Summary of Consolidated Financial Results
for the First Six Months of the Fiscal Year Ending March 31, 2015

November 5, 2014

Listed company name	:	Sysmex Corporation
Code	:	6869
Listed stock exchanges	:	Tokyo Stock Exchange
URL	:	http://www.sysmex.co.jp
Company representative	:	Hisashi Ietsugu, Chairman and CEO
Contact	:	Yukitoshi Kamao, Executive Officer, Corporate Business Administration
Phone	:	078(265)-0500
Scheduled date for filing of quarterly report	:	November 13, 2014
Scheduled date for dividend payment	:	December 2, 2014
Preparation of supplementary material for quarterly earnings	:	Yes
Holding of earnings announcement	:	Yes

(Unit: Millions of Yen)

1. Results for the six months ended September 30, 2014

(1) Operating results

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

	Net Sales		Operating income		Ordinary income		Net income	
Six months ended Sep. 30, 2014	99,120	17.9%	20,103	46.6%	20,401	46.2%	12,733	48.2%
Six months ended Sep. 30, 2013	84,079	25.2%	13,712	29.5%	13,954	38.8%	8,592	34.5%

Note:

Comprehensive income: 13,231 million yen (7.7%) for the six months ended Sep. 30, 2014; 12,291 million yen (250.6%) for six months ended Sep. 30, 2013

	Net income per share (Yen)	Diluted net income per share (Yen)
Six months ended Sep. 30, 2014	61.44	61.30
Six months ended Sep. 30, 2013	41.58	41.42

Note:

On April 1, 2014, Sysmex conducted a two-for-one split on shares of common stock. Consequently, "net income per share" and "diluted net income per share" have been computed as if the stock split had been conducted at the beginning of the fiscal year ended March 31, 2014.

(2) Financial condition

	Total assets	Net assets	Equity Ratio	Net assets per share (Yen)
As of Sep. 30, 2014	220,882	156,418	70.5%	750.90
As of Mar. 31, 2014	210,758	146,250	69.2%	703.76

Note:

Equity capital: 155,672 million yen as of September 30, 2014; 145,757 million yen as of March 31, 2014

On April 1, 2014, Sysmex conducted a two-for-one split on shares of common stock. Consequently, "net assets per share" have been computed as if the stock split had been conducted at the beginning of the fiscal year ended March 31, 2014.

2. Dividend

	Dividend per share				
	First quarter (Yen)	Second quarter (Yen)	Third quarter (Yen)	Year-end (Yen)	Annual (Yen)
Year ended Mar. 31, 2014	—	21.00	—	33.00	54.00
Year ending Mar. 31, 2015	—	16.00			
Year ending Mar. 31, 2015 (Forecast)			—	16.00	32.00

Note:

Revision of dividends forecast for this period: Yes

On April 1, 2014, Sysmex conducted a two-for-one split on shares of common stock. Year-end dividends for fiscal year ended March 31, 2014, are indicated at the amounts prior to the stock split.

3. Business Forecast for the Year Ending March 31, 2015

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

	Net Sales		Operating income		Ordinary income		Net income		Net income per share (Yen)
Year ending Mar. 31, 2015	210,000	13.8%	41,000	24.7%	40,700	20.5%	24,900	21.0%	120.13

Note:

Revision of business forecast for this period: Yes

On April 1, 2014, Sysmex conducted a two-for-one split on shares of common stock.

4. Other Information

(1) Changes in significant consolidated subsidiaries (which resulted in changes in scope of consolidation): No

(2) Application of special accounting policy for quarterly financial reporting: No

(3) Changes in accounting policies, accounting estimates and restatement of corrections

1) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: Yes
2) Other changes in accounting policies: Yes
3) Changes in accounting estimates: No
4) Restatement of corrections: No

Note:

For details, please refer to “3) Changes in accounting policies, accounting estimates or restatement of corrections” within “2. Items related to summary information (other information)” on page 5 of the attached materials.

