



August 28, 2019
Sysmex Corporation

Issuance of Stock Options (Stock Acquisition Rights)

At a meeting of the Managing Board on August 28, 2019, Sysmex Corporation resolved to offer stock options (stock acquisition rights) based on the provisions of Article 236, Article 238 and Article 240 of the Companies Act to members of the Managing Board (excluding those who are members of the Audit and Supervisory Committee or who are outside members), executive officers and employees of Sysmex Corporation, as well as executives and/or employees of Sysmex Corporation's subsidiaries. Details of the stock acquisition rights are outlined below.

1. Reason for issuing stock acquisition rights as stock options

The purpose of the proposed allotment of stock acquisition rights to members of the Managing Board of the Company, as well as executive officers and employees of Sysmex Corporation and executives and/or employees of Sysmex Corporation's subsidiaries is to heighten their motivation and morale, and thereby improve business performance and increase the corporate value of the Company. (Members of the Managing Board who are members of the Audit and Supervisory Committee are excluded, as are outside members of the Managing Board.)

2. Key points regarding the issuance of stock acquisition rights

(1) Name of the stock acquisition rights

Fourth Round Sysmex Corporation Stock Acquisition Rights

(2) People to whom the stock acquisition rights are to be allocated and their number and the number of stock acquisition rights to be allocated

Members of the Managing Board of the Company (excluding those who are members of the Audit and Supervisory Committee or who are outside members):	7 people	20,250 rights
Executive officers of the Company:	11 people	8,300 rights
Employees of the Company, executives and/or employees of the Company's subsidiaries :	420 people	65,000 rights

(3) Class and number of shares associated with the stock acquisition rights

Common shares of the Company are the class of shares associated with the stock acquisition rights. The number of shares associated with the stock acquisition rights (hereinafter, the "Number of Shares

Granted”) shall be 10 shares per stock acquisition right. Provided that a stock split (including the gratis allocation of common shares of the Company; this meaning applies to mentions of stock split below) or stock consolidation of common shares of the Company occurs on a date subsequent to this resolution of the General Meeting of Shareholders, with respect to stock acquisition rights not yet exercised at the time of such stock split or stock consolidation, the Number of Shares Granted shall be adjusted according to the following formula.

Number of shares after adjustment = Number of shares before adjustment x split or consolidation ratio

If the need to adjust the Number of Shares Granted becomes unavoidable for some reason other than those indicated above, the Number of Shares Granted may be adjusted if deemed necessary by the Managing Board.

Fractional amounts of less than one share resulting from an adjustment as described above shall be rounded down.

(4) Number of stock acquisition rights to be issued

93,550 rights

The above-stated total is the number of rights anticipated for allocation. If applications to receive rights are not received and the total number of stock acquisition rights allocated falls below this number, the total number of stock acquisition rights issued shall be based on the number of stock acquisition rights allocated.

(5) Issue price of stock acquisition rights

The issue price for each stock acquisition right shall be determined by the Managing Board based on the fair price of stock acquisition rights determined by a fair calculation method such as the Black-Scholes method when allocating the stock acquisition rights.

The person who is allocated stock acquisition rights (hereinafter, “Rights Holder”) shall not be required to pay money for the rights. Instead, the payment amount corresponding to the issue price shall be offset by remuneration receivable from the Company.

(6) Value of property to be contributed upon exercise of the stock acquisition rights

The value of property to be contributed upon exercise of the stock acquisition rights shall be the issue price per share granted through the exercise of stock acquisition rights (hereinafter, the “Exercise Price”) multiplied by the Number of Shares Granted.

The Exercise Price shall be the average of the closing prices of the shares of the common stock of the Company in the regular trading thereof on the Tokyo Stock Exchange on each day (excluding any day on which there is no trading of the shares of the Company) during the month immediately preceding the month including the day on which the stock acquisition rights are issued (hereinafter, the “Day of Allotment”), multiplied by 1.05, and any fractions shall be rounded up to the nearest one (1) yen.

However, in the event that such amount is less than the closing price on the Day of Allotment (or, if there is no closing price on that day, on the nearest preceding day on which there is a closing price), the Exercise Price shall be that closing price.

The Exercise Price shall be adjusted if the following events occur subsequent to the Day of

Allotment.

- (i) In the event of a stock split or stock consolidation of the common shares of the Company, the Exercise Price shall be adjusted in accordance with the formula below and rounded up to the nearest one (1) yen.

Exercise Price after adjustment = Exercise Price before adjustment x 1/Split or consolidation ratio

- (ii) In the event that the Company issues new common shares in the Company or disposes of treasury stock for a price below fair value (excluding the issuance of new shares or the disposal of treasury stock based on the exercise of stock acquisition rights or due to a transfer of treasury stock as the result of a share exchange), the Exercise Price shall be adjusted in accordance with the formula below and rounded up to the nearest one (1) yen.

Exercise Price after adjustment = Exercise Price before adjustment x (Number of issued shares + ((Number of newly issued shares x Issue price for each stock acquisition right) / Price per share)) / (Number of issued shares + Number of newly issued shares)

In the above formula, “number of issued shares” refers to the total number of shares the Company has issued minus the number of shares the Company holds as treasury stock. If treasury stock is disposed of, the “number of newly issued shares” shall be read as “number of shares disposed of” and “issue price per share” shall be “disposal price per share.”

- (iii) If the Company engages in a merger, company split or other such activity, if the Exercise Price requires adjustment it shall be adjusted as is necessary and reasonable.

