

**Summary of Consolidated Financial Results [IFRS]
for the Fiscal Year Ended March 31, 2024**

May 9, 2024

Listed company name	:	Sysmex Corporation
Code	:	6869
Listed stock exchanges	:	Tokyo Stock Exchange
URL	:	www.sysmex.co.jp/en
Company representative	:	Kaoru Asano, President
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Scheduled date for shareholders' meeting	:	June 21, 2024
Scheduled date for dividend payment	:	June 24, 2024
Scheduled date for filing of financial report	:	June 21, 2024
Preparation of supplementary material for earnings	:	Yes
Holding of earnings announcement	:	Yes

(Unit: Millions of Yen)

1. Results for the Fiscal Year Ended March 31, 2024

(1) Operating results

(% changes as compared with the previous fiscal year)

	Net Sales		Operating profit		Profit before tax		Profit	
Year ended Mar. 31, 2024	461,510	12.4%	78,382	6.4%	74,600	8.6%	49,774	8.9%
Year ended Mar. 31, 2023	410,502	12.8%	73,679	9.3%	68,713	6.8%	45,725	3.8%

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share (Yen)	Diluted earnings per share (Yen)
Year ended Mar. 31, 2024	49,639	8.4%	73,397	32.1%	79.27	79.24
Year ended Mar. 31, 2023	45,784	3.8%	55,566	(1.6)%	72.94	72.91

	Return on equity (%)	Profit before tax to total assets (%)	Operating profit to net sales (%)
Year ended Mar. 31, 2024	12.1	13.0	17.0
Year ended Mar. 31, 2023	12.4	13.5	17.9

Reference:

Share of loss on equity method: 2,849 million yen for the year ended March 31, 2024; 2,923 million yen for the year ended March 31, 2023.

Note:

The Company conducted a three-for-one stock split on common stock with an effective date of April 1, 2024. Basic earnings per share and diluted earnings per share have been calculated as if the stock split had taken place at the beginning of the previous consolidated fiscal year.

(2) Financial condition

	Total assets	Total equity	Equity attributable to owners of the parent	Equity attributable to owners of the parent to total assets (%)	Equity attributable to owners of the parent per share (Yen)
As of Mar. 31, 2024	618,920	432,897	432,045	69.8	692.94
As of Mar. 31, 2023	531,074	388,356	387,665	73.0	617.56

Note:

The Company conducted a three-for-one stock split on common stock with an effective date of April 1, 2024. Equity attributable to owners of the parent per share have been calculated as if the stock split had taken place at the beginning of the previous consolidated fiscal year.

(3) Cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the term
Year ended Mar. 31, 2024	63,905	(54,970)	(9,013)	75,507
Year ended Mar. 31, 2023	68,835	(51,751)	(24,234)	69,460

2. Dividend

	Dividend per share					Total dividend payment (Millions of yen)	Dividend payout ratio (Consolidated) (%)	Dividend to equity attributable to owners of the parent (Consolidated) (%)
	First quarter	Second quarter	Third quarter	Year-end	Annual			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)			
Year ended Mar. 31, 2023	—	40.00	—	42.00	82.00	17,157	37.5	4.7
Year ended Mar. 31, 2024	—	42.00	—	42.00	84.00	17,583	35.4	6.6
Year ending Mar. 31, 2025 (Forecast)	—	15.00	—	15.00	30.00		34.3	

Notes:

- The total amount of cash dividends for the fiscal year ending March 31, 2024 includes 63 million yen of the dividends for the shares of the Company held by the ESOP Trust.
- The Company conducted a three-for-one stock split on common stock with an effective date of April 1, 2024. However, actual dividend amounts prior to this stock split are shown for the fiscal years ended March 31, 2023 and 2024.

3. Financial Forecast for the Year Ending March 31, 2025

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

	Net Sales		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share (Yen)
Six months ending Sep. 30, 2024	237,000	11.4%	37,000	9.4%	34,900	4.8%	23,000	3.7%	36.89
Year ending Mar. 31, 2025	510,000	10.5%	87,000	11.0%	82,500	10.6%	55,000	10.8%	88.21

Note:

The Company conducted a three-for-one stock split on common stock with an effective date of April 1, 2024. Basic earnings per share of the consolidated financial forecast for the year ending March 31, 2025 takes the impact of this stock split into consideration.

