



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

**Terumo Corporation**

**May 9, 2013**

# Consolidated Results for FYE Mar. 2013

(billion of yen)

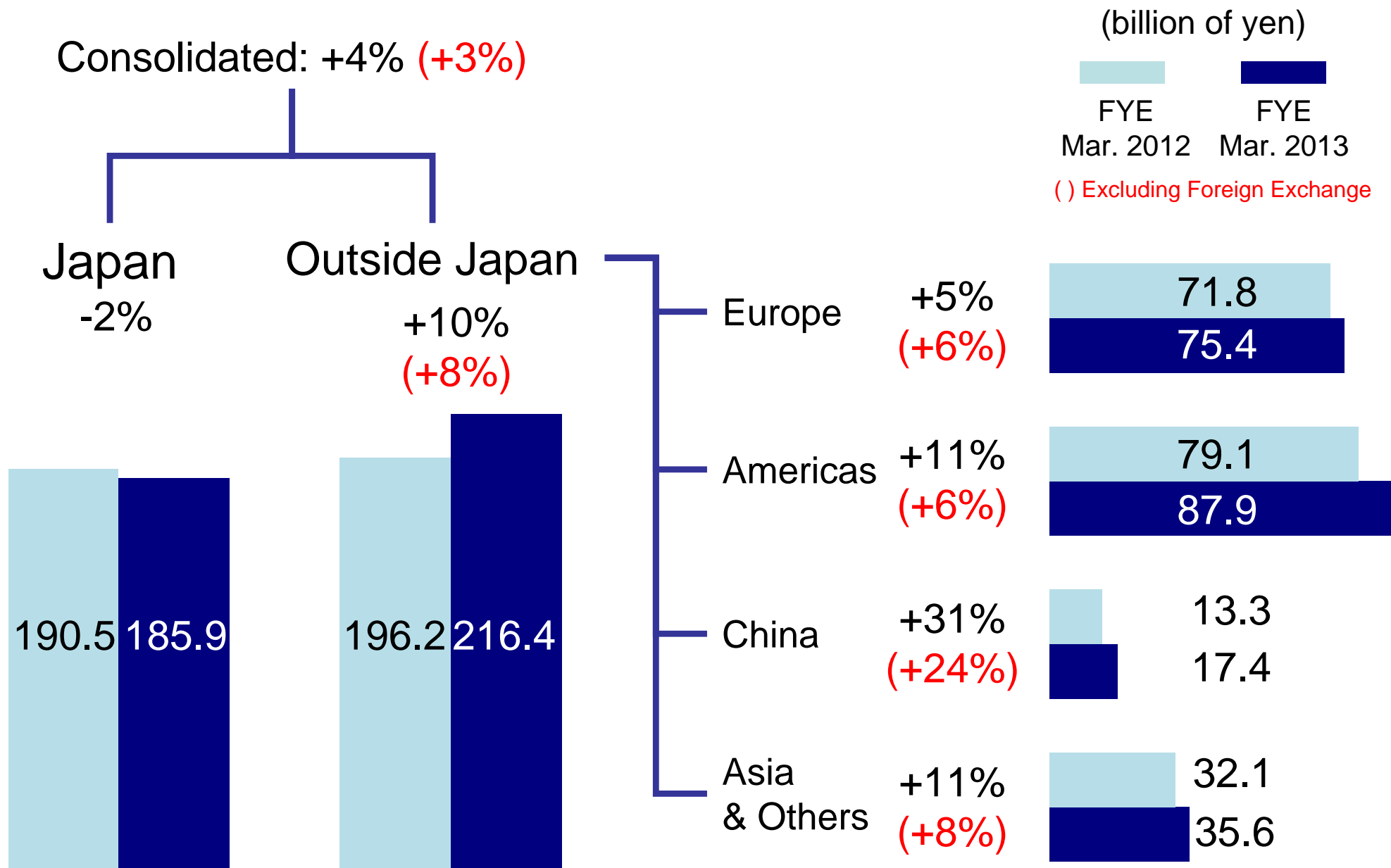
	FYE Mar. 2012	FYE Mar. 2013	YoY%
Net Sales	386.7	402.3	+ 4%
Gross Profit	204.6 (52.9%)	205.7 (51.1%)	+ 1%
SG&A Expenses	117.3 (30.3%)	125.4 (31.2%)	+ 7%
R&D Expenses	24.3 ( 6.3%)	27.1 ( 6.7%)	+12%
Operating Income	63.0 (16.3%)	53.2 (13.2%)	-16%
(Excl. amortization of goodwill)	70.6 (18.3%)	61.2 (15.2%)	-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

