Financial Information

HORIBA, Ltd.

March, 2021
Contents

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■ 2021 Forecast
■ Outlines by Business Segment
■ Topics – HORIBA’s Contribution for Social Issues
■ Shareholder Return
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# Review of 2020

<table>
<thead>
<tr>
<th>External Events</th>
<th>Internal Events</th>
</tr>
</thead>
</table>
| ◆ Economic contraction, driven by COVID-19 impacts  
◆ Sluggish capital investment and accelerated investment in electrification by the automobile industry  
◆ Increased investment in semiconductor production equipment due to increased demand for data transmission  
◆ Heightened interest in life science | ◆ Continued business activities as much as possible despite the COVID-19 restrictions on public movement in various countries  
◆ Continued growth investment mainly in Japan, China and Europe  
◆ Promoted use of the “Good Place work system,” which was developed from the work-at-home system, and the online communication tool |
# 2020 Results (Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020 Forecast (as of Nov. 12)</th>
<th>2020 Results</th>
<th>vs 2019</th>
<th>vs Forecast (as of Nov. 12)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>200.2</td>
<td>188.0</td>
<td>187.0</td>
<td>-13.1</td>
<td>-0.9</td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>20.9</td>
<td>16.0</td>
<td>19.6</td>
<td>-1.2</td>
<td>+3.6</td>
</tr>
<tr>
<td><strong>O.P.%</strong></td>
<td>10.4%</td>
<td>8.5%</td>
<td>10.5%</td>
<td>+0.1p</td>
<td>+2.0p</td>
</tr>
<tr>
<td><strong>Ordinary Profit</strong></td>
<td>20.5</td>
<td>15.0</td>
<td>19.3</td>
<td>-1.1</td>
<td>+4.3</td>
</tr>
<tr>
<td><strong>Net Income attributable to Owners of Parent</strong></td>
<td>15.4</td>
<td>10.5</td>
<td>13.1</td>
<td>-2.2</td>
<td>+2.6</td>
</tr>
</tbody>
</table>

| **USD/JPY**      | 109.03 | 107.00                         | 106.76       | -2.27   | -0.24                       |
| **EUR/JPY**      | 122.03 | 120.00                         | 121.88       | -0.15   | +1.88                       |
# 2020 Results by Segment

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Auto</td>
<td>81.0</td>
<td>67.0</td>
<td>63.9</td>
<td>-17.1</td>
<td>6.4</td>
<td>0.5</td>
<td>2.4</td>
<td>-3.9</td>
</tr>
<tr>
<td>P&amp;E</td>
<td>19.5</td>
<td>18.0</td>
<td>18.3</td>
<td>-1.1</td>
<td>1.6</td>
<td>1.0</td>
<td>1.6</td>
<td>-0.0</td>
</tr>
<tr>
<td>Medical</td>
<td>25.3</td>
<td>21.0</td>
<td>21.0</td>
<td>-4.3</td>
<td>1.3</td>
<td>-0.5</td>
<td>-0.4</td>
<td>-1.7</td>
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<tr>
<td>Semi</td>
<td>47.1</td>
<td>55.5</td>
<td>56.9</td>
<td>+9.7</td>
<td>10.7</td>
<td>14.0</td>
<td>14.0</td>
<td>+3.3</td>
</tr>
<tr>
<td>Scientific</td>
<td>27.1</td>
<td>26.5</td>
<td>26.8</td>
<td>-0.3</td>
<td>0.7</td>
<td>1.0</td>
<td>1.9</td>
<td>+1.2</td>
</tr>
<tr>
<td>Total</td>
<td>200.2</td>
<td>188.0</td>
<td>187.0</td>
<td>-13.1</td>
<td>20.9</td>
<td>16.0</td>
<td>19.6</td>
<td>-1.2</td>
</tr>
</tbody>
</table>

- Auto: Record-high
2020 Results (B/S, CF)

**B/S**
- Total assets were ¥328.0bn, up ¥12.9bn, by establishing some bases and financing
- Equity ratio: 54.3%

(Compared to the end of Dec. 2019)

