SHIMADZU
Excellence in Science

P010-E661

Integrated Report 2026

SHIMADZU INTEGRATED REPORT







Contributing to Society
through Science and Technology





Shimadzu Corporation

Editorial Policy

Shimadzu Integrated Report 2026 integrates financial and non-financial information based on our management vision and strategies. This report is intended to communicate the Shimadzu Group's initiatives to enhance corporate value, deepen stakeholders' understanding of and support for those initiatives, and further refine our value co-creation story and process through dialogue with stakeholders. We have also clearly delineated the respective disclosure scopes of this report and the newly issued Sustainability Report.

Reflecting feedback from stakeholders, this report has been structured with readability in mind and focuses on overarching strategic themes. In particular, the report explains the new Medium-Term Management Plan, which commenced in FY2026, together with messages from management, Shimadzu's history that underpins the plan, and the vision to which we aspire. Specific initiatives under our strategies, as well as our sustainability activities, are presented in the Sustainability Report. We believe that reading both reports together will provide a fuller understanding of the Shimadzu Group's initiatives.

We will continue to enhance both the Integrated Report and the Sustainability Report to help stakeholders gain a better understanding of the Shimadzu Group's activities. We invite you to read this report and share your candid feedback with us.

Three Key Highlights of Shimadzu Integrated Report 2026

① **Evolution of the value co-creation story and process following the formulation of Shimadzu 2035**

In June 2026, we formulated Shimadzu 2035 as the vision of the Shimadzu Group we aspire to realize by 2035, defining our aim as becoming a technology-driven end-to-end solutions partner guided by a Customer-In approach. Taking a medium- to long-term perspective on realizing Shimadzu 2035, we reviewed our value co-creation story and process.

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② **Disclosure of growth strategies under the new Medium-Term Management Plan (FY2026–FY2028)**

Under Shimadzu 2035, we have set a target of net sales of ¥1 trillion in 2035. This report presents the growth strategies of the new Medium-Term Management Plan, developed by backcasting from this vision, from both financial and business perspectives.

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③ **Strengthening governance to realize Shimadzu 2035**

To enhance the effectiveness of governance in realizing Shimadzu 2035 and achieving the new Medium-Term Management Plan, this report includes a roundtable discussion with Outside Directors.

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Publication Date	July 2026 (revised in September 2026)
Reporting Period	Financial information: April 1, 2025 through March 31, 2026 Non-financial information: As appropriate
Reporting Scope	Shimadzu Corporation and its Group companies
Disclosure Policy	This report has been prepared in accordance with the Company's Disclosure Policy, under which we strive to ensure timely disclosure of information. Please refer to our website for details.

Publications for Disclosing Financial and Non-Financial Information

Publication	Content	Financial Information	Non-Financial Information
Integrated Report	The Integrated Report integrates financial and non-financial perspectives and presents management strategies and sustainability management aimed at medium- to long-term value creation. https://www.shimadzu.com/ir/library/annual.html	●	●
Sustainability Report	The Sustainability Report provides comprehensive information on initiatives related to sustainability and materiality from environmental, social, and governance perspectives.		●
Annual Securities Report / Internal Control Report (available in Japanese only)	These reports provide comprehensive information on the Company's overview, business conditions, management policies, risk factors, financial position, and other matters. https://www.shimadzu.com/ir/library/annual_securities_report.html	●	○
Data Book	The Data Book presents financial data and key non-financial data. https://www.shimadzu.com/ir/library/fact.html	●	○
Corporate Governance Report	The Corporate Governance Report presents the Company's basic approach to corporate governance, governance structure, internal control systems, and related information. https://www.shimadzu.com/ir/governance/report.html		●

●: Primary source of information

Forward-Looking Statements

Forward-looking statements in this report, including plans, strategies, and performance forecasts, are based on information currently available and involve risks and uncertainties.

Actual results may differ materially from the Company's forecasts due to changes in economic conditions, market trends, and other factors.

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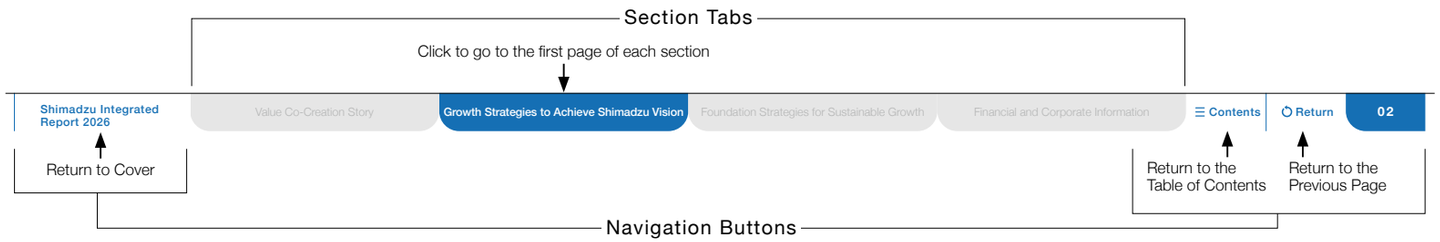
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Value Co-Creation Story

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Message from the CEO



As a technology-driven end-to-end solutions partner guided by a Customer-In approach, we will continue pursuing Planetary Health.

Representative Director, President & CEO

Yasunori Yamamoto

Message from the CEO

Pursuing Planetary Health

For 150 years, we have conducted our business under our Corporate Philosophy of “Contributing to Society through Science and Technology.”
Today, we position the Pursuit of Planetary Health—the Well-Being of Mankind and the Earth—as our medium- to long-term mission, and aim to be a company that delivers social value across four domains: Healthcare, Green, Materials, and Industry.
In the new Medium-Term Management Plan launched in FY2026, we defined our 2035 vision: to become a technology-driven end-to-end solutions partner guided by a Customer-In approach by delivering optimal products and services tailored to each customer’s needs, building on the technological capabilities we have cultivated together with our customers. Across the four domains in which we operate, we strive to understand our customers deeply and to become a partner that helps solve latent challenges—some of which customers themselves may not yet recognize—using science, technology, and services in every situation. We believe that moving closer to becoming an end-to-end solutions partner guided by a Customer-In approach will also contribute to Pursuing Planetary Health.

Continuing to Take on Challenges Without Fear of Failure

I believe the Group’s strengths are: (1) employees who remain true to our Corporate Philosophy of Contributing to Society through Science and Technology; (2) a mindset inherited from our founding of providing what customers need and responding to every customer requirement; (3) the technological and development capabilities we have built over more than 150 years to meet those needs; and (4) the trust we have earned from customers across a wide range of fields as a result.
To make the most of these strengths, it is essential that we continue taking on challenges without fear of failure. Our brand statement, “Excellence in Science,” expresses our commitment to taking on challenges and pursuing No. 1 and one-of-a-kind distinction. The next challenge we must take on is transforming our business guided by a Customer-In approach.
Over our long history, we have focused primarily on instrument development and on advancing our technological and development capabilities. As a result, we may not always have paid sufficient attention to customers’ overall workflows, including consumables and software. What customers need is not the instrument itself, but the data it generates. To generate that data, we need to think across the entire workflow, and it is important that we build our business from that perspective. We will transform our business by shifting to a mindset that looks across the entire workflow and proposes what customers need from that perspective. That is why we established the Sales & Marketing Division, the Manufacturing Division, and the Recurring Business Department within the Analytical & Measuring Instruments Division.
As the business environment changes due to factors such as geopolitical risks and the rapid evolution and adoption of AI, we expect more situations that require faster and bolder decision-making, and we intend to strengthen our ability to respond. We will also combine agility in execution with flexibility in thinking, revising decisions without hesitation when circumstances change.
Another important challenge will be determining how to incorporate AI into our businesses, products, and solutions, and how to transform the way we work.

Entering New Fields with a New Partner

In December 2025, we decided to acquire Tescan. This marks the start of a new challenge: expanding our Analytical & Measuring Instruments Business in the semiconductor market.
Tescan is a long-established company based in Brno, Czech



Republic, with outstanding technological capabilities. I visited its headquarters myself, which further strengthened my confidence in its technology.
Following completion of the acquisition, our strategy will build on the strong customer relationships we have established through our vacuum pump business for semiconductor manufacturing equipment, supported by service bases located near major semiconductor foundries. We will leverage these relationships effectively.
Tescan and the Shimadzu Group are complementary in both geographic reach and customer base. We will first combine the applications of both companies’ products and then expand sales by offering Tescan’s electron microscopes (SEM and TEM) to our customers and Shimadzu’s semiconductor-related products, including surface analysis systems, to Tescan’s customers. We will also cooperate in production and consider initiatives such as knockdown production of Tescan products at our plants to strengthen supply capabilities and price competitiveness.
Over the longer term, we will combine Tescan’s technologies with our own to develop distinctive products and create new value. By leveraging Tescan’s electron microscopes as well, we will work to

Message from the CEO

provide end-to-end solutions across the semiconductor workflow, including surface observation and analysis, manufacturing equipment, process development, failure analysis, and in-line inspection.

Improving Earning Power and Efficiency

At present, we recognize improving earning power as a major challenge, and the new Medium-Term Management Plan makes this a key management priority.

First, by leveraging customer-facing hubs such as our R&D Center in North America, we will identify true market and customer needs, rapidly translate those insights into products and services, and convert stronger customer recognition of our value into earnings growth. We will accelerate this cycle. In FY2025, we launched more than 10 new products, including LC, MS, GC, and Testing Machines in the Analytical & Measuring Instruments Business, and Mobile X-ray Systems in the Medical Systems Business. While I am pleased that we launched many new products, we have not yet reached our medium- to long-term KPI of having products launched within the past three years account for 30% of total product sales. We will continue working toward that 30% target by sustaining new product launches and selling them at appropriate prices.



Under the previous Medium-Term Management Plan, we globalized development to respond quickly to diverse customer requirements worldwide, adopted agile development processes, and also advanced development approaches that did not rely solely on in-house resources, including partnerships and collaboration with other companies in parts of the development process. We will continue these efforts.

Improving earning power also requires selectivity and focus, including reviewing underperforming products and businesses. We operate across four business segments—Analytical & Measuring Instruments, Medical Systems, Industrial Machinery, and Aircraft Equipment—and have newly classified each business segment according to investment policy based on current market growth potential and our profitability.

Within the Analytical & Measuring Instruments segment, we have designated Key Models—LC, MS, and GC—and the recurring revenue business as core businesses and will invest actively for growth. Semiconductor-related analytical and measuring instruments are positioned as a growth investment business, while other product categories are positioned as foundation businesses where we will seek maximum efficiency from necessary investment.

The Industrial Machinery segment is also positioned as a foundation business requiring disciplined investment.

The Aircraft Equipment segment is positioned as a structural enhancement business, and we will make the investments needed to maintain and enhance business value and improve profitability in line with its business characteristics.

The Medical Systems Business, by contrast, is positioned as a profitability improvement business, and we will implement measures such as exiting underperforming products and scaling back in underperforming regions to build a business capable of stably generating an operating profit margin of 10% or more.

In addition, members of the Board of Directors, both internal and external, share the view that improving capital efficiency is essential to achieving our long-term mission of realizing Planetary Health.

We regard ROE and ROIC as important indicators alongside KPIs such as net sales, operating profit, and operating profit margin, and we set targets for them under the previous Medium-Term Management Plan. Unfortunately, we were not able to translate sales growth sufficiently into profit growth or better asset efficiency, and we fell short of our targets for the period.

For ROIC, in addition to improving the metric at the Company-wide level, we have established a framework that evaluates the relationship between profitability and invested capital by business using our own internal metric. We will shift to SROIC (Shimadzu ROIC)-based management by business and product category and make decisions based on business profitability and investment efficiency.

Positioning of FY2026

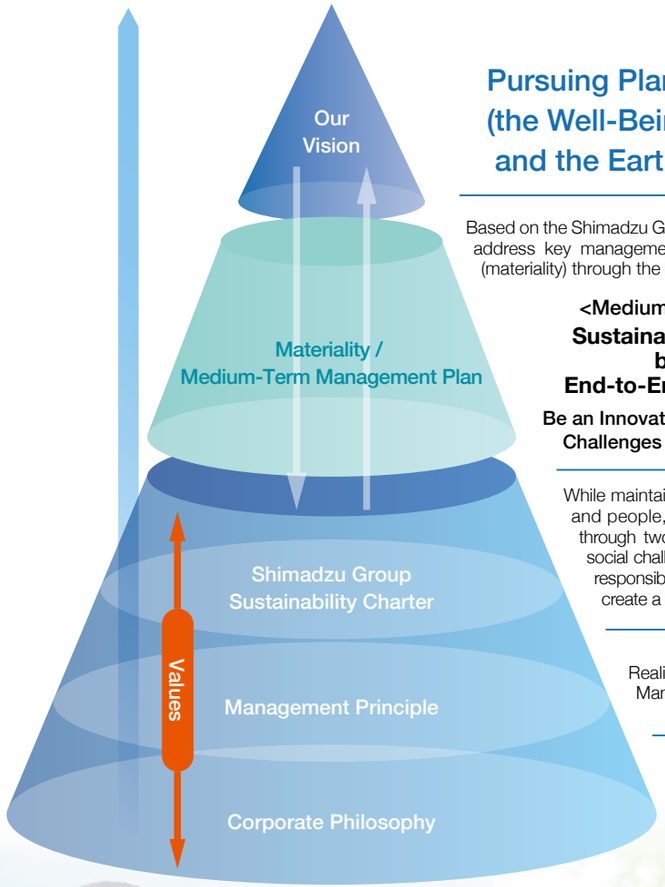
FY2026 is an important year as the starting point of the new Medium-Term Management Plan. It is the first year in which the growth investments we made for the future under the previous Medium-Term Management Plan—centered on R&D, human capital investment, and M&A—must begin to deliver results. At the same time, it is also a year in which we will continue making growth investments for the future. We will take on these challenges with ambition and passion, and turn them into results.

We have set a target of at least ¥1 trillion in net sales by 2035, and beyond that we will continue pursuing Planetary Health as we move into the next phase of growth.

We sincerely ask for your continued support and understanding.

Shimadzu's Values and DNA

Shimadzu's Values



Pursuing Planetary Health (the Well-Being of Mankind and the Earth)

Based on the Shimadzu Group Sustainability Charter, we work to address key management issues for contributing to society (materiality) through the Medium-Term Management Plan.

<Medium-Term Management Plan>
Sustainably Improve Profitability by Strengthening End-to-End Solutions Capabilities
Be an Innovative Company That Solves Social Challenges Together with Global Partners

While maintaining harmony with the planet, society, and people, we conduct our corporate activities through two complementary approaches—solving social challenges through our business and acting responsibly as a member of society—to help create a brighter future.

Realizing Our Wishes for the Well-Being of Mankind and the Earth

Contributing to Society through Science and Technology





Corporate Philosophy

Contributing to Society through Science and Technology

Management Principle

Realizing Our Wishes for the Well-Being of Mankind and the Earth

The Shimadzu Group marked the 150th anniversary of its founding on March 31, 2025. The Company's origins date back to 1875, when Genzo Shimadzu Sr. began manufacturing educational scientific instruments in Kiyamachi-Nijo, Kyoto. In 1882, he published the product catalog Science Equipment Catalog List, which listed approximately 110 types of laboratory instruments and stated at the end, "We can manufacture anything according to your wishes."
Genzo Shimadzu Jr., who inherited the founder's spirit, approached the business with the conviction that theory must be put into practice. Through numerous inventions and technological innovations, including the development of Japan's first medical X-ray system and the establishment of a manufacturing method for lead powder used in storage batteries, he drove the business forward. The customer-first mindset of the two generations of the Shimadzu family, together with their passion for science, dedication to manufacturing, and commitment to linking theory with practice, has been passed down as Shimadzu's manufacturing DNA. It forms the foundation of today's Shimadzu Group through its Corporate Philosophy of "Contributing to Society through Science and Technology," and its Management Principle of "Realizing Our Wishes for the Well-Being of Mankind and the Earth."
At the milestone of its 150th anniversary, the Shimadzu Group is returning to its founding origins and spirit while continuing to sharpen both its technology development capabilities and market deployment capabilities as it aims to become an innovative company that solves social challenges together with global partners.



Shimadzu Group Sustainability Charter

Vision

- While maintaining harmony with the planet, society, and people, we conduct our corporate activities through two complementary approaches—solving social challenges through our business and acting responsibly as a member of society—to help create a brighter future.

Basic Approach

- We aim to contribute to Human Life and Health, the Well-Being of the Earth, and Industrial Development and a Safe and Secure Society.
- As a member of the global community, we support and align with the United Nations Global Compact and work toward achieving the Sustainable Development Goals (SDGs).
- We aim to solve social challenges through the market deployment of science and technology. To achieve this, we will build the systems that support the Shimadzu Group's foundation and strengthen our development and manufacturing capabilities.
- To earn the trust of stakeholders, we disclose information on sustainability management in a timely, appropriate, and fair manner and build relationships through dialogue.



Shimadzu's Values and DNA

Shimadzu's DNA

Since its founding in 1875, the Shimadzu Group has, over the past 151 years, faced facts sincerely, sought to identify the essence of issues, and worked to solve customer and social challenges. In the process, the Shimadzu Group has refined and advanced its core technologies, expanded its business domains through their application, and built an internal system that continually generates new technological development capabilities by responding to customer needs across diverse fields. This commitment to working closely with customers' and society's needs and turning solutions into reality through science and technology has become an enduring principle embedded in the foundation of the Shimadzu Group's corporate culture.

What Has Sustained the Business for 151 Years

① Staying True to the Corporate Philosophy of "Contributing to Society through Science and Technology"

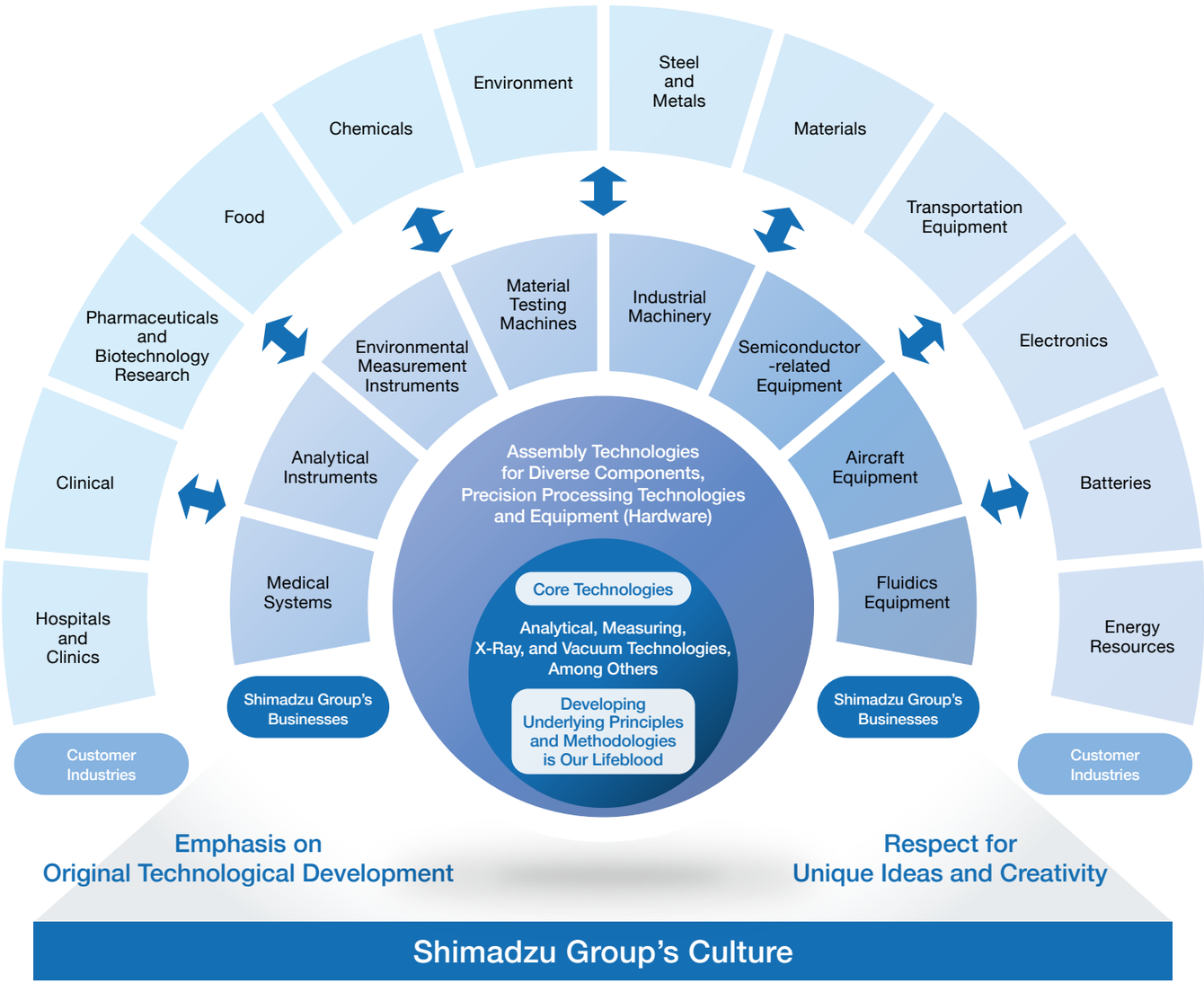
Founder Genzo Shimadzu learned from the latest Western technologies while manufacturing the scientific instruments required by the times. The founding commitment to provide what customers need lives on today in the Shimadzu Group's approach of using science and technology to respond to what society and customers require and to contribute to a prosperous, safe, and secure society.

② Responding to Every Customer Need, even in niche areas

Under a corporate culture that responds sincerely to customers' and society's needs, the Shimadzu Group has created a wide range of technologies, products, and services. To address increasingly complex social challenges on a global scale, the Shimadzu Group continuously combines the technological capabilities it has built over time with new insights gained through open innovation, a practice that has continued since its founding, to create shared value for society and the Company.

③ Pursuing Technology Development Capabilities that respond to and contribute to industrial progress

The Shimadzu Group conducts R&D on core technologies that create innovative next-generation products, develops new products that improve on existing products and technologies, and advances broadly applicable common technologies including AI, IoT, and robotics. It also responds quickly to social change and emerging challenges through the integration and advancement of technologies and know-how and works to develop new businesses and technologies needed by future society.

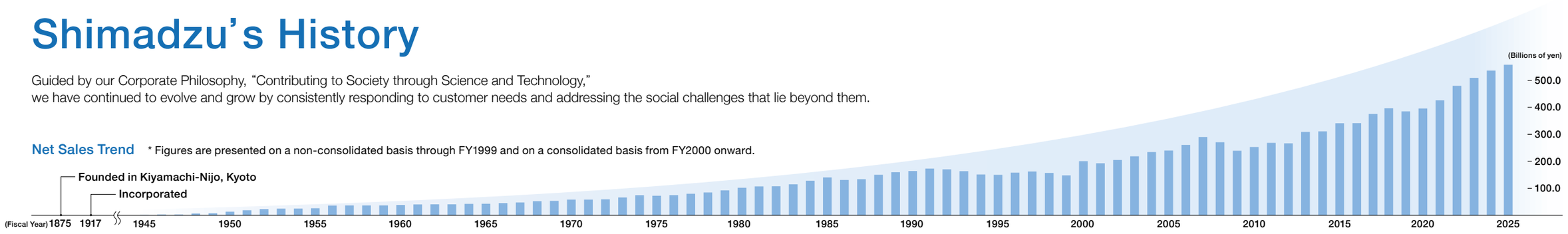


Shimadzu's History

Guided by our Corporate Philosophy, "Contributing to Society through Science and Technology,"
we have continued to evolve and grow by consistently responding to customer needs and addressing the social challenges that lie beyond them.

Net Sales Trend

* Figures are presented on a non-consolidated basis through FY1999 and on a consolidated basis from FY2000 onward.



Civilization and Enlightenment

- Introduction of modern science from overseas
- Shift to modern lifestyles

1882

Wider Adoption and Development of Scientific Instruments

Provided state-of-the-art educational instruments



1897

Need for a Stable Supply of Electricity

Began industrial production of storage batteries



1909 First in Japan

Development and Wider Adoption of Medical Equipment

Developed a medical X-ray system



Postwar Recovery

- Development and expansion of medical infrastructure
- Development of the petroleum and chemical industries

1956 First in Japan

Revitalization of the Petroleum Refining Industry

Developed a gas chromatograph



1961 World's First

Reduction of Radiation Exposure

Developed a remotely operated fluoroscopy system



Japan's Rapid Economic Growth

- Development of the automotive industry
- Development of the pharmaceutical industry driven by the expansion of the health insurance system

1978 First in Japan

Safety and Efficacy of Pharmaceuticals

Developed a modular liquid chromatograph



1967

Improvement of Automobile Safety

Manufactured the first fatigue testing machine and delivered it to an automaker



2002

Koichi Tanaka was Awarded the Nobel Prize in Chemistry

2010 First in Japan

Advances in Clinical Laboratory Medicine

Developed Japan's first domestically produced high-end liquid chromatograph mass spectrometer



Taking on Challenges in New Fields

- Promotion of science and technology that contributes to the Well-Being of Mankind and the Earth

2020

COVID-19 Pandemic

Developed a fully automated real-time PCR testing system and a reagent kit for detecting the novel coronavirus



2021 World's First

Supporting Breast Cancer Care and Dementia Research

Developed a TOF-PET system specialized for head and breast examinations



2023 World's First

Contribution to Ecosystem Conservation

Launched the MAP-100, which automates the extraction and collection processes of microplastics



2025 World's First

Toward the Practical Application of Next-Generation Time-Measurement Technology

Commercialized a strontium optical lattice clock with the potential to become part of future social infrastructure



Shimadzu at a Glance

Drawing on outstanding science and technology, the Shimadzu Group contributes to the advancement of a wide range of industries, including pharmaceuticals, healthcare, the environment, energy, semiconductors, and materials, helping to build a more prosperous society.

Net Sales by Segment

Analytical & Measuring Instruments Business

65%



High-Performance Liquid Chromatograph Mass Spectrometry System

We provide high-performance analytical and measuring instruments that support research, technological development, and quality control across a wide range of fields, including pharmaceuticals, food, and materials.

Main Products	Liquid Chromatographs / Mass Spectrometry Systems / Optical Analytical Instruments / Environmental Monitoring Systems / Testing Machines
Main Applications	Quality control in the food and pharmaceutical industries / Early disease detection and drug development / Environmental analysis, including water quality and air pollution / Strength evaluation of various materials and non-destructive inspection of industrial products
Customers	Companies in pharmaceuticals, food, materials, energy, and automotive industries; research institutions; manufacturers of industrial equipment and related products; government agencies; and universities

Industrial Machinery Business

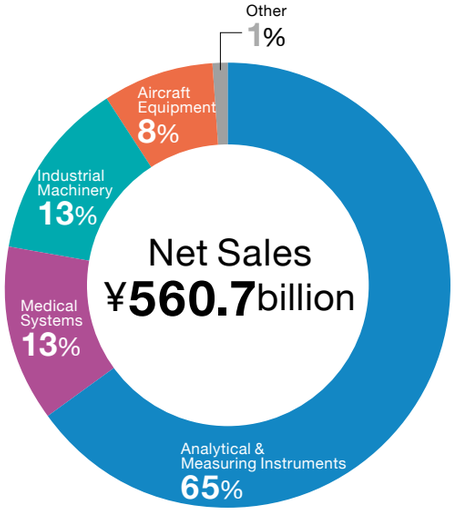
13%



Turbomolecular Pump

We support advanced manufacturing with high-performance key components and contribute to industrial development.

Main Products	Turbomolecular Pumps (TMPs) / Hydraulic Equipment / Industrial Furnaces
Main Applications	TMPs: creating the vacuum conditions required for semiconductor manufacturing processes Hydraulic Equipment: power sources for industrial vehicles and other applications
Customers	Semiconductor manufacturing equipment manufacturers, industrial vehicle manufacturers, and others



Medical Systems Business

13%



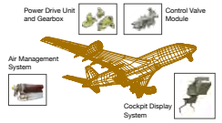
Angiography System

We provide medical systems that support accurate diagnosis and contribute to helping maintain and improve people's health.

Main Products	Angiography Systems / Fluoroscopy Systems / Radiography Systems
Main Applications	X-ray imaging for pneumonia, fractures, and other conditions Support for catheter-based treatment of cardiovascular and cerebrovascular diseases
Customers	Hospitals and Clinics

Aircraft Equipment Business

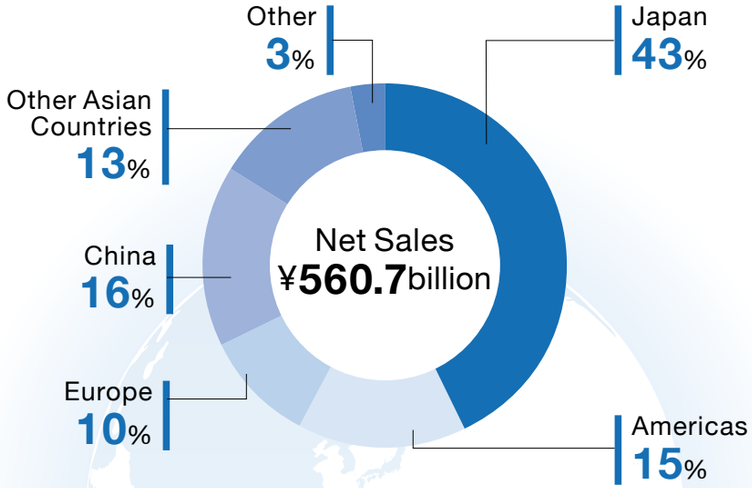
8%



We provide state-of-the-art onboard aircraft equipment that contributes to safety, comfort, and reduced workload.

Main Products	Flight Control Systems
Main Applications	Aircraft attitude control and related applications
Customers	Japan Self-Defense Forces, aircraft manufacturers, and others

Net Sales by Region



Overseas Sites

51 locations in **27** countries

Shimadzu Vision

As a technology-driven end-to-end solutions partner guided by a Customer-In approach, the Shimadzu Group will pursue Planetary Health and deliver social value across four business domains.
Under the previous Medium-Term Management Plan, we pursued customer centricity and carried out organizational transformation.
Under the new Medium-Term Management Plan, we will accelerate business transformation guided by a Customer-In approach.



Best for Our Customers with Excellence in Science

- Healthcare Domain
- Green Domain
- Four Social Value Creation Domains
- Materials Domain
- Industry Domain

Future State

Net Sales ¥1 trillion

Our Vision for 2035

A Technology-Driven End-to-End Solutions Partner Guided by a Customer-In Approach

Understanding customers better than they understand themselves and solving their challenges through technologies and services

Accelerating Results

2028

2026

Previous State

A technology-driven instrument manufacturer

Previous Medium-Term Management Plan

Organizational Transformation
toward customer centricity

New Medium-Term Management Plan

Business Transformation
toward a Customer-In approach

- Focusing on customer workflows
- Strengthening the recurring revenue business

Value Co-Creation Process

Value Co-Creation Process

Guided by its Corporate Philosophy, Management Principle, and the Shimadzu Group Sustainability Charter, the Shimadzu Group pursues Planetary Health—the Well-Being of Mankind and the Earth—by contributing to Human Life and Health, the Well-Being of the Earth, and Industrial Development as well as a Safe and Secure Society.

Management Resources

P.13

- Financial Capital
- Human Capital
- Intellectual Capital
- Manufactured Capital
- Social and Relationship Capital
- Natural Capital

Management Strategy

Materiality P.15

Contributing to Human Life and Health	Maximizing the Value We Provide Across Customers' Workflows
Contributing to the Well-Being of the Earth	Building a Robust Management Foundation by Leveraging Human Capital and AI
Contributing to Industrial Development and to a Safe and Secure Society	Enhancing the Effectiveness of Governance

Medium-Term Management Plan / Growth Strategy P.18

Expanding Core Businesses and Improving Profitability	Expanding Business in Growth Markets
Expanding Overseas Businesses	Evolving Foundation Businesses

Business Stance (Customer-In)

Solving Customers' Research Challenges ▶ Solving the Challenges Faced by Customers Addressing Social Challenges ▶ Solving Social Challenges

Creating Products = Accumulated Technology Development Capabilities ▶ Scaling Products = Market Deployment Capabilities

Values P.07

Corporate Philosophy
Contributing to Society through Science and Technology

Management Principle
Realizing Our Wishes for the Well-Being of Mankind and the Earth

Shimadzu Group Sustainability Charter

Supporting **Customers' Innovation** through product sales (Product-Sales Revenue)

×

Stabilizing and Improving the Efficiency of Customers' Businesses through recurring and other service offerings (Recurring Revenue)

Our Vision

Pursuing Planetary Health P.07

(the Well-Being of Mankind and the Earth)

Social Value Creation

- **Healthcare Domain** (Analytical & Measuring Instruments Business, Medical Systems Business) — Contributing to Human Life and Health
- **Green Domain** (Analytical & Measuring Instruments Business, Industrial Machinery Business)
- **Materials Domain** (Analytical & Measuring Instruments Business, Industrial Machinery Business) — Contributing to the Well-Being of the Earth
- **Industry Domain** (Analytical & Measuring Instruments Business, Industrial Machinery Business, Aircraft Equipment Business) — Contributing to Industrial Development and to a Safe and Secure Society

Value Co-Creation Process

Shimadzu's Management Resources

By leveraging six forms of capital that have grown over time, the Shimadzu Group aims to contribute to a sustainable society while advancing its business.

