

FY 2020 (Ended March 2021) Results & Financial Position

May 12, 2021

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President & CEO
Shimadzu Corporation**

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(2) FY 2020 Results by Business Segment

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Summary of FY 2020 Results



Increased sales and income
Both sales and income exceeded previous records

- Sales, operating income, ordinary income, and net income all exceeded previous records. Even the gross profit margin including the operating margin exceeded the previous record.
- Both Analytical & Measuring Instruments and Industrial Machinery segments achieved higher sales and income, which drove overall results, whereas Medical Systems segment sales decreased but income increased, and Aircraft Equipment segment sales and income both decreased due to major impacts from the COVID-19 pandemic.
- The Analytical & Measuring Instruments segment, Shimadzu's strongest segment, achieved record results in terms of both net sales and operating income, the Medical Systems segment achieved record operating income, and the Industrial Machinery segment achieved record sales.

Promote infectious disease countermeasure projects

- Novel coronavirus detection kits, fully automatic PCR testing systems, and mobile X-ray systems for pneumonia examinations contributed significantly to results.
- Joint research for rapid virus diagnosis, symptom severity prediction, and infectious disease prevention conducted both within and outside Japan.
- LC and MS sales increased for infectious disease research.

Sales increased outside Japan
Second-half sales increased in Japan

- Outside Japan, sales increased in China, Europe, and other Asian countries.
- In particular, sales in China increased 19 % (year-on-year) to 72.8 billion yen, which represents a recovery to pre-pandemic FY 2018 levels (71.9 billion yen in sales).
- In Japan, sales decreased 2 % to 193.4 billion yen, but increased 6 % in the second half due to supplementary budget appropriations and the COVID-19 related products.

Record sales of key models by the Analytical & Measuring Instruments segment
Record sales of TMPs by the Industrial Machinery segment
Record sales of mobile X-ray systems by the Medical Systems segment

- Sales of Analytical & Measuring Instruments segment key models (LC, MS, and GC) increased 7 % (year-on-year) to 135.6 billion yen, with increased sales and income and record sales for all three product lines.
- Sales of Industrial Machinery segment TMPs increased 22 % (year-on-year) to a record 20.8 billion yen, due to increased semiconductor demand for 5G and data center applications.
- Sales of Medical Systems segment mobile X-ray systems increased both within and outside Japan for pneumonia examination applications, achieving record sales.

Statement of Income

- Net sales: 393.5 billion yen (+8.1 billion yen or +2 % year-on-year)
- Operating income: 49.7 billion yen (+7.9 billion yen or +19 % year-on-year)
- Operating margin: 12.6 % (+1.8 points year-on-year)

Net sales, operating income, and operating margin all exceeded previous record levels.

	Units: Billions of yen	Full-Year		YoY	
		FY 2020	FY 2019	Changes	Percent Increase/Decrease
Business Results	Net Sales	393.5	385.4	+8.1	+2%
	Operating Income	49.7	41.8	+7.9	+19%
	Operating Margin	12.6%	10.9%	+1.8pt	—
	Ordinary Income	48.4	42.7	+5.7	+13%
	Profit Attributable to Owners of Parent	36.1	31.8	+4.3	+14%

Exchange Rates	Average Rate: USD (Yen)	106.1	108.8	- 2.7	-2%
		Euro (Yen)	123.8	120.9	+2.9

Major Investments	R&D Expenses	15.7	16.9	- 1.2
	CAPEX	14.5	17.7	- 3.2
	Depreciation and Amortization	15.5	13.3	+2.2

Exchange Rate Effect

Net sales: -2.8 billion yen
Operating income: -1.0 billion yen

Foreign Exchange Sensitivity

(Billions of yen)

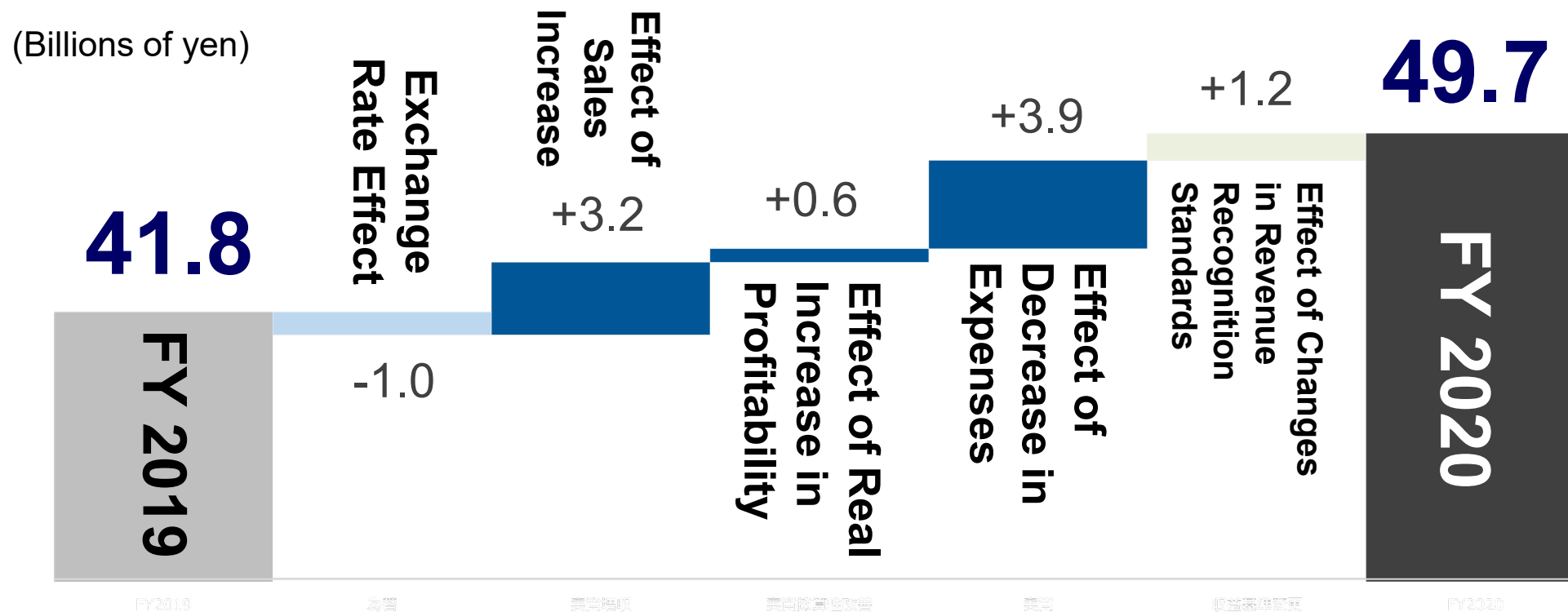
	Net Sales	Operating Income
USD	1.2	0.4
EUR	0.2	0.07

