

FY2026-2028 Medium-Term Management Plan

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Thank you all very much for taking time out of your busy schedules to join our medium-term management plan briefing today.

This is Yamamoto from Shimadzu Corporation.

I will now walk you through the three-year medium-term management plan, covering FY2026 through FY2028.

About the Shimadzu Group

- Guided by our corporate philosophy, "Contributing to Society through Science and Technology," Shimadzu has grown by expanding into new technologies and business domains in step with industrial development.
- With analytical and measuring technologies at its core, Shimadzu has established a solid position as one of the global leaders in growth fields such as healthcare, semiconductors, aerospace, and other fields.

Analytical & Measuring Instruments (AMI)

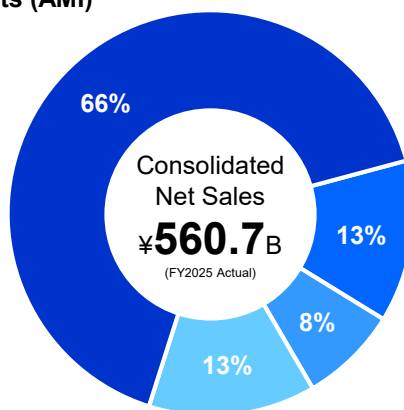
- One of the global leaders in analytical and measuring instruments used across a wide range of applications, including healthcare, green transformation (GX), materials, and academia.

**Liquid Chromatograph
No. 1 Share in Asia**

Medical Systems (MED)

- Holds a leading market share in Japan for X-ray diagnostic imaging systems.
- Has a history of developing Japan's first medical X-ray system.

**Radiography Systems
No. 1 Share in APAC**



Industrial Machinery (IM)

- Manufactures turbomolecular pumps that achieve the high vacuum essential for semiconductor manufacturing, industrial furnaces that support an electrified society, and fluid control equipment for industrial infrastructure.

**Turbomolecular Pumps (TMP)
for Semiconductor Manufacturing Equipment
No. 1 Global Share**

Aircraft Equipment (AE)

- One of the few suppliers of flight control systems, air conditioning equipment, and display systems for commercial and defense aircraft.

**Defense Aircraft Equipment
No. 1 Share in Japan**

First, let me briefly explain about the Shimadzu Group.

Last year, we were able to mark the 150th anniversary of our founding. Under our corporate philosophy, Contributing to Society through Science and Technology, we have expanded into new technologies and new fields in step with the development of industry, and we believe that is why we have been able to continue for 150 years.

Our core business is the Analytical and Measuring Instruments (AMI) business. It accounts for 66% of net sales, and our liquid chromatographs in particular hold the top share in Asia.

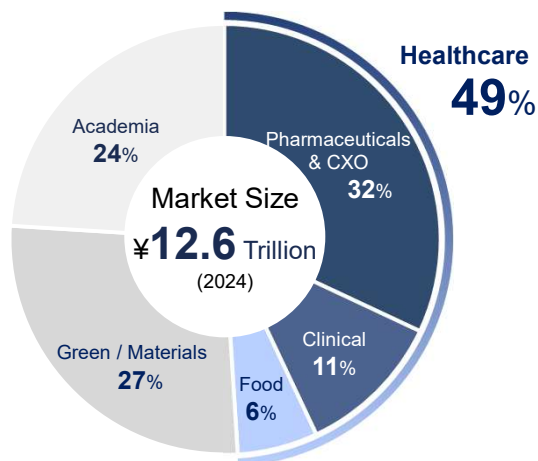
In the Medical Systems (MED) business, ever since taking the first X-ray photograph in Japan, we have continued to develop world-first and Japan-first products. Today we hold the top share in radiography systems in the APAC region.

The Industrial Machinery (IM) business mainly offers turbomolecular pumps (TMP), which create the high vacuum environments needed to achieve the cleanliness levels required in semiconductor manufacturing, and industrial furnaces, which contribute to the electrification of society. We currently hold the top global share in TMP for semiconductor manufacturing equipment, and our customers rate us highly.

The Aircraft Equipment (AE) business makes components used in commercial and defense aircraft. We hold the top domestic share in onboard equipment (flight control systems, air conditioning systems, and display systems) for defense aircraft.

Analytical and Measuring Instruments Market and Shimadzu's Position

- The analytical and measuring instruments market serves a diverse range of end markets and is expected to deliver stable growth.
- In addition to data reliability, measurement expertise and long-term customer relationships are critical, resulting in high barriers to entry.
- Shimadzu is the only non-U.S. company among the global industry leaders.



Attractive Market Expected to Deliver Stable Growth

- The market is growing at around 4% annually.
- Diverse end markets provide resilience against economic fluctuations.

High Barriers to Entry

- In addition to the instruments themselves, expertise in measurement and data interpretation is critical. Long-term customer relationships are essential, creating high barriers to entry.

One of the Global Leaders

- The global market is led by six leading companies, including Shimadzu.
- Shimadzu has established a strong position not only in Japan but also across Asia, including India, earning strong customer trust.
- Shimadzu has produced a Nobel Prize laureate.

Our mainstay analytical and measuring instruments market serves nearly every company involved in manufacturing, as well as academia. It is relatively resilient to economic cycles and an attractive market where stable growth can be expected.

Because the data is used in applications involving human life and in product quality control, data reliability is critically important. Obtaining highly reliable data requires not only instrument performance but also know-how in analysis and measurement, and these are built up through long-term relationships of trust with customers, so we see this market as having extremely high barriers to entry. Globally, the top six companies form an oligopoly, and we are the only company outside the U.S. to have established a global leadership position.

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I will explain the medium-term management plan in three parts.

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First, I will explain the vision we are aiming for; next, we will look back at the previous medium-term management plan; and on that basis, I will explain the contents of the new medium-term management plan.

I. Our Vision

Shimadzu Vision – The Pursuit of Planetary Health

- Pursuit of “the Well-Being of Human Life and Health”: Aim to contribute to a vibrant society of healthy longevity.
 - Pursuit of “the Well-Being of the Earth”: Aim to contribute to the environment, including responses to climate change.
- ➔ **Become a Company That Provides Social Value in Four Business Domains.**

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



Since our founding, we have operated for 150 years under the corporate philosophy of Contributing to Society through Science and Technology, and for the past 30 years we have worked under the management principle of Realizing Our Wishes for the Well-Being of Mankind and the Earth.

As an extension of that, the vision we aim for is the pursuit of Planetary Health. Under this concept, we aim to realize a society of healthy longevity by contributing to the well-being of human life and health, and to contribute to the well-being of the Earth by helping solve environmental issues, starting with climate change. Together with realizing industrial development and a safe and secure society, these three perspectives define the four social value creation domains in which we intend to operate: Healthcare, Green, Materials, and Industry.

I. Our Vision

Our Aspirations and Positioning of the New Medium-Term Management Plan

Transform into a Customer-In Business Model Built on More Than 150 Years of Accumulated Technological Expertise.

- Under the previous medium-term management plan, we advanced organizational transformation under a customer-centric model.
- Under the new medium-term plan, we will accelerate transformation into a business model that supports customers' workflows and delivers end-to-end solutions through science and technology.

The Pursuit of Planetary Health

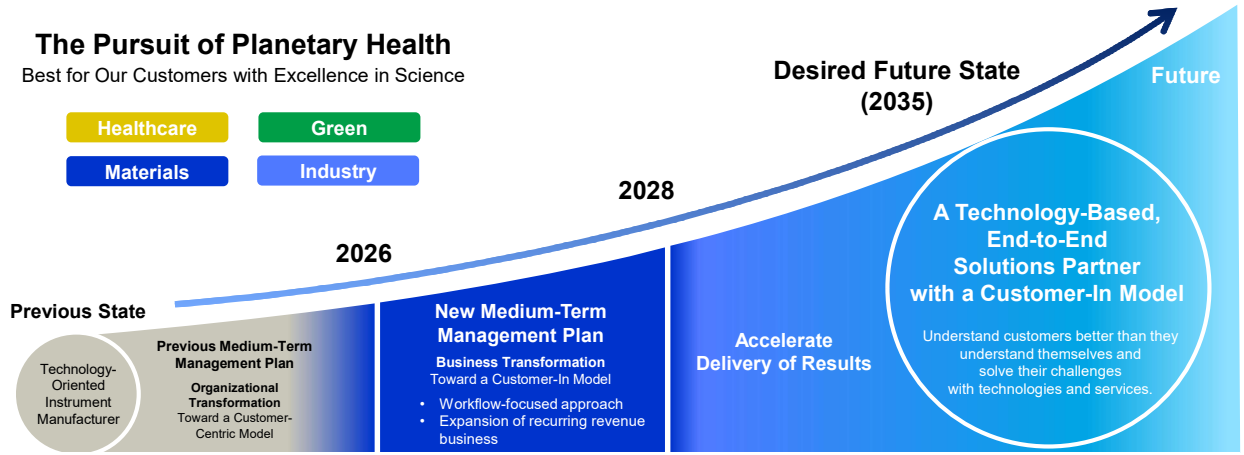
Best for Our Customers with Excellence in Science

Healthcare

Green

Materials

Industry



* Customer-In: Providing optimal products and services based on the needs of each individual customer.

Building on the technologies we have cultivated over more than 150 years, what we aim to be in 2035 is an end-to-end solution partner for our customers, grounded in technology and guided by a Customer-In approach.

Customer-In means providing the optimal products and services matched to the needs of each individual customer, and it is the source of the strengths we have built over many years. Going forward, we will further refine this strength and create new value together with customers around the world.

Under the previous medium-term management plan, as the foundation for realizing this, we carried out an organizational transformation toward customer-centricity. We shifted from a structure built around technologies and instruments to one that delivers the data customers need.

Under the new medium-term management plan, we will use science and technology to build businesses that support our customers' entire workflows with a Customer-In approach.

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II. Review of the Previous Medium-Term Management Plan

Results of the Previous Medium-Term Management Plan [FY2023-2025]

■ Concept: Be an Innovative Company that solves social issues with global partners!

- Achieve Sustainable Growth by Technology Development & Social Implementation -

Metrics	FY2022 Actual	Medium-Term Plan Target	Actual	FY2025			
				Achievement Rate	Change	vs. FY2022 Growth Rate	
Growth	Net Sales (¥B)	482.2	550.0	560.7	102%	78.5	116%
Profitability	OP (¥B)	68.2	80.0	73.7	92%	5.5	108%
	OPM	14.1%	14.5%	13.1%	90%	- 1.0 pts	-
Capital Efficiency	ROE	12.9%	12.0% or higher	11.4%	95%	- 1.5 pts	-
	ROIC	11.7%	11.0% or higher	9.6%	87%	- 2.1 pts	-
Investments	R&D Investments (Three Years) (¥B)	50.0	73.0	79.4	109%	+29.4	159%
	Capital Expenditures (Three Years) (¥B)	55.0	80.0	67.5	84%	+12.5	122%
Average FX Rates During the Period	USD	135.5	120	150.81			
	EUR	141.0	130	174.83			

Changes in the External Environment (Policy and Economic Factors)

- Uncertainty in the business environment increased due to China's economic slowdown and other factors.
- Expansion of protectionist economic policies, including the U.S. tariff policy.
- Rising materials prices and labor costs amid a persistent inflationary environment.
- Arrival of the AI era and continued increase in the importance of sustainability.

