

# FY2008 First-Half Operating Results and Financial Position & Full-Year Outlook

Shigehiko Hattori  
President & CEO  
Shimadzu Corporation

# Financial Highlights



Billions of yen, except percentages

	Sep. 2007	Sep. 2008	Change	% change
Net Sales	138.3	137.0	-1.3	-1.0%
Operating income	12.4	12.0	-0.4	-2.9%
Ordinary income	11.3	11.8	+0.5	+4.8%
Net income	6.6	7.9	+1.3	+19.6%

Interim EPS: ¥26.68

Average foreign exchange rate for the first half (Apr – Sep)

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

First half of FY2007: \$1 = ¥119.75, €1 = ¥161.63

Estimated rate at start of fiscal year (for full year)

\$1 = ¥105, €1 = ¥160

# Major Factors Behind Profit Changes in the First Half



Billions of yen, except percentages

Item	Change
<b>Gross profit: Up</b>	<b>+0.8</b>
Impact of sales decrease	-0.5
Impact of improved profitability	+1.3
SG&A: Up	-1.2
<b>Operating income: Down</b>	<b>-0.4</b>
Non-operating balance: Improved	+0.9
<b>Ordinary income: Up</b>	<b>+0.5</b>

# First-Half Sales by Industry Segment



Billions of yen, except percentages

First half ended:

	Sep. 2007	Sep. 2008	Change	% change
Analytical and Measuring Instruments	75.4	73.8	-1.6	-2.1%
Medical Systems	25.6	24.9	-0.7	-2.6%
Aircraft Equipment & Industrial Machinery	33.8	35.2	+1.4	+4.1%
Other	3.5	3.1	-0.4	-12.5%
<b>Total</b>	<b>138.3</b>	<b>137.0</b>	<b>-1.3</b>	<b>-1.0%</b>

# First-Half Operating Income by Industry Segment



Billions of yen, except percentages

First half ended:

	Sep. 2007	Sep. 2008	Change	% change
Analytical and Measuring Instruments	11.8	11.1	-0.7	-5.8%
Medical Systems	0.9	1.2	+0.3	+28.6%
Aircraft Equipment & Industrial Machinery	3.6	3.7	+0.1	+1.7%
Other	0.8	1.0	+0.2	+25.2%
Eliminations/Corporate	-4.7	-5.0	-0.2	—
<b>Total</b>	<b>12.4</b>	<b>12.0</b>	<b>-0.4</b>	<b>-2.9%</b>

# First-Half Sales Breakdown by Industry Segment (1)



## Measuring Instruments

Billions of yen, except percentages  
% change

	First half ended:		Change	% change
	Sep. 2007	Sep. 2008		
<b>General Analytical Instruments</b> → R&D and quality management for pharmaceuticals, food, (petro) chemicals, paper and pulp, etc. Main products: Chromatographs (LC, GC, MS), spectrometers, time-of-flight mass spectrometers, Life science-related equipment	43.0	44.0	+1.0	+2.2%
<b>Surface Analyzers</b> → R&D and quality management for semiconductors, electronics, etc. Main products: X-ray fluorescence analyzers (EDX)	7.0	5.6	-1.4	-20.6%
<b>Environmental Analyzers</b> → Water and atmospheric observations Main products: Total organic carbon analyzers(TOC)	4.6	4.9	+0.3	+7.2%
<b>Testing and Non-Destructive Test Machines</b> → R&D and quality management for steel/non-ferrous, machinery, and automobile applications, etc. Main products: Materials testing machines, non-destructive X-ray inspection machines, etc.	8.2	8.6	+0.4	+4.3%
<b>Other</b> Contractual analytical services and other businesses at subsidiaries	12.5	10.7	-1.8	-14.4%
<b>Total</b>	75.4	73.8	-1.6	-2.1%

# First-Half Sales Breakdown by Industry Segment (2)



## Medical Systems

Billions of yen, except percentages

First half ended:

