

**Financial Results**  
**for the Fiscal Year Ending March 31, 2013**

**Terumo Corporation**

**May 9, 2013**

# Consolidated Results for FYE Mar. 2013

(billion of yen)

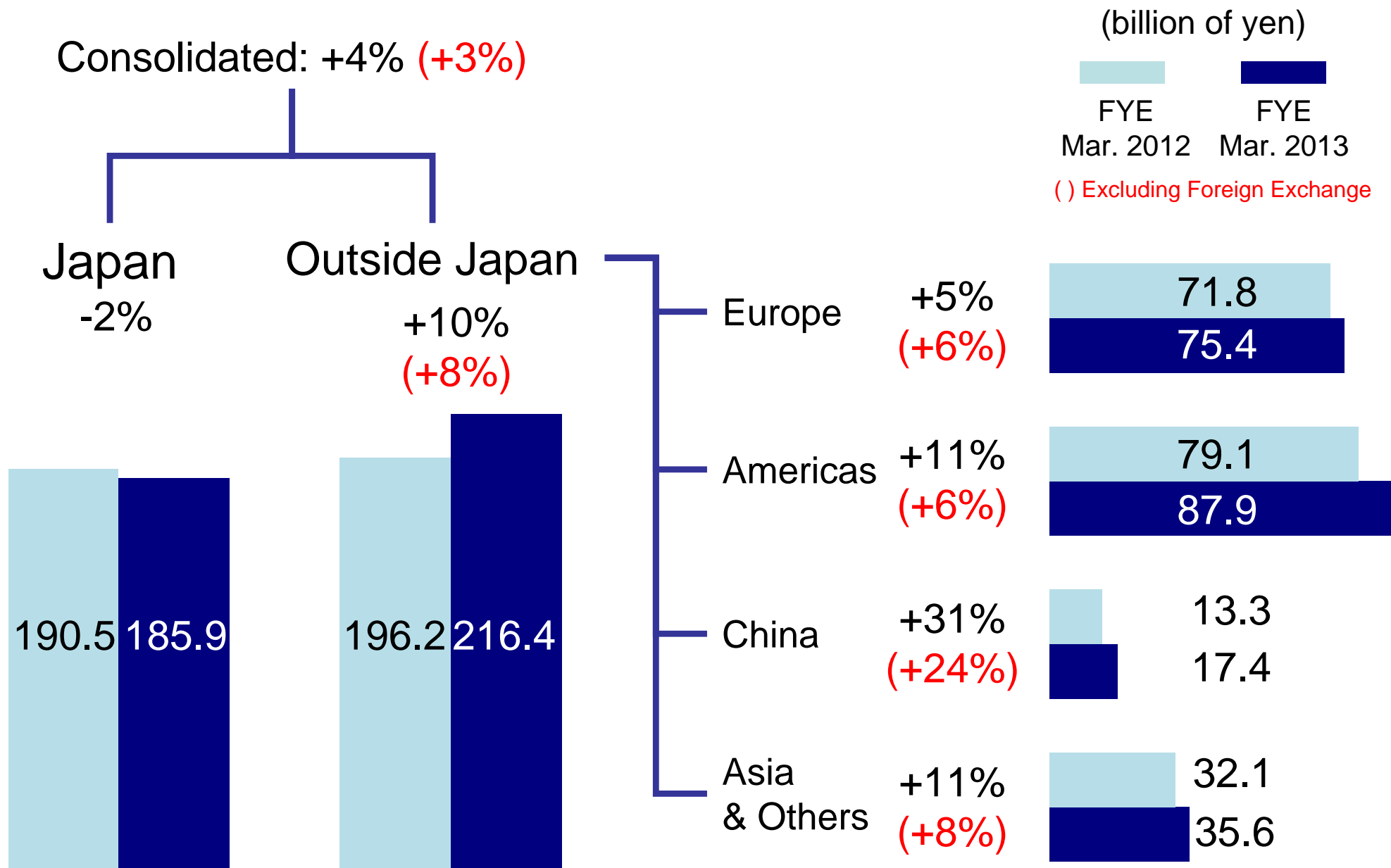
	FYE Mar. 2012	FYE Mar. 2013	YoY%
Net Sales	386.7	402.3	+ 4%
Gross Profit	204.6 (52.9%)	205.7 (51.1%)	+ 1%
SG&A Expenses	117.3 (30.3%)	125.4 (31.2%)	+ 7%
R&D Expenses	24.3 ( 6.3%)	27.1 ( 6.7%)	+12%
Operating Income	63.0 (16.3%)	53.2 (13.2%)	-16%
(Excl. amortization of goodwill)	70.6 (18.3%)	61.2 (15.2%)	-13%
Ordinary Income	59.2 (15.3%)	51.4 (12.8%)	-13%
Net Income	24.2 ( 6.2%)	*47.0 (11.7%)	+95%
EBITDA (Operating Income + Depreciation)	84.5	76.8	-9%

