



Business Results for the Fiscal Year Ended March 31, 2011 (FY2011)

Financial Results and Mid-Term Management Plan

Sysmex Corporation
Hisashi Ietsugu, President and CEO

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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 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.

Chapter 1

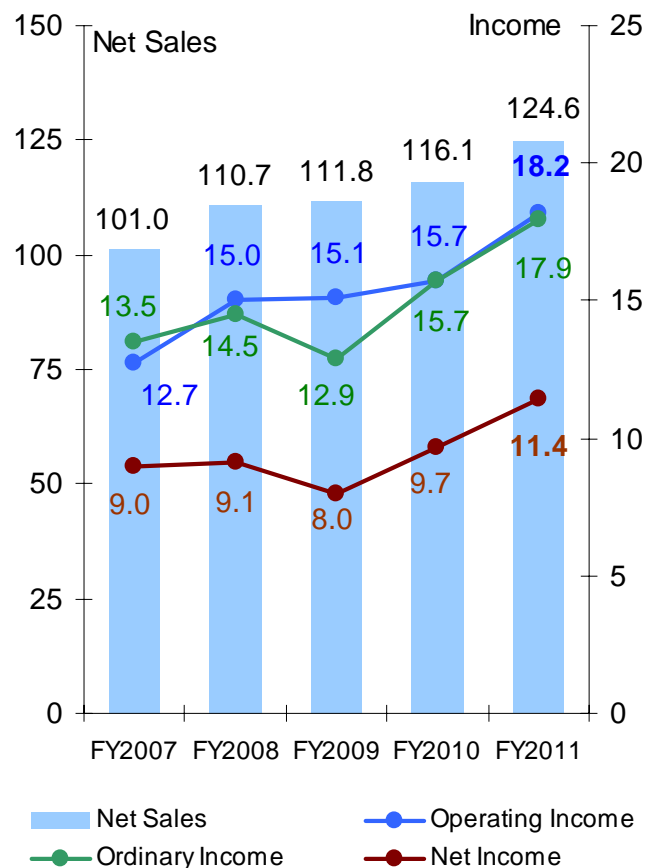
Financial Results for the Fiscal Year Ended March 31, 2011

Financial Results

Net sales and income reached historic highs, despite significant yen appreciation.



(Billions of yen)



Capital Expenditure: ¥5.8 billion
 Depreciation and Amortization: ¥6.8 billion
 R&D Expenditure: ¥12.3 billion

(Yen)

	FY2011	FY2010
1USD	85.7	92.9
1EUR	113.1	131.2

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(Billions of yen)

	FY2011		FY2011		FY2010		YoY (Previous period = 100%)
	Actual	Ratio	Forecast*	Ratio	Actual	Ratio	
Net Sales	124.6	100%	123.0	100%	116.1	100%	107.3%
Cost of Sales	46.3	37.2%	—	—	42.4	36.6%	109.2%
SG&A	60.0	48.1%	—	—	57.9	49.9%	103.5%
Operating Income	18.2	14.7%	17.5	14.2%	15.7	13.5%	116.4%
Ordinary Income	17.9	14.4%	16.8	13.7%	15.7	13.6%	114.0%
Net Income	11.4	9.2%	10.8	8.8%	9.7	8.4%	116.9%

* Forecast figures revised in November 2010

- **Sales:**
Sales increased in all geographic regions except Europe, where the impact of yen appreciation was particularly significant. All overseas regions posted double-digit growth on a local currency basis.
- **Operating income:**
Operating income rose, as sales growth in the Americas and Japan pushed up gross profit.
- **Non-operating balance:** Negative ¥0.30 billion
Note: Of which, forex losses amounted to ¥0.88 billion (¥0.25 billion in the corresponding period of the preceding fiscal year).
- **Yen appreciation reduced net sales ¥7.94 billion and operating income ¥3.89 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 41.2%.

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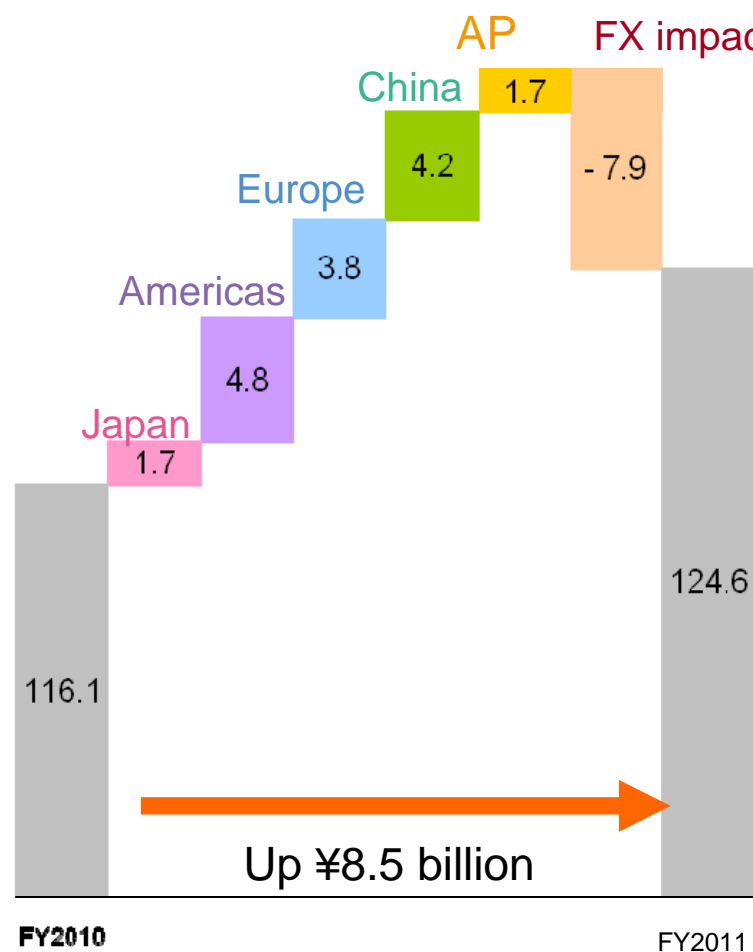
Breakdown of Net Sales and Operating Income



(Billions of yen)

Net Sales

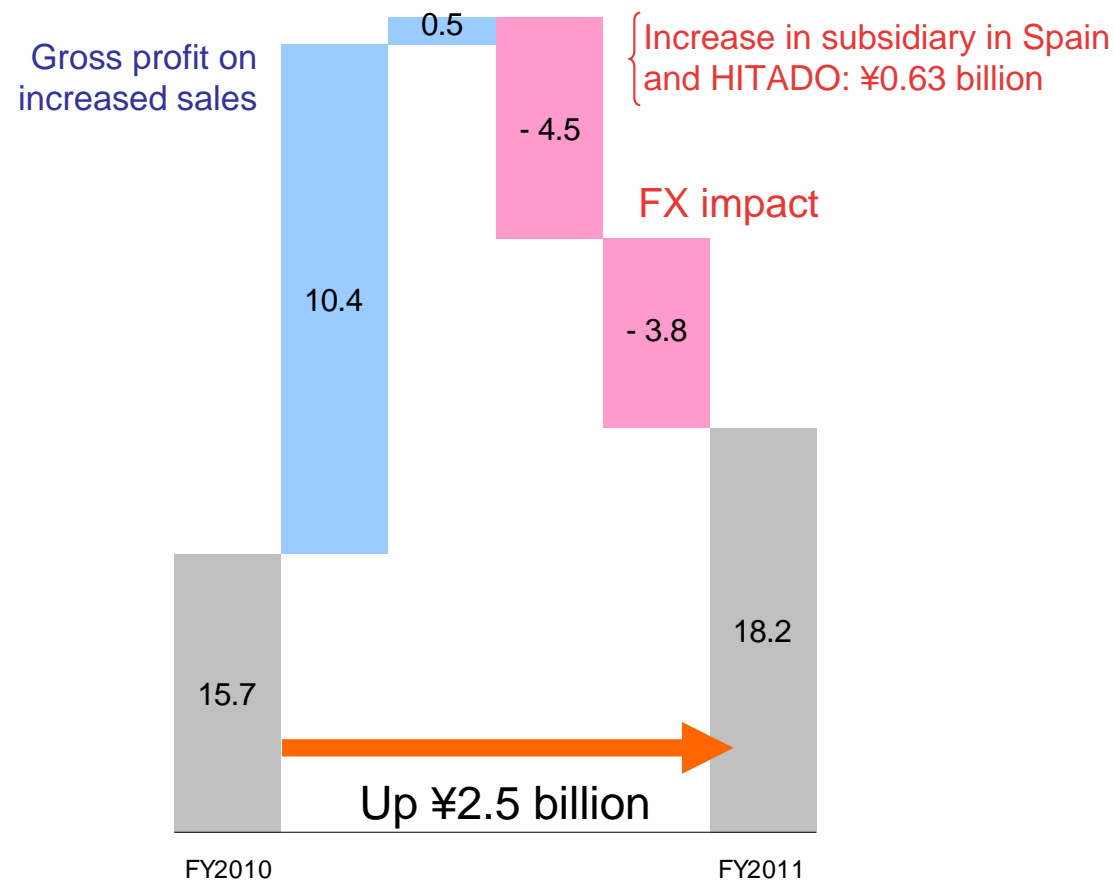
Note: FX impact excluded from regional sales below



Operating Income

Gross margin increased as a result of an improvement in the ratio of cost of sales

SG&A increase

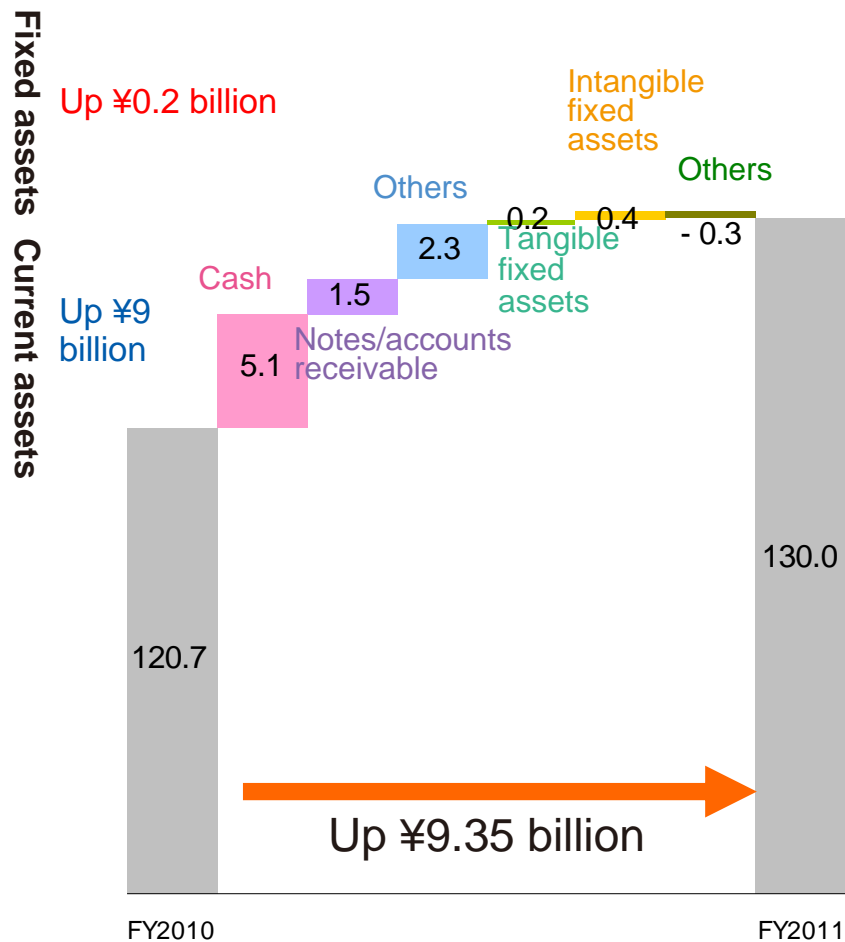


Breakdown of Assets and Liabilities/Equity

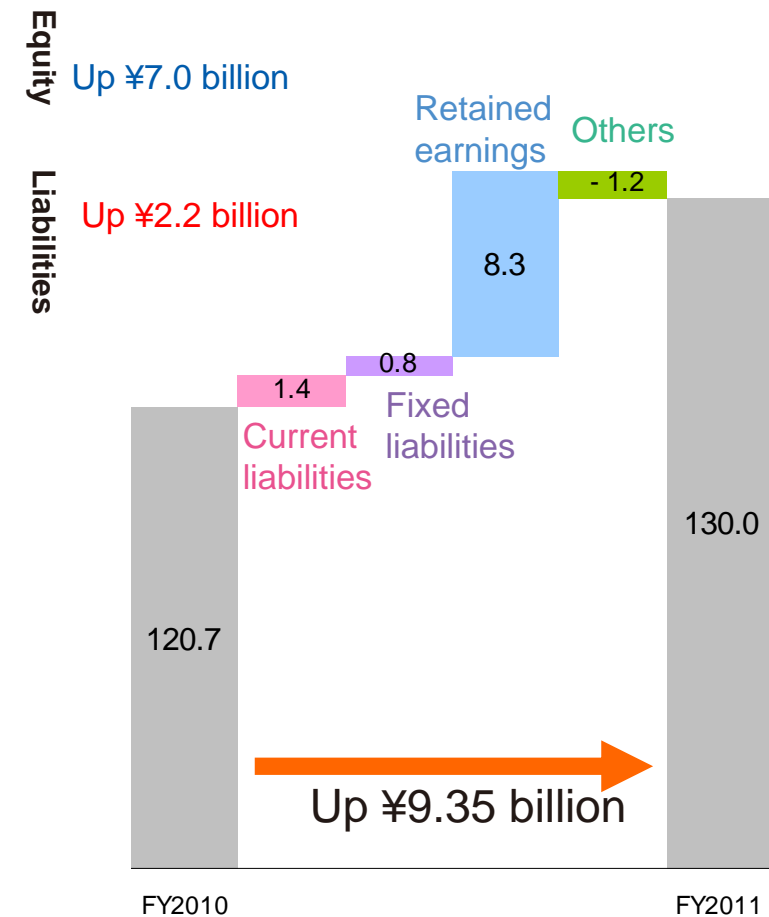


(Billions of yen)

