

**Summary of Consolidated Financial Results [ IFRS ]  
for the First Six Months of the Fiscal Year Ending March 31, 2024**

November 8, 2023

Listed company name	:	Sysmex Corporation
Code	:	6869
Listed stock exchanges	:	Tokyo Stock Exchange
URL	:	www.sysmex.co.jp/en
Company representative	:	Kaoru Asano, President
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Scheduled date for filing of quarterly report	:	November 10, 2023
Scheduled date for dividend payment	:	December 4, 2023
Preparation of supplementary material for quarterly earnings	:	Yes
Holding of earnings announcement	:	Yes

(Unit: Millions of Yen)

**1. Results for the First Six Months of the Fiscal Year Ending March 31, 2024**

(1) Operating results

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

	Net Sales		Operating profit		Profit before tax		Profit	
Six months ended Sep. 30, 2023	212,698	9.6%	33,824	2.0%	33,300	(3.6)%	22,154	(7.4)%
Six months ended Sep. 30, 2022	194,022	15.0%	33,150	(0.3)%	34,546	9.2%	23,921	9.6%

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share (Yen)	Diluted earnings per share (Yen)
Six months ended Sep. 30, 2023	22,186	(7.5)%	40,201	2.1%	106.01	105.96
Six months ended Sep. 30, 2022	23,989	9.4%	39,366	73.2%	114.66	114.61

(2) Financial condition

	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent to total assets
As of Sep. 30, 2023	557,834	420,122	419,526	75.2%
As of Mar. 31, 2023	531,074	388,356	387,665	73.0%

**2. Dividend**

	Dividend per share				
	First quarter (Yen)	Second quarter (Yen)	Third quarter (Yen)	Year-end (Yen)	Annual (Yen)
Year ended Mar. 31, 2023	—	40.00	—	42.00	82.00
Year ending Mar. 31, 2024	—	42.00			
Year ending Mar. 31, 2024 (Forecast)			—	42.00	84.00

Note: Revision of dividends forecast for this period: No

**3. Financial Forecast for the Year Ending March 31, 2024**

(% 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)
Year ending Mar. 31, 2024	460,000	12.1%	83,000	12.7%	78,000	13.5%	52,000	13.6%	248.46

Note: Revision of financial forecast for this period: No

#### 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):  
209,751,792 shares as of Sep. 2023; 209,693,992 shares as of Mar. 31, 2023
  - 2) Number of treasury stock at the end of each fiscal period:  
447,556 shares as of Sep. 30, 2023; 447,492 shares as of Mar. 31, 2023
  - 3) Average number of outstanding stock for each period (cumulative):  
209,281,883 shares for the six months ended Sep. 30, 2023  
209,218,108 shares for the six months ended Sep. 30, 2022

Note: Quarterly summaries of financial results are excluded from quarterly reviews.

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

1. Basic earnings per share have been revised from the figures indicated in the consolidated financial forecast announced on May 11, 2023, in accordance with changes in the number of shares of outstanding stock and treasury stock. No other figures in the financial forecast have been revised.
2. 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 “3) Consolidated financial forecast” within “1. Qualitative information on quarterly financial results” on page 5 of the attachment to this document for cautionary statements concerning the conditions and performance forecasts that serve as the basis for these forecasts.
3. Supplementary financial materials (in Japanese and English) will be posted on the Sysmex website on Wednesday, November 8, 2023.

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## 1. Qualitative information on quarterly financial results

### 1) Operating performance analysis

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

In the first six months of the fiscal year ending March 31, 2024, the Japanese economy continued showing signs of a gradual recovery as normal economic activity resumed. However, the outlook remains uncertain due to continued high resource and energy prices, exchange rate fluctuations, and other factors. Overseas, the U.S. and European economies are slowing down due to high prices and monetary tightening, and although the Chinese economy saw a temporary recovery due to the government's lifting of its zero-COVID policy, the situation there remains uncertain due to sluggish domestic demand and slow export growth.