Effects of Changes in Accounting Standards

- Standards for recognizing sales changed from shipment basis to installation basis.
Value of impact: +2.9 billion yen in net sales and +1.2 billion yen in operating income
- Lease standard changed (from loan amount to depreciation and amortization expense).
Value of impact: +1.8 billion yen in depreciation and amortization expenses

Analysis of Year-on-Year Increase/Decrease in Operating Income

- Exchange rate effect: -1.0 billion yen (Due to +2 % yen value vs US dollar and -2 % yen value vs euro, year-on-year)
- Effect of sales increase: +3.2 billion yen
- Increase in profitability: +0.6 billion yen (Due to increased profitability from improved segment mix, etc.)
- Decrease in expenses: +3.9 billion yen (Expenses decreased due to expense-reduction measures, etc.)
- Effect of changes in revenue recognition standards: +1.2 billion yen



Sales and Income by Business Segment

• AMI: Analytical & Measuring Instruments, MED: Medical Systems, IM: Industrial Machinery, AE: Aircraft Equipment

- AMI: **Sales and income increased**
 - Net sales, operating income, and operating margin values all **exceeded previous records**. Sales increased for all three key product lines. Among other models, products related to the COVID-19 also contributed to sales and income.
- MED: Sales decreased and **income increased**
 - Sales increased for mobile X-ray systems used to examine patients for pneumonia, but overall sales decreased due to worsening financial performance of healthcare institutions. Operating income **exceeded previous records** due to expense-reduction measures and product-mix improvements.
- IM: **Sales and income increased**
 - **Record-breaking TMP sales** drove results.
- AE: Sales and income decreased
 - Results were significantly impacted by lower production of commercial aircraft, but thorough expense-reduction measures resulted in a profit.

Units: Billions of yen	Net Sales				Operating Income				Operating Margin		
	FY 2020	FY 2019	YoY		FY 2020	FY 2019	YoY		FY 2020	FY 2019	YoY
			Changes	Percent Increase/Decrease			Changes	Percent Increase/Decrease			Increase/Decrease
AMI	248.6	236.2	+12.3	+5.2%	42.5	35.8	+6.7	+19%	17.1%	15.1%	+2.0pt
MED	66.9	70.2	-3.3	-4.7%	4.4	3.2	+1.2	+37%	6.5%	4.5%	+2.0pt
IM	45.1	43.0	+2.1	+4.8%	4.1	3.7	+0.5	+12%	9.1%	8.5%	+0.6pt
AE	28.6	30.0	-1.5	-4.9%	0.1	0.8	-0.7	-92%	0.2%	2.6%	-2.4pt
Other	4.4	6.0	-1.6	-26.3%	1.0	1.2	-0.2	-18%	16.2%	15.4%	+0.8pt
Adjustments					-2.3	-2.8	+0.5	—			
Total	393.5	385.4	+8.1	+2%	49.7	41.8	+7.9	+19%	12.6%	10.9%	+1.8pt

• Net sales are external sales and operating margins are calculated by dividing external plus internal sales by operating income.

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(1) Overview of FY 2020 Results and Financial Position

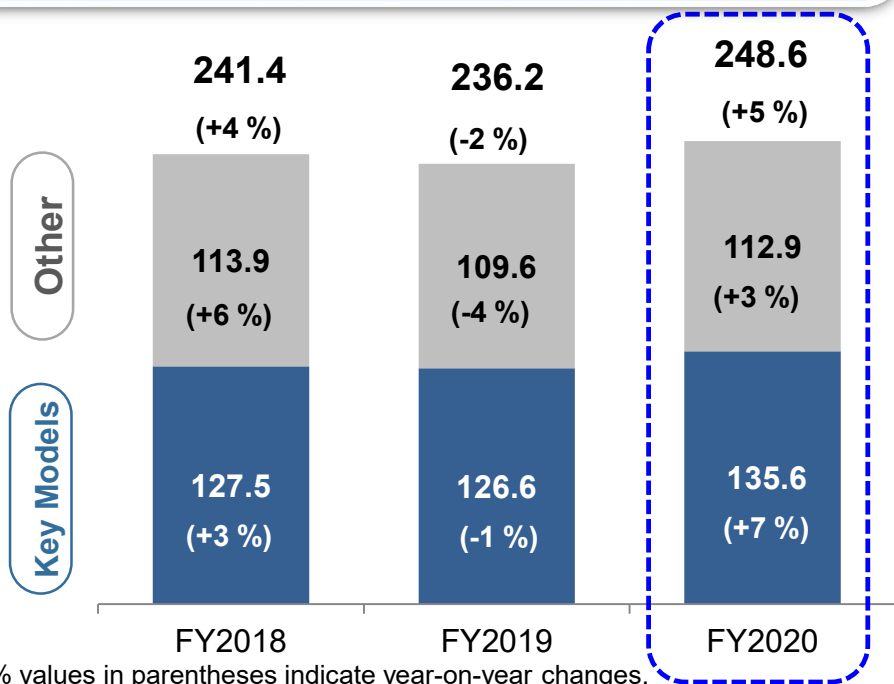
(2) FY 2020 Results by Business Segment









(3) FY 2021 Earnings Forecast

Analytical & Measuring Instruments Net Sales by Model

- Key models:** 135.6 billion yen (+9.0 billion yen or +7 % year-on-year)
 LC sales increased in the pharmaceutical field, MS sales in pharmaceutical, clinical, and academia fields, and GC sales in the public health management field.
- Other:** 112.9 billion yen (+3.3 billion yen or +3 % year-on-year)
 Coronavirus-related products (detection kits and fully automatic PCR testing systems) contributed to results. Sales of testing machines and nondestructive inspection machines for manufacturing decreased significantly.
- Aftermarket (AM):** 84.2 billion yen (+7.9 billion yen or +10 % year-on-year) with AM sales ratio of 34 % (+2 points year-on-year)
 Sales of coronavirus detection kits increased.

Analytical & Measuring Instruments Net Sales (billion yen)



Analytical & Measuring Instruments				
Key Models				
	i-Series Liquid Chromatograph	Nexera Series Liquid Chromatograph	LCMS-8060NX Liquid Chromatograph Mass Spectrometer	GC-2030 Gas Chromatograph
Other				
	Novel Coronavirus Detection Kit	AutoAmp Fully Automatic PCR Testing System	TOC-1000e TOC Analyzer	SPM-Nanoa Scanning Probe Microscope

• ± or % values in parentheses indicate year-on-year changes.

