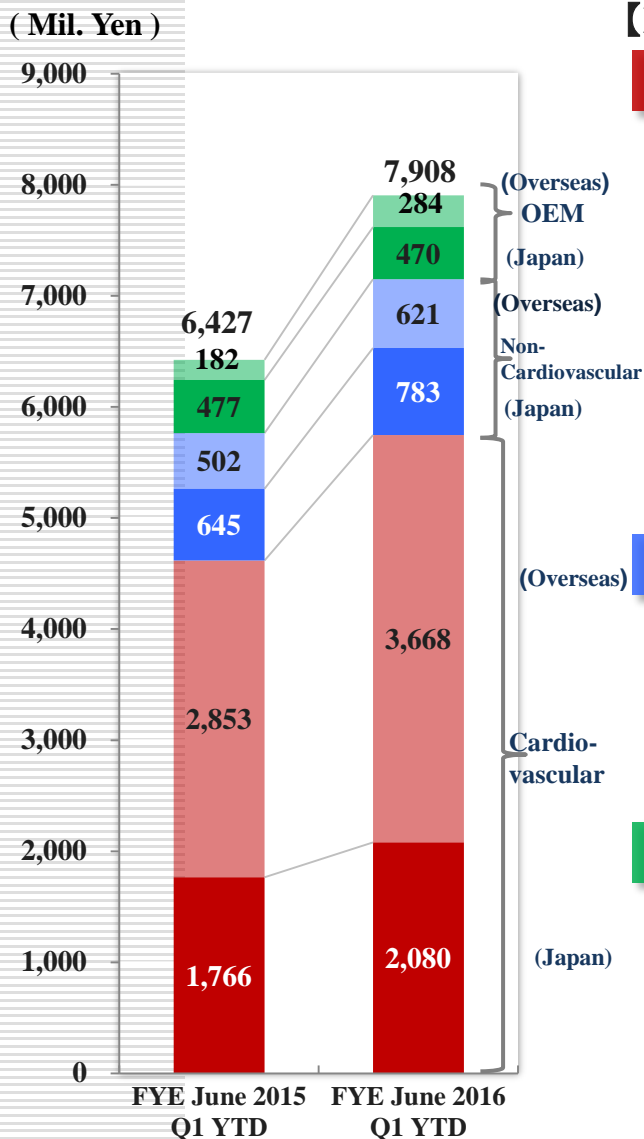
- **Japan: PTCA GW and Penetration Catheter mainly show good results**
 - PTCA GW: “SION Series” mainly shows good results
 - Penetration Catheter: Growth trends from all-purpose “Caravel”
 - PTCA Guiding Catheter: Increased share by “Hyperion”
- **Overseas: PTCA GW and Penetration Catheter mainly show good results**
 - PTCA GW: Increased sales in EU/Middle East, US, and Asia
 - Penetration Catheter “Corsair”: Increased sales in US and EU/Middle East

Non-cardiovascular

- **Japan:**
Increase in Abdominal vascular, Peripheral vascular, and Neurovascular products
- **Overseas:**
Increases based on peripheral guide wire switched to direct sales in July 2015 in US

OEM

- **Japan:** Increase of Endoscope Snare etc.
- **Overseas:** Increase of Mini-Guide Wire in cardiovascular diagnosis
Started full scale supply of Rota Wire to Boston Scientific (US)





Per Segment by Medical Division (by Treatment - 2)

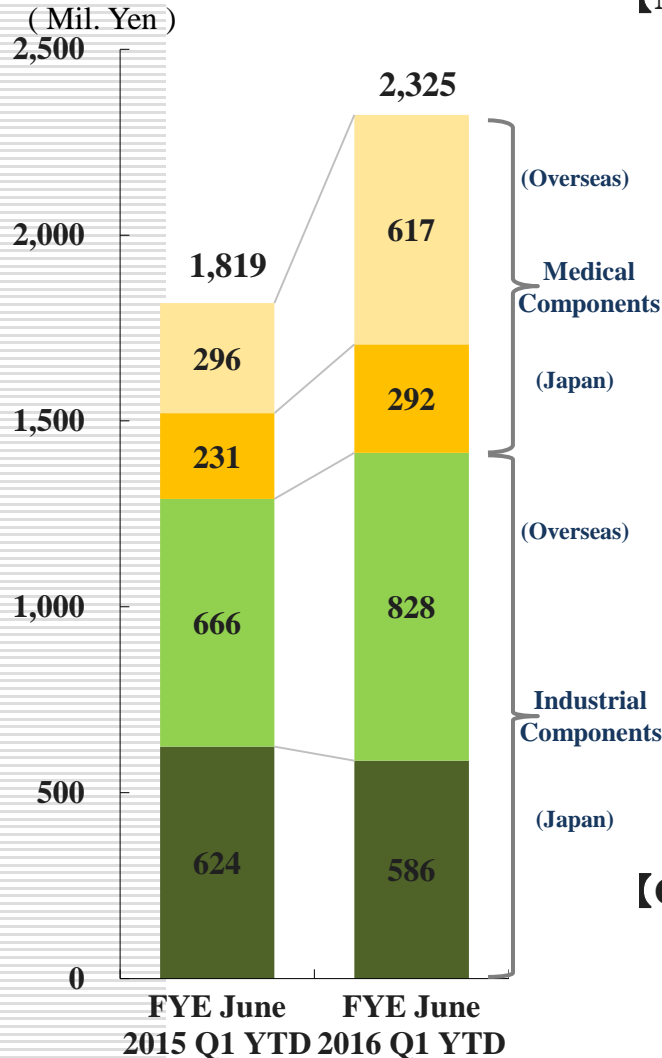
(Mil. Yen)

