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1st Quarter Financial Results for FYE June, 2015

November 14, 2014

(Securities code : 7747

2nd section of the Tokyo Stock Exchange,
2nd section of the Nagoya Stock Exchange)



FYE 6/2015 Q1 YTD Main Points

■ Net sales 8,247 Mil. Yen (Year-on-year +33.0 %)

~Medical Division and Device Division, both progress favorably.~

- Medical Division ~ addition to firm demands from all area, US and Euro currency appreciation supports the performance with large increase. ~

Japan	✓	Growth of PTCA GW especially due to SION Series	
		✓	Launch and share growth of PTCA GC “Hyperion” and PTCA Balloon “Kamui”
		✓	Falling Reimbursement Prices (Δ224 Mil. Yen)
Overseas	✓	Tendency to strong growth shown for PTCA GW in the EU and Middle East	
	✓	Strong growth for the Penetration Catheter “Corsair” in US, EU, Middle East, and China	

- Device Division ~ Manufacturing components capacity increased, including effect of acquisition of Toyoflex group as a wholly owned subsidiary ~

- ✓ Increase of medical components domestically, decrease of medically components overseas
- ✓ Including effect of acquisition of Toyoflex group, growth in automotive and construction markets

■ While R&D expense and Sales expenses increased, positive sales growth contributed to large Operating income performance.

- Gross profit 5,187 Mil. Yen (YoY +27.5 %)
- Operating income 2,063 Mil. Yen (YoY +30.3 %)
 - Increased R&D expense (723Mil. Yen) (YoY+ 161 Mil. Yen , Sales ratio 8.8 %)
 - Increased Sales related expenses, etc

- Ordinary income 2,212 Mil. Yen (YoY +44.8 %)
 - ✓ Increased Currency exchange gain (+144 Mil. Yen)

- Net income 1,507 Mil. Yen (YoY+ 17.4%)

- ✓ Total negative goodwill from last year’s acquisition of Toyoflex has not occurred in this year, thus affecting decrease of profit earning this year (Δ319 Mil. Yen)

Exchange rate	(Unit : JPY)		
2014/06	US\$	98.06	BAHT 3.10
Q1YTD	EURO	129.61	CNY 16.02
2015/06	US\$	105.35	BAHT 3.28
Q1YTD	EURO	137.62	CNY 17.09



Highlight

	FYE 6/2014 Q1 YTD		FYE 6/2015 Q1 YTD			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	YoY	
					Changes (Mil. Yen)	Changes (%)
Net sales	6,201	100.0	8,247	100.0	+2,045	+33.0
Gross profit	4,070	65.6	5,187	62.9	+1,117	+27.5
Operating income	1,583	25.5	2,063	25.0	+479	+30.3
Ordinary income	1,527	24.6	2,212	26.8	+684	+44.8
Net income	1,283	20.7	1,507	18.3	+223	+17.4
EPS *	40.33yen	-	47.02yen	-	+6.7	+16.6

* : As from January 1, 2014, one ordinary share was split into two shares. As such, as to EPS, figures after share splits are shown in assumption of Splits of share at the beginning of previous fiscal year.



Net Sales by Segment Division

	FYE 6/2014 Q1 YTD		FYE 6/2015 Q1 YTD			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Changes (%)
Medical	5,298	85.4	6,427	+77.9	+1,129	+21.3
Device	902	14.6	1,819	+22.1	+916	+101.6
Total amount	6,201	100.0	8,247	100.0	+2,045	+33.0

(Reference)

Medical Field	5,870	94.7	6,955	84.3	+1,085	+18.5
Industrial Field	330	5.3	1,291	15.7	+960	+290.5

