

**Consolidated Financial Statements for the Six Months Ended June 30, 2010
(Japanese GAAP base)**

August 4, 2010

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 Scheduled date of the quarterly consolidated financial statements submission: August 13, 2010
 Scheduled date of interim dividend payment: August 30, 2010

(Figures have been rounded down to the nearest million yen)

1. Consolidated Results for the Six Months Ended June 30, 2010 (January 1, 2010 - June 30, 2010)

(1) Consolidated Operating Results (Percentages represent changes from the corresponding period in the previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended 6/30/10	55,101	12.4	4,606	184.6	4,636	171.1	3,006	194.6
Six months ended 6/30/09	49,031	—	1,618	—	1,710	—	1,020	—

	Net Income per Share		Net Income per Share (Diluted)	
	Yen	Yen	Yen	Yen
Six months ended 6/30/10	71.09		70.96	
Six months ended 6/30/09	24.14		24.11	

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of 6/30/10	131,208	79,819	60.7	1,884.38
As of 12/31/09	129,580	79,977	61.7	1,889.58

(Reference) Net assets excluding subscription rights to shares and minority interests in consolidated subsidiaries
 As of June 30, 2010: ¥ 79,690 million; As of December 31, 2009: ¥ 79,906 million.

2. Dividends

	Dividend per share				
	First quarter	Second quarter	Third quarter	Year end	Total
Year ended 12/31/09	— Yen	6.00 Yen	— Yen	7.00 Yen	13.00 Yen
Year ending 12/31/10	—	6.00			
Year ending 12/31/10 (Forecast)			—	9.00	15.00

(Note) Revision of cash dividend forecast during this period: None

3. Consolidated Forecast for the Year Ending December 31, 2010 (January 1, 2010 - December 31, 2010)

(Percentages represent changes from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	114,000	9.1	9,000	75.0	8,500	61.2	5,200	64.5	122.96

(Note) Revision of consolidated forecast during this period: Yes

4. Others (Please see "2. Other Information" on page 5 for further details.)

- (1) Changes in significant subsidiaries which affected the scope of consolidation during the current period: None
- (2) Adoption of simplified financial accounting procedures and specific accounting procedures for presenting quarterly consolidated financial statements: Yes
- (3) Changes of accounting principles, procedures and disclosures for presenting quarterly consolidated financial statements
 - (a) Changes due to revisions in accounting standards: Yes
 - (b) Changes other than the above: Yes
- (4) Number of shares outstanding (common stock)

	<u>June 30, 2010</u>	<u>December 31, 2009</u>
(a) Shares issued (including treasury stock)	42,532,752	42,532,752
(b) Treasury stock	243,000	244,951
	<u>Jan. - Jun. 2010</u>	<u>Jan. - Jun. 2009</u>
(c) The average number of outstanding shares during six months ended FY2010 and FY2009	42,289,655	42,284,456

Note 1. Indication regarding implementation status of quarterly review procedures

These quarterly financial statements have not been prepared for the purpose of quarterly review procedures pursuant to the Financial Instruments and Exchange Act (FIEA). Review procedures for quarterly financial statements were in the process of being implemented as of the release of these quarterly financial statements.

Note 2. Appropriate use of business forecasts and other important information

The business forecasts stated herein are based on information currently available and certain assumptions for factors which may affect business results. Actual results may differ from the forecasts due to a range of factors. For additional information, please see page 4, "1. (3) Qualitative information concerning forecast of consolidated financial results for FY2010".

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1. Qualitative Information Concerning Consolidated Financial Results

(1) Qualitative Information Concerning Consolidated Financial Results

(For details see page 14-16, HORIBA, Ltd. Financial Highlights for the Six Months Ended June 30, 2010)

During the six months ended June 30, 2010 (the second quarter), the Japanese economy steadily improved mainly due to an improvement in overseas economies and the effect of various economic measures. However, conditions remained challenging, with the unemployment rate trending at a high level.

In the face of these economic conditions, HORIBA, Ltd. ("the Company") and its consolidated subsidiaries (together "the HORIBA Group" or "HORIBA" as a consolidated group) were adversely influenced by the curbing of investment in the automobile industry. However, since capital investment in the semiconductor market recovered, sales amounted to 55,101 million yen, up 12.4% from a year earlier. Profits were pushed down by a drop in selling prices caused by the appreciation of the yen against major currencies and intensifying competition, but profits grew in tandem with higher sales in the Semiconductor Instruments and Systems segment. As a result, operating income reached 4,606 million yen, marking an increase of 184.6%.

Ordinary income, which benefited from the increase in operating income as well as a decline in interest payable and an improvement in the net foreign exchange balance, grew 171.1% year on year, to 4,636 million yen.

Net income rose 194.6% year on year to 3,006 million yen, due in part to the increase in ordinary income and a reaction to the posting of a loss on valuation of inventories in the beginning of the previous fiscal year.

