

Financial Results for the Fiscal Year Ended March 31, 2016 (FY2015)
and Guidance for the Fiscal Year Ending March 31, 2017(FY2016)

Terumo Corporation
Managing Executive Officer,
Investor Relations, Corporate Communication Dept.
Kazuaki Kitabatake

May 10, 2016

This is Kitabatake and I will now explain the financial results for the fiscal year ended March, 2016 and the guidance for the fiscal year ended March 2017.

Overview: Achieved Significant Growth in Both Sales and Profit

	(billion yen)			
	FY2014	FY2015	YoY%	YoY% (Excl. FX)
Net Sales	489.5	525.0	+7%	+5 %
Gross Profit	256.1 (52.3%)	284.9 (54.3%)	+11%	+10 %
SG&A Expenses	159.2 (32.5%)	170.1 (32.4%)	+7%	+4%
R&D Expenses	29.4 (6.0%)	33.1 (6.3%)	+13%	+9%
Operating Income	67.5 (13.8%)	81.7 (15.6%)	+21%	+25%
(Excl. Amortization)	85.1 (17.4%)	101.9 (19.4%)	+20%	+21%
Ordinary Income	70.7 (14.4%)	73.1 (13.9%)	+3%	
Net Income	38.5 (7.9%)	50.7 (9.7%)	+32%	
Average Exchange Rate	USD 110 yen	120 yen		
	EUR 139 yen	133 yen		

- Sales: Interventional system and neurovascular businesses globally grew at double digit, driving the corporate growth
- Operating income: G/P growth driven by sales expansion of highly profitable products and cost improvement mainly in Cardiac and Vascular Company
- Ordinary income: Posted FX loss of 7.5 BJPY in FY15, while posted gain of 6.6 BJPY in FY14
- Net income: Gain through the sales of land of Shibuya, Tokyo



2/29

First, the overview of our results: As president Shintaku just mentioned, we achieved significant increases in both sales and profit. All of our net sales, operating income, ordinary income, and net income turned out to be our highest-ever results.

Regarding sales, we achieved the double-digit growth globally in Interventional System and Neurovascular businesses with growth of 5% in sales even when excluding foreign exchange effects.

In gross profit, we improved it by two percent points mainly due to expansion of sales of highly profitable products and improvement of manufacturing costs in the Cardiac and Vascular Company, bringing gross profit margin up to 54.3%. When excluding foreign exchange effects, year-on-year growth also reached up to 10%.

In SG&A, our FY15 R&D expenses was 33.1 billion yen with 9% of year-on-year increase when excluding foreign exchange effects, meaning that we made much stronger growth investments. However, as for operating income, we still achieved growth of 25% since we were still able to absorb this higher level of investment with gross profitability improvement.

We had most recently revised our FY15 operating income guidance upward to 80 billion yen, but the final result ended up 1.7 billion yen above the guidance, reaching up to 81.7 billion yen. For the rest of the items on this slide, I will go into more detail on the next page.

Extraordinary Gains & Losses, Income Taxes

(billion yen)

	FY2014	FY2015	
Non-operating Income and loss	3.3	-8.6	FX FY14 +6.6 FY15 -7.5
Ordinary Income	70.7	73.1	YoY%: +3%
Extraordinary Gains & Losses	-6.7	+3.8	FY14 Cost for EU restructuring -5.6 FY15 Gain through the sales of land (Q2) +4.4
Income before Income Tax	64.0	76.9	YoY%: +20%
Income Taxes Total	-25.6	-26.2	Tax system revision
Tax Rate (%)	40%	34%	
Net Income	38.5	50.7	YoY%: +32%



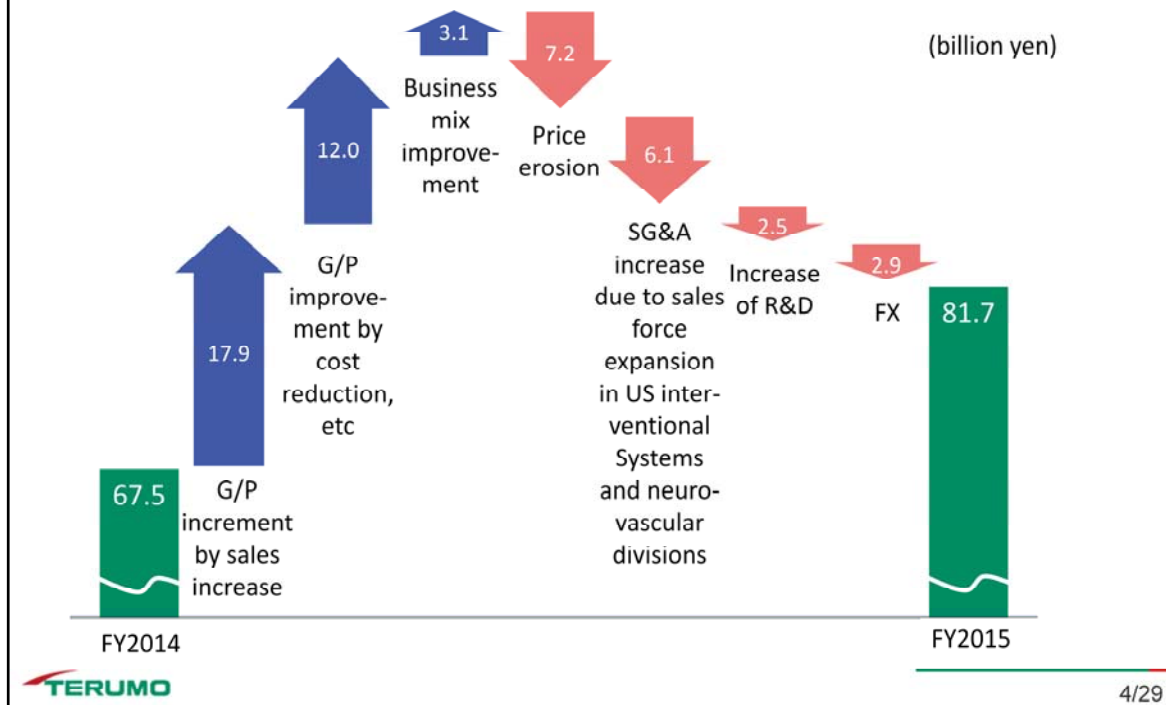
3/29

In non-operating income and loss, foreign exchange was the largest factor. In particular, while we saw a positive foreign exchange impact in FY14, we were negatively impacted in FY15. The negative effect was somewhat present through the third quarter, but especially large in the fourth quarter. The negative impact through the third quarter was 2.4 billion yen, while the final result was minus-7.5-billion-yen.

Consequently, ordinary income was a modest 3% improvement year-on-year, but extraordinary gains and losses were the opposite; after a large extraordinary loss in FY14 due to the cost for EU restructuring, we experienced a large positive impact in FY15 as a result of selling off land. Therefore, income before income tax grew 20% positively year-on-year.

In net income, reduced tax burdens resulting from the revised tax code contributed to a result of 50.7 billion yen, or 32% growth year-on-year. Our latest revised forecast was 50 billion yen, but that increased by 700 million yen.

