



Business Results

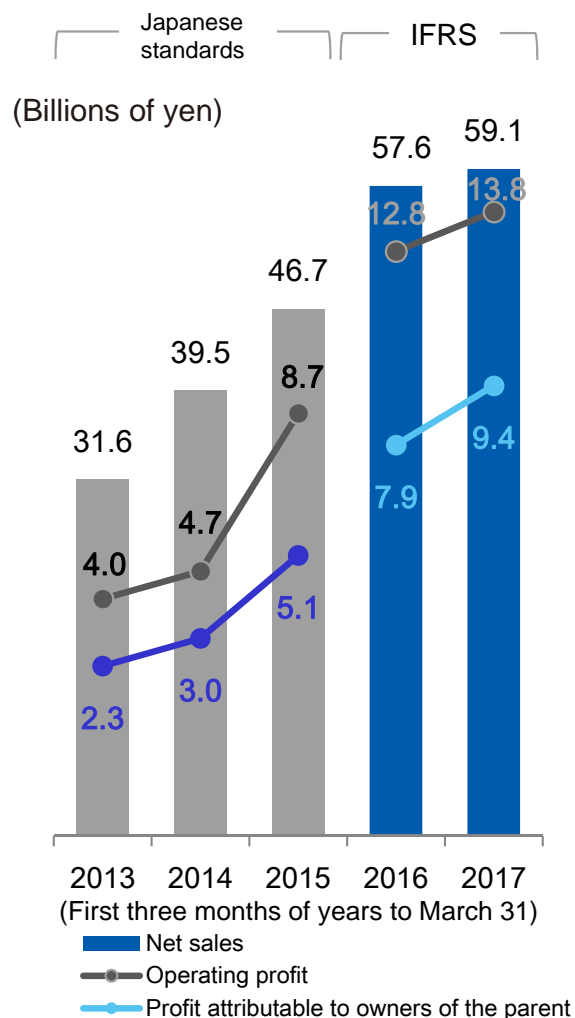
First Three Months of Fiscal Year Ending March 31, 2017

The Sysmex Group adopts International Financial Reporting Standards (IFRS), and disclosure complies with IFRS. Figures for the previous fiscal year are also disclosed in compliance with IFRS.

Sysmex Corporation

August 5, 2016

Financial Highlights for the First Three Months of the Fiscal Year Ending March 31, 2017



	First three months of fiscal year ending March 31, 2017	First three months of fiscal year ended March 31, 2016
1USD	¥108.1	¥121.4
1EUR	¥122.0	¥134.2
1CNY	¥16.5	¥19.6

	First three months of fiscal year ending March 31, 2017		First three months of fiscal year ended March 31, 2016		(Billions of yen) YOY (Previous period = 100%)
	Results	Ratio	Results	Ratio	
Net sales	59.1	100%	57.6	100%	102.6%
Cost of sales	24.7	41.8%	23.6	41.0%	104.6%
SG&A expenses	17.2	29.1%	17.8	31.0%	96.5%
R&D expenses	3.8	6.5%	3.2	5.6%	117.7%
Other income (expenses)	0.5	0.9%	0.0	0.0%	-
Operating profit	13.8	23.5%	12.8	22.4%	107.8%
Profit attributable to owners of the parent	9.4	16.0%	7.9	13.9%	118.4%

- Net sales:** Although the Company recorded sales growth in all geographic regions, the overall increase was slight because yen appreciation caused sales to be down on a yen basis in the Americas, EMEA and China.
- Operating profit:** Despite a worsening cost of sales ratio, higher sales and reduced SG&A expenses led to a rise in operating profit.
- Exchange loss (gains):** ¥1.59 billion (¥2 million in the first quarter of the previous fiscal year) Exchange rate fluctuations lowered net sales ¥7.03 billion and operating profit ¥1.42 billion. At the exchange rates prevailing one year earlier, net sales would have been up 14.8% year on year, and operating profit up 18.8%.
- Capital expenditure (tangible):** ¥2.22 billion
Depreciation and amortization: ¥3.27 billion

