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# Financial Results of the 2<sup>nd</sup> Quarter for Fiscal Year ending June 2022

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February 14, 2022

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



# FYE June 2022 Q2 YTD Main Points-1

**Revenue 37,702 Mil. Yen <Year-on-year +33.2% >**

**~Increased in both Medical and Device Division due to recovery from the impact of COVID-19, M&A activities and exchange rate fluctuation~**

- **Medical Division ~Increased due to the recovery of the number of cases, exchange rate fluctuations, M&A activities, direct sales and strong demand~**
  - Increased year-on-year in the number of cases due to recovery from the impact of COVID-19 in the overseas market
  - In Cardiovascular field, increased significantly in PTCA GW and Penetration Catheter mainly in China and Europe
    - ✓ China: Not only recovery of the number of cases but also strong sales due to increased market share
    - ✓ Europe: Increased due to the switch to direct sales in Germany and M&A activities
  - In Non-Cardiovascular field, increased in sales of peripheral, abdominal and neurovascular products and OEM business
    - ✓ Increased in peripheral vascular and abdominal vascular products mainly in Europe and China
    - ✓ Increased in sales of OEM business due to M&A activities in US
  - Increased in revenue due to the exchange rate fluctuation (Yen depreciation)
  - Increased in revenue due to M&A activities (Total of Cardiovascular/Non-Cardiovascular +1,307 Mil. Yen)
- **Device Division ~Increased both in Medical Components / Industrial Components mainly in overseas market~**
  - ◆ In Medical Components business, increased in Abdominal vascular catheter components and Cardiovascular examination catheter components for US market
  - ◆ In Industrial Components business, although decreased in domestic market due to the suspension of construction-related transactions, increased in overseas markets for leisure-related products
- **Impact of increased revenue due to exchange rate fluctuation (Yen depreciation) +1,859 Mil. Yen**



## FYE June 2022 Q2 YTD Main Points-2

### Increased in operating income due to increased in revenue despite increasing sales-related and M&A expenses

- **Gross profit : 25,023 Mil. Yen <YoY +28.2% >**
  - Increased in gross profit due to increased in revenue
- **Operating income excluding goodwill amortization, etc. : 8,902 Mil. Yen <YoY +42.2% >**
- **Operating income : 8,101 Mil. Yen <YoY +31.0% >**
  - Increased in revenue in overseas market and expenses related to sales due to promoting direct sales
  - Increased goodwill amortization due to M&A activities (+726 Mil. Yen)
  - Increased in R&D expenses (4,295 Mil. Yen) (YoY +723 Mil. Yen, Ratio of Revenue 11.4%)
- **Ordinary income : 8,590 Mil. Yen <YoY +40.9% >**
  - Increase in foreign exchange gains (YoY +597 Mil. Yen)
- **Net Income attributable to parent company shareholders : 6,383 Mil. Yen <YoY +43.4% >**
  - Gain on step acquisitions (615 Mil. Yen)
  - Loss on disaster at Cebu factory (249 Mil. Yen)  
※ Only the fixed amount up to now is recorded

Exchange rate (Unit : JPY)	US \$	EURO	CNY	BAHT
FYE June 2022 Q2 YTD	111.91	129.96	17.40	3.38
FYE June 2021 Q2 YTD	105.38	124.27	15.58	3.40



# Highlights Year-on-Year

	FYE June 2021		FYE June 2022				(Reference)			
	Q2 YTD		Q2 YTD				At the same exchange rate as the previous quarter			
	Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	YoY		Amount (Mil.Yen)	Ratio (%)	YoY	
					Changes (Mil.Yen)	Changes (%)			Changes (Mil.Yen)	Changes (%)
Revenue	28,301	100.0	37,702	100.0	+9,400	+33.2	35,842	100.0	+7,540	+26.6
Gross Profit	19,519	69.0	25,023	66.4	+5,504	+28.2	23,270	64.9	+3,750	+19.2
Operating Income excluding goodwill amortization, etc.	6,261	22.1	8,902	23.6	+2,641	+42.2	7,422	20.7	+1,160	+18.5
Operating Income	6,186	21.9	8,101	21.5	+1,914	+31.0	6,621	18.5	+434	+7.0
Ordinary Income	6,097	21.5	8,590	22.8	+2,492	+40.9	7,110	19.8	+1,012	+16.6
Net income attributable to parent company shareholders	4,451	15.7	6,383	16.9	+1,932	+43.4	4,903	13.7	+451	+10.2
EPS (yen)	17.08 yen	—	23.54 yen	—	6.46 yen	+37.8				
EBITDA	8,608	—	11,797	—	3,188	37.0				



