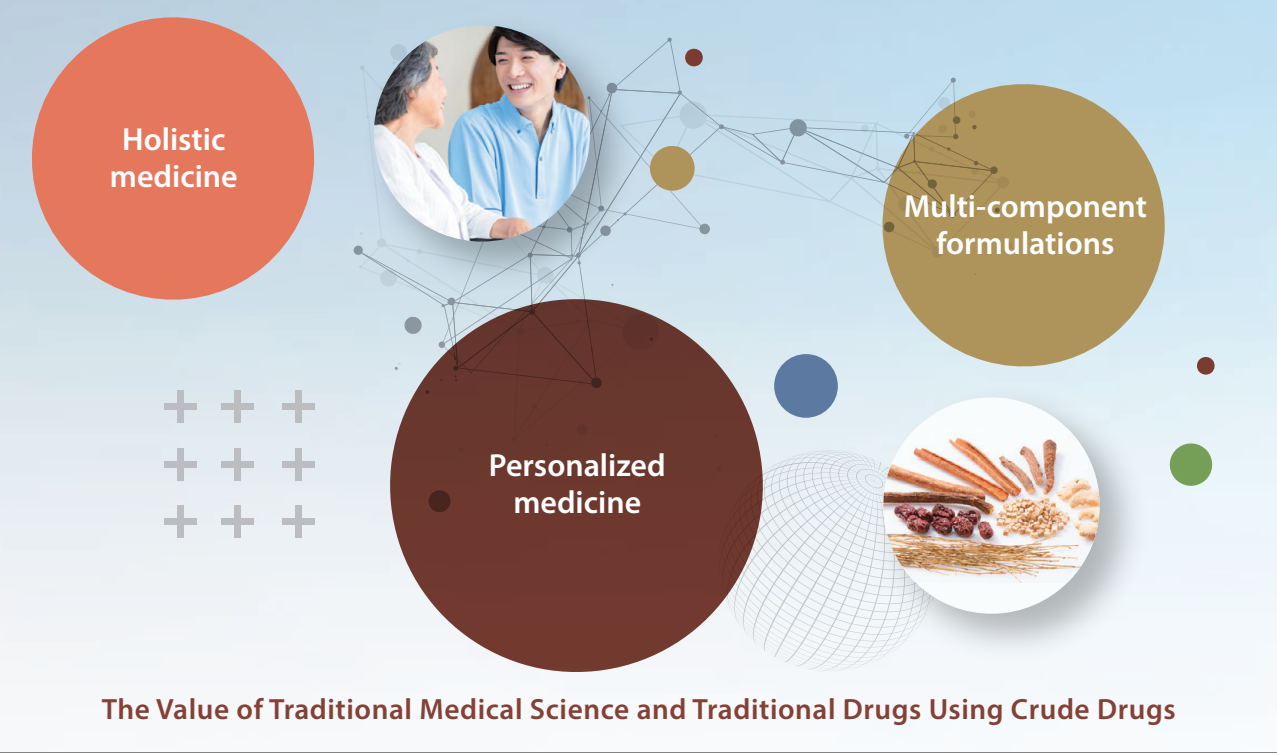


Value Created through Pharmaceuticals and Products Derived from Natural Substances



Kampo medicine was brought from China to Japan in the 5th and 6th centuries, where it has evolved independently into a system to suit the physical characteristics and diseases of Japanese people. Kampo medicine spread as a holistic medicine that treats the mind and body as one, with an approach that emphasizes a well-balanced state of the entire body and the concept of enhancing the human body's innate natural healing power.

The most important characteristic of Kampo medicine and traditional Chinese medicine is that they focus on treating the fundamental cause of the patient's condition. Furthermore, as each individual patient's symptoms (chief complaint) and constitution are carefully considered, and the formulation and administration method are instructed based on the result, it is considered to be "personalized medicine."

Even in these modern times, when medical science has advanced, there are disorders and indeterminate complaints* that do not show up in tests, such as menopausal disorders and sensitivity to the cold, which Kampo is good at treating.

