

**Summary of Consolidated Financial Results [ IFRS ]  
for the Fiscal Year Ended March 31, 2021**

May 12, 2021

Listed company name : Sysmex Corporation  
 Code : 6869  
 Listed stock exchanges : Tokyo Stock Exchange  
 URL : www.sysmex.co.jp/en  
 Company representative : Hisashi Ietsugu, Chairman and CEO  
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 Scheduled date for shareholders' meeting : June 25, 2021  
 Scheduled date for dividend payment : June 28, 2021  
 Scheduled date for filing of financial report : June 25, 2021  
 Preparation of supplementary material for earnings : Yes  
 Holding of earnings announcement : Yes

(Unit: Millions of Yen)

**1. Consolidated Results for the Year Ended March 31, 2021**

(1) Operating results

(% changes as compared with the previous fiscal year)

	Net Sales		Operating profit		Profit before tax		Profit	
Year ended Mar. 31, 2021	305,073	1.0%	51,792	(6.3)%	48,033	(2.8)%	33,103	(4.9)%
Year ended Mar. 31, 2020	301,980	2.9%	55,284	(9.8)%	49,433	(14.7)%	34,813	(15.4)%

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share (Yen)	Diluted earnings per share (Yen)
Year ended Mar. 31, 2021	33,142	(5.0)%	43,768	60.0%	158.65	158.39
Year ended Mar. 31, 2020	34,883	(15.4)%	27,363	(27.8)%	167.10	166.93

	Return on equity (%)	Profit before tax to total assets (%)	Operating profit to net sales (%)
Year ended Mar. 31, 2021	11.3	11.8	17.0
Year ended Mar. 31, 2020	12.9	13.4	18.3

Note:

Share of loss on equity method: 3,083 million yen for the year ended March 31, 2021; 2,398 million yen for the year ended March 31, 2020.

(2) Financial condition

	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent to total assets (%)	Equity attributable to owners of the parent per share (Yen)
As of Mar. 31, 2021	427,475	308,669	307,898	72.0%	1,473.22
As of Mar. 31, 2020	389,291	278,347	277,683	71.3%	1,329.78

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the term
Year ended Mar. 31, 2021	58,813	(31,131)	(20,253)	66,467
Year ended Mar. 31, 2020	53,182	(25,906)	(20,597)	56,592

## 2. Dividend

	Dividend per share					Total dividend payment (Millions of yen)	Dividend payout ratio (Consolidated) (%)	Dividend to equity attributable to owners of the parent (Consolidated) (%)
	First quarter (Yen)	Second quarter (Yen)	Third quarter (Yen)	Year-end (Yen)	Annual (Yen)			
Year ended Mar. 31, 2020	—	36.00	—	36.00	72.00	15,032	43.1	5.5
Year ended Mar. 31, 2021	—	36.00	—	36.00	72.00	15,044	45.4	5.1
Year ending Mar. 31, 2022 (Forecast)	—	37.00	—	37.00	74.00		38.7	

## 3. Financial Forecast for the Year Ending March 31, 2022

(% changes as compared with the corresponding period of the previous fiscal year)

	Net Sales		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share (Yen)
Six months ending Sep. 30, 2021	161,000	21.9%	28,000	40.0%	27,000	49.2%	19,000	50.2%	90.91
Year ending Mar. 31, 2022	350,000	14.7%	60,000	15.8%	57,000	18.7%	40,000	20.7%	191.39

## 4. Other Information

(1) Changes in significant consolidated subsidiaries (which resulted in changes in scope of consolidation):  
No

(2) Changes in accounting policies and accounting estimates

1) Changes in accounting policies required by IFRS: No

2) Other changes in accounting policies: No

3) Changes in accounting estimates: No

(3) Number of outstanding stock (common stock)

1) Number of outstanding stock at the end of each fiscal period (including treasury stock):

209,443,232 shares as of Mar. 31, 2021; 209,266,432 shares as of Mar. 31, 2020

2) Number of treasury stock at the end of each fiscal period:

446,876 shares as of Mar. 31, 2021; 446,680 shares as of Mar. 31, 2020

3) Average number of outstanding stock for each period (cumulative):

