



Business Results

First Nine Months of Fiscal Year Ending March 31, 2015

February 4, 2015

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.

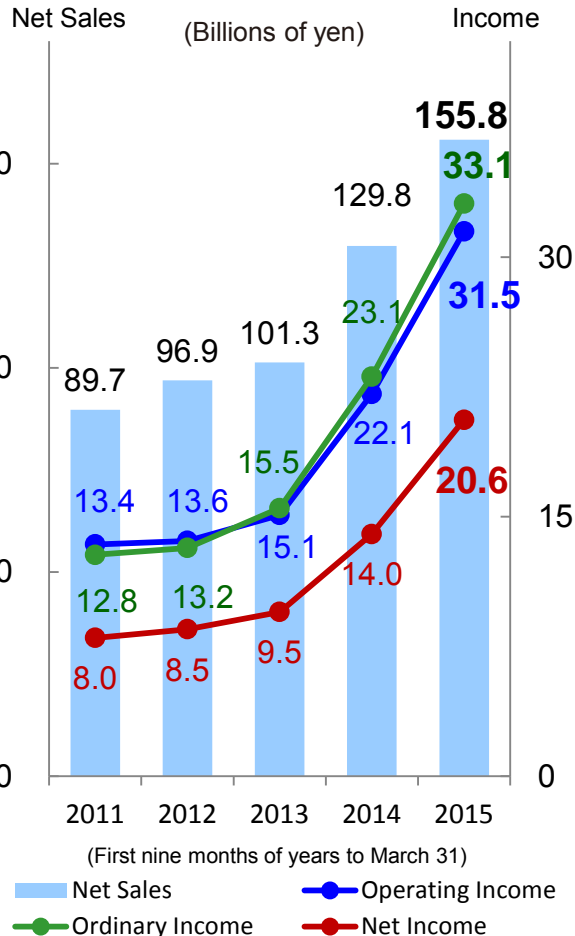
Financial Highlights



- Net sales and all income categories reached historic highs.

Note: Figures include changes from the first three months of the fiscal year ending March 31, 2015, in the classification of service costs and other items.

(Billions of yen)



	First nine months of fiscal year ending March 31, 2015		First nine months of fiscal year ended March 31, 2014		YOY (Previous period = 100%)
	Results	Ratio	Results	Ratio	
Net Sales	155.8	100%	129.8	100%	120.0%
Cost of Sales	65.0 *	41.7% *	47.9	37.0%	135.5%
SG&A	59.3 *	38.1% *	59.7	46.0%	99.3%
Operating Income	31.5	20.2%	22.1	17.0%	142.5%
Ordinary Income	33.1	21.3%	23.1	17.8%	143.1%
Net Income	20.6	13.2%	14.0	10.8%	147.3%

- Net sales: The Company recorded double-digit growth in sales, centered on overseas regions, particularly China and EMEA, due in part to the impact of yen depreciation.
- Operating income: Operating income rose substantially thanks to the effects of higher sales and yen depreciation.
- Non-operating balance: The forex gain was ¥1.11 billion (¥0.75 billion gain in the same period of the previous fiscal year).
- Exchange rate fluctuations raised net sales ¥7.51 billion and operating income ¥4.20 billion. Note: At the exchange rates prevailing one year earlier, net sales would have been up 14.2% year on year, and operating income up 23.5%.
- Capital expenditure (tangible): ¥9.36 billion Depreciation and amortization: ¥8.35 billion R&D expenditure: ¥10.49 billion

	First nine months of fiscal year ending March 31, 2015	First nine months of fiscal year ended March 31, 2014
1USD	¥106.9	¥99.4
1EUR	¥140.3	¥132.2

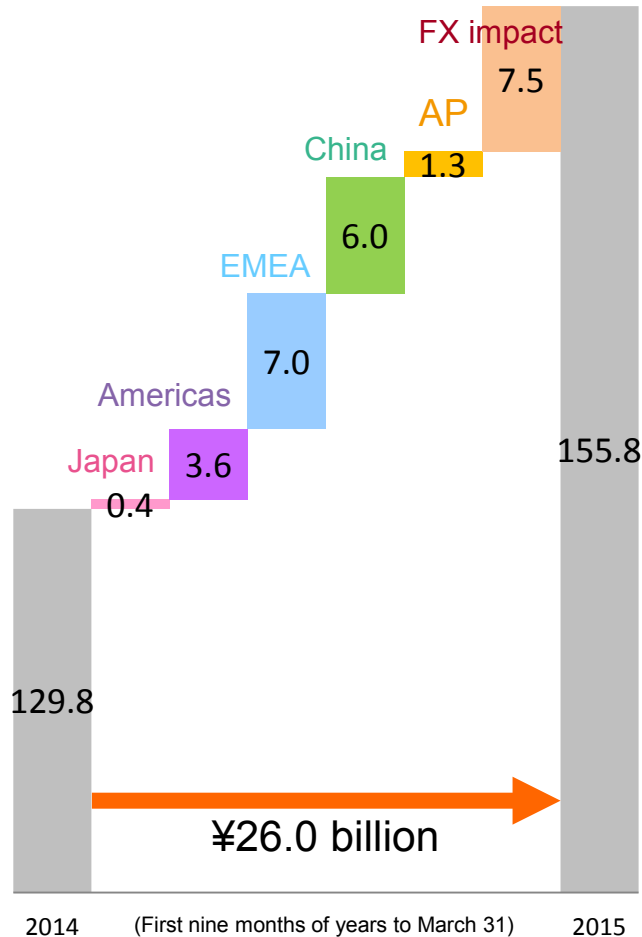
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Breakdown of Net Sales and Operating Income

