



# Business Results

## Fiscal Year Ended March 31, 2013

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### Financial Highlights and Mid-Term Management Plan

**Sysmex Corporation**

Hisashi Ietsugu  
Chairman and CEO

May 9, 2013

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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

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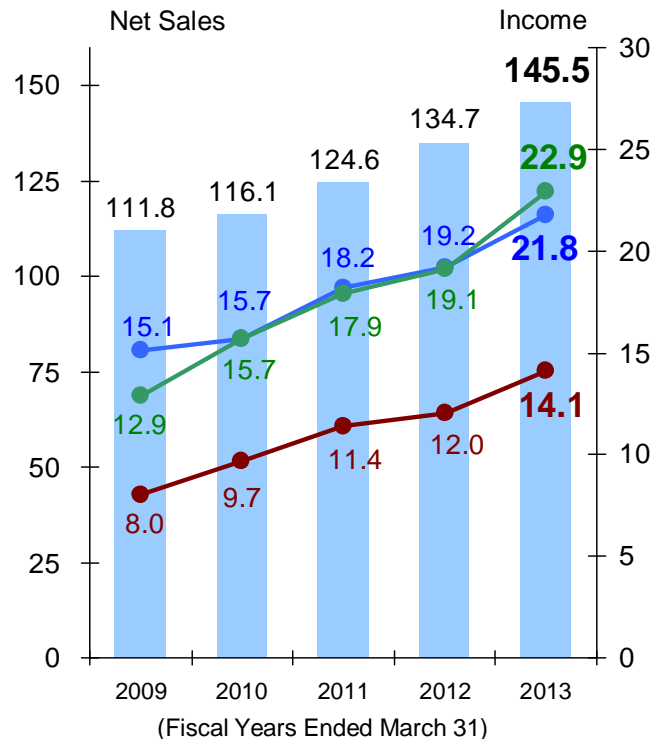
# Financial Highlights for the Fiscal Year Ended March 31, 2013

# Financial Highlights

Net sales: Up for 13 consecutive fiscal years  
 Operating income: Up for 12 consecutive fiscal years  
 Net sales and all income categories reach historic highs



(Billions of yen)



(Fiscal Years Ended March 31)

(Billions of yen)

	2013		Earlier Forecast (Revised November 2012)		2012		YOY (Previous period = 100%)
		Ratio		Ratio		Ratio	
Net Sales	145.5	100%	140.0	100%	134.7	100%	108.0%
Cost of Sales	56.5	38.9%	—	—	51.6	38.3%	109.5%
SG&A	67.1	46.2%	—	—	63.8	47.4%	105.2%
Operating Income	21.8	15.0%	20.0	14.3%	19.2	14.3%	113.5%
Ordinary Income	22.9	15.8%	19.5	13.9%	19.1	14.2%	120.1%
Net Income	14.1	9.7%	12.1	8.6%	12.0	8.9%	118.0%

■ Net Sales      ● Operating Income  
■ Ordinary Income      ● Net Income

- Net sales: Sales increased, despite a certain degree of impact from cautious purchasing in the United States and China.
- Operating income: Income was up, due to the effect of higher sales and efforts to curtail SG&A expenses.
- Non-operating balance: The forex gain was ¥0.81 billion (¥0.40 billion loss in the preceding fiscal year).

➤ Exchange rate fluctuations raised net sales ¥2.71 billion and reduced operating income ¥0.94 billion.

Note: At the exchange rates prevailing one year earlier, net sales would have been up 6.0% year on year, and operating income up 18.4%.

Capital expenditure: ¥8.94 billion  
 Depreciation and amortization: ¥7.94 billion  
 R&D expenditure: ¥12.1 billion

	(Fiscal Years Ended March 31)	
	2013	2012
1USD	¥83.1	¥79.1
1EUR	¥107.2	¥109.0

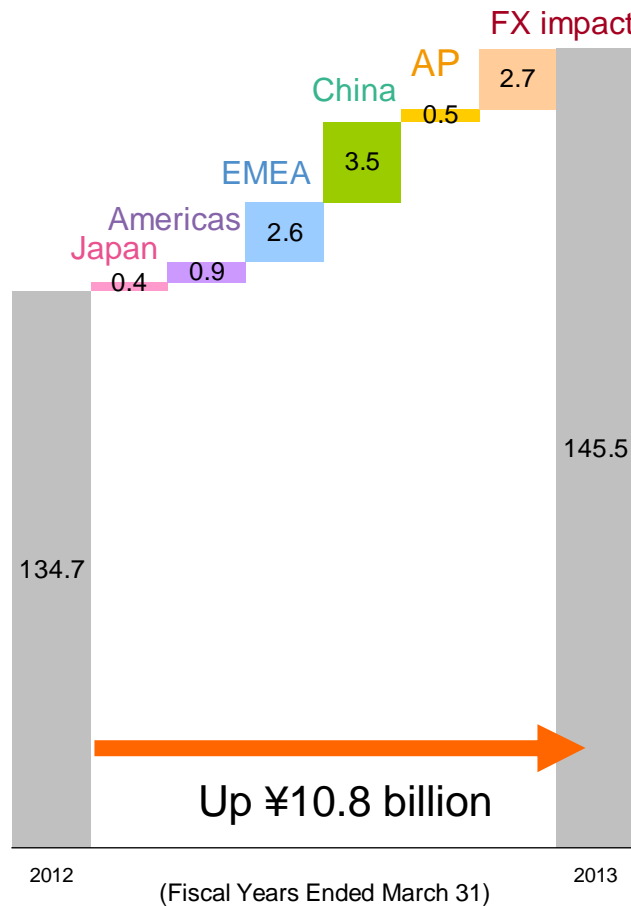
# Breakdown of Net Sales and Operating Income



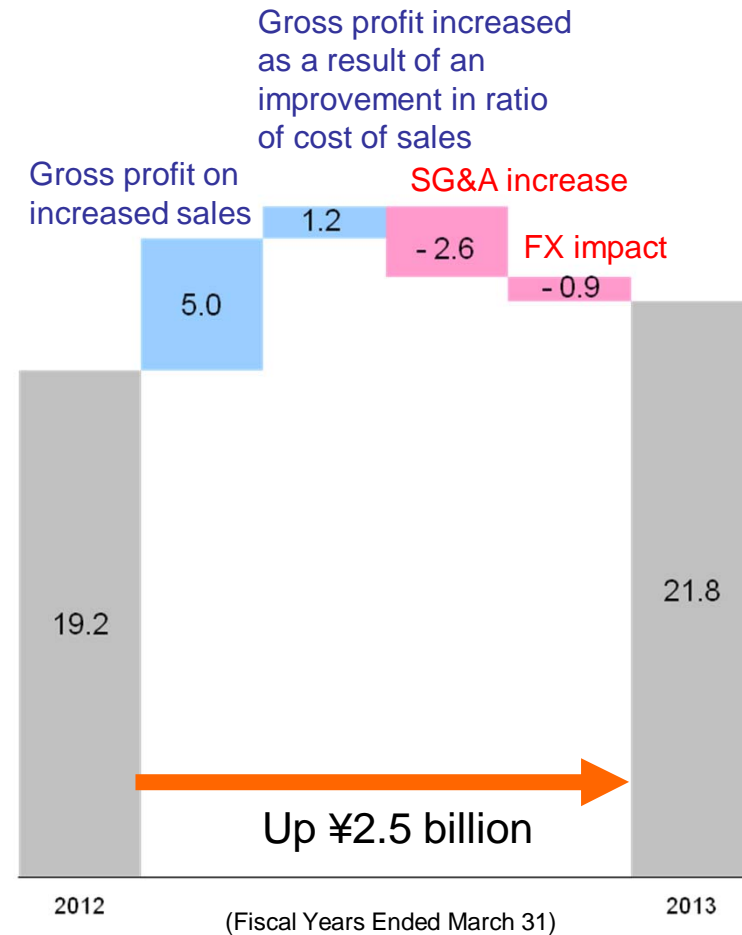
(Billions of yen)