	Financial Capital	Human Capital	Intellectual Capital
Policy / Vision	**We will pursue an optimal capital structure by strengthening cash flow generation while making effective use of external financing, and we will continue to invest for sustainable growth.**	**We will translate each employee's growth and willingness to take on challenges into value creation for the Shimadzu Group. We will also advance human capital management suited to the AIX era to maximize the value of our people and support the Group's sustainable growth.**	**We will create and secure intellectual property that addresses customer challenges and the underlying social issues, supporting both solutions to social challenges and sustainable business growth.**
Core Strengths	• Stable operating cash flow generation supports balanced capital allocation across investments, shareholder returns, and financial management. • A global cash management system (CMS) centralizes funds and supports highly efficient use of funds. • Disciplined investment decisions based on capital cost considerations continue to improve capital efficiency.	• Employees identify with the Company's Corporate Philosophy and Management Principle, and take on challenges autonomously and put them into practice. • The Shimadzu Group has a large number of highly specialized professionals, including employees with doctoral degrees, who bring advanced expertise and skills to solving customer challenges across a broad customer base. • An inclusive workplace where employees can thrive regardless of nationality, gender, or experience, together with flexible work arrangements tailored to individual circumstances, including productivity improvement, childcare, and caregiving, supports high retention.	• A broad base of elemental technologies, design know-how, and application databases across multiple fields—protected by numerous patents and accumulated know-how—strengthens our ability to solve customer challenges. • Brand strength built on trust in technology and quality. • The ability to formulate and execute IP strategy through active use of IP landscape analysis and generative AI. • A framework for creating and securing core patents, recognized by the 2024 National Commendation for Invention and the 2021 Commissioner of the Japan Patent Office Award for Intellectual Property Achievement.
Strategies and Initiatives for Expanding Management Resources Under the Medium-Term Management Plan	• Alongside R&D and capital expenditures, we will pursue M&A in growth areas to drive inorganic growth, while maintaining discipline on investment returns. • We will strengthen shareholder returns under a policy of a dividend payout ratio of at least 30% and progressive dividends, while balancing business growth and financial discipline.	• We will enhance talent acquisition and development in line with business strategy. • We will strengthen organizational capabilities with engagement as the starting point. • We will further enhance health and productivity management and occupational health and safety management. • We will strengthen glocal talent management and HR governance.	• We will work with external research and business partners to create businesses that leverage diversity of values and perspectives. • We will formulate and execute IP strategy using generative AI and IP landscape analysis. • We will expand the use of IP landscape analysis to broaden existing businesses and accelerate the market deployment of new businesses.
FY2025 Inputs	• Shareholders' equity: **¥488.1 billion** • Operating cash flow: **¥54.7 billion** • Free cash flow: **¥38.8 billion**	• Number of consolidated employees: **14,649**	• Key R&D sites: **4** in Japan and **17** overseas • R&D investment (FY2025): **¥29.1 billion**
FY2025 Outcomes	• Net sales: **¥560.7 billion** (+4% year on year) • Operating profit: **¥73.7 billion** (+3% year on year) • Operating profit margin: **13.1%** (-0.2 percentage points year on year) • Dividend payout ratio: **33.0%** • ROE: **11.4%** (+0.5 percentage points year on year) • ROIC: **9.6%** (-0.4 percentage points year on year) • Dividend increased for the **12th consecutive year**	• Average years of service: **18.5 years** (vs. an average of 12.5 years at other companies) • Number of voluntary resignations: **35** (turnover rate: 0.9%, non-consolidated) • Participants in the executive leadership candidate development program: **148** (non-consolidated) • Number of highly specialized professionals: **594** • Employees completing business leader development training: **1,000** (non-consolidated) • Women in managerial positions: **13.3%** (consolidated) • Employee engagement survey: **66%** positive response rate (non-consolidated)	• Patent portfolio: increased by **276 patents** in FY2025, bringing total patents held to 8,830 • Number of business models developed using IP landscape analysis: **5**

Value Co-Creation Process

Shimadzu's Management Resources

	Manufactured Capital	Social and Relationship Capital	Natural Capital
Policy / Vision	**We will build a flexible manufacturing structure that can respond quickly to changes in the external environment and global challenges, supporting both solutions to social challenges and sustainable business growth.**	**As a technology-driven end-to-end solutions partner guided by a Customer-In approach, we aim to become an innovative company that works with partners around the world to solve social challenges in the Pursuit of Planetary Health.**	**Through science and technology, we aim to contribute to carbon neutrality, a circular economy, and nature positivity, balancing solutions to environmental challenges with business activity to support the transition to a sustainable society and continued business development.**
Core Strengths	• The Shimadzu Group has in-house processing and assembly technologies for manufacturing critical components at the core of its instruments, as well as manufacturing technologies for optical components and sensors that are essential to delivering customer solutions. • The Shimadzu Group's manufacturing organization supports a highly diverse product portfolio, regardless of size or production volume, ranging from large-scale instruments to reagents and from custom-built equipment to mass-produced products. • A global manufacturing footprint across five regions—Japan, China, North America, Asia, and Europe—supports stable product supply and enables the Shimadzu Group to respond to rising demand by region and product category.	• Guided by its Corporate Philosophy of "Contributing to Society through Science and Technology," the Shimadzu Group has grown by addressing customer and social challenges and expanding into new technologies and fields in step with industrial development. • With analytical and measuring technologies at its core, the Shimadzu Group holds a strong position as a global leader in growth sectors including healthcare, semiconductors, and aviation. • The Analytical & Measuring Instruments business is essential to addressing social challenges across industries, including extending healthy life expectancy and responding to environmental regulation, and is highly compatible with contributing to ESG through our core business.	• The Shimadzu Group provides analytical and measuring technologies that help solve challenges in areas such as the environment and energy, supporting customers' decarbonization, resource circulation, and biodiversity initiatives. • The Shimadzu Group has accumulated technologies and know-how to reduce environmental impact across the full product lifecycle, including manufacturing, use, and disposal, such as energy-saving and miniaturization technologies. • The Group endorses and participates in international environmental initiatives including TCFD, SBT, RE100, and TNFD, and is actively advancing climate action, the transition to a circular economy, and biodiversity conservation.
Strategies and Initiatives for Expanding Management Resources Under the Medium-Term Management Plan	Improving Responsiveness to Changes in the Operating Environment • Optimize production locations, diversify critical processes, and enable rapid production adjustments globally. Accelerating Market Deployment • Improve the design phase, prototype verification processes, and production-preparation phase. Advancing Manufacturing Quality, Cost, and Delivery (QCD) Performance, Efficiency, and Sustainability through Manufacturing DX • Build quality into products with the goal of zero defects reaching customers, achieve competitive manufacturing costs, and shorten supply lead times by strengthening supply chain management (SCM) capabilities.	• Accelerate business transformation guided by a Customer-In approach and strengthen our ability to provide end-to-end solutions that support customers' workflows. In particular, we will maximize the value we provide to customers in the Analytical & Measuring Instruments business by enhancing service quality, expanding maintenance contract revenue, and broadening the consumables lineup. • In North America, we will use the R&D Center as a hub to deepen relationships with key customers, expand research and business development partnerships, and advance collaborative R&D with academia, enabling agile product development and delivery based on customer needs. • In India, we will expand sales channels to increase customer coverage and strengthen local manufacturing through a new plant scheduled for completion in 2027, further deepening customer relationships.	• We have designated carbon neutrality and the circular economy as priority business areas and will provide end-to-end analytical and measuring solutions that help address these challenges. • We will reduce CO_2 emissions from business activities by lowering energy consumption and increasing the use of electricity from renewable sources. • We will develop products in line with product design guidelines and work with suppliers to reduce environmental impact across the product lifecycle. • We will advance circular design and expand refurbished-product and reuse businesses.
FY2025 Inputs	• Key manufacturing sites: **6** in Japan and **8** overseas • Capital expenditures (FY2025): **¥22.1 billion**	• Key sales and service bases: **14** in Japan and **81** overseas • Joint research promoted with customers, universities, and other partners	• Energy consumption: **969,382 GJ** * GJ: gigajoule, a unit of energy
FY2025 Outcomes	• High-quality products • Progress in cost reduction initiatives (as reflected in gross profit margin trends) • Strengthening overseas operating foundations • Established a Manufacturing Division structure capable of supporting all businesses and responding to demand fluctuations. • Production capacity across all manufacturing sites as of the end of FY2025 increased: **26%** versus FY2020.	• Contributed to solving social challenges through close customer engagement. • Advanced open innovation. • Overseas sales ratio: **56.7%** (**+0.3** percentage points year on year) • Sales growth in four overseas regions (yen basis) North America: FY2025 sales of **¥70.1 billion**, **up 4%** year on year Europe: FY2025 sales of **¥54.8 billion**, **up 11%** year on year China: FY2025 sales of **¥91.7 billion**, **flat** year on year Other Asian Countries: FY2025 sales of **¥71.5 billion**, **up 10%** year on year	• Energy-related CO_2 emissions: **8,771 t-CO_2** Down **82.2%** from the FY2017 baseline • Contribution to CO_2 emissions reductions: **12,166 t-CO_2** • CO_2 emissions from the use of products sold by the Group: down **9.4%** versus FY2020. • Waste recycling rate: **99.78%**

Value Co-Creation Process

Materiality

Guided by its Corporate Philosophy and Management Principle, the Company has established the Shimadzu Group Sustainability Charter and has advanced sustainability management.
While maintaining harmony with the planet, society, and people, we conduct our corporate activities through two complementary approaches—solving social challenges through our business and acting responsibly as a member of society—to help create a brighter future.
By addressing these material issues, we aim to achieve both solutions to social challenges and business growth, while pursuing Planetary Health (the Well-Being of Mankind and the Earth).

Shimadzu Group's Materiality

To achieve both sustainable growth and solutions to social challenges, the Shimadzu Group has identified materiality, or the priority issues it should address.
We reviewed our materiality in 2026 in conjunction with the formulation of the Medium-Term Management Plan.

Solving Social Challenges Through Business

1 Contributing to Human Life and Health

Key Risks Declining competitiveness due to delays in responding to regulatory changes in the medical and healthcare markets and stagnation in innovative technology development.

Key Opportunities Growing demand in the life sciences and clinical markets driven by global aging and advances in personalized medicine.

2 Contributing to the Well-Being of the Earth

Key Risks Supply chain disruption risks caused by climate change and extreme weather, and higher operating costs resulting from tighter environmental regulations and the introduction of carbon costs.

Key Opportunities Growing demand for environmental measurement instruments, GX (Green Transformation)-related products, and environmentally conscious products as society transitions toward decarbonization and a circular economy.

3 Contributing to Industrial Development and a Safe and Secure Society

Key Risks Rapid market fluctuations in key markets such as semiconductors and mobility, and risks of supply chain disruption.

Key Opportunities Growing demand for high-performance measuring and inspection instruments and critical components driven by the advancement and automation of industrial infrastructure.

4 Maximizing the Value We Provide Across Customers' Workflows

Key Risks Loss of customers due to delays in responding to changing customer needs, such as automation and labor-saving, and unstable earnings resulting from reliance on a one-off instrument sales model.

Key Opportunities Strengthening continuous customer touchpoints and establishing a stable earnings base through the expansion of recurring revenue businesses beyond product sales, including consumables and maintenance services.

Acting Responsibly as a Member of Society

5 Building a Robust Management Foundation by Leveraging Human Capital and AI

Key Risks Stagnation in technological innovation due to intensifying competition for and outflow of highly specialized professionals and leadership talent, lower productivity resulting from delays in leveraging digital technologies such as AI, and supply chain disruptions.

Key Opportunities Improved employee engagement and expanded opportunities for innovation through collaboration with partners, promotion of DEIB (Diversity, Equity, Inclusion, and Belonging), and proactive use of AI.

6 Enhancing the Effectiveness of Governance

Key Risks Compliance violations, information security incidents, human rights violations, and damage to reputation and trust.

Key Opportunities Earning strong trust from diverse stakeholders, including investors and customers, through a highly transparent management framework.

Growth Strategies to Achieve Shimadzu Vision

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Review of the Past Four Medium-Term Management Plans

We formulate a Medium-Term Management Plan every three years. By sharing our medium- to long-term business strategies with stakeholders, we aim to achieve sustainable growth and enhance corporate value.

FY2014–FY2016

Become an Innovative Company Contributing to the Growth of Customers Globally

	FY2016 Target	FY2016 Results
Net sales:	¥350.0 billion	¥342.5 billion
Operating profit:	¥35.0 billion	¥37.1 billion
Operating profit margin:	10.0%	10.8%
Overseas sales ratio:	50% or more	49%

Main Initiatives

- ○Promoted joint development with external organizations, including the establishment of Innovation Centers.
- ○Expanded the product lineup and focused on growth areas such as pharmaceuticals and food safety.
- ○Strengthened overseas manufacturing sites, including the establishment of the Malaysia plant.

FY2017–FY2019

Become a Company That Solves Challenges in Society in Collaboration with Partners All Around the World

	FY2019 Target	FY2019 Results
Net sales:	¥400.0 billion or more	¥385.4 billion
Operating profit:	¥45.0 billion or more	¥41.8 billion
Operating profit margin:	11.0% or more	10.9%
Overseas sales ratio:	50% or more	49.0%
ROE:	10% or more	10.8%

Main Initiatives

- ○Strengthened collaboration to address social challenges through open innovation.
- ○Strengthened responsiveness to local needs through Innovation Centers at four overseas sites.
- ○Strengthened the R&D foundation, primarily in Japan, including the Healthcare R&D Center.

FY2020–FY2022

Become a Company That Solves Challenges in Society in Collaboration with Partners All Around the World —Creating and Implementing Systems for Solving Challenges in Society—

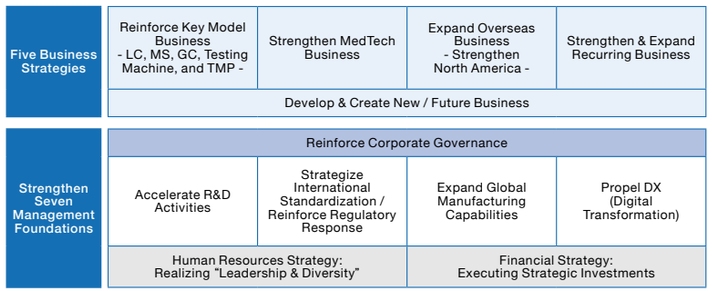
	FY2022 Target	FY2022 Results
Net sales:	¥455.0 billion	¥482.2 billion
Operating profit:	¥68.0 billion	¥68.2 billion
Operating profit margin:	14.9%	14.1%
ROE:	10% or more	12.9%

Main Initiatives

- ○Rapidly brought fully automated PCR testing systems, COVID-19 detection reagents, and other products to market.
- ○Sales of liquid chromatographs grew, supported by factors including rising demand for domestic pharmaceutical production.
- ○Completed the acquisition of Nissui Pharmaceutical Co., Ltd.

FY2023–2025: Become an Innovative Company That Solves Social Issues Together with Partners Around the World —Achieve Sustainable Growth by Technology Development & Social Implementation—

Basic Policy



	FY2025 Target	FY2025 Results
Net sales:	¥550.0 billion	¥560.7 billion
Operating profit:	¥80.0 billion	¥73.7 billion
Operating profit margin:	14.5%	13.1%
ROE:	12.5% or more	11.4%
ROIC:	11.0% or more	9.6%

Achievements and Challenges

Business Performance

- ○Net sales reached a record high, but profitability declined.

Business Strategy

- ○In the MedTech business, the launch of the clinical specimen testing business leveraging analytical and measuring instruments was delayed.
- ○In overseas business, business in North America and India expanded, but recovery in the Chinese market was delayed.
- ○In the recurring revenue business, net sales expanded, but broadening the product and service lineup remained a challenge.
- ○Began expanding analytical and measuring instruments into the semiconductor market.
- ○Acquired Zef Scientific, Inc. and California X-ray Imaging Services, Inc. to strengthen the business.

Organizational Transformation

- ○Development: Promoted joint development with customers through the R&D Center in North America.
- ○Manufacturing: Established a global manufacturing structure that oversees production across all businesses and responds flexibly to demand fluctuations (expanded the China plant and prepared for the India plant.)
- ○Sales: Established the Sales Headquarters and shifted from a structure organized by division and product to one organized by domain.

Themes to Be Carried Forward into the Next Medium-Term Management Plan

Improving Profitability

- ○Growth and earnings expansion for chromatography and mass spectrometry systems in the life sciences market.
- ○Expansion of the recurring revenue ratio.
- ○Expansion of businesses in the Green and Materials domains.
- ○Recovery of profitability in the Medical Systems and Industrial Machinery (hydraulic equipment) businesses.

Business Expansion in Growth Markets

- ○Expansion of the Analytical & Measuring Instruments business into the semiconductor market.
- ○Business expansion in the clinical market.
- ○Further expansion of businesses in North America and India.

Continuing Transformation into an End-to-End Solutions Provider

- ○Strengthening the development capabilities of the R&D Center in North America.
- ○Enhancing and accelerating the value creation cycle across technology, sales, and manufacturing through the use of AI.

Overview of the New Medium-Term Management Plan (FY2026–FY2028)

In the previous Medium-Term Management Plan (FY2023–FY2025), under the slogan "Be an Innovative Company that solves social issues together with global partners," the Company pursued its business growth with targets including net sales of ¥550.0 billion and an operating profit margin of 14.5%. As a result, net sales reached ¥560.7 billion, achieving the target, while the operating profit margin was 13.1%. The Company did not generate sufficient earnings to fully absorb investments for the next phase of growth, leaving improved profitability as a key challenge.
Accordingly, in the new Medium-Term Management Plan beginning in FY2026, the Company has identified strengthening earning power as its top management priority and adopted "Sustainably improving earning power by strengthening our ability to provide end-to-end solutions" as its basic policy.



* The FY2028 figures presented in this report are based on the assumption that the acquisition of Tescan will be completed and are therefore subject to change depending on future circumstances.
* Operating profit for FY2028 is presented on an IFRS basis.

Improving Earning Power

Under the new Medium-Term Management Plan, the Company will strengthen earning power to continuously enhance the value we provide to customers and transform into a stronger and more sustainable business structure. The Company aims to raise its operating profit margin by 1.6 percentage points over three years to 14.7%. By segment, the target is to increase the operating profit margin of the Analytical & Measuring Instruments Business by 3.1 percentage points to 17.5% and that of the Medical Systems Business by 3.4 percentage points to 10.0%.
To achieve this, the Company will focus on four initiatives: improving the sales mix, optimizing pricing, improving the profitability of underperforming products and businesses, and reducing costs.

1. Improve sales mix by expanding high-value new products and end-to-end solutions centered on chromatographs, mass spectrometers, and the recurring revenue business, thereby increasing the share of higher-margin products and businesses.

2. Optimize pricing by setting prices for high-value new products in line with the value they provide and by adjusting pricing across the product portfolio to reflect inflation and rising procurement costs.

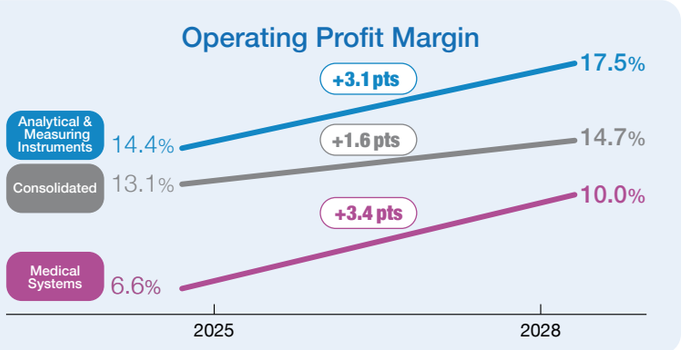
3. Improve the profitability of underperforming products and businesses by identifying businesses to exit and regions to reassess, particularly in the Medical Systems segment, and advancing profitability improvement across all business divisions.

4. Reduce costs by lowering manufacturing costs through globally optimized sourcing and production, led by the Manufacturing Division. In addition, the Company will roll out to other sites the cost-reduction methods developed through long-running small-group improvement activities (DIO activities) at individual plants, as well as automation initiatives including the use of robots.

Overview of the New Medium-Term Management Plan (FY2026–FY2028)

The Company will also accelerate the use of AI across the Company and work to control SG&A expenses. In FY2025, the use of AI already reduced labor hours by tens of thousands. The Company will extend these efforts across the organization to further reduce SG&A expenses.

Improve Sales Mix	• Expanding the value provided to customers through a strategy centered on high-value new products • Expanding the recurring revenue ratio
Optimize Pricing	• Pricing based on customer value • Appropriate pass-through of higher input costs in pricing
Optimize Underperforming Products and Improve the Profitability of Businesses	• Improving earning power in Medical Systems • Rationalizing underperforming products
Reduce Costs	• Lowering manufacturing costs and curbing cost increases • Controlling SG&A expenses



Expanding the Value Provided to Customers

The most important factor in achieving growth is maximizing the value delivered to customers. Based on this approach, the Company will support customers in obtaining the data they need by providing end-to-end solutions that include not only products, but also consumables, services, and data management systems.

The four priority areas are outlined below:

1. In its core businesses, the Company will focus on priority product categories—chromatographs, mass spectrometers, and the recurring revenue business—and expand around high-value new products. In particular, it will expand in the life sciences and clinical markets, including pharmaceuticals and food. In the life sciences market, it will take a multi-faceted approach to workflow transformation, while in the clinical market it will offer integrated proposals covering reagents, culture media, and services.

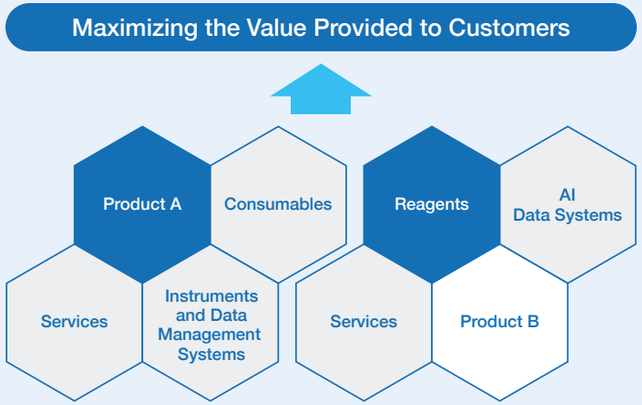
2. In overseas businesses, the Company will focus on North America and India. In North America, it will steadily expand business opportunities through co-creation with customers engaged in cutting-edge research. In India, where customer needs are diversifying as the market expands, it will capture growth by serving a broad range of demand.

3. The semiconductor market is the key growth market. To date, the Company has supported semiconductor customers through vacuum technologies, including turbomolecular pumps. Going forward, it will add analytical and measuring technologies and provide end-to-end solutions under the Analytical Intelligence concept. It also plans to create synergies with Tescan, which it intends to acquire, and deliver the solutions customers need.

4. The Company will also continue to evolve its foundation businesses across other product groups. In particular, it will capture demand related to carbon neutrality, expand business by leveraging standardization and regulatory compliance, and translate this into stable profit generation.

As a foundation supporting these growth initiatives, the Company will strengthen AIX (AI Transformation). By embedding AI in management, the Company will strengthen sustainable earning power and evolve into a more sustainable and resilient business structure, while also building a flexible organization through the development of AI-literate talent and a Group-wide data infrastructure. (For more details, please refer to p.30.)

*Analytical Intelligence:
A new concept for analytical instruments proposed by Shimadzu Corporation. Systems and software operate much like skilled technicians, automatically assess conditions and results, provide feedback to users, and resolve issues. It also helps bridge differences in users' knowledge and experience with analytical instruments and ensures data reliability.



Expand Core Businesses	• Provide end-to-end solutions centered on high-value new products • Take a multifaceted approach to workflow transformation in the life sciences market • Offer integrated proposals in the clinical market covering reagents, culture media, products, and services
Expand Overseas Businesses	• North America: expand business opportunities on a sustained basis through co-creation with leading-edge customers • India: drive business growth by meeting the broadening needs of a growing market
Expand Business in Growth Markets	• In semiconductors, provide end-to-end solutions through Analytical Intelligence, built on vacuum and analytical and measuring technologies • Create synergies with Tescan and deploy a Customer-In strategy
Evolve Foundation Businesses	• Contribute to innovation in the Green and Materials domains through analytical technologies in support of carbon neutrality • Expand business by leveraging international standardization and regulatory response
Strengthen AIX	• Integrate management data with design and manufacturing data to transform the Shimadzu Group for the AI era • Combine integrated data with employees' tacit knowledge to establish a corporate data core

Financial Strategy

Message from the CFO



Managing Executive Officer
CFO (Chief Financial Officer)
Komei Arakane

Career Summary

Apr. 1998 Joined the Company
Apr. 2002 Administration Department,
Analytical & Measuring Instruments Division
Oct. 2005 Seconded to Kratos Group PLC (United Kingdom)
Oct. 2013 Manager, Finance Department
Apr. 2018 Manager, Planning Group,
Finance and Accounting Department
Apr. 2021 Deputy General Manager,
Finance and Accounting Department
Oct. 2021 General Manager,
Finance and Accounting Department
Apr. 2023 Corporate Officer, General Manager,
Finance and Accounting Department
Apr. 2025 Managing Executive Officer,
CFO (present)

Enhancing Management Quality from the Financial Perspective as CFO

Since its founding, Shimadzu has pursued its mission of delivering new value to society through science and technology. Even as times change and society's expectations and challenges evolve, our commitment to confronting the essence of those issues and solving them through technology remains unchanged. As CFO, I believe my responsibility is to support sustainable value creation from a financial perspective, so that we can carry these principles and strengths forward to the next generation.

The business environment surrounding the Shimadzu Group is becoming increasingly uncertain due to rising geopolitical risks, fluctuations in foreign exchange rates and interest rates, and accelerating technological innovation. At the same time, as social challenges in areas such as life sciences, the environment, and safety become more acute, growth opportunities for the Shimadzu Group's technologies and solutions to demonstrate their full value are steadily expanding. In this environment, our financial strategy must support growth investment while maintaining both capital efficiency and financial discipline. As CFO, I will contribute to the sustainable enhancement of corporate value in line with stakeholder expectations by enhancing management quality from a financial perspective by maximizing cash generation, business portfolio management centered on ROIC, strategy-driven capital allocation, and shareholder returns linked to earnings growth.

Review of the Previous Medium-Term Management Plan

Under the previous Medium-Term Management Plan, we aimed to achieve both growth and profitability under the basic policy of "Becoming an Innovative Company That Solves Social Issues with Global Partners" by strengthening both technology development and social implementation capabilities to achieve sustainable growth. In terms of performance, consolidated net sales in FY2025 were ¥560.7 billion. We achieved the level envisioned in the plan and posted record-high net sales for the sixth consecutive year, supported by overseas demand, stronger product competitiveness in core businesses, and expansion of the recurring revenue business.

Operating profit was ¥73.7 billion, and the operating profit margin was 13.1%, falling short of the levels set in the plan. ROE was 11.4% and ROIC was 9.6%. Although both exceeded the cost of capital of 6%-7%, we recognize it as a significant challenge that net sales growth did not translate sufficiently into improved capital efficiency and earnings growth. This reflected increased growth investments for the future, mainly in R&D and human capital, as well as weak market conditions in China and higher costs due to tariffs and inflation. These factors highlighted the need to make our earnings structure more resilient to changes in the external environment.

During the previous Medium-Term Management Plan, we worked to shift toward ROIC-based management. We visualized the relationship between invested capital and profitability by business, and established a framework for evaluating businesses from the perspective of medium- to long-term capital efficiency, rather than focusing only on single-year profit and loss. We also used ROIC as a common language in discussions on investment projects and the business portfolio, encouraging decision-making that takes into account business profitability and investment efficiency. Although there is still room for improvement, we believe the foundation for ROIC-based management is steadily being established.

We also pursued the planned acquisition of Tescan as a strategic initiative to expand the value we provide in the Analytical & Measuring Instruments Business. In entering the high-growth field of electron microscopy, we made the decision after comprehensively assessing its complementarity with the Shimadzu Group's existing businesses, future growth potential and profitability, and the impact on capital efficiency. As CFO, I was involved in the management decision while maintaining financial discipline, with a focus on the appropriateness of the acquisition price, the likelihood of investment recovery, synergy creation through post-merger integration, and the medium- to long-term enhancement of corporate value.

Based on the achievements and challenges identified under the previous Medium-Term Management Plan, the new Medium-Term Management Plan will focus not only on increasing the scale of growth but also on improving its quality, with the aim of achieving sustainable growth that balances profitability and capital efficiency.

Financial Strategy Under the New Medium-Term Management Plan

As a customer-centric end-to-end solutions partner grounded in technology, the Shimadzu Group will continue to pursue Planetary Health and is targeting net sales of ¥1 trillion under Shimadzu 2035, our vision for 2035. To realize this vision, the basic policy of the financial strategy under the new Medium-Term Management Plan is to maximize corporate value by achieving both sustained expansion of earning power and higher capital efficiency.

In terms of profitability, we aim to achieve net sales of ¥680.0 billion, operating profit of ¥100.0 billion, and an operating profit margin of approximately 15% in FY2028 by concentrating investment in high-value-added areas, primarily in core businesses, improving the product mix, optimizing pricing, and increasing productivity through the use of AI and DX. We have also set targets of EBITDA of ¥135.0 billion and an EBITDA margin of 20%, and will strengthen cash generation.

From the perspective of capital efficiency, we will rigorously manage working capital, including inventories and trade receivables, and improve invested capital turnover. Through these initiatives, we aim to consistently secure ROE of at least 11.5% and ROIC of at least 10% in FY2028. For investment projects, we will make decisions after clarifying not only strategic significance but also the certainty and timeline of investment recovery. We will continue to evaluate outcomes with an awareness of the cost of capital to improve capital efficiency.

We have also expanded the global use of our cash management system (CMS) and established a framework under which approximately 80% of Group funds are managed through the CMS, including funds in Japan, the United States, Europe, Asia, and China. Going forward, we will further centralize funds at headquarters to enhance visibility over Group funds and enable agile capital allocation, increasing our ability to respond quickly to growth investments and M&A opportunities, and further improving capital efficiency.

We will also adopt IFRS from the final year of the new Medium-Term

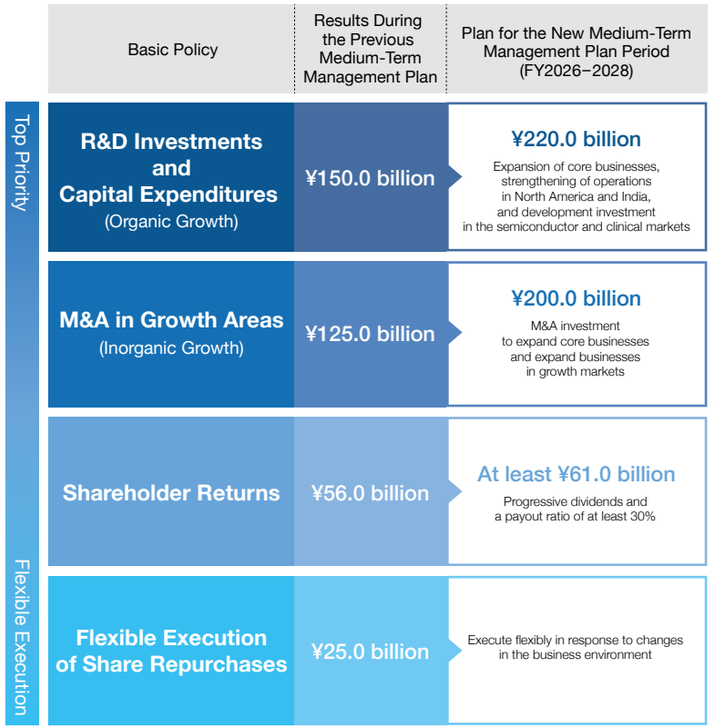
Financial Strategy

Message from the CFO

Management Plan. The purpose is to gain a more accurate understanding of business conditions and capital efficiency and apply that understanding to management practices. We view IFRS adoption not simply as a change in accounting standards, but as an opportunity to evolve management practices themselves. By using management indicators centered on EBITDA and ROIC, we will visualize the relationship between investment and outcomes, and improve management transparency and the quality of decision-making.
Backed by a strong financial foundation and robust cash generation, the Shimadzu Group will maintain financial resilience in the face of changes in the external environment, execute sustained growth investments, and pursue the medium- to long-term enhancement of corporate value.

Capital Allocation

Under the new Medium-Term Management Plan, the Shimadzu Group will pursue a capital allocation policy that prioritizes growth investment while balancing shareholder returns and financial soundness, based on stable cash generation and a sound financial foundation. Under the previous Medium-Term Management Plan, we achieved net sales growth, but returns on invested capital did not improve sufficiently. Under the new Medium-Term Management Plan, we will allocate resources with a stronger focus on capital efficiency.
For growth investment, we plan approximately ¥220.0 billion in R&D investments, capital expenditures, and strategic investments over three years, primarily to expand core businesses, strengthen business foundations mainly in North America and India, and invest in growth fields such as semiconductor and clinical markets.
In addition, we regard M&A as a key growth lever and have earmarked approximately ¥200.0 billion to M&A aimed at growth fields and enhancing the quality of the business portfolio. By combining organic and inorganic growth, we will pursue sustainable growth and the evolution of our business structure.
In investment decisions, our basic criteria are strategic significance and the ability to generate returns exceeding the cost of capital, or WACC, over the medium- to long term. After investment execution, we will evaluate results based on ROIC and maintain disciplined capital allocation.
For financing growth investments, including M&A, we will consider the optimal capital structure, including the use of interest-bearing debt, based on our strong financial foundation with an equity ratio of more than 70%. Rather than relying excessively on equity, we will make appropriate use of financial leverage after comprehensively considering the cash generation of the businesses in which we invest, the prospects for recovering the investment, and the impact of financial leverage on capital efficiency and financial resilience, with the aim of maximizing corporate value.
Our basic policy is to allocate cash generated by the business first to growth investment, and then to shareholder returns. For shareholder returns, since FY2023 we have maintained a policy of sustaining a payout ratio of at least 30% and providing sustained shareholder returns, while comprehensively considering earnings and cash flows. We will continue this policy under the new Medium-Term Management Plan. We plan cumulative shareholder returns of at least ¥61.0 billion over the three years and will provide stable returns centered on progressive dividends.
We will also conduct share repurchases flexibly, taking into account capital efficiency, market conditions, share price levels, and other factors. However, share repurchases will be considered in light of their priority relative to growth investment, and only when they contribute to the effective use of financial flexibility or improved capital efficiency.
The Shimadzu Group will pursue the optimal balance among growth investment, financial soundness, and shareholder returns, and regards improving total shareholder return (TSR) through stable returns via dividends and share price appreciation as an important management priority.



To Shareholders and Investors

Uncertainty in the business environment is increasing further due to persistent inflation, greater foreign exchange volatility, technological advances, and prolonged geopolitical risks. In this environment, companies must be able to respond to short-term fluctuations while making strategic decisions with a view to medium- to long-term growth.
As CFO, I believe my role is to balance disciplined capital allocation with effective risk management, while keeping multiple future scenarios in view, in order to maximize the results of our business activities.
The Shimadzu Group has built a strong financial foundation and has managed its finances with an emphasis on stability and discipline. Under the new Medium-Term Management Plan, we will leverage that foundation to actively pursue strategic investments in growth fields and strengthen our business foundation. Through these initiatives, I am confident that we will be able to demonstrate the next stage of the Shimadzu Group's growth. We invite you to look forward to our progress.

Special Feature

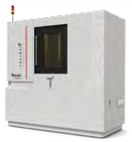
Acquisition of Tescan to Gain Surface Observation Technology

Overview of Tescan

Tescan, founded in 1991 in Brno, Czech Republic, is a manufacturer of analytical and measuring instruments, with electron microscopes accounting for approximately 85% of its revenue. Shimadzu entered into a business alliance agreement with Tescan in July 2024 and acquired it as a wholly owned subsidiary in July 2026.

- Company Name: TESCAN GROUP, a.s. (Founded in 1991)
- CEO: Jean-Charles Chen
- FY2025 Results: Revenue: USD 193 million / EBITDA: USD 40 million
- Global Footprint: - Five R&D and manufacturing sites in the Czech Republic (headquarters), Belgium, France, and North America (two locations)
  - 13 sales offices across Europe, North America, China, and other regions
- Tescan serves a broad range of markets, including life sciences, materials, and semiconductors, and has strong technological capabilities, as evidenced by its three R&D 100 Awards*1.



Category	Product	Description	Applications	
SEM		Uses an electron beam to observe sample surfaces at the nanoscale and produce high-magnification, high-resolution images. Widely used in materials, semiconductors, life sciences, and mineral-related applications.	Semiconductors Materials Minerals Life Sciences	◎ ◎ ◎ ◎
FIB-SEM		Enables simultaneous FIB (focused ion beam) milling and SEM observation, and is widely used for semiconductor device defect and failure analysis. It is also used for TEM specimen preparation and in materials and life science applications. **(New product AMBER X2 won an R&D 100 Award in 2025.)**	Semiconductors Materials Minerals Life Sciences	◎ ◎ △ ○
TEM (4D-STEM)		Observes internal structures by detecting electrons transmitted through thin specimens. TENSOR is the world's first dedicated 4D-STEM*2, enabling multimodal materials characterization at the nanoscale. **(TENSOR won an R&D 100 Award in 2023.)**	Semiconductors Materials Minerals Life Sciences	◎ ◎ △ ◎
Micro-CT		Uses 3D and 4D X-ray scanning to provide high-speed, high-resolution X-ray imaging with high throughput. **(A representative product, UniTOM, won an R&D 100 Award in 2022.)**	Semiconductors Materials Minerals Life Sciences	○ ◎ ◎ △

*1. An international award that recognizes the 100 new technology products, materials, and processes judged to be the most technologically significant in a given year.
*2. A TEM equipped with a high-speed pixel detector. Compared with a conventional TEM, it can acquire a wide range of information, including lattice strain, crystal orientation, electric fields, and magnetic fields.

Tescan's Key Strengths

Point 01

Outstanding Technological Expertise and R&D Capabilities

- Technological expertise developed in Brno, Czech Republic, one of the world's leading hubs for the electron microscopy industry and research.
- Strong R&D capabilities, as evidenced by R&D 100 Awards received in 2022, 2023, and 2025.

Point 02

Flexible Customization Capabilities

- Leverages its technological expertise to meet customer needs in a highly tailored manner.
- In electron microscopy, required imaging modes and options vary by field, making the ability to address individual customer needs particularly important.

Point 03

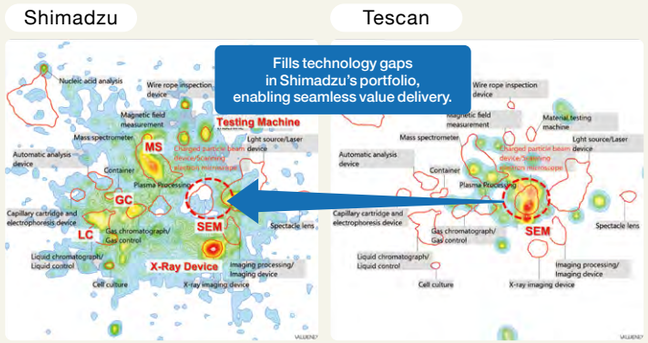
Failure Analysis Technologies Essential for Semiconductor Applications

- Tescan's main product lineup includes inspection systems for failure analysis and a broad range of technologies essential for semiconductor applications.