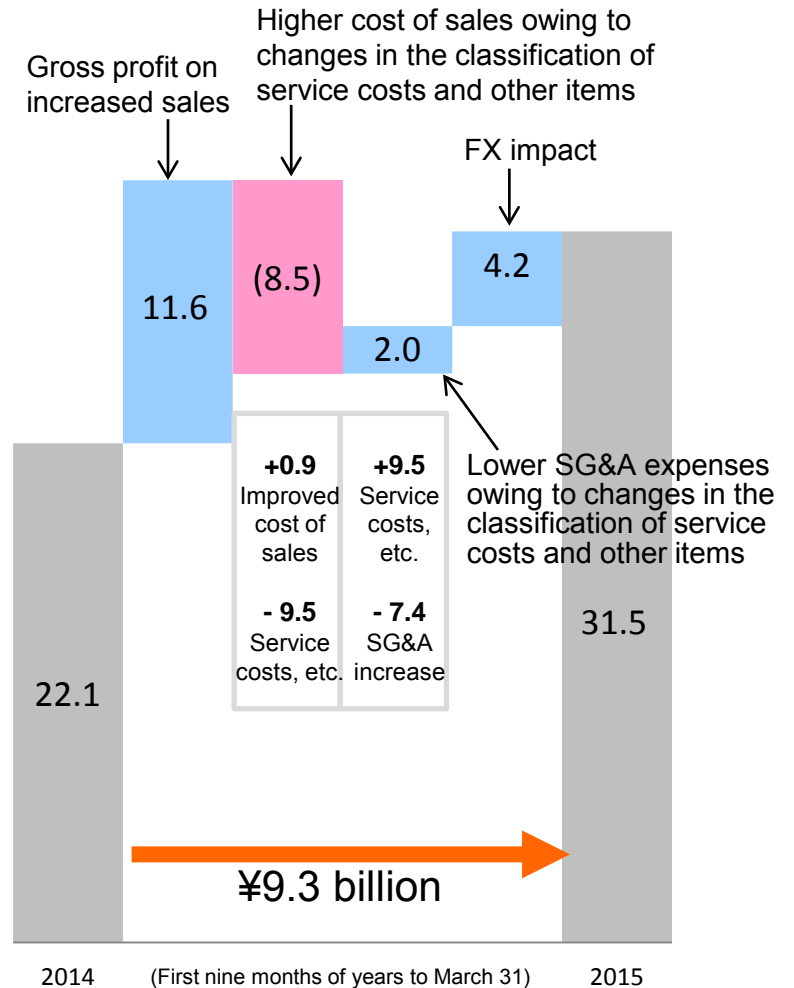
(Billions of yen)

Net Sales

Note: FX impact excluded from regional sales below



Operating Income



Net Sales by Geographic Region



- Net Sales by Geographic Region (Sales to Customers)

(Billions of yen)

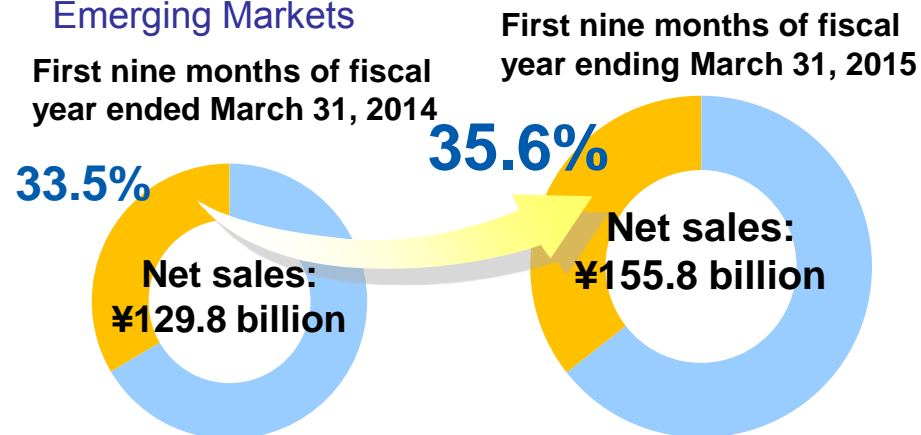
		First nine months of fiscal year ending March 31, 2015		First nine months of fiscal year ended March 31, 2014		YOY (Previous period = 100%)	
			Ratio		Ratio	(Yen)	(Local currency)
Net Sales		155.8	100%	129.8	100%	120.0%	-
Region	Americas	32.4	20.8%	27.3	21.1%	118.6%	110.3%
	EMEA	46.9	30.1%	37.7	29.1%	124.1%	117.0%
	China	34.6	22.2%	26.0	20.1%	132.9%	123.6%
	AP	11.7	7.5%	9.9	7.6%	118.3%	-
	Japan*	30.1	19.3%	28.7	22.1%	104.9%	-

