

November 8, 2021

1st Half Results & Financial Position for the Fiscal Year Ended March 2022

Teruhisa Ueda
President & CEO
Shimadzu Corporation

1. Overview of FY 2021 1H Financial Position

2. FY 2021 1H Results by Business Segment

3. FY 2021 Forecast

4. Topics: Key Measures

Summary of First-Half Results



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

**Increased sales and income.
Both sales and income exceeded
previous records.**

- Achieved record first-half net sales, operating income, ordinary income, and net income.
- First-half net sales exceeded 200.0 billion yen for the first time and first-half operating income, ordinary income, and net income exceeded 20.0 billion yen for the first time.
- Both sales and income increased for AMI, MED, and IM. Both AMI and IM segments achieved record net sales and operating income. Both sales and income decreased for AE.

**Sales increased
in and outside Japan.
Double-digit increase
outside Japan.**

- In Japan, sales increased for AMI Division key models and the PCR-related business and also increased for the MED and IM Divisions.
- In all regions outside Japan, increase was in double-digits.
- The overseas sales ratio increased 2 points year-on-year to 55 %.

**Strong sales of AMI Division key
models.
IM Division TMP sales continued to
increase.
Increased AM business sales ratio.**

- AMI segment sales increased for all three key model categories (LC, MS, and GC), increasing 16 % (year-on-year) to 72.6 billion yen.
- IM Division TMP sales increased by 26 % (year-on-year) to 12.7 billion yen, due to increased semiconductor demand for 5G-compatible equipment and other factors.
- The aftermarket business sales ratio increased 3 points to 32 % (year-on-year). (It increased 2 points to 36 % for AMI and increased 3 points to 36 % for MED.)

**Promoting infectious disease
countermeasure projects phase II**

- Sales increased for novel coronavirus detection kits in Japan and North America, and for fully automatic PCR testing systems in Japan.
- Provided support for establishing 16 PCR testing centers since April, such as at companies, nursing homes, and educational institutions.
- Started jointly monitoring coronavirus levels in sewer water with Shionogi & Co., Ltd. for the purpose of predicting and understanding infection levels.

Statement of Income

- Net sales: 202.1 billion yen (+23.3 billion yen or +13 % year-on-year)
- Operating income: 28.8 billion yen (+9.2 billion yen or +47 % year-on-year)
- Operating margin: 14.3 % (+3.3 points year-on-year)

First-half net sales, operating income, ordinary income, net income, and operating margin all exceeded previous record levels.

	Units: Billions of yen	1st Half: Apr.-Sep.		YoY	
		FY 2021	FY 2020	Increase/Decrease	Percent Increase/Decrease
Business Results	Net Sales	202.1	178.8	+23.3	+13%
	Operating Income	28.8	19.6	+9.2	+47%
	Operating Margin	14.3%	11.0%	+3.3pt	
	Ordinary Income	29.4	19.5	+9.9	+51%
	Profit Attributable to Owners of Parent	20.5	13.9	+6.6	+47%

Exchange Rates					
	Average Rate: USD (Yen)	109.85	106.97	+1.86	+2%
Euro (Yen)	130.93	121.33	+9.60	+7%	

Major Investments	R&D Expenses	7.5	7.1	+0.4
	CAPEX	6.3	5.9	+0.4
	Depreciation and Amortization	8.0	7.6	+0.4

Exchange Rate Effect

Net sales: +4.4 billion yen
Operating income: +0.8 billion yen

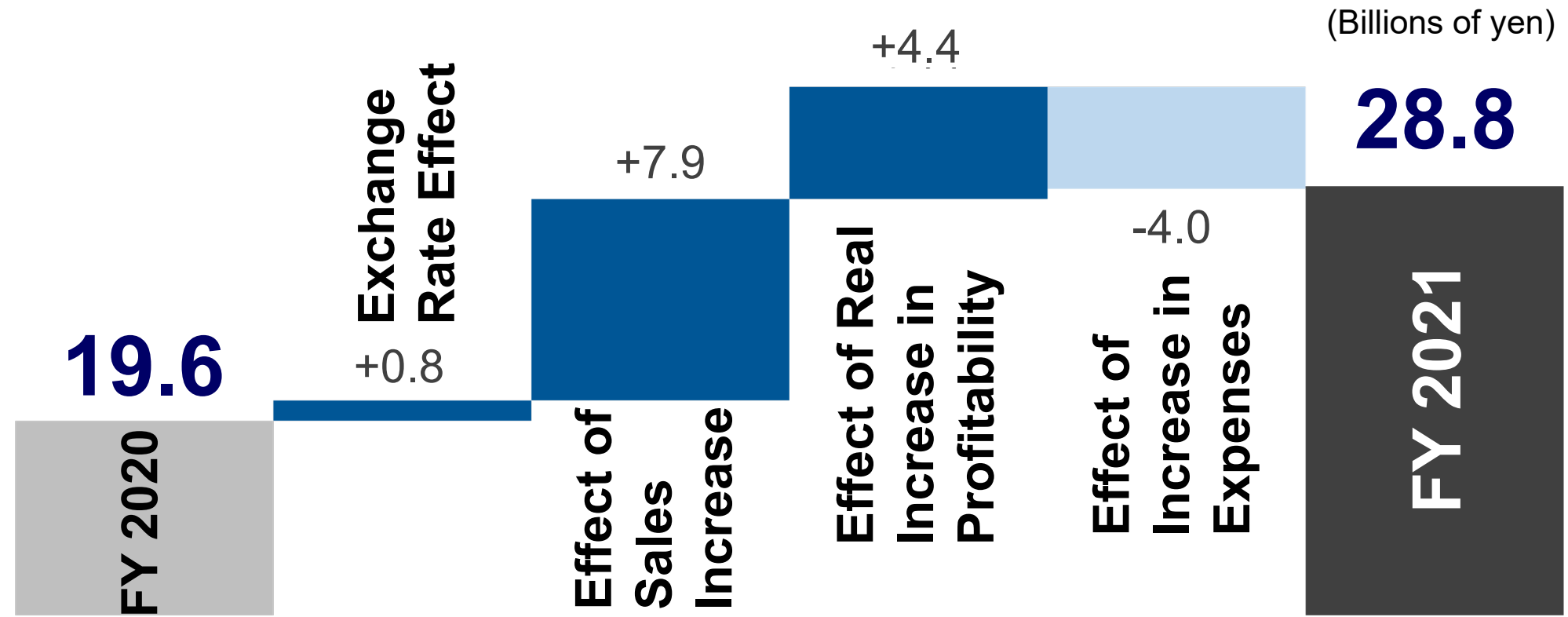
Foreign Exchange Sensitivity

(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

- Exchange rate effect: +0.8 billion yen (Due to -2 % yen value vs US dollar and -7 % yen value vs euro, year-on-year)
- Effect of sales increase: +7.9 billion yen
- Increase in profitability: +4.4 billion yen (Due to increase in products with higher profit margins, improved segment mix, etc.)
- Increase in expenses: -4.0 billion yen (Due to increased labor costs, selling costs, etc.)



