Together for a better
healthcare journey

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Sysmex Report 2026

Sysmex Corporation

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Fiscal 2025 (April 1, 2025 to March 31, 2026)

Contents






Editorial Policy

The *Sysmex Report*, an integrated report that summarizes financial and non-financial information, is intended to help stakeholders understand Sysmex's medium- to long-term value creation. For more detailed information, please refer to our website and the *Sustainability Data Book*. In compiling this report, we referred to frameworks such as the *International Integrated Reporting Framework* issued by the IFRS Foundation and the Ministry of Economy, Trade and Industry's *Guidance for Collaborative Value Creation 2.0*.

Guidance for Collaborative Value Creation

Sustainability Data Book

Period Covered

The target period is fiscal 2025 (April 1, 2025 to March 31, 2026), but the report also covers some activities conducted after April 2026.

Accounting Standards and Accounting Policies

In fiscal 2016, we voluntarily adopted the International Financial Reporting Standards (IFRS). In this report, figures presented up to fiscal 2014 are in accordance with the Japanese GAAP. From fiscal 2015, figures are presented in accordance with the IFRS.

In the fiscal year ended March 31, 2022, the Sysmex Group changed its method of recognizing the costs of configuration or customization services in cloud computing contracts as an expense when these services are received. Figures for the fiscal year ended March 31, 2021 have been retroactively adjusted.

Disclaimer

This material contains forward-looking statements about the Sysmex Group. These forward-looking statements are based on the current judgments and assumptions of the Sysmex Group in light of the information currently available to it. Uncertainties inherent in such judgments and assumptions, the future course of our business operations and changes in operating environments both in Japan and overseas may cause our actual results, performance, achievements, or financial position to be materially different from any future results, performance, achievements or financial position either expressed or implied within these forward-looking statements.

The information on products and other matters contained herein is not intended as advertising or medical advice, whether or not regulatory approval has been obtained.

Positioning of Main Disclosure Media

Medium- to Long-Term Growth Story

Sysmex Report (an integrated report, published annually)

Non-financial information

Sustainability Website
Sustainability Data Book
(PDF, published annually)
Corporate Governance Report

Investor Relations Site
- IR Library
- Financial Information
- Stocks and Bonds, etc.

Financial information

Achievements

Organizations Covered

In principle, this report covers the Sysmex Group (including Group companies in Japan and overseas). In this report, "Sysmex" refers to the Sysmex Group as a whole. "Sysmex Corporation" refers to the Company on a stand-alone basis.

Independent Practitioner's Assurance

In order to improve the reliability of the data disclosed, we have obtained an Independent Practitioner's Assurance for our environmental and social data.

>>Website >Sustainability Data Book 2026 >Independent Practitioner's Assurance

About This Report

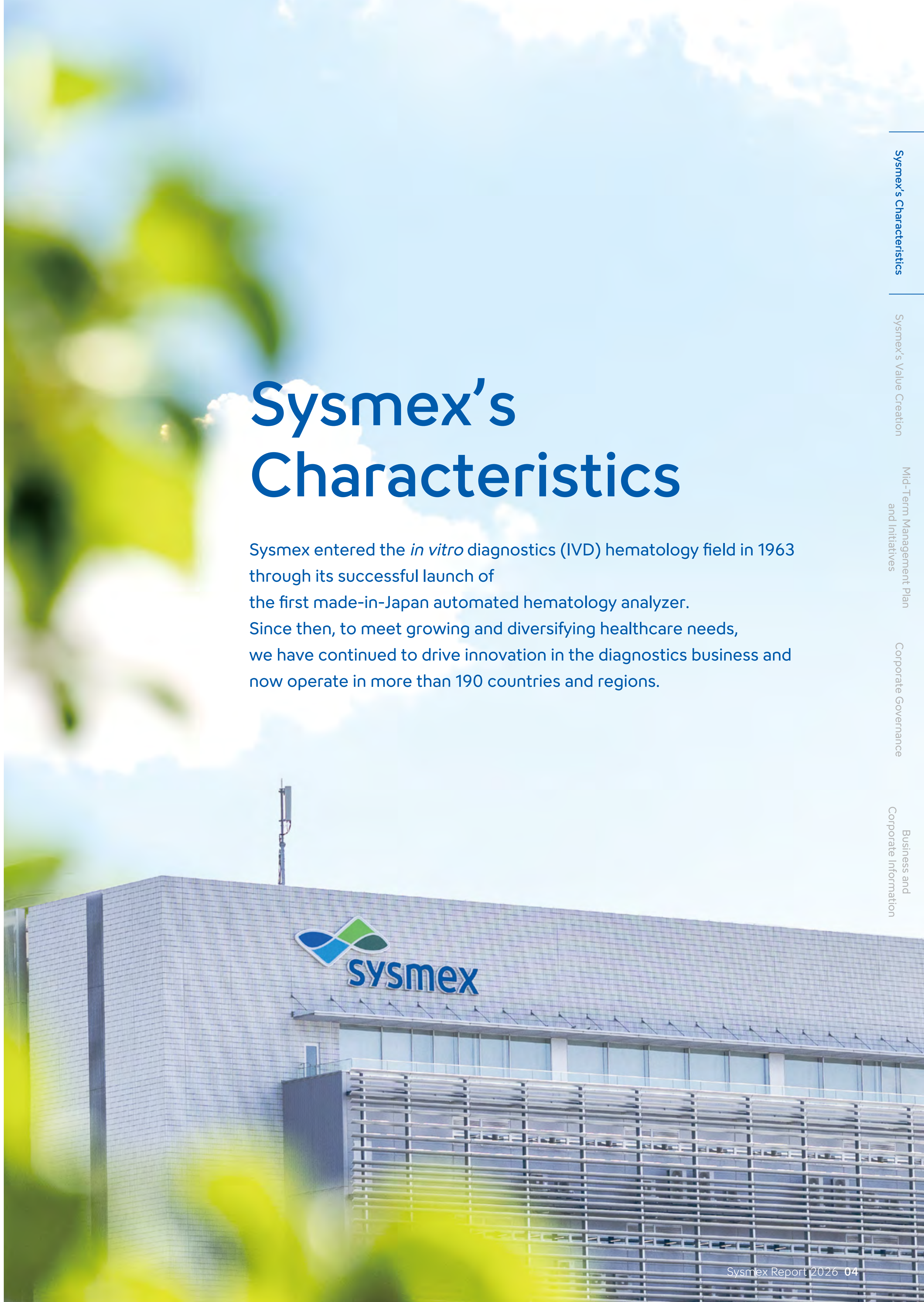
Key Points of the 2026 Integrated Report

The main message we wish to convey in this report is how Sysmex, under its new management structure, is advancing transformation to return to a growth trajectory, taking into account the challenges identified under the previous Mid-Term Management Plan and changes in the business environment. Accordingly, we have enhanced the content of this year's report around the key message of "reinforce the strengths and earning power of the diagnostics business," the aim of the new Mid-Term Management Plan.

This report has been planned and prepared based on feedback from investors. In the 2026 edition, in addition to the points above, we have expanded our explanation of Sysmex's business model—our integrated system for providing customers with confidence—and strengthened its connection to our value creation story. We have also expanded our discussion of the challenges facing customers' laboratories, the linkage between materiality and strategy and the organization of KPIs, and corporate governance.

We hope this report will help readers understand where Sysmex stands today and the direction of the transformation we are pursuing toward our next stage of growth.

Why Is Transformation Necessary Now?	Although the previous Mid-Term Management Plan produced certain achievements, performance was affected by uncertainty arising from regulatory and geopolitical factors, as well as the dispersion of investment across new businesses. Under the new management structure, we are shifting toward management that emphasizes profitability and capital efficiency in addition to growth.	>>Message from the President P21 >>Conversation with Outside Members of the Managing Board P76
How Has Materiality Changed?	With the launch of the new Mid-Term Management Plan, we redefined our materiality using a more quantitative approach. "Creating value for a healthy society" remains our most important materiality, representing the ultimate goal of the value we provide, while we now recognize the importance of data and digital technologies more strongly than ever.	>>Materiality P31
What Social Issues Are We Working to Resolve?	We have worked to address challenges facing laboratories by expanding access and advancing testing, and optimizing testing operations and management processes. Going forward, we will further create new testing and diagnostic value by combining our unique testing data with AI, helping to optimize healthcare as a whole.	>>Providing Value in the Healthcare Domain P35 >>Challenges Facing Laboratories P39 >>Advancing Medical DX and Data Utilization P49
What Do We Aim to Achieve under the New Mid-Term Management Plan?	With "reinforce the strengths and earning power of the diagnostics business," as our aim, we will seek to return to a growth trajectory through four strategic themes: strengthening the competitiveness of the diagnostics business; advancing medical DX and data utilization; improving profitability through value chain transformation; and redesigning financial and capital strategies.	>>Overview of the Mid-Term Management Plan P43
How Will We Improve Profitability and Capital Efficiency?	We will improve profitability by increasing reagent gross profit and expanding the proportion of reagent sales, while optimizing the supply chain as a whole. At the same time, we will review our business portfolio and improve cash generation capacity and capital efficiency, thereby building a resilient management foundation that is less susceptible to changes in the operating environment.	>>Message from the CFO P63 >>Improving Profitability through Value Chain Transformation P51
What Characteristics and Strengths Support Growth?	We will achieve growth through three defining characteristics: a profit model that generates recurring revenue from reagents and services following instrument installation; a strong business foundation in the field of *in vitro* diagnostics (IVD), exemplified by our No. 1 global market share in hematology; and an integrated system that enables us to hear directly from customers and incorporate their feedback into research and development.	>>Sysmex's Characteristics ❶-❸ P13-P18



Sysmex's Characteristics

Sysmex entered the *in vitro* diagnostics (IVD) hematology field in 1963 through its successful launch of the first made-in-Japan automated hematology analyzer.
Since then, to meet growing and diversifying healthcare needs, we have continued to drive innovation in the diagnostics business and now operate in more than 190 countries and regions.

Message from the Group CEO

Hisashi Ietsugu
Chairperson and Group CEO

We will address management challenges related to profitability and capital efficiency while continuing to pursue our mission of “Shaping the advancement of healthcare” and enhancing corporate value.

Sysmex’s Management Challenges

In fiscal 2025, net sales and profit declined, owing to factors including healthcare system reforms and changes in the business environment in China, as well as the time required for our growth investments to generate results. To achieve sustainable growth and enhance corporate value, we recognize the need to shift toward a management approach that places greater emphasis not only on growth, but also on profitability and capital efficiency. In April 2026, we launched a new Mid-Term Management Plan (fiscal 2026–2028) aimed at overcoming these challenges and returning the Company to a growth trajectory. However, improving profitability and capital efficiency is only a necessary condition for enhancing corporate value. At the same time, we must pursue further value creation—the sufficient condition for achieving that goal.

Sysmex’s Value Proposition

Looking ahead, as the global population continues to grow and societies age, healthcare will become increasingly important as an essential part of societal infrastructure, and the healthcare market is expected to continue expanding. In addition to extending healthy life expectancy and improving quality of life, the safety and productivity of healthcare professionals will become more important than ever, while social challenges involving the economic sustainability of healthcare systems and access to care are also expected to become increasingly diverse and complex.

Healthcare challenges differ by country and region, so Sysmex must identify and respond to the needs of each. This means going beyond simply providing products that deliver excellence in testing accuracy and efficiency. We must harness the power of technology, our network, and digital capabilities to advance the way testing is conducted and how healthcare systems operate. This is what it means to embody our mission of “Shaping the advancement of healthcare.” With a global business foundation and a leading global market share in fields such as hematology, a core area of *in vitro* diagnostics (IVD), Sysmex therefore needs to take the lead in these efforts.

The direction we pursue differs by region and by the stakeholders for whom we create value. In advanced markets, we will apply our advanced technology and deep expertise to enable more personalized diagnosis and treatment while also supporting the development of sustainable healthcare systems. In emerging markets, we will respond to expanding healthcare demand while helping advance healthcare and testing infrastructure. In developing countries, we will work with government authorities in each country to expand access to testing and improve standards of healthcare.

For customers such as medical institutions, we will help improve safety and productivity by advancing the automation of testing processes and enabling greater levels of unattended operation. For individuals and healthcare as a whole, we will enhance the clinical utility of testing through data analysis, predictive capabilities, and other means. For local communities, we will contribute to improving public health and optimizing healthcare spending through the effective use of the extensive data available to us.

These new challenges are also what make work rewarding for Sysmex employees who have come together with a desire to contribute to health and healthcare. To enable each of our 12,000 employees to continue taking on challenges to resolve issues facing customers and society, we will share a wide range of information across the Group, create opportunities for employees to gain diverse experiences, and further enhance our education systems.

Taking on Challenges under a New Management Structure

The appointment of Iwane Matsui as President in April 2026, marked the start of a new management team and leadership structure. He has led transformation across a variety of departments and has extensive experience in sales, particularly in overseas businesses. Throughout his career, he has continued to identify needs from the customer’s perspective and consider what value we should create. I believe he is the ideal leader to achieve medium- to long-term growth while advancing structural reforms of our businesses and earnings base.

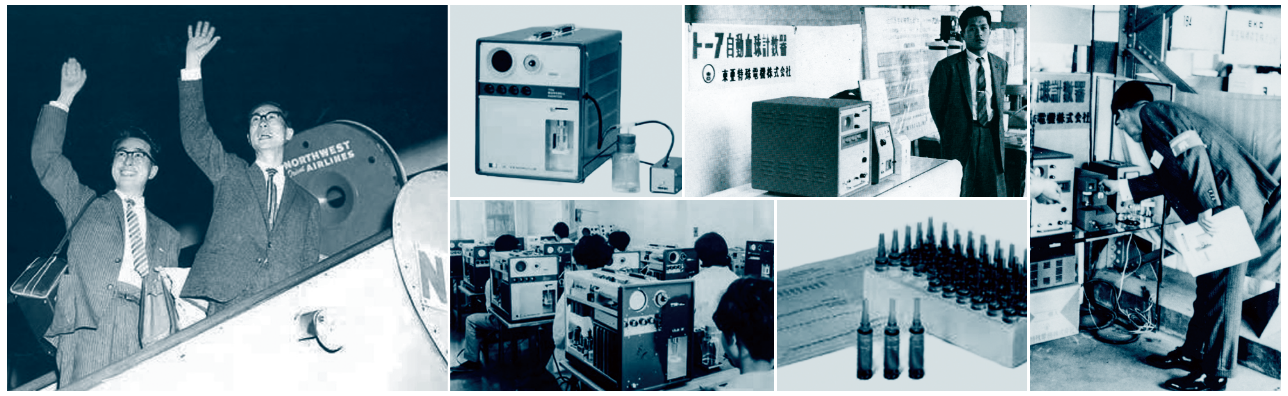
Although uncertainty in the external environment is increasing, Sysmex will continue to take on challenges and contribute to the advancement of healthcare, thereby enhancing corporate value over the medium to long term. We ask for your continued understanding and support.

Corporate Philosophy of the Sysmex Group

"Instilling confidence in stakeholders" ——A Sysmex Ideal Unchanged Since Our Founding ——

Our founder, Taro Nakatani, defined the basis of our management as the "Three Aspects of Confidence (*anshin*)," instilling confidence among customers, business partners, and employees. Based on this understanding, we have continued to manage the Company and act with our stakeholders always in mind. In 2007, Sysmex established the Group corporate philosophy called the "Sysmex Way," which carries forward and expands upon the Sysmex ideal unchanged since our founding.

Since its founding, Sysmex has supported the gateway to healthcare through the testing of blood and other specimens, instilling confidence founded on reliable quality and trust. Going forward, we will continue creating value to contribute to the advancement of healthcare and provide confidence to our stakeholders.



The Founder's Purpose

Our founder, Taro Nakatani, defined our corporate objective thus: "By providing the products we create, we will help resolve the issues society faces and make our own lives more fulfilling." This objective forms the basis for our founding philosophy, the "Three Aspects of Confidence."

Founder: Taro Nakatani

The "Three Aspects of Confidence:"

Confidence among our customers	Confidence in our associates	Confidence of our employees

経営基本方針
一、需要者が安心して使用できる製品をつくる
一、取引先が安心して取引きできるようにする
一、従業員が安心して働けるようにする
東亜医用電子株式会社

Our founding philosophy, the "Three Aspects of Confidence:"
- Total customer confidence in all of our products.
- Total confidence in our associates in all our business transactions.
- Total confidence of our employees in themselves and all their work.

Sysmex Way

Mission

Shaping the advancement of healthcare.

Value

We will continue to create unique and innovative values, and ensure *anshin* for individuals in society.

Mind

With passion and flexibility, we demonstrate our individual competence and unsurpassed teamwork.

Shared Values

To our Customers

Ensure *anshin* with unmatched quality, advanced technology, mindful support, and actions that reflect the needs of our customers.
We constantly seek to better understand what our customers require so that we may generate new and more satisfactory solutions.

To our Employees

Ensure *anshin* by honoring a diversity of employees, respecting their personality, and providing a workplace where they can fulfill their potential.
We value independence and a challenging spirit, provide employees with opportunities for self-fulfillment, growth, and reward for their accomplishments.

To our Business Partners

Ensure *anshin* based on fairness and impartiality in a broad range of partnerships.
We strive to grow as a company in step with our business partners through respect and mutual trust.

To our Shareholders

Ensure *anshin* by promoting the proper disclosure of information and keeping closer communication with shareholders with sound and transparent management.
We are committed to an innovative yet consistent style of management for sustainable growth and increased shareholder value.

To Society

Ensure *anshin* as a responsible member of society by conducting our business adhering to the highest ethical standards in addition to laws and regulations.
We play an active role in addressing environmental and other issues facing our society.

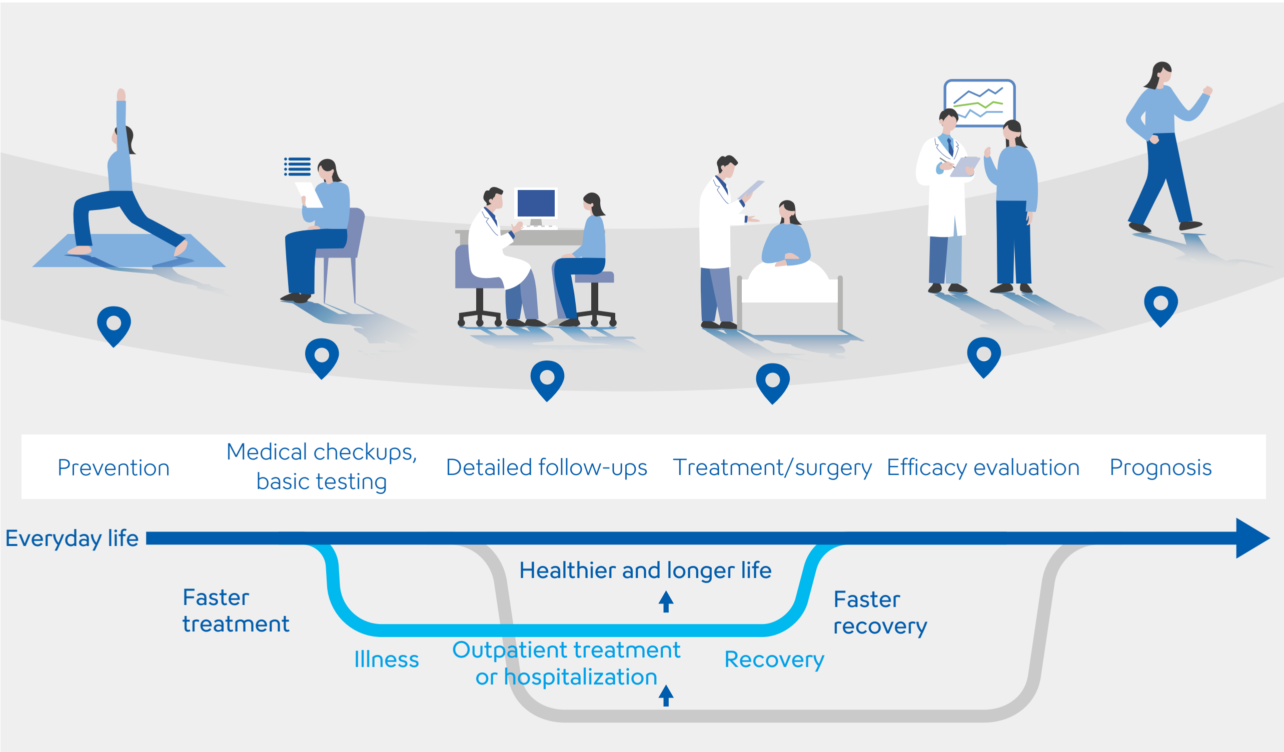
Anshin is a word at the core of the Sysmex corporate philosophy that embodies the essence of what we have been pursuing since our foundation, and has the following meanings:

- A state in which customers have no concerns about the safety and quality of our products and services.
- A state in which stakeholders can trust, be confident and reassured in our relationship, transactions, interaction, and all other matters.
- A state in which individuals in society can be in a calm state of mind with little or no anxiety about their own health, lives, or other matters.

The "Sysmex Way" outlines our mindset, direction, and values for contributing to society and continuing to grow. In addition, through our Shared Values, we declare our commitment to instilling "confidence" not only in our customers, business partners, and employees as demonstrated by the "Three Aspects of Confidence," but in our shareholders and society as stakeholders.

Together for a better healthcare journey

Sysmex is working to realize a more fulfilling and healthier society by enhancing each individual's healthcare journey[1]—from prevention and diagnosis to treatment and prognosis.



Note: Sysmex defines the healthcare journey as a concept in keeping with its long-term vision and foundation for value creation based on the Sysmex Way, the corporate philosophy of the Sysmex Group.

Sysmex's long-term vision is "Together for a better healthcare journey." The words "healthcare journey" refer to the full continuum of healthcare experiences a person may encounter throughout life. By making this journey better, Sysmex aims to contribute to a society where each individual can maintain health over a longer lifespan. For example, in times of health, we envision a society where early signs of illness are not overlooked, allowing for timely intervention that prevents the onset of disease. And if someone does fall ill, we aim to help enable earlier detection at a milder stage, and guide them toward faster, better recovery through personalized, optimal care.

Until now, Sysmex has primarily delivered value in the field of *in vitro* diagnostics (IVD)—namely, basic testing (such as routine medical checkups), detailed follow-ups, and evaluations of treatment efficacy. Looking ahead, we believe it is essential to contribute not only at times of illness or treatment, but throughout each person's life—supporting their health and instilling confidence from a broader perspective. To that end, we are expanding the scope of our value creation beyond IVD into preventive care and treatment domains. In doing so, we will continue to co-create the future of healthcare in collaboration with a wide range of stakeholders around the world.

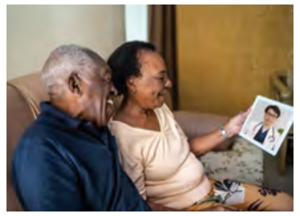
Main Value We Provide

Expanding access and advancing testing

Optimization of testing operations and management processes

Advancing testing that eases the burden on patients

Promoting advanced medical technologies that enable faster recovery



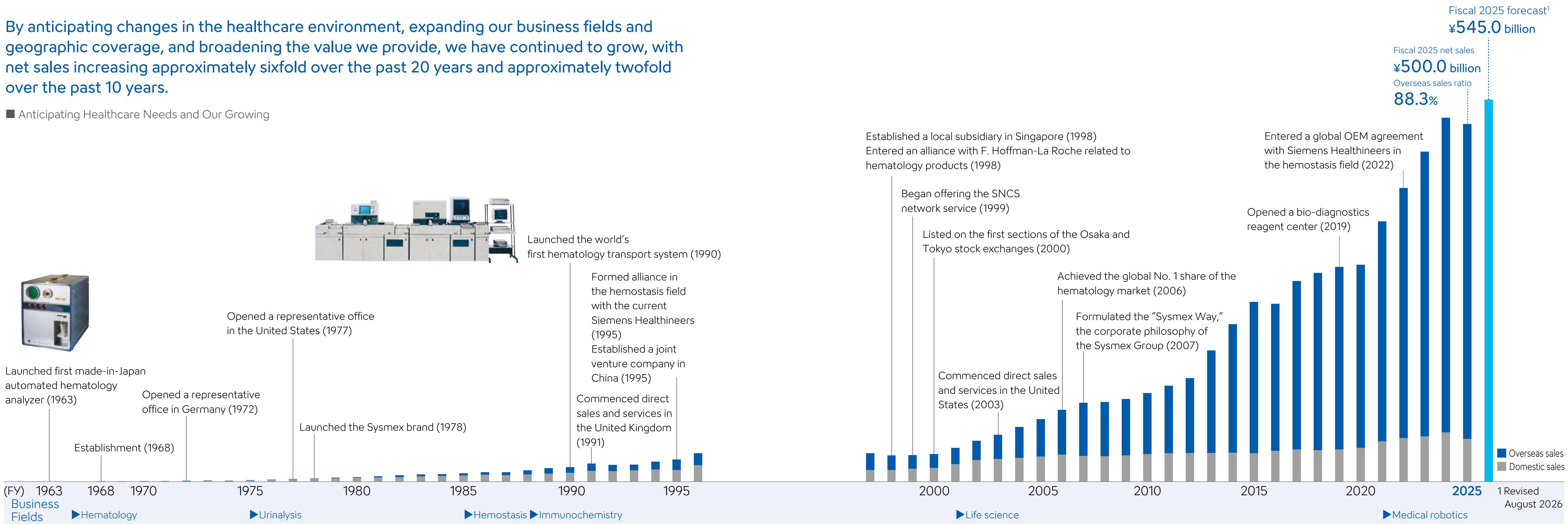
Realizing prevention and prognostic management

>>For details, see "Providing Value in the Healthcare Domain" on P35.

Value Creation Journey

By anticipating changes in the healthcare environment, expanding our business fields and geographic coverage, and broadening the value we provide, we have continued to grow, with net sales increasing approximately sixfold over the past 20 years and approximately twofold over the past 10 years.

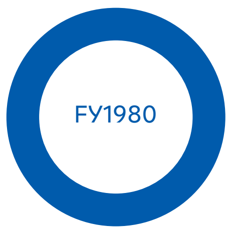
■ Anticipating Healthcare Needs and Our Growing



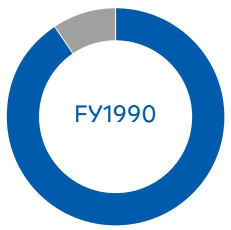
1 Revised August 2026

	1963—1980'	1980'—1990'	1990'—2010'	2010'—
Changes in the Operating Environment	Enrollment in National Health Insurance (Japan) Growth in Healthcare Demand	Increasingly Diverse Healthcare Needs Efforts to Optimize Medical Expenses	Promotion of Globalization Advent of the IT Revolution	Medical Application of Innovative Technologies Increasingly Diverse Healthcare and More Diverse Needs
Value Provided by Sysmex	**Automation of Blood Cell Testing (Hematology)** • Launched first made-in-Japan automated hematology analyzer • Developed reagents as well as instruments, realizing increases in testing quality and performance	**Increasing Value Provided to Laboratories in Addition to Testing** • Developed the world's first hematology transport system, making the testing process more efficient and safer • Expanded into the fields of urinalysis, hemostasis and immunochemistry	**Expanding the Sales and Service Area Beginning to Provide Services Utilizing IT** • Expanded our direct sales and service structure, and expanded offerings to more than 190 countries and regions • Began using IT to provide proprietary services and support	**Taking on Challenges in Personalized Medicine and Other Areas to Further Expand Our Business Domain** • Developed and commercialized a gene testing system in the cancer domain • Expanded into testing for Alzheimer's disease and others • Launched a medical robotics business

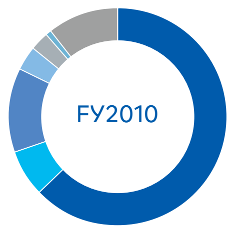
Changes in Sales by Field



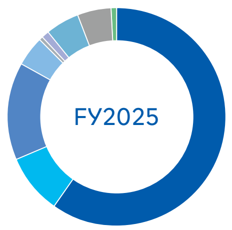
Hematology (including some sales from other fields)	100%



Hematology	90.8%
Non-hematology (urinalysis, hemostasis, immunochemistry, and others)	9.2%



Hematology	62.8%
Urinalysis/fecal occult blood	7.1%
Hemostasis	12.6%
Immunochemistry	3.4%
Clinical chemistry	2.9%
Life science	0.8%
Others	10.4%



Hematology	59.9%
Urinalysis	8.8%
Hemostasis	14.5%
Immunochemistry	4.5%
Clinical chemistry	0.6%
FCM	0.9%
Life science	5.0%
Others	5.1%
Medical robotics	0.7%

Management Resources Cultivated Since Our Founding

- Sysmex characteristic 1: A stable, highly profitable business model
- Sysmex characteristic 2: A strong business position in the domain of *in vitro* diagnostics
- Sysmex characteristic 3: An integrated system for providing customers with confidence
- Sales, services and support network covering more than 190 countries and regions
- Brand Strength (No. 1 global market shares in hematology)
- Diverse Human Capital (Global and specialized talent)

Sysmex characteristic 1

Profit model

A stable, highly profitable business model

through the continuous provision of instruments, reagents, and services and support.

■ Sources of Revenue in the Diagnostics Business (Figure 1)

High customer satisfaction drives a virtuous cycle

	Example: Hematology field in North America	Growth drivers	Profitability image / drivers	Sales Composition by Product Type (Fiscal 2025)
Instruments	Share Approx. 70% or more[1]	• Market growth (e.g., emerging markets) • Expansion of geographic coverage • New product launches • Conversions from competitors	★ • Modular product design • Improvement of production efficiency • Lifecycle optimization	20.6%
Reagents	Independent reagent ratio 100%	• Increase in number of tests • Expansion of the installed instrument base • Increase in test parameters in line with medical advancements (e.g., hemostasis, immunochemistry)	★★★ • In-house sourcing of raw materials • Promotion of local production • Expansion of mass production scale	61.6%
Services and support	Customer satisfaction level 1st[2] 19 consecutive years	• Expansion of the installed instrument base • Value-added solutions using IT/AI • Expansion of services based on customer needs	★ • Preventive maintenance • Enhancement of online support • Greater instrument durability • Diagnostic support through AI	13.9%

1 Market share in North America includes instruments, reagents, and services and support
2 As of March 2026, based on IMV ServiceTrak™ research in the United States.

Sysmex's Profit Model

Sysmex's profit model has been a key driver of its sustained growth. A defining feature of this model is its ability to generate stable, recurring income from reagents and services following the installation of instruments—allowing the Company to continuously reinvest thanks to its high profitability. Notably, Sysmex is one of the few global companies that handles R&D, production, and sales of instruments, reagents, and support services entirely in-house—this integrated model directly contributes to its profit model. The synergy between instruments and reagents enables high-value, reliable testing, while the Company's highly rated services and support offerings further encourage the adoption of new products—creating a virtuous cycle that underpins Sysmex's profitability and stability.

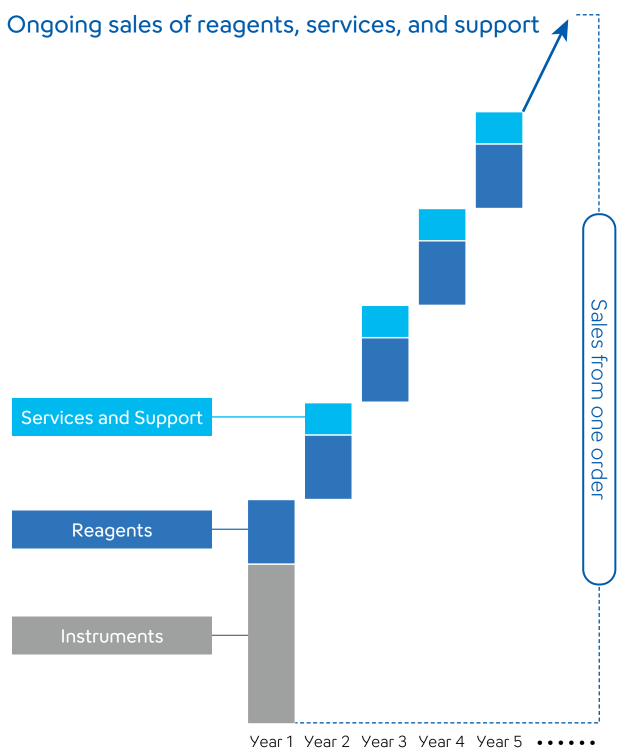
Each of the three pillars—instruments, reagents, and services and support—has also evolved to serve as an independent revenue stream in response to changes in the market (see Figure 1). Instrument sales have grown due to market expansion, geographic rollout, new product launches, and competitive conversions. Profitability is being enhanced by modular product design and improved operational efficiency through digital transformation (DX).

Used every time a test is run, reagent sales grow in line with the number of installed instruments and test volumes—making them a key growth engine. Reagents are more profitable than instruments, and test parameter expansion in areas like hemostasis and immunochemistry increases reagent usage. Localized production and in-house sourcing of raw materials are further boosting quality and profitability.

Services and support generate recurring revenues that scale with the number of instruments installed. Beyond routine maintenance, Sysmex offers value-added services including 24/7/365 support[1], training programs, and academic support—accelerating growth. While this domain requires significant labor, the Company is reducing fixed costs through online support and AI adoption.

1 Separate contract required

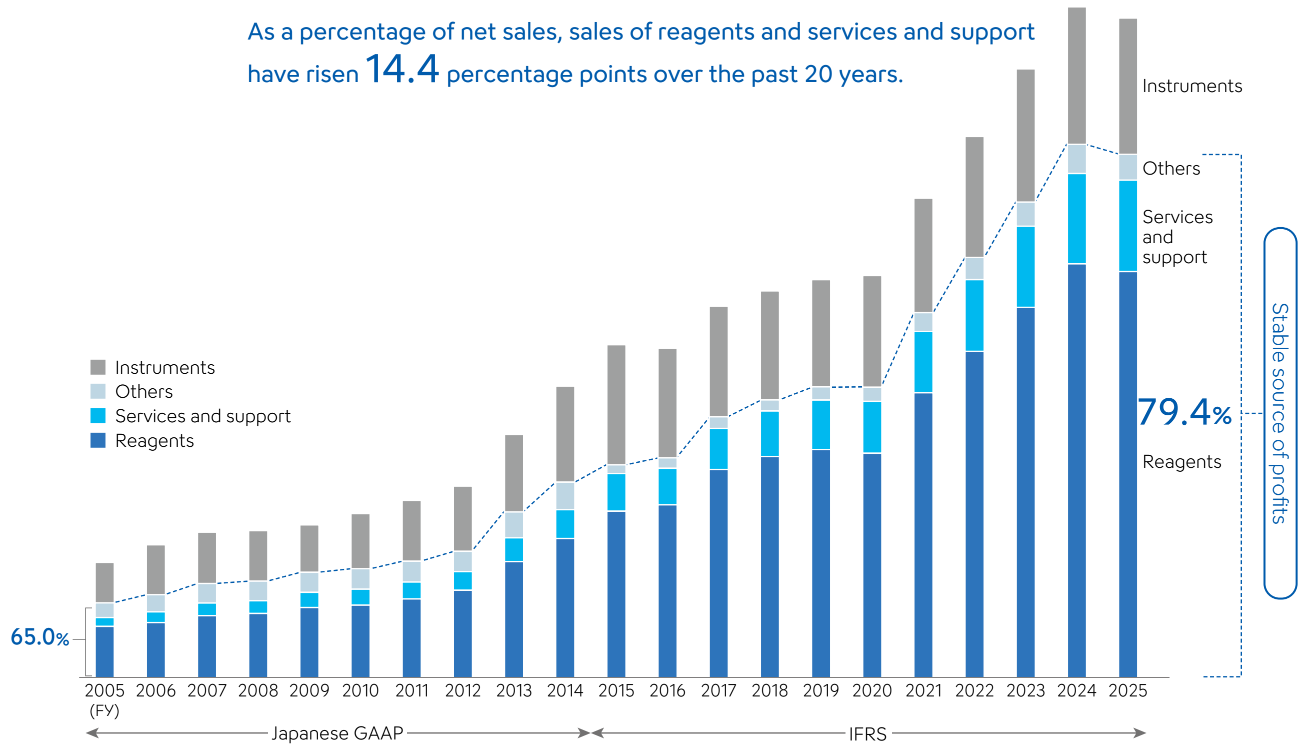
■ Sales Structure (Figure 2)



Growth Trends from the Perspective of Composition of Sales

Sysmex's net sales are composed not only of instruments, but also of the cumulative sales of reagents and services and support, which are essential for testing (Figure 2). In recent years, the Company has increased the proportion of reagent sales by expanding its share among large-scale facilities with high reagent usage and by expanding its lineup of test parameters with strong clinical relevance. The proportion of services and support sales has also risen accordingly. As a result, reagents and services and support have shown high sales growth rates, and their share as stable sources of sales (Figure 3) has continued to rise year by year. In fiscal 2025, the percentage of sales from stable sources reached 79.4%, marking a 14.4-point increase over the past 20 years.

■ Sales Trends by Source (Figure 3)

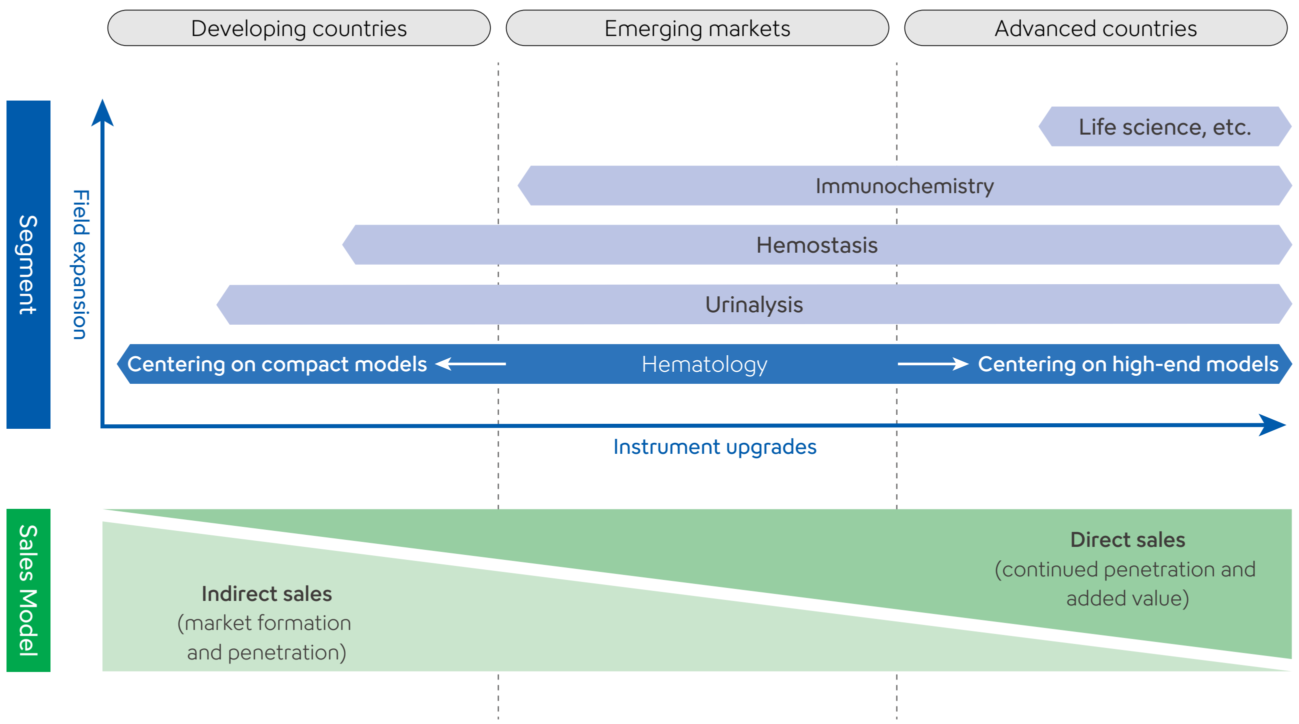


Note: In the past, charges to customers based on the number of tests were included in "Others." From fiscal 2015, amounts have been divided and presented as "Instruments," "Reagents," and "Services and Support."
"Others" includes consumables.

A Strong Business Position in the Domain of *In Vitro* Diagnostics

Based on Hematology

■ Illustration of Sysmex's Main Fields and Sales Models by Market Type



Leveraging Our Brand Strength in Hematology to Expand into Other Segments

Sysmex's core business, the hematology field, is a foundational area of testing essential for both diagnosis and treatment. Because of this, it is typically one of the first to be adopted in regions where healthcare infrastructure is still developing—such as developing countries and emerging markets. In addition to providing instruments, Sysmex contributes to raising medical standards through training in accurate testing practices and the sharing of the latest medical information. These efforts have helped earn market trust, strengthen the brand, and increase market share. As markets grow, there is a rising demand for upgrades to high-end models, as well as for more specialized tests like hemostasis and immunochemistry. Sysmex is steadily expanding into these fields by leveraging the brand recognition and sales networks it has built in hematology.

