Financial Information

HORIBA, Ltd.

March, 2022
Contents

- 2021 Results
- 2021 Forecast
- Outlines by Business Segment
- Topics - Deepening Cross-segment Activities
- Shareholder Return
  - Financial Data
  - Corporate Profile
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- 2021 Results
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# Review of 2021

<table>
<thead>
<tr>
<th>External Events</th>
<th>Internal Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>◆ Increased momentum to de-carbonization and carbon neutral</td>
<td>◆ Continued investment for growth mainly in China and Europe</td>
</tr>
<tr>
<td>◆ Accelerated investment in vehicle electrification</td>
<td>◆ Focused development of new technologies and aggressive launch of new products</td>
</tr>
<tr>
<td>◆ Increased investment in semiconductor production equipment due to increased demand for data transmission</td>
<td>◆ Implemented M&amp;A in the medical and energy fields</td>
</tr>
<tr>
<td>◆ Further heightened interest in life science</td>
<td>◆ Business expansion in new markets related to hydrogen energy and life-science</td>
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</tbody>
</table>
## 2021 Results

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>2020 Results</th>
<th>2020 Forecasts (as of Nov. 11)</th>
<th>2021 Results</th>
<th>vs 2020</th>
<th>vs Forecasts (as of Nov. 11)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>187.0</td>
<td>220.0</td>
<td>224.3</td>
<td>+37.2</td>
<td>+4.3</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>19.6</td>
<td>28.5</td>
<td>32.0</td>
<td>+12.3</td>
<td>+3.5</td>
</tr>
<tr>
<td>O.P.%</td>
<td>10.5%</td>
<td>13.0%</td>
<td>14.3%</td>
<td>+3.8p</td>
<td>+1.3p</td>
</tr>
<tr>
<td>Ordinary Profit</td>
<td>19.3</td>
<td>28.0</td>
<td>32.0</td>
<td>+12.6</td>
<td>+4.0</td>
</tr>
<tr>
<td>Net Income</td>
<td>13.1</td>
<td>18.5</td>
<td>21.3</td>
<td>+8.1</td>
<td>+2.8</td>
</tr>
<tr>
<td>attributable</td>
<td>to Owners</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>of Parent</td>
<td>of Parent</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USD/JPY</td>
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<td>109.00</td>
<td>109.90</td>
<td>+3.14</td>
<td>+0.90</td>
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<tr>
<td>EUR/JPY</td>
<td>121.88</td>
<td>130.00</td>
<td>129.91</td>
<td>+8.03</td>
<td>-0.09</td>
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★: Record-high
# 2021 Results by Segment

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th></th>
<th>Operating Profit</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
<td>2021</td>
<td>2020</td>
<td>2021</td>
</tr>
<tr>
<td><strong>Results</strong></td>
<td></td>
<td></td>
<td><strong>Results</strong></td>
<td></td>
</tr>
<tr>
<td>Auto</td>
<td>63.9</td>
<td>64.0</td>
<td><strong>61.2</strong></td>
<td>-2.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>vs 2020</strong></td>
</tr>
<tr>
<td>P&amp;E</td>
<td>18.3</td>
<td>21.0</td>
<td><strong>20.2</strong></td>
<td>+1.8</td>
</tr>
<tr>
<td>Medical</td>
<td>21.0</td>
<td>25.0</td>
<td><strong>25.8</strong></td>
<td>+4.8</td>
</tr>
<tr>
<td>Semi</td>
<td>56.9</td>
<td>81.0</td>
<td><strong>87.0</strong></td>
<td>+30.0</td>
</tr>
<tr>
<td>Scientific</td>
<td>26.8</td>
<td>29.0</td>
<td><strong>29.9</strong></td>
<td>+3.1</td>
</tr>
<tr>
<td>Total</td>
<td>187.0</td>
<td>220.0</td>
<td><strong>224.3</strong></td>
<td>+37.2</td>
</tr>
</tbody>
</table>

★ : Record-high
## 2021 Results (B/S, CF)

### B/S
- **Total assets** were ¥371.5bn, up ¥43.5bn, by increasing in cash and accounts receivables due to an increase in sales.
- **Equity ratio**: 54.8% (compared to the end of Dec. 2020)

### CF
- **Operating CF**: Cash in ¥35.2bn due to operating profit.
- **Investing CF**: Cash out ¥14.6bn due to capital investments.
- **Financial CF**: Cash out ¥4.0bn due to payment of dividends.

