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# Financial Results of Fiscal Year ended June 2023

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**August 14, 2023**

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



# Contents

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**1. Summary of Consolidated Financial Results for  
FYE June 2023**

**2. Earnings Forecast for FYE June 2024**



# FYE June 2023 Main Points - 1

**Revenue 90,101 Mil.Yen <Year-on-year +15.9%>**

**Increased both Medical and Device Division due to exchange rate fluctuation and increasing overseas revenue 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~**
  - External environment : Increased in the number of cases due to recovery from the impact of Covid-19 (YoY +5.2%)  
Increased in revenue due to the exchange rate fluctuation(Yen depreciation)
  - In Cardiovascular field, increased in all overseas regions, mainly in China and U.S. market
  - In Non-Cardiovascular field, increased favorably due to OEM (Rev.1and existing OEM) business although China decreased.
  - Decreased due to reimbursement price reduction (Domestic) ( -502 Mil. Yen )
- **Device Division ~ Increased in Medical Components in overseas market mainly in US ~**
  - External environment : Increased in revenue due to the exchange rate fluctuation(Yen depreciation)  
Reactivated market due to the recovery from the number of cases mainly medical device market
  - In Medical Components business, increased in Cardiovascular ultrasound catheter components and Cardiovascular examination catheter components for US companies
  - In Industrial Components business, remained flat due to decreasing construction-related and automobile-related transactions , though increased in leisure-related transaction
- **Impact of increased revenue due to exchange rate fluctuation (Yen depreciation) + 8,053 Mil. Yen**



## FYE June 2023 Main Points - 2

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

- **Gross profit: 58,832 Mil.Yen < YoY +15.2% >**
  - Increased in gross profit due to increased in revenue
- **Operating income excluding goodwill amortization, etc.: 19,934 Mil. Yen < YoY +18.0% >**
  - Increased revenue and expenses related to sales promotion activities in overseas market
  - Increased in R&D expenses (9,723 Mil.Yen) (YoY +853 Mil.Yen, R&D-to-Revenue ratio 10.8 %)
  - Payment of special bonuses including inflation allowances, etc.
- **Operating income: 18,030 Mil.Yen < YoY +18.3% >**
  - Increased goodwill amortization, etc. (1,903 Mil. Yen) ( YoY +249Mil. Yen)
- **Ordinary income: 17,635 Mil.Yen < YoY +8.0% >**
  - Increase in foreign exchange loss (Including a decrease of foreign exchange gain YoY -1,281 Mil.Yen)
- **Net Income attributable to parent company shareholders: 13,106 Mil.Yen < YoY +20.7% >**
  - Recording of insurance proceeds on disaster at Cebu factory (YoY +305 Mil.Yen)
  - Decreased in loss on disaster at Cebu factory (YoY +609 Mil. Yen)
  - Decreased in gain on step acquisitions (YoY -615 Mil. Yen)

Exchange rate (Unit : JPY)	US \$	EURO	CNY	BAHT
FYE June 2023	137.49	143.92	19.75	3.90
FYE June 2022	117.46	132.15	18.18	3.51



## Highlights Year-on-Year

	FYE June 2022 YTD		FYE June 2023 YTD			
	Amount ( Mil.Yen)	Ratio (%)	Amount ( Mil.Yen)	Ratio (%)	YoY	
					Changes ( Mil.Yen)	Changes (%)
Revenue	77,748	100.0	90,101	100.0	+12,352	+15.9
Gross Profit	51,082	65.7	58,832	65.3	+7,750	+15.2
Operating Income excluding goodwill amortization, etc.	16,893	21.7	19,934	22.1	+3,040	+18.0
Operating Income	15,239	19.6	18,030	20.0	+2,791	+18.3
Ordinary Income	16,326	21.0	17,635	19.6	+1,309	+8.0
Net income attributable to parent company shareholders	10,857	14.0	13,106	14.5	+2,248	+20.7
EPS (yen)	40.01	—	48.25	—	+8.24	+20.6
EBITDA	22,712	29.2	26,742	29.7	+4,029	+17.7



## Highlights Compared to the Plan

	FYE June 2023 Plan		FYE June 2023 Results			
	Amount ( Mil.Yen)	Ratio (%)	Amount ( Mil.Yen)	Ratio (%)	Compared to plan	
					Changes ( Mil.Yen)	Changes(%)
Revenue	89,339	100.0	90,101	100.0	+762	+0.9
Gross Profit	57,950	64.9	58,832	65.3	+882	+1.5
Operating Income excluding goodwill amortization, etc.	19,163	21.4	19,934	22.1	+771	+4.0
Operating Income	17,433	19.5	18,030	20.0	+597	+3.4
Ordinary Income	17,423	19.5	17,635	19.6	+212	+1.2
Net income attributable to parent company shareholders	12,405	13.9	13,106	14.5	+700	+5.6
EPS (yen)	45.67	—	48.25	—	+2.58	+5.6
EBITDA	25,752	28.8	26,742	29.7	+989	+3.8



## Revenue by Segment Year-on-year

	FYE June 2022 Results		FYE June 2023 Results			
	Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	Changes (Mil.Yen)	Changes (%)
Medical	68,345	87.9	78,552	87.2	+10,206	+14.9
Device	9,403	12.1	11,549	12.8	+2,145	+22.8
<b>Total amount</b>	<b>77,748</b>	<b>100.0</b>	<b>90,101</b>	<b>100.0</b>	<b>+12,352</b>	<b>+15.9</b>

(Reference)

Medical Field	73,358	94.4	85,784	95.2	+12,426	+16.9
Device Field	4,389	5.6	4,316	4.8	- 73	- 1.7



## Operating Income by Segment Year-on-year

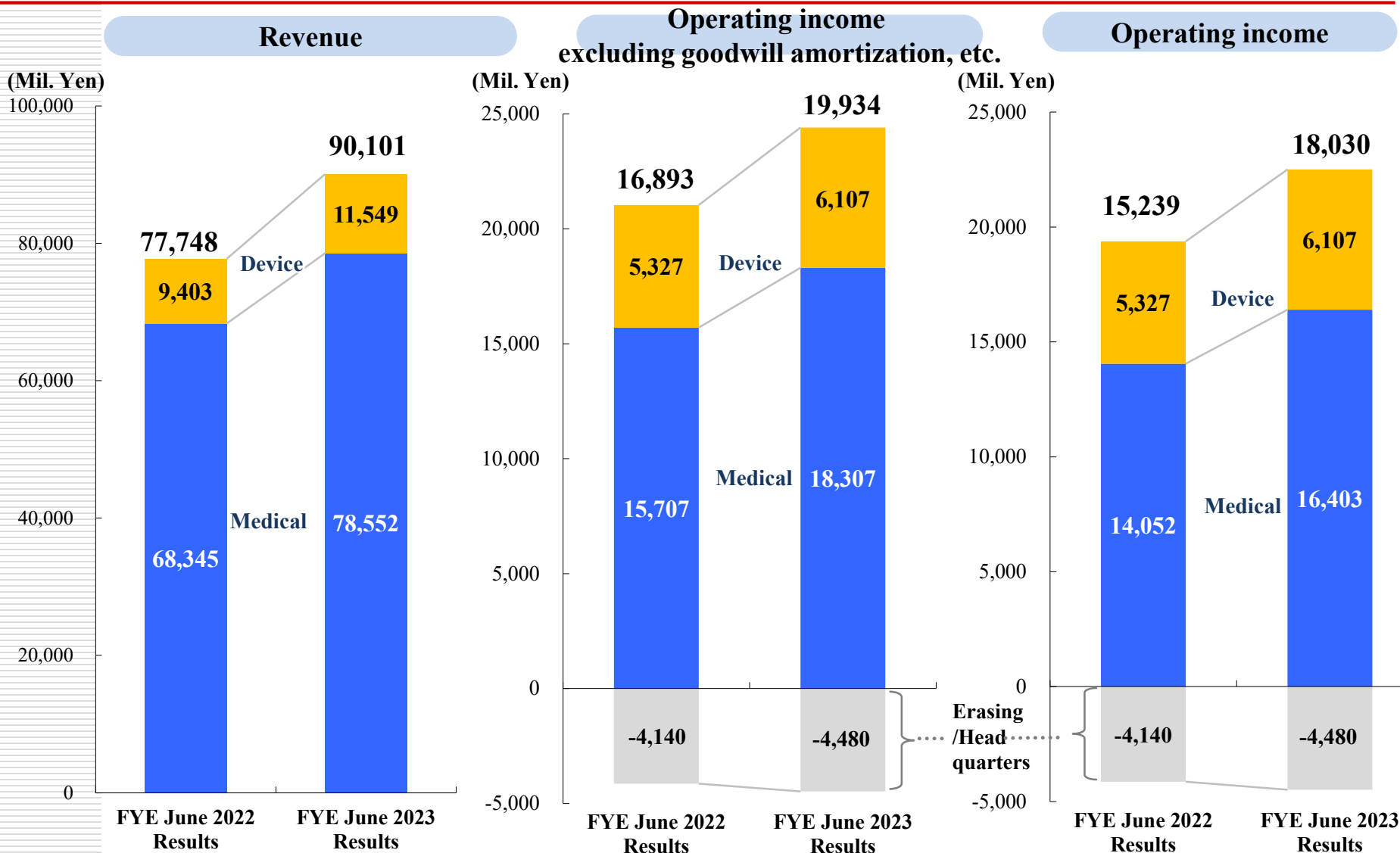
	FYE June 2022 Results		FYE June 2023 Results			
	Amount (Mil.Yen)	Operating margin (%)	Amount (Mil.Yen)	Operating margin (%)	Changes (Mil.Yen)	Changes (%)
<b>Operating income excluding goodwill amortization, etc.</b>						
Medical	15,707	23.0	18,307	23.3	+2,600	+16.6
Device	5,327	56.7	6,107	52.9	+780	+14.6
Erasing & Head Quarters	- 4,140	—	- 4,480	—	- 339	+8.2
<b>Total</b>	<b>16,893</b>	<b>21.7</b>	<b>19,934</b>	<b>22.1</b>	<b>+3,040</b>	<b>+18.0</b>
<b>Operating income</b>						
Medical	14,052	20.6	16,403	20.9	+2,351	+16.7
Device	5,327	56.7	6,107	52.9	+780	+14.6
Erasing & Head Quarters	- 4,140	—	- 4,480	—	- 339	+8.2
<b>Total</b>	<b>15,239</b>	<b>19.6</b>	<b>18,030</b>	<b>20.0</b>	<b>+2,791</b>	<b>+18.3</b>
<b>(Reference)</b>						
<b>Device Division Segment Revenue</b>	<b>13,903</b>	<b>—</b>	<b>14,461</b>	<b>—</b>	<b>+558</b>	<b>+4.0</b>