On the healthcare front, in Japan demand is rising in the medical and healthcare fields against the backdrop of an aging population and diversifying health and medical needs. The Japanese Government has positioned 'next-generation healthcare' as one of its growth strategies, and these fields are expected to remain active. Looking overseas, aging populations in developed countries and economic growth in emerging markets are causing healthcare demand to increase and prompting higher levels of healthcare quality and service enhancements. At the same time, rapid advances in the application of artificial intelligence, information and communications technology, and other leading-edge technologies to the healthcare sector are expected to continue providing opportunities for growth.

Against this backdrop, Sysmex expanded its Global Business Partnership Agreement (GBPA) with Roche Diagnostics International Ltd. ("Roche") with the purposes of addressing long-term issues in providing additional value to customers in laboratories and realizing a sustainable society. The expanded GBPA includes the renewal of the non-exclusive Total Laboratory Solution Collaboration Agreement concerning projects in which customers desire to purchase products for clinical chemistry, immunochemistry, and hematology testing from one vendor, as well as the addition of the Eco-Social Collaboration Agreement to begin considering collaborative themes for addressing social issues. Going forward, Sysmex will endeavor to continue providing high-value products and services that exceed customer expectations, while creating new value toward solving social issues, through collaboration with Roche over the medium- to long-term, which involves sharing their individual management resources and complementing supply chains.

In the immunochemistry field, following the launch in Japan of a test to measure amyloid beta (A $\beta$ ) in small amounts of blood, Sysmex began supplying reagents for a U.S.-based LDT\*<sup>1</sup> to a large commercial lab in the United States. Following approval in Japan, going forward we will promote efforts to obtain regulatory approval for this reagent as an in vitro diagnostic product in other overseas markets.

In the area of genetic testing in the life science field, the PrismGuide™ IRD Panel System received approval for insurance coverage in Japan as the country's first gene panel testing\*<sup>2</sup> system for inherited retinal dystrophy (IRD)\*<sup>3</sup>. The system provides useful information for identifying the causative genes for IRD by obtaining a comprehensive genomic profile\*<sup>4</sup> from the blood of IRD patients or patients suspected of having IRD. The severity and progression of symptoms for IRD vary depending on the causative gene. If a treatment plan is determined based on an identified causative gene, a support plan for low vision care\*<sup>5</sup> is mapped out, and genetic counseling\*<sup>6</sup> is provided; the quality of life of patients and their families will be enhanced significantly, as they may be able to not only start to receive appropriate treatment as soon as possible, but also prepare themselves for life events such as entering school or employment, taking into consideration their risk of developing IRD or predicting a progression of its symptoms.

In addition, the OncoGuide™ NCC Oncopanel System has been covered by health insurance in Japan as a companion diagnostic for the molecularly targeted drug futibatinib\*<sup>7</sup> in biliary tract cancer\*<sup>8</sup>. Futibatinib was developed by Taiho Pharmaceutical Co., Ltd. Accordingly, Sysmex subsidiary Riken Genesis began providing assay services for this insurance-covered testing under quality assurance in accordance with international standards in September 2023. This enables the identification of eligibility for futibatinib under insurance coverage and is expected to provide a new treatment option for patients with biliary tract cancer in the future.

Finally, in the medical robotics business, Sysmex, as the global distributor, continued to market hinotori™ to medical institutions in Japan. (The hinotori Surgical Robot System is the made-in-Japan robotic-assisted surgery system.) We are working with Medicaroid Corporation, a joint venture between Sysmex and Kawasaki Heavy Industry, Ltd., to obtain regulatory approval overseas, and we will begin introducing the system in overseas markets, as well. In July 2023, sales of an upgraded model with a "hand clutch function" was launched that allows hand operation in addition to the foot pedal at the clutch operation that disconnects the connection between the surgical operation and the

forceps operation.

