



Results Presentation

3Q FY Ending March 2022

Win-Partners Co., Ltd. (3183)

3Q results to December 2021

Highlights

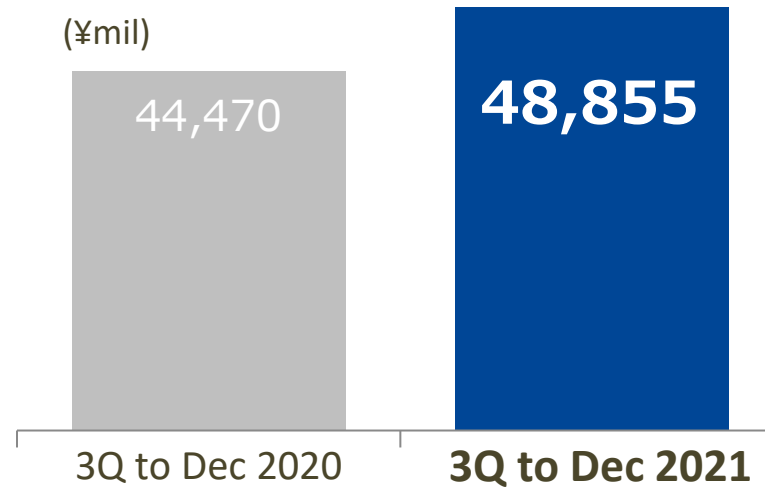
- **The number of cases recovered in major segments**
- **Reinforced rebate-programs/price negotiations enabled GPM to continue improving**
- **With a moderate increase in SGA expenses, OP for the period increased substantially YoY**

Consolidated results summary

(¥mil) 3Q to	Dec 2020	Dec 2021	YoY(%)
Sales	44,470	48,855	+9.9
Operating profit	1,470	2,147	+46.1
Recurring profit	1,478	2,153	+45.6
Net profit	995	1,462	+46.9
EPS (yen)	34.67	50.93	—
BPS (yen)	716.63	753.34	—

Highlights (sales)

YoY +9.9%



- The number of cases increased in the main segments
- Sales increased YoY in all segments

Sales breakdown by segment

Segment	Sales (¥mil)	YoY growth(%)		% of sales (%)
		Volume	Value	
Percutaneous coronary intervention (PCI)	12,885	+5.2	+8.5	26.4
Cardiac rhythm segment (CRS)	12,919	+5.0	+5.9	26.4
Cardiac vascular segment (CVS)	7,330	+9.5	+14.7	15.0
Percutaneous peripheral intervention (PPI)	2,828	+9.5	+10.9	5.8
Neurovascular	2,124	+5.5	+5.4	4.3
Diabetes mellitus segment (DMS)	2,104	-	+15.5	4.3
Medical equipment	4,588	-	+22.6	9.4
Others	4,074	-	+5.2	8.3
Total	48,855	-	+9.9	100.0

Segment review

P C I

- PTCA balloon/DES sales increased due to the higher number of cases
- Gained new customers

C R S

- Pacemaker sales increased due a recovery in the number of cases
- ABL-related sales continued to increase

C V S

- Structural heart disease (SHD) including TAVI sales maintained strong growth

P P I

- Shunt PTA sales grew due to an increase in the number of patients
- DCB sales increased due to a new manufacturer in the market and the expansion of applications

Neuro-vascular

- Sales of thrombectomy devices for urgent treatment saw growth

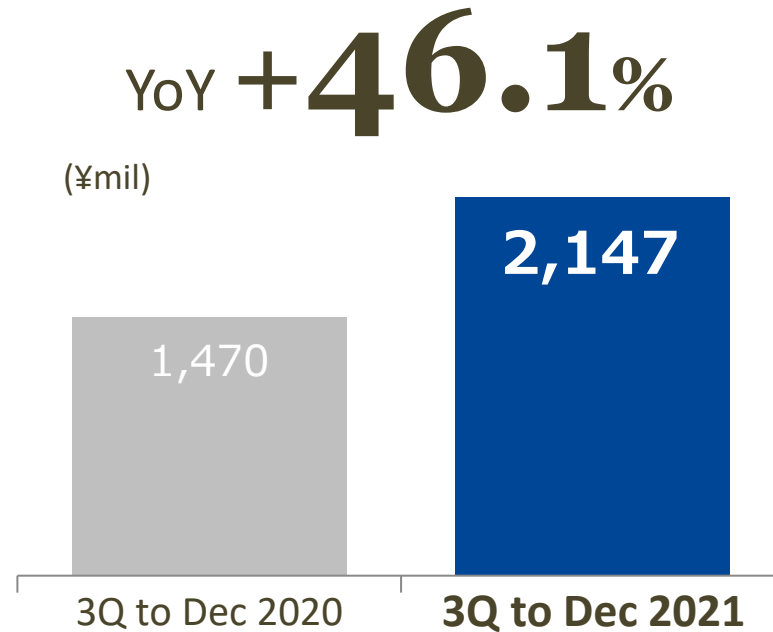
Medical equipment

- Large-scale medical equipment sales increased
- Obtained COVID-19 related orders

D M S

- Sales of blood glucose measuring equipment and insulin pumps continued to increase

Highlights (operating profit)



- **Gross profit margins 12.7% (+0.5 pp YoY)**
 - The number of cases recovered
 - Rebate programs and price negotiations with suppliers were intensified
- **SGA +3.1% YoY**
 - Labor cost +2.5% YoY
 - Number of employees: 545 (Dec 2020) → 553 (Dec 2021)

Consolidated income statements

	Dec 2020		Dec 2021	
	(¥mil)	(%)	(¥mil)	(%)
Sales	44,470	100.0	48,855	100.0
Cost of sales	39,041	87.8	42,626	87.3
Gross profit	5,429	12.2	6,228	12.7
SG&A expenses	3,958	8.9	4,080	8.4
Operating profit	1,470	3.3	2,147	4.4
Non-operating profit	9	0.0	6	0.0
Non-operating expenses	0	0.0	0	0.0
Recurring profit	1,478	3.3	2,153	4.4
Extraordinary profit	0	0.0	0	0.0
Extraordinary loss	19	0.0	0	0.0
Pretax profit	1,459	3.3	2,153	4.4
Taxes	463	1.0	691	1.4
Net profit	995	2.2	1,462	3.0

