



TERUMO CORPORATION

1st Quarter Financial Results for FYE/ Mar.2008

Sales and Profits Enjoyed Double-digit Growth

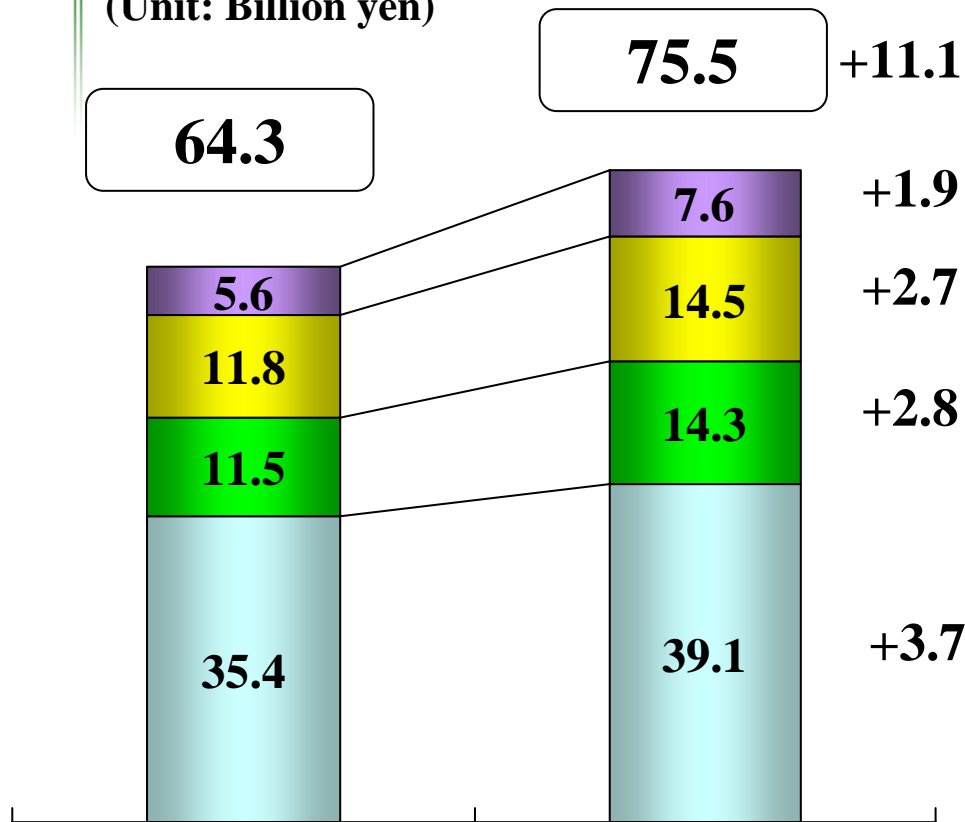
(Unit: Billion yen)

	Q1 FYE/Mar. 2007	Q1 FYE/Mar. 2008	Rate of change
Net Sales	64.3	75.5	17.3%
Gross Profit (%)	35.9 (55.7%)	41.5 (55.0%)	15.7%
S.G.A Expenses (%)	22.4 (34.8%)	24.5 (32.5%)	9.4%
Operating Income (%)	13.5 (20.9%)	17.0 (22.5%)	26.2%
Ordinary Income (%)	13.5 (20.9%)	18.6 (24.6%)	38.2%
Net Income (%)	8.0	13.1	63.4%

Average	US\$	115 yen	121 yen	5.5% yen depreciation
Exchange rate	EUR	144 yen	163 yen	13.2% yen depreciation

Net Sales (by Region)

(Unit: Billion yen)



Q1 FYE/Mar. 2007 Q1 FYE/Mar. 2008

Outside Japan sales ratio (%)

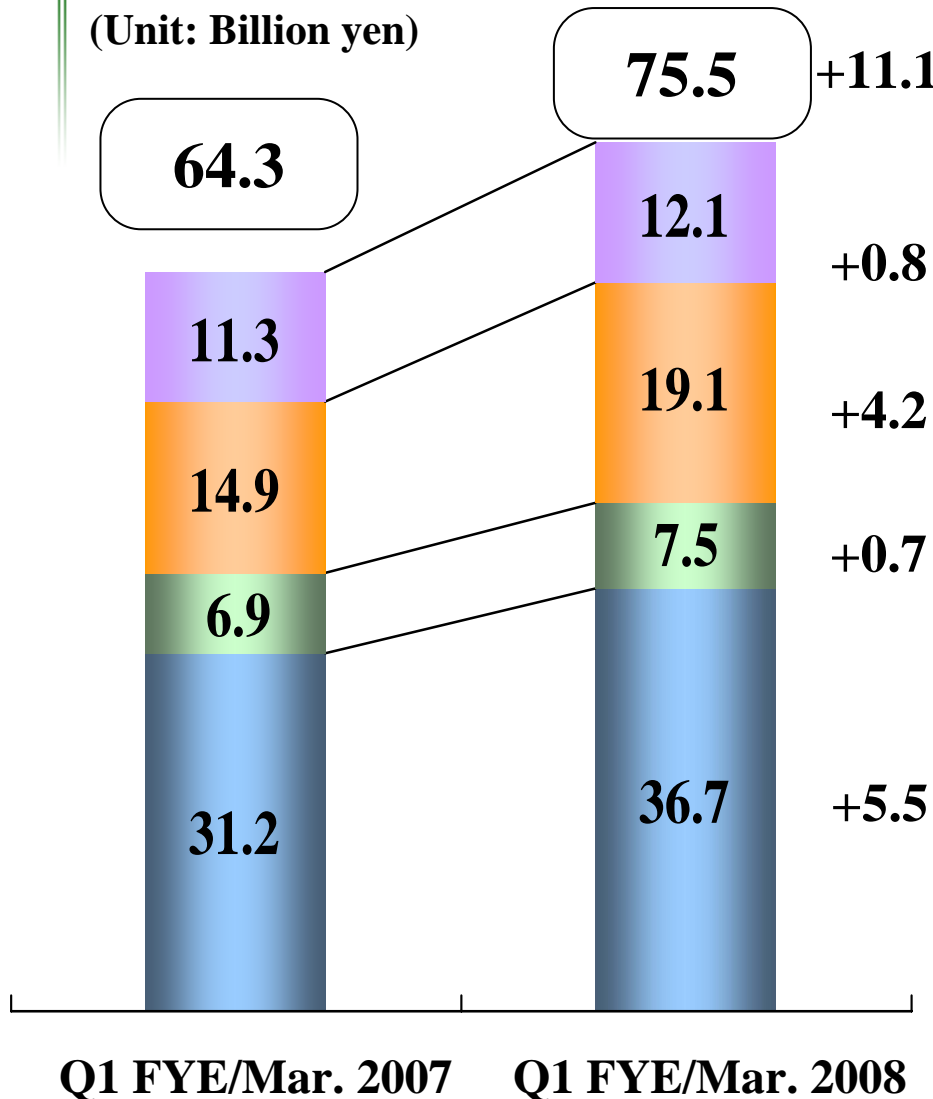
45% → 48%

<u>Growth Rate</u>		
Growth rate	17.3%	(13.1%)
Asia & Others	34.0%	(24.1%)
Americas	23.2%	(17.6%)
Europe	24.3%	(11.0%)
Outside Japan	25.8%	(16.3%)
Japan	10.5%	

