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A Unique & Global Healthcare Testing Company



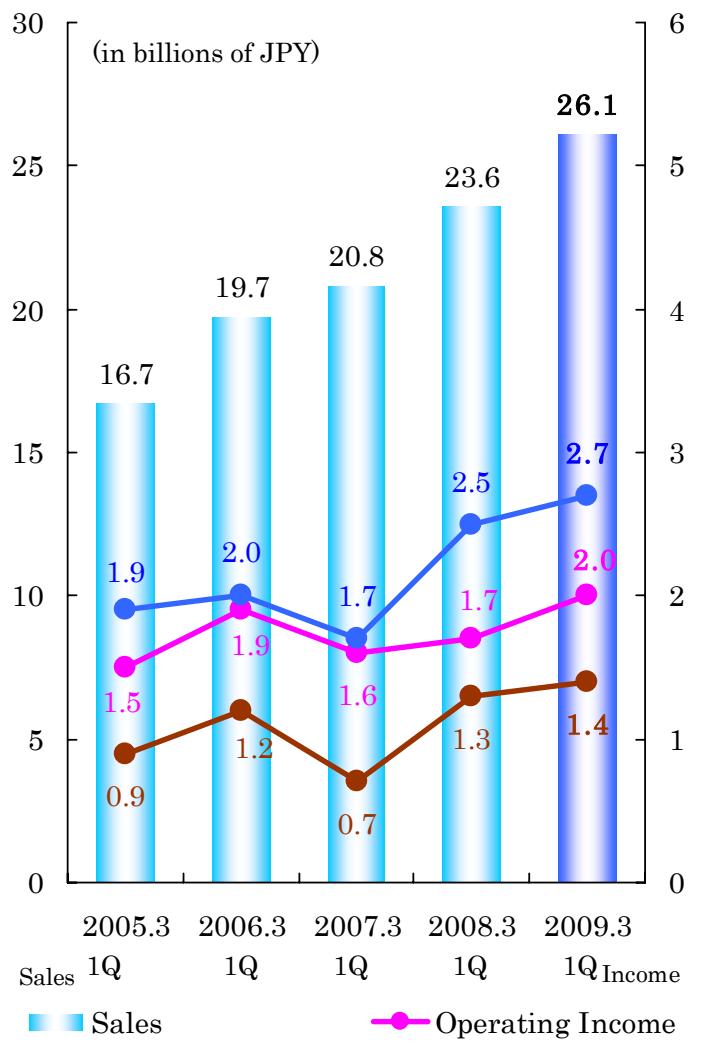
# FY2008 1Q Business Results

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August 4, 2008

**SYSMEX CORPORATION**

# 1<sup>st</sup> Quarter Financial Highlights



Exchange rate in the preceding 1Q report:  
1US\$=¥120.8, 1EUR=¥162.7

Exchange rate in this 1Q report:  
1US\$=¥104.6, 1EUR=¥163.4

	2009.3 1Q	2008.3 1Q	As percentage of the 2008.3 1Q
Sales	26.1	23.6	110.6%
Operating Income	2.0	1.7	118.3%
Ordinary Income	2.7	2.5	109.8%
Income	1.4	1.3	104.6%

- Increases both in sales and income:  
Achieved record-high business performance
- Achieved higher sales in 5 regions including Japan
  - ✓ Sales composition: Japan 26%, Overseas 74%
  - ✓ Revenue grew overseas despite a strong yen against the US dollar

## New products

- Acquisition of approval from the MHLW for manufacture and sale of our in vitro diagnostic agent used for detection of breast cancer lymph node metastasis *Japan's first*
- Acquisition of permission by the Ministry of Agriculture, Forestry and Fisheries for production and sale as the test kit for rapid examination of birds to check for influenza *Japan's first*



Gene amplification reagent  
**LYNOAMP BC**



Gene amplification detector  
**RD-100i**

## Alliances

- Commencement of business contracted out from Sysmex bioMérieux in Japan

## Affiliates and offices

- Commencement of direct sales and support and service in France
- Establishment of a subsidiary in the Middle East



Sysmex France

## Other

- Adoption of our hematology analyzers as standard instruments by the Mongolian Ministry of Health

