



TERUMO CORPORATION

Financial Results for FYE/ Mar.2006 & Business Plan for Mar.2007

April 26, 2006

1

Financial Highlights

(billions of JPY)

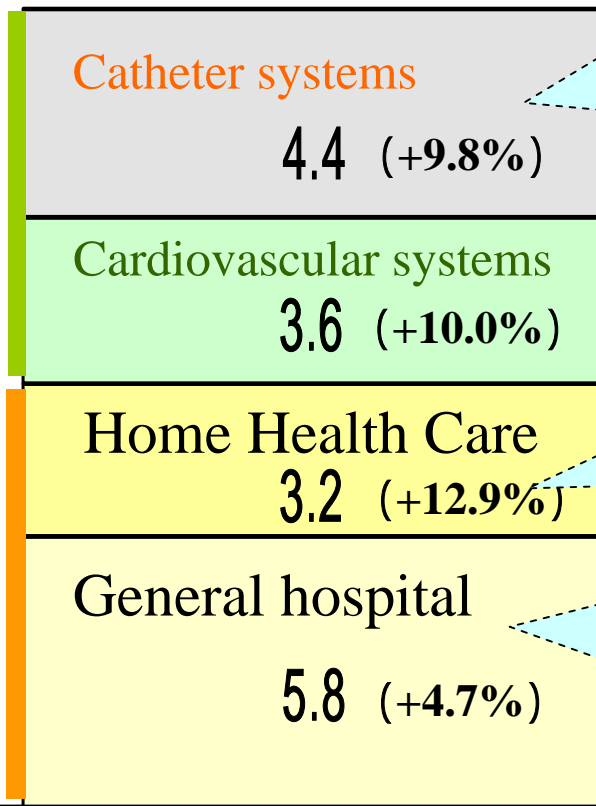
	Mar. 2005	Mar.2006	Growth
Net Sales	230	247	7%
Gross Profit	123.8 (53.8%)	135.7 (54.9%)	10%
SGA Expenses	76.7 (33.3%)	87.4 (35.4%)	14%
Operating Income	47.1 (20.5%)	48.3 (19.5%)	2%
Ordinary Income	47.1 (20.5%)	48.9 (19.8%)	4%
Net Income	27.1	32.5	20%

Average exchange rates 1US\$ = 108 JPY 113 JPY
 1EUR = 135 JPY 138 JPY

17 billion yen increase in Net Sales / by Segment

Key factors

(billions of JPY)



PTCA/ Stent

1.1 (+10%)

Angiographic catheters

1.9 (+7%)

Diabetes care products

2.2 (+29%)

Prefilled-syringes

1.1 (+14%)

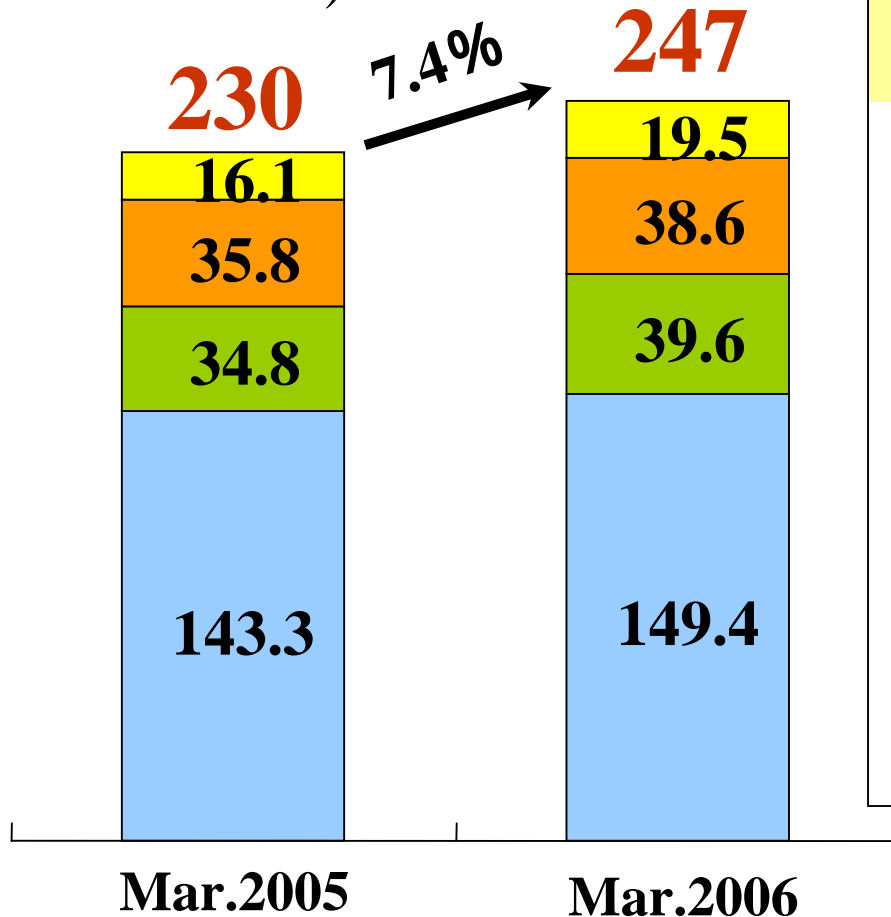
Infusion products

1.3 (+11%)

