Financial Information

HORIBA, Ltd.
August, 2020

(This material was prepared for the 2020Q2 financial results briefing performed on the 20th Aug., 2020)
Contents

- 2020 First Half Results
- 2020 Forecast
- Outlines by Business Segments
- Our Contribution to Social Issues
  
  Topics of 2020 First Half

- Shareholder Return
  
  - Financial Data

  - Corporate Profile
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- 2020 First Half Results
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## Review of 2020 First Half

<table>
<thead>
<tr>
<th>External Events</th>
<th>Internal Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic contraction, driven by COVID-19 effects</td>
<td>Continued business activities as much as possible despite the COVID-19 restrictions on public movement in various countries</td>
</tr>
<tr>
<td>Downturn in the automotive industry</td>
<td>Implemented various emergency measures</td>
</tr>
<tr>
<td>Gradual recovery in capex by semiconductor makers</td>
<td></td>
</tr>
<tr>
<td>Heightened interest in life science</td>
<td></td>
</tr>
</tbody>
</table>
## 2020 First Half Results

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>1st half Results (as of Jun. 9)</th>
<th>2020</th>
<th>1st half Results</th>
<th>vs 2019</th>
<th>vs Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>91.6</td>
<td>84.0</td>
<td>84.9</td>
<td>-6.6</td>
<td>+0.9</td>
<td></td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>8.2</td>
<td>5.5</td>
<td>6.6</td>
<td>-1.6</td>
<td>+1.1</td>
<td></td>
</tr>
<tr>
<td><strong>O.P.%</strong></td>
<td>9.0%</td>
<td>6.5%</td>
<td>7.9%</td>
<td>-1.1p</td>
<td>+1.4p</td>
<td></td>
</tr>
<tr>
<td><strong>Ordinary Profit</strong></td>
<td>8.0</td>
<td>5.5</td>
<td>6.7</td>
<td>-1.2</td>
<td>+1.2</td>
<td></td>
</tr>
<tr>
<td><strong>Net Income Attributable to Owners of Parent</strong></td>
<td>5.7</td>
<td>4.0</td>
<td>4.8</td>
<td>-0.9</td>
<td>+0.8</td>
<td></td>
</tr>
<tr>
<td><strong>USD/JPY</strong></td>
<td>110.06</td>
<td>110.00</td>
<td>108.23</td>
<td>-1.83</td>
<td>-1.77</td>
<td></td>
</tr>
<tr>
<td><strong>EUR/JPY</strong></td>
<td>124.32</td>
<td>120.00</td>
<td>119.31</td>
<td>-5.01</td>
<td>-0.69</td>
<td></td>
</tr>
</tbody>
</table>
# 2020 First Half Results by Segment

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>Operating Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1st half Results</strong> (as of Jun. 9)</td>
<td>1st half Results</td>
<td>1st half Results</td>
</tr>
<tr>
<td><strong>Auto</strong></td>
<td>34.3</td>
<td>26.5</td>
</tr>
<tr>
<td><strong>P&amp;E</strong></td>
<td>9.1</td>
<td>8.5</td>
</tr>
<tr>
<td><strong>Medical</strong></td>
<td>12.6</td>
<td>11.0</td>
</tr>
<tr>
<td><strong>Semi</strong></td>
<td>22.7</td>
<td>26.0</td>
</tr>
<tr>
<td><strong>Scientific</strong></td>
<td>12.6</td>
<td>12.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>91.6</td>
<td>84.0</td>
</tr>
</tbody>
</table>
2020 First Half Results (B/S, CF)

**B/S**
- Total assets were ¥309.6bn, down ¥5.4bn, owing to decrease in trade notes and accounts receivable.
- Total liabilities were ¥140.5bn, down ¥2.9bn, due to decrease in accounts payable.
- Equity ratio: 54.4%

(compared to the end of Dec. 2019)

**CF**
- Operating CF: Cash in ¥15.3bn due to operating profit and collection of accounts receivable.
- Investing CF: Cash out ¥5.0bn due to acquisition of tangible fixed assets.
- Financial CF: Cash out ¥3.0bn due to payment of dividend.

