



# **Business Results**

## **Fiscal Year Ended March 31, 2024**

Sysmex Corporation  
May 9, 2024

Together for a better  
healthcare journey

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• The Sysmex Group adopted International Financial Reporting Standards (IFRS) in the fiscal year ended March 31, 2017. Figures are disclosed in compliance with 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.

• 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.

# **1. Executive Summary**

# Executive Summary



## Results for the Fiscal Year Ended March 31, 2024

**Net sales, operating profit, and profit attributable to owners of the parent all rose to record highs.**

Year on year: Net sales +12.4%, operating profit +6.4%, profit attributable to owners of the parent +8.4%

- Sales rose in all regions and business was favorable, due to the impact of new product launches and the taking of growth opportunities in emerging markets.
- On a local currency basis, sales rose by double digits in China. In AP, sales rose by double digits for the third consecutive year.

## Financial Forecast for the Fiscal Year Ending March 31, 2025

**Owing to a favorable market environment, we expect growth to continue globally, leading to a double-digit increase in net sales (+10.5%).**

**Although costs will rise due to internal digitalization, we forecast double-digit growth in operating profit (+11.0%)**

- In the hemostasis field, we are commencing direct sales in Europe and the Americas. This, plus anticipated market growth in emerging markets should prompt ongoing expansion.
- We continue to invest for our next stage of growth, such as by establishing a new factory in India and through internal digitalization.
- We are moving toward a new stage of profitability, such as by commencing the global rollout of the hinotori™ surgical robot system.

## **2. Business Results, Fiscal Year Ended March 31, 2024**

# Financial Highlights: Record-Level Net Sales, Operating Profit, and Profit Attributable to Owners of the Parent

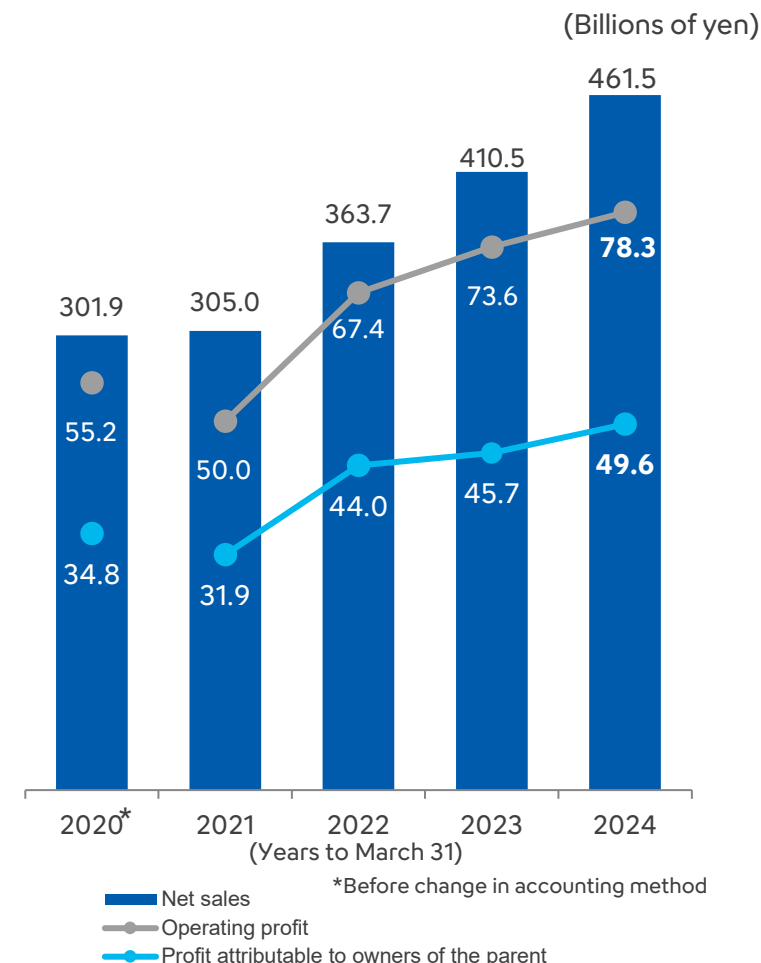


(Billions of yen)

	Fiscal year ended March 31, 2024		Fiscal year ended March 31, 2023		YoY (Previous period = 100%)
	Results	Ratio	Results	Ratio	
Net sales	461.5	100%	410.5	100%	112.4%
Cost of sales	219.0	47.5%	194.4	47.4%	112.6%
SG&A expenses	133.7	29.0%	112.3	27.4%	119.1%
R&D expenses	31.4	6.8%	31.0	7.6%	101.1%
Other income (expenses)	1.0	0.2%	1.0	0.3%	105.6%
Operating profit	78.3	17.0%	73.6	17.9%	106.4%
Profit attributable to owners of the parent	49.6	10.8%	45.7	11.2%	108.4%

- **Net sales:** Net sales reached a record high, due to higher sales in all regions, with sales in China and AP up by double digits.
- **Operating profit:** Despite the impact of inflation on SG&A expenses, gross profit rose due to higher sales, pushing up operating profit.
- ✓ **Other income (expenses):** The Company incurred an impairment loss of ¥1.85 billion in Q4 (Jan.-Mar.).
- ✓ **Forex impact:** Net sales: +¥20.89 billion SG&A expenses: +¥6.34 billion Operating profit: +¥8.70 billion
- ✓ **At forex rates prevailing one year earlier:** Net sales: +7.3% SG&A expenses: +13.4% Operating profit: -5.4%
- **Profit attributable to owners of the parent:** Profit was up 8.4%

Foreign exchange loss (gain): Gain of ¥0.51 billion (a year-on-year increase of ¥1.85 billion)



	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2023
1USD	¥144.6	¥135.5
1EUR	¥156.8	¥141.0
1CNY	¥20.1	¥19.8

# Breakdown of Net Sales (By Destination and Product Type)

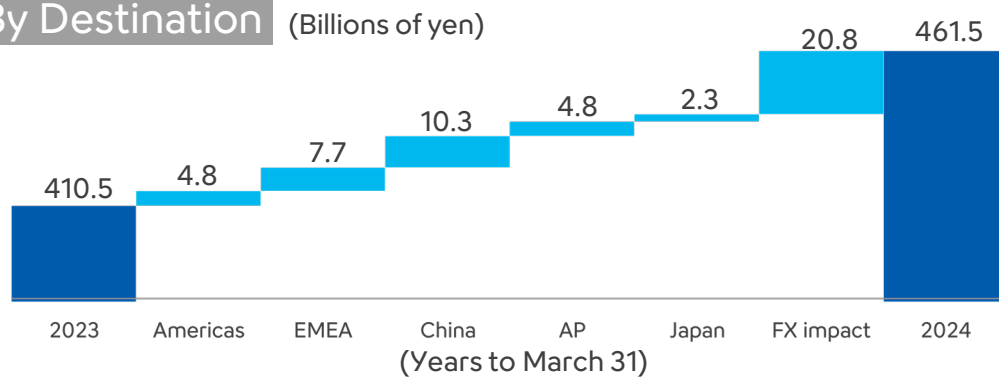
Sales increased in all regions, driving double-digit growth for the Group.

(Billions of yen)	Fiscal year ended March 31, 2024		YoY (Previous year = 100%)	
	Results	Ratio	Yen basis	Local currency basis
Net sales	461.5	100.0%	112.4%	107.3%
Americas	118.7	25.7%	112.2%	105.0%*
EMEA	127.4	27.6%	114.5%	102.8%
China	109.9	23.9%	113.5%	110.8%
AP	43.1	9.3%	118.1%	113.1%*
Japan	62.1	13.5%	103.9%	-
Instruments	100.9	21.9%	110.0%	104.3%*
Reagents	280.8	60.9%	113.5%	108.7%*
Services	61.4	13.3%	113.1%	107.0%*
Other	18.2	4.0%	108.6%	104.7%*

\*Year-on-year increase on a yen basis, excluding the impact of exchange rate fluctuations

## By Destination

(Billions of yen)

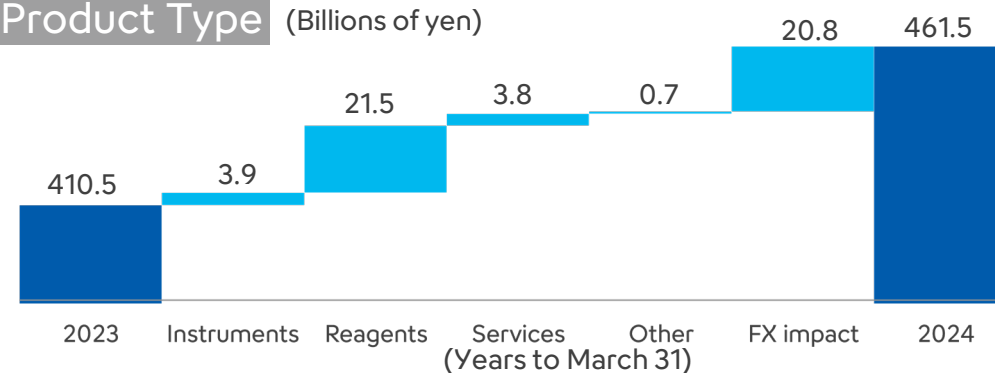


## Major Reasons for Changes, by Destination

Americas	<ul style="list-style-type: none"> <li><b>Sales increased.</b> Performance was favorable, centered on the hematology and urinalysis fields.</li> </ul>
EMEA	<ul style="list-style-type: none"> <li><b>Sales increased.</b> Growth due to a shift to direct sales in Saudi Arabia and Spain overcame the impact of extraordinary factors (Russia, COVID-19).</li> </ul>
China	<ul style="list-style-type: none"> <li><b>Sales grew by double digits, to the ¥100 billion scale.</b> Sales of hematology reagents increased, as did reagent sales in the hemostasis and urinalysis fields.</li> </ul>
AP	<ul style="list-style-type: none"> <li><b>Sales grew by double digits.</b> Robust business in each country in the region led to higher instrument and reagent sales in all fields.</li> </ul>
Japan	<ul style="list-style-type: none"> <li><b>Sales increased.</b> Performance was affected by lower demand for COVID-19 related tests, but sales in the hematology, urinalysis, and hemostasis fields were favorable. Sales also increased in the medical robotics business.</li> </ul>

