Summary of Consolidated Financial Results
for the Fiscal Year Ended March 31, 2015

May 12, 2015

Listed company name	:	Sysmex Corporation
Code	:	6869
Listed stock exchanges	:	Tokyo Stock Exchange
URL	:	http://www.sysmex.co.jp
Company representative	:	Hisashi Ietsugu, Chairman and CEO
Contact	:	Yukitoshi Kamao, Executive Officer, Corporate Business Administration
Phone	:	078(265)-0500
Scheduled date for shareholders' meeting	:	June 19, 2015
Scheduled date for dividend payment	:	June 22, 2015
Scheduled date for filing of financial report	:	June 19, 2015
Preparation of supplementary material for earnings	:	Yes
Holding of earnings announcement	:	Yes

(Unit: Millions of yen)

1. Results for the Year Ended March 31, 2015

(1) Operating results

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

	Net Sales		Operating income		Ordinary income		Net income	
Year ended Mar. 31, 2015	221,376	20.0%	44,411	35.1%	45,955	36.0%	26,638	29.5%
Year ended Mar. 31, 2014	184,538	26.8%	32,870	50.8%	33,782	47.0%	20,573	45.2%

Note:
Comprehensive income: 29,210 million yen (negative 1.4%) for the year ended March 31, 2015; 29,611 million yen (50.7%) for the year ended March 31, 2014.

	Net income per share (Yen)	Diluted net income per share (Yen)	Return on Equity	Ordinary income to total assets	Operating income to net sales
Year ended Mar. 31, 2015	128.49	128.02	17.0%	20.0%	20.1%
Year ended Mar. 31, 2014	99.47	99.16	15.6%	17.6%	17.8%

Note:
Equity in earnings (losses) of affiliates: (83) million yen for the year ended March 31, 2015; (30) million yen for the year ended March 31, 2014.
On April 1, 2014, Sysmex conducted a two-for-one split on shares of common stock. Consequently, "net income per share" and "diluted net income per share" have been computed as if the stock split had been conducted at the beginning of the fiscal year ended March 31, 2014.

(2) Financial condition

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
As of Mar. 31, 2015	247,983	169,550	68.0%	812.37
As of Mar. 31, 2014	210,758	146,250	69.2%	703.76

Note:
Equity capital: 168,526 million yen as of March 31, 2015; 145,757 million yen as of March 31, 2014.
On April 1, 2014, Sysmex conducted a two-for-one split on shares of common stock. Consequently, "net assets per share" have been computed as if the stock split had been conducted at the beginning of the fiscal year ended March 31, 2014.

(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, 2015	38,640	(19,544)	(7,554)	50,219
Year ended Mar. 31, 2014	36,563	(33,940)	(2,897)	36,547

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, 2014	—	21.00	—	33.00	54.00	5,588	27.1%	4.2%
Year ended Mar. 31, 2015	—	16.00	—	22.00	38.00	7,880	29.6%	5.0%
Year ending Mar. 31, 2016 (Forecast)	—	20.00	—	20.00	40.00		26.1%	

Note:

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

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

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

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share (Yen)
Six months ending Sep. 30, 2015	115,000	16.0%	24,000	19.4%	24,000	17.6%	15,500	21.7%	74.72
Year ending Mar. 31, 2016	245,000	10.7%	50,000	12.6%	50,000	8.8%	31,800	19.4%	153.29

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: Yes
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 18 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): 207,894,432 shares as of Mar. 31, 2015; 207,553,632 shares as of Mar. 31, 2014
2) Number of treasury stock at the end of each fiscal period: 443,380 shares as of Mar. 31, 2015; 440,556 shares as of Mar. 31, 2014
3) Average number of outstanding stock for each period: 207,311,568 shares for the year ended Mar. 31, 2015; 206,828,436 shares for the year ended Mar. 31, 2014

Note:

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

(Reference) Summary of Non-Consolidated Financial Results
Non-consolidated financial results for the year ended March 31, 2015

(1) Non-consolidated business results

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

	Net sales		Operating income		Ordinary income		Net income	
Year ended Mar. 31, 2015	121,894	18.8%	29,543	55.0%	31,758	25.9%	20,781	19.7%
Year ended Mar. 31, 2014	102,617	17.7%	19,058	80.3%	25,215	88.2%	17,356	87.3%

	Net income per share (Yen)	Diluted net income per share (Yen)
Year ended Mar. 31, 2015	100.24	99.87
Year ended Mar. 31, 2014	83.92	83.66

Note:

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

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share (Yen)
As of Mar. 31, 2015	171,237	120,970	70.1%	578.19
As of Mar. 31, 2014	139,743	105,891	75.4%	508.89

Note:

Equity capital: 119,946 million yen as of March 31, 2015; 105,397 million yen as of March 31, 2014.
On April 1, 2014, Sysmex conducted a two-for-one split on shares of common stock. Consequently, "net assets per share" have been computed as if the stock split had been conducted at the beginning of the fiscal year ended March 31, 2014.

* 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 Tuesday, May 12, 2015.

