

Value of the Blood and Cell Technologies Business in the Terumo Growth Strategy

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Safe Harbor for 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.

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

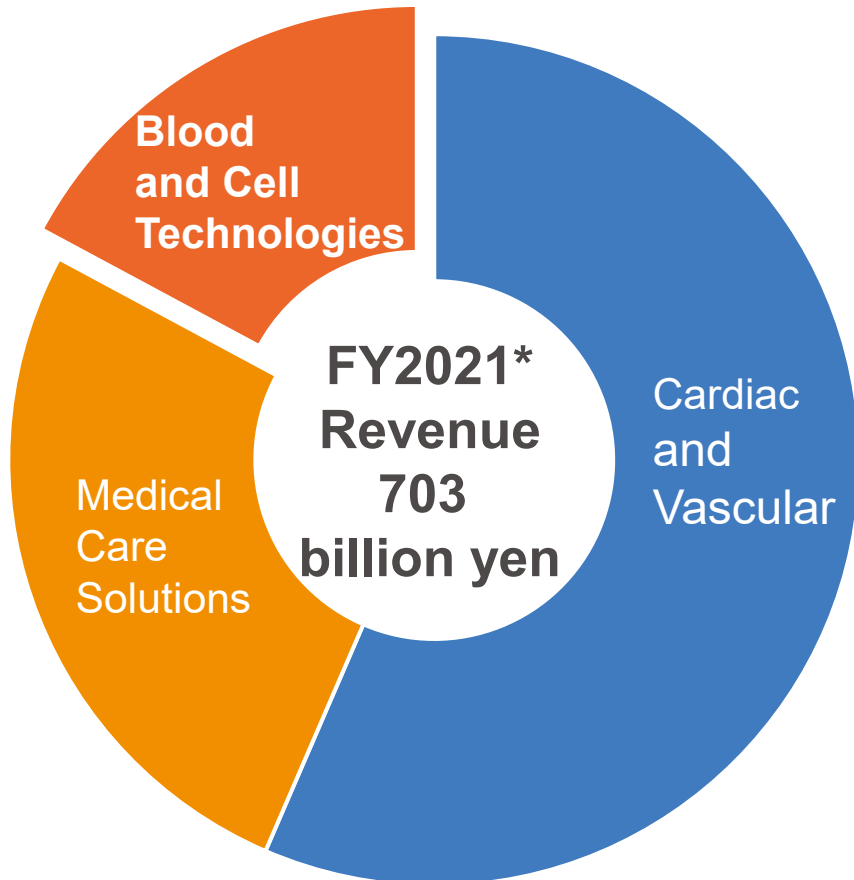
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Terumo Corporation

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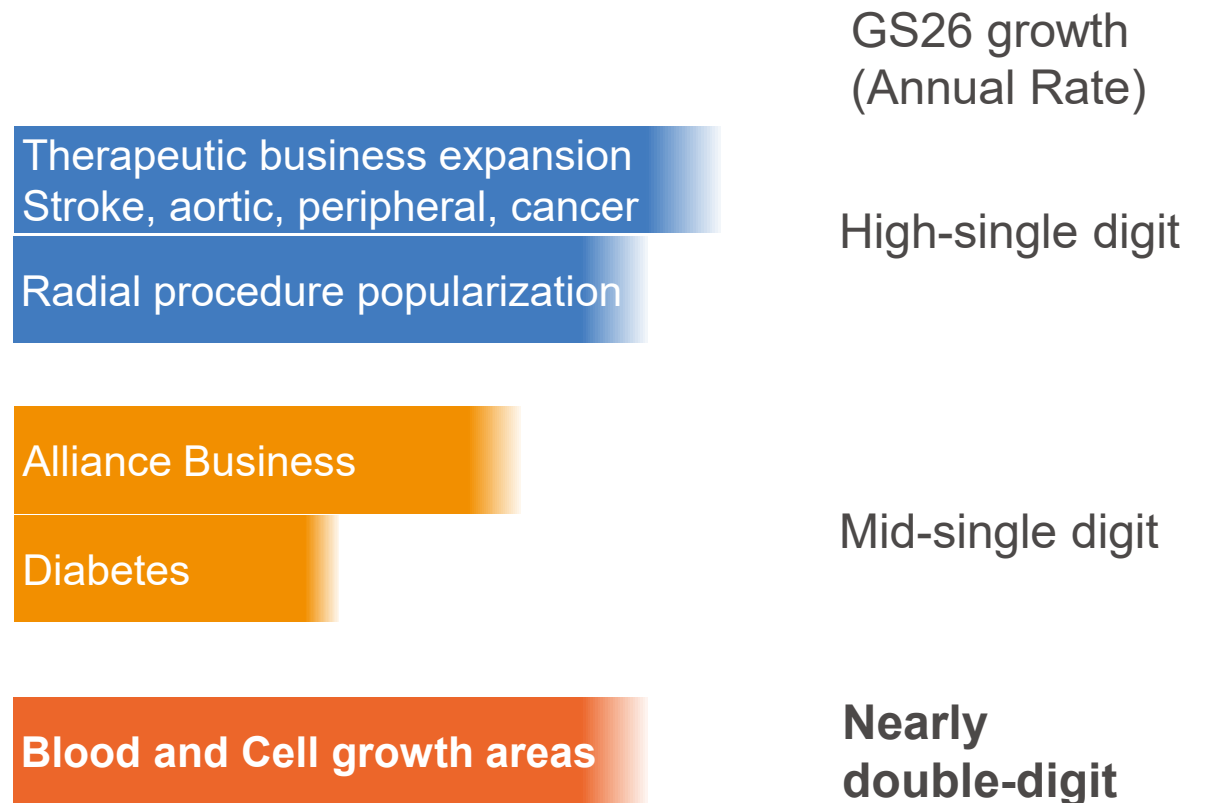
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Balanced Growth With All 3 Companies: Aspiration of GS26



