

Review on Performance in FY2016 and Mid- to Long-term Vision

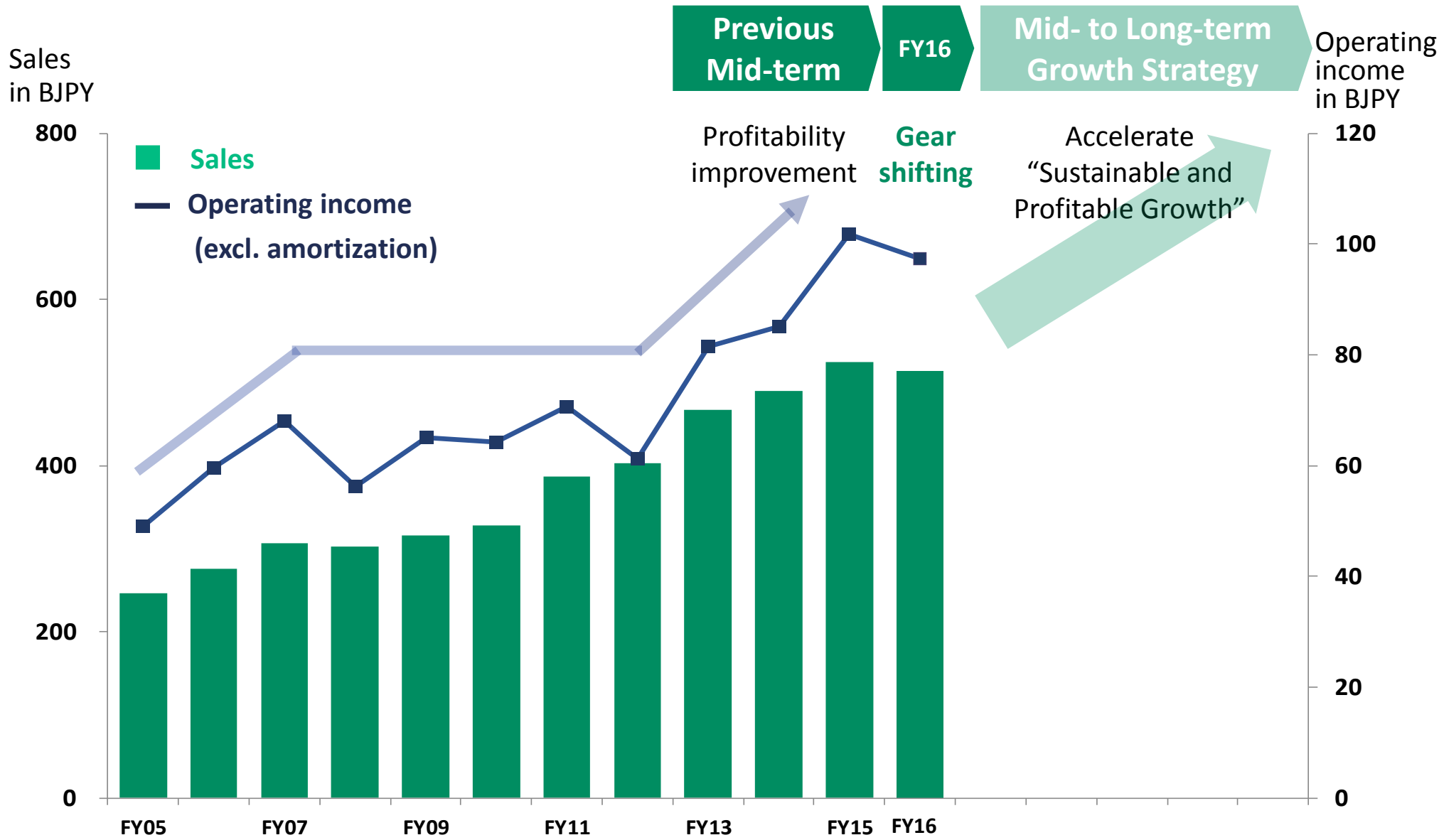
Terumo Corporation

President and CEO

Shinjiro Sato

May 10, 2017

FY2016: Gear Shifting toward New Growth Strategy



Review on Performance in FY2016

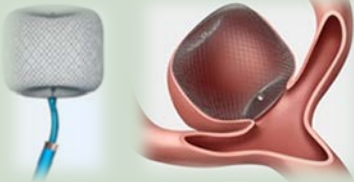

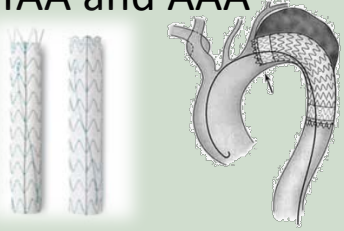
■ FY2016: Gear shifting toward next growth strategy

