

**Financial Results for the First Quarter  
of the Fiscal Year Ending March 31, 2012**

**Terumo Corporation**

**July 28, 2011**

# Consolidated Q1 Results

Marked an excellent start for dramatic growth

(billions of yen)

|                                  | Q1<br>Mar. 2011 | Q1<br>Mar. 2012 (*) | YoY% |
|----------------------------------|-----------------|---------------------|------|
| Net Sales                        | 81.2            | 95.6                | +18% |
| Gross Profit                     | 42.3 (52.1%)    | 50.9 (53.2%)        | +20% |
| SG&A Expenses                    | 26.4 (32.5%)    | 33.5 (35.0%)        | +27% |
| Operating Income                 | 15.9 (19.6%)    | 17.4 (18.2%)        | +9%  |
| (Excl. Amortization of goodwill) | 16.4 (20.1%)    | 19.3 (20.2%)        | +18% |
| Ordinary Income                  | 12.6 (15.5%)    | 16.9 (17.6%)        | +34% |
| Net Income                       | 8.8 (10.8%)     | 9.8 (10.2%)         | +11% |

Average Exchange Rate

US\$ 92yen  
EUR 117yen

82yen  
117yen

(\*) Consolidated BCT Apr – Jun results and Harvest May – Jun results

# Consolidated Q1 Results (Pro-forma comparison)

Increase both in sales & income even at Pro-forma comparison  
(billions of yen)

|  | Corresponding<br>period of last yr<br>Pro-forma basis *1 | Q1<br>Mar. 2012 | YoY% | Excluding<br>Foreign<br>Exchange |
|--|--|-----------------|------|----------------------------------|
| Net Sales  | 93.1   | 95.6            | +3%  | +7%                              |
| Gross Profit   | 49.7 (53.4%)   | 50.7 (53.0%)    | +2%  | +8%                              |
| SG&A Expenses  | 30.8 (33.1%)   | 30.9 (32.3%)    | +0%  | +5%                              |
| Operating Income<br>(Excl. impact of acquisition *2) | 18.9 (20.3%)   | 19.8 (20.7%)    | +5%  | +13%                             |

Average Exchange Rate      US\$ 92yen      82yen  
    EUR 117yen      117yen

(\*1) Including BCT and Harvest results

(\*2) Excluding newly accrued amortization of goodwill and intangible assets

# Q1 Results of BCT Stand Alone

## Favorable start after acquisition

(billions of yen)

|                          | <b>Q1<br/>Mar. 2012</b> | <b>YoY%</b><br>(Excluding Foreign Exchange) |
|--------------------------|-------------------------|---|
| <b>Net Sales</b>         | <b>11.9</b>             | <b>+17%</b>                                 |
| <b>Gross Profit</b>      | <b>7.5 (62.4%)</b>      | <b>+19%</b>                                 |
| <b>SG&amp;A Expenses</b> | <b>4.6 (38.5%)</b>      | <b>+25%</b>                                 |
| <b>Operating Income</b>  | <b>2.9 (23.9%)</b>      | <b>+10%</b>                                 |
| <b>Ordinary Income</b>   | <b>2.9 (24.4%)</b>      |   |
| <b>Net Income</b>        | <b>1.8 (15.3%)</b>      |   |

# Q1 Results of Existing Business

Steady increase both in sales & income

(billions of yen)

|                  | Q1<br>Mar. 2011 | Q1<br>Mar. 2012 | YoY% | Excluding<br>Foreign<br>Exchange |
|------------------|-----------------|-----------------|------|----------------------------------|
| Net Sales        | 81.2            | 83.4            | +3%  | +6%                              |
| Gross Profit     | 42.3 (52.1%)    | 43.0 (51.6%)    | +2%  | +6%                              |
| SG&A Expenses    | 26.4 (32.5%)    | 26.0 (31.3%)    | -1%  | +2%                              |
| Operating Income | 15.9 (19.6%)    | 17.0 (20.3%)    | +6%  | +13%                             |
| Ordinary Income  | 12.6 (15.5%)    | 16.4 (19.7%)    | +31% |                                  |
| Net Income       | 8.8 (10.8%)     | 10.4 (12.5%)    | +18% |                                  |

