Summary of Consolidated Financial Results
for the Fiscal Year Ended March 31, 2016

May 11, 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	:	Hiroshi Nagao, Executive Officer, Corporate Business Administration
Phone	:	078(265)-0500
Scheduled date for shareholders' meeting	:	June 24, 2016
Scheduled date for dividend payment	:	June 27, 2016
Scheduled date for filing of financial report	:	June 24, 2016
Preparation of supplementary material for earnings	:	Yes
Holding of earnings announcement	:	Yes

(Unit: Millions of yen)

1. Results for the Year Ended March 31, 2016

(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	
Year ended Mar. 31, 2016	253,157	14.4%	56,962	28.3%	54,342	18.3%	36,233	36.0%
Year ended Mar. 31, 2015	221,376	20.0%	44,411	35.1%	45,955	36.0%	26,638	29.5%

Note:
Comprehensive income: 27,782 million yen (negative 4.9%) for the year ended March 31, 2016; 29,210 million yen (negative 1.4%) for the year ended March 31, 2015.

	Profit per share (Yen)	Diluted profit per share (Yen)	Return on Equity	Ordinary income to total assets	Operating income to net sales
Year ended Mar. 31, 2016	174.42	173.71	20.4	21.1	22.5
Year ended Mar. 31, 2015	128.49	128.02	17.0	20.0	20.1

Note:
Equity in earnings (losses) of affiliates: (502) million yen for the year ended March 31, 2016; (83) million yen for the year ended March 31, 2015.

(2) Financial condition

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
As of Mar. 31, 2016	267,638	188,095	69.9%	899.51
As of Mar. 31, 2015	247,983	169,550	68.0%	812.37

Note:
Equity capital: 186,997 million yen as of March 31, 2016; 168,526 million yen as of March 31, 2015.

(3) Cash flows

	Cash flows from operating activities	Cash flows from investment activities	Cash flows from financing activities	Total cash and cash equivalents at the end of term
Year ended Mar. 31, 2016	39,567	(21,622)	(8,755)	56,481
Year ended Mar. 31, 2015	38,640	(19,544)	(7,554)	50,219

2. Dividend

	Dividend per share					Total dividend payment (Millions of yen)	Dividend payout ratio (Consolidated) (%)	Dividend to equity (Consolidated) (%)
	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	7,880	29.6	5.0
Year ended Mar. 31, 2016	—	24.00	—	28.00	52.00	10,806	29.8	6.1
Year ending Mar. 31, 2017 (Forecast)	—	27.00	—	27.00	54.00		27.7	

3. Business Forecast for the Year Ending March 31, 2017

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

	Net sales		Operating income		Income before income taxes		Profit attributable to owners of parent		Basic profit per share (Yen)
Six months ending Sep. 30, 2016	129,000	—	30,000	—	29,800	—	19,500	—	93.80
Year ending Mar. 31, 2017	275,000	—	62,000	—	61,500	—	40,500	—	194.82

Note:

The consolidated business forecast for the fiscal year ending March 31, 2017, is calculated in accordance with International Financial Reporting Standards (IFRS), as the Company has decided to voluntarily adopt IFRS beginning with the fiscal year ending March 31, 2017.

Because of this change, percentage changes are not provided with respect to performance in the fiscal year ended March 31, 2016, which was in accordance with Japanese standards.

4. Other Information

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

(2) 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 "5) Notes to consolidated financial statements (Changes in accounting policies)" within "4. Consolidated Financial Statements" on page 17 of the attached materials.

(3) Number of shares outstanding (Ordinary shares)

1) Number of shares outstanding at the end of each fiscal period (including treasury stock): 208,332,432 shares as of Mar. 31, 2016; 207,894,432 shares as of Mar. 31, 2015
2) Number of treasury stock at the end of each fiscal period: 444,048 shares as of Mar. 31, 2016; 443,380 shares as of Mar. 31, 2015
3) Average number of outstanding stock for each period: 207,734,916 shares for the year ended Mar. 31, 2016; 207,311,568 shares for the year ended Mar. 31, 2015

(Reference) Summary of Non-Consolidated Financial Results

Non-consolidated financial results for the year ended March 31, 2016

(1) Non-consolidated business results

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

	Net sales		Operating income		Ordinary income		Profit	
Year ended Mar. 31, 2016	143,243	17.5%	39,383	33.3%	42,415	33.6%	28,206	35.7%
Year ended Mar. 31, 2015	121,894	18.8%	29,543	55.0%	31,758	25.9%	20,781	19.7%

	Profit per share (Yen)	Diluted profit per share (Yen)
Year ended Mar. 31, 2016	135.78	135.22
Year ended Mar. 31, 2015	100.24	99.87

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
As of Mar. 31, 2016	190,379	140,562	73.3%	670.86
As of Mar. 31, 2015	171,237	120,970	70.1%	578.19

Note:

Equity capital: 139,464 million yen as of March 31, 2016; 119,946 million yen as of March 31, 2015.

* Disclosure in relation to the status of the audit procedure

This report of financial results is not subject to the audit procedures of the Financial Instruments and Exchange Act. As of the time of disclosure of this report of financial results, the process of audit the 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 "1) Performance analysis" within "1. Financial Performance" on page 2 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, May 11, 2016.

Content of Supplementary Materials

1. Financial Performance

1) Performance analysis

During the fiscal year ended 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. While the European economy continues to recover, geopolitical risk is mounting. Furthermore, economic deceleration persists in China, despite the country's fiscal and monetary policies. 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

Fiscal years ended March 31		2015		2016		YoY (Previous period = 100)
		Amount (Millions of yen)	Percentage of total (%)	Amount (Millions of yen)	Percentage of total (%)	
Japan		40,553	18.3	39,846	15.7	98.3
	Americas	49,551	22.4	59,802	23.6	120.7
	EMEA	63,598	28.7	68,216	27.0	107.3
	China	49,849	22.5	65,189	25.8	130.8
	Asia Pacific	17,823	8.1	20,103	7.9	112.8
Overseas subtotal		180,822	81.7	213,310	84.3	118.0
Total		221,376	100.0	253,157	100.0	114.4

In Japan, sales of reagents increased, centered on the immunochemistry field, but sales of instruments declined, reflecting a tendency by healthcare institutions to curtail capital expenditures. As a result, sales in Japan declined 1.7% year on year, to ¥39,846 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 18.0% year on year, to ¥213,310 million. The overseas sales ratio accordingly rose 2.6 percentage points, to 84.3%.

As a result, during the fiscal year the Group recorded consolidated net sales of ¥253,157 million, up 14.4% year on year. Operating income rose 28.3%, to ¥56,962 million; ordinary income grew 18.3%, to ¥54,342 million; and profit attributable to owners of the parent increased 36.0%, to ¥36,233 million.

Performance by segment

(1) Japan

Sales of reagents expanded, particularly in the immunochemistry field, and export sales grew, but sales of instruments declined, reflecting a tendency by healthcare institutions to curtail capital expenditures. Consequently, sales in Japan dipped 0.9%, to ¥43,008 million.