4. Other Information

- Changes in significant consolidated subsidiaries (which resulted in changes in scope of consolidation): No
- Changes in accounting policies and accounting estimates
 - Changes in accounting policies required by IFRS: No
 - Other changes in accounting policies: No
 - Changes in accounting estimates: No
- Number of outstanding stock (common stock)
 - Number of outstanding stock at the end of each fiscal period (including treasury stock):
629,371,116 shares as of Mar. 31, 2024; 629,081,976 shares as of Mar. 31, 2023
 - Number of treasury stock at the end of each fiscal period:
5,872,332 shares as of Mar. 31, 2024; 1,342,476 shares as of Mar. 31, 2023
 - Average number of outstanding stock for each period (cumulative):
626,187,289 shares for the year ended Mar. 31, 2024
627,682,556 shares for the year ended Mar. 31, 2023

Notes:

1. The Company has introduced Stock-Granting Employee Stock Ownership Plan (ESOP) Trust. Company shares held by the trust are included in treasury stock and are excluded from calculations of the number of treasury stock at the end of the fiscal period and the average number of outstanding stock for the period.
2. The Company conducted a three-for-one stock split on common stock with an effective date of April 1, 2024. The number of outstanding stock at the end of the fiscal period, the number of treasury stock at the end of the fiscal period, and the average number of outstanding stock for the period are calculated as if the stock split had taken place at the beginning of the previous consolidated fiscal year.

(Reference) Summary of the Non-consolidated Financial Results for the Year Ended March 31, 2024

(1) Non-consolidated operating results

(% changes as compared with the previous fiscal year)

	Net Sales		Operating income		Ordinary income		Net income	
Year ended Mar. 31, 2024	221,231	8.1%	51,703	3.2%	65,968	14.2%	34,298	(20.0)%
Year ended Mar. 31, 2023	204,746	10.1%	50,095	24.5%	57,764	19.5%	42,877	19.0%

	Net income per share (Yen)	Diluted net income per share (Yen)
Year ended Mar. 31, 2024	54.77	54.75
Year ended Mar. 31, 2023	68.31	68.28

Note:

The Company conducted a three-for-one stock split on common stock with an effective date of April 1, 2024. Net income per share and diluted net income per share are calculated as if the stock split had taken place at the beginning of the previous consolidated fiscal year.

(2) Non-consolidated financial condition

	Total assets	Net assets	Equity ratio (%)	Net assets per share (Yen)
As of Mar. 31, 2024	355,431	267,897	75.1	427.87
As of Mar. 31, 2023	316,997	261,796	82.2	414.93

Reference:

Equity capital: 266,778 million yen as of March 31, 2024; 260,470 million yen as of March 31, 2023.

Note:

The Company conducted a three-for-one stock split on common stock with an effective date of April 1, 2024. Net assets per share are calculated as if the stock split had taken place at the beginning of the previous consolidated fiscal year.

Note: Summaries of financial results are not subject to audit by certified public accountants or auditors.

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

1. The forecasts and future projections contained herein have been prepared on the basis of rational decisions given the information available as of the date of announcement of this document. These forecasts do not represent a commitment by the Company, and actual performance may differ substantially from forecasts for a variety of reasons. Please refer to “4) Outlook for future” within “1. Overview of operating performance” on page 4 of the attachment to this document.
2. Supplementary financial materials (in Japanese and English) will be posted on the Sysmex website on Thursday, May 9, 2024.

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1. Overview of operating performance

1) Operating performance during the year

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

During the fiscal year ended March 31, 2024, the Japanese economy continued showing signs of a gradual recovery underpinned by solid personal consumption as normal economic activity resumed following the COVID-19 pandemic. In overseas markets, while the United States has seen strong personal consumption and investment, Europe has experienced economic slowdown due to inflationary pressures, and China has faced weak domestic demand and sluggish export growth. Additionally, geopolitical risks associated with the Middle East and the Russia–Ukraine issue continue to pose uncertainties.

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

Against this backdrop, Sysmex has launched its reagents in Japan and Europe that use a small amount of blood to identify amyloid beta (A β) accumulation in the brain, a cause of Alzheimer's disease, and has also begun supplying these reagents for a U.S.-based LDT^{*1} to a large commercial lab in the United States.

In addition, Sysmex has entered into a Basic Agreement on Business Collaboration with Fujirebio Holdings, Inc. to deepen their multifaceted collaboration in the field of immunochemistry, such as on research and development, production, clinical development, and sales-marketing. Based on this agreement, the companies have signed a CDMO^{*2} agreement in relation to dedicated reagents for Sysmex's HISCL™-Series Automated Immunoassay System in the field of neurodegenerative diseases, and have agreed on the supply of reagent raw materials. Going forward, the two companies will promote the mutual utilization of each other's high-quality reagent materials, and will further work together in the future with a view to developing new parameters and new technologies.