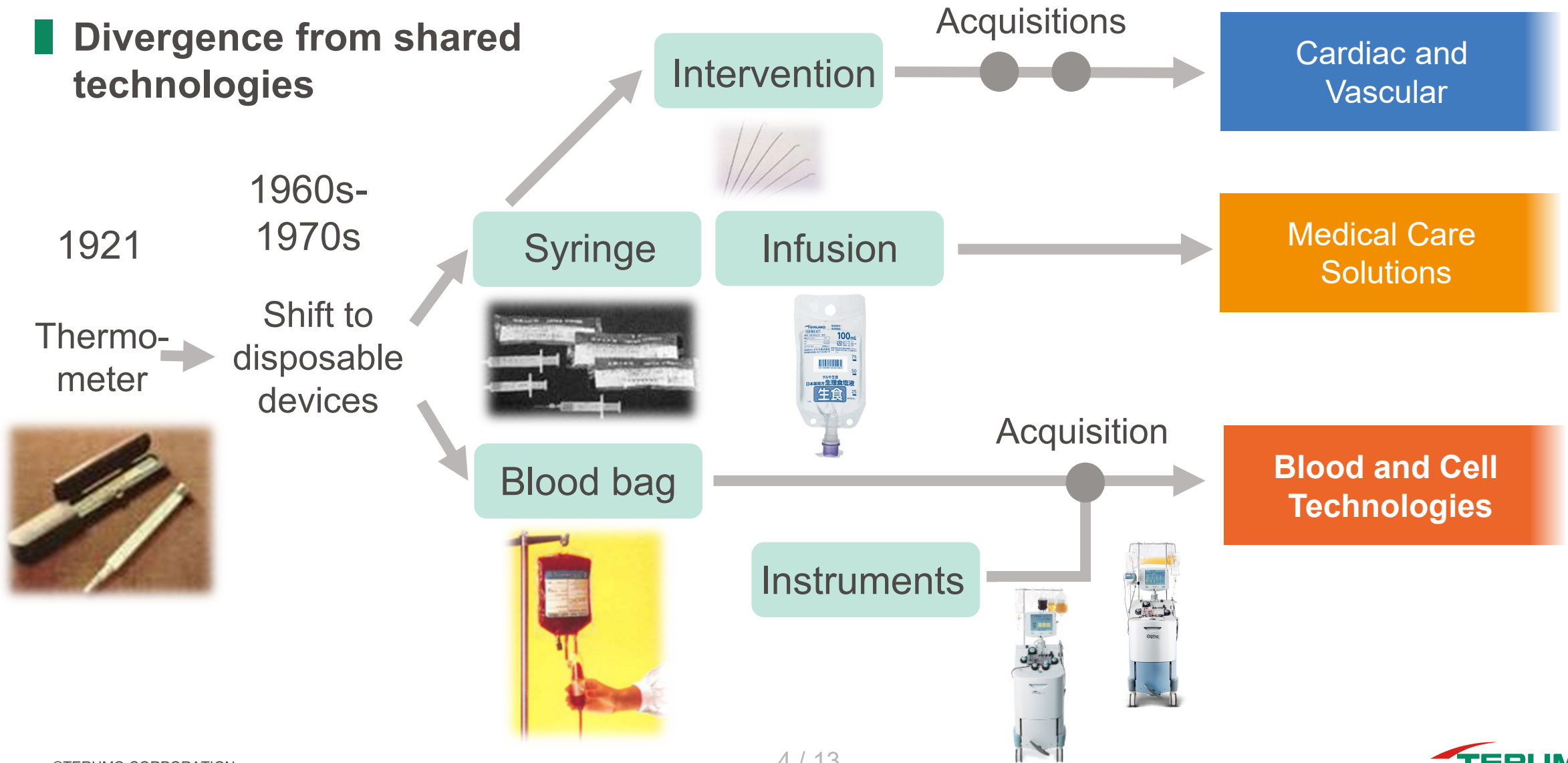
* Year ended March 2022

Growth potential of each company in our Mid-to-Long term strategy as GS26



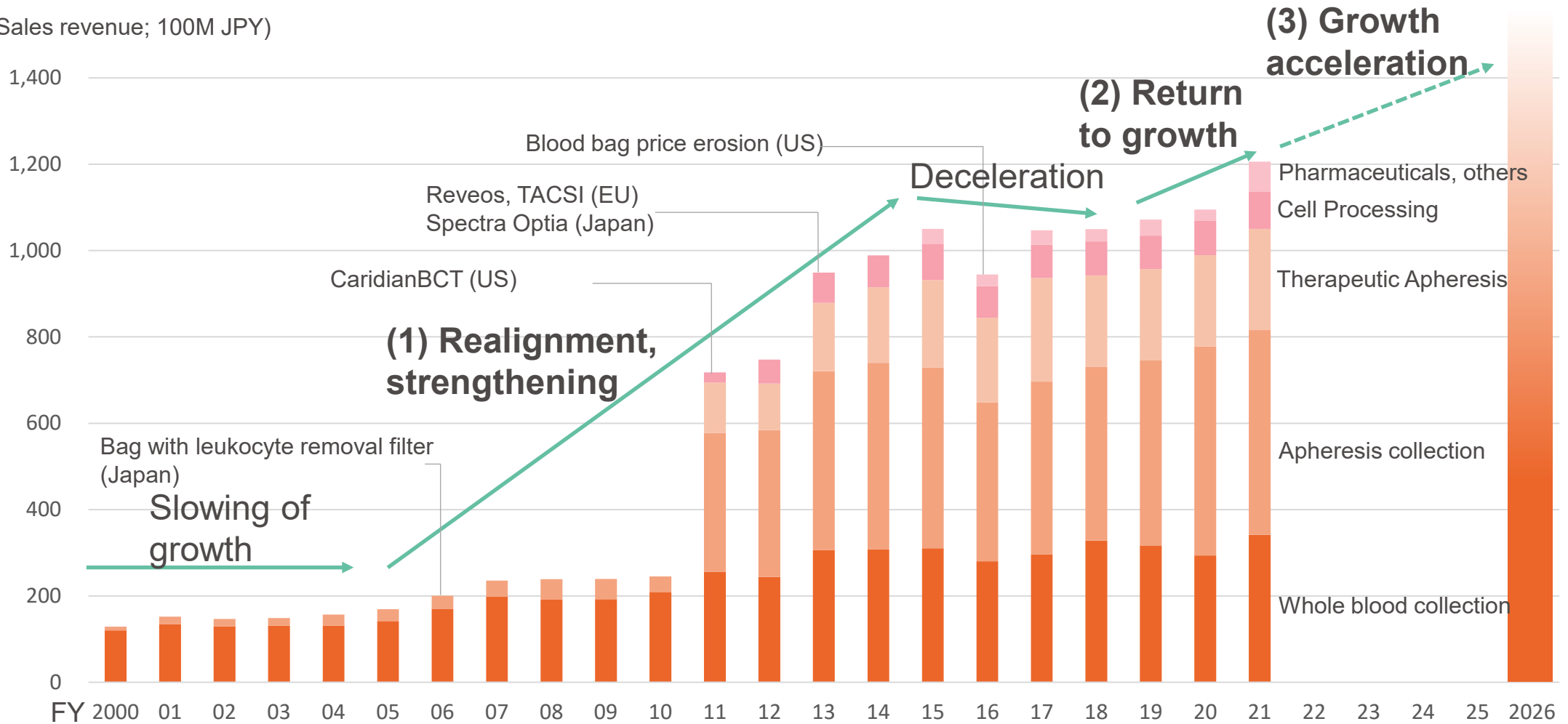
Portfolio Growth Trajectory

Divergence from shared technologies



Blood and Cell Technologies Business Growth Trajectory

(Sales revenue; 100M JPY)



