



February 13, 2025

## Consolidated Financial Results for the Nine Months Ended December 31, 2024 Terumo Corporation [IFRS]

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 Listing: Tokyo Stock Exchange  
 Securities code: 4543  
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 Scheduled date to commence dividend payments: —  
 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 nine months ended December 31, 2024 (from April 1, 2024 to December 31, 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	%
Nine months ended												
December 31, 2024	772,235	13.1	133,496	26.5	131,828	24.7	98,622	23.4	98,622	23.4	141,907	(1.9)
December 31, 2023	682,951	10.5	105,519	12.8	105,743	14.8	79,897	13.8	79,897	13.8	144,662	4.0

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	66.53	66.51
December 31, 2023	53.66	53.64

(Note) Adjusted operating profit December 2024: 159,301 million yen December 2023: 119,733 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	%
December 31, 2024	1,877,627	1,403,566	1,403,566	74.8
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 (Guidance) in the year ending March 31, 2025, 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: None

(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 Quarterly Consolidated Financial Statements (5) Notes to Condensed Quarterly 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 December 31, 2024	1,490,697,280 shares	As of March 31, 2024	1,490,697,280 shares
As of December 31, 2024	15,777,484 shares	As of March 31, 2024	5,930,404 shares
Nine months ended December 31, 2024	1,482,405,016 shares	Nine months ended December 31, 2023	1,488,844,267 shares

(ii) Number of treasury shares at the end of the period

(iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)

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 quarterly 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 Nine Months Ended December 31, 2024 (4) Future Outlook concerning Consolidated Financial Guidance.

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 Nine Months Ended December 31, 2024****(1) Overview of Consolidated Business Results**

In the first nine months of the current fiscal year (from April 1 to December 31, 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 nine months are as follows:

(Unit: Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024	Growth (%)	Growth excluding FX impact (%)
Revenue	682,951	772,235	13.1	8.4
Gross profit	354,840	422,138	19.0	12.5
Adjusted operating profit	119,733	159,301	33.0	21.8
Operating profit	105,519	133,496	26.5	14.3
Profit before tax	105,743	131,828	24.7	-
Profit for the period	79,897	98,622	23.4	-
Profit for the period attributable to owners of the parent	79,897	98,622	23.4	-

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

(Unit: Millions of yen)

Geographic area	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024	Growth (%)	Growth excluding FX impact (%)
Americas	238,202	290,572	22.0	15.8
Europe	139,022	159,301	14.6	7.6
China	60,062	66,456	10.6	4.4
Asia and others	86,980	91,039	4.7	0.0
Overseas total	524,267	607,369	15.9	9.7
Japan	158,684	164,866	3.9	3.9
Total	682,951	772,235	13.1	8.4

## Revenue

Revenue totaled ¥772.2 billion, an increase of 13.1% compared to the same period in the previous fiscal year. Overseas, revenue increased by 15.9% 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 3.9% compared to the same period in the previous fiscal year with strong sales of the Hospital Care Solutions and the Pharmaceutical Solutions divisions, which pursues alliance business with pharmaceutical companies.

## Profit

Gross profit totaled ¥422.1 billion, an increase of 19.0% compared to the same period of the previous fiscal year, because of the higher revenue.

Adjusted operating profit totaled ¥159.3 billion, an increase of 33.0% 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 nine months ended December 31, 2023	For the nine months ended December 31, 2024	Growth (%)	Growth excluding FX impact (%)
Cardiac and Vascular Company	Revenue	407,700	464,133	13.8	8.2
	(Overseas)	367,542	423,879	15.3	9.1
	(Japan)	40,158	40,253	0.2	0.2
Medical Care Solutions Company	Revenue	147,279	159,732	8.5	7.0
	(Overseas)	37,862	44,641	17.9	12.1
	(Japan)	109,417	115,091	5.2	5.2
Blood and Cell Technologies Company	Revenue	127,799	148,155	15.9	10.5
	(Overseas)	118,863	138,848	16.8	11.0
	(Japan)	8,936	9,307	4.2	4.2

### Cardiac and Vascular Company

Overseas, revenue increased by 15.3% year on year driven by growth in all businesses, mainly the TIS and the Neurovascular divisions. In Japan, sales of the Neurovascular and the Vascular Graft divisions were strong, however, 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 13.8% compared to the same period of the previous fiscal year to ¥464.1 billion.

