

Translated version provided strictly for reference purposes

This notice is an English translation of the original Japanese notice disclosed on April 23, 2015, and is for reference purposes only. In the event of any discrepancy between the original Japanese version and this translation, the Japanese text shall take precedence.

April 23, 2015

Company name: Terumo Corporation
Representative: Yutaro Shintaku, President and Representative Director
Securities code: 4543, TSE Section 1
Inquiries: Atsuo Omagari,
General Manager, Corporate Communication Dept.
(Telephone: 81-3-6742-8550)

Notice Concerning Transition to a Company with an Audit/Supervisory Committee

Terumo Corporation (“Terumo”) announced today that its Board of Directors resolved, at the board of directors meeting held today, to transition from a “Company with Audit and Supervisory Board Members” to a “Company with an Audit/Supervisory Committee,” on condition that it is approved at the 100th Annual General Meeting of Shareholders to be held on June 24, 2015.

1. Background of the transition

Terumo recognizes the importance of establishing and further improving its corporate governance system in order to increase the corporate value over the medium and long term, and, accordingly, has taken measures to improve management transparency and objectivity. These measures include appointing three independent directors and two external audit and supervisory board members, and establishing the Corporate Governance Committee as an advisory body to the Board of Directors, with more than half of the members comprised of independent directors. Terumo believes that a “Company with an Audit/Supervisory Committee” will lead to further enhancement of corporate governance. Terumo also recognizes that a “Company with an Audit/Supervisory Committee” would be more familiar to its stakeholders outside Japan in that the number of independent directors will be increased, auditing and supervisory of management will be carried out by members of the Audit/Supervisory Committee holding directors’ voting rights. Accordingly, Terumo has determined to transition to a “Company with an Audit/Supervisory Committee.”

2. Reasons for the transition

(1) Strengthening auditing and supervisory functions

Audit/Supervisory Committee members will have directors’ voting rights. This can strengthen the auditing and supervisory functions.

(2) Improving management transparency and objectivity

By increasing the number of independent directors from the current three directors, it will stimulate active discussion based on shareholders’ and other stakeholders’ point of view from an independent standpoint. This can contribute to the improvement of transparency and objectivity in decision-making by management.

(3) Speeding up decision-making

By delegating execution of duties to directors and shifting the Board of Directors to “monitoring model,” Terumo can further speed up decision-making and business operations.

3. Timing of the transition

Terumo plans to transition to a “Company with an Audit/Supervisory Committee” on condition that the necessary related amendments to its Articles of Incorporation are approved at the 100th Annual General Meeting of Shareholders to be held on June 24, 2015.

4. Others

Terumo plans to disclose information regarding the new organization after the transition to a “Company with an Audit/Supervisory Committee,” including related appointments of directors, as soon as decided. In addition, information regarding amendment of the Articles of Incorporation in connection with the transition is provided in a separate news release issued today, “Notice Concerning Partial Amendment of the Articles of Incorporation.”

(End)