

# Operating Results & Financial Position, Ended March 2015

**President & CEO Akira Nakamoto**  
**Shimadzu Corporation**

# Financial Highlights

Billions of yen, except percentages

	<b>Mar. 2015</b>	<b>Mar. 2014</b>	<b>Changes</b>	<b>% Changes</b>
<b>Net Sales</b>	<b>314.7</b>	307.5	7.2	2.3
<b>Operating Income</b>	<b>27.2</b>	24.0	3.2	13.2
<b>Ordinary Income</b>	<b>28.4</b>	24.8	3.6	14.4
<b>Net Income</b>	<b>18.4</b>	9.7	8.7	89.7

## ■ EPS

FY2014: ¥ 62.55, FY2013: ¥ 32.97

## ■ Average foreign exchange rate

FY2014 [1 Apr. 2014– 31 Mar. 2015] : \$ 1 = ¥108.47, € 1 = ¥139.71

FY2013 [1 Apr. 2013 – 31 Mar. 2014] : \$ 1 = ¥99.66, € 1 = ¥132.88

# Major Factors Behind Profit Changes

Billions of yen

Items	Changes
<b>Gross Profit</b>	<b>+9.1</b>
Impact of Sales increase	<b>+2.8</b>
Impact of improvement of profitability	<b>+6.3</b>
<b>SG &amp; A</b>	<b>-5.9</b>
<b>Operating Income</b>	<b>+3.2</b>
Non-operating balance	<b>+0.4</b>
<b>Ordinary Income</b>	<b>+3.6</b>

# Results by Business Segment

Billions of yen, except percentages

		Mar. 2015	Mar. 2014	Changes	% Changes
Analytical & Measuring Instruments	Net Sales	192.6	182.2	10.4	5.7
	Operating Income	26.8	23.3	3.5	15.3
Medical Systems	Net Sales	59.4	62.7	-3.3	-5.3
	Operating Income	1.4	2.5	-1.1	-42.5
Aircraft Equipment	Net Sales	24.8	26.6	-1.8	-6.5
	Operating Income	-2.3	-2.4	0.1	—
Industrial Machinery	Net Sales	31.0	29.5	1.5	5.0
	Operating Income	2.0	2.0	0.0	-3.4
Other	Net Sales	6.9	6.5	0.4	6.3
	Operating Income	1.3	1.8	-0.5	-27.1
Operating Income Adjustments		-2.0	-3.2	1.2	—
Total	Net Sales	314.7	307.5	7.2	2.3
	Operating Income	27.2	24.0	3.2	13.2

# Sales Breakdown by Industry Segment (1)

## Analytical & Measuring Instruments

Billions of yen, except percentages

	Mar. 2015	Mar. 2014	Changes	% Changes
<b>General Analytical Instruments</b>	<b>122.9</b>	113.1	9.8	8.7
>Chromatography (LC,MS & GC)	<b>97.7</b>	87.9	9.8	11.1
<b>Surface Analyzers</b>	<b>10.3</b>	10.2	0.1	0.6
<b>Environmental Monitors</b>	<b>10.5</b>	9.9	0.6	6.2
<b>Testing Machines &amp; Non-destructive Inspection Machines</b>	<b>19.4</b>	18.7	0.7	3.5
<b>Other</b>	<b>29.5</b>	30.3	-0.8	-2.6
<b>Total</b>	<b>192.6</b>	182.2	10.4	5.7

# Sales Breakdown by Industry Segment (2)

## Medical Systems

Billions of yen, except percentages

	Mar. 2015	Mar. 2014	Changes	% Changes
X-ray Systems	51.7	54.3	-2.6	-4.8
Other	7.7	8.4	-0.7	-8.6
<b>Total</b>	<b>59.4</b>	62.7	-3.3	-5.3