Free CF: + ¥20.6bn
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### HORIBA’s Assumptions Regarding the Market Environment

<table>
<thead>
<tr>
<th>Segment</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>Remain concerned about supply chain of components. Expect economic activities to be revitalized in the “Living with Covid” society.</td>
</tr>
<tr>
<td>Automotive</td>
<td>Electrification including utilization of hydrogen and autonomous driving technology accelerates. Stagnant demand for development investment related to internal combustion engines continues.</td>
</tr>
<tr>
<td>Process &amp; Environmental</td>
<td>Environmental regulation-driven demand remains strong; the Asian market expands centered on air and water quality measurement. Decarbonization expands business opportunities in the crude oil processing market.</td>
</tr>
<tr>
<td>Medical</td>
<td>Opacity of the market environment, due to uncertainty of timing of containment of COVID-19 in different regions.</td>
</tr>
<tr>
<td>Semiconductor</td>
<td>Capital investment by semiconductor manufacturers stays high. Medium-term, increase in demand for measurement due to technological evolution of semiconductor manufacturing processes.</td>
</tr>
<tr>
<td>Scientific</td>
<td>Strong demand for measurement and analysis equipment for development and manufacturing processes in the semiconductor market. Anticipate an increase in demand in the life science market.</td>
</tr>
</tbody>
</table>
## 2022 Forecasts

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>Forecasts</th>
<th>vs 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Results</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>187.0</td>
<td>224.3</td>
<td>250.0</td>
<td>+25.6</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>19.6</td>
<td>32.0</td>
<td>35.0</td>
<td>+2.9</td>
</tr>
<tr>
<td>O.P.%</td>
<td>10.5%</td>
<td>14.3%</td>
<td>14.0%</td>
<td>-0.3p</td>
</tr>
<tr>
<td>Ordinary Profit</td>
<td>19.3</td>
<td>32.0</td>
<td>34.5</td>
<td>+2.4</td>
</tr>
<tr>
<td>Net Income attributable to Owners of Parent</td>
<td>13.1</td>
<td>21.3</td>
<td>23.0</td>
<td>+1.6</td>
</tr>
<tr>
<td><strong>Net profit per share (Yen)</strong></td>
<td>312</td>
<td>505</td>
<td>545</td>
<td>+40</td>
</tr>
<tr>
<td><strong>ROE</strong></td>
<td>7.6%</td>
<td>11.2%</td>
<td>10.8%</td>
<td>-0.4p</td>
</tr>
</tbody>
</table>

* : Record-high
# 2022 Forecasts by Segment

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>2021 Results</th>
<th>2022 Forecasts</th>
<th>vs 2021</th>
<th>2021 Results</th>
<th>2022 Forecasts</th>
<th>vs 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Auto</strong></td>
<td>61.2</td>
<td>68.0</td>
<td>+6.7</td>
<td>-0.0</td>
<td>1.5</td>
<td>+1.5</td>
</tr>
<tr>
<td><strong>P&amp;E</strong></td>
<td>20.2</td>
<td>23.5</td>
<td>+3.2</td>
<td>1.9</td>
<td>2.0</td>
<td>+0.0</td>
</tr>
<tr>
<td><strong>Medical</strong></td>
<td>25.8</td>
<td>28.5</td>
<td>+2.6</td>
<td>0.1</td>
<td>0.5</td>
<td>+0.3</td>
</tr>
<tr>
<td><strong>Semi</strong></td>
<td>87.0</td>
<td>96.0</td>
<td>+8.9</td>
<td>28.0</td>
<td>29.0</td>
<td>+0.9</td>
</tr>
<tr>
<td><strong>Scientific</strong></td>
<td>29.9</td>
<td>34.0</td>
<td>+4.0</td>
<td>1.9</td>
<td>2.0</td>
<td>+0.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>224.3</td>
<td>250.0</td>
<td>+25.6</td>
<td>32.0</td>
<td>35.0</td>
<td>+2.9</td>
</tr>
</tbody>
</table>

- **Star** : Record-high
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Outlook for internal combustion engine development remained uncertain. Demand for vehicle electrification expanded.