Analytical & Measuring Instruments

Net Sales by Region

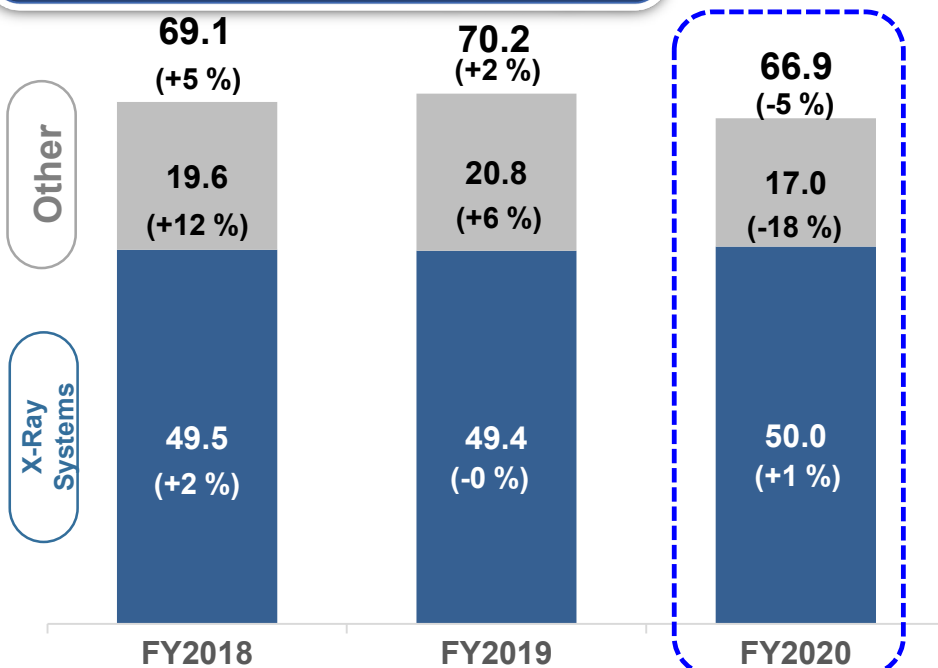
- Japan: +3 %** Novel coronavirus detection kits and fully automatic PCR testing systems contributed to results. Academia/government sales increased due to demand from supplementary budget appropriations. Sales of testing machines and nondestructive inspection machines in automotive and steel industries decreased significantly due to lower capital equipment investment levels.
- Outside Japan: +7 %** Sales recovered in China. Healthcare sales grew in Europe. Investments by small/medium laboratories slowed in North America. Sales in other Asian countries were impacted by decreased government demand.
- Overseas sales ratio: 58 % (+1 point year-on-year)**









Billions of yen	FY 2020	FY 2019	Increase/Decrease	Percent Increase/Decrease	Overview
Japan	104.2	100.8	+3.4	+3 %	<ul style="list-style-type: none"> Novel coronavirus detection kits and fully automatic PCR testing systems contributed to results. Mass spectrometer sales increased, mainly for academia demand based on supplementary budget appropriations. Sales of testing machines and nondestructive inspection machines in automotive and steel industries decreased significantly due to lower capital equipment investment levels.
Outside Japan	144.4	135.4	+9.0	+7 %	<ul style="list-style-type: none"> Sales recovered in China and increased in Europe. Sales decreased slightly in North America and other Asian countries.
North America	26.0	26.2	-0.3	-1 %	<ul style="list-style-type: none"> Sales were strong for MALDI-MS systems used to identify microorganisms in hospitals, due to increased public health management measures at healthcare institutions. Demand stalled for analyzing foods with functional benefits due to a slowdown in capital equipment investments by small/medium laboratories.
Europe	25.6	24.7	+0.9	+4 %	<ul style="list-style-type: none"> Liquid chromatograph sales increased for pharmaceutical applications and mass spectrometers for clinical applications. In terms of specific countries, demand stimulated by economic policies in Germany contributed to sales.
China	57.6	47.9	+9.6	+20 %	<ul style="list-style-type: none"> Liquid chromatograph and mass spectrometer sales increased due to expanded demand from pharmacopoeia revisions and food safety measures. Sales of other models also increased due to recovering demand from manufacturers.
Other Asian Countries	26.8	26.8	-0	-0 %	<ul style="list-style-type: none"> In India, capital equipment investment levels were recovering for pharmaceuticals, due to measures to strengthen domestic production of pharmaceutical ingredients. Government demand decreased due to budgets being reprioritized for pandemic countermeasures, project bidding delays, and other factors.

Medical Systems Net Sales by Model

- **X-ray systems:** 50.0 billion yen (+0.6 billion yen or +1 % year-on-year)
Though sales of mobile X-ray systems significantly increased, sales of angiography and fluoroscopy systems decreased due to worsening profitability of healthcare institutions and other factors.
In terms of specific regions, sales of mobile X-ray systems increased in major regions outside Japan. In Japan, sales decreased due to postponement or freezing of capital equipment investments at hospitals.*
- **Other:** 17.0 billion yen (-3.8 billion yen or -18 % year-on-year)
- **Aftermarket:** 21.9 billion yen (+0.6 billion yen or +3 % year-on-year) with AM sales ratio of 33 % (+2 points year-on-year)
Sales of maintenance services are strong.

Medical Systems Net Sales (billion yen)



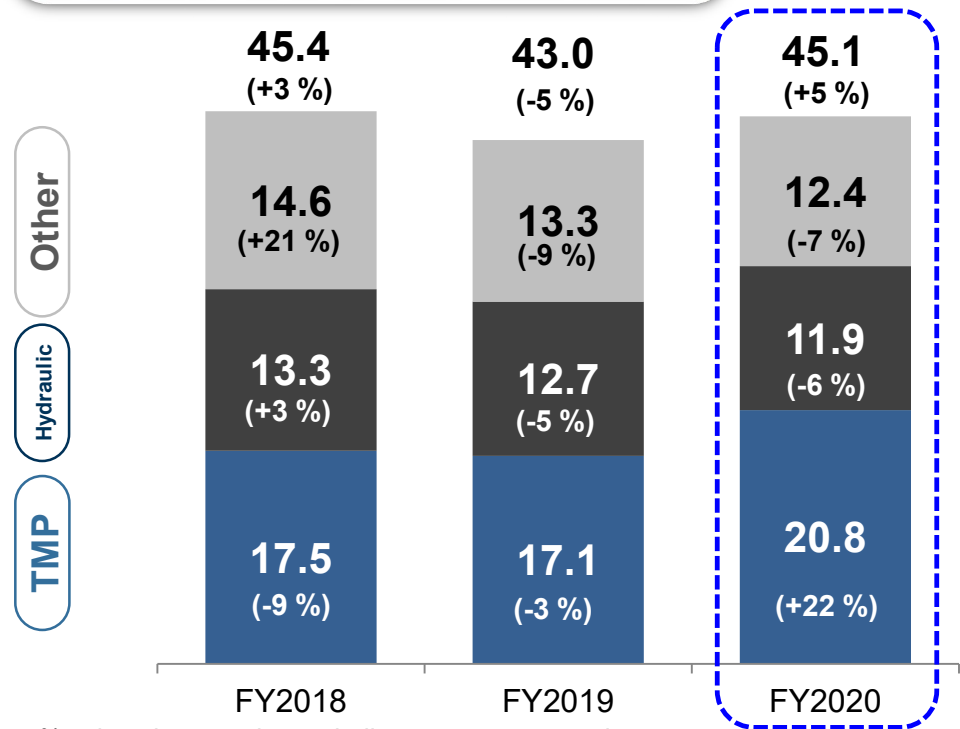
Medical Systems				
Other				
	MERSYS-IV Hospital Patient Reception System (Infectious Disease Package)	LIGHTVISION Near-Infrared Fluorescence Imaging System	Elmammo Avant Class Dedicated Breast PET System	BresTome TOF-PET System
X-Ray Systems				
	MobileDaRt Evolution Mobile X-Ray System	RADspeed Pro General Radiography System	SONIALVISION G4 R/F System	Trinias unity edition Angiography System

* ± or % values in parentheses indicate year-on-year changes. * An overview of results broken down by region is included in supplementary materials.

