

Financial Results for the Fiscal Year Ended March 31, 2025 (FY2024)

May 14, 2025

Jin Hagimoto
Chief Financial Officer
Terumo Corporation



I'm Terumo's CFO, Hagimoto.

First, I will provide an overview of the year-end financial results for the fiscal year ending March 31, 2025.

Forward-Looking Statements and Use of Document

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. Information about products (including products currently in development) which is included in this material is not intended to constitute an advertisement or medical advice.

Changes in the Segment Names

C&V: Change of business name

Name Before Change	New Name
Interventional Systems Division	Terumo Interventional Systems (TIS)
Neurovascular Division	Terumo Neuro (TN)
Vascular Graft Division	Terumo Aortic (TA)

TBCT: Revision of the disclosure segments

Segments Before Change	New Segments
Blood Center Solutions	Global Blood Solutions (GBS)
Therapeutic Solutions	Global Therapy Innovations (GTI)
Cell Therapy Technologies	

As announced in the press release, as of April this year we have changed some business names and disclosed segments. Please note that today's explanation uses these changed names and segments.

Highlights

FY24 Results

- Revenue exceeded 1 trillion yen for the first time, driven by the US, with company-wide growth of 12%
- Operating profit reached a record high despite a one-time losses of 24.2 billion yen
- Record-high Profit for the Year and Free Cash Flow

FY25 Guidance

- Continued global growth, revenue growth +7% (excluding foreign exchange effects)
- Operating profit growth +32% (excluding foreign exchange effects) due to business expansion and absence of one-time losses

Now, here are the highlights of the financial results.

In FY24, sales revenue surpassed 1 trillion yen for the first time. Revenue growth was 12% over the previous year due to continued demand growth globally, especially in the US, as well as the trend toward a weaker yen.

Operating profit recorded a one-time expense of 24.2 billion yen but achieved a record high profit for the fourth consecutive year due to growth exceeding that amount.

Net income and FCF also reached record highs, respectively.

For the FY25 guidance, we expect continued growth on a global basis, with revenue growth of +7% on a local currency basis.

Operating profit is expected to increase by +32% on a local currency basis due to business expansion and the absence of one-time expenses in the previous year.

Next slide, please.

P&L, FCF

- Revenue: Expanding global demand, driven by TIS and Global Blood Solutions
- Operating Profit: Increase due to sales growth and steady progress in pricing and profit improvement measures, despite one-time losses

100M JPY	FY23 Q4 YTD	FY24 Q4 YTD	Change	Change excluding FX impact	FY23 Q4	FY24 Q4	Change
Revenue	9,219	10,362	12%	9%	2,389	2,639	10%
Gross Profit (%)	4,792 (52.0%)	5,607 (54.1%)	17%	12%	1,243 (52.0%)	1,385 (52.5%)	11%
SG&A Expenses (%)	2,759 (29.9%)	3,074 (29.7%)	11%	8%	737 (30.9%)	818 (31.0%)	11%
R&D Expenses (%)	691 (7.5%)	742 (7.2%)	7%	4%	199 (8.3%)	188 (7.1%)	-6%
Other Income and Expenses	59	-214	-	-	39	-138	-
Operating Profit (%)	1,401 (15.2%)	1,577 (15.2%)	13%	3%	346 (14.5%)	242 (9.2%)	-30%
Adjusted Operating Profit (%)	1,568 (17.0%)	2,034 (19.6%)	30%	20%	371 (15.5%)	441 (16.7%)	19%
Profit before Tax (%)	1,408 (15.3%)	1,546 (14.9%)	10%		351 (14.7%)	227 (8.6%)	-35%
Profit for the Year (%)	1,064 (11.5%)	1,170 (11.3%)	10%		265 (11.1%)	179 (6.8%)	-32%
FCF	649	1,283	98%				

Average exchange rate (USD/EUR) 145JPY/157JPY 153JPY/164JPY

©TERUMO CORPORATION

5

149JPY/161JPY 153JPY/161JPY



These are the PL Results.

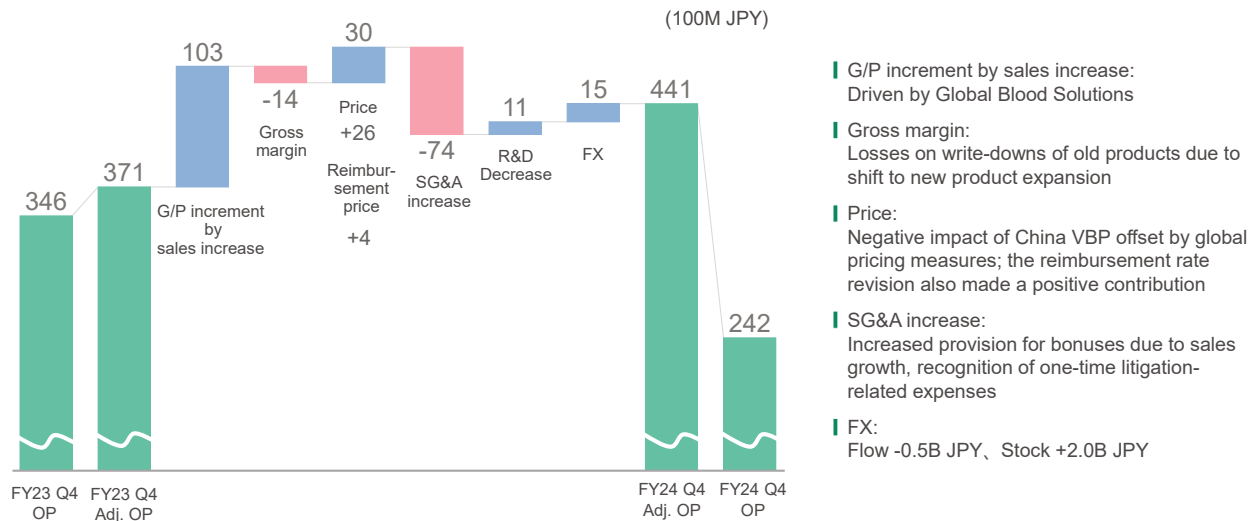
As mentioned at the beginning of this report, sales revenue reached a record high of 1,036.2 billion yen for the full year due to increased demand amid a generally favorable business environment.

