

**Financial Results for the FYE Mar. 2012
&
Initiatives for the FYE Mar. 2013**

**Terumo Corporation
May 10, 2012**

Terumo BCT Stand Alone

(billion of yen)

| | FYE Mar. 2012 | YoY% (Constant Currency) |
|------------------|---------------|---|
| Net Sales | 45.1 | + 8% |
| Gross Profit | 27.8 (61.6%) | + 6% |
| SG&A Expenses | 17.3 (38.3%) | + 17% |
| R&D Expenses | 2.9 (6.5%) | - 4% |
| Operating Income | 10.5 (23.3%) | - 9% |
| Ordinary Income | 10.3 (22.9%) | If excluding expenses for integration, operating income grew at 2% year on year |
| Net Income | 6.5 (14.5%) | |

Excluding newly accrued amortization of goodwill and intangible assets

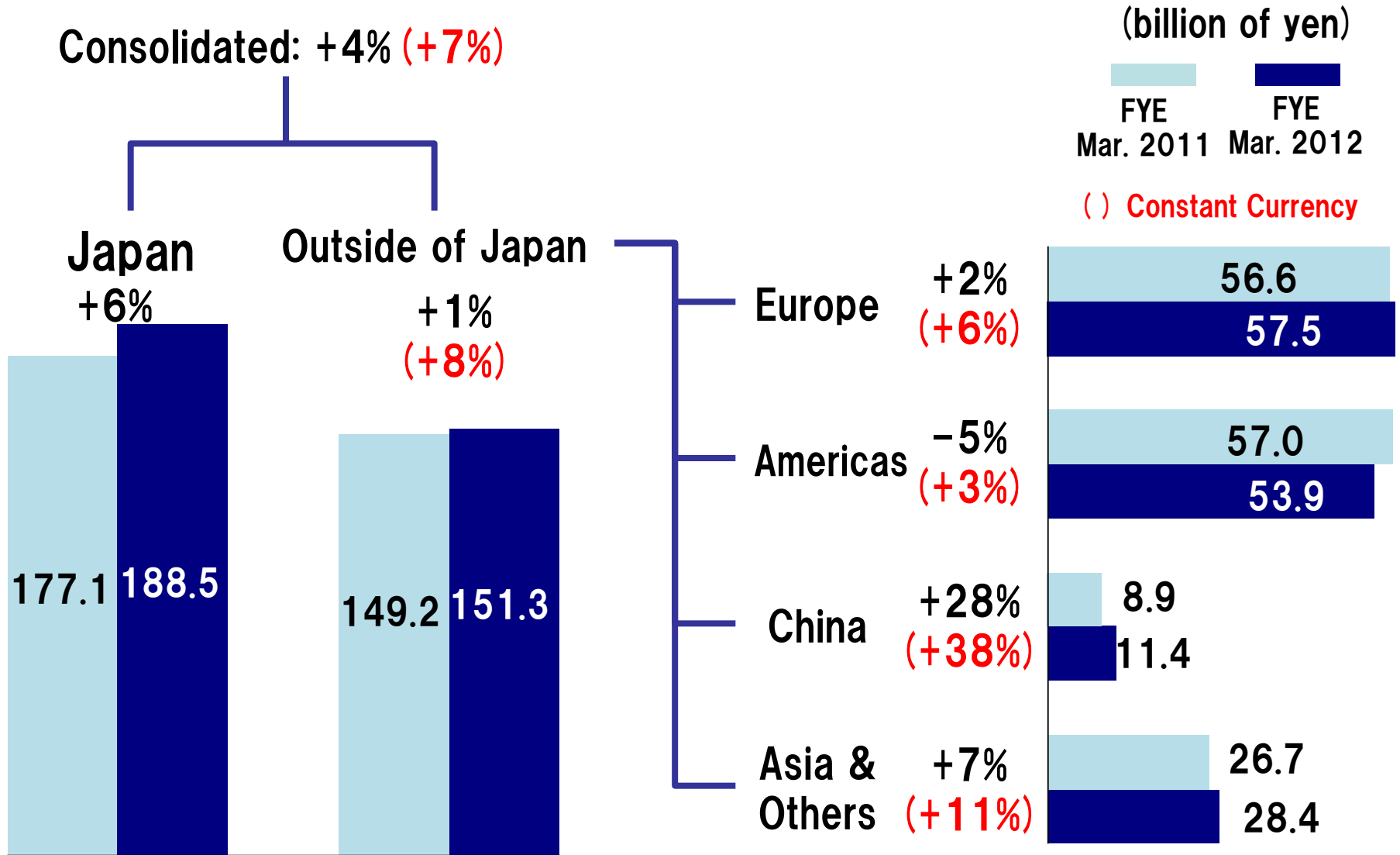
Existing Business

(billion of yen)

| | FYE Mar. 2011 | FYE Mar. 2012 | YoY% | Constant Currency |
|------------------|---------------|---------------|------|-------------------|
| Net Sales | 328.2 | 339.8 | +4% | +6% |
| Gross Profit | 170.8 (52.0%) | 175.5 (51.7%) | +3% | +6% |
| SG&A Expenses | 108.2 (32.9%) | 111.3 (32.8%) | +3% | +5% |
| Operating Income | 62.6 (19.1%) | 64.2 (18.9%) | +3% | +8% |
| Ordinary Income | 56.9 (17.3%) | 60.6 (17.8%) | +6% | |
| Net Income | 32.3 (9.9%) | 27.4 (8.1%) | -15% | |

