

Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2011

August 5, 2010

TERUMO Corporation

Financial Results (Consolidated)

(Unit: Billion yen)

	Q1 Mar. 2010	Q1 Mar. 2011	YoY
Net Sales	77.5	81.2	5%
Gross Profit	41.6 (53.6%)	42.3 (52.1%)	2%
SG&A Expenses	25.1 (32.3%)	26.4 (32.5%)	5%
Operating Income	16.5 (21.3%)	15.9 (19.6%)	-3%
Ordinary Income	16.9 (21.9%)	12.6 (15.5%)	-26%
Net Income	10.8 (14.0%)	8.8 (10.8%)	-19%

Average exchange rate

1US\$ 97yen
1EUR 133yen

92yen
117yen

} Impact on Net Sales
-3%

Net Sales (By Region)

(Unit: Billion yen)

Q1 Mar. 2010 Q1 Mar. 2011

(): Local currency basis

Consolidated: +5% (+8%)

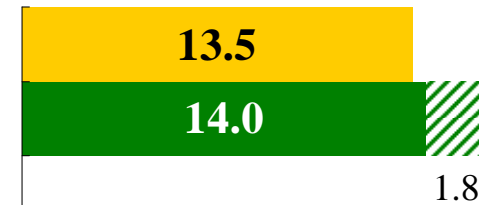
Japan
-1%

Outside of Japan
+12%
(+20%)



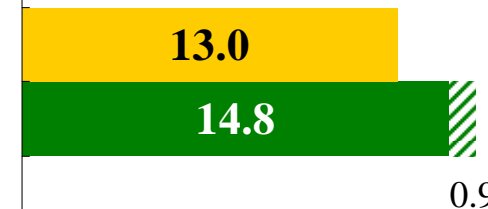
2.8

Europe
+4%
(+17%)



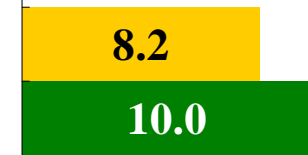
1.8

Americas
+14%
(+20%)



0.9

Asia & Others
+22%
(+24%)



