

Ten-Year Financial Summary

Terumo Corporation and consolidated subsidiaries
Years ended March 31

(Millions of yen)

	FY2011 (Ended March 2012)	FY2012 (Ended March 2013)	FY2013 (Ended March 2014)	FY2014 (Ended March 2015)	FY2015 (Ended March 2016)	FY2016 (Ended March 2017)	FY2017* ² (Ended March 2018)	FY2018* ² (Ended March 2019)	FY2019 (Ended March 2020)	FY2020 (Ended March 2021)
	JGAAP						IFRS			
Results of Operations and Cash Flow *¹										
Net sales/Revenue	386,686	402,294	467,359	489,506	525,026	514,164	587,775	599,481	628,897	613,842
Adjusted operating profit* ³	—	—	—	—	—	—	124,929	122,128	124,998	115,927
Operating profit	63,049	53,216	65,288	67,456	81,703	76,578	108,552	106,637	110,611	98,386
Income before income taxes/Profit before tax	49,649	52,285	52,907	64,046	76,920	74,981	106,630	102,709	106,466	97,060
Profit attributable to owners of parent/Profit for the year attributable to owners of the parent	24,167	47,014	34,096	38,470	50,676	54,225	91,295	79,470	85,211	77,268
Net cash provided by (used in) operating activities	56,200	50,270	96,259	73,110	80,303	80,862	114,562	93,571	117,479	121,485
Net cash provided by (used in) investing activities	(247,182)	(31,293)	(52,744)	(40,421)	(23,495)	(181,433)	(44,105)	(74,792)	(84,714)	(85,317)
Free cash flow	(190,981)	18,976	43,515	32,689	56,808	(100,571)	70,457	18,778	32,764	36,168
Net cash provided by (used in) investing activities	182,982	(22,340)	(31,785)	44,121	(79,936)	60,937	(4,132)	(67,540)	14,010	(7,436)
Research and development expenses	24,322	27,128	30,130	29,360	33,147	33,747	41,342	47,681	50,618	49,096
Capital expenditure	21,132	25,715	39,933	37,342	31,454	39,091	45,685	60,845	89,510	77,208
Depreciation and amortization* ⁴	28,835	32,554	39,881	40,692	44,674	45,400	42,035	44,035	52,358* ⁶	53,932*⁶
Per Share Indicators*¹										
EPS (Yen)* ⁵	31.82	61.90	44.89	50.66	67.57	75.08	129.56	108.70	113.96	102.33
Dividends per share (Yen)	39.00	44.00	58.00	30.50	39.00	42.00	50.00	54.00	28.00	29.00
BPS (Yen)* ⁵	463.81	576.11	653.36	756.87	704.27	694.85	777.94	939.60	1,003.36	1,133.13
Financial Position (at year-end)*¹										
Current assets	256,867	286,955	310,985	412,458	374,746	349,183	411,042	398,722	460,607	523,966
Current liabilities	157,997	115,844	160,936	129,947	168,835	248,389	179,013	142,912	211,845	211,366
Total assets	692,520	771,032	832,814	992,073	901,685	1,021,405	1,081,045	1,120,790	1,241,355	1,351,192
Net assets/Total equity	352,537	437,909	496,245	573,523	511,544	489,554	550,435	698,113	754,883	856,662
Capital stock/Share capital	38,716	38,716	38,716	38,716	38,716	38,716	38,716	38,716	38,716	38,716
Management Indicators*¹										
ROE	7.0%	11.9%	7.3%	7.2%	9.3%	10.8%	17.5%	12.7%	11.7%	9.6%
ROA	4.3%	6.4%	4.3%	4.2%	5.4%	5.6%	8.7%	7.2%	7.2%	6.0%
Shareholders' equity ratio/Ratio of equity attributable to owners of the parent to total assets	50.9%	56.7%	59.6%	57.8%	56.7%	47.9%	50.9%	62.3%	60.8%	63.4%
Shares issued and outstanding at year-end (thousands)* ⁵	759,517	759,510	759,498	757,658	725,939	703,958	707,388	742,902	752,194	756,013
Employees at year-end	18,112	18,893	19,263	19,934	20,697	22,441	23,319	25,378	26,438	26,482

*¹ Items separated by a " / " refer to items under "JGAAP/IFRS."

