



## Financial Results for FYE 3/2008 (Consolidated)

April 30, 2008

Name of listed company: TERUMO CORPORATION

( URL <http://www.terumo.com/> )

Company code number: 4543

Representative:

Akira Takahashi, President

Please address all communications to:

Shouji Hatano, General Manager, Corporate Communication Dept.

Adoption of U.S. accounting standards [Yes/No]: No

Exchange where listed: TSE

Location of headquarters (prefecture):

Tokyo

Phone: +81 / 3-3217 - 6550

### 1. Consolidated Financial Highlights for the year ended March 2008

(From April 1, 2007 to March 31, 2008)

#### (1) Consolidated financial results (Note: The amounts shown below ignore values of less than a million yen)

	Net sales		Operating income		Ordinary income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Year ended March, 2008	306,381	10.8	66,942	14.5	64,198	10.6
Year ended March, 2007	276,439	11.9	58,455	21.1	58,025	18.6

	Net income		Net income per share	Net income per share, fully diluted	Net income per stockholders' equity	Ordinary income per total assets	Operating income per Net sales
	(Millions of yen)	%	(Yen)	(Yen)	%	%	%
Year ended March, 2008	43,382	16.5	220.30	-	15.0	16.5	21.8
Year ended March, 2007	37,232	14.7	185.00	-	13.2	16.1	21.2

(Notes) 1. Investment income for equity method:

March 2008: 30million yen March 2007: 135million yen

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Book value per share
	(Millions of yen)	(Millions of yen)	%	(Yen)
March 31, 2008	410,918	288,867	70.3	1,489.10
March 31, 2007	367,147	289,248	78.8	1,454.71

(Notes) 1. Number of shares outstanding at end of period (consolidated):

March 2008: 193,929,531 shares March 2007: 198,788,606 shares

#### (3) Consolidated statements of cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents, end of period
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(Millions of yen)
Year ended March, 2008	69,683	(28,069)	3,081	85,377
Year ended March, 2007	43,123	(19,917)	(28,637)	43,049

### 2. Dividends

	Cash dividends per share		
	at 1st half end	at fiscal year end	total
	(Yen)	(Yen)	(Yen)
Year ended March, 2007	12.00	16.00	28.00
Year ended March, 2008	14.00	18.00	32.00
Year ending March, 2009 (forecast)	16.00	16.00	32.00

### 3. Consolidated forecasts for the year ending March 2009 (From April 1, 2008 to March 31, 2009)

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Half year ended September, 2008	155,000	2.8	34,000	1.4	34,000	0.1	22,500	Δ 1.9
Year ended March, 2009	318,000	3.8	68,000	1.6	68,000	5.9	45,000	3.7

(N.B.) Estimated earnings per share (full year): 232.04 yen

These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from that anticipated in these statements.

## 4. Financial Statements

### (1) Consolidated Balance Sheet

(Millions of yen)

	March 31, 2007		March 31, 2008		Changes	
	Amount	%	Amount	%		%
<b>(Assets)</b>						
<b>I Current assets</b>	171,576	46.7%	218,072	53.1%	46,495	27.1%
Cash and cash equivalents	44,536		87,343		42,806	
Trade receivable notes/accounts	70,049		69,048		(1,001)	
Inventories	45,631		48,738		3,107	
Deferred taxes assets - short	7,519		8,998		1,479	
Other current assets	4,733		4,744		10	
Allowance for doubtful debts	(894)		(801)		93	
<b>II Fixed assets</b>	195,570	53.3%	192,846	46.9%	(2,724)	(1.4%)
<b>1. Tangible assets</b>	115,643	31.5%	112,744	27.4%	(2,899)	(2.5%)
Buildings and structures	45,092		44,121		(970)	
Machinery and transportation equipment	32,004		35,602		3,598	
Land	20,296		20,404		108	
Construction in progress	11,493		6,412		(5,080)	
Other tangible assets	6,756		6,202		(554)	
<b>2. Intangible assets</b>	40,524	11.1%	35,125	8.6%	(5,398)	(13.3%)
Goodwill	35,046		30,202		(4,843)	
Other intangible assets	5,477		4,922		(555)	
<b>3. Investments and other assets</b>	39,402	10.7%	44,976	10.9%	5,573	14.1%
Investment in securities	34,802		40,527		5,724	
Deferred tax assets - long	1,920		1,878		(42)	
Other investments and other assets	2,679		2,570		(108)	
<b>Total assets</b>	<b>367,147</b>	<b>100.0%</b>	<b>410,918</b>	<b>100.0%</b>	<b>43,771</b>	<b>11.9%</b>