In advanced countries, Sysmex already holds an overwhelmingly high market share in hematology. Yet, amid rising social expectations for optimized healthcare spending, demand is growing for solutions that can enhance laboratory productivity—an area where Sysmex excels. Moreover, the Company continues to improve its market presence by offering added value through automation and the development of unique test parameters in fields such as hemostasis and immunochemistry.

In regions where the market is still in its formation stage, Sysmex primarily adopts an indirect sales model using local distributor networks to enter the market efficiently. Once the business environment becomes more predictable and growth potential becomes evident, the Company shifts to a direct sales model—ahead of competitors—to better understand customer needs and provide higher-quality products and services.

Sysmex's Position in the IVD Market

The IVD market is relatively resilient to global economic and political trends, and its size—estimated at around $96 billion—continues to grow alongside the advancement of healthcare. While global majors based in the United States and Europe dominate the market, Sysmex is the only Asia-based company ranked among the top 10 globally. In the hematology segment, Sysmex commands over 50% of the global market share, securing the No. 1 position (see top-right diagram).

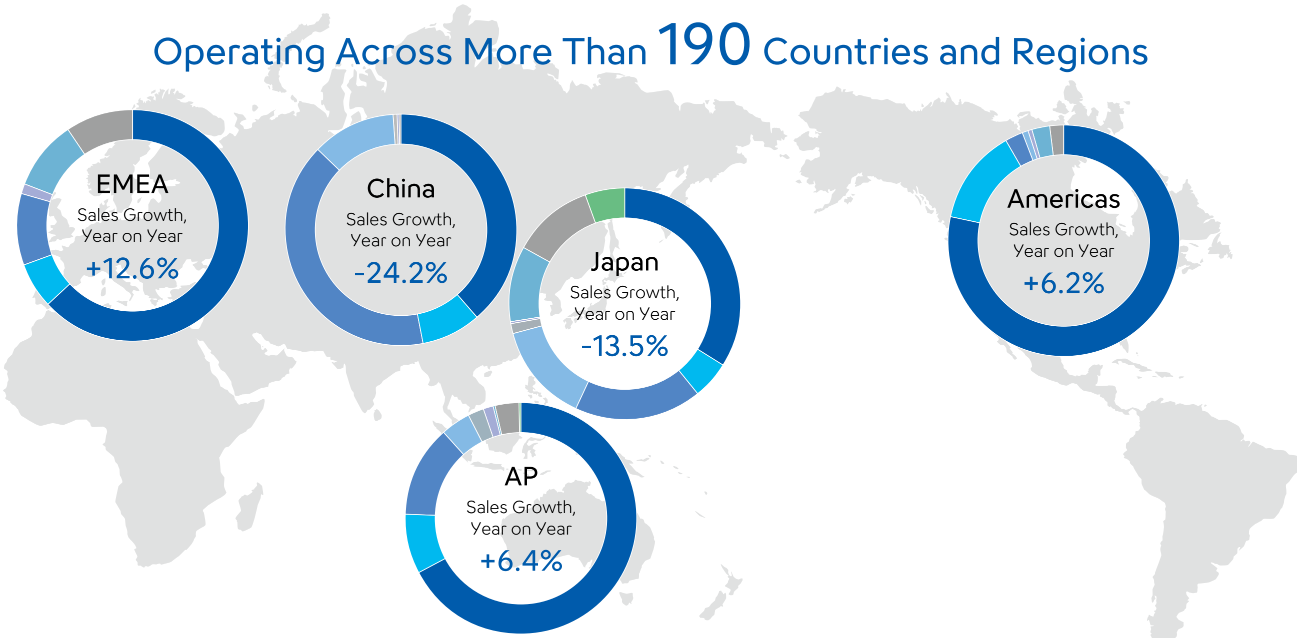
Sysmex is also actively expanding into other fields beyond hematology to create new growth pillars. In the hemostasis field, the Company began direct sales in Europe and the United States in April 2024, and we anticipate strong growth going forward. In the immunochemistry segment, which represents the largest market size within IVD, Sysmex has so far focused on the Asian region. However, the Company is now preparing for full-scale global expansion.

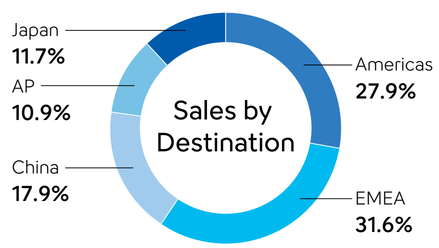
■ IVD Market Scale and Sysmex's Positioning

	Market Scale[1] ($ million)	Growth Rate (2025-2028)	Main Participating Manufacturers[1]	Sysmex's Sales Composition (Fiscal 2025)	Market Share	Main Alliances
Hematology	4,300	3%[2]	Mindray, Danaher, Siemens Healthineers, Abbott	59.9%	No. 1 **56.1%**	Roche, Cellavision
Urinalysis Of which, sediment urinalysis	1,200 (500)	3%[2]	Danaher, Roche, Siemens Healthineers	8.8%	No. 1[3]	EIKEN CHEMICAL, Siemens Healthineers
Hemostasis	3,200	3%[2]	Werfen,Stago	14.5%	No. 1[3]	Siemens Healthineers
Immunochemistry	27,000	3%[2]	Roche, Abbott, Siemens Healthineers, Danaher	4.5%	—	Fujirebio Holdings
Clinical chemistry	9,000	4%[2]	Roche, Danaher, Abbott, Siemens Healthineers	0.6%	—	—
IVD market	96,000	3%[2]	1 Roche 2 Danaher 3 Abbott 8 **Sysmex**	—	—	—

1 Our ranking (As of March 31, 2025) and market size and growth rate (as of 2024) for IVD market and each field of testing are our own estimates based on disclosed information. Calculations are based on the exchange rates during the year of the survey, so simple year-on-year comparisons of market size are not possible.
2 Excluding China: Government-led policies to curb medical costs are progressing, and their impact is currently under review.
3 Includes sales through alliances.

■ Sales by Destination and Business (Fiscal 2025)





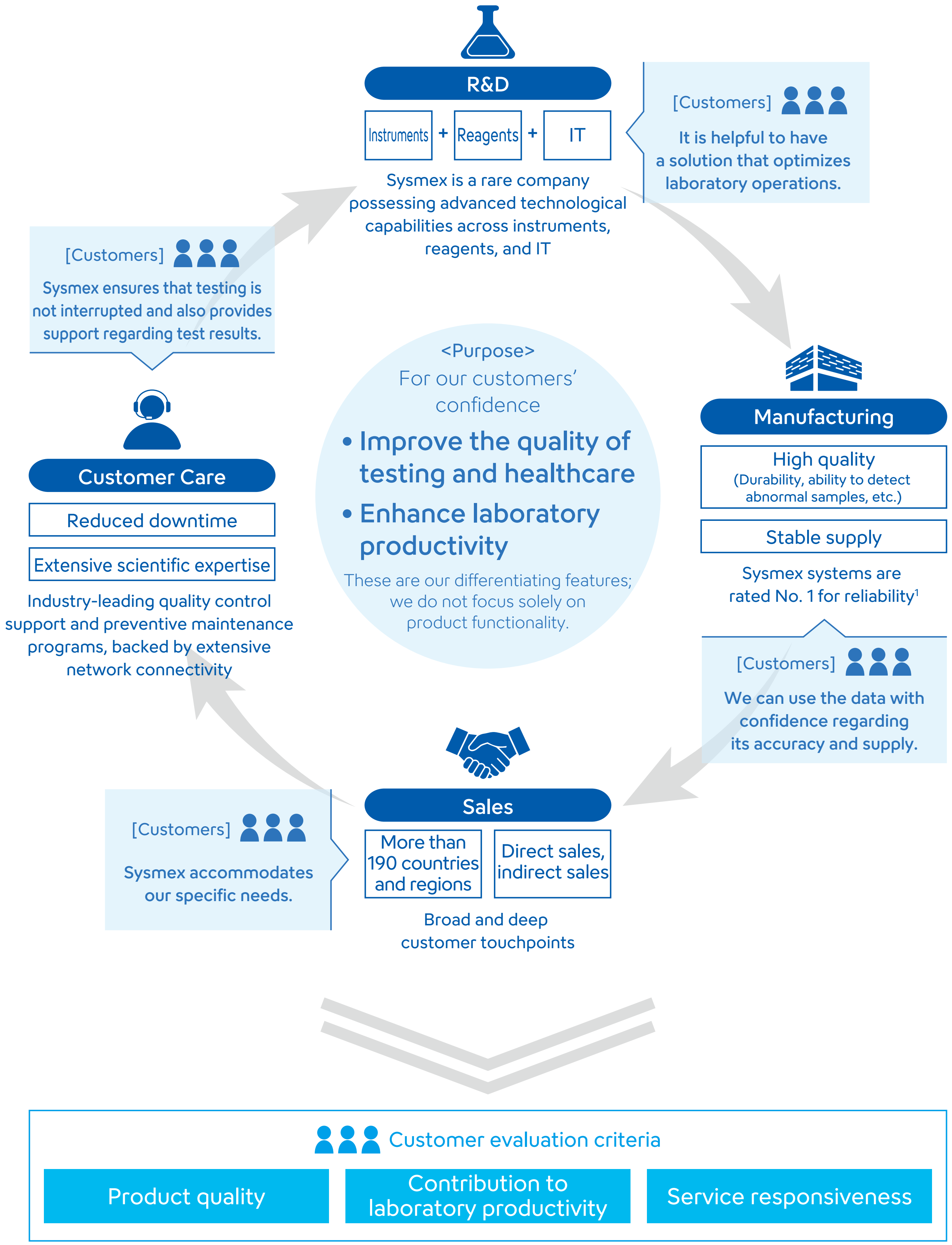
(Billions of yen)

	Americas	EMEA	China	AP	Japan
Hematology	108.9	99.5	34.6	36.5	19.7
Urinalysis	18.6	10.2	7.4	4.5	3.2
Hemostasis	3.4	15.6	35.9	7.0	10.2
Immunochemistry	1.4	0.09	10.3	2.2	8.1
Clinical chemistry	—	0.01	0.6	1.2	0.9
FCM	0.9	2.3	0.3	0.8	0.1
Life science	3.3	15.3	0.06	0.08	6.1
Others	2.5	14.7	0.01	1.8	6.7
Medical robotics business	—	—	—	0.1	3.1
Total	139.2	158.0	89.4	54.6	58.6

Sysmex Characteristic 3
Value Chain

An Integrated System for Providing Customers with Confidence
That Leverages Our Distinctive Strengths in Research and Development, Production, Sales, and Customer Care

■ Virtuous Cycle in the Hematology Field



1 IMV ServiceTrak™ Clinical 2025 hematology report

Enhancing Value across Laboratories and Healthcare as a Whole

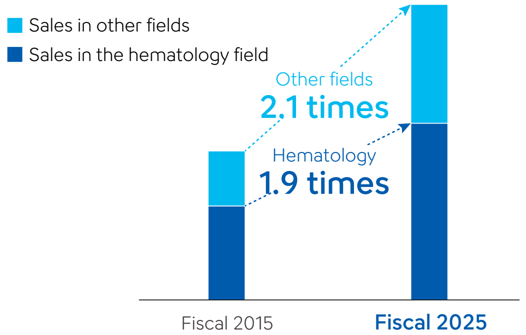
Sysmex has distinctive strengths in research and development, production, sales, and customer care. These strengths have earned customer trust, contributed to high retention rates, and helped us win new contracts, supporting our continued growth. Underpinning these achievements is our corporate philosophy of providing confidence to customers and society. Our aim goes beyond enhancing the value of our products themselves: We seek to improve the quality of testing and healthcare, increase laboratory productivity, and ultimately contribute to optimizing healthcare as a whole.

Characteristics of Each Part of the Value Chain and the Value Provided to Customers

Taking the hematology field as an example, in research and development, we maintain in-house R&D capabilities for instruments, reagents, and IT. By combining the respective strengths of these capabilities, we create products that contribute to optimizing workflows across the entire laboratory. >>Enhancing the Sophistication and Efficiency of Laboratory Operations P50 In production, we focus on durability, a high ability to detect abnormal samples, and ensuring stable supply, thereby supporting stable testing operations without concerns over data accuracy or supply. In sales, we initially develop markets through indirect sales via distributors and other partners, before transitioning to direct sales. This enables us to deepen our understanding of customers and gives us an extensive network of customer touchpoints covering more than 190 countries and regions. In customer care, we provide support including quality control and preventive maintenance through our network. In addition to keeping testing operations running, we build relationships of trust by providing academic support concerning test results. Furthermore, customer needs identified through sales and customer care are fed back into research and development and production, leading to continuous value creation.

Customers highly value the product quality, contributions to laboratory productivity, and service capabilities realized through these initiatives. These strengths have helped Sysmex maintain its overwhelming No. 1 market share in hematology and achieve growth exceeding that of the market. By extending these strengths into other fields, we are also enhancing our brand strength and supporting sustainable business growth. Over the past 10 years, sales in fields other than hematology have expanded 2.1-fold.

■ Rate of Growth by Field



<Customer Satisfaction Ratings> Highly Rated in the United States and China

At Sysmex, we regard customer satisfaction as a key indicator of quality and continuously monitor customer satisfaction around the world. Third-party surveys have also recognized our high customer satisfaction ratings in the United States and China.

United States

2025 ServiceTrak™ Clinical Laboratory Awards[1]

No. 1 in Hematology
Winner for 8 Consecutive Years
Customer satisfaction, system performance, overall service

China

16th China Healthcare Industry Data Survey (FY2025)

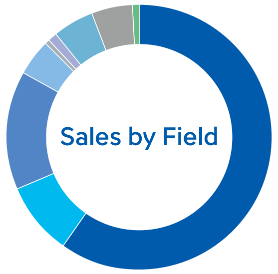
No. 1 on The Golden List of Excellence
Overall customer satisfaction, market share, repurchase intention, NPS®[2], training satisfaction

No. 1 on The Top Imported Brands List

1 Source: IMV Announces Complete List of 2025 ServiceTrak Clinical Laboratory Award Winners
2 NPS® is a registered trademark of Bain & Company, Fred Reichheld, and Satmetrix Systems

Fiscal 2025 Highlights

Net Sales	Operating Margin	ROE
¥500.0 billion	10.4%	7.3%
-1.7% year on year	-6.8 points year on year	- 4.7 points year on year



Hematology	59.9%
Urinalysis	8.8%
Hemostasis	14.5%
Immunochemistry	4.5%
Clinical chemistry	0.6%
FCM	0.9%
Life science	5.0%
Others	5.1%
Medical robotics	0.7%

Americas	27.9%
EMEA	31.6%
China	17.9%
AP	10.9%
Japan	11.7%

■ Key Topics

Management / Performance

- Performance in the Americas, EMEA, and AP remained solid, but net sales and profit declined due to the impact of healthcare cost containment policies in China and the recording of impairment losses in new businesses following revisions to business plans.
- Announced a change of Representative Director (February) >>P6, P21
- Redefined materiality (March) >>P31
- Formulated and announced a new Mid-Term Management Plan aimed at reinforcing the diagnostics business and improving profitability (March) >>P43

Business

- New production base in India began full-scale operations and sales of "Make in India" products commenced (April) >>P48
- New products in the hematology and hemostasis fields obtained U.S. FDA clearance (from June)
- Entered into an agreement to acquire JEOL Ltd.'s clinical chemistry testing business (September) >>P47
- Began direct sales in Kenya and Greece
- Launched a compact model in the hemostasis field for the mid- and low-end markets (December) (Japan)

Sustainability

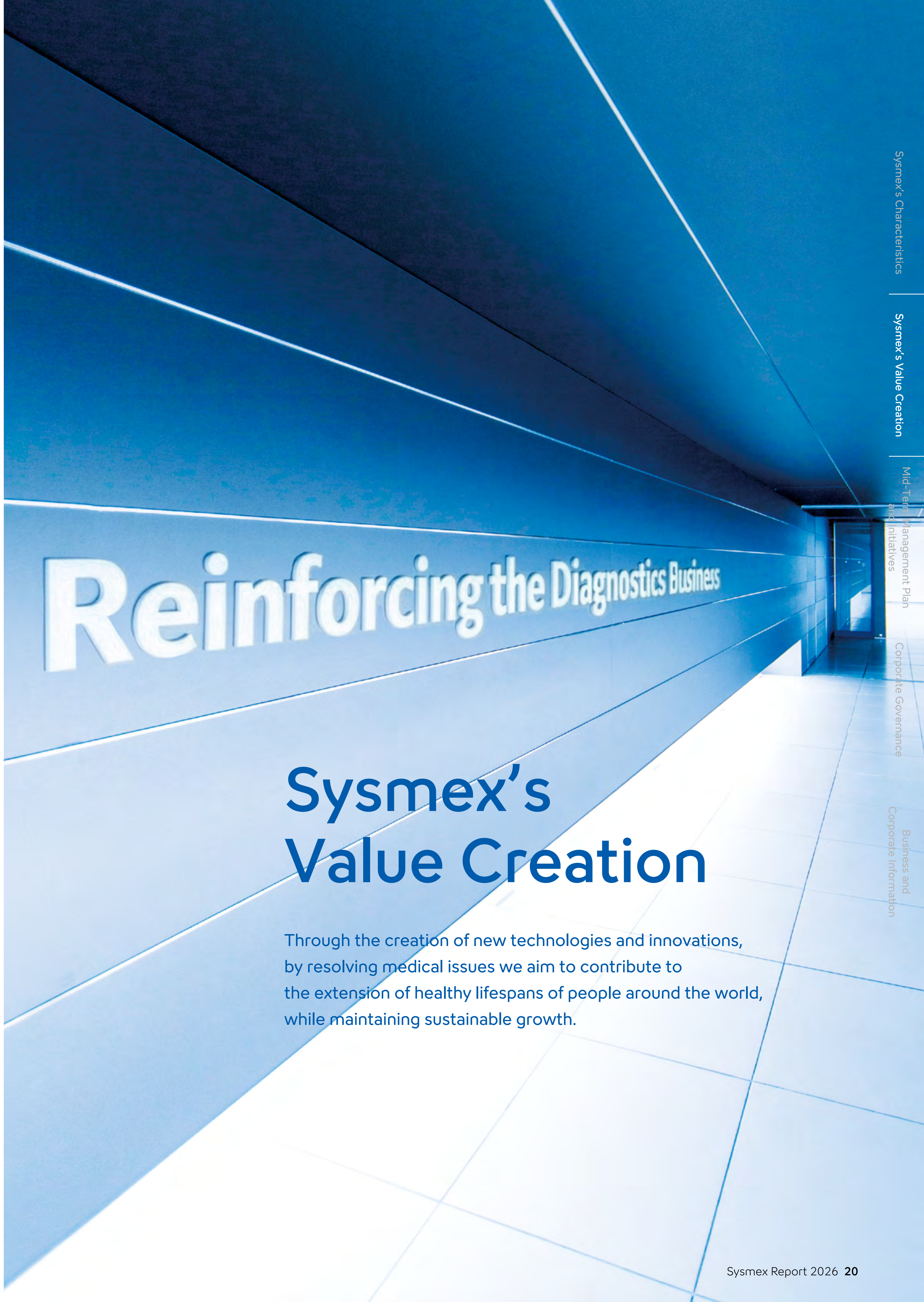
- Introduced a performance-linked stock compensation plan for executive compensation >>P84
- Launched a global next-generation leader development program >>P61
- Assessed dependencies and impacts on natural capital in accordance with the TNFD recommendations >>P57
- Ranked in the Top 1% in the Sustainability Yearbook 2026 by S&P Global


Announcement of the change of president


Production base in India


Compact model in the hemostasis field


Global Next-Generation Leader Development Program



Sysmex's Value Creation

Through the creation of new technologies and innovations, by resolving medical issues we aim to contribute to the extension of healthy lifespans of people around the world, while maintaining sustainable growth.

Message from the President

With "Reinforce the strengths and earnings power of the diagnostics business" as our aim, we will return to a growth trajectory by creating value that exceeds customer expectations through the execution of the new Mid-Term Management Plan and by improving profitability and capital efficiency.

On Becoming President

I was appointed Sysmex's representative director and president in April 2026. When I was approached about taking on the role, I was told that what Sysmex needs going forward is value creation from the customer's perspective, by leveraging my experience. Steering the Group as we undertake reforms to return to a growth trajectory is an enormous responsibility, but I intend to devote myself fully to evolving Sysmex once again into a strong company.

I decided to join TOA Medical Electronics Co., Ltd. (now Sysmex) in 1985 because, despite being a company of only around 500 employees at the time, I was attracted by its dynamic growth and corporate culture of valuing people. I felt it was a company where I could boldly take on the challenges I wanted to pursue. After joining, I threw myself into sales activities, from developing new customers to proposing solutions. In 1991, I helped establish our UK subsidiary, Sysmex's first overseas direct sales base, and in 2001 I became president of our European subsidiary. These experiences were invaluable. Leading overseas operations while engaging in extensive dialogue with customers and key opinion leaders laid the foundation for who I am today. Sysmex possesses many management resources including our technologies and talented people. However, our customer base across more than 190 countries and regions represents a unique and enduring competitive advantage. Solving the challenges facing our customers and society is the very essence of how we create value and grow. We will continue to advance reforms and guide Sysmex forward, while responding to the expectations of customers and society, and I ask for your continued support.

Achievements and Challenges under the Previous Mid-Term Management Plan

Under the previous Mid-Term Management Plan, a rapid contraction in the Chinese market and other factors exposed a downward trend in profitability and capital efficiency, but our priority strategies progressed steadily. The global rollout of the latest models in the hematology field and the establishment of direct sales systems for hemostasis testing in Europe and the Americas produced solid results. Our expansion in emerging markets, including the establishment of a production site in India, also delivered growth exceeding our plans. As we rebuilt customer contact following the COVID-19 pandemic, our market shares generally increased as well, and I believe customer trust in Sysmex and our competitiveness have steadily strengthened.

At the same time, areas for improvement in management became clear. In particular, we take very seriously the fact that repeated downward revisions to our financial forecast in fiscal 2025 meant that we failed to meet stakeholder expectations. This resulted from our inability to adequately anticipate the speed of changes in the Chinese market environment and respond with sufficient agility. Going forward, based on information received continuously from our local subsidiary in China, we will further strengthen agile and flexible management decision-making that takes risks into account.

Under our Long-Term Vision, "Together for a better healthcare journey," we have worked to expand and deepen our business domains. However, our efforts to expand the business led to management resources being spread too thinly across a range of investments. We therefore see room to improve how we allocate and prioritize those resources. We also recognize shortening new-product development and launch cycles, improving productivity across operations, and strengthening cost competitiveness as important challenges.

What We Aim to Achieve Under the New Mid-Term Management Plan (Fiscal 2026–2028)

Looking ahead in healthcare, as the global population continues to grow and age, testing and prevention will become increasingly important, and healthcare systems will need to respond to the increasing sophistication and diversification of medical care. Systemic and infrastructure-related challenges are also mounting, including optimizing healthcare spending, reducing disparities in standards of healthcare, and shortages of healthcare professionals. With its No. 1 global market share in the hematology field, Sysmex has an important role to play in addressing these healthcare challenges. At the same time, as the use of AI becomes commonplace, it is clear that creating value through AI and deploying AI in real-world settings will become key competitive factors. With one of the world's leading data collection infrastructures and direct dialogue with customers about their needs, we must use AI and data to drive innovation in testing and healthcare. Meanwhile, from an economic perspective, geopolitical risks are expected to intensify and markets to become even more uncertain and unstable. Personnel, raw material, and logistics costs are also rising, requiring decision-making and business execution fundamentally different from what has been required in the past.

Against this backdrop, and reflecting on the previous Mid-Term Management Plan, we have set "Reinforce the strengths and earnings power of the diagnostics business" as the aim of the new Mid-Term Management Plan. We will embrace the pride and responsibility that come with being a leading company, return to our roots of creating value through the diagnostics business, and rigorously set priorities and concentrate our resources accordingly. By improving profitability and capital efficiency, we will regain the trust of our stakeholders.

Under this aim, we have organized our strategic priorities around three perspectives. The first is "Maintaining a strong focus on the diagnostics business." We will concentrate management resources on businesses that generate earnings and devote ourselves to what lies at the heart of being a manufacturer: providing new products and services that exceed customer expectations. We will also make maximum use of our competitive advantages—our customer base and testing data—to create new value through AI and DX. Specifically, we plan to continuously launch flagship models equipped with AI capabilities in our major fields, delivering greater efficiency in testing operations and added clinical value to customers. We will also innovate the product life cycle, establishing a development model that continuously enhances product value through the review of development processes and software updates.

The second is "Building a more cost-competitive and profitable corporate structure," with an emphasis on cash and profit generation. To improve the profitability of reagents, which are a source of recurring revenue, we will transform our approach to raw materials, logistics, and our operational footprint by reviewing the supply chain, while using internal DX to improve management efficiency and productivity. We are also reviewing our business portfolio based on a fundamental policy of concentrating on the diagnostics business. We are establishing criteria for deciding how to proceed with each business based on its risk and future potential, while also considering the best-owner perspective. Once we have clarified the direction for reviewing the relevant domains and resource allocation, we will communicate this to stakeholders.

The third is "Fulfilling our social responsibilities." Healthcare, which directly concerns health and life, is inseparable from our contribution and mission to society, and Sysmex will continue to fulfill this mission. In particular, many people around the world still lack adequate access to essential healthcare services. By expanding access to and advancing testing, which serves as the gateway to healthcare, we aim to improve access to healthcare worldwide. Even amid growing uncertainty caused by natural disasters, geopolitical tensions, and other factors, ensuring that testing does not stop is an important responsibility of Sysmex. A strong sense of responsibility for keeping our customers' testing operations running is deeply rooted in our corporate culture. Whenever a natural disaster occurs and I see our employees working tirelessly to restore customers' laboratories and provide support, I am reminded that our corporate philosophy has taken root throughout the organization. We will maintain this stance under the new Mid-Term Management Plan. In addition to helping enhance healthcare access, we will rebuild our global supply chain and strengthen our stable supply system so that testing does not stop even in an emergency, continuing to deliver confidence to customers around the world. Furthermore, to regain the trust of the capital markets, we will ensure timely and transparent disclosure and dialogue.

■ Aim of the New Mid-Term Management Plan:

"Reinforce the strengths and earnings power of the diagnostics business"

■ Our Strategic Priorities:

Maintaining a strong focus on the diagnostics business	Building a more cost-competitive and profitable corporate structure	Fulfilling our social responsibilities

■ Strategic Themes:

Strengthening the competitiveness of the diagnostics business	Advancing medical DX and data utilization by leveraging the strengths of the diagnostics business	Improving profitability through value chain transformation	Redesigning financial and capital strategies

Achieving the New Mid-Term Management Plan

Based on the thinking outlined above, under the new Mid-Term Management Plan, we have redefined our materiality through quantitative verification and aligned it more closely with our strategies. We are advancing initiatives focused on four strategic themes; (1) strengthening the competitiveness of the diagnostics business; (2) advancing medical DX and data utilization by leveraging the strengths of the diagnostics business; (3) improving profitability through value chain transformation; and (4) redesigning financial and capital strategies. (For details, see P31, "Materiality," and P43, "Overview of the Mid-Term Management Plan.")

Our management targets include net sales of ¥600.0 billion or more (an increase of ¥100.0 billion from fiscal 2025), an operating margin of 16.7% or higher (an increase of 6.3 percentage points), and ROE of 12.0% or higher (an increase of 4.7 percentage points), as well as targets for capital efficiency, working capital efficiency as measured by the cash conversion cycle (CCC), and cash generation capability. Reflecting the lessons learned from the previous Mid-Term Management Plan, we set these targets conservatively, without assuming favorable business or competitive conditions, and incorporated a wide range of risks. While prioritizing fields and concentrating our resources accordingly, we will aim to outpace market growth in each field and maintain a relentless focus on improving profitability and capital efficiency. To this end, in addition to strengthening monitoring of our operating margin, as we reform the business portfolio we will manage ROE, ROIC, and the cost of capital with greater emphasis than ever before.

Successfully implementing the new Mid-Term Management Plan will require strong execution by both management and every employee. To closely monitor changes in the external environment and respond with agility, we will stay close to the front lines and focus on management decisions based on a firsthand understanding of developments there. We will also create an environment that encourages positive and open discussion. I intend to remain true to the stance of "Be Positive, Be Open," creating an open and vibrant corporate culture. To achieve this, we will embrace diversity, create an environment where people can exchange views as equals regardless of nationality, gender, professional background, or other differences, and further enhance our DE&I initiatives.

Since becoming president, I have held dialogues with employees at our regional headquarters in the Americas, EMEA, China, Asia, and Japan. The aim of the new Mid-Term Management Plan—"Reinforcing the strengths and earning power of the diagnostics business"—has generated high expectations and resonated strongly with employees. Going forward, I will continue to actively engage in dialogue with employees around the world and across the value chain.

Town hall meeting with employees in the United States

To Our Shareholders and Investors

As I noted in reflecting on the previous Mid-Term Management Plan, we take seriously the loss of trust in our financial forecasts and disclosures in fiscal 2025. This experience has reinforced the importance of transparency and underscored the fact that delays in disclosure can further erode trust. Going forward, we will work to provide prompt and thorough disclosure based on a precise understanding of strategic progress and changes in the operating environment, while enhancing both the quality and quantity of our dialogue with the capital markets. We highly value the expectations and requests of our shareholders and investors. Management will take these perspectives seriously, and ensure they are shared through the Company. We see dialogue with you as a force that drives transformation for each of us.

Sysmex will continue to innovate so that we can return to a growth trajectory and enhance corporate value. We ask for your continued support.

Story of Value Creation

Sysmex develops its business based on the "Sysmex Way," the corporate philosophy for the Sysmex Group, whose stated mission is "Shaping the advancement of healthcare." Under Long-Term Corporate Strategy 2033, Sysmex has adopted the Long-Term Vision "Together for a better healthcare journey" and will continue contributing to the advancement of healthcare and healthier lives.

Long-term vision: Together for a better healthcare journey

Inputs

Sources of Value Creation

Sysmex Characteristic 1 — Profit Model

A Stable, Highly Profitable Business Model
>>P13

Sysmex Characteristic 2 — Markets and Fields

A Strong Business Position in IVD
>>P15

Sysmex Characteristic 3 — Value Chain

An Integrated System for Providing Customers with Confidence
>>P17

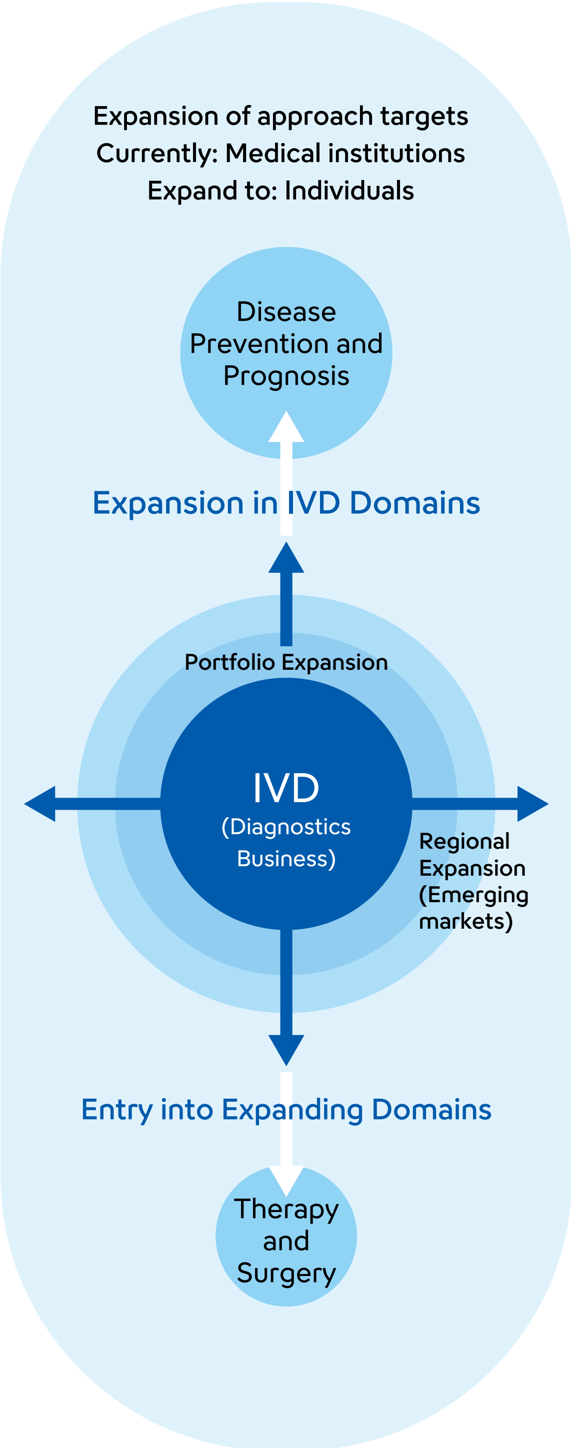
Sales and Service Network Covering More Than 190 Countries and Regions
>>P16

sysmex

Brand Strength (No. 1 Global Market Share in Hematology)

Diverse Human Capital (Global and Specialized Talent)
>>P59

Business Domains



>>Business Domains P28

Value Creation Strategies

Materiality >>P31

Creating value for a healthy society
- Improving the quality of life of each individual and extending healthy life expectancy
- Improving the safety and productivity of healthcare professionals
- Improving the economic efficiency of healthcare
- Improving accessibility to healthcare

Creating innovation
- Implementation of innovative technologies and creation and protection of intellectual property
- Utilization of proprietary data and AI

Providing responsible products, services, and solutions
- Pursuit of quality and trust
- Maintaining stable supply through the development of a resilient supply chain
- Response to medical administration in each country

Maximizing human capital
- Talent acquisition and development
- Promotion of diversity, equity & inclusion (DE&I)
- Promotion of health and occupational safety

Reducing environmental impacts
- Resource circulation in product life cycle
- Responding to climate change
- Efficient use of water resources

Strengthening governance
- Business activities based on legal compliance, respect for human rights, and high ethical standards
- Cybersecurity measures for information systems and products

Core Strategies >>P28

Businesses and Technologies

Enhancing the Value of Testing and Expanding Market, Taking on Challenges in Expanding domains
- Strengthen the diagnostics business
- Refine testing and personalized healthcare
- Realize prevention and prognosis monitoring
- Undertake challenges in new domains

Human Capital

Acquiring and Cultivating Talent in Line with Management Strategies
- Optimization of the human resources portfolio
- High engagement
- Demonstration of teamwork at its best

Eco-social

Establishing a Business Model Adapted to a Circular Resource Society
- Establishment of a circular resource value chain
- Achieve carbon neutrality

Corporate Management

Building an Autonomous and Agile Organizational Management System
- Reinforce the management base
- Increase capital efficiency

Outputs

- Expanding Our Market Share, Centered on Emerging Markets
- Enhancing the Value of Instruments, Reagents, and IT Solutions
- Evolving the Value Chain in Collaboration with Medical Institutions and Suppliers
- Building a Portfolio of Human Resources That Contributes to Advances in Healthcare (Specialized Human Resources, DX Human Resources, etc.)
- Creating a Resilient Global Management Structure

Outcomes

Enhancing Social Value

[Healthcare and Society]

Extending Healthy Lifespans of People Around the World
- Improving accessibility to healthcare
- Realization of optimized healthcare
- Increases in quality of life
- Improvement in the sustainability of healthcare (Optimization of medical expenses)

>>Providing Value in the Healthcare Domain P35

[Environment]

Realizing a circular-oriented society
- Establishment of a circular resource value chain
- Response to climate change, water resources, and biodiversity

Increasing Corporate Value

Financial Value
- High valuation (PBR, PER)
- Capital spread
- ESG rating

Non-Financial Value
- Corporate brand
- Human resources who contribute to social issues
- Employee happiness
- Stakeholder trust

Capital Enhancement

Long-Term Corporate Strategy

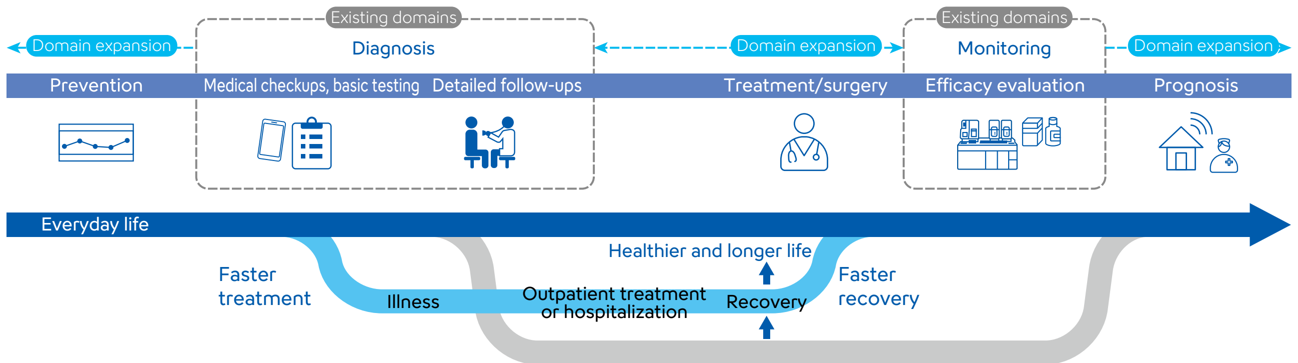
Long-Term Corporate Strategy 2033
(VA33: Value Advance 2033)

Long-term vision	"Together for a better healthcare journey"
Key Points of Our Strategy	1 Expand our target domain from diagnostics to the healthcare journey 2 Accelerate business growth by leveraging our strengths 3 Strengthen our human capital and take on the challenge of reducing environmental impact
Value	• Each and every employee is always sincerely committed to improving social value and corporate value. • We foster innovation in testing and diagnosis, creating unique value in personalized medicine and new therapeutic areas.
Advance	• We promote advancements in healthcare, which is our mission. • We prepare for further advances.

Prospects for the Healthcare Environment

Medical Environment, Systems, and Regulations	Treatment and Technology
• Rises in average life expectancy • Optimization of social security expenditures and medical expenses, and more personalized and decentralized medical care • Increased importance of prevention and self-medication • Ongoing healthcare disparities and the issue of accessibility to healthcare • Development of healthcare infrastructure to cope with pandemics (e.g., emerging markets)	• Development of treatment methods and tests that reduce patients' physical and financial burdens • Implementation and expanded use of AI, digital, and robotics technologies • Increasing need for personalized medicine • Technological innovations in genetic analysis, ultra-highly sensitive measurement, miniaturization of medical devices, regenerative and cellular medicine and their implementation in medicine • Expansion of testing needs for decisions about drug administration, driven by the high cost of drugs

■ Healthcare Journey



>>What Sysmex Aims For P9

Financial Targets

Growth	Profitability
Net sales ¥1 trillion or more	Operating margin 20% or more

Environmental Targets

Achieve zero product losses	Switch to environmentally conscious materials
Percentage of unused product waste 0.1% or less	Rate of use in containers and packaging materials 100%

Overview of Long-Term Corporate Strategy 2033

To date, Sysmex has achieved strong growth by capitalizing on global population growth and steadily rising healthcare demand and expanding its diagnostics business globally in hematology—where it holds the No. 1 global market share—as well as in urinalysis, hemostasis, and immunochemistry. We have also laid the groundwork for expansion into new domains, including personalized medicine and the medical robotics business.

At the same time, the healthcare environment is expected to change even more rapidly. As societies around the world age, rising social security costs, healthcare disparities, and problems with healthcare access will become increasingly serious challenges. Improving healthcare productivity will become an important priority, while prevention and self-medication are also expected to grow in importance. On the technology front, medical DX, led by advances in AI, is accelerating, and the implementation and expanded use of robotics technologies are also expected to progress. Advances in diagnostic technologies such as genetic analysis, ultra-highly sensitive measurement, and miniaturization will continue, accompanied by wider adoption of new treatments such as regenerative and cellular medicine.

Against this backdrop, in 2023 Sysmex adopted the Long-Term Vision "Together for a better healthcare journey," and formulated Long-Term Corporate Strategy 2033. At Sysmex, we view the healthcare events a person experiences throughout their life as a "journey." With this perspective, we aim to enhance each individual's healthcare journey by helping correct healthcare disparities, improve testing efficiency, and facilitate the selection of appropriate treatments—thereby contributing to the extension of healthy life expectancy around the world.

Targets

We have established four quantitative targets: two financial targets and two environmental targets. With growth and profitability as our financial themes, we are targeting net sales of ¥1 trillion or more and an operating margin of 20% or more as we pursue double-digit growth exceeding that of the IVD market and secure a level of profitability that enables reinvestment.

Business Domains

While continuing to focus on our existing IVD domain—the diagnostics business—we define our business domains from the perspective of the healthcare journey. In existing domains, we will expand testing fields and test parameters and focus on enhancing the value of testing through AI and digital technologies, while also expanding geographically into emerging markets and elsewhere. In addition, we will begin expanding into areas such as personalized prevention and prognostic monitoring for clinics and individuals. In expanding domains, we will also pursue treatment domains such as robotic-assisted surgery systems and regenerative and cellular medicine.