On the profit front, such factors as the growth of export sales to Group companies and higher trademark royalty income led to a 34.1% rise in segment profit (operating income), to ¥41,788million.

(2) Americas

In North America, sales of instruments rose, particularly in the hematology field, stemming from robust sales in the United States of our XN-Series automated multiparameter hematology analyzer. Also, an increase in the installed instrument base led to higher sales of reagents and after-sales services, pushing up sales in the region. In Central and South America, the Group acquired government projects in Mexico, leading to higher sales in the hematology and hemostasis fields. As a result, sales in the Americas surged 20.1%, to ¥56,481 million.

Segment profit (operating income) fell 13.3%, to ¥2,083 million, as the rise in operating expenses to reinforce the sales and after-sales service structure outpaced the rise in sales.

(3) EMEA

Sales rose in Italy and Spain, as well as in Poland and Russia, where we acquired a new project from a large testing center. In addition, sales expanded in the Middle East and Africa. EMEA sales consequently grew 8.2%, to ¥68,453 million.

Segment profit (operating income), however, fell 46.8%, to ¥2,764 million, due to higher payments of Group trademark royalties and rising operating expenses accompanying business expansion outpaced the effect of higher sales.

(4) China

In the hematology field, sales growth centered on our XN-Series automated multiparameter hematology analyzer. Sales of instruments also rose in the hemostasis field, and reagent sales grew in line with expansion of the installed instrument base. Sales in the immunochemistry field also expanded, due to the launch of our HISCL-800 fully automated immunoassay system. Sales in China accordingly soared 30.7%, to ¥65,144 million.

Segment profit (operating income) decreased 18.2%, to ¥5,563 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 Vietnam and Philippines. Sales also increased in India, Bangladesh and South Korea, leading to a 12.3% rise in segment sales, to ¥20,069 million.

Segment profit (operating income) grew 47.3%, to ¥1,807 million, as higher sales compensated for the increase in operating expenses to cover the building of sales and after-sales service structures.

Forecast for the fiscal year ending March 31, 2017

In the fiscal year ending March 31, 2017, we expect the outlook for the Japanese economy to grow increasingly uncertain, affected by lackluster personal consumption and concerns about worsening corporate earnings as a result of yen appreciation. Overseas, we expect modest economic recovery to continue in advanced countries, centered on the United States and Europe, but a number of downside economic risks remain. These include the impact of the normalization of financial policies, sluggish crude oil prices and the admission of refugees. Furthermore, factors such as the deceleration of emerging-market economies and the impact of geopolitical risks in the Middle East and other regions lead us to be less than optimistic about the global economic outlook.

Looking at the healthcare environment, demand in advanced countries to curtail medical expenses by augmenting efficiency and advances in healthcare infrastructure in emerging markets in line with economic expansion lead us to believe that growth will continue. We also anticipate new growth opportunities, owing to progress in genetic/molecular diagnostic technologies, advances in regenerative medicine, and the proactive application of information technology.

Against this backdrop, the Sysmex Group will augment its lineup of products in the hematology, hemostasis and urinalysis fields as a distinctive global healthcare testing company. Among other initiatives, we also aim to expand global sales and support, enhance our immunochemistry business in Asia and leverage proprietary technologies to expand our gene testing business.

For the upcoming fiscal year, Sysmex forecasts consolidated net sales of ¥275,000 million, operating income of ¥62,000 million, income before income taxes of ¥61,500 million and profit attributable to owners of the parent of ¥40,500 million. As we have decided to voluntarily apply IFRS from the fiscal year ending March 31, 2017, the figures mentioned above are calculated in accordance with IFRS, and year-on-year comparisons are therefore not stated. Our assumptions for annual average interest rates are US$1=110 and €1=125.

2) Financial conditions analysis

(1) Assets, liabilities and net assets

As of March 31, 2016, total assets amounted to ¥267,638 million, up ¥19,654 million from a year earlier. The primary reasons were increases of ¥6,272 million in cash and deposits, ¥2,466 million in trade notes and accounts receivable, ¥3,122 million in lease investment assets, ¥4,319 million in merchandise and finished goods, ¥2,691 million in buildings and structures and ¥2,120 million in software.

Total liabilities as of March 31, 2016, were ¥79,542 million, up ¥1,110 million from a year earlier. Principal factors included a rise of ¥3,908 million in trade notes and accounts payable, although income taxes payable fell ¥2,821 million.

Total net assets came to ¥188,095 million, up ¥18,544 million from a year earlier. The main reason for the increase was a ¥25,859 rise in retained earnings, whereas the foreign currency translation adjustment decreased ¥6,999 million. The equity ratio as of March 31, 2016, was 69.9%, up 1.9 percentage point from one year earlier.

(2) Cash flows

As of March 31, 2016, cash and cash equivalents amounted to ¥56,481 million, up ¥6,262 million from March 31, 2015.

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

(Operating cash flow)

Net cash provided by operating activities was ¥39,567 million (up ¥926 million). As principal factors, income before income taxes provided ¥54,660 million (up ¥8,932 million); depreciation and amortization provided ¥12,253 million (up ¥994 million); the increase in trade notes and accounts receivable provided ¥5,476 million (down ¥1,373 million). An increase in inventories used ¥6,820 million (up ¥5,035 million); and income taxes paid used ¥19,578 million (up ¥4,026 million).

(Investing cash flow)

Net cash used in investing activities was ¥21,622 million (up ¥2,0781 million). Among major factors were purchases of property, plant and equipment, which used ¥13,685 million (up ¥652 million); the purchase of intangible assets, which used ¥6,167 million (up ¥2,711 million); and the purchase of investment securities, which used ¥831 million (down ¥1,517 million).

(Financing cash flow)

Net cash used in financing activities was ¥8,755 million (up ¥1,201 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 preceding fiscal year, which was absent in the fiscal year under review.

Cash flow indices

Fiscal years ended March 31	2012	2013	2014	2015	2016
Equity ratio (%)	71.6	68.7	69.2	68.0	69.9
Equity ratio at market price (%)	241.8	346.0	324.0	559.2	548.0
Interest-bearing debt to cash flow ratio (years)	0.1	0.0	0.1	0.0	0.0
Interest coverage ratio (times)	340.3	609.8	2,347.7	1,569.2	1,241.4

Notes:

Equity ratio = shareholders' equity / total assets
Equity ratio at market price = aggregate market value of shares / total assets
Interest-bearing debt to cash flow ratio = balance of interest-bearing liabilities / cash flows from operating activities
Interest coverage ratio = cash flows from operating activities / interest payments

1. Indices are calculated using consolidated financial figures.
2. The total market value of shares is calculated as the share price at the end of the fiscal year times the total number of shares outstanding at that date.
3. Cash flows from operating activities correspond to net cash provided by operating activities in the Consolidated Statements of Cash Flows.
4. The balance of interest-bearing liabilities corresponds to interest-bearing liabilities included in the Consolidated Balance Sheets.
5. Interest payments corresponds the amount of interest paid, as indicated in the Consolidated Statements of Cash Flows.

