



PARAMOUNT BED  
HOLDINGS

# Supplementary Materials to the Financial Results Briefing

Nov 10, 2021

Securities code: 7817

Paramount Bed Holdings Co., Ltd.

as human, for human

# Corporate Outline

## <Corporate outline>

- Corporate name: Paramount Bed Holdings Co., Ltd.
- Capital: 4,207.43 million yen (as of March 31, 2021)
- Representatives: Chairperson : Kyosuke Kimura  
President and CEO : Tomohiko Kimura
- Net sales: 87,171 million yen (consolidated sales for FYE 3/2021)
- Number of employees: 3,614 (consolidated, as of March 31, 2021)



## <Group principles>

We strive to create a comfortable healthcare environment with advanced technology and consideration towards users.

## <Statement>

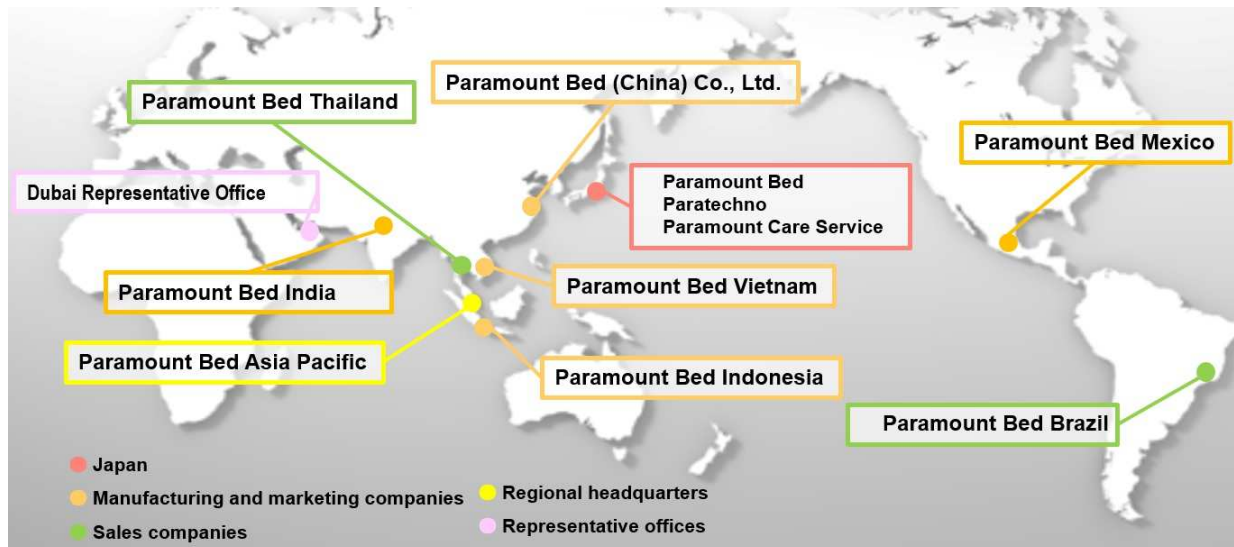
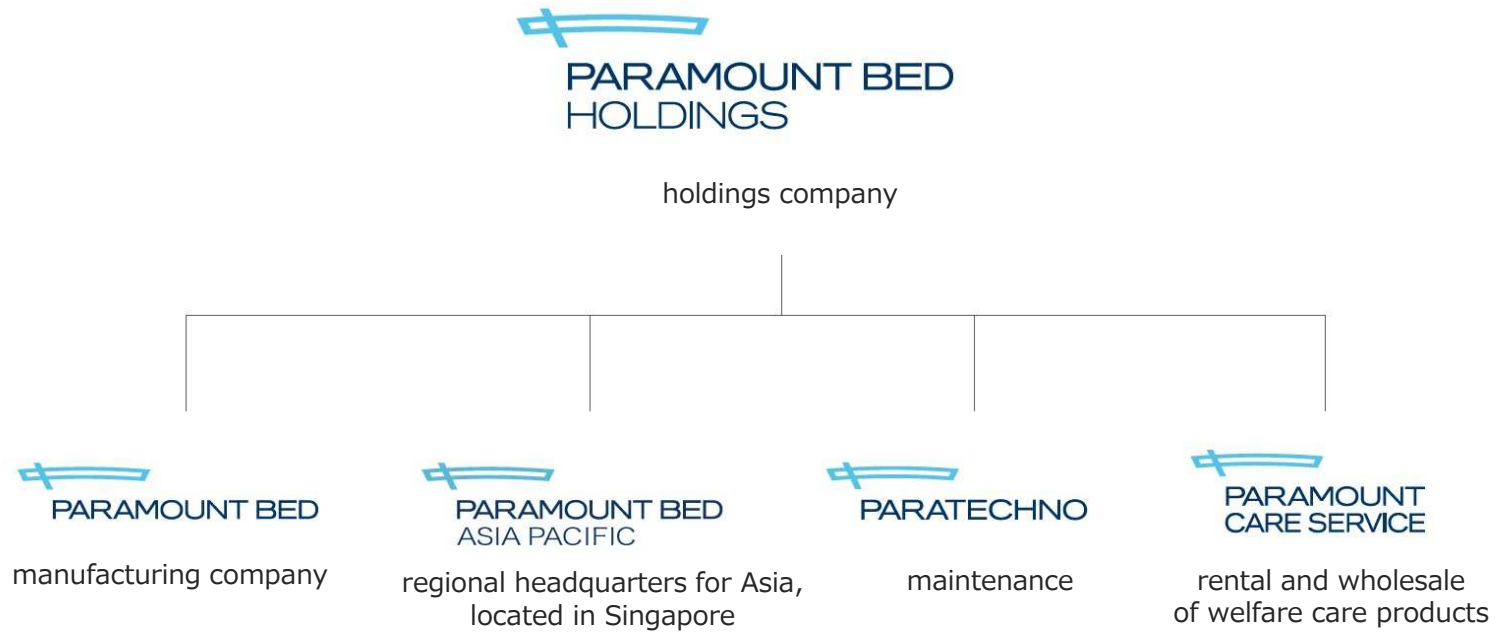
as human, for human