Operating profit and adjusted operating profit also reached record highs of 157.7 billion yen and 203.4 billion yen, respectively, through pricing measures, improved manufacturing costs, and expense controls. In particular, in addition to an increase in the amount of profit, adjusted operating profit as a percentage of sales showed a significant 2.6 point improvement.

FCF also increased significantly from the previous fiscal year due to the expansion of operating cashflow, and for the first time, the company was able to generate cash at a scale exceeding 100 billion yen.

Next slide, please.

OP Variance Analysis (Q4): Higher sales driven by continued demand



©TERUMO CORPORATION

6



The following are highlights of profit changes in the fourth quarter compared to the same period of the previous year.

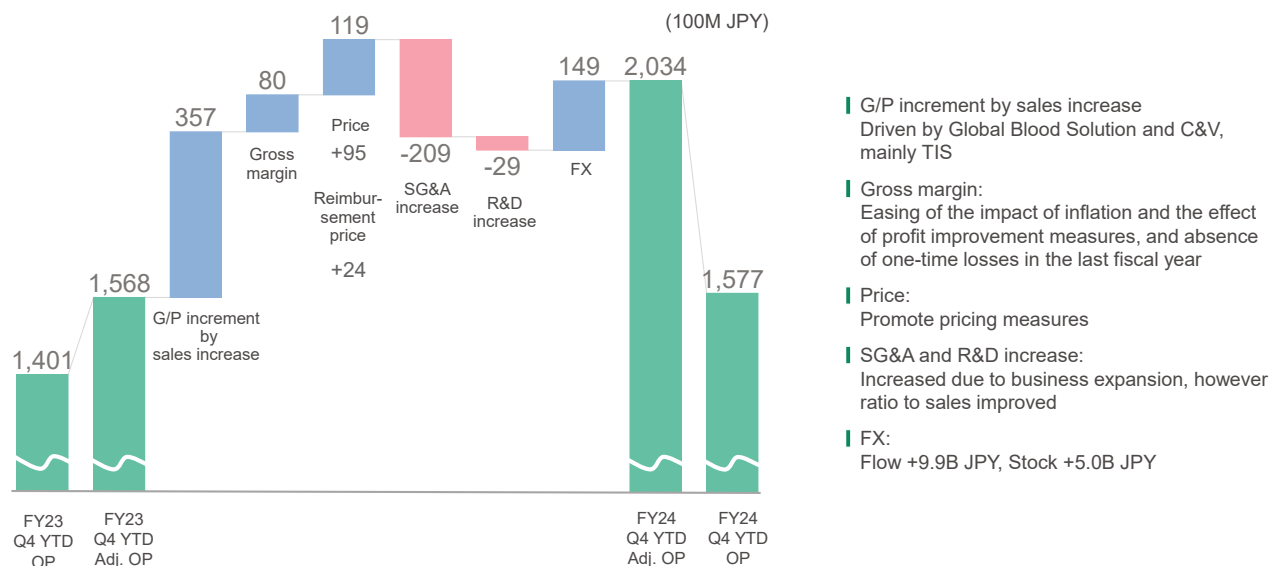
First, the increase in gross profit due to higher sales was driven by Blood Solutions.

The negative gross margin effect was due to the loss on write-down of old products in preparation for the expansion of new products.

General and administrative expenses increased due to additional provision for bonuses added as a result of higher-than-expected sales, as well as one-time litigation expenses.

Next slide, please.

OP Variance Analysis (Q4 YTD): Contribution from pricing measures and strong sales



©TERUMO CORPORATION

7



Next is an analysis of profit changes for the full year.

Overall, the increase in sales was largely due to continued demand growth. In addition to Blood Solutions, the Cardiovascular Company, led by TIS, was a key driver.

The gross margin effect increased significantly, due to the effects of profit improvement measures and easing inflation, as well as an improved mix due to the resolution of supply issues in the last fiscal year and the expiry of one-time expenses.