↑
Excluding impact of foreign exchange

Net Sales (by Product Group)

(Unit: Billion yen)



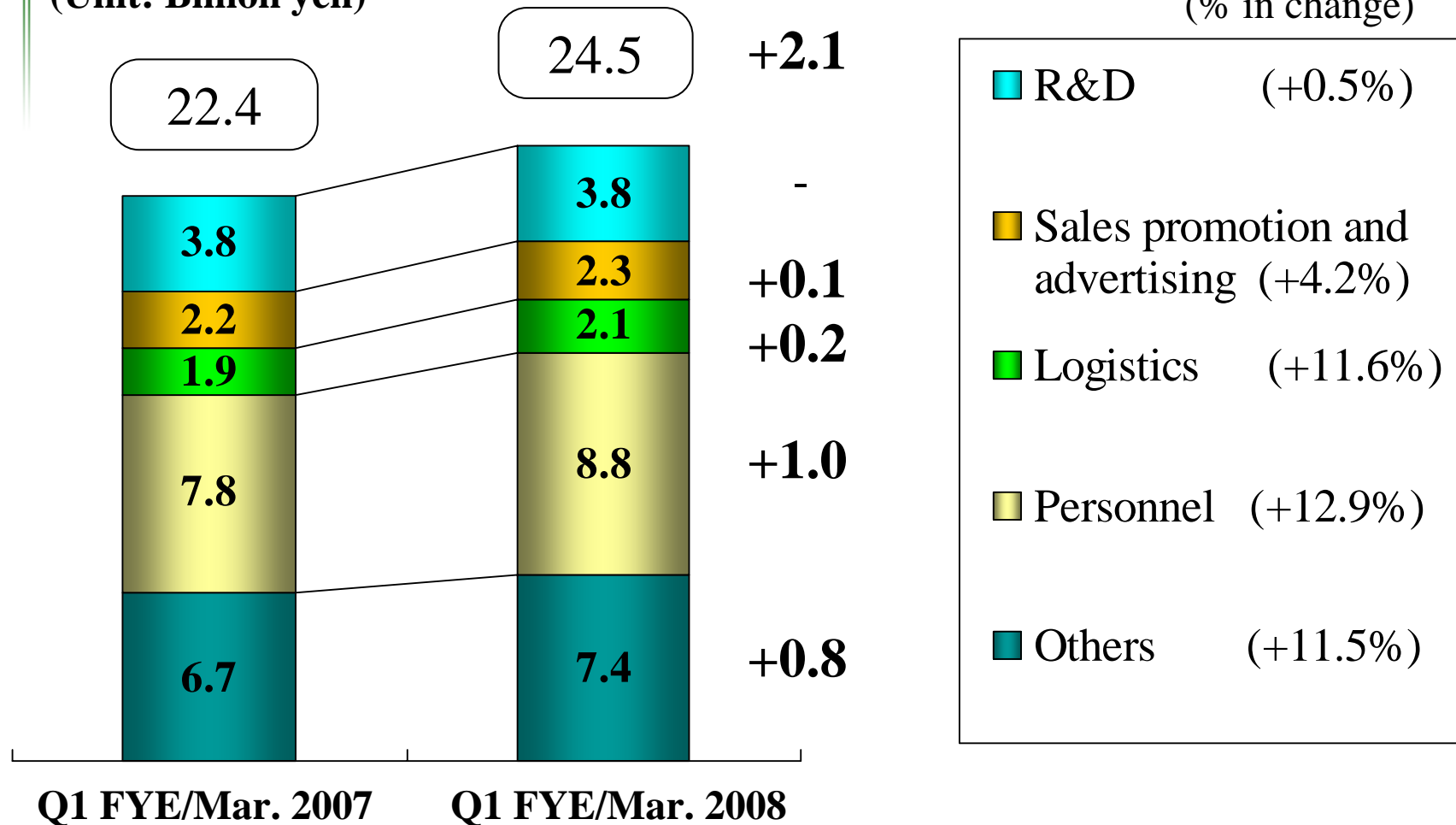
Consolidated total: 17.3% growth

- CV and vascular grafts
(G/R: 7.0%)
- Interventional products
(G/R: 27.8%)
- Home health care products
(G/R: 9.6%)
- General hospital products
(G/R: 17.8%)

Details of S.G.A Expenses

(Unit: Billion yen)

(% in change)