【EMS】
- Sales declined as demand driven by regulations has run its course in Asia region.
- Sales in Japan were sluggish, lowering the profit margin.

【MCT*1・ECT*2】
Captured demand related to vehicle electrification and hydrogen energy, and increased sales.

2021 Results

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

2022 Forecasts

【EMS】
Expect the similar level of capital investment by automotive manufacturers as in 2021.

【MCT】
Expect an increase in sales by faster growth of R&D investment for vehicle electrification and hydrogen energy utilization.

【ECT】
Inquiries related to ADAS*3 / CAV*4 and vehicle electrification increase.

Sales by Region
2021 Results and 2022 Forecasts
(Billions of yen)

2021 Results
- Demand for public investment remained firm against the backdrop of environmental regulations, which led to an increase in sales.

Gas Monitoring
- Sales increased in Asia due to strong demand related to environmental regulations.

Water quality
- Demand for water quality measurement equipment for manufacturing processes in the electronics industry, and demand based on compliance with environmental regulations were strong.

2022 Forecasts

Gas Monitoring
- Strong demand for product replacement in Japan and Europe.
- Increase in demand related to new energy technology (such as hydrogen energy and ammonia combustion power generation) and the CCUS\(^*1\) related business.

Water quality
- Increase in sales by capturing demand for new products such as TOC\(^*2\) analyzers and by responding to regulations.

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

Sales by Region

Sales
- O.P.


Japan  Asia  Americas  Europe

Sales
- O.P.


Legend:
- Sales
- O.P.

*1 Carbon dioxide Capture, Utilization and Storage
*2 Total Organic Carbon
2021 Results and 2022 Forecasts

2021 Results

- Sales of test reagents remained sluggish due to the spread of COVID-19.
  - [Asia and Europe] Increase in sales of hematology analyzers.
  - [Americas] Acquisition of MedTest, a provider of clinical chemistry analyzers and reagents, contributed to increase in sales.
  - Sales of test reagents remained sluggish due to the spread of COVID-19.

2022 Forecasts

- Expect containment of COVID-19, enabling full normalization of the number of hospital in-patients.
- Increase in sales of large-scale analyzers following start of supply of hematology analyzers to Siemens. Outlook is for profit contribution over the medium to long term.
- Further expansion in the clinical chemistry field through the business by MedTest.

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

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>O.P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020.1H</td>
<td>-0.0</td>
<td>-0.4</td>
</tr>
<tr>
<td>2020.Full</td>
<td>10.4</td>
<td></td>
</tr>
<tr>
<td>2021.1H</td>
<td>12.8</td>
<td>0.3</td>
</tr>
<tr>
<td>2021.Full</td>
<td>-0.1</td>
<td>-14.0</td>
</tr>
<tr>
<td>2022.1H, Fore.</td>
<td>25.8</td>
<td>0.5</td>
</tr>
<tr>
<td>2022.Full, Fore.</td>
<td>28.5</td>
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</tr>
</tbody>
</table>

Sales by Region

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>9.1</td>
<td>5.3</td>
<td>5.6</td>
<td>9.1</td>
<td>9.5</td>
</tr>
<tr>
<td>Asia</td>
<td>8.2</td>
<td>5.0</td>
<td>5.6</td>
<td>5.8</td>
<td>6.5</td>
</tr>
<tr>
<td>Americas</td>
<td>7.3</td>
<td>3.9</td>
<td>4.2</td>
<td>5.7</td>
<td>6.5</td>
</tr>
<tr>
<td>Europe</td>
<td>5.8</td>
<td>6.3</td>
<td>5.4</td>
<td>5.2</td>
<td>6.0</td>
</tr>
</tbody>
</table>
2021 Results and 2022 Forecasts

### 2021 Results
- Significant increase in sales to semiconductor manufacturing equipment (SME) manufacturers, who expanded capital investment driven by increased semiconductor demand.
- Less-than-expected effects of supply chain problems, that were limited up to the end of 2021.