208,905,283 shares for the year ended Mar. 31, 2021

208,755,623 shares for the year ended Mar. 31, 2020

## (Reference) Summary of the Non-consolidated Financial Results for the Year Ended March 31, 2021

(1) Non-consolidated operating results

(% changes as compared with the previous fiscal year)

	Net Sales		Operating income		Ordinary income		Net income	
Year ended Mar. 31, 2021	158,142	(0.9)%	27,786	(17.2)%	31,242	(23.7)%	23,872	(23.6)%
Year ended Mar. 31, 2020	159,642	4.8%	33,553	(5.0)%	40,942	(17.4)%	31,264	(13.3)%

	Net income per share (Yen)	Diluted net income per share (Yen)
Year ended Mar. 31, 2021	114.27	114.08
Year ended Mar. 31, 2020	149.77	149.61

(2) Non-consolidated financial condition

	Total assets	Net assets	Equity ratio (%)	Net assets per share (Yen)
As of Mar. 31, 2021	260,469	215,420	82.1	1,023.57
As of Mar. 31, 2020	247,160	204,742	82.5	976.85

Equity capital: 213,922 million yen as of March 31, 2021; 203,985 million yen as of March 31, 2020.

Note: Summaries of financial results are not subject to audit by certified public accountants or auditors.

\* Explanation regarding the appropriate use of financial forecast and other information

1. The forecasts and future projections contained herein have been prepared on the basis of rational decisions given the information available as of the date of announcement of this document. These forecasts do not represent a commitment by the Company, and actual performance may differ substantially from forecasts for a variety of reasons. Please refer to “4) Outlook for future” within “1. Overview of operating performance” on page 5 of the attachment to this document.
2. Supplementary financial materials (in Japanese and English) will be posted on the Sysmex website on Wednesday, May 12, 2021.

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## 1. Overview of operating performance

### 1) Operating performance during the year

Future-related information contained in the text below is based on the judgement as of the end of the fiscal period under review.

During the fiscal year ended March 31, 2021, economic activity in Japan was in dire straits as a result of the COVID-19 pandemic, which sharply reduced personal consumption and caused corporate earnings to deteriorate. Thereafter, the situation began to improve due to gradual increases in the level of socioeconomic activity and the results of various government policies. However, this was followed by a resurgence in infections and state of emergency declarations, and the outlook remains unclear. Overseas, increasingly serious COVID-19 outbreaks have prompted major cities to impose lockdowns and regulations against going out, substantially hampering economic activity. Thereafter, various government-imposed financial measures are leading to gradual recovery. That said, with no end to the pandemic in sight, the outlook remains opaque.

On the healthcare front, Japan's medical and healthcare field is expected to remain robust due to an aging society and increasingly diverse health and medical needs, which will drive up demand. Also, the Japanese government is positioning this field as part of an economic growth strategy. Looking overseas, in developed countries efforts are underway to raise the efficiency of healthcare as populations age. Meanwhile, in emerging markets economic development is prompting an increase in demand for healthcare and the need for healthcare quality and service enhancement. Furthermore, the rapid application of artificial intelligence (AI), information communication technology (ICT) and other leading-edge technologies to the healthcare field are expected to sustain future growth. The global COVID-19 pandemic has also prompted considerations about healthcare systems and the potential for major changes in the healthcare environment itself. As a result, further opportunities for growth is anticipated.

Against this backdrop, Sysmex continued to develop its product portfolio in the hematology field. We launched two automated hematology analyzers in Japan, the XR Series (a next-generation flagship model) and the XQ series (a compact three-part WBC differential model). We will continue with a global sales rollout after receiving regulatory approval in individual countries. We aim to continue expanding our product portfolio in the hematology field to help optimize operations at testing laboratories based on the regional characteristics and facilities' needs.

In the hemostasis field, we launched CN-6500/CN-3500 automated blood coagulation analyzers in Japan, which offer enhanced efficiency and quality. We renewed our global alliance in hemostasis products with Siemens Healthcare Diagnostics Inc. including review of products and territories, to step up sales of our CN Series automated blood coagulation analyzer and we will continue to offer extensive solutions to customers in regions throughout the world.

In the life science field, Sysmex had received health insurance coverage for its gene mutation analysis set for cancer genome profiling (OncoGuide™ NCC Oncopanel System), becoming the first such system in Japan to receive this coverage. We received approval for partial changes to our manufacturing and marketing approval for this system. It has become possible to detect mutations and copy number alterations of 124 genes, fusions of 13 genes, and microsatellite instability (MSI). The system will thus provide more detailed genetic information to help doctors decide treatment strategies, including diagnosis and selection of anti-cancer drugs.

