Financial Information

HORIBA, Ltd.

August 2023
Contents

- 2023 First Half Results
- 2023 Forecasts
- Outlines by Business Segment
- Topics – Accelerate initiatives in focus markets
- Shareholder Return
  - Financial Data
  - Corporate Profile
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  ➢ Corporate Profile
## Review of First Half of 2023

<table>
<thead>
<tr>
<th>External Events</th>
<th>Internal Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>✦ Revitalization of economic activity by reclassifying COVID-19’s category (equivalent to Class 2) to Class 5</td>
<td>✦ Accelerated cross-segment business activities in our three focused fields</td>
</tr>
<tr>
<td>✦ Accelerated inflation, including a rise in energy prices, in addition to yen depreciation</td>
<td>✦ Focus on an application for process measurement for industries</td>
</tr>
<tr>
<td>✦ Greater delay than expected in recovery in demand for semiconductors</td>
<td>✦ Accelerated efforts in new fields such as hydrogen energy and life science</td>
</tr>
<tr>
<td>✦ Growing interest in hydrogen energy, ammonia, and synthetic fuels</td>
<td>✦ Acquisition in the water quality field</td>
</tr>
</tbody>
</table>
## 2023 First Half Results

(Billions of yen)

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2023</th>
<th>Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1st half</td>
<td>1st half</td>
<td>vs 2022</td>
</tr>
<tr>
<td></td>
<td>results</td>
<td>forecasts</td>
<td>vs Previous Forecasts</td>
</tr>
<tr>
<td></td>
<td>(Jan.-Jun.)</td>
<td>(as of May 12)</td>
<td></td>
</tr>
<tr>
<td><strong>Sales</strong></td>
<td>114.9</td>
<td>127.5</td>
<td>131.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>+16.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>+3.6</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>16.2</td>
<td>18.5</td>
<td>17.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>+1.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-0.6</td>
</tr>
<tr>
<td><strong>O.P.%</strong></td>
<td>14.1%</td>
<td>14.5%</td>
<td>13.6%</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-0.5p</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-0.9p</td>
</tr>
<tr>
<td><strong>Ordinary profit</strong></td>
<td>16.7</td>
<td>18.3</td>
<td>18.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>+1.3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>-0.1</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>11.2</td>
<td>19.0</td>
<td>19.0</td>
</tr>
<tr>
<td>attributable</td>
<td></td>
<td></td>
<td>+7.7</td>
</tr>
<tr>
<td>to owners of parent</td>
<td></td>
<td></td>
<td>+0.0</td>
</tr>
</tbody>
</table>

|                      | USD/JPY    | EUR/JPY    |                      |
|                      | 123.14     | 134.39     | 135.00               |
|                      | +11.86     | +11.54     | +2.00 +1.93          |

*Record-high*
## 2023 First Half Results by Segment

(Billions of yen)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Sales</th>
<th>Operating profit</th>
<th>Changes</th>
<th>Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2022</td>
<td>2023</td>
<td>vs 2022</td>
<td>2022</td>
</tr>
<tr>
<td></td>
<td>1st half</td>
<td>1st half</td>
<td></td>
<td>1st half</td>
</tr>
<tr>
<td></td>
<td>results</td>
<td>results</td>
<td></td>
<td>results</td>
</tr>
<tr>
<td></td>
<td>(Jan.-Jun.)</td>
<td>(Jan.-Jun.)</td>
<td></td>
<td>(Jan.-Jun.)</td>
</tr>
<tr>
<td>Auto</td>
<td>25.6</td>
<td>30.5</td>
<td>+4.8</td>
<td>-1.7</td>
</tr>
<tr>
<td>P&amp;E</td>
<td>10.1</td>
<td>11.3</td>
<td>+1.1</td>
<td>0.6</td>
</tr>
<tr>
<td>Medical</td>
<td>13.6</td>
<td>15.5</td>
<td>+1.9</td>
<td>-0.1</td>
</tr>
<tr>
<td>Semi</td>
<td>49.4</td>
<td>56.2</td>
<td>+6.8</td>
<td>16.7</td>
</tr>
<tr>
<td>Scientific</td>
<td>15.9</td>
<td>17.4</td>
<td>+1.4</td>
<td>0.7</td>
</tr>
<tr>
<td>Total</td>
<td>114.9</td>
<td>131.1</td>
<td>+16.1</td>
<td>16.2</td>
</tr>
</tbody>
</table>

