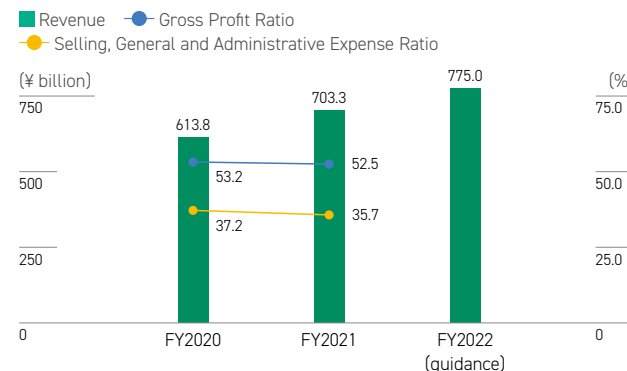
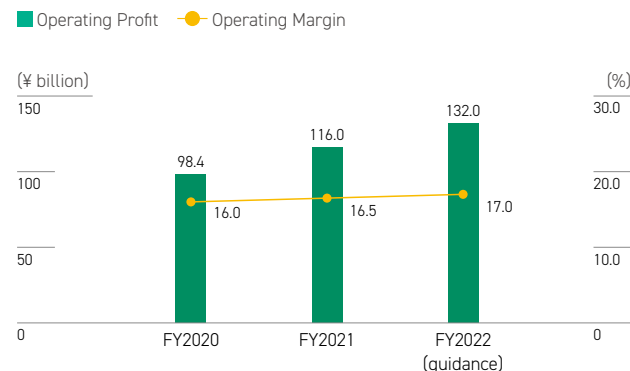


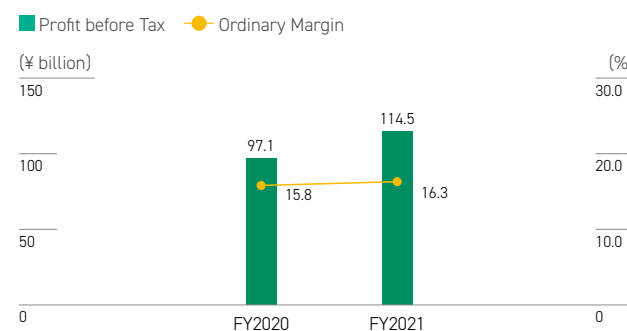
Revenue



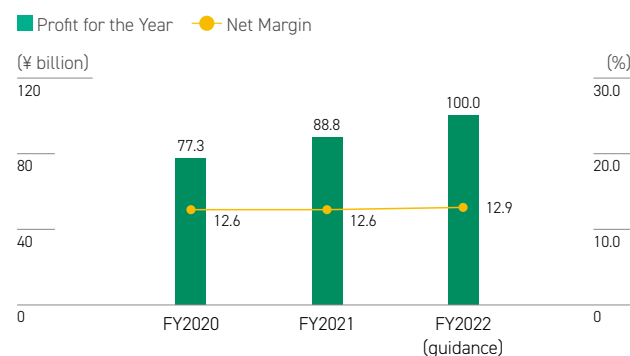
Operating Profit



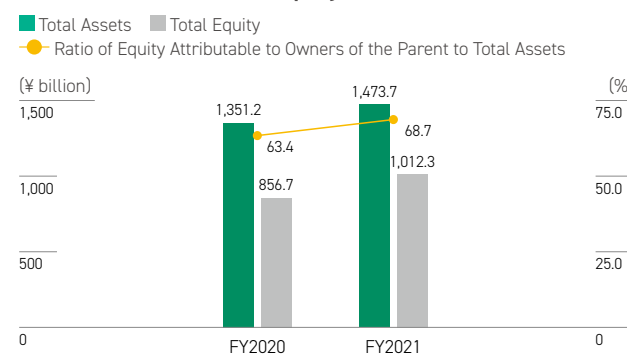
Profit before Tax



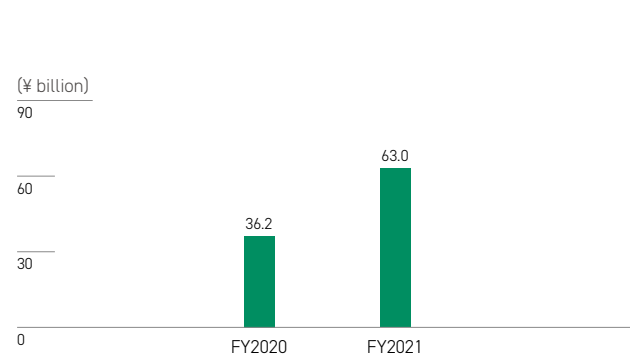
Profit for the Year Attributable to the Owners of the Parent



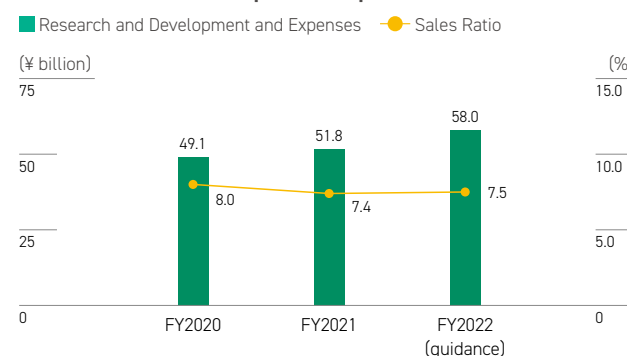
Total Assets and Total Equity



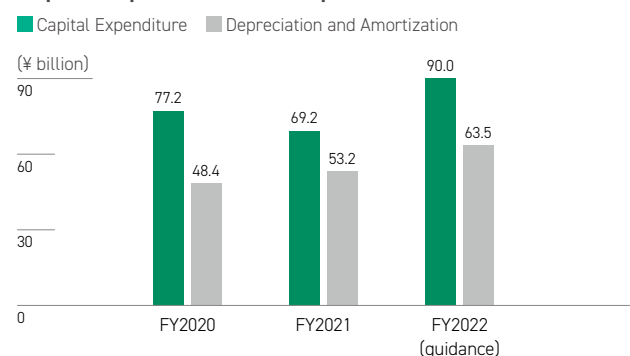
Free Cash Flow



Research and Development Expenses

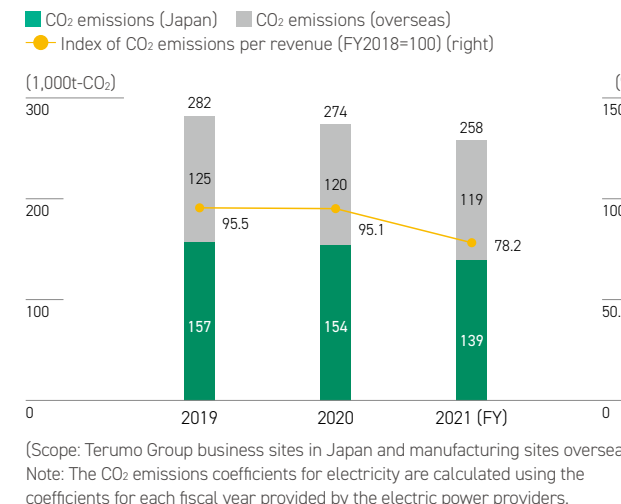


Capital Expenditure and Depreciation and Amortization

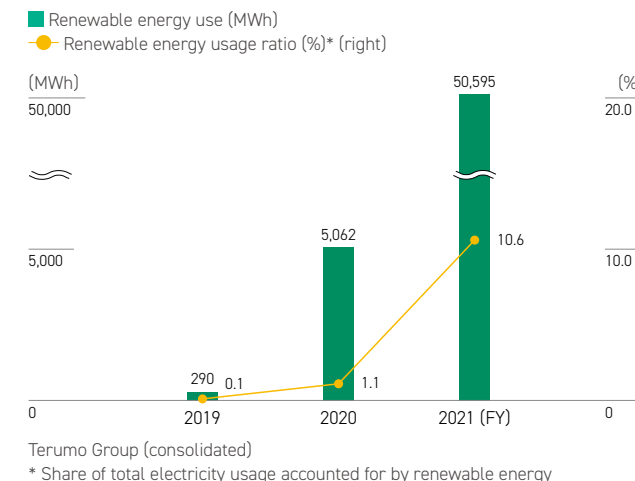


Depreciation and amortization does not include right-of-use asset amortization.