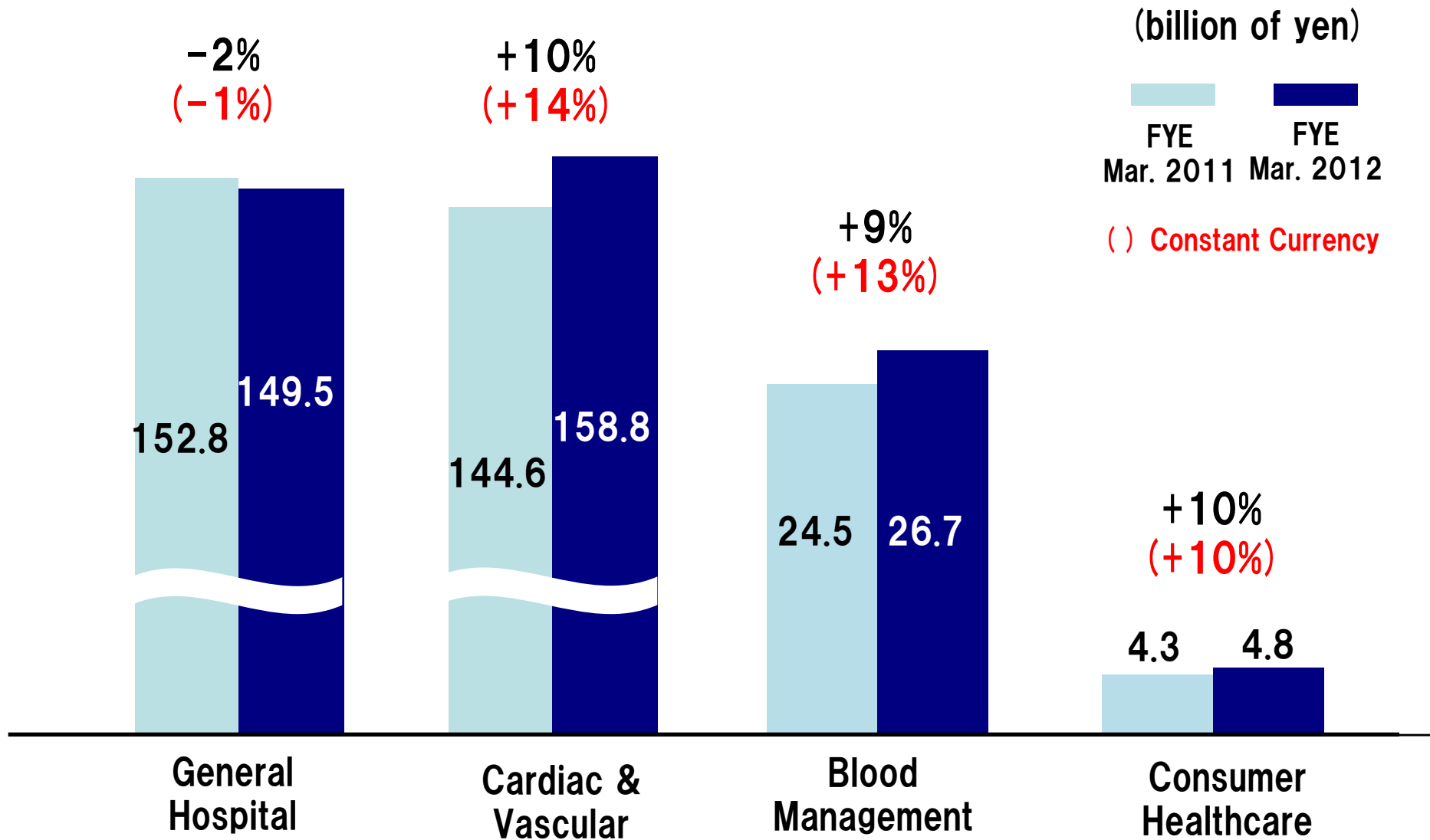
Excluding newly accrued amortization of goodwill and intangible assets

Net Sales (by Region)

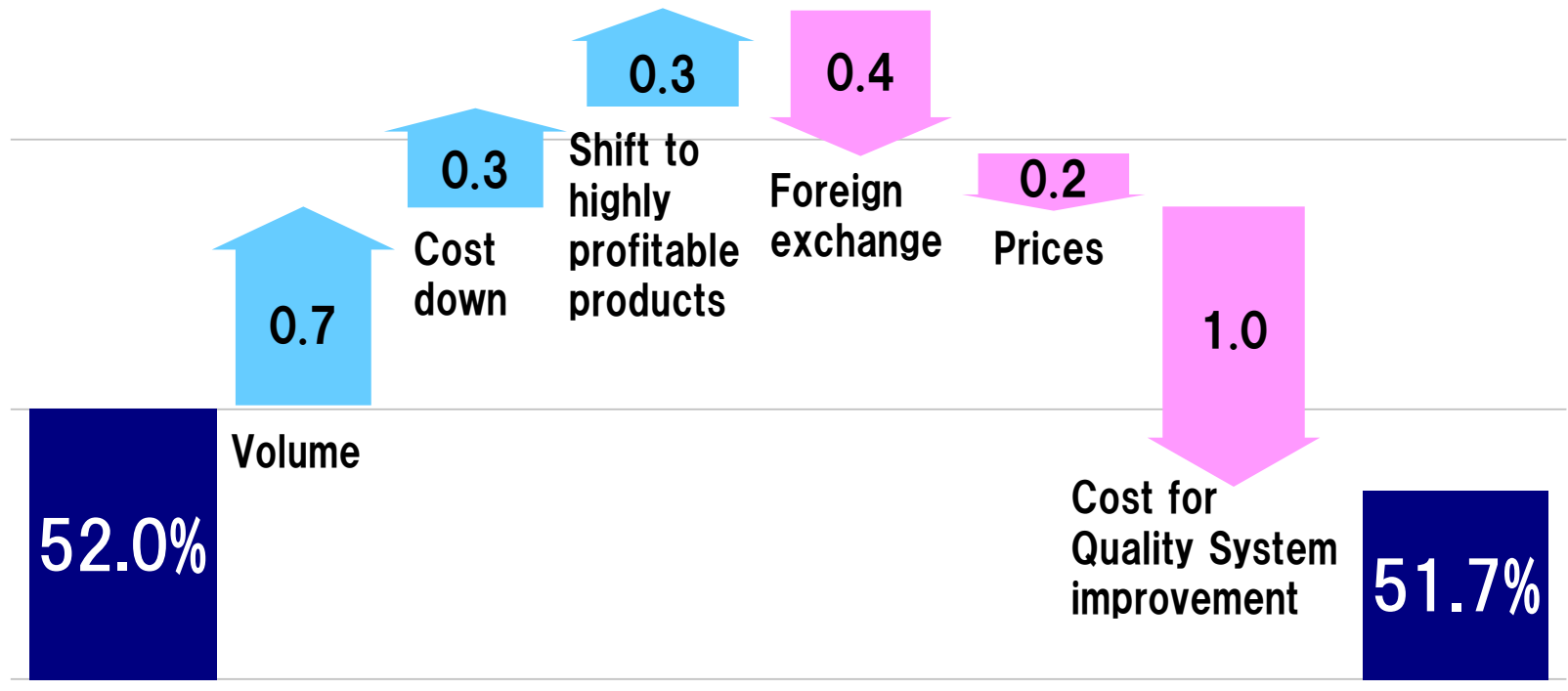


Asia & Others: Comparing the results for the same period, Apr.-Mar.

Net Sales (by Business Segment)



Gross Profit Variance Analysis



FYE Mar. 2011

FYE Mar. 2012

| Average Exchange Rate | FYE Mar. 2011 | FYE Mar. 2012 |
|-----------------------|---------------|---------------|
| US\$ | 86 yen | 79 yen |
| EUR | 113 yen | 109 yen |

