

## Notice regarding disposal of treasury shares as Restricted Stock remuneration

TOKYO, JAPAN – July 11, 2019 – Terumo Corporation (TSE: 4543) hereby announces that, at the meeting of its Board of Directors as of today, it has decided to dispose its treasury shares as Restricted Stock remuneration (hereinafter “Disposal of Treasury Shares” or “Disposal”) as follows.

### 1. Overview of the Disposal of Treasury Shares

(1) Date of disposal	August 1, 2019
(2) Class and number of shares to be disposed of	Common shares of Terumo Corporation ; 61,774 stocks
(3) Disposal value	¥ 3,291 per share
(4) Total disposal value	¥ 203,298,234
(5) Recipients of disposed shares	Directors*: 5 persons, 34,265 shares Executive Officers: 20 persons, 26,510 shares Terumo Fellow: 1 person, 999 shares *excluding Outside Directors and Directors who are Audit and Supervisory Committee Members
(6) Other	Disposal of Treasury Shares is conditioned on the taking effect of the Securities Registration Statement filed in accordance with the Financial Instruments and Exchange Act.

### 2. Purpose and Conditions for Introduction of the Plan

The Company, at the meeting of its Board of Directors held on May 9, 2019, has decided to introduce Restricted Stock remuneration plan (hereinafter “Plan”) so that the Company’s Directors who reside in Japan (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members; hereinafter “Eligible Directors”) will share benefits and risks of stock price movement with shareholders and further enhance their desire to contribute to rises in stock prices and improvement of enterprise value.

Thereafter, at the 104th Annual General Meeting of Shareholders held on June 21, 2019, it was approved that (a) the maximum total amount of the monetary remuneration claims of Eligible Directors for Restricted Stock shall be 200 million yen per year, (b) the maximum number of Restricted Stock to be allotted to Eligible Directors shall be 100,000 shares per business year, (c) the period during which Eligible Directors may not transfer to a third-party or otherwise dispose of allotted Restricted Stock shall be 30 years and other terms and conditions.

The Company, at the meeting of its Board of Directors as of today, has decided to deliver monetary remuneration claims to (a) 5 Eligible Directors and (b) 20 Executive Officers and 1 Terumo Fellow who reside in Japan (hereinafter “Recipients of disposed shares”) as Restricted Stock remuneration during one year (from 104th to 105th Annual General Meeting of Shareholders for (a), from April 1, 2019 to March 31, 2020 for (b)) in total of 203,298,234yen, and also decided to allocate 61,774 common shares. Each Recipient of disposed shares will receive Restricted Stock by making an in-kind contribution of all the monetary remuneration claims. Amount of monetary remuneration claims to each Recipient of disposed shares has been determined considering his/her business performance, contribution to the Company and other related factors comprehensively. Furthermore, the delivery of monetary remuneration claims shall be subject to a restricted stock allotment agreement (the “Allotment Agreement”)

to be entered into by and between Recipients of disposed shares and the Company, as outlined in “Overview of the Allotment Agreement” below.

### 3. Overview of the Allotment Agreement

#### (1) Transfer Restriction Period

August 1, 2019 to July 31, 2049 (hereinafter the “Transfer Restriction Period”).

Recipients of disposed shares to whom Restricted Stock is allotted may not transfer to a third-party, create a pledge or mortgage by transfer on, make an advancement, make a bequest, or otherwise dispose of Restricted Stock allotted to them (hereinafter “Allotted Stock”) during the Transfer Restriction Period.

#### (2) Acquisition of Restricted Stock without compensation

If a Recipient of disposed shares who receives an allotment of Restricted Stock resigns from the position of Director of the Company (for an Executive Officer or Terumo Fellow, from the position as of August 1, 2019) before the day of the first annual shareholders’ meeting of the Company following the commencement date of the Transfer Restriction Period (for an Executive Officer or Terumo Fellow, before the last day of the first fiscal year following the commencement date of the Transfer Restriction Period) , all of his or her Allotted Stock will automatically be acquired by the Company without consideration except in the case that the Company’s Board of Directors deems that the reason for the resignation is valid.

The Company will automatically acquire all Allotted Stock without consideration if the transfer restriction on the Allotted Stock has not been lifted at the expiration of the Transfer Restriction Period based on the terms provided in (3) “Lifting of transfer restriction” below.