Sales and Income by Business Segment

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

AMI and IM segments achieved record first-half results

- AMI: **Sales and income increased** ■ Sales were driven by key models, especially LC. Demand also remained for the PCR-related business.
- MED: **Sales and income increased** ■ Sales due to recovering capital equipment investment levels at medical institutions in Japan compensated for lower sales of mobile X-ray systems.
- IM: **Sales and income increased** ■ Sales of TMPs continued to increase. Sales of hydraulic equipment, glass winders, and other products also improved.
- AE: **Sales and income decreased** ■ Due to continued decrease in sales of commercial aircraft equipment as well as reactionary decline following large defense projects in the previous year

Units: Billions of yen	Net Sales				Operating Income				Operating Margin		
	FY 2021 1st Half	FY 2020 1st Half	YoY		FY 2021 1st Half	FY 2020 1st Half	YoY		FY 2021 1st Half	FY 2020 1st Half	YoY
			Increase/ Decrease	Percent Increase/ Decrease			Increase/ Decrease	Percent Increase/ Decrease			Increase/ Decrease
AMI	130.6	109.8	+20.8	+19%	24.3	16.8	+7.6	+45%	18.6%	15.3%	+3.4pt
MED	32.1	30.6	+1.4	+5%	2.7	1.4	+1.3	+92%	8.4%	4.6%	+3.8pt
IM	26.8	20.5	+6.2	+30%	2.7	1.4	+1.3	+98%	10.1%	6.7%	+3.5pt
AE	10.2	16.0	-5.8	-36%	-0.3	0.9	-1.2	—	-3.3%	5.4%	-8.6pt
Other	2.4	1.9	+0.6	+30%	0.3	0.2	+0.2	+91%	10.0%	6.5%	+3.5pt
Adjustments	—				-0.9				—		
Total	202.1	178.8	+23.3	+13%	28.8	19.6	+9.2	+47%	14.3%	11.0%	+3.3pt

Note: To manage results for each segment more appropriately, the administrative expense allocation method was changed to a more rational method beginning in the first quarter of this fiscal year. Year-on-year comparison values were calculated using the new administrative expense allocation method to recalculate last year's values.

1. Overview of FY 2021 1H Financial Position

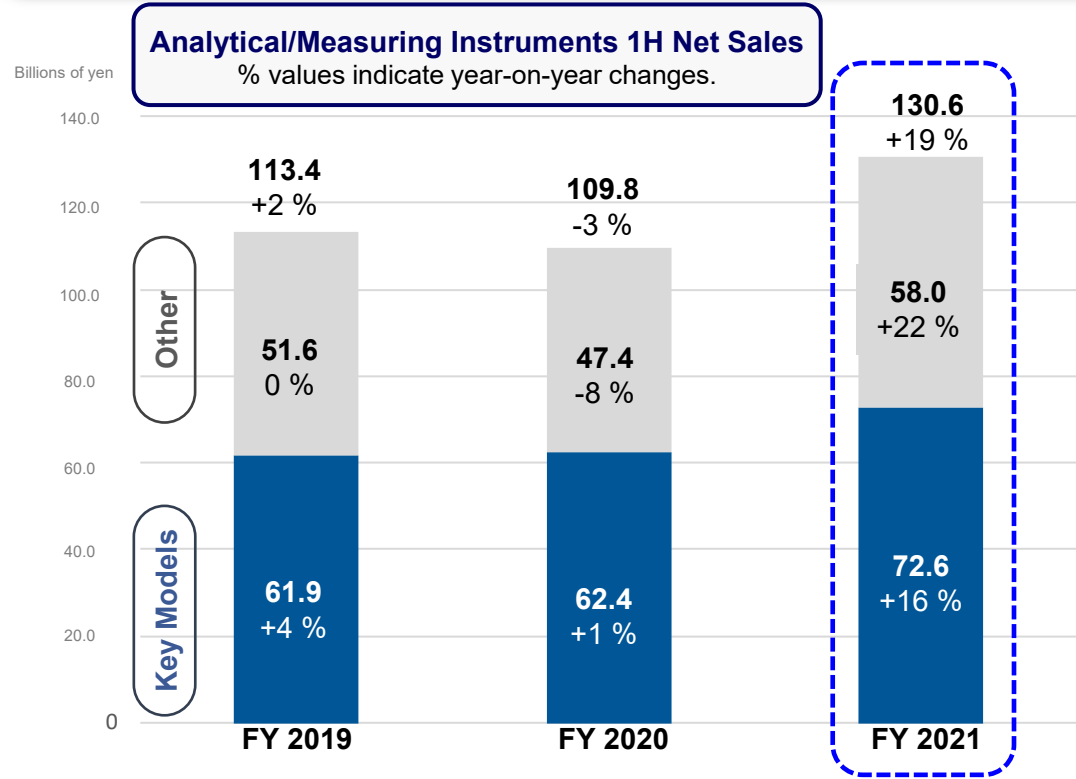
2. FY 2021 1H Results by Business Segment

3. FY 2021 Forecast

4. Topics: Key Measures

Analytical & Measuring Instruments Net Sales by Model

- **Key models:** 72.6 billion yen (+10.3 billion yen or +16 % year-on-year)
LC sales increased for pharmaceuticals and MS for pharmaceuticals, clinical, and academia.
- **Other models:** 58.0 billion yen (+10.6 billion yen or +22 % year-on-year)
Sales of novel coronavirus detection kits and fully automatic PCR testing systems increased.
Sales of environmental measuring instruments, testing machines, and other products also increased.
- **Aftermarket (AM):** 47.4 billion yen (+10.2 billion yen or +27 % year-on-year) / AM sales ratio: 36 % (+2 points year-on-year)



Analytical & Measuring Instruments

Other				
	COVID-19 Variant (L452R) Detection Kit	AutoAmp Fully Automatic PCR Testing System	TOC-1000e TOC Analyzer	AUTOGRAPH AGX-V Material Testing Machine
Key Models				
	i-Series Liquid Chromatograph	Nexera Series Liquid Chromatograph	LCMS-8060NX Liquid Chromatograph Mass Spectrometer	GC-2030 Gas Chromatograph

Analytical & Measuring Instruments

Net Sales by Region

Results improved globally, with sales increasing significantly in each region.

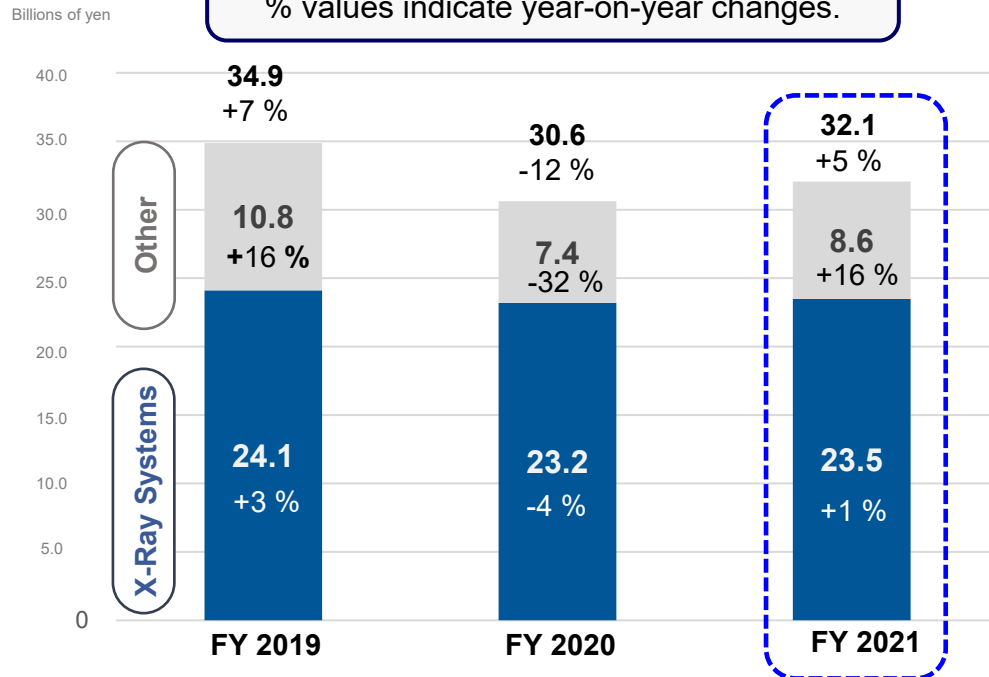
- **Japan:** +18 % Results were driven by novel coronavirus detection kits and fully automatic PCR testing systems. Mass spectrometer sales to governments also increased.
- **Outside Japan:** +20 % Sales increased significantly in key regions outside Japan (North America, Europe, China, and other Asian countries) and also increased in healthcare, food safety, academia/government, and other fields, due to a recovery in demand.
- **Overseas sales ratio:** 62.1 % (+0.4 points year-on-year)

