



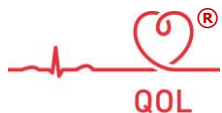
WIN PARTNERS
WIN A BETTER QUALITY OF LIFE®

WIN A BETTER QUALITY OF LIFE
INNOVATION
PARTNERSHIP
TRUST

SAFETY
CREATE VALUE
LEADERSHIP
HEALTHY SOCIETY

Results Presentation 1Q FY March 2020

Win-Partners Co., Ltd. (3183)



WINはQOL推進企業です

1Q results ending June 2019

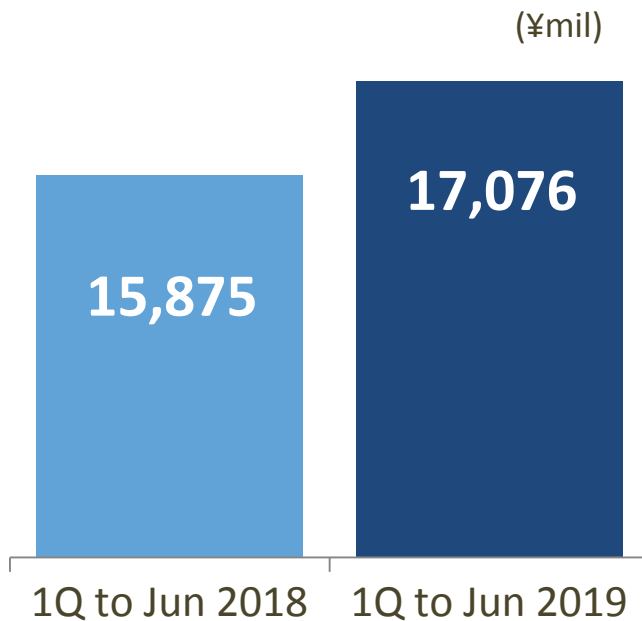


Consolidated results summary

(¥mil) 1Q to	June 2018	June 2019	YoY(%)
Sales	15,875	17,076	+7.6
Operating profit	564	757	+34.4
Recurring profit	562	758	+34.9
Net profit	385	519	+34.6
EPS (yen)	13.43	18.09	-
BPS (yen)	603.22	666.99	-

Highlights

Sales +7.6% YoY



Like-for-like sales +4.3%
(excluding MCI consolidated last December)

The number of PCI cases almost stopped falling

Non-cardiac categories achieved double-digit growth

Sales breakdown by segment

	Sales (¥mil)	YoY growth (%)		% of sales	
		Volume	Value	(%)	Change (pt)
Percutaneous coronary intervention (PCI)	5,372	+0.1	+1.1	31.5	-2.0
Cardiac rhythm segment (CRS)	4,664	+1.9	+5.5	27.3	-0.5
Cardiac vascular segment (CVS)	2,542	-5.3	+9.2	14.9	+0.2
Percutaneous peripheral intervention (PPI)	954	+15.3	+16.9	5.6	+0.4
Brain surgery	667	+12.1	+11.0	3.9	+0.1
Diabetes mellitus segment (DMS)	508	-	+22.3	3.0	+0.4
Large-sized medical equipment	637	-	+33.8	3.7	+0.7
Others	1,728	-	+15.1	10.1	+0.7
TOTAL	17,076	-	+7.6	100.0	

Segment review

[vs. plan]

P C I

saw higher sales of drug eluting balloon catheter
No.of cases almost stopped falling at existing customer basis



CRS

saw higher sales of pacemakers and EP Ablation related products



CVS

saw higher sales of TAVI related products
Overall volume decreased due to downsizing sales of smaller items (e.g. needles and sutures)



P P I

saw higher sales of PTA balloon catheter



**Large
equip
-ment**

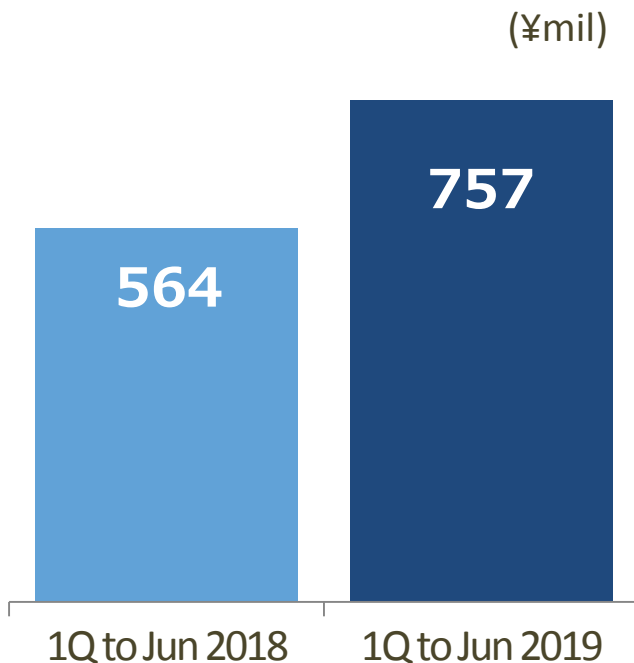
saw higher sales of large equipment for rental use



Highlights

Operating
profit

+34.4% YoY



Gross profit margin

12.8% (+0.5pt YoY)

- Cost reduction through bulk purchasing etc.
- Improvement of large equipment etc.

