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Financial Results for FYE June, 2011

August 12 , 2011

(Securities code : 7747 2nd section of the Tokyo Stock Exchange,
2nd section of the Nagoya Stock Exchange,
JASDAQ)



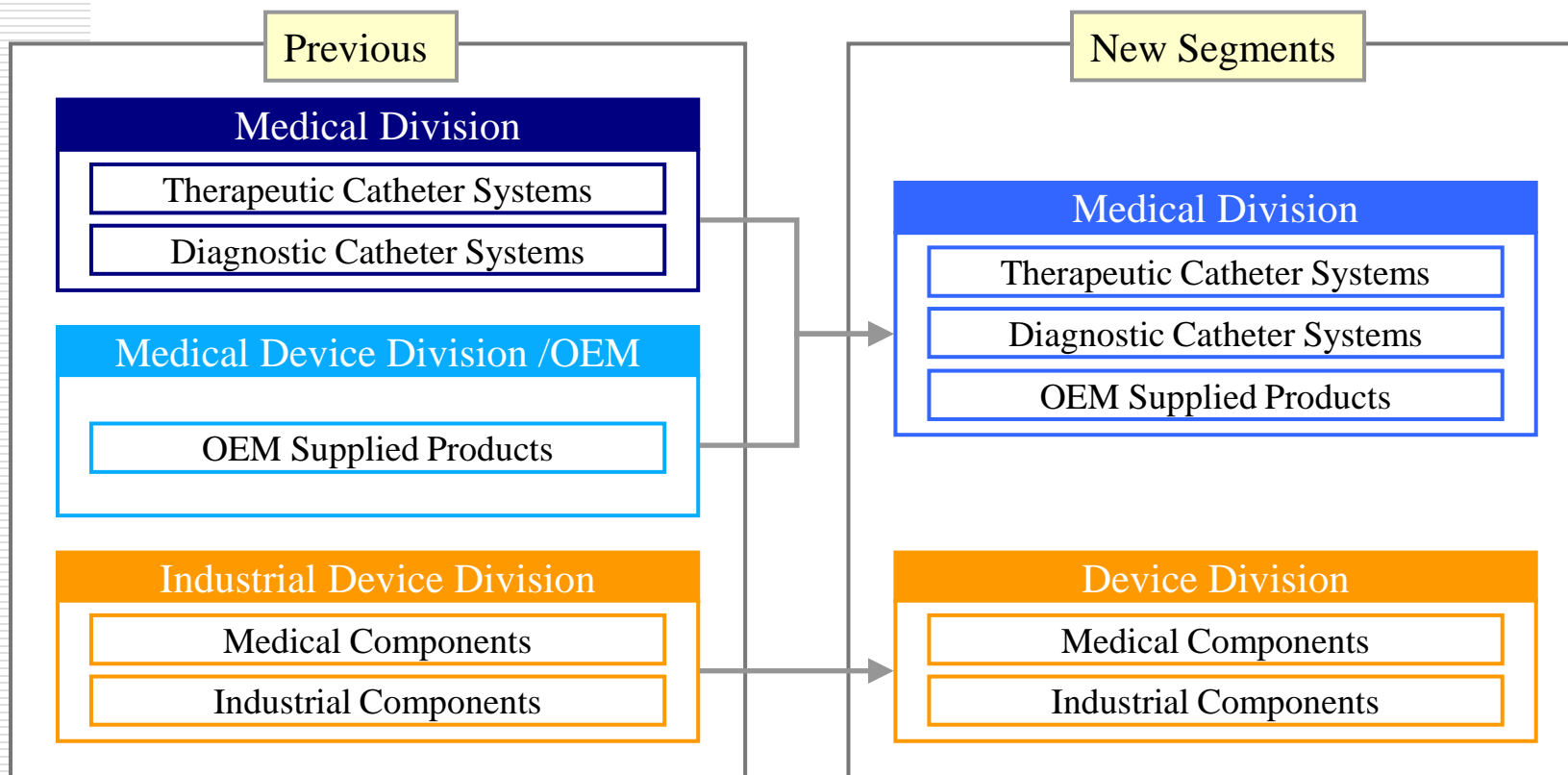
1. Summary of Financial Results of FYE 6/2011

2. Earnings estimate of FYE 6/2012



Change of Segment Division- 1

- We are changing segment division as follows in FYE 6/2011



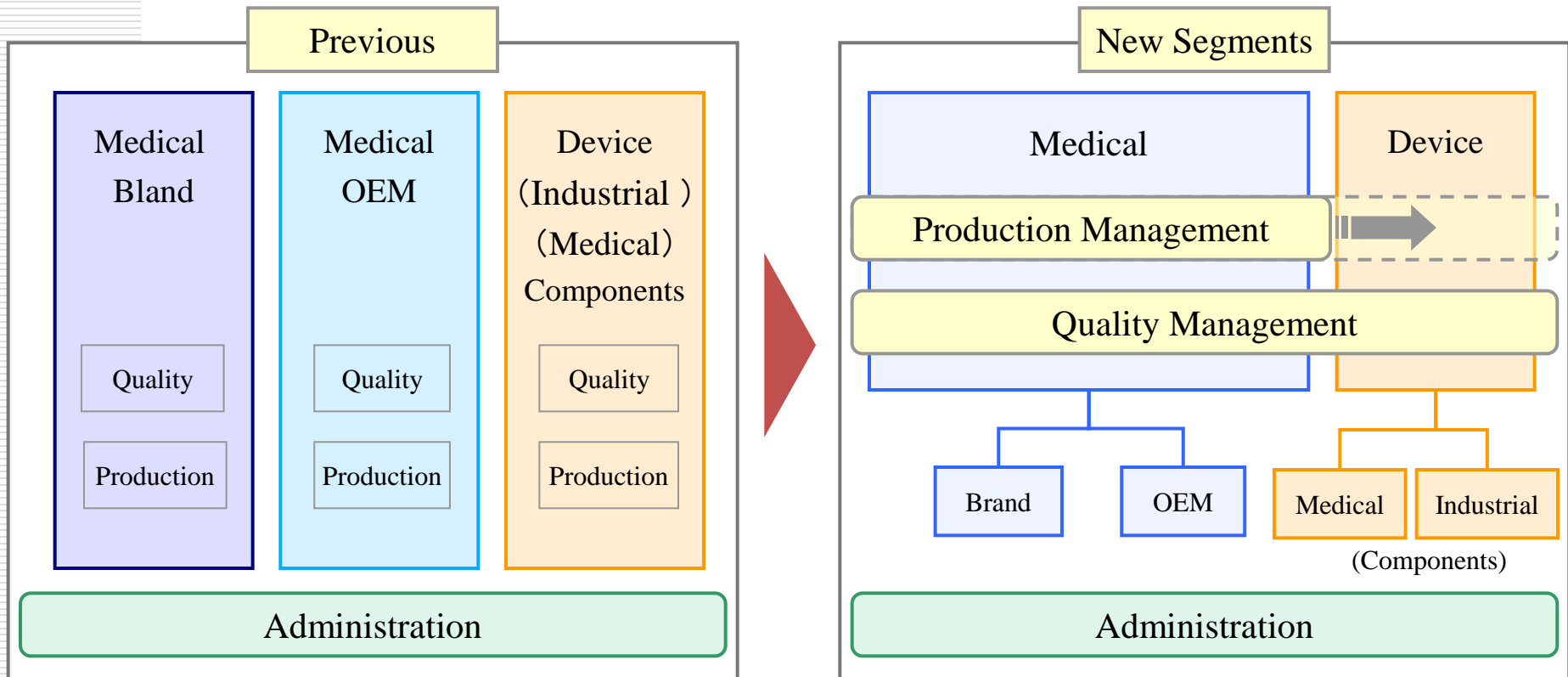
- Comparison to previous fiscal years or quarters are made after figures are converted to account for reorganization.



Change of Segment Division- 2 (Change to Matrix Organization)

■ Restructuring contents and purpose

- Production and Quality Management will move horizontally across all sections
- Moving to a matrix organization will clarify roles for R&D, production, quality, and sales, as well as increase development speed and production efficiency.