Assets



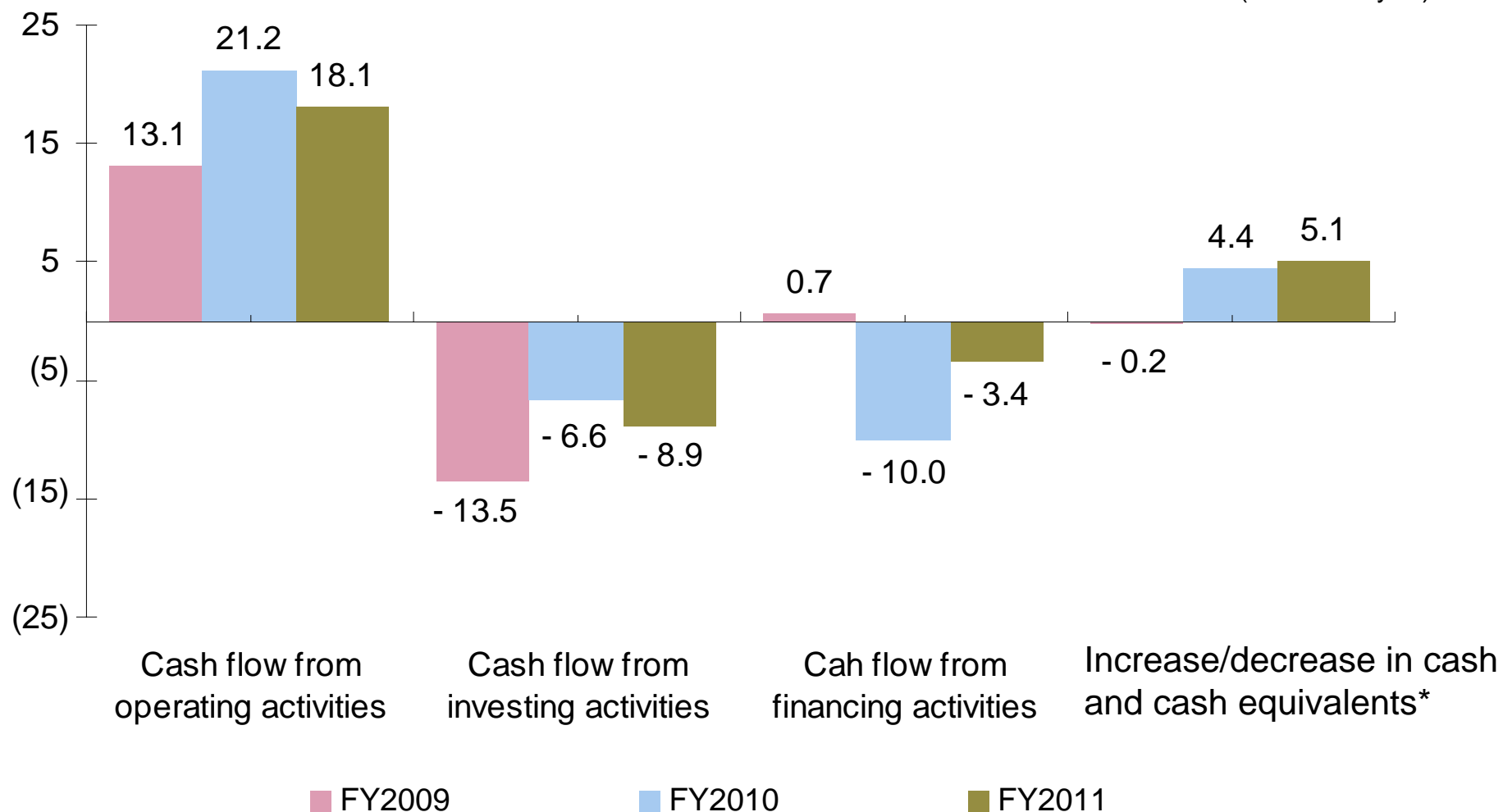
Liabilities/Equity



Consolidated Cash Flows



(Billions of yen)



* The increase/decrease in cash and cash equivalents includes translation differences on cash and cash deposits.

Topics (1)

- Great East Japan Earthquake struck
 - ▶ The Group's product supply and support networks were unaffected
- Enhanced lineup of clinical chemistry products for China and other Asian markets
 - ▶ Signed sales agreements with JEOL and Furuno involving automated clinical chemistry analyzers
- Developed fully automated integrated urine analyzer with ARKRAY and commenced global sales
 - ▶ Achieved urine chemistry and urine sediment analysis in a single instrument
- Launched joint business with IDEXX, the leader in pet diagnostics
 - ▶ By providing automated hematology analyzers for animals on an OEM basis, working to expand the global animal hospital market
- World's first automated detection of lymph node metastasis of colon cancer
 - ▶ Succeeded in expanding system applicability from breast cancer to colon cancer, and received manufacturing and marketing approval from Japan's Ministry of Health, Labour and Welfare



Fully automated integrated urine analyzer UX-2000

Topics (2)



- Began expanding reagent production facility in Jinan to meet rapidly growing demand in China
 - ▶ Scheduled to commence operation in May 2012, ensuring a stable reagent supply
- Established subsidiary in the Philippines and commenced direct sales and support in the Manila metro area (operations commenced in April 2011)
 - ▶ Concluded efforts to establish subsidiaries in each of the six major ASEAN countries
- Enhanced non-hematology reagent development
 - ▶ Acquired Hyphen BioMed (France), creating overseas base for the development of reagents
- Reinforced production of ingredients through gene recombinant technology employing silkworms
 - ▶ Through the transfer of Katakura Industries Research Institute of Biological Science, aiming for stable supply of diagnostic reagents for non-hematology fields and in the life science domain, and ongoing cost reductions



Signing ceremony
(Katakura Industries)

Net Sales by Geographic Region



● Net Sales by Geographic Region (Sales to Customers)

(Billions of yen)

			FY2011		FY2010		YoY (Previous period = 100%)	
				Ratio		Ratio	(Yen)	(Local currency)
Net Sales			124.6	100.0%	116.1	100.0%	107.3%	—
Region	Americas		25.4	20.4%	23.4	20.2%	108.7%	117.7%
	Europe		35.2	28.3%	36.4	31.4%	96.8%	112.3%
	China		15.0	12.1%	11.8	10.2%	127.4%	135.7%
	AP		7.1	5.7%	5.8	5.0%	121.6%	123.0%
	Japan*		41.7	33.5%	38.5	33.2%	108.1%	—

* Includes South Korea, Taiwan, IDEXX and other countries

● Exchange Rates

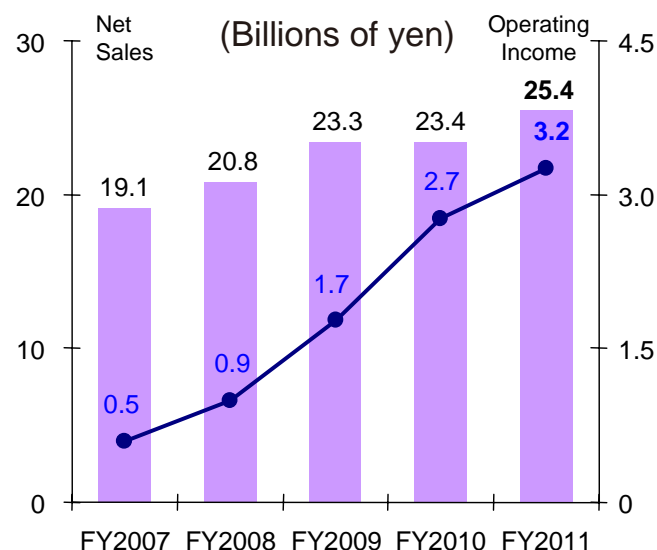
(Yen)

	FY2011	FY2010
1USD	85.7	92.9
1EUR	113.1	131.2
1CNY	12.8	13.6
1SGD	64.3	65.1

Geographic Segment Information: Americas

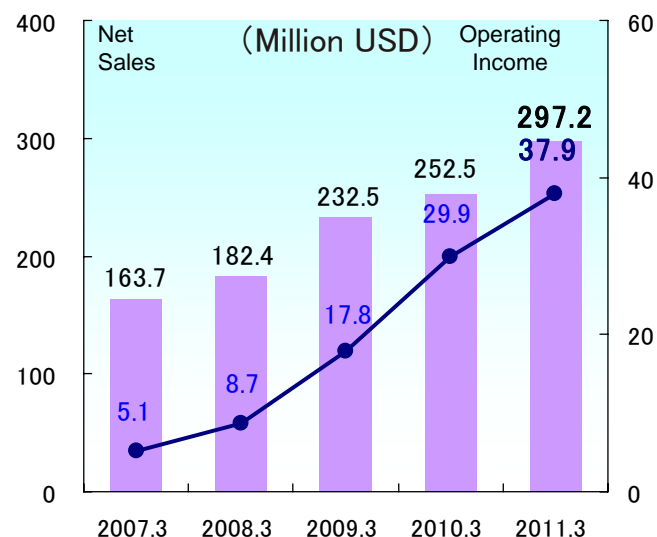


(Billions of yen)



	FY2011	FY2010	YoY (Previous period = 100%)
Net Sales	25.4	23.4	108.7%
Operating Income	3.2	2.7	117.0%

Note: On a local currency basis: net sales, 117.7%; operating income, 126.8%



Net Sales Operating Income

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Sales increased, centering on the hematology field in North, Central and South America.

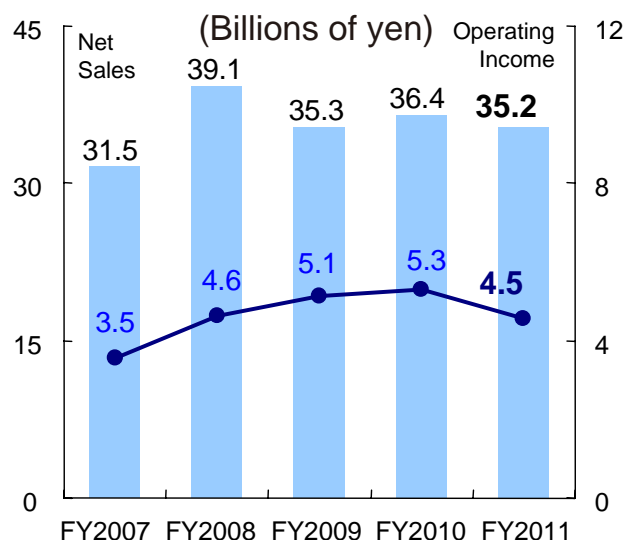
- ▶ United States: Sales of both reagents and instruments increased, owing to sales to IHNs^{*1}, the VISN^{*2} and prominent commercial labs.
- ▶ Canada: Large-scale orders resulted in robust sales in the hematology field.
- ▶ Central and South America: Demand rose in line with economic recovery, and sales rose as we acquired large new orders.

Operating income grew substantially, as higher sales of instruments and reagents offset an increase in SG&A expenses.

