

Presentation

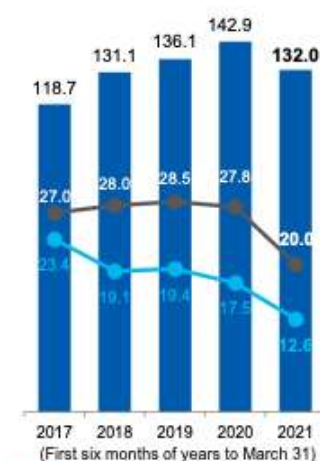
letsugu: Good morning. This is Sysmex's letsugu.

Today, we would like to provide a presentation of the Financial Briefing Session for Q2 of the Fiscal Year Ending March 2021 and the Forecast for the Fiscal Year Ending March 2021.

Financial Highlights



(Billions of yen)



Legend:
 ■ Net sales
 ● Operating profit
 ● Profit attributable to owners of the parent

First six months of fiscal year ending March 31, 2021 | First six months of fiscal year ended March 31, 2020

1USD	¥106.9	¥108.6
1EUR	¥121.3	¥121.4
1CNY	¥15.3	¥15.7

(Billions of yen)

	First six months of fiscal year ending March 31, 2021		First six months of fiscal year ended March 31, 2020		YoY (Previous period = 100%)
	Results	Ratio	Results	Ratio	
Net sales	132.0	100%	142.9	100%	92.4%
Cost of sales	64.7	49.1%	65.4	45.8%	99.0%
SG&A expenses	38.0	28.8%	40.0	28.0%	95.1%
R&D expenses	9.7	7.4%	10.4	7.3%	93.2%
Other income (expenses)	0.5	0.4%	0.7	0.5%	71.2%
Operating profit	20.0	15.1%	27.8	19.4%	72.0%
Profit attributable to owners of the parent	12.6	9.6%	17.5	12.3%	71.9%

- **Net sales:** Net sales fell due to lower sales of reagents in all regions, owing to the impact of COVID-19.
- **Operating profit:** Operating profit was down as lower sales forced down gross profit and the cost of sales ratio deteriorated due to falling reagent sales volume. Operating profit was also affected by exchange rates. Exchange rate fluctuations reduced net sales ¥2.11 billion and lowered operating profit ¥1.17 billion. At the exchange rates prevailing one year earlier, net sales would have been down 6.1%, and operating profit down 23.8%.

- **Profit attributable to owners of the parent:** Although the exchange rate loss decreased, profit was down due to lower operating profit.

Exchange loss (gains): Loss of ¥0.70 billion (loss of ¥1.67 billion in previous term)

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Please refer to page three of the presentation materials. This is a summary of the financial results.

In the first half of the fiscal year, sales were JPY132 billion. This is 92.4% of the previous year, down 7.6% from the previous year. Operating profit was 15.1% of the previous year, down 28% from the previous year. This is the quarterly profit attributable to owners of the parent Company. It was JPY12.65 billion, which is also down 28.1%.

As you can see, in the current fiscal year, COVID-19 is spreading. As a result, sales and profits declined due to a decline in sales of reagents in all regions.

In China, the situation around February and March was extremely severe. This has spilled over globally and in Japan, from the US, to Europe as a whole, the profitability was extremely difficult around April and May of Q1.

Under such circumstances, because of the COVID-19, normal patients do not visit hospitals as before, including for chronic diseases. This is, of course, because of a lock-down in each region.

On the other hand, the situation is that outpatients refrain from visiting hospitals in the midst of a very serious crisis. As a result, the number of operations in general has declined and the number of hospitalized patients has declined.

On the other hand, medical checkups which are unique to Japan have been almost all cancelled. The decline in the total number of examinees and tests in the situation of COVID-19 crisis has had a significant negative impact on our reagent sales.

Against this backdrop, as reagents are extremely profitable, earnings have fallen. On the other hand, the yen also showed a slight appreciation in foreign currency exchange rates. We believe that this combination of factors resulted in a harsh financial result for the first half of the fiscal year under review.

Quarterly Operating Performance (Q1→Q2)



Compared with Q1, profitability rose due to improvements in net sales and the cost of sales ratio.

(Billions of yen)

	Q1 (April–June)			Q2 (July–September)		
	Fiscal year ending March 31, 2021	Ratio	YoY	Fiscal year ending March 31, 2021	Ratio	YoY
Net sales	60.5	100.0%	-11.7%	71.5	100.0%	-3.9%
Cost of sales	29.8	49.4%	-5.6%	34.9	48.8%	+3.3%
SG&A expenses	18.9	31.3%	-8.6%	19.1	26.8%	-0.9%
R&D expenses	4.9	8.1%	-1.6%	4.8	6.8%	-11.6%
Other income (expenses)	0.1	0.3%	+56.9%	0.3	0.5%	-43.7%
Operating profit	6.9	11.5%	-38.3%	13.0	18.2%	-21.0%
Profit attributable to owners of the parent	4.4	7.4%	-33.0%	8.1	11.4%	-25.1%

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Please see page four. Quarterly earnings trends.

The situation was extremely severe from April to June in Q1, as I mentioned earlier. In addition, since we are using our distributors in China, the number of patients fell in February and March due to the severe situation, and as a result, a big drop in reagent sales has been seen in Q1 between April and June.

As I mentioned earlier, sales in Q1 declined 11.7% from the previous fiscal year. Q2 was negative 3.9% as it improved. We can see how large the shock from April to June was. The operating profit itself reduced 38.3%, which is very big. Q2 saw a drop of 21%.