0.2

Outside of Japan Ratio: 45% -> 48%

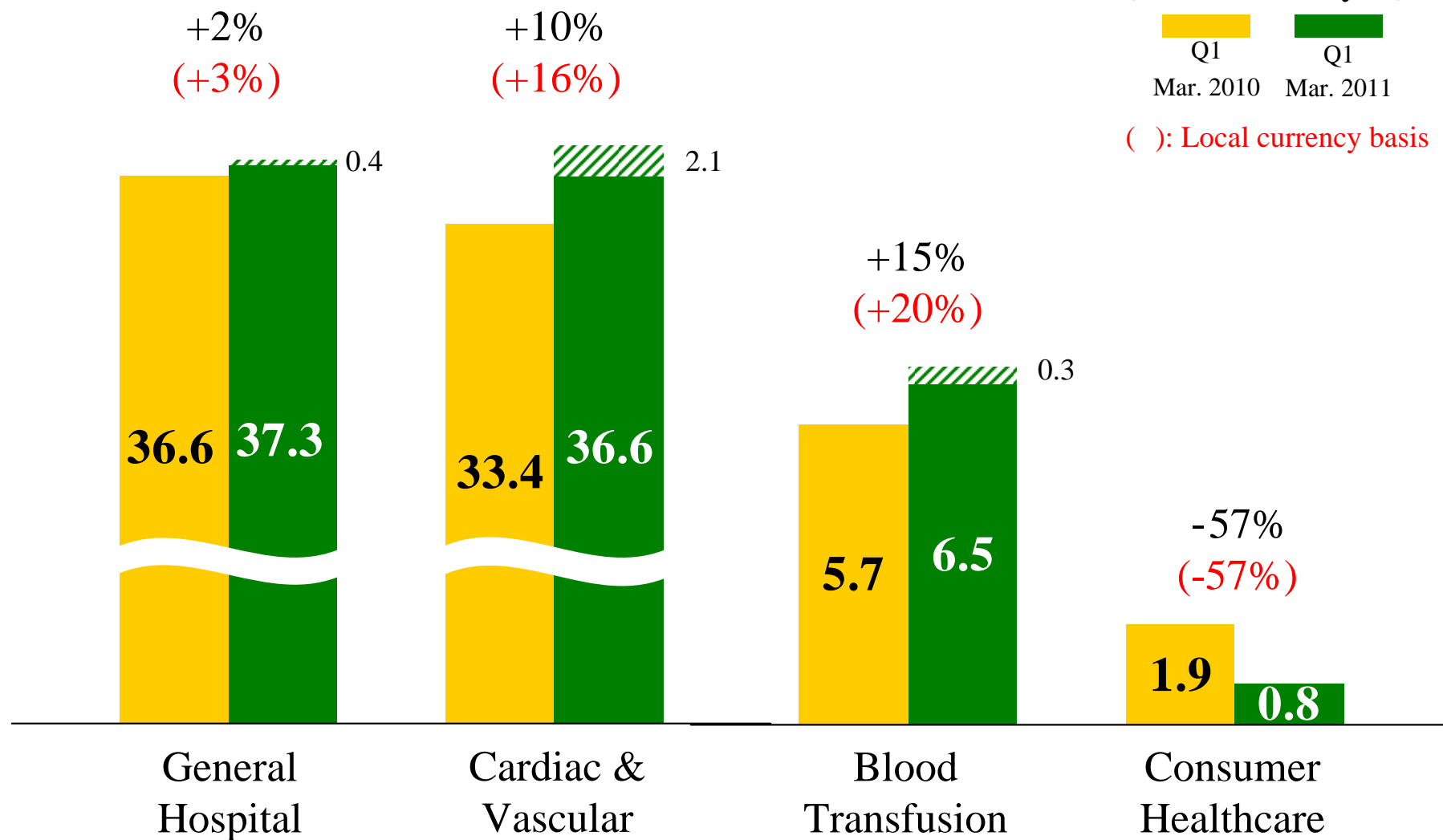
3

Net Sales (By Business Segment)

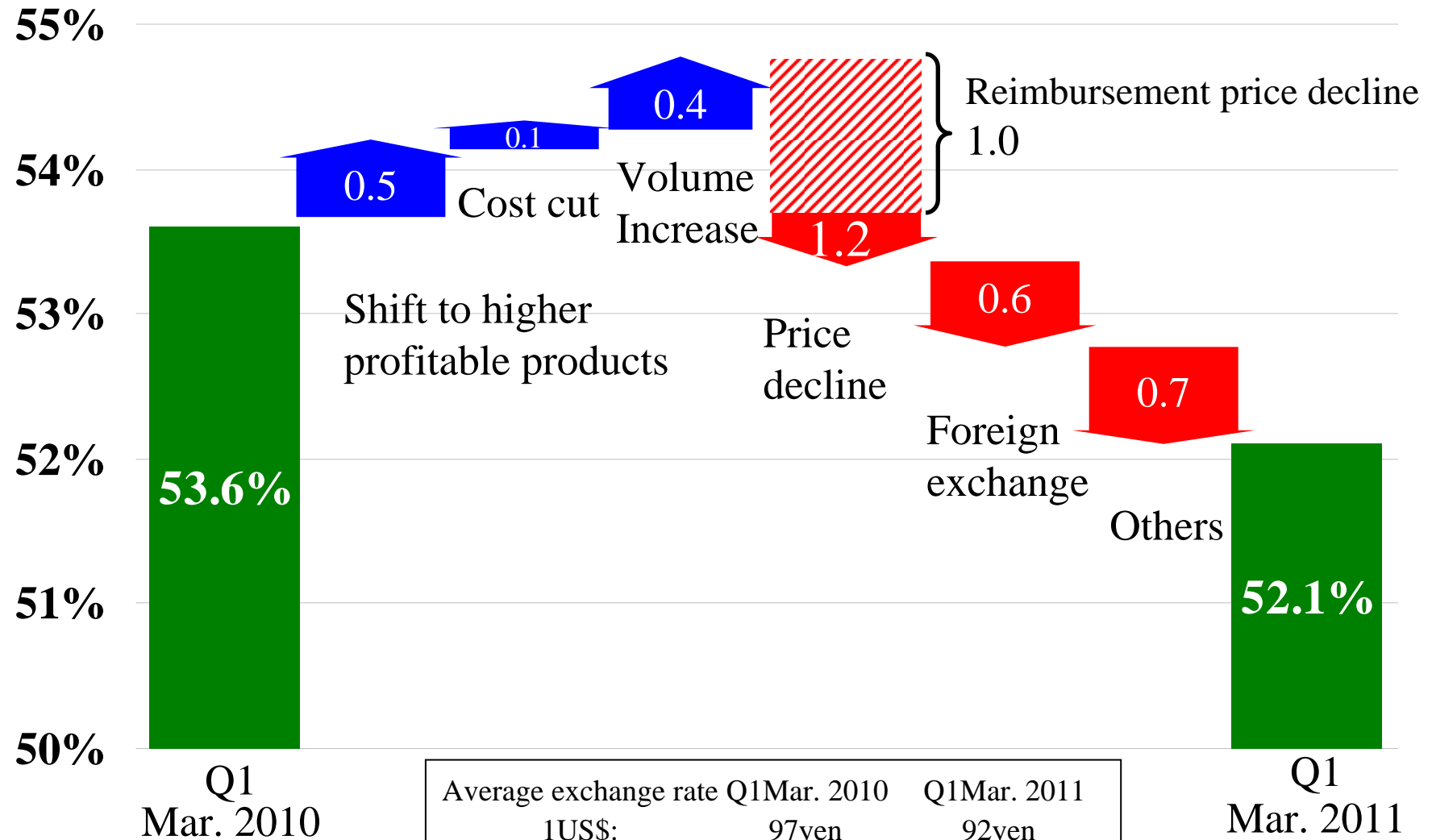
(Unit: Billion yen)