### 2022 Forecasts
- Increase in sales to SME manufacturers on the back of higher capital investment by semiconductor manufacturers.
- Risk of persistent supply chain issues.
- Growth of new products sales, contributing to semiconductor manufacturing in addition to the existing main products.

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>O.P.</th>
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<tbody>
<tr>
<td>2020.1H</td>
<td>27.4</td>
<td>6.4</td>
</tr>
<tr>
<td>2020.Full</td>
<td>56.9</td>
<td>14.0</td>
</tr>
<tr>
<td>2021.1H</td>
<td>40.0</td>
<td>12.3</td>
</tr>
<tr>
<td>2021.Full</td>
<td>87.0</td>
<td>28.0</td>
</tr>
<tr>
<td>2022.1H,Fore.</td>
<td>48.0</td>
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</tr>
<tr>
<td>2022.Full,Fore.</td>
<td>96.0</td>
<td>29.0</td>
</tr>
</tbody>
</table>

#### Sales by Region
- Japan
- Asia
- Americas
- Europe

<table>
<thead>
<tr>
<th>Year</th>
<th>Japan</th>
<th>Asia</th>
<th>Americas</th>
<th>Europe</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>3.8</td>
<td>26.7</td>
<td>20.2</td>
<td>5.5</td>
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<tr>
<td>2019</td>
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<td>21.2</td>
<td>16.7</td>
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<td>2020</td>
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<td>2021</td>
<td>44.8</td>
<td>45.5</td>
<td>26.8</td>
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<tr>
<td>2022.Fore.</td>
<td>55</td>
<td>55</td>
<td>55</td>
<td>55</td>
</tr>
</tbody>
</table>
### 2021 Results

- Strong demand and sales increase of optical components for semiconductor manufacturing equipment (SME).
- A gradual recovery in corporate R&D investment due to recovery from the COVID-19 impact led to an improvement in sales of particle-size distribution analyzers and other devices.

### 2022 Forecasts

- Strengthening of analytical and measurement applications in terms of both technologies and sales. Expect to reap the harvest from products recently introduced to the market.
- Demand growth for special products in the life science field (i.e., certain pharmaceuticals) and industrial processes at semiconductor makers.

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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>11.3</td>
<td>26.8</td>
<td>29.9</td>
<td>34.0</td>
<td>15.0</td>
<td>0.5</td>
</tr>
<tr>
<td>O.P.</td>
<td>0.1</td>
<td>1.9</td>
<td>1.9</td>
<td>2.0</td>
<td>0.5</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>2018</td>
<td>7.2</td>
<td>7.3</td>
<td>6.1</td>
<td>8.0</td>
</tr>
<tr>
<td>2019</td>
<td>7.1</td>
<td>7.5</td>
<td>7.4</td>
<td>9.0</td>
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<tr>
<td>2020</td>
<td>6.6</td>
<td>6.7</td>
<td>8.0</td>
<td>9.0</td>
</tr>
<tr>
<td>2021</td>
<td>6.2</td>
<td>7.5</td>
<td>8.9</td>
<td>10.5</td>
</tr>
<tr>
<td>2022</td>
<td>6.5</td>
<td>7.3</td>
<td>7.4</td>
<td>8.0</td>
</tr>
</tbody>
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HORIBA’s Contribution to Social Issues

Cross-segmentation in Response to Various Social Issues

**Market Oriented Business**
To develop analysis and measurement solutions, utilizing HORIBA’s core technologies, in the leading three business fields of the mega trend

<table>
<thead>
<tr>
<th>Energy &amp; Environment</th>
<th>Bio &amp; Healthcare</th>
<th>Materials &amp; Semiconductor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automotive</td>
<td>Medical-Diagnostic</td>
<td>Semiconductor</td>
</tr>
<tr>
<td>Environmental</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Process</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scientific</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

Mid-Long Term Management Plan ”MLMAP2023”
Organizational Restructuring to Deepen Cross-Segments

Our objective: Further growth by creating new businesses

Established the Business Incubation Division

Operations at five centers

- Alternative Energy Conversion Center
- Mobility Solution Business Center
- Bio • Life Science Center
- Optical Smart Sensing (OSS) (Belongs to HORIBA STEC)
- R&D Planning Center
- Technology Innovation Center

✓ Personnel assigned to cross-segment activities became dedicated full-time.
✓ Propose solutions that integrate core technologies to the three focused fields in the MLMAP2023.