* : Record-high
2023 First Half Results (B/S, CF)

B/S

◆ Total assets were ¥435.2bn, up ¥18.5bn, by increasing inventory
◆ Equity ratio: 61.1%

(compared to the end of Dec. 2022)

CF

◆ Operating CF: Cash in ¥3.6bn due to operating profit
◆ Investing CF: Cash out ¥1.2bn due to capital investments
◆ Financial CF: Cash out ¥18.5bn due to repayments of debt

Free CF: + ¥2.3bn
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### HORIBA’s Assumptions Regarding Market Environment

<table>
<thead>
<tr>
<th>Category</th>
<th>Assumption</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General</strong></td>
<td>Continued concern about the impact of global inflation and geopolitical situations. Expect a recovery in economic activities in the “with or post-COVID-19” era.</td>
</tr>
<tr>
<td><strong>Automotive</strong></td>
<td>Accelerate use of hydrogen energy/batteries and increase in plug-in vehicles. Expect the introduction of new emission regulations in Europe and China.</td>
</tr>
<tr>
<td><strong>Process &amp; Environmental</strong></td>
<td>Expect business expansion in the new energy market in response to the decarbonization trend. Environmental regulation-driven demand remains strong. Anticipate it to expand to industrial processes including semiconductors.</td>
</tr>
<tr>
<td><strong>Medical</strong></td>
<td>Expect strong sales of medical instruments in Japan and in growing regions. Sales of test reagents are recovering in the “with or post-COVID-19” era.</td>
</tr>
<tr>
<td><strong>Semiconductor</strong></td>
<td>Capital investment by semiconductor manufacturers continue to be in an adjustment phase. Expect medium-term growth in measurement demand, driven by growth in generative AI, etc. in the semiconductor market.</td>
</tr>
<tr>
<td><strong>Scientific</strong></td>
<td>Demand is strong for measurement and analysis equipment used for development and manufacturing processes in various markets. Anticipate an increase in demand in the life science market.</td>
</tr>
</tbody>
</table>
## 2023 Forecasts

(Billions of yen)

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2023</th>
<th>Changes</th>
<th>vs 2022</th>
<th>vs Previous Forecasts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Results</td>
<td>2022</td>
<td>2023</td>
<td>Forecasts (as of Aug. 9)</td>
<td>vs 2022</td>
</tr>
<tr>
<td>Sales</td>
<td>270.1</td>
<td>279.0</td>
<td>281.0</td>
<td>+10.8</td>
<td>+2.0</td>
</tr>
<tr>
<td>Operating profit</td>
<td>45.8</td>
<td>40.0</td>
<td>41.0</td>
<td>-4.8</td>
<td>+1.0</td>
</tr>
<tr>
<td>O.P.%</td>
<td>17.0%</td>
<td>14.3%</td>
<td>14.6%</td>
<td>-2.4p</td>
<td>+0.3p</td>
</tr>
<tr>
<td>Ordinary profit</td>
<td>46.8</td>
<td>39.5</td>
<td>41.0</td>
<td>-5.8</td>
<td>+1.5</td>
</tr>
<tr>
<td>Net income attributable to owners of parent</td>
<td>34.0</td>
<td>34.0</td>
<td>35.5</td>
<td>+1.4</td>
<td>+1.5</td>
</tr>
<tr>
<td>USD/JPY</td>
<td>131.62</td>
<td>133.00</td>
<td>137.00</td>
<td>+5.38</td>
<td>+4.00</td>
</tr>
<tr>
<td>EUR/JPY</td>
<td>138.14</td>
<td>144.00</td>
<td>148.00</td>
<td>+9.86</td>
<td>+4.00</td>
</tr>
</tbody>
</table>