In overseas, Medcaroid Corporation and Medcaroid Asia Pacific Pte. Ltd. received approval for hinotori from Singapore's Health Sciences Authority on September 13, 2023. Going forward, we will continue to cooperate with Medcaroid's regulatory application efforts overseas in the aim of steadily introducing products in overseas markets.

\*1 LDT:

A laboratory developed test (LDT) is a type of in vitro diagnostic test that is designed, manufactured, and used within a single laboratory.

\*2 Gene panel testing:

A testing method for simultaneously detecting mutations of several related genes.

\*3 Inherited retinal dystrophy (IRD):

A hereditary progressive disease, presumed to be caused by a gene mutation, and including Retinitis Pigmentosa (RP), macular dystrophy, and Usher syndrome, which are designated in Japan as intractable diseases. Several diseases that present similar symptoms are collectively referred to as IRD. The main symptoms include night blindness (difficulty seeing in dim light), tunnel vision (a narrowing field of vision), and progressive loss of vision, which can lead to complete blindness in severe cases.

\*4 Comprehensive genome profiles:

Information obtained by simultaneously analyzing mutations of multiple genes of significance to diagnosis.

\*5 Low vision care:

A generic term for support to those who experience any difficulties in their daily lives due to vision problems, meaning a wide range of support types, from medical to educational, vocational, social, welfare, and psychological care.

\*6 Genetic counseling:

According to the Japan Medical Association, genetic counseling is a process that helps people adapt to diseases involving genes based on an understanding of their medical, psychological, and familial implications. Such counseling is provided to promote informed choices (knowledge-based decision making) for, and adaption to, relevant risks and conditions.

\*7 Futibatinib:

A novel oral anticancer drug, developed by Taiho Pharmaceutical, that inhibits the proliferation of cancer cells by blocking the function of genetically abnormal proteins known as fibroblast growth factor receptors (FGFRs). In September 2022, the drug received accelerated approval in the US for the treatment of adult patients with previously treated, unresectable, locally advanced, or metastatic intrahepatic cholangiocarcinoma (iCCA) harboring *FGFR2* gene fusions or other rearrangements. In July 2023, it received conditional marketing authorization in Europe for the treatment of adult patients with locally advanced or metastatic cholangiocarcinoma (CCA) with a *FGFR2* fusion or rearrangement that have progressed after at least one prior line of systemic therapy.

\*8 Biliary tract cancer:

A generic term for cancers that develop in the biliary tract, which are classified as bile duct cancer (including intrahepatic cholangiocarcinoma, which occurs in the bile ducts within the liver), gallbladder cancer, or papillary carcinoma, depending on their primary sites.

Net sales by destination

	Six months ended Sep. 30, 2022		Six months ended Sep. 30, 2023		YoY (Previous period = 100)
	Amount (Millions of yen)	Percentage of total (%)	Amount (Millions of yen)	Percentage of total (%)	
Japan	28,792	14.9	27,668	13.0	96.1
Americas	50,262	25.9	57,209	26.9	113.8
EMEA	55,178	28.4	60,474	28.4	109.6
China	42,865	22.1	47,514	22.4	110.8
Asia Pacific	16,923	8.7	19,831	9.3	117.2
Overseas subtotal	165,229	85.1	185,030	87.0	112.0
Total	194,022	100.0	212,698	100.0	109.6

In Japan, instrument sales rose in the hematology and urinalysis fields, while sales of immunochemistry reagents fell due to a decline in demand for testing related to COVID-19. Also, in the medical robotics business, sales of instruments decreased. As a result, sales in Japan declined 3.9% year on year, to ¥27,668 million.

Overseas, sales of instruments, reagents and maintenance services increased in the hematology field. This factor, plus ongoing yen depreciation, caused overseas Group sales to rise 12.0% year on year, to ¥185,030 million. The overseas sales ratio rose 1.9 percentage point, to 87.0%.

Selling, general and administrative (SG&A) expenses expanded 18.1%, to ¥62,591 million, owing to the resumption of sales and service activities that had been constrained in some regions in the same period of the previous year due to the pandemic.

