

FY2009 1st-half

Operating Results & Financial Position

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Financial Highlights



Billions of yen, except percentages.
First half ended.

	Sep. 2009	Sep. 2008	Change	% Change
Net Sales	105.4	137.0	-31.5	-23.0%
Operating Income	2.0	12.0	-10.0	-83.3%
Ordinary Income	1.9	11.8	-10.0	-84.0%
Net Income	1.2	7.9	-6.7	-84.8%

■ Interim EPS: ¥ 4.06

■ Average foreign exchange rate for the first half [Apr. – Sep.]

First half of FY2009: \$ 1 = ¥ 96.62, € 1 = ¥ 132.32

First half of FY2008: \$ 1 = ¥ 105.18, € 1 = ¥ 163.18

■ Estimated rate at start of fiscal year [for full year]

\$ 1 = ¥ 95, € 1 = ¥ 130

Major Factors Behind Profit Changes in the First-half



Billions of yen, except percentages.
First half ended.

Item	Change
Gross Profit: Down	-14.5
Impact of scale decrease	-12.5
Impact of slipping into worse profitability	-2.0
SG & A: Down	+4.5
Operating income: Down	-10.0
Non-operating balance: Improved	+0.07
Ordinary income: Down	-10.0

First-half Sales by Industry Segments



Billions of yen, except percentages.
First half ended.

	Sep. 2009	Sep. 2008	Change	% Change
Analytical & Measuring Instruments	58.0	73.8	-15.8	-21.4%
Medical Equipment	23.2	24.9	-1.7	-6.7%
Aircraft Equipment & Industrial Machinery	21.8	35.2	-13.4	-38.0%
Other	2.4	3.1	-0.7	-22.3%
Total	105.4	137.0	-31.5	-23.0%

First-half Operating Income by Industry Segment



Billions of yen, except percentages.
First half ended.

	Sep. 2009	Sep. 2008	Change	% Change
Analytical & Measuring Instruments	5.4	11.1	-5.7	-51.1%
Medical Equipment	0.6	1.2	-0.7	-53.7%
Aircraft Equipment & Industrial Machinery	0.1	3.7	-3.6	-97.9%
Other	0.8	1.0	-0.2	-22.4%
Elimination/ Corporate	-4.8	-5.0	+0.2	—
Total	2.0	12.0	-10.0	-83.3%

Sales Breakdown by Business Segment (1)



Analytical & Measuring Instruments

Billions of yen, except percentages.
First half ended.

	Sep. 2009	Sep. 2008	Change	% Change
General Analytical Instruments	36.4	42.9	-6.5	-15.2%
Chromatography (LC,MS,GC)	26.9	31.6	-4.7	-14.9%
Surface Analyzers	3.9	5.6	-1.7	-30.9%
Environmental Monitor	3.7	4.9	-1.2	-26.0%
Testing Machines & Non-Destructive Inspection Machines	5.4	8.6	-3.2	-37.2%
Other	8.7	11.8	-3.1	-26.0%
Total	58.0	73.8	-15.8	-21.4%

Sales Breakdown by Business Segment (2)



Medical Systems

Billions of yen, except percentages.
First half ended.

	Sep. 2009	Sep. 2008	Change	% Change
X-Ray Systems	19.8	19.7	+0.1	+0.1%
Other PET/CT, CT, Ultrasound diagnostic systems	3.5	5.2	-1.7	-32.8%
Total	23.2	24.9	-1.7	-6.7%

Sales Breakdown by Business Segment (3)



Aircraft Equipment & Industrial Machinery

Billions of yen, except percentages.
First half ended.

	Sep. 2009	Sep. 2008	Change	% Change
Aircraft Equipment	12.7	14.5	-1.7	-11.9%
Industrial Machinery	9.1	20.7	-11.6	-56.2%
Turbo-molecular pumps, Solar-cell deposition equipment	7.0	15.8	-8.8	-55.6%
Hydraulic equipment	2.0	4.9	-2.9	-58.3%
Total	21.8	35.2	-13.4	-38.0%

First-half Sales by Region



Billions of yen, except percentages.
First half ended.

	Sep. 2009	Sep. 2008	Change	% Change
Japan	62.2	78.0	-15.8	-20.2%
Overseas	43.2	59.0	-15.8	-26.7%
North & South America	10.4	13.8	-3.4	-24.4%
Europe	8.0	11.1	-3.0	-27.4%
Asian-Oceanian	24.8	34.1	-9.4	-27.5%
Total	105.4	137.0	-31.5	-23.0%

First-half Sales Breakdown by Region (1)



Japan

Billions of yen, except percentages.
First half ended.

