



1st Half Financial Results for FYE/Mar. 2010

**Terumo Corporation
October 29, 2009**

Financial Results

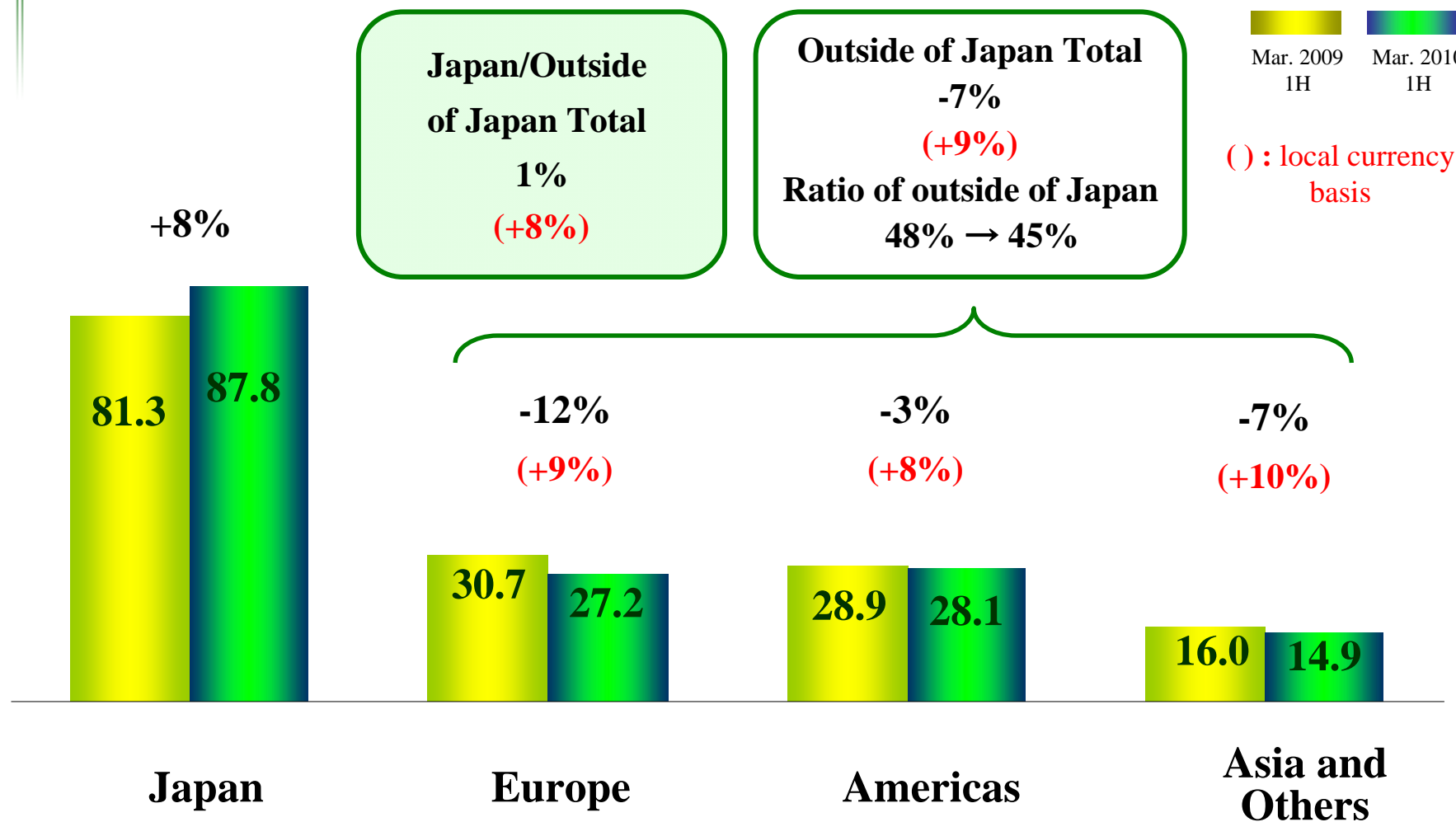
(Unit: Billion yen)

	1H FYE/Mar. 2009	1H FYE/Mar. 2010	Rate of change
Net Sales	157.0	158.1	1%
Gross profit	84.3(53.7%)	83.3(52.7%)	-1%
SG&A Expenses	52.8(33.7%)	50.7(32.1%)	-4%
Operating Income	31.5(20.0%)	32.6(20.6%)	4%
Ordinary Income	32.8(20.9%)	32.2(20.4%)	-2%
Net Income	23.0(14.6%)	20.8(13.1%)	-10%

Average exchange rate	1US\$	106 yen	} Impact on Net Sales
	1EUR	163 yen	

Sales (by Region)

(Unit: Billion yen)

