



# Results Presentation

## Fiscal year Ended March 2022

*Win-Partners Co., Ltd. (3183)*

**Results for fiscal year ended March 2022**

# Highlights

- Sales and profits increased YoY and both sales and profits exceeded forecast
- Focus on sales expansion for existing customers and ordinary medical treatment getting back to normal enabled the number of cases in major segments to increase from the previous year
- Higher sales volume helped rebate programs and price negotiations with suppliers to proceed smoothly, enabling GPM to rise from a year earlier

# **Market environment in fiscal year ended March 2022**

- **Utilization rate of critical care unit peaked out and ordinary medical treatments gradually got back to normal**
- **Cases postponed due to the COVID-19 pandemic were executed**
- **The ablation and structural heart disease (SHD) markets expanded**

# WIN's initiatives and results

## Tasks

- Focus on sales expansion for existing customers and gaining medical equipment orders
- Customer support to increase number of patients
- Promotion of higher operational efficiency

## Results

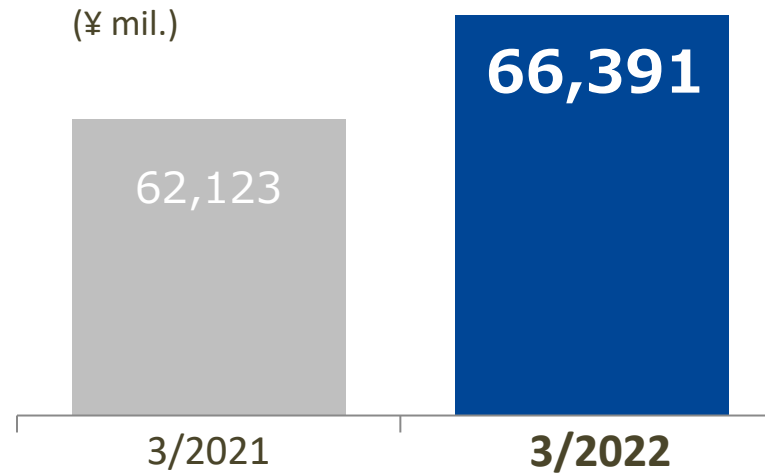
- Sales for existing customers and medical equipment increased
- Number of cases in major segments increased YoY
- Sales volume increased, resulting in smooth rebate programs and price negotiations with suppliers
- Administrative costs were controlled

# Consolidated results summary

(¥ mil.)	Mar 2021	Mar 2022	YoY (%)	OE	
Sales	62,123	<b>66,391</b>	+6.9	<b>64,500</b>	+2.9
Operating profit	2,255	<b>2,762</b>	+22.5	<b>2,500</b>	+10.5
Recurring profit	2,265	<b>2,765</b>	+22.0	<b>2,500</b>	+10.6
Net profit	1,540	<b>1,831</b>	+18.9	<b>1,700</b>	+7.8
EPS (yen)	53.66	<b>63.88</b>	—	—	—
BPS (yen)	736.32	<b>764.32</b>	—	—	—

# Highlights (sales)

YoY **+6.9%** vs. forecast  
**+2.9%**



- Sales increased YoY in all segments
- Sales exceeded forecast

# Sales breakdown by segment (YoY)

Segment	Sales (¥ mil.)	YoY growth (%)		% of sales (%)
		Volume	Value	
Percutaneous coronary intervention (PCI)	<b>17,167</b>	<b>+4.1</b>	<b>+7.4</b>	25.9
Cardiac rhythm segment (CRS)	<b>16,961</b>	<b>+2.4</b>	<b>+3.7</b>	25.5
Cardiac vascular segment (CVS)	<b>9,816</b>	<b>+10.2</b>	<b>+13.2</b>	14.8
Percutaneous peripheral intervention (PPI)	<b>3,808</b>	<b>+7.9</b>	<b>+9.8</b>	5.7
Neurovascular	<b>2,816</b>	<b>+3.6</b>	<b>+3.6</b>	4.2
Diabetes mellitus segment (DMS)	<b>2,848</b>	-	<b>+14.4</b>	4.3
Medical equipment	<b>7,537</b>	-	<b>+3.2</b>	11.4
Others	<b>5,436</b>	-	<b>+5.7</b>	8.2
Total	<b>66,391</b>	-	<b>+6.9</b>	100.0