The operating results of each business segment are summarized as follows.

(Automotive Test Systems)

Sales were weak because of the impact of investment cutbacks in the automotive industry in Japan and the United States. Overseas sales also decreased in value on conversion to yen and profits deteriorated due to the strength of the yen on foreign exchange market. As a result, segment sales amounted to 15,113 million yen, down 17.7% year on year, and the segment reported an operating loss of 168 million yen, versus an operating profit of 1,394 million yen a year earlier.

(Analytical Instruments & Systems)

Overseas sales declined in yen on conversion to yen, as the yen appreciated against other currencies, and investments stemming from economic measures introduced by national governments in Europe and the United States tapered off, resulting in weak sales. In contrast, domestic sales were robust thanks to the expansion of government expenditure-related investment. Consequently, sales in this segment edged up 0.5% year on year to 15,654 million yen, and operating income grew 12.9% to 639 million yen.

(Medical-Diagnostic Instruments & Systems)

Sales declined on conversion to yen in Europe because of the strong yen, but sales of hematology analyzers remained brisk in Japan and the United States. Moreover, sales of testing reagents increased in tandem with the installed base of instruments. In light of these factors, segment sales reached 11,127 million yen, up 3.9% year on year, and operating income rose 39.8% to 1,090 million yen.

(Semiconductor Instruments & Systems)

Sales recovered strongly mainly in the case of mass flow controllers, reflecting growth in capital investment by manufacturers of production equipment for silicon semiconductors and light-emitting diodes (LEDs), which saw a rapid recovery from the second half of last year. In response, sales surged 201.7% year on year to 13,206 million yen while operating income reached 3,043 million yen, compared to an operating loss of 1,123 million yen a year earlier.

(2) Qualitative Information Concerning Consolidated Financial Position

(a) Analysis of Assets, Liabilities and Net Assets

During FY2010 first six months, total assets increased 1,627 million yen from the level at the end of the preceding fiscal year, to 131,208 million yen. Trade notes and accounts receivable decreased by 2,315 million yen and property, plant and equipment by 1,289 million yen. On the other hand, cash and bank deposits increased by 2,866 million yen and marketable securities by 1,862 million yen.

Total liabilities increased 1,785 million yen from the level at the end of the preceding fiscal year, to 51,389 million yen. The increase in trade notes and accounts payable (2,722 million yen) and accrued income taxes (1,098 million yen) were more than offset the reduction in short-term loans payable (796 million yen), accounts payable - other (628 million yen) and long-term loans payable (502 million yen).

Net assets decreased by 157 million yen from the level at the end of the preceding fiscal year to 79,819 million yen, due mainly to an increase of 2,705 million yen in retained earnings, which was offset by a decrease of 2,671 million yen in foreign currency translation adjustments and a decrease of 257 million yen in net unrealized holding gains on securities.

(b) Cash Flow

During FY2010 first six months, cash and cash equivalents increased 4,946 million yen from the amount at the end of fiscal 2009 to 32,537 million yen.

Major reasons for change in cash flow during the FY2010 first six months were as follows.

Net cash provided by operating activities amounted to 8,188 million yen, owing to income before income taxes for the first six months and an increase in trade notes and accounts payable (during FY2009 first six months, the amount provided by operating activities was 9,477 million yen).

Net cash used in investment activities was 1,638 million yen mainly due to payments for purchase of property, plant and equipment (during FY2009 first six months, the amount used in investing activities was 3,243 million yen).

Net cash used in financing activities, reflecting cash dividends paid and repayments of long-term debt, among other factors, were 434 million yen (during FY2009 first six months, the amount used in financial activities was 3,270 million yen).

(3) Qualitative Information Concerning Forecast of Consolidated Financial Results for FY2010

With consideration given to the latest earnings trend, the Company forecasts for the FY2010 full year on a consolidated basis are as follows.

Cumulative consolidated forecast of FY2010 full year

(Unit: millions of yen)

	Previous forecast (As of May 10)	Revised forecast (As of Aug. 4)	Changes
Net sales	118,000	114,000	-4,000
Operating income	8,500	9,000	+500
Ordinary income	7,800	8,500	+700
Net income	5,000	5,200	+200

Cumulative consolidated forecast of FY2010 full year by Segment

Net sales (Unit: millions of yen)				Operating income (Unit: millions of yen)			
	Previous forecast (As of May 10)	Revised forecast (As of Aug. 4)	Changes		Previous forecast (As of May 10)	Revised forecast (As of Aug. 4)	Changes
Automotive	36,000	36,000	-	Automotive	600	600	-
Analytical	35,000	31,500	-3,500	Analytical	1,500	1,300	-200
Medical	24,000	21,500	-2,500	Medical	2,100	1,800	-300
Semiconductor	23,000	25,000	+2,000	Semiconductor	4,300	5,300	+1,000
Total	118,000	114,000	-4,000	Total	8,500	9,000	+500

Regarding consolidated earnings forecasts for the full year, although the trend in demand at semiconductor production equipment makers is likely to remain robust, capital investment and R&D expenditure have continued to be restrained in the private sector, and the yen is projected to remain strong against other currencies. Therefore, HORIBA has revised down its consolidated sales forecast by 4,000 million yen. Regarding profit, although there is negative impact from the strength of the yen on foreign exchange market, after taking into account mainly the degree of progress during the first six months of the current fiscal year and sales increase in the Semiconductor Instruments & Systems segment, we have revised up our forecasts for operating income by 500 million yen, ordinary income by 700 million yen, and net income by 200 million yen.