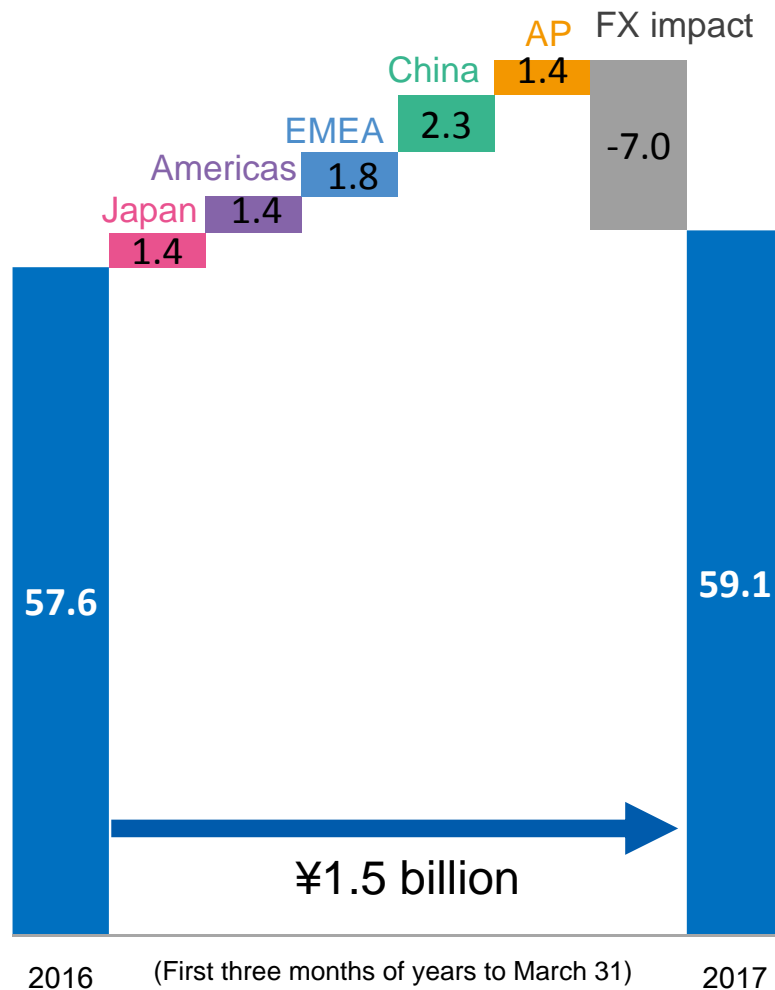
Breakdown of Net Sales and Operating Profit



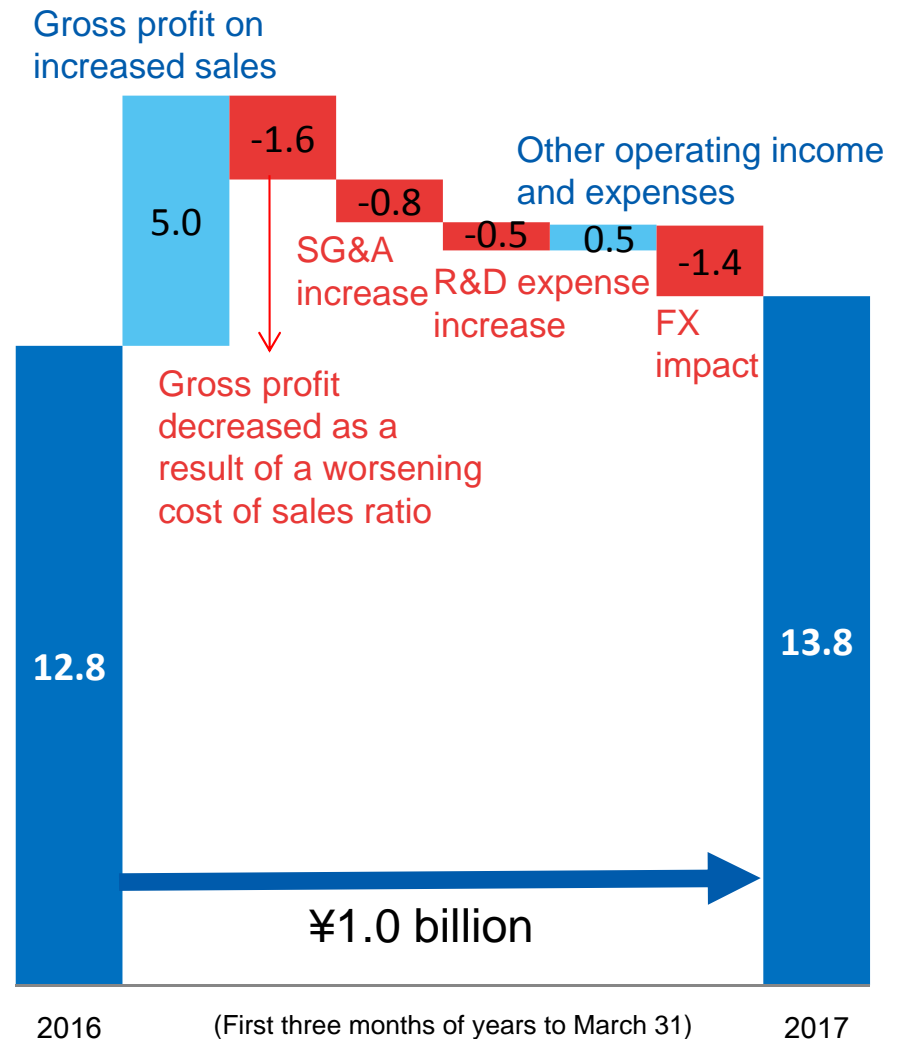
(Billions of yen)

