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# **Financial Results of Fiscal Year ended June 2021**

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**August 13, 2021**

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



# Contents

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**1. Summary of Consolidated Financial for  
FYE June 2021**

**2. Earnings Forecast for FYE June 2022**



# FYE June 2021 Main Points-1

**Revenue 61,507 Mil. Yen <Year-on-year +8.8%>**

**~ Revenue increased mainly in overseas markets in the medical division,  
despite the lingering impact of COVID-19 ~**

## ■ Medical Division ~ Despite the impact of COVID-19, revenue increased due to the trend of recovery in demand~

### Japan

- Decrease in the number of cases since April 2020 compared to normal due to the impact of COVID-19
- Increase year-on-year in number of sales volume of PTCA GW
- Increase in both peripheral vascular and neurovascular field in the non-cardiovascular fields
- Reimbursement price reduction in October 2019 and April 2020 (-285 Mil. yen)

### Overseas

- Decrease year-on-year in the number of cases mainly in EU, Middle East and Asia due to the impact of COVID-19
- Increase in PTCA GW and penetration catheters due to strengthening sales promotion in Chinese and US market
- In Non-Cardiovascular segment , increase in Neurovascular field in US, Chinese, and Europe and Middle Eastern market
- Influence of the exchange rate fluctuation (+486 Mil. yen)

## ■ Device Division ~ Decrease in Medical Components business due to the impact of COVID-19 ~

- ◆ In Medical Components business, decrease in Abdominal vascular catheter components and Cardiovascular examination catheter components for US market
- ◆ In Industrial Components business, increase in business related to the domestic construction, home appliance and automobile market, and the overseas leisure market



## FYE June 2021 Main Points-2

**Although SGA such as R & D expenses increased due to continuous upfront investment, operating income increased slightly**

- **Gross profit : 41,468 Mil. Yen < YoY +9.0% >**
  - Increase in gross profit due to increase in revenue and gross profit margin
  
- **Operating income : 12,795 Mil. Yen < YoY +2.8% >**
  - Increase in R&D expenses (YoY +945 Mil. Yen, Ratio of Revenue 12.2%)
  - Increase in operating expenses due to direct sales
  - Increase in IT expenses due to recovering from network issues caused by unauthorized access and strengthening IT systems
  - Accrual of M&A handling costs
  
- **Ordinary income : 13,196 Mil. Yen < YoY +7.2% >**
  - Increase in currency exchange gain (YoY +535 Mil. Yen)
  
- **Net income attributable to parent company shareholders :**

**9,984 Mil. Yen < YoY +8.8% >**

  - Decrease in subsidy income (YoY -959 Mil. Yen)

Exchange rate (Unit: JPY)	US \$	EURO	CNY	BAHT
FYE June 2021	106.58	127.06	16.12	3.45
FYE June 2020	108.19	119.62	15.38	3.49



# Highlights

	FYE June 2020		FYE June 2021						
	Amount (Mil. Yen)	Ratio (%)	Initial Plan August 14th 2020	Amount (Mil. Yen)	Ratio (%)	YoY		Compared to initial plan	
						Changes (Mil. Yen)	Changes (%)	Amount (Mil. Yen)	Changes (%)
Revenue	56,546	100.0	60,542	61,507	100.0	+4,961	+8.8	+965	+1.6
Gross profit	38,038	67.3	40,670	41,468	67.4	+3,429	+9.0	+797	+2.0
Operating income	12,445	22.0	12,619	12,795	20.8	+349	+2.8	+175	+1.4
Ordinary income	12,310	21.8	12,496	13,196	21.5	+885	+7.2	+700	+5.6
Net income attributable to parent company shareholders	9,178	16.2	9,193	9,984	16.2	+805	+8.8	+791	+8.6
EPS	35.25 yen	-	35.28 yen	38.25 yen	-	+3.00 yen	+8.5	+2.97 yen	+8.4



# Net Revenue by Segment

	FYE June 2020		FYE June 2021			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Changes (%)
Medical	47,855	84.6	53,068	86.3	+5,213	+10.9
Device	8,690	15.4	8,438	13.7	-252	-2.9
<b>Total amount</b>	<b>56,546</b>	<b>100.0</b>	<b>61,507</b>	<b>100.0</b>	<b>+4,961</b>	<b>+8.8</b>

## (Reference)

Medical field	51,931	91.8	56,725	92.2	+4,793	+9.2
Industrial field	4,614	8.2	4,782	7.8	+167	+3.6



## Operating Income by Segment

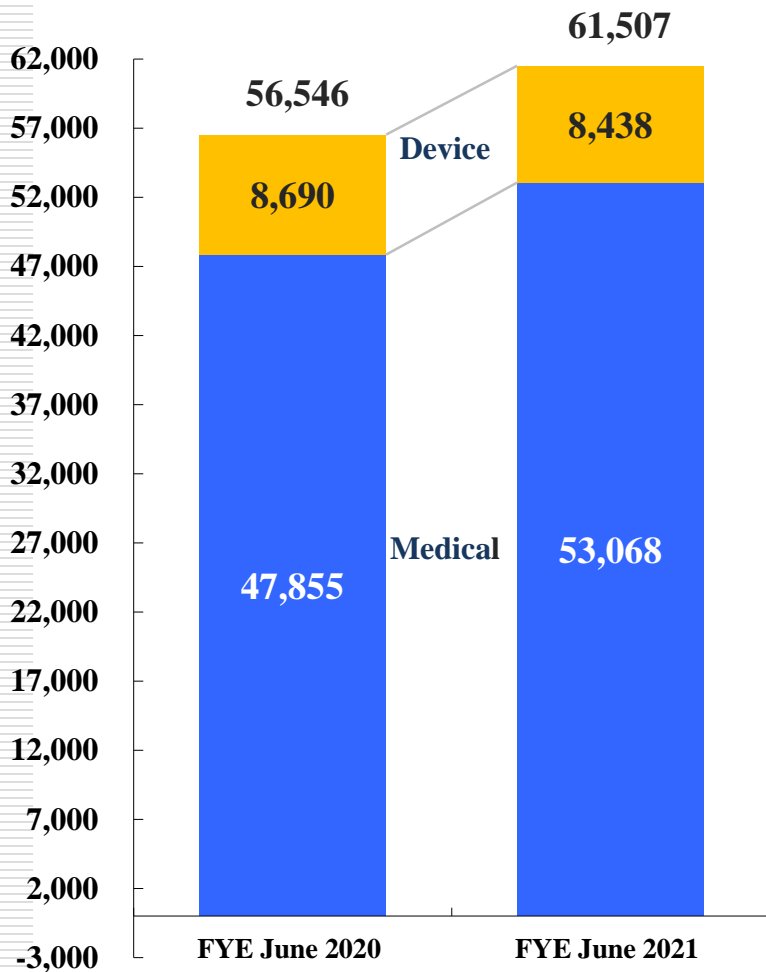
	FYE June 2020		FYE June 2021			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Changes (%)
<b>Medical</b>	<b>12,608</b>	<b>79.4</b>	<b>13,700</b>	<b>80.4</b>	<b>+1,091</b>	<b>+8.7</b>
<b>Device</b>	<b>3,278</b>	<b>20.6</b>	<b>3,349</b>	<b>19.6</b>	<b>+71</b>	<b>+2.2</b>
<b>Subtotal</b>	<b>15,886</b>	<b>100.0</b>	<b>17,049</b>	<b>100.0</b>	<b>+1,163</b>	<b>+7.3</b>
<b>Erasing &amp; Head Quarters</b>	<b>-3,441</b>	<b>—</b>	<b>-4,254</b>	<b>—</b>	<b>-813</b>	<b>-23.6</b>
<b>Total amount</b>	<b>12,455</b>	<b>—</b>	<b>12,795</b>	<b>—</b>	<b>+349</b>	<b>+2.8</b>
<b>(Reference) Device Division Segment Revenue</b>	<b>4,449</b>	<b>—</b>	<b>5,665</b>	<b>—</b>	<b>+1,215</b>	<b>+27.3</b>



