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May 15, 2025

Consolidated Financial Results for the Nine Months Ended March 31, 2025 (Under Japanese GAAP)

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 Listing: Tokyo Stock Exchange and Nagoya Stock Exchange
 Securities code: 7747
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 Scheduled date of commencing dividend payments: —
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended March 31, 2025 (from July 1, 2024 to March 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit excluding goodwill amortization, etc.		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended March 31, 2025	91,815	13.7	27,227	28.6	25,715	30.8	25,594	30.4	8,763	(37.6)
March 31, 2024	80,733	15.7	21,168	18.6	19,656	19.7	19,621	23.0	14,040	17.2

Note: Comprehensive income For the nine months ended March 31, 2025: ¥5,563 million (-66.4%)
 For the nine months ended March 31, 2024: ¥16,545 million (36.8%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended March 31, 2025	32.26	—
March 31, 2024	51.69	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Million yen	Million yen	%
March 31, 2025	182,695	151,982	82.8
June 30, 2024	191,614	151,961	78.9

Reference: Equity

As of March 31, 2025: ¥151,194 million
 As of June 30, 2024: ¥151,217 million

2. Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended June 30, 2024	Yen —	Yen 0.00	Yen —	Yen 20.37	Yen 20.37
Fiscal year ending June 30, 2025	—	0.00	—		
Fiscal year ending June 30, 2025 (Forecast)				24.23	24.23

Note: Revisions to dividend forecasts announced most recently: None

3. Consolidated financial results forecast for the fiscal year ending June 30, 2025 (July 1, 2024 to June 30, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit excluding goodwill amortization, etc.		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	119,160	10.8	30,476	26.1	28,859	30.4	28,987	32.0	11,314	-28.4	41.66

(Notes) 1. Revisions to financial results forecast announced most recently: Yes

2. Operating profit excluding goodwill amortization, etc. = Operating profit + amount of goodwill amortization, etc.

*** Notes**

(1) Significant changes in scope of consolidation during the period: None

Newly included: -

Excluded: -

(2) Accounting treatments adopted specially for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common stock)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	271,633,600 shares
As of June 30, 2024	271,633,600 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2025	7,977 shares
As of June 30, 2024	7,955 shares

(iii) Average number of shares during the period (cumulative)

Nine months ended March 31, 2025	271,625,628 shares
Nine months ended March 31, 2024	271,625,662 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Financial results forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain other assumptions deemed reasonable as of the date of publication of this document, and do not represent any guarantee that the Company will achieve these results. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to “1. Qualitative information on results for the quarter under review (3) Explanation of forecasts including consolidated results forecast” on page 3 of the attached materials for conditions forming the basis for financial results forecasts, notes regarding the use of financial results forecasts, and other information.

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1. Qualitative information on results for the quarter under review

(1) Explanation of operating results

The Asahi Intecc Group (the Group) has formulated the following four basic policies in the medium-term management plan “ASAHI Going Beyond 1000” and aims to enhance corporate value by promoting these growth strategies in a steady manner.

- 1) Strategic development of the global market and expansion of affected areas and treatment areas
- 2) Creating new businesses in global niche markets
- 3) Develop R&D and production system optimized for global expansion
- 4) Establish management structure for sustainable growth

As a result of advancing its businesses in line with these strategies, the Group’s performance for the nine months ended on March 31, 2025 was as follows.

Net sales amounted to 91,815 million yen (an increase of 13.7% year on year), driven mainly by the strong performance of the Medical Division both domestically and internationally, supported by continued market share expansion and the exchange rate impact of stronger foreign currencies.

Gross profit totaled 62,263 million yen (an increase of 18.6% year on year), due to the increase in net sales and improvement in the gross profit margin resulting from increased productivity.

Operating profit was 25,715 million yen (an increase of 30.8% year on year), despite an increase in selling, general and administrative expenses, such as an increase in sales-related expenses aimed at strengthening sales in the non-cardiovascular field in the U.S. and in new fields in Japan, as well as an increase in R&D expenses.

Ordinary profit was 25,594 million yen (an increase of 30.4% year on year), due to an increase in subsidy income despite an increase in foreign exchange losses.

Profit attributable to owners of parent was 8,763 million yen (a decrease of 37.6% year on year), mainly due to the recording of extraordinary losses, including impairment losses. For details regarding the extraordinary losses, please refer to the “Notice Concerning Recording of Extraordinary Losses and Revision of Full-Year Financial Results Forecast” dated May 15, 2025.

