

# 1st Quarter Financial Results for FYE Mar. 2010



July 30, 2009  
Exchange where listed: TSE

**Name of listed company** : **TERUMO CORPORATION**  
(URL <http://www.terumo.com/>)  
**Company code number** : 4543  
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## 1. Consolidated financial highlights for the interim period ended June 2009 (From April 1, 2009 to June 30, 2009)

### (1) Consolidated financial results

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
<b>Three months ended June,2009</b>	77,467	(0.4)	16,476	1.4	16,934	(10.2)	10,812	(22.9)
<b>Three months ended June,2008</b>	77,771	-	16,241	-	18,852	-	14,016	-

	Net income per share	Net income per share, fully diluted
	(Yen)	(Yen)
<b>Three months ended June,2009</b>	56.94	-
<b>Three months ended June,2008</b>	72.27	-

(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)
<b>June 30, 2009</b>	389,765	292,402	75.0	1,539.15
<b>March 31, 2009</b>	379,064	278,166	73.4	1,464.27

(Note) Shareholders' equity : June 30, 2009: 292,282 million yen, March 31, 2009: 278,062 million yen.

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

## 2. Dividends

	Dividends per share				
	1st quarter	2nd quarter	3rd quarter	4th quarter	total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
<b>Fiscal year ended March 31,2009</b>	-	16.00	-	16.00	32.00
<b>Fiscal year ending March 31,2010</b>	-	-	-	-	-
<b>Fiscal year ending March 31,2010 (forecast)</b>	-	16.00	-	16.00	32.00

(Note) Revise of dividends forecast : None

## 3. Consolidated forecast for the year ending March 2010 (From April 1, 2009 to March 31, 2010)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)
<b>Interim year ending September, 2009</b>	154,000	(1.9)	28,000	(11.0)	28,000	(14.7)	18,000	(21.7)	94.79
<b>Fiscal year ending March, 2010</b>	315,000	4.0	56,000	3.6	56,000	6.5	37,500	1.7	197.47

(Note) Revise of consolidated forecast : Yes

(Assumed exchange rate in 2ndQ of FY2009: 1US\$=90yen, 1Euro=120yen / Assumed exchange rate of FY2009: 1US\$=95yen, 1Euro=125yen)

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

- Forecast for interim year ending September, 2009 which was announced on May 13, 2009 has been revised upwardly.
- Among the information that Terumo discloses, forecasts of financial performance on future projections contain potential risks and uncertainty since these are forecasts on projections made by Terumo based on limited information available at the moment of disclosure. Accordingly, it should be noted that actual results may differ from those forecasts on 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.
- Forecasted results of net income per share have been revised due to decrease of numbers of share for calculation.

#### 4. Consolidated Financial Statements

##### (1) Consolidated Balance Sheets

(Millions of yen)

	As of June 30, 2009		As of March 31, 2009	
	Amount	%	Amount	%
<b>(Assets)</b>				
<b>I Current assets</b>	198,812	51.0%	193,658	51.1%
Cash and deposits	59,760		57,073	
Notes and accounts receivable-trade	69,202		66,865	
Merchandise and finished goods	34,220		33,272	
Work in process	6,266		6,373	
Raw material and supplies	15,898		14,945	
Deferred tax assets	7,870		9,687	
Other	6,301		6,173	
Allowance for doubtful accounts	(707)		(733)	
<b>II Noncurrent assets</b>	190,953	49.0%	185,406	48.9%
1. Property, plant and equipment	112,914	29.0%	111,064	29.3%
Buildings and structures	41,594		41,545	
Machinery, equipment and vehicles	33,076		33,067	
Land	20,292		20,303	
Lease assets	582		548	
Construction in progress	10,318		8,584	
Other	7,048		7,015	
2. Intangible assets	32,022	8.2%	32,747	8.6%
Goodwill	24,730		26,823	
Other	7,291		5,923	
3. Investments and other assets	46,017	11.8%	41,593	11.0%
Investment securities	31,233		23,686	
Deferred tax assets	8,330		11,528	
Other	6,453		6,378	
<b>Total Assets</b>	<b>389,765</b>	<b>100.0%</b>	<b>379,064</b>	<b>100.0%</b>

(Millions of yen)