FYE 6/2011 Main Points (Consolidated)

- Strong Net Sales of 16,007 million yen(4.4% over last year same period)
 - Increasing revenue segment : Medical Devices
 - Decreasing revenue segment : Industrial Devices
 - ◆ The medical segment is supported by increased sales of Asahi brand products in the domestic market.
 - ◆ Increases in sales volume offset high yen exchange rate (Δ 591 million yen) and losses due to falling reimbursement prices in the domestic market (Δ 506 million yen)
- In spite of unfavorable yen to dollar exchange rates and falling reimbursement prices, we maintained double digit earnings growth.
 - Operating income 3,247 million yen(10.9% over last year same period)
 - ◆ R&D costs up 1,873 million yen (increase of 568 million yen over last year same period, 11.7% sales increase)
 - ◆ Increased sales and administration costs due to subsidiary Asahi Intecc GMA (from Jan. 2010) (increase of 114 million yen over same period last year)(Increase except the R&D costs 56 million yen over same period last year)
 - ◆ Stronger effects of exchange rate USD vs. yen compared to Thai baht vs. yen has a strong negative effect on income (Δ 470 million yen compared to last year same period)
 - ◆ Note: Administration fees from sales costs due to reorganization total approximately 722 million yen
 - Ordinary income 3,164 million yen(13.6% over last year same period)
 - ◆ Non-operating expenses down to 125 M. yen due to exchange rate (Δ 21 million yen from last year same period)
 - Net income 2,161 million yen (44.3% over last year same period)
 - ◆ Extraordinary loss: Asset disposal liability based accounting 30 million yen,
Loss on revaluation of securities investments 274 million yen.
 - ◆ With last period's one-time expense (Osaka Land) of 284 million yen,
last period's loss from prior period adjustments of 76 million yen (Inventory related)



Highlight

	FYE 6/2010		FYE 6/2011			
	Amount (mil.yen)	Ratio (%)	Amount (mil.yen)	Ratio (%)	Year on year	
					Changes (mil.yen)	Changes (%)
Net sales	15,339	100.0	16,007	100.0	+667	+4.4
Gross profit	8,676	56.6	*10,675	66.7	*+1,998	+23.0
Operating income	2,929	19.1	3,247	20.3	+318	+10.9
Ordinary income	2,785	18.2	3,164	19.8	+379	+13.6
Net income	1,497	9.8	2,161	13.5	+663	+44.3
E P S (JPY)	94.49Y	-	136.36Y	-	-	-

* From this period, due to reorganization sales costs will be accounted for as administration costs.
Costs accounted to this period total approximately 722 million yen.

* Gross profit before reorganization	8,676	56.6	9,952	62.2	+1,275	+14.7
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Net Sales by Segment Division

	FYE 6/2010		FYE 6/2011			
	Amount (mil.yen)	Ratio (%)	Amount (mil.yen)	Ratio (%)	Changes (mil.yen)	Changes (%)
Medical	12,303	80.2	12,824	80.1	+520	+4.2
Device	3,035	19.8	3,182	19.9	+146	+4.8
Total amount	15,339	100.0	16,007	100.0	+667	+4.4

(Reference)

Medical Field	13,442	87.6	14,248	89.0	+805	+6.0
Industrial Field	1,896	12.4	1,758	11.0	△137	△7.3



Operating income by Segment Division

	FYE 6/2010		FYE 6/2011			
	Amount (mil.yen)	Ratio (%)	Amount (mil.yen)	Ratio (%)	Changes (mil.yen)	Changes (%)
Medical	3,792	85.2	3,630	77.5	Δ162	Δ4.3
Device	659	14.8	1,056	22.5	+397	+60.3
Subtotal	4,451	100.0	4,687	100.0	+235	+5.3
Erasing & HQ	Δ1,522	-	Δ1,439	-	+82	Δ5.4
Total Amount	2,929	-	3,247	-	+318	+10.9



Operating income by Segment Division (Post Adjustment)

	FYE 6/2010		FYE 6/2011			
	Amount (mil.yen)	Ratio (%)	Amount (mil.yen)	Ratio (%)	Changes (mil.yen)	Changes (%)
Medical	3,692	85.1	3,630	77.5	Δ61	Δ1.7
Device	647	14.9	1,056	22.5	+408	+63.1
Subtotal	4,339	100.0	4,687	100.0	+347	+8.0
Erasing & HQ	Δ1,410	-	Δ1,439	-	Δ29	+2.1
Total Amount	2,929	-	3,247	-	+318	+10.9

* 2 Effect of transactions between segments

* 1 : The costs for the Basic Technology Group, which undertakes R&D for the entire company, was allotted across the entire company through FYE 6/2010. However, for FYE 6/2011, each segment will account separately.

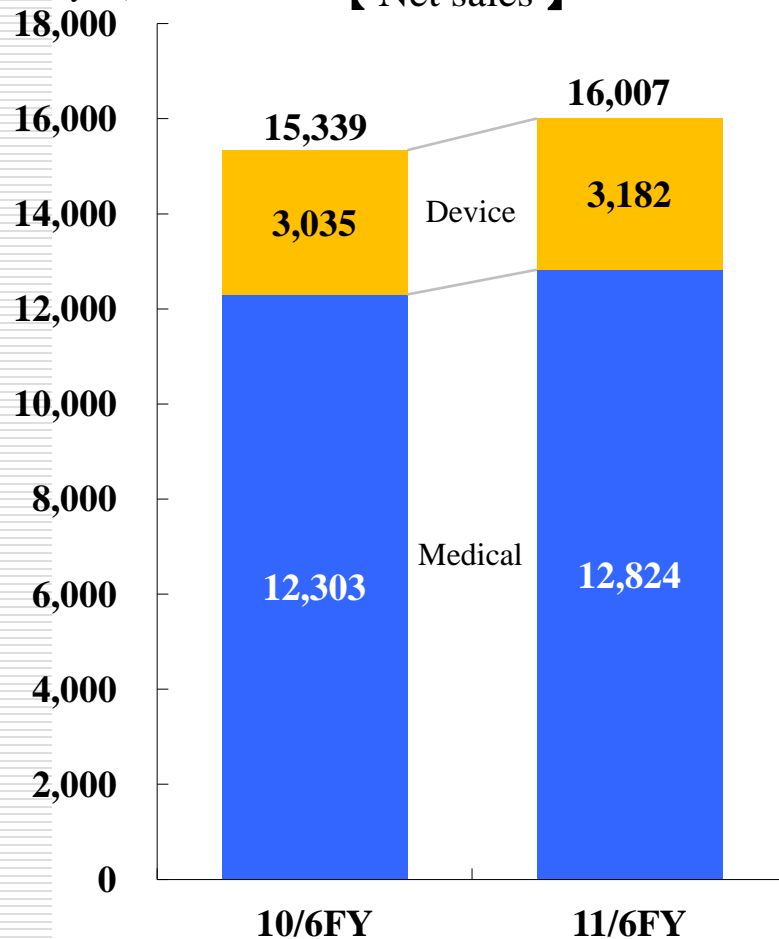
* 2 : One portion of the Medical Segment products (medical components) are covered by the Device Segment; therefore the income from that portion of the Medical Segment outside sales is accounted for in the Device Segment. Device income a total increase is shown (about 130 million yen over last year same period).