Q1 Mar. 2010 Q1 Mar. 2011

(): Local currency basis



Gross Profit Rate Variance Analysis



Average exchange rate	Q1Mar. 2010	Q1Mar. 2011
1US\$:	97yen	92yen
1EUR:	133yen	117yen

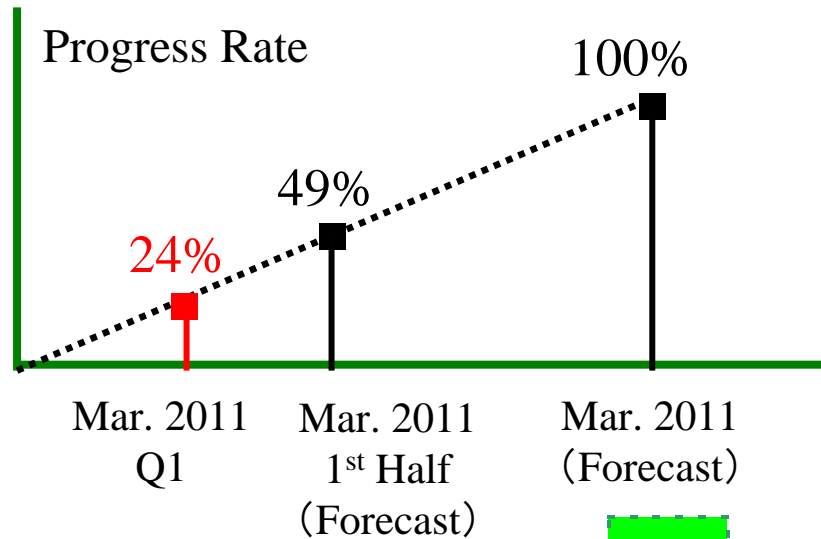
SG&A Expenses

(Unit: Billion yen)

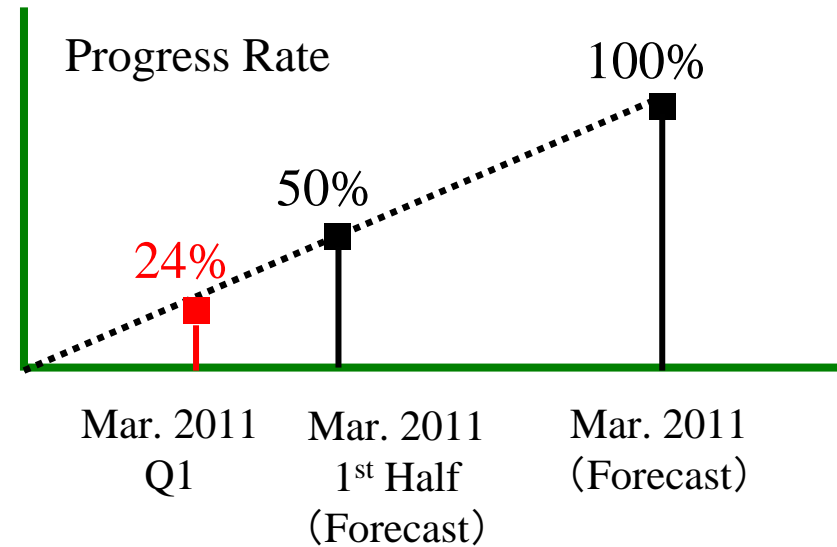
	Q1 Mar. 2010	Q1 Mar. 2011	Changes	YoY%
Salaries & Wages	9.5	9.8	+0.3	2%
Sales Promotion	2.6	2.6	+0.0	2%
Logistical Costs	2.1	2.3	+0.2	9%
Depreciation & Amortization	1.3	1.1	-0.2	-15%
Others	5.7	5.7	+0.0	1%
General Administrative Total	21.2 (27.2%)	21.5 (26.5%)	+0.3	2%
R&D Expenses	3.9 (5.1%)	4.9 (6.0%)	+1.0	25%
SG&A TOTAL	25.1 (32.3%)	26.4 (32.5%)	+1.3	5%