Medicaroid Corporation, a joint venture between Sysmex and Kawasaki Heavy Industry, Ltd., received manufacturing and marketing approval for hinotori™ Surgical Robot System, the first made-in-Japan robotic-assisted surgery system. As the global general distributor, Sysmex commenced sales of hinotori™ to medical institutions in Japan, starting with urology departments. We are working with Medicaroid to obtain regulatory approval overseas, and will begin introducing the system in overseas markets, as well.

To help stem the increase in COVID-19 infections, we introduced reagent that can be used in conjunction with HISCL™-5000/HISCL™-800 automated immunoassay systems to detect the presence of coronavirus antigens that cause COVID-19, as well as reagent that can help in detecting the risk of COVID-19 cases worsening. Sysmex remains committed to contributing toward the research and establishment of diagnosis/treatment methods for COVID-19 by way of diverse testing, including PCR tests, antigen tests, antibody tests and cytokine tests, as well as existing hematology

and coagulation tests.

#### Net sales by destination

	Year ended March 31, 2020		Year ended March 31, 2021		YoY (Previous period = 100)
	Amount (Millions of yen)	Percentage of total (%)	Amount (Millions of yen)	Percentage of total (%)	
Japan	46,725	15.5	48,756	16.0	104.3
Americas	71,037	23.5	65,890	21.6	92.8
EMEA	77,250	25.6	82,140	26.9	106.3
China	80,048	26.5	83,830	27.5	104.7
Asia Pacific	26,919	8.9	24,454	8.0	90.8
Overseas subtotal	255,255	84.5	256,316	84.0	100.4
Total	301,980	100.0	305,073	100.0	101.0

In Japan, sales of urinalysis and immunochemistry reagents fell, affected by the COVID-19 pandemic, but instrument sales rose due to the sale of hematology instruments to large commercial labs. Sales also increased for hemostasis reagents related to COVID-19 testing and for reagents and services in the life science field. As a result, sales in Japan rose 4.3% year on year, to ¥48,756 million.

Overseas, reagent sales fell, hematology and urinalysis fields, as a result of the growing COVID-19 pandemic, but instrument sales rose in the urinalysis, hemostasis and immunochemistry fields. Consequently, overseas sales increased 0.4% year on year, to ¥256,316 million. The overseas sales ratio fell 0.5 percentage point, to 84.0%.

Gross profit declined 3.4% year on year, to ¥154,302 million despite higher domestic and overseas sales, due to deterioration in the cost of sales ratio stemming from lower reagent sales. Selling, general and administrative expenses fell 3.2%, to ¥80,839 million, because of restrictions on activities amid the COVID-19 pandemic.

As a result, during the year ended March 31, 2021, the Group recorded consolidated net sales of ¥305,073 million, up 1.0% year on year. Operating profit fell 6.3%, to ¥51,792 million; profit before tax declined 2.8%, to ¥48,033 million, and profit attributable to owners of the parent decreased 5.0%, to ¥33,142 million.

#### Performance by segment

##### (1) Japan

In Japan, sales of reagents were down in the hematology field, due to the increase in COVID-19 infections. However, instrument sales rose due to the sale of hematology instruments to large commercial labs. In the hemostasis field, sales of reagent expanded. In the life science field, sales of reagents and services expanded. As a result, sales in Japan rose 4.2% year on year, to ¥52,672 million.

On the profit front, decrease in sales of reagents in export sales between groups, a deteriorating cost of sales ratio caused gross profit to decrease, and mainly R&D expenses rose. Accordingly, segment profit (operating profit) fell 16.1%, to ¥30,434 million.

##### (2) Americas

Sales were down in North America. Although instrument sales rose in the urinalysis and hemostasis fields that launched a new product, instrument and reagent sales declined in the hematology field, mainly because of the COVID-19 pandemic. In Central and South America, sales were down due to lower sales of hematology reagents. As a result, sales in the Americas came to ¥61,501 million, down 7.1% year on year.