# Earnings Performance by Segment

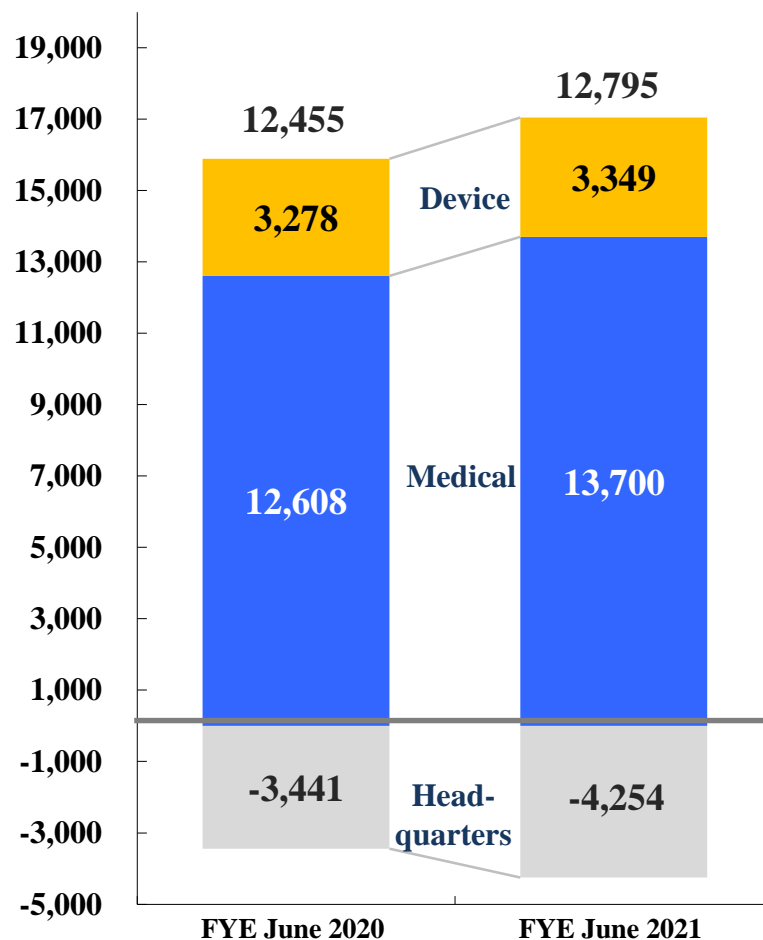
(Mil. Yen)

## 【 Revenue 】



(Mil. Yen)

## 【 Operating Income 】

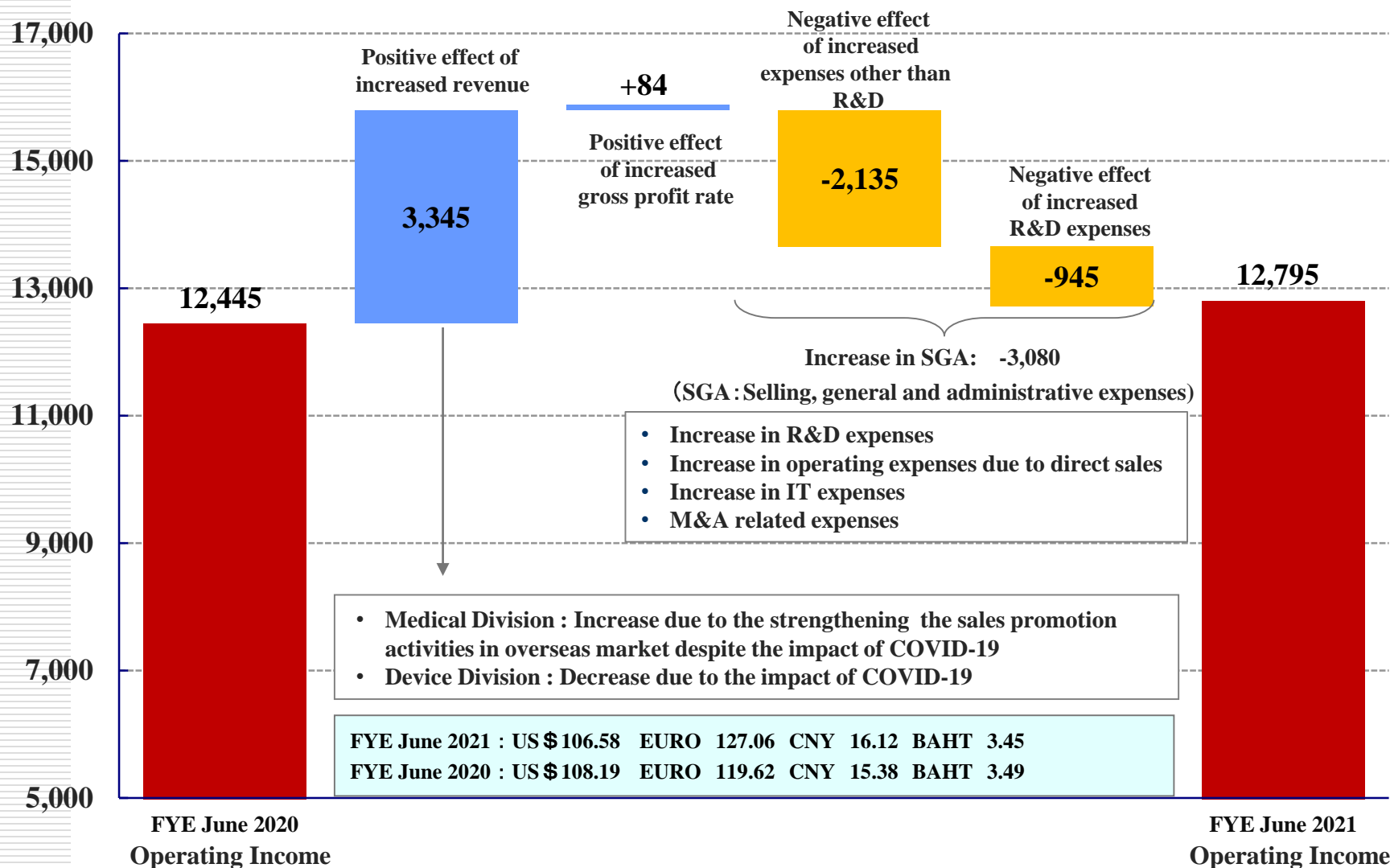






# Attribution Analysis of Operating Income – 1 (Exchange Rate Fluctuations Included)

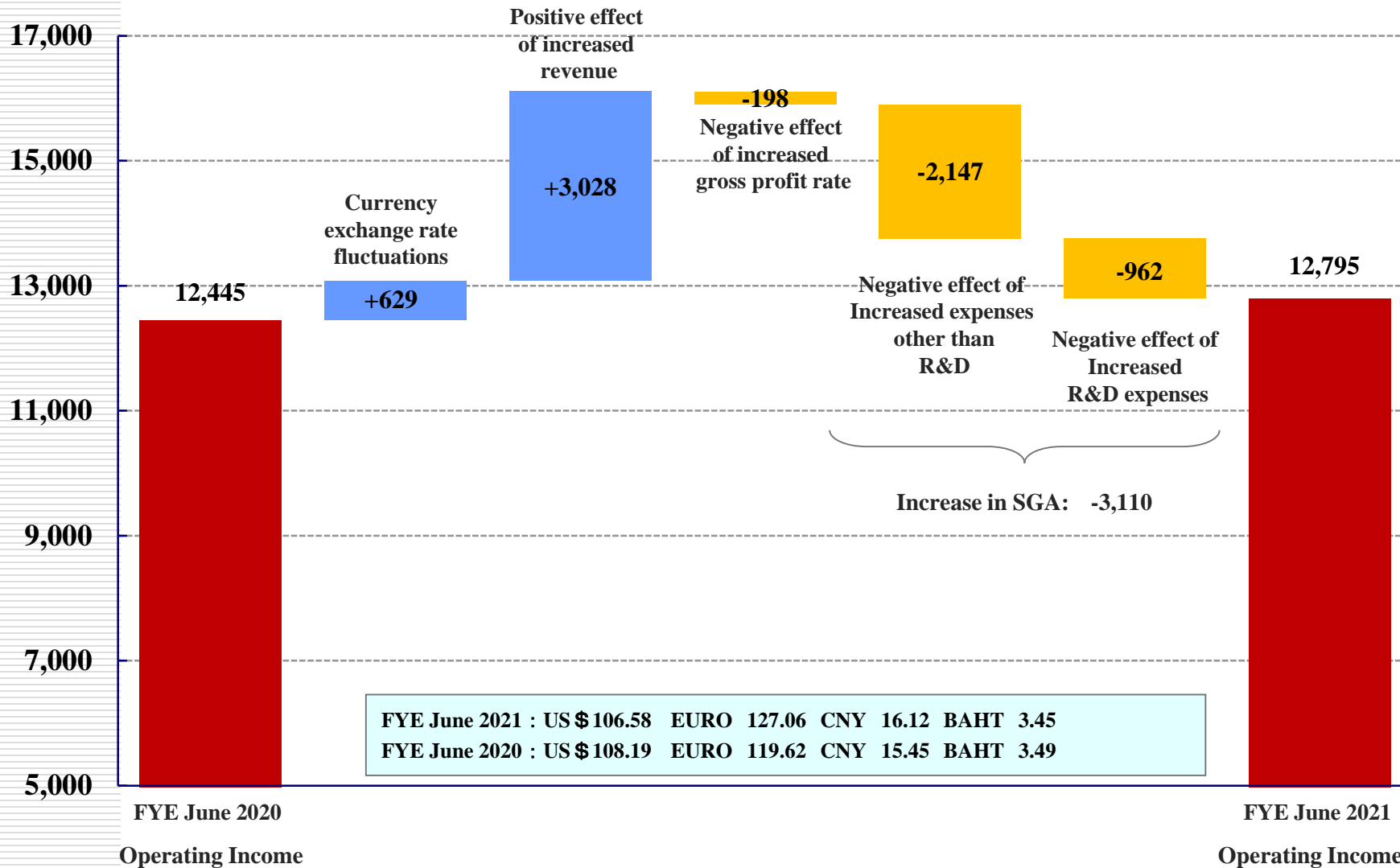
(Mil. Yen)