# Geographic Segment Information (Japan)



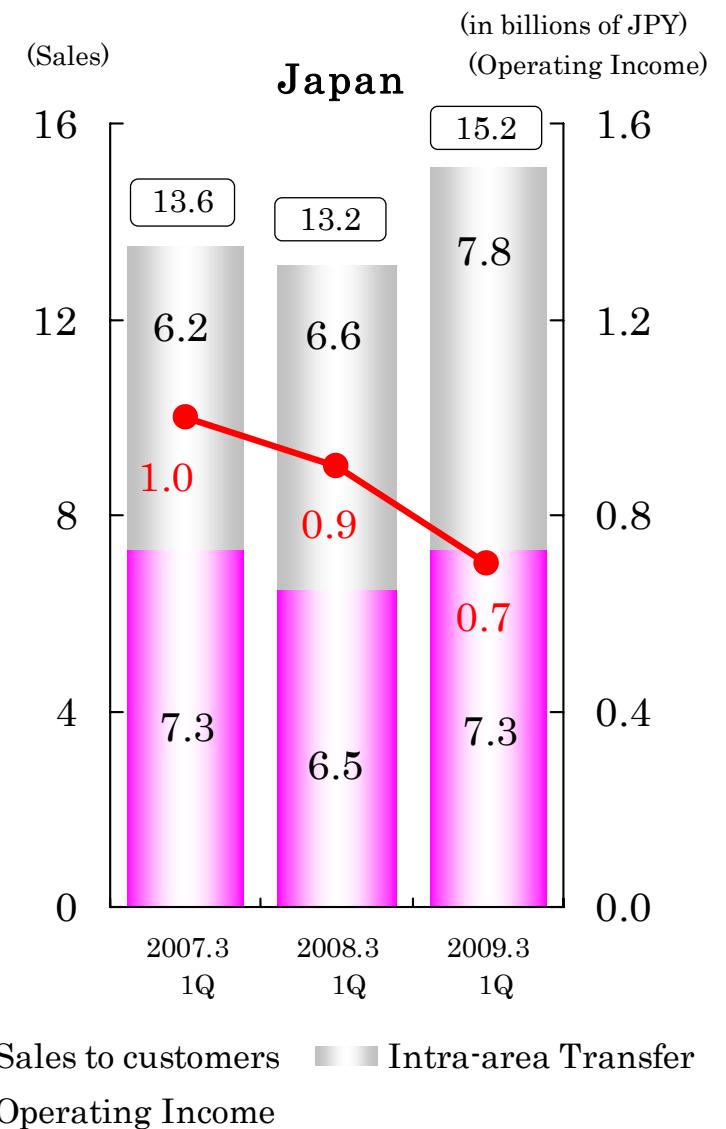
\* Japan segment includes sales / income in South Korea, Taiwan, Mongolia and internal group affiliates

## 【Sales to customers】

- Sales growth in Japan as the hematology sales grew and hemostasis business recovered
  - Commencement of business contracted out from Sysmex bioMérieux
- \* Including ¥440 million sales to Korea, Taiwan and Mongolia

## 【Intra-area Transfer】

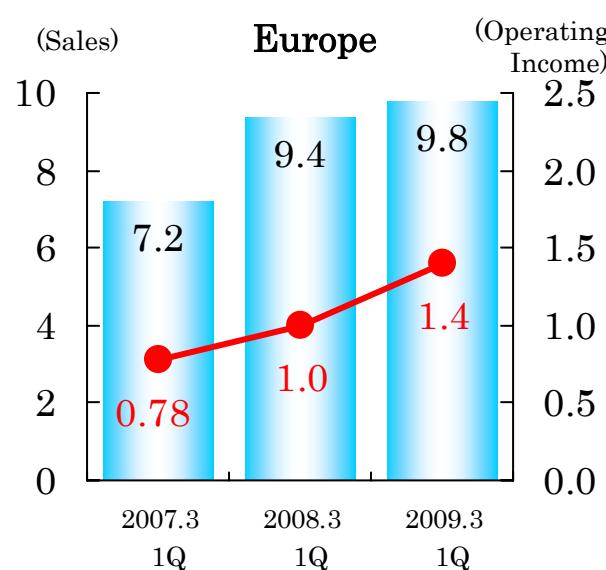
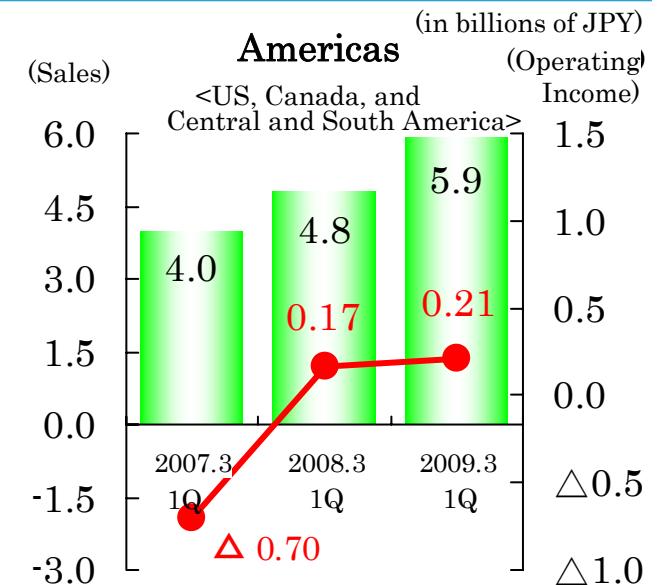
- Increase in exports to overseas affiliates
- Negative impact from adverse forex situation (strong yen / weak dollar)