Average Exchange Rate  
 US\$ 79 yen  
 EUR 109 yen

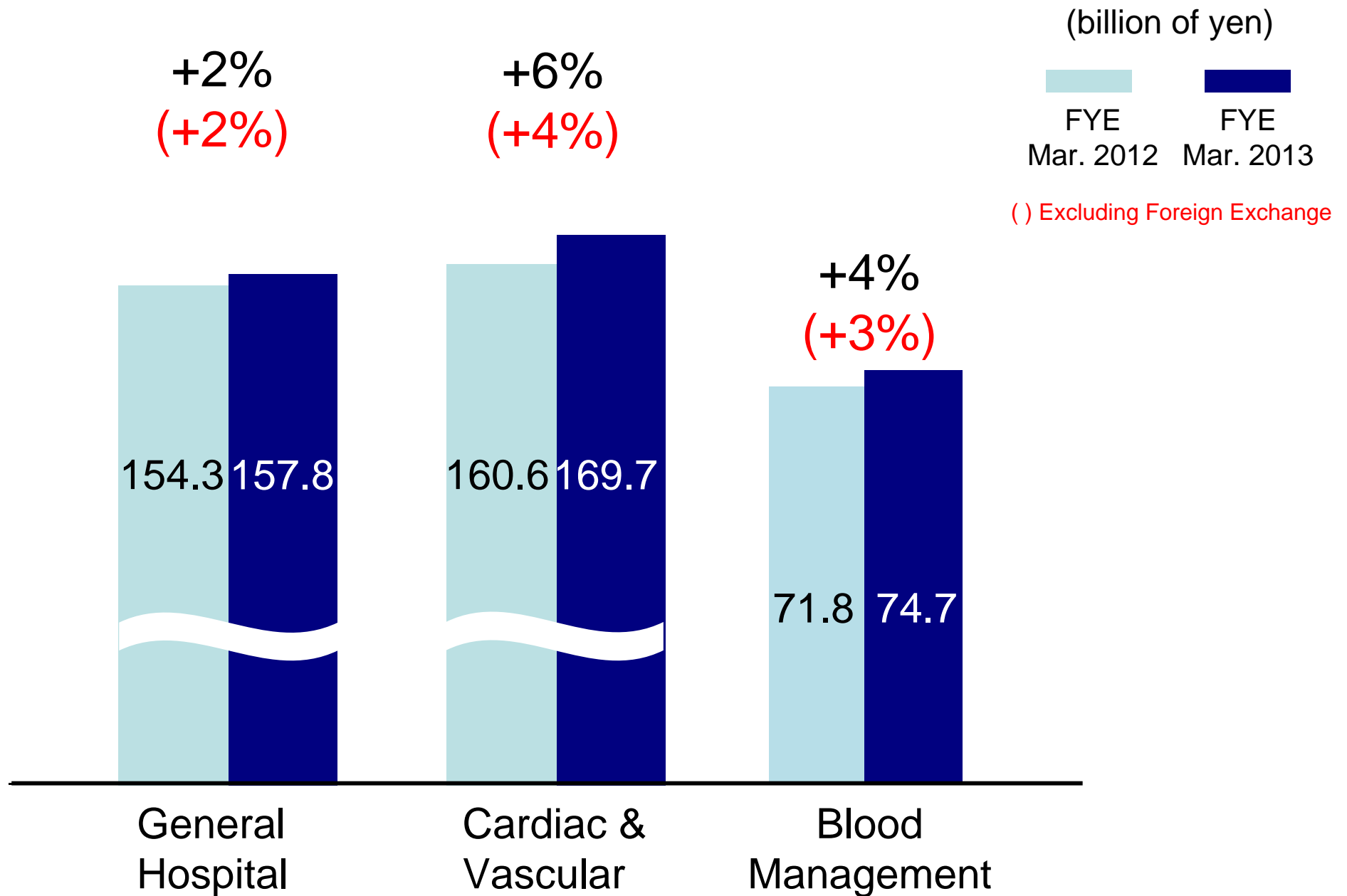
83 yen  
 107 yen

\*Incl. 15.5 billion yen of drop  
 in corporate tax associated w/  
 restructuring of US subsidiary

# Net Sales (by Region)



# Net Sales (by Business Segment)



# FYE Mar. 2013 Net Sales and Growth by Region

(billion of yen)

Business Segment	Japan	Outside of Japan Total	Outside of Japan				G. Total
			Europe	Americas	China	Asia & Others	
General Hospital	126.9 ( 2%)	30.9 ( 0%)	10.1 (-3%)	7.7 (-3%)	1.1 (16%)	12.0 ( 4%)	157.8 ( 2%)
Cardiac & Vascular	46.2 (-13%)	123.6 (12%)	45.4 (11%)	50.3 (11%)	13.6 (29%)	14.3 ( 7%)	169.7 ( 4%)
Blood Management	12.8 ( -3%)	61.9 ( 4%)	19.9 ( 3%)	30.0 ( 1%)	2.8 ( 9%)	9.3 (14%)	74.7 ( 3%)
G. Total	185.9 (-2%)	216.4 ( 8%)	75.4 ( 6%)	87.9 ( 6%)	17.4 (24%)	35.6 ( 8%)	402.3 ( 3%)

(YoY%): Excluding Foreign Exchange

# SG&A Expenses

(billion of yen)

	FYE Mar. 2012	FYE Mar. 2013	YoY	YoY%
Salaries & Wages	48.6	53.2	+4.6	+9%
Sales Promotion	12.0	12.5	+0.5	+4%
Logistical Costs	10.0	10.2	+0.2	+1%
Depreciation & Amortization	17.4	18.3	+0.9	+5%
Others	29.3	31.2	+1.9	+7%
General Administrative Total	117.3 (30.3%)	125.4 (31.2%)	+8.1	+7%
R&D Expenses	24.3 (6.3%)	27.1 (6.7%)	+2.8	+12%
SG&A Expenses Total	141.6 (36.6%)	152.5 (37.9%)	+10.9	+8%

(%): Against net sales

# SG&A Expenses

(billion of yen)