By segment, for the Medical-Diagnostic Instruments & Systems segment, we have revised down our forecasts for sales by 2,500 million yen and operating income by 300 million yen. This reflects the fact that sales at overseas subsidiaries are expected to decline on conversion to yen because of the strength of the yen. For the Analytical Instruments & Systems segment, we have lowered our sales and operating income forecasts by 3,500 million yen and 200 million yen, respectively, as we expect the yen to be strong on exchange markets and capital expenditure have continued to be restrained in the private sector. On the other hand, for the Semiconductor Instruments & Systems segment, as demand should remain vigorous from the third quarter onward, we have revised up our sales and operating income forecasts by 2,000 million yen and 1,000 million yen, respectively. For the Automotive Test Systems segment, we have retained our previous forecasts.

We have not changed our non-consolidated earnings forecasts or dividend forecasts in the current fiscal year.

(Note) The expected dividend amount and forecast for business results have been made on the basis of information available as of August 4, 2010. However owing to the existence of various uncertain elements, it is possible that actual performance will vary considerably from the forecasts. The major risk factors are as follows, but are not limited to these.

Business risks:

Risks associated with international business activities including a loss from fluctuation of currency exchange rates; changes in performance or financial position associated with acquisitions or alliances; repairs of facilities following natural disasters and associated delays in delivery; risks associated with contracts and transactions; laws and regulations; and other business risks

Risks associated with development and production:

Compensation for product liability; delays in development of new products; risks concerning intellectual property right; and risks concerning fluctuation in raw material prices

Financial risks:

Shifts in the market price of securities or other assets; and reversal of deferred tax assets resulting from changes in systems or accounting policies

2. Other Information

(1) Summary of changes in significant subsidiaries during current period

None

(2) Summary of simplified accounting procedures and specific accounting procedures

(a) Simplified accounting procedures

(i) Simplified accounting procedure for valuation of inventories

Values of inventories at the end of the second quarter were calculated by using a reasonable method based on the actual balance of inventories at the end of the previous year. Physical inventory at the end of the second quarter was not taken.

(ii) Calculation method for depreciation of tangible fixed assets

As for tangible fixed assets which are depreciated using the declining-balance method, the depreciation expenses for the period are based on the annual estimated depreciation which is evenly divided over the year.

(b) Special accounting procedure for presenting quarterly consolidated financial statements

None

(3) Summary of changes in accounting principles, procedures and disclosures

(a) Application of accounting standard relating to construction contracts

With regard to the standards for recording income relating to contract works, the Company previously applied mainly the completed contract method. However, beginning in the first quarter of fiscal 2010, the Company has applied the Accounting Standard for Construction Contracts (ASBJ Statement No. 15, December 27, 2007) and Guidance on Accounting Standard for Construction Contracts (ASBJ Guidance No. 18, December 27, 2007). Accordingly, starting with construction contracts that commenced during the first quarter of fiscal 2010, the Company has applied the percentage of completion method (estimation of the rate of construction progress is based on the percentage of the cost incurred to the estimated total cost) in the case of construction where the outcome of the construction activity progressed up to the end of the second quarter of fiscal 2010 is deemed certain. In the case of other construction, the completed contract method has been applied. This application had no impact on sales, operating income, ordinary income and income before income taxes.

(b) Change in method of presentation

(Quarterly Consolidated Balance Sheet)

“Software,” which was presented within “Other intangibles” under intangible fixed assets in the second quarter of fiscal 2009, has been presented as a separate category due to its increased importance in the second quarter of fiscal 2010. “Software” included in “Other intangibles” for the first six months of the prior fiscal year amounted to 6,034 million yen.

(Additional information)

At one domestic consolidated subsidiary, the method for calculating retirement benefit liabilities changed from the simplified method to the “rule method”, beginning in the fourth quarter of fiscal 2009, to enable accounting treatment relating to retirement benefits to be conducted more appropriately. Consequently, the method for calculating retirement benefit liabilities in FY2009 first six months differs from that used in FY2010 first six months. As a result, when compared with the use of the changed method, operating income, ordinary income, and income before income taxes in FY2009 first six months increased by 3 million yen.

Its impact on the segment information is described in the relevant section.

