

Operating Results & Financial Position, Ended March 2018

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President & CEO
Shimadzu Corporation

Financial Highlights



Record Results

- 1) **Record results achieved for all key performance indicators**—net sales, operating income, ordinary income, and profit.
- 2) **Fifth consecutive year of increased sales and income**

Analytical & Measuring Instruments, Medical Systems, and Industrial Machinery Achieve Record Sales

- 1) **Record sales achieved in three segments—Analytical & Measuring Instruments, Medical Systems, and Industrial Machinery.**
- 2) Results driven by Analytical & Measuring Instruments and Industrial Machinery segments.
- 3) Analytical & Measuring Instruments drove overall results with 11 % year-on-year increase (9 % excluding exchange rate effects).
- 4) Industrial Machinery achieved a 22 % year-on-year increase (21 % excluding exchange rate effects), mainly in the strong semiconductor field.

Improved Profitability

- 1) Operating margin improved by 0.6 points (year-on-year) to 11.4 %.
- 2) **Fifth consecutive year of achieving record operating margin**

Statement of Income

- Net sales of 376.5 billion yen (34.1 billion yen and 10 % year-on-year increase, including 5.9 billion yen of exchange rate effects)
- Operating income of 42.8 billion yen (5.7 billion yen and 16 % year-on-year increase, including 1.7 billion yen of exchange rate effects and a 3.6 billion yen increase in investment expenses)
- Operating margin of 11.4 % (0.6 point improvement, year-on-year)

Units: Billions of yen, excluding EPS and percentages	Full-Year		YoY Increase		
	FY2017	FY2016	Yen Basis		Local Currency Basis
Net Sales	376.5	342.5	34.1	9.9%	8.2%
Operating Income	42.8	37.1	5.7	15.5%	10.8%
Operating Margin	11.4%	10.8%	0.6 point increase		
Ordinary Income	41.9	37.0	4.8	13.0%	
Profit Attributable to Owners of Parent	29.8	26.5	3.4	12.7%	
EPS	¥101.26	¥89.79	¥11.47	12.8%	
Average Foreign Exchange Rate	US\$	¥110.91	¥108.43	¥2.48	2.3%
	€	¥129.75	¥118.84	¥10.91	9.2%

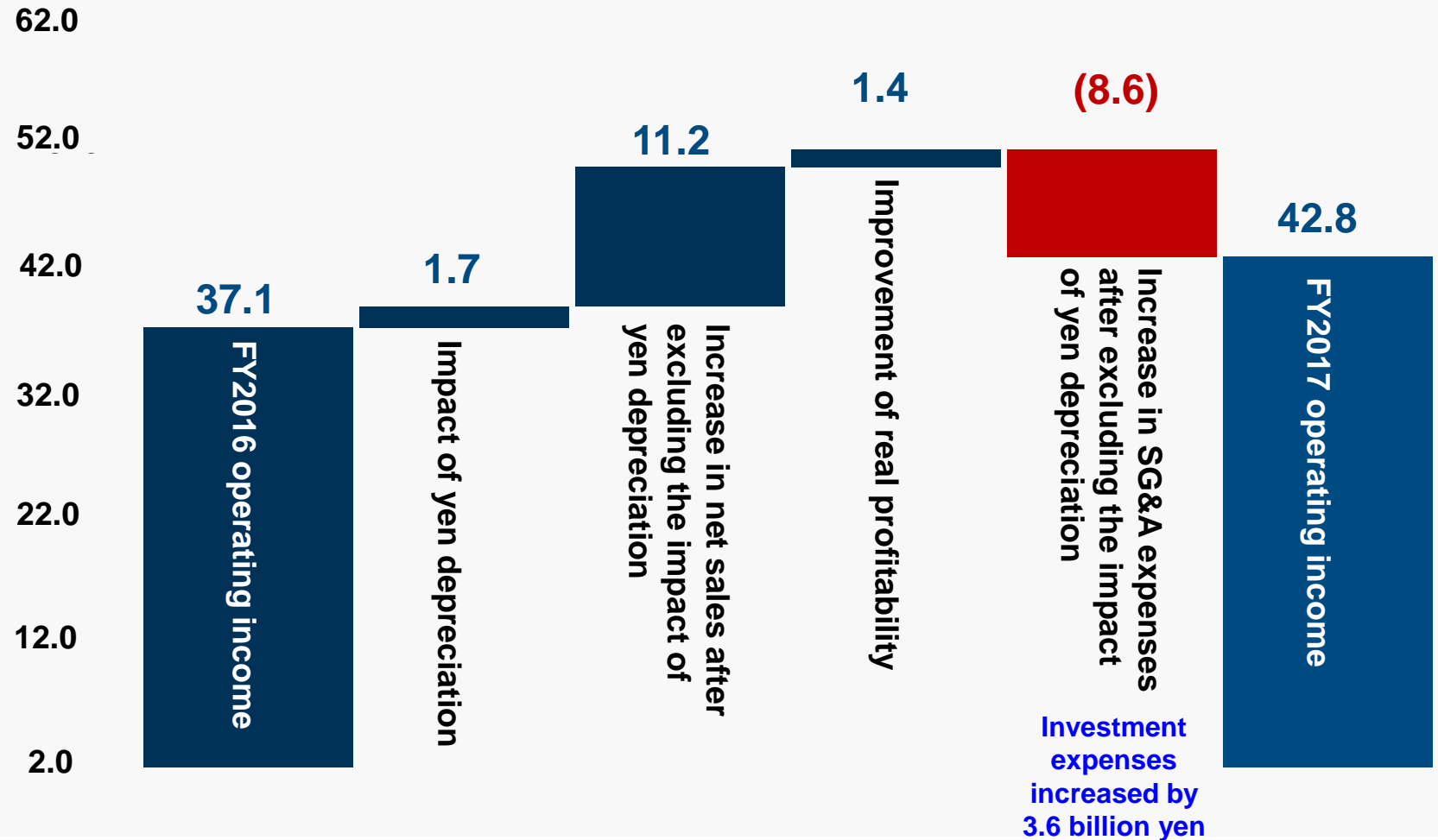
Exchange Rate Effect		
Net Sales	5.9	
Operating Income	1.7	
R&D Expenses	15.5	14.6
Capital Expenditures	17.2	12.9
Depreciation and Amortization	10.6	9.5

• The "Exchange Rate Effect" and "Local Currency Basis" values for operating income include elimination of unrealized gains from inventories.

• Sensitivity to Exchange Rates: US\$: 1.2 billion yen for net sales and 0.4 billion yen for operating income; €: 0.2 billion yen for net sales and 0.07 billion yen for operating income

Analysis of Year-on-Year Increase/Decrease in Operating Income (2017.4-2018.3)

Units: Billions of yen



Sales and Income by Business Segment

- Sales increased for all business segments and income increased for Analytical & Measuring Instruments, Medical Systems, and Industrial Machinery segments.
- Overall results were driven by the Analytical & Measuring Instruments segment, which achieved net sales of 231.6 billion yen (a year-on-year increase of 22.3 billion yen or 11 %), operating income of 37.0 billion yen (a year-on-year increase of 4.0 billion yen or 12 %), and an operating margin of 16.0 % (a year-on-year 0.2 point improvement) by expanding sales of their main products and strategic products.
- The Industrial Machinery segment achieved net sales of 44.2 billion yen (a year-on-year increase of 8.0 billion yen or 22 %), operating income of 4.1 billion yen (a year-on-year increase of 1.4 billion yen or 53 %), and an operating margin of 9.2 % (a year-on-year 1.8 point improvement) by significantly expanding turbomolecular pump sales.