3) Basic policy on distribution of profit and dividends for the fiscal years to March 31, 2015 and 2016

We aim to maintain a proper balance between internal reserves for R&D and capital expenditure, which are designed to sustain steady high growth, and returns to our shareholders as our earning power increases. In terms of returns to shareholders, we intend to provide a stable dividend on a continuous basis and aim for a consolidated payout ratio of 30% under our basic policy of sharing the successes of our operations in line with business performance.

In tandem with this policy, at the 49th Ordinary General Meeting of Shareholders we intend to propose a year-end dividend of ¥28 per share. This amount would bring total annual dividends to ¥52 per share, for a consolidated payout ratio of 29.8% and increase of ¥14 in the total dividend for the year, from ¥38 in the fiscal year ended March 31, 2015.

Also in accordance with the above-stated policy and taking our operating performance forecast into account, for the upcoming fiscal year we forecast a dividend of ¥54 per share (an interim dividend of ¥27 per share and a year-end dividend of ¥27).

We retain our commitment to bolstering operating performance and reinforcing our management base.

2. Corporate Philosophy and Strategy

1) Corporate philosophy

We have established the Sysmex Way, corporate philosophy on April 1st 2007. Sysmex way is success from our "Three confidence" which is nominated since our foundation. In addition, in accordance with the Sysmex Way we have established "Our Core Behaviors" which states our promise to our diversity of stakeholders.

Sysmex Way

【Mission】	Shaping the advancement of healthcare.
【Value】	We continue to create unique and innovative values, while building trust and confidence.
【Mind】	With passion and flexibility, we demonstrate our individual competence and unsurpassed teamwork.

We are heading for social confidence in accordance with Sysmex Way.

2) Targets of the mid-term plan

The Sysmex's Group mid-term management plan calls for consolidated net sales of ¥300.0 billion and consolidated operating income of ¥63.0 billion by the final year of the plan, the fiscal year ending March 31, 2018.

Note: The figures for this plan are as announced in May 2015, and have been prepared on the basis of Japanese standards.

3) Mid-term strategy and objectives

The Sysmex Group will work to grow and boost profitability in its mainstay hematology, hemostasis and urinalysis fields and in Asia. At the same time, the Group will make focused investments in the immunochemistry field, in relation to flow cytometry and in the life science field, as well as furthering transformation and reinforcing Group management.

The Sysmex Group will implement management strategies with the following key objectives.

<Reinforce growth and profitability>

(1) Augment our product lineup in the hematology, hemostasis and urinalysis fields
 Enhance global sales and support services

(2) Reinforce comprehensive proposals in the Asian IVD market
 Develop products and strengthen our sales and support networks tailored to regional needs

<Invest in growth>

(3) Accelerate introduction of the HISCL, which features unique parameters
 Enhance support service structure

(4) Leverage proprietary technology to expand the gene testing business

<Promote transformation>

(5) Enhance the communication and interaction with diverse stakeholders

(6) Recruit and cultivate globally effective human resources
 Strengthen risk management and reinforce Group management foundations by making use of ICT

3. Basic Perspective on Selection of Accounting Standards

The Sysmex Group has decided to voluntarily adopt IFRS from the first quarter of the fiscal year ending 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.

4. Consolidated Financial Statements

1) Consolidated balance sheets

(Unit: Millions of Yen)

	As of Mar. 31, 2015	As of Mar. 31, 2016
(Assets)		
Current assets		
Cash and deposits	50,272	56,544
Notes and accounts receivable-trade	53,038	55,505
Lease investment assets	5,413	8,535
Short-term investment securities	240	299
Merchandise and finished goods	22,737	27,056
Work in process	2,869	2,984
Raw materials and supplies	4,281	5,581
Deferred tax assets	8,987	7,911
Prepaid expenses	1,991	2,201
Others	4,891	6,632
Allowance for doubtful accounts	(575)	(588)
Total current assets	154,148	172,665
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	38,007	42,556
Accumulated depreciation	(15,582)	(17,439)
Buildings and structures, net	22,425	25,116
Machinery, equipment and vehicles	10,523	10,772
Accumulated depreciation	(6,628)	(6,366)
Machinery, equipment and vehicles, net	3,895	4,406
Tools, furniture and fixtures	47,446	51,359
Accumulated depreciation	(30,612)	(34,161)
Tools, furniture and fixtures, net	16,834	17,198
Land	11,259	11,310
Lease assets	2,629	1,395
Accumulated depreciation	(2,118)	(243)
Lease assets, net	510	1,152
Construction in progress	4,136	2,050
Total property, plant and equipment	59,061	61,235
Intangible assets		
Goodwill	12,114	9,085
Software	7,112	9,233
Others	4,555	4,922
Total intangible assets	23,783	23,241
Investments and other assets		
Investment securities	7,174	6,753
Deferred tax assets	267	329
Net defined benefit assets	960	582
Long-term prepaid expenses	419	581
Others	2,172	2,253
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	10,990	10,496
Total Noncurrent assets	93,835	94,973
Total assets	247,983	267,638

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

(Unit: Millions of Yen)

	As of Mar. 31, 2015	As of Mar. 31, 2016
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	15,965	19,873
Current portion of lease obligations	50	149
Accrued expenses	8,301	6,864
Income taxes payable	9,639	6,817
Deferred tax liabilities	101	315
Provision for bonuses	6,119	6,538
Provision for directors' bonuses	411	526
Provision for product warranties	456	554
Others	24,124	24,254
Total current liabilities	65,170	65,895
Noncurrent liabilities		
Lease obligations	199	733
Deferred tax liabilities	8,993	8,778
Provision for directors' retirement benefits	102	102
Net defined benefit liabilities	460	463
Others	3,507	3,568
Total Noncurrent liabilities	13,262	13,646
Total liabilities	78,432	79,542
(Net assets)		
Shareholders' equity		
Capital stock	10,483	11,016
Capital surplus	15,423	15,957
Retained earnings	129,703	155,562
Treasury stock	(280)	(285)
Total shareholders' equity	155,330	182,251
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,366	1,170
Deferred gains or losses on hedges	0	2
Foreign currency translation adjustment	10,428	3,429
Remeasurements of defined benefit plans	1,400	143
Total accumulated other comprehensive income	13,196	4,745
Subscription rights to shares	1,024	1,097
Non-controlling interests	—	0
Total net assets	169,550	188,095
Total liabilities and net assets	247,983	267,638

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

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

(Unit: Millions of Yen)