Earnings performance by Segment Division (Post Adjustment)

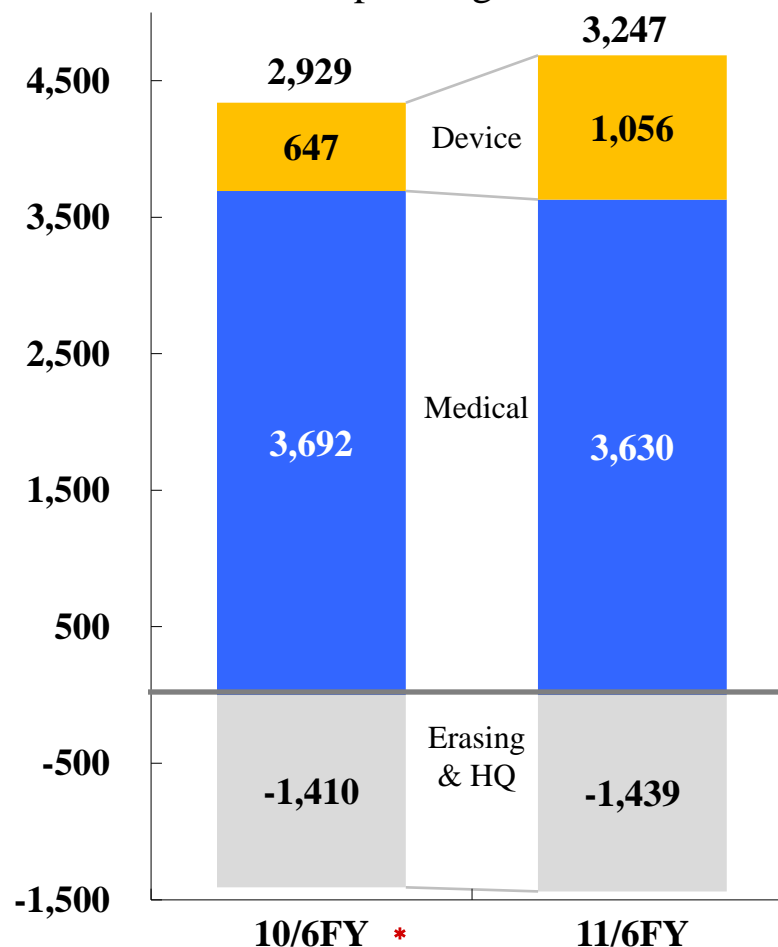
(million yen)

【 Net sales 】



(million yen)

【 Operating income 】



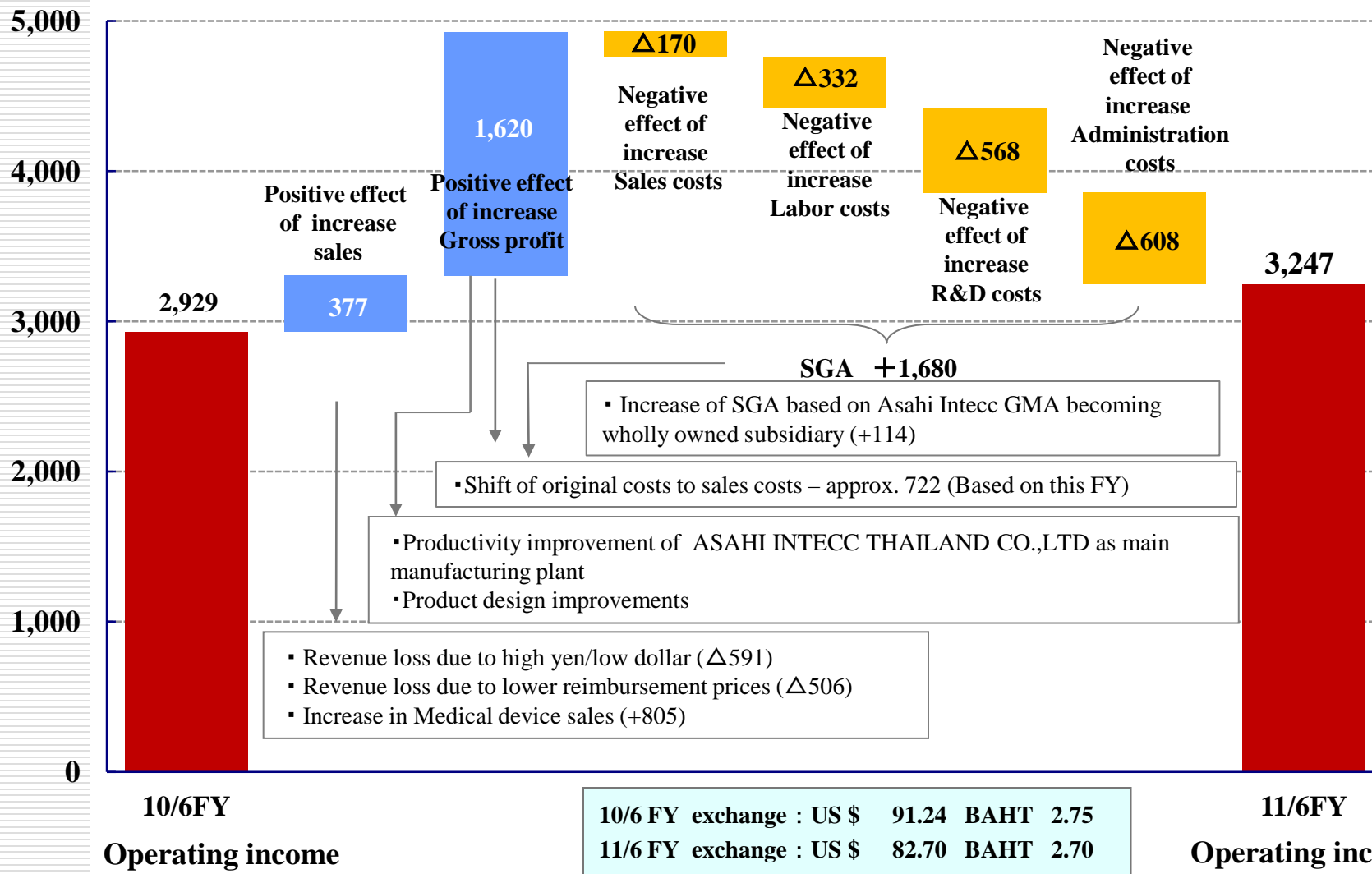
Post Adjustment

* : The costs for the Basic Technology Group, which undertakes R&D for the entire company, was allotted across the entire company through June 2010. However, for FY ending June 2011, each segment will account separately.



Attribution analysis of operating income – 1 (Exchange rate fluctuations included)

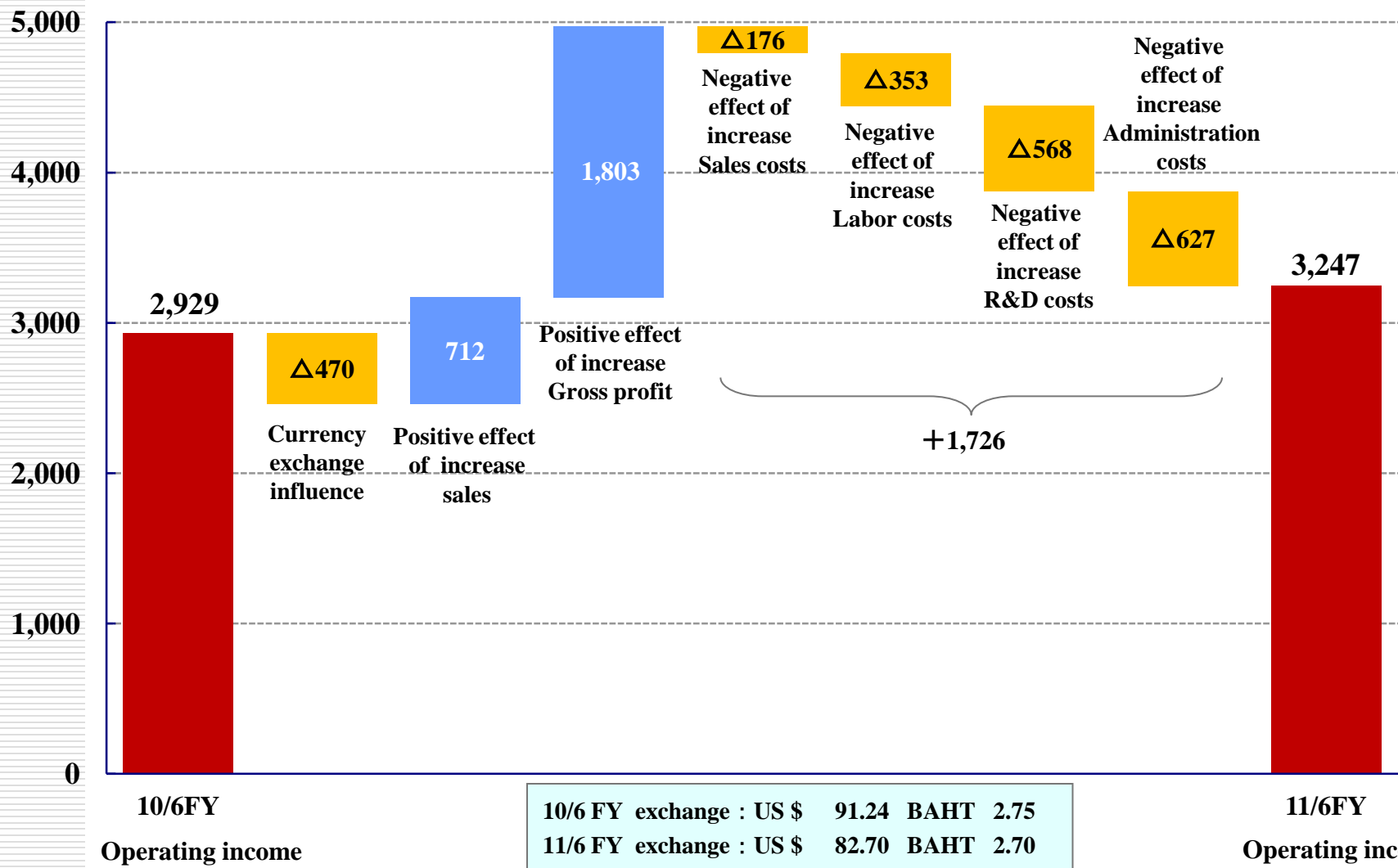
(million yen)