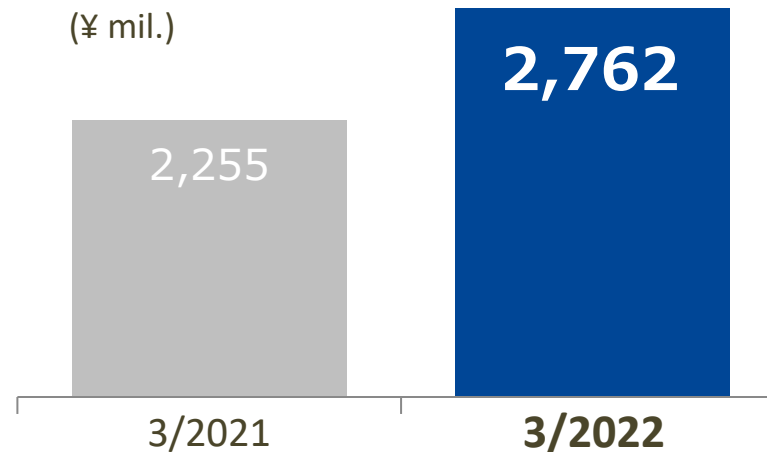


# Sales breakdown by segment (vs forecast)

Segment (¥ mil.)	Sales	Forecast	Difference	Rate of change (%)
Percutaneous coronary intervention (PCI)	17,167	17,590	-422	-2.4
Cardiac rhythm segment (CRS)	16,961	17,420	-458	-2.6
Cardiac vascular segment (CVS)	9,816	9,270	+546	+5.9
Percutaneous peripheral intervention (PPI)	3,808	3,650	+158	+4.3
Neurovascular	2,816	2,970	-153	-5.2
Diabetes mellitus segment (DMS)	2,848	2,650	+198	+7.5
Medical equipment	7,537	5,600	+1,937	+34.6
Others	5,436	5,350	+86	+1.6
Total	66,391	64,500	+1,891	+2.9

# Highlights (operating profit)

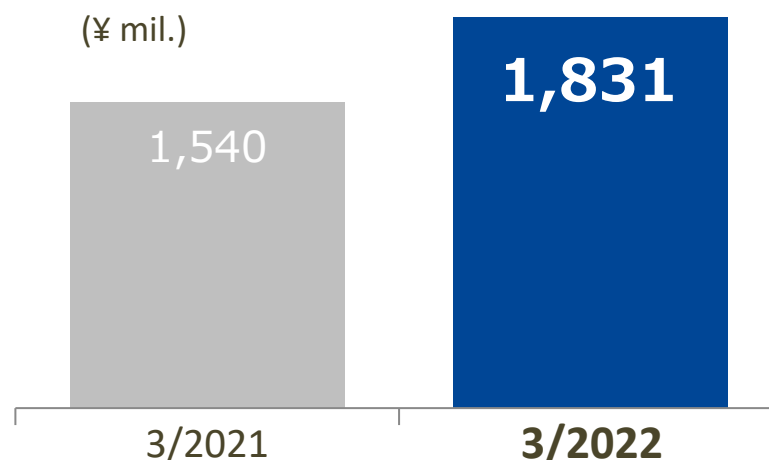
YoY **+22.5%** vs. forecast  
+10.5%



- **Gross profit margin 12.8% (+0.4 pp YoY)**
  - Concentration on limited number of offered devices and device procurement without goods return enabled smooth rebate programs and price negotiations with suppliers
- **SGA +4.9% YoY**
  - Labor cost +4.5% YoY
  - Number of employees: 547 (Mar 2021) → 548 (Mar 2022)

# Highlights (net profit)

YoY **+18.9%** vs. forecast  
**+7.8%**



- **Extraordinary loss: ¥110 mil.**  
- Scrap loss related to the development of new system
- **CapEx**                      **¥1.9 bn.**              vs. ¥1.2 bn. for 3/2021
- **Depreciation**    **¥160 mil.**              vs. ¥190 mil. for 3/2021

# Consolidated income statement

	Mar 2021		Mar 2022	
	(¥ mil.)	(%)	(¥ mil.)	(%)
<b>Sales</b>	<b>62,123</b>	100.0	<b>66,391</b>	<b>100.0</b>
Cost of sales	54,380	87.5	57,871	87.2
<b>Gross profit</b>	<b>7,743</b>	12.5	<b>8,520</b>	<b>12.8</b>
SG&A expenses	5,488	8.8	5,757	8.7
<b>Operating profit</b>	<b>2,255</b>	3.6	<b>2,762</b>	<b>4.2</b>
Non-operating profit	12	0.0	7	0.0
Non-operating expenses	1	0.0	4	0.0
<b>Recurring profit</b>	<b>2,265</b>	3.6	<b>2,765</b>	<b>4.2</b>
Extraordinary profit	0	0.0	0	0.0
Extraordinary loss	19	0.0	110	0.2
<b>Pretax profit</b>	<b>2,245</b>	3.6	<b>2,654</b>	<b>4.0</b>
Taxes	705	1.1	822	1.2
<b>Net profit</b>	<b>1,540</b>	2.5	<b>1,831</b>	<b>2.8</b>

# Consolidated balance sheet

	Mar 2021		Mar 2022		Change (¥ mil.)
	(¥ mil.)	(%)	(¥ mil.)	(%)	
<b>Current assets</b>	<b>35,994</b>	<b>89.6</b>	<b>34,745</b>	<b>83.6</b>	<b>-1,249</b>
Cash and deposits	17,122	42.6	15,572	37.5	-1,550
Accounts receivable	15,966	39.7	16,361	39.4	+395
Inventories	2,334	5.8	2,066	5.0	-268
Other current assets	571	1.4	745	1.8	+174
<b>Fixed assets</b>	<b>4,193</b>	<b>10.4</b>	<b>6,819</b>	<b>16.4</b>	<b>+2,626</b>
<b>Total assets</b>	<b>40,187</b>	<b>100.0</b>	<b>41,564</b>	<b>100.0</b>	<b>+1,377</b>
<b>Current liabilities</b>	<b>17,960</b>	<b>44.7</b>	<b>18,698</b>	<b>45.0</b>	<b>+738</b>
Accounts payable	16,756	41.7	16,975	40.8	+219
Taxes payable	277	0.7	595	1.4	+318
Other current liabilities	926	2.3	1,127	2.7	+201
<b>Fixed liabilities</b>	<b>1,088</b>	<b>2.7</b>	<b>1,144</b>	<b>2.8</b>	<b>+56</b>
<b>Total liabilities</b>	<b>19,049</b>	<b>47.4</b>	<b>19,843</b>	<b>47.7</b>	<b>+794</b>
<b>Net assets</b>	<b>21,138</b>	<b>52.6</b>	<b>21,721</b>	<b>52.3</b>	<b>+583</b>
<b>Total liabilities, net assets</b>	<b>40,187</b>	<b>100.0</b>	<b>41,564</b>	<b>100.0</b>	<b>+1,377</b>

