

Shimadzu Announces Acquisition of Tescan—No Immediate Impact on Rating

The following is Japan Credit Rating Agency, Ltd. (JCR)'s opinion on the Shimadzu Corporation (security code: 7701)'s acquisition of Tescan Group a.s.

- (1) On December 25, Shimadzu Corporation (the "Company") announced that it would acquire Tescan, a manufacturer of analytical and measurement instruments with a core focus on electron microscopes in Czech Republic. It will acquire all shares of Glass HoldCo s.r.o., a special purpose company of Carlyle that holds all shares of Tescan. The acquisition price is approximately USD 678 million (approximately JPY 105.8 billion at an exchange rate of 1USD=JPY 156), making this the largest acquisition in the Company's history. The Company plans to finance the acquisition using funds on hand and borrowings. The closing of the share transfer transaction is scheduled for the first half of calendar year 2026.
- (2) The Company entered into a business alliance agreement with Tescan in July 2024 and has been advancing collaboration in sales and launch of co-branded products. Tescan's surface observation and analysis technology complements the Company's composition and physical property analysis technology, and this acquisition will strengthen the total solution the Company is pursuing. While the acquisition price is not small and will entail a certain financial burden, JCR does not believe that this transaction will immediately has an impact on the Company's rating, given its cash flow generation capacity and sufficient financial capacity. Going forward, JCR will focus on the progress of post-acquisition PMI and its contribution to profit and cash flow.

Hiroaki Sekiguchi, Seiya Nagayasu

<Reference>

Issuer: Shimadzu Corporation

Long-term Issuer Rating: AA- Outlook: Stable

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