## Net Sales

Note: FX impact excluded from regional sales below



## Operating Income

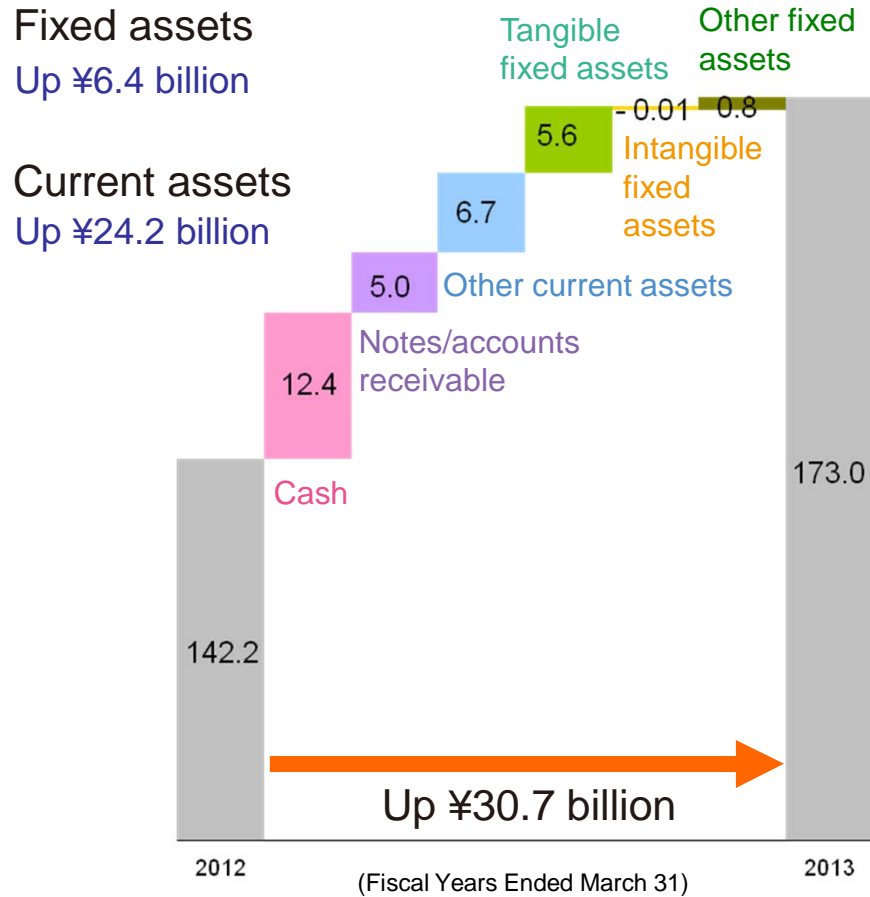


# Breakdown of Assets and Liabilities/Equity

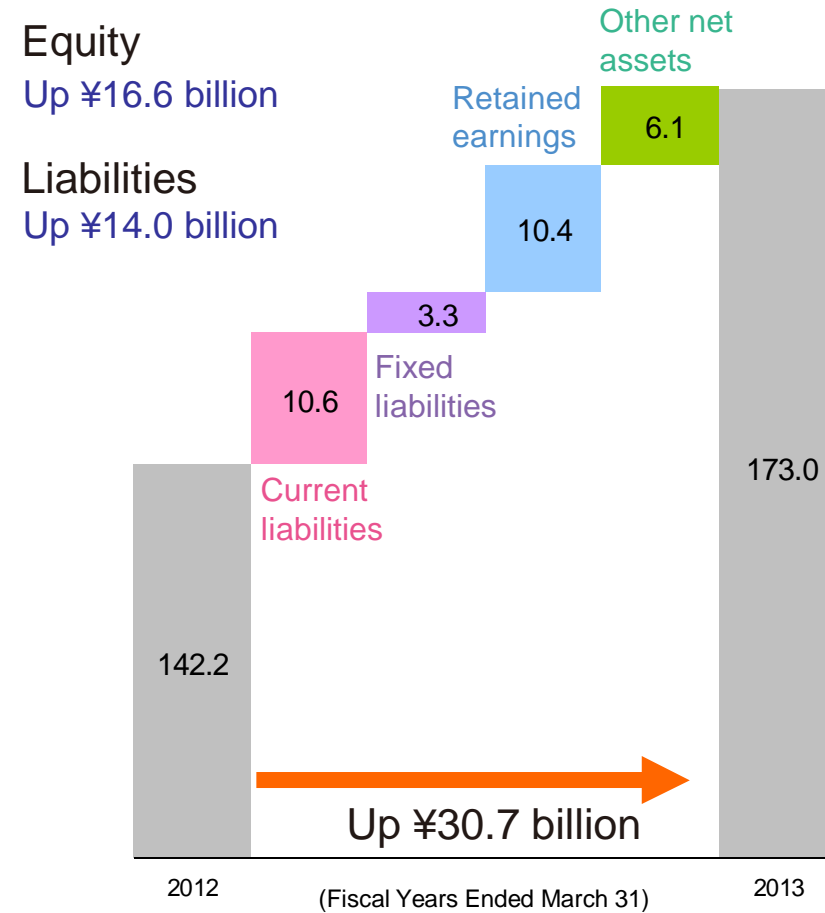


(Billions of yen)

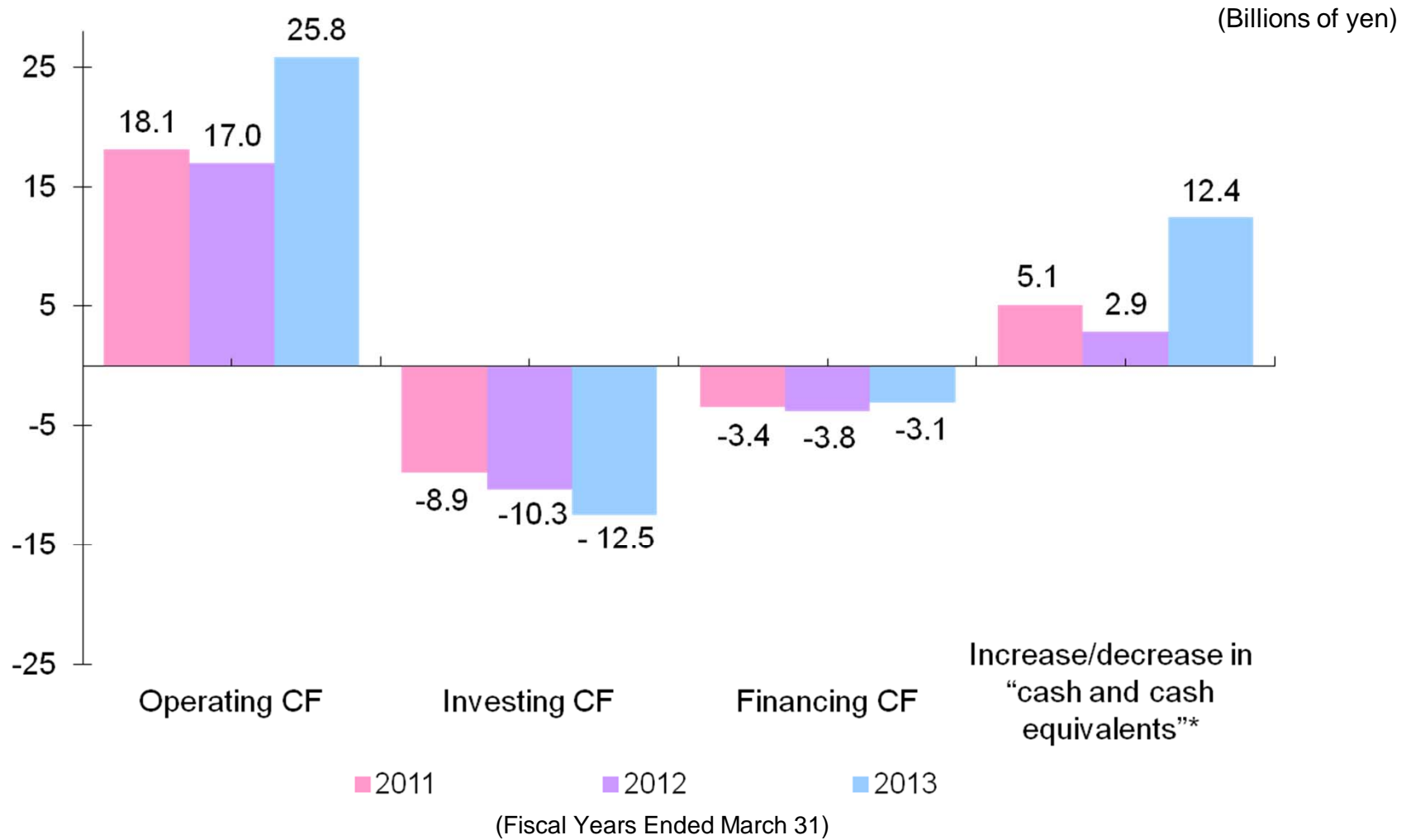
## Assets



## Liabilities/Equity



# Consolidated Cash Flows



\* Including translation differences on cash and cash deposits

## Alliances

- Renewed global distributorship sales and service agreement with Roche related to Sysmex hematology products
- Renewed global partnership agreement with Siemens related to hemostasis solutions and services

## New Products

- Commenced global sales of the XN-Series, our flagship model in the hematology field (received approval in China and the United States)
- In the hematology field, commenced sales of the XP-Series, mainly targeting emerging markets
- In Japan, launched our new model in the immunochemistry field, the HISCL-5000, allowing rapid assays
- Received approval from Japan's Ministry of Health, Labour and Welfare on extending application of the OSNA method to stomach cancer



XN-Series



XP-Series



HISCL-5000

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# Topics (Fiscal Year Ended March 31, 2013)



## Operational Sites

- Expanded and relocated office of regional headquarters for the Americas
- Reinforced Thailand sales and support structure (transitioning partly to a direct sales structure)
- Established representative office in Mongolia
- Acquired factory construction site (in Kakogawa, Hyogo Prefecture) in preparation to expand instrument production capacity



New SAI office  
(Chicago, United States)

## Other

- Designated by the Securities Analysts Association of Japan for “Excellence in Corporate Disclosure, Disclosure to Individual Investors”
- Selected for inclusion in the Dow Jones Sustainability Indexes
- Received the Fiscal 2013 Commendation for Science and Technology by the Minister of Education, Culture, Sports Science and Technology, Prize for Science and Technology (Development Category)



# Sales by Field of Business



(Fiscal Years Ended March 31)

(Billions of yen)

	2013		2012		YOY (Previous period = 100%)
		Ratio		Ratio	
Hematology	90.8	62.4%	82.3	61.1%	110.3%
Hemostasis	21.2	14.6%	17.6	13.1%	120.2%
Immunochemistry	2.0	1.4%	2.0	1.5%	100.2%
Clinical chemistry	3.0	2.1%	3.4	2.6%	88.1%
Urinalysis	10.9	7.5%	10.7	8.0%	101.0%
Other IVD*1	13.9	9.5%	15.0	11.2%	92.2%
IVD business	141.9	97.5%	131.3	97.5%	108.1%
Life Science business	1.0	0.7%	0.8	0.6%	124.8%
Other businesses*2	2.5	1.8%	2.5	1.9%	101.5%
Total net sales	145.5	100.0%	134.7	100.0%	108.0%

\*1: POC, animal testing, IT, others

\*2: Scientific measuring, new businesses, others

# Net Sales by Geographic Region



## Net Sales by Geographic Region (Sales to Customers)

(Fiscal Years Ended March 31) (Billions of yen)

		2013		2012		YOY (Previous period = 100%)	
			Ratio		Ratio	(Yen)	(Local currency)
Net Sales		145.5	100%	134.7	100%	108.0%	—
Region	Americas	29.7	20.4%	26.8	19.9%	110.6%	<b>105.2%</b>
	EMEA	39.4	27.1%	37.0	27.5%	106.5%	<b>108.3%</b>
	China	24.4	16.8%	19.2	14.3%	126.6%	<b>118.6%</b>
	AP	9.0	6.2%	7.8	5.9%	114.9%	<b>108.5%</b>
	Japan*	42.9	29.5%	43.6	32.4%	<b>98.4%</b>	—