(4) Number of shares outstanding (Ordinary shares)

1) Number of shares outstanding at the end of each fiscal period (including treasury stock):
207,756,032 shares as of Sep. 30, 2014; 207,553,632 shares as of Mar. 31, 2014
2) Number of treasury stock at the end of each fiscal period:
442,880 shares as of Sep. 30, 2014; 440,556 shares as of Mar. 31, 2014
3) Average number of outstanding stock for each period (cumulative):
207,249,004 shares as of Sep. 30, 2014; 206,660,001 shares as of Sep. 30, 2013

Note:

On April 1, 2014, Sysmex conducted a two-for-one split on shares of common stock. Consequently, “number of shares outstanding at the end of the fiscal period,” “shares of treasury stock at the end of the fiscal period” and “average number of outstanding shares for the period” have been computed as if the stock split had been conducted at the beginning of the fiscal year ended March 31, 2014.

* Disclosure in relation to the status of the quarterly review process

This report of quarterly financial results is not subject to the quarterly review procedures of the Financial Instruments and Exchange Act. As of the time of disclosure of this report of quarterly financial results, the process of reviewing the quarterly financial statements in accordance with the Financial Instruments and Exchange Act had not been completed.

* Explanation regarding the appropriate use of forecasts of business results 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 "3) Consolidated financial forecast" within "1. Financial Performance" on page 4 of the attachment to this document for cautionary statements concerning the conditions and performance forecasts that serve as the basis for these forecasts.

2. Supplementary financial materials (in Japanese and English) will be posted on the Sysmex website on Wednesday, November 5, 2014.

Content of Supplementary Materials

1. Financial Performance

1) Performance analysis

During the first six months of the fiscal year ending March 31, 2015, the Japanese economy continued on its path to gradual recovery, despite the impact of some continued sluggishness in demand in reaction to the consumption tax hike. In general, overseas economies were characterized by gradual ongoing recovery. In the United States, employment conditions continued to improve, and the corporate sector was in a moderate expansionary phase. The European economy also sustained a slight ongoing recovery. In China, the economy trended upward, bolstered by government economic stimulus measures. The Asia Pacific region experienced accelerated economic activity, centering on export-driven business in ASEAN countries.

On the healthcare front, the Japanese government is positioning the healthcare industry as a pillar of its strategies for national growth, which is expected to invigorate healthcare-related industries going forward. In advanced countries in Europe and the United States, efforts are underway to curtail medical expenses and reform health insurance systems. In the United States, efforts to reduce the number of people without medical insurance are moving into high gear. In China, medical system reform that is underway, including to the medical insurance system, aims to build infrastructures that provide uniform medical services in cities and farming villages throughout the country. Therefore, although some causes for uncertainty remain, the foundations of healthcare-related demand remain solid.

Under these circumstances, the Sysmex Group has established and commenced manufacturing at i-Square, its new instrument factory in the city of Kakogawa, Hyogo Prefecture, increasing the Group's instrument manufacturing capacity to meet growing demand for *in-vitro* diagnostic (IVD) instruments in the Japanese and overseas markets. We have completed factory expansions at two domestic affiliated companies, Sysmex Medica Co., Ltd., and Sysmex RA Co., Ltd., boosting the Sysmex Group's overall IVD instrument production capacity. With these factories, plus our existing Kakogawa Factory, we are making a full-fledged transition to a four-factory structure that will gradually enable us to approximately triple our IVD instrument production capacity compared with our pre-expansion level.

Sysmex has invested in RIKEN GENESIS Co., Ltd., a subsidiary of Toppan Printing Co., Ltd. Through this capital alliance, we will promote technological development to further improve the quality and efficiency of gene analysis testing. At the same time, we aim to accelerate initiatives targeting personalized medicine.

