



Shimadzu Corporation (TSE Prime Market: Securities code 7701)

FY 2023 (Ended March 2024) Results & Financial Position

President and Representative Director, CEO | May 13, 2024
Yasunori Yamamoto

This conference call includes statements about future projections based on current forecasts, but all such statements are subject to risks and uncertainties. Please note that actual results could vary from our projections.

01 Overview of Financial Results

Summary of Results

• AMI: Analytical & Measuring Instruments, MED: Medical Systems, IM: Industrial Machinery, AE: Aircraft Equipment
• AMI key models (LC: Liquid Chromatographs, MS: Mass Spectrometer Systems, GC: Gas Chromatographs),
TMP: Turbomolecular Pumps

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Consolidated Results

- Sales beat **500 bn yen** to 511.9 bn yen.
- Operating Income beat **70 bn yen** to 72.8 bn yen.
- Sales, Operating Income, Ordinary Income, and Net Income all hit **record high for 4 consecutive years.**

By Model

- AMI key models grew mainly overseas for pharma, clinical, and environment, **growing 10%.**
- Turbomolecular pumps (TMP) saw **3% growth** as the decline in semiconductor sales was offset by growth in green sales.

By Segment

- Sales
AMI set a record and drove results.
* +23.6 bn yen (+7%) growth YoY of 338.3 bn yen
- Operating Income
IM and AE profits contributed.

By Region

- **All regions increased** including FX tailwind
- In North America: First-half delays covered by pharma and PFAS projects.
- **In Europe: AMI, MED, and IM increased.**
- In China: faced a challenging market condition.
- In India: LC and MS for pharma increased.

Yasunori Yamamoto, President and Representative Director, CEO

Good afternoon, everyone and thank you for joining the Shimadzu Corporation full-year earnings call for the fiscal year 2023. We continued to deliver excellent results with key model growth in Analytical & Measuring Instruments (AMI).

Consolidated performance surpassed JPY500 billion in sales for the first time, reaching JPY511.9 billion. Operating income also exceeded JPY70 billion, achieving JPY72.8 billion. We managed to conclude with record highs in sales, operating income, ordinary income, and net profit for the fourth consecutive period.

A brief explanation by segment: The AMI segment reached a record high with JPY338.3 billion in sales, an increase of 7% YoY, driving the overall company performance. As for operating income, increases in the Industrial Machinery (IM), and Aircraft Equipment (AE) segments contributed to the overall growth in operating income.

Our key models in the AMI segment, which are Liquid Chromatographs (LC), Mass Spectrometers (MS), and Gas Chromatographs (GC), collectively achieved a growth of 10%. Particularly, there was significant growth in overseas pharmaceuticals, the clinical and environmental sectors.

Another product that has recently contributed significantly to sales is the Turbo Molecular Pump (TMP). Even though semiconductor market conditions last fiscal year were not great, this was offset by growth in green technologies, including thin-film manufacturing equipment for solar panels and construction glass, achieving an overall growth of 3%.

Regionally, all areas saw an increase.

Statement of Income

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• Net sales 511.9 BY, Operating Income 72.8 BY (OPM 14.2%), Ordinary Income 76.9 BY, Net Income 57 BY
• Actively promoting R&D expenses for future growth, R&D expenses increased to 21.5 BY, +13% YoY (R&D to sales ratio: 4.2%)

Net Sales YoY: +29.7 bn yen / +6% 511.9 bn yen	Operating Income YoY: +4.5 bn yen / +7% 72.8 bn yen	Operating Margin YoY: +0.1pt 14.2%	Net Income YoY: +5.0 bn yen / +10% 57.0 bn yen
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	Units: Billions of yen	Full-Year		YoY	
		FY 2022	FY 2023	Changes	%
Business Results	Net Sales	482.2	511.9	+29.7	+6%
	Operating Income	68.2	72.8	+4.5	+7%
	Operating Margin	14.1%	14.2%	+0.1pt	
	Ordinary Income	70.9	76.9	+6.0	+8%
	Profit Attributable to Owners of Parent	52.0	57.0	+5.0	+10%
Exchange Rates	Average Rate: USD (Yen)	135.51	144.66	+9.15	+7%
	Euro (Yen)	141.02	156.85	+15.83	+11%
	R&D Expenses	19.0	21.5	+2.5	
	CAPEX	22.5	22.5	-0.0	
	Depreciation and Amortization	17.5	18.6	+1.0	

Exchange Rate Effect

Net Sales:
19.6 bn yen
Operating
Income:
6.5 bn yen

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*Figures are rounded to the nearest hundred million yen.
It may not match the notational total or difference.

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Moving on to the income statement, sales were JPY511.9 billion, a 6% increase YoY as I mentioned earlier. Operating income was JPY72.8 billion, up 7%, and the operating margin was 14.2%, a increase from last year's 14.1% by 0.1 points.

Profit attributable to owners of parent was JPY57 billion, marking a 10% increase. This is mainly due to the impact of exchange rates, which contributed more significantly than the growth in operating income.

Furthermore, we are strategically investing in future growth. One area is R&D expenses, which have increased by JPY2.5 billion from last year, reaching JPY21.5 billion.

YoY Change in Operating Income

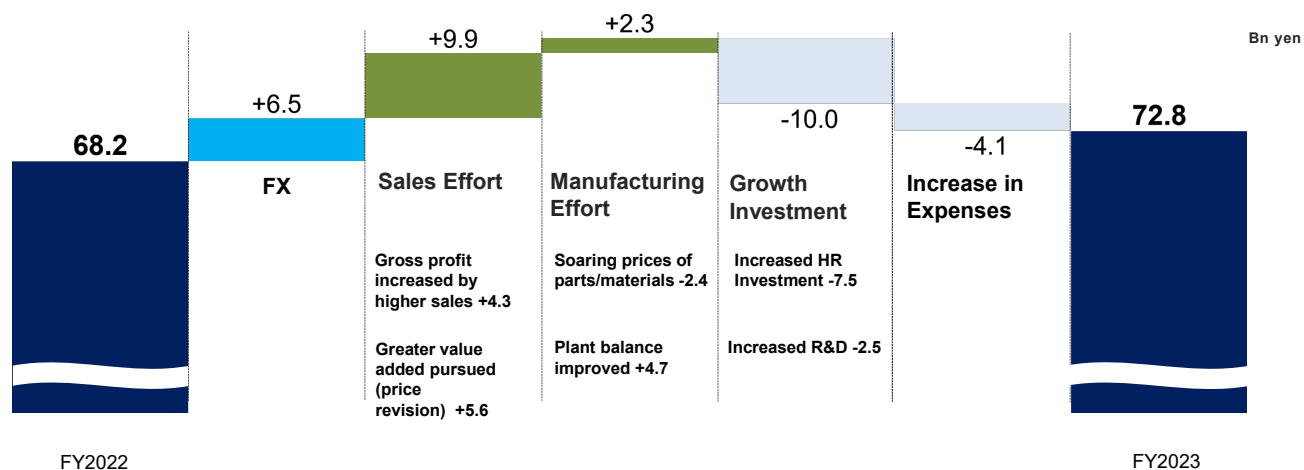
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OP increased to 72.8 bn yen, up 4.5 bn yen YoY.

Sales Effort: GP increased by higher sales in AMI, IM, and AE, and greater value added pursued. +9.9 bn yen

Manufacturing Effort: GP margin improved by improving plant balance against soaring prices of parts/materials. +2.3 bn yen

Increased Growth Investment: Investment for future growth such as HR and R&D increased. 10.0 bn yen (OP pull)



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This slide shows the factors contributing to the YoY change in operating income.

The impact of foreign exchange was JPY6.5 billion, contributing positively.

The most significant factor in increasing operating income was the effort on the sales front. As noted below, increased sales led to a JPY4.3 billion increase in gross profit. Additionally, by emphasizing the added value and having customers recognize the value of our products through our sales activities (price revision), we managed to increase profit by JPY5.6 billion, contributing a total of JPY9.9 billion to the profit increase.

On the manufacturing side, although we faced a struggle with a JPY2.4 billion increase in material costs, we achieved a JPY1.1 billion cost reduction and other improvements, such as enhanced factory profitability, which added JPY3.6 billion, resulting in a net gain of JPY2.3 billion.

On the other hand, as part of growth investments, we spent an additional JPY7.5 billion on human resources and JPY2.5 billion on R&D, which together pushed down profits by JPY10 billion.

Additionally, expenses increased by JPY4.1 billion as COVID-19 restrictions ended, leading to more travel and consequently higher travel and advertising costs.

In total, these factors resulted in a JPY4.5 billion increase in operating income, bringing it to JPY72.8 billion for the year.

Sales and Income by Segment

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AMI drove sales, +23.6 bn yen YoY. OP was driven by IM and AE, +2.3 and +1.8 bn yen YoY respectively.

Sales of AMI:

- Key models increased in the Healthcare and Green domains.
- PCR reagents decreased, -6 bn yen YoY
- OP of AMI:**
 - Investment for future growth such as R&D and HR increased.
 - Highly-profitable LC struggles in China.

Sales of MED:

- Our flagship product, Angiography Systems, drove well globally, +48% YoY
- In Japan, sales decreased due to reactionary decline of large projects and supplementary budget.
- OP of MED:** Decreased due to lower sales and increased investment for future growth.

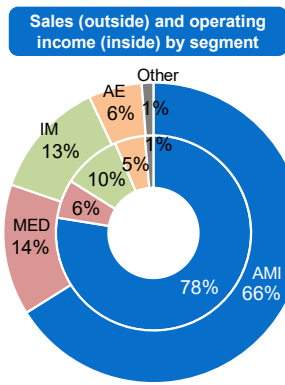
Sales of IM:

- Industrial Furnaces for EV ceramic manufacturing increased.
- TMP increased for solar panels and construction glass.
- OP of IM:**
 - Increased with higher sales and greater value added pursued.

Sales of AE:

- Increased for both commercial aircraft and defense.
- OP of AE:**
 - Increased by improved profitability in addition to higher sales.

Units: Billions of yen	Net Sales			Operating Income			Operating Margin	
	FY 2023	YoY		FY 2023	YoY		FY 2023	YoY
		Changes	%		Changes	%		
AMI	338.3	+23.6	+7%	57.5	-0.1	-0%	17.0%	-1.3pt
MED	72.3	-3.6	-5%	4.8	-0.8	-14%	6.6%	-0.7pt
IM	65.4	+2.4	+4%	7.2	+1.8	+32%	11.0%	+2.4pt
AE	29.5	+5.5	+23%	3.7	+2.3	+167%	12.6%	+6.8pt
Other	6.5	+1.8	+37%	1.0	+0.4	+75%	11.4%	+3.0pt
Adjustments	-	-	-	-1.5	+0.9	-	-	-
Total	511.9	+29.7	+6%	72.8	+4.5	+7%	14.2%	+0.1pt



By segment, while Medical Systems (MED) saw a decrease in sales, all other segments experienced increases. Particularly, AMI saw a significant increase in sales, and AE grew substantially in operating income.