Point 04

R&D and Manufacturing Base in the Czech Republic, Supported by Strong Technology and Talent

- The Czech Republic is home to companies and research institutes with expertise in precision engineering. Brno, where Tescan is headquartered, produces approximately one-third of the world's electron microscopes and has a deep pool of highly skilled talent.

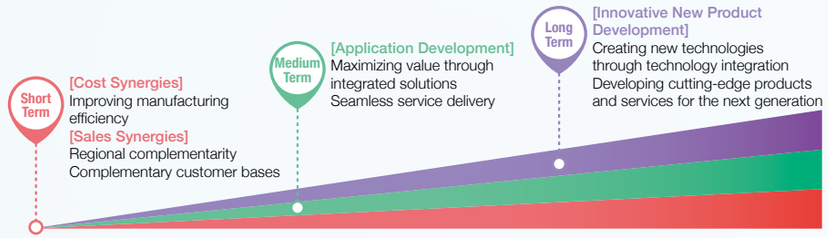


Tescan has an electron microscope business, which has been a missing piece for Shimadzu. Patent mapping of the two companies clearly demonstrates the complementarity of their technology portfolios.
* Based on an analysis by VALUENEX, Inc.

Special Feature

Acquisition of Tescan to Gain Surface Observation Technology

Maximize the Strong Complementarity Between the Two Companies to Realize a Broad Range of Synergies over the Short, Medium, and Long Term



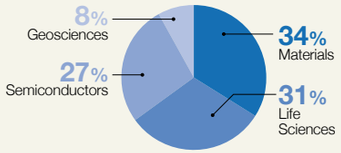
Through the acquisition of Tescan, Shimadzu will be able to establish the three essential elements of research in its key domains: surface observation (capturing physical phenomena), physical property measurement (providing quantitative and qualitative data), and composition analysis (extracting relationships and insights from data). This will further strengthen Shimadzu's ability to deliver end-to-end analytical solutions.

	Domain Axis			Instrument / Technology Axis			
	Life Sciences	Materials	Semiconductors	Surface Observation	Physical Property Measurement	Chemical Analysis	Structural Analysis
Before Acquisition	○	○	△	△	○	○	△
After Acquisition	○	◎	○	○	○	○	○

Electron Microscopy Market

Electron microscopes enable high-resolution imaging of fine structures and are used across a wide range of applications, including materials, life sciences, and semiconductors. The electron microscopy market is projected to grow at a CAGR of 5.4% from 2024 to 2029, making it one of the faster-growing segments within the analytical and measuring instruments market.

Applications of Electron Microscopes



Sources: SDi report (2025) and Boston Consulting Group's report

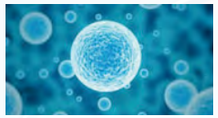
CAGR by Application

Materials	4.0%
Life Sciences	6.5%
Semiconductors	**6.4%**
Geosciences	3.4%
Overall	5.4%

CAGR for 2024–2029

Innovative New Product Development

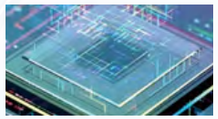
Bring to market highly competitive analytical platforms integrating the technologies of both companies, and expand business across the life sciences, materials, and semiconductor markets.



Healthcare Domain (Life Sciences)
Supports the drug discovery process through a platform combining mass spectrometry systems with Tescan's electron microscopes.



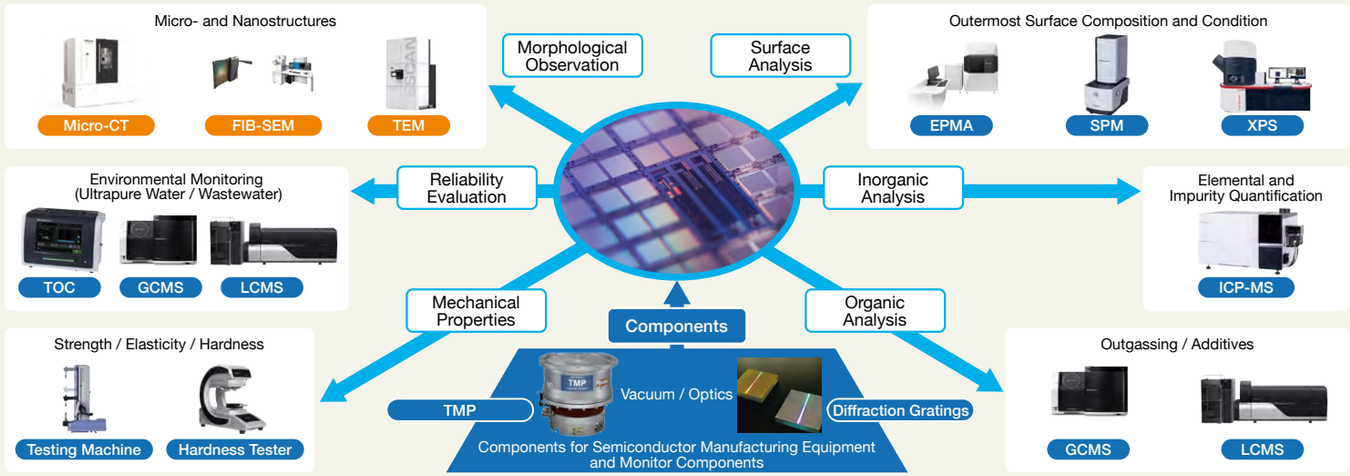
Materials Domain
Integrates morphological, chemical, and physical property data to support new materials development and scale-up to mass production.



Industry Domain (Semiconductors)
Integrates Shimadzu's instruments into Tescan's failure analysis workflow, helping improve semiconductor yield and product quality.

Shimadzu's Integrated Analytical Solutions for Semiconductor R&D and Manufacturing

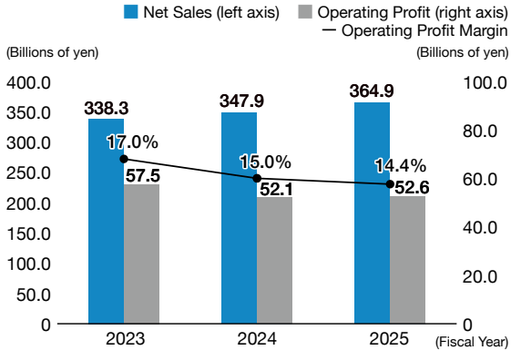
Through the acquisition of Tescan, we will strengthen the three core elements of research and provide integrated analytical solutions combining structural analysis, compositional analysis, and process measurement.
By integrating Tescan's products into our surface observation platform and ultimately transforming it into a process intelligence platform, we will evolve into a data-driven provider of analytical solutions capable of optimizing the entire semiconductor manufacturing process.



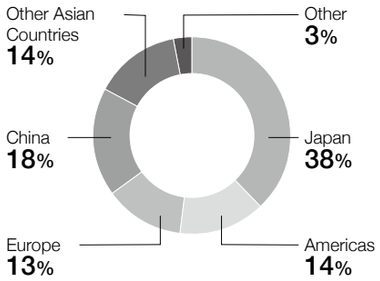
Executing Growth Strategies

Business Overview

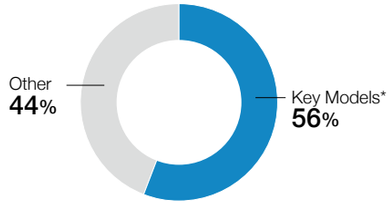
Analytical & Measuring Instruments Business



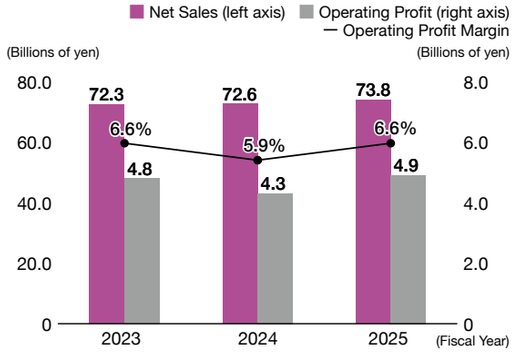
Net Sales Breakdown by Region



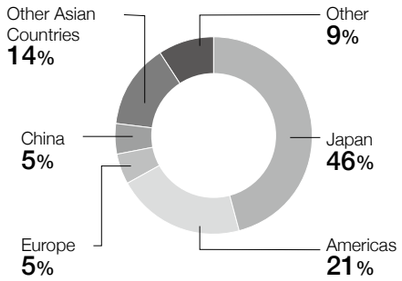
Net Sales Breakdown by Product Category



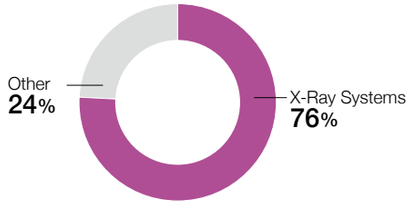
Medical Systems Business



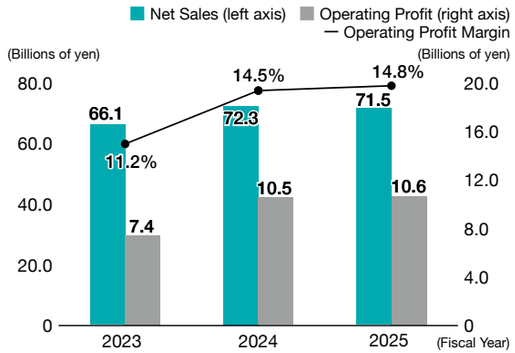
Net Sales Breakdown by Region



Net Sales Breakdown by Product Category

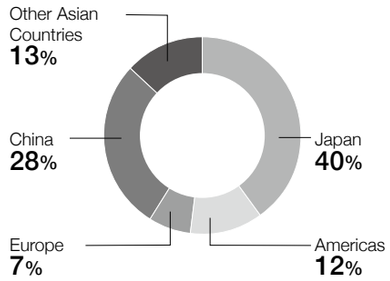


Industrial Machinery Business

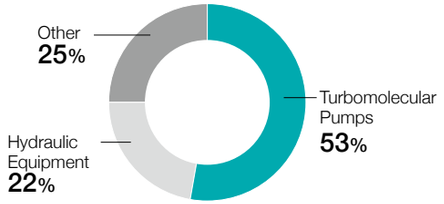


* From FY2024, results for marine-related equipment previously included in the Aircraft Equipment Business have been reclassified under the Industrial Machinery Business. Figures from FY2023 onward have been restated based on the revised segment classification.

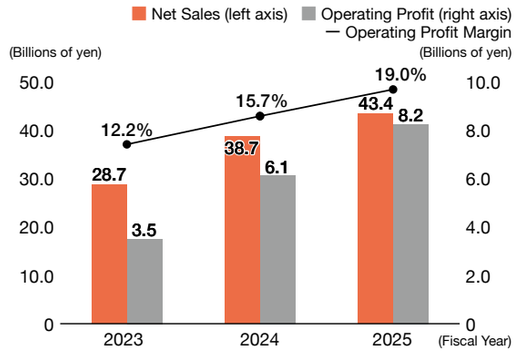
Net Sales Breakdown by Region



Net Sales Breakdown by Product Category



Aircraft Equipment Business

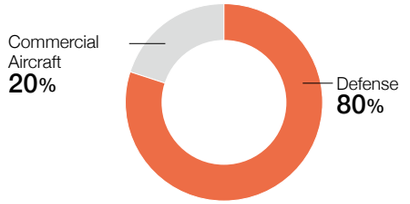


* From FY2024, results for marine-related equipment previously included in the Aircraft Equipment Business have been reclassified under the Industrial Machinery Business. Figures from FY2023 onward have been restated based on the revised segment classification.

Net Sales Breakdown by Region



Net Sales Breakdown by Market



* Key Models: Liquid Chromatographs, Mass Spectrometry Systems, and Gas Chromatographs

Executing Growth Strategies

Analytical & Measuring Instruments Business



Achievements and Challenges Under the Previous Medium-Term Management Plan

Under the previous Medium-Term Management Plan, which began in FY2023, we expanded sales of Key Models and the recurring revenue business despite headwinds from weaker market conditions in China. Supported by favorable foreign exchange movements, we achieved the net sales target of ¥355.0 billion.
Under "Reinforce Key Businesses," we focused on expanding LC, GC, MS, and Testing Machines. LC sales grew significantly in India, while GC, MS, and Testing Machines also delivered stronger results than originally planned, supported in part by favorable foreign exchange movements.
Under "Strengthen Med-Tech Business," we expanded LCMS systems for the clinical market in Europe, but broader rollout into other regions remained a challenge.
Under "Expand Overseas Businesses," we focused in particular on growth in North America. We entered the Multi-Vendor Service (MVS) business through the acquisition of Zef Scientific, Inc. and established an R&D Center in North America. The R&D Center is already contributing to performance, with products developed there, including the Nexera QX LCMS system, performing well in the clinical market. In China, however, market conditions changed significantly from the assumptions underlying the plan, and growth fell short of expectations. At the same time, policy support for domestic products increased demand for local production at our Suzhou plant. In response, we expanded the plant in December 2024 and broadened the product lineup produced there.
Under "Reinforce and Expand Recurring Businesses," in addition to the acquisition of Zef Scientific, Inc., we expanded our consumables lineup through partnerships with YMC Co., Ltd. in Japan and overseas.
Although the target recurring revenue ratio was 43%, the actual result was 39%. Service revenue, however, continued to expand steadily. Going forward, we will expand recurring revenue further by broadening offerings such as chromatography packing materials and single-use components through the purification business.
Under "Develop & Create New / Future Business," we entered the biomanufacturing field through a project supported by the NEDO Green Innovation Fund and opened the Shimadzu Kobe Innovation Lab in March 2025. We also plan to enhance our contribution to semiconductor workflows by leveraging the technologies and products of Tescan, whose acquisition was announced in December 2025.

Toward Sustained Expansion of Earning Power and Higher Capital Efficiency Under the New Medium-Term Management Plan

Given the current decline in earning power, the new Medium-Term Management Plan places sustained sales growth and stronger and more stable earning power at the center of our strategy.
To achieve this, we will first focus investment on high-value areas. Specifically, we will increase investment in our core businesses: LC, GC, MS, and the recurring revenue business. In LC and GC, we will differentiate not only through hardware but also through software and applications, while investing to expand our lineup of consumables and reagents. In MS, we will invest in peripheral devices to strengthen differentiated hardware offerings. For example, by combining systems with detectors and sample pretreatment devices, we will develop differentiated products tailored to specific applications. In the recurring revenue business, we plan to invest in service bases to further expand the MVS business and will also pursue strategic investments, including potential M&A, to broaden the offering. Through these actions, we will improve the product mix and build a business structure that supports higher sales of more profitable products.
We will also enhance the value proposition of new products and promote product sales through appropriate pricing. In parallel, we will improve productivity through the use of AI and digital transformation (DX), supporting further earnings growth.
Improving capital efficiency is also a key priority. We will improve capital efficiency by setting clear targets for investment returns and payback periods and by rigorously evaluating outcomes against the cost of capital.

Key Initiatives in FY2026

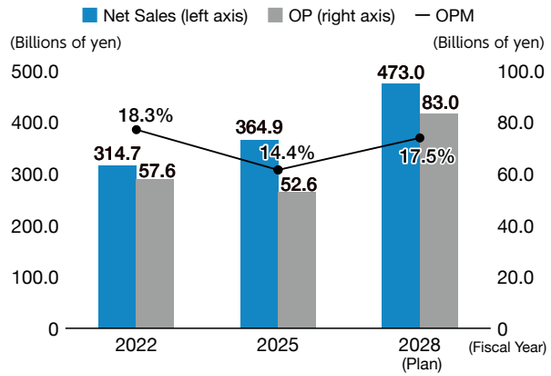
In FY2026, we will focus on the following four initiatives:

1. In LC, GC, and MS, we will expand the rollout of high-value new products and solutions. For example, we will improve profitability by emphasizing the value proposition of new products in markets such as the clinical testing and PFAS markets in North America, the biopharmaceutical market in China, and the generic pharmaceuticals market in India.

2. In the recurring revenue business, we will build out a global operating structure and expand the portfolio. We will broaden our lineup of maintenance services and consumables to support customers across their full workflows and maximize the value we provide within those workflows.

3. In the semiconductor market, which we position as a growth market, we will provide instruments that support customers at multiple stages, from R&D to process development, failure analysis, and utilities and cleanroom monitoring.

4. To improve the earnings structure, we will advance pricing strategies across both new and existing products, improve margins, and control controllable expenses.



Executing Growth Strategies

Medical Systems Business

Improving Profitability, Expanding into New Fields, and Transforming into a Business Capable of Sustainable Growth



General Manager
Medical Systems Division
Kiyohito Sonoki

Achievements and Challenges Under the Previous Medium-Term Management Plan

Under the previous Medium-Term Management Plan, which began in FY2023, we fell short of the net sales target of ¥82.0 billion, reflecting weaker market conditions in Japan and China.
Under "Expand Overseas Businesses," we achieved growth in parts of Asia and in India, but sales remained sluggish in our major markets—Japan, North America, China, and Europe—which account for a larger share of sales.

Under "Strengthen Med-Tech Business," new products performed steadily, including Angiography Systems equipped with voice-recognition functionality that improved usability and examination efficiency. At the same time, we sought to expand into new areas, including senior healthcare in East Asia, where populations are aging. However, sales growth was limited, reflecting weak market conditions in Japan and China.
Under "Reinforce and Expand Recurring Businesses," we expanded direct sales and direct service capabilities in North America including through the acquisition of a distributor. As a result, the recurring revenue ratio reached 38%, well above the 34% target, and continued to grow steadily.

Toward Sustained Expansion of Earning Power and Higher Capital Efficiency Under the New Medium-Term Management Plan

Taking seriously the fact that the operating profit margin remained in the single digits under the previous plan and below the Company-wide average, we have positioned improvement in earning power as the top priority in the new Medium-Term Management Plan.
First, we will improve earnings by strengthening sales of differentiated products. In particular, we will expand sales of competitive products in Asia, where the market continues to grow. In addition, we will broaden recurring offerings aligned with customer needs, further raise the recurring revenue ratio, and improve earnings through a better sales mix.
We will also strengthen our pricing strategy. Even in an inflationary environment with rising costs, we will do so with a clear focus on profitability.
We will also promote selectivity and focus to build a more profitable business structure. We are already narrowing the range of priority models as part of a portfolio review and will reallocate resources by scaling back unprofitable products and businesses.
At the same time, we will strengthen manufacturing profitability not only through more advanced production enabled by AI and DX, but also through cost reductions from the design and development stages onward.
Improving capital efficiency is also a key priority, and we will tighten working capital management, including inventories and receivables. While maintaining appropriate safety stock to meet demand, we will use AI systems to shorten manufacturing lead times and improve capital efficiency.
Through these initiatives, together with efforts to build treatment-related businesses into future earnings drivers, we aim to achieve an operating profit margin of at least 10% by FY2028.

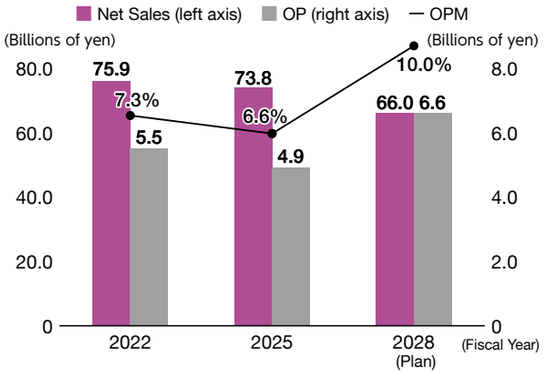
Key Initiatives in FY2026

In FY2026, we will focus on the following three initiatives:

1. To improve earnings through a better sales mix, we will concentrate resources on competitive Radiography Systems, Fluoroscopy Systems, and CVS Systems, with a focus on expanding in Asia. We will also expand the service business and increase recurring revenue by strengthening a global, comprehensive support structure that maximizes product lifetime value.

2. We will maximize customer value through solutions centered on differentiated new products and implement strategic pricing based on the value delivered to customers.

3. To shift to a more profitable business structure, we will begin taking actions to improve margins, including narrowing the range of models to exit and identifying unprofitable regions where sales activities should be scaled back.



Executing Growth Strategies

Industrial Machinery Business

Providing Solutions That Help Solve Social Challenges and Contribute to Industrial Development



General Manager
Industrial Machinery Division
General Manager
Fluidics Systems Division
Masahiko Tanaka

Achievements and Challenges Under the Previous Medium-Term Management Plan

Under the previous Medium-Term Management Plan, which began in FY2023, Turbomolecular Pump (TMP) sales grew, but we fell short of the net sales target of ¥80.0 billion due to the slowdown in the Chinese economy and restrained investment globally.
Under "Expand Overseas Businesses," we achieved growth in China, South Korea, and Taiwan, but performance in Japan and North America did not reach the levels assumed when the plan was formulated.
Under "Reinforce and Expand Recurring Businesses," we steadily expanded TMP service bases and advanced a close-to-the-customer service model. The recurring revenue ratio in the TMP business increased from 15% in FY2022 to 24% in FY2025, reflecting steady expansion.

Toward Sustained Expansion of Earning Power and Higher Capital Efficiency Under the New Medium-Term Management Plan

Given favorable semiconductor market conditions, we position semiconductor-related operations as a "growth investment business" and will pursue both net sales growth and higher profitability.
First, we aim to increase market share in the TMP business for semiconductor manufacturing equipment by increasing value added through new product development tailored to customer needs and through the development of peripheral equipment. In addition, we will further increase the share of the recurring revenue business through customer-close, high-value proposals, thereby improving the sales mix and enhancing profitability.
We will also advance pricing optimization and seek appropriate price pass-through of manufacturing cost increases.
Businesses outside the semiconductor market will be positioned as "foundation businesses" aimed at stable and sustainable sales growth. In these businesses, we will work to improve, restructure, or withdraw unprofitable products and businesses as appropriate.
Across all markets, we will also improve manufacturing efficiency through manufacturing DX and automation, while increasing production capacity through the expansion of manufacturing sites and capital investment. We will also expand overseas production capabilities to build a local-for-local manufacturing structure that supports products tailored to regional demand.

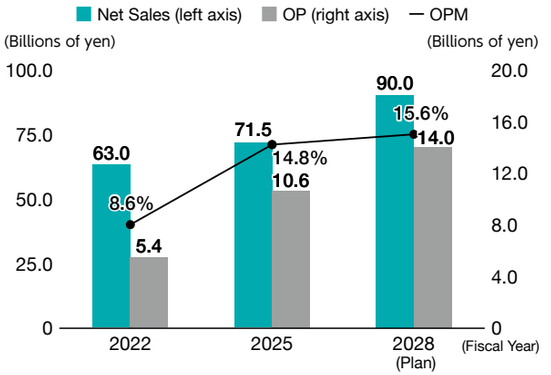
Key Initiatives in FY2026

In FY2026, we will focus on the following three initiatives:

1. In the TMP business for semiconductor manufacturing equipment, we will work with customers to define TMP specifications required for their product roadmaps, enabling us to capture both explicit and latent needs. Based on this, we will advance the development of core technologies with medium- to long-term competitive advantage and bring next-generation TMP products to market. Through these multilayered initiatives, we aim to increase our share of the TMP market.

2. In the TMP recurring revenue business, we will differentiate ourselves through higher service quality and upgrade retrofits, while maximizing customer value through a one-stop service offering that includes TMP peripheral equipment. By adding service bases close to customer sites in Japan, the United States, Europe, China, and Taiwan, we will improve service response times and increase customer satisfaction. To maximize customer value, we will also make higher-value proposals, including AI-enabled services.

3. In the Hydraulic Equipment business, we will improve profitability through selectivity and focus on the products we sell and proactive pricing strategies.



Executing Growth Strategies

Aircraft Equipment Business

Laying the Groundwork for Business Growth While Improving Management Efficiency



General Manager
Aircraft Equipment Division
Takashi Ishii

Achievements and Challenges Under the Previous Medium-Term Management Plan

Under the previous Medium-Term Management Plan, which began in FY2023, we pursued improving earnings under our basic policy of selectivity and focus.
In the defense field, for legacy products that had become difficult to support, we improved profitability by concentrating management resources through initiatives such as producing the required volume in a single batch before ending production, while avoiding disruption to customer operations. In commercial aircraft, profitability improved through efforts to raise production efficiency and mitigate surges in material costs.
In addition to a stronger earnings structure, performance benefited from higher defense spending in Japan and a recovery in commercial aircraft demand in Europe and the United States. As a result, net sales increased significantly and substantially exceeded the plan of ¥28.2 billion.
At the same time, we need to further strengthen the foundation for stable long-term growth and earnings, while continuing to invest in facilities and human resources and rebuild the supply chain, which was weakened during the pandemic, in order to ensure business continuity.

Toward Sustained Expansion of Earning Power and Higher Capital Efficiency Under the New Medium-Term Management Plan

Building on the improvement in our earnings structure under the previous plan, we position the Aircraft Equipment Business as a “structural enhancement business” under the new Medium-Term Management Plan beginning in FY2026. We will make the investments needed to sustain business value and prepare for participation in future next-generation aircraft programs.
We view the three years of the new plan as a phase for establishing the foundation for sustained business growth and will actively pursue opportunities in both the defense and commercial aircraft markets. In defense, for example, higher defense budgets and government initiatives to promote transfers of defense equipment create business opportunities. In commercial aircraft, airframe manufacturers are working to rebuild supply chains that were globally weakened during the pandemic. We see this shift toward equipment manufacturers with more stable production capabilities as an opportunity and will work to secure projects that support business growth.
Improving capital efficiency is also a key priority, and we will strengthen working capital management, including inventories and trade receivables. We will reinforce and stabilize manufacturing capabilities by shortening production lead times, reducing inventories, improving responsiveness to demand fluctuations, and strengthening the supply chain. We will also use digital transformation (DX) and AI to improve efficiency and secure human resources, strengthening competitiveness in both technology and manufacturing.

Key Initiatives in FY2026

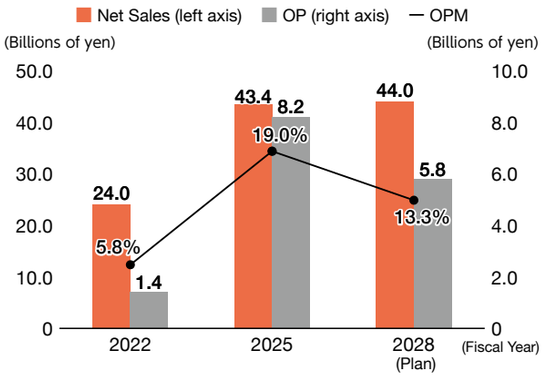
In FY2026, we will focus on the following four initiatives:

1. In the defense market, we will work to convert existing orders into sales and secure earnings, while upgrading facilities to strengthen the production base and improve manufacturing efficiency.

2. In commercial aircraft, we will explore entry into new markets and product areas on the sales front, while strengthening the supply chain on the manufacturing front and further strengthening QCD (Quality, Cost, and Delivery).

3. To prepare for participation in next-generation aircraft development in both defense and commercial aircraft, we will conduct R&D to build the required technology base and establish new manufacturing methods.

4. To build AI-enabled development, manufacturing, and sales operations, we will develop the underlying data infrastructure and develop personnel capable of applying AI in practice.



Foundation Strategies for Sustainable Growth

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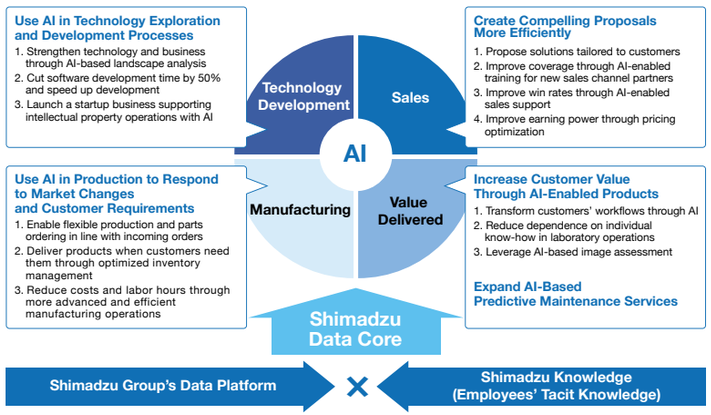
Digital Transformation (DX) Strategy

Strategic Overview

The Shimadzu Group's DX vision is to leverage data and digital technologies to deepen two-way connections and relationships with society and customers and to continuously deliver new value to society by enabling employees to perform at their full potential. The Shimadzu Group is advancing two pillars: BX (Business Model Transformation), which reshapes business models through the use of advanced IT, including subscription models and recurring revenue businesses enabled by digital content, and CX (Corporate Transformation), which strengthens the corporate foundation through changes in organizational structure, culture, mindset, and ways of working, as well as through standardization and more efficient processes. To advance BX and CX in parallel, the Shimadzu Group has positioned "Strengthen AIX (AI Transformation)"—an AI-centered initiative—as the core strategy for enhancing its management foundation and is driving company-wide transformation.

The foundation for strengthening AIX is the Corporate Data Core. In addition to data from various systems, the Shimadzu Group will integrate the technical knowledge accumulated by employees over many years—Shimadzu Knowledge—and build a platform for centrally managing data across the Group. By applying AI-driven analytics to this platform, the Shimadzu Group aims to accelerate management decision-making and improve its quality, optimize investment and resource allocation, and upgrade global supply-demand management. At the same time, it will focus on developing talent that can drive AI adoption and strengthening AI governance, thereby establishing a safe and effective foundation for AI use to support the sustained enhancement of corporate value.

Strengthening AIX (AI Transformation)



FY2025 Results and Assessment

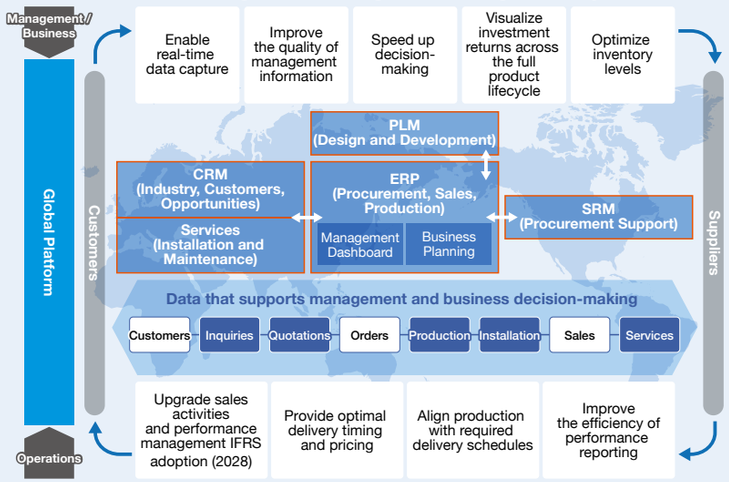
To realize BX and CX, the Shimadzu Group is advancing three initiatives:

1. Strengthening the Group-Wide Data Platform

The Shimadzu Group is currently standardizing and integrating data from core business systems, including CRM (Customer Relationship Management), ERP (Enterprise Resource Planning), PLM (Product Lifecycle Management), and SRM (Supplier Relationship Management), and is building a globally integrated data management framework.

Under the new Medium-Term Management Plan, the Shimadzu Group will consolidate into the Corporate Data Core data spanning the full value chain, from customer inquiries through orders, production, installation, and services. Using AI analytics on this global data platform, the Shimadzu Group will accelerate and improve management decision-making, optimize investment and resource allocation, and enhance supply-demand management. It is also building a performance management and governance framework in preparation for the adoption of IFRS in FY2028.

—Transforming Global Management through AI Analytics—



—Transforming Operations through AI and Advanced Technologies—

2. Promoting the Use of Generative AI

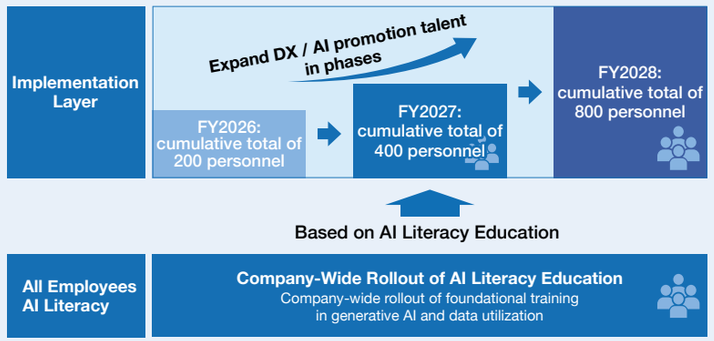
The Shimadzu Group is advancing the use of generative AI across its operations. Building on the secure generative AI environment established in FY2023, it has introduced retrieval-augmented generation (RAG) technology that enables internal information to be referenced and is accelerating the use of generative AI in business processes. This has enabled AI assistants grounded in highly accurate information, improving process efficiency and accelerating decision-making. Effective use cases for generative AI are already emerging within the Shimadzu Group, and the Group plans to accelerate adoption by deploying them across the Group. Beyond incremental improvements, it also aims to transform workflow automation, decision support, and customer response through the introduction of AI agents.

3. Developing DX Talent

To advance its DX strategy, the Shimadzu Group continues to strengthen capabilities, institutional frameworks, and talent development. Training for data-literate talent has become established, and the number of participants completing the program continues to rise. At the same time, raising the practical impact of such talent remains a challenge, and the Shimadzu Group is considering initiatives including more effective deployment of such talent and revised evaluation metrics.

In FY2026, the Shimadzu Group will place particular emphasis on AI training and education. At the beginner and intermediate levels, it aims to develop employees who can integrate AI into their day-to-day work, while at the hands-on level it aims to develop talent capable of transforming workflows through AI.

DX / AI Promotion Talent



R&D and IP Strategy

Message from the CTO



Managing Executive Officer
CTO
Takahiro Nishimoto

Career Summary

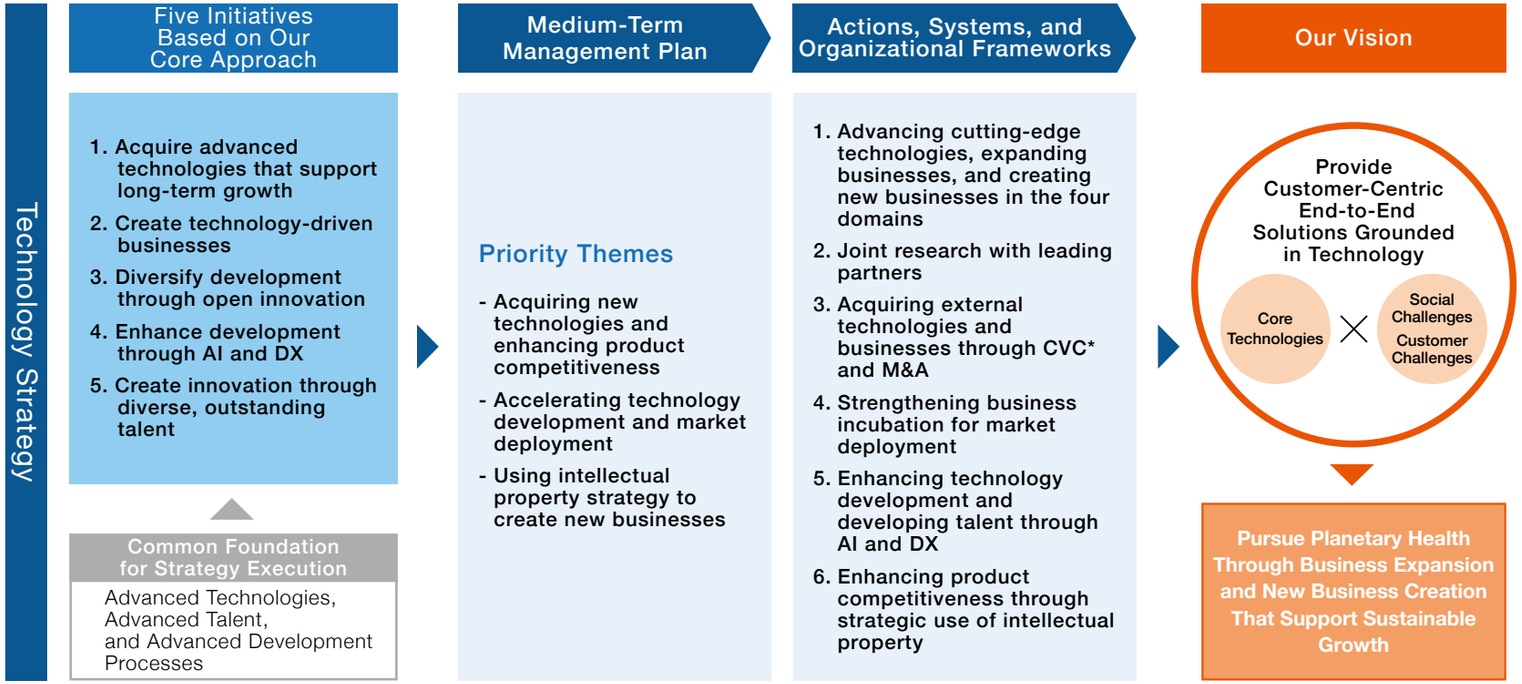
Mar. 1989 Joined the Company
Oct. 2003 R&D Manager, Technology Research Laboratory
Apr. 2014 Deputy General Manager, Technology Research Laboratory, and General Manager, Business Development Department, Technology Research Laboratory
Oct. 2020 General Manager, Global Strategy Planning Unit, Corporate Strategy Planning Department
Apr. 2022 General Manager, Technology Research Laboratory
Apr. 2024 Corporate Officer, General Manager, Technology Research Laboratory
Apr. 2025 Managing Executive Officer, CTO (present)

Value Creation Through Co-Creation

Since its founding, the Shimadzu Group has responded sincerely to the needs of customers and society, providing a broad range of technologies, products, and services. Today, social challenges are increasingly global and complex, and cannot be addressed through advances in individual technologies alone. Co-creation—bringing together knowledge across disciplines and rapidly translating it into market deployment—is essential. The Shimadzu Group will combine its own technological capabilities with new insights gained through open innovation to create social value across the four domains of Healthcare, Green, Materials, and Industry, while pursuing Planetary Health (the Well-Being of Mankind and the Earth). This aspiration is central to our R&D and business activities, guided by our Corporate Philosophy of "Contributing to Society through Science and Technology," and our Management Principle, "Realizing Our Wishes for the Well-Being of Mankind and the Earth."

