



Half Year Financial Results for FYE/Mar 2009

Terumo Corporation

30, October 2008

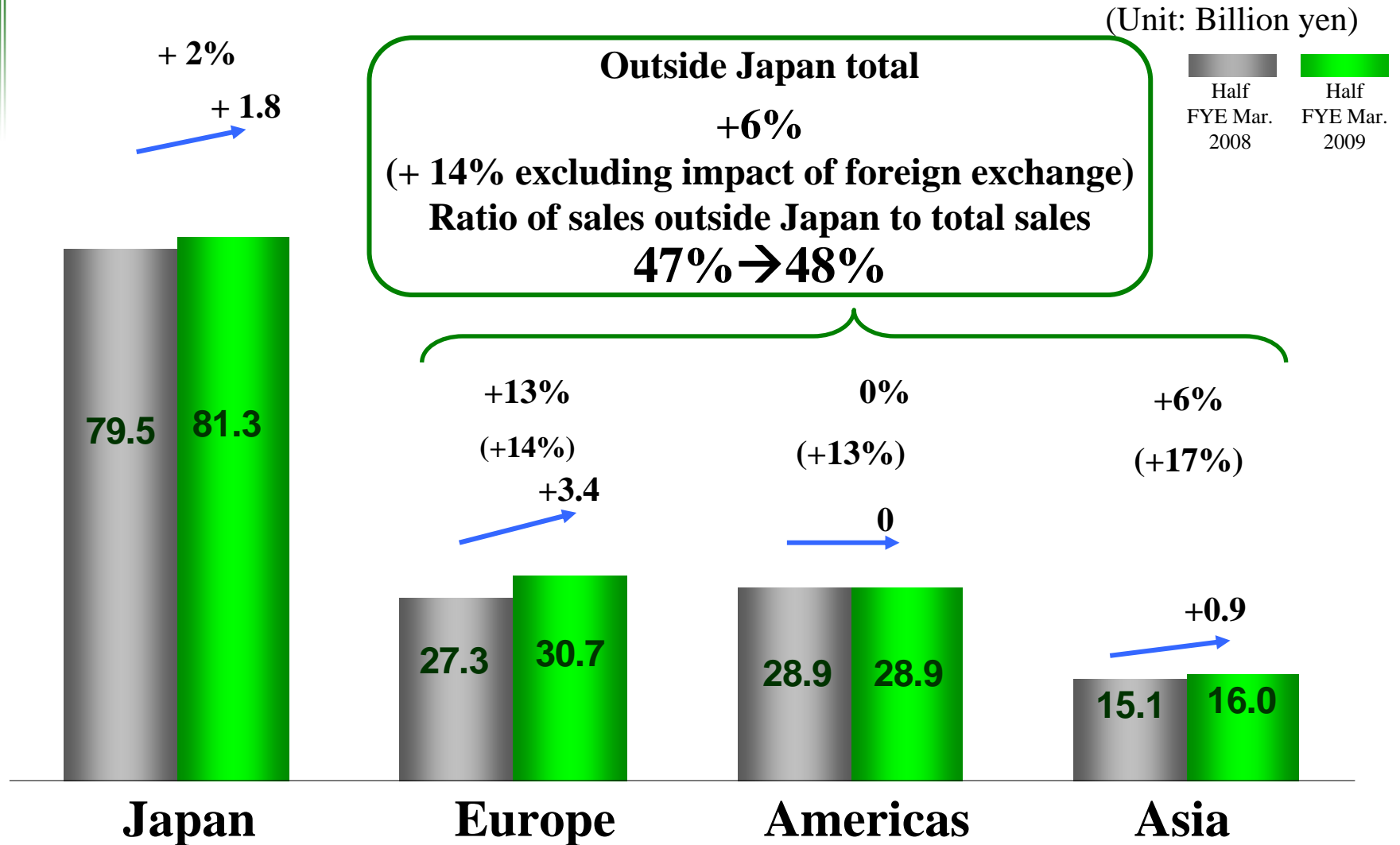
Sales Increasing But Operating Income decreased

(Unit: Billion yen)

