



Shimadzu Corporation (TSE Prime Market: Securities code 7701)

1st Half FY 2022 (Ending March 2023) Results & Financial Position

President and Representative Director, CEO
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| November 8, 2022

01 Overview of Financial Results

Summary of Results

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

Both net sales and operating income achieved record high

- **Net Sales:** Despite the impact of the China lockdown and shortage of parts/materials, net sales marked a record high for the second consecutive term.
- **Operating Income:** While promoting growth investments such as human investment and R&D and impacted by price surge of parts/materials, operating income achieved a record high, resulting from the positive impact of price revisions and exchange rate.

Record high sales in AMI, MED, and IM

- **AMI:** In Japan, GC and testing machines increased for green transformation-related demand. Sales of reagent kit to detect COVID-19 remained flat in H1. Overseas sales increased, positively affected by exchange rate. LC sales for pharmaceuticals were strong.
- **MED:** In Japan, new angiography system and tumor-tracking system for radiography contributed. Overseas, patient side fluoroscopy system, a new product in North America, increased.
- **IM:** TMP increased for semiconductors manufacturing equipment and for coating in China, and TMP sales were strong for all regions.

AMI key models and TMP achieved record high

- **Key models:** Grew for healthcare field, achieving record high, also positively impacted by exchange rate. YoY +8%
- **TMP:** Increased for semiconductors manufacturing equipment and for coating, YoY +21%

Q2 (Jul.-Sep.) also achieved record high sales and operating income

- **Net Sales:** Recovering from China lockdown, and COVID-19-related product sales and X-ray systems increased, thereby exceeded previous records even exchange rate effect excluded.
- **Operating Income:** Impacted by parts/materials price hike and others, greatly improved from 1Q, with exchange rate tailwind.

• **AMI key models (LC: Liquid chromatographs, MS: Mass spectrometer systems, GC: Gas chromatographs), TMP: Turbomolecular pumps**

Statement of Income

Q2 (Jul.-Sep.) results recovered, and H1 results achieved a record high

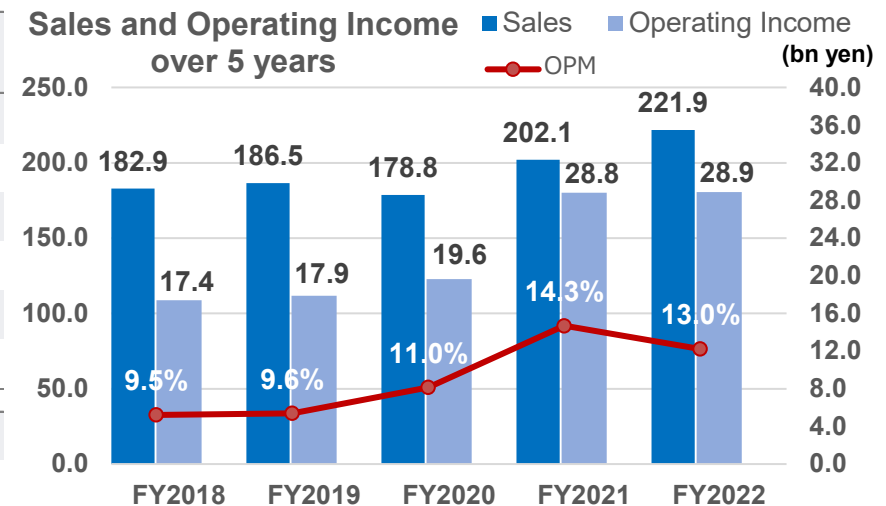
Net Sales
YoY: +19.8 bn yen / +10%
221.9 bn yen

Operating Income
YoY: +0.1 bn yen / +0%
28.9 bn yen

Operating Margin
YoY: -1.3pt
13.0%

Profit Attributable to Owners of Parent
YoY: +4.0 bn yen / +20%
24.5 bn yen

	Units: Billions of yen	1st Half (Apr.-Sep.)			YoY	
		FY2020	FY2021	FY2022	Changes	%
Business Results	Net Sales	178.8	202.1	221.9	+19.8	+10%
	Operating Income	19.6	28.8	28.9	+0.1	+0%
	Operating Margin	11.0%	14.3%	13.0%	-1.3pt	
	Ordinary Income	19.5	29.4	33.1	+3.8	+13%
	Profit Attributable to Owners of Parent	13.9	20.5	24.5	+4.0	+20%
Exchange Rates	Average Rate: USD (Yen)	106.97	109.85	134.02	+24.17	+22%
	Euro (Yen)	121.33	130.93	138.78	+7.85	+6%
	R&D Expenses	7.1	7.5	8.7	+1.2	
	CAPEX	5.9	6.3	12.1	+5.8	



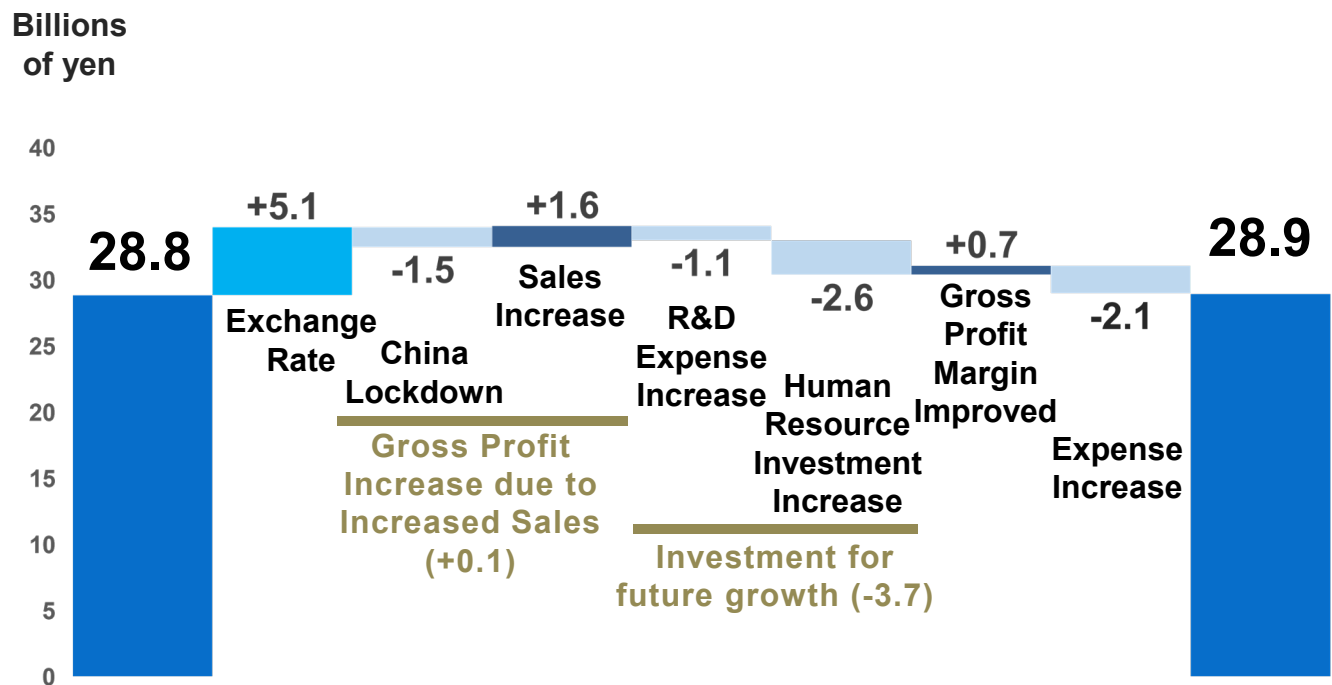
Depreciation and Amortization
8.5 bn yen

Exchange Rate Effect
Net sales: 19.5 bn yen
Operating income: 5.1 bn yen
Exchange rate effect on overseas inventory acted negatively.

Analysis of Increase/Decrease in Operating Income (Apr.-Sep.)

- China lockdown impact cannot be fully resolved due to many installations required.
- Proactively promote growth investment such as R&D and human resource investment.
- Positive factors (improved productivity and price revision) surpassed negative factors (parts/materials price hike), and Gross Profit Margin improved.

(billions of yen)



	H1	Q1	Q2	Remarks
Exchange Rate Effect	+5.1	+1.9	+3.2	• Unrealized gain on overseas inventory also increased.
Gross Profit Increase/Decrease due to Increased/Decreased Sales	+0.1	-1.2	+1.3	
Profit Decrease by Lockdown	(-1.5)	(-2.1)	(+0.6)	• Recovering after July.
Increases in Sales	(+1.6)	(+0.9)	(+0.7)	• MED and IM sales increased.
Growth Investment	-3.7	-2.6	-1.1	• Proactively promoted R&D and Human Investment which were curbed due to COVID-19 pandemic.
Increase in Human Resource	(-2.6)	(-2.0)	(-0.6)	
Increase in R&D Expense	(-1.1)	(-0.6)	(-0.5)	
Gross Profit Margin Improved	+0.7	-0.1	+0.8	• Positive factors (improved productivity and price revision) surpassed negative factors (parts/materials price hike).
Expense Increased	-2.1	-1.0	-1.1	• Logistics cost and others increased.

Sales and Income by Business Segment (Apr.-Sep.)

While impacted by the China lockdown and shortage of parts/materials, income increased since Q2 (Jul.-Sep.) results recovered.

AMI: Sales increased but income decreased

Sales: +10.9 bn yen / +8%
Operating income: -0.5 bn yen / -2%
Operating margin: 16.9%

- Sales greatly affected by parts/materials shortage, but overseas sales increased with FX.
- Operating income decreased as a result of investment for future growth, China lockdown and price hikes of parts.

