

3rd Quarter Financial Results for FYE Mar. 2009 (Consolidated)



January 29, 2009
Exchange where listed: TSE

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.
Phone : +81 / 3-3217 -6550
3rd Qtr. financial statement will be submitted on : February 12, 2009

1. Consolidated financial highlights for the interim period ended December 2008 (From April 1, 2008 to December 31, 2008)

(1) Consolidated financial results

	Net sales		Operating income		Ordinary income		Net income	
	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%	(Millions of yen)	%
Nine months ended December,2008	231,526	-	45,527	-	42,721	-	28,745	-
Nine months ended December,2007	231,438	12.8	52,449	16.0	52,933	14.4	34,752	17.6

	Net income per share	Net income per share, fully diluted
	(Yen)	(Yen)
Nine months ended December,2008	148.95	-
Nine months ended December,2007	176.06	-

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

The amounts shown above ignore values of less than a million yen.

(2) Consolidated financial position

	Total assets	Net assets	Capital asset ratio	Net assets per share
	(Millions of yen)	(Millions of yen)	%	(Yen)
December 31, 2008	368,801	269,070	72.9	1,416.41
March 31, 2008	410,918	288,867	70.3	1,489.10

(Note) Shareholders' equity : December 31, 2008: 268,975 million yen, March 31, 2008: 288,780 million yen.

The amounts shown above ignore values of less than a million yen.

2. Dividends

	Dividends per share				
	1st quarter	2nd quarter	3rd quarter	4th quarter	total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Fiscal year ended March 31,2008	-	14.00	-	18.00	32.00
Fiscal year ending March 31,2009	-	16.00	-	-	-
Fiscal year ending March 31,2009 (forecast)	-	-	-	16.00	32.00

(Note) Revise of dividends forecast : None

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

	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)
Fiscal year ending March, 2009	300,000	2.1	53,000	20.8	48,500	24.5	32,500	25.1	168.41

(Note) Revise of consolidated forecast : Yes

(Assumed exchange rate in 4thQ of FY2009: 1US\$=87yen, 1Euro=113yen)

(Assumed exchange rate of FY2008: 1US\$=99yen, 1Euro=141yen)

Percentages represent increase (decrease) from the corresponding period in the prior fiscal year.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of December 31, 2008		As of March 31, 2008	
	Amount	%	Amount	%
(Assets)				
I Current Assets	184,262	50.0%	218,072	53.1%
Cash on hand and in banks	50,045		87,343	
Trade notes/accounts receivable	70,668		69,048	
Merchandise and finished goods	31,287		29,647	
Work in process	5,969		5,735	
Raw material and supplies	15,031		13,356	
Deferred income taxes - current	6,177		8,998	
Other current assets	5,843		4,744	
Allowance for doubtful accounts	(760)		(801)	
II Fixed Assets	184,539	50.0%	192,846	46.9%
1. Tangible fixed assets	111,171	30.1%	112,744	27.4%
Buildings and structures	41,880		44,121	
Machinery and transportation equipment	31,848		35,602	
Land	20,227		20,404	
Construction in progress	10,722		6,412	
Other tangible fixed assets	6,493		6,202	
2. Intangible fixed assets	30,845	8.4%	35,125	8.6%
Goodwill	26,282		30,202	
Other intangible fixed assets	4,562		4,922	
3. Investments and other fixed assets	42,522	11.5%	44,976	10.9%
Investments in securities	25,197		40,527	
Deferred income taxes - noncurrent	10,460		1,878	
Other assets	6,865		2,570	
Total Assets	368,801	100.0%	410,918	100.0%

(Millions of yen)

	As of December 31, 2008		As of March 31, 2008	
	Amount	%	Amount	%
(Liabilities)				
I Current Liabilities	92,404	25.0%	114,457	27.9%
Trade notes/accounts payable	29,043		27,245	
Short-term bank loans	30,290		35,000	
Accrued income taxes	1,860		17,802	
Reserve for employees bonuses	2,250		4,782	
Reserve for directors bonuses	142		189	
Deferred income taxes - current	198		197	
Notes and accounts payable on equipment	7,464		5,646	
Other current liabilities	21,154		23,593	
II Long-term Liabilities	7,326	2.0%	7,593	1.8%
Deferred income taxes - noncurrent	27		36	
Reserve for retirement allowance	3,974		4,263	
Reserve for retirement benefits for directors and corporate auditors	659		728	
Other long-term liabilities	2,664		2,565	
Total Liabilities	99,731	27.0%	122,051	29.7%
(Net Assets)				
I Shareholders' Equity	295,032	80.0%	291,624	71.0%
Capital stock	38,716		38,716	
Capital surplus	59,030		59,030	
Retained earnings	274,082		252,667	
Treasury stock	(76,797)		(58,790)	
II Evaluation Difference and Foreign Currency Exchange Adjustments	(26,056)	(7.0%)	(2,843)	(0.7%)
Evaluation difference of investment securities	(3,766)		5,026	
Foreign currency translation adjustments	(22,290)		(7,869)	
III Minority Interests	94	0.0%	87	0.0%
Total Net Assets	269,070	73.0%	288,867	70.3%
Total Liabilities and Net Assets	368,801	100.0%	410,918	100.0%