	Q2 FYE/Mar. 2008	Q2 FYE/Mar. 2009	Rate of change
Net Sales	150.8	157.0	4%
Gross profit (%)	82.8 (54.9%)	84.3 (53.7%)	2%
S.G.A Expenses (%)	49.3 (32.7%)	52.8 (33.7%)	7%
Operating Income (%)	33.5 (22.2%)	31.5 (20.0%)	-6%
Ordinary Income (%)	34.0 (22.5%)	32.8 (20.9%)	-3%
Net Income	22.9	23.0	0%
Average exchange rate	1 US\$ 119 yen 1EUR 162 yen	106 yen 163 yen	11.1% yen appreciation 0.3% yen depreciation

Net Sales (by Region)

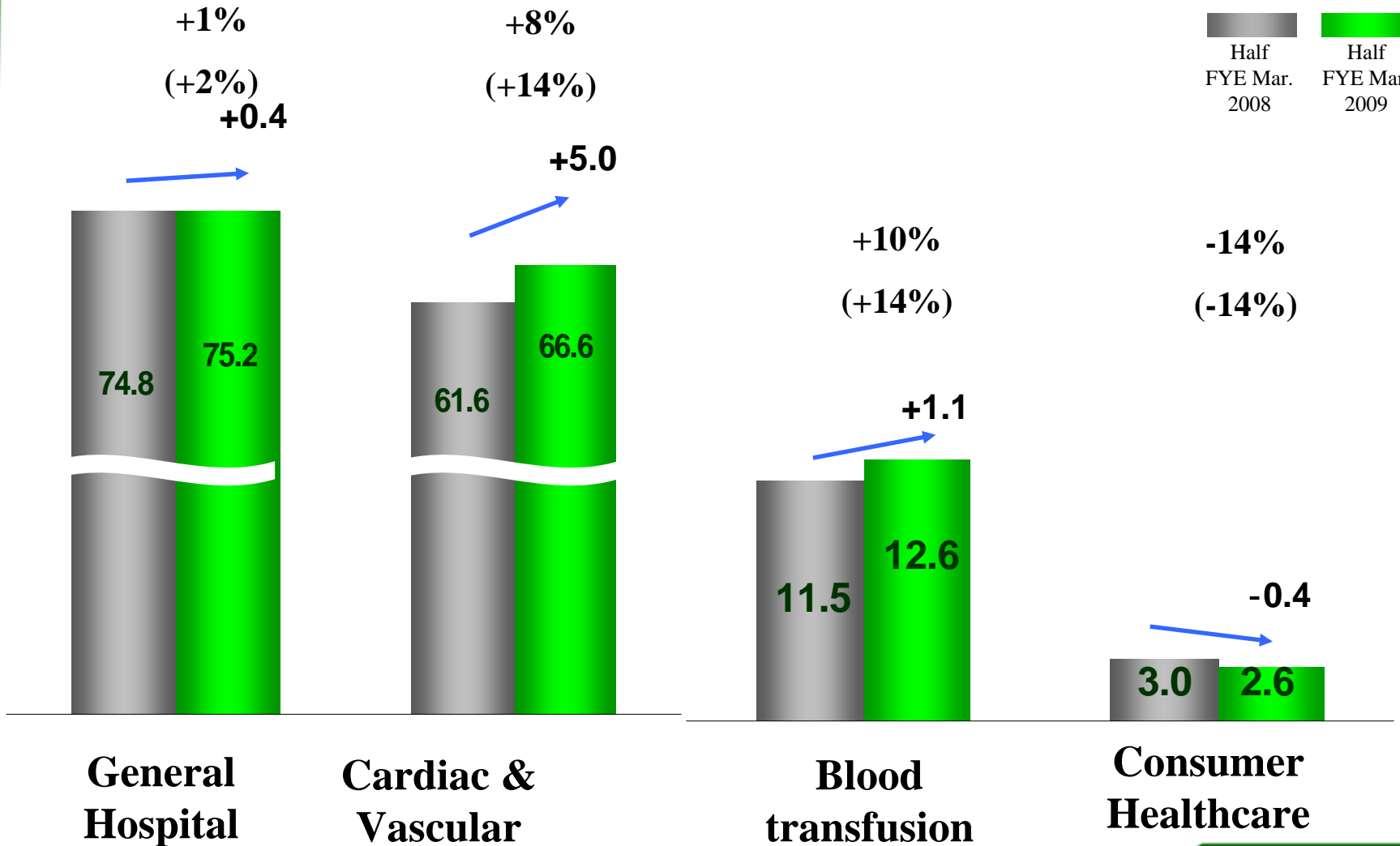
Double-digit growth continuing, excluding impact of foreign exchange