Characteristics of Blood and Cell Technologies Portfolio

Based on inherent Terumo strengths

Strengthened position through BCT acquisition

Competitive with global players



Markets



Presence globally and in emerging markets
Market Leader in US



Competition



No US giants present



Technologies



Hardware (centrifugation) + Consumable + Software



Customers



Blood centers, hospitals/Medical Ins.,
Pharmaceutical firms/Research Ins. /National Ins.

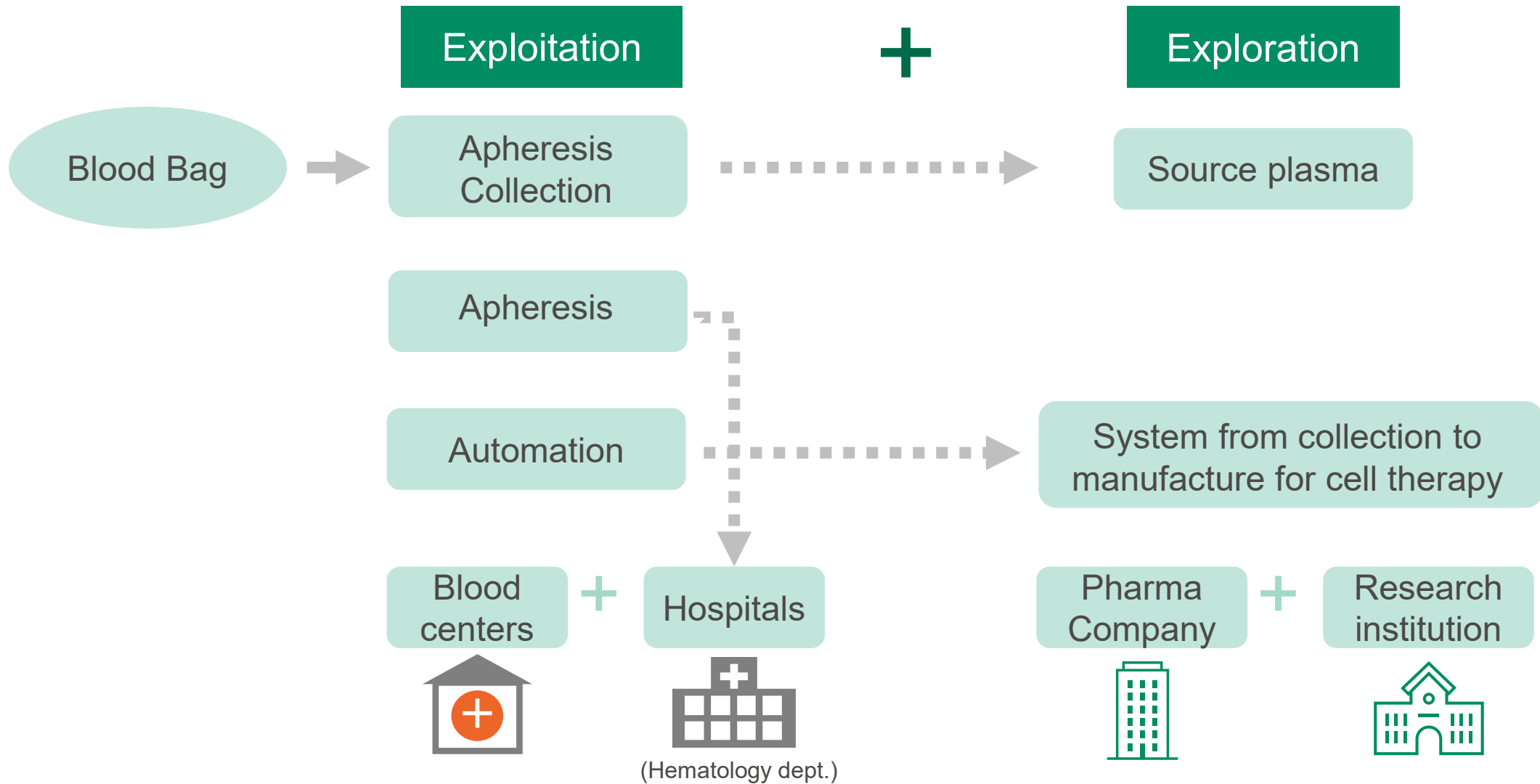


Others

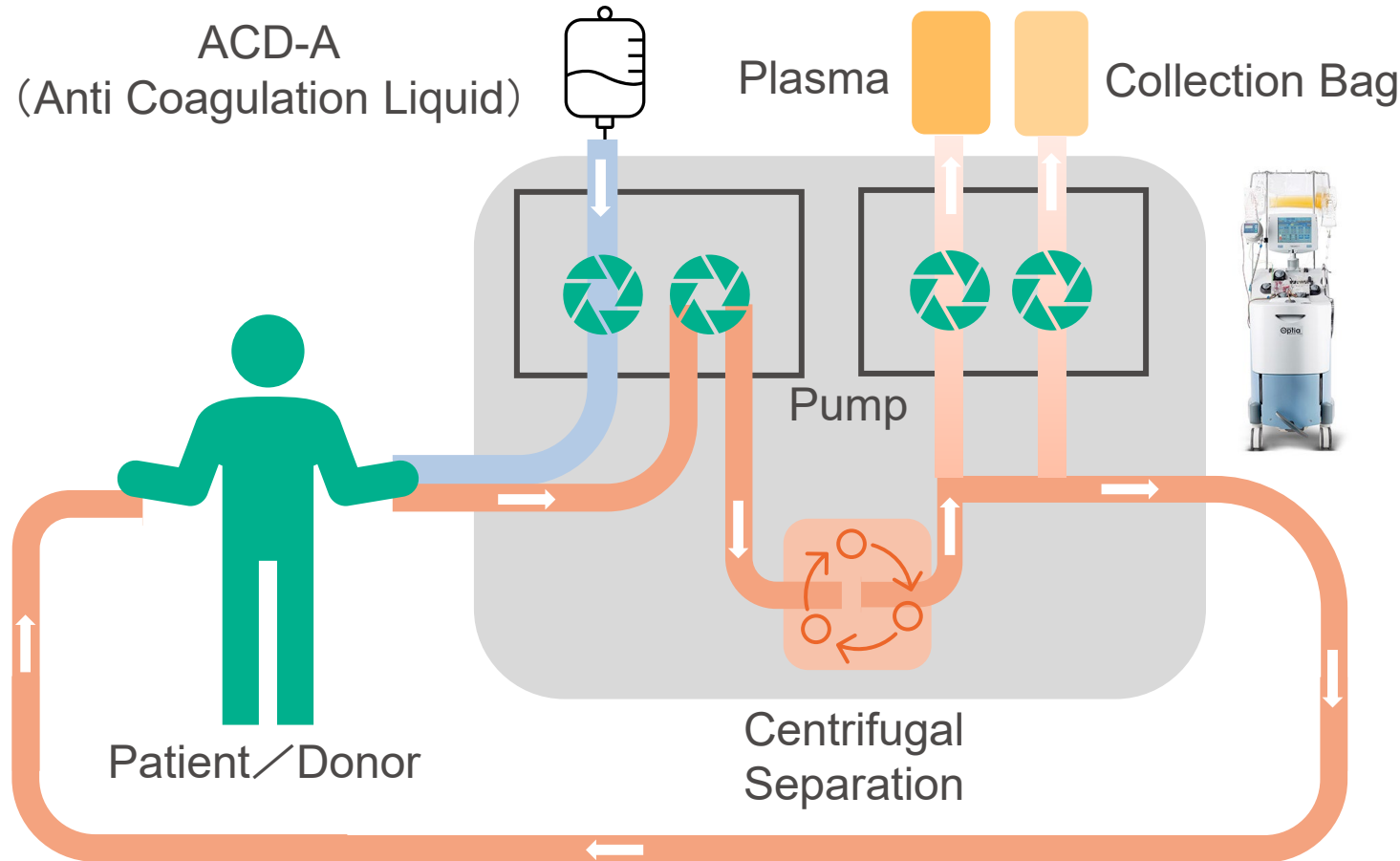


Business model (Razor & Blades)

