



November 7, 2024

Consolidated Financial Results for the Six Months Ended September 30, 2024 Terumo Corporation [IFRS]

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 Listing: Tokyo Stock Exchange
 Securities code: 4543
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 Scheduled date to file Semi-annual Securities Report: November 11, 2024
 Scheduled date to commence dividend payments: December 3, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for Securities analysts, Institutional investors)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of the parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended												
September 30, 2024	508,685	14.6	87,716	31.9	85,140	28.2	63,204	26.2	63,204	26.2	4,840	(97.1)
September 30, 2023	443,874	10.1	66,492	18.8	66,428	21.6	50,092	24.2	50,092	24.2	165,402	(11.4)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2024	42.57	42.56
September 30, 2023	33.63	33.62

(Note) Adjusted operating profit September 2024: 103,984 million yen September 2023: 75,594 million yen
 The Company conducted a two-for-one share split of its common stock effective on April 1, 2024. Basic earnings per share and diluted earnings per share have been calculated on the assumption that the share split was carried out at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2024	1,752,260	1,313,508	1,313,508	75.0
March 31, 2024	1,831,402	1,327,090	1,327,090	72.5

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	22.00	—	22.00	44.00
Fiscal year ending March 31, 2025	—	13.00			
Fiscal year ending March 31, 2025 (Guidance)			—	13.00	26.00

(Note 1) Revision from the dividend guidance published most recently: None

(Note 2) The Company conducted a two-for-one share split of its common stock effective on April 1, 2024. For the second quarter and year-end dividends in the year ended March 31, 2024, the amounts of dividends before the share split are recorded. For the second quarter and year-end dividends in the year ending March 31, 2025 (Guidance), the amounts of dividends are recorded after consideration of the effects of the share split.

3. Consolidated Financial Guidance for the Fiscal Year Ending March 31, 2025 (From April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes.)

	Revenue		Adjusted operating profit		Operating profit		Profit for the year attributable to owners of the parent		Basic Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March, 2025	1,010,000	9.6	200,000	27.6	172,000	22.8	124,500	17.0	84.10

(Note 1) Revision of guidance for the fiscal year ending March 31, 2025 published most recently: Yes

Regarding the consolidated financial guidance for the fiscal year, please refer to the November 7, 2024 press release “Notice Concerning Revisions to Full-Year Consolidated Financial Guidance for Fiscal Year Ending March 31, 2025 (FY2024)”.

(Note 2) The Company has resolved at the meeting of the Board of Directors held on August 29, 2024 to acquire its treasury shares. Basic earnings per share is calculated by taking into consideration effects of the acquisition of its treasury shares.

(Note 3) Assumed exchange rate for the fiscal year ending March 31, 2025: USD1=JPY149, EUR1=JPY163

*Notes

(1) Significant changes in the scope of consolidation during the period: None

Newly included: — (Company Name: —)

Excluded : — (Company Name: —)

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: Yes

(ii) Changes in accounting policies other than (i): None

(iii) Changes in accounting estimates: None

Note: Please refer to [attached materials], page 13, “2. Condensed Interim Consolidated Financial Statements (5) Notes to Condensed Interim Consolidated Financial Statements (ii) Changes in accounting policy”.

(3) Number of shares outstanding (common stock)

(i) Number of shares outstanding at the end of the period (including treasury shares)

As of September 30, 2024	1,490,697,280 shares	As of March 31, 2024	1,490,697,280 shares
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(ii) Number of treasury shares at the end of the period

As of September 30, 2024	6,500,675 shares	As of March 31, 2024	5,930,404 shares
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(iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2024	1,484,791,597 shares	Six months ended September 30, 2023	1,489,324,323 shares
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Note: The Company conducted a two-for-one share split of its common stock effective on April 1, 2024.

Number of shares outstanding at the end of the period (including treasury shares), Number of treasury shares at the end of the period and Average number of shares during the period have been calculated on the assumption that the share split was carried out at the beginning of the previous fiscal year.

* Review of Japanese-language originals of the attached consolidated interim financial statements by certified public accountants or an audit firm: None

* Explanation on appropriate use of financial guidance and other special notes

1. Forward-looking statements, including financial guidance, contained in these disclosure materials are based on currently available information and assumptions believed to be reasonable by management. This is not a promise or guarantee by the Company that it will achieve these goals. Actual results may differ significantly due to various factors. For the assumptions that are the premise of the financial guidance and the precautions for using the financial guidance, refer to [attached materials], page 6, “1. Overview of Financial Results for the Six Months Ended September 30, 2024 (4) Guidance, including the Consolidated Financial Results for the Fiscal Year Ending March 31, 2025”.