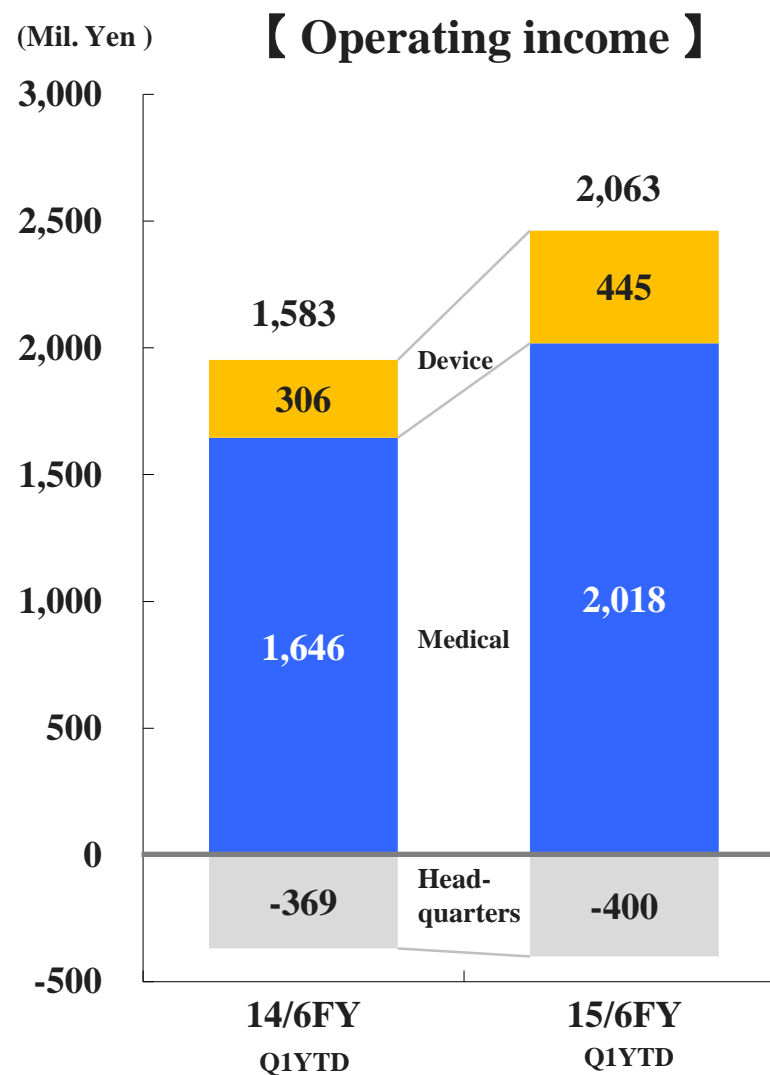
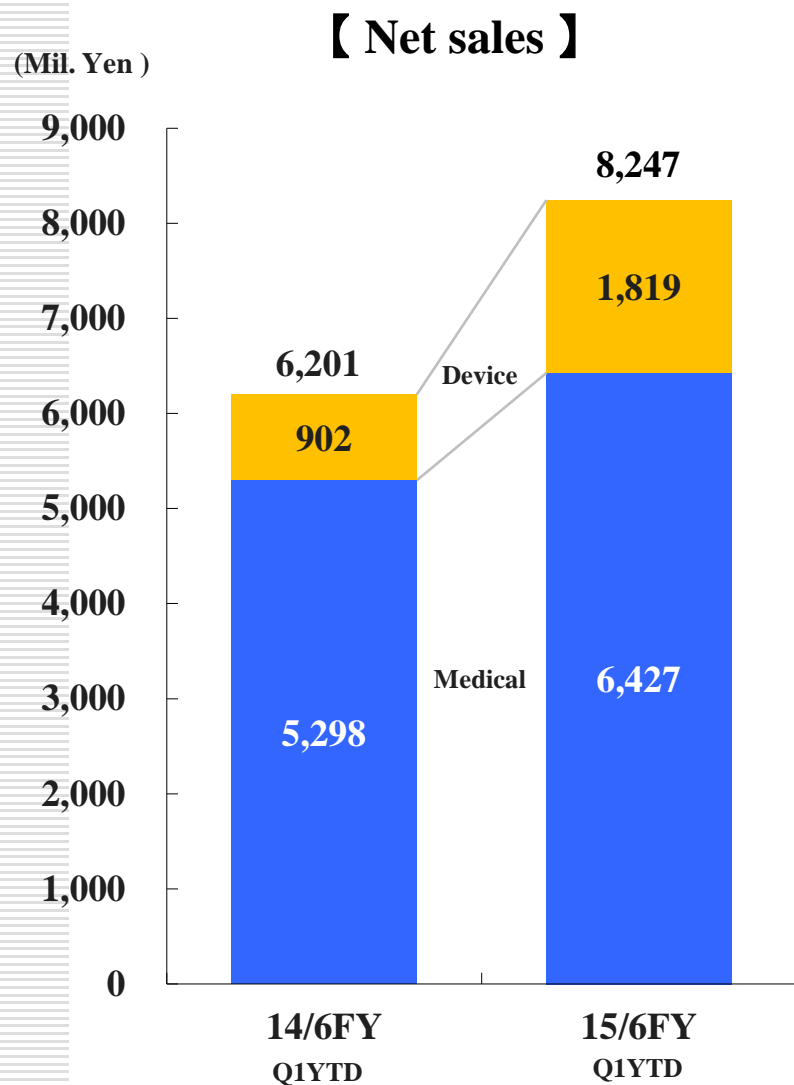