*² A provisional accounting treatment, for the integration of businesses acquired in fiscal 2017 was finalized in fiscal 2018, and is reflected on certain figures for fiscal 2017 under IFRS.

*³ Adjusted operating profit is operating profit excluding amortization of acquired intangible assets and other non-recurring profit or loss. The Terumo Group uses adjusted operating profit as a performance indicator.

*⁴ Depreciation and amortization under JGAAP up to fiscal 2016 includes amortization of goodwill.

*⁵ A 2-for-1 stock split was carried out for Terumo common shares, effective April 1, 2014 and April 1, 2020. The figures for EPS, BPS, and shares issued and outstanding at year-end are reflected as if the aforementioned stock split had been carried out at the beginning of fiscal 2011. Shares issued and outstanding at year-end do not include treasury shares.

*⁶ Figures for fiscal 2019 and 2020 include depreciation amounts associated with the application of IFRS 16 Leases.

Financial Review

Revenue and Profits

In fiscal 2020 (the fiscal year ended March 31, 2021), revenue totaled ¥613.8 billion, a decrease of 2.4% versus the previous fiscal year. In Japan, overall revenue increased by 2.8% year on year, exceeding ¥200 billion and marking the Company's highest revenue on record. The impacts of the COVID-19 pandemic on the Cardiac and Vascular Company were smaller than other regions, and in the General Hospital Company, there was rising demand for infection control products and revenues in the Alliance Division and of narcotic analgesic were robust. Revenue overseas declined by 4.7% in comparison with a year earlier. The impacts of the COVID-19 pandemic on the General Hospital Company and the Blood and Cell Technologies Company were small, but these same impacts were larger for the TIS Division in the Cardiac and Vascular Company.

Due to the decline in revenue caused by the COVID-19 pandemic, which particularly affected the Cardiac and Vascular Company, gross profit fell by 5.0% year on year, to ¥326.6 billion.

In the fiscal year under review, adjusted operating profit came to ¥115.9 billion, a decrease of 7.3% year on year, due to the decline in gross profit, despite efforts to curtail certain selling, general and administrative expenses. Adjusted operating profit factors out amortization expense for intangible assets obtained during acquisitions and one-off income and expenses from operating profit.

Operating profit came to ¥98.4 billion, a decrease of 11.1% year on year, owing to the decrease in adjusted operating profit.

Profit before tax was ¥97.1 billion, a decrease of 8.8% versus a year earlier owing to the decrease in operating profit.

Profit for the year attributable to owners of the parent totaled ¥77.3 billion, a decrease of 9.3% year on year, driven by the decrease in profit before tax.

Revenue by Business Segment

Cardiac and Vascular Company

Revenue in the Cardiac and Vascular Company totaled ¥328.5 billion, a decrease of 6.3% year on year. In Japan, sales were driven by extracorporeal membrane oxygenation (ECMO) systems in the Cardiovascular Division along with flow diverter in the Neurovascular Division, but revenue declined slightly overall because the impacts of the COVID-19 pandemic remain to some extent. Overseas, the same impacts were significant on the TIS Division and the Cardiovascular Division in the Americas particularly.

General Hospital Company

Revenue in the General Hospital Company was ¥175.5 billion, an increase of 2.7% year on year. The COVID-19 pandemic impacted many products, mainly in Japan and Asia, but in Japan sales were driven by infection control products and narcotic analgesic in the Hospital Systems Division. Globally, the B2B business with pharmaceutical companies in the Alliance Division grew.

Blood and Cell Technologies Company

Revenue in the Blood and Cell Technologies Company totaled ¥109.5 billion, a rise of 2.2% year on year. In Japan, sales of blood center products declined slightly due to the slowdown in demand for blood preparations caused by the impacts of the COVID-19 pandemic. Overseas, therapeutic apheresis systems and cell processing products saw a slowdown in demand for the same reasons, but there was an increase in collection demand for COVID-19 convalescent plasma therapy and sales were driven by new software for blood component collection systems.