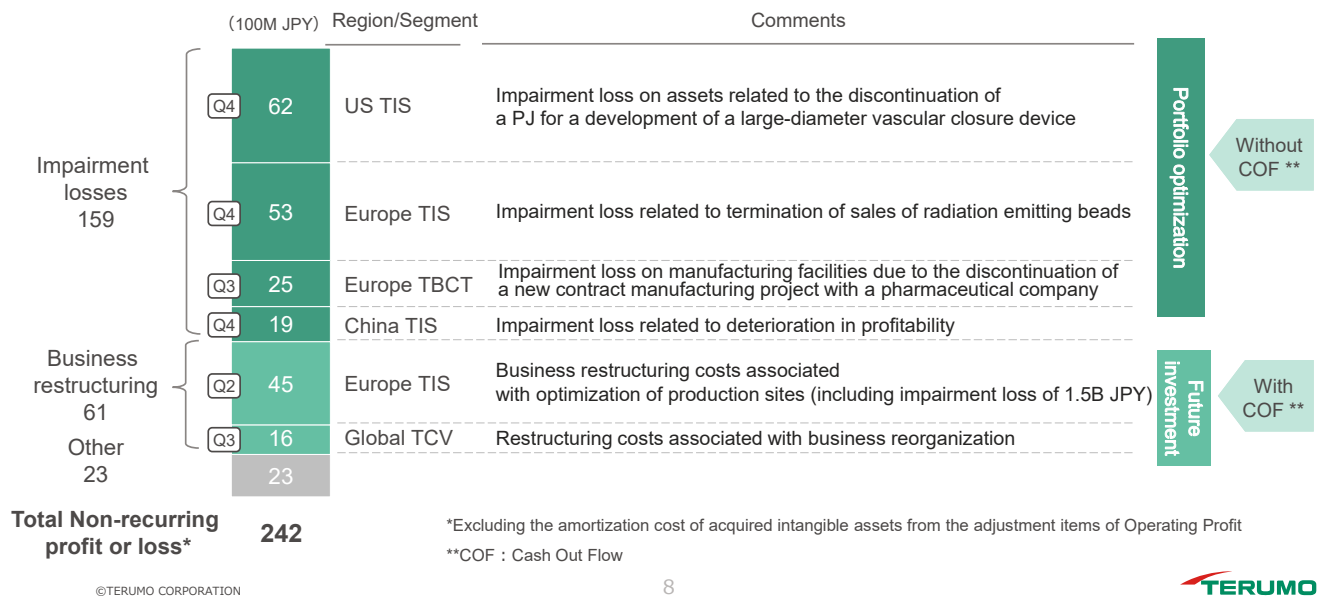
Turning to Price, price declines due to the China VBP were offset by the effects of price increases in Japan and overseas. The reimbursement rate revision is also having a positive effect.

Under "increased general and administrative expenses" we have improved the ratio of general and administrative expenses to sales for the full year.

A breakdown of the impact of exchange rates shows that both flow and stock contributed to increased profits.

Next slide, please

Breakdown of Adjustments of Adjusted Operating Profit (Q4 YTD)



I would like to explain the breakdown of one-time expenses of 24.2 billion yen recorded for the full year of FY24.

This year, looking ahead to the final year of GS26, we conducted an aggressive business review resolving to do what we can now. Specifically, portfolio optimization and restructuring, which are positioned as investments for the future.

Regarding the TIS impairment charge recorded in the fourth quarter, the discontinuation of the project to develop a large-diameter hemostatic device and the termination of sales of radiation-emitting beads were decided strategically, based on profitability and the balance with other projects. We will continue to operate and rebuild our production facilities in China.

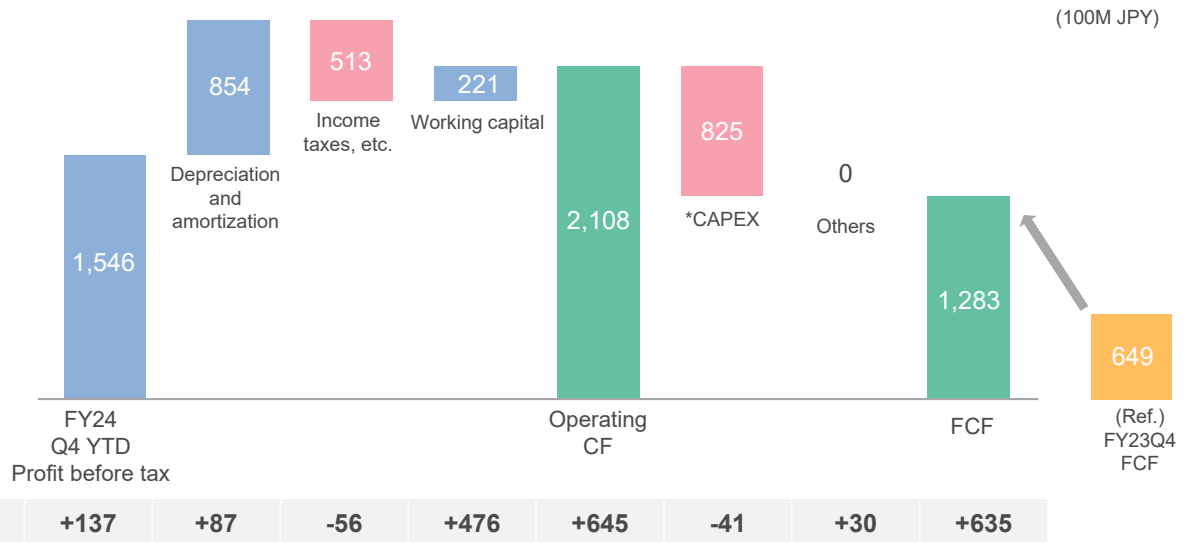
The restructuring of the European TIS business was also a reallocation of resources to further improve the profitability of the TIS business. We closed some plants as we optimized production items with consideration for profitability. At the same time, we are preparing

to reuse resources in business areas that we will focus on more going forward. We will report back at the appropriate time on our specific resource re-utilization policy.

One-time expenses amounted to 24.2 billion yen, but from a cashflow perspective, a cash decrease occurred only in restructuring.

Next slide, please.

Free Cash Flow : 128.3 B JPY (YoY +63.5 B JPY)



*Construction in progress record basis

©TERUMO CORPORATION

9

TERUMO

These are our free cashflow results.

This increased 63.5 billion yen over the same period last year, reaching a record high.

