

Financial Overview and Corporate Overview

Consolidated Financial Data (10 Years)

| Japanese GAAP | | (¥ billion) | IFRS | |
|--|--------|-------------|--|--------|
| (Fiscal years) | 2014 | 2015 | (Fiscal years) | 2015 |
| For the year: | | | For the year: | |
| Net sales | 221.3 | 253.1 | Net sales | 252.6 |
| Operating income | 44.4 | 56.9 | Operating profit | 60.7 |
| Net income ¹ | 26.6 | 36.2 | Profit attributable to owners of the parent | 39.2 |
| Capital expenditure ² | 17.3 | 19.9 | Capital expenditure ² | 21.4 |
| Depreciation | 11.2 | 12.2 | Depreciation and amortization | 12.1 |
| R&D expenses | 14.6 | 17.7 | R&D expenses | 15.4 |
| Net cash provided by (used in) operating activities | 38.6 | 39.5 | Net cash provided by (used in) operating activities | 41.7 |
| Net cash provided by (used in) investing activities | (19.5) | (21.6) | Net cash provided by (used in) investing activities | (23.8) |
| Net cash provided by (used in) financing activities | (7.5) | (8.7) | Net cash provided by (used in) financing activities | (8.7) |
| At year-end: | | | At year-end: | |
| Total assets | 247.9 | 267.6 | Total assets | 263.9 |
| Cash and cash equivalents, end of year | 50.2 | 56.4 | Cash and cash equivalents, end of year | 56.4 |
| Total equity | 169.5 | 188.0 | Total equity | 182.8 |
| Interest-bearing liabilities | 0.7 | 1.3 | Interest-bearing liabilities | 1.3 |
| Per share data: | | | Per share data: | |
| Equity (yen) ³ | 270.79 | 299.83 | Equity attributable to owners of the parent ³ (yen) | 293.11 |
| Net income (basic) ³ (yen) | 42.83 | 58.14 | Profit attributable to owners of the parent (basic) ³ (yen) | 63.03 |
| Net income (diluted) ³ (yen) | 42.67 | 57.90 | Profit attributable to owners of the parent (diluted) ³ (yen) | 62.77 |
| Cash dividends applicable to the year ³ (yen) | 12.67 | 17.33 | Cash dividends applicable to the year ³ (yen) | 17.33 |
| Dividend payout ratio (%) | 29.6 | 29.8 | Dividend payout ratio (%) | 27.5 |
| Other data: | | | Other data: | |
| Operating margin (%) | 20.1 | 22.5 | Operating margin (%) | 24.0 |
| Overseas sales ratio (%) | 81.7 | 84.3 | Overseas sales ratio (%) | 84.2 |
| Equity ratio (%) | 68.0 | 69.9 | Equity ratio (%) | 69.3 |
| Return on equity (ROE) (%) | 17.0 | 20.4 | Return on equity (ROE) (%) | 23.1 |
| Return on assets (ROA) ⁴ (%) | 11.6 | 14.1 | Return on assets (ROA) ⁵ (%) | 15.7 |
| Number of employees (Including part-time and other employees) | 6,742 | 7,446 | Number of employees (Including part-time and other employees) | 7,446 |
| Exchange rates: | | | Exchange rates: | |
| US dollars (yen) | 109.9 | 120.1 | US dollars (yen) | 120.1 |
| Euros (yen) | 138.8 | 132.6 | Euros (yen) | 132.6 |
| Chinese Yuan (yen) | 17.8 | 18.9 | Chinese Yuan (yen) | 18.9 |

1. Figures shown for fiscal 2015 is "net income attributable to owners of the parent."
2. Including tangible and intangible items
3. Dividend (actual) converted to post-split basis. As of April 1, 2024 (Three-for-one stock split).
4. ROA = Net income attributable to owners of the parent/total assets (yearly average)×100

| | | | | | | | | (¥ billion) |
|--------|--------|--------|----------------------|----------------------|--------|--------|--------|-------------|
| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | |
| 249.8 | 281.9 | 293.5 | 301.9 | 305.0 | 363.7 | 410.5 | 461.5 | |
| 51.7 | 59.0 | 61.2 | 55.2 | 50.0 ^{*7} | 67.4 | 73.6 | 78.3 | |
| 40.6 | 39.2 | 41.2 | 34.8 | 31.9 ^{*7} | 44.0 | 45.7 | 49.6 | |
| 19.3 | 24.9 | 30.2 | 27.1 | 25.7 | 33.2 | 42.0 | 50.8 | |
| 12.3 | 14.6 | 15.8 | 23.9 | 25.5 | 27.4 | 31.8 | 35.8 | |
| 15.5 | 16.7 | 19.5 | 21.7 | 22.5 | 26.7 | 31.0 | 31.4 | |
| 32.8 | 52.2 | 44.7 | 53.1 ^{*6} | 56.8 ^{*7} | 58.7 | 68.8 | 63.9 | |
| (19.4) | (37.8) | (40.1) | (25.9) | (29.1) ^{*7} | (35.0) | (51.7) | (54.9) | |
| (10.8) | (11.5) | (14.0) | (20.5) ^{*6} | (20.2) | (20.5) | (24.2) | (9.0) | |
| 279.8 | 321.9 | 346.7 | 389.2 ^{*6} | 424.8 ^{*7} | 483.7 | 531.0 | 618.9 | |
| 57.9 | 61.4 | 51.0 | 56.5 | 66.4 | 73.7 | 69.4 | 75.5 | |
| 210.2 | 241.4 | 265.1 | 278.3 | 306.0 ^{*7} | 349.0 | 388.3 | 432.8 | |
| 1.1 | 0.9 | 0.8 | 23.1 ^{*6} | 22.5 | 22.8 | 23.5 | 56.3 | |
| 335.29 | 384.86 | 422.36 | 443.26 | 486.96 ^{*7} | 554.95 | 617.56 | 692.94 | |
| 65.10 | 62.76 | 65.87 | 55.70 | 50.91 ^{*7} | 70.29 | 72.94 | 79.27 | |
| 64.91 | 62.61 | 65.76 | 55.64 | 50.82 ^{*7} | 70.16 | 72.91 | 79.24 | |
| 19.33 | 22.00 | 23.33 | 24.00 | 24.00 | 25.33 | 27.33 | 28.00 | |
| 29.7 | 35.1 | 35.4 | 43.1 | 47.1 ^{*7} | 36.0 | 37.5 | 35.4 | |
| 20.7 | 21.0 | 20.9 | 18.3 | 16.4 ^{*7} | 18.5 | 17.9 | 17.0 | |
| 82.6 | 84.0 | 85.0 | 84.5 | 84.0 | 84.7 | 85.4 | 86.5 | |
| 74.8 | 74.8 | 76.3 | 71.3 | 71.9 ^{*7} | 72.0 | 73.0 | 69.8 | |
| 20.7 | 17.4 | 16.3 | 12.9 | 10.9 ^{*7} | 13.5 | 12.4 | 12.1 | |
| 14.9 | 13.0 | 12.3 | 9.5 | 7.8 ^{*7} | 9.7 | 9.0 | 8.6 | |
| 7,930 | 8,445 | 8,715 | 9,231 | 9,510 | 9,812 | 10,522 | 11,012 | |
| 108.4 | 110.9 | 110.9 | 108.7 | 106.1 | 112.4 | 135.5 | 144.6 | |
| 118.8 | 129.7 | 128.4 | 120.8 | 123.7 | 130.6 | 141.0 | 156.8 | |
| 16.1 | 16.8 | 16.5 | 15.6 | 15.7 | 17.5 | 19.8 | 20.1 | |

5. ROA = Profit attributable to owners of the parent/total assets (yearly average)×100
6. Adopted IFRS 16 (from fiscal 2019)
7. In fiscal 2021, Sysmex changed its accounting policy for configuration or customization costs in cloud computing contracts to recognize costs as expenses when services are received. Accordingly, we have by retroactively adjusted the figures for the fiscal 2020.