* Includes sales to IDEXX and other customers

- Exchange Rates

	First nine months of fiscal year ending March 31, 2015	First nine months of fiscal year ended March 31, 2014
1USD	¥106.9	¥99.4
1EUR	¥140.3	¥132.2
1CNY	¥17.4	¥16.1

- Percentage of Sales in Emerging Markets



Sales by Business



(Billions of yen)

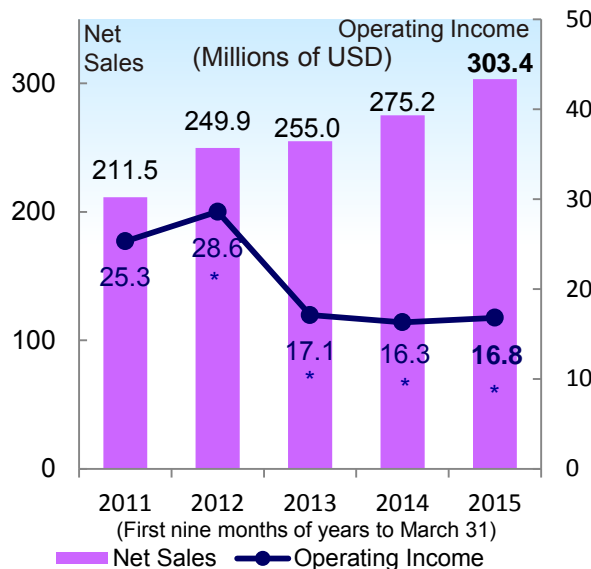
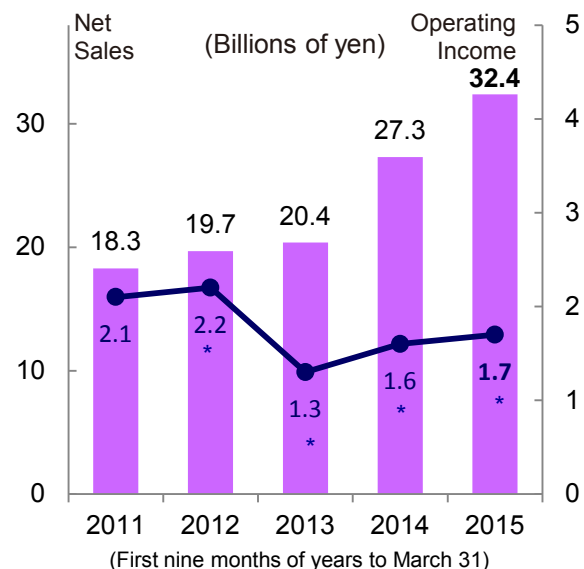
	First nine months of fiscal year ending March 31, 2015		First nine months of fiscal year ended March 31, 2014		YOY (Previous = 100%)
	Results	Ratio	Results	Ratio	
Hematology	100.5	64.5%	85.0	65.5%	118.2%
Urinalysis	11.8	7.6%	10.3	8.0%	114.1%
Others ^{*1}	4.5	2.9%	2.4	1.9%	189.0%
HU-BU	116.9	75.0%	97.8	75.3%	119.5%
Immunochemistry	2.2	1.5%	1.5	1.2%	145.3%
Clinical Chemistry	2.7	1.8%	2.5	1.9%	110.7%
Hemostasis	23.2	14.9%	19.5	15.1%	118.9%
ICH-BU	28.3	18.2%	23.6	18.2%	119.8%
Other IVD ^{*2}	6.1	4.0%	5.2	4.0%	118.5%
IVD total	151.4	97.2%	126.7	97.6%	119.5%
LS-BU ^{*3}	2.1	1.4%	1.0	0.8%	195.5%
Others	2.2	1.5%	2.0	1.6%	110.5%
Total net sales	155.8	100.0%	129.8	100.0%	120.0%