## <Paramount Vision 2030>

Smiles for everyone from medical and nursing care to health field



# Group Structure





# Outline of subsidiaries 2

- Develop maintenance and rental/wholesale business to expand our coverage outside of manufacturing business
- Group-wide comprehensive support for the development of comfortable healthcare environment

## Paratechno Co., Ltd.

Maintenance service business

- Incorporated: July 2002
- Capital: 80 million yen
- Number of employees: 882 (as of March 31, 2021)

Main services

- Inspection, repair and cleaning of beds for hospitals and welfare facilities etc.
- Leasing, leasing with maintenance service, or short-term rental etc., for the purchase of Paramount Bed products
- Contract service of nursing assistants etc.

## Paramount Care Service Co., Ltd.

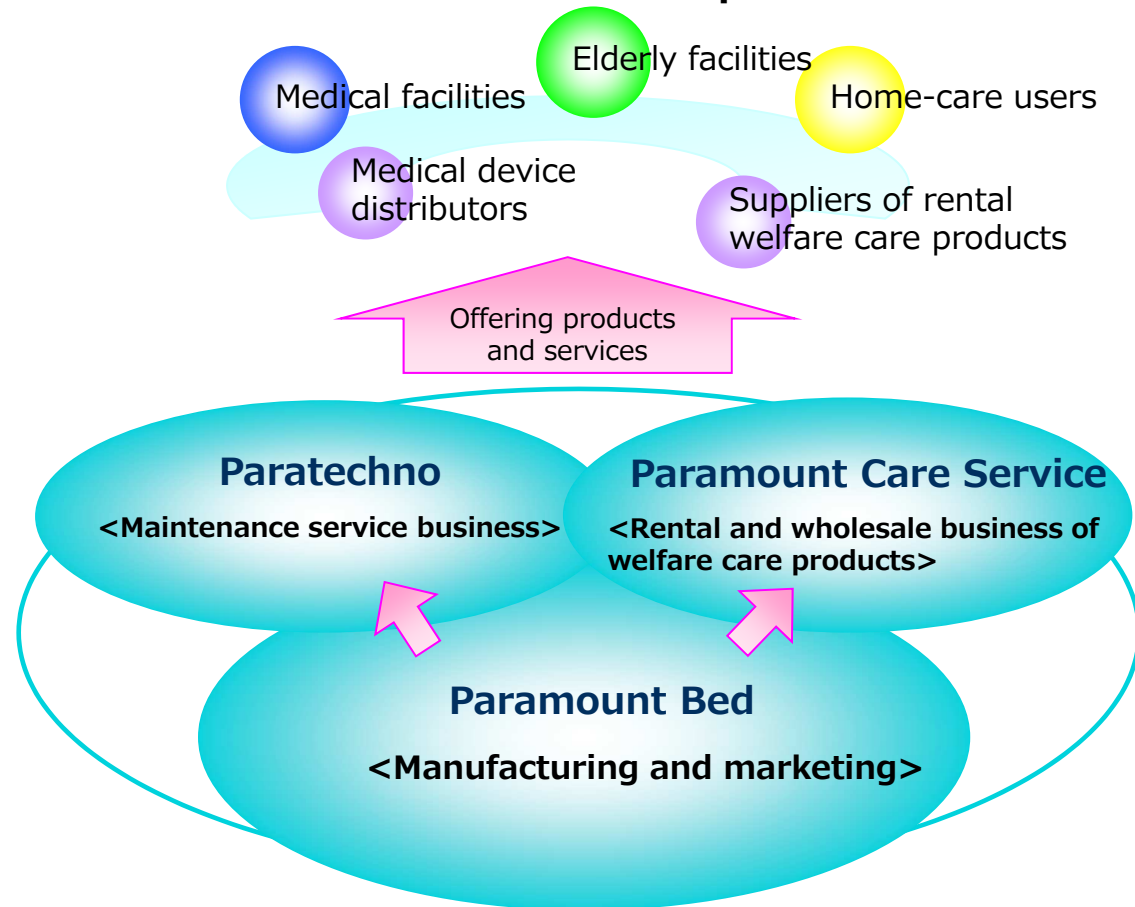
Rental and wholesale business of welfare care products