Mar.2006

Net Sales by Region

(billions of JPY)



Total +7.4% (+5.9%)

■ **Asia** +20.8% (+15.0%)

■ **Americas** +8.0% (+2.6%)

■ **Europe** +13.9% (+11.9%)

■ **Japan** +4.2%

.....
Outside of Japan total

+12.7% (+8.6%)

International sales (%)

37.7%

39.5%

↑
Exclude ForEx impact

4

Variance Analysis of Gross Margin

Improvement +1.1pt (53.8% 54.9%)

Positives

+1.9pt

Improved product mix

+1.4pt

Economy of scale (Production increase)

+0.5pt

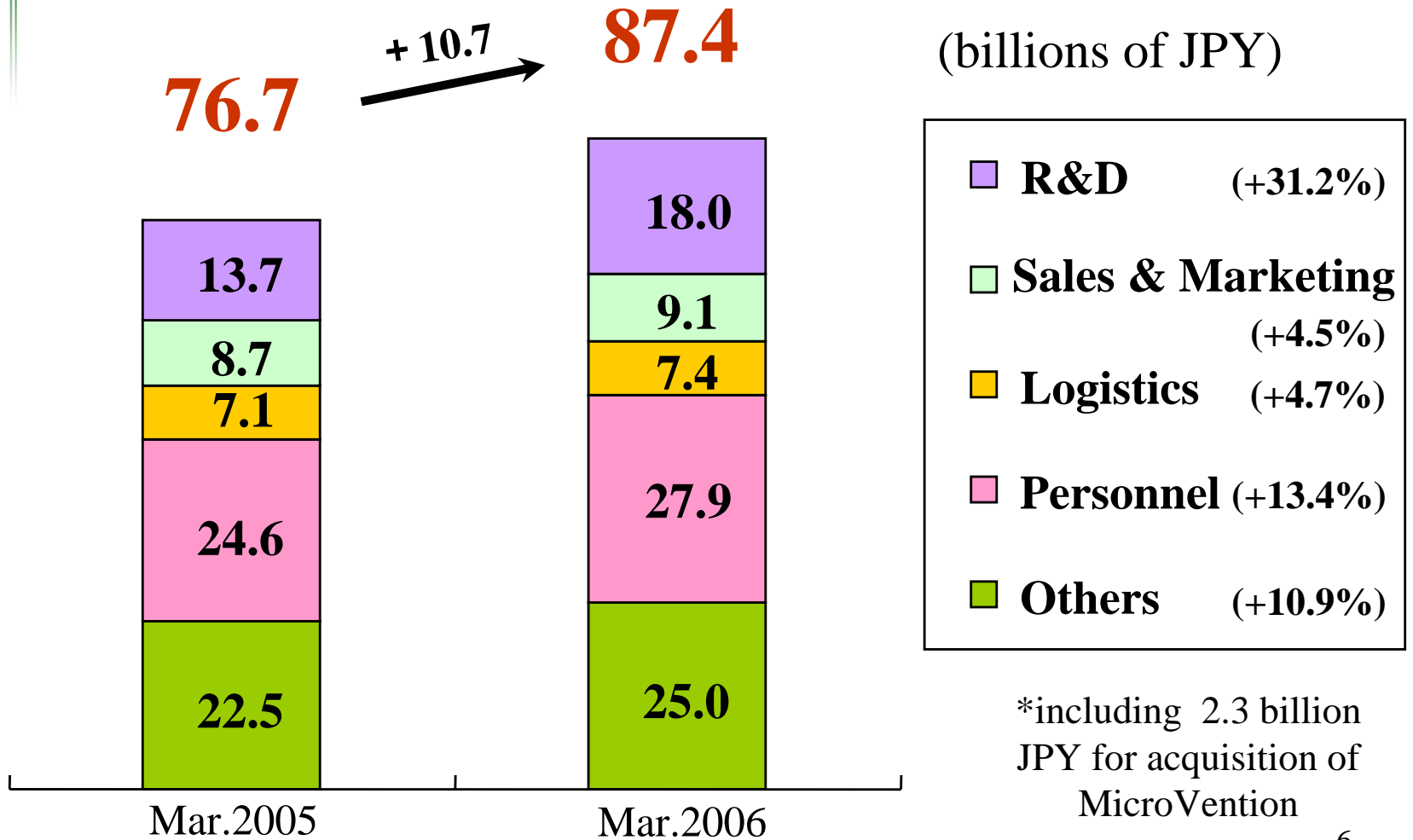
Negatives

-0.8pt

Price decline

-0.8pt

SGA Expenses



Mar. 2007 Estimate

(billions of JPY)