Core Strategies

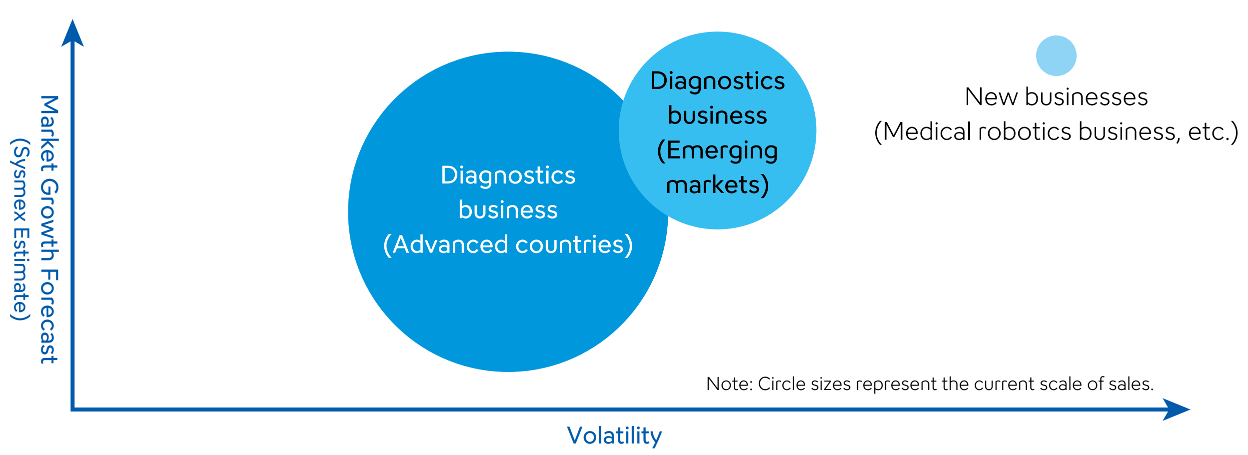
With a strong emphasis on sustainability, we have developed core strategies comprising businesses and technologies, eco-social, human capital, and corporate management, linked to our materiality.

Details

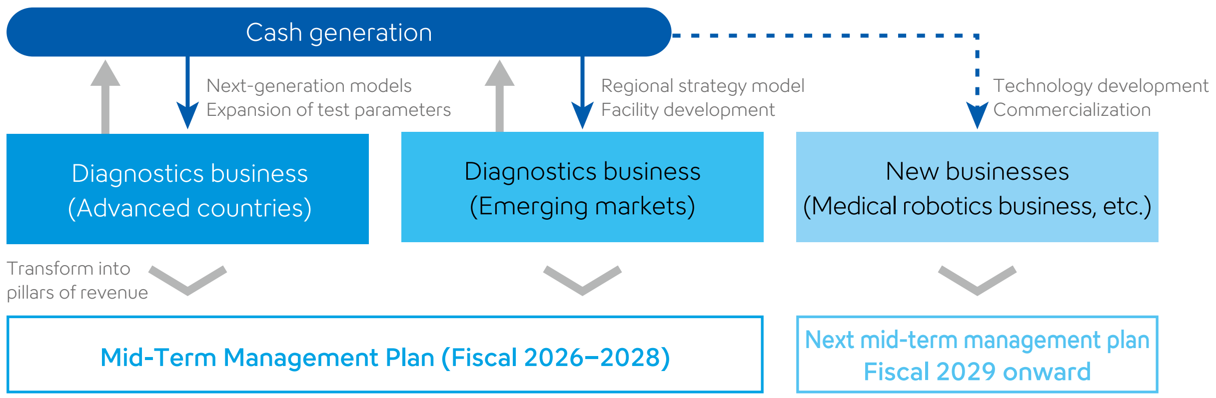
Businesses and Technologies	• Focus on strengthening the diagnostics business, which we have positioned as a driver of revenue growth. Promote the creation of new diagnostic value using AI and data and enhance laboratory productivity. • Develop new tests that lead to diagnosis and treatment and programs for detecting early signs of illness. • Take on challenges in new domains by leveraging technologies cultivated in IVD.
Eco-social	• Establish a business model adapted to a circular society, achieving both the resolution of environmental and social issues and business expansion. • Focus on reducing greenhouse gas emissions, environmentally conscious design, and conserving water resources.
Human Capital	• Acquire and develop highly specialized talent to build an optimal human resources portfolio. • Strengthen engagement by respecting the individuality of diverse talent, creating an optimal work environment, and providing opportunities for growth.
Corporate Management	• Strengthen governance and risk-management systems by building an autonomous and agile organizational management system. • Improve capital efficiency and enhance dialogue with stakeholders.

Investment and Growth Directions

■ Market Forecast



■ Cash Investment Destinations



Note: The market outlook chart represents an image based on our own internal estimates. Growth potential has been projected based on market growth forecasts for each domain and country, as well as the activities and positioning of major global companies. Volatility has been assessed using a range of factors, including the standard deviation of our business's revenue growth over the past 10 years, country risk, market risk, counterparty risk, and technological risk. For the diagnostics business (advanced countries), assumed risks include foreign exchange fluctuations and the rapid advancement of cutting-edge technologies. For the diagnostics business (emerging markets), risks include changes in government policy, the rise of local companies, and the supply of locally sourced products. In the case of new domains, risks are expected to arise from shifts in demand and the emergence of new technologies. Please note that business scale has not been considered in this assessment.

Path Toward Enhancing Corporate Value

Profit Growth

- Drive sustained profit growth by targeting double-digit topline growth and an operating margin of 20%, and work to continue growing profits (ongoing growth in earnings per share).
- Adapt to changing environments with agile resource management and medium- to long-term (5–10 year) investment allocation.

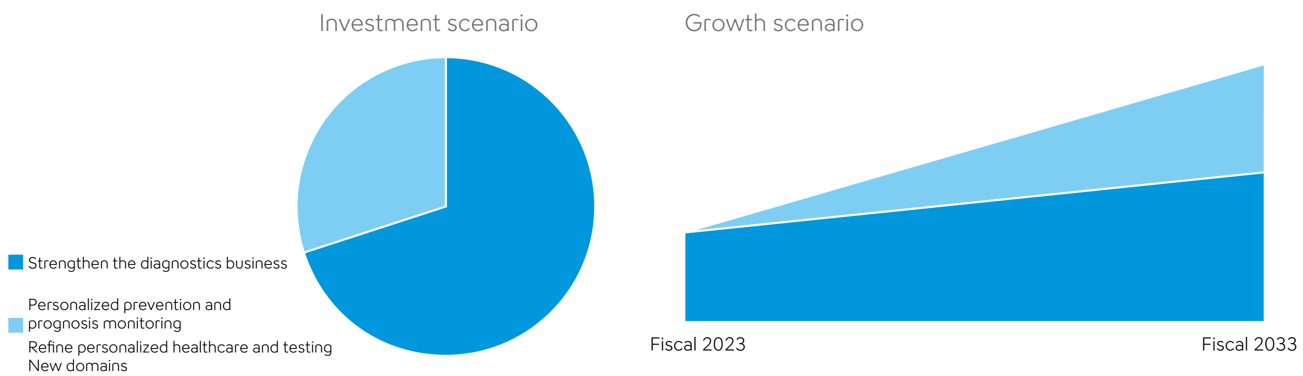
Improved Capital Efficiency

- Prioritize ROE and ROIC as key performance indicators, aiming to improve returns on invested capital.
- Introduce ROIC sensitivity analyses and define key metrics for each business unit to strengthen Company-wide ROIC management.

Optimized Cost of Capital

- Strive in particular to reduce stock price volatility (beta)
- Reinforce investment governance and monitoring to lower volatility in the diagnostics business (emerging markets) and expanding domains.
- Enhance dialogue with the capital markets around sustainability.

Growth Scenario (Image)



Resource Allocation and Investment

From the perspective of portfolio management for future growth, we will classify our businesses into three domains according to their growth potential and risk characteristics and allocate resources strategically.

(1) Diagnostics business (advanced countries): This includes our core existing domains, where we aim to broaden our test parameters and accelerate deployment across Europe and North America. With aging populations and steady medical advancements, these markets are projected to remain stable and resilient to economic cycles.

(2) Diagnostics business (emerging markets): A growth-focused domain driven by geographical expansion. Although volatility is higher due to political, economic, and regulatory risks, the expected market growth rate is also high—backed by increasing populations and developing medical infrastructure.

(3) New businesses: Domains in which we pursue new businesses such as prevention and the medical robotics business. Some of these markets are still nascent, facing regulatory and technological hurdles, but they represent essential innovation areas for the future of healthcare.

For the time being, earnings will be centered on our diagnostics business. Most cash generated will be reinvested in (1) Diagnostics, specifically into the development of new instruments and expansion of test parameters—areas with strong profitability and strategic importance.

In (2) the diagnostics business (emerging markets), we will expand our business by securing sales and service personnel, introducing regional strategy models, and developing our network of locations. During the Mid-Term Management Plan period, we plan to prioritize investments in these diagnostics businesses.

Meanwhile, in (3) new businesses, we will continue investing in research and development toward commercialization. From the next Mid-Term Management Plan onward, we will build foundations for future growth through disciplined investment, taking into account business progress and the market environment. We plan to allocate approximately 70% of research and development expenses to the (1), (2) diagnostics businesses and approximately 30% to new businesses.

We aim to enhance corporate value by executing these resource allocations and investments. In pursuing corporate value enhancement, we focus on three key aspects: profit growth, improvement of capital efficiency, and optimization of capital costs.

In terms of our approach, we will first strive for sustained profit growth through agile resource management and medium- to long-term investment allocation planning. If we can achieve the financial targets outlined in our Long-Term Corporate Strategy 2033—namely, net sales of over ¥1 trillion (with an average annual growth rate of over 10%) and an operating margin of over 20%—we believe that earnings per share will also grow at an average annual rate of around 10%, and this will garner a favorable evaluation from the capital markets.

Regarding capital efficiency, although our current ROIC exceeds our WACC, we aim to achieve ROIC of over 15% to effectively compete with large global corporations, and will continue working to improve capital efficiency.

In terms of optimizing capital costs, which constitute the ROIC spread, we will strengthen investment governance and monitoring, particularly in emerging markets and new businesses, to reduce stock price volatility.

At the same time, we will enhance our existing financial disclosures and communication of strategic progress to shareholders and investors, while also actively promoting dialogue around sustainability.

Materiality (Priority issues)

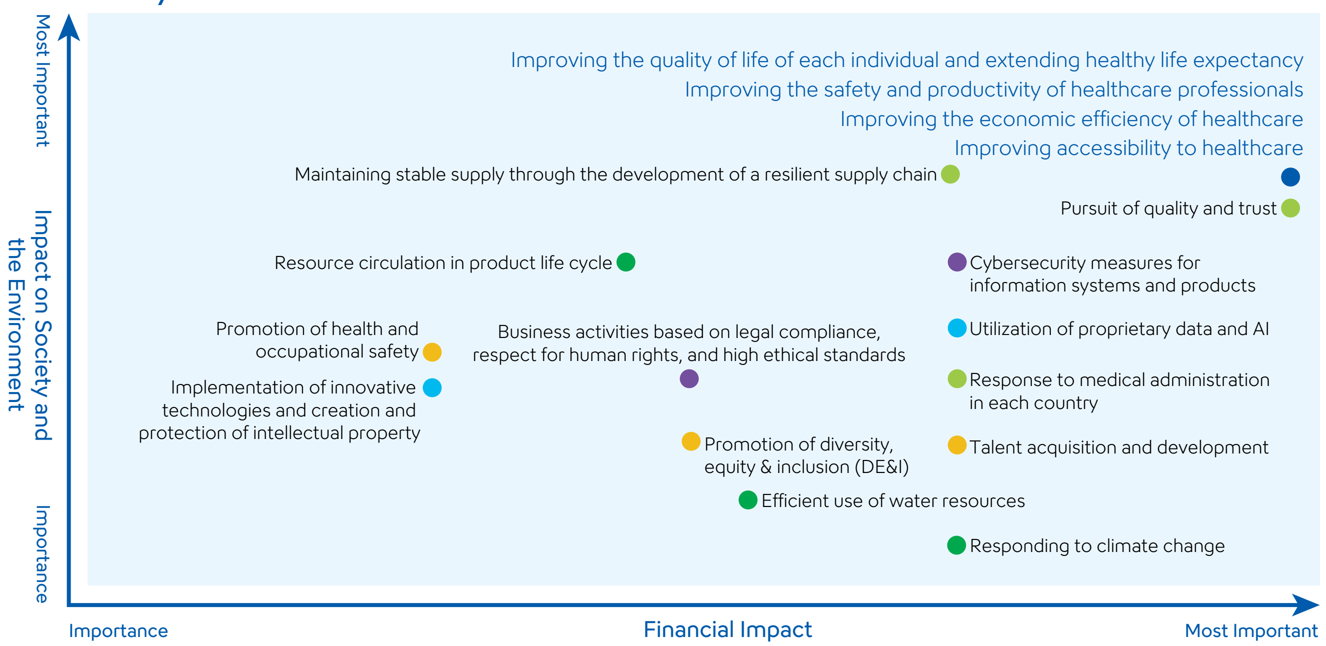
Redefining Materiality

We identify priority issues (materiality) with the aim of realizing a sustainable society and achieving sustainable growth for Sysmex, and we periodically verify and review this content. In fiscal 2023, in conjunction with the formulation of Long-Term Corporate Strategy 2033, we identified materiality based on the concept of double materiality, namely the impacts on social value and corporate value, as issues to be addressed in realizing our long-term vision. Furthermore, in 2026, in conjunction with the launch of the new Mid-Term Management Plan (fiscal 2026 to fiscal 2028), we reorganized social issues faced by each stakeholder group, including healthcare-related issues, and redefined our materiality through a more quantitative approach that strengthens linkage with our strategy. In redefining the materiality, taking into account feedback and requests obtained through stakeholder dialogue, the revised materiality was deliberated at management meetings and ultimately approved by the Board of Directors.

■ Redefinition Process

1. Understanding business activities, the value chain, and key stakeholders	As a prerequisite for evaluating our materiality, we organized the scope of our business activities and related parties.	[Details of the review] • Organized the scope of major businesses and the value chain • Identified key stakeholders • Confirmed relationships between each stakeholder group and business activities
2. Identifying sustainability items	Referring to various guidance and guidelines and the Company-wide risk list, we created a comprehensive list of sustainability issues (163 items).	[References] • ESRS, ISSB (SSBJ), SASB • External ESG assessments and indexes • Company-wide risk assessment results
3. IRO assessment (Impacts, Risks, and Opportunities)	We evaluated the above list from the perspective of double materiality—social/environmental and financial—while considering short-term (1–2 years), medium-term (3–6 years), and long-term (7 years or more) time horizons.	[Assessment criteria] • Impact (social/environmental): magnitude of impact × scope of impact • Risk: likelihood of occurrence × degree of negative impact on business performance • Opportunity: likelihood of occurrence × degree of positive impact on business performance
4. Identifying materiality items	Based on the above assessments, we consolidated and reorganized the issues while considering linkage with strategies and initiatives across each division, and identified 17 items to be addressed on a higher-priority basis.	[Detailed identification process] • Consolidated and reorganized issues based on the above assessments and linkage with strategies and activities, resulting in the extraction of 30 items • Reassessed the items by establishing thresholds for issues requiring priority action and identified 17 items
5. Establishing KPIs	For the 17 identified items, we reorganized both their contribution to enhancing corporate value and the value provided to stakeholders, and established KPIs to monitor progress and achievement during the period of the Mid-Term Management Plan.	[KPI items] • Total KPIs: 62 • Of which; 58 continuing KPIs and 4 newly established KPIs

Materiality Matrix



Themes and Priority Issues

Themes	Priority Issues	Description
Creating value for a healthy society	1 Improving the quality of life of each individual and extending healthy life expectancy 2 Improving the safety and productivity of healthcare professionals 3 Improving the economic efficiency of healthcare 4 Improving accessibility to healthcare	We strive to advance testing and services that contribute to improving the quality of life (QOL) and healthy life expectancy of each patient and individual. At the same time, by helping improve the productivity of healthcare professionals and addressing other challenges, we contribute to the sustainability of healthcare. We also aim to realize a society in which appropriate testing is accessible to all in order to help reduce disparities.
Creating innovation	5 Implementation of innovative technologies and creation and protection of intellectual property 6 Utilization of proprietary data and AI	Through the creation of new testing and diagnostic technologies, as well as the utilization of accumulated data and digital technologies, we aim to enable more precise and earlier diagnosis and prediction, thereby maximizing treatment opportunities and improving patient outcomes.
Providing responsible products, services, and solutions	7 Pursuit of quality and trust 8 Maintaining stable supply through the development of a resilient supply chain 9 Response to medical administration in each country	We will establish product supply and service systems that ensure testing never stops, even in response to various contingencies. At the same time, we will maintain a stable supply system capable of addressing diverse risks, including increasingly sophisticated and evolving regulatory requirements in each country, as well as logistics and geopolitical risks.
Maximizing human capital	10 Talent acquisition and development 11 Promotion of diversity, equity & inclusion (DE&I) 12 Promotion of health and occupational safety	We will build an environment in which diverse employees can maximize their individual capabilities and take on challenges in ways true to themselves, while safeguarding their physical and mental well-being. Through this, we will acquire and develop human capital capable of creating value for society and healthcare and executing our strategies.
Reducing environmental impacts	13 Resource circulation in product life cycle 14 Responding to climate change 15 Efficient use of water resources	We will promote business activities that reduce environmental impacts related to climate change, water resources, and other issues, while contributing to the realization of a circular resource society through the expansion of environmentally conscious products and services.
Strengthening governance	16 Business activities based on legal compliance, respect for human rights, and high ethical standards 17 Cybersecurity measures for information systems and products	We will promote supply chain management not only within the Sysmex Group but also across our business partners, enhancing management soundness and transparency while reducing risks. Through these efforts, we aim to improve management efficiency and strengthen competitiveness.

At Sysmex, we recognize the importance of accelerating sustainability-oriented management, and the newly redefined materiality has also been positioned as issues to be addressed in realizing our long-term vision. Looking ahead to an increasingly diversified and complex social environment, we recognize more strongly than ever the importance of innovation, technology, data, and digitalization, while placing importance on ensuring that our core strategies under the long-term corporate strategy, the Mid-Term Management Plan, and our materiality are all designed as one consistent strategy framework. Compared with the previous materiality framework consisting of 14 items across five fields, the new materiality framework comprises 17 items across six themes. This increase reflects efforts to clarify initiatives that contribute to value creation for each stakeholder and enhancement of corporate value, while strengthening linkage with our strategies and activities.

Among these materiality themes, the highest priority is "creating value for a healthy society," which represents the ultimate goal of the value we provide. To realize this goal, we will focus on "creating innovation" and "providing responsible products, services, and solutions" while advancing "maximizing human capital," "reducing environmental impacts," and "strengthening governance" as the foundation supporting these efforts.

KPIs used to measure the achievement status and progress of each initiative have been designed while redefining both their contribution to enhancing corporate value and the value provided to stakeholders. Under the mid-term management plan, we have designated responsible and promoting divisions. Progress is reported annually to the Managing Board and management meetings, and members of the Managing Board confirm progress and deliberate future improvement activities as necessary.

Going forward, in line with the progress of our strategies and changes in the business environment, we will continue to periodically verify and review our materiality while further promoting sustainability-oriented management with stronger execution capabilities.

■ Materiality and the Organization of Strategies, and Sustainability Targets

Theme	Material Issue	Risks and Opportunities	Short term[1] 1 to 2 years	Medium term[1] 3 to 6 years	Long term[1] 7 or more years	Core Strategies	Major Initiatives	Main Sustainability Targets >>P74 (Mid-Term Management Plan: Fiscal 2026–2028)
Creating value for a healthy society	**1 Improving the quality of life of each individual and extending healthy life expectancy**	[Risks] • Deterioration of the market environment due to regulatory and policy changes in individual countries [Opportunities] • Growing demand to address unmet needs • Growing demand for more efficient healthcare and testing due to shortages of healthcare professionals and the need to optimize medical expenses • Market expansion driven by increasing healthcare needs in emerging markets				Businesses and technologies	• Creating customer value centered on screening tests • Promoting medical DX • Expanding geographic coverage • Developing and expanding products and services for emerging markets	• Number of hematology tests • Number of regulatory approvals for high-risk products (major countries) • Sales in emerging and developing markets
	2 Improving the safety and productivity of healthcare professionals							
	3 Improving the economic efficiency of healthcare							
	4 Improving accessibility to healthcare							
Creating innovation	**5 Implementation of innovative technologies and creation and protection of intellectual property**	[Risks] • Erosion of competitive advantage due to delays in responding to technological innovation and intensifying competition • Lost business opportunities due to intellectual property infringement or insufficient protection [Opportunities] • Stronger competitive advantage through the creation of new value using advanced technologies					• Acquiring and commercializing new technologies • Expanding IVD test parameters • Creating, protecting, and utilizing intellectual property • Promoting data and AI utilization	• R&D-to-sales ratio
	6 Utilization of proprietary data and AI							
Providing responsible products, services, and solutions	**7 Pursuit of quality and trust**	[Risks] • Reduced trust and competitiveness due to insufficient attention to quality and safety • Supply disruptions and increased costs due to supply chain interruptions • Increased costs and delays in market introduction due to increasingly sophisticated regulatory requirements [Opportunities] • Greater trust and stronger competitiveness through improved quality and safety • Earlier launches of new products through faster regulatory response					• Conducting quality improvement activities to increase customer satisfaction • Strengthening quality management systems	• Number of recalls • NPS®[2] • Number of regulatory approvals (major countries)
	8 Maintaining stable supply through the development of a resilient supply chain						• Optimizing production and procurement systems • Bringing the production of critical raw materials in-house and developing alternatives	
	9 Response to medical administration in each country						• Strengthening regulatory response capabilities and accelerating regulatory processes	
Maximizing human capital	**10 Talent acquisition and development**	[Risks] • Talent shortages due to intensifying competition for talent • Reduced competitiveness due to delays in talent development and the promotion of DE&I • Reduced trust and productivity due to human rights and occupational health and safety issues [Opportunities] • Innovation generated through the contributions of diverse talent • Stronger organizational capabilities through talent development and the provision of growth opportunities • Higher productivity and added value through improved engagement				Human capital	• Sharing our vision and strategies • Expanding investment in human capital • Strengthening portfolio management	• Engagement score • Ratio of female managers • Value-added productivity • Annual total working hours
	11 Promotion of diversity, equity & inclusion (DE&I)						• Fostering our corporate culture	
	12 Promotion of health and occupational safety						• Improving the work environment	
Reducing environmental impacts	**13 Resource circulation in product life cycle**	[Risks] • Procurement disruptions and higher response costs due to the impacts of climate change and other factors • Higher costs associated with responding to environmental regulations and societal expectations • Decline in external evaluations due to delays in addressing environmental issues [Opportunities] • Growing demand for environmentally conscious products and services • Cost reductions through resource circulation and environmentally conscious design				Eco-social	• Achieving zero product losses • Expanding the use of concentrated reagents and overseas reagent production • Accelerating the switch to environmentally conscious materials • Collaborating across the entire supply chain	• Zero product loss • Complete transition to recycled and environmentally friendly materials
	14 Responding to climate change						• Reducing GHG emissions • Expanding the use of renewable energy	• GHG emissions reduction rate (Scopes 1, 2, 3)
	15 Efficient use of water resources						• Reducing water consumption	• Reduction rate of water consumption (main reagent factories)
Strengthening governance	**16 Business activities based on legal compliance, respect for human rights, and high ethical standards**	[Risks] • Loss of trust and corporate value due to legal violations or governance failures • Impacts on business continuity and corporate value from cyberattacks, system failures, and information leaks [Opportunities] • Greater trust and corporate value through management grounded in high ethical standards and transparency • Stronger competitive advantage through enhanced information security				Corporate governance	• Ensuring compliance and respect for human rights and promoting related education	• Number of ethics violations
	17 Cybersecurity measures for information systems and products						• Strengthening cybersecurity systems and promoting related education	• Number of participants in information security training

1 The shade of blue represents the intensity of the impact.
2 NPS® is a registered trademark of Bain & Company, Fred Reichheld, and Satmetrix Systems. Scheduled to commence in fiscal 2027

Providing Value in the Healthcare Domain

Social Outcomes

Materiality

Creating New Value for a Healthy Society

Extending Healthy Lifespans of People Around the World

Improving Accessibility to Healthcare
- Testing for everyone, expansion of self-care

Realization of Optimized Healthcare
- Choose the best medical treatment for each individual (realization of personalized medicine)
- Undergo testing with less mental, physical, and financial burden
- Benefit from advanced medical technology
- Progress in the treatment of diseases with high unmet needs
- Improve the treatment completion rate

Increases in Quality of Life
- Healthy everyday lives
- Prognosis forecasting

Improvement in the Sustainability of Healthcare
- Optimize medical costs

Outcomes for medical institutions (medical challenges we want to solve)

★: Strength of need in next five years

Expanding Access and Advancing Testing

- Automate and standardize testing for any environment
- Improve levels of medical care

Developed countries: ★★
Emerging markets: ★★★

Optimization of Testing Operations and Management Processes

- Respond to personnel shortages by enhancing laboratory productivity
- Speeding up testing and diagnosis

Developed countries: ★★★
Emerging markets: ★★★

Advancing testing that eases the burden on patients

- Realize appropriate diagnosis, treatment, and drug administration
- Promote personalized medicine
- Realizing medical care that addresses drug-resistant bacteria

Developed countries: ★★★
Emerging markets: ★★

Promoting advanced medical technologies that enable faster recovery

- Enhance and improve efficiency of robotic-assisted surgery system
- Improve treatment and cure rates through the realization of regenerative and cellular medicine

Developed countries: ★★★
Emerging markets: ★

Manage prevention and prognosis

- Strengthen response to public health
- Decentralize and optimize medical functions

Developed countries: ★★★
Emerging markets: ★★

>>Sysmex Initiatives for a Better Healthcare Journey

Outcome Measurement Example Indicators	Sysmex's Specific Outputs [Core Fields]	Related Sustainability Goals (Fiscal 2025 Results)	Corresponding Stage of the Healthcare Journey
People lacking access to essential healthcare services (2023)[1] **Approximately 4.6 billion**	[Hematology, hemostasis, urinalysis] • Develop a diverse product portfolio, including compact and rugged instruments and parameters tailored to regional needs, such as malaria testing • Achieve adoption as standard equipment • Provide foundational medical and academic information • Provide product training • Analyze big data from testing[2]	Number of hematology tests **3.01 billion**	Medical checkups, basic testing
Vacancy rate for clinical laboratory technologists in hematology/ hemostasis (United States, 2024)[3] **14.4%** Productivity improvement at a high-efficiency large-scale commercial laboratory (Japan)[4] (2025) **Approximately 150%**	[Hematology, hemostasis, urinalysis, immunochemistry] • Automation of the testing system and its pre- and post-processes • Offer new systems to reduce the workload of laboratory technologists, such as concentrated reagents • Promote online product training • Utilize AI for advanced and efficient testing (disease risk diagnosis, etc.)[2]	—	Medical checkups, basic testing
Number of dementia patients globally (2021)[5] **Approximately 57 million** Worldwide economic losses due to dementia (2019) **Approximately $1.3 trillion** Global number of new cancer cases (2022)[6] **Approximately 20 million**	[Hematology, hemostasis, urinalysis, immunochemistry, gene testing] • Develop new testing and diagnostic systems utilizing open innovation ◎ Alzheimer's disease testing ◎ Cancer gene detection technology, etc. ◎Drug susceptibility testing, etc.	Number of cancer genomic medicine analyses performed **17,000**	Detailed follow-ups
Reduction in hospital stay from robotic-assisted surgery for prostate cancer (vs. open surgery) in Japan[7] **3.2 days**	[Medical robotics business, regenerative and cellular medicine domain] • Expand services and support cultivated in the field of IVD into the operating room[2] • Establish production and quality control technologies for regenerative and cellular medicine[2]	Number of procedures performed using robotic-assisted surgery systems **7,857**	Treatment/ surgery
To be considered based on future business development	[Gene testing, new businesses] • AI-driven systems for prevention and prognostic monitoring (e.g., in public health)[2] • Mechanisms to support individual behavioral change[2] • A mechanism for the efficient centralized management of various medical data	—	Prevention/ efficacy evaluation/ prognosis

1 Source: Friends of WHO Japan Universal Health Coverage (UHC)　2 Technologies/products under development
3 Source: American Society for Clinical Pathology 2022 Vacancy Survey of medical laboratories in the United States | American Journal of Clinical Pathology | Oxford Academic
4 Source: Sysmex data. Rate of increase or decrease in the number of hematology tests per laboratory technologist compared with 10 years earlier. Improvement accompanying upgrades to Sysmex system products.
5 Source: Global status report on the public health response to dementia. Geneva: World Health Organization; 2021
6 Source: International Agency for Research on Cancer (IARC) "GLOBOCAN 2022"
7 Source: Calculated based on research by Global Health Consulting Japan Co., Ltd., comparing robotic-assisted surgery and open surgery for prostate cancer.

Providing Value: Outcome Measurement Case Study

Expanding Access and Advancing Testing

Health is a universal human aspiration. Yet the reality is that more than half of the world's population lacks access to adequate healthcare services. Only a limited number of countries have fully developed medical infrastructure, healthcare professionals, and educational institutions. In many regions, even the most basic healthcare is still not widely available. The World Health Organization has set a goal to ensure that everyone has access to essential health promotion, prevention, treatment, and rehabilitation services—at an affordable cost.

Against this backdrop, Sysmex is committed to creating a society where people can access high-quality healthcare by expanding access to and advancing testing. We envision a world where testing is widely available in every region, reliable test results can be obtained anytime and anywhere, and those results lead to appropriate care. Achieving this goal also requires support for knowledge-sharing and skills development related to testing. As a company with a sales and service network covering more than 190 countries and regions—and with a strong track record in supporting the development of many emerging markets—Sysmex embraces this responsibility.

To ensure that local healthcare services are never interrupted, we go beyond developing and deploying products tailored to local needs and healthcare challenges. We also support quality management and human resource development. Through these efforts, we will contribute to expanding access and advancing testing.

Universal health coverage index[1]	People lacking access to essential health services[1]
71 (2023)	Approximately 4.6 billion / 8.0 billion people (2023)

1 Source: See page 36.

■ Examples of Value Provided by Sysmex

Healthcare Challenges and Customer Needs	Automated, standardized testing regardless of environment	Developing the skills of healthcare professionals	Early detection and treatment of diseases based on regional characteristics	Achieving appropriate allocation of healthcare resources
Sysmex Initiatives	• Provide rugged, compact instruments • Promote the standardization of test results through national reference instruments and other means	• Provide a wide range of academic materials in multiple languages >>Sustainability Website >Pursuit of Quality and Trust • Provide product training • Hold global academic seminars	• Provide testing tailored to regional characteristics, such as malaria testing >>Sustainability Website > Improving Accessibility to Healthcare	• Conduct public health monitoring using proprietary testing data[2] >>P50

2 Under development

Optimizing Testing Operations and Management Processes

As global populations grow, societies age, and healthcare becomes increasingly sophisticated, demand for medical services continues to expand. At the same time, the supply of healthcare professionals is not keeping pace. This challenge extends to laboratory testing, which serves as the gateway to care. According to surveys in the United States, demand for testing continues to rise while the average age of laboratory technologists is increasing, leaving many laboratories facing chronic staffing shortages. Although automation of testing itself has advanced significantly, many surrounding tasks—such as sample preparation and responding to physician inquiries—still rely on manual, labor-intensive work.

Since its founding, Sysmex has pursued improvements in the quality and productivity of laboratory testing. The Company continues to ask: can we realize a fully automated laboratory capable of supporting increasingly advanced healthcare? By leveraging AI-powered test result analysis systems and advancing the automation and optimization of testing processes, we aim to provide optimal diagnostic support while enabling medical professionals to focus on higher-value activities, such as in-depth data analysis and collaboration with physicians on diagnosis and treatment decisions. Sysmex holds the No. 1 global market share in the hematology field. Drawing on customer needs identified through extensive customer touchpoints, vast amounts of diagnostic and analytical data, and our expertise in quality control, we are working to optimize testing operations and management processes and help address the growing shortage of laboratory technologists.

Vacancy rate for clinical laboratory technologists in hematology and hemostasis (United States)[1]	Productivity improvement at a high-efficiency large-scale commercial Lab (Japan)[1]
14.4% (2024)	Approximately 150% (2025)

1 Source: See page 36.

■ Examples of Value Provided by Sysmex

Healthcare Challenges and Customer Needs	Responding to personnel shortages by enhancing laboratory productivity	Reducing testing downtime and maintaining and managing testing quality	Responding to new test parameters
Sysmex Initiatives	• Develop the world's first hematology transport system to automate pre- and post-analytical processes as well as measurement, with rollout to other fields • Build systems capable of accommodating increasingly diverse test orders	• Monitor testing instruments in real time, including for preventive maintenance • Provide external quality control systems	• Expand test parameters, including Alzheimer's disease reagents[2] >>P56 • Improve diagnostic efficiency through the use of screening test data[2] >>P50

2 Under development

Challenges Facing Laboratories

Clinical Value	Operational Value	Management Value
Data Utilization	Laboratory Staffing Shortages Responding to New Diagnostic Technologies and Diversification	Burden of Maintaining High Accuracy and Quality Environmental Considerations

Hospital laboratories provide information essential to diagnosis and treatment and support clinical decision-making. In recent years, however, the healthcare environment has changed significantly, requiring laboratories to respond to increasingly sophisticated and complex demands.

The challenges facing laboratories can be organized from three perspectives. From the perspective of clinical value—challenges in diagnosis and healthcare—laboratories must not only advance diagnostic and testing technologies to support increasingly sophisticated healthcare but also make better use of data. A large hospital, for example, may perform more than 1,000 tests per day and several hundred thousand tests annually in hematology alone, and further utilization of this vast volume of data is expected. To enable earlier diagnosis and the selection of optimal treatments, there is a need to implement AI that supports advanced analysis and create new diagnostic value.

From the perspective of operational value—challenges in laboratory operations—shortages of laboratory technologists are a major issue in the United States and other developed countries, as demonstrated by the 14% vacancy rate among clinical laboratory technologists in the United States. While processing and testing specimens, laboratory technologists respond to a wide range of inquiries from physicians and nurses, including questions about the appropriate type of blood collection tube, the required blood volume, testing progress, the consistency of test results, and how those results should be interpreted. In addition to growing demand for healthcare and testing due to aging populations and increasingly sophisticated testing, laboratory technologists must also acquire the skills needed to handle new tests, further increasing the operational burden across the entire laboratory.

Finally, from the perspective of management value—challenges in management—hospitals are being asked to operate more efficiently while also addressing the financial and staffing burden of maintaining high accuracy and quality and taking environmental considerations into account. Quality control demonstrating the accuracy of test results and the associated records are required daily. The burden is also increasing from ISO compliance, establishing systems that enable testing processes and results to be traced and verified, and handling documentation. Rising electricity costs and demands to reduce environmental impacts are also having an increasingly significant effect on laboratory operations.

To address these challenges, Sysmex is pursuing solutions through the transformation of workflows across the entire laboratory, rather than focusing on only part of the testing process. By providing solutions that enable the use of data to enhance diagnostic value, automation and greater efficiency to compensate for staffing shortages, and both quality assurance and reduced operational burdens, we will help ease the burden of laboratory operations and enhance value across the entire healthcare setting.

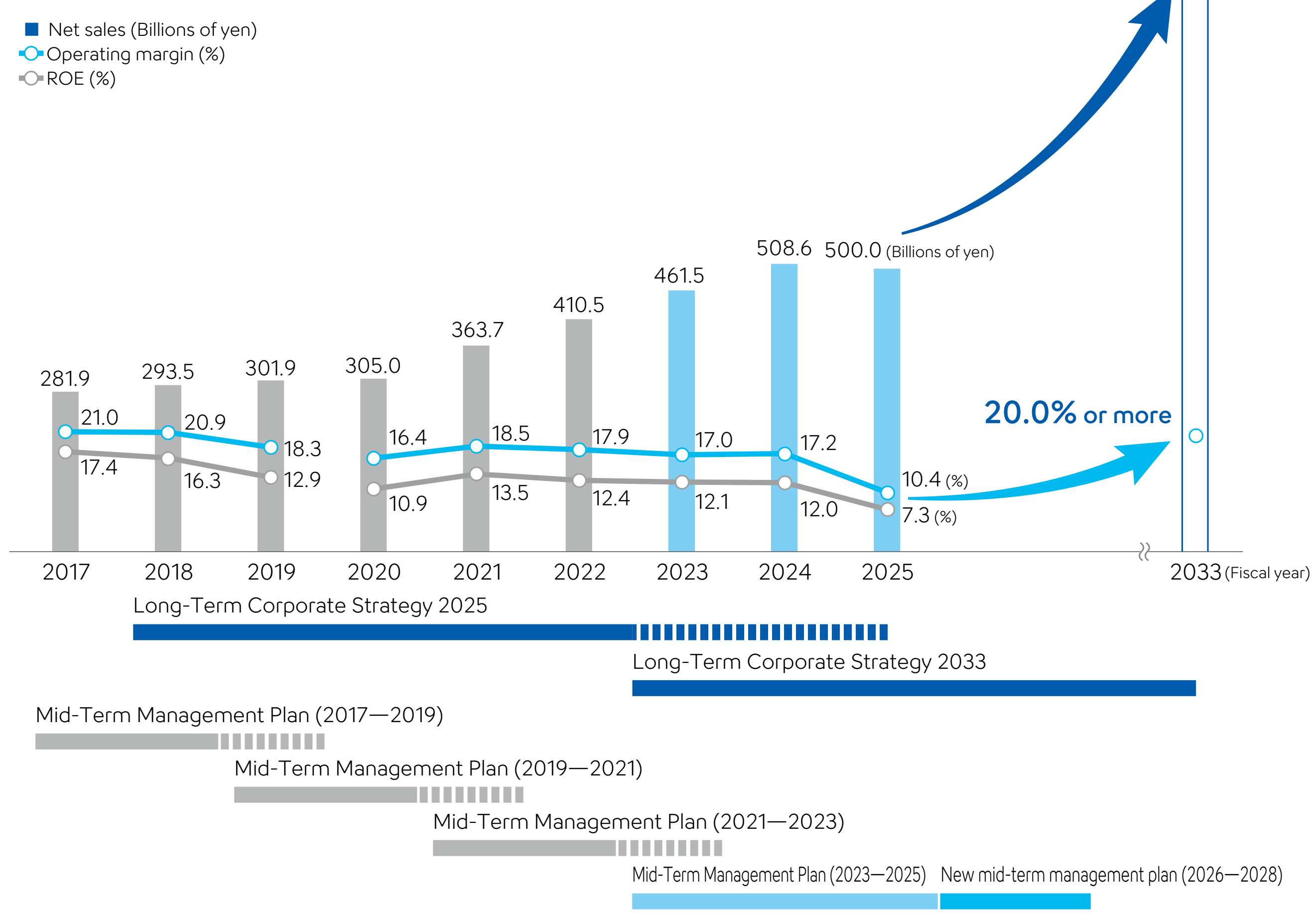
>>Advancing medical DX and data utilization by leveraging the strengths of the diagnostics business P49-50

Mid-Term Management Plan and Initiatives

To realize Long-Term Corporate Strategy 2033, we have formulated a Mid-Term Management Plan that concludes in fiscal 2028 and are advancing initiatives under the plan.

Management Plans to Date

Net Sales, Operating Margin, and ROE



Initiatives under Past Mid-Term Management Plans

	Mid-Term Management Plan (2017—2019)	Mid-Term Management Plan (2019—2021)	Mid-Term Management Plan (2021—2023)
Theme	• **Returning to a growth trajectory**	• **Enhancing our competitive advantage and expanding our business portfolio** • **Reforming the Group's human resource management**	• **Sustaining the expansion of our corporate scale and developing new businesses** • **Improving sustainability management and further promoting DX**
New products Regional expansion	• Launched new products (hemostasis, life science: gene panel testing, etc.) • Expanded our direct sales area (Egypt, India)	• Launched new products (hematology: high-end, low-end, and tests related to COVID-19) • Sold robotic-assisted surgery system	• Launched new products (immunochemistry: expanded reagent parameters such as for testing for Alzheimer's disease, etc.) • Reinforced our business in emerging markets, such as Brazil and Saudi Arabia
Business investment Management foundation	• Established a bio-reagent center	• Introduced job-based HR management	• Declared our intention to achieve carbon neutrality • Transitioned to global core systems
Issues	• Optimization of product life cycles • Developing of professional human resources from a medium- to long-term perspective • Reforming our business processes through DX	• Business structure reform (increase sales ratios of non-hematology fields) • Further growth in emerging markets • Identification and practice of materiality	• Increased competitiveness and market expansion in the diagnostics business • Acceleration of business growth in new domains • Promotion of sustainability management and human capital management

Past Management Plans

Under its past mid-term management plans, Sysmex expanded sales and profits while strengthening its business foundation for long-term growth. Centered on its core hematology field, the Company expanded its direct sales and service structure globally. In 2019, it established a development and production base for bio-reagents used in hemostasis and immunochemistry, strengthening the foundation for expansion into other fields. In addition, aiming to shift from regional optimization to Company-wide optimization, Sysmex worked to organize its data infrastructure and optimize business processes through internal digitalization. Investment in human capital and the promotion of sustainability further enhanced the corporate foundation supporting medium- to long-term growth. Previously, Sysmex used a rolling system, reviewing its three-year mid-term management plan every two years. However, in fiscal 2025, it shifted to a three-year fixed system to clarify progress toward targets.