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





# Earnings Performance by Segment

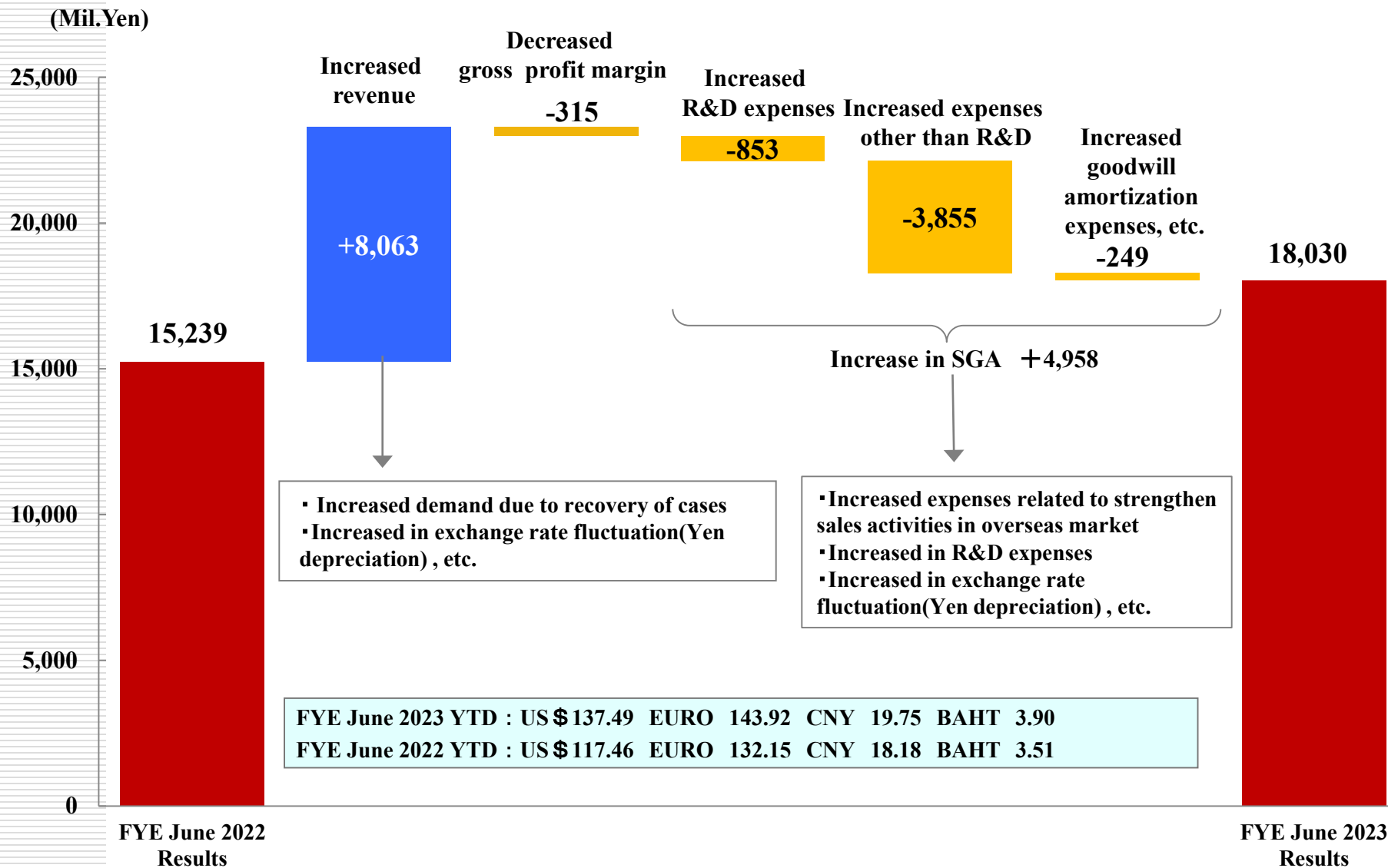


\*Operating income in device division increased in proportion to higher intersegment sales



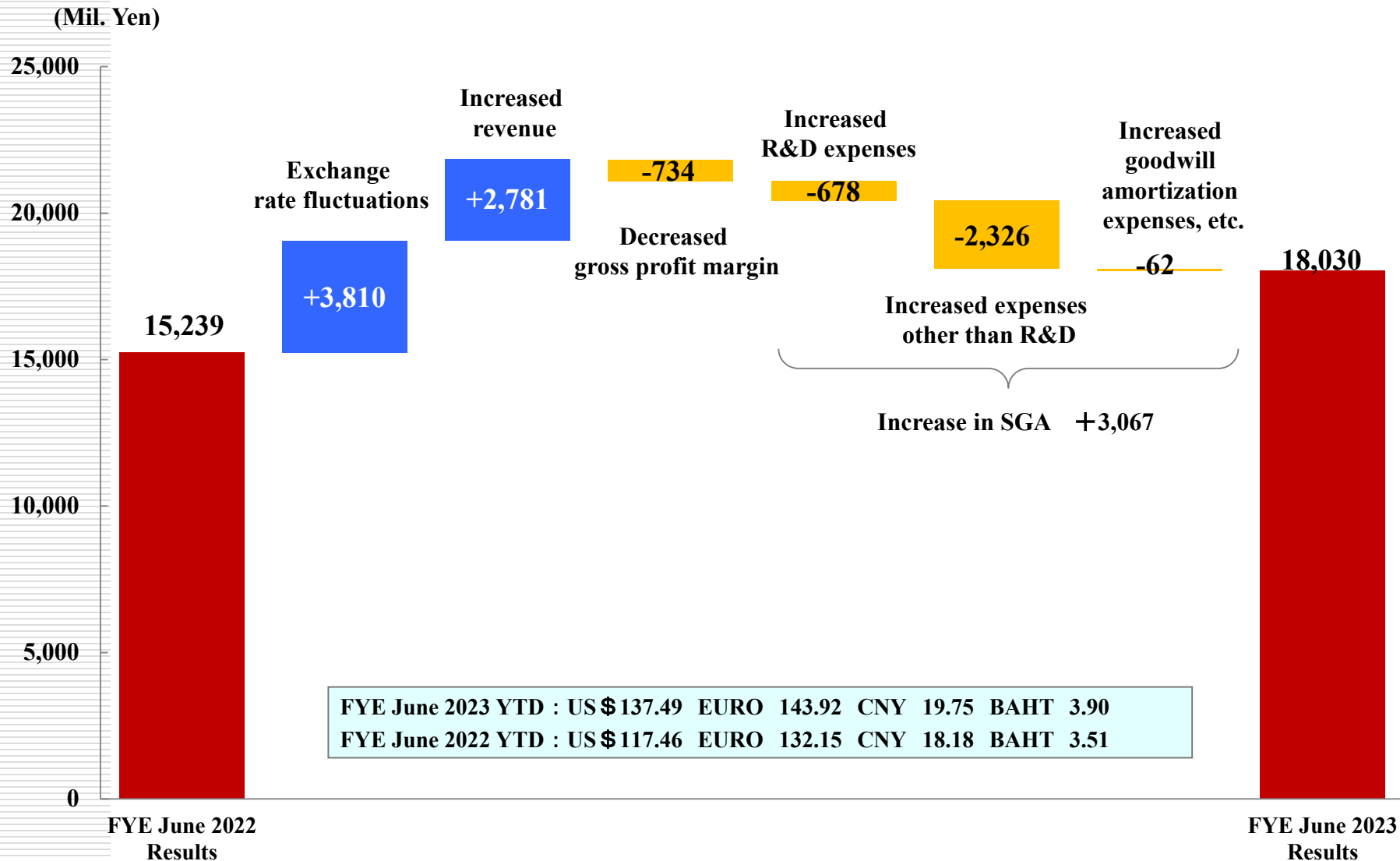
# Attribution Analysis of Operating Income – 1