Regarding operating income, AMI and MED posted decreases, while IM and AE showed increases, leading to an overall positive outcome. Profits decreased due to an increase in R&D expenses for AMI as a result of R&D ahead of schedule. Operating income for MED declined due to a decline in sales but increased for IM and AE as sales increased.

As a result, as you can see in the sales and operating income charts to the right, AMI accounts 66% of sales and 78% of operating income.

AMI Key Models and TMP

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• AMI Key Models (LC, MS, and GC) increased for the Healthcare and Green domains and academia.
• TMP decreased for semiconductor manufacturing equipment but increased for green-related (thin-film solar panel manufacturing equipment, etc.)

AMI Key Models

+10% YoY

■ LC ■ MS ■ GC Bn yen

LC for pharma increased in Japan, North America, Europe, and Other Asian Countries.



Nexera XS inert Liquid Chromatograph

MS for academia in Japan and for clinicals in Europe increased.

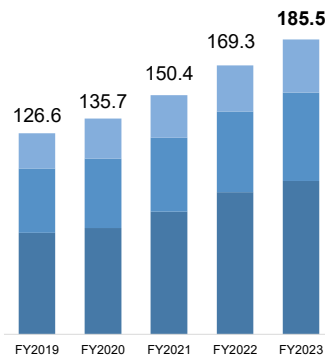


LCMS-8060NX Liquid Chromatograph Mass Spectrometer

GC for the Green domain increased globally.



Brevis GC-2050 Gas Chromatograph



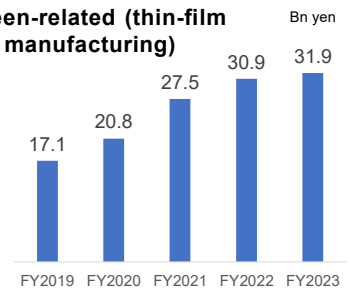
* Also refer to p.28 of supplementary materials.

TMP

+3% YoY

• TMP for semiconductor manufacturing equipment decreased.

• TMP for green-related (thin-film solar panel manufacturing) increased.



* Also refer to p.38 of supplementary materials.

AMI key models, which are LC, MS, and GC, together totaled JPY185.5 billion in sales and achieved a 10% increase YoY mainly in the Healthcare and Green Domains and academia.

Regionally, LC saw an increase in Japan, North America, Europe, other Asian countries such as India and Southeast Asian countries, primarily in the pharmaceutical sector. MS grew in Japan in academic and research settings, and in Europe in clinical applications. GC globally increased, especially in green-related areas such as impurity measurements in hydrogen and greenhouse gas measurements, showing a global rise.

To the side, we have results for the Turbo Molecular Pumps (TMP) which saw a 3% increase YoY, maintaining a solid performance with JPY31.9 billion in sales. TMP is a high-performance vacuum pump installed mainly in semiconductor manufacturing equipment and is a mainstay product of industrial equipment. Despite a decrease in the semiconductor sector, there was robust use in thin-film coatings for manufacturing solar cells and construction glass.

Sales by Segment

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Sales in Japan increased +2% YoY driven by AMI and AE. Overseas sales increased +9% YoY driven by Europe and Other Asian Countries.

Unit: Billions of Yen	FY 2022	FY 2023	Changes	YoY	Overview
Japan	211.1	215.6	+4.5	+2%	<ul style="list-style-type: none"> • AMI +5%: LC and MS for pharma increased. GC for new energy development, Testing Machines for new material development also increased. • MED -15%: Decreased due to reactionary declines in supplemental budget and large projects in the previous year. • IM -2%: Industrial Furnaces increased for ceramics, but TMP for semiconductor manufacturing equipment decreased. • AE +19%: Defense field increased.
Overseas	271.1	296.3	+25.2	+9%	
North America	57.6	60.6	+3.0	+5%	<ul style="list-style-type: none"> • AMI +2%: LC and clinical MS (MALDI) decreased for specific customers. Excluding this effect, sales increased +15%. • MED -1%: Hospital CAPEX stagnated. • IM +3%: Hydraulic Pumps for forklifts increased. • AE +37%: Commercial aircraft field increased.
Europe	41.7	48.9	+7.2	+17%	<ul style="list-style-type: none"> • AMI +19%: LC for pharma, MS for clinicals and academia, GC for new energy development increased. • MED +12%: Sales increased in Eastern Europe where we focused. • IM +12%: TMP for semiconductor manufacturing equipment increased.
China	96.7	99.9	+3.1	+3%	<ul style="list-style-type: none"> • AMI +1%: LC for pharma and contract analysis decreased, but GC for new energy development and MS for clinicals and academia increased. • MED +15%: Fluoroscopy Systems manufactured locally and Angiography Systems that we focused on increased. • IM +10%: TMP for thin-film manufacturing equipment used to manufacture solar panels and construction glass increased.
Other Asian Countries	52.2	59.3	+7.1	+14%	<ul style="list-style-type: none"> • AMI +17%: LC and MS for pharma increased. GC for new energy development, Testing Machines for new material development increased. • MED +3%: Although Southeast Asia saw a reactionary decline in large projects of Mobile X-rays, Angiography Systems that we focused on increased. • IM +5%: Industrial Furnaces for ceramics increased.

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Here is a regional summary. In Japan, there was actually a decrease of about JPY7 billion due to COVID-19 PCR testing reagents and equipment. However, this was compensated by other models. LC for pharmaceuticals, MS for academia, GC for new energy sectors, and applications for lithium-ion batteries, which are in demand for automotive lightweighting, remained strong. This led to a 5% growth in AMI. AE also grew by 19%, resulting in an overall 2% growth in Japan. MED, however, faced a tough year with a 15% decrease.

Overall, overseas saw a 9% growth, driven by Europe and Other Asian Countries.

Particularly in Europe, a 19% increase in AMI played a significant role. The contributions were significantly from the LC for pharmaceuticals and MS for clinical use. MED and IM also grew.

In Other Asian Countries, there was a 14% growth, driven by a 17% increase in AMI. In particular, LC and MS for pharmaceuticals in India were key contributors.

China managed a growth of 3% YoY. AMI grew by 1% by strategically converting backlog orders into sales, but orders remained challenging. MED and IM grew by 15% and 10% respectively, contributing to the overall growth.

02 FY 2024 Earnings Forecast

Business Environment and Measures

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We expect uncertainty continues due to geopolitical risks, U.S.-China trade friction, and inflation. In the 4 domains, we focus on markets where demand is expanding and implement measures to provide End-to-End solutions.

Healthcare		Material	
Life Science Field Business Environment <ul style="list-style-type: none"> Pharma market expands by developing new drugs and by strengthening domestic production. Chinese market remains sluggish. 	Measures < AMI > <ul style="list-style-type: none"> Pharma: Propose 'Evolving Lab' *p.16 Provide End-to-End Solution for North American Pharma *p.17 China: Implement Measures *p.23 	Business Environment <ul style="list-style-type: none"> R&D of new materials increases. Investment in the chemical industry decreases. Measures < AMI > <ul style="list-style-type: none"> Increase application for new materials, jig lineups, and overseas sales of Test Machines. < IM > <ul style="list-style-type: none"> Expand sales of Industrial Furnaces for ceramics. 	
Med-Tech Field Business Environment <ul style="list-style-type: none"> Clinical market expands. Senior healthcare market expands. Chinese market remains sluggish. 	Measures < AMI > <ul style="list-style-type: none"> Clinical: Build Clinical Platform *p.18 China: Implement Measures *p.23 < AMI & MED > <ul style="list-style-type: none"> Expand Senior Healthcare Business *p.19 		
Green Business Environment <ul style="list-style-type: none"> R&D progresses toward decarbonization. PFAS demand increases. 	Measures < AMI > <ul style="list-style-type: none"> Provide End-to-End Solution for Hydrogen *p.20 Provide End-to-End Solution for PFAS *p.21 < IM > <ul style="list-style-type: none"> Expand TMP sales for solar cells. 	Industry Business Environment <ul style="list-style-type: none"> Semiconductor market recovers. Measures < IM > <ul style="list-style-type: none"> Grow TMP Business *p.22 	

Starting with the business environment, as I mentioned earlier, we continue to face geopolitical risks, and factors like US-China trade tensions and inflation are making the future highly uncertain.

During our current mid-term management plan, which started FY2023 and spans three years, we have positioned Healthcare, Green, Material, and Industry as our focus domains.

In Healthcare, we are concentrating on two fields: Life Sciences and Med-Tech. Life Sciences is seeing growth, particularly in pharmaceuticals and food, where the market is expanding due to increased drug development and a push for domestic production. However, the Chinese market, especially in pharmaceuticals, is expected to remain sluggish and not recover quickly. Our management strategy for pharmaceuticals involves 'evolving laboratories,' enhancing entire lab setups with our technologies, not just through products but also through accompanying software and other services. Specifically in North America, we aim to strengthen our solution offerings. For China, we intend to capture demand related to pharmacopoeias and traditional Chinese medicine. In Med-Tech, which covers clinical and medical products, the clinical market is expanding globally, including in Europe and China. Also in the medical products sector, we aim to expand into the senior healthcare market, particularly focusing on bone health and dementia.

In Green, there is a global push for decarbonization R&D. Additionally, environmental regulations, such as those concerning PFAS (Per- and polyfluoroalkyl substances) are becoming stricter. We plan to strengthen our business in these two directions, focusing on solutions for hydrogen and enhanced solutions for PFAS. In Industrial Equipment, we will continue to focus on expanding sales of turbo molecular pumps for solar cells.

In Material, the global development of new materials is progressing, and the move towards a circular economy is also part of the shift towards decarbonization, aiming to eliminate waste and enhance eco-friendliness. This area is drawing significant attention.

In Industry, our main focus is on the semiconductor market. The semiconductor market will recover due to AI-related developments, and we firmly capture this demand.

FY 2024 Earnings Forecast

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Aim to achieve a new record high for the 5th consecutive year.