### Medical Care Solutions Company

In Japan, revenue increased by 5.2% year on year, amid growing demand for the Hospital Care Solutions and the Pharmaceutical Solutions divisions, along with pricing measures. Overseas, revenue increased 17.9% year on year owing to higher revenue mainly in the Americas. As a result, global revenue increased by 8.5% compared to the same period of the previous fiscal year to ¥159.7 billion.

### Blood and Cell Technologies Company

Overseas, revenue was up 16.8% year on year as the business for blood centers in the Americas was strong. In Japan, revenue increased 4.2% year on year also owing to the increase in revenue of blood center products. As a result, global revenue increased by 15.9% compared to the same period of the previous fiscal year to ¥148.2 billion.

**(2) Overview of Consolidated Statement of Financial Position**

Total assets stood at ¥1,877.6 billion, an increase of ¥46.2 billion. This was mainly due to increases in cash and cash equivalents, trade and other receivables and inventories of ¥7.7 billion, ¥7.3 billion and ¥22.4 billion, respectively, resulting from the yen depreciation in foreign exchange rates, and increases in property, plant and equipment of ¥14.7 billion and goodwill and intangible assets of ¥5.1 billion due to foreign exchange rate impacts and investment in production facilities and new IT systems. Meanwhile, there was a decrease in other financial assets of ¥24.2 billion due to the settlement of derivatives in connection with the repayment of long-term borrowings.

Total liabilities came to ¥474.1 billion, a decrease of ¥30.3 billion. This was mainly due to a decrease in bonds and borrowings of ¥42.0 billion, resulting from the repayment of long-term borrowings.

Total equity was ¥1,403.6 billion, an increase of ¥76.5 billion. This mainly reflects an increase from profit for the period of ¥98.6 billion and the booking of other comprehensive income associated with the yen depreciation in foreign exchange rates resulted in a ¥43.3 billion increase, which offset the decrease of ¥30.0 billion from the acquisition of treasury shares and the decrease of ¥35.6 billion from dividends from retained earnings.

**(3) Cash flow trends**

(Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024	Change
Cash flows from operating activities	91,200	144,270	53,069
Cash flows from investing activities	(53,065)	(50,376)	2,689
Cash flows from financing activities	(68,712)	(91,708)	(22,996)
Cash and cash equivalents at the end of the period	163,633	212,556	48,922

**Cash flows from operating activities**

Net cash provided by operating activities was ¥144.3 billion. The main factors for this were profit before tax of ¥131.8 billion, depreciation and amortization of ¥64.0 billion and income taxes paid of ¥43.6 billion.

**Cash flows from investing activities**

Net cash used in investing activities was ¥50.4 billion. The main factors for this were a ¥42.9 billion for purchase of property, plant and equipment following capital expenditures for manufacturing facilities and a ¥10.4 billion for purchase of intangible assets following investment in new IT systems.

**Cash flows from financing activities**

Net cash used in financing activities was ¥91.7 billion. This was mainly due to proceeds from long-term borrowings of ¥30.0 billion, proceeds from issue of corporate bonds of ¥69.8 billion, proceeds from settlement of derivatives of ¥25.4 billion, repayment of long-term borrowings of ¥160.3 billion, payments for purchase of treasury shares of ¥30.1 billion and payments for dividends of ¥35.6 billion.

In addition to the above, there was a ¥5.5 billion increase 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 ¥212.6 billion, up ¥7.7 billion from the end of the previous fiscal year.



**(4) Future Outlook concerning Consolidated Financial Guidance**

No changes have been made to the guidance of consolidated financial results announced on November 7, 2024. Although the operating environment is expected to remain uncertain due to changes in the environment surrounding the medical device and pharmaceutical industries and trends in foreign exchange rates, to achieve its targets the Group will focus on the following: development and sales expansion of high value-added products that contribute to improving the quality and efficiency of medical care, continuous cost improvement, and effective management of selling, general and administrative expenses.