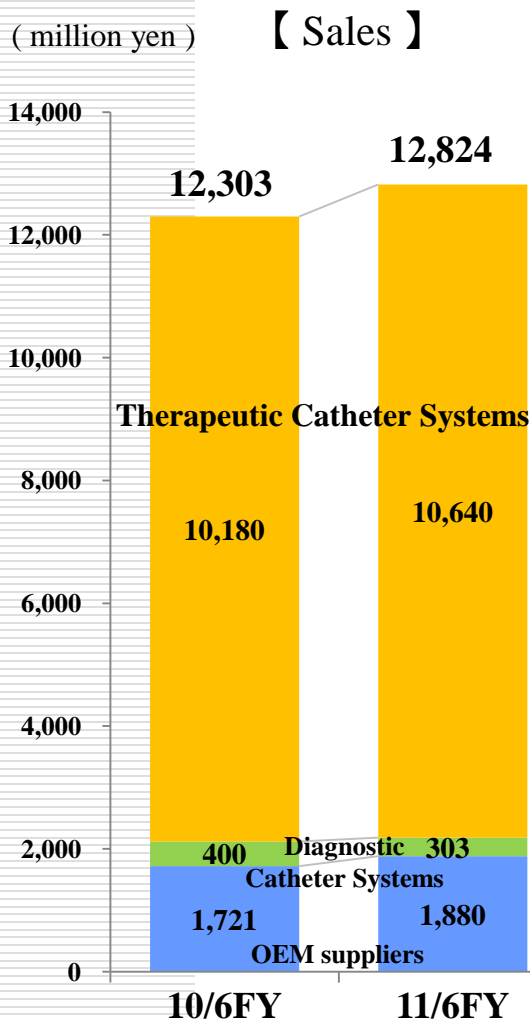
Attribution analysis of operating income – 2 (Exchange rate fluctuations excluded)

(million yen)





Per Segment by Medical Division



■ Strong Domestic Sales, Foreign Markets Impacted by Negative exchange rates

- Sales of 12,824 Mil. Yen (+520 Mil. Yen over last year same period, +4.2%)
- Operating income 3,630 Mil. Yen (△61 Mil. Yen from same period last year, △1.7%)
- High yen to dollar exchange rate (△467 Mil. yen) and effect of lower reimbursement (△506 Mil. Yen)

■ Therapeutic Catheter Systems

- 10,640 Mil. Yen (+459 Mil. Yen over last year same period, +4.5%)
- Growth experienced domestically due to popularity of the PTCA GW SION series.
- Decrease was seen in foreign markets due to unfavorable exchange
- Domestic; Positive response to products for a variety of vascular disease areas
 - Sales positive despite falling reimbursement prices
 - Corsair penetration catheter sales improving over last half product launch
 - Positive response to products for new disease areas; peripheral, neuro, etc.,
- Foreign markets: High yen / low dollar offset by sales volumes
 - China sales positive despite negative exchange rates
 - Positive growth of the Corsair Micro catheter sales in the US, EU, and Asia.

■ Diagnostic Catheter Systems

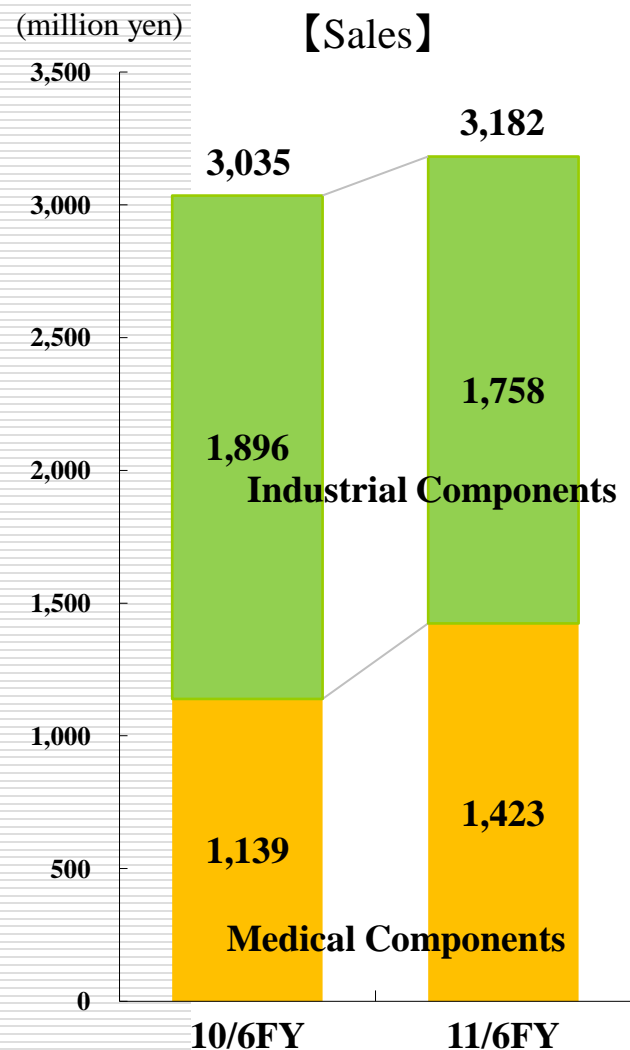
- 303 Mil. Yen (△97 Mil. yen from same period last year, △24.3%)
- Shrinkage due to diagnostic catheter strategy in foreign markets

■ OEM Products

- 1,880 Mil. Yen (+158 Mil. Yen from same period last year, +9.2%)
- Domestic product increase, decrease in peripheral devices for foreign markets
 - Domestic : Good progress of the Terumo collaborations with the Mini Guide Wire and Angioscopy projects.



Per Segment by Device Division



Increases in Medical Devices

Review of Shift in Industrial Devices to High Priced Products

- Total Sales 3,182 Mil. Yen
(+146 Mil. Yen over last year same period, +4.8%)
- Operating income 1,056 Mil. Yen
(+408Mil. +63.1% after adjustment over last year same period)
- Sales doing well even with High yen/ low dollar impact (Δ123 M. yen)

Industrial Components

- Total Sales 1,758 Mil. Yen
(Δ137 Mil. Yen from same period last year, Δ7.3%)
- Rope for baby stroller parts, air conditioner parts in foreign market
Increase in components for “eco” automobiles in Domestic market
- Decrease in foreign OA components and domestic fishing line

Medical Components

- 1,423 Mil. Yen (+284Mil. Yen over last year same period, +25.0%)
- Increase due to GMA subsidiary (2010 Jan.) +216 Mil. Yen
- Components for ear/nose/throat and IVR components to US rising