Previous Mid-Term Management Plan (Fiscal 2023–2025)

As the first phase of its Long-Term Corporate Strategy, Sysmex pursued three growth strategies. Under the "reinforcement of existing businesses," the Company steadily advanced the overseas rollout of its top-end hematology model and the transition to direct sales in Europe and the United States in the hemostasis field. Under "business expansion in emerging markets," it achieved high growth, particularly in India and Central and South America. In addition, as part of its internal digitalization efforts, Sysmex completed the global rollout of its core systems and established a foundation for improved productivity and operational efficiency. These initiatives produced steady results under the growth strategies.

However, both the net sales and profit targets were missed. The operating margin was 10.4%, compared with the target of 20.0%, and ROE was 7.3%, compared with the target of 16.0%. The main factor was the significant impact of changes in the market environment associated with China's healthcare cost-containment policies during the final fiscal year. In addition, global inflation and US tariffs reduced earnings, creating challenges in balancing topline and profit growth. Progress in new businesses was also delayed, and goodwill impairment losses were recognized in certain businesses. Furthermore, prolonged DX investment meant that generating returns on investment took longer than anticipated. These circumstances highlighted the need to optimize the allocation of management resources, in addition to addressing profitability and capital efficiency.

Mid-Term Management Plan (2023–2025)

Theme

Implementing a transformation scenario to achieve growth through innovation and strengthen the corporate foundation to realize the Long-Term Vision

Strategies

Three Growth Strategies
• Reinforcement of existing businesses
• Business expansion in emerging markets
• Expansion of new businesses

Reinforcing the Management Foundation
• Direct sales and service structure
• DX
• Human capital
• Initiatives for a circular society, etc.

Steady Results from the Strategies

• Solid growth in Europe, the Americas, and AP
• Full-scale rollout of hemostasis in Europe and the United States
• Expansion of direct sales areas
• Stronger foundation in emerging markets (Start of operations at the new factory in India, etc.)
• Launch of Alzheimer's disease reagents
• Establishment of a DX platform

Reasons for Missing the Plan Targets

• Market changes, including China's healthcare cost-containment policies
• Increased costs associated with responding to uncertainties such as inflation, conditions in the Middle East, and US tariffs
• Delays in the growth and monetization of new businesses
• Goodwill impairment losses related to new businesses[1]
• Impact of bringing forward sales to fiscal 2024 due to the core system upgrade[1]

1 Transitory factors

Performance vs. Target / CAGR[2]

	Performance vs. Target	CAGR[2]
Net sales:	(10.7)%	6.8%
Operating margin (CAGR is for operating profit)	(9.6)pts	(11.1)%
ROE	(8.7)pts	—
<Reinforcement of Existing Businesses>		
Hematology	0.8%	7.5%
Urinalysis	2.5%	24.9%
Hemostasis:	(22.2)%	2.7%
<Business Expansion in Emerging Markets>		
Emerging Markets	—[3]	11.1%
<Expansion of New Businesses>		
Medical robotics business:	(87.8)%	12.3%
<Others>		
China:	(31.2)%	(2.6)%

2 CAGR: Compound annual growth rate from fiscal 2022 to fiscal 2025
3 No target set

Overview of the Mid-Term Management Plan

Direction of the Mid-Term Management Plan (Fiscal 2026–2028)

Phase 2 of Long-Term Corporate Strategy 2033 (VA33)

Reinforce the strength and earnings power of the diagnostics business

- Maintain a strong focus on the diagnostics business and deliver innovative value to customers through focused investment and resource allocation
- Secure profitability that enables the Company to respond to market and competitive changes and reinvest in growth
- Fulfill our responsibilities to stakeholders as an industry-leading company by overcoming risks arising from an uncertain business environment
- Return to high growth, improve capital efficiency, and restore the confidence of the capital markets

Considerations Underlying the Plan

Market and Technology Outlook	Current Management Challenges
• Expectations for improved healthcare economics • Expansion of data-driven healthcare (advances in AI and digital technologies) • Advances in diagnostic technologies and personalized healthcare • Diversification of methods for providing tests • Persistent healthcare access challenges • Growing uncertainty in the business environment (Geopolitical risks, tighter regulations, etc.)	• Improving profitability and capital efficiency (operating margin and ROE) • Agile introduction of new products • Strengthening responsiveness to changes in the market environment (China's healthcare cost-containment policies, conditions in the Middle East, etc.) • Strengthening the future prospects and earnings bases of new businesses • Strengthening relationships of trust with stakeholders

Competitive Advantages and Business Foundations

- No. 1 global market share in hematology
- Provision of instruments, reagents, and services
- Customer base and global supply network spanning more than 190 countries and regions
- Data and knowledge accumulated from testing worldwide

Considerations Underlying the Plan

Sysmex launched its new Mid-Term Management Plan (fiscal 2026–2028) in April 2026. The Company has positioned it as an important plan for advancing transformation toward realizing Long-Term Corporate Strategy 2033 (VA33).

In recent years, the healthcare market has continued to demand improvements in both healthcare economics and quality, as well as better healthcare access. Shortages of healthcare professionals are also driving growing demand for the automation of testing and labor-saving solutions. Going forward, advances in AI and digital technologies are expected to drive increasingly sophisticated and personalized healthcare and the diversification of methods for providing tests. At the same time, uncertainty in the business environment is expected to increase due to geopolitical risks, tighter regulations in individual countries, and other factors.

Under the previous mid-term management plan, Sysmex advanced initiatives for future growth, but challenges also became apparent in areas such as its ability to respond to changes in the market environment, the need to improve profitability and capital efficiency, and the nature of its dialogue with the capital markets.

At the same time, Sysmex has a strong business foundation for achieving long-term growth, including the technological capabilities cultivated over many years in the diagnostics business and a network spanning more than 190 countries and regions. In addition to a business model of providing instruments, reagents, and services on an integrated basis, the Company draws strength from data and knowledge accumulated through testing worldwide. Through these strengths, Sysmex has contributed to resolving challenges in healthcare settings by enabling highly accurate and efficient testing and optimizing laboratory operations.

Based on this understanding of the environment and Sysmex's strengths, the new mid-term management plan concentrates management resources on the diagnostics business—the source of the Company's competitiveness—to further reinforce its strengths and earnings power. Through selection and concentration, Sysmex will rebuild its business foundation while improving profitability to enable reinvestment in growth and enhancing capital efficiency. It will also work to build more constructive relationships with the capital markets by strengthening transparent information disclosure and dialogue.

Strategic Themes

	Strategic Theme	Details	Main Related Materiality
1	Strengthening the competitiveness of the diagnostics business	>>P47	• Creating value for a healthy society 1 2 3 4 • Creating innovation 5 6 • Providing responsible products, services, and solutions 7 9 • Reducing environmental impacts 13
2	Advancing medical DX and data utilization by leveraging the strengths of the diagnostics business	>>P49	• Creating value for a healthy society 1 2 3 4 • Creating innovation 5 6 • Providing responsible products, services, and solutions 7 • Strengthening governance 17
3	Improving profitability through value chain transformation	>>P51	• Creating innovation 6 • Providing responsible products, services, and solutions 8 • Reducing environmental impacts 13
4	Redesigning financial and capital strategies	>>P63	• Strengthening governance 16

Implementing the Core Strategies (Technology, Human Capital, and Eco-Social)

Core Strategy	Details	Main Related Materiality
Reinforcing human capital	>>P59	• Maximizing human capital 10 11 12 • Creating value for a healthy society 1 2 3 4 • Creating innovation 5 6 • Providing responsible products, services, and solutions 7 • Reducing environmental impacts 13 14 15
Strengthening R&D capabilities	>>P55	
Realizing a circular value chain	>>P57	

Strategic Themes

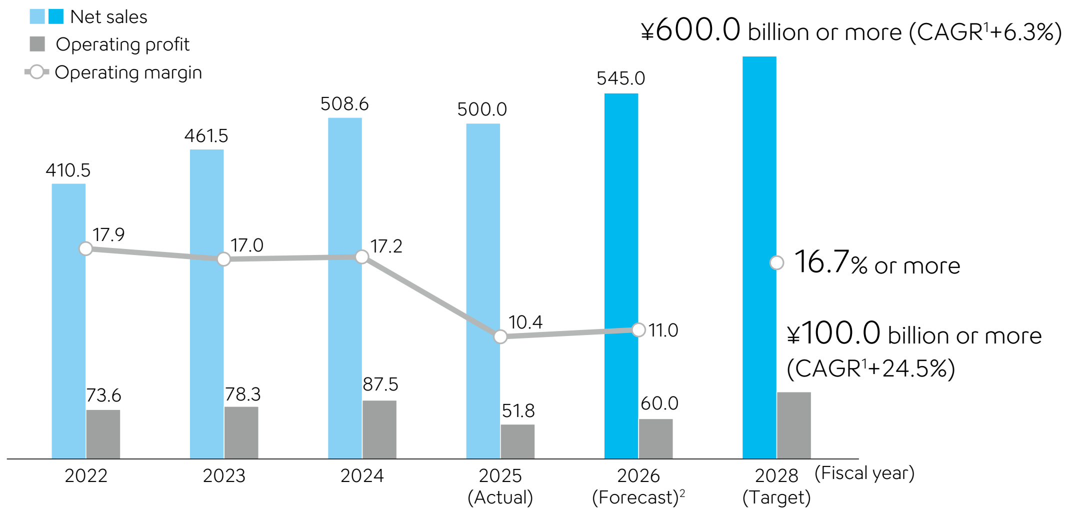
Sysmex has established four strategic themes for achieving the goals of the mid-term management plan. Centered on the diagnostics business, the Company will enhance the value of its products and services while working to advance healthcare delivery and create new value through medical DX and data utilization. It will also improve profitability and strengthen cost competitiveness while redesigning its financial and capital strategies to build a management foundation that emphasizes capital efficiency.

In addition, Sysmex will promote the core strategies under its Long-Term Corporate Strategy, including strengthening human capital and research and development and realizing a circular value chain, thereby enhancing corporate value over the medium to long term.

Mid-Term Management Plan Targets

Financial Targets

	Fiscal 2025 (Actual)	Fiscal 2028 (Target)		Fiscal 2033 (Target)
Net sales	¥500.0 billion	¥600.0 billion or more	▶	¥1 trillion or more
Operating profit	¥51.8 billion	¥100.0 billion or more		
Operating margin	10.4%	16.7% or more	▶	20% or more
ROE	7.3%	12.0% or more		
ROIC	7.6%	10.5% or more		
CCC	205 days	190 days or less		
Operating cash flow	¥73.8 billion	¥95.0 billion or more		
Free cash flow	¥22.3 billion	¥40.0 billion or more		



1 CAGR from fiscal 2025 to 2028 2 Revised August 2026

Capital Policies (Three-Year Total)

	Past three years (Fiscal 2023–2025)	Three years of the mid-term management plan (Fiscal 2026–2028)
Cash flow generation (Operating cash flow)	¥225.9 billion	¥400.0 billion or more
Capital investment (Investing cash flow)	¥158.9 billion	¥150.0 billion
Shareholder returns	¥64.7 billion	¥110.0 billion
R&D expenses	¥92.0 billion	¥170.0 billion
Capital efficiency[1] (ROE)	7.3%	12.0% or more

1 Final fiscal year

Sales Targets by Business and Field

(Billions of yen)

	Fiscal 2025 (Actual)	Fiscal 2028 (Target)	CAGR[1] (%)
Hematology	299.4	334.5	3.8
FCM	4.6	8.0	19.5
Urinalysis	44.0	53.0	6.3
Hemostasis	72.4	93.0	8.7
Immunochemistry	22.3	25.5	4.6
Clinical chemistry	2.9	19.0	86.9
Life science	24.9	27.5	3.3
Others	25.9	24.5	(1.9)
Diagnostics business	496.7	585.0	5.6
Medical robotics business	3.3	15.0	65.7
Total	500.0	600.0	6.3

Sales Target by Destination

(Billions of yen)

	Fiscal 2025 (Actual)	Fiscal 2028 (Target)	CAGR[1] (%)
Japan	58.6	86.0	13.6
Americas	139.2	165.5	5.9
EMEA	158.0	193.0	6.9
China	89.4	82.5	(2.7)
Asia Pacific	54.6	73.0	10.1

Net Sales Targets

(Billions of yen)

	Fiscal 2025 (Actual)	Fiscal 2028 (Target)	CAGR[1] (%)
Diagnostics business (emerging markets)	74.3	100.0	10.4
Diagnostics business (other than emerging markets)	425.7	500.0	5.5

Actual exchange rates in fiscal 2025: USD1 = JPY150.8, EUR1 = JPY174.8, CNY1 = JPY21.2
Forecast exchange rates for the mid-term management plan: USD1 = JPY150.0, EUR1 = JPY174.6, CNY1 = JPY21.1
1 CAGR from fiscal 2025 to 2028

Main Sustainability Targets

Materiality	Main sustainability targets	Fiscal 2025 (Actual)	Fiscal 2028 (Target)	Related pages
Creating new value for a healthy society	• Number of hematology tests	3,014 million	—[1]	>>1 Strengthening the Competitiveness of the Diagnostics Business P47
	• Number of regulatory approvals for high-risk products (major countries)	50	—[1]	
	• Sales in emerging and developing markets	¥157.4 billion	—[1]	>>2 Advancing Medical DX and Data Utilization by Leveraging the Strengths of the Diagnostics Business P49
Creating innovation	• R&D-to-sales ratio	—[1]	—[1]	
Providing responsible products, services, and solutions	• Number of recalls[2]	6	—[1]	
	• Net Promoter Score (NPS®)[3]	—[1]	—[1]	>>3 Improving Profitability through Value Chain Transformation P51
	• Number of regulatory approvals (major countries)	816	—[1]	>>Strengthening R&D Capabilities P55
Maximizing human capital	• Engagement score	74%	75%	>>Reinforcing Human Capital P59
	• Ratio of female managers	19.7%	25% or higher	
	• Value-added productivity (Group)	¥19.01 million	¥23.00 million	
	• Annual total working hours	1,974 hours	1,970 hours	
Reducing environmental impacts	• Zero product loss	0.18%	0.13%	>>Realizing a Circular Value Chain (Reduction in Environmental Burden) P57
	• Complete transition to recycled and environmentally friendly materials	67%	80%	
	• GHG emissions reduction rate (Scopes 1, 2)[4]	Down 41%	Down 48%	
	• GHG emissions reduction rate (Scope 3)[4]	Up 8%	Down 20%	
	• Reduction rate of water consumption (main reagent factories)	Down 25pts	Down 54pts	
Strengthening governance	• Number of ethics violations	26	—[1]	>>Corporate Governance P79
	• Number of participants in information security training	31,744	—[1]	>>Risk Management P85

1 These are monitoring items for which no targets are set. 2 Target: Group companies in Japan
3 NPS® is a registered trademark of Bain & Company, Fred Reichheld, and Satmetrix Systems. (Starting in fiscal 2027) 4 Base year: Fiscal 2022
>>Progress toward Sustainability Targets and KPIs (Excerpted) P74

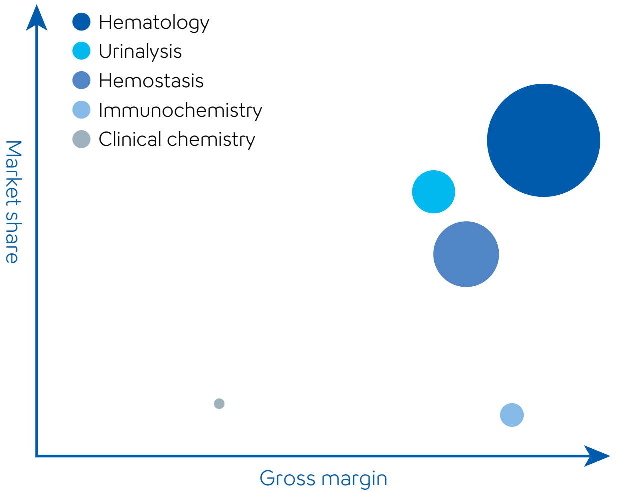
Strategic Themes under the Mid-Term Management Plan

1 Strengthening the Competitiveness of the Diagnostics Business

Portfolio by Field

- **Enhancing the business portfolio based on the hematology field**
- **Strengthening market competitiveness through the rollout of next-generation models**

■ Market Share and Gross Margin (Illustrative)



■ New Products Planned for Launch during the Mid-Term Management Plan Period (by Field)

	High-end models	Compact models
	Next-generation products equipped with AI	Strategic products tailored to regional needs
Hematology	✓	✓
Urinalysis	✓	—[1]
Hemostasis	✓	✓
Immunochemistry	✓	✓

1. Already launched in fiscal 2025

Sysmex is enhancing its business portfolio by strengthening its initiatives in fields with high growth and profitability potential, with hematology, where we hold the No. 1 global market share, as our core business.

The hematology field, where Sysmex has a high market share and profitability, forms our earnings base. We will continue to pursue growth by strengthening our technological advantages and expanding our presence in emerging markets, while hematology, together with urinalysis, will provide a stable source of profits. We will also leverage the customer base and sales and service structure we have built over many years to expand our business in other fields.

We have positioned the hemostasis field as the highest-priority area under the mid-term management plan. Leveraging the customer base and sales capabilities developed in hematology, we will drive market share expansion, particularly in Europe and the Americas. We will increase profitability through growth in reagent sales accompanying expansion of the installed instrument base and raise profitability toward levels approaching those of hematology, developing hemostasis into a field that drives the diagnostics business in both growth and profitability.

The immunochemistry field is a massive market in which major global companies hold high shares, but it is also a growth area in which high profitability can be expected. We aim to increase its contribution to profit by differentiating our offerings through the expansion of highly distinctive test parameters, including those for Alzheimer's disease, and the in-house sourcing of raw materials.

Furthermore, during the mid-term management plan period, we will progressively launch AI-equipped flagship models globally and renew our product lineup. By addressing a broad range of customer needs, from the high-end to the mid- and low-end markets, we will enhance our competitiveness and achieve sustainable growth.

Column: Expanding the Basic Testing Portfolio by Strengthening Clinical Chemistry

In April 2026, we acquired the medical equipment business of JEOL Ltd., strengthening our clinical chemistry field. Clinical chemistry is one of the basic testing fields, alongside hematology and urinalysis, and this acquisition has expanded our basic testing portfolio. Particularly in emerging markets, we will enhance the value we provide to customers through proposals combining multiple fields, leading to medium- to long-term growth and higher profitability.

■ Rollout Roadmap during the Mid-Term Management Plan Period

	Fiscal 2026	Fiscal 2027	Fiscal 2028
Instruments	Take over existing operations	—	Launch new products
Reagents	Negotiations with manufacturers	OEM agreements	Full-scale rollout
Regional rollout	Primarily Japan	Promote overseas rollout	Scale up
Sources of profits	Instruments	Instruments and reagents	Instruments and reagents

Accelerating Growth in the Hemostasis Field in Europe and the Americas

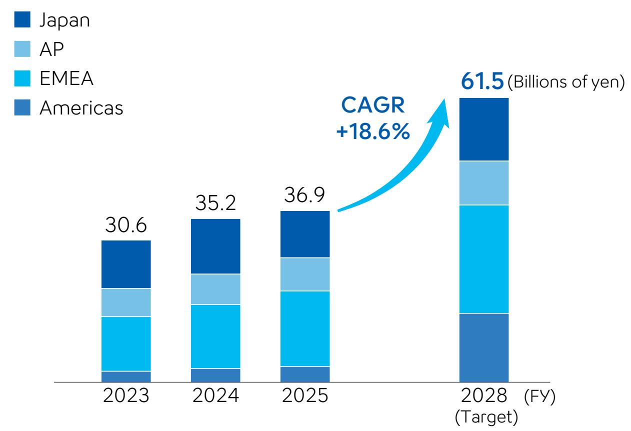
- **Expanding market share in Europe and the Americas by leveraging our hematology customer base**
- **Improving profitability by expanding instrument installations and reagent sales through a broad range of solutions**

In April 2024, Sysmex began direct sales in the hemostasis field in Europe and the Americas, expanding the addressable market roughly twofold from Asia to the global market. >>P97 Customers in the hemostasis field are the same as those in hematology, where Sysmex holds the No. 1 global market share. As a result, our ability to leverage the customer base, sales channels to medical institutions, and service network developed in hematology provides a foundation for growth in Europe and the Americas.

In addition, Sysmex's top-end models are highly competitive, offering high throughput while saving space and energy. We also offer products for the mid- and low-end markets that incorporate the performance of these models, enabling us to address a broad customer base. We are also developing integrated systems with hematology and contributing to improved laboratory productivity and the resolution of operational issues through distinctive cross-field systems. Our ability to provide this combination of product performance and value extending beyond individual testing fields is a competitive advantage for Sysmex.

Leveraging these strengths, we will promote conversions from competitors and win major projects. By expanding the installed instrument base, we will increase sales of high-margin reagents and raise their share of sales, thereby improving profitability.

■ Hemostasis Sales by Destination (Excluding China)



Integrated Blood Testing System Combining Hematology and Hemostasis

Business Expansion in Emerging Markets (Asia, Central and South America, the Middle East and Africa, etc.)

- **Strengthening direct sales and stable supply systems to capture expanding demand in growth markets**
- **Expanding market share through the introduction of strategic models and expansion of the product portfolio**

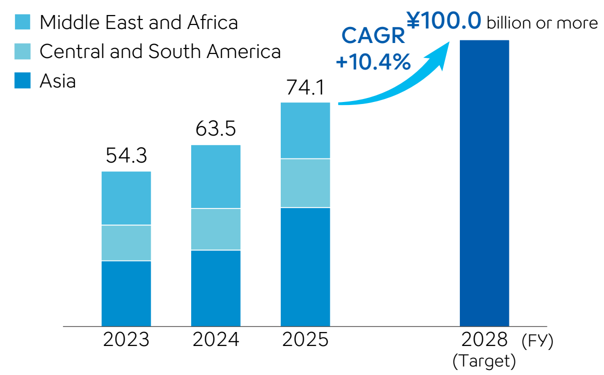
Emerging markets offer Sysmex substantial room to expand market share and are growth markets where demand for testing is expected to increase against a backdrop of population growth and the development of healthcare infrastructure.

To capture these market opportunities, Sysmex will strengthen its direct sales and stable supply systems, while expanding its portfolio and rolling out strategic products tailored to regional needs.

In India in particular, in addition to the high-end market, including university hospitals, we aim to expand our share in the mid- and low-end markets through increased sales of products supporting Make in India and the introduction of strategic models. In Brazil, we will accelerate growth by expanding our product portfolio in areas including hemostasis, in addition to hematology and urinalysis. Furthermore, to strengthen the reagent supply structure across Central and South America, we plan to begin operations at a new plant in fiscal 2027.

Through these initiatives, we aim to grow sales in emerging markets from ¥74.1 billion at a rate exceeding market growth and achieve sales of at least ¥100.0 billion in fiscal 2028.

■ Emerging Market Sales



2 Advancing Medical DX and Data Utilization by Leveraging the Strengths of the Diagnostics Business

Creating New Value by Leveraging Unique Data Assets

Realizing Better Healthcare and Enhancing Value for Customers

① Lab Performance & Compliance (Enhancing the Sophistication and Efficiency of Laboratory Operations)

Fully automated Laboratories in the future

- Improve laboratory safety and reduce manual labor
- Enhance efficiency of testing operations
- Guarantee of stable test results

② Healthcare Journey Navigation (Supporting Diagnosis and Treatment Using Data and AI)

Expand the role and value of screening test

- Guide patients to personalized medicine
- Address shortages of healthcare professionals
- Pursue integration with preventive healthcare

③ Population Health Management (Advancing Public Health Monitoring)

Leverage extensive data assets to support public health and group interventions

- Early intervention for infectious disease outbreaks
- Optimize healthcare resource allocation
- Medical Program Validation

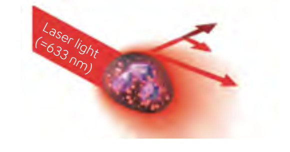
Data collection infrastructure × Testing data × AI/Digital = Providing value unique to Sysmex

Unique Sysmex Assets

Data collection infrastructure
- Sysmex products operating around the world
- Continuous accumulation of real-world data
- Broad presence across fields, centered on hematology
- Quality-controlled, high-quality data that support AI utilization

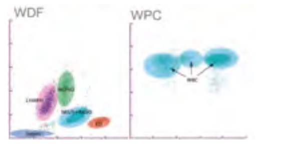
Testing data

Analytical Information Obtained for Each Cell



- Types and quantities of nucleic acids and organelles
- Information about cell content
- Information about cell size, etc.

Scattergram Information Integrating Data for Individual Cells



Through testing instruments and services deployed in more than 190 countries and regions, Sysmex has a platform for generating quality-controlled, high-quality testing data. Hematology testing, in particular, is a basic test widely performed when people receive medical care and serves as a common gateway to healthcare for many people. Unlike tests performed after a disease has already been narrowed down to some extent, hematology testing is performed routinely, giving Sysmex a major strength in its ability to continuously accumulate an overwhelming volume of data globally. These highly distinctive data include not only test results but also information obtained through optical measurement and analytical processes. As data generated every day at medical institutions around the world, together with the insights derived from them, continue to accumulate, an environment is being created that supports new value creation.

Advances in AI and digital technologies are greatly expanding the potential to create new value from these data. Sysmex is expanding the value it provides in areas including the sophistication and efficiency of laboratory operations, support for diagnosis and treatment using data and AI, and the advancement of public health monitoring, while working to realize new data-driven medical DX. Another distinctive feature of Sysmex is its ability to create value that affects the entire diagnostic process by starting from the comprehensive data obtained through screening tests, the gateway to healthcare. The data and insights accumulated through our overwhelming market share, together with the mechanisms that connect them to new value creation, are sources of Sysmex's competitive advantage. Our ability to realize these mechanisms on a global scale is a distinctive strength that competitors cannot easily replicate.

① Lab Performance & Compliance (Enhancing the Sophistication and Efficiency of Laboratory Operations)

As rising healthcare costs and shortages of healthcare professionals become global challenges, there is a growing need to realize sustainable healthcare while making effective use of limited healthcare resources. Clinical testing includes a wide variety of test parameters, and as new tests continue to emerge, it is not economical to measure every parameter uniformly. Additional testing and retesting in response to suspected diseases and test results can be expected to improve diagnostic accuracy, but testing workflows are becoming increasingly complex.

Sysmex has extensive expertise in optimizing laboratory operations, developed in advanced markets. The evolution of instruments and systems provides an important foundation for laboratory operations, but our strength lies in our ability to optimize the entire testing workflow by leveraging AI and digital technologies together with knowledge accumulated over many years. In addition to reducing workloads and improving operational efficiency, we will also advance support for the interpretation of imaging data using expert knowledge and similar past cases, thereby contributing to improved productivity across the entire laboratory.

② Healthcare Journey Navigation (Supporting Diagnosis and Treatment Using Data and AI)

Sysmex aims to evolve screening tests beyond the simple detection of abnormalities into a new stage that guides patients toward appropriate diagnosis and treatment. Advances in AI and analytical technologies are making it increasingly possible to improve the volume and quality of information obtained from testing data and thereby enable more appropriate diagnostic steps and treatment selection. To realize this value, we are promoting the use of data, including data from existing models. Our flagship models are also designed on the premise of AI-based data analysis, with more advanced measurement technologies and analytical functions enabling the acquisition of a wider variety of analytical data. We will deploy these models as platforms to which new functions and added value can be continuously added through updates to analytical capabilities even after installation, and will advance applications such as early warning detection and prediction of treatment effectiveness.

For example, joint research with Juntendo University found the possibility of predicting treatment response in patients with chronic myeloid leukemia through statistical analysis of testing data. In the future, we hope this will support appropriate treatment selection for patients, helping to reduce their physical and financial burden, improve QOL, and curb healthcare costs.

■ Future Treatment Selection Support for Chronic Myeloid Leukemia (Illustrative)

Blood cell testing data

↓

Data analysis incorporating AI and other technologies
Classify patients by predicting disease status and treatment response

↓

Toward effective treatment selection

Treatment A | Treatment B

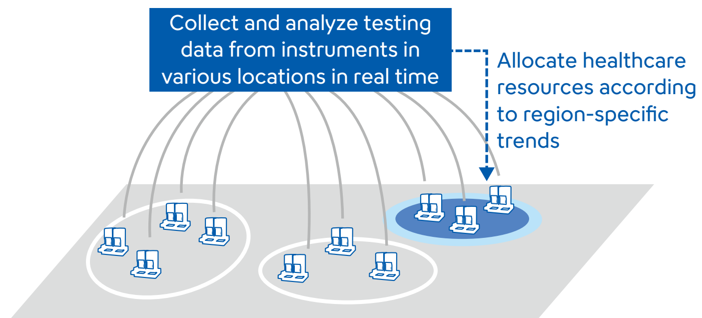
③ Population Health Management (Advancing Public Health Monitoring)

Sysmex is working to create new value by using testing data not only for the diagnosis of individual patients but also as population-level data. We have supported stable operation by connecting instruments and customer centers via networks and remotely monitoring instrument operating status. We are now using this platform to explore applications such as understanding the distribution of anemia and analyzing signs of infectious disease outbreaks. Sysmex has a strong market presence in many countries and regions, and our testing instruments are used by a broad range of medical institutions, giving us a sufficiently large data population to identify disease trends at the regional level.

Going forward, we will leverage these strengths to support the early identification of health issues and the advancement of public health and healthcare measures.

In this way, we will create new value not only by providing testing instruments and reagents, but also by serving as an information infrastructure supporting the health of local communities.

■ Public Health Monitoring (Illustrative)



Use case: Understanding regional anemia trends and analyzing signs of infectious disease outbreaks

3 Improving Profitability through Value Chain Transformation

Research and Development

Accelerating commercialization by focusing on highly profitable areas and developing with scale in mind

- Focusing themes on highly profitable areas (portfolio optimization)
- Developing high-value-added products equipped with AI
- Designing products with life-cycle perspectives and cost optimization built in
- Optimizing design and shortening R&D periods through digitization of know-how and AI utilization

Supply Chain

Reforming the earnings structure through global optimization and scaling up

- In-house sourcing of raw materials and procurement optimization .... See 2
- Improving productivity through scaling up...... See 2
- Global optimization of logistics .... See 3
- Improving cash efficiency by shortening lead times and reducing inventories

Sales and Customer Care

Sustainable revenue growth through enhanced customer value and stronger retention

- Expanding the customer base through high-value-added products and customer care
- Increasing reagent usage through growth in testing volumes and test parameters
- Enhancing and optimizing sales and customer care systems through the use of activity data
- Stabilizing the earnings base by strengthening retention

Administrative Operations

Sustainably improving profitability through Company-wide digital utilization and business transformation

- Optimizing operations through shared services
- Automating and reducing labor requirements for back-office operations
- Enhancing and accelerating decision-making through stronger data governance

1 Utilizing a Global Digital Platform and AI

Targets under the New Mid-Term Management Plan (Fiscal 2026–2028)

Net Sales Growth	Cost of sales ratio	SG&A expense ratio	Operating margin
CAGR 6.3% (Average annual growth rate from fiscal 2026 to fiscal 2028)	Improvement of 1.9 pts	Improvement of 2.5 pts	16.7% Improvement of 6.3 pts

1 Overall Optimization and Improved Profitability through Digital Infrastructure and AI

Under the new mid-term management plan, improving profitability is positioned as our highest-priority issue. We are advancing reforms across the entire value chain while steadily improving profitability even as the external environment changes through the use of a global digital platform and AI.

First, we are using the digital platform that began operating globally in fiscal 2025 to drive Company-wide initiatives to improve profitability. We are integrating business processes and data that were previously optimized by region or function and shifting toward optimization across the entire value chain, from research and development through production and sales. At the core of this effort, we are standardizing processes and data, enabling us to measure and assess the effectiveness of initiatives by tracking efforts at each location and function using common indicators. By deploying successful initiatives globally, we will further accelerate productivity improvements and cost reductions.

In addition, AI utilization is expanding beyond improving employee work efficiency to encompass the entire value chain, including research and development, supply-demand planning, production optimization, and sales activities, and more than 300 applications[1] have been developed through frontline-led initiatives. We expect the resulting improvements in operational efficiency and faster decision-making to help curb increases in SG&A expenses, and going forward we also anticipate further cost reductions through additional efficiency gains.

1 Figures are for Japan only

■ Examples of Applications Developed through Frontline-Led Initiatives

Automating the process of checking consistency between Japanese-language screens and screens in other languages using AI. This substantially reduces the work required compared with conventional visual checks while improving quality.

Greek-language display on hematology instruments

2 In-House Sourcing of Raw Materials and Optimization of Production Processes

We will improve the cost of sales ratio and profitability through the in-house sourcing of raw materials and optimization of production processes. For example, for immunochemistry reagents targeting major infectious disease markers such as HBsAg and HCVAb, we will promote scaling up by shifting from small-lot, high-frequency production to larger production volumes per run and fewer production runs. Immunochemistry reagents use biological raw materials such as antibodies and enzymes, resulting in high cost levels, so efficiency improvements in this area are expected to have a significant positive impact on profitability. By consolidating more than 10 production runs annually into around four to six runs and combining this with longer shelf lives, we will reduce disposal losses. At the same time, higher sales volumes will lower manufacturing costs per unit and improve gross margins. In hematology, which accounts for around 60% of sales, we will also review and optimize raw materials and manufacturing processes for reagents such as stains and hemolytic agents. Because of the large scale of this field, even small improvements are expected to have a significant effect on profitability.

Furthermore, we will standardize and digitize production processes to reduce defect rates and shorten lead times, while reducing inventories to improve cash efficiency. We will roll out these initiatives across fields to improve profitability by lowering the cost of sales ratio.

3 Global Optimization of Logistics

We will reduce costs and improve cash efficiency through global optimization of logistics. Since fiscal 2025, we have been building a platform that provides centralized global visibility of demand, inventory, and supply information by leveraging our digital platform and standardizing business processes. This is creating an environment in which inventory allocation and transportation networks that were previously optimized by region can now be redesigned from the perspective of overall optimization. The use of AI will further improve the accuracy of supply-demand adjustments in response to fluctuations in demand, enabling us to reduce supply-demand gaps and the risks of excess inventory and stockouts while pursuing more appropriate inventory allocation and supply decisions.

In addition to warehouses at our major production sites, we will establish hub warehouses to consolidate the conventional multistage transportation structure, shortening transportation lead times and reducing transportation costs. We will also enhance global supply-demand management to review safety stocks previously held separately at each location and optimize them to appropriate levels, improving inventory turnover and reducing inventories. This will curb stagnant inventory while maintaining stable supply, improving working capital efficiency and strengthening our earnings base.

Kensuke Murata
Director
Manufacturing Technology Development 1
Reagent Production

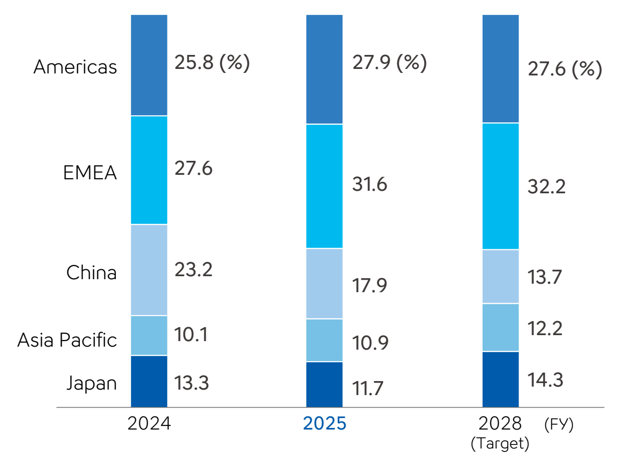
Employee Interview: Balancing Improved Profitability and Value Creation

Sysmex is advancing a reagent value chain transformation project across the diagnostics business to improve profitability. I am involved both as a member of the project office and as a member responsible for improving production efficiency and bringing critical raw materials in-house. We have long pursued improvement activities within individual departments, but developing these into a Company-wide project has enabled us to address issues that would have been difficult to tackle at the departmental level. These initiatives go beyond reducing costs. For example, scaling up reduces the number of production runs, easing workloads for production staff and creating time for higher-value-added work. Being able to use the same lot for longer also improves convenience for customers. Moreover, shifting to manufacturing using cell culture technology can eliminate animal-derived raw materials. Because these initiatives create value on multiple fronts, many colleagues across departments are participating, and I personally find the work highly rewarding.

Mid-Term Management Plan: Regional Strategy

Regional Portfolio

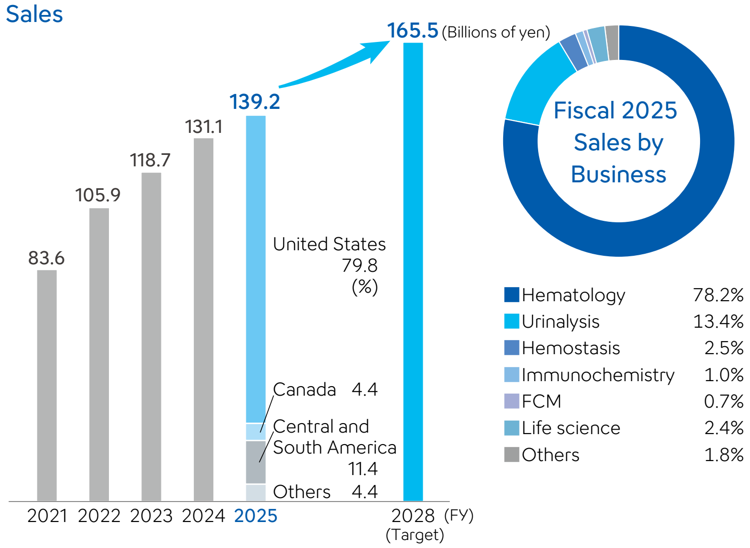
Net Sales by Destination



Under the new mid-term management plan, we will shift to a business structure that is more resilient to changes in the market environment. While we expect China's share of sales to decline amid ongoing healthcare cost control policies and changes in the distributor structure, we will capture growth in the Americas and EMEA, where expansion in the hemostasis field is expected, as well as market growth in AP, led by India. In this way, we aim to reduce our dependence on specific regions and achieve sustainable growth and higher profitability that are less susceptible to changes in the external environment.

Americas

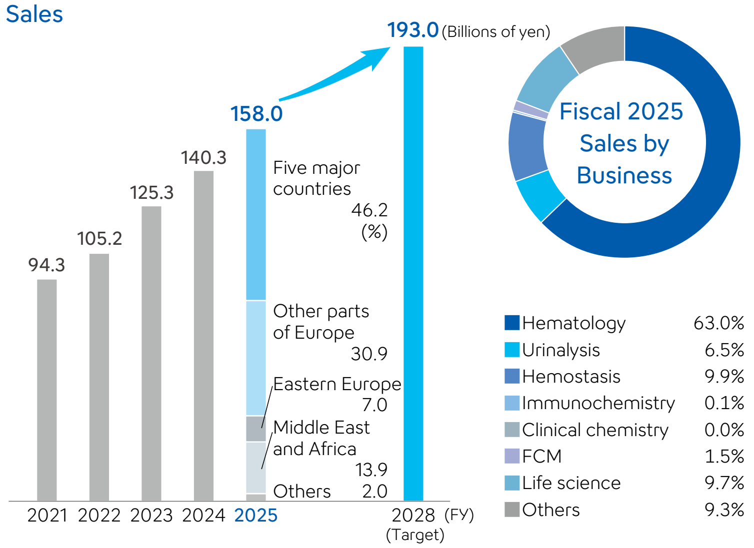
Sales



In North America, we will expand our business by making the hemostasis field a new growth driver in addition to steady growth in hematology and urinalysis. In the hemostasis field, supported by FDA approval for all test parameters, we will leverage the strong customer base developed in hematology to win customers from competitors, expand market share, and grow highly profitable reagent sales. In Central and South America, meanwhile, we will expand our customer base by increasing sales of core products and strengthening our sales and service structure, leading to a larger installed instrument base and continued growth in reagent sales.

