



WIN A BETTER QUALITY OF LIFE
INNOVATION
PARTNERSHIP
TRUST

SAFETY
CREATE VALUE

LEADERSHIP
HEALTHY SOCIETY

Results Presentation 3Q FY March 2021

Win-Partners Co., Ltd. (3183)



WINはQOL推進企業です

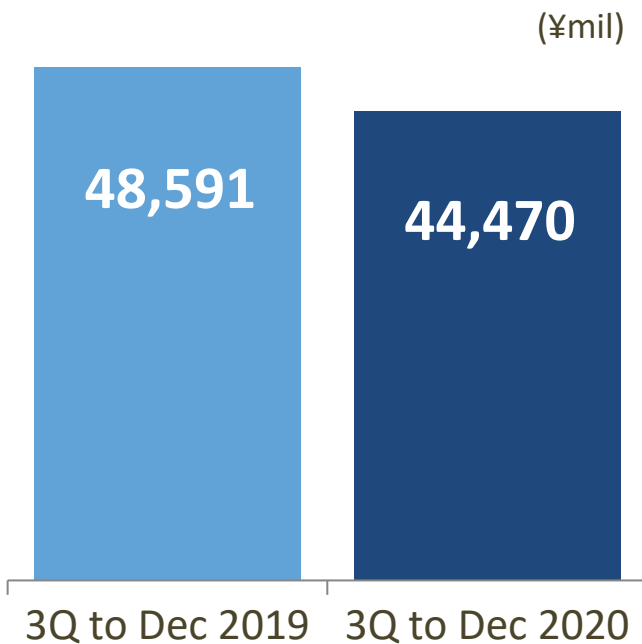
3Q results ending December 2020

Consolidated results summary

(¥mil) 3Q to	Dec 2019	Dec 2020	YoY
Sales	48,591	44,470	-8.5%
Operating profit	2,046	1,470	-28.2%
Recurring profit	2,045	1,478	-27.7%
Net profit	1,449	995	-31.3%
EPS (yen)	50.50	34.67	-
BPS (yen)	701.09	716.63	-

Highlights

Sales -8.5% YoY



Non-acute coronary disease treatments have been postponed due to COVID-19

Absence of sales to a hospital chain from June 2019 (1Q - ¥2bn)

Reimbursement price revision in October 2019 & April 2020
(98.2% agreed as at December 2020)

Sales in Oct-Dec 2020 were up YoY

Sales impact by the reimbursement price revision

Segment	Assumed impact(%)	
	2019(Oct)※1	2020(Apr)※2
Percutaneous Coronary Intervention (PCI)	-6.1	-3.7
Cardiac Rhythm Segment (CRS)	-3.3	-1.2
Cardiac Vascular Segment (CVS)	-0.6	-0.4
Percutaneous Peripheral Intervension (PPI)	-4.2	-0.8
Brain Surgery	-0.2	-1.3
Others	-0.3	-0.1
Total	-2.8	-1.5