Free CF + ¥10.3bn
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## 2020 Forecasts

| General | ![Cloud] | 【Impact of COVID-19】
Economic activities are expected to resume after lifting of restrictions but the future remains uncertain.
Lingering impacts from COVID-19 are of concern. |
|---|---|---|
| Auto | ![Cloud and Umbrella] | The spread of COVID-19 is likely to depress automotive sales.
Automotive-related manufacturers are expected to reduce R&D spending. |
| P&E | ![Cloud] | Emerging countries may slow down introduction of environmental regulations.
Falling crude oil prices may result in reduction in investment by the oil industry. |
| Medical | ![Cloud] | The number of tests performed at hospitals is projected to continue declining, along with an anticipated decrease in the number of patients who visit hospitals. |
| Semi | ![Sun] | Semiconductor manufacturers’ capital expenditures are expected to pick up.
Medium- to long-term demand for semiconductors is solid. |
| Scientific | ![Cloud and Sun] | Energy-related demand will be sluggish, while demand in the pharmaceutical and life science sectors will be solid.
Demand for semiconductor-related measurement technologies is expected to grow. |
## Exchange rate

<table>
<thead>
<tr>
<th></th>
<th>2019 (as of Jun. 9)</th>
<th>2020 Results</th>
<th>2020 Forecast (as of Aug. 11)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1st half</td>
<td>Full year</td>
<td>Previous</td>
</tr>
<tr>
<td>USD</td>
<td>110.06</td>
<td>109.03</td>
<td>110</td>
</tr>
<tr>
<td>EUR</td>
<td>124.32</td>
<td>122.03</td>
<td>120</td>
</tr>
</tbody>
</table>

1 yen O.P. sensitivity for 2020 Forecast (Yen appreciation/Full year)

- USD: -210 million yen
- EUR: -10 million yen
# 2020 Forecast

(Billions of yen)

<table>
<thead>
<tr>
<th></th>
<th>2019 Results</th>
<th>Previous Forecast (as of Jun. 9)</th>
<th>2020 Forecast (as of Aug. 11)</th>
<th>vs 2019</th>
<th>vs Previous Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>200.2</td>
<td>187.0</td>
<td><strong>188.0</strong></td>
<td>-12.2</td>
<td>+1.0</td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td><strong>20.9</strong></td>
<td>15.0</td>
<td><strong>15.0</strong></td>
<td>-5.9</td>
<td>-</td>
</tr>
<tr>
<td><strong>O.P.%</strong></td>
<td>10.4%</td>
<td>8.0%</td>
<td><strong>8.0%</strong></td>
<td>-2.4p</td>
<td>-0.0p</td>
</tr>
<tr>
<td><strong>Ordinary Profit</strong></td>
<td><strong>20.5</strong></td>
<td>14.5</td>
<td><strong>14.5</strong></td>
<td>-6.0</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Income Attributable to Owners of Parent</strong></td>
<td>15.4</td>
<td>10.5</td>
<td><strong>10.5</strong></td>
<td>-4.9</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net Profit per Share (Yen)</strong></td>
<td>367</td>
<td>248</td>
<td><strong>248</strong></td>
<td>-118</td>
<td>-0</td>
</tr>
<tr>
<td><strong>ROE</strong></td>
<td>9.3%</td>
<td>6.1%</td>
<td><strong>6.1%</strong></td>
<td>-3.2p</td>
<td>-</td>
</tr>
</tbody>
</table>
2020 Forecast by Segment