Net Sales by Geographic Region

Note: FX impact excluded from sales by geographic region



Operating Profit



Net Sales by Geographic Region



(Billions of yen)

Net Sales by Geographic Region (Sales to External Customers)

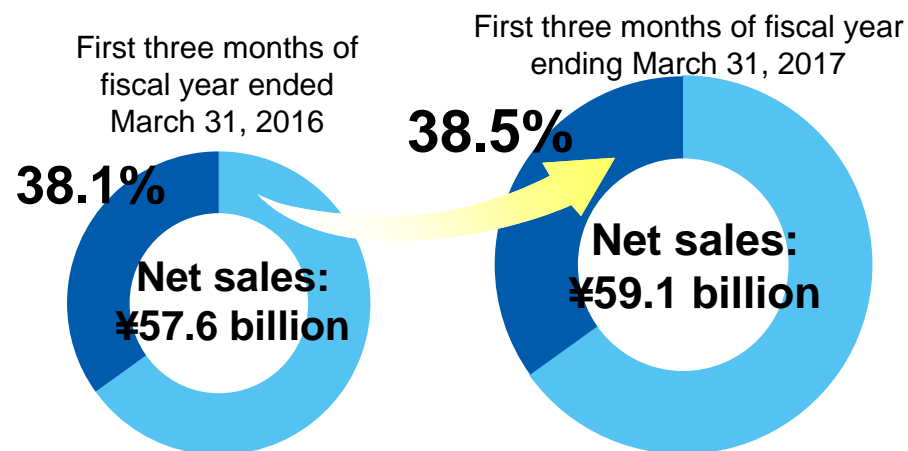
	First three months of fiscal year ending March 31, 2017		First three months of fiscal year ended March 31, 2016		YOY (Previous period = 100%)	
	Results	Ratio	Results	Ratio	(Yen)	(Local currency)
Net Sales	59.1	100%	57.6	100%	102.6%	-
Americas	12.4	21.1%	12.6	21.9%	99.0%	111.1%
EMEA	17.4	29.5%	17.5	30.4%	99.5%	109.4%
China	14.4	24.4%	14.7	25.6%	98.1%	116.1%
AP	4.8	8.2%	3.9	6.9%	121.2%	-
Japan*	9.9	16.8%	8.7	15.2%	113.5%	-

* Includes sales to IDEXX and other external customers

Exchange Rates

	First three months of fiscal year ending March 31, 2017	First three months of fiscal year ended March 31, 2016
1USD	¥108.1	¥121.4
1EUR	¥122.0	¥134.2
1CNY	¥16.5	¥19.6

Percentage of Sales in Emerging Markets



Net Sales by Business



	First three months of fiscal year ending March 31, 2017		First three months of fiscal year ended March 31, 2016		(Billions of yen)
	Results	Ratio	Results	Ratio	YOY (Previous period= 100%)
Hematology	37.3	63.1%	36.8	63.9%	101.4%
Urinalysis	3.8	6.4%	4.4	7.7%	85.8%
HU-BU	41.1	69.6%	41.2	71.6%	99.8%
Immunochemistry	1.8	3.1%	0.9	1.6%	198.5%
Clinical Chemistry	0.8	1.5%	0.8	1.4%	105.5%
Hemostasis	10.3	17.5%	9.9	17.2%	104.2%
ICH-BU	13.0	22.0%	11.6	20.2%	111.6%
LS-BU	1.1	1.9%	1.1	1.9%	99.9%
Others*	3.8	6.5%	3.5	6.2%	107.6%
Total net sales	59.1	100.0%	57.6	100.0%	102.6%

* Clinical laboratory information systems (formerly included in “Others” in HU-BU), sales of third-party products (formerly included in “Other IVD”), FCM products for research and industry, etc.