Foreign exchange rates used for the nine months ended March 31, 2025:

151.48 yen per U.S. dollar (147.13 yen for the same period of the previous fiscal year, up 3.0%)

162.50 yen per euro (159.25 yen for the same period of the previous fiscal year, up 2.0%)

20.98 yen per Chinese yuan (20.34 yen for the same period of the previous fiscal year, up 3.1%)

4.42 yen per Thai baht (4.15 yen for the same period of the previous fiscal year, up 6.5%)

The operating results for each segment are outlined below.

From the beginning of the nine months ended March 31, 2024, the method for measuring profit or loss in reportable segments has been changed. For details, please refer to “2. Quarterly consolidated financial statements and major notes (3) Notes to quarterly consolidated financial statements (Segment information, etc.) II. Nine months ended March 31, 2025 2. Disclosure of changes, etc. in reportable segments.”

For comparative segment information, the figures for the nine months ended March 31, 2024 have been restated to reflect the new measurement method for segment information.

<Medical Division>

In the Medical Division, net sales remained brisk, increasing mainly due to continued market share expansion across all regions and the exchange rate impact of stronger foreign currencies.

In the domestic market, net sales increased thanks to steady performance in the cardiovascular field, along with favorable evaluations and strong performance of peripheral vascular products (imported purchased products) and neurovascular products in the non-cardiovascular field.

In the overseas market, net sales increased in both the cardiovascular and non-cardiovascular fields. In the cardiovascular field, although the growth rate appears modest on the surface due to a temporary concentration of full-year orders from Eastern European distributors in the Europe region in the three months ended September 30, 2023, actual net sales progressed very favorably across all regions, primarily for PCI guide wires and penetration catheters. In the non-cardiovascular field, despite a decline in OEM transactions in the U.S., net sales increased mainly due to the strong performance of neurovascular products in the Chinese market and abdominal vascular products in the U.S. market.

As a result, net sales totaled 82,721 million yen (an increase of 15.5% year on year).

Segment profit amounted to 27,416 million yen (an increase of 35.1% year on year).

<Device Division>

In the Device Division, net sales remained flat due to an increase in medical components, despite a slight decline in industrial components.

As for medical components, net sales increased mainly due to increasing transactions in cardiovascular inspection catheter components for Asia.

As for industrial components, net sales decreased slightly mainly due to decreases in automobile-related transactions in the domestic market and leisure-related transactions in the overseas market, despite increases in construction-related transactions in the domestic market and OA equipment-related transactions in the overseas market.

As a result, net sales totaled 9,094 million yen (a decrease of 0.3% year on year).

Segment profit amounted to 3,856 million yen (a decrease of 12.7% year on year), due to a decrease in revenues from external customers.

(2) Explanation of financial position

As of March 31, 2025, total assets amounted to 182,695 million yen, a decrease of 8,918 million yen from the end of the previous fiscal year. This was mainly due to a decrease of 6,778 million yen in goodwill.

As for liabilities, total liabilities amounted to 30,712 million yen, a decrease of 8,939 million yen from the end of the previous fiscal year. This was mainly due to decreases of 4,033 million yen in short-term borrowings and 1,356 million yen in provision for bonuses, despite an increase of 633 million yen in long-term borrowings.

As for net assets, total net assets amounted to 151,982 million yen, an increase of 21 million yen from the end of the previous fiscal year. This was mainly due to increases of 3,230 million yen in retained earnings and 43 million yen in non-controlling interests, despite a decrease of 2,764 million yen in foreign currency translation adjustment.

(3) Explanation of forecasts including consolidated results forecast

As announced in the “Notice Concerning Recording of Extraordinary Losses and Revision of Full-Year Financial Results Forecast” dated May 15, 2025, the Company has revised its full-year consolidated financial results forecast for the fiscal year ending June 30, 2025, taking into account recent performance trends. For details, please refer to the aforementioned notice issued on the same date.

While the Company does not disclose a full-year non-consolidated financial results forecast, it announces that a deviation from the actual results for the previous fiscal year is expected, as described below.