Net Sales (by Product Group)

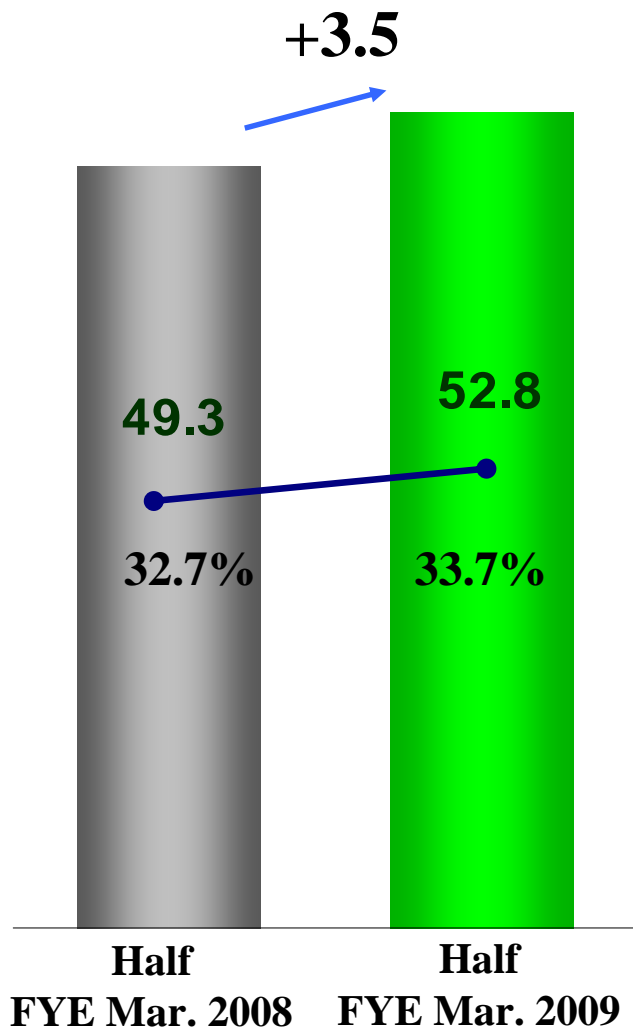
(Unit: Billion yen)

Half FYE Mar. 2008	Half FYE Mar. 2009



S.G.A Expenses

(Unit: Billion yen)