On the other hand, selling, general, and administrative expenses have fallen compared to the past due to a situation in which we are not able to carry out such activities very much. As a total, there was a significant

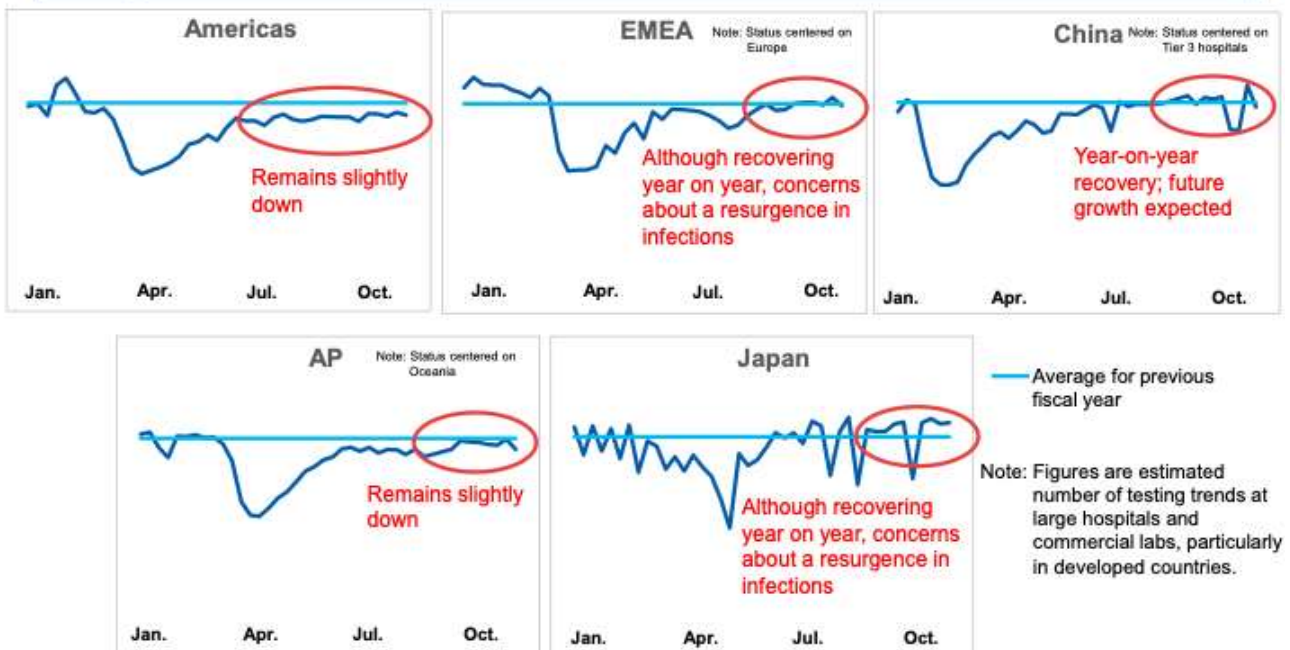
negative impact on earnings in particular, but in Q2 it is improving. And in the current Q3 the Company has been on the truck of improving.

In addition, I have heard that the third wave has been generated in Europe/US this time, and in this case, I think that the impact will be less in various ways than Q1.

Estimated Number of Hematology Tests



Amid a growing sense of recovery, the number of tests remains down slightly in the Americas and AP. Moving into the second half, there are concerns about a resurgence in infections.



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Please see the next page.

Regarding each region, first of all, the US fell by about half in April. A slight decline, which is a few percentage points, has been continuously seen since July. I have heard that there is no significant decline in this situation currently.

And EMEA is in the same way. In August and September, it was said that it has been recovered to the same level as the previous year, but we are paying close attention to what will happen to the second or third wave in the future.

Then, it was said that China had the biggest drop around February. Regarding the Chinese market, it is officially stated that the present COVID-19 situation has been largely controlled, so the key is that the numbers of tests themselves are coming back. What looks like a slight decline is the relationship between holidays. If there is a long holiday (National Holiday), it will fall. The Chinese market basically seems to be back.

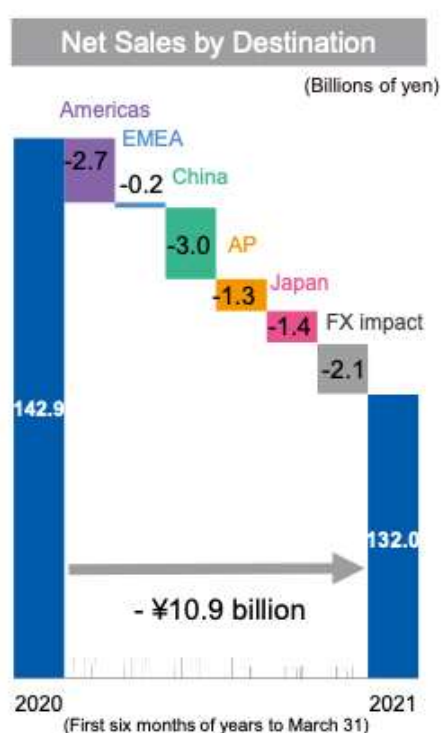
This was a similar situation in Asia Pacific, with major declines in April and May. Now it is a slight decline. However, in India and Indonesia, it is still in a very difficult situation. In that sense, the situation is unpredictable.

With regard to Japan, there was indeed a major downfall in April and May, but now the situation has almost recovered to the same level as the previous year.

Breakdown of Net Sales (by Destination)



Net sales were down due to lower reagent sales in all regions.



(Billions of yen)

	First six months of fiscal year ending March 31, 2021		YoY (Previous period = 100%)	
	Results	Ratio	Yen basis	Local currency basis
Net sales	132.0	100.0%	92.4%	93.9%*
Americas	29.3	22.2%	89.6%	91.0%
EMEA	36.8	27.9%	98.2%	98.3%
China	33.6	25.5%	89.9%	92.1%
AP	10.9	8.3%	87.2%	89.1%*
Japan	21.2	16.1%	93.8%	-

* Year-on-year increase on a yen basis, excluding the impact of exchange rate fluctuations

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Please go to the next page.