	FYE Mar. 2012	FYE Mar. 2013	YoY	YoY%
Salaries & Wages	48.6	53.2	+4.6	+9%

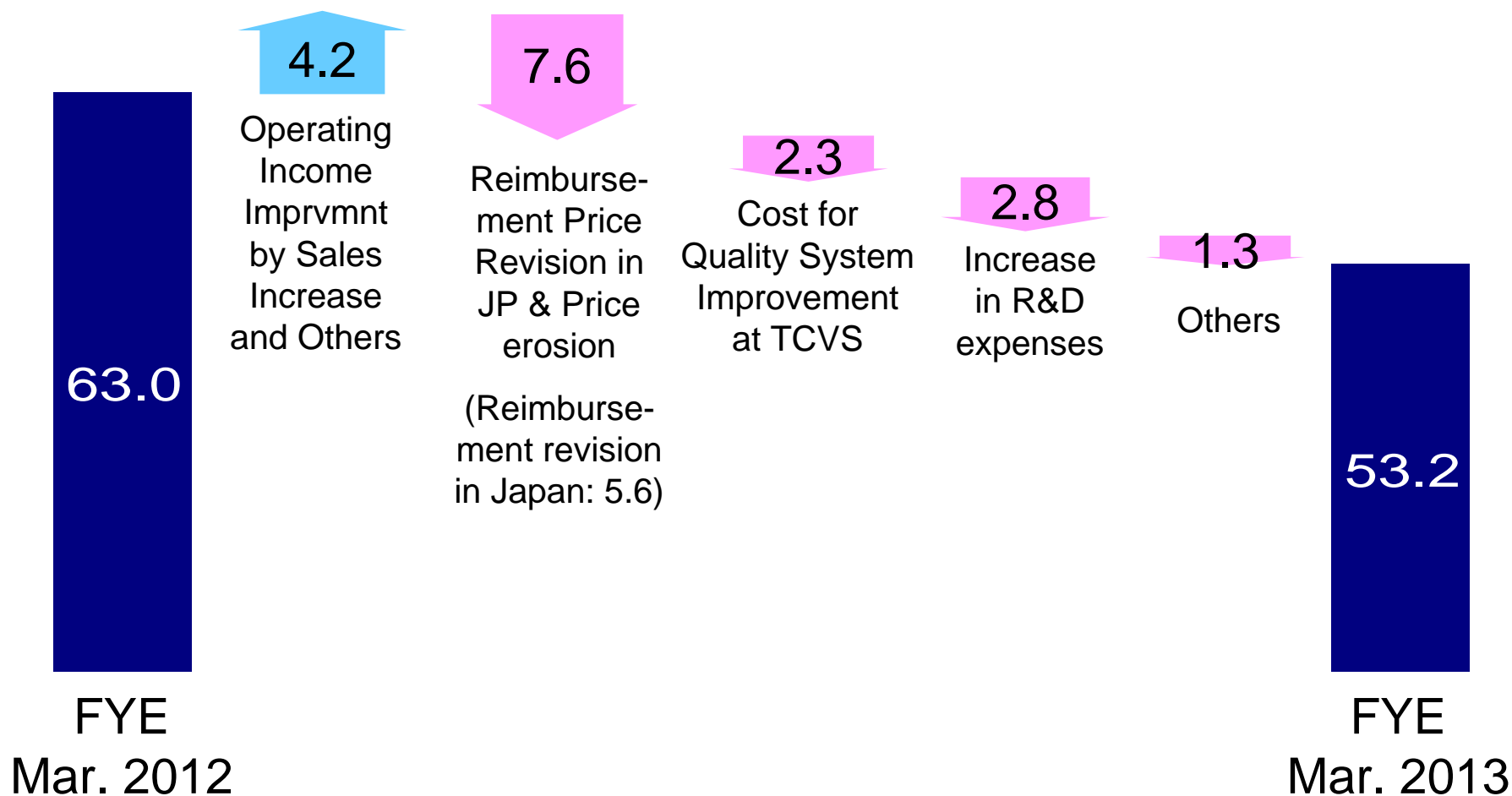
- Real increase: +3.5 billion yen / Impact of foreign exchange: +1.1 billion yen
  - Main focus on growing businesses and US market
- C&V: +2.0 billion yen / Blood Management: +0.8 billion yen

Others	29.3	31.2	+1.9	+7%
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- Real increase: +1.5 billion yen / Impact of foreign exchange: +0.4 billion yen
  - Integration cost in Blood Management business: +0.5 billion yen
- IT infrastructure: +0.5 billion yen

# Operating Income Variance Analysis

(billion of yen)