(4) Summary of significant events related to going concern

None

5. Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

Amount: millions of yen

	FY2010 second quarter (As of June 30, 2010)	FY2009 (As of December 31, 2009)
Assets		
Current Assets:		
Cash and bank deposits	24,386	21,520
Trade notes and accounts receivable	32,196	34,511
Marketable securities	8,327	6,465
Merchandise and finished goods	8,358	7,809
Work in process	8,659	8,468
Raw materials and supplies	7,766	7,086
Deferred tax assets	2,700	2,080
Other current assets	1,923	2,788
Allowance for doubtful receivables	(538)	(825)
Total Current Assets	93,780	89,904
Fixed Assets:		
Property, Plant and Equipment:		
Buildings and structures, net	8,851	9,604
Machinery, equipment and vehicles, net	3,470	3,985
Land	7,045	7,153
Construction in progress	333	156
Other property, plant and equipment, net	2,612	2,702
Total Property, Plant and Equipment	22,312	23,602
Intangibles:		
Goodwill	224	293
Software	5,294	5,727
Other intangibles	469	563
Total Intangibles	5,988	6,585
Investments and Other Non-Current Assets:		
Investment securities	3,942	4,482
Deferred tax assets	2,102	2,216
Other investments and other assets	3,371	2,923
Allowance for doubtful accounts	(289)	(133)
Total investments and other non-current assets	9,125	9,488
Total Fixed Assets	37,427	39,676
Total Assets	131,208	129,580

Amount: millions of yen

	FY2010 second quarter (As of June 30, 2010)	FY2009 (As of December 31, 2009)
Liabilities		
Current Liabilities:		
Trade notes and accounts payable	13,289	10,567
Short-term loans payable	5,821	6,618
Accounts payable - other	7,774	8,403
Accrued income taxes	1,764	666
Deferred tax liabilities	68	24
Accrued bonuses to employees	592	835
Accrued bonuses to directors and corporate auditors	112	16
Reserve for product warranty	866	898
Other current liabilities	6,351	6,153
Total Current Liabilities	36,642	34,183
Non-Current Liabilities:		
Corporate bonds	10,000	10,000
Long-term loans payable	1,227	1,730
Deferred tax liabilities	103	30
Employees' retirement benefits	1,598	1,675
Directors' and corporate auditors' retirement benefits	235	254
Reserve for loss on guarantees	67	56
Other non-current liabilities	1,513	1,673
Total Non-Current Liabilities	14,746	15,420
Total Liabilities	51,389	49,603
Net Assets		
Shareholders' Equity		
Common stock	12,011	12,011
Capital surplus	18,717	18,717
Retained earnings	53,801	51,095
Treasury stock	(804)	(811)
Total Shareholders' Equity	83,725	81,012
Valuation and Translation Adjustments		
Net unrealized holding gains on securities	675	932
Foreign currency translation adjustments	(4,710)	(2,039)
Total Valuation and Translation Adjustments	(4,035)	(1,106)
Subscription Rights to Shares	126	59
Minority Interests in Consolidated Subsidiaries	2	11
Total Net Assets	79,819	79,977
Total Liabilities and Net Assets	131,208	129,580

(2) Quarterly Consolidated Statements of Income

Amount: millions of yen

	FY2009 first six months (Six months ended June 30, 2009)	FY2010 first six months (Six months ended June 30, 2010)
Net sales	49,031	55,101
Cost of sales	27,234	30,769
Gross Income	21,796	24,332
Selling, general and administrative expenses	20,177	19,726
Operating Income	1,618	4,606
Non-Operating Income		
Interest income	92	59
Dividend income	45	43
Foreign exchange gain	54	69
Other	292	187
Total non-operating income	483	359
Non-Operating Expense		
Interest expense	363	284
Other	28	45
Total non-operating expense	391	329
Ordinary Income	1,710	4,636
Extraordinary Gain		
Gain on sale of property, plant and equipment	3	13
Gain on sale of investment securities	-	5
Total extraordinary gain	3	19
Extraordinary Loss		
Loss on sale of property, plant and equipment	0	0
Loss on disposal of property, plant and equipment	12	11
Loss on impairment of fixed assets	8	40
Loss on sales of investment securities	-	0
Loss on valuation of investment securities	25	104
Reserve for loss on guarantees	-	11
Loss on valuation of inventories	472	-
Other	0	-
Total Extraordinary Loss	519	168
Income before Income Taxes	1,195	4,487
Income taxes (current)	928	1,998
Income taxes (deferred)	(748)	(510)
Income Taxes	179	1,488
Minority interests (losses) in earnings of consolidated subsidiaries	(4)	(7)
Net Income	1,020	3,006