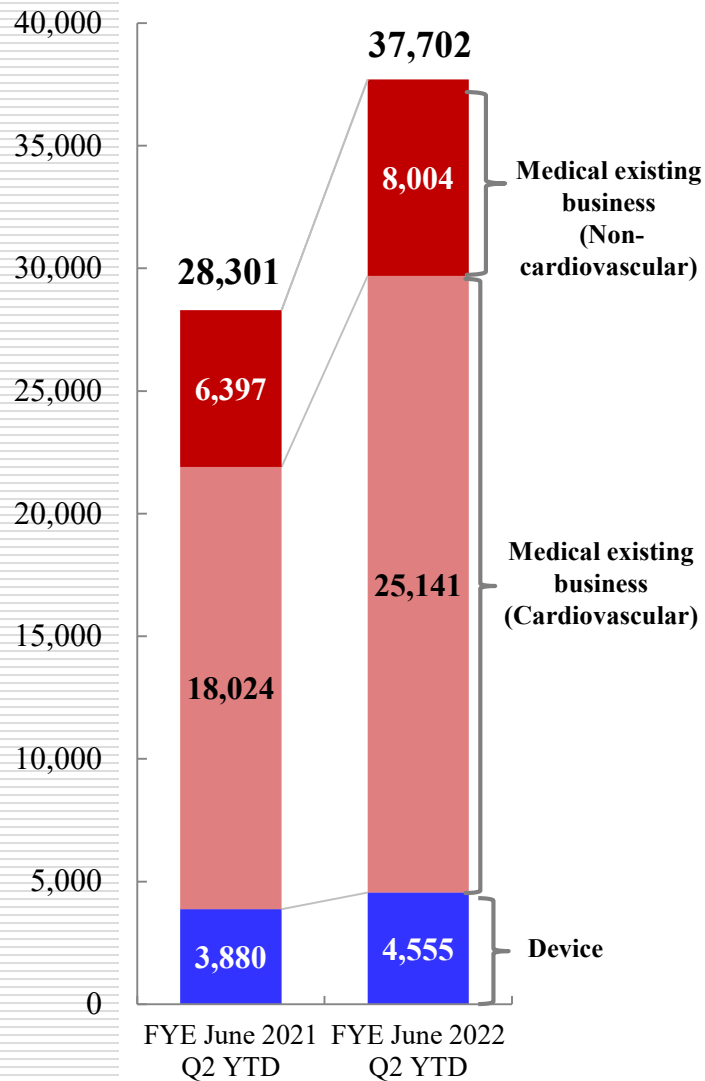
# Highlights

	FYE June 2021 Q2 YTD		FYE June 2022 Q2 YTD						
	Amount (Mil. Yen)	Ratio (%)	Initial plan As of Aug 13, 2021	Amount (Mil. Yen)	Ratio (%)	YoY		Compared with Initial plan	
						Changes (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Ratio (%)
Revenue	28,301	100.0	36,784	37,702	100.0	+9,400	+33.2	+917	+2.5
Gross Profit	19,519	69.0	24,147	25,023	66.4	+5,504	+28.2	+875	+3.6
Operating Income excluding goodwill amortization, etc.	6,261	22.1	7,470	8,902	23.6	+2,641	+42.2	+1,432	+19.2
Operating Income	6,186	21.9	6,661	8,101	21.5	+1,914	+31.0	+1,439	+21.6
Ordinary Income	6,097	21.5	6,639	8,590	22.8	+2,492	+40.9	+1,950	+29.4
Net income attributable to parent company shareholders	4,451	15.7	4,818	6,383	16.9	+1,932	+43.4	+1,565	+32.5
EPS	17.08 yen	—	17.74 yen	23.54 yen	—	+6.46 yen	+37.8	+5.80 yen	+32.7



# Revenue Trends (Medium-term management plan classification)

(Mil.Yen)



**Double-digit increase in all fields**

(Mil.Yen)	FYE June 2021	FYE June 2022	YoY	
	Q2 YTD	Q2 YTD	Changes	Changes (%)
<b>Revenue Total</b>	<b>28,301</b>	<b>37,702</b>	<b>+9,400</b>	<b>+33.2</b>
Medical existing business (Cardiovascular)	18,024	25,141	+7,117	+39.5
Medical existing business (Non-cardiovascular)	6,397	8,004	+1,606	+25.1
Device	3,880	4,555	+675	+17.4
New business	-	-	-	-



## Net Revenue by Segment

	FYE June 2021 Q2 YTD		FYE June 2022 Q2 YTD			
	Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	Changes (Mil.Yen)	Changes (%)
<b>Medical</b>	<b>24,421</b>	<b>86.3</b>	<b>33,146</b>	<b>87.9</b>	<b>+8,724</b>	<b>+35.7</b>
<b>Device</b>	<b>3,880</b>	<b>13.7</b>	<b>4,555</b>	<b>12.1</b>	<b>+675</b>	<b>+17.4</b>
<b>Total amount</b>	<b>28,301</b>	<b>100.0</b>	<b>37,702</b>	<b>100.0</b>	<b>+9,400</b>	<b>+33.2</b>

(Reference)

<b>Medical field</b>	<b>26,080</b>	<b>92.2</b>	<b>35,431</b>	<b>94.0</b>	<b>+9,350</b>	<b>+35.9</b>
<b>Industrial field</b>	<b>2,221</b>	<b>7.8</b>	<b>2,270</b>	<b>6.0</b>	<b>+49</b>	<b>+2.2</b>