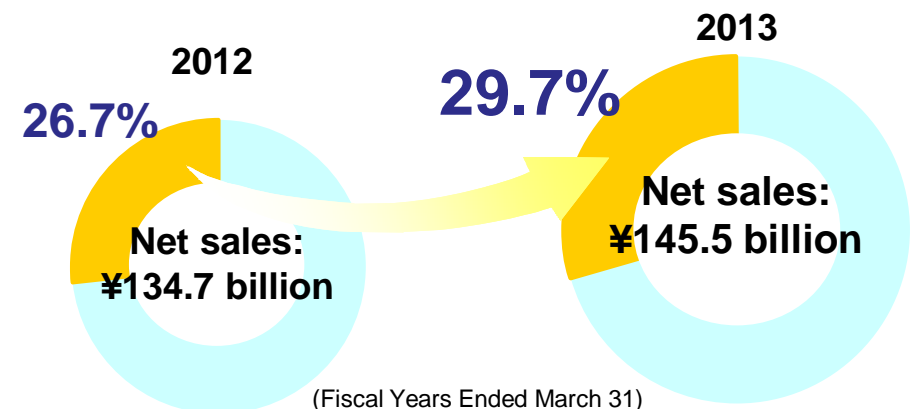
\* Includes South Korea, IDEXX and others

## Exchange Rates

(Fiscal Years Ended March 31)

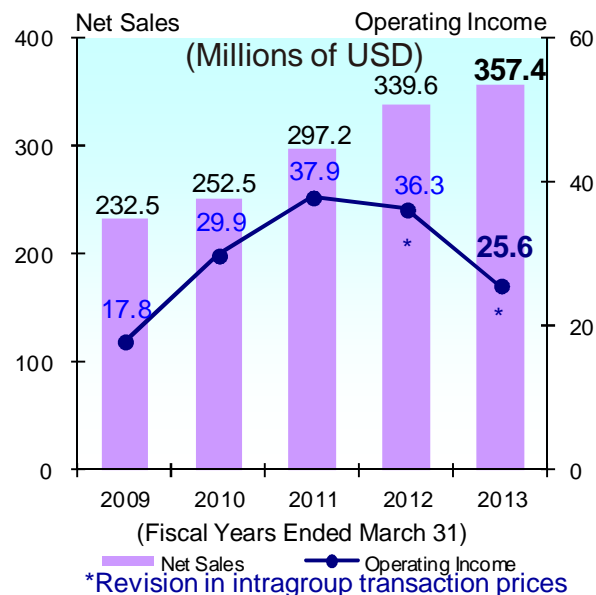
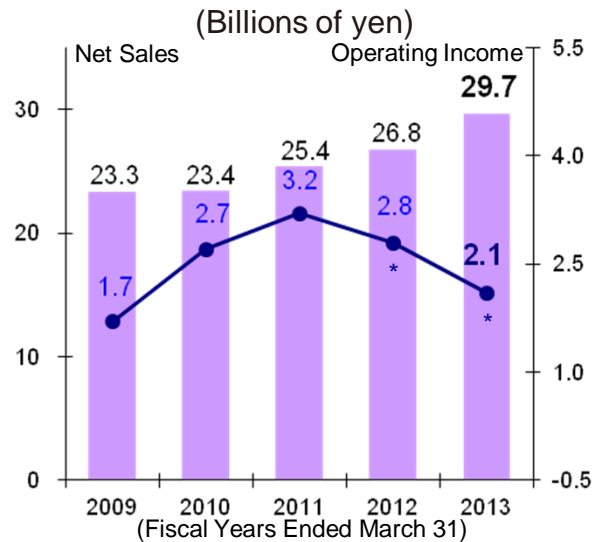
	2013	2012
1USD	¥83.1	¥79.1
1EUR	¥107.2	¥109.0
1CNY	¥13.2	¥12.4
1SGD	¥66.9	¥63.1

## Percentage of Sales in Emerging Markets



(Fiscal Years Ended March 31)

# Geographic Segment Information: Americas



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(Fiscal Years Ended March 31)

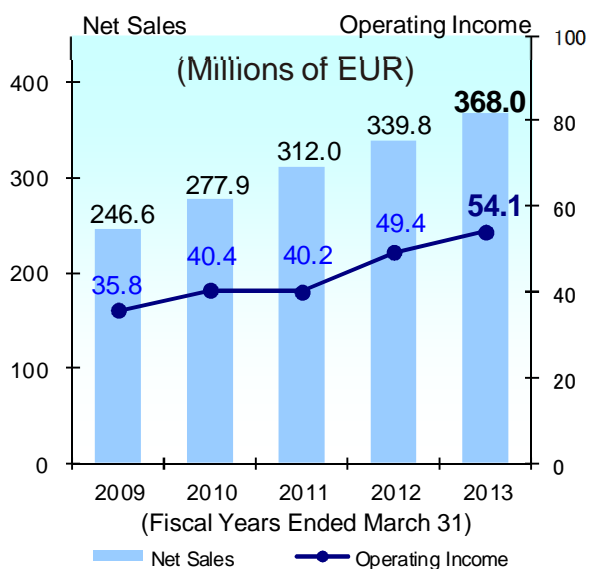
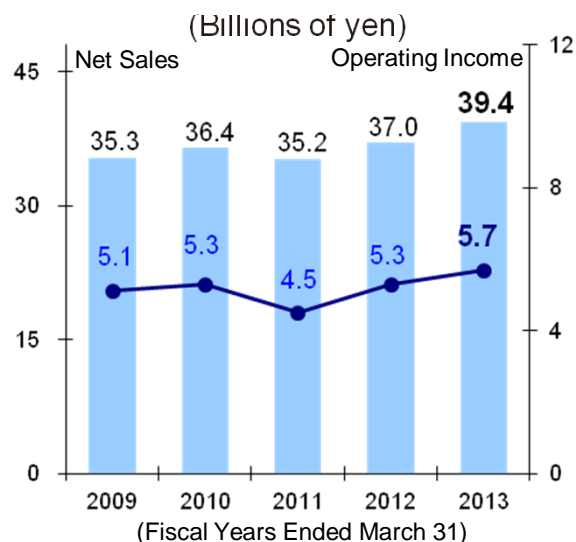
(Billions of yen)

	2013	2012	YOY (Previous period = 100%)
Net Sales	29.7	26.8	110.6%
Operating Income*	2.1	2.8	74.1%

■ On a local currency basis net sales 105.2%; operating income 70.5%

- Sales increased, despite the impact of cautious purchasing of instruments in the United States.
  - United States: Sales were affected to some extent by factors such as longer-than-expected XN clearance and cautious purchasing in response to uncertainty about the direction of the medical reform bill, but sales in the country increased due to XN sales and higher sales of reagents and services.
  - Central and South America: Sales increased, due to higher sales of five-part white blood cell differentiation instruments.
- Operating income declined, due to such factors as higher SG&A expenses for spending to reinforce sales and support structures and related to office relocation and changes in intragroup transaction prices.

# Geographic Segment Information: EMEA\*



	(Fiscal Years Ended March 31)		(Billions of yen)
	2013	2012	YOY (Previous period = 100%)
Net Sales	<b>39.4</b>	37.0	106.5%
Operating Income	<b>5.7</b>	5.3	107.8%

■ On a local currency basis: net sales 108.3%; operating income 109.6%

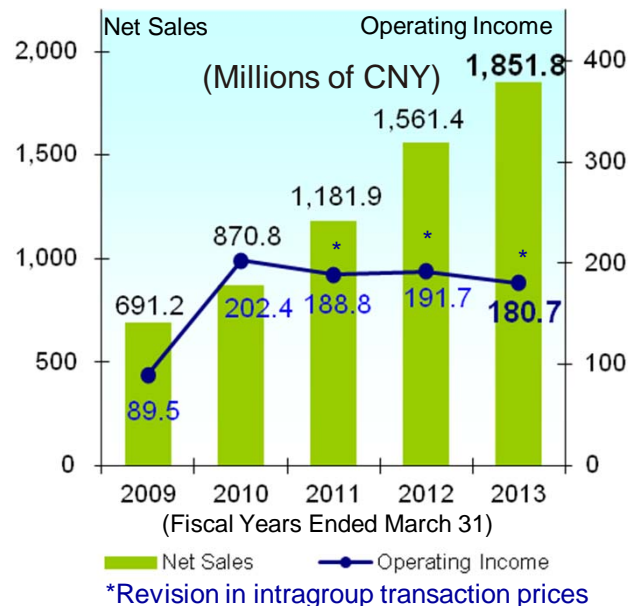
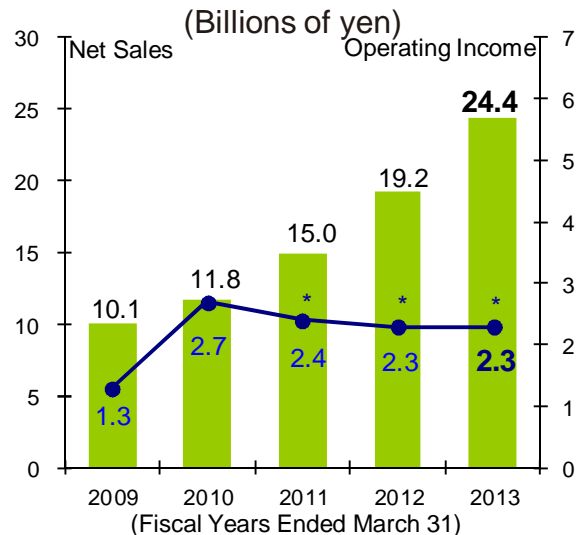
● Sales were up due to favorable XN sales and sales to emerging markets.