R&D expenses will increase by 6.5 bn yen to 28 bn yen. R&D to sales ratio will be 5.3% (4.2% in FY 2023)

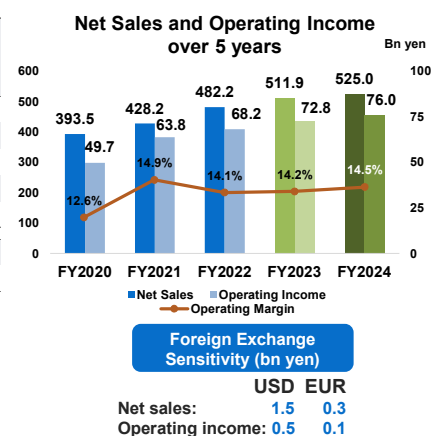
Net Sales
YoY: +13.1 bn yen / +3%
525.0 bn yen

Operating Income
YoY: +3.2 bn yen / +4%
76.0 bn yen

Operating Margin
YoY: +0.3pt
14.5%

Net Income
YoY: +1.0 bn yen / +2%
58.0 bn yen

Units: Billions of yen		Full-Year		YoY	
		FY 2023	FY 2024 Forecast	Changes	%
Business Results	Net Sales	511.9	525.0	+13.1	+3%
	Operating Income	72.8	76.0	+3.2	+4%
	Operating Margin	14.2%	14.5%	+0.3pt	
	Ordinary Income	76.9	77.0	+0.1	+0%
	Profit Attributable to Owners of Parent	57.0	58.0	+1.0	+2%
Exchange Rates	Average Rate: USD (Yen)	144.66	145.00	+0.34	+0%
	Euro (Yen)	156.85	155.00	-1.85	-1%
	R&D Expenses	21.5	28.0	+6.5	
	CAPEX	22.5	28.0	+5.5	
	Depreciation and Amortization	18.6	20.0	+1.4	



For the FY2024, we aim to achieve record highs for the fifth consecutive year, including projected sales of JPY525 billion, operating income of JPY76 billion, an operating income margin of 14.5%, and net profit of JPY58 billion.

We plan to further strengthen our growth investments aimed at future expansion. Last year's R&D expenses amounted to JPY21.5 billion, and we plan to increase this by JPY6.5 billion to JPY28 billion this year.

We are also planning an increase in capital expenditures by JPY5.5 billion, and an increase in depreciation and amortization costs by JPY1.4 billion.

FY 2024 Earnings Forecast by Segment

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In addition to measures, we will shift backlog orders to sales and sell new products, aiming for increased sales and profit in AMI, MED, and IM.

◆ Basis for the revenue increase

- Shift record-high order backlog at the beginning of the year hit record high.
- FY24 new product sales target +25 bn yen (products launched in FY22-23 will contribute)
- Implement measures described in p.10.

◆ Basis for the profit increase

- Increase in sales and added value through sales efforts (incl. price revision).
- Improve plant balance through manufacturing efforts.
- Growth investment of 14 bn yen is planned (R&D expenses will increase by 6.5 bn yen).

◆ Basis by segment

- Sales and profit will increase through sales efforts in AMI, MED, and IM.
- AE profit will decrease due to deterioration in product mix.

Units: Billions of yen	Net Sales				Operating Income				Operating Margin		
	FY 2023	FY 2024 Forecast	Changes	YoY %	FY 2023	FY 2024 Forecast	Changes	YoY %	FY 2023	FY 2024 Forecast	YoY Changes
AMI	338.3	342.0	+3.7	+1%	57.5	60.0	+2.5	+4%	17.0%	17.5%	+0.5pt
MED	72.3	76.0	+3.7	+5%	4.8	6.0	+1.2	+26%	6.6%	7.9%	+1.3pt
IM	65.4	68.0	+2.6	+4%	7.2	8.0	+0.8	+11%	11.0%	11.8%	+0.8pt
AE	29.5	35.0	+5.5	+19%	3.7	3.0	-0.7	-19%	12.6%	8.6%	-4.0pt
Other	6.5	4.0	-2.5	-38%	1.0	1.5	+0.5	+44%	11.4%	23.1%	+11.7pt
Adjustments	—	—	—	—	-1.5	-2.5	—	—	—	—	—
Total	511.9	525.0	+13.1	+3%	72.8	76.0	+3.2	+4%	14.2%	14.5%	+0.3pt

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I'll continue with the explanation by segment.

Overall, our current backlog of orders is at an all-time high. We plan to convert these orders into sales and enhance the rollout of new products that offer greater value to customers. By promoting these new products, we aim to achieve increased sales and profits across the AMI, MED, and IM.

In terms of growth by segment, in AMI, we are targeting JPY342 billion for sales and JPY60 billion for operating income, year-over-year +1% and +4% respectively. This accounts for anticipated sluggishness in China, and we hope for recovery in the latter half of the year.

For MED, we are targeting JPY76 billion for sales and JPY6bn for operating income, year-over-year +5% and +26% respectively. We expect the state of capital investments by hospitals in Japan recovers.

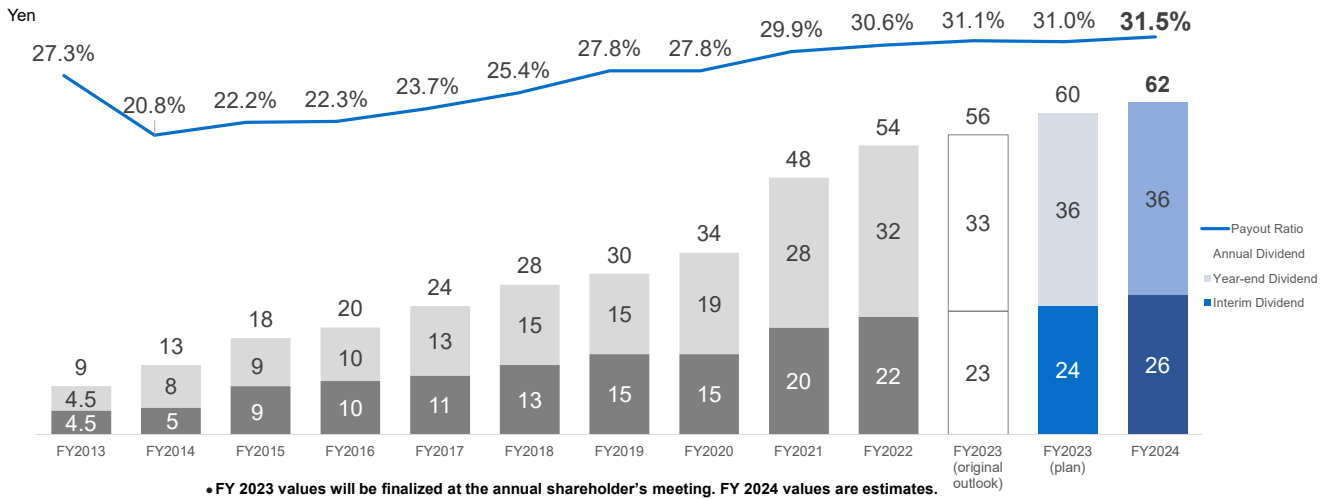
For IM, sales are projected at JPY68 billion and operating income at JPY8bn, year-over-year +4% and +11% respectively. This includes expected recoveries in turbo molecular pumps for semiconductor-production equipment.

For AE, sales are set at JPY35 billion and operating income at JPY3bn, year-over-year +19% and -19% respectively. AE sales are driven in defense-related, which deteriorates the production mix and we anticipate that the operating income of AE will decrease.

Shareholder Returns (Dividends)

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• Dividend: FY23 dividend increased by 4 yen vs. the initial forecast (Interim +1 yen, Year-end +3 yen), +6 yen YoY and 10th consecutive dividend increases. FY24: 62 yen per share for 11th consecutive years.
• Payout ratio: Expected to be 31.5% based on the return policy (payout ratio of at least 30%)



Our shareholder return policy, as stated in our mid-term management plan, commits to maintaining a dividend payout ratio of at least 30%.

In line with this, we plan for next fiscal year's dividend to be JPY62 per share, with a dividend payout ratio of 31.5%, marking the 11th consecutive year of dividend increases.

Shareholder Returns (Repurchase of Own Shares)

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- Repurchase of Own Shares: Not exceeding 25 billion yen of own shares will be repurchased in order to enhance shareholder returns and improve capital efficiency.
- Total return ratio: FY2024 total return ratio of dividends and share repurchase will be 74.6%.

Total number of shares to be repurchased: **Not exceeding 12,500 thousand shares**
(4.2% of total number of shares issued excluding treasury shares)

Total amount of shares to be repurchased: **Not exceeding 25 billion yen**

Period of repurchase: From May 13, 2024 to March 31, 2025

Method of repurchase: Market purchase on the Tokyo Stock Exchange

We announced the repurchase of own shares. This move, a first for our company, is aimed at enhancing shareholder returns and improving capital efficiency, with a cap of JPY25 billion.

Including this buyback, the total return ratio for FY2024 is projected to be 74.6%.

03 Topics

Healthcare

- Propose 'Evolving Lab' for Pharma *p.16
- Provide End-to-End Solution for North American Pharma *p.17
- Strengthen Med-Tech Business - Build Clinical Platform in AMI - *p.18
- Strengthen Med-Tech Business - Expand Senior Healthcare Business in AMI & MED - *p.19

Green

- Provide End-to-End Solution for Hydrogen *p.20
- Provide End-to-End Solution for PFAS *p.21

Industry

- Grow TMP Business *p.22

Expand Overseas Sales

- Implement Measures in China *p.23

Management Foundation

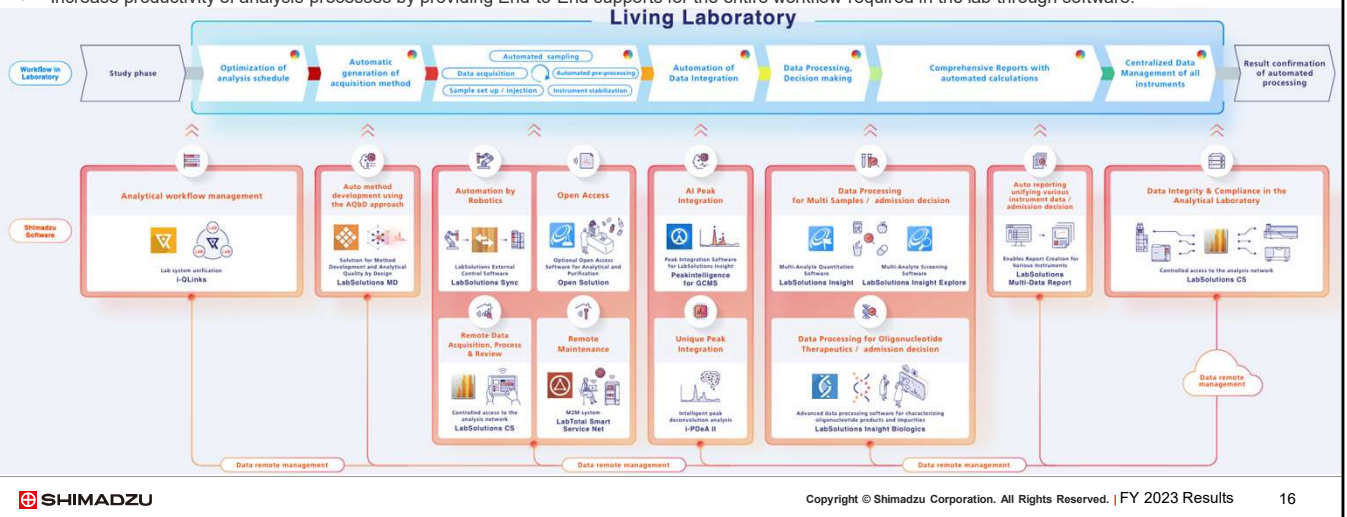
- Reinforce the Corporate Governance *p.24
- Develop Human Resources that Shimadzu Requires *p.25

As topics of discussion, I would like to explain how our company plans to expand its business and improve performance in this fiscal year and the next.