* : Record-high

![Chart Image]
# 2023 Forecasts by Segment

(Billions of yen)

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>Operating profit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Results (as of May 12)</td>
<td>2022</td>
</tr>
<tr>
<td><strong>Auto</strong></td>
<td>67.5</td>
<td>79.0</td>
</tr>
<tr>
<td><strong>P&amp;E</strong></td>
<td>22.5</td>
<td>25.0</td>
</tr>
<tr>
<td><strong>Medical</strong></td>
<td>29.7</td>
<td>31.0</td>
</tr>
<tr>
<td><strong>Semi</strong></td>
<td>114.0</td>
<td>105.0</td>
</tr>
<tr>
<td><strong>Scientific</strong></td>
<td>36.2</td>
<td>39.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>270.1</td>
<td>279.0</td>
</tr>
</tbody>
</table>

- Record-high

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First Half Results and 2023 Forecasts

Sales and O.P. (First Half and Second Half)

【EMS】
• Sales increased on the back of recovery in demand, mainly in Asia.
• Captured demand for heavy-duty vehicles such as trucks and buses in Europe and the Americas.

【MCT*1 and ECT*2】
• Sales increased by capturing demand for vehicle electrification and hydrogen energy.
• Increased investment in growth fields such as hydrogen energy and batteries.

2023 First Half Results

【EMS】
• Increase in demand in anticipation of the introduction of new emission regulations in Europe and other countries.

【MCT and ECT】
• Expect sales expansion in the field of next-generation mobility development.
• Continue to invest in the production and development of products for the hydrogen energy industry. Aim to further increase sales by strengthening production and development systems.
• Aim to improve profitability by shifting to higher-value-added products in the MCT business.

2023 Full Year Forecasts

Medium- to long-term outlook

Sales by Region

- EMS • Sales increased on the back of recovery in demand, mainly in Asia.
- Captured demand for heavy-duty vehicles such as trucks and buses in Europe and the Americas.
- MCT*1 and ECT*2 • Sales increased by capturing demand for vehicle electrification and hydrogen energy.
- Increased investment in growth fields such as hydrogen energy and batteries.
First Half Results and 2023 Forecasts

2023 First Half Results

【Gas monitoring】
Steady demand related to environmental regulations contributed to sales increase in Europe.

【Water quality monitoring】
Demand was steady for water quality measurement equipment used in the manufacturing processes in the electronics industry and in compliance with environmental regulations.

Sales and O.P. (First Half and Second Half)

Sales and O.P. (First Half and Second Half)

2023 Full Year Forecasts

Medium- to long-term outlook

- Expect an increase in demand for process measurement in the environmental regulation related field and the industrial field.

【Gas monitoring】
- Expect an increase in demand for gas measurement in the electronics device industry.
- Expect an increase in demand for new energy and in CCUS*1-related demand.

【Water quality monitoring】
Aim to further expand in the water quality field through the business of TOC analyzers*2 and that of Tethys, an acquired company.

Sales by Region

2023 Annual (F)

*1 Carbon dioxide Capture, Utilization and Storage
*2 Total Organic Carbon
First Half Results and 2023 Forecasts

2023 First Half Results

- Sales of test reagents were on a recovery trend due to recovery of social activities as the COVID-19 pandemic settled down.【Japan/ Americas】
  - Launch of new hematology analyzers contributed to sales increase. Sales of clinical chemistry analyzers and reagents increased.