SG&A Expenses

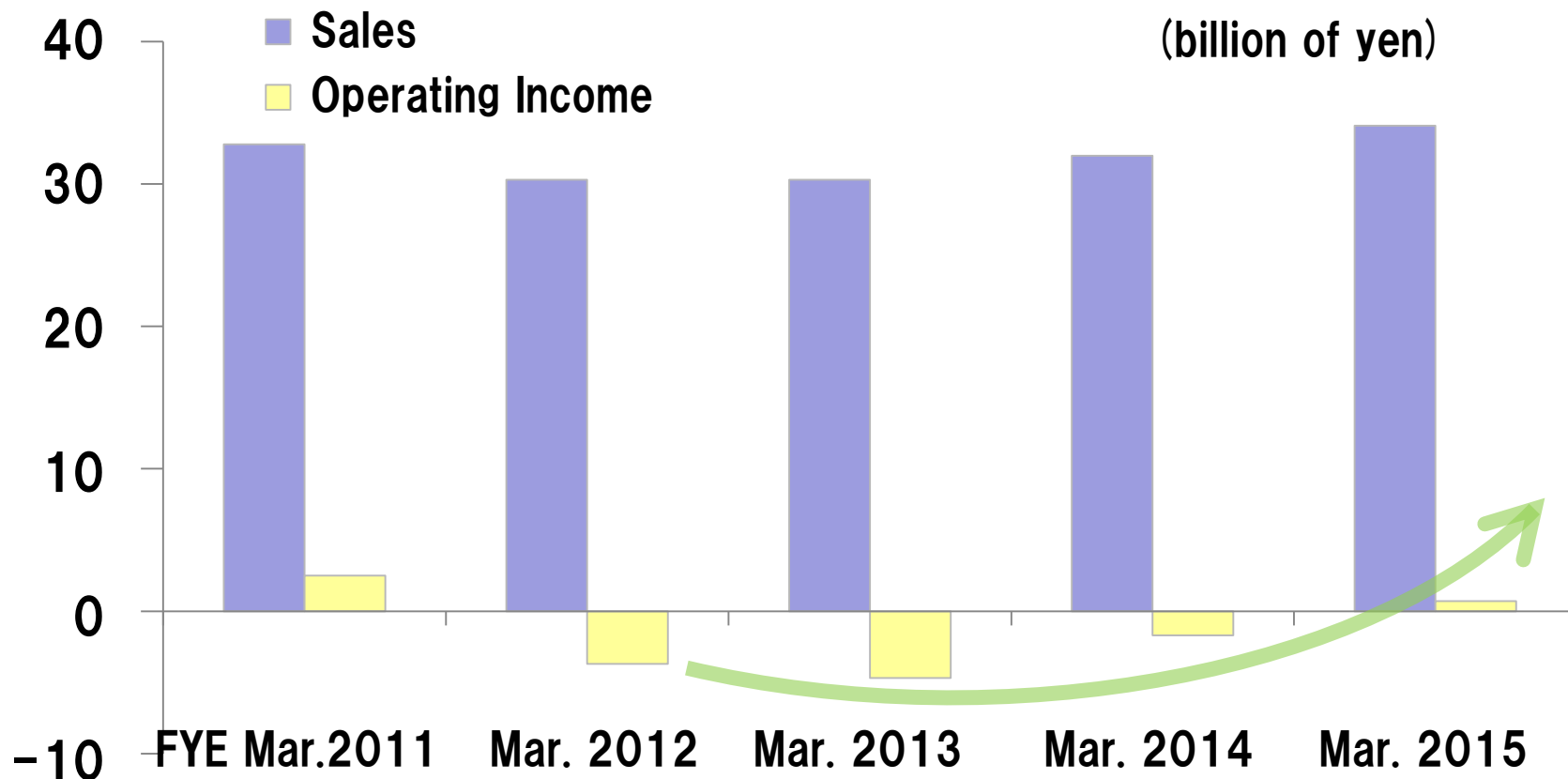
(billion of yen)

| | FYE Mar. 2011 | | FYE Mar. 2012 | | YoY | YoY% |
|--------------------------------|---------------|----------------|---------------|----------------|--------------|------------|
| Salaries & Wages | 38.9 | | 39.0 | | + 0.1 | +0% |
| Sales Promotion | 10.5 | | 11.1 | | + 0.6 | +6% |
| Logistical Costs | 9.6 | | 10.0 | | + 0.4 | +4% |
| Depreciation & Amortization | 4.7 | | 4.6 | | - 0.1 | -2% |
| Others | 24.1 | | 25.4 | | + 1.3 | +5% |
| General Admin Total | 87.8 | (26.7%) | 90.1 | (26.6%) | + 2.3 | +3% |
| R&D Expenses | 20.4 | (6.2%) | 21.2 | (6.2%) | + 0.8 | +4% |
| SG&A Expenses Total | 108.2 | (32.9%) | 111.3 | (32.8%) | + 3.1 | +3% |

() %: Against net sales

CV Business: Return to Profitability in FYE Mar. 2015

- TCVS' s impact on overall CV business sales is limited
- Once temporary investment in quality management system settled, then profit to recover



Dividend Forecast for Year-end of FYE Mar. 2012

■ Basic policy for profit allocation

- It is to stably increase dividends to shareholders in accordance with business performance, investment plan and other aspects. In order to clarify the policy, the management will aim for the target dividend payout ratio of 30% over the medium to long term.

■ Dividend forecast for year-end FYE Mar. 2012

- Year-end: 22 yen/share
(year-end of FYE Mar.2011:18yen (incl. commemorative dividend of 2yen))
- Annual total: 39 yen/share (annual total of FYE Mar. 2011: 34yen)
- Dividend payout ratio: 30.6% (ratio of FYE Mar. 2011: 20.0%)

Forecast for FYE Mar. 2013

Forecast for FYE Mar. 2013

(billion of yen)

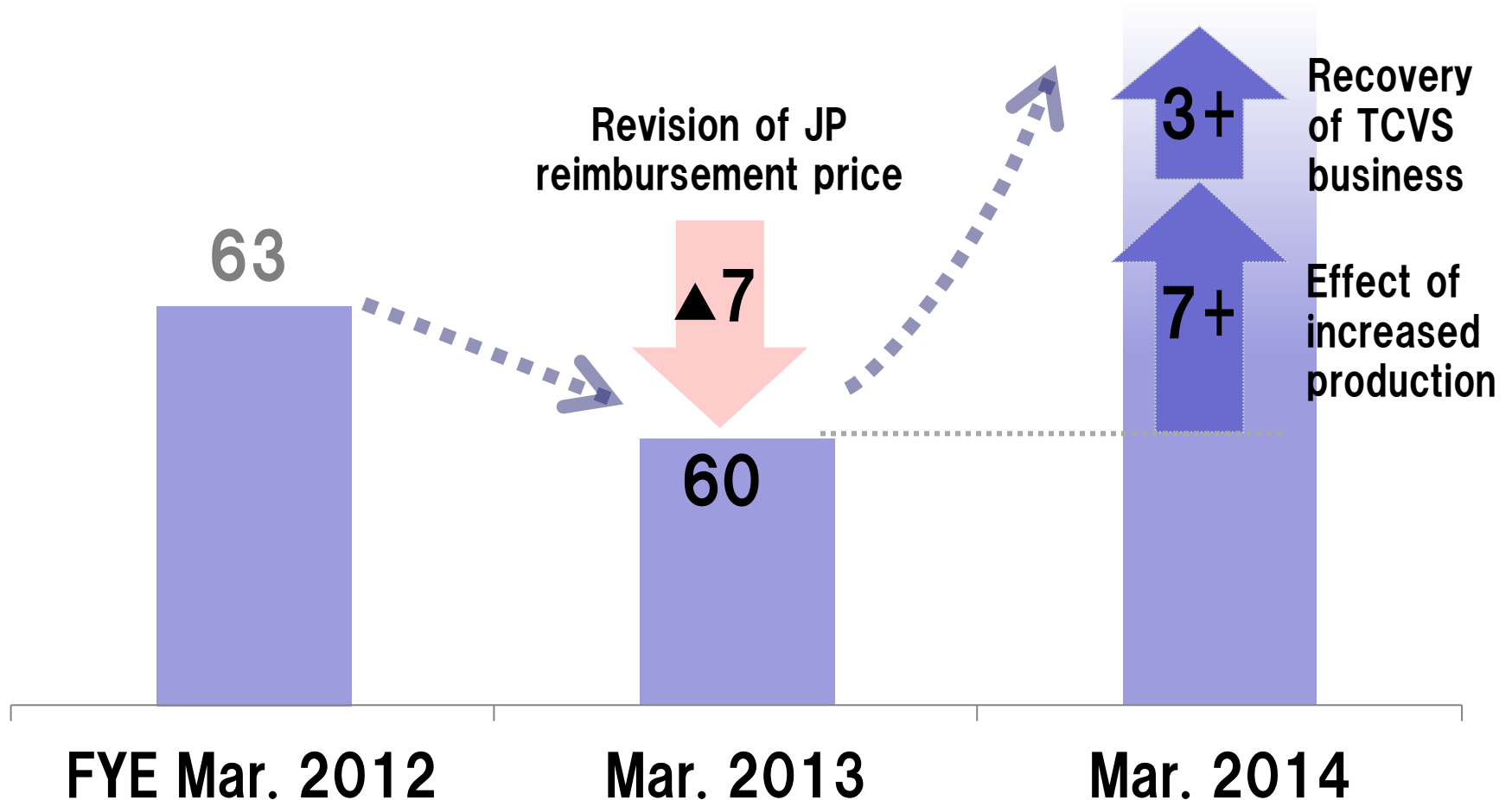
| | FYE Mar. 2012 Actual | FYE Mar. 2013 Forecast | YoY% |
|----------------------------------|-------------------------|---------------------------|-------------|
| Net Sales | 386.7 | 410.0 | +6% |
| Operating Income | 63.0 | 60.0 | -5% |
| (Excl. amortization of goodwill) | 70.6 | 67.6 | -4% |
| Ordinary Income | 59.2 | 58.0 | -2% |
| Net Income | 24.2 | 34.0 | +41% |