As a result, during the first six months of the fiscal year ending March 31, 2024, the Group recorded consolidated net sales of ¥212,698 million, up 9.6% year on year. Operating profit was up 2.0%, to ¥33,824 million; profit before tax decreased 3.6%, to ¥33,300 million, and profit attributable to owners of the parent declined by 7.5%, to ¥22,186 million.

#### Performance by segment

##### (1) Japan

In Japan, instrument sales rose in the hematology and urinalysis fields, while sales of immunochemistry reagents fell due to a decline in demand for testing related to COVID-19. Also, in the medical robotics business, sales of instruments decreased. As a result, sales in Japan declined 3.9% year on year, to ¥29,761 million.

On the profit front, the cost of sales ratio improved, but performance was affected by higher SG&A expenses, reducing segment profit (operating profit) 5.4%, to ¥22,591 million.

##### (2) Americas

In North America, sales of instruments, reagents and maintenance services increased in the hematology and urinalysis fields. In Central and South America, sales of instruments and reagents rose in the hematology and urinalysis fields. As a result, overall sales in the Americas grew 14.7% year on year, to ¥54,242 million.

Segment profit (operating profit) soared 220.6%, to ¥4,133 million, as higher sales and the cost of sales ratio improved, despite higher SG&A expenses.

##### (3) EMEA

Sales of reagents and maintenance services increased in the hematology field, and sales of instruments and reagents expanded in the life science field. Accordingly, sales in the EMEA region grew 9.6% year on year, to ¥61,488 million.

Segment profit (operating profit) fell 51.3%, to ¥2,980 million, owing to deterioration in the cost of sales ratio and higher SG&A expenses.

##### (4) China

In China, against the backdrop of a recovery in testing demand and the contributions from the localization of production, sales of hematology instruments and reagents increased, as did sales of urinalysis and immunochemistry reagents, pushing up sales for the region 10.8% year on year, to ¥47,450 million.

The cost of sales ratio deteriorated and SG&A expenses increased, causing segment profit (operating profit) to fall 8.8% year on year, to ¥3,921 million.

##### (5) Asia Pacific

Sales of hematology instruments, reagents and maintenance services expanded, as did sales of immunochemistry reagents. As a result, sales in the Asia Pacific region rose 17.4% year on year, to ¥19,755 million.

Segment profit (operating profit) grew 20.0%, to ¥3,026 million, despite higher SG&A expenses, due to increased sales and an improved cost of sales ratio.

## 2) Financial conditions analysis

### (1) Financial conditions

As of September 30, 2023, total assets amounted to ¥557,834 million, up ¥26,759 million from March 31, 2023. As main factors, trade and other receivables grew ¥3,569 million, inventories rose ¥7,214 million, property, plant and equipment expanded ¥7,317 million, and intangible assets were up ¥4,512 million.

Meanwhile, total liabilities as of September 30, 2023 were ¥137,711 million, down ¥5,006 million from March 31, 2023. Principal decreases included trade and other payables, which down ¥4,120 million, income taxes payable, which fell ¥3,105 million, and accrued bonuses, which decreased ¥2,234 million.

Total equity came to ¥420,122 million, up ¥31,766 million from March 31, 2023. Among

principal reasons, other components of equity rose ¥18,046 million. Equity attributable to owners of the parent to total assets amounted to 75.2% on September 30, 2023, up 2.2 percentage points from 73.0% on March 31, 2023.

## (2) Cash flows

As of September 30, 2023, cash and cash equivalents amounted to ¥68,608 million, down ¥851 million from March 31, 2023.

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

### (Cash flows from operating activities)

Net cash provided by operating activities was ¥30,671 million, up ¥2,401 million from the same period of the previous fiscal year. As principal factors, profit before tax provided ¥33,300 million (¥1,246 million less than in the preceding year), depreciation and amortization provided ¥17,075 million (up ¥1,634 million), a decrease in trade receivables provided ¥3,112 million (down ¥7,974 million), while income taxes paid amounted to 15,276 million (up ¥1,786 million).

