

1st Quarter Financial Results for FYE Mar. 2009 (Consolidated)



July 30, 2008

Exchange where listed: TSE

Name of listed company : **TERUMO CORPORATION**
 (URL <http://www.terumo.com/>)
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1. Consolidated financial highlights for the interim period ended June 2008 (From April 1, 2008 to June 30, 2008)

(1) Consolidated financial results

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Three months ended June,2008	77,771	-	16,241	-	18,852	-	14,016	-
Three months ended June,2007	75,469	17.3	16,986	26.2	18,595	38.2	13,142	63.4

	Net income per share	Net income per share, fully diluted
	(Yen)	(Yen)
Three months ended June,2008	72.27	-
Three months ended June,2007	66.11	-

(Note) Percentage represent increase (decrease) from the corresponding period in the prior fiscal year.

The amounts shown above ignore values of less than a million yen.

(2) Consolidated financial position

	Total assets	Net assets	Capital asset ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	%	(Yen)
June 30, 2008	400,373	301,670	75.3	1,555.06
March 31, 2008	410,918	288,867	70.3	1,489.10

(Note) Shareholders' equity : June 30, 2008: 301,570 million yen, March 31, 2008: 288,780 million yen.

The amounts shown above ignore values of less than a million yen.

2. Dividends

	Cash dividends per share				
	1st quarter	2nd quarter	3rd quarter	4th quarter	total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended March 31,2008	-	14.00	-	18.00	32.00
Fiscal year ending March 31,2009 (forecast)	-	16.00	-	16.00	32.00

(Note) Revise of dividends forecast : None

3. Consolidated forecast for the year ending March 2009 (From April 1, 2008 to March 31, 2009)

	Net sales		Operating income		Ordinary income		Net income		Dividends per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)
Interim year ending September, 2008	155,000	-	34,000	-	34,000	-	22,500	-	116.02
Fiscal year ending March, 2009	318,000	3.8	68,000	1.6	68,000	5.9	45,000	3.7	232.04

(Note) Revise of consolidated forecast : None

Percentage represent increase (decrease) from the corresponding period in the prior fiscal year.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of June 30, 2008		As of March 31, 2008	
	Amount	%	Amount	%
(Assets)				
I Current Assets	195,711	48.9%	218,072	53.1%
Cash on hand and in banks	60,649		87,343	
Trade notes/accounts receivable	70,893		69,048	
Merchandise	4,499		3,821	
Finished goods	27,740		25,825	
Raw material	12,332		10,506	
Work in process	6,176		5,735	
Supplies	2,474		2,849	
Deferred income taxes - current	6,306		8,998	
Other current assets	5,466		4,744	
Allowance for doubtful accounts	(828)		(801)	
II Fixed Assets	204,661	51.1%	192,846	46.9%
1. Tangible fixed assets	113,599	28.4%	112,744	27.4%
Buildings and structures	44,140		44,121	
Machinery and transportation equipment	35,212		35,602	
Land	20,440		20,404	
Construction in progress	7,037		6,412	
Other tangible fixed assets	6,768		6,202	
2. Intangible fixed assets	35,908	8.9%	35,125	8.6%
Goodwill	30,811		30,202	
Other intangible fixed assets	5,097		4,922	
3. Investments and other fixed assets	55,152	13.8%	44,976	10.9%
Investments in securities	42,635		40,527	
Deferred income taxes - noncurrent	5,351		1,878	
Other assets	7,165		2,570	
Total Assets	400,373	100.0%	410,918	100.0%

(Millions of yen)

	As of June 30, 2008		As of March 31, 2008	
	Amount	%	Amount	%
(Liabilities)				
I Current Liabilities	90,857	22.7%	114,457	27.9%
Trade notes/accounts payable	28,037		27,245	
Short-term bank loans	20,280		35,000	
Accrued income taxes	7,490		17,802	
Reserve for employees bonuses	2,458		4,782	
Reserve for directors bonuses	47		189	
Deferred income taxes - current	197		197	
Notes and accounts payable on equipment	5,320		5,646	
Other current liabilities	27,024		23,593	
II Long-term Liabilities	7,845	2.0%	7,593	1.8%
Deferred income taxes - noncurrent	43		36	
Reserve for retirement allowance	4,078		4,263	
Reserve for retirement benefits for directors and corporate auditors	728		728	
Other long-term liabilities	2,995		2,565	
Total Liabilities	98,702	24.7%	122,051	29.7%
(Net Assets)				
I Shareholders' Equity	301,435	75.3%	291,624	71.0%
Capital stock	38,716		38,716	
Capital surplus	59,030		59,030	
Retained earnings	262,486		252,667	
Treasury stock	(58,798)		(58,790)	
II Evaluation Difference and Foreign Currency Exchange Adjustments	135	0.0%	(2,843)	(0.7%)
Evaluation difference of investment securities	6,653		5,026	
Foreign currency translation adjustments	(6,518)		(7,869)	
III Minority Interests	100	0.0%	87	0.0%
Total Net Assets	301,670	75.3%	288,867	70.3%
Total Liabilities and Net Assets	400,373	100.0%	410,918	100.0%