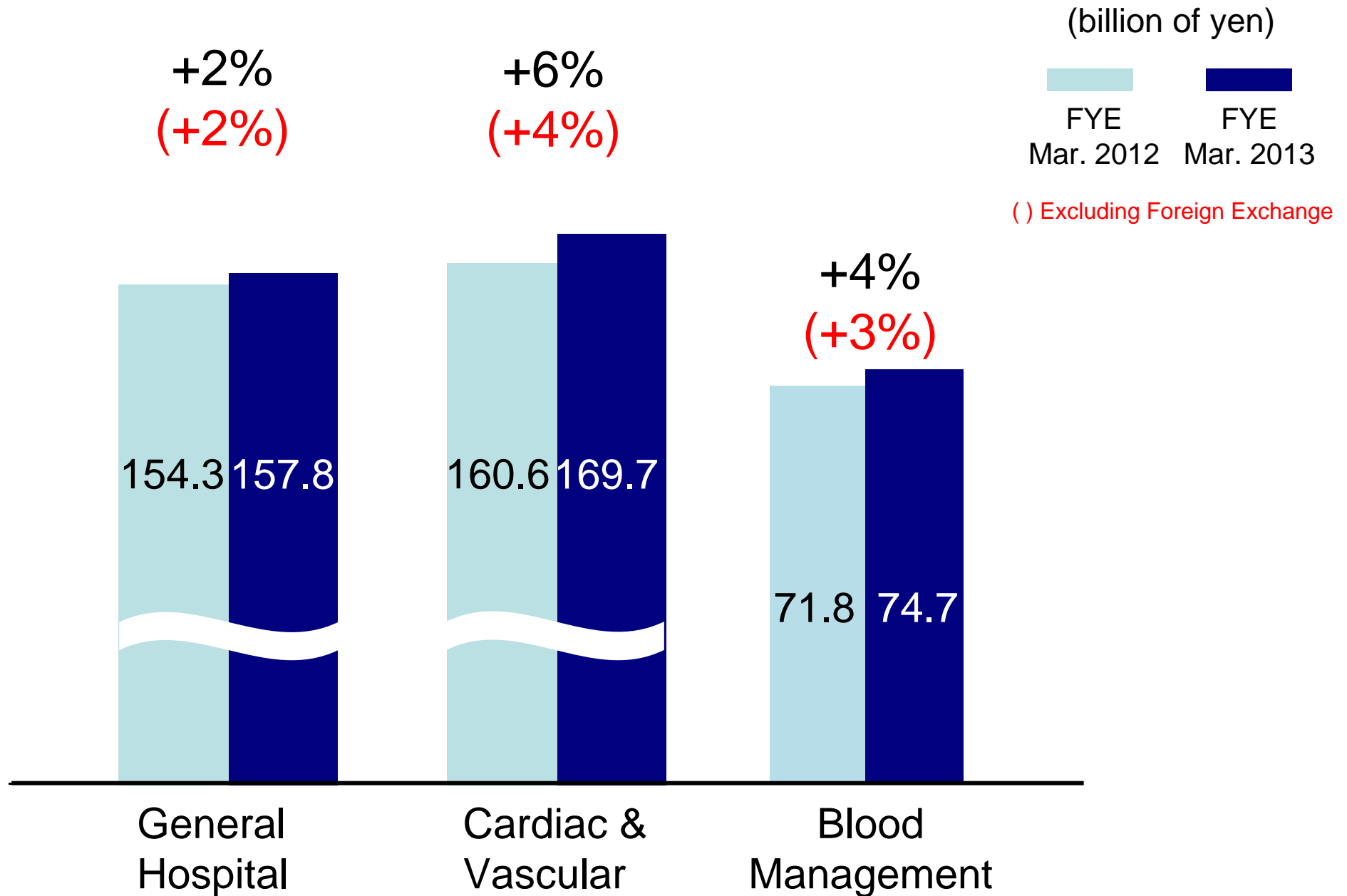
83 yen  
 107 yen

\*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%

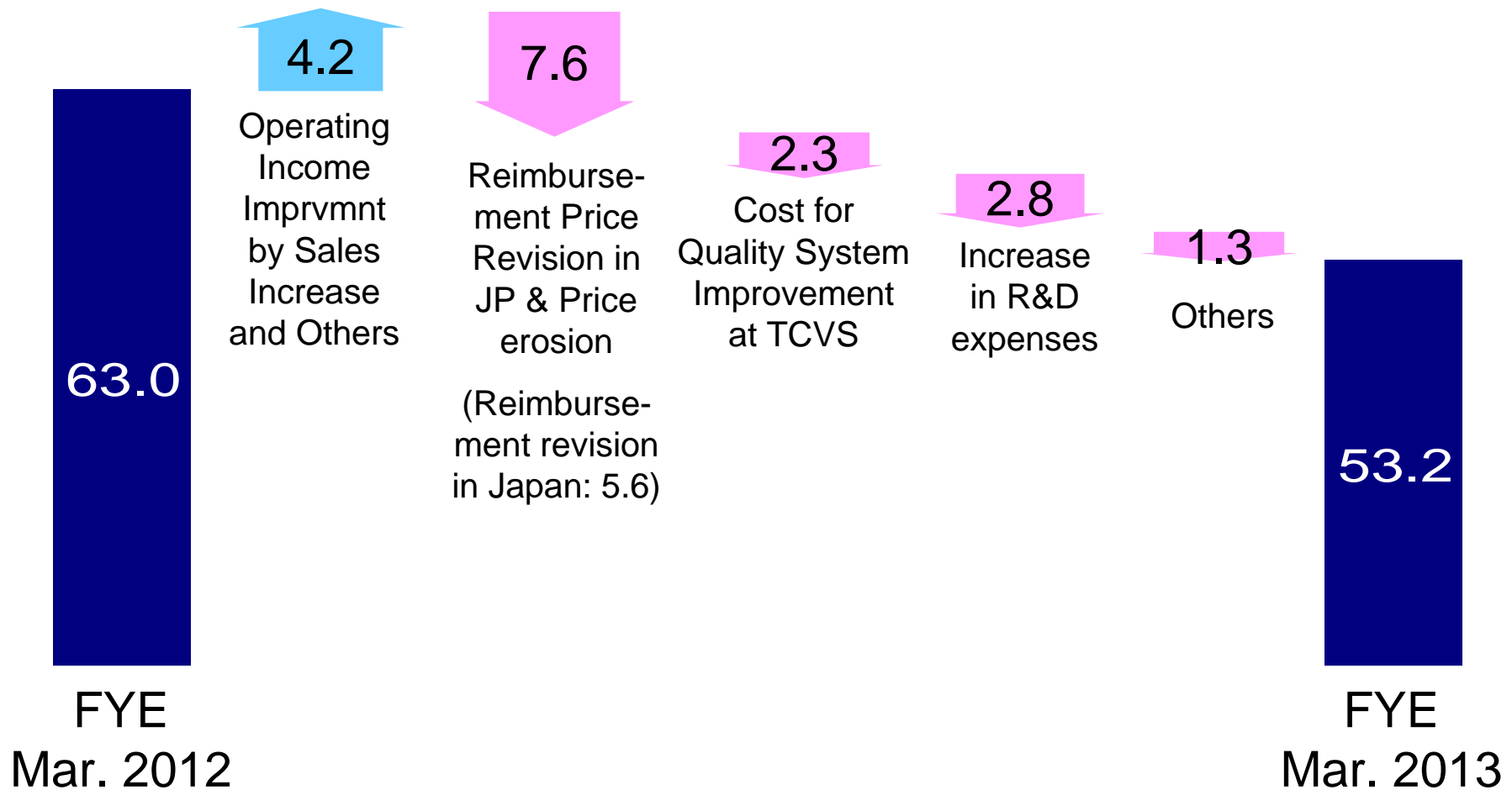
- Real increase: +3.5 billion yen / Impact of foreign exchange: +1.1 billion yen
  - Main focus on growing businesses and US market
- C&V: +2.0 billion yen / Blood Management: +0.8 billion yen

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)