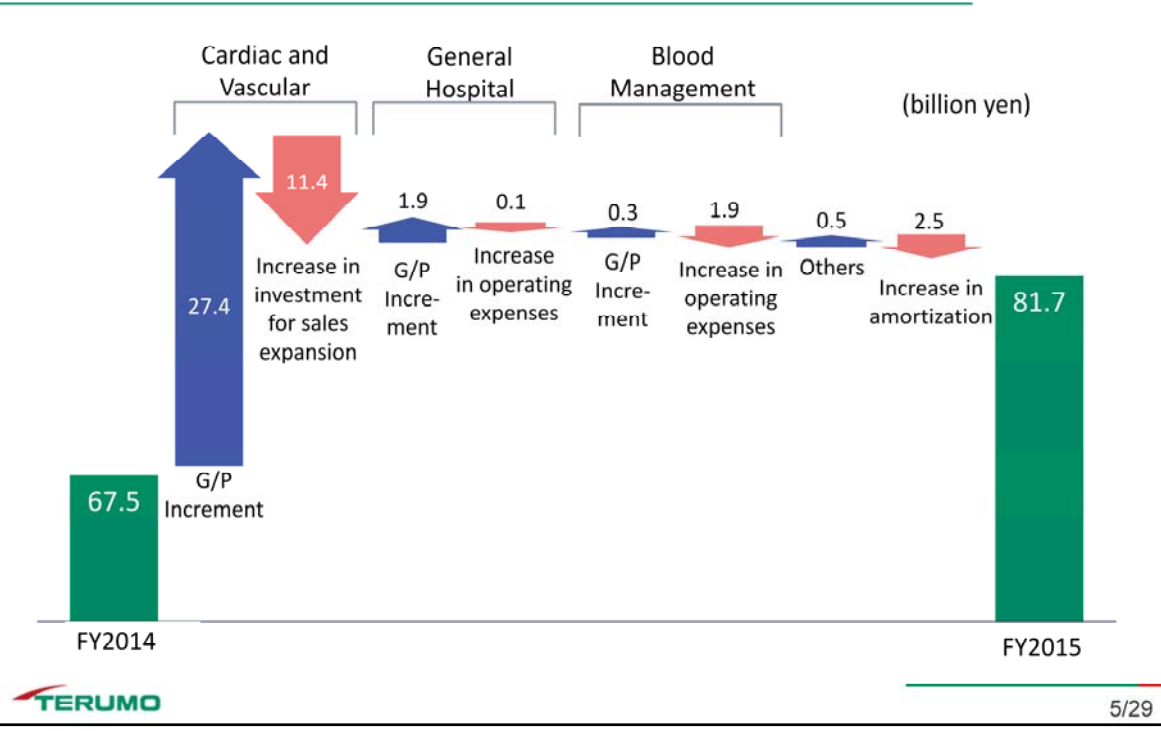
Operating Income Variance Analysis



This slide shows the positive and negative impacts on operating income. The same pattern was evident through the third quarter. The largest positive impact was the increase in gross profit due to an increase in sales. Others were cost reductions and improvement of portfolio mix.

Regarding the foreign exchange impacts, we saw a small 0.9 billion yen in negative impact through the third quarter, but then the impact grew to 2.9 billion yen in the fourth. I will explain more about this later.

Operating Income Variance Analysis



This is the operating income variance analysis by company. This is also from the third quarter, and shows the Cardiac and Vascular Company growing significantly while also increasing expenditures. For other companies, with the aim of improving profitability, we also controlled SG&A .

Impact of FX onto Operating Income

- USD: Impact remained neutral due to increase in dollar-based production and expenses
- EUR: Sensitivity escalated due to the downscaled production and increase in sales
- Currencies in emerging countries: Greater FX impact due to sales increase and those depreciation

Currency	Fluctuation of FX (yen) FY14 ~ FY15								Impact on Operating Income (billion yen)		
	FY14Q1	Q2	Q3	Q4	FY15Q1	Q2	Q3	Q4	Q1-Q3 YTD	Q4	FY15 YTD
USD	102	104	115	119	121	122	121	115	-0.8	+1.1	+0.3
EUR	140	138	143	134	134	136	133	127	-1.6	-0.9	-2.5
CNY	16.4	16.9	18.7	19.4	19.6	19.5	19.0	17.6	+1.8	-1.1	+0.7
Others (Asia, L. America, etc.) <i>e.g. Thai Baht</i>	3.2	3.2	3.5	3.7	3.7	3.5	3.4	3.2	-0.3	-1.1	-1.4
Total									-0.9	-2.0	-2.9



6/29

I will now explain the impacts of foreign exchange on operating income. The upper part of this slide shows the currency sensitivities' trend.

First, regarding the dollar, since our dollar-denominated expenses increased, overall foreign exchange impact was more or less neutral. In addition, our amortization is also in dollars, so when the yen appreciates it has a positive impact on operating income; this is opposite from the euro's impact.

Regarding the euro, we downsized production there, but saw an increase in euro-denominated sales, resulting in escalation of sensitivity.

The largest impact came from emerging countries' currencies. In those countries we saw increased sales and recent significant depreciation of local currencies.

The actual numbers are as follows: From the first through third quarters, the dollar appreciated while the yen depreciated. Despite the depreciation of yen, we only had a small negative impact of 0.8 billion yen. In the fourth quarter, however, the dollar depreciated while the yen appreciated, resulting in a positive impact of 1.1 billion yen.

Throughout FY15, the euro depreciated while the yen appreciated, and we saw a similar pattern in the first through third, and then fourth quarters, resulting in a negative impact of 2.5 billion yen.

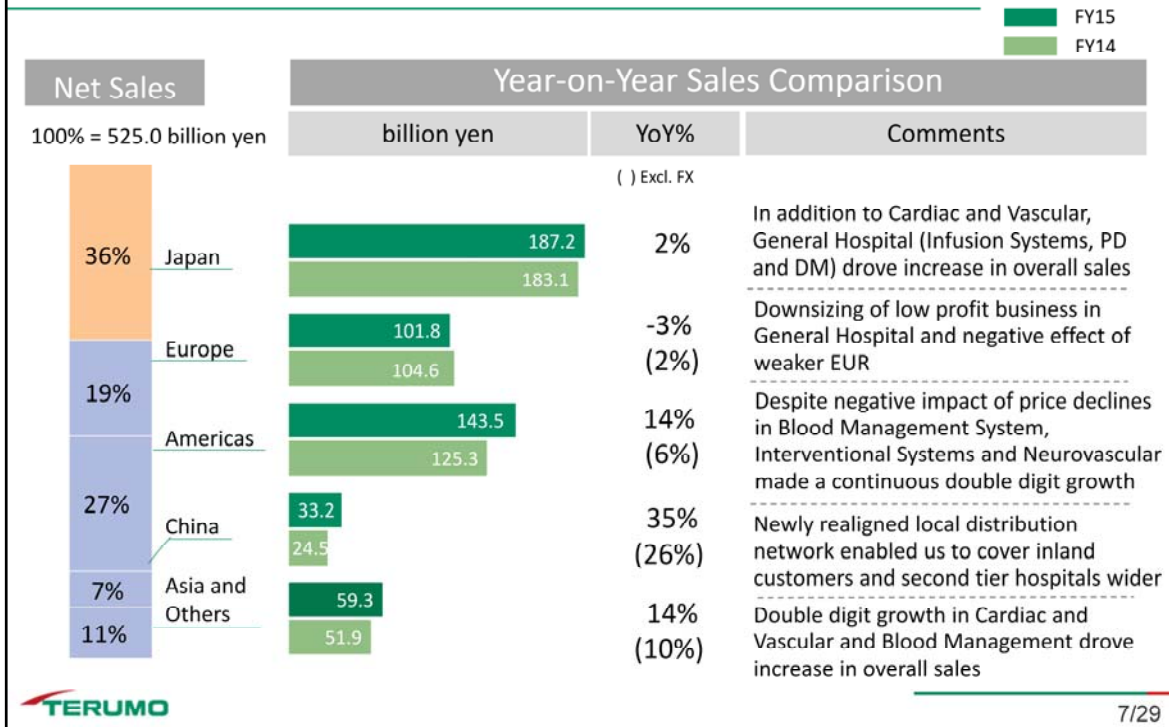
Regarding the Chinese yuan, the yen depreciated through the third quarter, and then appreciated in the fourth quarter against the yuan. The first three quarters saw 1.8 billion yen in positive impact, and the fourth saw negative 1.1 billion yen, for a total of 0.7-billion-yen positive impact.

