



May 11, 2016  
Sysmex Corporation

## **Sysmex Records Loss on Valuation of Investments in Capital of Subsidiaries and Associates and Conducts Lump-Sum Amortization of Goodwill in Relation to Sysmex Inostics**

Sysmex has recorded a valuation loss on its investment in the capital of Sysmex Inostics GmbH (“Sysmex Inostics”), a consolidated subsidiary, for the fiscal year ended March 31, 2016 (April 1, 2015 to March 31, 2016) and conducted a lump-sum amortization of goodwill, as outlined below.

### 1. Description of loss on valuation of investments in capital of subsidiaries and associates and lump-sum amortization of goodwill

#### (1) Non-consolidated basis

Sysmex judges that the real value of its investment in the capital of Sysmex Inostics has fallen significantly below the amount invested at the time of acquiring the company in October 2013, based on such considerations as the state of progress against the company’s business plan and its future performance outlook. Sysmex has handled this decrease as an impairment, recording a ¥4,921 million loss on valuation of investments in capital of subsidiaries and associates as an extraordinary loss.

#### (2) Consolidated basis

In line with the non-consolidated loss on valuation indicated above, on a consolidated basis Sysmex has recorded selling, general and administrative expenses of ¥37 million for the lump-sum amortization of goodwill in Sysmex Inostics.

As the loss on valuation of investments in capital of subsidiaries and associates recorded on a non-consolidated basis will be eliminated in consolidation, this loss will not impact consolidated operating performance. Consolidated operating performance will be affected to the extent of the ¥37 million in lump-sum amortization of goodwill.

### 2. Future outlook

This matter has been reflected in the “Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2016,” announced today.

Going forward, the Sysmex Group will work on initiatives to improve earnings and bolster the management structure of Sysmex Inostics, striving to leverage the company’s technologies to develop and promote new testing and diagnostic technologies in the aim of contributing to the development of personalized medicine.