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

February 3, 2016

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	:	February 12, 2016
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 nine months ended December 31, 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	
Nine months ended Dec. 31, 2015	185,685	19.1%	42,207	33.9%	41,071	23.9%	27,085	31.4%
Nine months ended Dec. 31, 2014	155,852	20.0%	31,517	42.5%	33,137	43.1%	20,620	47.3%

Note:
Comprehensive income: 23,770 million yen (-8.5%) for the nine months ended Dec. 31, 2015; 25,977 million yen (10.1%) for nine months ended Dec. 31, 2014

	Profit per share (Yen)	Diluted Profit per share (Yen)
Nine months ended Dec. 31, 2015	130.41	129.85
Nine months ended Dec. 31, 2014	99.48	99.18

(2) Financial condition

	Total assets	Net assets	Equity Ratio	Net assets per share (Yen)
As of Dec. 31, 2015	255,228	183,921	71.6%	879.42
As of Mar. 31, 2015	247,983	169,550	68.0%	812.37

Note:
Equity capital: 182,775 million yen as of December 31, 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	—	24.00	—		
Year ending Mar. 31, 2016 (Forecast)				20.00	44.00

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)
Year ending Mar. 31, 2016	252,000	13.8%	52,000	17.1%	51,400	11.8%	33,000	23.9%	158.86

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):
208,279,832 shares as of Dec. 31, 2015; 207,894,432 shares as of Mar. 31, 2015

2) Number of treasury stock at the end of each fiscal period:
444,028 shares as of Dec. 31, 2015; 443,380 shares as of Mar. 31, 2015

3) Average number of outstanding stock for each period (cumulative):
207,688,227 shares for the first nine months of the fiscal year ending March 31, 2016
207,275,360 shares for the first nine months of the fiscal year ended March 31, 2015

* 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. We have revised our consolidated business forecast from that announced on November 5, 2015, adjusting profit per share to account for changes in the number of shares outstanding and the number of treasury stock. Other forecast figures remain unchanged.
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, February 3, 2016.

Content of Supplementary Materials

1. Financial Performance

1) Performance analysis

During the first nine 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. Overseas economies generally continued their modest recovery, but the outlook grew uncertain. In the United States, employment conditions improved, the corporate sector continued to expand gradually, and the country moved to normalize its monetary policy. The European economy continued to recover, although geopolitical risks mounted. In China, however, the economy decelerated, despite the introduction of monetary easing measures. Economic conditions in the Asia Pacific region were firm, centered on the ASEAN region.

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, completed the expansion of its reagent production factory in Germany. This move boosted capacity to approximately 1.5 times the previous level in response to expected demand increases in the EMEA region. We have also began to expand our reagent factory in the United States to ensure stable reagent supply in the face of expected demand increases in the Americas.

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.

Furthermore, in Africa, where healthcare-related markets are slated to expand, we established Sysmex West and Central Africa Ltd., in the Republic of Ghana, thereby strengthening our base of operations in West and Central Africa. By reinforcing our support for distributors and customers, we will continue contributing to the development of healthcare in emerging markets.

Net Sales by Destination

(First nine months of fiscal years to March 31)		Nine months ended Dec. 31, 2014		Nine months ended Dec. 31, 2015		YoY (Previous period = 100)
		Amount (Millions of Yen)	Percentage of Total (%)	Amount (Millions of Yen)	Percentage of Total (%)	
Japan		28,389	18.2	28,444	15.3	100.2
	Americas	33,933	21.8	43,576	23.5	128.4
	EMEA	47,194	30.3	51,573	27.8	109.3
	China	34,636	22.2	48,517	26.1	140.1
	Asia Pacific	11,698	7.5	13,573	7.3	116.0
Overseas subtotal		127,463	81.8	157,241	84.7	123.4
Total		155,852	100.0	185,685	100.0	119.1

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 0.2% year on year, to ¥28,444 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 in the field of hematology and hemostasis. 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 23.4% year on year, to ¥157,241 million. The overseas sales ratio accordingly rose 2.9 percentage points, to 84.7%.

As a result, during the first nine months of the fiscal year the Group recorded consolidated net sales of ¥185,685 million, up 19.1% year on year. Operating income rose 33.9%, to ¥42,207 million; ordinary income grew 23.9%, to ¥41,071 million; and profit attributable to owners of the parent increased 31.4%, to ¥27,085 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 2.8% year on year, to ¥30,993 million.