- Five major countries: Sales were robust, despite being affected by economic crises.
  - Italy: Sales were down due to factors such as budget delays at government-affiliated hospitals.
  - France: Sales were favorable, centered on the XN.
  - United Kingdom: Reagent sales rose, due to an increase in the installed instrument base.
- Other parts of Europe: Sales were up in the Benelux countries due to XN sales.
- Eastern Europe, Russia: Sales rose in Russia, but were down in Eastern Europe.
- Middle East, Africa: Sales increased, due to acquisition of government-related projects in Saudi Arabia and South Africa.

● An improved ratio of cost of sales outweighed the impact of yen appreciation and higher SG&A expenses, causing operating income to rise.

\* Europe, the Middle East and Africa

# Geographic Segment Information: China



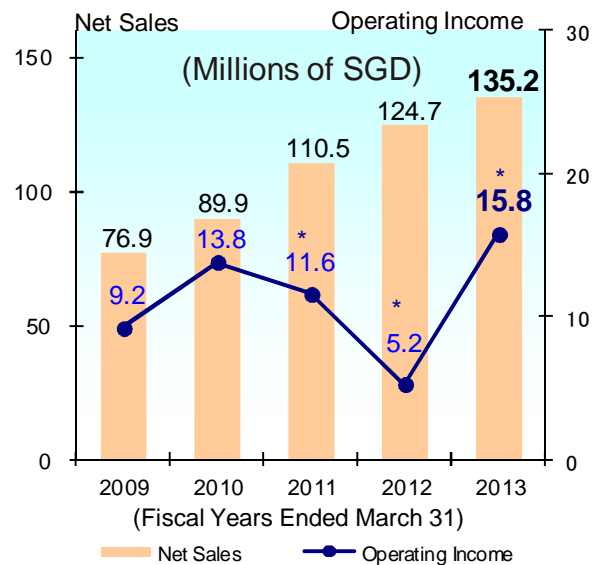
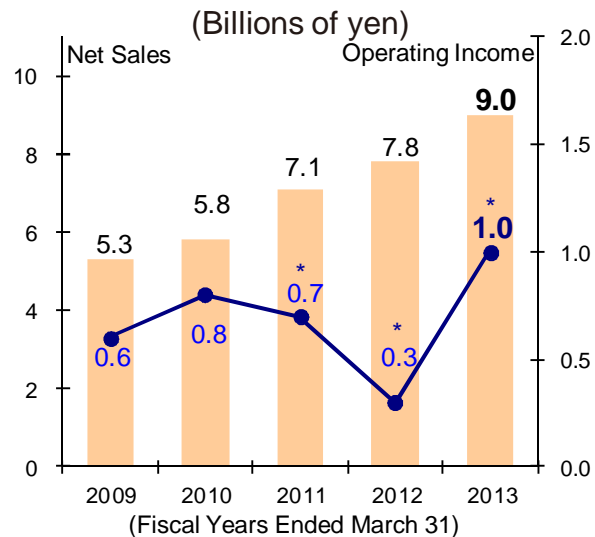
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	(Fiscal Years Ended March 31)		(Billions of yen)
	2013	2012	YOY (Previous period = 100%)
Net Sales	24.4	19.2	126.6%
Operating Income*	2.3	2.3	100.6%

■ On a local currency basis: net sales 118.6%; operating income 94.3%

- Although sales were sluggish in some parts of the Chinese market, sales continued to rise in the hematology and hemostasis fields.
  - Hematology: Despite sluggishness on some bidding projects, sales were up due to sales of system products and the XN.
  - Hemostasis: Sales of instruments and reagents both increased, in line with growing demand for coagulation and fibrin analysis
  - Urinalysis: Sales were up slightly, despite the impact of sluggish sales and the emergence of local competitors.
  - Clinical chemistry: Sales were down due to a delay in sales of certain reagents.
- Operating income was essentially unchanged, with changes in intragroup transaction prices countering double-digit sales increase.

# Geographic Segment Information: AP



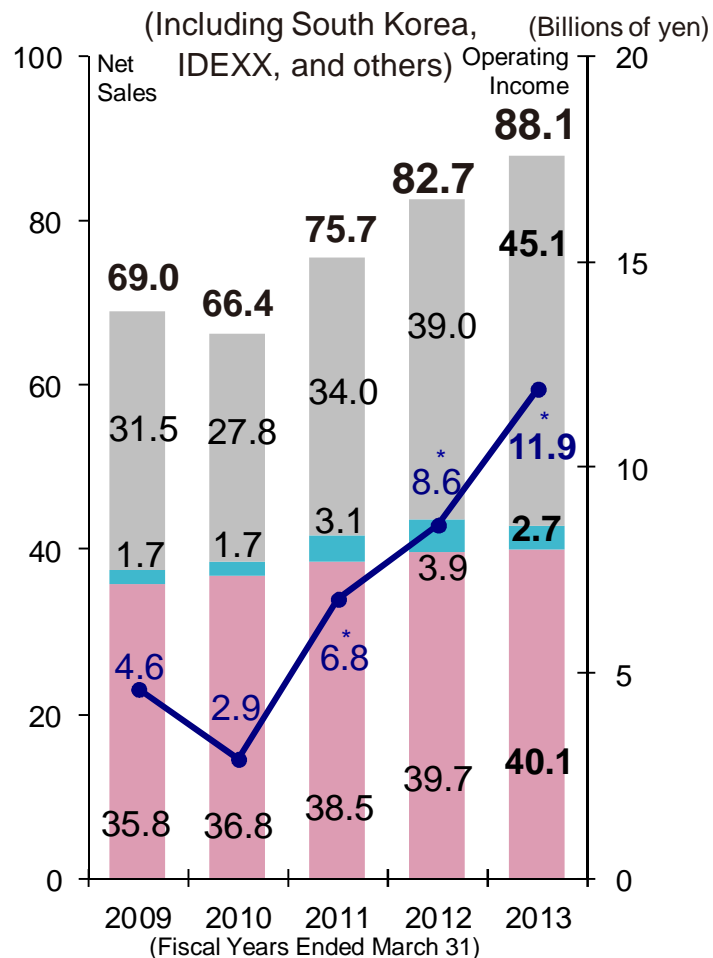
\*Revision in intragroup transaction prices

	(Fiscal Years Ended March 31)		(Billions of yen)
	2013	2012	YOY (Previous period = 100%)
Net Sales	9.0	7.8	114.9%
Operating Income*	1.0	0.3	320.0%

■ On a local currency basis: net sales 108.5%; operating income 302.0%

- Sales increased, owing to progress on transition to direct sales.
  - South Asia: Sales were essentially unchanged for the year, due to delays in renewing distributor agreements in India.
  - Southeast Asia: Sales increased as a result of increased selling volume stemming from the shift to direct selling in the Philippines and Thailand (October)
  - Oceania: Sales were up due to favorable IT-related sales, although bidding projects decreased.
- Operating income increased substantially, due to improved cost of sales ratio and revision in intragroup transaction prices.

# Geographic Segment Information: Japan



- Intra-Area Transfers: Exports to Group affiliates, others
- Sales to Customers: South Korea, IDEXX and others
- Sales to Customers: Japan
- Operating Income

\*Revision in intragroup transaction prices

	(Fiscal Years Ended March 31)		YOY (Previous period = 100%)
	2013	2012	
Net Sales	<b>88.1</b>	82.7	106.5%
Sales to Customers	<b>42.9</b>	43.6	98.4%
Japan	<b>40.1</b>	39.7	101.1%
South Korea, IDEXX and others	<b>2.7</b>	3.9 <sup>*1</sup>	70.4%
Intra-Area Transfers	<b>45.1</b>	39.0	115.6%
Operating Income*	<b>11.9</b>	8.6	137.5%

- Japan: Sales were flat overall, although sales in the hematology field were robust due to solution proposals.
- South Korea, IDEXX and others:
  - Sales were up slightly in South Korea, down for IDEXX.

\*1: Due to a change in commercial distribution, sales in Taiwan were shifted to the Asia Pacific region from the third quarter of the fiscal year ended March 31, 2012.

● Although sales to customers were down, operating income increased substantially due to higher sales to group subsidiaries (overseas) and curtailed SG&A expenses.

## Dividend Forecast

Proposal corresponds to 11th consecutive year of dividend increases



- Expected dividend ¥6 higher than initial year-end dividend forecast of ¥17 (including a ¥4 dividend to commemorate Sysmex's 45th anniversary of establishment)

	Interim Dividend	Year-End Dividend	Total	Dividend Ratio
Fiscal Year Ended March 31, 2013 (Proposed)	¥17	¥23 <small>Note: To be proposed at the 46th Ordinary General Meeting of Shareholders</small>	¥40	29.1%
Fiscal Year Ended March 31, 2012	¥15	¥19	¥34	29.1%

## Chapter 2

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# Review of Previous Mid-Term Management Plan (Announced in May 2011)

# Review of Previous Mid-Term Management Plan (Announced in May 2011)



## Fiscal Year Ended March 31, 2012 (First Year)

- Fell short of targets for net sales and operating income (net sales: 98%, operating income: 94%), due to the impact of yen appreciation
- Excluding the effect of exchange rates, achieved 101% of target for net sales, 103% for operating income

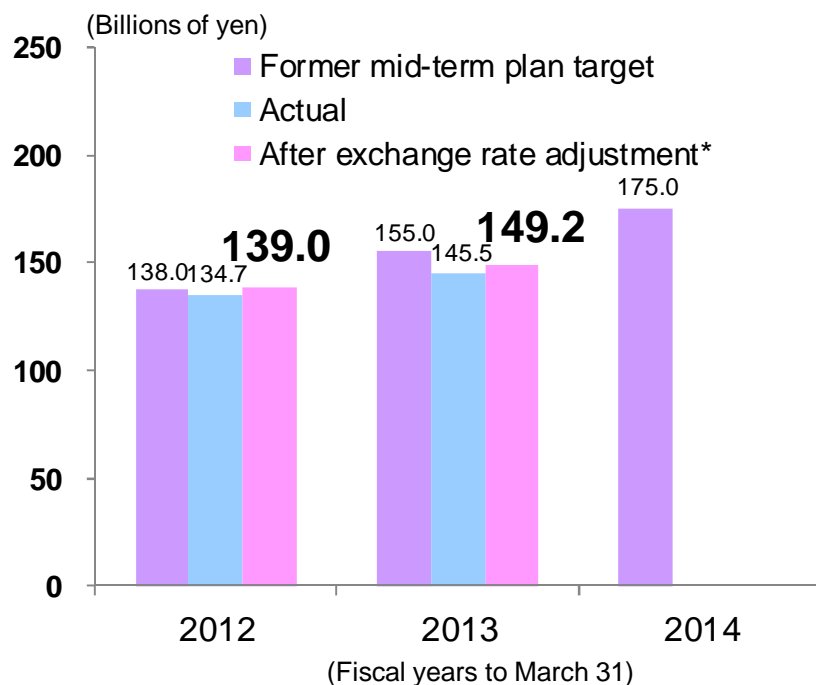
## Fiscal Year Ended March 31, 2013 (Second Year)