Meanwhile, we had entered a strategic alliance agreement with CellaVision AB to advance hematology solutions by expanding its portfolio, including next-generation cell morphology analyzers. Going forward, the companies will work to further increase efficiency and standardization of the testing workflow, increase the precision of cell morphology classification, and provide value in supporting diagnosis.

Moreover, Sysmex and Hitachi High-Tech Corporation have agreed to collaborate in the development of genetic testing systems based on capillary electrophoresis sequencers^{*3}. This decision comes from discussions based on the findings of joint research carried out since the conclusion of a feasibility study agreement in August 2023 aimed at developing new genetic testing systems. To achieve widespread clinical realization, Sysmex and Hitachi High-Tech will develop more efficient genetic testing systems at a lower cost, aiming at expanding optimal genetic testing for individual diseases.

Furthermore, we commenced direct sales and service in Italy in the fields of hematology, urinalysis, and hemostasis in April 2024, which will be in addition to our direct sales and service in the fields of life science, among others that we are already providing. We will expand our business in Italy by increasing our share of the market in various testing fields, and also by offering solutions to diverse issues in medical settings through direct communication with our customers.

Finally, as the global general distributor, Sysmex continued to market hinotori™ to medical institutions in Japan. (The hinotori Surgical Robot System is the made-in-Japan robotic-assisted surgery system.) Also, Mediaroid Corporation, a joint venture between Sysmex and Kawasaki Heavy Industry, Ltd., is moving forward in putting together regulatory affairs and sales systems in preparation to enter overseas markets. In July 2023, sales of an upgraded model with a "hand clutch function" was launched that allows hand operation in addition to the foot pedal at the clutch operation that disconnects the connection between the surgical operation and the forceps operation. In overseas, Mediaroid Corporation and Mediaroid Asia Pacific Pte. Ltd. received approval for hinotori from Singapore's Health Sciences Authority on September, 2023. In Japan, in addition to the three surgical fields the hinotori is currently approved for in Japan (urology, gastroenterology, and gynecology), Mediaroid filed a regulatory approval application for the use of hinotori in respiratory surgery (thoracic surgery). We will continue to collaborate on Mediaroid's regulatory approval activities in Japan and overseas to introduce products in a steady manner.

*1 LDT:

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

*2 CDMO:

Contract development and manufacturing organization

*3 Capillary electrophoresis sequencer:

Analysis instrument that analyzes DNA base sequences and base lengths in a short time, at relatively low cost. It is widely used in the medical and healthcare areas for analyzing individual DNA differences as well as in DNA identification in criminal investigations.

Net sales by destination

	Year ended March 31, 2023		Year ended March 31, 2024		YoY (Previous period = 100)
	Amount (Millions of yen)	Percentage of total (%)	Amount (Millions of yen)	Percentage of total (%)	
Japan	59,832	14.6	62,184	13.5	103.9
Americas	105,905	25.8	118,782	25.7	112.2
EMEA	111,376	27.1	127,486	27.6	114.5
China	96,902	23.6	109,952	23.9	113.5
Asia Pacific	36,485	8.9	43,104	9.3	118.1
Overseas subtotal	350,669	85.4	399,325	86.5	113.9
Total	410,502	100.0	461,510	100.0	112.4

In Japan, sales of immunochemistry reagents fell due to a decline in demand for testing related to COVID-19, but sales of hematology, urinalysis and hemostasis instruments increased. As a result, sales in Japan were up 3.9% year on year, to ¥62,184 million.

Overseas, sales of instruments, reagents and maintenance services increased in the hematology field, as did sales of urinalysis and hemostasis reagents. This factor, plus ongoing yen depreciation, caused overseas Group sales to rise 13.9% year on year, to ¥399,325 million. The overseas sales ratio rose 1.1 percentage point, to 86.5%.

Selling, general and administrative (SG&A) expenses expanded 19.1%, to ¥133,798 million. Behind this rise were higher labor costs and greater investment in digitalization. R&D expenses increased 1.1% year on year, to ¥31,402 million.

As a result, during the fiscal year ended March 31, 2024, the Group recorded consolidated net sales of ¥461,510 million, up 12.4% year on year. Operating profit was up 6.4%, to ¥78,382 million; profit before tax increased 8.6%, to ¥74,600 million, and profit attributable to owners of the parent rose by 8.4%, to ¥49,639 million.

Performance by segment

(1) Japan

In Japan, sales of immunochemistry reagents fell due to a decline in demand for testing related to COVID-19, but sales of hematology, urinalysis and hemostasis instruments increased. As a result, sales in Japan were up 6.2% year on year, to ¥67,205 million.

On the profit front, performance was affected by higher SG&A expenses, but higher sales pushed up segment profit (operating profit) 13.2%, to ¥58,127 million.