# Consolidated cashflow statement

(¥ mil.)	Mar 2021	Mar 2022
<b>Cash flows from operating activities</b>	<b>1,850</b>	<b>2,622</b>
Net profit before taxes	2,245	2,654
Depreciation	194	160
Notes and accounts receivable	-1,300	-394
Inventories	291	269
Notes and accounts payable	856	219
Tax paid	-763	-592
Other	326	304
<b>Cash flows from investing activities</b>	<b>-1,276</b>	<b>-2,894</b>
Purchase of tangible assets	-1,176	-2,758
Other	-100	-135
<b>Cash flows from financing activities</b>	<b>-947</b>	<b>-1,276</b>
Cash dividends paid	-947	-976
Other	0	-300
<b>Net increase in cash and cash equivalents</b>	<b>-373</b>	<b>-1,549</b>
<b>Cash and cash equivalents at the beginning of FY</b>	<b>12,495</b>	<b>12,122</b>
<b>Cash and cash equivalents at the end of FY</b>	<b>12,122</b>	<b>10,572</b>

# Outlook for fiscal year ending March 2023

# Business environment

- **Revision of reimbursement prices**
- **The ablation and SHD markets are expected to continue expanding**
- **Impact on the number of cases from the Covid-19 pandemic is expected to alleviate further**



# WIN's main initiatives

## ● Customer support

- to increase number of patients
- to reduce costs by switching to alternative devices

## ● Investment of management resources in growing market

- Expand education course for “ablation specialists”
- Increase CDRs (target 150)

## ● Proposals to improve customers' operational efficiency

- Increase penetration of WIN's unique medical device management system

## ● Business territory expansion

- Continue gathering information and investigating & considering opportunities for M&As, etc.

## ● Prepare for logistics revolution

- Complete construction of WIN Heart Gate building
- Proceed with development of new core systems and sales & inventory control systems

# Consolidated earnings forecasts for FY ending March 2023

	(¥ mil.)	YoY (%)	(%)
Sales	<b>68,800</b>	+3.6	100.0
Operating profit	<b>2,820</b>	+2.1	4.1
Recurring profit	<b>2,820</b>	+2.0	4.1
Net profit	<b>1,930</b>	+5.4	2.8
EPS (yen)	<b>67.91</b>		
DPS (yen)	<b>36.00</b>		

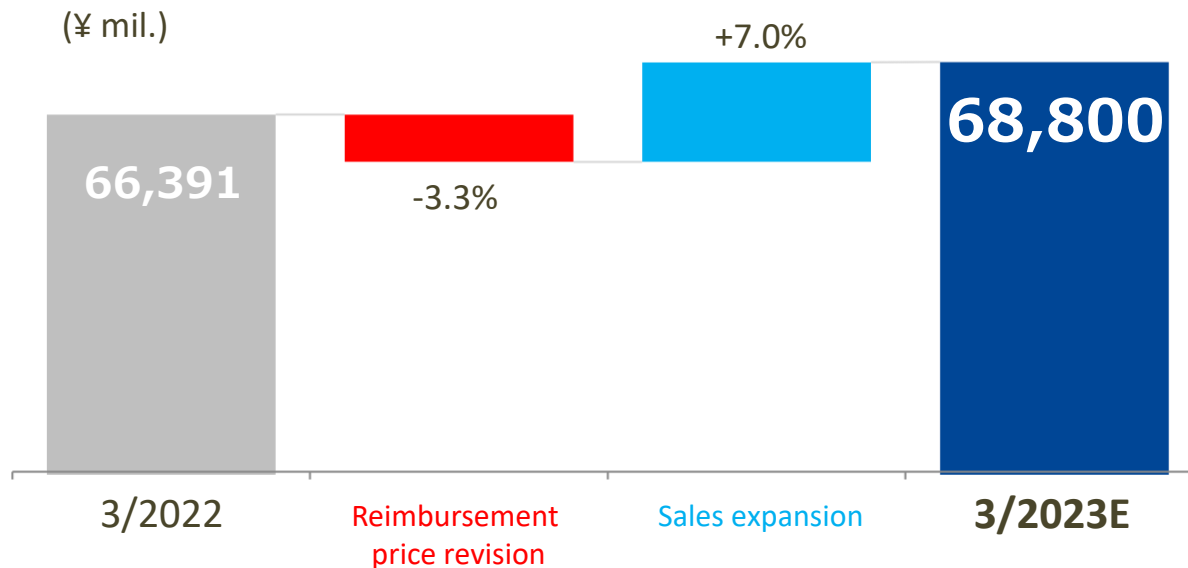
# Sales impact by the reimbursement price revision in April

