

TERUMO CORPORATION
FY05 1st quarter Financial Results

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Midterm plan good start!

Solution : Launched a solution-oriented product

Technology : Development and Clinical trial going well

Professional : Steady performance of Sales and Profit

Financial Highlights

	(billions of yen)		
	FY04	FY05	Growth
	1Q	1Q	
Net Sales	54.7	58.7	7%
Gross Profit	28.4 (51.8%)	31.9 (54.2%)	12%
SGA Expenses	18.7 (34.1%)	19.8 (33.7%)	6%
Operating Income	9.7 (17.7%)	12.0 (20.5%)	24%
Ordinary Income	9.7 (17.8%)	12.3 (21.0%)	27%
Net Income	5.8	7.7	32%

Exchange rates

1US\$ = 110yen

108yen

1Euro= 132yen

135yen

4 billion yen increase in Net Sales by Segment

(billions of yen)

4.0

Cardiac & Vascular
1.5

Catheter systems
1.4 (+13.2%)
Cardiovascular systems
0.1 (+1.0%)

General Hospital & Home Health Care
2.5

General hospital & Home Health Care
2.5 (+7.1%)

Key factors

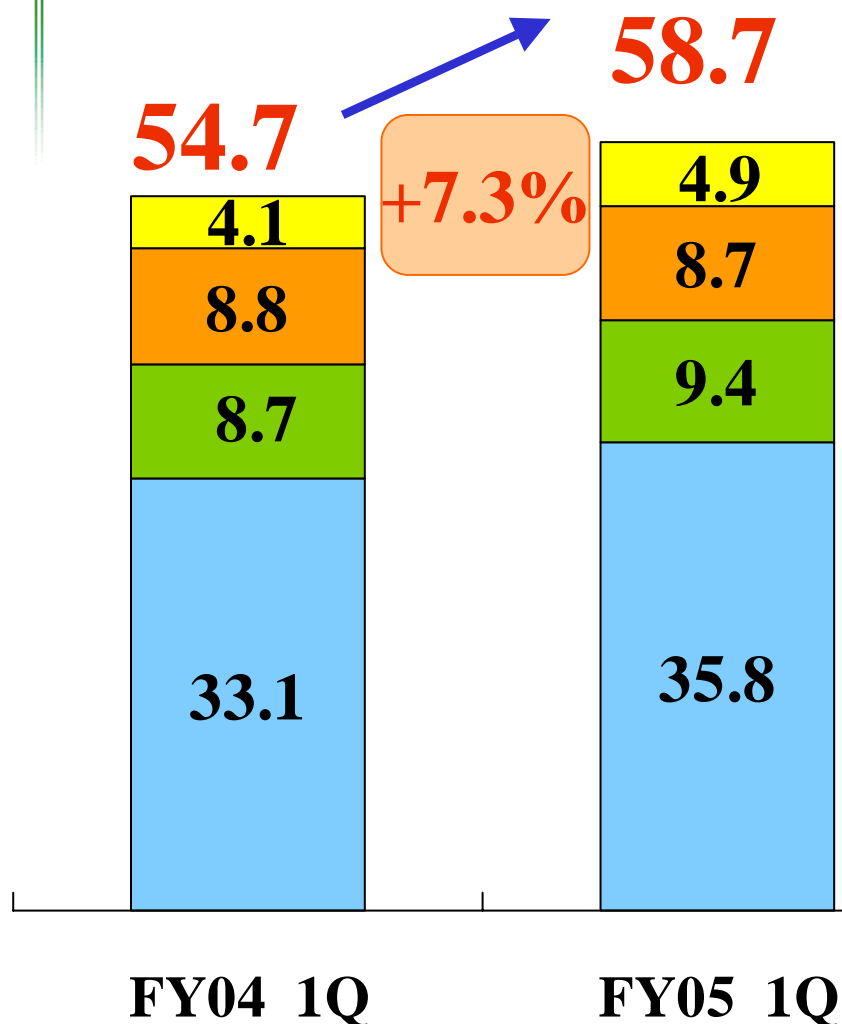
PTCA/ Stent
0.3 (+13%)
Angiographic catheters
0.5 (+8%)