(3) Quarterly Consolidated Statements of Cash Flows

Amount: millions of yen

	FY2009 first six months (Six months ended June 30, 2009)	FY2010 first six months (Six months ended June 30, 2010)
Cash Flows from Operating Activities:		
Income before income taxes	1,195	4,487
Depreciation (excluding amortization of goodwill)	2,155	2,139
Loss on impairment of fixed assets	8	40
Amortization of goodwill	16	19
Increase (decrease) in allowance for doubtful receivables	169	0
Increase (decrease) in employees' retirement benefits	(51)	55
Increase (decrease) in directors' and corporate auditors' retirement benefits	(630)	(18)
Interest and dividend income	(137)	(103)
Interest expense	363	284
Foreign exchange losses (gains)	35	47
Loss (gain) on sale of fixed assets	-	(13)
Loss (gain) on sale of property, plant and equipment	(3)	-
Loss on disposal of fixed assets	12	11
Loss (gain) on valuation of marketable securities	-	4
Loss (gain) on valuation of investment securities	25	104
Loss (gain) on sale of investment securities	-	(4)
Decrease (increase) in trade notes and accounts receivable	9,199	(326)
Decrease (increase) in inventories	2,929	(3,447)
Increase (decrease) in trade notes and accounts payable	(3,960)	3,768
Other, net	(871)	1,148
Subtotal	10,456	8,197
Interest and dividends received	152	104
Interest paid	(374)	(294)
Income taxes (paid) refund	(757)	109
Net Cash provided by (used in) Operating Activities	9,477	8,118
Cash Flows from Investing Activities:		
Increase in time deposits	(71)	(500)
Decrease in time deposits	-	500
Increase in time deposits restricted for use	-	(262)
Payments for purchase of marketable securities	(99)	(237)
Proceeds from sale of marketable securities	-	475
Payments for purchase of property, plant and equipment	(2,645)	(1,478)
Proceeds from sale of property, plant and equipment	20	20
Payments for purchase of intangibles	(320)	(82)
Payments for purchase of investment securities	(10)	(96)
Proceeds from sale or redemption of investment securities	1	89
Payments for purchase of investments in newly consolidated subsidiaries	(122)	-
Payments of loans receivable	-	(71)
Collection of loans receivable	1	3
Other, net	3	1
Net Cash provided by (used in) Investing Activities	(3,243)	(1,638)
Cash Flows from Financing Activities:		
Net increase (decrease) in short-term borrowings	(1,454)	385
Increase in long-term debt	3	22
Repayments of long-term debt	(500)	(417)
Repayments of finance lease obligations	(99)	(128)
Proceeds from issuance of stocks by exercising new share subscription rights	9	-
Net decrease (increase) of treasury stock	-	(0)
Payments for purchase of treasury stock	(0)	-
Cash dividends paid	(1,228)	(295)
Net Cash provided by (used in) Financing Activities	(3,270)	(434)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	270	(1,098)
Net Increase (Decrease) in Cash and Cash Equivalents	3,233	4,946
Cash and Cash Equivalents at Beginning of Period	22,660	27,590
Cash and Cash Equivalents at End of Period	25,893	32,537

(4) Notes related to going concern

None

(5) Segment Information

[Business Segment Information]

Six Months Ended June 30, 2009 (January 1, 2009 - June 30, 2009)

Millions of yen

	Automotive Test Systems	Analytical Instruments & Systems	Medical-Diagnostic Instruments & Systems	Semiconductor Instruments & Systems	Total	Elimination and/or unallocated	Consolidated
Net sales							
(1) Sales to outside customers	18,369	15,574	10,710	4,376	49,031	-	49,031
(2) Intersegment sales and transfers	-	-	-	-	-	-	-
Total	18,369	15,574	10,710	4,376	49,031	-	49,031
Operating income (loss)	1,394	566	780	(1,123)	1,618	-	1,618

Six Months Ended June 30, 2010 (January 1, 2010 - June 30, 2010)

Millions of yen

	Automotive Test Systems	Analytical Instruments & Systems	Medical-Diagnostic Instruments & Systems	Semiconductor Instruments & Systems	Total	Elimination and/or unallocated	Consolidated
Net Sales							
(1) Sales to outside customers	15,113	15,654	11,127	13,206	55,101	-	55,101
(2) Intersegment sales and transfers	-	-	-	-	-	-	-
Total	15,113	15,654	11,127	13,206	55,101	-	55,101
Operating income (loss)	(168)	639	1,090	3,043	4,606	-	4,606

(Notes)

1. Classification of business segment

HORIBA Group's business segment is classified by purpose of use of our products at market.

