Summary of Consolidated Financial Results
for the First Nine Months of the Fiscal Year Ending March 31, 2015

February 4, 2015

Listed company name	:	Sysmex Corporation
Code	:	6869
Listed stock exchanges	:	Tokyo Stock Exchange
URL	:	http://www.sysmex.co.jp
Company representative	:	Hisashi Ietsugu, Chairman and CEO
Contact	:	Yukitoshi Kamao, Executive Officer, Corporate Business Administration
Phone	:	078(265)-0500
Scheduled date for filing of quarterly report	:	February 13, 2015
Scheduled date for dividend payment	:	—
Preparation of supplementary material for quarterly earnings	:	Yes
Holding of earnings announcement	:	Yes

(Unit: Millions of Yen)

1. Results for the nine months ended December 31, 2014

(1) Operating results

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

	Net Sales		Operating income		Ordinary income		Net income	
Nine months ended Dec. 31, 2014	155,852	20.0%	31,517	42.5%	33,137	43.1%	20,620	47.3%
Nine months ended Dec. 31, 2013	129,849	28.1%	22,123	45.6%	23,159	48.8%	14,002	47.1%

Note:

Comprehensive income: 25,977 million yen (10.1%) for the nine months ended Dec. 31, 2014; 23,595 million yen (101.4%) for nine months ended Dec. 31, 2013

	Net income per share (Yen)	Diluted net income per share (Yen)
Nine months ended Dec. 31, 2014	99.48	99.18
Nine months ended Dec. 31, 2013	67.73	67.50

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) Financial condition

	Total assets	Net assets	Equity Ratio	Net assets per share (Yen)
As of Dec. 31, 2014	234,607	166,028	70.4%	796.46
As of Mar. 31, 2014	210,758	146,250	69.2%	703.76

Note:

Equity capital: 165,138 million yen as of December 31, 2014; 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.

2. Dividend

	Dividend per share				
	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
Year ending Mar. 31, 2015	—	16.00	—		
Year ending Mar. 31, 2015 (Forecast)				16.00	32.00

Note:

Revision of dividends forecast for this period: No

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, 2015

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

	Net Sales		Operating income		Ordinary income		Net income		Net income per share (Yen)
Year ending Mar. 31, 2015	210,000	13.8%	41,000	24.7%	40,700	20.5%	24,900	21.0%	120.12

Note:

Revision of business forecast for this period: No

On April 1, 2014, Sysmex conducted a two-for-one split on shares of common stock.

4. Other Information

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

(2) Application of special accounting policy for quarterly financial reporting: No

(3) Changes in accounting policies, accounting estimates and restatement of corrections

1) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: Yes

2) Other changes in accounting policies: Yes

3) Changes in accounting estimates: No

4) Restatement of corrections: No

Note:

For details, please refer to "3) Changes in accounting policies, accounting estimates or restatement of corrections" within "2. Items related to summary information (other information)" on page 5 of the attached materials.

(4) Number of shares outstanding (Ordinary shares)

1) Number of shares outstanding at the end of each fiscal period (including treasury stock): 207,783,632 shares as of Dec. 31, 2014; 207,553,632 shares as of Mar. 31, 2014

2) Number of treasury stock at the end of each fiscal period: 443,140 shares as of Dec. 31, 2014; 440,556 shares as of Mar. 31, 2014

3) Average number of outstanding stock for each period (cumulative): 207,275,360 shares as of Dec. 31, 2014; 206,743,943 shares as of Dec. 31, 2013

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," "shares of treasury stock at the end of the fiscal period" and "average number of outstanding shares for the period" 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 quarterly review process

This report of quarterly financial results is not subject to the quarterly review procedures of the Financial Instruments and Exchange Act. As of the time of disclosure of this report of quarterly financial results, the process of reviewing the quarterly financial statements in accordance with the Financial Instruments and Exchange Act had not been completed.

* Explanation regarding the appropriate use of forecasts of business results and other information

1. The forecasts and future projections contained herein have been prepared on the basis of rational decisions given the information available as of the date of announcement of this document. These forecasts do not represent a commitment by the Company, and actual performance may differ

substantially from forecasts for a variety of reasons. Please refer to “3) Consolidated financial forecast” within “1. Financial Performance” on page 4 of the attachment to this document for cautionary statements concerning the conditions and performance forecasts that serve as the basis for these forecasts.