**CF**
- Operating CF: Cash in ¥32.2bn due to operating profit
- Investing CF: Cash out ¥14.0bn due to capital investments
- Financial CF: Cash in ¥0.8bn due to bond redemption and long-term financing

Free CF: + ¥18.2bn
## Assumptions Regarding Market Environment

<table>
<thead>
<tr>
<th>General</th>
<th>Despite growing expectations of containment of spread of COVID-19, the social and economic outlook remains uncertain.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>Expect stagnant R&amp;D investment demand to recover. Electrification and autonomous driving technology development are expected to accelerate.</td>
</tr>
<tr>
<td>Process &amp; Environmental</td>
<td>Environmental regulation-related demand remains strong, and the Asian market expands centered on air and water quality measurement. The crude oil processing market is likely to remain uncertain.</td>
</tr>
<tr>
<td>Medical</td>
<td>The market environment is difficult to forecast due to uncertainty about when the spread of COVID-19 will be contained.</td>
</tr>
<tr>
<td>Semiconductor</td>
<td>Capital investment by semiconductor manufacturers stays at a high level. Monitoring demand will increase in the medium term due to technological evolution of semiconductor manufacturing process.</td>
</tr>
<tr>
<td>Scientific</td>
<td>Expect a recovery in R&amp;D and capital investment by the corporate sector. Anticipate an increase in demand in the semiconductor and life science market.</td>
</tr>
</tbody>
</table>
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# 2021 Forecast

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>vs 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Results</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td>13.1</td>
<td>13.5</td>
<td>+0.3</td>
</tr>
<tr>
<td>Net profit per share (Yen)</td>
<td>367</td>
<td>312</td>
<td>319</td>
<td>+7</td>
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<tr>
<td>ROE</td>
<td>9.3%</td>
<td>7.6%</td>
<td>7.4%</td>
<td>-0.2p</td>
</tr>
</tbody>
</table>
## 2021 Forecast by Segment

(Billions of Yen)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Sales</th>
<th>Operating Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020 Results</td>
<td>2021 Forecast</td>
</tr>
<tr>
<td>Automotive</td>
<td>63.9</td>
<td>64.0</td>
</tr>
<tr>
<td>Process &amp; Environment</td>
<td>18.3</td>
<td><em>21.0</em></td>
</tr>
<tr>
<td>Medical</td>
<td>21.0</td>
<td>25.0</td>
</tr>
<tr>
<td>Semiconductor</td>
<td>56.9</td>
<td><em>61.0</em></td>
</tr>
<tr>
<td>Scientific</td>
<td>26.8</td>
<td><em>29.0</em></td>
</tr>
<tr>
<td>Total</td>
<td>187.0</td>
<td>200.0</td>
</tr>
</tbody>
</table>

* :Record-high
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2020 Results and 2021 Forecasts

2020 Results

- Affected by stagnant corporate activities owing to the spread of COVID-19
  - EMS, MCT
    - Delayed product shipment and acceptance, limited sales activities
    - Affected by stagnant capital investment by automotive related manufactures
  - ECT
    - Stagnate operations due to COVID-19 restrictive measures

2021 Forecasts

- EMS
  - Expect a recovery in automakers’ sluggish capital investment
- MCT
  - Expect a sales increase due to accelerated investment in electrified vehicles by automotive-related manufacturers
- ECT
  - Business is likely to expand by accelerating technological developments related to connected, autonomous driving, and vehicle security

Sales and O.P. (Half Year/Full Year)


Sales by Region

Sales by region for the years 2017, 2018, 2019, 2020, and 2021 Forecast.
2020 Results and 2021 Forecasts

2020 Results

- Public spending demand was solid but affected by stagnation of corporate activities owing to spread of COVID-19
  【Gas Monitoring, Water Quality】
- Solid regulation-related demand, especially in the public sector
  【Water Quality】
- Strong demand for environmental equipment for the electronic industry

2021 Forecasts

- Expect a recovery from the sluggish economic activity, caused by the spread of COVID-19
  【Stack Gas Analyzer, Air Quality Monitoring】
- Expect to acquire orders, driven by tighter environmental regulations in Asia
  【Water Quality】
- Expect solid sales to the clean water and electronics industries in Japan and Asia