Units: Billions of yen	FY 2021 1st Half	FY 2020 1st Half	Increase/ Decrease	Percent Increase/ Decrease	Overview
Japan	49.5	42.1	+7.4	+18 %	<ul style="list-style-type: none"> • Sales of novel coronavirus detection kits and fully automatic PCR testing systems increased. • Government sales increased due to demand fueled by supplementary budget appropriations, etc.
Outside Japan	81.1	67.7	+13.4	+20 %	<ul style="list-style-type: none"> • Sales increased significantly in all regions outside Japan (North America, Europe, China, and other Asian countries).
North America	15.0	12.3	+2.7	+22 %	<ul style="list-style-type: none"> • Liquid chromatograph sales increased for pharmaceuticals and clinical testing and also for academia/government applications. • Sales of novel coronavirus detection kits increased.
Europe	13.8	11.3	+2.5	+22 %	<ul style="list-style-type: none"> • In addition to private sector demand, such as for food safety and contract analysis, academia demand increased. • Sales of liquid chromatographs and mass spectrometers increased.
China	32.8	28.1	+4.6	+16 %	<ul style="list-style-type: none"> • Liquid chromatograph and mass spectrometer sales increased in pharmaceutical, contract analysis, and food safety fields. • Gas chromatograph sales increased, fueled by capital equipment investment for chemical applications.
Other Asian Countries	14.2	12.1	+2.1	+17 %	<ul style="list-style-type: none"> • Liquid chromatograph and mass spectrometer sales increased, mainly for pharmaceuticals.









Medical Systems Net Sales by Model

- **X-ray systems:** 23.5 billion yen (+0.3 billion yen or +1 % year-on-year)
Increased sales from higher demand fueled by supplementary budget appropriations in Japan helped compensate for decreased sales of mobile X-ray systems.
- **Other:** 8.6 billion yen (+1.2 billion yen or +16 % year-on-year)
Sales increased for tumor-tracking systems for radiotherapy, etc.
- **Aftermarket (AM):** 11.7 billion yen (+1.4 billion yen or +13 % year-on-year) / AM sales ratio: 36 % (+3 points year-on-year)

Medical Systems 1H Net Sales
% values indicate year-on-year changes.



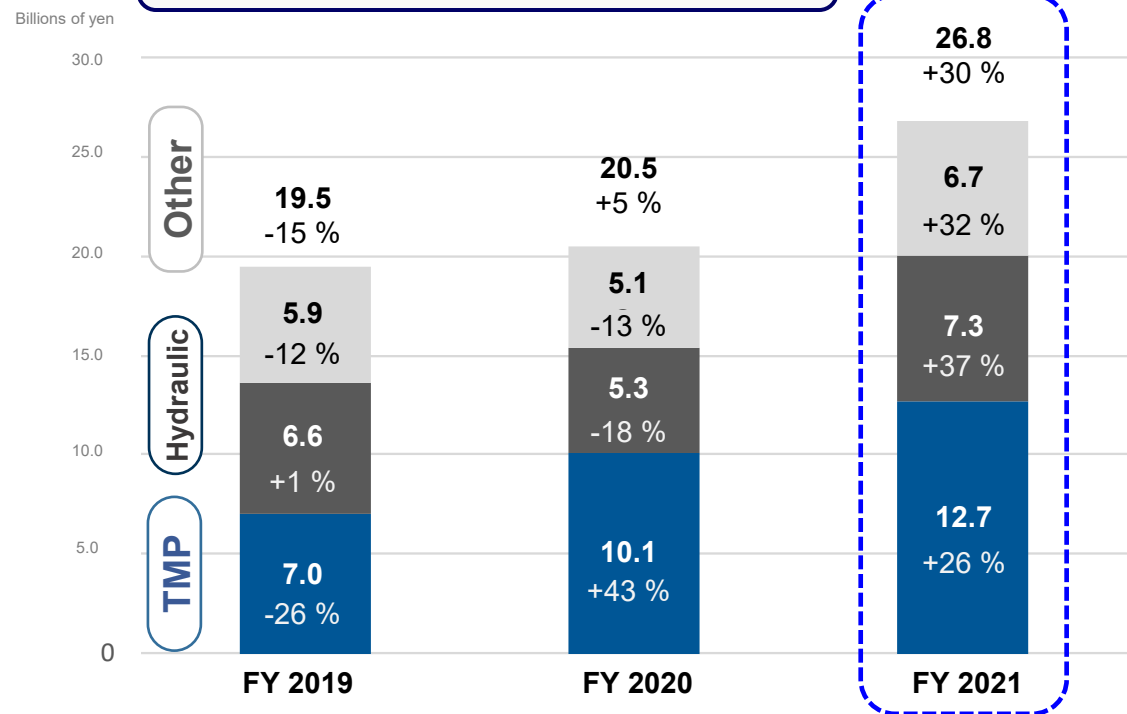
Medical Systems

Other	 <p>SyncTraX Tumor-Tracking System for Radiotherapy</p>	 <p>SimCLINIC T3 Integrated Electronic Medical Records System</p>	 <p>MERSYS-IV Hospital Patient Reception System (Infectious Disease Package)</p>	 <p>BresTome TOF-PET System</p>
X-Ray Systems	 <p>SONIALVISION G4 R/F System</p>	 <p>RADspeed Pro General Radiography System</p>	 <p>Trinias unity edition Angiography System</p>	 <p>MobileDaRt Evolution Mobile X-Ray System</p>








Industrial Machinery Net Sales by Model

- **TMP:** 12.7 billion yen (+2.6 billion yen or +26 % year-on-year) Sales mainly for semiconductor manufacturing equipment continued to increase.
- **Hydraulic:** 7.3 billion yen (+2.0 billion yen or +37 % year-on-year) Sales increased in Japan and China due to recovery in market conditions for forklifts, construction machinery, etc.
- **Other:** 6.7 billion yen (+1.6 billion yen or +32 % year-on-year) Glass winder sales increased due to increased production of printed circuit boards in China and other countries.
- **TMP aftermarket (AM):** 2.2 billion yen (+0.3 billion yen or +17 % year-on-year) / AM sales ratio: 17 % (-1 point)

Industrial Machinery 1H Net Sales
% values indicate year-on-year changes.