The increase in profits due to business scale expansion contributed to a significant improvement in free cash flow.

Next slide, please.

Revenue by Region: Steady progress globally, driven by US and Europe

C&V: Cardiac and Vascular, TMCS: Medical Care Solutions, TBCT: Blood and Cell Technologies, TIS: Interventional Systems, TN: Neuro, TCV: Cardiovascular, TA: Aortic, HCS: Hospital Care Solutions, LCS: Life Care Solutions, PS: Pharmaceutical Solutions

FY24Q4 YTD Regional breakdown		Revenue (100M JPY)		FY24 Q4YTD YoY change	Comments
		Q4YTD	Q4	() FX Neutral	
Americas 38%	FY22	2,866	742	21% (16%)	All companies posted double-digit growth, even when excluding foreign exchange effects. Driven by TIS and Neuro in C&V and Global Blood Solutions in TBCT
	FY23	3,280	898		
	FY24	3,957	1,051		
	Japan 21%		2,074	503	
		2,111	524		
		2,172	523		
Europe 21%			1,600	414	14% (9%)
		1,915	525		
		2,183	590		
	China 8%		719	153	7% (2%)
		794	194		
		850	185		
Asia and Others 12%			943	209	7% (4%)
		1,118	249		
		1,201	290		

©TERUMO CORPORATION

10



Next is revenue by region.

Steady progress was made in all regions, particularly in the Americas and Europe.

In the Americas, all companies posted double-digit growth even in local currency terms, the highest growth rate among all regions.

In China, TIS rebounded from price declines due to VBP with increased volumes, while Neuro grew substantially due to increased demand.

Next slide, please.

C&V : Significant growth in global sales and profit, driven by US

(C&V: Cardiac and Vascular)		(100M JPY)	
	Q4	Q4YTD	Comments (YTD)
	() FX Neutral		
Revenue	1,217	4,806	TIS : Demand remained strong in Europe and US. Double-digit growth globally, partly due to the resolution of supply issues for some access products
	1,480	5,557	TN : Strong demand continues in all regions, with Europe, US and China driving growth
	1,602	6,244	TCV : Portfolio optimization led to lower sales in some regions, but sales remained well, led by Europe
Adjusted Operating Profit	286	1,122	TA : Led by US and Europe. Hybrid products sales expansion continued
	319	1,239	Profit : Significant increase due to higher sales, improved product mix, profit improvement measures, and pricing measures
	368	1,547	
Profit %	23%	23%	
	22%	22%	
	23%	25%	

©TERUMO CORPORATION

11



I will now examine business performance by Company. First is the Cardiovascular Company.

Sales revenue grew by 8% on a local currency basis and was strong globally, especially in the US.

In terms of growth rate by business segment, Neuro and Aortic led the way.

Profits also increased significantly due to increased revenues and various measures.

Next slide, please.

TMCS : Revenues and profits increased due to strong sales including one-time factors and the effects of pricing measures

(TMCS: Medical Care Solutions)

(100M JPY)

	Q4	Q4YTD	Comments(YTD)	Q4YTD YoY
		() FX Neutral		
Revenue	462 503 515 2%	1,917 1,976 2,112 7% (6%)	HCS Hospital Care Solutions : In Japan, sales increased due to price effects as well as increased volumes of infusion sets. Overseas sales were strong due to increased demand in US	+107
			LCS Life Care Solutions : Decreased sales due to termination of the CGM (Continuous Glucose Monitor) distributorship agreement	-15
Adjusted Operating Profit	22 38 38 -1%	148 198 230 16% (18%)	PS Pharmaceutical Solutions : Slowdown in CDMO business in Japan due to temporary delays, while overseas, PLAJECT is performing well in Europe, US and Asia	+45
Profit %	5% 8% 7%	8% 10% 11%	Profit : Increased due to the effects of pricing measures and control of SG&A expenses	

©TERUMO CORPORATION

12



Next is TMCS, Terumo Medical Care Solutions.

Revenue was driven by the effects of domestic pricing measures in Hospital Care and the strong performance of PLAJECT overseas in Pharmaceuticals.

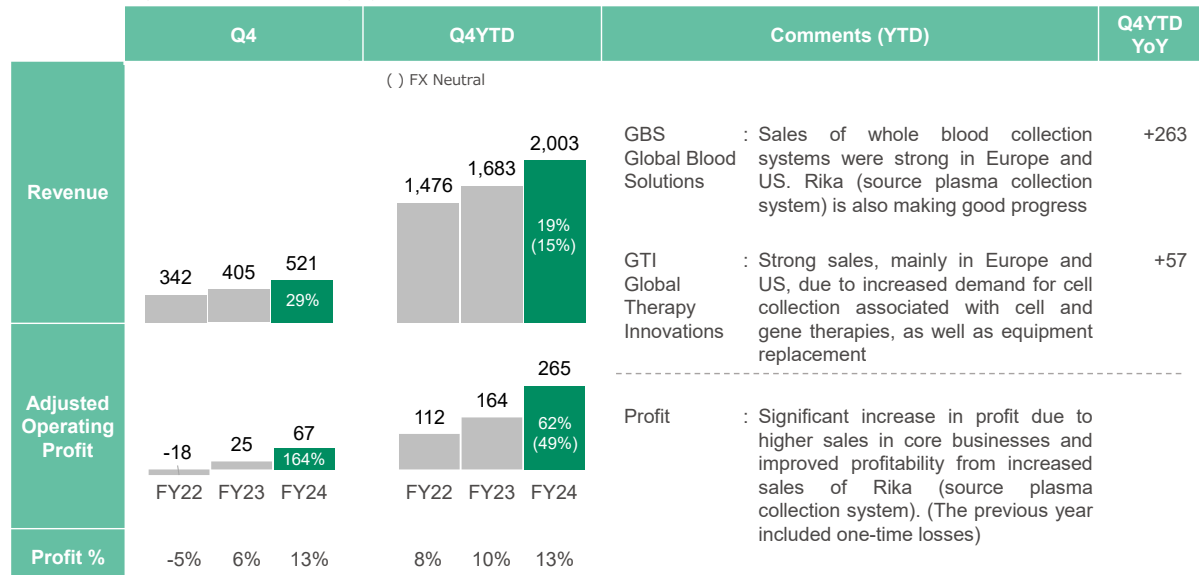
Profits increased due to the effects of pricing measures as well as control of general and administrative expenses.