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>Operating Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>2020</td>
</tr>
<tr>
<td></td>
<td>Results</td>
<td>Previous Forecast (as of Jun. 9)</td>
</tr>
<tr>
<td>Auto</td>
<td>81.0</td>
<td>68.0</td>
</tr>
<tr>
<td>P&amp;E</td>
<td>19.5</td>
<td>17.5</td>
</tr>
<tr>
<td>Medical</td>
<td>25.3</td>
<td>23.0</td>
</tr>
<tr>
<td>Semi</td>
<td>47.1</td>
<td>52.5</td>
</tr>
<tr>
<td>Scientific</td>
<td>27.1</td>
<td>26.0</td>
</tr>
<tr>
<td>Total</td>
<td>200.2</td>
<td>187.0</td>
</tr>
</tbody>
</table>

(Billions of yen)
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Topics of 2020 First Half

- Shareholder Return
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Delayed shipment and acceptance of products because of measures to restrict the movements of people and goods by various countries and regions

Stagnant operations due to restrictive measures

To be impacted by reduction in R&D spending by automotive-related manufacturers.

Expect diversification of powertrains for next-generation vehicles and acceleration of CASE to boost R&D in the medium- to long-term.

Expect diversification of powertrains for next-generation vehicles and acceleration of CASE to boost R&D in the medium- to long-term.
First Half Results and 2020 Forecasts

2020 First Half Results

- Stack gas analyzers, Air quality monitoring, Process
  - Sales decrease in Japan, owing to COVID-19 effects
  - Increase in production of Infrared Thermometers
  - Sales decrease in Asia, owing to the spread of COVID-19

2020 Full Year Forecasts

- Stack gas analyzers
  - Expect an increase in replacement demand in Japan.
- Water quality
  - Demand will remain sluggish in Asia and also be sluggish in Japan.
- Process measurement equipment
  - Demand will remain sluggish due to falling crude oil prices.
The number of tests performed at hospitals decreased as the spread of COVID-19 led to a decrease in the number of patients who visit hospital; consequently, segment sales decreased.

The number of tests performed at hospitals is projected to continue declining, along with an anticipated decrease in the number of patients who visit hospitals.

Demand will recover in the medium- to long-term; sales to the domestic practitioner market and the hospital market are expected to expand.

Demand for a new product, Banalyst,* is expanding.

* Blood glucose/HbA1c measurement equipment
Demand fell from the memory chip bubble level in 2018, bottomed out in 2019, and entered a recovery trend.

Increase in demand for high-performance PCs and data centers associated with the expansion of telework and digital business.

Bookings and sales to semiconductor manufacturing equipment makers are expected to remain at high levels due to further miniaturization and 3D-integration.

From a medium- to long-term perspective, semiconductor demand will increase due to the progress of 5G and IoT.

Demand for various monitoring technologies will increase as manufacturing processes become complicated.
First Half Results and 2020 Forecasts

2020 First Half Results

- Sales of Raman Spectrometers decreased in Japan as the spread of COVID-19 depressed corporate activities.
- Academic demand was also sluggish worldwide.
+ Operating income increased, due to reduction in selling and other expenses.

2020 Full Year Forecasts

+ Expect an increase in demand for optical components for semiconductor production equipment manufacturers and life science purposes.
+ Expect demand expansion in life science research such as pharmaceuticals.
+ Will launch a new product of Raman Spectrometers, “LabRAM Soleil™”

(Billions of yen)

【Half Year】Sales and O.P.

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>O.P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>17.1H</td>
<td>11.5</td>
<td>-0.4</td>
</tr>
<tr>
<td>17.2H</td>
<td>14.6</td>
<td>0.9</td>
</tr>
<tr>
<td>18.1H</td>
<td>12.5</td>
<td>-0.5</td>
</tr>
<tr>
<td>18.2H</td>
<td>15.2</td>
<td>0.7</td>
</tr>
<tr>
<td>19.1H</td>
<td>12.6</td>
<td>-0.0</td>
</tr>
<tr>
<td>19.2H</td>
<td>14.4</td>
<td>0.8</td>
</tr>
<tr>
<td>20.1H</td>
<td>11.3</td>
<td>0.1</td>
</tr>
<tr>
<td>20.2H</td>
<td>15.1</td>
<td>0.3</td>
</tr>
</tbody>
</table>

【Full Year】Sales and O.P.