	Mar. 2006	Mar. 2007	Growth
Net Sales	247.0	267.0	8%
Gross profit	135.7 (54.9%)	145.2 (54.4%)	7%
SGA Expenses	87.4 (35.4%)	90.5 (33.9%)	3%
Operating Income	48.3 (19.5%)	54.7 (20.5%)	13%
Ordinary Income	48.9 (19.8%)	54.2 (20.3%)	11%
Net Income	32.5	33.7	4%

Exchange rates

FY2005

FY2006

1US\$ = 113 JPY

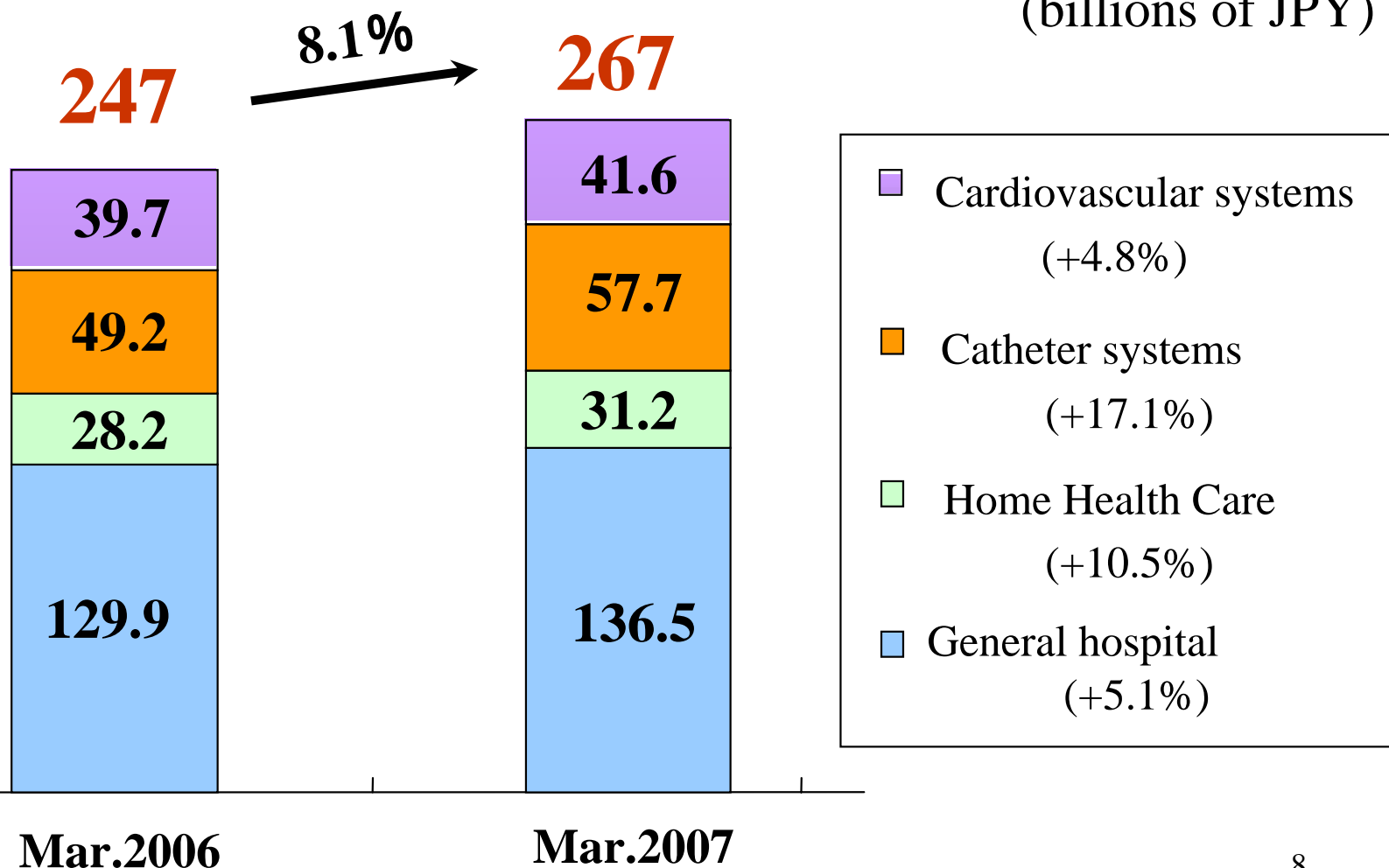
110JPY

1Euro= 138 JPY

135JPY

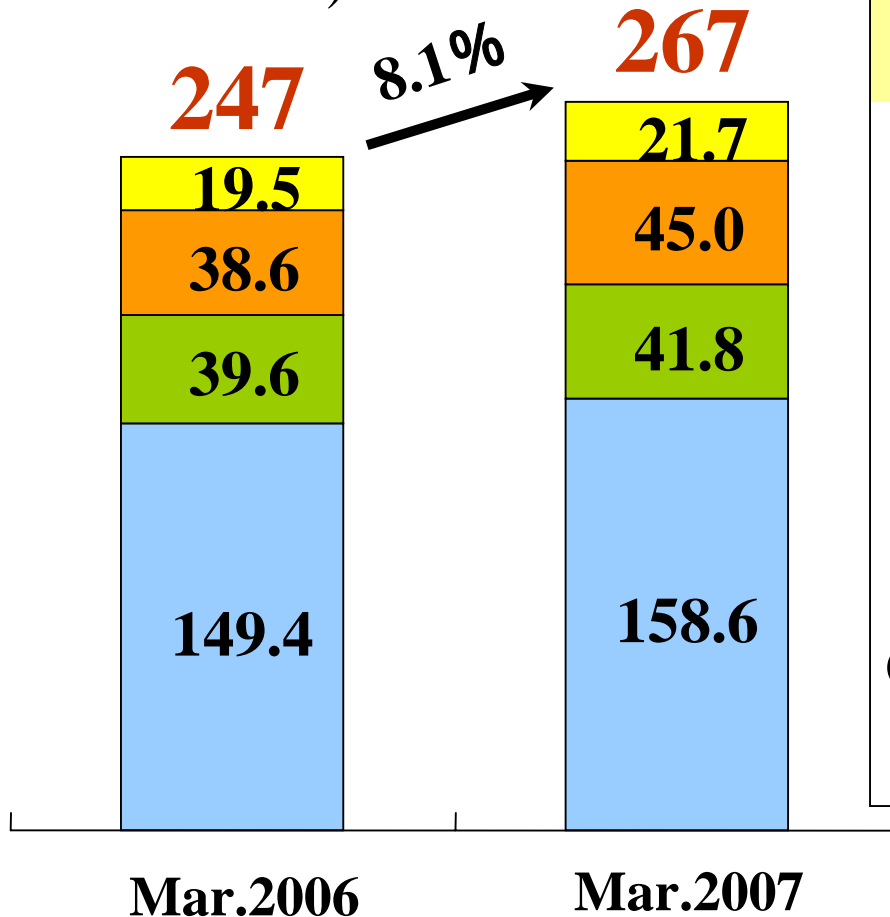
Net Sales forecast : each Business

(billions of JPY)



Net Sales forecast : per Region

(billions of JPY)