Industrial Machinery Net Sales by Model








- **TMP:** 20.8 billion yen (+3.8 billion yen or +22 % year-on-year) Record sales were achieved due to strong sales mainly for semiconductor manufacturing equipment.
- **Hydraulic:** 11.9 billion yen (-0.8 billion yen or -6 % year-on-year) Despite increased sales in China, overall sales decreased due to decreased capital equipment investment levels in Japan.
- **Other:** 12.4 billion yen (-0.9 billion yen or -7 % year-on-year) Sales of EV/hydrogen-related measuring instruments increased, but industrial furnace sales decreased.
- **TMP aftermarket:** 3.8 billion yen (+0.3 billion yen or +8 % year-on-year) with AM sales ratio of 18 % (-2 points year-on-year)

Industrial Machinery Net Sales (billion yen)



• ± or % values in parentheses indicate year-on-year changes.

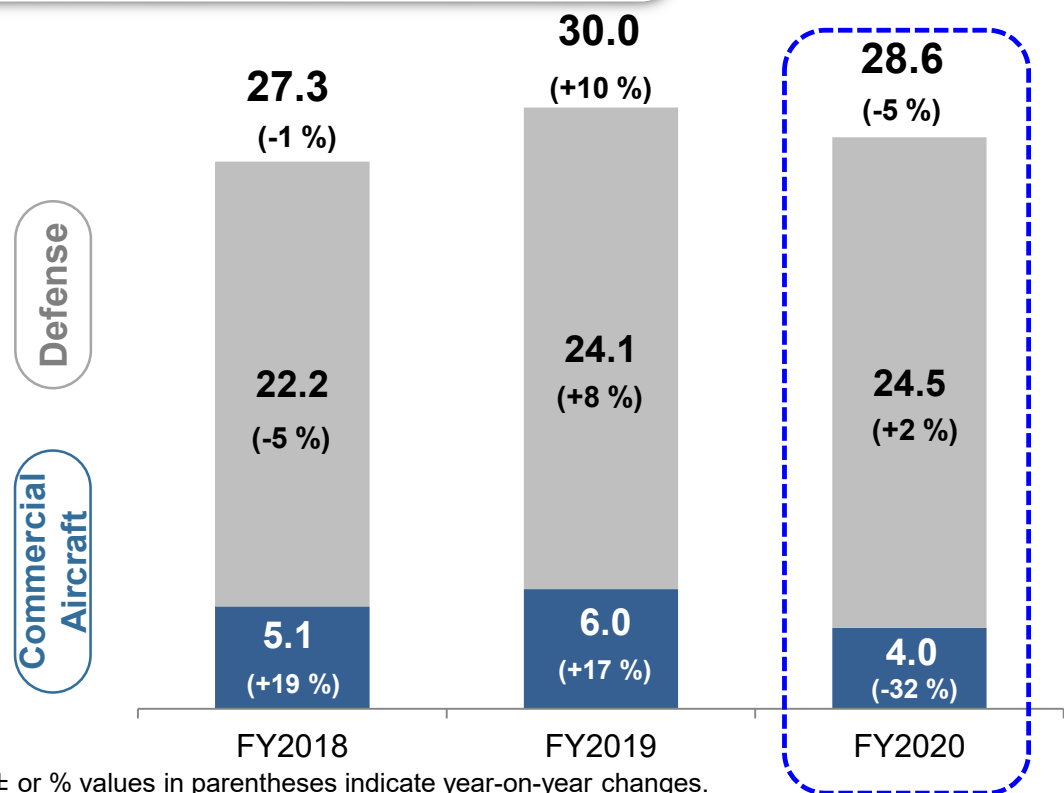
Industrial Machinery

Other	 Industrial Furnace	 Glass Winder	 Balancer
TMP	 Model with Integrated Power Supply	 Model with Standalone Power Supply	
Hydraulic Equipment		 Gear Pump	 Control Valve