Status of Sustainability Targets

| Materiality | | KPI*1 | | Target | | | | Results | | | | | Progress and Future Initiatives |
|---|---|---|--|-------------|-------------|--------------------------|--|-------------|----------------|----------------|----------------|----------------|---|
| | | | | Fiscal 2023 | Fiscal 2025 | Fiscal 2033 (Eco-Vision) | | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 | Fiscal 2022 | Fiscal 2023 | |
| Creating new value for a healthy society | Resolution of medical issues through innovation | Number of hematology tests | Number of CBC tests (based on the number of reagents) | — | — | | | — | — | 2,971 million | 2,977 million | 3,325 million | Looking at market share in fiscal 2023, we saw higher reagent sales in all regions, due to an expansion of the installed instrument base. In Japan, the introduction of new high-end models proceeded well. However, due to the impact of government procurement policies in China, our share of the mid/low-end market temporarily decreased there, resulting in a slight decline compared to the previous year. However, our measures to transfer production to local facilities in China is on track. Installation progressed smoothly, concluding in fiscal 2023 (hematology field). The number of surgeries performed using our robotic-assisted surgery system increased substantially, owing to an increase in the number of units installed and expansion in the types of medical procedures for which the system can be used. The number of cancer genomes analyzed and the number of breast cancer tests using the OSNA method remained at the same level as in the previous fiscal year. The number of patent applications decreased, as we grew more stringent in our selection of patents that would deliver future value and filed more strategic patent combinations. We will continue to monitor the social impact of both our existing diagnostics business and our new medical robotics business. |
| | | Hematology market share*2 | Percentage of consolidated sales to the market size of instruments, reagents, and services in a single year in the field of hematology | — | — | | | 54.7% | 55.6% | 54.6% | 54.0% | 53.0% | |
| | | Number of cases with surgical support robot | Number of cases with surgical robot system (manufactured by Medicaroid Corporation) | — | — | | | — | — | — | 1,323 | 2,903 | |
| | | Number of patents | Total number of patents, utility model rights and design rights obtained | — | — | | | 3,143 | 3,485 | 3,680 | 3,832 | 3,868 | |
| | | Number of new patents | Total number of patents, utility model rights and design rights applied for | — | — | | | 306 | 287 | 298 | 257 | 200 | |
| | | Number of cancer genomes Analyzed*3 | Number of cancer genomes analyzed by the NCC OncoPanel | — | — | | | — | 1.6 thousand | 1.6 thousand | 1.7 thousand | 1.6 thousand | |
| | | Number of breast cancer tests using the OSNA method | Number of breast cancer tests using the OSNA method | — | — | | | — | 46 thousand | 54 thousand | 52 thousand | 52 thousand | |
| | Improvement in accessibility to healthcare | Sales in emerging and developing markets | Consolidated sales in emerging and developing markets | — | — | — | | — | ¥122.0 billion | ¥143.0 billion | ¥156.7 billion | ¥164.6 billion | Sales in emerging markets and developing countries grew by around ¥8.0 billion year on year, due to our enhanced sales and service structure in emerging markets, including India, Brazil, the Middle East, Turkey, and Saudi Arabia. One of our growth strategies is to expand our business in emerging markets, and accordingly we are working to support improvements in accessibility to healthcare and quality. |
| Providing responsible products, services, and solutions | Pursuit of quality and trust | Number of recalls*3 | Number of voluntary recalls/repairs for products sold (instruments and reagents) | — | — | | | — | 4 | 2 | 2 | 2 | In fiscal 2023, we had two recalls, the same number as in the previous fiscal year, without receiving any health hazard reports, and received no FDA warning letters, as in the previous fiscal year. We successfully prevent defective products from entering the market by establishing a system that ensures compliance with the regulations of each country, conducting regular quality audits, timely collecting information from the market through our global quality complaint handling system, and thoroughly investigating the causes of defective products. We will continue our efforts to maintain and improve the safety and quality of our products. |
| | | Number of FDA warning letters | Number of FDA warning letters issued to Sysmex | — | — | | | — | 0 | 0 | 0 | 0 | |
| | Strengthening supply chain management | CSR survey response rate (primary suppliers in Japan and overseas) | Percentage of raw material suppliers that responded to CSR surveys (primary suppliers in Japan and overseas) | 90% | 90% | | | 85% | 89% | 90% | 94% | 95% | The CSR survey response rate for fiscal 2023 was 95%, meeting our 90% target. In addition to working toward improvement of initiatives based on the results of the CSR survey, we conducted six training sessions on CSR survey and BCP response items. We also procurement policy briefings to explain our supply chain management policy and eco-social strategy, which was attended by approximately 250 suppliers. We will continue to promote sustainable procurement and ensure a stable supply of our products and services. |
| | | Number of training sessions for suppliers (Japan)*4 | Number of briefings, training, and other training sessions for domestic suppliers (single year) | 5 | 5 | | | — | 2 | 5 | 5 | 6 | |
| | | Third-party certification rate of suppliers (primary, Japan)*4 | Percentage of primary raw material suppliers (domestic) obtaining third-party certification for manufacturing or product quality | — | — | | | — | 86% | 88% | 86% | 88% | |
| Reducing environmental impacts | Resource circulation in product life cycle | Zero product loss | Unused disposal rate of in-house manufactured goods, raw materials and spare parts (cost/sales percentage) | 0.22% | 0.18% | Less than 0.1% | | — | — | — | — | 0.40% | As part of our efforts towards achieving zero product loss, we have implemented a recycling program for discontinued equipment and parts. However, waste was generated as a result of our discontinuation of supplying hemostasis reagents in Russia. As a result, the rate of unused Sysmex products discarded as waste in fiscal 2023 was 0.4%, falling short of our target. Regarding the adoption of environmentally conscious materials in containers and packaging, we have made progress in the transition to cardboard incorporating recycled paper and reagent boxes made from FSC-certified materials. In fiscal 2023, our rate of use reached 43%, meeting our target. In addition to promoting a modal shift during product shipment and selling products with enhanced energy-saving features, we have succeeded in reducing Scope 3 emissions. In fiscal 2023, we achieved a 4% reduction, meeting our target. We will collaboratively create innovative solutions that will advance the realization of a circular society by taking on the challenge of green innovation with stakeholders and utilizing Sysmex's strengths. |
| | | Recycling of containers and packing and utilization of environment compliance materials | Rate of recycled or environmentally conscious materials used in containers and packaging/labeling materials | 30.0% | 60.0% | 100% | | — | — | — | — | 43% | |
| | | Reduction of greenhouse gas emissions (Scope 3) | Percentage of reduction of greenhouse gas emissions (Scope 3) with FY2022 as the base year | Cut 3% | Cut 10% | Cut 35% | | — | — | — | — | Cut 4% | |
| | | Reduction of packaging and labeling materials | Percentage reduction of total packaging material weight with FY2019 at the base year | — | — | — | | — | Cut 4% | Up 9% | Cut 7% | Cut 9% | |

*1 The shaded KPIs were added in April 2023. The items whose targets are displayed as “—” are monitoring items for which no targets are set.
*2 Source: Clearstate and Sysmex estimates
*3 Target: Sysmex Group in Japan
*4 Target: Sysmex Corporation on a non-consolidated basis

| Materiality | | KPI*1 | | Target | | | | Results | | | | | Progress and Future Initiatives |
|--------------------------------|---|---|---|-------------|-------------|--------------------------|--|-------------|-------------|-------------|-------------|-------------|--|
| | | | | Fiscal 2023 | Fiscal 2025 | Fiscal 2033 (Eco-Vision) | | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 | Fiscal 2022 | Fiscal 2023 | |
| Reducing environmental impacts | Reduction in environmental burden through business activities | Reduction of greenhouse gas emissions (Scopes 1, 2) | Reduction rate of GHG emissions (Scope 1, 2) from fiscal 2022 | Cut 30% | Cut 40% | Cut 55% | | — | — | — | — | Cut 29% | We have been promoting the transition to renewable energy and the installation of energy-saving equipment. Despite an increase in corporate vehicle usage after the easing of COVID-19, the reduction rates for Scope 1 and Scope 2 emissions in fiscal 2023 were generally in line with our targets. Additionally, thanks to a significant reduction in the heat conversion value of electricity through the introduction of renewable energy, energy use per employee decreased by 8%, surpassing our target. We will continue to promote operational efficiency and energy-saving measures. We have completed the transition to renewable energy at major domestic locations, and we will extend these efforts to our overseas locations. We remain committed to reducing greenhouse gas emissions. |
| | | Ratio of renewable energy | Percentage of using renewable energy | 65% | 75% | 90% or higher | | — | — | — | — | 69% | |
| | | Reduction of using energy per employee | Percentage of reduction of using energy per employee with FY2022 as the base year | Cut 1% | Cut 3% | — | | — | — | — | — | Cut 8% | |
| | | Reduction of water consumption (main reagent factories) | Percentage of reduction of water consumption per production of reagents with FY2022 as the base year | Cut 4pt | Cut 23pt | Cut 90pt | | — | — | — | — | Cut 2pt | |
| | | Reduction of total waste | Percentage of reduction waste generated by business activities per consolidated sales | Cut 1% | Cut 5% | Cut 15% | | — | Cut 8% | Cut 15% | Cut 27% | Cut 32% | |
| | | Ratio of product waste to sales | Ratio of products waste caused by expiry and other reasons to consolidated sales | — | — | — | | — | 0.6% | 0.6% | 0.5% | 0.4% | |
| | | | | | | | | | | | | | |
| Strengthening governance | Corporate governance | Number of meetings with investors and analysts*2 | Number of meetings with institutional investors and securities analysts | — | — | | | — | 506 | 485 | 597 | 723 | The waning impact of the COVID-19 pandemic increased in-person meetings, including visits by overseas investors to Japan and overseas roadshows. We effectively utilized conferences hosted by securities firms and other opportunities to hold individual and group meetings with a wide array of investors. Consequently, in fiscal 2023 the number of companies we met with increased by more than 100 from the previous fiscal year. |
| | Compliance | Number of internal reports | Number of internal reports of incidents received | — | — | | | 11 | 12 | 28 | 21 | 26 | In fiscal 2023, we had 15 unethical incidents, none of which was a serious violation. A total of 26 internal reports were received in Japan and from overseas. We investigated and appropriately handled each incident. |
| | | Number of unethical incidents | Total number of incidents in which the violations the law were found, and disciplinary actions were taken for the violation of the Global Compliance Code | — | — | | | 7 | 5 | 14 | 9 | 15 | Considering training and awareness-raising activities for employees as the foundation for promoting and ensuring compliance, we will continue to provide periodic training opportunities for employees to ensure that they will act in accordance with the Global Compliance Code. |
| | Risk management | Number of information security trainees*3 | Number of participants in information security training (gross) | — | — | | | — | 2,720 | 3,601 | 4,900 | 11,097 | In fiscal 2023, we conducted online cyber security training in multiple languages for all our Group employees as well as temporary employees and independent contractors. We also provided training in handling of spear phishing (BEC and phishing scams) and held seminars on handling of emails to raise employees' awareness of information security. We will continue to conduct regular employee training and strengthen the Group's information security management system. |
| | | Participation rate in disaster drills*3 | Percentage of participants in training using safety confirmation tool assuming a disaster, etc. (including employees on long-term leave) | — | — | | | — | 98.7% | 98.7% | 99.4% | 99.4% | In fiscal 2023, we conducted disaster drills and training. We will continue to enhance our response to risks associated with business continuity by conducting regular drills and training, introducing a system to check employees' safety and creating rules and manuals related to disaster response. The percentage of participants in training using safety confirmation tool exceeds 99%. To strengthen our disaster response capabilities further, from next fiscal year we will set the rate of participation in disaster prevention training as a KPI. |

*1 The shaded KPIs were added in April 2023. The items whose targets are displayed as “—” are monitoring items for which no targets are set.