Propose 'Evolving Lab' for Pharma

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- Achieve a 'evolving lab' = Living Laboratory to help customers improve their analytical measurement productivity.
 - Data integrity & efficiency achieved by our network system that can connect multiple models, including those of other companies.
 - Complete End-to-End solutions for pre-processing, measurement, data analysis, data management, and network systems.
- ✓ Analytical & Measuring Instruments, robotics, AI, and IoT technologies enable novice researchers to replicate a set of lab workflows just as skilled researchers do.
 - ✓ Researchers can engage in more advanced work and make better use of their time.
 - ✓ Increase productivity of analysis processes by providing End-to-End supports for the entire workflow required in the lab through software.



Firstly, the pharmaceutical market is a key area where we want to significantly appeal to our customers. We aim to contribute to their R&D and pharmaceutical production processes.

This is about creating evolving laboratories, which we refer to as “Living Laboratories.” By realizing this concept, we can contribute to enhancing the productivity of our customers’ analytical measurements.

The content involves optimizing the entire lab workflow, from experimental phases to automated result processing. This includes optimizing analysis schedules, automatically generating analysis conditions, performing automated sampling and analysis, and waveform processing, which is also conducted automatically by AI. If necessary, analysis and pass/fail decisions are made, reports are generated, and comprehensive data management is handled.

In addition, automation can be achieved using robotics.

In this way, by making the labs (research facilities) more advanced, customers can focus on more advanced tasks such as drug discovery and data analysis, and we hope to expand Living Laboratories to the pharmaceutical market.

We have already started this in Asia and have achieved some success, and now we are preparing to expand it to the US. Our sales teams in Asia and the US are collaborating to prepare and advance this rollout in the US.

Provide End-to-End Solution for North American Pharma

- Products Meeting Advanced Needs: Highly competitive supercritical fluid chromatographic analysis, separation, and extraction systems are being adopted by mega pharma.
- Technology Development Meeting Advanced Needs: Established the North American R&D Center with the aim of accelerating development in close contact with advanced customers in North America.
- Enhanced maintenance service: Provide efficient equipment management by Multi-Vendor Services.

◆ Expand sales of semi-preparative supercritical fluid chromatographs

- Already delivered to over 40 pharma companies in North America.
- A significant reduction in environmental impact achieved by reducing solvent consumption by 94% compared to our previous model.



Nexera UC Prep
Semi-Preparative Supercritical Fluid Chromatography System

Commercialized based on specifications required by a consortium of major U.S. pharmaceutical companies, Enabling Technologies Consortium.

◆ Enhance maintenance service by Multi-Vendor Services* (MVS)

- * One-stop maintenance service by one company for all equipment without selecting manufacturer.
- Stricter quality control increases demand for MVS for analytical instruments
- *MVS Market Size: Approx. \$1 billion CAGR 7%

↓
Acquired Zef Scientific Inc., an MVS company for analytical instruments in the United States.

◆ Established the North American R&D Center (consisting of 3 facilities)

- Sales target for products developed in the North American R&D Centers: FY 2025 \$35 M

West Coast Development Center

- Understand advanced needs of pharma & biotech.
- Research collaboratively for automation.

East Coast Development Center

- Understand the advanced needs of the upstream sector of major pharma.
- Develop MS with state-of-the-art technology.



North America R&D Center

- Based on customer needs from the East-West Development Centers, Develop and evaluate software applications.



In North America, we held opening ceremonies for three R&D centers this April. The headquarters is located on the East Coast in Maryland, where we have established a comprehensive R&D center capable of hardware design, software application development, and evaluation.

Boston, where the East Coast Development Center is located, is home to many prestigious academic institutions and a hub for biopharmaceutical R&D initiatives. The San Francisco area, location of the West Coast Development Center, is home to global pharmaceutical companies and biotechnology ventures. These two facilities will primarily investigate the needs of pharmaceutical companies and will jointly evaluate prototypes developed based on those needs by bringing them to customers' sites.

Previously, an Innovation Center, which was the precursor to the North America R&D Center, captured customer needs and conducted R&D. The results from this center include the Semi-Preparative Supercritical Fluid Chromatograph, as noted on the left. Based on these experiences, we decided to establish this new R&D center.

The Semi-Preparative Supercritical Fluid Chromatograph has been delivered to over 40 companies in North American pharmaceuticals and is highly praised for its robustness and ease of use, with several ongoing inquiries. We have received quite a few orders and have successfully delivered to customers not only in North America but also in Europe.

Moreover, as announced this April, we acquired Zef Scientific, a company that provides multi-vendor services. Particularly in the US market, where quality control is becoming stricter, the demand for multi-vendor services is growing. By acquiring Zef Scientific, which already serves several major pharmaceutical companies, we have joined the multi-vendor service market. This acquisition allows our sales team to make contacts through Zef Scientific, aiding in the expansion of our product sales.

Strengthen Med-Tech Business - Build Clinical Platform in AMI -

Healthcare

Green

Industry

Expand Overseas Sales

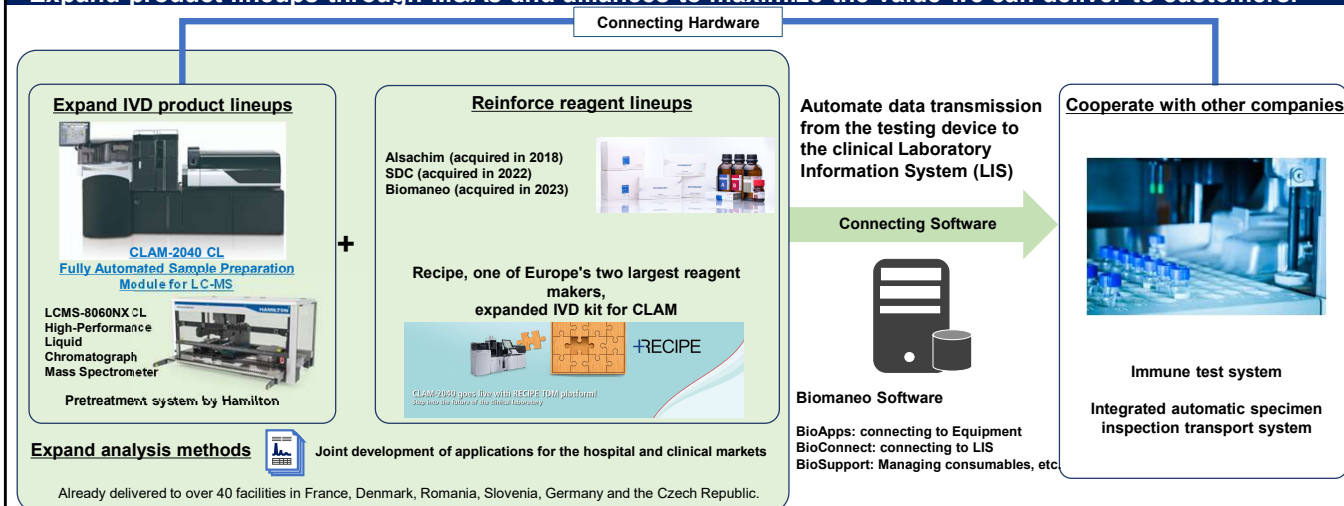
Management Foundation

Excellence in Science

&

Best for Our Customers

- Build a clinical LCMS platform by utilizing our company's proprietary CLAM preprocessing system and other companies' pretreatment systems.
- Expand product lineups through M&As and alliances to maximize the value we can deliver to customers.



SHIMADZU

*IVD: In Vitro Diagnostics

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In Med-Tech, we are working on building a clinical platform. We provide platforms for fully automated clinical testing utilizing our own fully automated pre-processing device, CLAM, and the fully automated pre-processing device from Hamilton, each with their unique features.

CLAM system has been adopted in over 40 facilities across France, Denmark, Romania, Slovenia, Germany, and the Czech Republic.

We are looking to strengthen our reagent lineup, having acquired several companies. Also, in collaboration with Recipe, one of the two largest reagent companies in Europe, we are expanding the range of IVD kits for our CLAM.

Lastly, clinical laboratories in Europe are incorporating highly comprehensive automated systems for sample testing and transportation, which involve integrating various testing systems into a single automated lab system. In order to integrate our products to these systems, connection software is required and we have acquired a company last year that develops connection software.

Therefore, by combining hardware, reagents, and software, and strengthening collaboration with other companies, we are actively progressing in the development of this clinical platform.

Strengthen Med-Tech Business - Expand Senior Healthcare Business in AMI & MED -

Healthcare Green Industry Expand Overseas Sales Management Foundation Excellence in Science & Best for Our Customers

Focus on bone, orthopedic surgery, heart disease, peripheral vascular disease, and dementia markets to provide End-to-End solutions for extending healthy life expectancy.

Preventive care for the elderly to prevent 'bedridden' and burden reduction on caregivers



Improve QOL of the elderly by supporting 'walking'

Effect of 'walking'

- Reduction in morbidity such as osteoporosis and ischemic heart disease
- Dementia prevention

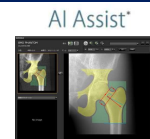
Reference:
Websites of Ministry of Health, Labour and Welfare & Tokyo Metropolitan Geriatric Medical Center

Bone: Bone Checkup <Blood vitamin D test and X-ray TV system>

- Can test fractures and measure bone density in one device (no travel burden for patients)
- Osteoporosis testing and support after joint replacement
- Blood vitamin D test and blood concentration monitoring of therapeutic agents
- Diagnostic support with AI to reduce physician burden



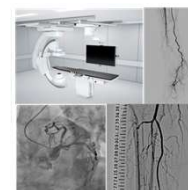
plain radiography
Morphological diagnosis such as fracture



AI Assist
Quantitative examination of bone density

Heart disease and peripheral blood vessels: <Heart disease Biomarker search and Angiography System>

- Support for treatment of ischemic heart disease and lower extremity arterial disease
- Image processing engine equipped with AI to reduce exposure by 40% compared to our previous model and to achieve improved visibility

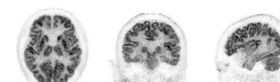


Dementia testing: < Blood test and PET equipment for head and breast, BresTome >

- Measure amyloid β in blood
- Provide high-definition images unique to specialized devices

< Head PET in operation >

FUJITA MEDICAL INNOVATION CENTER TOKYO
Advanced General Medical Center, Kindai University
LSI Sapporo Clinic, etc.