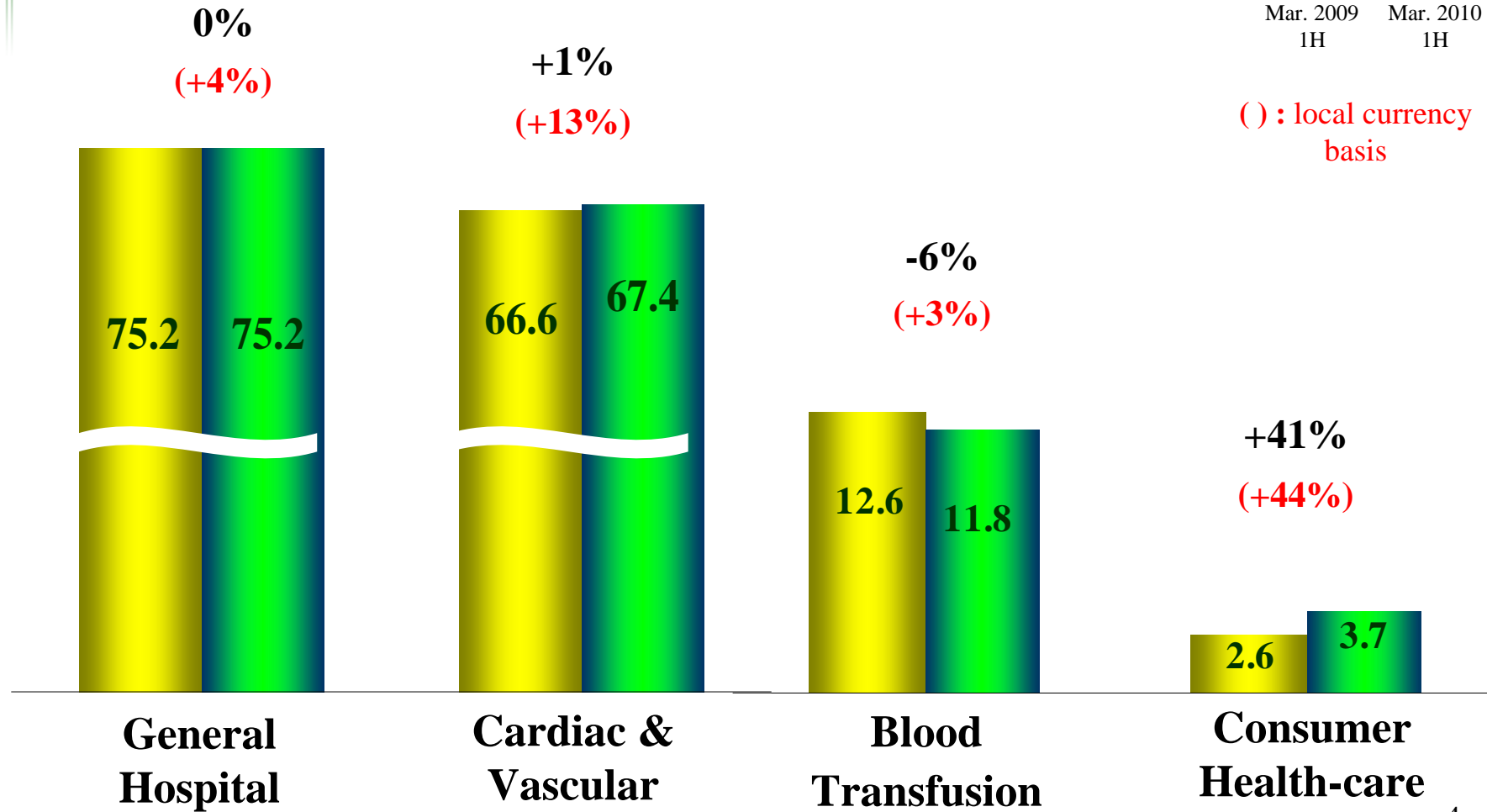


Sales (by Product Group)