A Common Foundation and Five Initiatives

The Shimadzu Group's technology strategy is to provide customer-centric end-to-end solutions grounded in technology, connect core technologies directly to solutions for social and customer challenges, and achieve sustained business expansion and the creation of new businesses. To this end, we will strengthen execution by advancing five integrated initiatives, supported by a common foundation of advanced technologies, highly skilled talent, and advanced development processes.
These initiatives are aligned with the priority themes of the new Medium-Term Management Plan—acquiring new technologies and enhancing product competitiveness; accelerating technology development and market deployment; and leveraging intellectual property strategy to create new businesses—and are embodied in the six actions shown in the diagram.
Through these initiatives, we will further develop advanced technologies in areas such as advanced measurement, quantum technology, and biotech/life sciences into core technologies. At the same time, we aim to expand businesses and create new businesses across the four domains through collaboration with leading partners and the acquisition of external technologies through CVC investments and M&A. The following sections describe each of the six initiatives.



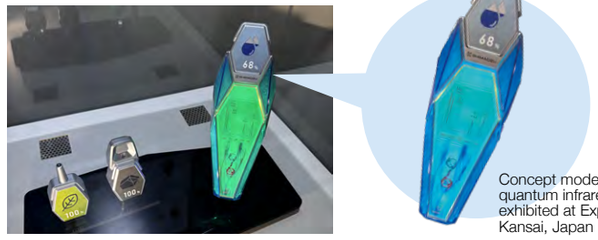
* CVC: Corporate Venture Capital

1. Advancing Cutting-Edge Technologies, Expanding Businesses, and Creating New Businesses in the Four Domains

Quantum Technology

Building on its strengths in optical technologies and analytical and measuring technologies, the Shimadzu Group will establish cutting-edge quantum measurement technologies.

The quantum infrared spectroscopy system, which uses entangled photons and is being developed through joint research with Professor Shigeki Takeuchi of Kyoto University, is attracting attention as a compact, highly sensitive, and low-cost new infrared measurement technology, with potential applications in healthcare, security, and environmental monitoring.

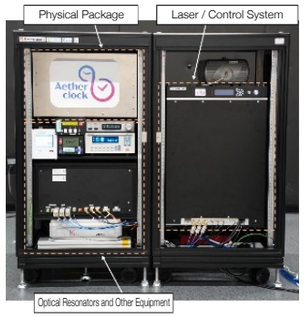


Concept model of quantum infrared spectroscopy exhibited at Expo 2025 Osaka, Kansai, Japan

R&D and IP Strategy

Message from the CTO

In time measurement, Shimadzu launched the world's first commercial optical lattice clock in March 2025, based on strontium optical lattice clock technology invented by Professor Hidetoshi Katori of the University of Tokyo. The clock is over 100 times more accurate than the cesium atomic clock currently used to define the second. It is attracting attention as a leading candidate for the future definition of the second and is also expected to serve as a frequency standard for high-speed communications. Because it can detect differences in elevation from extremely small differences in gravity, it is also expected to be applied to infrastructure technologies such as crustal deformation monitoring, volcanic activity prediction, and underground resource exploration.



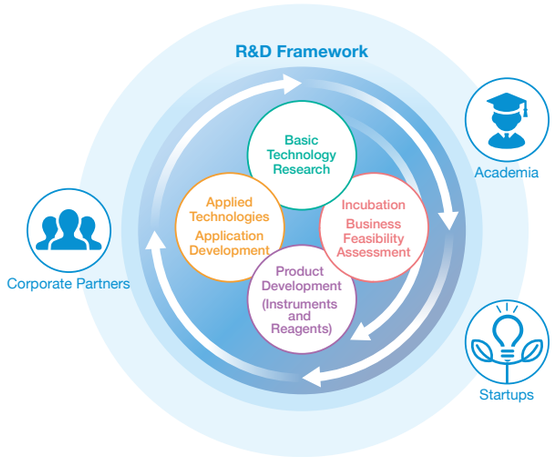
Strontium Optical Lattice Clock
Aetherclock OC 020

Biotechnology and Life Sciences Technologies

For the life sciences market, Shimadzu will enhance its liquid chromatographs and mass spectrometers while establishing and commercializing measurement and testing technologies that leverage molecular diagnostics and biotechnology.
In the clinical business, we will expand sales of clinical testing instruments, including systems for early diagnosis and rapid infectious disease testing based on clinical platforms that use mass spectrometers, while also expanding recurring revenue businesses such as reagents and culture media.
To help create next-generation laboratories, we will build the Autonomous Lab, an experimental system in which AI and robots autonomously formulate hypotheses and conduct experiments based on analytical data.
In response to growing demand for alternatives to animal testing, we will develop microphysiological systems (MPS) that combine cell culture, measurement, and biochip technologies, as well as systems that simulate the intestinal environment. Through these technologies, we will contribute to R&D in drug discovery, personalized medicine, prebiotics, and functional foods.

2. Joint Research with Leading Partners

A co-creation process that links technology and talent is critical to creating innovation. The Shimadzu Group promotes co-creation and collaboration with external partners at each stage, from basic technology research to product development and applied technology development.
With academia, we enter into comprehensive collaboration agreements at the institutional level and deepen partnerships aimed at creating new businesses and developing highly skilled talent. Through open-call research partner programs such as the SHIMADZU Future Co-Creation Challenge, we also invite innovative ideas from academia, startups, and other partners, and continually cultivate opportunities for market deployment.



3. Acquiring External Technologies and Businesses Through CVC and M&A

To make open innovation effective, the Shimadzu Group invests in startups through its corporate venture capital fund, the Shimadzu Future Innovation Fund. Through this fund, we are rapidly incorporating innovative measurement methods, AI algorithms, biotechnology-related technologies, and other external technologies. We aim to launch new businesses and maximize business synergies arising from investments and collaborations.

4. Strengthening Business Incubation for Market Deployment

Looking ahead from proof of concept (PoC) to implementation and mass production, the Shimadzu Group has established a framework for launching advanced technologies as businesses. This includes providing demonstration opportunities at customer sites, supporting regulatory response, participating in standardization activities, and coordinating with marketing and sales channels. In the medical and healthcare, environment, and energy fields in particular, we will promote commercialization with an emphasis on social impact.

5. Enhancing Technology Development and Developing Talent Through AI and DX

The Shimadzu Group will actively incorporate AI and DX into its development processes, while building a design information infrastructure and optimizing operations. Through concurrent development from design to manufacturing, we will achieve faster and more efficient product development. We will also develop core talent through practical, cross-functional talent development programs, and continuously enhance our technological and development capabilities.

6. Enhancing Product Competitiveness Through the Strategic Use of Intellectual Property

We view intellectual property as a source of competitiveness and will establish a cycle from IP creation to IP utilization. Through an Open & Close Strategy, we will both expand markets and secure exclusivity where appropriate. By using generative AI and IP landscape analysis, we will build the necessary intellectual property portfolio and use earnings generated through business contributions to create new end-to-end solutions.

Toward More Creative R&D

Creative work is essential to value creation through R&D. Herbert Simon (1916–2001), who received the Nobel Prize in Economics, articulated the principle that routine work drives out creativity. The concept is that when people face a large volume of routine work, they become occupied with completing it, and essential, creative work is pushed back. With the development of AI, the nature of work is changing, and the way work is carried out is being fundamentally transformed. We see this as an opportunity to restore and reinvigorate creativity that has been crowded out.
With empathy and co-creation as its foundation, the Shimadzu Group will pursue creative and ambitious R&D, generating value simultaneously for society, customers, and the Group. We will translate the power of technology into reliable market deployment. Through continued dialogue with stakeholders, we will accelerate our progress toward realizing Planetary Health.

R&D and IP Strategy

Intellectual Property (IP) Strategy

Current Assessment

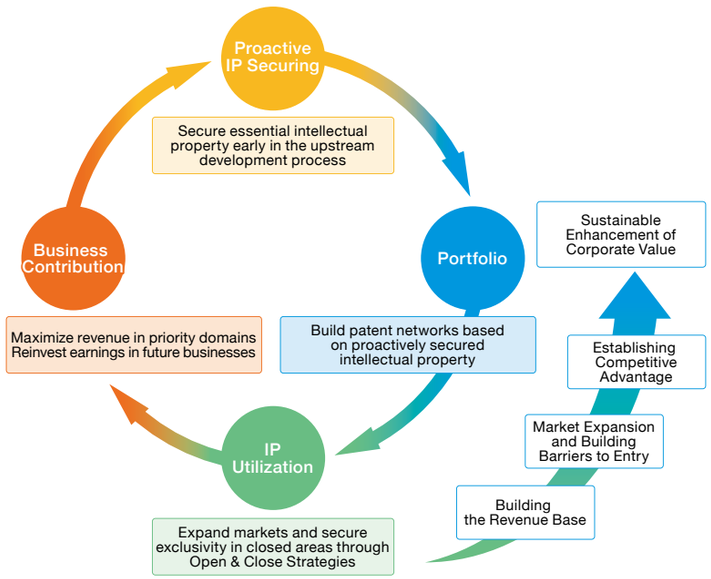
As the Shimadzu Group evolves into an innovative partner for customers, the role of intellectual property extends beyond securing rights to inventions. It has evolved into a management tool for determining where to concentrate management resources, which sources of differentiation to protect, and which revenue streams to develop. Under the previous Medium-Term Management Plan, we used IP landscape analysis to provide information and support business activities. Under the new Medium-Term Management Plan, we will further integrate intellectual property with R&D and business strategies and evolve our framework to drive an "IP creation and utilization cycle" that connects the selection of priority domains with market deployment and the enhancement of corporate value.

Our Vision for 2035

The Shimadzu Group positions intellectual property as a management asset that supports growth in priority businesses, creates barriers to entry, and strengthens the foundation for recurring revenue. In the analytical and measuring instruments market, the basis of competition is shifting from the performance of individual instruments to outcomes across the entire workflow, including software, sample pretreatment, consumables, and maintenance services. Toward 2035, we will enhance the competitiveness of our instruments while establishing sources of recurring revenue, including consumables, software, data, and maintenance services. We also aim to establish an operating model in which R&D, business, and intellectual property work as one in decision-making. By using intellectual property not only for protection but also as a basis for making proactive growth investment decisions, we will improve the quality of our business portfolio and support the sustainable enhancement of corporate value.

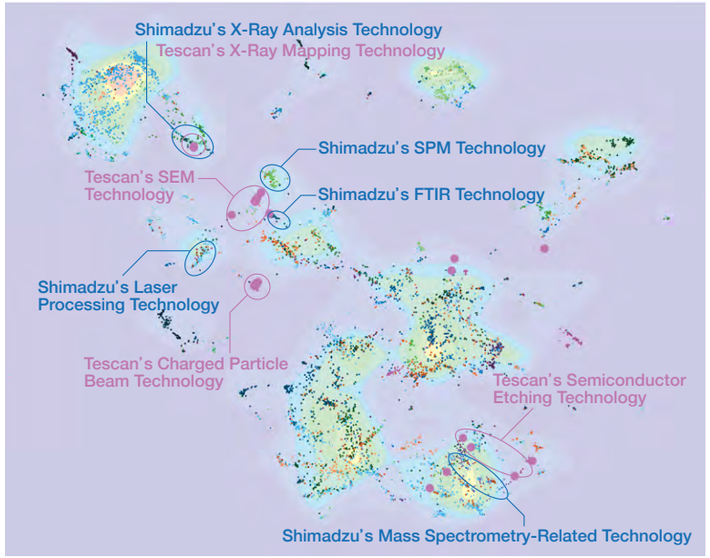
Formulating and Executing an IP Strategy Aligned with Business Strategy

Through competitor portfolio analysis and IP landscape analysis, the Shimadzu Group identifies changes in technologies, markets, and applications, and clarifies priority domains and the sources of competitive advantage. Working with R&D and business divisions from the early stages of development, we proactively secure the necessary intellectual property and build a robust portfolio before the launch of products and services. In utilizing intellectual property, we design and review our approach based on market maturity. We take an open approach in areas that support market formation and a closed approach in areas linked to differentiation and recurring revenue. In this way, we aim to expand markets while building barriers to entry and contributing to the sustainable enhancement of corporate value.



For example, patent analysis in the semiconductor field—one of the Shimadzu Group's priority domains—has highlighted the importance of surface analysis instruments such as scanning electron microscopes (SEMs). In 2025, the Shimadzu Group announced that it would acquire Tescan to obtain surface analysis technologies centered on SEM systems. A more detailed breakdown of Tescan's intellectual property suggests strong complementarity with Shimadzu Group technologies, including X-ray technology, scanning probe microscopy (SPM), Fourier transform infrared spectroscopy (FTIR), laser processing technology, and mass spectrometry technologies. Going forward, we will leverage these technological complementarities to develop integrated and multi-modal analysis solutions for the semiconductor field, secure the essential intellectual property needed to protect them at an early stage, and maximize revenue in this field.

Overview of the Intellectual Property Portfolios of the Shimadzu Group and Tescan



● : Tescan's Technologies
(The other plots in blue indicate Shimadzu Group' s technologies.)

R&D and IP Strategy

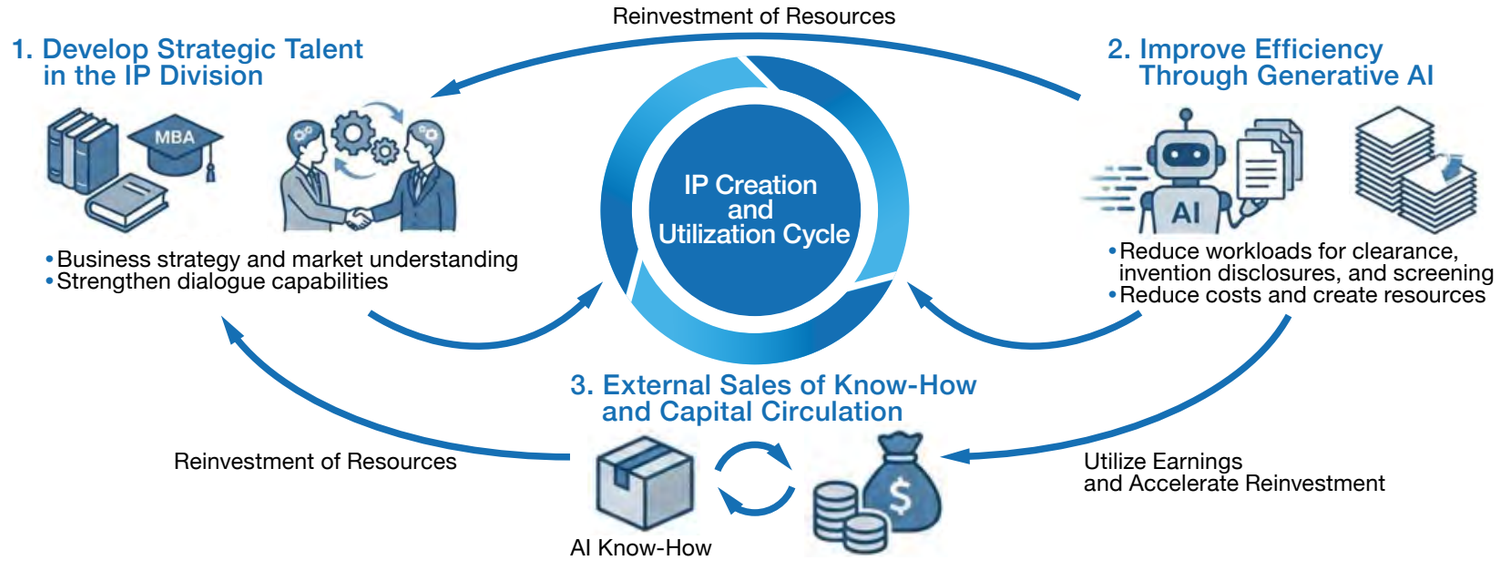
Intellectual Property (IP) Strategy

Building a Framework for Collaboration with R&D and Business Divisions

IP strategy cannot be formulated and executed by the intellectual property division alone. Through cross-functional projects, including task forces that bring together product planning, UX, business, and R&D teams, the Shimadzu Group is building a collaborative model in which intellectual property is involved from the upstream stages of development. By combining market and competitive analysis based on IP landscape analysis with insights into customer challenges gained through UX design, we select priority themes based on customer value rather than technology itself, and strengthen IP activities aligned with business strategy. Going forward, we will expand this approach across all priority themes and establish intellectual property as a common foundation for R&D and business activities.

Enhancing IP Functions Through Generative AI and Commercializing IP Know-How

The Shimadzu Group uses generative AI in IP operations, including support for invention creation, specification drafting, clearance searches, prior art searches, translation, and contract review. A distinctive feature of our approach is that we do not simply use off-the-shelf general-purpose AI. Instead, we convert the thought processes of internal experts into explicit knowledge and embed them into our tools and workflows. This has reduced manual work involved in screening of other companies' patents by 90%, cut annual outsourcing costs for translation processes by ¥80 million, and reduced the workload for invention disclosure procedures by 50%. We are reallocating the resources generated through these efficiency gains to early involvement in priority themes, talent development, and stronger cross-functional collaboration.
We are also creating revenue opportunities by commercializing internally developed AI know-how that has delivered results within the Shimadzu Group. The objective is not only to generate revenue, but also to create a virtuous cycle in which the returns are reinvested in the IP foundation and human capital. Through this approach, we will establish a cycle that enables the IP creation and utilization cycle to operate more efficiently.



Initiatives	Main Initiatives	Outcomes	Link to Corporate Value	FY2028 Targets
Formulating and executing an IP strategy aligned with business strategy	Formulate and execute IP strategies Proactively secure intellectual property using IP landscape analysis and AI	Concentrate resources on priority themes Clarify sources of differentiation Build barriers to entry	Improve the competitiveness of new products and services	Formulate five strategies on a cumulative basis, with business contributions demonstrated for two Build 15 proactive IP portfolios
Using IP information to support decision-making	Disseminate IP information across the Shimadzu Group	Accelerate business decision-making Accelerate alliances and M&A	Improve capital efficiency Improve R&D efficiency	Achieve a 50% or higher implementation rate for specific actions based on disseminated information
Building a framework for collaboration with R&D divisions	Participate early in development and build working relationships	Improve market fit	Strengthen repeatable competitive advantages	Formulate and execute strategies through personnel with advanced degrees, including MBAs, and relevant professional qualifications
Using generative AI and commercializing IP know-how	Improve the efficiency of IP operations using generative AI External sales of Genzo AI	Reduce internal and external workloads Ensure consistent quality Create opportunities for new business development	Improve SG&A efficiency Diversify revenue sources	Develop five employees with professional qualifications Deploy Genzo AI at 320 companies* Net sales of ¥1.5 billion per year*

* FY2030 target

Standardization Strategy

Message from the CSO (Chief Standardization Officer)

Managing Executive Officer
Director in charge of
Corporate Strategy Planning,
Corporate Communications,
Standardization Strategy (CSO),
and Medical Regulatory Policy

Yoshiaki Maeda



Career Summary

Apr. 1997 Joined the Company
Apr. 2011 Manager, LC Business Unit, Analytical & Measuring Instruments Division
Apr. 2017 General Manager, China Development Center, Shimadzu (China) Co., Ltd.
Apr. 2019 General Manager, Research & Development Department, Analytical & Measuring Instruments Division
Apr. 2020 Corporate Officer, President, Shimadzu Scientific Instruments, Inc.
Apr. 2025 Managing Executive Officer, in charge of Corporate Strategy Planning, Corporate Communications, and Standardization Strategy (CSO: Chief Standardization Officer)
Apr. 2026 Managing Executive Officer, in charge of Corporate Strategy Planning, Corporate Communications, Standardization Strategy (CSO: Chief Standardization Officer), and Medical Regulatory Policy (present)

The CSO's Role in Pursuing Planetary Health

The Shimadzu Group is pursuing Planetary Health—the Well-Being of Mankind and the Earth. Under the new Medium-Term Management Plan, the Group is also advancing the international standardization of advanced analytical and measuring methods as a key initiative.
Standardization enhances compatibility, quality, performance, safety, and convenience across products and services. This requires standardized analytical and evaluation methods, which in turn support safe and secure living through the monitoring and assessment of environmental pollution. Analytical and measuring instruments play a broad role in these standardization efforts. For the Shimadzu Group, whose core business is analytical and measuring instruments, standardization is central to our mission and is an initiative directly linked to the Pursuit of Planetary Health.
At the same time, standardization typically takes three to five years, but in an environment of accelerating technological change, a faster and more responsive process is required. It is also important to anticipate the standards that society will require in the near future and act proactively. My role as CSO is to build these frameworks across the Shimadzu Group and drive a standardization strategy that advances the Pursuit of Planetary Health.

Review of the Previous Medium-Term Management Plan

Looking back on the three years of the previous Medium-Term Management Plan, we achieved three major outcomes. First, international standards, including ISO and ASTM International standards, were issued through standardization projects in which the Shimadzu Group had actively participated. These standards are contributing to materials analysis and water quality testing. We have also launched standardization projects aimed at addressing social challenges such as microplastics and PFAS, fluorinated organic compounds that raise health concerns, including carcinogenicity.
Second, we established a global framework for advancing standardization across the Shimadzu Group. The framework spans five locations—Japan, North America, Europe, Southeast Asia, and China—and advances international standardization each year based on selected themes.
Third, the standardization strategy has become more deeply embedded across the organization. By positioning standardization strategy within the previous Medium-Term Management Plan, we raised both awareness of and commitment to standardization across the Shimadzu Group. Internally, collaboration between standardization and intellectual property has advanced, while externally we have seen more proactive standardization projects emerge through collaboration with customers and academia.
At the same time, standardization requires large volumes of analytical data, and as these activities expanded, resource constraints—including talent—became more apparent. We are addressing this by strengthening internal capabilities and expanding external collaboration.
For example, in North America, we are collaborating with government agencies and major contract analytical service providers to develop new analytical methods. Through these efforts, we aim to accelerate the market deployment of standardized analytical methods and enhance the Shimadzu Group's corporate value.

Toward Our Vision for 2035

Under the previous Medium-Term Management Plan, we strengthened regulatory response capabilities, improved visibility into regulatory developments, supported product development and launches at the optimal timing, and advanced projects through external collaboration to capture new business opportunities.
Under the new Medium-Term Management Plan and our vision for 2035, Shimadzu Vision, we will further deepen and integrate these efforts so that we can track potential regulatory developments from the earliest stages. At the same time, we will formulate a strategy that turns standardization activities into business opportunities and establish a structure capable of executing it proactively.
Building the necessary systems, strengthening the organization, and developing talent are all critical priorities in achieving our 2035 vision. To identify and shape regulatory and standardization themes based on social challenges, it is essential to enhance our proprietary AI tools and use them to improve the efficiency of application development. It is also important to work with customers who will use these applications from the standardization planning stage so that standards are more practical and the insights gained can be linked directly to instrument development, resulting in more user-friendly systems.
Talent development underpins all of these efforts and is critically important. The International Standardization Group is leading study sessions that share practical know-how ranging from the fundamentals to working with external organizations and the etiquette of participating in international meetings, while developing talent with the skills needed to draft standards and negotiate effectively. We are also developing talent capable of advancing standardization in close collaboration with customers, and we regard talent as the source of value creation.

Standardization Strategy as a Milestone

One of the initiatives for enhancing the management foundation under the new Medium-Term Management Plan is regulatory response and international standardization. The International Standardization Group, established at the start of the previous Medium-Term Management Plan, will continue to lead these efforts by supporting standardization projects across business divisions, coordinating with overseas sites, and advancing standardization through centralized visibility into activities.
Standardization is also closely linked to our Open & Close Strategy. While standardization is fundamentally an open strategy, it also requires clear decisions on what should be protected through intellectual property rights and what should be opened strategically. We are therefore promoting collaboration between intellectual property strategy and standardization strategy from the earliest stages of development and embedding these practices and discussions across the organization.
Through these efforts, we aim to provide not only standardized analytical methods and instruments, but also end-to-end solutions that include sample pretreatment systems, reagents, and other required elements, delivering greater convenience, greater value, and a superior customer experience to a broader range of customers. We hope you will continue to follow the Shimadzu Group as we embody our Corporate Philosophy of "Contributing to Society through Science and Technology" through standardization and continue our Pursuit of Planetary Health.

Standardization Strategy

Standardization Strategy

Basic Approach

Standardization refers to the establishment of common rules, or standards, for product specifications and performance—such as those for screws and power plugs—to eliminate substandard products and ensure quality.
Following the establishment of the World Trade Organization (WTO) in 1995 and the entry into force of the Agreement on Technical Barriers to Trade (TBT Agreement), the scope of standardization expanded beyond physical products to encompass testing methods, services, and social systems. In recent years, standardization has increasingly become a strategic business tool for companies and industries, while international competition to shape rules and standards has intensified.
Standardization requires harmonized methods of analysis and evaluation, and analytical and measuring instruments, which are Shimadzu's core products, are widely used to support these efforts. Standardization is therefore closely aligned with Shimadzu's business.
Guided by its Corporate Philosophy of "Contributing to Society through Science and Technology," Shimadzu has promoted technological innovation and engaged in standardization activities in collaboration with external organizations. To broaden the impact of these efforts, we will further strengthen our standardization activities with the aim of creating new markets and establishing a competitive advantage.

Overview of the Standardization Strategy

Our strategy is built on three key pillars.

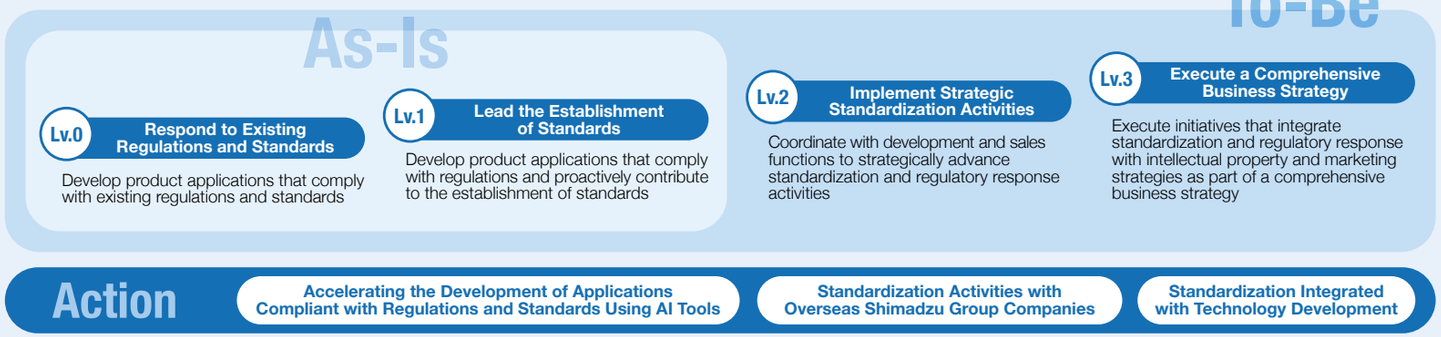
1. **Advancing Standardization Through the Broader Application of Our Technologies**
   We will advance the standardization of products, technologies, and related applications in pharmaceuticals, food, the environment, and materials, thereby delivering new value to society, including safety and security.
2. **Advancing New Technology Development and Standardization with Leading Partners**
   We will participate in advanced technology development and standardization activities in fields such as decarbonization (GX: Green Transformation) and quantum technology, and work toward their practical implementation.
3. **Strengthening the Foundation for Standardization Activities**
   We are strengthening the following initiatives to advance standardization activities more effectively.
   - Strengthening relationships with external organizations, including industry associations and standard-setting bodies
   - Building internal structures to promote standardization and advancing company-wide initiatives
   - Developing talent capable of formulating standardization strategies and driving related activities

Based on these pillars, Shimadzu will drive value creation through standardization as it contributes to a sustainable society.

Our Vision

We define standardization and regulatory response in four stages, as shown below.
We aim to become a company capable of executing all four levels.

Four Levels for Standardization and Regulatory Response



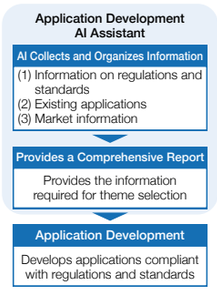
Building the Foundation for Standardization

Frameworks and Systems

We have established the following frameworks and systems to promote standardization across the organization:

- **CSO (Chief Standardization Officer)**
- **International Standardization Committee:**
  A committee for sharing information across the Shimadzu Group
- **International Standardization Support Program:**
  A program that provides financial support for individual standardization activities
- **Standards Development Organization (SDO):**
  Global standardization activities conducted by headquarters and Shimadzu Group companies in the United States, Europe, Singapore, and China

Using AI Tools to Accelerate the Development of Analytical Applications Compliant with Regulations and Standards



Global demand for the measurement of regulated substances is increasing, driven by stricter environmental regulations, the need to mitigate health risks, and the expansion of regulations under the Industrial Safety and Health Act. Against this backdrop, there is a growing need for analytical application development.
Shimadzu uses its proprietary AI tool, the Application Development AI Assistant, to identify priority themes for addressing social challenges. By simply entering the target substance, the assistant consolidates, organizes, and visualizes (1) information on regulations and standards, (2) existing applications, and (3) market information. This assistant enables more efficient application development.

Developing Talent for Standardization

Shimadzu is enhancing both external and internal training opportunities. These include participation in external programs hosted by the Ministry of Economy, Trade and Industry and the Japanese Standards Association, such as the ISO/IEC International Standardization Young Professionals Japan Program and Rulemaking Strategy Training, as well as in-house seminars for mid-career employees and training courses for new employees led by external lecturers.
We also actively send employees aged 40 or younger to ISO international meetings to develop talent equipped with standards-drafting and negotiation skills.

Sales Strategy

Message from the Director in Charge of Corporate Marketing

Managing Executive Officer
in charge of Corporate Marketing
General Manager
of Sales & Marketing Division
and General Manager
of Tokyo Office

Shunei Matoba



Career Summary

Apr. 1986 Joined the Company
Apr. 2005 Director, General Manager, Sales Department, Shimadzu Science West Corporation
Apr. 2008 General Manager, Sales Department, Analytical & Measuring Instruments Division
Apr. 2015 Executive Vice President, Shimadzu do Brasil Comércio Ltda.
Oct. 2015 President, Shimadzu do Brasil Comércio Ltda.
Apr. 2019 General Manager, Business Strategy Department
Apr. 2020 Corporate Officer, Deputy General Manager, Analytical & Measuring Instruments Division
Apr. 2023 Managing Executive Officer, in charge of Corporate Marketing, and General Manager, Tokyo Office
Apr. 2024 Managing Executive Officer, in charge of Corporate Marketing, General Manager, Sales & Marketing Division, General Manager, Tokyo Office (present)

Looking Back on the Second Year Under the Sales & Marketing Division Structure

To help realize Planetary Health, the Shimadzu Group is shifting toward a more customer-centered operating model across four social value creation domains: Healthcare, Green, Materials, and Industry. We have also been transforming our sales structure to support that shift.
As part of this effort, we established the Sales & Marketing Division in April 2024 and consolidated sales functions that had previously been dispersed across business divisions. This is moving us away from a product-based sales structure toward one that starts with customer challenges and enables cross-divisional proposals that combine products and services. As the range of offerings handled by sales teams has expanded, we have seen tangible progress, particularly in proposals for analytical instruments in healthcare settings.
At the same time, the challenges have also become clearer. We have not yet generated sufficient results from synergies between the Industrial Machinery and Analytical & Measuring Instruments segments. And at overseas sales companies, cross-divisional sales structures are still limited. We recognize that we have now reached the stage where we must squarely confront both the progress made and the challenges that remain and translate them into the next phase of growth. Going forward, we will work to firmly embed the changes already underway while expanding tangible results in high-growth markets such as semiconductors.

Solving Customer Challenges and Demonstrating Added Value

To achieve net sales of ¥1 trillion by 2035, the Sales & Marketing Division will accelerate the shift to a sales model that creates value starting with customer challenges by raising brand awareness in priority markets, strengthening proposal capabilities across the Shimadzu Group, and standardizing global sales operations.
This reflects a clear challenge: while net sales have grown, earnings growth has not kept pace. Net sales have reached record highs, but part of that growth has come from price revisions and foreign exchange effects, and operating profit has not increased to the same extent. In addition, unit sales growth across the market has slowed, partly due to weak demand in China. To continue growing in this environment, we need more than volume. We need stronger proposal capabilities to take market share from competitors, as well as sales capabilities to secure pricing commensurate with the value we provide.

Under the new Medium-Term Management Plan, the Sales & Marketing Division has therefore set out to evolve into a sales organization that uses AI to strengthen proposal capabilities, acquire new customers, and drive top-line growth. The foundation for this is the global standardization and effective use of sales information. We will standardize and consolidate CRM* data that has been managed under different definitions across regions, including order-win probability and market segmentation, and build a framework that allows us to track and analyze deal trends along three dimensions: market, product, and region.
We call this three-dimensional sales framework the “Solution Cube.” By making sales opportunities visible through data and using AI to improve opportunity creation, raise win rates, and optimize pricing, we will simultaneously enhance the value we provide to customers and our own profitability.

* CRM: Customer Relationship Management

Solution Cube



360-Degree Customer Touchpoint Information

Global Sales Department

Market: Market Strategy Unit
Product: Product Strategy Unit
Region: Analytical & Measuring Sales Unit
MedTech Sales Department

Sales Strategy

Message from the Director in Charge of Corporate Marketing

Sales Strategy Under the New Medium-Term Management Plan

As the Director in charge of Corporate Marketing, my first priority is to establish the sales information platform quickly and advance both AI adoption and coordination across the three dimensions of market, product, and region. On that foundation, we will aim to deliver both sales growth and higher profitability by strengthening proposal capabilities and delivering value continuously. To do so, we will pursue the following five initiatives:

1. **Strengthen customer acquisition and solution delivery capabilities**
   Build a framework that enables customer research, targeting, and end-to-end solution delivery using the sales information platform.

2. **Increase brand presence in priority markets**
   Increase brand presence by working with key customers at international conferences and other events across the four domains of Healthcare, Green, Materials, and Industry.

3. **Strengthen talent development and organizational capabilities**
   Develop talent that can break down, organize, and analyze customer challenges and deliver solutions by coordinating internal and external resources, while strengthening the sales organization.