Content of Supplementary Materials

1. Financial Performance

1) Performance analysis

During the fiscal year ended March 31, 2015, the Japanese economy continued on its path to recovery thanks to improvements in employment and income conditions and an upturn in capital investment, despite the impact of a slowdown in demand in reaction to the consumption tax hike. In general, overseas economies were characterized by gradual ongoing recovery. In the United States, employment conditions continued to improve, and the corporate sector was in a expansionary phase. The European economy also sustained a slight ongoing recovery. In China, economic growth decelerated but the economy trended upward, bolstered by government financial policies and measures. The Asia Pacific region experienced a modest expansion in economic activity, centering on ASEAN countries.

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

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

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

Net sales by destination

Fiscal years ended March 31		2014		2015		YoY (Previous period = 100)
		Amount (Millions of yen)	Percentage of total (%)	Amount (Millions of yen)	Percentage of total (%)	
Japan		40,317	21.8	40,553	18.3	100.6
	Americas	39,926	21.7	49,551	22.4	124.1
	EMEA	53,385	28.9	63,598	28.7	119.1
	China	36,268	19.7	49,849	22.5	137.4
	Asia Pacific	14,639	7.9	17,823	8.1	121.8
Overseas subtotal		144,220	78.2	180,822	81.7	125.4
Total		184,538	100.0	221,376	100.0	120.0

In Japan, sales of *in-vitro* diagnostic (IVD) instruments were down year on year, as healthcare institutions curtailed capital investments due to fiscal 2014 revisions to medical compensation under the national healthcare system and the consumption tax hike. However, sales of IVD reagents in the hematology, hemostasis and immunochemistry fields in line with an increase in the installed instrument base. As a result, sales in Japan grew 0.6% year on year, to ¥40,553 million.

In overseas markets, we made progress in the strengthening of sales and support structures and the provision of solutions, leading to higher sales of instruments centered on the fields of hematology and hemostasis. Sales of reagents and services also rose, benefiting from an increase in the installed instrument base. These factors caused the Sysmex Group's overseas sales to surge 25.4% year on year, to ¥180,822 million. The overseas sales ratio accordingly rose 3.5 percentage points, to 81.7%.

As a result, during the fiscal year the Group recorded consolidated net sales of ¥221,376 million, up 20.0% year on year. Operating income rose 35.1%, to ¥44,411 million; ordinary income grew 36.0%, to ¥45,955 million; and net income increased 29.5%, to ¥26,638 million.

Performance by segment

(1) Japan

Although sales of IVD instruments were down year on year owing to such factors as healthcare institutions tended to curtail capital investments, an increase in the installed instrument base led to higher sales of reagents in the hematology, hemostasis and immunochemistry fields, and export sales rose. Sales in the segment consequently expanded 3.9% year on year, to ¥43,399 million.

On the profit front, such factors as the growth of export sales to Group companies and higher trademark royalty income led to a 54.8% rise in segment profit (operating income), to ¥31,163 million.

(2) Americas

In the United States, sales of instruments were up, particularly in the hematology field, and an increase the installed instrument base led to higher sales of reagents and support services, pushing up sales in the country. In Central and South America, the Group acquired government projects in Mexico and Costa Rica, and sales rose in Colombia, boosting sales in the Americas 21.8% year on year, to ¥47,013 million.

Segment profit (operating income) fell 3.0%, to ¥2,401 million, as the increase in operating expenses outpaced the effect of higher sales.

(3) EMEA

Sales rose in the United Kingdom, France and Germany, and in Turkey sales benefited from our commencement of direct sales and support services. Also, sales expanded in Saudi Arabia, the United Arab Emirates and other parts of the Middle East, as well as Africa. Accordingly, segment sales were robust, centering on the hematology and hemostasis fields, growing 18.9%, to ¥63,257 million.

Segment profit (operating income), however, fell 39.6%, to ¥5,198 million, due to higher payments of Group trademark royalties and rising operating expenses accompanying business expansion.

(4) China

In this market, sales remained sluggish in some areas. However, sales of instruments grew in the hematology field, and the launch of a fully automated immunochemistry analyzer (the HISCL) pushed up instrument sales in the immunochemistry field. Furthermore, sales of reagents were firm as a result of a greater installed instrument base. Segment sales accordingly grew 37.5%, to ¥49,839 million.

Segment profit (operating income) expanded 62.1%, to ¥6,802 million, as higher sales more than compensated for the increased operating expenses.

(5) Asia Pacific

Sales in the hematology field increased in Southeast Asia, owing to higher sales in Thailand and Malaysia and enhanced direct sales and services in Vietnam. Hematology sales also grew in India, as well as in Australia, thanks to the acquisition of bid projects for diagnostic centers. Robust sales of the XN-Series automated hematology analyzer also boosted sales in the hematology field in South Korea. As a result, sales grew 21.3%, to ¥17,866 million.

Segment profit (operating income) dropped 11.5%, to ¥1,226 million, as intragroup transaction prices were revised and operating expenses expanded to cover the building of sales and support structures, outpacing the effect of higher sales.