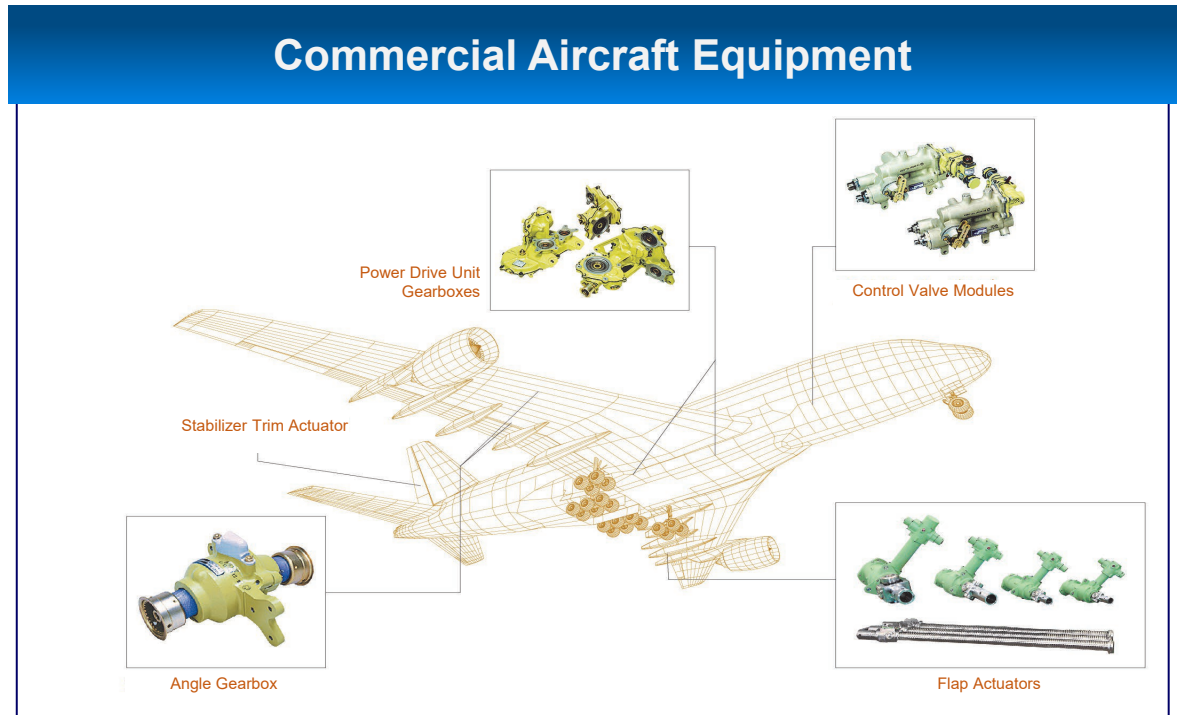
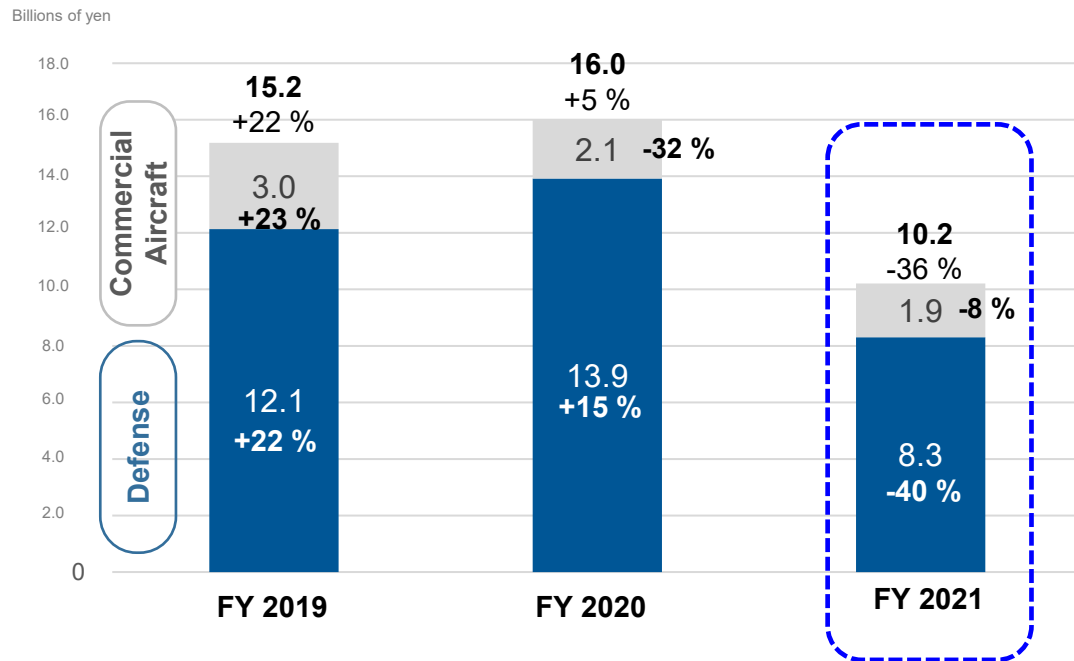
Industrial Machinery

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

- **Defense:** 8.3 billion yen (-5.6 billion yen or -40 % year-on-year)
Sales decreased significantly due to a reactionary decline following the large projects in the previous year.
- **Commercial aircraft:** 1.9 billion yen (-0.2 billion yen or -8 % year-on-year)
Sales decreased mainly for equipment installed on Boeing aircraft, due to lower production of commercial aircraft.

Aircraft Equipment 1H Net Sales
% values indicate year-on-year changes.



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- 3. FY 2021 Forecast**
4. Topics: Key Measures

FY 2021 Earnings Forecast

- Considering first-half results and the future business environment, **net sales and operating income** were adjusted upward to **420.0 billion yen and 59.0 billion yen**, respectively.
- The interim dividend was increased to 20 yen, **3 yen higher** than estimated at the beginning of the year. The annual dividend was **adjusted upward by 6 yen** from the initial estimate to **41 yen, which is 7 yen higher than the previous year.**

Units: Billions of yen	Full-Year			Previous Estimate Vs. Actual		YoY	
	FY 2021 New Estimate	FY 2021 Previous Estimate	FY 2020	Increase/ Decrease	Percent Increase/ Decrease	Increase/ Decrease	Percent Increase/ Decrease
Business Results							
Net Sales	420.0	410.0	393.5	+10.0	+2%	+26.5	+7%
Operating Income	59.0	53.0	49.7	+6.0	+11%	+9.3	+19%
Operating Margin	14.0%	12.9%	12.6%	+1.1pt		+1.4pt	
Ordinary Income	60.0	52.0	48.4	+8.0	+15%	+11.6	+24%
Profit Attributable to Owners of Parent	43.0	39.0	36.1	+4.0	+10%	+6.9	+19%
Exchange Rates							
Average Rate: USD (Yen)	108.00	106.00	106.11	+2.00	+2%	+1.89	+2%
Euro (Yen)	126.00	123.00	123.75	+3.00	+2%	+2.25	+2%
Major Investments							
R&D Expenses	17.5	18.5	15.7	-1.0		+1.8	
CAPEX	17.0	16.0	14.5	+1.0		+2.5	
Depreciation and Amortization	16.5	16.5	15.5	+0.0		+1.0	