Consolidated balance sheet

	Mar 2021		Dec 2021		Change (¥mil)
	(¥mil)	(%)	(¥mil)	(%)	
Current assets	35,994	89.6	36,480	89.3	+486
Cash and deposits	17,122	42.6	17,359	42.5	+237
Accounts receivable	15,966	39.7	16,141	39.5	+175
Inventories	2,334	5.8	2,368	5.8	+34
Other current assets	571	1.4	611	1.5	+40
Fixed assets	4,193	10.4	4,387	10.7	+194
Total assets	40,187	100.0	40,867	100.0	+680
Current liabilities	17,960	44.7	18,082	44.2	+122
Accounts payable	16,756	41.7	17,055	41.7	+299
Taxes payable	277	0.7	399	1.0	+122
Other current liabilities	926	2.3	627	1.5	-299
Fixed liabilities	1,088	2.7	1,158	2.8	+70
Total liabilities	19,049	47.4	19,240	47.1	+191
Net assets	21,138	52.6	21,627	52.9	+489
Total liabilities, net assets	40,187	100.0	40,867	100.0	+680

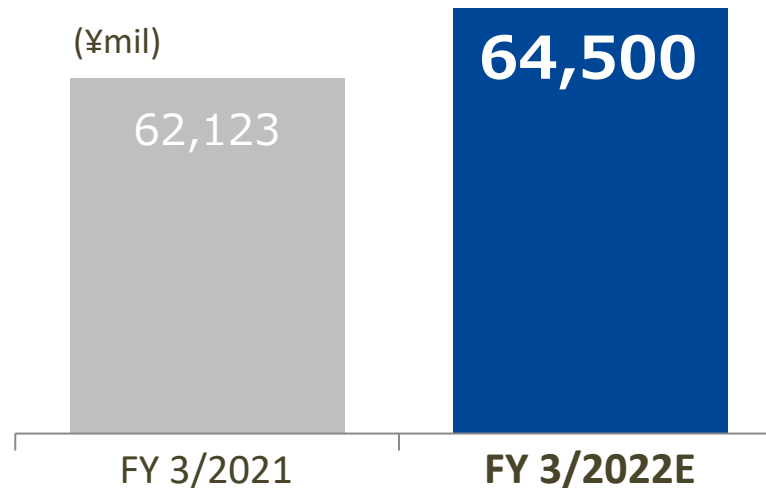
Outlook for 3/2022

Consolidated earnings forecasts to March 2022 (unchanged from the initial forecast)

	(¥mil)	YoY(%)	(%)
Sales	64,500	+3.8	100.0
Operating profit	2,500	+10.9	3.9
Recurring profit	2,500	+10.3	3.9
Net profit	1,700	+10.3	2.6
EPS (yen)	59.22		
DPS (yen)	35.00		

Highlights (sales)

YoY + **3.8%**



- **The full-year forecast is left unchanged given the recent rapid spread of the COVID-19 pandemic**
- **Continue focusing on gaining new customers and expanding sales at existing customers**

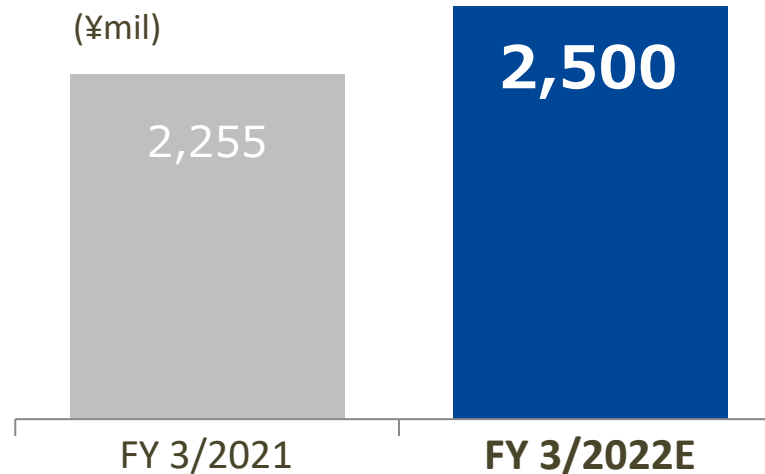
Sales forecast by segment

	(¥mil)	YoY(%)	% of sales
Percutaneous coronary intervention (PCI)	17,590	+10.1	27.3%
Cardiac rhythm segment (CRS)	17,420	+6.5	27.0%
Cardiac vascular segment (CVS)	9,270	+6.9	14.4%
Percutaneous peripheral intervention (PPI)	3,650	+5.2	5.6%
Neurovascular	2,970	+9.3	4.6%
Diabetes mellitus segment (DMS)	2,650	+6.5	4.1%
Medical equipment*	5,600	-9.6	8.7%
Other	5,350	-14.4	8.3%
Total	64,500	+3.8	100.0%

*From 3/2022, the medical equipment segment includes large equipment together with small & mid-sized equipment.

Highlights (operating profit)

YoY **+10.9%**



- **Forecast of gross profit margins: 12.8% (+0.3 pp YoY)**

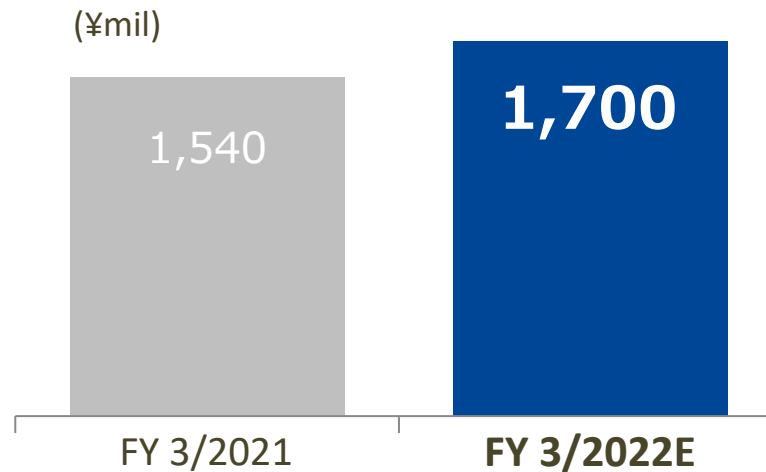
- Continue intensifying price negotiations and rebate programs with suppliers
- Focus on a limited number of devices to offer
- Switch to higher margin devices