Forecast for the fiscal years to March 31 (Unit: Millions of yen)

	2016	2015	Increase / decrease	Increase / decrease ratio
Sales	245,000	221,376	23,623	10.7%
Operating income	50,000	44,411	5,588	12.6%
Ordinary income	50,000	45,955	4,044	8.8%
Net income attributable to owners of the parent	31,800	26,638	5,161	19.4%

For the fiscal year ending March 31, 2016, we expect the Japanese economy to demonstrate a gradual recovery, as prices fall along with the decline in crude oil prices and with the effects of the consumption tax rise having run their course. We anticipate steady growth in the United States, centered on personal consumption, although remain concerned about the potential impact of changes in monetary policy. We anticipate a modest economic recovery in Europe, despite the risk of government debt crises negatively affecting business activity. In addition, a falloff in growth in China and growing geopolitical risk in the Middle East lead us to be less than optimistic about the global economic outlook.

Looking at the healthcare environment, demand in developed countries to curtail medical expenses by augmenting efficiency and advances in healthcare infrastructure in emerging markets in line with economic expansion lead us to expect 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 launched a new mid-term management plan in April 2015 for the fiscal years ending March 31, 2016 through 2018. As a distinctive global healthcare testing company, we will augment our lineup of products in the hematology, hemostasis and urinalysis fields. 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 ¥245,000 million, up 10.7% year on year; operating income of ¥50,000 million, up 12.6%; ordinary income of ¥50,000 million, up 8.8%; and net income attributable to owners of the parent of ¥31,800 million, up 19.4%. Our assumptions for annual average interest rates are US$1=¥115 and €1 = ¥130.

2) Financial conditions analysis

(1) Assets, liabilities and net assets

As of March 31, 2015, total assets amounted to ¥247,983 million, up ¥37,224 million from a year earlier. The main reasons were an increase in cash and deposits of ¥13,574 million, ¥7,524 million higher trade notes and accounts receivable, ¥1,495 million higher merchandise and finished goods, ¥3,569 million increase in buildings and structures, ¥1,689 million expansion in tools, furniture and fixtures and ¥2,501 million higher investment securities.

Total liabilities were up ¥13,924 million, to ¥78,432 million at March 31, 2015, due mainly to a ¥2,701 million increase in trade notes and accounts payable, ¥1,939 million higher income taxes payable, a ¥1,729 million expansion in accrued payable in the “others” category within current liabilities and a ¥1,692 million increase in advance receipts and ¥2,914 million rise in deferred tax liabilities (fixed).

Total net assets came to ¥169,550 million at March 31, 2015, up ¥23,300 million from a year earlier. The principal reasons for the increase were a rise of ¥19,727 million in retained earnings.

The equity ratio as of March 31, 2015, was 68.0%, down 1.2 percentage points from the 69.2% recorded as of March 31, 2014. .

(2) Cash flows

As of March 31, 2015, cash and cash equivalents amounted to ¥50,219 million, up ¥13,672 million from March 31, 2014.

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 ¥38,640 million, ¥2,076 million more than in the preceding fiscal year. As principal factors, income before income taxes provided ¥45,727 million, ¥12,276 million more than in the preceding fiscal year, and depreciation and amortization provided ¥11,258 million, ¥1,298 million more than in the preceding fiscal year. The increase in notes and accounts receivable used ¥6,849 million, compared with ¥713 million provided by a decrease in the previous year, and income taxes paid used ¥15,551 million, , ¥5,319 million more than in the preceding fiscal year.

(Investing cash flow)

Net cash used in investing activities was ¥19,544 million, ¥14,396 million less than in the preceding fiscal year. Among major factors were purchases of property, plant and equipment, which used ¥13,033 million, down ¥249 million. The purchase of investment securities used ¥2,349 million, ¥2,307 million more than in the preceding fiscal year, and purchase of investments in subsidiaries amounted to an inflow of ¥341 million, ¥16,301 million less than in the preceding fiscal year.

(Financing cash flow)

Net cash used in financing activities was ¥7,554 million, up ¥4,656 million from the previous year. This was mainly due to a net decrease in short-term loans payable of ¥1,000 million, compared with a net increase of ¥854 million in the year ended March 31, 2014, and cash dividends paid of ¥6,734 million, which used ¥2,190 million more in cash than in the preceding fiscal year.

Cash flow indices

Fiscal years ended March 31	2011	2012	2013	2014	2015
Equity ratio (%)	71.9	71.6	68.7	69.2	68.0
Equity ratio at market price (%)	232.8	241.8	346.0	324.0	559.2
Interest-bearing debt to cash flow ratio (years)	0.1	0.1	0.0	0.1	0.0
Interest coverage ratio (times)	200.0	340.3	609.8	2,347.7	1,569.2

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 48th Ordinary General Meeting of Shareholders we intend to propose a year-end dividend of ¥22 per share. This amount would bring total annual dividends to ¥38 per share, for a consolidated payout ratio of 29.6%. Taking into account the stock split conducted in April 1, 2014, this dividend amount would be ¥22 higher than the ¥54 per share paid for the fiscal year ended March 31, 2014.

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 ¥40 per share (an interim dividend of ¥20 per share and a year-end dividend of ¥20).

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 1 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.

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 is preparing to adopt International Financial Reporting Standards (IFRS) in the aim of improving the comparability of its financial information in capital markets and to increase business standardization and efficiency by enabling the consistent groupwide application of accounting standards.