SG&A +3%

- Labor cost (+8.5%)
- Number of employees: 530 → 552
(June 2018) (June 2019)

Consolidated income statements

1Q to	Jun 2018		Jun 2019	
	(¥mil)	(%)	(¥mil)	(%)
Sales	15,875	100.0	17,076	100.0
Cost of sales	13,932	87.8	14,898	87.2
Gross profit	1,942	12.2	2,178	12.8
SG&A expenses	1,378	8.7	1,420	8.3
Operating profit	564	3.6	757	4.4
Non-operating profit	1	0.0	1	0.0
Non-operating expenses	2	0.0	0	0.0
Recurring profit	562	3.5	758	4.4
Extraordinary profit	0	0.0	0	0.0
Extraordinary loss	1	0.0	0	0.0
Pretax profit	561	3.5	758	4.4
Taxes	175	1.1	239	1.4
Net profit	385	2.4	519	3.0

Consolidated balance sheet

	Mar 2019		Jun 2019		Change (¥mil)
	(¥mil)	(%)	(¥mil)	(%)	
Current assets	36,754	92.1	36,327	92.1	-426
Cash and deposits	15,289	38.3	15,202	38.5	-87
Accounts receivable	18,361	46.0	17,777	45.1	-584
Inventory	2,335	5.9	2,149	5.5	-185
Other current assets	767	1.9	1,197	3.0	430
Fixed assets	3,156	7.9	3,109	7.9	-46
Total assets	39,910	100.0	39,437	100.0	-473
Current liabilities	19,439	48.7	19,341	49.0	-98
Accounts payable	18,168	45.5	17,411	44.1	-757
Taxes payable	484	1.2	259	0.7	-225
Other current liabilities	786	2.0	1,670	4.2	884
Fixed liabilities	924	2.3	947	2.4	23
Total liabilities	20,363	51.0	20,289	51.4	-74
Net assets	19,547	49.0	19,148	48.6	-398
Total liabilities, net assets	39,910	100.0	39,437	100.0	-473

Outlook

Consolidated Forecasts to March 2020

	(¥mil)	YoY (%)	initial E(¥mil)
Sales	64,000	-8.3	71,000
Operating profit	2,590	-20.6	3,300
Recurring profit	2,590	-20.7	3,300
Net profit	1,820	-31.1	2,260
EPS (yen)	63.40		78.72
DPS (yen)	33.00		33.00

Factors for earnings revision

Sales revised down by ¥7bn

① Pricing pressure from customers

Sales to a major customer (a hospital chain) shrunk significantly from June (¥6.4bn)

② Updated impact of reimbursement price cuts in Oct

Initial assumption -1%→ -2.8%
(¥0.6bn)

Sales impact by the reimbursement price revision

Segment	Estimated impact(%)
Percutaneous Coronary Intervention (PCI)	-6.1
Cardiac Rhythm Segment (CRS)	-3.3
Cardiac Vascular Segment (CVS)	-0.6
Percutaneous Peripheral Intervension (PPI)	-4.2
Brain Surgery	-0.2
Others	-0.3
Total	-2.8

Note: Calculated based on assumed reimbursement prices, actual sales volume and product mix on FY 3/2019

Sales breakdown by segment

FY 3/2020	(¥mil)	YoY(%)	Initial (¥mil)
Percutaneous coronary intervention (PCI)	19,750	-7.4	22,780
Cardiac rhythm segment (CRS)	17,180	-2.5	19,460
Cardiac vascular segment (CVS)	8,990	-8.0	10,500
Percutaneous peripheral intervension (PPI)	3,380	-2.4	3,800
Brain surgery	2,390	-3.9	2,490
Diabetes mellitus segment (DMS)	2,090	+14.7	2,050
Large-sized medical equipment	4,380	-34.5	4,540
Others	5,840	-11.4	5,380
TOTAL	64,000	-8.3	71,000

Measures for earnings recovery

① New customer acquisition

Opened Yamato branch office in Kanagawa pref. (July)