	Year ended Mar. 31, 2015	Year ended Mar. 31, 2016
Net sales	221,376	253,157
Cost of sales	95,358	102,063
Gross profit	126,018	151,093
Selling, general and administrative expenses	81,606	94,131
Operating income	44,411	56,962
Non-operating income		
Interest income	232	285
Dividends income	75	82
Subsidy income	290	310
Foreign exchange gains	932	―
Others	322	284
Total non-operating income	1,854	963
Non-operating expenses		
Interest expenses	44	46
Sales discounts	42	44
Equity in losses of affiliates	83	502
Foreign exchange losses	―	2,743
Others	140	246
Total non-operating expenses	310	3,582
Ordinary income	45,955	54,342
Extraordinary profits		
Gain on sales of noncurrent assets	28	22
Gain on sales of investment securities	0	―
Gain on revision of retirement benefit plan	―	1,037
Gain on reversal of subscription rights to shares	―	21
Total extraordinary profits	28	1,082
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	143	364
Impairment loss	111	―
Loss on valuation of investment securities	―	400
Loss on valuation of membership	1	―
Total extraordinary loss	256	764
Income before income taxes	45,727	54,660
Income taxes-current	17,118	16,513
Income taxes-deferred	1,970	1,912
Total income taxes	19,089	18,426
Profit	26,638	36,233
Profit (loss) attributable to non-controlling interests	(0)	(0)
Profit attributable to owners of parent	26,638	36,233

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

(Consolidated statements of comprehensive income)

(Unit: Millions of yen)

	Year ended Mar. 31, 2015	Year ended Mar. 31, 2016
Profit	26,638	36,233
Other comprehensive income		
Valuation difference on available-for-sale securities	232	(196)
Deferred gains or losses on hedges	0	1
Foreign currency translation adjustment	1,775	(6,999)
Remeasurements of defined benefit plans, net of tax	563	(1,256)
Total other comprehensive income	2,572	(8,450)
Comprehensive income	29,210	27,782
Comprehensive income attributable to:		
Comprehensive income attributable to owners of parent	29,210	27,782
Comprehensive income attributable to non-controlling interests	(0)	(0)

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

3) Consolidated statements of changes in net assets

Year ended March 31, 2015 (Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	10,243	15,183	109,976	(270)	135,133
Cumulative effects of changes in accounting policies			(195)		(195)
Restated balance	10,243	15,183	109,781	(270)	134,938
Changes of items during the period					
Issuance of new shares-exercise of subscription rights to shares	240	240			480
Dividends from surplus			(6,734)		(6,734)
Profit attributable to owners of parent			26,638		26,638
Purchase of treasury stock				(10)	(10)
Changes due to the change of fiscal year-end of consolidated subsidiaries			—		—
Increase due to decrease in affiliates			19		19
Net changes of items other than shareholders' equity					
Total changes of items during the period	240	240	19,922	(10)	20,392
Balance at end of term	10,483	15,423	129,703	(280)	155,330

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of term	1,134	—	8,652	836	10,623	493	0	146,250
Cumulative effects of changes in accounting policies								(195)
Restated balance	1,134	—	8,652	836	10,623	493	0	146,054
Changes of items during the period								
Issuance of new shares-exercise of subscription rights to shares								480
Dividends from surplus								(6,734)
Profit attributable to owners of parent								26,638
Purchase of treasury stock								(10)
Changes due to the change of fiscal year-end of consolidated subsidiaries								—
Increase due to decrease in affiliates								19
Net changes of items other than shareholders' equity	232	0	1,775	563	2,572	530	(0)	3,103
Total changes of items during the period	232	0	1,775	563	2,572	530	(0)	23,496
Balance at end of term	1,366	0	10,428	1,400	13,196	1,024	—	169,550

Year ended March 31, 2016 (Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	10,483	15,423	129,703	(280)	155,330
Cumulative effects of changes in accounting policies			—		—
Restated balance	10,483	15,423	129,703	(280)	155,330
Changes of items during the period					
Issuance of new shares-exercise of subscription rights to shares	533	533			1,067
Dividends from surplus			(9,549)		(9,549)
Profit attributable to owners of parent			36,233		36,233
Purchase of treasury stock				(4)	(4)
Changes due to the change of fiscal year-end of consolidated subsidiaries			(824)		(824)
Increase due to decrease in affiliates			—		—
Net changes of items other than shareholders' equity					
Total changes of items during the period	533	533	25,859	(4)	26,921
Balance at end of term	11,016	15,957	155,562	(285)	182,251

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasure-ments of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of term	1,366	0	10,428	1,400	13,196	1,024	—	169,550
Cumulative effects of changes in accounting policies								—
Restated balance	1,366	0	10,428	1,400	13,196	1,024	—	169,550
Changes of items during the period								
Issuance of new shares-exercise of subscription rights to shares								1,067
Dividends from surplus								(9,549)
Profit attributable to owners of parent								36,233
Purchase of treasury stock								(4)
Changes due to the change of fiscal year-end of consolidated subsidiaries								(824)
Increase due to decrease in affiliates								—
Net changes of items other than shareholders' equity	(196)	1	(6,999)	(1,256)	(8,450)	73	0	(8,376)
Total changes of items during the period	(196)	1	(6,999)	(1,256)	(8,450)	73	0	18,544
Balance at end of term	1,170	2	3,429	143	4,745	1,097	0	188,095

4) Consolidated statements of cash flows

(Unit: Millions of yen)

	Year ended Mar. 31, 2015	Year ended Mar. 31, 2016
Net cash provided by (used in) operating activities		
Income before income taxes	45,727	54,660
Depreciation and amortization	11,258	12,253
Impairment loss	111	–
Amortization of goodwill	1,695	1,932
Gain on revision of retirement benefit plan	–	(1,037)
Increase (decrease) in provision for bonuses	931	577
Increase (decrease) in provision for directors' bonuses	141	115
Increase (decrease) in allowance for doubtful accounts	(368)	50
Increase (decrease) in net defined benefit liability	(640)	(48)
Decrease (increase) in net defined benefit asset	–	(374)
Interest and dividends income	(308)	(368)
Interest expenses	44	46
Equity in (earnings) losses of affiliates	83	502
Loss (gain) on valuation of investment securities	–	400
Loss on retirement or sales of noncurrent assets	143	364
Decrease (increase) in notes and accounts receivable-trade	(6,849)	(5,476)
Decrease (increase) in inventories	(1,785)	(6,820)
Increase (decrease) in notes and accounts payable-trade	2,517	4,145
Increase (decrease) in consumption taxes payable (receivable)	(1,619)	(903)
Others	2,826	(1,197)
Subtotal	53,911	58,820
Interest and dividends received	306	356
Interest expenses paid	(24)	(31)
Income taxes paid	(15,551)	(19,578)
Net cash provided by (used in) operating activities	38,640	39,567
Net cash provided by (used in) investment activities		
Payments into time deposits	(147)	(138)
Proceeds from withdrawal of time deposits	157	134
Purchase of property, plant and equipment	(13,033)	(13,685)
Proceeds from sales of property, plant and equipment	91	107
Purchase of intangible assets	(3,455)	(6,167)
Purchase of investment securities	(2,349)	(831)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	(403)
Purchase of investments in subsidiaries	(341)	–
Others	(464)	(638)
Net cash provided by (used in) investment activities	(19,544)	(21,622)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	(1,000)	–
Repayments of long-term loans payable	(148)	(0)
Repayments of lease obligations	(57)	(50)
Proceeds from issuance of common stock	396	849
Purchase of treasury stock	(10)	(4)
Cash dividends paid	(6,734)	(9,549)
Net cash provided by (used in) financing activities	(7,554)	(8,755)
Effect of exchange rate change on cash and cash equivalents	2,129	(2,320)
Net increase (decrease) in cash and cash equivalents	13,672	6,868
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	50,219	56,481

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

5) Notes to consolidated financial statements

(Notes regarding going concern assumptions)

Nothing to report.