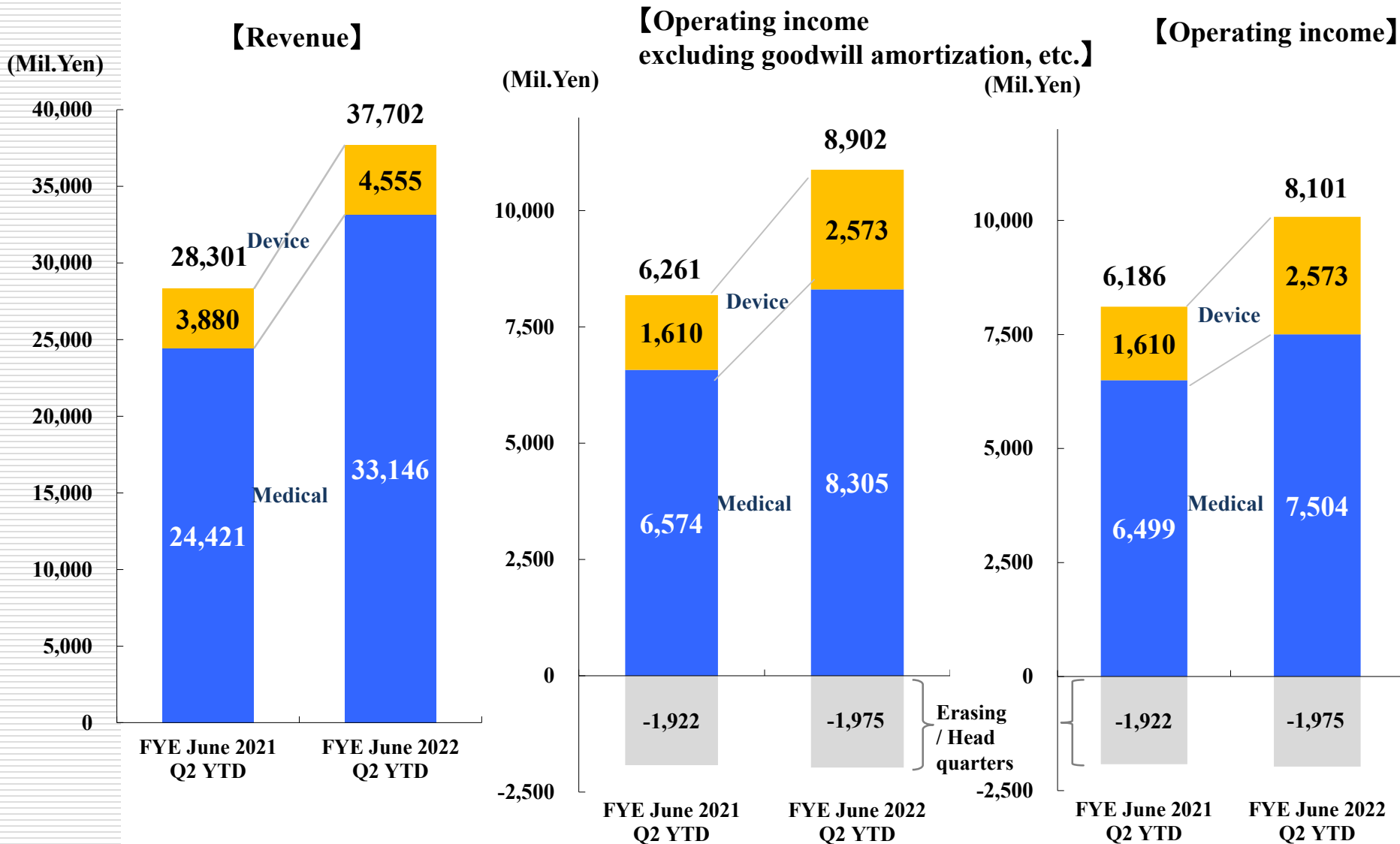
## Operating Income by Segment

	FYE June 2021		FYE June 2022			
	Q2 YTD		Q2 YTD			
	Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	Changes (Mil.Yen)	Changes (%)
<b>Medical</b>	<b>6,499</b>	<b>80.1</b>	<b>7,504</b>	<b>74.5</b>	<b>+1,005</b>	<b>15.5</b>
<b>Device</b>	<b>1,610</b>	<b>19.9</b>	<b>2,573</b>	<b>25.5</b>	<b>+962</b>	<b>59.8</b>
<b>Subtotal</b>	<b>8,109</b>	<b>100.0</b>	<b>10,077</b>	<b>100.0</b>	<b>+1,967</b>	<b>24.3</b>
<b>Erasing &amp; Head Quarters</b>	<b>- 1,922</b>	<b>-</b>	<b>- 1,975</b>	<b>-</b>	<b>-52</b>	<b>-2.8</b>
<b>Total amount</b>	<b>6,186</b>	<b>-</b>	<b>8,101</b>	<b>-</b>	<b>+1,914</b>	<b>31.0</b>
<b>(Reference) Device Division Segment Revenue</b>	<b>2,809</b>	<b>-</b>	<b>6,534</b>	<b>-</b>	<b>+3,724</b>	<b>+132.6</b>