Exchange Rate Effect

Net sales: 2.7 billion yen
Operating income: 0.9 billion yen

Dividends

Interim dividend: 20 yen
(17 yen in beginning-of-year estimate and 15 yen the previous year)
Year-end dividend: 21 yen
(18 yen in beginning-of-year estimate and 19 yen the previous year)
Annual dividend: 41 yen
(35 yen in beginning-of-year estimate and 34 yen the previous year)

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**
 - Promote measures for markets where demand is expected to increase, such as pharmaceuticals, foods, or other healthcare markets, or environmental/energy markets based on promoting carbon-neutrality.
- MED: Sales increased and income flat**
 - Expanded sales of fluoroscopy and angiography systems will compensate for decreased demand for mobile X-ray systems, but income will be flat due to increased R&D, etc.
- IM: Sales and income increased**
 - Sales of TMPs for semiconductor manufacturing equipment will increase due to higher demand for semiconductors. Sales of hydraulic equipment will be strong globally.
- AE: Sales and income decreased**
 - Severe market conditions will continue, mainly in the commercial aircraft field, but ensure a profit by reducing fixed costs or other expenses.

Units: Billions of yen	Net Sales						Operating Income						Operating Margin			
	FY 2021 New Estimate	FY 2021 Previous Estimate	FY 2020	Previous Estimate Vs. Actual	YoY		FY 2021 New Estimate	FY 2021 Previous Estimate	FY 2020	Previous Estimate Vs. Actual	YoY		FY 2021 New Estimate	FY 2021 Previous Estimate	FY 2020	YoY
					Increase/ Decrease	Percent Increase/ Decrease					Increase/ Decrease	Percent Increase/ Decrease				
AMI	271.0	264.0	248.6	+7.0	+22.5	+9%	50.0	46.0	41.8	+4.0	+8.2	+20%	18.5%	17.4%	16.8%	+1.6pt
MED	67.5	67.0	66.9	+0.5	+0.6	+1%	5.0	4.0	5.0	+1.0	+0.0	+0%	7.4%	6.0%	7.5%	-0.1pt
IM	53.5	51.5	45.1	+2.0	+8.4	+19%	5.5	5.0	3.4	+0.5	+2.1	+62%	10.2%	9.7%	7.4%	+2.7pt
AE	23.0	23.0	28.6	+0.0	-5.6	-19%	0.3	0.2	0.9	+0.1	-0.6	-66%	1.3%	0.9%	3.1%	-1.8pt
Other	5.0	4.5	4.4	+0.5	+0.6	+14%	0.8	0.7	1.0	+0.1	-0.2	-19%	11.8%	10.4%	16.2%	-4.4pt
Adjustments			—				-2.6	-2.9	-2.3	+0.3	-0.3	—			—	
Total	420.0	410.0	393.5	+10.0	+26.5	+7%	59.0	53.0	49.7	+6.0	+9.3	+19%	14.0%	12.9%	12.6%	+1.4pt

Note: To manage results for each segment more appropriately, the administrative expense allocation method was changed to a more rational method beginning in the first quarter of this fiscal year. Year-on-year comparison values were calculated using the new administrative expense allocation method to recalculate last year's values.

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Key Measures (1): Analytical & Measuring Instruments

Release New Products and Expand Businesses in Growth Areas

Biopharmaceuticals

Guide to Biopharmaceutical Solutions
—From Cell Line Optimization to Pharmacokinetics—



Life Science

- Genome analysis
 - Proteome
 - Metabolome
 - Cell culture analysis
 - Imaging
 - Brain function measurement
- Solutions for Vaccine Development and Quality Control



Food Safety and Functionally-Enhanced Foods

Analysis of Residual Pesticides in Foods



Analysis of Functionally Beneficial Components



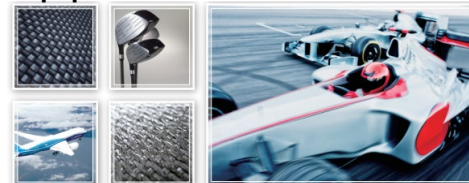
Environment

For a Sustainable Earth and Future
—Shimadzu's Environmental Analytical and Measuring Instruments—



New Materials

Improving CFRP Performance and Reliability
Testing & Inspection Instruments for CFRP Industry
CFRP Analysis, Testing, and Inspection Equipment



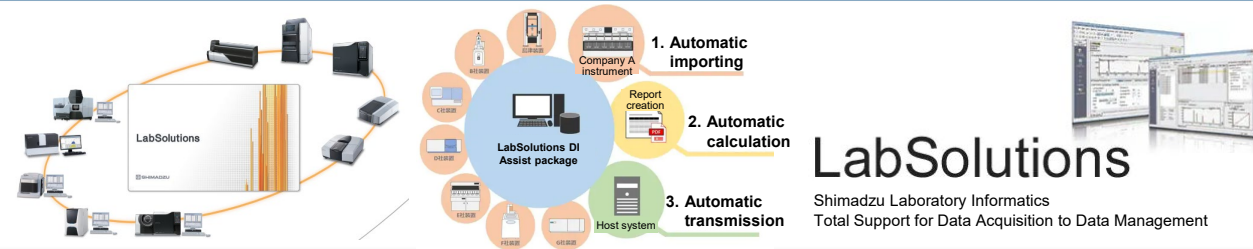
Automobiles

Developing Next-Generation Automobiles and Improving their Safety
Solution for Automotive Industries
Automotive Testing and Evaluation Equipment



Solutions Offered by Shimadzu Corporation
Data Integrity Compliance in the Analytical Laboratory

Data Integrity of Analytical and Testing Instruments



LabSolutions

Shimadzu Laboratory Informatics
Total Support for Data Acquisition to Data Management

Key Measures (2): Strengthening Products Integrate AI/IoT Functionality

Analytical: Analytical Intelligence



ANALYTICAL INTELLIGENCE

- New concept for analytical instruments offered by Shimadzu
- Systems and software function in the same way as experienced expert operators to automatically determine whether the status and results are good or bad, provide feedback to users, and troubleshoot any problems.
- Ensure data reliability by compensating for any operator lack of analytical instrument knowledge or experience.

Current Models with Analytical Intelligence

Liquid Chromatograph LC (Nexera)



Mass Spectrometer LCMS-8060NX



Gas Chromatograph GC-2030 (Nexis)



Spectrophotometer UV-I Selection



In the future, also deploy concept in other analytical/measuring products

Medical: AI

- Automate expert operating methods using AI.
- Improve image quality using AI.



X-ray image

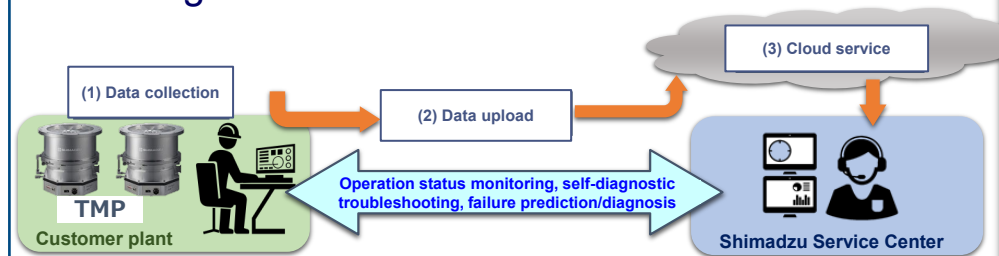


AI Assist



Industrial Machinery

- Monitor instrument operating status remotely using IoT.