On the profit front, such factors as the growth of export sales to Group companies and higher trademark royalty income led to a 56.7% rise in segment profit (operating income), to ¥31,310 million.

(2) Americas

In North America, sales of instruments grew, centering on the hematology field in the United States, and sales of reagents and after-sales services were up, benefiting from an increase in the installed instrument base, pushing up sales. The acquisition of government projects in Mexico boosted sales in the hematology and hemostasis fields in Central and South America. As a result, sales in the Americas grew 26.2% year on year, to ¥40,941 million.

Segment profit (operating income) fell 11.0%, to ¥1,597 million, as the increase in operating expenses outpaced the effect of higher sales.

(3) EMEA

Sales rose in Germany, Italy and France, which led to higher segment sales, centered on the hematology and hemostasis fields. The acquisition of a project for a prominent commercial lab led to higher sales in Russia, reagent sales increased in Poland, and sales were up in the Middle East and Africa. As a result, segment sales grew 10.3%, to ¥51,723 million.

Segment profit (operating income), however, fell 50.1%, to ¥2,103 million, due to higher payments of Group trademark royalties and rising operating expenses accompanying business expansion outpaced the effect of higher sales.

(4) China

Instrument sales increased, centered on the hematology and hemostasis fields, and reagent sales rose in line with expansion in the installed instrument base. Segment sales accordingly grew 40.0%, to ¥48,477 million.

Segment profit (operating income) decreased 4.3%, to ¥4,924 million, as a revision in intragroup transaction prices and increased operating expenses accompanying efforts to reinforce the sales structure outpaced the rise in sales.

(5) Asia Pacific

Centering on the hematology field, in Southeast Asia sales increased in Indonesia, the Philippines and Vietnam. Sales also increased in India, Bangladesh and South Korea, leading to a 15.4% rise in segment sales, to ¥13,548 million.

Segment profit (operating income) grew 33.6%, to ¥1,356 million, as higher sales compensated for the increase in operating expenses to cover the building of sales and after-sales service structures.

2) Financial conditions analysis

(1) Assets, liabilities and net assets

As of December 31, 2015, total assets amounted to ¥255,228 million, up ¥7,244 million from March 31, 2015. The primary reasons for the rise were increases of ¥3,894 million in merchandise and finished goods, ¥2,336 million in work in process, and ¥2,313 million in buildings and structures, while trade notes and accounts receivable decreased ¥2,493 million.

Meanwhile, total liabilities as of December 31, 2015, were ¥71,306 million, down ¥7,125 million from their level on March 31, 2015. Principal factors included a ¥4,674 million increase in trade notes and accounts payable and decreases of ¥4,615 million in income taxes payable, ¥1,804 million in provision for bonuses and ¥4,779 million in advances received, within other current liabilities.

Total net assets came to ¥183,921 million, up ¥14,370 million from March 31, 2015. The principal reason for this increase was a rise of ¥16,710 million in retained earnings, although the foreign currency translation adjustment fell ¥2,891 million. The equity ratio as of December 31, 2015, was 71.6%, up 3.6 percentage points from the 68.0% recorded as of March 31, 2015.

(2) Cash flows

As of December 31, 2015, cash and cash equivalents (hereinafter, "net cash") amounted to ¥48,592 million, down ¥1,627 million from March 31, 2015.

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

(Operating cash flow)

Net cash provided by operating activities was ¥23,905 million, ¥205 million less than in the first nine months of the preceding fiscal year. As principal factors, although income before income taxes provided ¥42,037 million (¥8,950 million more than in the same period of the preceding fiscal year) and the increase in trade notes and accounts payable provided ¥4,740 million (up ¥981 million), the increase in inventories used ¥8,453 million (up ¥1,730 million), a decrease in advances received used ¥4,600 million (¥3,743 million increased in the same period of the preceding fiscal year), and income taxes paid used ¥18,617 million (up ¥4,777 million).

(Investing cash flow)

Net cash used in investing activities was ¥15,181 million, up ¥217 million from the first nine months of the previous fiscal year. Principal uses of cash included ¥10,364 million for purchases of property, plant and equipment (up ¥466 million), ¥3,993 million for the purchase of intangible assets (up ¥1,669 million), and ¥633 million for the purchase of investment securities (down ¥1,616 million).

