



### 3. Business forecast for the year ending March 31, 2013

(% 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, 2013	140,000	3.9%	20,000	4.1%	19,500	1.9%	12,100	0.8%	117.59

Note:

Revision of business forecast for this period: Yes

### 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: No
  - 2) Other changes in accounting policies: No
  - 3) Changes in accounting estimates: No
  - 4) Restatement of corrections: No
- (4) Number of shares outstanding (Ordinary shares)
  - 1) Number of shares outstanding at the end of each fiscal period (including treasury stock):  
103,146,816 shares as of Sep. 30, 2012; 103,027,016 shares as of Mar. 31, 2012
  - 2) Number of treasury stock at the end of each fiscal period:  
217,880 shares as of Sep. 30, 2012; 217,764 shares as of Mar. 31, 2012
  - 3) Average number of outstanding stock for each period (cumulative):  
102,876,721 shares six months ended Sep. 30, 2012; 102,735,979 shares six months ended Sep. 30, 2011

\*It is under the review procedure based on the Financial Instruments and Exchange Act at the time of disclosure of this report.

\*The above estimates are based on information available to the company on the date of the report's announcement. Due to unforeseen circumstances, however, actual results may differ from such estimates.

## 1. Financial performance

### 1) Performance analysis

During the first six months of the fiscal year ending March 31, 2013, the Japanese economy was characterized by a lack of progress as the gradual recovery centered on reconstruction demand for came to a standstill. Despite a gradual economic recovery in the United States and solid growth in Southeast Asia, uncertainty about the overseas economic outlook continues to mount, owing to the protracted European debt crisis, and attendant instability in foreign exchange markets.

On the healthcare front, in April 2012 the Japanese government introduced its revisions to medical compensation under the national healthcare system, indicating its basic policy on future structural reforms related to healthcare and nursing care, but only slight revisions were made in diagnostics. In advanced countries in Europe and the United States, efforts are underway to reduce healthcare costs and reform medical systems, and fiscal austerity measures in countries such as Spain and Italy are causing healthcare spending to decline in those countries. In the United States, the Supreme Court has confirmed the constitutionality of a medical reform bill that should push forward efforts to reduce the number of people without medical insurance. 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.

### Net Sales by Destination

	2012 2Q		2013 2Q		YoY (Previous period = 100%)
	Amount (Millions of Yen)	Percentage of Total (%)	Amount (Millions of Yen)	Percentage of Total (%)	
Japan	18,910	29.0	18,942	28.2	100.2
Americas	13,453	20.6	13,623	20.3	101.3
Europe	18,473	28.3	17,676	26.3	95.7
China	10,041	15.4	12,753	19.0	127.0
Asia Pacific	4,387	6.7	4,185	6.2	95.4
Overseas subtotal	46,355	71.0	48,239	71.8	104.1
Total	65,266	100.0	67,181	100.0	102.9

Against this backdrop, we are working to enhance our mutually beneficial relationship with Roche Diagnostics Ltd. by renewing our global distributorship sales and service agreement related to Sysmex hematology products. In addition, the Sysmex Group renewed its global sales and support agreement with Siemens Healthcare Diagnostics Inc., related to hemostasis products.

To meet growing demand in emerging markets, in May 2012 Sysmex launched its XP-Series, a compact multiparameter automated hematology analyzer model. In July 2012, we also acquired approval from China's State Food and Drug Administration for the XN-Series, our top-end multiparameter automated hematology analyzer in the mainstay hematology market.

Furthermore, in July 2012 Sysmex received approval from Japan's Ministry of Health, Labour and Welfare to expand the application of LINOAMP BC, the diagnostic reagent used in lymph-node metastasis detection systems, the Company's mainstay products in the life sciences business—to extend applicability to stomach cancer. The reagent is currently approved for breast cancer and colon cancer.

In Japan, management improvements accompanying healthcare reforms resulted in steady capital investment by large-scale medical institutions, and we continued to promote solution proposals. These efforts resulted in the favorable receipt of major orders, and we posted sales in Japan of ¥18,942 million, up 0.2% from the first six months of the preceding fiscal year.

In overseas markets, we made steady progress in the strengthening of sales and support structures and the provision of solutions. As a result, sales moved steadily upward on a local currency basis due to solid sales of instruments and diagnostic reagents. Consequently, despite major appreciation of the yen against the euro the Group's overseas sales were ¥48,239 million, up 4.1% year on year. The overseas sales ratio was 71.8%, up 0.8 percentage point from the same period of the previous fiscal year.