Notes: *1 IHN: Integrated healthcare network
*2 VISN: The U.S. veterans Integrated Service Network

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Geographic Segment Information: Europe



(Billions of yen)

	FY2011	FY2010	YoY (Previous period = 100%)
Net Sales	35.2	36.4	96.8%
Operating Income	4.5	5.3	85.8%

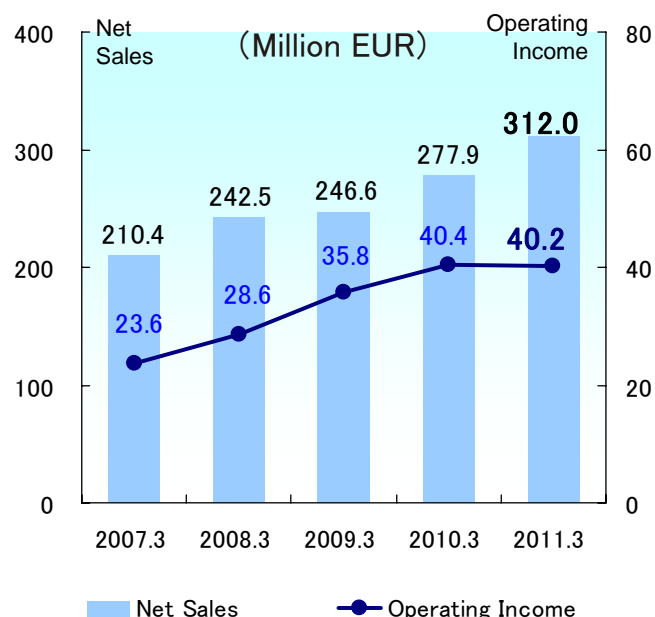
Note: On a local currency basis: net sales, 112.3%; operating income, 99.5%

● **Europe posted double-digit sales increase on a local currency basis, driven by sales in hematology field in five major countries.**

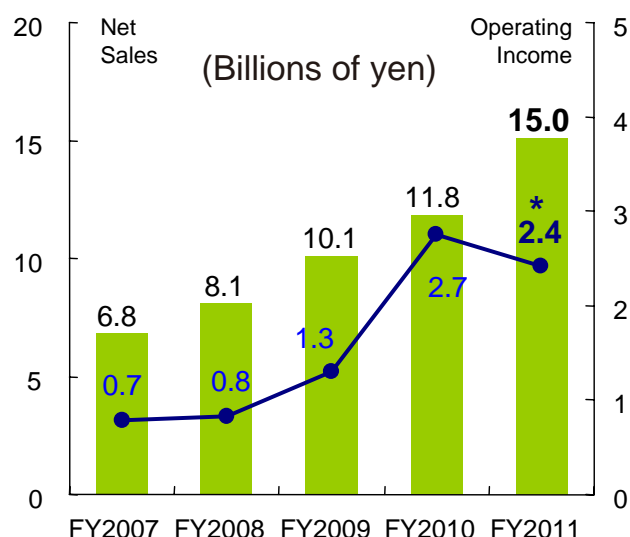
- ▶ UK, France: Solution proposals pushed up sales of instruments, and reagent sales continued to rise.
- ▶ Spain: System sales increased.
- ▶ Eastern Europe, Russia, Middle East: Sales expanded, centered on hematology analyzers capable of measuring three types of white blood cells.

● **Life Sciences: Deployed instruments, centered on Spain.**

● **Operating income fell because SG&A expenses rose, owing to the cost of establishment of subsidiary to reinforce the sales structure and to the amortization of goodwill.**

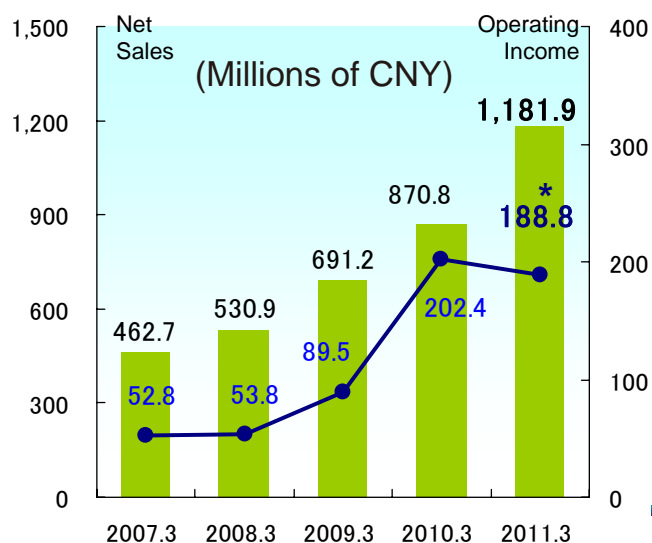


Geographic Segment Information: China



	(Billions of yen)		
	FY2011	FY2010	YoY (Previous period = 100%)
Net Sales	15.0	11.8	127.4%
Operating Income	2.4	2.7	87.6%

Note: On a local currency basis: net sales, 135.7%; operating income, 93.3%



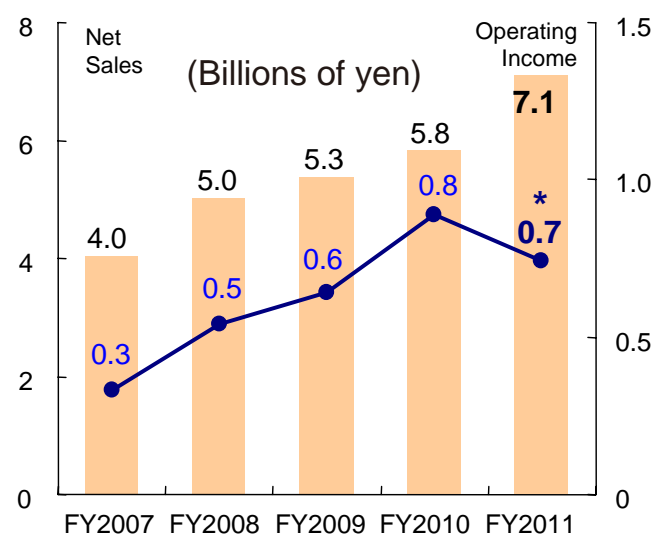
Net Sales Operating Income
* Changes in intragroup transaction prices and method of accounting for royalty income

Healthcare demand expanded, and upgrade purchases progressed. As a result, sales continued to grow in the hematology, urinalysis and hemostasis fields.

- ▶ Hematology: Sales grew due to increase in instrument upgrades (from instruments capable of measuring three types of white blood cells to ones that measure five), and higher reagent sales owing to increased demand.
- ▶ Urinalysis: Sales increased owing to instrument upgrades and systematization, driven by proposed efficiency improvements.
- ▶ Hemostasis: Instrument and reagent sales increased in line with growing demand for coagulation and fibrin-analysis reagents.

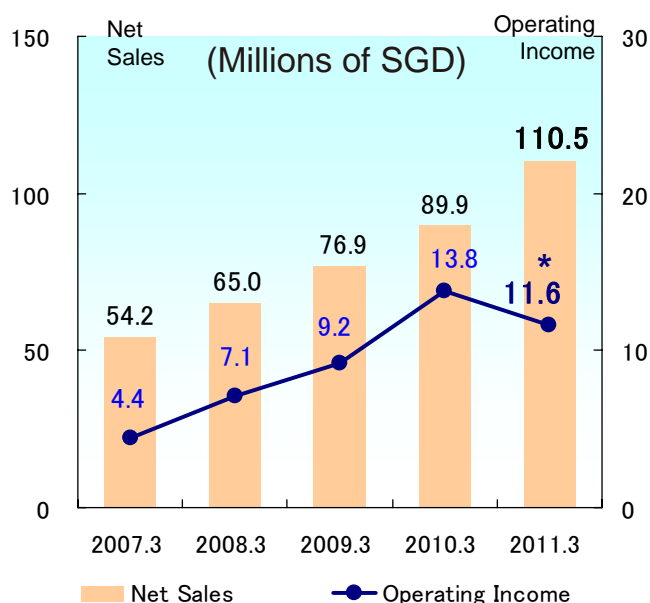
Operating income decreased slightly, owing to changes in intragroup transaction prices and the method of accounting for royalty income.

Geographic Segment Information: AP



	(Billions of yen)		
	FY2011	FY2010	YoY (Previous period = 100%)
Net Sales	7.1	5.8	121.6%
Operating Income	0.7	0.8	83.0%

Note: On a local currency basis: net sales, 123.0%; operating income, 83.9%



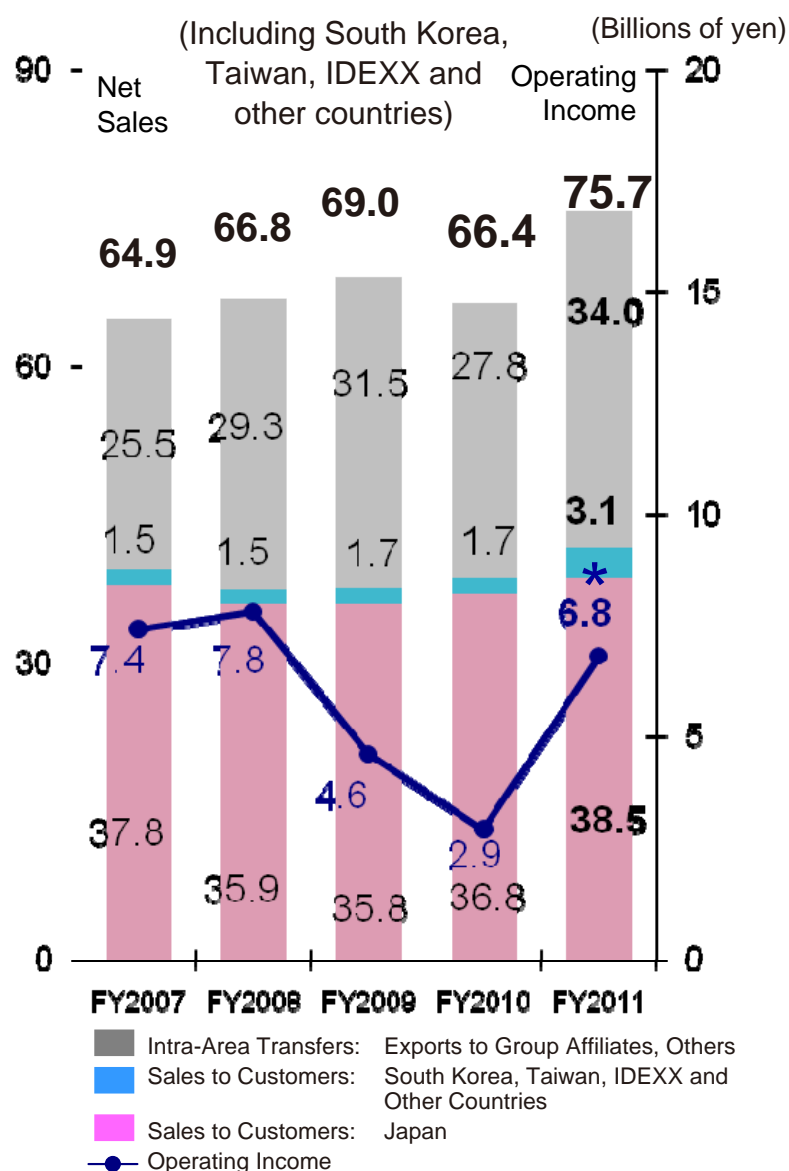
* Changes in intragroup transaction prices and method of accounting for royalty income

Sales increased, centering on the hematology field, as demand rose in line with economic expansion, notably in emerging markets.

- ▶ India, Indonesia: Hematology sales rose due to higher demand for upgrades (from instruments capable of measuring three types of white blood cells to ones that measure five).
- ▶ Malaysia: Won a large-scale bid, receiving a major order from a prominent commercial lab.

Operating income fell, owing to such factors as changes in intragroup transaction prices and the method of accounting for royalty income.

Geographic Segment Information: Japan



* Changes in intragroup transaction prices and method of accounting for royalty income

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	(Billions of yen)		
	FY2011	FY2010	YoY (Previous period = 100%)
Net Sales	75.7	66.4	114.0%
Sales to Customers	41.7	38.5	108.1%
Japan	38.5	36.8	104.7%
South Korea, Taiwan, IDEXX and Other Countries	3.1	1.7	179.2%
Intra-Area Transfers	34.0	27.8	122.1%
Operating Income	6.8	2.9	232.5%

● Japan

- ▶ Increase in medical fees prompted recovery in investment demand.
- ▶ Promoted solution-based proposals, resulting in large-scale orders.
- ▶ In immunology field, sales increased due to expanded reagent portfolio.
- ▶ Sales of influenza testing kits declined.

● South Korea, Taiwan, IDEXX and other countries

- ▶ South Korea, Taiwan: Sales of hematology systems and in the urinalysis field continued to grow.
- ▶ IDEXX: Commenced full-fledged sales of hematology analyzers for animals

● Operating income increased, owing to higher sales, an improved cost ratio in Japan, and changes in intragroup transaction prices and the method of recording royalty income.

