Summary of Consolidated Financial Results
for the First Three Months of the Fiscal Year Ending March 31, 2016

August 5, 2015

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	:	August 13, 2015
Scheduled date for dividend payment	:	—
Preparation of supplementary material for quarterly earnings	:	Yes
Holding of earnings announcement	:	Yes

(Unit: Millions of yen)

1. Results for the Three Months Ended June 30, 2015

(1) Operating results

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

	Net Sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Three months ended Jun. 30, 2015	57,641	23.3%	11,290	28.8%	11,293	32.8%	7,506	44.7%
Three months ended Jun. 30, 2014	46,737	18.2%	8,763	83.3%	8,507	68.2%	5,187	69.2%

Note:

Comprehensive income: 8,939 million yen (124.0%) for the three months ended Jun. 30, 2015; 3,991 million yen (negative 29.4%) for three months ended Jun. 30, 2014.

	Profit per share (Yen)	Diluted profit per share (Yen)
Three months ended Jun. 30, 2015	36.17	35.99
Three months ended Jun. 30, 2014	25.04	24.99

(2) Financial condition

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
As of Jun. 30, 2015	240,527	173,504	71.7%	830.08
As of Mar. 31, 2015	247,983	169,550	68.0%	812.37

Note:

Equity capital: 172,381 million yen as of June 30, 2015; 168,526 million yen as of March 31, 2015

2. Dividend

	Dividend per share				
	First quarter (Yen)	Second quarter (Yen)	Third quarter (Yen)	Year-end (Yen)	Annual (Yen)
Year ended Mar. 31, 2015	—	16.00	—	22.00	38.00
Year ending Mar. 31, 2016	—				
Year ending Mar. 31, 2016 (Forecast)		20.00	—	20.00	40.00

Note:

Revision of dividends forecast for this period: No

3. Business Forecast for the Year Ending March 31, 2016

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

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share (Yen)
Six months ending Sep. 30, 2015	115,000	16.0%	24,000	19.4%	24,000	17.6%	15,500	21.7%	74.66
Year ending Mar. 31, 2016	245,000	10.7%	50,000	12.6%	50,000	8.8%	31,800	19.4%	153.15

Note:

Revision of business forecast for this period: No

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: No

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):
208,110,832 shares as of Jun. 30, 2015; 207,894,432 shares as of Mar. 31, 2015

2) Number of treasury stock at the end of each fiscal period:
443,572 shares as of Jun. 30, 2015; 443,380 shares as of Mar. 31, 2015

3) Average number of outstanding stock for each period (cumulative):
207,548,829 shares as of Jun. 30, 2015; 207,202,407 shares as of Jun. 30, 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. Owing to changes in the number of shares outstanding and treasury stock, the Company has revised its net profit per share from the figure stated in the consolidated earnings forecast announced on May 12, 2015. No other changes have been made to figures in the consolidated earnings forecast.
2. 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.
3. Supplementary financial materials (in Japanese and English) will be posted on the Sysmex website on Wednesday, August 5, 2015.

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1. Financial Performance

1) Performance analysis

During the first three months of the fiscal year ending March 31, 2016, the Japanese economy remained on a recovery path and began to show signs of a rebound in personal consumption and capital investment. In the United States, employment conditions continued to improve, and the corporate sector was in a modest expansionary phase. The European economy also sustained a recovery. In China, however, the sense that economic growth was decelerating became more pronounced, despite the introduction of monetary easing measures. The Asia Pacific region was characterized by economic deceleration, centered on the ASEAN countries. Overall, however, overseas economies experienced a modest recovery.

On the healthcare front, the Japanese government is including the medical and healthcare industry in its growth strategies, which is expected to continue invigorating 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 continuing. 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, which has manufactured reagents overseas for some time, expanded its reagent production factory in Germany. This move was in preparation to boost production in response to expected demand increases in the EMEA region.

Also, Sysmex's joint venture with Kawasaki Heavy Industries, Ltd. (Kobe), Medicaroid Corporation (Kobe) commenced the full-fledged development of medical robots. To support its product development activities, Medicaroid will leverage the Sysmex Group's testing and diagnostic technologies, as well as a broad-ranging network in the medical field, as it contributes to the development of the medical industry.

