



Business Results

First Three Months of Fiscal Year Ending March 31, 2014

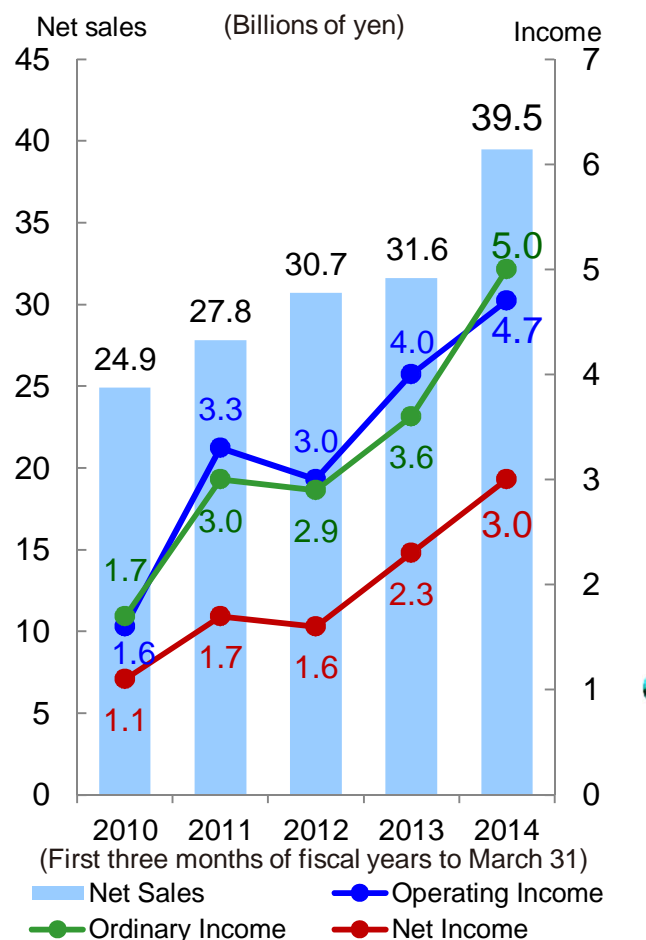
August 6, 2013

Sysmex Corporation

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.

Financial Highlights for the First Three Months of the Fiscal Year Ending March 31, 2014



(Billions of yen)

	First three months of fiscal year ending March 31, 2014		First three months of fiscal year ended March 31, 2013		YOY (Previous period = 100%)
	Results	Ratio	Results	Ratio	
Net Sales	39.5	100%	31.6	100%	124.8%
Cost of Sales	14.9	37.7%	11.6	36.7%	128.3%
SG&A	19.8	50.2%	15.9	50.4%	124.3%
Operating Income	4.7	12.1%	4.0	12.9%	117.1%
Ordinary Income	5.0	12.8%	3.6	11.5%	138.5%
Net Income	3.0	7.8%	2.3	7.3%	132.9%

Net sales and all income categories reached historic highs.

- Net sales: The Company recorded double-digit growth in sales, centered on overseas regions, due in part to the impact of yen depreciation.
 - Operating income: Sysmex recorded a double-digit increase in operating income, due to the effect of higher sales and yen depreciation.
 - Non-operating balance: The forex gain was ¥0.23 billion (¥0.46 billion loss in the same period of the previous fiscal year).
 - Exchange rate fluctuations raised net sales ¥6.02 billion and operating income ¥ 0.86 billion.
- Note: At the exchange rates prevailing one year earlier, net sales would have been up 5.8% year on year, and operating income down 4.0%.