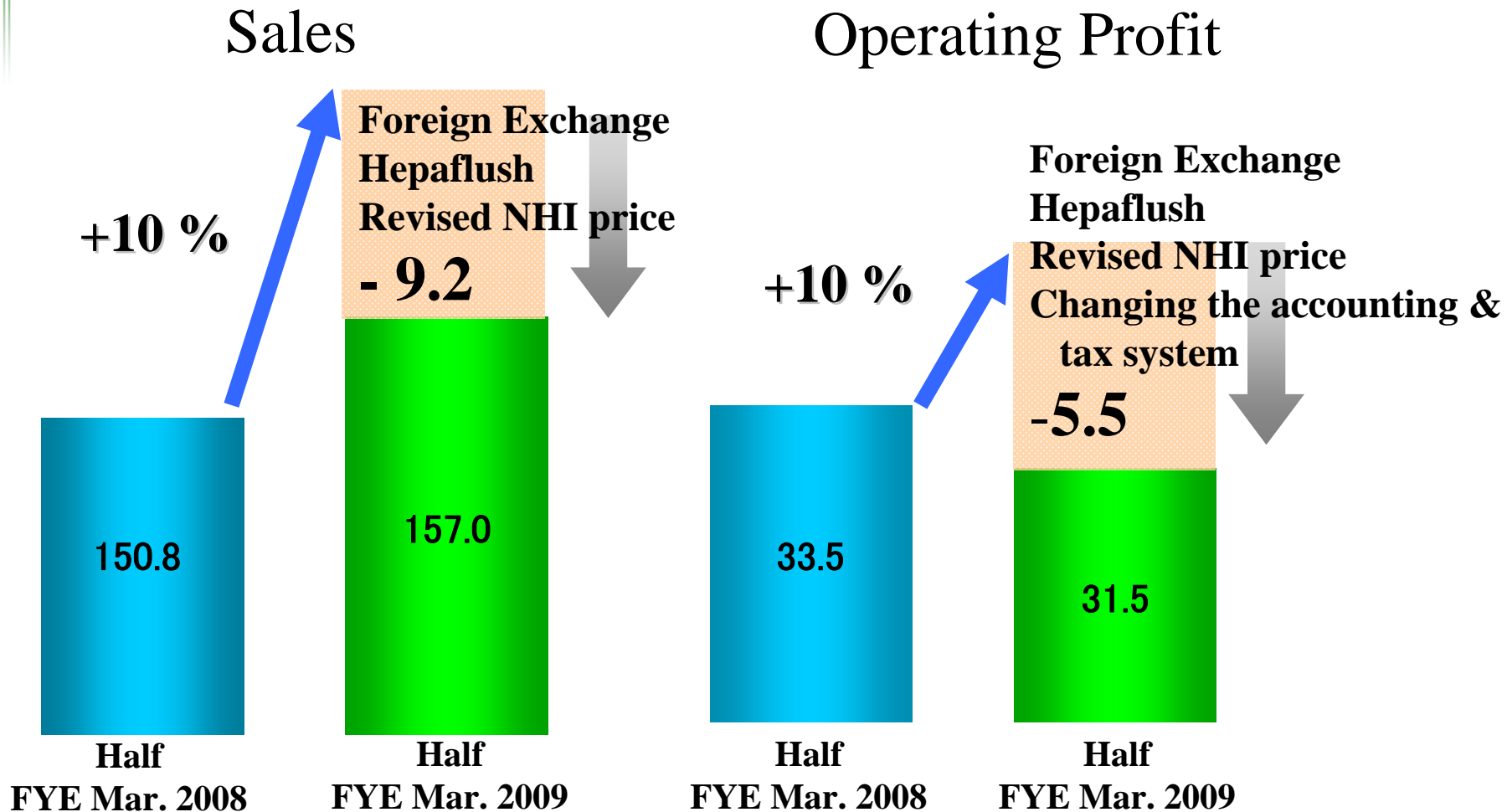


**S.G.A Expenses ratio
1.0 point increase**

	Half FYE Mar. 2008	Half FYE Mar. 2009	Change	%
Personal	18.3	19.5	+1.2	6.8%
Logistics	4.4	4.7	+0.3	6.5%
Sales and Advertising	4.8	5.2	+0.4	8.2%
R&D	7.8	8	+0.2	2.6%
Depreciation Goodwill	0.6	1	+0.4	65.8%
Others	13.4	14.4	+1.0	7.2%
Total	49.3	52.8	+3.5	7.1%

The Impact of Uncommon Factors

(Unit: Billion yen)



With Changing Assumed Exchange Rate

(Unit: Billion yen)

	FYE/Mar 2009 Q2 Results	FYE/Mar. 2009 Revised Fcst.	FYE/Mar. 2009 Original Fcst.
Net Sales	157.0	310.0	318.0
Operating Income (%)	31.5 (20.0%)	62.0 (20.0%)	68.0 (21.4%)
Ordinary Income (%)	32.8 (20.9%)	61.0 (20.9%)	68.0 (21.4%)
Net Income	23.0	40.0	45.0