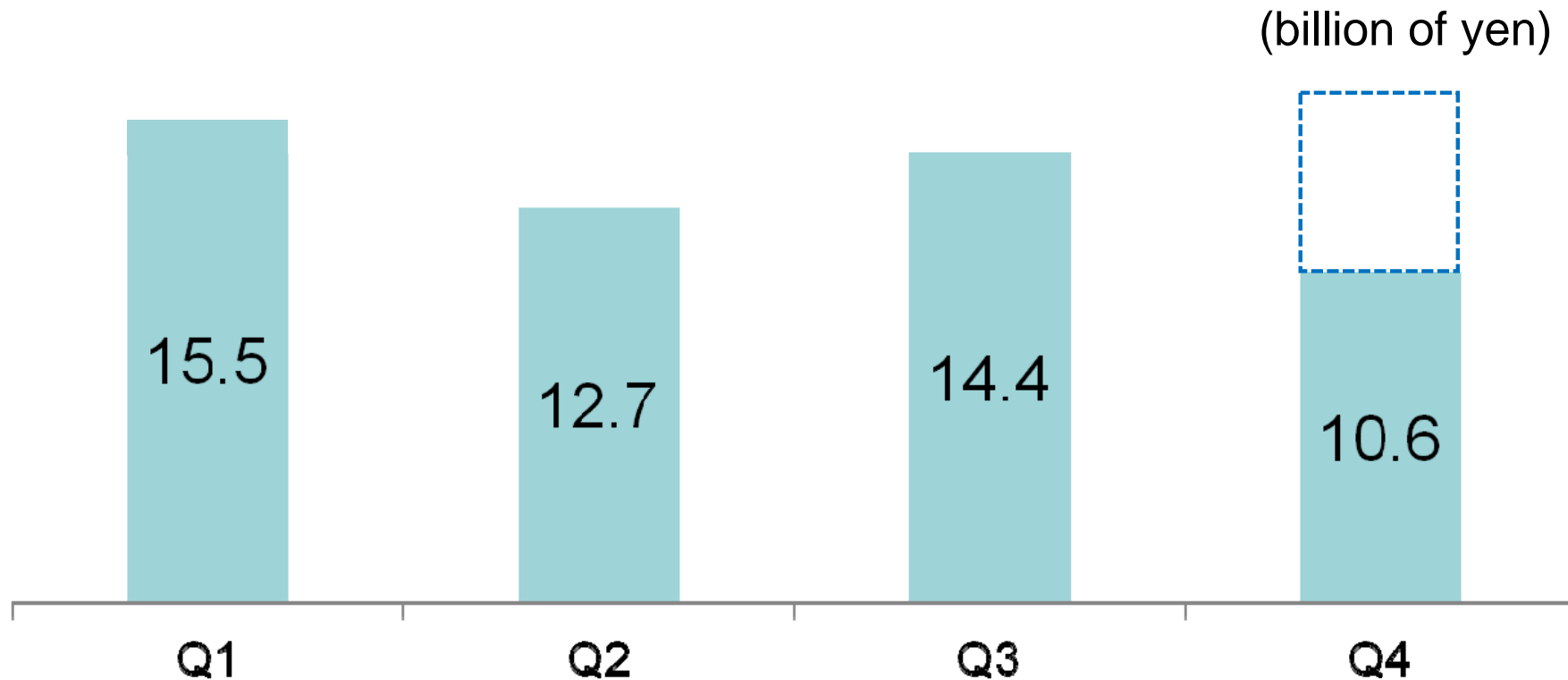


# Quality Management System Improvement at TCVS

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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

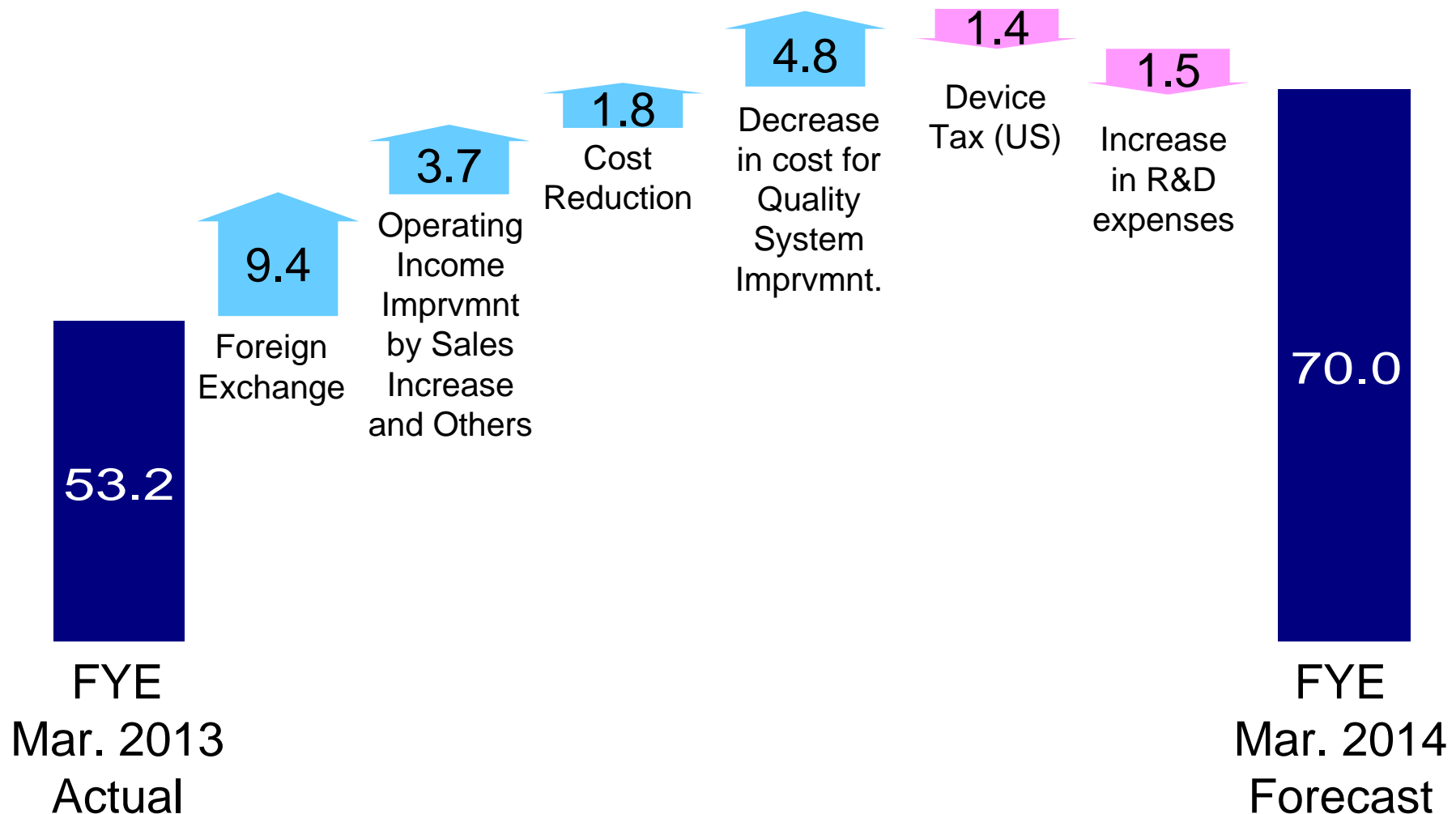
(billion of yen)