| | | |
|-----------------------|-------------|---------|
| Average Exchange Rate | US\$ 79 yen | 80 yen |
| | EUR 109 yen | 105 yen |

Still, Maintain Investments in Growth Strategy

(billion of yen)

Operating Income



Factors Affecting Operating Income

■ Factors affecting the decline in operating income

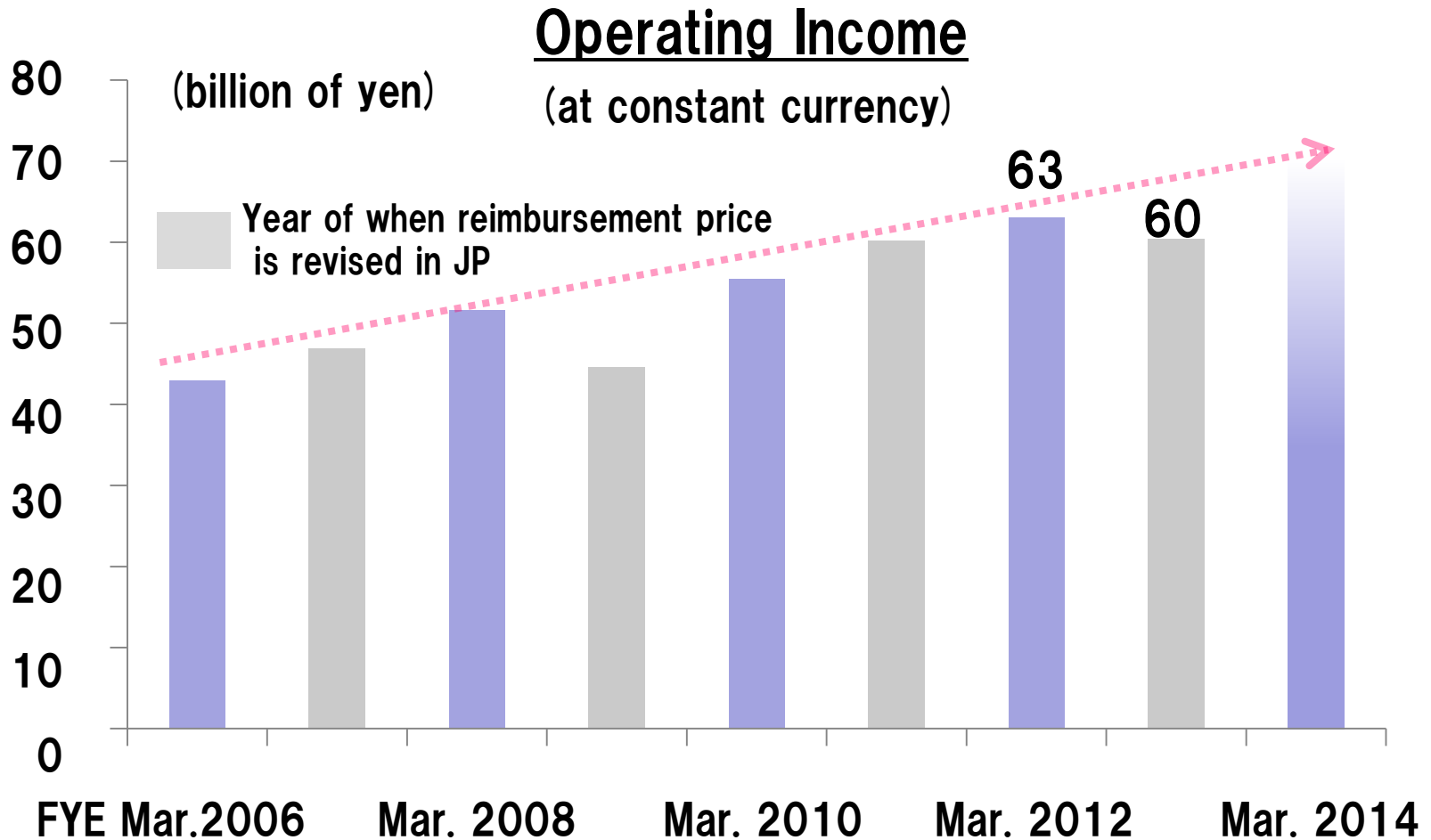
- Revision of reimbursement price in Japan
- Increase in depreciation expense
- Investment in quality system improvement