Another example of emerging country currency is the Thai baht, which you see here; it showed a similar pattern, with yen depreciating against the baht in the first and second quarters, and then appreciating thereafter.

Overall the first three quarters had relatively little impact. However, due to an overall depreciation of currencies, the fourth was much more significant with negative impact of 2.0 billion yen.

This same pattern is evident throughout this fiscal year's guidance, and I will touch on it again later in the presentation.

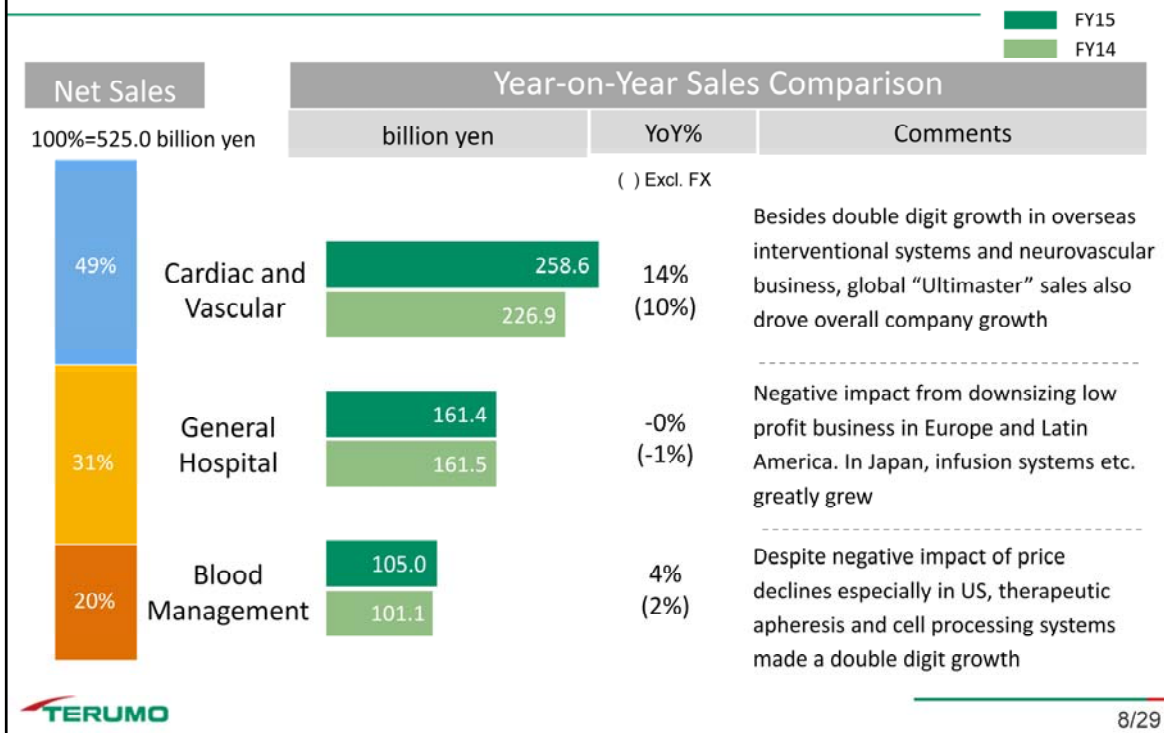
Net Sales by Region



This next slide shows sales by region. The trend is steady through the third quarter. Japan ended up at plus 2%. Cardiac and Vascular and General Hospital were positive, while Blood Management was negative.

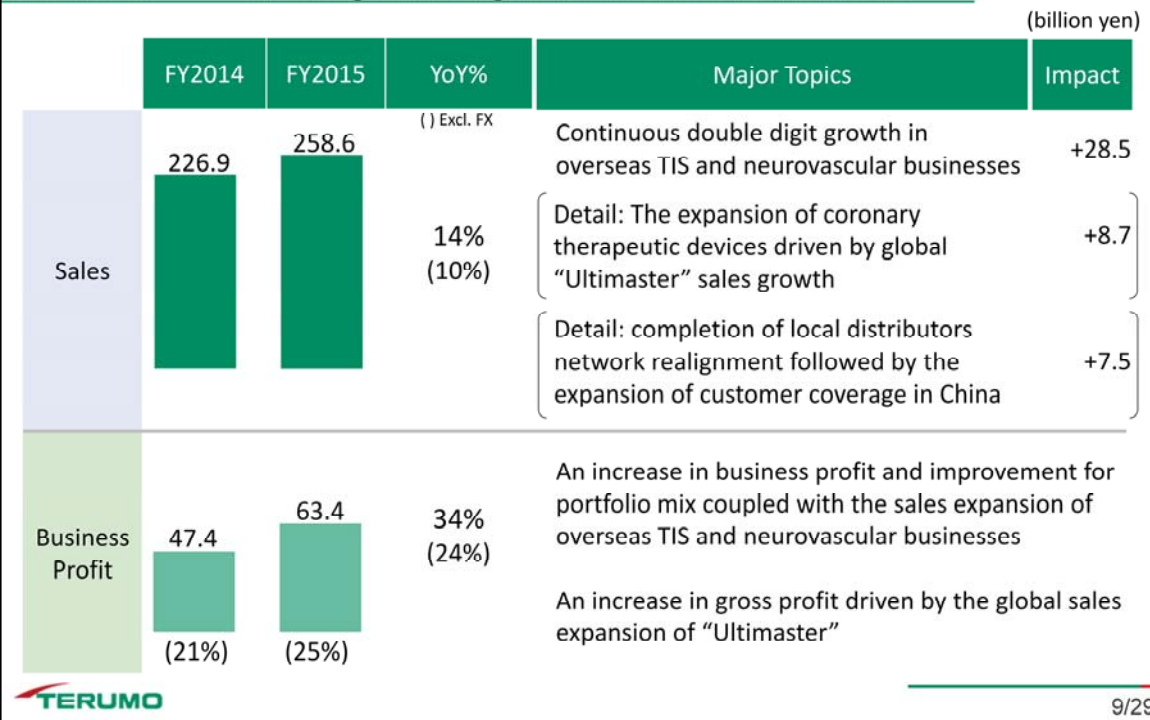
Excluding Europe, non-Japan sales grew in double digits. Our reduction in European business and euro depreciation were negative impacts.