### (Cash flows from investing activities)

Net cash used in investing activities was ¥23,502 million (down ¥2,329 million). Among major factors, purchase of investments in equity instruments used ¥273 million (down ¥4,807 million), while purchases of property, plant and equipment used ¥10,552 million (up ¥3,428 million) and purchases of intangible assets used ¥11,659 million (up ¥867 million).

### (Cash flows from financing activities)

Net cash used in financing activities was ¥12,809 million (up ¥863 million). This was mainly due to dividends paid of ¥8,788 million (up ¥629 million) and ¥4,374 million in repayments of lease liabilities (up ¥469 million).

## 3) Consolidated financial forecast

The Company maintains its consolidated financial forecasts, as announced on May 11, 2023.

These forecasts are based on information available as of the date of this release. Actual results may differ materially from these forecast due to unforeseen factors and future events.

## 2. Condensed quarterly consolidated financial statements and notes

### 1) Condensed quarterly consolidated statement of financial position

(Unit: Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Assets		
Current assets		
Cash and cash equivalents	69,460	68,608
Trade and other receivables	126,319	129,889
Inventories	73,310	80,525
Other short-term financial assets	875	961
Income taxes receivable	600	847
Other current assets	24,924	26,478
Total current assets	295,491	307,311
Non-current assets		
Property, plant and equipment	102,106	109,423
Goodwill	16,842	18,026
Intangible assets	73,530	78,042
Investments accounted for using the equity method	92	78
Trade and other receivables	17,895	19,611
Other long-term financial assets	9,777	11,163
Asset for retirement benefits	614	657
Other non-current assets	3,842	4,045
Deferred tax assets	10,880	9,473
Total non-current assets	235,583	250,523
Total assets	531,074	557,834



(Unit: Millions of yen)

	As of March 31, 2023	As of September 30, 2023
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	31,678	27,558
Lease liabilities	7,149	8,312
Other current financial liabilities	3,537	3,048
Income taxes payable	14,662	11,556
Provisions	1,123	1,161
Contract liabilities	14,469	14,858
Accrued expenses	18,772	20,435
Accrued bonuses	11,360	9,126
Other current liabilities	8,348	7,520
Total current liabilities	111,102	103,579
Non-current liabilities		
Lease liabilities	15,442	17,549
Other non-current financial liabilities	305	172
Liability for retirement benefits	1,959	2,149
Provisions	398	646
Other non-current liabilities	7,059	9,031
Deferred tax liabilities	6,450	4,584
Total non-current liabilities	31,615	34,132
Total liabilities	142,718	137,711
Equity		
Equity attributable to owners of the parent		
Capital stock	14,282	14,550
Capital surplus	20,580	20,728
Retained earnings	334,192	347,590
Treasury stock	(314)	(315)
Other components of equity	18,925	36,972
Total equity attributable to owners of the parent	387,665	419,526
Non-controlling interests	690	596
Total equity	388,356	420,122
Total liabilities and equity	531,074	557,834

## 2) Condensed quarterly consolidated statement of income

(Unit: Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Net sales	194,022	212,698
Cost of sales	95,483	101,684
Gross profit	98,538	111,014
Selling, general and administrative expenses	52,982	62,591
Research and development expenses	14,528	15,012
Other operating income	2,588	861
Other operating expenses	465	447
Operating profit	33,150	33,824
Financial income	434	582
Financial expenses	934	963
Share of profit (loss) of associates accounted for using the equity method	(1,289)	(1,495)
Foreign exchange gain (loss)	3,185	1,351
Profit before tax	34,546	33,300
Income taxes expenses	10,624	11,145
Profit	23,921	22,154
Profit attributable to		
Owners of the parent	23,989	22,186
Non-controlling interests	(68)	(32)
Profit	23,921	22,154
		(Unit: Yen)
Earnings per share		
Basic	114.66	106.01
Diluted	114.61	105.96