Units: Billions of yen		Full-Year				YoY Increase/Decrease			
		FY2017		FY2016		Yen Basis		Local Currency Basis	
Analytical & Measuring Instruments	Net Sales	231.6	OPM	209.2	OPM	22.3	10.7%	OPM	8.6%
	Operating Income	37.0	16.0%	33.1	15.8%	4.0	12.1%	0.2 pt increase	8.5%
Medical Systems	Net Sales	65.9	OPM	64.4	OPM	1.5	2.4%	OPM	1.0%
	Operating Profit/Loss	2.7	4.1%	1.9	3.0%	0.8	40.5%	1.1 pt increase	27.5%
Aircraft Equipment	Net Sales	27.6	OPM	26.7	OPM	0.9	3.4%	OPM	2.7%
	Operating Income	0.5	1.7%	0.8	2.9%	(0.3)	-38.2%	1.2 pt decrease	-26.6%
Industrial Machinery	Net Sales	44.2	OPM	36.2	OPM	8.0	22.2%	OPM	20.8%
	Operating Income	4.1	9.2%	2.7	7.4%	1.4	52.9%	1.8 pt increase	38.4%
Other	Net Sales	7.2	OPM	6.0	OPM	1.2	20.8%	OPM	20.8%
	Operating Income	0.9	10.1%	0.9	11.8%	0	1.0%	1.7 pt decrease	1.0%
Operating Income Adjustments		(2.4)	—	(2.2)	—	(0.2)	—		
Total	Net Sales	376.5	OPM	342.5	OPM	34.1	9.9%	OPM	8.2%
	Operating Income	42.8	11.4%	37.1	10.8%	5.7	15.5%	0.6 pt increase	10.8%

Exchange Rate:

US\$: 110.91, €: 129.75

US\$: 108.43, €: 118.84

Net Sales by Region

- Expanded sales in Japan and all regions outside Japan.
- Sales expansion was well-balanced between Japan and outside Japan, with a 7 % sales increase in Japan and 13 % increase outside Japan (10 % increase excluding exchange rate effects).
- Sales increased especially in China and the Americas, where there were double-digit increases.
- The overseas sales ratio increased by 1 point (year-on-year) to 50 %.

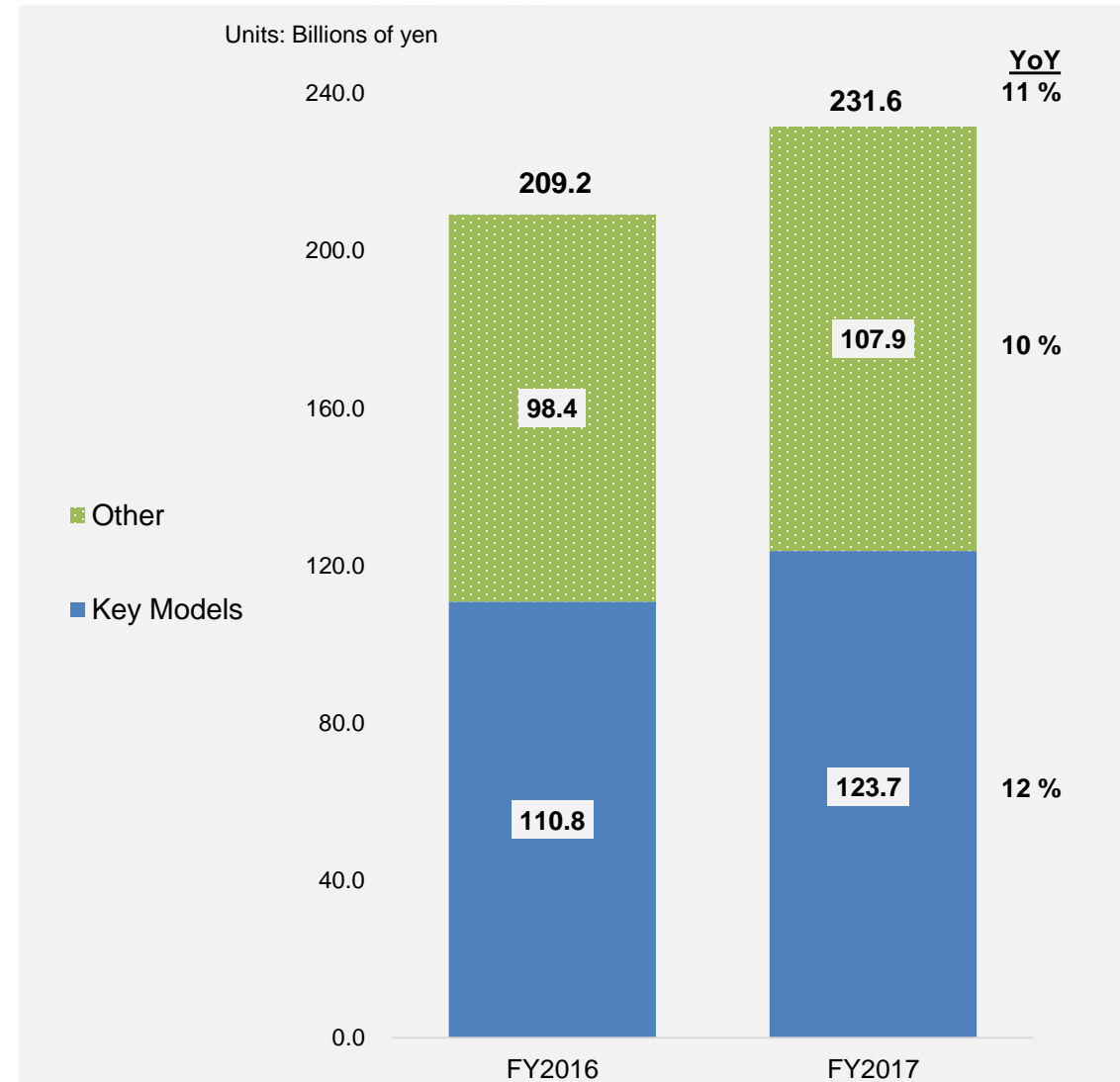
Units: Billions of yen	Full-Year		YoY Increase		
	FY2017	FY2016	Yen Basis		Local Currency Basis
Japan	187.7	175.9	11.8	6.7%	6.7%
Americas	48.1	42.5	5.6	13.3%	10.7%
North America	42.5	38.0	4.5	11.9%	9.3%
Europe	27.6	24.9	2.7	10.9%	2.5%
China	68.4	56.1	12.3	21.9%	19.2%
Other Asian Countries	34.1	33.0	1.2	3.6%	1.1%
Other*	10.5	10.1	0.5	4.7%	1.1%
Total	376.5	342.5	34.1	9.9%	8.2%
Sales Outside Japan	188.9	166.6	22.3	13.4%	9.9%
Overseas Sales Ratio	50%	49%			

*Other: Australia, Middle East, and Africa

Analytical & Measuring Instruments 1/3

Net Sales by Sub-Segment

- » +11 %:** **Analytical & Measuring Instruments Net Sales**
 Sales increased for a wide range of instruments, with results driven by key models and expansion of environmental measurement instruments in China, which also contributed to results.
- » +12 %:** **Key Models**
 Liquid chromatograph sales expanded in fields such as pharmaceuticals and chemicals, whereas mass spectrometer sales expanded in fields such as food safety and environmental testing.
- » +10 %:** **Other**
 In China, sales of water quality and environmental monitoring instruments increased significantly and sales of testing machines were also strong in automotive and other fields.
- » 27 %:** **Aftermarket Business Sales Ratio**
 The aftermarket business also expanded by 9 %, year-on-year, remaining at roughly the same ratio of sales.