■ Investment in growth strategy

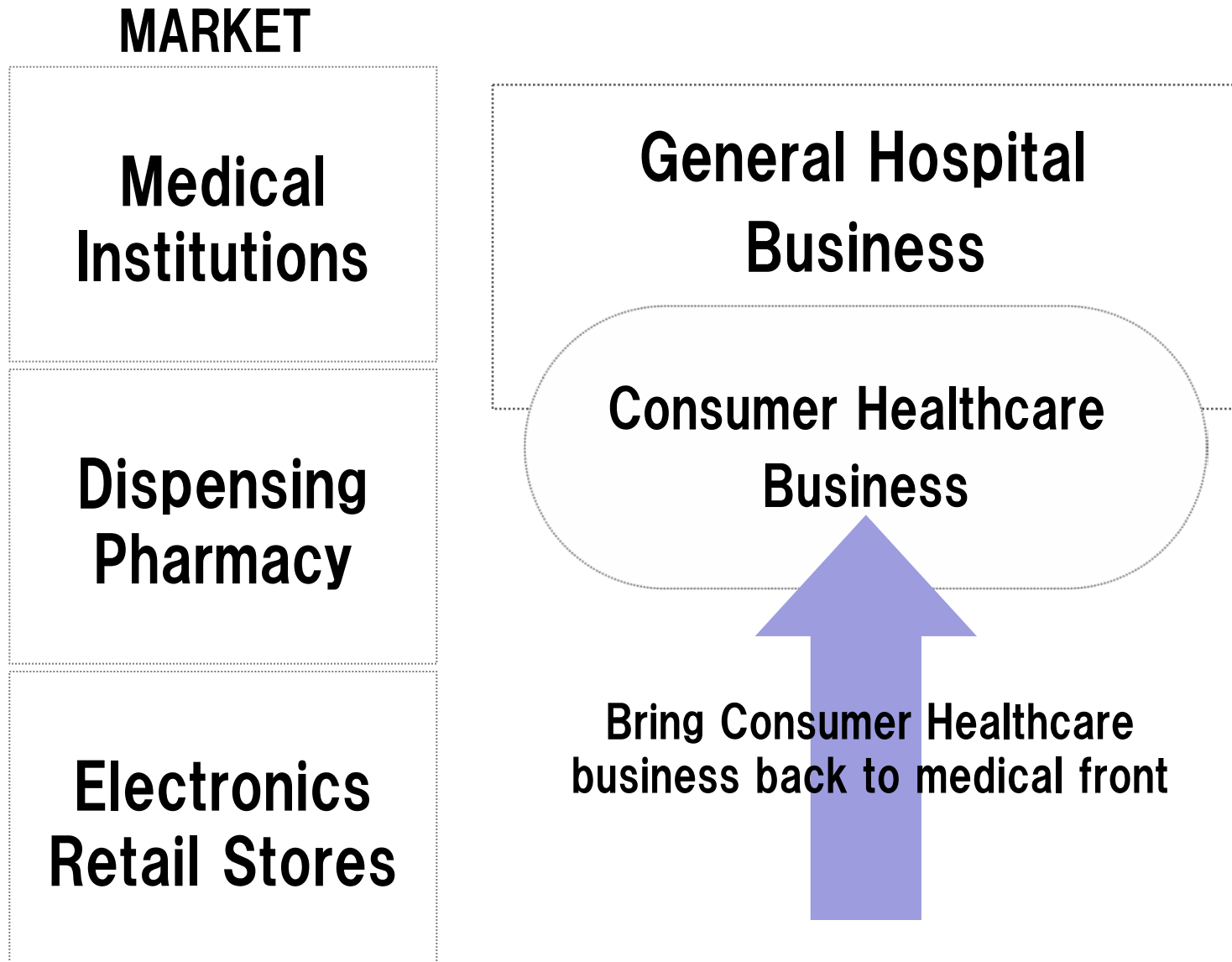
- New product development and clinical studies
- Nobori®: clinical studies for long-term efficacy
(Late stent thrombosis, Combination of anti-platelet therapy)
- IT infrastructure

Sustainable Profit Growth

- At constant currency, operating income in subsequent FY of reimbursement price revision has recovered and returned to growth path



Integrate “Consumer Healthcare” into “General Hospital”



Growth Opportunities

Growth Opportunities: Business x Region x New Field

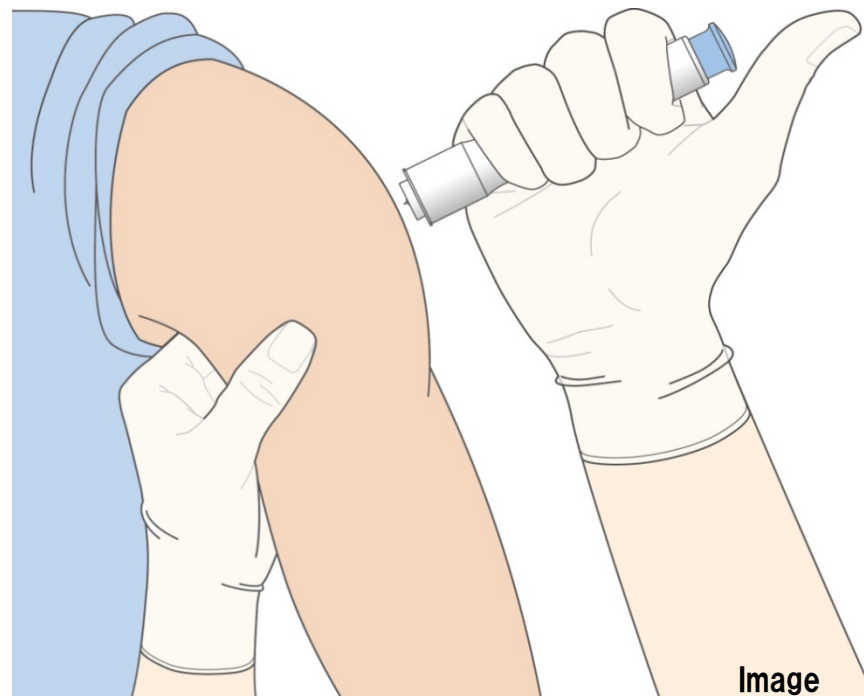
- **Business:**
5 Growth Opportunities incl. Blood Management, Global D&D, Minimally Invasive Treatment
- **Region:**
Boost the strategies in emerging countries
- **New field:**
Further growth by newly gained technologies

Business: “Terumo BCT” Kicked into Gear

- **CaridianBCT & Terumo transfusion becomes “Terumo BCT” and kicked into gear in Apr. 2012**
 - **HQs: Colorado, U.S., President: David Perez**
- **Global leadership**
 - **Corporate management meeting held at its HQs in Colorado, US**
- **Seamless integration of sales & customer service**
 - **Integration of sales force completed**
- **Production integration in progress**
 - **A new factory to be established in Vietnam**
 - **Operation to be started in summer of 2015 (plan)**