## By Product Type

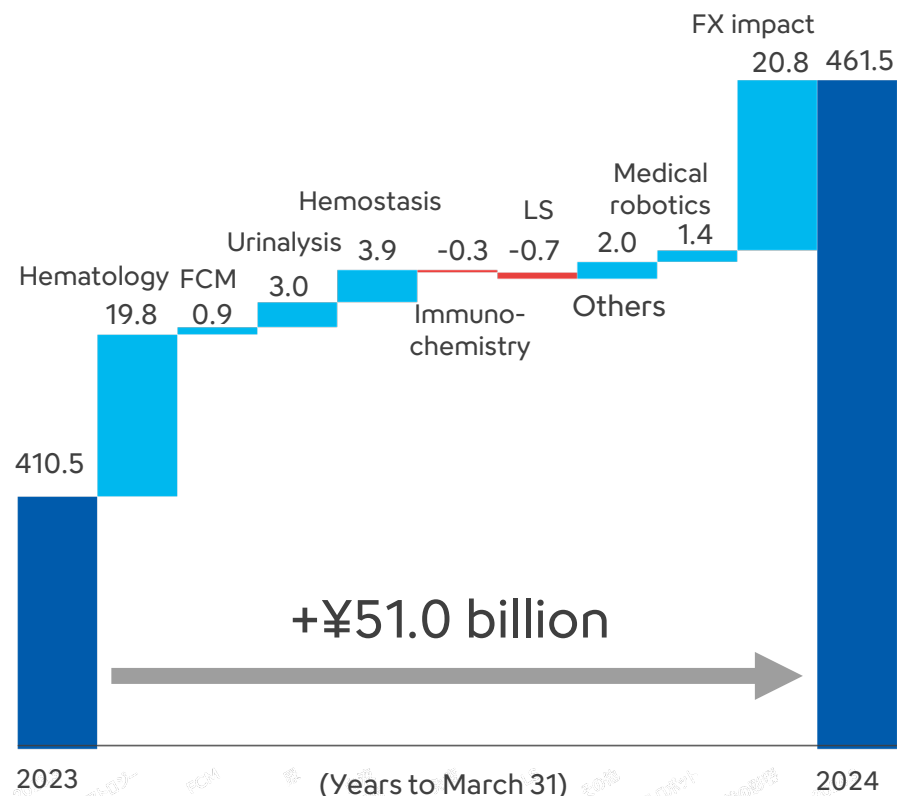
(Billions of yen)



# Breakdown of Net Sales (By Business and Field)

## Net Sales by Business and Field

(Billions of yen)



### Tests related to COVID-19

(Included in life science and immunochemistry/others)

FY03/2024: ¥2.67 billion (sales in Japan only)

(Reference) FY03/2023: ¥6.19 billion (¥5.66 billion in Japan, ¥0.53 billion overseas)

Net sales expanded, buoyed by growth in the hematology and urinalysis fields in emerging markets, higher hematology instrument sales in China thanks to a shift to local production, and increased sales of hemostasis reagents.

(Billions of yen)	Fiscal year ended March 31, 2024		YoY (Previous year = 100%)	
	Results	Ratio	Yen basis	Excluding FX impact
Net sales	461.5	100.0%	112.4%	107.3%
Hematology	274.9	59.6%	113.9%	108.2%
FCM	3.3	0.7%	146.7%	139.9%
Urinalysis	39.0	8.5%	114.6%	109.0%
Hemostasis	72.9	15.8%	109.0%	105.9%
Immunochemistry	23.6	5.1%	100.3%	98.6%
Clinical chemistry	3.3	0.7%	98.6%	95.9%
Life science	20.5	4.4%	102.9%	96.1%
Others	20.0	4.3%	120.0%	113.1%
Diagnostics business	457.7	99.2%	112.2%	107.0%
Medical robotics business	3.7	0.8%	160.5%	160.5%



# Quarterly Operating Performance for the Fiscal Year Ended March 31, 2024



Net sales and operating profit grew substantially in Q4, owing to favorable performance in all regions.

(Billions of yen)	Q1 (April–June)			Q2 (July–September)			Q3 (October–December)			Q4 (January–March)		
	Ratio	YoY increase		Ratio	YoY increase		Ratio	YoY increase		Ratio	YoY increase	
Net sales	95.3	100.0%	110.8%	117.3	100.0%	108.7%	113.8	100.0%	108.7%	134.9	100.0%	120.8%
Cost of sales	44.9	47.1%	104.4%	56.7	48.4%	108.3%	53.0	46.6%	109.7%	64.2	47.6%	127.1%
SG&A expenses	30.1	31.6%	119.8%	32.4	27.6%	116.6%	33.2	29.2%	116.4%	37.9	28.1%	123.1%
R&D expenses	7.1	7.5%	103.1%	7.8	6.7%	103.5%	8.2	7.2%	108.9%	8.1	6.1%	91.0%
Other income (expenses)	0.1	0.2%	89.7%	0.2	0.2%	13.6%	1.0	1.0%	109.4%	(0.4)	(0.3)%	-
Operating profit	13.2	13.9%	120.1%	20.5	17.5%	93.0%	20.3	17.9%	96.1%	24.1	17.9%	125.2%
Profit attributable to owners of the parent	8.6	9.0%	107.4%	13.5	11.6%	85.0%	12.2	10.8%	109.7%	15.1	11.2%	143.2%

# Information by Destination (Americas)

(Million USD)	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2023	YoY (Previous period = 100%)	
			Local currency basis	Yen basis
Sales	<b>820.7</b>	781.7	<b>105.0%</b>	112.2%
Instruments	<b>214.7</b>	213.9	<b>100.4%</b>	107.4%
Reagents	<b>392.3</b>	362.2	<b>108.3%</b>	115.7%
Services, others	<b>213.7</b>	205.6	<b>103.9%</b>	110.9%

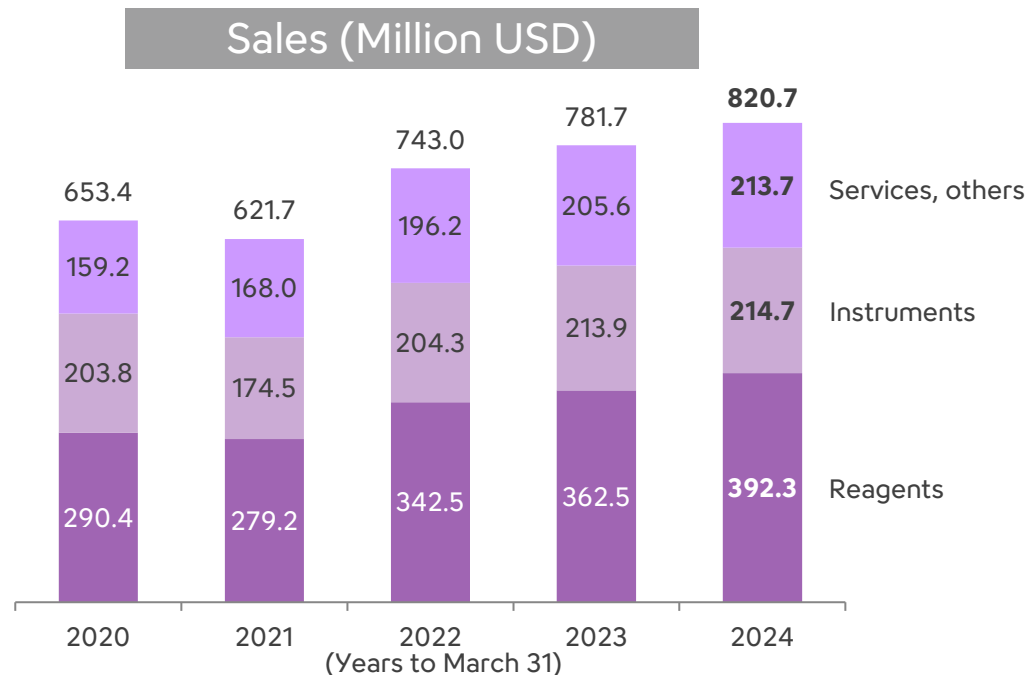
Sales in the Americas rose, as higher sales of hematology and urinalysis reagents compensated for a decline in sales of hemostasis instruments.

## ● Instruments

- ✓ Sales were flat, as sales in the hematology field rose in Canada and Central and South America, sales in the urinalysis field increased in Central and South America, but sales to Siemens in the hemostasis field decelerated.

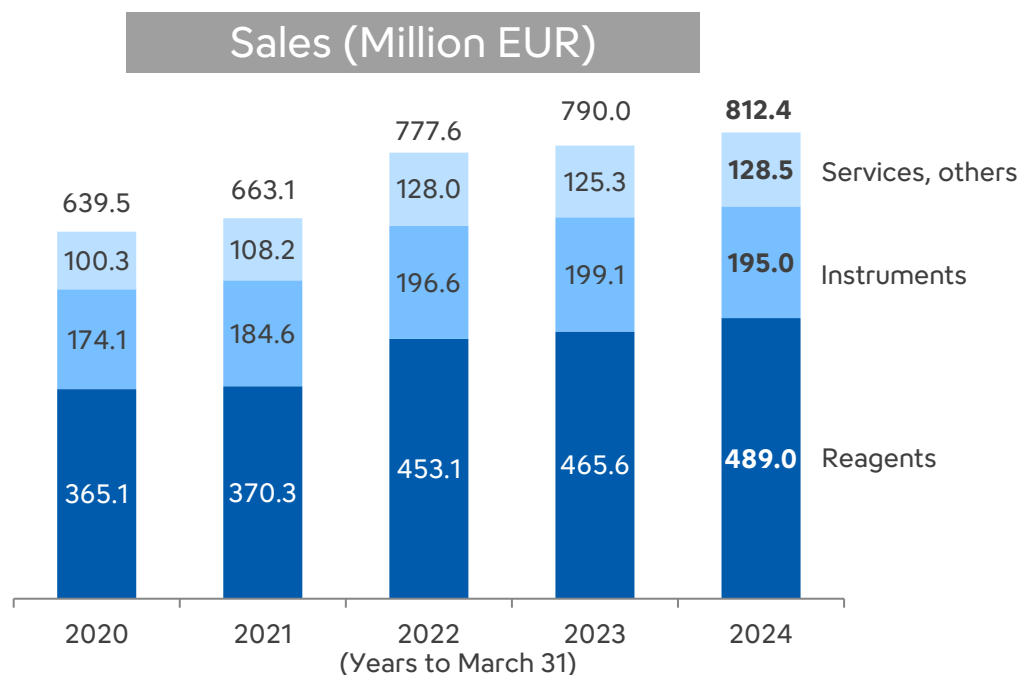
## ● Reagents

- ✓ Sales rose, owing to higher sales in the hematology and urinalysis fields in North, Central and South America.
- ✓ Sales were also firm due to the supply to a large commercial lab (Labcorp) of a reagent for use in a lab-developed test for amyloid  $\beta$  in the blood. (2.2 Million USD)



## Information by Destination (EMEA)

(Million EUR)	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2023	YoY (Previous period = 100%) Local currency basis	Yen basis
Net sales	<b>812.4</b>	790.0	<b>102.8%</b>	114.5%
Instruments	<b>195.0</b>	199.1	<b>97.9%</b>	109.0%
Reagents	<b>489.0</b>	465.6	<b>105.0%</b>	116.9%
Services, others	<b>128.5</b>	125.3	<b>102.5%</b>	114.0%



The transition to direct sales in Saudi Arabia and Spain had a positive impact, counteracting the sharp downturn in sales in Russia. As a result, sales for the region were up.