(2) Americas

In North America, sales increased for hematology reagents, urinalysis reagents and maintenance services. In Central and South America, sales of instruments and reagents rose in the hematology and urinalysis fields. As a result, overall sales in the Americas grew 11.6% year on year, to ¥112,479 million.

Segment profit (operating profit) up 39.6%, to ¥5,674 million, despite higher SG&A expenses, due to increased sales.

(3) EMEA

In the EMEA region, the move to direct sales in Saudi Arabia contributed to performance. Also, sales of instruments, reagents, and maintenance services increased in the hematology field. Accordingly, sales in the EMEA region grew 14.0% year on year, to ¥129,137 million.

Segment profit (operating profit) fell 18.7%, to ¥6,819 million, despite an improvement in the cost of sales ratio, owing to higher SG&A expenses.

(4) China

In China, against the backdrop of a recovery in testing demand and contributions from the localization of production, sales of instruments and reagents increased in the hematology field, as did sales of hemostasis reagents, pushing up sales for the region 13.4% year on year, to ¥109,797 million.

The cost of sales ratio deteriorated and SG&A expenses increased, causing segment profit (operating profit) to fall 21.2% year on year, to ¥7,852 million.

(5) Asia Pacific

Sales of instruments and reagents expanded in the hematology and hemostasis fields. As a result, sales in the Asia Pacific region rose 18.1% year on year, to ¥42,891 million.

Segment profit (operating profit) grew 18.3%, to ¥4,088 million, despite higher SG&A expenses, due to increased sales and an improved cost of sales ratio.

2) Financial conditions at end of the year

As of March 31, 2024, total assets amounted to ¥618,920 million, up ¥87,845 million from March 31, 2023. As main factors, trade and other receivables grew ¥30,747 million, property, plant and equipment expanded ¥14,587 million, and intangible assets were up ¥13,256 million.

Meanwhile, total liabilities as of March 31, 2024 were ¥186,023 million, up ¥43,305 million from March 31, 2023. Principal changes included long-term loans payable, which were up ¥28,600 million.

Total equity came to ¥432,897 million, up ¥44,540 million from March 31, 2023. Among principal reasons, retained earnings increased ¥31,793 million and other components of equity grew ¥23,889 million. Equity attributable to owners of the parent to total assets amounted to 69.8% on March 31, 2024, down 3.2 percentage points from 73.0% on March 31, 2023.

3) Cash flows during the year

As of March 31, 2024, cash and cash equivalents amounted to ¥75,507 million, up ¥6,047 million from March 31, 2023.

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

(Cash flows from operating activities)

Net cash provided by operating activities was ¥63,905 million, down ¥4,929 million from the previous fiscal year. As principal factors, profit before tax provided ¥74,600 million (¥5,887 million more than in the preceding year), depreciation and amortization provided ¥35,888 million (up ¥4,081 million), an increase in trade receivables used ¥21,987 million (up ¥19,007 million), and income taxes paid used ¥28,974 million (up ¥4,693 million).

(Cash flows from investing activities)

Net cash used in investing activities was ¥54,970 million (up ¥3,218 million). Among major factors, purchases of property, plant and equipment used ¥25,610 million (up ¥8,125 million), purchases of intangible assets used ¥24,581 million (down ¥439 million), and the purchase of investments in equity instruments used ¥4,026 million (down ¥1,162 million).

(Cash flows from financing activities)

Net cash used in financing activities was ¥9,013 million (down ¥15,220 million). This was mainly due to proceeds from long-term loans payable provided ¥29,000 million (up ¥29,000 million), dividends paid of ¥17,579 million (up ¥1,050 million) and ¥9,068 million in repayments of lease liabilities (up ¥1,108 million).

4) Outlook for future

In Japan, domestic demand is prompting a modest recovery, which is expected to drive positive trends such as higher wages and increased capital investment. Looking overseas, we expect a tighter financial environment in the United States to put downward pressure on economic activity in the corporate sector, particularly in manufacturing, resulting in a gradual slowdown. In Europe, the economy is slated to bottom out as inflationary pressures ease. In China, the economy is forecast to return to a period of stagnation due to a weak recovery in consumer spending and the protracted real estate recession. In addition, the Middle East and the Russia–Ukraine issue continue to present geopolitical risks, leading to overall uncertainty.

Looking at the healthcare environment, demand for higher healthcare quality and services is growing. Furthermore, artificial intelligence (AI), information communication technology (ICT) and other leading-edge technologies are rapidly being applied to the healthcare field. Rising healthcare demand in emerging markets, spurred by economic growth, is expected to sustain future growth. The global COVID-19 pandemic has also prompted considerations about healthcare systems and the potential for major changes in the healthcare environment itself. We anticipate further opportunities for growth, owing to increasingly diverse medical functions, improved access to healthcare, and the creation of new value in the area of self-medication.