Net Sales by Destination

(First six months of fiscal years to March 31)		Six months ended Sep. 30, 2013		Six months ended Sep. 30, 2014		YoY (Previous period = 100)
		Amount (Millions of Yen)	Percentage of Total (%)	Amount (Millions of Yen)	Percentage of Total (%)	
Japan		18,750	22.3	19,067	19.2	101.7
	Americas	17,923	21.3	21,932	22.1	122.4
	EMEA	23,737	28.3	30,005	30.3	126.4
	China	17,254	20.5	20,660	20.9	119.7
	Asia Pacific	6,413	7.6	7,454	7.5	116.2
Overseas subtotal		65,328	77.7	80,052	80.8	122.5
Total		84,079	100.0	99,120	100.0	117.9

In Japan, large-scale healthcare institutions tended to curtail capital investments, owing to such factors as the impact of the consumption tax hike. Sales of IVD instruments were down year on year. However, an increase in the installed instrument base led to a rise in reagent sales, compensating for the fall in instruments and leading to firm performance overall. As a result, sales in Japan in the first six months of the fiscal year amounted to ¥19,067 million, up 1.7% year on year.

In overseas markets, we made progress in the strengthening of sales and support structures and the provision of solutions, leading to higher sales of instruments centered on the field of hematology. Sales of reagents also rose solidly, benefiting from an increase in the installed instrument base. These factors caused the Sysmex Group's overseas sales to surge 22.5% year on year, to ¥80,052 million. The overseas sales ratio accordingly rose 3.1 percentage points, to 80.8%.

As a result, during the first six months of the fiscal year the Group recorded consolidated net sales of ¥99,120 million, up 17.9% year on year. Operating income rose 46.6%, to ¥20,103 million; ordinary income grew 46.2%, to ¥20,401 million; and net income increased 48.2%, to ¥12,733 million.

Performance by segment

(1) Japan

Due in part to the impact of the consumption tax hike, large-scale healthcare institutions tended to curtail capital investments. Consequently, in the hematology field sales of instruments were down year on year, although an increase in the installed instrument base led to higher sales of reagents in the hemostasis and immunochemistry fields, as did export sales. Sales in the segment consequently expanded 4.2% year on year, to ¥20,273 million.

On the profit front, such factors as the growth of export sales to Group companies and higher trademark royalty income led to a 37.6% rise in segment profit (operating income), to ¥12,691 million.

(2) Americas

In the United States, sales of instruments were up, particularly in the hematology field, and an increase the installed instrument base led to higher sales of reagents and support services, pushing up sales in the country. In Central and South America, sales expanded in Mexico and Colombia, boosting sales in the Americas region 20.9% year on year, to ¥20,850 million.

Segment profit (operating income) soared 89.8%, to ¥1,378 million, as the effect of higher sales outpaced the increase in operating expenses.

(3) EMEA

Sales rose in the United Kingdom, France and Germany, and in Turkey sales benefited from our commencement of direct sales and support services. Also, sales expanded in Saudi Arabia and the United Arab Emirates. Accordingly, segment sales were robust, notably in the hematology and hemostasis fields, growing 26.0%, to ¥29,832 million.

Segment profit (operating income), however, fell 43.1%, to ¥2,343 million, due to higher payments of Group trademark royalties and rising operating expenses accompanying business expansion.

(4) China

In this market, sales remained sluggish in some areas. However, sales of instruments grew, particularly in the hematology field, and sales of reagents were firm as a result of a greater installed instrument base. Segment sales accordingly grew 19.8%, to ¥20,656 million.

Segment profit (operating income) expanded 59.2%, to ¥3,099 million, as higher sales more than compensated for the increased operating expenses accompanying efforts to reinforce the sales structure.

(5) Asia Pacific

Instrument sales increased in Australia. However, ongoing political unrest resulted in sluggish sales in Thailand, and instrument sales leveled off in Indonesia. Due to these factors, sales in this segment were up 16.5%, to ¥7,507 million.

Segment profit (operating income) dropped 11.2%, to ¥708 million, as operating expenses expanded to cover the building of sales and support structures.

2) Financial conditions analysis

(1) Assets, liabilities and net assets

As of September 30, 2014, total assets amounted to ¥220,882 million, up ¥10,124 million from March 31, 2014. The primary reasons were increases of ¥2,987 million in cash and deposits, ¥2,605 million in merchandise and finished goods and ¥1,097 million in work in process. Buildings and structures also expanded ¥3,569 million.