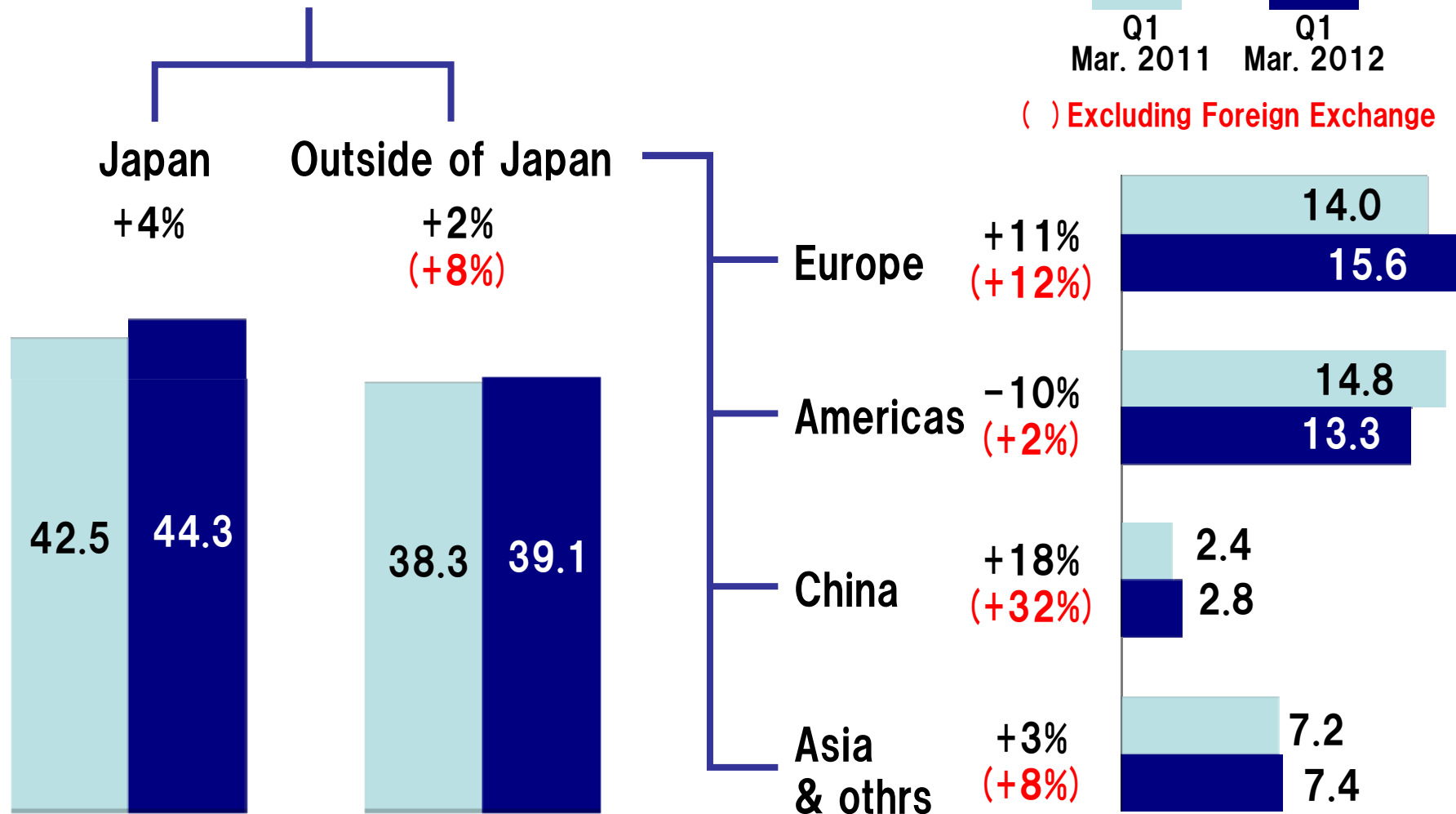
# Net Sales (by Region)

Consolidated: +3% (+6%)

(billions of yen)