Q1 Mar. 2011 Summary

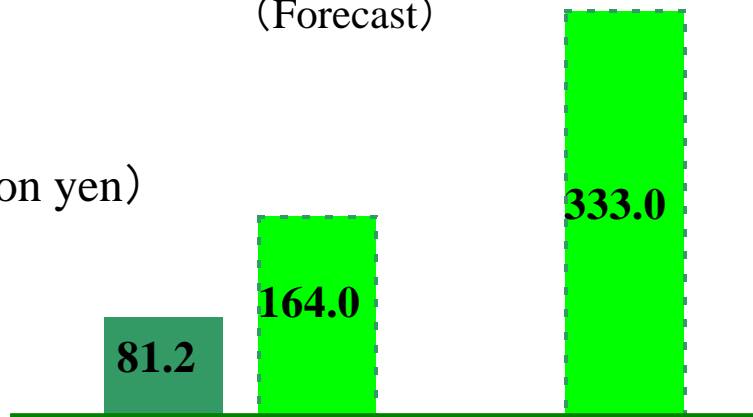
Sales



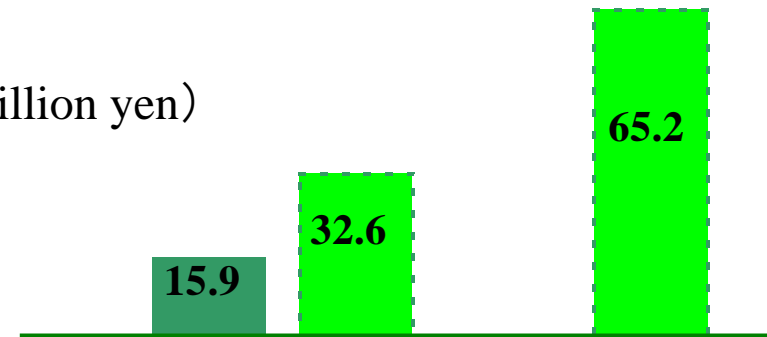
Operating Income



(Billion yen)



(Billion yen)



Mar. 2011 Assumed average exchange rate: 1US\$ 90yen 1EUR 120yen

Toward the Achievement of Annual Targets

- Maintaining growth in overseas sales
- Expanding high value added products
- Active execution of R&D investment
in line with plan

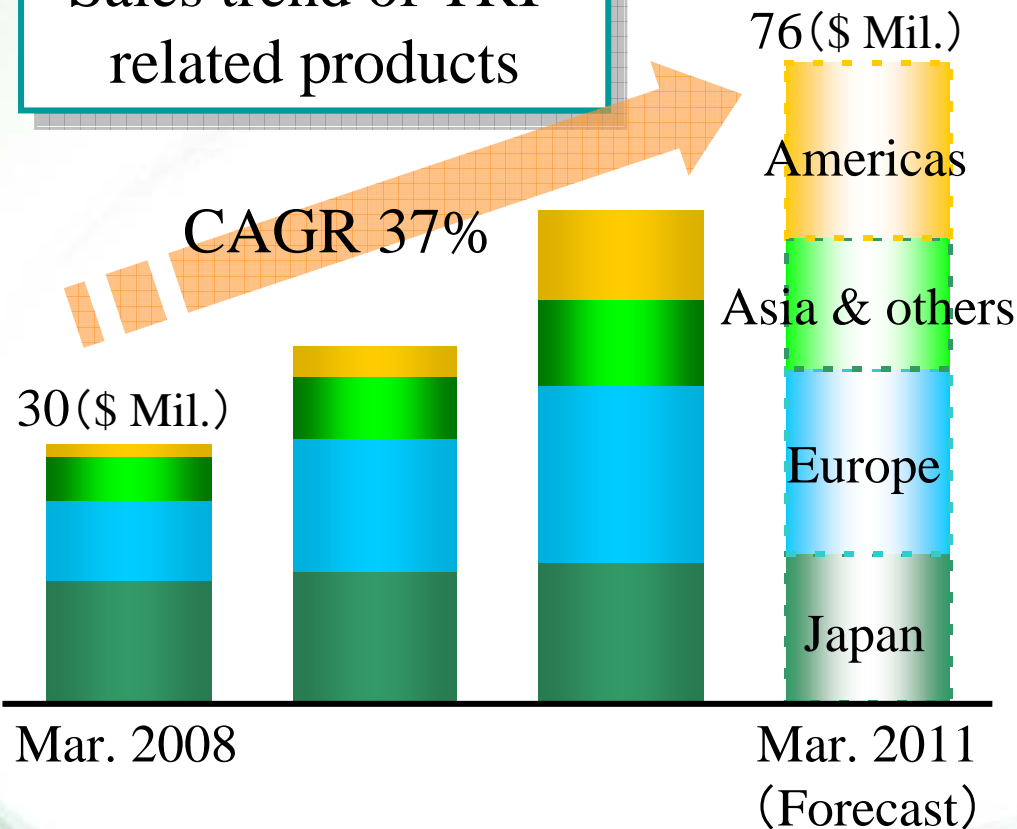
Key Strategies for This Fiscal Year

- (1) Interventional systems that benefit the health economics
- (2) Explore the growing opportunity in the Japanese chronic care market