- Incorporated: April 2004
- Capital: 491.5 million yen
- Number of employees: 1,171 (as of March 31, 2021)

Joined Paramount Bed Group in October 2007.

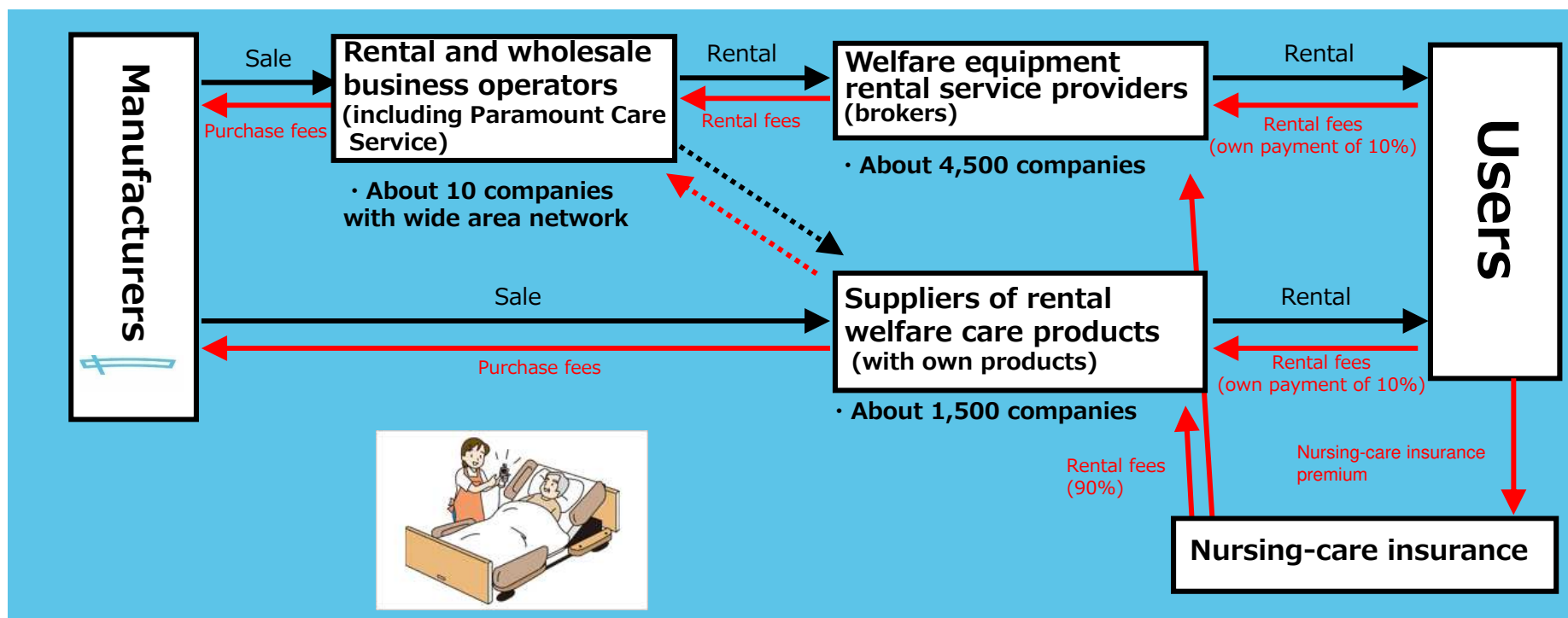
'Rental and wholesale of welfare care products' is the business to lease welfare equipments (beds, wheelchairs etc.) to the suppliers who directly rent them to users.

