

as human,  
for human



as human, for human  
**PARAMOUNT BED  
HOLDINGS**

40th

# Business Report

From April 1, 2021 to March 31, 2022



Securities code: 7817  
**PARAMOUNT BED HOLDINGS CO., LTD.**

# We create comfortable, healthy environments through cutting-edge technology with a human touch.

We extend our heartfelt thanks to our shareholders for their ongoing support. The Company hereby provides reports in relation to the overview of business and the financial results for the 40th term (from April 1, 2021 to March 31, 2022).



President and Chief Executive Officer  
**Tomohiko Kimura**

## Business Results for the Fiscal Year under Review

With regard to consolidated business results for the fiscal year under review, the business environment remained challenging due to the continuing impact of the novel coronavirus disease (COVID-19), rising raw material prices and distribution costs, shortage of parts supplies including semiconductors, and the increasingly tense international situation. However, as a result of our efforts to develop new products and implement various measures to improve user satisfaction, the medical, the nursing care, and the health promotion businesses each achieved solid performance, and net sales came to ¥90,352 million, reaching a new record high again after the previous fiscal year.

In terms of profits, operating income came to ¥12,340 million (up 6.5% year on year) and ordinary income came to ¥13,543 million (up 0.6% year on year), while net income came to ¥9,092 million (up 5.6% year on year), reaching new record highs, respectively. The Company paid a year-end dividend of ¥29 per share, which is an increase of ¥2 over initial forecasts, for the fiscal year under review. As a result, in combination with the interim dividend of ¥26 per share, the annual dividend came to ¥55 per share. From the perspective of stable and sustained returns to shareholders, the Company intends to pay interim and year-end dividends of ¥28 and ¥29 per share, respectively, resulting in an annual dividend of ¥57 per share for the next fiscal year.

## Future Business Development

In April 2020, we announced “Paramount Vision 2030,” which describes the type of company we aim to be in 2030, ten years from the announcement of the vision. Based on this vision, the Company formulated a medium-term business plan with its Phase I starting with the fiscal year ended March 31, 2021 and ending with the fiscal year ending March 31, 2024, and set targets of ¥89,000 million in net sales and ¥12,000 million in operating income for the fiscal year ending March 31, 2024. Both of these targets were exceeded in the previous fiscal year.

Accordingly, in May 2022, the Company announced the direction and targets of activities to focus on in Phase II (from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2027), while maintaining the direction and key measures of Phase I itself and looking ahead to the future beyond that phase. Points to focus on in the second phase are “expansion of recurring business,” “evolution of health promotion business,” and “rapid growth in focused areas in Asia,” and the Company has set new targets of ¥120,000 million in net sales and ¥17,000 million in operating income for the fiscal year ending March 31, 2027. The Company aims to achieve sustainable and steady enhancement of corporate value over the medium- to long-term.

Going forward, we humbly ask our shareholders for their understanding and support.

- Launch of "Everleaf SG," a reversible mattress for medical and nursing care

### Launch of "Eleveo," a bed-mounted electric lift

Eleveo is a bed-mounted electric nursing care lift. Its main feature is that the height of the bed can be adjusted with the lift's hand switch. The bed can be operated without switching the hand switch, enabling smoother transfer assistance without the caregiver needing to take their hands off the bed user.



Eleveo installed on a "Rakusho Plus" series bed

- "Active Sleep APP" linked with "HomeLink," an integrated smart home application

### Launch of an antiviral mattress for medical and nursing care

We adopted the first mattress cover in the medical and nursing care industry, which has antiviral properties and chemical resistance. Its antiviral effect is not impaired even when disinfected by wiping with chemicals. The mattress cover supports infection control measures in medical and nursing care facilities.



Antiviral "Ever Fit C3 Mattress"

2021

Apr.

May

Jun.

Jul.

Aug.

Sep.

Oct.

Nov.

Dec.

2022

Jan.

Feb.

Mar.

- Remodeled "Metis PRO Series" beds for medical facilities

- "Rakusho Plus Series" for home care now supports voice commands
- Jointly established new company "NTT PARAVITA" with NTT WEST

- "Rakusho Plus Series" wins two stars in the "Planet Assistive Products Award 2021."