As a result, during the first six months of the fiscal year the Group recorded consolidated net sales of ¥67,181 million, up 2.9%. Operating income rose 12.2%, to ¥10,591 million; ordinary income grew 13.3%, to ¥10,052 million; and net income increased 9.0%, to ¥6,388 million.

## Performance by segment

### (1) Japan

Sales remained robust in the hematology testing field, our main business domain, owing to our perseverance in presenting solutions to customers, which paid off in the form of an increase in large orders. However, sales were down 3.3% compared with the corresponding period of the preceding fiscal year, to ¥20,143 million.

Despite the impact of a revision in intragroup transaction prices, operating income was down 2.4% year on year, to ¥5,092 million. This decrease stemmed from such factors as lower sales, as well as the negative impact of yen appreciation against the euro.

### (2) Americas

In the United States, sales of hematology instruments were down due to temporary delays in customer purchases of instruments in response to uncertainty about the direction of the healthcare reform bill, but sales of reagents and support services grew as a result of a higher base of installed instruments, pushing up overall sales in this market. Although sales were down in Central and South America owing to a decrease in the number of project bids in certain markets, overall sales in the Americas amounted to ¥13,249 million, up 4.4% from the first six months of the preceding fiscal year.

Cost of sales rose, due to a revision in intragroup transaction prices, and selling, general and administrative expenses increased, stemming from efforts to reinforce our sales and support operations, and the relocation of our regional headquarters. Consequently, operating income fell 33.2%, to ¥829 million.

### (3) Europe

Although affected to some extent by austerity measures stemming from the European debt crisis, we enhanced our direct sales and support activities. This resulted in robust sales on a local currency basis, centered in the hematology field. Due to the negative impact of substantial yen appreciation, however, sales were down 4.2% year on year, to ¥17,607 million.

The effects of substantial yen appreciation caused operating income to decline 2.4%, to ¥2,636 million.

#### (4) China

In line with expanding healthcare demand, sales in China surged 27.0%, to ¥12,752 million. Behind these solid results were substantially higher sales of instruments and diagnostic reagents in the hematology, hemostasis and urinalysis fields,

Higher sales compensated for such factors as a rise in cost of sales resulting from a revision in intragroup transaction prices, and operating income increased 1.8% year on year, to ¥1,554 million.

#### (5) Asia Pacific

In India, delays in the renewal of distributor agreements caused sales in that country to decline, but such factors as a sales recovery in Indonesia and our promotion of a shift to direct sales in the Philippines pushed up regional sales 3.4% year on year, to ¥3,429 million.

Despite an increase in selling, general and administrative expenses to enhance our sales and support structure, a reduced cost of sales ratio contributed to a 263.8% increase in operating income, to ¥299 million.

### 2) Financial conditions analysis

#### (1) Assets, liabilities and net assets

As of September 30, 2012, total assets amounted to ¥142,697 million, up ¥412 million from March 31, 2012. Cash and deposits increased ¥5,790 million, while trade notes and accounts receivable fell ¥4,608 million.

Meanwhile, total liabilities were down ¥1,414 million, to ¥38,368 million. The main reasons for this fall were decreases of ¥219 million in trade notes and accounts payable, ¥554 million in income taxes payable and ¥603 million in provision for bonuses.

Total net assets came to ¥104,329 million at September 30, 2012, up ¥1,826 million from their level on March 31, 2012. The principal reason for this increase was a ¥4,435 million increase in retained earnings, although foreign currency translation adjustments declined ¥2,712 million. The equity ratio as of September 30, 2012, was 72.7%, up 1.1 percentage points from the 71.6% recorded as of March 31, 2012.

#### (2) Cash flows

As of September 30, 2012, cash and cash equivalents amounted to ¥27,636 million, up ¥5,798 million from March 31, 2012. During the first six months of the fiscal year ending March 31, 2013, cash flows from various activities are described in more detail below.

#### (Operating cash flow)

Net cash provided by operating activities was ¥14,223 million, ¥6,004 million more than in the first six months of the preceding fiscal year. As principal factors, income before income taxes provided ¥9,815 million, ¥970 million more than during the corresponding period of the preceding year, and a decrease in trade notes and accounts receivable provided ¥3,324 million, up ¥3,184 million. Uses of cash included income taxes paid of ¥3,748 million, ¥143 million more than during the first six months of the preceding fiscal year.

(Investing cash flow)

Net cash used in investing activities was ¥5,833 million, ¥8 million less than in the corresponding period of the preceding fiscal year. Among major factors were purchases of property, plant and equipment, which used ¥5,229 million, ¥2,091 million more than in the first six months of the preceding fiscal year. Payments for transfer of business, which used ¥1,900 million in the corresponding period of the preceding fiscal year, were absent during the period under review.