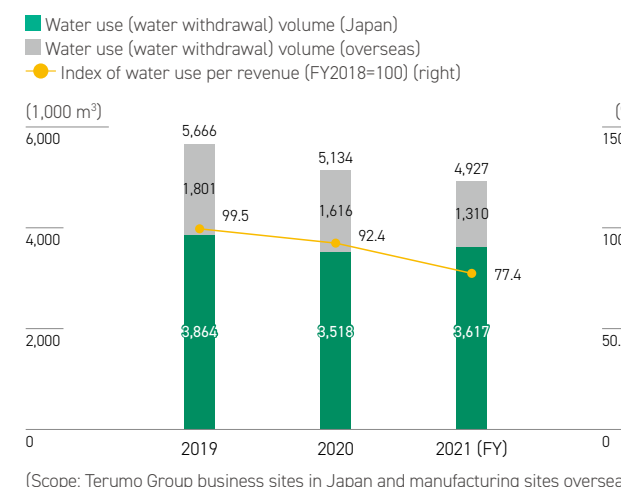
CO₂ Emissions in Total (Scope 1 + 2) and Index of CO₂ Emissions per Revenue



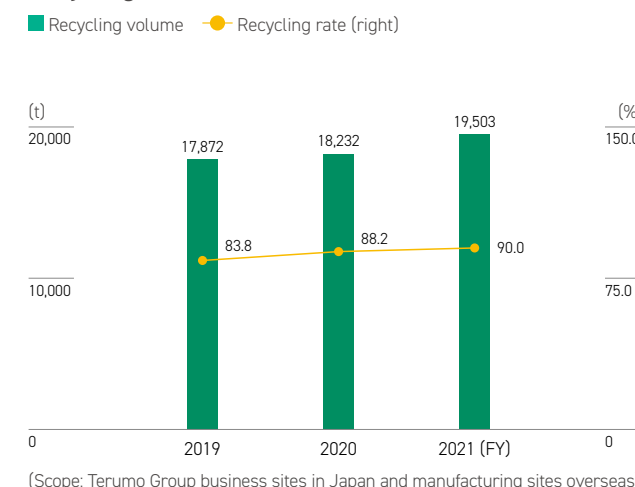
Renewable Energy Usage



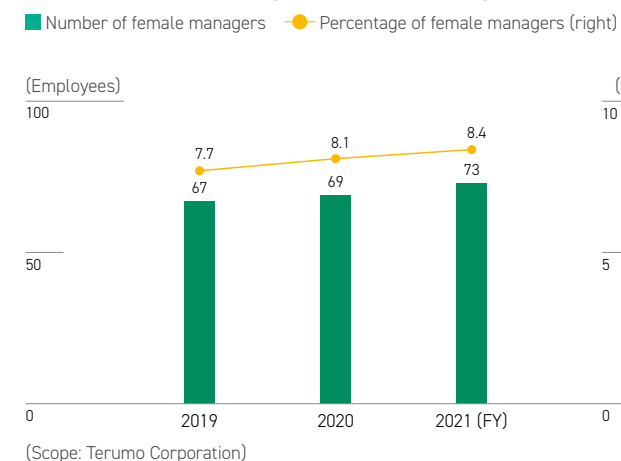
Water Use (Water Withdrawal) Volume



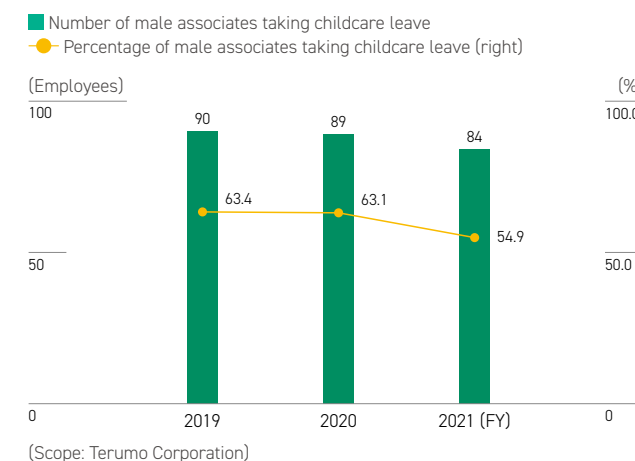
Recycling Volume and Rate



Number and Percentage of Female Managers



Number and Percentage of Male Associates Taking Childcare Leave



Terumo delivers solutions offering real value to medical settings through three companies

In line with Terumo's mission of "Contributing to Society through Healthcare," we operate globally through three in-house companies and eight divisions. Besides working to enhance treatment outcomes and striving to reduce the mental and physical burden on patients, we also deliver products and solutions that help to solve a wide range of problems in medical settings.

Cardiac and Vascular Company



Main Products

TIS Division (Terumo Interventional Systems)

Access: TR Band® Radial Compression Device

Cardiology: Ultimaster™ Sirolimus Eluting Coronary Stent System

Imaging: Intravascular ultrasound (IVUS) system

Endovascular: Misago™ peripheral stent

Oncology: AZUR™ peripheral Hydrocoil

Neurovascular Division (MicroVention)

WEB™ intrasaccular device, FRED™ flow diverter, and SOFIA™ intermediate catheters

Terumo Cardiovascular / HeartSheet

Hollow fiber oxygenators, heart-lung machines, etc. / Regenerative medicine products, etc.

Vascular Graft Division (Terumo Aortic)

Surgical grafts, Relay® Pro stent-grafts, and Thoraflex™ Hybrid frozen elephant truck graft

Outcome

Realizing minimally invasive treatments in vascular intervention and cardiac surgery

Medical Care Solutions Company



Main Products

Hospital Care Solutions Division

Infusion pumps, syringe pumps, infusion sets, syringes, IV solutions, peritoneal dialysate, hand sanitizer, analgesics, spray-type anti-adhesive materials, etc.

Life Care Solutions Division

Blood glucose monitoring systems, continuous glucose monitoring systems, insulin patch pumps, electronic blood pressure monitors, electronic thermometers, etc.

Pharmaceutical Solutions Division

Contract manufacturing of pre-filled syringes, products for pharmaceutical companies (prefillable syringes, needles for drug administration kits), and other products

Outcome

Contributing to better patient care and transformation toward "yasashii" medical care for everyone involved

Blood and Cell Technologies Company



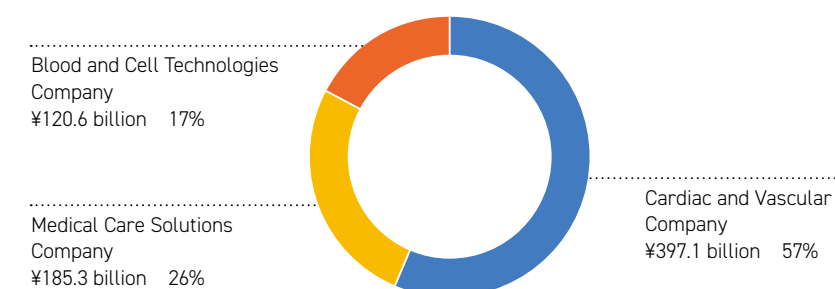
Main Products

Blood bags, blood component collection systems, automated blood processing systems, pathogen reduction systems, centrifugal apheresis devices, cell expansion systems, Rika plasma donation system, etc.

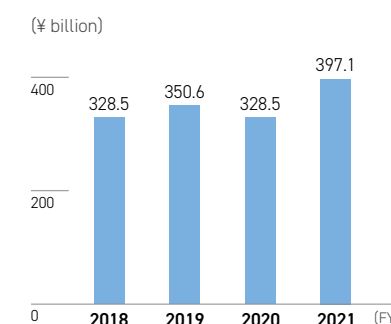
Outcome

Sustaining blood transfusions worldwide, contributing to the advancement of blood and cell treatments

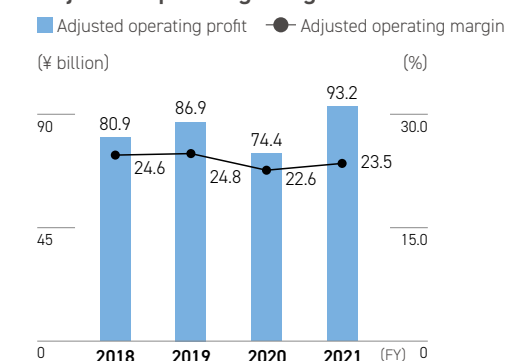
Revenue by Segment (FY2021)



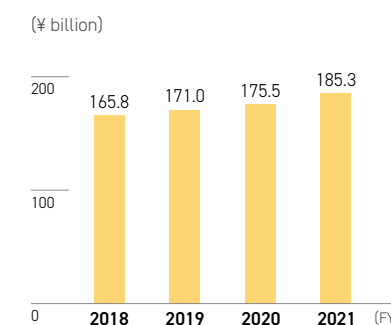
Revenue



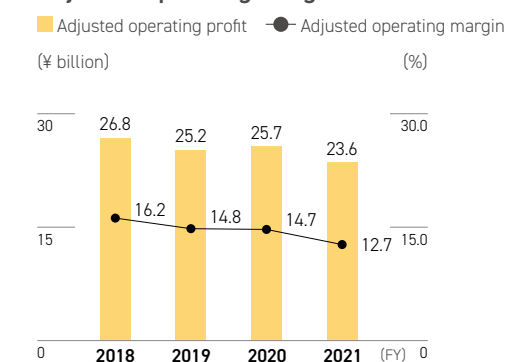
Adjusted Operating Profit/Adjusted Operating Margin



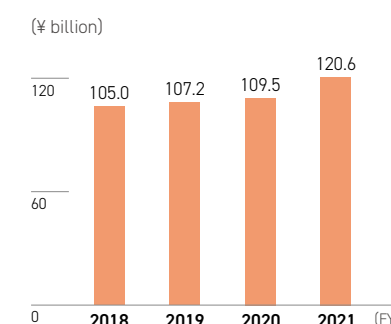
Revenue



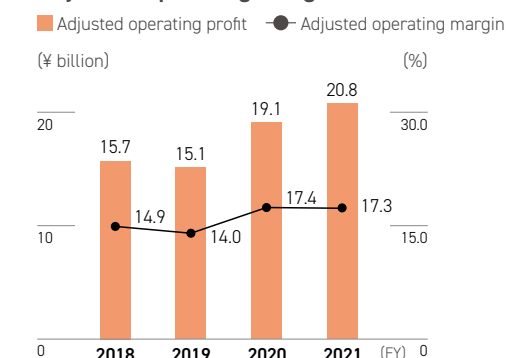
Adjusted Operating Profit/Adjusted Operating Margin