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

	(Unit: Millions of yen)	
	As of March 31, 2024	As of December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	204,883	212,556
Trade and other receivables	178,710	186,043
Other current financial assets	26,158	436
Inventories	286,599	309,007
Current tax assets	1,337	2,574
Other current assets	24,426	25,350
Total current assets	722,116	735,969
Non-current assets		
Property, plant and equipment	415,845	430,529
Goodwill and intangible assets	588,225	593,297
Investments accounted for using the equity method	2,410	1,817
Other non-current financial assets	36,368	37,856
Deferred tax assets	19,977	31,219
Other non-current assets	46,458	46,937
Total non-current assets	1,109,286	1,141,658
Total assets	1,831,402	1,877,627

	(Unit: Millions of yen)	
	As of March 31, 2024	As of December 31, 2024
<b>Liabilities and Equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	93,770	97,071
Bonds and borrowings	156,870	30,000
Other current financial liabilities	7,837	7,852
Current tax liabilities	26,467	28,361
Provisions	213	269
Other current liabilities	93,992	100,292
<b>Total current liabilities</b>	<b>379,152</b>	<b>263,847</b>
<b>Non-current liabilities</b>		
Bonds and borrowings	74,978	159,821
Other non-current financial liabilities	30,824	30,098
Deferred tax liabilities	3,025	2,527
Retirement benefit liabilities	5,939	6,388
Provisions	112	142
Other non-current liabilities	10,279	11,235
<b>Total non-current liabilities</b>	<b>125,159</b>	<b>210,213</b>
<b>Total liabilities</b>	<b>504,311</b>	<b>474,061</b>
<b>Equity</b>		
Share capital	38,716	38,716
Capital surplus	51,752	51,667
Treasury shares	(12,436)	(41,823)
Retained earnings	954,679	1,019,504
Other components of equity	294,379	335,501
<b>Total equity attributable to owners of the parent</b>	<b>1,327,090</b>	<b>1,403,566</b>
<b>Total equity</b>	<b>1,327,090</b>	<b>1,403,566</b>
<b>Total liabilities and equity</b>	<b>1,831,402</b>	<b>1,877,627</b>

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

(Condensed Quarterly Consolidated Statement of Profit or Loss)

(Unit: Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Revenue	682,951	772,235
Cost of sales	328,111	350,096
Gross profit	354,840	422,138
Selling, general and administrative expenses	251,309	281,083
Other income	4,320	4,130
Other expenses	2,332	11,688
Operating profit	105,519	133,496
Finance income	2,487	2,603
Finance costs	2,288	3,824
Share of profit/(loss) of investments accounted for using the equity method	25	(446)
Profit before tax	105,743	131,828
Income tax expenses	25,846	33,206
Profit for the period	79,897	98,622
Attributable to:		
Owners of the parent	79,897	98,622
Total profit for the period	79,897	98,622
Earnings per share		
Basic earnings per share (yen)	53.66	66.53
Diluted earnings per share (yen)	53.64	66.51

## (Condensed Quarterly Consolidated Statement of Comprehensive Income)

(Unit: Millions of yen)

	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Profit for the period	79,897	98,622
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	991	(642)
Remeasurements of defined benefit plans	122	(30)
Total items that will not be reclassified to profit or loss	1,114	(672)
Items that are or may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	63,932	43,910
Cash flow hedges	30	(9)
Cost of hedging	(311)	56
Total items that are or may be reclassified subsequently to profit or loss	63,650	43,957
Total other comprehensive income for the period	64,764	43,285
Total comprehensive income for the period	144,662	141,907
Attributable to:		
Owners of the parent	144,662	141,907
Total comprehensive income for the period	144,662	141,907

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

**(3) Condensed Quarterly Consolidated Statement of Changes in Equity**

For the nine months ended December 31, 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	-	-	-	79,897	-	79,897	79,897
Other comprehensive income	-	-	-	-	64,764	64,764	64,764
Total comprehensive income	-	-	-	79,897	64,764	144,662	144,662
Acquisition of treasury shares	-	(5)	(7,942)	-	-	(7,947)	(7,947)
Disposal of treasury shares	-	(104)	185	-	(81)	0	0
Dividends	-	-	-	(32,020)	-	(32,020)	(32,020)
Transfer from retained earnings to capital surplus	-	72	-	(72)	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	17	(17)	-	-
Share-based payments	-	(31)	220	-	64	254	254
Total transactions with owners of the parent	-	(68)	(7,536)	(32,075)	(33)	(39,714)	(39,714)
Balance as of December 31, 2023	<u>38,716</u>	<u>51,690</u>	<u>(19,076)</u>	<u>922,094</u>	<u>222,586</u>	<u>1,216,011</u>	<u>1,216,011</u>