(Yen)

	First three months of fiscal year ending March 31, 2014	First three months of fiscal year ended March 31, 2013
1USD	98.8	80.2
1EUR	129.0	102.9

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- Capital expenditure: ¥2.83 billion Depreciation and amortization: ¥2.33 billion R&D expenditure: ¥3.09 billion

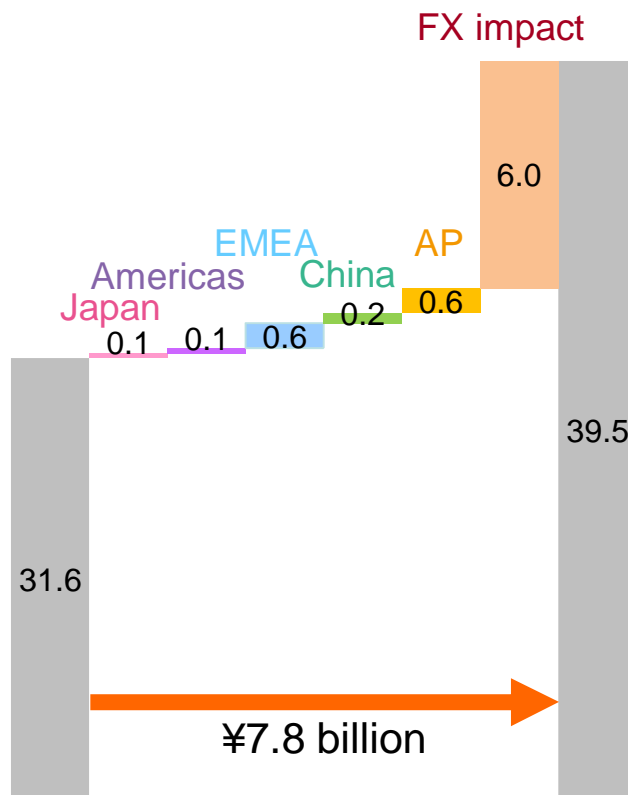
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Breakdown of Net Sales and Operating Income

(Billions of yen)

Net Sales

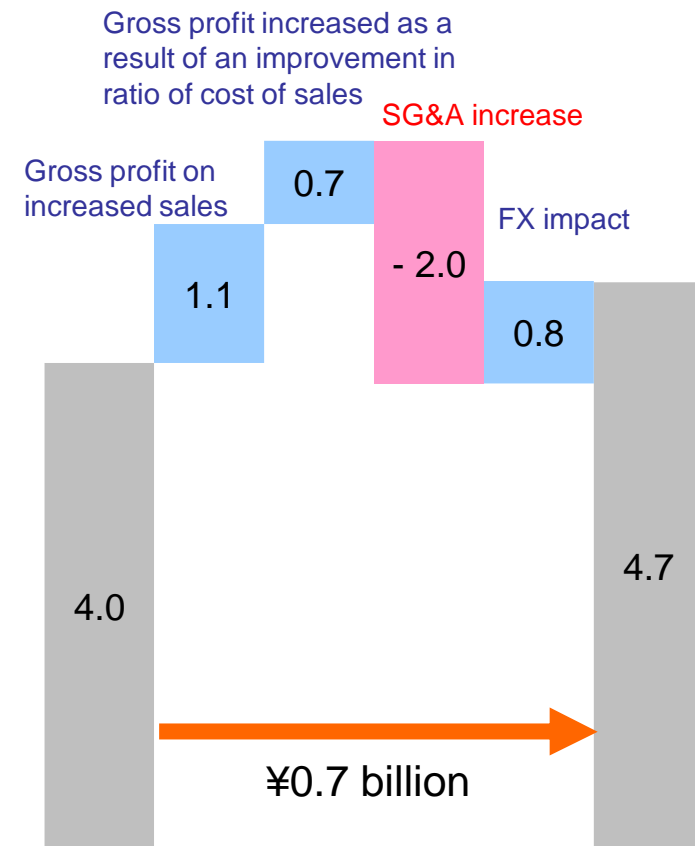
Note: FX impact excluded from regional sales below



2013 (First three months of fiscal years to March 31) 2014

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Operating Income



2013 (First three months of fiscal years to March 31) 2014

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Net Sales by Business



(Billions of yen)