EMEA

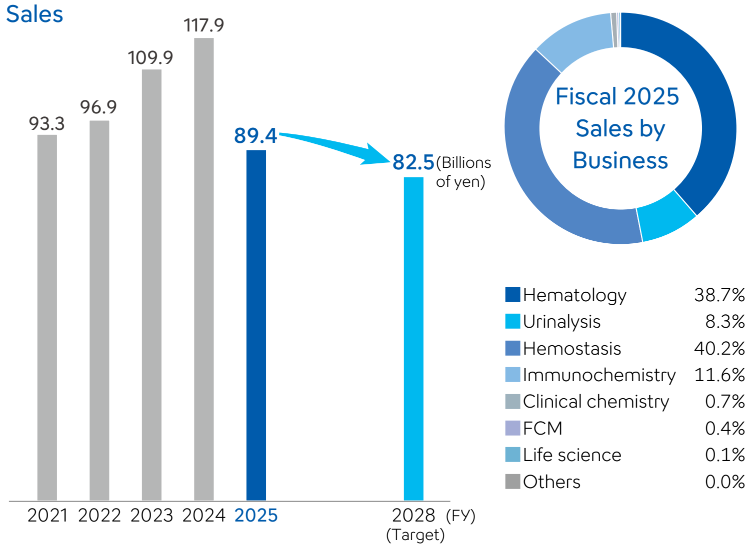
Sales



In EMEA, we will expand our business, centered on the hemostasis field. Market penetration in hemostasis is steadily progressing in major countries including Germany and France. We will further strengthen sales and enhance the value we provide to laboratories through solution proposals that leverage synergies with hematology. In emerging markets such as the Middle East and Africa, we will develop markets by leveraging our direct sales and service structure, expand instrument installations, and generate ongoing demand for reagents, while accelerating business growth with high-quality support as a key strength.

China

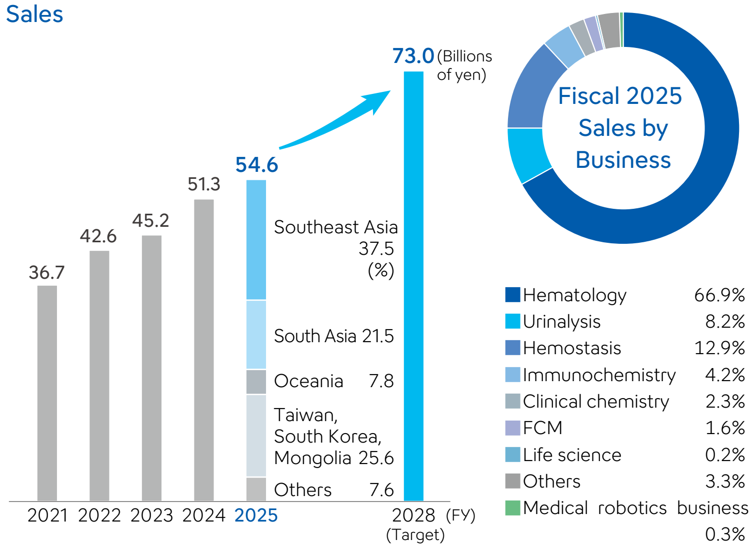
Sales



In China, we expect an uncertain market environment to continue due to healthcare cost control policies and the resulting reorganization of distributors. We have therefore not factored growth into the current Mid-Term Management Plan period and will instead strengthen our business foundations for future growth. We will maintain and enhance our competitiveness, particularly in the high-end market, while increasing our ability to respond to market changes through more direct customer engagement, stronger service systems, and the use of local production. Looking ahead to an eventual recovery in demand, we will seek to capture medium- to long-term growth opportunities.

Asia Pacific

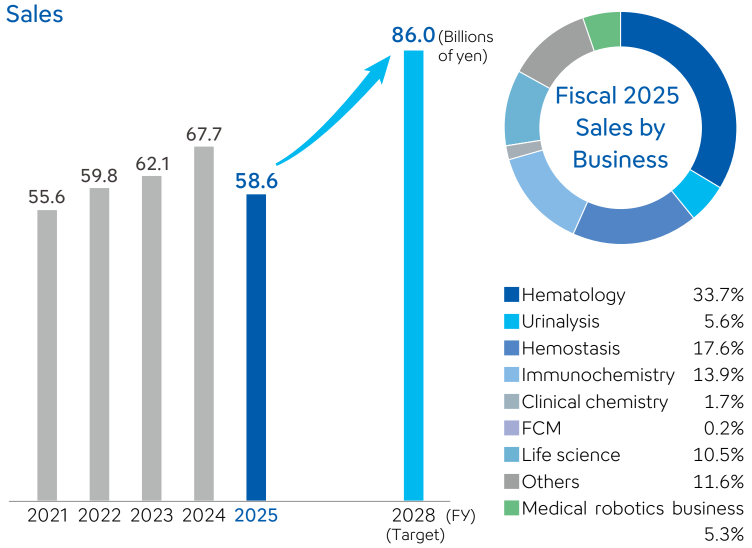
Sales



In AP, we will pursue business growth by capturing expanding healthcare access and demand for testing in each region. In India, which will be a particular driver of growth, we will use our local production system to advance product development and supply tailored to market needs, while strengthening our direct sales and service structure to further increase our market presence. In Southeast Asia, we will also expand sales of core products centered on hematology and broaden our portfolio into areas such as clinical chemistry, leading to sustainable growth.

Japan

Sales



In Japan, where we maintain a high market share in hematology, we aim to achieve sustainable growth by enhancing the added value of our products and services. By introducing next-generation hematology instruments equipped with AI and digital technologies and unique test parameters in immunochemistry, we will enhance the value we provide to customers while contributing to labor savings and greater efficiency at medical institutions. We will also create new business opportunities by building a business foundation to grow reagent sales in clinical chemistry and advancing the medical robotics business.

Implementing the Core Strategies

Strengthening R&D Capabilities

Initiatives to Achieve Growth Strategies

- Accelerating and improving the efficiency of R&D through AI and digital technologies
- Further automating testing processes to help improve testing productivity and healthcare economics, and enhancing the value of testing
- Promoting in-house sourcing of raw materials, considering strategic autonomy, indispensability, and profitability

Future Upside

- Creating new growth opportunities through the development of new testing and diagnostic technologies and enhanced testing value
- Establishing a sustainable competitive advantage by strengthening R&D and supply capabilities

Creating High-Value-Added Products and Services through Synergies between Instruments, Reagents, and IT

Sysmex develops instruments, reagents, and IT solutions based on its technology platforms for measuring cells, proteins, and genes. The synergy of these technologies enables not only the provision of accurate testing data but also stable operation. In addition to creating new testing and diagnostic technologies, we also offer high-value-added products and services that consider factors such as improved usability and reduced environmental impact.

>>Advancing Medical DX and Data Utilization by Leveraging the Strengths of the Diagnostics Business P49

A cadre of personnel well-versed in the diverse technologies and fields supporting these R&D activities is one of Sysmex's strengths.

>>Strengthening Human Capital under the Mid-Term Management Plan P59

Our R&D framework extends globally, with Japan as the hub. We also access world-class technologies while conducting R&D tailored to regional needs. We are currently reviewing our framework to further accelerate development and strengthen the systems that support it.

Furthermore, in today's rapidly changing healthcare environment, we will swiftly develop high-value-added products by leveraging not only proprietary technologies but also open innovation, M&A, and alliances.

R&D Base

Diverse, specialized human resources
(Composition ratios below)

- Instruments: Mechanics, Fluids, Electronics
- Reagents: Chemistry/biology
- IT: Software (Including AI)

Three Technology Platforms

- **Cell measurement technologies**
  Technologies for analyzing the number and type of cells in blood and urine and facilitating the analysis of intracellular information
- **Protein measurement technologies**
  Technologies for detecting proteins in the blood swiftly and with a high degree of sensitivity
- **Gene measurement technologies**
  Technologies for measuring gene quantities in cancer cells and enabling the detection of cancer-cell-derived DNA in the blood

Global R&D Locations

- Technopark (Japan)
- Sysmex R&D Center Americas, Inc. (United States)
- Sysmex R&D Center Europe GmbH (Germany)
- Wuxi Diagnostic Reagent Development Center (China)
- R&D Center Asia Pacific Software (Singapore)
- Others, totaling 23 locations in 9 countries

As of March 31, 2026

×

Open Innovation
(universities, medical and research institutions, pharmaceutical companies, and others)

- Joint research on early diagnosis of chronic myeloid leukemia using AI in the hematology field (Juntendo University)
- Comprehensive agreement aimed at the development of new diagnostics in the field of dementia (Eisai Co., Ltd.)
- R&D and commercialization of regenerative medicine products using stem cells (JCR Pharmaceuticals Co., Ltd.)
- Joint research on disease risk assessment models for chronic diseases and cancers (Nippon Life Insurance Company)

Product Life Cycle Reform

Sysmex has been reforming its product life cycle management to respond quickly to customer needs and optimize new product sales cycles in light of technological innovation and changes in the healthcare environment. In addition to conventional development and sales, we have evolved this into strategic management that consistently looks ahead to product introduction, operation, renewal, and transition to next-generation products. Through this reform, we will optimize the timing of new product launches while accurately capturing customer needs and instrument replacement cycles, thereby achieving both continuous innovation and stronger competitiveness of our product lineup. During the new mid-term management plan period, we plan to launch new products in multiple testing fields.

Beyond developing new products, we will also focus on planned, ongoing upgrades to existing products. We will continue to enhance their value after purchase by expanding software functions, improving usability, and strengthening integration with new services. This will enable a life-cycle-based value provision model in which product value grows together with customers, rather than ending with the sale of the product.

Through planned product releases and continuous value enhancement, we will continue to help resolve customer challenges and support sustainable growth.

Use of DX to Accelerate R&D Processes

Sysmex is advancing the use of AI and digital technologies in its R&D processes. During the previous Mid-Term Management Plan, we established a specialized organization to support the use of AI, data analytics, and ICT. By working closely with R&D teams, this organization is facilitating the rapid implementation of new technologies and methods. In fiscal 2025, we advanced initiatives to accelerate and improve the efficiency of research processes through AI and digital technologies.

Examples include building an AI knowledge base that consolidates past design cases and engineers' expertise, creating an environment in which even junior researchers can make use of accumulated knowledge. In antibody development, we are also using simulation technology to optimize cell culture conditions, with the aim of improving the efficiency of scale-up in antibody production and reducing development costs. In addition, we are expanding the use of AI to support preparation of test plans and test protocols required for regulatory submissions.

During the new mid-term management plan period, we will further expand the scope of these initiatives, aiming to strengthen competitiveness and generate innovation by improving the quality and speed of R&D.

Masahiro Miura, Ph.D.
Senior Researcher
Applied Diagnostic Research Group
Central Research Laboratories

Employee Interview: Taking on the Challenge of Pioneering the Future of Alzheimer's Disease Diagnosis and Treatment

Dementia has a major impact not only on patients but also on the lives of their families, and is an important issue that society as a whole must address. I am working to develop Alzheimer's disease testing reagents because I want to help address this challenge. Among these, MTBR-tau243 is a biomarker that has attracted growing attention in recent years, as it may capture advanced pathological stages of Alzheimer's disease and as therapeutic drug development has progressed. Sysmex was ahead of other companies in developing technology to measure this marker in blood, and we have presented the results at international conferences. We are currently receiving strong interest from leading KOLs and pharmaceutical companies and are discussing global research collaborations. In the future, we aim to offer a panel test combining multiple tests that capture different stages of disease progression and thereby contribute to treatment selection tailored to each individual. This initiative embodies our mission, "Shaping the advancement of healthcare." With pride and a sense of responsibility as a frontrunner in the industry, I work each day in R&D to help realize this mission.

Realizing a Circular Value Chain (Reduction in Environmental Burden)

Initiatives to Achieve Growth Strategies

- Promoting environmentally friendly design
- Encouraging the recycling of plastic reagent containers and other packaging
- Strengthening efforts to reduce product waste

Future Upsides

Reducing the Environmental Burden and Establishing a Competitive Advantage

Reducing the Environmental Burden and Establishing a Competitive Advantage

Adapting to and mitigating climate change and protecting water resources and biodiversity are major environmental issues that need to be addressed by the entire world. In the healthcare market, there is growing concern regarding increases in medical costs, and pressure on the medical infrastructure due to an expansion of areas where tropical diseases and infectious diseases are endemic as a result of temperature rise, or increases in respiratory diseases are caused by air pollution. Various countries have strengthened their environmental regulations, including in Europe and North America, increasing the focus on environmental sustainability among healthcare facilities and businesses, such as hospitals and commercial labs.

Based on these factors, we believe our efforts in reducing environmental impact will help us earn the trust of all stakeholders and establish a competitive advantage in the market. Since endorsing the TCFD in 2021, Sysmex has declared its carbon neutrality, established Eco Vision 2033, and obtained SBTi certification. We have identified "reducing environmental impacts" as a material issue and are actively working to promote resource circulation and address climate change throughout the product life cycle, as well as reduce environmental impact through the efficient use of water resources.

Under the previous mid-term management plan, we worked to achieve both a reduction in environmental impact and improved profitability, centered on building a circular value chain. We also made steady progress on key sustainability targets toward achieving Eco Vision 2033, including Scope 1 and 2 targets.

For example, in containers and packaging, in addition to switching to environmentally conscious materials, we launched the industry's first horizontal recycling of plastic reagent containers. By using recycled resin that can also be used for medical applications, we have reduced virgin resin use by approximately 30% and CO_2 emissions by approximately 15 tons annually. We also reduced product loss and improved resource efficiency by recycling unused discarded products.

Additionally, we advanced reductions in Scope 1 and 2 emissions and enhanced disclosure based on TCFD and TNFD, contributing to our achievement of the highest CDP rating.

In the effective use of water resources, we optimized cleaning processes and manufacturing processes at the Ono Factory to reduce water use. As a result, we achieved a cumulative reduction of 7,500 tons over three years, contributing to the achievement of water consumption reduction targets at the Group's major factories.

The resource circulation mechanisms built through these initiatives not only reduce environmental impact but also reduce dependence on external sources of raw materials and strengthen our ability to respond to supply fluctuations caused by geopolitical risks and other factors.

Under the new mid-term management plan, we will further strengthen resource circulation initiatives as activities that enhance our competitive advantage. By reducing packaging materials, expanding the scope of recycling, and developing new products that reduce electricity and water use, we will further improve resource efficiency while advancing environmental initiatives that deliver both profitability and stable supply.

■ Long-Term Environmental Objectives (Fiscal 2033)

(Base year: Fiscal 2022)

Climate change	Water	Resource circulation	Biodiversity
Use of renewable energy **90% or more** Reduction of GHG emissions (Scopes 1 and 2) **55% reduction** Reduction of GHG emissions (Scope 3) **35% reduction**	Water consumption by main reagent factories **90pts reduction**	Disposal of unused Sysmex products **Zero** Total waste per unit of net sales **15% reduction** Percentage of containers and packaging materials recycled, and environmentally conscious materials used **100%**	Expanded lineup of products made from animal-derived raw materials

>>Progress toward Sustainability Targets and KPIs P74

Further Strengthening Activities That Enhance Competitive Advantage

Sysmex has established the "Eco-Social Award," an internal awards program that evaluates and recognizes initiatives from multiple perspectives, including the creation of environmental and social value as well as contributions to business competitiveness through profitability, technological innovation, and ripple effects across the organization. This makes initiatives in each department visible and recognized, boosting motivation and spreading best practices across the organization, which in turn creates synergies throughout the organization.

In fiscal 2024, we also launched an internal environmental training program, the "Environmental Juku," initially focusing on design and development departments and holding discussions on realizing environmentally conscious design. From fiscal 2025, we expanded the program to sales and service departments, developing it into cross-functional activities aimed at consideration and implementation.

Discussions across the entire value chain enable us to incorporate expertise from each area of operations and customer needs, leading to highly effective initiatives. By considering products in light of social and customer expectations and business viability, and strengthening our environmental capabilities, we will further establish our competitive advantage.

■ Examples of Initiatives to Achieve a Competitive Advantage and Realize Environmental Considerations

Initiatives	Environmental and social considerations	Enhanced competitiveness and contribution to improved profitability
Spread of concentrated reagents (hematology and urinalysis fields)	• Curtailment of GHG emissions • Conservation of packaging and petroleum resources	• Improved usability (reduced frequency of reagent changes in the laboratory) • Reduction of inventory storage space
Shift reagent production overseas	• Reduction of GHG emissions	• Realization of stable supply and reduction of transportation costs
Extension of reagent expiration dates	• Reduction in waste	• Increased usability • Stabilization of quality • Reduction of costs
Production of raw materials using silkworms and cultured cells	• Reduction of biologically derived substances • Reduction of water consumption and GHG emissions	• Stable supply of raw materials • Stabilization of quality
Horizontal recycling[1] of plastic containers	• Decreases consumption of virgin plastics • Reduction of GHG emissions	• Response to future regulations and increased material prices
Transition to circular materials for containers and packaging	• Reduction in the use of wood and other materials • Reduction of GHG emissions	• Reduction of raw material and transportation costs

1 A recycling method in which materials from used products are recycled back into the same type of product

Atsushi Nishimoto
Senior Engineer
Production Design Center

Employee Interview: Balancing Environmental Considerations and Cost through Packaging Reform

Medical device packaging has traditionally relied mainly on wooden pallets and steel packaging for durability, but this posed challenges in terms of disposal, recycling, and cost.

In response, Sysmex has been developing and introducing durable corrugated cardboard packaging, promoting a shift to recyclable packaging materials. For major products, we have been replacing wood and steel packaging, and in fiscal 2025, approximately 90% of the packaging was switched to corrugated cardboard. Replacing steel packaging reduced packaging weight by approximately 70%, helping to reduce CO_2 emissions during transportation. Packaging costs were also reduced by approximately 75% per package, achieving both reduced environmental impact and lower costs.

We will continue expanding the scope of application and contribute to realizing a circular value chain.

Reinforcing Human Capital

■ Human Capital Strategy

Human Capital Strategy

In its long-term corporate strategy, Sysmex has drawn up a human capital strategy. We aim to realize our long-term vision through initiatives aligned with three ideals for human capital.

First, on the input side, we focus on securing a strong workforce, providing growth opportunities, and offering competitive compensation, thereby building a foundation for attracting and retaining outstanding talent globally.

Next, in terms of throughput, under the banner of our ideals for human capital, we have identified three core pillars. The first is optimization of the human resources portfolio—we will assign the right people to the right positions by advancing our strategies from multiple perspectives, including business domains, skill sets, and areas of expertise. The second is achieving high engagement—we will create an environment where diverse talent can thrive by promoting well-being and advancing DE&I initiatives. The third is demonstration of teamwork at its best—we aim to foster a corporate culture that encourages challenges, while also securing and developing the next generation of leaders to drive our business forward.

As outputs, we are committed to delivering high productivity and provision of added value to stakeholders. By strengthening our human capital, we aim to achieve sustainable growth and enhance both corporate and social value. Furthermore, we will continue to promote data disclosure based on international standards and strive to achieve our long-term vision through dialogues with our stakeholders.

Review of the Previous Mid-Term Management Plan

Under the previous mid-term management plan, in anticipation of expanding the business portfolio toward realizing our Long-Term Corporate Strategy, we strengthened the recruitment and development of specialized talent, particularly bio-specialists, AI and digital talent, and talent for new business domains. We also implemented global next-generation management training and advanced succession planning for key positions. In addition, we strengthened personnel in regions and businesses transitioning to direct sales. As a result, we made progress in building a human capital foundation to support expansion into new domains and growth of our global business. At the same time, partly due to business performance, human capital ROI declined, and employee engagement was also affected, bringing challenges in organizational vitality to the fore. Given the advances in technologies such as AI, we also recognized as an important management issue how to maximize employee capabilities and raise productivity and added value.

Kensuke Iizuka
Director (Member of the Board) and Managing Executive Officer, CFO
Corporate Management and Next Generation Medical Business Development

Message from the Executive in Charge of Human Resources

Under the new mid-term management plan, we aim to reinforce the strengths and earning power of the diagnostics business. Optimizing human capital in line with this management strategy is extremely important. To support agile new product launches, strengthen our presence in each region, and create further value through AI and DX, we will secure and develop specialized talent, optimize human capital allocation, and create an environment in which every employee can thrive. As the use of AI in day-to-day operations becomes standard, we will accelerate task shifting so employees can focus on work that requires more thought and judgment. We believe these initiatives will not only support employee growth and improve engagement, but also improve productivity, creating added value and enhancing profitability beyond increases in personnel expenses. People are the driving force behind sustainable growth and enhanced corporate value. We will devote our efforts to remaining a company where every employee is inspired by their work and the value it provides, and is able to take on challenges.

Initiatives to Achieve Growth Strategies

- Optimization of human capital allocation and task shifting based on the use of AI and DX
- Recruitment and development of global next-generation leaders and specialized talent (biology, IT)
- Strategic investment in human capital in growth areas and priority markets

Inputs (Securing and Developing Specialized Talent, Competitive Compensation)

Sysmex's competitive strength comes from its people, who are well versed in a wide range of technologies and fields. Looking ahead to future growth, under the mid-term management plan we will globally recruit and strengthen bio-specialists responsible for developing hemostasis and immunochemistry reagents, as well as digital talent to accelerate commercialization of digital healthcare. In particular, as AI becomes more pervasive and labor shifts toward knowledge work, a broader range of talent, including data scientists, will be needed. To remain a company chosen by outstanding talent, it is essential to foster a challenging corporate culture in which employees can feel their own growth and contribute to society. We will therefore continue creating growth opportunities throughout the organization, from management to employees.

Under our human capital strategy, we believe it is important to provide competitive compensation and secure a robust leadership cadre. In fiscal 2024, we introduced an ESOP for key positions at overseas subsidiaries. In fiscal 2025, we expanded it to key positions in Japan, and from fiscal 2026 onward we will further expand its scope.

Throughputs

Optimization of the Human Resources Portfolio

The first of our ideals for human capital, "optimization of the human resources portfolio," means appropriately allocating people who contribute to advancing strategy and enhancing corporate value. To achieve this, we are acquiring and developing a diverse workforce with the skills and expertise required for the businesses and functions targeted by our management strategy. First, by advancing DX, we are centrally managing human resources information globally and using this foundation to allocate people based on skills and expertise and promote career autonomy. We are also developing DX talent and fostering a culture of DX utilization to achieve business transformation through AI and DX. During the new mid-term management plan period, we will advance workforce management through the use of AI agents and task shifting, while expanding the use of AI globally.

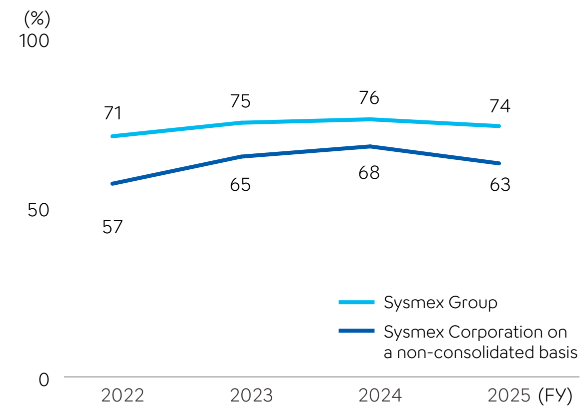
Regarding workforce composition, as the business expands, we are increasing production, sales, and service personnel, particularly in emerging markets such as India and in regions and businesses in Europe and the United States where we have begun direct sales. In staff functions, excluding direct-sales regions, we are optimizing human capital through DX. For example, we are standardizing business processes at each company through DX and promoting shared services for administrative functions. Under the previous mid-term management plan, we consolidated common operations in parts of EMEA. Under the new mid-term management plan, we will further standardize operations across affiliates in Japan and improve productivity by sharing HR, accounting, and general affairs operations.

Achieving High Engagement

Engagement is a particularly important indicator because it is linked to the quality of our outputs. We aim to realize high engagement by ensuring each employee is fulfilled both physically and mentally and experiences personal meaning in their work. To that end, we are improving workplace environments that support well-being and providing diverse growth opportunities. Group-wide engagement currently stands at 74%, against a target of 75%. This is down 2 points year on year, mainly because, while overseas regions maintained relatively high levels, the score at Sysmex Corporation fell 5 points year on year to 63%. We recognize that lower business performance and changes in the external environment may have had some impact. In addition to its existing employee stock ownership plan, Sysmex Corporation granted shares to general employees in fiscal 2025 as one initiative to increase interest in management metrics and awareness of their work.

In addition, amid rising uncertainty, we believe the knowledge and experience of diverse talent can enhance competitiveness, and are promoting workplaces and organizations where each person can thrive through DE&I. The ratio of female managers was 9.7%, compared with a Group-wide target of 20%; at Sysmex Corporation, the ratio was 11.3%, and further improvement is needed. We have set a target of at least 15% by fiscal 2029 and are advancing initiatives from both career development and work-style perspectives. The ratio of women in the next-generation management pipeline has risen to 25.2%, showing steady progress.

■ Engagement Score



Demonstration of Teamwork at Its Best

To realize "teamwork at its best," we believe it is essential to foster a culture that encourages initiative and challenge-taking, while also securing and developing a robust leadership cadre. In Japan, we see the autonomy of both the organization and the individual as an area for growth. We are working to create a company culture where individuals stand on equal footing with the organization, take initiative, and pursue self-actualization. To support this, we promote career dialogue through one-on-one meetings with supervisors, encourage use of the internal job posting system, and provide opportunities for consultation with career counselors.

To drive teamwork, another important theme is instilling our corporate philosophy so that our more than 10,000 employees are aligned in the same direction. In addition to initiatives at each Group company, we use a global e-learning platform and hold dialogues between executives and employees on the corporate philosophy. We also have an annual Group award program that recognizes employees for putting the philosophy into practice.

Emilani Nababan
President Director,
PT. Sysmex Indonesia

Employee Interview: Connecting People and Organizations: Lessons from a Next-Generation Leadership Development Program

As the representative of Sysmex Indonesia, I work alongside approximately 150 team members to pursue business growth by improving access to healthcare. Since fiscal 2025, I have participated in KIZUNA, the Sysmex Group's development program for next-generation management talent, and have deepened my understanding of the corporate philosophy, leadership, and the business. Through this program, I gained a renewed understanding that leadership extends far beyond directing people. It is about cultivating trust, fostering an environment where individuals are empowered to take initiative, leverage their strengths, and contribute meaningfully toward shared goals. Engaging with participants from 11 countries also reinforced the realization that while our markets, cultures, and challenges may differ, we are united by a common purpose. This experience deepened my understanding of the role leaders play in bridging regions, functions, and organizations to drive collaboration and collective success. Moving forward, I will apply the insights gained and the relationships established through this program to strengthen connections across regional and departmental boundaries. I am committed to fostering an inclusive and empowering culture where every individual is encouraged to take ownership, contribute meaningfully, and realize their full potential.



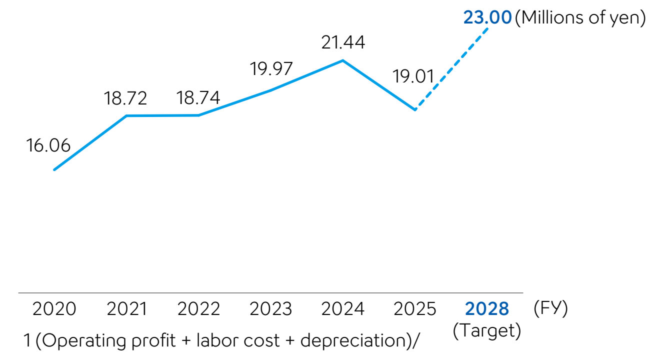
To secure and develop a robust leadership cadre, we are working to identify successor candidates for key global positions and create development opportunities. In fiscal 2025, we launched a new global leadership program. To support further global growth and co-creation, we are developing leaders who share common perspectives and values, understand diverse cultures, and connect people and organizations across regions and functions.

Outputs (Monitoring of Human Capital)

Sysmex views personnel expenses not as costs but as human capital and monitors value-added productivity. Rather than viewing operating profit and personnel expenses as a trade-off, we use value-added productivity as an indicator for achieving both returns to employees and profit growth. We collect data such as employee numbers and personnel expenses monthly and track trends by region and country. Through regular dialogue with HR heads at regional headquarters, we are working to improve value-added productivity globally.

In fiscal 2025, Group value-added productivity was ¥19.01 million, below the target of ¥22.50 million. Although we continued investing in human capital with future growth in mind, the significant decline in operating profit had an impact. Going forward, we will aim to achieve the target by improving productivity through DX and other initiatives.

■ Value-Added Productivity per Employee[1] (Group)



1 (Operating profit + labor cost + depreciation)/ number of employees

■ Human Capital KPIs

	Indicator	Fiscal 2024 (Actual)	Fiscal 2025 (Actual)	Fiscal 2026 (Target)	Fiscal 2028 (Target)
Inputs Items related to investment in human capital	Staffing plan, number of personnel	12,064	12,313	—	—
	Training time per employee	24.7 hours	29.5 hours	40 hours	40 hours
	Personnel expenses	¥142.4 billion	¥150.1 billion	—	—
Throughputs Items related to employee experience and corporate culture	Engagement score	76%	74%	75%	75%
	Ratio of favorable responses to the "Sysmex Way"[1]	70%	69%	—	—
	Percentage reporting a favorable impression of "well-being"[1]	59%	59%	—	—
	Female managers ratio (Group)	18.7%	19.7%	20%	25% or more
	(Sysmex Corporation)	10.0%	11.3%	—	—
Outputs Items related to results of utilizing human capital	Value-added productivity	¥21.44 million	¥19.01 million	¥22.50 million	¥23.00 million

1 Target: Sysmex Corporation

Message from the CFO

Kensuke Iizuka
Director (Member of the Board) and Managing Executive Officer, CFO
Corporate Management and Next Generation Medical Business Development

Sysmex must build a resilient management foundation that can withstand changes in the external environment, with an emphasis not only on market growth but also on profitability, capital efficiency, and financial discipline. As CFO, I will lead this transformation and remain firmly committed to transparent disclosure and constructive dialogue as we work to regain the trust of the capital markets.

Review of the Previous Mid-Term Management Plan

Under the previous mid-term management plan (fiscal 2023–2025), the deterioration in business performance in fiscal 2025 resulted in net sales, profit, and ROE all falling short of plan. Profitability and capital efficiency also showed marked downward trends, and our market capitalization fell to approximately half its level of one year earlier. Our greatest regret is that we repeatedly revised our financial forecasts downward, and I take very seriously the fact that this undermined the capital markets' trust in us.

To summarize our fiscal 2025 performance, the overseas rollout of our highest-end models and the expansion of our business in emerging markets both progressed ahead of plan. However, profit declined substantially against a backdrop that included the rapid contraction of the Chinese market due to healthcare cost control policies and rising inflation. These abrupt changes in the external environment contributed directly to the decline in performance, but the fundamental issues were internal.

Sysmex has continued to grow by expanding its geographic reach overseas and capturing growth in those markets. Europe in the 1990s, the United States in the 2000s, and China from the 2010s onward are representative examples. However, the abrupt changes in the Chinese market in fiscal 2025 revealed that our management foundation lacked sufficient earnings resilience. We believe this reflected an over-reliance on market growth, insufficient recognition of risk, and delays in responding to change. Furthermore, as our businesses expanded steadily, we came to place disproportionate emphasis on "double-digit sales growth" among our key indicators. Supported by an excellent business model and strong customer base, we continued increasing sales and, as a result, were also able to continue achieving targets for other management indicators. We need to pay closer attention to our cost structure, cash management, and cost of capital, and build a resilient management foundation that is not easily affected by environmental changes, with an emphasis not only on market growth but also on profitability, capital efficiency, and financial discipline. Although this is far from the situation we would have wanted, I believe the capital markets' harsh assessment has given us an opportunity to build a shared sense of urgency within the Company and accelerate reform.

Key Indicators under the Long-Term Corporate Strategy and New Mid-Term Management Plan

Under the Long-Term Corporate Strategy, we have designated net sales, operating margin, free cash flow, and ROE as key indicators. Drawing on the lessons of the previous mid-term management plan, however, we will manage the business with a particularly strong focus on ROE. By strengthening our earnings base, pursuing growth that generates both cash and profit, and improving capital efficiency, we can steadily invest for the future and provide shareholder returns. Unless our financial and capital policies can sustain this cycle, we will not be able to enhance corporate value.

Accordingly, under the new mid-term management plan (fiscal 2026–2028), we have formulated financial and capital policies aimed at returning to a growth trajectory. With a focus on strengthening the diagnostics business and its earnings power, we will review our business portfolio, earnings structure, and areas of investment while improving capital and cash efficiency. (See Figure 1.)

For net sales, we aim for steady growth based on our strengths, including the promotion of direct sales in Europe and the United States in the hemostasis field, sales of new AI-equipped products, and business expansion in emerging markets. Specifically, we are targeting a CAGR of 6%, which we believe is achievable even in an unstable external environment.

For operating margin, a key priority, we aim to achieve 16.7% in fiscal 2028, an improvement of 6.3 percentage points from fiscal 2025, through measures including growth in higher-margin reagent sales, supply chain optimization, productivity improvements through DX, and disciplined investment decisions. We also target free cash flow of at least ¥40.0 billion. Although ROE is currently below 10%, we intend to ensure a level of at least 12% in fiscal 2028. In addition to strengthening profitability, we will shorten the cash conversion cycle by optimizing inventory and logistics locations and reducing lead times, targeting a 10-day reduction from fiscal 2025, and aim for ROIC of 10.5%. We also plan to optimize our capital structure by using financial leverage as necessary while maintaining our current credit rating. (See Figure 2.)

■ Key Indicators and Targets under the New Mid-Term Management Plan (Figure 1)

	Key Indicators under Long-Term Corporate Strategy 2033	Achievements and Challenges under the Previous Mid-Term Management Plan	Direction under the Mid-Term Management Plan
Net Sales	Double-digit growth (fiscal 2033 target: ¥1 trillion or more) • Growth in emerging markets and the healthcare domain	CAGR +6.8% • Direct sales in Europe and the United States in the hematology and hemostasis fields and growth in emerging markets progressed steadily •Changes in the Chinese market environment and delays in new businesses	CAGR +6.3% • Growth through direct sales in Europe and the United States in the hemostasis field, expansion in emerging markets, and the launch of new products
Operating Margin	20% or more • High profitability to allow investment for the future and stable shareholder returns	10.4% (Operating profit CAGR −11.1%) • Profitability declined due to changes in the Chinese market environment, the impact of inflation, and increased upfront investment in DX, direct sales, and other areas • Delays in business progress at affiliates (goodwill impairment)	16.7% (Operating profit CAGR +24.5%) • Improved reagent gross margins, a higher reagent sales mix, and supply chain optimization
Free Cash Flow	• Healthy financial position due to increased operating cash flow and reinvestment in growth	CAGR +9.4% • Free cash flow grew as operating cash flow increased, but cash generation capability remained a challenge due to lower profitability and upfront investment in DX, factories, direct sales, and other areas	CAGR +21.4% • Strengthen cash generation capability through improved profitability and CCC
ROE	• Capital efficiency that meets stakeholder expectations and is comparable to global companies in the same industry	−5.1pts • Capital efficiency declined due to lower profitability and increased upfront investment	+4.7pts • Improve capital efficiency through improved profitability and CCC and optimized cash allocation

■ Initiatives to Improve Capital Efficiency (Figure 2)

Improving business profitability (Improvement of profit margins)
- ☑ Reinforcing the "strength" of the Diagnostics Business
- ☑ Review the business portfolio
- ☑ Improve the efficiency of internal operations, and improve productivity

▶

Improving capital efficiency (ROIC Improvement)
- ☑ Shorten the cash conversion cycle (CCC), focusing on the inventory turnover period
  - Optimize inventory and logistics locations
  - Shorten reagent lead times

▶

Utilize Financial Leverage
- ☑ Optimization of capital structure through the use of debt (Maintain a credit rating of AA−)

▶

Sustained ROE Growth
12.0% or more
(Target for the fiscal year 2028)

Business Portfolio and Regional Composition

Under the new mid-term management plan, we have made rebuilding the portfolio a key priority in charting a new growth trajectory. Our direction is to allocate capital and human capital preferentially to businesses with high market shares and profitability, led by the hematology field. We will further strengthen these businesses by driving profit growth through new products and expansion in emerging markets, while using AI to enhance the value of testing. For other diagnostics businesses and new businesses such as the medical robotics business and regenerative and cellular medicine, some of which have received substantial research investment to date, we will rigorously select R&D themes and focus resources on priority areas, thereby improving profitability, capital efficiency, and cash generation capability across the Group. In line with this policy, we reviewed our business plans and recorded goodwill impairment losses totaling ¥11.2 billion at three consolidated subsidiaries in fiscal 2025. Although this was one factor behind the deterioration in fiscal 2025 performance, it reflects the new management team's strong determination to assess the true state of each business rigorously and disclose the results in a timely manner.

We are currently reviewing the business portfolio by closely examining and verifying not only market potential, market position, and competitive advantages, but also ROIC, IRR, payback periods, and additional capital requirements. We will establish hurdle rates appropriate to each business and carry out business reviews. In the second half of fiscal 2026, we plan to disclose internally and externally our approach to the business portfolio and the progress made, and use this as the basis for dialogue with shareholders and investors.

In terms of regional composition, we expect steady growth in the Americas and EMEA, reflecting the shift to direct sales in the hemostasis field and growth in emerging markets, and double-digit sales growth in AP, where growth is expected in India and other markets. In Japan, growth will come from expanding sales of new products and the clinical chemistry business transferred from JEOL Ltd. in April 2026. In China, while preparing to capture long-term growth opportunities, we will optimize our business development on the assumption that the market will remain in a contraction phase for some time. In recent years, China has accounted for around 25% of net sales, but under the new mid-term management plan we will reduce this to 13.7%. (See Figure 3.)

>>Mid-Term Management Plan: Regional Strategy P53

Earnings Structure

To address the urgent need to improve profitability, in addition to rebuilding the business portfolio as described above, we will review processes across the entire value chain and improve the cost of sales ratio by 1.9 percentage points over three years through an improved product mix, higher reagent profitability, and supply chain optimization. Approximately three-quarters of SG&A expenses consist of fixed costs, such as personnel expenses and the costs of locations and facilities, and we need to address this cost structure. To concentrate management resources on businesses that generate greater profits, we will shift our business and human capital portfolios while reviewing business processes and improving productivity. To this end, using the DX infrastructure for which investment was largely completed in fiscal 2025, we will optimize the entire value chain by standardizing processes and data globally, improving production and inventory management and shifting tasks through more accurate demand forecasting, and expanding the use of AI-enabled applications developed by employees. Rather than pursuing short-term cost cutting, we will build an earnings base that supports future growth through fundamental structural reform.

Capital Allocation and Improvement of Capital Efficiency

For capital allocation, our sources of funds will be cash generated by the diagnostics business and borrowing utilized as necessary. We will allocate ¥170.0 billion to business operations and R&D, of which ¥150.0 billion will be directed toward strengthening the diagnostics business, while controlling investment in other areas by imposing caps. Capital investment will be maintained at around 10% of net sales and directed toward such areas as facility development and leasing businesses to support expansion in emerging markets. We have also set aside ¥50.0 billion for strategic investments. All allocations will remain subject to strict discipline based on giving priority to the diagnostics business and applying hurdle rates.

We will also enhance shareholder returns. While maintaining our progressive dividend policy with a consolidated dividend payout ratio of around 40%, we will also conduct share buybacks. From March through July 2026, Sysmex conducted its first-ever share buyback, with an upper limit of ¥30.0 billion. This also demonstrated our commitment to enhancing shareholder returns under the new mid-term management plan. Going forward, if opportunities for growth investment are limited, we will consider further share buybacks. (See Figure 4.)

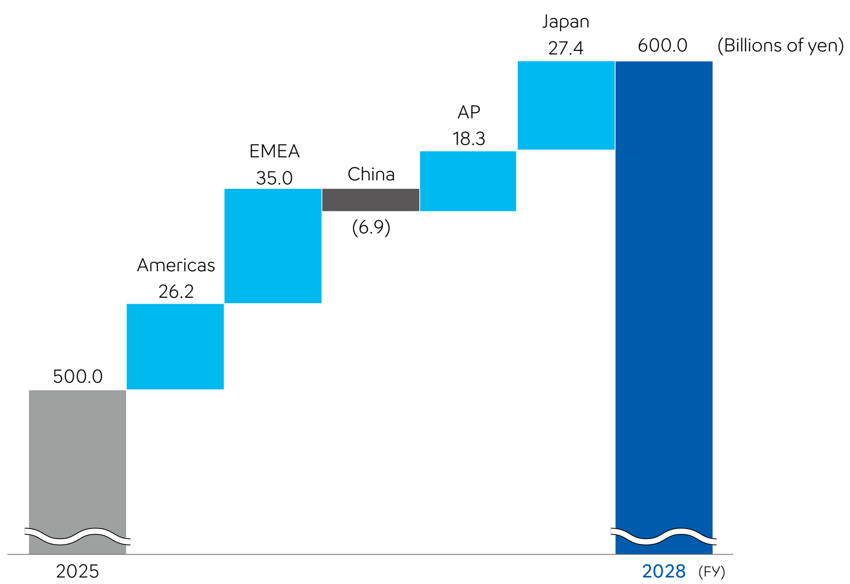
Future Aspirations and Commitment

From April 2025, I was responsible for overall Corporate Management while also serving as the executive in charge of finance. I was appointed CFO in April 2026 and elected a Director in June of the same year. Although my areas of responsibility have not changed substantially from last year, I see my role as working closely with the CEO and President as a member of the management team. I have been told that one reason for my appointment as CFO was my ability to speak candidly with the CEO and President and engage in in-depth discussion with them. Accordingly, at a time when structural and mindset reforms are needed, I am determined to lead this transformation with strong resolve. For example, in fiscal 2026 we established two new forums: the Management Promotion Council, which is responsible for progress reporting and countermeasures relating to Group performance and strategic target themes, and the Investment Review Committee, which reviews investment proposals and scrutinizes the business portfolio. As chair of both bodies, I will also advance management reform.

