



# Financial Information

**HORIBA, Ltd.**

February, 2025

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- 2024 Results
- 2025 Forecasts
- Outlines by Business Field
- Topics
- Financial Data

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# Review of 2024

## External Events, Trends

- ◆ The yen continued to decline despite monetary easing in Europe and U.S.
- ◆ Elections in 2024 led to changes in international conditions, and rising geopolitical risks
- ◆ R&D investments for hybrid vehicles and internal combustion engines were increased in reaction to the slowing growth of the BEV market
- ◆ GX\* investments related to hydrogen, ammonia, synthetic fuels, etc. were increased
- ◆ Semiconductor demand was driven by increased investments for Generative AI

## Internal Events, Trends

- ◆ Accelerated operations were evident in the three focused fields
- ◆ Greater focus on measurement and control applications in production processes
- ◆ Strengthening of the supply structure for new energy (ex. hydrogen), and life science
- ◆ Continued investments for new business and human resources including personnel costs

\* Green Transformation

# 2024 Results

(Billions of Yen)

	2023	2024		Changes	
	Results	Forecasts (as of Nov. 13)	Results	vs 2023	vs Previous Forecasts
Sales	290.5	318.0 ★	317.3	+26.8	- 0.6
Operating profit	47.2	47.5 ★	48.3	+1.0	+0.8
O.P.%	16.3%	14.9%	15.2%	-1.1p	+0.3p
Ordinary profit	48.2	48.5 ★	50.1	+1.9	+1.6
Net income attributable to HORIBA, Ltd.'s Shareholders	40.3	33.0	33.5	- 6.7	+0.5
USD/JPY	140.67	150.00	151.69	+11.02	+1.69
EUR/JPY	152.11	165.00	164.05	+11.94	-0.95

★: Record-high

# 2024 Results by Segment

(Billions of Yen)

	Sales						Operating profit				
	2023	2024		Changes		2023	2024		Changes		
	Results	Forecasts (as of Nov. 13)	Results	vs 2023	vs Previous Forecasts	Results	Forecasts (as of Nov. 13)	Results	vs 2023	vs Previous Forecasts	
Auto	80.4	94.0	★ 93.4	+13.0	-0.5	1.2	1.0	1.4	+0.2	+0.4	
P&E	24.9	28.5	★ 28.1	+3.2	-0.3	2.4	1.5	1.8	-0.5	+0.3	
Medical	32.6	34.5	★ 33.7	+1.0	-0.7	0.6	-	-0.1	-0.7	-0.1	
Semi	112.8	119.0	★ 120.4	+7.5	+1.4	40.5	43.5	★ 44.1	+3.5	+0.6	
Scientific	39.6	42.0	★ 41.5	+1.8	-0.4	2.4	1.5	0.9	-1.4	-0.5	
Total	290.5	318.0	★ 317.3	+26.8	-0.6	47.2	47.5	★ 48.3	+1.0	+0.8	

★: Record-high

# 2024 Results (B/S, CF)

## B/S

- ◆ Total assets: Up ¥32.5bn to ¥481.6bn, mainly by increasing cash and accounts receivables
- ◆ Equity ratio: 65.2%

(compared to the end of Dec. 2023)

## CF

- ◆ Operating CF: Cash in ¥40.3bn due to operating profit
- ◆ Investing CF: Cash out ¥17.5bn due to capital investments
- ◆ Financial CF: Cash out ¥15.9bn due to payment of dividend and share buybacks

Free CF: + ¥22.7bn

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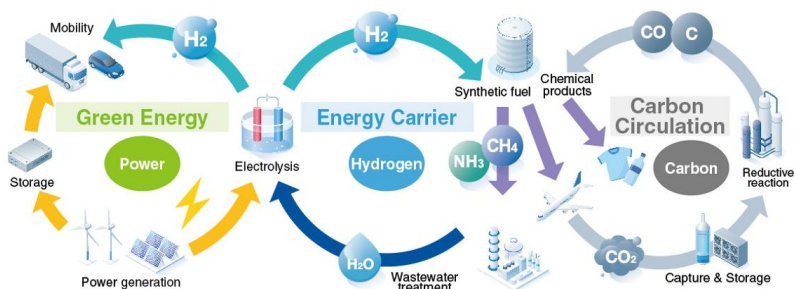
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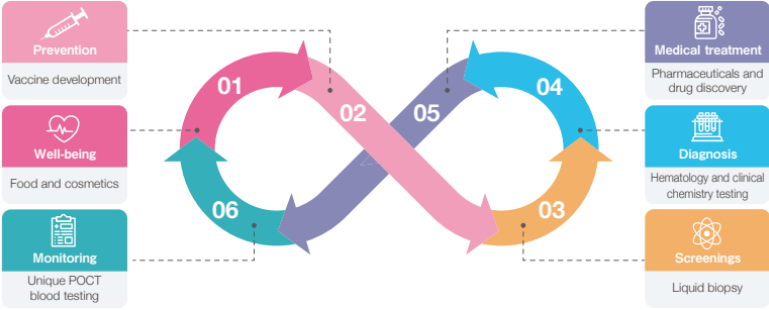
# Segmentation Change: 5 Segments to 3 Fields