Looking at the changes in net sales and each region, the US in particular, on a current currency basis, has decreased approximately 10%. China has also decreased about 10%.

However, with regard to EMEA, the reason why there have been small declines are that the sales of equipment have been favorable. Reagents are still in the same situation.

Asia Pacific sees decline of just over 10%. In any event, sales of reagents declined worldwide, resulting in a decline in sales. This has resulted in a negative impact on our business performance.

Breakdown of Net Sales (by Product Type)



Reagent sales were down, but instrument sales were up slightly due to increases in China and EMEA.



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As shown on the next page, the factors behind the change by items in net sales are shown.

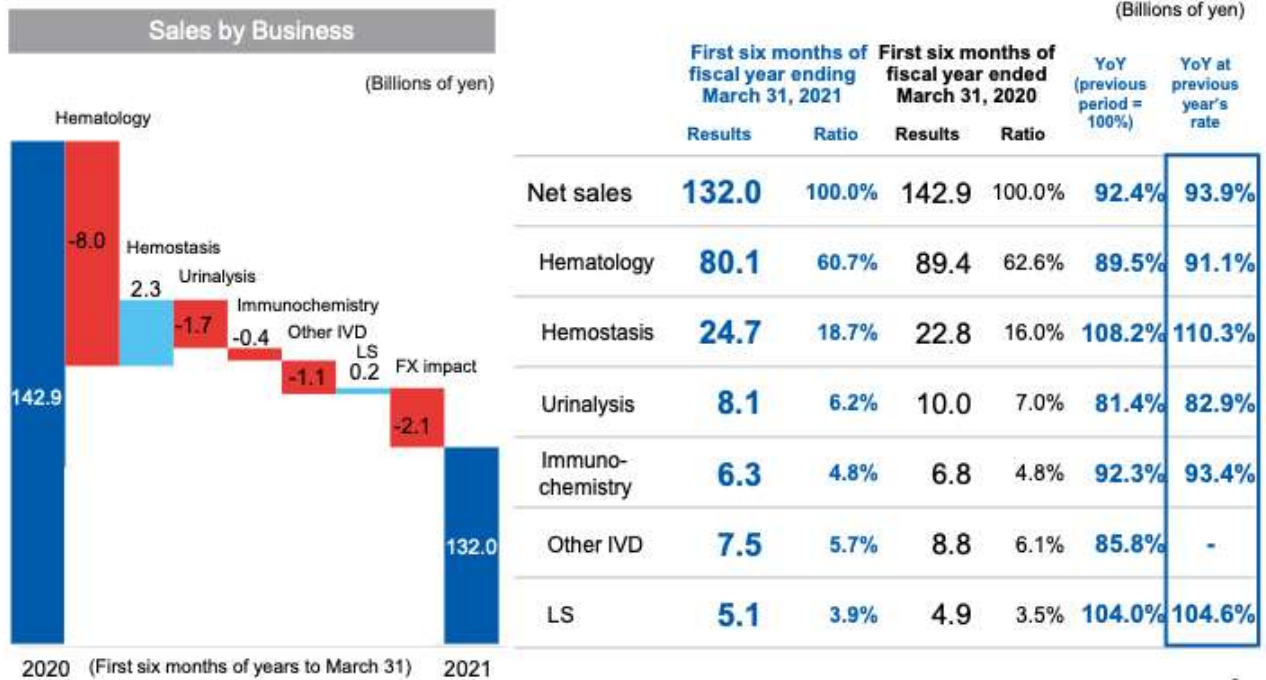
As I mentioned early on, the drop in reagents is extremely large. It fell by about JPY9.42 billion. The sales fell about 7%. 6% to 7% are decreases as a figure, but the equipment is almost flat at the previous year's rate. Reagents fell by more than 10%.

Even in such a circumstances, we have been providing services and it resulted in approximately 4% growth in revenue from Services.

Breakdown of Net Sales (by Business)



Hematology, urinalysis and immunochemistry sales were down. In the hemostasis field, however, sales were up due to the use of these tests as an indicator for monitoring increasing severity of COVID-19.

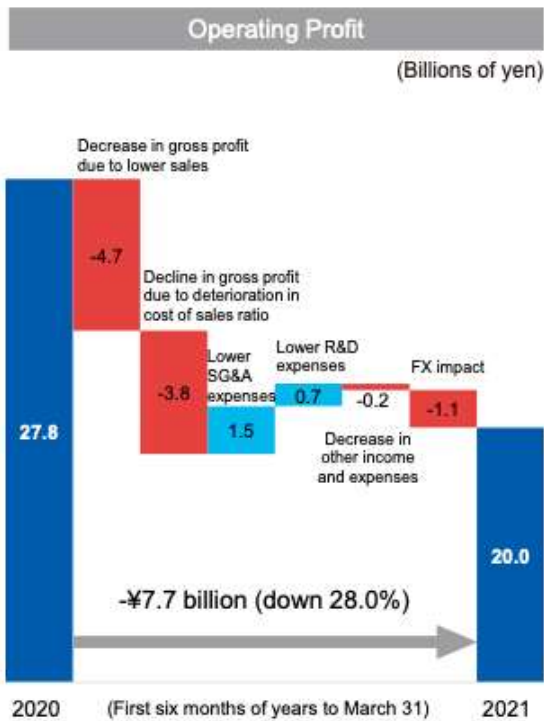


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Please see page eight for the sales of business sectors.

The Hematology at the heart of our business has fallen by more than 10%. However, the Hemostasis Business has increased due to the use of reagents such as D-dimer and the use of COVID-19 severity monitoring. If it is compared to the previous year's rate, it's increased by about 10%. The urine related business is quite stringent and falls by nearly 20%. The immunochemistry related business has fallen about 10% as well.