(1) Interventional systems that benefit the health economics

TRI Spreading Globally

Sales trend of TRI-related products




3 keys for TRI expansion

1. Product improvement
-> Thin and pliable
2. Training
-> Doctors' skills
3. Healthcare system
-> Health economics

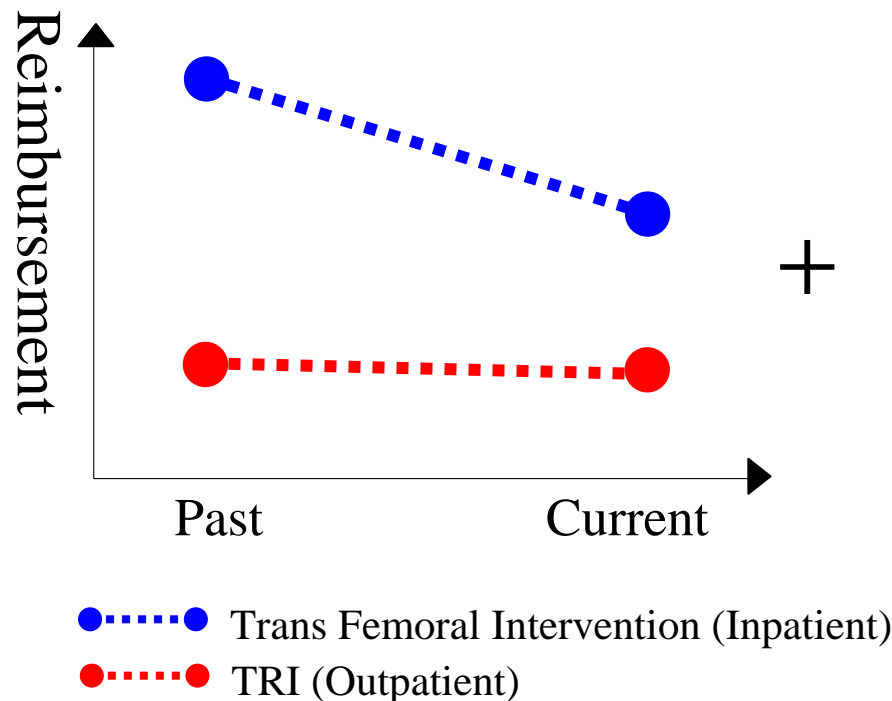
*TRI: Interventional procedure to approach from blood vessels in the wrist

To spread TRI, the change of the healthcare system is necessary

(1) Interventional systems that benefit the health economics
Drastic Changes in the US, the Largest Market

US healthcare reform  Demand for efficient and economical healthcare services

[Inpatient reimbursement price declined]

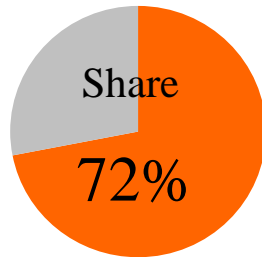


Reduce hospitals' load by ambulatory surgery

(1) Interventional systems that benefit the health economics

Continuous Launch of TRI-Related Products

Homeostasis band

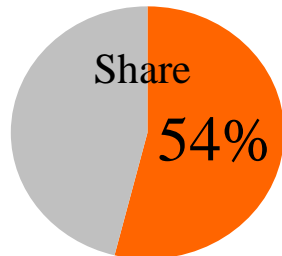


TRI guidewire



New PTCA
guidewire

Introducer sheath



Introducer sheath for TRI (Launched in Europe)



Balloon catheter
For US market

Launched products

Product pipeline

(1) Interventional systems that benefit the health economics Disseminate through Academic Societies

Offer a workshop in an academic society



WORKSHOPS: MONDAY, MAY 10, 2010, 7:00 PM-9:00 PM

Transradial PCI: Are You Ready

Sponsored by Terumo Medical Corporation

Description: Dr. Mauricio Cohen, University of Miami, and Dr. Ramon Quesada, Miami Baptist, will be present on how to start a successful transradial program along with the economic benefits.

Angiography Alone Is Not Enough

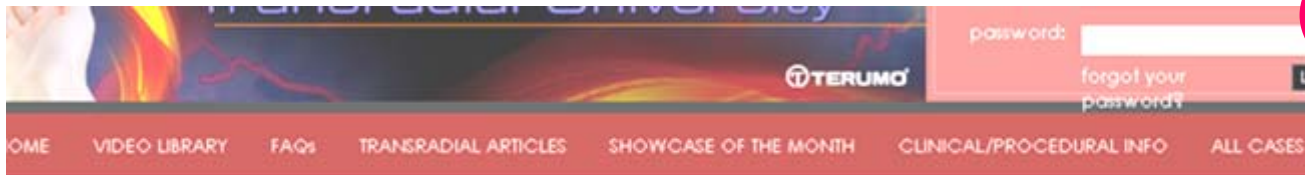


Higher interest from doctors

Many doctors made presentations at the TCT2009 TRI session

(1) Interventional systems that benefit the health economics Promotional Activities Taking Advantage of the Website

Apr. 2010-



A new information tool to expand your knowledge and understanding of **Transradial Access**.

In 2009, interest in transradial access gained tremendous momentum in the U.S., and the number of physicians performing these procedures grows daily. So, too, have physician requests for transradial education. [Read More](#)



[Click here to enhance your Transradial education.](#)