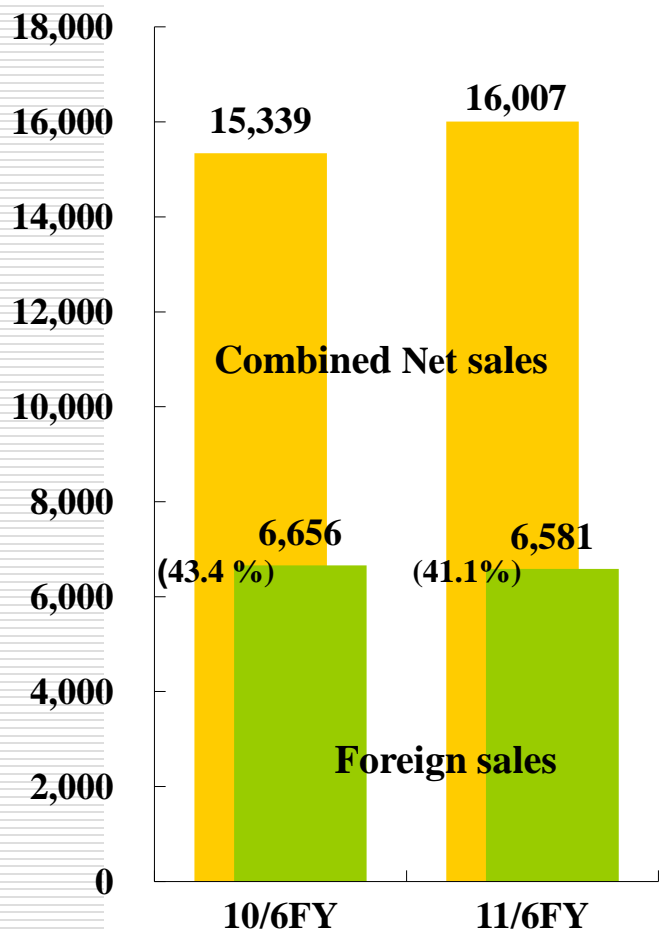


Foreign Sales Division

- Foreign Sales decreased $\Delta 75$ Mil. Yen
($\Delta 1.1\%$ from same period last year)
- Impact from high yen exchange rate $\Delta 591$ Mil. Yen
- Sales on target if exchange rate is disregarded
- Medical Segment sales positive, especially in Asian markets

【 Foreign sales progression 】

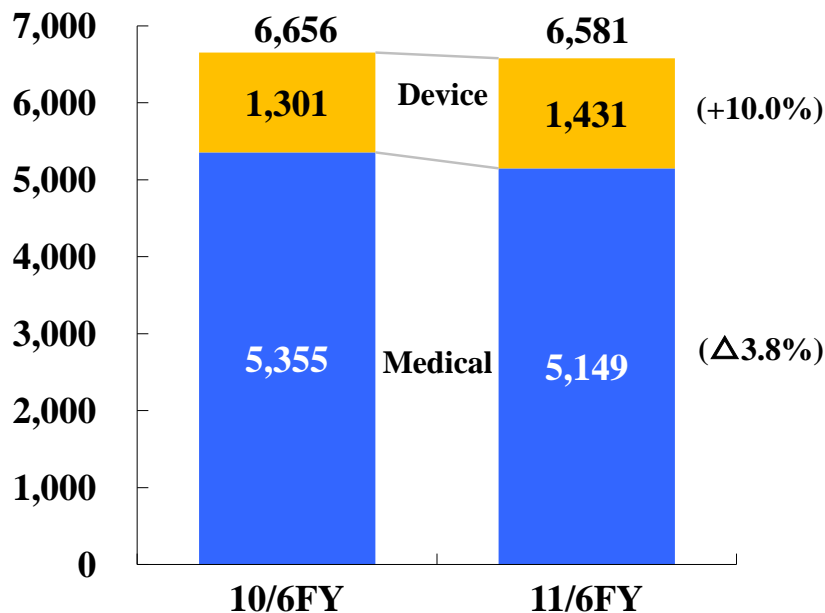
(million yen)



【 Sales by segment division 】

(million yen)

Exchange rate USD 91.24 \Rightarrow 82.70 ($\Delta 9.4\%$)





Reference : P/L

	FYE 6/2010		FYE 6/2011			
	Amount (mil.yen)	Ratio (%)	Amount (mil.yen)	Ratio (%)	Changes (mil.yen)	The main comparison factors
Net Sales	15,339	100.0	16,007	100.0	+667	Increase of Medical field
Cost of Sales	6,662	43.4	5,332	33.3	Δ1,330	Transfer of Sales costs (one area); approx. Δ722
Gross profit	8,676	56.6	10,675	66.7	+1,998	Productivity improvement of main manufacturing plant and improvement of product design
SGA	5,747	37.5	7,427	46.4	+1,680	Increased R&D costs +568 Transfer from sales costs approx. +722
Operating income	2,929	19.1	3,247	20.3	+318	
Non-operating income	98	0.6	110	0.7	+11	
Non-operating expense	243	1.6	193	1.2	Δ49	Interest expense Δ23 Foreign exchange loss Δ21
Ordinary income	2,785	18.2	3,164	19.8	+379	
Extraordinary gain	31	0.2	25	0.2	Δ6	
Extraordinary loss	571	3.7	322	2.0	Δ249	Loss on devaluation of investments securities +201 Loss from prior period adjustments Δ76 Impairment loss(Osaka Land) Δ284 Loss on disposal of fixed assets Δ63
Net income	1,497	9.8	2,161	13.5	+663	