Prefilled syringes
0.9 (+59%)
Diabetes care products
0.6 (+34%)
Infusion/ Syringe pumps
0.2 (+24%)

FY05 1Q

Net Sales by Region

(million of dollars)



■ Asia +19.3% (+17.3%)

■ USA -1.9% (-0.1%)

■ Europe +7.3% (+4.9%)

■ Japan +8.2%

Total +7.3% (+7.0%)

Overseas total

+5.8% (+5.2%)

↑
Exclude ForEx impact

Variance Analysis of Gross Margin

Improvement +2.4p (51.8% 54.2%)

Positive

+3.4p

Production increase (including stock +0.2p) +2.0p

Shift to higher-profit products +1.2p

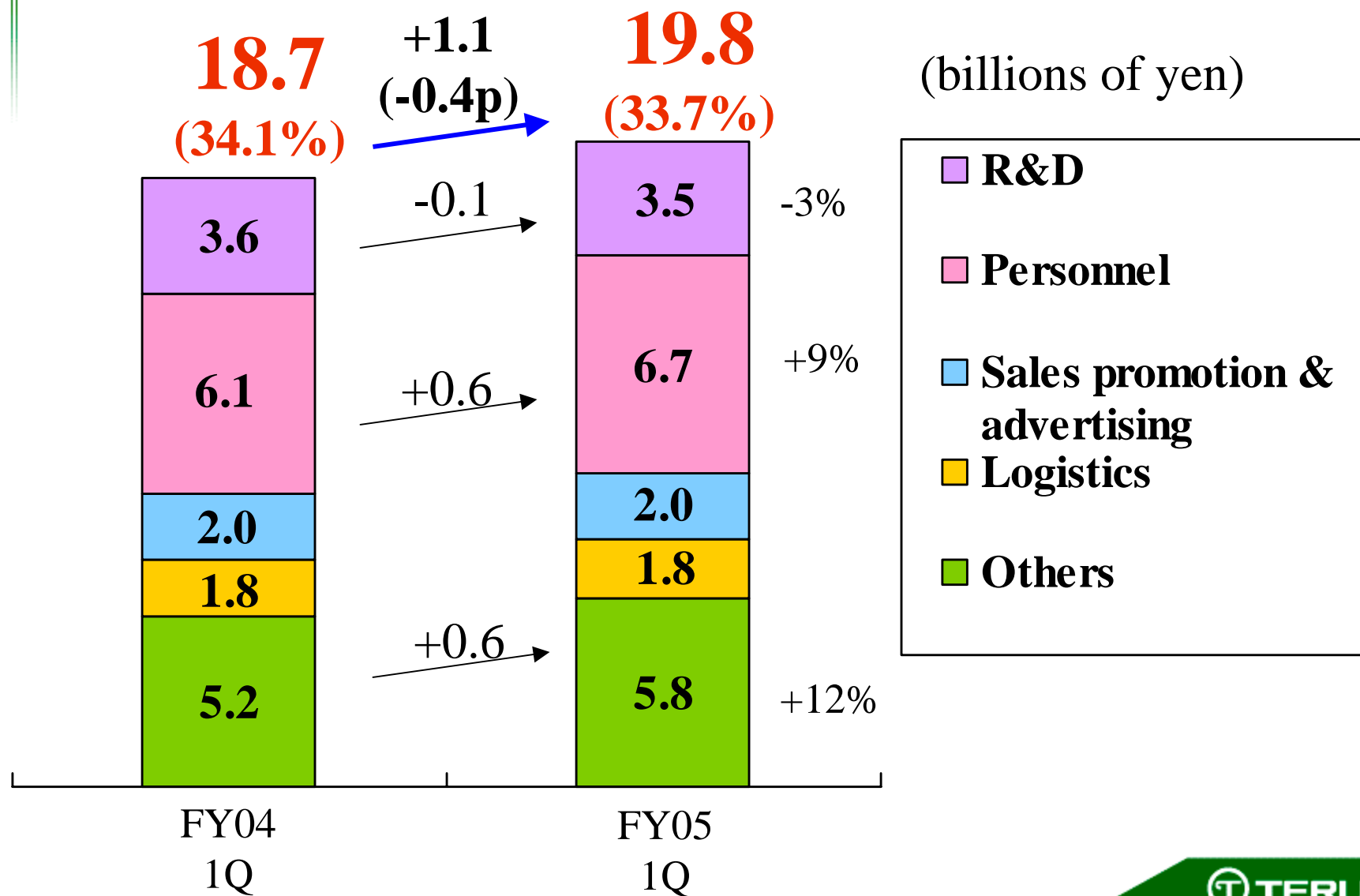
Cost reduction +0.2p

Negative

-1.0p

Price decline -1.0p

SGA Expenses



Standardization of procedure in Cath Lab

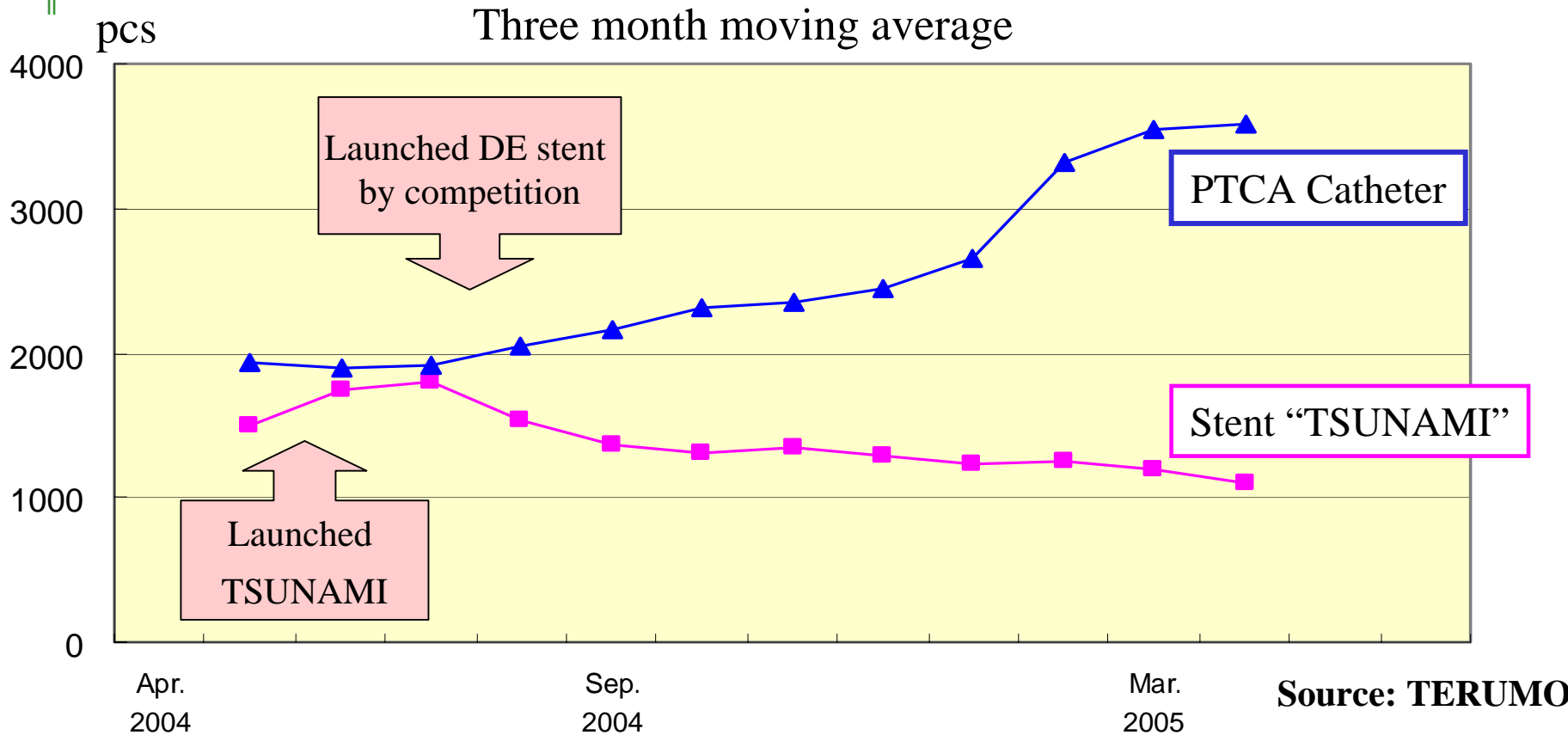
Key features

- **Preparation:** All-in-one package
- **Inspection:** Items packed in order of use
- **Disposal:** Disposal at one time
- **Inventory control:** Easy and proper inventory control
with simple bar code scan

SolutionPack



Sales trend of PTCA & Stent in Japan



	FY04 1Q	FY05 1Q	(Billions of yen)
PTCA Catheter	1.2	1.9 (+53%)	
Stent	1.4	1.0 (-24%)	
Sales of Catheter systems total	10.3	11.6 (+13%)	

Start of Clinical trial of DE stent “NOBORI” in PCR (Paris Course on Revascularization)

- Scheduled to complete by end of 2005
- Implant 360 cases at 30 hospitals
in Europe and Asia
- Comparison with Taxus
- Primary end point : the late loss after 9 months
- Will announce clinical trial results in TCT in Oct. 2006
- Clinical trial data will be used in European countries insurance coding