## (Exchange Rate Fluctuations Included)





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



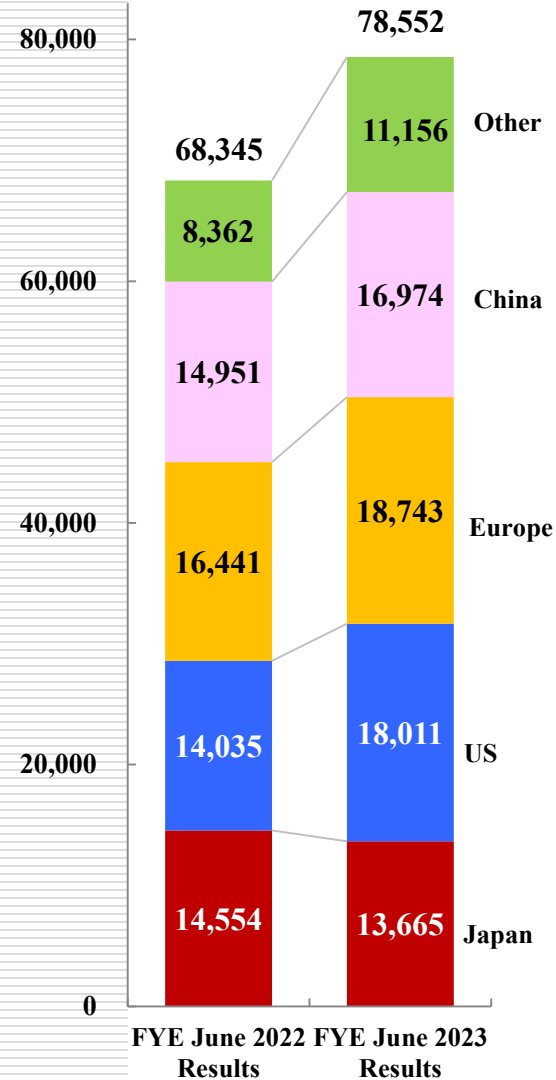


# Situation Per Segment Division



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

(Mil. Yen)



## 【Revenue (YoY)】

- **Japan** : Decreased due to reimbursement price reduction 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
  - Reimbursement price reduction (YoY -502 Mil. Yen)
- **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 Cardiovascular and Non-cardiovascular sales include inventory building for MDR conformity
  - **China**
    - Cardiovascular field : Strong sales of PCI GW and Balloon Catheter (purchased products)
    - 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



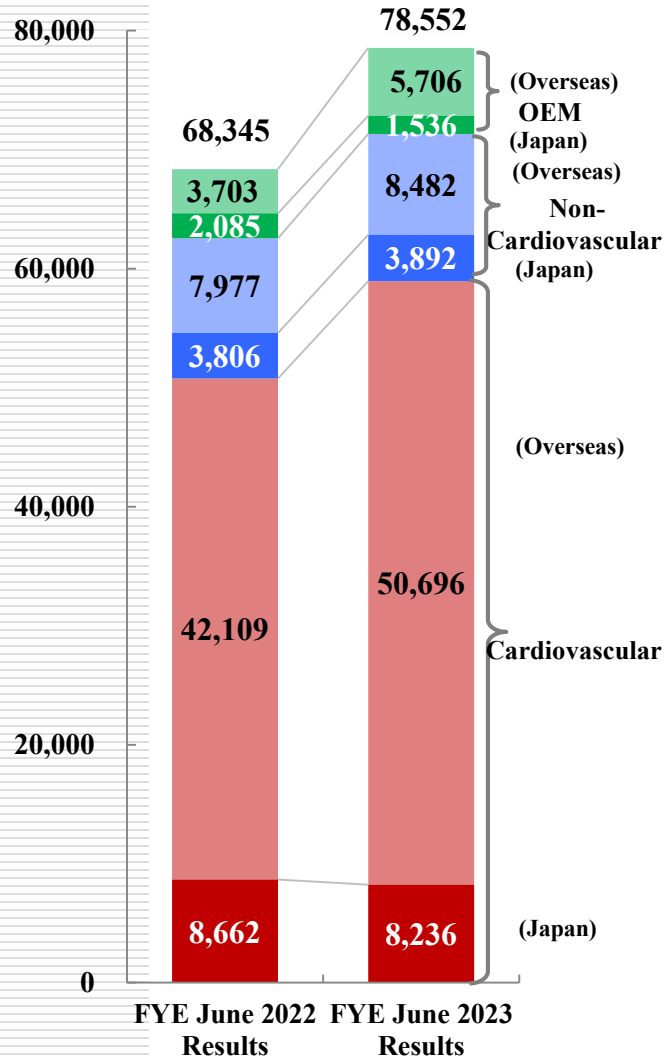
## Per Segment by Medical Division (by Geography – 2)

(Mil. Yen)		FYE June 2022 Results	FYE June 2023 Results	YoY	
				Changes	Changes (%)
Exchange rate (Yen)	USD	117.46	137.49	+20.03	+17.1
	EURO	132.15	143.92	+11.77	+8.9
	CNY	18.18	19.75	+1.57	+8.6
Total Revenue		68,345	78,552	+10,206	+14.9
Japan		14,554	13,665	- 888	- 6.1
Overseas		53,790	64,886	+11,095	+20.6
US		14,035	18,011	+3,976	+28.3
Europe		16,441	18,743	+2,301	+14.0
China		14,951	16,974	+2,022	+13.5
Other		8,362	11,156	+2,794	+33.4
Operating income		14,052	16,403	+2,351	+16.7



# 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, recovering the number of cases and strong demand
  - **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, Balloon Catheter (purchased products)
  - **Other**: Strong sales of PCI GW/Penetration Catheter mainly in Asia

### Non-Cardiovascular

- **Japan**: Increased in Gastrointestinal products
- **Overseas**: Increased in Peripheral and Abdominal vascular fields
  - **Europe**: Increased in sales for distributors in western Europe
  - **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 due to reduction of endoscopy related transaction
- **Overseas**: Increased due to strong sales in U.S. (Rev.1) and Asia regions