Segment profit (operating profit) fell 12.1% year on year, to ¥2,512 million, SG&A expenses fell

because of restrictions on activities amid the COVID-19 pandemic, but lower sales and a deteriorating cost of sales ratio caused gross profit to fall.

### (3) EMEA

Sales in the EMEA region rose 5.4% year on year, to ¥82,854 million. Reagent sales were down in the hematology and urinalysis fields, mainly due to the spread of the COVID-19 pandemic. However, Sales of instrument increased in Germany due to increased sales of instrument to large commercial labs and the acquisition of large-scale projects in the Middle East. Reagent sales expanded due to the launch of a novel coronavirus antigen testing kit in Germany.

Despite a deteriorating cost of sales ratio, segment profit (operating profit) grew 20.8%, to ¥10,085 million, due to higher gross profit on higher sales and SG&A expenses fell because of restrictions on activities amid the COVID-19 pandemic.

### (4) China

In China, sales rose 4.7% year on year, to ¥83,735 million. Reagent sales fell in the hematology and urinalysis fields, mainly due to the impact of COVID-19, but instrument sales increased in the hematology and urinalysis fields. Instrument and reagent fields also grew in the hemostasis and immunochemistry fields.

Segment profit (operating profit) decreased 11.5% year on year, to ¥5,066 million, despite lower SG&A expenses, as gross profit declined due a worsening cost of sales ratio.

### (5) Asia Pacific

Because of COVID-19, sales of reagents decreased in the hematology and urinalysis fields, although Sales of instrument increased in the hematology field due to the acquisition of bids in India, and sales of new products in the hemostasis field increased in Australia to large commercial labs. As a result, sales in the Asia Pacific region decreased 8.9% year on year, to ¥24,309 million.

Segment profit (operating profit) fell 31.6% year on year, to ¥2,134 million. SG&A expenses fell because of restrictions on activities amid the COVID-19 pandemic, but lower sales and a deteriorating cost of sales ratio caused gross profit to fall.

## 2) Financial conditions at end of the year

As of March 31, 2021, total assets amounted to ¥427,475 million, up ¥38,183 million from March 31, 2020. As main factors, trade and other receivables rose ¥14,991 million, cash and cash equivalents increased ¥9,875 million, and intangible assets were up ¥7,927 million.

Meanwhile, total liabilities were ¥118,806 million, up ¥7,862 million from March 31, 2020. Principal factors included a ¥1,999 million increase in other non-current liabilities, ¥1,719 million higher accrued expenses, a ¥976 million rise in other current financial liabilities, and a ¥916 million increase in accrued bonuses.

Total equity came to ¥308,669 million, up ¥30,321 million from March 31, 2020. Among principal reasons, retained earnings rose ¥18,155 million, while other components of equity increased ¥10,614 million. Equity attributable to owners of the parent to total assets rose 0.7 percentage points, from 71.3% on March 31, 2020 to 72.0% on March 31, 2021.

## 3) Cash flows during the year

As of March 31, 2021, cash and cash equivalents amounted to ¥66,467 million, up ¥9,875 million from March 31, 2020.

Cash flows from various activities during the fiscal year are described in more detail below.

(Cash flows from operating activities)

Net cash provided by operating activities was ¥58,813 million (up ¥5,631 million). As principal factors, profit before tax provided ¥48,033 million (down ¥1,400 million), depreciation and amortization provided ¥25,575 million (up ¥1,620 million), an increase in trade receivables used ¥9,066 million (up ¥4,642 million), a decrease in inventories provided ¥3,851 million (¥9,807 million used in the previous period), a decrease in trade payables used ¥834 million (¥2,762 million provided in the previous year), a decrease in contract liabilities used ¥314 million (¥3,292 million provided in the previous year), and income taxes paid used ¥13,172 million (down ¥3,036 million).

(Cash flows from investing activities)

Net cash used in investing activities was ¥31,131 million (up ¥5,224 million). Among major factors, purchases of property plant and equipment used ¥9,930 million (down ¥3,699 million), purchases of intangible assets used ¥15,863 million (up ¥3,020 million), payments resulting in an increase in long-term prepaid expenses used ¥4,050 million (up ¥1,563 million), purchases of investments in equity instruments used ¥623 million (down ¥3,930 million), and proceeds from withdrawal of time deposits provided ¥1,438 million (down ¥5,889 million).  
(Cash flows from financing activities)

Net cash used in financing activities was ¥20,253 million (down ¥343 million). This was mainly due to the exercise of warrants provided ¥549 million (up ¥201 million), dividends paid of ¥15,037 million (up ¥9 million) and repayment of lease liabilities, which used ¥5,911 million (down ¥2 million).