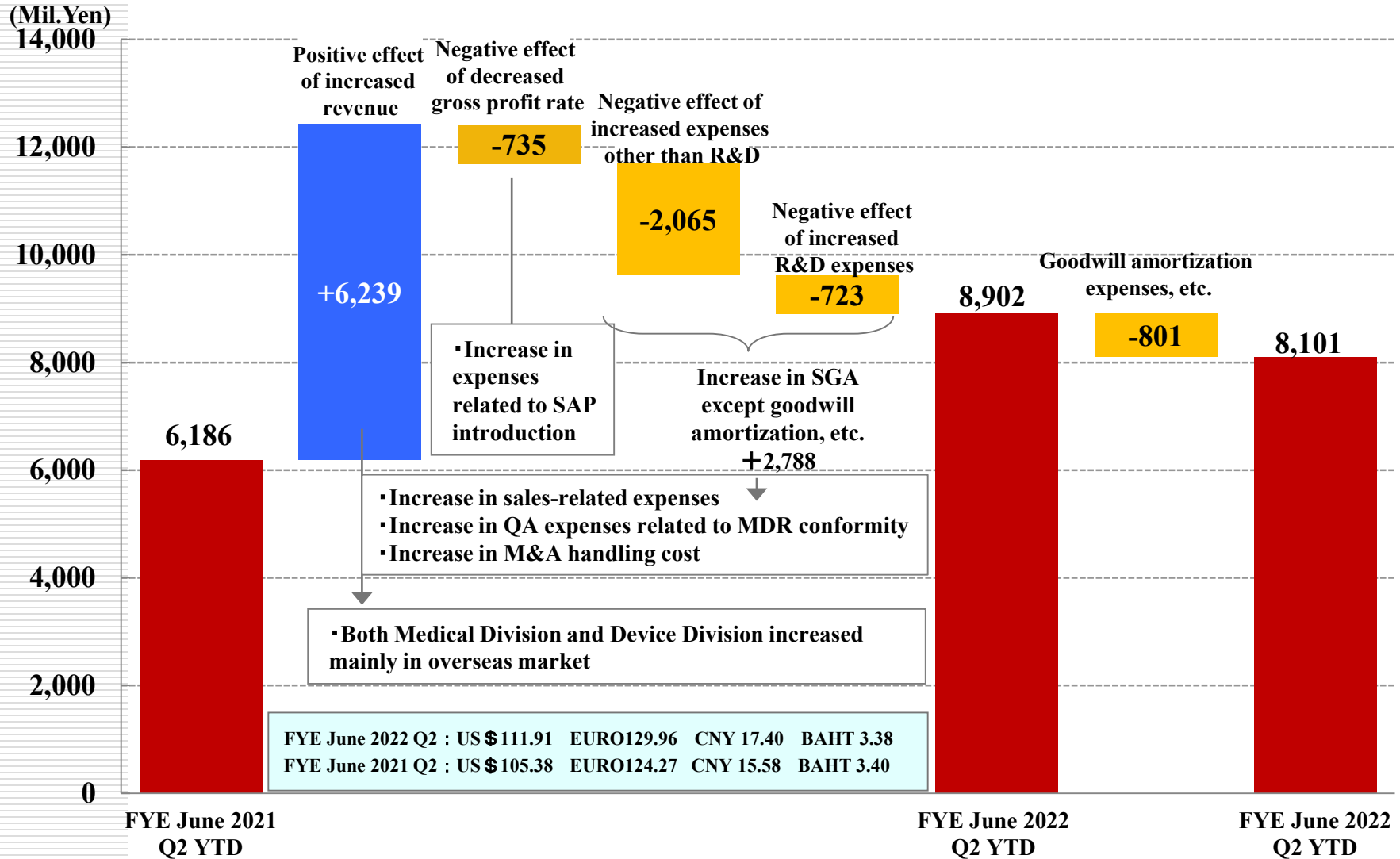


# Earnings Performance by Segment





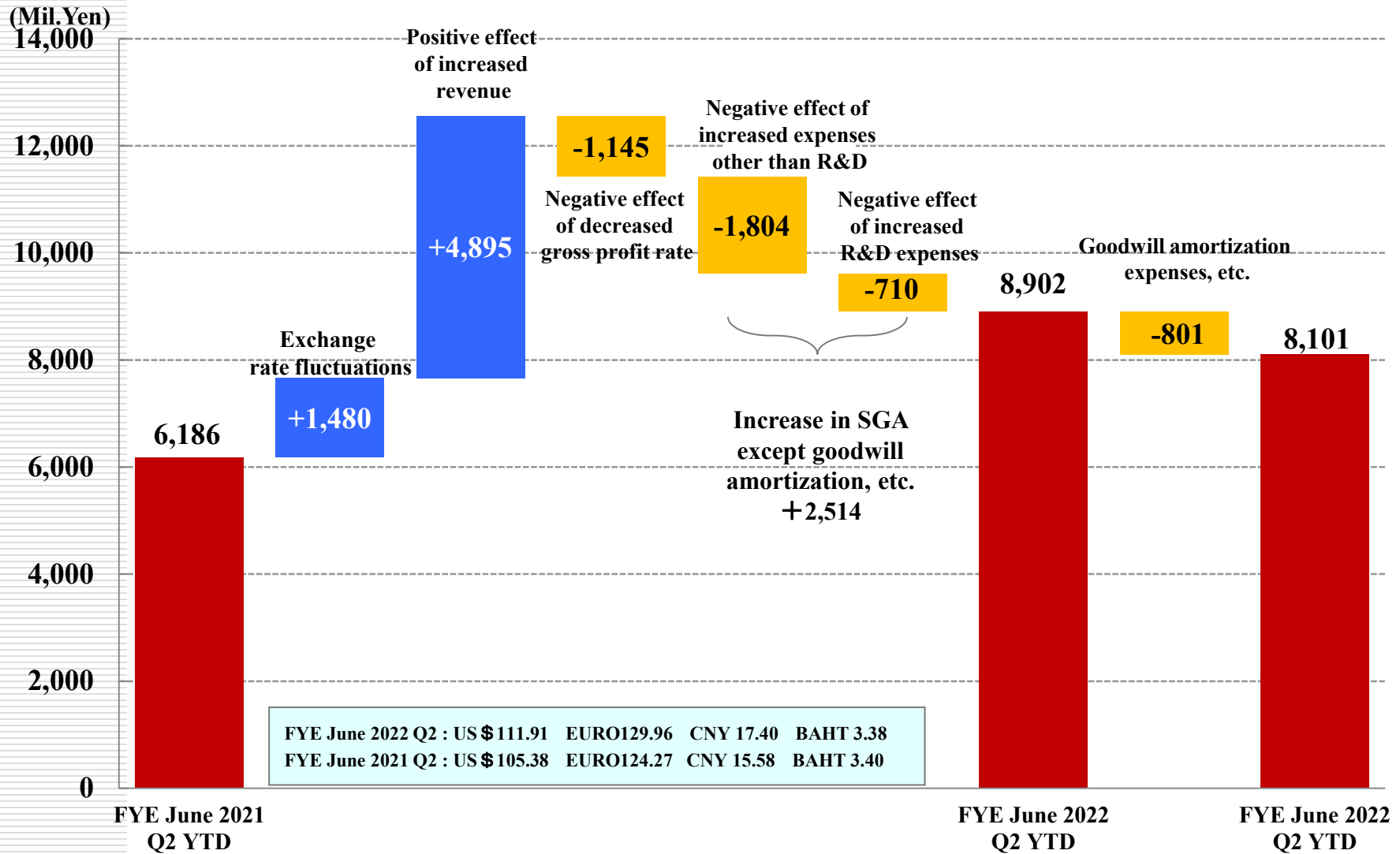
# Attribution Analysis of Operating Income – 1 (Exchange Rate Fluctuations Included)



(Excluding goodwill amortization, etc.)



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