	First three months of fiscal year ending March 31, 2014		First three months of fiscal year ended March 31, 2013 ^{*1}		YoY (Previous period = 100%)
	Results	Ratio	Results	Ratio	
Hematology	25.7	65.2%	20.6	65.2%	124.9%
Urinalysis	3.2	8.2%	2.5	8.0%	127.8%
Others ^{*2}	0.6	1.7%	0.6	2.0%	106.1%
HU-BU	29.7	75.1%	23.8	75.2%	124.7%
Immunochemistry	0.4	1.1%	0.3	1.2%	109.7%
Clinical Chemistry	0.8	2.1%	0.5	1.8%	140.5%
Hemostasis	6.4	16.2%	4.8	15.2%	133.4%
ICH-BU	7.6	19.4%	5.7	18.3%	132.5%
Other IVD ^{*3}	1.2	3.2%	1.2	4.0%	99.7%
IVD Subtotal	38.6	97.7%	30.8	97.4%	125.1%
LS-BU	0.3	0.8%	0.2	0.7%	146.5%
Others	0.5	1.5%	0.5	1.8%	100.7%
Total Net Sales	39.5	100.0%	31.6	100.0%	124.8%

*1: The figures for the fiscal year ended March 31, 2013, have been reorganized according to the segments after the changes.

*2: Laboratory Information Systems, others

*3: Sales of third-party products, others

Net Sales by Geographic Region



- **Net Sales by Geographic Region**
(Sales to Customers)

(Billions of yen)

		First three months of fiscal year ending March 31, 2014		First three months of fiscal year ended March 31, 2013		YOY (Previous period = 100%)	
			Ratio		Ratio	(Yen)	(Local currency)
Net Sales		39.5	100%	31.6	100%	124.8%	-
Region	Americas	8.1	20.7%	6.4	20.3%	126.9%	103.1%
	EMEA	12.0	30.5%	8.9	28.3%	134.6%	107.5%
	China	8.5	21.6%	6.5	20.6%	130.9%	104.2%
	AP	2.9	7.4%	1.5	4.9%	190.0%	152.5%
	Japan*	7.8	19.8%	8.1	25.9%	95.5%	-

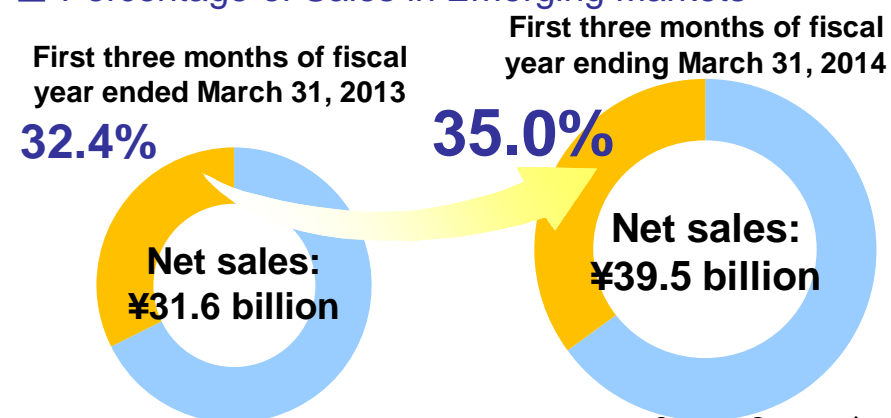
* Includes sales to IDEXX and other customers.
In the preceding fiscal year, also included sales to South Korea.