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>O.P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>25.7</td>
<td>0.9</td>
</tr>
<tr>
<td>2017</td>
<td>26.1</td>
<td>0.4</td>
</tr>
<tr>
<td>2018</td>
<td>27.7</td>
<td>0.2</td>
</tr>
<tr>
<td>2019</td>
<td>27.1</td>
<td>0.7</td>
</tr>
<tr>
<td>2020 Forecast</td>
<td>26.5</td>
<td>0.5</td>
</tr>
</tbody>
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HORIBA’s Contribution to Social Issues

Social issues revealed by the spread of COVID-19

Three fields where HORIBA is focusing

<table>
<thead>
<tr>
<th>Market</th>
<th>Energy &amp; Environment</th>
<th>Bio &amp; Healthcare</th>
<th>Materials &amp; Semiconductor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Target</td>
<td>Mobility, Power generation, Environmental preservation, Water</td>
<td>Clinical diagnostic, Pharmaceutical, Drug discovery, Cells, DNA</td>
<td>Advanced materials, Materials for semiconductor</td>
</tr>
</tbody>
</table>

Market Oriented Business

Mid-Long Term Management Plan “MLMAP2023”
Cooperation with SHIMADZU

Alliance for development and sales of measurement equipment “LC Raman”

Separation and collection of substances in mixture

Integrated software

Raman spectroscopy

Controlling & monitoring

Measurement

Raman Spectrometers
Creating Solutions by Cooperation with SHIMADZU

| Development of applications in the drug discovery, food, and agricultural fields |
|---------------------------------|---------------------------------|---------------------------------|
|                               | LC                               | Raman spectroscopy               | LC Raman                         |
| Quantitative accuracy of target substances | Extract only the target to be measured from mixed samples | × Not good at measuring mixed samples | ○                               |
| Ability to estimate unknown substances | × Not good at identifying non-target substances | ○ Ability to identify unknown substances from differences in molecular structure | ○                               |

Integration of LC and Raman enables the following:

- Search and collection of naturally-derived unknown functional substances → Apply for unknown compounds of drug discovery, food, agriculture, etc.
- Supporting new bio-markers’ search for biological samples → Develop new health indicators and diagnostic methods
- Support work on the structure of new materials and byproducts → Develop highly-functional and low-environmental-impact materials

Expand fields that utilize life science technologies

Necessities of new technologies in the materials and energy fields
Our response to COVID-19

Joint development of COVID-19 antibody test chips

Part of the project "Development of a system for COVID-19 reliable rapid diagnosis"
(Supported by METI and Japan Medical Research and Development Organization)

AIST
- Established high-speed and highly-accurate immunoassay (measurement in 15 minutes at minimum)

HORIBA
- Develop equipment (to be used as a practical medical device)

VisGene*
- Develop measurement application
  * VisGene, Ltd. (Osaka U. venture)

Utilizing technologies developed by HORIBA

Immunoassay
- An assay method that takes advantage of the property that the antibody formed in the animal body and its antigen specifically react
- Reagents for measuring pesticides by immunoassay measurement kit SmartAssay series

In-Vitro-Diagnostics
- Various tests to be performed on samples collected from the human body, such as blood
- Centrifugal blood analyzer Yumizen M100 Banalyst

Aiming for launch as a fully-automatic measuring equipment
High value-added solutions for semiconductor manufacturing processes

A key point for improvement in yield: Detection of foreign substances

Expecting business expansion in the EUV process

HORIBA's response

- Blank mask inspection
- Inspection of three surfaces (Pattern, Glass, Pellicle)
- Pellicle inspection
- Various mask sizes/board inspection