2. Supplementary financial materials (in Japanese and English) will be posted on the Sysmex website on Wednesday, February 4, 2015.

Content of Supplementary Materials

1. Financial Performance

1) Performance analysis

During the first nine months of the fiscal year ending March 31, 2015, the Japanese economy continued on its path to gradual recovery, despite the impact of some continued sluggishness 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 moderate expansionary phase. The European economy also sustained a slight ongoing recovery. In China, the economy trended upward, bolstered by government economic stimulus measures. The Asia Pacific region experienced accelerated economic activity, centering on export-driven business in 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

(First nine months of fiscal years to March 31)		Nine months ended Dec. 31, 2013		Nine months ended Dec. 31, 2014		YoY (Previous period = 100)
		Amount (Millions of Yen)	Percentage of Total (%)	Amount (Millions of Yen)	Percentage of Total (%)	
Japan		27,896	21.5	28,389	18.2	101.8
	Americas	28,166	21.7	33,933	21.8	120.5
	EMEA	37,862	29.1	47,194	30.3	124.6
	China	26,063	20.1	34,636	22.2	132.9
	Asia Pacific	9,859	7.6	11,698	7.5	118.7
Overseas subtotal		101,953	78.5	127,463	81.8	125.0
Total		129,849	100.0	155,852	100.0	120.0

In Japan, sales of IVD instruments were down year on year. However, an increase in the installed instrument base prompted a rise in sales of reagents and services, leading to firm performance overall. As a result, sales in Japan in the first nine months of the fiscal year amounted to ¥28,389 million, up 1.8% year on year.

In overseas markets, we made progress in the strengthening of sales and support structures and the provision of solutions, leading to higher sales of instruments centered on the field of hematology. Sales of reagents also rose, benefiting from an increase in the installed instrument base. These factors caused the Sysmex Group's overseas sales to surge 25.0% year on year, to ¥127,463 million. The overseas sales ratio accordingly rose 3.3 percentage points, to 81.8%.

As a result, during the first nine months of the fiscal year the Group recorded consolidated net sales of ¥155,852 million, up 20.0% year on year. Operating income rose 42.5%, to ¥31,517 million; ordinary income grew 43.1%, to ¥33,137 million; and net income increased 47.3%, to ¥20,620 million.

Performance by segment

(1) Japan

Although sales of IVD instruments were down year on year, 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 4.9% year on year, to ¥30,139 million.

On the profit front, such factors as the growth of export sales to Group companies and higher trademark royalty income led to a 47.6% rise in segment profit (operating income), to ¥19,985 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, sales expanded in Mexico and Colombia, boosting sales in the Americas region 18.6% year on year, to ¥32,429 million.

Segment profit (operating income) soared 10.7%, to ¥1,794 million, although 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 and the United Arab Emirates. Accordingly, segment sales were robust, centering on the hematology and hemostasis fields, growing 24.1%, to ¥46,911 million.

Segment profit (operating income), however, fell 35.3%, to ¥4,217 million, due to higher payments of Group trademark royalties and rising operating expenses accompanying business expansion.

(4) China

In this market, sales remained sluggish in some areas. However, sales of instruments grew, particularly in the hematology field, and sales of reagents were firm as a result of a greater installed instrument base. Segment sales accordingly grew 32.9%, to ¥34,630 million.

Segment profit (operating income) expanded 65.9%, to ¥5,146 million, as higher sales more than compensated for the increased operating expenses.

(5) Asia Pacific

In Australia and Malaysia, sales of IVD instruments increased, centered on the hematology field. Segment sales consequently rose 18.3%, to ¥11,742 million.

Segment profit (operating income) dropped 18.7%, to ¥1,015 million, as operating expenses expanded to cover the building of sales and support structures, outpacing the effect of higher sales.

2) Financial conditions analysis

(1) Assets, liabilities and net assets

As of December 31, 2014, total assets amounted to ¥234,607 million, up ¥23,848 million from March 31, 2014. The primary reasons were increases of ¥4,972 million in cash and deposits, ¥1,812 million in trade notes and accounts receivable, ¥6,267 million in merchandise and finished goods and ¥1,933 million in work in process. Buildings and structures also expanded ¥3,642 million.

Meanwhile, total liabilities were up ¥4,069 million, to ¥68,578 million. Principal factors included rises of ¥3,994 million in trade notes and accounts payable and ¥2,917 million in the "others" component of current liabilities. On the other hand, short-term loans payable dropped ¥1,050 million, and income taxes payable fell ¥2,446 million.