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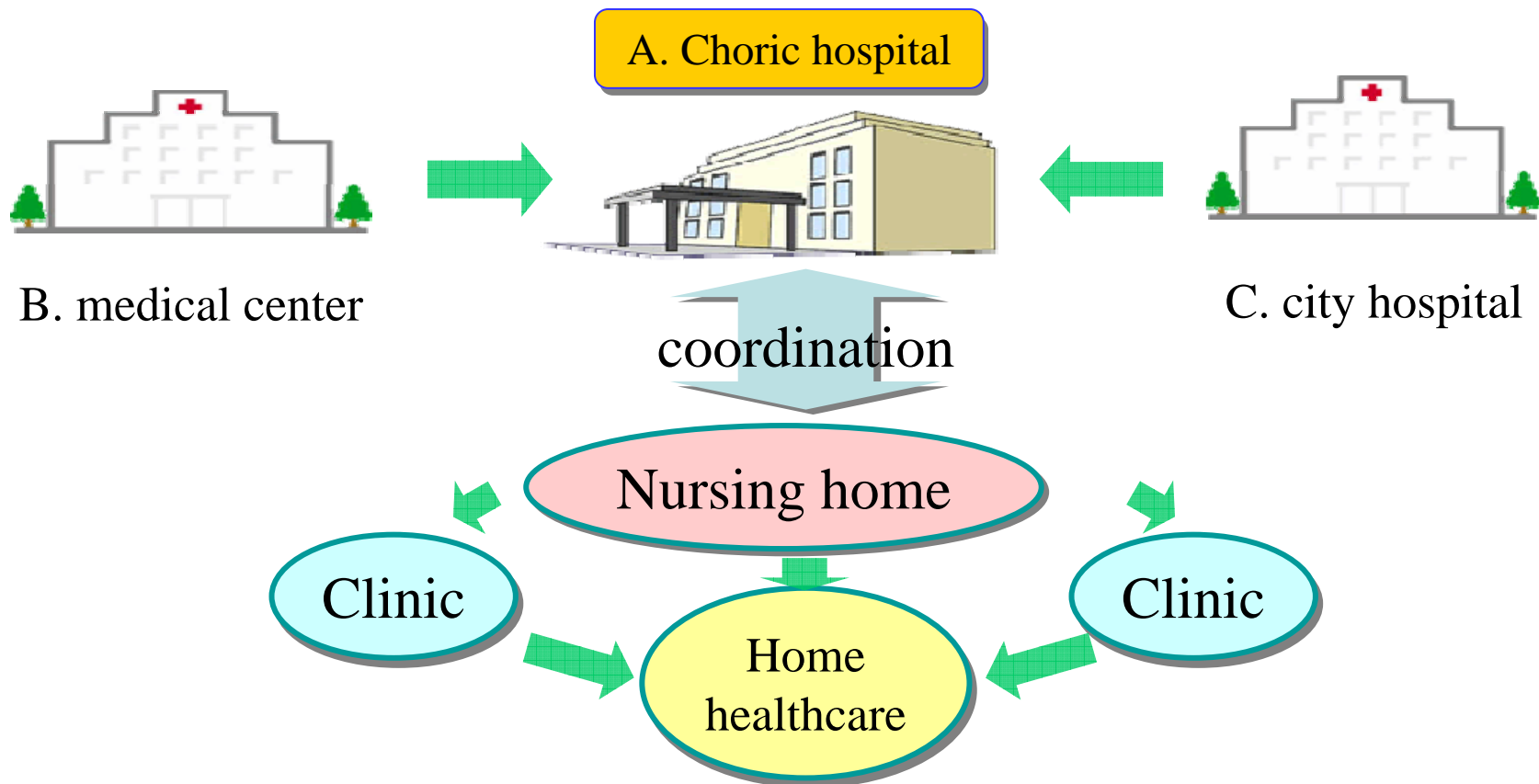
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CLD Feature Article



(2) Explore the growing opportunity in the Japanese chronic care market
Further Sophistication of the Chronic Phase Medical Treatment

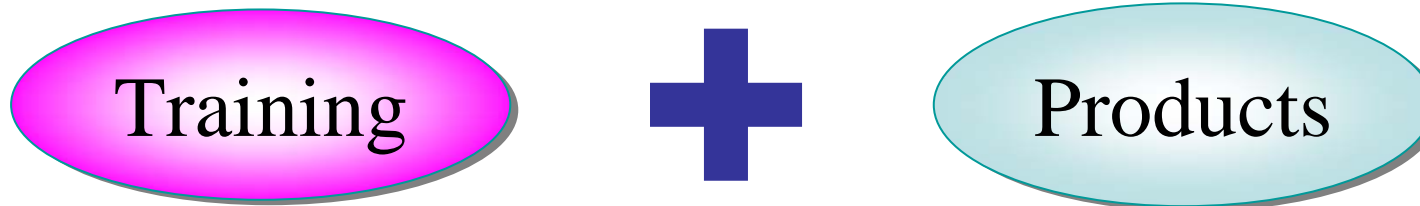


Medical services given in chronic phase hospitals are required to be even more sophisticated. Severe patients move to a chronic phase hospital because of the revision of medical reimbursement.

(2) Explore the growing opportunity in the Japanese chronic care market

Challenges of Chronic Phase Hospital

- Skill of nurses : Many return-to-work nurses, experience based practice and supervision of junior nurses
- Human resources training : Limited time & fund as a result of care for severe patients
- Medical treatment : IV therapy, gastro stoma, suction, blood glucose measurement, urethral catheterization, etc.