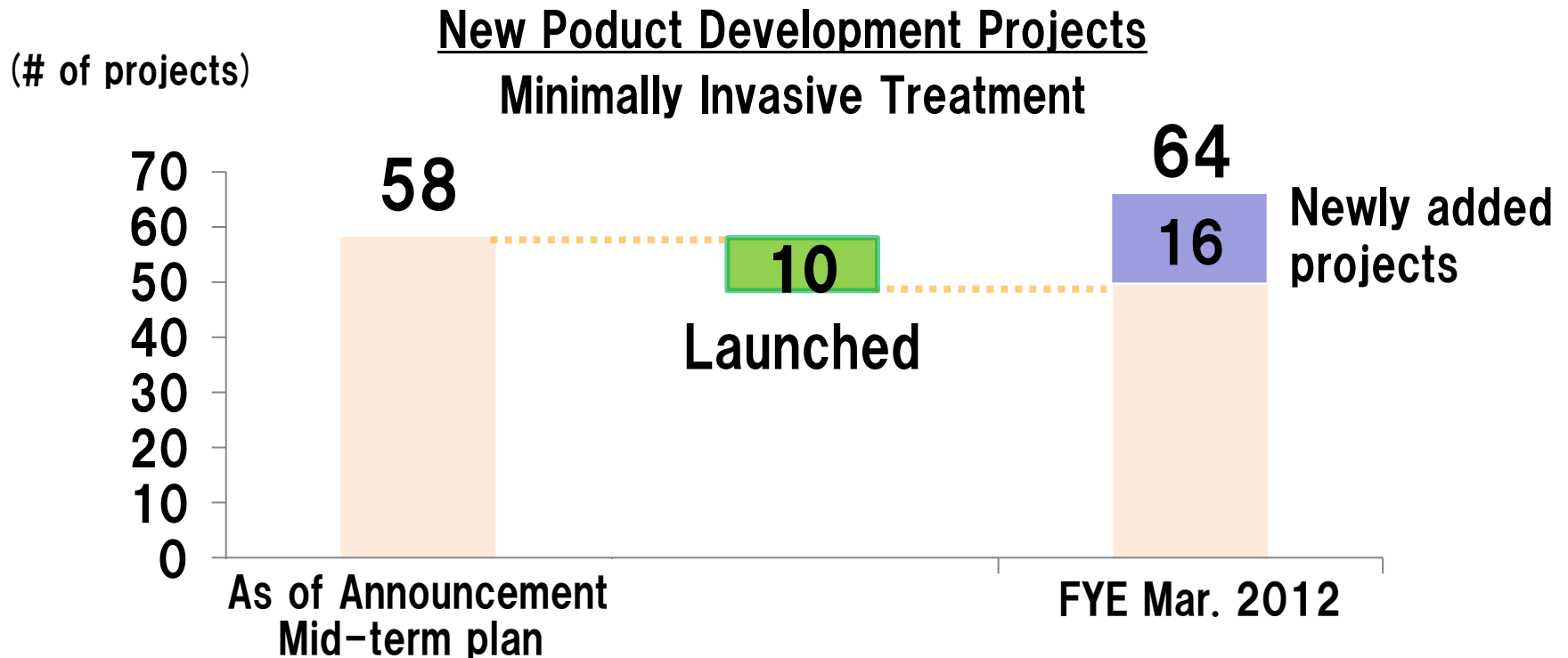
Business: Intradermal Injection Device for Vaccine

- Agreement w/ Daiichi Sankyo to co-develop a new vaccine utilizing Terumo's intradermal injection device
- Only with 1/5 of conventional volume of vaccine, the effectiveness equal to or greater can be expected *
- Rapid effect to be exerted *
- Improved safety & ease-of-use
- Reduced injection pain
- Aim to make it in practical use in 2016



* These are the expected effects of intradermal injection for vaccine based on the result of basic research.

Business: More Development Projects in Minimally Invasive Treatment



Primary new products launched

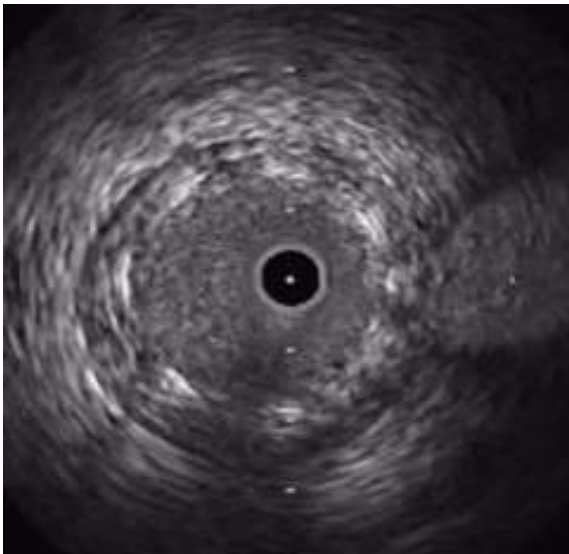
- Nobori® Drug Eluting Stent (Japan)
- Kymerax™ Handheld robot (EU)
- Senri® PTA Balloon Catheter (EU & Japan)
- LVIS Stent to support neuro coil (EU) Total 10 new products



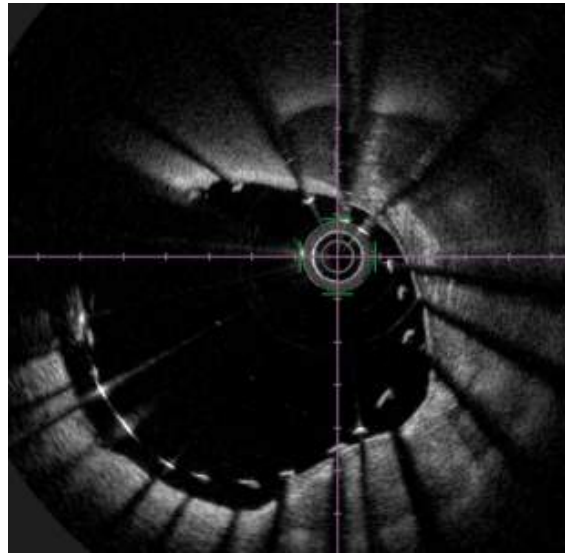
Starting OFDI in Global Market

- **Clear image for even safer and more reliable intervention**
 - **High resolution to precisely diagnose intravascular condition and stent apposition**
 - **Superior deliverability and cross-ability in delivery catheter**
 - **EU launch to be in FYE Mar.2013 and JP in FYE Mar.2014**
 - **Sales projection: 0.3B yen (FYE Mar.2013) & 3.5B yen (FYE Mar.2015)**

IVUS (Ultrasound)



OFDI (Light)

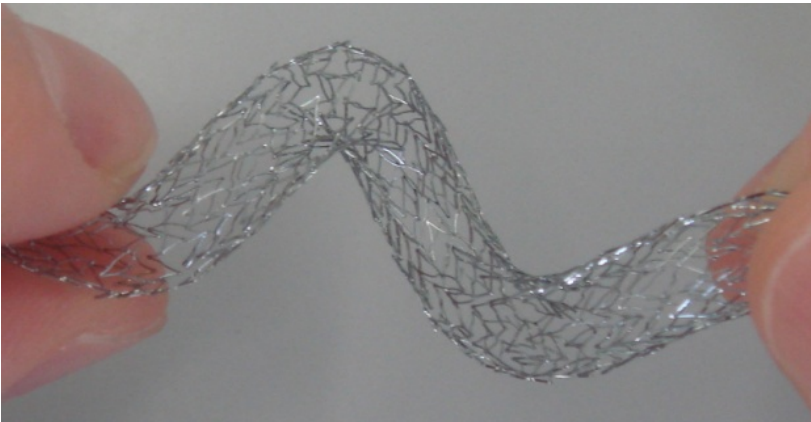


Peripheral Self-expanding Stent to Be Launched in JP

■ Self-expanding stent for peripheral vascular

- Even more flexible and durable
- High long-term patency
- The world first rapid exchange system for peripheral stent
- Precise and easy stent deployment
- Sales projection: 0.3B yen (FYE Mar.2013) and 2B yen (FYE Mar.2015)

Misago[®] RX Self-expanding Peripheral Stent



Region: China - New Businesses to Boost Growth

■ Establish the model of “local production & sales”

➤ ODM agreement of infusion pumps: Beijing KellyMed Co., Ltd

➤ OEM supply agreements of infusion set:

Shenzhen Baoan Medical Supply Co., Ltd

Dragon Heart Medical Devices Co., Ltd

➤ Establish a joint venture for
peritoneal dialysis business: WEGO



Target sales of 20B yen in FYE Mar. 2014



New Field: U.S. Harvest to Address Critical Limb Ischemia

■ Treatment for CLI (Critical Limb Ischemia)

- Injection of BMAC (autologous bone marrow concentrate) into leg to form new blood vessels

■ Progress

- EU: under review for CE Mark
(Launch to be in FYE Mar.2013)
- U.S.: under clinical study
(Launch to be in FYE Mar.2015)



Before injection

After injection

Reference

Consolidated Q4 Results

(billion of yen)

| | Q4 FYE Mar. 2011 (*) | Q4 FYE Mar. 2012 | YoY% |
|------------------------------|----------------------------|---------------------|--------------|
| Net Sales | 84.0 | 97.8 | +16 % |
| Gross Profit | 43.6 (52.0%) | 50.7 (51.8%) | +16 % |
| SG&A Expenses | 29.1 (34.7%) | 37.5 (38.3%) | +29 % |
| R&D Expense | 5.9 (7.0%) | 6.7 (6.9%) | +14% |
| Operating Income | 14.5 (17.3%) | 13.2 (13.5%) | -9 % |
| Ordinary Income | 14.0 (16.7%) | 12.8 (13.1%) | -8 % |
| Net Income | 4.9 (5.8%) | 2.2 (2.3%) | -55% |
| Average Exchange Rate | US\$ 82 yen EUR 113 yen | 79 yen 104 yen | |

(*) Include the effects of adjustments to accounting period for consistency with the company's own fiscal year

Consolidated 2H Results to Forecast

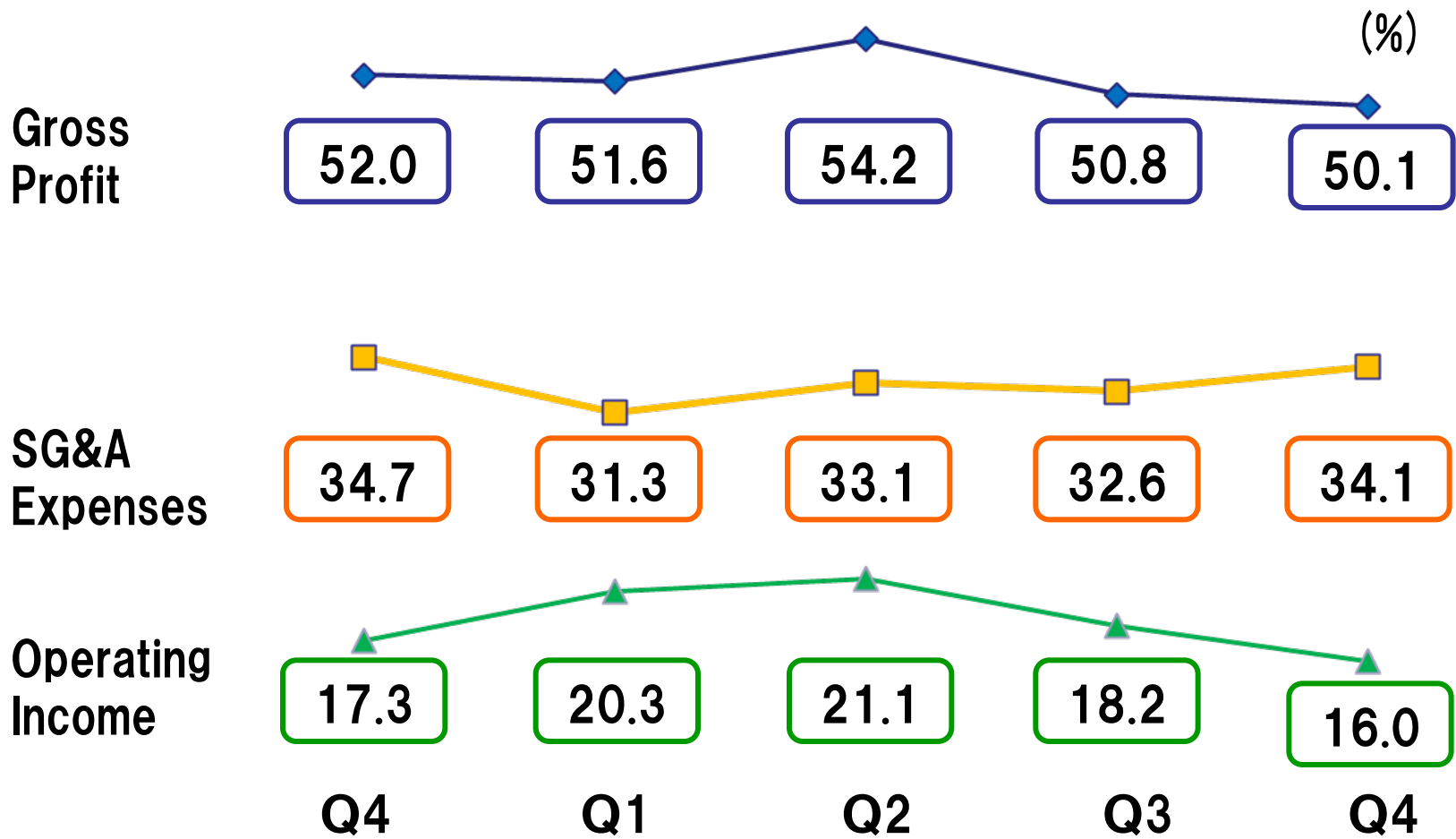
(billion of yen)

| | <u>2H Forecast</u> | <u>2H Results</u> | <u>Achievement</u> | <u>Impact of currency</u> |
|-------------------------|---------------------|---------------------|--------------------|--|
| Net Sales | 192.3 | 196.0 | 102% | +3.1 (1.6% P addition on achievement) |
| Operating Income | 28.0 (14.6%) | 28.4 (14.5%) | 101% | +0.7 (2.5% P addition on achievement) |
| Ordinary Income | 25.7 (13.4%) | 27.9 (14.2%) | 109% | |
| Net Income | 8.3 (4.3%) | 6.5 (3.3%) | 78% | |

Average Exchange Rate

| | | |
|--------|----------------|----------------|
| (US\$) | 75 yen | 78 yen |
| (EUR) | 105 yen | 104 yen |