Next slide, please.

TBCT: Both sales and profit increased due to accelerated development of the plasma innovation business

(TBCT: Blood and Cell Technologies)

(100M JPY)



©TERUMO CORPORATION

13



Lastly is TBCT, Terumo Blood and Cell Technology.

The Plasma Innovations business, included under Blood Solutions, made a large contribution to revenues.

As of today, Rika has been installed in approximately 90% of plasma collection centers.

Profit increased significantly due to higher sales in core businesses and improved profitability at Rika.

Next slide, please.

FY25 Guidance

- Revenue: Continued growth led by Blood & Cell Technologies, +7% growth (excluding exchange rate effects)
- Operating profit : +32% growth (excluding exchange rate effects) due to expanded sales of high-margin products and continuation of profit improvement measures, as well as absence of one-time losses

Amount (100 M JPY)	FY24 Actual	FY25 Guidance	YoY%	FX Neutral YoY%
Revenue	10,362	10,500	1%	7%
Operating Profit (OP %)	1,577 (15.2%)	1,940 (18.5%)	24%	32%
Adjusted Operating Profit (Adj. OP %)	2,034 (19.6%)	2,140 (20.4%)	5%	12%
Profit for the Year	1,170	1,430	22%	
ROIC	7.5%	8.8%		
ROE	8.7%	10.1%		

Exchange Rate (USD/EUR)

153JPY/164JPY

140JPY/160JPY

() FX Neutral

FY25 by Company (100 M JPY)	Revenue		Adjusted Operating Profit		Adjusted Operating Profit %
	Amount	YoY%	Amount	YoY%	
C&V	6,180	-1% (6%)	1,570	1% (8%)	25%
TMCS	2,160	2% (4%)	280	22% (20%)	13%
TBCT	2,160	8% (15%)	300	13% (25%)	14%

(C&V: Cardiac and Vascular, TMCS: Medical Care Solutions, TBCT: Blood and Cell Technologies)

©TERUMO CORPORATION

14



Next is the guidance for FY25.

Revenue growth of +7% on a local currency basis is expected, with continued company-wide growth centered on blood and cell technologies.

Operating profit is expected to grow by +32%, significantly outpacing sales growth, due in part to the absence of one-time expenses from the previous year.

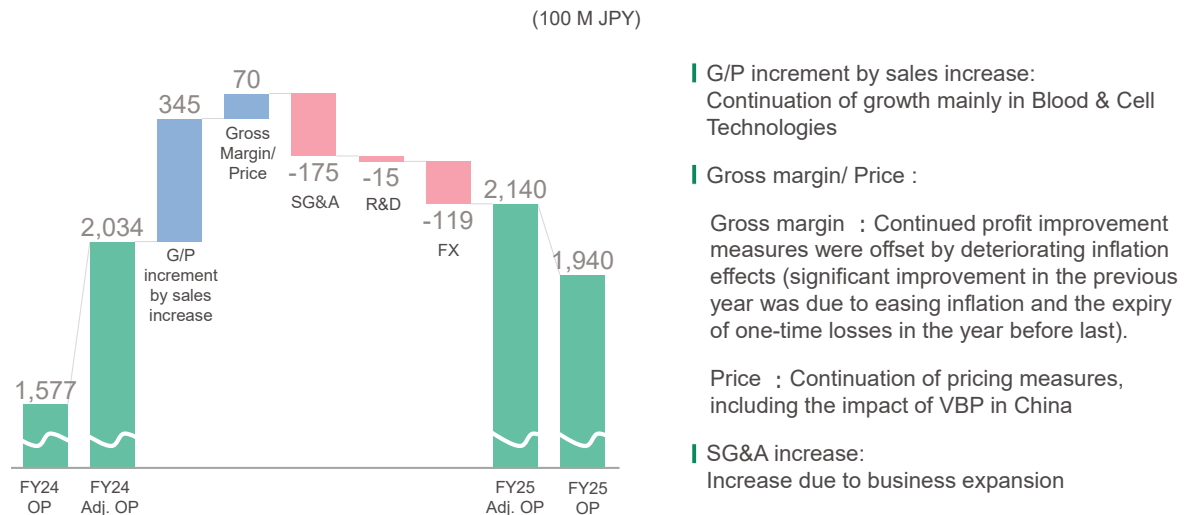
We aim to improve the operating margin by 3.3 percentage points to 18.5% by continuing to focus on company-wide profit improvement measures and cost control, while ensuring the growth of high-profit growth drivers in each company.

We will continue our efforts to improve capital efficiency.

The impact of the US reciprocal tariffs, which is highly uncertain, has not been incorporated in this guidance, but we will explain the impact of the tariffs separately.

Next slide, please.

Profit Variance Analysis (FY25 Guidance)



©TERUMO CORPORATION

15



Factors for affecting profit in the guidance for FY25.