# Sales Breakdown by Industry Segment (3)

## Aircraft Equipment

Billions of yen, except percentages

	Mar. 2015	Mar. 2014	Changes	% Changes
Aircraft Equipment	24.8	26.6	-1.8	-6.5

# Sales Breakdown by Industry Segment (4)

## Industrial Machinery

Billions of yen, except percentages

	Mar. 2015	Mar. 2014	Changes	% Changes
Turbo-molecular pumps, CVD equipment for Solar-cell etc.	19.6	19.4	0.2	0.8
Hydraulic equipment	11.4	10.1	1.3	12.9
<b>Total</b>	<b>31.0</b>	<b>29.5</b>	<b>1.5</b>	<b>5.0</b>



## Sales Breakdown by Regional Segment (1)

Billions of yen, except percentages

	<b>Mar. 2015</b>	<b>Mar. 2014</b>	<b>Changes</b>	<b>% Changes</b>
Japan	<b>157.9</b>	164.4	-6.5	-4.0
Overseas	<b>156.8</b>	143.1	13.7	9.6
North & South America	<b>42.6</b>	37.1	5.5	14.7
Europe	<b>26.2</b>	23.8	2.6	10.0
China	<b>50.9</b>	48.9	2.0	4.2
Other Asian countries	<b>25.5</b>	22.1	3.4	15.2
Other	<b>11.6</b>	11.2	0.4	4.4
<b>Total</b>	<b>314.7</b>	307.5	7.2	2.3

*\* Other Asian countries: Taiwan, Korea, South Asia, and India*

*\* Other: Middle East, Oceania, and Africa*

## Sales Breakdown by Regional Segment (2)

### Japan

Billions of yen, except percentages

	Mar. 2015	Mar. 2014	Changes	% Changes
Analytical & Measuring Instruments	83.8	86.3	-2.5	-2.9
Medical Systems	31.0	34.3	-3.3	-9.5
Aircraft Equipments	20.1	22.4	-2.3	-10.1
Industrial Machinery	16.1	15.0	1.1	6.7
Other	6.9	6.4	0.5	6.4
<b>Total</b>	<b>157.9</b>	<b>164.4</b>	<b>-6.5</b>	<b>-4.0</b>

## Sales Breakdown by Regional Segment (3)

### North & South America

Billions of yen, except percentages

	Mar. 2015	Mar. 2014	Changes	% Changes
Analytical & Measuring Instruments	24.6(20.3)	21.4(16.8)	3.2(3.5)	14.9(20.5)
Medical Systems	10.1(7.5)	9.1(7.2)	1.0(0.3)	10.9(3.7)
Aircraft Equipment	4.4(4.4)	3.9(4.0)	0.5(0.4)	12.3(12.3)
Industrial Machinery	3.5(3.5)	2.7(2.7)	0.8(0.8)	29.7(29.6)
<b>Total</b>	<b>42.6(35.7)</b>	<b>37.1(30.7)</b>	<b>5.5(5.0)</b>	<b>14.7(16.3)</b>

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

# Sales Breakdown by Regional Segment (4)

## Europe

Billions of yen, except percentages

	Mar. 2015	Mar. 2014	Changes	% Changes
Analytical & Measuring Instruments	21.4	18.1	3.3	18.2
Medical Systems	3.6	3.5	0.1	1.5
Aircraft Equipment	0.2	0.1	0.1	77.2
Industrial Machinery	1.0	2.1	-1.1	-49.9
<b>Total</b>	<b>26.2</b>	<b>23.8</b>	<b>2.4</b>	<b>10.0</b>

# Sales Breakdown by Regional Segment (5)

## China

Billions of yen, except percentages

	Mar. 2015	Mar. 2014	Changes	% Changes
Analytical & Measuring Instruments	37.8	34.2	3.6	10.4
Medical Systems	6.1	7.4	-1.3	-17.3
Aircraft Equipment	7.0	7.3	-0.3	-3.7
<b>Total</b>	<b>50.9</b>	<b>48.9</b>	<b>2.0</b>	<b>4.2</b>