Sales and O.P. (Half Year/Full Year)

Sales by Region
### 2020 Results

- Decline in sales, caused by a decline in the number of tests performed at hospitals, as the spread of COVID-19 led to a decrease in the number of patients who visit hospitals

### 2021 Forecasts

- Expect containment of spread of COVID-19 and thereby a recovery in the number of patients visiting hospitals
- Will start supply of hematology analyzers to Siemens and expect profit contribution over the medium to long term
- Through the acquisition of MedTest, seek to strengthen the reagent production function of the clinical chemistry business in the US, and to expand the business over the medium to long term

### Sales and O.P. (Half Year/Full Year)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>O.P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019.1H</td>
<td>12.6</td>
<td>0.7</td>
</tr>
<tr>
<td>2019.Full</td>
<td>25.3</td>
<td>1.3</td>
</tr>
<tr>
<td>2020.1H</td>
<td>21.0</td>
<td>10.4</td>
</tr>
<tr>
<td>2020.Full</td>
<td>-0.0</td>
<td>-0.4</td>
</tr>
<tr>
<td>2021.1H.Fore.</td>
<td>12.0</td>
<td>-</td>
</tr>
<tr>
<td>2021.Full.Fore.</td>
<td>25.0</td>
<td>0.5</td>
</tr>
</tbody>
</table>

### Sales by Region

<table>
<thead>
<tr>
<th>Year</th>
<th>Japan</th>
<th>Asia</th>
<th>Americas</th>
<th>Europe</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>9.0</td>
<td>5.5</td>
<td>4.8</td>
<td>5.7</td>
</tr>
<tr>
<td>2018</td>
<td>9.1</td>
<td>5.3</td>
<td>5.6</td>
<td>5.8</td>
</tr>
<tr>
<td>2019</td>
<td>8.2</td>
<td>5.0</td>
<td>5.6</td>
<td>6.3</td>
</tr>
<tr>
<td>2020</td>
<td>7.3</td>
<td>3.9</td>
<td>4.2</td>
<td>5.4</td>
</tr>
<tr>
<td>2021 Forecast</td>
<td>9.0</td>
<td>4.0</td>
<td>6.0</td>
<td>6.0</td>
</tr>
</tbody>
</table>
2020 Results and 2021 Forecasts

**2020 Results**
- Increase in demand for semiconductors, associated with the expansion of telework and digital business
- Increase in sales to semiconductor production equipment manufacturers, in response to a recovery of semiconductor manufacturers' capital investment

**2021 Forecasts**
- Continue to expect sales to semiconductor production equipment manufacturers are expected to increase, in response to a growth of semiconductor manufacturers' capital investment driven by an increase in demand for semiconductors
- Expect an increase in various monitoring requirements, as the manufacturing process becomes more complicated

**Sales and O.P. (Half Year/Full Year)**

**Sales by Region**

- Japan
- Asia
- Americas
- Europe
## 2020 Results

- Decrease in sales mainly due to the stagnant corporate activities affected by the spread of COVID-19
- Increase in demand for optical components from semiconductor production equipment manufacturers and for life science devices
- Operating income increased due to reduction in selling and other expenses

## 2021 Forecasts

- Expect a recovery in R&D and capital investments, which were stagnant in 2020
- Expect further increase in demand in the life science field such as pharmaceuticals

### Sales and O.P. (Half Year/Full Year)

- **Sales**
  - 2019.1H: 12.6
  - 2019.Full: 27.1
  - 2020.1H: 11.3
  - 2020.Full: 26.8
  - 2021.1H.Fore.: 13.0
  - 2021.Full.Fore.: 29.0

- **O.P.**
  - 2019.1H: -0.0
  - 2019.Full: 1.9
  - 2020.1H: 0.1
  - 2020.Full: 1.5
  - 2021.1H.Fore.: 0.5
  - 2021.Full.Fore.: 1.5

### Sales by Region (Billions of Yen)

- **Japan**
  - 2017: 5.0
  - 2018: 7.2
  - 2019: 7.3
  - 2020: 6.4
  - 2021 Forecast: 8.0

