



Business Results for the Fiscal Year Ended March 31, 2010

Sysmex Corporation

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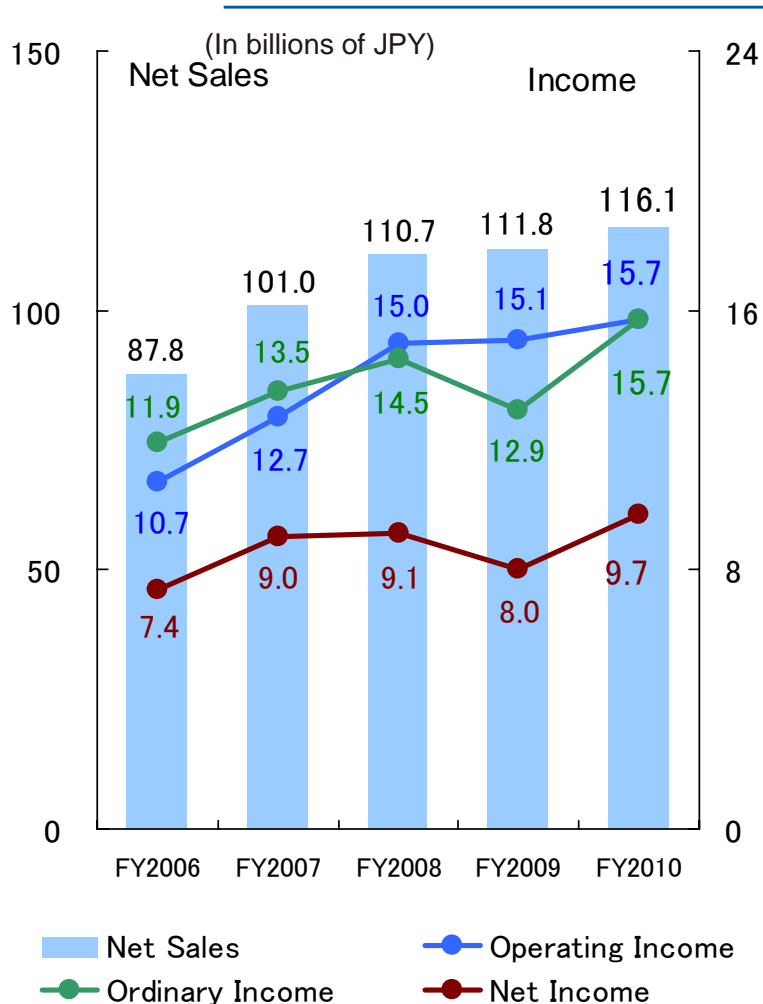
Forward-looking Statements

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 environment 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.

Chapter 1

Financial Highlights for the Fiscal Year Ended March 31, 2010

Financial Results



(In billions of JPY)

	FY2010		FY2010		FY2009		% over a Year Earlier
		Ratio	Forecast*	Ratio		Ratio	
Net Sales	116.1	100%	117.0	100%	111.8	100%	103.9%
Operating Income	15.7	13.5%	15.0	12.8%	15.1	13.5%	103.8%
Ordinary Income	15.7	13.6%	15.0	12.8%	12.9	11.6%	121.5%
Net Income	9.7	8.4%	9.2	7.9%	8.0	7.2%	121.9%

* Forecast was upwardly revised in November 2009.

Despite the effects of yen appreciation, operations expanded overseas, and net sales and income reached record highs.

- ▶ Overseas, sales and income increased in all geographic regions. In Japan, sales and income fell, owing to a decrease in inter-area transfers resulting from currency translation adjustments.
- ▶ Operating income rose, owing partly to higher reagent sales. Currency translation adjustments had less impact on ordinary income and net income.
- ▶ Yen appreciation reduced net sales ¥7.0 billion and operating income ¥4.1 billion.

At the exchange rates prevailing one year earlier, net sales would have been up 10.2% year on year, and operating income up 31.4%.

(In JPY)	Exchange rate in this full year	Exchange rate in the preceding full year
1US\$	92.9	100.5
1EUR	131.2	143.5

Capital expenditure: ¥4.5 billion
 R&D expenditure: ¥11.2 billion

Depreciation and amortization: ¥7.0 billion

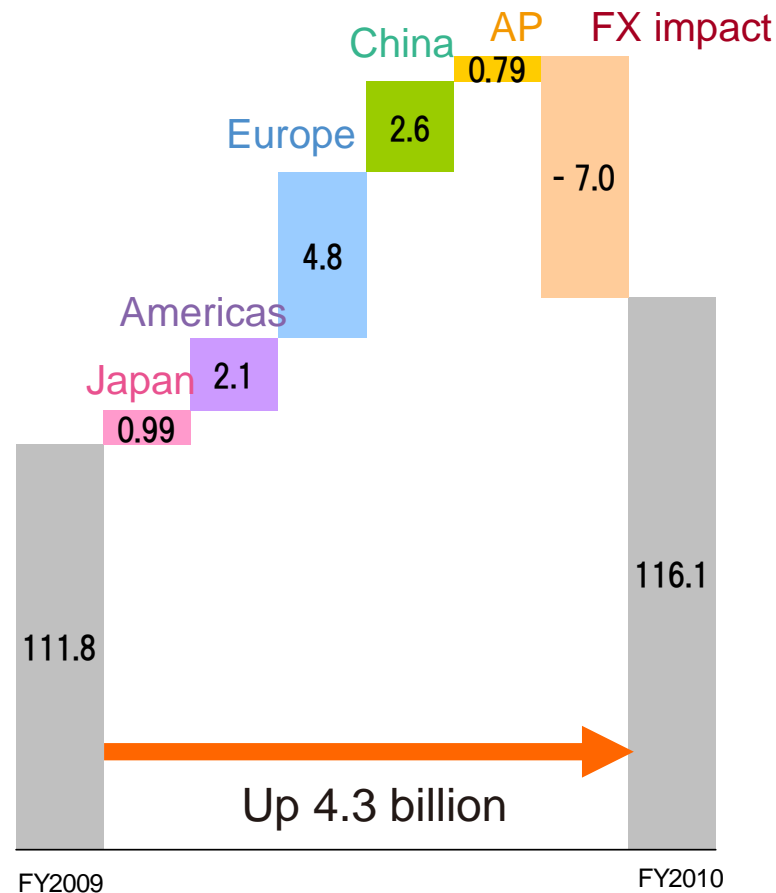
Breakdown of Net Sales and Operating Income



(In billions of JPY)