Net Sales by Business Segment



Looking by company, we see that similar to previous results, the Cardiac and Vascular Company was the largest driver.

Cardiac and Vascular :Overseas TIS and Neurovascular Businesses Drove the Overall Company, Achieving Double Digit Growth Both in Sales and Profit



The Cardiac and Vascular Company followed its usual pattern, with strong growth in overseas Interventional Systems and Neurovascular business, Sales grew as well, business profitability improved four points year-on-year, from 21% to 25% mainly due to the sales expansion of "Ultimaster".

General Hospital

:Despite Flat in Sales Due to Downsizing of Low Profit Businesses in EU and Americas, Improve Profitability through Cost Reduction

	FY2014	FY2015	YoY%	Major Topics	Impact
Sales	161.5	161.4	-0% (-1%)	Japan: Increase of sales in infusion system products (incl. Pumps), PD, and DM	+1.9
				China and Other Asia: Infusion system products achieved a double digit growth.	+1.5
				Downsizing of low profit business accounts in EU and Americas	-3.5
Business Profit	20.8 (13%)	22.6 (14%)	9% (10%)	A continuous effort for cost reduction at domestic production sites, a reformation of supply-chain management, and lowering procurement cost, improved profitability A decline in raw material cost due to low oil prices	

(billion yen)

() Excl. FX

TERUMO

10/29

In the General Hospital Company, the downsize of low profit business I have mentioned had a 3.5-billion-yen negative impact.

However, in the Japan, China, and other Asia markets, infusion system sales grew significantly, bringing overall company results back to approximately the same level as the previous year.

Profitability, on the other hand, increased partly with a decline in raw material costs due to low oil price.

Blood Management		: Continuous Double Digit Growth for Business in Emerging Countries and Therapeutic Apheresis			(billion yen)
	FY2014	FY2015	YoY%	Major Topics	Impact
Sales	101.1	105.0	4% (2%)	() Excl. FX	
				A double digit growth in overseas therapeutic apheresis and cell processing businesses	+3.6
				A double digit growth in blood center business in china and other Asian countries	+2.9
				A negative impact of a price decline implemented in US and other advanced countries.	-1.8
Business Profit	18.5 (18%)	16.9 (16%)	-9% (-3%)	Due to weaker EUR against USD, a negative impact on the products manufactured in US and sold in EU	

In Blood Management, we have previously explained the large negative impact of price declines from the first quarter, particularly in the United States market. That impact was small through the second quarter, but hit the company fully in the fourth quarter. Sales grew 4% overall, but the price decline had a negative impact of 1.8 billion yen. Business margin also declined from 18% in the previous year to 16% in FY15.

Explained simply, this 2% point year-on-year business margin decline resulted from 2% point in lowered price impact, 1% point of weaker euro impact, and then other factors combining for a 1% point positive impact, adding up to a total of minus 2% point.

FY2015 Major Topics

Corporate

- Established an Audit/Supervisory Committee (Jun)
- Share buyback valued at 61 BJPY in total (Aug, Feb)
- Selected as “The Health & Productivity Stock Selection” (Jan) and “Nadeshiko Brand” (Mar)
- Hollow fiber typed oxygenator won “Okochi Memorial Prize” (Mar)

Business

- Peripheral Stent “Misago” acquired PMA in US for the first time among Japanese Companies (Jun)
- Gained a regulatory approval for intradermal injection device (Sep)
- Gained a regulatory approval for “HeartSheet” (Sep)
- Launched “Ultimaster” in Japan (Oct)



12/29

Next, I will discuss some topics from FY15.

Regarding corporate topics, in June, we established an audit/supervisory committee.





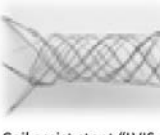

In February and August, we executed 61 billion yen of share buyback in total, and doing so resulted in significant positive impact on ROE. I will later explain this in more detail.

We were also selected as the “The Health & Productivity Stock” and “Nadeshiko Brand”.


Our hollow-fiber typed oxygenator won the “Okochi Memorial Prize”, which is the highest of its kind.

Regarding business topics, these are products that we successfully launched in FY15, and which had significant business impacts. For example, “Misago” was the first Japanese product gain a US PMA. “HeartSheet” was the first regenerative medicine product of its kind to receive regulatory approval in Japan. We also launched “Ultimaster” in Japan, and it has already had a large impact on income. There was also the intradermal injection device receiving regulatory approval in Japan.

New Products Launched in FY2015

Business	Product	Region	Launch	Business	Product	Region	Launch
Coronary	DES (Ultimaster)	★ ◎◎ JP	Launched in Oct 1	CV	Disposable centrifugal pump (for PCPS)	JP	Q4
Peripheral	Stent (Misago)	★ US	Q1	Blood Management	Automated blood component processing system	★ JP	FY16
	PTA balloon (above the knee)	EU, US	Q2				
	PTA balloon (below the knee)	JP	FY16				
Neuro	Embolic particles (beads)	★ EU	Q1				
	Coil assist stent	◎◎ JP	Q1	DES "Ultimaster" Japan (Q3)	PTA balloon (above the knee) "Misago" US (Q1)	PTA balloon (below the knee) "Metacross RX" US (Q2)	
	Liquid embolic glue	★ EU	Q1				
	Distal protection device	★ EU	FY16	Embolic particles "LifePearl" EU(Q1)	Coil assist stent "LVIS Jr" JP(Q1)	Liquid embolic glue "PHIL" EU(Q1)	

◎◎ Item with large contribution to sales and profit
 ★ Item with highly innovative technology


13/29

New products in the pipeline are as shown, and most products listed have been launched as scheduled.

FY2016 Guidance

(billion yen)

	FY2015 Result	FY2016 Guidance	YoY%	Impact of FX	FY2016 FX Neutral Guidance	YoY%
Net Sales	525.0	517.0	-2%	-31.0	548.0	+4%
Operating Income (%)	81.7 (15.6%)	75 (14.5%)	-8%	-8.5	83.5 (15.2%)	+2%
Ordinary Income	73.1	71.0	-3%	-10.3	81.3	+11%
Net Income	50.7	52.5	+4%			

Average exchange Rate	USD 120 yen	110 yen
	EUR 133 yen	125 yen

Net income will increase due to decrease in tax burden by tax effect (deferred tax assets) at end FY16



14/29

I will now explain our FY16 performance guidance.

Our FY16 sales plan is 517 billion yen, or minus 2% from FY15. Operating income is 75 billion yen, or minus 8%. However, net income is 52.5 billion yen, or plus 4% year-on-year. This increase in net income is due to a lighter tax burden that will be realized at the end of FY16.

These planned numbers constitute negative growth in sales and profit. However, as I have explained, it is largely due to the expected negative impact of foreign exchange. Negative FX impact on sales is projected to be 31 billion yen, and 8.5 billion yen on operating income. Excluding FX impact, FY16 sales would be 548 billion yen, or plus 4%, and operating income would be 83.5 billion yen, or plus 2%.