Revenue



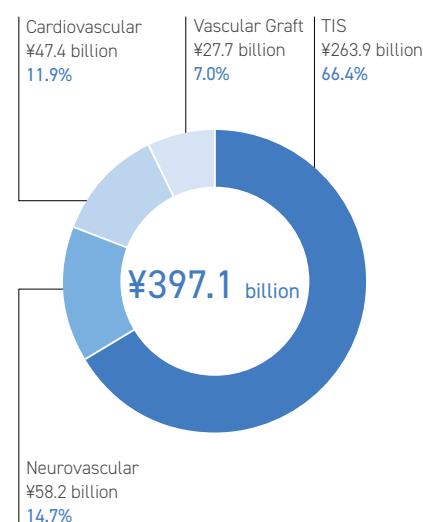
Adjusted Operating Profit/Adjusted Operating Margin



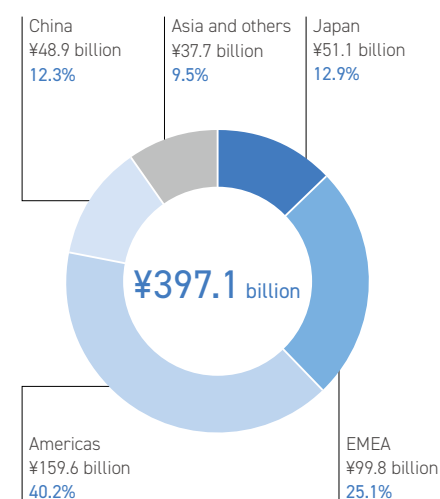
Cardiac and Vascular Company

The Cardiac and Vascular Company aims for further growth based on the three axes of "Expand therapeutic business," "Drive radial access adoption," and "Evolution of operational capabilities." Specifically, we will provide support with pre-operative and post-operative treatments that hew to the patient journey, work to enhance our portfolio in each of our businesses, and expand the target fields for the radial approaches that we have cultivated over the years. We will also make further efforts to ensure a stable supply of products by bolstering our operations infrastructure and making production more efficient through the smart factory concept. Together with customers, we strive to create the next standard of patient care and drive the evolution of medicine on the front lines.

Revenue by Business



Revenue by Region



Fiscal 2021 Performance



Toshihiko Osada

Group Senior Managing Executive Officer
President, Cardiac and Vascular Company
Division President, Interventional Systems Division,
Cardiac and Vascular Company

Environment

Opportunities	Risks
Vascular intervention (TIS Division, Neurovascular Division, Vascular Graft Division [stent grafts]) <ul style="list-style-type: none"> Stronger needs for same-day discharge and shorter hospital stays Growing trend toward minimally invasive treatments, due to the aging of patients being treated Bullish market growth with the expansion of new vascular treatment markets Expand with vascular treatment as an option in the treatment guidelines for cerebrovascular disease Improve device performance and clinical outcomes with stent graft implantation technology for aortic aneurysms 	Vascular intervention (TIS Division, Neurovascular Division, Vascular Graft Division [stent grafts]) <ul style="list-style-type: none"> Responding to more rigorous European Medical Device Regulations (MDR) Preferential treatment for domestic manufacturers and distribution network reforms in China Contraction of existing markets due to the development of new treatment methods Tougher competition due to treatment evidence established by rival firms
Surgical treatment (Cardiovascular Division, Vascular Graft Division [surgical grafts]) <ul style="list-style-type: none"> Steady growth of the market for percutaneous cardiopulmonary support (PCPS/ECMO) Growing markets in emerging economies due to healthcare development and increase in lifestyle diseases resulting from more westernized lifestyles Spread and expand hybrid surgery*1 	Surgical treatment (Cardiovascular Division, Vascular Graft Division [surgical grafts]) <ul style="list-style-type: none"> Responding to more rigorous European Medical Device Regulations (MDR) Ongoing transition from surgical treatment to vascular intervention due to trend toward minimally invasive treatment (market contraction)

*1 Procedure that involves implanting a combined surgical and endovascular device.

Strengths

- Training for medical professionals to promote the spread of techniques using products and the appropriate use of products
 - Strong partnership with KOL*2
 - Fusion of our technologies with those acquired through M&As, and the ability to develop unique, high-quality products
 - Global sales and marketing, and structure for clinical development and regulatory affairs
 - Production structure for the stable supply of high-quality products globally
- Vascular intervention**
(TIS Division, Neurovascular Division, Vascular Graft Division [stent grafts])
- High market share and competitiveness in vascular access products
 - Brand strength as a company promoting minimally invasive treatments and TRI*3
 - Ability to make proposals to customers due to a wide range of product lineups used for vascular treatment
- Surgical treatment**
(Cardiovascular Division, Vascular Graft Division [surgical grafts])
- High market share and competitiveness in oxygenator and surgical graft products
 - Only company in the world to have developed our own fiber*4 for oxygenators, and development and production technology abilities applicable for mass production
 - Ability to develop and deliver products essential to emergency medicine, including ECMO

*2 Key opinion leaders

*3 Solutions that take their approach from the radial artery

*4 One of the materials used in oxygenators

Terumo Interventional Systems Division

To treat the heart (coronary artery), cancer, and illnesses related to blood vessels in the lower limbs, we are developing products related to vascular intervention (blood vessel care using a catheter) which use catheters for treatment. In collaboration with clinical physicians, we are contributing to the development of treatments that are easy on the patient's body (minimally invasive treatment) by, for example, conducting clinical research and training related to trans radial intervention (TRI) techniques.

Neurovascular Division

The Division handles products focused on vascular intervention devices to address cerebral aneurysms and strokes. We will create innovative devices such as our intrasaccular device, and expand the possibilities for cerebrovascular treatments that place less of a burden on the patient.

Cardiovascular Division

The Division handles such products as oxygenators that handle gas exchange of the blood gasses in place of the heart and lungs during cardiac surgery and extracorporeal membrane oxygenation (ECMO) systems that assist the cardiopulmonary functions of patients in emergency cases. Also, the HeartSheet—the world's first regenerative medicine product developed in collaboration with this business—is expected to be a new treatment option for patients with severe heart failure.

Vascular Graft Division

Our Vascular Graft Division (Terumo Aortic) provides artificial blood vessels for surgical procedures and stent grafts used for vascular treatment for use with such diseases as thoracic and abdominal aortic aneurysms and aortic dissection, as well as hybrid products that combine the two. Through this, it contributes to the development of treatments optimized for individual patients.

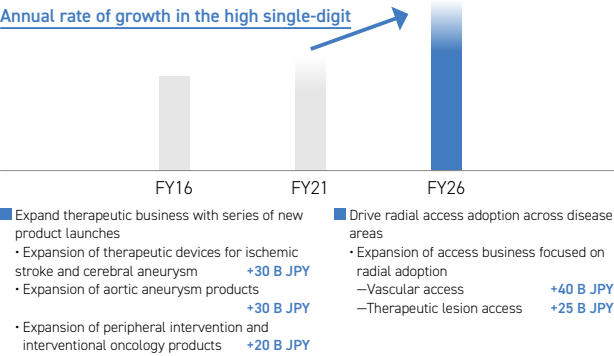
Growth Strategies under GS26 for the Cardiac and Vascular Company

The Cardiac and Vascular Company's growth lies in improving medical cost efficiency, expanding its range of therapeutic products, and leveraging digital services. Improvements to medical cost efficiency are promoted by tackling such issues as early hospital discharges and reducing complications; the dissemination of radial techniques will make contributions in this area. In therapeutic fields with technologies where innovation is possible, we will introduce new products expand both the solutions we offer and the access products that are our foundation. Furthermore, our digital services will expand our personalized solutions offerings and help our operations to evolve such as through production efficiency improvements.

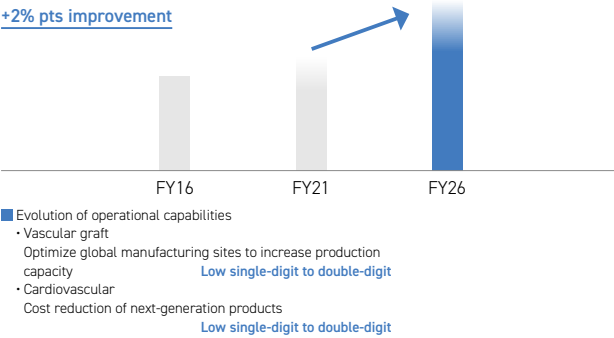
Regarding the quantitative targets set in GS26, we expect sales to increase by ¥80 billion due to the expansion of our therapeutic products such as those for stroke and aortic diseases, as well as lower limb arteries and cancer, and by ¥60 billion or more for the access products that will support the spread of radial techniques. As a consequence, we are aiming for annual growth in the high single-digit range. We are aiming for adjusted operating profit, which represents segment profit, to improve by 2 percentage points from the level for the year ended March 31, 2022.