Note: Excluding extraordinary factors (Russia, COVID-19), sales would have been up by 7.2% on a local currency basis (yoy). In Q4, sales grew 14.2% on a local currency basis, owing to expansion in emerging markets and the waning effect of Russia.

### ● Instruments

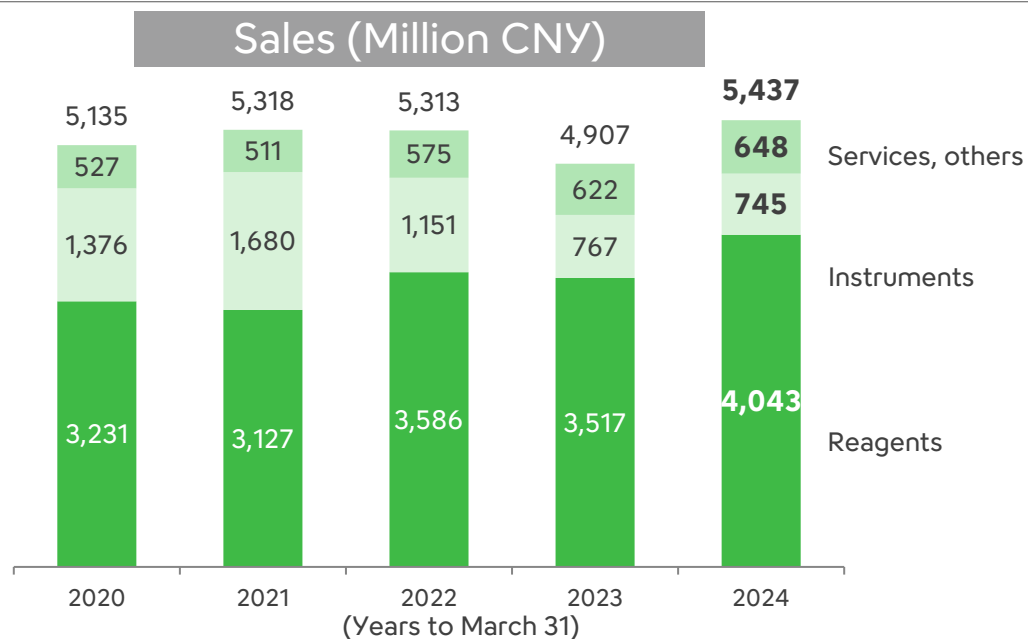
- ✓ In the hematology field, sales rose in Saudi Arabia and the United Kingdom. However, sales were affected by a large-scale tender in Italy in the previous year, as well as lower sales in Russia, leading to lower sales on a local currency basis.

### ● Reagents

- ✓ In the hematology field, sales increased in Saudi Arabia, Spain, and Poland, and an expansion of the installed instrument base in Italy leading to higher sales.

# Information by Destination (China)

(Million CNY)	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2023	YoY (Previous period = 100%) Local currency basis	Yen basis
Net sales	<b>5,437.4</b>	4,907.6	<b>110.8%</b>	113.5%
Instruments	<b>745.0</b>	767.7	<b>97.0%</b>	99.2%
Reagents	<b>4,043.9</b>	3,517.5	<b>115.0%</b>	117.7%
Services, others	<b>648.4</b>	622.4	<b>104.2%</b>	106.9%



Owing to a recovery in the number of tests and the expansion of local production, sales grew by double digits, exceeding pre-pandemic levels.

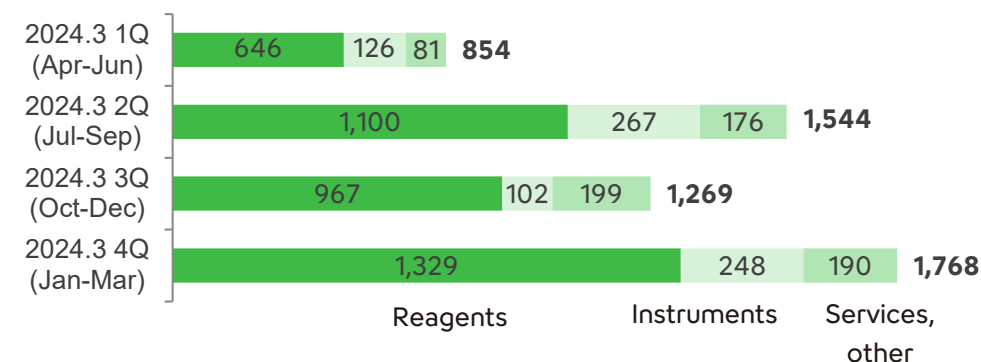
## ● Instruments

- ✓ Owing to the expansion of local production, sales in the hematology field rose by double digits. Sales in the urinalysis and hemostasis fields were down, owing to the impact of preferential measures, causing a decline in instrument sales, and sales decreased slightly.

Note: We expect sales to recover in FY03/2025, as local production expands.

## ● Reagents

- ✓ Sales rose by double digits in the hematology, urinalysis, and hemostasis fields, and sales in the immunochemistry field increased.

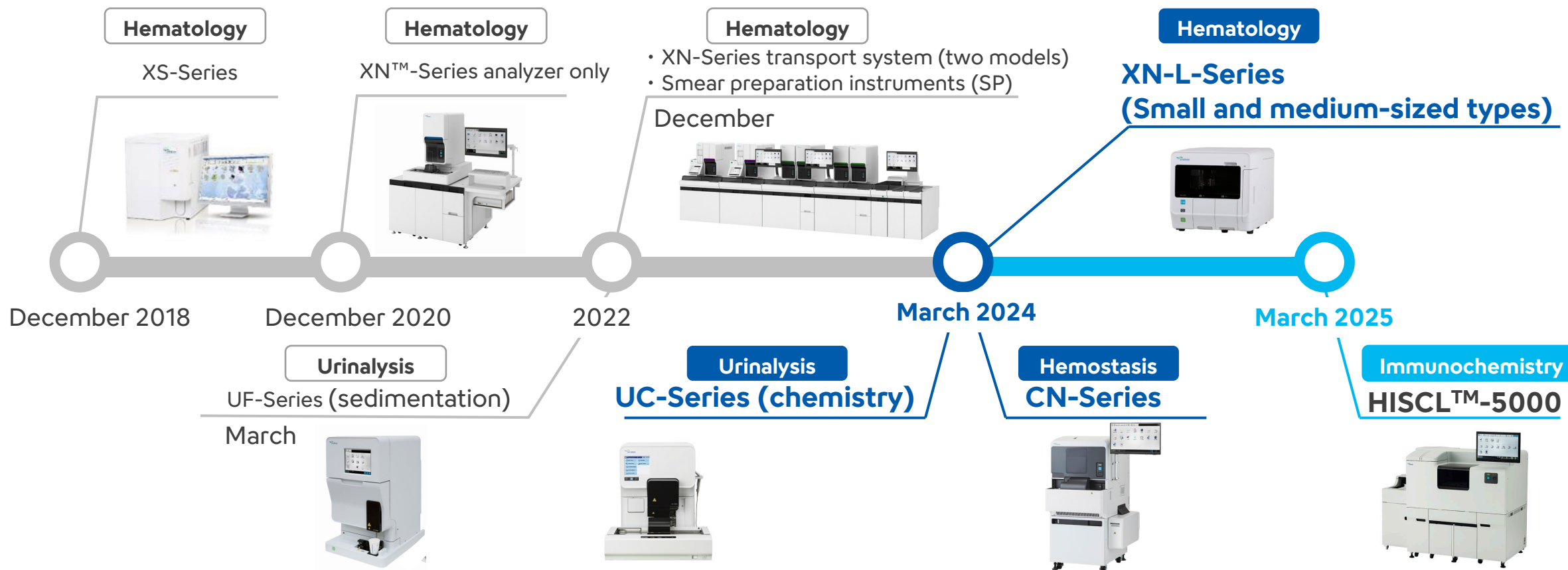


# Reference: Schedule for Shifting Production to China

We have concluded the transition of production in the hematology, urinalysis, and hemostasis fields.

Transition to local production concluded (nine models)

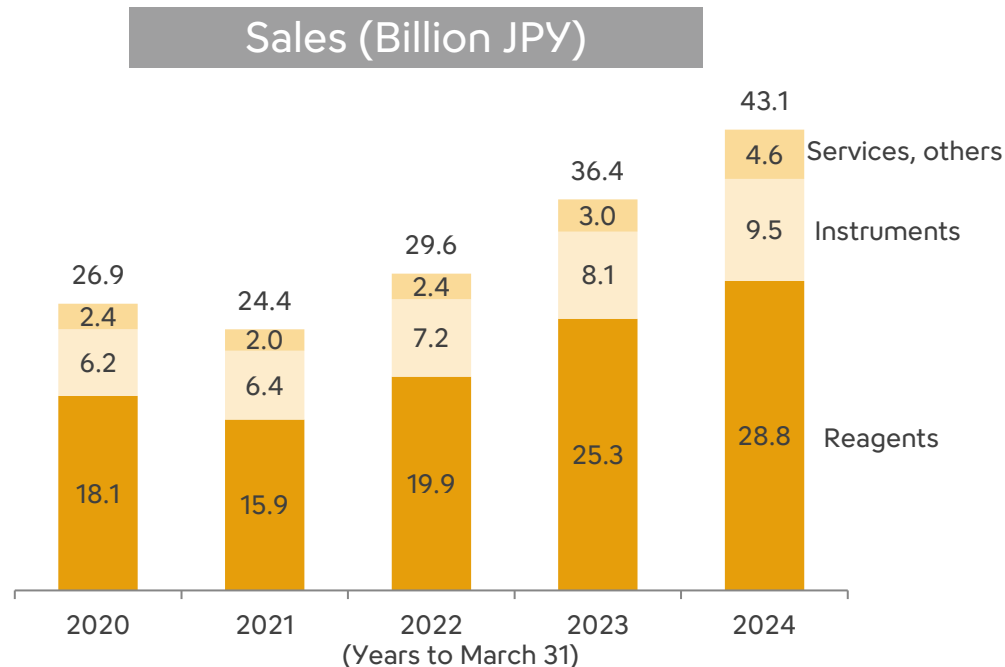
Transition to local production planned



# Information by Destination (AP)

(Billions of yen)	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2023	YoY (Previous period = 100%) Yen basis
Net sales	<b>43.1</b>	36.4	<b>118.1%</b> (113.1%)
Instruments	<b>9.5</b>	8.1	<b>117.7%</b>
Reagents	<b>28.8</b>	25.3	<b>114.0%</b>
Services, others	<b>4.6</b>	3.0	<b>153.5%</b>

Note: Figures in parentheses exclude the impact of exchange rate fluctuations.



In the hematology field, sales rose in India, South Korea, and Southeast Asia, including the Philippines, and ongoing investment in healthcare infrastructure continued to buoy demand, leading to double-digit increases.