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

(Mil. Yen)





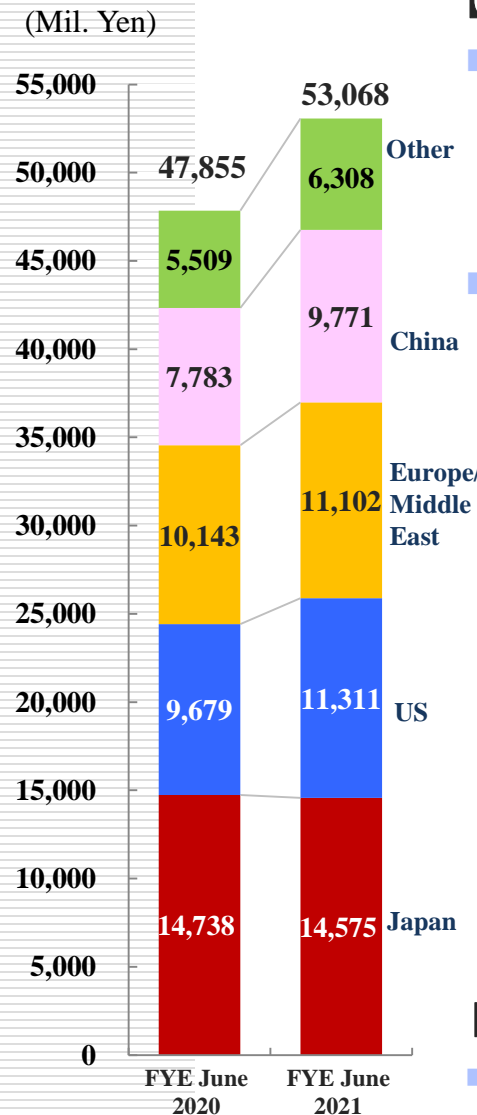
# Per Segment by Medical Division (by Geography - 1)

## 【Revenue (YoY)】

- **Japan: Increase in volume despite continued impact of COVID-19 and influence of reimbursement price reduction (-285 Mil.yen)**
  - PTCA GW: Although the volume increased, the amount decreased slightly due to the influence of the reimbursement price reduction
  - Non-cardiovascular field: Strong sales of peripheral vascular and neurovascular products
- **Overseas: Increase in revenue due to strengthening sales promotion activities and the promotion of direct sales despite decrease in the number of cases due to the impact of COVID-19**
  - <US>
    - PTCA GW: Despite the impact of COVID-19, increase in number associated with promotion of direct sales
    - Non-cardiovascular field : Increase due to the switch to the direct sales of neurovascular products in the second half of the year
    - OEM: Increase in supply of FFR components for Boston Scientific (US)
  - <Europe/Middle East>
    - Western Europe increased while Eastern Europe/Russia and Middle East decreased
    - Western Europe: Increase due to the promotion of direct sales in France and Germany, etc.
    - Middle East: Impact of COVID-19, etc.
    - Eastern Europe/Russia : Carry-over to next fiscal year
  - <China>
    - PTCA GW / Penetration Catheter :Increase significantly due to strengthening sales promotion activities
    - Non-cardiovascular segment: Strong sales of Neurovascular products
  - <Other>
    - PTCA GW / Penetration Catheter : Increase due to the promotion of direct sales in Korea despite the the impact of COVID-19

## 【Operating Income】

- Operating income increased with sales increase despite increase in R&D expenses





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

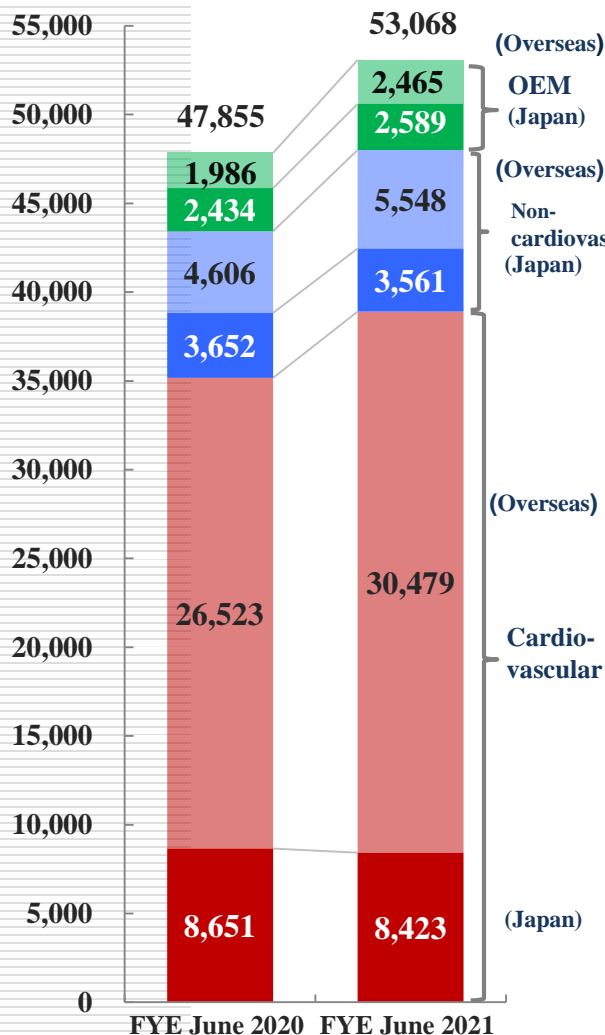
(Mil. Yen)

		FYE June 2020	FYE June 2021	YoY	
				Changes	Changes (%)
Exchange rate(Yen)	USD	108.19	106.58	-1.61	-1.5
	EURO	119.62	127.06	+7.44	+6.2
	CNY	15.38	16.12	+0.74	+4.8
Total Revenue		47,855	53,068	+5,213	+10.9
Japan		14,738	14,575	-163	-1.1
Overseas		33,116	38,493	+5,377	+16.2
US		9,679	11,311	+1,631	+16.9
Europe/Middle East		10,143	11,102	+958	+9.5
China		7,783	9,771	+1,987	+25.5
Other		5,509	6,308	+799	+14.5
Operating income		12,608	13,700	+1,091	+8.7



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

(Mil. Yen)



【Revenue (YoY)】

## Cardiovascular

- **Japan:** : Increase in volume despite continued impact of COVID-19 and influence of reimbursement price reduction
- **Overseas:** Increase in revenue due to strengthening sales promotion activities and the promotion of direct sales despite decrease in the number of cases due to the impact of COVID-19
- **PTCA GW:** Increase mainly in Chinese and US market despite impact of COVID-19  
**US:** Despite the impact of COVID-19, increase in number due to the promotion of direct sales  
**Chinese:** Increase significantly due to strengthening sales promotion activities  
**Europe/Middle East:** Western Europe increased while Eastern Europe/Russia and Middle East decreased  
**Western Europe:** Increase due to the promotion of direct sales in France and Germany, etc.  
**Middle East:** Impact of COVID-19, etc.  
**Eastern Europe/Russia :** Carry-over to next fiscal year  
**Others:** Increase due to direct sales in South Korea
- **Penetration Catheter:** Increase in US and China market

## Non-cardiovascular

- **Japan:** Strong sales of peripheral vascular and neurovascular product
- **Overseas:** Neurovascular field:  
 Increase due to the switch to the direct sales of neurovascular products in US  
 Strong sales in China

## OEM

- **Japan:** Increase in business of wires for Peripheral vascular, etc.
- **Overseas:** Increase in supply of FFR components for Boston Scientific (US)