- **SG&A ¥5.72bn (+4.4% YoY)**

- Forecast of the number of group employees:
547 (Mar 2021) → 579 (Mar 2022 – unchanged from the initial plan)

Highlights (net profit)

YoY **+10.3%**



- **CapEx ¥70 mil** vs. ¥1.17bn for FY 3/2021
- **Depreciation ¥160 mil** vs. ¥194 mil for FY 3/2021

How WIN is approaching major challenges

● **Promotion of a logistics revolution**

- Support for the experimental study on RFID tags on medical devices ongoing
- Held a groundbreaking ceremony for WIN Heart Gate in November

● **Focus on CRS**

- Start an education course for “ablation specialists”
- Increase CDRs (Cardiac Device Representatives) (95 in Dec 2021 vs. 90 in Sep 2021)

● **M&As, etc.**

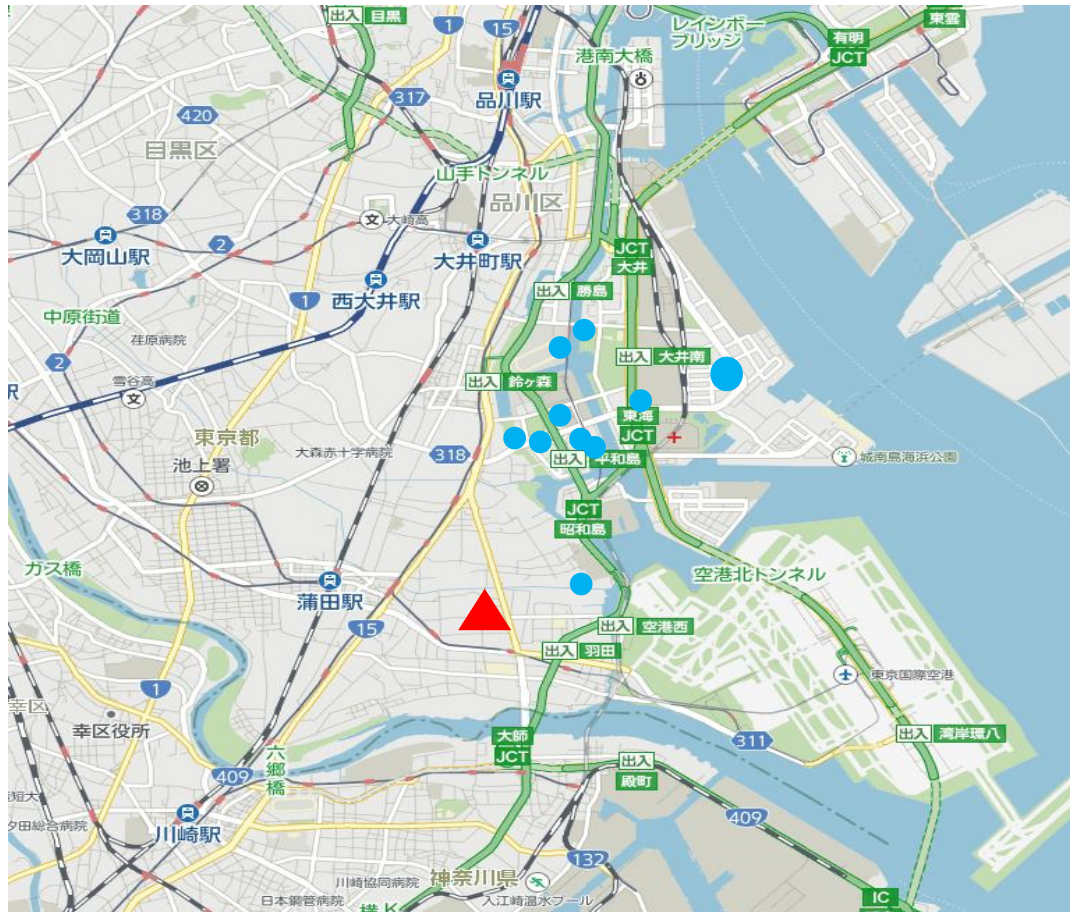
- Continue investigating opportunities in order to expand the business
- Continue to enhance operational efficiency with RPA

Aim of WIN Heart Gate

Achieve higher logistics efficiency by covering all sales bases in the metropolitan area

- **Separate sales and logistics**
- **Utilize RFID**
 - Improve the efficiency of inventory control
 - Enhance the traceability of medical devices
 - Reduce inventory loss
- **Reduce distribution costs, etc.**

