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November 14, 2024

## Consolidated Financial Results for the Three Months Ended September 30, 2024 (Under Japanese GAAP)

Company name: ASAHI INTECC CO., LTD.  
 Listing: Tokyo Stock Exchange and Nagoya Stock Exchange  
 Securities code: 7747  
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 Scheduled date of commencing dividend payments: –  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the three months ended September 30, 2024 (from July 1, 2024 to September 30, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit excluding goodwill amortization, etc.		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended										
September 30, 2024	31,184	8.6	10,228	19.9	9,726	20.9	8,767	7.3	6,784	11.7
September 30, 2023	28,713	26.7	8,534	65.2	8,045	71.6	8,168	64.4	6,076	50.1

Note: Comprehensive income For the three months ended September 30, 2024: ¥2,560 million (-62.9%)  
 For the three months ended September 30, 2023: ¥6,900 million (50.3%)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
September 30, 2024	24.98	–
September 30, 2023	22.37	–

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Million yen	Million yen	%
September 30, 2024	179,238	148,978	82.7
June 30, 2024	191,614	151,961	78.9

Reference: Equity

As of September 30, 2024: ¥148,231 million  
 As of June 30, 2024: ¥151,217 million

## 2. Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended June 30, 2024	Yen –	Yen 0.00	Yen –	Yen 20.37	Yen 20.37
Fiscal year ending June 30, 2025	–				
Fiscal year ending June 30, 2025 (Forecast)		0.00	–	24.23	24.23

Note: Revisions to dividend forecasts announced most recently: None

## 3. Consolidated financial results forecast for the fiscal year ending June 30, 2025 (July 1, 2024 to June 30, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit excluding goodwill amortization, etc.		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	116,737	8.5	27,170	12.4	25,210	13.9	25,528	16.2	18,803	18.9	69.22

(Notes) 1. Revisions to financial results forecast announced most recently: None

2. Operating profit excluding goodwill amortization, etc. = Operating profit + amount of goodwill amortization, etc.

\* **Notes**

(1) Significant changes in scope of consolidation during the period: None

Newly included: -

Excluded: -

(2) Accounting treatments adopted specially for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common stock)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2024	271,633,600 shares
As of June 30, 2024	271,633,600 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2024	7,977 shares
As of June 30, 2024	7,955 shares

(iii) Average number of shares during the period (cumulative)

Three months ended September 30, 2024	271,625,637 shares
Three months ended September 30, 2023	271,625,688 shares

\* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

\* Proper use of earnings forecasts, and other special matters

Financial results forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain other assumptions deemed reasonable as of the date of publication of this document, and do not represent any guarantee that the Company will achieve these results. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to “1. Qualitative information on results for the quarter under review (3) Explanation of forecasts including consolidated results forecast” on page 3 of the attached materials for conditions forming the basis for financial results forecasts, notes regarding the use of financial results forecasts, and other information.

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## 1. Qualitative information on results for the quarter under review

### (1) Explanation of operating results

The Asahi Intecc Group (the Group) has formulated the following four basic policies in the medium-term management plan “ASAHI Going Beyond 1000” and aims to enhance corporate value by promoting these growth strategies in a steady manner.

- 1) Strategic development of the global market and expansion of affected areas and treatment areas
- 2) Creating new businesses in global niche markets
- 3) Develop R&D and production system optimized for global expansion
- 4) Establish management structure for sustainable growth

As a result of advancing its businesses in line with these strategies, the Group’s performance for the three months ended on September 30, 2024 progressed favorably as follows.

Net sales amounted to 31,184 million yen (an increase of 8.6% year on year), driven mainly by the strong performance of the Medical Division both domestically and internationally, supported by continued market share growth and the exchange rate impact of stronger foreign currencies.

Gross profit totaled 21,529 million yen (an increase of 15.6% year on year), due to the increase in net sales and improvement in the gross profit margin.

Operating profit was 9,726 million yen (an increase of 20.9% year on year), despite an increase in selling, general and administrative expenses, such as an increase in sales-related expenses aimed at strengthening sales in the non-cardiovascular field in the U.S. and in new fields in Japan, as well as an increase in R&D expenses.

Ordinary profit was 8,767 million yen (an increase of 7.3% year on year), despite an increase in foreign exchange losses.

Profit attributable to owners of parent was 6,784 million yen (an increase of 11.7% year on year), due to the recording of a reversal of allowance for doubtful accounts as extraordinary income.