Average exchange rate
 1 US\$ 106 yen
 1EUR 163 yen

101 yen
 144 yen

100 yen
 155 yen

Assumed 2nd half rate

1US\$ 95 yen
1EUR 125 yen

Topics

- ◆ **Review of The 1st Half**
- ◆ **Future Market Trends and Strategies**

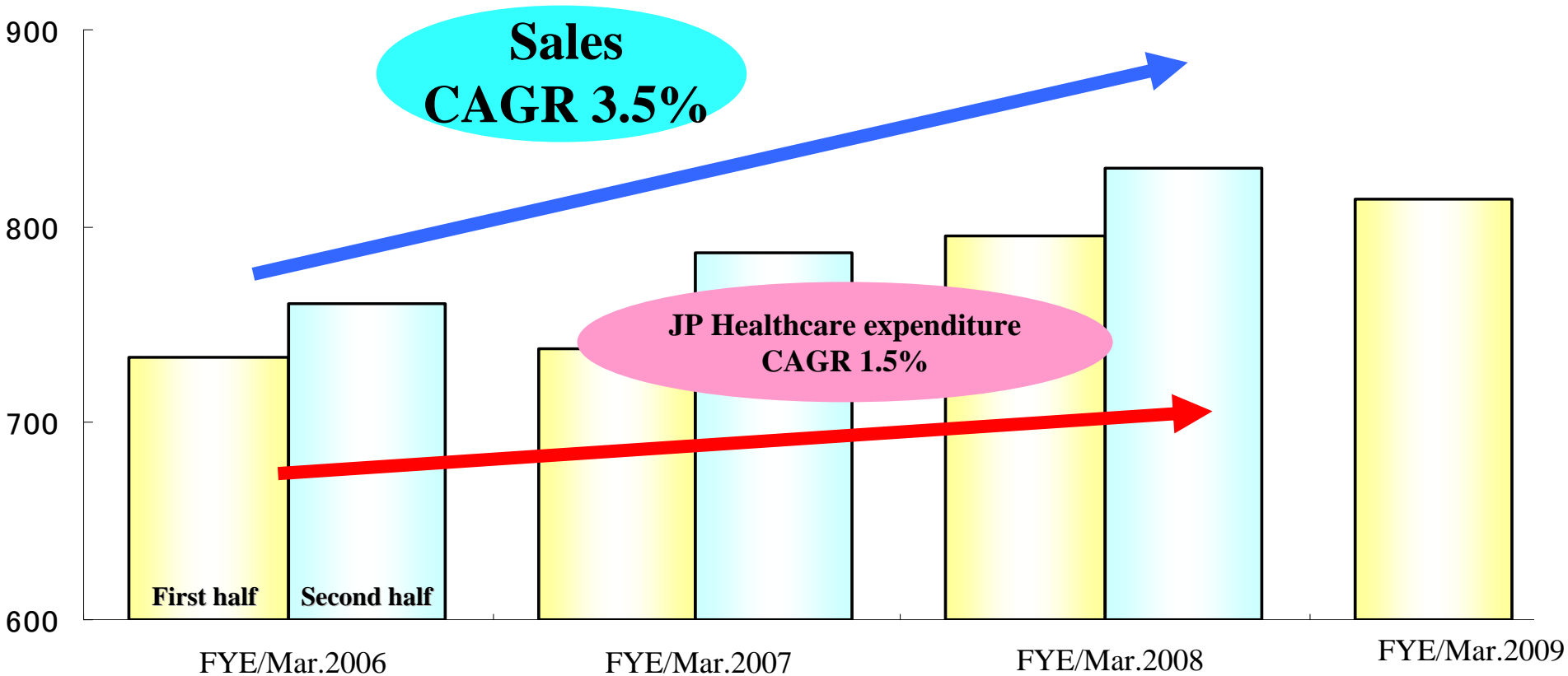


Review of The 1st Half

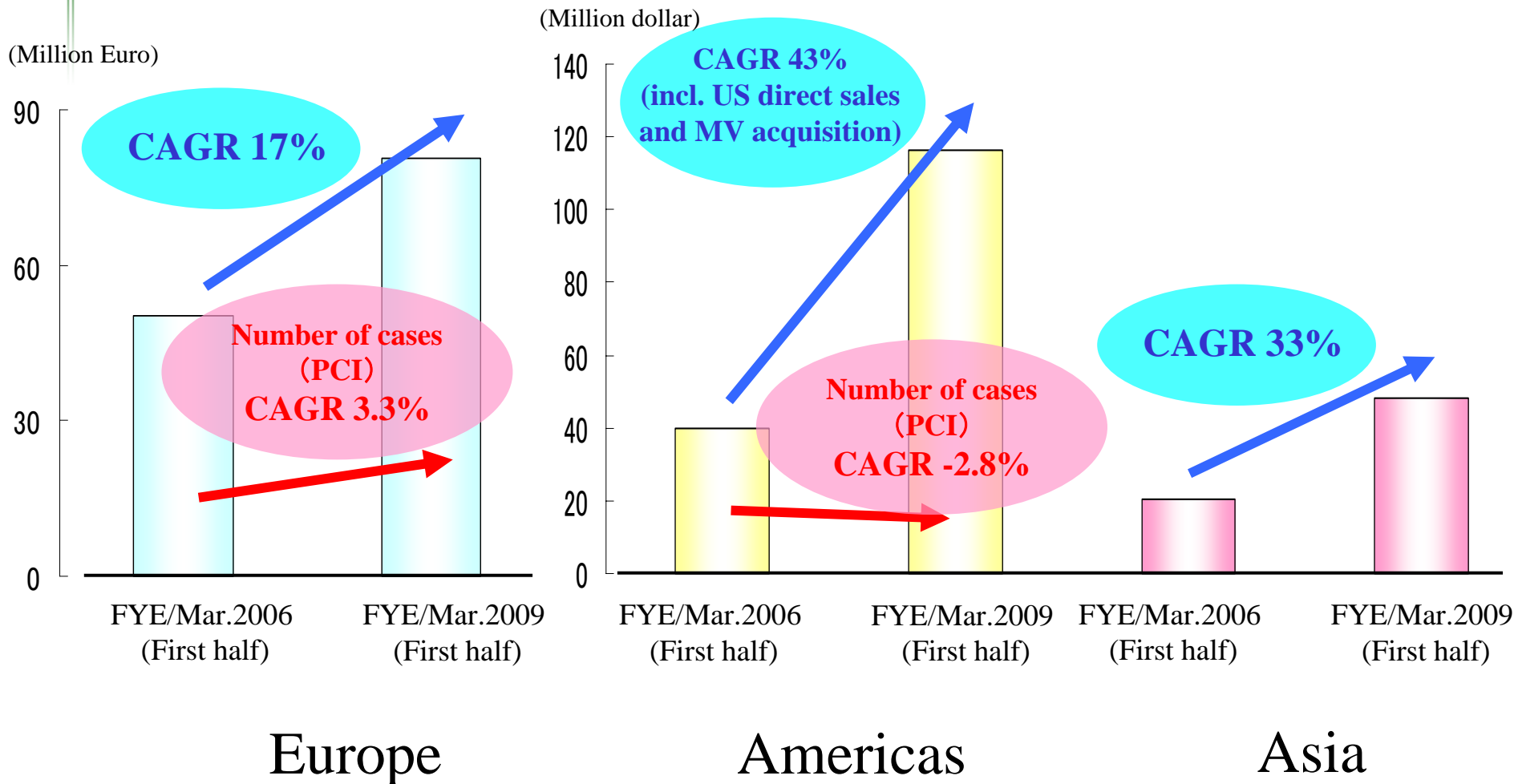
Japan Business Expanding Stably

- ◆ Market growth is in extremely low, but
- ◆ Our business continuously growing even after NHI price revisions

(Unit: Billion yen)

