

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



January 30, 2012
Exchange where listed: TSE

Name of listed company : **TERUMO CORPORATION**
(URL <http://www.terumo.com/>)
Company code number : 4543
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1. Consolidated financial highlights for the interim period ended December 2011 (From April 1, 2011 to December 31, 2011)

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

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Nine months ended December, 2011	288,914	18.3	49,875	3.7	46,319	8.0	21,962	(20.1)
Nine months ended December, 2010	244,241	2.2	48,100	(3.8)	42,895	(14.8)	27,482	(13.7)

(Notes) Comprehensive income: December 2011: 376million yen (-97.2%) December 2010: 13,382million yen (- %)

	Net income per share	Net income per share, fully diluted
	(Yen)	(Yen)
Nine months ended December, 2011	115.67	-
Nine months ended December, 2010	144.73	-

(Note) Percentage represents increase (decrease) from the corresponding period in the prior fiscal year.

(2) Consolidated financial position (Note: The amounts shown below ignore values of less than a million yen)

	Total assets	Net assets	Equity ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	%	(Yen)
As at December 31, 2011	657,513	329,179	50.0	1,732.47
As at March 31, 2011	420,037	335,456	79.8	1,765.32

(Note) Shareholders' equity : December 31, 2011: 328,960 million yen, March 31, 2011: 335,202 million yen.

2. Dividends

	Cash dividends per share				
	1st quarter	2nd quarter	3rd quarter	4th quarter	total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Year ended March 31, 2011	-	16.00	-	18.00	34.00
Year ending March 31, 2012	-	17.00	-	-	-
Year ending March 31, 2012 (forecast)	-	-	-	17.00	34.00

(Note) Revise of dividends forecast : None

3. Consolidated forecast for the year ending March 2012 (From April 1, 2011 to March 31, 2012)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Yen)
Year ending March, 2012	383,000	16.7	62,600	(0.0)	57,000	0.2	26,000	(19.6)	136.93

- Forecast for fiscal year ending March, 2012 which was announced on October 27, 2011 has been revised.
(Assumed exchange rate for fiscal year ending March, 2012: USD1=JPY77, EUR1=JPY108)
The above mentioned ratio of consolidated financial results and consolidated forecast are growth against previous year.
- 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.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As at March 31, 2011		As at December 31, 2011	
	Amount	%	Amount	%
(Assets)				
I Current assets	236,510	56.3%	241,581	36.7%
Cash and deposits	83,794		73,970	
Notes and accounts receivable-trade	76,480		87,917	
Inventories	57,673		65,913	
Deferred tax assets	7,797		8,203	
Derivatives	6,084		63	
Other	5,406		6,563	
Allowance for doubtful accounts	(726)		(1,051)	
II Noncurrent assets	183,527	43.7%	415,932	63.3%
1. Property, plant and equipment	113,059	26.9%	126,871	19.3%
Buildings and structures	45,052		46,252	
Machinery, equipment and vehicles	29,861		35,942	
Land	20,227		21,194	
Lease assets	950		1,138	
Construction in progress	10,442		14,972	
Other	6,524		7,372	
2. Intangible assets	26,728	6.4%	258,518	39.3%
Goodwill	20,191		134,072	
Customer relationship	-		80,487	
Other	6,537		43,957	
3. Investments and other assets	43,739	10.4%	30,542	4.7%
Investment securities	28,895		17,118	
Deferred tax assets	8,136		7,537	
Other	6,706		5,886	
Total assets	420,037	100.0%	657,513	100.0%

(Millions of yen)