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Projected Dividend



- **Forecast corresponds to 9th consecutive year of dividend increases**

Note: Expected dividend is ¥4 higher than initial year-end dividend forecast of ¥28

	Interim Dividend	Year-End Dividend	Total	Dividend Ratio (Consolidated)
FY2011, Ended March 31, 2011 (Forecast)	¥28	¥32	¥60	27.0%
FY2010, Ended March 31, 2010	¥25	¥31	¥56	29.4%

Chapter 2

Review of Previous Mid-Term Management Plan (Announced in May 2009)

Review of Previous Plan (Announced in May 2009)

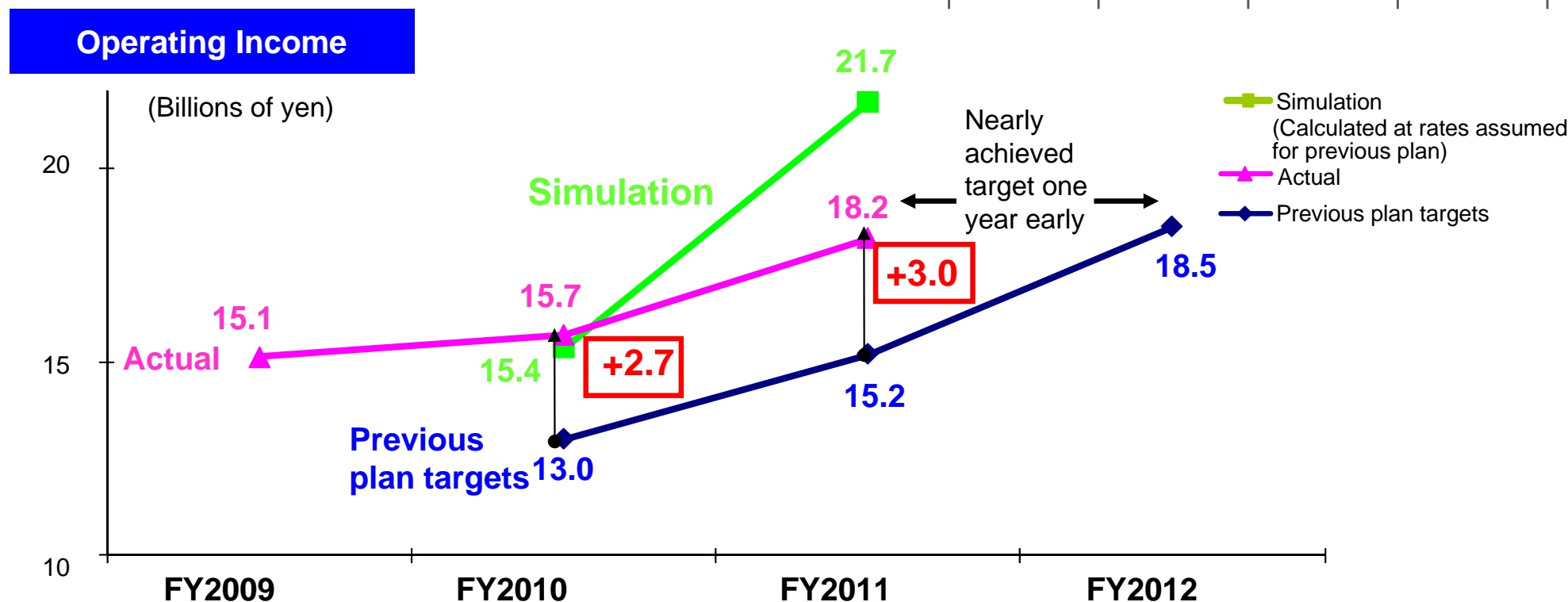


- Despite significant yen appreciation, essentially reached the plan's operating income target one year ahead of schedule, in the fiscal year ended March 31, 2011
- Achieved increase in profitability as, in addition to the impact of higher sales, the cost of sales ratio improved and SG&A expenses were curtailed, strengthening our management structure

(Yen)

■ Previous Plan Targets, Actual Results and Simulation

	FY2009	FY2010	FY2011	Previous Plan
1USD	100.5	92.9	85.7	95
1EUR	143.5	131.2	113.1	125



Review of Previous Plan (Announced in May 2009)



1. Sustain growth in the hematology field

● Achieve further growth in advanced countries

- ▶ United States: Increase penetration into large commercial labs, IHNs*¹ and the VISN*².
- ▶ Europe: Expand solution-oriented sales by tapping into direct-sales systems.

*1 IHN: Integrated healthcare network

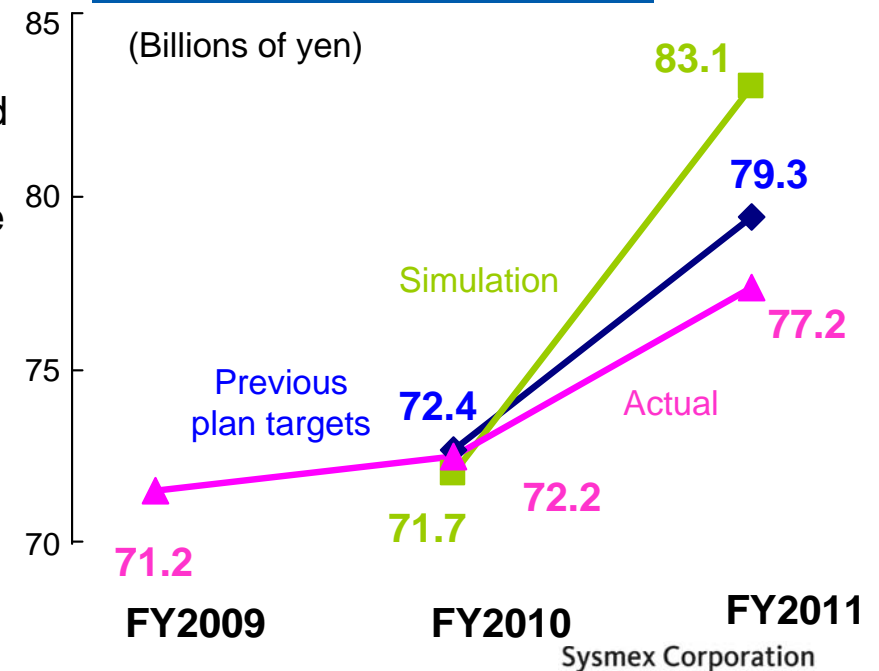
*2 VISN: U.S. Veterans Integrated Service Network

■ Previous Plan Targets, Actual Results and Simulation

● Increase sales in emerging markets in line with expanding healthcare infrastructures

- ▶ China: Increase sales by meeting higher demand for instruments in line with market expansion and higher sales of reagents through upgrades (from instruments capable of measuring three types of white blood cells to ones that measure five).
- ▶ AP: Boost sales in growing markets of Southeast and South Asia, promote introduction of sophisticated instruments and systems in high-end markets.

Sales in the Hematology Field



Review of Previous Plan (Announced in May 2009)



2. Accelerate growth of non-hematology fields in *in-vitro* diagnostics

● Reinforce activities as a comprehensive supplier in Japan and other parts of Asia

- ▶ Immunology: Rise in sales due to increase in number of reagents offered (Japan)
Working to accelerate activity by further expanding reagent offerings
- ▶ Clinical chemistry: Expanded product portfolio through alliance activities (JEOL, Furuno)

● Extend global reach in hemostasis and urinalysis fields

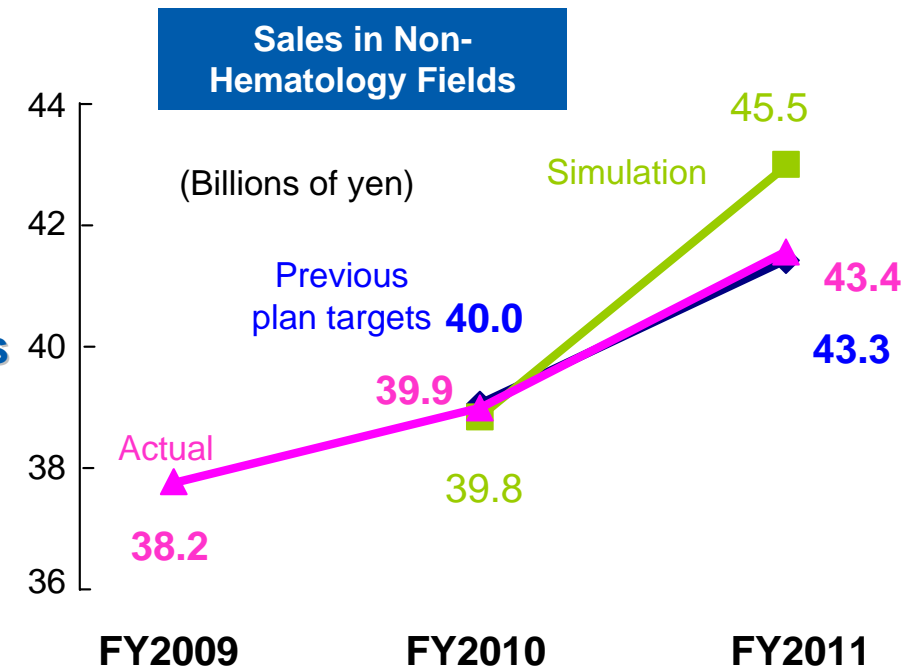
- ▶ Hemostasis: Increased reagent sales in line with higher demand, particularly in Asia, for fibrin-analysis reagents
- ▶ Urinalysis: Reinforcing business activities by holding scientific seminars and other initiatives

3. Accelerate commercialization of life science business

● Facilitate launch of rapid lymph node metastasis detection systems

- ▶ Market introduction of OSNA (breast cancer), (more than 50 units in Japan, 100 overseas)
- ▶ Received manufacturing and marketing approval for OSNA (colon cancer), (Japan)
- ▶ Delayed expansion of portfolio outside OSNA

■ Previous Plan Targets, Actual Results and Simulation



Review of Previous Plan (Announced in May 2009)



4. Strengthen R&D

● Accelerate product development

- ▶ Opened reagent development center in China (Wuxi) and are working toward reagent development
- ▶ Improved flow of products from research to development
- ▶ Completed development of new flagship model, the XN-Series

● Reinforce collaboration

- ▶ Developing global market for automated hematology analyzers for animals (IDEXX)
- ▶ Developed new highly sensitive technology for detecting circulating tumor cells (Oncolys BioPharma)
- ▶ Launched world's first integrated system for urine chemistry and sediment analysis (ARKRAY)
- ▶ Strengthened development of non-hematology reagents (acquired Hyphen BioMed)



Automated hematology analyzer for animals (ProCyte Dx, IDEXX's brand name)

5. Strengthen the corporate structure

● Strengthen business management for the Group

- ▶ By rebuilding our ERP system, improved/accelerated business information
- ▶ Created risk management system capable of handling expanded scale of business
- ▶ Reinforced the corporate structure by cutting costs

Chapter 3

Mid-Term Management Plan (April 1, 2011 – March 31, 2014)

Economy

Rapid growth in emerging markets

- ▶ Economic growth, supported by huge populations (and rates of growth) and abundant natural resources
- ▶ Social infrastructure being built up in line with economic growth
- ▶ Rising living standards prompting the emergence of a massive new market segment

Slowing growth in advanced countries

- ▶ Political unrest growing, internal demand shrinking
- ▶ Greater investment in emerging markets

Society

Growing social unrest

- ▶ Growing anti-government sentiment in the Middle East and North Africa
- ▶ Discontent transmitted to neighboring countries through SNS and similar methods
- ▶ Growing damage due to Great East Japan Earthquake, tsunami and nuclear reactor accident

Technological breakthroughs

- ▶ Technological innovation making telecommunications faster and more inexpensive
- ▶ Environmentally conscious efforts underway to conserve resources, and to develop and promote the use of clean energy

The influence of emerging markets continues to grow, owing to their massive populations and abundant natural resources

Expanding Healthcare Markets

- ▶ Healthcare markets growing at rapid pace in emerging markets: Expanding healthcare infrastructures, population growth and rising standards of living
- ▶ In advanced countries, healthcare market growth stable: Graying populations, increasing prevalence of cancer and lifestyle diseases, use of new technologies

Growing IVD* market

- ▶ IVD demand in emerging markets increasing in tandem with economic growth
- ▶ Increasingly diverse demand for predictive medical impact screening through preventive medicine, risk prediction and sensitivity screening
- ▶ Breakthroughs involving genetic and molecular diagnostics technologies spawning new diagnostics markets

Changing competitive landscape

- ▶ Companies from other areas entering IVD field
 - Use in-house technologies and leverage M&A and alliance opportunities
- ▶ Companies from emerging markets catching up quickly
- ▶ Industry restructuring, including among top 10 IVD companies (such as Danaher acquisition of Beckman Coulter)

*IVD: In Vitro Diagnostics

Healthcare and IVD markets are forecast to continue growing, and expected to remain attractive

Long-Term Management Vision: “A Unique & Global Healthcare Testing Company”

Long-Term Management Targets

■ Positioning

- Undisputed global leader in hematology
- Leading company in the Asian IVD market
- Leading company in molecular diagnostics “theranostics”*

■ Financial target

- Net sales: ¥500 billion or more

* A contraction of “therapy” and “diagnostics,” theranostics refers to high-clinical-value testing that helps realize personalized medicine.