(Millions of yen)

	March 31, 2007		March 31, 2008		Changes	
	Amount	%	Amount	%		%
<b>(Liabilities)</b>						
<b>I Current Liabilities</b>	65,891	17.9%	114,457	27.9%	48,566	73.7%
Trade notes/accounts payable	25,725		27,245		1,520	
Short-term bank loans	236		35,000		34,763	
Income taxes payable	8,694		17,802		9,108	
Reserve for employees bonuses	4,433		4,782		348	
Reserve for directors bonuses	169		189		20	
Diferred tax liabilities – short	-		197		197	
Notes/Accounts payable-trade for Machinery & Equipment	5,906		5,646		(259)	
Other current liabilities	20,726		23,593		2,866	
<b>II Long-term Liabilities</b>	12,007	3.3%	7,593	1.8%	(4,414)	(36.8%)
Long-term bank loans	436				(436)	
Deferred tax liabilities – long	1,651		36		(1,615)	
Reserve for retirement allowances	6,506		4,263		(2,242)	
Reserve for retirement benefits for directors and corporate auditors	728		728		-	
Other long-term liabilities	2,683		2,565		(118)	
<b>Total Liabilities</b>	77,899	21.2%	122,051	29.7%	44,151	56.7%
<b>I Shareholders' equity</b>	279,507	76.1%	291,624	71.0%	12,116	4.3%
Capital stock	38,716		38,716		-	
Capital surplus	59,030		59,030		-	
Retained earnings	215,213		252,667		37,453	
Treasury stock	(33,453)		(58,790)		(25,337)	
<b>II Evaluation difference and foreign currency exchange adjustments</b>	9,672	2.7%	(2,843)	(0.7%)	(12,516)	(129.4%)
Evaluation difference of investment securities	8,947		5,026		(3,921)	
Foreign currency translation adjustments	725		(7,869)		(8,595)	
<b>III Minority interests</b>	68	0.0%	87	0.0%	19	28.4%
<b>Total net assets</b>	289,248	78.8%	288,867	70.3%	(380)	(0.1%)
<b>Total liabilities, net assets</b>	367,147	100.0%	410,918	100.0%	43,771	11.9%

## (2) Consolidated Statement of Income

(Millions of yen)