'Ambidextrous' Management: Both Exploitation and Exploration



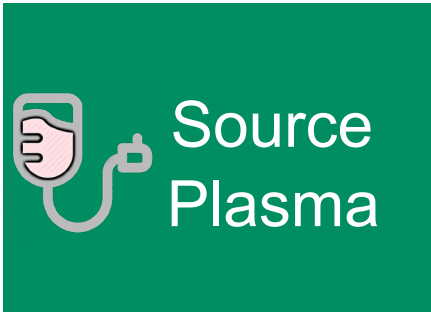
Expand the Apheresis Principle for New Therapy



Examples;

- Autologous Cell Transplantation; To collect patient's peripheral stem cell
- Allogeneic Cell Transplantation; To collect peripheral stem cell from a donor
- CAR-T Therapy; To collect patient's mononuclear cell including lymph corpuscle
- Plasma Exchange Therapy; To filtrate and remove Patient's plasma

Market Potential of New Fields



\$800M scale globally/Annual 8-10% growth constant



Sustainable market (use for many rare diseases, long life cycle, no generics)



Growth from US → key is establishment of collection ecosystem



Expand application to autoimmune diseases
→ Increased demand for immunoglobulins



Enormous cell and gene therapy pharmaceutical market
(74B USD; over 20% growth^{*1})



Cell processing market 20B USD; double-digit growth^{*2}



Nearly 60% of cell therapy drugs are collected using apheresis



Emergence of new cancer drugs (CAR-T, etc)

Source: Internal Analysis

*1; Forecast 2030, Arthur D Little presentation September 2, 2020

*2; MarketsandMarkets Cell Therapy Technologies Market- Global Forecast to 2021 and 2023

Innovation That Best Leverages the Core Technology of Centrifugation

- Competitive advantage comes from technology that enables faster, more accurate and higher productivity

COBE Spectra



Component collection system



Spectra Optia



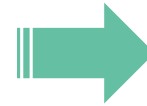
Component collection system



Trima Accel



Centrifugal apheresis system



Rika
Plasma Donation System



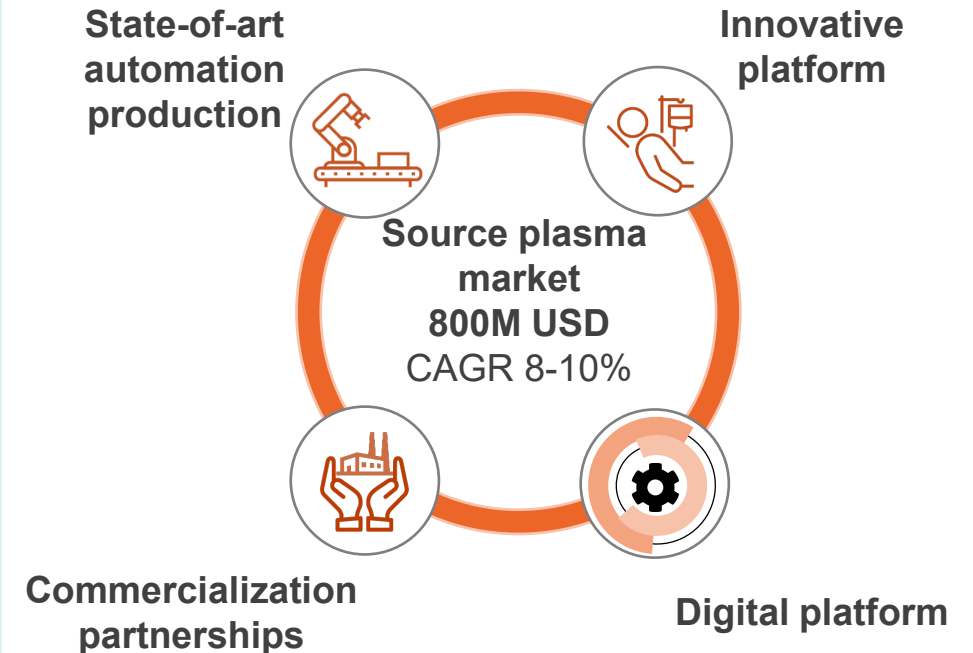
Source plasma collection system

Plasma Innovation Breakthrough

The quintessential 'solutions business'