※1: Calculated based on sales mix/volume in the 2nd half to September 2018

※2: Calculated based on reimbursement prices revised in October 2019

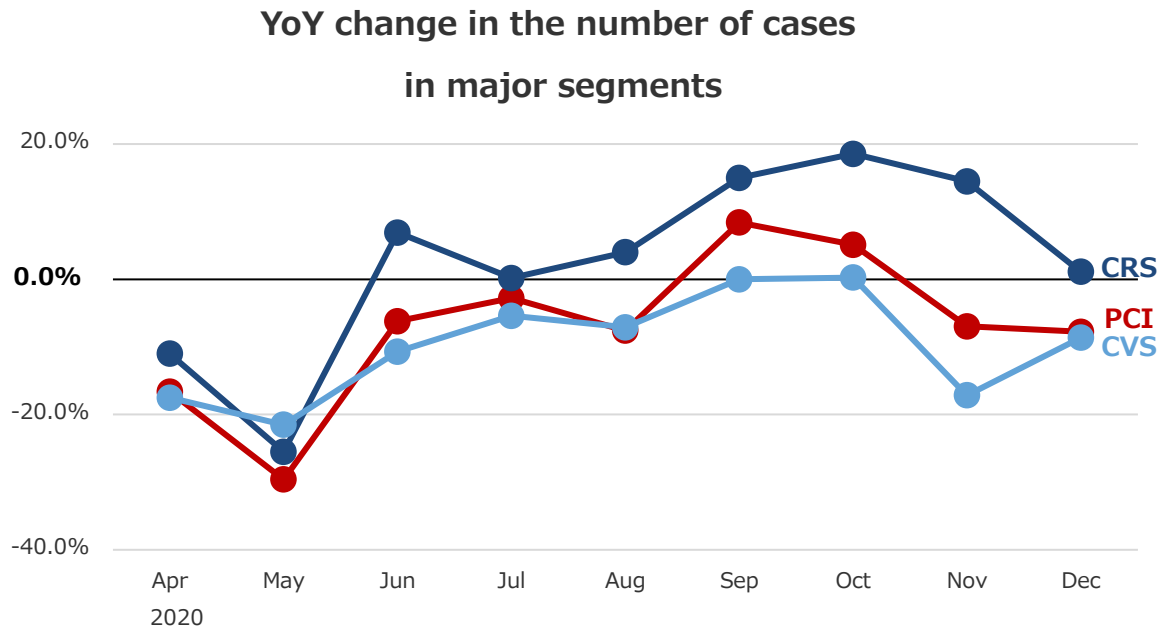
The reimbursement prices of major products

Segment	Items	Reimbursement prices (¥000)			
		2018 (Apr)	2019 (Oct)	2020 (Apr)	Change % ('18 vs '20)
PCI	PTCA Ballon Catheter	45	38	35	- 21.8
	DES (Drug Eluting Stent)	193	173	161	- 16.6
	IVUS (Intravascular Ultrasound Catheter)	89	84	80	- 10.3
CRS	Pacemaker	831	763	720	- 13.4
	ICD (Implantable Cardioverter Defibrillator)	3,040	2,950	2,950	- 3.0
	CRTD (Cardiac Resynchronization Therapy Defibrillator)	4,140	3,990	3,990	- 3.6
	Subcutaneous Implantable Defibrillator (S-ICD)	3,060	3,120	3,120	2.0
	Ablation Catheter	133	126	124	- 6.8
	Cardiac CryoAblation Catheter	637	649	649	1.9
CVS	Stent graft (abdomen)	1,300	1,320	1,320	1.5
	Open Stent graft	1,090	1,110	1,110	1.8
	Heart valve for Transcatheter Aortic Valve Implantation (TAVI) (Balloon-expandable)	4,430	4,510	4,510	1.8
	Heart valve for TAVI (self-expandable)	3,670	3,740	3,740	1.9
PPI	PTA Ballon Catheter	60	56	55	- 8.8
	Peripheral Vascular Stent	179	175	174	- 2.8
	Peripheral DES (Drug Eluting Stent)	229	233	233	1.7

Impact from COVID-19

The number of cases had been recovering, but has decelerated since November 2020

- Some hospitals have suffered from nosocomial COVID-19 clusters since November 2020
- Recurrence of the infection spread and increased COVID-19 patients accepted by hospitals have restricted the treatment for non-COVID-19 patients
- Sales activity has been limited in order to prevent the infection spread



Sales breakdown by segment

Segment	Sales (¥mil)	YoY growth (%)		% of sales	
		Volume	Value	(%)	Change (pp)
Percutaneous coronary intervention (PCI)	11,880	-13.2	-18.1	26.7	-3.2
Cardiac rhythm segment (CRS)	12,195	+1.0	-6.8	27.4	+0.5
Cardiac vascular segment (CVS)	6,391	-5.6	-9.1	14.4	-0.1
Percutaneous peripheral intervention (PPI)	2,550	+0.7	-3.6	5.7	+0.3
Brain surgery	2,015	-1.8	+2.1	4.5	+0.5
Diabetes mellitus segment (DMS)	1,822	-	+11.0	4.1	+0.7
Large-sized medical equipment	2,523	-	-0.8	5.7	+0.4
Others	5,090	-	-1.1	11.4	+0.8
Total	44,470	-	-8.5	100.0	