Sales and O.P. (First Half and Second Half)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales</th>
<th>O.P.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021.1H</td>
<td>12.8</td>
<td>0.3</td>
</tr>
<tr>
<td>2021.2H</td>
<td>12.9</td>
<td>-0.1</td>
</tr>
<tr>
<td>2022.1H</td>
<td>16.0</td>
<td>-0.1</td>
</tr>
<tr>
<td>2022.2H</td>
<td>15.5</td>
<td>0.0</td>
</tr>
<tr>
<td>2023.1H</td>
<td>15.4</td>
<td>0.1</td>
</tr>
</tbody>
</table>

2023 Full Year Forecasts

- Expect a recovery in sales of test reagent sales, following that of equipment sales in Japan and growth markets.
- Will significantly supply hematology analyzers to Siemens. Plan to expand sales areas globally from Europe, where the product was launched. Anticipate medium- to long-term profit contribution.
- Aim for further business expansion in the fields of immunology and clinical chemistry, in addition to the hematology field.

Sales by Region

- 2019: Japan - 8.2, Asia - 5.0, Americas - 5.6, Europe - 6.3
- 2020: Japan - 7.3, Asia - 3.9, Americas - 4.2, Europe - 5.4
- 2021: Japan - 9.1, Asia - 5.8, Americas - 5.7, Europe - 5.2
- 2023: Japan - 9.8, Asia - 7.0, Americas - 7.5, Europe - 6.7

2023 2H (F)
First Half Results and 2023 Forecasts

2023 First Half Results

- A high order backlog at the end of 2022 led to sales increase, although demand for semiconductors fell into an adjustment phase.
- Demand for mass flow controllers for production of photovoltaic panels and artificial diamond increased. Localization accelerated in China and India.

2023 Full Year Forecasts

Medium- to long-term outlook

- Capital investment by semiconductor manufacturers will be in an adjustment phase throughout 2023.
- Expect a pick-up in demand along with the market recovery in 2024 and beyond.
- Aim to expand business fields by utilizing the Optical Smart Sensing technology, in addition to existing main products.

Sales and O.P. (First Half and Second Half)

- Sales and O.P. (First Half and Second Half)

<table>
<thead>
<tr>
<th></th>
<th>2021.1H</th>
<th>2021.2H</th>
<th>2022.1H</th>
<th>2022.2H</th>
<th>2023.1H</th>
<th>2023.2H (F)</th>
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<tbody>
<tr>
<td>Sales</td>
<td>12.3</td>
<td>15.6</td>
<td>16.7</td>
<td>25.2</td>
<td>18.6</td>
<td>15.8</td>
</tr>
<tr>
<td>O.P.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

Sales by Region

- Japan
- Asia
- Americas
- Europe

<table>
<thead>
<tr>
<th>Region</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023 Annual (F)</th>
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<tbody>
<tr>
<td>Japan</td>
<td>3.1</td>
<td>6.0</td>
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<td>6.8</td>
<td>15.2</td>
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<td>Asia</td>
<td>21.2</td>
<td>28.2</td>
<td>44.8</td>
<td>59.5</td>
<td>64.3</td>
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<td>Americas</td>
<td>16.7</td>
<td>18.5</td>
<td>32.4</td>
<td>32.4</td>
<td>24.5</td>
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<tr>
<td>Europe</td>
<td>6.0</td>
<td>7.2</td>
<td>5.8</td>
<td>6.8</td>
<td>11.0</td>
</tr>
</tbody>
</table>

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First Half Results and 2023 Forecasts

2023 First Half Results

- Increased sales of Raman Spectrometers, Particle-size distribution analyzers, X-ray fluorescence analyzers and other devices for the markets related to advanced materials and life science.
- A slowdown in the semiconductor market led to a decrease in sales of optical components for semiconductor production equipment manufacturers.

Sales and O.P. (First Half and Second Half)

- **2021.1H**: Sales 13.4, O.P. 0.4
- **2021.2H**: Sales 16.5, O.P. 1.4
- **2022.1H**: Sales 15.9, O.P. 0.7
- **2022.2H**: Sales 20.2, O.P. 1.7
- **2023.1H**: Sales 17.4, O.P. 0.2
- **2023.2H (F)**: Sales 21.5, O.P. 2.7

2023 Full Year Forecasts

Medium- to long-term outlook

- Expand the industrial manufacturing process evaluation and monitoring business in parallel with sales expansion of cutting-edge R&D products.
- Expect growth in demand for products specialized for industrial processes of the life science field (i.e., pharmaceuticals) and the semiconductor market.
- Expect an increase in sales of optical components, led by a recovery in the semiconductor market.