Meanwhile, total liabilities were down ¥43 million, to ¥64,464 million. Principal factors included rises of ¥1,478 million in trade notes and accounts payable, ¥945 million in the “others” component of current liabilities and ¥205 million in net defined benefit liabilities. On the other hand, short-term loans payable dropped ¥1,005 million, and income taxes payable fell ¥1,762 million.

Total net assets came to ¥156,418 million at September 30, 2014, up ¥10,168 million from their level on March 31, 2014. The principal reasons for the increase were a rise of ¥9,139 million in retained earnings, an increase of ¥553 million in the foreign currency translation adjustment and ¥252 million higher subscription rights to shares. The equity ratio as of September 30, 2014, was 70.5%, up 1.3 percentage points from the 69.2% recorded as of March 31, 2014.

(2) Cash flows

As of September 30, 2014, cash and cash equivalents amounted to ¥39,584 million, up ¥3,037 million from March 31, 2014.

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

(Operating cash flow)

Net cash provided by operating activities was ¥17,453 million, ¥1,413 million more than in the same period of the preceding fiscal year. As principal factors, income before income taxes provided ¥20,385 million, ¥6,402 million more than in the first six months of the preceding fiscal year; the decrease in trade notes and accounts receivable provided ¥3,010 million, ¥4,541 million less; and the increase in trade notes and accounts payable provided ¥1,168 million, compared with ¥4,338 million used by a decrease in this category in the corresponding period of the previous fiscal year. Income taxes paid used ¥8,840 million, a ¥3,563 million increase.

(Investing cash flow)

Net cash used in investing activities was ¥10,833 million, ¥9,481 million less than in the same period of the preceding fiscal year. Among major factors were purchases of property, plant and equipment, which used ¥6,629 million, down ¥233 million. The purchase of intangible assets used ¥1,623 million, ¥233 million less; the purchase of investment securities used ¥2,249 million, up ¥2,244 million; and cash flow from equity investment in subsidiaries amounted to an outflow of ¥68 million, down ¥11,069 million from the first six months of the preceding fiscal year.

(Financing cash flow)

Net cash used in financing activities amounted to ¥4,230 million, ¥2,282 million more than in the same period of the previous fiscal year. This was mainly due to a net decrease in short-term loans payable of ¥1,000 million, ¥984 million more than in the first half of the preceding year, and cash dividends paid of ¥3,417 million, which used ¥1,044 more in cash than in the first six months of the preceding fiscal year.

3) Consolidated financial forecast

For details on the Company’s consolidated financial forecast for the full fiscal year, please refer to the Announcement Regarding Revision of Business Forecasts, announced today (November 5, 2014).

2. Items related to summary information (other information)

1) Changes in significant consolidated subsidiaries during the period under review

Nothing to report.

2) Application of special accounting treatment for quarterly financial reporting

Nothing to report.

3) Changes in accounting policies, accounting estimates or restatement of corrections

(Changes in accounting policies)

(Application of Accounting Standard for Retirement Benefits)

From the first quarter of the fiscal year ending March 31, 2015, the Company has applied the "Accounting Standard for Retirement Benefits" (ASBJ Statement No. 26, May 17, 2012) and the "Guidance on Accounting Standard for Retirement Benefits" (ASBJ Guidance No. 25, May 17, 2012), excluding, however, the provisions found in the body text of Paragraph 35 of the Accounting Standard for Retirement Benefits and Paragraph 67 of the Guidance on Accounting Standard for Retirement Benefits. Accordingly, the Company revised its method of accounting for liabilities for retirement benefits and service costs, changing its method of attributing expected retirement benefits to periods from a point basis to a benefit formula basis. Also, the method of determining the discount rate has been changed from one of using as the basis for calculation the yield on bonds for a number of years corresponding closely to the average remaining service period of employees to a method based on a single weighted average discount period reflecting each expected period for payment of retirement benefits and expected amount of benefits paid.

Regarding the application of the Accounting Standard for Retirement Benefits, in accordance with the transitional treatment stipulated in Paragraph 37, from the beginning of the fiscal year under review the amount of change resulting from the method of calculating liabilities for retirement benefits and service costs is added to or deducted from retained earnings.