- Launch of the "INTIME 3000 Series," electric beds for general household use

- Added a paid service to "Club Paramount," a service for members of INTIME product users
- The fully automatic bedsores prevention air mattress "cococia Riraku flow" wins Good Design Award 2021

### Launch of "Q-Aura ONE," a bed for home care all over Japan

The new bed is a bed for home care use with a standardized unit that makes up the bed frame and a new mechanism that alleviates body pressure and reduces body slipping when raising the back of the bed. The width and length of the bed can be changed without the use of tools to improve inventory management efficiency.



"Q-Aura ONE"  
(wooden board type with grips)

- Established the "PB Mangrove Forest" in Indonesia

## Report on activities to contribute to the achievement of SDGs

In the process of achieving its corporate philosophy and vision, we place importance on the concept of ESG, and aims to contribute to the achievement of the SDGs through proactive efforts to resolve priority issues. The following is a partial list of environmental activities carried out during the fiscal year under review.

### (1) Started tree planting activities using “Sleep Points,” a social contribution point program

“Sleep Points” is a point program in which points can be earned through a smartphone application for “Active Sleep BED,” an electric bed that allows users to monitor their sleep. The program was launched in February 2021 as a social contribution program that allows users to support tree planting activities according to the points they have accumulated, with the aim of promoting health as well as contributing to society. In March 2022, the Company entered into a business contract agreement with YL Forest Co., Ltd., which is engaged in mangrove reforestation and conservation in the Republic of Indonesia, and decided to establish the “PB Mangrove Forest,” a mangrove forest of approximately 20 hectares and 50,000 trees in the West Nusa Tenggara Province of the Republic of Indonesia. The establishment of this mangrove forest is expected to absorb up to approx. 25,000 tons of carbon dioxide (CO<sub>2</sub>). This project will be carried out using a method called “Silvofishery,” which aims to restore fishery resources by planting trees in abandoned shrimp ponds. With the cooperation of local residents, we aim to contribute to the restoration and preservation of the natural environment and biological systems, as well as to the improvement of the livelihood of the local residents.



Illustration of the mangrove forest  
(Image provided by YL Forest Co., Ltd.)



Screen capture of the “Sleep Points” program application

### (2) Adopted “biomass plastic” as a raw material for packaging bags of rental products

Paramount Care Service Co., Ltd., which operates an assistive product rental wholesale business, adopted “biomass plastic” containing 25% plant-derived raw materials for packaging bags of rental products in September 2021. By using this material, it is expected that not only to save petroleum resources but also to reduce CO<sub>2</sub> emissions substantially through photosynthesis of biomass resources (such as corn starch and sugarcane starch) used as raw materials during the plant growth process. The reduction is estimated to be 100 tons per year (according to the Company’s research).



Rental products wrapped in packaging bags which is expected to achieve a CO<sub>2</sub> reduction effect



Biomass mark displayed on packaging bags

# Financial Review

## Consolidated Financial Statements

### Consolidated Balance Sheet (Summary)

(Millions of Yen)

Item	Previous Fiscal Year (As of March 31, 2021)	Current Fiscal Year (As of March 31, 2022)
Total current assets	86,144	94,035
Total non-current assets	68,213	70,246
Total assets	154,358	164,281
Total liabilities	40,535	42,606
Total net assets	113,822	121,675
Total liabilities and net assets	154,358	164,281

### Consolidated Statement of Cash Flows (Summary)

(Millions of Yen)

Item	Previous Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Cash and cash equivalents at beginning of year	35,009	40,756
Cash flows from operating activities	10,279	7,822
Cash flows from investing activities	(1,541)	(220)
Cash flows from financing activities	(3,044)	(3,365)
Effect of exchange rate change on cash and cash equivalents	52	469
Increase (decrease) in cash and cash equivalents	5,746	4,705
Cash and cash equivalents at end of year	40,756	45,462

### Consolidated Statement of Income (Summary)

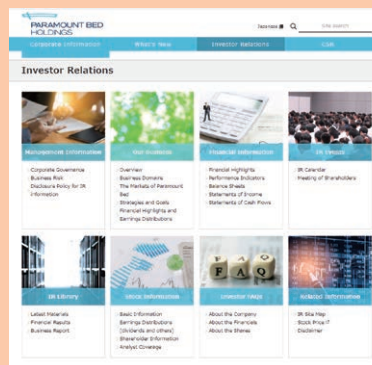
(Millions of Yen)

Item	Previous Fiscal Year (From April 1, 2020 to March 31, 2021)	Current Fiscal Year (From April 1, 2021 to March 31, 2022)
Net sales	87,171	90,352
Operating income	11,582	12,340
Ordinary income	13,461	13,543
Net income	8,611	9,092