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

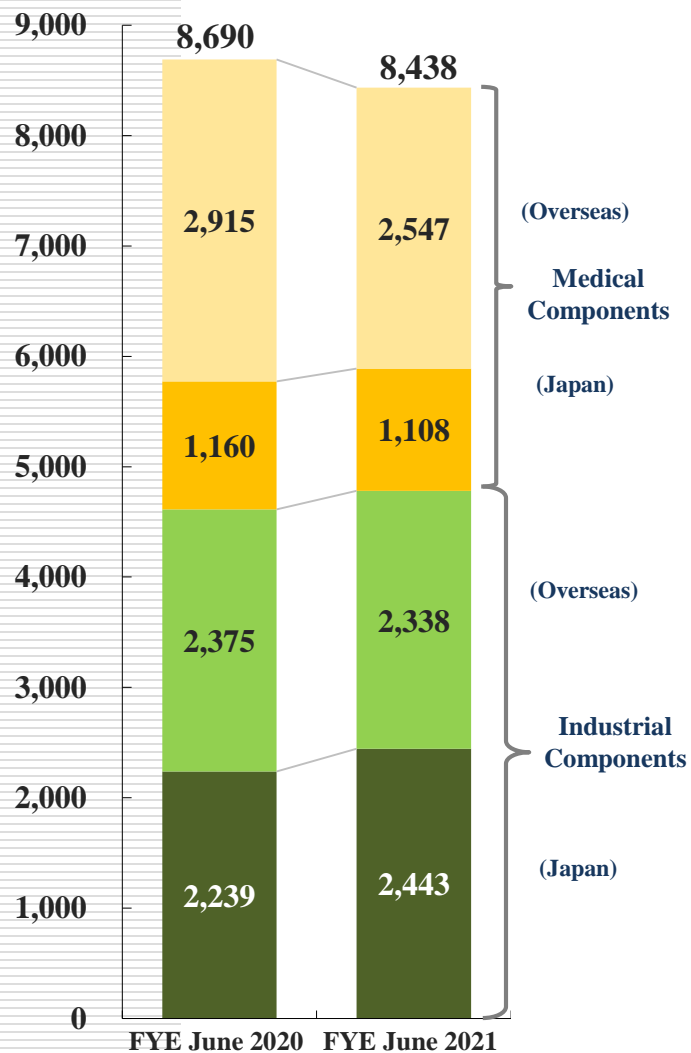
(Mil. Yen)

		FYE June 2020	FYE June 2021	YoY	
				Changes	Changes (%)
Exchange rate (Yen)	USD	108.19	106.58	-1.61	-1.5
	EURO	119.62	127.06	+7.44	+6.2
	CNY	15.38	16.12	+0.74	+4.8
<b>Total Revenue</b>		<b>47,855</b>	<b>53,068</b>	<b>+5,213</b>	<b>+10.9</b>
	Japan	14,738	14,575	-163	-1.1
	Overseas	33,116	38,493	+5,377	+16.2
<b>Cardiovascular</b>		<b>35,175</b>	<b>38,903</b>	<b>+3,728</b>	<b>+10.6</b>
	Japan	8,651	8,423	-227	-2.6
	Overseas	26,523	30,479	+3,955	+14.9
<b>Non-cardiovascular</b>		<b>8,259</b>	<b>9,109</b>	<b>+850</b>	<b>+10.3</b>
	Japan	3,652	3,561	-91	-2.5
	Overseas	4,606	5,548	+942	+20.5
<b>OEM</b>		<b>4,420</b>	<b>5,055</b>	<b>+634</b>	<b>+14.4</b>
	Japan	2,434	2,589	+155	+6.4
	Overseas	1,986	2,465	+478	+24.1



# Per Segment by Device Division - 1

( Mil. Yen )



## 【Revenue (YoY)】

Decreased in medical components business due to the lingering effects of the impact of COVID-19 although strong sales of industrial components business

### Medical Components

- **Japan:** Decrease in endoscope components, etc.
- **Overseas:** Decrease in Abdominal vascular catheter components and Cardiovascular examination catheter components for US

### Industrial Components

- **Japan:** Revenue increased due to increase in business related to construction, home appliance and automobile market despite decrease in business related to office automation market
- **Overseas:** Revenue decreased due to decrease in business related to automobile and office automation market despite increase in business related to leisure market

## 【Operating Income】

- **Operating income increased with intersegment transactions increase despite decrease in external revenue**



## Per Segment by Device Division - 2

		FYE June 2020	FYE June 2021	YoY	
				Changes	Changes(%)
Exchange rate (Yen)	USD	108.19	106.58	-1.61	-1.5
<b>Total Revenue</b>		<b>8,690</b>	<b>8,438</b>	<b>-252</b>	<b>-2.9</b>
	Japan	3,399	3,552	+152	+4.5
	Overseas	5,290	4,886	-404	-7.6
<b>Medical Components</b>		<b>4,075</b>	<b>3,656</b>	<b>-419</b>	<b>-10.3</b>
	Japan	1,160	1,108	-51	-4.5
	Overseas	2,915	2,547	-367	-12.6
<b>Industrial Components</b>		<b>4,614</b>	<b>4,782</b>	<b>+167</b>	<b>+3.6</b>
	Japan	2,239	2,443	+203	+9.1
	Overseas	2,375	2,338	-36	-1.5%
<b>Operating income</b>		<b>3,278</b>	<b>3,349</b>	<b>+71</b>	<b>+2.2%</b>
<b>(Reference) Segment Revenue</b>		<b>4,449</b>	<b>5,665</b>	<b>+1,215</b>	<b>+27.3</b>

(Mil. Yen)





## Reference: P/L

	FYE June 2020		FYE June 2021			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Main comparison factors
Revenue	56,546	100.0	61,507	100.0	+4,961	• Increase due strengthening sales promotion in China and US
Cost of sales	18,507	32.7	20,039	32.6	+1,531	
Gross profit	38,038	67.3	41,468	67.4	+3,429	• Increase due to increase in revenue
SGA	25,592	45.3	28,673	46.6	+3,080	• Increase in R&D expenses and personnel expenses
Operating income	12,445	22.0	12,795	20.8	+349	
Non-operating income	141	0.3	666	1.1	+524	• Increase in currency exchange gain
Non-operating expense	277	0.5	265	0.4	-11	
Ordinary income	12,310	21.8	13,196	21.5	+885	
Extraordinary gain	959	1.7	114	0.2	-845	• Decrease in subsidy income
Extraordinary loss	612	1.1	177	0.3	-434	• Decrease in Operating compensation
Net income attributable to parent company shareholders	9,178	16.2	9,984	16.2	+805	
Comprehensive income	9,251	16.4	10,753	17.5	+1,501	• Increase in valuation difference on available-for-sale securities: +375 • Increase in foreign currency translation adjustment: +129



## Reference: B/S

		FYE June 2020		FYE June 2021			
		Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Main comparison factors
Assets	Current assets	47,793	51.0	61,132	53.0	+13,339	Receivable-trade: +2,957 Cash and deposit: +2,804
	Fixed Assets	45,935	49.0	54,294	47.0	+8,358	Tangible fixed assets: +5,404 Investments and other assets: +1,955 Intangible fixed assets: +998
Total assets		93,729	100.0	115,427	100.0	+21,697	
Liabilities	Current Liabilities	12,786	13.6	14,672	12.7	+1,886	Short-term debt: +1,605 Provision for bonuses : +662 Accrued corporate tax, etc.: -232
	Fixed liabilities	8,968	9.6	7,816	6.8	-1,151	Long-term debt: -1,474
Total liabilities		21,754	23.2	22,488	19.5	+734	
Total net assets		71,975	76.8	92,938	80.5	+20,963	Capital stock and capital surplus +12,465 Retained earnings: +7,688
Total liabilities & net assets		93,729	100.0	115,427	100.0	+21,697	



# Reference: C/F

(Mil. Yen)