As a result, liabilities related to retirement benefits increased ¥303 million at the beginning of the fiscal year under review, and retained earnings fell ¥195 million. During the first six months of the fiscal year under review, the effect on operating income, ordinary income and income before income taxes was slight.

(After-sales service expense)

In the past, expenses related to after-sales service on instruments have been recorded as selling, general and administrative expenses. This has been changed from the first quarter under review to the method of recording these expenses in cost of sales.

This change was made to reflect the fact that increasing customer demand has made after-sales services a more material part of sales. Furthermore, during the first quarter of the fiscal year ending March 31, 2015 the Company introduced a new system for calculating expenses related to after-sales service, thereby clarifying the relationship between sales and cost of sales and allowing gross profit to be described more clearly. Accordingly, we have adopted this approach in order to state gross profit more appropriately.

As the Company adopted this new system for calculating after-sales services consistently across the Group at the start of the first three months of the fiscal year under review, and as gathering sufficient information to apply this method to the first three months of the fiscal year ended March 31, 2014, is problematic, this methodology has not been applied retroactively. Rather, the approach is applied only to financial statements from the beginning of the first six months of the fiscal year under review. As no after-sales services were in progress as of March 31, 2014, this change had no effect on the retained earnings category of net assets.

Compared with the previous method, the effects of adopting this method on the consolidated statements of income for the first six months of the fiscal year under review include ¥6,123 million higher cost of sales and ¥6,123 million lower amounts for gross profit and selling, general and administrative expenses. However, operating income, ordinary income and income before income taxes and minority interests were not affected.

(Transport costs for delivering products to customers)

In the past, the Company and some of its consolidated subsidiaries recorded the cost of transporting products that had been sold to customers under selling, general and administrative expenses, while other subsidiaries recorded these costs within cost of sales. From the first quarter of the fiscal year ending March 31, 2015, we have adopted consistently throughout the Group the practice of recording these costs in cost of sales.

This change is one aspect of the Company's efforts to reform its product supply process to handle the increase in overseas business. This change coincides with the introduction during the first quarter of the fiscal year ending March 31, 2015 of revised terms of trade between the parent company and subsidiaries. After taking into consideration the origin of transport costs and the method of handling them, the decision was made to include transport costs in cost of sales in order to reflect corporate conditions more appropriately in the financial statements.

This change in accounting policy has been applied retroactively, and the consolidated financial statements for the same first six months of the preceding fiscal year reflect this retroactive application.

As a result, the effects of adopting this method on the consolidated statements of income for the first six months of the fiscal year ended March 31, 2014, were to increase cost of sales ¥540 million and reduce gross profit and selling, general and administrative expenses by ¥540 million. This change had no effect on operating income, ordinary income or income before income taxes and minority interests for the first six months of the fiscal year ended March 31, 2014. Furthermore, this change of accounting method had no cumulative effect from periods prior to those shown.

3. Consolidated financial statements

1) Consolidated Balance Sheets

(Unit: Millions of Yen)

Items	As of Mar. 31, 2014	As of Sep. 30, 2014
	Amount	Amount
(Assets)		
Current assets		
Cash and deposits	36,698	39,685
Notes and accounts receivable-trade	45,514	42,986
Short-term investment securities	131	247
Merchandise and finished goods	21,242	23,847
Work in process	1,725	2,823
Raw materials and supplies	4,351	5,216
Others	17,048	18,225
Allowance for doubtful accounts	(889)	(1,036)
Total current assets	125,823	131,996
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	18,855	22,425
Others	34,918	33,755
Total Property, plant and equipment	53,774	56,180
Intangible assets		
Goodwill	13,115	12,024
Others	10,742	10,903
Total Intangible assets	23,858	22,928
Total Investments and other assets	7,303	9,776
Total Noncurrent assets	84,935	88,886
Total assets	210,758	220,882
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	13,263	14,741
Short-term loans payable	1,050	45
Income taxes payable	7,699	5,937
Provision for bonuses	5,047	5,077
Provision for directors' bonuses	269	183
Provision for product warranties	291	375
Others	26,386	27,332
Total current liabilities	54,010	53,693
Noncurrent liabilities		
Long-term loans payable	105	91
Provision for directors' retirement benefits	102	102
Net defined benefit liabilities	631	837
Others	9,658	9,740
Total Noncurrent liabilities	10,498	10,771
Total liabilities	64,508	64,464