Sales by Region

- **Japan**
- **Asia**
- **Americas**
- **Europe**

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Accelerate initiatives in focus markets

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

Automotive  Medical-Diagnostic  Semiconductor
Environmental

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

Three concepts of Automotive Business
Service Lifecycle Management  Mobility Solution Business  Alternative Energy Conversion
Production tweaking to meet growing needs

Started mass production in Europe of water electrolyzers that produce hydrogen by using renewable energy

Growing demand for evaluation systems and production inspection systems for the development of electrolyzers

The HORIBA Group responds to growing needs

Optimization of the production floor

- Increase production lines
- Improve production processes
- Effectively use outsourcing

FuelCon: Booking and personnel

Plan to acquire more talent to respond to a growth in booking

Build a production system that can meet increasing demand by strengthening personnel and production facilities

HORIBA FuelCon in Germany

「HORIBA eHUB」
Accelerated Global Partnership in Hydrogen Business

Contributing to efficient use of hydrogen energy, i.e., fuel cells and electrolyzers

Established a test facility center at HORIBA MIRA in partnership with Ceres Power

- Provide various testing, required for developing SOFC & SOEC
- Conduct a range of tests, from 24-hour mapping to endurance tests for thousands of hours

SOFC: Solid Oxide Fuel Cell  
SOEC: Solid Oxide Electrolysis Cell

- Deliver fuel cell technology to global partners
- Contribute to systems and product development for climate change such as power production, transportation, and data centers.

Source: Disclosure document by Ceres Power
“HORIBA Will Always Be Involved in Combustion Measurement”

Trends in various countries toward the introduction of new emission regulations and HORIBA’s application

- **US Tier-4 2027**
- **Europe Euro-7 2025/27 or later**
- **China GB-7 2026?**
- **India BS7**
- **Brazil RDE**

Modify existing products to comply with stricter NOx regulations.

Supports measurement of various components for Flex Fuel development:

- **FTX-ONE**
- **MEXA-ONE**
- **HyEVO**

Wide coverage from gas measurement (i.e., ammonia, nitrogen compounds, and hydrogen) to particulate matter measurement (i.e., brake dust).

Respond to brake dust:

Respond to regulations of various countries.

New product under development.

Emission measurement business order trend

- Nov. 2022: EU’s announcement of the Euro 7 emission regulations

Growth in order in preparation for new regulations forecast.
Globalizing the water business and accelerating the market share growth in Asia

- Strengthen the ability to propose solutions for water measurement system
- Accelerate business development in emerging countries
- Promote new product development by synergy effects in technologies

<table>
<thead>
<tr>
<th>TOCADERO (DE)</th>
<th>Tethys (FR)</th>
<th>HORIBA Advanced Techno (Asia)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NDIR+ combustion</td>
<td>UV-VIS spectroscopy</td>
<td>Electrochemical + Pretreatment, sample handling, anti fouling</td>
</tr>
<tr>
<td>✓ Contribute to improving efficiency in drainage control</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓ Develop business from Germany</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓ Measurement technology based on ultraviolet-visible spectroscopy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓ Sales network in India and other developing countries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓ Water quality analysis and examination systems that use electrochemistry and the Non-dispersive Infrared Absorption Method (NDIR)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>✓ Develop businesses mainly in the Japanese market</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Automatic report creation and remote functions: Contribute to medical workplace reform**

Launched “HORIBA MEDISIDE LINKAGE next”

**Strengthened “HORIBA MEDISIDE LINKAGE” service, launched in 2016**

- **System overview**
  - Monitoring system
  - Users
  - Data collection (automated)
  - Remote operation
  - Maintenance
  - Device status monitoring
  - Call center
  - Distributors
  - Linkage

**Background:** Amended Labor Standards Act (scheduled to be enforced in April 2024) to put cap of doctors’ overtime work → Challenge for the whole healthcare industry to reform its working practices

**HORIBA’s proposals (improved points)**
- Automatically create reports required by the amended Medical Service Act (2018)
- Remotely control device settings and perform cleaning operations

Started offering the services for automatic hematology and CRP analyzer Yumizen H330 CRP (bestselling model). Plan to support other models one by one.