Semicon. manufacturing processes

Reticle/mask manufacturing process

Photolithography/wafer process

A clean product adjustment room started operation

- Area to develop prototypes and produce special products by the PR-PD Series foreign substance inspection equipment
- Started operation at HORIBA's headquarters in June 2020

PR-PD3EP
High-accuracy detection of foreign substances on EUV-process pellicles

PR-PD2BLI
Inspection of blank masks at various stages of the mask manufacturing process

【Representative products】
HORIBA’s Thoughts on Energy in Society

“Well to Wheel” and “Grid and Mobility” - Energy optimization for entire society

Diversification of primary energy sources

Diversification of energy storage forms

Diversification of powertrains

"Production", “Transportation”, “Use" - HORIBA contributes to new-energy society

Support for xEV/autonomous vehicle

Environmental monitoring

More efficient semiconductor manufacturing process

Advanced material analysis

Automotive

P&E

Semiconductors

Scientific

Medical

Figuring out the health of humans as users of energy, and contributing to the evolution of preventive medicines
Approach to Capital Investments and R&D

Capital Investment

- Continue strategic investment from a long-term perspective
  - Continue large-scale capital investment such as construction of new facility in China
  - Scrutinize renewal investment and others and implement from the most urgent

2020 Forecast: ¥17.5bn

R&D Investment

- Continue investment, looking ahead of demand recovery period
- Consider priority of investment

2020 Forecast: ¥16.0bn
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Shareholder Return

Dividends per share and Share buybacks

2018 Results 145yen [Interim 50yen/Year-end 95yen]
2019 Results 130yen [Interim 50yen/Year-end 80yen]
2020 Forecasts 75yen [Interim 30yen/Year-end 45yen]
(remains unchanged from disclosure on 9th June)

Ordinary dividend: 125yen
Commemorative dividend for the 65th anniversary of the company foundation: 20yen

Basic policy
- Dividend payment + Share buyback = 30% of Consolidated net profit to be targeted
- Remaining earnings are retained internally for strategic investment (i.e. facilities, M&A)
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Operating Profit Analysis (vs 2019)

(Billions of yen)

2019

8.28

- Decrease Sales -4.98
- Decrease Cost of Goods Sales +2.33
- Exchange Impact for Gross Profit -0.81
- Exchange Impact for Expenses +0.47

2020

6.67

- Decrease R&D Cost +0.33
- Decrease Other Expense +1.04

- Decrease Gross Profit -2.64
- Exchange Impact -0.34
- Decrease Expenses +1.37

Decrease Operating Profit -1.60
## Impact of Fluctuation in Foreign exchange

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales (Yen)</strong></td>
<td>110.06</td>
<td>108.23</td>
<td>-1.83</td>
</tr>
<tr>
<td><strong>Cost of Goods Sales</strong></td>
<td>124.32</td>
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</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td></td>
<td></td>
<td>-0.34</td>
</tr>
</tbody>
</table>

### 2020 First Half results vs 2019

- **Decrease Sales**: -1.64
- **Decrease Cost of Goods Sales**: +0.83
- **Decrease Expenses**: +0.47
- **Impact to Operating Profit**: -0.34

### Exchange rate impact (2020 First Half results)

Sales -¥1.64bn O.P. -¥0.34bn

### Exchange rate impact for 2020 Forecast

1 yen impact of Sales and O.P. (Yen appreciation)

- **Sales**
  - USD -¥0.46bn
  - EUR -¥0.32bn

- **Operating Profit**
  - USD -¥0.21bn
  - EUR -¥0.01bn

### 2020 Forecast

- **USD**: 107.00
- **EUR**: 120.00

### 2020 First Half results vs 2019

<table>
<thead>
<tr>
<th></th>
<th>2019 FY</th>
<th>2020 FY</th>
<th>Diff.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>USD</strong></td>
<td>110.06</td>
<td>108.23</td>
<td>-1.83</td>
</tr>
<tr>
<td><strong>EUR</strong></td>
<td>124.32</td>
<td>119.31</td>
<td>-5.01</td>
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</table>