Leading Hematology

- Secure an undisputed leadership position
- As an industry frontrunner, provide products that offer new value and high levels of usability



Leading in Emerging Markets

- Establish uniqueness as a comprehensive IVD supplier
- Introduce products and services that meet emerging market needs, and reinforce sales and support networks
- Lead diagnostics development in emerging markets



Innovating Life Science

- Create unique testing technologies in the area of molecular diagnostics, centering on cancer
- Create new value, such as integrating personalized medicine with treatment and diagnosis

Medium- and Long-Term Management Targets



■ Now (FY2011)

- Net Sales: ¥124.6 billion
- Operating Income: ¥18.2 billion
- Operating Margin: 14.7%
- ROE: 12.7%
- FCF: ¥9.2 billion

(Exchange rates: 1USD = ¥85.7,
1EUR = ¥113.1)

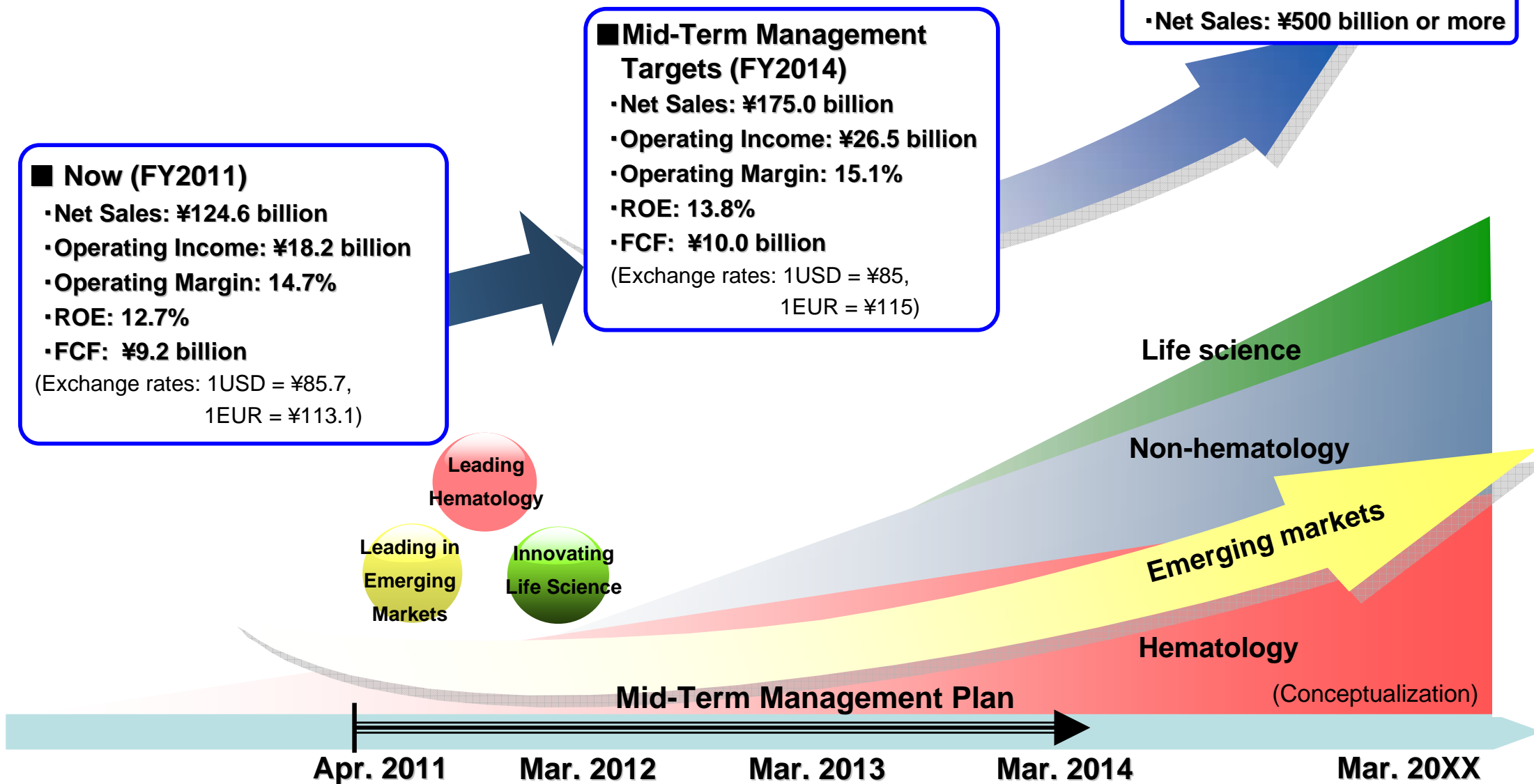
■ Mid-Term Management Targets (FY2014)

- Net Sales: ¥175.0 billion
- Operating Income: ¥26.5 billion
- Operating Margin: 15.1%
- ROE: 13.8%
- FCF: ¥10.0 billion

(Exchange rates: 1USD = ¥85,
1EUR = ¥115)

■ Long-Term Management Target

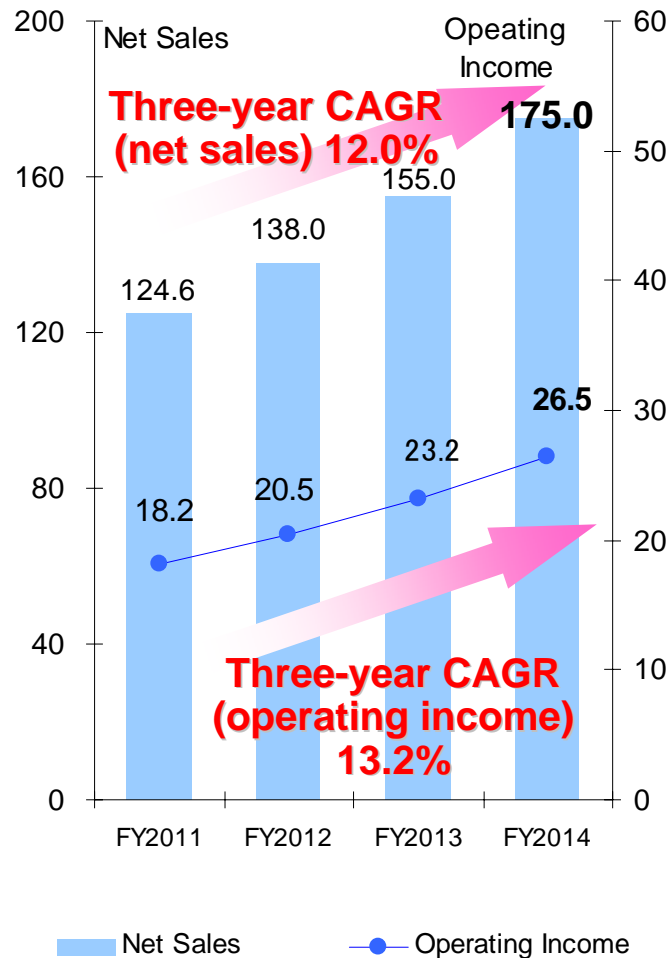
- Net Sales: ¥500 billion or more



Approaches to Mid-Term Management Targets

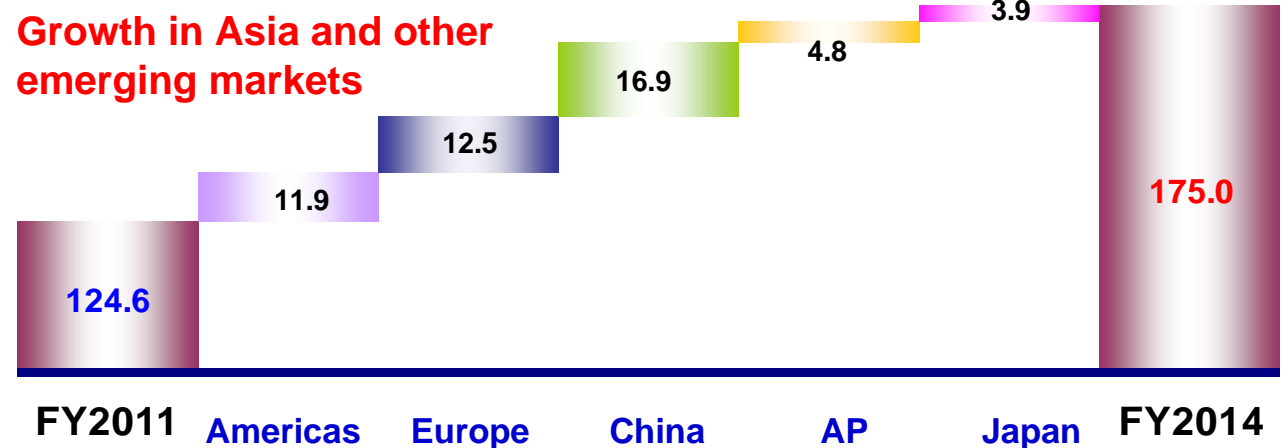


(Billions of yen)



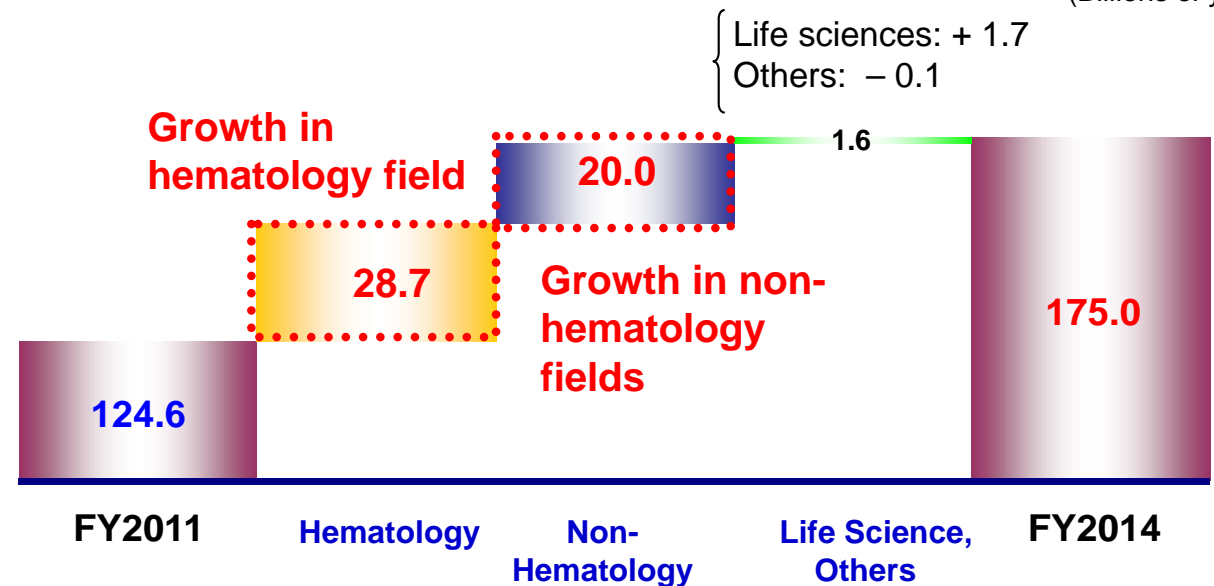
Destination-Specific

(Billions of yen)



Field-Specific

(Billions of yen)



Mid-Term Management Plan: Key Objectives and Action Plans (1)-1



1. Accelerate growth in Asia and other emerging markets

Growth in Core Businesses

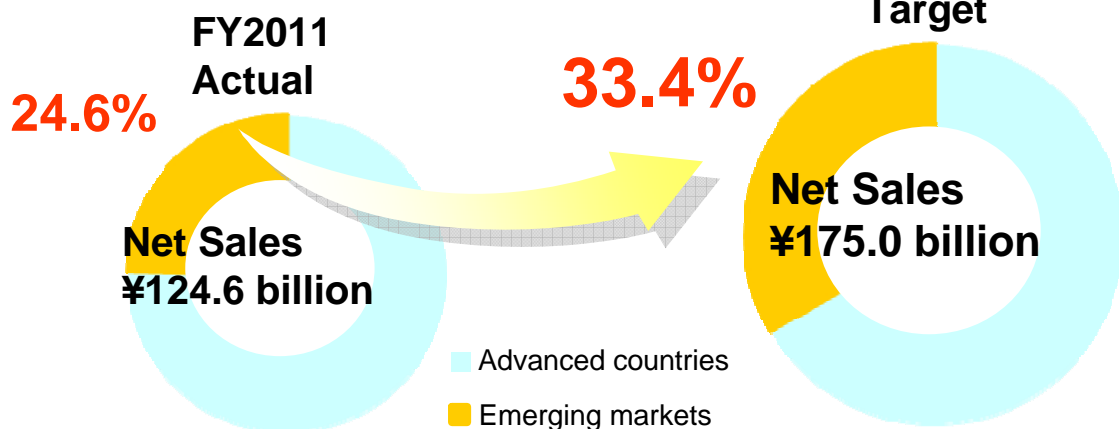
● Achieve high level of stable growth in hematology field