	FYE June 2015 Q1 YTD	FYE June 2016 Q1 YTD	YoY	
			Changes	Changes (%)
(Exchange rate: USD→Yen)	105.35	121.73	+16.38	+15.5
Net sales	6,427	7,908	+1,480	+23.0
Japan	2,890	3,334	+443	+15.4
Overseas	3,537	4,574	+1,036	+29.3
Cardiovascular	4,619	5,748	+1,128	24.4
Japan	1,766	2,080	+313	+17.8
Overseas	2,853	3,668	+815	+28.6
Non-cardiovascular	1,147	1,404	+256	+22.3
Japan	645	783	+137	+21.3
Overseas	502	621	+119	+23.7
OEM	660	755	+95	+14.4
Japan	477	470	-7	-1.5
Overseas	182	284	+102	+56.3



Per Segment by Device Division - 1

【Net Sales (YoY)】



Medical Components

- **Japan: Endoscope related components show good progress**
- **Overseas: Increase of Medical Component business for North America market**
 - Supplying of inspection catheter components
 - Supplying of abdominal vascular system catheter components, etc.

Industrial Components

- **Japan: Component supply decreased in construction market and increased in leisure market**
- **Overseas: Component supply increased in leisure market**

【Operating Income】

- **Sales increases contributed to profit growth**



Per Segment by Device Division - 2

(Mil. Yen)

	FYE June 2015 Q1 YTD	FYE June 2016 Q1 YTD	YoY	
			Changes	Changes (%)
(Exchange rate: USD→Yen)	105.35	121.73	+16.38	+15.5
Net sales	1,819	2,325	+506	+27.8
Japan	856	879	+22	+2.7
Overseas	962	1,446	+483	+50.2
Medical components	527	910	+382	+72.5
Japan	231	292	+61	+26.4
Overseas	296	617	+321	+108.6
Industrial components	1,291	1,414	+123	+9.6
Japan	624	586	-38	-6.1
Overseas	666	828	+161	+24.3
Operating income	445	817	+371	+83.5



Reference: P/L

	FYE June 2015 Q1 YTD		FYE June 2016 Q1 YTD			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Main comparison factors
Net sales	8,247	100.0	10,234	100.0	+1,987	• Both divisions progress favorably
Cost of sales	3,059	37.1	3,566	34.8	+506	
Gross profit	5,187	62.9	6,668	65.2	+1,480	• Along with brisk sales growth
SGA	3,124	37.9	3,500	34.2	+375	• R&D and Sales related expenses increased
Operating income	2,063	25.0	3,167	30.9	+1,104	
Non-operating income	164	2.0	143	1.4	-20	
Non-operating expense	15	0.2	102	1.0	+87	• Currency exchange loss increased
Ordinary income	2,212	26.8	3,208	31.4	+996	
Extraordinary gain	-	0.0	0	0.0	+0	
Extraordinary loss	-	0.0	0	0.0	+0	
Net income	1,507	18.3	2,338	22.8	+831	
Comprehensive income	2,467	29.9	1,275	12.5	-1,191	• Foreign currency translation adjustment decreased -1,813 Mil. Yen