Key Measures (3): Infectious Disease Countermeasure Projects **Phase II**

➤ Implement collaborations in and outside Japan for preventing infections, such as developing new testing methods and building testing data management systems.


Products

Virus Testing

Testing Data Management System

New PCR testing reagent (for variants, etc.)

PCR testing system



Displaying results

PCR testing system linked to electronic medical records

Rapid virus testing MALDI-TOF/MS


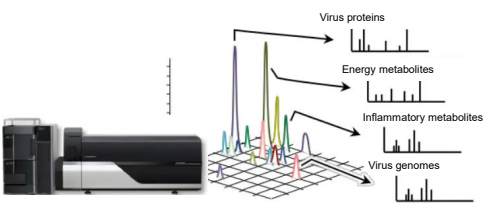


Illustration of Novel Coronavirus

- N-protein
- S-protein
- M-protein
- E-protein
- Gene

(Created based on National Institute of Infectious Diseases website and other sources)

Virus testing and severity prediction LCMS



Virus proteins


Energy metabolites

Inflammatory metabolites

Virus genomes

Predicting and Determining Infection Rates


Support for establishing PCR testing centers in companies/universities



Variant analysis based on whole genome analysis

PCR/pre-treatment

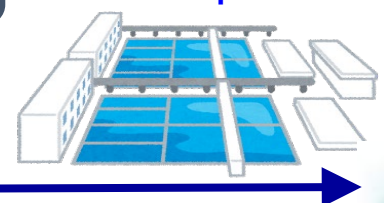
Whole-genome sequencing



Monitoring coronaviruses in sewer water


Geriatric nursing homes, hospitals, etc.


Wastewater treatment plant




Collaboration with Shionogi & Co., Ltd.

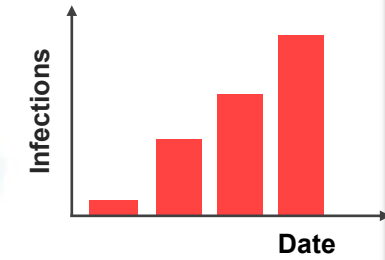
Infected person







Spread of infections



Infections

Date

Creating Systems

Key Measures (4): Measures for Achieving Carbon-Neutrality (Analytical and Industrial)

Energy Measures

- Renewable energy
- Hydrogen power generation, etc.



Utilizing Carbon Resources

- CO2 separation and capture
- CO2 fixation, transport, and storage etc.



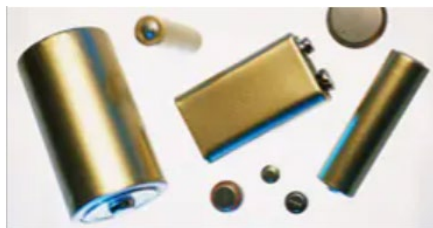
Utilizing Hydrogen

- Fuel cells
- Fuel cell powered automobiles etc.



Batteries and Stored Energy

- Energy storage technologies
- New batteries
- Geothermal power generation etc.



Using Biotechnology to Produce Substances

- Utilizing microorganisms
- Genome editing etc.



New Technologies

- Artificial photosynthesis
- Photocatalysts etc.



Key Measures (4): Using Biotechnology to Produce Substances

Use Chemical Synthesis to Produce Products from Fossil Fuels

Shimadzu provides support with analytical and measuring products

- Basis for modern society
- About 6 % of global CO2 emissions
- Accelerate “3R” measures including recycling.



Petrochemical products



Plastics



Paints and inks



Films



Rubber products

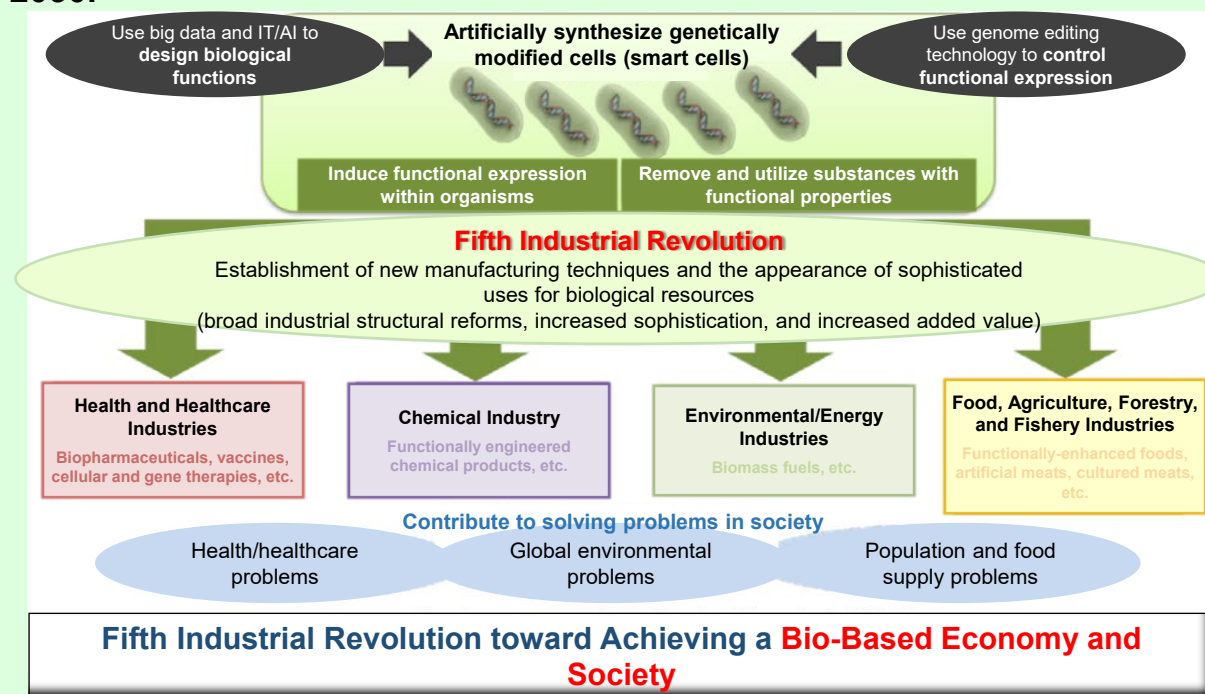


Hygiene products

Use Biotechnology to Produce Chemical Products

Important Topics for the Future

- Combine genome editing with AI/IT technologies.
- Of the 17 SDGs, Shimadzu contributes to at least 10 related to climate change, food supply problems, etc.
- About 40 trillion yen market in 2019 is predicted to expand to include non-drug products, such as chemicals and foods, and be worth about 200 trillion yen by 2030.



Source: Ministry of Economy, Trade and Industry, Bio-Industry Subcommittee’s Report, “Fifth Industrial Revolution” Cultivated with Biotechnology



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

Statement of Income (Jul.-Sep.)