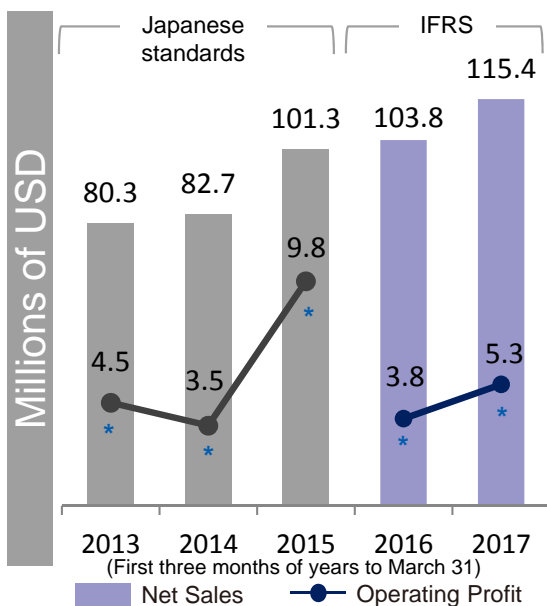
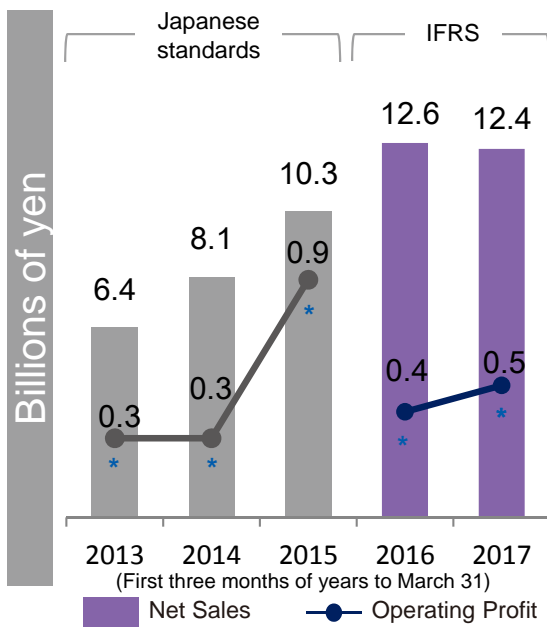
Figures for the first three months of the fiscal year ended March 31, 2016, have been adjusted to align with changes in certain categories from the fiscal year ending March 31, 2017 (“HU-BU”, and “Others”)

HU-BU: HU Business Unit (hematology, urinalysis fields)

ICH-BU: ICH Business Unit (immunochemistry, clinical chemistry, hemostasis fields)

LS-BU: LS Business Unit (life science field)

Geographic Segment Information: Americas



*Revision in intragroup transaction prices

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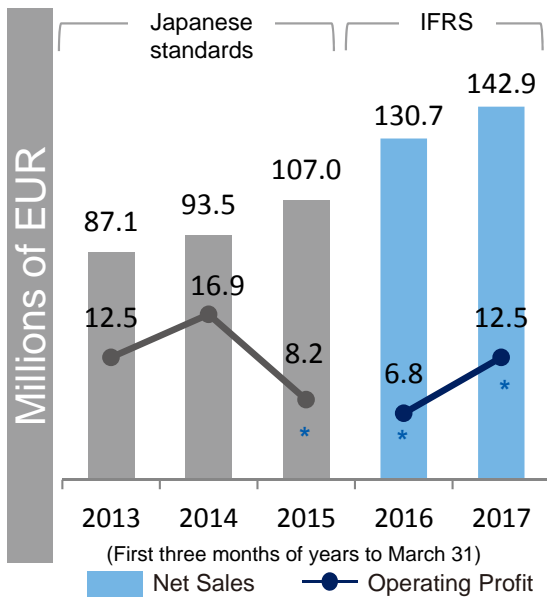
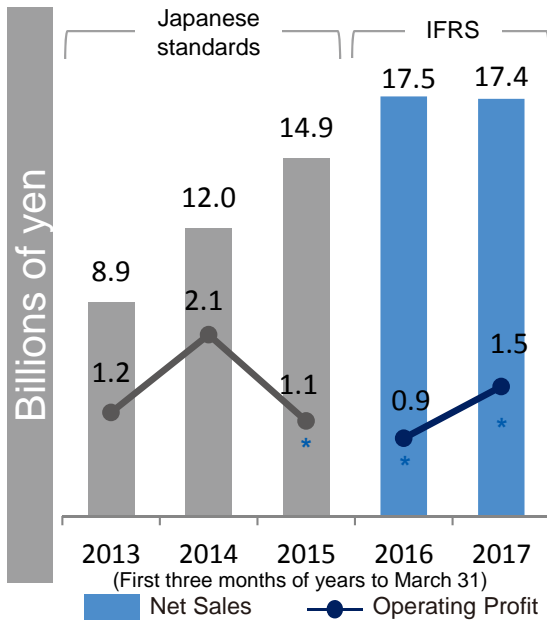
(Billions of yen)	First three months of fiscal year ending March 31, 2017	First three months of fiscal year ended March 31, 2016	YOY (Previous period = 100%)	
			(Yen basis)	(Local currency basis)
Net Sales	12.4	12.6	99.0%	111.1%
Operating Profit*	0.5	0.4	123.7%	138.8%

- Sales rose mainly in the hematology field. Due to the impact of yen appreciation, sales decreased slightly on a yen basis.
- Increased instruments sales caused worsening cost of sales ratio. Due to a revision in intragroup transaction prices, operating profit grew.