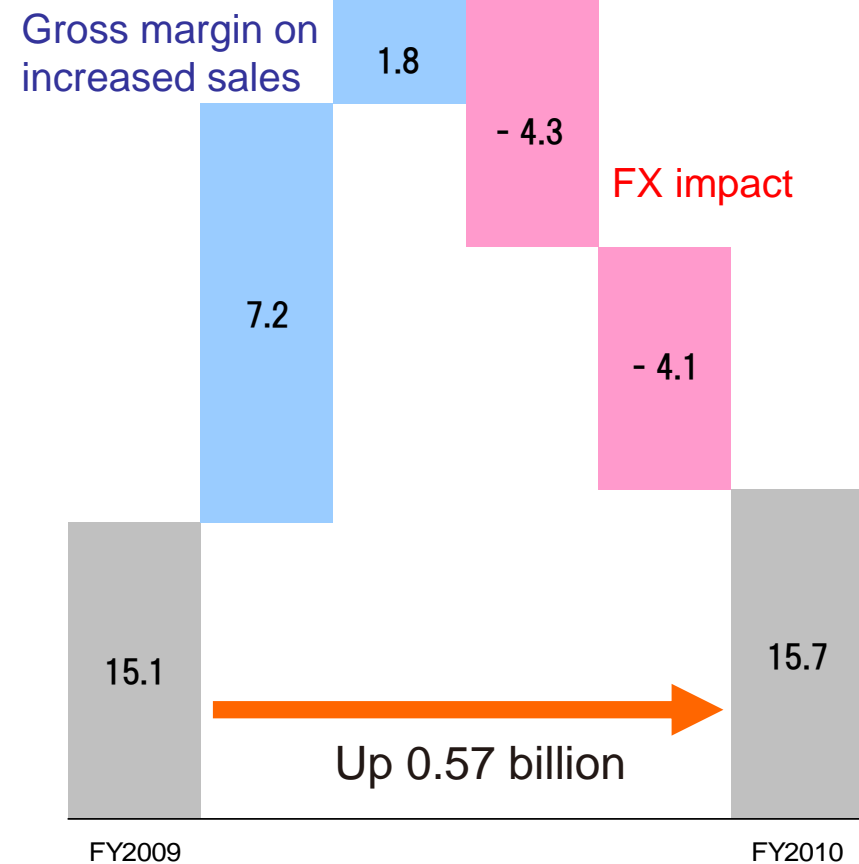
Net Sales

* FX impact excluded from each regional sales below



Operating Income

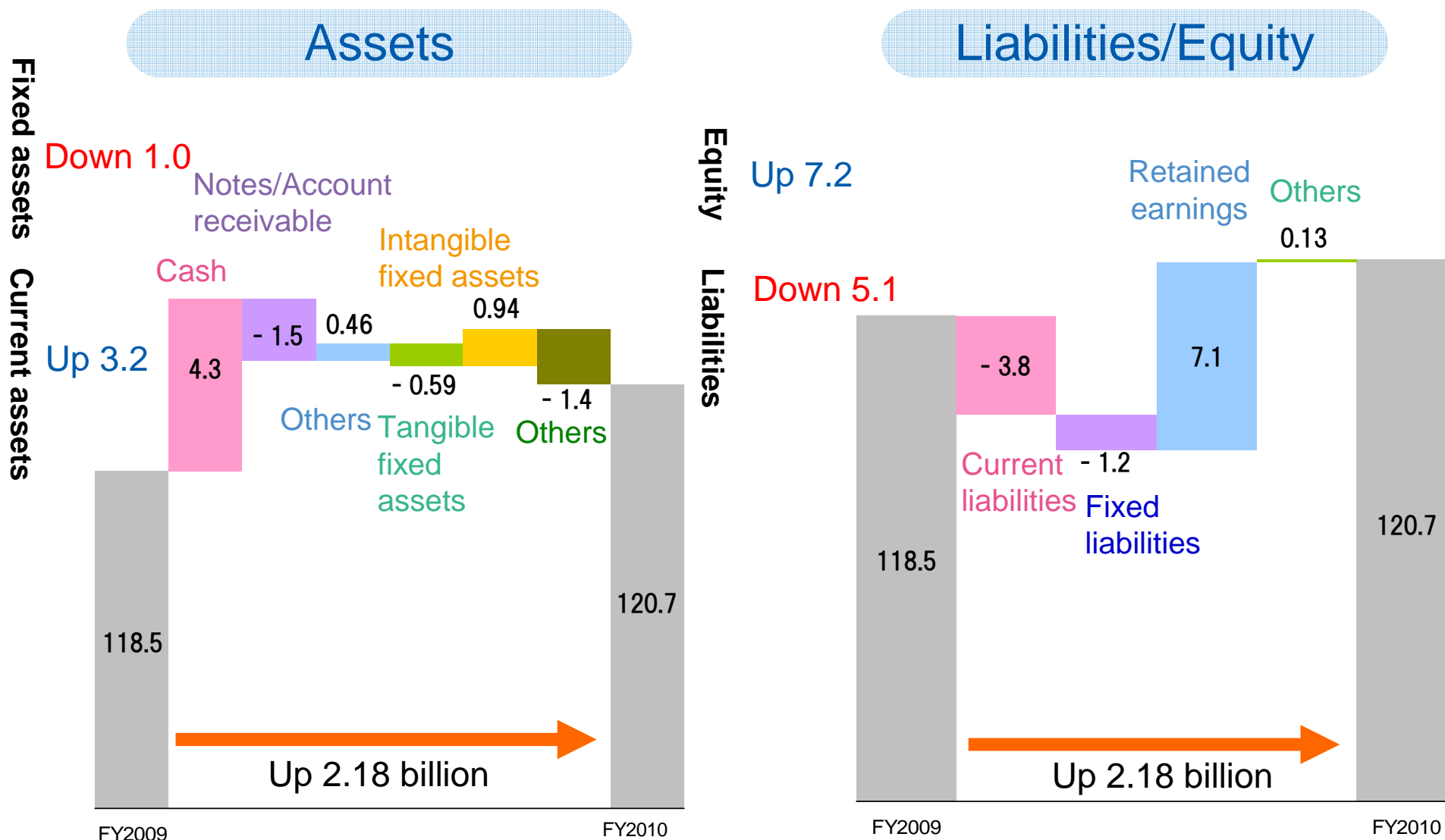
Gross margin increased as a result of an improvement in cost ratio
 SG&A increase (Direct sales and support in Benelux ¥1.4billion)