## Website Information

PARAMOUNT BED HOLDINGS IR ENGLISH

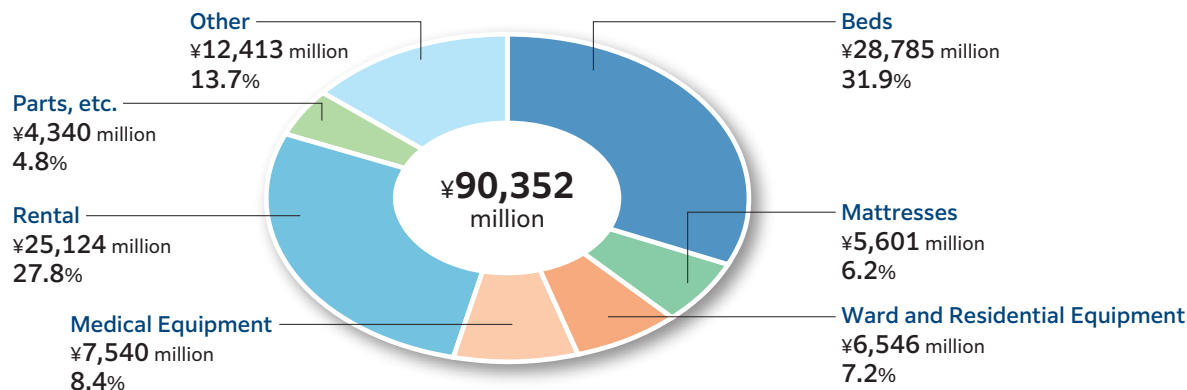
Search



For more detailed financial information, please refer to the various materials made available on the Company website.

<https://www.paramountbed-hd.co.jp/english/ir>

## Consolidated net sales by product



## Main Companies of the Paramount Bed Holdings Group

Network

① PARAMOUNT BED HOLDINGS CO., LTD.

## Consolidated subsidiaries in Japan

- ② Paramount Bed Co., Ltd.
- ③ Paratechno Co., Ltd.
- ④ Paramount Care Service Co., Ltd.
- ⑤ Sadashige Special Plywood Co., Ltd.

## Non-consolidated subsidiaries in Japan

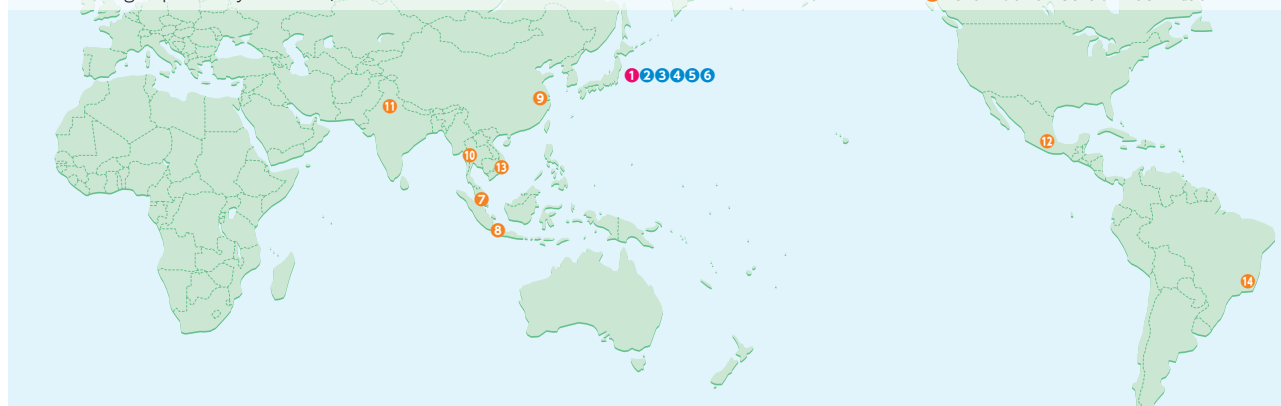
- ⑥ KP Service Co., Ltd.

## Consolidated subsidiaries overseas

- ⑦ Paramount Bed Asia Pacific Pte. Ltd.
- ⑧ PT. Paramount Bed Indonesia
- ⑨ Paramount Bed (China) Co., Ltd.