	Sep. 2007	Sep. 2008	Change	% change
<b>X-Ray Systems</b> Main products: Angiography systems, X-ray TV systems, general radiographic systems	20.1	19.7	-0.4	-2.0%
<b>Other</b> Main products: PET/CT, CT, ultrasound diagnostic systems	5.4	5.2	-0.2	-5.1%
<b>Total</b>	25.6	24.9	-0.7	-2.6%

# First-Half Sales Breakdown by Industry Segment (3)



## Aircraft Equipment & Industrial Machinery

Billions of yen, except percentages

	First half ended:		Change	% change
	Sep. 2007	Sep. 2008		
<b>Aircraft Equipment</b> Main products: Flight control systems, air conditioning equipment, head-up displays	16.9	14.5	-2.4	-14.5%
<b>Industrial Machinery</b> ★Turbomolecular pumps, solar cell deposition equipment, LCD array inspection equipment ★Hydraulic equipment	16.9 12.3 4.6	20.7 15.8 4.9	+3.8 +3.5 +0.3	+22.8% +28.7% +6.7%
<b>Total</b>	33.8	35.2	+1.4	+4.1%



# First-Half Sales by Region



Billions of yen, except percentages

	First half ended:		Change	% change
	Sep. 2007	Sep. 2008		
Japan	82.5	78.0	-4.5	-5.4%
Overseas	55.8	59.0	+3.2	+5.7%
North and South America	14.7	13.8	-1.0	-6.7%
Europe	10.1	11.1	+1.0	+9.6%
Asia-Oceania	31.0	34.1	+3.2	+10.3%
<b>Total</b>	138.3	137.0	-1.3	-1.0%

# First-Half Sales Breakdown by Region (1)



## Japan

Billions of yen, except percentages

First half ended:

	Sep. 2007	Sep. 2008	Change	% change
Analytical and Measuring Instruments	41.0	38.5	-2.5	-6.1%
Medical Systems	14.1	12.6	-1.5	-10.7%
Aircraft Equipment & Industrial Machinery	23.9	23.8	-0.04	-0.2%
Other	3.5	3.1	-0.4	-12.5%
<b>Total</b>	<b>82.5</b>	<b>78.0</b>	<b>-4.5</b>	<b>-5.4%</b>

# First-Half Sales Breakdown by Region (2)



## North and South America

Billions of yen, except percentages

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

First half ended:

	Sep. 2007	Sep. 2008	Change	% change
Analytical and Measuring Instruments	7.5(5.7)	7.0(5.2)	-0.5(-0.5)	-5.8%(-9.0%)
Medical Systems	3.8(2.5)	3.7(2.9)	-0.04(+0.4)	-1.1%(+16.1%)
Aircraft Equipment & Industrial Machinery	3.5(3.5)	3.0(3.0)	-0.5(-0.5)	-14.4%(-14.4%)
Other	14.7(11.7)	13.8(11.1)	-1.0(-0.6)	-6.7%(-5.2%)

# First-Half Sales Breakdown by Region (3)



## Europe

Billions of yen, except percentages

First half ended:

	Sep. 2007	Sep. 2008	Change	% change
Analytical and Measuring Instruments	8.0	8.8	+0.8	+9.4%
Medical Systems	1.7	1.8	+0.1	+3.6%
Aircraft Equipment & Industrial Machinery	0.4	0.5	+0.2	+40.8%
Other	10.1	11.1	+1.0	+9.6%

# First-Half Sales Breakdown by Region (4)



## Asia-Oceania

Billions of yen, except percentages

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

	First half ended:		Change	% change
	Sep. 2007	Sep. 2008		
Analytical and Measuring Instruments	18.9(8.5)	19.5(10.0)	+0.6(+1.4)	+3.2%(+16.8%)
Medical Systems	6.0(1.6)	6.9(2.3)	+0.8(+0.7)	+13.4%(+42.7%)
Aircraft Equipment & Industrial Machinery	6.0(4.0)	7.8(4.5)	+1.8(+0.5)	+29.3%(+13.3%)
Other	31.0(14.1)	34.1(16.8)	+3.2(+2.7)	+10.3%(+18.8%)