(Financing cash flow)

Net cash used in financing activities was ¥8,908 million (up ¥1,230 million). This was mainly due to cash dividends paid of ¥9,549 million (up ¥2,815 million) and a net decrease in short-term loans payable of ¥1,000 million in the first nine months of the preceding fiscal year, which was absent in the first nine months under review.

3) Consolidated financial forecast

The Company's maintains its consolidated financial forecast for the full fiscal year, as announced on November 5, 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 quarterly financial period, 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 quarterly financial period, 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 nine 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.

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 quarterly financial period.

These adoptions had no impact on the consolidated financial statements for the first nine months under review.

3. Consolidated Financial Statements

1) Consolidated balance sheets

(Unit: Millions of Yen)

	As of Mar. 31, 2015	As of Dec. 31, 2015
(Assets)		
Current assets		
Cash and deposits	50,272	48,639
Notes and accounts receivable-trade	53,038	50,545
Short-term investment securities	240	235
Merchandise and finished goods	22,737	26,631
Work in process	2,869	5,206
Raw materials and supplies	4,281	6,023
Others	21,283	22,842
Allowance for doubtful accounts	(575)	(591)
Total current assets	154,148	159,533
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	22,425	24,738
Others, net	36,636	35,967
Total property, plant and equipment	59,061	60,706
Intangible assets		
Goodwill	12,114	9,772
Others	11,668	13,072
Total intangible assets	23,783	22,845
Investments and other assets	10,990	12,143
Total Noncurrent assets	93,835	95,694
Total assets	247,983	255,228
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	15,965	20,639
Income taxes payable	9,639	5,023
Provision for bonuses	6,119	4,314
Provision for directors' bonuses	411	387
Provision for product warranties	456	490
Others	32,578	26,598
Total current liabilities	65,170	57,454
Noncurrent liabilities		
Provision for directors' retirement benefits	102	102
Net defined benefit liabilities	460	478
Others	12,699	13,271
Total Noncurrent liabilities	13,262	13,852
Total liabilities	78,432	71,306

(Note) Fractions of one million yen are rounded off.

(Unit: Millions of Yen)

	As of Mar. 31, 2015	As of Dec. 31, 2015
(Net assets)		
Shareholders' equity		
Capital stock	10,483	10,912
Capital surplus	15,423	15,852
Retained earnings	129,703	146,414
Treasury stock	(280)	(285)
Total shareholders' equity	155,330	172,894
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,366	1,446
Deferred gains or losses on hedges	0	25
Foreign currency translation adjustment	10,428	7,536
Remeasurements of defined benefit plans	1,400	872
Total accumulated other comprehensive income	13,196	9,881
Subscription rights to shares	1,024	1,145
Non-controlling interests	―	0
Total net assets	169,550	183,921
Total liabilities and net assets	247,983	255,228

(Note) Fractions of one million yen are rounded off.

2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income (Nine months ended Dec. 31, 2015)

(Unit: Millions of Yen)

	Nine months ended Dec. 31, 2014	Nine months ended Dec. 31, 2015
Net sales	155,852	185,685
Cost of sales	65,009	74,049
Gross profit	90,843	111,635
Selling, general and administrative expenses	59,326	69,428
Operating income	31,517	42,207
Non-operating income		
Interest income	151	205
Dividends income	67	75
Subsidy income	290	310
Foreign exchange gains	1,112	―
Others	204	171
Total non-operating income	1,828	762
Non-operating expenses		
Interest expenses	27	19
Equity in losses of affiliates	76	333
Foreign exchange losses	―	1,438
Others	102	106
Total non-operating expenses	207	1,898
Ordinary income	33,137	41,071
Extraordinary profits		
Gain on sales of noncurrent assets	22	18
Gain on revision of retirement benefit plan	―	1,037
Gain on reversal of subscription rights to shares	―	19
Others	0	―
Total extraordinary profits	22	1,076
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	71	109
Others	1	―
Total extraordinary loss	72	109
Income before income taxes	33,087	42,037
Income taxes-current	10,996	12,876
Income taxes-deferred	1,470	2,076
Total income taxes	12,467	14,952
Profit	20,620	27,085
Profit (loss) attributable to non-controlling interests	(0)	(0)
Profit attributable to owners of parent	20,620	27,085

(Note) Fractions of one million yen are rounded off.