## Energy & Environment



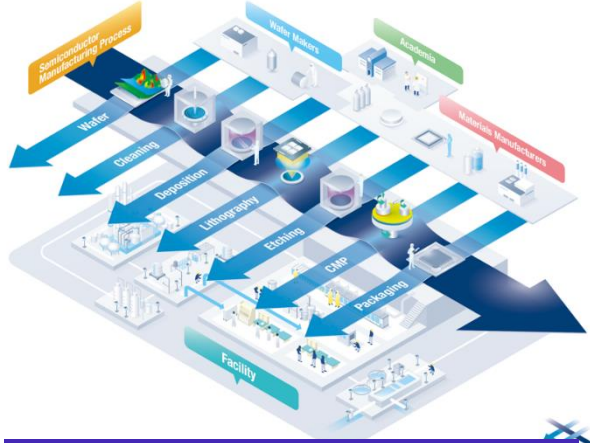
Contributing to Carbon Neutrality

## Bio & Healthcare



Contributing to transforming the Healthcare Journey

## Materials & Semiconductor



Contributing to technology innovation in Woven Value Chain

We will change disclosure format from 5 Segments to 3 Fields starting from FY2025.

Automotive

Environmental

Medical-Diagnostic

Semiconductor

Process

Scientific

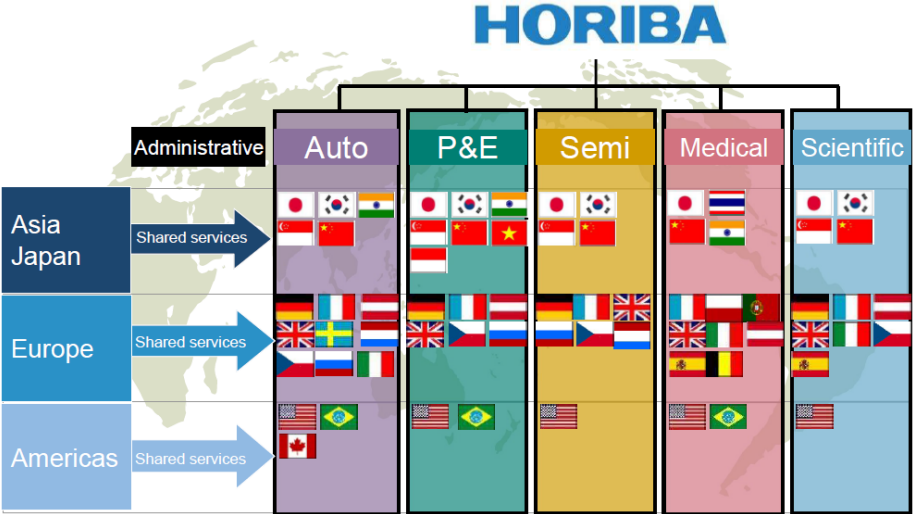
# One Company Operation History

2004 - 2018

One Company Operation based on the matrix with 5 segments and regions.