	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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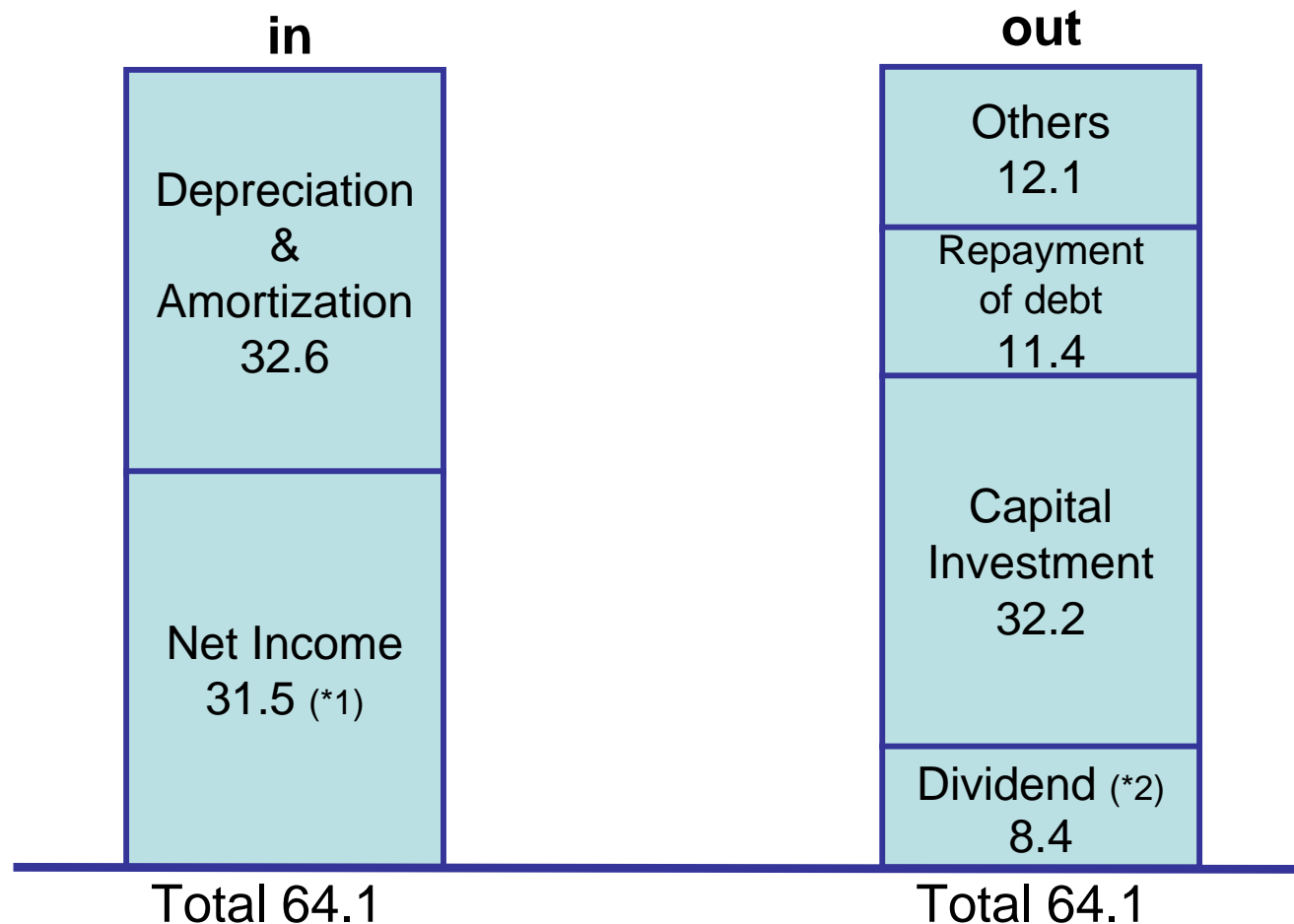
(billion of yen / year)