(Financing cash flow)

Net cash used in financing activities amounted to ¥1,833 million, ¥260 million more than was used in these activities during the first six months of the preceding fiscal year. The principal reason was cash dividends paid of ¥1,953 million, which used ¥310 million more in cash than during the first six months of the previous fiscal year.

3) Consolidated financial forecast

For details on the Company's consolidated financial forecast for the full fiscal year, please refer to the Announcement Regarding Revision of Business Forecasts, announced today (November 6, 2012).

## Consolidated Balance Sheets

(Unit: Millions of Yen)

Items	As of Mar. 31, 2012	As of Sep. 30, 2012
	Amount	Amount
<b>(Assets)</b>		
<b>I Current assets</b>		
Cash and deposits	21,362	27,153
Notes and accounts receivable-trade	36,218	31,609
Short-term investment securities	745	640
Merchandise and finished goods	16,534	16,487
Work in process	1,401	1,506
Raw materials and supplies	3,907	3,893
Others	10,341	9,872
Allowance for doubtful accounts	(350)	(385)
<b>Total current assets</b>	<b>90,160</b>	<b>90,778</b>
<b>II Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	16,736	17,684
Others	23,103	22,950
<b>Total Property, plant and equipment</b>	<b>39,839</b>	<b>40,634</b>
<b>Intangible assets</b>		
Goodwill	2,194	1,817
Others	4,709	4,404
<b>Total Intangible assets</b>	<b>6,903</b>	<b>6,221</b>
<b>Total Investments and other assets</b>	<b>5,381</b>	<b>5,062</b>
<b>Total Noncurrent assets</b>	<b>52,124</b>	<b>51,919</b>
<b>Total assets</b>	<b>142,285</b>	<b>142,697</b>
<b>(Liabilities)</b>		
<b>I Current liabilities</b>		
Notes and accounts payable-trade	12,176	11,956
Short-term loans payable	5	4
Income taxes payable	2,776	2,221
Provision for bonuses	3,622	3,019
Provision for directors' bonuses	248	119
Provision for product warranties	157	121
Others	15,741	15,009
<b>Total current liabilities</b>	<b>34,728</b>	<b>32,452</b>
<b>II Noncurrent liabilities</b>		
Long-term loans payable	4	1
Provision for retirement benefits	1,263	1,466
Provision for directors' retirement benefits	160	160
Others	3,624	4,287
<b>Total Noncurrent liabilities</b>	<b>5,053</b>	<b>5,915</b>
<b>Total liabilities</b>	<b>39,782</b>	<b>38,368</b>
<b>(Net assets)</b>		
<b>I Shareholders' equity</b>		
Capital stock	9,187	9,356
Capital surplus	14,127	14,296
Retained earnings	83,484	87,920
Treasury stock	(255)	(256)
<b>Total shareholders' equity</b>	<b>106,543</b>	<b>111,316</b>
<b>II Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	426	259
Deferred gains or losses on hedges	(0)	0
Foreign currency translation adjustment	(5,136)	(7,848)
<b>Total accumulated other comprehensive income</b>	<b>(4,709)</b>	<b>(7,588)</b>
<b>III Subscription rights to shares</b>	<b>546</b>	<b>484</b>
<b>IV Minority interests</b>	<b>122</b>	<b>117</b>
<b>Total net assets</b>	<b>102,502</b>	<b>104,329</b>
<b>Total liabilities and net assets</b>	<b>142,285</b>	<b>142,697</b>

(Note) fractions of one million yen are rounded off

## Consolidated Statements of Income

(Unit: Millions of Yen)

Items	Six months ended Sep. 30, 2011	Six months ended Sep. 30, 2012
	Amount	Amount
<b>I Net sales</b>	65,266	67,181
<b>II Cost of sales</b>	24,074	24,794
Gross profit	41,191	42,387
<b>III Selling, general and administrative expenses</b>	31,754	31,796
Operating income	9,437	10,591
<b>IV Non-operating income</b>		
Interest income	67	56
Dividends income	28	27
Income from investment real estate	211	-
Subsidy income	9	130
Others	63	54
<b>Total non-operating income</b>	379	269
<b>V Non-operating expenses</b>		
Interest expenses	35	33
Equity in losses of affiliates	30	30
Maintenance cost of investment real estate	49	-
Foreign exchange losses	785	684
Others	43	59
<b>Total non-operating expenses</b>	944	808
Ordinary income	8,871	10,052
<b>VI Extraordinary profits</b>		
Gain on sales of noncurrent assets	11	9
Gain on reversal of subscription rights to shares	-	3
<b>Total extraordinary profits</b>	11	12
<b>VII Extraordinary loss</b>		
Loss on sales and retirement of noncurrent assets	33	241
Others	4	8
<b>Total extraordinary loss</b>	38	249
<b>Income before income taxes and minority interest</b>	8,844	9,815
Income taxes-current	3,913	3,273
Income taxes-deferred	(937)	146
<b>Total income taxes</b>	2,976	3,420
<b>Income before minority interests</b>	5,868	6,395
<b>Minority interest</b>	6	6
<b>Net income</b>	5,862	6,388