## ■ Business domains of the Group

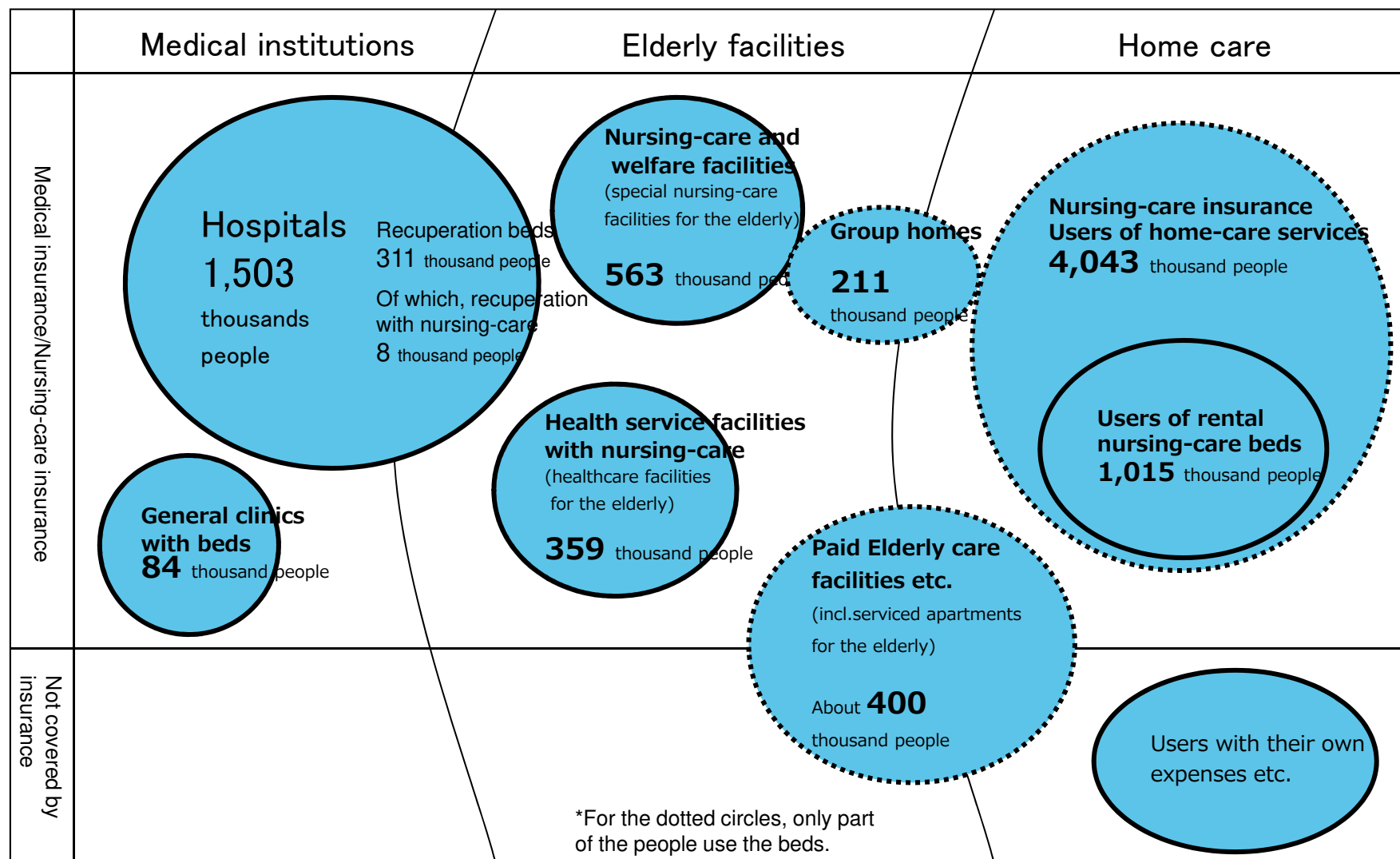


# Distribution structure of welfare equipments in Japan

- Users can utilize the nursing-care insurance to use welfare equipments such as 'nursing-care beds' by paying 10% of the rental costs
- 'Welfare equipment rental service providers' who lease the equipments to the users can own 'nursing-care beds' as their own assets, or sub-lease them that are leased from 'rental and wholesale business operators' as their business model.
- Paramount Care Service Co., Ltd., is a 'rental and wholesale business operator'.