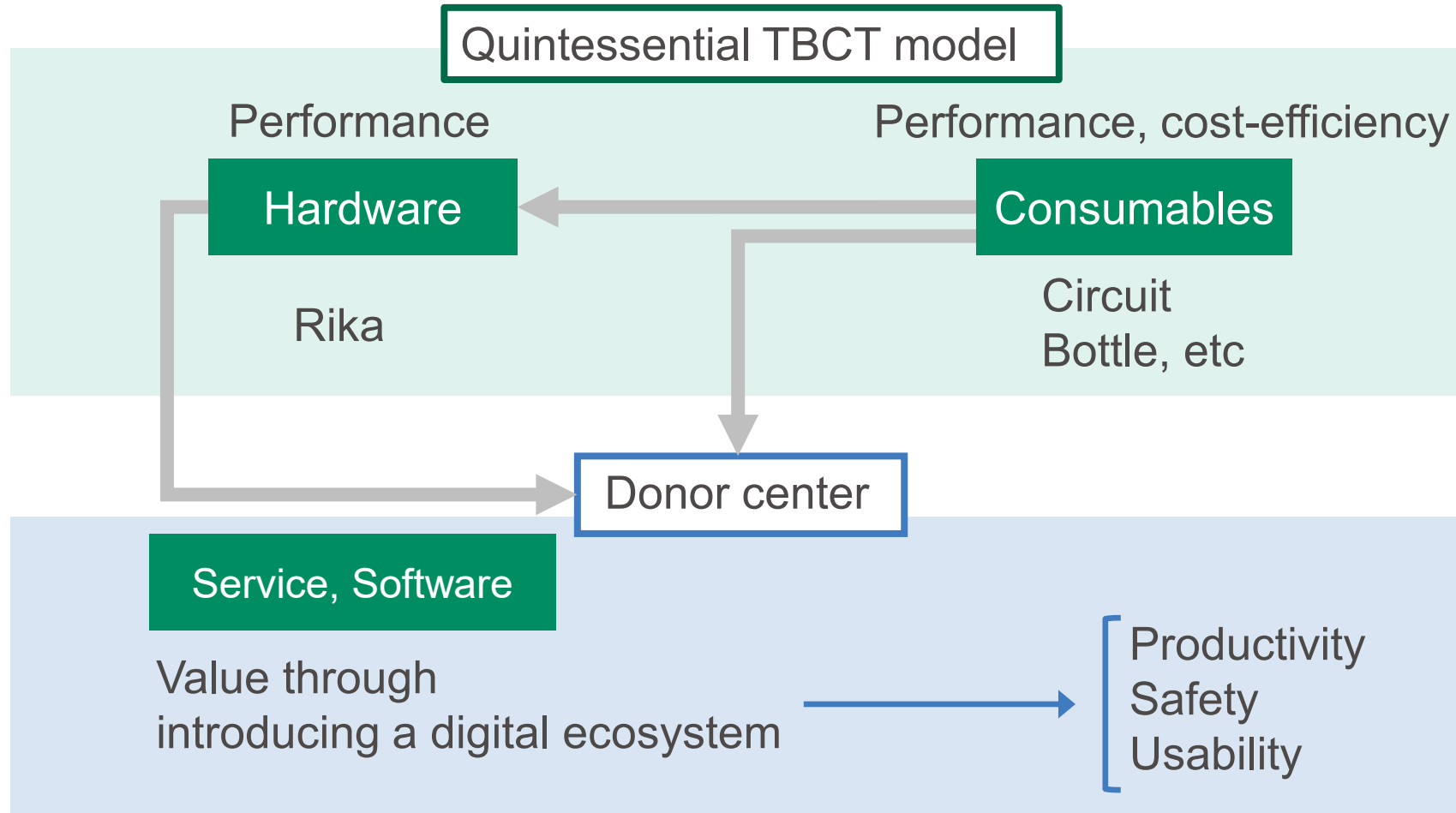
- Beyond supplying a single product
 - Integrated solution that can revolutionize customer (Ex: CSL) competitiveness
- Build and operate an ecosystem based on partnership (Customization) with pharma companies
- KSF: Can efficiency, productivity, and convenience be continuously improved ?
 - Trusting relationship with Customer