Foreign exchange rates used for the three months ended September 30, 2024:

149.63 yen per U.S. dollar (144.77 yen for the same period of the previous fiscal year, up 3.4%)

164.22 yen per euro (157.28 yen for the same period of the previous fiscal year, up 4.4%)

20.84 yen per Chinese yuan (19.95 yen for the same period of the previous fiscal year, up 4.5%)

4.29 yen per Thai baht (4.12 yen for the same period of the previous fiscal year, up 4.1%)

The operating results for each segment are outlined below.

From the three months ended September 30, 2024, the classification of reportable segments has been changed. For details, please refer to “2. Quarterly consolidated financial statements and major notes (3) Notes to quarterly consolidated financial statements (Segment information, etc.) II. Three months ended September 30, 2024 2. Disclosure of changes, etc. in reportable segments.”

For comparative segment information, the figures for the three months ended September 30, 2023 have been restated to reflect the new segment classification.

<Medical Division>

In the Medical Division, net sales remained brisk, increasing mainly due to continued market share growth across all regions and the exchange rate impact of stronger foreign currencies.

In the domestic market, net sales increased thanks to steady performance in the cardiovascular field, along with strong sales of purchased peripheral vascular products in the non-cardiovascular field.

In the overseas market, net sales increased in both the cardiovascular and non-cardiovascular fields.

In the cardiovascular field, despite a one-off decline due to concentrated (advanced) full-year orders from distributors in the Europe (Eastern Europe) region in the three months ended September 30, 2023, net sales progressed very favorably, primarily for PCI guide wires and penetration catheters, excluding said region. In the non-cardiovascular field, despite a decline in OEM transactions in the U.S., net sales increased mainly due to the strong performance of neurovascular products in the Chinese market and abdominal vascular products in the U.S. market.

As a result, net sales totaled 28,205 million yen (an increase of 10.2% year on year).

Segment profit amounted to 10,190 million yen (an increase of 27.0% year on year).

#### <Device Division>

In the Device Division, although industrial components remained flat, net sales decreased due to a decline in medical components.

As for medical components, transactions decreased in robotics-related components in the domestic market and in cardiovascular ultrasonic catheter components for the U.S. companies in the overseas market.

As for industrial components, net sales remained flat mainly due to increases in construction-related transactions in the domestic market and OA equipment-related transactions in the overseas market, despite a decrease in leisure-related transactions in the overseas market.

As a result, net sales totaled 2,978 million yen (a decrease of 4.6% year on year).

Segment profit amounted to 1,351 million yen (a decrease of 20.8% year on year), due to a decrease in revenues from external customers.

#### (2) Explanation of financial position

As of September 30, 2024, total assets amounted to 179,238 million yen, a decrease of 12,375 million yen from the end of the previous fiscal year.

This was mainly due to decreases of 4,645 million yen in cash and deposits, 3,492 million yen in notes and accounts receivable - trade, 468 million yen in merchandise and finished goods, 1,300 million yen in work in process, and 541 million yen in raw materials and supplies.

As for liabilities, total liabilities amounted to 30,260 million yen, a decrease of 9,392 million yen from the end of the previous fiscal year. This was mainly due to decreases of 3,529 million yen in short-term borrowings and 5,869 million yen in other in current liabilities, despite an increase of 1,174 million yen in long-term borrowings.

As for net assets, total net assets amounted to 148,978 million yen, a decrease of 2,982 million yen from the end of the previous fiscal year. This was mainly due to a decrease of 4,186 million yen in foreign currency translation adjustment, despite an increase of 1,251 million yen in retained earnings.

#### (3) Explanation of forecasts including consolidated results forecast

In the three months ended September 30, 2024, performance progressed favorably, with both net sales and profit exceeding initial forecasts. However, due to external factors such as currency movements as well as uncertainties in trends for net sales, productivity, and expenditure, the Company has decided to maintain the results forecast announced on August 14, 2024.