Units: Billions of yen		Q2		YoY	
		FY 2021	FY 2020	Increase/ Decrease	Percent Increase/ Decrease
Business Results	Net Sales	107.8	98.6	+9.2	+9%
	Operating Income	16.4	13.6	+2.9	+21%
	Operating Margin	15.2%	13.7%	+1.5pt	—
	Ordinary Income	16.6	13.3	+3.4	+25%
	Profit Attributable to Owners of Parent	11.8	9.8	+2.0	+21%

Exchange Rate Effect

Net sales: +2.3 billion yen
Operating income: +0.5 billion yen

Exchange Rates	Average Rate: USD (Yen)	110.17	106.27	+3.90	+4%
	Euro (Yen)	129.87	124.17	+5.70	+5%

Major Investments	R&D Expenses	3.8	3.7	+0.1
	CAPEX	4.2	3.4	+0.8
	Depreciation and Amortization	4.0	3.8	+0.2

Foreign Exchange Sensitivity

(Billions of yen)

	Net Sales	Operating Income
USD	1.2	0.4
EUR	0.2	0.07

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

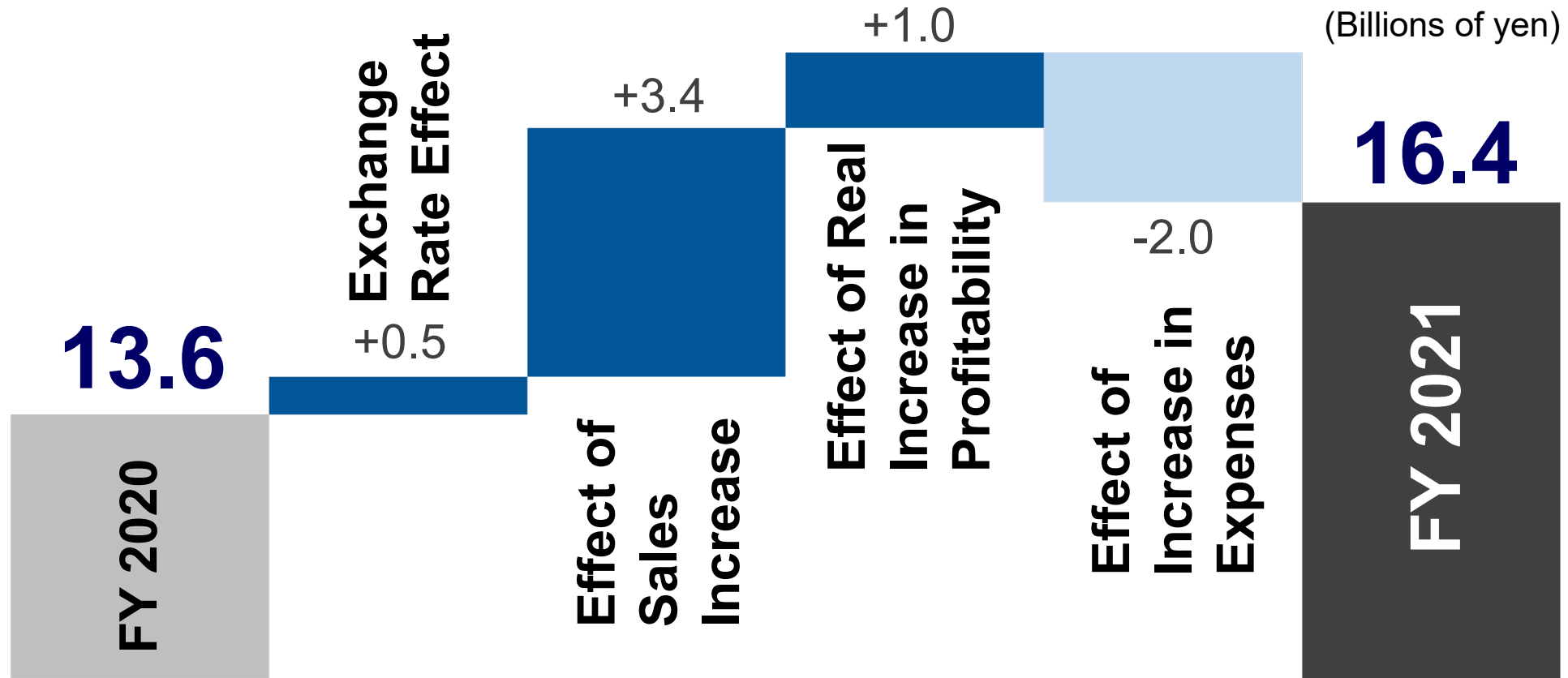
• AMI: Analytical & Measuring Instruments, MED: Medical Systems, IM: Industrial Machinery, AE: Aircraft Equipment

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	69.3	62.1	+7.2	+12%	13.4	11.5	+1.9	+16%	19.3%	18.5%	+0.8pt
MED	17.6	17.5	+0.1	+0%	1.8	1.2	+0.6	+49%	10.3%	6.9%	+3.4pt
IM	13.8	10.1	+3.7	+36%	1.3	0.6	+0.7	+123%	9.6%	5.8%	+3.8pt
AE	6.1	7.8	-1.8	-22%	0.0	0.7	-0.7	-96%	0.4%	9.3%	-8.9pt
Other	1.0	1.0	+0.0	+3%	0.4	-0.0	+0.4	—	-1.6%	12.1%	-13.7pt
Adjustments					-0.5	-0.5	-0.0	—			
Total	107.8	98.6	+9.2	+9%	16.4	13.6	+2.9	+21%	15.2%	13.7%	+1.5pt

Note: To manage results for each segment more appropriately, the administrative expense allocation method was changed to a more rational method beginning in the first quarter of this fiscal year. Year-on-year comparison values were calculated using the new administrative expense allocation method to recalculate last year's values.

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

- Exchange rate effect: +0.5 billion yen Due to -4 % yen value vs US dollar and -5 % yen value vs euro, year-on-year
- Effect of sales increase: +3.4 billion yen
- Increase in profitability: +1.0 billion yen Due to increase in products with higher profit margins, improved segment mix, etc.
- Increase in expenses: -2.0 billion yen Due to increased labor costs, selling costs, etc.



Analytical & Measuring Instruments

Year-on-Year Change for Key Models

	FY 2019					FY 2020					FY 2021	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
Key Models	+5%	+7%	+5%	-10%	-1%	-5%	+2%	+11%	+22%	+8%	+20%	+7%
All	-4%	+10%	+4%	-11%	+1%	-7%	-4%	+10%	+19%	+5%	+25%	+9%

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

Note: FY 2020 values are comparisons ignoring exchange rates and changes in revenue recognition standards.
 FY 2021 values exclude impacts from exchange rates.

Analytical & Measuring Instruments

Year-on-Year Change in Net Sales by Region

Country	FY 2019					FY 2020					FY 2021	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
Japan	-12%	+21%	+0%	-5%	+1%	-11%	-15%	+15%	+11%	+1%	+26%	+12%
North America	+4%	-5%	+16%	+4%	+5%	-4%	+13%	-8%	+5%	+1%	+31%	+7%
Europe	+1%	+19%	+2%	-2%	+5%	-5%	-5%	+5%	+11%	+2%	+15%	+11%
China	-8%	-4%	+4%	-40%	-12%	+12%	+14%	+18%	+74%	+25%	+22%	+5%
Other Asian Countries	+19%	+11%	+8%	-10%	+6%	-25%	-9%	+5%	+25%	-2%	+22%	+6%
India	+11%	-3%	+27%	-5%	+7%	-35%	-4%	+4%	+22%	-3%	+2%	-0%

Note: Values for India are included in other Asian countries.