MED: Sales and income increased

Sales: +5.6 bn yen / +17%
Operating income: +0.2 bn yen / +7%
Operating margin: 7.6%

- Sales of fluoroscopy systems and angiography systems increased, driven by new products.
- Operating income hit a record high due to increased income from higher sales.

IM: Sales increased but income decreased

Sales: +3.6 bn yen / +13%
Operating income: -0.1 bn yen / -4%
Operating margin: 8.5%

- Sales hit a record high, driven by TMP.
- Operating income decreased because hydraulic equipment was impacted by price hikes of parts and logistics costs.

AE: Sales and income increased

Sales: +0.3 bn yen / +3%
Operating income: +0.7 bn yen / —
Operating margin: 3.1%

- Sales recovered since demand for commercial aircrafts equipment recovered.
- Operating Income turned profitable by reorganizing unprofitable products.

Units: Billions of yen	Net Sales						Operating Income						Operating Margin			
	FY2020 H1	FY2021 H1	FY2022 H1	YoY			FY2020 H1	FY2021 H1	FY2022 H1	YoY			FY2020 H1	FY2021 H1	FY2022 H1	YoY Changes
				Changes	%	w/o Exchange Rate Effect				Changes	%	w/o Exchange Rate Effect				
AMI	109.8	130.6	141.5	+10.9	+8%	-2%	16.8	24.3	23.8	-0.5	-2%	-15%	15.3%	18.6%	16.9%	-1.7pt
MED	30.6	32.1	37.6	+5.6	+17%	+9%	1.4	2.7	2.9	+0.2	+7%	-16%	4.6%	8.4%	7.6%	-0.8pt
IM	20.5	26.8	30.4	+3.6	+13%	+5%	1.4	2.7	2.6	-0.1	-4%	-56%	6.7%	10.1%	8.5%	-1.6pt
AE	16.0	10.2	10.5	+0.3	+3%	-5%	0.9	-0.3	0.3	+0.7	—	—	5.4%	-3.3%	3.1%	-
Other	1.9	2.4	1.9	-0.5	-21%	-21%	0.2	0.3	0.3	-0.1	-16%	-16%	6.5%	10.0%	9.4%	-0.6pt
Adjustments	—	—	—	—	—	—	-0.9	-0.9	-1.0	-0.1	—	—	—	—	—	—
Total	178.8	202.1	221.9	+19.8	+10%	+0%	19.6	28.8	28.9	+0.1	+0%	-18%	11.0%	14.3%	13.0%	-1.3pt

Q2 Sales and Income by Business Segment (Jul.-Sep.)

Consolidated: While impacted by parts/materials shortage and price hikes, both sales and income are remarkably recovering.
AMI: Recovering from China lockdown and others, Q2 results greatly improved from Q1. OPM 19.4% in Q2 is a record high in Q2.
MED: Both sales and income improved from Q1. OPM 12.4% in Q2 is a record high.
IM: Hydraulic equipment income decreased due to price hikes of materials etc., but strong TMP offset and operating income was flat.
AE: Defense sales decreased due to a reactionary decline from last year's large projects, but measures to improve profitability increased operating income.

Unit	Billions of yen	Sales					Operating Income					Operating Margin		
		FY2021	FY2022	YoY	YoY (%)	YoY (%) w/o exchang	FY2021	FY2022	YoY	YoY (%)	YoY (%) w/o exchang	FY2021	FY2022	YoY
Consolidated	1Q	94.3	98.6	+4.3	+5%	-3%	12.4	9.4	-3.0	-24%	-39%	13.2%	9.6%	-3.6pt
	2Q	107.8	123.3	+15.5	+14%	+3%	16.4	19.5	+3.0	+19%	-1%	15.2%	15.8%	+0.6pt
	H1	202.1	221.9	+19.8	+10%	0%	28.8	28.9	+0.1	+0%	-18%	14.3%	13.0%	-1.3pt
AMI	Q1	61.3	61.8	+0.5	+1%	-8%	11.0	8.4	-2.6	-24%	-34%	17.9%	13.5%	-4.3pt
	Q2	69.3	79.7	+10.4	+15%	+3%	13.4	15.5	+2.1	+16%	+0%	19.3%	19.4%	+0.1pt
	H1	130.6	141.5	+10.9	+8%	-2%	24.3	23.8	-0.5	-2%	-15%	18.6%	16.9%	-1.7pt
MED	Q1	14.5	16.4	+1.9	+13%	+7%	0.9	0.2	-0.6	-72%	-93%	6.1%	1.5%	-4.6pt
	Q2	17.6	21.2	+3.6	+21%	+11%	1.8	2.6	+0.8	+45%	+22%	10.3%	12.4%	+2.1pt
	H1	32.1	37.6	+5.5	+17%	+9%	2.7	2.9	+0.2	+7%	-16%	8.4%	7.6%	-0.8pt
IM	Q1	13.0	14.7	+1.7	+13%	+5%	1.4	1.3	-0.1	-5%	-49%	10.6%	8.9%	-1.7pt
	Q2	13.8	15.7	+1.9	+14%	+4%	1.3	1.3	-0.0	-3%	-63%	9.7%	8.2%	-1.5pt
	H1	26.8	30.4	+3.6	+13%	+5%	2.7	2.6	-0.1	-4%	-56%	10.1%	8.5%	-1.6pt
AE	Q1	4.1	4.8	+0.6	+15%	+7%	-0.4	0.1	+0.5	-	-	-8.7%	2.4%	+11.1pt
	Q2	6.1	5.7	-0.3	-5%	-14%	0.0	0.2	+0.2	+665%	+880%	0.4%	3.6%	+3.2pt
	H1	10.2	10.5	+0.3	+3%	-5%	-0.3	0.3	+0.7	-	-	-3.3%	3.1%	-

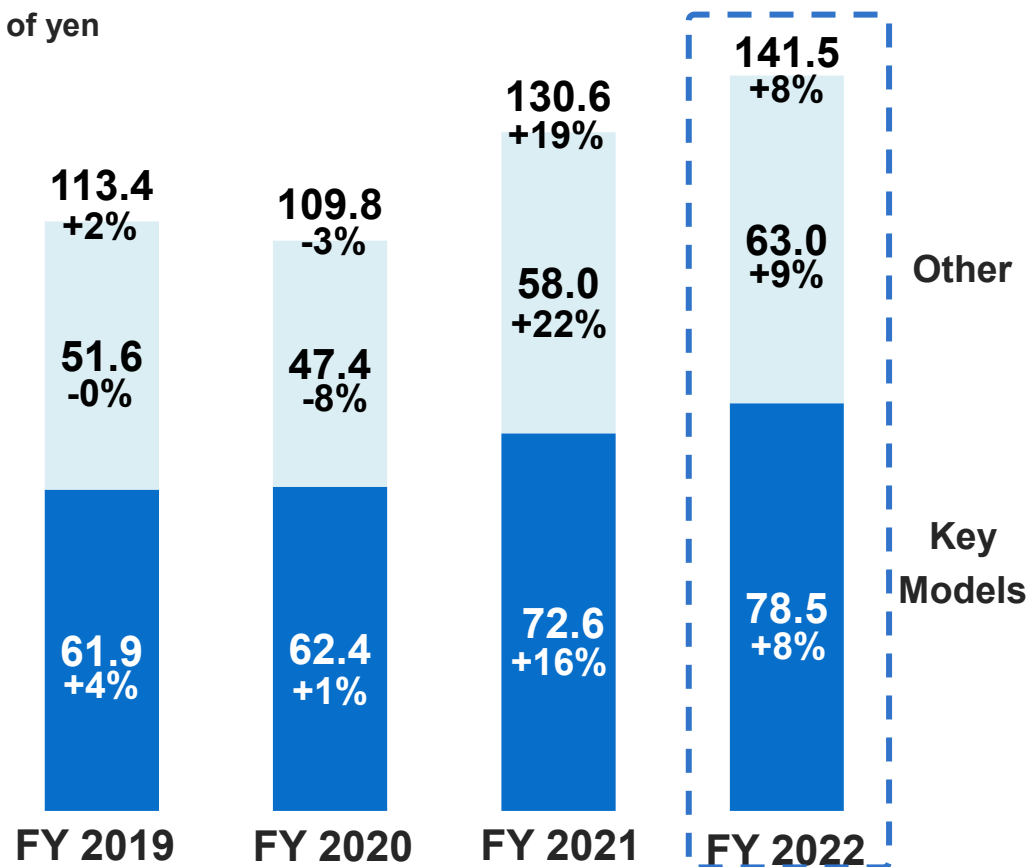
02 FY 2022 H1 Results by Business Segment

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

Despite of impacts from China lockdown and parts/materials shortage, key model sales increased due to exchange rate effect on overseas sales. AM ratio increased to 38%.


H1 Net Sales

Billions of yen




% values indicate year-on-year changes.

Other




AUTOGRAPH AGX-V
Material Testing
Machine




Novel Coronavirus
Variant Strain (L452R)
Detection Kit


Key Models




NEXERA XS inert
Liquid Chromatograph




LCMS-2050
Liquid Chromatograph
Mass Spectrometer




i-Series
Liquid Chromatographs



NEXERA Series
Liquid Chromatographs



LCMS-8060NX
Liquid Chromatograph
Mass Spectrometer



GC-2030
Gas Chromatograph

Net Sales of Key Models

YoY: +5.8 bn yen/ +8%

78.5 bn yen

- LC sales increased for healthcare field driven by pharmaceuticals.
- MS sales are getting back on track with recovery from China lockdown.
- GC sales increased for green transformation (GX) - related demand mainly in Japan.