*1 Partec, Laboratory Information Systems, others

*2 Sales of third-party products, others

*3 Including Inostics

Geographical Segment Information: Americas



* Revision in intragroup transaction prices

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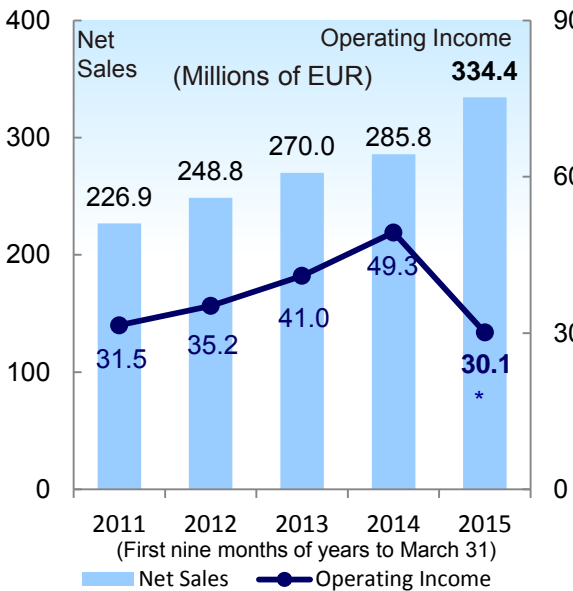
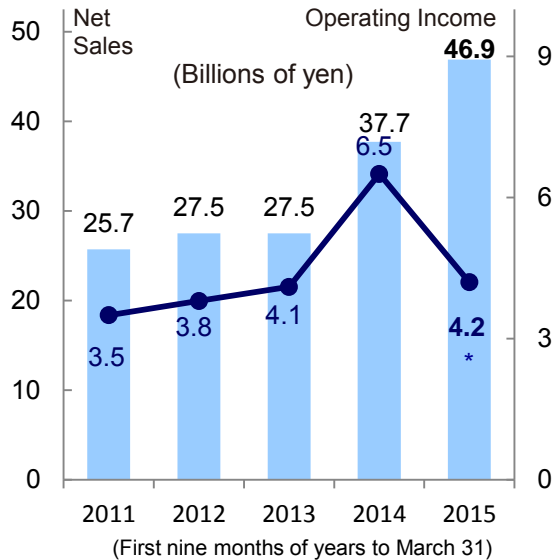
	First nine months of fiscal year ending March 31, 2015	First nine months of fiscal year ended March 31, 2014	YOY (Previous period = 100%)
Net Sales	32.4	27.3	118.6%
Operating Income*	1.7	1.6	110.7%

- Sales were up significantly, boosted by higher sales of instruments and reagents thanks to robust sales of the XN-Series.
- Operating income rose, due to the increase in sales, despite the impact of the revision in intragroup transaction prices.
 - A reversal in deferred service revenue and income caused temporary increases in sales and income (+ ¥0.42 billion for net sales and + ¥0.36 billion for operating income).
 - Excluding the factor mentioned above, the rate of growth would have been 17.0% for net sales and negative 11.5% for operating income.

■ On a local currency basis, net sales 110.3%, operating income 103.0%*

- United States: In addition to instruments, sales of reagents and services were up.
- Canada: Sales were up, despite ongoing declines in healthcare budgets.
- Central and South America: Sales were up due to such factors as increased sales of hematology products in Mexico and Colombia.

Geographic Segment Information: EMEA*



* Revision in intragroup transaction prices

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* Europe, the Middle East and Africa

(Billions of yen)

	First nine months of fiscal year ending March 31, 2015	First nine months of fiscal year ended March 31, 2014	YOY (Previous period = 100%)
Net Sales	46.9	37.7	124.1%
Operating Income*	4.2	6.5	64.7%

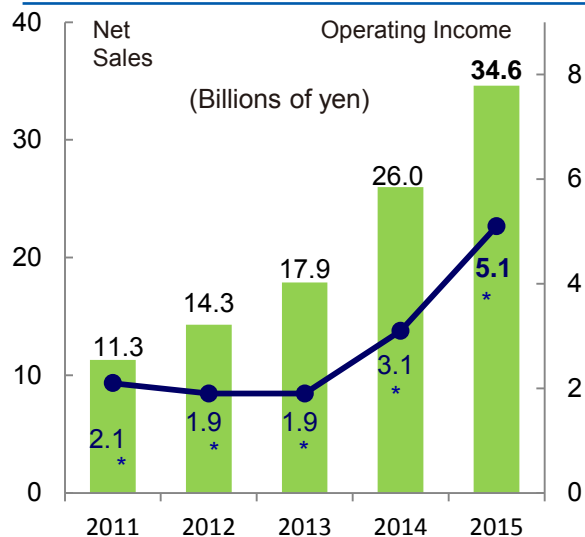
- Sales increased, due to sales growth in the hematology and hemostasis fields and the impact of including Partec and Inostics in the scope of consolidation.
- Despite double-digit sales expansion, income decreased due to the revision in intragroup transaction prices.
 - Excluding Partec and Inostics, the rate of growth would have been 17.5% for net sales and negative 21.9% for operating income.

■ On a local currency basis: net sales 117.0%, operating income 61.0%*

- Five major countries: Sales were up in all five countries.
 - United Kingdom: Sales were favorable in the hematology and hemostasis fields.
 - Germany: Sales increased, owing to the increase in hematology reagents and the contribution of sales from Partec and Inostics.
 - France: Lab consolidations spurred demand for system products, and XN-Series sales were robust.
- Other parts of Europe: Sales were up, due to such factors as the transition to direct sales in Turkey and strong sales in Switzerland.
- Eastern Europe, Russia: Sales increased, due to rises in Poland and other countries, although sales in Russia fell slightly.
- Middle East, Africa: Sales were up in Saudi Arabia and other countries due to favorable XN-Series sales.