Q1 Mar. 2011 Q1 Mar. 2012

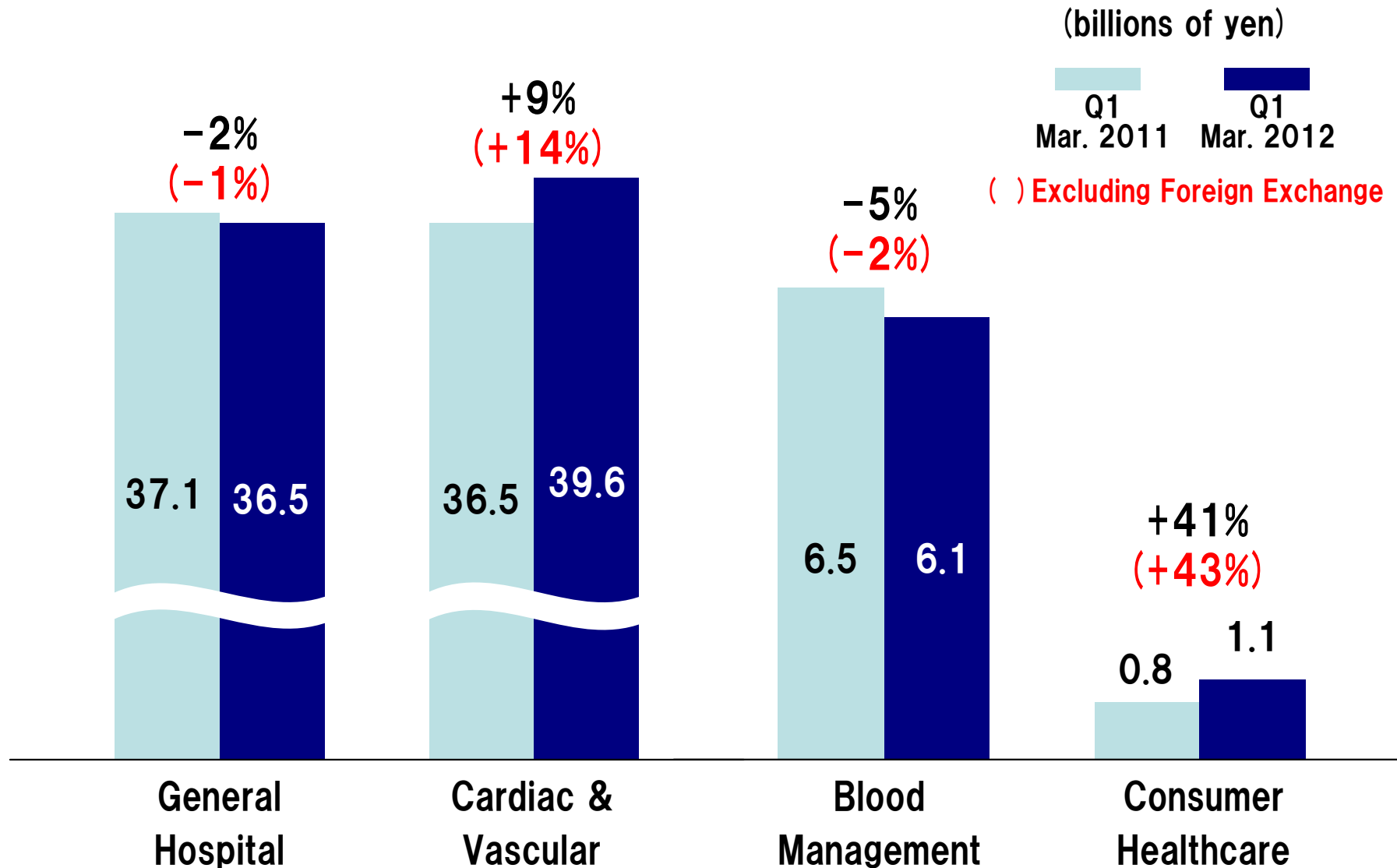
( ) Excluding Foreign Exchange



\*Asia & Others: Comparing the results for the same period, Apr-Jun

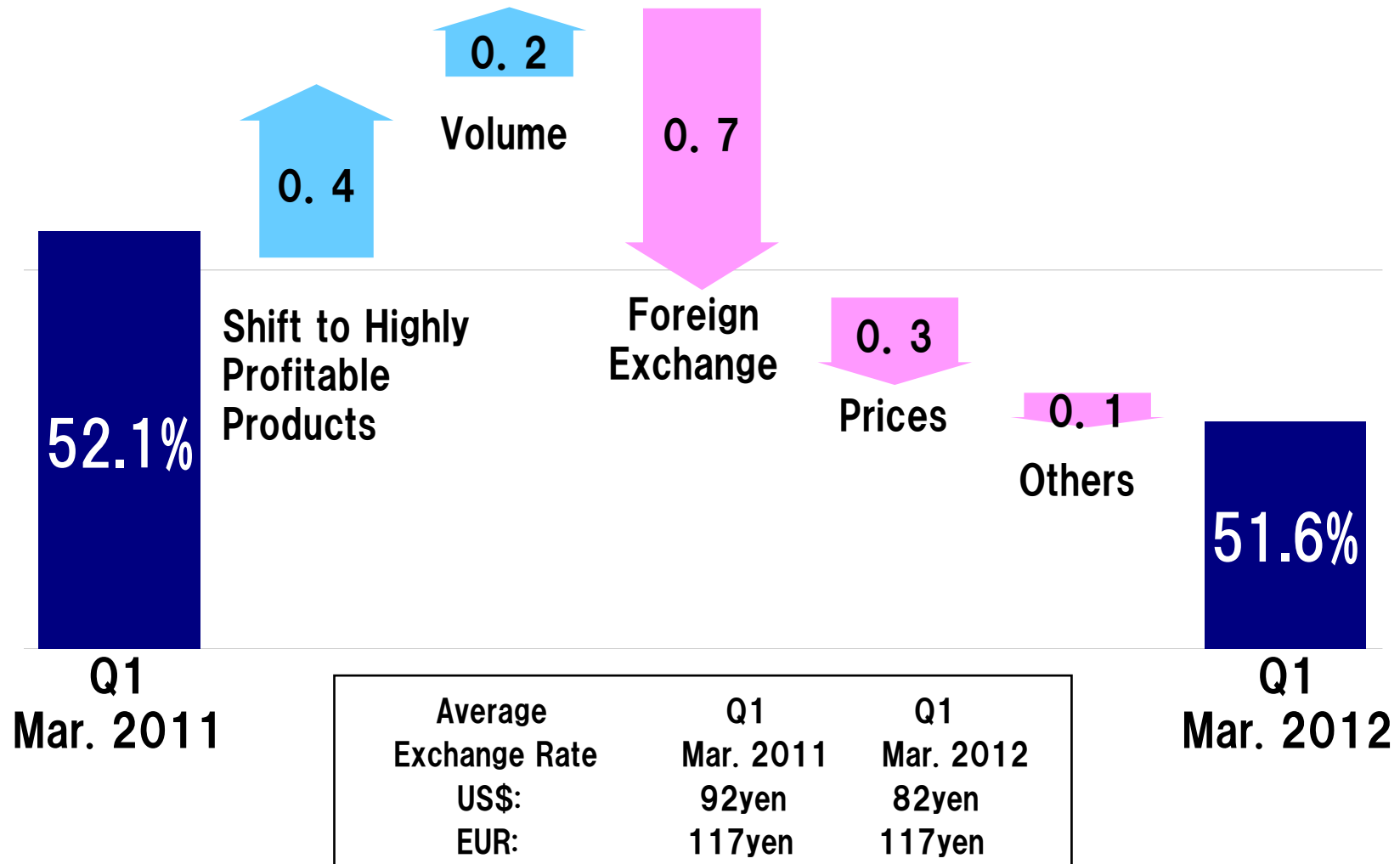
Excluding  
BCT & Harvest

# Net Sales (by Business Segment)



Excluding  
BCT & Harvest

# Gross Profit Variance Analysis





Excluding  
BCT & Harvest

# SG&A Expenses

(billions of yen)

|                                     | Q1 Mar. 2011        | Q1 Mar. 2012        | YoY       | YoY%        |
|-------------------------------------|---------------------|---------------------|-----------|-------------|
| Salaries & Wages                    | 9.8                 | 9.8                 | +0        | +1%         |
| Sales Promotion                     | 2.6                 | 2.6                 | -0        | -1%         |
| Logistical Costs                    | 2.3                 | 2.5                 | +2        | +7%         |
| Depreciation & Amortization         | 1.1                 | 1.0                 | -1        | -7%         |
| Others                              | 5.7                 | 5.8                 | +1        | +3%         |
| <b>General Administrative Total</b> | <b>21.5 (26.5%)</b> | <b>21.7 (26.2%)</b> | <b>+2</b> | <b>+1%</b>  |
| <b>R&amp;D Expenses</b>             | <b>4.9 (6.0%)</b>   | <b>4.3 (5.1%)</b>   | <b>-6</b> | <b>-13%</b> |
| <b>SG&amp;A Expenses Total</b>      | <b>26.4 (32.5%)</b> | <b>26.0 (31.3%)</b> | <b>-4</b> | <b>-1%</b>  |