	As at March 31, 2011		As at December 31, 2011	
	Amount	%	Amount	%
(Liabilities)				
I Current liabilities	78,846	18.8%	278,983	42.5%
Notes and accounts payable-trade	30,711		31,346	
Short-term loans payable	-		200,000	
Lease obligations	294		364	
Income taxes payable	6,297		2,086	
Deferred tax liabilities	123		30	
Provision for bonuses	5,001		2,731	
Provision for directors' bonuses	145		108	
Provision for loss on disaster	351		2	
Notes and accounts payable - facilities	5,749		7,106	
Asset retirement obligations	560		840	
Other	29,611		34,366	
II Noncurrent liabilities	5,734	1.3%	49,349	7.5%
Lease obligations	636		765	
Deferred tax liabilities	378		42,700	
Provision for retirement benefits	1,082		1,083	
Provision for directors' retirement benefits	586		202	
Asset retirement obligations	991		152	
Other	2,060		4,444	
Total liabilities	84,581	20.1%	328,333	50.0%
(Net assets)				
I Shareholders' equity	363,832	86.6%	379,142	57.6%
Capital stock	38,716		38,716	
Capital surplus	59,030		52,103	
Retained earnings	342,965		288,324	
Treasury stock	(76,879)		(2)	
II Accumulated other comprehensive income	(28,630)	(6.8%)	(50,181)	(7.6%)
Valuation difference on available-for-sale securities	(1,919)		(2,906)	
Deferred gains or losses on hedges	3,611		0	
Foreign currency translation adjustment	(30,322)		(47,275)	
III Minority interests	254	0.1%	219	0.0%
Total net assets	335,456	79.9%	329,179	50.0%
Total liabilities and net assets	420,037	100.0%	657,513	100.0%

(2) Consolidated Statements of Income

(Millions of yen)

	For nine months ended December 31, 2010		For nine months ended December 31, 2011	
	Amount	%	Amount	%
I Net sales	244,241	100.0%	288,914	100.0%
II Cost of sales	117,077	47.9%	134,924	46.7%
Gross profit	127,164	52.1%	153,989	53.3%
III Selling, general and administrative expenses	79,064	32.4%	104,114	36.0%
Operating income	48,100	19.7%	49,875	17.3%
IV Non-operating income				
Interest income	194		225	
Dividends income	379		289	
Royalty income	108		115	
Equity in earnings of affiliates	69		67	
Other	368	1,121	818	1,515
		0.5%		0.5%
V Non-operating expenses				
Interest expenses	56		536	
Sales discounts	434		446	
Foreign exchange losses	5,150		2,837	
Loss on disposal of inventories	196		788	
Other	488	6,326	462	5,071
		2.6%		1.8%
Ordinary income	42,895	17.6%	46,319	16.0%
VI Extraordinary income				
Gain on sales of noncurrent assets	8		13	
Reversal of allowance for doubtful accounts	1		0	
Reversal of provision for loss on disaster	-		156	
Gain on contribution of securities to retirement benefit trust	494		-	
Subsidy income	-	504	227	397
		0.1%		0.2%
VII Extraordinary expenses				
Loss on disposal of noncurrent assets	303		75	
Loss on sales of investment securities	-		1,562	
Loss on valuation of investment securities	19		7,754	
Directors' retirement benefit	15		-	
Loss on sales of golf memberships	-	338	5	9,396
		0.1%		3.3%
Income before income taxes	43,060	17.6%	37,320	12.9%
Income taxes-current	13,313		13,049	
Income taxes-deferred	2,208	15,521	2,269	15,319
		6.3%		5.3%
Income before minority interests	27,539	11.3%	22,000	7.6%
Minority interests in income	56	0.0%	38	0.0%
Net income	27,482	11.3%	21,962	7.6%

(3) Consolidated statement of comprehensive income

(Millions of yen)

	For nine months ended December 31, 2010		For nine months ended December 31, 2011	
	Amount		Amount	
I Income before minority interests		27,539		22,000
II Other comprehensive income securities				
Valuation difference on available-for-sale securities	(3,371)		(986)	
Deferred gains or losses on hedges	-		(3,611)	
Foreign currency translation adjustments	(10,782)		(17,026)	
Share of other comprehensive income of associates accounted for using equity method	(2)	(14,156)	0	(21,624)
Comprehensive income		13,382		376
Attributable to:				
Shareholders of Terumo Corporation		13,362		411
Minority interests		19		(35)

5. Segment Information

[Reportable Segments]

(1) The Third Quarter of Fiscal Year Ended March 31, 2011

(Millions of yen)