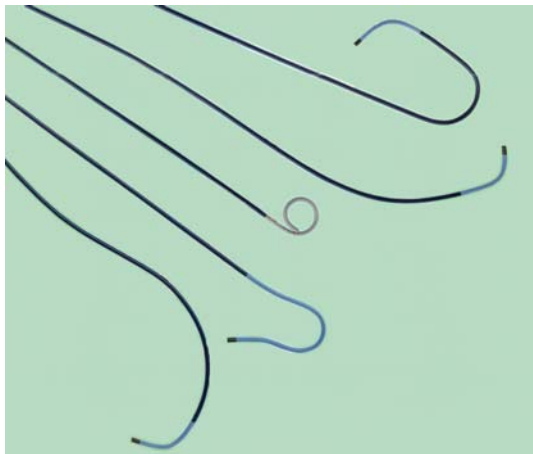


Interventional Business Showing Strong Growth in WW



New Member of Group “Clinical Supply”

- ◆ Already Started to strengthen sales force in Japan
- ◆ International marketing of its products to start in next fiscal year
- ◆ Integration synergy in both development and production



Catheters for angiography



"Sniper"
Micro catheters





Future Market Trends and Strategies

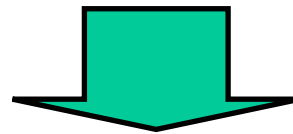
Things Taking Place, Now...