#### 4) Outlook for future

The economic outlook for Japan remains unclear, with capital investment and personal consumption levels remaining low, with no end to COVID-19 in sight. Overseas, the pandemic is expected to ebb as vaccinations increase. Nevertheless, infections with viral variants are increasing. Other geopolitical factors are also causing uncertainty to mount, such as trade issues between the United States and China and slower Chinese economic growth.

. Looking at the healthcare environment, in developed countries efforts are underway to raise the efficiency of healthcare as populations age. Meanwhile, in emerging markets economic development is prompting an increase in demand for healthcare and the need for healthcare quality and service enhancement. Furthermore, the rapid application of artificial intelligence (AI), information communication technology (ICT) and other leading-edge technologies to the healthcare field are expected to sustain future growth. The global COVID-19 pandemic has also prompted considerations about healthcare systems and the potential for major changes in the healthcare environment itself. As a result, further opportunities for growth is anticipated.

Under these conditions, in April 2021 Sysmex launched a new mid-term management plan (fiscal years ending March 31, 2022 to 2024). To reach positioning targets based on the long-term vision, the plan is aimed at sustaining robust growth for the Group and supporting this growth by reinforcing the management base. We have defined hemostasis, immunochemistry and life science as key fields in addition to the hematology field, which is the Group's largest source of earnings. We will prioritize the allocation of management resources to these fields to enhance R&D efforts, create new value and expand our product lineup. We will also seek to achieve dynamic growth through the creation and ongoing cultivation of new businesses, centering on surgery support robots. To this end, in April 2021 we reorganized from a business development structure based on business units to a function-based structure. We believe this new structure will enhance the Group's implementation capabilities.

In the fiscal year ending March 31, 2022, we expect to essentially recover the previous year's declines stemming from the impact of COVID-19. In addition, by expanding our product lineup and reinforcing our sales and service structure, we anticipate increases in sales and profit. Accordingly, we forecast net sales of ¥350,000 million, operating profit of ¥60,000 million, profit before tax of ¥57,000 million and profit attributable to owners of the parent of ¥40,000 million. (Note: These figures are based on the assumption that the COVID-19 pandemic will draw to a close and that economic activity will gradually resume.)

Our assumptions for annual average exchange rates are US\$1=¥106 and €1=¥125.

The forecast outlined above is based on currently available information. Actual performance may differ from this forecast for a variety of reasons.

## 2. Basic perspective on selection of accounting standards

The Sysmex Group voluntarily adopted IFRS from the fiscal year ended March 31, 2017. Our aim is to increase convenience to shareholders and investors in Japan and overseas by enhancing the international comparability of our financial information in capital markets.

### 3. Consolidated financial statements and notes

#### 1) Consolidated statement of financial position

(Unit: Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Assets		
Current assets		
Cash and cash equivalents	56,592	66,467
Trade and other receivables	85,650	100,641
Inventories	48,303	46,985
Other short-term financial assets	421	1,105
Income taxes receivable	546	909
Other current assets	14,191	14,723
Total current assets	<u>205,704</u>	<u>230,833</u>
Non-current assets		
Property, plant and equipment	96,839	96,140
Goodwill	11,271	12,433
Intangible assets	39,543	46,840
Investments accounted for using the equity method	2,945	1,093
Trade and other receivables	12,845	15,202
Other long-term financial assets	6,192	7,945
Asset for retirement benefits	897	923
Other non-current assets	5,810	9,337
Deferred tax assets	7,240	6,724
Total non-current assets	<u>183,586</u>	<u>196,641</u>
Total assets	<u>389,291</u>	<u>427,475</u>

(Unit: Millions of yen)