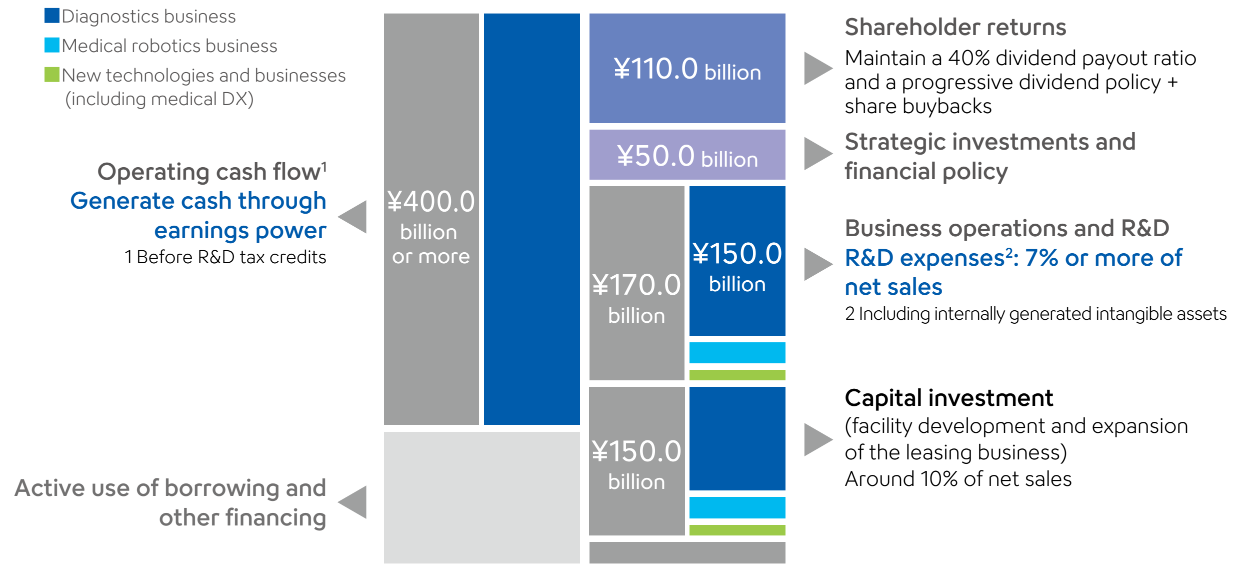
Restoring the trust of the capital markets is another important part of my role. Reflecting on the repeated downward revisions in fiscal 2025 reinforced for me the importance of integrity: sincerity in our assessment of the external environment, objectivity in evaluating business development, and timely and candid sharing of the progress of our strategies and the realities of management. Guided by these principles, we will also consider carefully what kind of disclosure and dialogue shareholders and investors genuinely expect from us.

The reforms we are now undertaking in management and the business portfolio are intended to support growth decades into the future, and candid feedback from shareholders and investors on their execution and evaluation is extremely valuable. We hope to continue engaging in active dialogue and appreciate your continued support.

■ Regional Growth Outlook under the New Mid-Term Management Plan (Figure 3)



■ Capital Allocation (Figure 4)



Performance Highlights (As of the end of fiscal 2025)

Consolidated Financial Data (10 Years)

IFRS (Billions of yen)

(Fiscal years)	2016	2017	2018	2019	2020	2021	2022	2023	2024	**2025**
For the year:										
Net sales	249.8	281.9	293.5	301.9	305.0	363.7	410.5	461.5	508.6	**500.0**
Operating profit	51.7	59.0	61.2	55.2	50.0[5]	67.4	73.6	78.3	87.5	**51.8**
Profit attributable to owners of the parent	40.6	39.2	41.2	34.8	31.9[5]	44.0	45.7	49.6	53.6	**35.4**
Capital expenditure[1]	19.3	24.9	30.2	27.1	25.7	33.2	42.0	50.8	48.6	**50.3**
Depreciation and amortization	12.3	14.6	15.8	23.9	25.5	27.4	31.8	35.8	39.0	**46.4**
R&D expenses	15.5	16.7	19.5	21.7	22.5	26.7	31.0	31.4	31.4	**29.1**
Net cash provided by (used in) operating activities	32.8	52.2	44.7	53.1[4]	56.8[5]	58.7	68.8	63.9	88.2	**73.8**
Net cash provided by (used in) investing activities	(19.4)	(37.8)	(40.1)	(25.9)	(29.1)[5]	(35.0)	(51.7)	(54.9)	(52.4)	**(51.4)**
Net cash provided by (used in) financing activities	(10.8)	(11.5)	(14.0)	(20.5)[4]	(20.2)	(20.5)	(24.2)	(9.0)	(24.3)	**(37.6)**
At year-end:										
Total assets	279.8	321.9	346.7	389.2[4]	424.8[5]	483.7	531.0	618.9	665.2	**707.5**
Cash and cash equivalents, end of year	57.9	61.4	51.0	56.5	66.4	73.7	69.4	75.5	89.5	**84.1**
Total equity	210.2	241.4	265.1	278.3	306.0[5]	349.0	388.3	432.8	464.5	**505.6**
Interest-bearing liabilities	1.1	0.9	0.8	23.1[4]	22.5	22.8	23.5	56.3	66.0	**71.6**
Per share data:										
Equity attributable to owners of the parent[2] (yen)	335.29	384.86	422.36	443.26	486.96[5]	554.95	617.56	692.94	743.71	**812.57**
Profit attributable to owners of the parent (basic)[2] (yen)	65.10	62.76	65.87	55.70	50.91[5]	70.29	72.94	79.27	86.07	**56.89**
Profit attributable to owners of the parent (diluted)[2] (yen)	64.91	62.61	65.76	55.64	50.82[5]	70.16	72.91	79.24	86.05	**56.89**
Cash dividends applicable to the year[2] (yen)	19.33	22.00	23.33	24.00	24.00	25.33	27.33	28.00	32.00	**38.00**
Dividend payout ratio (%)	29.7	35.1	35.4	43.1	47.1[5]	36.0	37.5	35.4	37.4	**67.3**
Other data:										
Operating margin (%)	20.7	21.0	20.9	18.3	16.4[5]	18.5	17.9	17.0	17.2	**10.4**
Overseas sales ratio (%)	82.6	84.0	85.0	84.5	84.0	84.7	85.4	86.5	86.7	**88.3**
Equity ratio (%)	74.8	74.8	76.3	71.3	71.9[5]	72.0	73.0	69.8	69.7	**71.4**
Return on equity (ROE) (%)	20.7	17.4	16.3	12.9	10.9[5]	13.5	12.4	12.1	12.0	**7.3**
Return on assets (ROA)[3] (%)	14.9	13.0	12.3	9.5	7.8[5]	9.7	9.0	8.6	8.4	**5.2**
Number of employees (Including part-time and other employees)	7,930	8,445	8,715	9,231	9,510	9,812	10,522	11,012	11,457	**11,731**
Exchange rates:										
US dollars (yen)	108.4	110.9	110.9	108.7	106.1	112.4	135.5	144.6	152.6	**150.8**
Euros (yen)	118.8	129.7	128.4	120.8	123.7	130.6	141.0	156.8	163.8	**174.8**
Chinese yuan (yen)	16.1	16.8	16.5	15.6	15.7	17.5	19.8	20.1	21.1	**21.2**

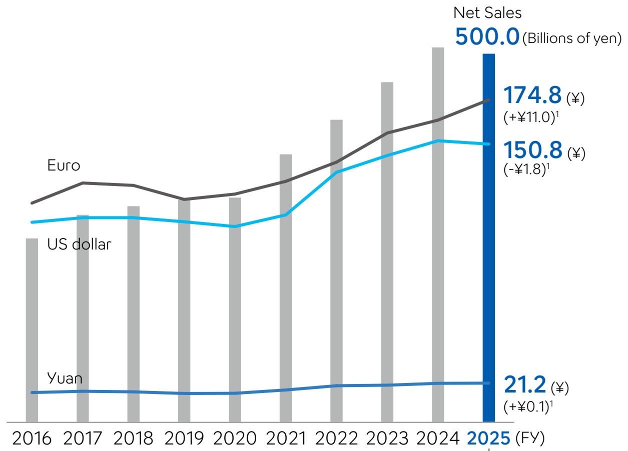
1 Including tangible and intangible items
2 Dividend (actual) converted to post-split basis. As of April 1, 2024 (Three-for-one stock split).
3 ROA = Profit attributable to owners of the parent/total assets (yearly average)×100
4 Adopted IFRS 16 (from fiscal 2019)
5 In fiscal 2021, Sysmex changed its 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.

Financial Performance (IFRS)

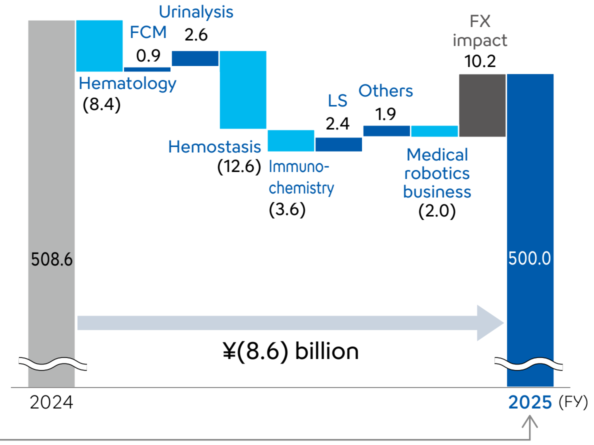
Net Sales

¥500.0 billion

(Down 1.7% year on year)



Reasons for Changes in Net Sales in Fiscal 2025 (by Field)



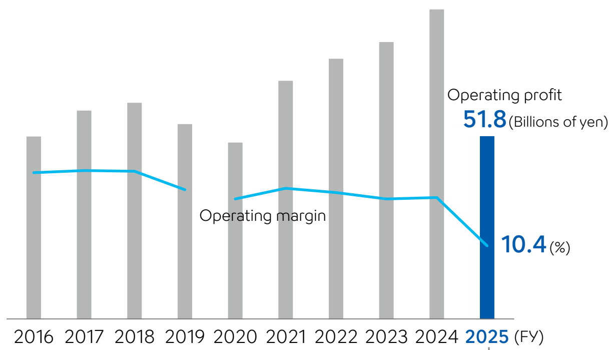
In fiscal 2025, net sales declined due to the impact of healthcare cost containment policies in China and associated distributor inventory adjustments. This was the first decline in net sales since fiscal 2020, when performance was affected by the spread of COVID-19, although the Americas, EMEA, and AP regions recorded steady growth. In the hematology field, sales increased in all regions except China, while the hemostasis field also grew, particularly in Europe and the United States. Excluding China, net sales increased 5.1% year on year.

1. Compared with the previous fiscal year

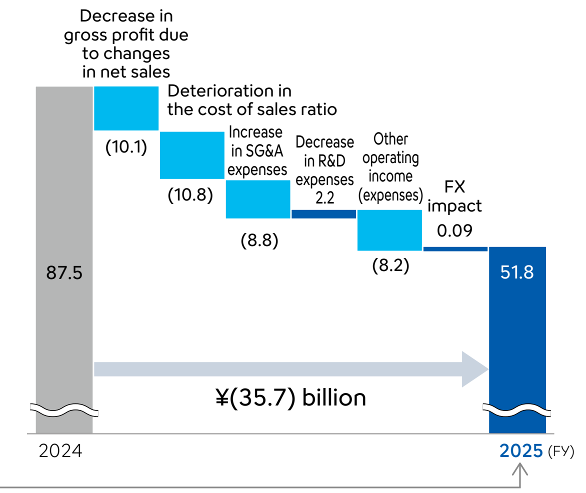
Operating Profit/Operating Margin

¥51.8 billion (Down 40.8% year on year)

10.4% (Down 6.8 percentage points year on year)



Reasons for Changes in Operating Profit in Fiscal 2025

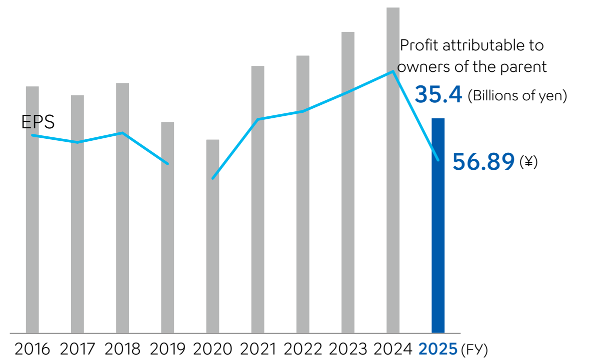


Operating margins have remained flat in recent years due to continued investment in digitalization and in strengthening the foundation in direct-sales regions. In fiscal 2025, operating profit declined due to the impact of changes in the external environment in China, as well as deterioration in the cost of sales ratio due to U.S. tariffs and other factors and the recording of goodwill impairment losses.

Profit Attributable to Owners of the Parent/ Basic Earnings per Share (EPS)

¥35.4 billion (Down 33.9% year on year)

¥56.89 (Down 33.9% year on year)

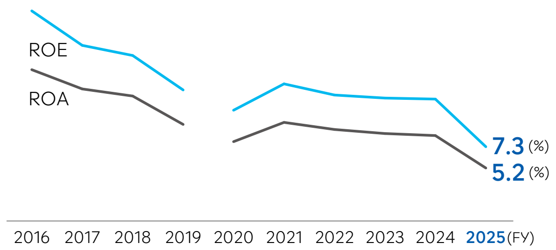


Profit attributable to owners of the parent had been trending upward in recent years in line with growth in operating profit, but declined in fiscal 2025 due to lower operating profit and the recording of goodwill impairment losses, among other factors.

ROE/ROA

7.3% (Down 4.7 percentage points year on year)

5.2% (Down 3.2 percentage points year on year)

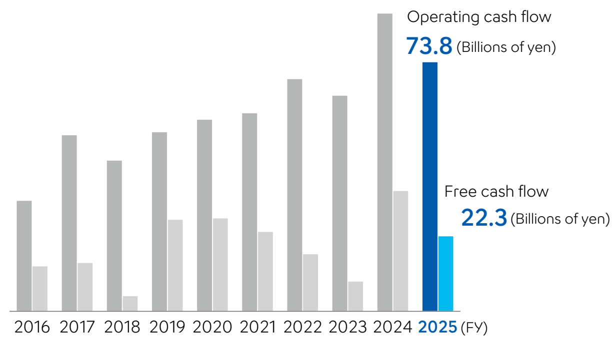


In recent years, ROE and ROA have remained flat as investment in future growth, including DX investment and the establishment of new production sites, has preceded returns. In fiscal 2025, profit attributable to owners of the parent decreased due to lower operating profit and the recording of goodwill impairment losses, among other factors, resulting in declines in both ROE and ROA.

Operating Cash Flow/ Free Cash Flow

¥73.8 billion (Down 16.3% year on year)

¥22.3 billion (Down 37.4% year on year)

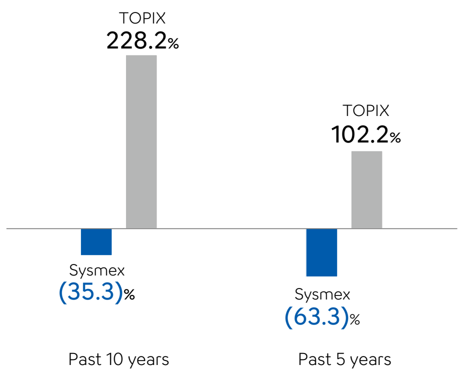


In recent years, we have continued investing in digitalization and in strengthening the business foundation. In fiscal 2025, operating cash flow decreased due to lower operating profit and an increase in inventories, among other factors, and free cash flow also declined.

Total Shareholder Return (TSR) (Annualized Rate)

(35.3)% (Past 10 years)

(63.3)% (Past 5 years)



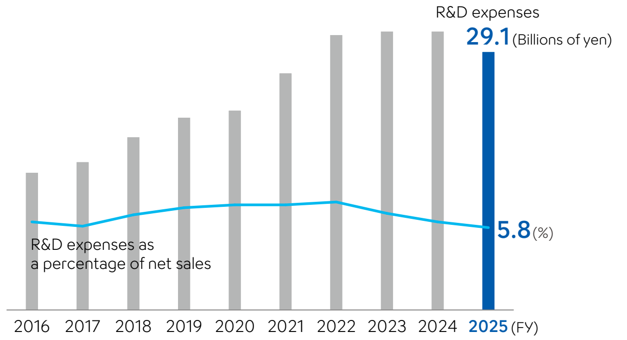
Despite maintaining stable dividends, the share price remained weak due to lower sales in China and declining profit margins associated with investment in future growth. As a result, total shareholder return has been below TOPIX over both the past five and 10 years.

Financial and Non-Financial Performance

R&D Expenses/ R&D Expenses as a Percentage of Net Sales

¥29.1 billion (Down 7.3% year on year)

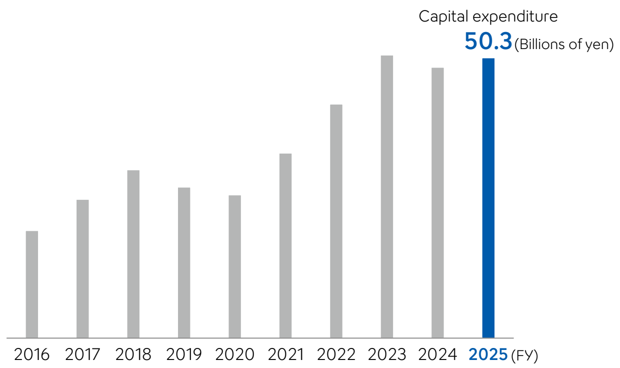
5.8% (Down 0.4 percentage points year on year)



Sysmex targets annual R&D investment equivalent to approximately 7% of net sales. In fiscal 2025, although we continued to invest in growth drivers such as the hematology and hemostasis fields, R&D expenses were held to approximately 6% of net sales by reviewing R&D themes.

Capital Expenditure (including tangible and intangible)

¥50.3 billion (Up 3.4% year on year)

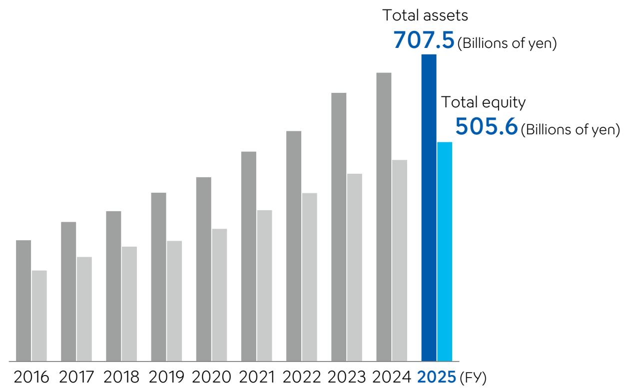


We have increased our investment in digitalization in recent years. In fiscal 2025, in addition to digitalization investment, capital expenditure increased due to such factors as the development of production sites in emerging markets and lease assets associated with the lending of instruments to customers.

Total Assets/Total Equity

¥707.5 billion (Up 6.4% year on year)

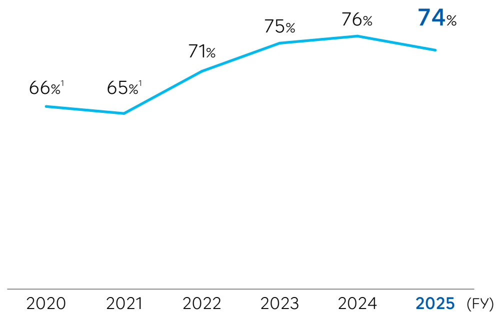
¥505.6 billion (Up 8.9% year on year)



Assets: Although goodwill decreased due to goodwill impairment losses, buildings acquired in anticipation of growth, inventories, and cash and cash equivalents increased.
Equity: Increased due to the recording of profit attributable to owners of the parent and the impact of foreign exchange rates, among other factors.

Engagement Score

74% (Down 2 percentage points year on year)



The engagement score had been trending upward due to initiatives such as improving the work environment in Japan. In fiscal 2025, however, the score in Japan declined against the backdrop of changes in the business environment and other factors, bringing down the overall score. Overseas scores remained at a high level.

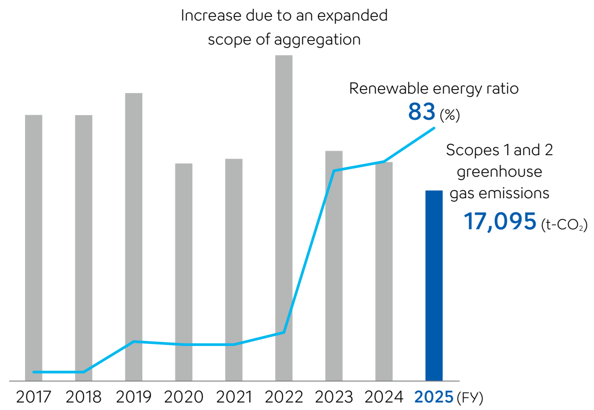
1 Figures exclude EMEA in fiscal 2020 and fiscal 2021.

Non-Financial Performance

Scopes 1 and 2 Greenhouse Gas Emissions/ Renewable Energy Ratio

17,095 t-CO_2 (Down 12.9% year on year)

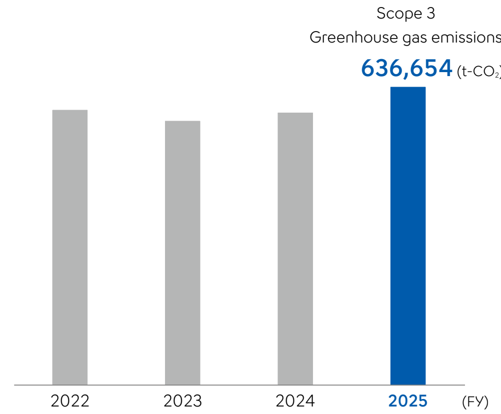
83% (Up 11 percentage points year on year)



We have continuously promoted the switch to renewable energy and energy-saving measures in Japan and overseas. In fiscal 2025, emissions in Scopes 1 and 2 decreased, mainly due to the switch to renewable energy at overseas locations and further progress in replacing company vehicles with fuel-efficient models.

Scope 3 Greenhouse Gas Emissions

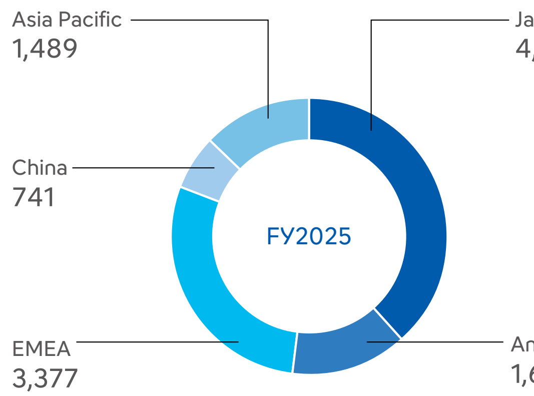
636,654 t-CO_2 (Up 9.4% year on year)



We promoted modal shifts in product shipments and the adoption of products with enhanced energy-saving functions. However, for the second consecutive year, higher emissions associated with expanded business activities outweighed these effects, resulting in an increase in total Scope 3 emissions.

Number of Employees (Consolidated)[1]/ Percentage of Overseas Employees

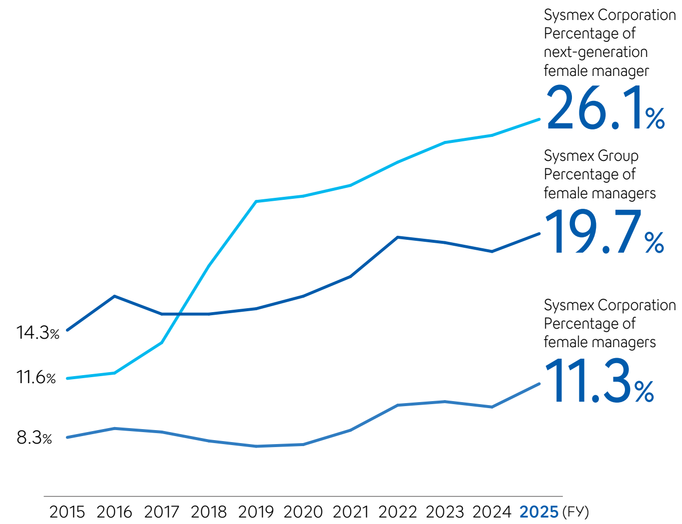
11,731 **61.5%**



In addition to globally expanding personnel in regions and businesses shifting to direct sales, including emerging markets and the hemostasis field, software-related personnel and others increased in Japan, where our main development and production functions are located.

1 Including part-time employees and others

Percentage of female managers/ Percentage of next-generation female managers



We made progress in the early appointment of women to management positions in overseas regions. At Sysmex Corporation as well, we advanced the appointment of women through support for career development and the promotion of diverse working styles, and the percentage of female managers continued to improve.

Returns to Shareholders

To enhance corporate value sustainably, Sysmex formulated a capital allocation policy under the mid-term management plan to steadily execute growth investments such as R&D and capital expenditure while enhancing shareholder returns.

Under this policy, we have continued our progressive dividend policy targeting a payout ratio of around 40% and conducted our first-ever share repurchase from fiscal 2025 through fiscal 2026. By combining dividends and share repurchases, we are further strengthening shareholder returns and working to improve capital efficiency and shareholder value.

As a basic policy, Sysmex pays twice-yearly dividends from retained earnings, an interim dividend and a year-end dividend. The year-end dividend is decided upon approval of the annual shareholders' meeting, and the interim dividend upon approval by the members of the Managing Board. In accordance with this policy and considering business performance during fiscal 2025, we announced dividends for the year of ¥38 per share, which includes an interim dividend of ¥19. As a result, the dividend payout ratio came to 67.3%.

Fund Procurement and Liquidity Management

Sysmex raises working capital as necessary through short-term bank loans and other means. Each consolidated subsidiary may borrow from banks as needed to secure working capital. We have introduced a cash management system (CMS) for cash settlements between Sysmex Corporation and domestic subsidiaries.

In 2024, we also introduced a CMS at some overseas regional headquarters to ensure liquidity within the Group and improve capital efficiency.

Sysmex Corporation currently holds an issuer rating of AA- from Rating & Investment Information, Inc. (R&I), with the rating updated based on an annual review.

In fiscal 2025, the Company mainly funded its capital expenditure and R&D activities out of cash generated through operating activities.

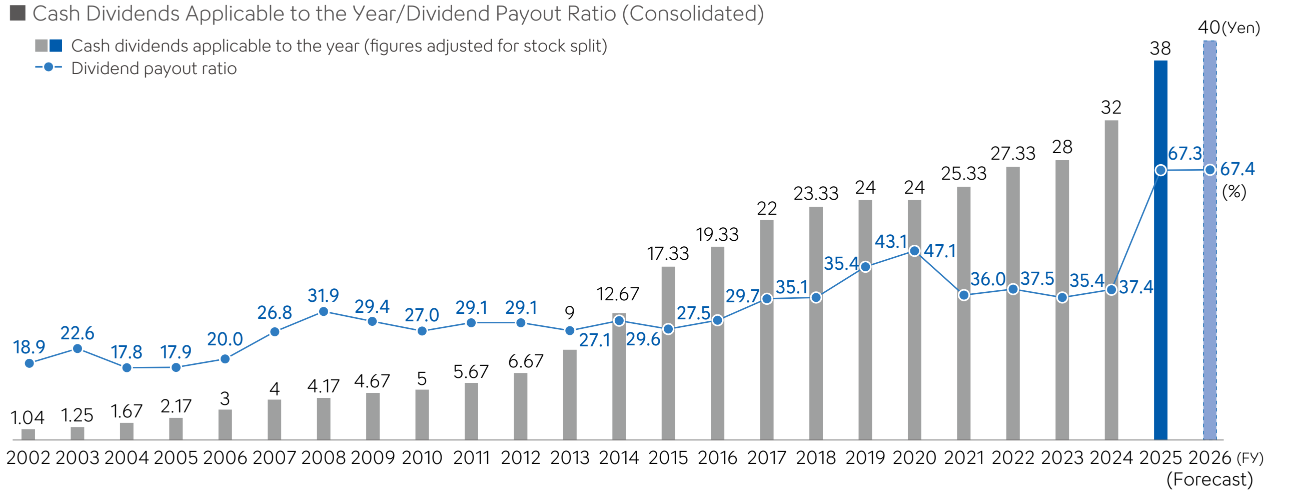
Outlook for Fiscal 2026

In fiscal 2025, net sales and profit declined due to the impact of healthcare cost containment policies in China and the recording of goodwill impairment losses at consolidated subsidiaries in new business areas, among other factors, with net sales of ¥500.0 billion and operating profit of ¥51.8 billion. Meanwhile, the diagnostics business outside China maintained solid growth in each region and retained its competitiveness.

In fiscal 2026, the first year of the new mid-term management plan, we aim to achieve further growth in the diagnostics business through growth in the hemostasis field, steady expansion in the hematology field, sales contributions from the clinical chemistry business we acquired in April, and expanding testing demand, particularly in emerging markets. While closely monitoring the impact of healthcare cost containment policies and the standardization of testing prices in China, we expect growth in both net sales and profit, forecasting net sales of ¥545.0 billion, operating profit of ¥60.0 billion, profit before tax of ¥56.0 billion, and profit attributable to owners of the parent of ¥37.0 billion.[1] Our calculations assume full-year exchange rates of ¥156.1 to the U.S. dollar, ¥181.3 to the euro, and ¥22.4 to the Chinese yuan.

1. Revised in August 2026

■ Cash Dividends Applicable to the Year/Dividend Payout Ratio (Consolidated)



Note: Two-for-one stock splits conducted on November 18, 2005, April 1, 2011 and April 1, 2014. Three-for-one stock splits conducted on April 1, 2024.

Progress toward Sustainability Targets and KPIs (Excerpted)

Please see the Sysmex Sustainability Data book for details about all sustainability targets and future initiatives.

>>Website > Sysmex Sustainability Data Book 2026 > Status of Sustainability Targets

Materiality	Main Sustainability KPIs	Actual Fiscal 2024	Actual Fiscal 2025	Target Fiscal 2025	Key Progress
Creating value for a healthy society	1. Number of hematology tests	2,904 million[2]	3,014 million	—[1]	1. Although the number of tests decreased due to the impact of healthcare system reforms in China, expanding testing demand and market share, particularly in emerging markets, led to an increase in the number of tests. 2. A new KPI was established for the number of regulatory approvals obtained for high-risk products[3], to assess capabilities in addressing advanced regulatory reviews. 3. Although sales declined due to contraction in China, sales in emerging and developing markets excluding China rose sharply, up 17% year on year, driven by strong growth in India and Brazil.
	2. Number of regulatory approvals for high-risk products (major countries)	—	50	—[1]	
	3. Sales in emerging and developing markets	¥179.5 billion	¥157.4 billion	—[1]	
Creating innovation	4. R&D-to-sales ratio	6.2%	5.8%	—[1]	4. New KPI. With continued investment in the diagnostics business, the new mid-term management plan includes plans to launch multiple high-end instruments.
Providing responsible products, services, and solutions	5. Number of recalls[4]	6	6	—[1]	5. There were no adverse health effects. Strengthening quality assurance systems, together with rapid information collection and root-cause investigation, has prevented defective products from reaching the market. 7. New KPI. We will assess whether stable product supply systems are being secured through the maintenance and renewal of regulatory approvals in each country and region.
	6. Net Promoter Score (NPS®)[5]	—[1]	—	—[1]	
	7. Number of regulatory approvals (major countries)	—[1]	816	—[1]	
Maximizing human capital	8. Engagement score	76%	74%	75%	8. Engagement Score >>P61 9. Female Managers Ratio >>P72 10. Value-Added Productivity >>P62 11. Total annual working hours decreased by 19 hours from the previous fiscal year, improving for the fifth consecutive year. Proactive hiring to address staffing shortages and the spread of productivity-conscious working practices helped reduce overtime hours.
	9. Ratio of female managers	18.7%	19.7%	20% or higher	
	10. Value-added productivity	¥21.44 million	¥19.01 million	¥22.50 million	
	11. Annual total working hours[4]	1,993 hours	1,974 hours	1,980 hours	
Reducing environmental impacts	12. Zero product loss	0.40%	0.18%	0.18%	12. Recycling of unused instruments and reagents that would otherwise be discarded was promoted in some regions, resulting in achievement of the target. 13. The target was achieved by switching product packaging to recycled paper and FSC-certified paper, and wooden pallets for instruments to corrugated cardboard. 14. Scopes 1 and 2 >>P72 15. Scope 3 >>P72 16. The target was achieved through improvements such as tank cleaning methods and increased pure-water production efficiency at each factory.
	13. Complete transition to recycled and environmentally friendly materials	62%	67%	60%	
	14. GHG emissions reduction rate (Scopes 1, 2)[6]	Down 33%	Down 41%	Down 40%	
	15. GHG emissions reduction rate (Scope 3)[6]	Down 1%	Up 8%	Down 10%	
	16. Reduction rate of water consumption (main reagent factories)[6]	Down 31pts	Down 25pts	Down 23pts	
Strengthening governance	17. Number of ethics violations	19	26	—[1]	17. There were no serious violations. The number increased as efforts to familiarize employees with the system and awareness-raising activities proved effective. 18. Cybersecurity training was expanded to temporary staff and contractors. Training on ransomware countermeasures was also conducted to reduce information security risks.
	18. Number of participants in information security training	27,060	31,744	—[1]	

1 These are monitoring items for which no targets are set.
2 Revised from the figure disclosed in the previous fiscal year due to a change in the calculation method.
3 Applies to products requiring high-level regulatory review (Class III and above in Japan; Classes C and D under the EU IVDR). Excludes procured products and locally produced products.
4 Target: Group companies in Japan
5 NPS® is a registered trademark of Bain & Company, Fred Reichheld, and Satmetrix Systems. (Starting in fiscal 2027)
6 Base year: Fiscal 2022

Corporate Governance

Sysmex recognizes that reinforcing corporate governance is an important management issue. We are working to maximize the corporate value of the overall Group by increasing management speed and efficiency.

Conversation with Outside Members of the Managing Board

Yuka Fujioka, whose expertise spans international politics and global management, and Marie Oshima, who is also an educator in industrial science and informatics, discussed Sysmex's management challenges, priority issues under the new Mid-Term Management Plan, and initiatives to enhance corporate value, bringing fresh perspectives grounded in their different areas of expertise.

Yuka Fujioka
Outside Director (Member of the Board)
Independent
Member of the Nominating Committee
Appointed June 2024
Expertise in global management and geopolitics

Marie Oshima
Outside Director (Member of the Board)
Independent
Appointed June 2025
Expertise in industrial science and informatics

Looking back on the previous Mid-Term Management Plan, how do you view the challenges facing Sysmex?———

Fujioka: The previous Mid-Term Management Plan produced a number of achievements, including growth in emerging markets, but I would like to focus here particularly on the challenges. During the period of the previous Mid-Term Management Plan, I believe there were dramatic changes not only in the external conditions on which the plan was based, including the international situation and individual national markets, but also in the management structure, with a change in the president who had led the Company for many years. I was not yet an outside member of the Managing Board when the plan was formulated, but looking at subsequent developments, we may have continued to base our targets, measures, and risk assessments on assumptions similar to those we had relied on in the past. As a result, I believe one factor behind the repeated downward revisions to financial forecasts was that risks associated with changes in China's healthcare system and market, for example, were not necessarily assessed accurately.

Oshima: Yes. All of us on the Managing Board take very seriously the fact that we lost the trust of the capital markets.

Sysmex is at a turning point as it seeks to move into its next stage of growth, and this will require a fundamental shift in how the Company operates. I believe we may not have sufficiently verified the appropriateness of the measures and structures for achieving this shift or the way progress was monitored. In such a highly uncertain environment, the targets themselves may not have reflected actual conditions. It is important to accurately assess the environment and respond with agility, and we also need to reflect on our failure to communicate the situation promptly and appropriately.

Fujioka: With regard to China, we had long been preparing for new growth that would not depend on the country, given China's substantial contribution to the Group's growth and the diverse risks involved. However, changes in the external environment proceeded more

rapidly than expected. I have raised these risks with the executive team, and I will press the point more strongly going forward. In addition, in fiscal 2025 we recorded impairment losses at acquired subsidiaries, resulting in a substantial decline in profit. This also exposed overly optimistic assumptions regarding investment recovery plans and earnings outlooks, and the quality and speed of information provided to the Managing Board need to improve as well.
Oshima: There is also a concern that discussions may have been based on conventional thinking, unexamined internal assumptions, and tacit knowledge. To promote objective and transparent discussion, information needs to flow more freely. We also need to increase dialogue not only with outside members of the Managing Board and shareholders and investors, but also with people who bring diverse expertise, values, and backgrounds, and reassess ourselves from an external perspective.

What are your views on the priority issues under the new Mid-Term Management Plan?———

Fujioka: Above all, the Managing Board will draw lessons from the previous Mid-Term Management Plan and use them to strengthen the quality of management. To regain the trust of the capital markets, we have held repeated discussions on setting highly realistic targets that are not based on wishful thinking, designing the business portfolio rationally, improving profitability and capital efficiency, and building a flexible and agile structure. With “Reinforcing the strength and profitability of the diagnostics business” as the aim of the new Mid-Term Management Plan, I also believe we need to carefully consider how much to invest in strengthening the core business and the allocation of resources to businesses outside the core business.

Oshima: I have been particularly engaged in discussions on the utilization of testing data. As healthcare becomes increasingly sophisticated and diverse, a major issue will be how we convert the data assets we have accumulated into value. Other companies are also experimenting with healthcare DX, so speed is critical. However, Sysmex has instruments installed at medical institutions around the world and a foundation that enables us to accumulate testing data every day. Given the breadth of our geographic presence and our high market shares, this gives us a significant competitive advantage. It is important to leverage this strength to create value in software by collaborating with a wide range of companies and organizations in areas such as data analysis, AI implementation, and combining testing data with external data. The new Mid-Term Management Plan also calls for the launch of AI-equipped flagship models in multiple fields. Building on these models, we can expect to collect and use even more data in research and development, while increasingly using software to drive advances in hardware.
Fujioka: I am paying particularly close attention to our regional portfolio and risk management. As economic and security issues become increasingly intertwined and uncertainty in the global environment grows, we need to strengthen risk management across a broad range of areas, including not only earnings volatility but also stable supply and employee safety. In addition to addressing geographic concentration, we need to reassess our strategy and risk management from the perspectives of both strategic autonomy and strategic indispensability. This includes diversifying procurement and partnerships, bringing more activities in-house where appropriate, and preparing a range of risk scenarios and alternatives. In terms of geographic expansion, India offers considerable growth potential and has established stable relations with Japan. From a medium- to long-term perspective, however, the importance of democratic countries that share common values and so-called middle powers governed by the rule of law is likely to increase.
Oshima: I agree. Healthcare delivery systems, institutions, and social security systems differ from country to country, so when expanding local development and production, I think it will also be important to review our intellectual property strategy. Healthcare is a regulated business, so risks arise in relation to ownership rights over technology and data. Although specific measures have yet to take shape, I also hope to see stronger data infrastructure and redesigned data collection processes that can give us a first-mover advantage.
Fujioka: Yes, that perspective is certainly necessary. Japan’s government growth strategy investment plan identifies “drug discovery and advanced healthcare” as one of 17 fields. Healthcare DX falls under “healthcare-related services utilizing lifelog data and other data,” while “products for infectious disease response” is an area where Sysmex can leverage its core technologies. These are areas in which our strategy aligns with the direction of the Japanese government, so attracting such investment funding to accelerate development could also be effective.
Oshima: As you say, while expanding globally, it is also important to strengthen our foundation at home and align ourselves with national strategy. Unfortunately, healthcare DX in Japan is lagging behind other countries. I hope Sysmex, with its tremendous competitive advantage, will take the lead in advancing healthcare DX in Japan. As I mentioned earlier, collaboration with diverse partners will be key to doing so. By pursuing collaboration beyond the traditional framework of testing instruments—with academia and research institutions, startups, companies in other industries, and others—I believe the fusion of different values can contribute greatly not only to innovation and faster research and development, but also to the evolution of management and corporate culture.
Fujioka: We also need to increase diversity within the Company to foster innovation. The three years of the Mid-Term Management Plan provide ample time to transform our organization and management. At present, all internal members of the Managing Board are Japanese men and there is only one female executive officer. I would like to continue encouraging more diverse appointments and faster talent development.
Oshima: Speaking of our people, I regard Sysmex employees as highly engaged and highly capable of translating goals into action. I have spoken with employees at research and development sites and on the front lines, and I have been impressed by how strongly they want to contribute to society—more strongly than I had imagined—and by the pride they take in their work. Their passion for combining their expertise to develop and deliver products is a strength. At the same time, our future strategy will require a backcasting approach that starts with social issues and market needs and works backward to guide research and development. It will therefore be important to develop people who can bridge research and development and the market, as well as specialists in management. This is another area in which Japan is weak, and I hope Sysmex will take the lead in recruiting and developing such people.