Normal head FDG Data provided by PET Molecular Imaging Department, Advanced General Medical Center, Kindai University

The next focus is on expanding our senior healthcare business, which is a collaborative effort between our AMI and MED divisions.

The primary objective of this venture, as outlined in our mid-term management plan, is to extend healthy life expectancy. To achieve this, we are concentrating on bone health, cardiovascular and peripheral vascular diseases, and dementia prevention, aiming to provide comprehensive solutions.

Particularly when it comes to extending healthy life expectancy, preventing immobility is crucial. Preventing immobility not only serves as preventive healthcare for the elderly but also reduces the burden on caregivers. By encouraging mobility, we aim to improve the quality of life (QOL) for the elderly and prevent conditions such as osteoporosis, heart disease, vascular diseases, and dementia.

In terms of bone health, we are collaborating with Jikei University School of Medicine on initiatives related to bone health and promoting the concept of a "bone check-up". As people age, they may suffer bone fractures without even realizing it, which can be related to deficiencies in vitamin D and calcium, among other factors. We address these issues by monitoring blood indicators and using X-ray technology to assess the actual condition of the bones, enabling early detection, prevention, and treatment. For cardiovascular and peripheral vascular diseases, we use biomarkers to quickly predict and address the onset of these conditions.

As for dementia, as previously mentioned, our approach includes blood tests and PET scans to manage and prevent this condition.

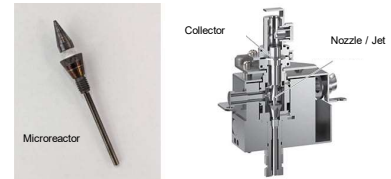
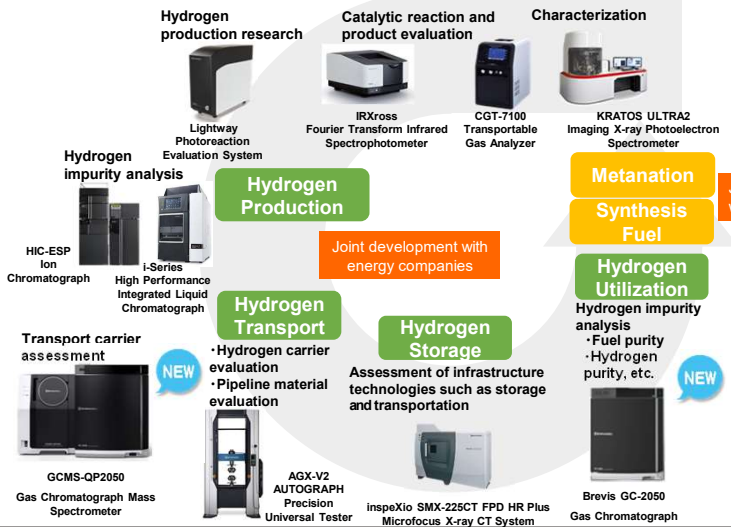
Provide End-to-End Solution for Hydrogen

Increase market shares with new products for hydrogen, GC-2050 and GCMS-QP 2050.
Aim to standardize hydrogen analysis.

Basic and Catalytic Research

Strengthen competitiveness in Green

Acquired Microreactor Business from Activated Research Company in the U.S.



- Simultaneous analysis of multiple greenhouse gases using only a general-purpose detector
- American Society for Testing Materials (ASTM), one of the world's largest industry standards organization, promotes analytical standards

In our End-to-End solutions aimed in Green, particularly related to hydrogen, we possess various products that contribute to making hydrogen a fundamental energy source worldwide, not just in Japan but also in Europe, China, and the US.

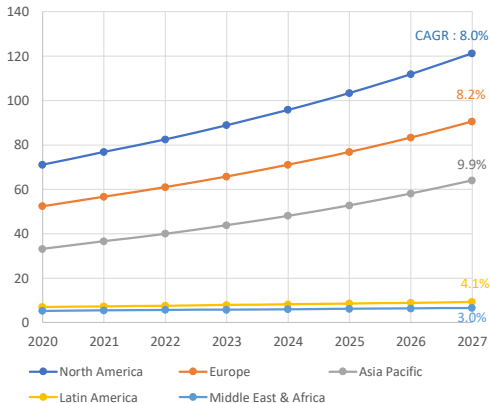
Last fiscal year, we acquired a microreactor business from a US company. We plan to utilize this technology to conduct efficient testing systems and, as recently announced in a press release, we are collaborating with companies like France's TOTAL to deploy systems that measure impurities among other functionalities.

Provide End-to-End Solution for PFAS

- Provide End-to-End solutions for PFAS analysis in line with EPA (U.S. Environmental Protection Agency) from pretreatment to report output.
- In response to the global trend of strengthening standards, we are striving to increase market share in LCMS for PFAS analysis.

PFAS Analysis Market Size

ENVIRONMENTAL TESTING EQUIPMENT MARKET FOR PFAS, BY REGION (USD Mil)



◆ **Initiatives in North America**
 PFAS Task Force focused on EPA PFAS analysis.
 Sold LCMS to contract analysis companies, water bureaus, academia, etc., with 10% LCMS share in FY2023

◆ **Products**
 Launch new products best suitable for PFAS analysis



◆ **Method development**
 Promotion of PFAS Method Development



◆ **Pretreatment**
 Promote automation

◆ **Recurring**
 Expand consumable lineups for PFAS

References: ENVIRONMENTAL TESTING EQUIPMENT MARKET – GLOBAL FORECAST TO 2027

The next page focuses on End-to-End solutions for PFAS and environmental applications. We provide total solutions to our customers by offering analysis proposals that comply with the U.S. Environmental Protection Agency (EPA) standards.

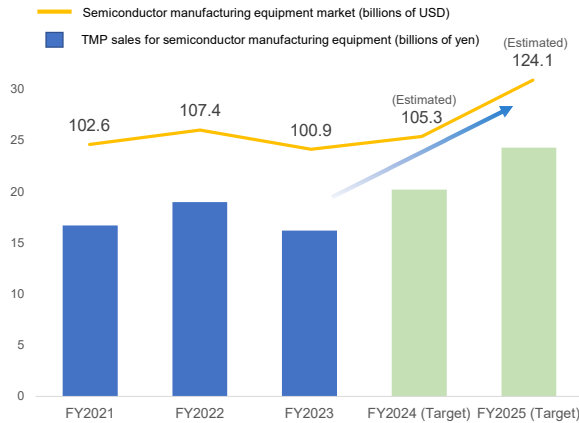
Currently, not only in North America but also in Europe and Japan, PFAS has become a significant issue. Substances previously considered safe are now suspected of being carcinogenic, leading to stricter regulations. The focus is on analyzing substances found in tap water, surface water, wastewater, and food. We make various End-to-End proposals targeting at PFAS analysis.

Grow TMP Business

- The semiconductor manufacturing equipment market is expected to increase in FY2024-FY2025, despite a decrease in FY2023.
- Increase market share and service ratio for semiconductor manufacturing equipment.

TMP Sales for Semiconductor Manufacturing Equipment

- Increase as market recovers and increase market share



Increase in Market Share

- Provide high-value-added technology to solve problems of the four major semiconductor manufacturing equipment companies
- Increase the ratio of being installed in new semiconductor manufacturing equipments

Expand Recurring

- Increase maintenance & service sales by establishing new sites in line with semiconductor investment (currently 10 sites globally)
- Promote upgrade and end-user direct services
- Expand 24/365 support



Service base in Wuhan, China, established in June 2023




The next topic is the growth strategy for Turbo Molecular Pumps. The semiconductor manufacturing equipment market continues to grow. We aim to grow the Turbo Molecular Pumps business by expanding market share and the recurring business with high-value-added products.

As for expanding our recurring business, as semiconductor investments are growing worldwide, our customer base is also expanding globally. We provide maintenance services for Turbo Molecular Pumps right next to semiconductor fabrication plants around the world, and by continuing to do so, we will expand the recurring sales ratio.

Implement Measures in China

Despite the ongoing difficult market conditions, particularly in pharmaceuticals and CxO*, the announcement of government support measures is expected to boost demand. Focus on growing demand areas such as clinicals, academia and green.

The “Action Plan to Promote Large-scale Equipment Renewals and Trade-ins of Consumer Goods” was released to provide subsidies and low-interest loans for capital investment renewal in healthcare, education, infrastructure, etc.

		Market Environment	Shimadzu's Initiatives
 <p>Life Science Field Healthcare</p>	<p>Med-Tech Field</p>	<ul style="list-style-type: none"> • Pharmaceutical and CxO: Capital investment stagnation continues. • Chinese herbal medicine: Regulations gets tighter on quality control, safety analysis, and pesticide residues. • Chinese Pharmacopoeia: will be revised in 2025. 	<ul style="list-style-type: none"> • Provide End-to-End Solutions to analyze residual pesticides in Chinese herbal medicine. • Propose solutions for the Chinese Pharmacopoeia 2025 edition at an early stage.
		<ul style="list-style-type: none"> • Hospitals: “Standards for Equipment Configuration in County General Hospitals” were issued. Introduction of MS continues at prefectural general hospitals. Fluoroscopy Systems made in China and Angiography Systems were well received. 	<ul style="list-style-type: none"> • Provide LCMS through OEM, partnering with Chinese reagent manufacturers. • Continue initiatives in MED.
	<p>Green</p>	<ul style="list-style-type: none"> • Lithium-ion batteries: Demand increases as R&D advancement and quality improvement continues. • Hydrogen energy: AMI demand increases with constructions of hydrogen stations in various places. • Tighter environmental regulations: “New Pollutant Control Action Plan” was enforced. 	<ul style="list-style-type: none"> • Solve analytical challenges from R&D to QC through our extensive product lineup. • Expand sales of LCMS and GCMS through 40 applications for regulatory enhancements.
	<p>Academia</p>	<p>Academia: From 2023 to 2025, the government has implemented support programs for local educational institutions, specifically targeting vocational and technical colleges.</p>	<ul style="list-style-type: none"> • Meet the diverse research needs with our extensive product lineup. • Counter the domestic-friendly measures with Chinese-made products.

Next, let’s discuss the Chinese market. Currently, the market conditions are quite challenging, particularly in the pharmaceutical and CxO sectors, but government support measures have been announced. We anticipate those stimulus will positively impact the economy and our business from the second half (July onwards) in this fiscal year.

For pharmaceuticals, we are focusing on the development of traditional Chinese medicine and revisions to the pharmacopoeia.