## ● Instruments

- ✓ Sales rose in the hematology field due to the shift to direct sales in India and the launch of the XR™ Series in Taiwan.
- ✓ Sales in the urinalysis, hemostasis, and immunochemistry fields were favorable in Thailand, Malaysia and other parts of Southeast Asia, as well as South Korea.

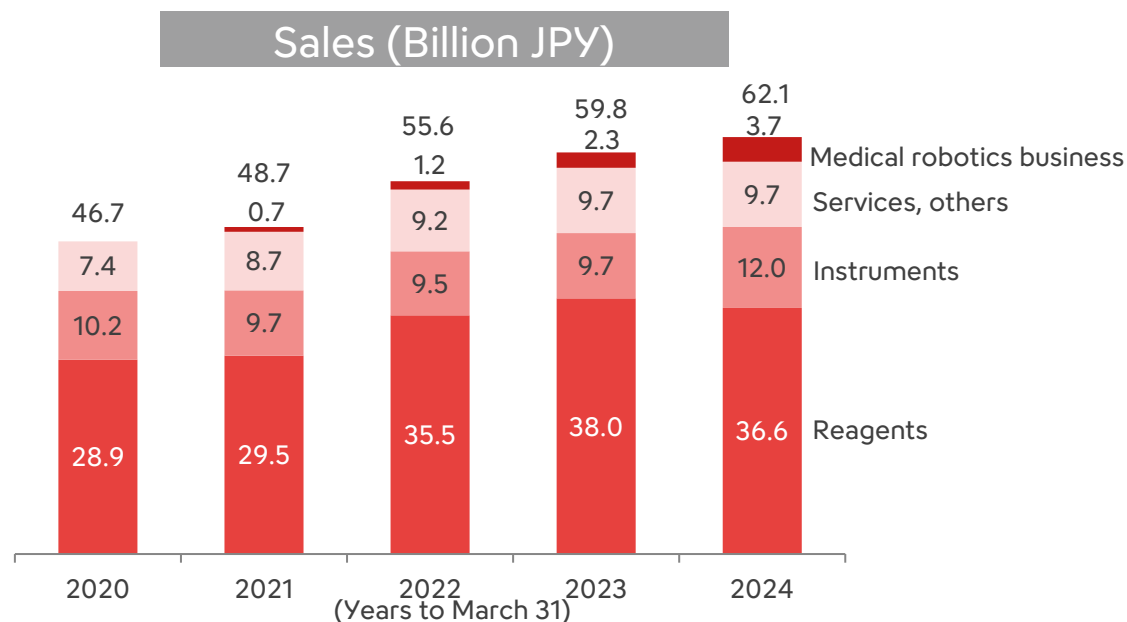
## ● Reagents

- ✓ Owing to expansion of the installed instrument base, sales were favorable in the hematology field centered on India, Australia and South Korea.
- ✓ Sales rose in all fields. Growth in the installed instrument base and efforts to promote sales of unique parameters (hepatic fibrosis markers : M2BPGi) led to significant growth in the immunochemistry field.

# Information by Destination (Japan)

(Billions of yen)	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2023	YoY (Previous period = 100%) Yen basis
Net sales	<b>62.1</b>	59.8	<b>103.9%</b> (109.9%)
Diagnostics business	<b>58.4</b>	57.4	<b>101.6%</b> (107.6%)
Instruments	<b>12.0</b>	9.7	<b>124.0%</b>
Reagents	<b>36.6</b>	38.0	<b>96.4%</b> (105.0%)
Services, others	<b>9.7</b>	9.7	<b>99.7%</b>
Medical robotics business	<b>3.7</b>	2.3	<b>160.5%</b>

Note: Figures in parentheses exclude the impact of COVID-19.



Despite falling demand for testing related to COVID-19, sales for the region rose, fueled by higher instrument sales centered on the hematology and urinalysis fields. Sales also rose in the medical robotics business.

## Diagnostics business

### ● Instruments

- ✓ Instrument sales grew by more than 20% year on year. Sales of the XR Series drove sales in the hematology field. In the urinalysis field, we experienced favorable sales of products (UF-1500) targeting small and medium-sized facilities.

### ● Reagents

- ✓ Despite expansion of the installed base of instruments in the XR Series and increased adoption of our thrombus parameters in the hemostasis field, reagent sales declined due to a fall in demand related to testing for COVID-19 (-¥2.99 billion).

## Medical robotics business

- ✓ Twenty units were installed during the year, bringing the total to 55.
- ✓ Sales of services and consumables (such as forceps) have grown in line with the rise in the number of units installed and the number of cases.

# Results in Medical Robotics

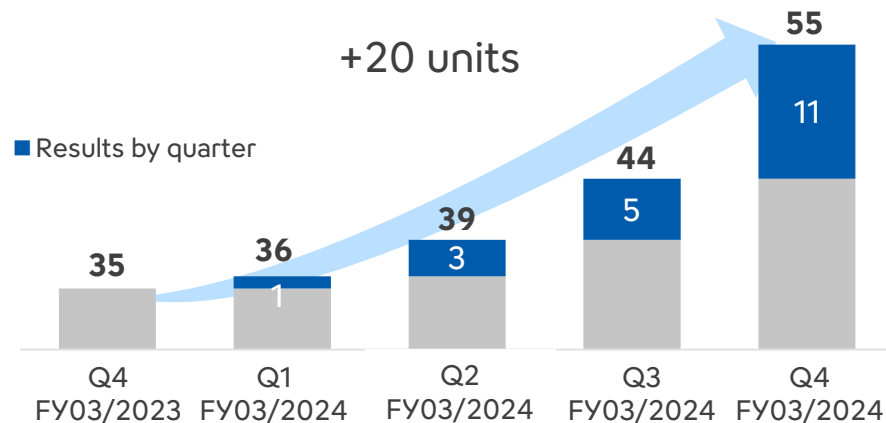
The number of units installed and the number of cases have grown steadily, as we have responded to customer needs (such as by providing a hand clutch function) and as we have received regulatory approval in additional surgical fields.

## Number of Units Installed (FY03/2023 → FY03/2024)

35 units ► **55** units

\*Certificates issued: 291 people → **740** people

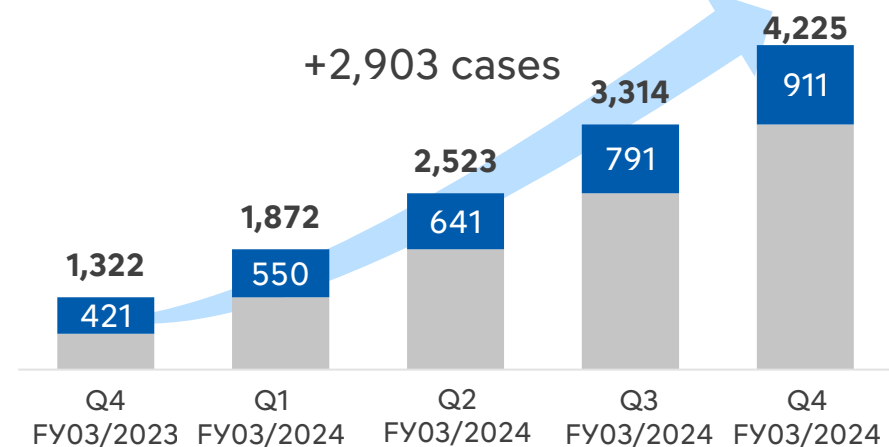
### Units installed to date



## Number of Cases (FY03/2023 → FY03/2024)

1,322 cases ► **4,225** cases

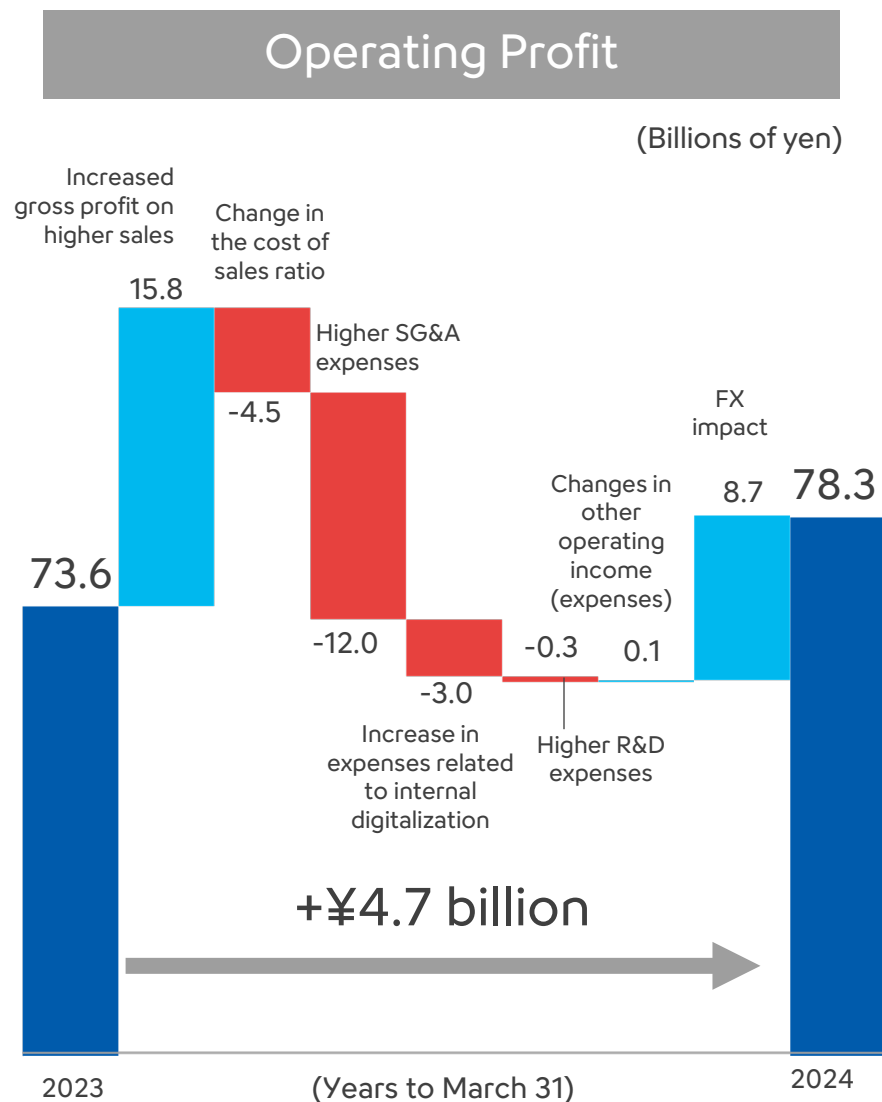
### Surgeries performed in Japan





# Breakdown of Operating Profit

Note: Figures and comments below exclude the impact of exchange rates.