Under these circumstances, in April 2023 the Sysmex Group commenced a new mid-term management plan (for the fiscal years ending March 31, 2024 to 2026). By promoting key actions during this period, we aim to

achieve sustainable growth and strengthen the management foundation to support it.

Our consolidated operating forecast for the fiscal year ending March 31, 2025 calls for increased sales and profits as we expand our product lineup and reinforce our sales and service structure. We forecast net sales of ¥510,000 million, operating profit of ¥87,000 million, profit before tax of ¥82,500 million and profit attributable to owners of the parent of ¥55,000 million.

Note: Our assumptions for annual average exchange rates are US\$1=¥147.0 and €1=¥158.0

The forecast outlined above is based on currently available information. Actual performance may differ from this forecast for a variety of reasons.

2. Basic perspective on selection of accounting standards

The Sysmex Group voluntarily adopted IFRS from the fiscal year ended March 31, 2017. Our aim is to increase convenience to shareholders and investors in Japan and overseas by enhancing the international comparability of our financial information in capital markets.

3. Consolidated financial statements and notes

1) Consolidated statement of financial position

(Unit: Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and cash equivalents	69,460	75,507
Trade and other receivables	126,319	157,067
Inventories	73,310	79,123
Other short-term financial assets	875	1,310
Income taxes receivable	600	934
Other current assets	24,924	29,515
Total current assets	295,491	343,459
Non-current assets		
Property, plant and equipment	102,106	116,693
Goodwill	16,842	17,221
Intangible assets	73,530	86,786
Investments accounted for using the equity method	92	472
Trade and other receivables	17,895	21,435
Other long-term financial assets	9,777	14,034
Asset for retirement benefits	614	458
Other non-current assets	3,842	4,339
Deferred tax assets	10,880	14,018
Total non-current assets	235,583	275,461
Total assets	531,074	618,920

(Unit: Millions of yen)

	As of March 31, 2023	As of March 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	31,678	33,602
Lease liabilities	7,149	8,659
Other current financial liabilities	3,537	1,028
Income taxes payable	14,662	12,476
Provisions	1,123	1,159
Contract liabilities	14,469	16,591
Accrued expenses	18,772	21,643
Accrued bonuses	11,360	12,611
Other current liabilities	8,348	10,311
Total current liabilities	111,102	118,084
Non-current liabilities		
Long-term loans payable	—	28,600
Lease liabilities	15,442	18,080
Other non-current financial liabilities	305	76
Liability for retirement benefits	1,959	2,239
Provisions	398	674
Other non-current liabilities	7,059	10,350
Deferred tax liabilities	6,450	7,917
Total non-current liabilities	31,615	67,938
Total liabilities	142,718	186,023
Equity		
Equity attributable to owners of the parent		
Capital stock	14,282	14,729
Capital surplus	20,580	20,830
Retained earnings	334,192	365,985
Treasury stock	(314)	(12,315)
Other components of equity	18,925	42,814
Total equity attributable to owners of the parent	387,665	432,045
Non-controlling interests	690	851
Total equity	388,356	432,897
Total liabilities and equity	531,074	618,920

2) Consolidated statement of income

(Unit: Millions of yen)

	Year ended March 31, 2023	Year ended March 31, 2024
Net sales	410,502	461,510
Cost of sales	194,419	219,013
Gross profit	216,082	242,497
Selling, general and administrative expenses	112,371	133,798
Research and development expenses	31,060	31,402
Impairment loss	2,368	2,210
Other operating income	4,103	4,203
Other operating expenses	705	905
Operating profit	73,679	78,382
Financial income	863	937
Financial expenses	1,566	2,386
Share of profit (loss) of associates accounted for using the equity method	(2,923)	(2,849)
Foreign exchange gain (loss)	(1,339)	516
Profit before tax	68,713	74,600
Income taxes expenses	22,988	24,826
Profit	45,725	49,774
Profit attributable to		
Owners of the parent	45,784	49,639
Non-controlling interests	(59)	135
Profit	45,725	49,774
		(Unit: Yen)
Earnings per share		
Basic	72.94	79.27
Diluted	72.91	79.24

3) Consolidated statement of comprehensive income

(Unit: Millions of yen)