Location of WIN Heart Gate



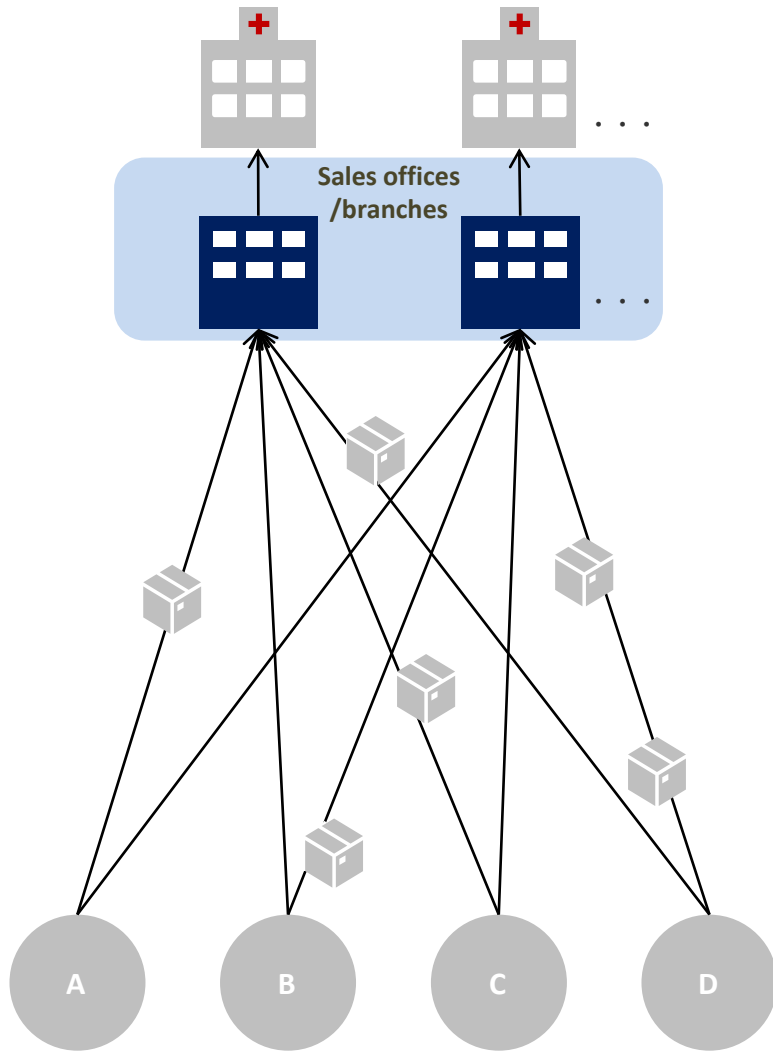
▲ WIN Heart Gate

● Distribution facilities of medical equipment manufacturers (Source: WIN Partners)

Close to distribution facilities of medical device manufacturers

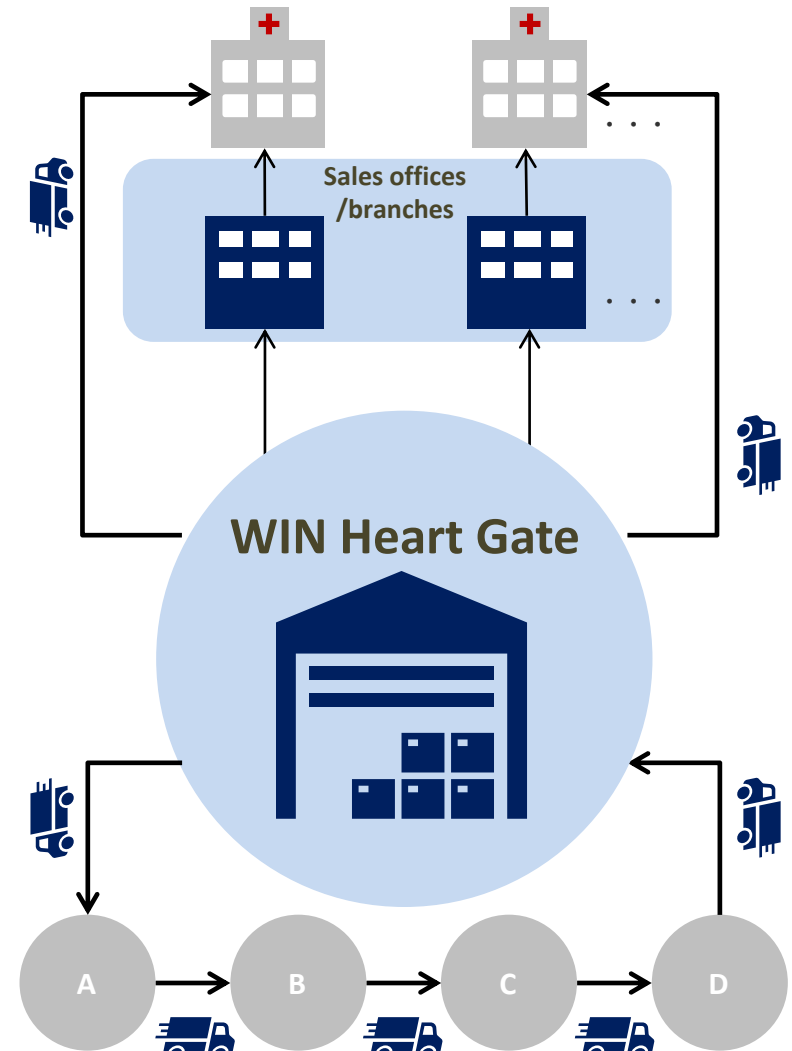
How WIN Heart Gate will work

Current



Medical device manufacturers

Future



Medical device manufacturers

ESG efforts

Sustainability Policy

Under the corporate philosophy of “The WIN-Partners group offers better quality of life to all and contributes to creating an affluent society,” WIN-Partners group, with consideration for all stakeholders, will make efforts to resolve challenges that society faces and will contribute to developing a sustainable society.

Sustainability Committee

Promote activities for sustainability, including an assessment of the risks of climate change and the scope of impact