Net Sales of Other Models

YoY: +5.0 bn yen/ +9%

63.0 bn yen

- Testing machines increased for GX-related and for transport equipment.
- Environmental measurement instrument increased for water quality analysis.

Aftermarket Business Sales Ratio

YoY: +1pt (Net Sales +5.5 bn yen)

38%

- Novel coronavirus detection kit remained flat.
- Sales of consumables and services increased.

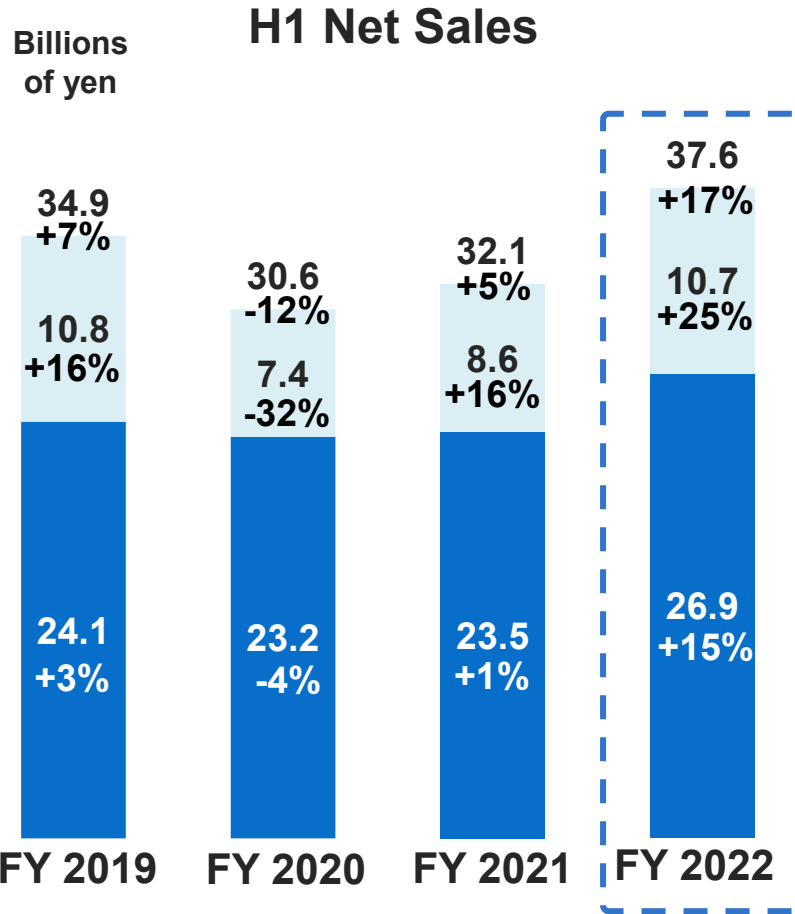
Analytical & Measuring Instruments / Net Sales by Region

- Japan: GC and testing machines increased for GX-related demand. COVID-19-related sales remained flat.
- Overseas: Despite the ups and downs, LC performed well for the pharmaceutical market. China bounces back from lockdown after July.

Unit Billions of yen		FY2020	FY2021	FY2022	YoY			Overview
					Changes	%	% (w/o exchange rate)	
Japan	Q1	17.1	21.6	20.9	-0.6	-3%	-3%	<ul style="list-style-type: none"> • GC and testing machines increased for green transformation. • Sales of reagent kit to detect COVID-19 increased in Q2 and were flat in H1.
	Q2	25.0	27.9	29.1	+1.2	+4%	+4%	
	H1	42.1	49.5	50.1	+0.6	+1%	+1%	
Overseas	Q1	32.3	37.0	40.8	+3.8	+10%	-10%	<ul style="list-style-type: none"> • China is recovering from lockdown since July. All regions except Europe grew.
	Q2	35.4	44.1	50.6	+6.4	+15%	+1%	
	H1	67.7	81.1	91.4	+10.3	+13%	-4%	
North America	Q1	5.4	7.3	7.1	-0.1	-2%	-16%	<ul style="list-style-type: none"> • LC sales for a major customer and sales of COVID-19 detection kits decreased. • LC grew for pharmaceuticals. Supercritical Fluid Chromatography contributed to pharmaceutical market cultivation. • Testing machines sales increased for transport equipment. MS and environmental analytical equipment increased as water pollution came to attention.
	Q2	6.9	7.8	8.7	+1.0	+12%	-9%	
	H1	12.3	15.0	15.9	+0.8	+5%	-13%	
Europe	Q1	4.9	6.3	7.1	+0.8	+13%	+8%	<ul style="list-style-type: none"> • Business in Russia decreased. • LC grew for pharmaceuticals. Supercritical Fluid Chromatography contributed to pharmaceutical market cultivation. • Increased LC and MS as a result of rapid response to reinforced clinical regulations.
	Q2	6.4	7.5	7.4	-0.1	-1%	-8%	
	H1	11.3	13.8	14.5	+0.8	+5%	-1%	
China	Q1	13.7	16.9	14.5	-2.4	-14%	-28%	<ul style="list-style-type: none"> • Recovering from lockdown since July. LC for pharmaceuticals and MS for clinicals increased.
	Q2	14.5	15.8	21.5	+5.7	+36%	+9%	
	H1	28.1	32.8	36.0	+3.3	+10%	-10%	
Other Asian Countries	Q1	5.1	6.5	8.9	+2.4	+37%	+20%	<ul style="list-style-type: none"> • LC and MS increased for pharmaceuticals and for export food inspection.
	Q2	7.0	7.8	9.7	+1.9	+25%	+4%	
	H1	12.1	14.2	18.6	+4.3	+30%	+11%	

Medical Systems / Net Sales by Model and AM Ratio

Sales of fluoroscopy systems and angiography systems increased, driven by new products. New product sales increased in North America as well.



% values indicate year-on-year changes.

Other

SyncTraX Tumor-Tracking System for Radiotherapy

BresTome TOF-PET System

X-Ray Systems

FLEXAVISION F4 Fluoroscopy System

FLUOROspeed X1 Patient side Fluoroscopy System

Trinias Angiography System

RADspeed Pro General Radiography System

Net Sales of X-Ray Systems
YoY: +3.4 bn yen/ +15%
26.9 bn yen

- Overseas sales led net sales to achieve a record high.
- New products (fluoroscopy and angiography) increased.
- In North America, sales of patient side fluoroscopy systems increased.

Net Sales of Other Models
YoY: +2.2 bn yen/ +25%
10.7 bn yen

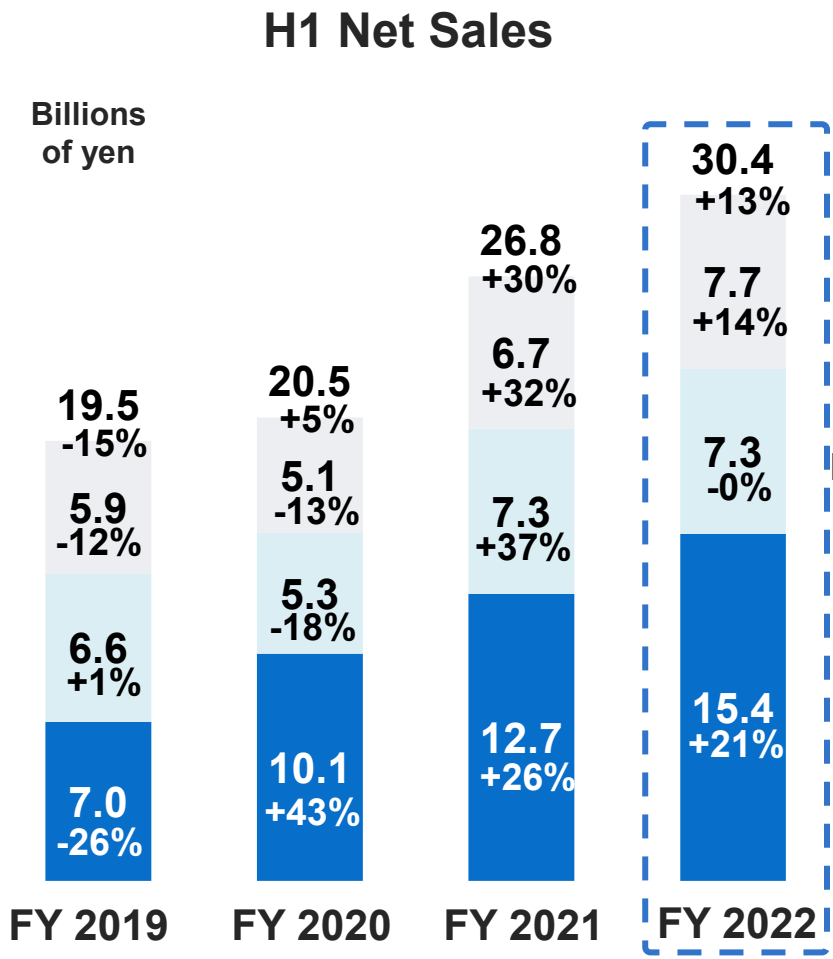
- Sales of tumor-tracking systems for radiotherapy and others increased.
- First Bres Tome TOF-PET System delivered.

Aftermarket Business Sales Ratio
YoY: -2pt (Net Sales +1.1 bn yen)
34%

- Sales of aftermarket business increased.
- Ratio decreased since product sales also increased.