	As of June 30, 2009		As of March 31, 2009	
	Amount	%	Amount	%
<b>(Liabilities)</b>				
<b>I Current liabilities</b>	89,792	23.0%	93,700	24.7%
Notes and accounts payable-trade	26,320		27,812	
Short-term loans payable	23,090		25,190	
Lease obligations	176		161	
Income taxes payable	5,269		6,022	
Provision for bonuses	2,592		4,758	
Provision for directors' bonuses	47		172	
Deferred tax liabilities	252		173	
Notes and accounts payable - facilities	6,619		5,605	
Other	25,423		23,804	
<b>II Noncurrent liabilities</b>	7,570	2.0%	7,196	1.9%
Lease obligations	427		409	
Deferred tax liabilities	30		103	
Provision for retirement benefits	4,114		3,691	
Provision for directors' retirement benefits	659		659	
Other	2,339		2,331	
<b>Total Liabilities</b>	97,363	25.0%	100,897	26.6%
<b>(Net Assets)</b>				
<b>I Shareholders' Equity</b>	310,776	79.7%	303,005	80.0%
Capital stock	38,716		38,716	
Capital surplus	59,030		59,030	
Retained earnings	289,832		282,058	
Treasury stock	(76,802)		(76,800)	
<b>II Valuation and translation adjustments</b>	(18,494)	(4.7%)	(24,942)	(6.6%)
Valuation difference on available-for-sale securities	(602)		(5,118)	
Foreign currency translation adjustment	(17,891)		(19,823)	
<b>III Minority interests</b>	120	0.0%	104	0.0%
<b>Total Net assets</b>	292,402	75.0%	278,166	73.4%
<b>Total Liabilities and Net Assets</b>	389,765	100.0%	379,064	100.0%

## (2) Consolidated Statements of Income

(Millions of yen)

	Three months ended June 30, 2008			Three months ended June 30, 2009			Changes		
	Amount		%	Amount		%	Amount		%
<b>I Net sales</b>		77,771	100.0%		77,467	100.0%		(303)	(0.4%)
<b>II Cost of sales</b>		35,516	45.7%		35,928	46.4%		412	1.2%
<b>Gross profit</b>		42,255	54.3%		41,539	53.6%		(716)	(1.7%)
<b>III Selling, general and administrative expenses</b>		26,013	33.4%		25,062	32.3%		(951)	(3.7%)
<b>Operating income</b>		16,241	20.9%		16,476	21.3%		235	1.4%
<b>IV Non-operating income</b>									
Interest income	399			142			(257)		
Dividends income	178			42			(136)		
Royalty income	30			40			10		
Foreign exchange gains	2,206			325			(1,881)		
Equity in earnings of affiliates	19			39			20		
Other	224	3,060	3.9%	120	711	0.9%	(103)	(2,349)	(76.8%)
<b>V Non-operating expenses</b>									
Interest expenses	97			45			(52)		
Sales discounts	141			146			5		
Loss on disposal of inventories	18			41			22		
Other	192	449	0.6%	20	253	0.3%	(171)	(196)	(43.7%)
<b>Ordinary income</b>		18,852	24.2%		16,934	21.9%		(1,917)	(10.2%)
<b>VI Extraordinary income</b>									
Gain on sales of noncurrent assets	0			0			(0)		
Gain on sales of investment securities	80			-			(80)		
Reversal of allowance for doubtful accounts	-	81	0.1%	0	1	0.0%	0	(79)	(98.5%)
<b>VII Extraordinary loss</b>									
Loss on disposal of noncurrent assets	5	5	0.0%	2	2	0.0%	(2)	(2)	(50.6%)
<b>Income before income taxes</b>		18,927	24.3%		16,933	21.9%		(1,994)	(10.5%)
Income taxes-current	5,208			4,081			(1,127)		
Income taxes-deferred	(302)	4,906	6.3%	2,027	6,108	7.9%	2,330	1,202	24.5%
Minority interests in income		5	0.0%		11	0.0%		6	125.5%
<b>Net income for the period</b>		14,016	18.0%		10,812	14.0%		(3,203)	(22.9%)

**(3) Consolidated Statements of Cash Flows**

(Millions of yen)