(Excluding goodwill amortization, etc.)

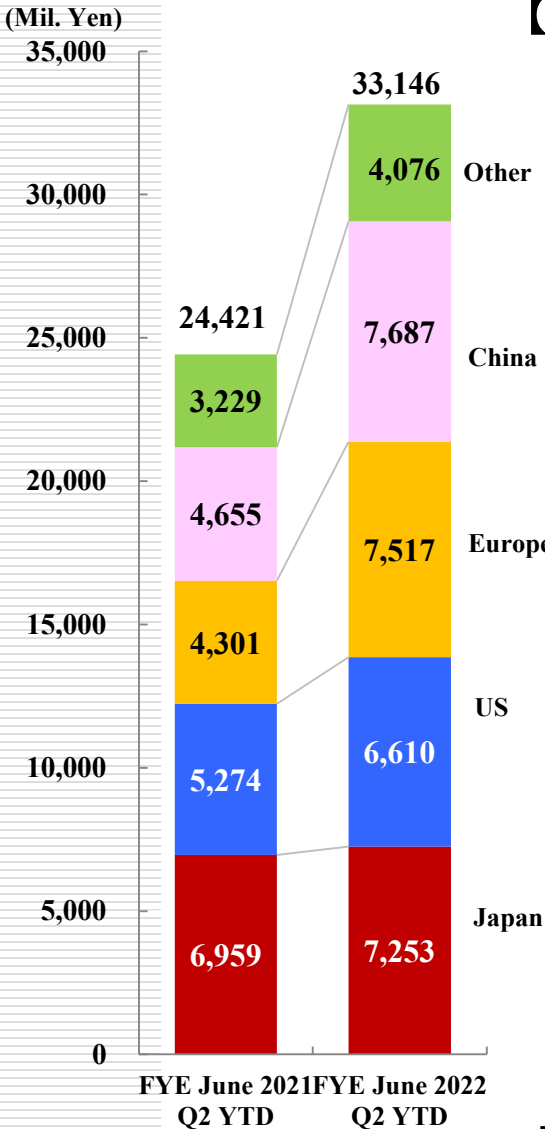


# Situation Per Segment Division



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

## 【 Revenue (YoY) 】



■ **Japan : Increased in Cardiovascular field although remained flat in the number of cases**