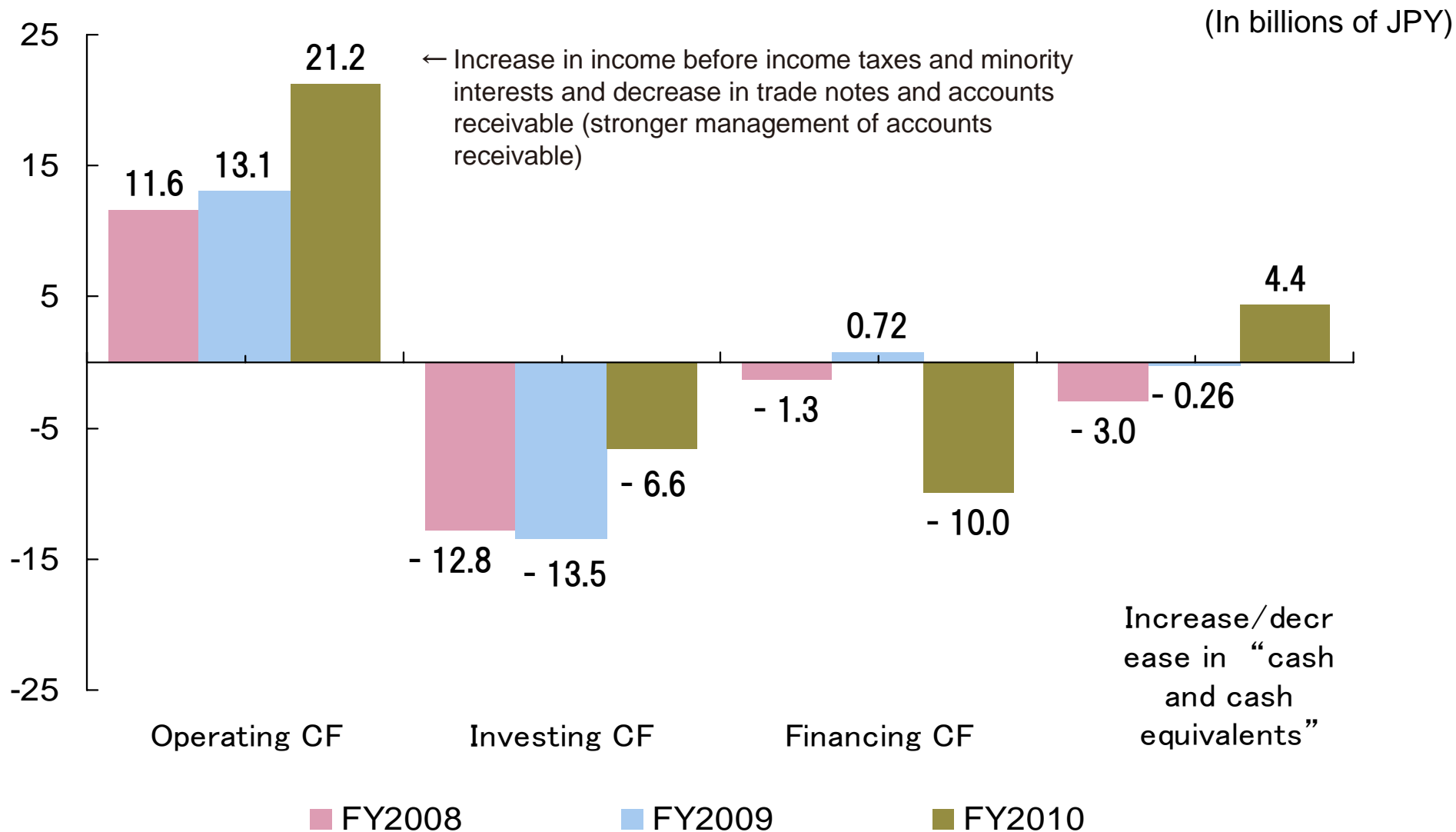
Breakdown of Balance Sheet



(In billions of JPY)



Consolidated Cash Flow



※ Increase/decrease in "cash and cash equivalents" include translation differences of cash and cash equivalents.

Projected Dividend



	Interim Dividend	Year-end Dividend	Total	Dividend Ratio (Consolidated)
FY2010 Ended March 31, 2010 (Forecast)	¥25	¥31	¥56	29.4 %
<p>Up ¥6 from initial projection of ¥25 year-end dividend Note: Eighth consecutive year of dividend increases</p>				
FY2009 Ended March 31, 2009	¥24	¥26	¥50	31.9 %

- Enhanced lineup of reagents for HISCL-2000*i* in the immunochemistry segment (total of 21 items)
- Sales of simplified test kits (POCTEM) rose substantially because of spread of pandemic flu
- Converted to a wholly owned subsidiary a company in Germany specializing in sales and support of POCT* products (January)
 - ▶ Established a structure employing telemarketing and other sales methods
- Increased number of breast cancer lymph-node metastasis detection systems in routine operation (Japan and Europe)
 - ▶ Established a subsidiary in Spain to expand our life science business (January)
- Started joint research with National Cancer Center Hospital East to verify clinical usefulness of technology for detecting circulating tumor cells (February)
- Established sales and support subsidiary Sysmex Vietnam (March)
 - ▶ To commence direct sales in central and southern Vietnam and support local agencies in the northern part of the country

* POCT: Point of care testing. Testing that may be performed rapidly, easily and accurately anywhere, such as the patient's bedside or practitioners' offices, and in emergency situations.

Net Sales by Geographic Region



● **Net Sales by Geographical Region (Sales to Customers)**

(In billions of JPY)

		FY2010		FY2009		Growth	
			Ratio		Ratio	(JPY)	(Local currency)
Net Sales		116.1	100.0%	111.8	100.0%	103.9%	-
Region	Americas	23.4	20.2%	23.3	20.9%	100.3%	108.6%
	Europe	36.4	31.4%	35.3	31.6%	103.0%	112.7%
	China	11.8	10.2%	10.1	9.0%	117.1%	126.0%
	AP	5.8	5.0%	5.3	4.8%	108.5%	116.9%
	Japan*	38.5	33.2%	37.5	33.6%	102.7%	102.7%

* Including Korea, Taiwan, and Mongolia, etc.

● **Exchange Rate**

(In JPY)

	FY2010	FY2009
1US\$	92.9	100.5
1EUR	131.2	143.5
1RMB	13.6	14.6
1SG\$	65.1	70.1

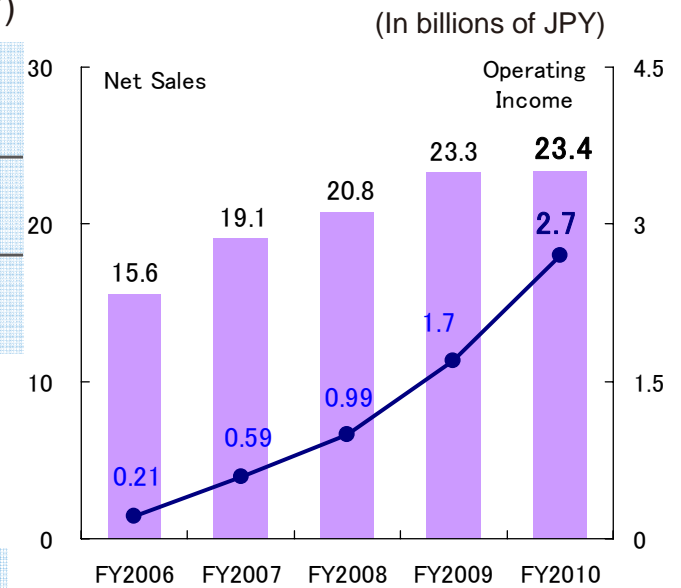
Geographic Segment Information: Americas