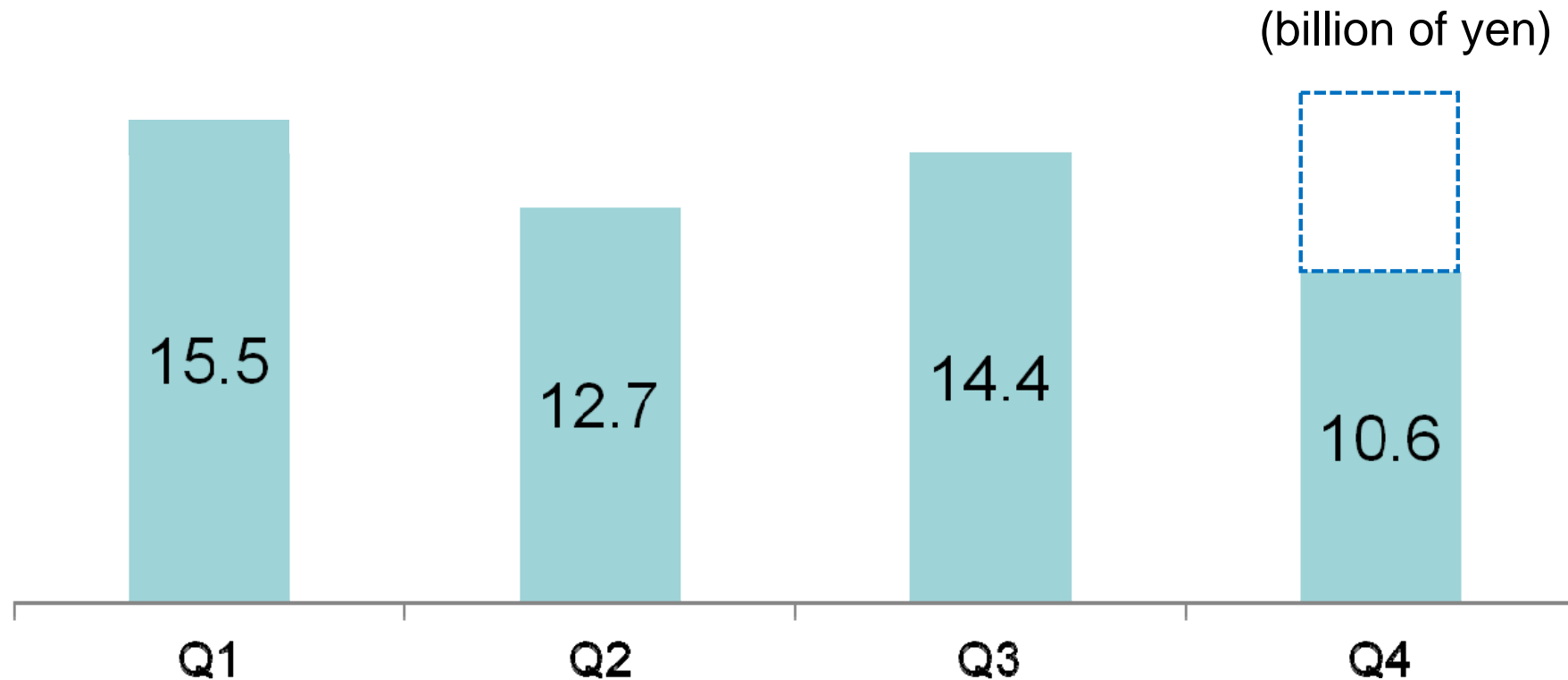


# Quality Management System Improvement at TCVS

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- Planned improvement works completed as scheduled
- However, an additional data requirement by FDA
  - 2.3 billion yen of additional cost
- Recertification by FDA to be delayed by 6 months
  - End of FYE Mar. 2014

# Short of Operating Income Forecast, 60 billion yen



## ■ Factors for lowered operating income in Q4

- Short of the sales target / Cost increase 4.5 billion yen
- Additional cost for quality management system improvement at TCVS 2.3 billion yen

# Forecast for FYE Mar. 2014

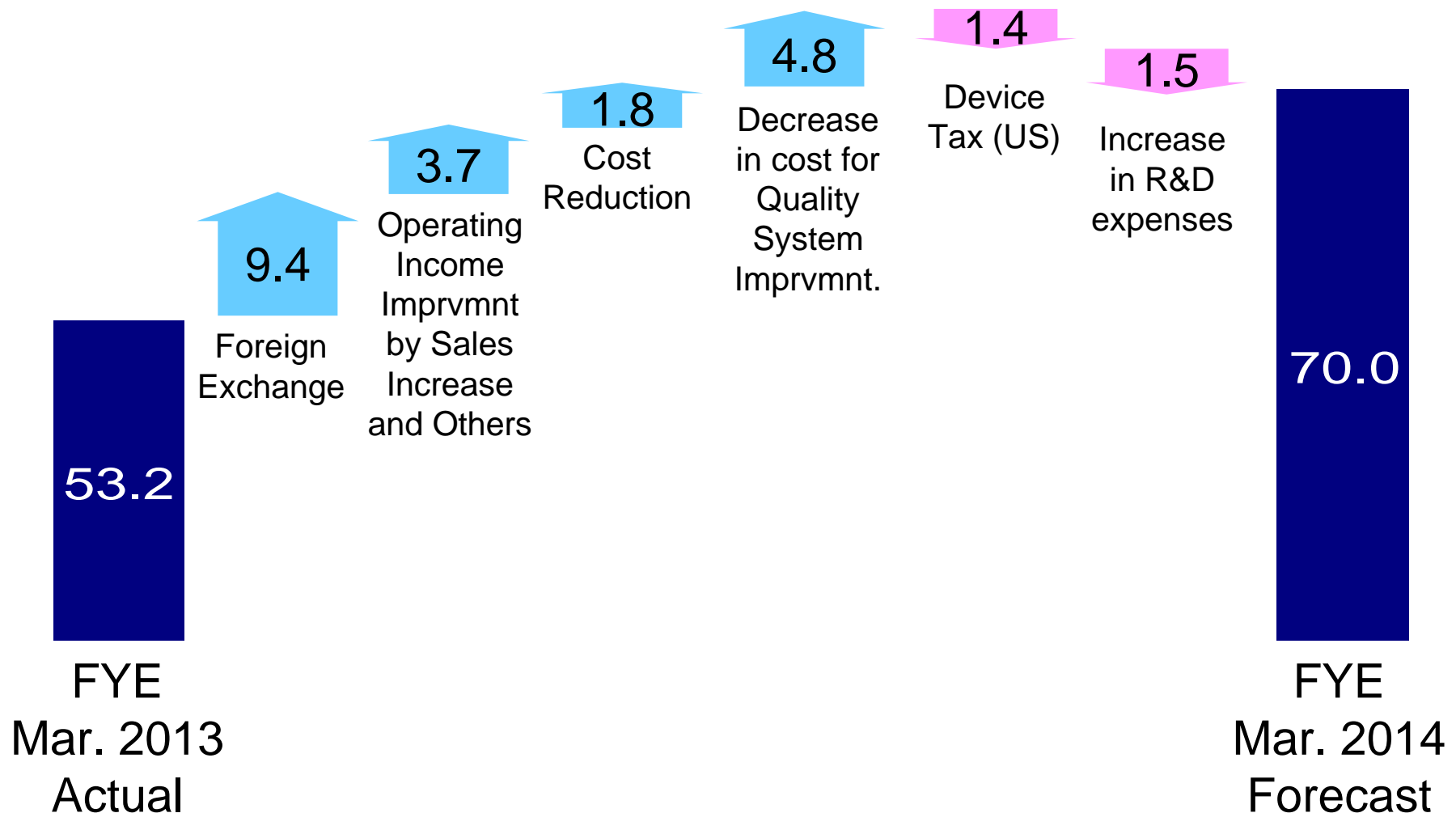
(billion of yen)