- Cardiovascular field : Increased mainly in PTCA GW and Penetration Catheter
- Non-Cardiovascular field : Temporary decrease due to the returns of gastrointestinal products in connection with the shift to direct sales

■ **Overseas: Increased due to recovery the number of cases , direct sales and M&A activities**

- **US**  
 Cardiovascular field : Increased mainly in PTCA GW and Penetration Catheter  
 Non-Cardiovascular field : Increased in OEM transactions due to M&A activities
- **Europe**  
 Cardiovascular field : Increased due to direct sales in Germany and M&A activities  
 Non-Cardiovascular field : Increased in transactions due to M&A activities and Peripheral vascular products
- **China**  
 Cardiovascular field : Significant increase in PTCA GW due to the recovery of the number of cases.  
 Revenue of Penetration Catheter “Corsair” and Guiding Catheter “Hyperion” were strong  
 Penetration Catheter “Caravel” was launched  
 Non-Cardiovascular field : Strong sales in Abdominal vascular products
- **Other** : Strong sales in Cardiovascular/ Non-Cardiovascular field in Asia and South America

【Operating income】 Increased due to increase in revenue



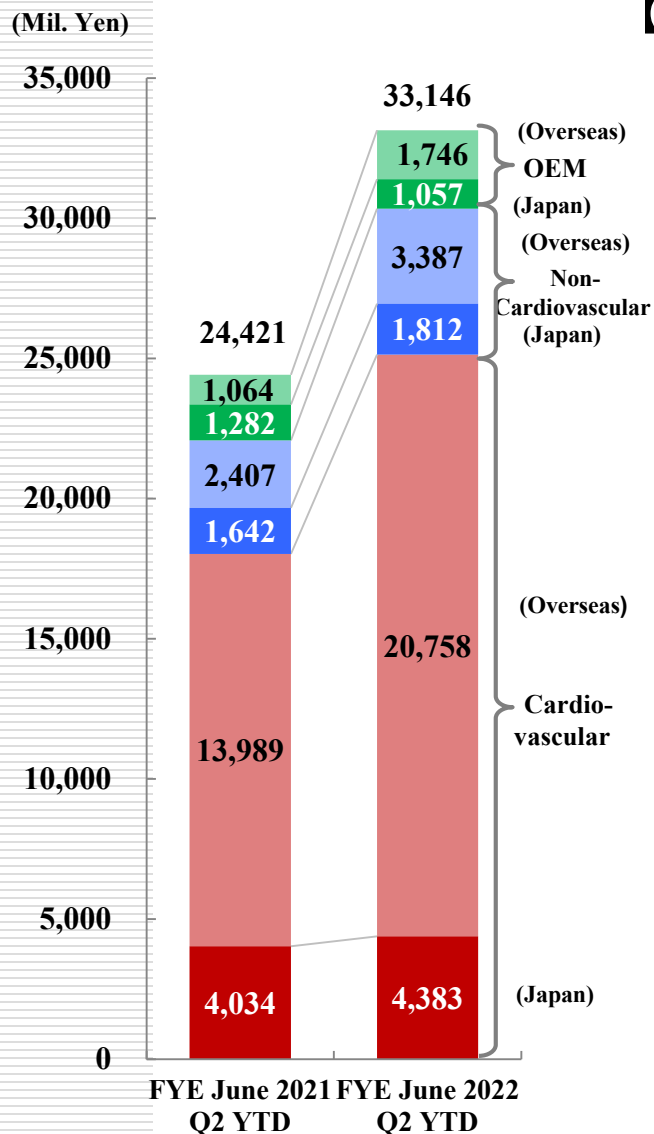
## Per Segment by Medical Division(by Geography – 2 )

(Mil. Yen)

		FYE June 2021 Q2 YTD	FYE June 2022 Q2 YTD	YoY	
				Changes	Changes(%)
Exchange rate(Yen)	USD	105.38	111.91	+6.53	+6.2
	EURO	124.27	129.96	+5.69	+4.6
	CNY	15.58	17.40	+1.82	+11.7
Total Revenue		24,421	33,146	+8,724	+35.7
Japan		6,959	7,253	+293	+4.2
Overseas		17,461	25,892	+8,430	+48.3
US		5,274	6,610	+1,335	+25.3
Europe		4,301	7,517	+3,215	+74.8
China		4,655	7,687	+3,032	+65.1
Other		3,229	4,076	+846	+26.2
Operating Income		6,499	7,504	+1,005	+15.5