	For nine months ended December 31, 2010						
	General Hospital business	Cardiac & Vascular business	Blood Transfusion business	Consumer Healthcare business	Subtotal	Adjustment	Total
Sales and operating income:							
Sales to customer	115,506	106,840	18,394	3,359	244,101	139	244,241
Internal sales	-	-	-	-	-	-	-
Sales total	115,506	106,840	18,394	3,359	244,101	139	244,241
Segment income (loss)	21,272	26,949	2,256	(895)	49,583	(1,483)	48,100

Notes:

1. The (1,483) million yen adjustment to segment profit is the sum of the (786) million yen for inventories and the (697) million yen for others.
2. Segment income (loss) is adjusted to be consistent with operating income shown on the quarterly consolidated income statement.

(2) The Third Quarter of Fiscal Year Ending March 31, 2012

(Millions of yen)

	For nine months ended December 31, 2011						
	General Hospital business	Cardiac & Vascular business	Blood Management business	Consumer Healthcare business	Subtotal	Adjustment	Total
Sales and operating income:							
Sales to customer	113,528	118,672	53,226	3,486	288,914	-	288,914
Internal sales	-	-	-	-	-	-	-
Sales total	113,528	118,672	53,226	3,486	288,914	-	288,914
Segment income (loss)	22,127	24,934	2,520	80	49,663	211	49,875

Notes:

1. The 211 million yen adjustment to segment profit is the sum of the (866) million yen for inventories and the 1,078 million yen for others.
2. Segment income (loss) is adjusted to be consistent with operating income shown on the quarterly consolidated income statement.
3. From the first quarter of fiscal year ending March 31, 2012, the name of reportable segment has been changed from Blood Transfusion business to Blood Management business.
4. Depreciation of tangible fixed assets of the Company and its domestic consolidated subsidiaries had been computed by declining-balance method, but effective from this fiscal year, straight-line method has been applied to all tangible fixed assets. Consequently, segment income increased by 1,770 million yen in the General Hospital business, 891 million yen in the Cardiac & Vascular business, 286 million yen in the Blood Management business, and 23 million yen in the Consumer Healthcare business from the amounts that would have been posted under the previous accounting method.
5. As a result of M&A in the first quarter of the fiscal year ending March 31, 2012, CaridianBCT has been included in the scope of consolidation. The assets of the reportable segment, Blood Management business, as at December 31, 2011 increased 257,755 million yen than that as at March 31, 2011.

(Note) Main products belonging to each business segment

Business segments	Main products
General Hospital business	
Disposable medical devices and Medical electronics	Syringes, Needles, Blood collection tubes, Home parenteral nutrition system, Solution sets, I.V.catheters, Infusion pumps, Syringe pumps, Home oxygen therapy system, etc.
Pharmaceuticals	I.V.solutions, Nutritious food, Prefilled syringes, CAPD systems, etc.
Diabetes care products	Blood glucose monitoring systems
Cardiac and Vascular business	
Interventional systems	Angiographic catheters, PTCA balloon catheters, Coronary stents, Neuro interventional coils, etc.
Cardiovascular systems	Oxygenators, Cardio-pulmonary bypass system, LVA system, etc.
Vascular grafts	Artificial vascular grafts, Stent grafts
Blood Management business	
	Blood bags, Automated blood processing, Therapeutic aphaeresis, Cell therapy, etc.
Consumer Healthcare business	
	Digital thermometers, Blood pressure monitors, Blood glucose monitors (OTC), etc.

(Supplementary Information)

[Geographic segments]

(1) The Third Quarter of Fiscal Year Ended March 31, 2011 (Millions of yen)

	For nine months ended December 31, 2010					
	Japan	Overseas Total	Europe	Americas	Asia and others	Total
Sales	133,897	110,343	40,078	45,040	24,970	244,241
Operating income	30,647	17,452	7,339	5,332	4,683	48,100

(2) The Third Quarter of Fiscal Year Ending March 31, 2012 (Millions of yen)

	For nine months ended December 31, 2011					
	Japan	Overseas Total	Europe	Americas	Asia and others	Total
Sales	141,899	147,014	41,394	78,251	27,368	288,914
Operating income	26,748	23,126	6,956	11,265	4,904	49,875