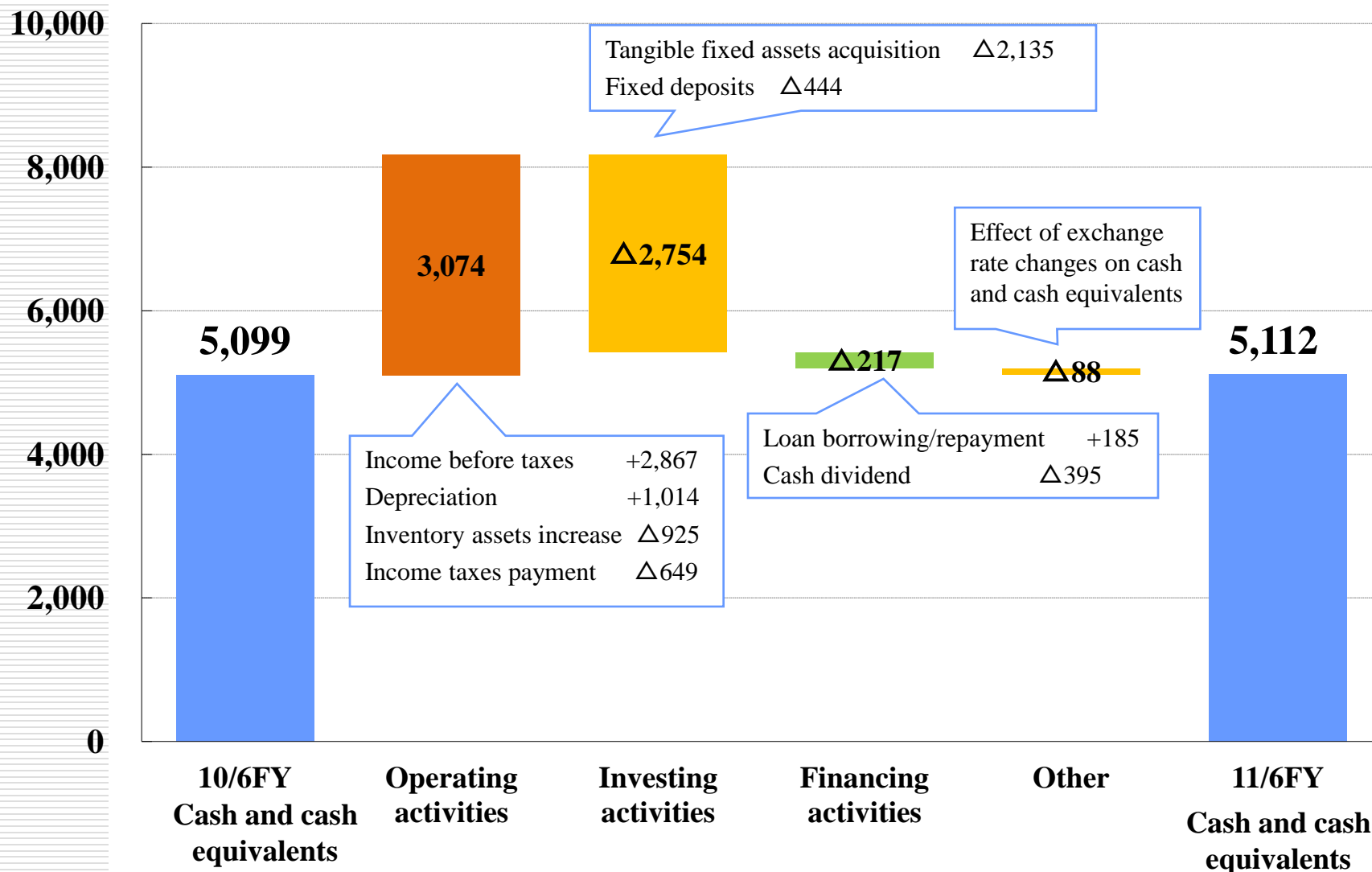
Reference : B/S

		FYE 6/2010		FYE 6/2011			
		Amount (mil.yen)	Ratio (%)	Amount (mil.yen)	Ratio (%)	Changes (mil.yen)	The main comparison factors
	Current assets	12,253	55.7	13,687	56.4	+1,433	Negotiable certificate of deposit increase +750 Inventory asset increase +839 deferred tax asset increase +81
	Fixed assets	9,757	44.3	10,592	43.6	+834	Plant asset increase +794 (Land purchase Seto Factory adjacent 392 • Thailand new factory 445)
Total assets		22,011	100.0	24,280	100.0	+2,268	
	Current liabilities	5,245	23.8	5,103	21.0	△142	Debt liability increase +93 Short-term loans increase △389 Accrued corporation tax increase +113
	Fixed liabilities	3,511	16.0	4,278	17.6	+766	Long-term loans increase +494 Deferred tax liability increase +119
Total liabilities		8,757	39.8	9,381	38.6	+623	
Total net assets		13,253	60.2	14,898	61.4	+1,644	Retained earnings increase +1,765 Translation adjustment increase △337
Total liabilities & net assets		22,011	100.0	24,280	100.0	+2,268	



Reference : C/F

(million yen)





1. Summary of Financial Results of FYE 6/2011

2. Earnings estimate of FYE 6/2012

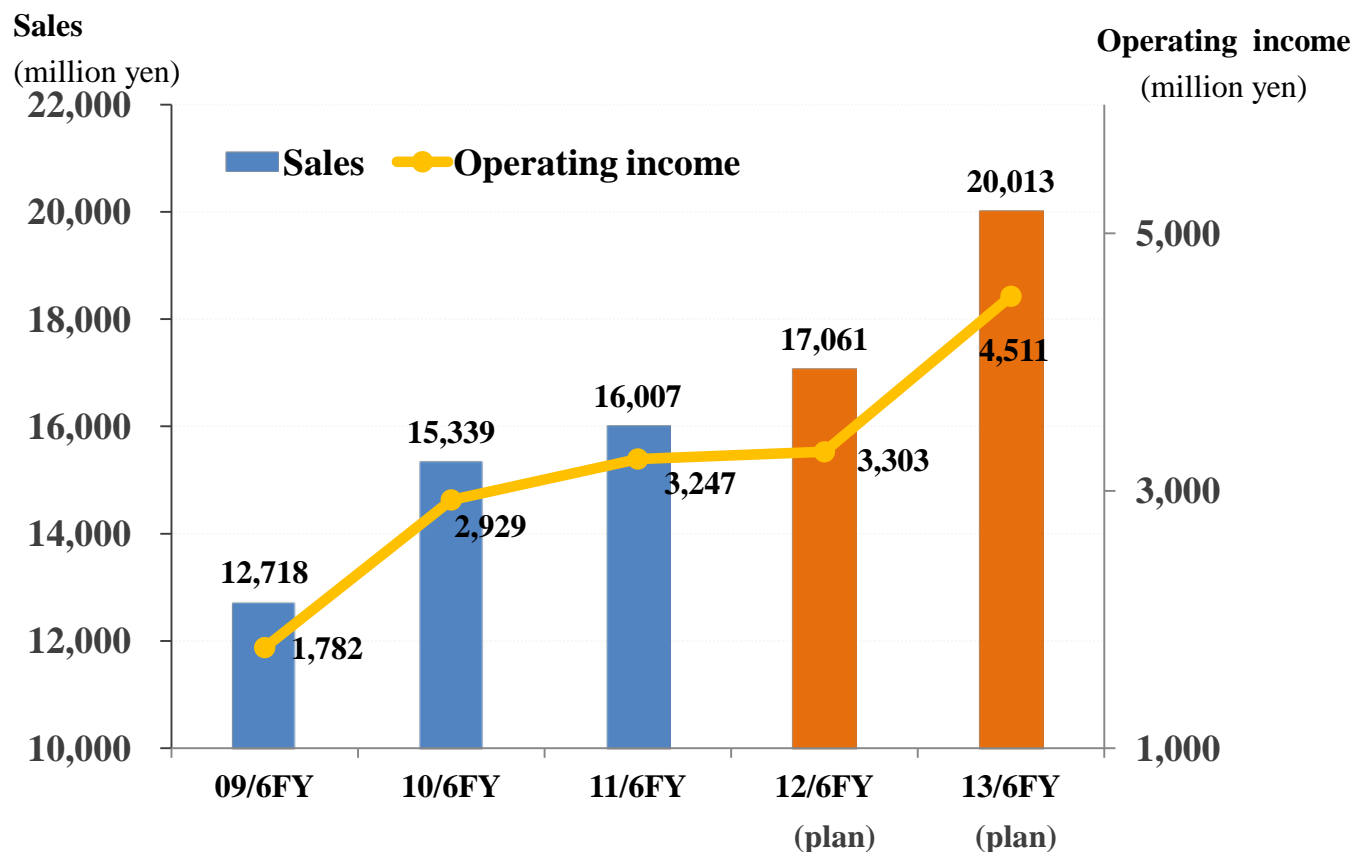


Vision for FYE 6/2012 -1

- Business deployment for the first year of the 「Next Stage 2016」Executive Plan
Executive Plan 「Next Stage 2016」 (Announced May 2011)

Period : June 2012 to June 2016

Theme : To become a global company committed to total support from R&D
to production to sales, for minimally invasive medical procedures





Vision for FYE 6/2012 -2

- **Net Sales forecast is 17,061 million yen (+6.6% over last year)**
~Necessary changes to Japan and EU sales channels planned~

< Increase of income factor >

- **Aggressive foreign launch of domestically successful products (SION series, CHIKAI, etc.)**
- **Planned domestic launches for IVR products and PTCA Balloons**

< Decrease of income factor >

- **Temporary decrease due to changing channel strategy for PTCA GW**
 - **Japan: Complete change to direct channels by Feb. 2012 (Begin from Jan.)**
⇒ **Buy back distributor's consignment stock in hospitals**
 - **EU: Begin sales from branch office through local distributors by Jul. 2011**
⇒ **Maximum decrease of risk**
- **Reimbursement prices falling approximately 10% (Δ214 million yen)**



Vision for FYE 6/2012 -3

■ Aggressive reduction of R&D and Sales costs to keep operating income level

● Operating income 3,303 million yen (+1.7% over last year)

– Advanced investment to maintain and speed growth

R&D Costs: Aggressive investment to strengthen catheter development (increase investment by 11.7%)

Sales Costs: Increase expenditure to support domestic direct sales
and strengthen foreign sales channel support

● Ordinary income 3,297 million yen (+4.2% over last year)

● Net income 2,165 million yen (+0.2% over last year)

No plans for large gains from Non-operating income and loss , Extraordinary gain and loss.