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



## 【 Revenue (YoY) 】

### Cardiovascular

- **Japan** : Increased in Cardiovascular field although the number of cases remained flat year-on-year
  - Increased mainly PTCA GW and Penetration Catheter
- **Overseas** : Increased in due to recovery of the number of cases, direct sales and M&A activities
  - **US**: Increased mainly PTCA GW / Penetration Catheter
  - **Europe**: Increased due to switch to direct sales in Germany and M&A
  - **China**: Significant increase in PTCA GW due to the recovery of the number of cases and increasing orders due to building of distributors inventories. Sales of Penetration Catheter “Corsair” and Guiding Catheter “Hyperion” were strong. Penetration Catheter “Caravel” was launched

### Non-cardiovascular

- **Overseas** : Increased due to M&A activities
  - **Europe**: Increased due to increase transactions related to M&A and Peripheral vascular product
  - **China**: Strong sales of Abdominal vascular product

### OEM

- **Japan** : Temporary decrease due to the change in sales classification in connection with direct sales of gastrointestinal products
- **Overseas** : Increased due to M&A activities in US



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

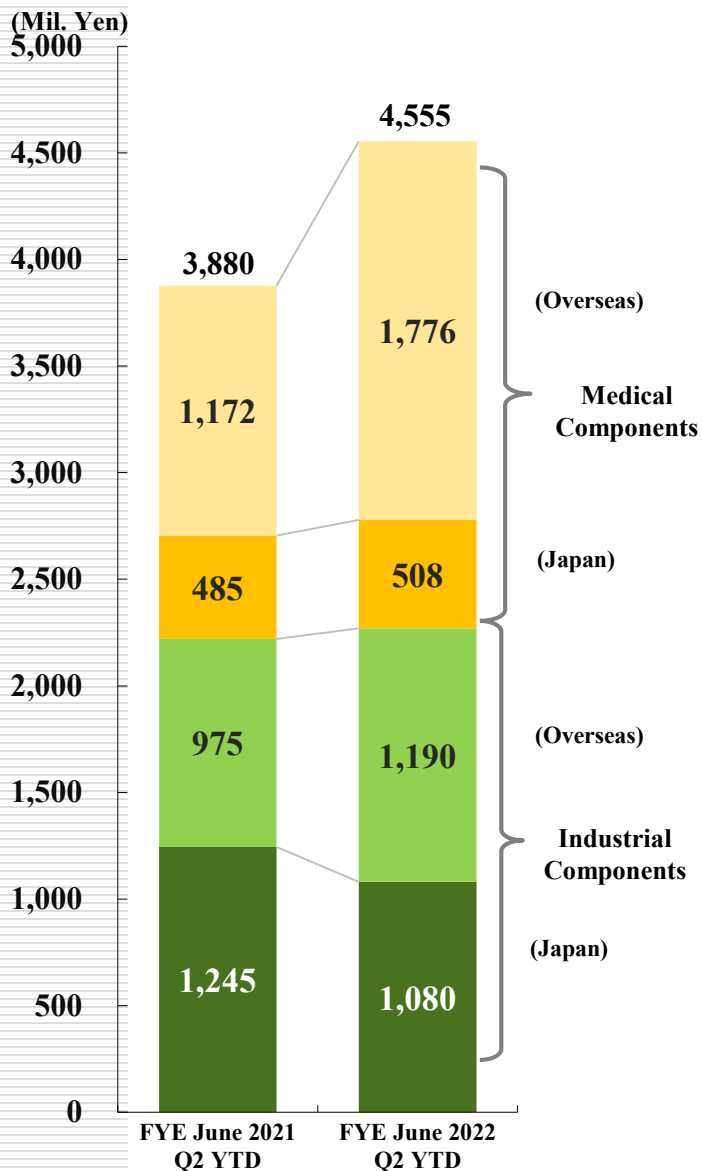
(Mil. Yen)

		FYE June 2021 Q2 YTD	FYE June 2022 Q2 YTD	YoY	
				Changes	Changes(%)
Exchange rate(Yen)	USD	105.38	111.91	+6.53	+6.2
	EURO	124.27	129.96	+5.69	+4.6
	CNY	15.58	17.40	+1.82	+11.7
<b>Total Revenue</b>		<b>24,421</b>	<b>33,146</b>	<b>+8,724</b>	<b>+35.7</b>
	<b>Japan</b>	<b>6,959</b>	<b>7,253</b>	<b>+293</b>	<b>+4.2</b>
	<b>Overseas</b>	<b>17,461</b>	<b>25,892</b>	<b>+8,430</b>	<b>+48.3</b>
<b>Cardiovascular</b>		<b>18,024</b>	<b>25,141</b>	<b>+7,117</b>	<b>+39.5</b>
	<b>Japan</b>	<b>4,034</b>	<b>4,383</b>	<b>+348</b>	<b>+8.6</b>
	<b>Overseas</b>	<b>13,989</b>	<b>20,758</b>	<b>+6,768</b>	<b>+48.4</b>
<b>Non-Cardiovascular</b>		<b>4,050</b>	<b>5,200</b>	<b>+1,150</b>	<b>+28.4</b>
	<b>Japan</b>	<b>1,642</b>	<b>1,812</b>	<b>+169</b>	<b>+10.3</b>
	<b>Overseas</b>	<b>2,407</b>	<b>3,387</b>	<b>+980</b>	<b>+40.7</b>
<b>OEM</b>		<b>2,346</b>	<b>2,803</b>	<b>+456</b>	<b>+19.5</b>
	<b>Japan</b>	<b>1,282</b>	<b>1,057</b>	<b>-224</b>	<b>-17.5</b>
	<b>Overseas</b>	<b>1,064</b>	<b>1,746</b>	<b>+681</b>	<b>+64.0</b>