*2 Target: Sysmex Corporation on a non-consolidated basis

*3 Target: Sysmex Group in Japan

| Materiality | | KPI*1 | | Target | | | | Results | | | | | Progress and Future Initiatives |
|----------------------------------|--|---|---|-----------------|-----------------|-----------------------------|---|-------------|----------------------|----------------------|---|---|--|
| | | | | Fiscal 2023 | Fiscal 2025 | Fiscal 2033 (Eco-Vision) | | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 | Fiscal 2022 | Fiscal 2023 | |
| Creating an attractive workplace | Increased engagement | Engagement score | Percentage of positive responses to engagement in the corporate culture survey | 75% | 75% | | | — | 66% (except EMEA) | 65% (except EMEA) | 71% | 75% | The engagement score for fiscal 2023 improved by an additional 4 percentage points from the previous year, reaching 75% for the Group. This score is on par with those of Fortune 500 companies, and high employee engagement is a key driver for the Group's growth. By reviewing certain items, as well as through initiatives such as dissemination of the Sysmex Way, implementation of safety measures and flexible work arrangements during the COVID-19 pandemic, promotion of DE&I, and the realization of attractive rewards, the engagement score improved particularly for Japan, leading to increased satisfaction in working for Sysmex. For example, the Company received high scores in areas such as "I believe this is a company where I can work safely" and "Opportunities for growth are provided." However, the score for "Knowledge and information is shared across departments" was low, highlighting the need to strengthen collaboration between departments as one of our challenges moving forward. The turnover rate for fiscal 2023 dropped by 0.7 percentage points from the previous fiscal year as a result of our initiatives to enhance human resource development and review compensation systems in each region. In particular, we saw substantial improvements in turnover in the Americas and China. We will continue to improve employee engagement by recruiting and training talented people, creating a comfortable working environment and promoting labor-management dialogues. |
| | | Turnover ratio | Turnover rate of regular employees (Ratio for people who have left the organization for any reason, including layoffs, job cuts, job changes, retirement age, etc.) | 10% or less | 10% or less | | | 10.1% | 7.5% | 10.9% | 8.4% | 7.7% | |
| | | Self-turnover rate | Annual retirement rate for personal reasons | — | — | | | — | — | — | 6.8% | 5.6% | |
| | | Return rate from parental leave*2 | Return to work after parental leave | — | — | | | — | — | — | 100% | 99% | |
| | | Percentage of men taking childcare leave*2 | Percentage of male employees (including part-time workers) taking childcare leave after their spouse bears a child | 60% or higher | 65% or higher | | | — | 31% | 53% | 62% | 61% | The percentage of male employees taking childcare leave in fiscal 2023 was 61% of eligible employees, meeting our target of 60%. This significant increase was attributable to various initiatives. These included setting targets in our action plans under the Act on Advancement of Measures to Support Raising Next-Generation Children and the Act on the Promotion of Women's Active Engagement in Professional Life, helping employees balance parenting and work, conducting continuous awareness-raising activities to establish a comfortable working environment, such as holding round-table discussions for all domestic employees and conducting seminars by internal and external lecturers and creating a guidebook for male employees, and encouraging managers to understand various work styles. We will continue to take actions to increase the percentage of male employees taking childcare leave. |
| | Promotion of diversity, equity & inclusion | Female managers ratio | Ratio of women at director level or above | 18% or higher | 20% or higher | | | 15.5% | 16.2% | 17.3% | 19.5% (except Russia) | 19.2% | |
| | | Female next generation managers ratio | Percentage of women in the manager position | — | — | | — | — | — | — | 32.1% | 34.0% | |
| | | Female associates, employees ratio | Female associates, employees ratio | — | — | | | — | — | — | 41.8% | 41.5% | |
| | | Percentage of mid-career recruitment in managerial and professional positions*2 | Percentage of mid-career recruitment employees in managerial and professional positions | — | — | | | — | — | — | 41.7% | 39.8% | |
| | | Male/female percentage among recruits (new graduates and mid-career)*2 | Female ratio in new graduates recruitment, mid-career recruitment | — | — | | | — | — | — | Newly graduated: 35.9% Mid-career: 27.0% | Newly graduated: 45.2% Mid-career: 25.8% | |
| | | Percentage of women and non-Japanese nationals in management*2 | Ratio of women in the managements, ratio of foreigners in the managements | — | — | | | — | — | — | Women: 8.3% Non-Japanese: 16.7% | Women: 8.3% Non-Japanese: 16.7% | |
| | | Percentage of women in management | Ratio of women in management of group companies including the head office | — | — | | | — | — | — | 9.4% | 13.5% | |
| | | Salary inequality in managerial and professional positions (total compensation)*2 | Gender ratio in average total compensation value (managerial and professional positions) | — | — | | | — | — | — | 93.1% | 94.0% | |
| | | Salary inequality general employees (total compensation)*2 | Gender ratio in average total compensation value (general employees) | — | — | | | — | — | — | 80.1% | 82.1% | |
| | | Percentage of employees with disabilities*3 | Percentage of employees with physical, intellectual, or mental disabilities | 2.35% or higher | 2.65% or higher | | | 2.30% | 2.30% | 2.31% | 2.31% | 2.38% | |
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*1 The shaded KPIs were added in April 2023. The items whose targets are displayed as “—” are monitoring items for which no targets are set.
 *2 Target: Sysmex Corporation on a non-consolidated basis
 *3 Target: Sysmex Group in Japan

| Materiality | | KPI*1 | | Target | | | | Results | | | | | Progress and Future Initiatives |
|----------------------------------|---|---|--|----------------|----------------|--------------------------|--|-------------|-------------|-------------|----------------|----------------|---|
| | | | | Fiscal 2023 | Fiscal 2025 | Fiscal 2033 (Eco-Vision) | | Fiscal 2019 | Fiscal 2020 | Fiscal 2021 | Fiscal 2022 | Fiscal 2023 | |
| Creating an attractive workplace | Development of human resources | Training time per employee | Average training time per employee for training provided by HR and each division (including online training) | 40.0 hours | 40.0 hours | | | — | 24.5 hours | 31.4 hours | 30.0 hours | 24.4 hours | The average number of training hours per employee across the Group amounted to 24.4 hours in fiscal 2023, representing a year-on-year decrease and falling short of our target. This was mainly due to an increase in the number of Group companies included in the calculation, resulting in differences in the implementation of training at overseas locations and variations in data aggregation processes. We recognize this as a significant challenge going forward. On the other hand, in Japan, the average number of training hours per employee was significantly higher than the Group average, at approximately 50 hours. While increasing opportunities for employee development, we have also made progress in leveraging online content and internalizing training programs across the Group, thereby keeping costs from escalating excessively. We met our target for value-added productivity (Group), improving by 6.6% year on year. Key factors included appropriately controlling the rate of increase in headcount in relation to growth in sales and operating profit, actively investing in human capital and digital transformation (DX), and the impact of yen depreciation. Investment in human resource training (Group) increased 3% year on year, ¥369 million. We expanded onboarding initiatives for young employees and individual programs for succession planning. Additionally, we resumed global training programs that were temporarily suspended due to the COVID-19 pandemic. The rate of participation in training (Group) remained high, at 97%. Notably, we achieved high attendance rates for compliance training based on the revised Global Compliance Code we implemented in 2023, as well as programs related to security trade control. |
| | | Value-added productivity (non-consolidated)*2 | Value added per time | — | — | | | — | — | — | ¥13,230 | ¥14,760 | |
| | | Value-added productivity (Group) | Value added per capita | ¥19.38 million | ¥22.50 million | | | — | — | — | ¥18.74 million | ¥19.97 million | |
| | | Human resources development investment (non-consolidated)*2 | Total investment in human resources development and training | ¥234 million | ¥252 million | | | — | — | — | ¥266 million | ¥241 million | |
| | | Human resources development investment (Group) | Total investment in human resources development and training | — | — | | | — | — | — | ¥356 million | ¥369 million | |
| | | Participation rate in training (non-consolidated)*2 | Total number of associates who took training each year divided by total number of employees | 90% or higher | 90% or higher | | | — | — | — | 100% | 100% | |
| | | Participation rate in training (Group) | Total number of associates who took training each year divided by total number of employees | — | — | | | — | — | — | 100% | 97% | |
| | | Success plan effectiveness Rate*2 | Rate of transfer to key positions | — | — | | | — | — | — | 100% | 100% | |
| | | Succession coverage Rate*2 | Percentage of key positions that have a successor candidate | — | — | | | — | — | — | 218.9% | 311.0% | |
| | Promotion of health and occupational safety | Total annual working hours*3 | Total annual hours worked per regular employee | 2,000 hours | 1,980 hours | — | | — | 2,030 hours | 2,045 hours | 2,022 hours | 2,017 hours | In fiscal 2023, annual working hours decreased by 5 hours year on year, but we fell short of our target. In Sysmex Corporation, efforts to achieve innovations in technology and transform the business structure, along with proactive recruitment, have alleviated the shortage of personnel. By implementing value-added productivity indicators, we have adopted a more efficient way of working, leading to a decrease in overtime hours. Additionally, an increase in the number of paid leave days taken has resulted in 10 hours less compared to the previous fiscal year. We will continue to reduce working hours by optimizing assignment through enhanced recruitment efforts and actively conducting training and awareness-raising activities for employees in cooperation with the labor union |
| | | Percentage of days of paid leave taken*3 | Percentage of days of annual paid leave taken per regular employee | 70% or higher | 75% or higher | | | — | 61.3% | 62.4% | 66.5% | 74.6% | In fiscal 2023, the percentage of days of paid leaves taken rose 8 percentage points from the previous fiscal year. To increase use of paid leave, we set recommended dates for paid leave, shared paid leave days actually taken by each employee with their department heads, and actively encouraged employees to take paid leave. Furthermore, we introduced a welfare program that subsidizes the cost of travel, leisure, and culture school use when employees take at least five consecutive days of paid leave. Going forward, we will continue to set a target percentage of days of paid leave taken. To increase the percentage, we will improve productivity as well as raise employees' awareness of the benefits of taking paid leave. |
| | | Lost-term injuries frequency rate*3 | Number of employee death or injuries resulting from work-related accidents per million hours actually worked | Less than 0.5 | Less than 0.5 | | | — | 0.78 | 0.91 | 0.81 | 0.78 | The lost-time injury frequency rate for fiscal 2023 decreased by 0.03 percentage points, but fell short of our target. The lost work days rate rose by 0.018 percentage points, also coming in below our target. There were six work-related accidents, including injuries in factories (eight accidents in the previous fiscal year). As a measure to reduce work-related accidents, employment health advisors gave employees guidance about how to prevent injuries. |
| | | Lost work days rate*3 | Number of days absent from work due to work-related injuries per 1,000 hours actually worked | Less than 0.05 | Less than 0.05 | | | — | 0.05 | 0.04 | 0.05 | 0.07 | We will continue to bolster and enhance our workplace safety and health management system under the leadership of the Central Health and Safety Committee, which supervises our Group companies in Japan. In the event of a work-related accident, the Health and Safety Committee of the business site involved will investigate the causes, take necessary actions, and share the causes and actions within the Group to prevent its recurrence. |
| | | | | | | | | | | | | | |

*1 The shaded KPIs were added in April 2023. The items whose targets are displayed as “—” are monitoring items for which no targets are set.
*2 Target: Sysmex Corporation on a non-consolidated basis
*3 Target: Sysmex Group in Japan