(2) Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2008	
	Amount	%
I Net Sales	77,771	100.0%
II Cost of Sales	35,516	45.7%
Gross Profit on Sales	42,255	54.3%
III Selling, General and Administrative Expenses	26,013	33.4%
Operating Profit	16,241	20.9%
IV Non-operating Income		
Interest income	399	
Dividend income	178	
Royalty income	30	
Exchange gain	2,206	
Equity in profit of affiliated companies	19	
Other non-operating income	224	3.9%
V Non-operating Expenses		
Interest expenses	97	
Sales discount	141	
Loss on disposal of inventories	18	
Other non-operating expenses	192	0.6%
Ordinary Profit	18,852	24.2%
VI Extraordinary Profit		
Gain on sales of fixed assets	0	
Gain on sales of securities	80	0.1%
VII Extraordinary Losses		
Loss on disposal of fixed assets	5	0.0%
Income Before Taxes	18,927	24.3%
Corporate, Inhabitant and Enterprise Taxes	5,208	
Deferred Taxes (reduction)	(302)	6.3%
Minority Interest Income (loss) of consolidated companies	5	0.0%
Net Income for the Period	14,016	18.0%

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended
	June 30, 2008
	Amount
I Cash Flows from Operating Activities	
Income Before Taxes	18,927
Depreciation and amortization	4,129
Amortization of goodwill	512
Equity in profit of affiliated companies	(19)
Increase(decrease) in reserve for retirement allowance	(189)
Increase(decrease) in allowance for doubtful accounts	26
Increase(decrease) in reserve for directors bonuses	(142)
Interest and dividend income	(578)
Interest expenses	97
Exchange gain (loss)	(230)
Loss on disposal of fixed assets	5
Gain on sales of fixed assets	(0)
Gain on sales of securities	(80)
Decrease(increase) in trade receivables	177
Decrease(increase) in inventories	(2,774)
Increase(decrease) in trade payables	(115)
Others	(6,720)
Sub-total	13,024
Interest and dividends received	714
Interest paid	(151)
Income taxes paid	(16,276)
Cash Flows from Operating Activities	(2,689)
II Cash Flows from Investing Activities	
Payments for time deposits with maturities exceeding 3 months	(1,490)
refund of cash in bank	512
Capital expenditure	(3,560)
Proceeds from sales of tangible fixed assets	1
Payments for acquisition of intangible fixed assets	(305)
Acquisition of investment in securities	0
Proceeds from sale of marketable securities	580
Expense relating to acquisition of newly consolidated subsidiary	(3,286)
Cash Flows from Investing Activities	(7,548)
III Cash Flows from financing Activities	
Increase(decrease) in short-term bank loan	(15,000)
Buyback of treasury stock	(7)
Dividends paid	(3,490)
Cash Flows from Financing Activities	(18,498)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	1,064
V Change in Cash and Cash Equivalents	(27,671)
VI Cash and Cash Equivalents at Beginning of Period	85,377
VII Cash and Cash Equivalents at End of Period	57,706

5. Segment Information

(1) Business Segments

(Millions of yen)

	Three months ended June 30, 2008	
	Amount	
	Sales	Operating income
General hospital products	37,200	8,275
Cardiac & Vascular products	33,108	9,801
Blood transfusion products	6,232	1,067
Consumer Home Health Care products	1,230	42
Corporate expenses	-	(2,945)
Total	77,771	16,241