2. Main Products in Each Business Segment

Business Segment	Main Products
Automotive Test Systems	Emission Measurement Systems, In-Use Automotive Emissions Analyzers, On-Board Emission Measurement Systems, Driveline Test Systems, Engine Test Systems, Brake Test Systems, Drive Recorders
Analytical Instruments & Systems	Scientific Analysis Instruments (Particle-size Distribution Analyzers, X-ray Fluorescence Analyzers, Raman Spectrophotometers, Diffraction, Gratings) Environmental Measuring Instruments (pH Meters, Stack Gas Analyzers, Water Quality Analysis and Examination Systems, Air Pollution Analyzers)
Medical-Diagnostic Instruments & Systems	Equipment for Blood Sample Analysis (Hematology Analyzers, Equipment for Measuring Immunological Responses, Clinical Chemistry Analyzers, Blood Glucose Measurement Systems)
Semiconductor Instruments & Systems	Mass Flow Controllers, Chemical Concentration Monitors, Thin-film Analyzers for Semiconductors and LCD Inspection, Reticle/Mask Particle Detection Systems, Residual Gas Analyzers

3. Additional information

Six months ended June 30, 2010

(Accounting method of allowance for retirement benefits for employees)

As stated in "Additional information", at one domestic consolidated subsidiary, the method for calculating retirement benefit liabilities changed from the simplified method to the "rule method", beginning in the fourth quarter of fiscal 2009, to enable accounting treatment relating to retirement benefits to be conducted more appropriately. Consequently, the method for calculating retirement benefit liabilities in FY2009 first six months differs from that used in FY2010 first six months. As a result, when compared with the use of the changed method, operating income in FY2009 first six months was an increase of 0 million yen for Automotive Test Systems, 2 million yen for Analytical Instruments & Systems, 0 million yen for Medical-Diagnostic Instruments & Systems, and 0 million yen for Semiconductor Instruments & Systems.

[Geographic Segment Information]

Six Months Ended June 30, 2009 (January 1, 2009 - June 30, 2009)

Millions of yen

	Japan	Americas	Europe	Asia	Total	Elimination and/or unallocated	Consolidated
Net sales							
(1) Sales to outside customers	22,020	8,211	17,200	1,598	49,031	-	49,031
(2) Intersegment sales and transfers	3,921	712	1,739	905	7,278	(7,278)	-
Total	25,941	8,923	18,940	2,503	56,309	(7,278)	49,031
Operating income	538	289	9	230	1,068	550	1,618

Six Months Ended June 30, 2010 (January 1, 2010 - June 30, 2010)

Millions of yen

	Japan	Americas	Europe	Asia	Total	Elimination and/or unallocated	Consolidated
Net sales							
(1) Sales to outside customers	24,130	8,944	18,896	3,130	55,101	-	55,101
(2) Intersegment sales and transfers	8,935	806	1,837	937	12,516	(12,516)	-
Total	33,065	9,750	20,733	4,068	67,618	(12,516)	55,101
Operating income	3,274	512	115	623	4,525	80	4,606

(Notes)

1. Countries and regions are grouped according to geographic proximity.
2. The breakdown of countries and regions belonging to groups other than Japan is as follows.
 - (1) Americas – North America and South America
 - (2) Europe – Europe, Russia, and Africa
 - (3) Asia – Asia (except for Japan) and Oceania

3. Additional information

Six months ended June 30, 2010

(Accounting method of allowance for retirement benefits for employees)

As stated in "Additional information", at one domestic consolidated subsidiary, the method for calculating retirement benefit liabilities changed from the simplified method to the "rule method", beginning in the fourth quarter of fiscal 2009, to enable accounting treatment relating to retirement benefits to be conducted more appropriately. Consequently, the method for calculating retirement benefit liabilities in FY2009 first six months differs from that used in FY2010 first six months. As a result, when compared with the use of the changed method, operating income in FY2009 first six months was an increase of 3 million yen for Japan.

[Overseas Sales]

Six Months Ended June 30, 2009 (January 1, 2009 - June 30, 2009)

Millions of yen

	Americas	Europe	Asia	Total
Overseas sales	9,203	13,690	7,364	30,258
Consolidated sales	-	-	-	49,031
Ratio of overseas sales to consolidated sales (%)	18.8	27.9	15.0	61.7

Six Months Ended June 30, 2010 (January 1, 2010 - June 30, 2010)

Millions of yen

	Americas	Europe	Asia	Total
Overseas sales	10,035	15,248	8,976	34,260
Consolidated sales	-	-	-	55,101
Ratio of overseas sales to consolidated sales (%)	18.2	27.7	16.3	62.2

(Notes)

1. Countries and regions are grouped according to geographical proximity.
2. The breakdown of countries and regions belonging to groups other than Japan is as follows.
 - (1) Americas···· North America and South America
 - (2) Europe····· Europe, Russia and Africa
 - (3) Asia········Asia (except for Japan) and Oceania
3. Overseas sales comprise sales of the Company and its subsidiaries in countries or regions other than Japan.