Consolidated Statement of Financial Position

Sysmex Corporation and Its Subsidiaries
As of March 31, 2024

| | Millions of Yen | | Thousands of U.S. Dollars |
|---|-----------------|----------|------------------------------|
| | 2024 | 2023 | 2024 |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | ¥ 75,507 | ¥ 69,460 | \$ 500,046 |
| Trade and other receivables | 157,067 | 126,319 | 1,040,179 |
| Inventories | 79,123 | 73,310 | 523,993 |
| Other short-term financial assets | 1,310 | 875 | 8,675 |
| Income taxes receivable | 934 | 600 | 6,185 |
| Other current assets | 29,515 | 24,924 | 195,464 |
| Total current assets | 343,459 | 295,491 | 2,274,563 |
| Non-current assets | | | |
| Property, plant and equipment | 116,693 | 102,106 | 772,801 |
| Goodwill | 17,221 | 16,842 | 114,046 |
| Intangible assets | 86,786 | 73,530 | 574,742 |
| Investments accounted for using the equity method | 472 | 92 | 3,126 |
| Trade and other receivables | 21,435 | 17,895 | 141,954 |
| Other long-term financial assets | 14,034 | 9,777 | 92,940 |
| Asset for retirement benefits | 458 | 614 | 3,033 |
| Other non-current assets | 4,339 | 3,842 | 28,735 |
| Deferred tax assets | 14,018 | 10,880 | 92,834 |
| Total non-current assets | 275,461 | 235,583 | 1,824,245 |
| Total assets | ¥618,920 | ¥531,074 | \$4,098,808 |
| Liabilities and equity | | | |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | ¥ 33,602 | ¥ 31,678 | \$ 222,530 |
| Lease liabilities | 8,659 | 7,149 | 57,344 |
| Other short-term financial liabilities | 1,028 | 3,537 | 6,808 |
| Income taxes payable | 12,476 | 14,662 | 82,623 |
| Provisions | 1,159 | 1,123 | 7,675 |
| Contract liabilities | 16,591 | 14,469 | 109,874 |
| Accrued expenses | 21,643 | 18,772 | 143,331 |
| Accrued bonuses | 12,611 | 11,360 | 83,517 |
| Other current liabilities | 10,311 | 8,348 | 68,285 |
| Total current liabilities | 118,084 | 111,102 | 782,013 |
| Non-current liabilities | | | |
| Long-term loans payable | 28,600 | | 189,404 |
| Lease liabilities | 18,080 | 15,442 | 119,735 |
| Other long-term financial liabilities | 76 | 305 | 503 |
| Liability for retirement benefits | 2,239 | 1,959 | 14,828 |
| Provisions | 674 | 398 | 4,464 |
| Other non-current liabilities | 10,350 | 7,059 | 68,543 |
| Deferred tax liabilities | 7,917 | 6,450 | 52,430 |
| Total non-current liabilities | 67,938 | 31,615 | 449,921 |
| Total liabilities | 186,023 | 142,718 | 1,231,940 |
| Equity | | | |
| Equity attributable to owners of the parent | | | |
| Capital stock | 14,729 | 14,282 | 97,543 |
| Capital surplus | 20,830 | 20,580 | 137,947 |
| Retained earnings | 365,985 | 334,192 | 2,423,742 |
| Treasury stock | (12,315) | (314) | (81,556) |
| Other components of equity | 42,814 | 18,925 | 283,536 |
| Total equity attributable to owners of the parent | 432,045 | 387,665 | 2,861,225 |
| Non-controlling interests | 851 | 690 | 5,636 |
| Total equity | 432,897 | 388,356 | 2,866,868 |
| Total liabilities and equity | ¥618,920 | ¥531,074 | \$4,098,808 |

Note: The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥151 to \$1, the approximate rate of exchange at March 31, 2024.

Consolidated Statement of Income

Sysmex Corporation and Its Subsidiaries
For the Year Ended March 31, 2024

| | Millions of Yen | | Thousands of U.S. Dollars |
|--|-----------------|----------|------------------------------|
| | 2024 | 2023 | 2024 |
| Net sales | ¥461,510 | ¥410,502 | \$3,056,358 |
| Cost of sales | 219,013 | 194,419 | 1,450,417 |
| Gross profit | 242,497 | 216,082 | 1,605,940 |
| Selling, general and administrative expenses | 133,798 | 112,371 | 886,079 |
| Research and development expenses | 31,402 | 31,060 | 207,960 |
| Impairment losses | 2,210 | 2,368 | 14,636 |
| Other operating income | 4,203 | 4,103 | 27,834 |
| Other operating expenses | 905 | 705 | 5,993 |
| Operating profit | 78,382 | 73,679 | 519,086 |
| Financial income | 937 | 863 | 6,205 |
| Financial expenses | 2,386 | 1,566 | 15,801 |
| Share of loss on equity method | (2,849) | (2,923) | (18,868) |
| Foreign exchange gain (loss) | 516 | (1,339) | 3,417 |
| Profit before tax | 74,600 | 68,713 | 494,040 |
| Income tax expenses | 24,826 | 22,988 | 164,411 |
| Profit | ¥ 49,774 | ¥ 45,725 | \$ 329,629 |
| | | | |
| Profit attributable to | | | |
| Owners of the parent | ¥ 49,639 | ¥ 45,784 | \$ 328,735 |
| Non-controlling interests | 135 | (59) | 894 |
| Profit | ¥ 49,774 | ¥ 45,725 | \$ 329,629 |
| | | | |
| Earnings per share | | | |
| Basic | ¥ 79.27 | ¥ 72.94 | \$ 0.52 |
| Diluted | 79.24 | 72.91 | 0.52 |

Note: The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥151 to \$1, the approximate rate of exchange at March 31, 2024.

Consolidated Statement of Comprehensive Income

Sysmex Corporation and Its Subsidiaries
For the Year Ended March 31, 2024

| | Millions of Yen | | Thousands of U.S. Dollars |
|--|-----------------|---------|------------------------------|
| | 2024 | 2023 | 2024 |
| Profit | ¥49,774 | ¥45,725 | \$329,629 |
| Other comprehensive income (loss) | | | |
| Items that will not be reclassified subsequently to profit or loss | | | |
| Net gain on financial assets measured at fair value through other comprehensive income | 250 | 484 | 1,656 |
| Remeasurements of defined benefit plans | (181) | (774) | (1,199) |
| Total | 69 | (289) | 457 |
| Items that may be reclassified subsequently to profit or loss | | | |
| Exchange differences on translation of foreign operations | 23,526 | 10,117 | 155,801 |
| Share of other comprehensive income of investments accounted for using the equity method | 27 | 12 | 179 |
| Total | 23,553 | 10,130 | 155,980 |
| Total other comprehensive income | 23,623 | 9,841 | 156,444 |
| Comprehensive income | ¥73,397 | ¥55,566 | \$486,073 |
| | | | |
| Comprehensive income attributable to | | | |
| Owners of the parent | ¥73,262 | ¥55,625 | \$485,179 |
| Non-controlling interests | 135 | (59) | 894 |
| Comprehensive income | ¥73,397 | ¥55,566 | \$486,073 |

Note: The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥151 to \$1, the approximate rate of exchange at March 31, 2024.

Consolidated Statement of Changes in Equity

Sysmex Corporation and Its Subsidiaries
For the Year Ended March 31, 2024

| | Millions of Yen | | | | | | | |
|---|---|-----------------|-------------------|----------------|----------------------------|----------|---------------------------|--------------|
| | Equity attributable to owners of the parent | | | | | | Non-controlling interests | Total equity |
| | Capital stock | Capital surplus | Retained earnings | Treasury stock | Other components of equity | Total | | |
| As of March 31, 2022 | ¥14,112 | ¥20,483 | ¥305,710 | ¥ (312) | ¥ 8,309 | ¥348,303 | ¥750 | ¥349,053 |
| Profit | — | — | 45,784 | — | — | 45,784 | (59) | 45,725 |
| Other comprehensive income (loss) | — | — | — | — | 9,841 | 9,841 | (0) | 9,841 |
| Comprehensive income (loss) | — | — | 45,784 | — | 9,841 | 55,625 | (59) | 55,566 |
| Exercise of warrants | 170 | 97 | — | — | — | 267 | — | 267 |
| Cash dividends | — | — | (16,528) | — | — | (16,528) | — | (16,528) |
| Purchase of treasury stock | — | — | — | (1) | — | (1) | — | (1) |
| Transfer to retained earnings | — | — | (774) | — | 774 | — | — | — |
| Total transactions with the owners | 170 | 97 | (17,302) | (1) | 774 | (16,263) | — | (16,263) |
| As of March 31, 2023 | 14,282 | 20,580 | 334,192 | (314) | 18,925 | 387,665 | 690 | 388,356 |
| Profit | — | — | 49,639 | — | — | 49,639 | 135 | 49,774 |
| Other comprehensive income (loss) | — | — | — | — | 23,623 | 23,623 | 0 | 23,623 |
| Comprehensive income (loss) | — | — | 49,639 | — | 23,623 | 73,262 | 135 | 73,397 |
| Exercise of warrants | 447 | 255 | — | — | — | 703 | — | 703 |
| Cash dividends | — | — | (17,579) | — | — | (17,579) | — | (17,579) |
| Purchase of treasury stock | — | — | — | (12,001) | — | (12,001) | — | (12,001) |
| Transfer to retained earnings | — | — | (266) | — | 266 | — | — | — |
| Changes from business combination | — | — | — | — | — | — | 87 | 87 |
| 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 | 447 | 250 | (17,845) | (12,001) | 266 | (28,882) | 25 | (28,857) |
| As of March 31, 2024 | ¥14,729 | ¥20,830 | ¥365,985 | ¥(12,315) | ¥42,814 | ¥432,045 | ¥851 | ¥432,897 |

| | Thousands of U.S. Dollars | | | | | | | |
|---|---|-----------------|-------------------|----------------|----------------------------|-------------|---------------------------|--------------|
| | Equity attributable to owners of the parent | | | | | | Non-controlling interests | Total equity |
| | Capital stock | Capital surplus | Retained earnings | Treasury stock | Other components of equity | Total | | |
| As of March 31, 2023 | \$94,583 | \$136,291 | \$2,213,192 | \$(2,079) | \$125,331 | \$2,567,318 | \$4,570 | \$2,571,894 |
| Profit | — | — | 328,735 | — | — | 328,735 | 894 | 329,629 |
| Other comprehensive income (loss) | — | — | — | — | 156,444 | 156,444 | 0 | 156,444 |
| Comprehensive income (loss) | — | — | 328,735 | — | 156,444 | 485,179 | 894 | 486,073 |
| Exercise of warrants | 2,960 | 1,689 | — | — | — | 4,656 | — | 4,656 |
| Cash dividends | — | — | (116,417) | — | — | (116,417) | — | (116,417) |
| Purchase of treasury stock | — | — | — | (79,477) | — | (79,477) | — | (79,477) |
| Transfer to retained earnings | — | — | (1,762) | — | 1,762 | — | — | — |
| Changes from business combination | — | — | — | — | — | — | 576 | 576 |
| Changes due to acquisition of control of a subsidiary | — | (33) | — | — | — | (33) | (411) | (411) |
| Changes due to loss of control of a subsidiary | — | — | — | — | — | — | (0) | (0) |
| Total transactions with the owners | 2,960 | 1,656 | (118,179) | (79,477) | 1,762 | (191,272) | 166 | (191,106) |
| As of March 31, 2024 | \$97,543 | \$137,947 | \$2,423,742 | \$(81,556) | \$283,536 | \$2,861,225 | \$5,636 | \$2,866,868 |

Note: The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥151 to \$1, the approximate rate of exchange at March 31, 2024.