	As of March 31, 2020	As of March 31, 2021
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	33,917	34,159
Lease liabilities	5,701	5,783
Other current financial liabilities	552	1,529
Income taxes payable	5,673	6,563
Provisions	751	1,002
Contract liabilities	12,001	12,168
Accrued expenses	12,508	14,227
Accrued bonuses	7,591	8,508
Other current liabilities	5,448	5,964
Total current liabilities	84,145	89,907
Non-current liabilities		
Lease liabilities	16,935	16,178
Other non-current financial liabilities	269	108
Liability for retirement benefits	925	1,071
Provisions	255	265
Other non-current liabilities	2,061	4,060
Deferred tax liabilities	6,351	7,212
Total non-current liabilities	26,798	28,898
Total liabilities	110,944	118,806
Equity		
Equity attributable to owners of the parent		
Capital stock	12,877	13,229
Capital surplus	18,487	19,581
Retained earnings	261,321	279,477
Treasury stock	(306)	(307)
Other components of equity	(14,697)	(4,082)
Total equity attributable to owners of the parent	277,683	307,898
Non-controlling interests	663	771
Total equity	278,347	308,669
Total liabilities and equity	389,291	427,475

## 2) Consolidated statement of income

(Unit: Millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
Net sales	301,980	305,073
Cost of sales	142,173	150,770
Gross profit	159,807	154,302
Selling, general and administrative expenses	83,545	80,839
Research and development expenses	21,761	22,517
Other operating income	1,486	1,637
Other operating expenses	702	790
Operating profit	55,284	51,792
Financial income	595	420
Financial expenses	1,031	866
Share of profit (loss) of associates accounted for using the equity method	(2,398)	(3,083)
Foreign exchange gain (loss)	(3,017)	(230)
Profit before tax	49,433	48,033
Income taxes expenses	14,619	14,930
Profit	34,813	33,103
Profit attributable to		
Owners of the parent	34,883	33,142
Non-controlling interests	(69)	(39)
Profit	34,813	33,103
		(Unit: Yen)
Earnings per share		
Basic	167.10	158.65
Diluted	166.93	158.39

## 3) Consolidated statement of comprehensive income

(Unit: Millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
Profit	34,813	33,103
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Net gain (loss) on financial assets measured at fair value through other comprehensive income	(588)	608
Remeasurements of defined benefit plans	21	11
Total	(567)	620
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(6,882)	10,070
Share of other comprehensive income of investments accounted for using the equity method	(0)	(25)
Total	(6,883)	10,045
Total other comprehensive income	(7,450)	10,665
Comprehensive income	27,363	43,768
Comprehensive income attributable to		
Owners of the parent	27,433	43,807
Non-controlling interests	(69)	(39)
Comprehensive income	27,363	43,768

4) Consolidated statement of changes in equity  
For the year ended March 31, 2020

(Unit: Millions of yen)

	Equity attributable to owners of the parent					Total	Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity			
As of April 1, 2019	12,654	17,876	241,445	(302)	(7,225)	264,448	733	265,182
Profit	—	—	34,883	—	—	34,883	(69)	34,813
Other comprehensive income	—	—	—	—	(7,450)	(7,450)	0	(7,450)
Comprehensive income	—	—	34,883	—	(7,450)	27,433	(69)	27,363
Exercise of warrants	223	125	—	—	—	348	—	348
Share-based payment transactions	—	485	—	—	—	485	—	485
Cash dividends	—	—	(15,028)	—	—	(15,028)	—	(15,028)
Purchase of treasury stock	—	—	—	(3)	—	(3)	—	(3)
Disposal of treasury stock	—	—	—	—	—	—	—	—
Transfer to retained earnings	—	—	21	—	(21)	—	—	—
Establishment of subsidiary with non-controlling interests	—	—	—	—	—	—	—	—
Change in non-controlling interests due to capital increase of subsidiaries	—	—	—	—	—	—	—	—
Total transactions with the owners	223	610	(15,006)	(3)	(21)	(14,198)	—	(14,198)
As of March 31, 2020	12,877	18,487	261,321	(306)	(14,697)	277,683	663	278,347

For the year ended March 31, 2021

(Unit: Millions of yen)