	Year ended March 31, 2007		Year ended March 31, 2008		Changes				
	Amount		Amount						
		%		%			%		
<b>I</b> Net sales	276,439	100.0%	306,381	100.0%	29,942		10.8%		
<b>II</b> Cost of sales	123,112	44.5%	138,179	45.1%	15,067		12.2%		
Gross Profit on Sales	153,326	55.5%	168,201	54.9%	14,874		9.7%		
<b>III</b> Selling, General and Administrative Expenses	94,871	34.3%	101,259	33.1%	6,387		6.7%		
Operating Profit	58,455	21.2%	66,942	21.8%	8,487		14.5%		
<b>IV</b> Non-operating Income									
Interest income	719		1,314		595				
Dividend income	261		488		227				
Royalties	53		202		149				
Foreign exchange profit	628		-		(628)				
Equity in earnings of unconsolidated companies	135		30		(105)				
Other non-operating income	708	2,506	0.9%	636	2,673	0.9%	(71)	166	6.6%
<b>V</b> Non-operating Expenses									
Interest expenses	165		320		154				
Sales discount	451		514		62				
Foreign exchange loss	-		3,524		3,524				
Loss on disposal of inventories	1,241		383		(858)				
Other non-operating expenses	1,077	2,936	1.1%	674	5,416	1.7%	(403)	2,479	84.4%
Ordinary Profit	58,025	21.0%	64,198	21.0%	6,173		10.6%		
<b>VI</b> Extraordinary Profit									
Gain on sales of fixed assets	43		9		(33)				
Gain on reversal of allowance for bad debt	-		21		21				
Adjustment to allocate for acquisition of overseas subsidiary	-		438		438				
Gain on relating to acquisition of newly affiliated company	-	43	0.0%	1,059	1,529	0.4%	1,059	1,485	3,395.4%
<b>VII</b> Extraordinary Losses									
Loss on disposal of fixed assets	195		225		29				
Loss on restructuring in the subsidiary	60		-		(60)				
Directors' retirement fee	12		-		(12)				
Provision of allowance for retirement benefits for directors and corporate auditors	728		-		(728)				
Impairment loss	-	996	0.4%	156	382	0.1%	156	(614)	(61.6%)
Income Before Taxes	57,072	20.6%	65,346	21.3%	8,273		14.5%		
Corporate, Inhabitant and Enterprise Taxes	17,002		22,410		5,408				
Deferred Taxes (reduction)	2,821	19,824	7.1%	(475)	21,935	7.1%	(3,297)	2,110	10.6%
Minority Interest Income (loss) of consolidated companies	16	0.0%	28	0.0%	12		78.0%		
<b>Net Income for the Period</b>	37,232	13.5%	43,382	14.2%	6,149		16.5%		

## (3) Statement of changes in net assets

(Millions of yen)

Year ended March 2007	Shareholders' equity				Shareholders' equity total
	Capital stock	Capital surplus	Retained earnings	Treasury stock	
Beginning of period	38,716	59,030	183,391	(13,449)	267,689
Changes during this fiscal accounting period					
Delivery of dividends			(5,278)		(5,278)
Directors' bonuses			(132)		(132)
Interim net income			37,232		37,232
Acquisition of treasury stock				(20,004)	(20,004)
Changes of items other than capital stock (net)					
Total changes during this fiscal accounting period	-	-	31,821	(20,004)	11,817
Ending of period	38,716	59,030	215,213	(33,453)	279,507

Year ended March 2007	Evaluation difference and foreign currency exchange adjustments			Minority interests	Net assets total
	Evaluation difference of investment securities	Foreign currency translation adjustments	Evaluation difference and foreign currency exchange adjustments total		
Beginning of period	7,367	(1,747)	5,619	49	273,359
Changes during this fiscal accounting period					
Delivery of dividends					(5,278)
Directors' bonuses					(132)
Interim net income					37,232
Acquisition of treasury stock					(20,004)
Changes of items other than capital stock (net)	1,580	2,472	4,052	18	4,071
Total changes during this fiscal accounting period	1,580	2,472	4,052	18	15,888
Ending of period	8,947	725	9,672	68	289,248

(Millions of yen)

Year ended March 2008	Shareholders' equity				Shareholders' equity total
	Capital stock	Capital surplus	Retained earnings	Treasury stock	
Beginning of period	38,716	59,030	215,213	(33,453)	279,507
Changes during this fiscal accounting period					
Delivery of dividends			(5,928)		(5,928)
Interim net income			43,382		43,382
Acquisition of treasury stock				(25,337)	(25,337)
Changes of items other than capital stock (net)					
Total changes during this fiscal accounting period	-	-	37,453	(25,337)	12,116
Ending of period	38,716	59,030	252,667	(58,790)	291,624

Year ended March 2008	Evaluation difference and foreign currency exchange adjustments			Minority interests	Net assets total
	Evaluation difference of investment securities	Foreign currency translation adjustments	Evaluation difference and foreign currency exchange adjustments total		
Beginning of period	8,947	725	9,672	68	289,248
Changes during this fiscal accounting period					
Delivery of dividends					(5,928)
Interim net income					43,382
Acquisition of treasury stock					(25,337)
Changes of items other than capital stock (net)	(3,921)	(8,595)	(12,516)	19	(12,496)
Total changes during this fiscal accounting period	(3,921)	(8,595)	(12,516)	19	(380)
Ending of period	5,026	(7,869)	(2,843)	87	288,867

