

## Terumo Announces 5-Year Growth Strategy (GS26) to Deliver Solutions to 21<sup>st</sup> Century Healthcare Challenges

TOKYO, JAPAN – December 16, 2021 – Terumo Corporation (TSE: 4543) today announced its new 5-Year Growth strategy (GS26<sup>\*1</sup>) for the fiscal year 2022 to 2026 (April 1, 2022 to March 31, 2027).

Coinciding with Terumo's 100<sup>th</sup> anniversary this year, the GS26 is positioned as a 5-year growth strategy with a vision towards the next decade and beyond. Healthcare today is facing major paradigm shifts. For example, people living with chronic diseases are rapidly increasing due to aging populations, and personalized medicine is gaining traction through the evolution of genomic medicine and artificial intelligence (AI). To embrace the accelerating paradigm shifts in healthcare, Terumo will strengthen its existing businesses and firmly invest in the future.

### Vision for the Next 10 years

#### **From Devices to Solutions**

#### **– Delivering solutions to 21<sup>st</sup>-century healthcare challenges –**

We will contribute by: solving problems of medical settings, developing healthcare ecosystems, and improving patient QOL.

#### **Focus in Solutions: the 3Ds**

##### ■ Delivery: High value-added biological access and delivery for advanced medical care

Terumo will expand vascular intervention to areas and cases that were previously difficult to reach, as well as pioneer in new treatment routes not limited to blood vessels. From this, the company will aim to further spread minimally invasive therapy globally.

##### ■ Digital: Disease-based approach focused on improving long-term patient QOL

Terumo will utilize digital technologies to connect various points of care such as before-and-after-surgery, and inside-and-outside-hospitals. From this, the company will aim to improve treatment adherence rates of chronic illnesses such as heart failure and diabetes.

- Deviceceuticals™: Maximize drug effectiveness through innovative devices  
Terumo will enable optimization in drug dosage, timing and efficacy through the evolution of combination products (pharmaceuticals + devices). The company will accelerate innovation in drug delivery technology and provide more combination products to the market.

## Highlights of 5-Year Growth Strategy

### Financial Targets

	Indicator	Target
<b>Growth</b>	Revenue Growth	5-year average in the high single-digit, and aim for revenue of 1 trillion yen <sup>*2</sup> through continued growth
<b>Profitability</b>	Operating Profit <sup>*3</sup>	20%+ in 5 years <sup>*4</sup>
<b>Capital Efficiency</b>	Return on Invested Capital (ROIC) <sup>*3</sup>	10%+ in 5 years, and maintain ROE 10% or more

### Growth Drivers in GS26

In terms of business segment, growth is expected from the following:

- Therapy (Cardiac and Vascular: ischemic stroke, cerebral aneurysm, aortic aneurysm, interventional oncology, peripheral intervention)
- Access (Cardiac and Vascular)
- TBCT innovations (Blood and Cell Technologies)
- Alliance (General Hospital<sup>\*5</sup>)
- Diabetes (General Hospital)

In terms of geographic segment, U.S. and China regions will drive growth. New B2B business with clients other than hospitals will also be a new growth driver.

Furthermore, Terumo will strongly push Group-wide projects to improve profit by 2% focusing on manufacturing and SG&A.

### Sustainability Management

Terumo will commit to sustainability management from a long-term perspective. The management team will commit to each theme which will be embedded in their performance evaluation and reflected in their compensation.

- ESG: The company defines ESG as the foundation to support value creation. Concrete KPIs linked to operational activities will be set. Some examples of the themes being: achieving carbon neutrality, ensuring the quality and safety of products, ensuring a stable supply of products, and promoting compliance.
- CSV: The company defines CSV as a guidance for social value creation. Concrete monitoring items will be set that are linked to business growth. Terumo will focus on 3 themes:
  1. Spreading medical technologies and services and improving access to healthcare
  2. Providing healthcare that is closely aligned with life of individuals
  3. Co-creating a sustainable healthcare system.

For more details on GS26, please see the presentation materials on our website:

<https://www.terumo.com/investors/>

\*1 Abbreviation for Growth Strategy 2026

\*2 1 USD=107 JPY, 1 EUR=128 JPY

\*3 Impact of new M&A is not included for operating profit and ROIC

\*4 Before adjustment

\*5 The current General Hospital Company will be renamed to Medical Care Solutions Company starting April 1st, 2022

## Disclaimer

Among the information that Terumo discloses, the forward-looking statements including financial projections are based upon our assumptions using information available to us at the time and are not intended to be guarantees of future events or performance. Accordingly, it should be noted that actual results may differ from those forecasts or projections due to various factors. Factors affecting to actual results include, but are not limited to, changes in economic conditions surrounding Terumo, fluctuations of foreign exchange rates, and state of competition.

The market share information in this presentation is partly derived from our own independent research.

## About Terumo

Terumo (TSE:4543) is a global leader in medical technology and has been committed to "Contributing to Society through Healthcare" for 100 years. Based in Tokyo and operating globally, Terumo employs more than 25,000 associates worldwide to provide innovative medical solutions in more than 160 countries and regions. The company started as a Japanese thermometer manufacturer, and has been supporting healthcare ever since. Now, its extensive business portfolio ranges from vascular intervention and cardio-surgical solutions, blood transfusion and cell therapy technology, to medical products essential for daily clinical practice such as transfusion systems, diabetes care, and peritoneal dialysis treatments. Terumo will further strive to be of value to patients, medical professionals, and society at large.