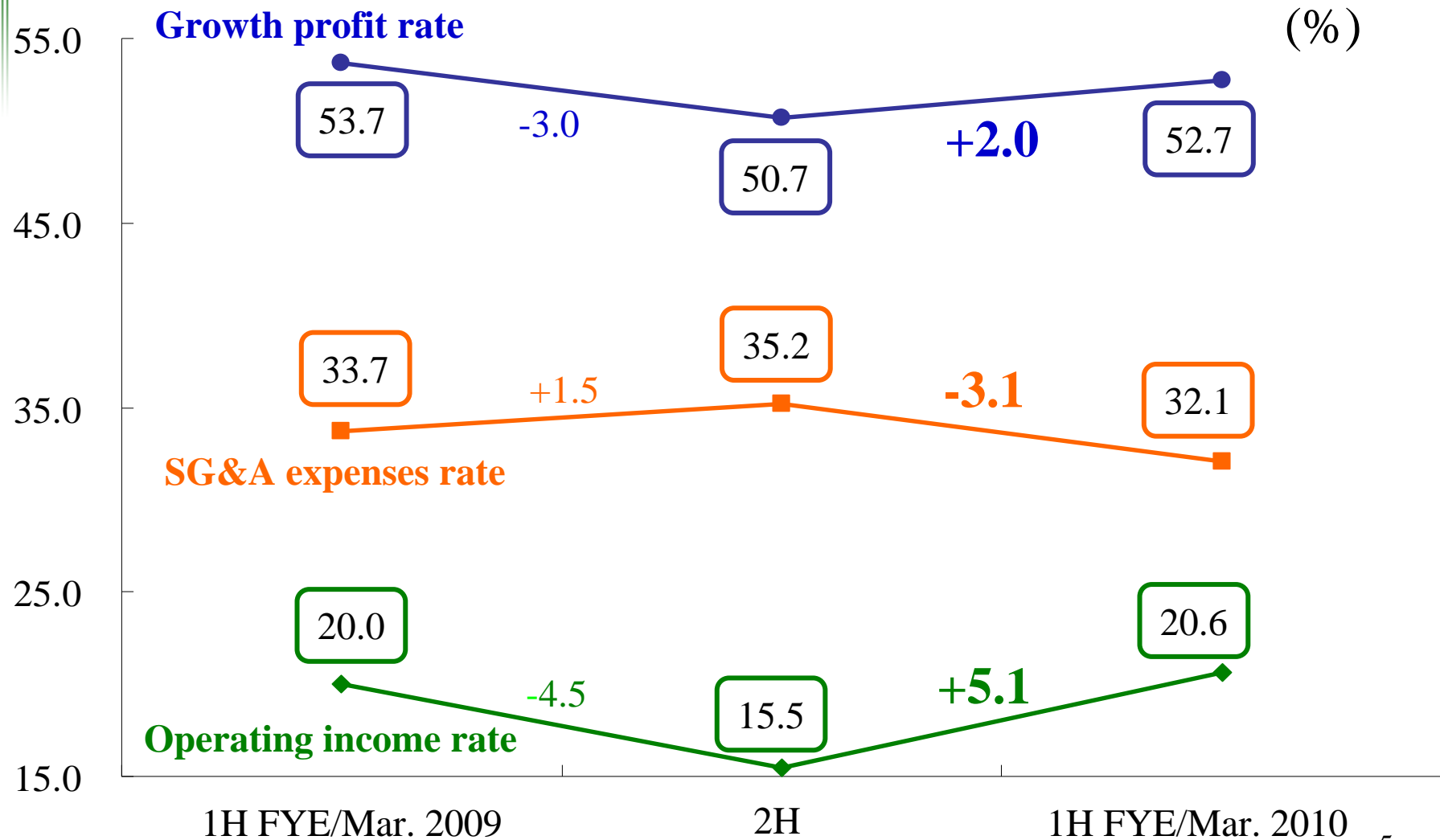
(Unit: Billion yen)