# Per Segment by Device Division - 1



## 【 Revenue (YoY) 】

Increased both in Industrial and Medical Components mainly in overseas market due to recovery of the impact of COVID-19  
The impact of the disaster at Cebu factory on revenue of first half was minor

### Medical Components

- Japan : Remained flat
- Overseas : Increased in Abdominal vascular catheter components and examination catheter components of Cardiovascular for US

### Industrial Components

- Japan : Decreased due to suspension of construction trading
- Overseas : Increased in transactions of leisure, office automation equipment and automobile

## 【 Operating income 】

- Increased due to increase external revenue and intersegment transaction



## Per Segment by Device Division -2

(Mil. Yen)

		FYE June 2021 Q2 YTD	FYE June 2022 Q2 YTD	YoY	
				Changes	Changes (%)
Exchange rate (Yen)	USD	105.38	111.91	+6.53	+6.2
<b>Total Revenue</b>		<b>3,880</b>	<b>4,555</b>	<b>+675</b>	<b>+17.4</b>
	<b>Japan</b>	<b>1,731</b>	<b>1,588</b>	<b>-142</b>	<b>-8.3</b>
	<b>Overseas</b>	<b>2,148</b>	<b>2,967</b>	<b>+818</b>	<b>+38.1</b>
<b>Medical Components</b>		<b>1,658</b>	<b>2,285</b>	<b>+626</b>	<b>+37.8</b>
	<b>Japan</b>	<b>485</b>	<b>508</b>	<b>+22</b>	<b>+4.6</b>
	<b>Overseas</b>	<b>1,172</b>	<b>1,776</b>	<b>+603</b>	<b>+51.5</b>
<b>Industrial Components</b>		<b>2,221</b>	<b>2,270</b>	<b>+49</b>	<b>+2.2</b>
	<b>Japan</b>	<b>1,245</b>	<b>1,080</b>	<b>-165</b>	<b>-13.3</b>
	<b>Overseas</b>	<b>975</b>	<b>1,190</b>	<b>+214</b>	<b>+22.0</b>
<b>Operating Income</b>		<b>1,610</b>	<b>2,573</b>	<b>+962</b>	<b>+59.8</b>
<b>(Reference) Segment Revenue</b>		<b>2,809</b>	<b>6,534</b>	<b>+3,724</b>	<b>+132.6</b>



## Reference: P/L

	FYE June 2021 Q2 YTD		FYE June 2022 Q2 YTD			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Main comparison factors
Revenue	28,301	100.0	37,702	100.0	+9,400	Due to recovery from the impact of COVID-19
Cost of sales	8,782	31.0	12,678	33.6	+3,895	
Gross profit	19,519	69.0	25,023	66.4	+5,504	Due to increase in revenue
SGA	13,332	47.1	16,922	44.9	+3,589	Increased in sales related and R&D expenses
Operating income	6,186	21.9	8,101	21.5	+1,914	
Non-operating income	107	0.3	670	1.8	+562	Increased in foreign exchange gains
Non-operating expense	196	0.7	182	0.5	-14	
Ordinary income	6,097	21.5	8,590	22.8	+2,492	
Extraordinary gain	-	0.0	615	1.6	+615	Gain on step acquisitions
Extraordinary loss	2	0.0	386	1.0	+384	Loss on disaster at Cebu factory
Net income attributable to parent company shareholders	4,451	15.7	6,383	16.9	+1,932	
Comprehensive income	4,623	16.3	7,262	19.3	+2,638	



## Reference: B/S

		FYE June 2021		FYE June 2022 Q2 YTD			
		Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Main comparison factors
Assets	Current assets	61,132	53.0	71,983	51.2	10,850	Cash and deposit +11,323
	Fixed assets	54,294	47.0	68,694	48.8	14,399	Goodwill +5,344 Other intangible assets +6,887
Total assets		115,427	100.0	140,677	100.0	25,250	
Liabilities	Current liabilities	14,672	12.7	14,572	10.3	-99	
	Fixed liabilities	7,816	6.8	15,137	10.8	7,321	Long-term debt +5,236
Total liabilities		22,488	19.5	29,710	21.1	7,221	
Total net assets		92,938	80.5	110,967	78.9	18,028	Capital stock +6,213 Capital surplus +6,210 Retained earnings +3,388
Total liabilities & net assets		115,427	100.0	140,677	100.0	25,250	





# 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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