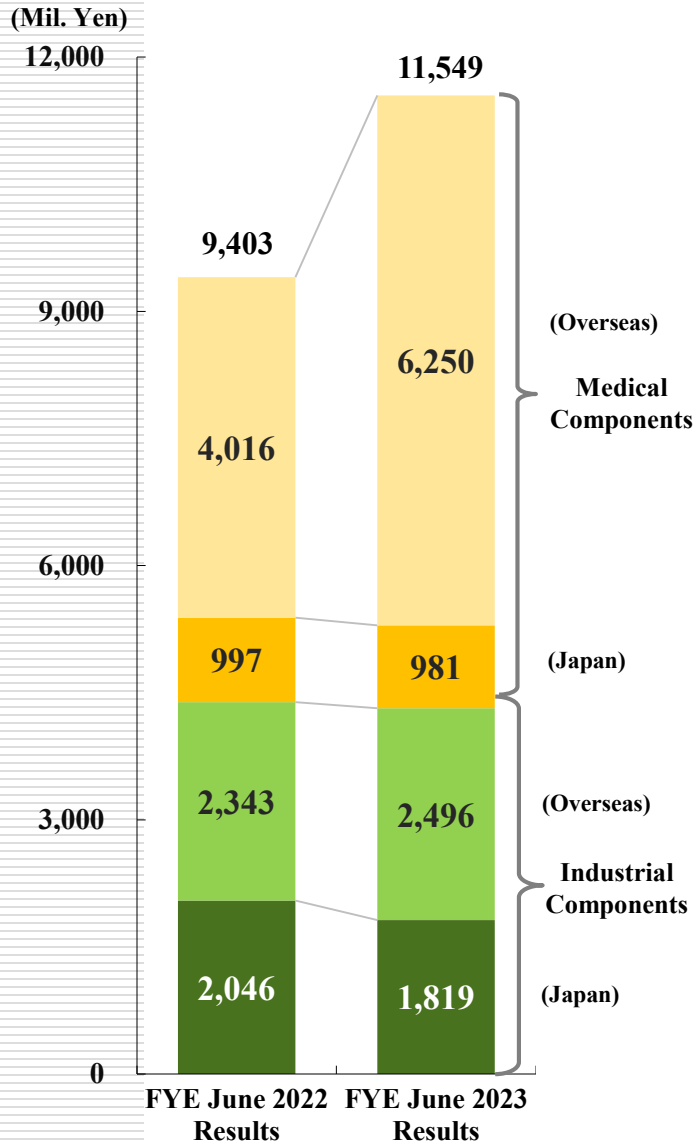
## Per Segment by Medical Division (by Treatment – 2)

(Mil. Yen)		FYE June 2022 Results	FYE June 2023 Results	YoY	
				Changes	Changes(%)
Exchange rate (Yen)	USD	117.46	137.49	+20.03	+17.1
	EURO	132.15	143.92	+11.77	+8.9
	CNY	18.18	19.75	+1.57	+8.6
Total Revenue		68,345	78,552	+10,206	+14.9
	Japan	14,554	13,665	- 888	- 6.1
	Overseas	53,790	64,886	+11,095	+20.6
Cardiovascular		50,772	58,933	+8,161	+16.1
	Japan	8,662	8,236	- 425	- 4.9
	Overseas	42,109	50,696	+8,587	+20.4
Non-Cardiovascular		11,784	12,375	+590	+5.0
	Japan	3,806	3,892	+85	+2.2
	Overseas	7,977	8,482	+505	+6.3
OEM		5,788	7,243	+1,454	+25.1
	Japan	2,085	1,536	- 548	- 26.3
	Overseas	3,703	5,706	+2,002	+54.1





# Per Segment by Device Division - 1



## 【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
- Overseas: Increased in Cardiovascular ultrasound catheter components and Cardiovascular examination catheter components for US companies

### Industrial Component

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

## 【 Operating income 】

- Increased due to increasing external revenue and intersegment transactions



## Per Segment by Device Division - 2

(Mil. Yen)		FYE June 2022 Results	FYE June 2023 Results	YoY	
				Changes	Changes (%)
Exchange rate (Yen)	USD	117.46	137.49	+20.03	+17.1
<b>Total Revenue</b>		<b>9,403</b>	<b>11,549</b>	<b>+2,145</b>	<b>+22.8</b>
	<b>Japan</b>	<b>3,044</b>	<b>2,801</b>	<b>- 242</b>	<b>- 8.0</b>
	<b>Overseas</b>	<b>6,359</b>	<b>8,747</b>	<b>+2,388</b>	<b>+37.6</b>
<b>Medical Components</b>		<b>5,013</b>	<b>7,232</b>	<b>+2,219</b>	<b>+44.3</b>
	<b>Japan</b>	<b>997</b>	<b>981</b>	<b>- 15</b>	<b>- 1.5</b>
	<b>Overseas</b>	<b>4,016</b>	<b>6,250</b>	<b>+2,234</b>	<b>+55.6</b>
<b>Industrial Components</b>		<b>4,389</b>	<b>4,316</b>	<b>- 73</b>	<b>- 1.7</b>
	<b>Japan</b>	<b>2,046</b>	<b>1,819</b>	<b>- 227</b>	<b>- 11.1</b>
	<b>Overseas</b>	<b>2,343</b>	<b>2,496</b>	<b>+153</b>	<b>+6.6</b>
<b>Operating income</b>		<b>5,327</b>	<b>6,107</b>	<b>+780</b>	<b>+14.6</b>
<b>(Reference) Segment Revenue</b>		<b>13,903</b>	<b>14,461</b>	<b>+558</b>	<b>+4.0</b>



## Reference: P/L

	FYE June 2022 Results		FYE June 2023 Results			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Main comparison factors
Revenue	77,748	100.0	90,101	100.0	+12,352	<ul style="list-style-type: none"> <li>• Increase demand due to recovery of cases</li> <li>• Exchange rate fluctuation (Yen depreciation)</li> </ul>
Cost of sales	26,666	34.3	31,268	34.7	+4,602	
Gross profit	51,082	65.7	58,832	65.3	+7,750	
SGA	35,843	46.1	40,802	45.3	+4,958	• Increased expenses related to sales and R&D
Operating income excl. goodwill amortization	16,893	21.7	19,934	22.1	+3,040	
Operating income	15,239	19.6	18,030	20.0	+2,791	
Non-operating income	1,460	1.9	308	0.3	- 1,152	• Decreased in foreign exchange gain
Non-operating expense	373	0.5	703	0.8	+329	• Increased in foreign exchange loss
Ordinary income	16,326	21.0	17,635	19.6	+1,309	
Extraordinary income	615	0.8	305	0.3	- 310	<ul style="list-style-type: none"> <li>• Decreased in gains due to step acquisitions</li> <li>• Increased in insurance proceeds on disaster at Cebu factory</li> </ul>
Extraordinary loss	1,211	1.6	197	0.2	- 1,013	<ul style="list-style-type: none"> <li>• Decreased in loss on disaster at Cebu factory</li> <li>• Decrease in loss on valuation of investment securities</li> </ul>
Net income attributable to parent company shareholders	10,857	14.0	13,106	14.5	+2,248	
Comprehensive income	17,297	22.2	16,280	18.1	- 1,016	