Industrial Machinery / Net Sales by Model and TMP AM Ratio

TMP sales remained strong for semiconductor manufacturing equipment and for coatings. Glass winders increased for plastic reinforcement.



Other

Industrial Furnace

Glass Winder

Balancer

Hydraulic Equipment

Gear Pump

Control Valve

Turbomolecular Pumps (TMPs)

Model with Integrated Power Supply

Model with Standalone Power Supply

Net Sales of TMPs
YoY: +2.7 bn yen/ +21%
15.4 bn yen

- TMP sales for semiconductor manufacturing equipment remained strong.
- Sales also increased for glass construction materials and thin-film solar cell manufacturing equipment.

TMPs Aftermarket Business Sales Ratio
YoY: -2pt (Net Sales +0.1 bn yen)
15%

Net Sales of Hydraulic Equipment
YoY: -0.0 bn yen/ -0%
7.3 bn yen

- Domestic demand for specially-equipped vehicles and forklift demand in China decreased.

Net Sales of Other Models
YoY: +1.0 bn yen/ +14%
7.7 bn yen

- Sales of glass winders for plastic reinforcement increased due to greater demand of glass fiber.

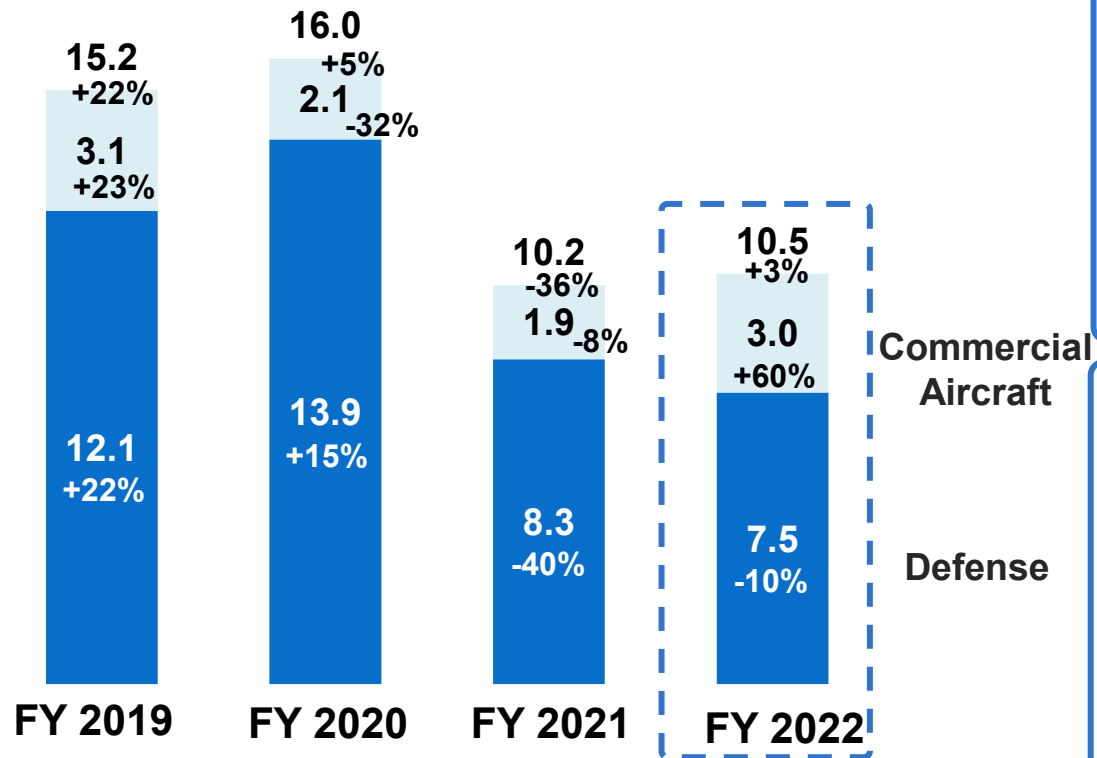
% values indicate year-on-year changes.

Aircraft Equipment / Net Sales by Field

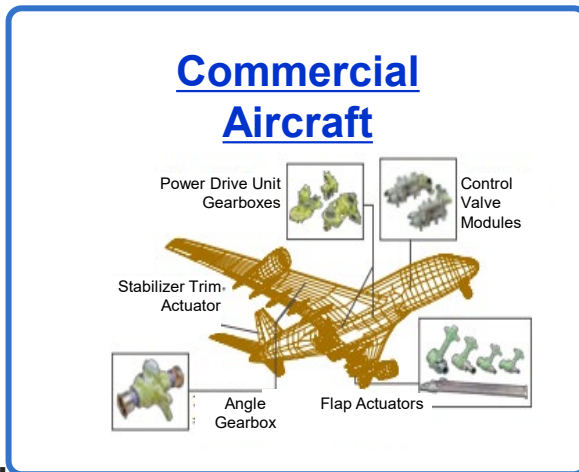
Commercial aircraft demand recovered as resumption of social and economic activities.

Billions of yen

H1 Net Sales



% values indicate year-on-year changes.



Net Sales for Commercial Aircraft Field

YoY: +1.1 bn yen/ +60%

3.0 bn yen

- Recovery in passenger demand led to an increase in the aftermarket business for accessories and others in addition to on-board equipment for small and medium-sized aircraft.

Net Sales for Defense Field

YoY: -0.9 bn yen/ -10%

7.5 bn yen

- Sales decreased due to a reactionary decline from last year's large projects.
- Continue reorganizing unprofitable products.

03 FY 2022 Earnings Forecast

Business Environment

Various issues affecting the economy, such as the prolonged conflict in Ukraine, disruption of supply chains including semiconductors, global inflation, and fluctuations in exchange rates, are expected to continue and the situation remains uncertain.

	Consolidated	AMI	MED	IM	AE
Business Environment	<ul style="list-style-type: none"> Shortages of parts/materials are expected to ease by the end of this year Soaring component prices 	<ul style="list-style-type: none"> Demand grow in the healthcare sector with a focus on pharmaceuticals and GX sector 	<ul style="list-style-type: none"> Japan's supplementary budget shrinks Inflation in North America, including soaring labor costs, puts pressure on medical institutions' business operation 	<ul style="list-style-type: none"> Market for semiconductor manufacturing equipment is expected to slow after January 2023 	<ul style="list-style-type: none"> Demand for commercial aircraft is recovering
Major Initiatives	<ul style="list-style-type: none"> Strengthening global parts procurement Production of redesigned products begins in January Price revision 	<ul style="list-style-type: none"> Expand sales of new products in key models Strengthen North American pharmaceutical business and develop global accounts Strengthen clinical business Strengthening GX-related businesses 	<ul style="list-style-type: none"> Expand sales of Fluoroscopy systems and angiographic systems, etc., with new products as the core Strengthen software subscription business 	<ul style="list-style-type: none"> TMP steps up efforts for semiconductor manufacturing equipment and coatings markets Strengthening the aftermarket business More efficient production 	<ul style="list-style-type: none"> Promote production response to growing demand for commercial aircraft

FY 2022 Earnings Forecast

Aiming to achieve record-high sales and operating income for the third consecutive year

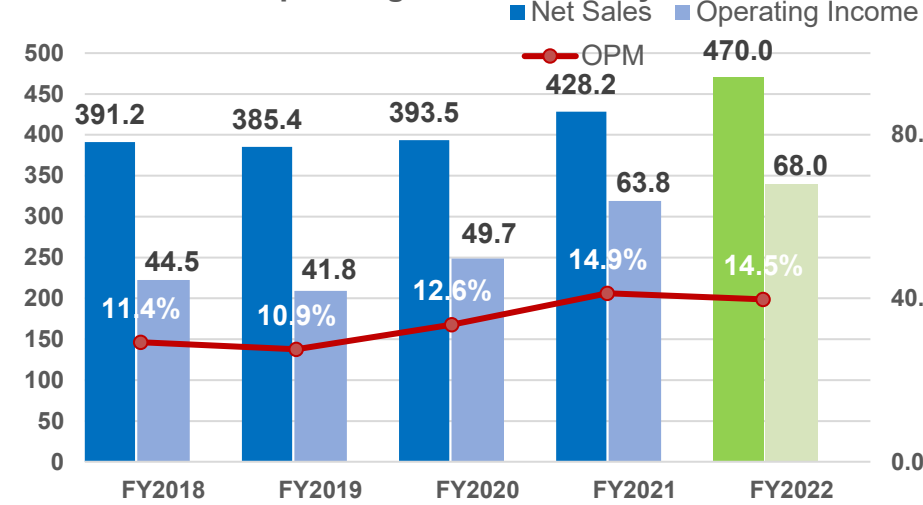
Net Sales (Uplifted by +15.0 bn)
YoY: +41.8 bn yen/ +10%
470.0 bn yen

Operating Income
YoY: +4.2 bn yen/ +7%
68.0 bn yen

Operating Margin
YoY: -0.4pt
14.5%

Units: Billions of yen		Full-Year			Previous vs. New		YoY	
		FY 2021	FY 2022 Previous Forecast	FY2022 New Forecast	Changes	%	Changes	%
Business Results	Net Sales	428.2	455.0	470.0	+15.0	+3%	+41.8	+10%
	Operating Income	63.8	68.0	68.0	+0.0	+0%	+4.2	+7%
	Operating Margin	14.9%	14.9%	14.5%	-0.5pt		-0.4pt	
	Ordinary Income	65.6	68.0	68.0	+0.0	+0%	+2.4	+4%
	Profit Attributable to Owners of Parent	47.3	49.0	49.0	+0.0	+0%	+1.7	+4%
Exchange Rates	Average Rate: USD (Yen)	112.43	115.00	130.00	+15.00	+13%	+17.57	+16%
	Euro (Yen)	130.60	130.00	135.00	+5.00	+4%	+4.40	+3%
	R&D Expenses	16.3	19.0	19.0	+0.0		+2.7	
	CAPEX	16.4	24.0	24.0	+0.0		+7.6	

Net Sales and Operating Income over 5 years



Depreciation and Amortization
17.0 bn yen

Foreign Exchange Sensitivity (bn yen)

	USD	EUR
Net sales:	1.2	0.2
Operating income:	0.4	0.07

Dividends Interim dividend 22yen (20yen in the previous year) and year-end dividend 50yen (48yen in the previous year), no change from the forecast. The payout ratio is 30.1%.