- (6) Notes in case of significant changes in the amount of shareholders' equity
None

4. Supplemental Information

HORIBA, Ltd. Financial Highlights for the Six Months Ended June 30, 2010

1. Consolidated Financial Results

	12/2010				12/2009			
	Result		Changes		Result		Changes	
	1st half	1st half	Amount	Ratio	Full Year	Full Year	Amount	Ratio
	Millions of yen	Millions of yen	Millions of yen		Millions of yen	Millions of yen	Millions of yen	
Net Sales	55,101	49,031	+6,070	+12.4%	114,000	104,538	+9,461	+9.1%
Operating Income	4,606	1,618	+2,988	+184.6%	9,000	5,144	+3,855	+75.0%
<i>Operating Income Ratio</i>	8.4%	3.3%	+5.1P		7.9%	4.9%	+3.0P	
Ordinary Income	4,636	1,710	+2,926	+171.1%	8,500	5,274	+3,225	+61.2%
<i>Ordinary Income Ratio</i>	8.4%	3.5%	+4.9P		7.5%	5.0%	+2.5P	
Net Income	3,006	1,020	+1,985	+194.6%	5,200	3,161	+2,038	+64.5%
<i>Net Income Ratio</i>	5.5%	2.1%	+3.4P		4.6%	3.0%	+1.6P	
US\$	91.36	95.59	-4.23		90.00	93.65	-3.65	
Euro	121.22	127.42	-6.20		110.00	130.35	-20.35	

2. Consolidated Segment Results

	12/2010				12/2009			
	Result		Changes		Result		Changes	
	1st half	1st half	Amount	Ratio	Full Year	Full Year	Amount	Ratio
	Millions of yen	Millions of yen	Millions of yen		Millions of yen	Millions of yen	Millions of yen	
Net Sales	55,101	49,031	+6,070	+12.4%	114,000	104,538	+9,461	+9.1%
Automotive	15,113	18,369	-3,256	-17.7%	36,000	37,192	-1,192	-3.2%
Analytical	15,654	15,574	+79	+0.5%	31,500	32,525	-1,025	-3.2%
Medical	11,127	10,710	+417	+3.9%	21,500	22,337	-837	-3.7%
Semiconductor	13,206	4,376	+8,829	+201.7%	25,000	12,483	+12,516	+100.3%
Total	55,101	49,031	+6,070	+12.4%	114,000	104,538	+9,461	+9.1%
Operating Income	4,606	1,618	+2,988	+184.6%	9,000	5,144	+3,855	+75.0%
Automotive	(168)	1,394	-1,563	-	600	1,810	-1,210	-66.9%
Analytical	639	566	+73	+12.9%	1,300	1,519	-219	-14.5%
Medical	1,090	780	+310	+39.8%	1,800	1,912	-112	-5.9%
Semiconductor	3,043	(1,123)	+4,167	-	5,300	(98)	+5,398	-
Total	4,606	1,618	+2,988	+184.6%	9,000	5,144	+3,855	+75.0%

3. Consolidated Segment Sales by Region

	12/2010				12/2009			
	Result		Changes		Result		Changes	
	1st half	1st half	Amount	Ratio	Full Year	Full Year	Amount	Ratio
	Millions of yen	Millions of yen	Millions of yen		Millions of yen	Millions of yen	Millions of yen	
Automotive	15,113	18,369	-3,256	-17.7%	36,000	37,192	-1,192	-3.2%
Japan	5,769	7,166	-1,397	-19.5%	12,400	12,988	-588	-4.5%
Asia	2,482	3,371	-889	-26.4%	7,000	6,515	+484	+7.4%
Americas	2,223	3,220	-997	-31.0%	6,100	6,504	-404	-6.2%
Europe	4,638	4,610	+28	+0.6%	10,500	11,182	-682	-6.1%
Analytical	15,654	15,574	+79	+0.5%	31,500	32,525	-1,025	-3.2%
Japan	7,264	6,972	+292	+4.2%	14,600	13,540	+1,059	+7.8%
Asia	2,547	2,376	+170	+7.2%	4,900	5,150	-250	-4.9%
Americas	2,543	2,785	-242	-8.7%	5,700	5,537	+162	+2.9%
Europe	3,298	3,440	-141	-4.1%	6,300	8,297	-1,997	-24.1%
Medical	11,127	10,710	+417	+3.9%	21,500	22,337	-837	-3.7%
Japan	2,299	2,157	+141	+6.6%	4,800	4,322	+477	+11.1%
Asia	957	825	+131	+16.0%	1,900	1,899	+0	+0.0%
Americas	2,998	2,671	+326	+12.2%	6,100	5,665	+434	+7.7%
Europe	4,872	5,055	-183	-3.6%	8,700	10,449	-1,749	-16.7%
Semiconductor	13,206	4,376	+8,829	+201.7%	25,000	12,483	+12,516	+100.3%
Japan	5,508	2,477	+3,031	+122.4%	11,500	6,518	+4,981	+76.4%
Asia	2,989	789	+2,199	+278.4%	5,200	2,424	+2,775	+114.5%
Americas	2,270	525	+1,744	+331.8%	4,300	1,895	+2,404	+126.9%
Europe	2,438	584	+1,854	+317.5%	4,000	1,645	+2,354	+143.1%
Total	55,101	49,031	+6,070	+12.4%	114,000	104,538	+9,461	+9.1%