Segment review

P C I

suffered from the lower number of cases, decreased sales to a major customer and the reimbursement price revision

C R S

suffered from the lower number of cases, decreased sales to a major customer. ABL maintained a steady recovery

C V S

suffered from the lower number of cases and decreased sales to a major customer

P P I

saw the number of cases for shunt continue increasing

**L a r g e
e q u i p
- m e n t**

saw customers delaying decision-making for equipment to install due to Covid-19, but Q3 (3 months) sales increased YoY

D M S

saw sales of blood glucose measuring equipment increase

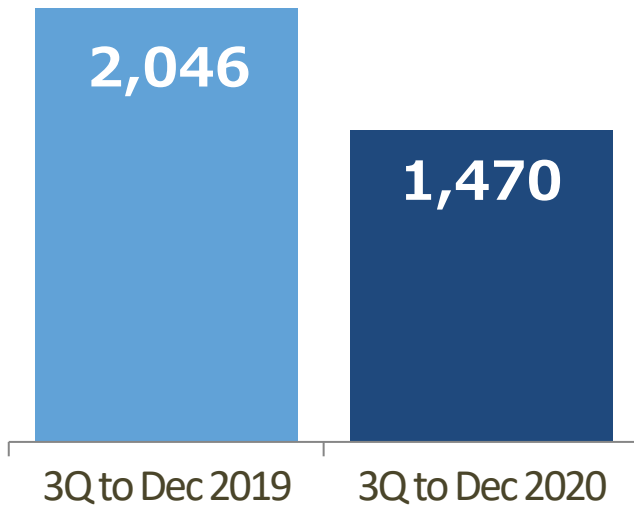
Highlights

Operating
profit

-28.2% YoY

Gross profit margin 12.2%(-0.5pp YoY)

(¥mil)



- Sales volume decreased due to the lower number of cases
- Sales mix changed

SGA -3.9% YoY

- Labor cost -0.6% YoY
- Number of employees :550(Dec 2019)→545(Dec 2020)

Consolidated income statements

	Dec 2019		Dec 2020	
	(¥mil)	(%)	(¥mil)	(%)
Sales	48,591	100.0	44,470	100.0
Cost of sales	42,424	87.3	39,041	87.8
Gross profit	6,167	12.7	5,429	12.2
SG&A expenses	4,120	8.5	3,958	8.9
Operating profit	2,046	4.2	1,470	3.3
Non-operating profit	8	0.0	9	0.0
Non-operating expenses	10	0.0	0	0.0
Recurring profit	2,045	4.2	1,478	3.3
Extraordinary profit	82	0.2	0	0.0
Extraordinary loss	0	0.0	19	0.0
Pretax profit	2,128	4.4	1,459	3.3
Taxes	678	1.4	463	1.0
Net profit	1,449	3.0	995	2.2

Consolidated balance sheet

	Mar 2020		Dec 2020		Change (¥mil)
	(¥mil)	(%)	(¥mil)	(%)	
Current assets	35,499	91.9	35,152	89.2	-347
Cash and deposits	17,495	45.3	15,838	40.2	-1,656
Accounts receivable	14,666	38.0	15,596	39.6	930
Inventories	2,571	6.7	3,055	7.7	484
Other current assets	767	2.0	661	1.7	-105
Fixed assets	3,132	8.1	4,277	10.8	1,144
Total assets	38,632	100.0	39,430	100.0	797
Current liabilities	17,098	44.3	17,752	45.0	654
Accounts payable	15,899	41.2	17,085	43.3	1,185
Taxes payable	435	1.1	75	0.2	-360
Other current liabilities	762	2.0	592	1.5	-169
Fixed liabilities	1,029	2.7	1,103	2.8	74
Total liabilities	18,127	46.9	18,856	47.8	729
Net assets	20,505	53.1	20,573	52.2	67
Total liabilities, net assets	38,632	100.0	39,430	100.0	797