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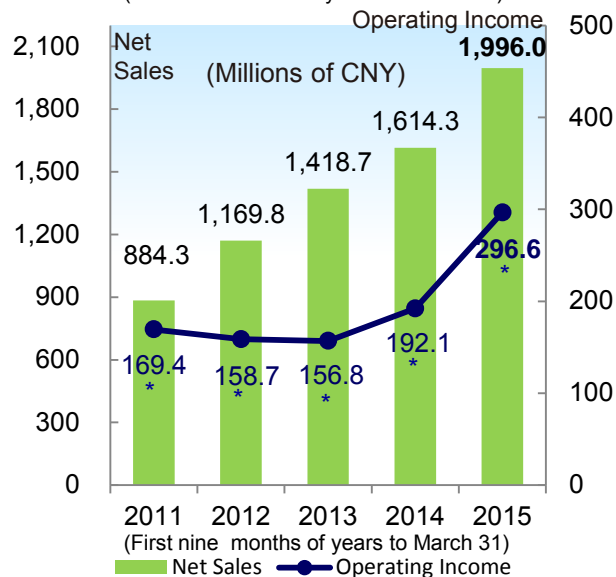
Geographic Segment Information: China



(Billions of yen)

	First nine months of fiscal year ending March 31, 2015	First nine months of fiscal year ended March 31, 2014	YOY (Previous period = 100%)
Net Sales	34.6	26.0	132.9%
Operating Income*	5.1	3.1	165.9%

- Although the market was sluggish in some areas, sales of instruments and reagents increased, centered on the hematology and hemostasis fields.
- Despite the impact of the revision in intragroup transaction prices, operating income rose thanks to higher sales.



■ On a local currency basis: net sales 123.6%; operating income 154.4%*

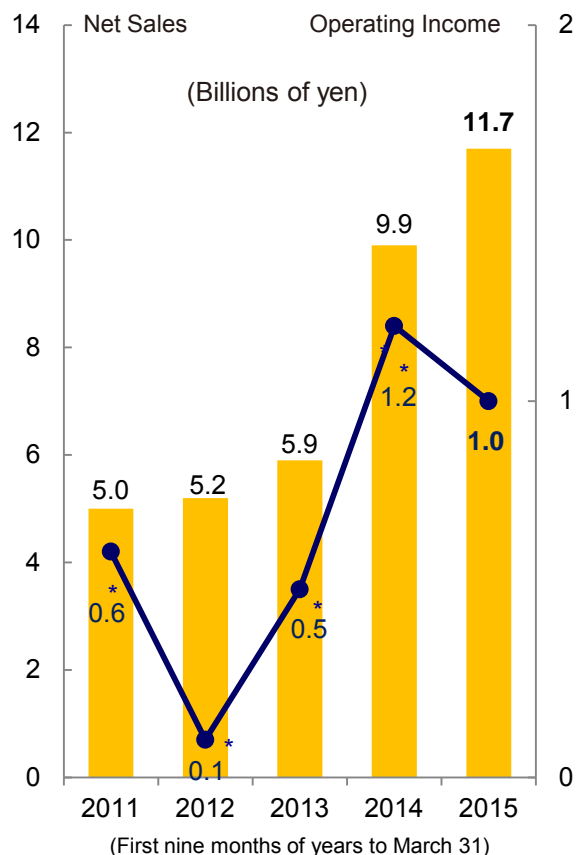
- Hematology: Sales grew, spurred by favorable XN-Series sales due to system proposals and favorable sales of the XS-Series.
- Hemostasis: Sales expanded, due to higher CS-Series sales and increased demand for fibrin reagent parameters.
- Urinalysis: Sales increased, thanks to a larger installed instrument base, which pushed up sales of reagents.
- Immunochemistry: We commenced sales of the HISCL-Series in the third quarter.

* Revision in intragroup transaction prices
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Geographic Segment Information: AP



(Billions of yen)



* Revision in intragroup transaction prices

	First nine months of fiscal year ending March 31, 2015	First nine months of fiscal year ended March 31, 2014	YOY (Previous period = 100%)
Net Sales	11.7	9.9	118.3%
Operating Income	1.0	1.2	81.3%