Segment	Assumed impact (%)
Percutaneous Coronary Intervention (PCI)	<b>-7.0</b>
Cardiac Rhythm Segment (CRS)	<b>-4.4</b>
Cardiac Vascular Segment (CVS)	<b>-0.3</b>
Percutaneous Peripheral Intervension (PPI)	<b>-3.9</b>
Brain Surgery	<b>-0.7</b>
Others	<b>-0.3</b>
<b>Total</b>	<b>-3.3</b>

Calculated based on the actual sales volume and product mix for FY ended March 2022

# Highlights (sales)

YoY **+3.6%**



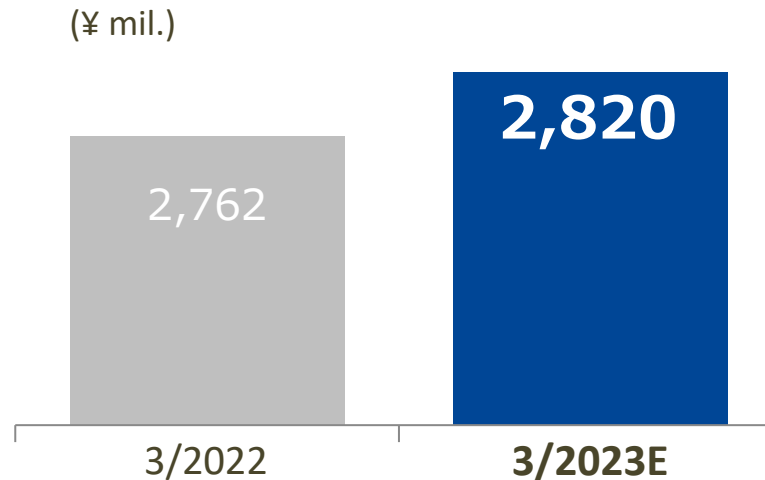
- Negative impact from the reimbursement price revision is expected to be more than offset by sales expansion as a result of aggressive sales activities

# Sales forecast by segment

	(¥ mil.)	YoY (%)	% of sales
Percutaneous coronary intervention (PCI)	<b>17,660</b>	+2.9	25.7%
Cardiac rhythm segment (CRS)	<b>17,830</b>	+5.1	25.9%
Cardiac vascular segment (CVS)	<b>10,860</b>	+10.6	15.8%
Percutaneous peripheral intervention (PPI)	<b>3,910</b>	+2.7	5.7%
Neurovascular	<b>3,110</b>	+10.4	4.5%
Diabetes mellitus segment (DMS)	<b>3,120</b>	+9.5	4.5%
Medical equipment	<b>6,540</b>	-13.2	9.5%
Other	<b>5,770</b>	+6.1	8.4%
Total	<b>68,800</b>	+3.6	100.0%

# Highlights (operating profit)

YoY **+2.1%**

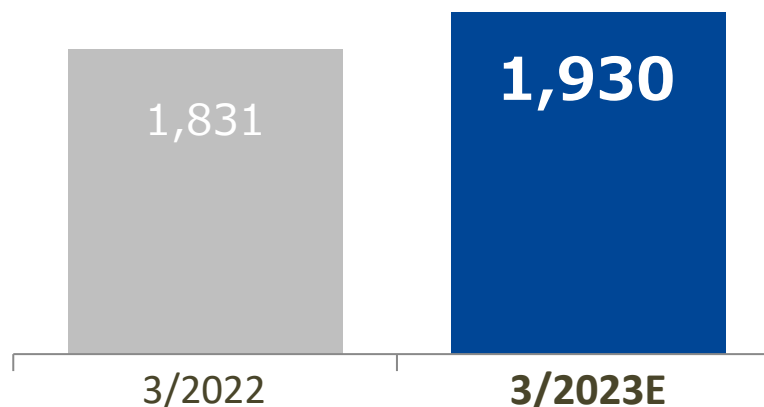


- **Forecast of gross profit margin: 12.9% (+0.1 pp YoY)**
  - Continue intensifying rebate programs and price negotiations with suppliers
- **SG&A ¥6.09 bn. (+5.8% YoY)**
  - Increase in sales expenses
  - Forecast of the number of group employees: 548 (Mar 2021) → 604 (Mar 2022)

# Highlights (net profit)

YoY **+5.4%**

(¥ mil.)



- CapEx **¥1.9 bn.** vs. ¥1.9 bn. for 3/2022
- Depreciation **¥170 mil.** vs. ¥160 mil. for 3/2022