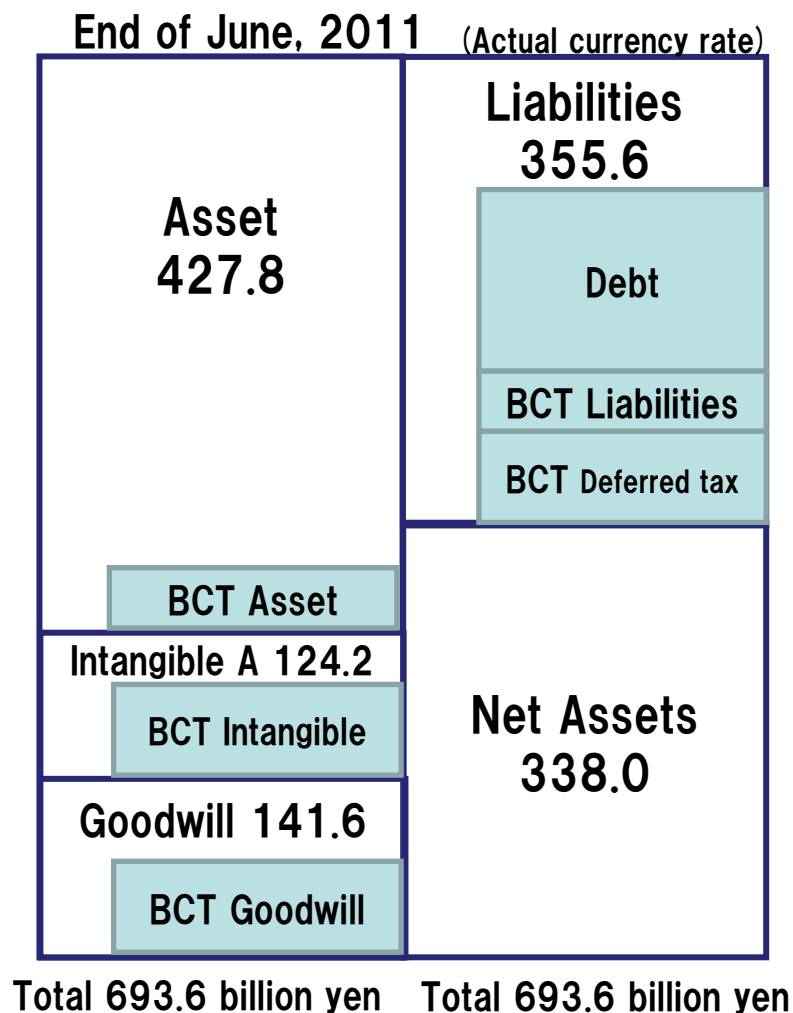
( ) %: Against net sales

# Consolidated B/S after BCT Acquisition

- Purchase Price Allocation for BCT
- Terumo group B/S after consolidation

|                          |                   |                          |
|--------------------------|-------------------|--------------------------|
| Purchase price           | 210.0 billion yen |                          |
| Working capital          | 5.6               |                          |
| <hr/>                    |                   |                          |
| Acquisition price        | 215.6             | → B/S of BCT Stand Alone |
| BCT assets               | 35.7              | } Consolidated B/S       |
| BCT liabilities          | -11.4             |                          |
| Intangible asset         | 117.4             |                          |
| Deferred tax liabilities | -45.3             |                          |
| Goodwill                 | 119.2             |                          |
| <hr/>                    |                   |                          |
| Total                    | 215.6 billion yen |                          |

(US\$ = 80JPY)



# Forecast for Mar 31, 2012

Double-digit growth both in sales & income

(billions of yen)

|                                   | Original Forecast<br>(Excl. BCT & Harvest) | Revised Forecast       |              |                                       |              |      |
|-----------------------------------|--|------------------------|--------------|---------------------------------------|--------------|------|
|                                   |  | Existing<br>Businesses | YoY%         | Consolidated<br>(Incl. BCT & Harvest) | YoY%         |      |
| Net Sales                         | 332.0                                      | 340.5                  | +4%          | 390.0                                 | +19%         |      |
| Operating Income                  | 65.0 (19.6%)                               | 67.0 (19.7%)           | +7%          | 67.0 (17.2%)                          | +7%          |      |
| Ordinary Income                   | 63.0 (19.0%)                               | 65.0 (19.1%)           | +14%         | 65.0 (16.7%)                          | +14%         |      |
| Net Income                        | 40.0 (12.0%)                               | 40.8 (12.0%)           | +26%         | 38.5 (9.9%)                           | +19%         |      |
| Excl. Amortization<br>of Goodwill | Operating<br>Income                        | 66.5 (20.0%)           | 68.5 (20.1%) | +7%                                   | 74.6 (19.1%) | +16% |
|                                   | Net Income                                 | 41.5 (12.5%)           | 42.3 (12.4%) | +25%                                  | 46.1 (11.8%) | +36% |