## (4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2007	Year ended March 31, 2008
<b>I Cash flows from operating activities</b>		
Income before taxes	57,072	65,346
Depreciation and amortization	14,340	16,639
Impairment loss	-	156
Amortization of goodwill	1,173	1,173
Investment income for equity method	(135)	(30)
Increase(decrease) in reserve for retirement allowance	(669)	(2,242)
Increase(decrease) in allowance for retirement benefits for directors	728	-
Increase(decrease) in allowance for bad debt	(53)	(75)
Increase(decrease) in reserve for directors bonuses	169	20
Interest income and dividend income	(980)	(1,803)
Interest expenses	165	320
Exchange loss (gain)	560	463
Loss on disposal of fixed assets	195	225
Gain on sales of fixed assets	(43)	(9)
Payment Cash contribution of securities to retirement benefits	(5,000)	-
Adjustment to allocate for acquisition of overseas subsidiary	-	(438)
Gain on relating to acquisition of newly affiliated company	-	(1,059)
Decrease(increase) in trade receivable	(4,471)	(1,218)
Decrease(increase) in inventories	(3,080)	(5,080)
Increase(decrease) in trade payable	665	2,698
Bonus for the board members	(132)	-
Others	1,478	5,731
Subtotal	61,982	80,816
Gain of loss interests and dividends	1,116	1,904
Interest paid	(165)	(244)
Corporate tax paid	(19,810)	(12,792)
<b>Cash flow provided by operating activities</b>	<b>43,123</b>	<b>69,683</b>
<b>II Cash flows from investing activities</b>		
Payment for making fixed-term deposits	(1,487)	(5,831)
Refund of cash in bank	-	5,354
Capital expenditure	(17,202)	(15,954)
Proceeds from sales of tangible assets	191	9
Capital expenditure for intangible assets	(447)	(453)
Payments for purchase of marketable securities	(2)	(12,194)
Proceeds from sales of marketable investments	-	1,000
Proceeds from Assignment of goodwill	40	-
Payments for Assignment of goodwill	(799)	-
Payment for acquisition newry consolidated company	(209)	-
<b>Net cash used in investing activities</b>	<b>(19,917)</b>	<b>(28,069)</b>
<b>III Cash flows from financing activities</b>		
Increase(decrease) in short-term debt	(3,787)	34,771
Increase due to long-term debt	432	-
Repayment of long-term debt	-	(423)
Buyback of treasury stock	(20,004)	(25,337)
Dividends paid	(5,278)	(5,928)
<b>Net cash used in financing activities</b>	<b>(28,637)</b>	<b>3,081</b>
<b>IV Effect of exchange rate changes</b>	<b>516</b>	<b>(2,366)</b>
<b>V Net increase(decrease) in cash and cash equivalents</b>	<b>(4,914)</b>	<b>42,328</b>
<b>VI Cash and cash equivalents at beginning of period</b>	<b>47,963</b>	<b>43,049</b>
<b>VII Cash and cash equivalents at end of period</b>	<b>43,049</b>	<b>85,377</b>

## (5)Notes

## Relating to balance sheet

(Millions of yen)

	March 31, 2007	March 31, 2008
Accumulated depreciation of tangible assets	196,452	202,058

## Ending balance of investment in securities to nonconsolidated subsidiaries and related companies

(Millions of yen)

	March 31,2007	March 31,2008
Investment in securities	344	2,751

## Matured bills as of March 31

The last day of last accounting period was a holiday of banking institutions, and the bills reaching maturity on Mar 31 2007, mentioned below, are included in the ending balance of this interim accounting period.