- ▶ Promote system sales to high-end segment and global market development of XN-Series
- ▶ Provide XS-500i (five-type analyzer) tailored to emerging market needs
- ▶ Expand sales of reagents as instrument sales increase

● Maintain high growth rates in hemostasis and urinalysis fields

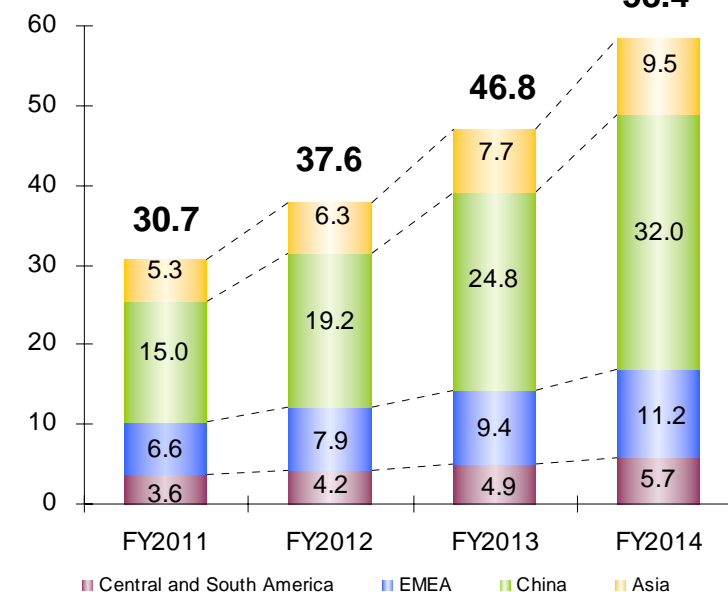
- ▶ In hemostasis, launch new products to take market share from competitors
- ▶ Boost sales of hemostasis reagents by reinforcing scientific support network
- ▶ In urinalysis, enhance diagnostic efficiency of integrated urine sediment analysis system

■ Percentage of Net Sales in Emerging Markets



Target Sales in Emerging Markets*

(Billions of yen)
58.4



* Emerging markets: China, Southeast Asia, South Asia, Central and South America, EMEA (Eastern Europe, Russia, Middle East, Africa)

Mid-Term Management Plan: Key Objectives and Action Plans (1)-2



1. Accelerate growth in Asia and other emerging markets

Initiatives as a Comprehensive Supplier

● **Strengthen base in Asia in clinical chemistry and immunology**

- ▶ Promote introduction of clinical chemistry analyzers by leveraging alliances with JEOL, Furuno and others
- ▶ Expand number of clinical chemistry reagents tailored to emerging market needs
- ▶ Make an early entry into the immunology field by taking advantage of such strengths as our sales network and customer base

● **Create a new business model tailored to emerging markets**

- ▶ Introduce comprehensive solutions that package together instruments, reagents, software, services and other elements
- ▶ Propose new schemes, including CPT* and financing

*CPT: Cost per test



Multiparameter automated clinical chemistry analyzer
JCA-BM6010/C (JEOL)

Mid-Term Management Plan: Key Objectives and Action Plans (1)-3



1. Accelerate growth in Asia and other emerging markets

Take advantage of new growth opportunities presented by the expansion of healthcare infrastructures

●Strengthen manufacturing structures

- ▶ Expand Ono, Jinan, Singapore and other factories to meet growing reagent demand
- ▶ Bolster production capacity in line with rising instrument demand (consider building new instrument factory)



Jinan Factory
(after expansion)

●Reconfigure local supply chains

- ▶ Reinforce SCM structure at regional headquarters by increasing its scale
- ▶ Build distributor system in response to non-hematology business expansion

●Enhance sales and support networks

- ▶ Strengthen ability to propose solutions directly to customers, such as in high-end markets
- ▶ Begin partial direct sales through Philippine sales company
- ▶ Increase support of distributors in Taiwan
- ▶ Enhance sales and support by establishing subsidiary in Russia

Mid-Term Management Plan: Key Objectives and Action Plans (2)-1



2. Establish undisputed leadership position and increase profitability in hematology

● Roll out flagship XN Series on a global scale

- ▶ Employs modular concept, enabling response to diverse needs
- ▶ Use of concentrated reagents reduces changing frequency
- ▶ New reagent packaging (paper containers), and switch to cartridges equipped with wireless RFID tags improves reagent controllability
- ▶ Real-time monitoring and data analysis with SNCS* enables preventive maintenance, reducing downtime and lowering support costs
- ▶ Increases clinical value through modes for body fluid measurement and low platelet counts



Automated hematology analyzer
XN-9000 (transport system)



*SNCS: Sysmex Network Communication Systems



New reagent packaging
(paper containers)



Reagent cartridges



Reagent management using
wireless RFID tags

Mid-Term Management Plan: Key Objectives and Action Plans (2)-2



2. Establish undisputed leadership position and increase profitability in hematology

● Expand market with XS-500i (five-type analyzer) tailored to emerging market needs

- ▶ Develop rapidly growing volume zone, centering emerging markets
- ▶ Increase reagent sales through upgrades (from instruments capable of measuring three types of white blood cells to ones that measure five)

● Boost business in animal diagnostics market

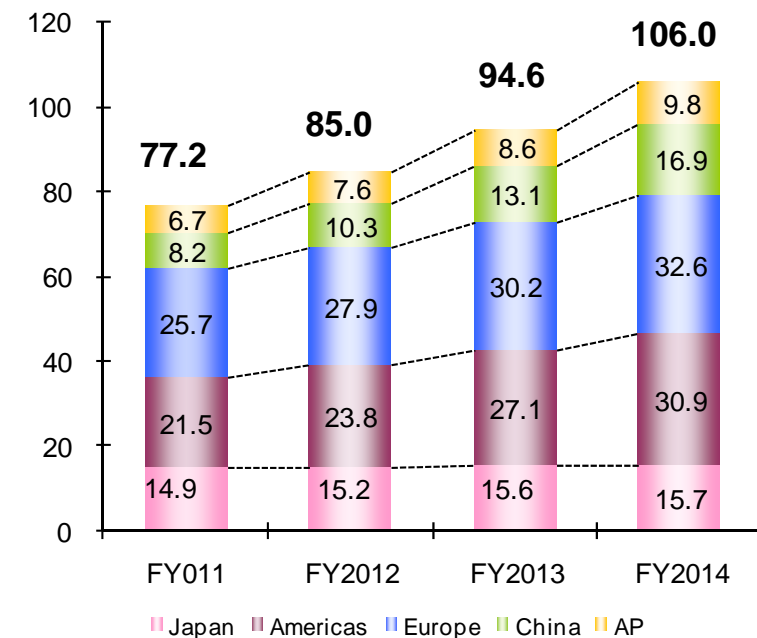
- ▶ Global market growth by supplying analyzer to IDEXX (ProCyt Dx)



Compact hematology analyzer XS-500i

Hematology Target Sales by Destination

(Billions of yen)



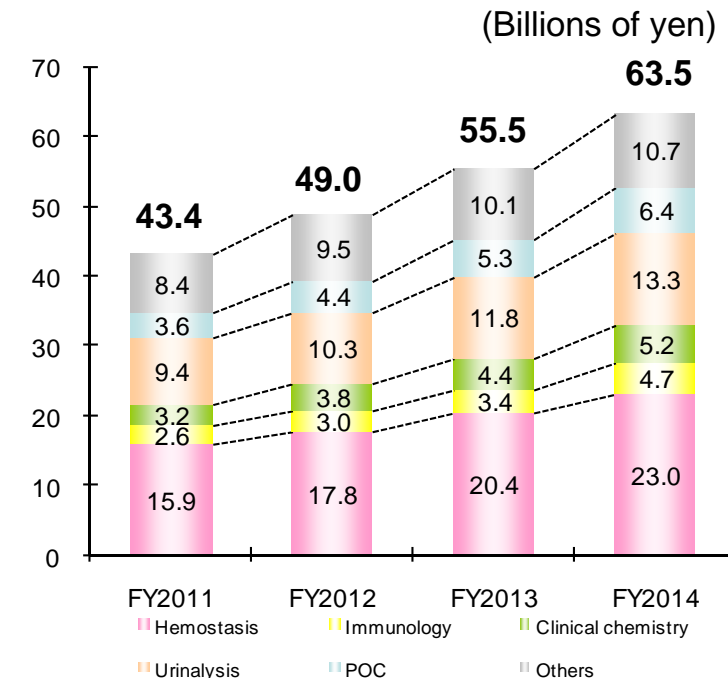
Mid-Term Management Plan: Key Objectives and Action Plans (3)



3. Accelerate growth in non-hematology fields and lay the foundations for future expansion

- **Take market share from competitors by introducing new hemostasis products**
- **Promote improved diagnostic efficiency with UX-2000 integrated urine chemistry and sediment analysis system**
- **Promote introduction of clinical chemistry analyzers and expand reagent portfolio**
 - ▶ JEOL: JCA-BM6010/C automated clinical chemistry analyzers, others
 - ▶ Furuno: BX Series automated clinical chemistry analyzers
- **In immunology, increase reagent offerings and expand sales region**
 - ▶ In Japan, increase reagent offerings and encourage comprehensive proposals
 - ▶ Make an early entry into the immunology field in Asia by taking advantage of such strengths as our sales network and customer base
- **Enhance non-hematology reagent development capability**
 - ▶ Strengthen development of non-hematology reagents (acquisition of Hyphen BioMed)
 - ▶ Reinforce development and production of ingredients using silkworms (protein production business transferred from Katakura Industries)

Non-Hematology Target Sales by Category



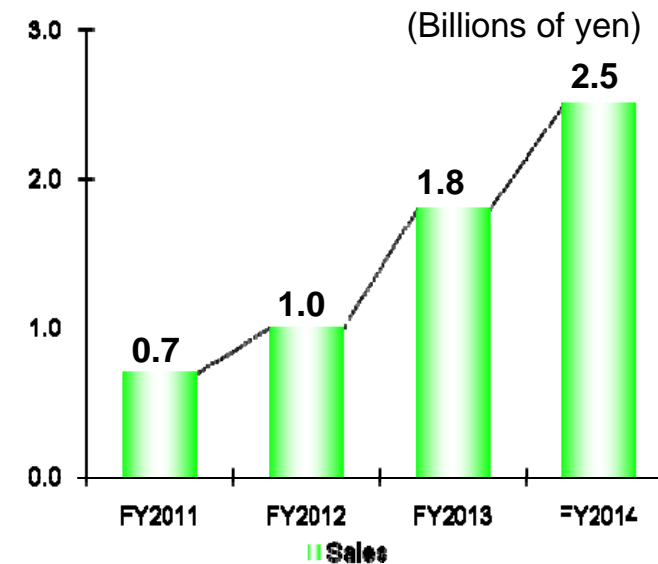
Mid-Term Management Plan: Key Objectives and Action Plans (4)



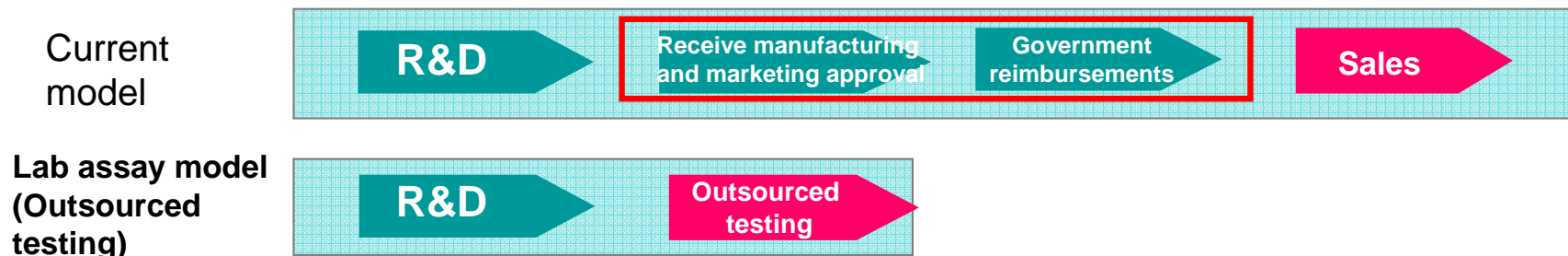
4. Promote commercialization of the life Science business

- **Expand regions where introduced and application of OSNA to other types of cancer**
 - ▶ Increase number of regions where OSNA (breast cancer) launched into market
 - ▶ Extend applicability to other types of cancer (colon, stomach, lung and other cancers)
- **Build synergy with the OSNA business**
 - ▶ Expand portfolio of products related to rapid detection during operations
- **Begin offering lab assay services employing proprietary technologies, such as C2P***
 - ▶ Quickly develop business based on the lab assay model

Target Sales in the Life Science Field



■ Process Differences (Lab Assay Model)