Cultivate market in Sapporo, Akita, Shizuoka, and new regions

Accelerate M&A

② Appeal of our value to customers

Promote our services to secure safety and quality at clinical site
and increase the value of hospital

③ Gross margin improvement

Expand categories and items for bulk purchasing

④ Tighter SG&A control

Freeze new hire

Number of total employees initial E 584 → 560 (March 2020E)

Our value-added service

Support to use devices properly

[Pre operation]

- ◆ Confirm operation plan
- ◆ Select optimal devices depending on clinical cases
- ◆ Explain how to use devices properly, determine sizes, and deliver



[During operation]

- ◆ Stand by in case of emergency



[Post operation]

- ◆ Collect and return unused devices
- ◆ Invoice, replenish and control inventory



Our value-added service

Support to increase hospital value

[Functional upgrading]

- ◆ Proposal of the latest technology and products
- ◆ Proposal of capital spending for advanced care
- ◆ Support to recruit medical professionals



[Marketing]

- ◆ Research of catchment area
- ◆ Proposal of target areas and fields
- ◆ Proposal of measures to gather and increase patients



[Profitability improvement]

- ◆ Proposal for efficient operations
- ◆ Proposal for cost reductions













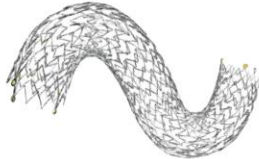





Dividends

FY ending March 2020

Initial estimate unchanged

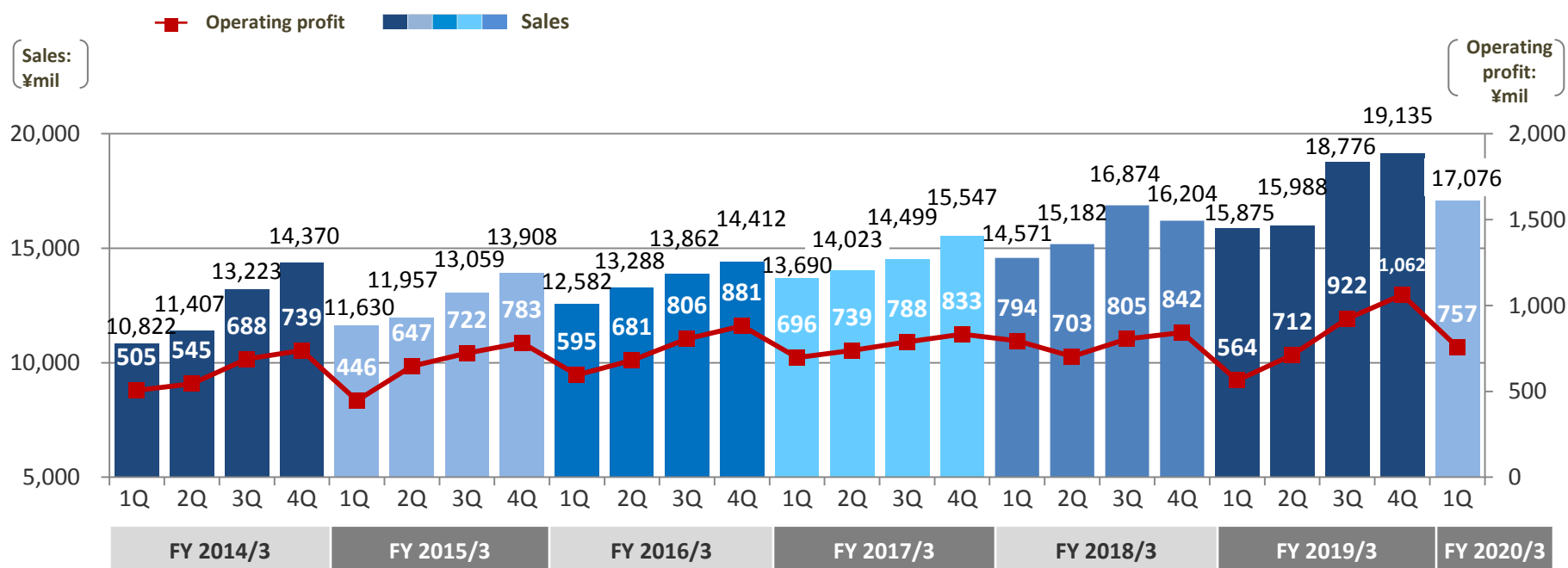
33 yen (payout ratio)
52%

Major products

Segment	Disease	Product		
PCI	<ul style="list-style-type: none"> Myocardial infarction Angina 	PTCA balloon catheter	Drug-eluting stent (DES)	Intravascular ultrasound (IVUS) catheter
				