Breakdown of Operating Profit



Note: the figures below exclude the impact of exchange rates.

- **Decrease in gross profit due to lower sales:** Down ¥4.76 billion
- **Cost of sales ratio:** 2.9pt deterioration
 - Changes in the product mix (lower percentage of reagents) 1.9pt deterioration
 - Deterioration in the cost of sales ratio for instruments and reagents, due to higher sales ratios outside the hematology field 1.5pt deterioration
 - Lower service costs in China and Americas 0.4pt improvement
- **SG&A expenses:** Down ¥1.50 billion
 - Activity levels were down year on year due to COVID-19, although sales promotion activities resumed in individual regions as we entered Q2.
- **R&D expenses:** Down ¥0.71 billion
 - The first six months of the previous fiscal year included initial costs from the bio-diagnostic reagent base. Also, we began commercializing some life science products, and licensing fees were incorporated into cost of sales. As a result, R&D expenses were down year on year.
- **FX impact:** ¥1.17 billion negative

The following page shows the reasons for the change in operating income.

As shown here, the impact of the decline in sales on gross profit was a decrease of JPY4.76 billion. Then, the cost of sales ratio worsened by 2.9%. This is described as a change in the product mix, but the key is that sales of reagents have fallen. This is the result of the fact that the cost ratio of reagents is overwhelmingly good.

SG&A expenses declined by about JPY1.5 billion. This was precisely because the sales team could only do remote work. The overall activity has dropped as the sales team work and then all the events were cancelled. In that sense, as a big impact, I think there is a situation in which travel expenses and transportation expenses have dropped very much, in other meaning, it has decreased.

In addition, Research and development expenses also declined slightly. This was due in part to the recording of initial costs for our bio-diagnostic reagents facility, which was then reduced by the development of a reconfiguration of the cost of license fees in line with the commercialization of life sciences. The effect of exchange rates was a negative JPY1.17 billion.

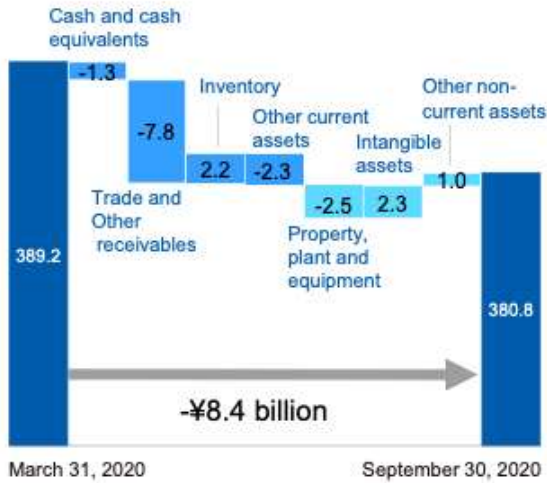
Breakdown of Assets and Liabilities/Equity



(Billions of yen)

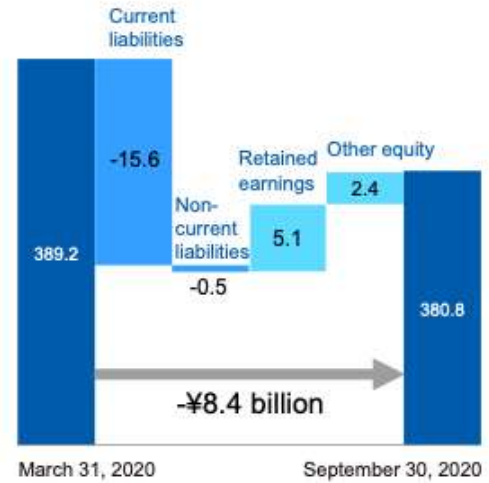
Assets

Current assets: -¥9.36 billion
 Non-current assets: +¥0.89 billion



Liabilities/Equity

Liabilities: -¥16.10 billion
 Equity: +¥7.63 billion



Note: The application of IFRS16 affected property, plant and equipment; current liabilities; and non-current liabilities.

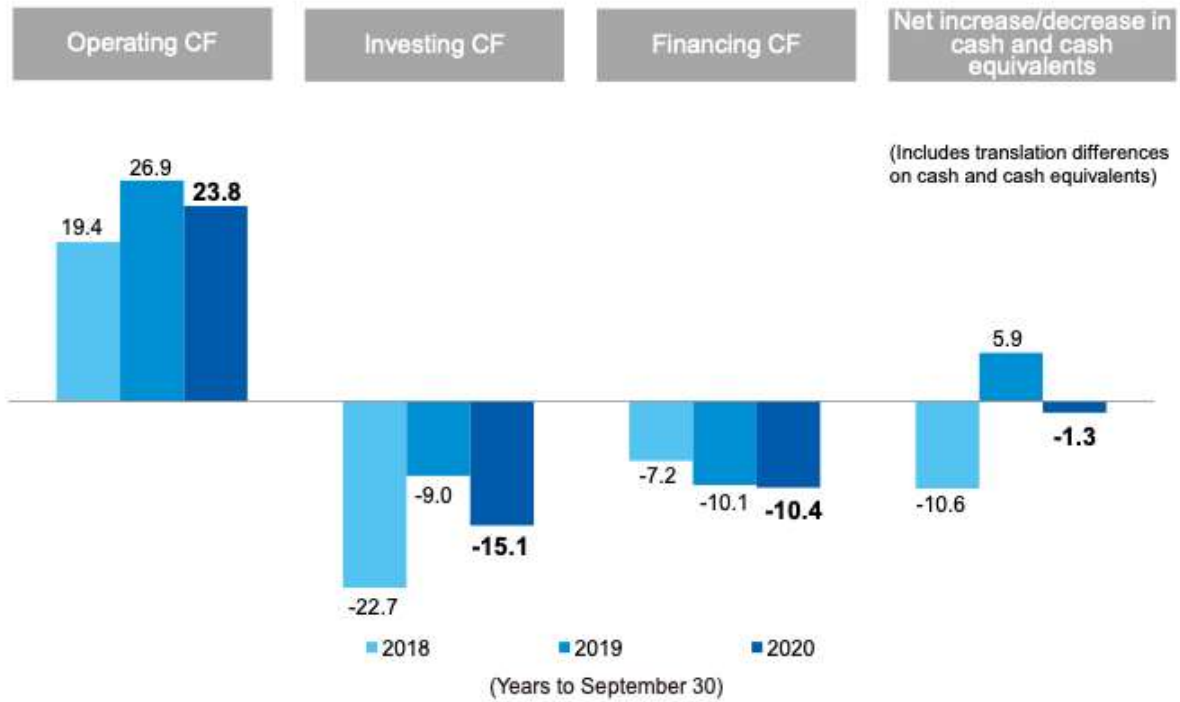
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The following page is our financial situation. Overall, the assets fell by JPY8.47 billion as you see.