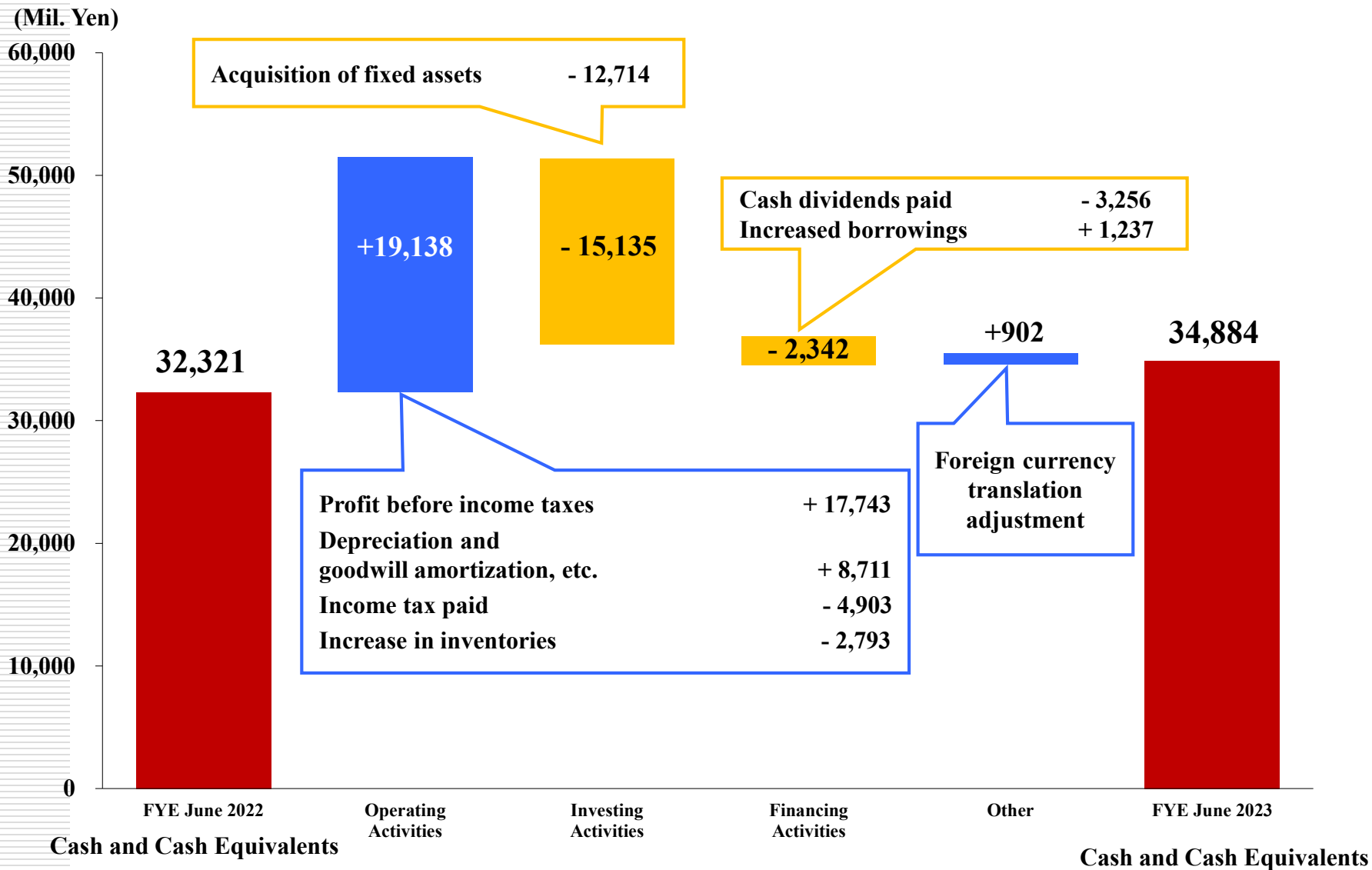


## Reference: B/S

		FYE June 2022 Results		FYE June 2023 Results			
		Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Main comparison factors
Assets	Current assets	79,609	51.3	90,261	52.3	+10,652	Inventories +4,402 Cash and deposit +2,563 Securities +2,000
	Fixed assets	75,517	48.7	82,383	47.7	+6,865	Tangible fixed assets +8,122 Intangible assets - 988
Total assets		155,127	100.0	172,644	100.0	+17,517	
Liabilities	Current liabilities	20,761	13.4	26,316	15.2	+5,554	Short-term borrowings +4,546 Provision for bonuses + 413 Accounts payable + 316
	Fixed liabilities	13,234	8.5	12,028	7.0	- 1,206	Long-term borrowings - 2,471 Retirement benefit liability + 462
Total liabilities		33,996	21.9	38,344	22.2	+4,347	
Total net assets		121,130	78.1	134,300	77.8	+13,169	Retained earnings +9,849
Total liabilities & net assets		155,127	100.0	172,644	100.0	+17,517	



# Reference: C/F



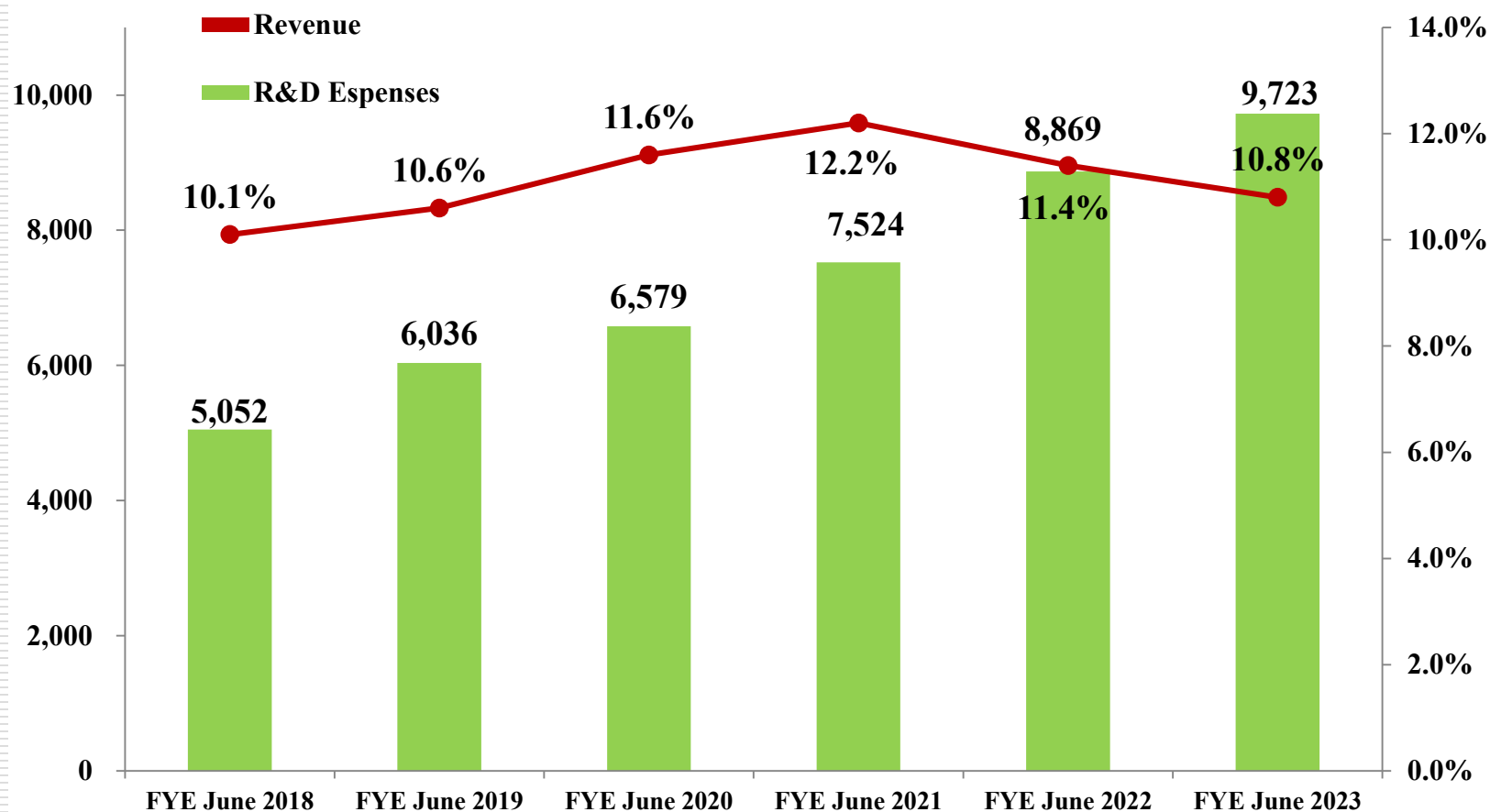


## R&D Expenses

Although the ratio is decreasing in line with increased revenue (including foreign exchange), the upper limit of 12% remains unchanged, and investing aggressively

R&D Expenses  
(Mil. Yen)