	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)



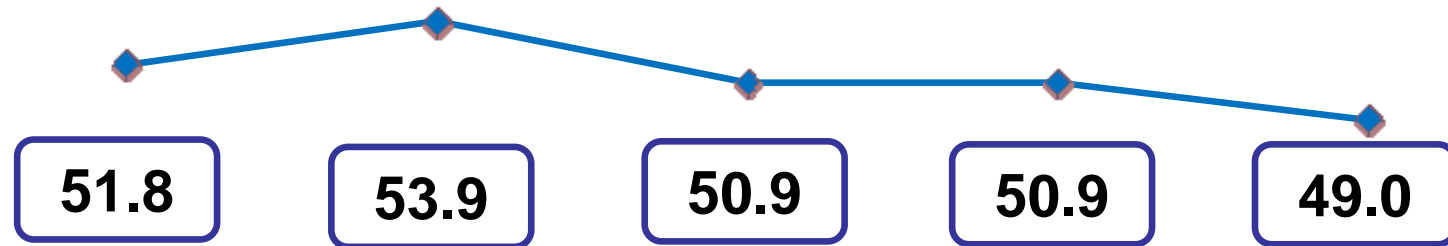
\*1: Excluded 15.5 billion yen net income, due to corporate tax drop, as this will not affect cash increase for Mar. 2013

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

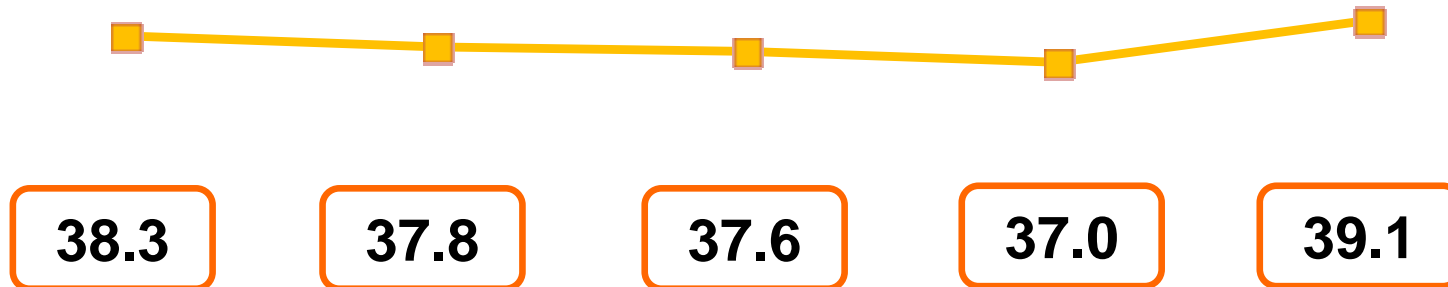
# Gross Profit, SG&A Expenses, Operating Income

(%)