	Equity attributable to owners of the parent					Total	Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity			
As of April 1, 2020	12,877	18,487	261,321	(306)	(14,697)	277,683	663	278,347
Profit	—	—	33,142	—	—	33,142	(39)	33,103
Other comprehensive income	—	—	—	—	10,665	10,665	(0)	10,665
Comprehensive income	—	—	33,142	—	10,665	43,807	(39)	43,768
Exercise of warrants	352	197	—	—	—	549	—	549
Share-based payment transactions	—	896	—	—	—	896	—	896
Cash dividends	—	—	(15,037)	—	—	(15,037)	—	(15,037)
Purchase of treasury stock	—	—	—	(1)	—	(1)	—	(1)
Disposal of treasury stock	—	0	—	0	—	0	—	0
Transfer to retained earnings	—	—	50	—	(50)	—	—	—
Establishment of subsidiary with non-controlling interests	—	—	—	—	—	—	49	49
Change in non-controlling interests due to capital increase of subsidiaries	—	—	—	—	—	—	98	98
Total transactions with the owners	352	1,093	(14,987)	(1)	(50)	(13,593)	147	(13,446)
As of March 31, 2021	13,229	19,581	279,477	(307)	(4,082)	307,898	771	308,669

## 5) Consolidated statement of cash flows

(Unit: Millions of yen)

	Year ended March 31, 2020	Year ended March 31, 2021
Cash flows from operating activities		
Profit before tax	49,433	48,033
Depreciation and amortization	23,955	25,575
Interest and dividends income	(343)	(277)
Interest expenses	911	767
Share of loss (profit) on equity method	2,398	3,083
Decrease (increase) in trade receivables	(4,423)	(9,066)
Decrease (increase) in inventories	(9,807)	3,851
Increase (decrease) in trade payables	2,762	(834)
Increase (decrease) in accrued expenses	2,212	1,055
Decrease/increase in consumption taxes receivable/payable	(1,134)	(56)
Decrease (increase) in asset for retirement benefits	50	(9)
Increase (decrease) in contract liabilities	3,292	(314)
Increase (decrease) in accrued bonuses	102	625
Other—net	505	68
Subtotal	69,914	72,501
Interest and dividend received	280	232
Interest paid	(804)	(748)
Income taxes paid	(16,208)	(13,172)
Net cash provided by (used in) operating activities	53,182	58,813
Cash flows from investing activities		
Purchase of property, plant and equipment	(13,629)	(9,930)
Proceeds from sales of property, plant and equipment	325	439
Purchase of intangible assets	(12,843)	(15,863)
Payments resulting in an increase in long-term prepaid expenses	(2,487)	(4,050)
Purchase of investments in equity instruments	(4,554)	(623)
Acquisitions of subsidiaries or other businesses	—	(343)
Payments into time deposits	(231)	(2,058)
Proceeds from withdrawal of time deposits	7,327	1,438
Other—net	185	(139)
Net cash provided by (used in) investing activities	(25,906)	(31,131)
Cash flows from financing activities		
Exercise of warrants	348	549
Dividends paid	(15,028)	(15,037)
Repayments of lease liabilities	(5,913)	(5,911)
Other—net	(3)	145
Net cash provided by (used in) financing activities	(20,597)	(20,253)
Foreign currency translation adjustments on cash and cash equivalents	(1,147)	2,447
Net increase (decrease) in cash and cash equivalents	5,530	9,875
Cash and cash equivalents, beginning of term	51,062	56,592
Cash and cash equivalents, end of term	56,592	66,467

6) Notes to the consolidated financial statements

1. Notes related to the going concern assumption

Not applicable

2. Segment information

1) Overview of reportable segments

The Group's reportable segments are the constituent business units of the Group for which separate financial data are available and that are examined on a regular basis for the purpose of enabling the Managing Board to allocate managerial resources and evaluate results of operations.

The Group is primarily engaged in the manufacture and sale of diagnostic instruments and reagents. These businesses are conducted in Japan by the Company, and in the Americas, EMEA, China and the Asia Pacific by regional headquarters established in those regions. These companies formulate overarching strategies tailored to regional characteristics and conduct business activities accordingly. Regional headquarters and other domestic and overseas subsidiaries are independent management units that handle production and sales for each region.

Accordingly, the Group has five reportable segments comprising geographical segments based on manufacturing and sales systems. These are "Japan," the "Americas," "EMEA," "China," and the "Asia Pacific."

2) Segment profit and operating results

Profit and operating results from continuing operations by reportable segment of the Group are as follows:

Intersegment sales are determined based on market prices or costs of goods manufactured.

Accounting policies of reporting segments are consistent with the Group's accounting policies indicated in the consolidated financial statements for the previous fiscal year.