Mar. 2009 1H Mar. 2010 1H

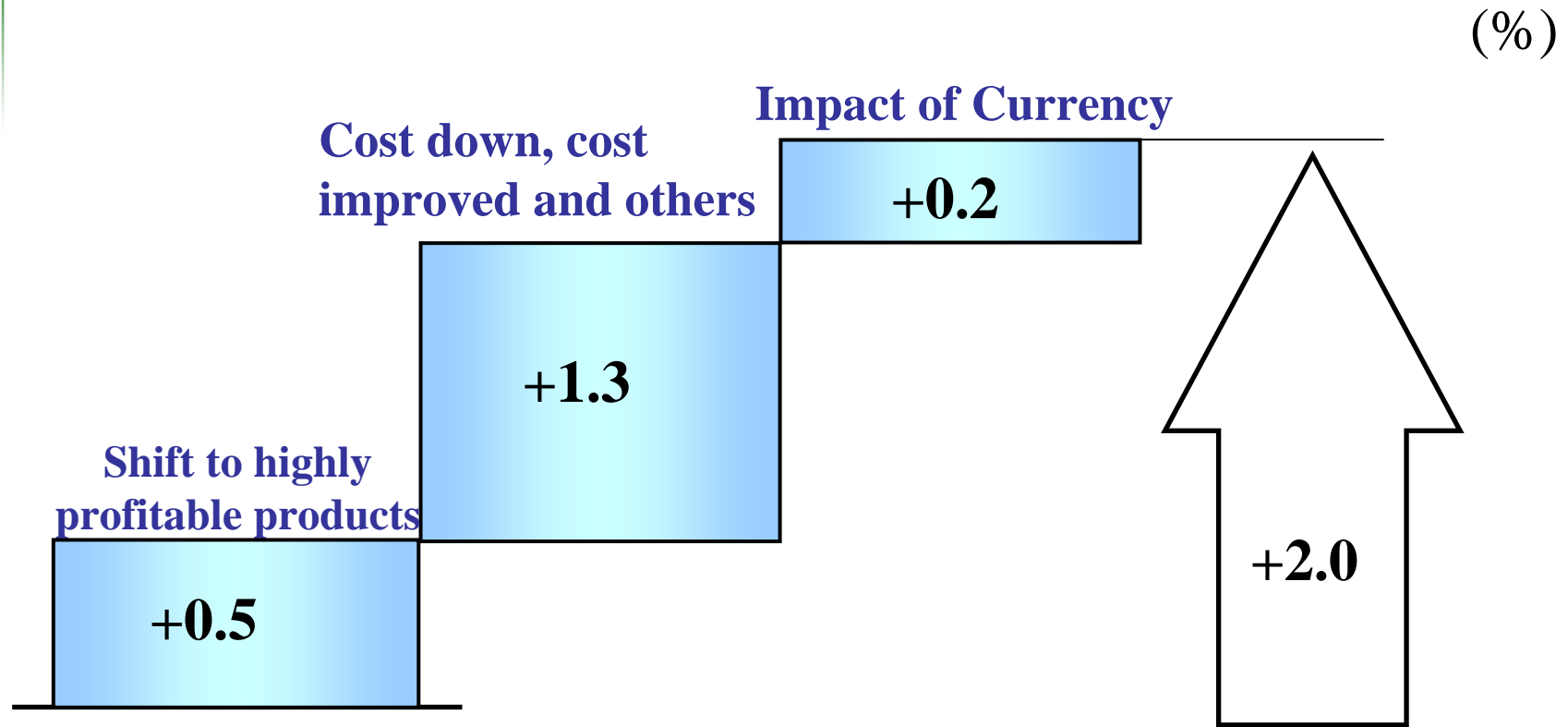
() : local currency basis



Both the Gross Profit and SG&A Expenses Rate Contributed to a Recovery of the Operating Income Rate