Operating Income by Segment Division

	FYE 6/2014 Q1 YTD		FYE 6/2015 Q1 YTD			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	Changes (%)
Medical	1,646	84.3	2,018	81.9	+371	+22.6
Device	306	15.7	445	18.1	+139	+45.5
Subtotal	1,952	100.0	2,463	100.0	+510	+26.2
Erasing & Head quarters	△369	-	△400	-	△30	+8.4
Total Amount	1,583	-	2,063	-	+479	+30.3



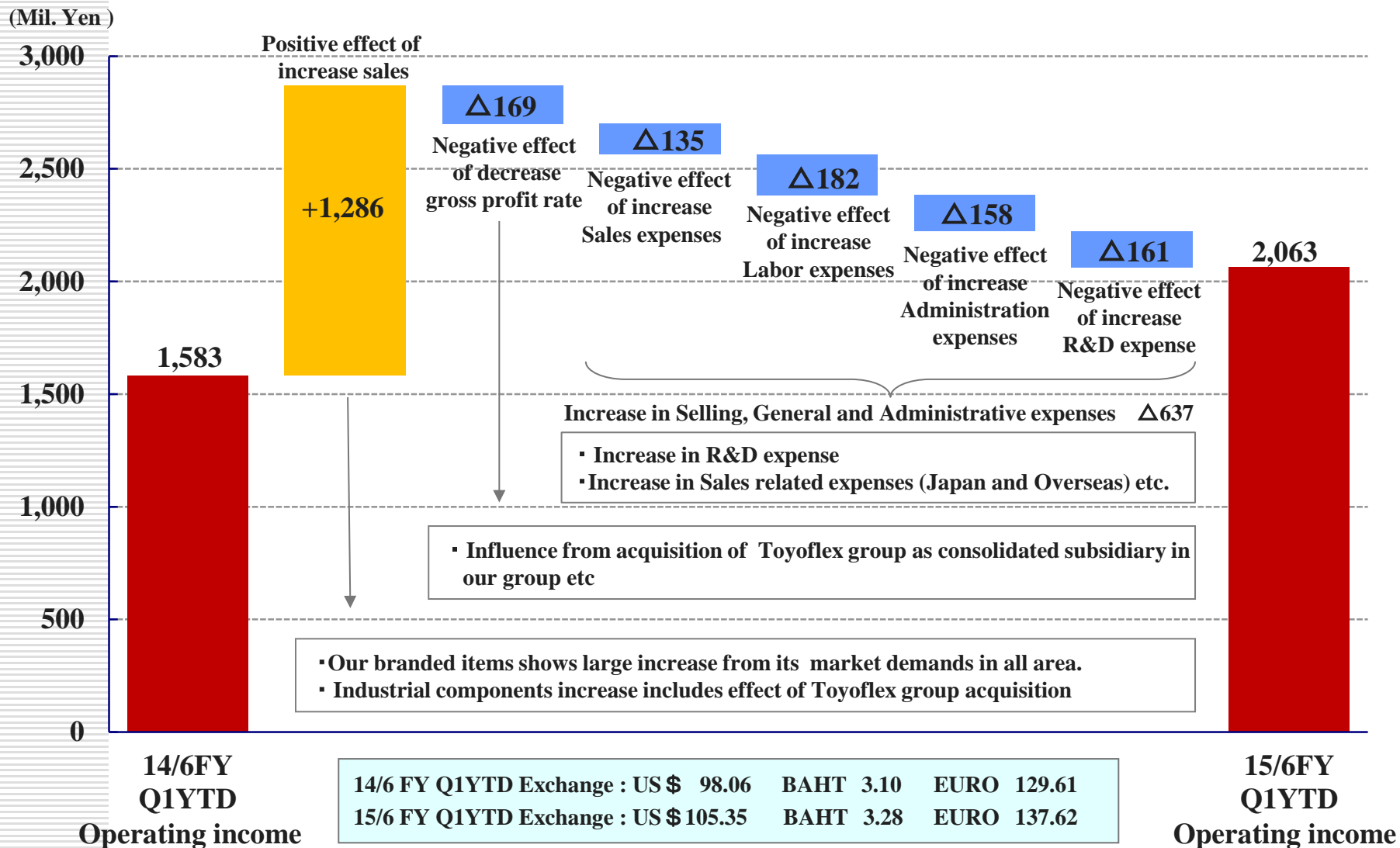
Earnings Performance by Segment Division