For the year ended March 31, 2020

(Unit: Millions of yen)

	Reportable segment						Adjustments (Note 1)	Consolidated (Note 2)
	Japan	Americas	EMEA	China	Asia Pacific	Total		
Sales								
Sales to external customers	50,540	66,189	78,596	79,966	26,687	301,980	—	301,980
Intersegment sales	111,623	711	3,722	3	4	116,065	(116,065)	—
Total	162,164	66,900	82,318	79,969	26,692	418,046	(116,065)	301,980
Segment profit	36,282	2,856	8,347	5,726	3,119	56,333	(1,049)	55,284
Financial income	—	—	—	—	—	—	—	595
Financial expenses	—	—	—	—	—	—	—	1,031
Share of profit (loss) on equity method	—	—	—	—	—	—	—	(2,398)
Foreign exchange gain (loss)	—	—	—	—	—	—	—	(3,017)
Profit before tax	—	—	—	—	—	—	—	49,433
Income tax expenses	—	—	—	—	—	—	—	14,619
Profit	—	—	—	—	—	—	—	34,813
Other								
Depreciation and amortization (Note 3)	12,784	4,053	4,625	769	2,706	24,940	(985)	23,955

Notes:

1. Segment profit adjustments of negative ¥1,049 million include negative ¥1,275 million for the unrealized gains on inventories, and ¥224 million for the unrealized gains on non-current assets.
2. Segment profit is reconciled with operating profit in the consolidated statement of income.
3. The negative ¥985 million reconciliation in depreciation and amortization is an adjustment related to intersegment transactions.

For the year ended March 31, 2021

(Unit: Millions of yen)

	Reportable segment						Adjustments (Note 1)	Consolidated (Note 2)
	Japan	Americas	EMEA	China	Asia Pacific	Total		
Sales								
Sales to external customers	52,672	61,501	82,854	83,735	24,309	305,073	—	305,073
Intersegment sales	109,313	460	3,994	0	5	113,775	(113,775)	—
Total	161,986	61,961	86,849	83,735	24,315	418,848	(113,775)	305,073
Segment profit	30,434	2,512	10,085	5,066	2,134	50,233	1,559	51,792
Financial income	—	—	—	—	—	—	—	420
Financial expenses	—	—	—	—	—	—	—	866
Share of profit (loss) on equity method	—	—	—	—	—	—	—	(3,083)
Foreign exchange gain (loss)	—	—	—	—	—	—	—	(230)
Profit before tax	—	—	—	—	—	—	—	48,033
Income tax expenses	—	—	—	—	—	—	—	14,930
Profit	—	—	—	—	—	—	—	33,103
Other								
Depreciation and amortization (Note 3)	13,750	3,889	4,809	930	3,049	26,429	(854)	25,575

Notes:

1. Segment profit adjustments of ¥1,559 million include ¥1,279 million for the unrealized gains on inventories, and ¥286 million for the unrealized gains on non-current assets.
2. Segment profit is reconciled with operating profit in the consolidated statement of income.
3. The negative ¥854 million reconciliation in depreciation and amortization is an adjustment related to intersegment transactions.

### 3. Per-share information

The basis for calculating basic profit per share and diluted profit per share is as follows.

	Year ended March 31, 2020	Year ended March 31, 2021
Basis for calculating basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	34,883	33,142
Profit not attributable to common stock shareholders of the parent (Millions of yen)	—	—
Profit used in calculating basic earnings per share (Millions of yen)	34,883	33,142
Average number of common stock shares during the period (Thousands of shares)	208,755	208,905
Basis for calculating diluted earnings per share		
Profit used in calculating basic earnings per share (Millions of yen)	34,883	33,142
Profit adjustment (Millions of yen)	—	—
Profit used in calculating diluted earnings per share (Millions of yen)	34,883	33,142
Average number of common stock shares during the period (Thousands of shares)	208,755	208,905
Effect of dilutive shares (Thousands of shares)	217	347
Average number of common stock shares after adjustment for dilution (Thousands of shares)	208,973	209,253
Overview of issuable shares not included in the calculation of diluted net income per share as they have no dilutive effect	Stock options resolved by the Managing Board on August 28, 2019 (91,890 stock acquisition rights)	—

### 4. Significant subsequent event

Not applicable