	FYE Mar. 2013 Actual	FYE Mar. 2014 Forecast	YoY%
Net Sales	402.3	460.0	+14%
Operating Income	53.2 (13.2%)	70.0 (15.2%)	+32%
(Excl. amortization of goodwill)	61.2 (15.2%)	79.0 (17.2%)	+29%
Ordinary Income	51.4	67.5	+31%
Net Income	47.0	42.0	-11%

Average Exchange Rate	US\$	83 yen	95 yen
	EUR	107 yen	123 yen

# Operating Income Forecast (Variance Analysis)

(billion of yen)



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# Reference

# Consolidated Results: Q1 thru Q4

(billion of yen)

	Q1 Result (Apr-Jun)	Q2 Result (Jul-Sep)	Q3 Result (Oct-Dec)	Q4 Result (Jan-Mar)	G. Total
Net Sales	95.9	96.0	103.9	106.5	402.3
Gross Profit	51.7 (53.9%)	48.8 (50.9%)	52.9 (50.9%)	52.2 (49.0%)	205.7 (51.1%)
SG&A Expenses	36.2 (37.8%)	36.1 (37.6%)	38.5 (37.0%)	41.6 (39.1%)	152.5 (37.9%)
Operating Income	15.5 (16.1%)	12.7 (13.3%)	14.4 (13.9%)	10.6 (9.9%)	53.2 (13.2%)

Average Exchange Rate	Q1	Q2	Q3	Q4
US\$	80 yen	79 yen	81 yen	92 yen
EUR	103 yen	98 yen	105 yen	122 yen

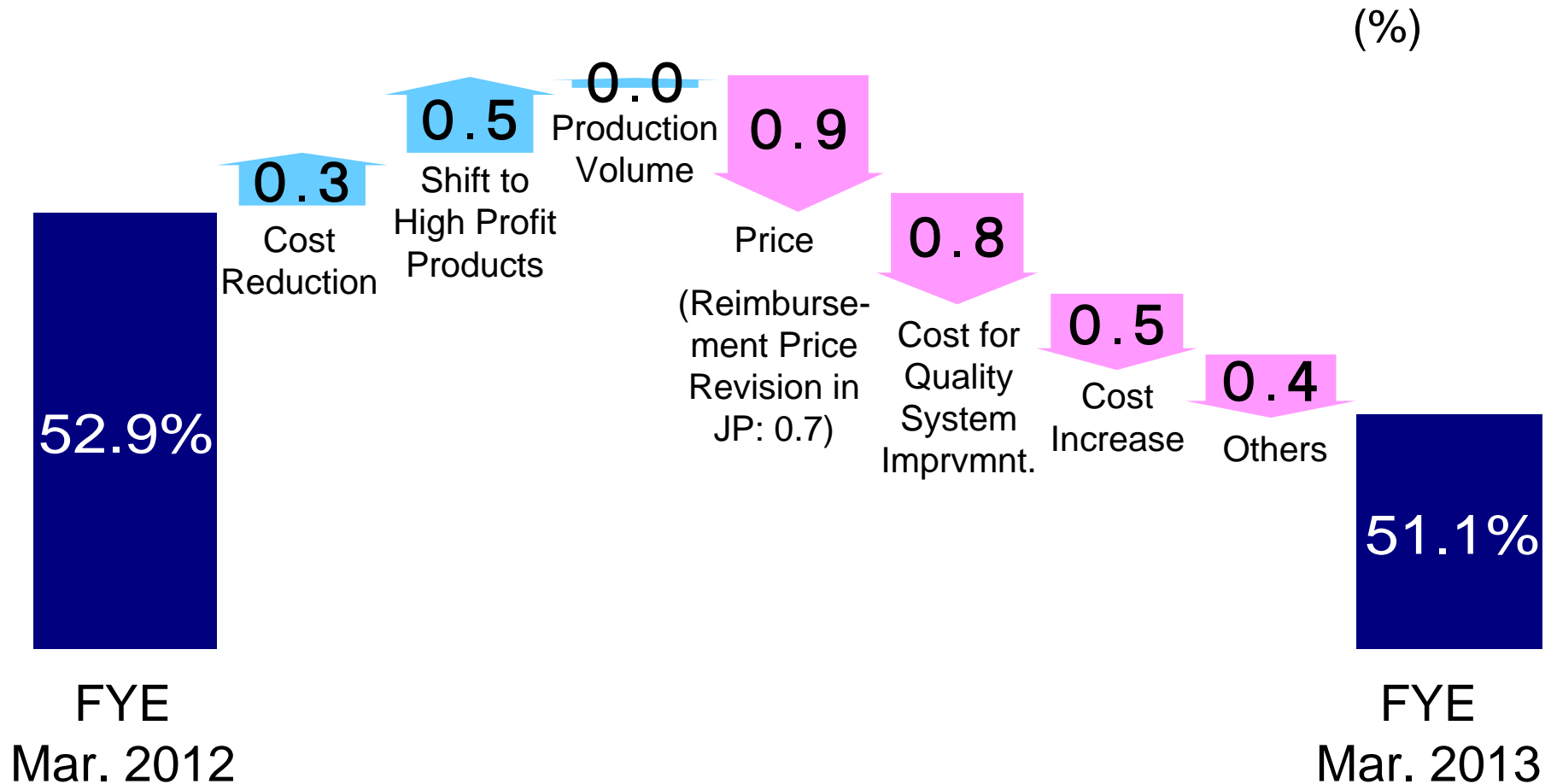
# Q4 Net Sales (by Business Segment and Region)

(billion of yen)