	Year ended March 31, 2023	Year ended March 31, 2024
Profit	45,725	49,774
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Net gain (loss) on financial assets measured at fair value through other comprehensive income	484	250
Remeasurements of defined benefit plans	(774)	(181)
Total	(289)	69
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	10,117	23,526
Share of other comprehensive income of investments accounted for using the equity method	12	27
Total	10,130	23,553
Total other comprehensive income	9,841	23,623
Comprehensive income	55,566	73,397
Comprehensive income attributable to		
Owners of the parent	55,625	73,262
Non-controlling interests	(59)	135
Comprehensive income	55,566	73,397

4) Consolidated statement of changes in equity
For the year ended March 31, 2023

(Unit: Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total		
As of April 1, 2022	14,112	20,483	305,710	(312)	8,309	348,303	750	349,053
Profit	—	—	45,784	—	—	45,784	(59)	45,725
Other comprehensive income	—	—	—	—	9,841	9,841	(0)	9,841
Comprehensive income	—	—	45,784	—	9,841	55,625	(59)	55,566
Exercise of warrants	170	97	—	—	—	267	—	267
Cash dividends	—	—	(16,528)	—	—	(16,528)	—	(16,528)
Purchase of treasury stock	—	—	—	(1)	—	(1)	—	(1)
Transfer to retained earnings	—	—	(774)	—	774	—	—	—
Changes from business combination	—	—	—	—	—	—	—	—
Changes due to acquisition of control of a subsidiary	—	—	—	—	—	—	—	—
Changes due to loss of control of a subsidiary	—	—	—	—	—	—	—	—
Total transactions with the owners	170	97	(17,302)	(1)	774	(16,263)	—	(16,263)
As of March 31, 2023	14,282	20,580	334,192	(314)	18,925	387,665	690	388,356

For the year ended March 31, 2024

(Unit: Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Other components of equity	Total		
As of April 1, 2023	14,282	20,580	334,192	(314)	18,925	387,665	690	388,356
Profit	—	—	49,639	—	—	49,639	135	49,774
Other comprehensive income	—	—	—	—	23,623	23,623	0	23,623
Comprehensive income	—	—	49,639	—	23,623	73,262	135	73,397
Exercise of warrants	447	255	—	—	—	703	—	703
Cash dividends	—	—	(17,579)	—	—	(17,579)	—	(17,579)
Purchase of treasury stock	—	—	—	(12,001)	—	(12,001)	—	(12,001)
Transfer to retained earnings	—	—	(266)	—	266	—	—	—
Changes from business combination	—	—	—	—	—	—	87	87
Changes due to acquisition of control of a subsidiary	—	(5)	—	—	—	(5)	(62)	(67)
Changes due to loss of control of a subsidiary	—	—	—	—	—	—	(0)	(0)
Total transactions with the owners	447	250	(17,845)	(12,001)	266	(28,882)	25	(28,857)
As of March 31, 2024	14,729	20,830	365,985	(12,315)	42,814	432,045	851	432,897

5) Consolidated statement of cash flows

(Unit: Millions of yen)

	Year ended March 31, 2023	Year ended March 31, 2024
Cash flows from operating activities		
Profit before tax	68,713	74,600
Depreciation and amortization	31,807	35,888
Impairment loss	2,368	2,210
Interest and dividends income	(704)	(863)
Interest expenses	1,133	1,571
Share of loss (profit) of associates accounted for using the equity method	2,923	2,849
Loss on retirement of non-current assets	265	381
Decrease (increase) in trade receivable	(2,980)	(21,987)
Decrease (increase) in advance payments	(983)	474
Decrease (increase) in inventories	(10,558)	(1,676)
Increase (decrease) in trade payable	(13)	1,274
Increase (decrease) in accounts payable—other	(713)	118
Increase (decrease) in contract liabilities	1,450	201
Increase (decrease) in accrued expenses	747	1,483
Decrease/increase in consumption taxes receivable/payable	766	1,157
Increase (decrease) in accrued bonuses	125	749
Other—net	(920)	(4,769)
Subtotal	93,425	93,665
Interest and dividend received	676	598
Interest paid	(985)	(1,383)
Income taxes paid	(24,281)	(28,974)
Net cash provided by (used in) operating activities	68,835	63,905
Cash flows from investing activities		
Purchases of property, plant and equipment	(17,485)	(25,610)
Proceeds from sales of property, plant and equipment	337	527
Purchases of intangible assets	(25,020)	(24,581)
Payments resulting in an increase in long-term prepaid expenses	(646)	(841)
Purchases of investments in equity instruments	(5,189)	(4,026)
Acquisitions of subsidiaries or other businesses	(2,984)	(574)
Payments into time deposits	(711)	(1,460)
Proceeds from withdrawal of time deposits	811	1,260
Other—net	(863)	337
Net cash provided by (used in) investing activities	(51,751)	(54,970)
Cash flows from financing activities		
Proceeds from long-term loans payable	—	29,000
Exercise of warrants	267	703
Purchase of treasury shares	(1)	(12,001)
Dividends paid	(16,528)	(17,579)
Repayments of lease liabilities	(7,959)	(9,068)
Other—net	(11)	(67)
Net cash provided by (used in) financing activities	(24,234)	(9,013)
Effects of exchange rate changes on cash and cash equivalents	2,858	6,125
Net increase (decrease) in cash and cash equivalents	(4,291)	6,047
Cash and cash equivalents at the beginning of the term	73,752	69,460
Cash and cash equivalents at the end of the term	69,460	75,507