(In billions of JPY)

	FY2010	FY2009	% over a Year Earlier
Net Sales	23.4	23.3	100.3%
Operating Income	2.7	1.7	155.1%

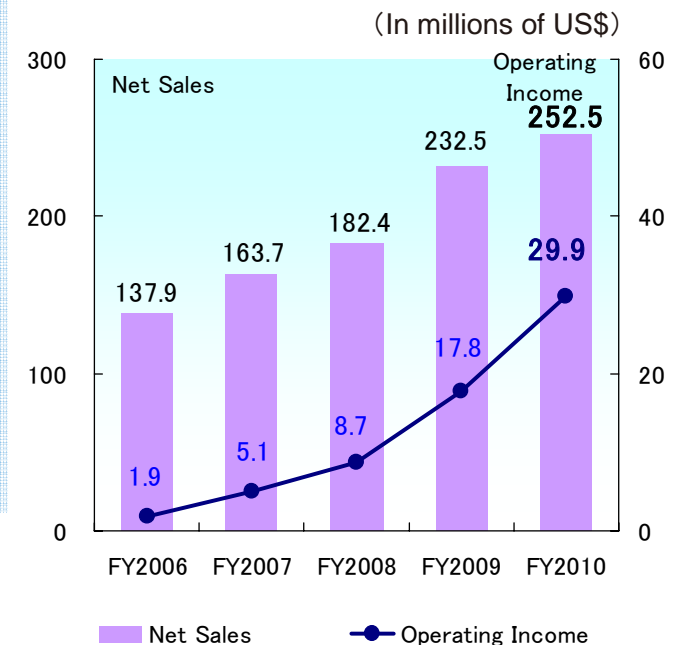
* On a local currency basis: Net Sales, 108.6%; Operating Income, 167.9%



Hematology business continued to show good performance, boosting sales.

- ▶ Sales in United States and Canada rose more than 10% on a local currency basis.
- ▶ In 4Q, sales in Central and South America began to recover, particularly for systems.
- ▶ Distributor sales were sluggish in the hemostasis and urinalysis fields.

Operating income grew substantially, owing to growth of direct sales in North America and higher reagent sales.



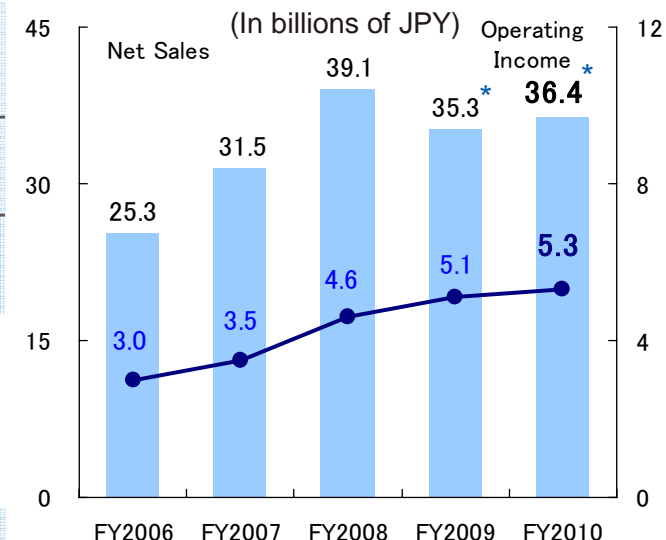
Geographic Segment Information: Europe



(In billions of JPY)

	FY2010	FY2009	% over a Year Earlier
Net Sales	36.4	35.3	103.0%
Operating Income	5.3	5.1	103.3%

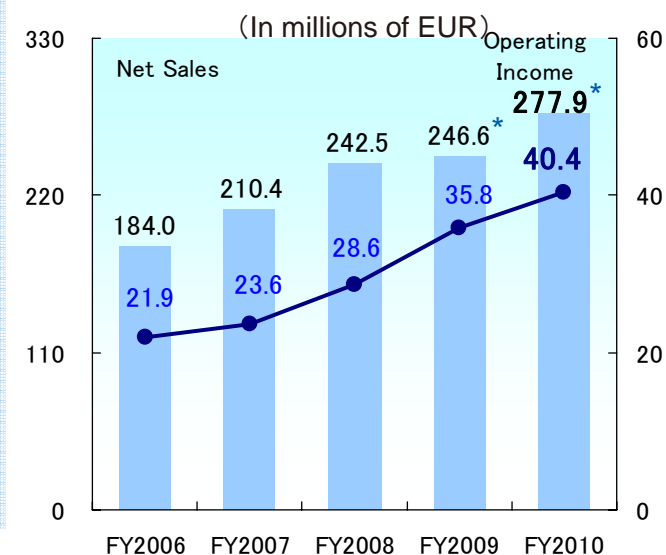
* On a local currency basis: Net Sales, 112.7%; Operating Income, 113.0%



● Sales rose, owing to steady conversion to direct sales.

- ▶ Benelux, which commended direct sales in April, contributed to sales.
- ▶ Sales in the hematology field increased in France and the United Kingdom, but sales in Italy and Spain were lackluster.
- ▶ Sales in the hemostasis field increased.

● The expansion of direct sales and increase in reagent sales pushed up operating income.



Net Sales Operating Income

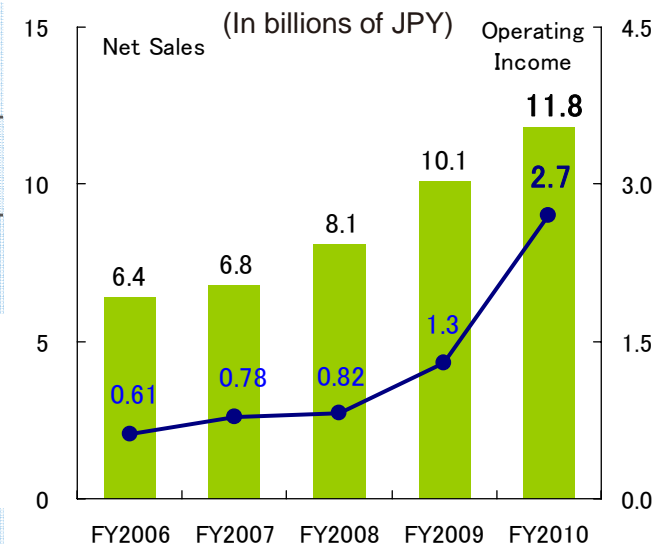
Geographic Segment Information: China



(In billions of JPY)

	FY2010	FY2009	% over a Year Earlier
Net Sales	11.8	10.1	117.1%
Operating Income	2.7	1.3	210.3%