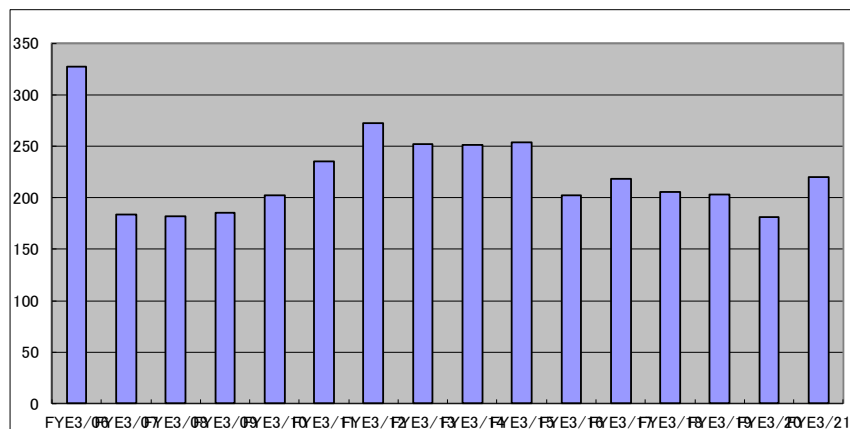
# Market size for medical/nursing care beds in Japan



\* Source: 'Statistical survey on medical institutions' by the Ministry of Health, Labor and Welfare (MHLW) (Summary at the end of Jan. 2021, Table 1, 2 and 14 of 'Monthly report on the payment of nursing-care benefit' (for applications examined in Jan. 2021) etc.

# Market trend of medical/nursing-care beds in Japan

## Market size of medical/nursing-care beds



By FY	FYE3/06	FYE3/07	FYE3/08	FYE3/09	FYE3/10	FYE3/11	FYE3/12	FYE3/13	FYE3/14	FYE3/15	FYE3/16	FYE3/17	FYE3/18	FYE3/19	FYE3/20	FYE3/21
Number of beds made in Japan	327	184	182	185	202	235	272	252	251	254	202	218	206	203	181	220

Source: Production statistics of Japan Bed Industry Association

## Trend in the number of hospitals and different types of hospital beds

	Number of hospital beds by type (unit: 1,000)				Number of hospitals
	General	Recuperation	Others	Total	
End of January 2021	887	290	332	1,509	8,236
End of January 2020	888	305	333	1,526	8,281
End of January 2019	890	316	336	1,542	8,355
End of January 2018	891	325	339	1,555	8,401
End of January 2017	891	327	341	1,559	8,439
End of January 2016	892	328	344	1,564	8,471

\* '(Statistical) survey on medical institutions' by MHLW

\* Other hospital beds: total of the beds for psychiatric, tuberculosis and infectious diseases

\* Number of beds: fractions less than 1,000 are rounded off per each type

## Trend in the number of nursing-care facilities and residents

	Number of facilities				Number of residents (unit: 1,000)			
	2018	2019	2020	2021	2018	2019	2020	2021
Special nursing facilities for the elderly	7,837	8,019	8,145	8,221	536	548	558	563
Healthcare facilities for the elderly	4,273	4,295	4,275	4,249	362	361	362	357
Recuperation-based medical care facilities for the elderly	1,109	945	753	500	50	41	30	16
Care aid medical center	-	111	297	558	-	7	18	34

\* Source: 'Monthly study report on the payment of nursing-care benefit' (table 2 and 25) by the MHLW, as of January end in each year