Net sales by destination

(First three months of fiscal years to March 31)		Three months ended Jun. 30, 2014		Three months ended Jun. 30, 2015		YoY (Previous period = 100)
		Amount (Millions of yen)	Percentage of total (%)	Amount (Millions of yen)	Percentage of total (%)	
Japan		7,567	16.2	7,785	13.5	102.9
	Americas	10,731	23.0	13,485	23.4	125.7
	EMEA	15,052	32.2	17,587	30.5	116.8
	China	10,216	21.8	14,753	25.6	144.4
	Asia Pacific	3,170	6.8	4,028	7.0	127.1
Overseas subtotal		39,170	83.8	49,855	86.5	127.3
Total		46,737	100.0	57,641	100.0	123.3

In Japan, sales of reagents and services were up strongly year on year, thanks to an increase in the installed instrument base. Consequently, sales in Japan grew 2.9% year on year, to ¥7,785 million.

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, benefiting from an increase in the installed instrument base. These factors caused the Sysmex Group's overseas sales to surge 27.3% year on year, to ¥49,855 million. The overseas sales ratio accordingly rose 2.7 percentage points, to 86.5%.

As a result, during the first three months of the fiscal year the Group recorded consolidated net sales of ¥57,641 million, up 23.3% year on year. Operating income rose 28.8%, to ¥11,290 million; ordinary income grew 32.8%, to ¥11,293 million; and profit attributable to owners of the parent increased 44.7%, to ¥7,506 million.

Performance by segment

(1) Japan

An increase in the installed instrument base pushed up sales of reagents in the hematology, hemostasis and immunochemistry fields as well, as exports grew. Sales in this segment consequently expanded 9.7% year on year, to ¥8,768 million.

On the profit front, such factors as the growth of export sales to Group companies and higher trademark royalty income led to a 51.9% rise in segment profit (operating income), to ¥7,806 million.

(2) Americas

In the United States, sales of reagents and services were up, benefiting from an increase in the installed instrument base, pushing up sales in the Americas. Sales for the Americas grew 21.8% year on year, to ¥12,603 million.

Segment profit (operating income) fell 52.7%, to ¥472 million, as the increase in operating expenses outpaced the effect of higher sales.

(3) EMEA

Sales rose in the United Kingdom, Italy and Spain, which led to higher sales, centered on the hematology and hemostasis fields. Segment sales accordingly grew 17.0%, to ¥17,530 million.

Segment profit (operating income), however, fell 46.2%, to ¥614 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 hemostasis field, and an increase in the installed instrument base boosted sales of reagents. As a result, segment sales grew 44.3%, to ¥14,738 million.

Segment profit (operating income) increased 2.2%, to ¥1,739 million, as the higher sales more than compensated for a rise in operating expenses.

(5) Asia Pacific

In Southeast Asia, sales were up in the hematology field in Thailand, Vietnam and Indonesia. Sales also grew in South Korea, notably in hematology. As a result, segment sales expanded 25.0% year on year, to ¥3,999 million.

Segment profit (operating income) grew 73.2%, to ¥318 million, as the impact of higher sales outpaced an increase in operating expenses to cover the building of sales and support structures.

2) Financial conditions analysis

(1) Assets, liabilities and net assets

As of June 30, 2015, total assets amounted to ¥240,527 million, down ¥7,456 million from March 31, 2015. The primary reasons for the decline were decreases of ¥6,985 million in cash and deposits, ¥3,762 million in trade notes and accounts receivable, and ¥1,181 million in goodwill, while merchandise and finished goods increased ¥2,899 million, and buildings and structures rose ¥2,703 million.

Total liabilities were down ¥11,410 million, to ¥67,022 million. This was due principally to a ¥6,703 million decrease in income taxes payable and ¥2,828 million lower provision for bonuses.

Total net assets came to ¥173,504 million, up ¥3,953 million from March 31, 2015. The principal reasons for this increase were a rise of ¥2,117 million in retained earnings and a ¥1,528 million increase in the foreign currency translation adjustment. The equity ratio as of June 30, 2015, was 71.7%, up 3.7 percentage points from the 68.0% recorded as of March 31, 2015.