Total net assets came to ¥166,028 million at December 31, 2014, up ¥19,778 million from their level on March 31, 2014. The principal reasons for the increase were a rise of ¥13,709 million in retained earnings and an increase of ¥5,352 million in the foreign currency translation adjustment. The equity ratio as of December 31, 2014, was 70.4%, up 1.2 percentage points from the 69.2% recorded as of March 31, 2014

(2) Cash flows

As of December 31, 2014, cash and cash equivalents amounted to ¥41,511 million, up ¥4,964 million from March 31, 2014.

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

(Operating cash flow)

Net cash provided by operating activities was ¥24,111 million, ¥1,840 million more than in the same period of the preceding fiscal year. As principal factors, income before income taxes provided ¥33,087 million, ¥10,150 million more than in the first nine months of the preceding fiscal year; depreciation and amortization provided ¥8,357 million, up ¥1,178 million; and the increase in trade notes and accounts payable provided ¥3,758 million, compared with ¥3,112 million used by a decrease in this category in the corresponding period of the previous fiscal year. An increase in inventories used ¥6,723 million, up ¥5,407 from the first nine months of the preceding year, and income taxes paid used ¥13,840 million, a ¥5,299 million increase.

(Investing cash flow)

Net cash used in investing activities was ¥14,963 million, ¥13,805 million less than in the same period of the preceding fiscal year. Among major factors were purchases of property, plant and equipment, which used ¥9,897 million, up ¥787 million. The purchase of intangible assets used ¥2,323 million, ¥329 million less; the purchase of investment securities used ¥2,249 million, up ¥2,207 million; and cash flow from equity investment in subsidiaries amounted to an outflow of ¥68 million, down ¥16,571 million from the first nine months of the preceding fiscal year.

(Financing cash flow)

Net cash used in financing activities amounted to ¥7,677 million, compared with ¥81 million provided in this category in the corresponding period of the previous fiscal year. This was mainly due to a net decrease in short-term loans payable of ¥1,000 million, compared with a ¥3,984 million net increase in the first nine months of the preceding year, and cash dividends paid of ¥6,734 million, which used ¥2,190 more in cash than in the first nine months of the preceding fiscal year.

3) Consolidated financial forecast

The Company's maintains its consolidated financial forecast for the full fiscal year, as announced on November 5, 2014.

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

2. Items related to summary information (other information)

1) Changes in significant consolidated subsidiaries during the period under review

Nothing to report.

2) Application of special accounting treatment for quarterly financial reporting

Nothing to report.

3) Changes in accounting policies, accounting estimates or restatement of corrections

(Application of Accounting Standard for Retirement Benefits)

From the first quarter of the fiscal year ending 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, May 17, 2012), 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 first nine months of the fiscal year under review, the effect on operating income, ordinary income and income before income taxes was 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 first quarter 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 first quarter of the fiscal year ending 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 first three months of the fiscal year under review, and as gathering sufficient information to apply this method to the first three months of 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 first nine months 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 first nine months of the fiscal year under review include ¥9,520 million higher cost of sales and ¥9,520 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 first quarter of the fiscal year ending 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 first quarter of the fiscal year ending 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 same first nine months of 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 first nine months of the fiscal year ended March 31, 2014, were to increase cost of sales ¥841 million and reduce gross profit and selling, general and administrative expenses by ¥841 million. This change had no effect on operating income, ordinary income or income before income taxes and minority interests for the first nine months of the fiscal year ended March 31, 2014. Furthermore, this change of accounting method had no cumulative effect from periods prior to those shown.

3. Consolidated financial statements

1) Consolidated Balance Sheets

(Unit: Millions of Yen)