Simultaneously restructure the organization and work process, and accelerate product launches

Corporate Officer (CTO)
General Manager of Business Incubation Division
Hiroshi Nakamura
(Doctor of Engineering)
Concept for reorganization of automotive business

<table>
<thead>
<tr>
<th>Matured Market</th>
<th>Market growth</th>
<th>Dawn Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Lifecycle Management</td>
<td>Response to electrified vehicle</td>
<td>VRES*1/Cyber security</td>
</tr>
<tr>
<td></td>
<td>(Drive systems etc.)</td>
<td>Autonomous vehicle/ADAS*2</td>
</tr>
<tr>
<td></td>
<td>Emission measurement</td>
<td>Data science</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Model-base development</td>
</tr>
<tr>
<td>Mobility Solution Business</td>
<td></td>
<td>Fuel cells/batteries</td>
</tr>
<tr>
<td>Alternative Energy Conversion</td>
<td></td>
<td>New energy</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Hydrogen/alternative energy)</td>
</tr>
</tbody>
</table>

*1 Vehicle Resilience: Solutions that eliminate threats associated with advanced vehicle
*2 Advanced Driver-Assistance Systems
Expanding service coverage to include the function of customers’ facility management

**Products**
- Functions
- Performance
- Specifications

**Services**
- Stable operation of equipment
- Facility management
- Improvement in lab utilization rate and test efficiency

**Future**
- **【Equipment maintenance】**
  Services that contribute to the stable operation of equipment
- **【Facility maintenance】**
  High-level utilization of the entire facility and affordable maintenance costs
- **【Total facility planning】**
  Enhanced test efficiency and optimal capital investment

**Current**
- **【Equipment maintenance】**
  Services that contribute to the stable operation of equipment
- **【Facility maintenance】**
  High-level utilization of the entire facility and affordable maintenance costs
- **【Total facility planning】**
  Enhanced test efficiency and optimal capital investment

Transformation from equipment sales to facility management business starting from an installation base
Service Lifecycle Management (2/2)

Business model transformation starting from 8,000 installed sites

2001-2021
Shipped about 8,000 units of MEXA emission measurement systems (currently in operation)

Providing high-quality services to make the most of existing facilities

HORIBA’s installed sites

HORIBA Techno Service handles the service business

【Social needs】
Vehicle electrification
✓ New vehicle demand during the transition period
✓ EURO7 and other new regulations

【Issues at customers’ sites】
Reduced capital investment budget
✓ Difficulty to renew aging equipment
✓ Reduced frequency of maintenance

Thoroughly support the transformation of the automotive industry
Mobility Solution Business (1/2)

Strengthening the supply of solutions for the mobility business

<table>
<thead>
<tr>
<th>Mobility Solution Business: Focus areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model-based development</td>
</tr>
<tr>
<td>✓ Providing applications that support customers’ model-based development</td>
</tr>
<tr>
<td>Date science</td>
</tr>
<tr>
<td>✓ From data management platform building to data utilization</td>
</tr>
<tr>
<td>VRES*/Cyber security</td>
</tr>
<tr>
<td>✓ Developing efficient vehicle evaluation solutions for cyber security and functional safety</td>
</tr>
<tr>
<td>Autonomous driving/ADAS</td>
</tr>
<tr>
<td>✓ Business development with an eye on potential regulation of vehicle evaluation solutions for autonomous driving/ADAS functions</td>
</tr>
</tbody>
</table>

Solution development

Enhancement of technologies

New technology fields

Tighter regulations

Approach to the target markets

* Vehicle Resilience: Solutions that eliminate threats associated with advanced vehicles
Supporting R&D for vehicles in the new fields

HORIBA MIRA to expand global activities

Autonomous driving/ADAS

- Comprehensive support for vehicle control performance and safety evaluation tests for practical use of autonomous driving technology
- Constructed a high-speed marginal behavior evaluation course, which is equipped with a controllable communication network (1km in straight line and 300m in diameter) in December 2021.
- Enable digital simulation and feasibility tests seamlessly (digital-twin).