(Millions of yen)

	March 31,2007	March 31,2008
Trade notes receivable	415	-

## Relating to statement of income

## I Main items among selling, general and administrative expenses

(Millions of yen)

	March 31,2007	March 31,2008
Promotion and Advertisement fee	10,236	10,450
Transportation and Packaging cost	7,997	8,983
Salaries	22,074	24,442
Provision for bonuses	4,755	5,338
Pension	1,611	1,592
R&D expenditure	16,792	15,754
Depreciation	3,027	3,369
Provision of the reserve for directors' bonuses	169	189

## II R&amp;D expenditure

	16,792	15,754
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## III Itemized statement of Gain on sales and Loss on disposal of assets

## Gains on sales of fixed assets

(Millions of yen)

	March 31,2007	March 31,2008
Land	33	-
Machinery and transportation equipment	9	9
Other tangible fixed assets	0	0
Total Gains on sales of fixed assets	43	9

## Loss on disposal of fixed assets

(Millions of yen)

	March 31,2007	March 31,2008
Land	12	-
Buildings and structures	18	33
Machinery and transportation equipment	68	134
Other tangible fixed assets	95	57
Total Loss on disposal of fixed assets	195	225

## IV Impairment loss

(Millions of yen)

		March 31,2007	March 31,2008	
Location		-	Fujinomiya, Shizuoka	
Application		-	Transfusion-related equipment	
Assortment	Impairment Amount	-	Buildings and structures	40
			Machinery and transportation	114
			Other tangible assets	1
Amount		-	156	

Relating to statement of cash flows

Reconciliation of cash and cash equivalents on the annual consolidated balance sheet.

(Millions of yen)

	March 31, 2007	March 31, 2008
Cash on hand and in banks	44,536	87,343
Time deposits, bonds and other with original maturity exceeding a three-month period	(1,487)	(1,965)
Cash and cash equivalents	43,049	85,377

Assets and liabilities of the newly consolidated company at the acquisition date, the acquisition price and the net disbursement

(Millions of yen)

	Year ended March 31, 2007	Year ended March 31, 2008
Salymed. LTDA		
Current assets	467	-
Fixed assets	3	-
Goodwill	(58)	-
Current liabilities	(93)	-
Fixed liabilities	(18)	-
Acquisition price	300	-
Cash and cash equivalent	(90)	-
Net disbursement	209	-

Increase of assets and liabilities from the acquisition of operation

(Millions of yen)

	Year ended March 31, 2007	Year ended March 31, 2008
Current assets	286	-
Fixed assets	100	-
Goodwill	411	-
Other intangible assets	-	-
Assets total	799	-
Acquisition price	799	-

Decrease of assets and liabilities from the transfer of operation

(Millions of yen)

	Year ended March 31, 2007	Year ended March 31, 2008
Current assets	4	-
Fixed assets	35	-
Assets total	40	-
Income from the transfer of operation	40	-

Relating to Statement of changes in net assets

(1) Year ended March 2007

I Category and total number of issued stock and treasury stock

(Thousand)

	Beginning balance	Increase during this fiscal period	Decrease during this fiscal period	Ending balance
Issued stock : Common stock	210,876	-	-	210,876
Treasury stock : Common stock	7,848	4,238	-	12,087

Note : The increase or treasury stock is from taking up odd stock.

II Items on dividend

Delivery of dividends

(Resolution)	Category of stock	Dividend (millions yen)	Dividend per share (yen)	Dividend record date	Effective date
Annual meeting of stockholders held on June 29, 2006	Common stock	2,842	14	March 31, 2006	June 29, 2006
A board of directors held on October 30, 2006	Common stock	2,436	12	September 30, 2006	December 8, 2006

Dividends recorded in this fiscal period but effective in the next period

(Resolution)	Category of stock	Dividend (millions yen)	The original capital of dividend	Dividend per share (yen)	Dividend record date	Effective date
Annual meeting of stockholders held on June 28, 2007	Common stock	3,180	Earned surplus	16	March 31, 2007	June 29, 2007

(2) Year ended March, 2008

I Category and total number of issued stock and treasury stock

(Thousand)

	Beginning balance	Increase during this fiscal period	Decrease during this fiscal period	Ending balance
Issued stock : Common stock	210,876	-	-	210,876
Treasury stock : Common stock	12,087	4,859	-	16,946

Note : The increase or treasury stock is from taking up odd stock.