### 2019 FY vs 2020 FY

<table>
<thead>
<tr>
<th></th>
<th>2019 FY</th>
<th>2020 FY</th>
<th>Diff.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Decrease Sales</strong></td>
<td></td>
<td>-1.64</td>
<td></td>
</tr>
<tr>
<td><strong>Decrease Cost of Goods Sales</strong></td>
<td>+0.83</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Decrease Expenses</strong></td>
<td></td>
<td>+0.47</td>
<td></td>
</tr>
<tr>
<td><strong>Impact to Operating Profit</strong></td>
<td>-0.34</td>
<td></td>
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</table>
## Capital Investment, Depreciation, R&D

### Topics
- **Capital Investment, Depreciation, R&D**

<table>
<thead>
<tr>
<th>Year</th>
<th>Results</th>
<th>Previous Forecast (as of Feb. 14)</th>
<th>Forecast (as of Aug. 11)</th>
<th>vs 2019</th>
<th>vs Previous Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capital Investment</strong></td>
<td>2019: 12.8</td>
<td>20.0</td>
<td>17.5</td>
<td>+4.6</td>
<td>-2.5</td>
</tr>
<tr>
<td></td>
<td>2020: 17.5</td>
<td>17.5</td>
<td>16.0</td>
<td>-0.2</td>
<td>-1.5</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td>2019: 8.7</td>
<td>9.5</td>
<td>9.5</td>
<td>+0.7</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>2020: 9.5</td>
<td>9.5</td>
<td>9.5</td>
<td>-0.7</td>
<td>-</td>
</tr>
<tr>
<td><strong>R&amp;D</strong></td>
<td>2019: 16.2</td>
<td>17.5</td>
<td>16.0</td>
<td>-0.2</td>
<td>-1.5</td>
</tr>
<tr>
<td>(To Net Sales)</td>
<td>2019: 8.1%</td>
<td>8.1%</td>
<td>8.5%</td>
<td>+0.4p</td>
<td>+0.4p</td>
</tr>
</tbody>
</table>

### 2020 Topics
- **PP&E:**
  Enhance the base of service business, investment to HORIBA MIRA, HORIBA FuelCon’s new facility, a new facility in China

- Scrutinize urgency and priority and make investment decisions

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## Consolidated Cash Flows

(Billions of yen)

<table>
<thead>
<tr>
<th></th>
<th>2020 1st Half</th>
<th>2019 1st Half</th>
<th>Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td>+15.38</td>
<td>+13.84</td>
<td>+1.53</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td>-5.00</td>
<td>-4.26</td>
<td>-0.73</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td>-3.09</td>
<td>-7.26</td>
<td>+4.16</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of year</td>
<td>102.38</td>
<td>64.64</td>
<td>+37.74</td>
</tr>
<tr>
<td>Free cash flows</td>
<td>+10.38</td>
<td>+9.58</td>
<td>+0.80</td>
</tr>
</tbody>
</table>
### Cash Balance

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash*</th>
<th>Bonds</th>
<th>Long</th>
<th>Short</th>
<th>Total Loan Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>58.9</td>
<td>15.0</td>
<td>18.7</td>
<td>8.3</td>
<td>42.0</td>
</tr>
<tr>
<td>2018</td>
<td>63.6</td>
<td>15.0</td>
<td>17.0</td>
<td>12.0</td>
<td>44.0</td>
</tr>
<tr>
<td>2019</td>
<td>95.6</td>
<td>45.0</td>
<td>16.8</td>
<td>8.4</td>
<td>70.3</td>
</tr>
<tr>
<td>2020 end of Jun.</td>
<td>102.5</td>
<td>45.0</td>
<td>16.6</td>
<td>9.0</td>
<td>70.7</td>
</tr>
</tbody>
</table>

- **Current ratio**
  - 2017: 239%
  - 2018: 246%
  - 2019: 245%
  - 2020 end of Jun.: 248%