Local Currency Basis

- **United States:** Although performance was favorable for new products in the hemostasis field, overall increase was slight because some orders in the hematology field were shifted into the second quarter.
- **Central and South America:** Sales grew, due to the acquisition of a new large-scale government tender in Mexico in the hematology field.

Geographic Segment Information: EMEA*



*Revision in intragroup transaction prices

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*Europe, the Middle East and Africa

(Billions of yen)	First three months of fiscal year ending March 31, 2017	First three months of fiscal year ended March 31, 2016	YOY (Previous period = 100%)	
			(Yen basis)	(Local currency basis)
Net Sales	17.4	17.5	99.5%	109.4%
Operating Profit*	1.5	0.9	167.7%	184.4%

- Sales were robust in advanced countries (except Italy and Spain). In emerging markets, sales in the Middle East increased in the hematology field. Due to the impact of yen appreciation, however, sales were flat year on year.
- Operating profit rose because of a revision in intragroup transaction prices and curtailed SG&A expenses.

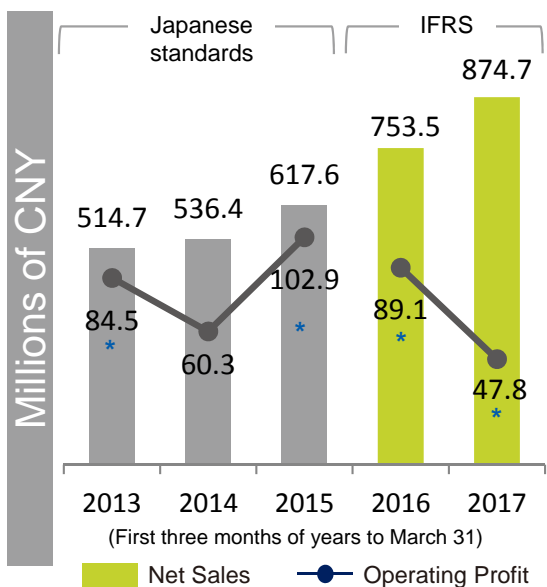
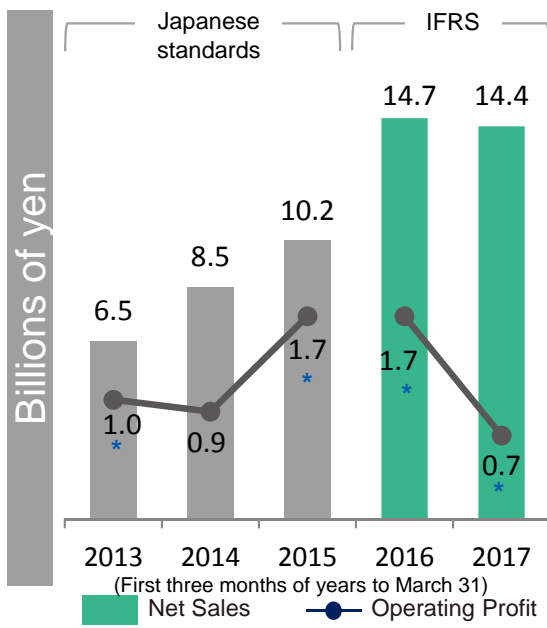
Note: Absent the impact of Partec and Inostics, net sales would have been up 2.1%, and operating profit up 57.2%.

Local Currency Basis

- **Five major countries:** Although down in Italy and Spain because we recorded large-scale project in the same period of the previous fiscal year, sales were up in France due to favorable sales of system products stemming from laboratory consolidations and closures.
- **Eastern Europe, Russia:** Russia posted double-digit sales growth, but because of the ruble's depreciation, sales were down on a euro basis.
- **Middle East, Africa:** Sales grew, particularly in Saudi Arabia, due to acquisition of public tender in hematology field.

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Geographic Segment Information: China



*Revision in intragroup transaction prices

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(Billions of yen)	First three months of fiscal year ending March 31, 2017	First three months of fiscal year ended March 31, 2016	YOY (Previous period = 100%)	
			(Yen basis)	(Local currency basis)
Net Sales	14.4	14.7	98.1%	116.1%
Operating Profit*	0.7	1.7	45.3%	53.7%

- Sales were up in the hematology, hemostasis and immunochemistry fields, but sales were down on a yen basis, due to the impact of yen appreciation.
- The impact of CNY's fall against the dollar caused the price of purchases from Japan to rise and worsening cost of sales ratio, prompting a sharp fall in operating profit.