Consolidated Statement of Cash Flows

Sysmex Corporation and Its Subsidiaries
For the Year Ended March 31, 2024

| | Millions of Yen | | Thousands of U.S. Dollars |
|---|-----------------|----------|---------------------------|
| | 2024 | 2023 | 2024 |
| Operating activities | | | |
| Profit before tax | ¥ 74,600 | ¥ 68,713 | \$ 494,040 |
| Depreciation and amortization | 35,888 | 31,807 | 237,669 |
| Impairment loss | 2,210 | 2,368 | 14,636 |
| Interest and dividend income | (863) | (704) | (5,715) |
| Interest expenses | 1,571 | 1,133 | 10,404 |
| Share of loss on equity method | 2,849 | 2,923 | 18,868 |
| Loss on disposal of property, plant and equipment | 381 | 265 | 2,523 |
| Increase in trade receivables | (21,987) | (2,980) | (145,609) |
| Decrease (increase) in advance payments | 474 | (983) | 3,139 |
| Increase in inventories | (1,676) | (10,558) | (11,099) |
| Increase (decrease) in trade payables | 1,274 | (13) | 8,437 |
| Increase (decrease) in accounts payable – other | 118 | (713) | 781 |
| Increase in contract liabilities | 201 | 1,450 | 1,331 |
| Increase in accrued expenses | 1,483 | 747 | 9,821 |
| Decrease/increase in consumption taxes receivable/payable | 1,157 | 766 | 7,662 |
| Increase in accrued bonuses | 749 | 125 | 4,960 |
| Other – net | (4,769) | (920) | (31,583) |
| Subtotal | 93,665 | 93,425 | 620,298 |
| Interest and dividend received | 598 | 676 | 3,960 |
| Interest paid | (1,383) | (985) | (9,159) |
| Income taxes paid | (28,974) | (24,281) | (191,881) |
| Net cash provided by operating activities | 63,905 | 68,835 | 423,212 |
| Investing activities | | | |
| Purchase of property, plant and equipment | (25,610) | (17,485) | (169,603) |
| Proceeds from sales of property, plant and equipment | 527 | 337 | 3,490 |
| Purchase of intangible assets | (24,581) | (25,020) | (162,788) |
| Increase in long-term prepaid expenses | (841) | (646) | (5,570) |
| Purchase of investments in equity instruments | (4,026) | (5,189) | (26,662) |
| Acquisitions of subsidiaries or other businesses | (574) | (2,984) | (3,801) |
| Payments into time deposits | (1,460) | (711) | (9,669) |
| Proceeds from withdrawal of time deposits | 1,260 | 811 | 8,344 |
| Other – net | 337 | (863) | 2,232 |
| Net cash used in investing activities | (54,970) | (51,751) | (364,040) |
| Financing activities | | | |
| Proceeds from long-term loans payable | 29,000 | — | 192,053 |
| Exercise of warrants | 703 | 267 | 4,656 |
| Purchase of treasury shares | (12,001) | (1) | (79,477) |
| Dividends paid | (17,579) | (16,528) | (116,417) |
| Repayment of lease liabilities | (9,068) | (7,959) | (60,053) |
| Other – net | (67) | (11) | (444) |
| Net cash used in financing activities | (9,013) | (24,234) | (59,689) |
| Foreign currency translation adjustments on cash and cash equivalents | 6,125 | 2,858 | 40,563 |
| Net (decrease) increase in cash and cash equivalents | 6,047 | (4,291) | 40,046 |
| Cash and cash equivalents, beginning of year | 69,460 | 73,752 | 460,000 |
| Cash and cash equivalents, end of year | ¥ 75,507 | ¥ 69,460 | \$ 500,046 |

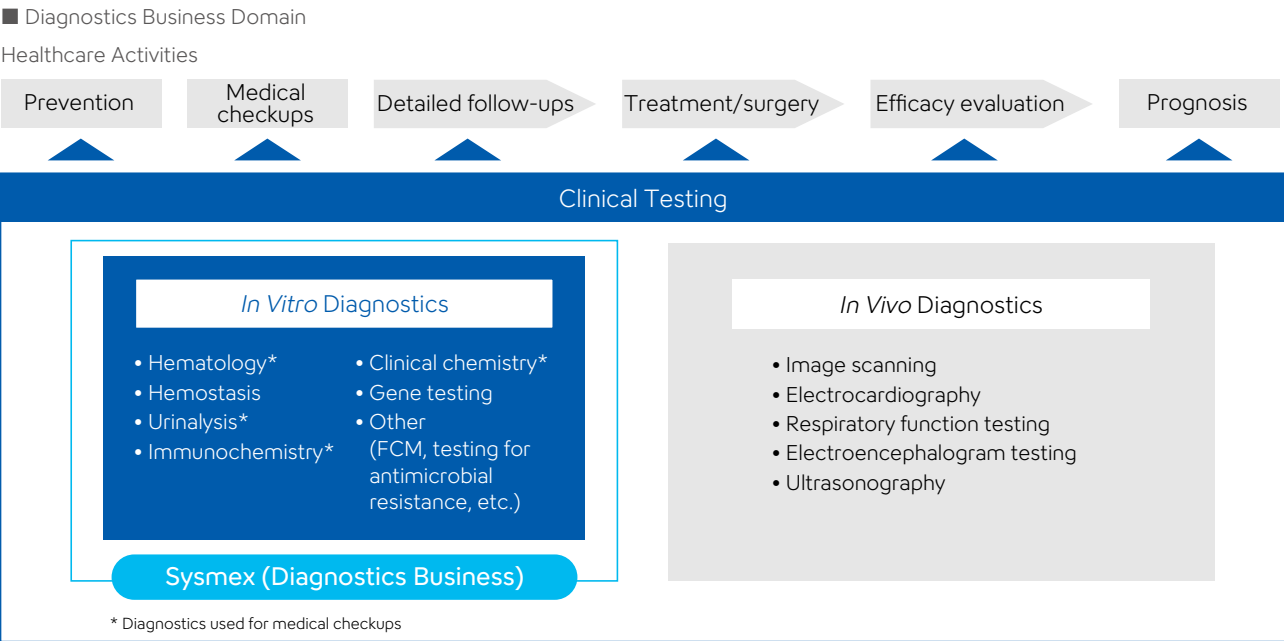
Note: The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥151 to \$1, the approximate rate of exchange at March 31, 2024.

Diagnostics Business

Clinical testing, which is essential to healthcare, can be broadly divided into two categories: *in vitro* diagnostics (IVD) that involve the examination of blood, urine, and other samples taken from the body, and *in vivo* diagnostics, which involve direct examination using X-rays or electrocardiograms. Sysmex is developing its diagnostics business, centered on the IVD domain, where we provide medical institutions and other customers with instruments, reagents, and software on a global basis.

IVD is used in a variety of ways. It is used during medical checkups to help prevent disease. IVD is also used in diagnosing diseases, determining treatment methods, measuring the results of drug administration, predicting aggravation, and for post-treatment monitoring. Healthcare without accurate test results is like walking through fog; the path is uncertain. IVD is essential because it allows medical professionals to assess a patient's state of health accurately and swiftly, and to determine optimal treatment methods.

In IVD, within Sysmex's main business fields of hematology, urinalysis, and immunochemistry, testing is conducted to check a patient's physical condition. They are used for a wide range of other purposes, such as disease prevention and early-stage detection through medical checkups, and in treating diseases or managing their prognoses. In fields such as hemostasis and gene testing, tests are performed to measure a person's physical condition in greater detail and are mainly used in the process of diagnosing and treating diseases.