6) Notes to the consolidated financial statements

1. Notes related to the going concern assumption

Not applicable

2. Segment information

1) Overview of reportable segments

The Group's reportable segments are the constituent business units of the Group for which separate financial data are available and that are examined on a regular basis for the purpose of enabling the Managing Board to allocate managerial resources and evaluate results of operations.

The Group is primarily engaged in the manufacture and sale of diagnostic instruments and reagents. These businesses are conducted in Japan by the Company, and in the Americas, EMEA, China and the Asia Pacific by regional headquarters established in those regions. These companies formulate overarching strategies tailored to regional characteristics and conduct business activities accordingly. Regional headquarters and other domestic and overseas subsidiaries are independent management units that handle production and sales for each region.

Accordingly, the Group has five reportable segments comprising geographical segments based on manufacturing and sales systems. These are "Japan," the "Americas," "EMEA," "China," and the "Asia Pacific."

2) Segment profit and operating results

Profit and operating results from continuing operations by reportable segment of the Group are as follows:

Intersegment sales are determined based on market prices or costs of goods manufactured.

Accounting policies of reporting segments are consistent with the Group's accounting policies indicated in the consolidated financial statements for the previous fiscal year

For the year ended March 31, 2023

(Unit: Millions of yen)

	Reportable segment						Adjustments (Note 1)	Consolidated (Note 2)
	Japan	Americas	EMEA	China	Asia Pacific	Total		
Sales								
Sales to external customers	63,300	100,807	113,274	96,797	36,322	410,502	—	410,502
Intersegment sales	145,093	853	5,058	45	17	151,068	(151,068)	—
Total	208,393	101,661	118,332	96,843	36,340	561,570	(151,068)	410,502
Segment profit	51,344	4,064	8,392	9,968	3,456	77,227	(3,547)	73,679
Financial income	—	—	—	—	—	—	—	863
Financial expenses	—	—	—	—	—	—	—	1,566
Share of profit (loss) on equity method	—	—	—	—	—	—	—	(2,923)
Foreign exchange gain (loss)	—	—	—	—	—	—	—	(1,339)
Profit before tax	—	—	—	—	—	—	—	68,713
Income tax expenses	—	—	—	—	—	—	—	22,988
Profit	—	—	—	—	—	—	—	45,725
Other								
Depreciation and amortization (Note 3)	16,342	5,267	5,871	1,019	4,137	32,625	(830)	31,807
Impairment loss	126	—	2,242	—	—	2,368	—	2,368

Notes:

1. Segment profit adjustments of negative ¥3,547 million include negative ¥3,503 million for the unrealized gains on inventories, and negative ¥42 million for the unrealized gains on non-current assets.
2. Segment profit is reconciled with operating profit in the consolidated statement of income.
3. The negative ¥830 million reconciliation in depreciation and amortization is an adjustment related to intersegment transactions.

For the year ended March 31, 2024

(Unit: Millions of yen)

	Reportable segment						Adjustments (Note 1)	Consolidated (Note 2)
	Japan	Americas	EMEA	China	Asia Pacific	Total		
Sales								
Sales to external customers	67,205	112,479	129,137	109,797	42,891	461,510	—	461,510
Intersegment sales	158,066	650	5,406	478	—	164,602	(164,602)	—
Total	225,271	113,129	134,543	110,276	42,891	626,112	(164,602)	461,510
Segment profit	58,127	5,674	6,819	7,852	4,088	82,563	(4,180)	78,382
Financial income	—	—	—	—	—	—	—	937
Financial expenses	—	—	—	—	—	—	—	2,386
Share of profit (loss) on equity method	—	—	—	—	—	—	—	(2,849)
Foreign exchange gain (loss)	—	—	—	—	—	—	—	516
Profit before tax	—	—	—	—	—	—	—	74,600
Income tax expenses	—	—	—	—	—	—	—	24,826
Profit	—	—	—	—	—	—	—	49,774
Other								
Depreciation and amortization (Note 3)	18,577	5,490	6,693	1,146	4,822	36,730	(842)	35,888
Impairment loss	—	784	1,425	—	—	2,210	—	2,210

Notes:

1. Segment profit adjustments of negative ¥4,180 million include negative ¥3,504 million for the unrealized gains on inventories, and negative ¥568 million for the unrealized gains on non-current assets.
2. Segment profit is reconciled with operating profit in the consolidated statement of income.
3. The negative ¥842 million reconciliation in depreciation and amortization is an adjustment related to intersegment transactions.