2. Adjusted operating profit excludes amortization expenses for intangible assets recognized in business combinations and non-recurring profit or loss from operating profit. Adjusted operating profit is the basis for segment profit and is disclosed as it is used as a performance indicator for the Group.

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1. Overview of Financial Results for the Six Months Ended September 30, 2024

(1) Overview of Consolidated Business Results

In the first six months of the current fiscal year (from April 1 to September 30, 2024), the Group's sales trended strongly amid growing demand for products globally and the effects of foreign exchange rates.

Financial results for the first six months are as follows:

(Unit: Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024	Growth (%)	Growth excluding FX impact (%)
Revenue	443,874	508,685	14.6	8.4
Gross profit	228,255	277,021	21.4	12.5
Adjusted operating profit	75,594	103,984	37.6	21.9
Operating profit	66,492	87,716	31.9	15.0
Profit before tax	66,428	85,140	28.2	-
Profit for the period	50,092	63,204	26.2	-
Profit for the period attributable to owners of the parent	50,092	63,204	26.2	-

Revenue by geographic area for the first six months is as follows:

(Unit: Millions of yen)

Geographic area	For the six months ended September 30, 2023	For the six months ended September 30, 2024	Growth (%)	Growth excluding FX impact (%)
Americas	153,699	190,592	24.0	15.7
Europe	89,580	104,008	16.1	6.9
China	41,080	44,562	8.5	1.1
Asia and others	58,454	62,705	7.3	1.1
Overseas total	342,814	401,868	17.2	9.2
Japan	101,060	106,817	5.7	5.7
Total	443,874	508,685	14.6	8.4

Revenue

Revenue totaled ¥508.7 billion, an increase of 14.6% compared to the same period in the previous fiscal year. Overseas, revenue increased by 17.2% year on year owing to increased demand in the TIS (catheter) division and for the blood centers business, along with the effects of foreign exchange rates. In Japan, revenue increased by 5.7% compared to the same period in the previous fiscal year with strong sales of the Hospital Care Solutions division and the Pharmaceutical Solutions division, which pursues alliance business with pharmaceutical companies.

Profit

Gross profit totaled ¥277.0 billion, an increase of 21.4% compared to the same period of the previous fiscal year, because of the higher revenue.

Adjusted operating profit totaled ¥104.0 billion, an increase of 37.6% compared to the same period of the previous fiscal year, because of the higher gross profit.

Operating profit, profit for the period and profit for the period attributable to owners of the parent respectively increased due to the increase in gross profit.

Adjusted operating profit is a non-IFRS performance indicator. Adjusted operating profit excludes amortization expenses for intangible assets recognized in business combinations and non-recurring profit or loss from operating profit. Adjusted operating profit is the basis for segment profit.

Adjusted operating profit is being used as an indicator by corporate management to monitor earnings performance in each business as a part of the goal to achieve sustainable growth in the mid- to long-term. We believe this is also effective data for users of our financial statements to assess the Group's earnings.

Revenue results of the reportable segments are as follows:

(Unit: Millions of yen)

Segment		For the six months ended September 30, 2023	For the six months ended September 30, 2024	Growth (%)	Growth excluding FX impact (%)
Cardiac and Vascular Company	Revenue	265,700	306,264	15.3	7.9
	(Overseas)	239,721	280,231	16.9	8.8
	(Japan)	25,978	26,032	0.2	0.2
Medical Care Solutions Company	Revenue	93,956	104,278	11.0	9.0
	(Overseas)	24,647	29,771	20.8	13.3
	(Japan)	69,308	74,506	7.5	7.5
Blood and Cell Technologies Company	Revenue	84,097	98,009	16.5	9.2
	(Overseas)	78,445	91,865	17.1	9.2
	(Japan)	5,652	6,144	8.7	8.7

Cardiac and Vascular Company

Overseas, revenue increased 16.9% year on year driven by the TIS division and the Neurovascular division, as all businesses recorded growth. In Japan, sales of the Vascular Graft and Neurovascular divisions were strong, but revenue from the TIS division declined, resulting in a slight increase in revenue of 0.2% compared to the same period in the previous fiscal year. As a result, global revenue increased by 15.3% compared to the same period of the previous fiscal year to ¥306.3 billion.