- **Exchange Rates**

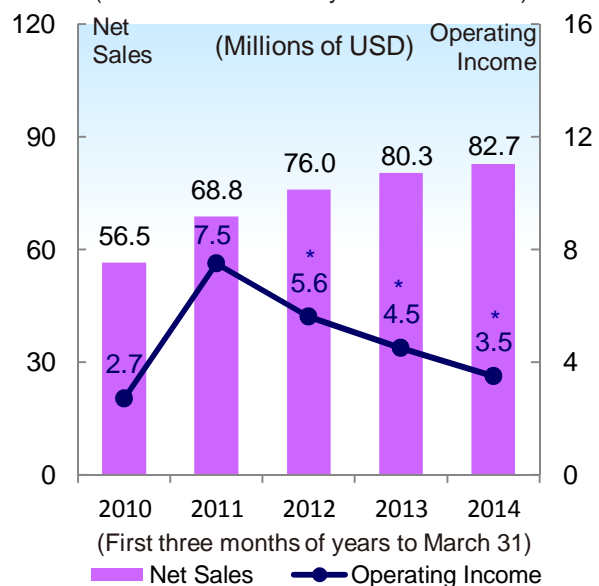
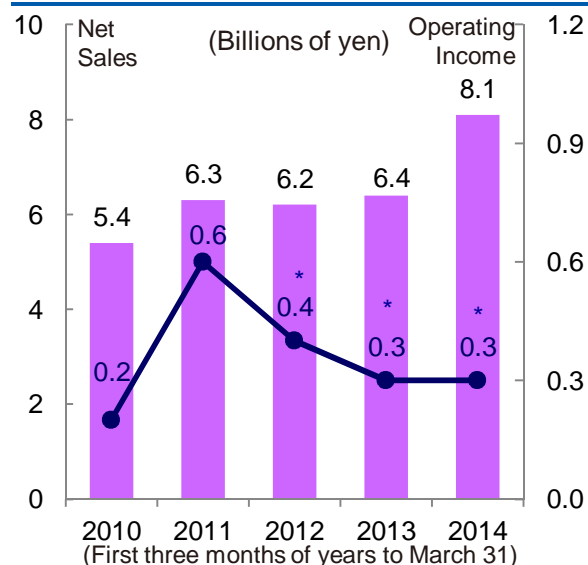
(Yen)

	First three months of fiscal year ending March 31, 2014	First three months of fiscal year ended March 31, 2013
1USD	98.8	80.2
1EUR	129.0	102.9
1CNY	16.0	12.7

- **Percentage of Sales in Emerging Markets**



Geographic Segment Information: Americas



* Revision in intragroup transaction prices

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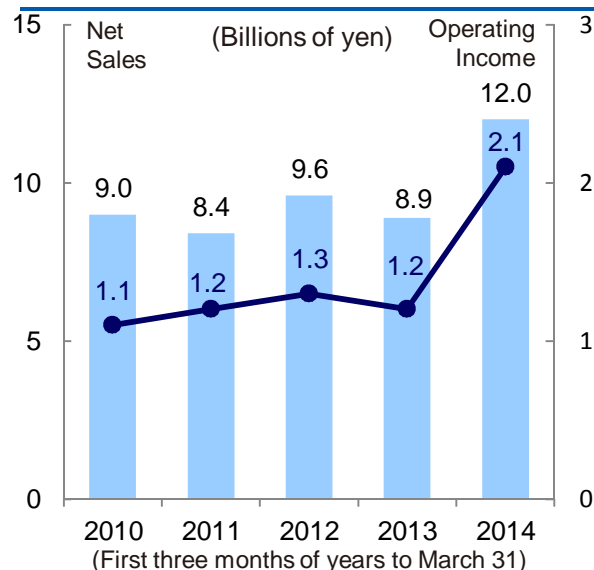
	First three months of fiscal year ending March 31, 2014	First three months of fiscal year ended March 31, 2013	YOY (Previous period = 100%)
Net Sales	8.1	6.4	126.9%
Operating Income*	0.3	0.3	95.5%

- The introduction of the medical device excise tax on instruments, reagents, and other items, negatively affected sales in the United States, but overall sales rose significantly thanks in part to the impact of yen appreciation.
- Operating income slipped, owing to the impact of the medical device excise tax, higher SG&A expenses to reinforce sales management systems, and revisions in intragroup transaction prices.