Also regarding operating income, another factor that was not present in FY15 is the 1.5 billion yen negative impact of the group pension fund, which is occurring due to recent negative interest policies. Without these impacts, the operating income would be 85 billion yen.

FY2016 Guidance (excl. FX)

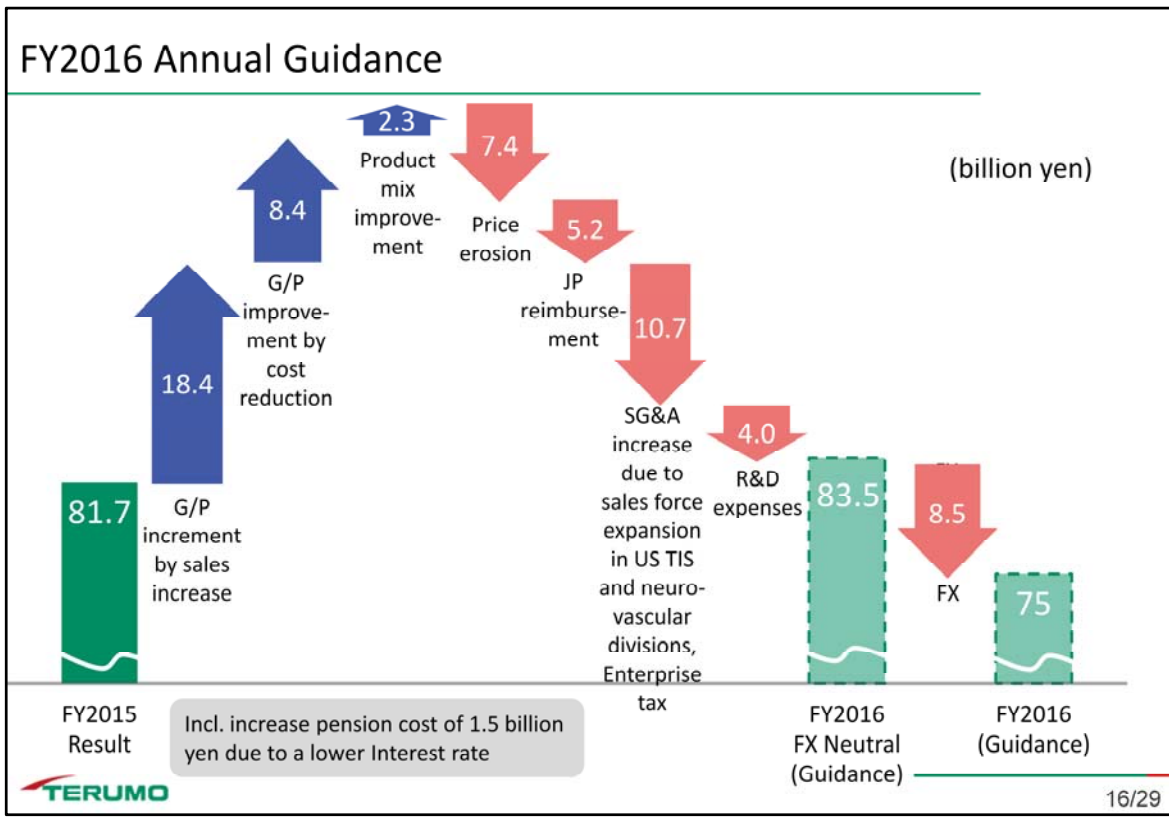
	Sales		Business Profit		Comments
	billion yen	YoY%	billion yen	YoY%	
Cardiac and Vascular	FY16: 278.0 FY15: 258.6	+8%	25%: 68.5 25%: 63.4	+8%	Continuous growth in overseas TIS and neurovascular businesses
General Hospital	162.0 161.4	+0%	14%: 22.6 14%: 22.6	+0%	Continuous improvement on business profit
Blood Management	108.0 105.0	+3%	15%: 16.0 16%: 16.9	-5%	Impact of price declines in US peaked in FY15 A growth expected in therapeutic apheresis and business in emerging countries

These numbers are the FY16 guidance for each company, excluding FX impacts.

Cardiac and Vascular Company sales and business profit are projected to continue growing, with Interventional Systems and Neurovascular businesses outside of Japan remaining the chief drivers.

The General Hospital Company will continue its improvement of profitability. When the pension fund cost increase I just mentioned is excluded, 22.6 billion yen in operating income rises to 23.5 billion or to 15% of business margin.

In Blood Management, the price declines in US started giving us the fullest negative impact at the end of FY15, and FY16 will be the year in which the company feels the most negative impact. In the next fiscal year and beyond, growth in therapeutic apheresis and businesses in emerging countries is expected to fully absorb that price decline impact.



These are the variance analysis for FY16 operating income guidance. The increase in sales is expected to be the biggest positive factor. Cost reduction and product mix portfolio will be other upward factors. Negative factors will include price declines, including the Japan reimbursement price revision, which will have a 5.2 billion yen negative impact. We will also have the negative effect of increased investment for sales force expansion in Interventional Systems and Neurovascular sales.

In FY17, we will begin implementation of a new mid- to long-term plan. We think of FY16 as a launching pad for realizing those plans.

When we exclude the effects of foreign exchange, we expect a continuation of good results, so rather than greatly changing anything, we plan to maintain the positive momentum this year.

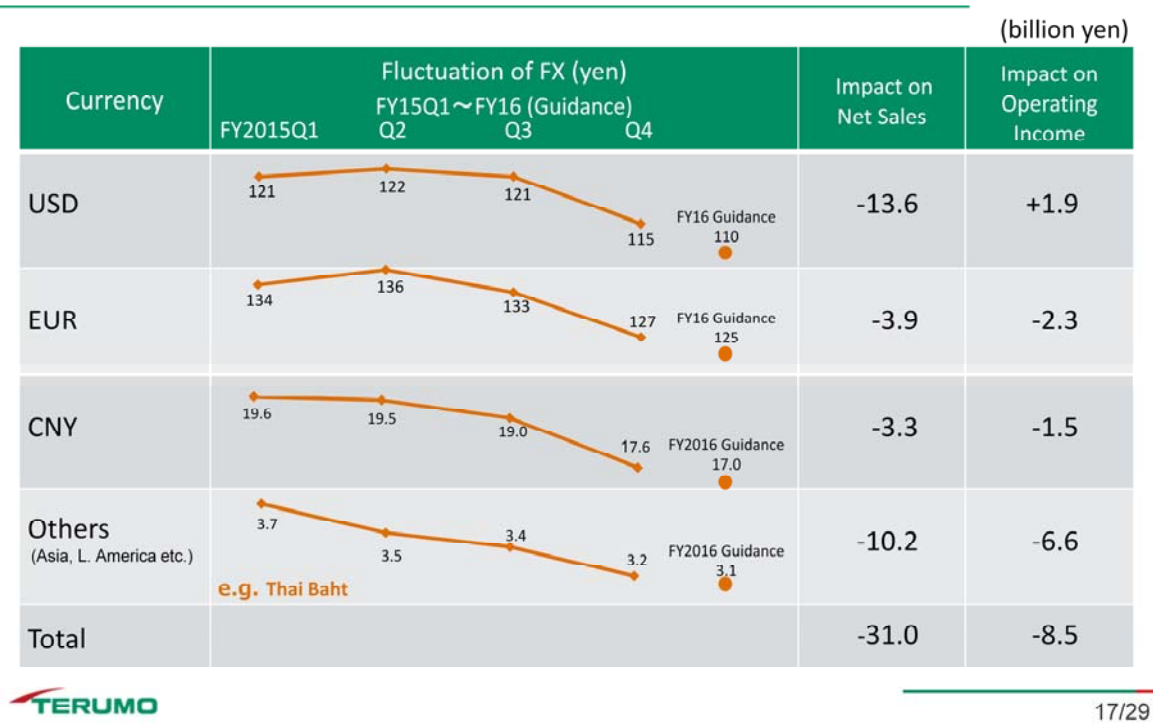
At the same time, we intend to make necessary investments this year toward the mid- to long-term plan. One part of this will be further expansion of sales force in Interventional Systems and Neurovascular business, particularly in Europe and the United States, as well as by increasing field clinical staffs.