## Non-consolidated subsidiaries overseas

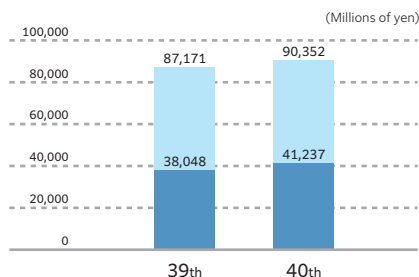
- ⑩ Paramount Bed (Thailand) Co., Ltd.
- ⑪ Paramount Bed India Pvt. Ltd.
- ⑫ Paramount Bed Mexico S.A. de C.V.
- ⑬ Paramount Bed Vietnam Co., Ltd.
- ⑭ Paramount Bed do Brasil Ltda.



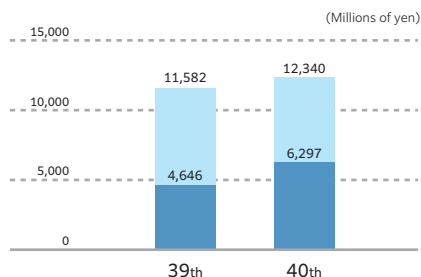
## Key Points for the Fiscal Year under Review

- Operating income increased 6.5% year on year due to solid performance in the medical, the nursing care, and the health promotion businesses as a result of the launch of new products and expansion of rentals and leases.
- In addition to strategic investments for medium- to long-term growth, we are accelerating its SDGs activities to contribute to environmental issues.

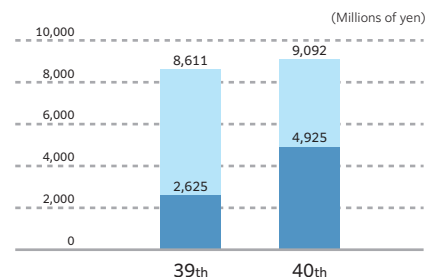
**Net sales**  
¥**90,352** million



**Operating income**  
¥**12,340** million

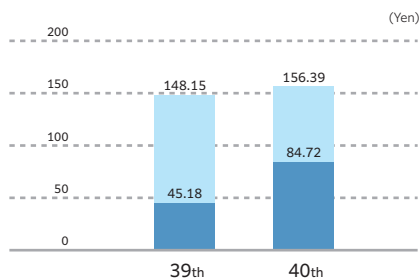


**Net income**  
¥**9,092** million

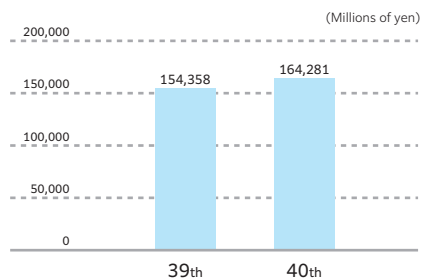


\*The "Accounting Standard for Revenue Recognition" has been applied from the beginning of the 40th term. Accordingly, the figures have been adjusted to reflect the application of the standard.

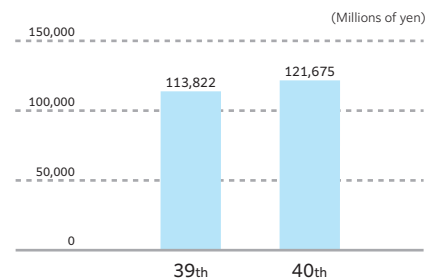
**Basic earnings per share**  
¥**156.39**



**Total assets**  
¥**164,281** million



**Net assets**  
¥**121,675** million



\*The Company conducted a share split at a ratio of 2 shares per common share with April 1, 2021 as the effective date. "Basic earnings per share" were calculated as though the share split had been conducted at the beginning of the previous fiscal year.

■ Full year ■ Half year



## Share Information

(As of March 31, 2022)

### Stock Info

- Number of Shares Authorized 252,000,000
- Total Number of Shares Issued 61,754,974

\*The Company conducted a share split at a ratio of 2 shares per common share with April 1, 2021 as the effective date.