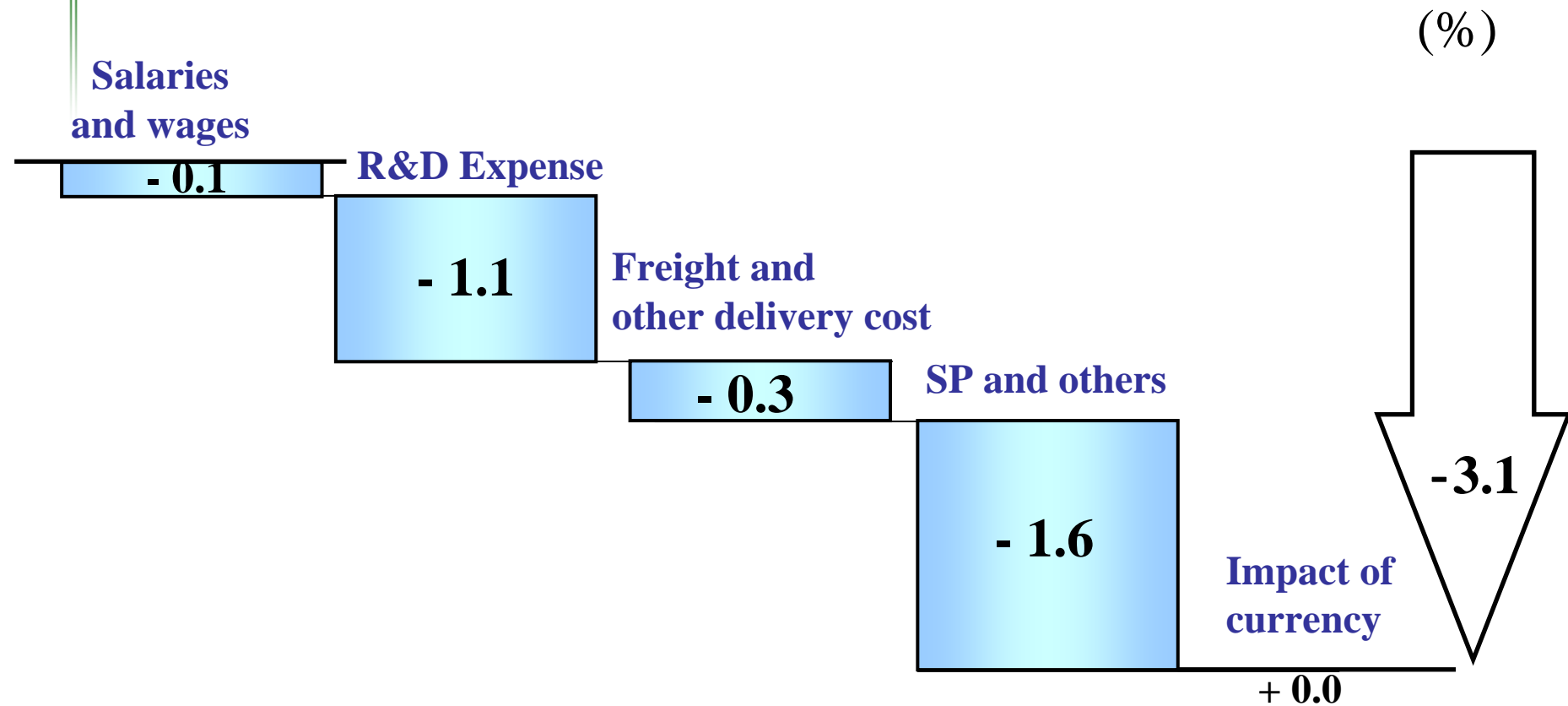
Gross Profit Rate Improved



2H FYE/Mar.2009 50.7% → 1H FYE/Mar.2010 52.7%

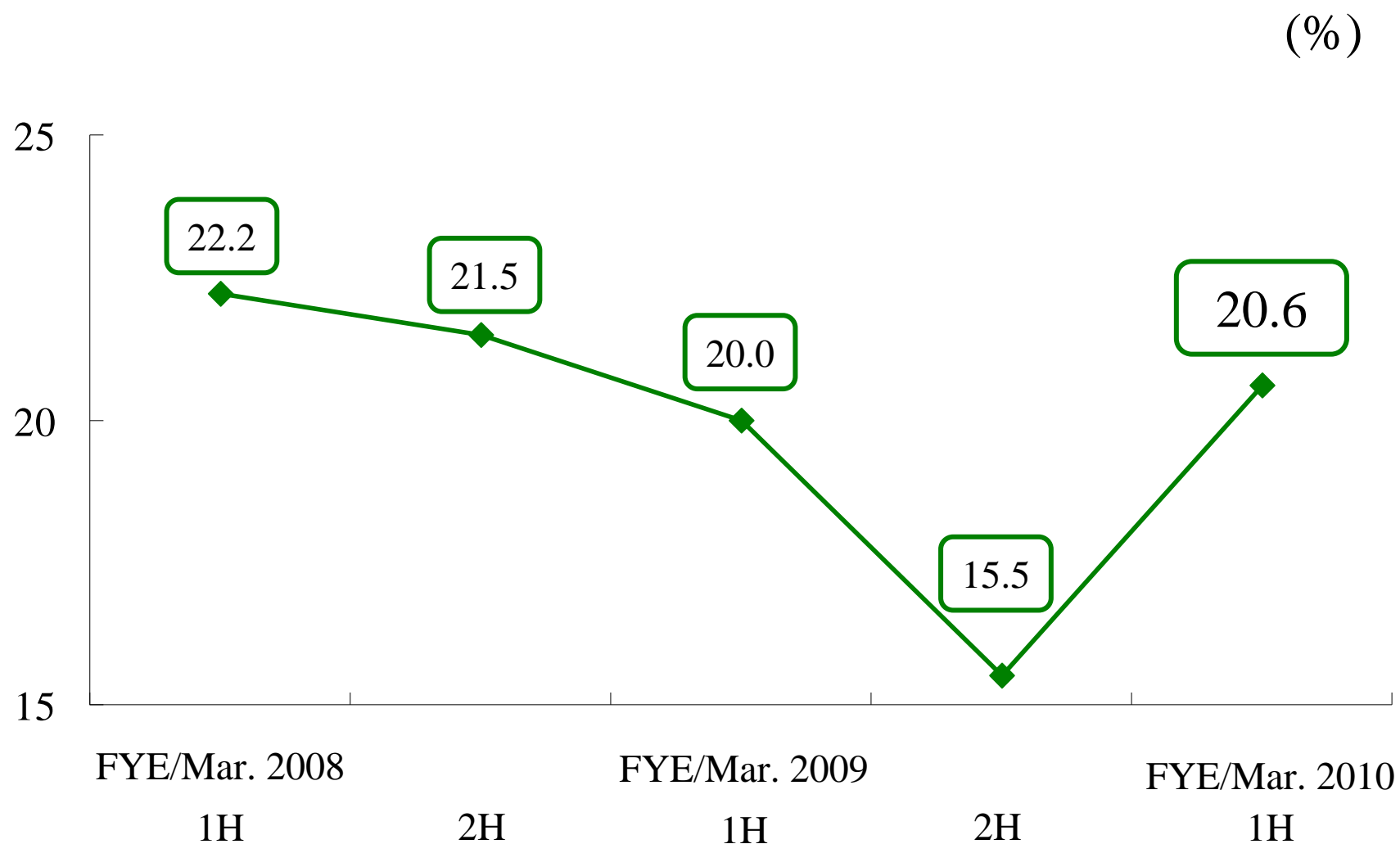
Average exchange rate	US \$	95yen	96yen
	EUR	124yen	133yen

SG&A Expense Rate Improved



2H FYE/Mar. 2009 35.2% → 1H FYE/Mar. 2010 32.1%

Operating Income Rate Recovered to the Order of 20%



- 
- Global Healthcare Reforms
and Growth Strategies
 - Other Topics

Global Healthcare Reforms

China

- Economic development and rising income levels
- Government investment of a total of 120 billion dollars
- Reforms toward a universal health insurance plan started

US

- Getting serious about solving the issue of more than 45 million uninsured people
- Healthcare reform bill under deliberation to pass within the year

U.K.

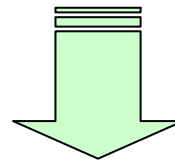
- Improving the quality of medical service with three elements of “people, capital and new technologies”

Japan

- Management improvement of hospitals and increase of doctors under review

Growing Opportunities

- China and other emerging markets expanding
- US market changing, with focus shifting to the healthcare economy
- Japan examining aggressive measures in fields such as emergency medical service and etc.