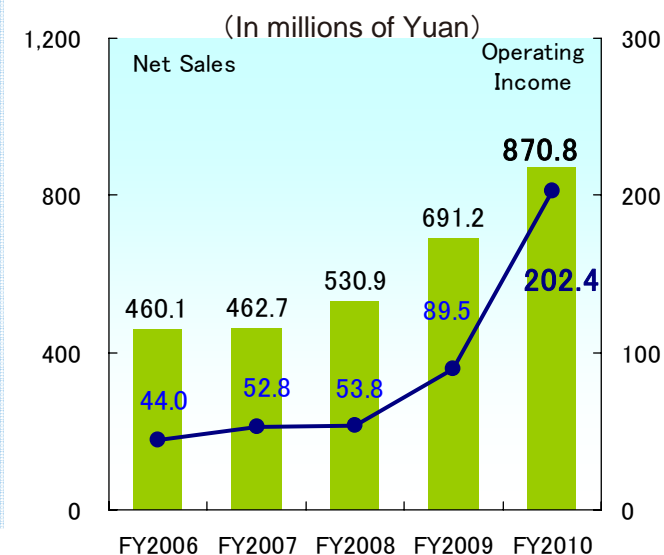
* On a local currency basis: Net Sales, 126.0%; Operating Income, 226.2%



- **Sales rose substantially in line with growing demand for medical care.**

- ▶ Sales support promotion bolstered sales of high-end hematology analyzers.
- ▶ Distributor activities pushed up sales in the hemostasis and urinalysis fields.

- **Operating income grew significantly, owing to a major sales increase and reduction of the fixed cost ratio through expanded use of distributors.**



■ Net Sales ● Operating Income

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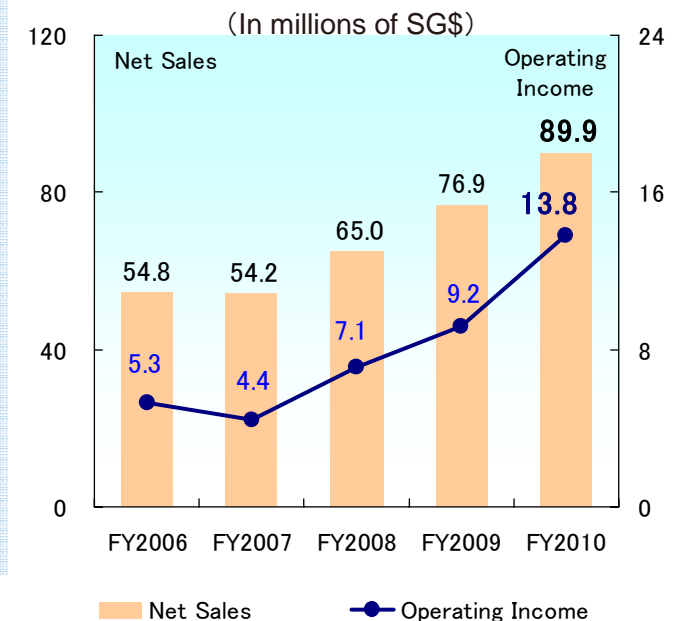
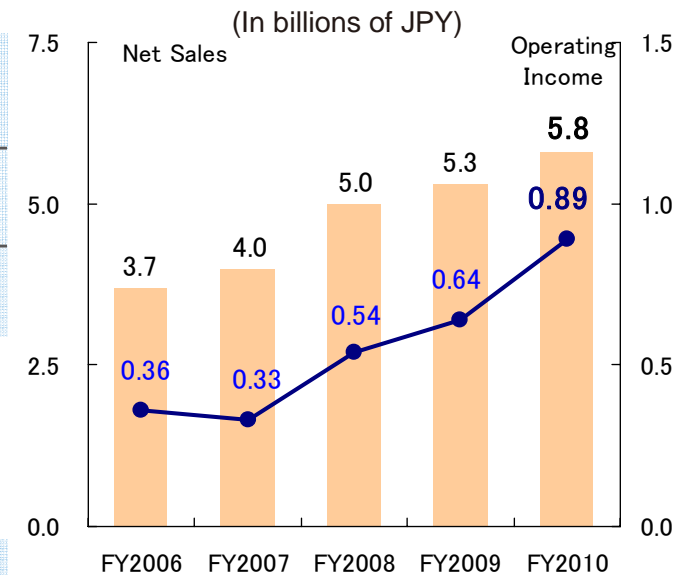
Geographic Segment Information: AP



(In billions of JPY)

	FY2010	FY2009	% over a Year Earlier
Net Sales	5.8	5.3	108.5%
Operating Income	0.89	0.64	139.0%

* On a local currency basis: Net Sales, 116.9%; Operating Income, 150.0%



● Sales rose in the hematology field in emerging countries (Southeast and South Asia).

- ▶ Reagent sales continued to grow.
- ▶ Sales increased substantially for compact analyzers capable of analyzing five types of white blood cell (XS series) and analyzers capable of analyzing three types.
- ▶ Sales decreased in Oceania, owing to lack of large-scale projects that were present in the preceding term.

● Operating income surged, thanks to higher reagent sales and reduced SG&A expenses.

Geographic Segment Information: Japan

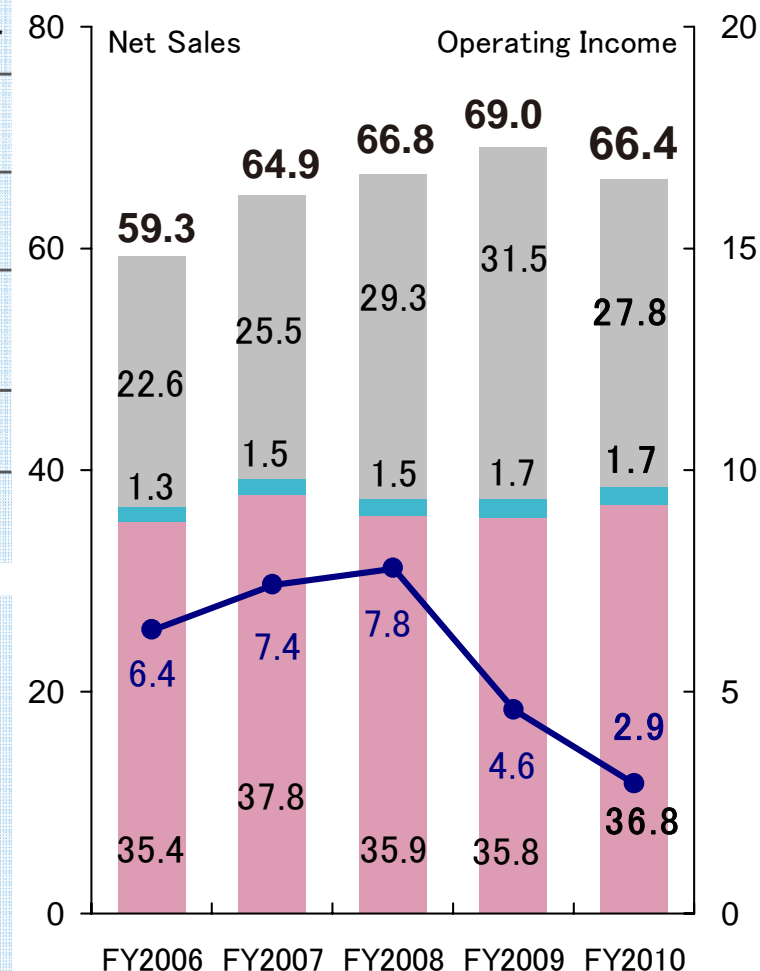


(In billions of JPY)

		FY2010	FY2009	% over a Year Earlier
Net Sales		66.4	69.0	96.2%
Sales to Customers	Japan	36.8	35.8	102.8%
	Korea, Taiwan, and Mongolia, etc.	1.7	1.7	100.7%
Intra-area Transfer		27.8	31.5	88.4%
Operating Income		2.9	4.6	62.8%

(In billions of JPY)

<Including Korea, Taiwan, and Mongolia, etc.>



Sales in Japan rose, despite a severe market.