	Sep. 2009	Sep. 2008	Change	% Change
Analytical & Measuring Instruments	30.4	38.5	-8.1	-21.1%
Medical Equipment	12.0	12.6	-0.6	-4.6%
Aircraft Equipment & Industrial Machinery	17.5	23.8	-6.4	-26.6%
Other	2.4	3.1	-0.7	-22.3%
Total	62.2	78.0	-15.8	-20.2%

First-half Sales Breakdown by Region (2)



North & South America

Billions of yen, except percentages.
First half ended.

** Figures in () show net sales for North America alone.*

	Sep. 2009	Sep. 2008	Change	% Change
Analytical & Measuring Instruments	5.8(4.2)	7.0(5.2)	-1.3(-1.0)	-18.2%(-19.4%)
Medical Equipment	3.3(2.2)	3.7(2.9)	-0.4(-0.8)	-10.6%(-25.7%)
Aircraft Equipment & Industrial Machinery	1.3(1.3)	3.0(3.0)	-1.7(-1.7)	-56.1%(-56.2%)
Total	10.4(7.6)	13.8(11.0)	-3.4(-3.4)	-24.4%(-31.0%)

First-half Sales Breakdown by Region (3)



Europe

Billions of yen, except percentages.
First half ended.

	Sep. 2009	Sep. 2008	Change	% Change
Analytical & Measuring Instruments	5.8	8.8	-2.9	-33.5%
Medical Equipment	1.6	1.8	-0.1	-7.4%
Aircraft Equipment & Industrial Machinery	0.6	0.5	+0	+6.1%
Total	8.0	11.1	-3.0	-27.4%

First-half Sales Breakdown by Region (4)



Asia-Oceania

Billions of yen, except percentages.
First half ended.

* Figures in () show net sales for China alone.

	Sep. 2009	Sep. 2008	Change	% Change
Analytical Measuring Instrument	16.0(9.4)	19.5(10.0)	-3.4(-0.6)	-17.6%(-5.6%)
Medical Equipment	6.3(2.4)	6.9(2.3)	-0.6(+0.2)	-8.5%(+7.2%)
Aircraft Equipment & Industrial Machinery	2.4(1.1)	7.8(4.5)	-5.4(-3.4)	-69.0%(-75.8%)
Total	24.8(12.9)	34.1(16.8)	-9.4(-3.8)	-27.5%(-22.9%)

First-half Balance Sheet, Current Assets



Billions of yen, except percentages and months.
First half ended.

	Sep. 2009	Mar. 2009	Sep. 2008	Change	% Change
Trade notes & Accounts receivable	65.9	79.3	81.0	-15.0	-18.6%
Turnover in months	3.8	3.5	3.6	Up 0.2 months.	
Inventories	69.8	68.7	71.4	-1.6	-2.2%
Turnover in months	4.0	3.0	3.1	Up 0.9 months.	

** Changes are in comparison with the year-ago period (Sep. 2009 vs. Sep. 2008).*

First-half Balance Sheet, Liabilities & Net Assets



Billions of yen, except percentages and months.
First half ended.

	Sep. 2009	Mar. 2009	Sep. 2008	Change	% Change
Short-term loans	16.6	12.5	7.9	+8.7	1.7 times
Long-term loans	12.4	2.1	2.3	+10.1	5.4 times
Bonds	10.0	20.0	20.0	-10.0	-50.0%
Total debt	38.9	34.6	30.2	+8.8	+29.1%

	Sep. 2009	Mar. 2009	Sep. 2008	Change	% Change
Net assets	150.0	147.3	155.0	-5.0	-3.2%
Total assets	270.7	281.2	290.4	-19.7	-6.8%
Equity ratio	55.4%	52.4%	53.4%	Improvement of 2.0 pp	

** Changes are in comparison with the year-ago period (Sep. 2009 vs. Sep. 2008).*

Cash Flows



Billions of yen.
First half ended.

	Sep. 2009	Sep. 2008	Change
CF-Operating activities	1.2	8.0	-6.8
CF-Investing activities	-3.5	-5.3	+1.7
Free Cash Flow	-2.4	2.7	-5.1
CF-Financing activities	1.8	-15.0	+16.8



Analytical & Measuring Instruments

■ Meeting government-sector demand in China and building our local presence

- The Chinese government's aggressive capital spending and R&D initiatives in areas such as food inspection technology and new drug development have created significant new demand.
- Our sales of chromatographs to the Chinese market surged 22% year-over-year as a result.