- Achieved target of "Roadmap to FY16" in FY2015, a year ahead of schedule
- Secured a solid foothold in "Mid- to Long-term Growth Strategy"

■ Outcome

- Sales expansion: M&As improved portfolio mix in Cardiac and Vascular Company
- Profitability improvement: Not only TIS but all companies contribute to profit
- Capital efficiency improvement: Share buyback, etc.

Sales Expansion: M&As improved portfolio mix in Cardiac and Vascular Company

| Business Segment | Acquisition | Contribution | Strategic Purpose |
|---------------------|---|-------------------|---|
| Neurovascular (Jun) | New Aneurysm Embolization Device  | Mid- to Long-term | <ul style="list-style-type: none"> ■ Introduce new technology as a first mover to U.S. ■ Gain new technology resources |
| TIS (Dec) | Vascular Closure Devices  | Immediate | <ul style="list-style-type: none"> ■ Become a top player in access devices market ■ Acquire products w/ top shares in steadily growing market |
| Vascular (Jan) | Stent Graft for TAA and AAA  | Mid- to Long-term | <ul style="list-style-type: none"> ■ Acquire stent graft for TAA ■ Gain access to U.S. stent graft market |

Profitability Improvement: Not Only TIS But All Companies Contribute to Profit

- Cardiac and Vascular: CV and Vascular are now back to growth trajectory
 - CV: All shipping restrictions are lifted by FDA, and its related cost is largely reduced
 - Vascular: Improve product portfolio mix and further promote production transfer to factory in Vietnam
- General Hospital: Steady improvement in profitability
 - Downsized low profitable business accounts :EU, North America
 - Reinforcing highly profitable business :B2B for pharmaceutical companies
- Blood Management: Overcome price decline in U.S.
 - Stabilized pricing in long-term contract, production transfer to new factory in Vietnam
 - Continuous expansion in developing countries business as well as apheresis system

Capital Efficiency Improvement

■ Sale of Policy Shareholdings

- Sale of Olympus stocks (continue business alliance)
- The policy shareholding stocks are now less than 1% among the entire asset

■ Implemented Share Buybacks

- Share buybacks of 44.2 BJPY at Olympus's sale of Terumo stocks

■ Optimal financing for growth investment

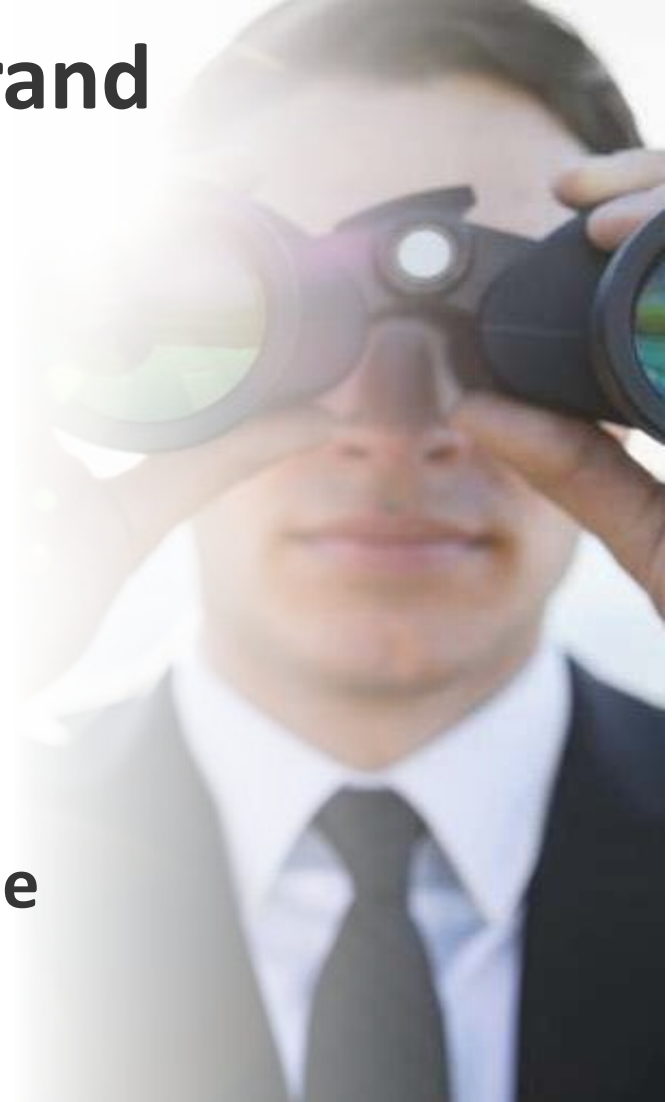
- Timely financing while making full use of minus interest rate