4. **Advance next-generation digital marketing**
   In response to changes in customer information-seeking behavior driven by generative AI, build a web platform optimized for AI search and develop compelling content aligned with customers' research and development challenges.
   Strengthen the entry points for customer engagement to generate opportunities more efficiently.

5. **Build the sales information platform and expand AI adoption**
   Create an organization in which Shimadzu sales teams around the world can act at the same standard based on the same information and generate compelling proposals.

Through these initiatives, we will transform the sales process through DX and AI, strengthen our ability to provide end-to-end solutions by combining global knowledge, and build a stronger earnings model that generates profit.

Strategic Priorities

In executing the strategy, we will focus on strengthening proposal capabilities based on customer challenges (Best for Our Customers), upgrading sales management through standardization and AI (ONE SHIMADZU), concentrating resources in priority areas, and strengthening the recurring revenue business.

Compelling Proposals (Best for Our Customers)

The Sales & Marketing Division will combine products and services across all business divisions to deliver end-to-end solutions tailored to customer challenges. At overseas sales companies as well, we will strengthen cross-divisional sales structures and deploy a globally consistent sales strategy. By formulating hypotheses about customer challenges based on a deep understanding of the customer and making concrete proposals in response, we will win new customers and deepen relationships with existing ones. We will also strengthen coordination across the Shimadzu Group companies to broaden the range of proposals we can offer.

Upgrading Sales Management Through Standardization and AI (ONE SHIMADZU)

Under ONE SHIMADZU, we will standardize web platforms and social media accounts globally and strengthen account-based marketing in response to changing customer buying behavior. We will improve sales productivity through AI while also enhancing the quality of proposals through knowledge sharing. At the same time, we will develop talent with stronger product knowledge and solution proposal capabilities. By standardizing and consolidating sales information globally and analyzing and managing it across the three dimensions of market, product, and region, we will advance the standardization of sales management and enhance decision-making.

Concentrating Resources in Priority Areas

Alongside building the foundation, we will clearly define priority areas based on growth potential and competitive advantage and focus management resources on them. Our priority markets are the semiconductor market and clinical market; our priority product areas are LC, MS, and recurring revenue businesses; and our priority regions are North America and India.

Strengthening the Recurring Revenue Business

In recurring revenue businesses, we will focus on maximizing customer value by standardizing sales management globally, strengthening the brand in North America, and rebuilding sales channels in Asia. Through this, we will raise the recurring revenue ratio by expanding consumables sales and maintenance contracts.

Going for the ONE

Our guiding principle for sales remains "Going for the ONE." This expresses our determination to unite as ONE SHIMADZU around a single purpose—Best for Our Customers—and strive to become No. 1.
Uncertainty in the business environment is rising due to geopolitical risk, changes in trade policy, and other factors. At the same time, global interest in Planetary Health is increasing, and the role expected of the Shimadzu Group is becoming even more important. In this environment, it is especially important that sales expand customer touchpoints, contribute to solving challenges, and drive growth.
As I often say, one of my core beliefs is that we should enjoy our work. The most demanding work and the work that involves taking on something new should be the most enjoyable. People engage most positively when they enjoy what they do.
We intend to turn the transformation underway in the Sales & Marketing Division into clear results and successfully navigate this challenging period. We hope you will look forward to the Shimadzu Group's next stage of growth.

Manufacturing Strategy

Message from the Director in Charge of Manufacturing

Managing Executive Officer
in charge of Manufacturing
and CS Management,
and DX/IT Strategy
General Manager,
Manufacturing Division

Susumu Yamamoto



Career Summary

Apr. 1986 Joined the Company
Apr. 2010 Manager, Production Control, Aircraft Equipment Plant, Aircraft Equipment Division
Apr. 2016 General Manager, Aircraft Equipment Plant, Aircraft Equipment Division
Jun. 2017 Deputy General Manager, Aircraft Equipment Division, and General Manager, Aircraft Equipment Plant, Aircraft Equipment Division
Oct. 2020 Deputy General Manager, Aircraft Equipment Division
Apr. 2021 General Manager, Aircraft Equipment Division
Apr. 2026 Managing Executive Officer, in charge of Manufacturing, CS Management, and DX/IT Strategy; General Manager, Manufacturing Division (present)

Evolving Our Manufacturing Strategy and Taking on the Future

Throughout my career in the Aircraft Equipment Division, I have built experience in manufacturing operations and production management while working to improve and advance our manufacturing capabilities. I assumed the role of Director in charge of Manufacturing in April 2026, and I am committed to enhancing corporate value by steadily executing manufacturing strategies that support the Shimadzu Group's sustainable growth.

Under the Medium-Term Management Plan, the Shimadzu Group has set out to become an innovative company that solves social challenges together with partners around the world. To achieve this, we will enhance the management foundation through the evolution of our manufacturing strategy and steadily capture future growth opportunities.

Central to this effort is the combination of AI and human expertise. AI creates significant value in areas such as demand forecasting, quality inspection, predictive maintenance, and production planning optimization, helping us improve productivity while maintaining stable quality. It also enables us to make improvement opportunities more visible by using accumulated data.

At the same time, the knowledge and know-how of skilled employees remain a core source of competitiveness on the manufacturing floor. As we further expand the use of AI, we will also strengthen talent development, manufacturing capabilities on the ground, and cross-functional collaboration so that we can respond flexibly to changes in the external environment and build a manufacturing foundation that is resilient and continuously evolving.

Manufacturing is a core function that underpins customer trust and a critical foundation for global business growth. We will continue to enhance QCD—quality, cost, and delivery—improve efficiency, and make these gains sustainable—while advancing optimized production allocation and building a resilient, stable, high-quality supply system.

Basic Approach to Manufacturing Strategy

We position manufacturing as a core function in earning customer trust. To support medium- to long-term global business growth, we are continuously enhancing QCD, improving efficiency, and making these gains sustainable, while optimizing our manufacturing footprint and strengthening procurement networks at each site. We are also using AI and digital technologies to advance automation and optimization in procurement and production.

Manufacturing Strategy

Medium-Term Management Plan

Core Strategies

1. Improve responsiveness to changes in the operating environment
2. Accelerate the speed of market deployment
3. Enhance, streamline, and sustain QCD through manufacturing DX

Initiatives, Systems, and Frameworks

1. Build the manufacturing footprint and organizational framework needed for optimized global production
2. Improve quality and reduce costs earlier in the PLM process, and shorten lead times for prototyping and mass production
3. Improve quality and efficiency through AI and digital technologies and sustain those improvements

Our Vision for 2035

Build a Global Manufacturing and Supply Chain Structure That Can Deliver High-Quality Products and Services to Customers Worldwide Quickly and at Optimal Cost

Contribute to Enhancing Corporate Value Through a Manufacturing Strategy That Supports the Shimadzu Group's Sustainable Growth

Current Status and Our Vision

Under the previous Medium-Term Management Plan, we adopted "expanding global manufacturing" as a basic policy and implemented a broad range of initiatives, including strengthening manufacturing BCM (Business Continuity Management), increasing global production capacity, and advancing manufacturing DX to transform manufacturing processes.

As Is (FY2025)

Key initiatives advanced:
1. Strengthening procurement functions
2. Strategic inventory initiatives
3. Strengthening production capacity at sites in Japan and overseas
4. Improving logistics through automation and efficiency gains

Build a global Manufacturing Division structure that can respond flexibly to demand fluctuations

Actions (FY2026–FY2028)

1. Develop sites and organizational structures to support production in the most appropriate locations globally
2. Improve quality and cost earlier in the PLM process and shorten lead times for prototyping and mass production
3. Improve and embed quality and efficiency through AI and digital technologies

To Be (FY2028)

Under the Manufacturing Division, we have integrated procurement and manufacturing functions across the Shimadzu Group, achieving greater operational optimization and stronger governance.

To Be (2035)

Build a global manufacturing and supply chain network capable of delivering high-quality products and services to customers worldwide quickly and at optimal cost.

Manufacturing Strategy

Message from the Director in Charge of Manufacturing

1. Building the Manufacturing Footprint and Organizational Framework Needed for Optimized Global Production

As geopolitical risk and demand volatility become more persistent, we are building a resilient supply system designed for this environment. By advancing optimized production allocation globally, diversifying critical processes, and enabling flexible production adjustments across sites, we will balance stable supply with competitiveness while reducing risk.

We will also enhance supply responsiveness and improve end-to-end supply chain coordination by optimizing the supply chain as an integrated whole across procurement, manufacturing, and logistics. By improving visibility into capacity, inventory, and procurement status at each site, we will build a more flexible and resilient supply system.



Shimadzu Group's Global Manufacturing Sites

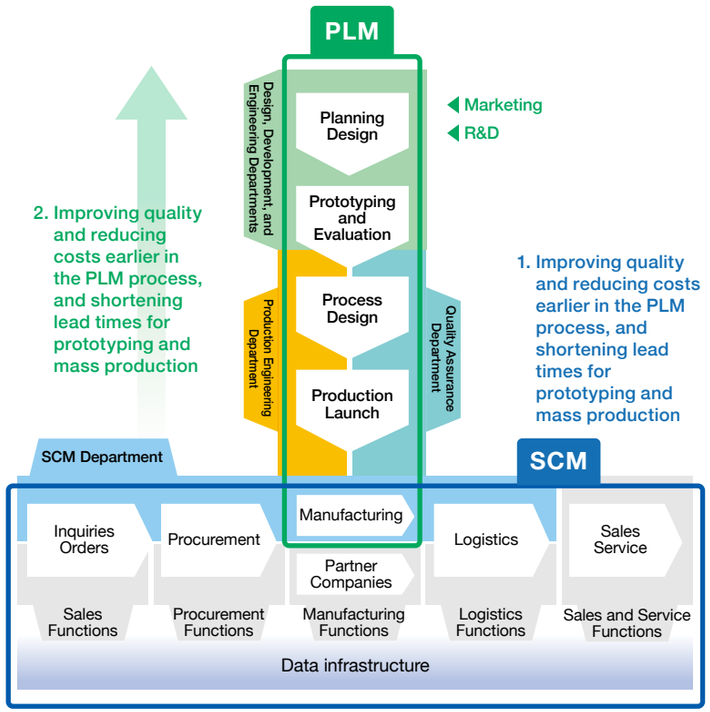
2. Improving Quality and Reducing Costs Earlier in the PLM Process, and Shortening Lead Times for Prototyping and Mass Production

Manufacturing competitiveness depends not only on factory efficiency. It is maximized by optimizing the entire process as a single flow—from development and design, through prototype validation, to rapid delivery and services for mass-produced products supported by stable procurement.

Along the PLM axis, we will manage the process end to end from planning and design through production launch, improving quality and cost from the upstream stages. Along the Supply Chain Management (SCM) axis, we will connect procurement, manufacturing, logistics, sales, and service to improve the speed of supply responsiveness. By linking these two axes through data, we aim to achieve a step change in QCD through end-to-end optimization.

PLM Product Lifecycle Management:
The perspective of integrated management and optimization across the full product lifecycle

SCM Supply Chain Management:
The perspective of optimizing the supply network from materials procurement to sales and service



3. Improving quality and efficiency through AI and digital technologies and sustaining those improvements

3. Improving Quality and Efficiency Through AI and Digital Technologies and Sustaining Those Improvements

By using AI and digital technologies, we can monitor manufacturing conditions in real time and detect early signs of abnormalities, helping prevent quality issues and equipment downtime before they occur. Going forward, we will deepen the use of data further and accelerate improvements in quality and efficiency across manufacturing.

At the same time, we will build on human strengths—the practical knowledge and know-how developed on the manufacturing floor—so that people and AI complement one another and advance higher-value manufacturing. That includes passing on skills and building a manufacturing foundation that can continue to evolve.



Automated Storage and Retrieval System and Automated Transport Equipment



Robotic Painting Equipment

Strengthening the Management Foundation and Driving Profit Through Integrated Manufacturing Functions

In April 2026, we established the Manufacturing Division and consolidated manufacturing functions from across business divisions. This reorganization created an integrated structure for procurement, manufacturing, and logistics, enabling us to strengthen the supply chain, improve governance, and enhance QCD competitiveness through greater operating efficiency.

We will also use physical AI to advance automation on the manufacturing floor and further improve productivity and quality.

Through these efforts, we will strengthen the management foundation that supports sustainable growth and drive profit generation.

Human Capital Strategy

Message from the CHRO

Senior Managing Executive Officer
CHRO, in charge of
General Administration
and Internal Control
Deputy in charge of
Risk Management

Shigenori Aoyama



Career Summary

Apr. 1991 Joined the Company
Jan. 2013 General Manager,
Human Resources Development Department,
Human Resources Department
Apr. 2017 General Manager,
Human Resources Department
Apr. 2020 Corporate Officer, General Manager,
General Administration Department
Apr. 2022 Managing Executive Officer,
in charge of Legal Affairs,
General Administration,
and Internal Control; Deputy in charge of
Risk Management
Apr. 2024 Managing Executive Officer,
in charge of Human Resources,
General Administration,
and Internal Control; Deputy in charge of
Risk Management
Apr. 2025 Managing Executive Officer,
CHRO, in charge of General Administration
and Internal Control; Deputy in charge of
Risk Management
Apr. 2026 Senior Managing Executive Officer, CHRO,
in charge of General Administration
and Internal Control; Deputy in charge of
Risk Management (present)

Building an Organization Capable of Delivering Transformation Through Human Capital Management

As CHRO, I view human capital both as a source of corporate value creation and as the foundation for translating management intent into execution on the front lines. Human capital management is not a collection of HR initiatives; it is management itself. I believe the responsibility of the CHRO is to continually assess, as a matter of management, what talent the Shimadzu Group needs and how that talent should be leveraged as growth areas and the business portfolio evolve.

Guided by our Corporate Philosophy of "Contributing to Society through Science and Technology," the Shimadzu Group has developed its businesses and enhanced corporate value. However, as the business environment becomes increasingly dynamic, strategy alone is not enough. Strategy produces results only when an organization and its people can accurately understand change, test and refine approaches on the front lines, and carry execution through to completion.

I aim to support the efforts and growth of each employee and connect that growth to the enhancement of corporate value. My goal is to turn the positive cycle of taking on challenges, growth, and the enhancement of corporate value into a system—not leave it to chance.

I also believe human capital management, internal control, and governance are inseparable. Encouraging people to take on challenges requires fairness, transparency, and accountability. Decisions involving people—including compensation, evaluation, transfers, and appointments—are critical areas directly linked to corporate risk. If decision-making processes are opaque, employees' sense of fairness and trust can be easily eroded, even if no issues become visible in the short term. For this reason, I place HR governance at the center of our agenda, with an emphasis on clear criteria, transparent processes, and accountability.

Internal control and governance are not intended to make an organization hesitant to act. They provide the foundation for an environment in which employees can take on challenges with confidence, while improving the quality and speed of management decision-making. Governance is not a mechanism that functions only after problems occur; it is the work of creating conditions that make problems less likely to occur. Organizational culture is formed through the accumulation of decisions involving people. Ensuring consistency in each decision and creating conditions in which front-line teams can act with clarity are important responsibilities of the CHRO.

Talent and Organization Needed to Support the Pursuit of "the Well-Being of Mankind and the Earth"

The Shimadzu Group's vision for 2035 is to be a company that continues to create social value through the Pursuit of Planetary Health (the Well-Being of Mankind and the Earth). To connect science and technology with market deployment in the four domains of Healthcare, Green, Materials, and Industry, we need not only technological capabilities, but also the strength of our people and organization.

In addition to deep expertise, I place particular importance on securing and developing talent with the ability to co-create solutions across disciplines and national borders in response to increasingly complex challenges, as well as the ethical grounding and judgment required to meet the trust placed in us by society. As corporate responsibilities expand in areas such as compliance, human rights, and data utilization, people who can think and act independently will be a key source of competitiveness.

An organization that respects diversity and embraces different perspectives is not only a prerequisite for innovation; it is also essential from a governance perspective. By creating an environment in which everyone can express their views and take part in constructive discussion regardless of gender, nationality, or career background, we can build a stronger organizational culture that combines psychological safety with discipline.

I believe this organizational culture will support our technologies and businesses over the long term and serve as the driving force for achieving our 2035 vision.

Priority Initiatives for Human Capital and Governance Under the New Medium-Term Management Plan

Under the Medium-Term Management Plan for FY2026–FY2028, which begins in FY2026, we will enhance our management foundation and strengthen human capital management, internal control, and governance, with a view to further advances in AIX, or AI Transformation. We will focus on four specific initiatives:

First, we will upgrade talent acquisition and development in alignment with business strategy. We will secure a stable pipeline of diverse, highly specialized professionals and systematically develop next-generation management leaders and highly specialized professionals. By building depth in our talent base rather than relying on individual talent alone, we will support sustainable business growth.

Second, we will strengthen organizational capabilities, starting with employee engagement. We will establish a cycle for identifying challenges and driving improvement through Group-wide indicators and dialogue mechanisms.

Third, we will further advance health and productivity management and safety. Physical and mental health and safety are the most important foundations of human capital and a critical corporate responsibility.

Fourth, we will strengthen glocal talent management and HR governance. By establishing rules and data infrastructure that meet global standards and enabling fair, transparent decision-making, we will balance strategic talent utilization with risk management.

Through these initiatives, I will connect investment in human capital not only to future growth, but also to strengthening the Company's credibility and trust.

Human Capital Strategy

Human Capital Strategy for Corporate Value Creation

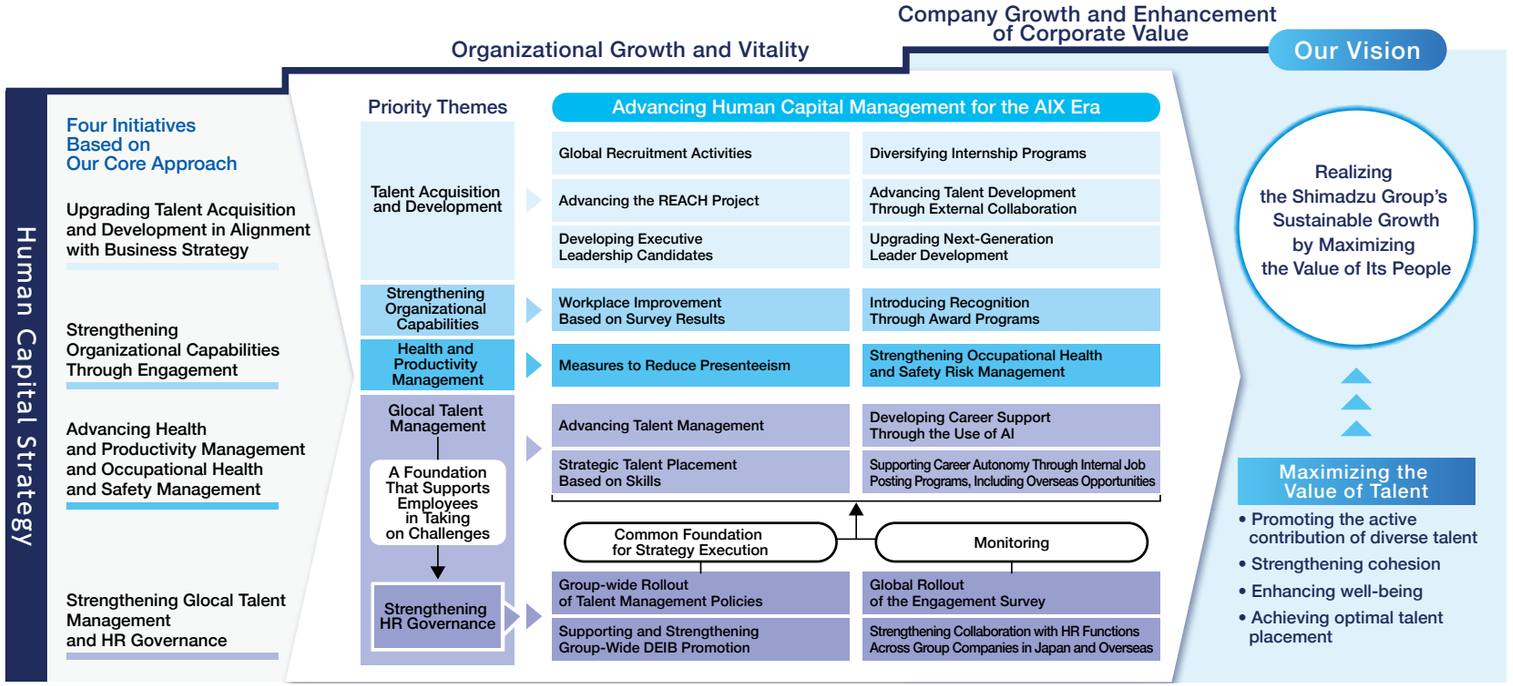
Overview of the Human Capital Strategy

People are the Shimadzu Group's greatest asset and the foundation that supports its sustainable growth. Since its founding, the Shimadzu Group has fostered a corporate culture that values people, guided by its Corporate Philosophy of "Contributing to Society through Science and Technology." This Corporate Philosophy forms part of Shimadzu's DNA and serves as a guiding principle for all employees. To realize the Shimadzu Group's aspiration of the Well-Being of Mankind and the Earth, we are advancing a human capital strategy that places people at the center of management. By elevating the capabilities developed through each employee's challenges and growth into organizational execution and transformation capabilities, and by pursuing integrated initiatives spanning talent acquisition, development, and enabling people to contribute fully, we are building an organization capable of seeing strategy through even amid rapid environmental change. By creating an environment in which employees can take on challenges with confidence and where diverse expertise and perspectives can thrive, we will support the Shimadzu Group's sustainable value creation.

Current Status and Our Vision

To date, Shimadzu has steadily built a foundation through talent acquisition and development, as well as through the enhancement of systems and the work environment, enabling employees to take on challenges and demonstrate their capabilities in their respective roles and positions. The foundation that enables people with diverse expertise and experience to contribute on the front lines is steadily expanding.
Going forward, we will build on this foundation to create an organization in which diverse talent can collaborate by leveraging one another's strengths and continue to generate results as a team. We place particular importance on ensuring that the capabilities of individuals reinforce one another and function as a driving force for value creation even in a rapidly changing business environment. Through this, we envision a state in which the Shimadzu Group can achieve sustainable growth while contributing to the resolution of social challenges.
Based on the core principles of its human capital strategy, the Shimadzu Group will systematically advance specific initiatives under the following four pillars.

- Upgrading talent acquisition and development in alignment with business strategy
- Strengthening organizational capabilities through engagement
- Advancing health and productivity management and occupational health and safety management
- Strengthening glocal talent management and HR governance



FY2025 Results

In FY2025, we implemented a broad range of initiatives aimed at building and embedding the foundation that supports individual growth. In talent acquisition, we strengthened the pipeline of highly specialized professionals through expanded university partnerships, broader internship programs, and global recruitment. In talent development, we used Shimadzu Academy as a core platform to develop executive leadership candidates and next-generation leaders, thereby strengthening organizational execution capabilities. At the same time, we supported employees' autonomous career development through initiatives to embed the new HR system and by expanding the scope of the internal job posting program, while also advancing workplace improvements based on engagement survey results. By further strengthening our ability to execute strategy, we improved the environment in which each employee can thrive and supported the Shimadzu Group's sustainable growth.

Future Initiatives

From FY2026 onward, we will move into a phase of linking these foundations to stronger organizational capabilities. In talent acquisition and development, we will continue to diversify our hiring while further strengthening the development of next-generation leaders with a global and Group-wide perspective. For highly specialized professionals, we will strengthen mechanisms that connect expertise to value creation by expanding development opportunities and clarifying career paths. At the same time, we will advance HR management based on a Group-wide common framework and, through further embedding DEIB, create an environment in which diverse talent can contribute with confidence and generate new value. Through these efforts, we will further strengthen execution of our business strategy and realize sustainable growth.

Human Capital Strategy | Strengthening Organizational Capabilities

Strengthening Organizational Capabilities Through Engagement

Basic Approach

We define engagement as employees' sense of attachment to and pride in the Company, as well as their willingness to contribute. Through regular surveys, we make conditions in each organization visible and identify key drivers with strong correlations based on data. We link these findings to dialogue in the workplace, enabling management, organizational leaders, and employees to work together to design and implement concrete actions. In this way, we aim to establish a repeatable improvement cycle that does not depend on ad hoc individual responses, while fostering a workplace culture in which each employee can feel they are growing.

Current Status and Our Vision

- Current Status: Through regular surveys conducted since FY2020, we have identified organizational challenges and the key drivers most strongly correlated with them. While initiatives in FY2023 and FY2024 helped establish the foundation, challenges remain, including variations across domestic and overseas operations and lower scores among younger employees.
- Our Vision: We aim to achieve a stable engagement score of 65% or higher across the Shimadzu Group and create a state in which each organization can autonomously use data to drive improvement. We will strengthen growth opportunities and career support for younger employees in order to maximize their expertise and aptitude.

Workplace Improvement Based on Survey Results

Although direct comparisons are difficult because evaluation environments differ between Japan and overseas, engagement levels at major overseas Group companies are in line with benchmarks in their respective countries and regions.
We have identified six priority themes for improving engagement: career prospects at Shimadzu, opportunities for learning and growth, pride in our products and services, alignment between strategic goals and day-to-day work, support for transformation, and confidence in the Company's future prospects.
Among younger employees in particular, there is room for improvement in their sense that they are able to make full use of their skills and capabilities, as well as in dialogue with supervisors regarding career development. Based on these findings, we are advancing workplace improvements grounded in survey results, including enhancing self-assessment interviews under the multi-track career system and expanding opportunities for dialogue with senior management.

FY2025 Results and Assessment

- Shimadzu Corporation (non-consolidated) recorded an engagement score, measured as the positive response rate, of 66%, up 1 percentage point from the previous year. Scores have improved every year since the current system was introduced, and the non-consolidated target KPI of 65% has been achieved.
- Domestic Group companies conducted their second unified survey, and by following a process of interviews, key driver identification, and action plan development and execution, they achieved an average improvement of 2 percentage points.
- Overseas Group companies conducted surveys for the first time on a unified platform and reviewed the results against benchmarks in each country and region. HR representatives from major Group companies shared insights at the Global HR Conference in February 2026.

Engagement Information Sharing Site for Sharing Best Practices Across the Company

We systematized best practices for improving engagement identified through interviews at headquarters and domestic Group companies and launched an "Engagement Information Sharing Site" on the internal intranet. These case studies compile both practices from high-scoring organizations and actions defined through organizational dialogue in lower-scoring organizations seeking improvement. By presenting them together with the relevant key drivers, we have created guidance that enables organizations facing similar challenges to test and adopt them quickly. The site is accessible to all employees, including those at Group companies, and serves as an effective tool for promoting dialogue within organizations. By continuing to share feedback from organizations putting these practices into action and related improvement data, we are accelerating rollout across the organization and supporting the establishment of a front-line-led improvement cycle.

Sharing Best Practices Through the Intranet



Award Programs That Recognize Employees Who Take on Challenges

The Shimadzu Group presents Company-wide performance awards that recognize organizations and teams for outstanding initiatives and exceptional achievements in business activities, highlighting them as role models for employees. In FY2025, 96 initiatives were selected, and approximately 150 members attended the award ceremony and celebration event, where their achievements were honored.
We also revised the selection process for the First a Dream Award, which recognizes employees who take on challenges in pursuit of their aspirations. Beginning this year, employees across the Shimadzu Group vote to select award recipients, fostering a culture of peer recognition while also enhancing participation and engagement through involvement in the award process.

FY2025 President's Encouragement Award

Shimadzu engineers attracted national attention through their appearance on NHK's technology entertainment program *Makaizo no Yoru*, where they took on unique technical challenges that were broadcast nationwide. These initiatives helped raise corporate recognition while also contributing to stronger employee morale and a greater sense of belonging.



FY2025 First a Dream Award Examples

- "Takumi Science Classroom," which holds science classes for elementary and junior high school students to convey the excitement of science and technology and inspire more future participants in scientific research.
- "Expanding career opportunities for designers through the creation of the Company's 150th anniversary logo.



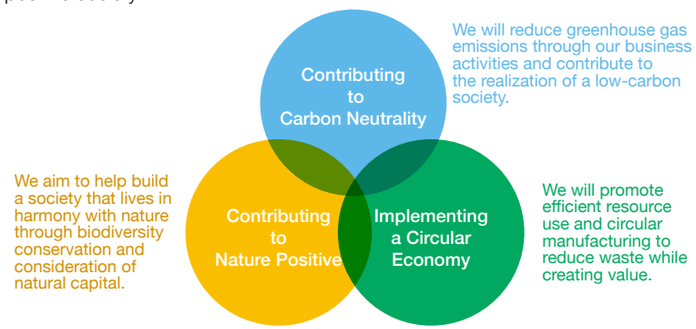


Environmental Strategy: Environmental Management

Advancing Environmental Management

Environmental Policy: Achieving Business Growth in Harmony with the Environment and Enhancing Corporate Value

Through its business activities, the Shimadzu Group aims to solve social challenges and enhance corporate value. Rather than treating decarbonization, resource circulation, and biodiversity conservation as separate environmental responses, the Shimadzu Group views them as interconnected management issues and advances environmental management in an integrated manner with its business operations.
In the new Medium-Term Management Plan, the Shimadzu Group has organized its environmental management initiatives around three themes: contributing to carbon neutrality, implementing a circular economy, and contributing to a nature-positive society.



Contributing to Carbon Neutrality

Basic Approach to Carbon Neutrality

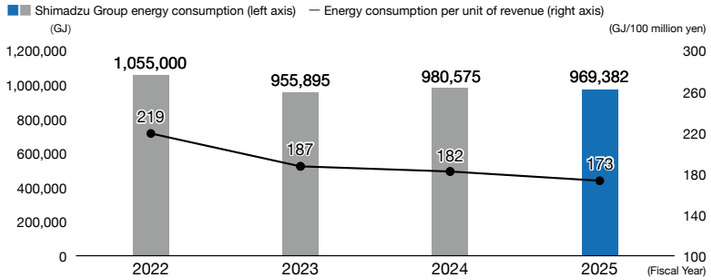
The Shimadzu Group is reducing CO_2 emissions from its business activities (Scopes 1 and 2) with the aim of achieving carbon neutrality by 2050. Through energy efficiency initiatives and the use of renewable energy, it aims to contribute to the realization of a carbon-neutral society and enhance corporate value on a sustained basis.

Reducing CO_2 Emissions from Business Activities (Scopes 1 and 2*)

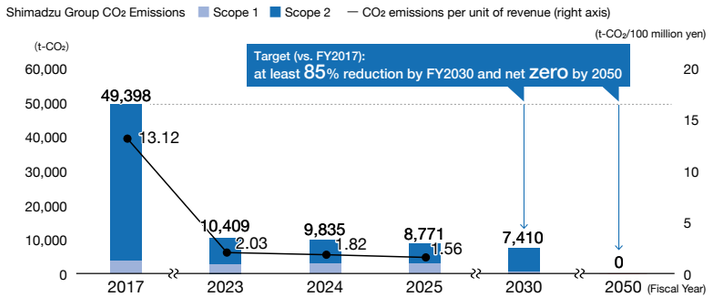
The Shimadzu Group joined RE100 in March 2021 and has been switching major sites in Japan and overseas to electricity from renewable sources.
In FY2025, 88% of the electricity used across the Shimadzu Group came from renewable sources.
In addition, the FY2030 CO_2 reduction targets below were certified in October 2022 as aligned with the 1.5°C pathway under the Science Based Targets initiative (SBTi).

- Achieve net-zero CO_2 emissions from the Shimadzu Group's business activities by 2050.
- As interim targets, reduce CO_2 emissions from the Shimadzu Group's business activities by at least 85% by FY2030 and at least 90% by FY2040, compared with FY2017 levels.
- Reduce CO_2 emissions from the use of products sold by the Shimadzu Group by at least 30% by FY2030, compared with FY2020.

Energy Consumption (Shimadzu Group in Japan and Overseas) (Scopes 1 and 2)



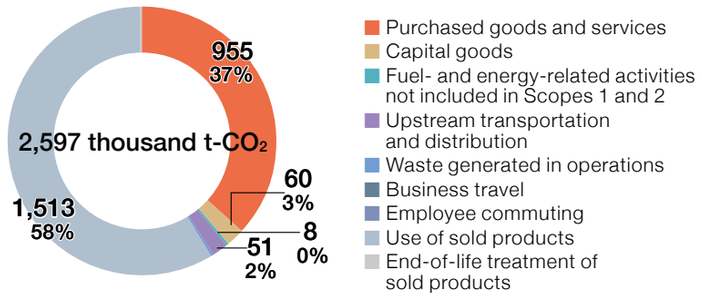
Energy-related CO_2 emissions (Shimadzu Group in Japan and Overseas) (Scopes 1 and 2)



Reducing CO_2 Emissions Across the Supply Chain (Scope 3)

The Company is also working to reduce CO_2 emissions across the supply chain. In particular, to reduce Scope 3 emissions, it works with suppliers to lower environmental impact across the full product lifecycle.
Since 2021, the Company has encouraged suppliers to undergo energy efficiency assessments, and 39 suppliers had done so by FY2025. The Company will continue deepening dialogue with business partners and working to reduce greenhouse gas emissions across the supply chain. In FY2026, it plans to step up these efforts further, including Scope 3 initiatives.

FY2025 Greenhouse Gas Emissions Across the Supply Chain (Scope 3*)



Disclosure Based on TCFD Recommendations

The Shimadzu Group views the impact of climate change on its business and financial performance as an important management issue and provides disclosure based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). From the perspectives of governance, strategy, risk management, and metrics and targets, it identifies and assesses climate-related risks and opportunities and clarifies their impact on management and the Shimadzu Group's response. For details of the disclosures and analysis results, please scan the QR code on the right.

* Scope 1: Direct emissions from fuel combustion and manufacturing by the Company itself
* Scope 2: Indirect emissions from the use of electricity, heat, and steam supplied by other companies
* Scope 3: Indirect emissions from supply chain activities other than Scopes 1 and 2

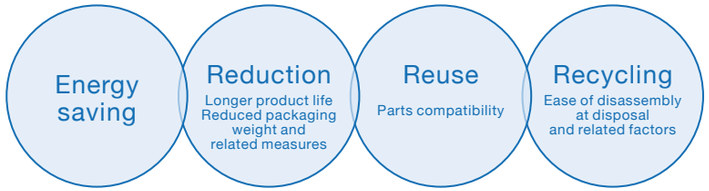
Environmental Strategy: Environmental Management

Advancing Environmental Management

Environmental Considerations in Products

The Shimadzu Group is promoting environmental improvements across all products with the aim of reducing environmental impact throughout the product lifecycle. Under the Product Design Guidelines, designers and developers are required in new product reviews to achieve greater reductions in environmental impact than previous products, thereby putting into practice the goal of making all products more environmentally friendly.

Key Items in the Environmental Design Guidelines



Products with particularly strong environmental performance are certified as Eco Products Plus. The contribution to CO_2 emissions reduction generated through customer use of these products reached 12,166 t-CO_2 in FY2025, bringing the cumulative total over the past 10 years to 77,365 t-CO_2.
The Shimadzu Group will continue contributing to the realization of carbon neutrality and a circular society through the development and wider adoption of environmentally conscious products.

Main Eco Products Plus Certifications in FY2025



Integrated High-Performance Liquid Chromatograph LC-2070

Power Consumption 25.9%↓



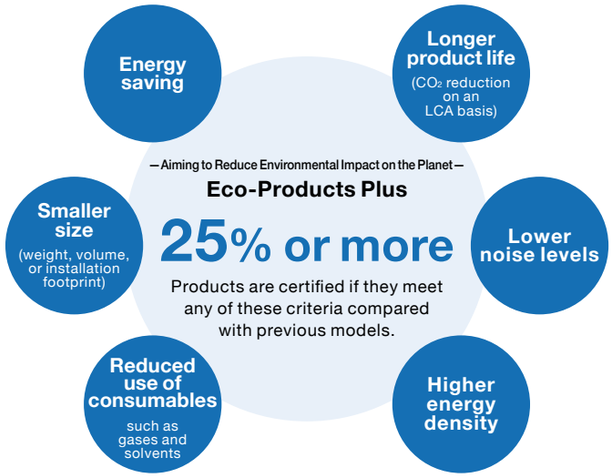
UV-Visible Spectrophotometer UV-1900i Plus

Power Consumption 60.2%↓



Turbomolecular Pump TMP-V2304LM

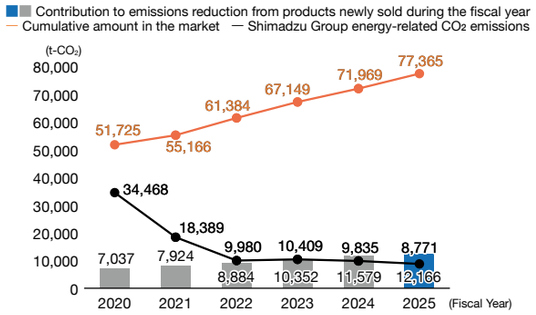
Footprint 48.7%↓ Volume 25.0%↓



* Please visit our website for details.