FY 2022 Earnings Forecast by Business Segment

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

Aiming to achieve both sales and operating income increase for all segments

AMI: Sales and income increase

Net sales: +10%
Operating income: +8%
Operating margin: -0.4pt

- Capture demand in the healthcare sector
- Expand sales of new products (Nexera XS Inert, LCMS- 2050, etc.)
- Strengthen GX-related businesses.

MED: Sales and income increase

Net sales: +14%
Operating income: +0%
Operating margin: -1.1pt

- Expanding sales of new angiographic systems and fluoroscopy systems, mainly in Japan, North America and other Asian countries.
- Strengthen software subscription businesses.

IM: Sales and income increase

Net sales: +9%
Operating income: +4%
Operating margin: -0.5pt

- Increase TMP sales for new accounts for semiconductor manufacturing equipment.
- New China TMP Service Center to Strengthen Aftermarket Business.
- Strengthen production system for TMP and hydraulic equipment.

AE: Sales and income increase

Net sales: +3%
Operating income: 4.2x
Operating margin: +1.6pt

- Demand for commercial aircraft rebounded.
- Capture aftermarket demand to improve and secure profitability.

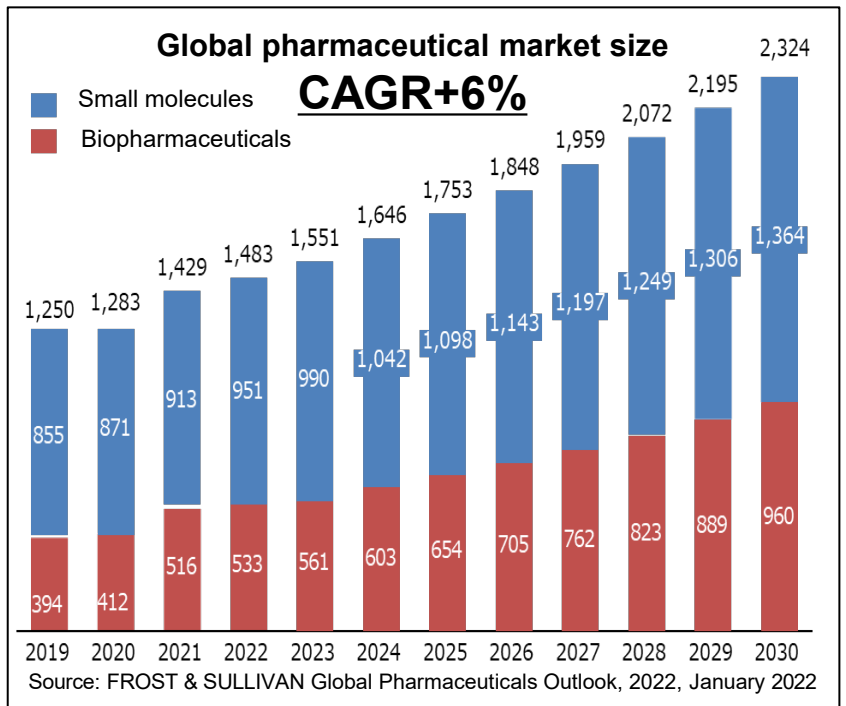
Units: Billions of yen	Net Sales						Operating Income						Operating Margin			
	FY 2021	FY 2022 Previous Forecast	FY 2022 New Forecast	Previous vs. New Changes	YoY		FY 2021	FY 2022 Previous Forecast	FY 2022 New Forecast	Previous vs. New Changes	YoY		FY 2021	FY 2022 Previous Forecast	FY 2022 New Forecast	YoY Changes
					Changes	%					Changes	%				
AMI	277.5	292.0	305.0	+13.0	+27.5	+10%	53.0	56.5	57.0	+0.5	+4.0	+8%	19.1%	19.3%	18.7%	-0.4pt
MED	66.9	73.0	76.0	+3.0	+9.1	+14%	6.1	5.7	6.1	+0.4	+0.0	+0%	9.1%	7.8%	8.0%	-1.1pt
IM	56.7	63.0	62.0	-1.0	+5.3	+9%	6.0	7.2	6.2	-1.0	+0.2	+4%	10.5%	11.4%	10.0%	-0.5pt
AE	22.3	22.5	23.0	+0.5	+0.7	+3%	0.1	0.1	0.5	+0.4	+0.4	+324%	0.5%	0.5%	2.2%	+1.6pt
Other	4.7	4.5	4.0	-0.5	-0.7	-15%	1.3	1.4	1.0	-0.4	-0.3	-20%	18.1%	21.2%	16.7%	-1.4pt
Adjustments	—	—	—	—	—	—	-2.6	-2.9	-2.8	+0.1	-0.2	—	—	—	—	—
Total	428.2	455.0	470.0	+15.0	+41.8	+10%	63.8	68.0	68.0	+0.0	+4.2	+7%	14.9%	14.9%	14.5%	-0.4pt

04 Topics

- **Initiatives for ‘Human Health’ (Healthcare)**
 - **Pharmaceutical Market Strategy (North America)**
 - **Strengthen clinical diagnostics, microbiological testing and cell-related businesses through acquisition of NISSUI PHARMACEUTICALS**
 - **Together with the National Agriculture and Food Research Organization**

Initiatives for ‘Human Health’ Pharmaceutical Market Strategy (North America)

- Sales to pharmaceutical customers increased by approximately 20% YoY due to the launch of new products with unique features such as semi-fractionated supercritical LC.
- In the future, we aim to strengthen development functions, such as the establishment of a Development Center in North America, to provide products and services that meet user needs.



Current Initiatives

- ❑ Aim to increase market share by expanding sales of new products unmatched by other companies, such as semi-preparative supercritical LCs developed in collaboration with U.S. pharmaceutical organizations and high-efficiency multi-channel LCMS systems.
- ❑ Increase and strengthen dedicated pharmaceutical sales staff to strengthen support capabilities
- ❑ Sending employees to Silicon Valley in North America to work with local startups

Major new products



Future Developments

- ❑ Expansion of product line for nucleic acids (pharmaceutical and CDMO), collaboration with pharmaceutical and CDMO
- ❑ Promotion of M&A and business association
- ❑ Expansion and enhancement of application labs
- ❑ Establish a product development center to provide products that meet customer needs

- North America and Europe account for the lion's share of R&D investment by the top 30 pharmaceutical companies
- In the future, the market share of biopharmaceuticals will increase further, and the growth of nucleic acid drugs will be significant.

Initiatives for ‘Human Health’

Strengthen clinical diagnostics, microbiological testing and cell-related businesses through acquisition of NISSUI PHARMACEUTICALS (1)



Overview of NISSUI PHARMACEUTICALS

- Founding : 1935 April
- Employees: 250 employees
- Performance (FY 2021): Sales 16,657 million yen
Operating profit 1,564 million yen Operating margin 9.4%
- Base: Head Office (Tokyo), Research Laboratories and Main Factories (Ibaraki)
- Subsidiaries: 1 company (in France / Marketing function for regenerative medicine products)
- Business Profile



Clinical Diagnostics

- Provision of in-vitro diagnostics and medical devices
- Domestic medical inspection departments and thick pipes



Microbiological Testing

- Possess one of the largest strains in Japan
- Development and sales of fully automated rapid sensitivity devices



Cell Related

- Top domestic culture medium manufacturer
- More than 10,000 food field user members

- Gain sales channels and reagent-related technologies, manufacturing, and the ability to pass pharmaceutical regulations in the clinical market owned by NISSUI Pharmaceutical Co., Ltd., and accelerate business in the healthcare field
- Strengthen clinical diagnostics, microbiological testing, and cell-related fields, which are expected to generate synergies.