Consolidated Cash Flows



(Billions of yen)



Note: The application of IFRS16 affected operating CF and financing CF for the year ended March 31, 2020.

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Next is the cash flow.

Cash flows from operating activities declined slightly in a similar manner, resulting in a total cash drop of JPY1.37 billion.



IVD business

- Signed long-term contract in the hematology field with the largest commercial lab group in the EMEA region
- Launched new products in the hemostasis field: CN-6500/CN-3500 automated blood coagulation analyzers (Japan)
- Launched the XF-1600 flow cytometer (for research) (North America)

Life science business

- Insurance coverage received for liquid biopsy RAS gene mutation testing for colorectal cancer using high-sensitivity digital PCR (Japan)
- Launched system using the OSNA™ method to test for breast cancer lymph node metastasis (China)

COVID-19-related business (Japan)

- Applied for manufacturing and marketing approval for a SARS-CoV-2 antigen detection reagent
- Launched SARS-CoV-2 antibody lab assay service and antibody measurement reagents (for research)
- City of Kobe, Sysmex and SRL configured and began operating a PCR testing system for COVID-19 within the Kobe Biomedical Innovation Cluster

Others

- Received manufacturing and marketing approval, as well as insurance coverage, for the "hinotori™ Surgical Robot System," a robotic assisted surgery system (Japan)
- Introduced a new globally consistent job-based HR management system
- Expanded the scope and scale of investment in digitization projects to strengthen our corporate structure and create new value

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Next is the topics.

In the IVD business, we said that in EMEA region, equipment sales was in good condition. The deal with the largest commercial lab at EMEA region which we got has been very significant. We have launched a new hemostasis instrument in Japan, and sales have been fairly strong recently.

For Life Science, in particular, we launched OSNA breast cancer lymph node testing systems after we got approval in China. This had been our long wish in which it took about 10 years to be approved.

Another is the related business in COVID-19, including the launch of PCR test kit. Now, we have submitted an application for an antigen test, and I think that we will soon be able to receive an approval. In addition, although it is for research purposes, we developed antibody testing and created and operating the laboratory for PCR testing in Kobe.

Our surgical robot system "hinotori" is now approved for manufacturing and marketing and then insured. We will also hold an explanatory meeting later this month. Either way, we look forward to the robot system and we think that it is a promising area for the future.

In order to create value by strengthening our corporate constitution, we are quite broad in the form of digitization projects, and we are currently making progress toward implementing digital transformation.

**Resolution of medical issues through products and services
(contributing to enhanced COVID-19 testing system)**



Configure assays using our HISCL automated immunoassay system

- **Develop antigen test**
 - Applied for manufacturing and marketing approval at end-September (Japan)
 - Measures nasopharyngeal (expansion of application to nasal swabs and saliva under development)
- **Develop antibody test**
 - Launched an antibody lab assay service (for research) and antibody measurement reagents (for research)
 - Provided epidemiological studies and other information for research
- **Develop tests to predict severity and monitor treatment**
 - Launched a lab assay service (for research) of six parameters closely related to COVID-19

Note: Our automated immunoassay system is capable of **performing measurements that are highly sensitive in 17 minutes per sample (up to 200 samples/hour).**



Fully Automated Immunoassay System
HISCL-5000

■ **Configure PCR testing system (Sysmex BMA Laboratory)**

- Configured system in collaboration with the City of Kobe and SRL
- Receiving samples from the City of Kobe (expanding the scope of application to personnel at care facilities)

■ **Joint development of an automated PCR testing robot system**

- Developing system in collaboration with Kawasaki Heavy Industries and Mediaroid with the aim of rollout in airports and other locations
- Aimed at reducing manual operations to prevent secondary infections and establish a rapid testing system

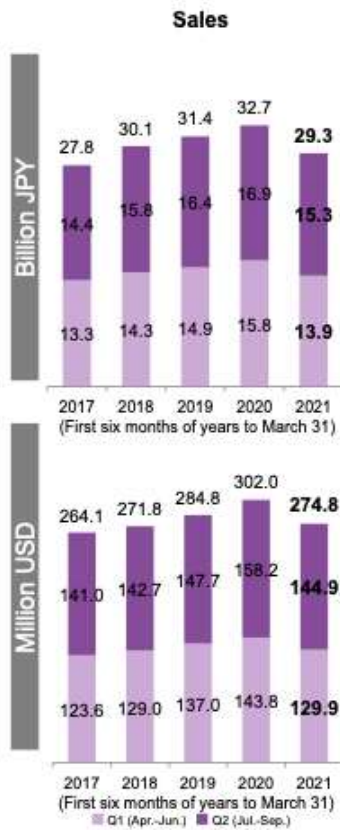


The following are our current COVID-19 related initiatives.