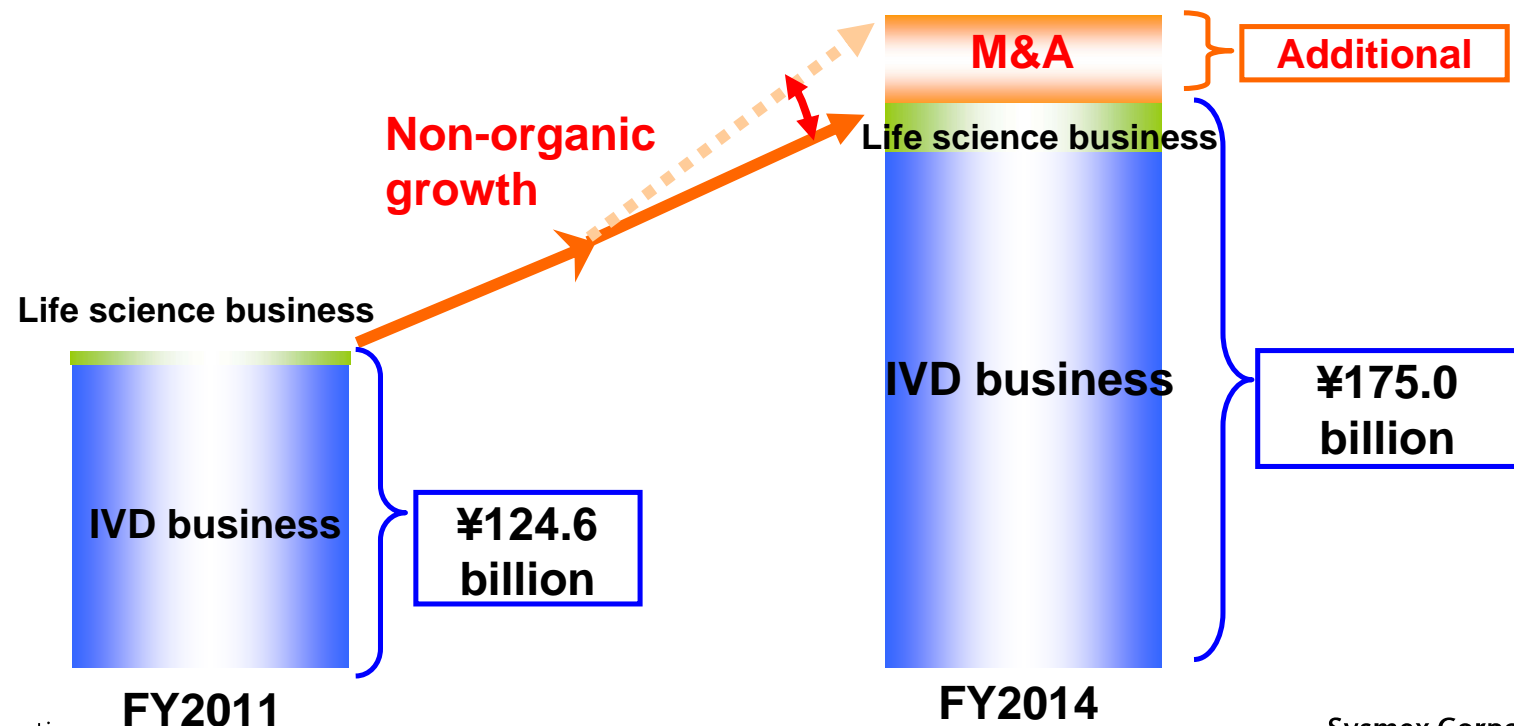
* Cell cycle profiling (C2P) is a molecular diagnostic method to predict the aggressiveness in growth of tumors based on the expression and activity of cell cycle-related proteins

Mid-Term Management Plan: Key Objectives and Action Plans (5)



5. Proactively leverage M&A and alliance opportunities to expand our portfolio of businesses and accelerate beyond the limits of organic growth

- **Leverage M&A and alliance opportunities to accelerate beyond the limits of organic growth**
 - ▶ Uncover new business opportunities to contribute to the expansion of the IVD and life science businesses



Chapter 4

Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2012

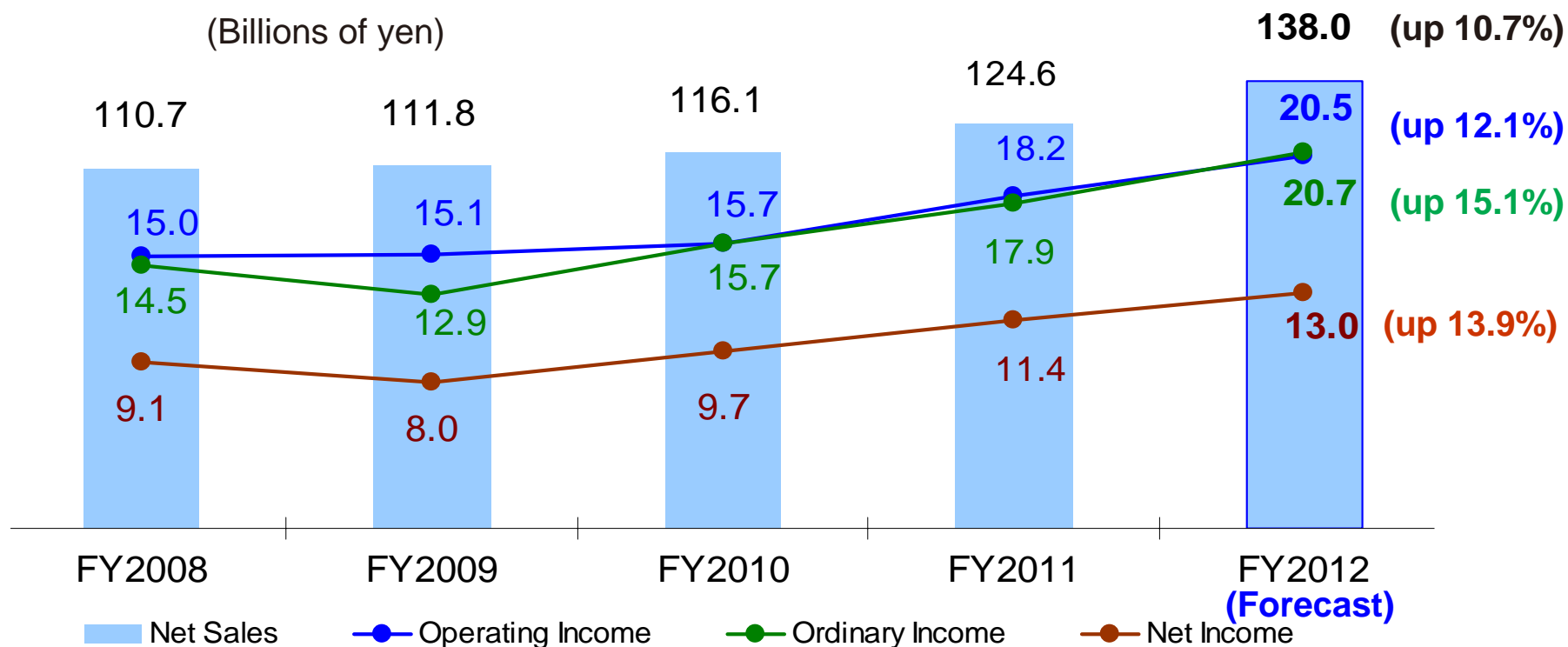
Consolidated Earnings Forecast



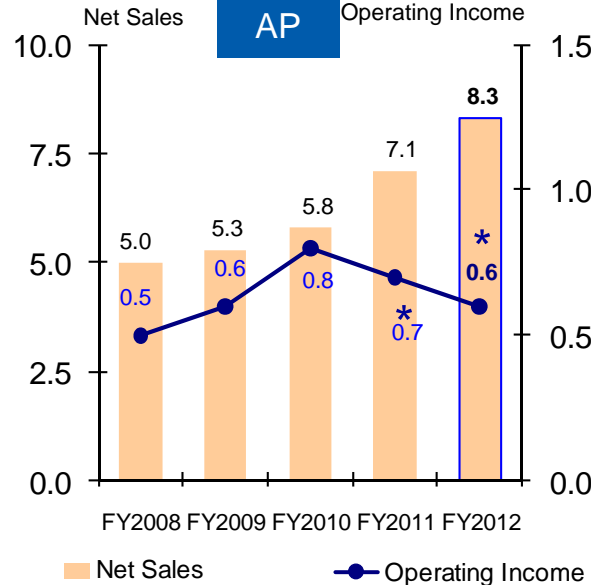
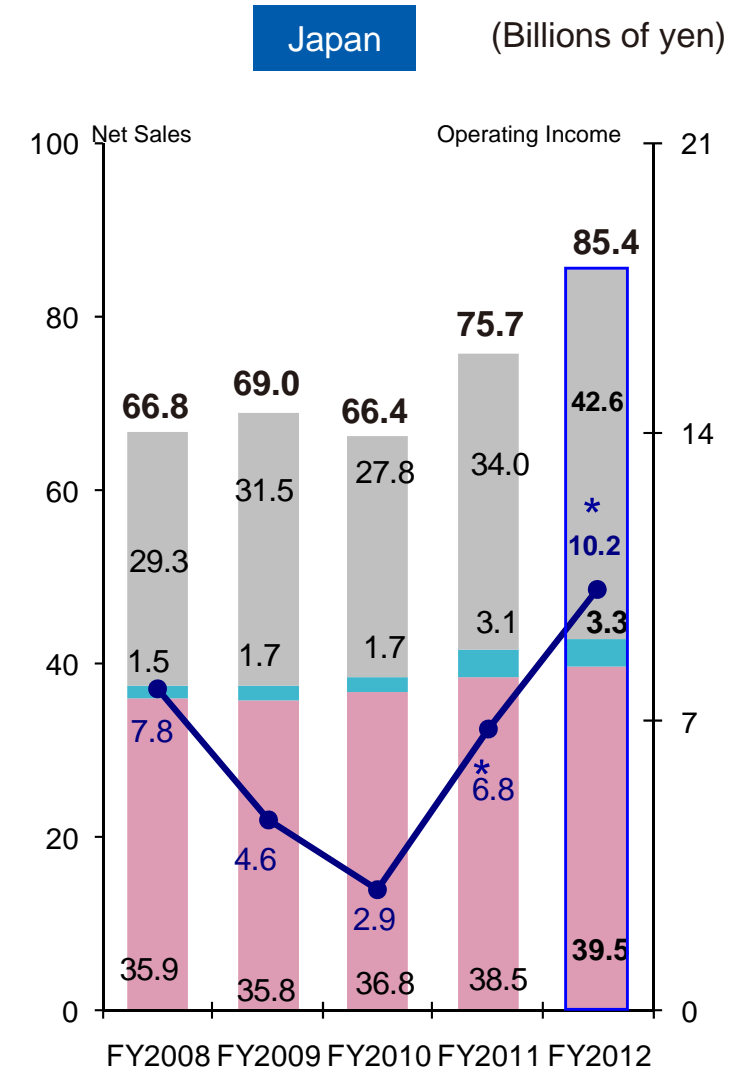
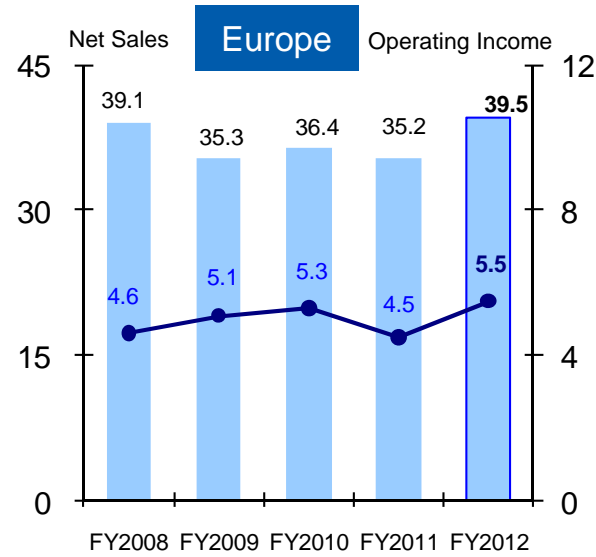
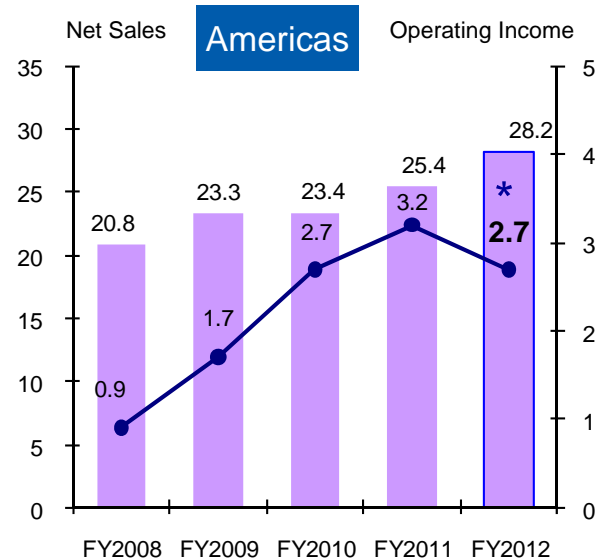
Consolidated Earnings Forecast for the Year Ending March 31, 2012