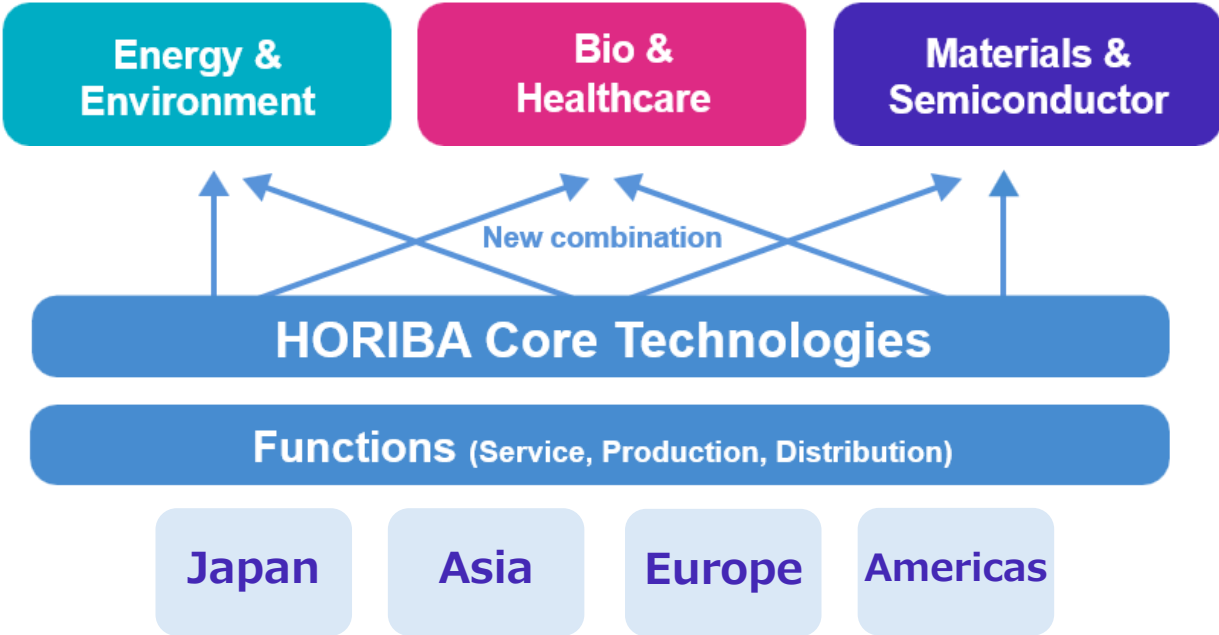
2019 - 2023

Acceleration of Cross-Segment







2024 -

Installation of Field Operation (MLMAP2028)



Combining the technologies and sales networks created by each business and providing our unique solutions to address social issues

# HORIBA's Assumptions Regarding Market Environment

General		<ul style="list-style-type: none"><li>• A more complex international situation caused by rising protectionism</li><li>• Continued uncertainty in foreign exchange markets despite narrowing of the interest rate difference between the U.S. and Japan</li><li>• Accelerating of investment for labor-saving, DX and GX to counter the labor shortage</li></ul>
Energy & Environment		<ul style="list-style-type: none"><li>• Development of vehicles with various power sources, such as BEV, HEV and PHEV is accelerating</li><li>• HEV and PHEV with ICE are becoming more important, and gas analysis in vehicle development is also increasing</li><li>• Business expansion in markets for water environment, industrial processes and new energy</li></ul>
Bio & Healthcare		<ul style="list-style-type: none"><li>• Steady sales of testing instruments and reagents in Japan</li><li>• Continued steady sales of instruments and reagents in growing markets, such as India and Indonesia</li><li>• Increase in demand for new products and solutions for production and development in bio pharmaceuticals</li></ul>
Materials & Semiconductor		<ul style="list-style-type: none"><li>• Moderate increase in sales in Japan, Americas and Asia despite rising geopolitical risks</li><li>• Stable DRAM-related demand due to accelerated investment for Generative AI</li><li>• Increased needs for analysis in production processes and acceleration in R&amp;D of advanced materials</li></ul>

# 2025 Forecasts

(Billions of Yen)

	2023	2024	2025		2028
	Results	Results	Forecasts	vs 2024	Plan
Sales	290.5	317.3	★ 340.0	+22.6	450.0
Operating Profit	47.2	48.3	★ 54.0	+5.6	80.0
O.P.%	16.3%	15.2%	15.9%	+0.7p	17.8%
Ordinary Profit	48.2	50.1	★ 54.0	+3.8	
Net income attributable to HORIBA, Ltd.'s Shareholders	40.3	33.5	38.0	+4.4	55.0
USD/JPY	140.67	151.69	150.00	-1.69	140.00
EUR/JPY	152.11	164.05	160.00	-4.05	155.00

★: Record-high

# 2025 Forecasts by Field

(Billions of Yen)