Response Initiatives

- Worked to offset the impact of China's economic slowdown through growth in India and other regions. Achieved annual sales growth of more than 10% in India.
- However, the impact could not be fully offset at the profit level. Expanded production in China in response to changes in the business environment.
- Shifted production of products for North America from China to Japan. Transferred some parts production from Japan to North America.
- Promoted value-added pricing and cost reductions in response to rising materials prices.
- Launched instruments with enhanced usability through AI functions. Internally, improved operational efficiency through the use of internally customized AI tools.

Now, a look back at the previous medium-term management plan.

Under the slogan of becoming an innovative company that solves social issues together with partners around the world, we drove the business forward against targets for net sales, operating income, and other key financial metrics. As a result, net sales reached JPY560.7 billion, achieving the target, while operating income came in at JPY73.7 billion, 92% of the target. Operating margin, ROE, and ROIC all fell short of their targets as well.

There were several factors, but one of the largest was the change in the external environment. The Chinese economy in particular slowed more than expected from immediately after the previous medium-term management plan began, and net sales in China came in far below what we had initially planned.

We took various measures to respond to these changes in the external environment, and we continued to invest for the next phase of growth. In the end, however, we could not generate enough results to fully absorb the associated costs, and improving profitability remained an issue.

II. Review of the Previous Medium-Term Management Plan

Outcomes and Challenges of the Previous Medium-Term Management Plan

- Steadily advanced organizational transformation toward a customer-centric model.
- Net sales and OP reached record highs, and the recurring revenue ratio also increased.
- OPM declined due in part to investments in human capital and M&A activities. Balancing upfront investments for growth with profitability improvement is a key challenge going forward.

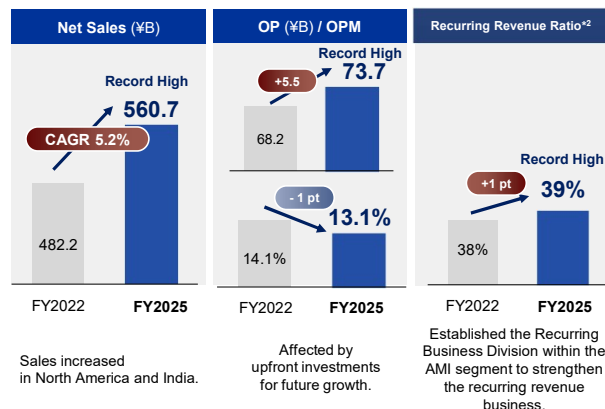
Steady Progress in Organizational Transformation Toward a Customer-Centric Model

- Joint development with customers through the **R&D Center in North America**.
- Reorganized the **domestic sales structure** from product-based to domain-based.
- Reorganized the manufacturing organization into a **global manufacturing headquarters structure** capable of responding flexibly to demand fluctuations.
- Established the **Recurring Business Division** within the AMI segment.
- Established the **Clinical MS Solution Center** in the AMI segment.

Initiatives to Expand the Value Provided to Customers

- Expanded contributions to **semiconductor** workflows and the **Materials** domain, and expanded the **life science** business (**Tescan**).^{*1}
- Launched the **multi-vendor service** business for LC and MS in North America (Zef Scientific).
- Enhanced the value proposition of GC in GX-related applications (technology acquisition from Activated Research Company, LLC (ARC)).
- Expanded direct sales and **services** for MED in North America (California X-ray Imaging Services, Inc.).

Net Sales and Recurring Revenue Ratio Increased, While Profitability Remained a Challenge



*1. Assumes completion of the Tescan acquisition. *2. Recurring revenue ratio in the AMI Business.

Specifically, net sales and operating income reached record highs. On the other hand, the operating margin declined by 1 percentage point, and while the recurring revenue ratio improved by 1 percentage point, neither reached its target.

At the same time, the organizational transformation toward customer-centricity made steady progress. In development, we established an R&D center in North America in addition to Japan, so that we can develop new products together with customers in North America.

In Japan, we reorganized our sales structure around customers so that we can propose and provide our full product range. In manufacturing, from April 2026 we put in place a global system of optimal procurement and production in the best-suited locations.

To strengthen the recurring revenue business, we established a new supervisory division, and in Europe we established the Clinical MS Solution Center to drive the clinical business. Under the new medium-term management plan, we will steadily turn these organizational changes into results.

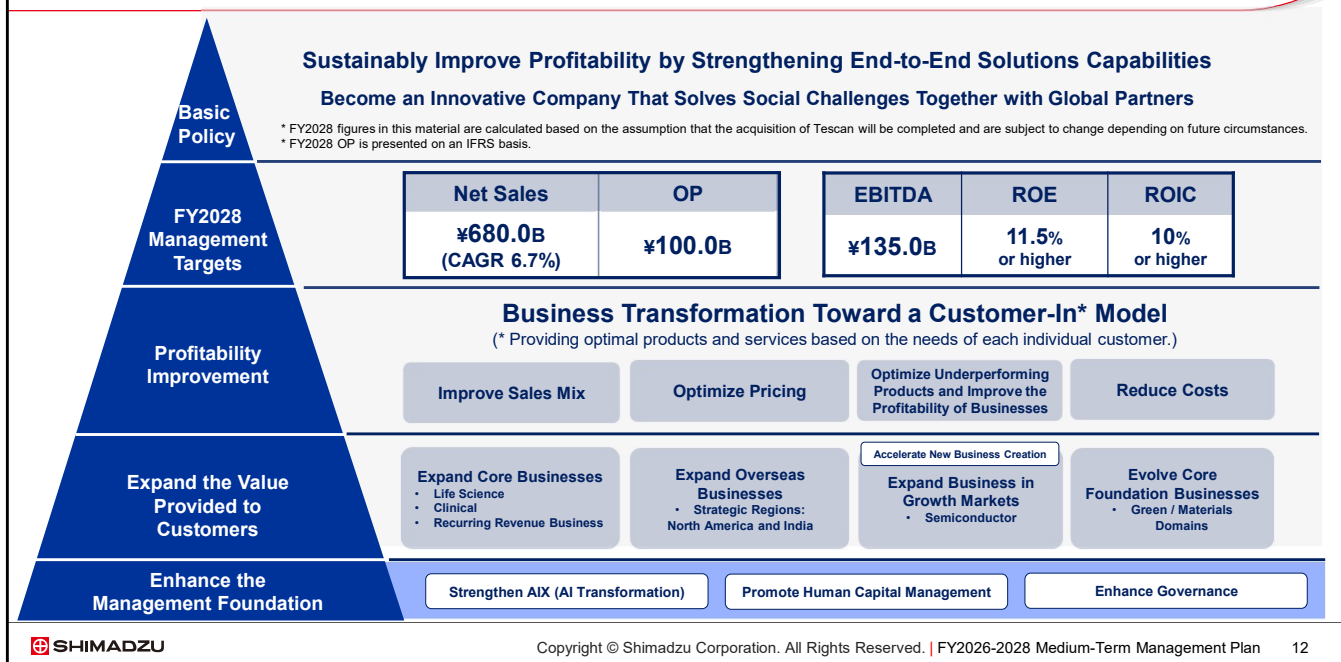
In addition, to expand the value we provide, we announced the acquisition of Tescan, and we plan to strengthen our reach in the semiconductor, materials, and life science domains.

We also acquired a multi-vendor service company in the AMI business and a service company for the MED business in North America, strengthening the foundation of our recurring revenue business.

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III. New Medium-Term Management Plan – Three-Year Challenge
FY2026-2028 Medium-Term Management Plan



Next, the new medium-term management plan.

The basic policy is sustained improvement in earnings power by strengthening our ability to provide end-to-end solutions. Based on our review of the previous medium-term management plan, we recognize strengthening earnings power as our biggest management challenge, and we have made it the highest-priority theme of the new plan.

Our management targets are net sales of JPY680 billion and operating income of JPY100 billion. In addition, looking ahead to the adoption of IFRS in FY2028, we are targeting EBITDA of JPY135 billion, ROE of 11.5% or higher, and ROIC of 10% or higher.

To improve earnings power, we will pursue our businesses under four policies.

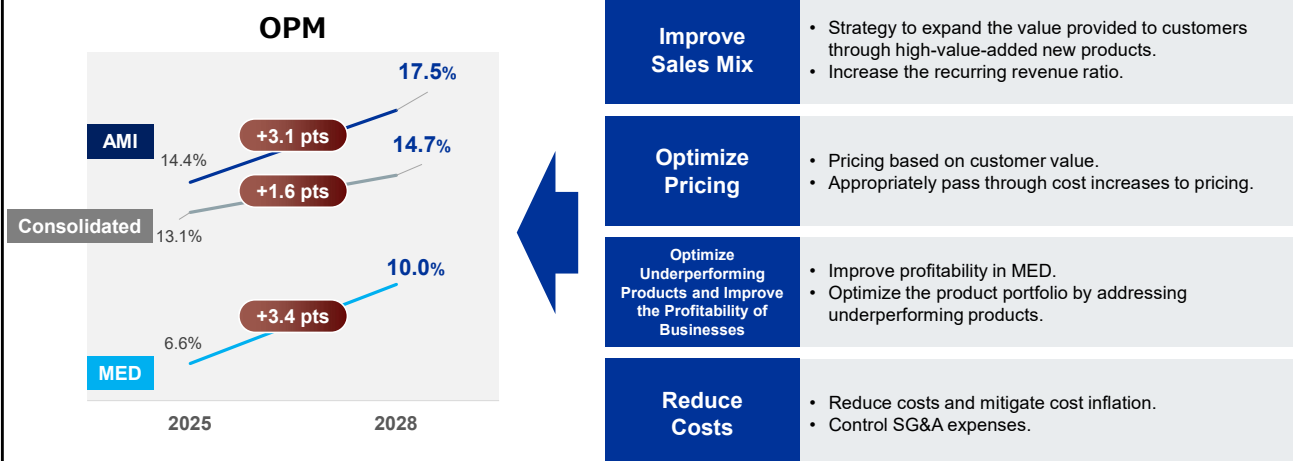
For sales growth, centered on maximizing the value we provide, we will work on four pillars: expanding our core businesses; expanding overseas business with North America and India as strategic regions; expanding business in the semiconductor growth market; and evolving our foundation businesses.

In addition, to strengthen the people and organization that support all of this, we will strengthen AIX, advance human capital management, and enhance governance.

III. New Medium-Term Management Plan – Three-Year Challenge

Profitability Improvement

- Strengthen profitability to continuously enhance the value provided to customers and build a more resilient and sustainable business foundation.



Let me explain the improvement in earnings power.

As a result of the previous medium-term management plan, the company-wide operating margin stands at 13.1%. Under the new plan, we aim to raise it by 1.6 points over three years, to 14.7%. By segment, we are targeting a 3.1-point increase to 17.5% in the AMI business and a 3.4-point improvement to 10% in the MED business.