S.G.A Expenses rate
 34.8% 32.5%

▲ 2.3pt



Topics



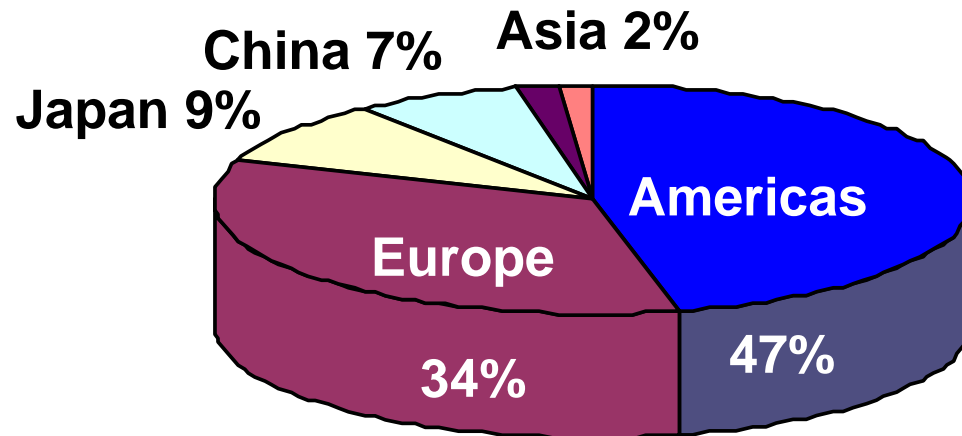
Terumo's Activities in European Market

WW Medical Device Market

Europe is the second largest market following America

< Market scale >

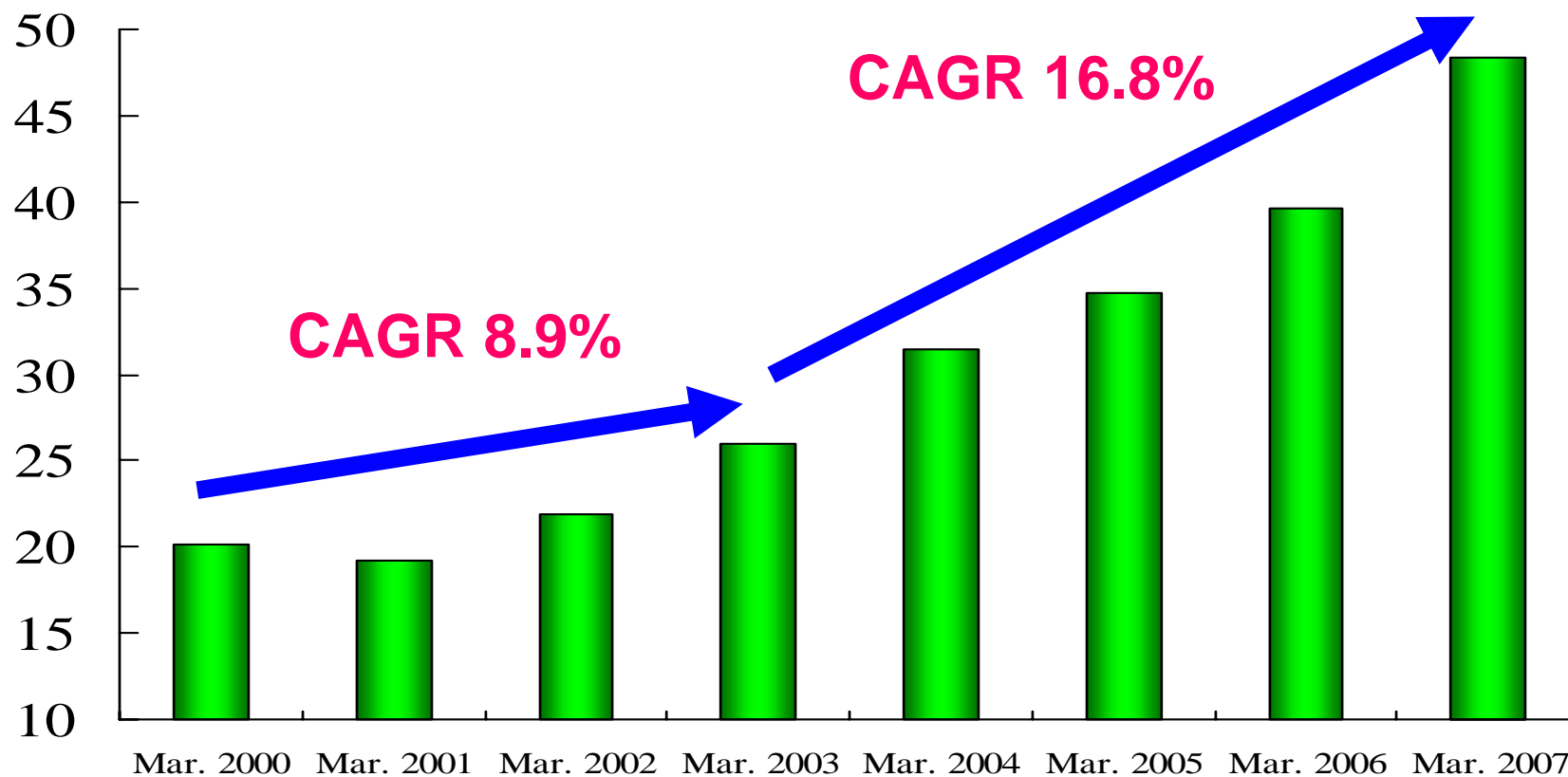
Europe: US\$ 63B



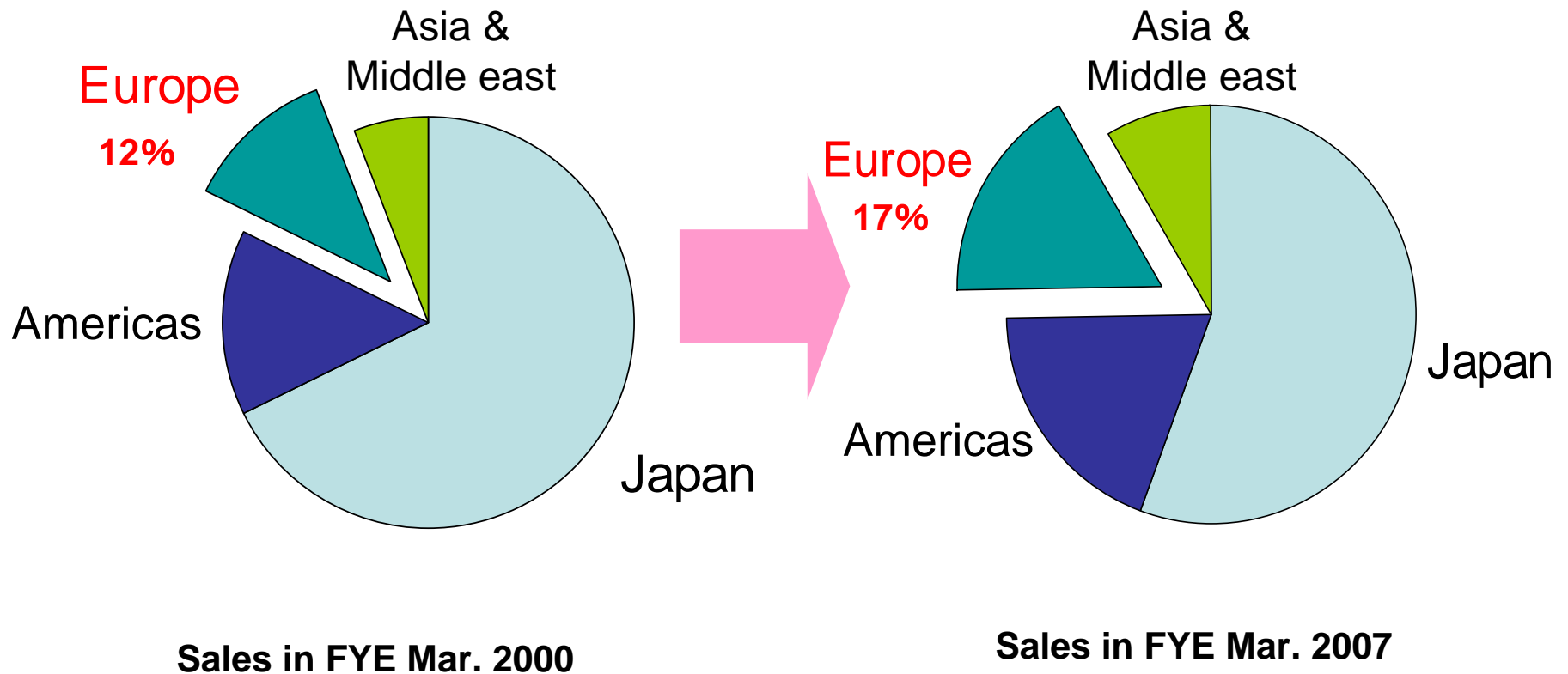
*Global market in 2005: US\$185B

Sales in the European Market

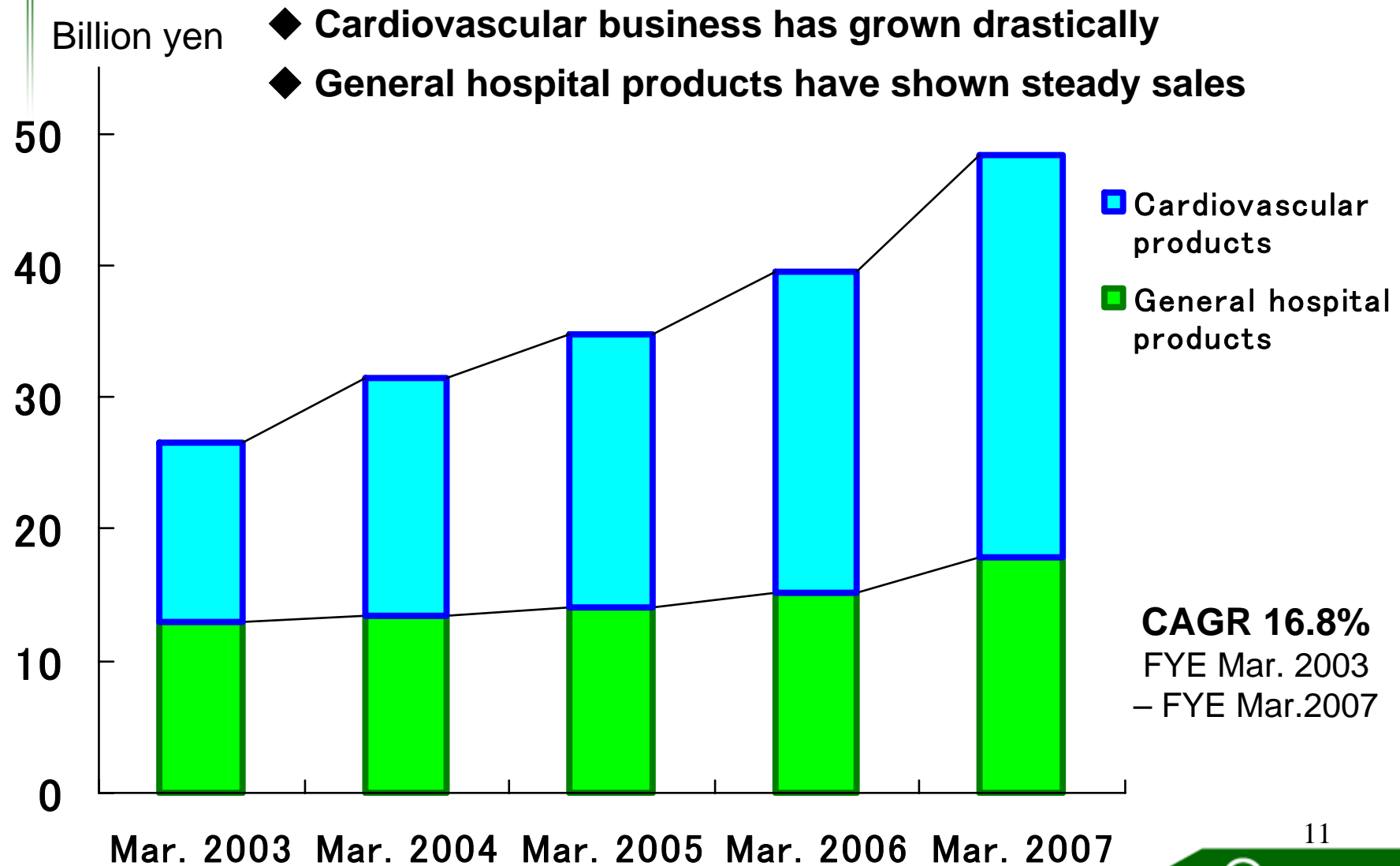
Billion yen



Sales in the European Market



Sales by Business in the Last 5 Years



Broad Product Line-up in Europe

Interventional cardiology	Angiographic catheter	○
	PTCA balloon	○
	Bare stent	○
	Drug Eluting Stent	⊙
Neuro Intervention	Cerebral aneurysm coil	○
Peripheral Intervention	Stent for peripheral vessels	⊙
Cardiac · Vascular Surgery	Stent graft	○
	Artificial vessel (with built-in valve)	○
	Left ventricular assist system	⊙