Analytical & Measuring Instruments 2/3

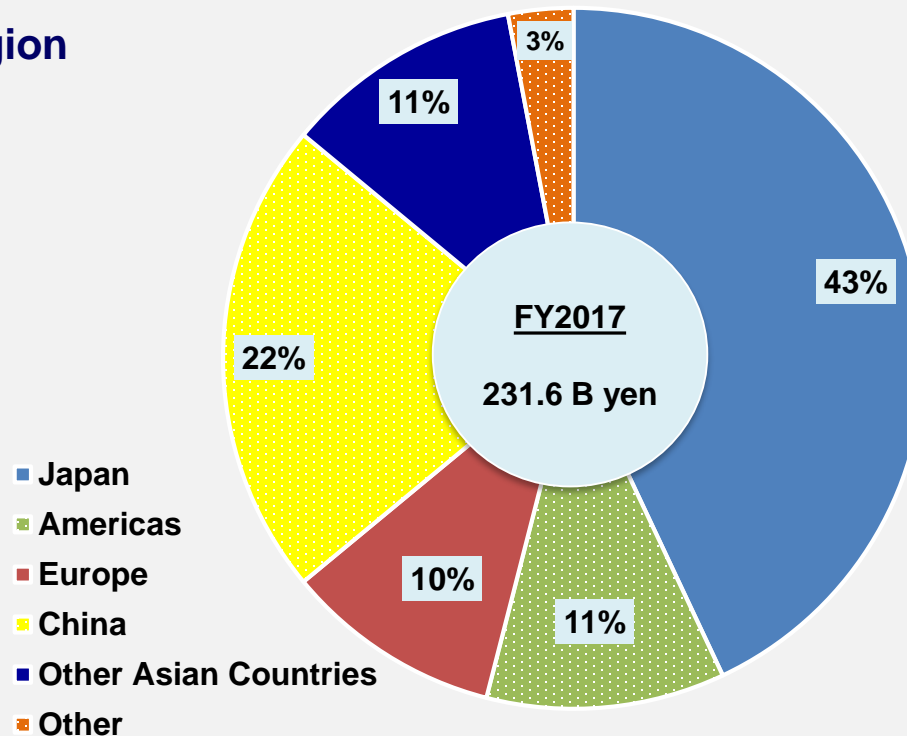
Net Sales by Region

» Overseas Ratio 57 %

The overseas ratio increased by 1 point (year-on-year) to 57 %.

Environmental testing, food safety, contract analysis, and other sales grew significantly in China and also expanded in Japan and the Americas.

Analytical & Measuring Instruments Net Sales by Region







YoY	
Total:	11 %
Japan:	8 %
Total Outside Japan:	13 %
China:	18 %
Americas:	15 %
Europe:	8 %
Other Asian Countries:	4 %
Other:	21 %

Analytical & Measuring Instruments 3/3

Net Sales by Field

1) Customers are in many industrial fields.

-  Pharmaceuticals/CRO/healthcare/foods: 31 %
-  Materials/machinery/electrical/automotive: 22 %
-  Academia/government: 19 %
-  Other: 28 %

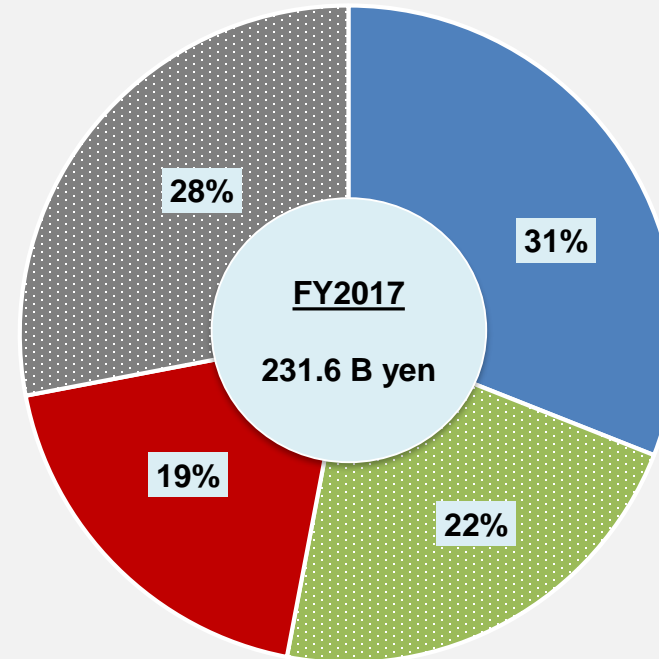
2) Sales were strong in the **largest "pharmaceuticals/CRO/healthcare/foods" field**, due to factors such as expanded demand for R&D and food safety applications (9 % growth).

3) Sales were strong in the **growth field of "materials/machinery/electrical/automotive,"** due to increased sales for applications such as R&D, capital investment, and regulatory compliance (14 % growth).

4) **Academia/government sales were strong, mainly in China** (10 % growth).

FY 2017 Analytical & Measuring Instruments Net Sales by Field

-  Pharmaceuticals/CRO/Healthcare/Foods
-  Materials/Machinery/Electrical/Automotive
-  Academia/Government
-  Other



<u>YoY</u>	
Total:	11 %
Pharmaceuticals/CRO/Healthcare/Foods:	9 %
Materials/Machinery/Electrical/Automotive:	14 %
Academia/Government:	10 %
Other:	14 %

Medical Systems 1/2

Net Sales by Sub-Segment

- » **+2 %:** **Medical Systems Net Sales**
 Sales of mobile and other radiography systems were strong, but sales of fluoroscopy systems stagnated.
- » **+2 %:** **Radiography Systems**
 Sales of mobile and other radiography systems expanded in North America, China, and Southeast Asia, due to expanded sales outside Japan and also increased sales in Japan.
- » **30 %:** **Aftermarket Business Sales Ratio**
 The aftermarket business also expanded by 3 %, year-on-year, maintaining the same ratio of sales.