(Significant items concerning the basis for preparing consolidated financial statements)

1. Items related to the scope of consolidation

Number of consolidated subsidiaries: 60

(1) Domestic subsidiaries: 7

Names of principal consolidated subsidiaries

- Sysmex International Reagents Co., Ltd.

(2) Overseas subsidiaries: 53

Names of principal consolidated subsidiaries

- Sysmex America, Inc.
- Sysmex Europe GmbH
- Sysmex Shanghai Ltd.
- Sysmex Asia Pacific Pte Ltd.

During the fiscal year under review, the Company established Sysmex West and Central Africa Ltd. and one other company, which were newly included in the scope of consolidation. Partec North America Inc. was excluded from the scope of consolidation due to its liquidation.

2. Items related to equity method application

(1) Number of affiliated companies to which the equity method is applied

Number of affiliated companies: 3

Names of principal affiliated companies

- Sysmex bioMérieux Co., Ltd.

(2) Particular items of note with regard to procedures for applying the equity method

Financial statements for the most recent business years are used for those companies to which the equity method is applied that have year-end dates different from the consolidated fiscal year-end.

3. Items related to fiscal years of consolidated subsidiaries

When preparing the consolidated financial statements, provisional financial statements as of the closing date were used for Sysmex Shanghai Ltd. and other nine overseas consolidated subsidiaries, whose fiscal year-end is December 31. For Partec Nordic AB and two other overseas subsidiaries having fiscal year-ends on December 31, financial statements with that closing date were used in preparing the consolidated financial statements, with any necessary adjustments made on a consolidated basis to reflect significant transactions occurring between those companies' fiscal year-end and the consolidated fiscal year-end.

During the fiscal year under review, Sysmex Partec GmbH and four other consolidated subsidiaries changed their fiscal year-end from December 31 to March 31.

In line with this change in fiscal years, profit and loss for the three-month period from January 1, 2015, to March 31, 2015, have been adjusted through increases or decreases in retained earnings.

4. Items related to standards for accounting processes

(1) Significant asset valuation standards and valuation methods

1) Marketable securities

Bonds held to maturity

Amortized cost method (straight-line method)

Other available-for-sale securities

Securities with market values

Market value method based on market values as of the fiscal year-end. (Valuation differences are all reported as a component of net assets and calculated under the moving-average method.)

Securities without market values

Cost method by the moving-average method

2) Derivatives

Market value method

3) Inventories

The Company and domestic consolidated subsidiaries

…Mainly, the cost method using the gross average method (the method of marking down balance sheet amounts to book values based on reduced profitability)

Overseas consolidated subsidiaries

…Mainly, the lower of cost or market using the moving-average method

(2) Method of amortizing or depreciating significant amortizable assets

1) Property, plant and equipment (excluding lease assets)

Straight-line method

Principal years of service life are as follows.

Buildings and structures	31–50 years
Machinery, equipment and vehicles	5–11 years
Tools, furniture and fixtures	2–15 years

2) Intangible assets (excluding lease assets)

Straight-line method

Software

Software to be sold

Software to be sold is amortized at the greater of either the proportional amortization amount based on the estimated sales volume over the estimated salable period (three years) or the average proportional amount based on the remaining salable period.

Software for internal use

Software for internal use is amortized over the internal usable period (3–5 years)

3) Lease assets

Lease assets in finance lease transactions that do not transfer ownership

The straight-line method is employed, depreciating these assets down to zero over the lease period, which is used as the service life.

(3) Significant bases for recording reserves

1) Allowance for doubtful accounts

The Company and domestic consolidated subsidiaries

…Estimated non-recoverable amounts are posted as a provision against losses on receivables. This amount is estimated by applying actual loss ratios to general receivables and taking into consideration the individual recoverability of doubtful accounts receivable and other specific receivables.

Overseas consolidated subsidiaries

…Non-recoverable amounts are recorded, taking individual recoverability into consideration.

2) Provision for bonuses

As a provision for employee bonuses, the Company records that portion of the expected payment amount corresponding to the obligation for the current fiscal year.

3) Provision for directors' bonuses

As a provision for directors' bonuses, the Company records an amount based on the expected payment amount for the current fiscal year.

4) Provision for product warranties

As a provision for the payment of after-sales service expenses on instruments, the Company and certain consolidated subsidiaries record expected service expenses within the warranty period based on past performance.

5) Provision for directors' retirement benefits

As a provision for directors' retirement benefits, in the past the Company recovered an expected payment amount based on internal regulations. However, as the Company discontinued its system of providing director retirement benefits on June 24, 2005, no new provisions have been recorded since that date. Consequently, the balance as of March 31, 2015, corresponds to allocations for the period during which current directors were appointed prior to the system's discontinuation.

(4) Method of accounting for retirement benefits

As a provision for employee' retirement benefits, the Company has recorded liabilities and assets related to retirement benefits based on estimated retirement benefit liabilities and pension assets as of March 31, 2015. Certain consolidated subsidiaries record expected year-end payment amounts based on retirement regulations.

1) Method of attributing expected retirement benefits to periods

For calculating retirement benefit liabilities, the Company uses the benefit formula basis for attributing expected retirement benefits to the period ended March 31, 2015.

2) Method of accounting for expenses for actuarial differences and prior service costs

The Company records expenses for prior service costs according to the straight-line method at the time they are incurred over a fixed number of years within employees' average remaining service period (5 years).

The Company records expenses for actuarial differences as proportionally distributed amounts according to the straight-line method at the time they are incurred during each consolidated fiscal year over a fixed number of years within employees' average remaining service period (5 years). Expenses for actuarial differences are recorded in the consolidated fiscal year after they are incurred.

3) Application of short-cut methods, such as for small-scale companies

Certain consolidated subsidiaries employ short-cut methods for calculating liabilities related to retirement benefits and retirement benefit expenses, using the expected year-end payment amount for retirement benefits as retirement benefit liabilities.

(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 fiscal year ended March 31, 2016.

(5) Basis for recording significant income and expenses

1) Basis for recording the amount of completed work and the cost of completed work

i. Contracts with in-progress portions recognized as certain to be completed by March 31, 2015

Based on construction in progress (cost-to-cost method using an estimated progression rate on construction)

ii. Other contracts

Based on construction completed

2) Basis for recording income related to finance lease transactions

Sales and cost of sales are recorded as of the date lease transactions commence.

(6) Basis for translating significant foreign currency assets and liabilities to Japanese yen

Monetary assets and liabilities denominated in foreign currencies are translated to Japanese yen at the spot exchange rate on the consolidated closing date, and translation adjustments are recorded as income or losses. Assets and liabilities of overseas subsidiaries are translated to Japanese yen at the spot exchange rate on their closing dates, with profits, losses and expenses translated at the average rate during the accounting period, and translation adjustments are recorded within foreign currency translation adjustments and non-controlling interests within net assets.