FY2025 contribution to CO_2 emissions reduction: 12,166 t-CO_2

Shimadzu Group CO_2 Emissions and Contribution to CO_2 Emissions Reduction



The following information is available on our website:
Environmentally Friendly Products and Services
https://www.shimadzu.com/sustainability/environmental/ecoproplus.html

Implementing the Circular Economy

Basic Approach to the Circular Economy

The Shimadzu Group is reducing environmental impact across the full product lifecycle by extending product life, promoting reuse, and advancing resource circulation. It is embedding environmental considerations from the design stage and advancing the implementation of a circular economy that maximizes product value.

Extending Product Life: Retrofitting Testing Machines Developing Circular Business Models

The Shimadzu Group has been working to extend the life of testing machines since 1997. By continuing to use the main frame of existing machines while upgrading them with the latest controller, the Shimadzu Group improves product performance while reducing CO_2 emissions. These efforts reduce environmental impact across the product lifecycle and support the development of circular business models.



Refurbishment Initiatives Building New Circular Business Models

Shimadzu Corporation has launched a demonstration project with Ryukoku University on the refurbishment of analytical and measuring instruments, meaning products restored by the manufacturer through repair and maintenance. This initiative is being carried out as part of the comprehensive partnership agreement signed in 2023 to support the transition to a circular society.
In this demonstration project, used high-performance liquid chromatographs are refurbished by the Company and provided for educational and research use to assess the potential for extending product lifecycles and promoting resource circulation. Based on the findings, the Company will improve the practicality and customer value of refurbished products and use them to build circular business models.



Liquid Chromatograph Installed at Ryukoku University

Environmental Strategy: Environmental Management

Advancing Environmental Management

Reducing Environmental Impact Through the Use of Sustainable Materials

To support the transition to a circular economy, the Shimadzu Group is promoting the use of sustainable materials in new products and the replacement of materials in existing products and components. Led by the cross-functional Sustainable Materials Promotion Committee, it is increasing the use of biomass-based and recycled materials and advancing initiatives that incorporate resource circulation from the product design stage.

In FY2025, chemically recycled resin was adopted for exterior panels, the main frame, and other parts of i-Series, our Integrated High-Performance Liquid Chromatograph. The Shimadzu Group will continue shifting to materials that reduce environmental impact while maintaining product functionality and quality, in line with the new Medium-Term Management Plan's goal of advancing the implementation of a circular economy.



Integrated High-Performance Liquid Chromatograph
i-Series

Reducing Environmental Impact Through Closed-Loop Recycling

Since FY2022, the Shimadzu Group has been engaged in closed-loop recycling by internally recycling plastic waste generated at its plants and reusing it as recycled material. Used packaging materials are processed into recycled pellets and blended with virgin material to manufacture plastic containers, reducing the use of petroleum-based plastics. Ryukoku University joined this initiative in FY2023, and collaboration is progressing under the comprehensive partnership agreement for a circular society, including participation in seminars.



Plastic packaging waste generated every day

Recycling





Recycled into plastic containers for liquid waste used in business operations

Contributing to a Nature-Positive Future

Basic Approach to a Nature-Positive Future

Recognizing that its business activities depend on natural capital and biodiversity, the Shimadzu Group has positioned the realization of a nature-positive society—reducing negative impacts on nature while contributing to its restoration and regeneration—as an important management issue. As part of environmental management, it is working to conserve and restore natural environments through science and technology.

Initiatives at Shimadzu Forest (Soil Assessment Using Science and Technology)

At Shimadzu Forest, located within the headquarters and Sanjo Works site, the Shimadzu Group is conserving and nurturing vegetation including native species. Since FY2019, it has also used SOFIX (Soil Fertility Index), a soil fertility assessment method that analyzes biological properties and visualizes soil development, to guide forest management based on scientific evidence. Through these efforts, the Shimadzu Group contributes to biodiversity conservation and restoration.





TOC solid sample measurement system used for soil management



Measures carbon content in soil

Certified as a Nationally Certified Sustainably Managed Natural Site

In February 2025, Shimadzu Forest at the headquarters and Sanjo Works was certified by Japan's Ministry of the Environment as a Nationally Certified Sustainably Managed Natural Site, and in March 2026 the certification was renewed under the Act on Promoting Activities to Enhance Regional Biodiversity, jointly administered by the Ministry of Agriculture, Forestry and Fisheries, the Ministry of Land, Infrastructure, Transport and Tourism, and the Ministry of the Environment.

This system certifies areas where biodiversity is being conserved through private-sector initiatives. Certified areas are registered in an international database as OECMs and contribute to the 30by30 target. The Shimadzu Group will continue protecting and restoring rare species and advancing forest conservation that supports biodiversity conservation.

Creating Synergies Between Living with Nature and Business Through Analytical Technologies

Through analytical and measuring technologies, the Shimadzu Group makes the state of the natural environment visible and contributes to a nature-positive future. Details of initiatives across four natural domains—land, freshwater, oceans, and the atmosphere—are available via the QR code shown.



Support Activities as an Environmentally Contributing Company

To help realize a nature-positive future, the Shimadzu Group promotes natural environment conservation activities in collaboration with a wide range of stakeholders, including local communities and overseas partners. It is engaged in biodiversity conservation tailored to local conditions, including forest conservation activities in Kyoto Prefecture and tree planting and river cleanups at overseas sites. It also promotes environmental awareness among the next generation through outreach programs and similar activities.



River Cleanup in Singapore



Forest Conservation Activities by Shimadzu Corporation in Kyoto



Mangrove Planting in the Philippines

Disclosure Based on TNFD Recommendations

The Shimadzu Group views the impact of natural capital, including biodiversity, on its business activities and financial performance as an important management issue and is advancing disclosure based on the recommendations of the Task Force on Nature-related Financial Disclosures (TNFD). In July 2024, it expressed support for the TNFD recommendations and registered as a TNFD Adopter.

Based on the TNFD recommendations, the Shimadzu Group analyzes dependencies and impacts on natural capital across the value chain and identifies related risks and opportunities. It reflects these findings in management and appropriately manages and discloses them under its governance framework.

*For more information, please scan the QR code on the right.

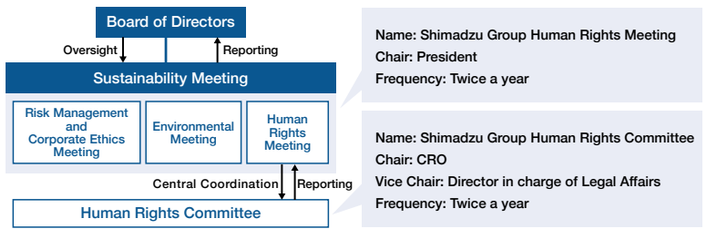
Respect for Human Rights

The following information is available on our website:
Respect for Human Rights https://www.shimadzu.com/sustainability/social/human_rights.html#01

Human rights are the fundamental rights inherent to all people from birth, enabling them to live with dignity and fulfillment.
The Shimadzu Group recognizes that respecting the human rights of all stakeholders connected to its business is fundamental to its corporate activities and is advancing initiatives to uphold human rights.

Governance Structure

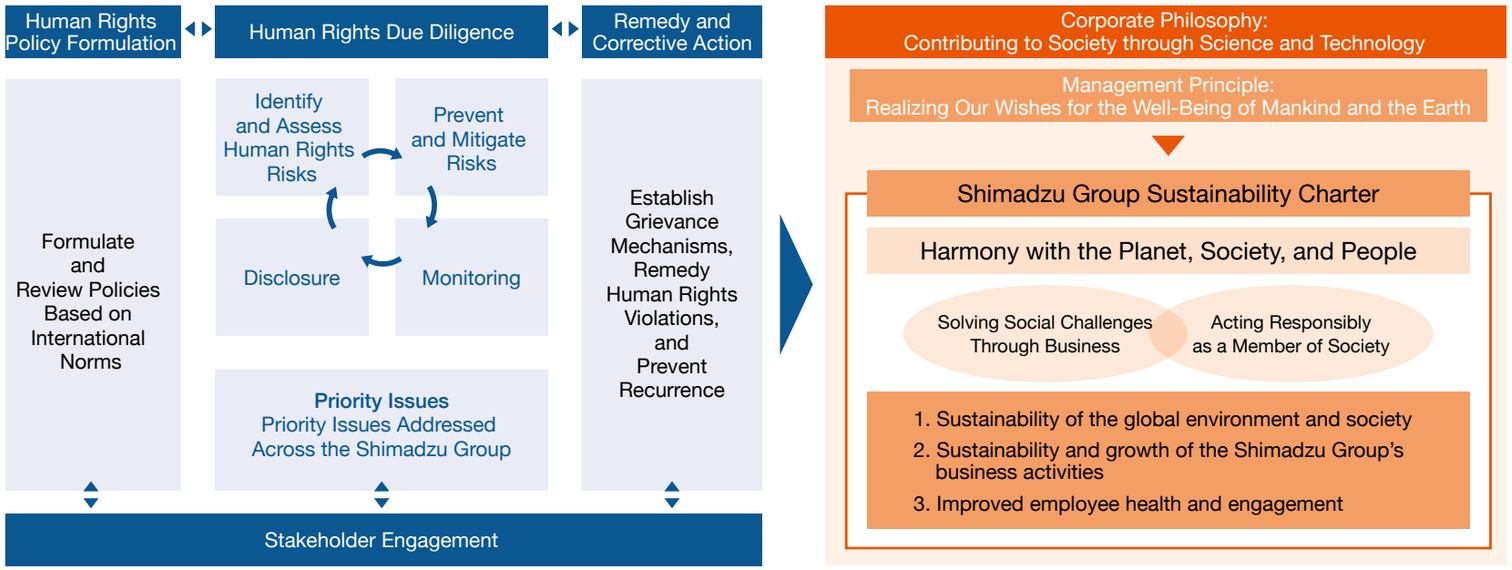
- As a specialized body under the Shimadzu Group Sustainability Meeting, the Group has established the Shimadzu Group Human Rights Meeting (the "Human Rights Meeting") and, under it, the Shimadzu Group Human Rights Committee (the "Human Rights Committee").
- The Board of Directors oversees the Group's human rights initiatives through regular reporting on the Shimadzu Group Sustainability Meeting and the Human Rights Meeting.
- Members of the Human Rights Meeting include the Chairman of the Board, the President and other Executive and Corporate Officers, Audit & Supervisory Board Members, general managers of business divisions, general managers of corporate divisions, and representatives of domestic and overseas affiliates. This meeting is positioned as the Group's highest deliberative body for human rights initiatives and is held twice a year under the chairmanship of the President. Matters discussed are reported to the Board of Directors, and Directors and Audit & Supervisory Board Members provide oversight, including recommendations on human rights risks arising from business activities and how to mitigate them.
- In addition to the CRO as chair, the Human Rights Committee includes the General Managers of the Risk Management Department, the Human Resources Department, the Procurement Department, the Legal Department, and the Sustainability Unit of the Corporate Strategy Planning Department, among others, and discusses how to advance activities centered on human rights due diligence.



Strategy

The Shimadzu Group recognizes that respecting the human rights of all stakeholders connected to its business is fundamental to its corporate activities. Based on international norms and government guidelines, it has established a framework for advancing respect for human rights and is implementing initiatives including commitments under its Human Rights Policy, human rights due diligence, and remedies and corrective actions.

Shimadzu Group Framework for Advancing Respect for Human Rights



Human Rights Policy

Taking into account international norms, government guidelines, and the views of external experts, the Shimadzu Group has established the Shimadzu Group Human Rights Policy as its highest-level policy standard for human rights initiatives.
Please refer to the full text of this policy on our website under "Respect for Human Rights."
This policy was adopted by resolution of the Board of Directors.

Metrics and Targets

The Shimadzu Group has established KPIs for its human rights initiatives and monitors them primarily through the Human Rights Committee to track progress in implementation. It uses this monitoring to drive continuous improvement.

Metric	FY2025 Result	Target
Human Rights Due Diligence in the Supply Chain	100%	100%

Respect for Human Rights

Risk Management

Human Rights Due Diligence

The departments responsible for each risk lead implementation, while the Human Rights Meeting and Human Rights Committee monitor progress in preventing and mitigating adverse impacts.

1. Identification and Assessment of Human Rights Risks

With reference to international norms and government guidelines, the Shimadzu Group identifies the human rights risks that companies should address and assesses them along two dimensions: the severity of potential human rights impacts and the likelihood of occurrence in the business.

With the Human Rights Committee taking the lead, the Shimadzu Group identifies and assesses adverse human rights impacts connected to its business, taking into account external expert input and the operating conditions of Group companies.

Based on the assessment results, the human rights risks to be addressed as priorities are discussed at the Human Rights Meeting and designated as priority issues.

Main Categories of Human Rights Risks Subject to Identification and Assessment

Stakeholder	Main Human Rights Risks	
Employees	• Various forms of harassment • Freedom of association • Insufficient or unpaid wages • Excessive or unfair working hours	• Occupational health and safety • Discrimination (employment and assignment)
Supply Chain	• Forced labor • Conflict-affected and high-risk areas • Various forms of harassment	• Child labor • Bribery and corruption • Infringement of intellectual property
Customers	• Consumer safety and the right to know • Various forms of harassment	• Bribery and corruption • The right to privacy
Local Communities	• Climate-related issues • Infringement of the rights of Indigenous peoples and local communities	• Freedom of residence and relocation • Discrimination (race and ethnicity)

2. Human Rights Due Diligence in FY2025

In FY2025, with support from external experts, the Shimadzu Group identified and assessed human rights risks across the value chain in line with international norms. Identification and assessment are conducted in principle once every three years.

STEP 1 Comprehensive Identification of Human Rights Risks Based on International Norms and Other Relevant Standards

Identified 117 Human Rights Risks

- With support from experts, the Shimadzu Group reviewed international norms and industry-specific human rights risks to identify risks that could arise in its operations.
- It developed specific scenarios to assess whose rights could be infringed and in what way.

STEP 2 Conduct Risk Assessment

Prioritization

- With guidance from experts, the Shimadzu Group conducted risk assessments in line with procedures grounded in international norms.
- Assessed the severity of potential human rights impacts and the likelihood of occurrence in the business, with greater weight placed on severity.
- The 27 identified items were discussed by the Human Rights Committee and Human Rights Meeting and consolidated into four priority issues.

Four Priority Issues

- Appropriate Supply Chain Management
- Customer Safety and Security
- Workplace Safety
- Prevention of Workplace Harassment

3. Disclosure

The Shimadzu Group provides appropriate disclosure on human rights through its Integrated Report, external website, and other channels.

Specific Initiatives

Human Rights Initiatives in the Supply Chain

To advance responsible procurement, the Shimadzu Group has established the Shimadzu Group CSR Procurement Guidelines, which set out the requirements suppliers are asked to understand and comply with.

Based on these guidelines, which cover five areas including human rights and labor, the Shimadzu Group conducts assessments of business partners and supports improvement efforts.

Prohibition of Forced Labor and Child Labor

The Shimadzu Group is committed to eliminating forced labor, child labor, and human trafficking at every stage of its business activities and conducts those activities with due consideration for sustainability.



Example of In-Person Supplier Communication

In addition to self-assessments, the Shimadzu Group reviews implementation status and supports improvement through supplier communication, including interviews and other direct engagement with business partners. The assessment results are used as one factor in supplier selection.

The following information is available on our website:

Sustainable Procurement https://www.shimadzu.com/about/procurement/index.html

Establishing Remedy and Grievance Mechanisms

To prevent, detect early, and address issues relating to corporate ethics, including human rights, the Shimadzu Group has established internal and external reporting channels.

These channels are available to all Shimadzu Group employees, temporary staff, and employees of contractors working on Shimadzu premises, and reports may be made anonymously.

In FY2025, the Shimadzu Group received 196 reports. The Shimadzu Group protects reporting parties in accordance with applicable laws, conducts necessary investigations, and implements corrective actions and measures to prevent recurrence.

In addition, the Shimadzu Group has established grievance channels specifically for human rights matters and has built a framework to receive complaints from stakeholders, including business partners and customers with whom the Shimadzu Group has no direct business relationship, as well as members of local communities.

Training

The Shimadzu Group has established the Shimadzu Group Code of Conduct Guidelines, which summarize the essence of its Code of Corporate Ethics.

Under these guidelines, the Shimadzu Group provides annual training that treats respect for human rights and diversity as key themes.

In FY2025, training was provided to employees at all Shimadzu Group companies in Japan and overseas, with a completion rate of 100%.

Strengthening Corporate Governance

Roundtable Discussion with Outside Directors



In 2025, the Company marked the 150th anniversary of its founding. As its vision for 2035, the Company aims to become a company that creates social value across four customer domains through the Pursuit of Planetary Health. In this discussion, participants exchanged views on topics including the Company's current situation and their expectations for the new Medium-Term Management Plan aimed at realizing this vision.

Hagihara: In 2025, Shimadzu Corporation marked the significant milestone of the 150th anniversary of its founding. As outside directors, you also took part in various events. Looking back over the past year, was there anything that made you see Shimadzu in a new light?

Facilitator
Corporate Strategy Planning Department
Sustainability Management Unit
Saori Hagihara



Kitano: The events reaffirmed for me Shimadzu Corporation's commitment to continuous self-reinvention over its 150-year history, as well as the strength of its underlying Corporate Philosophy of "Contributing to Society through Science and Technology." In 2025, I was particularly impressed that this philosophy bore fruit in the form of the world's first mass spectrometric analysis technology for microplastics, delivering sustainability outcomes directly linked to improving the safety of food, water, and the environment. I strongly felt that applying Shimadzu's accumulated technologies to solving future social challenges is precisely the responsibility we must fulfill as we look toward the next 150 years.

Hamada: The data show that diversity, particularly the advancement of women in the workplace, remains a work in progress. However, at the exhibition in September 2025, it was impressive and very encouraging to see many female employees playing prominent roles at the Shimadzu booth. I also think Shimadzu has made significant progress in enhancing value through "instruments plus digital technologies," including software that uses AI to compensate for differences in the skill levels of instrument users.

Hanai: Compared with companies based in Tokyo, I feel that Shimadzu has unique strengths rooted in what it has preserved over time. When I first became an outside director, I thought there were many things that needed to be transformed, but I came to realize that firmly maintaining the core principles that should be preserved has, in a positive sense, become the foundation of the Company's culture. At the same time, the challenge going forward will be how to accelerate transformation amid global competition while preserving those strengths.

Nakanishi: At the 150th anniversary commemorative events, many representatives from overseas partner companies also participated, and I felt that the globalization of Shimadzu's network is steadily progressing. I believe the challenge going forward will be to deepen the substance of the Group's global integration. Also, as Mr. Hanai noted, with a history built over 150 years, I believe there are aspects that cannot be changed so easily. Recently, however, as seen in large-scale M&A, the establishment of the R&D Center in North America and the India plant, and the creation of the Sales & Marketing Division and the Manufacturing Division, I have the impression that management has become more growth-oriented. The true value of these initiatives will be tested from this point forward, and what matters now is how far they can be turned into tangible results.



Hagihara: I believe the discussions among the outside directors have also helped encourage the Company to shift toward a more proactive stance. To be frank, does the Board of Directors provide an environment that encourages open discussion? Also, do you feel that executive management properly considers the opinions of the outside directors and puts them into action?

Hamada: The Board of Directors provides an environment in which members can speak freely, and discussions are very active. Dissenting opinions are expressed, and votes against proposals are cast, so I believe the Board functions in a very healthy manner.
While Shimadzu has strengths in what remains unchanged, I believe the world is now undergoing a once-in-a-century transformation, driven by factors such as AI, geopolitical risks, and trade tensions. Over the next several years, I think we may see enormous changes. That is why we need to think more deeply about what to preserve and what to change. One such area that needs to change, in my view, is improving capital efficiency. This does not mean that Shimadzu's current capital efficiency is low among companies listed on the Prime Market of the Tokyo Stock Exchange, but compared with U.S. competitors, it still lags behind.
I believe we must continue to pursue further improvements in capital efficiency. This is a topic we have already discussed extensively, but I would like to explore it in even greater depth.

Strengthening Corporate Governance

Roundtable Discussion with Outside Directors

Nakanishi: I also think there could be more high-level discussion on topics such as how to generate greater profits with limited capital. Shimadzu's Board of Directors materials are highly detailed, and as a result, discussions tend to focus on the details. I believe the Board of Directors' essential role is to discuss the Company's direction from a broader, more strategic perspective and set a clear strategic direction. To that end, I think it would be desirable to allocate more time to discussion and further enhance opportunities for exchanging opinions.

Hanai: From another perspective, the Board of Directors is functioning effectively, and the prior briefings are also thorough. As outside directors, we participate in Board discussions after receiving sufficient information in advance. However, even after spending considerable time on discussions, there are some areas where it is sometimes difficult to see how matters progress afterward. Because outside directors do not attend Executive Committees, I feel it would be helpful to have greater visibility into the discussions and reviews that subsequently take place within executive management and into how those matters are ultimately implemented.



Hamada: When we express our opinions freely and actively at Board meetings, executive or corporate officers sometimes say that they will review the matter later or take it back for consideration, but I would like to receive more feedback afterward. Of course, it is not simply a matter of saying, "We will do this because the Board said so." Naturally, each business division has its own views, and I think a response such as "we have a different view on this matter" is also valid.

Hanai: We would like to communicate more with executive management, but as Ms. Hamada said, communication does not always become truly two-way. Feedback could be provided afterward, and we would also like to engage in active discussions at Board meetings.

Kitano: I recognize that over the past year, the Board of Directors has evolved significantly from a forum centered on reporting to one that deepens decision-making through discussion. Going forward, I believe it will be important to establish a cycle for verifying whether the content of discussions is appropriately reflected in initiatives and outcomes, and for holding further discussions as necessary.

Hagihara: A new three-year Medium-Term Management Plan will begin in FY2026. It was also discussed at length by the Board of Directors. Please tell us what you see as the plan's strengths and what challenges you see in achieving it.

Hanai: We discussed the new Medium-Term Management Plan on many occasions. I believe we can expect the speed of new product development, particularly in the Analytical & Measuring Instruments Business, to increase and lead to improved earnings. We also had repeated discussions on the recurring revenue business to further increase earnings, and this was clearly reflected in the Medium-Term Management Plan materials. That said, I now feel that it might have been better to include more on business strategy. For example, the Analytical & Measuring Instruments Business has a diverse product lineup across various domains, but continued strategic discussion is needed on matters such as whether this is truly sufficient to compete successfully on a global basis, or whether we should narrow our focus to areas where we have greater strengths.

Hamada: I share the same view of the issue. The Board of Directors engages in high-level discussions, while implementation is entrusted to executive management. While reviewing the draft Medium-Term Management Plan, I feel that we were not able to deepen discussions on how the strategies would be implemented. For example, the Company opened an R&D Center to strengthen its position in the North American market, but achieving results in the short term in a market that is the home market of major competitors will not be easy. That is why it is important to discuss matters from a backcasting perspective anchored in a 10-year view and to translate them into specific milestones, such as "we would consider it a success if we can reach this point in five years." I believe we need to revisit this point.

Hagihara: You have just said that it is important to look 10 years ahead and use backcasting to identify current and medium-term challenges. What are your thoughts on the ability to formulate a long-term vision?

Hamada: Shimadzu has traditionally competed through technology, and everyone naturally takes pride in that, which is a wonderful thing. However, we are now in an era in which it is difficult to win on product capabilities alone. Our competitors are larger than we are, so naturally they have more people engaged in R&D and a significantly different level of investment. I would like us to have more strategic discussions on the point raised by Mr. Hanai: which fields we should choose to compete in.

Nakanishi: Medium-Term Management Plans inevitably tend to become somewhat overly broad and insufficiently focused. In hindsight, at the initial stage of concept development, the outside directors could have stepped in more and offered clearer proposals on what the Medium-Term Management Plan should look like. I believe a key theme going forward will be to discuss the future vision with a diverse group of members, including younger employees, and translate it into a well-prioritized strategy.

Hagihara: Please tell us what you expect from the new Medium-Term Management Plan.

Nakanishi: The recurring revenue business is one area I particularly expect to see progress in. Equipment manufacturers tend to prioritize equipment sales over maintenance and services, but the recurring revenue business is highly profitable and extremely important for strengthening the Company's overall earning power. In that sense, I believe another key point will be to transform the organizational mindset and culture often found at equipment manufacturers.



Kitano: Overseas expansion is an important pillar supporting future growth, and given the high overseas sales ratio, I believe that continued business expansion in overseas markets is essential. To achieve this, the development of global talent is extremely important. I saw Shimadzu's underlying strength on NHK's program *Makaizo no Yoru* last year. Shimadzu Corporation's underlying strength in bringing together its capabilities and creating results when facing challenges was impressive. Under the Medium-Term Management Plan as well, I expect the organization to evolve by strengthening cross-functional collaboration, including overseas sites, and becoming one that can address common challenges through discussion and swift execution.

Strengthening Corporate Governance

Roundtable Discussion with Outside Directors

Hamada: Even with a major strategy in place, what ultimately matters is the ability to execute. In reviewing the Medium-Term Management Plan, we saw many achievements, but also identified areas where objectives were not achieved. These include challenges related to organizational climate and decision-making processes. For Shimadzu to prevail over its competitors, I believe future transformation will be needed to enable the Company to move more quickly, including further changes in organizational design and culture, such as greater delegation of authority to overseas operations.

Nakanishi: For companies with long histories, reforming organizational culture is never easy. It is not necessary to change everything, but it is important to identify what should be changed and for top management to communicate the message consistently and repeatedly. It is difficult to achieve transformation through front-line initiatives alone, and I believe that commitment from top management and persistent follow-through are key.



Hanai: M&A can also be an effective means of transforming organizational culture and corporate culture. There are also things we should learn from acquired companies. By learning from the strengths of acquired companies and incorporating them into our own culture, we can bring fresh perspectives into the organization. Tescan, which Shimadzu plans to acquire, is a sizable company, and there should be many things that Shimadzu can learn from it. In a sense, this may also be one of the purposes of M&A.

Nakanishi: The point Mr. Hanai made is extremely important. If we try to absorb everything simply because a company has become a subsidiary, it will create friction. Simply saying that we should learn from the strengths of subsidiaries will not be enough to make it take root, so a genuine and thoughtful approach is required.

Kitano: M&A may be one catalyst, but securing and leveraging global talent is also important. I believe it is essential to create a culture that welcomes external talent and enables them to fully realize their potential. In addition, I believe it will be important going forward to establish mechanisms that enable many employees to fully contribute and help execute the AI strategy.

Hamada: From a different perspective, I feel a sense of urgency about the reality that job switching and employee turnover among younger employees are accelerating at Tokyo-based companies. Many companies in Tokyo are seeing that if they do not transform themselves, it will affect recruitment, and the capable talent they have worked hard to develop will leave for other opportunities. Shimadzu recruits strong talent, and most of them build long-term careers at Shimadzu, but as Japan's population declines, this wave of increased talent mobility cannot be avoided. I believe we need the awareness and sense of urgency to change before that wave arrives.

Hagihara: Finally, please share your messages for shareholders and investors.

Hanai: I can say with confidence that Shimadzu Corporation is a strong company with high standards in many respects, including technological capabilities, a solid financial foundation, corporate culture, and the quality of its talent. There are some challenges, such as the appointment of global talent to key roles, but it is an outstanding company. Feedback from investor meetings has reminded me of the importance of the role of outside directors in viewing the Company objectively and critically. We frankly communicate not only the Company's strengths but also its challenges, and provide appropriate recommendations and oversight from an independent standpoint. I would like shareholders to know that Shimadzu is a company where such a process is firmly in place.

Kitano: Through the Sustainability Management Briefing, we had opportunities to engage in dialogue with many investors. I feel that expectations for technology development are very high, and going forward, I would also like us to proactively communicate our initiatives in non-financial areas, such as human capital strategy and risk management.

Nakanishi: Shimadzu has been highly rated in various sustainability-related rankings, including the Nikkei SDGs Management Grand Prize, and it is also a company that commands strong trust in its technological capabilities, as exemplified by Koichi Tanaka's receipt of the Nobel Prize. I believe it is important not to rest on those expectations, but to maintain a stance of always aiming to deliver results that exceed expectations.

Hamada: I would like investors to provide candid feedback not only from the perspective of Shimadzu as a Japanese company, but also in comparison with global competitors. Among Japanese companies, Shimadzu may have been viewed in some respects as a comparatively stable company. However, Shimadzu's competitors are U.S. companies that are larger than Shimadzu. I would like investors to take a rigorous and long-term view of how Shimadzu intends to compete in that market. Outside directors and investors are, in that sense, partners. To make the Company even better, I would like investors to actively provide feedback.

Hagihara: As an employee, I would also like to turn the valuable insights from today's discussion into concrete action. Thank you very much.



Strengthening Corporate Governance

Corporate Governance

Basic Approach

Under its corporate philosophy, "Contributing to Society through Science and Technology," the Shimadzu Group operates globally across four business segments—Analytical & Measuring Instruments, Medical Systems, Aircraft Equipment, and Industrial Machinery—and is committed to pursuing Planetary Health (the Well-Being of Mankind and the Earth). Through this commitment, the Shimadzu Group works to create social value and address social challenges across four customer domains: Healthcare, Green, Materials, and Industry. In strengthening governance, the Shimadzu Group is guided by the following basic principles:

1. Enhancing management transparency and accountability
2. Strengthening the oversight function of the Board of Directors
3. Ensuring rigorous compliance and risk management
4. Strengthening internal controls
5. Emphasizing dialogue with stakeholders

By adhering to these principles, the Shimadzu Group seeks to achieve sustainable growth and enhance corporate value.

Corporate Governance Initiatives

In December 2015, the Company established its Corporate Governance Policy ("CG Policy") to set out its approach to the concrete implementation of the Corporate Governance Code ("CG Code"). In addition to enhancing its corporate governance initiatives, the Company regularly reviews the CG Policy in light of the status of those initiatives and changes in the external environment, and works to improve the effectiveness of governance.

Corporate Governance Policy

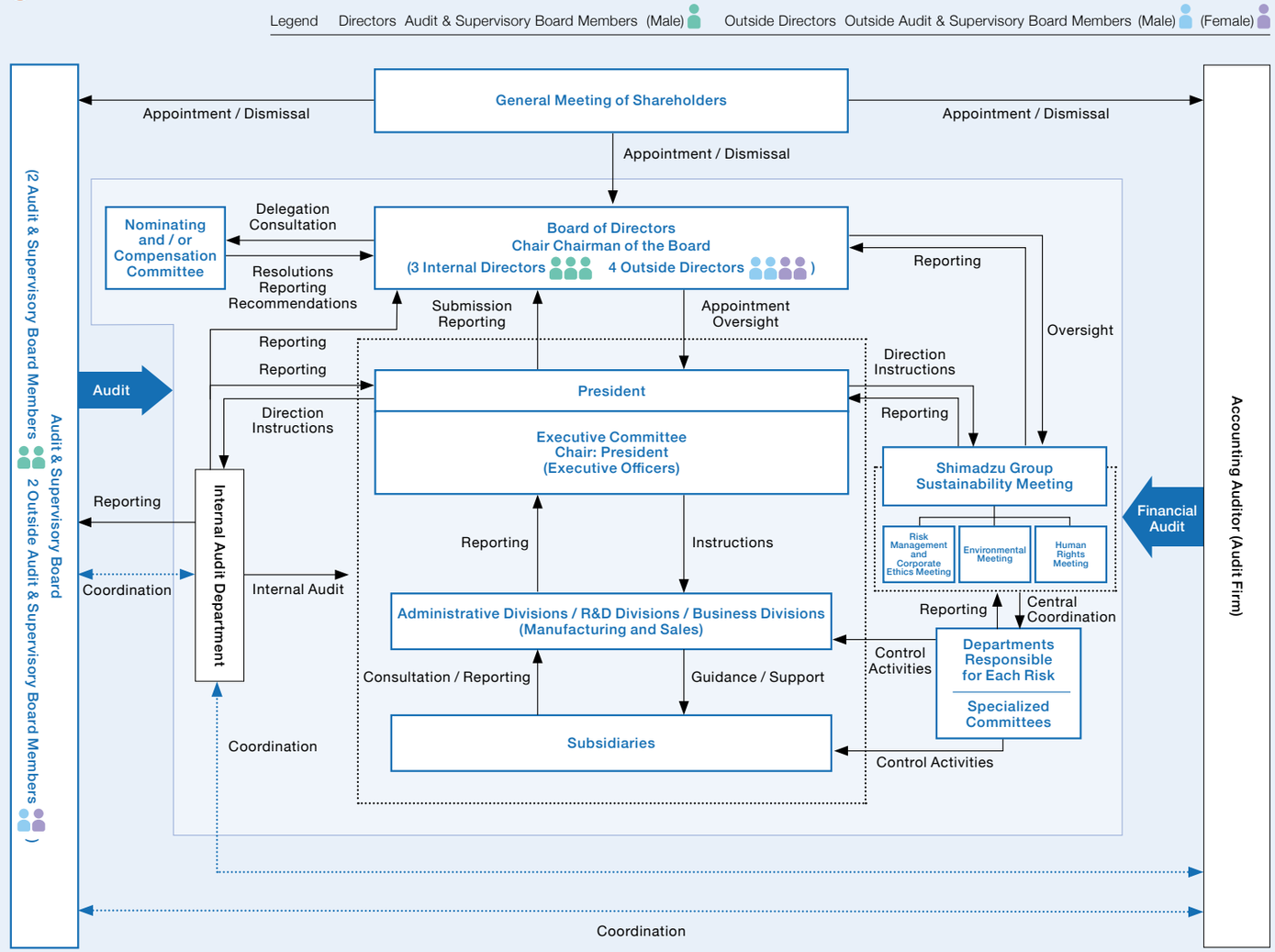
1. Appropriate cooperation with stakeholders
2. Securing shareholders' rights and equal treatment
3. Appropriate disclosure and transparency
4. Constructive dialogue with shareholders
5. Responsibilities of the Board of Directors and related bodies

The following information is available on our website:

Corporate Governance Policy
https://www.shimadzu.com/ir/governance/policy.html

Corporate Governance Report
https://www.shimadzu.com/ir/governance/report.html

Corporate Governance Structure



Strengthening Corporate Governance

Corporate Governance

Directors' and Audit & Supervisory Board Members' Profiles (as of June 25, 2026)



Directors, Members of the Board



1 Chairman and Representative Director
Teruhisa Ueda

Chairman of the Board
Outside Director, Meiji Yasuda Life Insurance Company
Outside Director, Mitsubishi UFJ Financial Group, Inc.