30,000

25,000

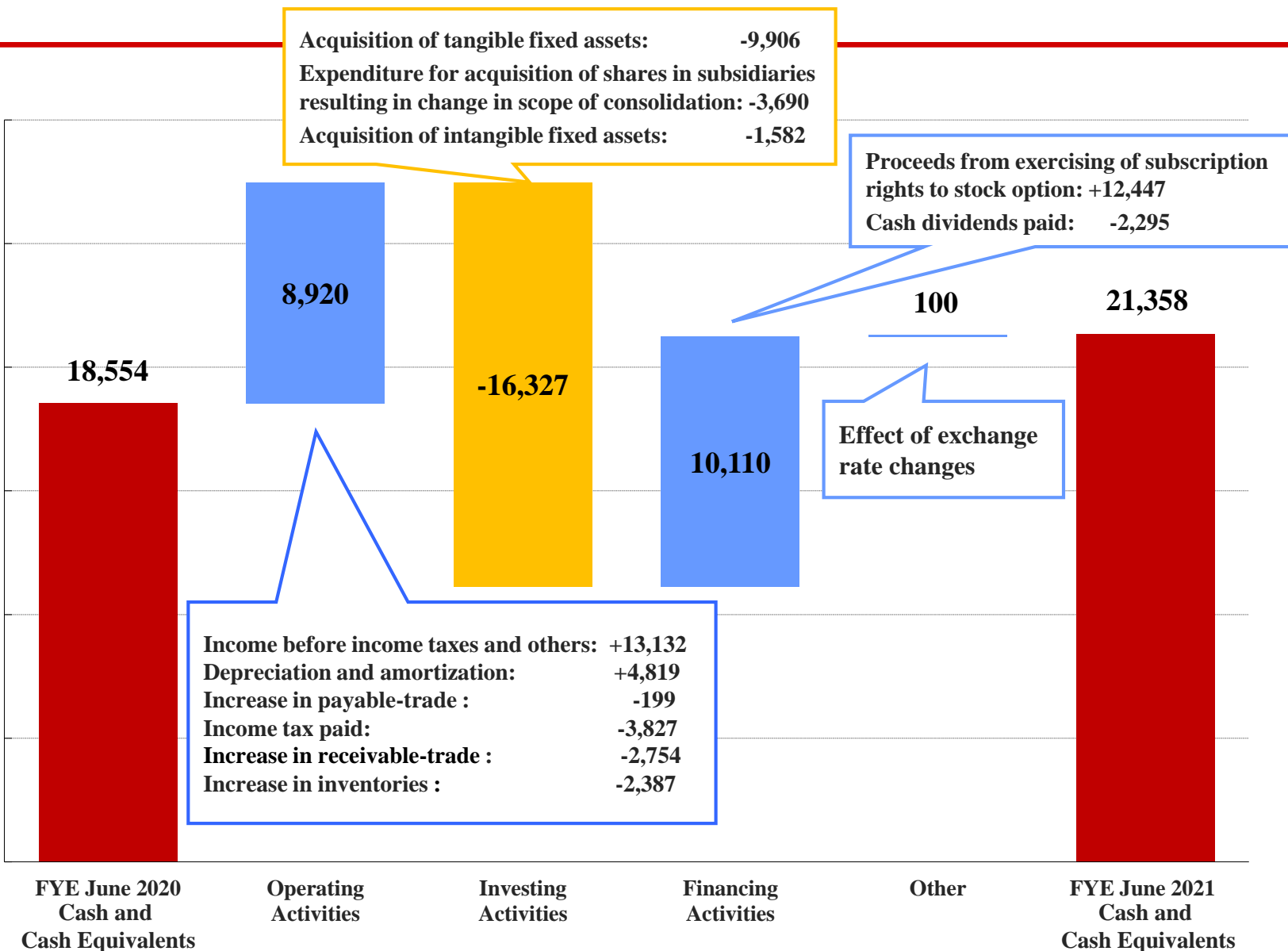
20,000

15,000

10,000

5,000

0

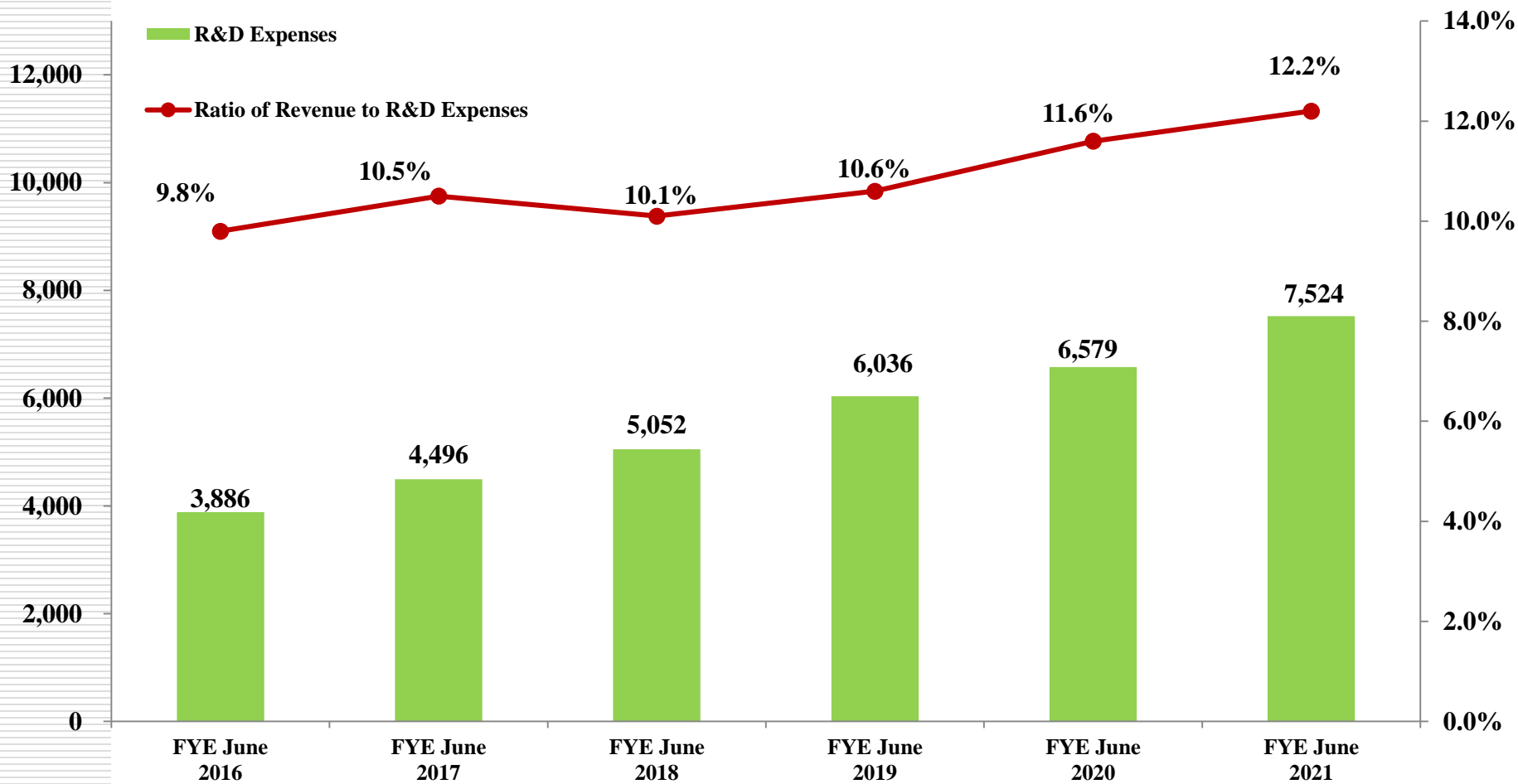




# R&D Expenses

(Mil. Yen)

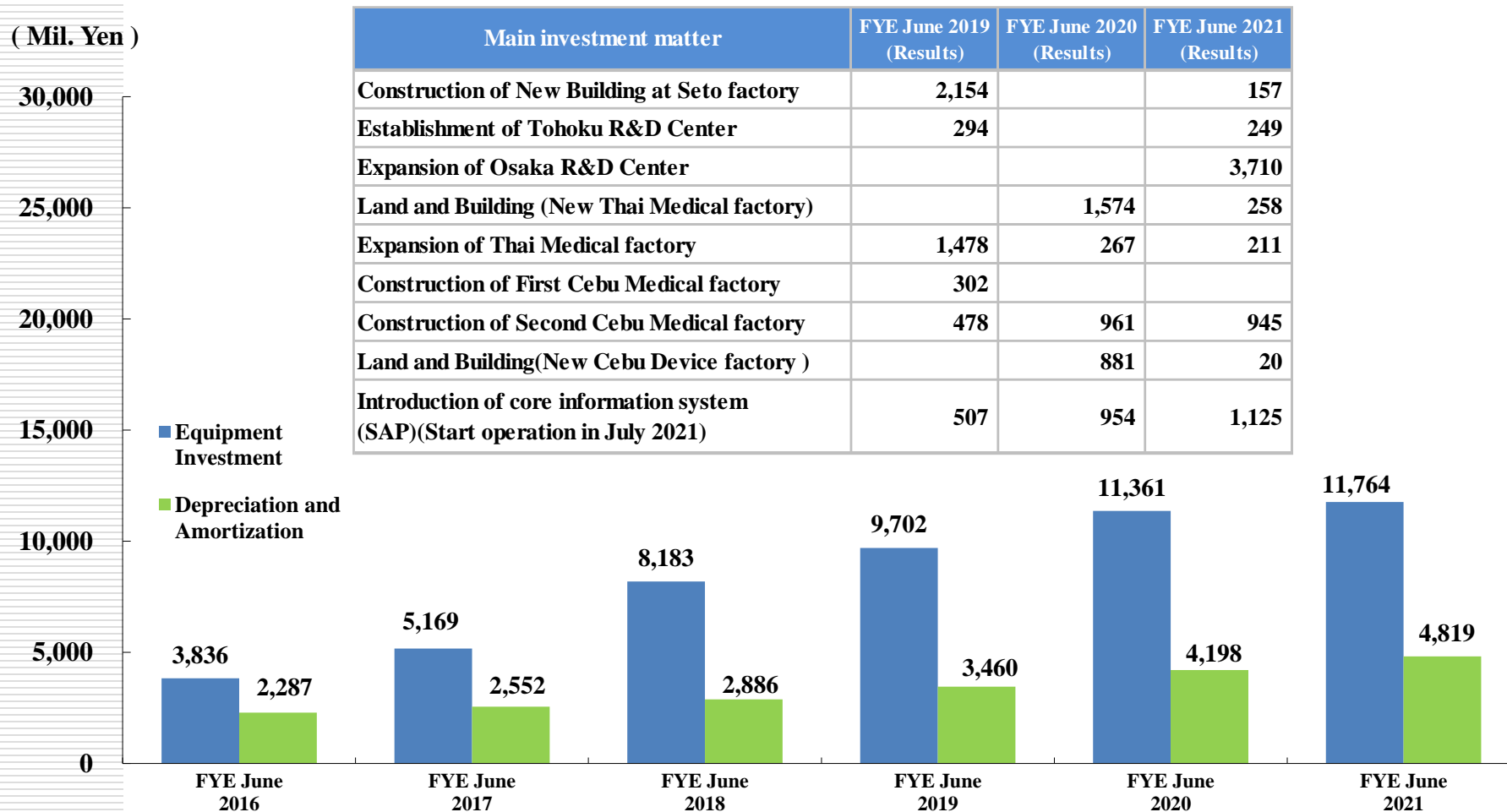
Increase in R&D expenses for new projects