■ Strengthening our focus on services

- Customer campaigns aimed at boosting revenue from maintenance contracts.
- Supply of chromatography columns and other consumables.



Customer guidance at Shimadzu's Shanghai Analysis Center

First-half Highlights (2)



Medical Systems

- Joint development of advanced applications of direct-conversion FPD technology.
- Increased sales of general and mobile X-ray imaging systems as the Chinese government continues to invest heavily in medical technology.
- Secured an X-ray imaging system sales agreement with Broadlane, which represents our second GPO (group purchasing organization) alliance in the North American market.



Mobile X-ray imaging system

Aircraft Equipment & Industrial Machinery

- Delivery of equipment for use in modernized F-15 fighter plane of Japan Air Force.
- Delivery of two array inspection devices to a domestic manufacturer of 10th generation LCD panels.

FY2009 Full-year Forecast



Billions of yen, except percentages.
Fiscal Year ended.

	Mar. 2010 Forecast	Mar. 2009	Change	% Change
Net Sales	240.0	272.8	-32.8	-12.0%
Operating Income	9.0	19.6	-10.6	-54.1%
Ordinary Income	7.8	17.7	-9.9	-56.0%
Net Income	4.5	8.5	-4.0	-47.3%

■EPS Forecast: ¥ 15.25

■Average foreign exchange rate for the second half [Oct. – Mar.]

Estimate Second half of FY2009: \$ 1 = ¥ 93, €1 = ¥ 130

Second half of FY2008: \$ 1 = ¥ 96.50, €1 = ¥ 128.67

■Annual average exchange rate [Apr. – Mar.]

Estimate full year of FY2009: \$ 1 = ¥ 95, €1 = ¥ 130

Full year of FY2008: \$ 1 = ¥ 100.84, €1 = ¥ 145.93

Fy2009 Full-year Forecast by Industry Segments(1)



Sales Forecast by Industry Segment

Billions of yen, except percentages.
Fiscal year ended.

	Mar. 2010 Forecast	Mar. 2009	Change	% Change
Analytical & Measuring Instruments	138.5	152.4	-13.9	-9.1%
Medical Equipment	49.0	51.1	-2.1	-4.0%
Aircraft Equipment & Industrial Machinery	47.0	63.1	-16.1	-25.5%
Other	5.5	6.3	-0.8	-12.1%
Total	240.0	272.8	-32.8	-12.0%

Fy2009 Full-year Forecast by Industry Segments(2)



Operating Income Forecast by Industry Segment

Billions of yen, except percentages.
Fiscal year ended.

	Sep. 2009	Sep. 2008	Change	% Change
Analytical & Measuring Instruments	15.5	21.2	-5.7	-26.8%
Medical Equipment	1.2	1.2	+0	+2.0%
Aircraft Equipment & Industrial Machinery	0.1	4.9	-4.8	-97.9%
Other	1.4	1.8	-0.4	-20.2%
Elimination/ Corporate	-9.2	-9.3	+0.1	—
Total	9.0	19.6	-10.6	-54.1%

Key Priorities (1)



Strengthening our operations in China

■ Areas in which new demand is likely include:

- Food inspection systems.
 - Medical platform projects aimed at strengthening capacity to develop new drugs.
 - Revision of pharmaceutical codex, including addition of numerous herbal medicines.
 - Environmental projects aimed at improving air and water quality
- Improving the level of medical services throughout China's provinces.



Spectrophotometer launched in October
(Over 70% of parts produced locally)

■ Expanding our presence in future "volume zones"

- Developing low-cost products based on local planning and development that enables a significantly higher proportion of local parts production.
- First product developed through this process (spectrophotometer, pictured) launched in October and exhibited at BCEIA.
BCEIA: Beijing Conference and Exhibition on Instrumental Analysis,
http://www.bceia.cn/2009/index_en.asp
- Price competitiveness to be further improved by gradually increasing local parts production for products developed in Japan to Chinese specifications.

Key Priorities (2)



Advancing into new growth areas

■Energy

- Development of energy-efficient chromatographs etc.
- Expansion of operations in the increasingly important electrical battery segment, including photovoltaic cells and fuel cells.

■Life sciences

- Development of next-generation diagnostic systems with a view to early diagnosis and prevention.

Meeting demand created by the FY2009 supplementary budget

- Ministry of Education, Culture, Sports, Science and Technology (MEXT):
Development of infrastructure for leading-edge and fundamental research and education.

Total cost reduction strategies aimed at strengthening our foundations



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