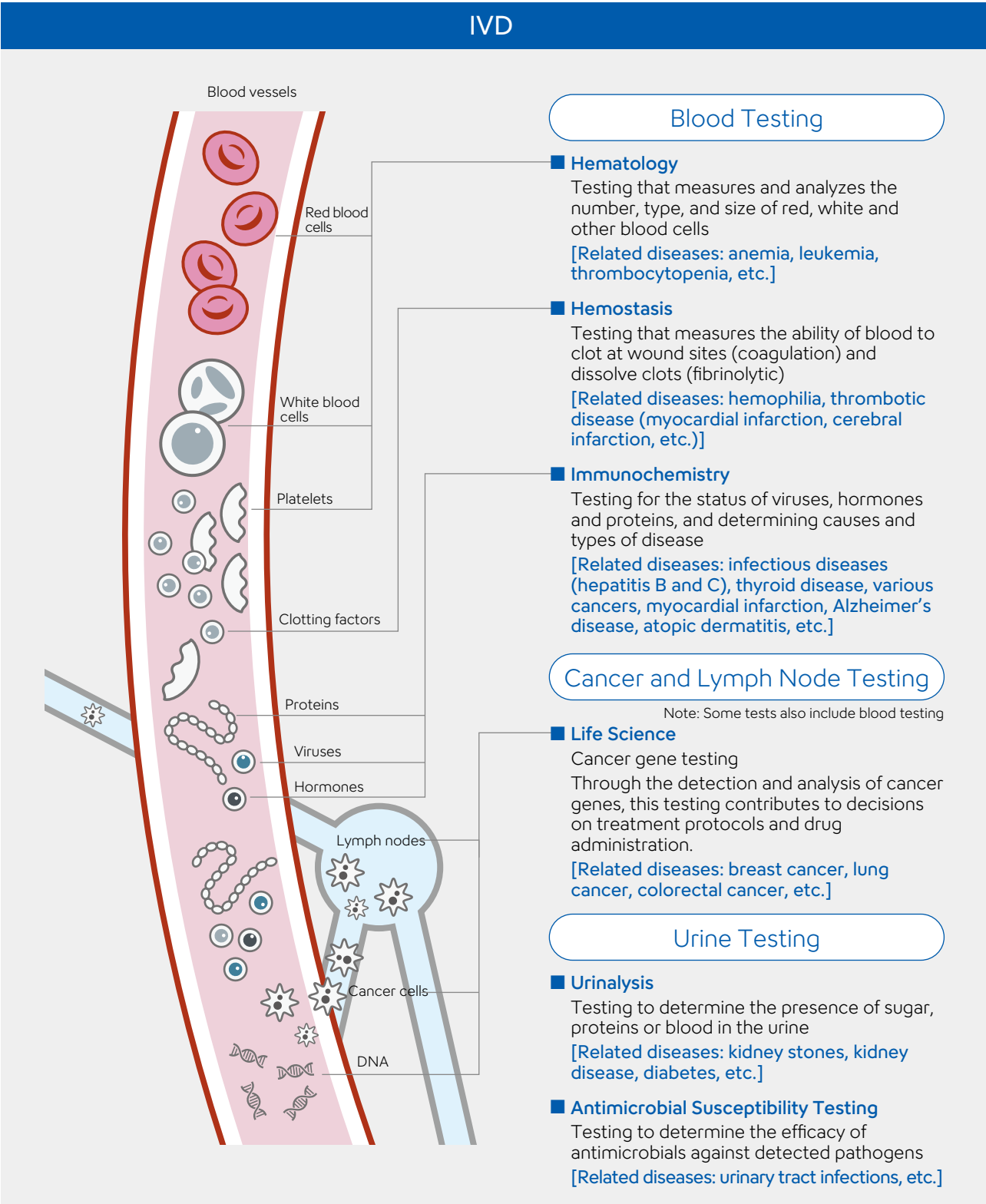


Medical Robotics Business

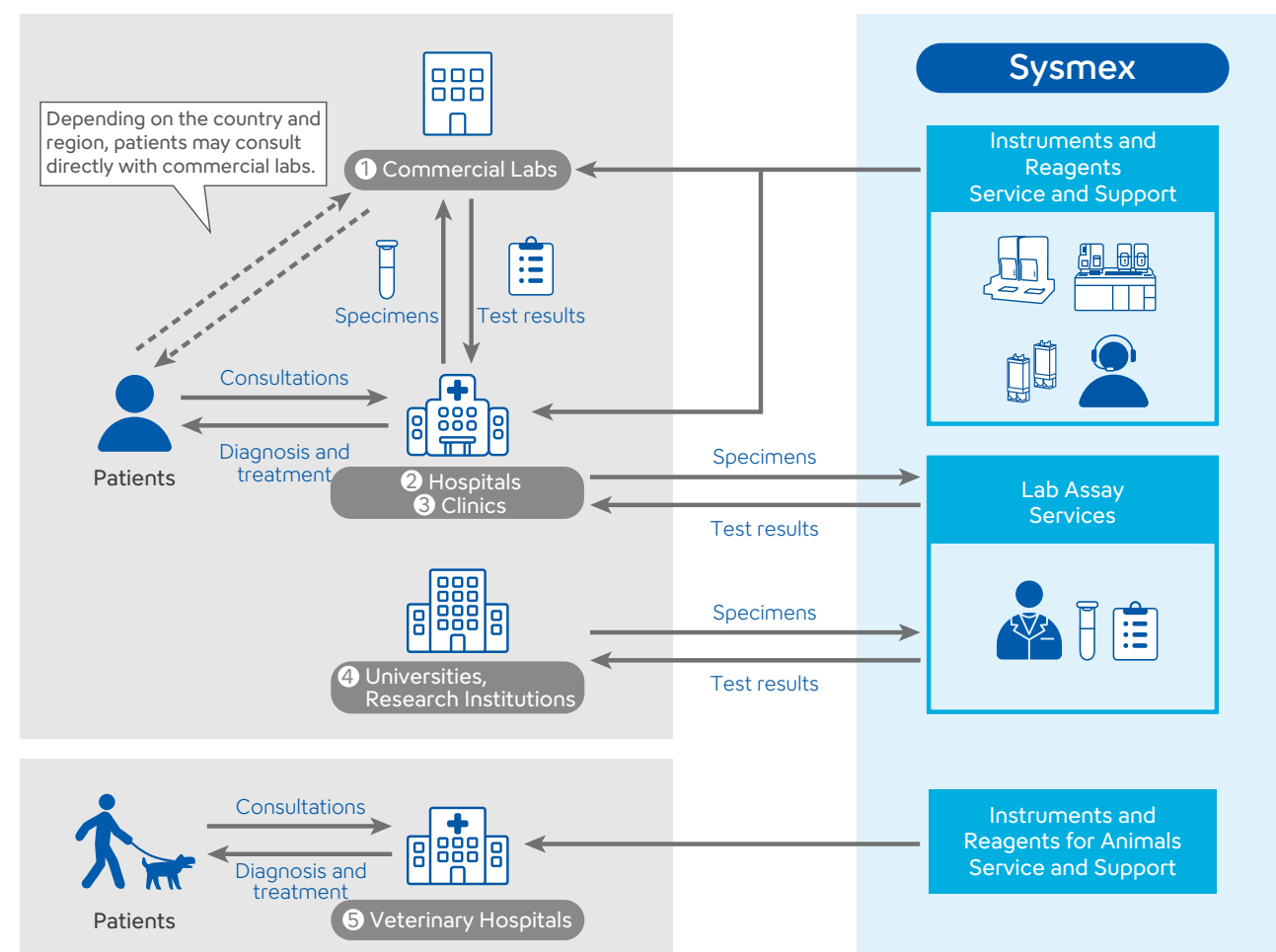
In recent years, it has become common to perform minimally invasive laparoscopic surgery to reduce the physical burden on patients. However, this surgery requires a high degree of technical skill, and surgical-support robots that complement these skills are attracting attention from medical workers. Currently, insurance coverage of surgical procedures using these robots has been extended to include urology, gastroenterology, gynecology, and respiratory surgery, and the number of surgeries performed using surgical support robots is gradually increasing. In addition, from the viewpoint of improving access to medical care, such robots are being considered for use with remote medicine. It may not be long before surgeries can be performed with doctors and patients in different locations.

Under these circumstances, Mediaroid Corporation, a joint venture between Sysmex and Kawasaki Heavy Industries, Ltd., developed the first made-in-Japan robotic-assisted surgery system. As the global general distributor for this product, Sysmex began its launch in Japan in 2020. In addition to accelerating the launch of this product, we obtained regulatory approval in Singapore in 2023 and are now preparing for a global rollout, including in European and U.S. markets.

What can be determined from samples (blood, urine, and cancer tissue)



Sysmex's Products in Use



1 Commercial Labs

Commercial labs conduct testing for small-scale medical institutions that do not have their own analyzers, as well as handling specialized tests. Large-scale labs, which handle tens of thousands of samples each day, use high-productivity transport systems.

2 Hospitals

In addition to blood tests used in medical checkups and for in- and out-patient treatment and diagnostics, our products are used to test for cancer lymph node metastasis, and in cancer genome profiling.

3 Clinics

Clinics typically use products that are compact and simple.

4 Universities and Research Institutions, etc. (Lab Assay Services)

We are developing a lab assay business, in which we receive samples from medical institutions, test them at our labs and our affiliated companies (such as Sysmex Inostics and RIKEN GENESIS), and send back the results of protein or gene analyses performed on those samples. In addition to medical institutions, we handle measurements on behalf of universities, research institutes, and pharmaceutical companies, providing information to assist their drug discovery and R&D efforts.

5 Veterinary hospitals

Our products are used in maintaining the health of dogs, cats, and other pets, as well as aquarium and zoo animals.

Primary Products and Services

Diagnostics Business

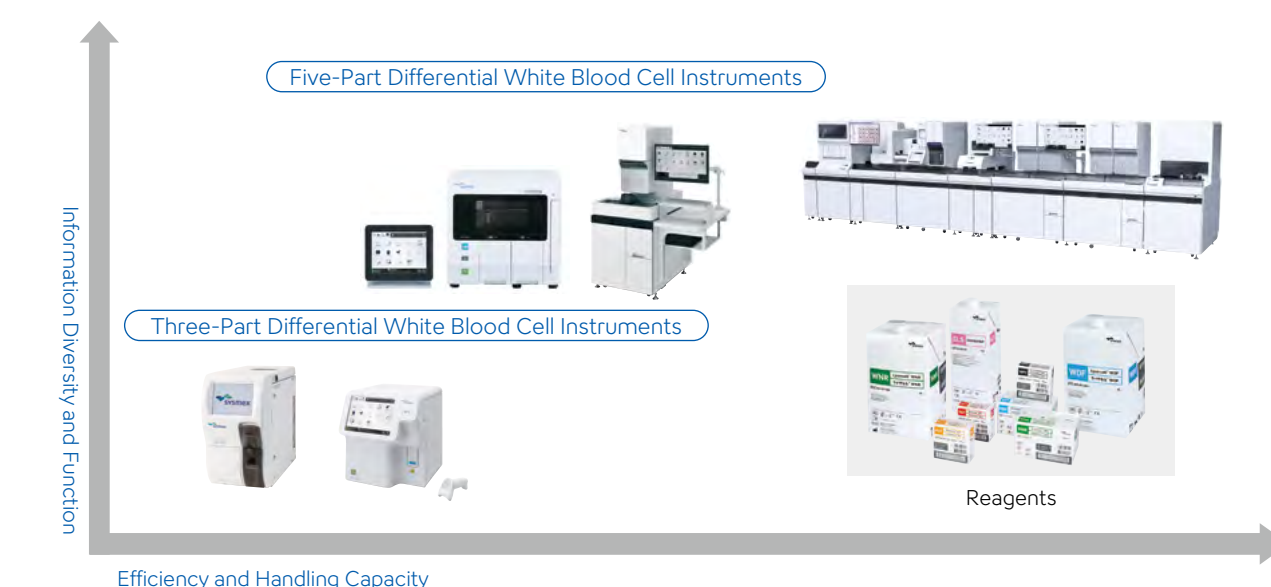
Hematology

For small- and medium-sized institutions, Sysmex offers three-part white blood cell differential models, used for determining basic parameters, as well as five-part white blood cell differential models, used to deliver a high degree of clinical significance and require numerous reagents. In addition, we offer a wide-ranging lineup, including transport systems that can be used for rapid, high-volume testing in large-scale labs. In Japan in 2021, we launched a new five-part white blood cell differential flag-ship model, as well as a compact model providing three-part white blood cell differentiation.

In 2022, we launched sample transportation system modules equipped with the world's first automated measurement function for quality control materials. Beginning with the launch of these products in the EMEA and Asia Pacific regions in 2023, going forward we plan to roll out these models globally.