Clinical diagnostics

Laboratory tests performed in a hospital laboratory

Microbiological Testing

Identification of disease-causing bacteria and confirmation of drug efficacy at medical institutions

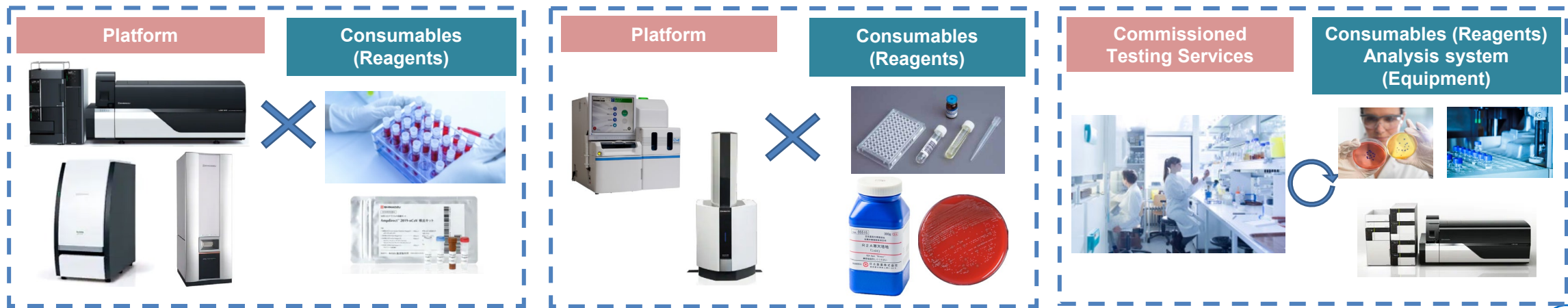
Cell Related

Sales of culture media and cell culture contract and analysis and evaluation in the field of regenerative medicine

Initiatives for ‘Human Health’

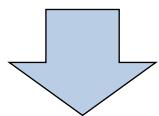
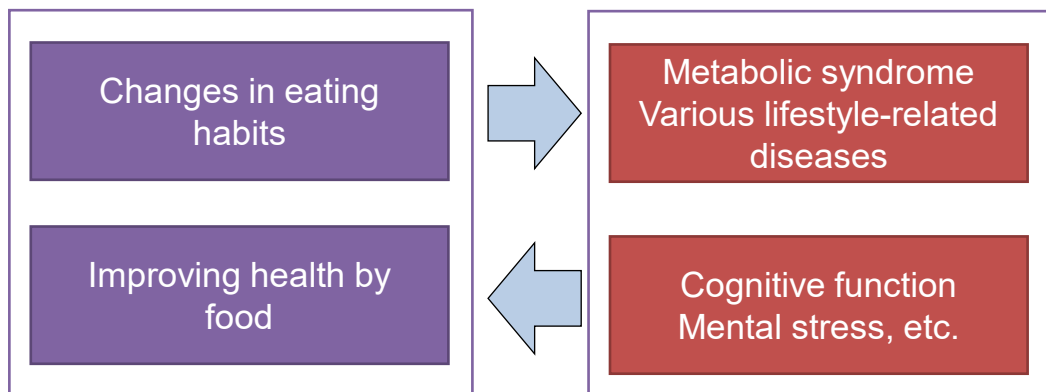
Strengthen clinical diagnostics, microbiological testing and cell-related businesses through acquisition of NISSUI PHARMACEUTICALS (2)

	Clinical diagnosis	Microbiological testing (clinical and food)	Cell-related business (regenerative medicine and research)
Short term	<ul style="list-style-type: none"> ➤ Sales of our company products to existing Nissui Reagent customers (PCR, LCMS, etc.) ➤ Develop and manufacture reagent kits for fully automated PCR equipment in collaboration with NISSUI PHARMACEUTICALS 	<ul style="list-style-type: none"> ➤ Start of overseas expansion of medium for food microorganism test (Compact Dry) ➤ Expand sales of NISSUI's identification sensitivity testing equipment and enhance services by service group companies. 	<ul style="list-style-type: none"> ➤ Sell culture mediums of NISSUI PHARMACEUTICALS to Shimadzu customers ➤ Expand cell-related business by utilizing sales channels of NISSUI PHARMACEUTICALS
Medium- to long-term	<ul style="list-style-type: none"> ➤ Develop and manufacture iVD test kits for MS platforms in collaboration with NISSUI PHARMACEUTICALS ➤ Build a development, production and sales structure that capitalizes on mutual strengths 	<ul style="list-style-type: none"> ➤ Enhancing the product strength of MALDI for microbial identification using strains held by NISSUI PHARMACEUTICALS ➤ Joint development of commercial materials needed in the field of microbial testing 	<ul style="list-style-type: none"> ➤ Sales of NISSUI's custom media and expansion of sales by improving reliability/value through improvement of media quality with our company equipment

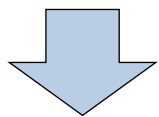


Initiatives for 'Human Health'

-Aiming to Create a Healthy and Longevity Society through Food-
Together with the National Agriculture and Food Research Organization (hereinafter, NARO)



Scientific elucidation of the functionality of agricultural, forestry and fishery products and processed foods




A society where people can enjoy a healthy and prosperous life through their diet

農研機構 NARO x Shimadzu Corporation

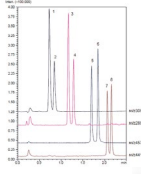

Elucidation of new health functionalities and development of methods for quality assurance of health functionalities (measurement, analysis and evaluation) through scientific approaches

Analytical method developed for functional components in eight agricultural products

Example) Quantitative analysis of catechins in tea leaves



- Simultaneous analysis of 10 catechins
- More accurate and comprehensive assessment of tea functionality compared to JAS standard single-component analysis

Ultra High Performance Liquid Chromatograph Nexera Series

ScF 一般社団法人 セルフケアフード協議会 Self Care Food Council

It was established in April 2022 in our company with the NARO. Contribute to Society through Science and Technology to solve food industry-wide problems through activities aimed at creating a healthy and long-lived society for the people.

Working Activities

- Business related to the operation of the Integrated Health and Nutrition Food System
- A project to support the development of beverages that contribute to the health and longevity of citizens
- Business related to international collaboration in the health food market

Example) Aiming to conduct clinical trials on the correlation between food and health, 'The world's first food-based Healthcare' (cognitive function evidence base) to be established.



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.

Contact: Investor Relations Group
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Supplementary Materials

Statement of Income (Jul.-Sep.)

Net Sales
YoY: +15.5 bn yen / +14%
123.3 bn yen

Operating Income
YoY: +3.0 bn yen / +19%
19.5 bn yen

Operating Margin
YoY: +0.6pt
15.8%

Profit Attributable to Owners of Parent
YoY: +4.1 bn yen / +34%
15.8 bn yen

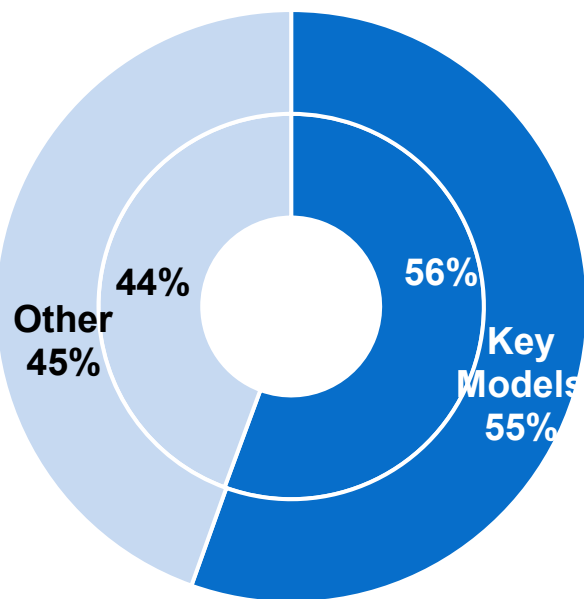
	Units: Billions of yen	Q2 (Jul.-Sep.)		YoY	
		FY 2021	FY 2022	Changes	%
Business Results	Net Sales	107.8	123.3	+15.5	+14%
	Operating Income	16.4	19.5	+3.0	+19%
	Operating Margin	15.2%	15.8%	+0.6pt	—
	Ordinary Income	16.6	21.0	+4.4	+26%
	Profit Attributable to Owners of Parent	11.8	15.8	+4.1	+34%
Exchange Rates	Average Rate: USD (Yen)	110.17	138.40	+28.23	+26%
	Euro (Yen)	129.87	139.40	+9.53	+7%
	R&D Expenses	3.8	4.4	+0.6	
	CAPEX	4.2	6.3	+2.1	

Depreciation and Amortization
4.3 bn yen

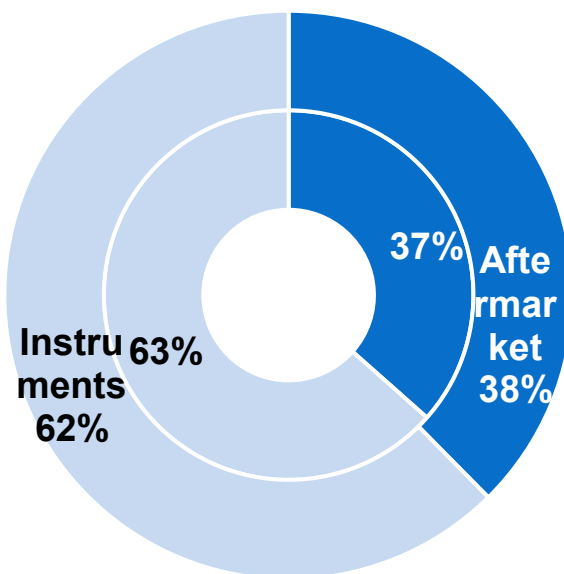
Exchange Rate Effect
Net sales: 12.1 bn yen Operating income: 3.2 bn yen
Exchange rate effect on overseas inventory acted negatively.

AMI / Net Sales Ratio (Apr.-Sep.)