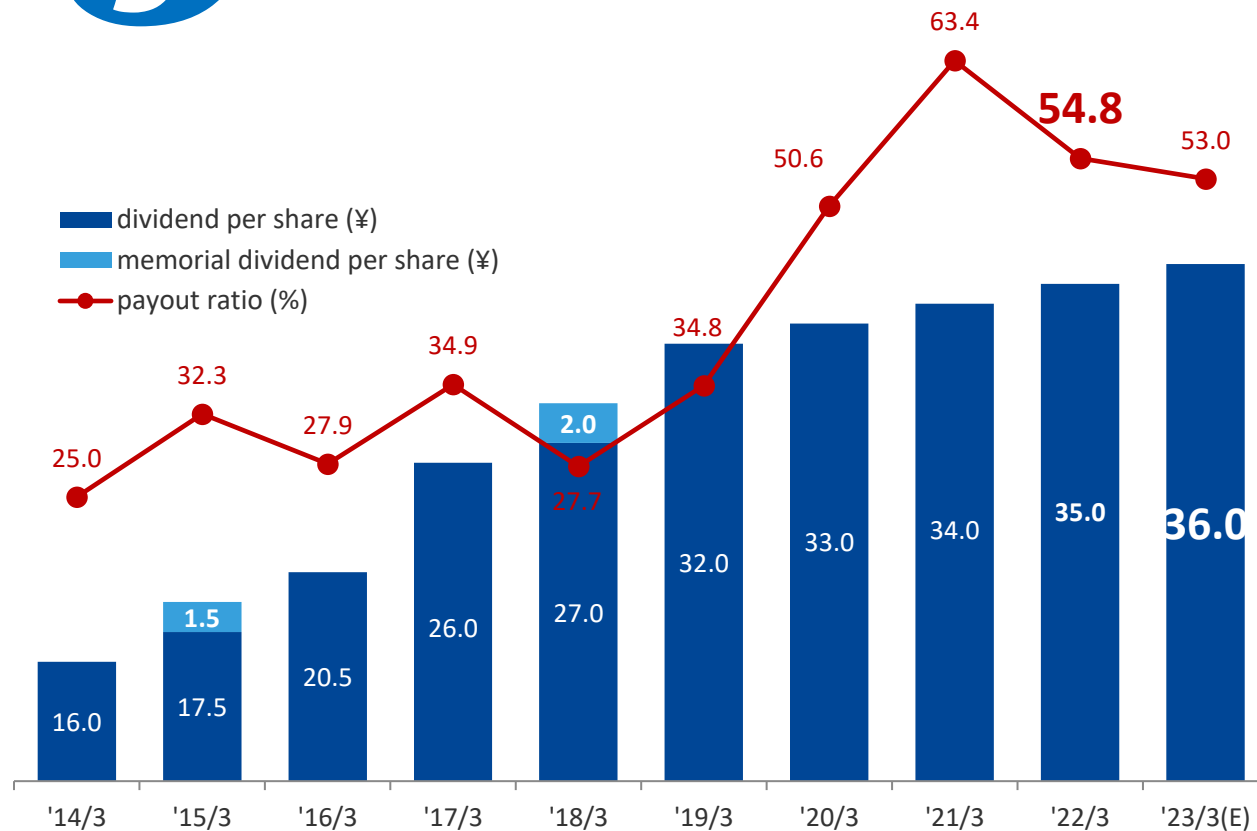
# Dividends & payout ratio

+1 yen from FY ended March 2022

**36** yen

Prospective payout ratio

**53**%





# Transformation of TSE & Sustainability

- **Transition to the TSE Prime market**
- **Expression of support for the recommendations of TCFD and participation in TCFD Consortium**



# References

# Reimbursement prices of major products

Segment	Items	Reimbursement prices (¥000)		Change (%)
		2020	2022	
PCI	PTCA balloon catheter	35	32	- 9.9
	Drug eluting stent (DES)	161	136	- 15.5
	Intravascular ultrasound (IVUS) catheter	80	72	- 9.7
CRS	Pacemaker	720	593	- 17.6
	Implantable cardioverter defibrillator (ICD)	2,950	2,820	- 4.4
	Cardiac resynchronization therapy defibrillator (CRTD)	3,990	3,260	- 18.3
	Subcutaneous implantable defibrillator (S-ICD)	3,120	3,120	0.0
	Ablation catheter	124	117	- 5.6
	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	55	50	- 7.8
	Peripheral vascular stent	174	※ 171	- 1.7
	Peripheral drug eluting stent (DES)	233	233	0.0
Neuro-vascular	Emboloc coil (electric type)	118	117	- 0.8
	Thrombectomy catheter (self-expandable)	386	386	0.0

※ Transitional period (1/4/2022~31/12/2022 : ¥171,000、1/1/2023~31/3/2023 : ¥166,000、1/4/2023~ : ¥160,000)

# About WIN-Partners

# Company profile

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<b>Code:</b>	3183 (TSE Prime Market)
<b>Headquarters:</b>	21F, KYOBASHI EDOGRAND 2-2-1, Kyobashi, Chuo-ku, Tokyo 104-0031
<b>Capital:</b>	550 million yen
<b>Business:</b>	Distribution of medical devices (consolidated basis)
<b>Board of management:</b>	Hideumi Akizawa, CEO, and 8 directors, including 4 outside directors
<b>Subsidiaries:</b>	Win International, TESCO, MCI (100% owned)
<b>No of employees:</b>	548 (consolidated basis) as of Mar 2022
<b>No. of shares:</b>	30,503,310, including 2,083,573 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.**