(2) Cash flows

As of June 30, 2015, cash and cash equivalents amounted to ¥43,216 million, ¥7,003 million less than on March 31, 2015.

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

(Operating cash flow)

Net cash provided by operating activities was ¥2,358 million, ¥1,404 million less than in the first three months of the preceding fiscal year. As principal factors, although income before income taxes and minority interest provided ¥12,317 million (up ¥3,816 million year on year), and the decrease in trade notes and accounts receivable provided ¥4,192 million (down ¥327 million), the decrease in provision for bonuses used ¥2,911 million (up ¥857 million), the increase in inventories used ¥3,072 million (up ¥1,639 million), and income taxes paid used ¥9,675 million (up ¥2,725 million).

(Investing cash flow)

Net cash used in investing activities was ¥5,133 million, down ¥215 million from the first three months of the previous fiscal year. Principal uses of cash included ¥3,554 million for purchases of property, plant and equipment (up ¥1,319 million), ¥1,095 million for the purchase of intangible assets (up ¥285 million), and ¥625 million for the purchase of investment securities (down ¥1,574 million).

(Financing cash flow)

Net cash used in financing activities was ¥4,330 million (up ¥47 million). This was mainly due to cash dividends paid of ¥4,563 million (up ¥1,146 million) and a net decrease in short-term loans payable of ¥1,000 million in the first three months of the preceding fiscal year, which was absent in the first three months under review.

3) Consolidated financial forecast

The Company maintains its consolidated financial forecasts, as announced on May 12, 2015.

These forecasts are based on information available as of the date of this release. Actual results may differ materially from these forecasts due to unforeseen factors and future events.

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

The Company has applied the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, September 13, 2013), the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013) and the "Accounting Standard for Business Divestures" (ASBJ Statement No. 7, September 13, 2013) from the first three months under review, causing differences resulting from changes in the Company's ownership of subsidiaries of which ownership continues to be recorded in capital surplus and changing the method of recording acquisition-related expenses in the fiscal year in which such expenses are incurred. Also, for corporate combinations occurring after the beginning of the first three months under review, the allocation of acquisition costs determined under provisional accounting treatment have been revised, reflecting such cost in the consolidated quarterly financial statements for the consolidated quarterly financial period to which the business combination date belongs. Furthermore, the presentation of quarterly net income has been changed, and the presentation of minority interests has been changed to non-controlling interests. The consolidated quarterly financial statements for the first three months of the preceding fiscal year and the consolidated financial statements for the previous fiscal year have been revised to reflect these changes in presentation.

Expenses related to the purchase of investments in subsidiaries are categorized under net cash provided by (used in) operating activities in the consolidated statement of cash flows for the three months ended June 30, 2015.

With regard to application of the Accounting Standard for Business Combinations, etc., as Clause 58-2 (4) of the Accounting Standard for Business Combinations, Clause 44-5 (4) of the Accounting Standard for Consolidated Financial Statements and Clause 57-4 (4) of the Accounting Standard for Business Divestures stipulate transitional treatment, these standards will be applied going forward from the beginning of the first three months under review.

These adoptions had little impact on the consolidated quarterly financial statements.

3. Consolidated financial statements

1) Consolidated Balance Sheet

(Unit: Millions of Yen)

	As of Mar. 31, 2015	As of Jun. 30, 2015
(Assets)		
Current assets		
Cash and deposits	50,272	43,286
Notes and accounts receivable-trade	53,038	49,276
Short-term investment securities	240	249
Merchandise and finished goods	22,737	25,636
Work in process	2,869	3,314
Raw materials and supplies	4,281	4,858
Others	21,283	19,489
Allowance for doubtful accounts	(575)	(598)
Total current assets	154,148	145,512
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	22,425	25,129
Others, net	36,636	34,531
Total property, plant and equipment	59,061	59,661
Intangible assets		
Goodwill	12,114	10,932
Others	11,668	11,816
Total intangible assets	23,783	22,749
Investments and other assets	10,990	12,604
Total Noncurrent assets	93,835	95,014
Total assets	247,983	240,527
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	15,965	15,681
Income taxes payable	9,639	2,935
Provision for bonuses	6,119	3,290
Provision for directors' bonuses	411	119
Provision for product warranties	456	466
Others	32,578	30,541
Total current liabilities	65,170	53,034
Noncurrent liabilities		
Provision for directors' retirement benefits	102	102
Net defined benefit liabilities	460	460
Others	12,699	13,425
Total Noncurrent liabilities	13,262	13,988
Total liabilities	78,432	67,022