(2) Explore the growing opportunity in the Japanese chronic care market

Problem-solving Terumo products

- Patients' QOL
- Prevention of complications
- Countermeasures against medical accidents
- Decreasing operational loads

Nutrition	Calorie-dense liquid meal (semi-solid), Nutritious Food
I.V. Solution	Double-bag solution, Infusion set (Needle-free system), Infusion pump
Diabetes management	Blood glucose monitor, Needle for insulin injection
CAPD	CAPD Systems



Semi-solid type



Double bag



Infusion set (Needle-free system)



Infusion pump



Blood glucose monitor



Needle for insulin injection



CAPD Solution

Reference

Income for the Q1 of the FYE Mar. 2011: To the Forecast for the Year

(Unit: Billion yen)

	<u>Forecast for the Year</u>	<u>Q1Results</u>	<u>Progress rates</u>	<u>Impact of Foreign Exchange</u>
Net Sales	333.0	81.2	24%	+0.5 (Raise progress rate by 0.2%)
Operating Income	65.2 (19.6%)	15.9 (19.6%)	24%	+0.3 Billion yen (Raise progress rate by 0.4%)
Ordinary Income	65.0 (19.5%)	12.6 (15.5%)	19%	
Net Income	41.5 (12.5%)	8.8 (10.8%)	21%	

	Forecast for the full year	
Average Exchange Rate (1US\$)	90yen	92yen
(1EUR)	120yen	117yen

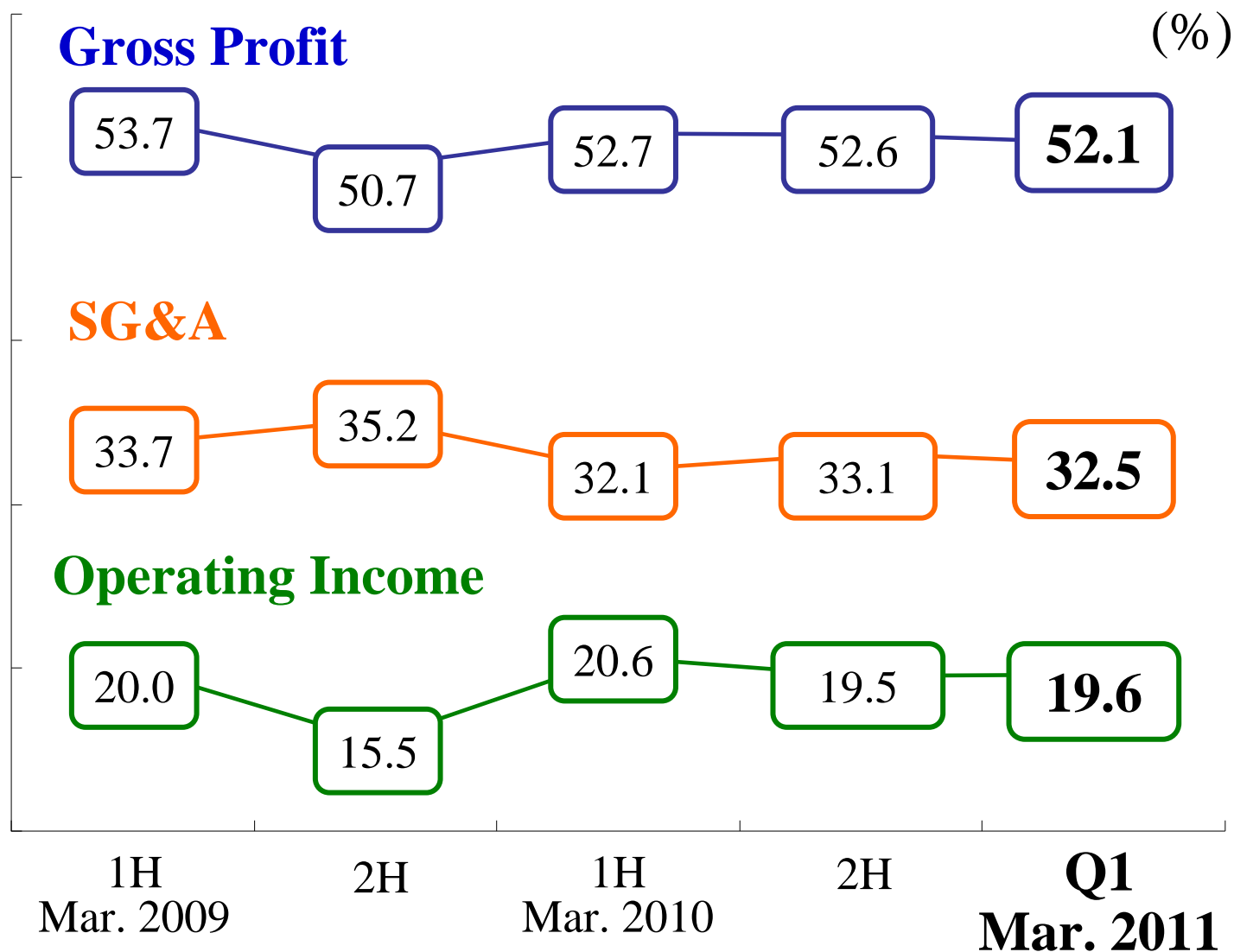
Income for the Q1 of the FYE Mar. 2011: To the Forecast for the 1st Half