4. Consolidated Financial Statements

1) Consolidated balance sheets

(Unit: Millions of yen)

Items	As of Mar. 31, 2014	As of Mar. 31, 2015
(Assets)		
Current assets		
Cash and deposits	36,698	50,272
Notes and accounts receivable-trade	45,514	53,038
Lease investment assets	4,640	5,413
Short-term investment securities	131	240
Merchandise and finished goods	21,242	22,737
Work in process	1,725	2,869
Raw materials and supplies	4,351	4,281
Deferred tax assets	8,011	8,987
Prepaid expenses	1,600	1,991
Short-term loans receivable	1	1
Others	2,793	4,890
Allowance for doubtful accounts	(889)	(575)
Total current assets	125,823	154,148
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	32,756	38,007
Accumulated depreciation	(13,900)	(15,582)
Buildings and structures, net	18,855	22,425
Machinery, equipment and vehicles	9,460	10,523
Accumulated depreciation	(6,225)	(6,628)
Machinery, equipment and vehicles, net	3,235	3,895
Tools, furniture and fixtures	42,687	47,446
Accumulated depreciation	(27,542)	(30,612)
Tools, furniture and fixtures, net	15,145	16,834
Land	11,264	11,259
Lease assets	2,536	2,629
Accumulated depreciation	(1,940)	(2,118)
Lease assets, net	595	510
Construction in progress	4,678	4,136
Total property, plant and equipment	53,774	59,061
Intangible assets		
Goodwill	13,115	12,114
Software	5,969	7,112
Others	4,773	4,555
Total intangible assets	23,858	23,783
Investments and other assets		
Investment securities	4,672	7,174
Long-term loans receivable	13	11
Deferred tax assets	132	267
Net defined benefit assets	13	960
Long-term prepaid expenses	353	419
Others	2,121	2,161
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	7,303	10,990
Total Noncurrent assets	84,935	93,835
Total assets	210,758	247,983

(Note) fractions of one million yen are rounded off

(Unit: Millions of yen)

Items	As of Mar. 31, 2014	As of Mar. 31, 2015
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	13,263	15,965
Short-term loans payable	1,050	—
Current portion of lease obligations	57	50
Accrued expenses	7,115	8,301
Income taxes payable	7,699	9,639
Deferred tax liabilities	8	101
Provision for bonuses	5,047	6,119
Provision for directors' bonuses	269	411
Provision for product warranties	291	456
Others	19,205	24,124
Total current liabilities	54,010	65,170
Noncurrent liabilities		
Long-term loans payable	105	—
Lease obligations	251	199
Deferred tax liabilities	6,078	8,993
Provision for directors' retirement benefits	102	102
Net defined benefit liabilities	631	460
Others	3,329	3,507
Total Noncurrent liabilities	10,498	13,262
Total liabilities	64,508	78,432
(Net assets)		
Shareholders' equity		
Capital stock	10,243	10,483
Capital surplus	15,183	15,423
Retained earnings	109,976	129,703
Treasury stock	(270)	(280)
Total shareholders' equity	135,133	155,330
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,134	1,366
Deferred gains or losses on hedges	—	0
Foreign currency translation adjustment	8,652	10,428
Remeasurements of defined benefit plans	836	1,400
Total accumulated other comprehensive income	10,623	13,196
Subscription rights to shares	493	1,024
Minority interests	0	—
Total net assets	146,250	169,550
Total liabilities and net assets	210,758	247,983

(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)

Items	Year ended Mar. 31, 2014	Year ended Mar. 31, 2015
Net sales	184,538	221,376
Cost of sales	69,942	95,358
Gross profit	114,595	126,018
Selling, general and administrative expenses	81,724	81,606
Operating income	32,870	44,411
Non-operating income		
Interest income	170	232
Dividends income	58	75
Subsidy income	129	290
Foreign exchange gains	410	932
Others	333	322
Total non-operating income	1,103	1,854
Non-operating expenses		
Interest expenses	41	44
Sales discounts	40	42
Equity in losses of affiliates	30	83
Others	80	140
Total non-operating expenses	191	310
Ordinary income	33,782	45,955
Extraordinary profits		
Gain on sales of noncurrent assets	10	28
Gain on sales of investment securities	0	0
Insurance income	246	—
Gain on reversal of subscription rights to shares	0	—
Gain on reversal of asset retirement obligation	8	—
Total extraordinary profits	266	28
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	204	143
Impairment loss	231	111
Loss on valuation of investment securities	46	—
Loss on valuation of membership	—	1
Loss on transport accident	116	—
Total extraordinary loss	598	256
Income before income taxes and minority interest	33,451	45,727
Income taxes-current	13,734	17,118
Income taxes-deferred	(857)	1,970
Total income taxes	12,877	19,089
Income before minority interests	20,573	26,638
Minority interests	0	(0)
Net income	20,573	26,638

(Note) fractions of one million yen are rounded off

Consolidated statements of comprehensive income

(Unit: Millions of yen)