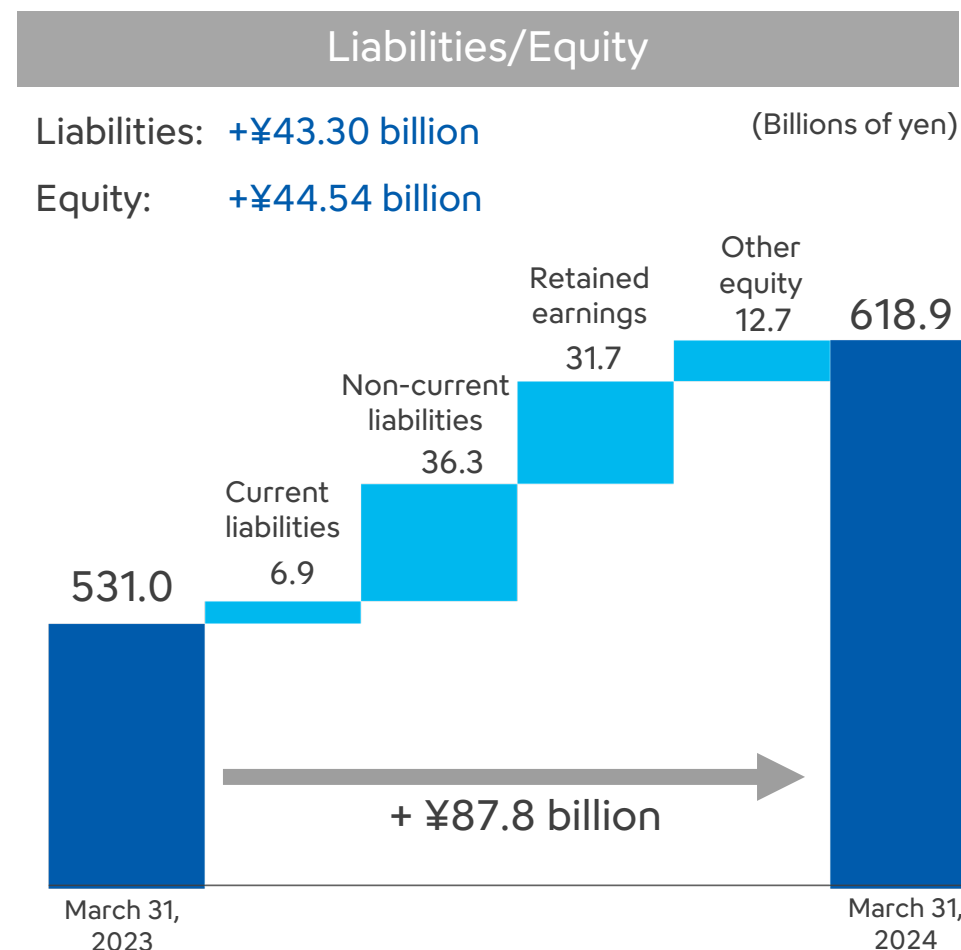
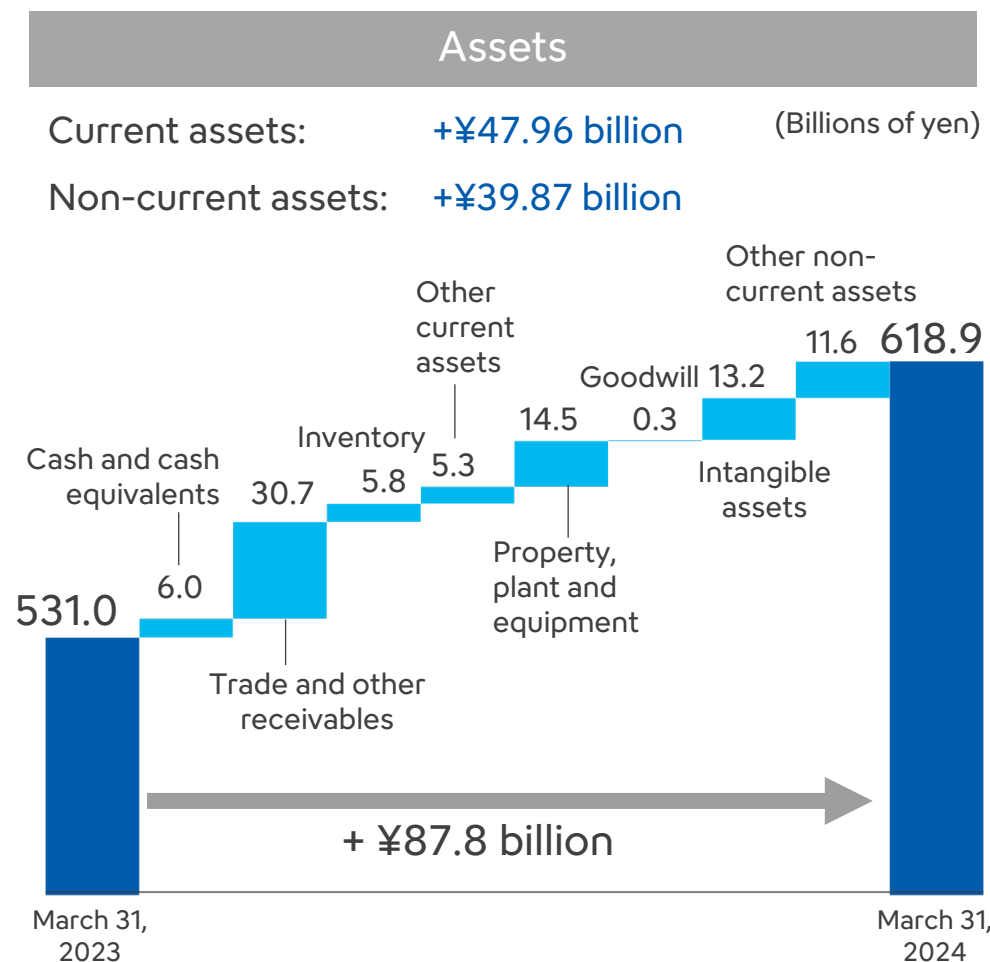
- Increased gross profit on higher sales: +¥15.84 billion
- Impact of change in the cost of sales ratio: -¥4.54 billion (1.0pt deterioration)
  - ✓ Positive factors: Easing of sharply higher shipping costs: 0.2pt; product mix: 0.2pt
  - ✓ Negative factors: Deterioration in cost of sales of products: 1.0pt deterioration; service costs: 0.4pt
- Higher SG&A expenses: -¥12.08 billion
  - ✓ Labor costs: Mainly due to an increase in personnel stemming from a shift to direct sales, as well as higher labor costs due to inflation: Approx. ¥7.7 billion
  - ✓ Expenses: Increase stemming from an expansion in scale and sales promotion activities: Approximately ¥4.1 billion
- Higher expenses related to internal digitalization: -¥3.0 billion
- Higher R&D expenses: -¥0.34 billion
  - ✓ Ongoing investments in product development and higher costs related to regulatory affairs
- Changes in other operating income (expenses): +¥0.11 billion
- FX impact: +¥8.70 billion

# Breakdown of Changes in the Consolidated Statement of Financial Position

Assets: Trade and other receivables rose due to increased sales, including the transition to direct sales, as well as the forex impact.

Liabilities: The increase centered on non-current liabilities, owing to bank loans.

Equity: Despite the acquisition of treasury stock by the ESOP trust, equity increased due to a rise in retained earnings.

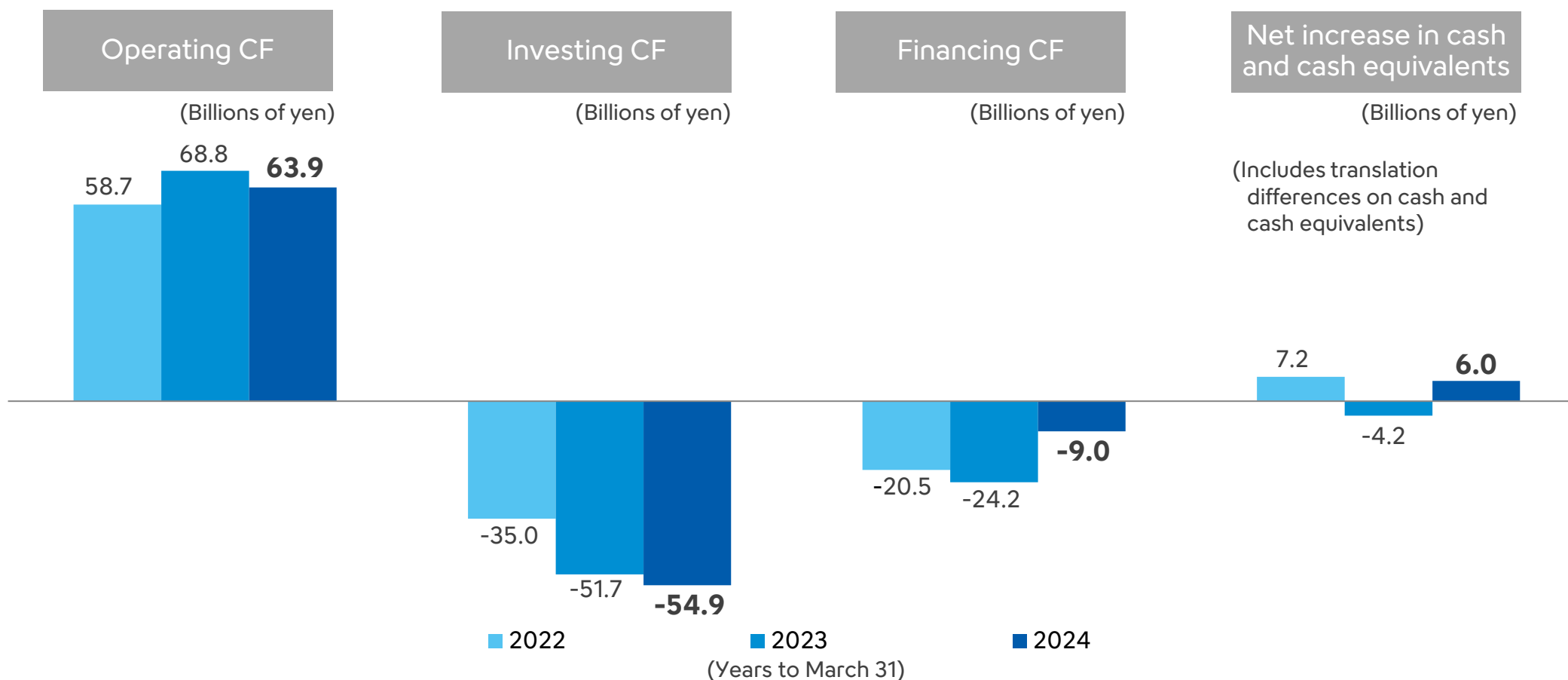


# Consolidated Cash Flows

Operating CF: Although profit increased, the increase in sales (including the transition to direct sales) required additional working capital, causing net cash provided by operating activities to decrease.

Investing CF: Net cash used in investing activities increased due to proactive investment, including for internal digitalization and the establishment of bases in emerging markets.