(Note) fractions of one million yen are rounded off

(Unit: Millions of Yen)

	As of Mar. 31, 2015	As of Jun. 30, 2015
(Net assets)		
Shareholders' equity		
Capital stock	10,483	10,635
Capital surplus	15,423	15,576
Retained earnings	129,703	131,821
Treasury stock	(280)	(282)
Total shareholders' equity	155,330	157,751
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,366	1,685
Deferred gains or losses on hedges	0	10
Foreign currency translation adjustment	10,428	11,956
Remeasurements of defined benefit plans	1,400	976
Total accumulated other comprehensive income	13,196	14,629
Subscription rights to shares	1,024	1,122
Non-controlling interests	—	0
Total net assets	169,550	173,504
Total liabilities and net assets	247,983	240,527

(Note) fractions of one million yen are rounded off

2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income (Three months ended Jun. 30, 2015)

(Unit: Millions of Yen)

	Three months ended Jun. 30, 2014	Three months ended Jun. 30, 2015
Net sales	46,737	57,641
Cost of sales	18,882	23,712
Gross profit	27,855	33,928
Selling, general and administrative expenses	19,092	22,638
Operating income	8,763	11,290
Non-operating income		
Interest income	37	76
Dividends income	37	43
Others	40	44
Total non-operating income	115	164
Non-operating expenses		
Interest expenses	6	5
Equity in losses of affiliates	0	125
Foreign exchange losses	338	11
Others	25	19
Total non-operating expenses	371	161
Ordinary income	8,507	11,293
Extraordinary profits		
Gain on sales of noncurrent assets	4	5
Gain on revision of retirement benefit plan	—	1,037
Gain on reversal of subscription rights to shares	—	2
Total extraordinary profits	4	1,045
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	10	21
Total extraordinary loss	10	21
Income before income taxes and minority interest	8,501	12,317
Income taxes-current	2,552	2,709
Income taxes-deferred	761	2,102
Total income taxes	3,313	4,811
Profit	5,187	7,506
Profit attributable to non-controlling interests	—	0
Profit attributable to owners of parent	5,187	7,506

(Note) fractions of one million yen are rounded off

Consolidated statement of comprehensive income (Three months ended Jun. 30, 2015)

(Unit: Millions of yen)

	Three months ended Jun. 30, 2014	Three months ended Jun. 30, 2015
Profit	5,187	7,506
Other comprehensive income		
Valuation difference on available-for-sale securities	238	319
Deferred gains or losses on hedges	2	9
Foreign currency translation adjustment	(1,381)	1,528
Remeasurements of defined benefit plans, net of tax	(55)	(423)
Total other comprehensive income	(1,196)	1,433
Comprehensive income	3,991	8,939
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,991	8,939
Comprehensive income attributable to non-controlling interests	(0)	0