Revenue and Profit Overview

Revenue

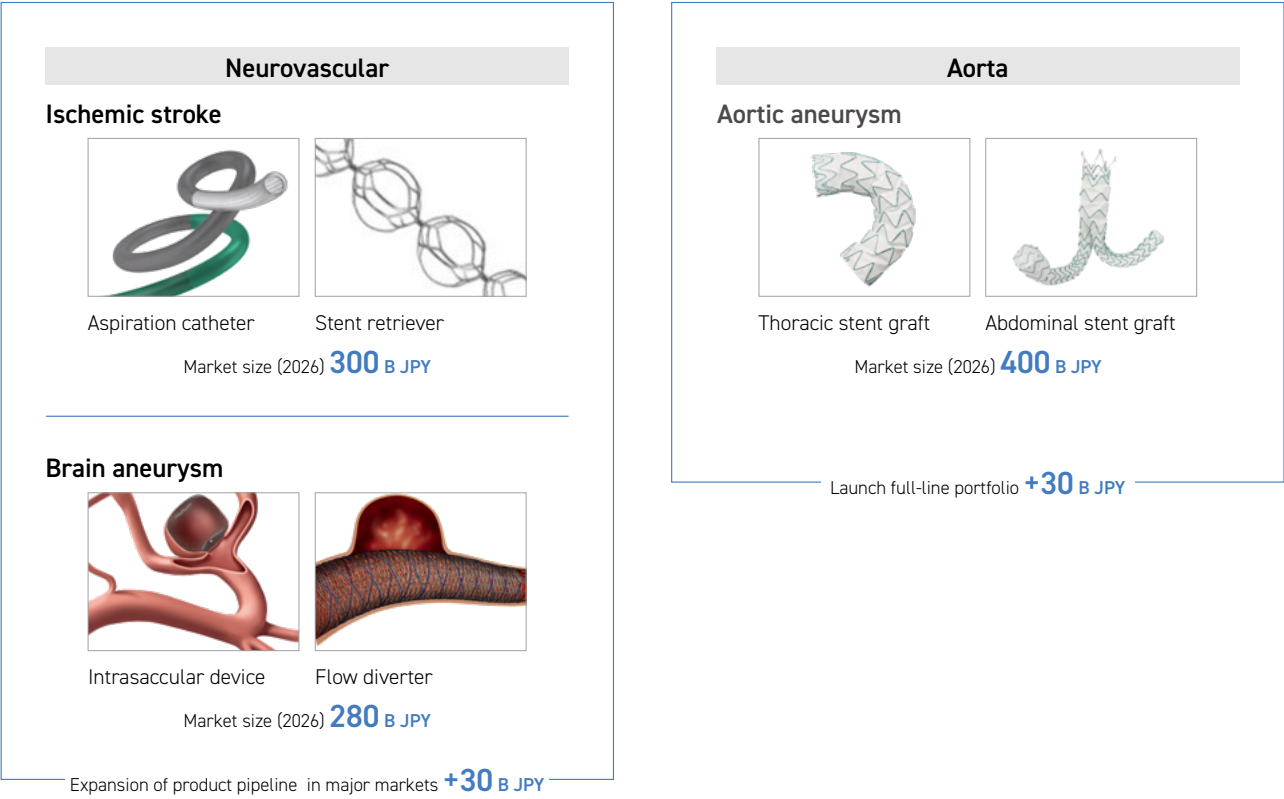


Adjusted Operating Profit



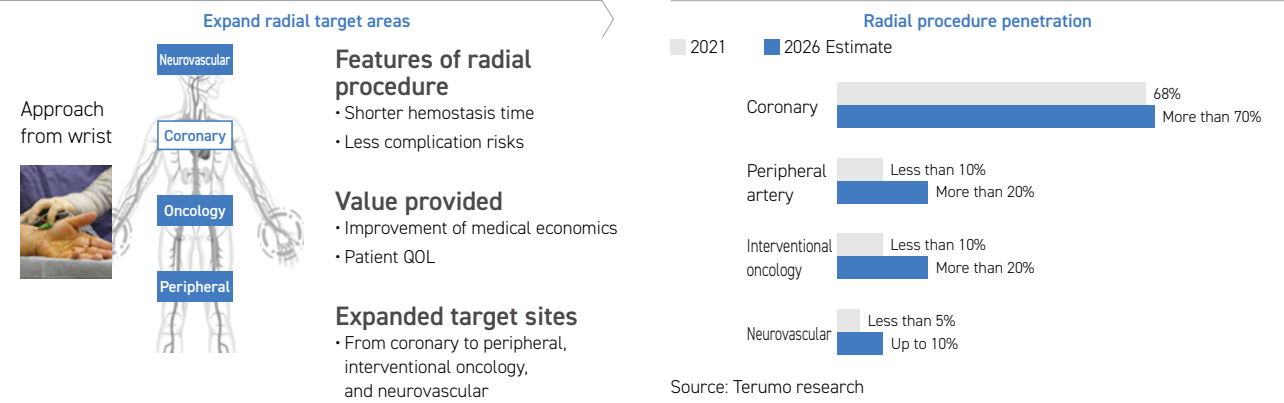
Strategy

Expand Therapeutic Business with New Product Launches

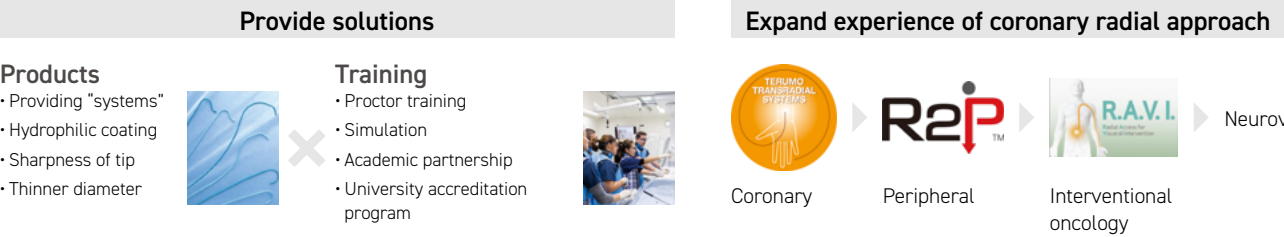


Drive Radial Access Adoption across Disease Areas

Of the two fields where we expect sales growth, in the expansion of our therapeutic products, we will especially bolster those for strokes, cerebral aneurysms, and aortic aneurysms. These will respectively be handled through our Neurovascular Division and our Vascular Graft Division. With these markets continuing to expand, there is an opportunity for Terumo to further expand by, for example, stent retrievers for strokes to its lineup. We are also becoming more competitive in the area of aortic aneurysms, for example by having introduced in the US the first hybrid-type product that combines surgical grafts and stent grafts.

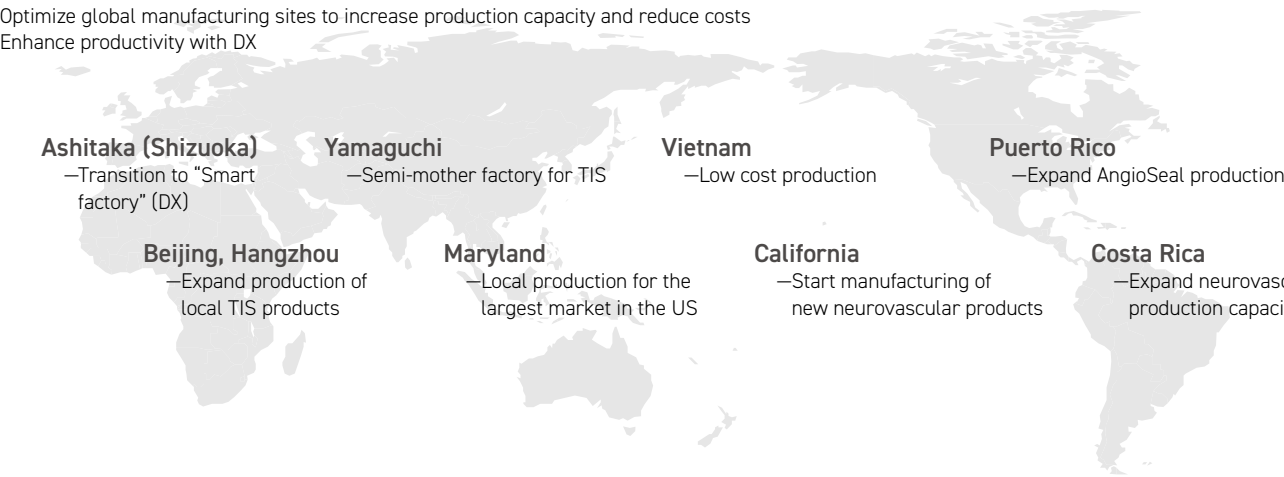


Regarding the spread of radial techniques, their use is still relatively low for relatively new therapeutic areas such as for lower limb arteries and cancer, as well as for cerebral blood vessels. However, as was the case with coronary arteries, this is expected to expand owing to the value it provides in terms of medical cost efficiency and better patient quality of life. Terumo has two strengths that will make this possible in the forms of superior products and training, and it will be able to address our customers' needs.



Evolution of Operational Capabilities

Along with sales growth, the evolution of operations is essential to improving profits. The Cardiac and Vascular Company is working to increase production (stable supply) and reduce costs (bolster profitability) by, for example, utilizing digital transformation, based on the global production network optimization strategy set down in GS26.