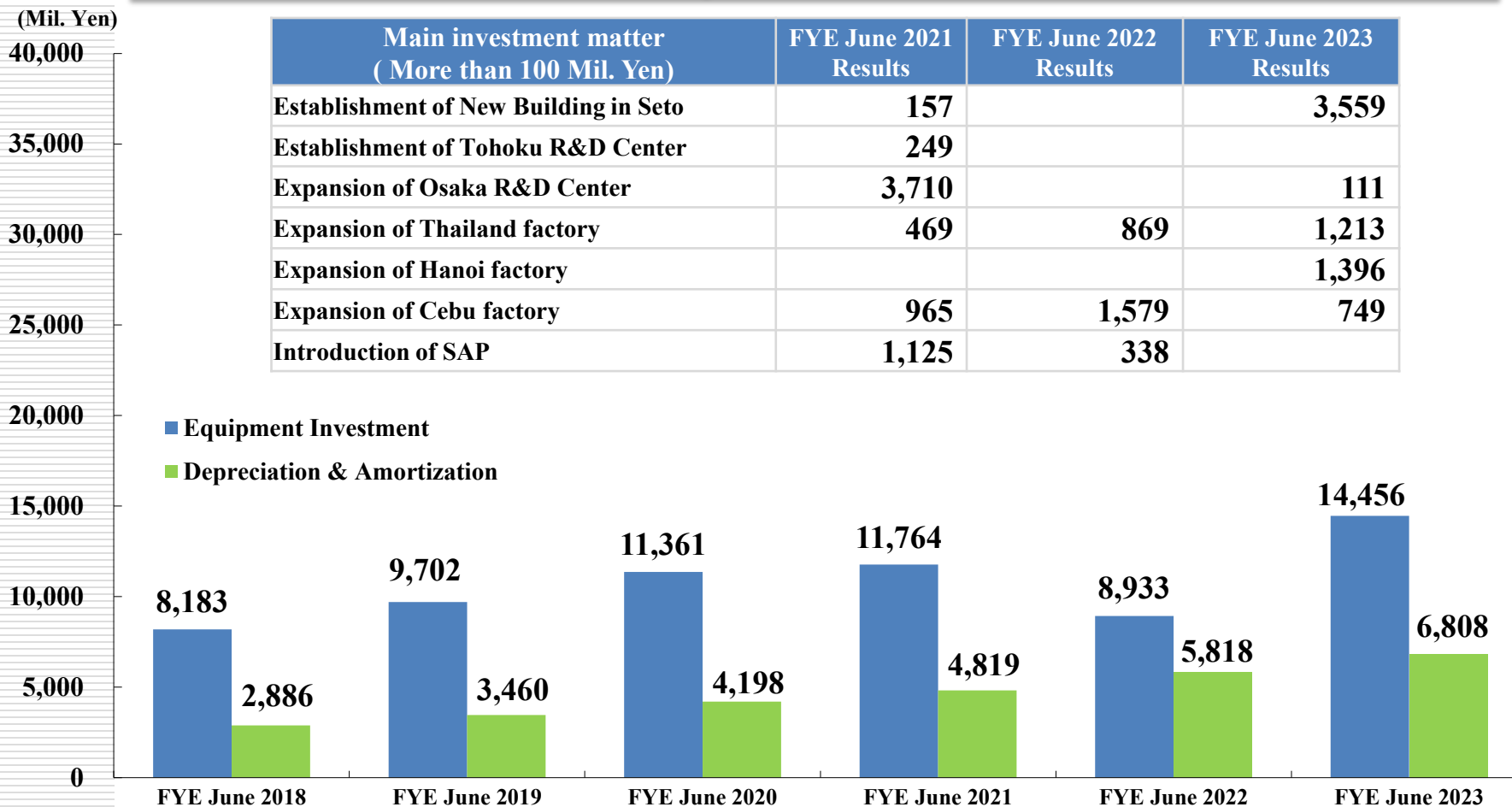
R&D-to-revenue ratio





# Results and Plan for Equipment Installation

## Establishment of R&D building and expansion of overseas factory bases for future production increase



※ Excluding amortization transferred to amortization of goodwill, etc.



# Contents

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**1. Summary of Consolidated Financial Results for  
FYE June 2023**

**2. Earnings Forecast for FYE June 2024**





# Earnings Forecast for FYE June 2024

**Double-digit profit growth with revenue exceeding 100 billion yen is expected due to market penetration of products, including the effect of new products while the impact of COVID-19 is becoming less significant in many regions**

## ■ Revenue is expected to increase to 100,353 Mil. Yen (+11.4% YoY) due to increase in overseas revenue in Medical Division

- Cardiovascular field: Increased due to market penetration in all regions of overseas market
- Non-cardiovascular field: Increased due to penetration of new products primarily U.S. Peripheral vascular market and OEM/ODM transactions
- Increased slightly both medical and industrial components

## ■ Although sales cost increase due to currency movements such as a strong Thai baht, operating income is expected to increase double-digit growth in proportion to revenue

### ● Gross profit 65,805 Mil. Yen (YoY +11.9%)

- Increase in gross profit margin (65.3%⇒65.6%)

### ● Operating income excluding goodwill amortization, etc. 21,942 Mil. Yen (YoY+10.1%)

- Increase in expenses for strengthening sales promotion mainly in US and China
- Increase in R&D expenses (11,000 Mil. Yen, revenue ratio 11.0%)
- Increase in QA expenses related to MDR conformity
- Operating income 20,073 Mil. Yen (YoY +11.3%)
- Ordinary income 19,951 Mil. Yen (YoY +13.1%)
- Net income attributable to parent company shareholders: 14,872 Mil. Yen (YoY +13.5%)

Exchange rate (Unit : JPY)	US \$	EURO	CNY	BAHT
FYE June 2023 Results	137.49	143.92	19.75	3.90
FYE June 2024 Plan	137.50	145.00	19.50	4.10

### Effect of exchange rate on operating income (Main currency)

US \$ (+1 yen influence) : approx. 143 Mil. Yen Increase  
 EURO (+1 yen influence) : approx. 106 Mil. Yen Increase  
 CNY (+1 yen influence) : approx. 895 Mil. Yen Increase  
 BAHT(+0.1 yen influence) : approx. 355 Mil. Yen Decrease



## Earnings Forecast for FYE June 2024

	FYE June 2023 Results		FYE June 2024 Plan			
	Amount (Mil.Yen)	Ratio(%)	Amount (Mil.Yen)	Ratio(%)	YoY	
					Changes (Mil.Yen)	Changes (%)
Revenue	90,101	100.0	100,353	100.0	+10,251	+11.4
Gross profit	58,832	65.3	65,805	65.6	+6,972	+11.9
Operating income excluding goodwill amortization, etc.	19,934	22.1	21,942	21.9	+2,007	+10.1
Operating income	18,030	20.0	20,073	20.0	+2,042	+11.3
Ordinary income	17,635	19.6	19,951	19.9	+2,316	+13.1
Net income attributable to parent company shareholders	13,106	14.5	14,872	14.8	+1,766	+13.5
EPS (Yen)	48.25	—	54.75	—	+6.50	+13.5
EBITDA	26,742	29.7	29,456	29.4	+2,713	+10.1



# Earnings Forecast by Segment

## Revenue

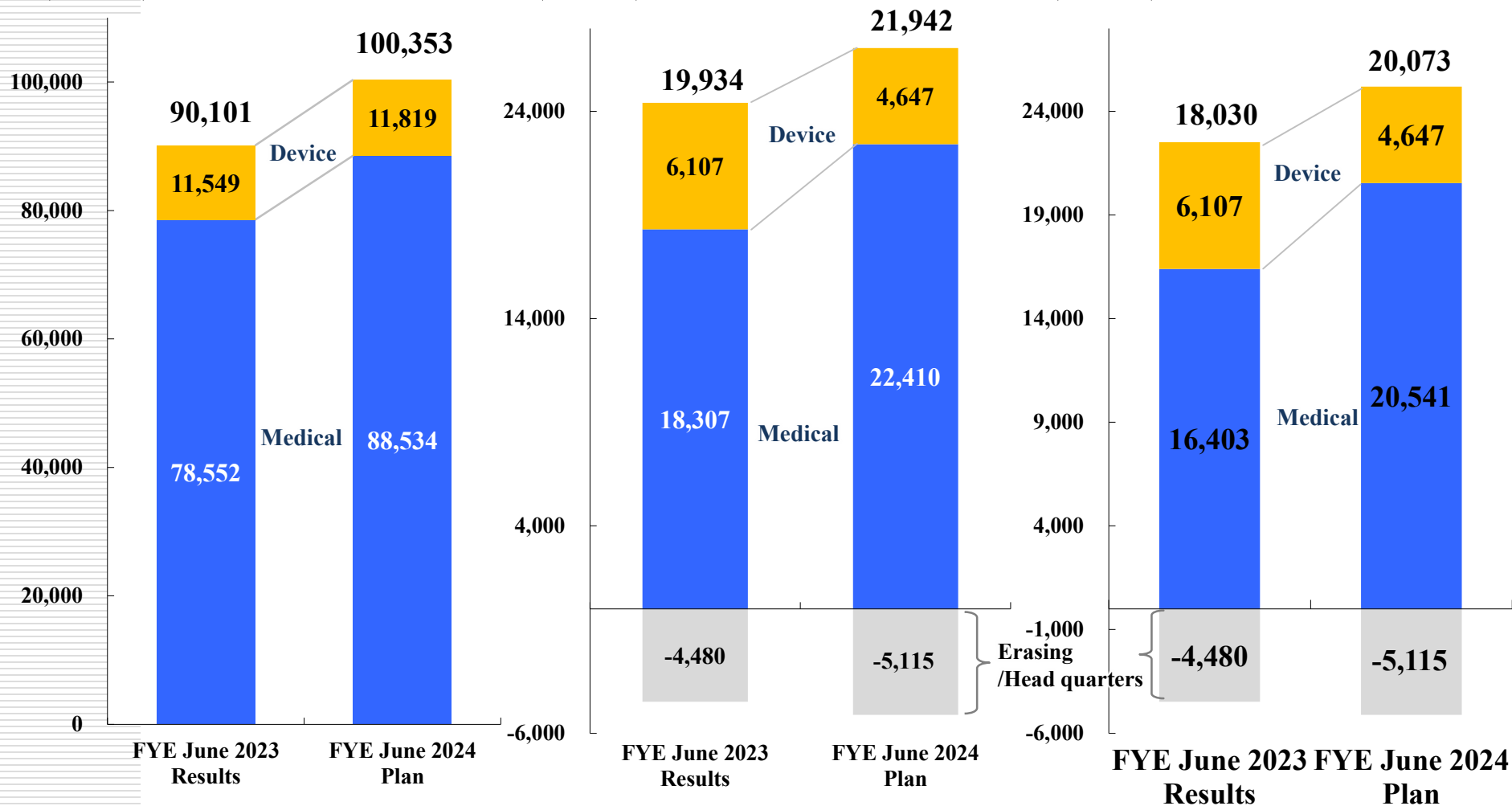
(Mil. Yen)