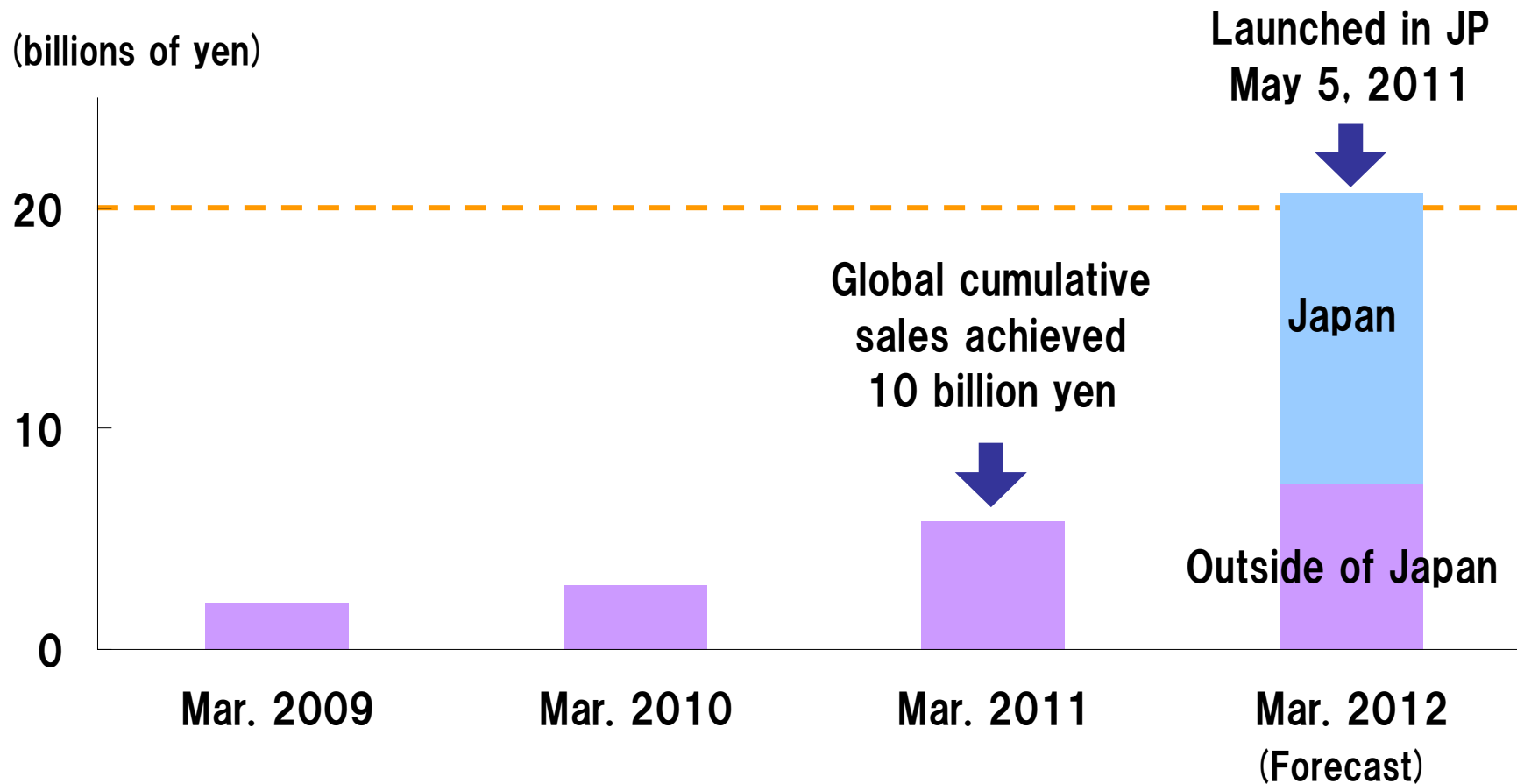
# Topics

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- **Nobori™ DES: Launched in Japan**
- **Expected New Products Launch**

# Targeting Sales of 20 billion yen

## Nobori™ Sales Performance



**Gained 30% JP mkt share (value base) in 2 mos after the launch**

# New Products Launch To Be Doubled

## <Japan>

- DuraHeart™ Left Ventricular Assist System
- New bare embolization coil for cerebral aneurysm
- First-in-JP Glucose Monitor which links to EMR
- PG Water™ Rehydrating Water Jelly type
- New IV catheter



45 launches

23 launches

Mar. 2011

Mar. 2012  
(Forecast)

## <Outside of Japan>

- KYMERAX™ Precision-drive articulating surgical system (EU)
- Infusion pump designed for China and Asia
- Next generation vascular graft (self-sealing)