A wide variety of growth drivers from all regions and fields
Promoting strategies focusing on the healthcare economy

Strengthening Business Structures in China and Emerging Countries

China: A dedicated corporate executive posted in Beijing
- Strengthen strategy function



◆ 2007
Reorganized local representative in Chile into an affiliate company

◆ October 2009
Strengthened import and sales functions of Brazilian subsidiary



South America:
Continuing to strengthen business bases

Supporting the Improvement of the medical infrastructure



Russia



Live Demonstration



Philippines



Nurse training



Terumo Medical Pranex
TRI seminar



South Africa



Simulator training

Brazil



TRI symposium

Establishing a Holding Company

The number of subsidiaries increased due to mainly M&As.

Building a foundation for further development through integrated management.



1999
Operations purchased from 3M



2003
Terumo Heart established



2006
Direct sales of Interventional systems started



2006
Micro Vention acquired



Holding Company

New organization starts next January

Changes - Business Opportunities

Interventional treatment through radial artery (wrist) attracted attention

Improving Product Lineup

Ultimate interventional system technology enabling one-day treatment
 Releasing new product suitable for "TRI"



Guiding Catheter

Devices suitable for "TRI" (Launched in US)



Arrest of bleeding



M coated sheath



Angiographic catheter

TCT2009 | TRANSCATHETER CARDIOVASCULAR THERAPEUTICS

TRI seminar hosted by Terumo

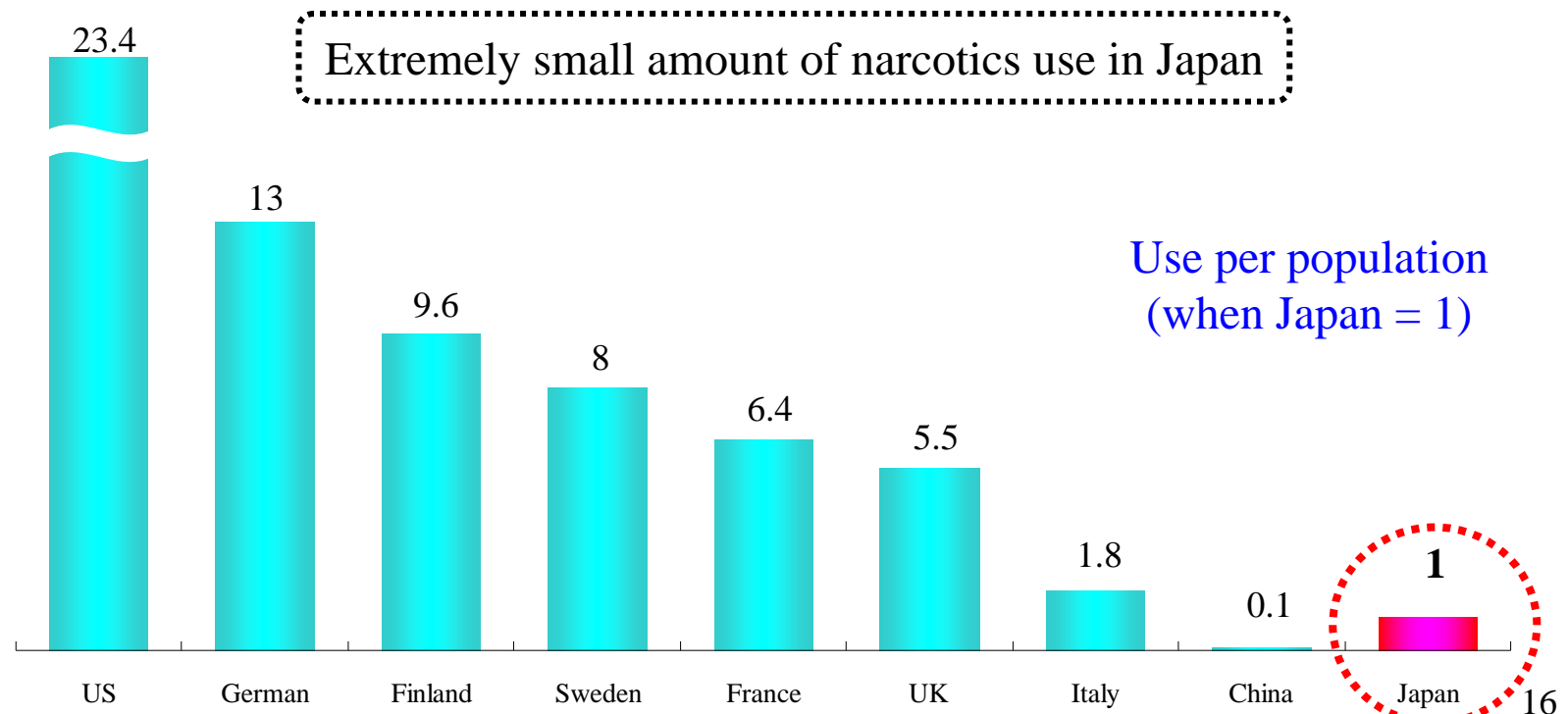
Crowded with people even standing in the corridor