- (7) Period during which the stock acquisition rights may be exercised

From September 21, 2021 to September 20, 2027

- (8) Conditions for exercise of the stock acquisition rights

- (i) Rights Holders must hold a position as member of the Managing Board, executive officer, advisor, or employee of the Company or its subsidiaries at the time the rights are exercised. If the Rights Holder retires at the end of his/her term of office, upon reaching retirement age or for other legitimate reasons (including cases during which members of the Managing Board who are also executive officers hold positions as executive directors and when executive officers retire as executive officers at the end of their position as members of the Managing Board), the Rights Holder may exercise his/her stock acquisition rights within two years of the end of his/her term of office or of retiring (within the period stipulated in (7) above)
- (ii) If a Rights Holder dies, his/her heir may exercise his/her stock acquisition rights.
- (iii) Other conditions are defined in the Agreement for Allotment of Stock Acquisition Rights between the Company and the Rights Holder.

- (9) Increases in capital stock and the legal capital surplus due to the issuance of shares through the exercise of stock acquisition rights

- (i) If shares are issued through the exercise of stock acquisition rights, the maximum increases in

capital stock shall be one half the figure calculated in accordance with Article 17-1 of the Regulation on Corporate Accounting. Amounts of less than one yen resulting from that calculation shall be rounded up.

- (ii) The increase in the capital surplus due to the issuance of shares through the exercise of stock acquisition rights shall be the maximum capital stock increase indicated in (i) above less the increase in capital stock provided in (i) above.

(10) Matters related to the acquisition of stock acquisition rights

- (i) If before exercising the rights the Rights Holder is unable to exercise the stock acquisition rights due to the provisions of (8) above or the provisions of the Agreement for Allotment of Stock Acquisition Rights, the Company may acquire those stock acquisition rights gratis on a date specified separately by the Company's Managing Board.
- (ii) If below-stated proposals (a), (b), (c), (d) or (e) are approved by the Company's General Meeting of Shareholders (approved by the Company's Managing Board if a General Meeting of Shareholders resolution is not required), the Company may acquire the stock acquisition rights gratis on a date specified separately by the Company's Managing Board.

(a) A proposal approving a merger agreement in which the Company is the absorbed company

(b) A proposal approving a company split agreement or company split plan in which the Company is the company being split

(c) A proposal approving a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary

(d) A proposal approving changes to the Articles of Incorporation requiring the Company's approval when transferring all shares in the Company

(e) A proposal requiring the Company's approval for transfer of the class of shares subject to the stock acquisition rights or a proposal approving changes to the Articles of Incorporation providing for the acquisition of all shares of that class by resolution of the Company's General Meeting of Shareholders

(11) Limitations on the acquisition of stock acquisition rights by transfer

The acquisition of stock acquisition rights by transfer requires approval by the Managing Board.

(12) Handling of stock acquisition rights in the event of an organizational restructuring

If the Company is involved in a merger (only if the Company is extinguished through the merger), absorption-type company split or incorporation-type company split (only if the Company is the splitting company), share exchange or share transfer (only if the Company becomes a wholly owned subsidiary) (the above collectively referred to hereinafter as "Act of Organizational Restructuring"), the remaining number of stock acquisition rights (hereinafter, "Remaining Stock Acquisition Rights") held by the Rights Holder immediately before the effective date of the Act of Organizational Restructuring (in an absorption-type merger, the effective date of the absorption-type merger; in a consolidation-type merger, the date the company is established through the consolidation-type merger; in an absorption-type company split, the effective date of the absorption-type company split;

in an incorporation-type company split, the date the company is established through the incorporation-type company split; in a share exchange, the effective date of the share exchange; and in a share transfer, the date of establishment of the wholly owning parent company incorporated through share transfer; the same shall apply below), stock acquisition rights shall be granted, respectively in the stock companies described in Article 236-1-8 (a) through (e) (hereinafter, the "Restructuring Company"). However, the granting of stock acquisition rights in the Restructuring Company in accordance with the items below shall be limited to the cases of absorption-type merger agreement, consolidation-type merger agreement, absorption-type company split agreement, incorporation-type company split plan, share exchange agreement or share transfer plan.

(i) Number of stock acquisition rights granted in the Restructuring Company

The number of rights granted shall be the same as the number of Remaining Stock Acquisition Rights held by the Rights Holder.

(ii) Class of shares in the Restructuring Company subject to the stock acquisition rights
Common shares of the Restructuring Company

(iii) Number of shares in the Restructuring Company subject to the stock acquisition rights

To be determined in accordance with (3) above, taking into consideration the conditions of the Act of Organizational Restructuring

(iv) Amount of property invested at the exercise of the stock acquisition rights

To be determined in accordance with (6) above, taking into consideration the conditions of the Act of Organizational Restructuring

(v) Period during which stock acquisition rights may be exercised

The period from the initial date of the period in which stock acquisition rights may be exercised as provided in (7) above or the effective date of the Act of Organizational Restructuring, whichever is later, to the final date of the period for the exercise of the stock acquisition rights as provided in (7) above

(vi) Matters related to increases in capital and the capital reserve in the event of shares issued through the exercise of stock acquisition rights

Determined in accordance with (9) above

(vii) Limits on the acquisition of stock acquisition rights through transfer

The acquisition of stock acquisition rights through transfer is subject to approval by the Managing Board of the Restructuring Company.

(viii) Exercise conditions for the stock acquisition rights

Determined in accordance with (8) above

(ix) Acquisition conditions for the stock acquisition rights

Determined in accordance with (10) above

(13) Handling of fractional amounts of less than one share arising through the exercise of stock acquisition rights

Fractional amounts of less than one share granted to the Rights Holder through the exercise of the stock acquisition rights shall be discarded.

(14) Day of allotment of the stock acquisition rights

September 20, 2019

(15) Issuance of stock acquisition right certificates

No stock acquisition right certificates shall be issued in association with the stock acquisition rights.