Business Segment	Japan	Outside of Japan Total					G. Total
			Europe	Americas	China	Asia & Others	
General Hospital	28.9 (-2%)	9.1 ( 2%)	3.1 ( 2%)	2.3 (-5%)	0.3 (-8%)	3.5 (10%)	38.0 (-1%)
Cardiac & Vascular	11.6 (-15%)	35.8 (10%)	13.6 ( 9%)	14.5 ( 8%)	3.9 (35%)	3.9 ( 2%)	47.4 ( 2%)
Blood Management	3.3 (-17%)	17.8 ( 6%)	5.9 (10%)	8.3 (-1%)	0.8 (35%)	2.8 (12%)	21.1 ( 1%)
G. Total	43.8 (-7%)	62.7 ( 8%)	22.5 ( 9%)	25.1 ( 3%)	5.0 (32%)	10.1 ( 7%)	106.5 ( 1%)

(YoY %): Excluding Foreign Exchange

# Gross Profit Variance Analysis





# CAPEX, R&D Expenses

(billion of yen)

	FYE Mar. 2013 Forecast	FYE Mar. 2013 Actual	YoY	FYE Mar. 2014 Forecast	YoY
CAPEX*	38.0	32.2	+5.6	45.0	+12.8
Depreciation & Amortization*	32.5	32.6	+3.8	37.0	+4.4
R&D Expenses	27.0	27.1	+2.8	30.0	+2.9

\* Including intangibles

CAPEX: acquisition basis

# Foreign Exchange Sensitivity

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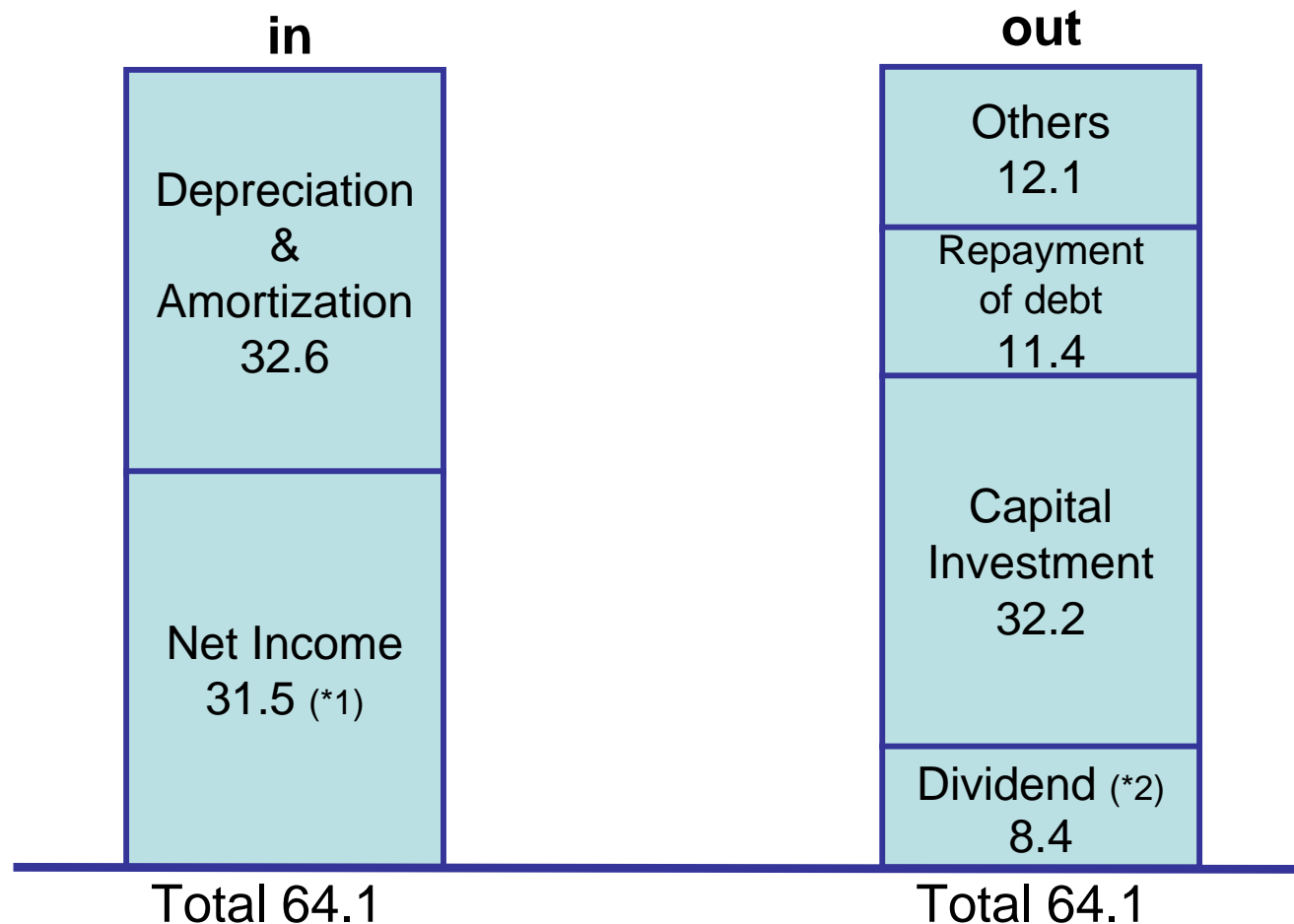
(billion of yen / year)

	US\$	EUR
Net Sales	1.7	0.7
Operating Income	0.3	0.4

# FYE Mar. 2013 Cash Flow

- Used in good balance among investment for growth, repayment of debt, and dividend

(billion of yen)



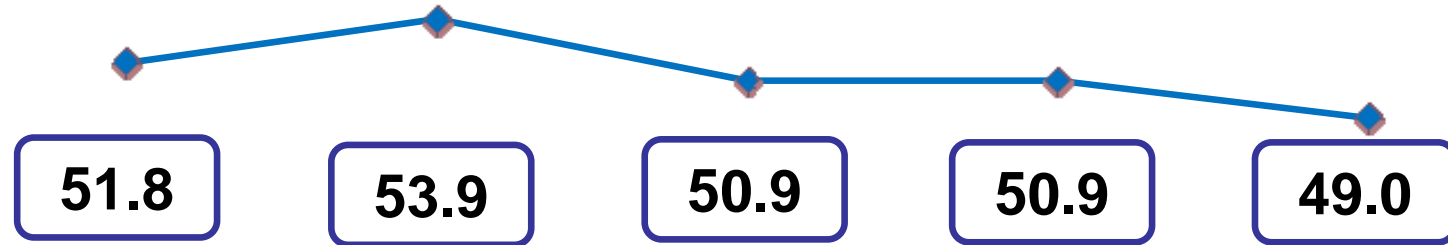
\*1: Excluded 15.5 billion yen net income, due to corporate tax drop, as this will not affect cash increase for Mar. 2013