Outlook

Progress of what WIN plans to do

① Compress idle inventories

Progressing

② Acquire new customers

Not progressing as planned due to Covid-19. Focusing instead on increasing customer share

③ M&A

Ongoing examination for the sake of future growth

④ Focus on CRS

Sales recovering. 100 of CDRs (Cardiac Device Representatives) achievable by the end of 3/21

⑤ Logistic revolution (separation of shipment procedure)

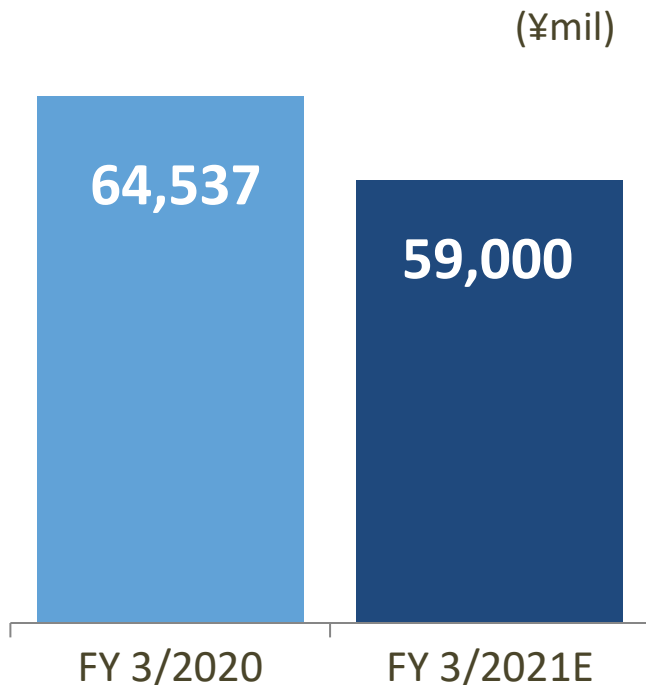
Partly utilizing RPA in the procurement process. Land for the new distribution center obtained. Development of a new distribution system commenced

Consolidated Earnings Forecasts to March 2021

	(¥mil)	YoY (%)
Sales	59,000	-8.6
Operating profit	2,000	-24.5
Recurring profit	2,000	-24.7
Net profit	1,370	-26.8
EPS (yen)	47.72	
DPS (yen)	34.00	

Highlights

Sales **-8.6%** YoY



The pace of recovery in the outpatients and referral patients will remain low due to the declaration of state of emergency in January 2021

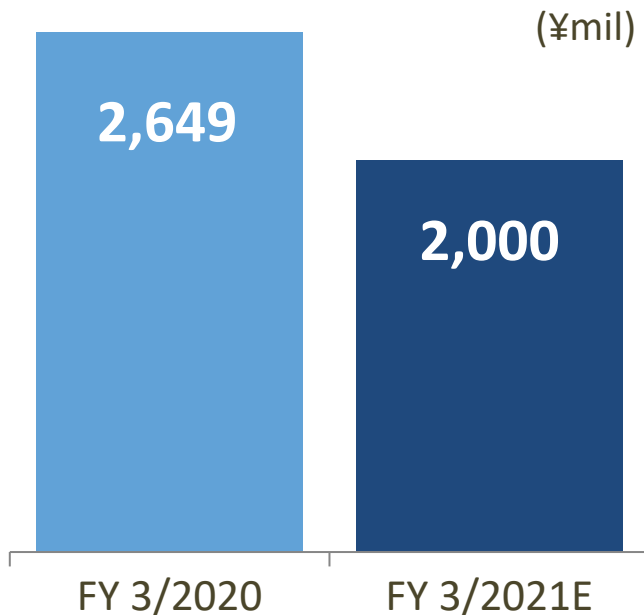
Impact from the reimbursement price revision (2nd half)
(-1.5%: c. ¥500m)