Fiscal 2022 Priorities

Terumo Interventional Systems Division

Access field: Spread radial techniques for a cross-section of diseases

- Radial First: Spread and expand radial techniques from the coronary artery to systemic blood vessels, enhance development of related products
- Dominate TLA (Therapeutic Lesion Access): Progreat Lambda, etc. Boost and expand lower limb and cancer lesion access products

Treatment field: Expand lesion treatments

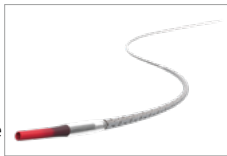
- Coronary artery: Introduce the Ultimaster Nagomi already on the Japanese market to Europe. Improve dominance through the collaboration with Master DAPT that served as large-scale evidence for shortening the time for DAPT (combining the use of two antithrombotic drugs)
- Cancer and embolisms: Increase the possibilities for vascular treatment through QuiremSpheres, AZUR Soft 3D, and AZUR Plug

Operational structure that supports growth

- Expand the production capabilities of Terumo's Yamaguchi and Vietnam factories, produce new products at the Ashitaka factory



TIS Division: Expand and spread radial techniques



TIS Division: Increase the possibilities for vascular treatment



TIS Division: The Vietnam factory

Neurovascular Division

Develop competitive cerebral aneurysm and stroke-related products, and expand regions where they are deployed

- New product development: Development of stent retrievers, enhance lineup of products with X coating
- Regional strategy: Bolster sales abilities in China, Eastern Europe, and Asia where expansion can be expected
- Build evidence: Promote the generation of evidence such as in clinical trials in the fields of stroke and cerebral aneurysm treatment



Neurovascular Division

Cardiovascular Division

Establish a solid business foundation by strengthening operations

- With the termination of TCVS's FDA consent decree (2021), bolster the foundations of business to be able to address future healthcare needs such as new product development, etc.
- Build a new product structure aimed at improving productivity and the stable supply of high market share products including oxygenators



Cardiovascular Division

Vascular Graft Division

Expand global sales through enhancement of product pipelines and bolster the supply chain management to support this

- Expand share and presence in the US market where a full lineup is in place thanks to having brought the thoracic stent grafts Relay Pro and Thoraflex Hybrid to market
- Expand sales globally and bolster regional strategies
- Further product customization with an eye to personalized solutions and further promote new product development
- Build an efficient and stable supply structure for supporting businesses to be expanded (bolster supply chain management)



Vascular Graft Division

TOPICS

Bring Simulation Training to the World as an Education Partner to Medical Professionals

Simulation training is a form of learning that enables learning through experience without putting patients at risk in conditions that simulate the clinical setting. It is a highly valuable form for medical professionals who cannot afford to make mistakes in clinical practice. Terumo is pouring its energies into developing training models and educational programs for use in simulation training. By offering not only products but also high-quality simulation training, Terumo is contributing toward solving issues faced in medical settings.

Simulation Training Delivered in Collaboration with Academic Conferences

In recent years, the TIS Division has been providing simulation training in collaboration with an academic conference. In May 2022, a live simulation training session was held in collaboration with one such conference. Terumo Medical Pranex and the conference venue in Europe were hooked up, and the transmission showed a female doctor at Terumo Medical Pranex learning techniques through simulation training. The TIS Division is also contributing to the training of the young doctors and female doctors who will lead the next generation.



A scene from simulation training

Taking on New Challenges in Order to Continue Providing High-Quality Simulation Training

Providing high-quality simulation training requires high-quality trainers to provide it. The TIS Division launched a program to foster trainers in 2015. Terumo staff from around the world as well as practicing physicians have participated in this program. Meeting face-to-face became difficult due to COVID-19, but even under these conditions the importance of simulation training where participants can learn through mistakes is all the more important. In order to satisfy the expectations of medical professionals, the TIS Division has prepared the digital equipment and reassessed the structure of the program so that participants can study even online (remotely) without losing any of the fundamental value of simulation training. Even conducted online, the training has earned high levels of satisfaction from learners similar to when it was conducted face-to-face.

Education and Training to Spread the More Minimally Invasive Abdominal Blood Vessel Treatment System R.A.V.I.

R.A.V.I. is a minimally invasive abdominal blood vessel treatment system that approaches abdominal blood vessel lesions from the wrist. We are putting our energies on R.A.V.I. training in North America in particular. We offer a variety of training channels in order to provide solutions tailored to medical professionals. R.A.V.I. training includes both face-to-face training and education using digital means. In face-to-face training, students learn the know-how behind techniques through practical educational methods such as simulation training and an individualized course curriculum. Participants can watch the procedures used in the operating room for, say, interventional liver cancer treatment. Digital education includes webinars and hybrid courses that can be attended in person or remotely. Recently, the TIS Division has partnered with a broadcasting organization making it possible to view cases live online. This makes it possible to interact with one another in real-time during procedures and to share knowledge about various techniques. It improves the quality of the educational experience by allowing students to see and learn about actual products and procedures. The TIS Division's R.A.V.I. training continues to provide high-quality training and is one of the key components for successful procedures and improved patient outcomes.

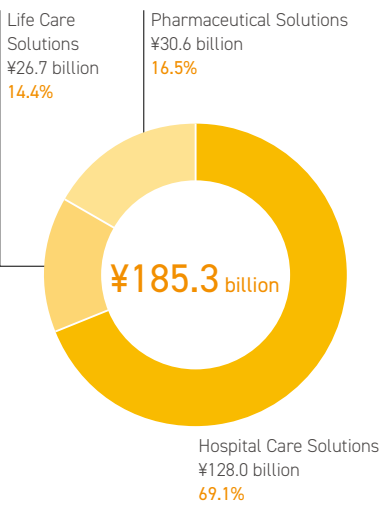


Providing practical teaching and training

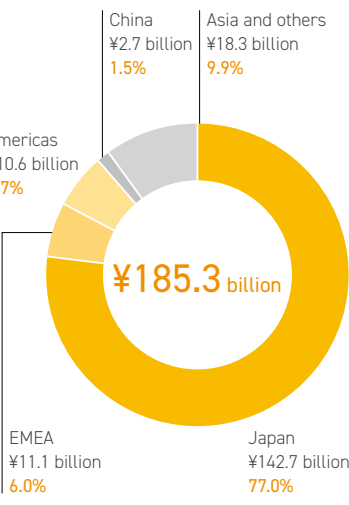
Medical Care Solutions Company

The landscape of healthcare today is facing a paradigm shift. The point of care is not limited to in-hospital treatments but has expanded to in-home care. There are increased needs for a more personalized treatment, as well as improving hospital management efficiency and safety. Under the new brand "Terumo Medical Care Solutions," we work to create "quality time for better care" for everyone involved at medical settings by continuing to propose new solutions for solving issues in medicine closely tailored to the patient.

Revenue by Business



Revenue by Region



Fiscal 2021 Performance



Environment

Opportunities	Risks
Growing senior population and the trend toward multiple and chronic diseases are expanding the venues for medicine and care	
Heightened awareness of infection prevention and guaranteed supply of medical supplies occasioned by COVID-19	<div><ul style="list-style-type: none">• Rising pressure to limit healthcare expenditures and lower prices around the world• Global supply chain risks that surfaced due to COVID-19• Intensified competition due to the entry of different industries with strengths in digital technology and the entry of newly established companies• Tightening in all countries of regulations and quality standards related to medical devices and pharmaceuticals</div>
Digital technology is changing the medical setting, added value of solutions using data is improving	
Continuation and progress in drug innovation, such as expansion of biopharmaceuticals	

Strengths

- Providing products that solve issues in medical settings, as well as solutions for improving hospital operational efficiency, etc.
- Proposals aligned with the patient journey, such as in chronic diseases, in the hospital and home, care and cures (therapy), etc.
- Wealth of experience and ability to resolve issues on the ground from having faced changes in medicine over many years
- Ability and actual results from having produced and supplied high-quality medical devices and pharmaceuticals

Hospital Care Solutions

Solving issues hospitals face by providing solutions to help improve the quality and safety of healthcare

The Hospital Care Solutions Division offers a variety of expertise to address the needs of medical settings, including medical safety, in-facility infection prevention, and cost control. The division develops products that reduce the burden on patients and medical professionals and offer greater usability, provide operational support for medical equipment, and present training programs for medical professionals. By offering solutions to issues that are tough to solve simply by a single product, we contribute to improved treatment safety, workflow efficiency, and better quality of life for patients.

Life Care Solutions

Standing together with patients to propose solutions to fit each patient's needs

The Life Care Solutions Division provides healthcare solutions optimized for patients living with diabetes and other chronic diseases. We contribute to improving patients' prognoses, preventing serious disease, and enhancing quality of life by creating new value for all patients.

Pharmaceutical Solutions

Utilizing unique technologies to add value to pharmaceuticals and contribute to better drug delivery

Using its unique prefilled drug product technology, Terumo offers solutions to pharmaceutical companies by proposing new drug delivery devices. The division leverages its material technology optimized for the characteristics of each drug and utilizes advanced manufacturing technology to design and produce drug-device combination products. Through alliances with pharmaceutical companies, Terumo provides a total solution from clinical trial drug manufacture to full commercialization, contributing to safer and more certain delivery of drugs patients need.

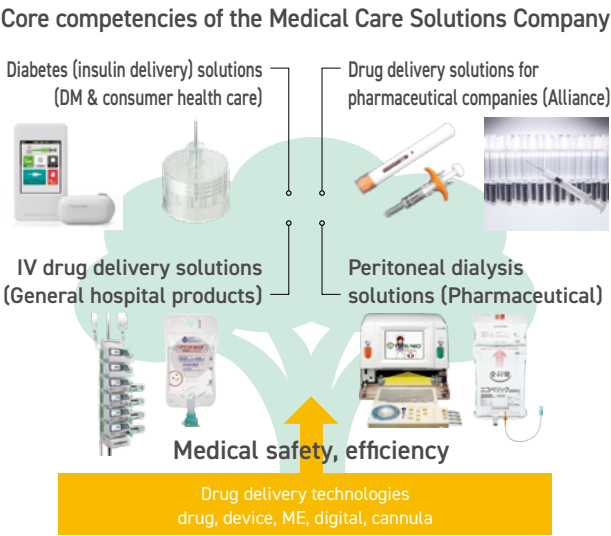
Hikaru Samejima

Group Senior Managing Executive Officer
President, Medical Care Solutions Company

Growth Strategies under GS26 for the Medical Care Solutions Company

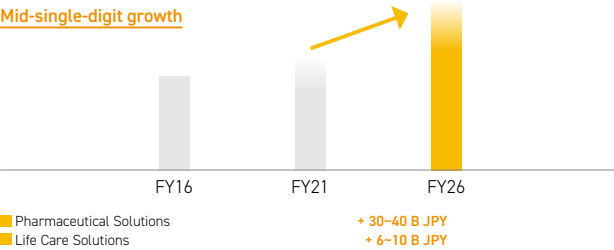
The Medical Care Solutions Company's growth comes from providing solutions that take advantage of the Company's core competencies. The value we provide is to the medical setting, where management efficiency is required along with infection prevention and medical safety; to the chronic disease care setting, which is expanding into the home; and to pharmaceutical companies seeking new value. Globally, we will selectively deploy unique products and services, with a view to also taking on B2B sales.