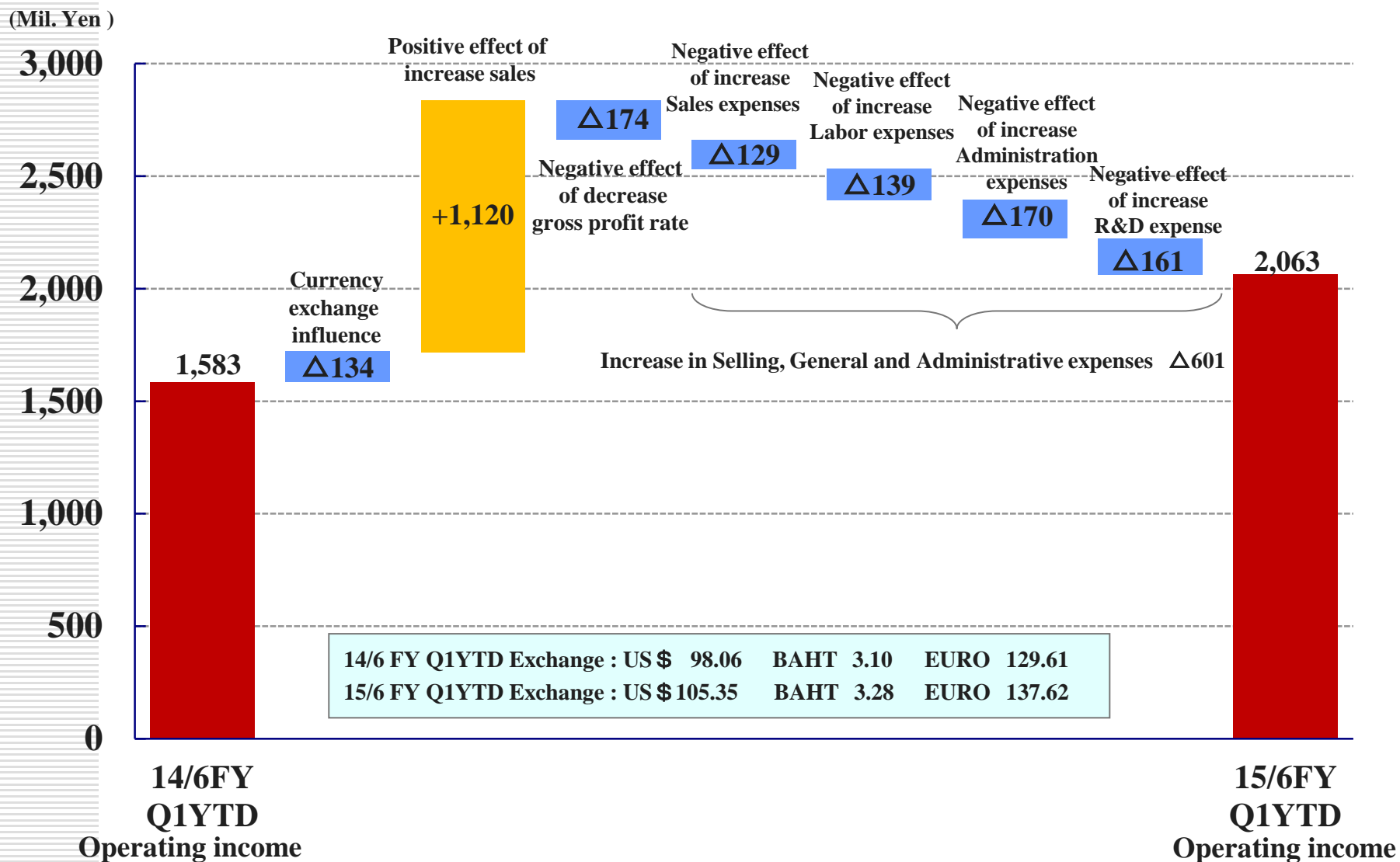
Attribution analysis of Operating Income – 1

(Exchange rate fluctuations included)