(Million yen)

Full-year	Net sales	Operating profit	Ordinary profit	Profit
Actual results for the previous fiscal year (A)	73,810	13,841	13,922	10,895
Current forecast (B)	93,679	18,420	34,231	20,113
Year-on-year change (B-A)	19,868	4,579	20,308	9,218
Year-on-year change (%)	26.9%	33.1%	145.9%	84.6%

Net sales are expected to increase, primarily due to the strong performance of the Medical Division both in Japan and overseas, supported by continued market share expansion and the exchange rate impact of stronger foreign currencies.

Operating profit is expected to increase due to an increase in net sales, despite an increase in selling, general and administrative expenses, such as an increase in R&D expenses.

Ordinary profit is expected to increase due to an increase in dividend income from subsidiaries and an increase in operating profit.

Profit is expected to increase due to an increase in ordinary profit, despite loss on valuation of shares of subsidiaries and associates, provision of allowance for doubtful accounts for subsidiaries and associates, etc.

2. Quarterly consolidated financial statements and major notes

(1) Quarterly consolidated balance sheet

(Million yen)

	Previous consolidated fiscal year (June 30, 2024)	Nine months under review (March 31, 2025)
Assets		
Current assets		
Cash and deposits	35,658	41,943
Notes and accounts receivable - trade	17,676	16,935
Electronically recorded monetary claims - operating	1,913	2,194
Securities	3,000	3,998
Merchandise and finished goods	9,282	8,543
Work in process	12,298	9,630
Raw materials and supplies	7,763	6,734
Other	7,609	7,129
Allowance for doubtful accounts	-505	-400
Total current assets	94,696	96,711
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	31,585	32,820
Other, net	28,543	26,502
Total property, plant and equipment	60,129	59,322
Intangible assets		
Goodwill	6,910	131
Other	10,048	5,541
Total intangible assets	16,959	5,673
Investments and other assets	19,828	20,988
Total non-current assets	96,917	85,984
Total assets	191,614	182,695

(Million yen)

	Previous consolidated fiscal year (June 30, 2024)	Nine months under review (March 31, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,289	2,661
Electronically recorded obligations - operating	625	425
Short-term borrowings	5,615	1,581
Income taxes payable	2,683	3,635
Provision for bonuses	2,700	1,343
Other	15,580	10,340
Total current liabilities	29,494	19,988
Non-current liabilities		
Long-term borrowings	1,087	1,720
Provision for retirement benefits for directors (and other officers)	19	19
Retirement benefit liability	2,851	3,051
Other	6,199	5,932
Total non-current liabilities	10,157	10,724
Total liabilities	39,652	30,712
Net assets		
Shareholders' equity		
Share capital	18,860	18,860
Capital surplus	21,779	21,779
Retained earnings	90,742	93,972
Treasury shares	-7	-7
Total shareholders' equity	131,375	134,605
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,689	2,220
Foreign currency translation adjustment	17,142	14,378
Remeasurements of defined benefit plans	9	-9
Total accumulated other comprehensive income	19,841	16,588
Non-controlling interests	744	788
Total net assets	151,961	151,982
Total liabilities and net assets	191,614	182,695

(2) Quarterly consolidated statements of income and comprehensive income

Quarterly consolidated statement of income

For the nine months ended March 31, 2025

(Million yen)

	Previous nine months period (from July 1, 2023 to March 31, 2024)	Nine months under review (from July 1, 2024 to March 31, 2025)
Net sales	80,733	91,815
Cost of sales	28,224	29,551
Gross profit	52,508	62,263
Selling, general and administrative expenses	32,851	36,548
Operating profit	19,656	25,715
Non-operating income		
Interest income	75	81
Dividend income	39	85
Subsidy income	79	864
Other	181	206
Total non-operating income	376	1,236
Non-operating expenses		
Interest expenses	198	204
Foreign exchange losses	131	948
Other	81	204
Total non-operating expenses	411	1,357
Ordinary profit	19,621	25,594
Extraordinary income		
Gain on sale of investment securities	4	23
Reversal of allowance for doubtful accounts	—	100
Total extraordinary income	4	123
Extraordinary losses		
Impairment losses	—	* 9,300
Loss on valuation of investment securities	99	759
Loss on valuation of shares of subsidiaries and associates	—	210
Provision of allowance for doubtful accounts for subsidiaries and associates	—	461
Provision of allowance for doubtful accounts	100	—
Other	0	—
Total extraordinary losses	199	10,730
Profit before income taxes	19,425	14,987
Income taxes - current	4,478	6,953
Income taxes - deferred	828	-780
Total income taxes	5,307	6,172
Profit	14,118	8,815
Profit attributable to non-controlling interests	78	52
Profit attributable to owners of parent	14,040	8,763