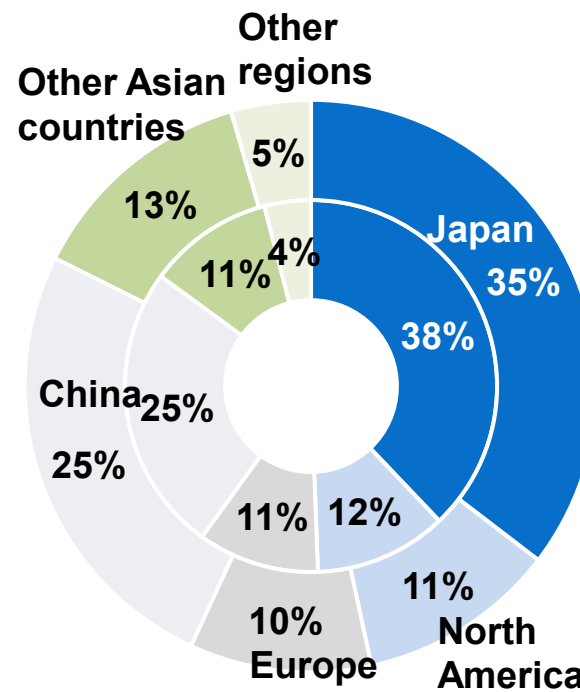
By Model



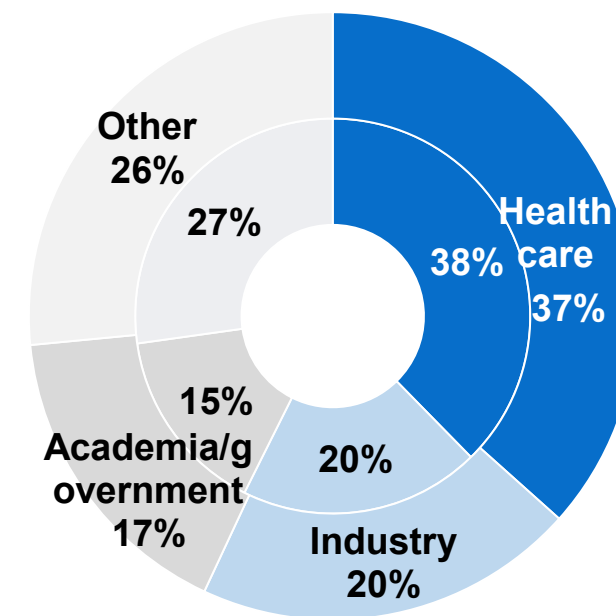
Instrument and Aftermarket



By Region



By Market



• Pie chart outer rings indicate FY 2022 results and inner rings FY 2021 results.

AMI / YoY Change for Net Sales of Key Models

Impacted by parts/materials shortage. Recovering from China lockdown after July.

with Exchange Rate Effect	FY 2020					FY 2021					FY 2022	
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2
Key Models	-4%	+5%	+6%	+21%	+7%	+24%	+10%	+10%	+3%	+11%	+2%	+14%
All	-4%	-3%	+6%	+19%	+5%	+29%	+12%	+9%	+4%	+12%	+1%	+15%

w/o Exchange Rate Effect	FY 2020					FY 2021					FY 2022	
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2
Key Models	-5%	+2%	+11%	+22%	+8%	+20%	+7%	+4%	-3%	+6%	-9%	-2%
All	-7%	-4%	+10%	+19%	+5%	+25%	+9%	+4%	-0%	+8%	-8%	+3%

• Key models: Liquid chromatographs (LC), mass spectrometer systems (MS), and gas chromatographs (GC)

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

AMI / YoY Change in Net Sales by Region

PCR-related sales increased in Japan. In North America, sales of LCs for a major customer and PCR reagents decreased. In Europe, sales in Russia decreased. China recovered from lockdown impact.

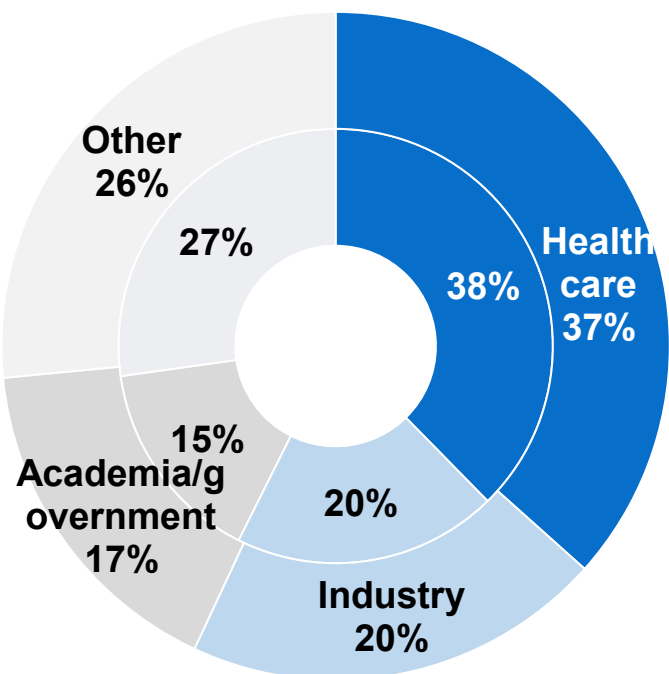
with Exchange Rate Effect	FY 2020					FY 2021					FY 2022	
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2
Japan	+1%	-13%	+11%	+14%	+3%	+26%	+12%	+4%	+3%	+9%	-3%	+4%
North America	-7%	+11%	-10%	+3%	-1%	+35%	+12%	+2%	+9%	+13%	-2%	+12%
Europe	-9%	-3%	+8%	+18%	+4%	+28%	+17%	+9%	-2%	+11%	+13%	-1%
China	+10%	+15%	+11%	+59%	+20%	+24%	+9%	+9%	-2%	+10%	-14%	+36%
Other Asian Countries	-24%	-1%	+6%	+21%	-0%	+27%	+10%	+18%	+14%	+17%	+37%	+25%
India	-30%	+16%	+5%	+19%	+3%	+4%	+3%	+4%	+12%	+6%	+50%	+22%

w/o Exchange Rate Effect*	FY 2020					FY 2021					FY 2022	
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2
Japan	-11%	-15%	+15%	+11%	+1%	+26%	+12%	+4%	+3%	+9%	-3%	+4%
North America	-4%	+13%	-8%	+5%	+1%	+31%	+7%	-7%	+0%	+7%	-16%	-9%
Europe	-5%	-5%	+5%	+11%	+2%	+15%	+11%	+4%	-4%	+5%	+8%	-8%
China	+12%	+14%	+18%	+74%	+25%	+22%	+5%	-0%	-12%	+4%	-28%	+9%
Other Asian Countries	-25%	-9%	+5%	+25%	-2%	+22%	+6%	+10%	+6%	+10%	+20%	+4%
India	-35%	-4%	+4%	+22%	-3%	+2%	-0%	-3%	+3%	+0%	+27%	-2%

- Values for India are included in other Asian countries.
- FY 2020 comparisons exclude impacts from changes in exchange rates and revenue recognition standards.

AMI / Net Sales Ratio by Market (Apr.-Sep.)

Ratio of Net Sales by Market

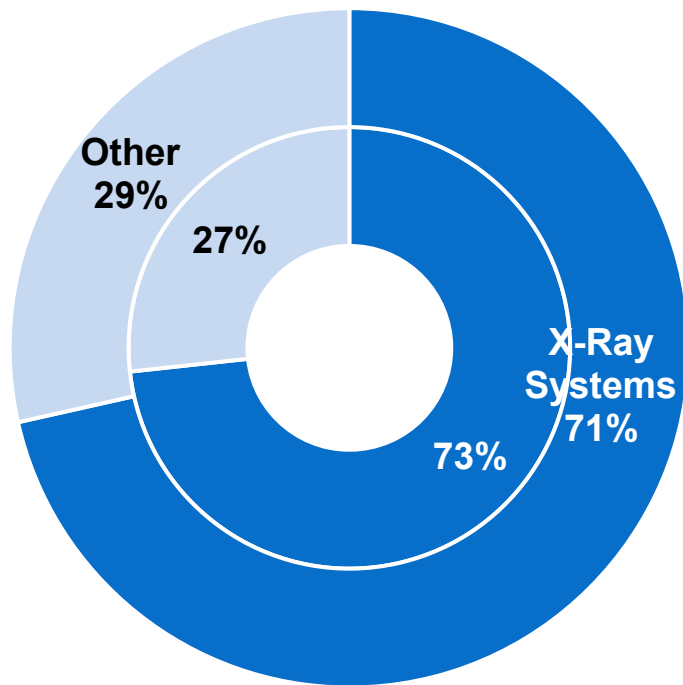


Markets and Main Industries	Ratio		Net Sales YoY	Overview
	FY2021	FY2022		
Healthcare • Pharmaceuticals and foods • Healthcare institutions • Contract analysis	38%	37%	+5%	• Sales for pharmaceuticals and foods performed well. • LC sales supported market growth. • Sales for pharmaceuticals were steady mainly in Europe and North America. China was affected by the lockdown.
Industry • Chemicals and materials • Electrical • Automotive	20%	20%	+11%	• The industrial sector is generally on a recovery trend, partly due to the GX-related boost. • In particular, sales of testing machine for transport equipment increased in Japan and North America. • Affected by China's lockdown.
Academia/Government	15%	17%	+16%	• Growth in both academia and government. • North America focused on capturing large deals. • China's academia market is on a recovery trend from lockdown.