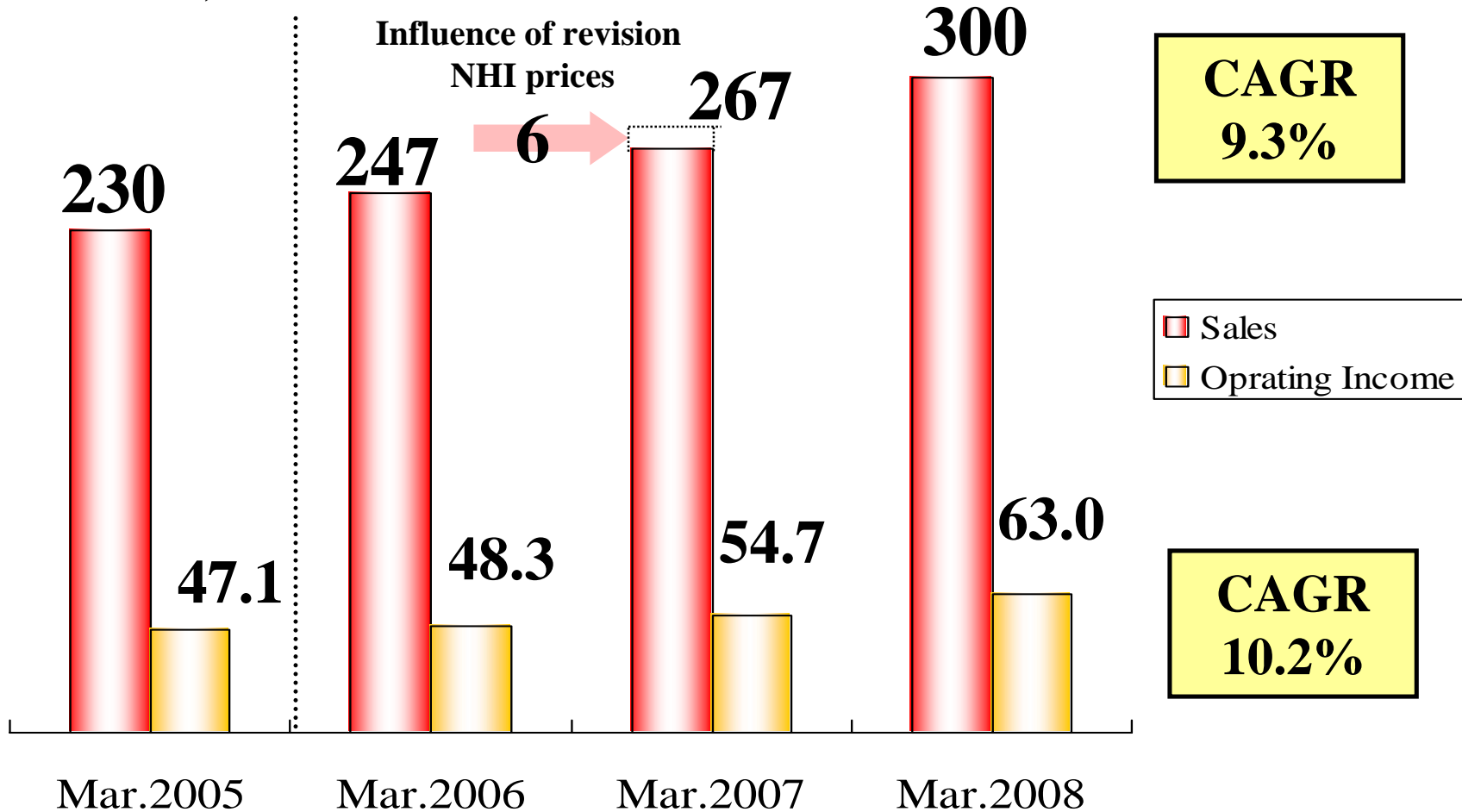
Total	+8.1% (+9.2%)
Asia	+11.3% (+14.7%)
Americas	+16.5% (+20.0%)
Europe	+5.5% (+7.7%)
Japan	+6.2%
.....	
Outside of Japan total	+11.0% (+14.0%)

International sales (%)
39.5% (Mar.2006) **40.6%** (Mar.2007)

↑
 Exclude ForEx impact
 9

Growing Sales & Profit

(Billions of JPY)



- Providing safer medical treatment -

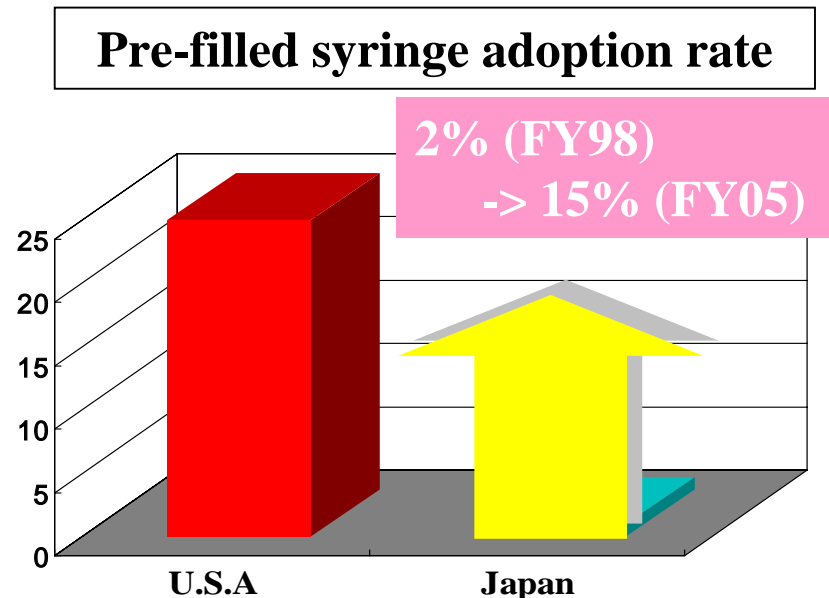
Offering Products for Safe Medical Treatment

■ Growth in lease contracts for pumps with medical accident prevention features

- At present, approximately 320 hospitals in Japan have lease contracts.