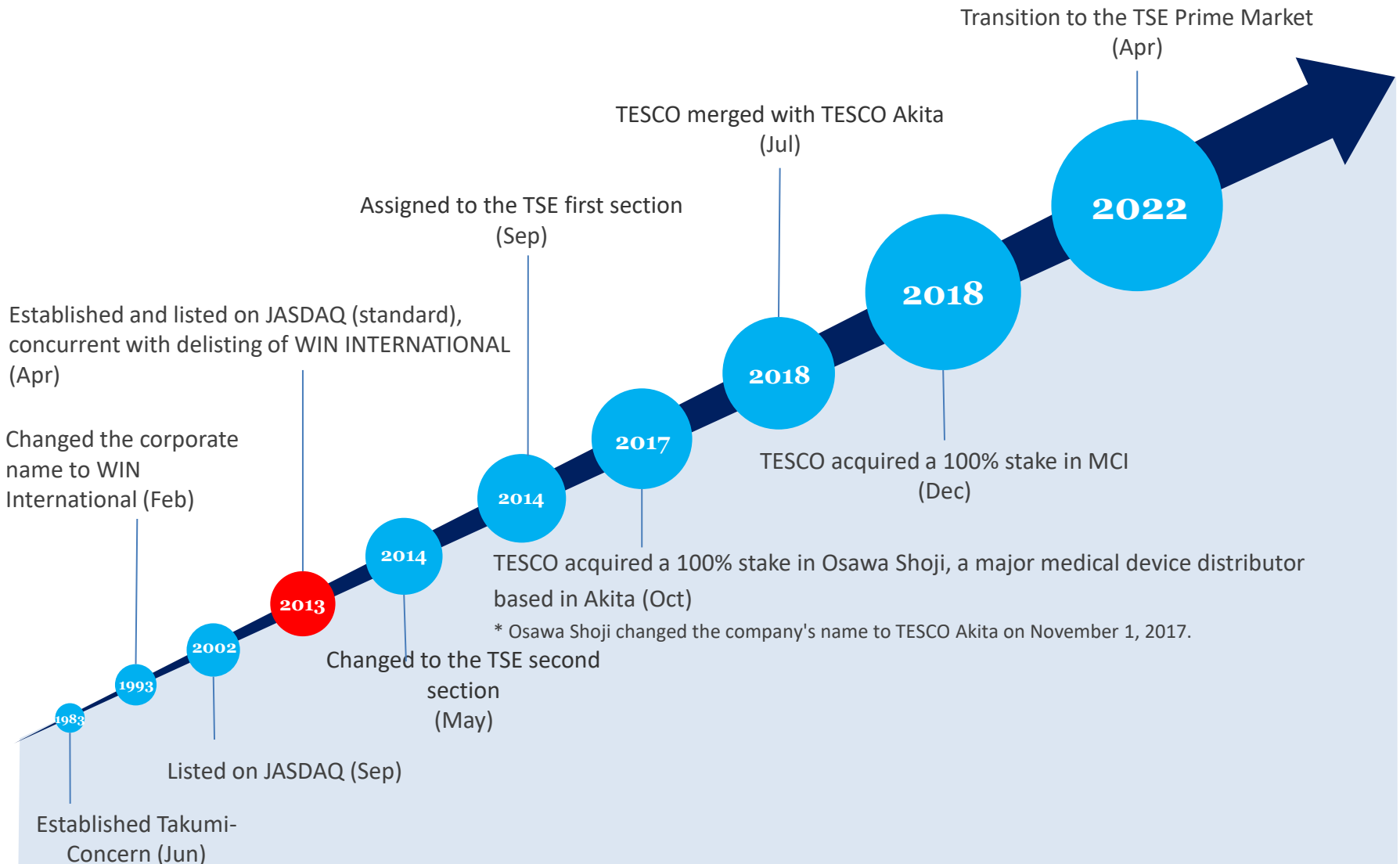
As medical and information technologies progress, we aim to improve the earnings of both existing and new customers and to expand our market shares, beyond existing medical services and business models. We welcome companies that share our corporate philosophy and take a leadership position to achieve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

# Independent medical device distributor group



(as of March 2022)