✓ Developing a comprehensive approach in fields including automotive cyber security and functional safety
  - Contracted for a project related to functional safety from the US emerging EV manufacturer, Rivian Automotive.

VRES/Cyber security
Alternative Energy Conversion (1/3)

Promoting new application development by utilizing existing business network

- Generation
- Energy conversion
- Utilization

Existing business area

Business Incubation
Alternative Energy Conversion

Concentrate resources on developing applications for new energy industries such as hydrogen

Energy related business (electricity, gas, oil)

Core technologies

Auto network

Automotive industry
Heavy industry

Process & Environmental
Alternative Energy Conversion (2/3)

Contributing to carbon neutral strategy in France

- In July 2021, Atsushi Horiba, Chairman and Group CEO, met with President Emmanuel Macron of France.

“Introduce multiple small nuclear reactors and aim for mass production of clean hydrogen using the electric power.” (President Macron’s speech in October 2021)

- Delivered the electrolyzer test system to GENVIA.

- President Macron visited GENVIA’s factory in November 2021 and announced an additional investment of €1.9 billion.
  - Of this amount, €200 million will be used for R&D investment by GENVIA.

- A hydrogen technology venture company in France
- Clean hydrogen production, energy storage, fuel application development

GENVIA
Various measures for expanding new energy business

<table>
<thead>
<tr>
<th>HORIBA Fuelcon: Construction of a new factory</th>
<th>HORIBA MIRA: Partnering with Octopus Hydrogen</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Construction of a new factory with the aim to establish a production system with high ability to respond to demand</td>
<td>✓ Installed a hydrogen/EV charging station of Octopus Hydrogen at HORIBA MIRA for the purpose of vehicle development.</td>
</tr>
<tr>
<td>✓ An increase in production capacity will enable timely response in demand, including shipment to GENVIA, France.</td>
<td>✓ Produce hydrogen energy from solar power.</td>
</tr>
<tr>
<td>✓ Participated in &quot;H2Giga&quot;, a large-scale research and feasibility project on hydrogen technology.</td>
<td>✓ HORIBA agreed to financial support in 2018 in anticipation of the coming of a sustainable-energy society.</td>
</tr>
</tbody>
</table>

HORIBA MIRA: Partnering with Octopus Hydrogen

- Installed a hydrogen/EV charging station of Octopus Hydrogen at HORIBA MIRA for the purpose of vehicle development.
- Produce hydrogen energy from solar power.

HORIBA Institute for Mobility & Connectivity

- A research institute for realization of power and mobility connectivity established at the University of California, Irvine.
- HORIBA agreed to financial support in 2018 in anticipation of the coming of a sustainable-energy society.
Bio-life Science (1/2)

Providing a wide range of analytical and measurement solutions for R&D and manufacturing

Concentrate human resources and technologies at the Bio-life Science Center and enhance coordination of activities in Europe, the US and Japan in order to respond globally.
## Business expansion in the pharmaceutical industry

Propose customized technologies and contribute to the realization of high-quality continuous production.

<table>
<thead>
<tr>
<th>Analysis of cell / biological samples</th>
<th>Analysis of small module medicines (formulation)</th>
<th>Quality inspection for vaccine</th>
<th>Analysis of antibody medicines</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Analyze exosomes, which are expected to be applied to biomarkers</td>
<td>✓ Fast analysis of medical ingredients in tablets</td>
<td>✓ Efficient testing of vaccines used in the research process</td>
<td>✓ Reactor monitoring in the manufacturing process</td>
</tr>
</tbody>
</table>

- **Viewsizer™ 3000**
- **Transmission raman spectrometer**
- **Chromophoric Dissolved Organic Matter (CDOM) fluorescence analyzer, Aqualog**
- **Analytical probe & Microscopic raman**