## 3) Condensed quarterly consolidated statement of comprehensive income

(Unit: Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Profit	23,921	22,154
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	107	508
Total	107	508
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	15,322	17,529
Share of other comprehensive income of investments accounted for using the equity method	15	8
Total	15,337	17,538
Total other comprehensive income	15,444	18,046
Comprehensive income	39,366	40,201
Comprehensive income attributable to		
Owners of the parent	39,434	40,233
Non-controlling interests	(68)	(32)
Comprehensive income	39,366	40,201

4) Condensed quarterly consolidated statement of changes in equity  
Six months ended September 30, 2022

(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, 2022	14,112	20,483	305,710	(312)	8,309	348,303	750	349,053
Profit	—	—	23,989	—	—	23,989	(68)	23,921
Other comprehensive income	—	—	—	—	15,444	15,444	0	15,444
Comprehensive income	—	—	23,989	—	15,444	39,434	(68)	39,366
Exercise of warrants	82	46	—	—	—	129	—	129
Cash dividends	—	—	(8,159)	—	—	(8,159)	—	(8,159)
Purchase of treasury stock	—	—	—	(0)	—	(0)	—	(0)
Changes due to acquisition of control of a subsidiary	—	—	—	—	—	—	—	—
Changes due to loss of control of a subsidiary	—	—	—	—	—	—	—	—
Total transactions with the owners	82	46	(8,159)	(0)	—	(8,030)	—	(8,030)
As of September 30, 2022	14,194	20,530	321,540	(313)	23,754	379,707	681	380,388

Six months ended September 30, 2023

(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, 2023	14,282	20,580	334,192	(314)	18,925	387,665	690	388,356
Profit	—	—	22,186	—	—	22,186	(32)	22,154
Other comprehensive income	—	—	—	—	18,046	18,046	0	18,046
Comprehensive income	—	—	22,186	—	18,046	40,233	(32)	40,201
Exercise of warrants	268	153	—	—	—	421	—	421
Cash dividends	—	—	(8,788)	—	—	(8,788)	—	(8,788)
Purchase of treasury stock	—	—	—	(0)	—	(0)	—	(0)
Changes due to acquisition of control of a subsidiary	—	(5)	—	—	—	(5)	(62)	(67)
Changes due to loss of control of a subsidiary	—	—	—	—	—	—	(0)	(0)
Total transactions with the owners	268	147	(8,788)	(0)	—	(8,372)	(62)	(8,435)
As of September 30, 2023	14,550	20,728	347,590	(315)	36,972	419,526	596	420,122

## 5) Condensed quarterly consolidated statement of cash flows

(Unit: Millions of yen)

	Six months ended September 30, 2022	Six months ended September 30, 2023
Cash flows from operating activities		
Profit before tax	34,546	33,300
Depreciation and amortization	15,440	17,075
Share of loss (profit) of associates accounted for using the equity method	1,289	1,495
Decrease (increase) in trade receivable	11,087	3,112
Decrease (increase) in advance payments	(873)	(732)
Decrease (increase) in inventories	(9,828)	(3,617)
Increase (decrease) in trade payable	(1,146)	252
Increase (decrease) in accounts payable— other	(2,869)	(2,568)
Increase (decrease) in contract liabilities	13	(1,146)
Increase (decrease) in accrued expenses	(1,367)	556
Decrease/increase in consumption taxes receivable/payable	3,695	2,897
Increase (decrease) in accrued bonuses	(3,013)	(2,612)
Other—net	(4,987)	(1,776)
Subtotal	41,987	46,238
Interest and dividend received	267	264
Interest paid	(494)	(555)
Income taxes paid	(13,490)	(15,276)
Net cash provided by (used in) operating activities	28,269	30,671
Cash flows from investing activities		
Purchases of property, plant and equipment	(7,123)	(10,552)
Purchases of intangible assets	(10,791)	(11,659)
Payments resulting in an increase in long- term prepaid expenses	(253)	(294)
Purchases of investments in equity instruments	(5,081)	(273)
Acquisitions of subsidiaries or other businesses	(2,984)	(621)
Payments into time deposits	(571)	(817)
Proceeds from withdrawal of time deposits	536	852
Other—net	438	(135)
Net cash provided by (used in) investing activities	(25,831)	(23,502)
Cash flows from financing activities		
Exercise of warrants	129	421
Dividends paid	(8,159)	(8,788)
Repayments of lease liabilities	(3,904)	(4,374)
Other—net	(11)	(68)
Net cash provided by (used in) financing activities	(11,946)	(12,809)
Effects of exchange rate changes on cash and cash equivalents	4,975	4,788
Net increase (decrease) in cash and cash equivalents	(4,533)	(851)
Cash and cash equivalents at the beginning of the term	73,752	69,460
Cash and cash equivalents at the end of the term	69,219	68,608