Financing CF: Net cash used in financing activities decreased, despite the acquisition of treasury stock by the ESOP trust, due to the impact of bank loans.



# Proposed Dividend for the Fiscal Year Ended March 31, 2024

- The dividend amount remains unchanged from our initial forecast at the start of the year.

	Interim dividend	Year-end dividend	Total	Payout ratio
Fiscal year ended March 31, 2023	¥40	¥42 <small>Including a commemorative dividend (¥2) to mark the 55th anniversary of establishment</small>	¥82	37.5%
Fiscal year ended March 31, 2024 (proposal)	¥42	¥42*	¥84	35.4%

\* The year-end dividend for the fiscal year ended March 31, 2024 will be paid on shares before the stock split. We plan to propose this year-end dividend to the 57th Ordinary General Meeting of Shareholders.

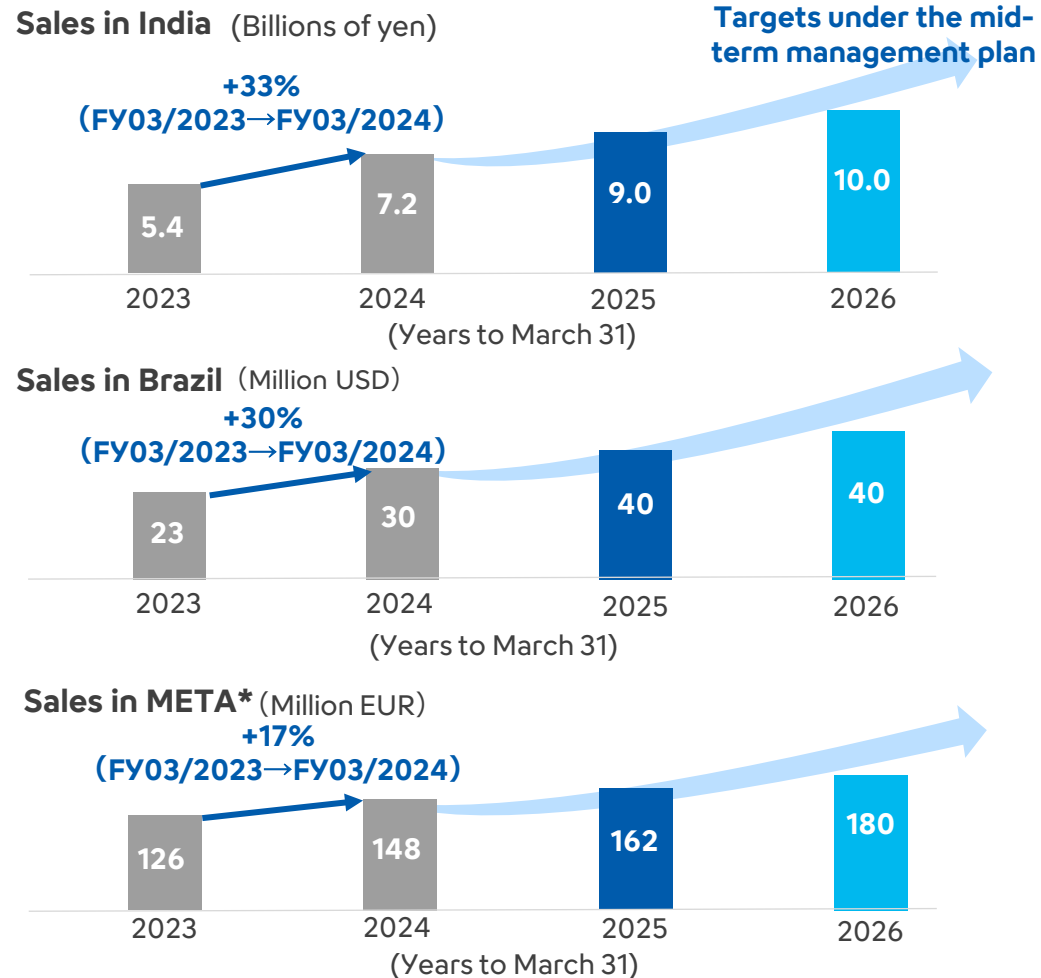
# 3.

## **Growth Strategy Progress and Initiatives**

Emerging Market Strategies, Reinforcement of Existing Businesses,  
Expansion of New Businesses

# Emerging Market Strategies

We are investing proactively and reinforcing functions in markets that are slated for major growth.



\*META : Middle East, Turkey, and Africa



New production base in India  
(under construction)



Training center in Brazil

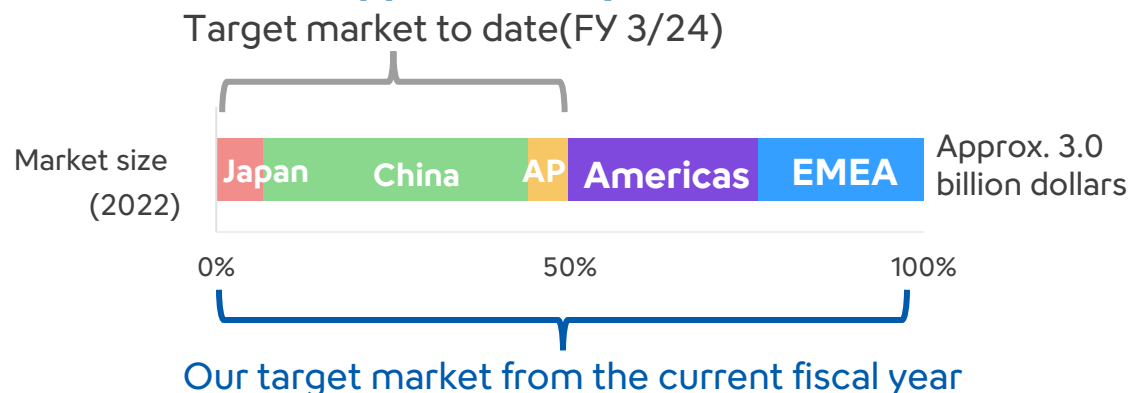


Training center in Turkey

# Reinforcement of Existing Businesses (Hemostasis Field)

We finished setting up our structure in preparation to begin sales in the United States and Europe, and we commenced sales activities in April 2024.

## 1) We anticipate strong growth, as the target market has approximately doubled in size.



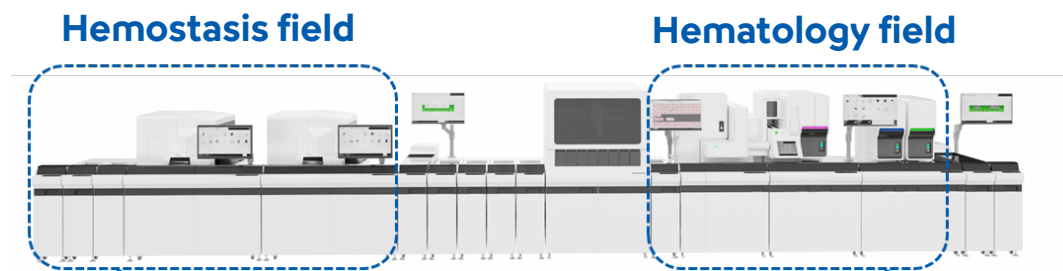
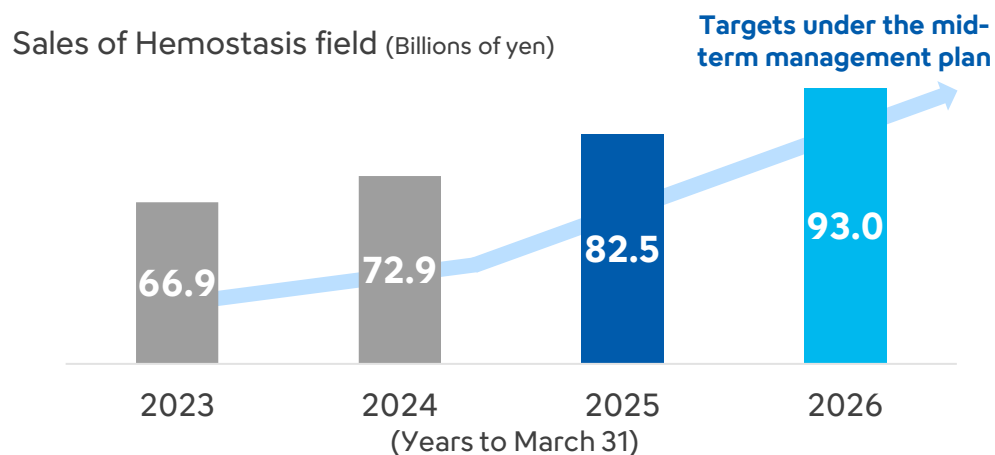
## 2) Further increase in profitability in Europe and the Americas

- ✓ Moving from sales of instruments only, we will also provide highly profitable reagents, as well as services and support, which are our strengths.



## 3) Leverage assets and combine our strengths in the hematology field

- ✓ We can share existing personnel, as well as sales routes to medical institutions and service networks. (Higher productivity per worker)
- ✓ We will propose expanded systems to existing hematology customers.



## Reinforcement of Existing Businesses (Immunochemistry, Life Science)

### Immunochemistry, life science: Initiatives to create the next pillars of earnings

#### Immunochemistry

- **Business collaboration with Fujirebio Holdings**

Collaboration on multiple fronts in the immunochemistry field, including research, development, production, clinical development, and sales

- ✓ Development of HISCL reagent parameters  
(Including development of a panel to test for Alzheimer's disease)
- ✓ Potential for other collaboration

- **Testing for Alzheimer's disease**

- ✓ Japan : Have received regulatory approval, working to obtain NHI points
- ✓ United States : For LDT for large commercial lab (Labcorp)
- ✓ Europe : Have received regulatory approval, preparing for sales

#### Life science

#### Perform a pivot

- **OSNA, PCR, FISH**

Promoting initiatives aimed at maximizing earnings (including potential collaboration with other companies)

- **Liquid biopsy**

Concentrating development resources with a view to moving toward profitability (from BEAMing to PSS)

- **CE sequencer**

Joint development with Hitachi High-Tech



# Expansion of New Businesses (Medical Robotics Business)

Moving to a new phase, including introducing at university and core hospitals in Japan, and the start of a global rollout

- **Status of hinotori introduction**

- Steady progress in introduction to university hospitals and core hospitals



- **Expanded application to surgical fields**

Urology	Gastroenterology	Gynecology
Respiratory surgery	Cardiac surgery	Otorhinolaryngology

- ✓ Expansion to respiratory surgery means available for use in 28 of 32 fields of surgery
- ✓ Covers more than 90% of surgeries in Japan using surgical support robots