■ Pre-filled syringes

- HEPAFLUSH
- Sales of contrast media
- Introduction of a series of new products (Minofit)
- Collaboration with pharmaceutical companies (12)



- Providing safer medical treatment -

Peripheral Intravenous Nutrient Solution “AMIGRAND”

■ **Double-bag container that prevents occurrence of “failure to break the partition” and improves safety**

- An all-in-one bag that contains the necessary nutrients such as glucose, amino acids, and vitamins



**To be introduced in
Japan in summer of 2006
(sales target of 1 billion yen)**

**Made in such a way that the drip
won't start unless the partition is
opened**

U.S. Marketing of Catheters With Own Sales Force

■ Smooth kickoff in April

- Building the sales force

- 47 sales reps hired

- Introduction of telemarketing

} Covering about 1,800 facilities

- Sales of angiography-related products
(with focus on radiology departments)

- Glidewire (34% market share)

- Introducer kit (20% market share)



“Glidewire” – The global standard

Both sales and profits to expand in fiscal 2006

Surge in Minimally Invasive Therapies

Cardiac infarction (coronary artery)

Bypass surgery

PTCA balloon stent

DE stent

Abdominal aortic aneurism

Vascular graft
(surgery)

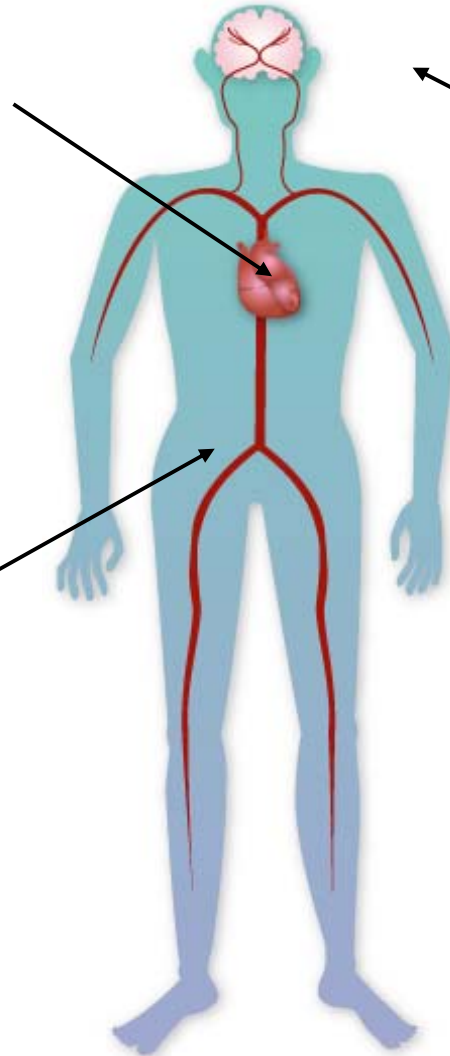
Stent graft

Cerebral aneurysm

Clip (surgery)

Coil

Coated coil



- Realization of minimally invasive treatments -

Acquisition of MicroVention, Inc.

■ Objective of acquisition

- **Full-fledged entry into the cerebral endovascular treatment (coil) field**

New pillar of the Cardiac & Vascular business

- **Acquisition of revolutionary technology and products**

Hydrogel coated coils

- **Global business expansion**

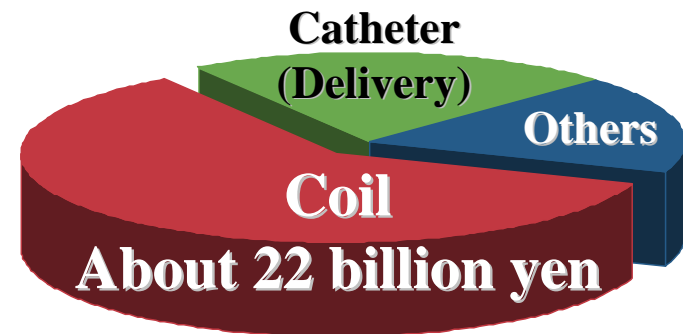
North America: 50%; Europe: 40%;
Asia: 10%

(MicroVention, Inc. sales breakdown)

Sales target: 5 billion yen

Market size for cerebral aneurysm treatment (through blood vessels)

Worldwide: About 36 billion yen



[Source: Materials from Millennium Research Group, etc. (2005)]

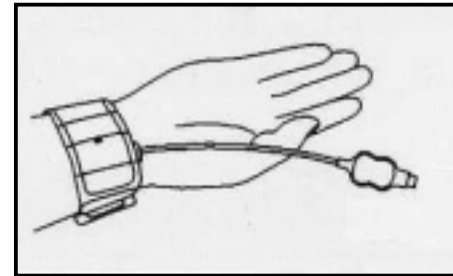
Growing Global Trend of Transradial Intervention (TRI)

■ Implementation of promotional activities through academic meetings, etc.