- ▶ Sales of simplified test kits increased substantially because of the spread of pandemic flu.
- ▶ Solid acquisition of new projects in the hematology field.
- ▶ Sales of urinalysis systems grew.

Owing to currency translation adjustments, inter-area transfers to overseas affiliates decreased as a result of yen appreciation, causing sales and income to fall.

Chapter 2

FY2011 Consolidated Earnings Forecast

● Recovery from economic crisis underway

- ▶ Government-led support for economic recovery
- ▶ Economic expansion and demand growth led by China and other emerging economies

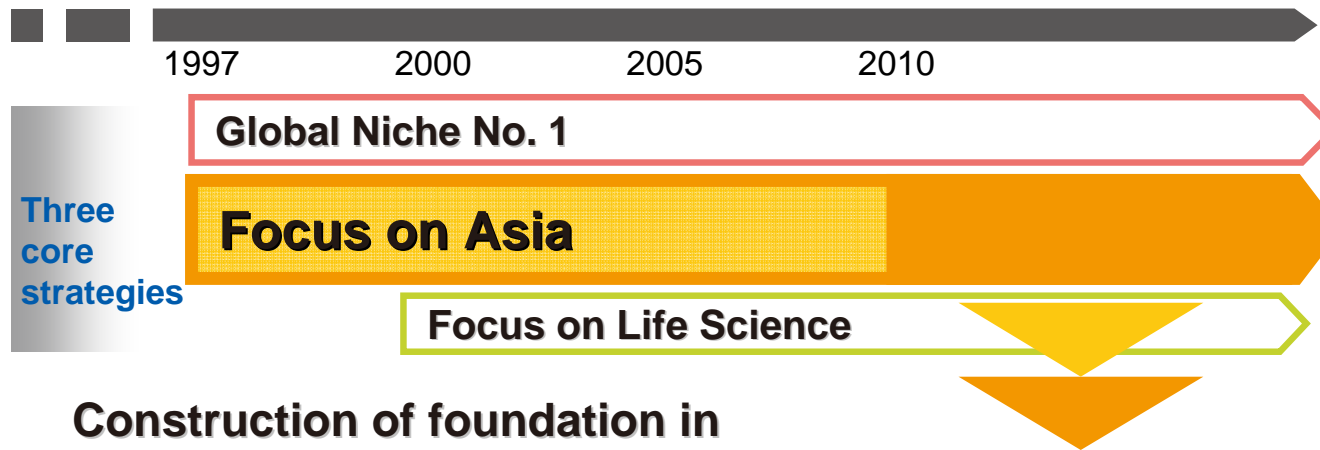
● Greater investment in public healthcare services

- ▶ U.S. Healthcare reform bill passed
 - Additional 32 million people to have insurance coverage (from 2014) and tax to be imposed on medical equipment manufacturers (from 2013)
- ▶ China Healthcare reform continuing
(In March 2009, NPC announced investment of 850 billion yuan by 2011)
 - In FY2009, central government expenditure totaled 127.7 billion yuan
 - In 2010 budget, healthcare-related spending up 8.8%
- ▶ Japan Relaxation of healthcare cost containment policy
 - April 2010 revision increased medical fees for first time in 10 years

● Healthcare companies performing briskly

- ▶ Steady performance of diagnostics-related companies
- ▶ M&A activity by major global players and increased entry into healthcare segment by companies from other industries

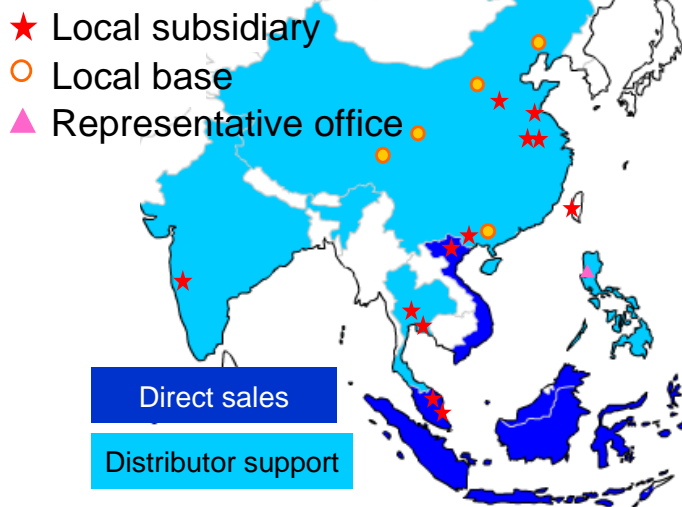
Greater Focus on Asia



Three core strategies

Construction of foundation in Asia complete

- Built sales support network
- Expanded product portfolio
- Switched to local reagent production
- Holding scientific seminars to raise awareness



In addition to market expansion, we are drawing on the Company's strength in providing solutions.

Sales support network

Hematology brand strength

High-end markets:

Propose same solutions as in developed countries

Mid/low-end markets:

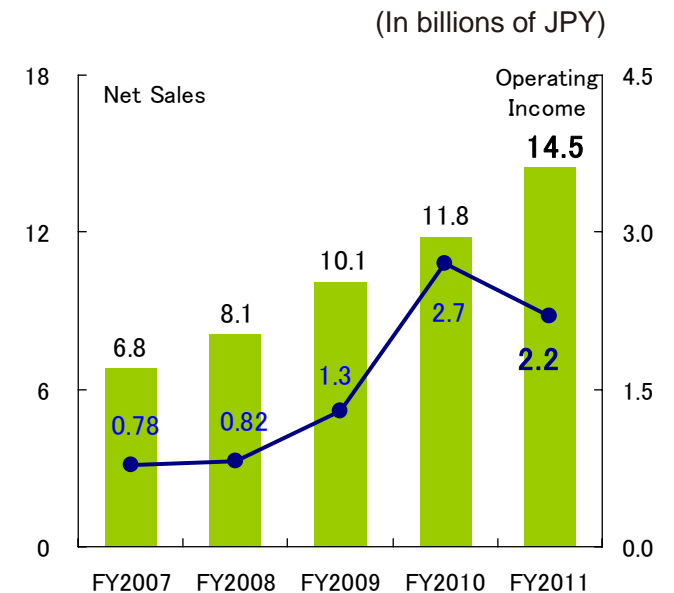
Conduct sales promotion in response to future increases in testing levels