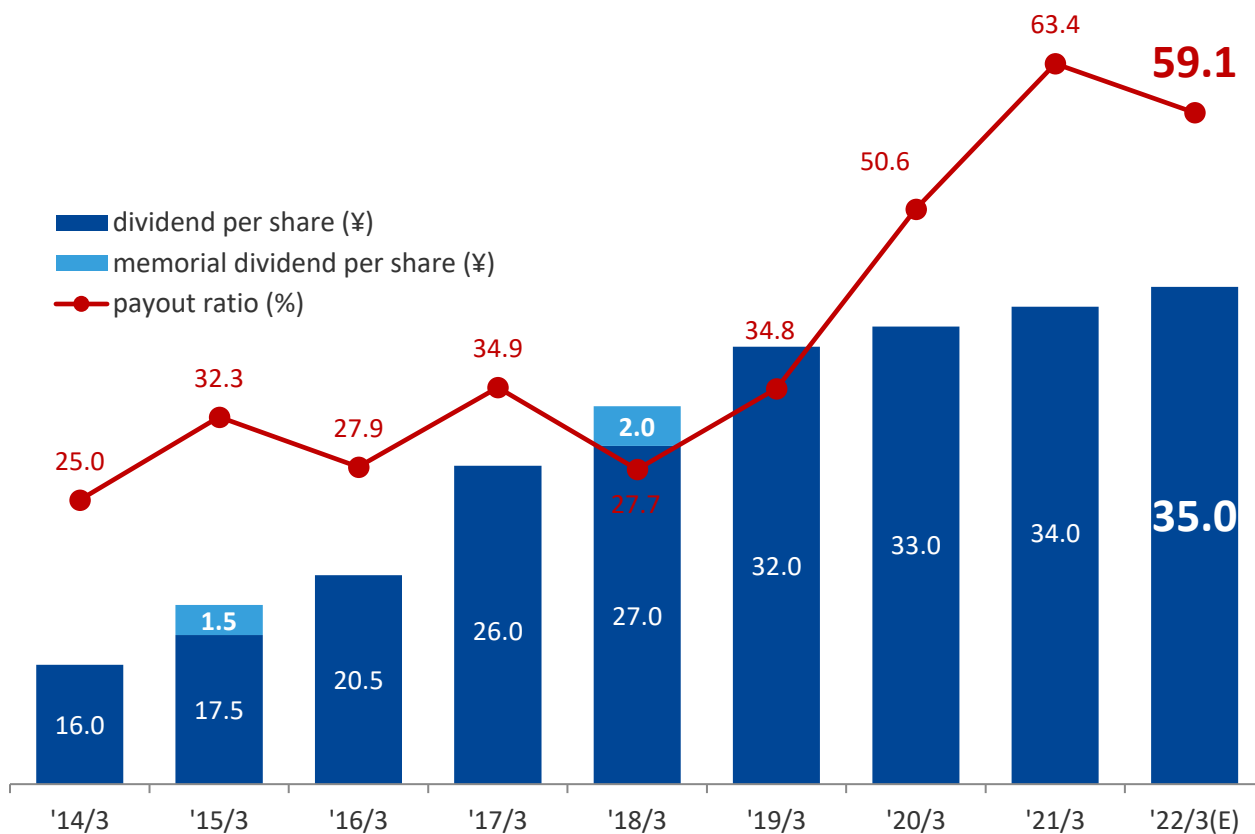
Dividends & payout ratio

+1 yen from March 2021

35 yen

Prospective payout ratio

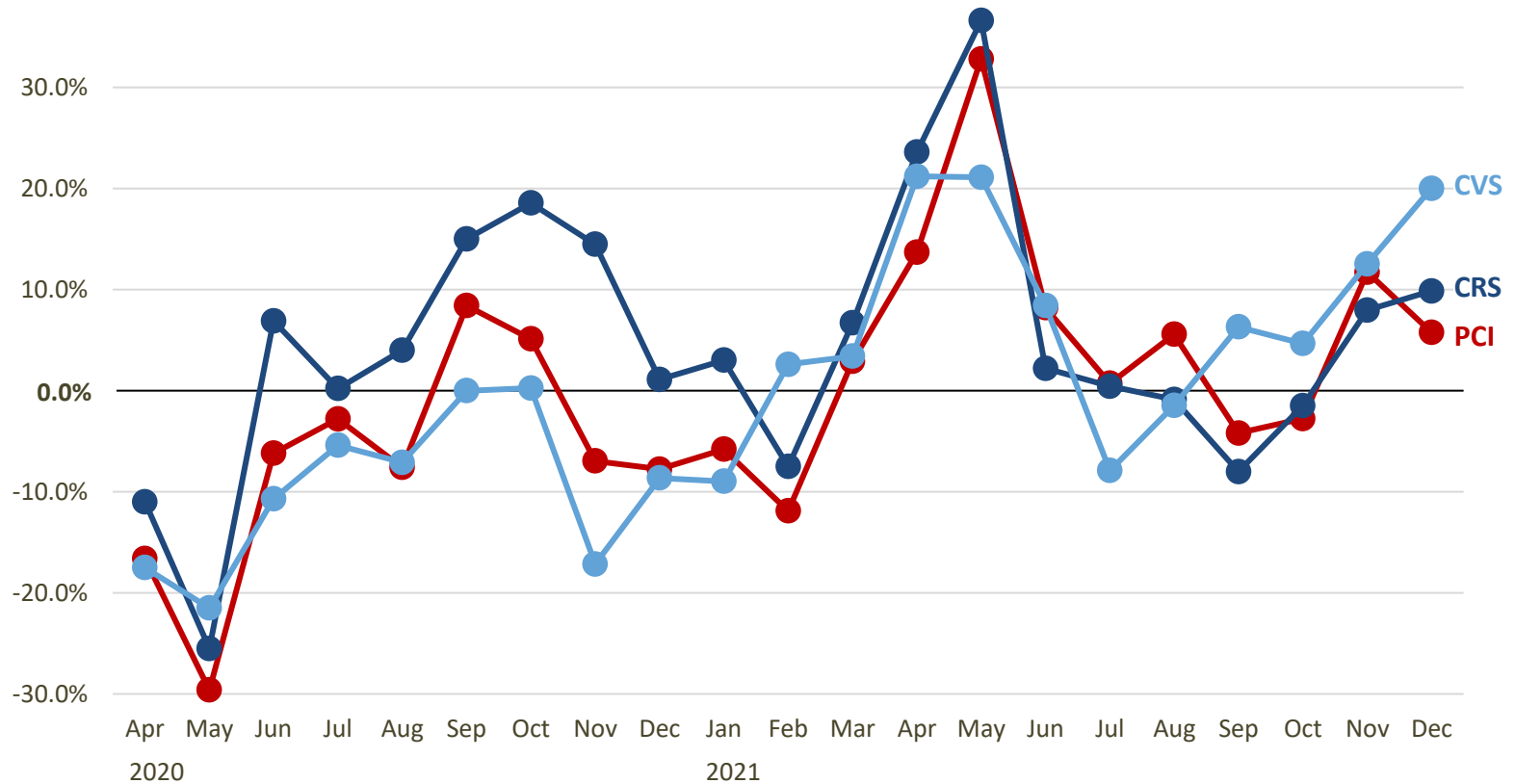
59.1%



References

Trends in the number of cases

YoY change in the number of cases
in major segments



Reimbursement prices of major products

Segment	Items	Reimbursement prices (¥000)		Change (%)
		2019 (Oct)	2020 (Apr)	
PCI	PTCA balloon catheter	38	35	- 8.7
	Drug eluting stent (DES)	173	161	- 6.9
	Intravascular ultrasound (IVUS) catheter	84	80	- 4.6
CRS	Pacemaker	763	720	- 5.6
	Implantable cardioverter defibrillator (ICD)	2,950	2,950	0.0
	Cardiac resynchronization therapy defibrillator (CRTD)	3,990	3,990	0.0
	Subcutaneous implantable defibrillator (S-ICD)	3,120	3,120	0.0
	Ablation catheter	126	124	- 1.6
	Cardiac cryoablation catheter	649	649	0.0
CVS	Stent graft (abdomen)	1,320	1,320	0.0
	Open stent graft	1,110	1,110	0.0
	Heart valve for transcatheter aortic valve implantation (TAVI) (balloon-expandable)	4,510	4,510	0.0
	Heart valve for TAVI (self-expandable)	3,740	3,740	0.0
PPI	PTA balloon catheter	56	55	- 1.6
	Peripheral vascular stent	175	174	- 0.6
	Peripheral drug eluting stent (DES)	233	233	0.0
Neuro-vascular	Emboloc coil (electric type)	118	118	0.0
	Thrombectomy catheter (self-expandable)	386	386	0.0

About WIN-Partners

Company profile

Code:	3183 (TSE 1st)
Headquarters:	21F, KYOBASHI EDOGRAND 2-2-1, Kyobashi, Chuo-ku, Tokyo 104-0031
Capital:	550 million yen
Business:	Distribution of medical devices (consolidated basis)
Board of management:	Hideumi Akizawa, CEO, and 8 directors, including 4 outside directors
Subsidiaries:	Win International, TESCO, MCI (100% owned)
No of employees:	553 (consolidated basis) as of Dec 2021
No. of shares:	30,503,310, including 1,795,073 treasury shares

Our philosophy and vision

Our philosophy

The WIN-Partners group offers a better quality of life to all and contributes to creating an affluent society.

Our mission is to contribute to a better healthy life expectancy for all so that people can live healthy and fulfilling lives.

Our vision

We aim to be a leading company of the next-generation medical business, creating new demand and new markets.

As medical and information technologies progress, we aim to improve the earnings of both existing and new customers and to expand market shares, beyond existing medical services and business models. We welcome companies that share our corporate philosophy and take a leadership position to achieve sustainable growth and industry consolidation, which will lead to higher operational efficiency in the medical industry.