(7) Significant hedge accounting methods

1) Hedge accounting methods

The Company employs deferral hedge accounting. In principle, "Accounting Standards for Financial Instruments" are used for forward exchange contracts on monetary assets and liabilities denominated in foreign currencies. Exceptional accounting is used for interest rate swaps that satisfy the conditions for exceptional accounting.

2) Hedging instruments and hedged items

Hedging instruments…Interest rate swaps, forward exchange contracts, etc.

Hedged items…Payables, foreign currency transactions (monetary claims, forecast transactions, etc.)

3) Hedging method

Hedging is used within the amount of hedged assets and liabilities to reduce interest rate fluctuation risk and exchange rate fluctuation risk.

4) Method of assessing hedging effectiveness

Assessment of effectiveness is conducted by comparing cumulative market fluctuations or cash-flow fluctuations of the hedged item against cumulative market fluctuations or cash-flow fluctuations of the hedging instrument during the period from the start of the hedge to the point when effectiveness is assessed, and determined based on the amount of fluctuation of the two.

(8) Goodwill amortization method and amortization period

Goodwill is amortized using the straight-line method over a period of five years or 20 years.

(9) Scope of cash in the consolidated statements of cash flows

Cash in these statements includes cash on hand, deposits drawable at any time or readily convertible to cash, and price-change-insensitive short-term investments whose maturity comes due within three months.

(10) Other significant items concerning the basis for preparing consolidated financial statements

Accounting treatment of consumption taxes, etc.

The tax exclusion method is used.

(Changes in accounting policies)

(Application of accounting standard for business combinations)

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 fiscal year ended March 31,2016, 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 fiscal year under review, the allocation of acquisition costs determined under provisional accounting treatment have been revised, reflecting such cost in the consolidated financial statements for the consolidated fiscal year to which the business combination date belongs. Furthermore, the presentation of profit has been changed, and the presentation of minority interests has been changed to non-controlling interests. The consolidated financial statements for the preceding 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 fiscal year.

These adoptions had no impact on the consolidated financial statements for the fiscal year under review.

(Segment information)

1. Overview of reportable segments

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

The Company is primarily engaged in the manufacture and sale of *in-vitro* diagnostic instruments and *in-vitro* diagnostic 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 Company has five reportable segments comprising regional segments based on manufacturing and sales systems. These are "Japan," the "Americas," "EMEA," "China" and the "Asia Pacific."

2. Methods for calculating sales, income or losses, assets and other items for reportable segments

The methods of accounting for reportable business segments are generally the same as is described in "Significant Items Concerning the Basis for Preparing the Consolidated Financial Statements," and operating income figures are used for reportable segment income. Intersegment sales and transfers are based primarily on prevailing market prices and cost of manufacturing.

3. Information on sales and income, identifiable assets, and other items by segment reported

For the year ended March 31,2015 (Unit: Millions of yen)

	Japan	Americas	EMEA	China	Asia Pacific	Total	Reconciliations[1]	Consolidated
Sales								
Outside sale	43,399	47,013	63,257	49,839	17,866	221,376	—	221,376
Intersegment sales	79,536	300	1,173	7	157	81,174	(81,174)	—
Total sales	122,936	47,313	64,430	49,846	18,023	302,551	(81,174)	221,376
Segment profit	31,163	2,401	5,198	6,802	1,226	46,793	(2,382)	44,411
Segment assets	130,888	34,521	69,094	35,611	18,386	288,500	(40,517)	247,983
Other items								
Depreciation	4,926	2,191	3,816	269	1,176	12,380	(1,121)	11,258
Amortization of goodwill	280	—	841	—	573	1,695	—	1,695
Investment to equity-method affiliates	1,931	—	—	—	—	1,931	—	1,931
Increase in property, plant and equipment and intangible assets[2]	8,900	1,702	5,802	233	1,899	18,539	(1,175)	17,363

Notes:

1. Reconciliation amounts are as follows.

(1) The negative ¥2,382 million reconciliation of segment profit includes ¥125 million elimination of intersegment transactions, negative ¥2,464 million in inventory adjustments and negative ¥44 million in adjustments of noncurrent assets.

(2) The negative ¥40,517 million reconciliation of segment assets includes ¥4,728 million of the Company's long-term investment funds (investment securities) and negative ¥45,246 million in eliminations of receivables among reportable segments.

(3) The negative ¥1,121 million reconciliation in depreciation and amortization is an adjustment related to intersegment transactions.

(4) The reconciliation of a negative ¥1,175 million in increase in property, plant and equipment and intangible assets is an adjustment related to intersegment transactions.

2. Increases in property, plant and equipment and intangible assets include increases in long-term prepaid expenses.

For the year ended March 31,2016 (Unit: Millions of yen)

	Japan	Americas	EMEA	China	Asia Pacific	Total	Reconciliations[1]	Consolidated
Sales								
Outside sale	43,008	56,481	68,453	65,144	20,069	253,157	—	253,157
Intersegment sales	101,012	866	1,929	5	105	103,918	(103,918)	—
Total sales	144,020	57,347	70,382	65,149	20,174	357,075	(103,918)	253,157
Segment profit	41,788	2,083	2,764	5,563	1,807	54,006	2,955	56,962
Segment assets	152,344	35,667	69,504	37,412	19,010	313,939	(46,301)	267,638
Other items								
Depreciation	5,571	2,292	3,963	275	1,309	13,413	(1,159)	12,253
Amortization of goodwill	281	—	1,075	—	576	1,932	—	1,932
Investment to equity-method affiliates	2,047	—	—	—	—	2,047	—	2,047
Increase in property, plant and equipment and intangible assets[2]	9,794	3,735	5,560	667	1,427	21,185	(1,214)	19,971

Notes:

1. Reconciliation amounts are as follows.

(1) The ¥2,955 million reconciliation of segment profit includes ¥130 million elimination of intersegment transactions, ¥2,323 million in inventory adjustments and ¥501 million in adjustments of noncurrent assets.

(2) The negative ¥46,301 million reconciliation of segment assets includes ¥4,193 million of the Company's long-term investment funds (investment securities) and a negative ¥50,495 million in eliminations of receivables among reportable segments.

(3) The negative ¥1,159 million reconciliation in depreciation and amortization is an adjustment related to intersegment transactions.

(4) The reconciliation of a negative ¥1,214 million in increase in property, plant and equipment and intangible assets is an adjustment related to intersegment transactions.

2. Increases in property, plant and equipment and intangible assets include increases in long-term prepaid expenses.

[Related information]
Previous fiscal year (April 1, 2014 to March 31, 2015)
1. Information by product and service

(Millions of yen)

	Instruments	Reagents	Maintenance services and parts	Others	Total sales
Sales to outside customers	71,460	105,378	21,804	22,733	221,376

2. Information by region
(1) Sales

(Millions of yen)

Japan	The United States	China	Others	Total Sales
40,553	45,854	49,849	85,118	221,376

(Note) Sales are classified by country according to customers' geographic locations.