- Fell short of targets for net sales and operating income (net sales: 94%, operating income: 94%), due to the impact of yen appreciation and longer-than-expected clearance procedures for the XN-Series and sluggish sales in China
- Excluding the effect of exchange rates, achieved 96% of target for net sales, 101% for operating income

## Exchange Rates

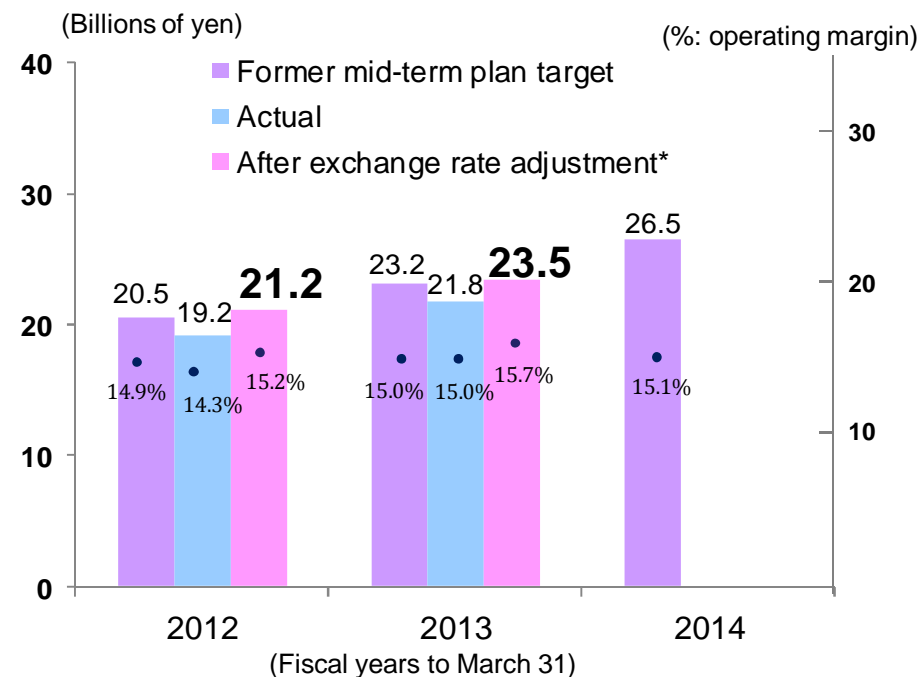
	Former Mid-Term Management Plan Rate	Actual for Fiscal Year Ended March 31, 2012	Actual for Fiscal Year Ended March 31, 2013
USD	¥85.0	¥79.1	¥83.1
EUR	¥115.0	¥109.0	¥107.2

## Net Sales



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## Operating Income



\* Converted at former mid-term plan rates

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# Review of Previous Mid-Term Management Plan (Announced in May 2011)



## 1. Accelerate Growth in Asia and Other Emerging Markets

- Launched XS-500*i* and XP-Series products tailored to emerging market needs
- Expanded sales and support network (Philippines, Taiwan, Thailand, Russia)

## 2. Establish Undisputed Leadership Position and Increase Profitability in Hematology

- Launched the XN-Series globally
- Reinforced solution proposals in high-end markets

## 3. Accelerate Growth in Non-Hematology Fields and Lay the Foundations for Future Expansion

- Sluggish growth in non-hematology fields
- Delays in development of reagent offerings in immunochemistry
- Reconfiguration of scientific support network

## 4. Promote Commercialization of the Life Science Business

- Delays in expanding application of OSNA to other types of cancer and in expanding the sales area

## Chapter 3

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# Mid-Term Management Plan (April 1, 2014 to March 31, 2016)

# Operating Environment



## Macro Environment

### Global Economy

- ▶ Global economy in a recovery phase
  - Advanced countries' economies recovering, and emerging markets maintaining high rates of growth

### Exchange Rate Trends

- ▶ Reversal from state of yen appreciation
  - Recovery in competitiveness of exports by Japanese companies
  - Yen depreciation expanding revenues and profits, but driving up costs of fuel and imported materials

### Structural Changes

- ▶ Response to globalization and high-value-added shift
  - Expansion of FTA/EPA increasing flexibility of funding, capital expenditure, personnel and services
  - Changes in ICT accelerating communications and reducing the importance of national borders

## Healthcare and the IVD Market

### Advanced Countries: Promotion of Healthcare Reforms and More Sophisticated Technologies

- ▶ Accelerating efforts to lower healthcare costs
- ▶ Promotion of regenerative and personalized medicine

### Emerging Markets: Growing Demand in Line with Economic Growth

- ▶ Investment in healthcare infrastructure and increasingly sophisticated healthcare

### Technological Innovation

- ▶ Advances in genetic/molecular diagnostics

### Competitive Environment

- ▶ Companies from other sectors entering the field of healthcare
- ▶ Reorganization of the IVD sector (Danaher acquisition of Beckman Coulter and Iris, etc.)

**Healthcare and IVD markets expected to maintain high rates of growth**

## 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”\*

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

#### ■ Financial target

- Net sales: ¥500 billion

# Core Strategies



## Leading Hematology

(Undisputed Global Leader in Hematology)

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

## Leading in Emerging Markets

(Focus on Emerging Markets)

- Establish uniqueness as a comprehensive IVD supplier
- Introduce products and services that meet emerging market needs, reinforce sales and support networks, and lead the diagnostics development within these countries
- Strengthen the non-hematology business in Asia

## Innovating Life Science

- Create unique testing technologies in the area of molecular diagnostics, centering on cancer
- Create new value through personalized medicine and by integrating therapy with diagnostics

# Mid-Term Management Targets (for the Fiscal Year Ending March 31, 2016)



Growth	Net sales	<b>¥220.0 billion</b>
	CAGR* (Fiscal years to March 31, from 2013 to 2016)	<b>14.8%</b>
Profitability	Operating income	<b>¥40.0 billion</b>
	Operating margin	<b>17.6%</b>
	CAGR* (Fiscal years to March 31, from 2013 to 2016)	<b>22.4%</b>
Efficiency	ROE	<b>15.5%</b>
	Operating cash flow	<b>¥35.0 billion</b>
	Free cash flow	<b>¥20.0 billion</b>

#### Assumed Exchange Rates

Currency	Exchange Rate
1USD	¥95.0
1EUR	¥125.0
1CNY	¥15.0
1SGD	¥76.0

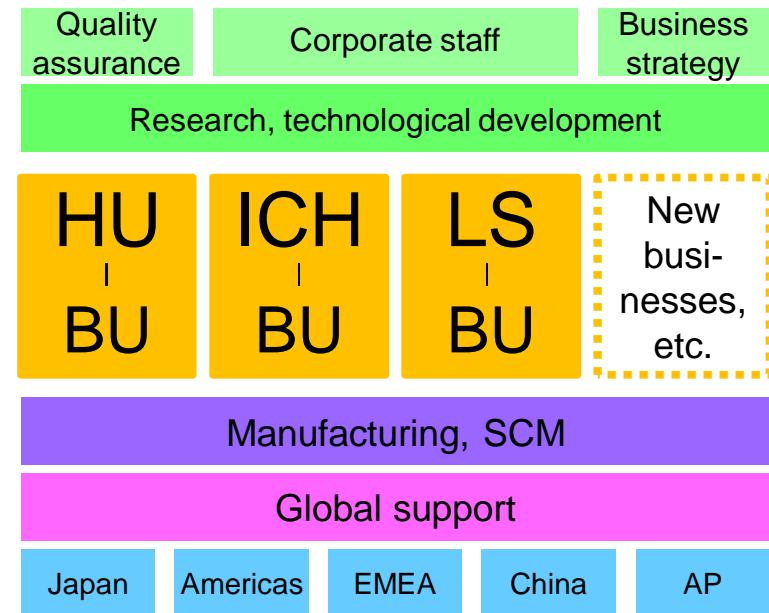
\* Compound annual growth rate

# Reforms in the Organizational Structure



## Promote Reforms in the Business Structure by Adopting a Business Unit Structure

- **Structure and process reorganization from a business perspective**
  - HU Business Unit (hematology, urinalysis fields)
  - ICH Business Unit (immunochemistry, clinical chemistry, hemostasis fields)
  - LS Business Unit (life science field)
- **Overall management of strategic planning, product development and product introductions**
- **In each field of business, bolster the level of specialization, and accelerate sales and support initiatives**



- **In each field of testing, augment level of specialization and achieve overall management**
- **Increase speed of decision-making and execution**