To achieve this, we will pursue four measures: improving the sales mix, optimizing pricing, optimizing underperforming products and improving the profitability of businesses, and reducing costs.

In improving the sales mix, we will expand our offering of high-value-added new products and end-to-end solutions, centered on chromatographs, mass spectrometers, and the recurring revenue business, and raise the share of highly profitable sales.

In pricing optimization, we will price high-value-added new products in line with the value they deliver, and across all products, we will optimize pricing to reflect inflation and higher procurement costs.

In optimizing underperforming products and improving the profitability of businesses, centered on the MED business, we will clearly identify businesses to exit and regions to restructure, and improve profitability across every business division.

In cost reductions, we will reduce manufacturing costs through globally optimized procurement and production in the best-suited locations, led by our manufacturing headquarters. In addition, we will roll out to other sites the cost-reduction methods cultivated through the small-group improvement activities (DIO activities) that each plant has pursued for many years, along with the results of automation, including the introduction of robots.

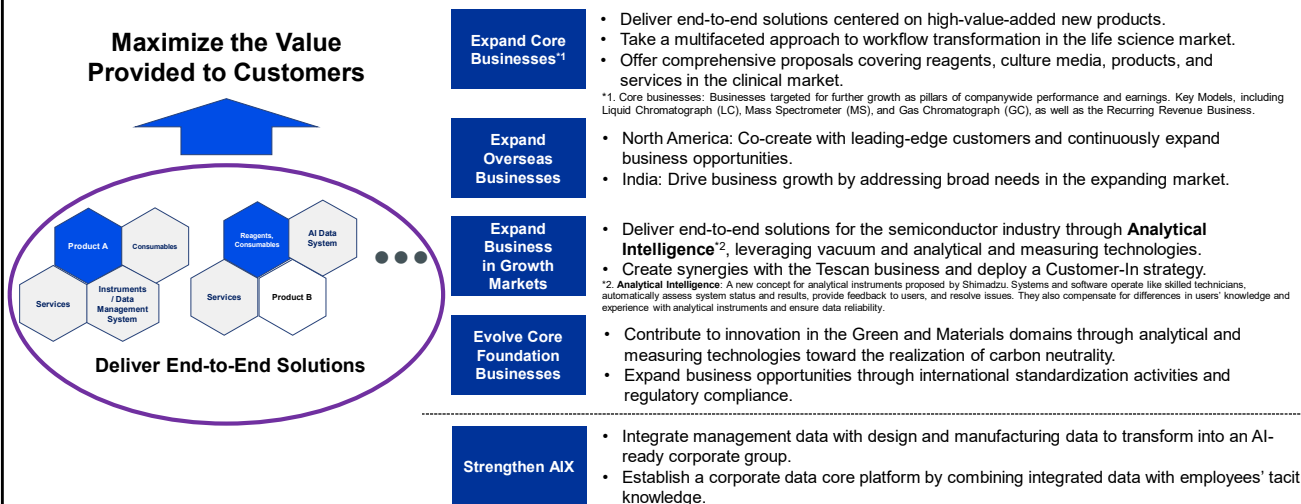
Furthermore, we will advance the use of AI in every department and also work to control SG&A expenses. In FY2025, we have already eliminated tens of thousands of hours of work through AI, and we will expand this company-wide to further contain SG&A expenses.

Through these four measures, we aim to improve operating margin by 3.1 points in the AMI business, 3.4 points in the MED business, and 1.6 points company-wide. We regard 14.7% as no more than a waypoint, and we aim to improve profitability further from FY2029 onward.

III. New Medium-Term Management Plan – Three-Year Challenge

Expanding Value Provided to Customers

- Aim to maximize the value provided to customers.
- Support customers in obtaining the data they need through the provision of end-to-end solutions that support their workflows.



Next, top-line growth. The most important thing for us in achieving growth is maximizing the value we provide to customers. Under this approach, we will deliver end-to-end solutions that include consumables, services, and data management systems, rather than standalone products, and in that way maximize value for our customers.

In many cases, the data and outcomes customers need cannot be obtained from a single product. We take product A, add the related consumables, services, and data management systems, and combine it with related products B and C to deliver the optimal solution. Where necessary we also incorporate other companies' products.

We have already begun this ecosystem-style value delivery in Asia, where we already handle other companies' products alongside our own. We will continue these efforts to maximize the value we provide to customers.

Let me turn to the specifics of our focus areas. First, in our core businesses, we will focus on our key models, chromatographs and mass spectrometers, and on the recurring revenue business, building our approach around high-value-added new products. We will expand the business particularly in the life science market, including pharmaceuticals and food, and in the clinical market. In life sciences we will approach workflow transformation from multiple angles, and in the clinical market we will propose reagents, culture media, and services as a total package.

Overseas, we will focus on North America and India. In North America, we will keep expanding business opportunities on a sustained basis through co-creation with customers doing leading-edge research. In India, needs are diversifying as the market expands, and we will capture growth by addressing a wide range of demand.

Among growth markets, our particular focus is the semiconductor field. We have long supported customers in this field with vacuum technology, including TMP. Going forward, we will add measurement technology and provide end-to-end solutions under our Analytical Intelligence concept.

We will also create synergies with Tescan, which we are acquiring, and provide what customers need.

For our other product groups, we will advance the evolution of our foundation businesses. In particular, while capturing demand related to achieving carbon neutrality, we will expand business anchored in standardization and regulatory compliance, linking this to stable profit generation.

I will explain AIX, which supports all of these efforts, later.

III. New Medium-Term Management Plan – Three-Year Challenge

Net Sales and OP Targets by Segment

- **AMI:** Plan includes the Tescan business. CAGR for existing businesses is 5.5%. Improve profitability through growth in core businesses and recurring revenue.
- **MED:** Improve profitability by optimizing underperforming product lines and strengthening recurring revenue business, while expanding into the therapeutic field.
- **IM:** Expand the business, with a focus on semiconductor-related markets.
- **AE:** Secure new projects and make strategic restructuring investments to position the business for future growth.

(¥B)	Net Sales				OP / OPM					
	FY2025	FY2028	FY2025-2028		FY2025		FY2028 plan		FY2025-2028	
	Actual	Plan	Change	CAGR	Actual	OPM	IFRS	Margin	Change	
Consolidated	560.7	680.0	119.3	6.6%	73.7	13.1%	100.0	14.7%	26.3	1.6 pts
AMI	364.9	473.0	108.1	9.0%	52.6	14.4%	83.0	17.5%	30.4	3.1 pts
MED	73.8	66.0	- 7.8	- 3.7%	4.9	6.6%	6.6	10.0%	1.7	3.4 pts
IM	71.5	90.0	18.5	8.0%	10.6	14.8%	14.0	15.6%	3.4	0.8 pts
AE	43.4	44.0	0.6	0.5%	8.2	18.9%	5.8	13.3%	- 2.4	- 5.6 pts

* FY2028 OP is presented on an IFRS basis.

Before going into the individual strategies, let me explain the net sales and operating income targets by segment.

For the AMI business, including the Tescan business, we are planning net sales of JPY473 billion and operating income of JPY83 billion in FY2028. We expect a CAGR of 5.5% for the existing business, and including the Tescan business, we are targeting 9% growth in total. On profitability, we plan to improve operating margin to 17.5% by expanding the core businesses and recurring revenue.

In the MED business, we have made a clear policy of prioritizing profitability. The FY2028 plan is net sales of JPY66 billion, operating income of JPY6.6 billion, and an operating margin of 10%. While we review unprofitable products, we will strengthen the service business. In Asia in particular, customers rate us highly, including for service, and we are growing there. The policy is to raise margins while right-sizing the scale of sales.

The IM business will expand mainly in the semiconductor field, targeting net sales of JPY90 billion and operating income of JPY14 billion.

In the AE business, the policy is to make structural reform investments aimed at winning future programs.

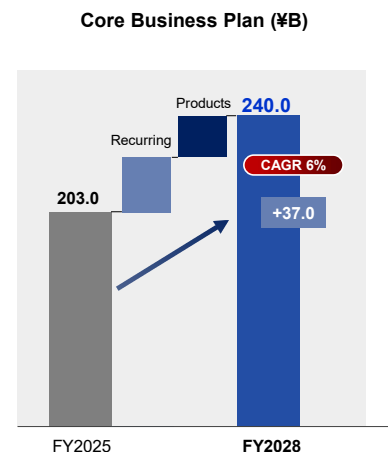
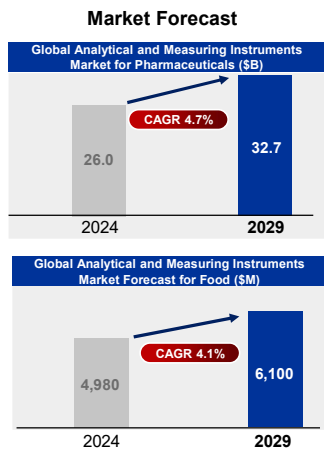
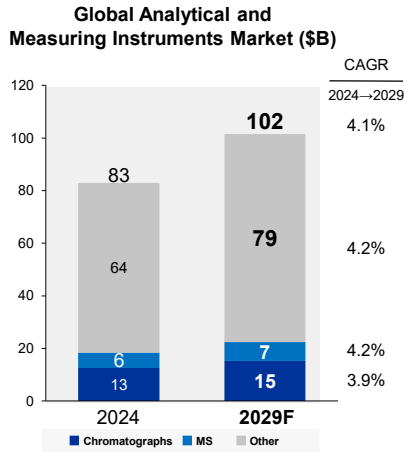
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III. New Medium-Term Management Plan – Three-Year Challenge

Expanding Core Businesses in the Life Science Market

- The global analytical and measuring instruments market overall, as well as chromatographs and MS, is expected to grow at a CAGR of approximately 4%.
- Global analytical and measuring instruments markets for pharmaceuticals and food are also forecast to grow at a CAGR of at least 4%.
- Shimadzu plans to grow its Core Businesses at a CAGR of 6%, outpacing market growth.



Source: Calculated Based on SDi Global Assessment Report 2020-2025

* Core Businesses: Key Models, including Liquid Chromatograph (LC), Mass Spectrometer (MS), and Gas Chromatograph (GC), as well as the Recurring Revenue Business.

Let me explain the expansion of our core businesses in concrete terms, starting with the life science market.

The global analytical and measuring instruments market is projected to grow at a CAGR of 4.1% overall, with chromatographs and mass spectrometers each growing at around 4%. Pharmaceuticals and food, where demand for chromatographs and mass spectrometers is especially high, are expected to grow at CAGRs of 4.7% and 4.1%, respectively.