	Three months ended	Three months ended
	June 30, 2008	June 30, 2009
	Amount	Amount
<b>I Net cash provided by (used in) operating activities</b>		
Income before income taxes	18,927	16,933
Depreciation and amortization	4,129	4,010
Amortization of goodwill	512	471
Equity in (earnings) losses of affiliates	(19)	(39)
Increase (decrease) in provision for retirement benefits	(189)	392
Increase (decrease) in allowance for doubtful accounts	26	(31)
Increase (decrease) in provision for directors' bonuses	(142)	(125)
Interest and dividends income	(578)	(184)
Interest expenses	97	45
Foreign exchange losses (gains)	(230)	13
Loss (gain) on disposal of noncurrent assets	5	2
Loss (gain) on sales of noncurrent assets	(0)	(0)
Loss (gain) on sales of short-term and long term investment securities	(80)	-
Decrease (increase) in notes and accounts receivable-trade	177	(1,828)
Decrease (increase) in inventories	(2,774)	(1,269)
Increase (decrease) in notes and accounts payable-trade	(115)	(1,563)
Other, net	(6,720)	64
<b>Sub-total</b>	<b>13,024</b>	<b>16,889</b>
Interest and dividends income received	714	346
Interest expenses paid	(151)	(48)
Income taxes paid	(16,276)	(5,674)
<b>Net cash provided by (used in) operating activities</b>	<b>(2,689)</b>	<b>11,512</b>
<b>II Net cash provided by (used in) investment activities</b>		
Payments into time deposits	(1,490)	(8,745)
Proceeds from withdrawal of time deposits	512	2,239
Purchase of property, plant and equipment	(3,560)	(4,142)
Proceeds from sales of property, plant and equipment	1	0
Purchase of intangible assets	(305)	(264)
Purchase of investment securities	(0)	(106)
Proceeds from sales of investment securities	580	-
Purchase of investments in subsidiaries resulting in change in scope of consolidation	(3,286)	-
<b>Net cash provided by (used in) investment activities</b>	<b>(7,548)</b>	<b>(11,018)</b>
<b>III Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in short-term loans payable	(15,000)	(2,100)
Purchase of treasury stock	(7)	(2)
Repayments of finance lease obligations	-	(47)
Cash dividends paid	(3,490)	(3,038)
<b>Net cash provided by (used in) financing activities</b>	<b>(18,498)</b>	<b>(5,188)</b>
<b>IV Effect of exchange rate change on cash and cash equivalents</b>	<b>1,064</b>	<b>955</b>
<b>V Net increase (decrease) in cash and cash equivalents</b>	<b>(27,671)</b>	<b>(3,739)</b>
<b>VI Cash and Cash Equivalents at Beginning of Period</b>	<b>85,377</b>	<b>55,067</b>
<b>VII Cash and Cash Equivalents at End of Period</b>	<b>57,706</b>	<b>51,328</b>

## 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 Health Care products	1,230	42
Corporate expenses	-	(2,945)
<b>Total</b>	<b>77,771</b>	<b>16,241</b>

(Millions of yen)

	Three months ended June 30, 2009	
	Amount	
	Sales	Operating income
General hospital products	36,643	8,607
Cardiac & Vascular products	33,279	9,830
Blood transfusion products	5,651	843
Consumer Health Care products	1,892	333
Corporate expenses	-	(3,138)
<b>Total</b>	<b>77,467</b>	<b>16,476</b>

(Note) Main products belonging to each product segment

Product segments	Main products
<b>General hospital products</b>	
Disposable medical devices and Medical electronics	Syringes, Needles, Solution sets, I.V.catheters, Blood collection tubes, Electronic medical equipments, etc.
Pharmaceuticals	I.V.solutions, Prefilled syringes, Nutritious foods, etc.
CAPD products	Dialysis solutions, etc.
Diabetes care products	Blood glucose monitors, etc.
Home parenteral nutrition and oxygen	Home parenteral nutrition, Home oxygen systems, etc.
<b>Cardiac and Vascular products</b>	
Interventional systems	Angiographic catheters, PTCA catheters, Coronary stents, Neuro Interventional coils, etc.
Cardiovascular systems	Oxygenators, Roller pumps, Blood tubing sets, etc.
Vascular grafts	Artificial vascular grafts
<b>Blood transfusion products</b>	Blood bags, Automated blood processing products, etc.
<b>Consumer health care products</b>	Digital Thermometers, Blood pressure monitors, Blood glucose monitors (OTC), etc.

**(2) Geographic segments**

(Millions of yen)

	Three months ended June 30, 2008		
	Amount		
	Sales to customer	Internal sales	Operating income
Japan	39,924	11,728	14,015
Europe	15,987	793	2,440
Americas	13,943	1,620	837
Asia and others	7,916	3,422	1,916
Corporate expenses / eliminations	-	(17,564)	(2,969)
Total	77,771	-	16,241

(Millions of yen)

	Three months ended June 30, 2009		
	Amount		
	Sales to customer	Internal sales	Operating income
Japan	42,822	11,746	14,374
Europe	13,406	1,150	2,452
Americas	13,711	1,520	883
Asia and others	7,527	3,698	2,099
Corporate expenses / eliminations	-	(18,116)	(3,334)
Total	77,467	-	16,476

**(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.

(Millions of yen)

	Three months ended June 30, 2009	
	Amount	%
Japan	42,820	55.3%
Europe	13,406	17.3%
Americas	13,711	17.7%
Asia and others	7,529	9.7%
Total	77,467	100.0%

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