Geographic Segment Earnings Forecast



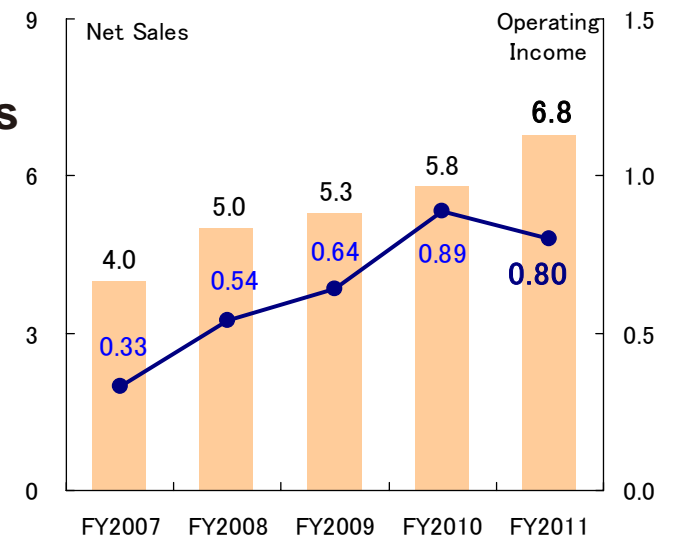
China

- **Use distributors to reinforce activities as a comprehensive supplier**
 - ▶ Promote sales centered on hematology analyzers capable of analyzing five types of white blood cell
 - ▶ Enhance portfolio of products in hemostasis, urinalysis and clinical chemistry fields
 - ▶ Promote solution proposals (scientific seminars, ISO certification support)



AP

- **Bolster sales activities geared to regional characteristics**
 - ▶ Encourage proposal of solutions for high-end markets
 - ▶ Promote upgrades to hematology analyzers capable of analyzing five types of white blood cell
 - ▶ Reinforce sales in hemostasis and urinalysis fields

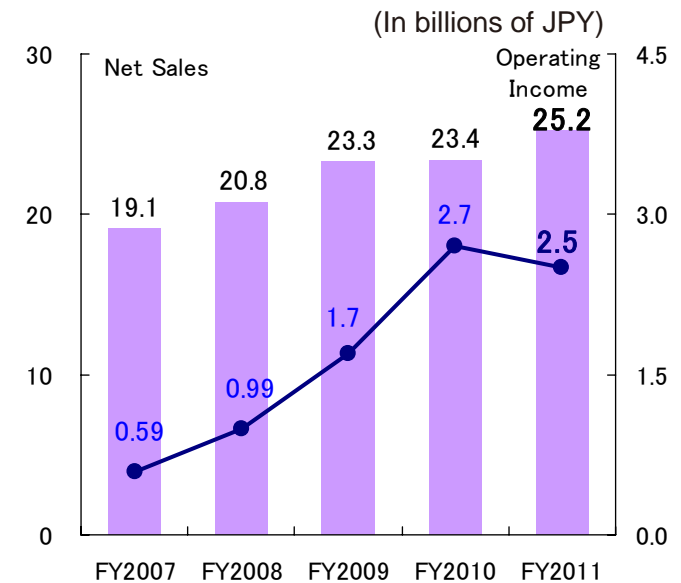


Geographic Segment Earnings Forecast



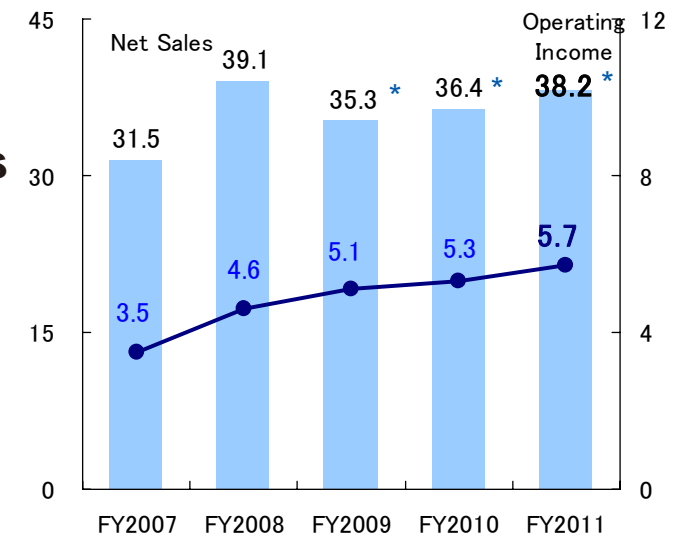
Americas

- Stronger sales in hematology field, centering on commercial labs and integrated healthcare networks (IHNs)
- Increase in reagent sales in line with expanding market share



Europe

- Bolster sales activities geared to regional characteristics
 - ▶ Advanced countries: Promote solution-based sales proposals
 - ▶ Emerging countries: Expand share by reinforcing sales support networks
- Expand business in point-of-care testing and life science fields



* Reform accounting standards for lease

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Geographic Segment Earnings Forecast