- **Asia**
  - 2017: 5.7
  - 2018: 7.1
  - 2019: 6.7
  - 2020: 7.2
  - 2021 Forecast: 7.5

- **Americas**
  - 2017: 5.5
  - 2018: 7.5
  - 2019: 6.7
  - 2020: 7.3
  - 2021 Forecast: 7.5

- **Europe**
  - 2017: 5.6
  - 2018: 7.6
  - 2019: 7.4
  - 2020: 6.1
  - 2021 Forecast: 7.5
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HORIBA’s Contribution to Social Issues

Business Expansion in Response to Various Social Issues

1. Market Oriented Business
   To develop analysis and measurement solutions, utilizing HORIBA’s core technologies, in the leading three business fields of the mega trend
   - Energy & Environment
   - Bio & Healthcare
   - Materials & Semiconductor

2. Solution Provider Beyond Life Cycle Management
   To support customers’ core businesses from all aspects – from product introduction to replacement

3. HORIBA Core Values “The Next Stage of Super Dream Team”

Mid-Long Term Management Plan ”MLMAP2023”
Developing the Sensing Technology for the Semiconductor Market

Promote Optical Smart Sensing Technology

- From the perspective of the Optical Smart Sensing (OSS) technology, utilize various sensing technologies owned by the HORIBA Group globally to aggressively launch applications in the semiconductor market.
- Established a department specialized in OSS at HORIBA STEC, a main group company of the semiconductor business.

Established the business for the semiconductor market

Intend to develop as a new business for the semiconductor market

【Perspective of Utilization of Optical Smart Sensing Technology】
- Contribution to productivity improvement in semiconductor manufacturing processes
- Use of big data in the process control of semiconductor manufacturing equipment

In-situ Measurement Devices
- Process Gas Monitor
- End-point Monitor
- Gas Monitor

Measurement Equipment Used in a Wide Range of Applications
- Particle Detection Systems
- X-ray Fluorescence Analyzers
- Spectroscopic Ellipsometry
Expand Business in the US by Acquiring MedTest

- Engaged in R&D and production of a wide range of biochemical reagents. Possesses the application development function, which is combined with equipment.
- Established a system that complies with FDA regulation, which requires world-class rigorous quality systems

1: Food and Drug Administration

- Accelerate reagent production and application development in the biochemistry-related fields
- Strengthen the R&D structure in Japan, France and the US

Aiming for further business expansion in the IVD field

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Company name: MedTest Holdings Inc.
Applies to 4 affiliated companies
Established: 2011
Sales: Approx. 1.3 bln yen (Preliminary figure for 2020)
Workforce: 52 (Group)
Contract date: January 28, 2021

Canton, Michigan, USA
Business Expansion in the Pharmaceutical Industry

Contribution in a Wide Range, from R&D to Production Processes

### Pharmaceutical process evaluation

**Process Raman System**

- **Analytical Probe & Microscopic Raman**
- **Bioreactor**
- **Probe**

- Reactor monitoring in the pharmaceutical manufacturing process
  - API concentration, crystal polymorph monitoring
  - Control of hydrates, etc.

### Analysis of exosomes in blood

**Nanoparticle Measurement Instrument**

- Viewsizer™ 3000

1. Exosomes: Granular materials, diameter 50-150nm, secreted by various cells

### Highly-sensitive and rapid microbial contamination inspection

**Microbial Rapid Inspection Device**

- Rapica

### Inspection for vaccine shipping

**Fluorescence Analyzer**

- Aqualog

### Quantitative analysis of medicinal ingredients in tablets

**Transmission Raman Spectrometer**
Hydrogen Energy Society and HORIBA


## Hydrogen Smartly

<table>
<thead>
<tr>
<th>Production</th>
<th>Storage</th>
<th>Use</th>
</tr>
</thead>
</table>

### Production

Evaluator EC/ES
Control the temperature and flow volume of water and evaluate the performance and efficiency of water electrolysis cells up to 5000 kW.

### Storage

rf-GD-OES¹ (GDS)
Evaluate the hydrogen distribution during plating. Identify the release of hydrogen.