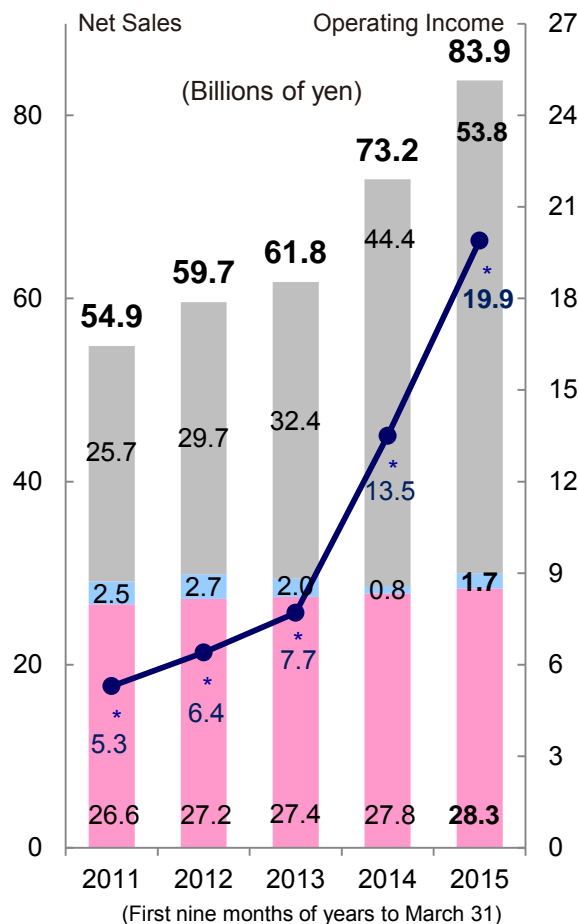
- A major sales increase in Australia overcame the impact of lower sales in India and other countries.
- Despite higher sales, operating income decreased, owing to higher costs for introducing a direct sales system in India (non-hematology) and the expansion of a reagent factory in Singapore.

- Southeast Asia: Sales rose, owing to factors including higher sales in the hematology field in Malaysia.
- South Asia: Sales fell, owing to lower sales in the hematology field. However, in India sales were up in the fields of urinalysis and hemostasis, due to the transition to direct sales in non-hematology fields.
- Oceania: Sales rose, centered on hematology system products, thanks to the acquisition of a large project for a prominent commercial lab in Australia.
- South Korea, Taiwan: Sales rose in South Korea and Taiwan, centered on the hematology field.

Geographic Segment Information: Japan



(Billions of yen)



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

* Revision in intragroup transaction prices

	First nine months of fiscal year ending March 31, 2015	First nine months of fiscal year ended March 31, 2014	YOY (Previous period = 100%)
Net Sales	83.9	73.2	114.7%
Sales to Customers	30.1	28.7	104.9%
Japan	28.3	27.8	101.8%
IDEXX and Others	1.7	0.8	210.8%
Intra-Area Transfers	53.8	44.4	121.0%
Operating Income*	19.9	13.5	147.6%

- Sales in the Japanese market were up slightly thanks to expanded sales in the hematology and immunochemistry fields. Intra-area transfers to Group affiliates (overseas) and the impact of a revision in intragroup transaction prices also boosted sales and income in this category.

- Japan: Sales increased in the hematology and immunochemistry fields.
- IDEXX and others: Sales were up, thanks to robust sales of instruments.

Consolidated Earnings Forecast

(No revision subsequent to November 2014 announcement)



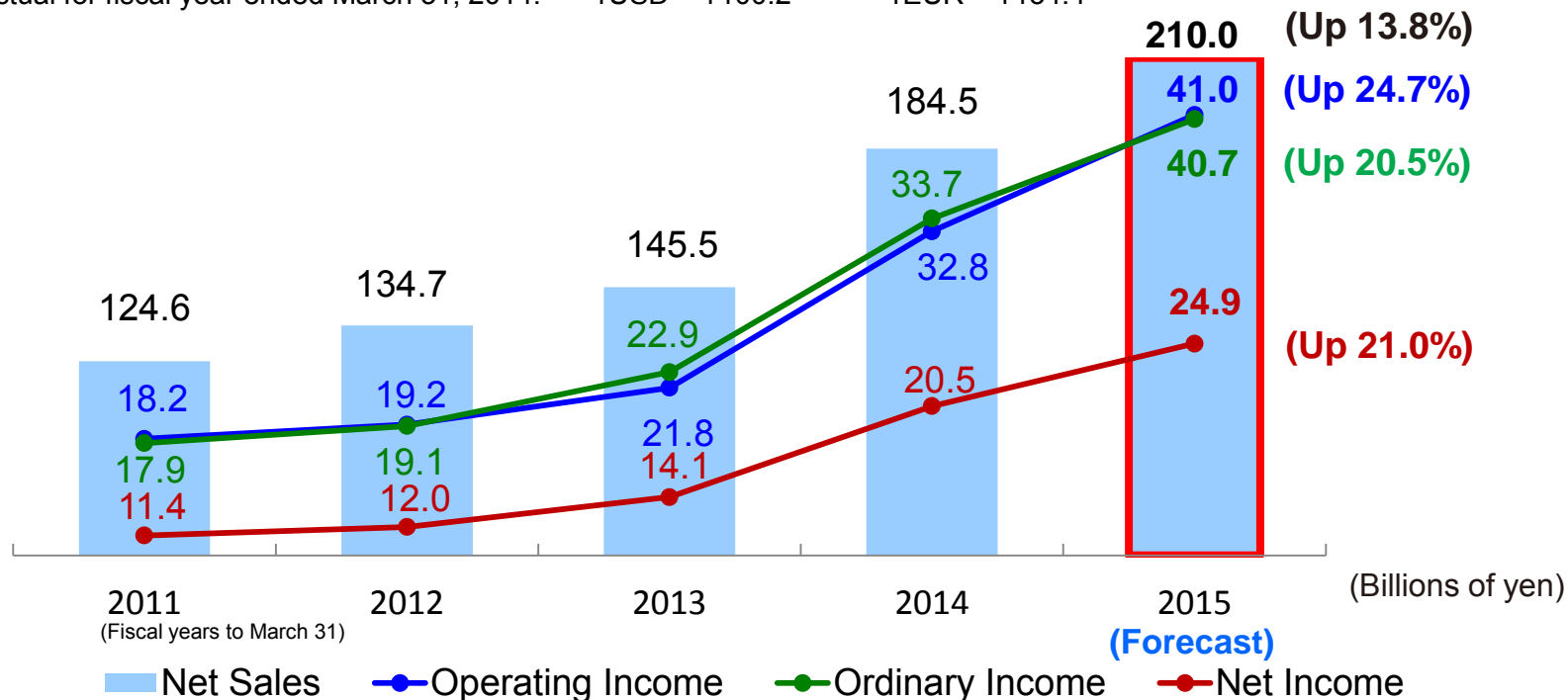
Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2015