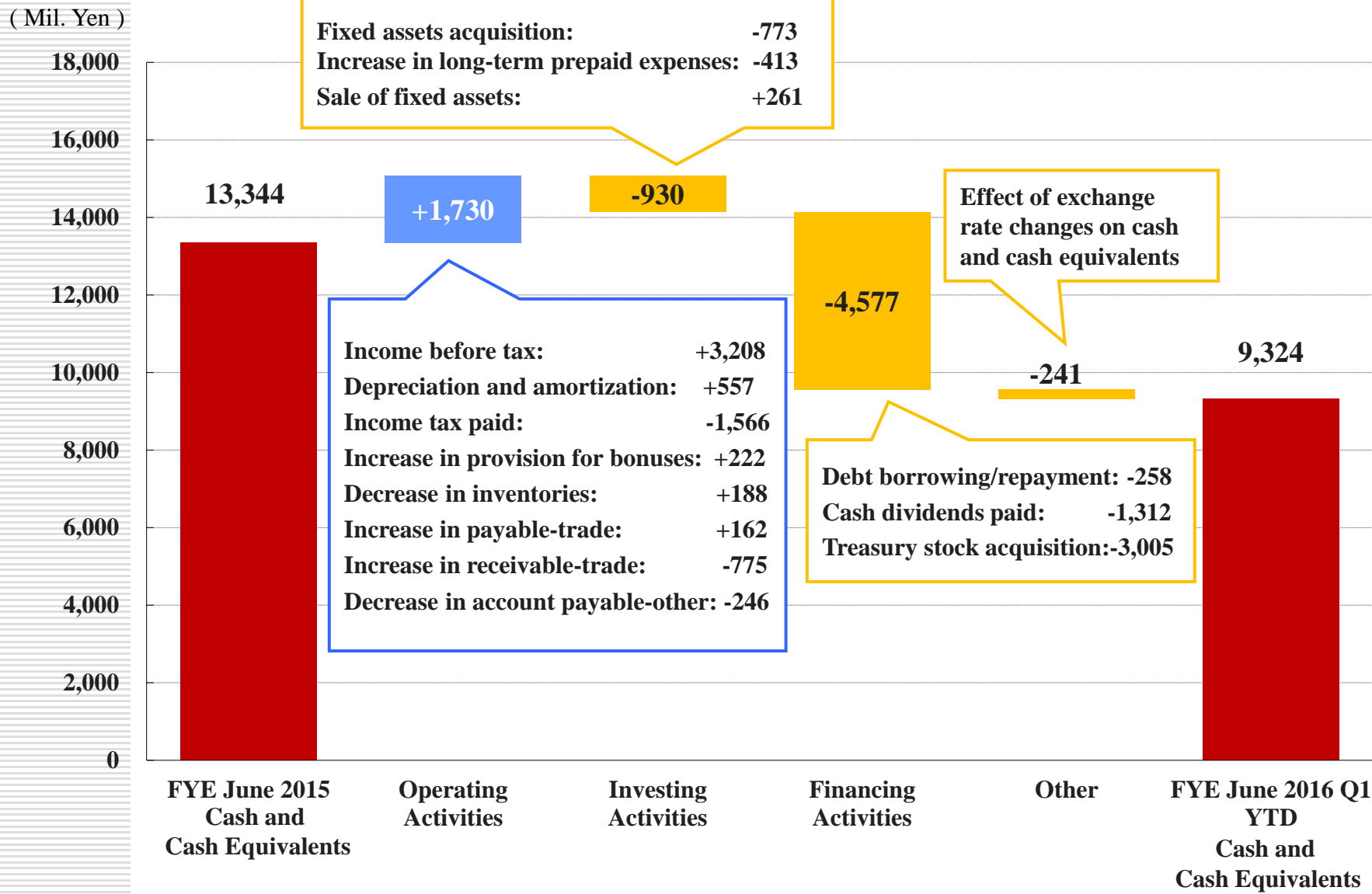


Reference: B/S

		FYE June 2015		FYE June 2016 Q1 YTD			
		Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Main comparison factors
Assets	Current assets	31,423	61.6	27,322	58.8	-4,101	Cash and deposit: -4,019 Receivable-trade: +587 Inventory assets: -531
	Fixed assets	19,625	38.4	19,128	41.2	-497	Tangible fixed assets: -620 Investments and other assets: +170
Total assets		51,049	100.0	46,450	100.0	-4,599	
Liabilities	Current liabilities	10,595	20.8	9,687	20.9	-908	Provision for bonuses: + 209 Account payable-other: -482 Accrued corporation tax: -771
	Fixed liabilities	7,861	15.4	7,354	15.8	-506	Long-term debt: -429 Long term deferred tax liability: -88
Total liabilities		18,457	36.2	17,041	36.7	-1,415	
Total net assets		32,592	63.8	29,408	63.3	-3,183	Retained earnings: +881 Treasury stock: -3,005 Foreign currency translation adjustment: -922
Total liabilities & net assets		51,049	100.0	46,450	100.0	-4,599	



Reference: C/F





Caution Regarding Information Presented

All forward looking statements contained herein, including sales 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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