Apr. 1982 Joined the Company
Jun. 2007 Corporate Officer
Jun. 2007 Deputy General Manager, Analytical & Measuring Instruments Division
Jun. 2011 Director, Member of the Board
Jun. 2011 General Manager, Analytical & Measuring Instruments Division
Jun. 2013 Managing Executive Officer
Jun. 2014 Senior Managing Executive Officer
Jun. 2015 President and Representative Director
Jun. 2015 CEO
Apr. 2022 Chairman and Representative Director (present)
Apr. 2022 Chairman of the Board (present)
Jul. 2023 Outside Director, Meiji Yasuda Life Insurance Company (present)
Jun. 2025 Outside Director, Mitsubishi UFJ Financial Group, Inc. (present)

2 President and Representative Director
Yasunori Yamamoto

CEO

Apr. 1983 Joined the Company
Oct. 2003 General Manager, Testing Machines Business Unit, Analytical & Measuring Instruments Division
Jun. 2013 President, Shimadzu Europa GmbH (Germany)
Jun. 2014 Corporate Officer
Jun. 2017 Managing Executive Officer
Jun. 2017 In charge of Manufacturing, Corporate Information & Communications Technology, and CS Management
Jun. 2017 Deputy in charge of Corporate Research and Development
Apr. 2020 In charge of Corporate Strategy Planning and Corporate Communications
Jun. 2020 Director, Member of the Board
Apr. 2021 Senior Managing Executive Officer
Apr. 2021 CFO
Apr. 2022 President and Representative Director (present)
Apr. 2022 CEO (present)

3 Director and Senior Managing Executive Officer
Akira Watanabe

CRO
In charge of Global Environmental Management (GX)
In charge of Corporate Transformation (CX)

Apr. 1985 Joined the Company
Apr. 2009 General Manager, TMP Business Unit, Semiconductor Equipment Division (currently Industrial Machinery Division), and Deputy General Manager, Sales & Marketing Department, Semiconductor Equipment Division
Apr. 2011 General Manager, Sales & Marketing Department, Semiconductor Equipment Division, and General Manager, TMP Business Unit, Semiconductor Equipment Division
Jun. 2013 Deputy General Manager, Semiconductor Equipment Division, General Manager, Sales & Marketing Department, Semiconductor Equipment Division, and General Manager, TMP Business Unit, Semiconductor Equipment Division
Jun. 2016 Corporate Officer
Jun. 2016 General Manager, Industrial Machinery Division
Apr. 2019 Managing Executive Officer
Apr. 2020 General Manager, Industrial Machinery Division, and General Manager, Fluidics Systems Division
Apr. 2022 Senior Managing Executive Officer (present)
Apr. 2022 CFO, in charge of Corporate Strategy Planning and Corporate Communications
Jun. 2022 Director, Member of the Board (present)
Apr. 2025 In charge of Risk Management
Apr. 2025 In charge of Global Environmental Management (GX) and Corporate Transformation (CX) (present)
Apr. 2026 CRO (present)

Strengthening Corporate Governance

Corporate Governance

Directors, Members of the Board

4 Outside Director
Nobuo Hanai

Outside Director, Perseus Proteomics Inc.
Outside Director, Noile-Immune Biotech Inc.

Apr. 1976 Joined Kyowa Hakko Kogyo Co., Ltd. (currently Kyowa Kirin Co., Ltd.)
Jun. 2006 Executive Officer, Kyowa Kirin Co., Ltd.
Apr. 2009 Managing Executive Officer, Kyowa Kirin Co., Ltd.
Jun. 2009 Director of the Board, Kyowa Kirin Co., Ltd.
Mar. 2010 Senior Managing Executive Officer, Kyowa Kirin Co., Ltd.
Mar. 2012 Executive Director of the Board, President and Chief Executive Officer, Kyowa Kirin Co., Ltd.
Mar. 2018 Executive Director of the Board, Chairman and Chief Executive Officer, Kyowa Kirin Co., Ltd.
Mar. 2019 Director of the Board, Chairman of the Board, Kyowa Kirin Co., Ltd. (retired in Mar. 2020)
Jun. 2020 Director, Member of the Board of the Company (present)
Mar. 2021 Outside Director, Perseus Proteomics Inc. (present)
Mar. 2024 Outside Director, Noile-Immune Biotech Inc. (present)

5 Outside Director
Yoshiyuki Nakanishi

Outside Director, The Japan Steel Works, Ltd.
Outside Director, IHI Corporation

Apr. 1978 Joined Dainippon Ink and Chemicals, Incorporated (currently DIC Corporation)
Apr. 2010 Executive Officer, in charge of Corporate Strategy Division, DIC Corporation
Jun. 2011 Director of the Board, Executive Officer, in charge of Corporate Strategy Division, DIC Corporation
Apr. 2012 Representative Director, President, and CEO, DIC Corporation
Jan. 2018 Chairman of the Board of Directors, DIC Corporation
Jun. 2020 Outside Director, The Japan Steel Works, Ltd. (present)
Jun. 2020 Outside Director, IHI Corporation (present)
Jan. 2021 Director of the Board, DIC Corporation
Mar. 2021 Executive Advisor, DIC Corporation (retired in Mar. 2023)
Jun. 2021 Director, Member of the Board of the Company (present)

6 Outside Director
Nami Hamada

Co-Founder and Managing Director, Mile High Capital Inc.
Outside Director (Audit & Supervisory Committee Member), Coca-Cola Bottlers Japan Holdings Inc.
Outside Director (Audit Committee Member, Nomination Committee Member, and Compensation Committee Member), MetLife Insurance K.K.

Jul. 1992 Joined Lehman Brothers Holdings Inc.
Oct. 1996 Vice President, Lehman Brothers Japan Inc.
Jun. 1999 Senior Vice President, Lehman Brothers Japan Inc.
May 2004 Representative Director, HDH Advisors Japan Limited.
Dec. 2006 Principal, HDH Capital Management Pte Ltd.
Mar. 2009 Founder and Managing Director, Mile High Capital Inc. (present)
Aug. 2017 Director, Ecoplexus Japan K.K.
Feb. 2019 Chief Operating Officer, Vesper Group Japan K.K.
Mar. 2019 Outside Director (Audit & Supervisory Committee Member), Coca-Cola Bottlers Japan Holdings Inc.(present)
May 2020 Outside Director (Audit Committee Member), MetLife Insurance K.K.
Jun. 2022 Outside Director (Audit Committee Member, Nomination Committee Member, and Compensation Committee Member), MetLife Insurance K.K. (present)
Jun. 2022 Director, Member of the Board of the Company (present)

7 Outside Director
Mie Kitano

Partner, SynFiny Advisors

Apr. 1991 Joined Procter & Gamble Far East, Inc. (currently The P&G Japan Limited)
Oct. 1995 Global Purchasing Manager, Procter & Gamble European Services GmbH
Jun. 1997 Manager, Asia Beauty Care Purchasing Group, Procter & Gamble Far East, Inc.
Apr. 2000 Manager, Global Beauty Care/Innovation Purchasing Group, The Procter & Gamble Company
May 2003 Associate Director, Global Corporate Purchases-HR/BCP/Sustainability, The Procter & Gamble Company
May 2005 Associate Director, Director for Chemical Purchases (Asia), Procter & Gamble Far East, Inc.
Apr. 2008 Associate Director, Integrated E2E Supply Chain, Procter & Gamble Japan K.K. (currently The P&G Japan Limited)
Sep. 2010 Associate Director, External Relations Communications/Sustainability, Procter & Gamble Japan K.K. (retired in Nov. 2013)
Dec. 2013 Head of Communications, CSR & Advocacy, Eli Lilly Japan K.K.
Jan. 2016 Head of Corporate Affairs Japan, Executive Officer, Associate Vice President, Eli Lilly Japan K.K. (retired in Dec. 2021)
Mar. 2022 Partner, SynFiny Advisors (present)
Jun. 2024 Director, Member of the Board of the Company (present)

Audit & Supervisory Board Member

8 Audit & Supervisory Board Member
Makoto Koyazaki

Jan. 1991 Joined the Company
Apr. 2011 General Manager, Business Planning Department, Shimadzu International Trading (Shanghai) Co., Ltd. (currently Shimadzu (China) Co., Ltd.)
Jun. 2012 General Manager, Corporate Strategy Planning Department, Shimadzu Corporation
Apr. 2016 President and Representative Director, Shimadzu GLC Ltd.
Apr. 2019 Senior Manager, Audit & Supervisory Board Members' Office
Jun. 2019 Audit & Supervisory Board Member of the Company (present)

9 Audit & Supervisory Board Member
Yoichi Yamada

Apr. 1988 Joined the Company
May 2008 President, Shimadzu Instruments (Suzhou) Co., Ltd.
Oct. 2012 General Manager, Testing Machines Business Unit, Analytical & Measuring Instruments Division
Apr. 2015 General Manager, Testing Machines Production Department, Analytical & Measuring Instruments Plant, Analytical & Measuring Instruments Division
Apr. 2019 General Manager, CS Management Department
Apr. 2023 General Manager, Legal Department
Jun. 2025 Audit & Supervisory Board Member of Shimadzu Corporation (present)

10 Outside Audit & Supervisory Board Member
Tsuyoshi Nishimoto

Partner, Hibiya Park Law Offices
Statutory Auditor, Broadleaf Co., Ltd.
Outside Director, Prima Meat Packers, Ltd.

Oct. 2000 Registered as an attorney-at-law
Dec. 2002 Joined Hibiya Park Law Offices (present)
Jan. 2011 Statutory Auditor, Enigmo Inc.
Mar. 2018 Statutory Auditor, Broadleaf Co., Ltd. (present)
Jun. 2020 Audit & Supervisory Board Member, Shimadzu Corporation (present)
Apr. 2022 Outside Director (Audit & Supervisory Committee Member), Enigmo Inc. (retired in Apr. 2026)
Jun. 2026 Outside Director, Prima Meat Packers, Ltd. (present)

11 Outside Audit & Supervisory Board Member
Yuka Hayashi

Representative, Hayashi Certified Public Accountant Office
Executive Vice President and Representative Director, Hayashi Management Consultant Co., Ltd.
Outside Director (Audit & Supervisory Committee Member), Harima Chemicals Group, Inc.

Sep. 1985 Joined Minato Audit Corporation (currently Ernst & Young ShinNihon LLC)
Apr. 1991 Registered as a Certified Public Accountant
Aug. 1998 Century Audit Corporation (currently Ernst & Young ShinNihon LLC) (currently Partner)
Jul. 2010 Senior Partner (currently Partner), ShinNihon LLC (currently Ernst & Young ShinNihon LLC)
Sep. 2015 Member of the Governance Council, Ernst & Young ShinNihon LLC
Sep. 2019 Member of the Audit Committee, Vice-Chair of the Governance Council, Ernst & Young ShinNihon LLC
Jul. 2022 Representative, Hayashi Certified Public Accountant Office (present)
Jul. 2022 Executive Vice President and Representative Director, Hayashi Management Consultant Co., Ltd. (present)
Jul. 2022 Outside Director (Audit & Supervisory Committee Member), Harima Chemicals Group, Inc. (present)
Jun. 2023 Audit & Supervisory Board Member of Shimadzu Corporation (present)

Executive Officers (as of Jun. 25, 2026)

Executive Officers

Chairman and Representative Director
Teruhisa Ueda
Chairman of the Board

President and Representative Director
Yasunori Yamamoto
CEO

Director and Senior Managing Executive Officer
Akira Watanabe
CRO
In charge of Global Environmental Management (GX)
In charge of Corporate Transformation (CX)

Senior Managing Executive Officer
Koki Aoyama
Managing Director, Shimadzu (Hong Kong) Ltd.

Senior Managing Executive Officer
Shigenori Aoyama
CHRO, in charge of General Administration and Internal Control
Deputy in charge of Risk Management

Managing Executive Officer
Yoshino Kajitani
In charge of Legal Affairs and Diversity Management
In charge of Health Management

Managing Executive Officer
Shunei Matoba
In charge of Corporate Marketing
General Manager, Sales & Marketing Division and General Manager, Tokyo Office

Managing Executive Officer
Masami Tomita
General Manager, Analytical & Measuring Instruments Division

Managing Executive Officer
Kiyohito Sonoki
General Manager, Medical Systems Division

Managing Executive Officer
Yoshiaki Maeda
In charge of Corporate Strategy Planning and Corporate Communications
In charge of Standardization Strategy (CSO)
In charge of Medical Regulatory Policy

Managing Executive Officer
Takahiro Nishimoto
CTO

Managing Executive Officer
Komei Arakane
CFO

Managing Executive Officer
Susumu Yamamoto
In charge of Manufacturing and CS Management
In charge of DX/IT Strategy
General Manager, Manufacturing Division

Managing Executive Officer
Michio Sakuramachi
Deputy in charge of Corporate Strategy Planning
Deputy in charge of Corporate Marketing

Strengthening Corporate Governance

Corporate Governance

Board of Directors

Basic Approach

The Company's Board of Directors aims to strike an appropriate balance between decision-making on important business execution and the oversight and audit of such execution. From a management perspective, the Board engages in discussions from multiple viewpoints, taking into account business development and the management environment surrounding the Company.

Board Composition

The Board of Directors consists of three internal directors who are well versed in the Company's businesses and internal operations and four outside directors with extensive knowledge and experience, thereby enhancing management transparency and objectivity. To maintain diversity, the Company appoints outside directors with a broad range of backgrounds, centered on individuals with extensive corporate management experience across a wide variety of industries.
To audit the legality and appropriateness of management, the Company has adopted the Audit & Supervisory Board Member system and has established an Audit & Supervisory Board comprising two internal Audit & Supervisory Board Members and two outside Audit & Supervisory Board Members. Audit & Supervisory Board Members actively and proactively perform their audit duties by attending Board of Directors meetings, expressing their views, and exchanging opinions with directors and executive officers.
The Company has also established an Executive Committee composed of the President and executive officers as the body responsible for business execution, providing a framework that supports appropriate and swift management decision-making and execution.

Skill Matrix for Directors and Audit & Supervisory Board Members

The Company defines the knowledge and experience considered important for its Board of Directors as follows: "Company Management," "International Experience," "Technology, R&D, and Manufacturing," "DX/IT," "Sales and Marketing," "Sustainability," "Finance and Accounting," "Compliance and Risk Management," and "Personnel and Human Resources Strategy." Candidates for directors and Audit & Supervisory Board Members are nominated from among individuals who possess an appropriate combination of these areas of knowledge and experience. These areas are reviewed as appropriate in light of changes in the external environment and the Company's circumstances.

	Name		Knowledge and Experience of Directors and Audit & Supervisory Board Members								
			Company Management	International Experience	Technology R&D Manufacturing	DX/IT	Sales Marketing	Sustainability	Finance Accounting	Compliance Risk Management	Personnel Human Resources Strategy
Directors	Teruhisa Ueda		●	●	●	●	●	●		●	●
	Yasunori Yamamoto		●	●	●	●		●	●	●	●
	Akira Watanabe			●			●	●	●	●	
	Nobuo Hanai	Outside	●	●	●			●		●	●
	Yoshiyuki Nakanishi	Outside	●	●			●	●		●	●
	Nami Hamada	Outside	●	●					●		●
	Mie Kitano	Outside		●				●		●	●
Audit & Supervisory Board Members	Makoto Koyazaki			●			●				
	Yoichi Yamada			●	●		●			●	
	Tsuyoshi Nishimoto	Outside		●		●				●	
	Yuka Hayashi	Outside							●	●	●

The above table does not represent all of the knowledge and experience possessed by each Director and Audit & Supervisory Board Member.

Activities of the Board of Directors

In accordance with laws and regulations, the Articles of Incorporation, and the Board of Directors Regulations, the Board of Directors resolves, deliberates on, and receives reports regarding important matters.
The principal matters reviewed by the Board of Directors in FY2025 were as follows:

Formulation of the New Medium-Term Management Plan (FY2026–FY2028)	The Board held multiple discussions on the Group-wide growth scenario, as well as the progress and strategies of each business.
Promotion of Inorganic Growth Centered on M&A	The Board deliberated on M&A opportunities, primarily in the Analytical & Measuring Instruments Business, from the perspectives of strategic fit, risk, and financial impact, including the resolution to acquire Tescan.
Review of the Business Portfolio	The Board discussed the direction of focusing on growth areas and optimizing the business structure.
Voluntary Adoption of International Financial Reporting Standards (IFRS)	The Board resolved to voluntarily adopt IFRS with the aim of enhancing global disclosure and promoting dialogue with capital markets.
Strengthening the Management Foundation	The Board discussed key issues supporting business growth, including governance, risk management, global manufacturing, AI strategy, DX promotion, and human resources strategy.

Strengthening Corporate Governance

Corporate Governance

Reasons for Appointment of Outside Directors and Outside Audit & Supervisory Board Members and Their Principal Activities

Outside Directors and Outside Audit & Supervisory Board Members	Category	Independent Officer	Name	Summary of Reasons for Appointment, Expected Roles and Principal Activities	Attendance in FY2025
Outside Director	Reappointment	Independent Officer	Nobuo Hanai	Mr. Nobuo Hanai has abundant management experience as the president of a leading Japanese pharmaceutical company and global knowledge about the pharmaceutical industry as well as research and development. He has been proactively engaged in discussions and providing recommendations, which have been conducive to the strengthening of the Board's functions in decision-making and in oversight. In addition, as a chairperson of the Nominating and/or Compensation Committee, he has been engaged in discussions to enhance the transparency and fairness of appointment, dismissal and remuneration of Directors, Members of the Board, Audit & Supervisory Board Members and Executive Officers.	• Board of Directors meetings attended 13 of 13 • Nominating and/or Compensation Committee meetings attended 6 of 6
	Reappointment	Independent Officer	Yoshiyuki Nakanishi	Mr. Yoshiyuki Nakanishi has abundant management experience as the president of a worldwide chemicals company and global knowledge about the chemicals industry as well as management strategy, manufacturing, sales operation, among others. He has been proactively engaged in discussions and providing recommendations, which have been conducive to the strengthening of the Board's functions in decision-making and in oversight. In addition, as a member of the Nominating and/or Compensation Committee, he has been engaged in discussions to enhance the transparency and fairness of appointment, dismissal and remuneration of Directors, Members of the Board, Audit & Supervisory Board Members and Executive Officers.	• Board of Directors meetings attended 13 of 13 • Nominating and/or Compensation Committee meetings attended 6 of 6
	Reappointment	Independent Officer	Nami Hamada	Ms. Nami Hamada has abundant knowledge in finance and accounting through her experience in, for example, managing a finance-related consulting firm. She also has abundant experience, for example, as a manager of a Japanese subsidiary of a foreign securities company, as well as knowledge in human resource development and global insight. She has been proactively engaged in discussions and providing recommendations, which have been conducive to the strengthening of the Board's functions in decision-making and in oversight. In addition, as a member of the Nominating and/or Compensation Committee, she has been engaged in discussions to enhance the transparency and fairness of appointment, dismissal and remuneration of Directors, Members of the Board, Audit & Supervisory Board Members and Executive Officers.	• Board of Directors meetings attended 13 of 13 • Nominating and/or Compensation Committee meetings attended 6 of 6
	Reappointment	Independent Officer	Mie Kitano	Ms. Mie Kitano has abundant experience in overseas business at a global consumer goods company and foreign pharmaceutical company. Additionally, she possesses high insight and a distinguished track record in areas such as supply chain management including procurement, talent development, diversity, and corporate social responsibility (CSR). She has been proactively engaged in discussions and providing recommendations, which have been conducive to the strengthening of the Board's functions in decision-making and in oversight. In addition, as a member of the Nominating and/or Compensation Committee, she has been engaged in discussions to enhance the transparency and fairness of appointment, dismissal and remuneration of Directors, Members of the Board, Audit & Supervisory Board Members and Executive Officers.	• Board of Directors meetings attended 13 of 13 • Nominating and/or Compensation Committee meetings attended 6 of 6
Outside Audit & Supervisory Board Member	–	Independent Officer	Tsuyoshi Nishimoto	Based on his extensive legal expertise and experience as an attorney-at-law, Mr. Tsuyoshi Nishimoto has actively provided opinions at Board of Directors' meetings and other forums. He has also contributed to enhancing the governance of the Shimadzu Group by gathering information from internal control functions and Group companies and by providing comments on matters such as the status of internal control systems, including those of domestic and overseas affiliates, and the execution of M&A transactions.	• Board of Directors meetings attended 13 of 13 • Audit & Supervisory Board meetings attended 17 of 17
	–	Independent Officer	Yuka Hayashi	Based on her extensive experience and insight as a certified public accountant, Ms. Yuka Hayashi has actively provided opinions at Board of Directors' meetings and other forums. She has also contributed to enhancing the governance of the Shimadzu Group and ensuring the soundness of its accounting by gathering information from internal control functions and Group companies and by providing comments from an accounting perspective.	• Board of Directors meetings attended 13 of 13 • Audit & Supervisory Board meetings attended 17 of 17

Independence Standards for Outside Directors and Outside Audit & Supervisory Board Members

If none of the following applies, the relevant Outside Director or Outside Audit & Supervisory Board Member (including candidates for such positions) is considered to be independent of the Company and unlikely to have any conflict of interest with general shareholders.

(1) A person for whom the Company is a major business partner (i.e., a person who received payments from the Company that represent 2% or more of its annual consolidated sales for the most recent fiscal year), or an executive officer thereof

(2) A major business partner of the Company (i.e., a person who made payments to the Company that represent 2% or more of the Company's annual consolidated sales for the most recent fiscal year), or an executive officer thereof

(3) A consultant, accounting professional, or legal professional who has received a large amount of monetary consideration or other property (10 million yen or more in the most recent fiscal year) from the Company besides compensation as a Director, Member of the Board or an Audit & Supervisory Board Member (If the person who has received such property is an organization such as a corporation or a union, a person who is affiliated with such organization)

(4) A person to whom any of the items (1) through (3) applies during the most recent 12 months

(5) A second-degree relative or closer of a person listed in items 1) through 3) below (excluding immaterial persons)

1) A person listed in items (1) through (4) above
2) An executive officer of a subsidiary of the Company (including a director who does not serve as an executive officer in the case of designation of an Outside Audit & Supervisory Board Member as an independent officer)
3) A person to whom 2) applied during the most recent 12 months or who was an executive officer of the Company (including a director who does not serve as an executive officer in the case of designation of an Outside Audit & Supervisory Board Member as an independent officer) during the most recent 12 months

Strengthening Corporate Governance

Corporate Governance

Evaluation of Board Effectiveness

The Company conducts an annual analysis and evaluation of the effectiveness of its Board of Directors based on questionnaires completed by Directors and Audit & Supervisory Board Members. In FY2025, the Company again conducted its own Board effectiveness questionnaire and, based on the results, the Board of Directors exchanged views primarily on issues requiring improvement.

Key Issues Identified in the Board Effectiveness Evaluation for FY2024 and Status of Initiatives

Key Issues	Status of Initiatives
There remains room for improvement in the allocation of time for deliberations, agenda-setting, and the quality of Board materials.	Improvements were made in the allocation of time for deliberations and agenda-setting through the establishment of an annual schedule and by increasing the time allotted to discussion. Meanwhile, although efforts were made to better organize and clarify the key points for discussion in Board materials, improving the quality of those materials remained an ongoing issue.
There is room to further enhance the information provided to the Board of Directors regarding dialogue with shareholders and investors.	Feedback to the Board of Directors on dialogue with shareholders and investors improved significantly from the previous year as a result of continued enhancements in the sharing of information on IR activities.
Further Board involvement in, and deeper discussion of, key agenda items relating to business strategy and monitoring progress under the medium-term management plan remained an issue.	With respect to the formulation of the new medium-term management plan and M&A matters, the Board of Directors engaged in repeated deliberations through multiple dedicated discussion sessions and also held off-site meetings. However, the depth of discussion on management strategy and the medium-term management plan was still assessed as requiring further improvement.

Key Issues Identified in the Board Effectiveness Evaluation for FY2025 and Future Action Policy

Key Issues	Future Action Policy
There remains room for improvement in the quality of Board materials.	The Company will improve Board materials so that they are concise and clearly highlight the key points for discussion, thereby enabling the Board of Directors to devote more time to important agenda items that contribute to enhancing corporate value.
Issues remain with respect to the depth of discussion on management strategy and the medium-term management plan, as well as agenda selection and the way materials are prepared to facilitate efficient deliberations.	The Company will work to enhance off-site meetings that systematically place important themes on the agenda.
Key themes include M&A strategy (including PMI), business portfolio, Group governance, risk management, and human resource development.	The Company will continue to make improvements so that the Board of Directors can engage in high-level and in-depth discussions on important themes such as M&A strategy and business portfolio.

Results of the Board Effectiveness Evaluation for FY2025

Evaluation Item	Evaluation Results
Composition of the Board of Directors	The current governance structure—11 Directors and Audit & Supervisory Board Members in total, with outside officers accounting for a majority—was positively evaluated as effective. The Company will continue discussions on a structure that supports strategic monitoring and the strengthening of governance.
Board Operations	While improvements were seen in the allocation of time for deliberations and agenda-setting, the quality of Board materials was still evaluated as showing room for further improvement. To achieve Board operations that place greater emphasis on high-level discussion, the Company will pay close attention to the selection of matters brought before the Board of Directors, the allocation of deliberation time, and scheduling. In addition, by improving Board materials so that they are concise and clearly identify the key points for discussion, the Company will enable the Board of Directors to devote more time to important agenda items that contribute to enhancing corporate value. The Company will also work to enhance off-site meetings that systematically place important themes on the agenda.
Roles and Responsibilities of the Board of Directors	The Board of Directors was evaluated as appropriately fulfilling its roles and responsibilities. Themes identified as continuing priorities included M&A strategy (including PMI), business portfolio, Group governance, risk management, and human resource development. These will continue to be addressed as important themes going forward.
Self-Evaluation by Directors	All Directors were evaluated as understanding the Company's basic philosophy and the roles expected of them, and as contributing to effective Board operations through active discussion drawing on their diverse backgrounds.
Support for and Coordination with Directors and Audit & Supervisory Board Members	Information sharing and shared understanding between outside directors and Audit & Supervisory Board Members, as well as opportunities for outside officers to exchange views and share information with the accounting auditor and the internal audit department, were found to be appropriately maintained. In addition, the Company will systematically promote initiatives to deepen outside officers' knowledge and understanding of the Company, including by ensuring opportunities for dialogue with employees.
Dialogue with Shareholders and Investors	The provision of information regarding dialogue between the Company and shareholders and institutional investors was evaluated as appropriate. This represented a significant improvement from the previous year and reflected the results of continuous efforts. The Company will continue to enhance the sharing of information on management's IR activities and will also work to secure opportunities for dialogue with shareholders and institutional investors.

Strengthening Corporate Governance

Corporate Governance

Nominating and/or Compensation Committee

Composition of the Nominating and/or Compensation Committee

The Company has established the Nominating and/or Compensation Committee as a voluntary advisory committee to the Board of Directors with the aim of strengthening the Board's independence, objectivity, and accountability. The Committee is composed of Representative Directors and Outside Directors, with a majority of members being Outside Directors and, in principle, an Independent Outside Director serving as Chairperson, thereby enhancing independence in matters relating to nominations and compensation.

Nominating and/or Compensation Committee

・Chairperson	Nobuo Hanai	(Outside Director)
・Member	Yoshiyuki Nakanishi	(Outside Director)
	Nami Hamada	(Outside Director)
	Mie Kitano	(Outside Director)
	Teruhisa Ueda	(Chairman and Representative Director)
	Yasunori Yamamoto	(President and Representative Director)

Activities of the Nominating and/or Compensation Committee

In accordance with the Rules of the Nominating and/or Compensation Committee, the Committee deliberates on and resolves matters relating to nominations and compensation. The specific matters reviewed in FY2025 were as follows:

Nominations

- Direction of the next Board composition and Executive Officer structure
- Succession plan for the next President & CEO
- Candidates for Outside Directors and Outside Audit & Supervisory Board Members
- Changes in officers

Compensation

- Fixed compensation amounts and short-term performance-linked compensation amounts for the fiscal year
- Issues relating to executive compensation and revisions thereto

Effectiveness Evaluation of the Nominating and/or Compensation Committee

In parallel with the Board effectiveness evaluation, the Company has continuously conducted a questionnaire-based effectiveness evaluation of the Nominating and/or Compensation Committee since the Committee was established in 2019.
The questionnaire focuses primarily on (1) CEO succession planning and development and (2) the design of incentives for management, and the overall results have been positive.

Policy on the Determination of Executive Compensation

The Company's Executive Compensation Regulations set forth the procedures for determining compensation for Directors, Audit & Supervisory Board Members, and Executive Officers, as well as the structure of such compensation. In addition, the "Policy for Determining Compensation, etc., for Directors, Audit & Supervisory Board Members and Executive Officers" is established by resolution of the Board of Directors based on the deliberation and recommendations of the Nominating and/or Compensation Committee.

Within the total amount of compensation approved by the General Meeting of Shareholders, the Nominating and/or Compensation Committee, under the authority delegated to it by the Board of Directors, determines the amounts of compensation for Directors and Executive Officers, and reports the results to the Board of Directors. Compensation for Audit & Supervisory Board Members is determined through consultation among the Audit & Supervisory Board Members.

Executive Compensation Structure

Compensation for Directors (excluding Outside Directors) and Executive Officers (hereinafter, "Directors, etc.") consists of base compensation as monetary compensation, short-term performance-linked compensation that varies according to performance, and stock compensation as non-monetary compensation, taking into account the responsibilities of Directors, etc., to manage the Company with a view to expanding performance in each fiscal year and enhancing corporate value over the medium to long term. Compensation for Outside Directors and Audit & Supervisory Board Members consists solely of base compensation and is determined in light of the level of compensation appropriate to their expected roles and responsibilities.

Compensation Category	Internal Directors	Outside Directors	Audit & Supervisory Board Members	Notes
Base Compensation	●	●	●	Determined according to the position and role of each Director or other executive, with reference to compensation levels at peer companies (benchmark companies in the same industry and of similar size, etc.) based on surveys conducted by external professional organizations, from the perspective that compensation should be set at a level that enables the Company to secure and retain outstanding talent and should be determined on the basis of objective information.
Short-Term Performance-Linked Compensation	●	–	–	Determined based on a comprehensive assessment of year-on-year growth in consolidated net sales and operating profit, performance evaluations of the business areas for which Executive Officers are responsible, and individual evaluations.
Stock Compensation	●	–	–	Compensation designed to promote value sharing with shareholders and strengthen incentives for expanding performance and enhancing corporate value. ・**Short-term performance-linked portion** A portion of short-term performance-linked compensation is allocated in shares. Restricted stock is granted to Directors, etc., at a specified time each year, and the transfer restrictions on such shares are lifted upon the retirement from office of the relevant Director, etc. The proportion of compensation paid in shares is determined each time by the Nominating and/or Compensation Committee. ・**Medium- to long-term performance-linked portion** Shares are granted to Directors, etc., with the number of shares determined by position based on the degree of achievement of performance targets in the final year of the Medium-Term Management Plan. The indicators used to assess performance achievement are consolidated net sales and consolidated operating profit, and the number of shares granted varies within a range of 50% to 200% depending on the degree of target achievement. In addition, if a Director, etc., commits a serious violation of duties or internal regulations, a system is in place under which the right to receive shares scheduled to be granted may be forfeited, or the Company may seek repayment of an amount equivalent to the shares already granted.

Strengthening Corporate Governance

Corporate Governance

Executive Compensation (FY2025)

(Millions of yen)

Category of Officers	Number of Officers Covered	Monetary Compensation		Stock Compensation		Total
		Base Compensation	Short-Term Performance-Linked Compensation	Short-Term Performance-Linked Portion	Medium- to Long-Term Performance-Linked Portion Amount Recognized as Expense	
Directors (Internal)	4	163	118	13	12	307
Audit & Supervisory Board Members (Internal)	3	52	–	–	–	52
Outside Directors	4	59	–	–	–	59
Outside Audit & Supervisory Board Members	2	24	–	–	–	24
Total	13	299	118	13	12	442

1. The above includes compensation for one director (excluding an Outside Director) and one Audit & Supervisory Board Member (excluding an Outside Audit & Supervisory Board Member) who retired on June 26, 2025.
2. Stock compensation (medium- to long-term performance-linked portion) is a performance-linked, non-monetary compensation plan under which shares are granted every three years based on the degree of achievement of performance targets in the final year of the Medium-Term Management Plan; however, for accounting purposes, the related expense must be recognized annually. The amount shown above for this compensation represents the expense recognized for the fiscal year, calculated by multiplying the number of points expected to be granted to directors (excluding Outside Directors) by the market value at the time the trust acquired the Company's shares; actual delivery of the shares will take place after the end of the Medium-Term Management Plan.
3. Employee salaries for officers concurrently serving as employees are not stated because there are no applicable cases.

Executive Sessions

Following Board of Directors meetings and on other occasions, the Company regularly holds off-site meetings involving all Board members, as well as separate meetings among Outside Directors and Outside Audit & Supervisory Board Members, and between Outside Directors and Audit & Supervisory Board Members, to facilitate open and active exchanges of views and information sharing.

All Board Members	・Off-site meeting on the business portfolio ・Off-site meeting on on-site audits by Audit & Supervisory Board Members
Outside Directors and Outside Audit & Supervisory Board Members	・Meeting to exchange views with the President & CEO ・Meeting to exchange views on the development of global management talent ・Open discussion
Outside Directors and Audit & Supervisory Board Members	・Meeting to exchange views with the Accounting Auditor


Off-Site Meeting

Activities of Outside Directors and Outside Audit & Supervisory Board Members

Outside Directors and Outside Audit & Supervisory Board Members engage in activities aimed at promoting the Company's sustainable growth and enhancing corporate value over the medium to long term.

Participation in the Sustainability Management Briefing

In December 2025, Director Kitano took part in a Sustainability Management Briefing for institutional investors focused on environmental management. Director Kitano commented on the potential of the Company's environmental management initiatives.



Participation in the 150th Anniversary Ceremony

In May 2025, the Outside Directors and Outside Audit & Supervisory Board Members participated in a partner appreciation ceremony held to commemorate the 150th anniversary of the Company's founding. Together with the Company's partners, they reflected on the Company's history and shared expectations for its future growth.

Cross-Shareholdings

Policy on Cross-Shareholdings

From a management strategy perspective, the Company holds shares that it determines will contribute to enhancing corporate value over the medium to long term. Each year, the Board of Directors reviews whether the scale of cross-shareholdings is appropriate and also verifies, for each individual holding, whether it is appropriate in light of the purpose of holding and whether the benefits and risks associated with the holding are commensurate with the cost of capital and other factors. The Company will reduce holdings that are not aligned with its holding policy.

Shares Held for Purposes Other Than Pure Investment

(Issues)

Number of Issues	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Unlisted Stocks	30	30	30	28	30	27
Listed Stocks	30	24	22	22	20	18

(Millions of yen)

Carrying Amount on the Balance Sheet	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Unlisted Stocks	519	612	1,530	1,381	2,467	1,646
Listed Stocks	11,907	11,405	10,426	13,054	9,261	12,600

As of March 31, 2026, in addition to the above, the Company held six deemed shareholdings amounting to ¥32,540 million. Including these holdings, the aggregate amount of shareholdings represented 6.3% of consolidated total assets and 8.3% of consolidated net assets.

Standards for Exercising Voting Rights

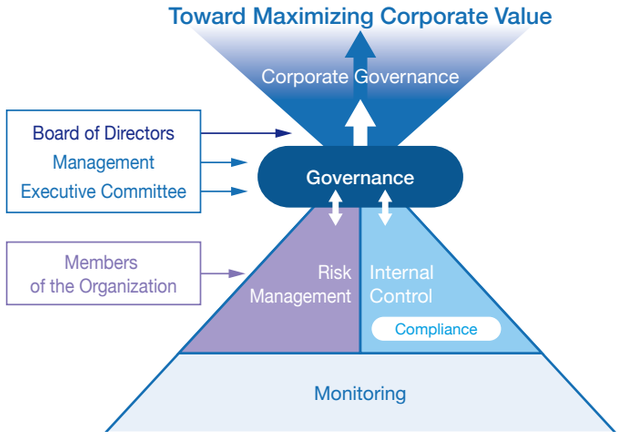
In exercising voting rights for cross-shareholdings, the Company exercises its voting rights on all proposals after determining whether they contribute to enhancing shareholder value. To ensure the appropriate exercise of voting rights, the Company reviews each proposal in accordance with criteria established for each type of proposal, such as appropriation of surplus, the election of Directors and Audit & Supervisory Board Members, and anti-takeover measures. If serious concerns arise, such as scandals or other serious misconduct, the Company carefully considers whether to vote for or against the proposal.

Strengthening Corporate Governance

Integrated Risk Management

Basic Approach

As a core element of its organizational management framework, the Shimadzu Group has established an integrated structure for advancing risk management (responses to business-related risks), compliance and internal control (responses to risks arising in the execution of duties), and monitoring. In addition, by leveraging DX to enhance the visibility of risk information, the Shimadzu Group aims to support the reliable achievement of its management strategies and business targets and thereby maximize corporate value.



Ensuring Compliance

Basic Policy

Because the Shimadzu Group operates a wide range of businesses globally, it is subject to laws, regulations, permits, approvals, and other regulatory requirements in countries and regions around the world, including those relating to export control, anti-bribery, and competition law, and works to ensure compliance with them.

Beyond legal compliance, the Shimadzu Group acts in line with international norms and, under its Corporate Philosophy, Management Principle, and the Shimadzu Group Sustainability Charter, has established the Shimadzu Group Code of Corporate Ethics as the ethical standard to be shared and observed by directors, officers, and employees, putting into practice the President's policy: "Prioritize compliance above all else."