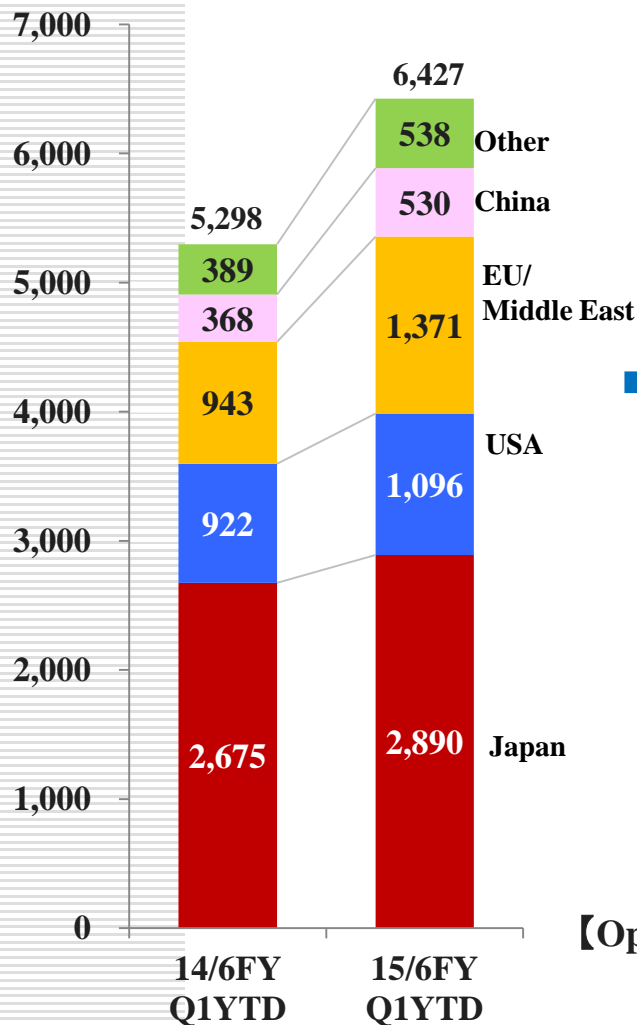
Attribution analysis of Operating Income – 2 (Exchange rate fluctuations excluded)





Per Segment by Medical Division (by Geography-1)

(Mil. Yen)



【Net sales (YoY)】

- **Japan: Cardiovascular and non-Cardiovascular segments favorably progressed despite of suffering the influence of the reimbursement price reduction(Δ224 Mil. Yen).**
 - PTCAGW: Volume increases based on “SION Series”
 - PTCA Balloon Catheter: Increased share due to launch of new product “Kamui”
 - PTCA Guiding Catheter: : Increased share due to launch of new product “Hyperion”
 - Penetration Catheter: Started limited launch of new product “Caravel”
 - Peripheral vascular products: Change to direct sales for Peripheral GW led to temporary decrease
 - Abdominal /Neurovascular Products: : Slight increase due to favorable sales figures
- **Overseas : In all area, good market demand shown. US&Euro currency appreciation supports further increase.**
 - **USA:**
 - PTCA GW / Shipments above contractual minimums
 - Penetration Catheter “Corsair”/ Growth trends from direct sales effects
 - **EU/ Middle East:**
 - PTCA GW / Market demands grows continuously, resulting in good result progress.
 - Penetration Catheter “Corsair”: Increasing Demand
 - **China:**
 - PTCA GW / Progresses well over market growth rate
 - Penetration Catheter “Corsair”: Increased sales due to increased demand
 - **Other :**
 - PTCA GW mainly shows good result trends.

【Operating income】

While expending R&D expense and Sales related expenses, sales growth contributed to large profit performance.



Per Segment by Medical Division (by Geography-2)

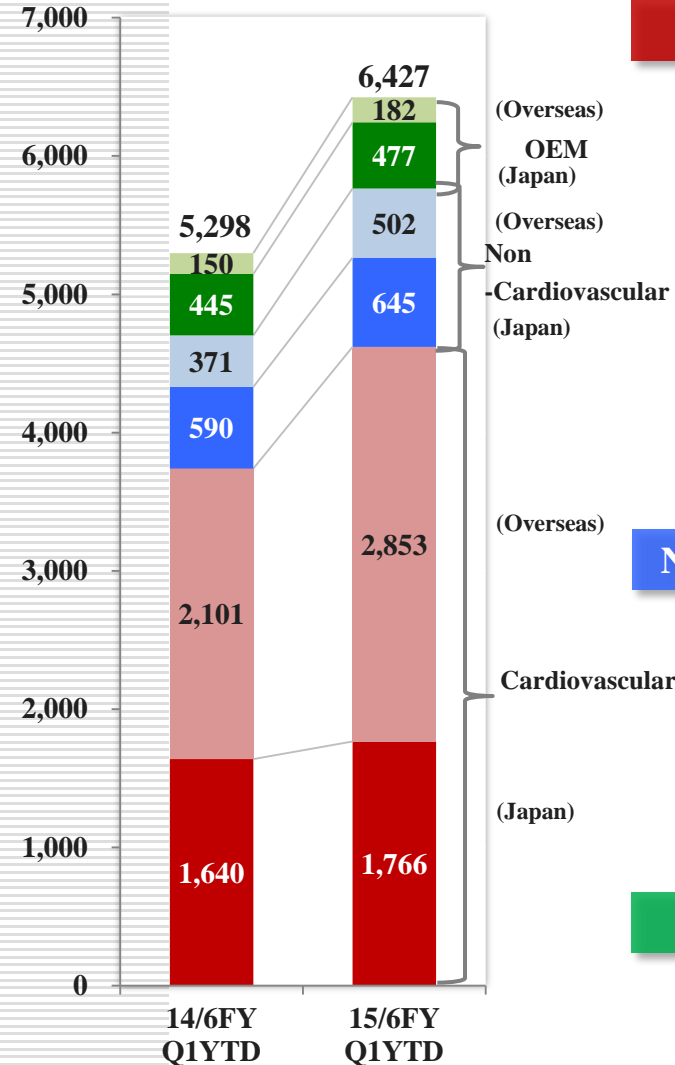
(Mil. Yen)