(2) Property, plant and equipment

(Millions of yen)

Japan	Others	Total
37,549	21,512	59,061

3. Information by principal customer
This information has been omitted, as the Company has no specific customers accounting for 10% or more of net sales recorded in the consolidated statements of income.

Current fiscal year (April 1, 2015 to March 31, 2016)
1. Information by product and service

(Millions of yen)

	Instruments	Reagents	Maintenance services and parts	Others	Total sales
Sales to outside customers	85,872	115,296	24,564	27,423	253,157

2. Information by region
(1) Sales

(Millions of yen)

Japan	The United States	China	Others	Total Sales
39,846	50,591	65,189	97,530	253,157

(Note) Sales are classified by country according to customers' geographic locations.

(2) Property, plant and equipment

(Millions of yen)

Japan	Others	Total
38,554	22,680	61,235

3. Information by principal customer
This information has been omitted, as the Company has no specific customers accounting for 10% or more of net sales recorded in the consolidated statements of income.

[Information related to impairment losses on noncurrent assets attributable to reportable segments]

Previous fiscal year (April 1, 2014 to March 31, 2015)

Nothing to report.

Current fiscal year (April 1, 2015 to March 31, 2016)

Nothing to report.

[Information related to goodwill amortization amount and unamortized amount by reportable segment]

Previous fiscal year (April 1, 2014 to March 31, 2015)

(Millions of yen)

	Japan	Americas	EMEA	China	Asia Pacific	Corporate and eliminations	Total
As of March 31, 2015	281	－	10,029	－	1,803	－	12,114

(Note) Goodwill amortization amounts are omitted here, as the same information is presented in the segment information.

Current fiscal year (April 1, 2015 to March 31, 2016)

(Millions of yen)

	Japan	Americas	EMEA	China	Asia Pacific	Corporate and eliminations	Total
As of March 31, 2016	－	－	7,995	－	1,090	－	9,085

(Note) Goodwill amortization amounts are omitted here, as the same information is presented in the segment information.

[Information on negative goodwill generated, by reportable segment]

Previous fiscal year (From April 1, 2014 to March 31, 2015)

Nothing to report.

Current fiscal year (From April 1, 2015 to March 31, 2016)

Nothing to report.

(Per-share information)

	Year ended March 31, 2015	Year ended March 31, 2016
Net assets per share	¥812.37	¥899.51
Profit per share	¥128.49	¥174.42
Diluted profit per share	¥128.02	¥173.71

(Note) 1. The basis for calculating profit per share and diluted profit per share is as follows.

	Year ended March 31, 2015	Year ended March 31, 2016
Profit per share		
Profit attributable to owners of parent (Millions of yen)	26,638	36,233
Amount not available to common shareholders (Millions of yen)	―	―
Profit attributable to owners of parent for common stock (Millions of yen)	26,638	36,233
Average number of shares outstanding in fiscal year (Thousands of shares)	207,311	207,734
Diluted profit per share		
Profit attributable to owners of parent adjustment (Millions of yen)	―	―
Increase in common stock (Thousands of shares)	764	856
(Of which, subscription rights to shares(Thousands of shares))	764	856
Overview of issuable shares not included in the calculation of diluted profit per share as they have no dilutive effect	―――――	―――――

2. The basis for calculating net assets per share is as follows.

	Year ended March 31, 2015	Year ended March 31, 2016
Total net assets (Millions of yen)	169,550	188,095
Deductions from total net assets (Millions of yen)	1,024	1,097
(Of which, subscription rights to shares (Millions of yen))	1,024	1,097
(Of which, held by non-controlling interests (Millions of yen))	―	0
Net assets for common stock at year-end (Millions of yen)	168,526	186,997
Number of shares of common stock at year-end used in calculating net assets per share (Thousands of shares)	207,451	207,888

(Important subsequent events)

Nothing to report.

(Omissions from presentation)

Notes related to the consolidated balance sheets, consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in net assets, consolidated statements of cash flows, lease transactions, financial instruments, marketable securities, derivatives transactions, retirement benefits, stock options, tax-effect accounting, related-party information and accounting standards not applied have been omitted from presentation here, as they are not considered of high importance to the summary of financial results.

5. Non-Consolidated Financial Statements

1) Non-consolidated balance sheets

(Unit: Millions of yen)

	As of Mar. 31, 2015	As of Mar. 31, 2016
(Assets)		
Current assets		
Cash and deposits	24,532	30,182
Notes receivable-trade	2,734	2,444
Accounts receivable-trade	31,887	34,707
Lease investment assets	514	540
Merchandise and finished goods	7,458	11,268
Work in process	1,264	1,487
Raw materials and supplies	2,254	2,528
Prepaid expenses	1,019	933
Deferred tax assets	1,920	1,920
Accounts receivable - other	5,394	7,105
Short-term loans receivable	3,022	7,040
Others	219	413
Total current assets	82,223	100,573
Noncurrent assets		
Property, plant and equipment		
Buildings	13,711	15,375
Structures	1,080	1,098
Machinery and equipment	131	106
Tools, furniture and fixtures	4,267	5,035
Land	8,599	8,599
Lease assets	—	8
Construction in progress	2,120	321
Total Property, plant and equipment	29,910	30,546
Intangible assets		
Software	5,402	7,520
Goodwill	281	—
Others	658	1,955
Total Intangible assets	6,342	9,475
Investments and other assets		
Investment securities	4,728	4,193
Shares in affiliated company	26,122	26,987
Investments in affiliated company	19,070	14,148
Long-term loans receivable	792	261
Long-term prepaid expenses	278	484
Prepaid pension cost	—	374
Deferred tax assets	697	2,208
Deposits	736	785
Others	334	339
Total investments and other assets	52,761	49,784
Total Noncurrent assets	89,013	89,806
Total assets	171,237	190,379

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

(Unit: Millions of yen)

	As of Mar. 31, 2015	As of Mar. 31, 2016
(Liabilities)		
Current liabilities		
Notes payable-trade	41	85
Accounts payable-trade	17,139	20,181
Short-term loans payable	14,061	12,311
Accrued payables	5,235	5,486
Accrued expenses	723	876
Income taxes payable	7,022	5,487
Advance receipts	375	425
Provision for bonuses	2,788	3,022
Provision for directors' bonuses	411	526
Provision for product warranties	161	156
Others	204	159
Total current liabilities	48,166	48,717
Noncurrent liabilities		
Provision for retirement benefits	1,110	—
Provision for directors' retirement benefits	102	102
Long-term guarantee deposits received	489	486
Long-term deposits payable	394	499
Others	3	11
Total noncurrent liabilities	2,100	1,099
Total liabilities	50,267	49,817
(Net assets)		
Shareholders' equity		
Capital stock	10,483	11,016
Capital surplus		
Legal capital surplus	16,348	16,882
Other capital surplus	6	6
Total capital surplus	16,354	16,888
Retained earnings		
Legal retained earnings	389	389
Other retained earnings	91,676	110,333
Experiment and research reserve	9,800	9,800
Special reserve	27,715	27,715
Retained earnings brought forward	54,161	72,817
Total retained earnings	92,066	110,722
Treasury stock	(280)	(285)
Total shareholders' equity	118,623	138,342
Valuation, translation adjustments and others		
Valuation difference on available-for-sale securities	1,321	1,119
Deferred gains or losses on hedges	0	2
Total valuation, translation adjustments and others	1,322	1,121
Subscription rights to shares	1,024	1,097
Total net assets	120,970	140,562
Total liabilities and net assets	171,237	190,379