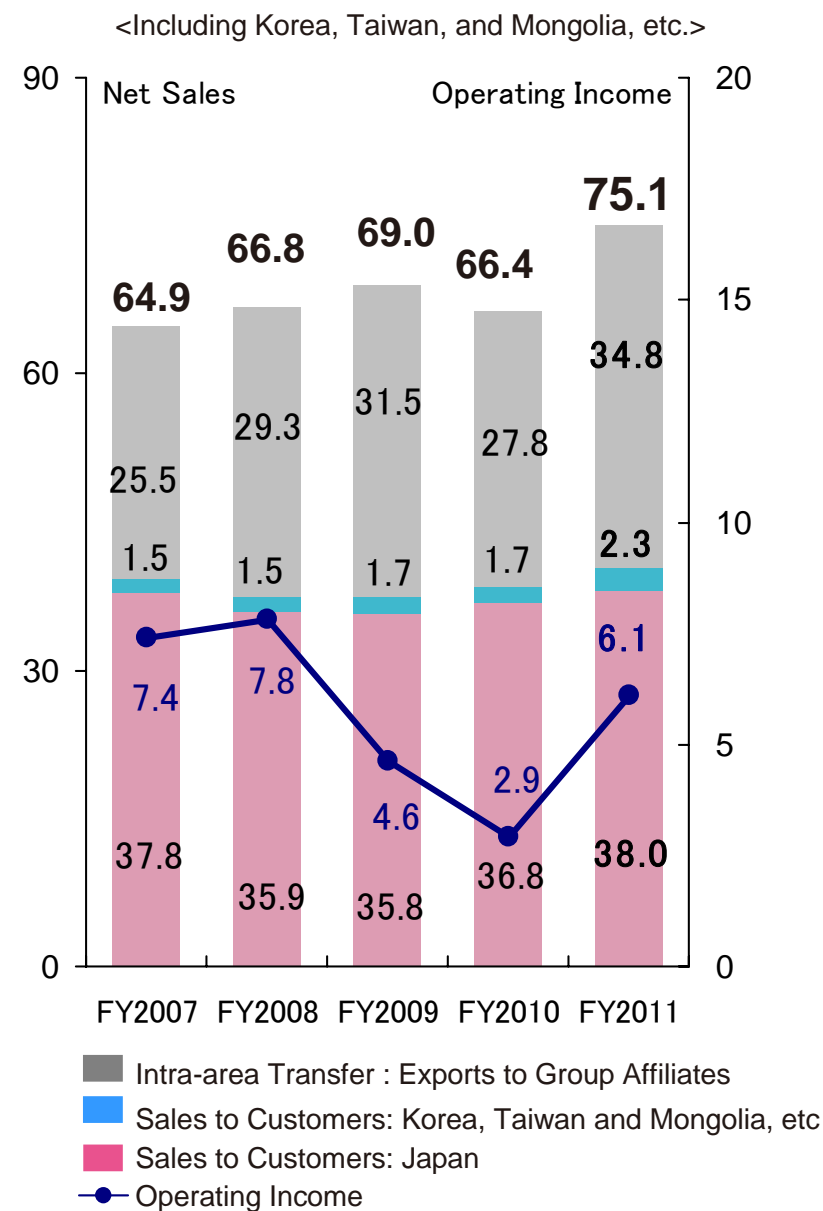


(In billions of JPY)

Japan

- **Reinforce activities as a comprehensive supplier**
 - ▶ Continue expansion in hematology and hemostasis fields
 - ▶ Increase number of reagents offered in immunology field
 - ▶ Promote sales in POC field
 - ▶ Enhance product portfolio in microbiology field

- **Augment market launches in life science field**



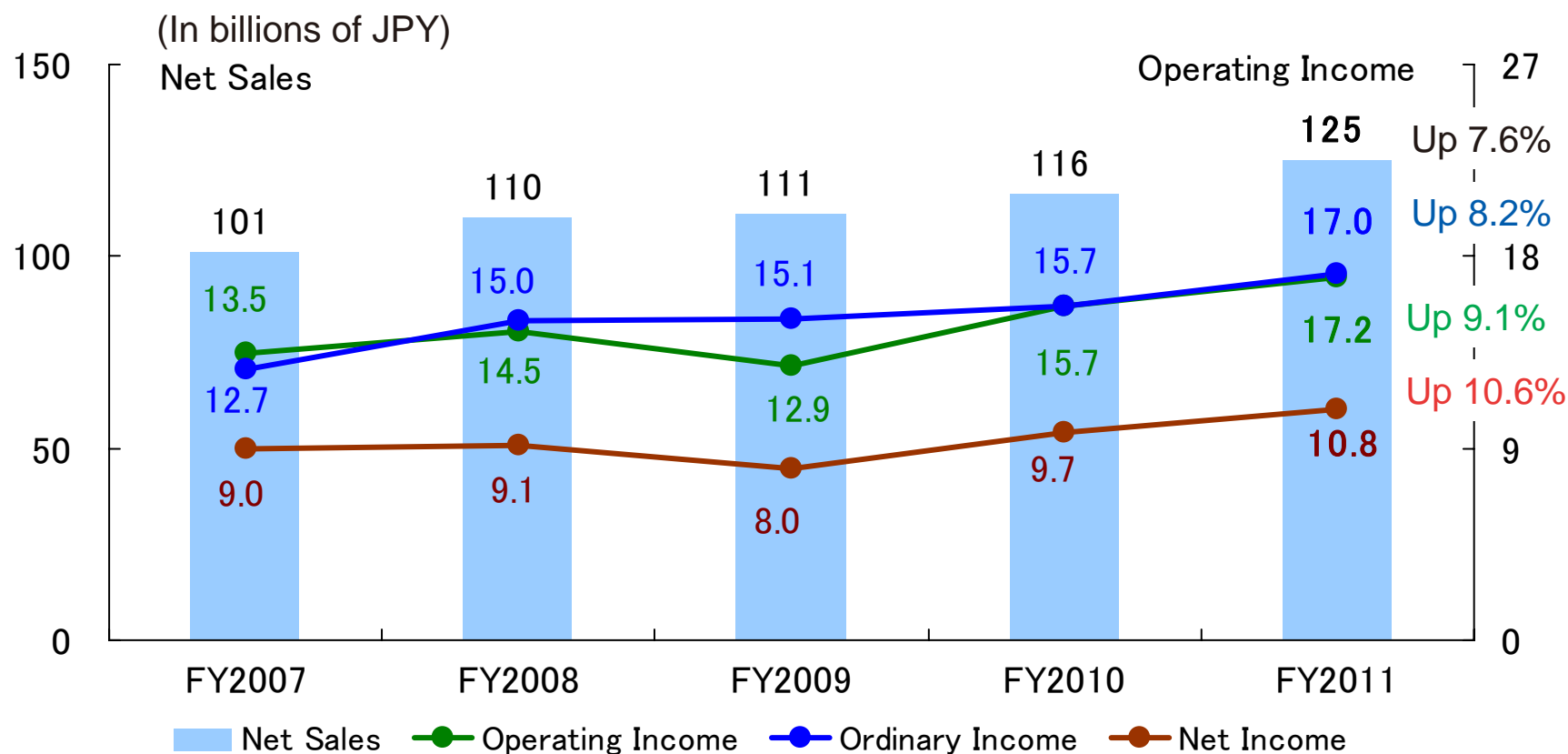
Consolidated Earnings Forecast



FY2011 Consolidated Earnings Forecast

- Net Sales: ¥125 billion
- Operating Income: ¥17 billion
- Net Income: ¥10.8 billion
- Operating Margin: 13.6 %
- Net Income Margin: 8.6 %

Planned exchange rate in the full year: 1US\$=¥90 1EUR=¥125
 (Exchange rate in the preceding full year: 1US\$=¥92.9 1EUR=¥131.2)



Projected Dividend



	Interim dividend	Year-end dividend	Total	Dividend ratio (Consolidated)
FY2011 ended March 31, 2011 (Forecast)	¥ 28	¥ 28	¥ 56	26.6 %
FY2010 ended March 31, 2010 (Forecast)	¥ 25	¥ 31	¥ 56	29.4 %

**Up ¥6 from initial projection of ¥25 year-end dividend
Note: Eighth consecutive year of dividend increases**

We Believe the Possibilities.

Sysmex Corporation

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