Financial Position and Cash Flows

Financial Position

Total assets stood at ¥1,351.2 billion on March 31, 2021, an increase of ¥109.8 billion compared with March 31, 2020. Factors behind this increase included a ¥33.9 billion increase in cash and cash equivalents deriving from business activities, as well as an increase of ¥35.3 billion in property, plant and equipment resulting from investment in production equipment, and an increase in goodwill and intangible assets of ¥10.3 billion resulting from acquisition of subsidiaries, and investment in new IT systems.

Total liabilities came to ¥494.5 billion, representing an increase of ¥8.1 billion. This increase was primarily a result of a ¥22.6 billion rise in non-current liabilities, specifically bonds and borrowings, through long-term borrowings, which outweighed an ¥11.8 billion decrease in defined benefit liabilities attributable to an increase in pension fund assets.

Total equity was ¥856.7 billion, an increase of ¥101.8 billion versus a year earlier. Factors behind this result included an increase of ¥77.2 billion attributable to the recording of profit for the year, and an increase of ¥38.5 billion deriving from other comprehensive income, which was affected by the weakening of the yen. These factors outweighed a ¥21.1 billion decrease associated with the payment of dividends from retained earnings.

Cash Flows

Net cash provided by operating activities was ¥121.5 billion. During the fiscal year under review, profit before tax was ¥97.1 billion and depreciation and amortization was ¥53.9 billion. In addition, income taxes paid came to ¥23.1 billion and increase in inventories was ¥22.0 billion.

Net cash used in investing activities was ¥85.3 billion. This primarily reflects ¥62.3 billion in payments for purchase of property, plant and equipment following capital expenditures for a manufacturing facility, etc., as well as ¥20.8 billion in payments for purchase of intangible assets in the form of investments in new IT systems.

Net cash used in financial activities totaled ¥7.4 billion. Outflows included ¥40.0 billion in repayments of short-term borrowings, ¥70.0 billion in repayments of long-term borrowings, ¥10.0 billion in payments for redemption of corporate bonds, and ¥21.2 billion in payments for dividends.

As a result of the above, cash and cash equivalents totaled ¥200.8 billion as of March 31, 2021, an increase of ¥33.9 billion compared with March 31, 2020.

Consolidated Financial Statements

Terumo Corporation and consolidated subsidiaries
March 31, 2020 and 2021

Consolidated Statement of Financial Position

(Millions of yen)

	FY2019 (As of March 31, 2020)	FY2020 (As of March 31, 2021)
Assets		
Current assets		
Cash and cash equivalents	166,898	200,770
Trade and other receivables	131,728	128,770
Other current financial assets	397	1,116
Inventories	147,147	175,576
Current tax assets	1,745	510
Other current assets	12,689	17,222
Total current assets	460,607	523,966
Non-current assets		
Property, plant and equipment	264,407	299,679
Goodwill and intangible assets	461,506	471,834
Investments accounted for using the equity method	5,275	3,644
Other non-current financial assets	17,733	19,449
Deferred tax assets	27,307	23,729
Other non-current assets	4,517	8,887
Total non-current assets	780,748	827,225
Total Assets	1,241,355	1,351,192

Consolidated Statement of Financial Position

(Millions of yen)