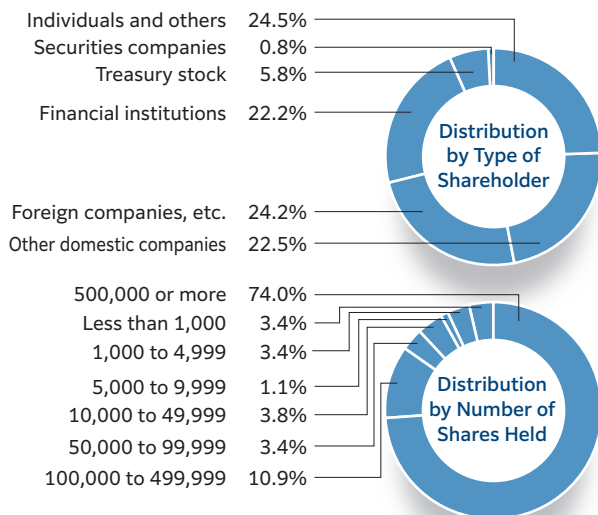
As a result, the number of shares authorized increased to 252,000,000, and the number of shares issued increased to 61,754,974.

- Number of Shareholders 11,419
- Principal Shareholders

Name of shareholders	Shareholders' investment in the Company	
	Number of shares held	Shareholding ratio
	(Thousands of shares)	(%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	9,063	15.6
CTOK Co., LTD.	5,642	9.7
LLAGE WOOD Co.	4,146	7.1
Michihide Kimura	1,822	3.1
Kyosuke Kimura	1,819	3.1
Kenji Kimura	1,797	3.1
Tomohiko Kimura	1,755	3.0
THE BANK OF NEW YORK MELLON (INTERNATIONAL) LIMITED 131800	1,648	2.8
WISELIGHT Co., Ltd.	1,375	2.4
SION Co., LTD.	1,375	2.4

\*Although the Company holds 3,606,342 shares of treasury stock, the shareholding ratio is calculated after deducting the shares of treasury stock.

## ● Distribution of Shares



## Company Information

(As of March 31, 2022)

### Company Info

**Company Name** PARAMOUNT BED HOLDINGS CO., LTD.  
**Head Office** 14-5, Higashisuna 2-chome, Koto-ku, Tokyo, Postal code 136-8671, Japan  
**Established** October 1982  
**Capital** ¥4,207 million  
**Number of Employees** 3,682 (Consolidated)  
**Business Lines**

Control or management of operating companies involved in the manufacture and sale of beds and mattresses, hospital furniture, medical equipment, etc. for medical and nursing care environments; services such as the inspection, maintenance, disinfection, and maintenance leases for beds and mattresses; the rental wholesale business for assistive products; etc. through the ownership of shares or through an equity interest.

## Shareholder Memo

### Business year

From April 1 of each year to March 31 of the following year

### Ordinary general meeting of shareholders

June of each year

### Record date of the above

March 31 of each year

When necessary, other record dates will be determined on an extraordinary basis of the prior notification.

### Final date for shareholders to receive dividend

Year-end dividend March 31 of each year

Interim dividend September 30 of each year

### Method of public notice

Electronic public notice will be made. However, if it is impossible to publish public notices electronically because of unavoidable circumstances, the public notices shall be made by publication in "The Nikkei" newspaper.

The Company's URL for public notice

<https://www.paramountbed-hd.co.jp>

### Shareholder register administrator

3-11 Kandanishiki-cho, Chiyoda-ku, Tokyo (NMF Takebashi Building 6F)  
 Tokyo Securities Transfer Agent Co., Ltd.

### Handling office

101-0054

3-11 Kandanishiki-cho, Chiyoda-ku, Tokyo (NMF Takebashi Building 6F)

Head Office, Tokyo Securities Transfer Agent Co., Ltd.

(Contact) ☎ 0120-49-7009

Handling operation is conducted in main branch and all domestic branches of Sumitomo Mitsui Trust Bank, Limited.

### Mailing address (Contact address)

2-8-4 Izumi, Suginami-ku, Tokyo 168-8522

Operations Center, Tokyo Securities Transfer Agent Co., Ltd.

(Contact) ☎ 0120-49-7009

## [Procedures Related to Shares]

● **Applications for change of address or for purchase demands of shares less than one unit.**  
 Please send such notifications or applications to the securities company where your account is held. However, for procedures related to shares registered to a special account, please apply to Tokyo Securities Transfer Agent Co., Ltd., which is the administrative organization for special accounts.

### ● Applications for payment of dividends payable

These are handled by Tokyo Securities Transfer Agent Co., Ltd., which is the shareholder register administrator for shares of the Company.

### ● Contact

TEL: +81-3-3648-1100 (Main) FAX: +81-3-3648-5781

Business Hours: Monday to Friday, 9:00 a.m. to 5:20 p.m.

\* Excludes national holidays, summer holidays, and new year holidays.