	2014/6FYE Q1 YTD	2015/6FYE Q1 YTD	YoY	
			Changes (mil.yen)	Changes (%)
(Exchange rate:USD)	98.06	105.35	+7.29	+7.4
Net sales	5,298	6,427	+1,129	+21.3
Japan	2,675	2,890	+215	+8.0
Overseas	2,623	3,537	+913	+34.8
USA	922	1,096	+174	+18.9
EU/EMEA	943	1,371	+428	+45.4
China	368	530	+162	+44.0
Other	389	538	+149	+38.2
Operating income	1,646	2,018	+371	+22.6



Per Segment by Medical Division (by Treatment-1)

(Mil. Yen)



【Net sales (YoY)】

Cardiovascular

- **Japan:** In addition to conventional product, new products also progress well.
PTCA GW / “SION Series” mainly shows good result trends.
PTCA Balloon Catheter/ Increased share due to launch of new product “Kamui”
PTCA Guiding Catheter:/ Increased share due to launch of new product “Hyperion”
- **Overseas :** In all area, PTCA GW mainly shows good result trends.
USA: PTCA GW/ Shipments above contractual minimums
US, EU, Middle East, China: Penetration Catheter “Corsair”/ Increased sales due to increased demand

Non-Cardiovascular

- **Japan :**
Temporal decrease along with Peripheral GW accrued from its switch over to direct business.
Abdominal/Neurovascular products: Trend to increase due to strong sales
- **Overseas :**
Asia(including China) : Abdominal products shows good result trends.

OEM

- **Japan :** Increased based on Peripheral GW
- **Overseas :** Mini-Guide Wire in cardiovascular diagnosis increases.



Per Segment by Medical Division (by Treatment-2)

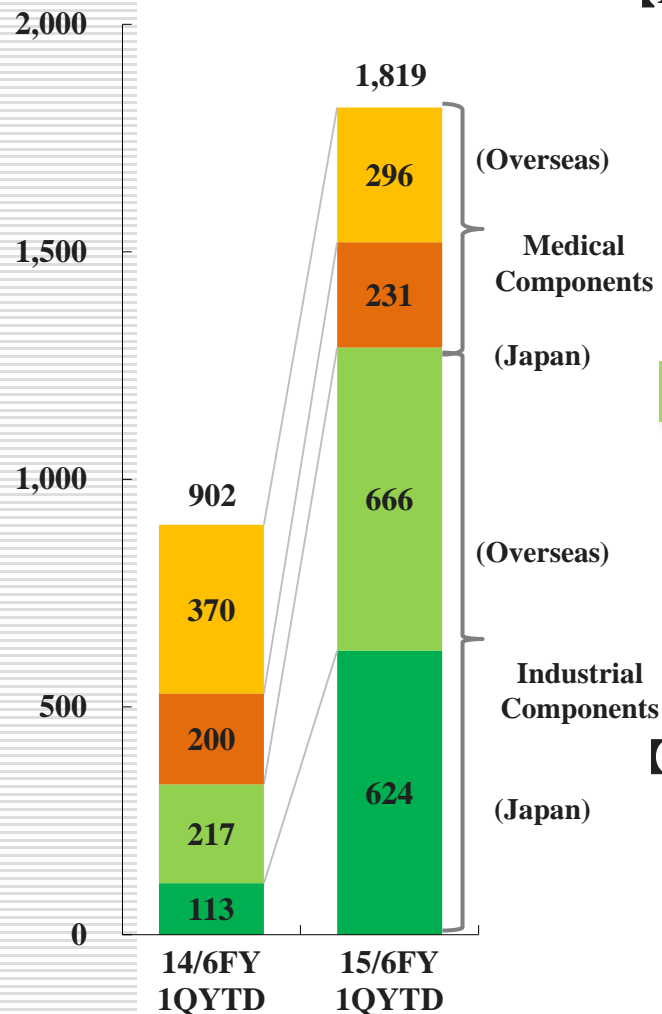
	2014/6FYE Q1 YTD	2015/6FYE Q1 YTD	YoY	
			Changes (mil.yen)	Changes (%)
(Exchange rate:USD)	98.06	105.35	+7.29	+7.4
Net sales	5,298	6,427	+1,129	+21.3
Japan	2,675	2,890	+215	+8.0
Overseas	2,623	3,537	+913	+34.8
Vascular	3,742	4,619	+877	+23.5
Japan	1,640	1,766	+126	+7.7
Overseas	2,101	2,853	+751	+35.7
Non-Vascular	961	1,147	+186	+19.4
Japan	590	645	+55	+9.5
Overseas	371	502	+130	+35.2
OEM	595	660	+64	+10.8
Japan	445	477	+32	+7.3
Overseas	150	182	+31	+21.2