*TRI (Transradial Coronary Intervention)

Further Expanding Business Domains

An entry into the pain relief market for patients of cancer

Announced partnerships with Teikoku Seiyaku (August)
and Takeda Pharmaceutical (September)



Strategies in This Business

Co-medical education and training

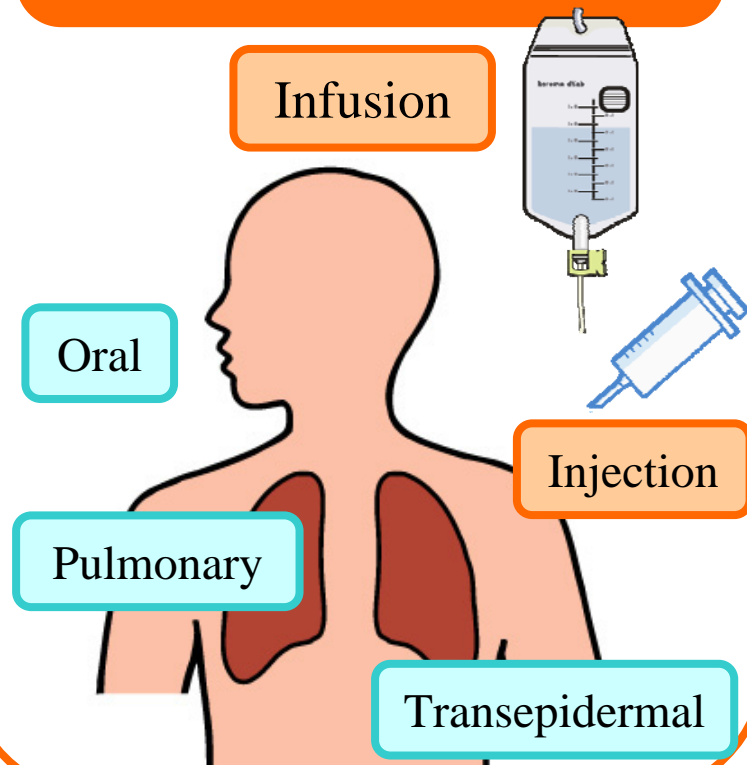


Practical training of WHO treatment method of narcotics formulations



Seminars for certified nurses for cancer pain, certified pharmacists for pharmaceutical palliative care, etc.

-Comprehensive lineup of narcotics formulations
-Diverse administration routes



Consumer Health-care Business Enjoying Sales

Japan

Accelerated development cycles



Digital thermometer
ear type

PREMIAGE
プレミアージュ



Digital blood pressure monitors



Digital blood pressure monitor

Increasing demand for thermometers
as anti-swine Flu measures

New Syringes for Exclusive Use with Vaccines Developed

Japan

Reducing residue

Effectively use vaccines

Thin needle

Less pain

No need for needle replacement

**Increasing efficiency
in the medical frontline**



“FN Syringes”

Non-removable needles

October 19 Launched

Toward Increased Production and Improved Production Efficiency



New Ashitaka factory buildings
Began operation in October

Vietnam Factory
Expanding production



Forecast for the Year Revised Upward

(Unit: Billion yen)

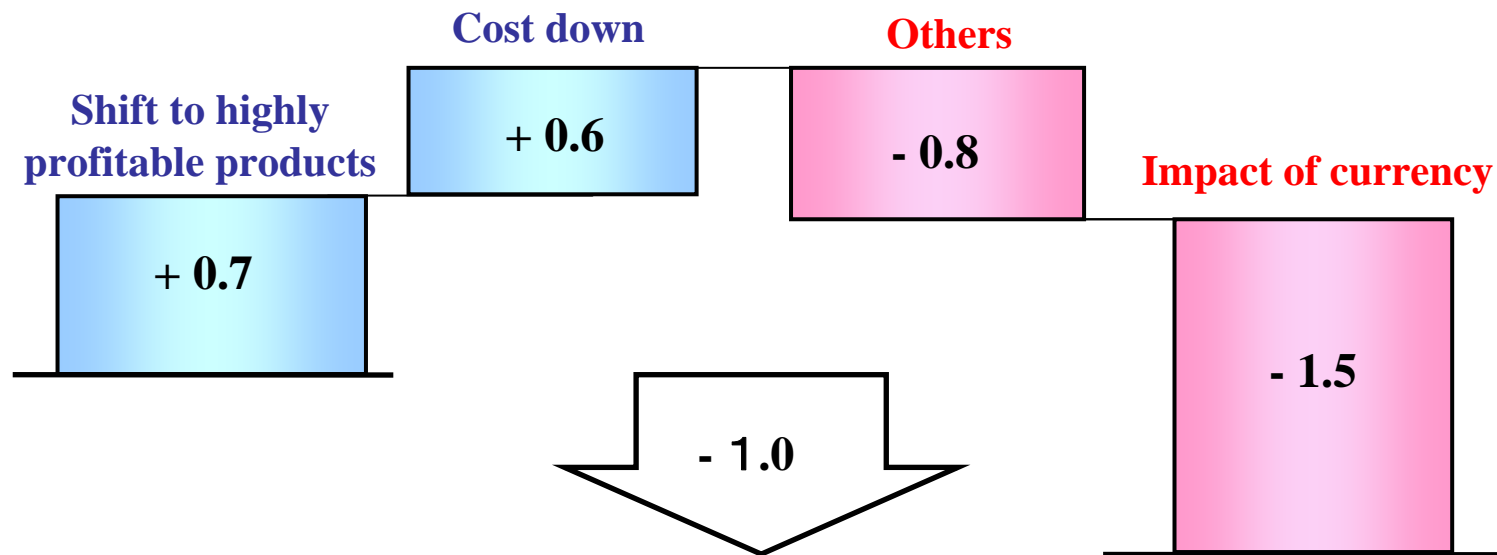
	FYE/Mar.2010 1H Result	FYE/Mar.2010 Forecast	FYE/Mar. 2010 Previous Forecast
Net Sales	158.1	315.0	315.0
Operating Income	32.6(20.6%)	63.0(20.0%)	56.0(17.8%)
Ordinary Income	32.2(20.4%)	61.0(19.4%)	56.0(17.8%)
Net Income	20.8(13.1%)	40.0(12.7%)	37.5(11.9%)
Average exchange rate	US \$ 96 yen EUR 133 yen	90 yen 132 yen	95 yen 125 yen