II Items on dividend

Delivery of dividends

(Resolution)	Category of stock	Dividend (millions yen)	Dividend per share (yen)	Dividend record date	Effective date
Annual meeting of stockholders held on June 28, 2007	Common stock	3,180	16	March 31, 2007	June 29, 2007
A board of directors held on October 30, 2007	Common stock	2,747	14	September 30, 2007	December 10, 2007

Dividends recorded in this fiscal period but effective in the next period

(Resolution)	Category of stock	Dividend (millions yen)	The original capital of dividend	Dividend per share (yen)	Dividend record date	Effective date
Annual meeting of stockholders held on June 27, 2008	Common stock	3,490	Earned surplus	18	March 31, 2008	June 30, 2008

## 5. Segment Information

### (1) Segment by business

(Millions of yen)

	Year ended March 31, 2007		Year ended March 31, 2008	
	Amount	%	Amount	%
<b>General hospital products</b>				
Sales	138,232		150,955	
Operating income	26,496		31,743	
Operating income ratio	19.2%		21.0%	
<b>Catheter and Cardiovascular system</b>				
Sales	109,434		124,754	
Operating income	34,429		37,856	
Operating income ratio	31.5%		30.3%	
<b>Home health care products</b>				
Sales	28,772		30,670	
Operating income	7,901		8,911	
Operating income ratio	27.5%		29.1%	

### (2) Sales results by product segment

(Millions of yen)

	Year ended March 31, 2007		Year ended March 31, 2008	
	Amount	%	Amount	%
Disposable medical equipment	79,207	28.6%	85,914	28.0%
Pharmaceuticals	38,937	14.1%	41,496	13.6%
Blood transfusion system	20,087	7.3%	23,544	7.7%
<b>General hospital products</b>	<b>138,232</b>	<b>50.0%</b>	<b>150,955</b>	<b>49.3%</b>
Catheter system	63,970	23.1%	77,084	25.2%
Cardiovascular system	35,874	13.0%	38,122	12.4%
Vascular grafts	9,588	3.5%	9,547	3.1%
<b>Catheter and Cardiovascular system</b>	<b>109,434</b>	<b>39.6%</b>	<b>124,754</b>	<b>40.7%</b>
CAPD system	7,216	2.6%	7,109	2.3%
Diabetes care products	12,182	4.4%	14,149	4.6%
Other products	9,374	3.4%	9,411	3.1%
<b>Home health care products</b>	<b>28,772</b>	<b>10.4%</b>	<b>30,670</b>	<b>10.0%</b>
<b>Total</b>	<b>276,439</b>	<b>100.0%</b>	<b>306,381</b>	<b>100.0%</b>

#### Note ) Main Products belonging to each product segment

Product segment	Main Products
Disposable medical equipment	Syringe, Needle, Solution Administration set, I.V.catheter, Blood collection tube, Electronic medical devices, etc.
Pharmaceuticals	I.V.solutions, Prefilled syringe, Nutritional products, etc.
Blood transfusion system	Blood bags, medical electronic devices for blood collection, etc.
Catheter system	PTCA dilation catheters, Coronary stent, Guide wires, Angiographic catheters, Cerebral aneurysm coils, etc.
Cardiovascular system	Roller pump, Hollow fiber oxygenators, Blood circuit, etc.
Artificial vascular grafts	Artificial vascular grafts
CAPD system	Dialysis solution, etc.
Diabetes care products	Blood glucose monitor, etc.
Other products	Home oxygen system, Home nutritional products, Digital Thermometers, Electronic sphygmomanometers, etc.

### (3) Sales results by region

(Millions of yen)

	Year ended March 31, 2007		Year ended March 31, 2008	
	Amount	%	Amount	%
Japan	152,466	55.2%	162,450	53.0%
Europe	48,371	17.5%	56,772	18.5%
America	52,741	19.1%	58,801	19.2%
Others	22,859	8.2%	28,357	9.3%
<b>Total</b>	<b>276,439</b>	<b>100.0%</b>	<b>306,381</b>	<b>100.0%</b>