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Aiming to bring smiles to everyday life and deliver unexpected value across the globe through our business

Business overview and market environment

The life science business is divided into three areas: biotechnology, medical materials, and contract manufacturing of pharmaceuticals. The biotechnology segment focuses on raw enzymes and diagnostic reagents and systems related to clinical testing. The medical materials segment deals with materials for treatments, such as dialysis membranes. The contract manufacturing of pharmaceuticals segment involves the production of pharmaceuticals under contract from pharmaceutical companies. Specifically, the business includes high-value-added products with unique technologies, such as a diagnostic system that reduces PCR test processing time by half and hollow fiber membranes for artificial kidneys. In the raw enzyme business for biochemical diagnostic reagents, such as those used for measuring triglycerides and cholesterol, we hold a significant market share. The market is steadily growing due to economic growth in emerging countries, prompting us to make planned investments to meet the rising demand for raw materials. Moreover, with the number of dialysis patients worldwide exceeding four million and increasing annually at a rate of 6%, we established a new facility in Odate, in collaboration with NIPRO CORPORATION, in April 2024. This facility can conduct the production of dialysis membranes for artificial kidneys, from processing to commercialization. We aim to enhance productivity to support our membranes in regions expected to see an increase in dialysis patients, particularly in developing countries.



Artificial kidney hollow fiber membranes

Business features and strengths

This business operates under the highest levels of production systems (QMS and GMP*) in the medical and pharmaceutical fields, aiming to bring smiles to everyday life and deliver unexpected value across the globe. We focus on two core technologies to meet customer needs at various stages of health:

advanced protein production technology in the biotechnology sector and membrane production technology in the medical materials sector, continuously honing our strengths in these areas.

* Quality Management System (QMS) and Good Manufacturing Practices (GMP)

Biotechnology business: Technology for producing high-performance proteins such as enzymes and antibodies

By leveraging our advanced microbial culture and protein purification technologies, along with genetic recombination technology, we achieve large-scale production of high-purity enzymes and the development and manufacturing of high-performance diagnostic reagents using these enzymes. This business aims to capture end-user needs and strive for the development of even better enzymes and antibodies, as well as diagnostic and research reagents utilizing these technologies.

Medical products business: Membrane production technology

This business develops and manufactures high-performance dialysis membranes using membrane structure control technology gained from developing hollow fiber membranes for artificial kidneys. In addition to creating superior dialysis membranes that meet the treatment needs of patients and facilities both in Japan and abroad, it aims to develop separation materials for other applications, such as pharmaceutical processes requiring specific separation and purification.

Business strategies and initiatives in the 2025 Medium-Term Management Plan (MTP)

For the final year of the 2025 MTP, fiscal 2026, we are targeting ¥40 billion in net sales and ¥4 billion in operating profit. For fiscal 2031, the targets are ¥80 billion in net sales and ¥12 billion in operating profit. To achieve these goals, we will implement the following initiatives.

Manufacturing	<p>As part of our policy to enhance production capacity, improve production efficiency, reduce risks through dual-site operations, and outsource production (for medical devices), we are implementing the following initiatives:</p> <ul style="list-style-type: none"> ● October 2023: Launched a diagnostic reagent for simultaneous measurement of SARS-CoV-2 and co-infecting viruses (Influenza A/B, RSV) ● April 2024: Commenced operations in the new cultivation and purification building ● February 2025 (planned): Start-up of manufacturing equipment for PCR test reagents and genetic diagnostic reagents
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Sales	Implement fair pricing, strengthen sales locations, and share knowledge across the three business sectors
Development	<p>As part of our policy to establish a new research facility, collaborate with the Corporate R&D Department, and develop new products in the biotechnology and medical material fields, we are implementing the following initiatives:</p> <ul style="list-style-type: none"> ● June 2023: Obtained regulatory approval for continuous renal replacement therapy (CRRT) products ● September 2023: Mannosyl erythritol lipid (MEL) selected for NEDO's* Bio Manufacturing Revolution Promotion Project ● April 2024: Completed the Medical Research Laboratory  <p>Opening ceremony for the Medical Research Laboratory</p>
Strengthening business foundations	Diversifying and developing talent, and promoting DX initiatives, etc.

* NEDO: New Energy and Industrial Technology Development Organization

Initiatives to achieve prosperity

People	<ul style="list-style-type: none"> ● Providing diagnostic services through biotechnology that offer faster, more accurate, and accessible health checks ● Offering technologies for the regeneration and replacement of human functions to extend healthy life spans ● Providing rapid and accurate infection testing services to prevent and control the spread of infectious diseases ● Aiming to eradicate infectious diseases, including hepatitis, waterborne infections, and other diseases, by 2030
Planet	<ul style="list-style-type: none"> ● Providing sustainable and petroleum-free materials through bio-manufacturing
Prosperity	<ul style="list-style-type: none"> ● Collaborating with partner companies to focus on specific areas and new functions for the development of new pharmaceuticals ● Developing cell recruitment materials for applications beyond nerves and bones