Progress of 1H FY14 and Mid-term Outlook
Achieve Sustainable and Profitable Growth

Terumo Corporation
President and Representative Director
Yutaro Shintaku

November 5, 2014
Roadmap to FY16

- Secure a foothold in FY13-14
  - Write off assets of certain businesses
- Achieve FY14 guidance
- Target OPM 20% by FY16

**OPM Target in FY16**

<table>
<thead>
<tr>
<th>FY13 Actual</th>
<th>FY14 Guidance</th>
<th>FY16 Target</th>
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<tbody>
<tr>
<td>17.5%</td>
<td>17%</td>
<td>20%</td>
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*Excl. amortization of goodwill and intangibles with related to the acquisition of CaridianBCT
Progress in 1H FY14

- Continued to write off assets of certain businesses from FY13
  - Closed the factory for blood bags in Changchun, China (Sep.)
  - Transform product portfolio of Hospital and Laboratory Business in Europe (Oct.)

- Made a strong start to achieve FY14 guidance

- Aim to achieve OPM* 20% by reinforcing profit management under “Business-led Management”

*Excl. amortization of goodwill and intangibles with related to the acquisition of CaridianBCT
Ongoing Global Industry Consolidation

**FY13**

1. J&J
2. Medtronic
3. Baxter
4. Fresenius
5. Covidien
6. Abbott
7. Stryker
8. BD
9. Boston
10. B.Braun
11. St. Jude
12. Olympus
13. Terumo

**Current**

1. Medtronic + Covidien
2. J&J
3. Baxter + BD
4. + CareFusion
5. Fresenius
6. Abbott
7. Stryker + Zimmer + Biomet
8. Boston
9. B.Braun
10. St. Jude
11. Olympus
12. Terumo

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Terumo’s Mid-term Outlook

1. Continue to launch excellent usability products

2. Expand presence of overseas IS business

3. Launch “Ultimaster”

4. “Double pipeline” to achieve continuous growth

5. Strengthen IS new products R&D in California, U.S.

6. Enter into regenerative and cell therapy market
1. Continue to Launch Excellent Usability Products

Received FY2014 Good Design Award

■ Misago

<Evaluation>

➢ Conformable to vessels flexibly and increased treatment accuracy
➢ Easy to grip

■ Medisafe Finetouch Dispo
  (Lancet for measuring blood glucose)

<Evaluation>

➢ Easy to hold and simple procedure
➢ Expected to lower risk of pricking fingers and less pain
2. Expand Presence of Overseas IS Business

Exceeding coronary intervention market growth

FY06→FY13 CAGR
Coronary intervention market  +2%
Terumo overseas IS business +18%

*Researched by Terumo
3. Launch Ultimaster: Surpass Nobori’s Initial Sales Record

Great contribution in sales and profits

Nobori: launched in Apr, 2008
Ultimaster: launched in May, 2014
4. “Double Pipeline” to Achieve Continuous Growth

Bioresorbable scaffold: Joint development with ART in France

- Abluminal coating
- Bioresorbable polymer
- Thin strut
- High conformability to blood vessel

2008 Nobori

2014 Ultimaster

Bioresorbable scaffold

Hybrid type DES
5. Strengthen IS new products R&D in California, U.S.

Early Stage
- Participate in incubation activities within Fogarty Institute for Innovation
- Invested in EMP II

Full-scale Development
- Leverage R&D infrastructure of MicroVention
  - Carotid stent (CASPER)
  - Drug coated balloon (DCB)
  - Next generation peripheral stent

Clinical Trial
- Reinforce organization of clinical affairs in U.S.
  - Speedy launch
  - Strategic regulatory filing for therapeutic devices

Utilize resources of Silicon Valley

Carotid stent (CASPER)  Drug coated balloon (DCB)
6. Enter into Regenerative and Cell Therapy Market

- Cardiac regenerative therapy using cell sheets
  - Filed an application for the manufacture and sales approval of autologous skeletal myoblast sheets
  - The first step towards clinical use of the world’s first product to be used as a cardiac regenerative therapy from Japan

- Terumo BCT: Expand business for cell therapy
  - Provide devices for collection, expansion of stem cells

October 31, 2014
The Nikkei (1)
Terumo BCT Initiatives for Infection Disease

- **Convalescent Plasma**
  - (Trima and Mirasol)
  - Collect plasma and improve safety of blood transfusion

- Study feasibility to use pathogen reduction technology (Mirasol) to inactivate virus for vaccine production
  - Ebola virus

- Prevent expansion of Dengue fever, etc. (Mirasol)
  - Prevent expansion of infection from blood transfusion

Component collection

Pathogen reduction technology
Among the information that Terumo discloses, the forward-looking statements including financial projections are based upon our assumptions using information available to us at the time and are not intended to be guarantees of future events or performance. 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.

The market share information in this presentation is partly derived from our own independent research.