Primary Products



Angiography System



Fluoroscopy System



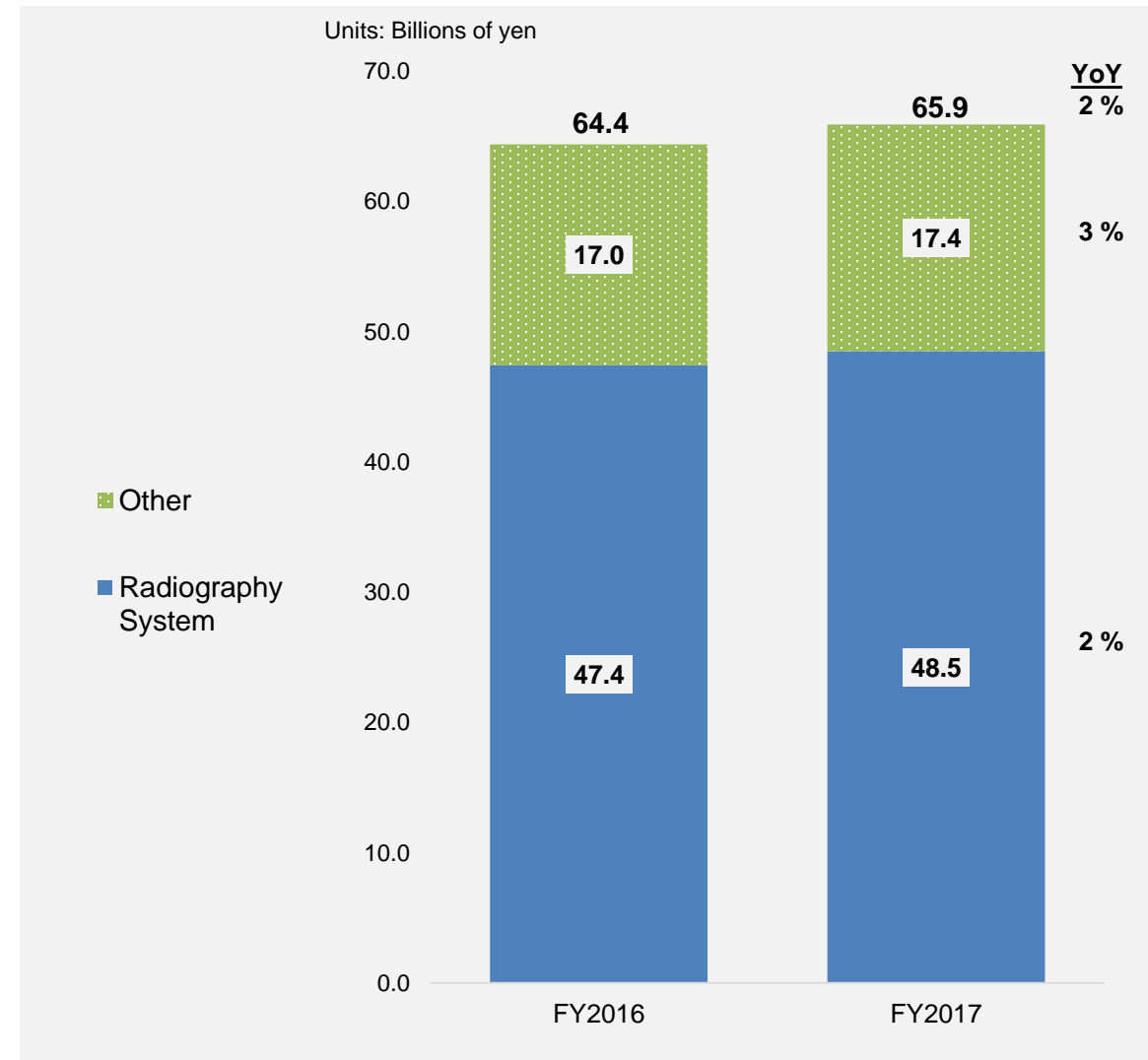
Mobile System



Breast PET System



Radiotherapy-Related System



Medical Systems 2/2

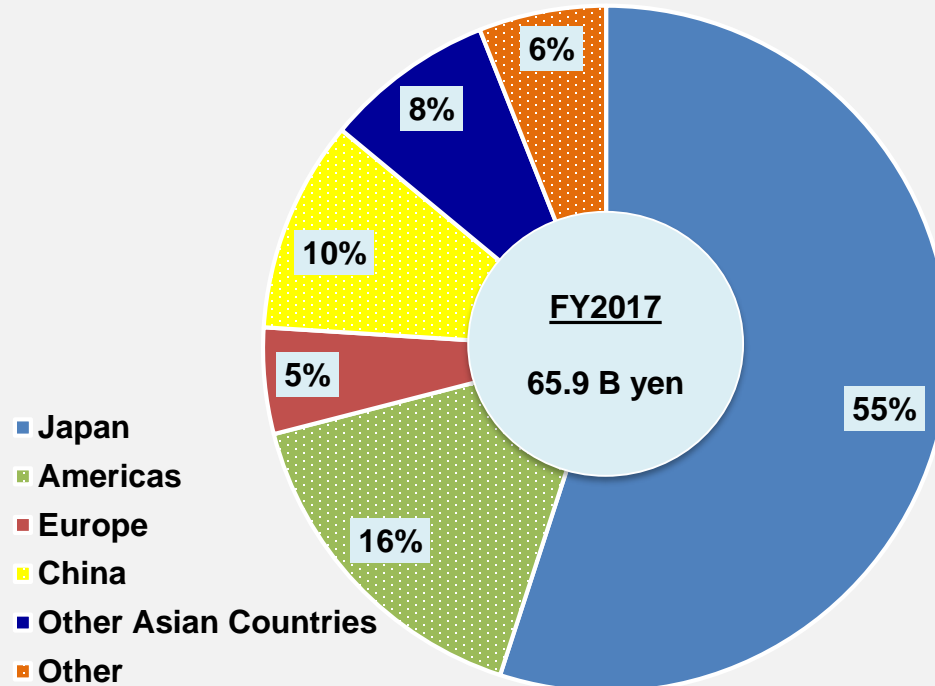
Net Sales by Region

» Overseas Ratio 45 %

The overseas ratio increased by 3 points (year-on-year) to 45 %.

Sales expanded in the Americas and other Asian countries, which compensated for stagnation in Japan due to the revision of medical service fees.