For the nine months ended December 31, 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	-	-	-	98,622	-	98,622	98,622
Other comprehensive income	-	-	-	-	43,285	43,285	43,285
Total comprehensive income	-	-	-	98,622	43,285	141,907	141,907
Acquisition of treasury shares	-	(32)	(30,003)	-	-	(30,036)	(30,036)
Disposal of treasury shares	-	(191)	448	-	(256)	0	0
Dividends	-	-	-	(35,626)	-	(35,626)	(35,626)
Transfer from retained earnings to capital surplus	-	131	-	(131)	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	1,961	(1,961)	-	-
Share-based payments	-	7	169	-	55	231	231
Total transactions with owners of the parent	-	(84)	(29,386)	(33,797)	(2,163)	(65,431)	(65,431)
Balance as of December 31, 2024	<u>38,716</u>	<u>51,667</u>	<u>(41,823)</u>	<u>1,019,504</u>	<u>335,501</u>	<u>1,403,566</u>	<u>1,403,566</u>

**(4) Condensed Quarterly Consolidated Statement of Cash Flows**

	(Unit: Millions of yen)	
	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Cash flows from operating activities		
Profit before tax	105,743	131,828
Depreciation and amortization	56,145	63,985
Impairment losses	1,844	7,128
Share of (profit)/loss of investments accounted for using the equity method	(25)	446
Increase/(decrease) in retirement benefit assets or liabilities	(32)	(760)
Interest and dividend income	(1,643)	(2,502)
Interest expenses	1,439	1,579
Foreign exchange (gain)/loss	658	1,817
(Gain)/loss on sale and disposal of property, plant and equipment	(144)	(1,171)
Gain on sale of shares of subsidiaries and affiliates	(1,335)	-
(Increase)/decrease in trade and other receivables	(18,624)	(3,999)
(Increase)/decrease in inventories	(9,464)	(12,934)
Increase/(decrease) in trade and other payables	(7,875)	(1,170)
Others	1,554	2,353
Sub-total	128,237	186,601
Interest and dividend income received	2,274	2,726
Interest expenses paid	(1,120)	(1,470)
Income taxes paid	(38,190)	(43,587)
Net cash provided by operating activities	91,200	144,270
Cash flows from investing activities		
Payments into time deposits	(799)	(211)
Proceeds from withdrawal of time deposits	4	1,397
Payments for purchase of property, plant and equipment	(40,421)	(42,917)
Proceeds from sale of property, plant and equipment	718	2,427
Payments for purchase of intangible assets	(13,439)	(10,419)
Proceeds from government grants	-	637
Payments for purchase of financial instruments	(2,356)	(4,896)
Proceeds from sale of financial instruments	-	3,763
Payments for acquisition of shares of subsidiaries, affiliates and other businesses	(124)	(250)
Proceeds from sale of shares of subsidiaries and affiliates	2,921	-
Proceeds from liquidation of subsidiaries and associates	-	92
Proceeds from business transfer and other	429	-
Net cash used in investing activities	(53,065)	(50,376)

	(Unit: Millions of yen)	
	For the nine months ended December 31, 2023	For the nine months ended December 31, 2024
Cash flows from financing activities		
Increase/(decrease) in short-term borrowings and commercial paper	-	15,000
Proceeds from long-term borrowings	-	29,969
Repayments of long-term borrowings	(985)	(160,278)
Proceeds from issue of corporate bonds	-	69,826
Payments for redemption of corporate bonds	(10,000)	-
Repayments of lease liabilities	(5,719)	(6,014)
Payments for purchase of treasury shares	(7,950)	(30,051)
(Increase)/decrease in deposits for purchase of treasury shares	(12,086)	-
Payments for dividends	(31,971)	(35,580)
Proceeds from settlement of derivatives	-	25,420
Net cash used in financing activities	(68,712)	(91,708)
Effect of exchange rate changes on cash and cash equivalents	6,889	5,488
Net increase/(decrease) in cash and cash equivalents	(23,688)	7,673
Cash and cash equivalents at the beginning of the period	187,322	204,883
Cash and cash equivalents at the end of the period	163,633	212,556

## (5) Notes to Condensed Quarterly 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 first quarter of the fiscal year ending March 31, 2025.