Medical Care Solutions Company

In Japan, revenue increased by 7.5% year on year, amid growing demand for the Hospital Care Solutions division and the Pharmaceutical Solutions division, along with pricing policy. Overseas, revenue increased 20.8% year on year owing to higher revenue mainly in the Americas. As a result, global revenue increased by 11.0% compared to the same period of the previous fiscal year to ¥104.3 billion.

Blood and Cell Technologies Company

Overseas, revenue was up 17.1% year on year as the business for blood centers in the Americas was strong. In Japan, revenue increased 8.7% year on year also owing to the increase in revenue of blood center products. As a result, global revenue increased by 16.5% compared to the same period of the previous fiscal year to ¥98.0 billion.

(2) Overview of Consolidated Statement of Financial Position

Total assets stood at ¥1,752.3 billion, a decrease of ¥79.1 billion. This was mainly attributed to a ¥41.6 billion decrease in goodwill and intangible assets due to the impacts of yen appreciation in foreign exchange rates, a ¥22.7 billion decrease in other financial assets resulting from the settlement of derivatives in connection with the repayment of long-term borrowings, and a ¥10.0 billion decrease in cash and cash equivalents following repayment of long-term borrowings and dividend payments.

Total liabilities came to ¥438.8 billion, a decrease of ¥65.6 billion. This was mainly due to a decrease in bonds and borrowings of ¥57.0 billion, resulting from the repayment of long-term borrowings and a decrease in other current liabilities of ¥7.8 billion due to the payment of bonuses.

Total equity was ¥1,313.5 billion, a decrease of ¥13.6 billion. This mainly reflects an increase from profit for the period of ¥63.2 billion, while the booking of other comprehensive income associated with the impacts of yen appreciation in foreign exchange rates resulted in a ¥58.4 billion decrease and there was a decrease of ¥16.3 billion from dividends from retained earnings.

(3) Cash flow trends for the six months ended September 30, 2024

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024	Change
Cash flows from operating activities	53,579	100,898	47,319
Cash flows from investing activities	(36,105)	(38,840)	(2,734)
Cash flows from financing activities	(29,992)	(65,398)	(35,405)
Cash and cash equivalents at the end of the period	187,313	194,916	7,602

Cash flows from operating activities

Net cash provided by operating activities was ¥100.9 billion. The main factors for this were profit before tax of ¥85.1 billion, depreciation and amortization of ¥41.8 billion, income taxes paid of ¥26.1 billion.

Cash flows from investing activities

Net cash used in investing activities was ¥38.8 billion. The main factors for this were expenditures of ¥31.7 billion for purchase of property, plant and equipment following capital expenditures for manufacturing facilities, and expenditures of ¥6.9 billion for purchase of intangible assets following investment in new IT systems.

Cash flows from financing activities

Net cash used in financing activities was ¥65.4 billion. This was mainly due to proceeds from long-term borrowings of ¥30.0 billion, proceeds from the issue of corporate bonds of ¥69.8 billion, proceeds from settlement of derivatives of ¥25.4 billion, expenditures from repayment of long-term borrowings of ¥160.3 billion, and payments for dividends of ¥16.3 billion.

In addition to the above, there was a ¥6.6 billion decrease from the effect of exchange rate changes on cash and cash equivalents. As a result, the balance of cash and cash equivalents as of the end of the period stood at ¥194.9 billion, down ¥10.0 billion from the end of the previous fiscal year.

(4) Guidance, including the Consolidated Financial Results for the Fiscal Year Ending March 31, 2025

We upwardly revised our full-year consolidated financial guidance for revenue, adjusted operating profit, operating profit and profit for the year attributable to owners of the parent respectively. In addition to strong earnings performance in each business segment, yen is depreciating in value in contrast with our expectation on foreign exchange rates at the start of the fiscal year. For details, please refer to the “Notice Concerning Revisions to Full-Year Consolidated Financial Guidance for Fiscal Year Ending March 31, 2025 (FY2024)” released on November 7, 2024.