\*2: Dividend: Mar. 2013 year end dividend + Mar. 2014 interim dividend

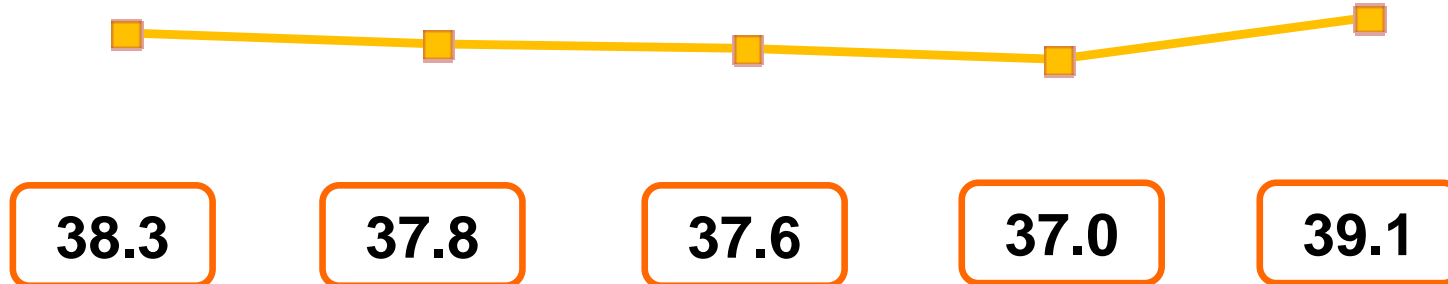
# Gross Profit, SG&A Expenses, Operating Income

(%)