---

**Exploratory research**

- Development of new drugs

**Pharmaceutical manufacturing process**
Optical Smart Sensing (OSS) (1/2)

Develop the sensing technology for semiconductor manufacturing market

Mass flow controller

Chemical Concentration monitor

Optical Smart Sensing

In-line process monitoring

- Process gas monitor
- End-point monitor
- Gas monitor

Optical Smart Sensing

From R&D to quality control
Measurement equipment used in a wide range of applications

X-ray fluorescence analyzers

Spectroscopic ellipsometry

Established the business for the semiconductor market

Intend to develop as a new business for the semiconductor market

Diversify applications for the semiconductor market by utilizing various sensing technologies owned by the HORIBA Group globally
### Deploying solutions that meet customer needs, based on core technologies

**Contribute to improving productivity in semiconductor manufacturing processes**

<table>
<thead>
<tr>
<th>Reticle/Mask Particle Detection system PD Xpadion</th>
<th>Plasma Emission Monitor EV 2.0</th>
<th>Spectroscopic Ellipsometer UVISEL Plus</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓ Fast measurement of particles on reticles* and blanks used in the lithography process</td>
<td>✓ Monitor the state of plasma in the semiconductor manufacturing process.</td>
<td>✓ Analyze characteristics of thin films, surfaces and interfaces.</td>
</tr>
<tr>
<td>*Surface of pattern/glass/pellicle</td>
<td>✓ Automatically extract wavelength, which is required to find the endpoint of etching.</td>
<td>• Enable evaluation of ultra-thin films SiO2 (approx. 9.7nm).</td>
</tr>
<tr>
<td>• Fast measurement of micro-sized particles.</td>
<td></td>
<td>✓ Measure changes in film thickness in real time by mounting UVISEL Plus in the chamber.</td>
</tr>
<tr>
<td>• Improve detection efficiency by using in combination with defect inspection equipment.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From legacy to cutting-edge processes such as EUV, the system allows efficient inspection of particles.

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Contents

- 2021 Results
- 2021 Forecast
- Outlines by Business Segment
- Topics - Deepening Cross-segment
- Shareholder Return
  - Financial Data
  - Corporate Profile
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

- 2020 Results  90yen [Interim 30yen/Year-end 60yen]
- 2021 Results 150yen [Interim 50yen/Year-end 100yen]
- 2022 Forecasts 160yen [Interim 50yen/Year-end 110yen]

Per-share dividend

<table>
<thead>
<tr>
<th>Year</th>
<th>Ordinary Div. (yen)</th>
<th>Commemorative Div. (yen)</th>
<th>Total Return Ratio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>67</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>85</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>116</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>125</td>
<td></td>
<td>27.4%</td>
</tr>
<tr>
<td>2019</td>
<td>130</td>
<td></td>
<td>35.4%</td>
</tr>
<tr>
<td>2020</td>
<td>90</td>
<td></td>
<td>28.8%</td>
</tr>
<tr>
<td>2021</td>
<td>150</td>
<td></td>
<td>29.7%</td>
</tr>
<tr>
<td>2022F</td>
<td>160</td>
<td></td>
<td>29.4%</td>
</tr>
</tbody>
</table>

Share Buyback

- 2013: 28.2%
- 2014: 26.8%
- 2015: 30.6%
- 2016: 27.6%
- 2017: 30.0%
- 2018: 27.4%
- 2019: 35.4%
- 2020: 28.8%
- 2021: 29.7%
- 2022F: 29.4%
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Operating Profit Analysis (vs 2020)


Sales: +30.13
COGS: -16.76
Exchange impact for Gross Profit: +3.41
Exchange impact for Expense: -1.74
Increase R&D Expense: -0.71
Increase Other Expense: -1.98
Total: 19.69


Sales: +32.04
COGS: -16.76
Exchange impact for Gross Profit: +3.41
Exchange impact for Expense: -1.74
Increase R&D Expense: -0.71
Increase Other Expense: -1.98
Total: 32.04

Increase Sales: +30.13
Increase COGS: -16.76
Exchange impact for Gross Profit: +3.41
Exchange impact for Expense: -1.74
Increase R&D Expense: -0.71
Increase Other Expense: -1.98
Increase Operating Profit: +12.35

(Billions of yen)
## Consolidated Cash Flows

(Billions of Yen)

