

Notice of the Booking of an Extraordinary Loss (Non-Consolidated) in Relation to an Affiliated Company

In its non-consolidated financial statements for the fiscal year ended March 31, 2019 (April 1, 2018 to March 31, 2019), Sysmex recorded a loss on valuation of investments in capital of subsidiaries and associates as an extraordinary loss. The details are as follows.

1. Details of the extraordinary loss

Sysmex judges that the real value of its investment in the capital of Sysmex Inostics GmbH ("Sysmex Inostics") has fallen significantly, based on such considerations as the state of progress against the company's business plan and its future performance outlook. Sysmex has handled this decrease as an impairment, recording a ¥4,645 million loss on valuation of investments in capital of subsidiaries and associates as an extraordinary loss.

2. Impact on operating performance and outlook for the future

As the above-stated extraordinary loss will be eliminated in consolidated accounting, the loss will not affect Sysmex's consolidated operating performance.

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