\* Number of residents: fractions less than 1,000 are rounded off



# Nursing-care beds covered by the nursing-care insurance

## Trend of insurance benefit payment for rental nursing-care beds (special bed)

	2006		2007		2008		2009		2010		2011		2012		2013		2014		2015		2016		2017		2018		2019		2020		2021
	April	October	April	October	April	October	April	October	April	October	April	October	April	October	April	October	April	October	April	October	April	October	April	October	April	October	April	October	April		
beds (unit: 1,000)	679	495	489	516	523	543	558	582	600	622	637	667	689	713	735	758	769	794	809	833	839	863	870	896	903	929	933	955	963	993	1,015
100 million yen)	94.0	69.6	68.1	71.2	71.7	74.2	75.5	78.0	79.8	82.5	83.9	87.7	90.0	93.3	95.5	98.3	99.3	102.5	103.7	106.9	106.9	109.7	109.7	112.9	113.0	115.9	113.7	116.1	116.9	124.1	122.9
bed (unit: 1,000 yen)	13.8	14.1	13.9	13.8	13.7	13.6	13.5	13.4	13.3	13.3	13.2	13.1	13.1	13.1	13.0	13.0	12.9	12.9	12.8	12.8	12.7	12.7	12.6	12.6	12.5	12.5	12.2	12.2	12.1	12.5	12.1

\* Source: 'Monthly report on the payment of nursing-care benefit' (Table 14) by MHLW, monthly data

\* Amount and Amount per bed include accessories of beds

\* Nursing-care insurance system was revised in April 2006, and transitional measures ended in October 2006

## Breakdown of insurance benefit payment for the rental nursing-care beds (special bed) by the degree of care requirements

For April 2021	Total number	Care prevention service		Care service				
		Needing support	Needing support	Needing care 1	Needing care 2	Needing care 3	Needing care 4	Needing care 5
Users of beds (unit: 1,000) A	1015.3	7.4	26.6	53.7	331.5	243.5	208.9	143.7
Users of home-care service (unit: 1,000) B	4,043.7	316.4	491.1	1,032.2	937.3	581.0	423.2	259.2
Usage rate of beds (%) A/B	25.1%	2.3%	5.4%	5.2%	35.4%	41.9%	49.4%	55.4%

For April 2020	Total number	Care prevention service		Care service				
		Needing support	Needing support	Needing care 1	Needing care 2	Needing care 3	Needing care 4	Needing care 5
Users of beds (unit: 1,000) A	963.0	7.1	26.3	51.1	317.1	232.2	191.6	137.6
Users of home-care service (unit: 1,000) B	3,909.5	294.5	475.2	992.2	925.8	566.1	398.2	254.6
Usage rate of beds (%) A/B	24.6%	2.4%	5.5%	5.2%	34.3%	41.0%	48.1%	54.0%

## Expected service volume of the Japanese nursing care insurance business during the 8th business year

Prepared based on documents released by MHLW on May 14, 2021

(Unit: '000 people)

	FY2011 Results		FY2014 Results		FY2017 Results	compared to FY2014	FY2020 Results	compared to FY2017	FY2023 Projections	compared to FY2020	FY2025 Projections	compared to FY2020	FY2040 Projections	compared to FY2020
<b>At-home Nursing-care</b>	3140		3520		3430	2.5%decrease	3590	5%increase	3910	9%increase	4050	13%increase	4740	32%increase
of these, small-scale, multi-service	60		80		10	25%increase	110	100%increase	130	19%increase	140	23%increase	160	43%increase
of these, regular visits/immediate care service	—		9		19	111%increase	30	58%increase	41	37%increase	44	45%increase	54	78%increase
<b>Assisted living service</b>	320		380		430	13%increase	470	9%increase	540	14%increase	560	19%increase	650	39%increase
Specified facilities	160		200		230	15%increase	260	13%increase	300	17%increase	320	22%increase	370	43%increase
Group homes	160		180		200	11%increase	210	5%increase	230	11%increase	240	15%increase	280	33%increase
<b>Nursing care facilities</b>	890		950		990	4%increase	1030	10%increase	1100	8%increase	1160	13%increase	1330	30%increase
Special nursing home for the elderly	470		540		590	9%increase	620	4%increase	670	8%increase	710	14%increase	820	31%increase
Healthcare facilities for the elderly (recuparation with nursing-care)	420		410		410	0%increase								
Healthcare facilities for the elderly							350	—	370	5%increase	390	10%increase	440	26%increase
Care aid medical center							51	—	62	27%increase	65	27%increase	740	45%increase

**Disclaimer:**

Forecast figures on the Group's operating performance described in this material have been prepared based on the available information as of the release date of the material.

Therefore, actual results may be different from these forecast figures, due to variety of factors.