We have completed the development of the antigen test that I mentioned earlier, and we are now filing an application. In addition, I think we will probably be able to get an approval for saliva test around January next year.

We launched antibody tests, and tests to predict severity and monitor treatment.

On the other hand, as I mentioned earlier, we have established the PCR test facility in the Sysmex BMA Laboratories in Kobe. We are working with Kawasaki Heavy Industries, Ltd. to develop a PCR testing robot system. It is our current challenge. We believe that there will be a very large demand for the airport in the near future. Robotization of PCR tests may help of reducing a risk of infection and heavy workload of lab technicians. In order to solve this kind of problems, I think we may be able to introduce such a system from January next year.



(Billions of yen)

	First six months of fiscal year ending March 31, 2021	First six months of fiscal year ended March 31, 2020	YoY (Previous period = 100%)	
			(Yen basis)	(Local currency basis)
Sales	29.3	32.7	89.6%	91.0%
Instruments	7.6	8.9	85.8%	87.1%
Reagents	13.1	15.2	86.0%	87.4%
Services, others	8.5	8.5	99.8%	101.4%

Sales for this region were down due to the impact of COVID-19 on reagent sales, particularly in the hematology field, although sales in the hemostasis field were favorable in North America.

- Instruments: Sales decreased as the result of delayed installation of hematology instruments, despite robust performance in the hemostasis field in North America.
- Reagents: Sales were down in the hematology field due to the impact of COVID-19, both in North America and in Central and South America.

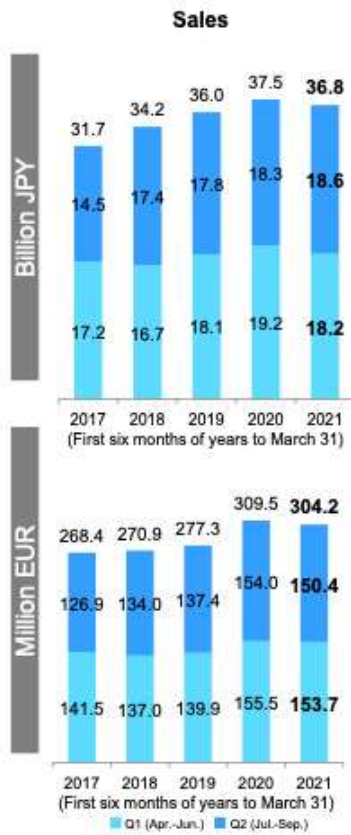
Topics

- We will be monitoring trends in the healthcare market following the US presidential elections.
- In North America, we entered an exclusive sales agreement in the urinalysis field with Siemens Healthineers, with sales commencing at the end of Q2.

Here is a brief explanation of each region.

As I mentioned earlier, in the US, the percentage of the hemostasis field is trending favorably. In North America, Siemens is in charge of this region, but we provide instruments. However, reagents are declining, particularly in hematology.

With regard to the presidential election, now in a middle of counting votes, we keep a close eyes on developments in this area. I think if Mr. Biden becomes a president, there will probably be a continuation of Obamacare, so I can expect a little upside.



(Billions of yen)

	First six months of fiscal year ending March 31, 2021	First six months of fiscal year ended March 31, 2020	YoY (Previous period = 100%)	
			(Yen basis)	(Local currency basis)
Sales	36.8	37.5	98.2%	98.3%
Instruments	10.8	10.2	106.1%	106.5%
Reagents	19.9	21.6	91.8%	91.8%
Services, others	6.1	5.6	108.3%	108.2%

Sales were down slightly in the region as the result of lower reagent sales stemming from COVID-19, although instrument sales were favorable in the hematology and hemostasis fields.

- Instruments: Sales were up, with growth in the hematology field thanks to an order from a large commercial lab, and robust performance in the hemostasis field in Russia and other areas where we conduct sales directly.
- Reagents: Sales were down, due to lower sales in the hematology, urinalysis and LS fields (affected by COVID-19), despite strong performance in the hemostasis field.

Topics

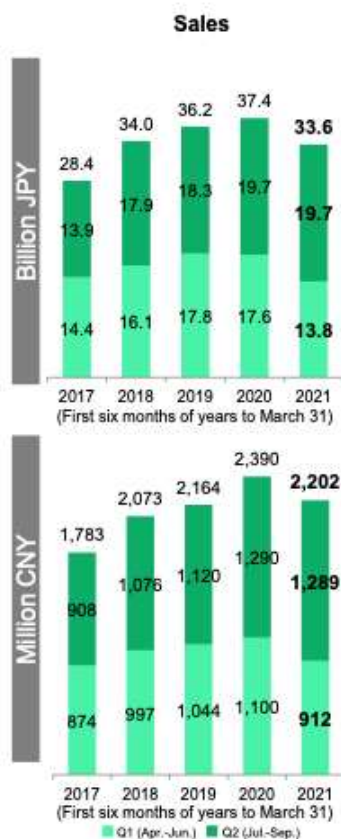
- Concerns are mounting about a second wave of COVID-19 infections in various regions, with major European countries declaring a state of emergency from mid-October.

The following is EMEA on page 15.

As I mentioned earlier, this is due to the strong performance of hematology and coagulation instruments. However, it seems that sales of reagents have fallen overall. It is true that the overall situation is difficult.

On the other hand, it is now on a third wave. I think it is necessary to pay close attention to this issue, but I expect that it will not have as negative an impact as it was in the Spring time.