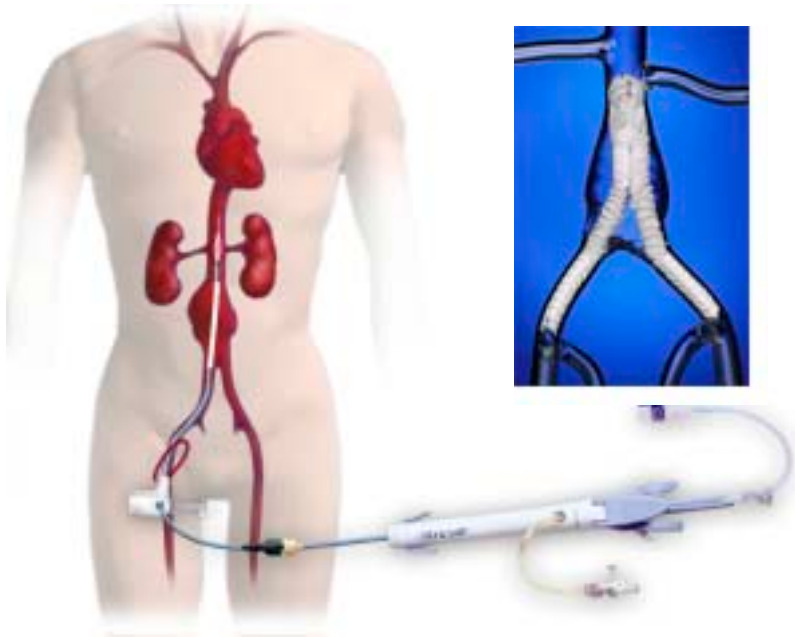


*Lived the first clinical trial of
NOBORI in PCR*

Launch in second Half FY2005 in Europe

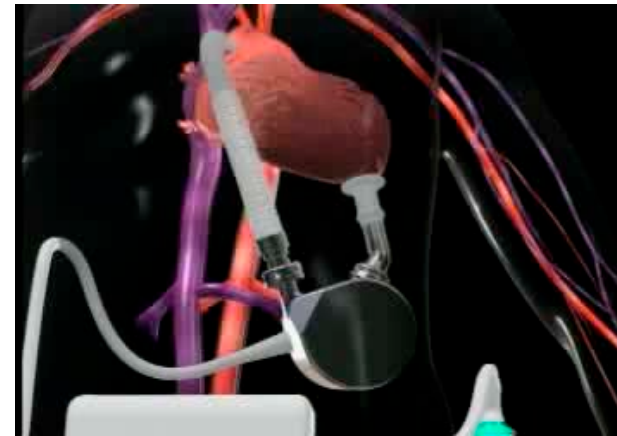
Development of products for Global markets

“Anaconda” Stent graft



- Launched in Apr. 2005 in Europe
- Implanted 26 cases in Clinical trial in US
- Scheduled to launch in FY2008 in US

“DuraHeart” LVAS



- Implanted 19 cases in Clinical trial in Europe
- Scheduled to launch the end of FY2005 in Europe

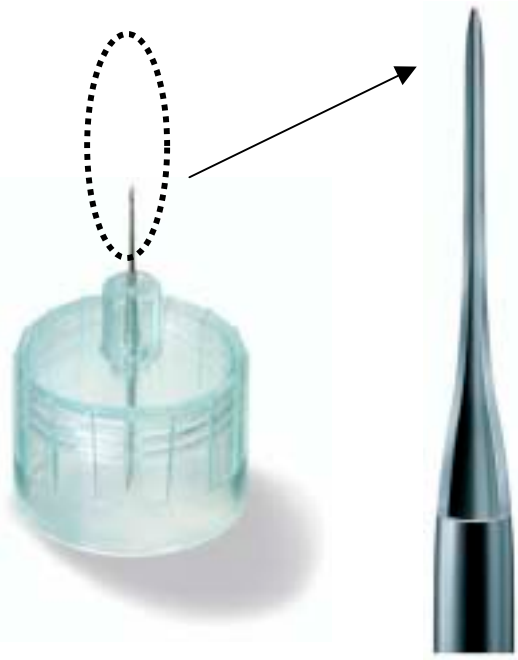
Home Health Care products

Launched less Pain needle “Nano pass 33”

in July in Japan

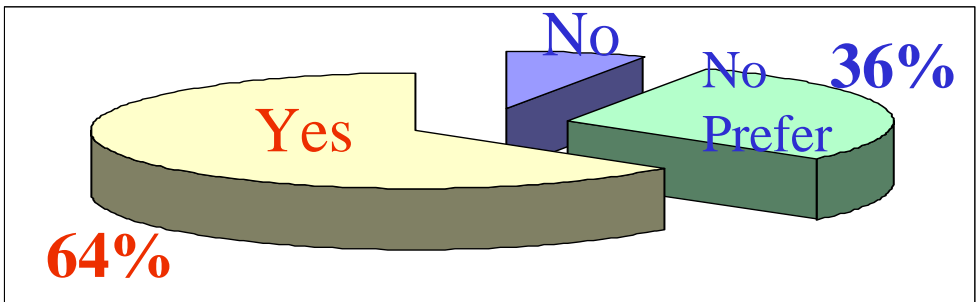
- The thinnest needles for insulin in the world by the original taper machining technology.

End diameter 0.2mm (33G)



Aiming 20% Global share in 2010
(Market size: 15 billion yen)