## Operating income excluding goodwill amortization, etc.

(Mil. Yen)

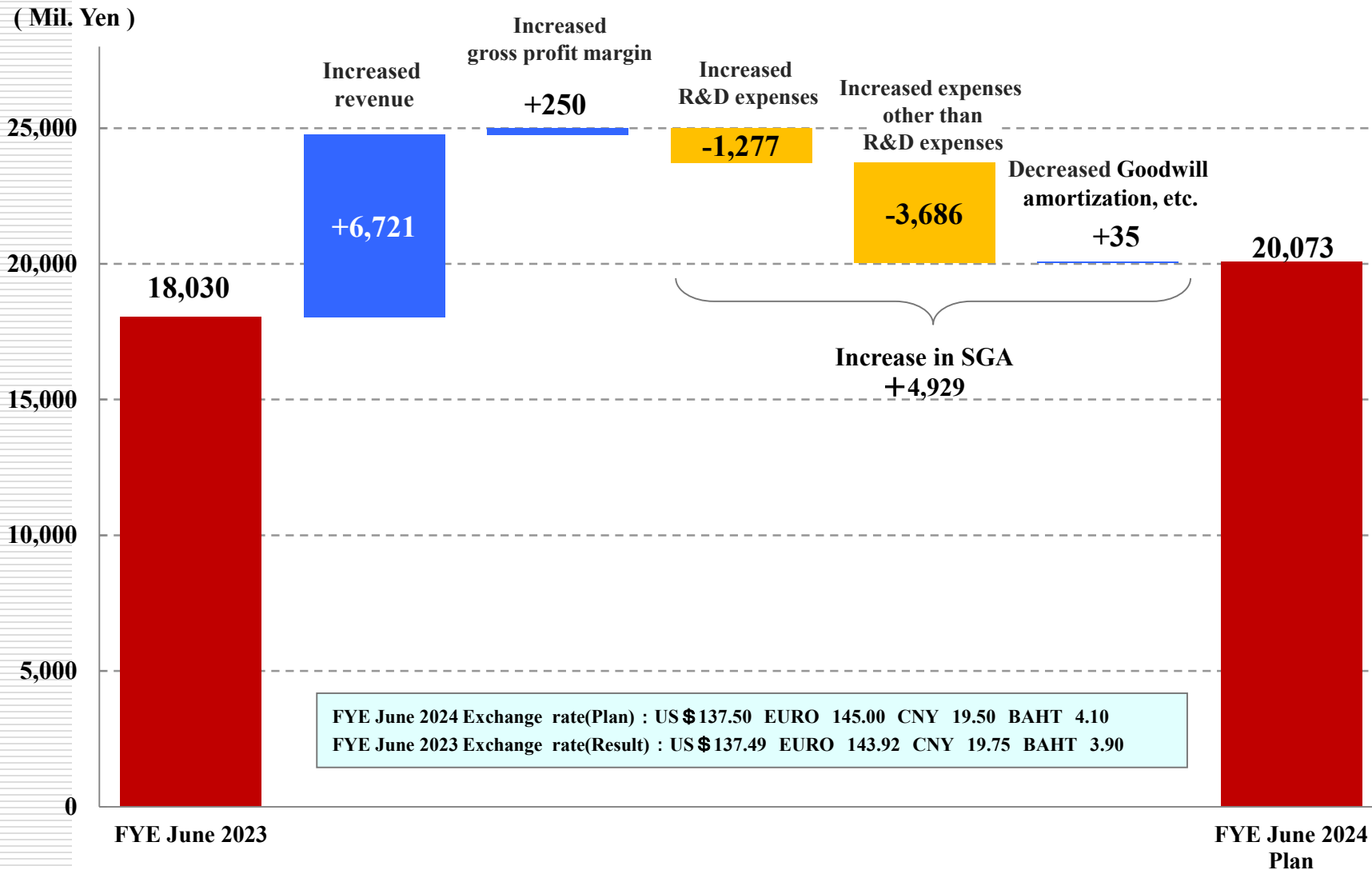
## Operating Income

(Mil. Yen)