# Key Objectives

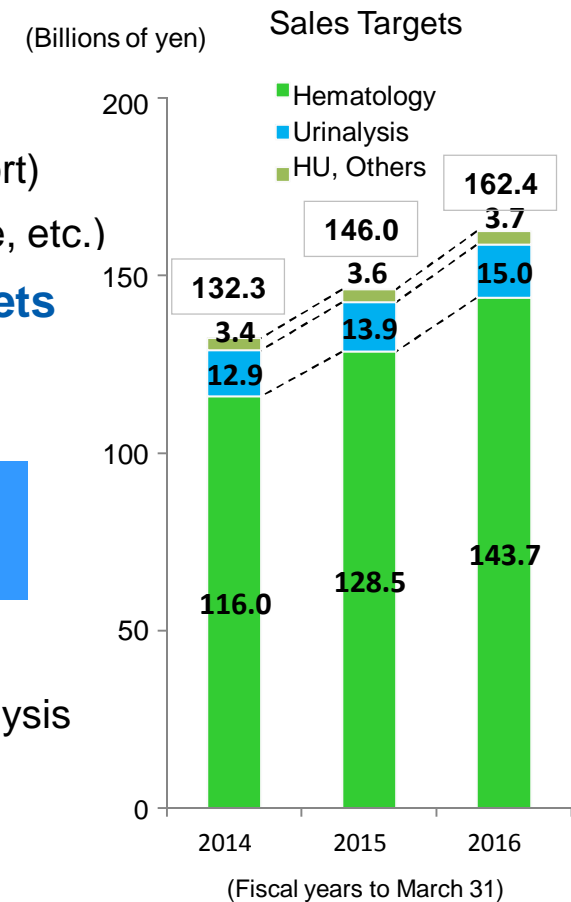


## (1) Enhance undisputed leadership position and increase profitability in hematology (HU-BU)

- **Full-fledged global promotion of the XN-Series**
  - ▶ Promote efficiency through consolidation of instrument types sold (XN)  
(More efficient manufacturing, logistics, and sales and support)
  - ▶ Strengthen response to infectious diseases (malaria, dengue, etc.)
- **Strengthen sales of the XP-Series in emerging markets**
  - ▶ Evoke demand in markets not yet cultivated

## (2) Maintain growth rate in urinalysis field and augment our product portfolio (HU-BU)

- **Accelerate introduction of the UX-2000**
  - ▶ Raise efficiency by integrating chemistry and sediment urinalysis
- **Strengthen sales globally through alliance activities**



# Key Objectives



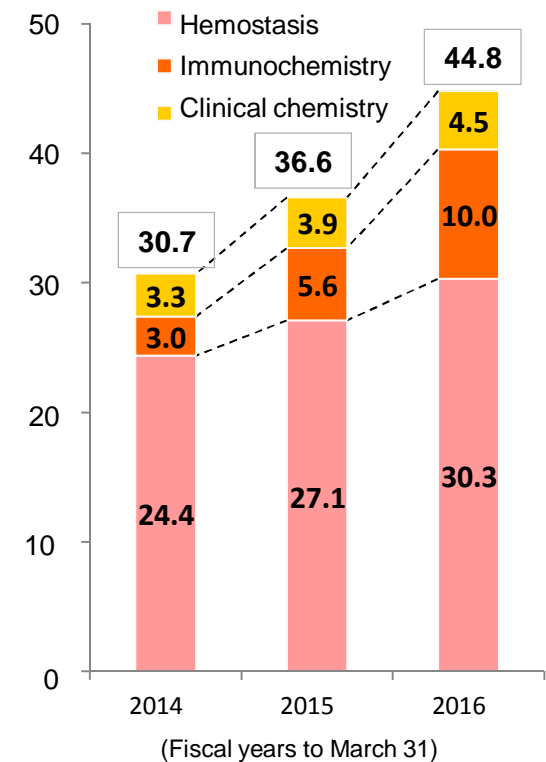
## (3) Achieve high level of growth in the field of immunochemistry by rapidly developing business in Asia (ICH-BU)

- **Full-fledged launch of HISCL-Series**
  - ▶ Expand sales of the HISCL-Series through sales and support initiatives that leverage specialization, such as scientific support
  - ▶ Quickly launch characteristic testing parameters (reagents)
  - ▶ Full-fledged participation in immunochemistry business in China and AP region

## (4) Achieve sustained growth by reinforcing our product portfolio in the hemostasis field (ICH-BU)

- **Accelerate market introduction of CS-Series**
  - ▶ Maintain high growth in line with emerging market expansion
  - ▶ Expand sales of CS-Series in the United States
  - ▶ Augment presence through alliance activities

(Billions of yen) Sales Targets

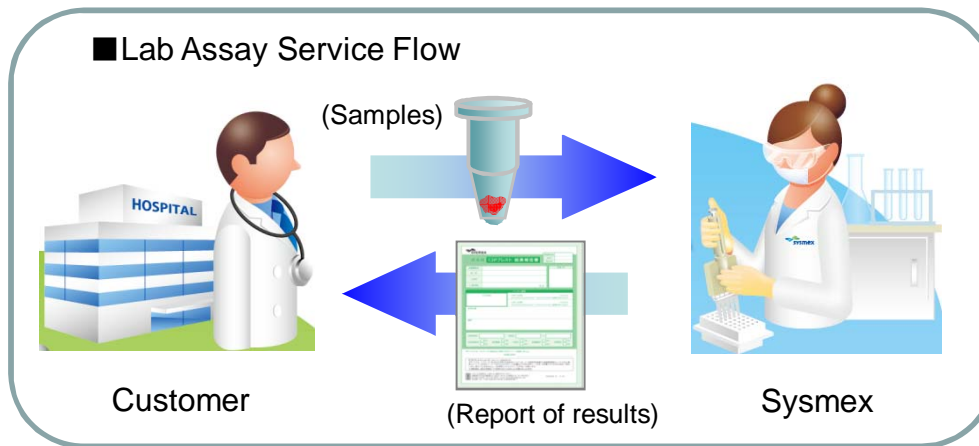
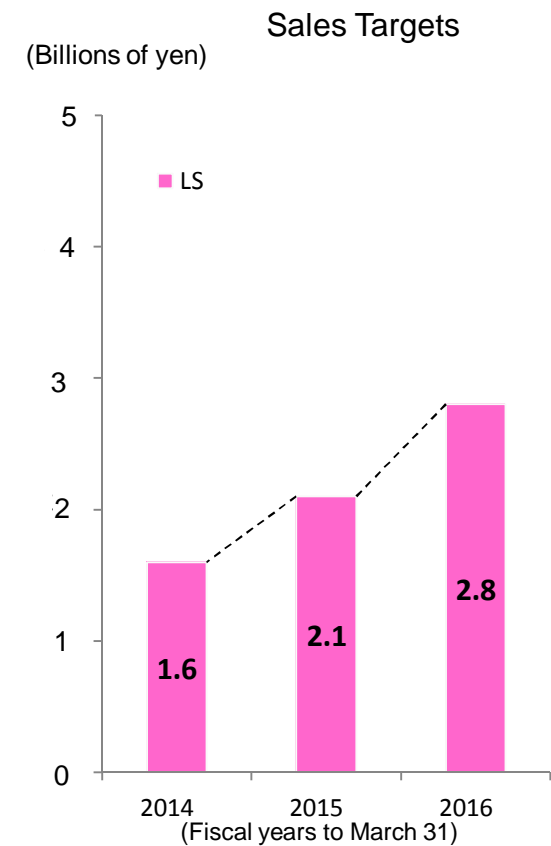


## (5) Accelerate commercialization in the OSNA business and lab assay \* business (LS-BU)

- **Expand the OSNA business globally**
  - ▶ Expand OSNA sales region overseas
  - ▶ Increase types of cancer to which applicable
- **Quickly establish the lab assay business**
  - ▶ Search for clinical testing service parameters, verify customer value, and commercialize quickly



RD-100j



\*Provision of laboratory testing results as services

# Key Objectives



**(6) Strengthen global R&D initiatives to contribute to personalized medicine and integrate therapy with diagnostics**

**(7) Achieve increases in efficiency and profitability through global supply chain management reforms, and enhance system to provide a stable supply of products by expanding factories**

**(8) Reinforce global regulatory affairs structure to enable flexible response to fast-changing regulations**

**(9) Recruit and train personnel to accelerate business structure reform**

**(10) Prepare for IFRS application, and realize business process alignment and visualization through BPM\* initiatives**

## Chapter 4

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# Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2014

# Consolidated Earnings Forecast



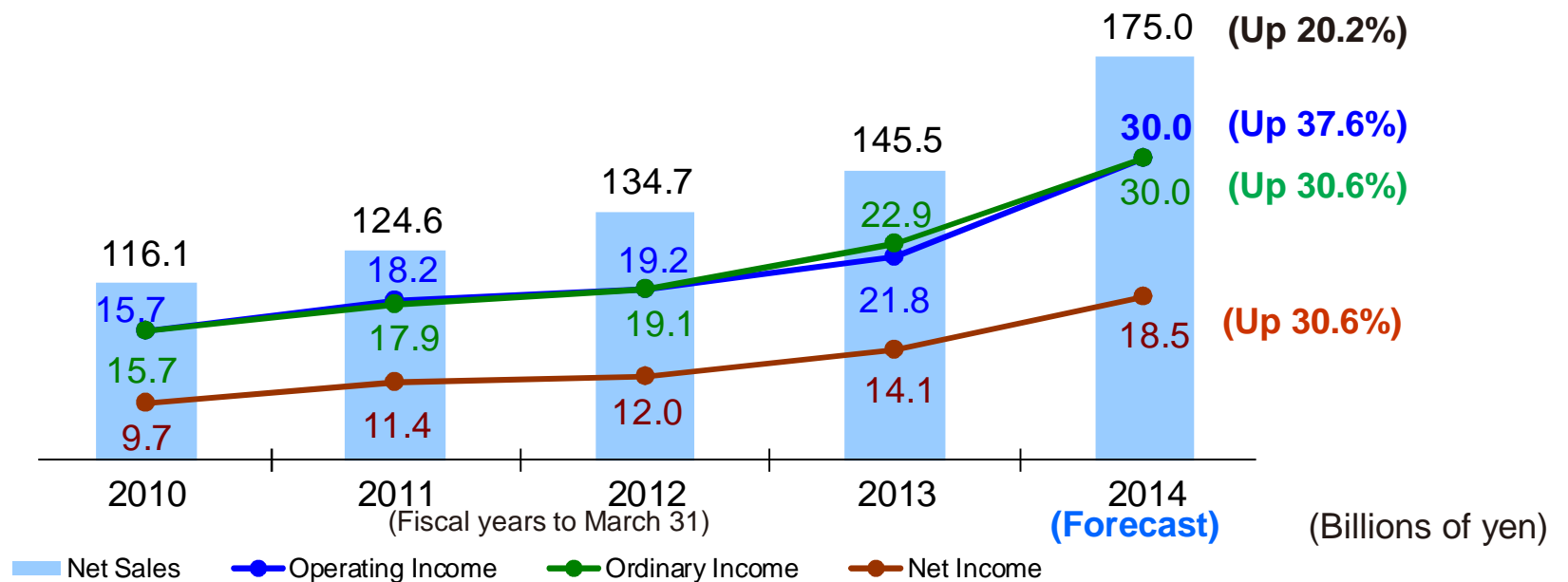
## Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2014