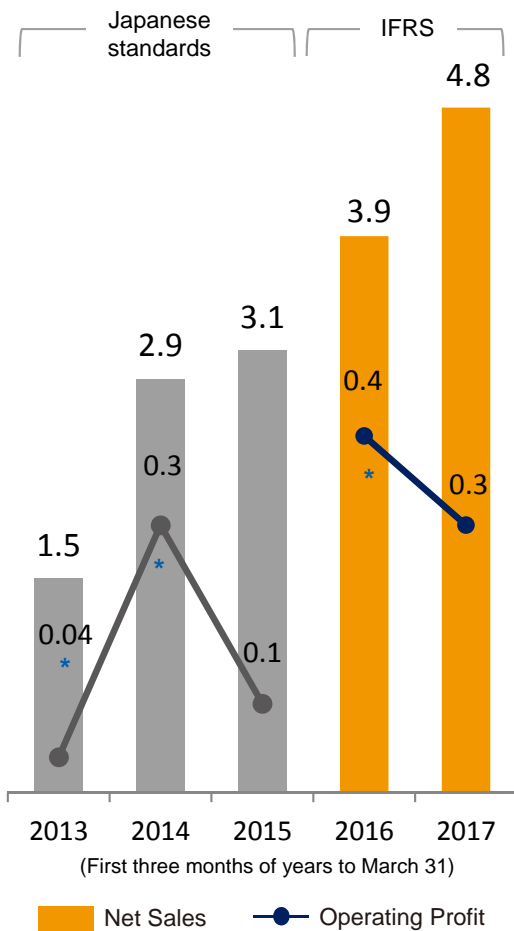
Local Currency Basis

- **Hematology:** Sales increased, thanks to favorable sales of the XN-Series.
- **Hemostasis:** Sales rose, owing to robust sales of the middle/low-end CS-Series.
- **Urinalysis:** Sales slipped, affected by lower sales of the UF-Series as customers transitioned to new products.
- **Immunochemistry:** Sales rose as an increase in the installed base of HISCL-Series instruments led to an increase in reagent sales.

Geographic Segment Information: AP



Billions of yen



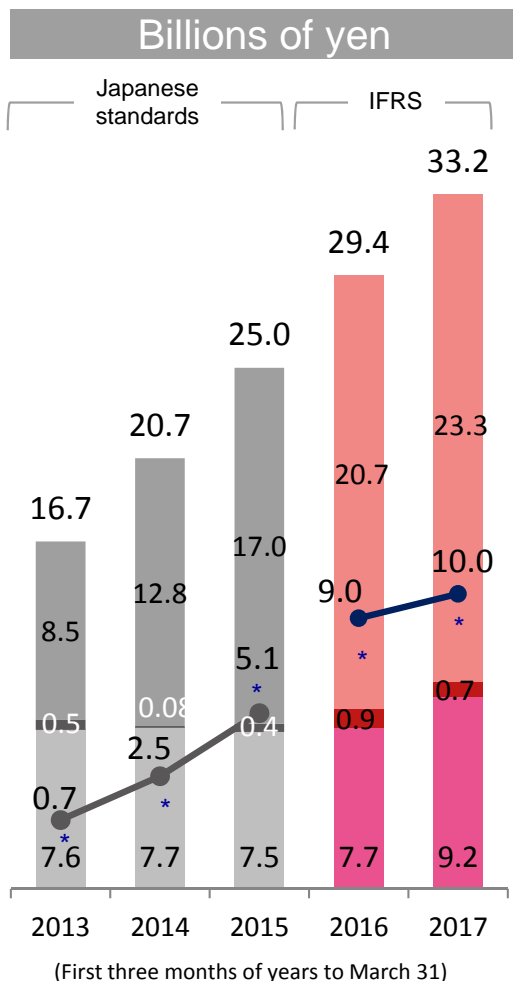
*Revision in intragroup transaction prices

(Billions of yen)	First three months of fiscal year ending March 31, 2017	First three months of fiscal year ended March 31, 2016	YOY (Previous period = 100%) (Yen basis)
Net Sales	4.8	3.9	121.1%
Operating Profit*	0.3	0.4	80.9%

- **Despite the impact of yen appreciation against local currency in AP region, sales grew, thanks mainly to the acquisition of a new large-scale project in Australia.**
- **Operating profit fell because of worsening cost of sales ratio due to increased instrument sales and yen appreciation (against local currency in AP region).**

- **Oceania:** Sales increased substantially, thanks in part to the acquisition of a large-scale project in Australia in the hematology field.
- **Southeast Asia:** Sales rose, centered on Indonesia and Vietnam, due to higher sales of hematology instruments resulting from the acquisition of government tenders.
- **South Korea, Taiwan:** Sales in South Korea decreased, owing to the impact of yen appreciation. (Sales were up on a local currency basis.)