Increased gross profit from higher sales is expected to be driven by higher sales in all companies, led by Blood & Cell Technologies.

The gross margin effect in the previous year was significantly higher due to easing inflation and the removal of the one-time Rika impairment charge the year before last, but is expected to return to normalized speed in the current fiscal year. The effects of continued profit improvement measures are expected to be partially offset by worsening inflation. The fact that depreciation on the new Kofu building, which is scheduled for completion this year, will begin prior to the accrual of sales revenue is also detrimental to the current year's mix.

Under "price," we will continue our domestic and international pricing measures. We have also factored in price declines due to China's VBP.

General and administrative expenses are expected to grow at a healthy rate in line with business expansion.

Next slide, please.

Impact of Tariff Policies in US

■ Main regions affected by tariffs

- | US sales: 60% manufactured in Americas (including Costa Rica and Puerto Rico), imports from Japan is the largest outside Americas
- | China sales: less than 5% imported from US

■ Tariff Impact and Assumptions

- | If tariffs are enforced under current conditions*, the impact on FY25 will be 17.0 billion yen (Adjusted Operating Profit basis)
 - | Impact on Q1 will be minor due to existing inventory, impact will emerge mainly from Q2 onward
 - | Due to the fluid nature of the situation, this has not been factored into the FY25 Guidance
- *Imports to US: 10% from April to June, 24% exports from Japan after July,
Exports to China: 10% as of May 14, 145% in 90 days

■ Responses

- | Assume mitigation of impact through price pass-through
- | Policy trends remain unclear, continue to monitor trends and respond swiftly

I will now give an outlook on the impact of the US reciprocal tariffs. A simple calculation of the impact of tariffs announced at this stage indicates that the maximum impact for the current fiscal year is approximately 17 billion yen.

This estimate is based on the assumption that most of our sales to the US, other than those produced in the Americas, are imported from Japan, and that less than 5% of our sales in China are imported from North America.

Since we already have inventory on site, we assume that the economic impact will be felt from the second quarter onward.

Since the situation remains fluid, we have not factored it into our FY25 guidance, but we will closely monitor the trend and minimize the impact by passing on price increases.

Next slide, please.

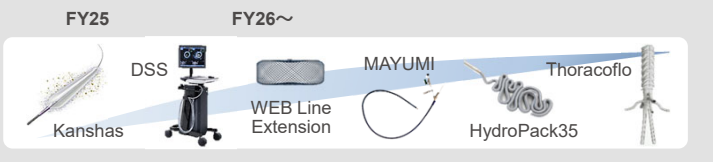
Product and Regional Development in line with Key Measures

● Key measures

C&V

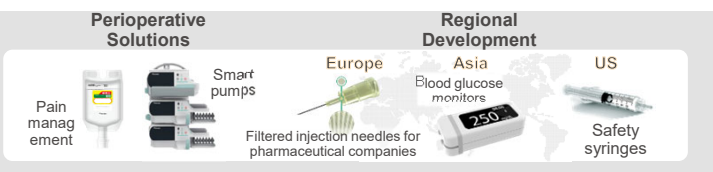
- Growth in market scale segments
Expansion of therapeutic areas
- Adoption of radial access approaches
across diseases

● Products and Regional Expansion



TMCS

- Expand perioperative solutions
- Overseas expansion in line with regional needs



TBCT

- Global deployment of automated whole blood processing system
- Achieve differentiation through software/services



GS26 has two years left to go. Here, I will explain our key measures and product and regional development strategies for FY25 and beyond.

The Cardiac & Vascular Company will continue to expand its therapeutic business and promote radial procedures. Therapeutic devices will strategically put more focus in growth segments.

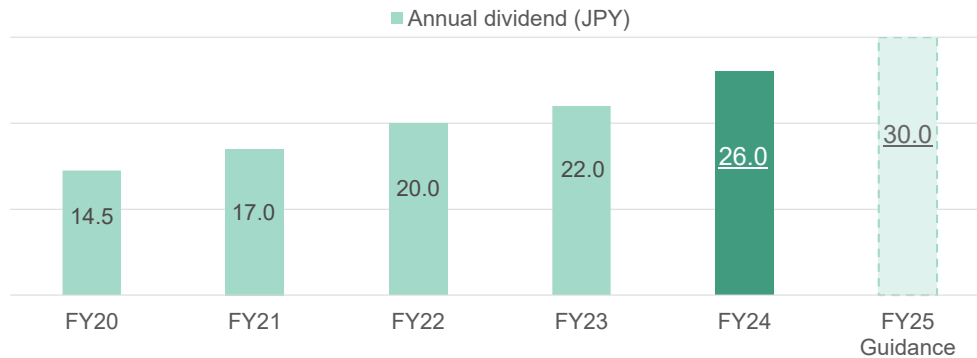
Medical Care Solutions will expand its perioperative solutions with smart pumps with digital IC tag reading capabilities. We will also promote overseas expansion by matching our strengths with regional needs.

In blood and cell technology, we launched Reveos, an automated blood product system using automated whole blood processing, in the US last fiscal year. This fiscal year, we will accelerate our global expansion. At the same time, we will expand our software and service businesses to ensure competitive advantage and differentiation.

Next slide, please.

Dividend Proposal: Continuous increase per shareholder return policy

■ Shareholder return policy: Continue stable increase in dividend, aiming for 50% total payout ratio



FY20-FY23: Dividend amounts per share are adjusted based on the number of shares issued and outstanding as of 1st April 2024

Dividend Payout ratio	28%	29%	34%	31%	33%	31%
Total payout ratio	28%	29%	90%	41%	59%	

Last slide.