**Reducing the workload in medical workplaces**

**Contributing to provision of safe, secure medical services**
[Bio & Healthcare] Increase in Production of Micro Reagent Chips for Multi-assay Blood Analyzers

Multi-assay blood analyzer “Banalyst” for POCT of Hemoglobin A1C and CRP

Visualized production lines to realize increased production efficiency

M-FRONTIER
Nickname of an area dedicated to manufacturing of micro reagent chips for Banalyst located in HORIBA's headquarters.

M-FRONTIER naming concept:
- MICRO &
- MACHINE
- MANUFACTURE
- MUGEN (infinite)
- MIRAI (future)
- FRONTIER

Meaning to “infinitely explore the frontiers of future market by manufacturing machines for micro reagent chips”

After taking over the business of microblood analysis system from ROHM Co., Ltd. in 2018, micro reagent chips for multi-assay POCT blood analyzer Banalyst had continuously been produced at a factory located outside of HORIBA's head office in Kyoto. The production has been moved to M-FRONTIER when its construction was completed at the headquarters.

POCT: Point-of-care Testing
Pharmaceutical testing has many inspection items and some testing takes a long time. Three-dimensional fluorescence measurement analyzer Aqualog, which uses HORIBA’s unique A-TEEM technology, has been adopted as a quality control item and obtained the local certification.

◆ Enable sample measurement, which used to take a long time by using a liquid chromatography method, to be completed in a few minutes
◆ Also applicable to bio-sample measurement

*HORIBA A-TEEM technology
  ✓ Technology to simultaneously measure absorption and fluorescence of liquid samples
  ✓ Combines the unique analysis with own optical measurement technology to accurately measure samples with complex composition in a short time

3D fluorescence measurement analyzer Aqualog
Introducing high-end tabletop analysis technology into production process innovation

**Constant monitoring of production lines for thin metal films**

【What to measure】
Measuring brush and switches for motor, and metal sheets with a thick silver film (clad material) used for relay contacts

【Purposes for introducing the technology】
- Reduce use of silver (Cost reduction)
- Reduce the control operator’s man-hours on production lines

In conjunction with automation of production lines, HORIBA’s unique measurement method has enabled measurement of thick films with thicknesses exceeding 100um, which cannot be measured by normal X-ray analysis.

The analysis part of the X-ray analyzer being installed in the production line.
Aggressive Investment in the Semiconductor Field

Continuous investment to cope with the further growth of the semiconductor market

Strengthening the production and development system for Reticle/mask particle detection equipment

- Plans to expand the production area for the equipment at Horiba’s HQ factory and increase production capacity by 1.5
- Improve efficiency by dedicating the existing area only for development. And advance development aimed at expanding the functionality of the equipment.

- Enables efficient inspection of particles, from legacy to EUV and other cutting-edge processes
- Enables detailed inspection by being combined with spectroscopic instruments

Fast measurement of particles on reticles* and blanks used in the lithography process

*Surface of pattern/glass/pellicle

Reticle/mask particle detection system PD Xpadion

Launched a local MFC production line in India

Contributing to the production of solar panels and artificial diamonds

- Started production of general-industrial MFC
- Many major customers participated in the opening event. High expectations for HORIBA were evidenced.