● Net Sales: **¥175.0 billion**    ● Operating Income: **¥30.0 billion**    ● Ordinary Income: **¥30.0 billion**    ● Net Income: **¥18.5 billion**  
 ● Operating Margin: **17.1%**    ● Ordinary Margin: **17.1%**    ● Net Income Margin: **10.6%**

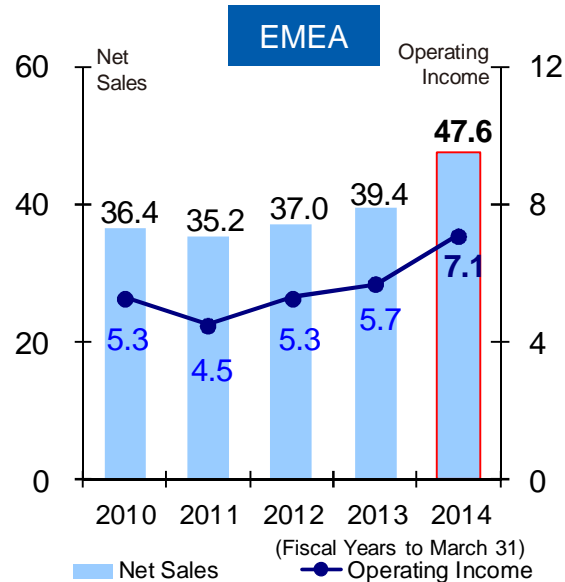
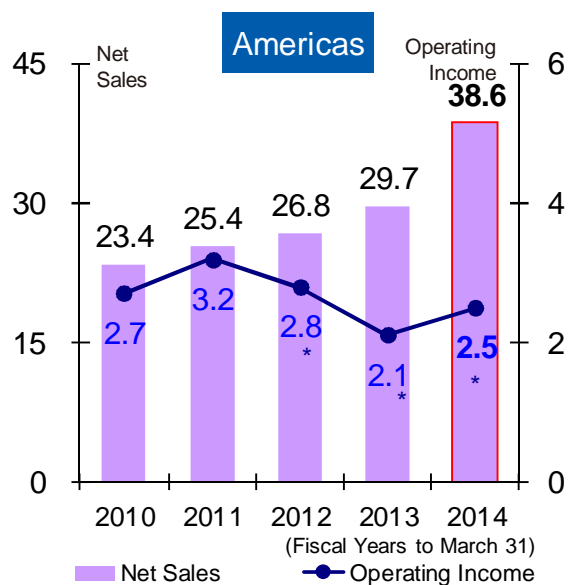
### Planned Investment

● Capital Expenditure: **¥12.0 billion**    ● Depreciation and Amortization: **¥8.5 billion**    ● R&D Expenditure: **¥15.0 billion**

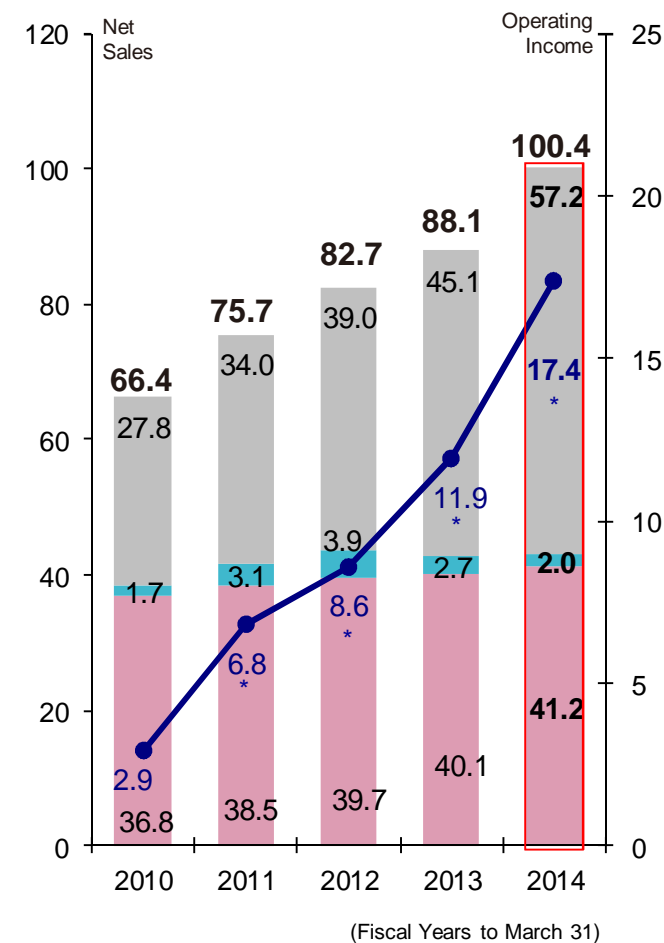
Assumed exchange rates: 1USD = ¥95.0 1EUR = ¥125.0  
 (Actual for fiscal year ended March 31, 2013: 1USD = ¥83.1 1EUR = ¥107.2)



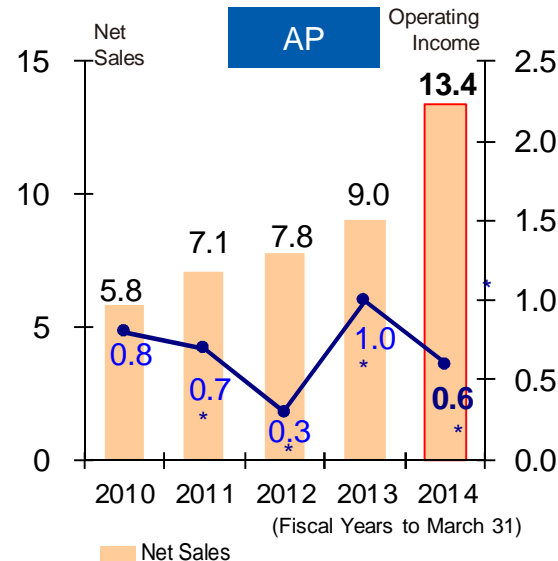
# Financial Targets: Sales and Operating Income by Region



### Japan (Billions of yen)



- Intra-area Transfers: Exports to Group Subsidiaries
- Sales to Customers: IDEXX and Others
- Sales to Customers: Japan
- Operating Income



# Dividend Policy and Dividend Forecast



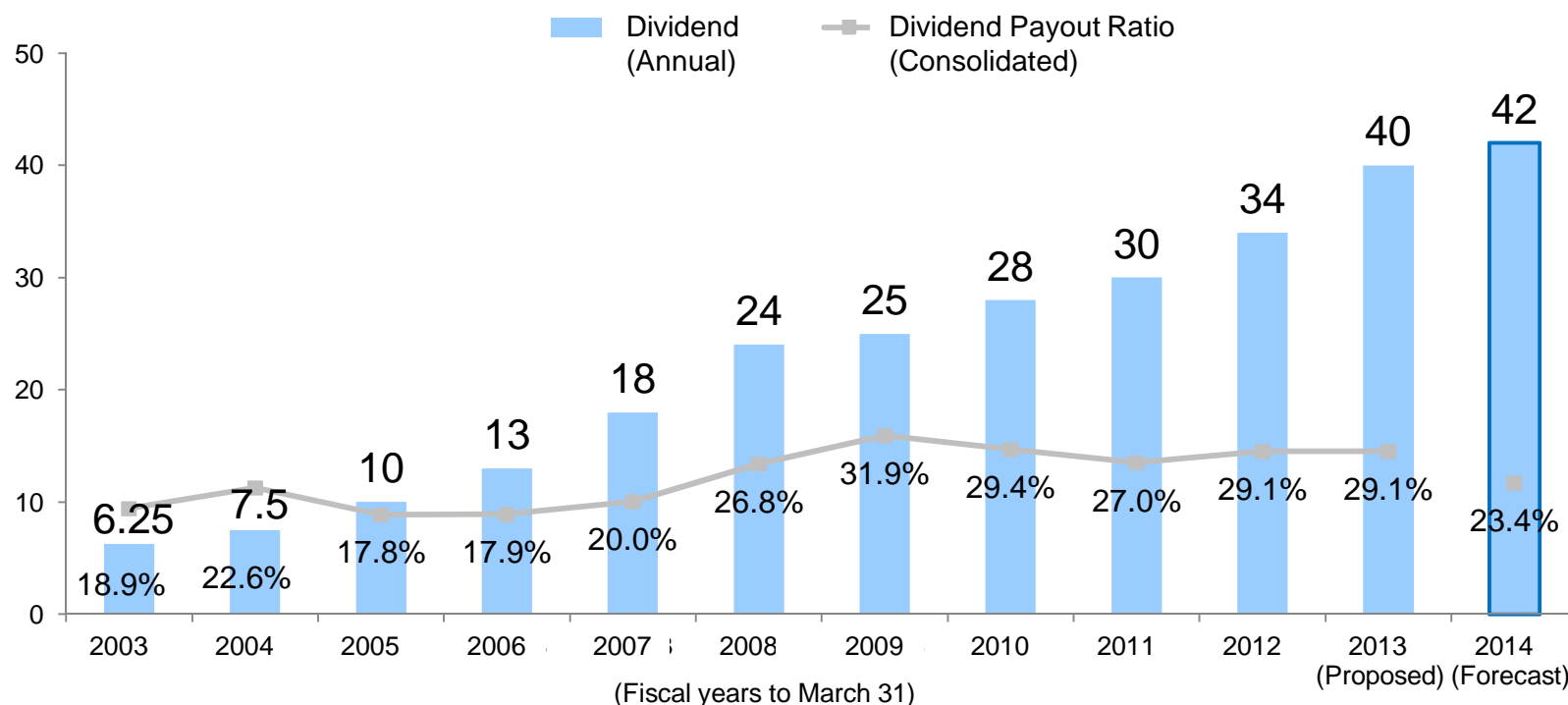
**Forecast corresponds to 12th consecutive year of dividend increases**

Sysmex aims to maintain a proper balance between aggressive investment, which is designed to sustain steady high growth, and returns to our shareholders as our earning power increases. In terms of returns to shareholders, we intend to provide a stable dividend on a continuous basis and aim for a consolidated payout ratio of 20% under our basic policy of sharing the successes of our operations in line with business performance.