What are your expectations for President Matsui, and what are your aspirations for the Managing Board?———

Oshima: For Sysmex, which has continued to grow steadily over the years, undertaking reform in an uncertain environment represents an unprecedented challenge. Mr. Matsui has assumed the presidency at a particularly challenging time, but I believe his “Be Positive, Be Open” approach to internal communication is well suited to this turning point. I expect his strong leadership to guide the Company to success.
Fujioka: I agree. Although many challenges remain, I expect him to overcome these obstacles. Throughout the Company today, from the management team to the front lines, people share a sense of urgency and a common determination that we must change. I believe we can come together as one and achieve this transformation.
Oshima: The Managing Board also needs to evolve. I raised this point in the Managing Board effectiveness evaluation survey as well, but there have been occasions when it was difficult to understand what was expected of us as outside members of the Managing Board and the appropriate level of discussion. I felt there was room to improve the quality of discussion. Going forward, I hope we can make the assumptions and information underlying our discussions clearer, establish a shared understanding, clarify the issues, and engage in constructive discussion.
Fujioka: Ample time is allocated to advance briefings for Managing Board meetings, and we receive thorough explanations and responses to our questions. At present, however, Managing Board meetings tend to involve outside members asking questions and making proposals, with internal members providing explanations and answers. Going forward, I would like the Managing Board to become a forum where all members, whether internal or outside, exchange views more actively with one another.

What are your aspirations going forward?———

Oshima: I strongly identify with the Long-Term Vision, “Together for a better healthcare journey,” and that was why I accepted the invitation to become an outside member of the Managing Board. As one of those on this journey, I will draw fully on my experience and expertise to contribute to value creation. I will also do everything I can to strengthen Sysmex’s management capabilities as we work to regain the trust of the capital markets, which is an urgent challenge for the Company.

Fujioka: I believe enhancing Sysmex’s corporate value is an extremely important shared objective not only for shareholders and investors, but also for employees, customers, and local communities. While managing a wide range of risks, I will do my part to help Sysmex transform itself, return to a growth trajectory, and build on that growth over the longer term.

Ms. Oshima, thank you very much for sharing so many insightful thoughts today.
Oshima: Likewise. It was a very interesting discussion. Thank you.

Corporate Governance

Basic Policy on Corporate Governance

Based on the "Sysmex Way," the corporate philosophy of the Sysmex Group, we are working to maximize corporate value for the entire group by enhancing management soundness and transparency and raising management speed and efficiency.

Management Organization

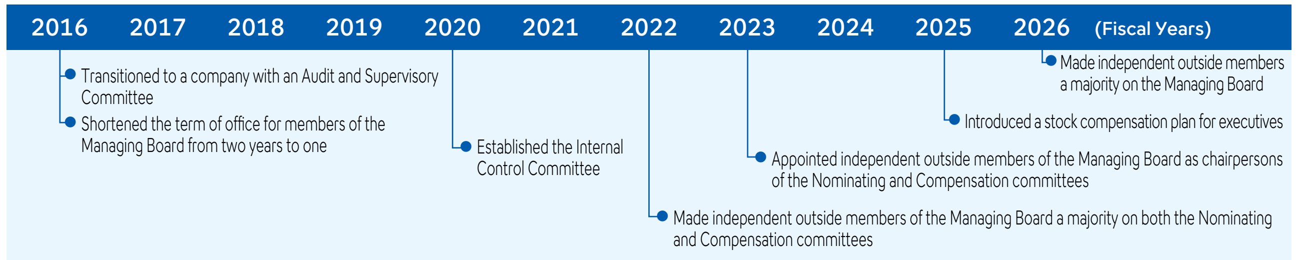
Sysmex has adopted a Company with an Audit and Supervisory Committee structure to strengthen the audit and supervisory functions of the Managing Board and improve transparency and objectivity in management. We have also introduced an executive officer system to accelerate decision-making on business execution and respond swiftly to changes in the business environment.

The Managing Board consists of 12 members. We are continuously working to strengthen its supervisory function, including by raising the proportion of outside members of the Managing Board to a majority from fiscal 2026. We have established the Nominating Committee and the Compensation Committee as advisory bodies. Outside members of the Managing Board account for 60% of the membership of both committees, and each committee is chaired by an outside member of the Managing Board. To facilitate accurate and timely decision-making, we have established and operate various committees in addition to our Managing Board. These committees include the Global Strategy Committee, which discusses and examines the mid- to long-term management direction, important strategies, and issues within the Group, and the Steering Committee, which conducts discussions, deliberations, and reports on important matters related to the implementation of annual plans.

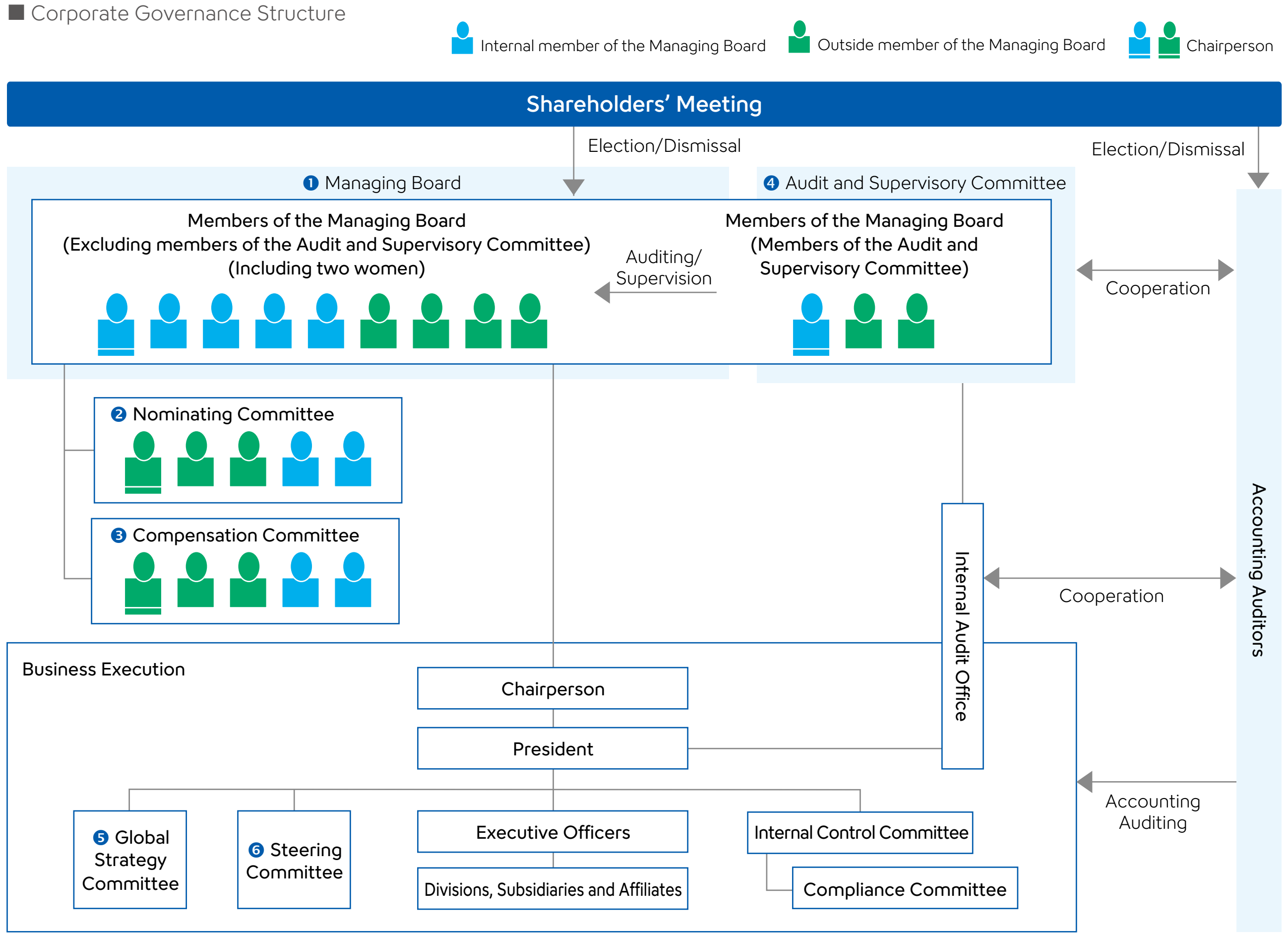
Sysmex complies with each of the principles of Japan's Corporate Governance Code, introduced by the Tokyo Stock Exchange. Please see our website for details.

>>Website >About Sysmex >Corporate Governance

■ Advances in Corporate Governance



■ Corporate Governance Structure



■ Status of Organizations

Organization	Agenda items and reporting Items	Composition	Meetings Held in Fiscal 2025
❶Managing Board	Making important management decisions and supervising the execution of duties	Members of the Managing Board	17
❷Nominating Committee	A Managing Board advisory body involved in executive appointments	Chairperson and Group CEO, President, independent outside members of the Managing Board (3)	5
❸Compensation Committee	A Managing Board advisory body involved with decisions on executive compensation	Chairperson and Group CEO, President, independent outside members of the Managing Board (3)	5
❹Audit and Supervisory Committee	An independent body that primarily audits the members of the Managing Board in the performance of their duties.	Members of the Audit and Supervisory Committee	16
❺Global Strategy Committee	Deliberates on and discusses medium- to long-term Group management directions, important strategies and issues	Chairperson and Group CEO, President, senior executive officers, members of the Audit and Supervisory Committee	16
❻Steering Committee	Discusses and reports on projects that are important from the perspective of making progress on the Group fiscal yearly plan	Chairperson and Group CEO, President, executive officers, the members of the Audit and Supervisory Committee	17

■ Committee Activities

Nominating Committee[1] Haruo Inoue (chairperson) Hisashi Ietsugu Iwane Matsui Yuka Fujioka Tomofumi Saeki	**Agenda items and reporting Items** • HR matters related to succession of the president • Matters concerning the election and dismissal of members of the Managing Board and executive officers • Proposals to be submitted to annual shareholders' meetings concerning the election and dismissal of the members of the Managing Board **Issues and Future Initiatives** • Succession planning and development for members of the Managing Board, including representative directors, and executive officers • Reassessing the skills required of members of the Managing Board and, based on this reassessment, realizing a balanced skill matrix • Disclosure of information on succession plans and the candidate selection process

1 In fiscal 2025, Kazuo Ota (chairperson), Hisashi Ietsugu, Kaoru Asano, Kenji Tachibana, Haruo Inoue, Kazumasa Hashimoto, Michihide Iwasa

Compensation Committee[1] Kazuo Ota (chairperson) Hisashi Ietsugu Iwane Matsui Haruo Inoue Kenjiro Oda	**Agenda items and reporting Items** • Details of members of the Managing Board and executive officers' remuneration (policy for determining the amount of remuneration, etc. and the method for calculating it) **Issues and Future Initiatives** • Improving the transparency of performance evaluation criteria • Increasing the proportion of medium- to long-term incentives (stock compensation) • Strengthening linkage with sustainability indicators

1 In fiscal 2025, Kazuo Ota (chairperson), Hisashi Ietsugu, Kaoru Asano, Kenji Tachibana, Haruo Inoue, Kazumasa Hashimoto, Michihide Iwasa

Audit and Supervisory Committee[1] Tomoo Aramaki (chairperson) Kenjiro Oda Tomofumi Saeki	**Agenda items and reporting Items** • Audit policy and audit plan, contents of audit report, decision on the appropriateness of reappointing the accounting auditor, agreement on remuneration of the accounting auditor, etc. • Status of activities of each Audit and Supervisory Committee member (important meetings, committee reports, approval decisions, etc.), audit plans of important subsidiaries, internal audit reports, and evaluation of the accounting auditor, etc. **Initiatives to Improve Effectiveness** • Establishing an operating structure to improve the effectiveness of the Audit and Supervisory Committee • Strengthening coordination with members of the Managing Board and the Managing Board to verify the supervisory function • Strengthening coordination with the internal audit function

1 In fiscal 2025, Tomoo Aramaki (chairperson), Kazumasa Hashimoto, Michihide Iwasa

■ Skill Matrix for Members of the Managing Board (Committee membership as of June 26, 2026)

	Name	Gender	Year of birth	Initial appointment	Independent	Committee: Nominating Committee	Committee: Compensation Committee	Committee: Audit and Supervisory Committee	Skills and experience: Corporate management	Management and business planning	Global	Sales and services	Research and development	Production/ SCM	IT・DX	Finance/ accounting	Human resources/ general affairs
Internal	Hisashi Ietsugu	M	1949	1986		○	○		●	●		●				●	●
Internal	Iwane Matsui	M	1961	2019		○	○		●	●	●	●			●		
Internal	Tomokazu Yoshida	M	1964	2021					●	●			●				
Internal	Takashi Ono	M	1965	2023					●	●	●	●		●			
Internal	Kensuke Iizuka	M	1970	2026					●	●	●				●	●	●
Internal	Tomoo Aramaki	M	1966	2022				●			●					●	
External	Kazuo Ota	M	1955	2019	○		●		●	●	●				●	●	●
External	Haruo Inoue	M	1957	2024	○	●	○		●	●		●			●	●	
External	Yuka Fujioka	F	1969	2024	○	○			●		●						●
External	Marie Oshima	F	1962	2025	○						●		●				●
External	Kenjiro Oda	M	1961	2026	○		○	○	●	●						●	●
External	Tomofumi Saeki	M	1962	2026	○	○		○	●	●		●			●	●	●

Note: The above represents the main skills and experience of each Member of the Managing Board and does not represent all skills and experience.
● indicates the chairperson.

■ Definition of skills and experience

Item	Definition
Corporate management	Management experience as a representative, executive director, executive officer, etc. at a company, organization, etc.
Management and business planning	Experience and knowledge of management planning, risk management, business strategy, planning, promotion, etc. as a practicing, managing, or executive officer in charge, etc.
Global	Experience of overseas assignment.
Sales and services	Experience and knowledge of domestic and overseas sales, marketing, technical services, etc. as a practicing, managing, or executive officer in charge, etc.
Research and development	Experience and knowledge of technology strategy, technology and product development, IT development, intellectual property, etc. as a practicing, managing, or executive officer in charge, etc.
Production/SCM	Experience and knowledge of production, procurement, logistics, quality, etc. as a practicing, managing, or executive officer in charge, etc.
IT•DX	Experience and knowledge of IT/DX, etc. as a practicing, managing, or executive officer in charge, etc.
Finance/ accounting	Experience and knowledge of accounting, finance, business administration, etc. as a practicing, managing, or executive officer in charge, etc.
Human resources/ general affairs	Experience and knowledge of human resources, labor affairs, human resources development, diversity, legal affairs, compliance, etc. as a practicing, managing, or executive officer in charge, etc.

Note: Judgment is made based on whether or not the Member of the Managing Board has a total of about three years of experience in each of the items stated on the left.

Appointing and Dismissing Members of the Managing Board

Internal members of the Managing Board are appointed based on a balance of knowledge, experience, and ability to make accurate and prompt decisions, manage risks appropriately, monitor business execution, and cover each functional and business unit of the Company, as well as those with sufficient social credibility. Outside members of the Managing Board (excluding Audit and Supervisory Committee members) are required to have abundant work experience and broad insight, and be able to provide appropriate advice to the Company's management. For candidates to serve on the Audit and Supervisory Committee, consideration is given to their knowledge of finance and accounting, knowledge of the Company's business fields, and diverse perspectives on corporate management. Nominations for members of the Managing Board are made on the basis of a comprehensive evaluation of all candidates, regardless of their professional experience, age, nationality, race or ethnicity, or gender.

Based on the above policy, the Nominating Committee reviews decisions regarding the nomination of candidates for, or dismissal of members of, the Managing Board, and the Managing Board passes resolutions on such matters. Proposals concerning the election or dismissal of members of the Audit and Supervisory Committee are subject to the consent of the Audit and Supervisory Committee.

Succession Plan

Sysmex positions succession planning for the CEO and president, who are at the core of management execution, as one of its key priorities for increasing corporate value. Accordingly, the Nominating Committee discusses the qualities and requirements sought, the approach to selecting successors, and development policies, taking into account the business environment and progress on strategies. We are also currently considering expanding the positions covered by succession planning to include internal members of the Managing Board and executive officers, while creating opportunities for dialogue with potential successor candidates to deepen our understanding of their character and qualities.

Appointment of the President

Iwane Matsui was appointed president and representative director effective April 1, 2026.

Sysmex currently recognizes initiatives to restore business performance and increase corporate value as important management challenges. In selecting the President, we comprehensively considered Matsui's experience leading businesses globally, his track record of overcoming difficult business environments, his ability to execute, and other factors. As a result, we determined that Matsui was the appropriate person to address the management challenges facing the Company and drive the new mid-term management plan.

Developing management personnel is also an important priority for sustainably increasing corporate value. Looking ahead to changes in the business environment, we will continue to develop management personnel and strengthen succession planning.

Compliance

Based on the "Sysmex Way" and our Shared Values, we define our view of compliance as "conducting business activities not only in compliance with applicable laws and regulations, but also based on fairness and high ethical standards." We have established a Global Compliance Code, in which particularly important conformance rules and behavioral guidelines for all Group executives and employees to abide by are set out, and we conduct training and work to instill this code. The code describes our thoughts on ethics in relation to research and development, prevention of bribery, and adherence to international guidelines such as the Universal Declaration on Human Rights, as well as conserving the global natural environment. Sysmex has established and operates an internal reporting system for all Group companies.

To promote fair marketing activities, we have included an ethics code for marketing in the "Anti-monopoly and Anti-competitive Behavior" Chapter of the Global Compliance Code. We have also established Global Regulations for Compliance with Competition Laws.

>>Website > Sustainability > Governance > Compliance Management
>>Website > Sustainability >Compliance Promotion Initiatives

Effectiveness of the Managing Board

The Managing Board is composed of members having diverse knowledge, experience, expertise and high level of specialization. We strive to ensure appropriate diversity and scale, taking into account the overall balance of the Managing Board, and respect the opinions of outside members of the Managing Board.

To enhance the functions of the Managing Board, the Company conducts a document-based questionnaire survey of all members of the Managing Board (including members of the Audit and Supervisory Committee). The Board's effectiveness is determined on the basis of deliberation by the Managing Board of the aggregate results. The questionnaire survey conducted in fiscal 2025 confirmed that the Managing Board is functioning effectively and fulfilling its role appropriately. In addition, we have recognized the need for a continued response, undertaking initiatives to further enhance effectiveness.

Evaluation Criteria

Composition of Members on the Managing Board
- The number of members of the Managing Board and outside members of the Managing Board, and the diversity of the members of the Managing Board (balance of knowledge, experience, ability, and expertise).

Provision of materials and information necessary for sufficient discussion of each agenda item
- The timing and content of materials and other information necessary to understand the background of the Managing Board's agenda

Effectiveness of deliberations and discussions at the Managing Board
- Number of agenda items/contents, deliberation time, useful deliberations and discussions, activation of discussions through free expression of opinions, and appropriate decision-making after sufficient deliberations

Business Ethics and Risk Management
- Ensuring that decisions are based on the Corporate Philosophy and Shared Values, and the timely reporting of key risks affecting management and confirmation of appropriate countermeasures

Execution of duties by members of the Managing Board (for stimulating discussion)
- Reviewing materials in advance, providing necessary and sufficient information on the agenda in advance, and providing clear explanations and answers to questions

Training opportunities for members of the Managing Board
- Provision of appropriate training opportunities for members of the Managing Board

■ Status of the Managing Board in Fiscal 2025

		Structure and System	Operation	Status of Agenda Items and Deliberations
Fiscal 2025 Responses to Issues Identified in Fiscal 2024	Issue:	• Building an organizational framework to further enhance effectiveness	• Further enhancement and earlier provision of information, including background on agenda items	• Increasing opportunities to discuss key indicators, challenges, and risks
	Response:	• Change of the president and representative director • Appointment of a new member of the Managing Board (member of the Audit and Supervisory Committee)	• Enhance ongoing advance briefings and ensure sufficient deliberation time, taking new members of the Managing Board into account • Holding meetings exclusively for outside members of the Managing Board	• Continue and strengthen discussions on improving capital efficiency, major investment projects, key Group risks, and other matters
Fiscal 2025 Evaluation Results	Result:	• The size of the Managing Board and the ratio of outside members of the Managing Board are generally appropriate. In particular, the structure has been strengthened, with outside members accounting for a majority of the Managing Board.	• Information necessary for discussion of the Managing Board agenda is being provided. Materials are also being provided earlier, showing a trend toward improvement.	• The agenda items addressed by the Managing Board and the time allocated for deliberation are generally appropriate, and decision-making is conducted appropriately.
	Issue:	• Further enhancing the balance and diversity of expertise, experience, and capabilities among members of the Managing Board	• Further enhancing quantitative and qualitative information on important matters and investment projects, as well as information provided to outside members of the Managing Board	• Enhancing deliberation processes for important matters and large-scale investment projects, and deepening discussions on key management issues
Fiscal 2026 response policy		• Continue considering measures to improve the balance and diversity of expertise, experience, and capabilities among members of the Managing Board • Consider the appropriate composition of the Managing Board based on the skills matrix	• Enhance quantitative and qualitative information provided in advance briefings and ensure sufficient deliberation time • Enhance training and information-sharing opportunities for outside members of the Managing Board	• Consider a deliberation process that separates discussion from resolutions for important matters and large-scale investment projects • Expand opportunities for discussion of key management themes

■ Examples of Managing Board Agenda Items and Discussions in Fiscal 2025

Theme	Specific Discussions and Deliberations
Initiatives to achieve the long-term corporate strategy and the mid-term management plan	• New mid-term management plan (growth strategies reflecting changes in the business environment, priority measures, targets, and KPIs) • Large-scale investments to strengthen global production and supply systems (construction of a new plant in Brazil and strengthening of the logistics system) • Acquisition of the clinical chemistry business from JEOL Ltd. (strategic significance of the acquisition, acquisition terms and return on investment, business plan)
Efforts to improve capital efficiency and other aspects of corporate value	• Shareholder return policy (including share buybacks and review of the dividend payout ratio) • Review of business plans of affiliates (future earnings outlook following changes to growth strategies and prospects for investment recovery)
Sustainability Management	• Appointment and Dismissal of Representative Directors >>P81 • Introduction of a performance-linked stock-granting compensation plan in executive compensation (evaluation indicators, grant conditions, and approach to sharing value with shareholders) • Redefinition of materiality (review of materiality items and targets based on risks and opportunities), and progress toward sustainability targets

Executive Compensation

Remuneration for members of the Managing Board (excluding members of the Audit and Supervisory Committee) is determined by the Compensation Committee, as delegated by the Managing Board. The Managing Board confirms the appropriateness of the compensation decision-making process and amounts through the Audit and Supervisory Committee, which is composed of three members (including two outside members).

Compensation for members of the Managing Board makes a clear link between operating performance and responsibility for achievements. Compensation for members of the Managing Board (excluding members of the Audit and Supervisory Committee and outside members of the Managing Board) is divided into three broad categories: fixed compensation, performance-linked compensation, and non-monetary compensation.

Fixed compensation comprises compensation for members of the Managing Board and compensation for business execution. Position-specific factors (related to the scale of responsibility of members of the Managing Board, as well as the degree of their impact on Group management) are used to determine disbursements.

Performance-linked compensation is linked to consolidated operating performance for the Group, using profit attributable to owners of the parent as an indicator. In addition, calculations are based on the results of evaluation of the degree of achievement of important priorities in the mid-term management plan and the sustainability targets linked to the materiality that we have identified. This indicator refers to net earnings for the consolidated fiscal year (sales net of expenses and profit or loss), which the Company considers an appropriate indicator for performance-linked compensation.

Regarding non-monetary compensation, at the annual shareholders' meeting held in June 2025, a resolution was passed to introduce a performance-linked stock-granting compensation plan that integrates the previously offered shareholding association system and other share-based compensation (stock options). This plan is designed to clarify the link between executive compensation and the company's performance and stock value, allowing members of the Managing Board to share in both the risks and rewards of stock price fluctuations alongside shareholders, thereby fostering stronger motivation to enhance long-term performance and corporate value. Compensation for members of the Audit and Supervisory Committee and outside members of the Managing Board consists only of fixed compensation and does not include stock-based compensation.

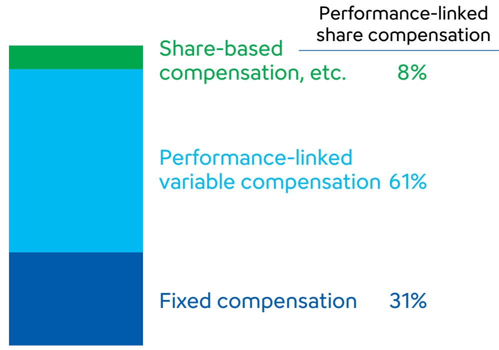
>>Shares Held by Individual Directors P88-90

■ Overview of Revisions to System of Compensation for Members of the Managing Board (Commenced Operation in August 2025)

- Introduced a performance-linked stock-granting compensation plan using a BIP trust structure (shares acquired from the market)
- Performance indicators set for each mid-term management plan
- Discontinued the shareholding association system and stock options as part of non-monetary compensation

Enhanced alignment between executive compensation and Company performance/
stock value to share value with shareholders

■ Breakdown of Compensation in Fiscal 2025



- Maximum stock compensation amount: ¥180 million
- Grant timing: At the end of each mid-term management plan and upon resignation
- Evaluation: Based on achievement level of performance indicators for each mid-term management plan (3 years)

Performance indicators
- Net sales
- Operating margin
- ROE

Indicators of corporate value
- Relative TSR
- Value-added productivity
- Zero product losses
  Complete transition to recyclable/environmentally conscious materials

■ Actual Executive Compensation (Fiscal 2025) (Millions of yen)

Executive category	Total compensation	Amount of compensation by type			Number of Executives receiving compensation
		Fixed compensation	Performance-linked compensation	Non-monetary compensation	
Members of the Managing Board (excluding members of the Audit and Supervisory Committee and outside members of the Managing Board)	697	218	420	58	6
Members of the Audit and Supervisory Committee (excluding outside members of the Managing Board)	23	23	—	—	1
Outside members of the Managing Board	50	50	—	—	6

■ Executives Receiving Total Compensation of ¥100 Million or More (Fiscal 2025) (Millions of yen)

Name	Executive category	Company category	Amount of compensation by type			Total compensation
			Fixed compensation	Performance-linked compensation	Non-monetary compensation	
Hisashi Ietsugu	Member of the Managing Board	Submitting company	52	131	12	196
Kaoru Asano	Member of the Managing Board	Submitting company	52	109	12	174

Risk Management

Our Perspective on Operating Risks

Sysmex is responsible for the steady provision of products and services to customers in more than 190 countries and regions around the world, ensuring that testing operations (which are essential to healthcare) are not interrupted. For that reason, we have formulated countermeasures from both the short- and long-term perspectives to ensure that operations continue under any circumstances. In addition to risks related to economic trends, we consider natural disasters, climate change, and other environmental and geopolitical risks. We also consider increasingly stringent healthcare regulations in individual countries, the emergence of product quality issues, and information leaks to be significant risks. Risk management also supports our ongoing growth. By responding swiftly in a rapidly changing environment, we strive to earn the trust of our stakeholders and to maintain or increase our position in the market.

In recent years, risks such as the strengthening of tariffs in various countries and rising geopolitical tensions have become increasingly apparent. Sysmex produces reagents—which account for approximately 60% of its sales—at multiple sites distributed globally across regions. This decentralized production setup not only enhances business continuity planning (BCP) but also minimizes the impact of country-specific tariffs and related trade policies. For instruments as well, Sysmex has established local production systems in China and India in line with local policy developments.

Risk Management Structure

Sysmex has established an Internal Control Committee as the organization overseeing risk management for the entire group. This committee is chaired by the president and consists of members of the Managing Board (excluding outside members), with the Internal Control Office, an organization independent of the business divisions, serving as the secretariat. Outside members of the Managing Board participate as observers. The committee conducts risk assessments annually and identifies and implements countermeasures for risks that have significant impacts on the business.

For example, we have formulated a BCP to ensure a stable supply of products and services to medical institutions and the stable operation of Sysmex products at medical institutions, if risks such as disasters and cyber threats materialize. The BCP involves the establishment of regulations and manuals for responding to crises, and identifies important products to be given supply priority.

>>Website > Sustainability > See the following under Governance:
>>Risk Management
>>Business Continuity Management
>>Stable Supply of Products

■ Principal Operating Risks

Materiality	Threats and Opportunities	Major Content	Principal Responses
Creating value for a healthy society	Technological innovation	<Threat> Decrease in competitive advantage due to delayed response to technological innovation <Opportunity> Enhance added value through innovation	● Continue to invest aggressively in the development of new technologies ● Promote open innovation to integrate Sysmex's technologies with those of universities, research institutes, companies, etc. ● Establish R&D bases around the world. In addition to conventional *in vitro* diagnostics (IVD), expand initiatives in personalized medicine and medical DX through the use of AI, etc.
	Economic trends	<Threat> Decline in sales opportunities due to deteriorating economic conditions <Opportunity> Increase investment in healthcare infrastructure due to favorable economic conditions	● Promote standardization and efficiency of testing by providing solutions utilizing robotics, AI, and other technologies that contribute to improving the profitability of medical institutions. ● Expand sales opportunities by promoting the development and introduction of products suited to the diverse needs of emerging markets (India identified as a key market)
Creating innovation	Intellectual property	<Threat> Impact on business due to infringement or violation of intellectual property rights <Opportunity> Provide unique products and services by acquiring intellectual property rights	● Acquire intellectual property rights globally, coupled with thorough elimination of counterfeit products ● Strengthen competitive advantage and promote innovation through active rights acquisition and licensing of intellectual property rights ● Promote business activities that respect intellectual property rights through employee education. Introduce an employee award system related to intellectual property.
Providing responsible products, services, and solutions	Quality	<Threat> Reduce reliability due to poor quality of products and services <Opportunity> Improve reliability and competitive advantage by improving quality	● Establish a Group quality policy to monitor and improve the quality and safety of products and services. ● Obtain certification under international standards for quality management systems at all production sites ● Establish the QARA Committee, which promotes global quality assurance and regulatory affairs, and ensures the collection, analysis, and incorporation of product reliability and safety data
	Stable supply	<Threat> Impact on product supply due to interruptions or delays in procurement or production <Opportunity> Provide peace of mind and improve reliability through efforts to ensure stable supply of products and services	● Ensure inventories of parts and raw materials and purchase from multiple suppliers ● Enhance prevention and recovery measures against large-scale disasters such as earthquakes, typhoons, and floods at factories and warehouses ● Produce reagents at multiple sites and establish a mutual supply network among major sites
	Geopolitics	<Threat> Impact on operations of rising geopolitical tensions <Opportunity> Enhance reliability through an ongoing supply of products and services	● Reinforce systems that leverage the global network to continuously and proactively monitor the political and regulatory climate in each country and region ● Promote the transfer of local production of reagents and commence full-scale operations at the production base for reagents and instruments in India
	Healthcare reform	<Threat> Decrease sales opportunities due to inadequate or delayed response to healthcare reforms <Opportunity> Increase competitive advantage through rapid response to regulations and needs	● Obtain and maintain regulatory approvals in a timely and accurate manner by building a global network ● Develop new diagnostic technologies that contribute to personalized medicine by accurately ascertaining the diversifying and increasingly sophisticated needs of customers in each region. ● Develop and market products and services that contribute to the efficiency of medical workflow, work toward the early detection of diseases, and improve access to healthcare
Maximizing human capital	Human resources	<Threat> Decline in competitiveness due to intensifying competition for human resources and outflow of human resources <Opportunity> Strengthen management foundation by creating an attractive workplace	● Create a work environment in which diverse human resources can fulfill their potential with confidence ● Adopt a Group-wide job-based personnel system and provision of educational programs as a foundation for supporting the realization of autonomous careers ● Implement attractive compensation systems, including trust-based stock compensation
Reducing environmental impacts	Climate change and other environmental factors	<Threat> Impact on business due to inadequate environmental response or natural disasters <Opportunity> Improving reliability and competitive advantage by addressing environmental issues	● Establish the Environmental Management Committee to promote environmental management ● Endorse TCFD and TNFD recommendations, establish 2040 carbon neutrality target and science based targets, and accelerate initiatives ● Establish Sysmex Eco-Vision 2033 and promote initiatives that contribute to both environmental friendliness and business growth
Strengthening governance	Exchange rate fluctuations	<Threat> Negative impact on consolidated results, including decreases in overseas sales and assets due to yen appreciation <Opportunity> Positive impact on consolidated results, including increases in overseas sales and assets due to yen depreciation	● Hedge risks of foreign currency-denominated receivables and payables mainly through forward exchange contracts. ● Reduce the impact of foreign exchange rate fluctuations by diversifying reagent production bases globally
	Compliance	<Threat> Loss of social trust due to compliance violations <Opportunity> Enhanced trust from stakeholders through compliance	● Strengthen the Group-wide risk management system, centered around the Compliance Committee, and strengthen systems for compliance with laws and regulations, including antitrust laws ● Establish the Global Compliance Code, along with the development of global consultation and whistleblower systems, and awareness-raising initiatives
	Human rights	<Threat> Loss of public trust due to inadequate response to human rights <Opportunity> Improving reliability through appropriate human rights measures	● Human rights policy stipulates the implementation of due diligence. Promote efforts to prevent and mitigate negative impacts on human rights, including those of external partners involved in the supply chain. ● Introduce consultation and reporting channels for internal and external stakeholders ● Provide education to prevent harassment and disseminate correct labor-related knowledge
	Information systems and security	<Threat> Impact on customers and business due to cyber-attacks <Opportunity> Improve reliability of products and services by strengthening security support	● Establish a product security policy and manage vulnerabilities in product design, production, and post-sale to provide reliable peace of mind to our customers ● Implement mechanisms to detect unauthorized communications and quarantine malware to minimize its impact on the Group's business ● Promote efforts to familiarize employees with the rules for using AI technology and to accelerate innovation through proactive use of AI technology
	Investment, including corporate acquisition	<Threat> Delays in achieving strategic goals due to lack of investment effectiveness <Opportunity> Accelerate business by maximizing investment effectiveness	● Strengthen monitoring of investment considerations, decision-making, and the post-merger integration (PMI) process ● Proactively take risks in necessary investments for business growth

Members of the Managing Board

Hisashi Ietsugu

(born 1949)
Chairperson and Group CEO
(Representative Director)
Number of Company shares held:
1,852,044

Sep. 1986 Joined the Company, Director (Member of the Board)
Mar. 1990 Managing Director (Member of the Board)
Feb. 1996 Representative Director, Managing Director (Member of the Board)
Apr. 1996 Representative Director, Senior Managing Director (Member of the Board)
Jun. 1996 President (Representative Director)
Apr. 2013 Chairperson and President (Representative Director)
Apr. 2023 Chairperson and Group CEO (Representative Director) (current)

(Important concurrent position)
Outside Director (Member of the Board) of The Minato Bank, Ltd

Reasons for Appointing

He has managed all of Sysmex and provided strong leadership for many years. He was appointed because he will be essential for increasing the corporate value with his sense of balance, enabling appropriate supervision and decision-making of the entire management based on his insight and abundant experience and achievements as a corporate manager.

Iwane Matsui

(born 1961)
President (Representative Director)
Number of Company shares held: 14,744

Apr. 1985 Joined the Company
Jul. 2001 President of Sysmex Europe GmbH (presently Sysmex Europe SE)
Apr. 2011 Executive Officer, Executive Vice President of Corporate Business Planning
Apr. 2013 Executive Officer, Executive Vice President of International Business Management
Apr. 2017 Senior Executive Officer
Apr. 2019 Managing Executive Officer
Jun. 2019 Director (Member of the Board) and Managing Executive Officer
Apr. 2023 Director (Member of the Board) and Senior Managing Executive Officer
Apr. 2026 President (Representative Director) (current)

Reasons for Appointing

He has been involved in promoting businesses such as domestic and international sales and marketing within the Group, serving for many years as a sales manager for domestic sales and as a representative of an overseas regional headquarters, and has contributed to global business development. He was appointed because his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.

Tomokazu Yoshida

(born 1964)
Director (Member of the Board) and Managing Executive Officer, CTO
R&D
Number of Company shares held: 8,399

Jun. 2000 Joined the Company
Apr. 2017 Executive Officer, Executive Vice President of Central Research Laboratories and MR Business Development
Apr. 2020 Senior Executive Officer
Apr. 2021 Managing Executive Officer
Jun. 2021 Director (Member of the Board) and Managing Executive Officer
Apr. 2023 Director (Member of the Board) and Managing Executive Officer, CTO (current)

Reasons for Appointing

He has been involved in research and technology development for many years and has contributed to business development. He was appointed because his abundant experience and wide-ranging insight will be essential for increasing the corporate value.

Takashi Ono

(born 1965)
Director (Member of the Board) and Managing Executive Officer
Eco-Social (ES) Strategy and Regulatory Affairs & Quality Assurance
Number of Company shares held: 33,992

Apr. 1987 Joined the Company
Apr. 2009 Executive Vice President of Sysmex America, Inc.
Apr. 2010 President of Sysmex Reagents America, Inc.
Apr. 2019 Executive Officer and Executive Vice President of SCM
Apr. 2021 Senior Executive Officer
Apr. 2023 Managing Executive Officer
Jun. 2023 Director (Member of the Board) and Managing Executive Officer (current)

Reasons for Appointing

He has been involved in product planning, market development, production and supply chain management (SCM) and has contributed to the global business development. He was appointed because his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.

Kensuke Iizuka

(born 1970)

Director (Member of the Board) and Managing Executive Officer, CFO
Corporate Management and Next Generation Medical Business Development
Number of Company shares held: 30,329

Apr. 1994 Joined the Company
Oct. 2010 Vice President of Sysmex Asia Pacific Pte Ltd.
Apr. 2017 Executive Officer
Jan. 2018 Executive Officer and Executive Vice President of Corporate Executive Office
Apr. 2018 Executive Officer and Executive Vice President of Corporate Business Administration
Apr. 2019 Executive Officer and Executive Vice President of Human Resources
Apr. 2020 Senior Executive Officer
Jun. 2025 Outside Director (Member of the Board) of KAINOS Laboratories, Inc.
Apr. 2026 Managing Executive Officer, CFO
Jun. 2026 Director (Member of the Board) and Managing Executive Officer, CFO (current)
(Important concurrent position)
Outside Director (Member of the Board) of SHOFU Inc.

Reasons for Appointing

He has been involved in a wide range of areas including management of an overseas subsidiary, as well as business planning, corporate business administration, human resources, and next-generation medical business, and has contributed to global business development. He was appointed because his abundant experience and wide-ranging insight will be essential for increasing the corporate value of the Group.

Haruo Inoue

(born 1957)

Outside Director (Member of the Board)
Independent
Number of Company shares held: N/A

Apr. 1981 Joined The Sanwa Bank, Limited (presently MUFG Bank, Ltd.)
Apr. 2008 Executive Officer, General Manager of Corporate Planning of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (presently MUFG Bank, Ltd.)
Jun. 2010 Managing Executive Officer of Mitsubishi UFJ NICOS Co., Ltd.
Jun. 2011 Director (Member of the Board) and Managing Executive Officer of Mitsubishi UFJ NICOS Co., Ltd.
May 2012 Managing Executive Officer, Deputy General Manager of Retail Department of the Bank of Tokyo-Mitsubishi UFJ, Ltd. (presently MUFG Bank, Ltd.)
May 2014 Managing Executive Officer of the Bank of Tokyo-Mitsubishi UFJ, Ltd.
Jun. 2014 Representative Director and President and Chief Executive Officer of Mitsubishi UFJ NICOS Co., Ltd.
Apr. 2020 Senior Managing Executive Officer of Sojitz Corporation
Apr. 2022 Executive Vice President of Sojitz Corporation
Jun. 2024 Outside Director (Member of the Board) of UNIRITA Inc. (current)
Jun. 2024 Joined the Company, Outside Director (Member of the Board) (current)
(Important concurrent position)
Outside Director (Member of the Board) of UNIRITA Inc.

Reasons for Appointing

He was appointed to utilize his abundant experience and deep insight in the business world, as a corporate manager of a financial institution, for management of the Company.

Kazuo Ota

(born 1955)

Outside Director (Member of the Board)
Independent
Number of Company shares held: N/A

Apr. 1978 Joined Kawasaki Heavy Industries, Ltd.
Apr. 2013 Executive Officer, General Manager of Planning & Control Division, Aerospace Company of Kawasaki Heavy Industries, Ltd.
Apr. 2015 Managing Executive Officer, General Manager of Corporate Planning Division, In Charge of Finance & Human Resources (Corporate) of Kawasaki Heavy Industries, Ltd.
Jun. 2015 Managing Director (Member of the Board), General Manager of Corporate Planning Division, In Charge of Finance & Human Resources (Corporate) of Kawasaki Heavy Industries, Ltd.
Apr. 2018 Director (Member of the Board) and Managing Executive Officer, President of Motorcycle & Engine Company of Kawasaki Heavy Industries, Ltd.
Jun. 2019 Advisor of Kawasaki Heavy Industries, Ltd.
Jun. 2019 Joined the Company, Outside Director (Member of the Board) (current)

Reasons for Appointing

He was appointed to utilize his abundant experience and deep insight in corporate management for management of the Company.