2. Condensed Interim Consolidated Financial Statements**(1) Condensed Interim Consolidated Statement of Financial Position**

	(Unit: Millions of yen)	
	As of March 31, 2024	As of September 30, 2024
Assets		
Current assets		
Cash and cash equivalents	204,883	194,916
Trade and other receivables	178,710	164,624
Other current financial assets	26,158	347
Inventories	286,599	286,051
Current tax assets	1,337	1,094
Other current assets	24,426	32,164
Total current assets	722,116	679,198
Non-current assets		
Property, plant and equipment	415,845	412,163
Goodwill and intangible assets	588,225	546,599
Investments accounted for using the equity method	2,410	2,034
Other non-current financial assets	36,368	39,482
Deferred tax assets	19,977	25,325
Other non-current assets	46,458	47,456
Total non-current assets	1,109,286	1,073,061
Total assets	1,831,402	1,752,260

	(Unit: Millions of yen)	
	As of March 31, 2024	As of September 30, 2024
Liabilities and Equity		
Liabilities		
Current liabilities		
Trade and other payables	93,770	93,963
Bonds and borrowings	156,870	15,000
Other current financial liabilities	7,837	7,848
Current tax liabilities	26,467	27,822
Provisions	213	227
Other current liabilities	93,992	86,180
Total current liabilities	379,152	231,043
Non-current liabilities		
Bonds and borrowings	74,978	159,804
Other non-current financial liabilities	30,824	29,360
Deferred tax liabilities	3,025	2,659
Retirement benefit liabilities	5,939	6,054
Provisions	112	127
Other non-current liabilities	10,279	9,703
Total non-current liabilities	125,159	207,709
Total liabilities	504,311	438,752
Equity		
Share capital	38,716	38,716
Capital surplus	51,752	51,640
Treasury shares	(12,436)	(14,106)
Retained earnings	954,679	1,001,404
Other components of equity	294,379	235,853
Total equity attributable to owners of the parent	1,327,090	1,313,508
Total equity	1,327,090	1,313,508
Total liabilities and equity	1,831,402	1,752,260

(2) Condensed Interim Consolidated Statement of Profit or Loss and Condensed Interim Consolidated Statement of Comprehensive Income

(Condensed Interim Consolidated Statement of Profit or Loss)

(Unit: Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Revenue	443,874	508,685
Cost of sales	215,619	231,663
Gross profit	228,255	277,021
Selling, general and administrative expenses	163,254	184,738
Other income	3,149	3,357
Other expenses	1,657	7,924
Operating profit	66,492	87,716
Finance income	1,324	1,758
Finance costs	1,489	4,197
Share of profit/(loss) of investments accounted for using the equity method	100	(137)
Profit before tax	66,428	85,140
Income tax expenses	16,336	21,935
Profit for the period	50,092	63,204
Attributable to:		
Owners of the parent	50,092	63,204
Total profit for the period	50,092	63,204
Earnings per share		
Basic earnings per share (yen)	33.63	42.57
Diluted earnings per share (yen)	33.62	42.56

(Condensed Interim Consolidated Statement of Comprehensive Income)

(Unit: Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit for the period	50,092	63,204
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	661	805
Remeasurements of defined benefit plans	123	(27)
Total items that will not be reclassified to profit or loss	784	778
Items that are or may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	114,426	(59,194)
Cash flow hedges	269	(5)
Cost of hedging	(170)	56
Total items that are or may be reclassified subsequently to profit or loss	114,525	(59,142)
Total other comprehensive income for the period	115,310	(58,363)
Total comprehensive income for the period	165,402	4,840
Attributable to:		
Owners of the parent	165,402	4,840
Total comprehensive income for the period	165,402	4,840

(Note) Items in the above statement are net of tax.

(3) Condensed Interim Consolidated Statement of Changes in Equity

For the six months ended September 30, 2023

(Unit: Millions of yen)

	Equity attributable to owners of the parent					Total	Total equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity		
Balance as of April 1, 2023	38,716	51,759	(11,539)	874,272	157,855	1,111,063	1,111,063
Profit for the period	-	-	-	50,092	-	50,092	50,092
Other comprehensive income	-	-	-	-	115,310	115,310	115,310
Total comprehensive income	-	-	-	50,092	115,310	165,402	165,402
Acquisition of treasury shares	-	-	(2)	-	-	(2)	(2)
Disposal of treasury shares	-	(72)	138	-	(65)	0	0
Dividends	-	-	-	(15,636)	-	(15,636)	(15,636)
Transfer from retained earnings to capital surplus	-	40	-	(40)	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	123	(123)	-	-
Share-based payments	-	(96)	221	-	43	169	169
Total transactions with owners of the parent	-	(127)	357	(15,553)	(145)	(15,469)	(15,469)
Balance as of September 30, 2023	38,716	51,631	(11,182)	908,810	273,019	1,260,996	1,260,996