■ On a local currency basis: net sales 103.1%; operating income 77.6%

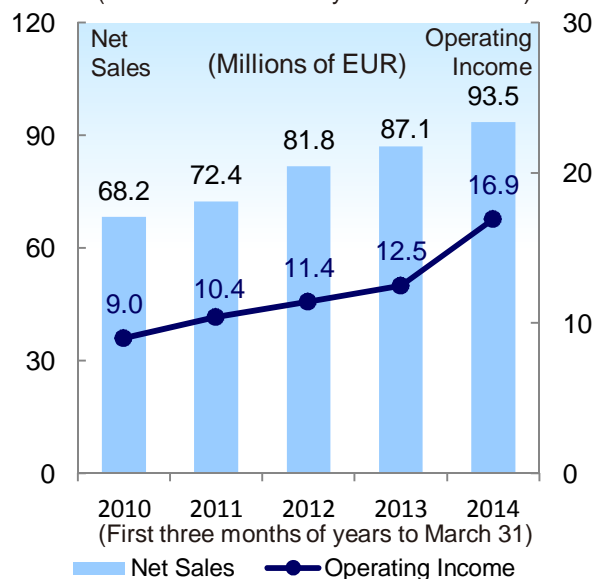
- United States: Sales were affected by the introduction of the medical device excise tax on instruments, reagents, and other items, but higher sales of reagents and support services led to a rise in sales.
- Canada: Reagent sales expanded, due to an increase in the installed instrument base.
- Central and South America: Sales were down in Brazil, partly because of the impact of the depreciation of the real.

Geographic Segment Information: EMEA*



	First three months of fiscal year ending March 31, 2014	First three months of fiscal year ended March 31, 2013	YOY (Previous period = 100%)
Net Sales	12.0	8.9	134.6%
Operating Income	2.1	1.2	168.6%

- Sales grew significantly, due to increased sales of hematology instruments and reagents, as well as the impact of yen depreciation.
- Operating income surged, as higher sales and an improved cost of sales ratio outpaced the expansion in SG&A expenses.



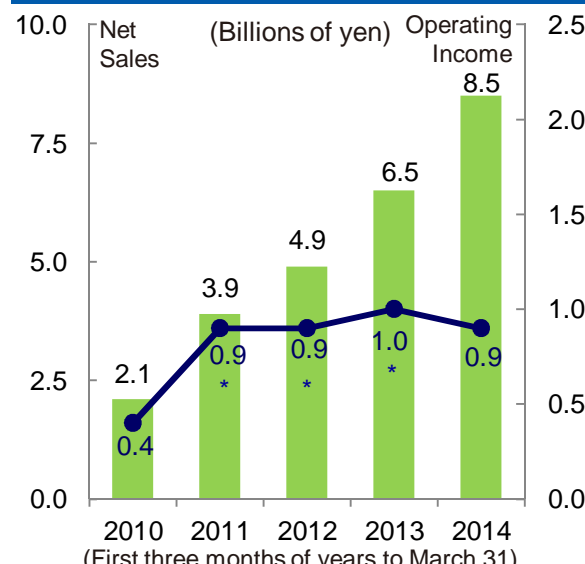
■ On a local currency basis: net sales 107.5%; operating income 134.6%

- Five major countries: Sales were robust, despite being affected by economic crises.
 - Italy: Sales were down slightly due to government austerity measures.
 - Spain: Sales grew, largely due to win of hematology project bid.
- Other parts of Europe: Sales were up due to favorable sales in the hematology field.
- Eastern Europe, Russia: In Russia, in addition to the hematology field, sales were up substantially in the urinalysis and hemostasis fields.
- Middle East, Africa: Sales were up slightly, as figures for the first quarter of the preceding fiscal year were helped by the win of a government-affiliated bid project in Saudi Arabia.