(2) Consolidated Statements of Income

(Millions of yen)

	Nine months ended December 31, 2008		
	Amount	%	
I Net Sales		231,526	100.0%
II Cost of Sales		108,054	46.7%
Gross Profit on Sales		123,471	53.3%
III Selling, General and Administrative Expenses		77,944	33.6%
Operating Profit		45,527	19.7%
IV Non-operating Income			
Interest income	1,027		
Dividend income	418		
Royalty income	102		
Equity in profit of affiliated companies	61		
Other non-operating income	740	2,350	1.0%
V Non-operating Expenses			
Interest expenses	286		
Sales discount	413		
Foreign exchange losses	3,274		
Loss on disposal of inventories	243		
Other non-operating expenses	939	5,157	2.2%
Ordinary Profit		42,721	18.5%
VI Extraordinary Profit			
Gain on sales of fixed assets	17		
Gain on sales of securities	80	97	0.0%
VII Extraordinary Losses			
Loss on disposal of fixed assets	129		
Loss on appraisal of securities	33	162	0.1%
Income Before Taxes		42,655	18.4%
Corporate, Inhabitant and Enterprise Taxes	12,547		
Deferred Taxes (reduction)	1,334	13,882	6.0%
Minority Interest Income (loss) of consolidated companies		28	0.0%
Net Income for the Period		28,745	12.4%

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2008
	Amount
I Cash Flows from Operating Activities	
Income Before Taxes	42,655
Depreciation and amortization	13,107
Amortization of goodwill	1,534
Equity in profit of affiliated companies	(61)
Increase(decrease) in reserve for retirement allowance	(263)
Increase(decrease) in reserve for retirement benefits for directors and corporate auditors	(68)
Increase(decrease) in allowance for doubtful accounts	32
Increase(decrease) in reserve for directors bonuses	(47)
Interest and dividend income	(1,446)
Interest expenses	286
Exchange gain (loss)	1,194
Loss on disposal of fixed assets	129
Gain on sales of fixed assets	(17)
Gain on sales of securities	(80)
Loss on appraisal of securities	33
Decrease(increase) in trade receivables	(4,680)
Decrease(increase) in inventories	(7,085)
Increase(decrease) in trade payables	1,816
Others	(7,918)
Sub-total	39,118
Interest and dividends received	1,622
Interest paid	(338)
Income taxes paid	(28,769)
Cash Flows from Operating Activities	11,633
II Cash Flows from Investing Activities	
Payments for time deposits with maturities exceeding 3 months	(3,438)
refund of cash in bank	2,983
Capital expenditure	(11,614)
Proceeds from sales of tangible fixed assets	17
Payments for acquisition of intangible fixed assets	(820)
Acquisition of investment in securities	(32)
Proceeds from sale of marketable securities	580
Expense relating to acquisition of newly consolidated subsidiary	(3,286)
Cash Flows from Investing Activities	(15,612)
III Cash Flows from financing Activities	
Increase(decrease) in short-term bank loan	(4,990)
Buyback of treasury stock	(18,006)
Dividends paid	(6,593)
Cash Flows from Financing Activities	(29,589)
IV Effect of Exchange Rate Changes on Cash and Cash Equivalents	(4,022)
V Change in Cash and Cash Equivalents	(37,591)
VI Cash and Cash Equivalents at Beginning of Period	85,377
VII Cash and Cash Equivalents at End of Period	47,786

5. Segment Information

(1) Business Segments

(Millions of yen)

	Nine months ended December 31, 2008	
	Amount	
	Sales	Operating income
General hospital products	113,048	24,967
Cardiac & Vascular products	96,246	26,635
Blood transfusion products	18,215	2,809
Consumer Home Health Care products	4,015	243
Corporate expenses	-	(9,129)
Total	231,526	45,527