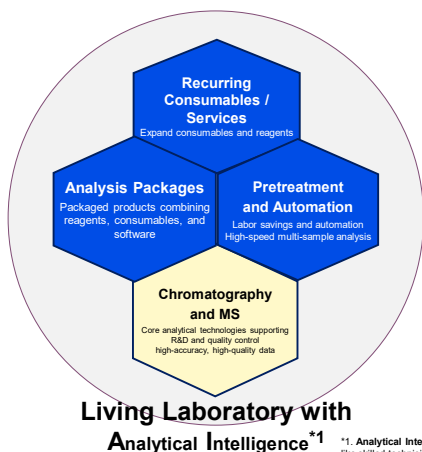
In these markets, we aim to grow at a CAGR of 6% by strengthening recurring revenue and products.

III. New Medium-Term Management Plan – Three-Year Challenge

Expanding Core Businesses in the Life Science Market

- Expand the business centered on LC and MS to address R&D, quality control, and labor-saving needs in the life science markets (pharmaceuticals and food).

Maximize Value Provided to Customers Centered on Chromatographs and MS



Drive Workflow Transformation through Automation and AI

Expand the Living Laboratory Concept

(Advancing laboratories through the integration of hardware and software.)



Accelerate Business into the Biopharmaceutical Market

Deploy Customer-In Initiatives

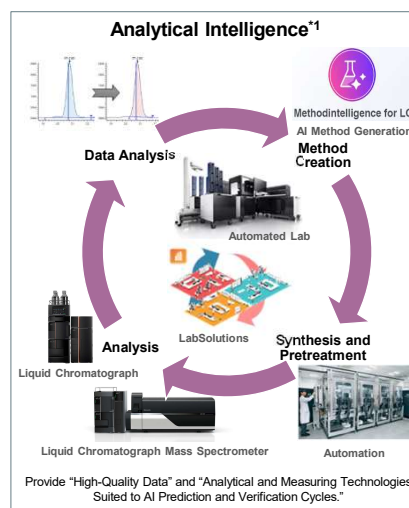
- (North America, Japan, and China)
- Joined NIMML, a public-private partnership in North America.
- Collaborate with partners across the entire biopharmaceutical value chain.
- Co-develop analytical methods with startups in Japan and Boston, the U.S., and with CXOs in China.

Expand Business in the Small-Molecule Pharmaceutical Market

- Propose upgrades to new mainstay products for existing customers.
- Reduce environmental impact by cutting solvent use with SFC*2.
- Contribute to operational efficiency with AI-enabled systems.

*2. SFC: Supercritical Fluid Chromatography

Deploy Solutions in the Food Market



*1. Analytical Intelligence: A new concept for analytical instruments proposed by Shimadzu. Systems and software operate like skilled technicians, automatically assess system status and results, provide feedback to users, and resolve issues. They also compensate for differences in users' knowledge and experience with analytical instruments and ensure data reliability.

With chromatographs and mass spectrometers at the core, we will offer analysis packages that include sample preparation automation, consumables, and services, thereby maximizing the value we deliver to customers.

We will add Analytical Intelligence capabilities to instrument automation, where the system and software run the instrument the way a skilled engineer would, bringing the instrument to a higher level for the customer. On top of that, we connect multiple instruments, link them to the laboratory network, and build a living laboratory by connecting multiple product groups. Fusing hardware and software to keep evolving the lab: that is the Living Laboratory concept. By making each product smarter with Analytical Intelligence, and then connecting those smarter products to make the lab itself smarter, we will increase the value we provide in the life science market.

Specifically, we will roll out a number of initiatives in biopharmaceuticals, small-molecule drugs, and food.

III. New Medium-Term Management Plan – Three-Year Challenge

Expanding Core Businesses in the Clinical Market

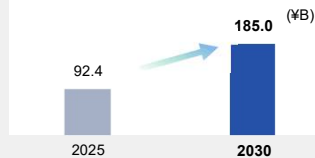
- The clinical LCMS market is expected to expand significantly, driven by expanded and more efficient testing, rapid diagnosis of infectious diseases, and efforts to address antimicrobial-resistant bacteria.
- Deliver end-to-end solutions encompassing automated sample preparation, instruments, reagents, columns, method packages, and services.
- In the clinical microbiology testing market, improve profitability through the recurring revenue business including test reagent kits and data libraries.

Clinical LCMS Market^{*1}

- The integration of automated LCMS testing solutions into clinical testing workflows is expected to significantly increase both the installed base of LCMS systems and demand for testing reagents.



Clinical Laboratory
(illustrative image)

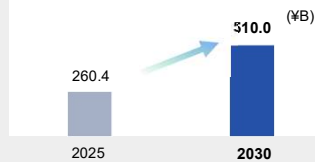


Clinical Microbiology Testing Market^{*2}

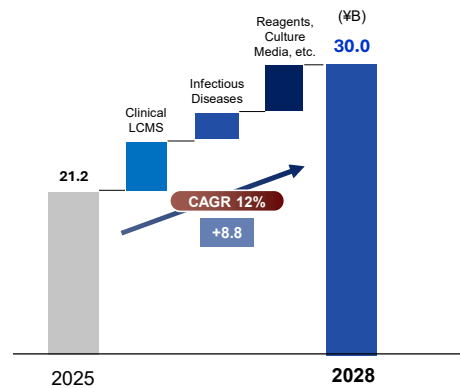
- Demand for rapid testing of infectious diseases is increasing.
- Awareness of the risks posed by antimicrobial-resistant bacteria is increasing.
- The market is expanding due to analytical needs associated with the development of test kits for emerging infectious diseases.



PCR Testing System



Clinical Business Growth Plan



^{*1} SDI Report: 2021 Mass Spectrometry Market for Clinical Applications (2030 Market Size Estimated Based on CAGR)
^{*2} Report Ocean: Global Microbial Detection System Market

In the clinical market, with automated LCMS testing systems being incorporated into clinical testing workflows, the clinical LCMS market is projected to grow substantially going forward.

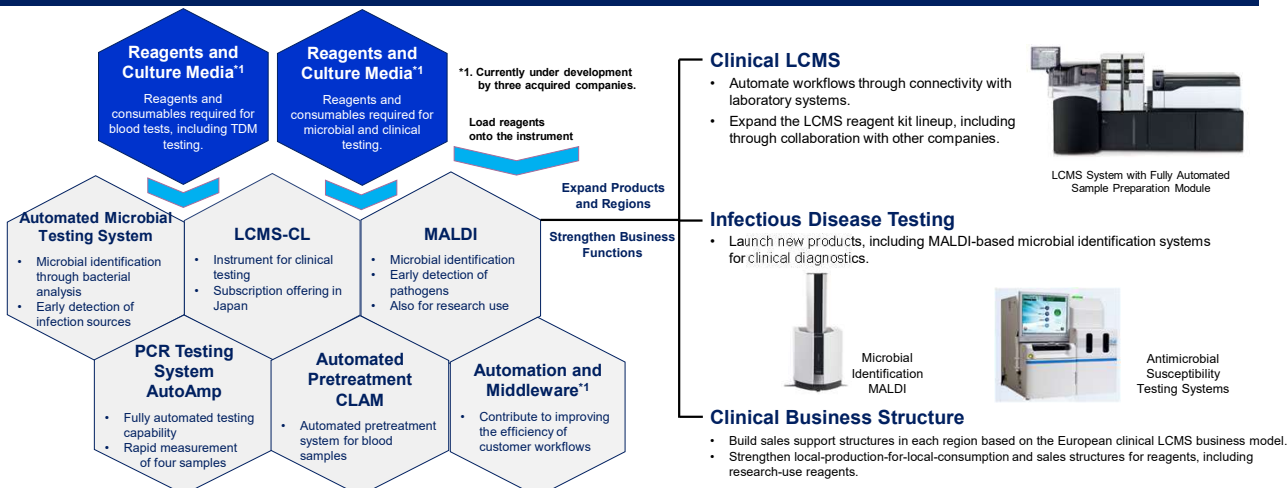
We will provide customers with mass spectrometers and automated sample preparation systems combined with reagents, columns, and method packages.

The other market, clinical microbiology testing, is also projected to grow substantially on demand for rapid infectious disease testing and growing awareness of the risk of drug-resistant bacteria. By strengthening and expanding our existing product groups, we aim to grow this business to JPY30 billion by FY2028.

III. New Medium-Term Management Plan – Three-Year Challenge

Expanding Core Businesses in the Clinical Market

- Accelerate market penetration of clinical LCMS by automating analytical workflows and expanding the reagent kit lineup.
- In infectious disease testing, introduce a portfolio of pathogen-testing products to capture growing demand for rapid diagnostics and antimicrobial-resistant bacteria testing.
- Strengthen overseas business structures and accelerate medical device regulatory approvals through collaboration between Japan and Europe.



Specifically, we will add reagents and culture media to our existing hardware and testing-instrument product lines. LCMS-CL obtained regulatory approval last year, and we have also started a subscription business in Japan.

On reagents, we acquired two companies under the previous medium-term management plan, and including one acquired before that, the three acquired companies are advancing reagent development. Several types of Shimadzu Group reagents are now ready.

In addition, by partnering with multiple companies, we have assembled a reagent lineup covering 200 assays on Shimadzu instruments. We will extend our clinical rollout, which is furthest along in Europe, into Asia as well. Results are already coming through in Malaysia and elsewhere. We will continue to expand the clinical business globally.

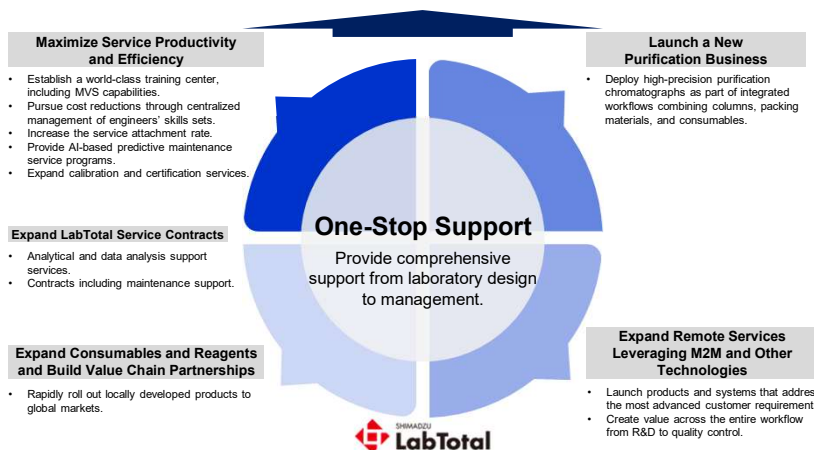
We are also already working with partner companies on automation, and on middleware to connect with clinical testing laboratories' host systems.

III. New Medium-Term Management Plan – Three-Year Challenge

Maximizing Customer Value by Expanding Recurring Revenue in the AMI Business

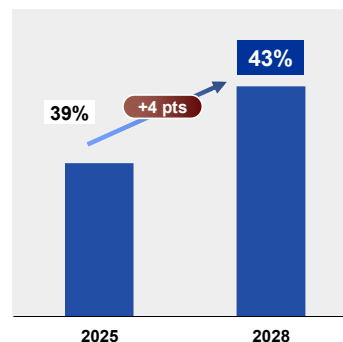
- Build a global foundation and sales network for the recurring revenue business.
- Achieve one-stop support by enhancing service excellence, expanding the maintenance contract business, and broadening the consumables lineup.
- Maximize the value provided to customers.