(Mil. Yen)



Per Segment by Device Division -1

(Mil. Yen)



【Net sales (YoY)】

Medical components decreased overseas, but industrial components increased given effect of the Toyoflex acquisition.

Medical Components

- Japan: Increase in endoscopic components
- Overseas: Decrease in Ear/nose/throat, vascular device components

Industrial Components

- Japan : Increase from acquisition of Toyoflex group as consolidated subsidiary +527
- Overseas : Component supply increased in leisure industry and automobile market. Increase from acquisition of Toyoflex group as consolidated subsidiary +432

【Operating income】

- Minimal profit growth from acquisition of Toyoflex group as consolidated subsidiary.
- Sales Amount Increases contributed its profit growth.



Per Segment by Device Division -2

(Mil. Yen)

	2014/6FYE Q1 YTD	2015/6FYE Q1 YTD	YoY		
			Changes	Changes	
				Toyoflex.Co.	(%)
(Exchange rate:USD)	98.06	105.35	+7.29	-	+7.4
Net sales	902	1,819	+916	+959	+101.6
Japan	314	856	+542	+527	+172.6
Overseas	588	962	+374	+432	+63.7
Medical Components	571	527	△43		△7.7
Japan	200	231	+30		+15.4
Overseas	370	296	△74		△20.2
Industrial Components	330	1,291	+960	+959	+290.5
Japan	113	624	+511	+527	+451.0
Overseas	217	666	+449	+432	+206.9
Operating income	306	445	+139		+45.5



Reference : P/L

	2014/6FYE Q1 YTD		2015/6FYE Q1 YTD			
	Amount (Mil. Yen)	Ratio (%)	Amount (Mil. Yen)	Ratio (%)	Changes (Mil. Yen)	The main comparison factors
Net sales	6,201	100.0	8,247	100.0	+2,045	<ul style="list-style-type: none"> • Positive trends observed in Medical Field in all area. • Industrial Components increased
Cost of Sales	2,131	34.4	3,059	37.1	+928	
Gross profit	4,070	65.6	5,187	62.9	+1,117	<ul style="list-style-type: none"> • Along with brisk sales growth • Gross profit ratio decreased due to acquisition of Toyoflex group as consolidated subsidiary
SGA	2,487	40.1	3,124	37.9	+637	• R&D expense and Sales related expenses increased
Operating income	1,583	25.5	2,063	25.0	+479	
Non-operating income	14	0.2	164	2.0	+149	• Currency exchange gain increased
Non-operating expense	70	1.1	15	0.2	△55	
Ordinary income	1,527	24.6	2,212	26.8	+684	
Extraordinary gain	319	5.2	-	0.0	△319	• Total negative goodwill from last year's acquisition of Toyoflex group has not occurred this year, thus affecting △319 Mil. Yen this year.
Extraordinary loss	-	0.0	-	0.0	-	
Net income	1,283	20.7	1,507	18.3	+223	
Comprehensive income	1,154	18.6	2,467	29.9	+1,312	Foreign currency translation adjustment increased +1,039 Mil. Yen