Our dividend policy remains unchanged, with stable dividend increases going forward.

The annual dividend for FY24 is expected to be 26 yen per share, with a payout ratio of 33%.

For FY25, we expect to increase the dividend by 4 yen to 30 yen per share, for a payout ratio of 31%.

We will continue to give priority to investment in growth and will consider targeting a total return ratio of 50%, depending on the state of acquisitions and other capital needs.

This concludes my explanation. Thank you for your time.

Reference

P&L (QoQ)

(100M JPY)

		FY23 Q4 (Jan-Mar)	FY24 Q1 (Apr-Jun)	Q2 (Jul-Sep)	Q3 (Oct-Dec)	Q4 (Jan-Mar)
Revenue		2,389	2,582	2,505	2,636	2,639
Gross Profit		1,243 (52.0%)	1,376 (53.3%)	1,395 (55.7%)	1,451 (55.1%)	1,385 (52.5%)
SG&A Expenses		737 (30.9%)	748 (29.0%)	732 (29.2%)	777 (29.5%)	818 (31.0%)
R&D Expenses		199 (8.3%)	174 (6.7%)	194 (7.7%)	187 (7.1%)	188 (7.1%)
Other Income and Expenses		39	-8	-38	-30	-138
Operating Profit		346 (14.5%)	446 (17.3%)	431 (17.2%)	458 (17.4%)	242 (9.2%)
Adjusted Operating Profit		371 (15.5%)	511 (19.8%)	529 (21.1%)	553 (21.0%)	441 (16.7%)
Quarterly Average Rate	USD	149JPY	156JPY	149JPY	152JPY	153JPY
	EUR	161JPY	168JPY	164JPY	163JPY	161JPY

SG&A (QoQ)

(100M JPY)

		FY23 Q4 (Jan-Mar)	FY24 Q1 (Apr-Jun)	Q2 (Jul-Sep)	Q3 (Oct-Dec)	Q4 (Jan-Mar)
Salaries & Wages		373	398	384	406	430
Sales Promotion		54	52	47	54	60
Logistics Costs		51	51	59	56	57
Depreciation and Amortization		66	70	68	70	71
Others		192	178	175	190	200
SG&A Expenses Total (%)		737 (30.9%)	748 (29.0%)	732 (29.2%)	777 (29.5%)	818 (31.0%)
R&D Expenses (%)		199 (8.3%)	174 (6.7%)	194 (7.7%)	187 (7.1%)	188 (7.1%)
Total (%)		937 (39.2%)	922 (35.7%)	926 (37.0%)	963 (36.6%)	1,006 (38.1%)
Quarterly Average Rate	USD	149JPY	156JPY	149JPY	152JPY	153JPY
	EUR	161JPY	168JPY	164JPY	163JPY	161JPY

SG&A (YoY)

(100M JPY)

	FY23 Q4 YTD	FY24 Q4 YTD	YoY	YoY%	YoY% excluding FX impact	FY23 Q4	FY24 Q4	YoY	YoY%
Salaries & Wages	1,429	1,618	188	13%	9%	373	430	57	15%
Sales Promotion	201	213	11	6%	2%	54	60	5	9%
Logistics Costs	193	223	30	15%	12%	51	57	6	12%
Depreciation and Amortization	250	279	29	12%	7%	66	71	5	8%
Others	685	742	57	8%	5%	192	200	7	4%
SG&A Expenses Total	2,759	3,074	315	11%	8%	737	818	80	11%
(%)	(29.9%)	(29.7%)				(30.9%)	(31.0%)		
R&D Expenses	691	742	52	7%	4%	199	188	-11	-6%
(%)	(7.5%)	(7.2%)				(8.3%)	(7.1%)		
Total	3,450	3,816	367	11%	7%	937	1,006	69	7%
(%)	(37.4%)	(36.8%)				(39.2%)	(38.1%)		

Adjusted Operating Profit: Adjustments

(100M JPY)

	FY23 Q4 YTD	FY24 Q4 YTD	FY23 Q4	FY24 Q4
Adjusted Operating Profit	1,568	2,034	371	441
Adjustment 1. Amortization of acquired intangible assets	-200	-215	-54	-54
Adjustment 2. Non-recurring profit or loss	33	-242	29	-146
Operating Profit	1,401	1,577	346	242

<Examples of adjustment items>

- Acquisition related cost
- Lawsuit settlement
- Impairment loss
- Restructuring loss
- Nonlife insurance income
- Loss on disaster
- Other one-time profit & loss

Adjustment 2. Non-recurring profit or loss	FY23 Q4 YTD	FY24 Q4 YTD
Restructuring loss	-23	-75
Profit on sale of shares of Olympus Terumo Biomaterials	13	-
Litigation-related gain or loss	34	-
Impairment loss	-	-179
Gain on sale of TBCT land	-	14
Others	10	-2

CAPEX, Depreciation and Amortization, R&D Expenses

(100M JPY)

	FY21	FY22	FY23	FY24	FY25 Guidance
CAPEX	692	758	784	825	950
Depreciation and Amortization	532	635	702	781	830
Amortization of acquired intangible assets	161	188	200	210	200
Others	371	447	502	571	630

CAPEX = Construction in progress record basis, lease depreciation is not included in Depreciation

FY24 CAPEX (82.5 B JPY)