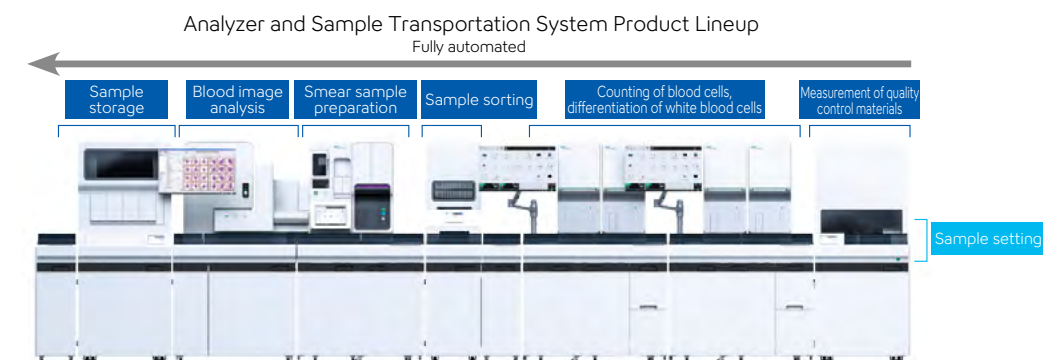
In 2018, we launched the first products to have received CLIA-waiver certification to clinics and other small-scale facilities in the United States. We are also rolling out products to help realize early-stage detection and treatment of malaria. In EMEA in 2019, and in Japan in 2020, we launched an analyzer that supports standardization and improved efficiency in malaria testing.

Product Lineup of Multiparameter Automated Hematology Analyzers



Flagship Model Boosts Efficiency in Laboratory Operations

In 1990, Sysmex developed the world's first fully automated hematology system, which automated everything from the counting of blood cells and the differentiation of white blood cells to smear preparation. This automation not only helped reduce labor costs but also helped reduce the risk of infection during sample handling and prevention of sample mix-ups. The flagship model we launched in 2021 improved processing capacity by 10% compared to the previous model, enhanced the ability to detect abnormal cells, and reduced power consumption by 40% (at maximum output of the transport system). Additionally, by combining peripheral devices based on the "touch-free concept," the system automates tasks such as device startup, quality control, and sample storage and retrieval, significantly minimizing manual work and further enhancing the efficiency of laboratory testing operations.



Note: This is an example of equipment layout.

Flow Cytometry (FCM)

We are developing products that utilize the flow cytometry method. Areas of business include clinical FCM (clinical testing to perform detailed analysis in diagnosing leukemia, malignant lymphoma and HIV/AIDS), industry FCM (used in the quality control of food and other industrial applications) and research FCM (analyzing the function of cultured cells and other research applications). In 2020, we launched a product (for research) in North America, the world's largest market for FCM testing. In 2022, we received the EU's *In Vitro* Diagnostic Medical Device Regulation (IVDR) certification and began our market launch in Europe. We launched products in Japan in 2023 and in China in 2024.



Flow cytometer

Hemostasis

Sysmex handles products offering a wide range of processing capacities to meet the needs of various facilities. Demand for hemostasis testing has increased and grown more diverse due to a rise in thrombotic diseases stemming from lifestyle diseases, as well as to the development of new blood preparations.

Sysmex provides high-performance and user-friendly instruments, and is actively developing clinically valuable products in collaboration with Siemens Healthineers and Group company HYPHEN BioMed. In April 2024, we commenced direct sales in this field in Europe and the United States.



Automated blood coagulation analyzer

Reagents

Urinalysis

We developed the world's first automated urine particle analyzer using the flow cytometry method. We are also adding to our portfolio of urine chemistry products by making use of alliances as we work to expand our lineup in response to diverse urinalysis needs. In 2020, we signed a distributorship agreement with Siemens Healthineers for the North American market. In 2022, we launched a new product in Japan for the mid/low-end market, which we have also rolled out in the EMEA region, and we plan to further expand our market scale.



Fully automated urine particle analyzer
Fully automated urine chemistry analyzer
Fully automated imaging unit for formed elements in urine



Reagents

Immunochemistry

We are working to develop our business in Asia, including Japan and China, through sales of a fully automated immunoassay system, which performs highly sensitive, high-speed assays on minute sample quantities.

In addition to reagents to test for infectious disease and tumor markers, we are developing proprietary markers to test for measuring progression of hepatic fibrosis and atopic dermatitis. In 2023, we launched a reagent in Japan to test for Alzheimer's disease, which we are now rolling out in Europe and the United States. We are also working to develop new testing parameters.

In China we are working to differentiate ourselves by augmenting the number of parameters tailored to regional needs. To do so, we are pursuing development in local R&D bases and joint development with local companies.



Automated immunoassay system

Reagents

Cancer Gene Testing

Using our proprietary technology, the OSNA method, we provide a system that automatically and easily detect information to assist in diagnosing lymph node metastasis. We launched this system in China in 2020.



Cancer Lymph Node Metastasis Testing System

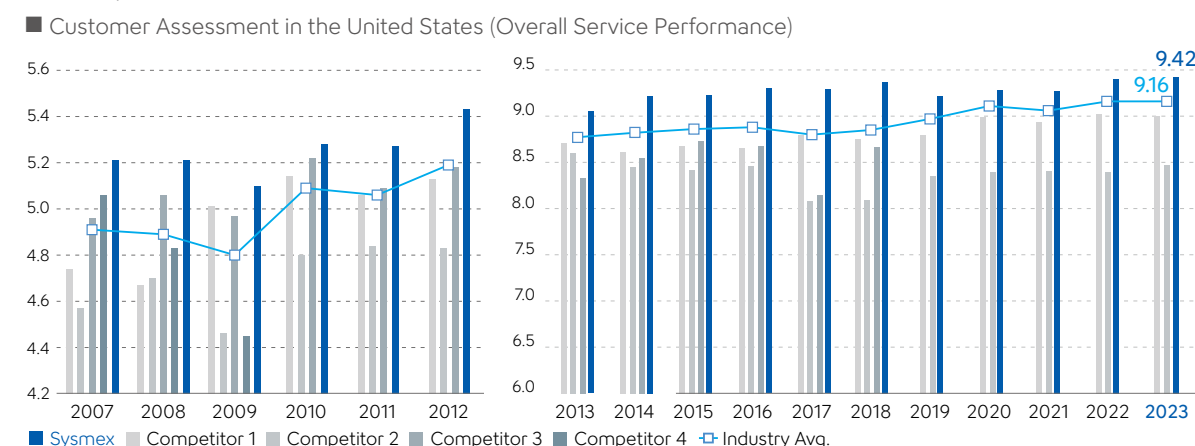
We developed a system for use in cancer gene profiling in collaboration with the National Cancer Center Japan. The system's targets for analysis are solid tumors. By obtaining a comprehensive cancer genomic profile of tumor tissue, the system analyzes abnormalities in cancer-specific genes in patients to provide information that is useful in determining treatment methods, including diagnoses and the selection of anti-cancer drugs. In 2019, this became the first such system to be covered under Japanese health insurance and be used in clinical settings.

Caresphere Network Solution

Our ICT solution is designed for healthcare professionals, including doctors and clinical laboratory technicians. It utilizes IoT and the cloud to establish a platform for the real-time linking and analysis of a variety of information managed using testing instruments and clinical laboratory information systems. This platform provides support for increasing the operational efficiency of professionals involved in testing and healthcare. Furthermore, through our services and support we enhance customer satisfaction by managing instrument maintenance and providing remote assistance.

Products, Service and Support That Enhance Customer Satisfaction

In addition to expanding its product portfolio, Sysmex is enhancing its service and support offerings. As a result, we have earned high customer satisfaction in Japan and overseas. In a customer satisfaction assessment in the United States, we have been at the top for 17 consecutive years.



Antimicrobial Susceptibility Testing

In June 2023, we launched in Europe a system to rapidly detect antimicrobial susceptibility. The system detects the presence or absence of bacteria and assesses the effectiveness of antimicrobials using urine samples from patients suspected of having urinary tract infections. This system delivers test results in as little as 30 minutes, compared with the several days that were previously required. This assists the appropriate use of antimicrobials during initial patient visits at clinics and other primary care settings.



Analyzer
Single use sample cartridge
Rapid antimicrobial susceptibility testing system

Medical Robotics Business

Robotic-Assisted Surgery System

Compact enough to fit in standard Japanese operating rooms, this system is equipped with user-friendly robot arms and a high-definition 3D videoscope. Furthermore, the system has been designed to be network compatible, to support more accurate treatment by medical workers.



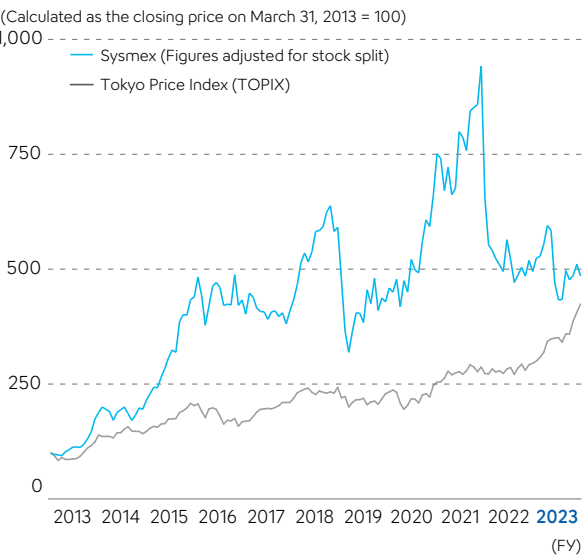
Robotic-assisted surgery system

| | |
|--|---|
| Antimicrobial resistance | This phenomenon occurs when living organisms develop a resistance to a drug, whose efficacy is decreased or neutralized as a result. Bacteria that have developed microbial resistance are known as antimicrobial-resistant bacteria. |
| Antimicrobial susceptibility test | A test to determine the efficacy of various antimicrobial drugs against pathogenic bacteria detected in a sample. |
| Bio-diagnostic reagents | These reagents are made from proteins and substances derived from living organisms. Bio-diagnostic reagents are more difficult to produce than chemical reagents in terms of raw material variability and quality stability. |
| Blood smear sample | Prepared for microscopy of blood cell morphology by placing a drop of blood on a glass slide, and then drying and staining it. |
| Cancer genome profiling | Analysis of information about genes significant to cancer diagnostics by looking at mutations, amplifications, and fusion of multiple genes in cancer tissue. |
| Commercial lab | A company that specializes in testing operations, performing IVD on behalf of medical institutions, research institutes, and other facilities. |
| Concentrated reagents | More concentrated than conventional reagents, these reagents are automatically diluted and adjusted by the testing system. |
| EMEA | Europe, the Middle East, and Africa |
| FCM (Flow Cytometry) | Method involving the flow dispersion of minute particles and the use of laser light to optically analyze minute flows. |
| Genomic medicine | Medicine that allows the prevention of disease or the effective treatment of individual patients by analyzing their genetic information. |
| Hematology | The field of <i>in vitro</i> diagnostics that determines whether precise testing is necessary, by analyzing the number, type, and size of red, white, and other blood cells. |
| <i>in vitro</i> diagnostics (IVD) | In general, IVD refers to the testing of blood, urine and other samples to determine physical condition. IVD may also refer to the domain of laboratory testing in which IVD is performed. |
| Knockdown production method | A production method in which the principal parts are exported from Japan for local assembly into finished products. |
| Laboratory developed test (LDT) | A test performed in the clinical laboratories of medical institutions, commercial labs, and other facilities based on their own quality control regulations. |
| Liquid biopsy | This is a general name for technology using blood or body fluid samples for diagnosis and the prediction of treatment impacts, rather than through the conventional practice of tissue biopsy, in which diagnosis is performed on diseased tissue that has been collected. Liquid biopsy is less invasive than tissue biopsy, but more highly sensitive detection technologies are required. |
| Manufacturing and marketing approval (regulatory approval) | In Japan, the manufacturing and marketing of medical devices and reagents requires approval from the Ministry of Health, Labour and Welfare. Such approval necessitates confirmation of a product's function and safety. Other countries have their own regulatory procedures: approval from the Food and Drug Administration in the United States, obtaining the CE Mark in Europe (which indicates compliance with the <i>In Vitro</i> Diagnostic Medical Device Directive (IVDD) and the <i>In Vitro</i> Diagnostic Medical Device Regulation (IVDR)), and in China, approval from the National Medical Products Administration (NMPA). |