Another area of investment will be the Ashitaka Plant in Japan, which is the center of our new product development activities. There, we will increase the number of engineers by around 100.

One other area will be increased R&D expenses of interventional products for the Cardiac and Vascular Company.

With these activities we feel that we are planning a robust amount of investment in new product development.

The Impact of FX on FY2016



In FY15, the dollar and euro each had differing impacts against the yen. However, in FY16, we anticipate yen appreciation against all currencies. We anticipate 110 yen to the dollar, and 125 yen to the euro.

As I mentioned before, when we exclude goodwill amortization, the dollar impact is approximately neutral, and when goodwill is included, the appreciating yen actually affects operating income positively. Therefore, as you can see here, the respective dollar and euro depreciation impacts are expected to roughly offset one another.

The larger impact will come from the Chinese yuan and other emerging countries currencies. In total, we forecast a total negative foreign exchange impact of 8.5 billion yen onto operating income in FY16.

Measure against FX Fluctuation :Improve Profitability through Transforming Business Portfolio

■ **Shift to highly profitable business**

e.g.) Business Portfolio in EU (Sales by business segments)

(billion yen)

	FY2014		FY2016	Change in Sales
Cardiac and Vascular	62%	▶	66%	+2.9
General Hospital	12%		8%	-4.0
Blood Management	26%		26%	+0.2

■ **Downsize low profit business**

e.g.) General Hospital Product Business in Latin America

FY2016 (compared to FY2014)

- Sales Decrease by 35%
- Profit Increase by 35% (13% pt improvement in margin)



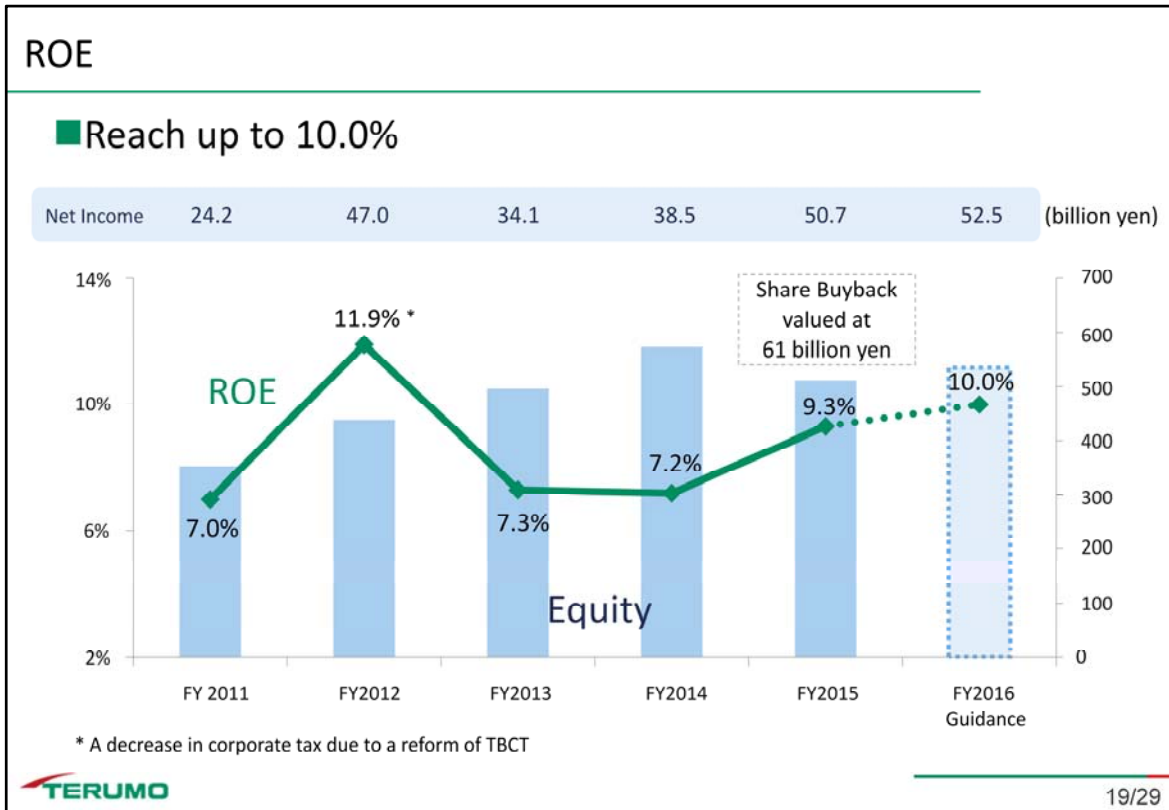
The next slide explains our measure against foreign exchange fluctuation.

The area we watch most regarding foreign exchange impact is in specific markets and the effect on profitability of yen appreciation. In other words, we will confirm whether it makes sense from a profit standpoint to do business in a particular market in light of the impact a strong yen can have against that market's currency.

The specific measure to take in such markets is a shift toward high-profitability businesses. In the case of Europe, we have lessened our focus on General Hospital Company products and placed more focus on Cardiac and Vascular products. This can be seen in the proportion of sales becoming more weighted toward Cardiac and Vascular starting in FY14.

We will not only improve the overall business portfolio, but also continue working to improve profitability in individual business areas that are currently less profitable. For example, in the Latin America General Hospital Product business, we plan to shift from low-profit products to higher ones. Compared with the FY14, FY16 guidance include 35% decline in sales, but a 35% increase in profit, or a 13%-point improvement of margin.

That is how we plan to mitigate foreign exchange impacts: By considering and implementing the various improvement measures we can make in specific businesses. We consider this to be most important key.