Mid- to Long-term Vision

- Trusted in medical settings as a **Top Brand**
- World-class overall **Quality**
(products, supply, services)



Global Corporation with Unique Excellence



Points to Achieve Mid- to Long-term Vision

Strengthen Global Operations

Accelerate Strategic Development

Leverage Group's Comprehensive Strength

Strengthen Global Operation: Production System

US: Advanced Tech & New Idea



Terumo Medical



TCVS



Terumo BCT



MicroVention

Europe: Advanced Tech



Terumo Europe



Vascutek

Japan: Advanced Tech & New Idea



Fujinomiya



Ashitaka



Clinical Supply



Kofu



Yamaguchi



Asia: Low cost mass production



Terumo Vietnam



Terumo Philippines



Terumo BCT Vietnam



Terumo Penpol (India)

Latin A: Low cost



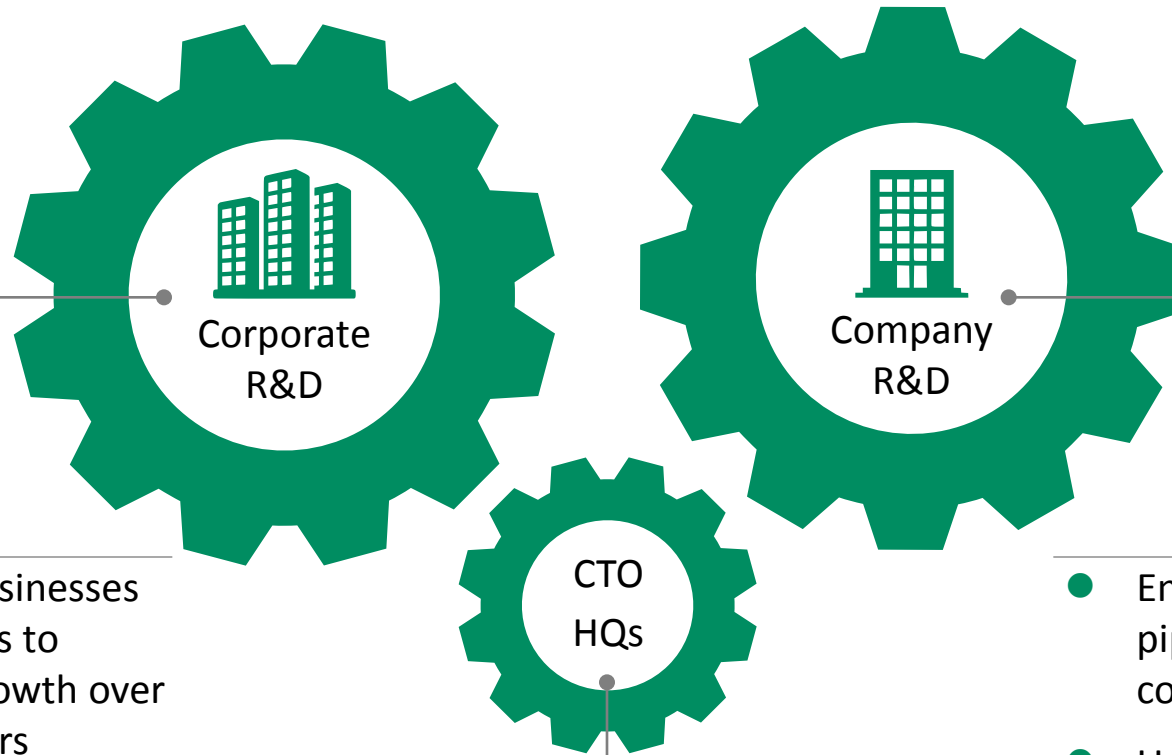
MicroVention



TIS : Closure Device

Accelerate Strategic Development

From pipeline development to creation of innovation for the growth over the next ten years