	Sales				Operating profit			
	2024 Results	2025 Forecasts	vs 2024	2028 Plan	2024 Results	2025 Forecasts	vs 2024	2028 Plan
E&E	127.4	136.0	+8.5	158.0	4.2	7.0	+2.7	15.8
B&H	40.1	45.0	+4.8	57.0	-0.8	-	+0.8	5.7
M&S	149.7	159.0	+9.2	235.0	44.9	47.0	+2.0	58.5
Total	317.3	340.0	+22.6	450.0	48.3	54.0	+5.6	80.0

Note: 2024 results by 3 Fields under audit, reference only

★: Record-high

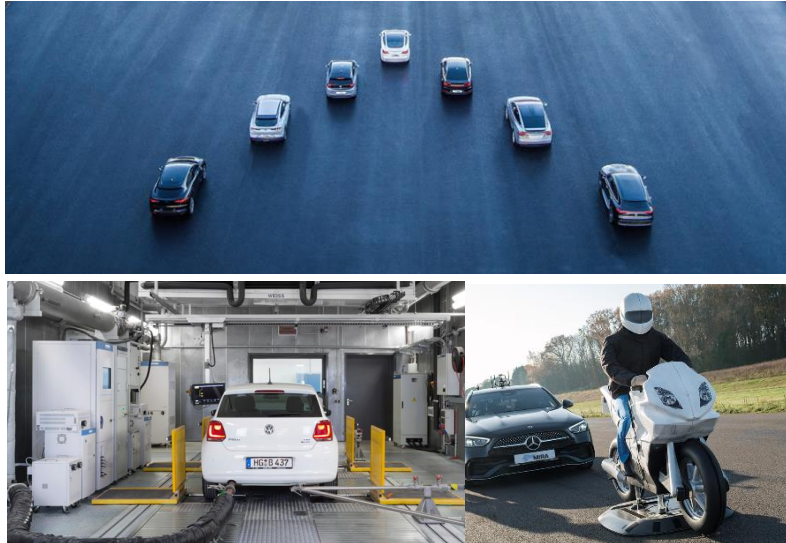
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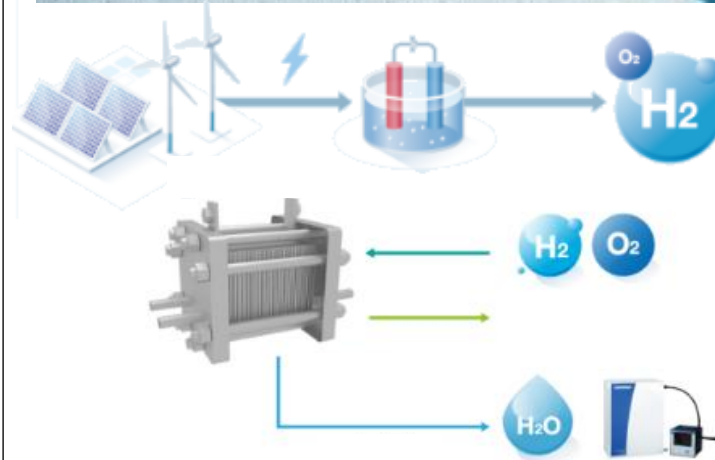
# Markets and Business Environment

## Mobility



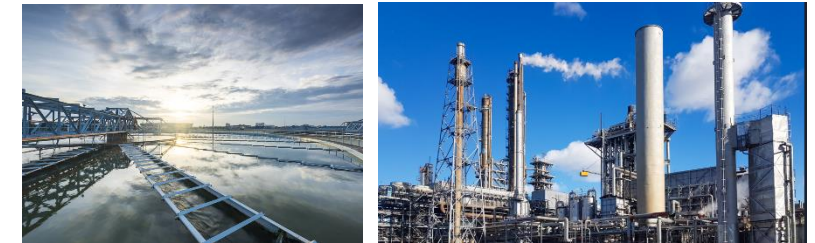
- Increase in equipment replacement demand for development of **ICE for HEV / PHEV** due to slowing growth in the BEV market
- Increase in demand for gas analysis for **new emission regulations**, such as Euro7
- **More diversified demand** for mobility testing

## Energy



- Accelerated experimental study regarding **fuel cell utilization** and **H<sub>2</sub> production**
- Increase in demand for utilizing **H<sub>2</sub> and NH<sub>3</sub>**, contributing to decarbonation in industries

## Industrial Process & Environment



- Increase in need for water quality and gas monitoring and measurement in **the electric device industry**
- **Water quality and gas measurement** demand increase for the **new energy** utilization, **CCUS\*** related processes
- **Recovery of environment and energy-related investments** globally