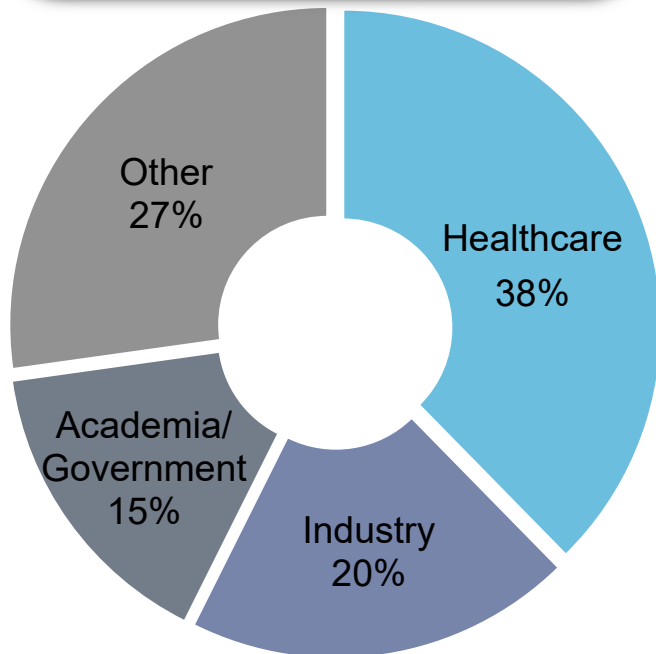
Note: FY 2020 values are comparisons ignoring exchange rates and changes in revenue recognition standards.
 FY 2021 values exclude impacts from exchange rates.

Analytical & Measuring Instruments

Ratio of Net Sales by Market (Apr.-Sep.)

- **Healthcare:** LC and MS sales increased in the healthcare field and demand remained strong for novel coronavirus detection kits.
- **Industry:** Sales were strong due to recovering capital equipment investment levels.
- **Academia/government:** LC and MS sales increased due to reopening of academic institutions and budget implementation by various national governments.

Ratio of Net Sales by Market



Markets and Main Industries	Ratio of Total			Net Sales	Overview
	FY 2021 Ratio	FY 2020 Ratio	Changes	YoY	
Healthcare • Pharmaceuticals and foods • Healthcare institutions • Contract analysis laboratories	38 %	35 %	+3.0 pt	+27 %	<ul style="list-style-type: none"> • Sales of LC and MS systems for pharmaceuticals, contract analysis, and foods increased. • Novel coronavirus detection kits and fully automatic PCR testing systems contributed to results.
Industry • Chemicals and materials • Electrical • Automotive	20 %	21 %	-1.0 pt	+9 %	<ul style="list-style-type: none"> • GC sales increased for chemicals due to recovering capital equipment investment levels. • Recovery in Japan was weak.
Academia/Government	15 %	17 %	-1.0 pt	+19 %	<ul style="list-style-type: none"> • Academia sales increased mainly in Europe and the United States. • LC and MS sales to governments increased due to budget implementation progress by respective national governments, government spending, and other factors.

Medical Systems

Net Sales by Region (Apr.-Sep.)

- **Japan:** +15 % Due to recovering capital equipment investments from demand generated by supplementary budget appropriations and expansion in the aftermarket business
- **Outside Japan:** -6 % Mobile X-ray system sales decreased.
- **Overseas sales ratio: 43.2 % (-4 points year-on-year)**

Billions of yen	FY 2021	FY 2020	Increase/ Decrease	Percent Increase/ Decrease	Overview
Japan	18.2	15.9	+2.3	+15 %	<ul style="list-style-type: none"> • Fluoroscopy system sales increased due to recovering capital equipment investment levels associated with demand fueled by supplementary budget appropriations. • Aftermarket business expanded.
Outside Japan	13.9	14.7	-0.9	-6 %	<ul style="list-style-type: none"> • Capital equipment investment levels are recovering, but sales of mobile X-ray systems, which increased last year, decreased.
North America	4.0	4.3	-0.3	-7 %	<ul style="list-style-type: none"> • Capital equipment investment levels are recovering, but sales of mobile X-ray systems, which increased last year, decreased.
Europe	1.5	2.1	-0.6	-28 %	<ul style="list-style-type: none"> • Demand for mobile X-ray systems, which increased last year, significantly decreased.
China	2.4	2.7	-0.3	-11 %	<ul style="list-style-type: none"> • Investment in capital equipment stalled due to intensifying competition with domestic products, bidding delays, and other factors.
Other Asian Countries	3.2	2.9	+0.3	+10 %	<ul style="list-style-type: none"> • Sales of mobile X-ray systems increased due to a resurgence of the COVID-19 pandemic in Southeast Asia.

Medical Systems

Year-on-Year Change in Net Sales by Region

Country	FY 2019					FY 2020					FY 2021	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
Japan	+6%	+30%	-2%	-5%	+7%	-15%	-33%	-1%	+7%	-12%	+24%	+8%
North America	-24%	-17%	+5%	+7%	-9%	+14%	+29%	+26%	+1%	+16%	+2%	-19%
Europe	-26%	-6%	+2%	-8%	-9%	+19%	+30%	+51%	-3%	+27%	-21%	-42%
China	-33%	+5%	-26%	+13%	-8%	+34%	-33%	+29%	-25%	-7%	-27%	-1%
Other Asian Countries	-8%	+3%	-16%	+34%	-0%	-9%	+17%	-4%	+20%	+6%	+15%	+5%

Note: FY 2020 values are comparisons ignoring exchange rates and changes in revenue recognition standards.
 FY 2021 values exclude impacts from exchange rates.

Industrial Machinery

Year-on-Year Change in Net Sales by Model

	FY 2019					FY 2020					FY 2021	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
TMP	-25%	-26%	+10%	+48%	-1%	+46%	+36%	+7%	+9%	+21%	+13%	+35%
Hydraulic Equipment	+2%	+1%	-12%	-5%	-4%	-19%	-17%	+7%	+6%	-6%	+34%	+34%
Other	-37%	+19%	-11%	-1%	-8%	-7%	-20%	+14%	-16%	-8%	+32%	+30%

Note: FY 2020 values are comparisons ignoring exchange rates and changes in revenue recognition standards.
FY 2021 values exclude impacts from exchange rates.

Aftermarket Business (AM) Sales Ratio

Analytical & Measuring Instruments

	FY 2019					FY 2020					FY 2021	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
YoY Change in AM Net Sales	+3%	+6%	+10%	-2%	+4%	+1%	+4%	+22%	+16%	+10%	+33%	+16%
AM Ratio	34%	30%	33%	32%	32%	37%	33%	33%	33%	34%	38%	35%

Medical Systems

	FY 2019					FY 2020					FY 2021	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
YoY Change in AM Net Sales	+5%	+13%	-3%	+2%	+4%	+1%	-8%	+14%	+5%	+3%	+14%	+9%
AM Ratio	35%	28%	31%	30%	30%	37%	32%	32%	31%	33%	38%	35%

TMP

	FY 2019					FY 2020					FY 2021	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2
YoY Change in AM Net Sales	+13%	+9%	-1%	+12%	+8%	+12%	+3%	+11%	+6%	+8%	+18%	+11%
AM Ratio	22%	27%	18%	18%	21%	17%	21%	19%	18%	19%	17%	17%

Note: FY 2020 values are comparisons ignoring exchange rates and changes in revenue recognition standards.
FY 2021 values exclude impacts from exchange rates.