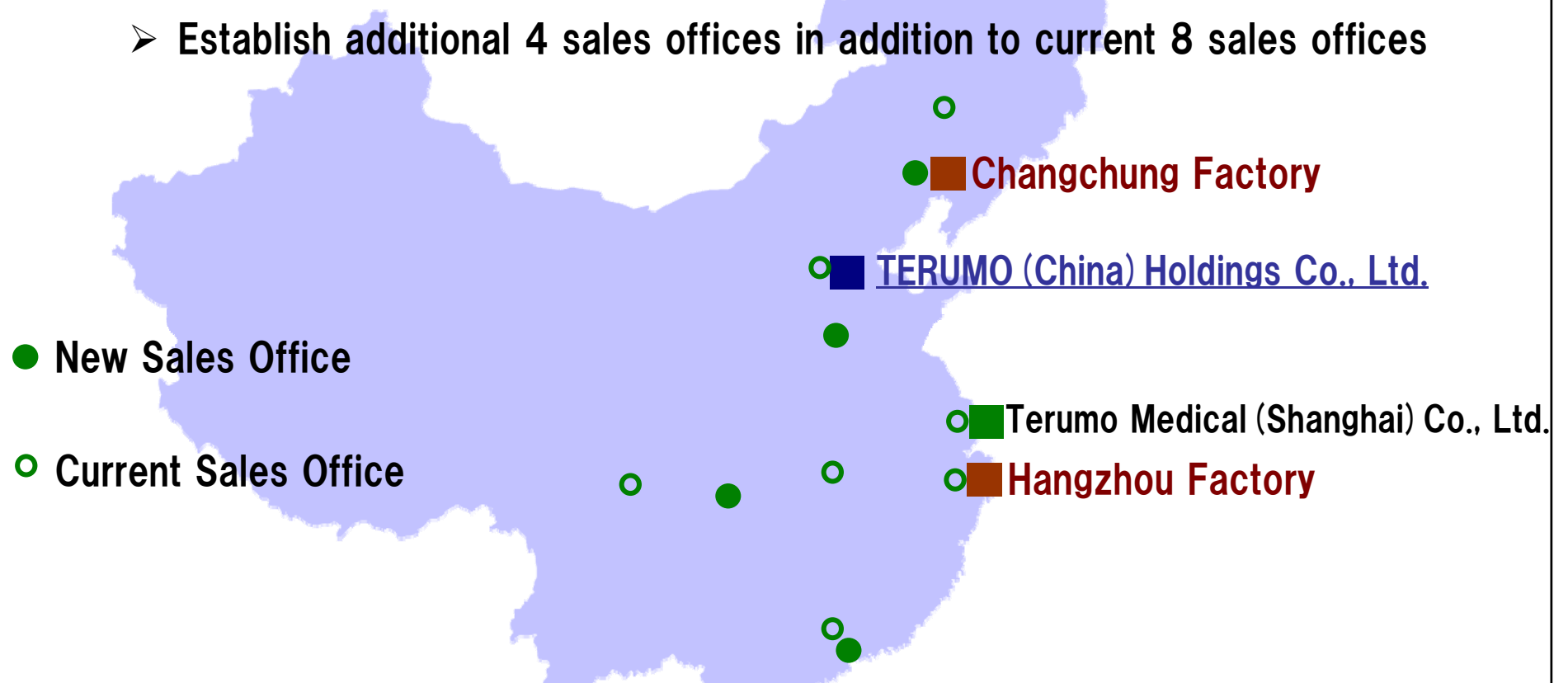


Strive further growth by continuous new products launch

# Establishing a Holding Company in China

TERUMO (China) Holdings Co., Ltd.: Approved to establish in Beijing (Jul 18)

- Strengthen business base, incl. local development, production, and sales
- Establish additional 4 sales offices in addition to current 8 sales offices



Target to double Sales to 20 billion yen in FY2013

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# Reference



# Impact of BCT & Harvest to Consolidated Operating Income

(billions of yen)

|  | <b>Forecast<br/>Mar. 2012</b> |
|--|-------------------------------|
| <b>Net Sales (BCT &amp; Harvest)</b>                       | <b>49.5</b>                   |
| <b>Operating Income<br/>(BCT &amp; Harvest)</b>            | <b>9.2</b>                    |
| <b>Amortization of goodwill</b>                            | <b>-6.1</b>                   |
| <b>Amortization of<br/>newly accrued intangible assets</b> | <b>-3.1</b>                   |
| <b>Impact to<br/>consolidated Operating Income</b>         | <b>0</b>                      |

# Q1 Results To 1st Half Forecast

(billions of yen)