○ : On sale ⊙ : To be sold this fiscal year

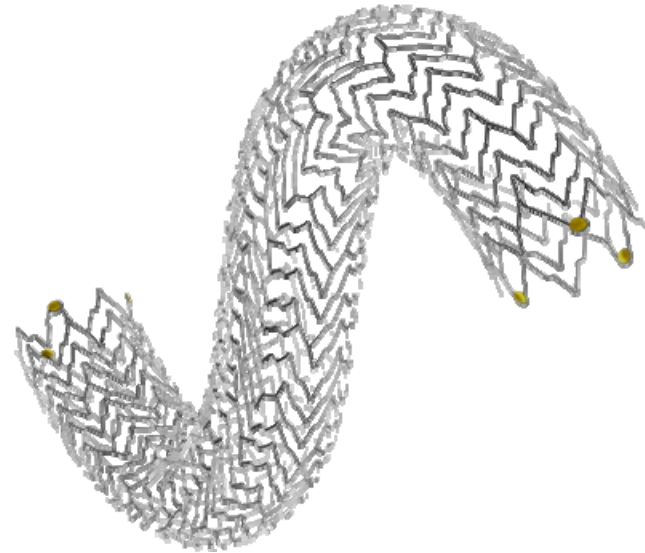
Expanding to New Domains

Artificial vessel with
built-in valve
BioValsalva



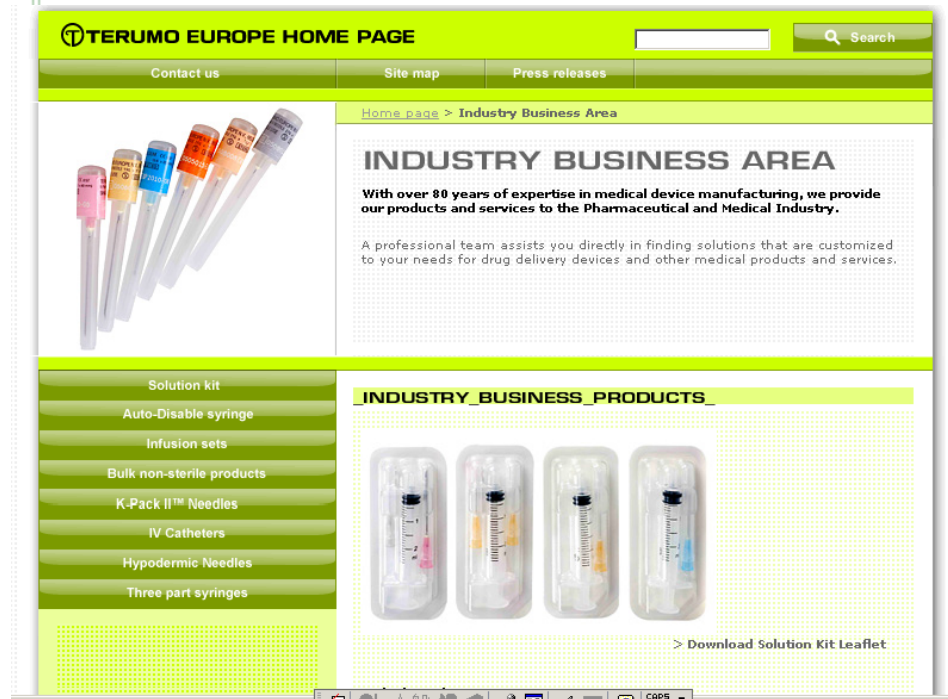
◆ First-in-the-world
vascular grafts with built
in biological valve

Peripheral stent
MISAGO



- ◆ Especially useful for thighs and armpits
 - To be launched in Sep. 2007
 - FYE Mar. 2008: 400M yen (estimated)

B2B business in Europe



Sales

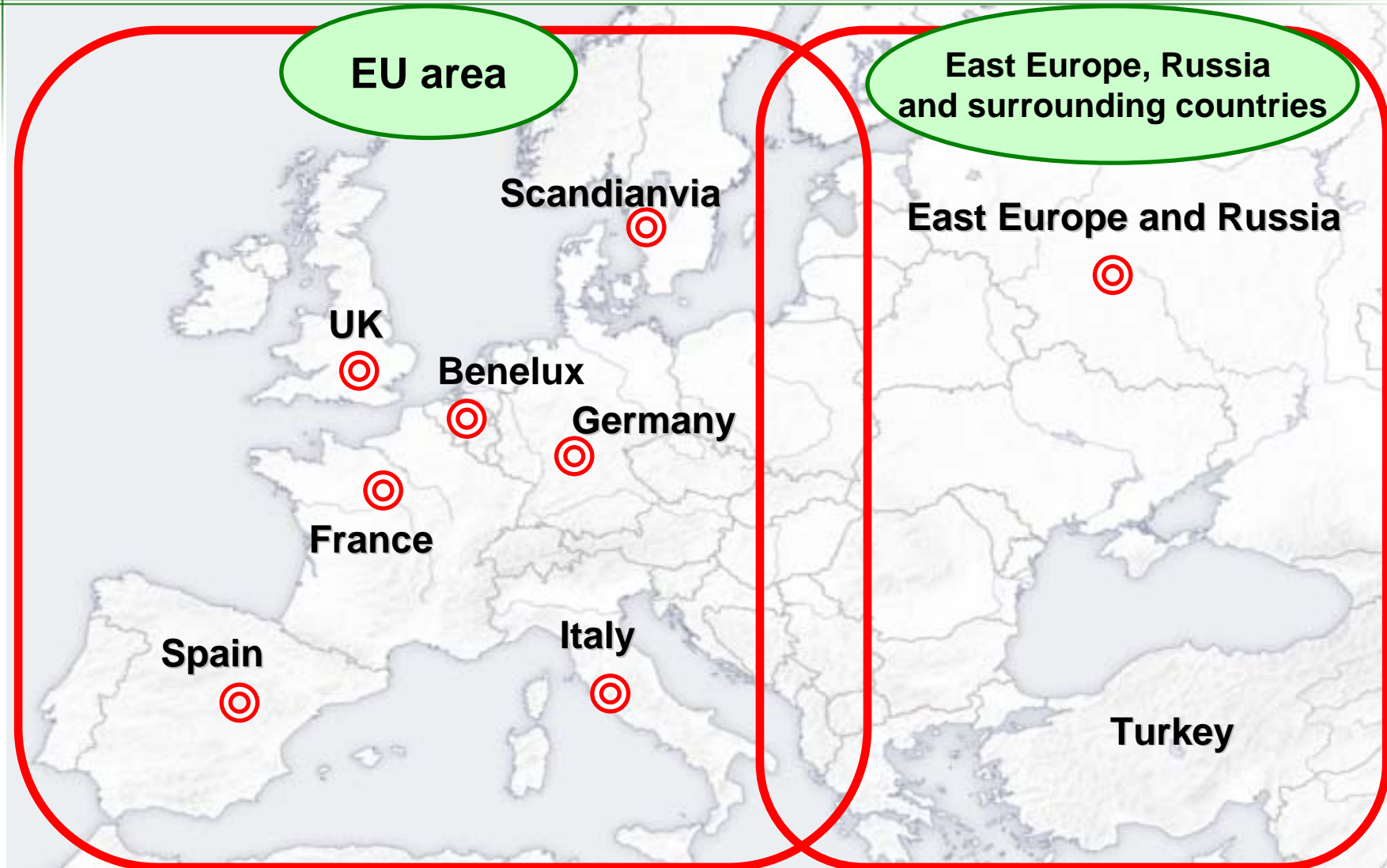
FYE Mar. 2007: 800M yen

FYE Mar. 2008: 1,100M yen (estimated)