Key Activities

The Shimadzu Group has established the Corporate Ethics Code of Conduct Guidelines, which present the essence of the Code of Corporate Ethics in a more accessible format, and provides ongoing training through classroom-based programs and e-learning to all directors, officers, and employees across the Shimadzu Group, including part-time and fixed-term employees. These efforts are intended to prevent compliance issues and strengthen ethical awareness.

Highlights of FY2025 Training Activities

- Based on the 11 standards of conduct, the Shimadzu Group provided in-depth training on fostering awareness of scientific and technological ethics, accurate disclosure and communication of information, and rigorous crisis management, in addition to the annual programs on "Putting Compliance into Practice" and "Respect for Human Rights and Diversity."
- The Shimadzu Group also conducted dedicated training on data protection across the organization.

Assessing Ethics and Compliance Awareness

To assess ethics and compliance awareness across organizations and workplaces, the Shimadzu Group conducts regular surveys with the support of external specialists. Survey results are used to drive improvements through discussions within each organization and workplace, while common issues identified across the Shimadzu Group are reflected in the control activities of relevant departments responsible for each risk and committees and translated into company-wide actions.

Workplace-Level Initiatives

Since 2011, on "Shimadzu Group Compliance Day" each July, workplaces across the Shimadzu Group have reviewed past misconduct cases and shared work-related insights to identify early warning signs of compliance violations and prevent issues before they arise. Since FY2022, the Company has introduced workplace-based learning programs at headquarters and domestic Group companies to build the knowledge and values needed for the proper execution of duties, improve operational quality, and develop talent. Using materials provided by departments responsible for each risk, teams conduct learning activities on a self-directed basis, and in FY2025 more than 16,000 workplace learning sessions were held.

In addition, since FY2024, the Shimadzu Group has launched workplace-based efforts to reduce operational risk by preventing recurrence of past incidents. The Shimadzu Group is currently rolling out these initiatives to overseas Group companies.

Through the continuation of these activities, the Shimadzu Group is working to embed a sound corporate culture that places a high priority on compliance.

Whistleblowing System

To prevent and detect issues relating to corporate ethics at an early stage, the Shimadzu Group has established internal and external reporting channels administered by the Risk Management Department and has made them known to all Group employees, temporary staff, and contractor personnel working for the Shimadzu Group. Reports may be made anonymously. To protect whistleblowers, reported information is handled appropriately under confidentiality obligations, and disadvantageous treatment of whistleblowers or cooperating parties on the grounds of consultation, reporting, or cooperation with an investigation is prohibited. Reports made to the external hotline are received by outside counsel and handled under a framework independent of management, with investigations conducted under the direction of the Audit & Supervisory Board Members.

In FY2025, the Shimadzu Group received 196 consultations and reports. While ensuring thorough protection for reporting parties, the Shimadzu Group conducts necessary investigations and implements corrective actions and recurrence prevention measures.

Internal Control (Responses to Risks in the Execution of Duties)

Basic Policy

The Shimadzu Group has established an internal control framework to ensure that directors perform their duties in compliance with laws and the Articles of Incorporation and that operations are conducted properly and efficiently. Taking changes in the business environment into account at all times, the Shimadzu Group will continue to review and strengthen its internal control framework without being bound by past assumptions or methods.

Strengthening Corporate Governance

Integrated Risk Management

Internal Control Framework

Through the systematic development of rules governing operations and the clarification of authority and responsibilities, the Shimadzu Group has established a highly transparent operational execution framework and mechanisms for accurate and timely information sharing across the Shimadzu Group. When violations or similar issues occur, the details, responses, and disciplinary actions are promptly shared within the Shimadzu Group to help prevent similar incidents. In addition, while ensuring appropriate protection of personal and confidential information, the Shimadzu Group provides timely and appropriate external disclosure through public relations and IR activities and its website.

The Shimadzu Group has established the Shimadzu Group Basic Management Rules, which set out its fundamental approach to governance and key management requirements, and uses them to continuously improve and strengthen its systems for monitoring the Group's overall management status and management framework.

Internal Control over Financial Reporting

Based on implementation standards issued by Japan's Financial Services Agency, the Shimadzu Group has established the Regulation for Establishing Internal Control over Financial Reporting and has put in place an internal control framework to ensure the reliability of financial reporting. This framework supports the proper execution of business activities by enhancing operational effectiveness and efficiency, ensuring compliance with laws and regulations, and safeguarding assets.

The Shimadzu Group treats internal control as an important management issue, continuously evaluates its design and operation, and promptly addresses any deficiencies identified. To enhance effectiveness, the scope of implementation prioritizes more significant companies and business processes.

Supplementary Activities for Entities Outside the Scope of Implementation (Non-Scope Group Companies)

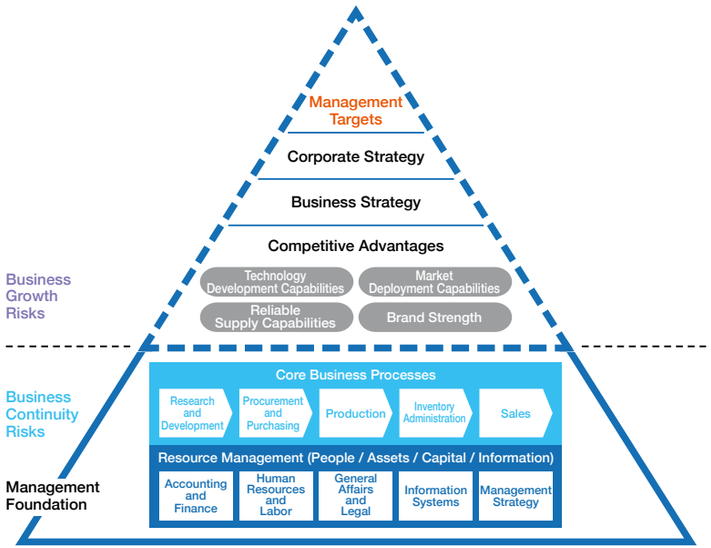
For Group companies outside the scope of internal control over financial reporting, each company identifies risks through self-assessments using checklists focused on entity-level controls and key business process items. Headquarters administrative departments then verify the results and provide follow-up through discussions. By analyzing the results and linking them to the development of necessary controls and operational improvements, the Shimadzu Group works to reduce the incidence of risk and prevent issues from arising across the Group as a whole.

Risk Management (Responses to Business-Related Risks)

Basic Policy

The Shimadzu Group recognizes that effective risk management is essential to fulfilling its social responsibilities as a company while ensuring business continuity and medium- to long-term growth. Based on this view, the Shimadzu Group has established the Shimadzu Group Basic Risk Management Rules and supports the achievement of business strategy and management targets through risk prevention, appropriate preparedness for uncertainty, and prompt and appropriate response when issues arise.

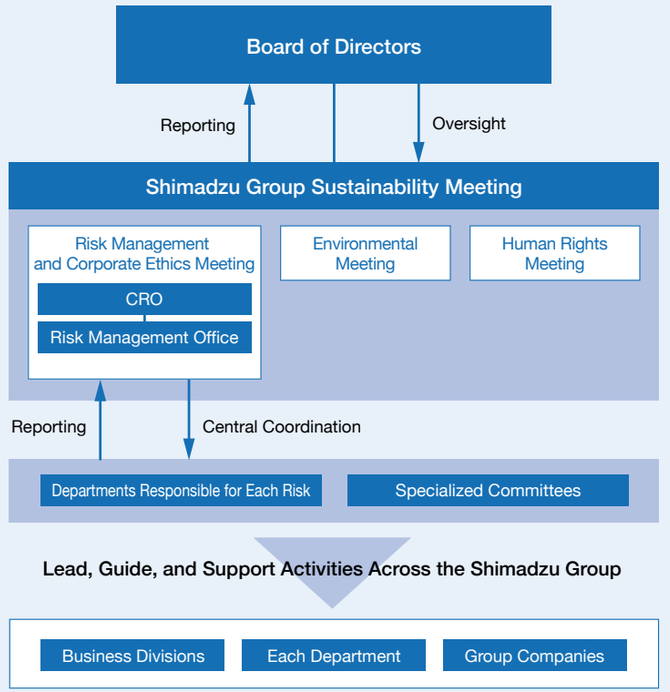
Within the Shimadzu Group, risk refers to events that could affect business continuity or growth, as well as uncertainties that could affect the achievement of business strategy or targets. The Shimadzu Group systematically identifies these risks and classifies them into "business continuity risks," which relate to impacts that could impair corporate value, and "business growth risks," which relate to impacts that may arise in the execution of growth strategies. By advancing risk management tailored to the characteristics of each category, the Shimadzu Group seeks to contain risk, maximize business growth opportunities, and enhance corporate value on a sustained basis.



Risk and Ethics Framework

To strengthen Group-wide risk management and corporate ethics, the Company holds a semiannual Risk Management and Corporate Ethics Meeting chaired by the President. At this meeting, the Company reviews and discusses the status of responses to risks at each level, including Group-wide priority risks, key risks at individual Group companies, and workplace-level operational risks. Under the oversight of the CRO, departments responsible for each risk and specialized committees work together to guide and support organizations and workplaces so they can conduct autonomous and effective risk management.

Shimadzu Group Risk Management Structure



Strengthening Corporate Governance

Integrated Risk Management

Implementation

Preventive Activities

Starting with annual risk identification and assessment, the Shimadzu Group continuously operates the risk management cycle through risk response and monitoring. Management and departments responsible for each risk lead the identification, assessment, and prioritization of risks and have established a framework to manage high-priority risks as company-wide initiatives.

In risk management, the Shimadzu Group places emphasis on preventive action to avoid serious incidents and limit their impact on business continuity. For business growth risks, the Shimadzu Group emphasizes early detection by identifying risks arising from changes in the operating environment at an early stage, taking preventive and mitigation measures when impacts remain manageable, and promptly implementing additional measures or reviewing strategy when impacts exceed or may exceed that level.

For region-specific and company-specific risks, each Group company conducts risk assessments, identifies priority risks and countermeasures, and advances its response activities. Departments responsible for each risk at headquarters also provide guidance and support to help advance these efforts.

The Shimadzu Group also provides regular training for relevant personnel at headquarters and Group companies to sustain and embed risk management activities across the organization.

Response to Crisis Events

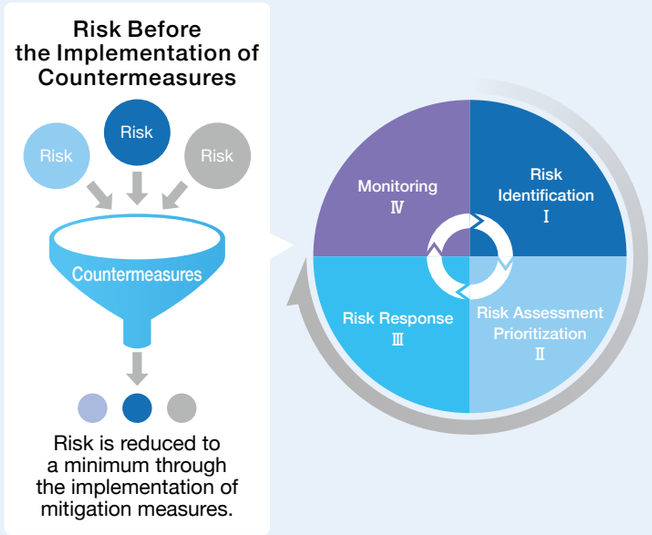
The Shimadzu Group has established an emergency communication framework for risk management to enable prompt and appropriate responses when crisis events occur. Under the principle of prompt initial reporting, the Shimadzu Group establishes a response headquarters chaired by the President depending on the severity of the event and takes action to prevent further damage and restore operations as quickly as possible.

Recurrence Prevention

When a serious risk event occurs, the Shimadzu Group takes steps to ensure effective prevention of recurrence so that similar incidents do not recur. Through workplace-level discussions and e-learning, employees identify risks in their own departments and reflect necessary improvements in business processes and rules.

Practical Approach to Preventive Activities

The Shimadzu Group advances risk management through a four-step process in coordination with the departments responsible for each risk.



Ⅰ	Identify the risks facing the Shimadzu Group.
Ⅱ	Assess risks requiring action based on likelihood and impact, and determine priorities.
Ⅲ	Reduce residual risk through the design and implementation of mitigation measures for priority risks by the responsible departments.
Ⅳ	Confirm the status of risk responses by evaluating residual risk. Monitor the overall risk management process.

Monitoring

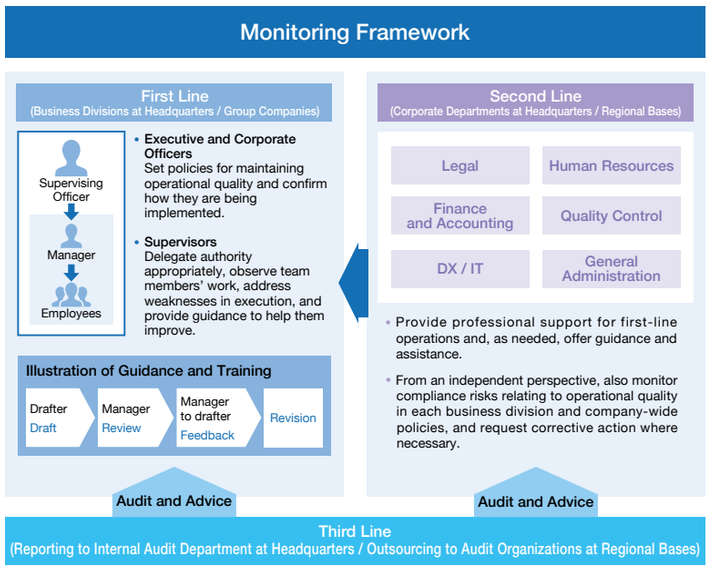
Basic Policy

The Shimadzu Group monitors and evaluates, on an organized and continuous basis, whether risk management, internal control, and compliance are functioning effectively across the three lines of operations, management oversight, and audit.

Strengthening the Monitoring Framework

In the overseas regional corporate headquarters, local organizations in China, Asia, Europe, and the Americas take the lead in planning and conducting on-site audits using audit tools developed by headquarters. This helps confirm whether rules based on the Shimadzu Group Basic Management Rules are being properly applied at each Group company and helps prevent inappropriate procedures and practices. Through internal audits, the Shimadzu Group identifies potential risks across the organization, reports the findings to management, and makes recommendations for corrective action, thereby promoting the early detection and prevention of issues as well as the continuous improvement of internal control.

Monitoring Framework



Strengthening Corporate Governance

Message from the CRO

Director
Senior Managing Executive Officer
CRO, in charge of
Global Environmental
Management (GX), and
Corporate Transformation (CX)

Akira Watanabe



Career Summary

Apr. 1985 Joined the Company
Apr. 2009 General Manager, TMP Business Unit, Semiconductor Equipment Division (currently Industrial Machinery Division) and Deputy General Manager, Sales & Marketing Department, Semiconductor Equipment Division
Apr. 2011 General Manager, Sales & Marketing Department, Semiconductor Equipment Division and General Manager, TMP Business Unit, Semiconductor Equipment Division
Jun. 2013 Deputy General Manager, Semiconductor Equipment Division, General Manager, Sales & Marketing Department, Semiconductor Equipment Division and General Manager, TMP Business Unit, Semiconductor Equipment Division
Jun. 2016 Corporate Officer, and General Manager, Industrial Machinery Division
Apr. 2019 Managing Executive Officer, and General Manager, Industrial Machinery Division
Apr. 2020 Managing Executive Officer, and General Manager, Industrial Machinery Division, and General Manager, Fluidics Systems Division
Apr. 2022 Senior Managing Executive Officer, CFO, in charge of Corporate Strategy Planning and Corporate Communications
Jun. 2022 Director, Member of the Board (present)
Apr. 2025 Senior Managing Executive Officer, in charge of Risk Management, Global Environmental Management (GX), and Corporate Transformation (CX)
Apr. 2026 Senior Managing Executive Officer, CRO, in charge of Global Environmental Management (GX) and Corporate Transformation (CX) (present)

Governance That Supports Bold Action

As CRO, what I value most is accelerating bold action while sustaining growth. To achieve this, it is essential to assess and manage risk appropriately without allowing risk aversion to cause us to miss opportunities, and to create a business environment in which the entire organization can continue to take on bold challenges. In particular, I place strong emphasis on transparency and dialogue. Through two-way communication with business divisions, R&D, manufacturing, sales, and other frontline functions, we share the realities of risk and the decision-making process and make aligned decisions from a company-wide perspective. I also believe it is important to clarify accountability and explain how specific risks are managed, why those approaches are taken, and how they are implemented, and provide consistent explanations to the Board of Directors and stakeholders, including customers, shareholders, regulators, and society.

In risk assessment, while we place importance on data and quantitative indicators, protecting corporate ethics and social trust is just as important as the numbers themselves. A risk-sensitive culture is built not only through systems, but also through day-to-day decisions and experience. Through training and responses to actual cases, I aim to develop the next generation of risk management leaders in each function and strengthen sustainable risk management capabilities across the organization.

Supporting Both Business Growth and Business Continuity

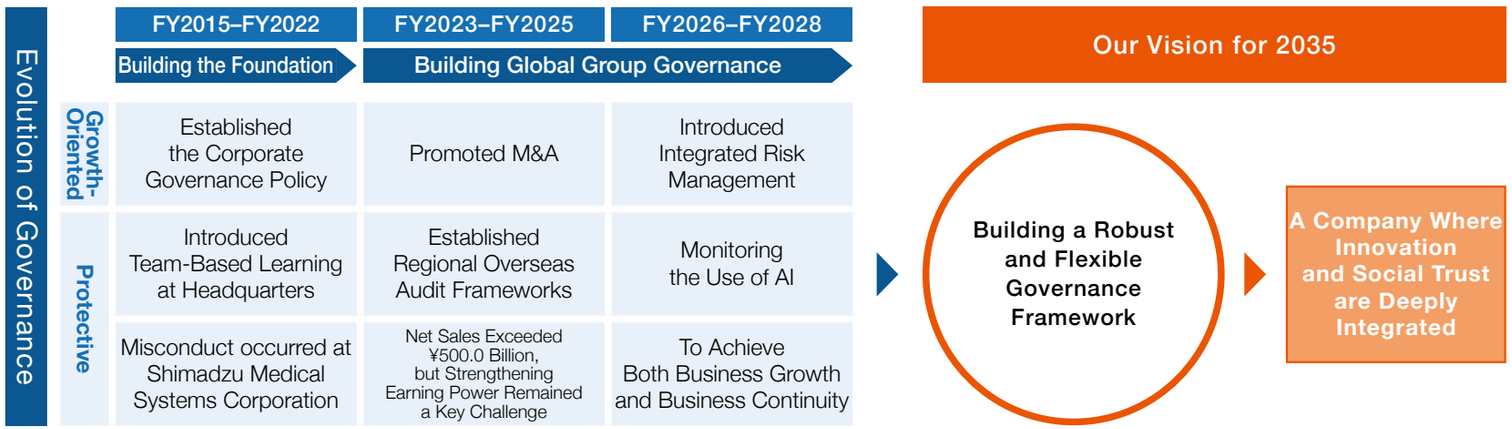
By 2035, the Shimadzu Group aims to become a technology-driven end-to-end solutions partner guided by a Customer-In approach. A robust and flexible governance framework is essential to achieving that goal. The first priority is to establish a governance framework in which risk management, compliance, and internal controls function as an integrated whole. This helps prevent issues in one area from cascading into others and enables fast, consistent responses to cross-functional issues. More specifically, this means embedding an integrated view of both growth-oriented risk management to support business growth and protective risk management that protects business continuity, identifying risks comprehensively across business, operational, legal, regulatory, and ethical dimensions, and developing proactive responses for each.

It is also important to raise risk awareness across the organization. To ensure transparency in decision-making, governance structures and responsibilities must be clearly defined, and the Board, audit functions, and executive management must work together to set the scope and standards for risk-taking. I also believe it is essential to have mechanisms in place that emphasize dialogue with stakeholders and ensure alignment between external expectations and corporate strategy. Through this comprehensive strengthening of governance, we will build a Shimadzu Group that earns society's trust and creates value sustainably.

Key Initiatives Under the New Medium-Term Management Plan

Under the new Medium-Term Management Plan beginning in FY2026, we will implement the following key initiatives as the foundation for achieving our 2035 vision.

1. **At the Risk Management and Corporate Ethics Meeting, we will determine the priority risks for FY2026 and the initiatives to address them, communicate them across the Shimadzu Group, and execute the required responses.**
2. **We will set KPIs for each risk initiative, monitor progress, and take corrective action as needed.**
3. **Where AI can deliver clear benefits, we will actively expand its use to improve the effectiveness of risk controls and help prevent human error and misconduct.**
4. **We will develop governance talent in regional corporate headquarters and strengthen their functions and capabilities to build a global risk management framework.**



11-Year Key Financial Data

(Millions of yen)

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Fiscal Years											
Net Sales	342,236	342,479	376,530	391,213	385,443	393,499	428,175	482,240	511,895	539,047	**560,729**
Overseas Sales Ratio (%)	50.9	48.6	50.2	50.4	49.0	50.8	53.0	56.2	57.9	56.5	**56.7**
Gross Profit	140,386	136,409	149,833	157,169	152,430	156,192	178,615	200,959	220,842	234,443	**250,090**
SG&A Expenses	104,683	99,319	107,011	112,688	110,584	106,450	114,809	132,739	148,088	162,722	**176,387**
Operating Profit	35,701	37,089	42,822	44,480	41,845	49,742	63,806	68,219	72,754	71,721	**73,703**
Profit Attributable to Owners of Parent	23,899	26,473	29,838	32,523	31,766	36,097	47,290	52,048	57,038	53,776	**60,500**
R&D Expenses*1	13,995	14,597	15,536	16,555	16,890	15,672	16,257	18,970	21,504	28,871	**29,104**
Capital Expenditures	12,098	12,876	17,187	21,711	17,676	14,471	16,357	22,512	22,480	22,949	**22,117**
Depreciation and Amortization	9,425	9,546	10,591	11,506	13,256	15,536	16,205	17,524	18,551	19,895	**20,381**
Cash Flows											
Cash Flows from Operating Activities	32,348	29,608	41,215	29,454	39,509	63,801	63,367	48,303	30,127	52,002	**54,679**
Cash Flows from Investing Activities	(13,101)	(12,304)	(11,072)	(22,897)	(16,062)	(13,860)	(6,044)	(34,509)	(15,998)	(23,173)	**(15,907)**
Free Cash Flow (Operating CF + Investing CF)	19,247	17,303	30,143	6,557	23,447	49,941	57,323	13,794	14,129	28,829	**38,772**
Cash Flows from Financing Activities	(11,689)	(7,294)	(7,902)	(10,819)	(26,185)	(13,033)	(15,658)	(19,418)	(21,098)	(48,409)	**(25,504)**
At Fiscal Year-End											
Total Assets	349,798	375,354	418,548	437,190	437,618	497,459	560,528	618,869	673,962	672,177	**737,978**
Cash and Cash Equivalents	43,508	52,762	75,090	70,842	66,683	106,855	155,319	153,734	159,234	137,190	**160,839**
Interest-Bearing Debt Outstanding	19,150	18,611	18,636	17,537	2,111	1,743	1,709	1,532	1,618	1,372	**0**
Shareholders' Equity	214,734	235,342	258,464	282,962	305,395	323,267	359,073	396,415	436,850	447,163	**488,108**

*1. R&D expenses above are calculated by adding manufacturing-related expenses to testing and research expenses reported in the Annual Securities Report.
* Figures are rounded to the nearest million yen.

11-Year Key Financial Data

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
											(Yen)
Per Share Data											
Net Income	81.05	89.79	101.26	110.41	107.84	122.52	160.49	176.64	193.54	183.55	**209.39**
Net Assets	745.13	818.56	908.76	977.35	1,027.87	1,138.67	1,293.60	1,437.19	1,670.49	1,723.88	**1,955.96**
Dividends	18.00	20.00	24.00	28.00	30.00	34.00	48.00	54.00	60.00	66.00	**69.00**
Dividend Payout Ratio (%)	22.2	22.3	23.7	25.4	27.8	27.8	29.9	30.6	31.0	36.0	**33.0**
											(%)
Key Financial Indicators											
Gross Profit Margin	41.0	39.8	39.8	40.2	39.5	39.7	41.7	41.7	43.1	43.5	**44.6**
Operating Profit Margin	10.4	10.8	11.4	11.4	10.9	12.6	14.9	14.1	14.2	13.3	**13.1**
ROA (Return on Assets)	6.9	7.3	7.5	7.6	7.3	7.7	8.9	8.8	8.8	8.0	**8.6**
ROE (Return on Equity)	11.1	11.5	11.7	11.7	10.8	11.3	13.2	12.9	12.5	10.9	**11.4**
ROIC (Return on Invested Capital)	10.1	10.3	10.8	10.4	9.5	10.8	12.3	11.7	11.0	10.0	**9.6**
Equity Ratio	62.8	64.3	64.0	65.9	69.2	67.4	68.0	68.4	73.1	74.1	**76.6**
P/E Ratio (Price-to-Earnings Ratio)	21.8	19.7	29.5	29.0	26.4	32.7	26.4	23.4	21.9	20.3	**17.6**

6-Year Key Non-Financial Data

		FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Non-Financial Data (Consolidated)							
Number of employees		13,308	13,499	13,898	14,219	14,481	**14,649**
Number of overseas employees		5,549	5,692	5,860	6,084	6,182	**6,177**
Percentage of female employees (%)			26.6	27.0	27.4	27.6	**28.5**
Percentage of female managers (%)		9.2	10.2	10.9	11.1	12.3	**13.3**
Gender pay ratio (%)	All employees		65.7	67.5	68.8	68.6	**70.8**
	Managers		88.4	97.2	95.7	95.6	**100.3**
	Non-managerial employees		74.9	75.8	75.8	75.9	**76.9**
Male childcare leave take-up rate*1(%)			28.6	45.1	54.9	59.9	**74.1**
Number of highly specialized professionals*2				324	361	509	**594**
Number of patents held		6,423	6,776	7,275	7,964	8,554	**8,830**
Non-Financial Data (Domestic and Overseas Shimadzu Group Companies)							
Energy consumption (GJ)		916,828	982,528	1,055,000	955,895	980,575	**969,382**
Total renewable energy consumption (GJ)			590,379	868,116	776,765	809,258	**806,515**
Energy consumption per unit of net sales (GJ / ¥100 million of net sales)		233.0	229.5	218.8	186.7	181.9	**172.9**
Energy-related CO_2 emissions (t-CO_2)		34,468	18,389	9,980	10,409	9,835	**8,771**
Energy-related CO_2 emissions per unit of net sales (t-CO_2 / ¥100 million of net sales)		8.8	4.3	2.1	2.0	1.8	**1.6**
Non-Financial Data (Non-Consolidated)							
Percentage of female employees (%)		20.0	20.7	20.9	21.4	21.5	**21.6**
Percentage of women in managerial positions or higher (%)		4.1	4.1	4.8	5.2	5.8	**5.7**
Percentage of women in general manager positions or higher (%)		4.3	4.6	7.9	8.5	8.4	**6.8**

		FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Number of new graduate hires*3		124	85	96	134	152	**108**
Percentage of women among new graduate hires (%)		31.5	25.9	24.0	26.9	29.6	**27.8**
Number of mid-career hires		22	29	51	58	39	**24**
Percentage of women among mid-career hires (%)		90.9	55.2	41.2	19.0	38.5	**45.8**
Number of voluntary resignations*4		37	34	36	32	31	**35**
Employee turnover rate (%)		1.1	1.0	1.0	0.9	0.9	**0.9**
Average years of service		18.2	18.3	18.4	18.0	18.1	**18.5**
	Men	19.0	19.3	19.4	18.2	19.0	**19.4**
	Women	14.8	14.8	14.8	14.2	14.8	**15.3**
Average monthly overtime hours	Managerial-track employees	30.3	30.6	31.7	29.9	29.0	**28.5**
	Non-managerial employees	2.4	5.0	7.4	8.6	9.1	**8.5**
Remote work utilization rate (%)		31.0	28.0	25.0	20.0	19.0	**16.0**
Paid leave take-up rate*5 (%)		66.0	68.0	75.7	80.1	70.3	**79.5**
	Managerial-track employees	47.0	45.8	52.8	58.4	49.1	**59.7**
	Non-managerial employees	70.8	74.6	82.2	86.1	76.2	**85.1**
Male childcare leave take-up rate*1 (%)		22.7	44.6	56.7	65.5	70.6	**75.0**
Female childcare leave take-up rate*6 (%)		100.0	100.0	100.0	100.0	100.0	**100.0**
Return-to-work rate after childcare leave among female employees*7 (%)		96.9	100.0	100.0	100.0	100.0	**100.0**

*1. Calculated as the number of employees who took childcare leave in the fiscal year divided by the number of employees whose spouse gave birth in the fiscal year, based on the childcare leave utilization ratio defined in Article 71-4, Item 1 of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ministry of Labour Ordinance No. 25 of 1991).
*2. Employees holding doctoral degrees, advanced national qualifications or equivalent credentials, including Professional Engineer, patent attorney, Level 1 Mechanical Design Engineer, Class 1 or Class 2 Chief Electrical Engineer, IT qualifications equivalent to Level 4, attorney, certified public accountant, tax accountant, MBA, and internal certifications.
*3. Number of new graduate hires who joined on April 1 of each fiscal year.
*4. Number of voluntary resignations, excluding retirements at mandatory retirement age, deaths, company-initiated separations, dismissals, and secondments. Turnover rate is calculated by dividing the number of employees leaving the Company by the number of employees at the end of the previous fiscal year.
*5. Number of paid leave days taken during the fiscal year divided by the number of paid leave days granted during the fiscal year.
*6. Percentage of employees who gave birth during the previous fiscal year and who had started childcare leave by the end of the fiscal year under review.
*7. Percentage of employees who completed childcare leave during the previous fiscal year and were scheduled to return to work, who actually did so.

Corporate Profile

The following information is available on our website:
Corporate Profile
https://www.shimadzu.com/about/profile.html

Corporate Profile (as of March 31, 2026)

Company Name:	Shimadzu Corporation
Founded:	March 1875
Incorporated:	September 1917
Head Office:	1 Nishinokyo Kuwabara-cho, Nakagyo-ku, Kyoto 604-8511, Japan Phone: +81-75-823-1111 (main)
Capital:	Approximately ¥26.6 billion
Number of Employees:	3,779 (non-consolidated), 14,649 (consolidated)
Number of Consolidated Subsidiaries:	Japan: 21, overseas: 56

Major Locations

Branch Offices:	Tokyo / Kansai (Osaka)
Sales Branches:	Sapporo / Tohoku (Sendai) / Tsukuba / Kita-Kanto (Saitama) / Yokohama / Shizuoka / Nagoya / Kyoto / Kobe / Hiroshima / Shikoku (Takamatsu) / Kyushu (Fukuoka)
Plants and Offices:	Sanjo / Murasakino (both in Kyoto) / Atsugi / Hadano / Seta (Otsu) / Shimadzu Logistics Center Kyoto (Muko, Kyoto)
R&D Sites:	Technology Research Laboratory (Seika-cho, Soraku-gun, Kyoto Prefecture / Kyoto) Koichi Tanaka Mass Spectrometry Research Laboratory (Kyoto) Healthcare R&D Center (Kyoto) Shimadzu Future Collaboratory (Seika-cho, Soraku-gun, Kyoto Prefecture) Shimadzu Tokyo Innovation Plaza (Kawasaki, Kanagawa) Shimadzu Nagasaki Collaboration Lab (Nagasaki) Shimadzu Kobe Innovation Lab (Kobe)

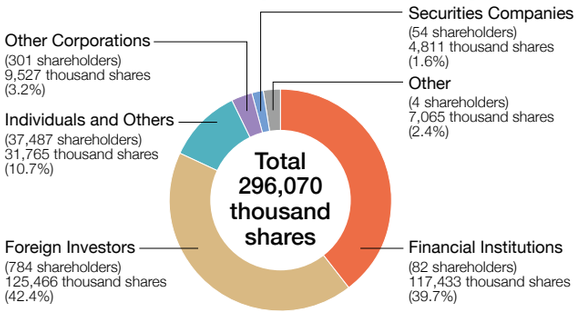
Stock Information

The following information is available on our website:
Stock Information https://www.shimadzu.com/ir/stock/

Stock Information

Total Number of Authorized Shares:	800,000,000
Total Number of Issued Shares:	296,070,227
Number of Shareholders:	38,712
Stock Exchange Listing:	Prime Market of the Tokyo Stock Exchange
Securities Code:	7701
Shareholder Registry Administrator:	Mitsubishi UFJ Trust and Banking Corporation
Independent Auditor:	Deloitte Touche Tohmatsu LLC

Share Ownership by Shareholder Type

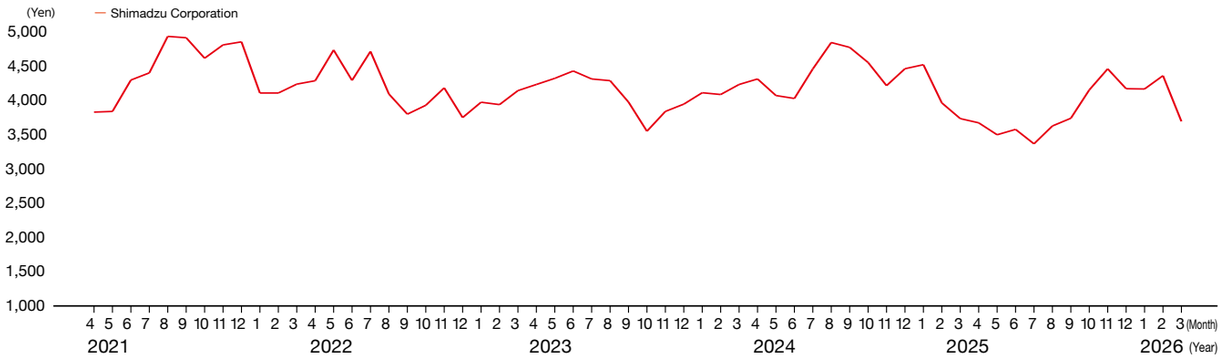


Major Shareholders (Top 10)

Shareholder Name	Number of Shares Held (Thousands of shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	37,456	12.96
Meiji Yasuda Life Insurance Company	20,742	7.18
Custody Bank of Japan, Ltd. (Trust Account)	12,879	4.46
STATE STREET BANK AND TRUST COMPANY 505223	9,195	3.18
BNYM AS AGT / CLTS NON TREATY JASDEC	8,910	3.08
National Mutual Insurance Federation of Agricultural Cooperatives	7,749	2.68
MUFG Bank, Ltd.	7,672	2.65
GOVERNMENT OF NORWAY	5,760	1.99
STATE STREET BANK AND TRUST COMPANY 505001	5,378	1.86
The Bank of Kyoto, Ltd.	4,922	1.70

* The Company holds 7,061,106 shares of treasury stock, which are excluded from the major shareholders listed above.
* Shareholding ratios are calculated after deducting treasury stock.

Stock Price (Tokyo Stock Exchange)



External Recognition and Ratings

The following information is available on our website:
External Recognition and Ratings https://www.shimadzu.com/ir/stock/evaluation.html

Inclusion in Major Indexes

FTSE4Good
FTSE Blossom Japan Index
FTSE Blossom Japan Sector Relative Index
JPX-NIKKEI 400
2025 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)
2025 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX
STOXX Indices by Qontigo
Member 2023/2024 Platinum Career Index
MSCI Selection Indexes Constituents 2025
JPX PRIME 150
S&P/JPX カーボン エフィシェント 指数

External Recognition, Ratings, Awards, and Certifications

MSCI ESG RATINGS AA
CCC B BB BBB A AA AAA
As of Sep 2026
NIKKEI SDGs 経営調査 2025
NIKKEI SDGs 社会価値賞 2025
2026 健康経営銘柄 KENKO Investment for Health
2026 健康経営優良法人 KENKO Investment for Health 大規模法人部門 ホワイト500
ECO FIRST
DIVERSITY MANAGEMENT SELECTION 100 2019
NADESHIKO BRAND 2025

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Major Initiatives in Which Shimadzu Corporation Participates

WE SUPPORT UN GLOBAL COMPACT
TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
TNFD Taskforce on Nature-related Financial Disclosures
SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION
JAPAN CLIMATE INITIATIVE
CLOMA
CLIMATE GROUP RE100

Shimadzu Corporation

https://www.shimadzu.com/