For the term of GS26, we are aiming for an annual rate of sales growth in the mid-single digits, driven by Pharmaceutical Solutions and Life Care Solutions. We are aiming for adjusted operating profit, which represents segment profit, to grow at a rate that exceeds sales growth. Expanded sales for Pharmaceutical Solutions will contribute to overall growth in our profit ratio as we gradually move forward on changing the Company's portfolio.

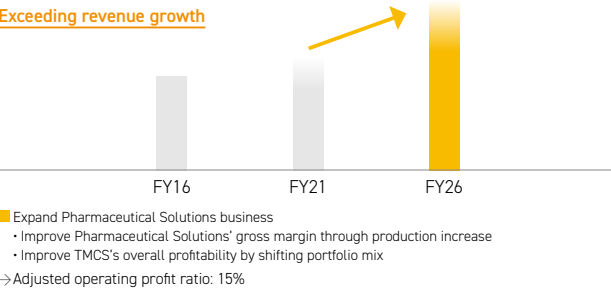


Revenue and Profit Overview

Revenue



Adjusted Operating Profit



Strategy

Hospital Care Solutions

In the area of Hospital Care Solutions, we are deploying drug administration and infection solutions that align with hospital systems. To date, we have already made contributions to medical safety and infection prevention by taking advantage of our strength in having not only medical devices but also pharmaceuticals. Going ahead, we will add to this with our contributions to efficient hospital system operation through data utilization and continue to expand the value we provide.

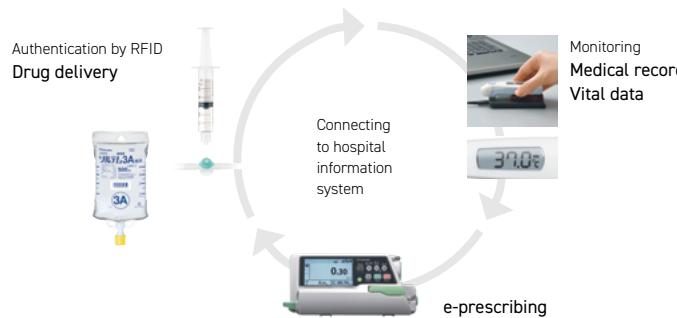
Growth Opportunities through Business Solutions in Hospital Business

Drug delivery solutions

—Develop safe and efficient drug delivery solutions

Infection control solutions

—Analyze infection-related data and propose solutions that improve infection rates and hospital operations efficiency



Life Care Solutions

Life Care Solutions will be accelerating its work on personalized solutions that use digital technology for diabetes care. This is a system that connects and manages continuous glucose monitoring (CGM) devices and insulin pumps with algorithms appropriate for the persons using them such as patients. Ultimately, it will evolve into so-called auto insulin delivery (AID).

DM: Accelerate Personalization with Solution Offerings that Leverage Outside Collaboration

Glooko (US) Collaboration

—Information Management System for measurement data of SMBG, pump, etc.

MICIN (Japan) Joint development

—Digital Healthcare Support System based on blood glucose, dietary, physical activity, medication, and other information

Diabeloop (France) Joint development

—Automated Insulin Delivery System calculates appropriate dose and links CGM with pump



Pharmaceutical Solutions

In the area of Pharmaceutical Solutions, in addition to conventional technologies such as pre-filled syringes, with trends in new drug development also going through changes, we will contribute to further enhancing the value of our pharmaceuticals by deploying new technologies such as patch pumps and intradermal devices.

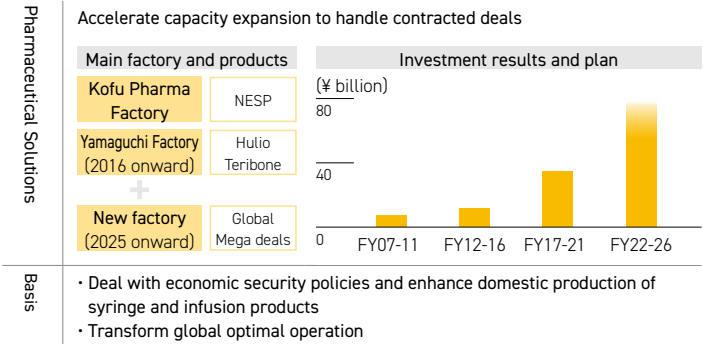
Business Expansion to Pharmaceutical Companies



Operation Strategy

At the Medical Care Solutions Company, too, we will strengthen operations based on the global production network optimization strategy set out in GS26. In Pharmaceutical Solutions, it will be necessary to increase production capacity for projects that have already been commissioned, and we will continue to make capital investments. In other divisions, we will boost our domestic production capacity as a security measure and work to enhance profitability through global production network optimization.

Operation strategy



Fiscal 2022 Priorities

Hospital Care Solutions

Providing total safety and infection control solutions in infusion systems

Based on the guiding principle of "improving safety in drug administration," infusion systems will promote digital health centered on pumps and deploy products and services that contribute to reducing medical accidents such as improper connections. In the field of infection control, we will expand our solutions for hand hygiene and environmental improvement, and accelerate our expansion into Asia.

Providing solutions for improved quality of life, focusing on the perioperative, oncology, gynecology, and renal dialysis fields

In the perioperative, oncology and gynecology fields, Terumo will expand its unique and supportive products and services, such as those for pain relief and reducing the side effects of treatment, as well as for minimally invasive treatment through the spread of spray-type anti-adhesive materials. In the renal dialysis field, we will work to spread the use of new products designed to reduce the burden and offer ease of use of peritoneal dialysis at home. We are also preparing to launch the first neutral dialysis solution in China through Wego Terumo (Weihai) Medical Products Co., Ltd.



Pump system for delivering total safety for infusions



Neutral dialysis solution (product sold in Japan)

Life Care Solutions

Support for patients living with diabetes and other chronic diseases and providing solutions for accurately recording vital signs

We are working to spread and promote the use of continuous glucose monitoring devices and insulin pumps, which are essential for diabetes treatment, and we will work together with people in the medical setting to improve treatment outcomes. We will expand our insulin pump business overseas, and will take steps toward developing digital partnerships both domestically and internationally.



Insulin pump

Pharmaceutical Solutions

Expanding our B2B business by delivering value starts from needs in the medical setting

We have developed and finally begun production of a formulation for on-body injectors (OBI) that is a first even for contract development and manufacturing organizations (CDMO) that deploy unique technologies and solutions. This is also the first product we have developed in the oncology field, and we expect it to serve as a catalyst for the creation of new opportunities for collaboration. Furthermore, we will strengthen the overseas sales and marketing for this business (training of associates) with a view to accelerating promotion to pharmaceutical companies overseas in the future.



Contract development and manufacturing organization (CDMO)

Overall Operation

Boosting production of growth drivers, improving efficiency, and bolstering earning power

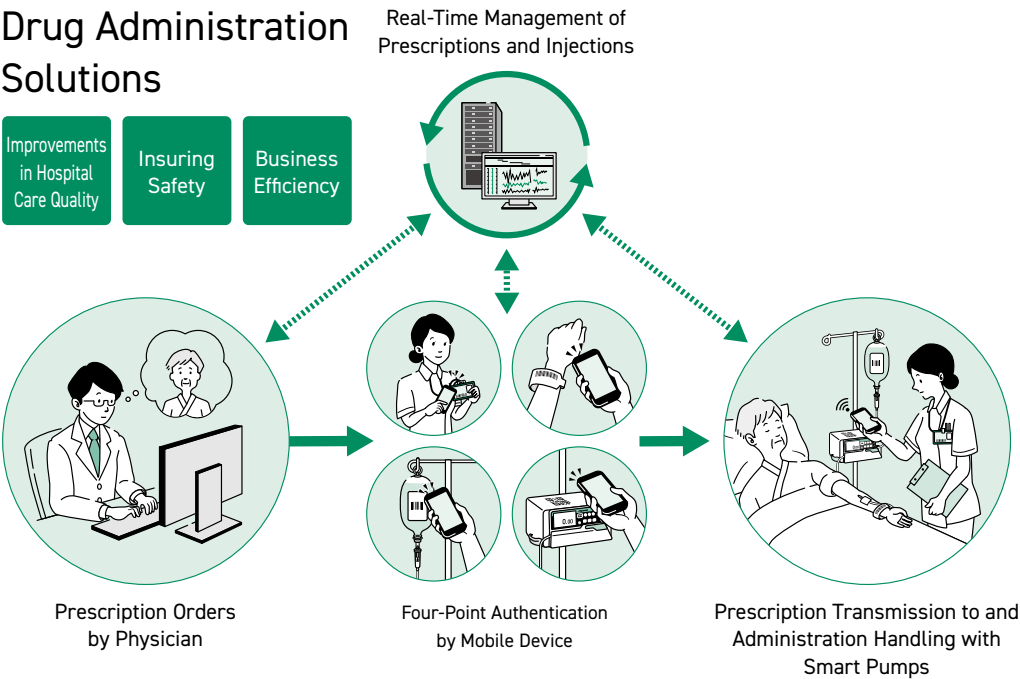
To increase production and the efficiency of growth drivers including our work as a CDMO, and to improve overall operations to boost profitability, we are studying how to optimize production in Asia and working to reorganize the portfolio of our Philippine factory (expansion of medical devices for North America).