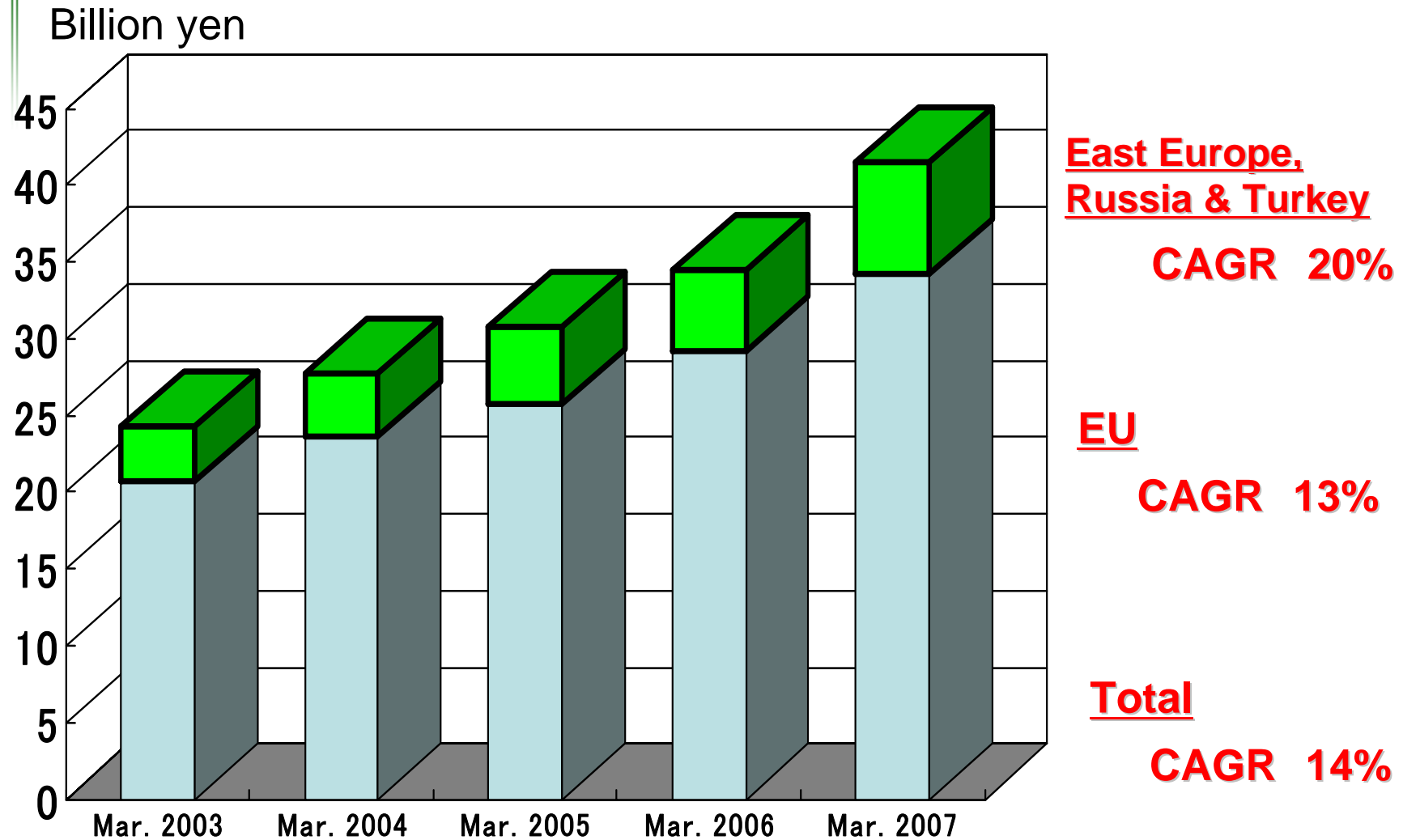
K-pack Needles

(Packaged kits for pharmaceutical companies)

Sales Bases and Their Covering Area



Growth Driven by East Europe, Russia, Turkey, etc.



* Excluding sales by Vascutek



Other Topics



Business Collaboration and Mutual Investment with KIRIN

Overview

- ◆Strengthen of joint R&D of prefilled syringes
- ◆Investigation of R&D of projects integrating the liposome (TERUMO) and Drug (KIRIN) technology
- ◆Investigation of joint projects regarding treatment of chronic kidney disease
- ◆Terumo and the Kirin Group mutually acquire stocks equivalent to 10 billion yen