CRS	<ul style="list-style-type: none"> Abnormal cardiac rhythm 	Pacemaker	Implantable cardioverter defibrillator (ICD)	Cardiac resynchronization therapy defibrillator (CRTD)
				
CVS	<ul style="list-style-type: none"> Aortic aneurysm Aortic stenosis 	Ablation catheter	Stent graft	Transcatheter aortic valve
				
PPI/ Brain surgery	<ul style="list-style-type: none"> Arteriosclerosis obliterans 	Mechanical heart valve	Peripheral vascular stent	Carotid stent
				
DMS/ Large equipment	<ul style="list-style-type: none"> Diabetes Diagnosis 	Neurovascular occlusion coil	Insulin pump	X-ray equipment
				
		Magnetic resonance imaging (MRI)		
				

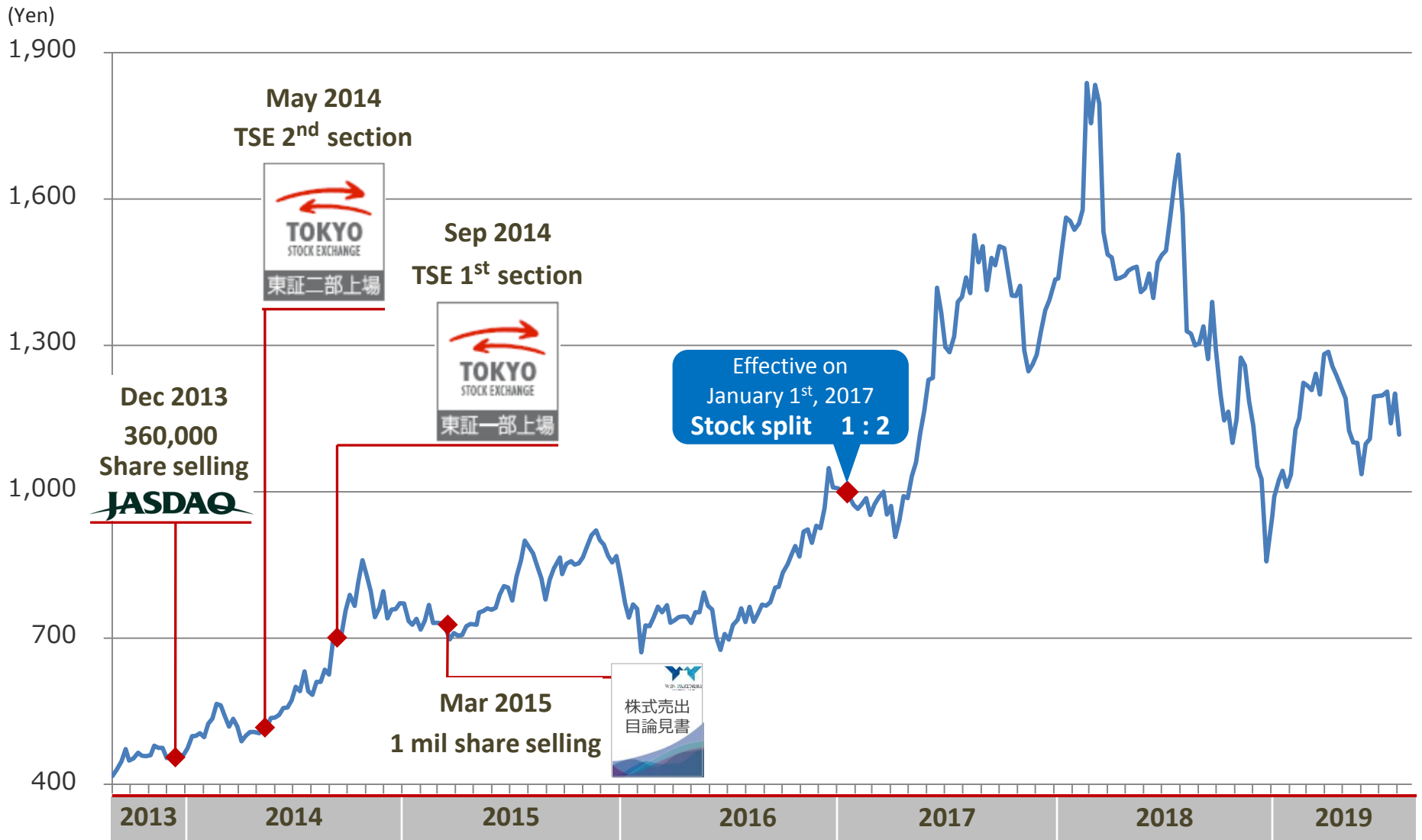
Track record of quarterly results

Sales/Operating profit (quarterly)



■ = Year of reimbursement price revisions

Share price





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