#### (3) Lifting of transfer restriction

On the condition that Recipient of disposed shares to whom the Restricted Stocks were allotted has continuously held the position of Director of the Company (for an Executive Officer or Terumo Fellow, has continuously held the position as of August 1, 2019) for the period commencing from the first date of the Transfer Restriction Period and ending on the date of the Annual Shareholders’ Meeting to be held immediately following such first date (for an Executive Officer or Terumo Fellow, ending on the last day of an appropriate fiscal year), the transfer restriction on all of his or her Allotted Stock will be lifted by the Company when the Transfer Restriction Period expires.

However, if the Recipient of disposed shares resigns from the position of Director of the Company (for an Executive Officer or Terumo Fellow, from any and all position of the Company including Director, Executive Officer, Advisor, Fellow and employee) before the expiration of the Transfer Restriction Period for reasons deemed valid by the Company’s Board of Directors, the transfer restriction on Allotted Stock will be lifted immediately after the resignation.

In this case, the number of shares of the Eligible Director whose transfer restriction is lifted shall be calculated by multiplying (a) the number resulting when number of months from July, 2019 to the month in which such Eligible Director resigns from the position of Director of the Company is divided by 12 (if that number exceeds 1, then make it 1) by (b) the number of Allotted Stock held at the time of resignation (provided, however, fractional shares less than one share will be dropped from the number of shares obtained by the calculation).

The number of shares of an Executive Officer and Terumo Fellow whose transfer restriction is lifted shall be calculated by multiplying (a) the number resulting when number of months from April, 2019 to the month in which such Executive Officer or Terumo Fellow resigns from the

position as of August 1, 2019 is divided by 12 (if that number exceeds 1, then make it 1) by (b) the number of Allotted Stock held at the time of resignation (provided, however, fractional shares less than one share will be dropped from the number of shares obtained by the calculation).

#### (4) Management of shares

The Recipients of disposed shares shall complete the opening of an account with SMBC Nikko Securities Inc. to enter or record the Allotted Stock in a manner designated by the Company and maintain and manage the Allotted Stock in such account up to the removal of the transfer restriction.

#### (5) Treatment during reorganization, etc.

If an agenda item regarding a merger agreement in which the Company is the disappearing company, or a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary of another company, or other matters concerning reorganization, etc. have been approved at the Company's General Meeting of Shareholders (or by the Company's Board of Directors if approval for the said reorganization, etc. at the Company's General Meeting of Shareholders is not required) during the Transfer Restriction Period, the relevant transfer restrictions will be lifted, based on the resolution of the Board of Directors, upon the time immediately before the preceding business day of the effective date of the reorganization, etc. on the number of Allotted Stock calculated as follows.

The number of shares of the Eligible Director whose transfer restriction is lifted shall be calculated by multiplying (a) the number resulting when number of months from July, 2019 to the month in which the Company's General Meeting of Shareholders or Board of Directors make such approval is divided by 12 (if that number exceeds 1, then make it 1) by (b) the number of Allotted Stock held at the time of such approval (provided, however, fractional shares less than one share will be dropped from the number of shares obtained by the calculation).

The number of shares of an Executive Officer and Terumo Fellow whose transfer restriction is lifted shall be calculated by multiplying (a) the number resulting when number of months from April, 2019 to the month in which in which the Company's General Meeting of Shareholders or Board of Directors make such approval is divided by 12 (if that number exceeds 1, then make it 1) by (b) the number of Allotted Stock held at the time of such approval (provided, however, fractional shares less than one share will be dropped from the number of shares obtained by the calculation).

In this case, the Company will automatically acquire all Allotted Stock without consideration if the transfer restriction on the Allotted Stock has not been lifted as of the preceding business day of the effective date of the reorganization, etc.

#### 4. Basis of Calculation and Specific Details of the Payment Amount

To eliminate any arbitrariness in the disposal value, the closing price for common shares of the Company on July 10, 2019 (the business day immediately preceding the date of resolution by the Board of Directors) on the First Section of the Tokyo Stock Exchange of ¥3,291 is used as the disposal value. This value is deemed to be rational and not particularly favorable because it is the market share price on the day immediately preceding the date of resolution by the Board of Directors.