- **Capital ratio**
  - 2017: 57%
  - 2018: 58%
  - 2019: 54%
  - 2020 end of Jun.: 54%

- **Bond redemption**
  - ¥15.0bn (Oct. 2020)
  - ¥15.0bn (2026)
  - ¥15.0bn (2029)

- **Borrowed from JBIC**
  - ¥15.1bn (redemption 2022)

- **Reduction of external borrowing through intra-group lending**

- **Recent issuer rating:**
  - R&I “A” (Oct. 2019)
  - JCR “A+” (Aug. 2020)

Cash*…Cash and bank deposit at end of period

(Consolidated basis, each end of period)
(Billions of yen)
Contents

- 2020 First Half Results
- 2020 Forecast
- Outlines by Business Segments
- Out Contribution to Social Issues
  Topics of 2020 First Half
- Shareholder Return
- Financial Data
- Corporate Profile
Business Segments

Expanding in New Domains and Moving onto a New Stage

Net Sales
200.2 billion yen

Sales by business segment (%)
Fiscal 2019

Scientific 14%
Semiconductor 23%
Medical 13%
P&E 10%
Automotive 40%
Global Network

Employees by Region

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Employees</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>993 (12%)</td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>2,771 (33%)</td>
<td></td>
</tr>
<tr>
<td>Asia</td>
<td>4,524 (55%)</td>
<td></td>
</tr>
</tbody>
</table>

The number of companies:

<table>
<thead>
<tr>
<th>Region</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>7</td>
</tr>
<tr>
<td>Europe</td>
<td>23</td>
</tr>
<tr>
<td>Asia</td>
<td>19 (4 in Japan, Including HORIBA, Ltd.)</td>
</tr>
<tr>
<td>Total</td>
<td>49</td>
</tr>
</tbody>
</table>

(as of Dec 2019)
HORIBA’s Steady Growth

Fiscal year ending Dec. 2019
Net sales: 200.2 billion yen
Operating profit: 20.9 billion yen

1953
HORIBA, LTD. was established


Founded business as student entrepreneur
Developed globally successful products
Expanded business globally through M&A
Moving on to the next stage with our new management

President
Masao Horiba
Masahiro Oura
Atsushi Horiba
Masayuki Adachi

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HORIBA MIRA Ltd.

Providing Engineering Service with World Leading Mobility Development Capability and R&D Location with Dedicated Facilities and Proving Ground

**Business Offering**
1. Vehicle development engineering
2. Test engineering
3. MIRA Technology Park
   (Providing Unique R&D Location)

**Established**
1946

**Head office**
Nuneaton, Warwickshire, UK

**Major locations**
U.K., China, and India
MIRA Technology Park

Various experiments using a large test course

MIRA Technology Park
30 customers

Test Site
“35” Test Site
Wind Tunnels / EMC / Crash lab/NVH Chassis/Battery test

1km

Proving ground
• Performance(4.5km)
• Off road
• Wet surface
• City Circuit
• Noise-Generating
• Ride & Durability
Transmission test
Braking systems
Tire development
Durability
HORIBA BIWAKO E-HARBOR

- Consolidating development, design, and production operations of gas measurement equipment at a single location
- Doubling of production capability and shortening delivery time to one-third by using a new production methodology
- Comprehensive engineering services from sales to development, production, and maintenance in the Automotive testing laboratory

• Profitability improvement of exhaust gas analyzers
• Presenting cutting edge automotive development technology

Total investment: 10.0 billion yen, Location: Otsu City, Shiga Prefecture, Full operation: May 2016
Thank you
Thank you

감사합니다

Cảm ơn

ありがとうございました

Dziękuję

धन्यवाद

Grazie

Merci

谢谢

谢谢你

Obrigado

オレイゴド

Σας ευχαριστούμε

谢 谢

Tack ska ni ha

Σας ευχαριστούμε

Danke

Thank you

Σας ευχαριστούμε

Gracias