Medical Systems Net Sales by Region

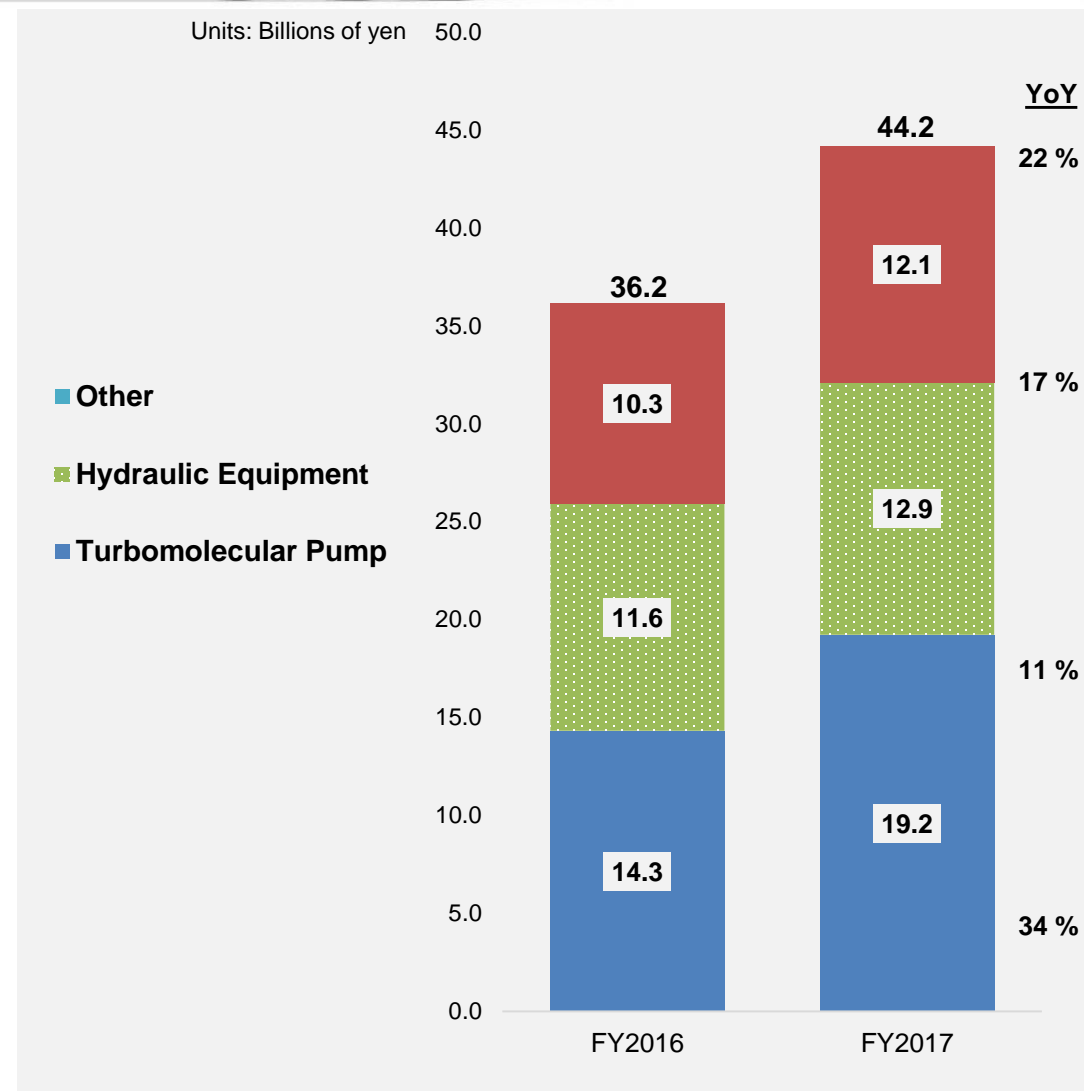


YoY	
Total:	2 %
Japan:	-1 %
Total Outside Japan:	8 %
Europe:	30 %
Other Asian Countries:	17 %
Americas:	8 %
China:	6 %
Other:	-8 %

Industrial Machinery 1/2

Net Sales by Sub-Segment

- » **+22 %:** **Industrial Machinery Net Sales**
 Driven by turbomolecular pump sales, sales expanded by double digits for hydraulic equipment and other products as well.
- » **+34 %:** **Turbomolecular Pumps**
 Sales expanded significantly due to contribution from the steady supply of pumps to the semiconductor manufacturing field, which is enjoying favorable conditions.
- » **+11 %:** **Hydraulic Equipment**
 Sales were strong for forklifts and construction machinery.



Industrial Machinery 2/2

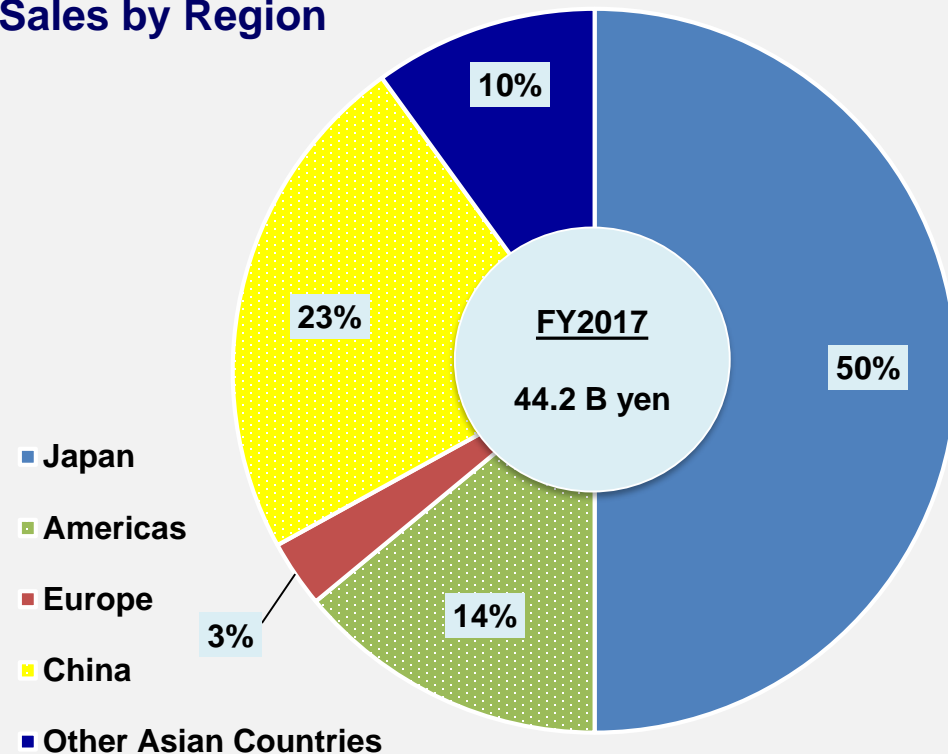
Net Sales by Region

» Overseas Ratio 50 %

The overseas ratio increased by 3 points (year-on-year) to 50 %.

Sales expanded both within and outside Japan, especially in the semiconductor and other fields in the Americas and China.