Sales breakdown by segment

Segment	(¥mil)	YoY(%)
Percutaneous coronary intervention (PCI)	16,420	-13.4
Cardiac rhythm segment (CRS)	16,180	-6.9
Cardiac vascular segment (CVS)	8,220	-10.4
Percutaneous peripheral intervension (PPI)	3,270	-6.2
Brain surgery	2,350	-10.5
Diabetes mellitus segment (DMS)	2,380	+8.5
Large-sized medical equipment	5,440	+39.4
Others	4,740	-30.5
Total	59,000	-8.6

Highlights

Operating profit **-24.5%** YoY



Forecast of gross profit margins: 12.8%, (+0.1pp YoY, unchanged from the revised forecast)

- Improvement in profit margins on the large-sized equipment
- Intensifying the rebate programs with suppliers

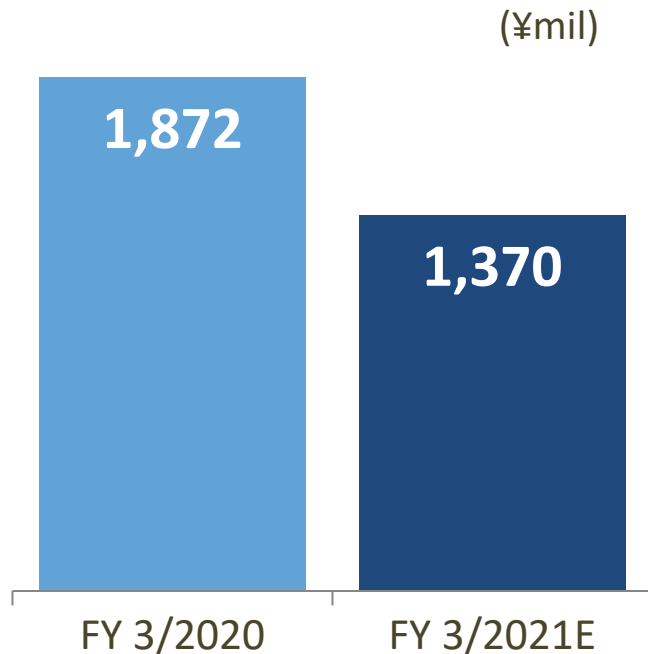
SG&A ¥5.5bn (+0.3% YoY, unchanged from the revised forecast)

- Forecast of the number of employees

541(Mar 2020) → 581 (Mar 2021)

Highlights

Net profit **-26.8%** YoY



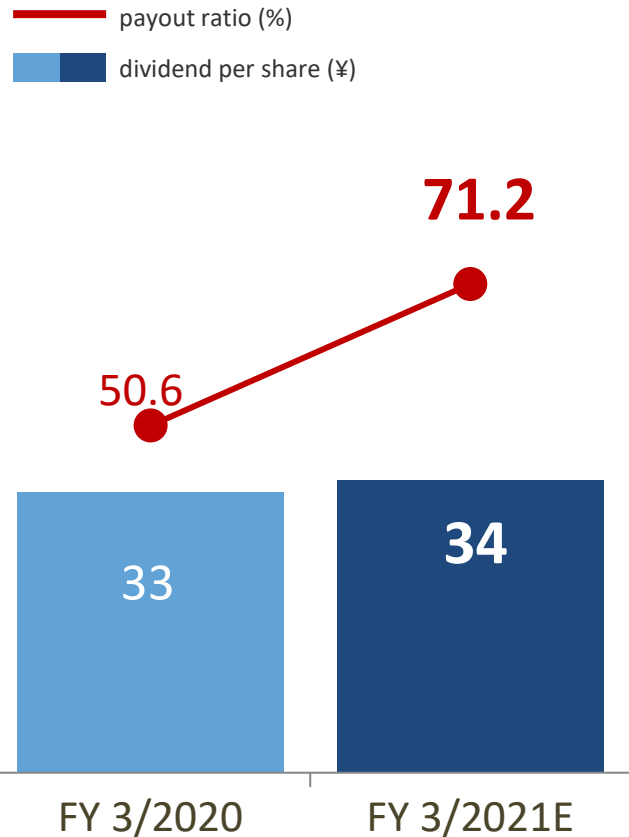
Capex **¥1.1 bn**

vs. ¥97mil for FY 3/2020

Depreciation **¥180 mil**

vs. ¥196mil for FY 3/2020

Dividends



34 yen

(unchanged from the initial forecast)