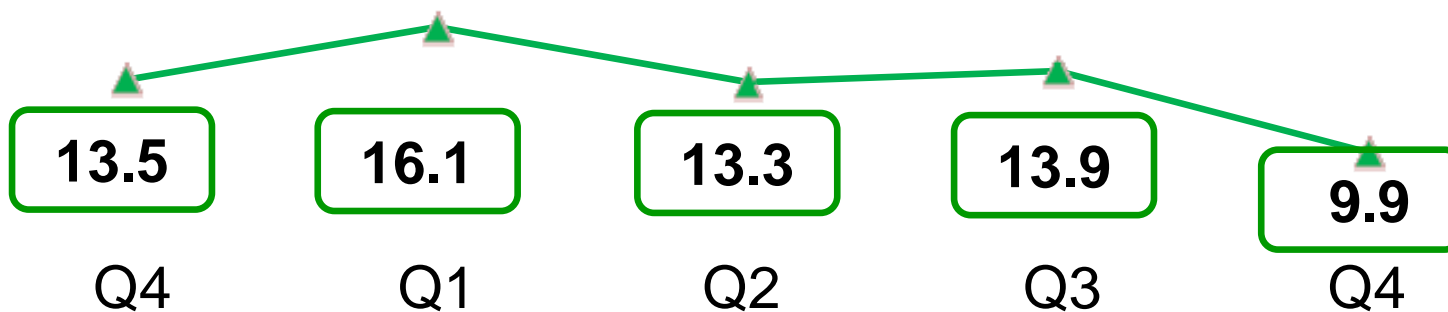
Gross Profit



SG&A Expenses



Operating Income



Q4  
Mar. 2012

Q1  
Mar. 2013

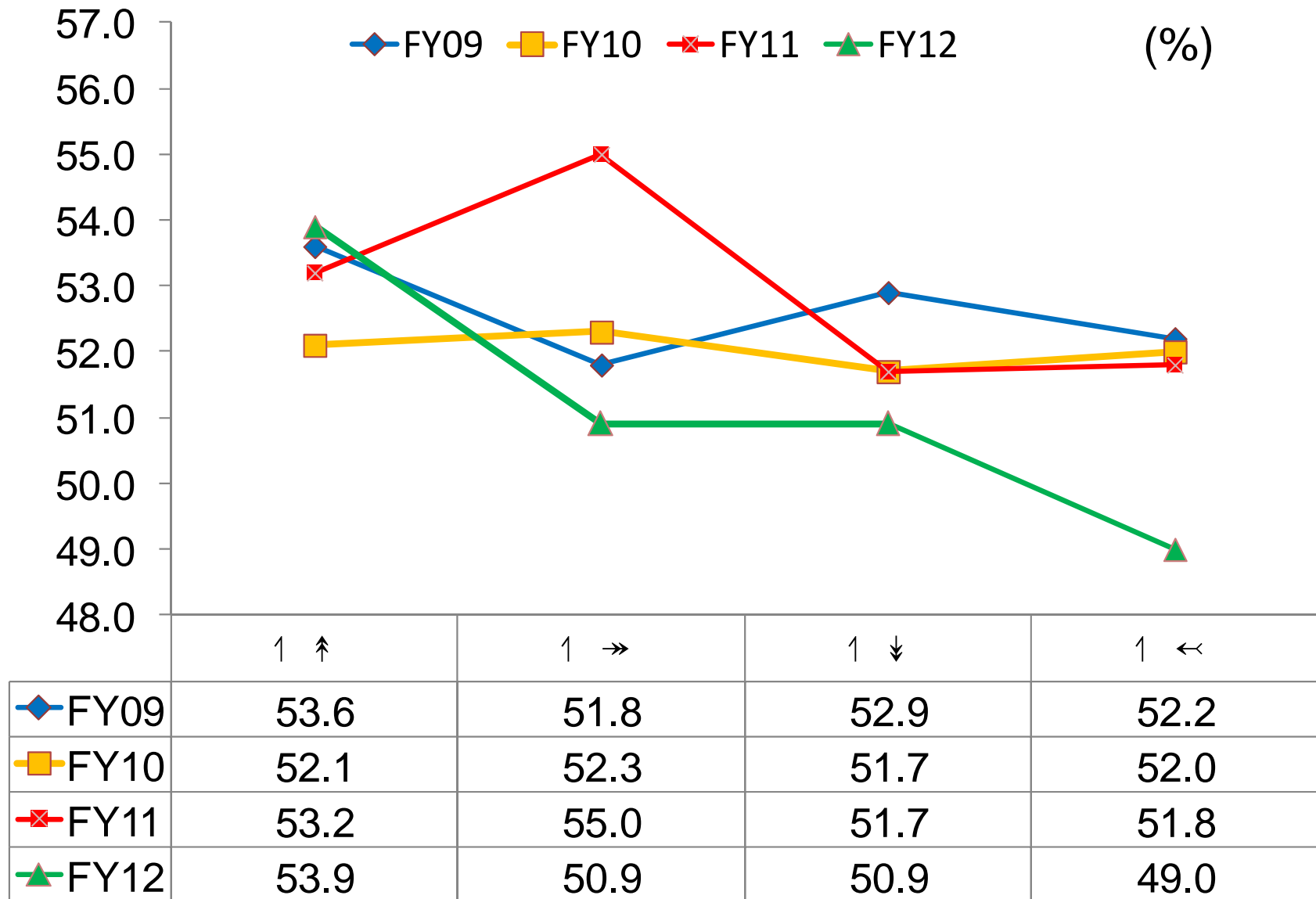
Q2

Q3

Q4

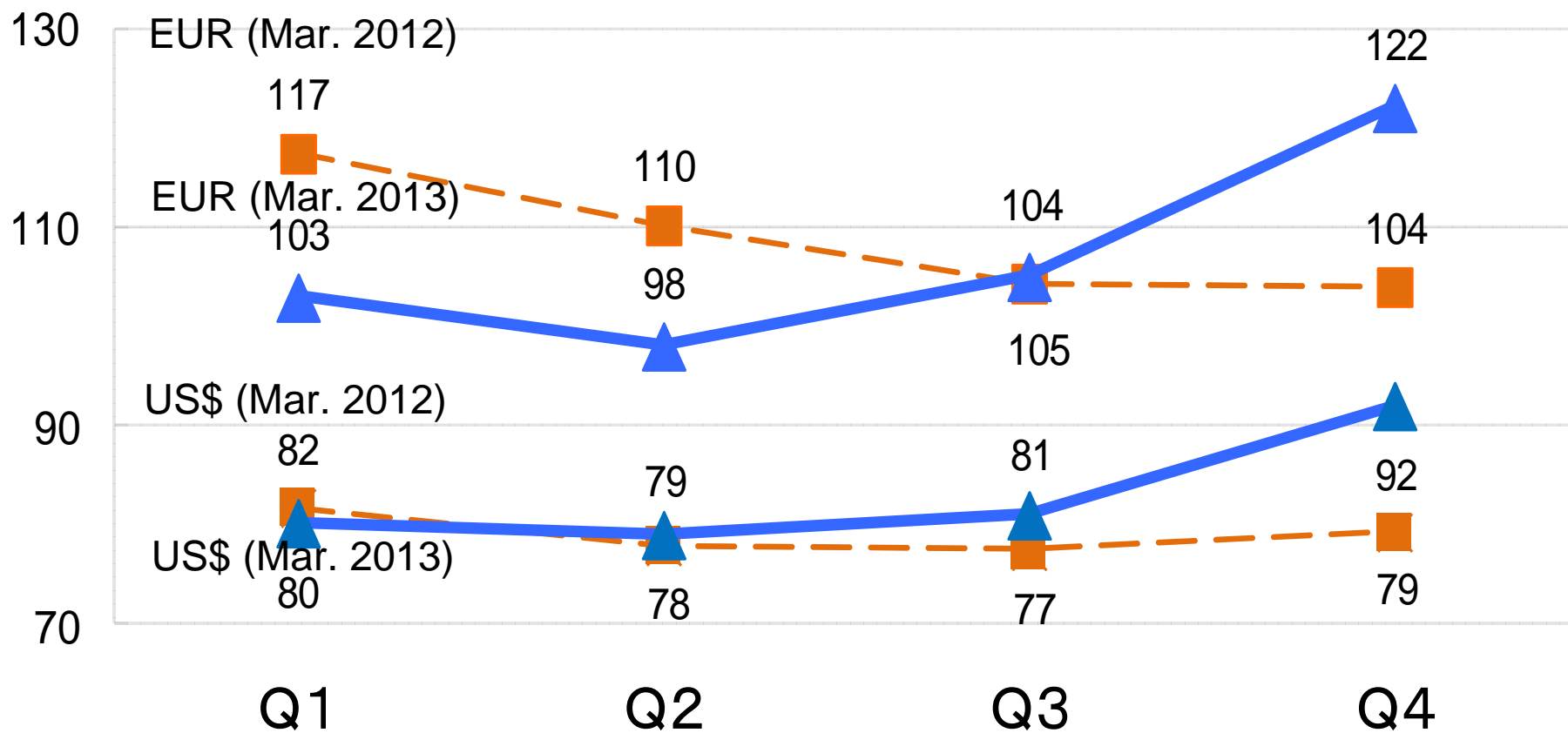
(Quarterly: 3 months)

# Changes in Gross Profit (%)



(Quarterly: 3 months)

# Changes of Quarterly Average Exchange Rates



(Quarterly: 3 months)

# *IR Contact*

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**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.**