# Results and Plan for Equipment Installation

**Expansion of development bases for the purpose of expanding core technology research  
Plan to implement expansion of overseas factory bases to increase production in the future**





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**1. Summary of Consolidated Financial for  
FYE June 2021**

**2. Earnings Forecast for FYE June 2022**



# Vision for FYE June 2022

## Significant increase especially in overseas sales of Medical Division

### Operating income is expected to increase despite an increase in SGA to support sustainable growth

#### ■ Revenue is expected to increase to 75,296 Mil. Yen (+22.4% YoY) due to increase in Medical Division in all regions

##### Increasing factors

- COVID-19 is assumed to recover in all except a few regions
- Cardiovascular field: Sales increase due to the expansion of market share by strengthening sales promotion and direct sales in addition to the return of the number of cases for PTCA GW and penetration catheter
- Non-cardiovascular field: Sales increase due to enhancement by new product launches mainly in US and EU for peripheral vascular products. Expect to increase market share for neurovascular products in all regions
- Increase in sales revenue due to M&A +3,169 Mil. Yen

##### Decreasing factors

- Impact of reimbursement price reduction (-242 Mil. Yen)

#### ■ Although SGA will increase due to operating expenses and amortization of goodwill, operating income is expected to increase due to increased revenue

- Decrease in Gross profit ratio due to increase in Fixed cost (depreciation cost)
- Operating income 14,510 Mil. Yen (YoY +13.4%)
  - Increase in R&D expenses (8,904 Mil. Yen, revenue ratio 11.8 %)
  - Increase in expenses due to strengthening overseas sales mainly in EU and China
  - Increase in amortization of goodwill (+1,469 Mil. Yen)
- Ordinary income 14,458 Mil. Yen (YoY +9.6%)
- Net income attributable to parent company shareholders: 10,498 Mil. Yen (YoY+5.1%)

Assumed Exchange Rate	(Unit : JPY)			
FYE June 2022 (Plan)	US \$	108.00	EURO	130.00
	CNY	16.50	BAHT	3.50
FYE June 2021	US \$	106.58	EURO	127.06
	CNY	16.12	BAHT	3.45

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

US \$ (+ 1 yen influence) : approx. 143 Mil. Yen Increase  
 EURO (+ 1 yen influence) : approx. 86 Mil. Yen Increase  
 CNY (+ 1 yen influence) : approx. 660 Mil. Yen Increase  
 BAHT(+0.1 yen influence) : approx. 346 Mil. Yen Decrease



## Earnings Forecast for FYE June 2022

	FYE June 2021 (Results)		FYE June 2022 (Plan)			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	YoY	
					Changes (Mil. Yen)	Changes (%)
Revenue	61,507	100.0	75,296	100.0	+13,789	+22.4
Gross profit	41,468	67.4	49,986	66.4	+8,517	+20.5
Operating income before amortization of goodwill	12,944	21.0	16,128	21.4	+3,184	+24.6
Operating income	12,795	20.8	14,510	19.3	+1,715	+13.4
Ordinary income	13,196	21.5	14,458	19.2	+1,262	+9.6
Net income attributable to parent company shareholders	9,984	16.2	10,498	13.9	+513	+5.1
EPS ※	38.25 yen	—	38.65 yen	—	+0.40 yen	+1.0

※ : The EPS for the fiscal year ending June 2022 is calculated based on the number of issued shares of 271,625,722 (excluding treasury stock) in consideration of the exercise of stock acquisition rights.