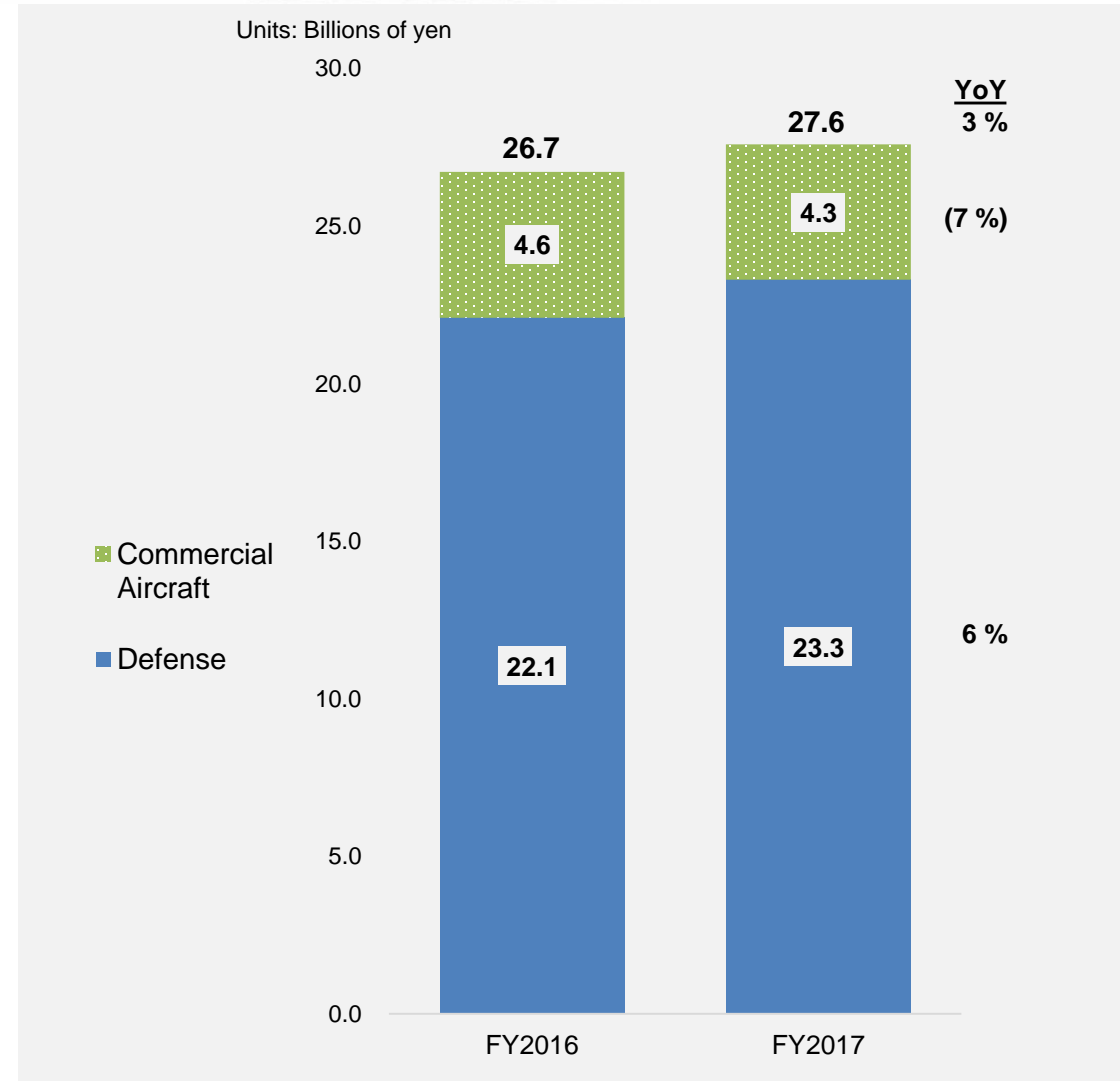
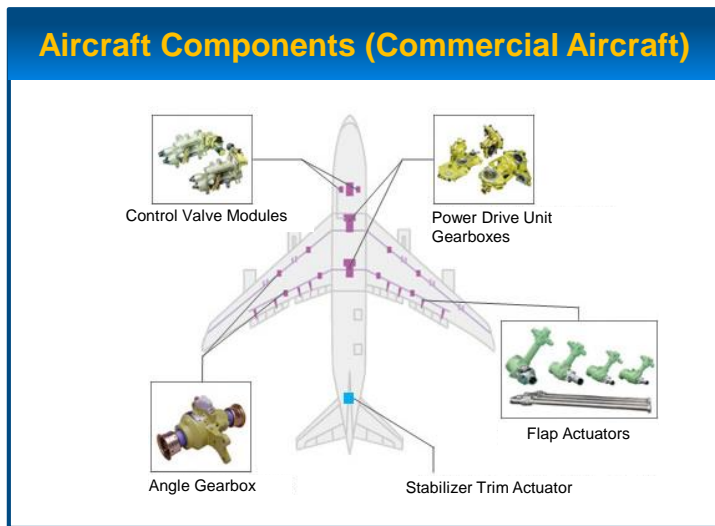
Industrial Machinery Net Sales by Region




<u>YoY</u>	
Total:	22 %
Japan:	14 %
Total Outside Japan:	31 %
China:	69 %
Americas:	38 %
Europe:	21 %
Other Asian Countries:	-11 %

Aircraft Equipment Net Sales by Sub-Segment

- » **+3 %:** **Aircraft Equipment Net Sales**
Sales increased for the defense business in Japan, but decreased for the commercial aircraft business, due to decreased production at Boeing.
- » **+6 %:** **Defense Business**
Component sales were strong for the new C-2 transport aircraft.
- » **-7 %:** **Commercial Aircraft Business**
Sales decreased due to a temporary decrease in mid-size commercial aircraft production at Boeing.



FY2018 Business Environment Outlook

 <p>Japan 1.2 % (± 0 %)</p>	<p>Demand is expected to expand in both private and public sectors, due to R&D in biopharmaceuticals and other pharmaceutical fields, active corporate investment to increase or improve capital equipment in materials, semiconductor, and automotive fields, and due to public infrastructure improvements, such as replacement of aging equipment in anticipation of the Olympics.</p> <p>Risks: Instability of international relations in East Asia and impacts from the revision of medical service fees in Japan</p>
 <p>United States 2.9 % (+0.2 pt)</p>	<p>R&D is expected to accelerate in biotechnology, healthcare, and other advanced fields, demand for analytical instruments is expected to expand in response to regulatory easing (cannabis), production in the semiconductor field is projected to expand, and corporate capital equipment investment is expected to expand due to lower corporate taxes.</p> <p>Risks: Increasingly conservative policies result in a lower dollar value.</p>
 <p>Euro Area 2.4 % (+0.2 pt)</p>	<p>Domestic demand is expected to expand, mainly in Germany, Italy, and the Netherlands, and economic recovery is expected in Russia. Demand is projected to expand in fields such as pharmaceuticals, healthcare, and foods.</p> <p>Risks: Repercussions from instability in the Middle East</p>
 <p>China 6.6 % (± 0 %)</p>	<p>Vigorous demand is expected in both private and public sectors, due to increased demand in response to stricter regulations for ensuring a safer and more secure society, such as for environmental and food safety testing fields, expansion/improvements in research equipment intended to improve the level of academic institutions, and expansion in private sector demand in pharmaceutical/CRO and semiconductor/flat panel display fields.</p> <p>Risks: Impacts from U.S.-China trade friction or sudden changes in government policies</p>
 <p>ASEAN 5.3 % (± 0 %) India 7.4 % (± 0 %)</p>	<p>R&D and capital investment are expected to expand in the generic drugs fields as they spread from India to Southeast Asian countries and capital equipment by foreign companies is expected to expand and improve in electrical, automotive, and other fields.</p> <p>Risks: Political instability in Southeast Asia</p>

Note: The values shown in the left column are IMF estimated 2018 GDP growth rates published in April 2018. The increase/decrease versus the previous forecast in January 2018 is indicated in parentheses.

Earnings Forecast

- Given the strong global economic conditions projected, additional increases in sales and income are planned.
- Operating income is projected to reach the medium-term management plan target level one year ahead of schedule.
- We aim to achieve sixth consecutive year of record results.

Units: Billions of yen, excluding EPS and percentages		Full-Year		YoY Increase			
		FY2018 Plan	FY2017	Yen Basis		Local Currency Basis	
Net Sales		390.0	376.5	13.5	3.6%	20.5	5.4%
Operating Income		45.0	42.8	2.2	5.1%	4.5	10.5%
Operating Margin		11.5%	11.4%	0.1 point increase			
Ordinary Income		44.0	41.9	2.1	5.1%		
Profit Attributable to Owners of Parent		32.0	29.8	2.2	7.2%		
EPS		¥108.63	¥101.26	¥7.37	7.3%		
Average Foreign Exchange Rate	US\$	¥105.00	¥110.91	-5.91	-5.3%		
	€	¥130.00	¥129.75	0.25	0.2%		
Exchange Rate Effect							
Net Sales			(7.0)				
Operating Income			(2.3)				
R&D Expenses		17.0	15.5				
Capital Expenditures		23.0	17.2				
Depreciation and Amortization		11.7	10.6				

• Sensitivity to Exchange Rates: US\$: 1.2 billion yen for net sales and 0.4 billion yen for operating income; €: 0.2 billion yen for net sales and 0.07 billion yen for operating income

Earnings Forecast by Business Segment

- Increased sales and income are planned for Analytical & Measuring Instruments, Medical Systems, and Industrial Machinery segments.
- We intend to increase income in the Aircraft Equipment segment.
- The operating margin for the Industrial Machinery segment is projected to exceed 9 % and almost achieve double digits.