(Payout ratio)
71.2%

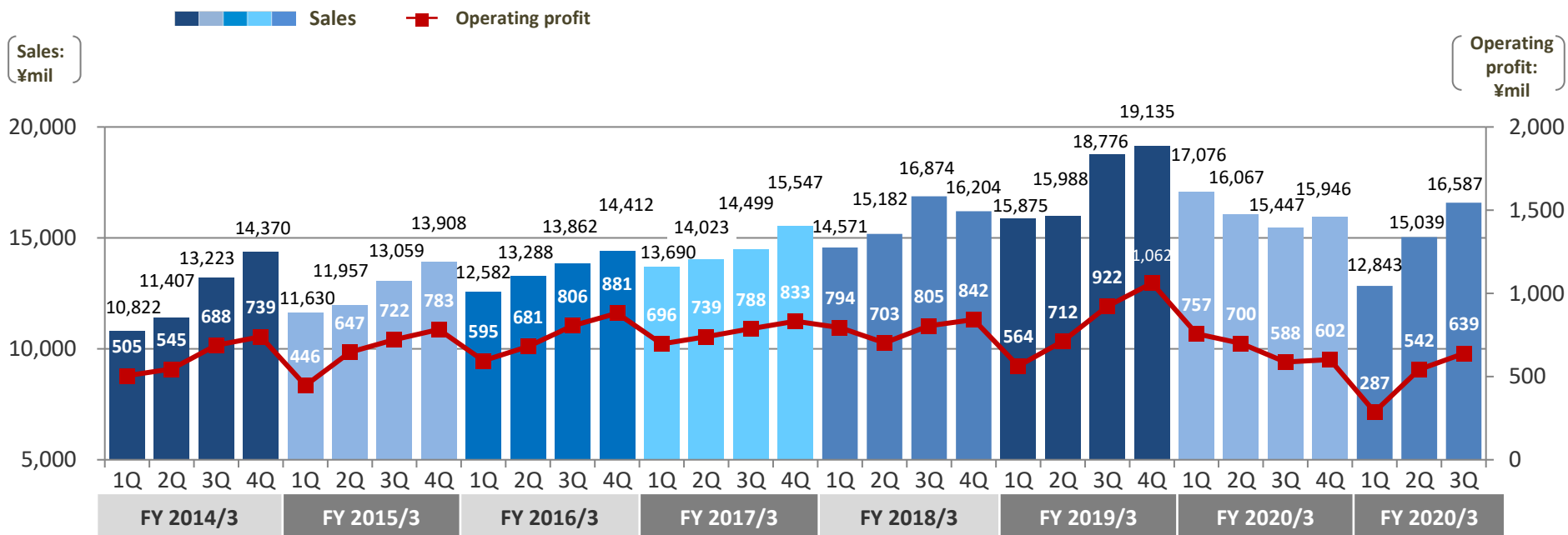
Reference

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)	Ablation catheter
CVS	<ul style="list-style-type: none"> Aortic aneurysm Aortic stenosis 	Stent graft	Transcatheter aortic valve	Mechanical heart valve	
PPI/ Brain surgery	<ul style="list-style-type: none"> Arteriosclerosis obliterans 	Peripheral vascular stent	Drug-Coated Balloon(DCB)	Neurovascular occlusion coil	
DMS/ Large equipment	<ul style="list-style-type: none"> Diabetes Diagnosis 	Insulin pump	X-ray equipment	Magnetic resonance imaging (MRI)	