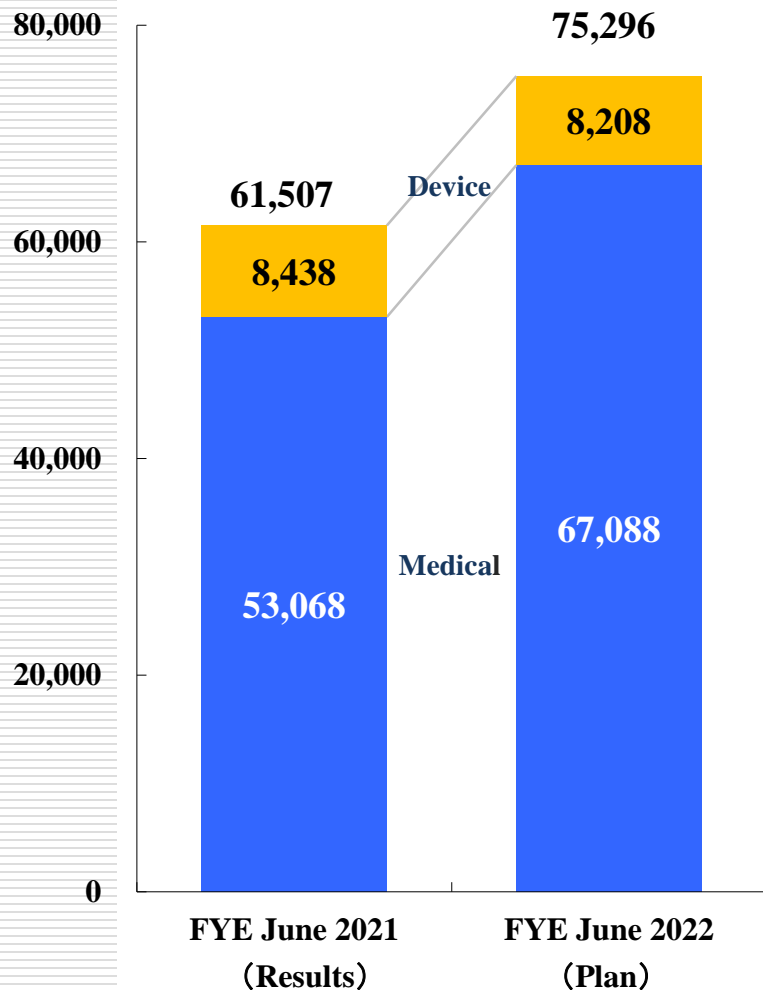




# Earnings Forecast for by Segment

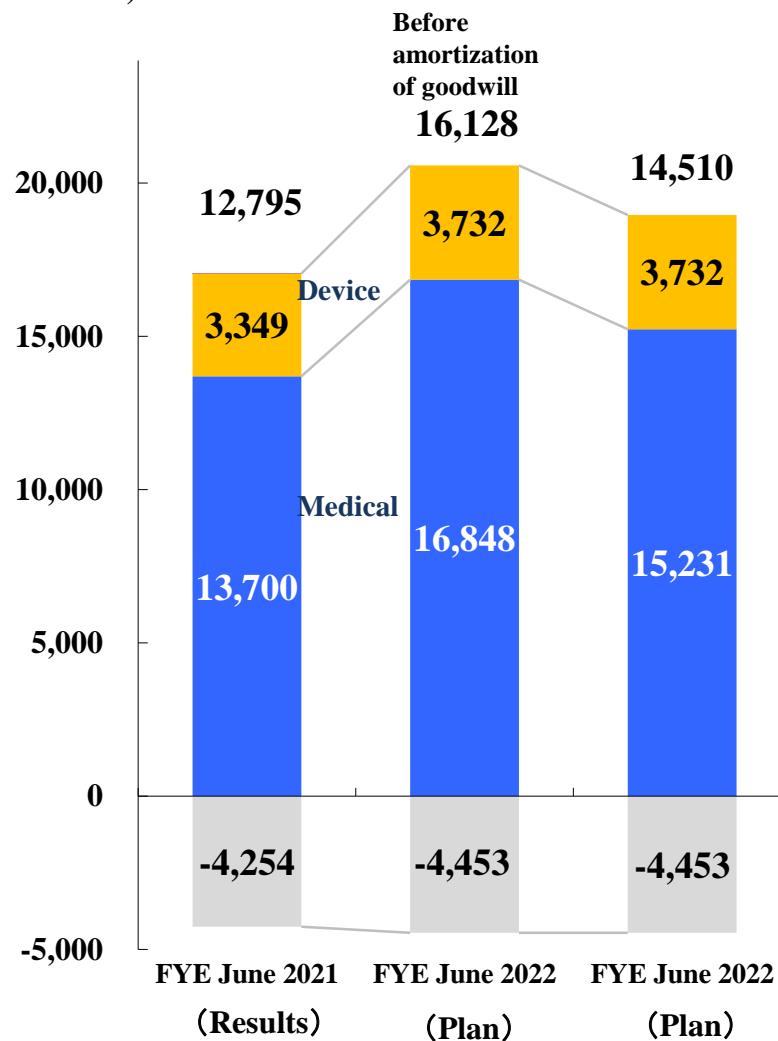
(Mil. Yen)

【 Revenue 】



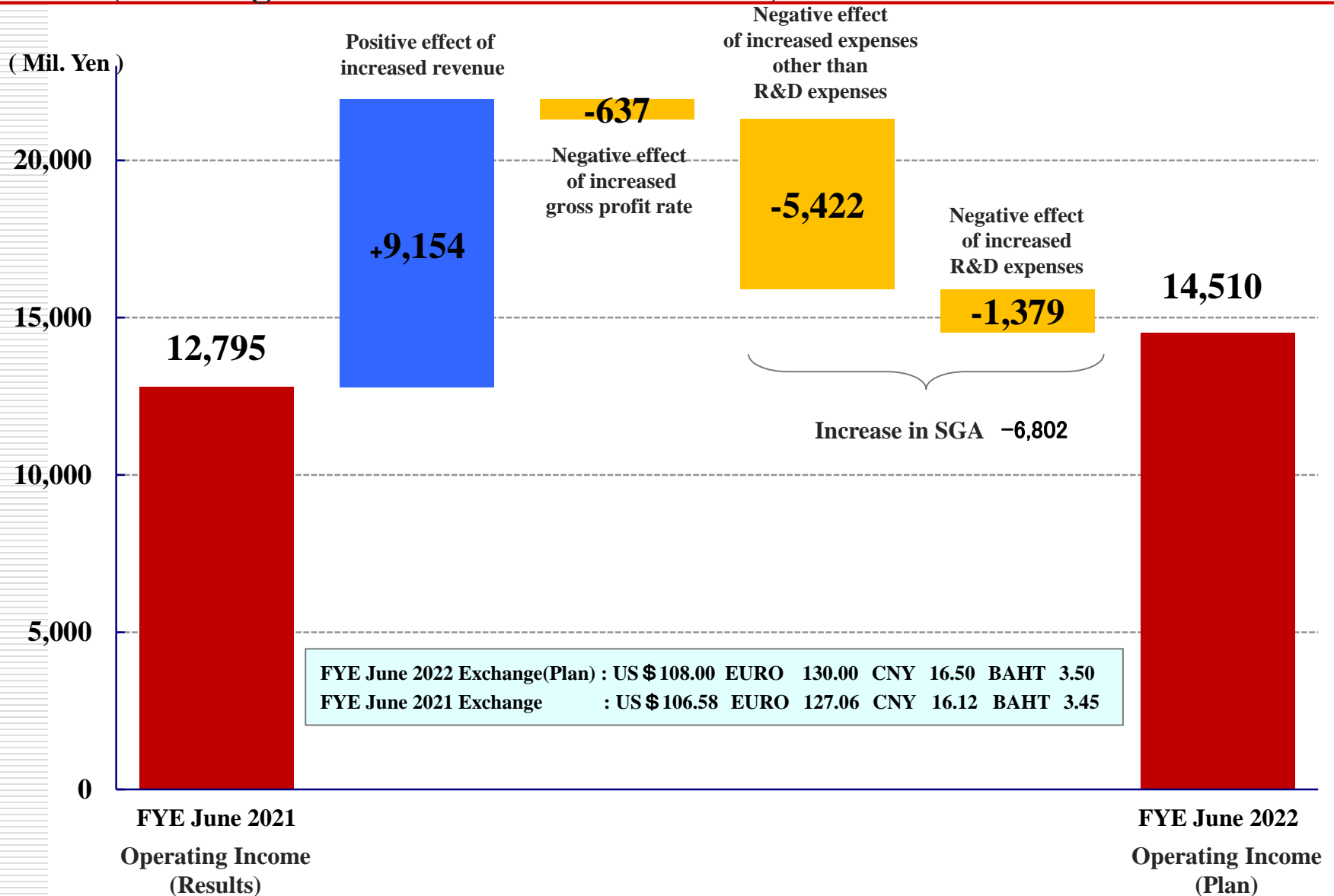
(Mil. Yen)