6) Notes to the condensed quarterly 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

Six months ended September 30, 2022

(Unit: Millions of yen)

	Reportable segment						Adjustments (Note 1)	Consolidated (Note 2)
	Japan	Americas	EMEA	China	Asia Pacific	Total		
Sales								
Sales to external customers	30,966	47,302	56,108	42,819	16,824	194,022	—	194,022
Intersegment sales	67,869	256	2,353	14	12	70,507	(70,507)	—
Total	98,836	47,558	58,462	42,834	16,837	264,529	(70,507)	194,022
Segment profit (loss)	23,878	1,289	6,117	4,300	2,521	38,107	(4,956)	33,150
Financial income	—	—	—	—	—	—	—	434
Financial expenses	—	—	—	—	—	—	—	934
Share of profit (loss) of associates accounted for using the equity method	—	—	—	—	—	—	—	(1,289)
Foreign exchange gain (loss)	—	—	—	—	—	—	—	3,185
Profit before tax	—	—	—	—	—	—	—	34,546
Income taxes expenses	—	—	—	—	—	—	—	10,624
Profit	—	—	—	—	—	—	—	23,921

Notes:

1. Segment profit (loss) adjustments of negative ¥4,956 million include negative ¥4,911 million for the unrealized gains on inventories and negative ¥24 million for the unrealized gains on non-current assets.
2. Segment profit (loss) is adjusted to coincide with operating profit in the condensed quarterly consolidated statement of income.

Six months ended September 30, 2023

(Unit: Millions of yen)

	Reportable segment						Adjustments (Note 1)	Consolidated (Note 2)
	Japan	Americas	EMEA	China	Asia Pacific	Total		
Sales								
Sales to external customers	29,761	54,242	61,488	47,450	19,755	212,698	—	212,698
Intersegment sales	70,763	48	2,345	126	—	73,284	(73,284)	—
Total	100,524	54,291	63,834	47,577	19,755	285,983	(73,284)	212,698
Segment profit (loss)	22,591	4,133	2,980	3,921	3,026	36,653	(2,828)	33,824
Financial income	—	—	—	—	—	—	—	582
Financial expenses	—	—	—	—	—	—	—	963
Share of profit (loss) of associates accounted for using the equity method	—	—	—	—	—	—	—	(1,495)
Foreign exchange gain (loss)	—	—	—	—	—	—	—	1,351
Profit before tax	—	—	—	—	—	—	—	33,300
Income taxes expenses	—	—	—	—	—	—	—	11,145
Profit	—	—	—	—	—	—	—	22,154

Notes:

1. Segment profit (loss) adjustments of negative ¥2,828 million include negative ¥2,489 million for the unrealized gains on inventories and negative ¥248 million for the unrealized gains on non-current assets.
2. Segment profit (loss) is adjusted to coincide with operating profit in the condensed quarterly consolidated statement of income.