For the six months ended September 30, 2024

(Unit: Millions of yen)

	Equity attributable to owners of the parent					Total	Total equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity		
Balance as of April 1, 2024	38,716	51,752	(12,436)	954,679	294,379	1,327,090	1,327,090
Profit for the period	-	-	-	63,204	-	63,204	63,204
Other comprehensive income	-	-	-	-	(58,363)	(58,363)	(58,363)
Total comprehensive income	-	-	-	63,204	(58,363)	4,840	4,840
Acquisition of treasury shares	-	(1)	(2,246)	-	-	(2,247)	(2,247)
Disposal of treasury shares	-	(179)	406	-	(226)	0	0
Dividends	-	-	-	(16,332)	-	(16,332)	(16,332)
Transfer from retained earnings to capital surplus	-	120	-	(120)	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	(27)	27	-	-
Share-based payments	-	(51)	170	-	37	156	156
Total transactions with owners of the parent	-	(112)	(1,669)	(16,479)	(161)	(18,423)	(18,423)
Balance as of September 30, 2024	38,716	51,640	(14,106)	1,001,404	235,853	1,313,508	1,313,508

(4) Condensed Interim Consolidated Statement of Cash Flows

	(Unit: Millions of yen)	
	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from operating activities		
Profit before tax	66,428	85,140
Depreciation and amortization	36,788	41,848
Impairment losses	-	3,530
Share of (profit)/loss of investments accounted for using the equity method	(100)	137
Increase/(decrease) in retirement benefit assets or liabilities	(729)	(1,200)
Interest and dividend income	(1,042)	(1,660)
Interest expenses	724	1,091
Foreign exchange (gain)/loss	1,226	(907)
(Gain)/loss on sale and disposal of property, plant and equipment	(159)	(1,333)
Gain on sale of shares of subsidiaries and affiliates	(1,335)	-
(Increase)/decrease in trade and other receivables	(7,166)	8,526
(Increase)/decrease in inventories	(6,939)	(12,649)
Increase/(decrease) in trade and other payables	(7,764)	(628)
Others	(5,024)	4,401
Sub-total	74,904	126,298
Interest and dividend income received	1,872	1,569
Interest expenses paid	(555)	(892)
Income taxes paid	(22,641)	(26,076)
Net cash provided by operating activities	53,579	100,898
Cash flows from investing activities		
Payments into time deposits	(789)	(211)
Proceeds from withdrawal of time deposits	-	1,399
Payments for purchase of property, plant and equipment	(28,175)	(31,697)
Proceeds from sale of property, plant and equipment	667	2,412
Payments for purchase of intangible assets	(9,676)	(6,859)
Payments for purchase of financial instruments	(930)	(3,784)
Payments for acquisition of shares of subsidiaries, affiliates and other businesses	(122)	(98)
Proceeds from sale of shares of subsidiaries and affiliates	2,921	-
Net cash used in investing activities	(36,105)	(38,840)

	(Unit: Millions of yen)	
	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Cash flows from financing activities		
Proceeds from short-term borrowings	-	20,000
Repayments of short-term borrowings	-	(20,000)
Proceeds from long-term borrowings	-	29,969
Repayments of long-term borrowings	(646)	(160,278)
Proceeds from issue of corporate bonds	-	69,826
Payments for redemption of corporate bonds	(10,000)	-
Repayments of lease liabilities	(3,713)	(4,001)
Payments for purchase of treasury shares	(2)	(2,248)
(Increase)/decrease in deposits for purchase of treasury shares	-	(7,754)
Payments for dividends	(15,630)	(16,331)
Proceeds from settlement of derivatives	-	25,420
Net cash used in financing activities	(29,992)	(65,398)
Effect of exchange rate changes on cash and cash equivalents	12,510	(6,627)
Net increase/(decrease) in cash and cash equivalents	(8)	(9,966)
Cash and cash equivalents at the beginning of the period	187,322	204,883
Cash and cash equivalents at the end of the period	187,313	194,916

(5) Notes to Condensed Interim Consolidated Financial Statements

(i) Going concern assumption

Not applicable

(ii) Changes in accounting policy

The Group has adopted the standard and interpretation below from the six-month period ended September 30, 2024.