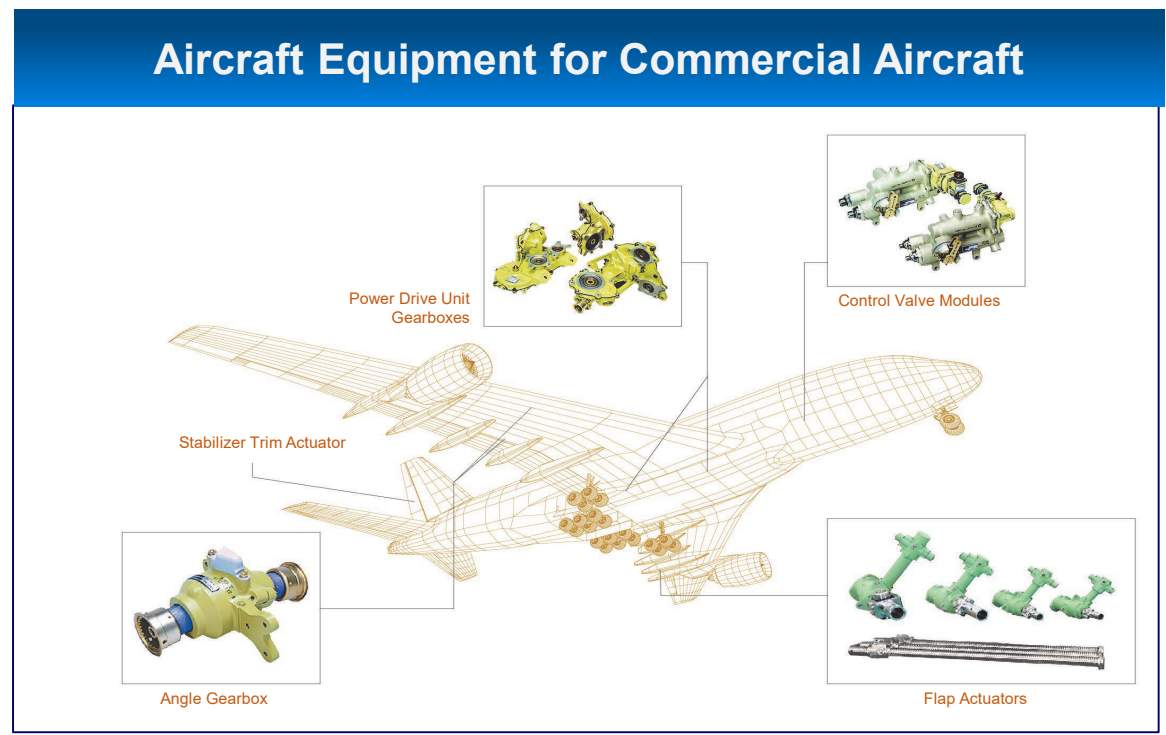
Aircraft Equipment Net Sales by Field

- **Commercial aircraft:** 4.0 billion yen (-2.0 billion yen or -32 % year-on-year)
Sales decreased significantly, mainly for equipment installed on Boeing aircraft, due to lower production of commercial aircraft.
- **Defense:** 24.5 billion yen (+0.4 billion yen or +2 % year-on-year)
Sales increased due to large projects and other factors.

Aircraft Equipment Net Sales (billion yen)



• ± or % values in parentheses indicate year-on-year changes.



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(3) FY 2021 Earnings Forecast

Business Environment Outlook

- In terms of sales related to the COVID-19, demand will continue for diagnosing positive test results for variant strains and testing to prove negative test results.
- Markets growing due to the pandemic are polarizing. Focus efforts on growth markets.
- Recovery is expected for the Analytical & Measuring Instruments and Medical Systems segments and demand expansion is expected for the Industrial Machinery segment. Severe business conditions will continue for the Aircraft Equipment segment.

• AMI: Analytical & Measuring Instruments, MED: Medical Systems, IM: Industrial Machinery, AE: Aircraft Equipment

Segment	Field	Overview		
		Positive Factors	Negative Factors	
AMI	Healthcare	Excellent	<ul style="list-style-type: none"> ■ Demand will increase for diagnosing positive test results for variant strains and testing to prove negative test results for COVID-19. ■ Trend for restoring domestic production of pharmaceuticals will continue. ■ Demand will expand in food safety fields. 	—
	Government/academia	Strong	<ul style="list-style-type: none"> ■ Research will expand in healthcare, environmental/energy, and semiconductor fields. 	<ul style="list-style-type: none"> ■ Campus closures and government bidding delays will continue due to the pandemic.
	Manufacturing	Strong	<ul style="list-style-type: none"> ■ Investment levels will recover in automotive and other fields. ■ Demand will increase for environmental/energy measures intended to achieve carbon neutrality. 	<ul style="list-style-type: none"> ■ Severe business conditions will continue for aircraft equipment.
MED	Public hospitals	Strong	<ul style="list-style-type: none"> ■ Demand will increase due to supplementary budget appropriations. ■ Capital equipment investment levels postponed due to the pandemic will partially resume. 	<ul style="list-style-type: none"> ■ Demand for mobile X-ray systems will subside.
	Private sector hospitals	Weak	<ul style="list-style-type: none"> ■ Capital equipment investment levels postponed due to the pandemic will partially resume. 	<ul style="list-style-type: none"> ■ Demand for mobile X-ray systems will subside.
IM	Semiconductor	Excellent	<ul style="list-style-type: none"> ■ Semiconductor demand will increase significantly due to expanded demand for data centers and 5G applications. 	—
	Hydraulic equipment	Strong	<ul style="list-style-type: none"> ■ Recovery trend will occur in demand for industrial vehicles and small construction machinery. 	—
	Other	Strong	<ul style="list-style-type: none"> ■ Recovery trend will occur due to increased capital equipment investments. 	—
AE	Commercial aircraft	Poor	—	<ul style="list-style-type: none"> ■ Commercial aircraft production will continue to decrease, with business conditions remaining severe.

FY 2021 Earnings Forecast

- Expand business in strong healthcare and semiconductor markets.
- Increase sales and income enough to ensure compensating for the loss of extraordinary demand during the previous year and for the change in revenue recognition standards.
- Aim to achieve record levels of net sales, operating income, ordinary income, and net income for the second successive year.

Units: Billions of yen		Full-Year		YoY	
		FY 2021	FY 2020	Changes	Percent Increase/Decrease
Business Results	Net Sales	400.0	393.5	+6.5	+2%
	Operating Income	50.0	49.7	+0.3	+1%
	Operating Margin	12.5%	12.6%	-0.1pt	—
	Ordinary Income	49.0	48.4	+0.6	+1%
	Profit Attributable to Owners of Parent	37.0	36.1	+0.9	+3%

Exchange Rates	Average Rate: USD (Yen)	105.0	106.1	- 1.1	-1%
		Euro (Yen)	120.0	123.8	- 3.8

Major Investments	R&D Expenses	18.5	15.7	+2.8
	CAPEX	16.0	14.5	+1.5
	Depreciation and Amortization	16.5	15.5	+1.0

Full-Year Exchange Rate Effect

Net sales: -2.6 billion yen
 Operating income: -0.9 billion yen

FY 2021 Earnings Forecast by Business Segment

• AMI: Analytical & Measuring Instruments, MED: Medical Systems, IM: Industrial Machinery, AE: Aircraft Equipment