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>Variation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td>+35.2</td>
<td>+32.2</td>
<td>+3.0</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td>-14.6</td>
<td>-14.0</td>
<td>-0.6</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td>-4.0</td>
<td>+0.8</td>
<td>-4.8</td>
</tr>
<tr>
<td>Cash and cash equivalents at end of year</td>
<td>133.9</td>
<td>114.1</td>
<td>+19.7</td>
</tr>
<tr>
<td>Free cash flows</td>
<td>+20.6</td>
<td>+18.2</td>
<td>+2.3</td>
</tr>
</tbody>
</table>
### Exchange Rate

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>vs 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>USD</strong></td>
<td>106.76</td>
<td>109.90</td>
<td>115</td>
<td>+5.10</td>
</tr>
<tr>
<td><strong>EUR</strong></td>
<td>121.88</td>
<td>129.91</td>
<td>130</td>
<td>+0.09</td>
</tr>
</tbody>
</table>

1 yen O.P. sensitivity for 2022 forecast (Yen appreciation)

USD  -0.37 billion yen
EUR  -0.01 billion yen
# Impact of Fluctuation in Foreign exchange

(Billions of Yen)

## Exchange rate impact for 2021
(vs 2020)

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>Diff.</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>106.76</td>
<td>109.90</td>
<td>+3.14</td>
</tr>
<tr>
<td>EUR</td>
<td>121.88</td>
<td>129.91</td>
<td>+8.03</td>
</tr>
</tbody>
</table>

| Increase Sales         | +7.09 |
| Increase Cost of Goods Sales | -3.67 |
| Impact to Gross Profit | +3.41 |
| Increase Expenses      | -1.74 |
| Impact to Operating Profit | +1.67 |

## Exchange rate impact for 2022 Forecasts
1 yen impact of Sales and O.P. (Yen appreciation)

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>Operating Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>-0.72</td>
<td>-0.37</td>
</tr>
<tr>
<td>EUR</td>
<td>-0.35</td>
<td>-0.01</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2022 Forecasts</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD</td>
<td>115.00</td>
</tr>
<tr>
<td>EUR</td>
<td>130.00</td>
</tr>
</tbody>
</table>
## Capital Investment, Depreciation, R&D

<table>
<thead>
<tr>
<th></th>
<th>2020 Actual</th>
<th>Previous Forecasts (as of Nov 11)</th>
<th>2021 Actual</th>
<th>vs Previous</th>
<th>vs Forecasts</th>
<th>2022 Forecasts</th>
<th>vs Previous</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex</td>
<td>15.1</td>
<td>16.5</td>
<td>12.4</td>
<td>-2.6</td>
<td>-4.0</td>
<td>15.0</td>
<td>+2.5</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>9.6</td>
<td>10.5</td>
<td>10.4</td>
<td>+0.8</td>
<td>-0.0</td>
<td>11.0</td>
<td>+0.5</td>
</tr>
<tr>
<td>R&amp;D expenses to net sales(%)</td>
<td>15.5</td>
<td>17.0</td>
<td>16.7</td>
<td>+1.1</td>
<td>-0.2</td>
<td>19.0</td>
<td>+2.2</td>
</tr>
</tbody>
</table>

### 2022 Topics

- **PP&E:**
  - Continuation: a new facility in China, investment to HORIBA FuelCon’s new facility, etc.
  - New: enhance the base of global production
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  ➢ Corporate Profile
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** (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 (Germany)【Automotive】

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
HORIBA Report 2020-2021 (Eng. ver.)

An Integrated Report that conveys HORIBA's "diversity" and "uniqueness"!

Thank you

Thank you in various languages:

- English: THANK YOU
- German: Danke
- Spanish: Gracias
- Swedish: Tack ska du ha
- Italian: Grazie
- Greek: Σας ευχαριστώ πάρα πολύ
- Arabic: شكراً
- Indonesian: Terima kasih
- Chinese: 谢谢
- Japanese: ありがとう
- Hindi: धन्यवाद
- Korean: 감사합니다
- Russian: Большое спасибо
- Portuguese: Obrigado
- Polish: Dziękuję
- French: Merci

Omoshiro-okashiku
Joy and Fun