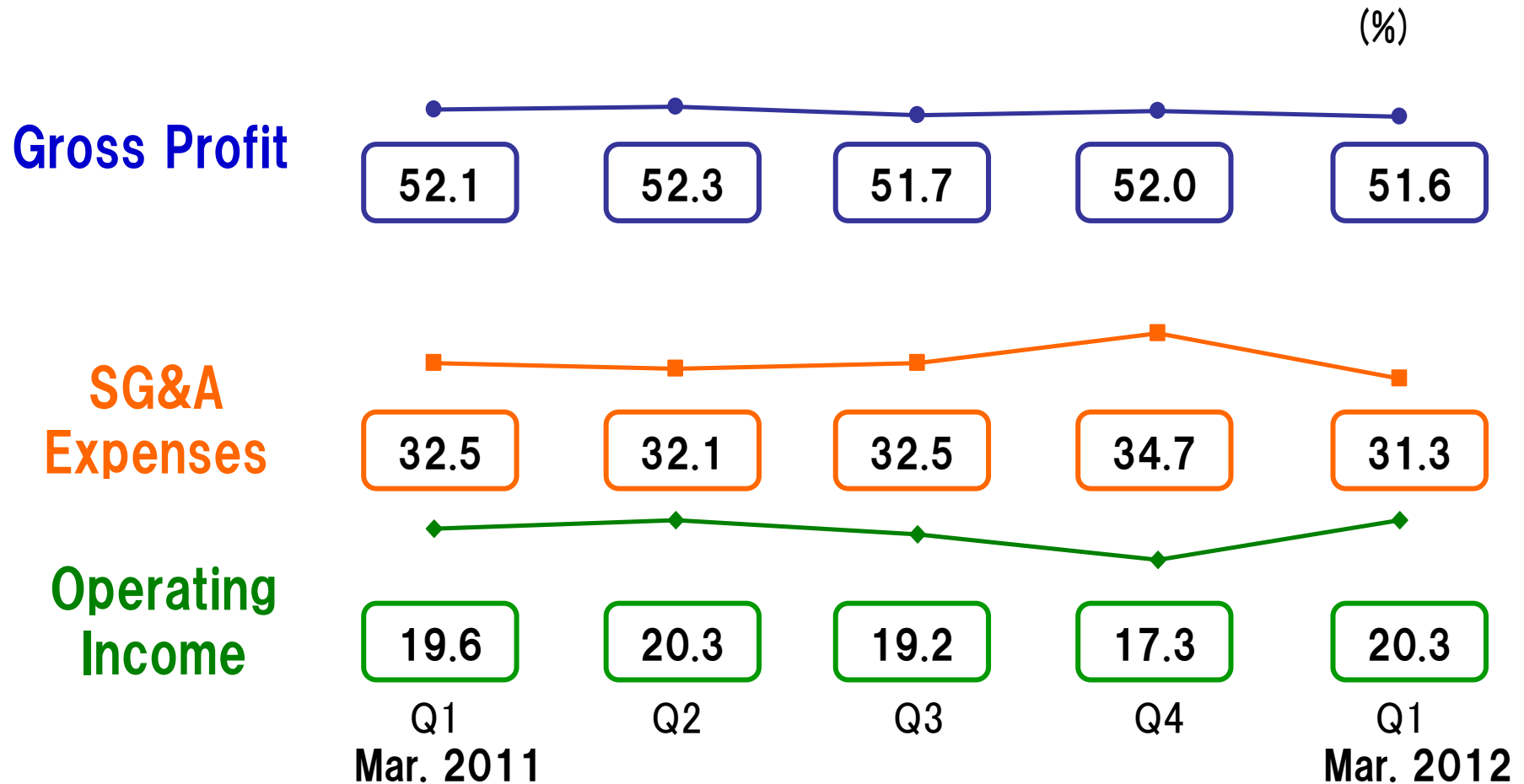
|                  | <u>1H Forecast</u>  | <u>Q1 Results</u>   | <u>Progress</u> |
|------------------|---------------------|---------------------|-----------------|
| Net Sales        | <b>191.0</b>        | <b>95.6</b>         | <b>50%</b>      |
| Operating Income | <b>32.7</b> (17.1%) | <b>17.4</b> (18.2%) | <b>53%</b>      |
| Ordinary Income  | <b>31.5</b> (16.5%) | <b>16.9</b> (17.6%) | <b>54%</b>      |
| Net Income       | <b>18.5</b> (9.7%)  | <b>9.8</b> (10.2%)  | <b>53%</b>      |

## Average exchange rates

|        |                |                |
|--------|----------------|----------------|
| (US\$) | <b>80 yen</b>  | <b>82 yen</b>  |
| (EUR)  | <b>113 yen</b> | <b>117 yen</b> |

Excluding  
BCT & Harvest

# Gross Profit, SG&A Expenses, Operating Income



(Quarterly: 3 months)

# Changes of Quarterly Average Exchange Rates



(Quarterly: 3 months)

# *IR Contact*

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## **TERUMO Corporation**

**Corporate Communication (IR) Dept.**

**E-mail: [kouhou\\_terumo01@terumo.co.jp](mailto:kouhou_terumo01@terumo.co.jp)**

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