Consolidated statements of comprehensive income (Nine months ended Dec. 31, 2015)

(Unit: Millions of yen)

	Nine months ended Dec. 31, 2014	Nine months ended Dec. 31, 2015
Profit	20,620	27,085
Other comprehensive income		
Valuation difference on available-for-sale securities	182	79
Deferred gains or losses on hedges	(11)	25
Foreign currency translation adjustment	5,352	(2,891)
Remeasurements of defined benefit plans, net of tax	(167)	(527)
Total other comprehensive income	5,357	(3,314)
Comprehensive income	25,977	23,770
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	25,977	23,770
Comprehensive income attributable to non-controlling interests	(0)	(0)

(Note) Fractions of one million yen are rounded off.

3) Consolidated statements of cash flows

(Unit: Millions of yen)

	Nine months ended Dec. 31, 2014	Nine months ended Dec. 31, 2015
Net cash provided by (used in) operating activities		
Income before income taxes	33,087	42,037
Depreciation and amortization	8,357	9,133
Gain on revision of retirement benefit plan	—	(1,037)
Increase (decrease) in provision for bonuses	(950)	(1,781)
Decrease (increase) in notes and accounts receivable-trade	455	1,182
Decrease (increase) in inventories	(6,723)	(8,453)
Increase (decrease) in notes and accounts payable-trade	3,758	4,740
Increase (decrease) in advances received	(856)	(4,600)
Others	630	1,028
Subtotal	37,759	42,250
Interest and dividends received	209	282
Interest expenses paid	(16)	(9)
Income taxes paid	(13,840)	(18,617)
Net cash provided by (used in) operating activities	24,111	23,905
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(9,897)	(10,364)
Purchase of intangible assets	(2,323)	(3,993)
Purchase of investment securities	(2,249)	(633)
Cash flow from equity investment in subsidiaries	(68)	—
Others	(423)	(190)
Net cash provided by (used in) investment activities	(14,963)	(15,181)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(1,000)	—
Cash dividends paid	(6,734)	(9,549)
Others	56	640
Net cash provided by (used in) financing activities	(7,677)	(8,908)
Effect of exchange rate change on cash and cash equivalents	3,493	(837)
Net increase (decrease) in cash and cash equivalents	4,964	(1,021)
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	41,511	48,592

(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 December 31, 2015, have been included in the consolidated operating results for the first nine 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 nine months of the fiscal year ending March 31, 2016 under review.

(Segment information)

I. Information on sales and income by geographic segment reported

1. Nine months ended Dec. 31, 2014

(Unit: Millions of Yen)

	Japan	Americas	EMEA	China	Asia Pacific	Total	Reconciliations[1]	Consolidated[2]
Sales								
Outside sale	30,139	32,429	46,911	34,630	11,742	155,852	—	155,852
Intersegment sales	53,846	104	828	4	117	54,901	(54,901)	—
Total sales	83,986	32,533	47,740	34,634	11,859	210,754	(54,901)	155,852
Segment income	19,985	1,794	4,217	5,146	1,015	32,159	(642)	31,517

Notes:

1. Segment income reconciliations of minus ¥642 million include ¥92 million for the elimination of intersegment transfers, a negative ¥867 million in inventory adjustments and ¥131 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. Nine months ended Dec. 31, 2015

(Unit: Millions of Yen)

	Japan	Americas	EMEA	China	Asia Pacific	Total	Reconciliations[1]	Consolidated[2]
Sales								
Outside sale	30,993	40,941	51,723	48,477	13,548	185,685	—	185,685
Intersegment sales	71,209	690	1,064	3	19	72,987	(72,987)	—
Total sales	102,203	41,631	52,788	48,481	13,567	258,672	(72,987)	185,685
Segment income	31,310	1,597	2,103	4,924	1,356	41,290	916	42,207

Notes:

1. Segment income reconciliations of ¥916 million include ¥91 million for the elimination of intersegment transfers, ¥476 million in inventory adjustments and ¥348 million in adjustments for noncurrent assets.
2. Segment income is adjusted to operating income on the consolidated statements of income.