# SHIMADZU First-Half Balance Sheet – Current Assets



Billions of yen, except percentages

*\* Changes are in comparison with the year-ago period (Sep. 2008 vs. Sep. 2007).*

	Sep. 2007	Mar. 2008	Sep. 2008	Change	% change
Trade notes and accounts receivable (turnover in months)	88.9 (3.9)	87.2 (3.6)	81.0 (3.6)	-7.8	-8.8%
Inventories (turnover in months)	67.3 (2.9)	66.0 (2.7)	71.4 (3.1)	+4.1	+6.1%

# SHIMADZU First-Half Balance Sheet – Liabilities and Net Assets



Billions of yen, except percentages

\* *Changes are in comparison with the year-ago period (Sep. 2008 vs. Sep. 2007).*

	Sep. 2007	Mar. 2008	Sep. 2008	Change	% change
Short-term loans	6.9	5.2	7.9	+1.0	+14.4%
Long-term loans	2.7	2.6	2.3	-0.4	-14.9%
Bonds	25.0	35.0	20.0	-5.0	-20.0%
Total debt	34.6	42.8	30.2	-4.4	-12.8%

	Sep. 2007	Mar. 2008	Sep. 2008	Change	% change
Net assets	148.4	150.7	155.4	+7.0	+4.7%
Total	297.0	303.8	290.4	-6.6	-2.2%
Equity ratio	49.8%	49.5%	53.4%	+3.6pp	————



## Analytical and Measuring Instruments

### Sales of mainstay chromatographs expanding and demand rising

- Sales of chromatographs (LC, MS and GC) continued to expand at 5% year over year.
- Introduced **a new high-pressure LC product**. Connectivity (for our LCs) with an American data software package widely used by pharmaceutical companies also helped expand sales.
- Demand for products for food safety analysis was strong in China. In particular, demand for analysis equipment to detect melamine increased globally after it was found in dairy products. Shimadzu has responded swiftly and comprehensively to these customer needs, providing guidance through its **application software** (see image) and other means. Shimadzu also worked to capture new demand for the equipment. → p. 22

メラミンおよび関連物質の HPLC, GCMS 分析 - Microsoft Internet Explorer

アドレス欄: http://www.an.shimadzu.co.jp/topics/2008/200809/melamine.htm

SHIMADZU Analytical Instruments 分析機器

分析機器トップ > ヒックス > メラミンおよび関連物質の HPLC, GCMS 分析

**メラミンおよび関連物質の分析 (HPLC, GCMS, LCMS)**

メラミンおよび関連物質の機器分析例をご紹介します。メラミン (melamine) は、右図のように構造の中心にトリアジン環を持つ有機窒素化合物の1種でホルムアルデヒドとともにメラミン樹脂の主原料とされています。メラミンのスクリーニング分析や定量分析には、HPLC がよく用いられています。また定性確認や他の反応副生成物との一斉分析では GC-MS, LC-MS などが使われます。  
 (\*なお、化合物が同じでも対象となる試料や測定目的により、試験法が厳密に定められている場合があります。このページは一般的な機器分析例をご紹介します。)

**HPLC-PDA, GCMS, LCMS**

**HPLC-PDA**

HPLC (高速液体クロマトグラフ) は、分析機器の流路に液体を流しておき、試料を入れるとカラムと呼ばれる分離管の中で試料成分が分離され、検出器でその量を測定する装置です。メラミンは、HPLC-PDA で試料中の夾雑物と分離しながら、迅速に分析できます。また、PDA 検出器 (フォトダイオードアレイ: 多波長紫外可視分光光度計ともいわれ、スペクトル情報を取りながら分析ができる) により、夾雑物と重なっていないか確認しながら定量できます。

HPLC-PDA を用いたメラミン標準溶液のクロマトグラムを示します。0.5 mg/L から 200 mg/L の範囲で良好な直線性が得られました。保持時間再現性、面積再現性についても共に良好でした。

表1 LCでのメラミン分析条件  
 カラム: Shim-pack CLC-C8 (M) (4.6 mm ID, ×150 mm L)

Chromatogram showing a single sharp peak for Melamine at approximately 10 minutes.