Items	As of Mar. 31, 2014	As of Dec. 31, 2014
	Amount	Amount
(Assets)		
Current assets		
Cash and deposits	36,698	41,670
Notes and accounts receivable-trade	45,514	47,326
Short-term investment securities	131	259
Merchandise and finished goods	21,242	27,509
Work in process	1,725	3,659
Raw materials and supplies	4,351	4,865
Others	17,048	19,270
Allowance for doubtful accounts	(889)	(1,088)
Total current assets	125,823	143,473
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	18,855	22,498
Others	34,918	35,752
Total Property, plant and equipment	53,774	58,251
Intangible assets		
Goodwill	13,115	11,767
Others	10,742	11,000
Total Intangible assets	23,858	22,767
Total Investments and other assets	7,303	10,115
Total Noncurrent assets	84,935	91,133
Total assets	210,758	234,607
(Liabilities)		
Current liabilities		
Notes and accounts payable-trade	13,263	17,257
Short-term loans payable	1,050	—
Income taxes payable	7,699	5,253
Provision for bonuses	5,047	4,316
Provision for directors' bonuses	269	298
Provision for product warranties	291	437
Others	26,386	29,304
Total current liabilities	54,010	56,868
Noncurrent liabilities		
Long-term loans payable	105	—
Provision for directors' retirement benefits	102	102
Net defined benefit liabilities	631	886
Others	9,658	10,721
Total Noncurrent liabilities	10,498	11,709
Total liabilities	64,508	68,578

(Unit: Millions of Yen)

Items	As of Mar. 31, 2014 Amount	As of Dec. 31, 2014 Amount
(Net assets)		
Shareholders' equity		
Capital stock	10,243	10,405
Capital surplus	15,183	15,345
Retained earnings	109,976	123,686
Treasury stock	(270)	(279)
Total shareholders' equity	135,133	149,157
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,134	1,317
Deferred gains or losses on hedges	―	(11)
Foreign currency translation adjustment	8,652	14,005
Remeasurements of defined benefit plans	836	668
Total accumulated other comprehensive income	10,623	15,980
Subscription rights to shares	493	890
Minority interests	0	―
Total net assets	146,250	166,028
Total liabilities and net assets	210,758	234,607

(Note) fractions of one million yen are rounded of

2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Consolidated Statements of Income (Nine months ended Dec. 31, 2014)

(Unit: Millions of Yen)

Items	Nine months ended Dec. 31, 2013	Nine months ended Dec. 31, 2014
	Amount	Amount
Net sales	129,849	155,852
Cost of sales	47,988	65,009
Gross profit	81,860	90,843
Selling, general and administrative expenses	59,736	59,326
Operating income	22,123	31,517
Non-operating income		
Interest income	120	151
Dividends income	51	67
Foreign exchange gains	755	1,112
Others	259	495
Total non-operating income	1,187	1,828
Non-operating expenses		
Interest expenses	23	27
Equity in losses of affiliates	19	76
Others	108	102
Total non-operating expenses	151	207
Ordinary income	23,159	33,137
Extraordinary profits		
Gain on sales of noncurrent assets	6	22
Insurance income	242	—
Others	0	0
Total extraordinary profits	249	22
Extraordinary loss		
Loss on sales and retirement of noncurrent assets	78	71
Impairment loss	231	—
Loss on valuation of investment securities	46	—
Loss on transport accident	116	—
Others	—	1
Total extraordinary loss	472	72
Income before income taxes and minority interest	22,936	33,087
Income taxes-current	9,195	10,996
Income taxes-deferred	(261)	1,470
Total income taxes	8,933	12,467
Income before minority interests	14,002	20,620
Minority interests	(0)	(0)
Net income	14,002	20,620

(Note) fractions of one million yen are rounded of

Consolidated Statements of Comprehensive Income (Nine months ended Dec. 31, 2014)

(Unit: Millions of Yen)

Items	Nine months ended Dec. 31, 2013	Nine months ended Dec. 31, 2014
Income before minority interests	14,002	20,620
Other comprehensive income		
Valuation difference on available-for-sale securities	725	182
Deferred gains or losses on hedges	—	(11)
Foreign currency translation adjustment	8,867	5,352
Remeasurements of defined benefit plans	—	(167)
Total other comprehensive income	9,592	5,357
Comprehensive income	23,595	25,977
Comprehensive income attributable to owners of the parent	23,595	25,977
Comprehensive income attributable to minority interests	(0)	(0)

(Note) fractions of one million yen are rounded off

3) Consolidated Statements of Cash Flows

(Unit: Millions of Yen)