● Net Sales: **¥210.0 billion** ● Operating Income: **¥41.0 billion** ● Ordinary Income: **¥40.7 billion** ● Net Income: **¥24.9 billion**
 ● Operating Margin: **19.5%** ● Ordinary Margin: **19.4%** ● Net Income Margin: **11.9%**

Planned Investment

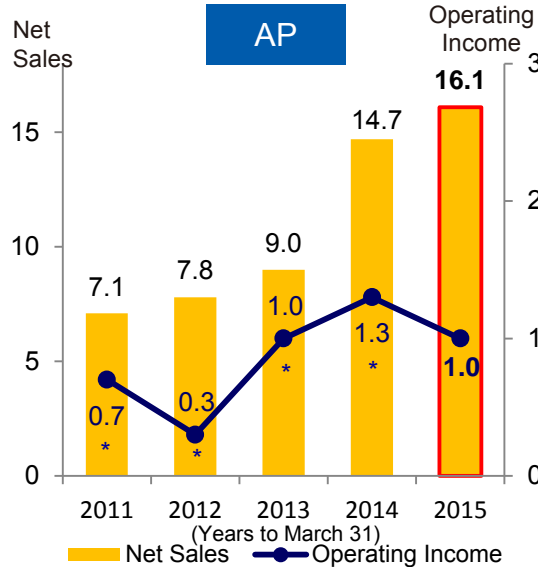
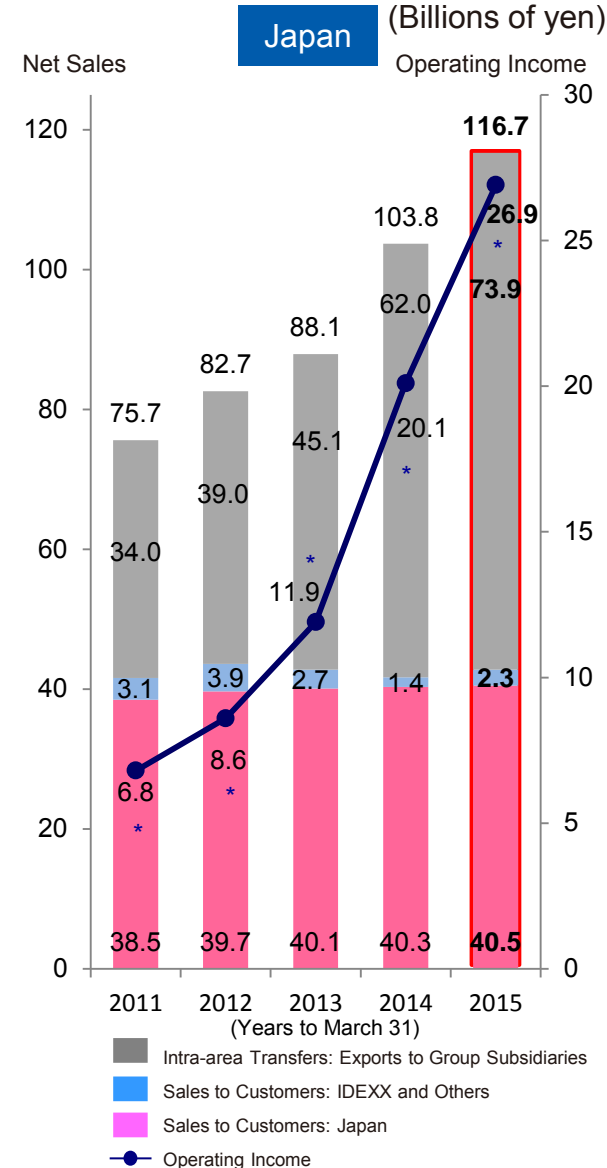
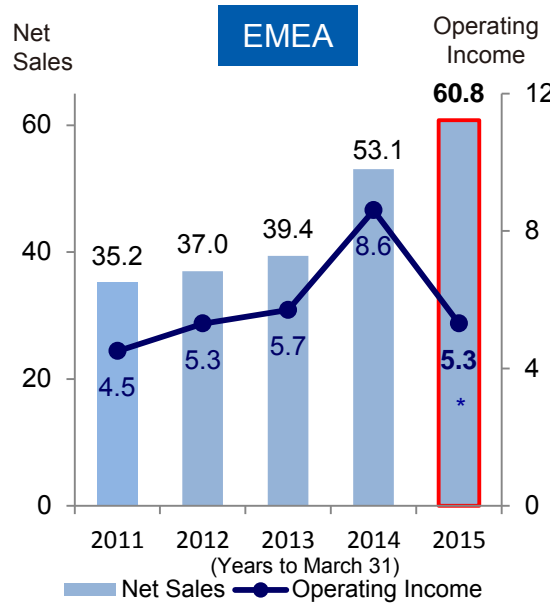
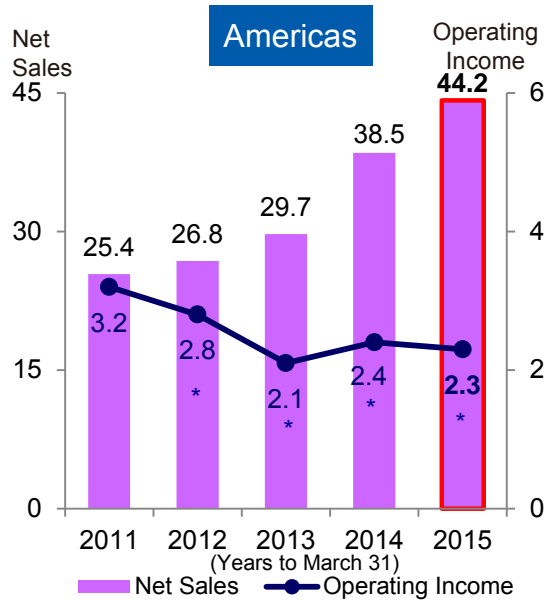
● Capital Expenditure: **¥14.0 billion** ● Depreciation and Amortization: **¥11.0 billion** ● R&D Expenditure: **¥14.5 billion**