| | |
|---------------------------------|---|
| Network systems | An online support service that connects the Sysmex Customer Support Center and customers' instruments via an Internet connection to provide real-time external quality control and scientific information, and to monitor instrument conditions. |
| OSNA method | An abbreviation of One-Step Nucleic Acid Amplification method, developed by Sysmex, which enables detection of lymph node metastasis. |
| Panel testing | A test that allows multiple markers to be measured at once. Particularly in genomic medicine, cancer panels are used to analyze the mutation, proliferation, and fusion of multiple genes having diagnostic significance. |
| Personalized medicine | Different from the conventional practice of providing selected predetermined or uniform treatment for a given disease, personalized medicine aims to select treatment methods optimized to individual patient characteristics, based on genetic and other data. |
| Polymerase chain reaction (PCR) | A gene amplification technology for copying small quantities of DNA to produce larger quantities. |
| Precision management | A management method used to guarantee the values measured by customers' testing equipment and to confirm that a customer's equipment is functioning correctly. External quality control is a method under which the same specimens (such as artificially produced blood) are distributed to multiple clinical laboratories, and the measurement results obtained are analyzed using statistical methods, thereby allowing the precision of individual laboratories' measurement results to be evaluated. The results are provided as feedback to these laboratories, helping to increase the quality of testing. |
| Primary care | The initial care provided at clinics or other locations when a patient first falls ill. |
| Reagent | A pharmaceutical product for medical use in laboratory testing, also called an <i>in vitro</i> diagnostic product. It is not used directly on the human body, but on samples of blood or other bodily fluids. |
| Reticulocytes | Immature red blood cells that have just been produced in the bone marrow. Help measure how well the bone marrow is making new red blood cells, and are used to diagnose anemia and other conditions. |
| Self-medication | Taking responsibility for your own health and examine and treat minor physical ailments on your own. |
| Specimen | Material necessary for testing. May include blood, cerebrospinal fluid, pus, punctured fluid, urine and feces. |
| Technology platforms | Sysmex's three technology areas (cell measurement, protein measurement, and gene measurement) and the measurement platforms that use them. |
| Transport system | A system that links multiple analyzers, allowing testing to be automated. In addition to making testing operations more efficient, automation helps reduce the risk of infection when samples are handled manually, and prevents mishandling. |
| Urinary tract infections | The urinary tract runs between the kidneys and the urethral outlet. Inflammations due to the incursion of bacteria into the urinary tract are known as urinary tract infections. Such infections can lead to cystitis and pyelonephritis (inflammation of the kidneys). |
| Urine sediment testing | Testing performed to analyze formed elements in the urine, including blood and other cells. Urine chemistry testing, on the other hand, is conducted by using a test paper to analyze for the presence of sugar, protein, or blood cells in urine. |

Stock Information (As of the End of Fiscal 2023)

Stock Price Range



Stock Price Movements

| Fiscal years | High (Yen) | Low (Yen) | Closing price (Yen) | Volatility (%) |
|--------------|------------|-----------|---------------------|----------------|
| 2013* | 7,180 | 3,130 | 3,290 | 37.5 |
| 2014 | 6,880 | 3,070 | 6,670 | 27.6 |
| 2015 | 8,640 | 5,430 | 7,040 | 39.2 |
| 2016 | 8,170 | 6,010 | 6,750 | 29.9 |
| 2017 | 9,730 | 6,080 | 9,640 | 24.7 |
| 2018 | 11,110 | 4,810 | 6,690 | 38.7 |
| 2019 | 8,420 | 5,814 | 7,846 | 38.4 |
| 2020 | 13,310 | 7,024 | 11,925 | 27.8 |
| 2021 | 15,725 | 7,970 | 8,923 | 41.6 |
| 2022 | 9,815 | 7,380 | 8,643 | 41.0 |
| 2023* | 10,440 | 2,637 | 2,662 | 29.8 |

Note: Volatility refers to the annualized standard deviation based on daily closing prices.
* Stock splits conducted on April 1, 2014 (1:2) and April 1, 2024 (1:3). (actually, the end of March)

Total Shareholder Return (TSR*) (Annualized Rate) (%)

| Investment period | Past 1 year | Past 3 years | | Past 5 years | | Past 10 years | |
|------------------------------|------------------------|--------------|-------------|--------------|-------------|---------------|-------------|
| | Cumulative/Annual rate | Cumulative | Annual rate | Cumulative | Annual rate | Cumulative | Annual rate |
| Sysmex | -7.5 | -32.8 | -12.4 | 20.0 | 3.7 | 145.2 | 9.4 |
| TOPIX | 41.3 | 52.5 | 15.1 | 96.2 | 14.4 | 188.6 | 11.2 |
| TOPIX (Electrical equipment) | 36.9 | 44.2 | 13.0 | 139.8 | 19.1 | 262.9 | 13.8 |

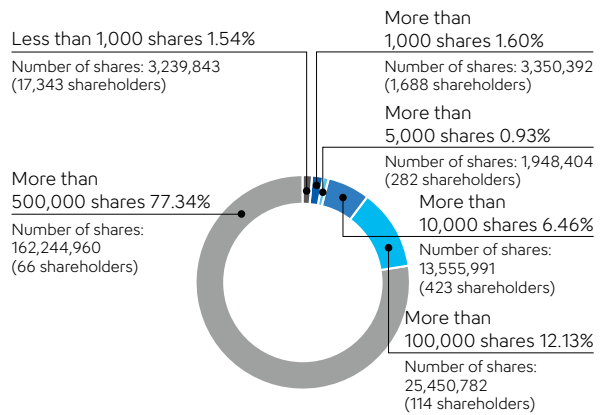
* TSR: Total shareholder return, including capital gains and dividends
• Prepared by Sysmex based on data from Nikkei NEEDSFinancial QUEST
• Base date of March 31, 2024
• TSR calculated on the assumption that dividends are reinvested in shares

Principal Shareholders (Top 10)

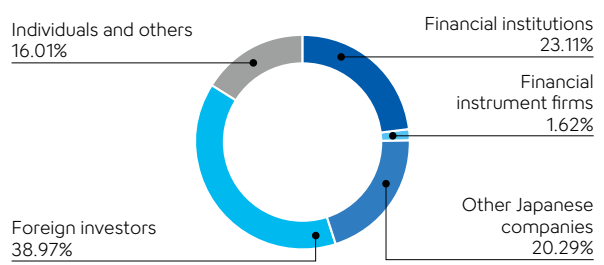
| Shareholders | Number of shares held (Thousands) | Percentage of shareholding (%) |
|---|-----------------------------------|--------------------------------|
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 25,453 | 12.2 |
| Custody Bank of Japan, Ltd. (Trust Account) | 12,048 | 5.8 |
| The Kobe Yamabuki Foundation | 12,000 | 5.7 |
| Nakatani Foundation for Advancement of Measuring Technologies in Biomedical Engineering | 11,830 | 5.7 |
| Nakatani Kosan, Ltd. | 10,519 | 5.0 |
| Kazuko Ietsugu | 6,094 | 2.9 |
| Taeko Wada | 6,094 | 2.9 |
| Rusoru, Ltd. | 4,750 | 2.3 |
| SSBTC CLIENT OMNIBUS ACCOUNT | 4,301 | 2.1 |
| Tadako Nakatani | 4,012 | 1.9 |

Note: Percentage of shareholding excludes treasury stock (447,600 shares).

Distribution of Shares by Number of Shares Held



Composition of Shareholders



Corporate Information (As of the End of Fiscal 2023)

Sysmex Corporation

| | |
|-----------------------------|--|
| Established | February 20, 1968 |
| Head Office | 1-5-1, Wakinohama-Kaigandori, Chuo-ku, Kobe 651-0073, Japan |
| Inquiries | IR Department: TEL: +81-78-265-0500 |
| Website | https://www.sysmex.co.jp/en/ |
| Number of Employees | 11,012 (consolidated basis) (including part-time employees and others) |
| Fiscal Year | April 1–March 31 |
| Shareholders' Meeting | June |
| Number of Shares Authorized | 1,796,064,000 shares (Total number of shares after stock split effective April 1, 2024) |
| Number of Shares Issued | 629,371,116 shares (Total number of shares after stock split effective April 1, 2024) |
| Paid-in Capital | ¥14,729.8 million |
| Stock Listings | Tokyo Stock Exchange, Prime Market |
| Ticker Code | 6869 |
| Transfer Agent | Mitsubishi UFJ Trust and Banking Corporation |
| Independent Auditor | Deloitte Touche Tohmatsu LLC |
| Rating | AA- (Rating and Investment Information, Inc. (R&I)) |
| Major Indexes | Dow Jones Sustainability World Index Dow Jones Sustainability Asia Pacific Index FTSE4Good Index Series FTSE Blossom Japan Index FTSE Blossom Japan Sector Relative Index Morningstar Japan ex-REIT Gender Diversity Tilt Index MSCI ESG Leaders Indexes MSCI SRI Indexes MSCI Japan ESG Select Leaders Index MSCI Japan Empowering Women Index (WIN) S&P/JPX Carbon Efficient Index ISS ESG "Prime" Status Ethibel Excellence Ethibel Pioneer Ethibel Sustainability Index (ESI) Euronext Vigeo Eiris World 120 Index iSTOXX MUTB Japan Platinum Career 150 Index |

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2024 CONSTITUENT MSCI JAPAN ESG SELECT LEADERS INDEX

2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

>>Website >Sustainability >External Evaluation