	FY2019 (As of March 31, 2020)	FY2020 (As of March 31, 2021)
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade and other payables	88,044	83,528
Bonds and borrowings	50,324	42,072
Other current financial liabilities	6,144	7,784
Current tax liabilities	11,681	14,311
Provisions	395	374
Other current liabilities	55,256	63,295
Total current liabilities	211,845	211,366
Non-current liabilities		
Bonds and borrowings	195,870	218,497
Other non-current financial liabilities	31,802	32,122
Deferred tax liabilities	20,360	15,962
Defined benefit liabilities	18,456	6,639
Provisions	92	96
Other non-current liabilities	8,043	9,845
Total non-current liabilities	274,626	283,163
Total liabilities	486,472	494,530
Equity		
Share capital	38,716	38,716
Capital surplus	51,858	51,829
Treasury shares	(14,103)	(6,838)
Retained earnings	705,765	775,078
Other components of equity	(27,423)	(2,123)
Total equity attributable to owners of the parent	754,813	856,662
Non-controlling interests	69	—
Total Equity	754,883	856,662
Total liabilities and equity	1,241,355	1,351,192

Consolidated Financial Statements

Consolidated Statement of Profit or Loss

(Millions of yen)

	FY2019 (For the year ended March 31, 2020)	FY2020 (For the year ended March 31, 2021)
Revenue	628,897	613,842
Cost of sales	284,964	287,219
Gross profit	343,932	326,623
Selling, general and administrative expenses	235,144	228,566
Other income	4,737	3,814
Other expenses	2,914	3,485
Operating profit	110,611	98,386
Finance income	1,671	1,727
Finance costs	5,371	2,337
Share of profit (loss) of investments accounted for using the equity method	(445)	(716)
Profit before tax	106,466	97,060
Income tax expenses	21,428	19,859
Profit for the year	85,037	77,200
Attributable to:		
Owners of the parent	85,211	77,268
Non-controlling interests	(173)	(67)
Total profit for the year	85,037	77,200

(Yen)

Earnings per share		
Basic earnings per share (yen)	113.96	102.33
Diluted earnings per share (yen)	112.61	102.11

Consolidated Statement of Comprehensive Income

(Millions of yen)

	FY2019 (For the year ended March 31, 2020)	FY2020 (For the year ended March 31, 2021)
Profit for the year	85,037	77,200
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Changes in financial assets measured at fair value through other comprehensive income	(1,181)	1,448
Remeasurements of defined benefit plans	(4,499)	11,803
Total items that will not be reclassified to profit or loss	(5,681)	13,252
Items that are or may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(19,813)	24,390
Cash flow hedges	204	667
Cost of hedging	(500)	220
Total items that are or may be reclassified subsequently to profit or loss	(20,109)	25,278
Total other comprehensive income (loss) for the year	(25,790)	38,531
Total comprehensive income for the year	59,246	115,732
Attributable to:		
Owners of the parent	59,415	115,801
Non-controlling interests	(169)	(69)
Total comprehensive income for the year	59,246	115,732

Consolidated Financial Statements

Consolidated Statement of Changes in Equity

(Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	Total		
Balance as of April 1, 2019	38,716	52,029	(32,381)	646,223	(6,553)	698,034	78	698,113
Profit for the year	—	—	—	85,211	—	85,211	(173)	85,037
Other comprehensive income	—	—	—	—	(25,795)	(25,795)	4	(25,790)
Total comprehensive income	—	—	—	85,211	(25,795)	59,415	(169)	59,246
Acquisition of treasury shares	—	—	(3)	—	—	(3)	—	(3)
Disposal of treasury shares	—	—	89	(21)	(67)	0	—	0
Dividends	—	—	—	(20,507)	—	(20,507)	—	(20,507)
Transfer from other components of equity to retained earnings	—	—	—	(4,950)	4,950	—	—	—
Changes in shares of subsidiaries due to capital increase	—	—	—	—	—	—	159	159
Share-based payments	—	(50)	120	82	41	194	—	194
Conversion of convertible bonds	—	(120)	18,072	(272)	—	17,679	—	17,679
Total transactions with owners of the parent	—	(170)	18,278	(25,668)	4,924	(2,636)	159	(2,476)
Balance as of March 31, 2020	38,716	51,858	(14,103)	705,765	(27,423)	754,813	69	754,883
Profit for the year	—	—	—	77,268	—	77,268	(67)	77,200
Other comprehensive income	—	—	—	—	38,533	38,533	(1)	38,531
Total comprehensive income	—	—	—	77,268	38,533	115,801	(69)	115,732
Acquisition of treasury shares	—	—	(3)	—	—	(3)	—	(3)
Disposal of treasury shares	—	—	96	(14)	(82)	0	—	0
Dividends	—	—	—	(21,109)	—	(21,109)	—	(21,109)
Transfer from other components of equity to retained earnings	—	—	—	13,197	(13,197)	—	—	—
Share-based payments	—	0	99	102	47	249	—	249
Conversion of convertible bonds	—	(29)	7,072	(132)	—	6,910	—	6,910
Total transactions with owners of the parent	—	(29)	7,265	(7,956)	(13,232)	(13,953)	—	(13,953)
Balance as of March 31, 2021	38,716	51,829	(6,838)	775,078	(2,123)	856,662	—	856,662