## Medical Systems

### Promoted adoption of direct-conversion type FPD X-ray imaging systems for cardiovascular applications at major hospitals

- Delivered high-end FPD X-ray imaging systems for cardiovascular applications to major Japanese and European hospitals.
- Jointly developed diagnosis **application software** for FPD X-ray imaging systems with the National Cancer Center.
- Globally launched a new digital X-ray imaging system for use by doctors during their rounds (see image). The system has already registered impressive sales in the U.S.



## Aircraft Equipment and Industrial Machinery

### Promoted sales of solar cell deposition equipment

- Orders from Taiwanese and Chinese solar cell manufacturers for solar cell deposition equipment have surged. Equipment installations proceeded apace.
- Shimadzu has fully integrated the turbomolecular pump (pictured) business it acquired from Mitsubishi Heavy Industries (MHI) last fiscal year. MHI's production facilities were also relocated to Shimadzu's facilities, and we put the now integrated manufacturing system, with which we hope to reduce costs, into operation.



# FY2008 Full-Year Forecast (1)



Billions of yen, except percentages

Fiscal year through:

	Mar. 2008	Mar. 2009 Forecast	Change	% change
Net sales	290.0	285.0	-5.0	-1.7%
Operating income	27.6	25.0	-2.6	-9.4%
Ordinary income	23.9	23.0	-0.9	-3.6%
Net income	13.7	14.5	+0.8	+5.6%

EPS forecast: ¥49.13

Annual average exchange rate (Apr-Mar)

Estimate for FY2008: \$1=¥102, €1=¥ 146

Results for FY2007: \$1=¥115.69, €1=¥ 161.48

Second-half average exchange rate (Oct-Mar)

Estimate for FY2008: \$1=¥ 100, €1=¥ 130

Results for FY2007: \$1=¥111.63, €1=¥ 161.33

# FY2008 Full-Year Forecast (2)



## Sales Forecast by Industry Segment

Billions of yen, except percentages

Fiscal year through:

	Mar. 2008	Mar. 2009 Forecast	Change	% change
Analytical and Measuring Instruments	164.3	160.0	-4.3	-2.6%
Medical Systems	54.4	51.0	-3.4	-6.3%
Aircraft and Industrial Machinery	64.2	67.5	+3.3	+5.2%
Other	7.1	6.5	-0.6	-7.8%
<b>Total</b>	<b>290.0</b>	<b>285.0</b>	<b>-5.0</b>	<b>-1.7%</b>

# FY2008 Full-Year Forecast (3)



## Operating Income Forecast by Industry Segment

Billions of yen,  
except percentages

	Fiscal year through:		Change	% change
	Mar. 2008	Mar. 2009 Forecast		
Analytical and Measuring Instruments	26.2	25.0	-1.2	-4.6%
Medical Systems	2.7	1.5	-1.2	-43.9%
Aircraft and Industrial Machinery	6.4	6.5	+0.1	+1.9%
Other	1.8	2.0	+0.2	+9.6%
Elimination/Corporate	-9.5	-10.0	-0.5	—
<b>Total</b>	<b>27.6</b>	<b>25.0</b>	<b>-2.6</b>	<b>-9.4%</b>



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# SHIMADZU

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 and are based on information available when these materials were prepared; they are subject to risks and uncertainties. For this reason, actual results may differ materially from the forecasts made here. Factors that may influence actual business performance include, but are not limited to, economic conditions in Japan and abroad, changes in technologies in markets, and fluctuations in exchange rates. The Company does not undertake to update its forward-looking statements.

Contact: Investor Relations Group: Tel 075-823-1914 or [ir\\_info@group.shimadzu.co.jp](mailto:ir_info@group.shimadzu.co.jp)