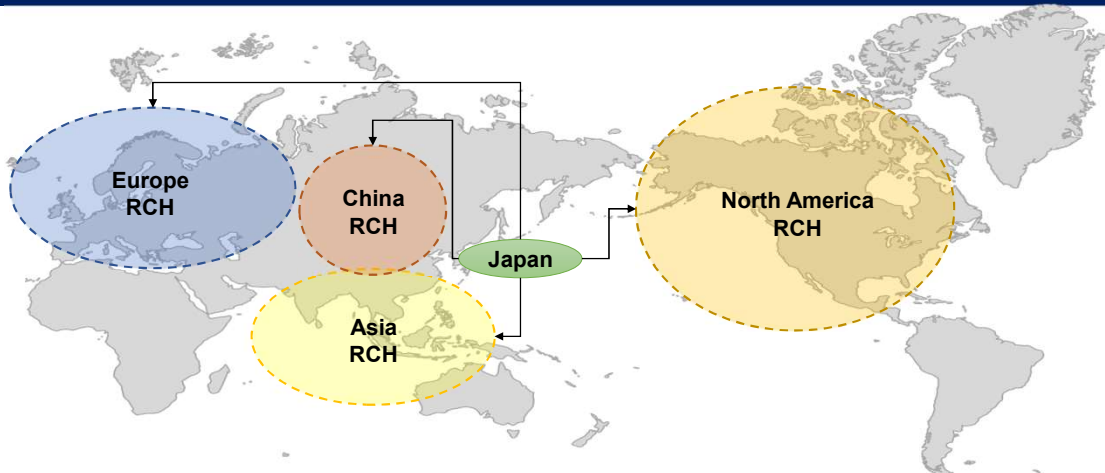
In Med-Tech, the adoption of LCMS-based tests in clinical settings is progressing, so we plan to expand our OEM operations. Also, in MED, Angiography Systems and domestically produced Fluoroscopy Systems have been performing well, and we are looking to strengthen their deployment.

China is heavily investing in green technologies, with significant government budgets allocated. There are budgets for lithium-ion batteries, hydrogen energy, and strengthening environmental regulations, so we plan to enhance and expand our offerings with a rich product lineup tailored to these initiatives.

In academia, our approach is to capitalize on the government budget allocations and capture the demand with our diverse lineup. Regarding China’s domestic preference policies, we will respond with products manufactured in our Chinese factories to align with local production incentives.

Reinforce the Corporate Governance

- The newly established Risk Management Department supervises internal control, compliance, and risk management.
- The Head Office formulates a business audit policy and entrusts audits to Regional Corporate Headquarters (RCH; in Europe, North America, Asia, and China), which are scheduled to be established by FY2028, for timely monitoring and prompt improvement.
- RCH receives the transfer of audit duties and authority from the Head Office and carries out the same activities to subordinate companies.



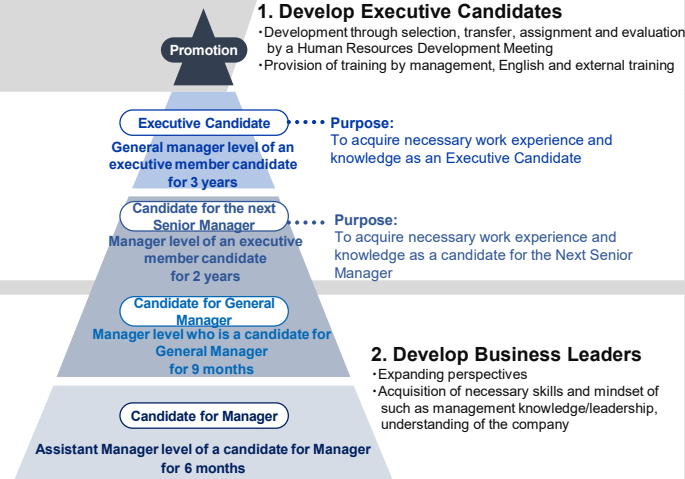
About reinforcing the corporate governance, the newly established Risk Management Department will promote integrated risk management by integrating internal control, compliance, and risk management.

We will work to strengthen the entire group governance by transferring authority from the head office to the regional corporate headquarters, and by ensuring that the regional corporate headquarters exercise governance over subordinate companies.

Develop Human Resources that Shimadzu Requires

Shimadzu Academy opens to train Executive Candidates and Business Leaders.

Shimadzu Academy



3. Develop Advanced Experts

PhD/
Advanced Qualification/
DX Skills

Subject :
Selection and Public Offering

FY2023 Results

1. Develop Executive Candidates

• A training program started in October 2023.

2. Develop Business Leaders

• Leadership Training Graduates: 817 people

3. Develop Advanced Experts

• 29 people newly qualified.
 • Established new qualification incentive system.
 • SPARK (a support system for Doctoral degree) started.

FY2024 Plan

Further evolve initiatives 1. 2. and 3.

In terms of human resource development, we opened Shimadzu Academy to train executive candidates and business leaders.

This concludes our FY2023 earnings call. Thank you very much for your attention.



Actual results may differ significantly from forecasts about future performance indicated in this document, due to fluctuations in economic conditions, exchange rates, technologies, or various other external factors.

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Supplementary Materials

Analytical & Measuring Instruments / Net Sales by Model and Recurring Ratio

Excellence in Science & Best for Our Customers

Key Models: Increased in the Healthcare and Green domains and academia, +10% YoY.
Other Models: Testing Machines increased in the Green and Material domain, +5% YoY.
Recurring: Although PCR reagents significantly decreased, maintenance & service sales increased, +6.4 bn yen YoY.

Key Model Sales
 YoY: +16.2 bn yen/ +10%
185.5 bn yen

- LC increased in the Healthcare domain (pharma, etc.).
- MS increased for clinicals and academia.
- GC increased in the Green domain.

Other Model Sales
 YoY: +7.4 bn yen/ +5%
152.7 bn yen

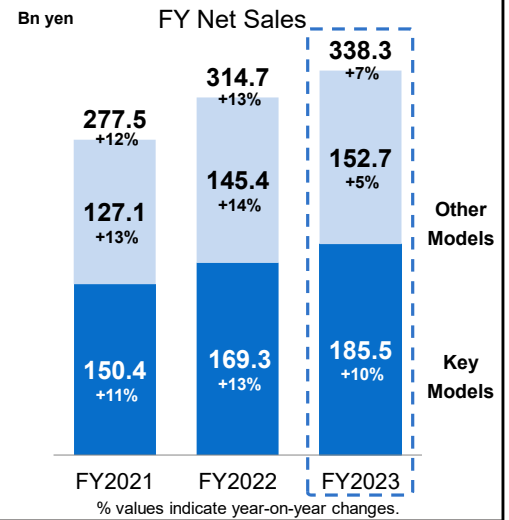
- Testing machines increased for new material development.
- COVID-19-related sales (PCR reagents and AutoAmp) significantly decreased.

Recurring Sales Ratio
 YoY: -1pt (Net Sales +6.4 bn yen)
36%

- Maintenance & service sales increased.
- PCR reagents significantly decreased.

Key Models

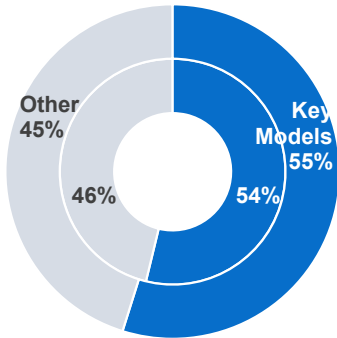
Other Models



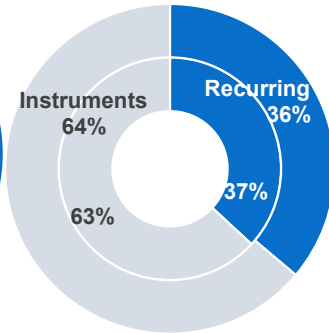
AMI / Net Sales Ratio (Full-Year)

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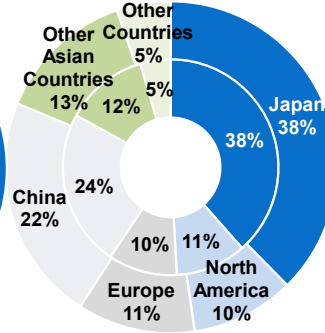
Model



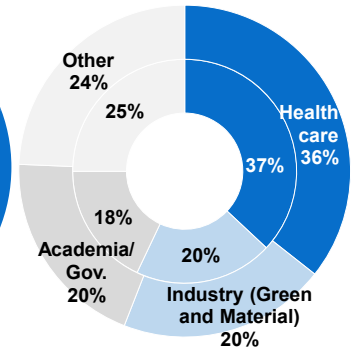
Recurring Ratio



Region



Market



• Pie chart outer rings indicate FY 2023 results and inner rings FY 2022 results.

AMI / YoY Change for Net Sales of Key Models

Excellence in Science
&
Best for Our Customers

Key models: LC for pharma increased in Japan, Europe, and Other Asian Countries but decreased in China.
MS for food in Japan and MS for environment in North America increased.
MS for academia in China decreased due to a special demand in the previous year.
GC increased globally for new energy development (excl. China with a reactionary decline in the special demand).

with FX	FY 2021					FY 2022					FY 2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Key Models	+24%	+10%	+10%	+3%	+11%	+2%	+14%	+9%	+25%	+13%	+18%	+13%	+12%	-2%	+10%
All	+29%	+12%	+9%	+4%	+12%	+1%	+15%	+15%	+20%	+13%	+16%	+10%	+6%	+2%	+7%
w/o FX	FY 2021					FY 2022					FY 2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Key Models	+20%	+7%	+4%	-3%	+6%	-9%	-2%	-5%	+14%	-0%	+12%	+8%	+7%	-10%	+4%
All	+25%	+9%	+4%	-0%	+8%	-8%	+3%	+3%	+13%	+3%	+11%	+6%	+2%	-4%	+3%

• Key models: Liquid Chromatographs (LC), Mass Spectrometer Systems (MS), and Gas Chromatographs (GC)

Analytical & Measuring Instruments / Net Sales by Region

Excellence in Science
&
Best for Our Customers

Japan: Key models increased in the Healthcare and Green domains. Testing Machines increased in the Green and Material domains.
Overseas: In North America, sales for mega pharma and PFAS increased. In Europe, LC for pharma and MS for clinicals and academia increased.
In China, GC for new energy development increased but LC for pharma and contract analysis decreased.
In Other Asian Countries (India and Southeast Asia), LC for pharma increased.