Items	Nine months ended Dec. 31, 2013	Nine months ended Dec. 31, 2014
Net cash provided by (used in) operating activities		
Income before income taxes	22,936	33,087
Depreciation and amortization	7,178	8,357
Impairment loss	231	—
Insurance income	(242)	—
Decrease (increase) in notes and accounts receivable-trade	5,386	455
Decrease (increase) in inventories	(1,315)	(6,723)
Increase (decrease) in notes and accounts payable-trade	(3,112)	3,758
Others	(657)	(1,176)
Subtotal	30,404	37,759
Interest and dividends received	173	209
Interest expenses paid	(9)	(16)
Insurance received	242	—
Income taxes paid	(8,540)	(13,840)
Net cash provided by (used in) operating activities	22,270	24,111
Net cash provided by (used in) investment activities		
Purchase of property, plant and equipment	(9,109)	(9,897)
Purchase of intangible assets	(2,652)	(2,323)
Purchase of investment securities	(42)	(2,249)
Cash flow from equity investment in subsidiaries	(16,640)	(68)
Others	(323)	(423)
Net cash provided by (used in) investment activities	(28,768)	(14,963)
Net cash provided by (used in) financing activities		
Net increase (decrease) in short-term loans payable	3,984	(1,000)
Repayment of long-term loans payable	(3)	(148)
Cash dividends paid	(4,544)	(6,734)
Others	645	204
Net cash provided by (used in) financing activities	81	(7,677)
Effect of exchange rate change on cash and cash equivalents	2,820	3,493
Net increase (decrease) in cash and cash equivalents	(3,595)	4,964
Cash and cash equivalents at beginning of term	34,306	36,547
Cash and cash equivalents at end of term	30,711	41,511

(Note) fractions of one million yen are rounded off

4) Notes to the consolidated financial statements

(Notes related to the going concern assumption)

Nothing to report

(Notes in the event of significant changes in shareholders' equity)

Nothing to report

(Segment Information)

I. Information on sales and income by geographic segment reported

1. Nine months ended Dec. 31, 2013

(Unit: Millions of Yen)

	Japan	Americas	EMEA	China	Asia Pacific	Total	Reconciliations[1]	Consolidated[2]
Sales								
Outside sale	28,724	27,349	37,793	26,054	9,927	129,849	—	129,849
Intersegment sales	44,485	4	497	4	118	45,110	(45,110)	—
Total sales	73,209	27,353	38,290	26,059	10,045	174,959	(45,110)	129,849
Segment income	13,537	1,620	6,514	3,101	1,249	26,023	(3,899)	22,123

Note:

1. Segment income reconciliations of minus ¥3,899 million include ¥86 million for the elimination of intersegment transfers, a negative ¥3,621 million in inventory adjustments and a minus ¥240 million in adjustments for noncurrent assets.
2. Segment income is adjusted to operating income on the consolidated statements of income.

2. Information related to impairment losses on noncurrent assets or goodwill attributable to reportable segments

(Significant changes in goodwill amounts)

In the EMEA segment, Sysmex acquired Partec GmbH Görlitz and its holdings in subsidiaries during the second quarter of the fiscal year ended March 31, 2014, including these companies in the scope of consolidation. The corresponding increase in goodwill amounts to ¥6,199 million. This amount of goodwill is provisional, as the acquisition cost is at present unconfirmed and the allocation of acquisition costs is not complete. During the third quarter of the fiscal year ending March 31, 2015, Sysmex acquired Inostics GmbH and its holdings in subsidiaries, including these companies in the scope of consolidation. The corresponding increase in goodwill amounts to ¥5,195 million. This amount of goodwill is provisional, as the acquisition cost is at present unconfirmed and the allocation of acquisition costs is not complete.

In the Asia Pacific segment, in the first quarter of the fiscal year ending March 31, 2014, Sysmex acquired a 100% stake in its distributor in South Korea, including this company in the scope of consolidation. The corresponding increase in goodwill amounts to ¥2,383 million.

3. Items related to changes in reportable segments

Nothing to report.

II. Information on sales and income by geographic segment reported

1. Nine months ended Dec. 31, 2014

(Unit: Millions of Yen)

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

Notes:

1. Segment income reconciliations of minus ¥642 million include ¥92 million for the elimination of intersegment transfers, a negative ¥867 million in inventory adjustments and ¥131 million in adjustments for noncurrent assets.
2. Segment income is adjusted to operating income on the consolidated statements of income.

2. Information related to impairment losses on noncurrent assets or goodwill attributable to reportable segments

Nothing to report.

3. Items related to changes in reportable segments

As is mentioned in the description of changes in accounting methods, due to the change during the first quarter of the method of calculating liabilities for retirement benefits and service costs. The effect of this change on segment income for the first nine months of the fiscal year ending March 31, 2015 is slight.