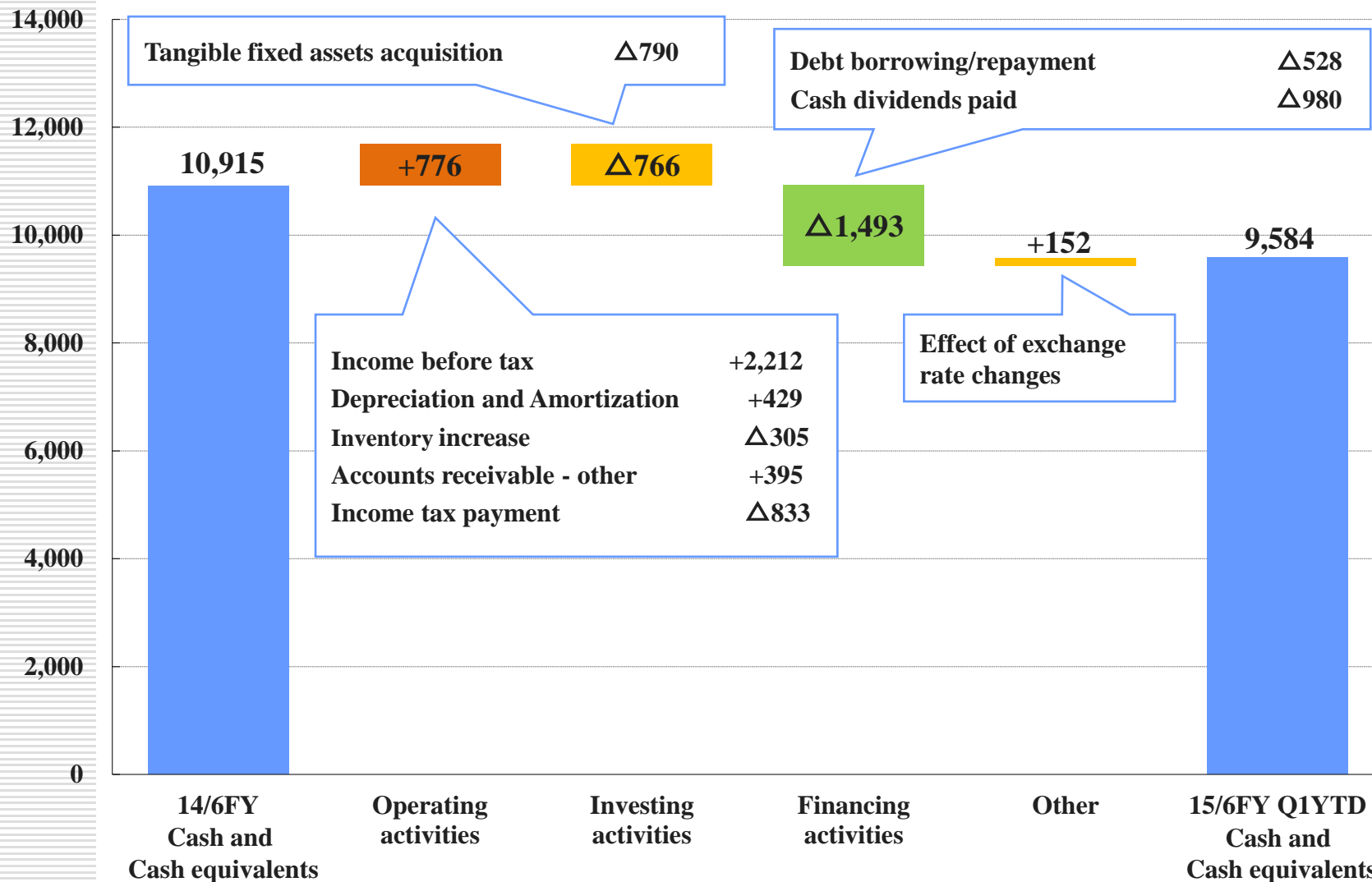
Reference : B/S

		FYE 6/2014		2015/6FYE Q1 YTD			
		Amount (Mil.Yen)	Ratio (%)	Amount (Mil.Yen)	Ratio (%)	Changes (Mil.Yen)	The main comparison factors
Assets	Current assets	26,408	61.5	26,161	60.1	Δ247	Cash and deposit Δ771 Receivable-trade +361 Investment securities Δ600 Inventory assets +620
	Fixed assets	16,558	38.5	17,369	39.9	+811	Tangible fixed assets +546 Intangible fixed assets +74 Investments and other assets +190
Total assets		42,967	100.0	43,530	100.0	+563	
Liabilities	Current liabilities	9,482	22.1	8,932	20.5	Δ549	Payable-Trade +234 Account payable-other Δ270 Other Current liability Δ443
	Fixed liabilities	7,747	18.0	7,486	17.2	Δ261	Long term debt Δ453 Deferred tax liability +159
Total liabilities		17,230	40.1	16,419	37.7	Δ811	
Total net assets		25,736	59.9	27,111	62.3	+1,375	Retained earnings +399 Foreign currency translation adjustment +890
Total liabilities & Net assets		42,967	100.0	43,530	100.0	+563	



Reference : C/F

(Mil. Yen)





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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