2H forecast rate

US \$	85 yen
EUR	130 yen

Reference

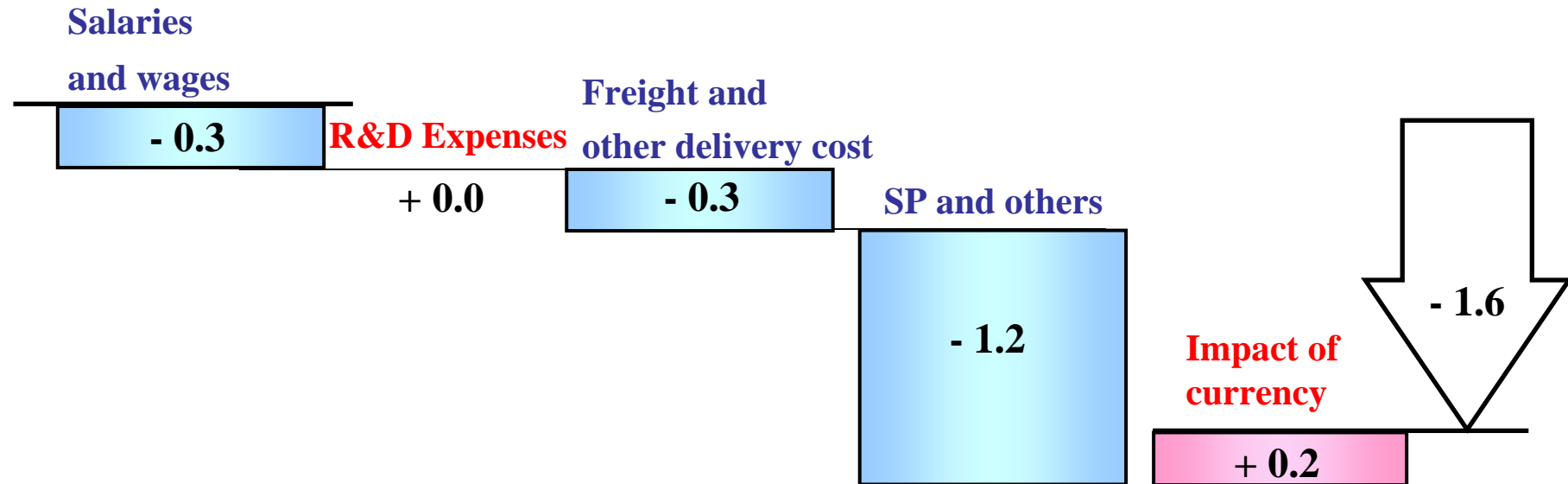
Gross Margin(%)



1H FYE/Mar. 2009 :53.7% → 1H FYE/Mar. 2010 :52.7%

Average exchange rate	US\$	106 yen	96 yen
	EUR	163 yen	133 yen

SG&A Expenses(%)



1H FYE/Mar. 2009 :33.7% → 1H FYE/Mar. 2010 :32.1%

Reference

Reference

(Unit: millions of yen)

	Mar. 2009 1st Half	Mar. 2010 1st Half	Mar. 2010 Forecast
Research and Development	7,983	8,199	17,500
Depreciation and Amortization	9,515	9,459	21,000
Investment in Plant and Equipment	9,767	9,822	23,000
Free Cash Flow	1,307	15,948	
Net Income per Share (yen)	118.56	109.38	210.64



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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.

The market share information in this booklet is partly derived from our own independent research.