Independent medical device distributor group

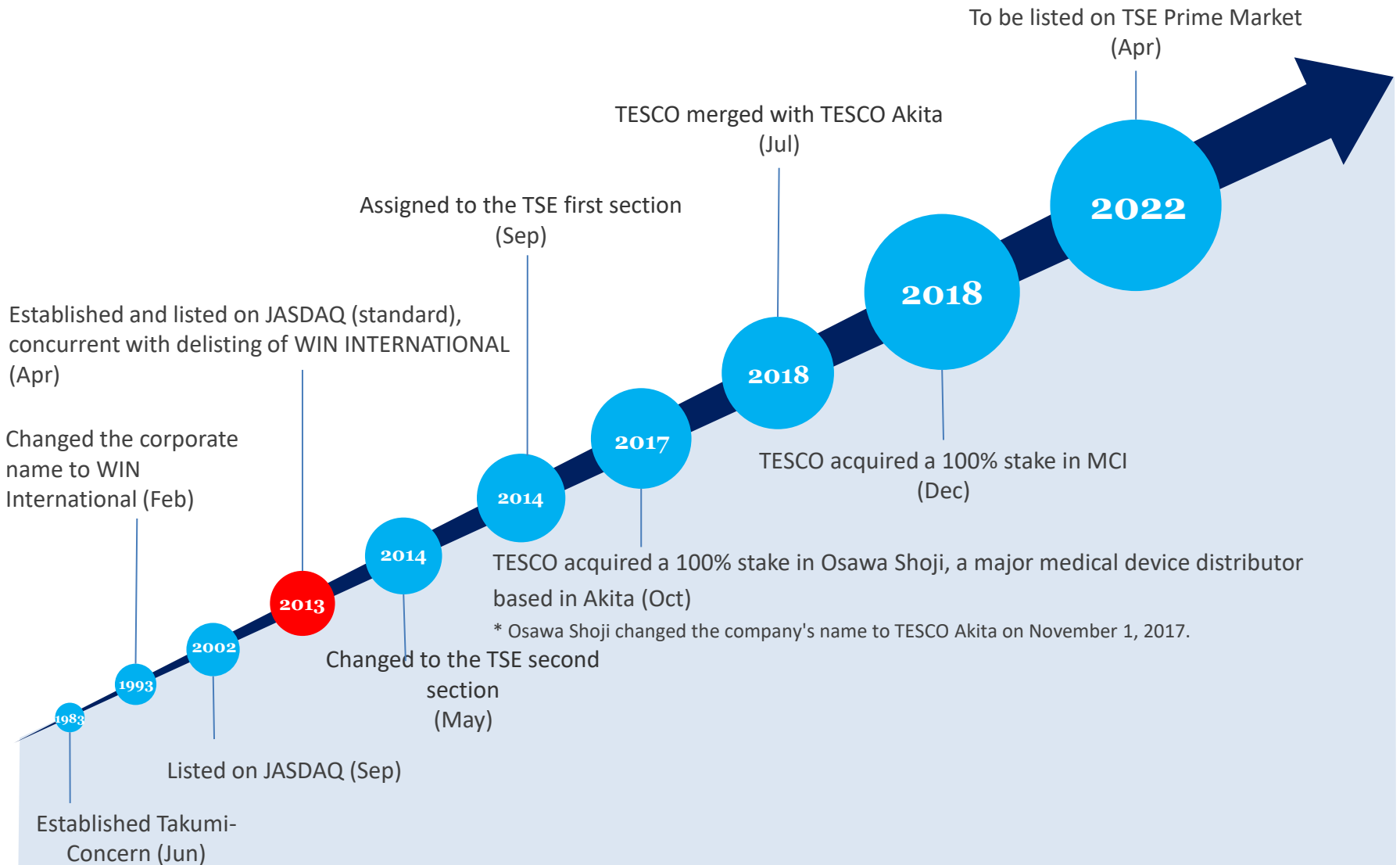


87
suppliers

466
facilities

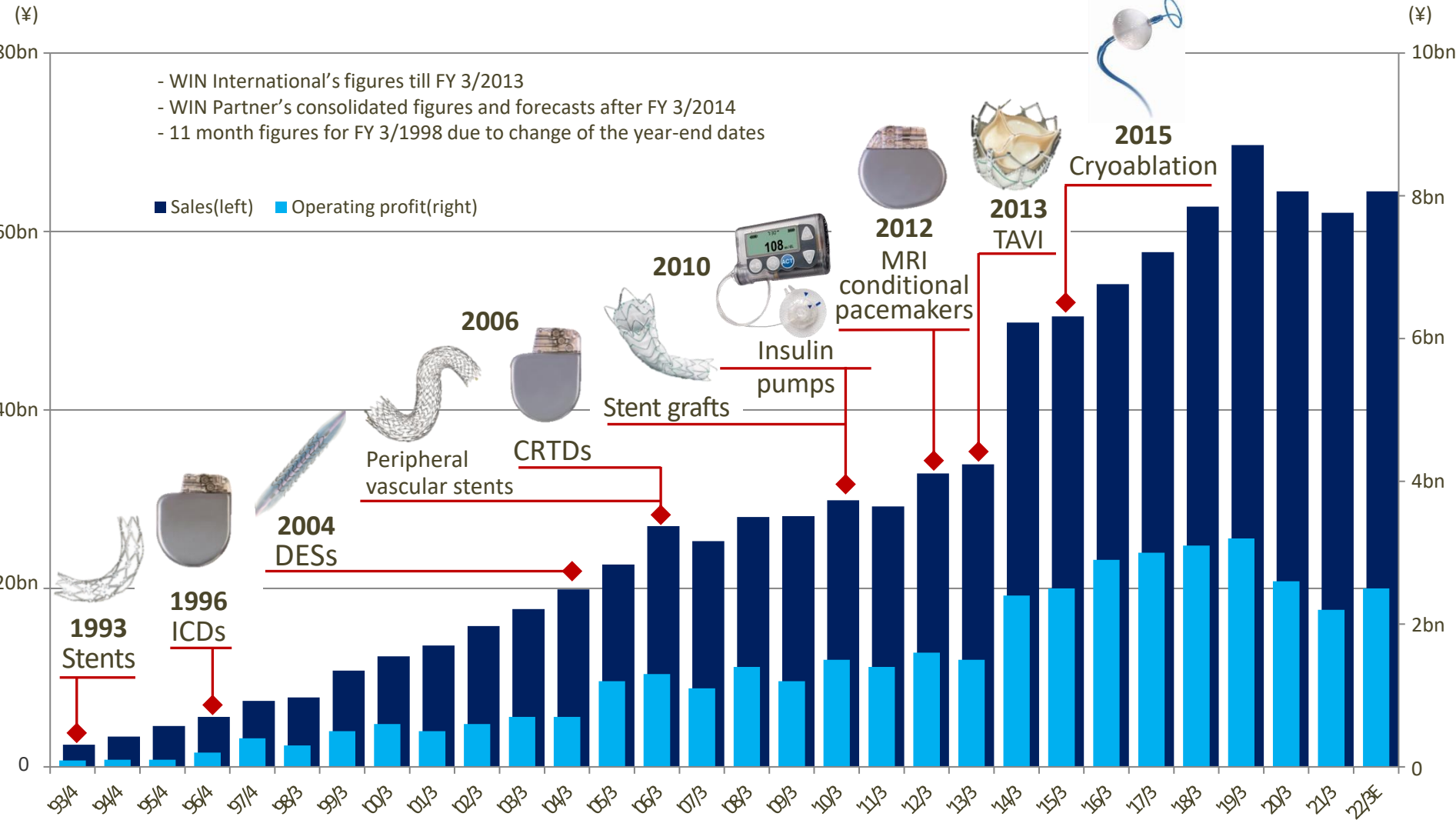
(as of December 2021)