Geographic Segment Information: Japan



- Intra-Area Transfers: Exports to Group Affiliates, Others
- Sales to External Customers: IDEXX and Others
- Sales to External Customers: Japan
- Operating Profit

*Revision in intragroup transaction prices

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(Billions of yen)	First three months of fiscal year ending March 31, 2017	First three months of fiscal year ended March 31, 2016	YOY (Previous period = 100%)
Net Sales	33.2	29.4	112.9%
Sales to External Customers	9.9	8.7	113.5%
Japan	9.2	7.7	118.2%
IDEXX and Others	0.7	0.9	75.5%
Intra-Area Transfers	23.3	20.7	112.7%
Operating Profit*	10.0	9.0	111.0%

- **Sales in the Japanese market were up, and exports to Group affiliates (overseas) pushed up internal sales, leading to increases both in sales and operating profit.**

- **Japan:**

In addition to favorable performance in hematology, the adoption of unique testing parameters pushed up sales in immunochemistry, and sales of hemostasis fibrin parameter reagents increased, leading to higher sales in the region.

- **IDEXX and others:** Sales to IDEXX of instruments for animals were down.

Consolidated Financial Forecast



(No changes subsequent to May 2016 announcement)

Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2017, IFRS

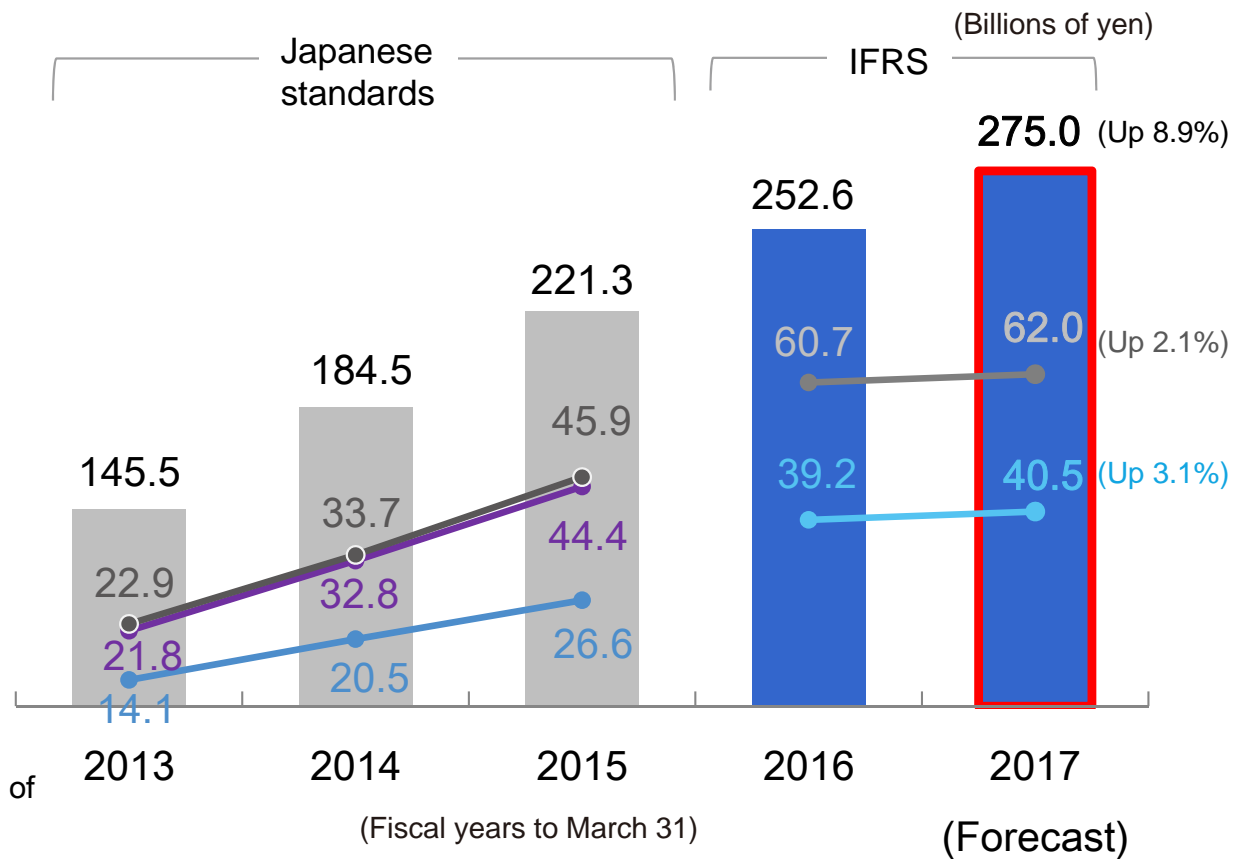
Net Sales: ¥275.0 billion Operating Profit: ¥62.0 billion Operating Margin: 22.5%