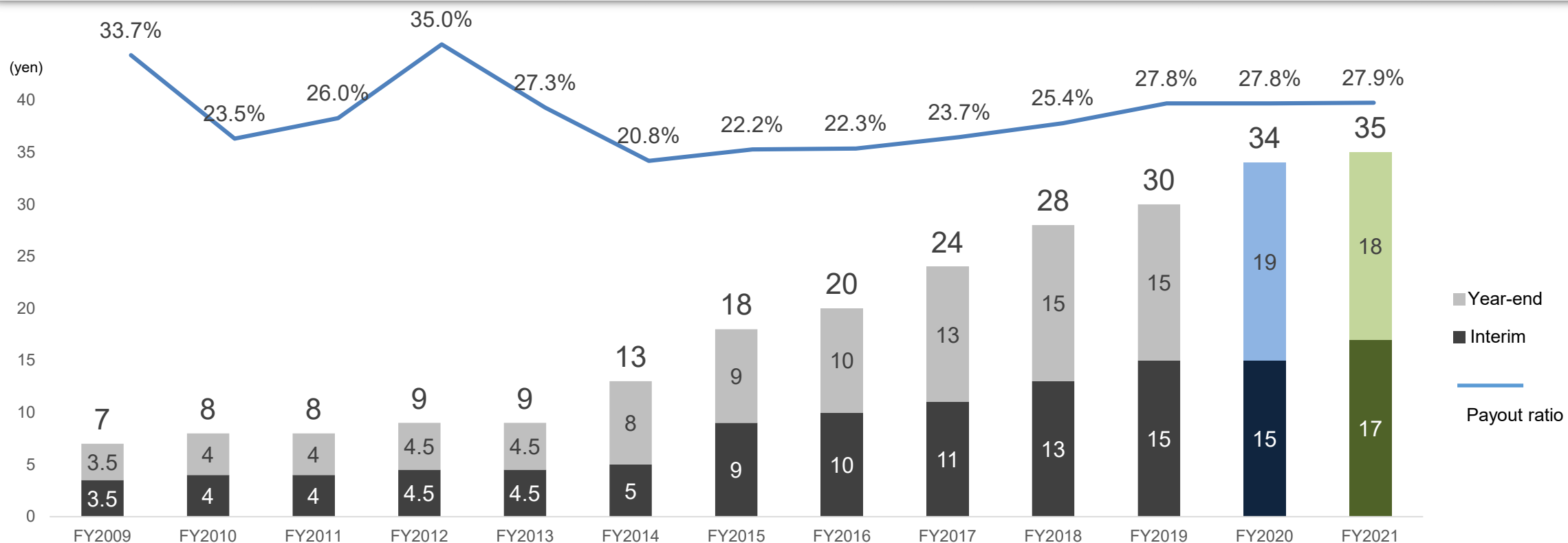
- AMI: **Sales and income increased**
 - Accelerate measures in markets where demand is expected to increase, such as infectious disease countermeasure, pharmaceutical, food safety, or other healthcare markets, and environmental/energy markets for achieving carbon-neutrality. Increase sales and income enough to compensate for increased R&D expenses.
- MED: **Sales increased** and income decreased
 - Though demand for mobile X-ray systems will decrease, expand sales of fluoroscopy and angiography systems. Profit will decrease due to increased R&D and other factors.
- IM: **Sales and income increased**
 - TMP sales for semiconductor manufacturing equipment will increase due to expanded demand for 5G and data center applications. Also sales of hydraulic equipment, industrial furnaces, and other products will increase based on increased capital equipment investment levels.
- AE: Sales decreased and **income increased**
 - Severe market conditions will continue, mainly in the commercial aircraft field, but ensure a profit by reducing unprofitable products and fixed costs or other measures.

Units: Billions of yen	Net Sales				Operating Income				Operating Margin		
	FY 2021	FY 2020	YoY		FY 2021	FY 2020	YoY		FY 2021	FY 2020	YoY
			Changes	Percent Increase/Decrease			Changes	Percent Increase/Decrease			Increase/Decrease
AMI	255.0	248.6	+6.5	+3%	43.0	42.5	+0.5	+1%	16.9%	17.1%	-0.2pt
MED	67.0	66.9	+0.1	+0%	4.0	4.4	-0.4	-8%	6.0%	6.5%	-0.6pt
IM	50.5	45.2	+5.3	+12%	5.0	4.1	+0.9	+21%	9.9%	9.1%	+0.8pt
AE	23.0	28.6	-5.6	-19%	0.2	0.1	+0.1	+199%	0.9%	0.2%	+0.6pt
Other	4.5	4.4	+0.1	+2%	0.7	1.0	-0.3	-29%	10.4%	16.2%	-5.8pt
Adjustments					-2.9	-2.3	-0.6	—			
Total	400.0	393.5	+6.5	+2%	50.0	49.7	+0.3	+1%	12.5%	12.6%	-0.1pt

• Net sales are external sales and operating margins are calculated by dividing external plus internal sales by operating income.

Shareholder Returns

- Policy: Aggressively invest in R&D and other growth and provide steady returns to stakeholders.
- Dividends: FY 2020: 15 yen interim and 19 yen year-end, or 34 yen for the year
4 yen higher dividend than forecast
 FY 2021: 17 yen interim and 18 yen year-end, or 35 yen for the year
 Dividend scheduled to be **increased for 8th successive year**



Note: FY 2020 values finalized after the annual shareholders' meeting. FY 2021 values are estimates.

**SHIMADZU**
Excellence in Science

This document contains forward-looking statements. Forecasts of future business performance that appear in this document are predictions made by the company's management team that are based on information available when these materials were prepared and are subject to risks and uncertainties. Consequently, actual results may differ materially from the forecasts indicated above. Factors that may influence actual business performance include, but are not limited to, economic conditions within and outside Japan, changes in technologies in markets, and fluctuations in exchange rates.

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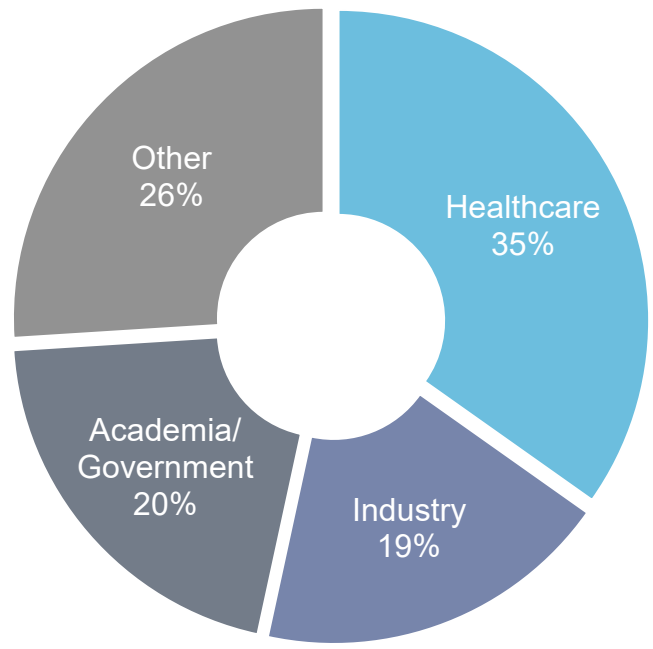
Supplementary Materials

Analytical & Measuring Instruments

Ratio of Net Sales by Market (Full Year)

- **Healthcare:** Sales of novel coronavirus detection kits increased. Sales were strong for pharmaceuticals.
- **Industrial:** Markets continued to recover in China. Severe conditions continued for automotive.
- **Academia/government:**
 - In Japan, during the second half, sales were captured based on demand from supplementary budget appropriations.
 - In China, academia/government market recovery occurred.