Assumed exchange rate

10/6 FY (Actual) :	US \$	82.70 yen	BAHT	2.70 yen
11/6 FY (Plan) :	US \$	82.50 yen	BAHT	2.70 yen
	EUR	110.0 yen	CNY	12.50 yen

Effect of exchange rate on operating income (estimate)

US \$	(+1 yen influence)	: approx. 52 million yen increase
BAHT	(+0.1 yen influence)	: approx. 90 million yen decrease

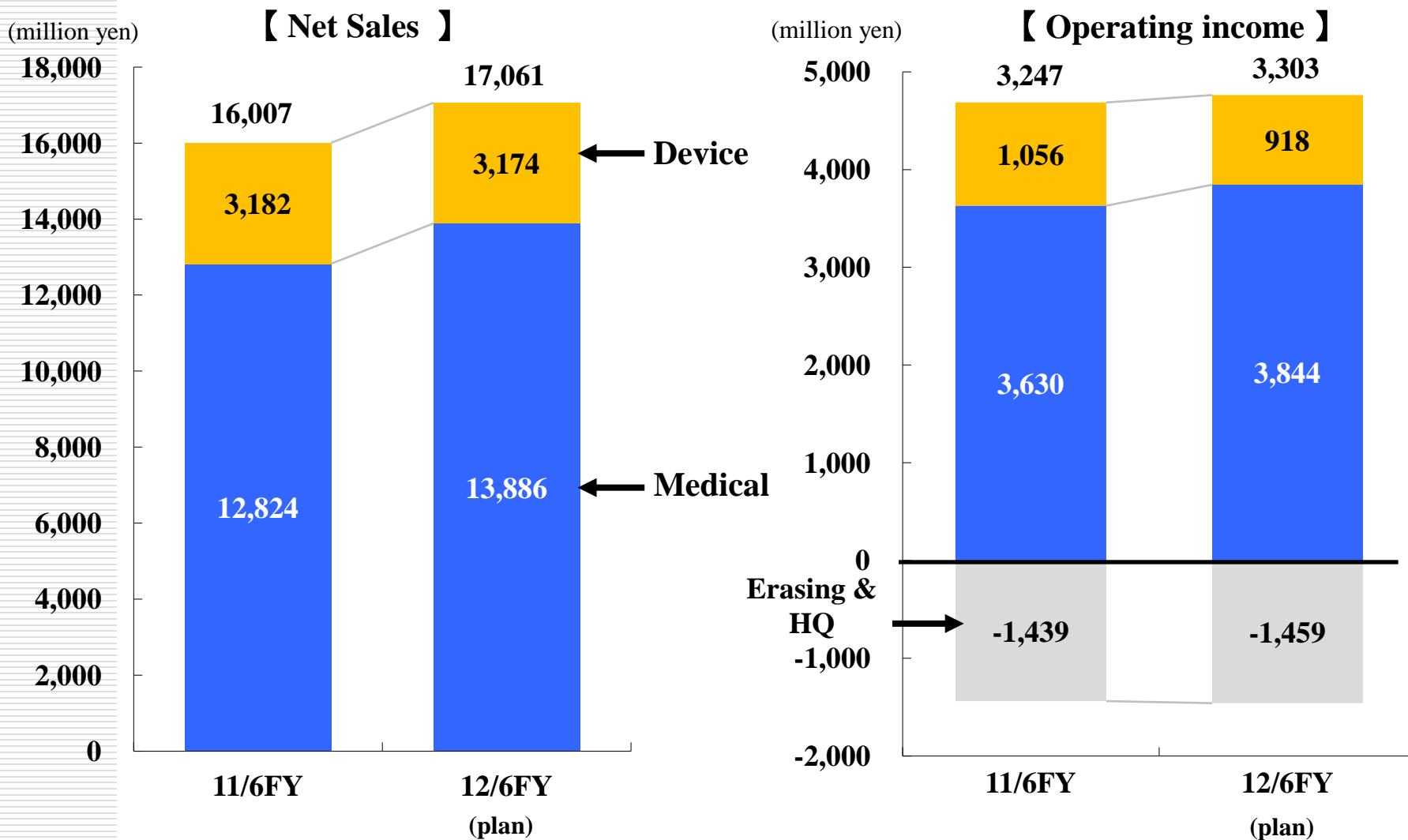


Earnings estimate of FYE 6/2012

	FYE 6/2011		FYE 6/2012 (Plan)			
	Amount (mil.yen)	Ratio (%)	Amount (mil.yen)	Ratio (%)	Year on year	
					Changes (mil.yen)	Changes (%)
Net Sales	16,007	100.0	17,061	100.0	+1,054	+6.6
Gross profit	10,675	66.7	11,236	65.9	+560	+5.3
Operating income	3,247	20.3	3,303	19.4	+55	+1.7
Ordinary income	3,164	19.8	3,297	19.3	+132	+4.2
Net income	2,161	13.5	2,165	12.7	+3	+0.2
EPS (JPY)	136.36Y	-	136.59Y	-	-	-