Items	Year ended Mar. 31, 2014	Year ended Mar. 31, 2015
Income before minority interests	20,573	26,638
Other comprehensive income		
Valuation difference on available-for-sale securities	426	232
Deferred gains or losses on hedges	—	0
Foreign currency translation adjustment	8,611	1,775
Remeasurements of defined benefit plans	—	563
Total other comprehensive income	9,037	2,572
Comprehensive income	29,611	29,210
Comprehensive income attributable to owners of the parent	29,611	29,210
Comprehensive income attributable to minority interests	(0)	(0)

(Note) fractions of one million yen are rounded off

3) Consolidated statements of changes in net assets

Year ended March 31,2014 (Unit: Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of term	9,711	14,651	93,947	(259)	118,050
Cumulative effects of changes in accounting policies			—		—
Restated balance	9,711	14,651	93,947	(259)	118,050
Changes of items during the period					
Issuance of new shares-exercise of subscription rights to shares	531	531			1,062
Dividends from surplus			(4,544)		(4,544)
Net income			20,573		20,573
Purchase of treasury stock				(10)	(10)
Disposal of treasury stock		0		0	0
Increase due to decrease in affiliates			—		—
Net changes of items other than shareholders' equity					
Total changes of items during the period	531	531	16,029	(10)	17,082
Balance at end of term	10,243	15,183	109,976	(270)	135,133

	Accumulated other comprehensive income					Subscription rights to shares	Minority interest	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	708	—	41	—	749	353	0	119,153
Cumulative effects of changes in accounting policies								—
Restated balance	708	—	41	—	749	353	0	119,153
Changes of items during the period								
Issuance of new shares-exercise of subscription rights to shares								1,062
Dividends from surplus								(4,544)
Net income								20,573
Purchase of treasury stock								(10)
Disposal of treasury stock								0
Increase due to decrease in affiliates								—
Net changes of items other than shareholders' equity	426	—	8,611	836	9,874	140	(0)	10,014
Total changes of items during the period	426	—	8,611	836	9,874	140	(0)	27,096
Balance at end of term	1,134	—	8,652	836	10,623	493	0	146,250

(Note) fractions of one million yen are rounded off

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)
Net income			26,638		26,638
Purchase of treasury stock				(10)	(10)
Disposal of treasury stock		—		—	—
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	Minority interest	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)
Net income								26,638
Purchase of treasury stock								(10)
Disposal of treasury stock								—
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

(Note) fractions of one million yen are rounded off

4) Consolidated statements of cash flows

(Unit: Millions of yen)

Items	Year ended Mar. 31, 2014	Year ended Mar. 31, 2015
Net cash provided by (used in) operating activities		
Income before income taxes	33,451	45,727
Depreciation and amortization	9,960	11,258
Impairment loss	231	111
Amortization of goodwill	1,435	1,695
Increase (decrease) in provision for bonuses	723	931
Increase (decrease) in provision for directors' bonuses	4	141
Increase (decrease) in provision for retirement benefits	(1,803)	－
Increase (decrease) in provision for directors' retirement benefits	(57)	－
Increase (decrease) in allowance for doubtful accounts	251	(368)
Increase (decrease) in net defined benefit liability	1,895	(640)
Interest and dividends income	(229)	(308)
Interest expenses	41	44
Equity in (earnings) losses of affiliates	30	83
Loss (gain) on valuation of investment securities	46	－
Loss on retirement of noncurrent assets	204	143
Insurance income	(246)	－
Loss on transport accident	116	－
Decrease (increase) in notes and accounts receivable-trade	713	(6,849)
Decrease (increase) in inventories	1,644	(1,785)
Increase (decrease) in notes and accounts payable-trade	(2,936)	2,517
Increase (decrease) in consumption taxes payable (receivable)	93	(1,619)
Others	780	2,826
Subtotal	46,348	53,911
Interest and dividends received	217	306
Interest expenses paid	(15)	(24)
Insurance received	246	－
Income taxes paid	(10,232)	(15,551)
Net cash provided by (used in) operating activities	36,563	38,640
Net cash provided by (used in) investment activities		
Payments into time deposits	(146)	(147)
Proceeds from withdrawal of time deposits	84	157
Purchase of property, plant and equipment	(13,282)	(13,033)
Proceeds from sales of property, plant and equipment	268	91
Purchase of intangible assets	(3,812)	(3,455)
Purchase of investment securities	(42)	(2,349)
Purchase of investments in subsidiaries	(16,643)	(341)
Others	(365)	(464)
Net cash provided by (used in) investment activities	(33,940)	(19,544)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	854	(1,000)
Repayments of long-term loans payable	(12)	(148)
Repayments of lease obligations	(62)	(57)
Proceeds from issuance of common stock	877	396
Purchase of treasury stock	(10)	(10)
Cash dividends paid	(4,544)	(6,734)
Net cash provided by (used in) financing activities	(2,897)	(7,554)
Effect of exchange rate change on cash and cash equivalents	2,514	2,129
Net increase (decrease) in cash and cash equivalents	2,240	13,672
Cash and cash equivalents at beginning of term	34,306	36,547
Cash and cash equivalents at end of term	36,547	50,219

(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

(1) Number of consolidated subsidiaries: 59

1) Domestic subsidiaries: 7

Names of principal consolidated subsidiaries

・Sysmex International Reagents Co., Ltd.