Unit Billions of yen	FY2022	FY2023	YoY		FY Overview	
			Changes	%		
Japan	Full-Year	121.1	127.2	+6.0	+5%	*LC and MS for pharma increased. *GC for new energy development, and Testing Machines for new materials development, and Non-Destructive Testing Systems for EVs also increased. * COVID-19-related decreased (-7.1 billion yen YoY).
	Q4	42.8	45.5	+2.7	+6%	
Overseas	Full-Year	193.5	211.1	+17.5	+9%	* Overseas sales ratio was 62%.
	Q4	51.7	50.5	-1.2	-2%	
North America	Full-Year	33.3	34.1	+0.8	+2%	* Sales for mega pharma, which we focused on the most, increased driven by differentiated products such as SFC. * MS for PFAS analysis increased.
	Q4	9.4	10.1	+0.7	+7%	
Europe	Full-Year	32.7	38.9	+6.2	+19%	* MS for clinicals and academia increased. * LC for pharma increased. * GC for new energy development increased.
	Q4	9.0	9.9	+0.9	+10%	
China	Full-Year	74.1	74.7	+0.6	+1%	* GC for new energy development and MS for academia and clinicals increased. * LC for pharma and contract analysis significantly decreased.
	Q4	19.5	15.3	-4.2	-21%	
Other Asian Countries	Full-Year	39.1	45.6	+6.5	+17%	* India (+20% YoY): LC for contract analysis and pharma increased due to deal shifts from China to India. * Southeast Asia (+20% YoY): LC and MS for pharma increased.
	Q4	9.6	10.6	+1.0	+11%	

AMI / YoY Change in Net Sales by Region

Excellence in Science
&
Best for Our Customers

Japan: LC for pharma and Testing Machines for Green increased.

Overseas: In China, sales significantly decreased due to a challenged business environment in pharma and a reactionary decline in special demand for academia in the previous year.

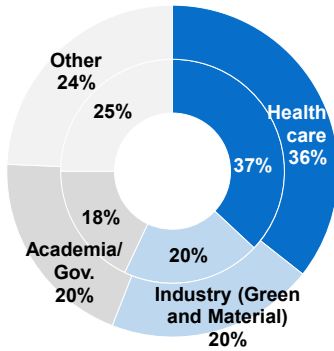
with FX	FY 2021					FY 2022					FY 2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Japan	+26%	+12%	+4%	+3%	+9%	-3%	+4%	+15%	+8%	+7%	+5%	+10%	-3%	+6%	+5%
North America	+35%	+12%	+2%	+9%	+13%	-2%	+12%	+20%	+22%	+13%	+1%	+4%	-4%	+7%	+2%
Europe	+28%	+17%	+9%	-2%	+11%	+13%	-1%	+18%	+28%	+14%	+20%	+27%	+21%	+10%	+19%
China	+24%	+9%	+9%	-2%	+10%	-14%	+36%	+6%	+49%	+17%	+31%	-4%	+6%	-21%	+1%
Other Asian Countries	+27%	+10%	+18%	+14%	+17%	+37%	+25%	+24%	+18%	+25%	+15%	+20%	+20%	+11%	+17%
India	+4%	+3%	+4%	+12%	+6%	+50%	+22%	+26%	+8%	+23%	+27%	+14%	+32%	+8%	+20%

w/o FX	FY 2021					FY 2022					FY 2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Japan	+26%	+12%	+4%	+3%	+9%	-3%	+4%	+15%	+8%	+7%	+5%	+10%	-3%	+6%	+5%
North America	+31%	+7%	-7%	+0%	+7%	-16%	-9%	-3%	+6%	-5%	-4%	-1%	-8%	-4%	-4%
Europe	+15%	+11%	+4%	-4%	+5%	+8%	-8%	+7%	+19%	+6%	+11%	+13%	+10%	-3%	+8%
China	+22%	+5%	-0%	-12%	+4%	-28%	+9%	-14%	+31%	-3%	+24%	-9%	+2%	-31%	-5%
Other Asian Countries	+22%	+6%	+10%	+6%	+10%	+20%	+4%	+4%	+6%	+8%	+10%	+15%	+15%	-0%	+10%
India	+2%	-0%	-3%	+3%	+0%	+27%	-2%	+2%	-6%	+2%	+20%	+9%	+26%	-4%	+12%

AMI / Net Sales Ratio by Market (Full-Year)

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Net Sales Ratio
by Market



Markets and Main Industries	Ratio		Net Sales YoY	Overview
	FY2022	FY2023		
Healthcare • Pharmaceuticals and foods • Healthcare institutions • Contract analysis	37%	36%	+3%	• Sales for pharma increased in Japan, North America, Europe, and Other Asian Countries. • Sales for clinical increased in Europe and China. • Sales for pharma and CROs significantly decreased in China. • Sales of COVID-19 PCR reagents decreased in Japan.
Industry (Green and Material) • Chemicals and materials • Electrical • Automotive	20%	20%	+8%	• GC increased mainly for new energy development, including hydrogen. • Testing Machines increased for new material development. • Non-Destructive Inspection Systems increased for EVs.
Academia/Government	18%	20%	+14%	• Sales for academia increased in Europe and China. • Sales for government increased in Other Asian Countries.

• Pie chart outer rings indicate FY 2023 results and inner rings FY 2022 results.

Medical Systems / Net Sales by Model and Recurring Ratio

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X-Ray Systems: Angiography System sales increased significantly due to the rising popularity of streamlined one-person operation functionality and new AI-equipped products. But sales of Fluoroscopy and General Radiography Systems in Japan decreased due to a reactionary decline in supplementary budget, +2% YoY.

Other Models: Decreased due to a reactionary decline in large projects of Tumor-Tracking System for Radiotherapy.

X-Ray System Sales
YoY: +1.2bn yen/ +2%
55.0 bn yen

- Angiography: Function was highly recognized, and sales increased in all regions.
- Fluoroscopy: In China, products manufactured locally increased.
- General Radiography: Decreased due to a reactionary decline in the supplementary budget.

Other Model Sales
YoY: -4.8 bn yen/ -22%
17.3 bn yen

- There was a reactionary decline in large projects of Tumor-Tracking System for Radiotherapy.

Recurring Sales Ratio
YoY: +2pt (Net Sales +0.3 bn yen)
36%

- Maintenance & service sales increased.

X-Ray Systems



FLEXAVISION F4
Fluoroscopy System



FLUOROSpeed X1
Patient side
Fluoroscopy System



Trinias
Angiography System



RADSpeed Pro
General
Radiography System

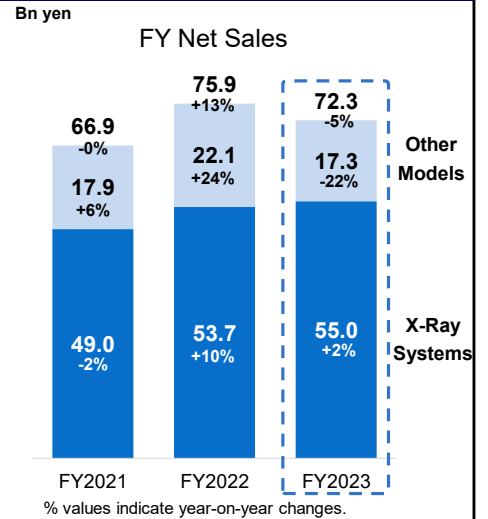
Other Models



BresTome
TOF-PET System



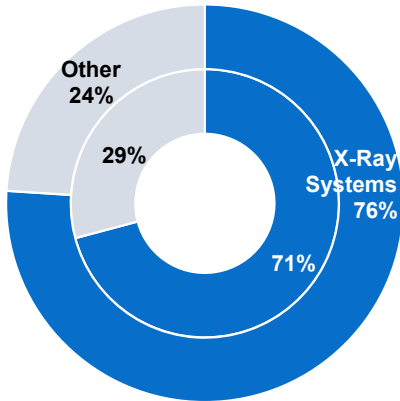
SyncTraX
Tumor-Tracking System
for Radiotherapy



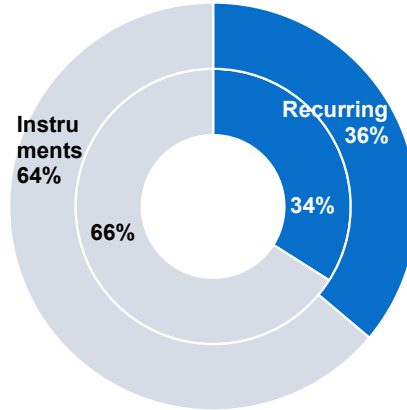
MED / Net Sales Ratio (Full-Year)

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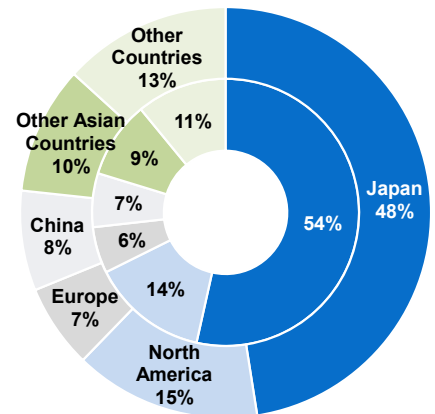
Model



Recurring Ratio



Region



• Pie chart outer rings indicate FY 2023 results and inner rings FY 2022 results.

MED / Net Sales by Region

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Unit Billions of yen		FY2022	FY2023	YoY		FY Overview
				Changes	%	
Japan	Full-Year	40.6	34.4	-6.2	-15%	<ul style="list-style-type: none"> New Angiography Systems equipped with the world's first AI image processing technology increased. Sales decreased due to a reactionary decline in the supplementary budget and large projects in the previous year.
	Q4	13.0	10.8	-2.2	-17%	
Overseas	Full-Year	35.3	37.9	+2.7	+8%	<ul style="list-style-type: none"> Overseas sales ratio reached 53%, up 6pt YoY.
	Q4	9.5	10.8	+1.4	+14%	
North America	Full-Year	10.7	10.6	-0.1	-1%	<ul style="list-style-type: none"> Sales of new Angiography Systems that enable efficient one-person operations increased, especially at day surgery facilities, which have been a focus of the segment. Sales of Fluoroscopy and General Radiography Systems decreased.
	Q4	3.2	3.2	+0.0	+0%	
Europe	Full-Year	4.3	4.8	+0.5	+12%	<ul style="list-style-type: none"> Sales of Angiography Systems increased in Eastern Europe through tours of actual equipment and strengthened approaches to physicians.
	Q4	1.1	1.1	+0.0	+0%	
China	Full-Year	4.9	5.7	+0.7	+15%	<ul style="list-style-type: none"> Sales of Angiography Systems increased due to the establishment of a dedicated team to strengthen sales activities. Sales of new Fluoroscopy Systems manufactured locally for the Chinese market increased.
	Q4	1.4	1.3	-0.1	-5%	
Other Asian Countries	Full-Year	7.0	7.3	+0.2	+3%	<ul style="list-style-type: none"> Angiography Systems significantly increased in India and Southeast Asia. There was a reactionary decline in large projects of Mobile X-rays in Southeast Asia.
	Q4	1.7	2.1	+0.4	+27%	

MED / YoY Change in Net Sales by Region

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Japan: Although Angiography sales increased, sales decreased due to a reactionary decline in the supplementary budget in the previous year.
Overseas: Sales increased driven by Fluoroscopy and Angiography Systems, but sales of General Radiography Systems decreased.