Booking in 2022 reached 10 billion yen

Booking for general-industrial MFCs

HORIBA India Private Limited (Pune)
HORIBA's top executives were appointed chairmen of industrial associations

**JEMIMA**
(Japan Electric Measuring Instruments Manufacturers' Association)

Chairman Juichi Saito

Japan's largest industrial association in the fields of "measurement" and "control"
Operates the largest exhibition in the field of industrial measurement
The only entity representing the electrical measuring instrument industry

**JAIMA**
(Japan Analytical Instruments Manufacturers' Association)

Chairman Masayuki Adachi

Japan's largest industrial association in the field of "analysis"
Operates JASIS, the largest exhibition in the field of scientific instruments

By leveraging HORIBA's unique position to contribute to the development of a sustainable society, HORIBA is helping to revitalize the activities of both associations and contribute to the development of science and industry around the world
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**

- **2021 Results**  150yen [Interim 50yen/Year-end 100yen]
- **2022 Results**  245yen [Interim 65yen/Year-end 180yen]
- **2023 Forecast**  255yen [Interim 80yen/Year-end 175yen]

**Per-share dividend**

- Ordinary Div. (yen)
- Commemorative Div. (yen)
- Total Return Ratio (%)

![Graph showing dividend trends from 2014 to 2023F](image-url)
Contents

- 2023 First Half Results
- 2023 Forecasts
- Outlines by Business Segment
- Topics – Accelerate initiatives in focus markets
- Shareholder Return
  - Financial Data
  - Corporate Profile
### Exchange Rate Trend / Forecasts / Impacts

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2023</th>
<th>vs 2022 (Annual)</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>1H</td>
<td>Annual</td>
<td>1H</td>
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<tr>
<td><strong>USD</strong></td>
<td>123.14</td>
<td>131.62</td>
<td>133</td>
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<tr>
<td><strong>EUR</strong></td>
<td>134.39</td>
<td>138.14</td>
<td>144</td>
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**Exchange rate impact for 2023 First Half results**

(vs 2022 First Half results)

<table>
<thead>
<tr>
<th></th>
<th>(Billions of yen)</th>
<th>(Billions of yen)</th>
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</thead>
<tbody>
<tr>
<td>Increase sales</td>
<td>+6.29</td>
<td></td>
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<tr>
<td>Increase cost of goods sales</td>
<td>-3.21</td>
<td></td>
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<tr>
<td>Impact to gross profit</td>
<td>+3.08</td>
<td></td>
</tr>
<tr>
<td>Increase expenses</td>
<td>-1.36</td>
<td></td>
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<tr>
<td>Impact to operating profit</td>
<td>+1.71</td>
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</table>

**Exchange rate impact for 2023 Forecasts**

1 yen impact of Sales and O.P. (Weak yen)

<table>
<thead>
<tr>
<th></th>
<th>Sales</th>
<th>Operating profit</th>
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<tr>
<td><strong>USD</strong></td>
<td>+0.64</td>
<td>+0.40</td>
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<tr>
<td><strong>EUR</strong></td>
<td>+0.38</td>
<td>+0.00</td>
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</tbody>
</table>
Operating Profit Analysis (vs 2022) (Billions of yen)


Increase Sales +9.84
Increase COGS -5.7
Exchange impact for Gross Profit +3.08
Exchange impact for Expense -1.36
Increase R&D Expense -0.95
Increase Other Expense -3.31

Increase Gross Profit +4.13
Increase Expense Impact +1.71
Increase Expenses -4.27

Increase Operating Profit +1.57

2023 Jan. – Jun.

16.26

17.83
## Capital Investment, Depreciation, R&D

(Billions of yen)