# Geographic Segment Information (Americas & Europe)

## 【Americas】

- High growth sustained in NA thanks to reinforcement of the direct-sale system in the hematology business
  - ✓ Full launch of direct sales and support in Canada
- Expansion of Latin American sales due mainly to successful bids on large contracts in Brazil and Mexico
- Introduction of the animal blood cell analyzers to IDEXX's laboratories



## 【Europe】

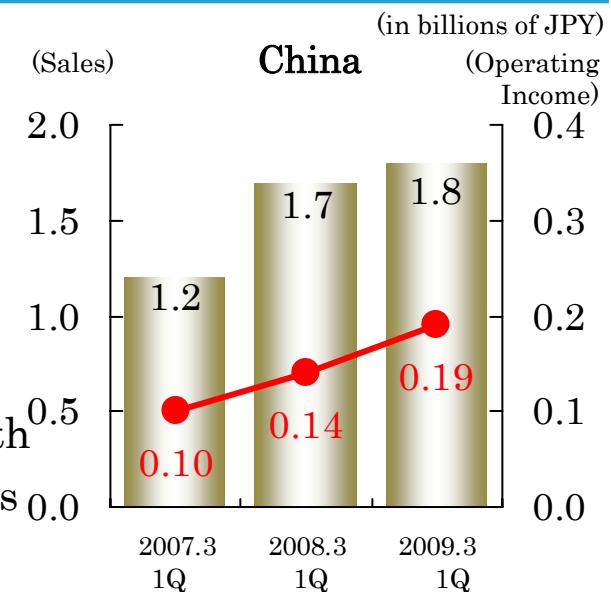
- Sales driven by the introduction of direct-sales in France and growth in emerging countries
- Improvement of income margins as reagent sales grew
- Slowdown of sales growth due to the change in accounting standards for leases

# Geographic Segment Information (China & AP)

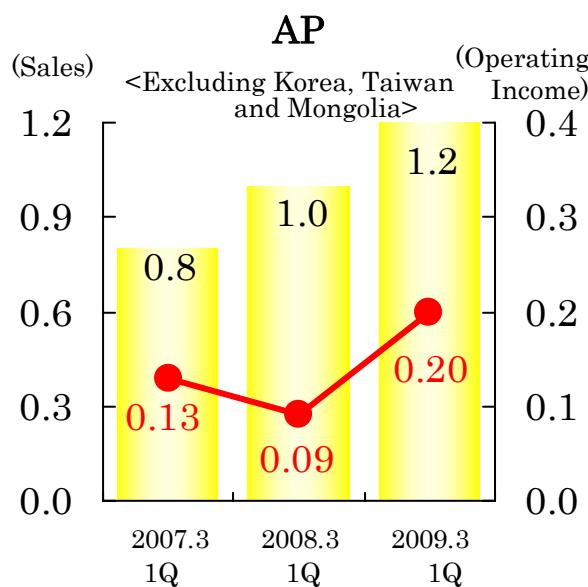


## 【China】

- Brisk performance of the solution business in the high-end market
  - ✓ HST series, Hematology analyzer (high end)
- Increase in instrument sales thanks to expansion in the urinalysis business
- Improvement of income margin thanks to reagent sales growth
- Decline in the successful bid ratio of the hematology analyzers due to regulations which favor local manufacturers



## 【AP】



- Major growth in instrument sales in the hematology business
  - ✓ Successful bid on a large contract in Australia
  - ✓ Delivery of systems products in Malaysia and Singapore (through direct-sales)
- Expansion of production items at the Baddi reagent factory