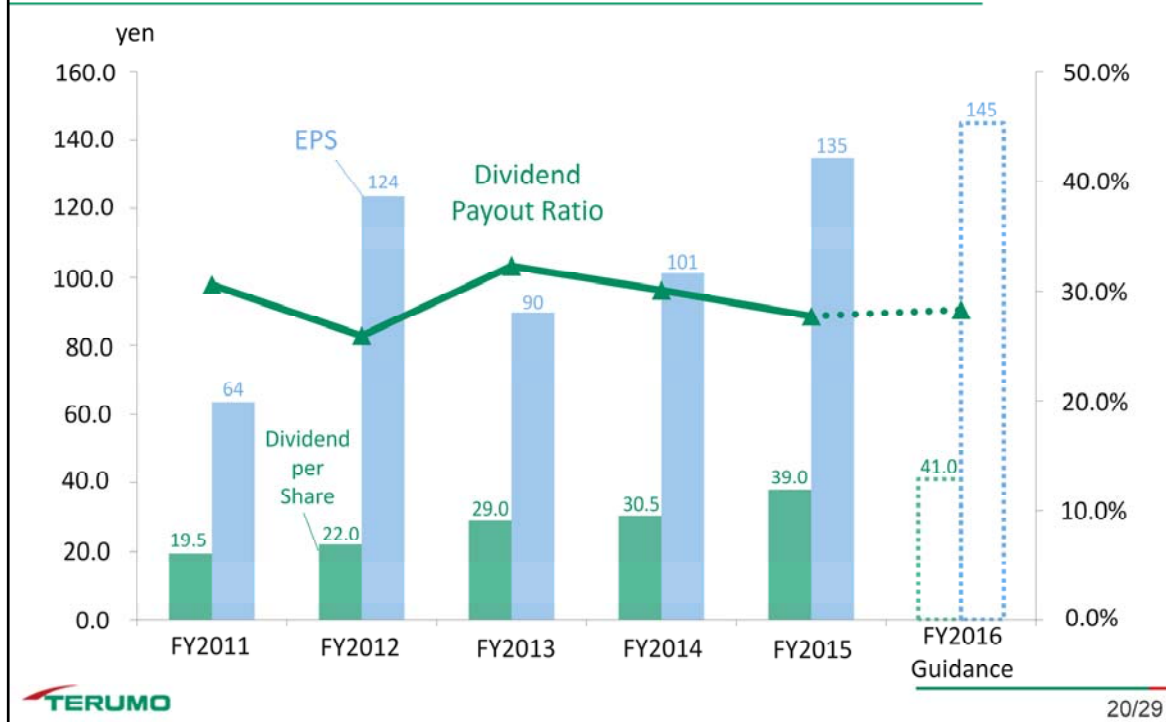


Next, regarding ROE: This shows the ROE trend beginning in FY11. From FY11 to FY14, we saw net income grew from 24.2 billion yen to 38.5 billion yen. However, ROE remained relatively static, going from 7.0% to 7.2% over that period.

The biggest factor behind that was increase in equity. There were two reasons for the increase in equity: First, of course, is the increase in income, but second is that our dollar-denominated asset of goodwill amortization had become larger due to yen depreciation; this has grown over time. We decided in FY15 to take action on this, by conducting share buyback of total 61 billion yen.

This resulted in significant increase in ROE as well as a decrease in equity, bringing ROE to 9.3%. Our forecast for FY16 is that net income will grow, equity will decrease and ROE will increase to 10% since our dollar-denominated asset adjustment will decrease due to yen appreciation.

Dividends and EPS



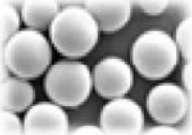
Regarding dividends and earnings per share (EPS): In FY12, EPS was high due to a special tax benefit, but excluding that anomaly, EPS has steadily increased. We have made efforts to set the dividend payout ratio consistently near 30%, and that has led to dividend per share also steadily growing.

Regarding dividend per share on FY15, We had planned to issue a 16-yen dividend per share in both the first and second halves for an annual total of 32 yen, but with the good results of the first half, we decided to issue dividends per share of 19 yen in the first and second halves, for a total of 38 yen. Eventually, in response to the good results of the second half, we raised its dividend per share to 20 yen, making for a final annual total of 39 yen.


As for dividend per share in FY16, with the net income projected to increase in FY16, we are planning for a total annual dividend per share of 41 yen.

New Products Pipeline in FY2016


Category	Products	Region	Category	Products	Region
Coronary	DES(Ultimaster)	☉★ France	CV	Disposable Centrifugal Pump (for PCPS)	Asia
	DES (Ultimaster) 4.0mm (Diameter)	☉★ JP	D&D	Intradermal Injection Device	★ JP
Imaging	IVUS	☉★ JP		Adhesion barrier	★ JP
Peripheral	PTA Balloon (Below the knee, RX/OTW)	JP•US•EU	DM	Blood glucose meter (MEDISAFE Fit Smile)	China
	PTA Balloon (Below & above the knee, RX/OTW)	JP•US•EU	Blood Management	Automated blood component processing system	★ JP
	PTA balloon (Above the knee, RX/OTW)	JP•US•EU	Regenerative Medicine	HeartSheet	★ JP
Neuro	Distal protection device	EU			
Oncology	Radioembolization beads (Quirem)	★ EU			



Radioembolization beads (EU)



HeartSheet (JP)



Intradermal injection device (JP)

☉ Item with large contribution to sales and profit
 ★ Item with highly innovative technology

TERUMO

The last slide shows the FY16 new product pipeline, and I will forego that explanation.

That concludes my remarks.

Reference

FY15 Net Sales and Growth by Region

(billion yen)

Business Segment	Japan	Outside of Japan					G. Total
		Subtotal	Europe	Americas	China	Asia	
Cardiac and Vascular	51.6 (+7%)	207.0 (+11%)	66.7 (+5%)	89.4 (+11%)	26.4 (+30%)	24.6 (+13%)	258.6 (+10%)
Out of C&V Interventional Systems*	39.6 (+7%)	163.3 (+14%)	53.3 (+6%)	65.2 (+16%)	25.1 (+31%)	19.7 (+17%)	202.9 (+13%)
General Hospital	124.2 (+2%)	37.2 (-7%)	9.3 (-24%)	8.3 (-12%)	1.9 (+11%)	17.7 (+6%)	161.4 (-1%)
Blood Management	11.5 (-9%)	93.6 (+4%)	25.8 (+6%)	45.7 (-1%)	4.9 (+14%)	17.1 (+11%)	105.0 (+2%)
G. Total	187.2 (+2%)	337.8(+7%)	101.8 (+2%)	143.5(+6%)	33.2 (+26%)	59.3 (+10%)	525.0 (+5%)

*Including Neurovascular business

(YoY%): Excluding foreign exchange



Operating Expenses

(billion yen)

	FY2014	FY2015	YoY	YoY%	YoY% (Excl. FX)
Salaries & Wages	70.5	76.0	+5.5	+ 8%	+5%
Sales Promotion	16.0	17.2	+1.2	+ 8%	+6%
Logistical Costs	11.0	11.0	-0.0	- 0%	-1%
Depreciation & Amortization	25.1	27.5	+2.4	+10%	+3%
Others	36.6	38.4	+1.8	+ 5%	+3%
SG&A Expenses Total	159.2 (32.5%)	170.1 (32.4%)	+10.9	+ 7%	+4%
R&D Expenses	29.4 (6.0%)	33.1 (6.3%)	+3.7	+13%	+9%
Operating Expenses Total	188.6 (38.5%)	203.2 (38.7%)	+14.6	+ 8%	+5%

(%) Against net sales



Quarterly Results

(billion yen)