- May: PCR (Paris); June: Massy Course (France); December: live broadcast from Shonan Kamakura General Hospital (Japan)



**Training system using simulators
(Also under development at Terumo)**



Advantages

(Patient) Less pain

Can walk back to ward after surgery

(Hospital) Improved efficiency due to shorter hemostasis period

-> Reduction in number of days of hospitalization

Global TRI cases (%)

- Japan: 40%
- Europe: 25%
- Non-Japan Asia: 15%

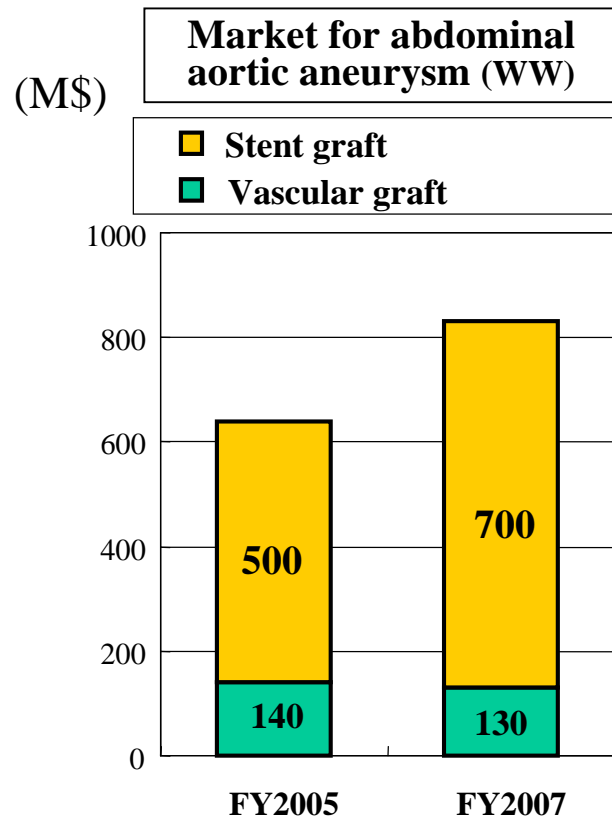
TRI: Transradial intervention

Vascular Graft Business

- “Anaconda” stent graft for minimally invasive procedure (for aortic aneurysm): The market is expanding.



- Europe: Sales started from April 2005
Sales target: 600 million yen
- U.S.: In clinical trials
(Launch expected in fiscal 2008)



Current Status of Development

- Development continuing with further improvements to increase competitiveness

DE stent
“Nobori”



Left ventricular assist
system
“DuraHeart”



Europe:

(In clinical trials for safety and efficacy data)

Europe:

(In clinical trials for additional data)

Interim report at TCT in Oct. 2006

- Aiming for improved QOL -

Revision of Medical Treatment Fees to Promote Home Healthcare

- Establishment of medical care to support home care
- Strengthening efforts towards provision of terminal care
(increase of NHI points for terminal care)

Prevention



Early
discharge

Hospital

Chronic Terminal



Self-Healthcare Growth Factors

■ Diabetes-related business:

Sales of 10 billion yen for fiscal year through March 2006 (+28.6%)

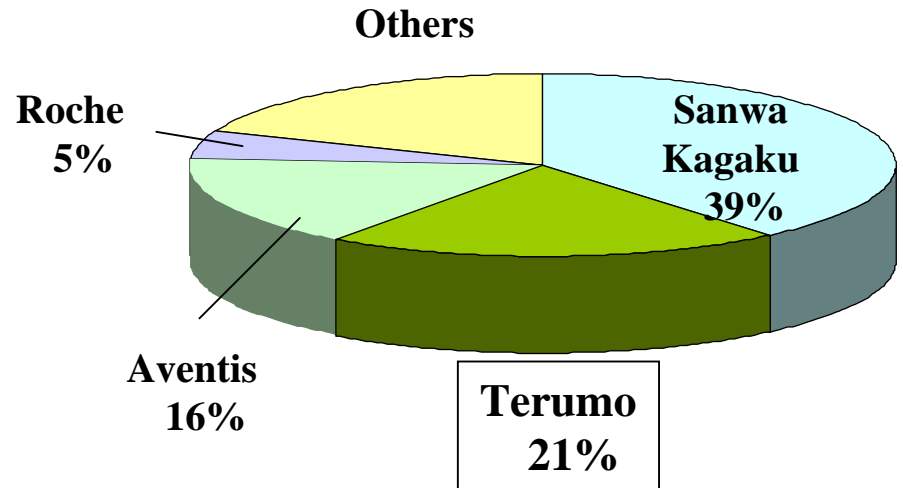
Strong showing by
blood glucose monitor
“Medisafe”



