November 9, 2022
Sysmex Corporation

# Announcement Regarding Differences between Actual and Forecast Figures for the Six Months Ended September 30, 2022, and Revision of Full-Year Financial Forecasts

Sysmex Corporation announces that actual financial results during the six months ended September 30, 2022, differed in some respects from the forecast announced on May 12, 2022. In addition, Sysmex has revised its financial forecast for the full fiscal year ending March 31, 2023. These differences are described below.

1. Differences between Actual and Forecast of Consolidated Financial Results for the Six Months Ended September 30, 2022 (April 1, 2022 to September 30, 2022)

(Millions of yen, unless otherwise stated)

| | Net sales | Operating profit | Profit before tax | Profit attributable to owners of the parent | Basic earnings per share (Yen) |
|---|---|---|---|---|---|
| Previous forecast (A) | 193,000 | 38,000 | 36,300 | 25,000 | 119.50 |
| Actual results (B) | 194,022 | 33,150 | 34,546 | 23,989 | 114.66 |
| Difference (B–A) | 1,022 | (4,849) | (1,753) | (1,010) | — |
| Rate of change (%) | 0.5% | (12.7)% | (4.8)% | (4.0)% | — |
| (Reference) results for the six months ended September 30, 2021 | 168,753 | 33,251 | 31,628 | 21,924 | 104.90 |

2. Revised Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

(Millions of yen, unless otherwise stated)

| | Net sales | Operating profit | Profit before tax | Profit attributable to owners of the parent | Basic earnings per share (Yen) |
|---|---|---|---|---|---|
| Previous forecast (A) | 410,000 | 76,000 | 72,500 | 50,000 | 238.99 |
| Revised forecast (B) | 420,000 | 77,000 | 74,500 | 51,000 | 243.76 |
| Difference (B–A) | 10,000 | 1,000 | 2,000 | 1,000 | — |
| Rate of change (%) | 2.4% | 1.3% | 2.7% | 2.0% | — |
| (Reference) results for the year ended March 31, 2022 | 363,780 | 67,416 | 64,346 | 44,093 | 210.88 |

3. Reasons for the Differences and Revision

Consolidated net sales outpaced our previous forecast in the first six months of the fiscal year ending March 31, 2023. Although there was an influence of lockdowns and other factors in the China region, sales in the Americas, EMEA and Asia Pacific regions were solid, due to, but not limited to, foreign exchange rates that reflected greater-than-expected yen depreciation. On the profit front, despite the efforts to curtail SG&A expenses, operating profit, profit before tax and profit attributable to owners of the parent were lower than initially forecast because of the cost of sales which was higher than expected, due to increased raw materials prices and shipping costs by global inflation.

The results for the previous fiscal year, which are shown for reference, reflect the retroactive application of changes in the accounting treatment of cloud computing contracts made in the previous fiscal year.

As for our forecast for the fiscal year ending March 31, 2023, although there are uncertainties such as geopolitical risks and risk of resurgence of COVID-19, we expect that sales will remain robust and greater-than-expected yen depreciation will continue. For these reasons, we have revised upward our net sales forecast. Also we have revised upward our forecasts for operating profit, profit before tax and profit attributable to owners of the parent, as we continue to curtail cost of sales and SG&A expenses while the influence of global inflation is expected to remain.

We have revised our foreign exchange assumptions used for calculating financial forecasts from the third quarter onward from our initial assumptions of USD1.00 = JPY120, EUR1.00 = JPY130 and CNY1.00 = JPY18 to USD1.00 = JPY145, EUR1.00 = JPY142 and CNY1.00 = JPY20.

Note: The forecasts above were made based on information available on the day of this release. Actual results may therefore differ materially from those described above due to various unforeseen factors and possible events in the future.