Profit Attributable to Owners of the Parent: ¥40.5 billion Profit Attributable to Owners of the Parent to Net Sales: 14.7%

Planned Investment (IFRS) Capital Expenditure: ¥10.0 billion Depreciation and Amortization: ¥14.2 billion R&D Expenditure: ¥16.2 billion

	Assumed exchange rates for full year	Actual for fiscal year ended March 31, 2016
1USD	¥110.0	¥120.1
1EUR	¥125.0	¥132.6
1CNY	¥17.0	¥18.9

	Exchange rate sensitivity of net sales (year)	Exchange rate sensitivity of operating profit (year)
USD	¥0.53 billion	¥0.58 billion
EUR	¥0.42 billion	¥0.21 billion
CNY	¥4.36 billion	¥0.32 billion





Reference Information

(Reference) Financial Results for the Fiscal Year Ended March 31, 2016



(Billions of yen)

	Japanese Standards	IFRS (Final Value)	Main Reasons for Differences between Japanese Standards and IFRS (Final Value)
Net Sales	253.1	252.6	Sale and leaseback transactions: -¥0.54 billion
Cost of Sales	102.0	101.9	Sale and leaseback transactions: -¥0.46 billion Increase due to capitalization of development expenses: +¥0.44 billion Decrease in depreciation due to impairment: -¥0.26 billion
Gross Profit	151.0	150.6	
SG&A Expenses	76.3	74.5	Non-amortization of goodwill: - ¥1.53 billion
R&D Expenses	17.7	15.4	Capitalization of development expenses: -¥2.35 billion
Operating Profit	56.9	60.7	
Income before Tax	54.6	57.8	Marginal difference on revision of retirement benefit plan: -¥0.55 billion
Profit Attributable to Owners of the Parent	36.2	39.2	

(Reference) Comparison with IFRS (Full Year)



	Fiscal Year Ended March 31, 2016 (Results, Final)	Fiscal Year Ending March 31, 2017 (Forecast*)	(Billions of yen) Difference
Net Sales	252.6	275.0	+22.3
Cost of Sales	101.9	114.0	+12.0
Gross Profit	150.6	161.0	+10.3
SG&A Expenses	74.5	82.7	+8.1
R&D Expenses	15.4	16.2	+0.8
Operating Profit	60.7	62.0	+1.2
Income before Tax	57.8	61.5	+3.7
Profit Attributable to Owners of the Parent	39.2	40.5	+1.2

	Actual exchange rates for the fiscal year ended March 31, 2016	Assumed exchange rates for the fiscal year ending March 31, 2017
1USD	¥120.1	¥110.0
1EUR	¥132.6	¥125.0
1CNY	¥18.9	¥17.0

* There have been no changes in forecast subsequent to the May 2016 announcement.

(Reference) Impact of Introducing IFRS on the First Three Months of the Fiscal Year Ended March 31, 2016



	First Three Months of Fiscal Year Ended March 31, 2016		(Billions of yen)
	Japanese Standards	IFRS	Main Differences
Net Sales	57.6	57.6	
Cost of Sales	23.7	23.6	Increase due to capitalization of development expenses: +¥0.04 billion Decrease in depreciation due to impairment : -¥0.06 billion
Gross Profit	33.9	33.9	
SG&A Expenses	18.5	17.8	Non-amortization of goodwill: - ¥0.43 billion
R&D Expenses	4.0	3.2	Capitalization of development expenses: -¥0.66 billion
Operating Profit	11.2	12.8	
Income before Tax	12.3	12.8	Difference due to revision in retirement benefit plan: -¥0.55 billion
Profit Attributable to Owners of the Parent	7.5	7.9	

We Believe the Possibilities.

Forward-Looking Statements

This material contains forward-looking statements about Sysmex Corporation and its Group companies (the Sysmex Group). These forward-looking statements are based on the current judgments and assumptions of the Sysmex Group in light of the information currently available to it. Uncertainties inherent in such judgments and assumptions, the future course of our business operations and changes in operating environments both in Japan and overseas may cause our actual results, performance, achievements, or financial position to be materially different from any future results, performance, achievements or financial position either expressed or implied within these forward-looking statements.

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