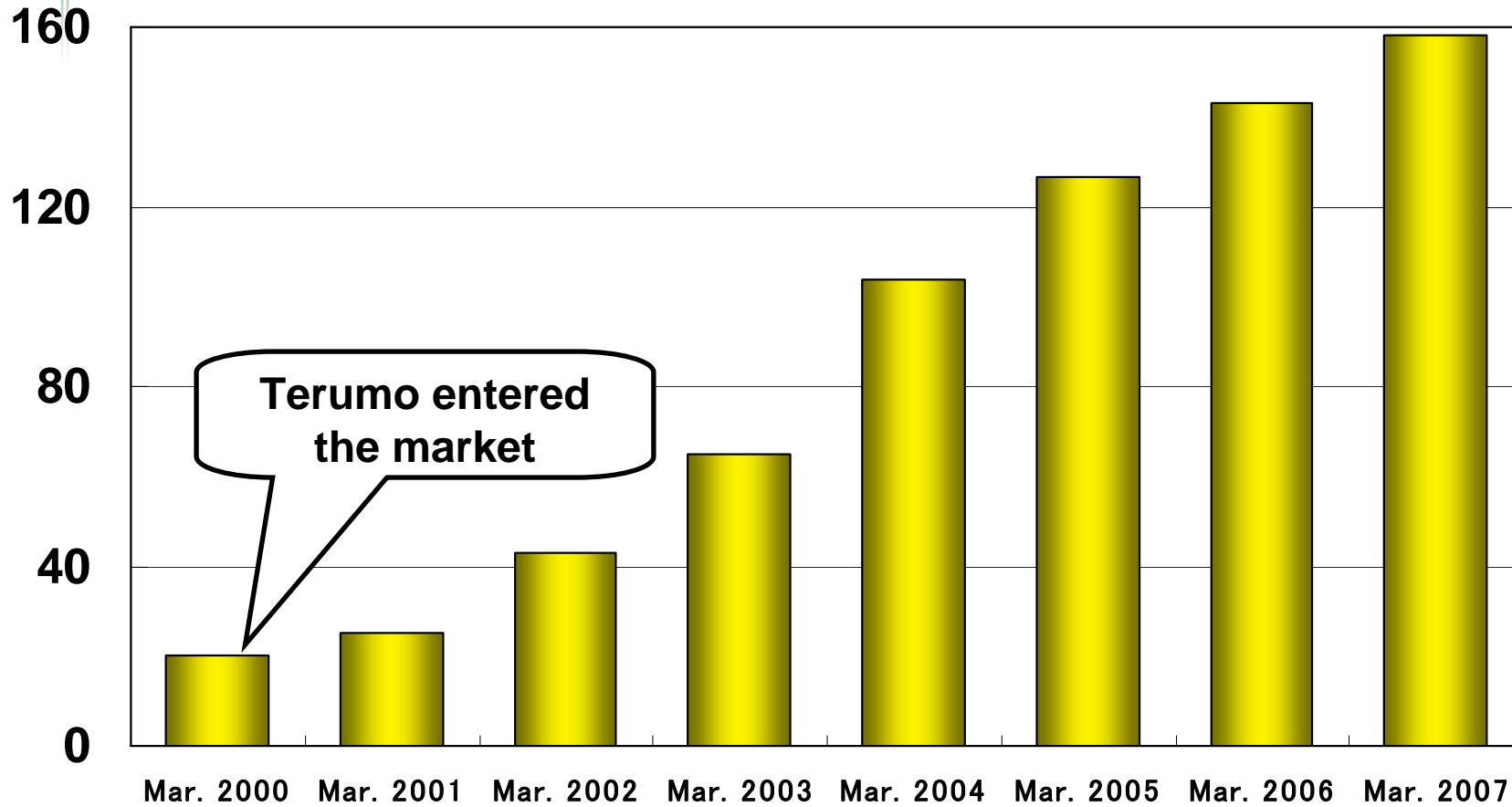
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KIRIN



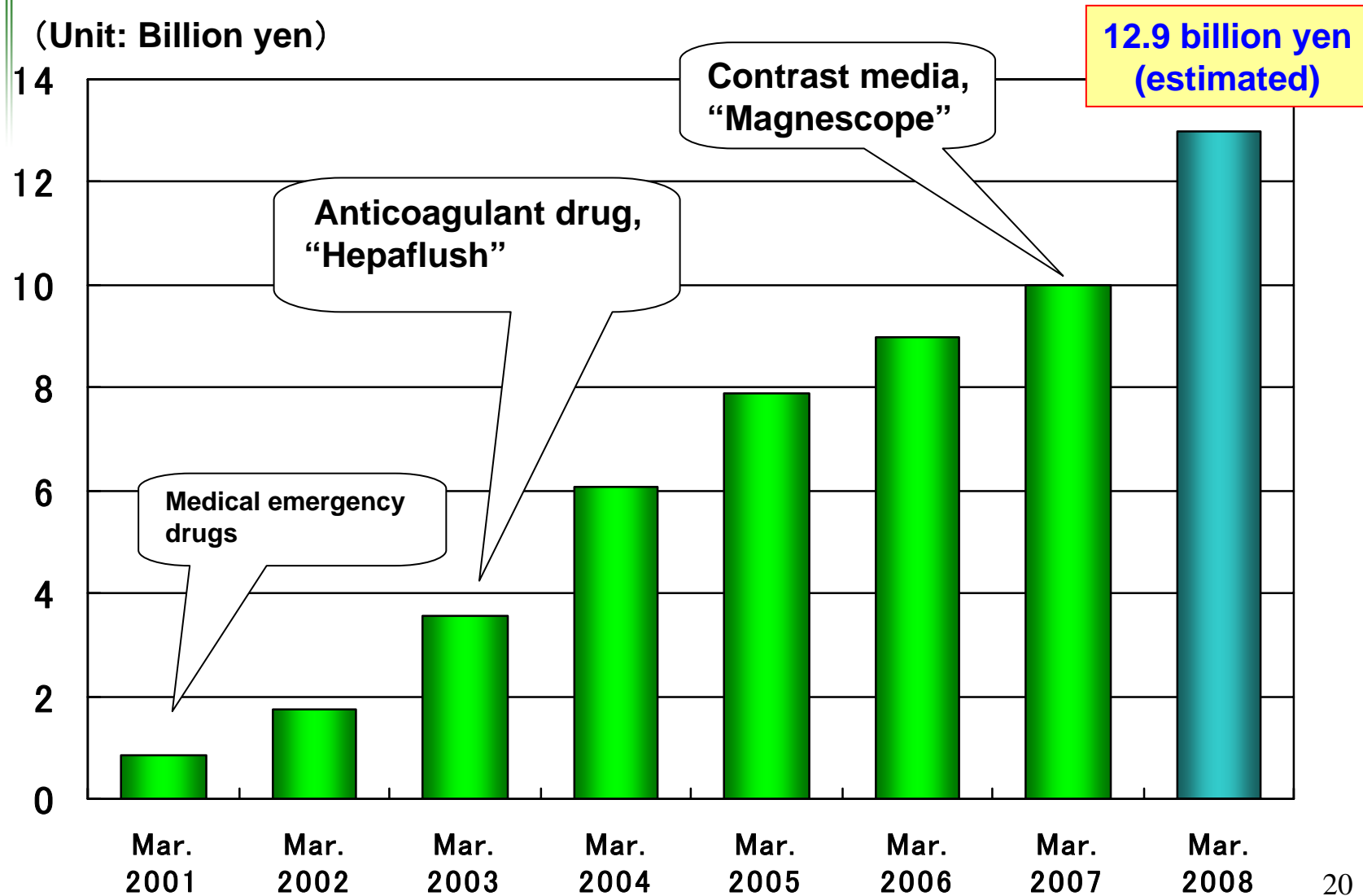
Market in Japan

(Unit: Million syringes)