	Standard/Interpretation	Outline of the new standards, interpretations and amendments
IAS 1	Presentation of Financial Statements	Clarification of requirements for classifying liabilities as current or non-current Amendment of requirement to disclose information about non-current liabilities with covenants

There is no material effect of adopting the amendment on the Group's condensed interim consolidated financial statements for the six months ended September 30, 2024.

(iii) Segment information

(1) General information on reportable segments

The reportable segments of the Group represent business units which have available discrete financial information and are reviewed regularly at the Board of Directors meeting to make decisions about allocation of management resources and assess segment performance.

The Group adopts an in-house company system classified by product groups. The headquarter of each in-house company plans their own comprehensive domestic and international strategies and conducts their own business activities.

Therefore, the Group consists of three reportable segments, Cardiac and Vascular Company, Medical Care Solutions Company, and Blood and Cell Technologies Company, which are organized by the product groups based on the in-house company system.

(2) Reportable segment information

Revenue and operating results of the reporting segments of the Group are described below.

For the six months ended September 30, 2023

	Reportable Segments				Adjustments (Note 1)	(Unit: Millions of yen) Amount recorded on condensed interim consolidated financial statements
	Cardiac and Vascular Company	Medical Care Solutions Company	Blood and Cell Technologies Company	Total		
Revenue						
Revenue from sales to external customers	265,700	93,956	84,097	443,754	119	443,874
Segment profit (Adjusted operating profit)	57,641	8,317	10,649	76,608	(1,014)	75,594
(Adjustment items)						
Amortization of intangible assets acquired through business combinations	(4,641)	-	(5,191)	(9,833)	145	(9,687)
Non-recurring profit or loss (Note 2)						585
Operating profit						66,492
Finance income						1,324
Finance costs						(1,489)
Share of profit/(loss) of investment accounted for using the equity method						100
Profit before tax						66,428

(Note 1) Amounts in “Adjustments” are as follows:

- (1) ¥119 million adjustment to Revenue from sales to external customers is mainly proceeds from outward temporary staffing that is not attributable to reportable segments.
- (2) ¥(1,014) million adjustment to Segment profit consists of ¥(1,398) million for preparation expenses to comply with Medical Device Regulation in the EU and ¥(790) million for inventories.

(Note 2) ¥585 million Non-recurring profit or loss mainly includes ¥1,335 million for gain on sale of shares of subsidiaries and affiliate, which is related to the sale of shares of Olympus Terumo Biomaterials Corporation and ¥(750) million for business reorganization expenses.

For the six months ended September 30, 2024

(Unit: Millions of yen)

	Reportable Segments				Adjustments (Note 1)	Amount recorded on condensed interim consolidated financial statements
	Cardiac and Vascular Company	Medical Care Solutions Company	Blood and Cell Technologies Company	Total		
Revenue						
Revenue from sales to external customers	306,264	104,278	98,009	508,552	132	508,685
Segment profit (Adjusted operating profit)	76,875	12,744	13,195	102,816	1,168	103,984
(Adjustment items)						
Amortization of intangible assets acquired through business combinations	(5,084)	-	(5,622)	(10,706)	(194)	(10,901)
Non-recurring profit or loss(Note 2)						(5,366)
Operating profit						87,716
Finance income						1,758
Finance costs						(4,197)
Share of profit/(loss) of investment accounted for using the equity method						(137)
Profit before tax						85,140

(Note 1) Amounts in “Adjustments” are as follows:

- (1) ¥132 million adjustment to Revenue from sales to external customers is mainly proceeds from outward temporary staffing that is not attributable to reportable segments.
- (2) ¥1,168 million adjustment to Segment profit consists of ¥(1,078) million for preparation expenses to comply with Medical Device Regulation in the EU and ¥2,165 million for inventories.

(Note 2) ¥(5,366) million Non-recurring profit or loss mainly includes ¥(6,594) million for business reorganization expenses and ¥1,355 million for a gain on sale of land.

(iv) Impairment of non-financial assets

¥3,530 million for an impairment loss recorded in the six months ended September 30, 2024, includes ¥1,246 million for an impairment loss due to the decision to terminate further development of a certain project in the Cardiac and Vascular Company.

The recoverable amount was measured based on the value in use, and the value was determined to be zero. The impairment loss in capitalized development costs is included in “Selling, general and administrative expenses” in the Condensed Interim Consolidated Statement of Profit or Loss.