(Note) Main products belonging to each product segment

Product segment	Main products
General hospital products	
Disposable medical devices and Medical electronics	Syringe, Needle, Solution Administration set, I.V.catheter, Blood collection tube, Electronic medical equipment, etc.
Pharmaceuticals	I.V.solutions, Prefilled syringe, Nutritional products, etc.
CAPD products	Dialysis solution, etc.
Diabetes care products (Hospital)	Blood glucose monitor, etc.
Home parenteral nutrition and oxygen	Home infusion systems, Home oxygen systems, etc.
Cardiac & Vascular products	
Interventional systems	PTCA catheters, Coronary stent, Guide wires, Angiographic catheters, Cerebral aneurysm coils, etc.
Cardiovascular systems	Roller pump, Oxygenators, Blood tubing set, etc.
Vascular grafts	Artificial vascular grafts
Blood transfusion products	
	Blood bags, Blood transfusion administration set, Medical electronic equipment for blood collection, etc.
Consumer Health Care Products	
	Digital Thermometers, Blood pressure monitor, etc.

(2) Geographic segments

(Millions of yen)

	Three months ended June 30, 2008	
	Amount	
	Sales	Operating income
Japan	39,924	14,015
Europe	15,987	2,440
Americas	13,943	837
Asia and others	7,916	1,916
Corporate expenses	-	(2,969)
Total	77,771	16,241

(3) Sales results by regions

(Millions of yen)

	Three months ended June 30, 2008	
	Amount	%
Japan	39,912	51.3%
Europe	15,987	20.6%
Americas	13,943	17.9%
Asia and others	7,928	10.2%
Total	77,771	100.0%

(Note) Sales in 'Asia and others' includes direct sales from Japan.

Reference information :

Consolidated Financial Statements of the previous year

1. Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2007	
	Amount	%
Net sales	75,469	100.0%
Cost of sales	33,964	45.0%
Gross profit	41,504	55.0%
Selling, general and administrative expenses	24,518	32.5%
Operating income	16,986	22.5%
Non-operating income / expenses	1,609	
Ordinary income	18,595	24.6%
Extraordinary income / expenses	1,040	
Income before taxes	19,636	26.0%
Corporate, inhabitant and enterprise taxes	6,480	
Minority interests	12	
Net income for the period	13,142	17.4%

2. Consolidated Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2007	
	Cash flows from operating activities	11,990
Cash flows from investing activities	(8,107)	
Cash flows from financing activities	(3,188)	
Effect of exchange rate changes on cash and cash equivalents	637	
Change in cash and cash equivalents	1,331	
Cash and cash equivalents at beginning of period	43,049	
Cash and cash equivalents at end of period	44,380	

3. Segment Information

(1) Sales results by product segments

(Millions of yen)

	Three months ended June 30, 2007	
	Amount	%
Disposable medical equipments	20,691	27.4%
Pharmaceuticals	10,175	13.5%
Blood transfusion systems	5,850	7.8%
General hospital products	36,716	48.7%
Catheter systems	19,108	25.3%
Cardiovascular systems	9,601	12.7%
Vascular grafts	2,514	3.3%
Cardiac & vascular products	31,224	41.3%
CAPD systems	1,769	2.3%
Diabetes care products	3,454	4.6%
Other products	2,304	3.1%
Home health care products	7,528	10.0%
Total	75,469	100.0%

(Note) Main products belonging to each product segment

Product segment	Main products
Disposable medical equipment	Syringes, Needles, Solution Administration sets, I.V.catheters, Blood collection tubes, Electronic medical devices, etc.
Pharmaceuticals	I.V.solution, Prefilled syringes, Nutritional products, etc.
Blood transfusion systems	Blood bags, Blood transfusion administration sets, medical electronic devices for blood collection, etc.
Catheter systems	PTCA dilation catheters, Coronary stents, Guide wires, Angiographic catheters, Cerebral aneurysm coils, etc.
Cardiovascular systems	Roller pumps, Hollow fiber oxygenators, Blood circuits, etc.
Vascular grafts	Artificial vascular grafts
CAPD systems	Dialysis solution, etc.
Diabetes care products	Blood glucose monitors, etc.
Other products	Home oxygen systems, Home nutritional products, Digital Thermometers, Electronic sphygmomanometers, etc.

(2) Sales results by region

(Millions of yen)

	Three months ended June 30, 2007	
	Amount	%
Japan	39,108	51.8%
Europe	14,271	18.9%
America	14,508	19.2%
Asia and Others	7,582	10.1%
Total	75,469	100.0%