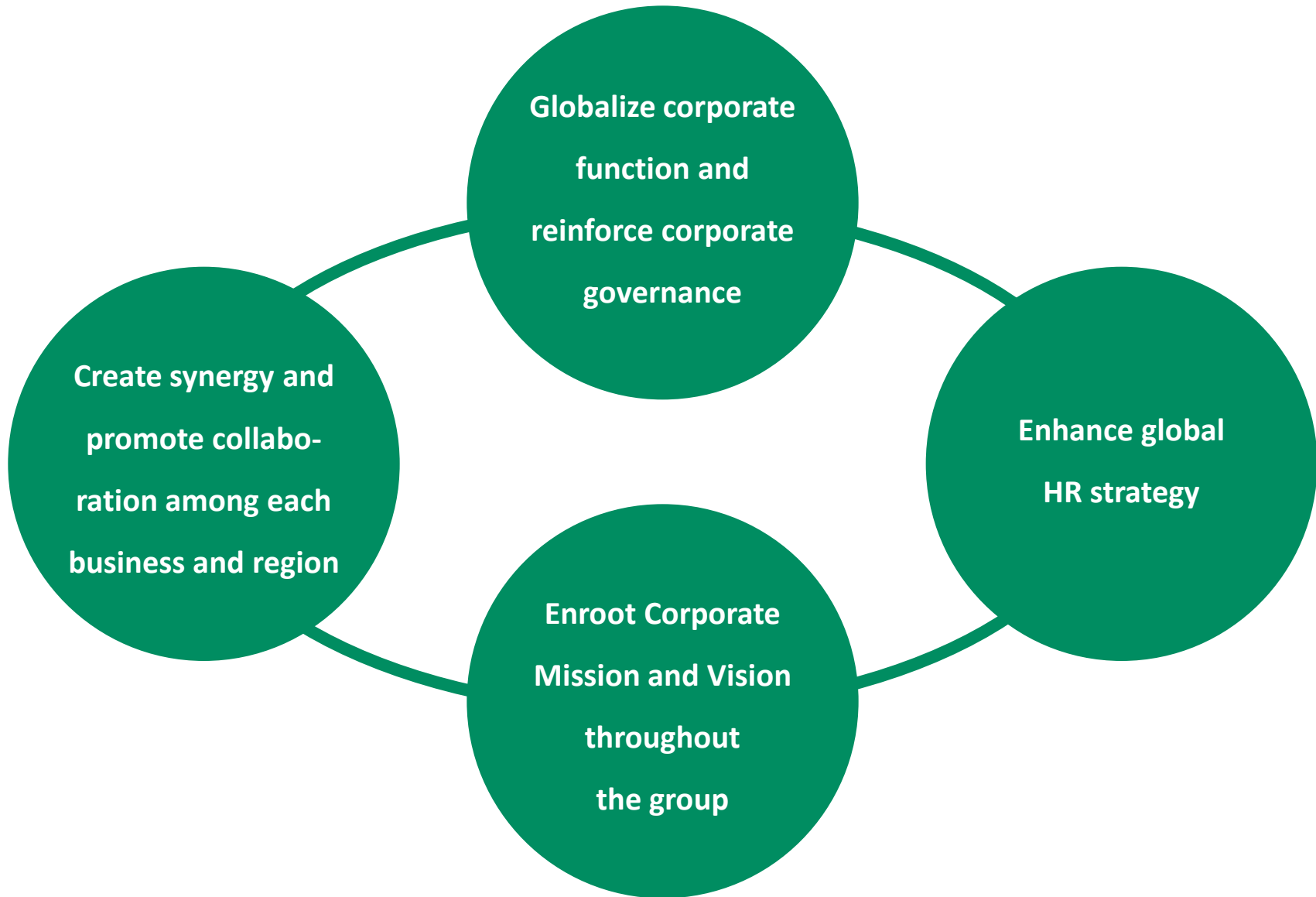


- Develop new businesses and technologies to contribute to growth over the next ten years
- Promote innovation-oriented project

- Control overall R&D and create synergy
- Align among in-house R&D, M&As, and venture investment

- Enhance product pipelines for business companies
- Upgrade the existing products to maximize business opportunities

Leverage Group's Comprehensive Strength



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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 or 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.