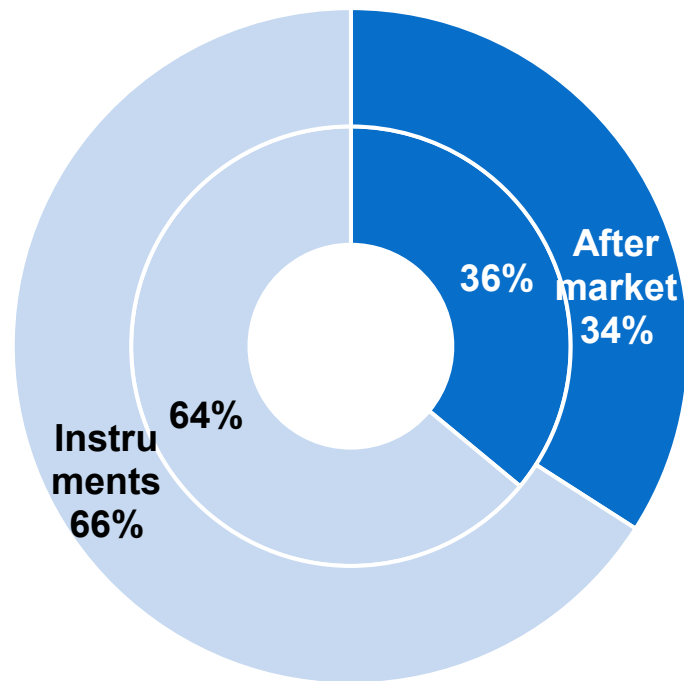
• Pie chart outer rings indicate FY 2022 results and inner rings FY 2021 results.

Medical Systems Ratio of Net Sales (Apr.-Sep.)

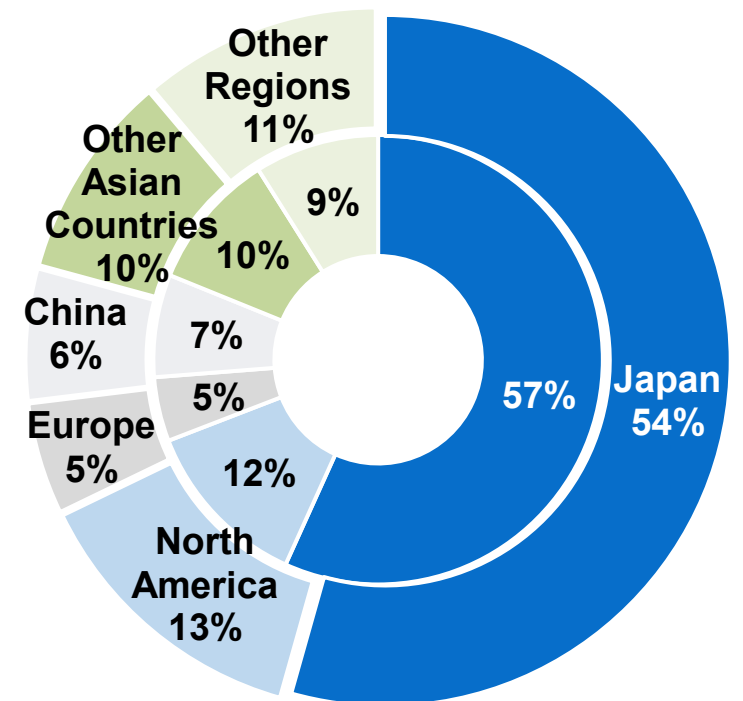
By Model



**Instrument and
Aftermarket**



By Region



• Pie chart outer rings indicate FY 2022 results and inner rings FY 2021 results.

MED / Net Sales by Region (Apr.-Sep.)

- Japan: Sales of fluoroscopy systems, angiography systems, and tumor-tracking systems for radiotherapy increased.
- Overseas: Sales in China impacted by lockdown and by parts/materials shortage, but a new product, patient-side R/F system, in North America.

Unit Billions of yen		FY2020	FY2021	FY2022	YoY			Overview
					Changes	%	% (w/o exchange rate)	
Japan	Q1	6.7	8.3	9.4	+1.1	+13%	+13%	<ul style="list-style-type: none"> • Sales of fluoroscopy systems and angiography systems increased since capital investment at medical institution recovered. • Sales of tumor-tracking systems for radiotherapy increased.
	Q2	9.2	9.9	11.1	+1.2	+12%	+12%	
	H1	15.9	18.2	20.5	+2.3	+12%	+12%	
Overseas	Q1	6.4	6.2	7.0	+0.8	+14%	-0%	<ul style="list-style-type: none"> • Sales in China impacted by lockdown and parts/materials shortage, but a new product in North America, patient-side R/F system, and general radiography systems in Europe increased.
	Q2	8.3	7.7	10.1	+2.5	+32%	+10%	
	H1	14.7	13.9	17.2	+3.3	+24%	+5%	
North America	Q1	2.0	2.0	2.1	+0.1	+4%	-12%	<ul style="list-style-type: none"> • Sales of a new product, patient-side R/F system, increased.
	Q2	2.3	1.9	3.0	+1.0	+52%	+22%	
	H1	4.3	4.0	5.1	+1.1	+28%	+5%	
Europe	Q1	0.8	0.7	0.8	+0.0	+5%	+0%	<ul style="list-style-type: none"> • Sales of general radiography systems increased outside Russia.
	Q2	1.2	0.7	1.2	+0.4	+61%	+50%	
	H1	2.1	1.5	2.0	+0.5	+33%	+25%	
China	Q1	1.3	1.0	1.1	+0.1	+12%	-6%	<ul style="list-style-type: none"> • Impacted by lockdown and parts/materials shortage. • Stagnation in bidding is conspicuous.
	Q2	1.3	1.4	1.2	-0.2	-12%	-30%	
	H1	2.7	2.4	2.3	-0.0	-2%	-20%	
Other Asian Countries	Q1	1.0	1.2	1.3	+0.1	+10%	-2%	<ul style="list-style-type: none"> • Fluoroscopy system sales up in Southeast Asia, and angiography system sales up in India.
	Q2	1.9	2.0	2.3	+0.3	+16%	-4%	
	H1	2.9	3.2	3.6	+0.4	+14%	-3%	

MED / YoY Change in Net Sales by Region

In North America, a new product of patient-side R/F system increased. In Japan, sales of new angiography system increased. In Europe, general radiography systems for Eastern Europe increased. Sales in China decreased due to lockdown impacts.

with Exchange Rate Effect	FY 2020					FY 2021					FY 2022	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
Japan	-17%	-35%	-7%	+8%	-14%	+24%	+8%	-10%	-3%	+3%	+13%	+12%
North America	+12%	+28%	+21%	-2%	+14%	+3%	-16%	+11%	+14%	+2%	+4%	+52%
Europe	+15%	+33%	+54%	+5%	+29%	-13%	-39%	-33%	-12%	-27%	+5%	+61%
China	+76%	-23%	+20%	-22%	+1%	-25%	+3%	-11%	-10%	-11%	+12%	-12%
Other Asian Countries	-2%	+56%	-18%	+29%	+15%	+16%	+7%	+26%	-22%	+4%	+10%	+16%

w/o Exchange Rate Effect*	FY 2020					FY 2021					FY 2022	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
Japan	-15%	-33%	-1%	+7%	-12%	+24%	+8%	-10%	-3%	+3%	+13%	+12%
North America	+14%	+29%	+26%	+1%	+16%	+2%	-19%	+2%	+5%	-3%	-12%	+22%
Europe	+19%	+30%	+51%	-3%	+27%	-21%	-42%	-36%	-14%	-31%	+0%	+50%
China	+34%	-33%	+29%	-25%	-7%	-27%	-1%	-18%	-18%	-16%	-6%	-30%
Other Asian Countries	-9%	+17%	-4%	+20%	+6%	+15%	+5%	+18%	-28%	-0%	-2%	-4%

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

IM / YoY Change in Net Sales by Model

TMP continued to perform well. Hydraulics decreased as demand for specially-equipped vehicles in Japan declined and Chinese market shrank.

with Exchange Rate Effect	FY 2020					FY 2021					FY 2022	
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2
TMP	+48%	+37%	+6%	+9%	+22%	+16%	+38%	+50%	+27%	+32%	+20%	+22%
Hydraulic	-20%	-17%	+7%	+6%	-6%	+37%	+37%	+21%	+5%	+24%	-1%	+1%
Other	-2%	-21%	+16%	-16%	-7%	+33%	+32%	-3%	+18%	+17%	+17%	+12%

w/o Exchange Rate Effect*	FY 2020					FY 2021					FY 2022	
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2
TMP	+46%	+36%	+7%	+9%	+21%	+13%	+35%	+44%	+22%	+28%	+11%	+11%
Hydraulic	-19%	-17%	+7%	+6%	-6%	+34%	+34%	+18%	+3%	+21%	-6%	-4%
Other	-7%	-20%	+14%	-16%	-8%	+32%	+30%	-6%	+14%	+15%	+7%	+1%

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

Aftermarket Business (AM) Sales Ratio

Analytical and Measuring Instruments	FY 2020					FY 2021					FY 2022	
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2
YoY Change in AM Net Sales	+1%	+4%	+12%	+22%	+10%	+33%	+16%	+4%	+6%	+13%	-6%	+5%
AM Ratio	37%	33%	35%	33%	34%	38%	35%	35%	35%	36%	39%	36%

Medical Systems	FY 2020					FY 2021					FY 2022	
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2
YoY Change in AM Net Sales	+1%	-8%	+14%	+5%	+3%	+14%	+9%	+2%	+1%	+6%	-2%	+3%
AM Ratio	37%	32%	32%	31%	33%	38%	35%	39%	32%	36%	36%	32%

TMPs	FY 2020					FY 2021					FY 2022	
	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2	Q3	Q4	Full-Year	Q1	Q2
YoY Change in AM Net Sales	+12%	+3%	+11%	+6%	+8%	+18%	+11%	+15%	+5%	+12%	-1%	-6%
AM Ratio	17%	21%	19%	18%	19%	17%	17%	15%	15%	16%	15%	14%

• FY 2020 comparisons exclude impacts from changes in exchange rates and revenue recognition standards.
 FY 2021 and FY 2022 comparisons exclude exchange rate effects.