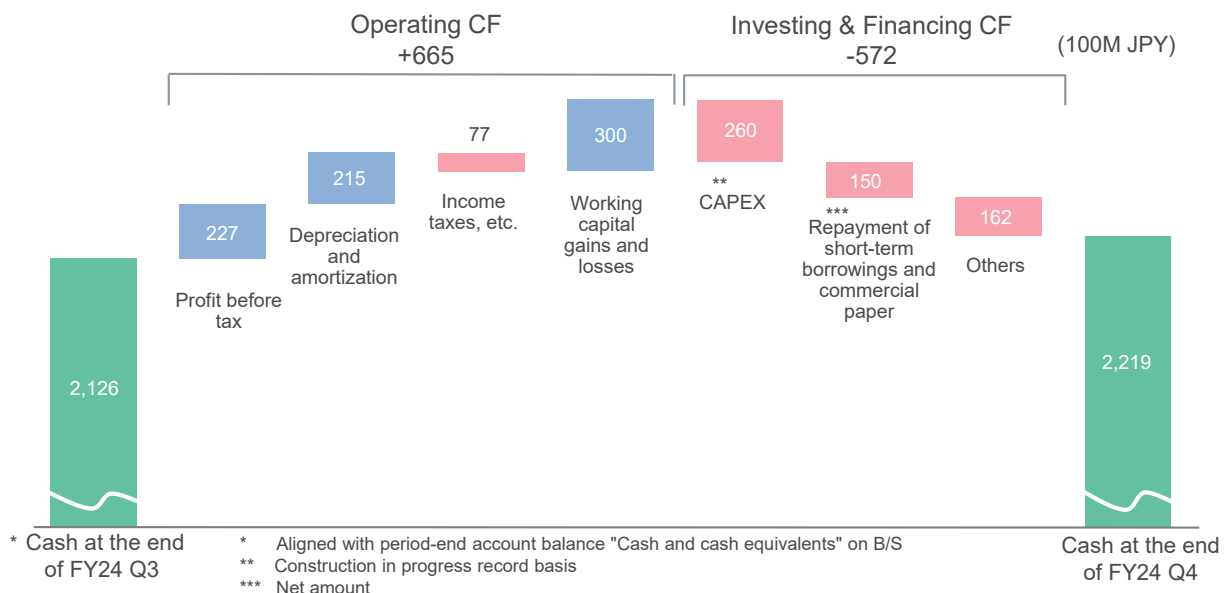
Construction of a new building in the Kofu Plant to strengthen production system for CDMO (contracted development and manufacturing) and others. Other investments include TIS and Blood and Cell Technology production increases, source plasma collection-related, R&D investments, and continued investment in IT, including core systems (SAP)

FY25 CAPEX (95.0 B JPY)

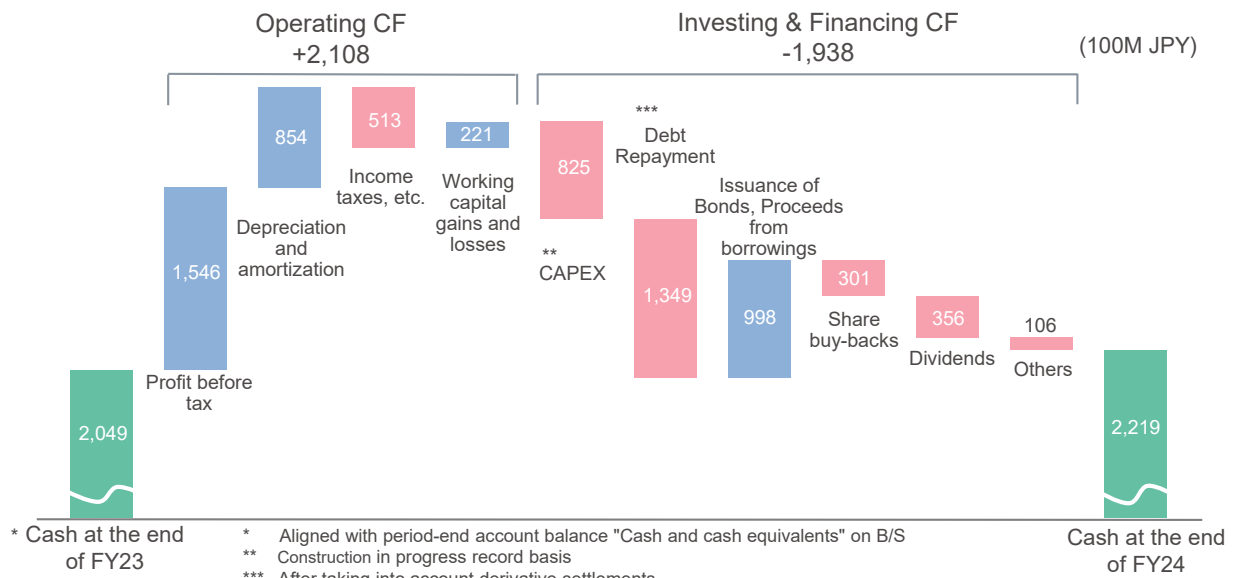
Plan to strengthen production capacity including the projects above, and invest in new growth

	FY21	FY22	FY23	FY24	FY25 Guidance
R&D Expenses	518	616	691	742	715

Cash Flow (Q4)



Cash Flow (Q4 YTD)



Foreign Exchange Sensitivity

Annual impact of 1 JPY depreciation (Flow)

(100M JPY)

	USD	EUR	CNY
Revenue	25	11	39
Adjusted Operating Profit	1	5	23

Impact of 1 JPY depreciation (Stock)

	USD	EUR	CNY
Adjusted Operating Profit	-2.5	-0.6	-2.0