(Note) fractions of one million yen are rounded off

## Consolidated Statements of Comprehensive Income

(Unit: Millions of Yen)

Items	Six months ended Sep. 30, 2011	Six months ended Sep. 30, 2012
<b>Income before minority interests</b>	5,868	6,395
<b>Other comprehensive income</b>		
Valuation difference on available-for-sale securities	56	(166)
Deferred gains or losses on hedges	16	0
Foreign currency translation adjustment	(3,270)	(2,723)
Total other comprehensive income	(3,198)	(2,890)
<b>Comprehensive income</b>	2,670	3,505
Comprehensive income attributable to owners of the parent	2,670	3,510
Comprehensive income attributable to minority interests	0	(4)

(Note) fractions of one million yen are rounded off

## Consolidated Statements of Cash Flows

(Unit: Millions of Yen)

Items	Six months ended Sep. 30, 2011	Six months ended Sep. 30, 2012
<b>I Net cash provided by (used in) operating activities</b>		
Income before income taxes	8,844	9,815
Depreciation and amortization	3,565	3,782
Decrease (increase) in notes and accounts receivable-trade	139	3,324
Decrease (increase) in inventories	(2,572)	(951)
Increase (decrease) in notes and accounts payable-trade	313	(95)
Others	1,476	2,040
<b>Subtotal</b>	11,766	17,915
Interest and dividends received	86	84
Interest expenses paid	(29)	(27)
Income taxes paid	(3,604)	(3,748)
<b>Net cash provided by (used in) operating activities</b>	8,219	14,223
<b>II Net cash provided by (used in) investment activities</b>		
Purchase of property, plant and equipment	(3,138)	(5,229)
Purchase of intangible assets	(779)	(701)
Payments for transfer of business	(1,900)	-
Others	(24)	96
<b>Net cash provided by (used in) investment activities</b>	(5,842)	(5,833)
<b>III Net cash provided by (used in) financing activities</b>		
Net increase (decrease) in short-term loans payable	273	-
Repayment of long-term loans payable	(2)	(2)
Cash dividends paid	(1,643)	(1,953)
Others	(200)	122
<b>Net cash provided by (used in) financing activities</b>	(1,573)	(1,833)
<b>IV Effect of exchange rate change on cash and cash equivalents</b>	(701)	(758)
<b>V Net increase (decrease) in cash and cash equivalents</b>	101	5,798
<b>VI Cash and cash equivalents at beginning of term</b>	18,915	21,838
<b>VII Cash and cash equivalents at end of term</b>	19,017	27,636

(Note) fractions of one million yen are rounded off

## Segment Information

### 1. Information on sales and income by geographic segment reported

Six months ended September 30, 2011

(Unit: Millions of Yen)

	Japan	Americas	Europe	China	Asia Pacific	Total	Reconciliations	Consolidated
Sales and Operating income								
Sales								
Net Sales to outside customers	20,838	12,688	18,382	10,041	3,315	65,266	-	65,266
Inter-area transfer	20,345	1	230	2	78	20,657	(20,657)	-
Total net sales	41,183	12,690	18,612	10,044	3,393	85,923	(20,657)	65,266
Operating income	5,215	1,242	2,702	1,526	82	10,768	(1,331)	9,437

Note: Reconciliations principally consist of intersegment transfers.

Six months ended September 30, 2012

(Unit: Millions of Yen)

	Japan	Americas	Europe	China	Asia Pacific	Total	Reconciliations	Consolidated
Sales and Operating income								
Sales								
Net Sales to outside customers	20,143	13,249	17,607	12,752	3,429	67,181	-	67,181
Inter-area transfer	20,124	1	215	2	77	20,421	(20,421)	-
Total net sales	40,268	13,251	17,822	12,754	3,506	87,603	(20,421)	67,181
Operating income	5,092	829	2,636	1,554	299	10,412	178	10,591

Note: Reconciliations principally consist of intersegment transfers.