4. Consolidated Financial Results (Quarterly Comparison)

	12/2010			12/2009			
	1Q Result	2Q Result	2H Estimate	1Q Result	2Q Result	3Q Result	4Q Result
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Net Sales	26,817	28,284	58,898	25,451	23,579	23,620	31,886
Operating Income	1,990	2,559	4,393	2,043	(425)	521	3,004
<i>Operating Income Ratio</i>	7.4%	9.0%	7.5%	8.0%	(1.8%)	2.2%	9.4%
Ordinary Income	1,963	2,618	3,863	1,887	(176)	467	3,096
<i>Ordinary Income Ratio</i>	7.3%	9.3%	6.6%	7.4%	(0.7%)	2.0%	9.7%
Net Income	1,383	1,623	2,193	967	53	265	1,875
<i>Net Income Ratio</i>	5.2%	5.7%	3.7%	3.8%	0.2%	1.1%	5.9%
US\$	90.69	92.03	88.64	93.76	97.42	93.70	89.72
Euro	125.49	116.95	98.78	122.01	132.83	133.90	132.66

5. Consolidated Segment Results (Quarterly Comparison)

Net Sales	12/2010			12/2009			
	1Q Result	2Q Result	2H Estimate	1Q Result	2Q Result	3Q Result	4Q Result
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Automotive	7,005	8,107	20,886	9,988	8,380	7,742	11,080
Analytical	8,370	7,283	15,845	8,182	7,391	7,175	9,776
Medical	5,417	5,710	10,372	5,076	5,633	5,478	6,148
Semiconductor	6,023	7,183	11,793	2,203	2,173	3,224	4,881
Total	26,817	28,284	58,898	25,451	23,579	23,620	31,886

Operating Income	12/2010			12/2009			
	1Q Result	2Q Result	2H Estimate	1Q Result	2Q Result	3Q Result	4Q Result
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Automotive	(327)	143	768	1,415	(20)	(330)	746
Analytical	567	56	660	682	(115)	185	767
Medical	494	584	709	302	477	473	659
Semiconductor	1,256	1,774	2,256	(357)	(766)	194	830
Total	1,990	2,559	4,393	2,043	(425)	521	3,004

6. Consolidated Orders and Backlog Information (Quarterly Comparison)

Orders	12/2010			12/2009			
	1Q Result	2Q Result	2H Estimate	1Q Result	2Q Result	3Q Result	4Q Result
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Automotive	10,357	8,033	-	5,527	8,530	8,648	8,128
Analytical	8,213	7,943	-	6,795	7,827	7,668	9,101
Medical	5,725	5,613	-	5,575	5,513	5,512	5,910
Semiconductor	6,827	7,149	-	1,580	2,526	3,809	5,338
Total	31,124	28,740	-	19,478	24,397	25,638	28,479

Backlog	12/2010			12/2009			
	1Q Result	2Q Result	2H Estimate	1Q Result	2Q Result	3Q Result	4Q Result
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Automotive	19,104	19,030	-	17,649	17,798	18,704	15,753
Analytical	7,216	7,876	-	7,119	7,555	8,047	7,373
Medical	2,327	2,230	-	2,343	2,223	2,256	2,019
Semiconductor	2,981	2,947	-	782	1,135	1,720	2,177
Total	31,630	32,086	-	27,894	28,712	30,730	27,323

7. Capital Expenditures, Depreciation and R&D Expenses

	12/2010		12/2009	
	1st half Result	Full-year Estimate	1st half Result	Full-year Result
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Capital Expenditures (*)	1,487	4,500	3,106	4,534
Depreciation	2,158	4,500	2,172	4,573
R&D Expenses	4,920	10,000	4,845	9,831

(*) Capital Expenditures are investments in tangible and intangible fixed assets

Non-Consolidated Financial Result

	12/2010				12/2009			
	Result		Changes		Result		Changes	
	1st half	1st half	Amount	Ratio	Full Year	Full Year	Amount	Ratio
	Millions of yen	Millions of yen	Millions of yen		Millions of yen	Millions of yen	Millions of yen	
Net Sales	21,607	21,956	-349	-1.6%	43,000	42,366	+633	+1.5%
Operating Income	802	764	+38	+5.0%	1,630	563	+1,066	+189.5%
<i>Operating Income Ratio</i>	3.7%	3.5%	+0.2P		3.8%	1.3%	+2.5P	
Ordinary Income	1,533	2,030	-497	-24.5%	2,900	2,035	+864	+42.5%
<i>Ordinary Income Ratio</i>	7.1%	9.2%	-2.1P		6.7%	4.8%	+1.9P	
Net Income	920	1,936	-1,015	-52.5%	2,050	1,831	+218	+11.9%
<i>Net Income Ratio</i>	4.3%	8.8%	-4.5P		4.8%	4.3%	+0.5P	

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