【 Operating Income 】



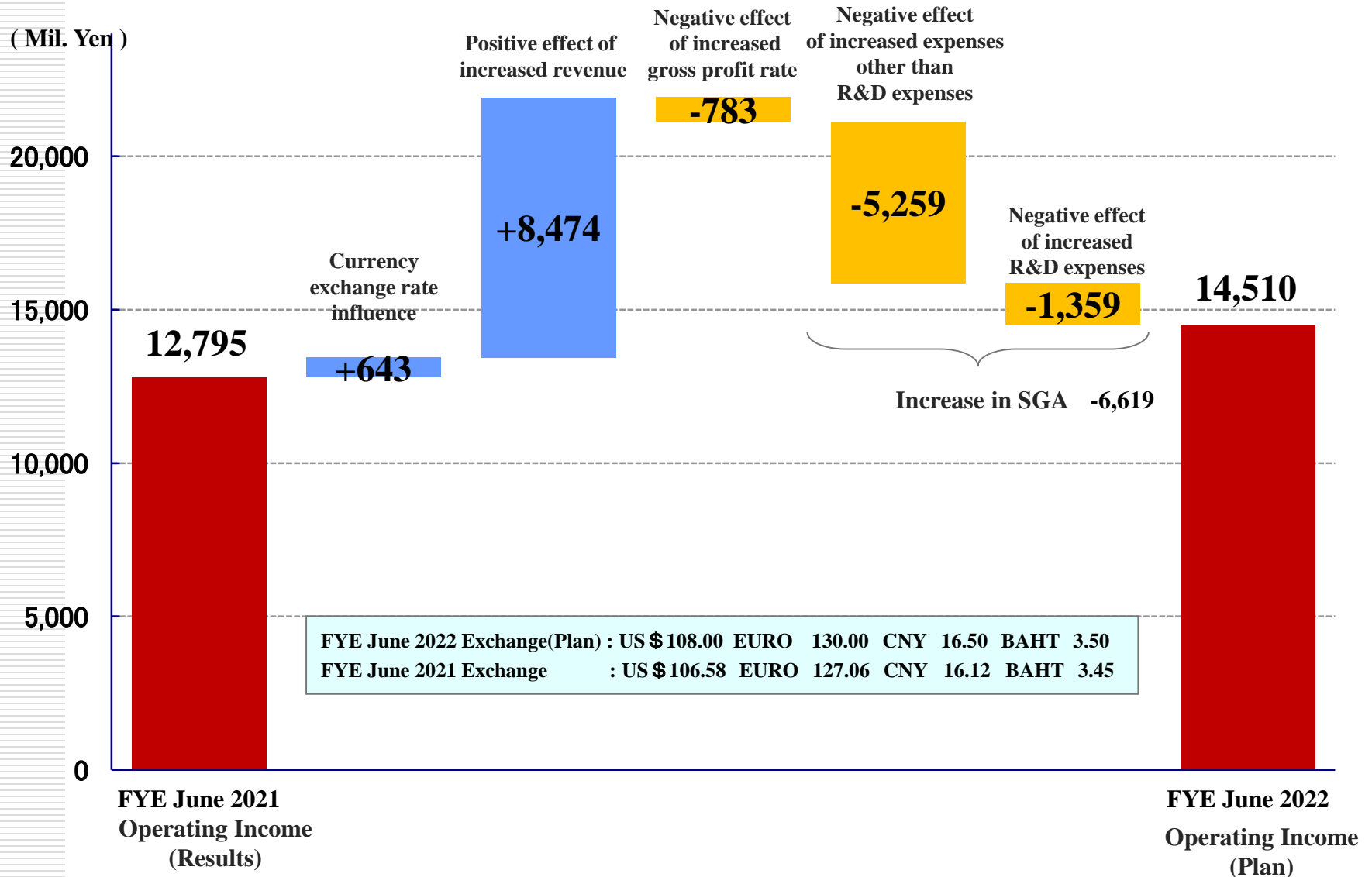


# Attribution Analysis of Operating Income (Exchange Rate Fluctuations Included)





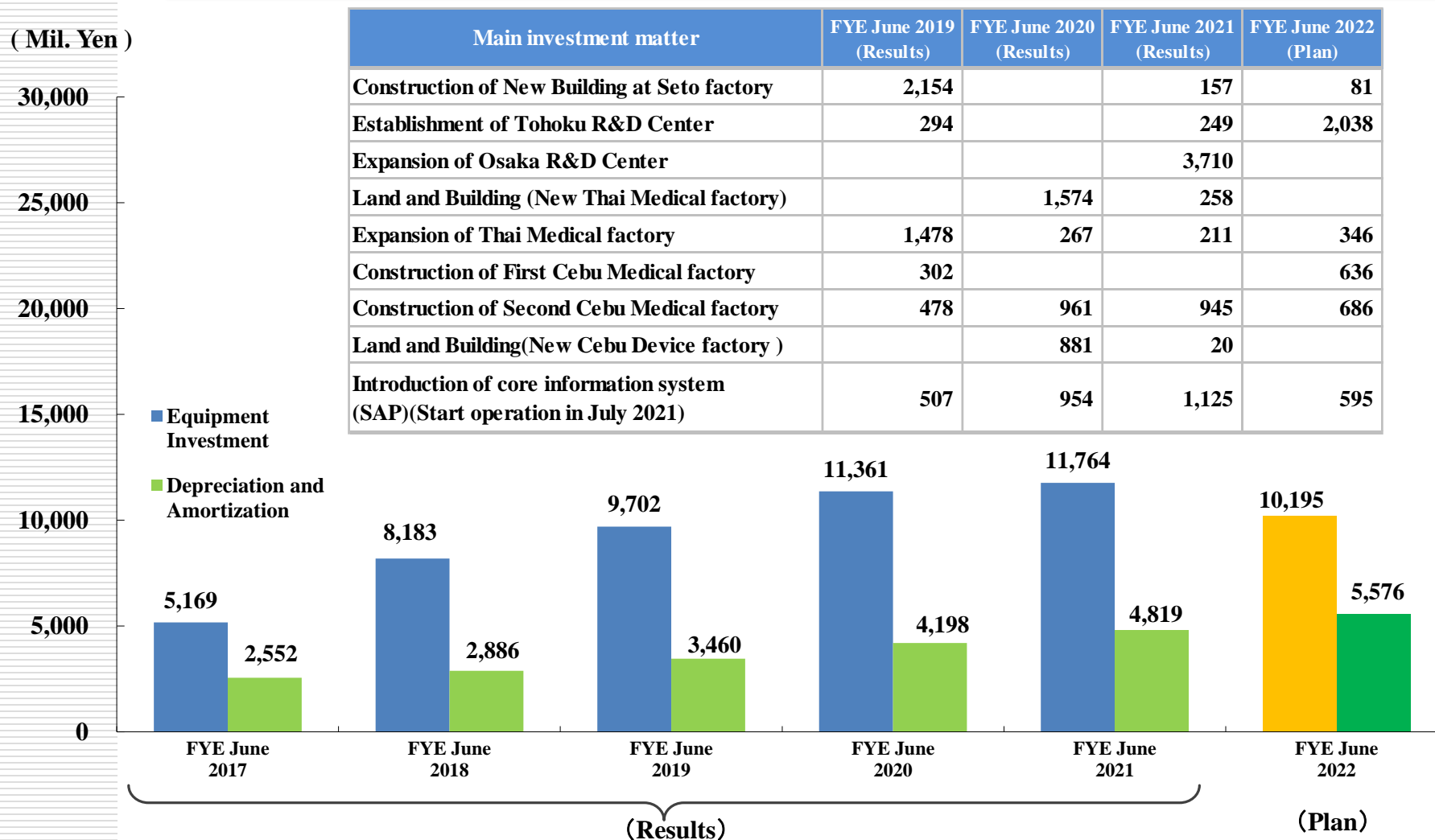
## Attribution Analysis of Operating Income (Exchange Rate Fluctuations Excluded)





# Results and Plan for Equipment Installation

Expansion of development bases and overseas factory bases to increase production in the future

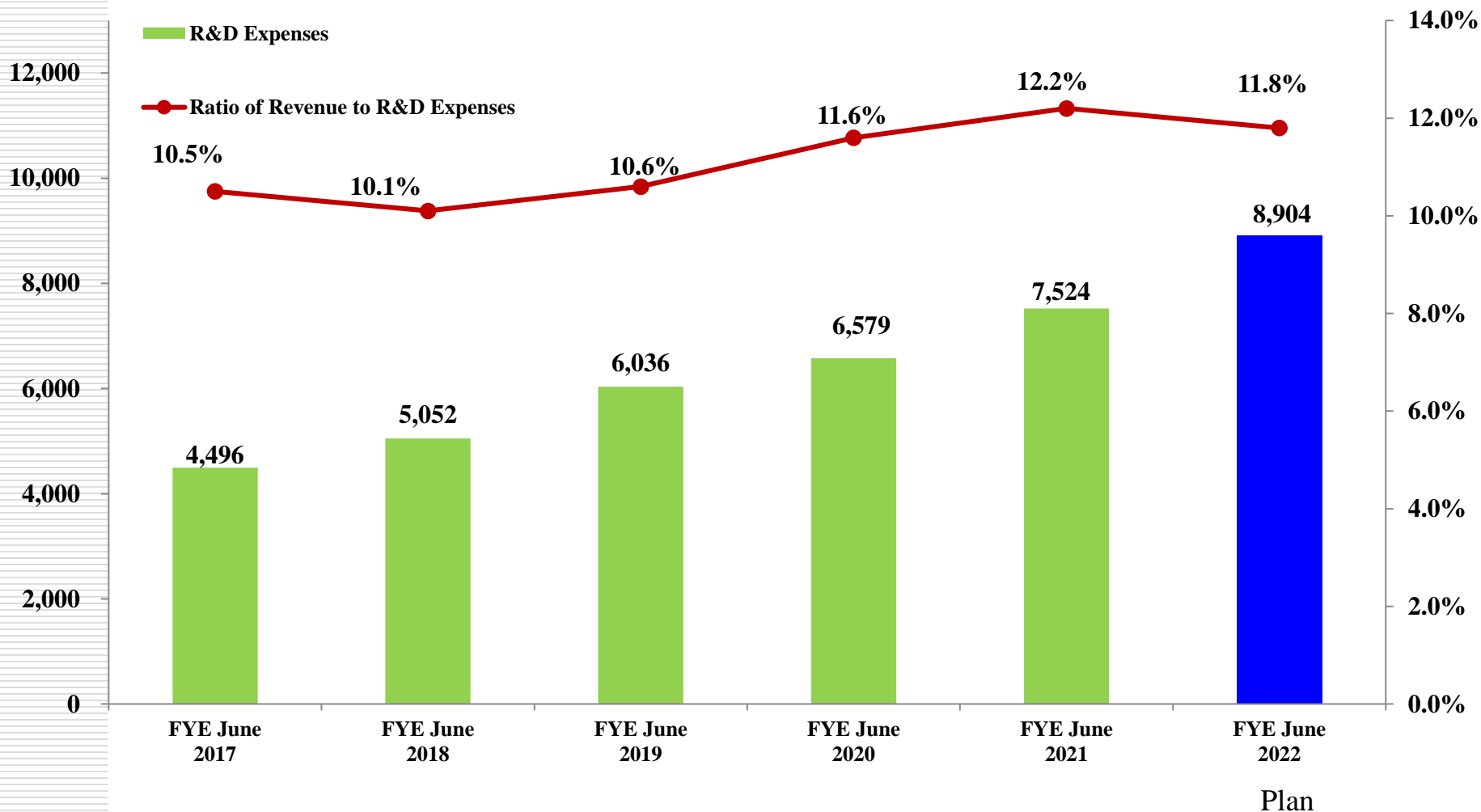




# R&D Expenses

(Mil. Yen)

Increase in R&D expenses for new projects





# 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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