<table>
<thead>
<tr>
<th>2022 Actual</th>
<th>Capex</th>
<th>2023 Previous Forecasts (as of May 12)</th>
<th>2023 Forecasts (as of Aug. 9)</th>
<th>vs 2023 Previous Forecasts</th>
<th>2023 Actual Jan. - Jun.</th>
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<tbody>
<tr>
<td>Actual</td>
<td>12.5</td>
<td>14.0</td>
<td>14.0</td>
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<tr>
<td>Depreciation and amortization</td>
<td>11.3</td>
<td>12.0</td>
<td>12.0</td>
<td>-</td>
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<tr>
<td>R&amp;D expenses</td>
<td>18.5</td>
<td>22.0</td>
<td>22.0</td>
<td>-</td>
<td>9.8</td>
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<table>
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<th>2023 Topics</th>
<th>PP&amp;E:</th>
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<tr>
<td></td>
<td>investment in semi and automotive-related facilities, enhancement of global bases</td>
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Consider urgency and priority and make investment decisions
Cash Balance

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

Total Loan Balance

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash 114.5</th>
<th>Cash 135.0</th>
<th>Cash 139.8</th>
<th>Cash 127.7</th>
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<tr>
<td></td>
<td>77.0</td>
<td>80.1</td>
<td>67.2</td>
<td>57.9</td>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current ratio</td>
<td>308%</td>
<td>253%</td>
<td>264%</td>
<td>294%</td>
</tr>
<tr>
<td>Capital ratio</td>
<td>54%</td>
<td>55%</td>
<td>58%</td>
<td>61%</td>
</tr>
</tbody>
</table>

Cash Balance

- **Cash**
  - 2020: 114.5 billion yen (308% of Total Loan Balance)
  - 2021: 135.0 billion yen (253% of Total Loan Balance)
  - 2022: 139.8 billion yen (264% of Total Loan Balance)
  - 2023 end of Jun.: 127.7 billion yen (294% of Total Loan Balance)

Bond Redemptions

- **Bond redemption**
  - ¥15.0bn (2026)
  - ¥15.0bn (2029)

Borrowed from Banks

- **Borrowed from Banks**
  - ¥20.0bn (redemption 2030)

Recent issuer rating: R&I “A” (Sep. 2022), JCR “A+” (Sep. 2022)
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Five Business Segments & Major Products

Figures are the sales composition ratio for FY 2022

Automotive (25%)
- Emission Measurement Systems

Process & Environmental (8%)
- Stack Gas Analyzers

Medical (11%)
- Automatic Blood Cell Counters plus CRP

Semiconductor (42%)
- Mass Flow Controllers

Scientific (14%)
- Raman Imaging Device
Global Network

Sales by region (as of Dec 2022)

- Americas: 16%
- Europe: 20%
- Asia: 37%
- Europe: 20%

Employee headcount by region (as of Dec 2022)

- Americas: 12%
- Europe: 32%
- Asia: 20%
- Japan: 36%

Number of companies (as of Dec 31, 2022): 49
Overseas sales ratio (as of Dec 2022): 73%
Foreign employee ratio (as of Dec 31, 2022): 64%
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

About nine-fold growth in corporate scale in 30 years

270.1 billion yen
HORIBA’s Business Domain

**Agriculture**
- Plant factory
- Soil analysis
- Food safety
- Safety management

**New Material Development**
- Secondary battery
- Biomaterial
- Steel and ceramics

**IT Infrastructure**
- IoT, Cloud, 5G
- Automation informatics

**Space Development**
- Planetary probe
- Auroral analysis

**Health and Security**
- Diagnostic equipment
- New drug development
- Drinking water

**Manufacturing Process**
- Semiconductor device
- Solar panels
- Petrochemical plant

**Water Quality Management**
- Monitoring system
- Compliance with waste water regulations

**Global Environment Conservation**
- Monitoring air pollution
- Renewable energy/power plant
- Greenhouse gases

**Automotive/Ship Development**
- Ultra-low emission
- Vehicle electrification, EV
- Autonomous driving
- Regulatory compliance
HORIBA celebrates its 70th anniversary in 2023.
Omoshiro-okashiku
Joy and Fun

THANK YOU

Danke
Grazie
Terima kasih
Gracias
謝謝
Σας ευχαριστώ πάρα πολύ
�ُكَرْتا
Obrigado
Cảm ơn
감사합니다

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