3. Per-share information

The basis for calculating basic profit per share and diluted profit per share is as follows.

	Year ended March 31, 2023	Year ended March 31, 2024
Basis for calculating basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	45,784	49,639
Profit not attributable to common stock shareholders of the parent (Millions of yen)		
Profit used in calculating basic earnings per share (Millions of yen)	45,784	49,639
Average number of common stock shares during the period (Thousands of shares)	627,682	626,187
Basis for calculating diluted earnings per share		
Profit used in calculating basic earnings per share (Millions of yen)	45,784	49,639
Profit adjustment (Millions of yen)		
Profit used in calculating diluted earnings per share (Millions of yen)	45,784	49,639
Average number of common stock shares during the period (Thousands of shares)	627,682	626,187
Effect of dilutive shares (Thousands of shares)	279	238
Average number of common stock shares after adjustment for dilution (Thousands of shares)	627,962	626,425

Notes:

- The Company has introduced Stock-Granting Employee Stock Ownership Plan (ESOP) Trust. Company shares held by the trust are included in treasury stock and are excluded from calculations of the Company's own shares and average number of shares during the period.
- The Company conducted a three-for-one stock split on common stock with an effective date of April 1, 2024. The average number of common stock shares during the period, the effect of dilutive shares, and the average number of common stock shares after adjustment for dilution are calculated as if the stock split had taken place at the beginning of the previous fiscal year.

4. Significant subsequent event

(Stock split and partial changes to the Articles of Incorporation owing to the stock split)

Based on resolutions by the Managing Board on February 9, 2024, the Company conducted a stock split on April 1, 2024 and made partial revisions to its Articles of Incorporation in relation to the stock split.

(1) Objective of the stock split

To create a more investment-friendly environment and expand the investor base by lowering the investment unit amount and improving share liquidity.

(2) Overview of the stock split

1) Form of the stock split

We conducted a three-for-one stock split of each share of common stock held by a shareholder of record listed or recorded in the final shareholder registry as of the record date of March 31, 2024 (Sunday).

As the record date of March 31, 2024 (Sunday) is a holiday, the actual record date is March 29, 2024 (Friday).

2) Increase in shares due to the stock split

Number of shares outstanding prior to the stock split:	209,790,372
Increase in the number of shares owing to the current stock split:	419,580,744
Number of shares outstanding after the stock split:	629,371,116
Number of shares authorized after the stock split:	1,796,064,000

3) Schedule for the stock split

Public notice of record date:	March 15, 2024 (Friday)
Record date:	March 31, 2024 (Sunday)
Effective date:	April 1, 2024 (Monday)

4) Adjusted exercise price on warrants

In line with the current stock split, we adjusted the exercise price per share on warrants issued by the Company from April 1, 2024, as indicated below.

	Unadjusted exercise price	Adjusted exercise price
Fourth round of warrants	7,295 yen	2,432 yen

(3) Partial changes to the Articles of Incorporation owing to the stock split

1) Reason for changing the Articles of Incorporation

In line with the current stock split, we revised the Article 6 Company's Articles of Incorporation (Number of Shares Authorized), based on Article 184-2 of the Companies Act.

2) Details of changes to the Articles of Incorporation

(Underlines indicated changes)

Current Articles of Incorporation	Revised Articles of Incorporation
(Number of shares authorized) Article 6 The Company's number of shares authorized shall be 598,688,000.	(Number of shares authorized) Article 6 The Company's number of shares authorized shall be 1,796,064,000.

3) Schedule for changing the Articles of Incorporation

Effective date: April 1, 2024 (Monday)

(4) Impact on per-share information

Per-share information, which is calculated as if the stock split had taken place at the beginning of the previous fiscal year, is as described below.

	Year ended March 31, 2023	Year ended March 31, 2024
Basic earnings per share (Yen)	72.94	79.27
Diluted earnings per share (Yen)	72.91	79.24
Equity attributable to owners of the parent per share (Yen)	617.56	692.94

(5) Changes in the amount of paid-in capital

We didn't change the amount of paid-in capital as a result of the current stock split.