## Sales Breakdown by Regional Segment (6)

### Other Asian Countries

Billions of yen, except percentages

	Mar. 2014	Mar. 2014	Changes	% Changes
Analytical & Measuring Instruments	18.2	16.2	2.0	12.6
Medical Systems	4.0	3.5	0.5	12.3
Aircraft Equipment	0.0	0.1	-0.1	-50.7
Industrial Machinery	3.3	2.3	1.0	40.5
<b>Total</b>	<b>25.5</b>	22.1	3.4	15.2

*\* Other Asian countries: Taiwan, Korea, South Asia, and India*

## Sales Breakdown by Regional Segment (7)

### Other

Billions of yen, except percentages

	Mar. 2015	Mar. 2014	Changes	% Changes
Analytical & Measuring Instruments	6.9	6.1	0.8	13.0
Medical Systems	4.6	5.0	-0.4	-6.3
Industrial Machinery	0.1	0.1	0.0	12.0
<b>Total</b>	<b>11.6</b>	<b>11.2</b>	<b>0.4</b>	<b>4.4</b>

*\* Other: Middle East, Oceania, and Africa*

## Current asset on Balance Sheet

Billions of yen, except percentages & months

	31.Mar. 2015	31.Mar. 2014	Changes	% Changes
Trade Notes & Accounts receivable	103.2	112.2	-9.0	-8.0
Turnover in months	3.9	4.4	improvement 0.5mos	
Inventories	74.9	70.7	4.2	5.9
Turnover in months	2.9	2.8	deterioration of 0.1mos	



# Liabilities & Net Assets on Balance Sheet

Billions of yen, except percentages

	<b>31.Mar. 2015</b>	<b>31.Mar. 2014</b>	<b>Changes</b>	<b>% Changes</b>
<b>Short-term loans</b>	<b>8.7</b>	37.1	-28.4	-76.4
<b>Commercial paper</b>	<b>0.0</b>	16.0	-16.0	—
<b>Long-term loans</b>	<b>0.9</b>	0.8	0.1	15.5
<b>Bonds</b>	<b>15.0</b>	0.0	15.0	—
<b>Total debt</b>	<b>24.6</b>	53.9	-29.3	-54.2
	<b>31.Mar. 2015</b>	<b>31.Mar. 2014</b>	<b>Changes</b>	<b>% Changes</b>
<b>Net assets</b>	<b>209.8</b>	181.8	28.0	15.4
<b>Total assets</b>	<b>339.8</b>	340.7	-0.9	-0.3
<b>Equity ratio</b>	<b>61.7</b>	53.4	improvement 8.3 point	

# Cash Flow

Billions of yen, except percentages

	<b>Mar. 2015</b>	<b>Mar. 2014</b>	<b>Changes</b>
<b>CF-Operating activities</b>	<b>40.2</b>	-5.9	46.1
<b>CF-Investing activities</b>	<b>-15.7</b>	0.4	-15.3
<b>Free Cash Flows</b>	<b>24.5</b>	-5.5	30.0
<b>CF-Financial activities</b>	<b>-33.2</b>	15.4	-48.6

# Market Outlook for FY2015

## <Market Outlook of Major Regions>

- \* **Japan:** New investments as well as upgrade demand expected for advance technology development, energy-savings, etc., as corporate earnings expand
- \* **U.S.:** Strong investment is expected in advanced fields against the backdrop of steady economic growth
- \* **Europe:** While there is a sense of uncertainty regarding the market conditions, strong growth is expected in healthcare, environment and food fields
- \* **China:** Strong market led by official demand, such as 12th Five Year Plan-related projects and Pharmacopoeia of the People's Republic of China-related demands
- \* **ASEAN, India:** Increase in demand from wide-ranging investments (foreign capital, human resources development-related, improvement standard of living of citizens, etc.) is expected ahead of ASEAN economic integration, with investments in pharmaceuticals and food fields anticipated in India

# FY 2015 Year Forecast

Billions of yen, except percentages

	<b>Mar. 2016 Forecast</b>	<b>Mar. 2015</b>	<b>Changes</b>	<b>% Changes</b>
<b>Net Sales</b>	<b>330.0</b>	314.7	15.3	4.9
<b>Operating Income</b>	<b>32.0</b>	27.2	4.8	17.7
<b>Ordinary Income</b>	<b>31.0</b>	28.4	2.6	9.2
<b>Net Income</b>	<b>20.0</b>	18.4	1.6	8.4