Figures adjusted for stock splits

Notes: Two-for-one stock split conducted on November 18, 2005  
Two-for-one stock split conducted on April 1, 2011

(Yen)



## Appendix

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# Mid-Term Management Targets

# Mid-Term Management Targets



- Consolidated Statements of Income

		(Fiscal years to March 31)			(Billions of yen)	
		2014	2015		2016	
				YoY (Previous period = 100%)		YoY (Previous period = 100%)
	Japan	41.2	43.4	105.3%	46.5	107.1%
	Overseas	133.8	151.6	113.3%	173.5	114.4%
Net Sales		175.0	195.0	111.4%	220.0	112.8%
Operating Income		30.0	34.0	113.3%	40.0	117.6%
Operating Margin		17.1%	17.4%	-	18.2%	-
Ordinary Income		30.0	34.0	113.3%	40.0	117.6%
Net Income		18.5	21.0	113.5%	24.8	118.1%

- Net Sales and Operating Income by Geographic Region

Region	Category	2014	2015	YoY (Previous period = 100%)	2016	YoY (Previous period = 100%)
Japan	Sales to Customers	43.2	45.8	106.0%	49.1	107.2%
	Intra-Area Transfers	57.2	64.6	112.9%	75.1	116.3%
	Sales	100.4	110.4	109.9%	124.2	112.5%
	Operating Income	17.4	18.3	105.1%	21.5	117.5%
	Operating Margin	17.3%	16.6%	-	17.3%	-
Americas	Sales to Customers	38.6	43.7	113.2%	50.3	115.1%
	Operating Income	2.5	3.0	120.0%	3.7	123.3%
	Operating Margin	6.5%	6.9%	-	7.4%	-
EMEA	Sales to Customers	47.6	50.2	105.5%	52.8	105.2%
	Operating Income	7.1	7.8	109.9%	8.6	110.3%
	Operating Margin	14.7%	15.4%	-	16.0%	-
China	Sales to Customers	32.2	40.1	124.5%	50.1	124.9%
	Operating Income	3.0	3.9	130.0%	4.7	120.5%
	Operating Margin	9.3%	9.7%	-	9.4%	-
AP	Sales to Customers	13.4	15.2	113.4%	17.7	116.4%
	Operating Income	0.6	0.9	150.0%	1.3	144.4%
	Operating Margin	4.4%	5.8%	-	7.2%	-

# Mid-Term Management Targets



## ● Net Sales by Business

(Fiscal years to March 31)

(Billions of yen)

	2014		2015			2016		
	Sales	Ratio	Sales	Ratio	YOY (Previous period = 100%)	Sales	Ratio	YOY (Previous period = 100%)
HU-BU	132.3	75.6%	146.0	74.9%	110.4%	162.4	73.8%	111.2%
Hematology	116.0	66.3%	128.5	65.9%	110.8%	143.7	65.3%	111.8%
Urinalysis	12.9	7.4%	13.9	7.1%	107.8%	15.0	6.8%	107.9%
Others* <sup>1</sup>	3.4	1.9%	3.6	1.8%	105.9%	3.7	1.7%	102.8%
ICH-BU	30.7	17.5%	36.6	18.8%	119.2%	44.8	20.4%	122.4%
Hemostasis	24.4	13.9%	27.1	13.9%	111.1%	30.3	13.8%	111.8%
Immunochemistry	3.0	1.7%	5.6	2.9%	186.7%	10.0	4.5%	178.6%
Clinical Chemistry	3.3	1.9%	3.9	2.0%	118.2%	4.5	2.0%	115.4%
Other IVD* <sup>2</sup>	7.4	4.2%	6.9	3.5%	93.2%	6.3	2.9%	91.3%
IVD Subtotal	170.4	97.4%	189.5	97.2%	111.2%	213.5	97.0%	112.7%
LS-BU	1.6	0.9%	2.1	1.1%	131.3%	2.8	1.3%	133.3%
New Business, Others	3.0	1.7%	3.4	1.7%	113.3%	3.7	1.7%	108.8%
<b>Total Net Sales</b>	<b>175.0</b>	<b>100.0%</b>	<b>195.0</b>	<b>100.0%</b>	<b>111.4%</b>	<b>220.0</b>	<b>100.0%</b>	<b>112.8%</b>

\*1: Laboratory Information Systems, others

\*2: Sales of third-party products, others

# Mid-Term Management Targets



## ● Planned Investment

	(Fiscal years to March 31)		(Billions of yen)
	2014	2015	2016
Capital Expenditure	12.0	10.0	12.0
Depreciation and Amortization	8.5	10.0	10.0
R&D Expenditure	15.0	17.5	20.0

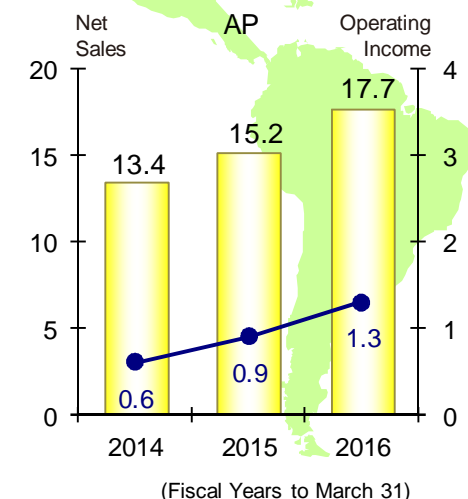
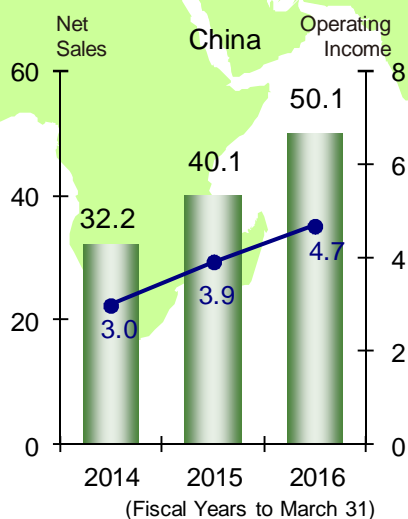
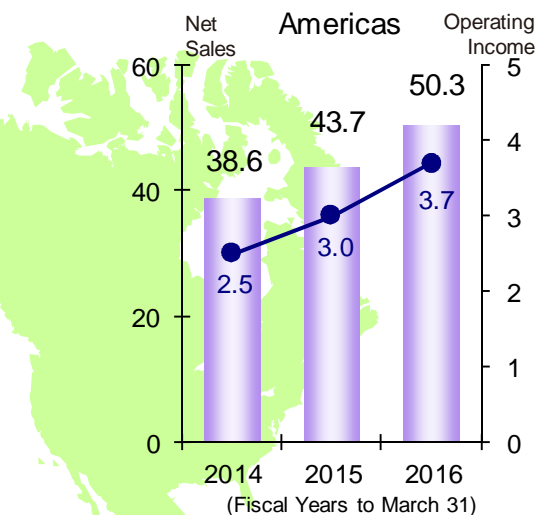
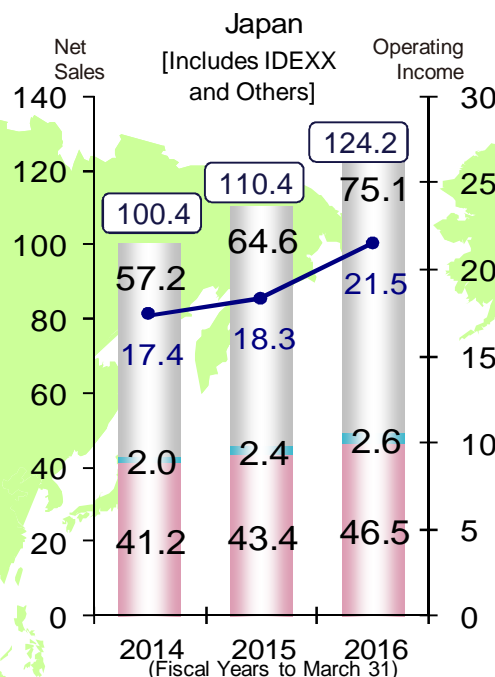
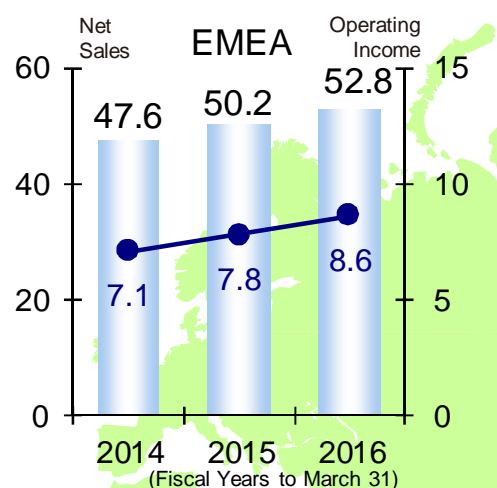
## ● Exchange Rates

	(Fiscal years to March 31)		
	2014	2015	2016
1USD		¥95.0	
1EUR		¥125.0	
1CNY		¥15.0	
1SGD		¥76.0	

# Mid-Term Management Targets: Sales and Operating Income by Geographical Region



(Billions of yen)



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



**We Believe the Possibilities.**

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