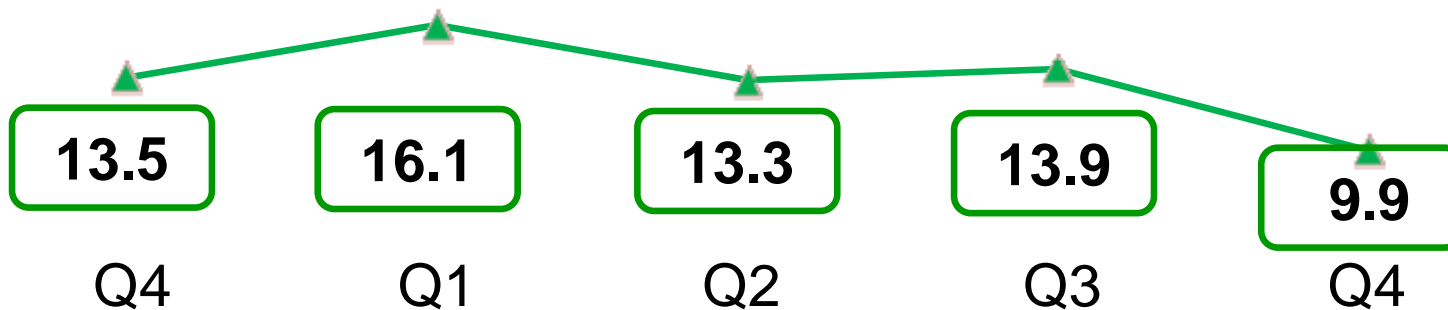
Gross Profit



SG&A Expenses



Operating Income



Q4  
Mar. 2012

Q1  
Mar. 2013

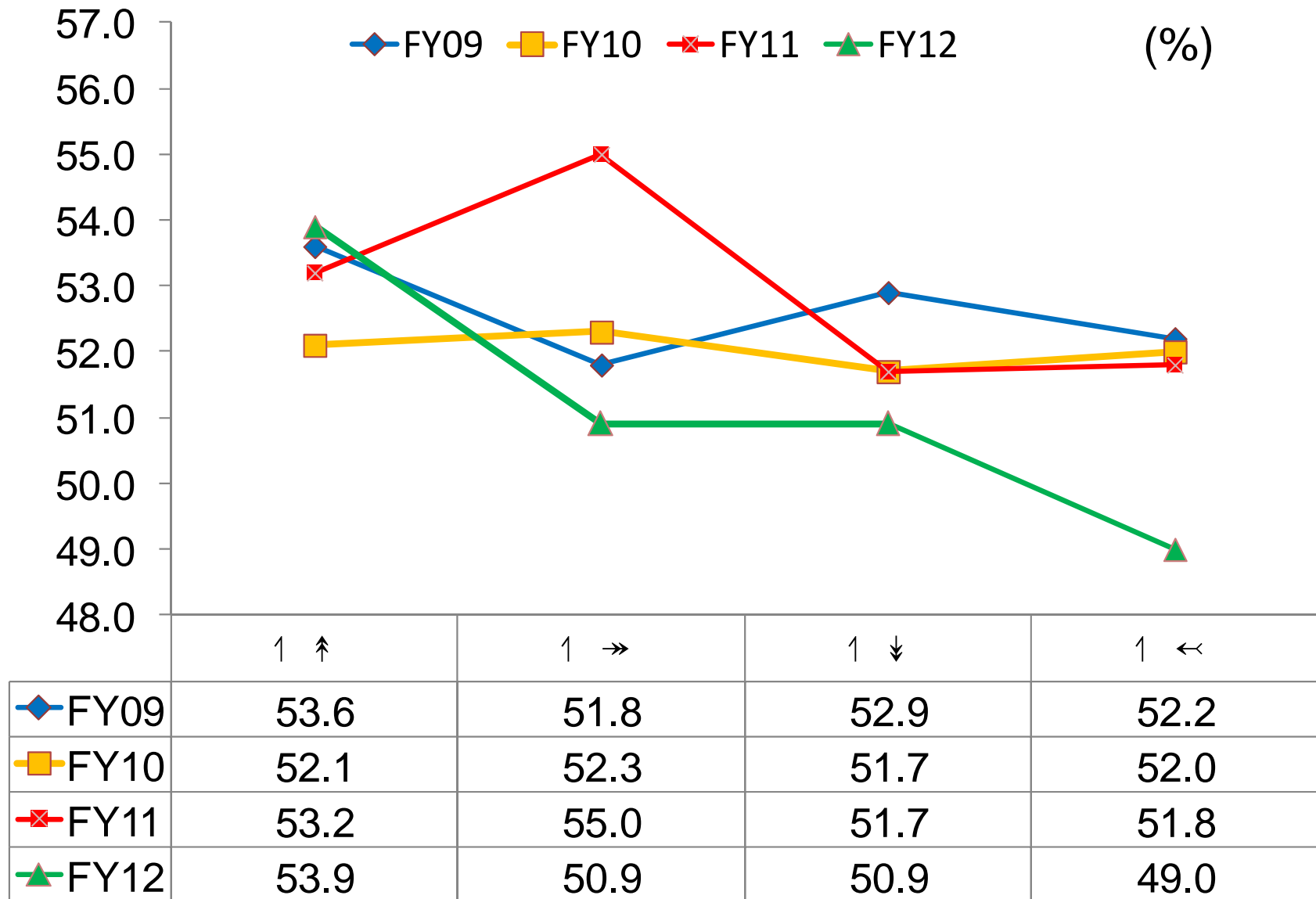
Q2

Q3

Q4

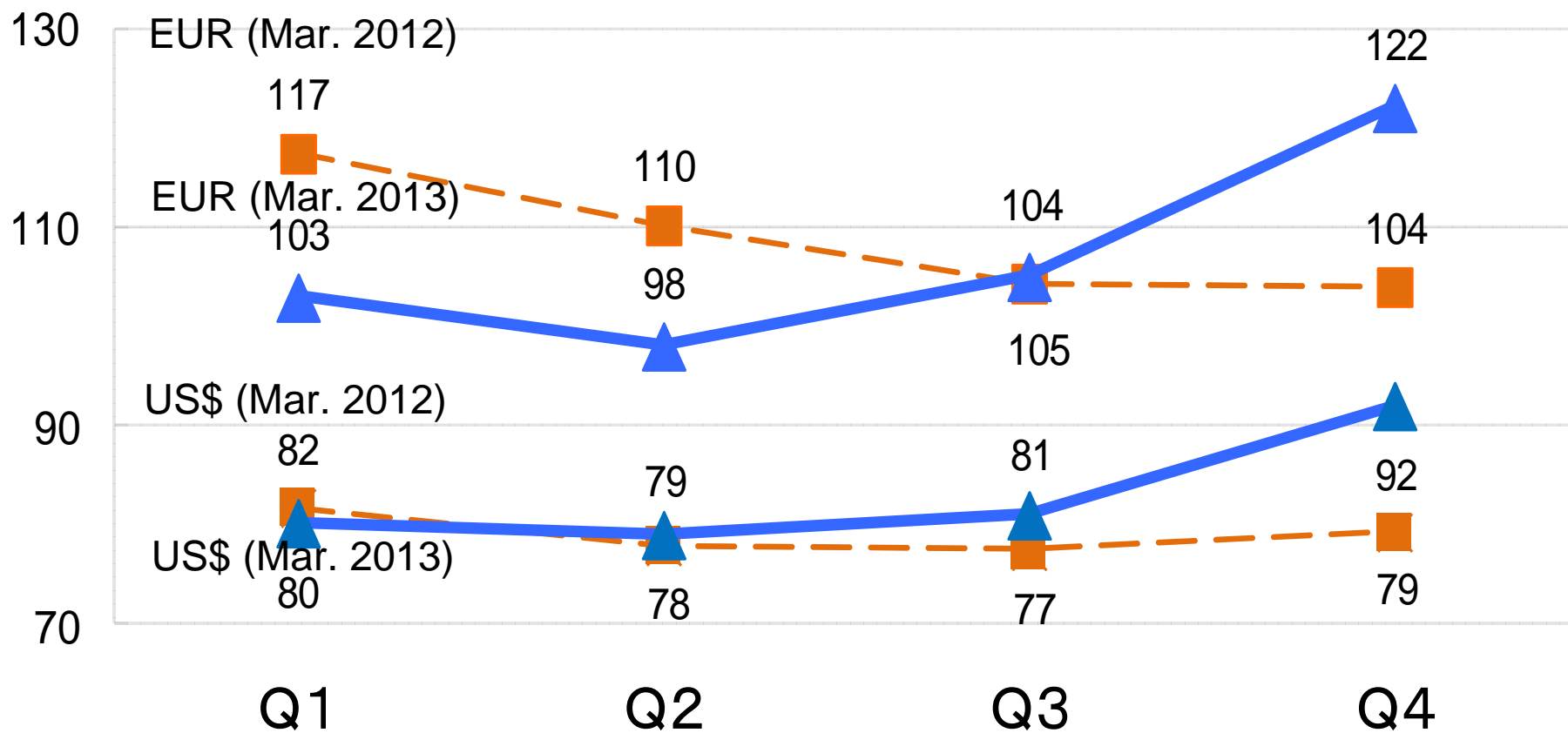
(Quarterly: 3 months)

# Changes in Gross Profit (%)



(Quarterly: 3 months)

# Changes of Quarterly Average Exchange Rates



(Quarterly: 3 months)

# *IR Contact*

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