## ■ EPS

FY2015 forecast: ¥ 67.83, FY2014: ¥ 62.55

## ■ Average foreign exchange rate

FY2015[1 Apr. 2015 - 31 Mar. 2016] forecast : \$ 1 = ¥ 115.00, € 1 = ¥ 125.00

FY2014[1 Apr. 2014 - 31 Mar. 2015] : \$ 1 = ¥ 108.47, € 1 = ¥ 139.71

# FY 2015 Year Forecast by Industrial Segment

Billions of yen, except percentages

		<b>Mar. 2015 Forecast</b>	<b>Mar. 2014</b>	<b>Changes</b>	<b>% Changes</b>
<b>Analytical &amp; Measuring Instruments</b>	<b>Net Sales</b>	<b>201.5</b>	192.6	8.9	4.6
	<b>Operating Income</b>	<b>29.2</b>	26.8	2.4	9.0
<b>Medical Systems</b>	<b>Net Sales</b>	<b>63.0</b>	59.4	3.6	6.0
	<b>Operating Income</b>	<b>2.3</b>	1.4	0.9	59.9
<b>Aircraft Equipment</b>	<b>Net Sales</b>	<b>27.0</b>	24.8	2.2	8.7
	<b>Operating Income</b>	<b>0.0</b>	-2.3	2.3	—
<b>Industrial Machinery</b>	<b>Net Sales</b>	<b>32.5</b>	31.0	1.5	5.0
	<b>Operating Income</b>	<b>2.0</b>	2.0	0.0	1.7
<b>Other</b>	<b>Net Sales</b>	<b>6.0</b>	6.9	-0.9	-12.6
	<b>Operating Income</b>	<b>1.2</b>	1.3	-0.1	-8.8
<b>Operating Income Adjustments</b>		<b>-2.7</b>	-2.0	-0.7	—
<b>Total</b>	<b>Net Sales</b>	<b>330.0</b>	314.7	15.3	4.9
	<b>Operating Income</b>	<b>32.0</b>	27.2	4.8	17.7

## Topics 1: Expansion into Healthcare and Food Fields

# Promotion of high-level technology development and provision of abundant applications and services that will contribute to people's health and safety of society

### ■ Provision of innovative products in the healthcare and food fields

✓ **Healthcare:** (Super) Early detection of cancer ⇒ testing for various markers using mass spectrometers, PET mammography system



Support of minimally invasive treatment ⇒ positioning device for cancer treatment, new image processing engine

Support for regenerative medicine research ⇒ Cell observation system, culture medium management system

✓ **Food safety:** Significantly reducing preprocessing work and time ⇒ High-speed residual agrochemical analysis system using supercritical technology



Pittcon 2015 with Editors' Gold Award

## Topics 2: Global Development of Applications

### ■ Development of advanced applications in U.S., Europe and China

- ✓ **Allying with advanced research institutions in each region and promoting development of cutting-edge applications that meet the needs unique to the region**
- ✓ **In the U.S., joint development with advanced researchers is progressing**
- ✓ **In Europe, considering establishing a development function that satisfies the needs of each country in the region**
- ✓ **In Beijing, China, planning to launch MS Center to engage in sophisticated research and development with universities and government organizations**



## Topics 3: Expansion of Aftermarket Business

### ■ Pursuit of improved customer satisfaction (offering of diverse solutions)

#### “SHIMADZU Lab Total”

Offering total service to undertake maintenance of analytical and measuring instruments for an entire facility

Also offering global management system of analytical and measuring instruments using cloud computing



#### “L rental with servicing”

Offering long-term rental service of analytical and measuring instruments with manufacturer’s warranty for the first time in the industry  
(A business tie-up with ORIX)



#### “Interactive remote maintenance”

Promotion of remote maintenance of X-ray image diagnosis systems

#### “TMP overhaul”

Promotion of service base enhancement and expansion of regular inspection





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