Units: Billions of yen		Full-Year				YoY Increase/Decrease		
		FY2018 Plan		FY2017				
Analytical & Measuring Instruments	Net Sales	241.0	OPM	231.6	OPM	9.4	4.1%	OPM
	Operating Income	38.8	16.1%	37.0	16.0%	1.8	4.7%	0.1 pt increase
Medical Systems	Net Sales	69.5	OPM	65.9	OPM	3.6	5.4%	OPM
	Operating Income	3.2	4.6%	2.7	4.1%	0.5	18.5%	0.5 pt increase
Aircraft Equipment	Net Sales	26.5	OPM	27.6	OPM	(1.1)	-4.1%	OPM
	Operating Income	0.8	3.0%	0.5	1.7%	0.3	67.0%	1.3 pt increase
Industrial Machinery	Net Sales	46.5	OPM	44.2	OPM	2.3	5.2%	OPM
	Operating Income	4.4	9.5%	4.1	9.2%	0.3	7.7%	0.3 pt increase
Other	Net Sales	6.5	OPM	7.2	OPM	(0.7)	-10.0%	OPM
	Operating Income	0.8	12.3%	0.9	10.1%	(0.1)	-10.2%	2.2 pt increase
Operating Income Adjustments		(3.0)	—	(2.4)	—	(0.6)	—	
Total	Net Sales	390.0	OPM	376.5	OPM	13.5	3.6%	OPM
	Operating Income	45.0	11.5%	42.8	11.4%	2.2	5.1%	0.1 pt increase

Implementing Business Strategies 1/6—I. New Products: Expanding/Improving Line of Key Models for Analytical & Measuring Instruments

- **New products:** Improve/expand product line (fully automated models, new pretreatment systems, on-site analyses, etc.).
- **Existing products:** Expand the range of application fields.
(Promote joint development with outside institutions, mainly at innovation centers.)
- **Network systems:** Implement the concept of integrated network systems.
- **Aftermarket business:** Expand reagent and consumables businesses and strengthen service business (multi-vendor services, etc.).

Analytical—LC




i-Series Plus
Integrated LC with significantly higher automation level of pretreatment and other analytical processes.
Released Aug. 31

Analytical—MS




Nexera Mikros
LCMS system that supports micro flowrates. Achieves higher sensitivity, higher robustness, and easier operability for pharmaceuticals.
Released Jan. 29

Analytical—MS



DPiMS-2020
Direct ionization type MS system for rapid on-site mass analysis
Released Sep. 1

Analytical—MS



MALDI-8020
MALDI spectrometer that offers the highest resolution in a tabletop model, with sales expanding in pharmaceuticals, such as for antibody and nucleic acid analysis, and academia fields
Released Oct. 30

Analytical—GC



TD-30 Pretreatment System
Injects volatile components into GC unit. Sales expanding for analyzing the atmosphere, residential and automotive interiors, etc.
Released Oct. 11

Network System: LabSolutions

- Improve data integrity of spectrophotometers (released Aug. 9)



Aftermarket Business: LabTotal

- Strengthen/expand/improve reagent and consumables businesses, including by M&A (released Jun. 22).
- Alsachim reagents, reagent kits, LC columns, and blood pretreatment devices



Implementing Business Strategies 2/6—I. New Products: Developing New Fields or Applications for Medical Systems and Industrial Machinery

- **New products:** Expand/improve product line and develop new field. → **Breast PET system, etc.**
- **Existing products:** Increase market share and develop new application fields. → **Trinias Unity, Mobile DaRt, and TMP-B70**
- **Aftermarket business:** Expand/improve maintenance services (such as for industrial machinery TMPs or 24 hr/365 days per year response for medical systems).

Medical—Angiography System



Trinias Unity

Provides powerful support for interventional procedures in all areas of the body, from cardiac and cranial areas to abdominal areas and lower extremities.

Released Oct. 25

Medical—Mobile X-Ray System



Mobile DaRt MX8

Digital radiography system with significantly higher performance and functionality and a telescoping support column that results in a compact size and improved maneuverability

Released Jan. 17

Medical—Breast PET System



(Developed jointly with the Kyoto University Hospital)

Elmammo Avant Class

Enables pain-free high precision breast cancer examinations and improves image quality and patient-friendliness.

Released Sep. 4

Industrial—TMP



TMP-B70 Model

Compact turbomolecular pump with high evacuation performance. Sales expanding for general industrial machinery and analytical instruments

Released Dec. 8



Frost & Sullivan

Received 2017 Global General Radiography Product Line Strategy Leadership Award.

Received the 15th Industry-Academia-Government Collaboration Contributors Award by the Minister of the Japanese Ministry of Health, Labour and Welfare (Sep. 1).



Applied Materials

Received Supplier of Excellence Award (2016) from Applied Materials.

Implementing Business Strategies 3/6—II. Developing New Demand in Growth Fields: Various Measures for Establishing Standards

Revised RoHS Directive

Screening System for Phthalate Esters **Py-Screener**

We are participating in specifying analytical methods for phthalate esters, scheduled to be additionally regulated from July 2019, and will commercialize the method as a GCMS application.



EPA Chemical Regulations

Total Organic Carbon Analyzer **TOC-L**

Used for total nitrogen analysis method compliant with chemical substance and water quality regulations (ASTM-D8083) by the United States Environmental Protection Agency (EPA).



Method for Measuring Moisture Content in LP Gas

Gas Chromatograph **Trace Moisture Content Measurement System**

Currently in application process to be adopted as the standard testing method in official methods for the United States. Applications are being developed at the US Innovation Center.



Method for Testing Strength of Plastics

High-Speed Tensile Testing Machine **Hydroshot HITS**

We are participating in creating high-speed tensile testing method for evaluating strain-rate dependence of plastics.



Implementing Business Strategies 4/6—II. Developing New Demand in Growth Fields: Contributing to Lighter and Safer Automobiles

Material Strength

AUTOGRAPH Universal Testing Machine **AG-Xplus Series**

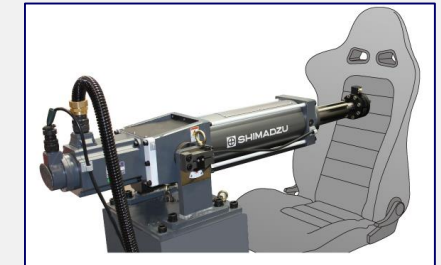
Used to test the strength of all sorts of automotive parts and materials, such as metals, plastics, rubbers, and films.



Endurance

Electric Motor Driven Actuator **NJ-SERVO Series**

Servo motors and displacement measurement sensors are used to accurately measure the endurance of automotive interior and other parts and materials.



Automobile Cabin Environment

Gas Chromatograph Mass Spectrometer **GCMS-QP2020**

Contributes to a more comfortable interior space by measuring the volatile organic compounds (VOCs) emitted from plastics and other interior parts and materials.