Consolidated Statement of Cash Flows

(Millions of yen)

	FY2019 (For the year ended March 31, 2020)	FY2020 (For the year ended March 31, 2021)
Cash flows from operating activities		
Profit before tax	106,466	97,060
Depreciation and amortization	52,358	53,932
Share of loss (gain) of investments accounted for using the equity method	445	716
Increase (decrease) in defined benefit assets and liabilities	(695)	256
Interest and dividend income	(1,019)	(539)
Interest expenses	1,828	2,337
Foreign exchange loss (gain), net	262	249
Loss (gain) on disposal of property, plant and equipment	114	498
(Increase) decrease in trade and other receivables	(7,318)	6,417
(Increase) decrease in inventories	(17,284)	(21,985)
Increase (decrease) in trade and other payables	3,442	(814)
Others	3,396	6,754
Sub-total	141,995	144,884
Interest and dividend income received	1,215	740
Interest expenses paid	(956)	(1,062)
Income taxes paid	(24,774)	(23,076)
Net cash provided by (used in) operating activities	117,479	121,485
Cash flows from investing activities		
Payments for purchase of time deposits	(154)	(149)
Proceeds from withdrawal of time deposits	1,313	305
Payments for purchase of property, plant and equipment	(62,316)	(62,318)
Proceeds from sale of property, plant and equipment	23	16
Payments for purchase of intangible assets	(21,168)	(20,806)
Proceeds from sale of property, plant and equipment	—	212
Payments for purchase of investment securities	(1,512)	(2,102)
Proceeds from sale of investment securities	2	2,900
Payments for acquisition of shares of subsidiaries and other businesses	(902)	(3,374)
Net cash provided by (used in) investing activities	(84,714)	(85,317)
Cash flows from financing activities		
Proceeds from short-term debt	40,000	—
Repayments of short-term borrowings	—	(40,000)
Proceeds of long-term borrowings	—	70,000
Payments for repayment of bonds	—	(10,000)
Proceeds from non-controlling interests	159	—
Payments for repayment of lease obligations	(5,638)	(6,277)
Payments for purchase of treasury shares	(3)	(3)
Payments for dividends	(20,507)	(21,155)
Net cash provided by (used in) financing activities	14,010	(7,436)
Effect of exchange rate changes on cash and cash equivalents	(2,859)	5,139
Net increase (decrease) in cash and cash equivalents	43,916	33,871
Cash and cash equivalents at the beginning of the year	122,982	166,898
Cash and cash equivalents at the end of the year	166,898	200,770

Corporate Information

Corporate Information (As of March 31, 2021)

Company Name	Terumo Corporation
Founded	September 17, 1921
Tokyo Office	Tokyo Opera City Tower, 3-20-2 Nishi Shinjuku, Shinjuku-ku, Tokyo 163-1450, Japan
Head Office	2-44-1 Hatagaya, Shibuya-ku, Tokyo 151-0072, Japan
Share Capital	¥38.7 billion
Employees	Consolidated: 26,482 Non-Consolidated: 5,247
Fiscal Year	From April 1 to March 31