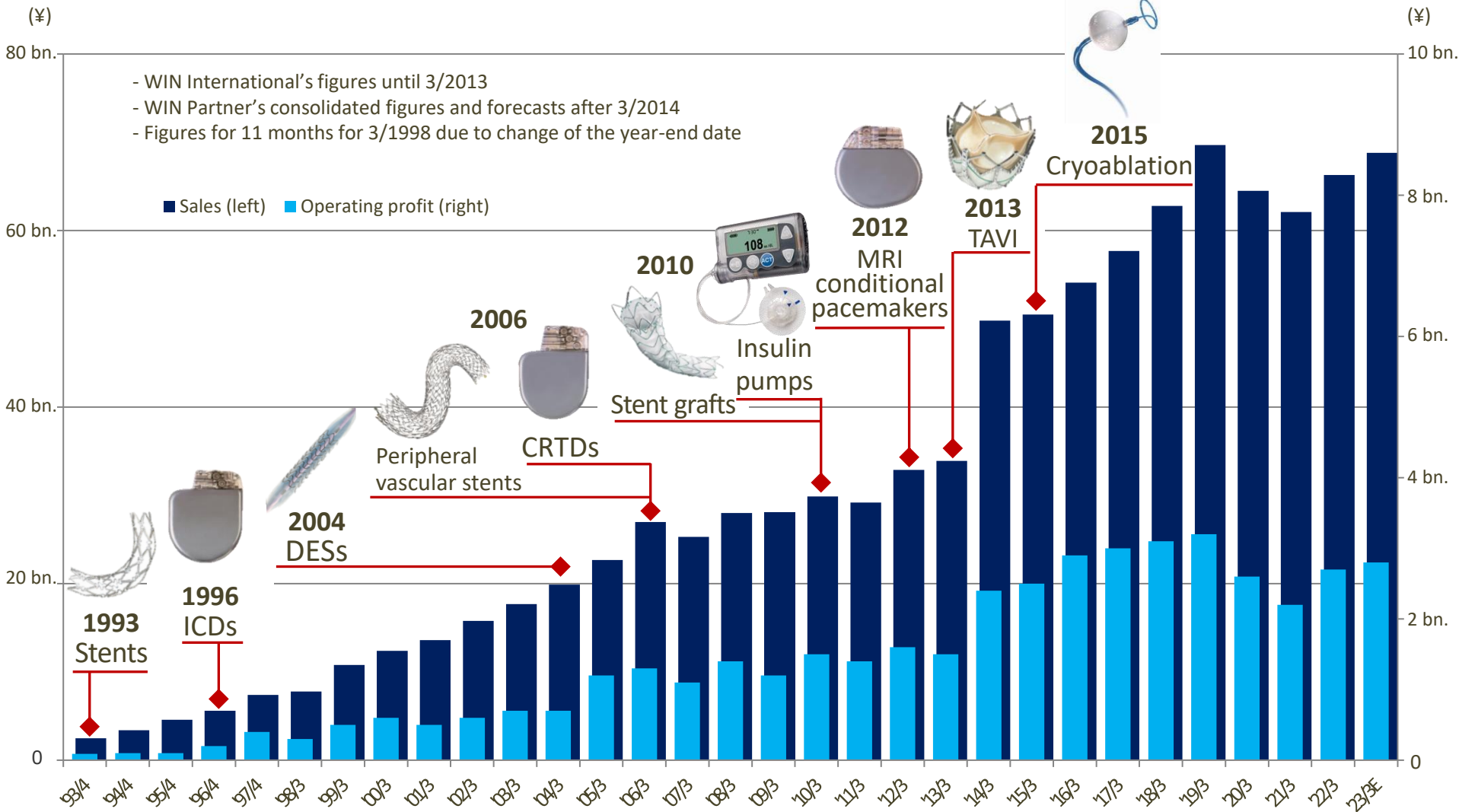
# History











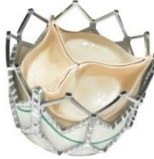

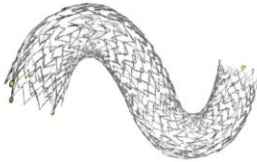







# Growing with the expansion of minimally invasive treatment

## Trends in sales and OP

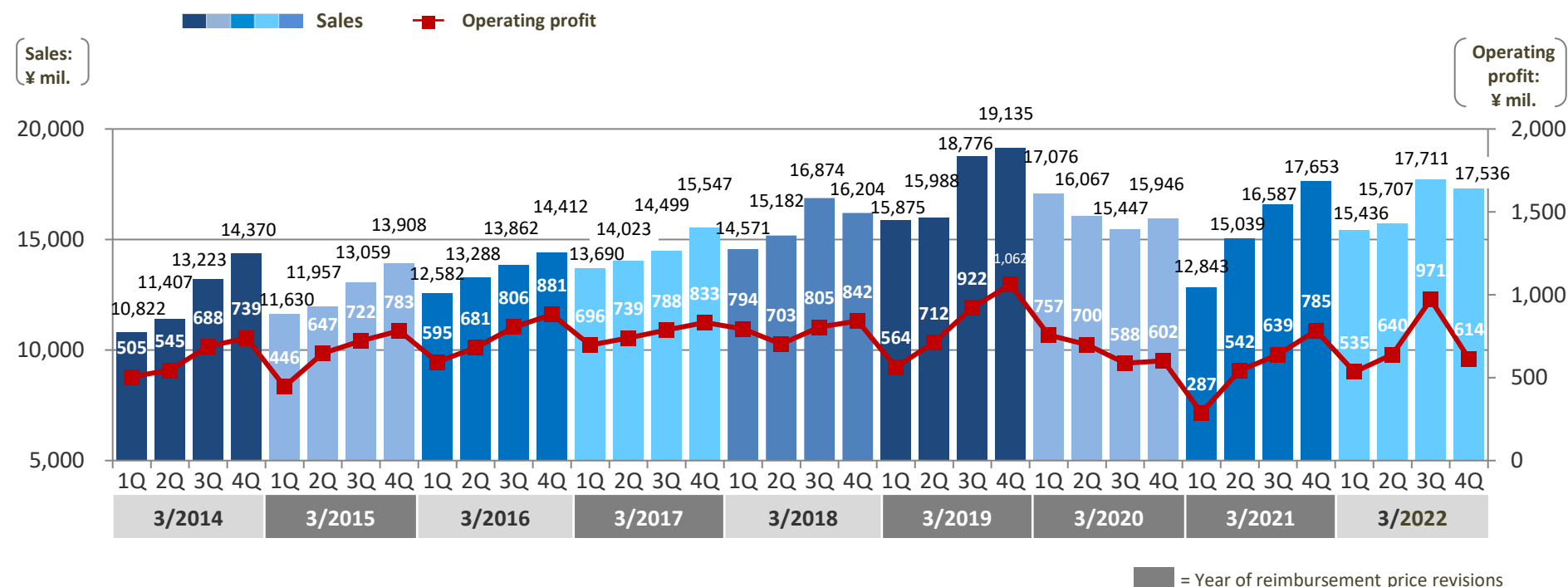


# Major products

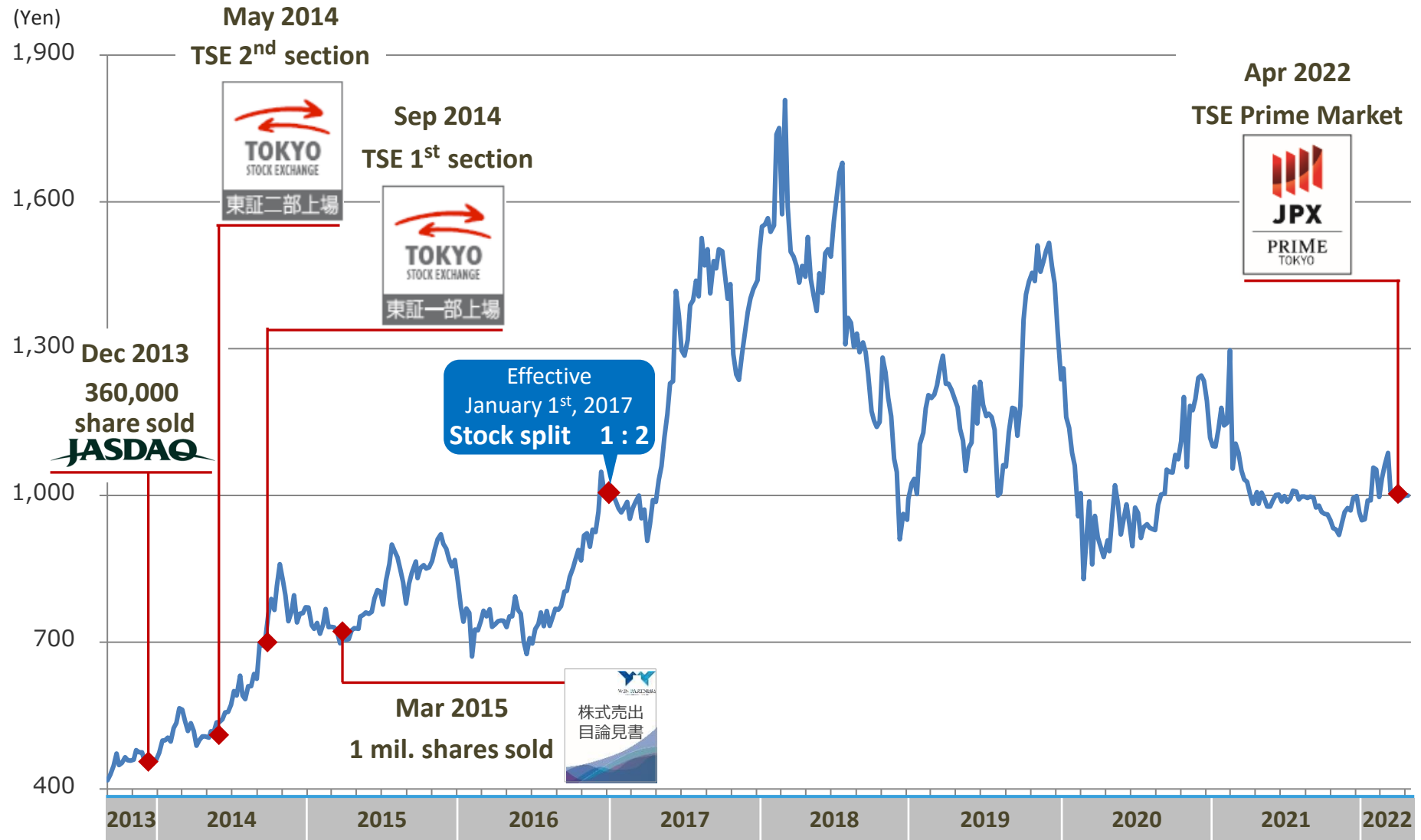
Segment	Major diseases	Major products		
PCI	<ul style="list-style-type: none"> <li>Myocardial infarction</li> <li>Angina</li> </ul>	PTCA balloon catheter	Drug-eluting stent (DES)	Intravascular ultrasound (IVUS) catheter
				
CRS	<ul style="list-style-type: none"> <li>Abnormal cardiac rhythm</li> </ul>	Pacemaker	Implantable cardioverter defibrillator (ICD)	Cardiac resynchronization therapy defibrillator (CRTD)
				
CVS	<ul style="list-style-type: none"> <li>Aortic aneurysm</li> <li>Aortic stenosis</li> </ul>	Ablation catheter	Stent graft	Transcatheter aortic valve (TAVI)
				
PPI/ Neuro vascular	<ul style="list-style-type: none"> <li>Arteriosclerosis obliterans</li> </ul>	Mechanical heart valve	Peripheral vascular stent	Drug-coated balloon (DCB)
				
DMS/ Medical equipment	<ul style="list-style-type: none"> <li>Diabetes</li> <li>Diagnosis</li> </ul>	Neurovascular occlusion coil	Insulin pump	Continuous glucose monitoring (CGM)
				
		Magnetic resonance imaging (MRI)		
				

# Track record of quarterly results

## Trends in sales/operating profit (quarterly)



# Share price





## **Disclaimer**

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