- **Expansion of forceps**

- ✓ Strengthening competitiveness by launching forceps that can be used 20 times

- **Plans for overseas rollout**

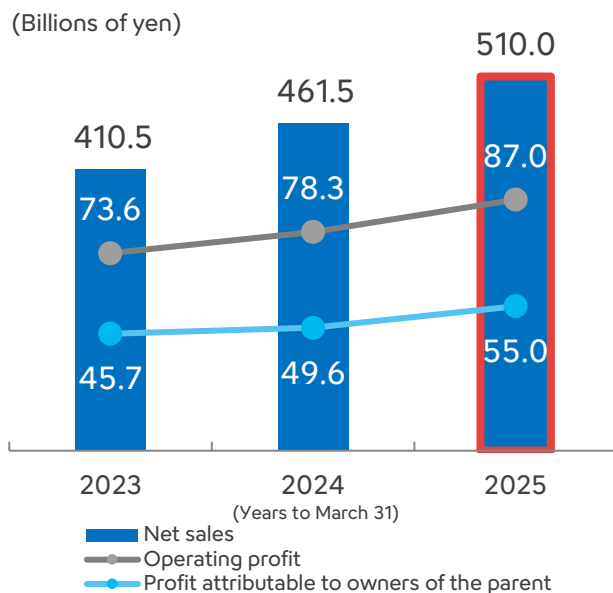
- ✓ FY03/2024 Approval in Singapore
- ✓ FY03/2025 Rollout in Asia, submission for regulatory approval in Europe
- ✓ FY03/2026 Launch in Europe, regulatory filing with FDA
- ✓ FY03/2027 Begin launch in Americas

# **4. Financial Forecast for the Fiscal Year Ending March 31, 2025**

# Consolidated Earnings Forecast (Fiscal Year Ending March 31, 2025)



(Billions of yen)	Fiscal year ending March 31, 2025		Fiscal year ended March 31, 2024		YoY increase
	Forecast	Ratio	Results	Ratio	
Net sales	510.0	100.0%	461.5	100.0%	+10.5%
Cost of sales	237.0	46.5%	219.0	47.5%	+8.2%
SG&A expenses	151.9	29.8%	133.7	29.0%	+13.5%
R&D expenses	35.0	6.9%	31.4	6.8%	+11.5%
Operating profit	87.0	17.1%	78.3	17.0%	+11.0%
Profit attributable to owners of the parent	55.0	10.8%	49.6	10.8%	+10.8%
Planned investment	Capital expenditure: ¥50.0 billion		Depreciation and amortization: ¥40.0 billion		



## Assumed Exchange Rates

	Fiscal year ending March 31, 2025	Fiscal year ended March 31, 2024
1 USD	¥147.0	¥144.6
1 EUR	¥158.0	¥156.8
1 CNY	¥20.4	¥20.1

## Exchange Rate Sensitivity

	Net sales (year)	Operating profit (year)
USD	¥0.80 billion	¥0.14 billion
EUR	¥0.55 billion	¥0.10 billion
CNY	¥5.75 billion	¥4.21 billion

## Contributors to sales growth

- ✓ Impact of launching the XR-Series (Japan, EMEA, AP, China)
- ✓ Europe/United States: Sales launch in the hemostasis field
- ✓ Americas: Strong orders, centered on hematology instruments
- ✓ EMEA: Expansion in regions where we transitioned to direct sales
- ✓ China: Sales growth on products that have transitioned to local production
- ✓ AP: Increased sales in emerging markets, centering on India
- ✓ Japan : Accelerate introduction of robotic-assisted surgery system (hinotori)

## Contributors to improvement in the cost of sales ratio

- ✓ Start of sales of hemostasis reagents in Europe and the United States
- ✓ Ongoing efforts to reduce costs
- ✓ Alleviation of transportation costs

## Contributors to higher SG&A expenses

- ✓ Investment in internal digitalization and human capital
- ✓ Increased expenses in line with higher sales

## Operating profit

- ✓ Higher gross profit, thanks to higher sales and a lower cost of sales ratio
- ✓ Higher percentage expected in the second half

# Reference: FY03/2025 (Sales by Business, Field, and Destination)

## Sales by business and field

(Billions of yen)

	FY03/2025	YoY growth rate
Hematology	303.0	+10.2%
FCM	5.0	+50.7%
Urinalysis	42.5	+8.9%
Hemostasis	82.5	+13.1%
Immunochemistry	25.0	+5.7%
Clinical chemistry	3.5	+3.6%
Life science	21.5	+ 4.8%
Others	21.0	+ 4.8%
Diagnostics business	504.0	+ 10.1%
Medical robotics business	6.0	+ 60.2%
Total	510.0	+10.5%

## Sales by destination

(Billions of yen)

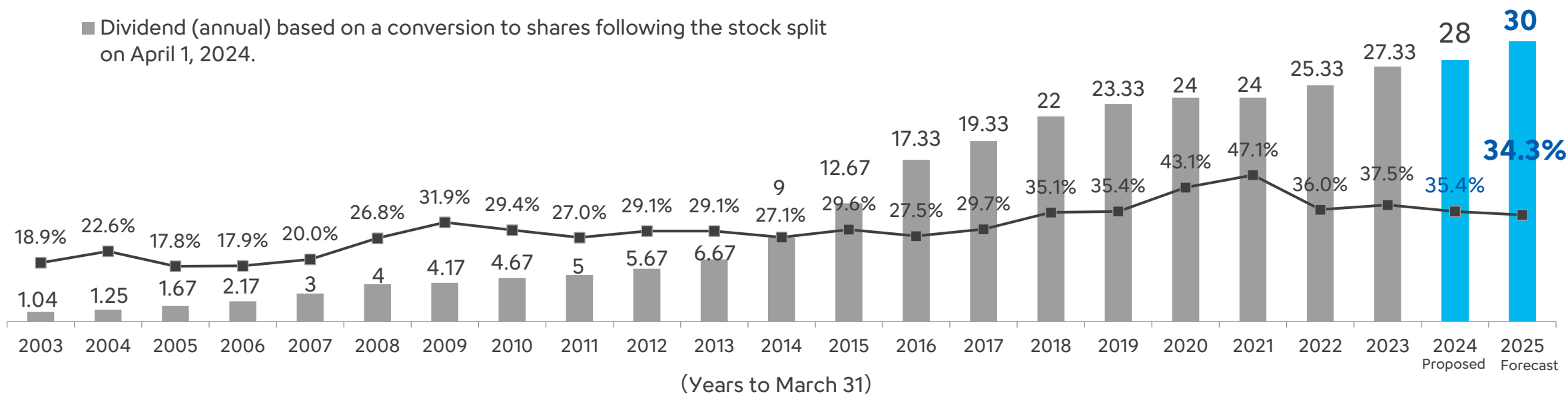
	FY03/2025	YoY growth rate
Japan	66.5	+6.9%
Americas	131.5	+10.7%
EMEA	139.0	+9.0%
China	121.0	+10.0%
Asia Pacific	52.0	+20.6%

# Dividend Forecast for Fiscal year ending March 31, 2025

We forecast a year-on-year increase of ¥2 per share, to ¥30.  
(a ¥6 increase based on shares prior to the stock split).

In terms of returns to shareholders, we intend to provide a stable dividend on a continuous basis and aim for a consolidated payout ratio of 30% under our basic policy of sharing the successes of our operations in line with business performance.

(Yen)



**5.**

**Management Initiatives with an  
Awareness of Capital Costs**

# Direction on Initiatives That Are Conscious of the Cost of Capital

## Our perspective on sustainability management

- Establish an organization that contributes to the sustainable enhancement of corporate value
  - ✓ Initiatives that suit the Company
  - ✓ Simple, convincing
  - ✓ Respond flexibly to changes in the environment, brush up

## Society's expectations

- Realize return on capital that exceeds cost of capital
  - ✓ Appropriate allocation of management resources
  - ✓ Appropriate disclosure, dialogue with stakeholders
  - ✓ Sustained efforts, brush up

### 1) Introduce “ROIC sensitivity management”

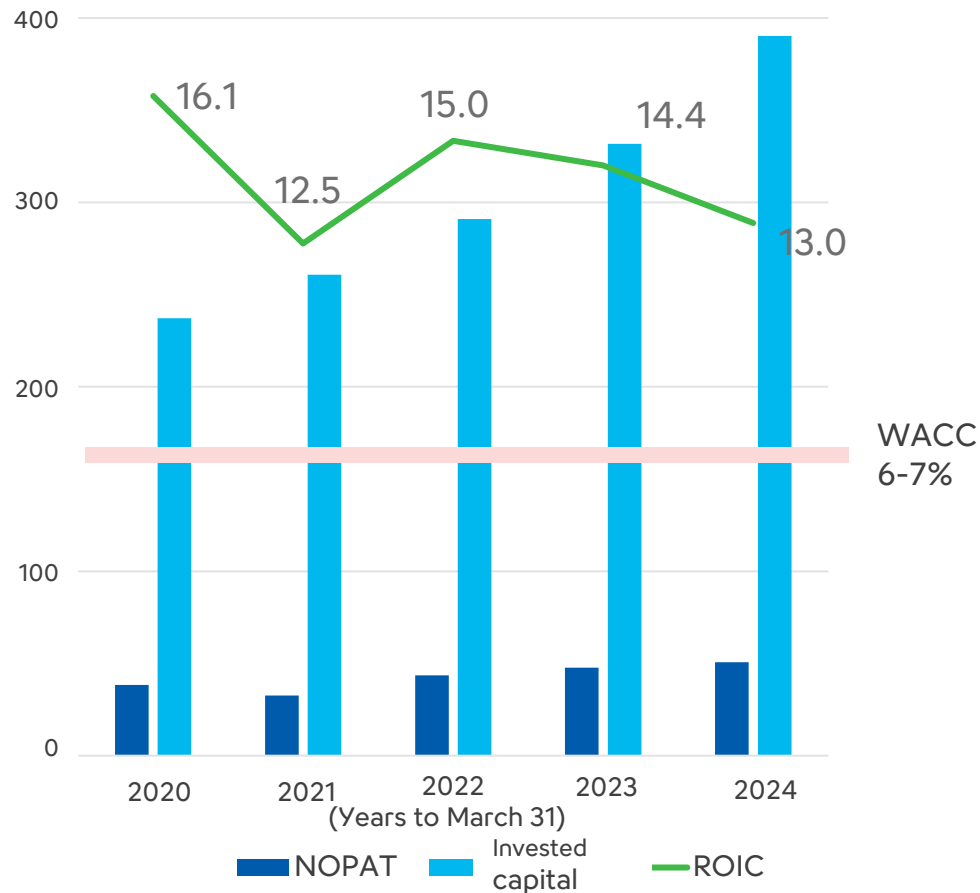
Selection of drivers with significant impact on ROIC and efforts to improve them

### 2) Reinforce “management that balances strategy and investment”

More appropriate management of investment allocation for the future

ROIC remains above WACC, but invested capital increased more than NOPAT growth due to aggressive investments for sustainable growth.