# Consolidated Earnings Forecast

Sysmex

## FY2008 Consolidated Earnings Forecast

➤ Sales : ¥118 billion

➤ Ordinary Income : ¥15.8 billion

➤ Net Income : ¥ 9.6 billion

➤ Ordinary Income ratio : 13.4%

➤ Net Income ratio : 8.1%

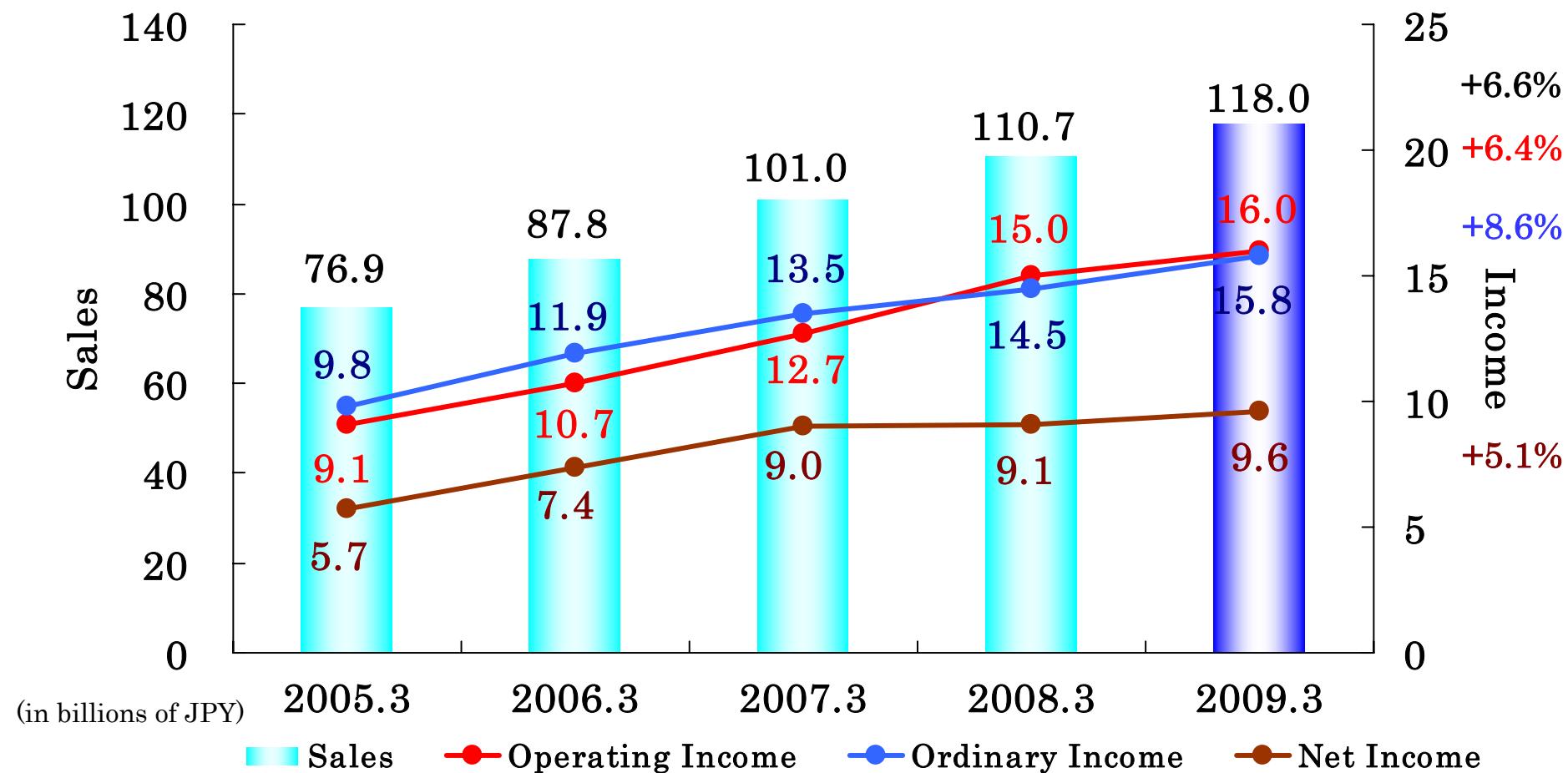
Investment plan

➤ Equipment: ¥12.0 billion

➤ R&D: ¥11.0 billion

\* Revised on August 2008

(Planned exchange rate : US\$1=¥100, EUR1=¥157)



# Projected Dividend



	Interim dividend	Year-end dividend	Total	Dividend ratio (Consolidated)
FY2008 (Projected)	¥ 24	¥ 24	¥ 48	25.6%
FY2007	¥ 20	¥ 28	¥ 48	26.8%

(Announced in May 2008)



#### 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, and involve both known and unknown risks, uncertainties and other factors, including but not limited to: global economic conditions, competitive situations, and changes in exchange rates. Such risks, uncertainties, and other factors may cause the actual results, performance, achievements, or financial position to be materially different from any future results, performance, achievements, or financial position expressed or implied within these forward-looking statements.

# Challenging the Frontiers of Healthcare Testing

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