TOPICS

Drug Administration Solutions: The Drug Administration Solutions that Terumo Provides

In April 2022, the General Hospital Company changed its name to the Medical Care Solutions Company to deliver new value and solutions to patients and those in the medical setting, taking the first step toward a new century. At the same time, we also launched the Terumo Medical Care Solutions brand. Under this new brand, the Hospital Care Solutions Division will shift from product-centric proposals to offering solutions that capture the entire workflow in hospitals. One such is drug administration solutions.

Safe drug administration requires confirmation of several things during preparation and just before administration: The right patient, right drug, right volume, right method, right time, and right purpose. Care is also required for the safety of medical professionals, including management of the risk of coming into contact with drugs that affect the human body. To meet the needs of medical settings, Terumo in 1963 launched Japan's first disposable syringe and in 1973 Japan's first intravenous solutions in soft plastic bags. Since then, Terumo has developed, manufactured, and proposed both pharmaceuticals and medical devices for drug administration, including infusion sets that make safe administration possible, infusion pumps and syringe pumps that enable precise infusion, and intravenous needles to ensure access to patients' blood vessels. This accumulated know-how is a strength of our Hospital Care Solutions. What's more, in recent years we have proposed solutions for DX in hospitals that entail linking infusion pumps and syringe pumps with in-hospital information systems. These include the automated recording of administration, remote monitoring of operational status, and prescription links that deliver prescription instructions from doctors to infusion pumps and syringe pumps. These solutions contribute to greater efficiency and standardization in the prescription and administration of drugs, and also to improved treatment safety.



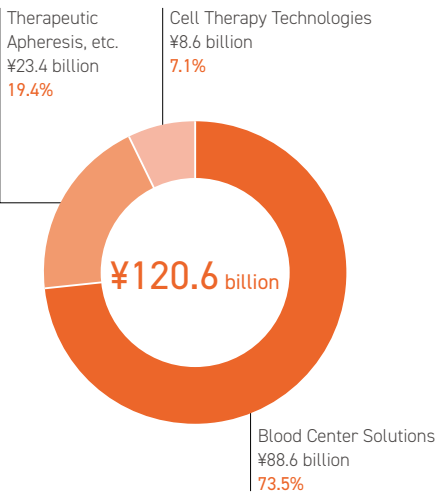
Future Developments

Drug administration does not end with simply administering the drug. A patient's vitals change with administration, and the drug dosage and rate of administration must be adjusted appropriately. In addition to our drug administration products, Terumo provides vital sign measurement systems with communication functions for medical settings. By adding a vital sign measurement system with communication functions to the drug administration system and further expanding the links with in-hospital information systems, we believe it will be possible to achieve a clinical decision support system that can automatically adjust the administration rate according to changes in condition after drug administration and communicate the optimal drug dosage to medical staff. Also, with this system we also aim to contribute to telemedicine in areas where access to medical care is difficult, and to meet medical needs not only in Japan but also in Southeast Asia and other parts of the world. The Hospital Care Solutions Division will further evolve the strength it has cultivated from combining know-how in both pharmaceuticals and medical devices and create new value in drug administration.

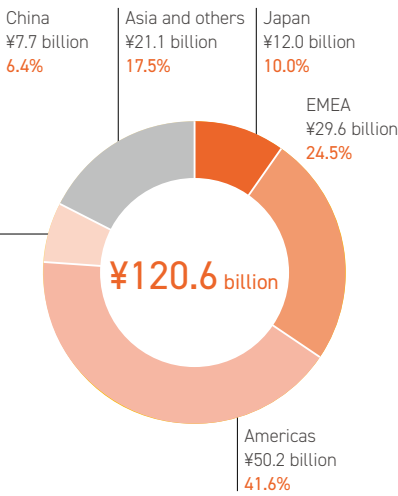
Blood and Cell Technologies Company

There are still many people in the world who do not have access to safe blood, a simple foundation that we take for granted. And we still hear about patients' unmet medical needs around the world. We have technology and capabilities around regulatory and market access to bring accessible innovations to help influence those standards of care and influence whether and how people use our products. We are proud of our contributions to the healthcare with people in spirit and heart.

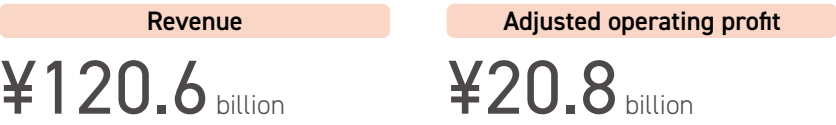
Revenue by Business



Revenue by Region



Fiscal 2021 Performance



Environment

Opportunities	Risks
<ul style="list-style-type: none">Heightened importance among pharmaceutical and biotechnology companies to establish stable manufacturing and build capacity to meet increasing number of commercialized cell and gene therapiesIncreased opportunities for the adoption of new therapies in response to unmet medical needs in the therapeutic apheresis marketGrowth in source plasma collection is returning to pre-COVID levelsRising demand for medical solutions with optimized processes, better productivity, and data connectivity in response to soaring healthcare costs as the population agesDevelopment of precision medicine increasing demand for patient-specific medical information	<ul style="list-style-type: none">Implementation of more stringent regulations increasing the importance of clinical data and quality assuranceDecreased blood donations stemming from a decrease of donorsPotential emergence of drugs, alternative treatments, and disruptive treatments to replace therapeutic apheresis and blood transfusionCustomers modify purchasing patterns to address business continuity concerns and local purchase preferencesIncreased customer concern with protecting the confidentiality, integrity and availability of information and assets from cybersecurity threats

Strengths

- Sophisticated automated cellular and blood component manufacturing processes and data integration systems to deliver better treatment outcomes
- Innovation utilizing a broad product portfolio and an expansive global sales and support network
- Increased manufacturing flexibility with new facilities in the U.S. and Costa Rica
- Partnerships with customers fostered by providing services and clinical support
- Expanded health data analytics capabilities to provide more treatment options to the market
- Strong brand reputation in the blood and blood component market

Blood and cells are indispensable in sustaining our lives, and at the same time, they hold the potential to treat cancer and other serious diseases. The Blood and Cell Technologies Company, which is headed by the subsidiary Terumo Blood and Cell Technologies, provides devices to safely and efficiently process donated blood into blood products and to collect blood components needed for transfusions and cell therapy. The company also offers automation and workflow efficiency solutions to support pharmaceutical companies manufacturing process for cell therapies. The company will continue to advance its unique technologies to provide patients with new treatment options.

Blood Centers Solutions

Realize better quality and efficiency in blood component collection and product preparation processes.

Source Plasma Collection Systems

We develop products and software services for source plasma collection in order to manufacture the plasma fractionation products used in the treatment of rare diseases and the like. We contribute to improved donor safety and greater efficiency in the collection center operations.

Therapeutic Apheresis and Cell Collection

Collect blood components needed for treatment or remove unwanted components.

Cell Processing

Process the cells needed for treatment or research efficiently to support cell therapy development and commercialization.

Antoinette Gawin

Group Managing Executive Officer
President, Blood and Cell Technologies Company
President and CEO, Terumo BCT Holding Corp.

Growth Strategies under GS26 for the Blood and Cell Technologies Company

Blood and Cell Technologies Company: The GS26 Vision

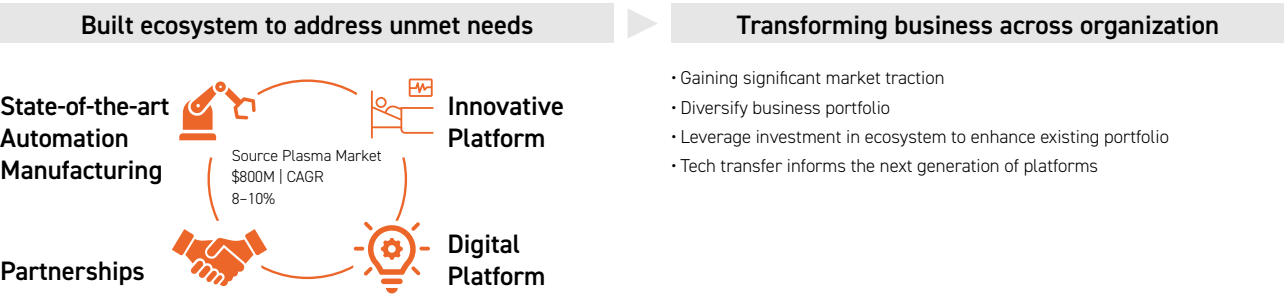
- Provide compelling and accessible innovations globally that unlock the power of blood and cells to improve patient outcomes and serve unmet medical needs
- By inspiring and engaging our associates, we will optimize quality and deliver world-class solutions, earning customer loyalty and setting industry standards
- Revenue: Near double-digit growth / Adjusted operating profit %: Beyond 20%

Growth Strategy

Blood and Beyond	<ul style="list-style-type: none">• Plasma – disrupt market and expand presence beyond US• Cell Therapy – expand market focus and connect patient and cell journey• Therapeutics – selective removal technology for specific diseases
Equipment and Beyond	<ul style="list-style-type: none">• Shape future of blood centers through whole blood automation and services• Improve customer experience: software and service as differentiator• Deploy digital ecosystem for plasma market
Geographic Expansion	<ul style="list-style-type: none">• Deploy full portfolio in markets with high unmet needs: China, Africa, Russia
Operational Excellence	<ul style="list-style-type: none">• Flexible global delivery system, sustaining a continuous improvement culture• Elevate commercial excellence and ability to capture value in the market

Blood and Beyond

■ Plasma: There is a huge unmet need for plasma fractionation products made using plasma. To fill this unmet need, pharmaceutical companies are dealing with such things as expanding the range of indicators. The market for source plasma is growing at an annual rate of 8% to 10%. Pharmaceutical companies need partners that can offer a digital infrastructure that supports better production efficiency and quality, as well as efficient operations. We have built this innovative ecosystem around our new plasma collection system, Rika, and have begun to deliver its value to our partners.