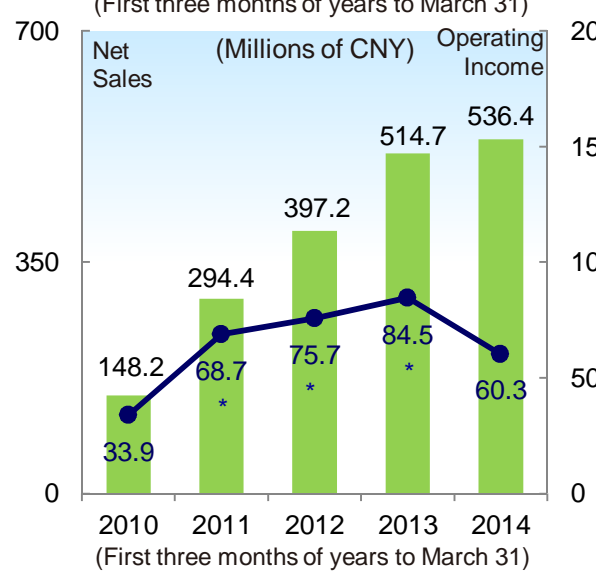
* Europe, Middle East and Africa

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Geographic Segment Information: China



	(Billions of yen)		
	First three months of fiscal year ending March 31, 2014	First three months of fiscal year ended March 31, 2013	YOY (Previous period = 100%)
Net Sales	8.5	6.5	130.9%
Operating Income	0.9	1.0	89.6%

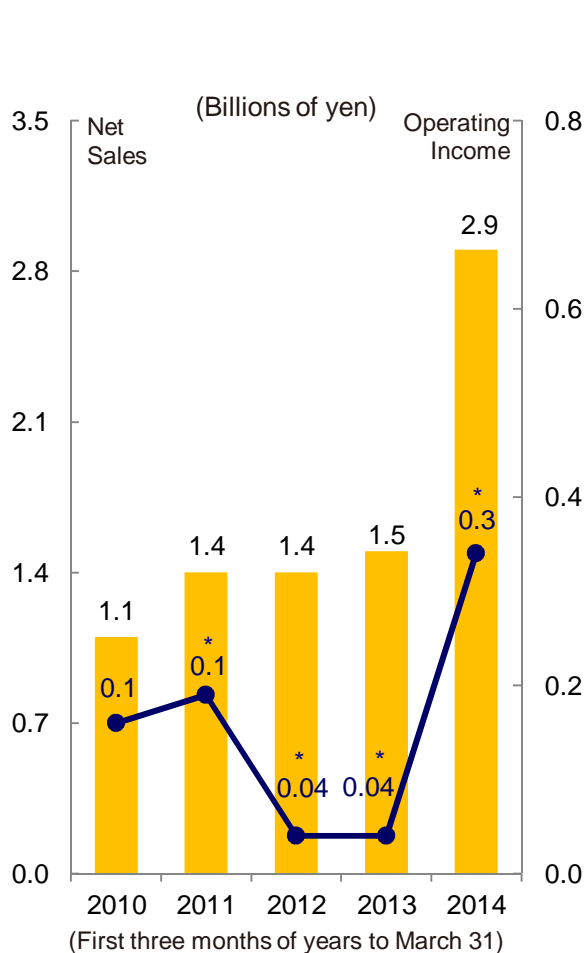


- In this market, sales showed signs of recovering from a state of sluggishness, and the impact of yen depreciation led to a major sales increase.
- Operating income declined due in part to a change in the method of recording SG&A expenses.

- On a local currency basis: net sales 104.2%; operating income 71.3%
- Hematology: Reagent sales increased, but overall sales were flat.
 - Hemostasis: Sales rose, due to growing demand for coagulation and fibrin analysis.
 - Urinalysis: Sales of reagents grew, owing to an increase in the installed instrument base.

* Revision in intragroup transaction prices
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Geographic Segment Information: AP



* Revision in intragroup transaction prices

	First three months of fiscal year ending March 31, 2014	First three months of fiscal year ended March 31, 2013	YOY (Previous period = 100%)
Net Sales	2.9 ^(Note)	1.5	190.0%
Operating Income*	0.3	0.04	825.9%