¹: Radio Frequency Glow Discharge Optical Emission Spectrometry

### Use

Evaluator EC/ES
Meet the fuel cell test requirements of the R&D stage and conduct performance evaluation and cycle evaluation.

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A wide range of coverage from demonstration experiments to practical use

Established the Hydrogen Energy Project

- "Hydrogen Energy Project," a cross-organization consisting of five existing businesses, was established in order to strengthen efforts in the hydrogen-related market.
- Aiming to contribute to a hydrogen energy society by using HORIBA's core technology in capturing various aspects of hydrogen.

Please see the link to the website for other products (Japanese only).
Vehicle Electrification and HORIBA

Provide Total Solution for the Vehicle Development – from Internal Combustion Engine to Electrification

<table>
<thead>
<tr>
<th>Vehicle type</th>
<th>Powertrain</th>
<th>R&amp;D Technology requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>(ICE) Internal Combustion Engine Vehicle</td>
<td>Engine</td>
<td>✓</td>
</tr>
<tr>
<td>(HEV) Hybrid Electric Vehicle</td>
<td>Engine + Motor</td>
<td>✓</td>
</tr>
<tr>
<td>(PHEV) Plug-in Hybrid Electric Vehicle</td>
<td>Motor + Engine</td>
<td>✓</td>
</tr>
<tr>
<td>(FCEV) Fuel Cell Electric Vehicle</td>
<td>Motor</td>
<td>✓</td>
</tr>
<tr>
<td>(BEV) Battery Electric Vehicle</td>
<td>Motor</td>
<td>✓</td>
</tr>
</tbody>
</table>

Electrified Vehicle

<table>
<thead>
<tr>
<th>Measurement Analyzer</th>
<th>Testing Procedures</th>
<th>Engineering</th>
</tr>
</thead>
<tbody>
<tr>
<td>HORIBA FuelCon</td>
<td>HORIBA</td>
<td>MIRA</td>
</tr>
</tbody>
</table>

HORIBA's Technologies

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Established Vehicle Development Center for Connected and Autonomous

Comprehensive Support from Design to feasible verification of vehicle

Support vehicle development from four aspects

1. PHYSICAL
   - Test course for the limit of controllability at high speed

2. COMMUNICATION
   - Test course for urban environment

3. SIMULATION
   - Validation area for automated valet parking

4. ENABLERS
   - Test course for public road environment

Comprehensive R&D and Engineering facilities (Open in Mar. 2021)
## Initiatives for Open Innovation

### Collaborate with Academia Globally

**HORIBA & University of California, Irvine**
- A new research institute supported by HORIBA will start operation soon.
  - Work on research themes that cross the fields of mobility and energy

**HORIBA Institute for Mobility and Connectivity**
- Promote innovation for next-generation mobility and urban energy networks

**HORIBA & National Institute of Advanced Industrial Science and Technology (AIST)**
- Established "HORIBA Institute for Particle Analysis in AIST TSUKUBA"
  - Through open innovation, aim for practical application of its world-class particle measurement system that contributes to the development of nano-materials

**HORIBA Institute for Particle Analysis in AIST TSUKUBA <HIPAA>**
- A system for accurate, easy measurement of minute particles, such as PM2.5
- A system for analysis and evaluation of advanced materials, such as carbon nanotubes
- Immediately utilize cutting-edge research directly linked to industry for business

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Opened a Production Base for Advanced Spectroscopic Technology in Europe

Leading the Market as an Advanced Company in Spectroscopic Technology

- Relocated an R&D and production base in Lille, France and doubled the building area.
- Strengthened spectroscopic technology engineering and production functions.
- Expanded the target market to a wide range of fields from semiconductors to pharmaceuticals and drug discovery, and cells and genes.

Increased importance of the bio-life science field

Rising demand in spectroscopic analysis technology and equipment

Strengthened functions and realized development and supply of higher quality products.

Location: Premises of HORIBA FRANCE SAS (Lille, France)
Workforce: 106 (as of Jan. 2021)
Investment: Approx. 1.3 billion yen
Aim to Establish New Business Model

Built New Headquarters for HORIBA TECHNO SERVICE

- Functions as the forefront of the sales division that creates a continuous use cycle for HORIBA products
- Opened "Analytical Solution Plaza" to propose total solutions including analysis (relocated from and expanded the former HORIBA Analytical Laboratory).