Maximize the Value Provided to Customers



Further Increase the Recurring Revenue Ratio

AMI Recurring Revenue Ratio



In expanding recurring revenue, as I mentioned earlier, we will further accelerate the build-out of value chain partnerships for reagents and columns, particularly in the life science and clinical markets.

In the service business, the largest part of our recurring revenue, we acquired a multi-vendor service company in the U.S. and strengthened our business foundation. Under the new medium-term management plan, the acquired company and our sales subsidiaries will work together more closely to roll out multi-vendor services to our customers in earnest.

We will also focus on expanding LabTotal maintenance. These are maintenance contracts under which our technical teams provide consultation to customers, covering not only instrument maintenance but also analytical support and data analysis support. In recent years, customers have faced a growing shortage of specialist personnel, and needs for services that combine this kind of consulting are rising. We will make this a differentiator and raise our maintenance contract ratio from about 45% today to 50% during the period of the new medium-term management plan.

In addition, through new initiatives such as entering the purification business, we will provide one-stop support that gets customers the most value.

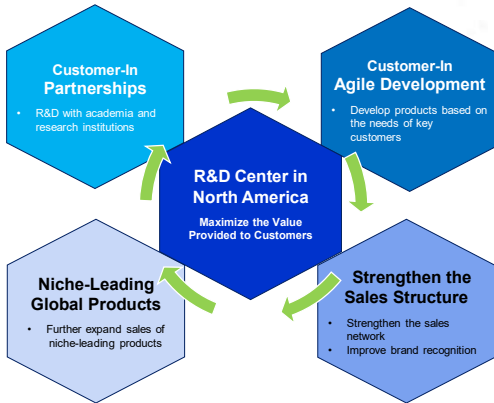
Through these efforts, we aim to raise the recurring revenue ratio by 4 points, to 43%.

III. New Medium-Term Management Plan – Three-Year Challenge

Expanding Overseas Business: North America

- Deepen relationships with key customers through a Customer-In model, and develop and deliver products in an agile manner based on customer needs.
- Expand the recurring revenue business by delivering end-to-end solutions encompassing systems, reagents, culture media, consumables, maintenance contracts, and multi-vendor services.
- Advance R&D in collaboration with academia through a Customer-In model to support sustainable growth.

- Deepen Our Presence in North America with the R&D Center as the Core
- Expand Research and Business Development Partnerships



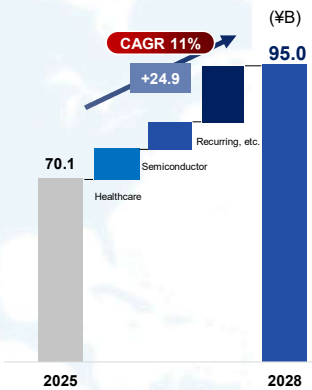
Deliver End-to-End Solutions to Maximize the Value Provided to Customers

- Develop and launch high-value-added new products.
- Expand maintenance contracts, reagents, culture media, and consumables.
- Expand the multi-vendor service (MVS) business.



Achieve High Growth in North America

* CAGR calculated including Tescan.



On overseas strategy, let me cover North America and India.

In North America, during the previous medium-term management plan we established our R&D Centers in North America, consisting of a main center and two satellite centers, three sites in total. With this R&D Center at the core, we will develop products in an agile way with a Customer-In mindset, through co-creation with customers. Products we develop will be launched in the North American market and then expanded globally as products with leading positions in niche markets.

As a concrete example of a product developed in North America, under the previous medium-term management plan we began selling a high-performance liquid chromatograph-mass spectrometry system capable of multi-sample analysis, which generated sales on the order of tens of millions of dollars in FY2025. This product also won the top award for innovation in separation science. The R&D Center in North America has also developed a dedicated chromatography column for this product, which customers are currently evaluating.

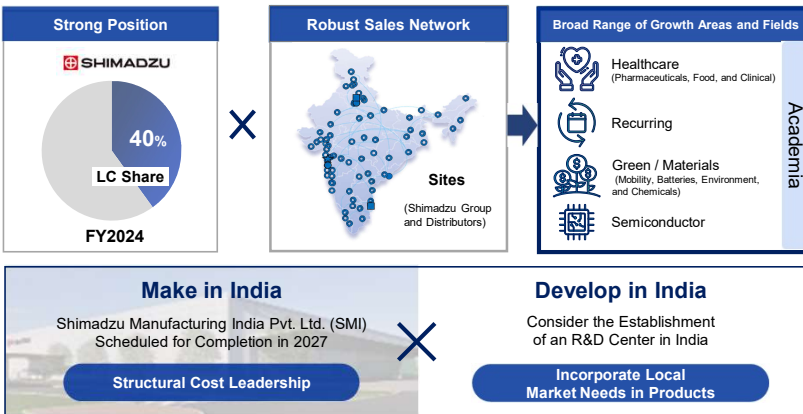
Going forward, in addition to product development, we will expand maintenance contracts and multi-vendor services, growing our business in North America together with customers. Adding the semiconductor field to growth in the Healthcare domain, we are targeting a CAGR of 11% for North America as a whole.

III. New Medium-Term Management Plan – Three-Year Challenge

Expanding Overseas Business: India

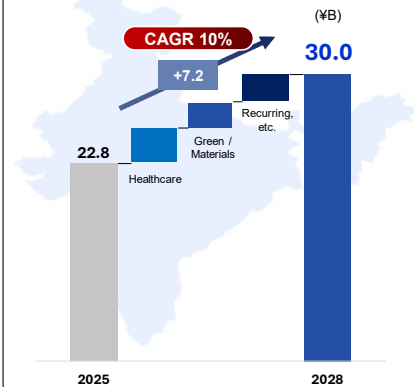
- Expand sales of AMI instruments in growing markets such as next-generation mobility, batteries, environmental solutions, and semiconductors in addition to healthcare.
- Maximize the value provided to customers by delivering end-to-end solutions through our sales and customer networks.
- Increase customer coverage by expanding sales channels, establish manufacturing and development functions, and strengthen customer relationships.

Strengthen Our Business Foundation in India and Address Growth Needs Across Diverse Industries



Contribute to India's Growth While Expanding Our Business

* CAGR calculated including Tescan.



Next, India. We have long had a very solid business foundation in India, and in liquid chromatographs we are the top company with a 40% hardware share. On that foundation, we have so far expanded mainly in the Healthcare domain.

At the same time, beyond healthcare, India is now moving to promote fields such as next-generation mobility, batteries, the environment, and semiconductors as national priorities. Leveraging our sales network and broad product portfolio, we will expand into a wide range of fields: green transformation, materials, semiconductors, and academia.

As a foundation to support this growth, in response to the Indian government's Make in India policy and to further strengthen our local operations, we are preparing a plant in India. In addition, to develop products suited to local needs, we are also considering opening an R&D center in India.

Through these efforts, we are targeting a CAGR of 10% in India.

III. New Medium-Term Management Plan – Three-Year Challenge

Accelerating New Business Creation

- Starting from customer and social challenges, combine Shimadzu's core technologies with the technologies and expertise of external partners.
- Accelerate the entire process from technology scouting and external collaboration through commercialization, creating and scaling new businesses centered on Shimadzu's core technologies.



Source: VALUENEX

For us, creating new businesses is a critical undertaking that underpins sustainable growth as we look toward 2035, 2040, and well beyond.

Starting from the challenges of customers and society, we combine our existing technologies and strategies to examine which technologies to acquire and in which markets to commercialize them.

In doing so, we use AI-based technology scouting and panoramic analysis. These are initiatives we are pursuing jointly with VALUENEX: after mapping the overall technology and market landscape, we clearly identify the technologies and products we lack. We then acquire the necessary technologies and products through CVC investments, M&A, or joint research, and nurture newly created businesses into large-scale businesses.

Based on the studies conducted under the previous medium-term management plan, we will concentrate our efforts on four areas: strengthening the semiconductor field, entering the marine-related business, quantum and laser technologies, and biotech and medical fields.

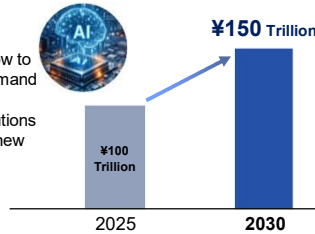
III. New Medium-Term Management Plan – Three-Year Challenge

Expanding Business in Growth Markets: Semiconductor Market

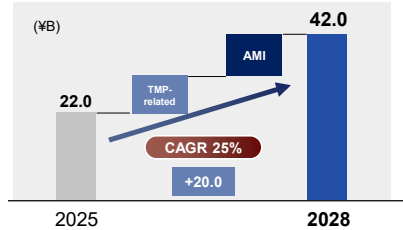
- Contribute across the entire customer workflow, from development through manufacturing, through our vacuum and analytical and measuring technologies in the growing semiconductor market.

Semiconductor Market

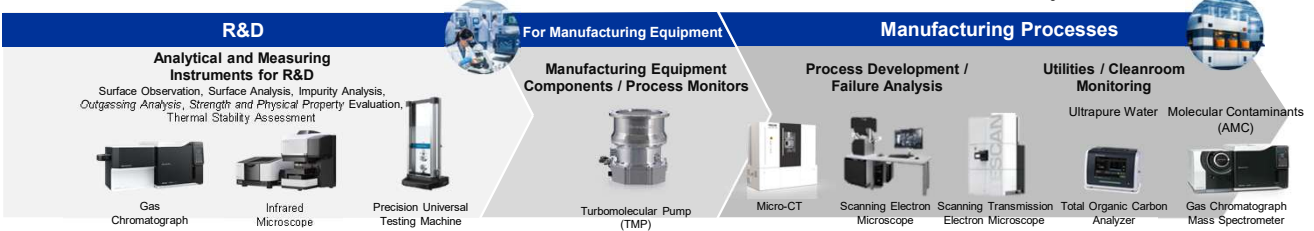
- The semiconductor market is expected to grow to more than ¥150 trillion by 2030, driven by demand for AI semiconductors and data centers.
- Demand for analytical and measurement solutions is increasing due to process miniaturization, new advanced packaging processes, and growing resource circularity requirements.