Yuka Fujioka

(born 1969)

Outside Director (Member of the Board)
Independent
Number of Company shares held: N/A

Apr. 1993 Joined Announcing Department, Development Bureau of Kansai Television Co., Ltd.
Apr. 1999 Newscaster, such as CS Broadcast Asahi Newstar and Lecturer for Simul Academy Conference Interpreter Course
Sep. 2008 Part-time Lecturer at Kwansei Gakuin University Center for International Education and Cooperation (current)
Apr. 2009 Part-time Lecturer for Kobe College, School of Letters, Department of English, Global Studies Course
Apr. 2010 Part-time Lecturer at Kwansei Gakuin University, School of International Studies (current)
Jul. 2016 President (Representative Director) of Fujioka-Kinzoku Co., Ltd. (current)
Jun. 2018 Outside Director (Member of the Board) of Maruichi Steel Tube Ltd. (current)
Jun. 2024 Joined the Company, Outside Director (Member of the Board) (current)
(Important concurrent position)
Outside Director (Member of the Board) of Maruichi Steel Tube Ltd.

Reasons for Appointing

She was appointed to utilize her global perspective and deep knowledge, abundant experience in management, and deep insight for management of the Company.

Marie Oshima

(born 1962)

Outside Director (Member of the Board)
Independent
Number of Company shares held: N/A

Apr. 1992 Research Associate of the Institute of Industrial Science, the University of Tokyo
Apr. 1995 Visiting Researcher of the Department of Mechanical Engineering, School of Engineering, Stanford University
Jun. 1998 Lecturer at the Institute of Industrial Science, the University of Tokyo
Apr. 1999 Associate Professor of the Department of Functional Engineering, the University of Tsukuba/Institute of Industrial Science, the University of Tokyo
Apr. 2000 Associate Professor of the Institute of Industrial Science, the University of Tokyo
Jul. 2005 Professor of the Institute of Industrial Science, the University of Tokyo
Apr. 2006 Professor of the Interfaculty Initiative in Information Studies, the University of Tokyo/Professor of the Institute of Industrial Science, the University of Tokyo (presently Professor of the Institute of Industrial Science, the University of Tokyo) (current)
Jul. 2018 Outside Director (Member of the Board) of TOYOTA CENTRAL R&D LABS., Inc. (current)
Sep. 2022 Outside Director (Member of the Board) of Open Up Group Inc. (current)
Apr. 2024 Deputy Director of Tokyo College, the University of Tokyo (current)
Apr. 2024 Visiting Professor of School of Engineering, Tokyo University of Technology (current)
Jun. 2025 Joined the Company, Outside Director (Member of the Board) (current)
(Important concurrent position)
Outside Director (Member of the Board) of Open Up Group Inc.

Reasons for Appointing

She was appointed to utilize her abundant experience and deep insight in cybersecurity, science and technology for management of the Company.

Kenjiro Oda

(born 1961)

Outside Director (Member of the Board)
(Audit and Supervisory Committee Member)
Independent
Number of Company shares held: N/A

Apr. 1984 Joined Hyogo Sogo Bank, Ltd. (presently The Minato Bank, Ltd.)
Apr. 2011 Director, General Manager of Credit Planning Department, The Minato Bank, Ltd.
Apr. 2013 Executive Officer, General Manager of Planning Department, The Minato Bank, Ltd.
Apr. 2015 Managing Executive Officer, General Manager of Planning Department, The Minato Bank, Ltd.
Jul. 2016 Managing Executive Officer, The Minato Bank, Ltd.
Apr. 2018 Managing Executive Director and Managing Executive Officer, The Minato Bank, Ltd.
Apr. 2018 Executive Officer, in charge of Internal Audit, Kansai Mirai Financial Group, Inc.
Jun. 2024 Outside Director (Member of the Board), Audit and Supervisory Committee Member, TRADIA CORPORATION
Apr. 2025 Corporate Auditor (Part-time), Minato Lease Co., Ltd.
Apr. 2025 Corporate Auditor (Part-time), MINATO CAPITAL CO., LTD.
Jun. 2026 Joined the Company, Outside Director (Member of the Board) (Audit and Supervisory Committee Member) (current)

Reasons for Appointing

He has insight into areas such as finance and financial accounting as a corporate manager at a financial institution, as well as abundant experience and extensive knowledge of corporate planning, auditing, and internal controls in actual industries. He was therefore appointed to utilize his experience and knowledge in the Company's audits.

Tomoo Aramaki

(born 1966)

Director (Member of the Board)
(Audit and Supervisory Committee Member)
Number of Company shares held: 21,600

Apr. 1989 Joined the Company
Apr. 2019 Executive Vice President of the Business Administration of the Company
Jun. 2022 Director (Member of the Board) (Audit and Supervisory Committee Member) (current)

Reasons for Appointing

He has long been involved in the business administration department and has also served as the head of the business administration department of the Company's overseas subsidiaries. He was appointed to utilize his abundant experience and insight, which is necessary to increase the audit and supervisory functions.

Tomofumi Saeki

(born 1962)

Outside Director (Member of the Board)
(Audit and Supervisory Committee Member)
Independent
Number of Company shares held: N/A

Apr. 1986 Joined The Sumitomo Bank, Limited (presently Sumitomo Mitsui Banking Corporation)
Apr. 2017 Senior General Manager, Shinjukunishiguchi Corporate Business Office, Sumitomo Mitsui Banking Corporation
Apr. 2018 Executive Officer, Head of Kyoto-Hokuriku Middle Market Banking Division, Sumitomo Mitsui Banking Corporation
Apr. 2019 Managing Executive Officer, Head of Kyoto-Hokuriku Middle Market Banking Division, Sumitomo Mitsui Banking Corporation
Apr. 2021 Senior Managing Executive Officer, Deputy Head of Wholesale Banking Unit, Sumitomo Mitsui Banking Corporation
May 2023 Advisor, SMBC Venture Capital Co., Ltd.
Jun. 2023 President (Representative Director), SMBC Venture Capital Co., Ltd.
Jun. 2026 Joined the Company, Outside Director (Member of the Board) (Audit and Supervisory Committee Member) (current)

Reasons for Appointing

He has insight into areas such as finance and financial accounting as a corporate manager at a financial institution, as well as abundant experience and extensive knowledge of business management in actual industries. He was therefore appointed to utilize his experience and knowledge to ensure the soundness and transparency of the Board of Directors and to strengthen its audit and supervisory functions.

Executive Officers (As of June 26, 2026)

Frank Buescher
Senior Executive Officer
CEO, Sysmex Asia Pacific Pte Ltd.
Deputy in charge of Business Strategy Development

Mitsuhisa Kanagawa
Senior Executive Officer
In charge of Japan and International Business, and MR Business

Peng Zuo Hui
Executive Officer
President and CEO,
Sysmex Shanghai Ltd.

Alain Baverel
Executive Officer
CEO, Sysmex Europe SE

Reiko Watanabe
Executive Officer
Executive Vice President of Medical & Scientific Affairs Div.

Takaaki Nagai
Executive Officer
Executive Vice President of Production Design Center

Kinya Uchihashi
Executive Officer
In charge of Production and SCM

Naohiko Matsuo
Executive Officer
Deputy in charge of Reagent and System Engineering

Kenji Tsujimoto
Executive Officer
Executive Vice President of Next Generation Medical Business Development Div.

Dan Zortman
Executive Officer
CEO, Sysmex America, Inc.

Tomihiko Arikata
Executive Officer
Deputy in charge of Production and SCM
Executive Vice President of Instrument Production Div.

Shinichi Kawato
Executive Officer
In charge of Business Strategy Development
Executive Vice President of Digital Business Development Div.

Takashi Hatakeda
Executive Officer
Deputy in charge of Corporate Business Planning, Corporate Communication and Corporate Executive Office
Executive Vice President of Corporate Communication Div.

Executive Officers' Main Responsibilities

	Posts and Responsibilities	Main Responsibilities Related to Key Actions for the Group and Areas in Charge: 1 Strengthening the competitiveness of the diagnostics business	2 Advancing medical DX and data utilization	3 Improving profitability through value chain transformation	4 Redesigning financial and capital strategies	Main Responsibilities Related to Materiality: 1 Creating new value for a healthy society	2 Creating innovation	3 Providing responsible products, services, and solutions	4 Maximizing human capital	5 Reducing environmental impacts	6 Strengthening governance
Tomokazu Yoshida	Director (Member of the Board) and Managing Executive Officer, CTO R&D	●	●	●		●	●	●	●	●	
Takashi Ono	Director (Member of the Board) and Managing Executive Officer Eco-Social (ES) Strategy and Regulatory Affairs & Quality Assurance	●		●		●	●	●	●	●	
Kensuke Iizuka	Director (Member of the Board) and Managing Executive Officer, CFO Corporate Management and Next Generation Medical Business Development		●	●	●	●		●	●		●
Frank Buescher	Senior Executive Officer CEO, Sysmex Asia Pacific Pte Ltd. Deputy in charge of Business Strategy Development	●	●	●		●	●	●	●		
Mitsuhisa Kanagawa	Senior Executive Officer In charge of Japan and International Business, and MR Business	●		●		●		●	●		
Peng Zuo Hui	Executive Officer President and CEO, Sysmex Shanghai Ltd.	●		●		●		●	●		
Alain Baverel	Executive Officer CEO, Sysmex Europe SE	●		●		●		●	●		
Reiko Watanabe	Executive Officer Executive Vice President of Medical & Scientific Affairs Div.	●				●		●	●		
Takaaki Nagai	Executive Officer Executive Vice President of Production Design Center	●		●		●	●	●	●	●	
Kinya Uchihashi	Executive Officer In charge of Production and SCM	●		●		●		●	●	●	
Naohiko Matsuo	Executive Officer Deputy in charge of Reagent and System Engineering	●	●	●		●	●	●	●		
Kenji Tsujimoto	Executive Officer Executive Vice President of Next Generation Medical Business Development Div.		●			●	●	●	●		
Dan Zortman	Executive Officer CEO, Sysmex America, Inc.	●		●		●		●	●		
Tomihiko Arikata	Executive Officer Deputy in charge of Production and SCM Executive Vice President of Instrument Production Div.	●		●		●		●	●	●	
Shinichi Kawato	Executive Officer In charge of Business Strategy Development Executive Vice President of Digital Business Development Div.	●	●	●		●	●	●	●		
Takashi Hatakeda	Executive Officer Deputy in charge of Corporate Business Planning, Corporate Communication and Corporate Executive Office Executive Vice President of Corporate Communication Div.			●	●	●		●	●		●

Sysmex’s Businesses

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, Medicaroid Corporation, a joint venture between Sysmex and Kawasaki Heavy Industries, Ltd., developed the first made-in-Japan robotic-assisted surgery system. Sysmex began domestic sales of this system in 2020 as a global exclusive distributor and has since stepped up its market penetration. Internationally, the system obtained regulatory approval in Singapore in 2023, in Malaysia in 2024, and in Vietnam in June 2026. In the EMEA region, as well, Sysmex is pursuing regulatory approval and is actively promoting a global rollout.

■ Diagnostics Business Domain

Healthcare Activities

Prevention → Medical checkups → Detailed follow-ups → Treatment/surgery → Efficacy evaluation → Prognosis

Clinical Testing

In Vitro Diagnostics

- Hematology[1]
- Hemostasis
- Urinalysis[1]
- Immunochemistry[1]
- Clinical chemistry[1]
- Gene testing
- Other (FCM, testing for antimicrobial resistance, etc.)

Sysmex (Diagnostics Business)

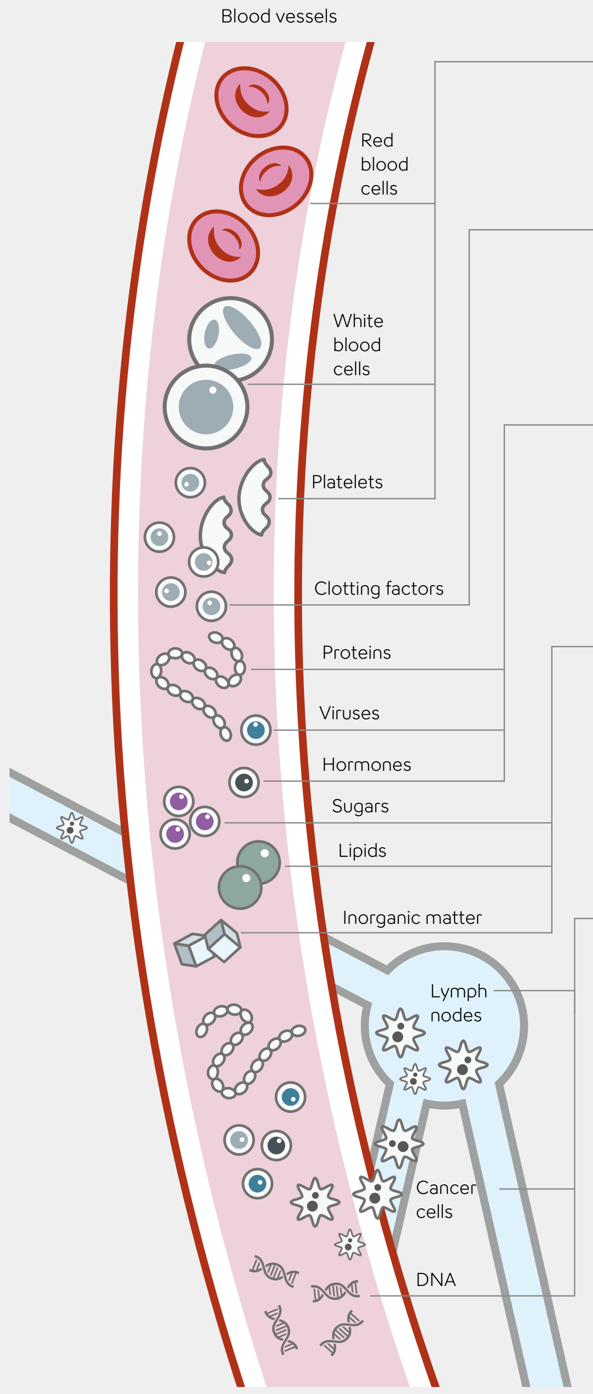
In Vivo Diagnostics

- Image scanning
- Electrocardiography
- Respiratory function testing
- Electroencephalogram testing
- Ultrasonography

1 Diagnostics used for medical checkups

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

IVD



Blood Testing

■ **Hematology**
Testing that measures and analyzes the number, type, and size of red, white and other blood cells
[Related diseases: anemia, leukemia, thrombocytopenia, etc.]

■ **Hemostasis**
Testing that measures the ability of blood to clot at wound sites (coagulation) and dissolve clots (fibrinolytic)
[Related diseases: hemophilia, thrombotic disease (myocardial infarction, cerebral infarction, etc.)]

■ **Immunochemistry**
Testing for the status of viruses, hormones and proteins, and determining causes and types of disease
[Related diseases: infectious diseases (hepatitis B and C), thyroid disease, various cancers, myocardial infarction, Alzheimer’s disease, atopic dermatitis, etc.]

■ **Clinical Chemistry**
Testing to determine the state of metabolism-related organs by studying sugars, lipids, proteins and other components
[Related diseases: diabetes, arteriosclerosis, liver dysfunction, kidney dysfunction, etc.]

Cancer and Lymph Node Testing

Note: Some tests also include blood testing

■ **Life Science**
Cancer gene testing
Through the detection and analysis of cancer genes, this testing contributes to decisions on treatment protocols and drug administration.
[Related diseases: breast cancer, lung cancer, colorectal cancer, etc.]

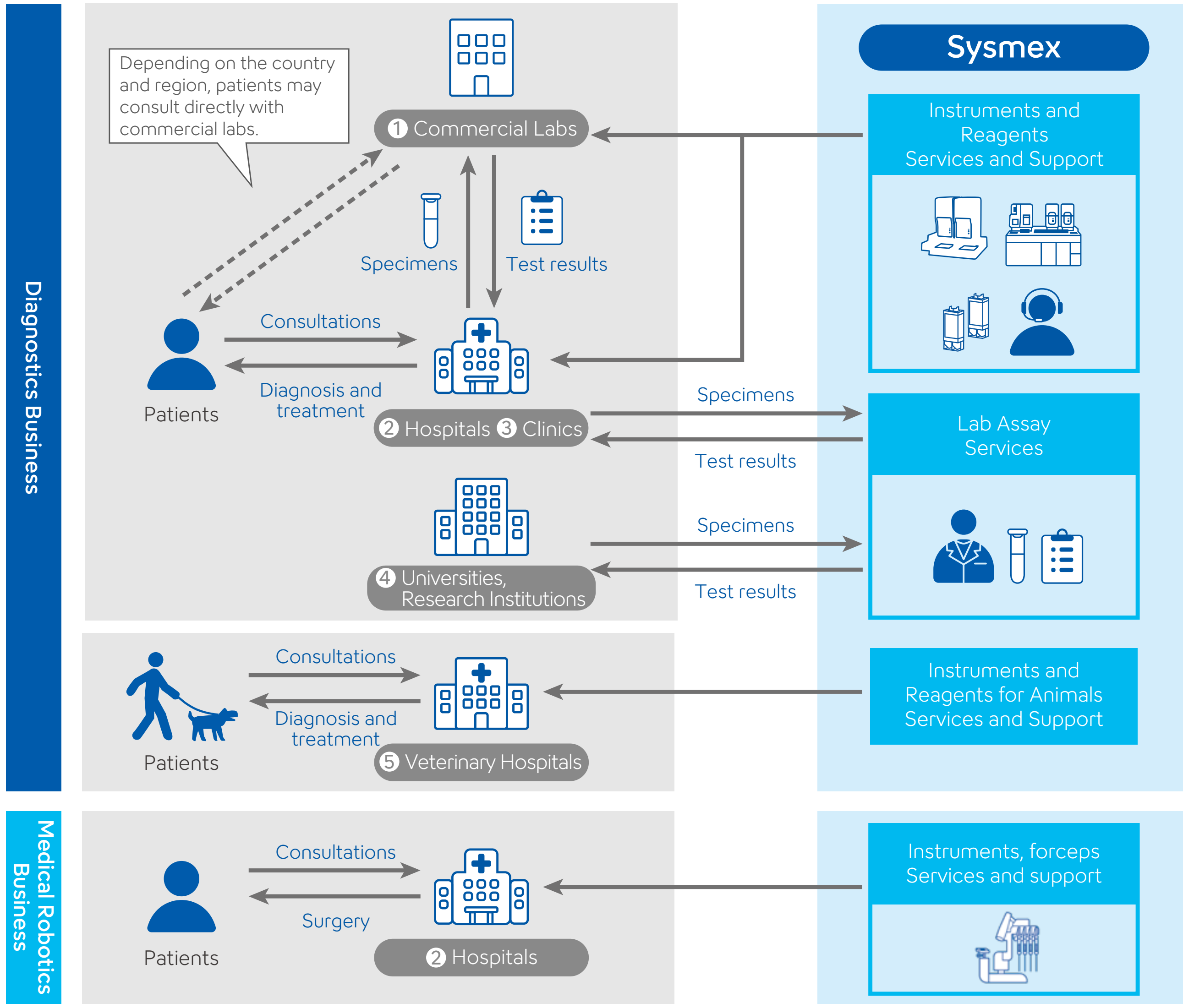
Urine Testing

■ **Urinalysis**
Testing to determine the presence of sugar, proteins or blood in the urine
[Related diseases: kidney stones, kidney disease, diabetes, etc.]

■ **Antimicrobial Susceptibility Testing**
Testing to determine the efficacy of antimicrobials against detected pathogens
[Related diseases: urinary tract infections, etc.]

Primary Products and Services

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 laboratories, our products for testing blood and urine are used for medical checkups and diagnosis of outpatients and inpatients. Operating rooms use our surgical robot systems and employ the OSNA™ method for cancer lymph node metastasis testing.

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 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.

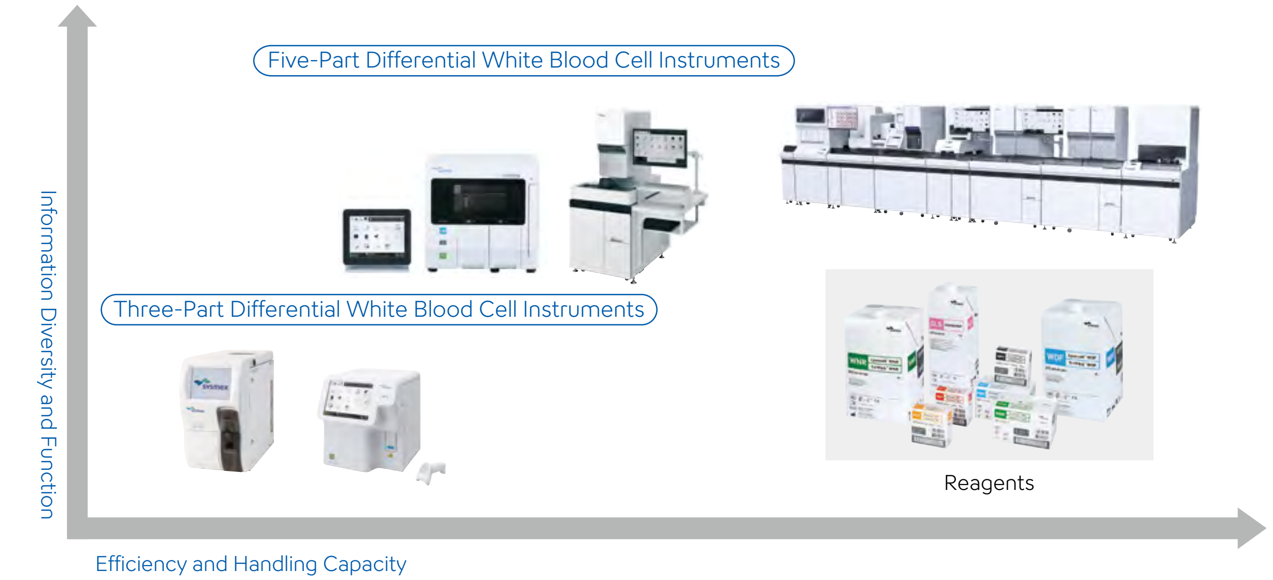
Diagnostics Business

Hematology and Flow Cytometry (FCM)

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 top-end 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. Sysmex has been moving forward with the global rollout of its top-end model since 2023. In June 2025, we obtained marketing approval for sales in the United States.

We have also entered the FCM testing field, where testing is performed after hematology testing for detailed analyses of leukemia, malignant lymphoma, and similar conditions. We sell sample preparation systems and flow cytometers for research use, achieving full automation of the FCM testing workflow from pretreatment to acquisition of measurement results. Going forward, we will create new value by developing workflows that integrate FCM with hematology testing, among other initiatives.

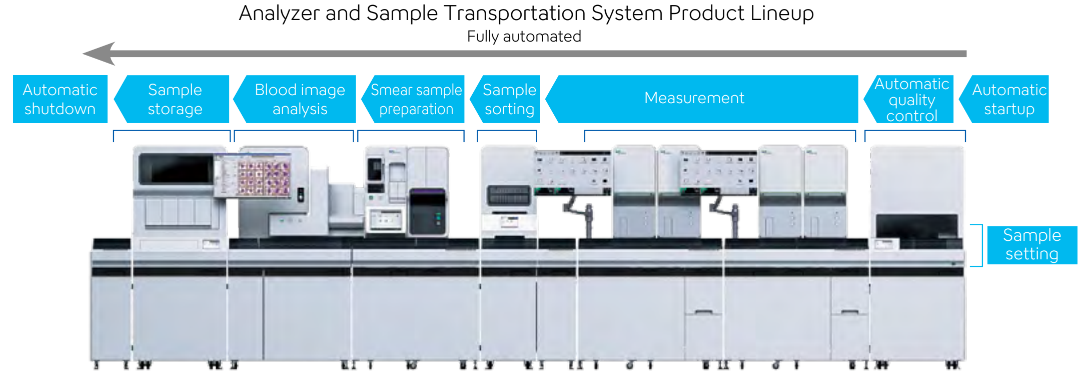
■ Product Lineup of Multiparameter Automated Hematology Analyzers



Top-End 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 top-end 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.

Analyzer and Sample Transportation System Product Lineup



Note: This is an example of equipment layout.

Sysmex's Characteristics
Sysmex's Value Creation
Mid-Term Management Plan and Initiatives
Corporate Governance
Business and Corporate Information

Hemostasis

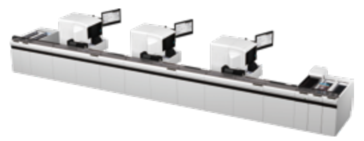
Demand for hemostasis testing has increased and grown more diverse due to a rise in thrombotic diseases stemming from lifestyle diseases, as well as to the development of new blood preparations.

Sysmex offers a broad lineup tailored to factors such as facility specialization and testing volume, enabling it to meet diverse testing needs. In 2025, we launched a compact product for the mid- and low-end markets in Japan first, and in 2026, we expanded our lineup of system products for large-scale facilities in the United States. In addition, we support more efficient laboratory operations across testing fields through the global rollout of system products that integrate hematology and hemostasis testing.

For reagents, in addition to our alliance with Siemens Healthineers, we are developing products with high clinical value through collaboration with Group company HYPHEN BioMed.


Automated blood coagulation analyzer (Compact benchtop model)


Automated blood coagulation analyzer

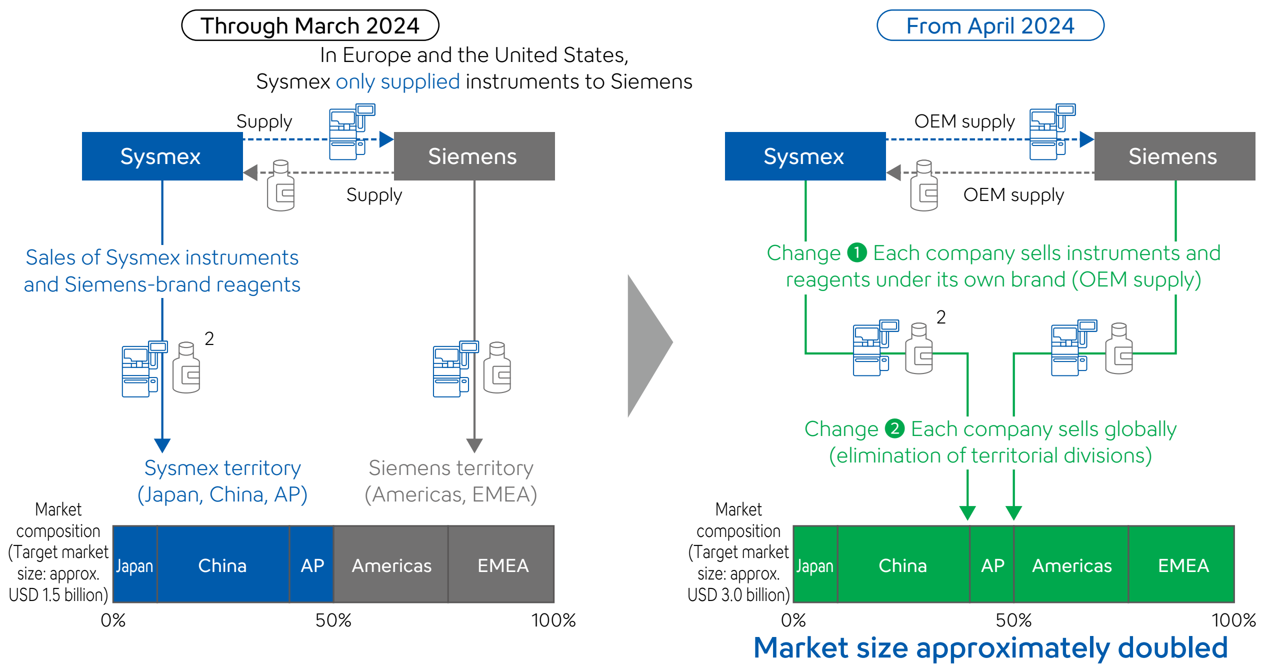

Automated blood coagulation analyzer (For large-scale laboratories in North America)


Reagents

Changes to Sales Arrangements with Siemens in Europe and the United States

Since 1995, Sysmex has expanded its business globally through an alliance with Siemens Healthineers (hereinafter, "Siemens") in the hemostasis field. Previously, the two companies divided sales territories, with Sysmex handling sales in Asia and Siemens handling sales in Europe and the United States.[1] As a result, in Europe and the United States, Sysmex supplied instruments to Siemens but did not conduct direct sales. In April 2024, the two companies entered into a global OEM agreement for hemostasis-related products and eliminated the division of sales territories. This enabled Sysmex to directly sell instruments and reagents under its own brand in European and U.S. markets, approximately doubling the size of the market in which it conducts its own sales. In addition to instruments, Sysmex can now sell high-margin reagents worldwide, contributing to business expansion and improved profitability.

1 Excluding the United Kingdom



2 In Japan, Sysmex reagents are sold in parallel. Some specialty reagents developed independently by Sysmex are also sold in certain overseas regions.
Note: Blue instruments: Sysmex-manufactured instruments; gray reagents: Siemens-manufactured reagents

Urinalysis

We developed the world's first automated urine particle analyzer for urine sediment testing using the flow cytometry method. We are also adding to our portfolio of urine chemistry products by making use of alliances and distribution agreements as we work to expand our lineup in response to diverse urinalysis needs. Furthermore, in 2025, we launched a model for the mid- and low-end markets in Japan, which we plan to roll out globally.


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


Reagents

Clinical Chemistry

In April 2026, Sysmex took over JEOL Ltd.'s clinical chemistry business, adding to its portfolio a product lineup in the clinical chemistry field with a high share of the Japanese market. This marked our entry into the clinical chemistry field and we acquired products and technologies featuring reagent miniaturization and high-throughput processing of tests. Going forward, we will expand the reagent business through collaboration with reagent manufacturers while leveraging our global sales network to develop the business.

Immunochemistry

We are working to develop our business in Asia, including Japan, 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 possess proprietary markers to test for measuring progression of hepatic fibrosis and atopic dermatitis. We are also working to develop reagents for Alzheimer's disease testing.


Automated immunoassay system


Reagents

Antimicrobial Susceptibility Testing

In 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

Caresphere™ ICT Solution

We have built a platform for healthcare professionals that integrates and analyzes in real time various types of data managed by testing equipment, laboratory information systems, and other systems. Specifically, external quality control tools and information on equipment operating status support quality control and operational efficiency in laboratories. In addition, instrument maintenance and remote support help reduce the burden on healthcare professionals and improve customer satisfaction.

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 developed a system for cancer genomic profiling that comprehensively analyzes gene mutations in solid tumors, in collaboration with the National Cancer Center Japan. This was the first such system to be covered under Japanese health insurance and is used in clinical settings.

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.

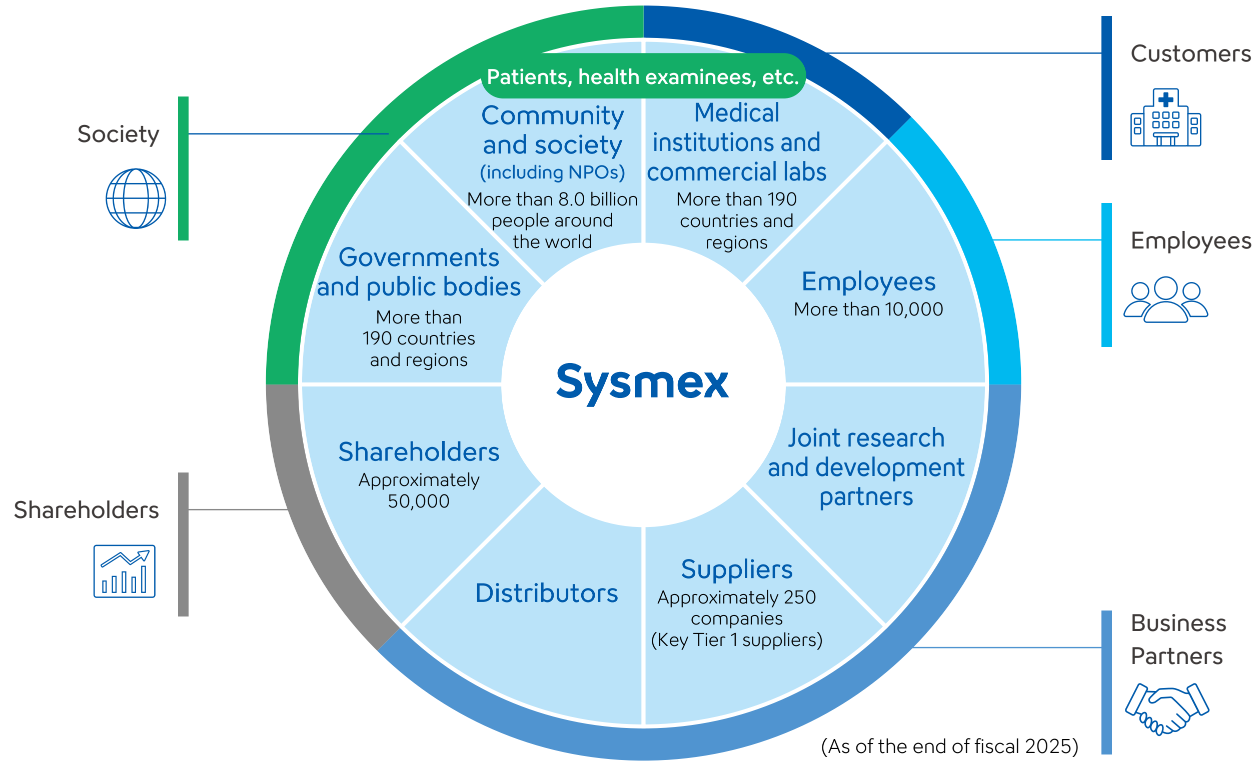
Robotic-assisted surgery system

Stakeholder Engagement

Sysmex works alongside its business partners and employees to provide products and services to medical institutions and other customers in an effort to resolve medical and social issues. Going forward, through proactive dialogue with stakeholders, we strive to forge better relations. In addition, by incorporating their expectations and requirements into our business activities, we will enhance the effectiveness of our strategy and strive to realize a sustainable society.

Major Stakeholders

Stakeholders described outside the circle are categorized according to our Shared Values. >>P8



(As of the end of fiscal 2025)

Main Dialogue with Stakeholders

>>Website >Sustainability >Sustainability Management >Stakeholder Engagement

Customers	We engage in ongoing communication through sales and services and support activities, with the aim of instilling confidence in our customers and providing added value that exceeds their expectations. As a result, we earn high marks in customer satisfaction surveys. >>Customer Satisfaction Ratings P18
Employees	To achieve sustainable growth, it is essential that we work on recruiting, developing, and deploying human resources, promoting diversity and inclusion, and creating a workplace that is comfortable, appealing and conducive to work, in line with our Long-Term Corporate Strategy 2033. We have set the engagement score on our corporate culture survey, as one of our sustainability targets, and we are undertaking initiatives to achieve this target. >>Human Capital Strategy P59
Business Partners	We maintain ongoing dialogues to foster an understanding among business partners of Sysmex's business direction and policies, as well as to build trust-based relationships. For suppliers, we are strengthening communication to realize a circular society, as well as establishing supply chain management in accordance with our procurement policy.
Shareholders	Sysmex recognizes that IR activities are important to achieving sustainable growth and medium- to long-term increases in corporate value. We strive to disclose information proactively and quickly share internally the evaluations and requests that we receive in the course of dialogues with shareholders and investors, and to reflect this information in our management and IR activities. In recent years, we have received valuable suggestions from our investors regarding improvements to capital efficiency and a revision to our rolling mid-term management plan, and we have incorporated this input into our initiatives.
Society	We liaise and engage in dialogue with government agencies and international organizations with a view to the development of healthcare and the realization of a sustainable society. In addition, we communicate with society at large through activities aimed at meeting the needs of communities around the world, based on our Policy on Corporate Citizenship Activities and Philanthropy.

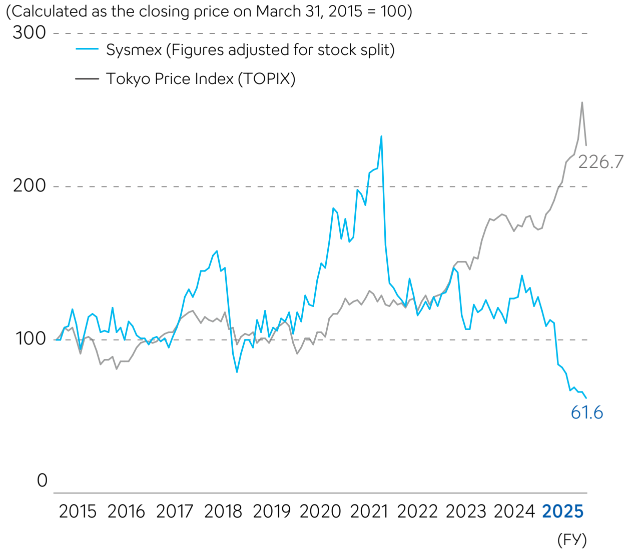
Terminology

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.
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
Flow Cytometry (FCM)	Method involving the flow dispersion of minute particles and the use of laser light to optically analyze minute flows.
Hematology	The field of *in vitro* diagnostics that determines whether precise testing is necessary, by analyzing the number, type, and size of red, white, and other blood cells.
in vitro 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.
One-Step Nucleic Acid Amplification (OSNA) method	A technique developed by Sysmex that does not require extraction or purification of nucleic acid in the pre-treatment process, enabling one-step amplification.
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.
Primary care	The initial care provided at clinics or other locations when a patient first falls ill.
Quality control	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.
Reagent	A pharmaceutical product for medical use in laboratory testing, also called an *in vitro* diagnostic product. It is not used directly on the human body, but on samples of blood or other bodily fluids.
Regulatory approval (manufacturing and marketing 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 *In Vitro* Diagnostic Medical Device Directive (IVDD) and the *In Vitro* Diagnostic Medical Device Regulation (IVDR)), and in China, approval from the National Medical Products Administration (NMPA).
Specimen	Material necessary for testing. May include blood, cerebrospinal fluid, pus, punctured fluid, urine and feces.
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.
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 2025)

■ Stock Price Range

(Calculated as the closing price on March 31, 2015 = 100)



■ Stock Price Movements

Fiscal years	High (Yen)	Low (Yen)	Closing price (Yen)	Volatility (%)
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	38.3
2020	13,310	7,024	11,925	27.7
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
2024	3,236	2,138	2,837	29.0
2025	2,867	1,268	1,369	40.1

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

■ Total Shareholder Return (TSR[1]) (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	(50.6)	(50.2)	(20.8)	(63.3)	(18.2)	(35.3)	(4.3)
TOPIX	34.6	87.4	23.3	102.2	15.1	228.2	12.6
TOPIX (Electrical equipment)	32.8	75.7	20.7	85.1	13.1	333.5	15.8

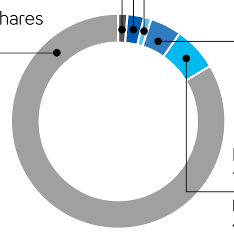
1 TSR: Total shareholder return, including capital gains and dividends
- Prepared by Sysmex based on data from Nikkei NEEDSFinancial QUEST
- Base date of March 31, 2026
- TSR calculated on the assumption that dividends are reinvested in shares

■ Principal Shareholders (Top 10)

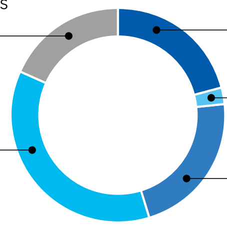
Shareholders	Number of shares held (Thousands)	Percentage of shareholding (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	72,152	11.52
Nakatani Foundation	38,692	6.18
The Kobe Yamabuki Foundation	36,000	5.75
Nakatani Kosan, Ltd.	34,341	5.48
Custody Bank of Japan, Ltd. (Trust Account)	29,830	4.76
Kazuko Ietsugu	20,909	3.34
Taeko Wada	19,489	3.11
STATE STREET BANK AND TRUST COMPANY 505001	16,749	2.67
Rusoru, Ltd.	14,250	2.27
NORTHERN TRUST CO.(AVFC) SUB A/C AMERICAN CLIENTS	9,781	1.56

Note: Percentage of shareholding excludes treasury stock (3,039,291 shares).

■ Distribution of Shares by Number of Shares Held



■ Composition of Shareholders



Corporate Information (As of the End of Fiscal 2025)

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	11,731 (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
Number of Shares Issued	629,480,076 shares
Paid-in Capital	¥14,898.5 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 Best-in-Class World Index Dow Jones Best-in-Class 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 Selection Indexes MSCI Japan ESG Select Leaders Index MSCI Japan Empowering Women Index (WIN) S&P/JPX Carbon Efficient Index ISS ESG "Prime" Status iSTOXX MUTB Japan Platinum Career 150 Index

FTSE4Good
FTSE Blossom Japan
FTSE Blossom Japan Sector Relative Index
MSCI Selection Indexes Constituents 2026

2026 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX
2026 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)
S&P/JPX Carbon Efficient Index
STOXX INDICES
Member 2025/2026 Platinum Career Index

>>Website >Sustainability >External Evaluation