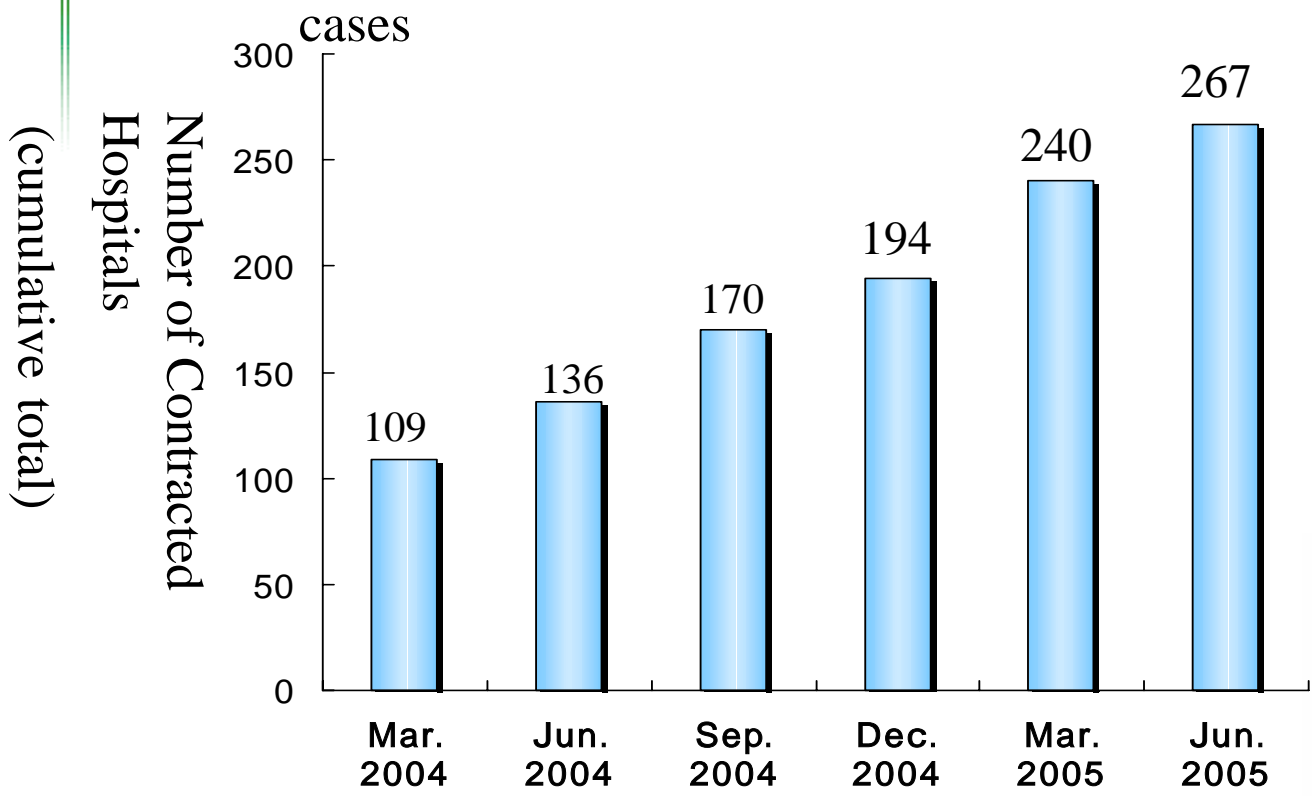
Q. Do you want to use the NanoPass from now?



Evaluation of 700 patients, Tokyo Women's Medical University

General Hospital products

Sales boosted by lease contracts with maintenance services



Infusion pumps



Syringe pumps

Sales of Infusion pumps and syringe pumps

(Billions of yen)

FY04 1Q
0.9

FY05 1Q
1.2 (+24%)

Mar. 2006 Estimate

	(billions of yen)		
	Mar. 2005	Mar. 2006	Growth
Net Sales	230.0	244.0	6%
Gross profit	123.8 (53.8%)	131.3 (53.8%)	6%
SGA Expenses	76.7 (33.3%)	82.3 (33.7%)	7%
Operating Income	47.1 (20.5%)	49.0 (20.1%)	4%
Ordinary Income	47.1 (20.5%)	48.8 (20.0%)	4%
Net Income	27.1	30.5	12%

Exchange rates

FY2004

FY2005

1US\$ =108yen

100yen 7% appreciation yen

1Euro= 135yen

135yen

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