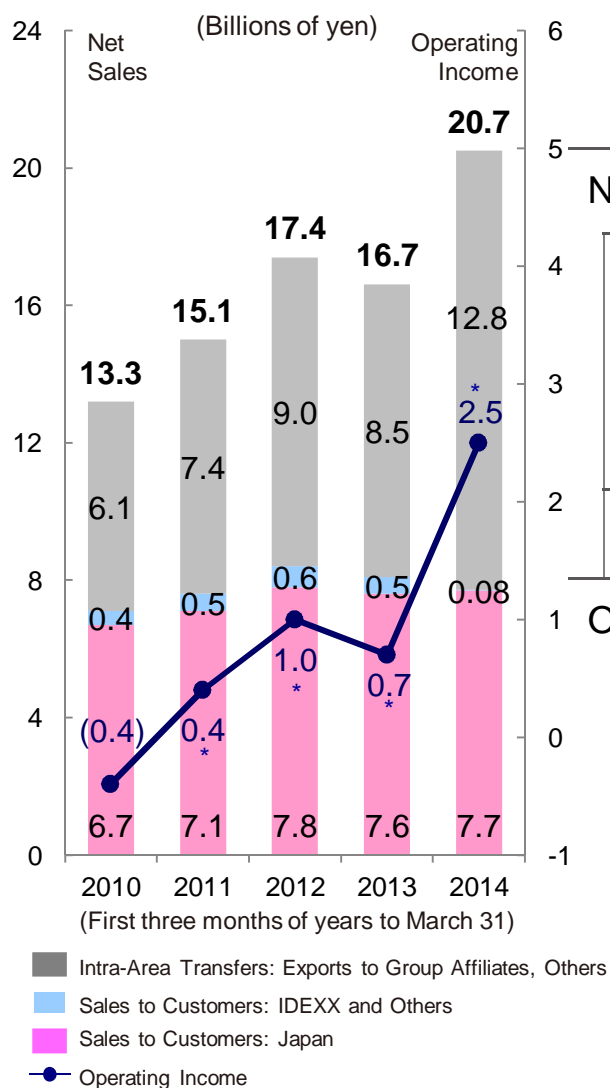
(Billions of yen)

- Sales were up significantly, as sales for South Korea that were formerly counted within the Japan region were shifted to the AP region due to the conversion of our distributor in South Korea to a subsidiary, and owing to solid performance in individual areas.
- Operating income rose sharply, as substantially higher sales and an improved cost of sales ratio overcame higher SG&A expenses.

- South Asia: Sales rose, due to higher sales in India and favorable sales in Pakistan and Bangladesh.
- Southeast Asia: Sales expanded, owing to the win of a major government bid project in Myanmar and robust sales in Indonesia.
- Oceania: Sales grew, due to the acquisition of a major project in the hemostasis field.
- South Korea, Taiwan: The conversion of our distributor in South Korea to a subsidiary bolstered regional sales, while sales in Taiwan were down slightly.

(Note) Due to the conversion of our distributor in South Korea to a subsidiary, from the first quarter of the fiscal year ending March 31, 2014, sales formerly recorded in Japan have been moved to the AP region.

Geographic Segment Information: Japan



* Revision in intragroup transaction prices

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	First three months of fiscal year ending March 31, 2014	First three months of fiscal year ended March 31, 2013	YOY (Previous period = 100%)
Net Sales	20.7	16.7	123.9%
Sales to Customers	7.8	8.1	95.5%
Japan	7.7	7.6	101.6%
IDEXX and Others	0.08 ^(Note)	0.5	15.3%
Intra-Area Transfers	12.8	8.5	151.3%
Operating Income*	2.5	0.7	330.4%

- Sales in Japan increased slightly, and intra-area transfers to Group affiliates (overseas) boosted sales and income significantly.

- Japan: Sales were up slightly due to the combination of lower sales in hematology and higher sales in non-hematology categories.
- IDEXX and others: Sales for IDEXX were down.
 Note: This includes ¥0.33 billion in sales to South Korea in the first three months of the preceding fiscal year.

(Note) Due to the conversion of our distributor in South Korea to a subsidiary, from the first quarter of the fiscal year ending March 31, 2014, sales formerly recorded in Japan have been moved to the AP region.