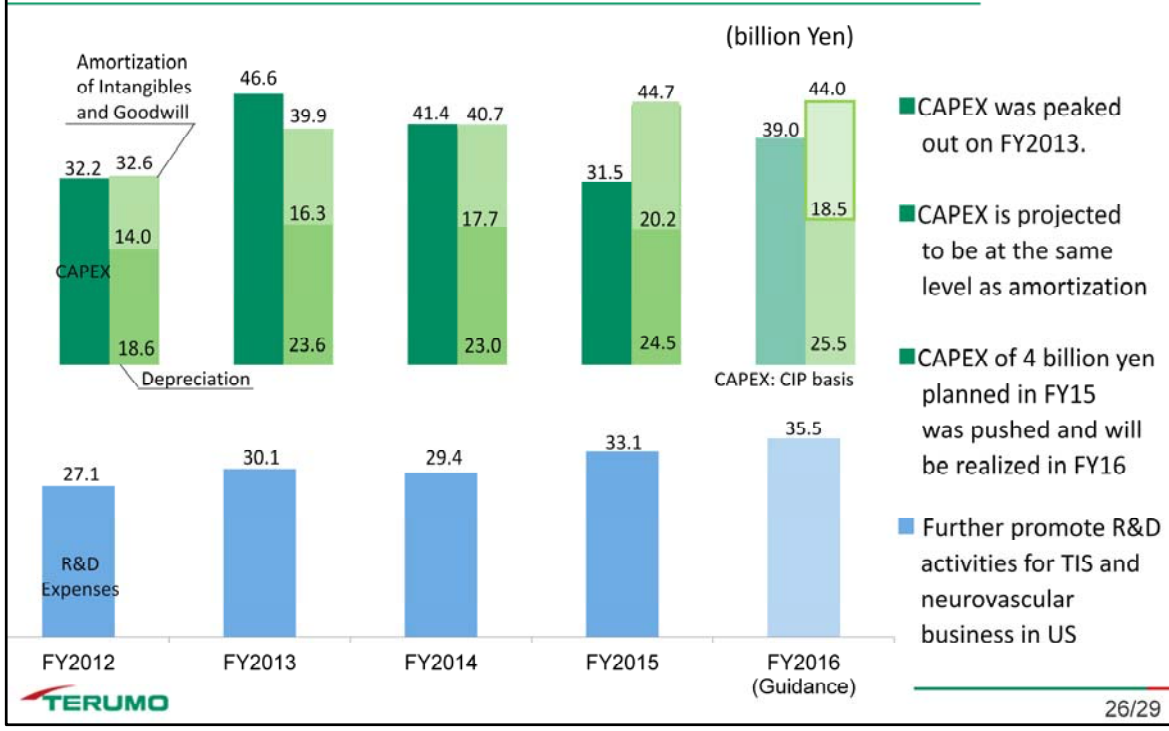
	FY14 Q4 (Jan-Mar)	FY15 Q1 (Apr-Jun)	Q2 (Jul-Sep)	Q3 (Oct-Dec)	Q4 (Jan-Mar)
Net Sales	126.3	128.7	130.5	136.8	129.0
Gross Profit	65.4 (51.7%)	69.0 (53.7%)	70.4 (53.9%)	75.3 (55.0%)	70.3 (54.4%)
SG&A Expenses	42.4 (33.5%)	41.7 (32.5%)	42.7 (32.7%)	42.9 (31.3%)	42.8 (33.1%)
R&D Expenses	8.4 (6.7%)	7.9 (6.1%)	8.0 (6.1%)	7.4 (5.4%)	9.9 (7.7%)
Operating Income	14.6 (11.5%)	19.4 (15.1%)	19.7 (15.1%)	25.0 (18.3%)	17.6 (13.6%)
(Excl. Amortization)	19.4 (15.3%)	24.5 (19.1%)	24.8 (19.0%)	30.1 (22.0%)	22.5 (17.4%)

Average	USD	119 yen	121 yen	122 yen	121 yen	115 yen
Exchange Rate	EUR	134 yen	134 yen	136 yen	133 yen	127 yen

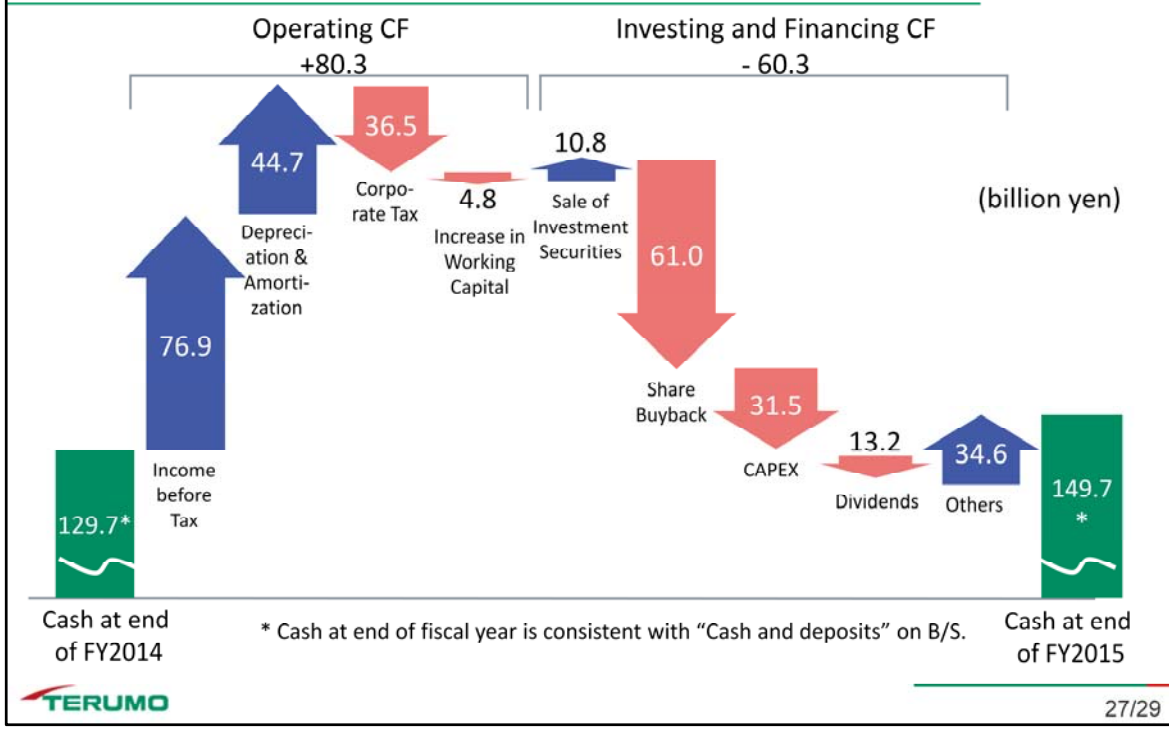


25/29

CAPEX and R&D Expenses



Cash Flow



Foreign Exchange Sensitivity

(billion yen)

	USD		EUR
	Excl. Amortization	Incl. Amortization	
Net Sales	1.4	1.4	0.5
Operating Income	0.0	-0.2	0.3

IR Contact

Terumo Corporation

Corporate Communication (IR) Dept.

E-mail: kouhou_terumo01@terumo.co.jp

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 or 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.