Gross Profit, SG&A Expenses, Operating Income



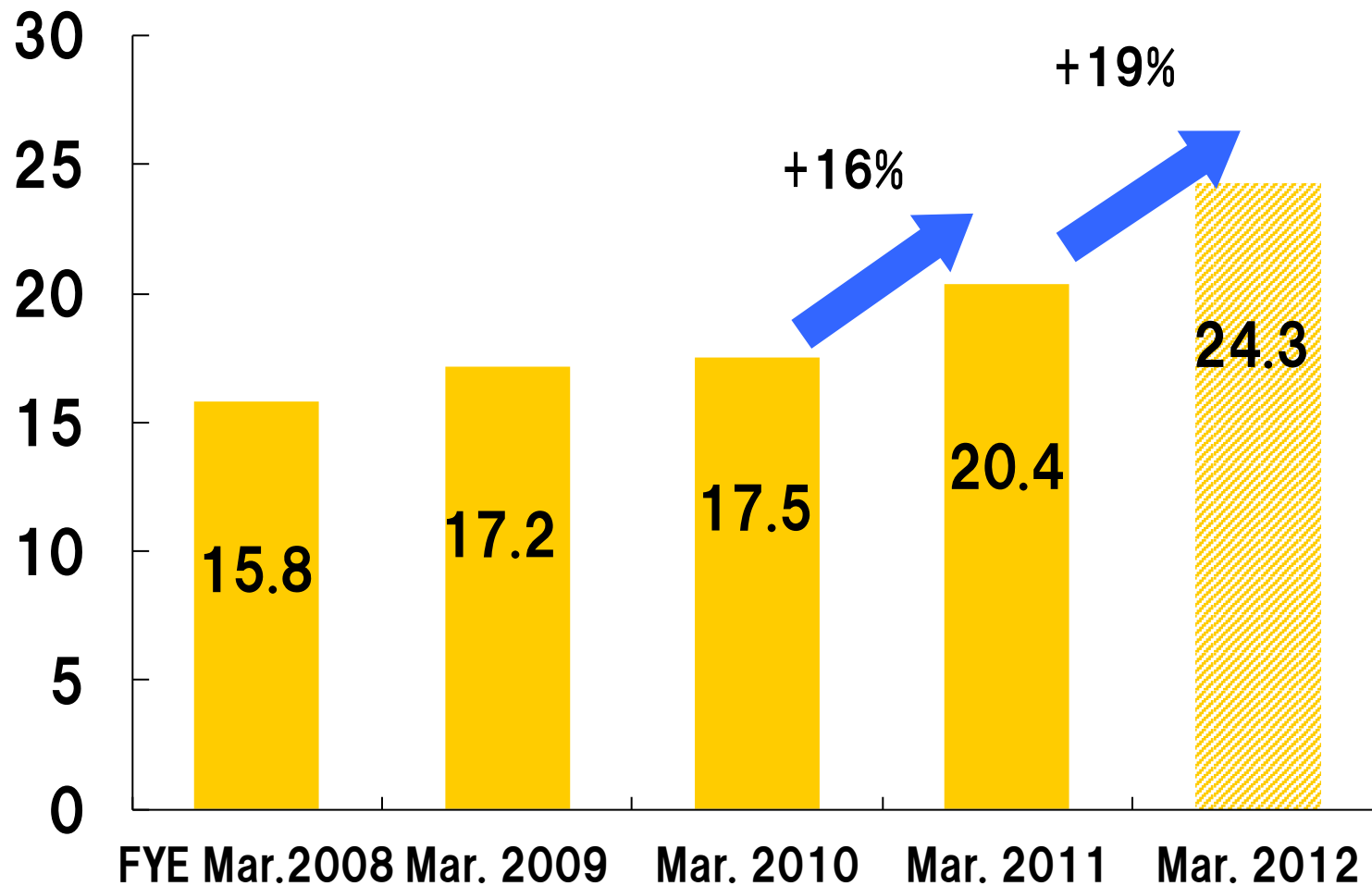
FYE Mar. 2011

FYE Mar. 2012

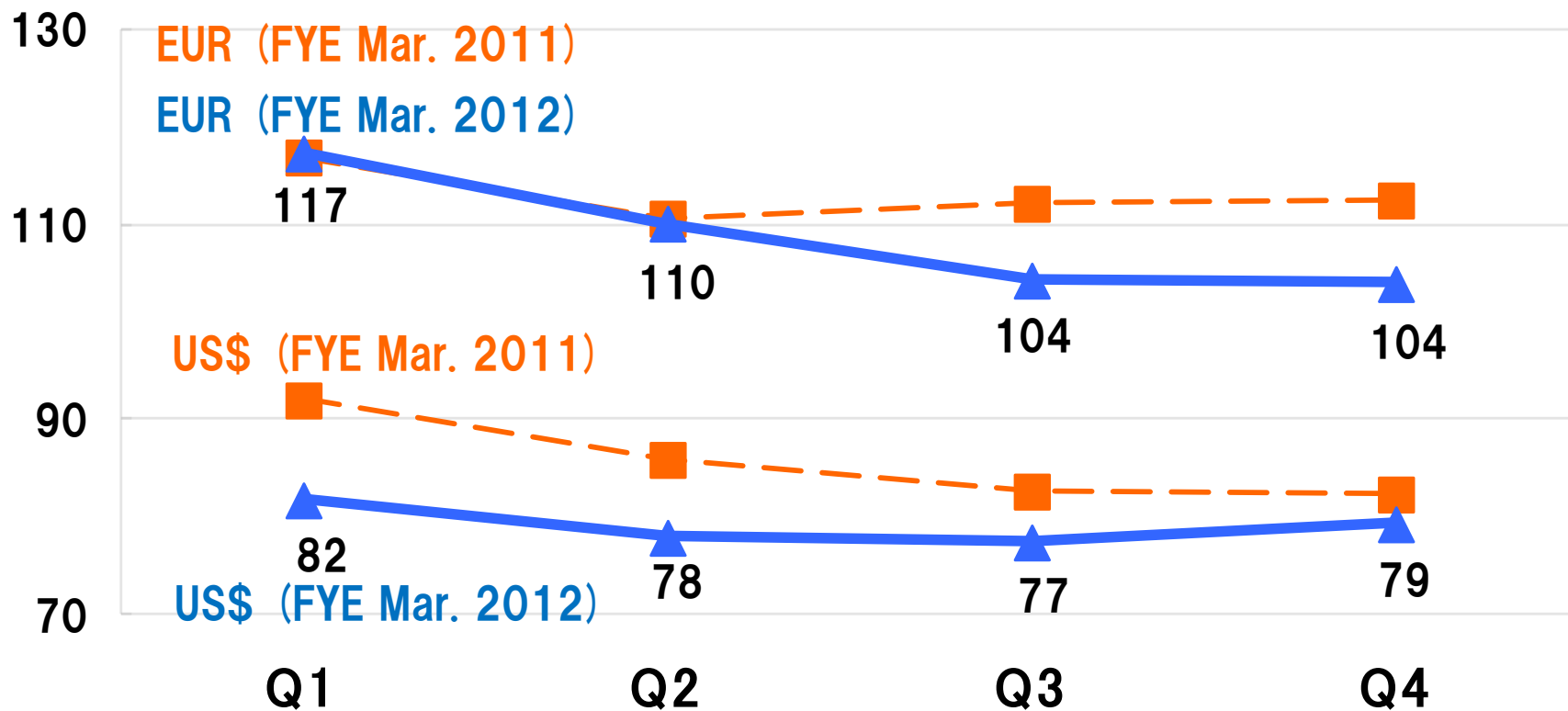
(Quarterly: 3 months)

R&D Expenses

(billion of yen)



Changes of Quarterly Average Exchange Rates



(Quarterly: 3 months)

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Among the information that Terumo discloses, the forward-looking statements including financial projections are based upon our assumptions using information available to us at the time and are not intended to be guarantees of future events or performance. 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 presentation is partly derived from our own independent research.