Quarterly consolidated statement of comprehensive income
For the nine months ended March 31, 2025

(Million yen)

	Previous nine months period (from July 1, 2023 to March 31, 2024)	Nine months under review (from July 1, 2024 to March 31, 2025)
Profit	14,118	8,815
Other comprehensive income		
Valuation difference on available-for-sale securities	221	-469
Foreign currency translation adjustment	2,211	-2,764
Remeasurements of defined benefit plans, net of tax	-6	-18
Total other comprehensive income	2,426	-3,252
Comprehensive income	16,545	5,563
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,428	5,519
Comprehensive income attributable to non-controlling interests	116	43

(3) Notes to quarterly consolidated financial statements
 (Note on entity's ability to continue as going concern)
 Not applicable.

(Notes in the case of significant changes in amount of shareholders' equity)
 Not applicable.

(Changes in accounting policies)

(Application of accounting standard for current income taxes, etc.)

The Company has applied the "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; the "2022 Revised Accounting Standard"), etc. from the beginning of the three months ended September 30, 2024.

For the revisions to the accounting classification of current income taxes (taxation on other comprehensive income), the Company follows the transitional treatment specified in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment specified in the proviso to Paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; the "2022 Revised Guidance").

For the revisions related to the review of treatment in consolidated financial statements when conducting a tax deferral of gains or losses on sales arising from the sale of subsidiary shares, etc. between consolidated companies, the Company has applied the 2022 Revised Guidance from the beginning of the three months ended September 30, 2024.

This application has no impact on the consolidated financial statements for the nine months ended on March 31, 2025.

(Quarterly consolidated statement of income)

*Impairment losses

During the nine months ended March 31, 2025, the Company recorded impairment losses related to the following asset groups.

Subsidiary (Location)	Use	Type	Impairment loss (Million yen)
ASAHI SURGICAL ROBOTICS CO., LTD. (Kashiwa, Chiba)	Business assets	Goodwill and other intangible assets, etc.	1,986
Pathways Medical Corporation (California, USA)	Business assets	Goodwill and other intangible assets, etc.	3,679
Rev.1 Engineering, Inc. (California, USA)	Business assets	Goodwill and other intangible assets, etc.	1,642
ASAHI Medical Technologies, Inc. (California, USA)	Business assets	Goodwill, etc.	1,991

The Group defines asset groups based on managerial accounting units, grouping them by the smallest units that generate independent cash flows.

Considering the business environment and future business plans, it was determined that the investments in the above consolidated subsidiaries were no longer recoverable mainly due to a decline in profitability.

Accordingly, impairment losses were recorded on goodwill and other intangible assets, etc.

The recoverable amount was calculated based on value in use. However, following a review of future plans, the cash outflows required to maintain and operate the assets over the estimation period were determined to exceed the cash inflows generated by their use, and accordingly, the value in use was calculated as zero.

(Segment Information, etc.)

[Segment Information]

I Nine months ended March 31, 2024 (from July 1, 2023 to March 31, 2024)

1. Disclosure of sales and profit (loss) for each reportable segment

(Million yen)

	Reportable segment			Adjustments (Note 1)	Per quarterly consolidated financial statements (Note 2)
	Medical Division	Device Division	Total		
Net sales					
Revenues from external customers	71,607	9,125	80,733	—	80,733
Transactions with other segments	—	10,231	10,231	-10,231	—
Total	71,607	19,356	90,964	-10,231	80,733
Segment profit	20,286	4,415	24,702	-5,045	19,656

- Notes:
1. The adjustment to segment profit includes corporate expenses that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.
 2. Segment profit is adjusted with the operating profit in the quarterly consolidated statement of income.