Information by Destination (China)



(Billions of yen)

	First six months of fiscal year ending March 31, 2021	First six months of fiscal year ended March 31, 2020	YoY (Previous period = 100%)	
			(Yen basis)	(Local currency basis)
Sales	33.6	37.4	89.9%	92.1%
Instruments	11.1	9.3	118.6%	121.6%
Reagents	19.0	24.2	78.8%	80.7%
Services, others	3.4	3.8	89.8%	92.1%

Instrument sales increased, but reagent sales fell, centering on the hematology field. As a result, sales for the region were down.

- Instruments: Hematology sales rose due to increased demand for CRP testing as a result of the impact of COVID-19. In addition, sales expanded in the urinalysis and immunochemistry fields, boosting instrument sales.
- Reagents: In addition to higher sales in the hemostasis field, performance improved in the hematology, urinalysis and immunochemistry fields. However, sales for the first six months were down year on year as the result of lower first-quarter sales.

Topics

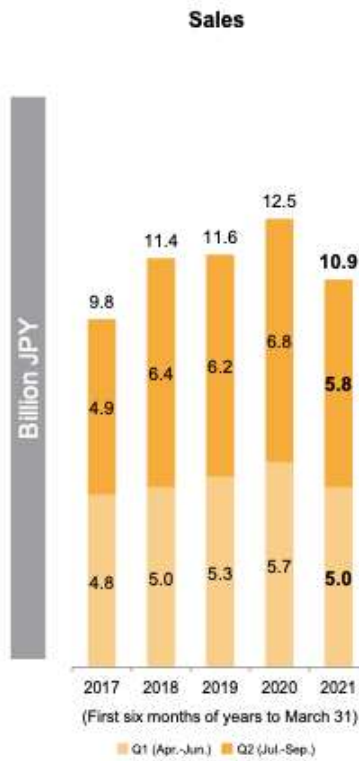
- We held a kick-off event for system to test for lymph node metastasis of breast cancer (OSNA method).
- In Q4, we expect to launch the XN-10x, a locally manufactured hematology analyzer.

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Next is the China market.

In China, sales of instrument grew, but reagents, mainly hematology, declined, resulting in a decrease in sales. However, I have heard that the situation itself is returning to a considerable extent, and I think reagents have almost recovered.

As I mentioned earlier, we kicked off the Lymph Node Metastasis Testing Systems OSNA for Breast Cancer. However, it seems it had a slow start because of COVID-19 situation. In addition, we plan to launch a high-end hematology XN-10x from Q4 for local manufacturing by China.



(Billions of yen)

	First six months of fiscal year ending March 31, 2021	First six months of fiscal year ended March 31, 2020	YoY (Previous period = 100%) (Yen basis)
Sales	10.9	12.5	87.2% (89.1%)
Instruments	2.6	2.8	93.4%
Reagents	7.3	8.4	86.2%
Services, others	0.9	1.2	79.9%

Note: Figures in parentheses exclude the impact of exchange rate fluctuations.

COVID-19 continued to affect the region, particularly in India and Indonesia, and sales were down due to lower sales of reagents.

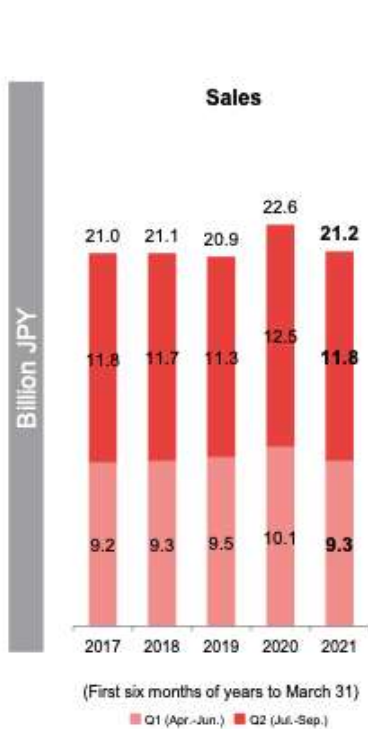
- Instruments: In addition to the hemostasis field, performance was favorable in the hematology field in Thailand. However, sales for the region were down year on year due to a large order for a transport system in Australia in the first six months of the preceding fiscal year.
- Reagents: Despite increases in the hemostasis field, sales decreased as a result of lower testing demand and lower performance in the hematology field, which was affected by an outbreak of dengue fever in the first six months of the previous fiscal year.

Topics

- We will continue to monitor the ongoing increase in COVID-19 infections in countries such as India and Indonesia.

Next is Asia Pacific.

The impact of COVID-19 is considerably large, particularly in India and Indonesia. Besides that, last year, there was a dengue fever outbreak, and we are currently struggling quite hard.



(Billions of yen)	First six months of fiscal year ending March 31, 2021	First six months of fiscal year ended March 31, 2020	YoY (Previous period = 100%) (Yen basis)
Sales	21.2	22.6	93.8%
Instruments	3.1	4.6	69.2%
Reagents	14.2	14.6	97.7%
Services, others	3.7	3.4	109.9%

Sales fell on comparison with the same period of the previous year, when we recorded a large order, and the impact of COVID-19. As a result, instrument and reagent sales both decreased.

- Instruments: Sales were down in comparison with the previous year, when we recorded a large order, as well as to delays in instrument installation, due to the state of emergency declaration.
- Reagents: Sales decreased due to the impact of COVID-19.

Topics

- We launched the CN-6500/CN-3500 automated blood coagulation analyzers, which add coagulation molecular marker measurement functionality to the CN-6000/CN-3000.

Next is the Japan market.

In Japan, reagent has dropped dramatically because of COVID-19. Instrument sales also fail, because last year, a large hospital opened or renewed because of the Olympics, and there were many new installations of instruments. Therefore, we are struggling at the moment.