Assumed exchange rates for full year: 1USD = ¥104.0 1EUR = ¥137.0
 Note: Assumptions at beginning of year: 1USD = ¥100.0 1EUR = ¥135.0
 Actual for fiscal year ended March 31, 2014: 1USD = ¥100.2 1EUR = ¥134.4



Financial Targets: Sales and Operating Income by Region

(No revision subsequent to November 2014 announcement)



Reference (1): Principal Changes from the Preceding Fiscal Year



Note: See page 13 (“Reference Information”).

- (1) Change from recording product transport costs under selling, general and administrative (SG&A) expenses to cost of sales

Note: Retroactively applied to the fiscal year ended March 31, 2014

- First nine months of fiscal year ended March 31, 2014: SG&A→cost of sales: ¥0.84 billion
- First nine months of fiscal year ending March 31, 2015: SG&A→cost of sales: ¥1.11 billion

- (2) Change from recording instrument service costs under SG&A expenses to cost of sales

- First nine months of fiscal year ending March 31, 2015: SG&A→cost of sales: ¥9.52 billion

- (3) Owing to a reversal of deferred service revenue and income in the Americas, temporary increases in sales and income

- In first three months of fiscal year ending March 31, 2015, only, sales +¥0.42 billion, operating income ¥0.36 billion

- (4) Results for the first nine months of the fiscal year ending March 31, 2015, including the following companies: Partec, Inostics, Sysmex Turkey, Medicaroid, RIKEN GENESIS

- (5) Revision in intragroup transaction prices

- Americas, EMEA*, China, Japan *Revised for the first time in the current fiscal year

Reference (2): Year-on-Year Changes Prior to Reclassification



(Billions of yen)

	First nine months of fiscal year ended March 31, 2014		First nine months of fiscal year ending March 31, 2015 (Before accounting reclassification noted at right as items (1) and (2))			Accounting reclassification		First nine months of fiscal year ending March 31, 2015	
	Results	Ratio		Ratio	YOY (Previous period = 100%)	(1) Service costs	(2) Reversal of deferred service revenue and income	Results	Ratio
Net Sales	129.8	100%	155.4	100%	119.7%	-	0.42	155.8	100%
Cost of Sales	47.9*	37.0%	55.4	35.7%	115.5%	9.5	0.06	65.0	41.7%
Gross Profit	81.8*	63.0%	100.0	64.3%	122.2%	(9.5)	0.36	90.8	58.3%
SG&A	59.7*	46.0%	68.8	44.3%	115.3%	(9.5)	-	59.3	38.1%
Operating Income	22.1	17.0%	31.1	20.0%	140.8%	-	0.36	31.5	20.2%

* We have made consistent throughout the Group the practice of classifying the costs of transporting products to customers as cost of sales rather than including them as selling, general and administrative expenses. This approach has been retroactively applied to figures from the first nine months of the fiscal year ended March 31, 2014.

We Believe the Possibilities.

Sysmex Corporation

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