(Note) fractions of one million yen are rounded off

3) Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Three months ended Jun. 30, 2014	Three months ended Jun. 30, 2015
Net cash provided by (used in) operating activities		
Income before income taxes and minority interest	8,501	12,317
Depreciation and amortization	2,709	2,954
Gain on revision of retirement benefit plan	—	(1,037)
Increase (decrease) in provision for bonuses	(2,053)	(2,911)
Decrease (increase) in notes and accounts receivable-trade	4,519	4,192
Decrease (increase) in inventories	(1,433)	(3,072)
Increase (decrease) in notes and accounts payable-trade	(1,079)	(330)
Others	(520)	(200)
Subtotal	10,643	11,912
Interest and dividends received	70	122
Interest expenses paid	(1)	(1)
Income taxes paid	(6,949)	(9,675)
Net cash provided by (used in) operating activities	3,763	2,358
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(2,235)	(3,554)
Purchase of intangible assets	(810)	(1,095)
Purchase of investment securities	(2,199)	(625)
Others	(103)	140
Net cash provided by (used in) investment activities	(5,348)	(5,133)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(1,000)	—
Cash dividends paid	(3,417)	(4,563)
Others	134	233
Net cash provided by (used in) financing activities	(4,282)	(4,330)
Effect of exchange rate change on cash and cash equivalents	(419)	708
Net increase (decrease) in cash and cash equivalents	(6,288)	(6,397)
Cash and cash equivalents at beginning of term	36,547	50,219
Increase (decrease) in cash and cash equivalents due to change in accounting period of subsidiaries	—	(605)
Cash and cash equivalents at end of term	30,259	43,216

(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

(Changes in Items Related to Accounting Period of Subsidiaries)

In the past, Sysmex Partec GmbH and four other consolidated subsidiaries have had December 31 as their fiscal year-end. Accordingly, we have used their financial statements as of that date, making any adjustments needed to reflect significant transactions occurring between those companies' fiscal year-end and the consolidated accounting date. However, from the first three months of the fiscal year ending March 31, 2016, the fiscal year-end of these companies has been changed to March 31.

Owing to this change, these companies' results for the period from April 1 through June 30, 2015, have been included in the consolidated operating results for the first three months of the fiscal year ending March 31, 2016. Profits or losses for these companies for the three-month period from January 1 through March 31, 2015, are recorded through adjustments to retained earnings.

(Additional Information)

On April 1, 2015, the Company transferred a portion of its defined benefit pension system to a defined contribution pension system, applying "Accounting for Transfers between Retirement Benefit Plans" (ASBJ Guidance No. 1, January 31, 2002), and accounted for the conclusion of a portion of its retirement benefit system.

As a result, the Company recorded extraordinary income of ¥1,037 million for the first three months of the fiscal year under review.

(Segment Information)

I. Information on sales and income by geographic segment reported

Three months ended Jun. 30, 2014

(Unit: Millions of Yen)

	Japan	Americas	EMEA	China	Asia Pacific	Total	Reconciliations[1]	Consolidated[2]
Sales								
Outside sale	7,994	10,345	14,981	10,215	3,199	46,737	—	46,737
Intersegment sales	17,018	43	277	1	38	17,379	(17,379)	—
Total sales	25,013	10,389	15,259	10,216	3,238	64,117	(17,379)	46,737
Segment income	5,140	999	1,142	1,701	183	9,167	(404)	8,763

Notes:

1. Segment income reconciliations of a negative ¥404 million include ¥23 million for the elimination of intersegment transfers, a negative ¥469 million in inventory adjustments and a ¥42 million in adjustments for noncurrent assets.
2. Segment income is adjusted to operating income on the consolidated statements of income.

II. Information on sales and income by geographic segment reported

1. Three months ended Jun. 30, 2015

(Unit: Millions of Yen)

	Japan	Americas	EMEA	China	Asia Pacific	Total	Reconciliations[1]	Consolidated[2]
Sales								
Outside sale	8,768	12,603	17,530	14,738	3,999	57,641	—	57,641
Intersegment sales	20,700	166	204	1	2	21,075	(21,075)	—
Total sales	29,469	12,769	17,735	14,739	4,002	78,716	(21,705)	57,641
Segment income	7,806	472	614	1,739	318	10,951	339	11,290

Notes:

1. Segment income reconciliations of a ¥339 million include ¥30 million for the elimination of intersegment transfers, a ¥92 million in inventory adjustments and a ¥215 million in adjustments for noncurrent assets.
2. Segment income is adjusted to operating income on the consolidated statements of income.

2. Items related to changes in reportable segments

In line with a change in accounting policy, the Company has adopted the “Accounting Standard for Business Combinations” from the first three months of the fiscal year ending March 31, 2016. The impact of this change on segment income during the first three months of the fiscal year ending March 31, 2016, was slight.