(Unit: Millions of Yen)

Items	As of Mar. 31, 2014	As of Sep. 30, 2014
	Amount	Amount
(Net assets)		
Shareholders' equity		
Capital stock	10,243	10,385
Capital surplus	15,183	15,326
Retained earnings	109,976	119,116
Treasury stock	(270)	(278)
Total shareholders' equity	135,133	144,550
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,134	1,225
Deferred gains or losses on hedges	—	(35)
Foreign currency translation adjustment	8,652	9,206
Remeasurements of defined benefit plans	836	724
Total accumulated other comprehensive income	10,623	11,122
Subscription rights to shares	493	745
Minority interests	0	—
Total net assets	146,250	156,418
Total liabilities and net assets	210,758	220,882

(Note) fractions of one million yen are rounded of

2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income
Consolidated Statements of Income (Six months ended Sep. 30, 2014)

(Unit: Millions of Yen)

Items	Six months ended Sep. 30, 2013	Six months ended Sep. 30, 2014
	Amount	Amount
Net sales	84,079	99,120
Cost of sales	31,286	40,445
Gross profit	52,793	58,674
Selling, general and administrative expenses	39,080	38,570
Operating income	13,712	20,103
Non-operating income		
Interest income	73	84
Dividends income	29	44
Foreign exchange gains	73	232
Others	149	98
Total non-operating income	327	460
Non-operating expenses		
Interest expenses	12	18
Equity in losses of affiliates	11	66
Others	60	76
Total non-operating expenses	85	162
Ordinary income	13,954	20,401
Extraordinary profits		
Gain on sales of noncurrent assets	2	20
Insurance income	238	—
Others	—	0
Total extraordinary profits	240	20
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	49	37
Loss on valuation of investment securities	46	—
Loss on transport accident	116	—
Total extraordinary loss	212	37
Income before income taxes and minority interest	13,983	20,385
Income taxes-current	6,261	7,043
Income taxes-deferred	(870)	608
Total income taxes	5,390	7,651
Income before minority interests	8,592	12,733
Minority interests	(0)	(0)
Net income	8,592	12,733

(Note) fractions of one million yen are rounded of

Consolidated Statements of Comprehensive Income (Six months ended Sep. 30, 2014)

(Unit: Millions of Yen)

Items	Six months ended Sep. 30, 2013	Six months ended Sep. 30, 2014
Income before minority interests	8,592	12,733
Other comprehensive income		
Valuation difference on available-for-sale securities	199	91
Deferred gains or losses on hedges	—	(35)
Foreign currency translation adjustment	3,499	553
Remeasurements of defined benefit plans	—	(111)
Total other comprehensive income	3,699	498
Comprehensive income	12,291	13,231
Comprehensive income attributable to owners of the parent	12,291	13,231
Comprehensive income attributable to minority interests	(0)	(0)

(Note) fractions of one million yen are rounded off

3) Consolidated Statements of Cash Flows

(Unit: Millions of Yen)