Semiconductor Business Growth Plan



Customer Workflows



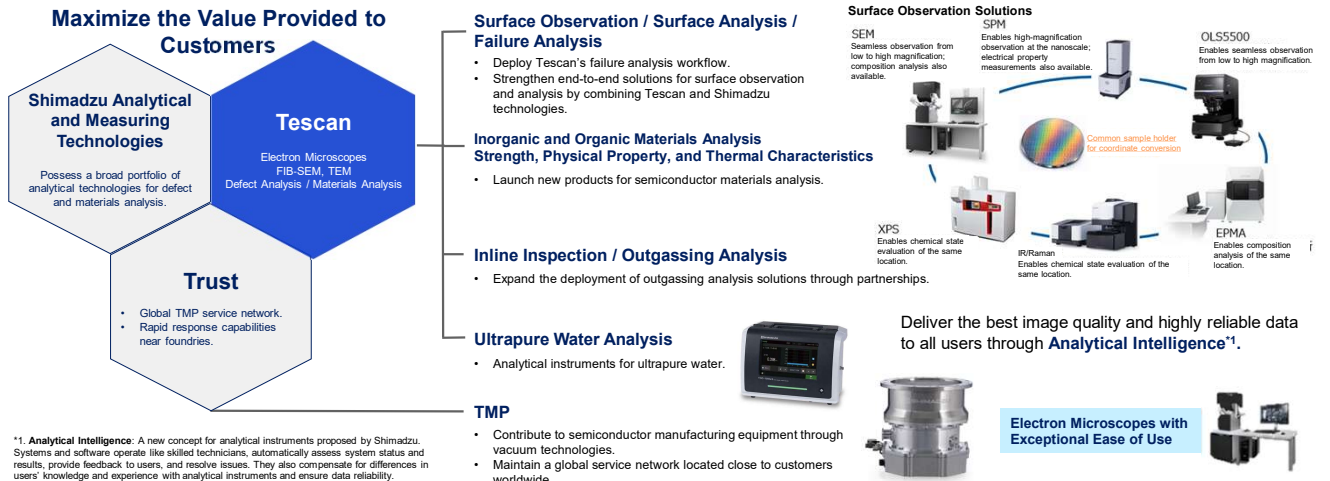
We are planning to expand particularly in the semiconductor field. The semiconductor market is a promising market with high growth expected over the medium to long term. By combining measurement technology with the vacuum technology we have built up and the platforms our customers use, we will strengthen the value we provide across our customers' entire workflows.

In the semiconductor business, we are targeting a CAGR of 25%.

III. New Medium-Term Management Plan – Three-Year Challenge

Expanding Business in Growth Markets: Semiconductor Market

- Effectively leverage the trust built through TMP deployment for semiconductor manufacturing equipment and our globally established service network.
- Deliver end-to-end solutions for customers' analytical and characterization workflows through Analytical Intelligence¹, leveraging the combined technologies of Shimadzu and Tescan.



¹ **Analytical Intelligence**: A new concept for analytical instruments proposed by Shimadzu. Systems and software operate like skilled technicians, automatically assess system status and results, provide feedback to users, and resolve issues. They also compensate for differences in users' knowledge and experience with analytical instruments and ensure data reliability.

Specifically, through the TMP business, we have built strong relationships of trust with makers of semiconductor manufacturing equipment. Our TMP units are delivered to those equipment makers, whose systems are then installed at foundries. To provide service close to the foundries, we have built a service network around the world, providing 24/7 support.

On the foundation of this trust and these customer touchpoints, we will combine our analytical and measurement technologies with Tescan's electron microscopes (FIB-SEM, TEM, and so on) to maximize the value we provide to customers.

Combining our technologies with Tescan's products lets us cover a wide range of areas: surface observation, surface analysis, and failure analysis; analysis of inorganic and organic materials; strength, physical properties, and thermal properties; and even outgassing analysis and ultrapure water analysis for in-line inspection. This will raise our value as a partner supporting semiconductor customers across their entire workflows.

At the core of this is Analytical Intelligence. In the semiconductor field, customers need to obtain stable, high-quality data even with limited specialist analytical personnel. Through Analytical Intelligence, the instrument runs and outputs data just as it would in the hands of a skilled engineer, helping customers upgrade and streamline their analytical work.

Tescan's products are also highly regarded as electron microscopes with exceptional ease of use. We believe this characteristic is a perfect match for our Analytical Intelligence. By providing easier-to-use, higher-value-added solutions, we will achieve a CAGR of 25%.

III. New Medium-Term Management Plan – Three-Year Challenge

Financial Strategy

- Move toward an optimal capital structure by strengthening cash flow generation while appropriately utilizing external financing. Expand investments for sustainable growth.
- Carefully evaluate investment effectiveness and prioritize investments that enhance corporate value. Flexibly evaluate shareholder return options in response to changes in the business environment.

Highest Priority	Basic Policy	Results During the Previous Medium-Term Plan Period	Plan for the New Medium-Term Plan Period (FY2026-2028)
Execute Flexibly	R&D and Capital Expenditures (Strengthening Existing Businesses)	¥150.0B	¥220.0B (Investments to Expand Core Businesses, Strengthen Sites in North America and India, and Development Investments in Semiconductor and Clinical Markets)
	M&A in Growth Areas (Inorganic Growth)	¥125.0B	¥200.0B (M&A Investments to Expand Core Businesses and Business in Growth Markets)
	Shareholder Returns	¥56.0B	¥61.0B or more (Progressive Dividends / Dividend Payout Ratio > 30%)
	Flexible Share Buybacks	¥25.0B	Flexibly Respond to Changes in the Business Environment

* M&A expenses during the previous medium-term management plan period include the cost of the Tescan acquisition.

Next, our financial strategy.

We have a stable ability to generate cash flow. Going forward, we will strengthen that ability further and, while also drawing on external funds, aim to achieve an optimal capital structure.

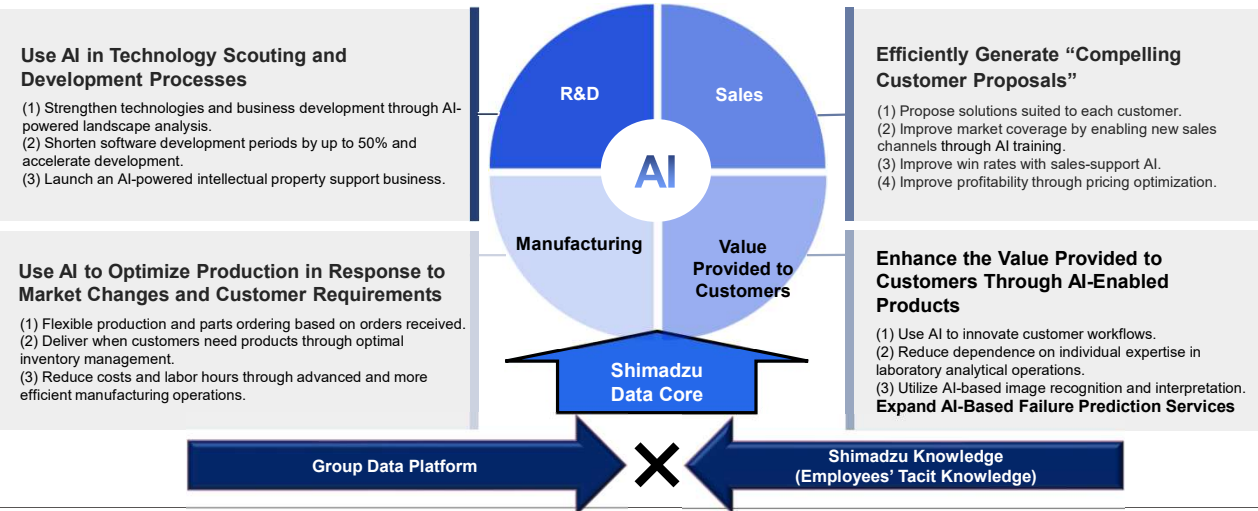
Under the previous medium-term management plan, we invested about JPY150 billion in R&D and CAPEX and JPY125 billion in M&A in growth areas. The M&A figure includes the cost of the Tescan acquisition. We also spent JPY56 billion on shareholder returns and JPY25 billion on flexible share buybacks.

Under the new medium-term management plan, we will invest JPY220 billion in R&D and CAPEX, and we have set aside up to JPY200 billion for M&A in growth areas. For shareholder returns, we will maintain a payout ratio of 30% or higher, with returns of JPY61 billion or more. On share buybacks, we will stay flexible in response to changes in the business environment.

III. New Medium-Term Management Plan – Three-Year Challenge

Enhancing the Management Foundation: Shimadzu in the AI Era (AI Transformation)

- Strengthen sustainable profitability and evolve into a more resilient and sustainable business foundation through AI-driven management.
- Develop AI-literate talent and build a Group data platform to create an agile organization capable of responding flexibly to change.



People and organization are the foundation that supports our growth. To strengthen them, we will accelerate the use of AI across the Company. With the AI era upon us, we will draw on the data accumulated within the Group and the knowledge of our employees, making AI a driver of growth.

On the Group's data infrastructure, we are putting in place an efficient structure to manage data from our roughly 70 Group companies in a unified way. By collecting data in a common format and storing it in a form suited to AI use, and combining it with our employees' expertise, we will upgrade a wide range of operations.

For example, in technology development, we will continue AI-based technology scouting and panoramic analysis. In software development, the use of AI is already producing results, with development lead times shortened by up to 50%.

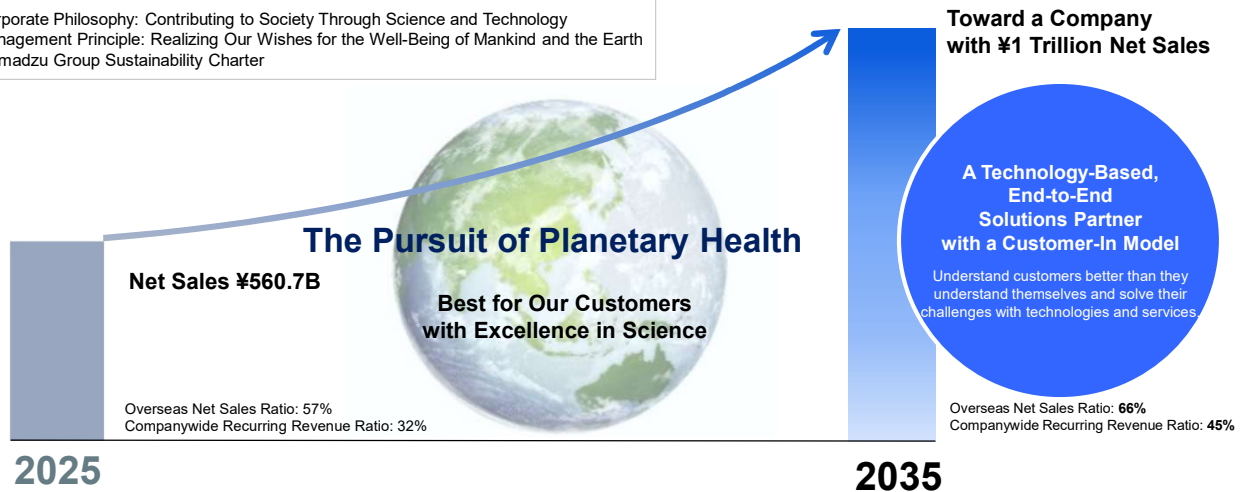
In intellectual property, we are also working on AI-based support services. We established a startup and have begun providing services to customers in Japan.

We will also advance the use of AI in manufacturing and sales, improving operational efficiency and added value. At the same time, by building AI into our products themselves, we will continue to raise both our own competitiveness and the value of our products.

IV. Shimadzu 2035

- Aim to become a company with net sales of ¥1 trillion by 2035.
- Continue pursuing planetary health as a technology-based, end-to-end solutions partner with a Customer-In model.