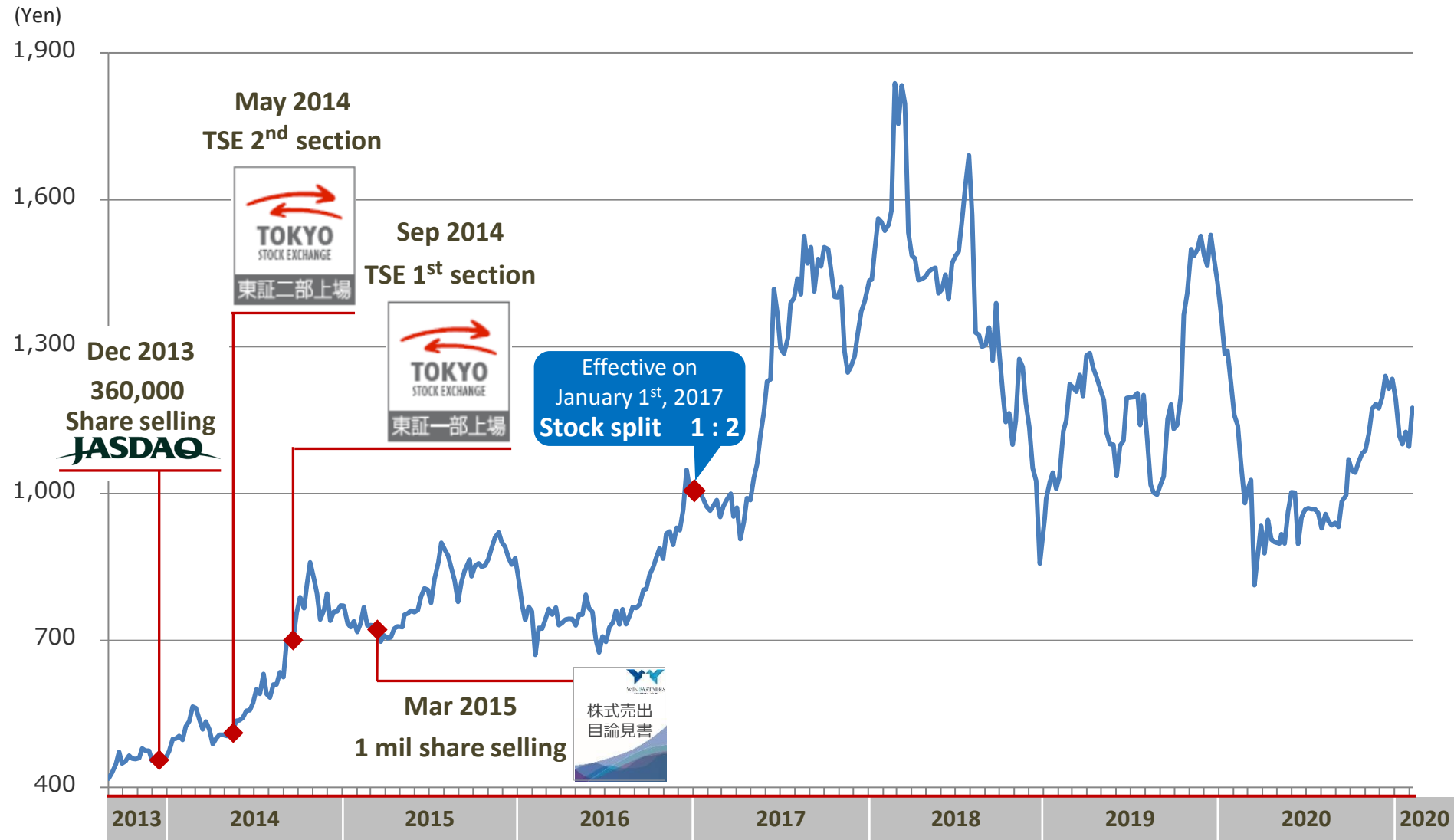
Track record of quarterly results

Sales/Operating profit (quarterly)



■ = Year of reimbursement price revisions

Share price





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