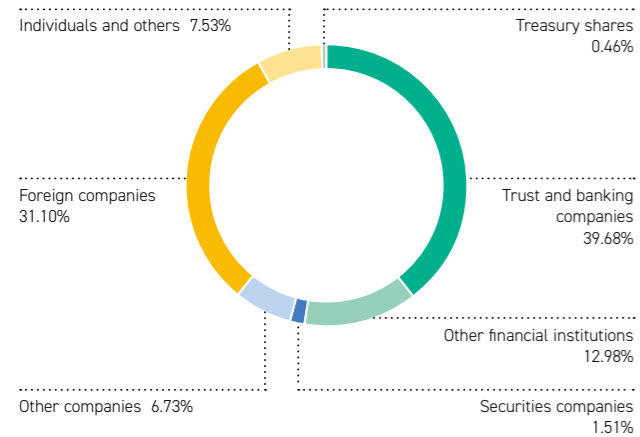
Stock Information (As of March 31, 2021)

Security Code	4543
Stock Exchange Listing	First Section of Tokyo Stock Exchange
Number of Shares Authorized	3,038,000,000
Number of Shares Issued	759,521,040
Number of Shareholders	59,313
Trading Unit	100

Major Shareholders (Top 10 Shareholders)*1

	Number of Shares Held (Thousands)	Percentage of Total Shares Issued (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	128,820	17.04%
Custody Bank of Japan, Ltd. (Trust Account)	68,426	9.05%
The Dai-ichi Life Insurance Company, Limited	37,067	4.90%
Meiji Yasuda Life Insurance Company	24,422	3.23%
STATE STREET BANK AND TRUST COMPANY 505223	16,912	2.24%
Mizuho Bank, Ltd.	15,736	2.08%
TERUMO LIFE SCIENCE FOUNDATION	14,720	1.95%
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	12,237	1.62%
STATE STREET BANK AND TRUST COMPANY 505001	11,760	1.56%
Tokio Marine & Nichido Fire Insurance Co., Ltd.	11,579	1.53%

Composition of Issued Shares by Type of Shareholder



Inclusion in ESG Indexes

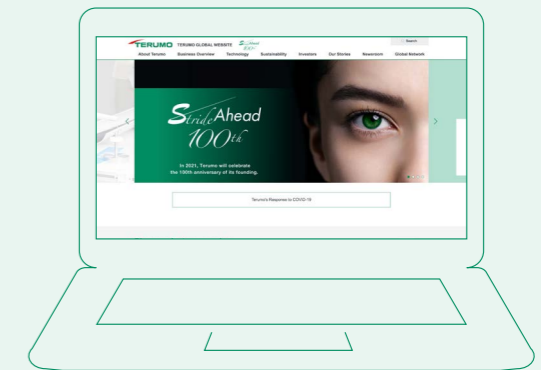


Terumo was selected for the first time in 2021 as a constituent stock of the FTSE4Good Index Series and the FTSE Blossom Japan Index, ESG investment indices produced by FTSE Russell.

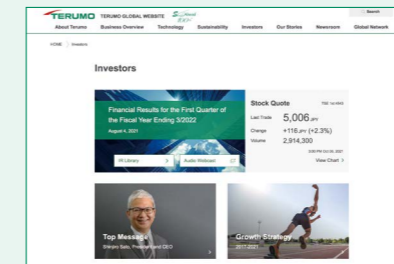
All brand names are trademarks or registered trademarks of TERUMO CORPORATION and their respective owners.

Terumo's Corporate Website

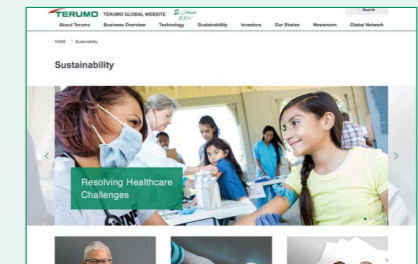
Terumo's corporate website provides information on the Company and its businesses, the latest financial information, news releases, and other information.



Terumo Global Website
<https://www.terumo.com/>



Investor relations website
<https://www.terumo.com/investors/>



Sustainability website
<https://www.terumo.com/sustainability/>