Ratio of Net Sales by Market



Markets and Main Industries	YoY	Overview
Healthcare <ul style="list-style-type: none"> • Pharmaceuticals and foods • Healthcare institutions • Contract analysis laboratories 	+16 %	<ul style="list-style-type: none"> • Novel coronavirus detection kits and fully automatic PCR testing systems contributed to results. • Measures to restore domestic production of drugs continued globally, resulting in strong sales for pharmaceuticals. • Demand from Chinese Pharmacopoeia revisions contributed to results.
Industry <ul style="list-style-type: none"> • Chemicals and materials • Electrical • Automotive 	-4 %	<ul style="list-style-type: none"> • Recovery continued in China. • Sales decreased for steel and machinery. • In particular, automotive sales decreased significantly.
Academia/Government	+7 %	<ul style="list-style-type: none"> • In Japan, results recovered in the second half due to demand from supplementary budget appropriations. • In China, academia sales increased due to campuses reopening. • In other Asian countries, government sales decreased due to budgets being reprioritized for pandemic countermeasures.

Medical Systems Net Sales by Region (Full Year)

- **Japan:** **-14 %** Capital equipment investment plans were postponed or frozen in response to worsening profitability of healthcare institutions due to the pandemic.
- **Outside Japan:** **+11 %** Sales of mobile X-ray systems increased in major regions outside Japan.
- **Overseas sales ratio:** **45 % (+6 points year-on-year)**

Billions of yen	FY 2020	FY 2019	Increase/ Decrease	Percent Increase/ Decrease	Overview
Japan	36.9	43.1	-6.1	-14 %	• Sales were impacted by worsening profitability of healthcare institutions due to the pandemic.
Outside Japan	30.0	27.1	+2.9	+11 %	• Sales of mobile X-ray systems increased for diagnosing pneumonia in major regions outside Japan.
North America	8.3	7.3	+1.0	+14 %	• Sales of mobile X-ray systems increased for diagnosing pneumonia. • Earnings benefited from merger of sales subsidiary CMI, which was acquired in January 2019.
Europe	4.8	3.7	+1.1	+29 %	• Sales of mobile X-ray systems increased for diagnosing pneumonia. • Sales of general radiography systems increased in Eastern Europe.
China	5.2	5.2	+0.1	+1 %	• Sales of fluoroscopy systems increased due to promoting sales of high value-added products and capital equipment investment recovery resulting from government assistance.
Other Asian Countries	6.0	5.2	+0.8	+15 %	• Sales of mobile X-ray systems increased for diagnosing pneumonia.

Statement of Income (Jan.-Mar.)

	Units: Billions of yen	Q4		YoY	
		FY 2020	FY 2019	Changes	Percent Increase/Decrease
Business Results	Net Sales	117.4	106.3	+11.1	+10%
	Operating Income	17.0	13.9	+3.1	+23%
	Operating Margin	14.5%	13.1%	+1.4pt	—
	Ordinary Income	15.9	13.9	+2.0	+14%
	Profit Attributable to Owners of Parent	12.5	10.4	+2.1	+20%

Exchange Rates				
	Average Rate: USD (Yen)	105.9	109.0	-3.0
Euro (Yen)	127.8	120.1	+7.6	+6.4%

Major Investments	R&D Expenses	4.9	4.8	+0.1
	CAPEX	3.9	5.8	-1.8
	Depreciation and Amortization	4.0	3.4	+0.6

Effects of Changes in Accounting Standards

- Standards for recognizing sales changed from shipment basis to installation basis.
Value of impact: +0.7 billion yen in net sales and -0.1 billion yen in operating income
- Lease standard changed (from loan amount to depreciation and amortization expense).
Value of impact: +0.3 billion yen in depreciation and amortization expenses

Exchange Rate Effect

Net sales: -0.3 billion yen
Operating income: -0.1 billion yen

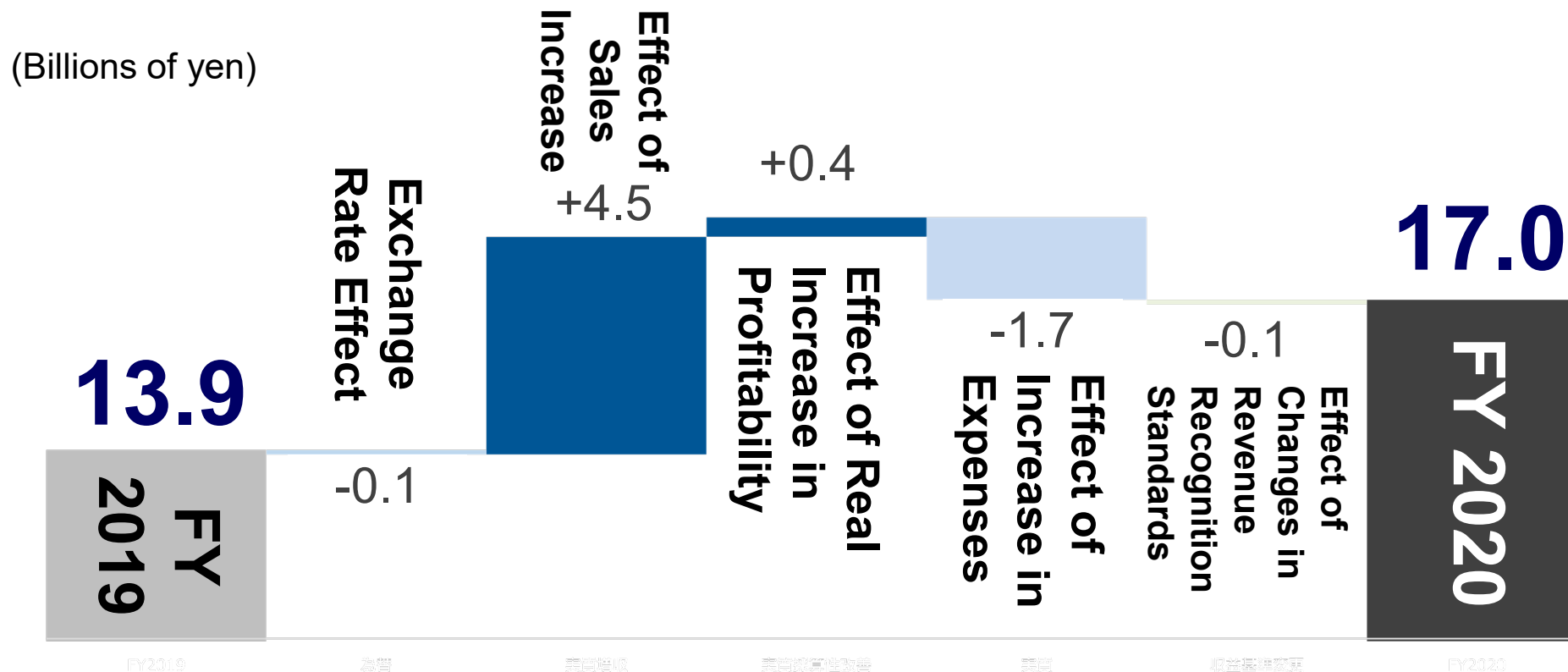
Foreign Exchange Sensitivity

(Billions of yen)

	Net Sales	Operating Income
USD	1.2	0.4
EUR	0.2	0.07

Analysis of Year-on-Year Increase/Decrease in Operating Income (Jan.-Mar.)