As Sysmex Engineering Co., Ltd., was established during the fiscal year under review, this company was newly included in the scope of consolidation.

2) Overseas subsidiaries: 52

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 Colombia SAS and four other companies, which were newly included in the scope of consolidation. Saxonia Biocell GmbH and Partec GmbH Münster were merged into Sysmex Partec GmbH (formerly Partec GmbH Görlitz), and were therefore excluded from the scope of consolidation. Partec S.A.R.L. France was merged into Sysmex France S.A.S., and was therefore excluded from the scope of consolidation.

(2) Names of principal nonconsolidated subsidiaries, etc.

Names of principal nonconsolidated subsidiaries

・Partec East Africa Ltd.

(Reason for exclusion from the scope of consolidation)

Four nonconsolidated subsidiaries are excluded from the scope of consolidation because their operations are small in scale, and the amount of their total assets, net sales, net income (amounts commensurate with equity) and retained earnings (amounts commensurate with equity) do not have a significant impact on the consolidated financial statements.

2. Items related to equity method application

(1) Number of nonconsolidated subsidiaries to which the equity method is applied

Nothing to report.

(2) 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.

In the current fiscal year, the Company acquired shares in RIKEN GENESIS Co., Ltd., bringing this company into the scope of equity method application. KIFMEC Specific Purpose Co. was excluded from the scope of equity method application, as a third-party allocation of new shares reduced the Company's voting rights in KIFMEC, which ceased to be an affiliated company.

(3) Names, etc., of nonconsolidated subsidiaries to which the equity method is not applied

Names of principal nonconsolidated subsidiaries

・Partec East Africa Ltd.

(Reasons for not applying the equity method)

The four nonconsolidated subsidiaries to which the equity method is not applied are excluded from application of the equity method because in view of their net income (amounts commensurate with equity) and retained earnings (amounts commensurate with equity), doing so is determined to have no significant impact on the consolidated financial statements and because their overall importance is not significant.

(4) 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

Among consolidated subsidiaries, for Sysmex Shanghai Ltd. and five other overseas subsidiaries having fiscal year-ends on December 31, when preparing the consolidated financial statements, provisional financial statements were prepared for these companies as of the consolidated financial year-end. For Sysmex Partec GmbH and eight 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.

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 (3 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.

(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 minority 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 retirement benefits)

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

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

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

During the year, the impact on net assets per share, net income per share and diluted net income per share was also slight.

(After-sales service expense)

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

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

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

Compared with the previous method, the effects of adopting this method on the consolidated statements of income for the fiscal year under review include ¥13,045 million higher cost of sales and ¥13,045 million lower amounts for gross profit and selling, general and administrative expenses. However, operating income, ordinary income and income before income taxes and minority interests were not affected.

(Transport costs for delivering products to customers)

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

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

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

As a result, the effects of adopting this method on the consolidated statements of income for the fiscal year ended March 31, 2014, were to increase cost of sales ¥1,128 million and reduce gross profit and selling, general and administrative expenses by ¥1,128 million. This change had no effect on operating income, ordinary income or income before income taxes and minority interests for the fiscal year ended March 31, 2014. Furthermore, this change of accounting method had no cumulative effect from periods prior to those shown.

(Changes in presentation method)

(Consolidated statements of cash flows)

Due to the increased financial significance of "purchase of investment securities," which was included in "others" within "cash flows from investing activities" in the preceding fiscal year, this amount was stated as an independent line item from the fiscal year ended March 31, 2015. The consolidated financial statements for the previous fiscal year have been retroactively adjusted to reflect this change in presentation method.

As a result, the negative ¥407 million that was presented in "others" within "cash flows from investing activities" in the consolidated statements of cash flows in the previous fiscal year was revised to show a negative ¥42 million in "purchase of investment securities" and a negative ¥365 million in "others."

(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.

(Application of Accounting Standard for Retirement Benefits)

As is mentioned in "Changes in Accounting Policies," during the year the Company changed its method of calculating liabilities for retirement benefits and service costs. The effect of this change on segment income for the year ended March 31, 2015, is slight.

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

For the year ended March 31,2014 (Unit: Millions of yen)

	Japan	Americas	EMEA	China	Asia Pacific	Total	Reconcili-ations[1]	Consolidated
Sales								
Outside sale	41,758	38,594	53,195	36,258	14,730	184,538	—	184,538
Intersegment sales	62,058	24	785	5	164	63,038	(63,038)	—
Total sales	103,816	38,618	53,981	36,263	14,895	247,576	(63,038)	184,538
Segment income	20,137	2,477	8,604	4,195	1,386	36,800	(3,929)	32,870
Segment assets	100,887	29,743	65,359	23,467	16,198	235,655	(24,896)	210,758
Other items								
Depreciation	4,672	1,841	3,290	267	985	11,056	(1,096)	9,960
Amortization of goodwill	280	—	640	—	514	1,435	—	1,435
Investment to equity-method affiliates	390	—	—	—	—	390	—	390
Increase in property, plant and equipment and intangible assets[2]	10,143	1,857	4,487	164	1,936	18,590	(1,412)	17,178

Notes:

1. Reconciliation amounts are as follows.

(1) The negative ¥3,929 million reconciliation of segment income includes a ¥112 million elimination of intersegment transactions, a negative ¥3,633 million in inventory adjustments and a negative ¥279 million in adjustments of noncurrent assets.