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

2) Non-consolidated statements of income

(Unit: Millions of yen)

	Year ended Mar. 31, 2015	Year ended Mar. 31, 2016
Net sales	121,894	143,243
Cost of sales	53,666	60,563
Gross profit	68,227	82,679
Selling, general and administrative expenses	38,684	43,295
Operating income	29,543	39,383
Non-operating income		
Interest and dividend income	1,420	4,256
Foreign exchange gains	729	－
Others	277	259
Total non-operating income	2,427	4,515
Non-operating expenses		
Interest expenses	134	243
Foreign exchange losses	－	1,105
Others	76	134
Total non-operating expenses	211	1,483
Ordinary income	31,758	42,415
Extraordinary profits		
Gain on sales of noncurrent assets	0	1
Gain on sales of investment securities	0	－
Gain on revision of retirement benefit plan	－	1,037
Gain on reversal of subscription rights to shares	－	21
Total extraordinary profits	0	1,061
Extraordinary loss		
Loss on sales of noncurrent assets	0	2
Loss on retirement of noncurrent assets	64	123
Loss on valuation of investment securities	－	400
Loss on valuation of investments in capital of subsidiaries and associates	－	4,921
Loss on valuation of membership	1	－
Total extraordinary loss	65	5,448
Income before income taxes	31,693	38,028
Income taxes-current	10,898	11,200
Income taxes-deferred	13	(1,377)
Total income taxes	10,912	9,822
Profit	20,781	28,206

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

3) Non-consolidated statements of changes in net assets

Year ended March 31,2015 (Unit: Millions of yen)

	Shareholders' equity								
		Capital surplus			Retained earnings				
						Other retained earnings			
	Capital stock	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Experiment and research reserve	Special reserve	Retained earnings brought forward	Total retained earnings
Balance at beginning of term	10,243	16,108	6	16,114	389	9,800	27,715	40,309	78,214
Cumulative effects of changes in accounting policies								(195)	(195)
Restated balance	10,243	16,108	6	16,114	389	9,800	27,715	40,114	78,019
Changes of items during the period									
Issuance of new shares-exercise of subscription rights to shares	240	240		240					
Dividends from surplus								(6,734)	(6,734)
Profit								20,781	20,781
Purchase of treasury stock									
Net changes of items other than shareholders' equity									
Total changes of items during the period	240	240	－	240	－	－	－	14,047	14,047
Balance at end of term	10,483	16,348	6	16,354	389	9,800	27,715	54,161	92,066

	Shareholders' equity		Valuation, translation adjustments and others			Subscription rights to shares	Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation, translation adjustments and others		
Balance at beginning of term	(270)	104,302	1,095	－	1,095	493	105,891
Cumulative effects of changes in accounting policies		(195)					(195)
Restated balance	(270)	104,107	1,095	－	1,095	493	105,695
Changes of items during the period							
Issuance of new shares-exercise of subscription rights to shares		480					480
Dividends from surplus		(6,734)					(6,734)
Profit		20,781					20,781
Purchase of treasury stock	(10)	(10)					(10)
Net changes of items other than shareholders' equity			225	0	226	530	757
Total changes of items during the period	(10)	14,516	225	0	226	530	15,274
Balance at end of term	(280)	118,623	1,321	0	1,322	1,024	120,970

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

Year ended March 31,2016 (Unit: Millions of yen)

	Shareholders' equity								
		Capital surplus			Retained earnings				
						Other retained earnings			
	Capital stock	Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Experiment and research reserve	Special reserve	Retained earnings brought forward	Total retained earnings
Balance at beginning of term	10,483	16,348	6	16,354	389	9,800	27,715	54,161	92,066
Cumulative effects of changes in accounting policies								—	—
Restated balance	10,483	16,348	6	16,354	389	9,800	27,715	54,161	92,066
Changes of items during the period									
Issuance of new shares-exercise of subscription rights to shares	533	533		533					
Dividends from surplus								(9,549)	(9,549)
Profit								28,206	28,206
Purchase of treasury stock									
Net changes of items other than shareholders' equity									
Total changes of items during the period	533	533	—	533	—	—	—	18,656	18,656
Balance at end of term	11,016	16,882	6	16,888	389	9,800	27,715	72,817	110,722

	Shareholders' equity		Valuation, translation adjustments and others			Subscription rights to shares	Total net assets
	Treasury stock	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation, translation adjustments and others		
Balance at beginning of term	(280)	118,623	1,321	0	1,322	1,024	120,970
Cumulative effects of changes in accounting policies		—					—
Restated balance	(280)	118,623	1,321	0	1,322	1,024	120,970
Changes of items during the period							
Issuance of new shares-exercise of subscription rights to shares		1,067					1,067
Dividends from surplus		(9,549)					(9,549)
Profit		28,206					28,206
Purchase of treasury stock	(4)	(4)					(4)
Net changes of items other than shareholders' equity			(202)	1	(200)	73	(126)
Total changes of items during the period	(4)	19,719	(202)	1	(200)	73	19,592
Balance at end of term	(285)	138,342	1,119	2	1,121	1,097	140,562

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

6. Others

1) About our transition to a company with an Audit and Supervisory Committee

Sysmex plans to transition to a company with an Audit and Supervisory Committee, assuming the matter is approved at the 49th Ordinary General Meeting of Shareholders, to be held on June 24, 2016. For details, please refer to the February 25, 2016, press release entitled "Sysmex to Transition to a Company with an Audit and Supervisory Committee."

2) Executive changes

(1) Change in representative director

Nothing to report.

(2) Other executive changes

・Candidates for Member of the Managing Board to be newly appointed (Excluding Members of the Audit and Supervisory Committee)

Masayo Takahashi (Currently, Project Leader, Laboratory for Retinal Regeneration, RIKEN Center for Developmental Biology)

(Note) Dr. Masayo Takahashi M.D., Ph.D., is a candidate for Member of the Managing Board (Outside).

・Candidates for Member of the Managing Board to be newly appointed who are members of the Audit and Supervisory Committee

Yukitoshi Kamao (Executive Officer at Sysmex)
Koichi Onishi (Corporate Auditor at Sysmex)
Kazuhito Kajiura (Currently, Certified Public Accountant, Certified Tax Accountant)

(Note) Mr. Koichi Onishi and Mr. Kazuhito Kajiura are candidates for Member of the Managing Board (Outside).

・Members of the Managing Board scheduled to step down

Nothing to report.

・Corporate Auditors scheduled to step down

Katsuo Uhara (Standing Corporate Auditor)
Masami Kitagawa (Standing Corporate Auditor)
Kuniaki Maenaka (Corporate Auditor)

(3) Scheduled date for assumption of and stepping down from office

June 24, 2016