Consolidated Earnings Forecast



Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2021

Net sales: **¥310.0 billion**

Operating profit: **¥48.5 billion**

Operating margin: **15.6%**

Profit attributable to owners of the parent: **¥30.8 billion**

Profit attributable to owners of the parent to net sales: **9.9%**

Planned Investment

Capital expenditure:
¥14.7 billion (Tangible only)

Depreciation and amortization:
¥25.7 billion

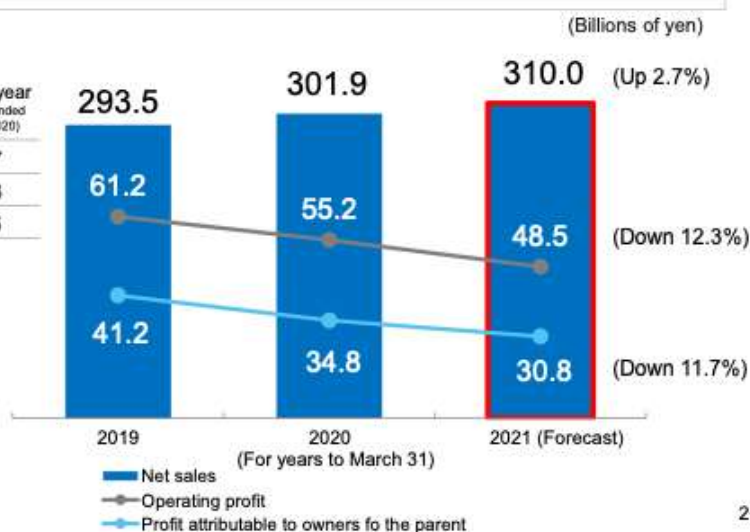
R&D expenditure:
¥23.1 billion

● Assumed Exchange Rates

	Assumed exchange rates for full year	Second half	Previous year (Fiscal year ended March 31, 2020)
1 USD	¥106.5	¥106.0	¥108.7
1 EUR	¥121.6	¥122.0	¥120.8
1 CNY	¥15.3	¥15.3	¥15.6

● Exchange Rate Sensitivity

	Net sales (year)	Operating profit (year)
USD	¥0.61 billion	¥0.27 billion
EUR	¥0.44 billion	¥0.14 billion
CNY	¥5.38 billion	¥3.65 billion



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Next is the earnings forecast for the current fiscal year.

We are facing difficult business conditions in the form of sales of JPY310 billion, operating income of JPY48.5 billion, and an operating income margin of 15.6%.

With regards to sales, we intend to increase sales at all times, including the recovery of reagents and the prospect of an increase in COVID-19 testing in the second half of the fiscal year.

Unfortunately, we are seeing this sales forecast, particularly in the face of the considerable impact of COVID-19 in the first half of the fiscal year, which has been delayed somewhat. Regarding the exchange rate, I have stated that we were planning with USD at JPY106.5, EUR at JPY121.6, and CNY at JPY15.3.

Assumptions behind our second-half earnings forecast

- Although we expect reagent sales to continue to be affected in AP and some other regions, we anticipate a recovery in the COVID-19 infection status in many regions.
- In the second half, we assume exchange rates of 1USD=¥106, 1EUR=¥122 and 1CNY=¥15.3.

(Billions of yen)

	First half (Apr.–Sep.)		Second half (Oct.–Mar.)		Full year (Apr.–Mar.)	
	Fiscal year ending March 31, 2021 (results)	Fiscal year ended March 31, 2020 (results)	Fiscal year ending March 31, 2021 (forecast)	Fiscal year ended March 31, 2020 (results)	Fiscal year ending March 31, 2021 (forecast)	Fiscal year ended March 31, 2020 (results)
Net sales	132.0	142.9	177.9	158.9	310.0	301.9
Cost of sales ratio	49.1%	45.8%	49.3%	48.3%	49.2%	47.1%
SG&A expenses	38.0	40.0	48.4	43.5	86.5	83.5
R&D expenses	9.7	10.4	13.3	11.3	23.1	21.7
Operating profit	20.0	27.8	28.5	27.4	48.5	55.2

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Please go to the next page.

In this sense, we plan to make a considerable recovery in the second half of the year. We intend to recover from a fairly challenging situation of the first half.

Dividend Forecast



- Forecast calls for the same level of dividends as in the fiscal year ended March 31, 2020

	Interim dividend	Year-end dividend	Total	Dividend ratio
Fiscal year ended March 31, 2020	¥36	¥36	¥72	43.1%
Fiscal year ending March 31, 2021 (proposal)	¥36	¥36	¥72	48.8%

Sysmex aims to maintain a proper balance between aggressive investment, which is designed to sustain steady high growth, and returns to our shareholders as our earning power increases. In terms of returns to shareholders, we intend to provide a stable dividend on a continuous basis and aim for a consolidated payout ratio of 30% under our basic policy of sharing the successes of our operations in line with business performance.

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We have increased dividends for the 18th consecutive year. In talks about a fairly challenging situation in the current fiscal year, I would like to make a proposal that is flat compared to the previous year, or JPY72 of annual dividend, JPY36 for the interim and JPY36 for the end of the fiscal year.

In any event, in the midst of an accidental pandemic, we are struggling in that sense, but I think we need to take on more challenges in COVID-19 test related. Pharmaceuticals are under development, but we do not know how this pandemic will end. With regard to the robotization, as international exchange resumes, we would like to focus on airports and introduce PCR robots in order to build a solid testing system.

How to pull in the situation is a very important management issue. In some respects, we are steadily advancing in step by step.

On the other hand, in the US, Eisai Co., Ltd.'s Alzheimer drug is now subject to FDA review. And we are conducting this diagnostic reagent, which may be in the next fiscal year or later. We have been taking on the challenge of Alzheimer related for a long time, and we are finally seeing a little light.

That's all for my presentation. Thank you for your attention.

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