(2) The negative ¥24,896 million reconciliation of segment assets includes ¥3,740 million of the Company's long-term investment funds (investment securities) and a negative ¥28,636 million in eliminations of receivables among reportable segments.

(3) The negative ¥1,096 million reconciliation in depreciation and amortization is an adjustment related to intersegment transactions.

(4) The reconciliation of a negative ¥1,412 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 31,2015 (Unit: Millions of yen)

	Japan	Americas	EMEA	China	Asia Pacific	Total	Reconcili-ations[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 income	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 income includes a ¥125 million elimination of intersegment transactions, a negative ¥2,464 million in inventory adjustments and a 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 a 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.

[Related information]
Previous fiscal year (April 1, 2013 to March 31, 2014)
1. Information by product and service

(Millions of yen)

	Instruments	Reagents	Maintenance services and parts	Others	Total sales
Sales to outside customers	57,088	88,163	18,078	21,207	184,538

2. Information by region
(1) Sales

(Millions of yen)

Japan	The United States	China	Others	Total Sales
40,317	33,211	36,268	74,741	184,538

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

(2) Property, plant and equipment

(Millions of yen)

Japan	Others	Total
34,426	19,347	53,774

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, 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.

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

Previous fiscal year (April 1, 2013 to March 31, 2014)

Nothing to report.

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

Nothing to report.

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

Previous fiscal year (April 1, 2013 to March 31, 2014)

(Millions of yen)

	Japan	Americas	EMEA	China	Asia Pacific	Corporate and eliminations	Total
As of March31, 2014	561	－	10,414	－	2,139	－	13,115

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

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

(Millions of yen)

	Japan	Americas	EMEA	China	Asia Pacific	Corporate and Eliminations	Total
As of March31, 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.

[Information on negative goodwill generated, by reportable segment]

Previous fiscal year (From April 1, 2013 to March 31, 2014)

Nothing to report.

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

Nothing to report.

(Per-share information)

	Year ended March 31, 2014	Year ended March 31, 2015
Net assets per share	¥703.76	¥812.37
Net income per share	¥99.47	¥128.49
Diluted net income per share	¥99.16	¥128.02

(Note) 1. The Company performed a two-for-one stock split on common stock on April 1, 2014. Net assets per share, net income per share and diluted net income per share are calculated as if the stock split had been conducted at the beginning of the fiscal year ended March 31, 2014.

2. The basis for calculating net income per share and diluted net income per share is as follows.

	Year ended March 31, 2014	Year ended March 31, 2015
Net income per share		
Net income (Millions of yen)	20,573	26,638
Amount not available to common shareholders (Millions of yen)	—	—
Net income for common stock (Millions of yen)	20,573	26,638
Average number of shares outstanding in fiscal year (Thousands of shares)	206,828	207,311
Diluted net income per share		
Net income adjustment (Millions of yen)	—	—
Increase in common stock (Thousands of shares)	644	764
(Of which, subscription rights to shares)	(644)	(764)
Overview of issuable shares not included in the calculation of diluted net income per share as they have no dilutive effect	Subscription rights to shares resolved by the Managing Board on August 29, 2013 (1,452 thousand shares of common stock)	————

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

	Year ended March 31, 2014	Year ended March 31, 2015
Total net assets (Millions of yen)	146,250	169,550
Deductions from total net assets (Millions of yen)	493	1,024
(Of which, subscription rights to shares (Millions of yen))	(493)	(1,024)
(Of which, held by minority interests (Millions of yen))	(0)	(−)
Net assets for common stock at year-end (Millions of yen)	145,757	168,526
Number of shares of common stock at year-end used in calculating net assets per share (Thousands of shares)	207,113	207,451

(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)

Items	As of Mar. 31, 2014	As of Mar. 31, 2015
(Assets)		
Current assets		
Cash and deposits	9,526	24,532
Notes receivable-trade	2,651	2,734
Accounts receivable-trade	27,923	31,887
Lease investment assets	594	514
Merchandise and finished goods	6,836	7,458
Work in process	890	1,264
Raw materials and supplies	1,836	2,254
Prepaid expenses	772	1,019
Deferred tax assets	1,843	1,920
Accounts receivable - other	3,260	5,394
Short-term loans receivable	162	3,022
Others	178	219
Total current assets	56,477	82,223
Noncurrent assets		
Property, plant and equipment		
Buildings	10,736	13,711
Structures	860	1,080
Machinery and equipment	141	131
Tools, furniture and fixtures	3,262	4,267
Land	8,604	8,599
Construction in progress	3,025	2,120
Total Property, plant and equipment	26,632	29,910
Intangible assets		
Software	4,625	5,402
Goodwill	562	281
Others	625	658
Total Intangible assets	5,813	6,342
Investments and other assets		
Investment securities	3,740	4,728
Shares in affiliated company	24,106	26,122
Investments in affiliated company	19,128	19,070
Long-term loans receivable	1,864	792
Long-term prepaid expenses	180	278
Deferred tax assets	704	697
Deposits	738	736
Others	358	334
Total investments and other assets	50,821	52,761
Total Noncurrent assets	83,266	89,013
Total assets	139,743	171,237