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 quarterly consolidated financial statements for the nine months ended December 31, 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 meeting of the Board of Directors 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 nine months ended December 31, 2023

	Reportable Segments				Adjustments (Note 1)	Amount recorded on condensed quarterly consolidated financial statements
	Cardiac and Vascular Company	Medical Care Solutions Company	Blood and Cell Technologies Company	Total		
Revenue						
Revenue from sales to external customers	407,700	147,279	127,799	682,779	172	682,951
Segment profit (Adjusted operating profit)	91,992	15,993	13,869	121,855	(2,121)	119,733
(Adjustment items)						
Amortization of intangible assets acquired through business combinations	(7,072)	-	(7,912)	(14,984)	306	(14,677)
Non-recurring profit or loss (Note 2)						463
Operating profit						105,519
Finance income						2,487
Finance costs						(2,288)
Share of profit/(loss) of investment accounted for using the equity method						25
Profit before tax						105,743

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

- (1) ¥172 million adjustment to Revenue from sales to external customers is mainly proceeds from outward temporary staffing that is not attributable to reportable segments.
  - (2) ¥(2,121) million adjustment to Segment profit consists of ¥(1,945) million for preparation expenses to comply with Medical Device Regulation in the EU and ¥(881) million for inventories.
- (Note 2) ¥463 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 ¥(1,125) million for business reorganization expenses.

For the nine months ended December 31, 2024

(Unit: Millions of yen)

	Reportable Segments				Adjustments (Note 1)	Amount recorded on condensed quarterly consolidated financial statements
	Cardiac and Vascular Company	Medical Care Solutions Company	Blood and Cell Technologies Company	Total		
Revenue						
Revenue from sales to external customers	464,133	159,732	148,155	772,021	213	772,235
Segment profit (Adjusted operating profit)	117,924	19,217	19,805	156,947	2,354	159,301
(Adjustment items)						
Amortization of intangible assets acquired through business combinations	(7,612)	-	(8,426)	(16,039)	(104)	(16,143)
Non-recurring profit or loss (Note 2)						(9,661)
Operating profit						133,496
Finance income						2,603
Finance costs						(3,824)
Share of profit/(loss) of investment accounted for using the equity method						(446)
Profit before tax						131,828

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

- (1) ¥213 million adjustment to Revenue from sales to external customers is mainly proceeds from outward temporary staffing that is not attributable to reportable segments.
- (2) ¥2,354 million adjustment to Segment profit consists of ¥(1,667) million for preparation expenses to comply with Medical Device Regulation in the EU and ¥3,166 million for inventories.

(Note 2) ¥(9,661) million Non-recurring profit or loss includes ¥(7,934) million for business reorganization expenses and ¥(2,929) million for impairment loss recorded mainly in construction in progress due to the termination of the new contract manufacturing project with a pharmaceutical company.

(iv) Impairment of non-financial assets

In the nine months ended December 31, 2024, impairment losses of ¥7,128 million recorded are mainly as follows.

(1) Termination of new contract manufacturing project with pharmaceutical company

In the nine months ended December 31, 2024, ¥2,486 million for an impairment loss for manufacturing facilities was recorded due to the decision to terminate the new contract manufacturing project with a pharmaceutical company in the Blood and Cell Technologies Company.

The recoverable amount was measured based on the value in use, and the value was determined to be zero. The impairment loss recorded mainly in construction in progress is included in “Other expenses” in the Condensed Quarterly Consolidated Statement of Profit or Loss.

(2) Termination of certain development project

In the nine months ended December 31, 2024, ¥1,245 million for an impairment loss was recorded 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 for capitalized development costs is included in “Selling, general and administrative expenses” in the Condensed Quarterly Consolidated Statement of Profit or Loss.

(v) Material subsequent events

Cancellation of treasury shares

The Company completed to cancel treasury shares on January 17, 2025 pursuant to the provisions of Article 178 of the Companies Act, as resolved at the meeting of the Board of Directors held on August 29, 2024.

1. Class of shares canceled:	Shares of common stock of the Company
2. Number of shares canceled:	10,137,600 shares
3. Number of total issued shares after cancellation:	1,480,559,680 shares
4. Date of cancellation:	January 17, 2025