Start of operation in Feb. 2021
Total cost: Approx. 3.8 billion yen

Maintenance services using Operating data
Consulting Using Measurement Data

Aiming for establishing a business model centered on solutions proposals and data management
Participation in the Initial Analysis Project

✓ Six international teams are conducting initial analysis of samples taken from the asteroid, Ryugu.
✓ HORIBA TECHNO SERVICE, which specializes in high-precision microanalysis, belongs to the chemical analysis team.
✓ Analysis, using a fluorescent X-ray analyzer, is scheduled to begin in June 2021 at the "Analytical Solution Plaza" in the new building.

【Asteroid Ryugu】
• An unknown rock, located 340 million kilometers from the earth.
• Ryugu retains information on the early formation stages of solar system and is considered to be an asteroid rich in organic matter and water.
• Hayabusa2 took 5.4 grams sample from the asteroid.

Expect elucidation of the mystery of the origin of asteroids, the birth of the solar system, and the birth of life.
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Shareholder Return

**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)

**Dividends per share and Share buybacks**

- **2019 Results** 130yen [Interim 50yen/Year-end 80yen]
- **2020 Results** 90yen [Interim 30yen/Year-end 60yen]
- **2021 Forecast** 90yen [Interim 30yen/Year-end 60yen]

### Per-share dividend

- **Ordinary Div. (yen)**
- **Commemorative Div. (yen)**
- **Total Return Ration (%)**

![chart showing historical dividend payments and return ratios from 2005 to 2021](chart.png)

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Operating Profit Analysis (vs 2019)

(Billions of Yen)


20.91

Decrease Sales -10.81
Decrease Cost of Goods Sales +6.14
Exchange Impact for Gross Profit -1.51
Exchange Impact for Expenses +0.53
Decrease R&D Cost +0.59
Decrease Other Expense +3.82


19.69

Decrease Gross Profit -4.66
Exchange Impact -0.98
Decrease Expenses +4.42
Decrease Operating Profit -1.22
## Consolidated Cash Flows

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
<th>Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td>+32.2</td>
<td>+26.6</td>
<td>+5.6</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td>-14.0</td>
<td>-12.3</td>
<td>-1.6</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td>+0.8</td>
<td>+19.2</td>
<td>-18.3</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of year</td>
<td>114.1</td>
<td>96.0</td>
<td>+18.0</td>
</tr>
<tr>
<td>Free cash flows</td>
<td>+18.2</td>
<td>+14.2</td>
<td>+3.9</td>
</tr>
</tbody>
</table>
## Cash Balance

(Consolidated basis, each end of period)
(Billions of Yen)

### Total Loan Balance

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash Balance</th>
<th>Total Loan Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>Cash 58.9</td>
<td>Bonds 15.0 Long 18.7 Short 8.3</td>
</tr>
<tr>
<td></td>
<td>Cash 63.6</td>
<td>Bonds 15.0 Long 17.0 Short 12.0</td>
</tr>
<tr>
<td>2018</td>
<td>Cash 95.6</td>
<td>Bonds 45.0 Long 16.8 Short 8.4</td>
</tr>
<tr>
<td>2019</td>
<td>Cash 114.5</td>
<td>Bonds 30.0 Long 37.5 Short 9.5</td>
</tr>
</tbody>
</table>

### Current Ratio and Capital Ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>Current Ratio</th>
<th>Capital Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>239%</td>
<td>57%</td>
</tr>
<tr>
<td>2018</td>
<td>246%</td>
<td>58%</td>
</tr>
<tr>
<td>2019</td>
<td>245%</td>
<td>54%</td>
</tr>
<tr>
<td>2020</td>
<td>308%</td>
<td>54%</td>
</tr>
</tbody>
</table>