(Note) Main products belonging to each product segment

Product segments	Main products
General hospital products	
Disposable medical devices and Medical electronics	Syringes, Needles, Solution Administrative sets, I.V.catheters, Blood collection tubes, Electronic medical equipments, etc.
Pharmaceuticals	I.V.solutions, Prefilled syringes, Nutritional products, etc.
CAPD products	Dialysis solutions, etc.
Diabetes care products (Hospital)	Blood glucose monitors, etc.
Home parenteral nutrition and oxygen	Home infusion systems, Home oxygen systems, etc.
Cardiac and Vascular products	
Interventional systems	Angiographic catheters, PTCA catheters, Coronary stents, Cerebral aneurysm coils, etc.
Cardiovascular systems	Oxygenarators, Roller pumps, Blood tubing sets, etc.
Vascular grafts	Artificial vascular grafts
Blood transfusion products	Blood bags, Medical electronic equipments for blood collection, etc.
Consumer Health Care Products	Digital Thermometers, Blood pressure monitors, Blood glucose monitors (OTC), etc.

(2) Geographic segments

(Millions of yen)

	Nine months ended December 31, 2008		
	Amount		
	Sales to customer	Internal sales	Operating income
Japan	124,205	36,473	41,743
Europe	42,864	2,989	5,638
Americas	42,127	4,485	1,736
Asia and others	22,328	11,573	5,897
Corporate expenses	-	(55,521)	(9,488)
Total	231,526	-	45,527

(3) Sales results by regions

(Millions of yen)

	Nine months ended December 31, 2008	
	Amount	%
Japan	124,158	53.6%
Europe	42,864	18.5%
Americas	42,127	18.2%
Asia and others	22,375	9.7%
Total	231,526	100.0%

(Note) Sales in 'Asia and others' includes direct sales from Japan.

Reference information :
Consolidated Financial Statements of the previous year

1. Consolidated Statements of Income

(Millions of yen)

	Nine months ended December 31, 2007	
	Amount	%
Net sales	231,438 ¹	100.0%
Cost of sales	103,931 ¹	44.9%
Gross profit	127,507 ¹	55.1%
Selling, general and administrative expenses	75,057 ¹	32.4%
Operating income	52,449 ¹	22.7%
Non-operating income / expenses	483 ¹	
Ordinary income	52,933 ¹	22.9%
Extraordinary income / expenses	914 ¹	
Income before taxes	53,848 ¹	23.3%
Corporate, inhabitant and enterprise taxes	19,071 ¹	
Minority interests	24 ¹	
Net income for the period	34,752 ¹	15.0%

2. Consolidated Statements of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2007	
	Cash flows from operating activities	45,668
Cash flows from investing activities	(23,239)	
Cash flows from financing activities	16,434	
Effect of exchange rate changes on cash and cash equivalents	8	
Change in cash and cash equivalents	38,871	
Cash and cash equivalents at beginning of period	43,049	
Cash and cash equivalents at end of period	81,921	

3. Segment Information

(1) Sales results by product segments

(Millions of yen)

	Nine months ended December 31, 2007	
	Amount	%
Disposable medical equipments	64,850	28.0%
Pharmaceuticals	31,970	13.8%
Blood transfusion systems	17,434	7.6%
General hospital products	114,254	49.4%
Catheter systems	57,797	25.0%
Cardiovascular systems	28,353	12.2%
Vascular grafts	7,687	3.3%
Cardiac & vascular products	93,838	40.5%
CAPD systems	5,429	2.3%
Diabetes care products	10,800	4.7%
Other products	7,116	3.1%
Home health care products	23,345	10.1%
Total	231,438	100.0%

(Note) Main products belonging to each product segment

Product segments	Main products
Disposable medical equipment	Syringes, Needles, Solution Administrative sets, I.V.catheters, Blood collection tubes, Electronic medical devices, etc.
Pharmaceuticals	I.V.solutions, Prefilled syringes, Nutritional products, etc.
Blood transfusion systems	Blood bags, Blood transfusion administrative sets, Medical electronic devices for blood collection, etc.
Catheter systems	PTCA dilation catheters, Coronary stents, Guide wires, Angiographic catheters, Cerebral aneurysm coils, etc.
Cardiovascular systems	Roller pumps, Hollow fiber oxygenators, Blood circuits, etc.
Vascular grafts	Artificial vascular grafts
CAPD systems	Dialysis solutions, etc.
Diabetes care products	Blood glucose monitors, etc.
Other products	Home oxygen systems, Digital Thermometers, Electronic sphygmomanometers, etc.

(2) Sales results by regions

(Millions of yen)

	Nine months ended December, 2007	
	Amount	%
Japan	123,201	53.2%
Europe	42,254	18.3%
America	43,511	18.8%
Asia and Others	22,471	9.7%
Total	231,438	100.0%