## 2. Quarterly consolidated financial statements and major notes

### (1) Quarterly consolidated balance sheet

(Million yen)

	Previous consolidated fiscal year (June 30, 2024)	Three months under review (September 30, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	35,658	31,012
Notes and accounts receivable - trade	17,676	14,184
Electronically recorded monetary claims - operating	1,913	1,970
Securities	3,000	3,000
Merchandise and finished goods	9,282	8,813
Work in process	12,298	10,998
Raw materials and supplies	7,763	7,222
Other	7,609	7,839
Allowance for doubtful accounts	-505	-396
Total current assets	94,696	84,646
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	31,585	31,236
Other, net	28,543	28,388
Total property, plant and equipment	60,129	59,625
Intangible assets		
Goodwill	6,910	6,316
Other	10,048	9,015
Total intangible assets	16,959	15,332
Investments and other assets	19,828	19,633
Total non-current assets	96,917	94,591
Total assets	191,614	179,238

(Million yen)

	Previous consolidated fiscal year (June 30, 2024)	Three months under review (September 30, 2024)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	2,289	2,309
Electronically recorded obligations - operating	625	502
Short-term borrowings	5,615	2,086
Income taxes payable	2,683	2,109
Provision for bonuses	2,700	1,458
Other	15,580	9,710
<b>Total current liabilities</b>	<b>29,494</b>	<b>18,176</b>
Non-current liabilities		
Long-term borrowings	1,087	2,261
Provision for retirement benefits for directors (and other officers)	19	19
Retirement benefit liability	2,851	2,918
Other	6,199	6,883
<b>Total non-current liabilities</b>	<b>10,157</b>	<b>12,083</b>
<b>Total liabilities</b>	<b>39,652</b>	<b>30,260</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	18,860	18,860
Capital surplus	21,779	21,779
Retained earnings	90,742	91,994
Treasury shares	-7	-7
<b>Total shareholders' equity</b>	<b>131,375</b>	<b>132,627</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,689	2,643
Foreign currency translation adjustment	17,142	12,955
Remeasurements of defined benefit plans	9	4
<b>Total accumulated other comprehensive income</b>	<b>19,841</b>	<b>15,603</b>
Non-controlling interests	744	747
<b>Total net assets</b>	<b>151,961</b>	<b>148,978</b>
<b>Total liabilities and net assets</b>	<b>191,614</b>	<b>179,238</b>



## (2) Quarterly consolidated statements of income and comprehensive income

## Quarterly consolidated statement of income

For the three months ended September 30

(Million yen)

	Previous three months period (from July 1, 2023 to September 30, 2023)	Three months under review (from July 1, 2024 to September 30, 2024)
Net sales	28,713	31,184
Cost of sales	10,088	9,654
Gross profit	18,624	21,529
Selling, general and administrative expenses	10,579	11,803
Operating profit	8,045	9,726
Non-operating income		
Interest income	33	25
Dividend income	3	3
Foreign exchange gains	61	–
Subsidy income	42	93
Other	89	83
Total non-operating income	230	205
Non-operating expenses		
Interest expenses	87	144
Foreign exchange losses	–	927
Other	19	92
Total non-operating expenses	107	1,164
Ordinary profit	8,168	8,767
Extraordinary income		
Gain on sale of investment securities	–	23
Reversal of allowance for doubtful accounts	–	100
Total extraordinary income	–	123
Profit before income taxes	8,168	8,891
Income taxes - current	1,672	1,950
Income taxes - deferred	376	142
Total income taxes	2,049	2,092
Profit	6,118	6,798
Profit attributable to non-controlling interests	42	13
Profit attributable to owners of parent	6,076	6,784

Quarterly consolidated statement of comprehensive income  
For the three months ended September 30

(Million yen)

	Previous three months period (from July 1, 2023 to September 30, 2023)	Three months under review (from July 1, 2024 to September 30, 2024)
Profit	6,118	6,798
Other comprehensive income		
Valuation difference on available-for-sale securities	-204	-45
Foreign currency translation adjustment	996	-4,186
Remeasurements of defined benefit plans, net of tax	-10	-5
Total other comprehensive income	781	-4,237
Comprehensive income	6,900	2,560
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,855	2,557
Comprehensive income attributable to non-controlling interests	45	3

(3) Notes to quarterly consolidated financial statements

(Note on entity's ability to continue as going concern)

Not applicable.

(Notes in the case of significant changes in amount of shareholders' equity)

Not applicable.

(Changes in accounting policies)

(Application of accounting standard for current income taxes, etc.)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; the "2022 Revised Accounting Standard"), etc. from the beginning of the three months ended September 30, 2024.

For the revisions to the accounting classification of current income taxes (taxation on other comprehensive income), the Company follows the transitional treatment specified in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment specified in the proviso to Paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; the "2022 Revised Guidance").