Next-Generation Technology

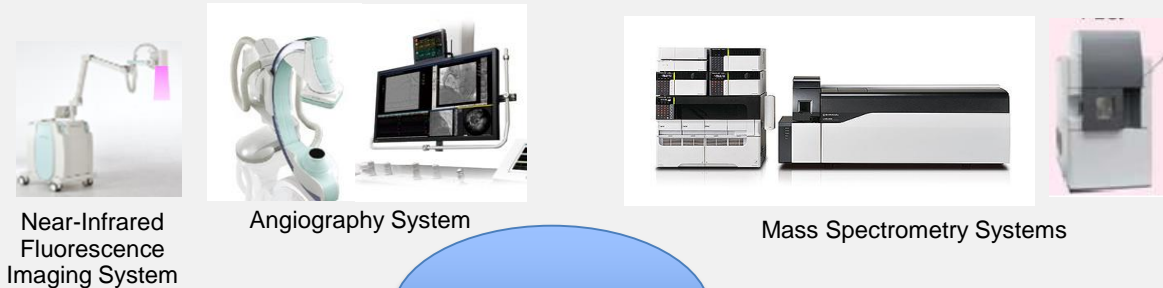
High-Speed Sputtering System

Efficiently and inexpensively applies electromagnetic wave transparent films that are even transparent to millimeter waves, which are used to avoid collision.



Implementing Business Strategies 5/6—II. Developing New Demand in Growth Fields: Promoting Advanced Healthcare

Cancers/Lifestyle Diseases



Near-Infrared Fluorescence Imaging System

Angiography System

Mass Spectrometry Systems

Diagnostic Images

Integration

Mass Spectrometry Data

Cancers

Support photoimmunotherapy research.



Near-Infrared Fluorescence Imaging System

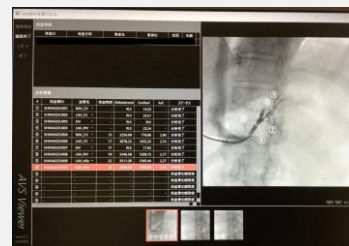
Observes drug accumulation and cell destruction.

Mass Spectrometer

Confirms therapeutic efficacy (by analyzing components eliminated in urine).

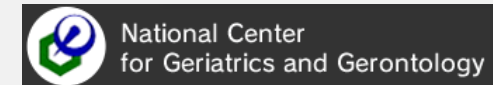
Lifestyle Diseases

Develop primary aldosteronism diagnostic system.



Dementia

Establish method for early detection of Alzheimer's.

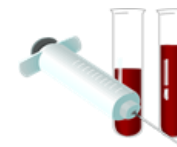


Blood Test

(Minimally invasive and inexpensive)

Mass Spectrometer

0.5 cc micro blood sample



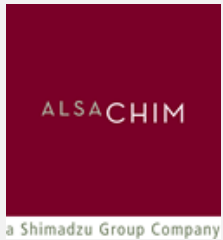
Analyze beta-amyloid to determine pathogenic risk.

- Beta-amyloid analysis results in early treatment by early-stage detection and delaying progression.
- Provides data useful for contributing to development of therapeutic drugs.

Implementing Business Strategies 6/6—III. Investment: Steadily Implementing Investments for the Future

Analytical & Measuring Instruments

- June 2017 Acquired French reagent company Alsachim to **strengthen aftermarket business.**
- August 2017 Invested in MCBI to **participate in dementia examination business.**
- November 2017 Opened fourth innovation center in Singapore, after the U.S., China, and Europe, to **strengthen R&D capabilities outside Japan.**
- January 2018 Started construction of Healthcare R&D Center (scheduled for completion in January 2019).



Medical Systems

Expanding size of manufacturing subsidiary Shimane Shimadzu by 50 % to **expand product supply capacity** (scheduled for completion by February 2019).

Industrial Machinery

Increased/strengthened turbomolecular pump production equipment in anticipation of increased demand and expanded market share to **strengthen capabilities for supplying products reliably.**

April 2018 Merged two subsidiaries to establish Shimadzu Industrial Systems and a **third pillar for income** (vacuum equipment, etc.), after turbomolecular pumps and hydraulic equipment.

Corporate Social Responsibility (CSR) Activities 1/2

With the increasing importance of science and technology for solving the challenges of society, we will implement a policy of solving societal challenges through business operations (strategic corporate social responsibility) based on Shimadzu's corporate philosophy of "Contributing to Society through Science and Technology."

SUSTAINABLE DEVELOPMENT GOALS
17 GOALS TO TRANSFORM OUR WORLD



Engage in topics with high priority for relevance to business operations. (Strategic CSR)

Main Business Opportunities

-  **3 GOOD HEALTH AND WELL-BEING**
Promoting preventive medicine
-  **4 QUALITY EDUCATION**
Achieving high quality physics and chemistry education
-  **6 CLEAN WATER AND SANITATION**
Water, air, and soil regulatory compliance
-  **9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
Diagnostics for aging infrastructure
-  **12 RESPONSIBLE CONSUMPTION AND PRODUCTION**
Water, air, and soil regulatory compliance
-  **17 PARTNERSHIPS FOR THE GOALS**
Creating innovations for solving challenges of society

CSR Activities 2/2

Environment

Contribute to improving environmental pollution.

Contribute to **improving environmental pollution in China** by measuring in real time whether or not effluent waters, emission gases, river waters, sea waters, and lake waters meet applicable regulatory standards.



Instrument for measuring effluent and surface waters



Instrument for measuring emission gases

Society

Use advanced science and technology to help promote industrial development.



Yukiya Amano (right), Director General of the International Atomic Energy Agency, at the signing ceremony for an agreement to help support development in developing countries by applying nuclear technology (October 2017).



Signing joint research agreement with the International Clinical Research Center at the St. Anne's University Hospital Brno. Signing ceremony (June 2017) with Czech Republic Prime Minister Bohuslav Sobotka (left).

Society

Contribute to preventive medicine.

Contribute to **reducing the spread of tuberculosis (by early detection)** in Pakistan by using a truck-mounted radiography system to examine patients in various regions.



Traveling to various regions by truck



Performing an examination

Contribute to **reducing medical costs** by using Shimadzu's core technology in mass spectrometry to check the risk of diseases from a single drop of blood.



High-Performance Liquid Chromatograph Mass Spectrometer

Increasing Corporate Value

JPX-Nikkei Index 400

Share price index

Selected as JPX-Nikkei Index 400 brand for second consecutive year (Aug. 2017).



FTSE Blossom Japan Index

Share price index

Selected as a brand in the FTSE Blossom Japan Index (Jun. 2017).



FTSE Blossom Japan

MSCI Japan ESG Select Leaders Index

Share price index

Selected as a brand in the MSCI Japan ESG Select Leaders Index (Jun. 2017).



Women's Initiatives

Share price index

Selected as Nadeshiko Brand for second consecutive year (Mar. 2018).
Selected as a brand in the MSCI Japan Empowering Women Index (Jun. 2017).



"White 500" Company with Superior Health Management

Health-oriented management

Recognized as "White 500" company with superior health management for second consecutive year (Feb. 2018).



Japan Habitat Evaluation and Certification

Environmental management

Obtained highest AAA rank (May 2015).





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.