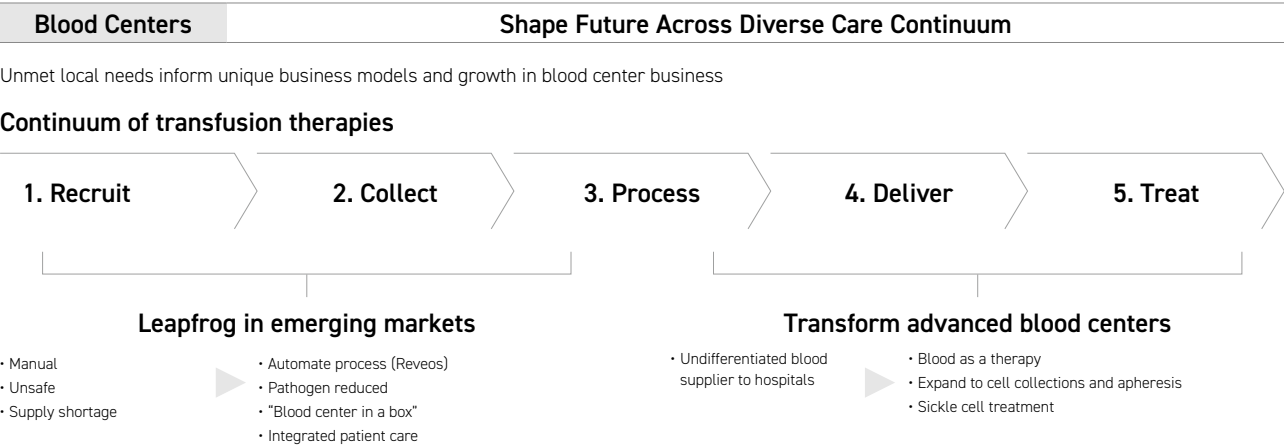


- Cell Therapy: In this field, there are two manufacturing cycles. These are the patient journey, which centers on the collection of a patient's cells in the hospital, and the cell journey that sees the collected cells administered back into the patient. There are demands for a system in this field that will support everything from the hospital to the manufacturing facility. We are taking advantage of our strength that comes from Optia being used in nearly every hospital where they collect cells and linking this with our STAF system and Veda Solutions to create this ecosystem. While this field remains a new one that is growing at a rapid pace, with the lack of a standard framework we are working to ensure that our ecosystem becomes that standard.
- Therapeutic apheresis: In this field, Terumo's Optia is being used around the world as a treatment platform for a variety of therapies. To offer the most recent example, there is the treatment of triple negative breast cancer with selective removal technology. This was achieved through a collaboration between Terumo and Immunicon Inc. Like this, we will offer further new therapy options.

Equipment and Beyond

In the blood center business, we are contributing to the delivery of safe blood to the world. In emerging markets such as those around Africa, we start by helping to create standards for safe blood and by showing people what the safe collection of blood looks like. By working through this to deploy new services and business models, we will contribute to a leapfrogging in development.

Meanwhile, for advanced blood centers, we offer support for a change in customers such as by providing services to increase treatment for sickle cell anemia and encouraging participation in regenerative medicine. If the environment is one where blood can be collected, it may also be feasible to provide related services for collecting cells. Our entire portfolio would support this across the board. We hope to achieve win-win growth by delivering new value even to these blood centers who have traditionally been our customers.

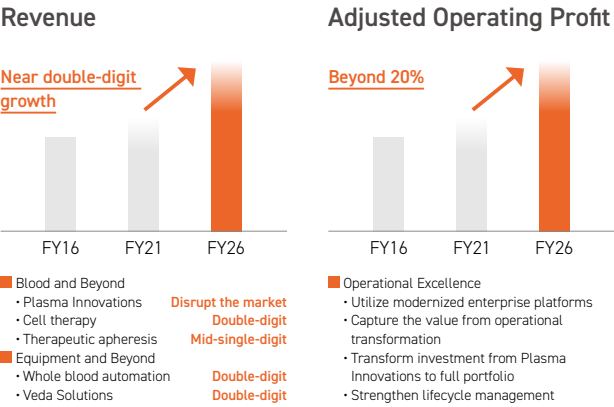


Everything Begins with a Drop of Blood

In the field of blood and cell therapy, Terumo's technologies are already providing value in a variety of settings with grasping the patient's journey from collection to treatment, but there are still unmet needs. We will be generating further innovations during the course of GS26 and beyond that will expand the possibilities of blood and cells and help to cure as many patients as possible.

Revenue and Profit Overview

Next are our revenue and operating profit targets for the period covered by GS26. For sales, mainly through our entry into the plasma business (plasma innovation) and also through expanding the regions in which we operate, we are aiming for growth close to double digits. As for adjusted operating income, we are aiming for a profit ratio that exceeds 20%. This will be achieved through operational excellence, attained for example by deploying our capabilities in such areas as service software development acquired through plasma innovations across our entire portfolio.



Fiscal 2022 Priorities

Blood and Beyond

Plasma Innovation

Rika represents a new era in plasma collections. The system, cleared for use by the Food and Drug Administration (FDA) in March 2022 and successfully completed the first donation in August, is designed to optimize plasma collections to help patients affected by life-threatening illnesses. We are collaborating with CSL Plasma, a leader of plasma-derived therapies, to improve the donor experience.

Breakthrough Cancer Immunotherapy

The agreement with Immunicom, Inc. will help advance a cancer therapy that selectively removes immune inhibitors from a patient's bloodstream. This will result in the combination of our Spectra Optia® Apheresis System with Immunicom's CE marked immuno-oncology LW-02 Column, for application to patients with advanced refractory triple negative breast cancer (TNBC).

Equipment and Beyond

In conjunction with our wide-ranging product portfolio, we are also expanding our service and software support to help our customers excel:

- In blood centers, we shape future of blood centers through whole blood automation system.
- We provide training, software solutions, data analytics and compliance management to improve customers' experiences.
- By deploying digital ecosystems for hospitals, blood centers and pharmaceutical companies, we are helping them to realize enhanced efficiency and operational excellence.

Full Portfolio Globally

- We are actively deploying our existing product portfolio to fast-growing markets.
- We are contributing to enhanced patient access by mobilizing our technology, clinical research, medical affairs and knowledge of relevant systems in individual countries and regions.

Continuous improvement of our operations

- We are committed to making our operations even more efficient and realizing operational excellence to bring further innovation to the market. Costa Rica and Littleton are new family representing our operational excellence.



Source plasma collection system Rika



Spectra Optia



Terumo's broad product portfolios



Trima Accel for deployment worldwide



The Costa Rica factory

TOPICS

Raising the curtain on a new era in plasma collection created by Rika-based ecosystems

Launch in the United States after FDA Clearance

The Rika Ecosystem represents a new era in plasma collections for both donors and plasma collection centers. The Rika Plasma Donation System was cleared for use by the U.S. Food and Drug Administration (FDA) in March 2022. It launched with its first collection on August 4 in a donation center in Aurora, Colorado, operated by CSL Plasma, a global leader in plasma collection. Plasma from human blood is used globally to create therapies crucial to treating patients with a host of life-threatening conditions, such as primary immune deficiencies, hereditary angioedema, autoimmune diseases, hemophilia, and inherited respiratory disease. Plasma is also commonly given to patients experiencing trauma, burns, and organ transplant surgeries. We designed the Rika ecosystem, including the software and services, in response to the industry's need for technological advancement and process improvements to drive efficiency and quality while maintaining donor safety and enabling the collection of more plasma to meet unmet global plasma needs.



Source plasma collection system Rika

Next generation of technology and manufacturing

The Rika technology is an entire ecosystem focused on the operator and donor experience to help meet the worldwide demand for plasma-derived medicines. The ecosystem is comprised of the Rika Plasma Donation System, Myata Customer Service Portal, Kinari Device Management Platform, and other supporting services, such as training and supply chain distribution. With an advanced control system to guide device operators, Rika completes plasma collections in 35 minutes on average and ensures there is never more than 200 milliliters of blood outside the donor's body at one time.

The Myata Customer Service Portal provides a 24-hour source for key management tasks and two-way information exchange, including:

- Forecasting device and disposable needs
- Accessing both operator and service manuals
- Enabling electronic issue management
- Delivering new software releases
- Downloading certificates of compliance
- Accessing learning materials

The Kinari Device Management Platform enables electronic software distribution at the center's convenience.

The ecosystem also includes training modules ready to seamlessly integrate into any electronic learning management system used in the plasma industry. At a length of 5 to 10 minutes, eLearning modules for both operators and service technicians are designed to maximize learner retention and ease refresher training.

State-of-the-Art Manufacturing Facility

A new \$250 million world-class manufacturing plant in Lakewood, Colorado, produces single-use separation sets used with the Rika system. Shinjiro Sato, President and CEO, said at the plant opening ceremony, "This new manufacturing site is a prime example of a strategic investment in an emerging business area, and Rika will revolutionize plasma collection center operations. This new manufacturing site builds upon our work to Contribute to Society through Healthcare, as we look to plasma-based therapies to touch patients around the globe."

Combined, the Rika Ecosystem technology and services deliver a comprehensive program designed to enhance safety, increase productivity, and improve the operator and donor experience. The comprehensive ecosystem can be leveraged for our other focus areas beyond the plasma business.



Collecting plasma using Rika



The Rika ecosystem improves the donor and operator experience