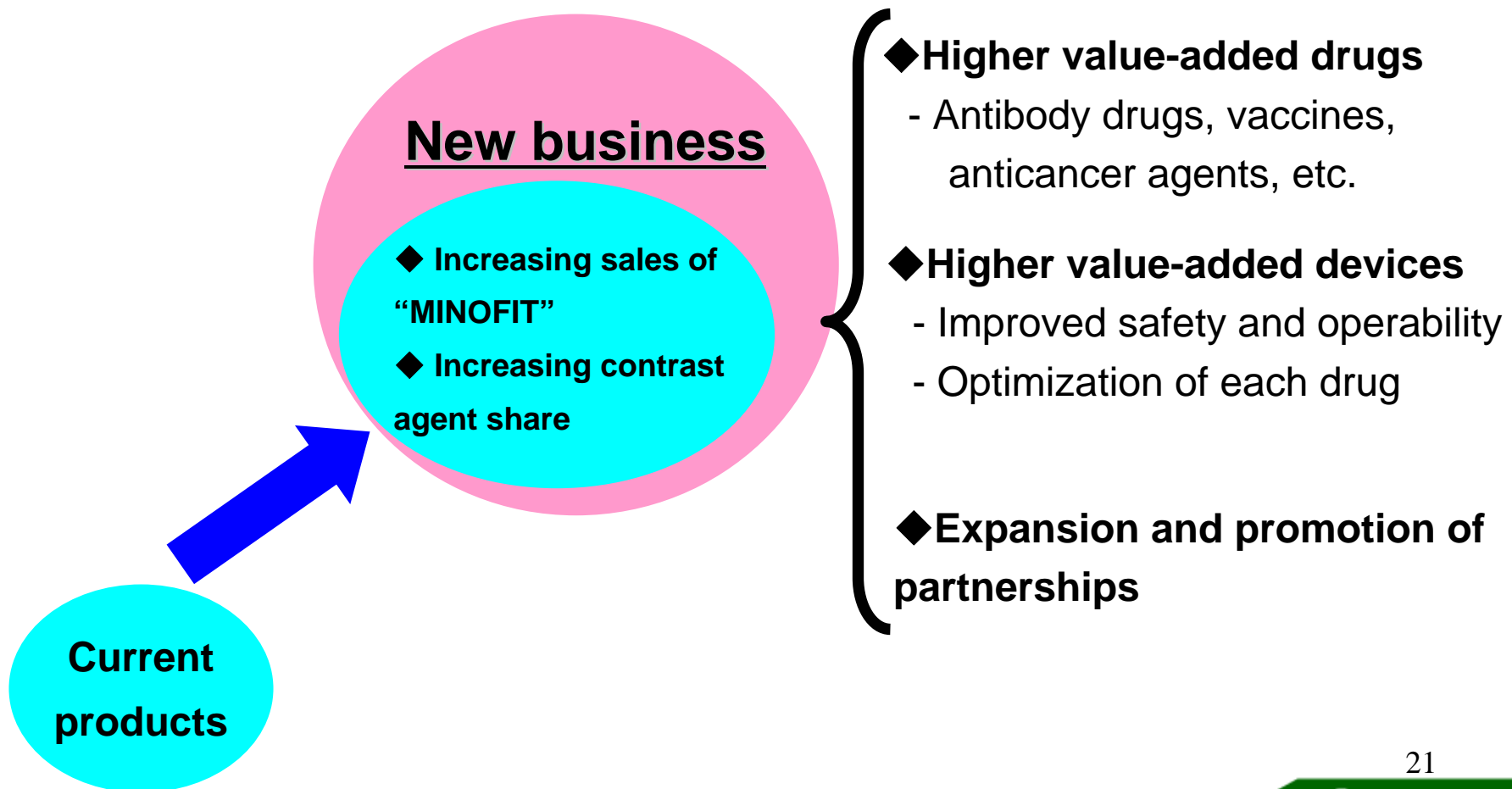
(Shipped syringe basis: From IMS data)
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Terumo's Sales in Japan



Future Direction of Business

Shifting to highly added-value business



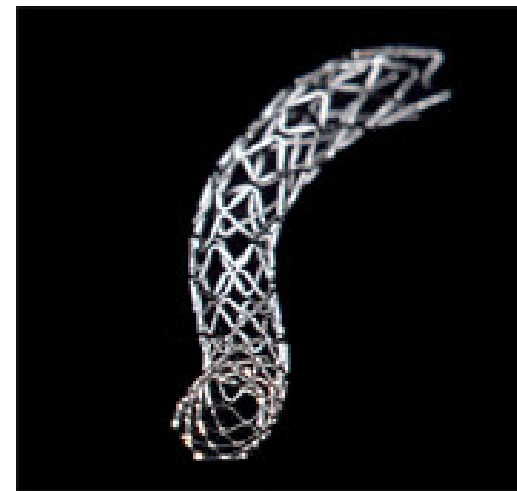
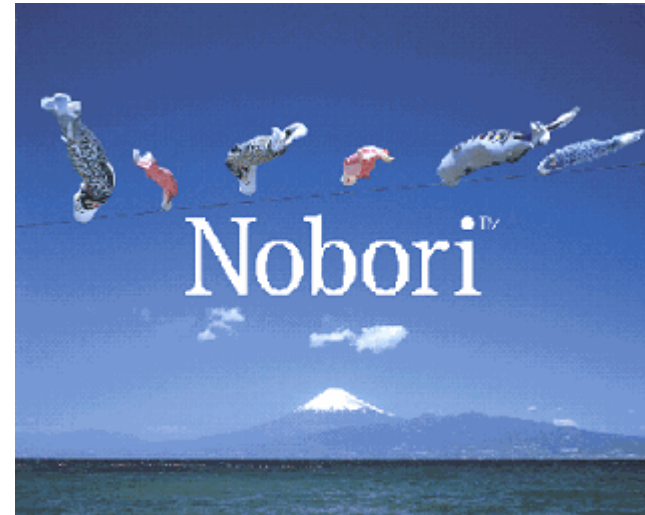
Left Ventricular Assist System, “DuraHeart”

- Europe
 - First shipment in July, sales planned to start in Q2
- America
 - Clinical trial application planned within this fiscal year
- Japan
 - Selected as an early approval item



Drug Eluting Stent “Nobori”

- Europe
 - Applied for CE Mark
- Japan
 - Clinical trial started on July 4
- Asia
 - First shipment in July,
first sales commenced





Summary

- **Good start with double-digit growth in both sales and profits**
- **Uncertainty including effects of foreign exchange persisting, allowing for no optimism**
- **No revision of projected business results at this time**



IR Contact

TERUMO Corporation

Corporate Communication (IR) Dept.

E-mail: CCD@terumo.co.jp

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