II Nine months ended March 31, 2025 (from July 1, 2024 to March 31, 2025)

1. Disclosure of sales and profit (loss) for each reportable segment

(Million yen)

	Reportable segment			Adjustments (Note 1)	Per quarterly consolidated financial statements (Note 2)
	Medical Division	Device Division	Total		
Net sales					
Revenues from external customers	82,721	9,094	91,815	—	91,815
Transactions with other segments	—	10,787	10,787	-10,787	—
Total	82,721	19,881	102,602	-10,787	91,815
Segment profit	27,416	3,856	31,273	-5,557	25,715

- Notes:
1. The adjustment to segment profit includes corporate expenses that are not allocated to each reportable segment. Corporate expenses mainly consist of general and administrative expenses that do not belong to any reportable segment.
 2. Segment profit is adjusted with the operating profit in the quarterly consolidated statement of income.

2. Disclosure of changes, etc. in reportable segments

(Change in measurement method of profit (loss) for reportable segments)

From the beginning of the nine months ended March 31, 2024, general and administrative expenses for certain consolidated subsidiaries, which were previously included in the Medical Division and Device Division segments, have been reclassified as general and administrative expenses that do not belong to any reportable segment (corporate expenses) due to organizational expansion.

Segment information for the nine months ended March 31, 2024 has been prepared and disclosed based on the revised measurement method.

3. Information about impairment losses of non-current assets or goodwill, etc. for each reportable segment
(Significant impairment losses on non-current assets)
During the nine months ended March 31, 2025, impairment losses on non-current assets were recorded in the Medical Division. Such impairment losses amounted to 9,300 million yen.

(Significant changes in the amount of goodwill)

During the nine months ended March 31, 2025, the amount of goodwill decreased due to the recording of impairment losses on goodwill in the Medical Division. The decrease in goodwill due to the event amounted to 5,663 million yen.

These impairment losses on goodwill are included in the impairment losses stated above (Significant changes in the amount of goodwill).

(Note to statement of cash flows)

The quarterly consolidated statement of cash flows for the nine months ended March 31, 2025 has not been prepared.

Depreciation (including amortization of intangible assets excluding goodwill) and amortization of goodwill
(Million yen)

	Previous nine months period (from July 1, 2023 to March 31, 2024)	Nine months under review (from July 1, 2024 to March 31, 2025)
Depreciation	6,296 million yen	7,058 million yen
Amortization of goodwill	937 million yen	934 million yen

(Revenue recognition)

Disaggregation of revenue from contracts with customers

(1) Breakdown by type

Nine months ended March 31, 2024 (from July 1, 2023 to March 31, 2024)

(Million yen)

	Reportable segment		
	Medical Division	Device Division	Total
Cardiovascular	54,014	—	54,014
Non-cardiovascular	11,573	—	11,573
OEM	6,019	—	6,019
Medical Components	—	5,910	5,910
Industrial Components	—	3,215	3,215
Total	71,607	9,125	80,733

Nine months ended March 31, 2025 (from July 1, 2024 to March 31, 2025)

(Million yen)

	Reportable segment		
	Medical Division	Device Division	Total
Cardiovascular	62,649	—	62,649
Non-cardiovascular	14,174	—	14,174
OEM	5,897	—	5,897
Medical Components	—	6,019	6,019
Industrial Components	—	3,074	3,074
Total	82,721	9,094	91,815

(2) Breakdown by region

Nine months ended March 31, 2024 (from July 1, 2023 to March 31, 2024)

(Million yen)

	Reportable segment		
	Medical Division	Device Division	Total
Japan	10,903	2,096	12,999
North America	15,773	3,353	19,127
Europe	16,750	302	17,052
China	17,589	473	18,063
Others	10,589	2,900	13,490
Total	71,607	9,125	80,733

Nine months ended March 31, 2025 (from July 1, 2024 to March 31, 2025)

(Million yen)

	Reportable segment		
	Medical Division	Device Division	Total
Japan	11,967	2,084	14,052
North America	17,033	2,874	19,907
Europe	18,071	376	18,448
China	23,101	405	23,506
Others	12,547	3,353	15,900
Total	82,721	9,094	91,815

(Significant subsequent events)

(Acquisition and cancellation of treasury shares)

The Company has resolved at the Board of Directors' meeting held on May 15, 2025 matters related to the acquisition of treasury shares pursuant to Article 156 of the Companies Act, as applied by replacing terms pursuant to Article 165, Paragraph 3 of the same Act, and the cancellation of treasury shares pursuant to Article 178 of the Companies Act.

For details, please refer to the "Notice Concerning Acquisition and Cancellation of Treasury Shares" dated May 15, 2025.