(Unit: Billion yen)

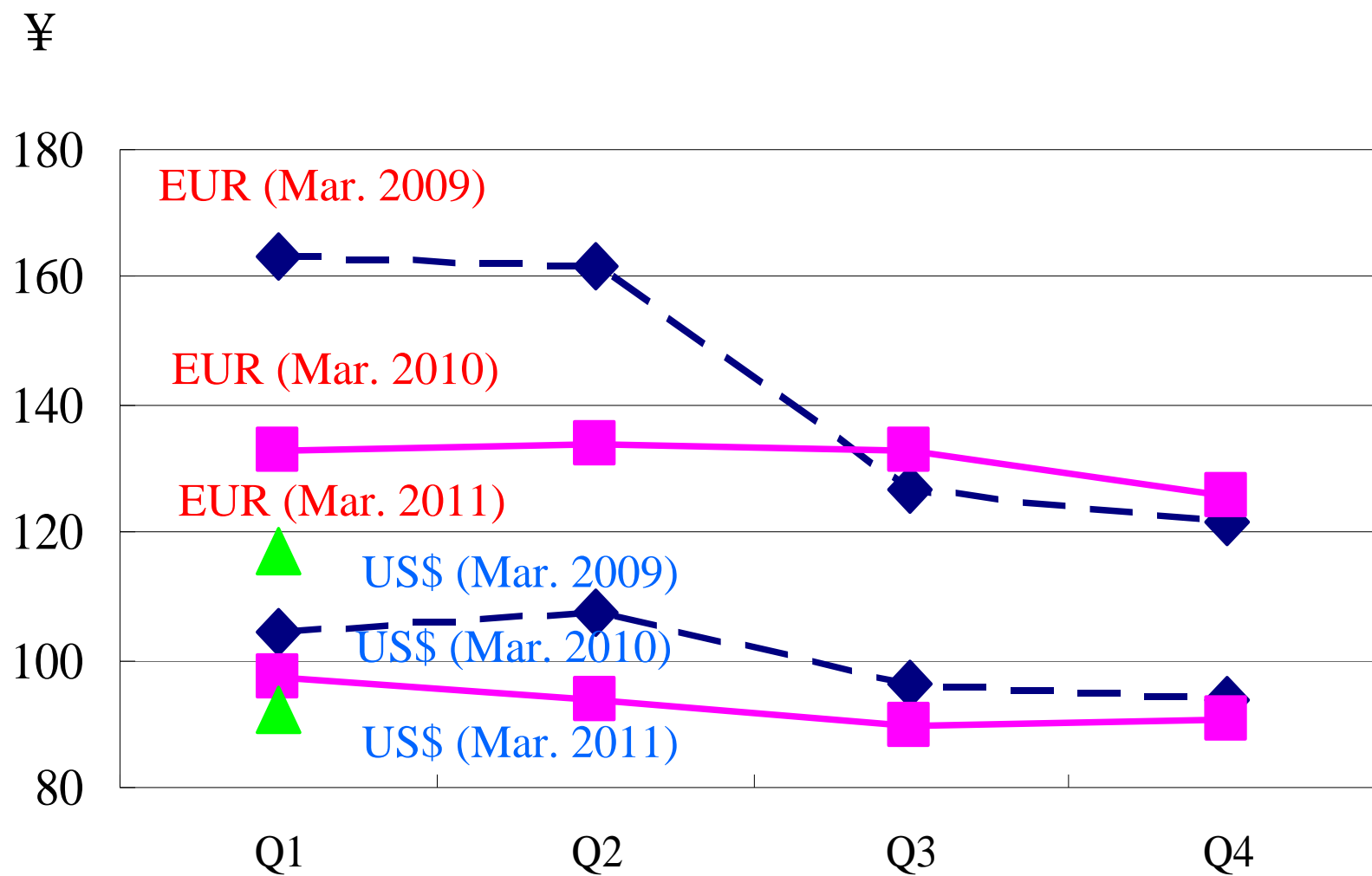
	<u>Forecast for the 1H</u>	<u>Q1Results</u>	<u>Progress rates</u>	<u>Impact of Foreign Exchange</u>
Net Sales	164.0	81.2	50%	+0.5 (Raise progress rate by 0.3%)
Operating Income	32.6 (19.9%)	15.9 (19.6%)	49%	+0.3 Billion yen (Raise progress rate by 0.9%)
Ordinary Income	32.5 (19.8%)	12.6 (15.5%)	39%	
Net Income	20.8 (12.7%)	8.8 (10.8%)	42%	

Average Exchange Rate	Forecast for the full year	
(1US\$)	90yen	92yen
(1EUR)	120yen	117yen

Gross Profit, SG&A, Operating Income Rates



Changes of Quarterly Average Exchange Rates



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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.