### Recent issuer rating
- R&I “A” (Sep. 2020)
- JCR “A+” (Aug. 2020)

---

*Note: *Cash includes cash and cash equivalents.
## Exchange Rate

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>vs 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Results</td>
<td>109.03</td>
<td>106.76</td>
<td>105.00</td>
<td>- 1.76</td>
</tr>
<tr>
<td>USD</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EUR</td>
<td>122.03</td>
<td>121.88</td>
<td>125.00</td>
<td>+ 3.12</td>
</tr>
</tbody>
</table>

1 yen O.P. sensitivity for 2021 forecast (Yen appreciation)
- USD: -0.26 billion yen
- EUR: -0.00 billion yen
# Impact of Fluctuation in Foreign exchange

## Exchange rate impact

**Sales** -¥1.31bn  **O.P.** -¥0.98bn

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>vs 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease Sales</td>
<td>- 1.31bn</td>
<td></td>
</tr>
<tr>
<td>Decrease Cost of Goods Sales</td>
<td>+ 6.97bn</td>
<td></td>
</tr>
<tr>
<td>Decrease Expenses</td>
<td>+ 4.96bn</td>
<td></td>
</tr>
<tr>
<td>Impact to Operating Profit</td>
<td>- 0.98bn</td>
<td></td>
</tr>
</tbody>
</table>

## Exchange rate impact for 2021 Forecast

1 yen impact of Sales and O.P.  
*Yen appreciation*

<table>
<thead>
<tr>
<th></th>
<th>2021 Forecast</th>
<th>(Yen)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>-¥0.49bn</td>
<td></td>
</tr>
<tr>
<td>EUR</td>
<td>-¥0.33bn</td>
<td></td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD</td>
<td>-¥0.26bn</td>
<td></td>
</tr>
<tr>
<td>EUR</td>
<td>-¥0.00bn</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>(Yen)</th>
<th>2021 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>122.03</td>
<td>125.00</td>
</tr>
<tr>
<td>EUR</td>
<td>109.03</td>
<td>105.00</td>
</tr>
</tbody>
</table>

**Exchange rate**

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>Diff.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>USD</strong></td>
<td>109.03</td>
<td>106.76</td>
<td>-2.27</td>
</tr>
<tr>
<td><strong>EUR</strong></td>
<td>122.03</td>
<td>121.88</td>
<td>-0.15</td>
</tr>
</tbody>
</table>
## Capital Investment, Depreciation, R&D

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Results</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capex</td>
<td>12.8</td>
<td>17.5</td>
<td>16.5</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>8.7</td>
<td>9.5</td>
<td>10.5</td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>16.2</td>
<td>16.0</td>
<td>17.0</td>
</tr>
<tr>
<td>to net sales(%)</td>
<td>8.1%</td>
<td>8.5%</td>
<td>8.5%</td>
</tr>
</tbody>
</table>

### Notes:
- **PP&E:** Continuation: investment to HORIBA FuelCon’s new facility, a new facility in China, etc.
- New: enhance the base of global production
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Five Business Segments & Major Products

Figures are the sales composition ratio for FY 2020

- **Automotive** (34%)
  - Emission Measurement Systems
- **Process & Environmental** (10%)
  - Stack Gas Analyzers
- **Medical Diagnostics** (11%)
  - Automatic Blood Cell Counters plus CRP
- **Semiconductor** (31%)
  - Mass Flow Controllers
- **Scientific** (14%)
  - Raman Imaging Device

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Global Network

Sales by region (as of Dec 2020)

- Americas: 15%
- Europe: 21%
- Asia: 33%
- Europe: 21%

Employee headcount by region (as of Dec 2020)

- Americas: 11%
- Europe: 33%
- Asia: 18%
- Japan: 38%

Number of companies (as of Dec 31, 2020) 49
Overseas sales ratio (as of Dec 2020) 69%
Foreign employee ratio (as of Dec 31, 2020) 62%
Achieving Sustainable Growth Through M&A

Major M&As

1996
ABX (France)  【Medical】

1997
Jobin Yvon (France)  【Scientific】

2005
SCHENCK DTS (France)  【Scientific】

2015
MIRA (UK)  【Automotive】

2018
FuelCon (Germany)  【Automotive】

Trends in consolidated sales

Six-fold growth in corporate scale in 30 years

187.0 billion yen
THANK YOU