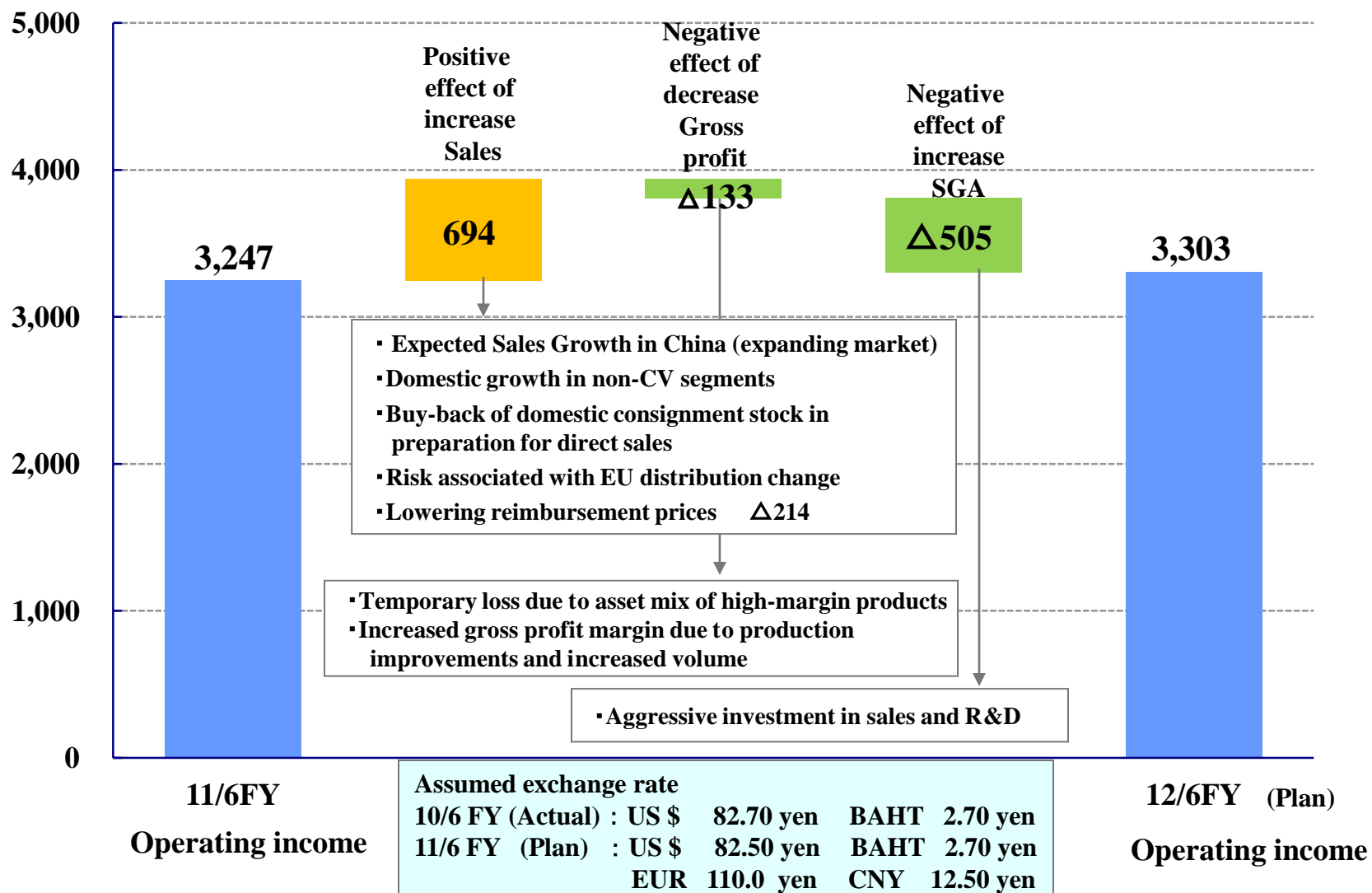
Earnings estimate by Segment Division





Attribution analysis of operating income for Earnings estimate of FYE 6/2012

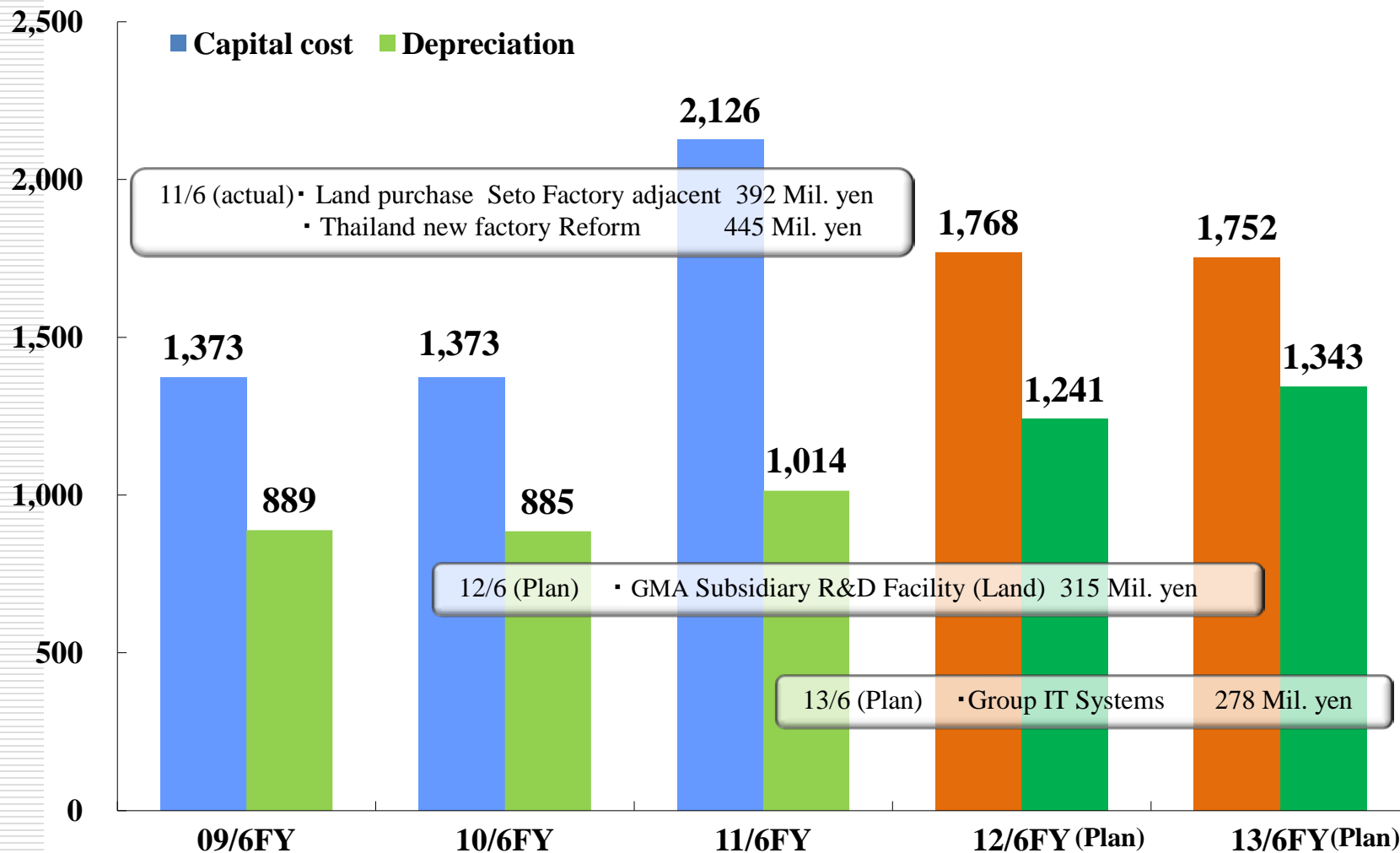
(million yen)





Equipment Installation Actual and Plan

(million yen)



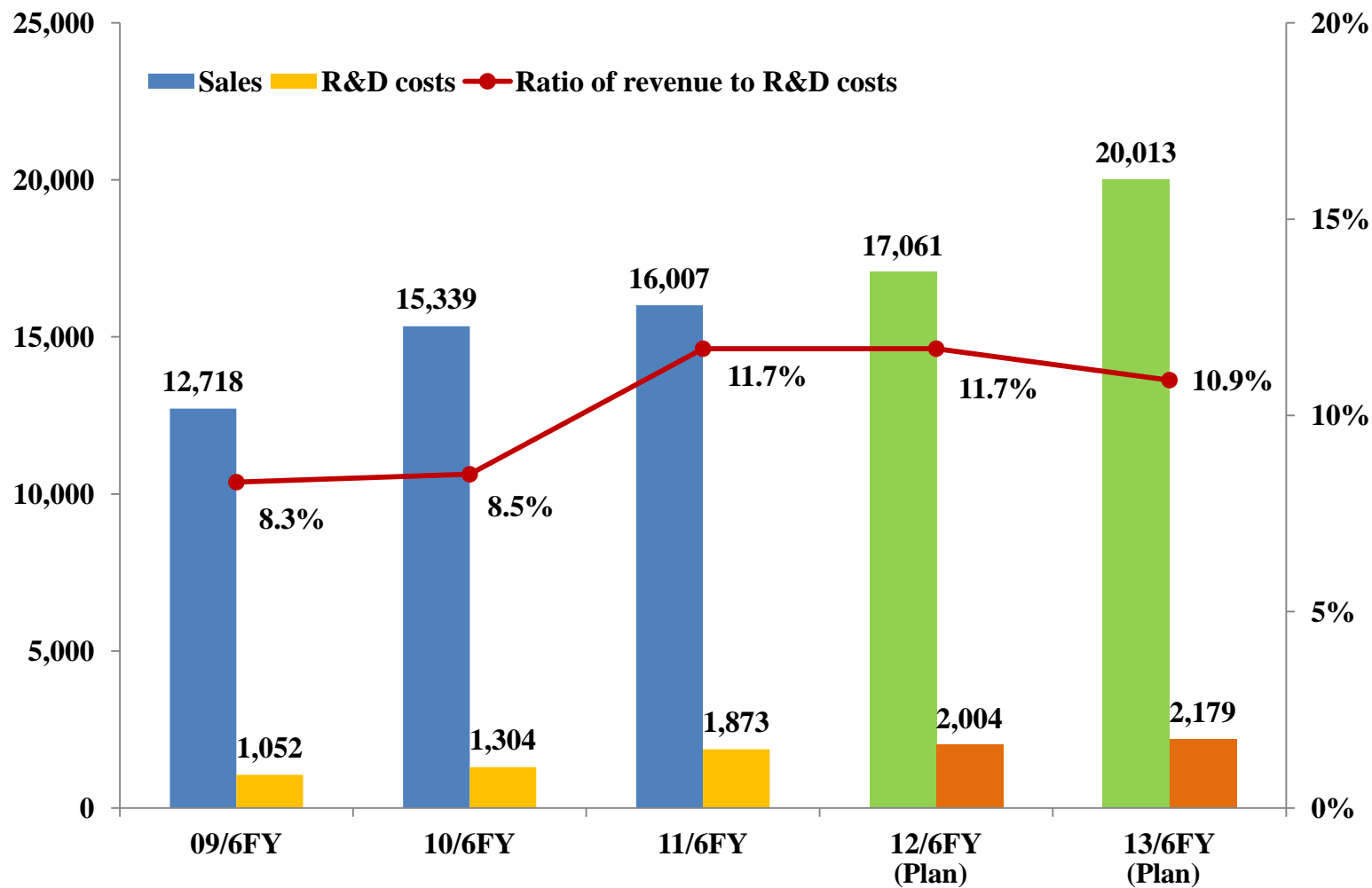
* : Investment in equipment and depreciation during FYE 6/2012, coupled with falling reimbursement prices, led to revision of figures announced originally in the Executive Plan in May 2011.



R&D Costs

Sales, R&D Costs
(million. yen)

Ratio of Revenue to
R&D Costs (%)



* : R&D costs during FYE 6/2012, coupled with falling reimbursement prices, led to revision of figures announced originally in the Executive Plan in May 2011.



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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