History









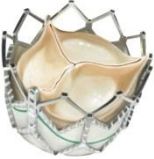









Growing with the expansion of minimally invasive treatment

Trends in sales and OP

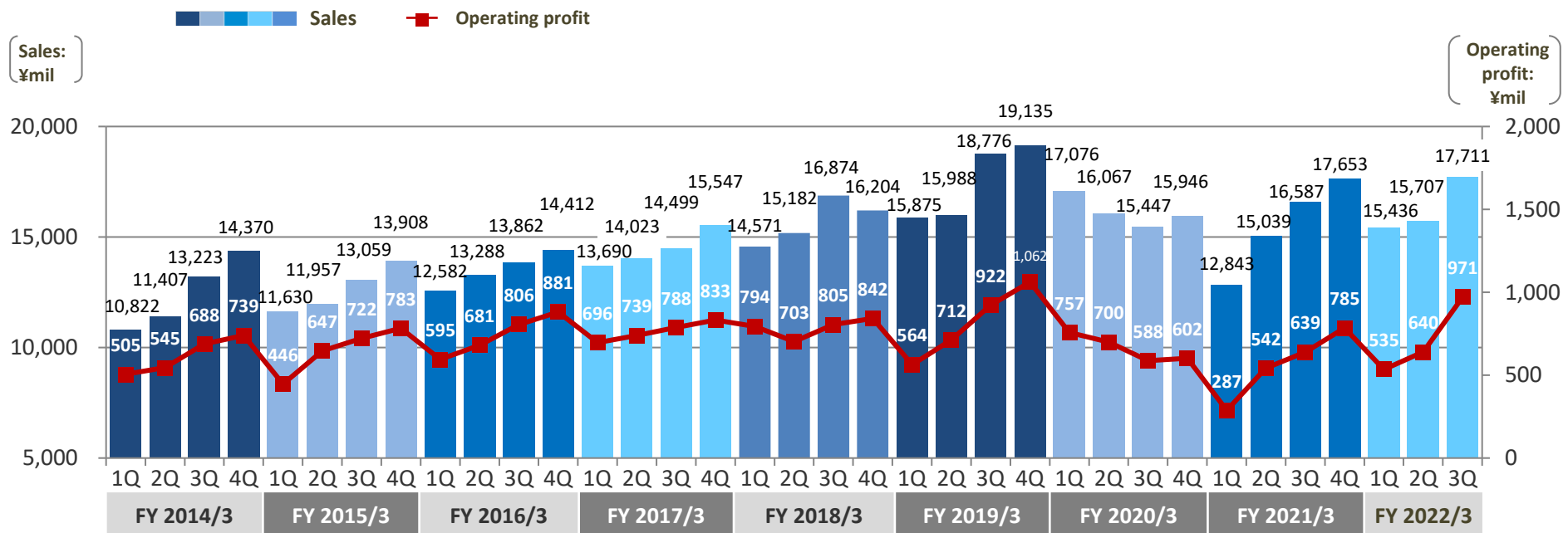


Major products

Segment	Major diseases	Major products			
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) 	Ablation catheter 
CVS	<ul style="list-style-type: none"> • Aortic aneurysm • Aortic stenosis 	Stent graft 	Transcatheter aortic valve (TAVI) 	Mechanical heart valve 	
PPI/ Neurovascular	<ul style="list-style-type: none"> • Arteriosclerosis obliterans 	Peripheral vascular stent 	Drug-coated balloon (DCB) 	Neurovascular occlusion coil 	
DMS/ Medical equipment	<ul style="list-style-type: none"> • Diabetes • Diagnosis 	Insulin pump 	Continuous glucose monitoring (CGM) 	Magnetic resonance imaging (MRI) 	

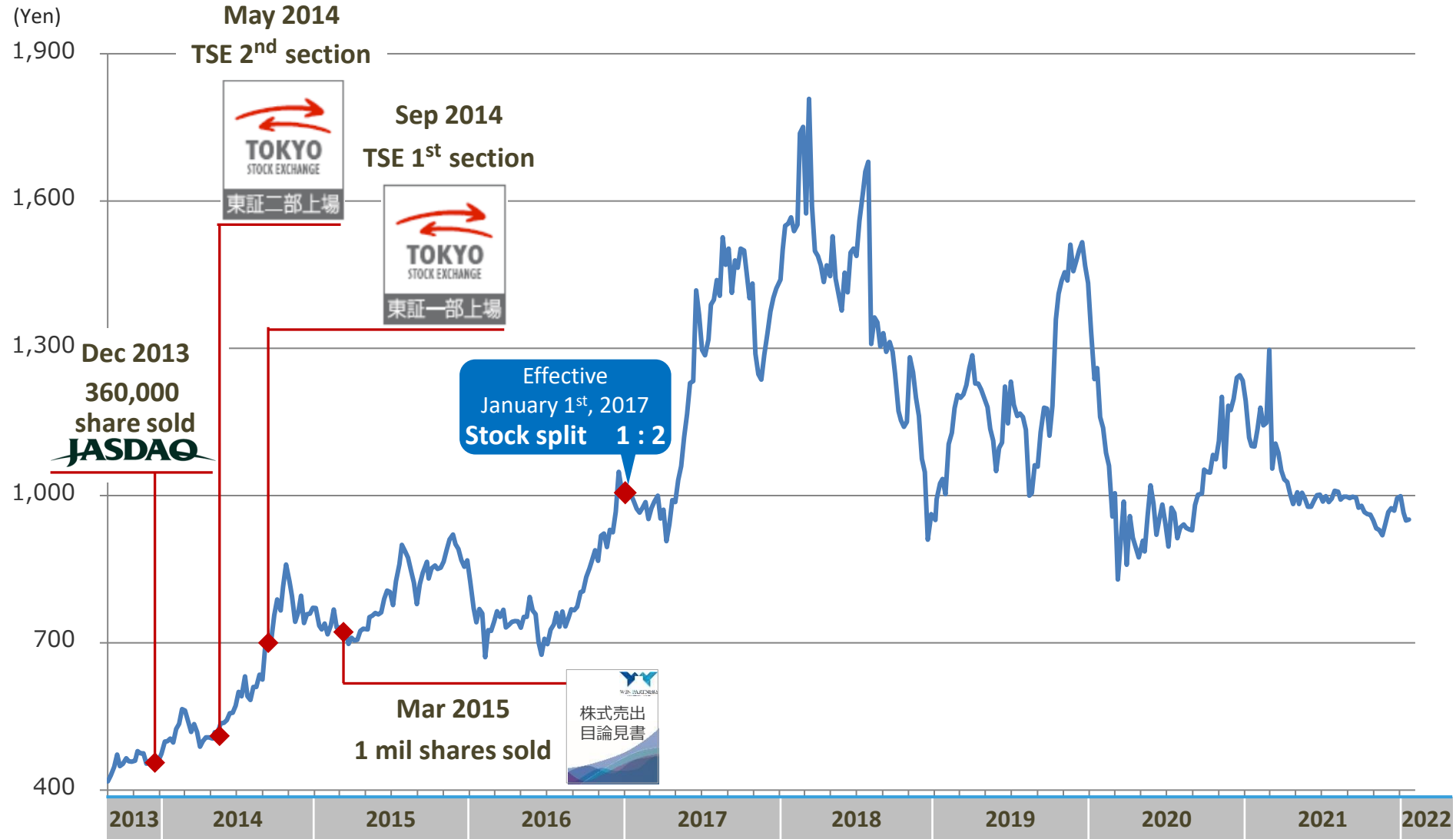
Track record of quarterly results

Trends in sales/operating profit (quarterly)



■ = Year of reimbursement price revisions

Share prices





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