For the revisions related to the review of treatment in consolidated financial statements when conducting a tax deferral of gains or losses on sales arising from the sale of subsidiary shares, etc. between consolidated companies, the Company has applied the 2022 Revised Guidance from the beginning of the three months ended September 30, 2024.

This application has no impact on the consolidated financial statements for the three months ended on September 30, 2024.

(Segment information, etc.)

[Segment Information]

I Three months ended September 30, 2023 (from July 1, 2023 to September 30, 2023)

1. Disclosure of sales and profit (loss) for each reportable segment

(Million yen)

	Reportable segment			Adjustments (Note 1)	Per quarterly consolidated financial statements (Note 2)
	Medical Division	Device Division	Total		
Net sales					
Revenues from external customers	25,591	3,121	28,713	–	28,713
Transactions with other segments	–	3,397	3,397	-3,397	–
Total	25,591	6,519	32,111	-3,397	28,713
Segment profit	8,023	1,707	9,730	-1,685	8,045

- Notes:
1. The adjustment to segment profit includes corporate expenses that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.
  2. Segment profit is adjusted with the operating profit in the quarterly consolidated statement of income.

II Three months ended September 30, 2024 (from July 1, 2024 to September 30, 2024)

1. Disclosure of sales and profit (loss) for each reportable segment

(Million yen)

	Reportable segment			Adjustments (Note 1)	Per quarterly consolidated financial statements (Note 2)
	Medical Division	Device Division	Total		
Net sales					
Revenues from external customers	28,205	2,978	31,184	–	31,184
Transactions with other segments	–	3,896	3,896	-3,896	–
Total	28,205	6,875	35,080	-3,896	31,184
Segment profit	10,190	1,351	11,541	-1,815	9,726

- Notes:
1. The adjustment to segment profit includes corporate expenses that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.
  2. Segment profit is adjusted with the operating profit in the quarterly consolidated statement of income.

2. Disclosure of changes, etc. in reportable segments

(Change in measurement method of profit (loss) for reportable segments)

From the three months ended September 30, 2024, general and administrative expenses for certain consolidated subsidiaries, which were previously included in the Medical Division and Device Division segments, have been reclassified as general and administrative expenses that do not belong to any reportable segment (corporate expenses) due to organizational expansion.

Segment information for the three months ended September 30, 2023 has been prepared and disclosed based on the revised measurement method.

(Note to statement of cash flows)

The quarterly consolidated statement of cash flows for the three months ended September 30, 2024 has not been prepared.

Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill

	Previous three months period (from July 1, 2023 to September 30, 2023)	Three months under review (from July 1, 2024 to September 30, 2024)
Depreciation	2,058 million yen	2,337 million yen
Amortization of goodwill	300 million yen	309 million yen

(Revenue recognition)

Disaggregation of revenue from contracts with customers

(1) Breakdown by type

Three months ended September 30, 2023 (from July 1, 2023 to September 30, 2023)

(Million yen)

	Reportable segment		
	Medical Division	Device Division	Total
Cardiovascular	19,770	–	19,770
Non-cardiovascular	3,634	–	3,634
OEM	2,187	–	2,187
Medical Components	–	2,091	2,091
Industrial Components	–	1,029	1,029
Total	25,591	3,121	28,713

Three months ended September 30, 2024 (from July 1, 2024 to September 30, 2024)

(Million yen)

	Reportable segment		
	Medical Division	Device Division	Total
Cardiovascular	21,546	–	21,546
Non-cardiovascular	4,658	–	4,658
OEM	2,001	–	2,001
Medical Components	–	1,941	1,941
Industrial Components	–	1,037	1,037
Total	28,205	2,978	31,184

(2) Breakdown by region

Three months ended September 30, 2023 (from July 1, 2023 to September 30, 2023)

(Million yen)

	Reportable segment		
	Medical Division	Device Division	Total
Japan	3,404	685	4,090
North America	5,119	1,252	6,371
Europe	6,682	105	6,788
China	6,861	157	7,019
Others	3,523	919	4,443
Total	25,591	3,121	28,713

Three months ended September 30, 2024 (from July 1, 2024 to September 30, 2024)

(Million yen)

	Reportable segment		
	Medical Division	Device Division	Total
Japan	3,762	721	4,483
North America	5,445	942	6,388
Europe	5,716	122	5,839
China	9,303	128	9,431
Others	3,978	1,063	5,041
Total	28,205	2,978	31,184

(Significant subsequent events)

Not applicable.