- Exchange rate effect: -0.1 billion yen (Due to +3 % yen value vs US dollar and -6 % yen value vs euro, year-on-year)
- Effect of sales increase: +4.5 billion yen
- Increase in profitability: +0.4 billion yen (Due to increased profitability from improved segment mix)
- Increase in expenses: -1.7 billion yen (Due to increase in labor costs, such as an increased allowance for employees' bonuses)
- Effect of changes in revenue recognition standards: -0.1 billion yen



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

• AMI: Analytical & Measuring Instruments, MED: Medical Systems, IM: Industrial Machinery, AE: Aircraft Equipment

Units: Billions of yen	Net Sales				Operating Income				Operating Margin		
	FY 2020	FY 2019	YoY		FY 2020	FY 2019	YoY		FY 2020	FY 2019	YoY
			Changes	Percent Increase/Decrease			Changes	Percent Increase/Decrease			Increase/Decrease
AMI	76.0	63.7	+12.2	+19%	14.4	10.6	+3.8	+36%	19.0%	16.7%	+2.4pt
MED	20.5	19.9	+0.7	+3%	2.4	1.9	+0.5	+24%	11.5%	9.6%	+1.9pt
IM	12.9	12.8	+0.1	+1%	1.3	1.5	-0.3	-17%	9.9%	12.0%	-2.1pt
AE	6.6	8.8	-2.2	-25%	-0.3	0.4	-0.7	—	-4.5%	4.2%	-8.6pt
Other	1.5	1.2	+0.4	+31%	0.4	0.4	+0.1	+19%	28.8%	31.8%	-3.0pt
Adjustments					-1.2	-0.9	-0.2	—			
Total	117.4	106.3	+11.1	+10%	17.0	13.9	+3.1	+23%	14.5%	13.1%	+1.5pt

• Net sales are external sales and operating margins are calculated by dividing external plus internal sales by operating income.

Analytical & Measuring Instruments

Year-on-Year Change for Key Models

	FY 2018					FY 2019					FY 2020				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Key Models	+4%	+0%	+8%	+2%	+3%	+5%	+7%	+5%	-10%	-1%	-5%	+2%	+11%	+22%	+8%
All	+12%	+3%	+3%	+2%	+6%	-4%	+10%	+4%	-11%	+1%	-7%	-4%	+10%	+19%	+5%

- **Key models: Liquid chromatographs (LC), mass spectrometers (MS), gas chromatographs (GC)**

- FY 2020 comparisons exclude impacts from changes in exchange rates and revenue recognition standards.

Analytical & Measuring Instruments

Year-on-Year Change in Net Sales by Region

Country	FY 2018					FY 2019					FY 2020				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Japan	+15%	-1%	-4%	-1%	+1%	-12%	+21%	+0%	-5%	+1%	-11%	-15%	+15%	+11%	+1%
North America	+17%	+14%	+9%	+3%	+10%	+4%	-5%	+16%	+4%	+5%	-4%	+13%	-8%	+5%	+1%
Europe	+11%	+7%	+19%	+8%	+12%	+1%	+19%	+2%	-2%	+5%	-5%	-5%	+5%	+11%	+2%
China	+10%	+6%	+3%	+9%	+7%	-8%	-4%	+4%	-40%	-12%	+12%	+14%	+18%	+74%	+25%
Other Asian Countries	-2%	-1%	+13%	-2%	+4%	+19%	+11%	+8%	-10%	+6%	-25%	-9%	+5%	+25%	-2%
India	+6%	-7%	+4%	-9%	-3%	+11%	-3%	+27%	-5%	+7%	-35%	-4%	+4%	+22%	-3%

- Values for India are included in other Asian countries.

- FY 2020 comparisons exclude impacts from changes in exchange rates and revenue recognition standards.

Medical Systems

Year-on-Year Change in Net Sales by Region

Country	FY 2018					FY 2019					FY 2020				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
Japan	-1%	+16%	+19%	+6%	+10%	+6%	+30%	-2%	-5%	+7%	-15%	-33%	-1%	+7%	-12%
North America	+17%	-3%	-33%	-24%	-12%	-24%	-17%	+5%	+7%	-9%	+14%	+29%	+26%	+1%	+16%
Europe	+190%	+31%	+22%	-1%	+34%	-26%	-6%	+2%	-8%	-9%	+19%	+30%	+51%	-3%	+27%
China	+1%	-14%	-5%	-15%	-9%	-33%	+5%	-26%	+13%	-8%	+34%	-33%	+29%	-25%	-7%
Other Asian Countries	+11%	-2%	+45%	-28%	+6%	-8%	+3%	-16%	+34%	-0%	-9%	+17%	-4%	+20%	+6%

- FY 2020 comparisons exclude impacts from changes in exchange rates and revenue recognition standards.

Industrial Machinery

Year-on-Year Change in Net Sales by Model

	FY 2018					FY 2019					FY 2020				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
TMP	+14%	+0%	-15%	-29%	-9%	-25%	-26%	+10%	+48%	-1%	+46%	+36%	+7%	+9%	+21%
Hydraulic Equipment	+6%	+1%	+4%	+1%	+3%	+2%	+1%	-12%	-5%	-4%	-19%	-17%	+7%	+6%	-6%
Other	+92%	-9%	-1%	+36%	+21%	-37%	+19%	-11%	-1%	-8%	-7%	-20%	+14%	-16%	-8%

- FY 2020 comparisons exclude impacts from changes in exchange rates and revenue recognition standards.

Aftermarket Business (AM) Sales Ratio

Analytical & Measuring Instruments

	FY 2018					FY 2019					FY 2020				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
YoY Change in AM Net Sales	+18%	+14%	+15%	+11%	+14%	+3%	+6%	+10%	-2%	+4%	+1%	+4%	+12%	+22%	+10%
AM Ratio	31%	31%	31%	29%	30%	34%	30%	33%	32%	32%	37%	33%	34%	33%	34%

Medical Systems

	FY 2018					FY 2019					FY 2020				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
YoY Change in AM Net Sales	+4%	-2%	+5%	+2%	+2%	+5%	+13%	-3%	+2%	+4%	+1%	-8%	+14%	+5%	+3%
AM Ratio	32%	29%	30%	29%	30%	35%	28%	31%	30%	30%	37%	32%	32%	31%	33%

TMP

	FY 2018					FY 2019					FY 2020				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
YoY Change in AM Net Sales	+49%	+31%	+26%	+19%	+29%	+13%	+9%	-1%	+12%	+8%	+12%	+3%	+11%	+6%	+8%
AM Ratio	14%	18%	20%	24%	19%	22%	27%	18%	18%	21%	17%	21%	19%	18%	19%

• FY 2020 comparisons exclude impacts from changes in exchange rates and revenue recognition standards.