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



Through these efforts, what we aim to be in 2035 is an end-to-end solution partner for our customers, grounded in technology and guided by a Customer-In approach.

In terms of business scale, we aim to be a company with net sales of more than JPY1 trillion, at a minimum. As we build from the previous medium-term management plan into the new one, there is still a great deal more we want to do.

That concludes my explanation of our medium-term management plan.

We look forward to your continued support. Thank you.



Brand Statement "Excellence in Science"

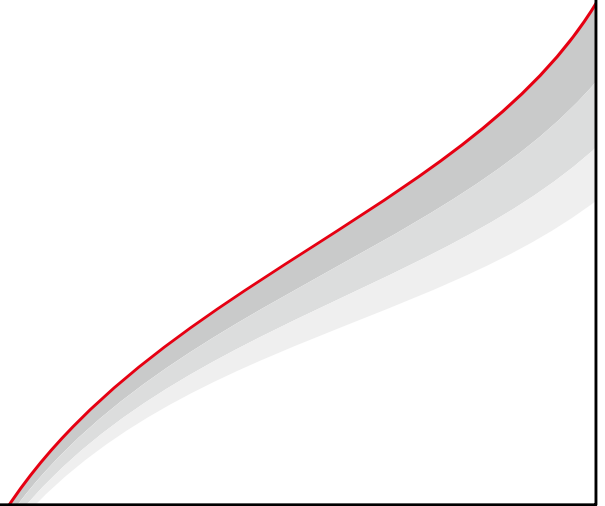
What can we deliver to each and every user of Shimadzu brand products and services? What should we offer them?

The Shimadzu Group brand statement sums up the answer in three words: "Excellence in Science."

In every corner of the world, our products and services are being used by customers to develop a variety of new products, to protect and restore the environment, and to deliver better health and lifestyles to people.

With pride in these achievements firmly in mind, we strive to further improve our technologies and to enhance our knowledge, so that going forward we can offer even greater technologies, products, and services.

Appendix



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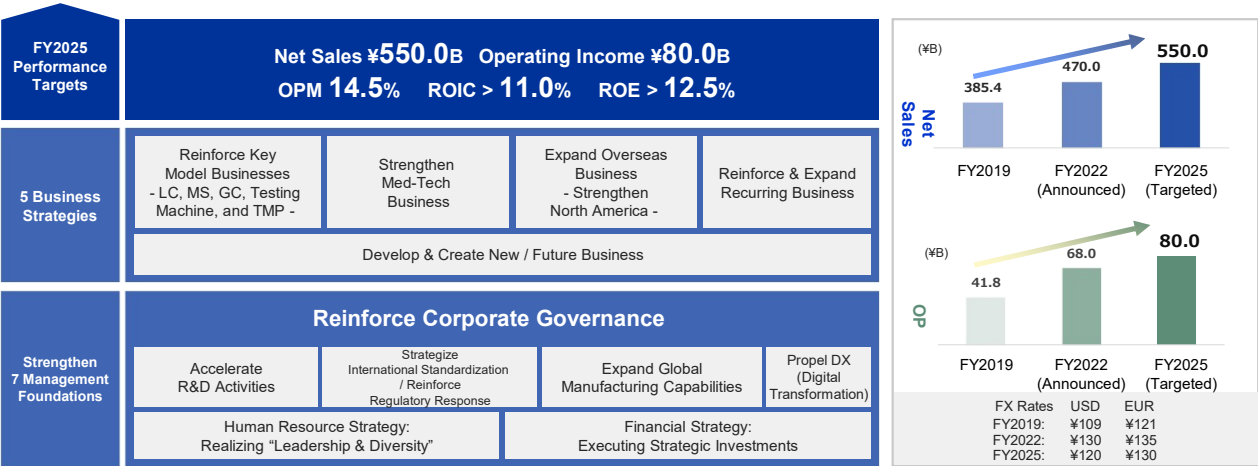
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II. Review of the Previous Medium-Term Management Plan

Positioning of the Previous Medium-Term Management Plan:

Expanding Business in Four Domains and Transforming Value Delivery to Meet Customer Needs

- Concept: Be an Innovative Company that solves social issues with global partners!
- Achieve Sustainable Growth by Technology Development & Social Implementation -



II. Review of the Previous Medium-Term Management Plan

Results of the Previous Medium-Term Management Plan:

Target Achievement Rates by Segment in the Final Year of the Previous Medium-Term Plan

- **AMI:** Achieved targets despite headwinds from weaker market conditions in China, supported by growth in Key Models, expansion of recurring revenue, and favorable foreign exchange benefits.
- **MED:** Fell short of targets due to the impact of sluggish market conditions in Japan and China.
- **IM:** Fell short of targets despite growth in TMP, as Other Models were affected by China's economic slowdown and a slowdown in global capital investment.
- **AE:** Achieved targets with significant growth driven by increased defense spending, recovery in commercial aviation demand, and supply chain restructuring.

Unit: ¥B	FY2022		FY2025			
	Actual	Medium-Term Plan Target	Actual	Target	vs. FY2022	
				Achievement Rate	Change	Growth Rate
AMI	314.7	355.0	364.9	103%	+50.2	+16%
MED	75.9	82.0	73.8	90%	-2.1	-3%
IM	63.0	80.0	71.5	89%	+8.5	+13%
AE	24.0	28.3	43.4	153%	+19.4	+81%
Other	4.7	4.7	7.1	151%	+2.4	+51%
Total	482.2	550.0	560.7	102%	+78.5	+16%

FY2025
Actual

Net Sales **¥560.7B** OP **¥73.7B** OPM **13.1%** ROIC **9.6%** ROE **11.4%**

II. Review of the Previous Medium-Term Management Plan Becoming an Innovative Company That Solves Social Challenges Together with Global Partners: External Collaboration

■ Through joint research with partners worldwide, 37 initiatives are underway to create new technologies and businesses that help solve social challenges.

Opened the "Global SFC Center" with the University of Orléans in France

Life Science

Oct. 2025

Pharmaceutical Quality Control and Safety Assessment

- Plan to present joint research at an international conference.
- Verifying the applicability of SFE-SFC in pharmaceutical manufacturing environments.



Blood Testing Project with Changi General Hospital and SAP* in Singapore

MedTech

Dec. 2023

Reduce the Time Required for Clinical Diagnosis of Chronic Diseases

- Developed a testing method using LCMS/MS to identify patients with primary aldosteronism.
- Reduced testing time.
- Obtained a clinical service license from Singapore's Ministry of Health.



* Shimadzu (Asia Pacific) Pte Ltd., a subsidiary of Shimadzu Corporation in Singapore.

Opened Shimadzu Nagasaki Collaboration Lab

MedTech / Green

Nov. 2023

Advance Infectious Disease Countermeasures, Marine Business, and Information / Security Measures



Proof-of-Concept Study on "Bone Health" with Jikei University

MedTech

Nov. 2023

Enable Prevention and Early Detection of Osteoporosis

- Launched a new business related to "bone health."
- Plan to provide "SUPOFULL," a health promotion platform that provides actionable insights from health data.

Strategic Partnership with Tescan, a Major Electron Microscope Manufacturer

Materials / Industry

Jul. 2024

Provide High-Value-Added Solutions

- Started sales of three models (SS-4000, SS-3000, and SS-2000) in 2025.



Comprehensive Collaboration Agreements with Universities

MedTech / Green

Jun. 2024 onward

- Tokushima University: Acquire innovative technologies, create businesses, and develop and exchange personnel to help solve social challenges. Themes include "next-generation light source technologies," "food tech," and "underwater communication technologies."
- Shinshu University: Joint research to solve social challenges and market deployment of research outcomes. Themes include water and energy.
- Waseda University: Promote mutual cooperation in R&D, human resource development, and other areas. Themes include next-generation pharmaceuticals, food sustainability, and a decarbonized society.
- Osaka Metropolitan University: Aim to solve social challenges and help shape a new society in areas such as all-solid-state batteries and infectious diseases.
- Kyoto University: Concluded a comprehensive collaboration agreement to create innovations and new businesses that help solve social challenges and develop advanced global talent.

Overseas Projects

Domestic Projects

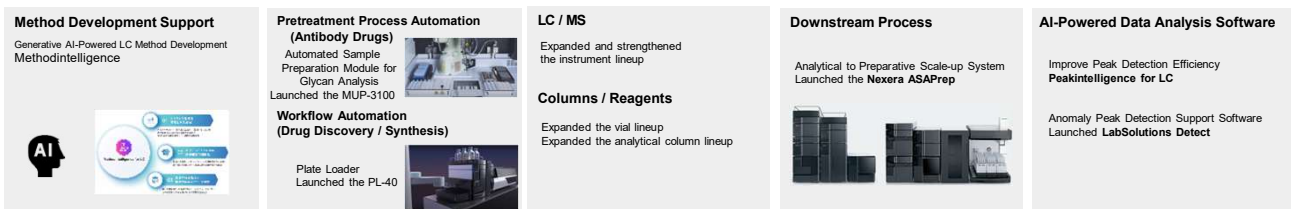
II. Review of the Previous Medium-Term Management Plan Initiatives to Become an End-to-End Solutions Provider: End-to-End Solutions for the Pharmaceutical Market

- Advanced automation and AI utilization across drug discovery processes, strengthened the lineup of analytical instruments and consumables, and enhanced our ability to deliver end-to-end solutions.

Plan



Results of Initiatives



II. Review of the Previous Medium-Term Management Plan Initiatives to Become an End-to-End Solutions Provider: End-to-End Solutions for Food Tech

- Advanced market deployment initiatives toward realizing a “food and health” society.
- Through the global expansion of research outcomes with NARO, continue contributing to a society of healthy longevity based on scientific analysis.

Realizing a Society of Healthy Longevity Through Food Based on Scientific Analysis



- Conducted a 10-year study of 1,200 participants on the relationship between diet and cognitive function.
- Shimadzu, Ebetsu City, Hokkaido Information University, NARO, and SCFC launched a joint cohort study.

September 19, 2023 | Press Release

Market Deployment Initiatives Toward Realizing a “Food and Health” Society

- Build a market deployment model through the Self-Care Food Council.
- Transform research outcomes from NARO, the Ebetsu Ikiiki Future Study, and other initiatives into globally deployable food business models originating from Japan through collaboration with Japanese food companies.

Collaboration with National Research Institutes – Collaboration on the “Food and Health” Project

- **Global Partnership with NARO.**
 - (1) Expand business in North America and strengthen the brand.
 - Contribute to the PTFI business.
 - (2) Market deployment in ASEAN countries.
 - NARO-Shimadzu Kyoto Laboratory: Mid-target LCMS for vitamin analysis and establishment of a JAS standard (simultaneous analysis method for catechins).
- **Develop applications for biomarker discovery and research on diet, frailty, and dementia.**
 - (1) Early detection of frailty and mild cognitive impairment (MCI).
 - (2) Market deployment of results from various tests in the “Ebetsu Ikiiki Future Study” (mild cognitive impairment, blood, frailty, etc.).