Drastic economic changes

Aging of society in progress
Increasing life style diseases

Growth in
healthcare expenditure

Tightening of regulations
for medical safety



Globally expanding business opportunities
with the keyword “Healthcare Economic Efficiency”

Japanese Government Expects Medical Devices To Improve Healthcare Economy

- ◆ In Sep, MHLW announced
"New Vision of Medical Devices & Medical Technology Industry"
- ◆ The new vision to provide incentive towards product
development improving economic efficiency in healthcare.

New Product Launch for Better Healthcare Economy

◆ New IV system, “EXFREE”

- A brand new connection method is developed, contributing to safety improvements in IV solutions



◆ A new pre-filled syringe: “AtvagoReverse”

- Integrating syringes with two drugs (neostigmine + atropine) contributing to safety and efficiency



Strategy 2

Catheterization with “TRI,” Outstanding Healthcare Economy

◆ More minimally invasive

-Approaching cardiovascular system from a wrist artery

◆ Easy hemostasis

-Drastically shorter time needed than conventional methods (via femoral artery)

◆ Enabling patients to walk back home

-Patients can leave by foot, outpatient surgery possible



“This is TERUMO Territory”
Pamphlet of TRI-related products

※TRI (abbreviation of Transradial Coronary Intervention; Transradial = radial artery)

Terumo = TRI , Global Expansion Through Unique Strategies

◆ A comprehensive range of products from access to hemostasis

◆ From Japan to the world:

Together with the spread and penetration of this procedure

TRI Penetration rate

Japan : 45%

Europe: 25%

America : 5% or
below

Asia: 25%



Training Chinese doctors
(Medical Pranex)



TRI symposium to celebrate the 100th anniversary of
Japanese emigration to Brazil

※As of March 2008 (Terumo estimates)

Expanding Interventional Product Lineup

◆ Neuro intervention

- Coils for cerebral aneurysms treatment
- + Guidewires -- Launched in Q2
- + Catheters -- Plan to be launched in 2nd half



HydroSoft
(Coils for cerebral aneurysms treatment)

◆ Peripheral



MISAGO (stent for femoral artery)



AZUR (coil for visceral arteries)

Improving Production Capability and Profitability (1)

Interventional Products

- ◆ Construction of a new building at Ashitaka Plant started
- ◆ Production capability to increase in America and Europe



A rendering of the new building, Ashitaka Plant

-20- (Scheduled to start operation in mid-2009)



Terumo Medical CO.
(U.S.A)



Terumo Europe N.V.
(Belgium)

Improving Production Capability and Profitability (2)

Increase in Production Capability in Asia

- ◆ **Vietnamese plant: started operation in May**
- ◆ **Capacity expansion also planned in China and India**



**Changchun Terumo
Medical Products CO.,LTD**



Terumo Penpol LTD.



Terumo Vietnam CO.,LTD

Value-added Approach & Pursuit of Operational Efficiency

◆ Terumo Medical Pranex

Training for medical professionals
in Terumo Medical Pranex



◆ EB (electron beam) sterilization system

- Contributing to shortening lead time and reducing inventories

◆ Thoroughly efficient use of general overhead expenses, etc.

Strategy 6

Development of Globally Important New Products

Making Steady Progress

◆DuraHeart

- Clinical tests started in America (July)
and in Japan (October) in succession
- Sales steady in Europe

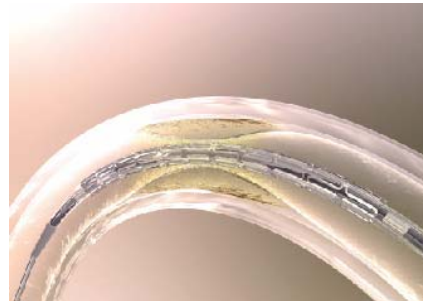


Duraheart

(Left Ventricular Assist System)

◆Nobori

- Enrollment in Japan completed
- Sales steady in Europe, drawing distinction from competitor's price
- Contributing to sales increase of PTCA and other peripheral products



Nobori

(Drug eluting stent)

Summary

◆ **Global economy in confusion, but business opportunities increasing**

◆ **Keyword is “Healthcare Economic Efficiency”;**

Terumo’s strategy = Needs of the age

◆ **Phoenix2010 in progress toward better and increased profitability**

<Topic>

Own shares acquisition is just resolved during the board of directors meeting today.

(up to 4M shares / JPY 20B valued).

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