(Billions of yen)



NOPAT: Net operating profit after tax

- Excluding the fiscal year ended March 31, 2021, when performance was affected substantially by the COVID-19 pandemic, ROIC has been between 13% and 16% over the recent few years.
- CAGR on invested capital (fiscal years ended March 31, 2020 to 2024) is +13.3%.

Main reasons for the increase

- ✓ Increase in working capital CAGR:+23.2%
  - Increases in trade receivables and inventories due to increased sales and yen depreciation
- ✓ Increase in intangible assets CAGR:+21.7%
  - Investment in internal digitalization
  - Products software and IT software



# 1) Introduce "ROIC Sensitivity Management"

Define the impact of changes in each driver on ROIC as "ROIC sensitivity," and monitor, select key drivers, and implement improvement actions

## Conventional

Improve each driver individually

## Initiatives for FY03/2025

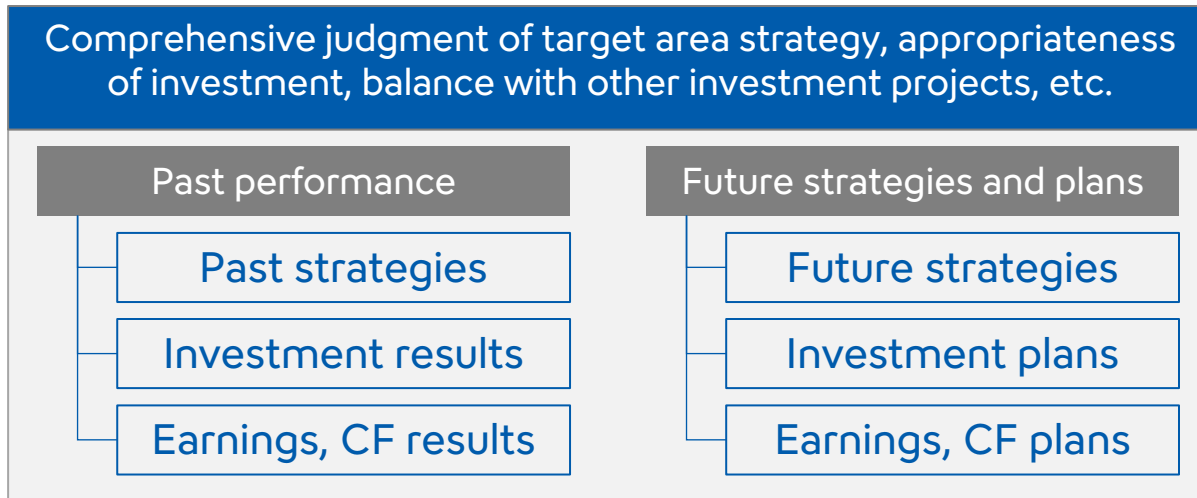
**Link ROIC to each driver using "ROIC sensitivity"**

- ✓ Select effective drivers for the Company
- ✓ Ensure in-house penetration through monitoring and improvement actions
- ✓ Promote ROIC-conscious activities in each department

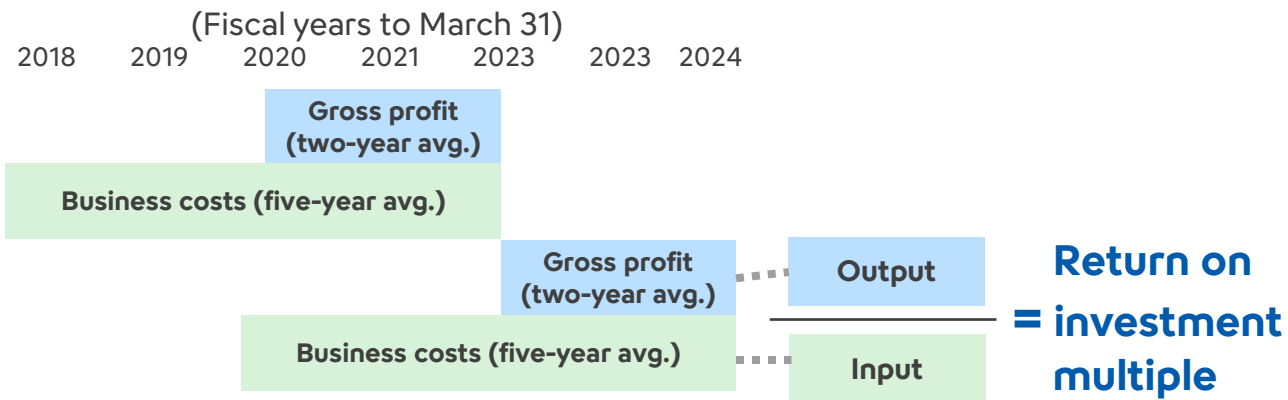
## Results of ROIC drivers in fiscal year ending March 31, 2024

Positive Drivers	YoY change	ROIC impact
Logistics cost ratio	-0.2%	+0.15pt
Expense ratio	-0.2%	+0.13pt
Disposal write-off ratio	-0.1%	+0.12pt
Property, plant and equipment turnover	+0.1	+0.11pt
Negative Drivers	YoY change	ROIC impact
Labor cost rate	+0.8%	-0.63pt
Service cost ratio	+0.5%	-0.38pt
Intangible assets turnover	-0.5	-0.22pt
Depreciation and amortization ratio	+0.2%	-0.21pt
Accounts receivable turnover	+3.1	-0.13pt
Accounts payable turnover	-2.5	-0.11pt
Other non-current assets turnover	-0.5	-0.08pt
Inventory turnover	+0.1	-0.01pt
Goodwill turnover	-0.4	-0.01pt

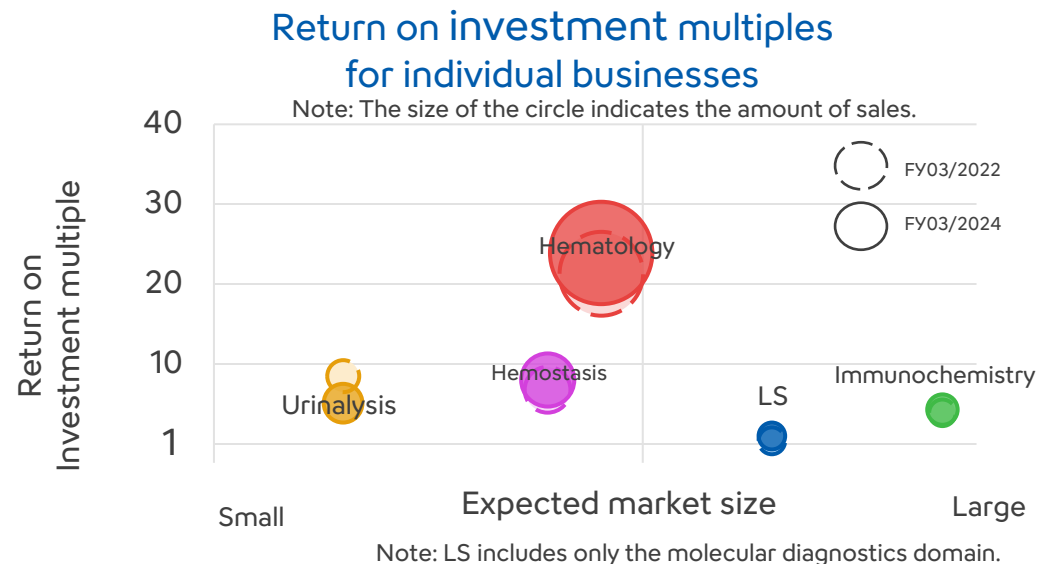
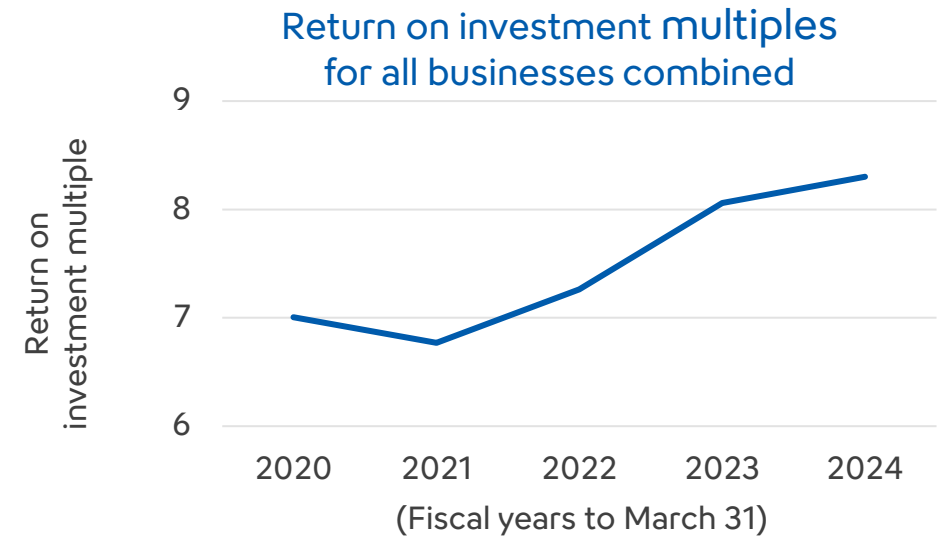
## 2) Reinforce “Management That Balances Strategy and Investment”



Add “return on investment multiple” indicator



\*Business costs: Total of business unit SG&A expenses, R&D expenses, capital expenditures, M&A, and investment securities in the subject area



**(Appendix)**

# Topics (January to April 2024)

## Diagnostics Business

- Sysmex and Hitachi High-Tech Corporation agree to collaborate on development of new genetic testing system (Japan)
- Initiated in-house production of HISCL™ TARC Assay Kit and HISCL™ ANP Assay Kit (Japan)
- Sysmex begins sales of six testing parameters for the immunoassay panel related to gynecological and gonadal hormones (Japan)
- Strengthening the direct sales and service system for business expansion in Italy (EMEA)
- Sysmex begins selling hemostasis instruments and reagents under the Sysmex brand in the United States and EU Countries

## Medical robotics business

- Medicaroid receives MHLW approval for the use of the hinotori surgical robot system in thoracic surgery (Japan)

## Sustainability (Full year)

- Sysmex introduces Stock-Granting Compensation Plan (ESOP)
- Sysmex selected for inclusion in the Dow Jones Sustainability World Index for the eighth consecutive year
- Sysmex selected as one of the Global 100's Most Sustainable Companies in the World for the fifth time

# XR-Series (Hematology Field) Launch Schedule

EMEA	Launched the XR-Series and sample transportation system module (BT-50 etc.) (July 2023)
Japan	Launched the XR-Series in July 2022.
AP	Launched the XR-Series in Q3 of the fiscal year ended March 31, 2024.
China	Launched the XR-Series in Q4 of the fiscal year ended March 31, 2024.
Americas	BT-50 launched as an additional module for the XN-Series. Expect to launch the XR-Series in the fiscal year ending March 31, 2025.



View of transportation system modules connected to XR-Series



Together for a better  
healthcare journey