Consolidated Earnings Forecast

(No revisions subsequent to May 2013 announcement)



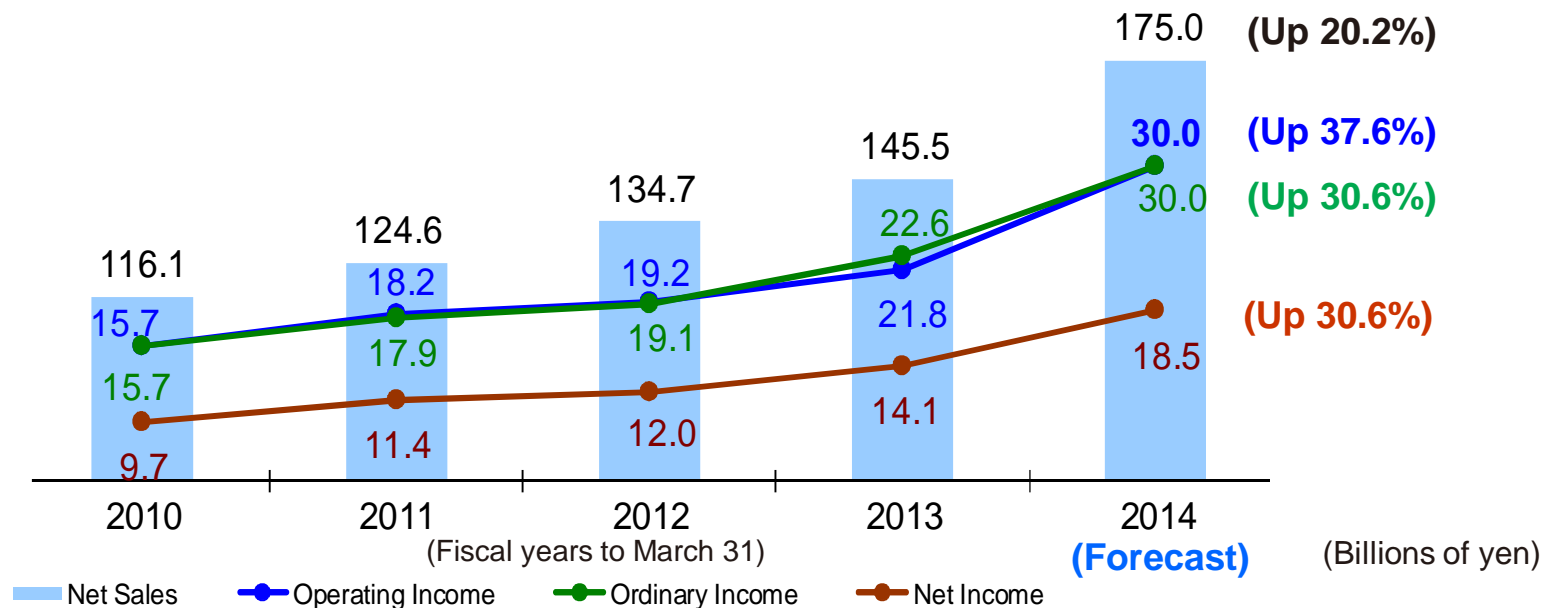
Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2014

● Net Sales: **¥175.0 billion** ● Operating Income: **¥30.0 billion** ● Ordinary Income: **¥30.0 billion** ● Net Income: **¥18.5 billion**
 ● Operating Margin: **17.1%** ● Ordinary Margin: **17.1%** ● Net Income Margin: **10.6%**

Planned Investment

● Capital Expenditure: **¥12.0 billion** ● Depreciation and Amortization: **¥8.5 billion** ● R&D Expenditure: **¥15.0 billion**

Assumed exchange rates for 2Q and beyond: 1USD = ¥95.0 1EUR = ¥125.0
 Assumed exchange rates for full year: 1USD = ¥95.9 1EUR = ¥126.0
 Note: Assumptions at beginning of year: 1USD = ¥95.0 1EUR = ¥125.0
 Actual for fiscal year ended March 31, 2013: 1USD = ¥83.1 1EUR = ¥107.2





We Believe the Possibilities.

Sysmex Corporation

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