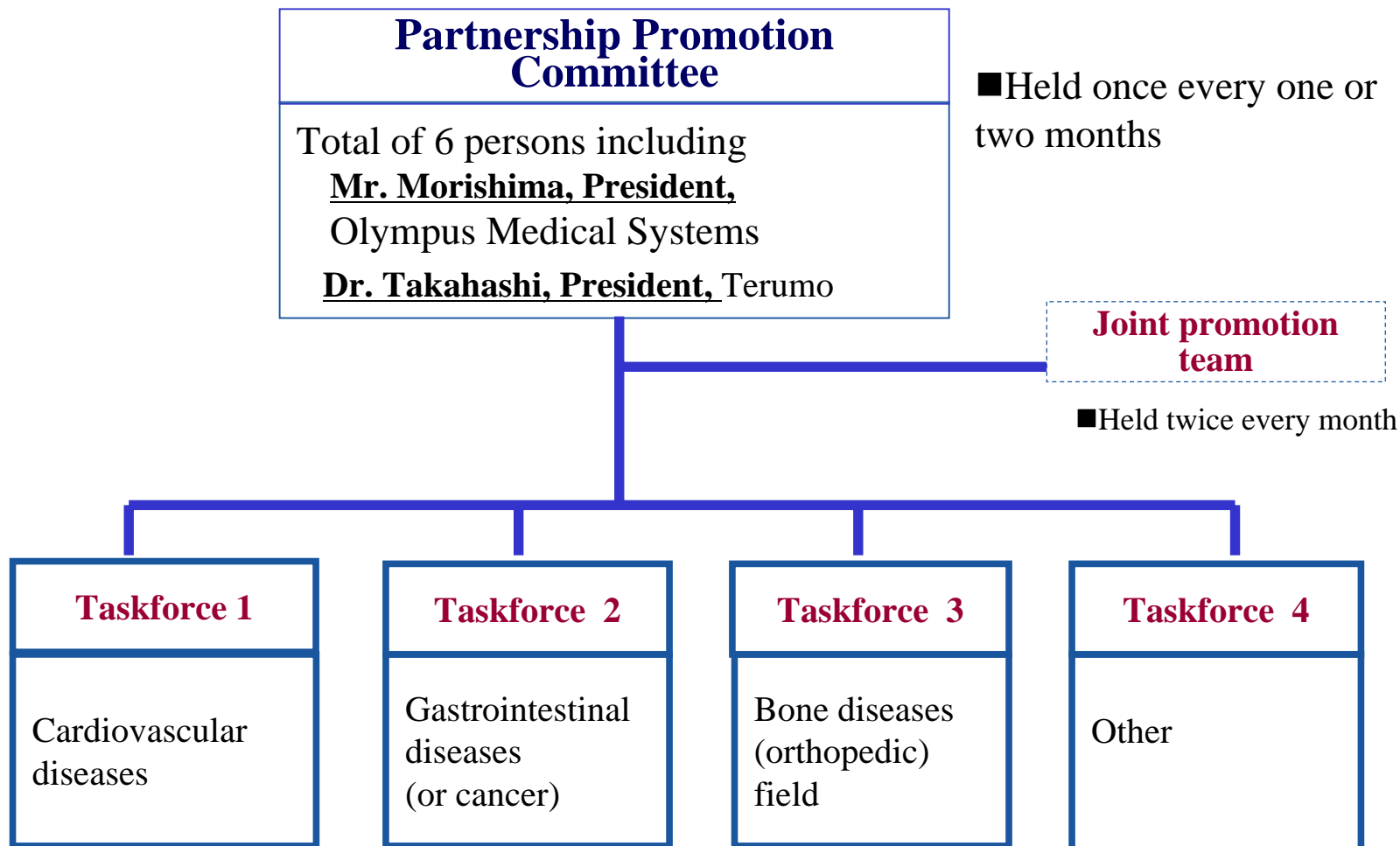
“Medisafe Mini”

Market breakdown of blood glucose monitor market (Japan)

(market size: 45 billion yen)



Partnership Promotion Framework with Olympus Corporation



Four Directions for Growth

New treatments

- Left ventricular assist system
- Anaconda
- Coils for cerebral endovascular treatment

Fusion of drug and device

- Pre-filled syringes
- Amigrand

Preventive medicine endeavors

- Blood glucose monitors
- Blood pressure monitors

Systemization & services

- Training program
- ME maintenance
- Solution pack



IR Contact

TERUMO Corporation

Corporate Communication (IR) Department

Tel: +81-3-3374-8178

Fax: +81-3-3374-8320

E-mail: Kazuya_Haraguchi@terumo.co.jp

This document contains forward-looking statements that reflect management's current views with respect to certain future events and financial performance. Actual results may differ materially from those projected or implied in the forward-looking statements and from historical trends. Furthermore, certain forward-looking statements are based upon assumptions of future events that may not prove to be accurate. Factors that could cause actual results to differ materially from those projected or implied in any forward-looking statements include, but are not limited to, changes in overall economic conditions, fluctuations of foreign exchange rates, and intensifying price competition in the markets for our products.