II. Review of the Previous Medium-Term Management Plan Initiatives to Become an End-to-End Solutions Provider: Strategic Investments (M&A and Equity Investments)

M&A: California X-ray Imaging Services, Inc. (Apr. 2024)

MedTech

- Expand direct sales coverage in the MED business, strengthen customer relationships and improve profitability.
- Integrate into Shimadzu Medical Systems USA and leverage synergies to provide direct sales and services to medical institutions across the West Coast.



Investment in Sepragen: New Entry into the Pharmaceutical Manufacturing Support Business (Oct. 2024)

Life Science

- Create synergies between analytical technologies and technologies related to biopharmaceutical manufacturing, and aim to establish analytical and evaluation methods for purification processes.



M&A: Acquired Zef Scientific, Inc. and Entered the MVS Business (May 2024)

Life Science

- Promote collaboration with SSI*, including replacement demand generation through trade-ins of competitors' used LCMS systems.
- In MVS, expand recurring revenue by broadening the value provided to customers, including asset management tools.



* Shimadzu Scientific Instruments, Inc., a subsidiary of Shimadzu Corporation in the U.S.

Investment in U-Medico Inc.: Full-Scale Entry into the Gene Therapy Drug Business (Dec. 2024)

MedTech

- Joint development and market launch of a "gene therapy drug manufacturing platform."
- Aim to deliver end-to-end solutions for biopharmaceuticals by also expanding sales of purification chromatography products (**Sepragen Corporation**) and custom culture media (Shimadzu Diagnostics Corporation).

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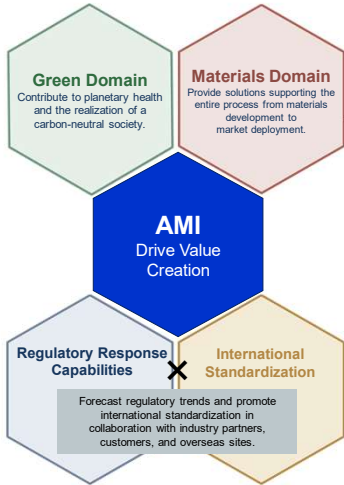
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III. New Medium-Term Management Plan – Three-Year Challenge

Evolving Foundation Businesses: Green and Materials Domains

Lead value creation from materials development to market deployment through “AMI” toward planetary health and a carbon-neutral society. *Aim to achieve sustainable business growth and establish de facto standards through regulation-driven international standardization.*

Value Creation Model Centered on “AMI”



Accelerate Business Expansion

Green Domain

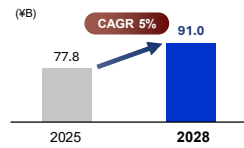
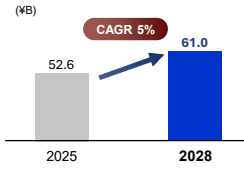
- Expand the business mainly for GC systems in energy (new energy, energy storage, and renewable energy) and carbon-neutral fuel markets.
- Expand the global LCMS business in the PFAS regulatory field, including environmental regulations.
- Commercialize evaluation systems that contribute to biomanufacturing.

Materials Domain

- Expand the Testing Machine business in Asian markets by promoting automation.
- Expand global business in advanced materials through products (spectroscopy instruments) and application development.
- Expand business in next-generation mobility and battery markets, centered on applications.
- Strengthen and commercialize core technologies for materials and process informatics.

Strengthen Regulatory Response Capabilities × Strengthen International Standardization Strategy

- Use AI to anticipate regulatory trends and reduce the risk of missed business opportunities.
- Promote standardization through external collaboration and capture business opportunities.
- Promote standardization by strengthening internal structures and collaborating with overseas Group companies.



III. New Medium-Term Management Plan – Three-Year Challenge

Tescan Solutions: Growth and Expansion of the Electron Microscope Business

- Rapidly build out the electron microscope business, and expand the semiconductor and materials businesses while building a platform for expansion into life sciences.
- Deliver end-to-end solutions globally by leveraging Tescan’s manufacturing and development capabilities.

1. Electron Microscopes: A High-Growth Segment in the Analytical and Measuring Instruments Market
 ■ Acquire a business foundation (CAGR of 5.4% from 2024 to 2029).

2. Tescan: A Platform Contributing to Shimadzu's Growth and Profitability


- Strengthen and expand the semiconductor field and materials business.
 - Strengthen execution capabilities for semiconductor workflow strategies.
 - Expand the materials business through the addition of Tescan’s product lineup, including FIB-SEM.
 - Expand overseas business by leveraging Tescan’s established key customer base in Taiwan, Europe, and the U.S.
- Expand into the life science field.
 - Develop life science businesses utilizing Tescan products by leveraging Shimadzu’s expertise.


3. Synergies Expected Across Solutions, Regions, Manufacturing, and Sales


- **Combine Strengths in Europe and Asia to Enhance Competitiveness in the Global Market**
 - Combine Tescan’s manufacturing and development bases in Europe, mainly in the Czech Republic and France, with Shimadzu’s strengths in manufacturing and development bases primarily in Asia.
 - Significantly enhance global manufacturing and development capabilities and strengthen local-production-for-local-consumption capabilities through regional complementarity.

Product Lineup



 Enhance End-to-End Solutions

 Regional and Customer Complementarity

 Improve Manufacturing, Sales, and Service Efficiency

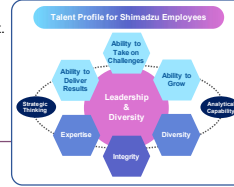
III. New Medium-Term Management Plan – Three-Year Challenge
Promoting Human Capital Management

■ Achieve sustainable growth for the Shimadzu Group by maximizing the value of talent in the AIX era.

Advance Human Capital Management for the AI Transformation (AIX) Era

2028
KPIs

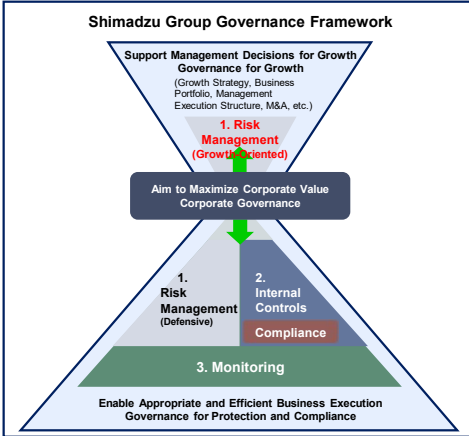
Priority Items	Initiatives	2028 KPIs
Talent Acquisition and Development <ul style="list-style-type: none"> Acquire diverse talent and enhance talent development and growth support frameworks centered on the ability to take on challenges, grow, and deliver results. 	(1) Acquire diverse talent and enhance an attractive development environment. (2) Enhance the framework for consistently developing next-generation management leaders. (3) Strengthen career development support centered on expertise. (4) Establish career support that promotes talent growth using AI and other tools.	Number of Next-Generation Management Leaders Engagement Score Build Dashboards Establish Group-Wide Guidelines
Strengthen Organizational Capabilities <ul style="list-style-type: none"> Promote organizational development starting with engagement. 	(5) Improve workplace environments to enhance engagement. (6) From DE&I to DEIB: Promote organizational development that leverages diversity.	
Health and Productivity Management <ul style="list-style-type: none"> Deploy self-sustaining health and productivity management and safety initiatives globally. 	(7) Create a well-being-oriented workplace environment. (8) Establish occupational health and safety management aligned with global standards.	
Glocal Talent Management <ul style="list-style-type: none"> Build a foundation to strengthen HR governance functions and strategic workforce deployment. 	(9) Strengthen HR governance functions and promote collaboration with regional corporate headquarters. (10) Build the foundation for talent management using AI and data.	



Connect Each Individual's Efforts
 to Take on Challenges and Grow
 to Value Creation for the Shimadzu Group

III. New Medium-Term Management Plan – Three-Year Challenge
Enhancing Corporate Governance

- Enhance risk management to balance business continuity and growth.
- Use AI to improve risk management efficiency and strengthen governance.
- Enhance Group management by strengthening regional corporate governance frameworks and developing talent.



Items	Initiatives
1. Risk Management	(1) Practice risk management for business continuity (defensive) and growth (proactive). (2) Improve risk management efficiency using AI. (3) Corrective actions and prevention of recurrence through regional corporate governance structures.
2. Internal Controls Compliance	(1) Strengthen support functions for regional corporate governance structures. (2) Develop governance professionals. (3) Establish and enhance internal policy and regulatory frameworks. (4) Establish AI governance and improve the efficiency of governance and administrative processes. (5) Provide training on corporate ethics and applicable laws and regulations.
3. Monitoring	(1) Expand audits through regional corporate governance structures. (2) Expand monitoring using AI. (3) Conduct monitoring by second-line functions. (4) Accelerate audit activities through thematic audits.

III. New Medium-Term Management Plan – Three-Year Challenge

Health and Productivity Management and Environmental Management

Health and Productivity Management

Deploy Self-Sustaining Health and Productivity Management and Safety Initiatives Globally

In health and productivity management, we will implement a wide range of data-driven initiatives globally for key priorities: exercise, diet, sleep, mental health, and smoking cessation. In safety initiatives, we aim to establish management systems aligned with international standards. Through these efforts, we will further enhance the development of well-being-oriented people and organizations.

Advance Sustainable Human Capital Management Based on Well-Being

- Deploy health and productivity management measures across group companies under a globally shared basic philosophy.
 - Formulate Shimadzu's basic philosophy on health and productivity management.
 - Deploy initiatives tailored to the circumstances of each group company.
- Establish a framework for frontline-led health and productivity management initiatives.
 - Plan and implement self-directed health initiatives led by health-promotion personnel at each workplace.
- Visualize health indicators and productivity to enable efficient management.
 - Build a health and productivity management dashboard covering employee health data and productivity.

Strengthen Occupational Health and Safety Management Systems Based on Global Standards

- Obtain ISO 45001 occupational health and safety management certification and embed self-sustaining management practices.
 - Prevent risks and create healthy and safe work environments based on self-driven PDCA cycles.



Environmental Management

Aim to Achieve Business Growth in Harmony with the Environment and Enhance Corporate Value

In environmental management, we position contributing to the resolution of environmental challenges through our business as a core growth strategy, and will pursue a sustainable society while achieving harmony with the planet, society, and people.

Realize a Decarbonized Society

- Reduce CO₂ emissions from business activities across the Group and throughout the supply chain.
- Develop and provide products and services that contribute to global environmental conservation.

Advance Circular Economy Initiatives

- Launch product refurbishment businesses, extend product lifecycles, and promote recycling.
- Promote the use of sustainable materials (recycled materials + biomass-derived materials) in products.

Achieve a Nature-Positive Future

- Promote "Shimadzu Forest" initiatives leveraging science and technology.



III. New Medium-Term Management Plan – Three-Year Challenge
Sustainability Management Metrics

- Establish sustainability management metrics from the perspectives of contributions to society through business and enhancement of the management foundation supporting our business.
- Enhance corporate value and build trust by proactively disclosing non-financial information to external stakeholders.