Items	Six months ended Sep. 30, 2013	Six months ended Sep. 30, 2014
Net cash provided by (used in) operating activities		
Income before income taxes	13,983	20,385
Depreciation and amortization	4,720	5,270
Insurance income	(238)	―
Decrease (increase) in notes and accounts receivable-trade	7,551	3,010
Decrease (increase) in inventories	109	(3,791)
Increase (decrease) in notes and accounts payable-trade	(4,338)	1,168
Others	(807)	134
Subtotal	20,980	26,177
Interest and dividends received	105	126
Interest expenses paid	(5)	(9)
Insurance received	238	―
Income taxes paid	(5,277)	(8,840)
Net cash provided by (used in) operating activities	16,040	17,453
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(6,862)	(6,629)
Purchase of intangible assets	(1,856)	(1,623)
Purchase of investment securities	(5)	(2,249)
Cash flow from equity investment in subsidiaries	(11,138)	(68)
Others	(452)	(261)
Net cash provided by (used in) investment activities	(20,314)	(10,833)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(15)	(1,000)
Repayment of long-term loans payable	(3)	(12)
Cash dividends paid	(2,373)	(3,417)
Others	443	198
Net cash provided by (used in) financing activities	(1,948)	(4,230)
Effect of exchange rate change on cash and cash equivalents	1,013	647
Net increase (decrease) in cash and cash equivalents	(5,208)	3,037
Cash and cash equivalents at beginning of term	34,306	36,547
Cash and cash equivalents at end of term	29,098	39,584

(Note) fractions of one million yen are rounded off

4) Notes to the consolidated financial statements

(Notes related to the going concern assumption)

Nothing to report

(Notes in the event of significant changes in shareholders' equity)

Nothing to report

(Segment Information)

I. Information on sales and income by geographic segment reported

1. Six months ended Sep. 30, 2013

(Unit: Millions of Yen)

	Japan	Americas	EMEA	China	Asia Pacific	Total	Reconciliations[1]	Consolidated[2]
Sales								
Outside sale	19,460	17,242	23,680	17,248	6,446	84,079	—	84,079
Intersegment sales	29,037	2	351	2	80	29,473	(29,473)	—
Total sales	48,498	17,245	24,031	17,251	6,526	113,553	(29,473)	84,079
Segment income	9,224	726	4,116	1,947	798	16,813	(3,100)	13,712

Note:

1. Segment income reconciliations of minus ¥3,100 million include ¥64 million for the elimination of intersegment transfers, a negative ¥2,942 million in inventory adjustments and a minus ¥101 million in adjustments for noncurrent assets.
2. Segment income is adjusted to operating income on the consolidated statements of income.

2. Information related to impairment losses on noncurrent assets or goodwill attributable to reportable segments

(Significant changes in goodwill amounts)

In the EMEA segment, Sysmex acquired Partec GmbH Görlitz and its holdings in subsidiaries during the first six months of the fiscal year ended March 31, 2014, including these companies in the scope of consolidation. The corresponding increase in goodwill amounts to ¥6,274 million. This amount of goodwill is provisional, as the acquisition cost is at present unconfirmed and the allocation of acquisition costs is not complete.

In the Asia Pacific segment, in the first quarter of the fiscal year ending March 31, 2014, Sysmex acquired a 100% stake in its distributor in South Korea, including this company in the scope of consolidation. The corresponding increase in goodwill amounts to ¥2,383 million.

3. Items related to changes in reportable segments

Nothing to report.

II. Information on sales and income by geographic segment reported

1. Six months ended Sep. 30, 2014

(Unit: Millions of Yen)

	Japan	Americas	EMEA	China	Asia Pacific	Total	Reconciliations[1]	Consolidated[2]
Sales								
Outside sale	20,273	20,850	29,832	20,656	7,507	99,120	—	99,120
Intersegment sales	34,263	80	621	2	77	35,045	(35,045)	—
Total sales	54,537	20,931	30,453	20,658	7,584	134,165	(35,045)	99,120
Segment income	12,691	1,378	2,343	3,099	708	20,221	(117)	20,103

Notes:

1. Segment income reconciliations of minus ¥117 million include ¥45 million for the elimination of

intersegment transfers, a negative ¥223 million in inventory adjustments and ¥60 million in adjustments for noncurrent assets.

2. Segment income is adjusted to operating income on the consolidated statements of income.

2. Information related to impairment losses on noncurrent assets or goodwill attributable to reportable segments

Nothing to report.

3. Items related to changes in reportable segments

As is mentioned in the description of changes in accounting methods, due to the change during the first quarter of the method of calculating liabilities for retirement benefits and service costs. The effect of this change on segment income for the first six months of the fiscal year ending March 31, 2015 is slight.