● Net Sales: ¥138.0 billion	● Operating Income: ¥20.5 billion	● Ordinary Income: ¥20.7 billion	● Net Income: ¥13.0 billion
	● Operating Margin: 14.9%	● Ordinary Margin: 15.0%	● Net Income Margin: 9.4%
Planned Investment	● Capital Expenditure: ¥9.8 billion	● Depreciation and Amortization: ¥7.3 billion	● R&D Expenditure: ¥13.3 billion

Assumed exchange rates: 1USD = ¥85 1EUR = ¥115
(Exchange rates in preceding fiscal year: 1USD = ¥85.7 1EUR = ¥113.1)



Financial Targets: Sales and Operating Income by Region



- Intra-area Transfers: Exports to Group Affiliates
- Sales to Customers: South Korea, Taiwan, Mongolia, Others
- Sales to Customers: Japan
- Operating Income

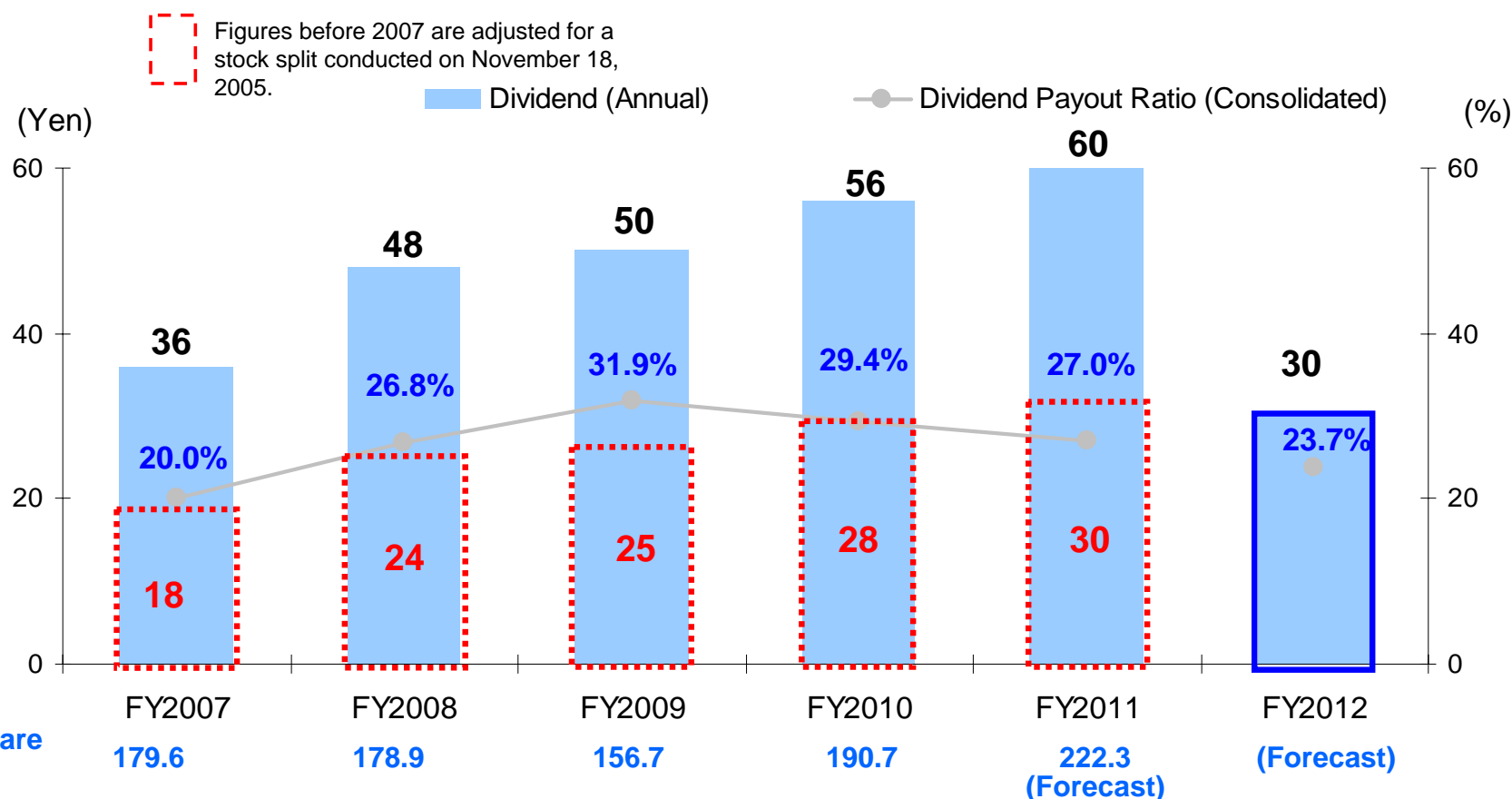
Copyright by Sysmex Corporation * Changes in intragroup transaction prices and method of accounting for royalty income

Sysmex Corporation

Dividend Policy and Dividend Forecast

To continue growing at a high and steady rate, Sysmex must strike an appropriate balance between investing aggressively and returning profits to shareholders as profitability increases. We are working toward this balance. Our basic policy on returning profits to shareholders is to ensure a regular level of stable dividends, with these distributions backed up by successful business performance. In general, we aim for a 20% payout ratio on a consolidated basis.

Note: Two-for-one stock split conducted on April 1, 2011



Appendix

Mid-Term Management Targets

Mid-Term Management Targets

(Billions of yen)

Consolidated Profits and Losses

		FY2012	FY2013		FY2014	
				YoY (Previous period = 100)		YoY (Previous period = 100)
Net Sales	Japan	39.5	41.0	103.8%	42.5	103.7%
	Overseas	98.5	114.0	115.7%	132.5	116.2%
		138.0	155.0	112.3%	175.0	112.9%
Operating Income		20.5	23.2	113.2%	26.5	114.2%
	Operating Margin	14.9%	15.0%	-	15.1%	-
Ordinary Income		20.7	23.3	112.6%	26.6	114.2%
Net Income		13.0	14.6	112.3%	16.7	114.4%

Sales and Operating Income by Geographic Region

			FY2012	FY2013		FY2014	
					YoY (Previous period = 100)		YoY (Previous period = 100)
Japan	Sales	Sales to Customers	42.8	44.4	103.7%	46.0	103.6%
		Inter-Area Transfer	42.6	49.7	116.7%	58.5	117.7%
			85.4	94.1	110.2%	104.5	111.1%
	Operating Income		10.2	11.3	111.3%	12.7	111.9%
		Operating Margin	11.9%	12.1%	-	12.2%	-
America	Sales		28.2	32.3	114.5%	37.1	114.9%
	Operating Income		2.7	3.2	118.5%	3.7	115.6%
		Operating Margin	9.6%	9.9%	-	10.0%	-
Europe	Sales		39.5	43.5	110.1%	47.9	110.1%
	Operating Income		5.5	6.1	111.8%	6.8	110.6%
		Operating Margin	13.8%	14.0%	-	14.1%	-
China	Sales		19.2	24.8	129.2%	32.0	129.0%
	Operating Income		1.7	2.3	138.2%	3.1	131.9%
		Operating Margin	8.9%	9.5%	-	9.7%	-
AP	Sales		8.3	10.0	120.5%	12.0	120.0%
	Operating Income		0.6	0.7	125.0%	1.0	133.3%
		Operating Margin	7.1%	7.4%	-	8.2%	-

Mid-Term Management Targets

(Billions of yen)

Net Sales by Business

	FY2012	FY2013		FY2014	
			YoY (Previous period = 100)		YoY (Previous period = 100)
Hematology	85.0	94.6	111.4%	106.0	111.9%
Hemostasis	17.8	20.4	114.4%	23.0	112.6%
Immunology	3.0	3.4	113.0%	4.7	138.8%
Clinical Chemistry	3.8	4.4	116.4%	5.2	117.9%
Urinalysis	10.3	11.8	114.1%	13.3	112.8%
POC	4.4	5.3	119.4%	6.4	120.8%
Others	9.5	10.1	106.3%	10.7	106.8%
Non-Hematology	49.0	55.5	113.3%	63.5	114.4%
Life Science	1.0	1.8	180.0%	2.5	138.9%
Others	3.0	3.0	100.0%	3.0	100.0%
Total	138.0	155.0	112.3%	175.0	112.9%

Planned Investment

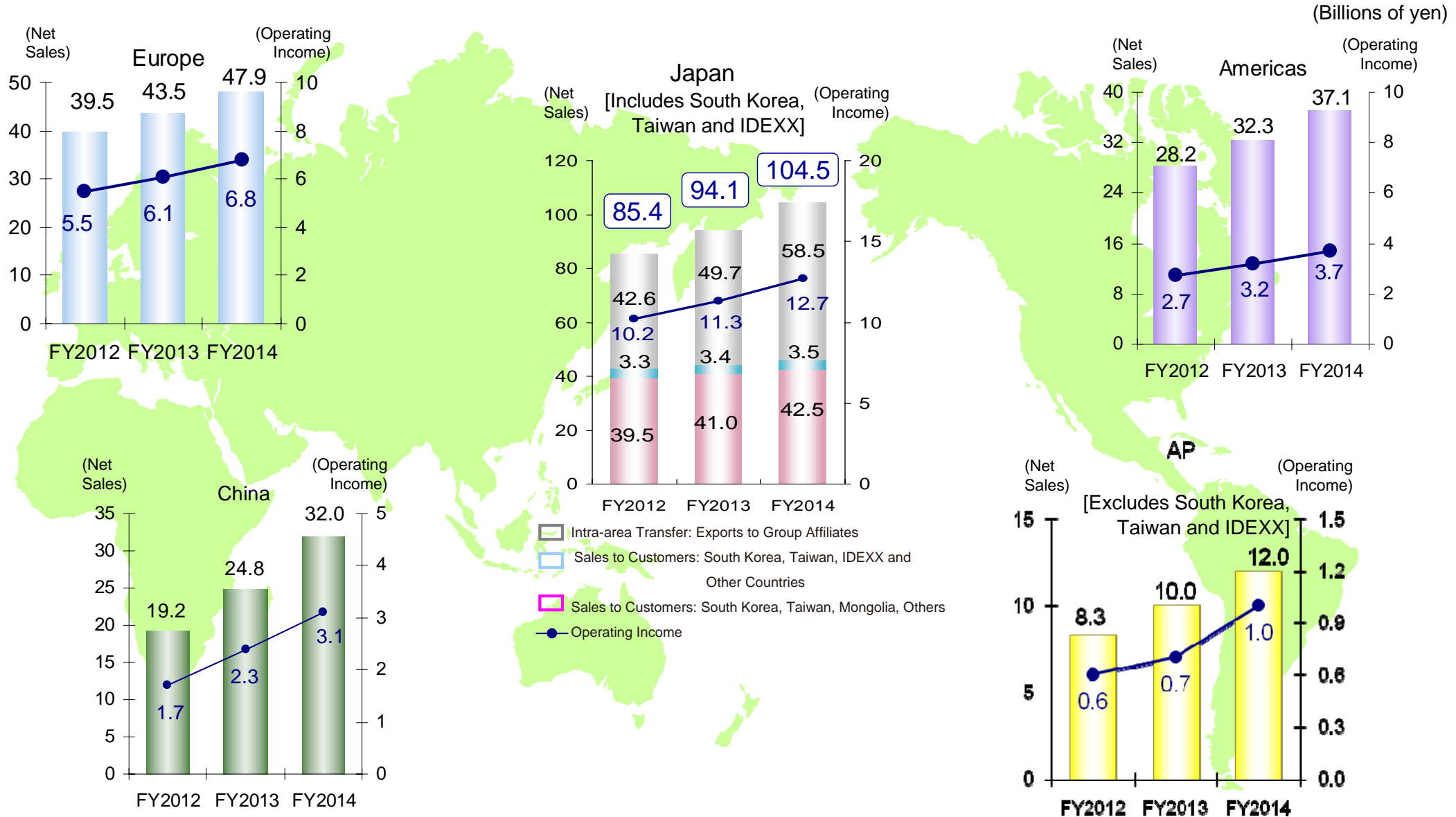
	FY2012	FY2013	FY2014
Capital Expenditure	9.8	10.4	10.0
Depreciation and Amortization	7.3	9.0	9.8
R&D Expenditure	13.3	15.0	17.0

Exchange Rates

	FY2012	FY2013	FY2014
1USD	¥85		
1EUR	¥115		

Mid-Term Management Targets

Sales and Operating Income by Geographic Region



We Believe the Possibilities.

Sysmex Corporation

<Contact>

IR & Corporate Communication Dept.

Phone: +81-78-265-0500

Email: info@sysmex.co.jp

URL: www.sysmex.co.jp