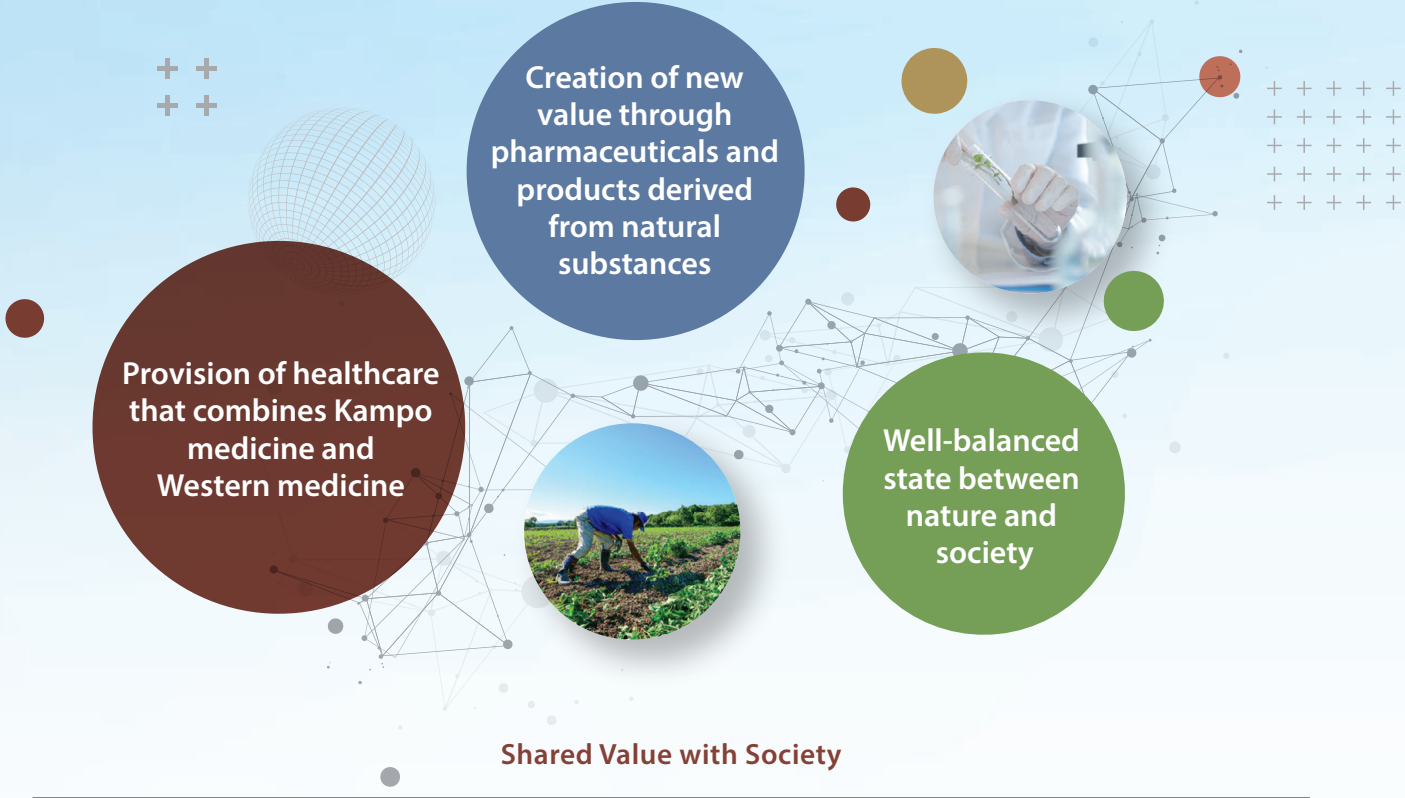
Kampo and traditional Chinese medicines are made by combining multiple crude drugs. Crude drugs are made by gathering the leaves, stems, or roots of plants, or minerals or parts of animals, that are believed to have medicinal effects, then processing them by drying and so forth. A single crude drug contains many active ingredients, and the pharmacological effects of individual crude drugs are carefully balanced to create effective pharmaceutical products. Therefore, a single formulation can be expected to demonstrate efficacy for treating multiple symptoms.

* Subjective symptoms felt only by the patient, which are not likely to be recognized as abnormality in a test

Areas of Value Creation

Three Preventive Measures for Pre-Symptomatic Diseases

| Treatment | Pre-symptomatic treatment (prevention of pre-symptomatic diseases) | Prevention of aggravation (prevention of disease progression) | Prevention of relapses (post-healing care) | Healthcare (prevention) |
|---|---|--|--|---|
| Kampo medicine is a holistic form of medicine that is based on the view that the mind and body are one. We harness the advantages of both Kampo medicine and Western medicine to deliver optimal treatments for each individual. | We identify pre-symptomatic disease from minor changes in physical condition and subjective symptoms, and prevent the development of disease. | When disease occurs, we prevent it from becoming serious by early identification, progress prediction, and swift, appropriate treatment. | We improve prognosis and QOL for disease treatment, and prevent relapses to enable rehabilitation. | By correcting factors such as nutrition (diet), exercise, sleep, and stress level, we increase the body's innate natural healing power, and promote health. |



The Tsumura Group has been conducting basic and clinical research for Kampo formulations for about half a century. Through this work, we have accumulated technologies and expertise for analyzing and formulating multi-component formulations, and we are striving to maximize the potential of Kampo medicines. We aim to realize a society where every patient can receive optimal treatments that harness and combine the advantages of both Kampo medicine and Western medicine.

In recent years, we have been making progress in areas and diseases for which Western drugs have not been successful by establishing treatment methods using Kampo medicines based on elucidation of their mechanisms of action and scientific evidence. Trends such as the aging population and increasing participation of women in society have been accompanied by the emergence of new diseases and needs.

To respond to these, we will contribute not only to treatments, but also to health maintenance and promotion in the areas of pre-symptomatic disease and healthcare (prevention).

To this end, we are building the "Kampo value chain," a supply chain that extends from cultivation and procurement of raw material crude drugs to manufacture, sale, and popularization. We will advance our business starting from agriculture and using crude drugs, which are substances provided by nature, and aim to develop primary industries while realizing a recycling society.

We are committed to continuous innovation going forward, aiming to be a corporate group that can realize a future in which individuals and society enjoy mental and physical well-being, and where individuals and society are in "Cho-WA" (a well-balanced state).