with FX	FY 2021					FY 2022					FY 2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Japan	+24%	+8%	-10%	-3%	+3%	+13%	+12%	-3%	+5%	+7%	-24%	-20%	+7%	-17%	-15%
North America	+3%	-16%	+11%	+14%	+2%	+4%	+52%	+21%	+28%	+26%	-18%	+11%	-2%	+0%	-1%
Europe	-13%	-39%	-33%	-12%	-27%	+5%	+61%	+2%	+33%	+22%	+16%	-7%	+41%	+0%	+12%
China	-25%	+3%	-11%	-10%	-11%	+12%	-12%	+5%	+23%	+6%	+24%	+38%	+7%	-5%	+15%
Other Asian Countries	+16%	+7%	+26%	-22%	+4%	+10%	+16%	+7%	+19%	+13%	+20%	-28%	+10%	+27%	+3%

w/o FX	FY 2021					FY 2022					FY 2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Japan	+24%	+8%	-10%	-3%	+3%	+13%	+12%	-3%	+5%	+7%	-24%	-20%	+7%	-17%	-15%
North America	+2%	-19%	+2%	+5%	-3%	-12%	+22%	-3%	+11%	+5%	-23%	+6%	-6%	-10%	-7%
Europe	-21%	-42%	-36%	-14%	-31%	+0%	+50%	-8%	+22%	+13%	+7%	-18%	+28%	-11%	+1%
China	-27%	-1%	-18%	-18%	-16%	-6%	-30%	-16%	+7%	-12%	+17%	+32%	+3%	-17%	+8%
Other Asian Countries	+15%	+5%	+18%	-28%	-0%	-2%	-4%	-11%	+7%	-3%	+14%	-31%	+6%	+16%	-2%

Industrial Machinery / Net Sales by Model and TMP Recurring Ratio

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TMP: Sales decreased for SPEs*, but increased for Green-related (thin-film solar cell manufacturing equipment, etc.), +3% YoY
Hydraulic Pumps: Sales in Japan increased for construction machinery and specially-equipped vehicles. Sales in North America increased for forklifts. In total, +3% YoY.
Others: Industrial Furnace sales increased for EV ceramic manufacturing, +6% YoY.

TMP Sales
YoY: +0.9 bn yen/ +3%
31.9 bn yen

• TMP sales for SPEs increased by 30% Quarter-on-Quarter.

TMP Recurring Sales Ratio
YoY: +1pt (Net Sales +0.5 bn yen)
16%

• Recurring ratio increased in China due to improved customer coverage.

Hydraulic Equipment Sales
YoY: +0.5 bn yen/ +3%
15.7 bn yen

Other Model Sales
YoY: +1.0 bn yen/ +6%
17.8 bn yen

Turbomolecular Pumps (TMPs)

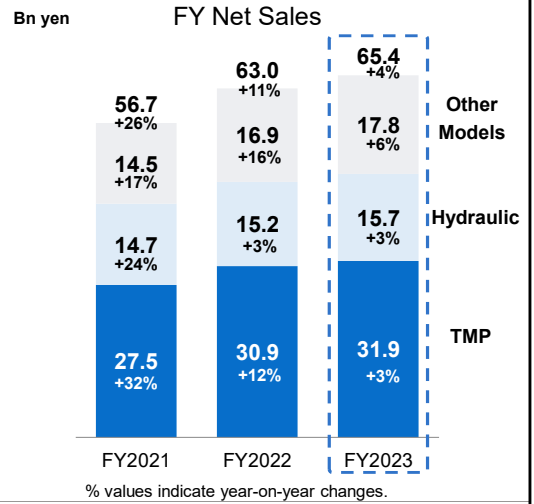
Model with Integrated Power Supply Model with Standalone Power Supply

Hydraulic Equipment

Gear Pump Control Valve

Other Models

Industrial Furnace Glass Winder



IM / YoY Change in Net Sales by Model

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TMP: Sales for SPEs increased.

Hydraulic Pumps: Sales in North America increased for industrial vehicles.

Other models: Industrial Furnace sales increased for EV ceramic manufacturing.

with FX	FY 2021					FY 2022					FY2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
TMP	+16%	+38%	+50%	+27%	+32%	+20%	+22%	+9%	+1%	+12%	-3%	+0%	-0%	+15%	+3%
Hydraulic	+37%	+37%	+21%	+5%	+24%	-1%	+1%	+3%	+10%	+3%	+10%	+8%	-4%	+1%	+3%
Other	+33%	+32%	-3%	+18%	+17%	+17%	+12%	+11%	+24%	+16%	-2%	+2%	+10%	+11%	+6%

w/o FX	FY 2021					FY 2022					FY2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
TMP	+13%	+35%	+44%	+22%	+28%	+11%	+11%	-1%	-6%	+3%	-7%	-4%	-4%	+6%	-2%
Hydraulic	+34%	+34%	+18%	+3%	+21%	-6%	-4%	-2%	+7%	-1%	+9%	+7%	-6%	-2%	+2%
Other	+32%	+30%	-6%	+14%	+15%	+7%	+1%	+2%	+17%	+7%	-4%	+1%	+8%	+6%	+3%

Aircraft Equipment / Net Sales by Field

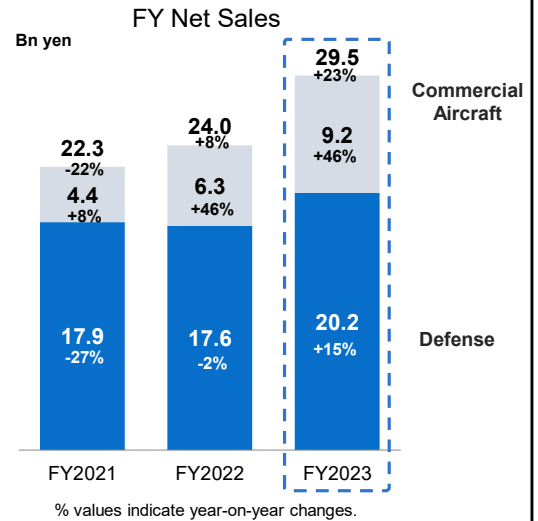
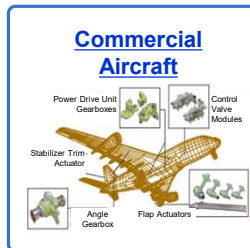
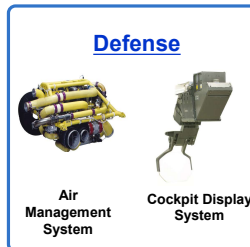
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Defense: Sales increased due to increased demand for items installed on aircraft, +15% YoY
Commercial Aircraft: Sales significantly increased due to higher spare parts sales and increased airframe production in line with increased air passenger demand, +46% YoY

Net Sales for Defense Field
 YoY: +2.6 bn yen/ +15%
20.2 bn yen

• Efforts were made to stabilize sales as demand for aircraft components expanded.

Net Sales for Commercial Aircraft Field
 YoY: +2.9 bn yen/ +46%
9.2 bn yen



Statement of Income (Jan.-Mar.)

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Net Sales
YoY: +3.5 bn yen / +2%
146.3 bn yen

Operating Income
YoY: -0.4 bn yen / -2%
22.0 bn yen

Operating Margin
YoY: -0.7pt
15.0%

**Profit Attributable to
Owners of Parent**
YoY: +1.9 bn yen / +12%
18.0 bn yen

	Units: Billions of yen	Q4 (Jan.-Mar.)		YoY	
		FY 2022	FY 2023	Changes	%
Business Results	Net Sales	142.8	146.3	+3.5	+2%
	Operating Income	22.4	22.0	-0.4	-2%
	Operating Margin	15.7%	15.0%	-0.7pt	
	Ordinary Income	22.6	24.0	+1.4	+6%
	Profit Attributable to Owners of Parent	16.1	18.0	+1.9	+12%
Exchange Rates	Average Rate: USD (Yen)	132.40	148.63	+16.23	+12%
	Euro (Yen)	142.17	161.37	+19.20	+14%
	R&D Expenses	5.4	6.1	+0.7	
	CAPEX	5.1	6.1	+1.0	
	Depreciation and Amortization	4.6	4.7	+0.1	

Exchange Rate Effect

Net sales: 8.0 bn yen
Operating income: 2.7 bn yen

Sales and Income by Segment (Jan.-Mar.)

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**AMI: Sales increased
but income
decreased**

**MED: Sales decreased
but income
increased**

**IM: Sales and income
increased
Record high**

**AE: Sales and income
increased**

Units: Billions of yen	Net Sales				Operating Income				Operating Margin		
	FY 2022	FY 2023	YoY		FY 2022	FY 2023	YoY		FY 2022	FY 2023	YoY
			Changes	%			Changes	%			
AMI	94.5	96.0	+1.5	+2%	19.5	16.7	-2.7	-14%	20.6%	17.4%	-3.2pt
MED	22.5	21.6	-0.8	-4%	1.8	2.4	+0.6	+34%	7.9%	11.1%	+3.1pt
IM	16.7	18.4	+1.7	+10%	1.0	2.1	+1.1	+116%	5.9%	11.5%	+5.6pt
AE	7.7	8.6	+0.8	+11%	0.7	0.8	+0.1	+16%	9.2%	9.6%	+0.4pt
Other	1.4	1.7	+0.3	+19%	0.1	0.4	+0.2	+167%	6.7%	15.3%	+8.6pt
Adjustments	-	-	-	-	-0.6	-0.4	+0.2	-	-	-	-
Total	142.8	146.3	+3.5	+2%	22.4	22.0	-0.4	-2%	15.7%	15.0%	-0.7pt

Recurring Ratio

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AMI: Recurring sales decreased due to lower COVID-19 reagents, etc.

MED: Maintenance & service sales increased in North America and China.

TMP: Recurring sales increased in China due to improved customer coverage.

Analytical and Measuring Instruments	FY 2021					FY 2022					FY 2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Recurring Sales YoY	+33%	+16%	+4%	+6%	+13%	-6%	+5%	+21%	+11%	+10%	+10%	+3%	-4%	-2%	+1%
Recurring Ratio	38%	35%	35%	35%	36%	39%	36%	40%	33%	37%	39%	35%	37%	34%	36%
Medical Systems	FY 2021					FY 2022					FY 2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Recurring Sales YoY	+14%	+9%	+2%	+1%	+6%	-2%	+3%	+0%	+3%	+3%	-3%	-7%	+1%	+0%	-2%
Recurring Ratio	38%	35%	39%	32%	36%	36%	32%	39%	30%	34%	42%	34%	37%	33%	36%
TMPs	FY 2021					FY 2022					FY 2023				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Recurring Sales YoY	+18%	+11%	+15%	+5%	+12%	-1%	-6%	+4%	-17%	-4%	-9%	-8%	+10%	+36%	+6%
Recurring Ratio	17%	17%	15%	15%	16%	15%	14%	16%	13%	15%	15%	14%	18%	17%	16%

• Exchange rate effects are excluded.