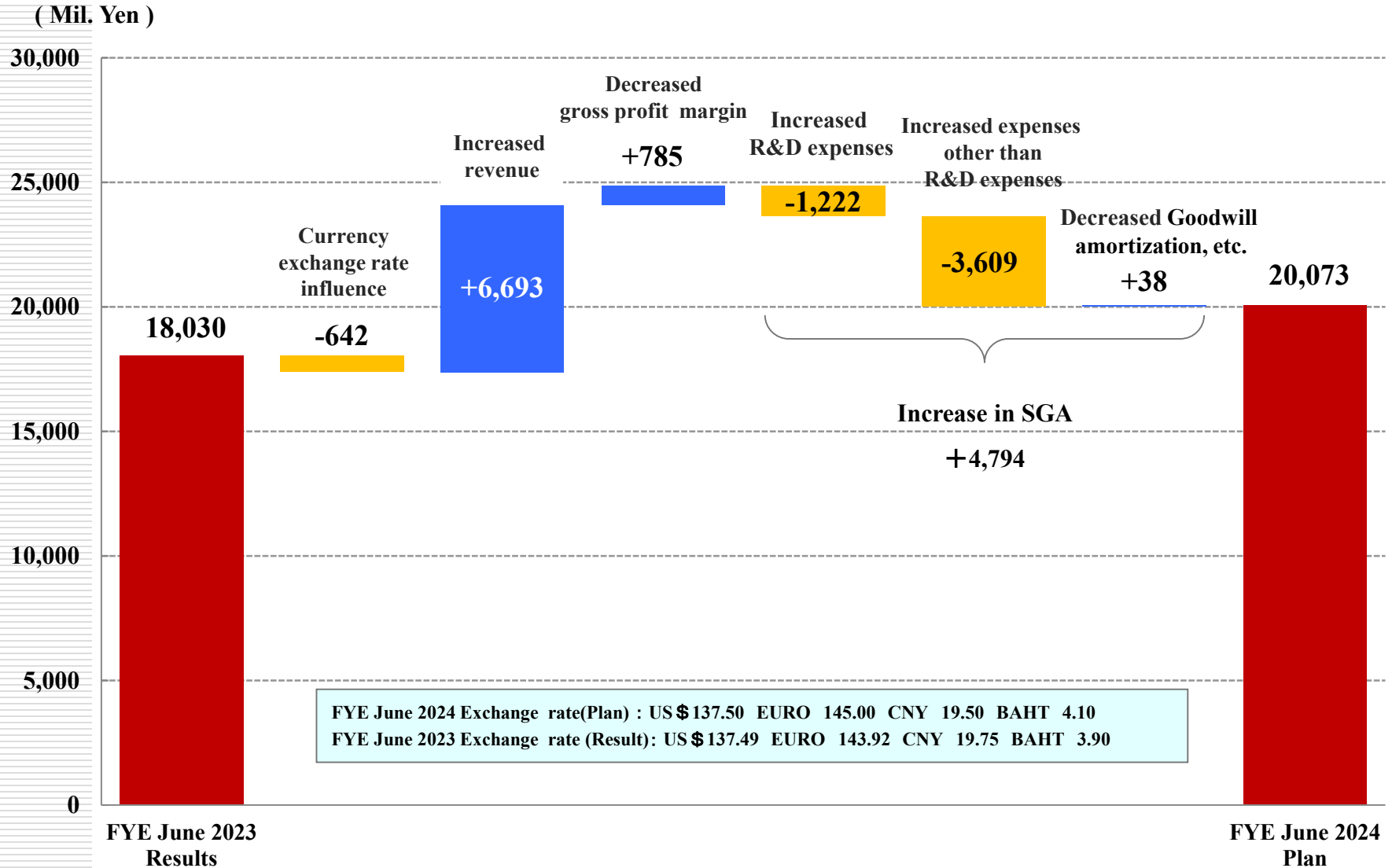


# Attribution Analysis of Operating Income (Exchange Rate Fluctuations Included)





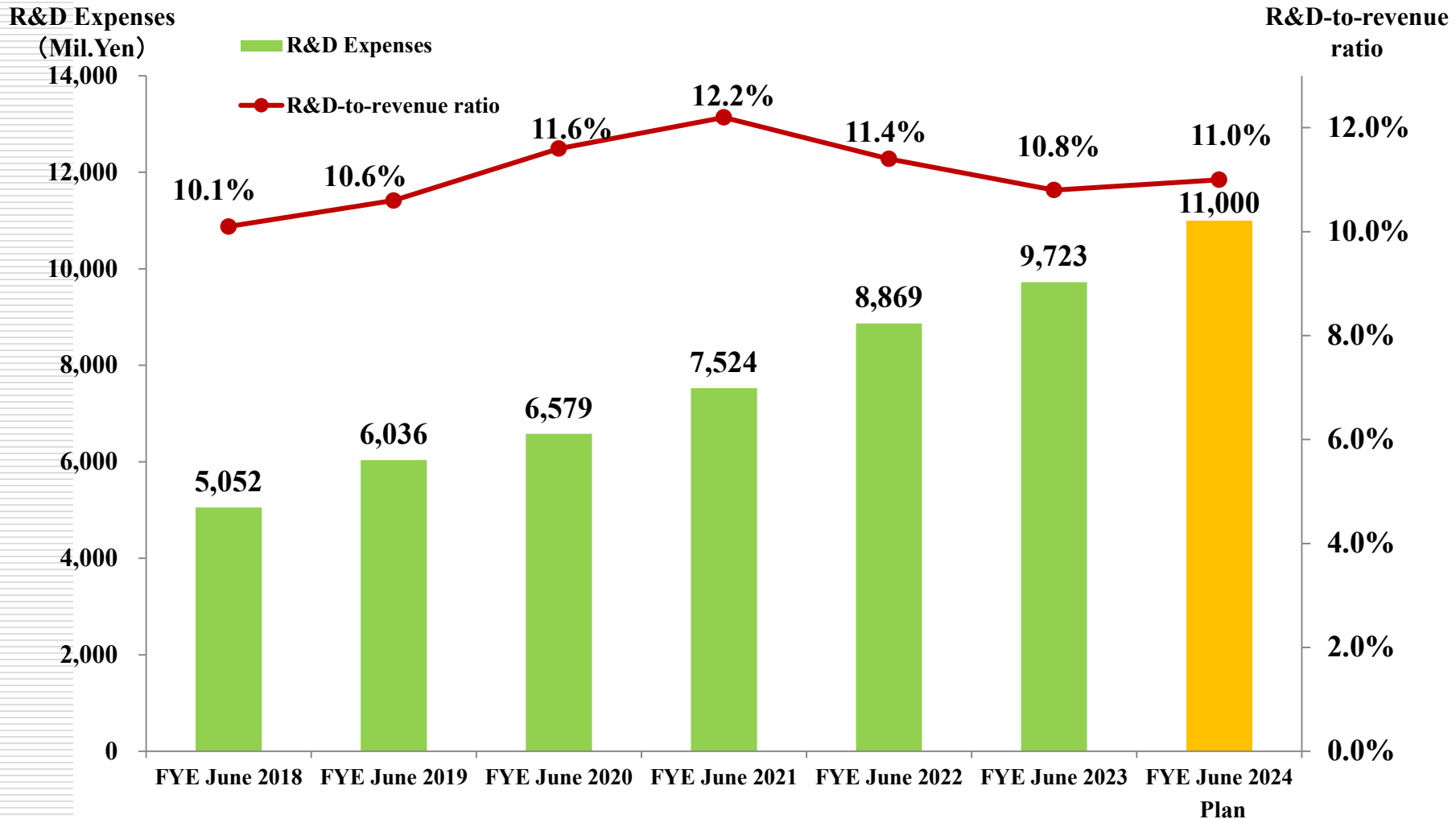
# Attribution Analysis of Operating Income (Exchange Rate Fluctuations Excluded)





## Trends in R&D Expenses

**No change in the upper limit of 12% of R&D-to-revenue ratio  
and continue to aggressively invest in expenses**

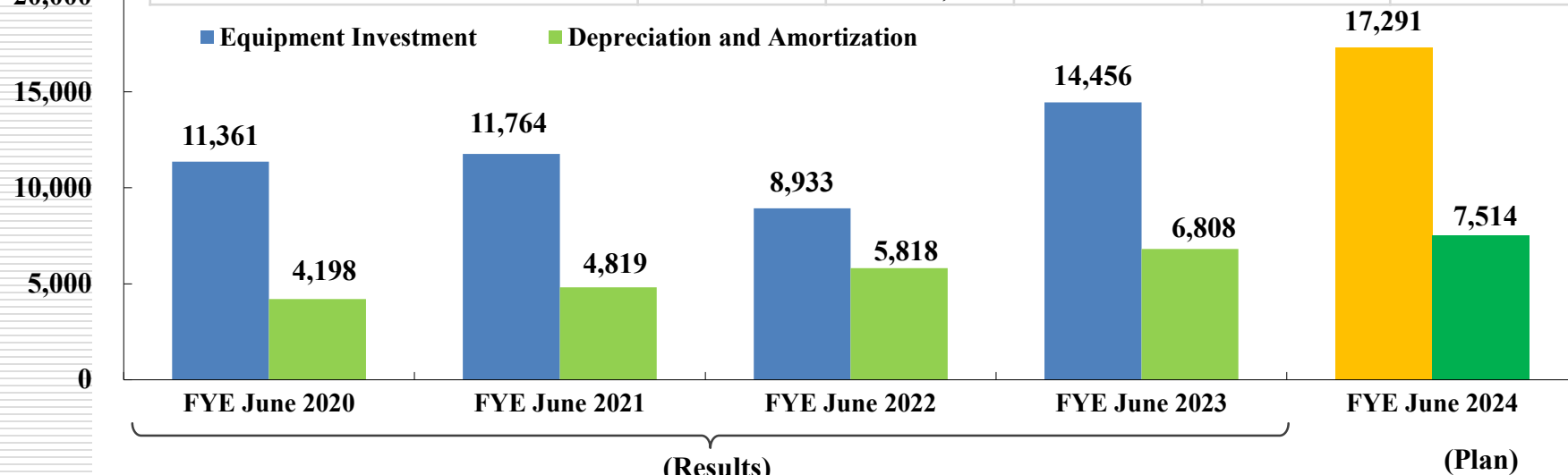




# Results and Plan for Equipment Installation

**Planned to significant capital investment for expansion of development bases and enhancement and expansion of overseas factories for future production increase**

(Mil. Yen)	Main investment matter ( More than 100 Mil. Yen)	FYE June 2020	FYE June 2021	FYE June 2022	FYE June 2023	FYE June 2024 Plan
40,000	Establishment & Expansion of R&D building in Global Headquarters		157		3,559	4,648
35,000	Establishment & Expansion of Shizuoka R&D Center		220			866
30,000	Establishment & Expansion of Thailand factory	1,841	469	869	1,213	667
25,000	Establishment & Expansion of Hanoi factory	484			1,396	1,517
20,000	Establishment & Expansion of Cebu factory	1,842	965	1,579	749	216
	Introduction of SAP	954	1,125	338		



※ Excluding amortization transferred to amortization of goodwill, etc.



## 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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