(Unit: nillions of yen)

Items	As of Mar. 31, 2014	As of Mar. 31, 2015
(Liabilities)		
Current liabilities		
Notes payable-trade	74	41
Accounts payable-trade	13,211	17,139
Short-term loans payable	5,255	14,061
Accrued payables	3,575	5,235
Accrued expenses	608	723
Income taxes payable	5,413	7,022
Advance receipts	349	375
Provision for bonuses	2,625	2,788
Provision for directors' bonuses	269	411
Provision for product warranties	118	161
Others	144	204
Total current liabilities	31,647	48,166
Noncurrent liabilities		
Provision for retirement benefits	1,285	1,110
Provision for directors' retirement benefits	102	102
Long-term guarantee deposits received	489	489
Long-term deposits payable	316	394
Others	11	3
Total noncurrent liabilities	2,204	2,100
Total liabilities	33,852	50,267
(Net assets)		
Shareholders' equity		
Capital stock	10,243	10,483
Capital surplus		
Legal capital surplus	16,108	16,348
Other capital surplus	6	6
Total capital surplus	16,114	16,354
Retained earnings		
Legal retained earnings	389	389
Other retained earnings	77,824	91,676
Experiment and research reserve	9,800	9,800
Special reserve	27,715	27,715
Retained earnings brought forward	40,309	54,161
Total retained earnings	78,214	92,066
Treasury stock	(270)	(280)
Total shareholders' equity	104,302	118,623
Valuation, translation adjustments and others		
Valuation difference on available-for-sale securities	1,095	1,321
Deferred gains or losses on hedges	—	0
Total valuation, translation adjustments and others	1,095	1,322
Subscription rights to shares	493	1,024
Total net assets	105,891	120,970
Total liabilities and net assets	139,743	171,237

(Note) fractions of one million yen are rounded off

2) Non-consolidated statements of income

(Unit: Millions of yen)

Items	Year ended Mar. 31, 2014	Year ended Mar. 31, 2015
Net sales	102,617	121,894
Cost of sales	44,864	53,666
Gross profit	57,753	68,227
Selling, general and administrative expenses	38,694	38,684
Operating income	19,058	29,543
Non-operating income		
Interest and dividend income	5,399	1,420
Foreign exchange gains	556	729
Others	276	277
Total non-operating income	6,232	2,427
Non-operating expenses		
Interest expenses	22	134
Others	52	76
Total non-operating expenses	75	211
Ordinary income	25,215	31,758
Extraordinary profits		
Gain on sales of noncurrent assets	1	0
Gain on sales of investment securities	0	0
Gain on reversal of subscription rights to shares	0	―
Total extraordinary profits	3	0
Extraordinary loss		
Loss on sales of noncurrent assets	0	0
Loss on retirement of noncurrent assets	32	64
Impairment loss	231	―
Loss on valuation of investment securities	46	―
Loss on valuation of membership	―	1
Total extraordinary loss	310	65
Income before income taxes	24,908	31,693
Income taxes-current	7,887	10,898
Income taxes-deferred	(335)	13
Total income taxes	7,551	10,912
Net income	17,356	20,781

(Note) fractions of one million yen are rounded off

3) Non-consolidated statements of changes in net assets

Year ended March 31,2014 (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	9,711	15,577	5	15,582	389	9,800	27,715	27,496	65,402
Cumulative effects of changes in accounting policies								—	—
Restated balance	9,711	15,577	5	15,582	389	9,800	27,715	27,496	65,402
Changes of items during the period									
Issuance of new shares-exercise of subscription rights to shares	531	531		531					
Dividends from surplus								(4,544)	(4,544)
Net income								17,356	17,356
Purchase of treasury stock									
Disposal of treasury stock			0	0					
Net changes of items other than shareholders' equity									
Total changes of items during the period	531	531	0	531	—	—	—	12,812	12,812
Balance at end of term	10,243	16,108	6	16,114	389	9,800	27,715	40,309	78,214

	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	(259)	90,437	678	—	678	353	91,469
Cumulative effects of changes in accounting policies		—					—
Restated balance	(259)	90,437	678	—	678	353	91,469
Changes of items during the period							
Issuance of new shares-exercise of subscription rights to shares		1,062					1,062
Dividends from surplus		(4,544)					(4,544)
Net income		17,356					17,356
Purchase of treasury stock	(10)	(10)					(10)
Disposal of treasury stock	0	0					0
Net changes of items other than shareholders' equity			416	—	416	140	556
Total changes of items during the period	(10)	13,865	416	—	416	140	14,422
Balance at end of term	(270)	104,302	1,095	—	1,095	493	105,891

(Note) fractions of one million yen are rounded off

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)
Net income								20,781	20,781
Purchase of treasury stock									
Disposal 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)
Net income		20,781					20,781
Purchase of treasury stock	(10)	(10)					(10)
Disposal of treasury stock	—	—					—
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

6. Others

Nothing to report.