Built Ecosystem to Address Unmet Needs



Strengthen Business Model

- Keep the “Razor and Blades” model, but strengthen service

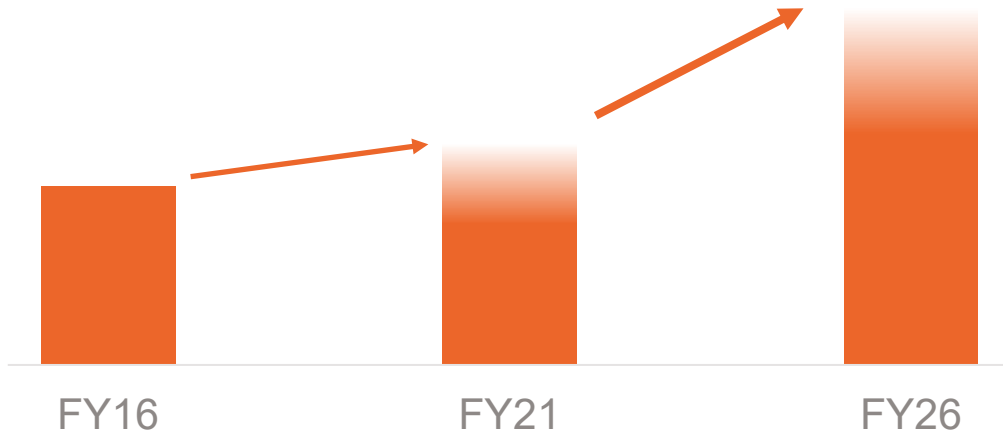


Outlook: Sales and Adjusted Operating Profit

Copy from 5-Year Growth Strategy with a 10-Year Vision (FY2022-FY2026), "Blood and Cell Technologies company" 12

Sales

Near double-digit growth



Blood and Beyond

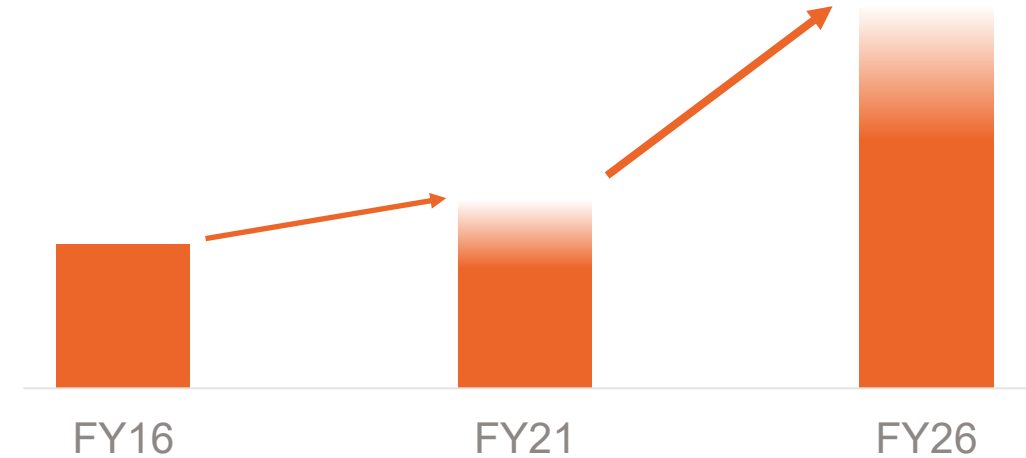
- Plasma Innovations
 - Cell therapy
 - Therapeutic apheresis
- Disrupt the market
Double Digit
Mid- Single Digit

Equipment and Beyond

- Whole blood automation
 - Veda Solutions
- Double Digit
Double Digit

Adjusted Operating Profit

Double-digit growth



Operational Excellence

- Utilize modernized enterprise platforms
- Capture the value from Operational Transformation
- Transform investment from Plasma Innovation to full portfolio
- Strengthen lifecycle management



Synergies with Terumo Group in Advanced Fields

Invest in Innovation

- Made mid-term invest in innovation under the umbrella of Terumo which was unable during private equity

Production technology

- High volume, stable production of consumables
- Production innovation (automation, labor-saving, digitalization)

Development technology

- Rika soft set (consumable) is the same used in peritoneal dialysis
- Hollow-fiber technology used in bioreactor

Quality management

- QMs (Quality Management System) that brings together diverse technology elements
- Multiple supplier management

Business model

- Evolved Deviceuticals model
- B2B w/ Alliance; Share key strategy with CDMO

Others

- Global production optimization, strengthening of three-site production system
- Inventory optimization and settlement reduction through S&OP advancement

Blood and Cell Technologies Business Objectives

Aspirations

Provide compelling and accessible innovations globally that unlock the power of blood and cells to improve patient outcomes and serve unmet medical needs

“Unlocking Potential of Terumo Blood and Cell Technologies”

■ Unique positioning is a natural result

- | Blood and cells share the same roots
- | Blood and Cell Technologies Company is the global leader in its field
- | Alignment with Purpose

Provide care that accompanies individual patient lives

Help create sustainable healthcare systems

Spread healthcare technologies and services, and improve access to healthcare