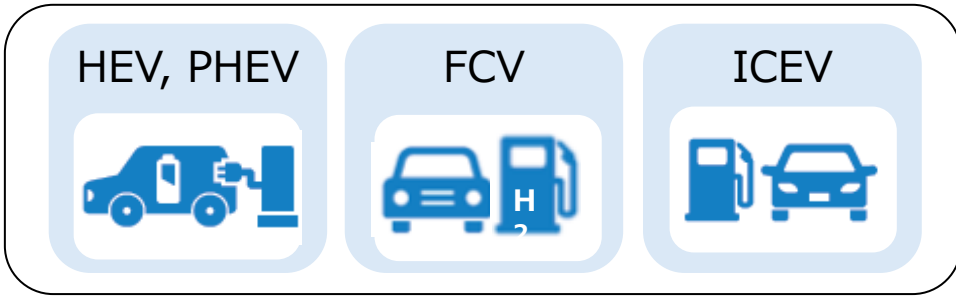
\*Carbon dioxide Capture, Utilization and Storage

# Mobility

NEW!

## Launch a new “Portable emission measurement system”

Contributing to highly-efficient and cost-saving development to achieve carbon neutrality



- ✓ Adaptable to carbon-neutral and various other fuels
- ✓ Responding to low-concentration emission gas measurement needs for HEV and PHEV



Realize highly sensitive and rapid measurement by adopting HORIBA's unique infrared gas analysis technology “IRLAM™”

NEW!

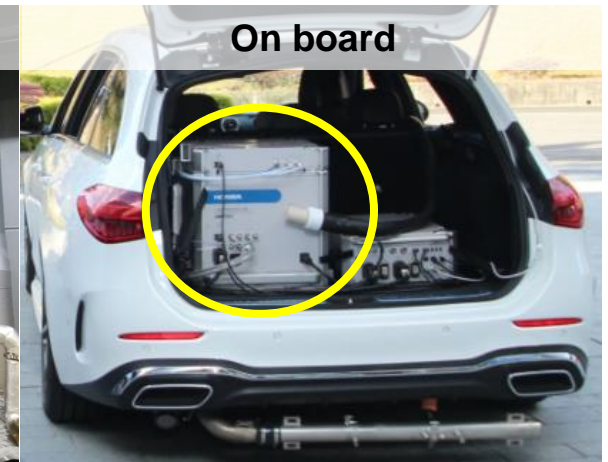
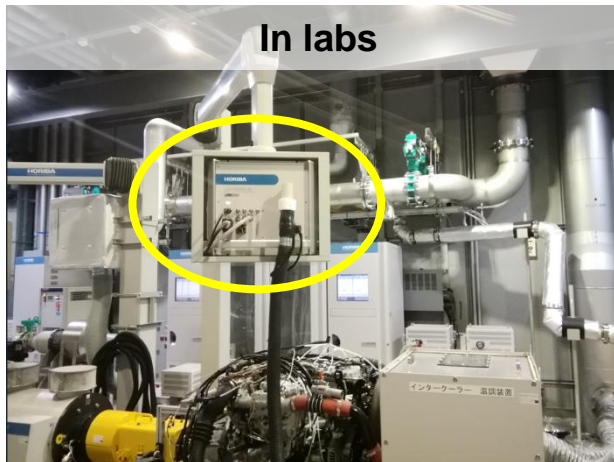
## Support vehicle development by inclusive consulting

HORIBA MIRA received “Euro NCAP” Passive Safety certification



- Contributes to vehicle safety assessment
- Accelerates the safety assessment business by combining with active safety facilities certified by Euro NCAP

Euro NCAP: Safety assessment program for new vehicles in Europe



Can be installed in a minimal engine bench in which a conventional emission measurement system is difficult to install



# Energy

- **Hydrogen is playing an increasingly important role in carbon neutrality and energy security**
- **Enhanced business structure considering expanded utilization in the future**



Change in external environment

Situation in 2024	Improvement in 2025
<ul style="list-style-type: none"> <li>◆ Mainly pilot projects as customers' products were under development</li> </ul>	<ul style="list-style-type: none"> <li>➤ Expect an increase in orders for multiple units with identical specifications and improvement in production efficiency as major customers are shifting to mass production</li> </ul>

Action to improve profitability

Situation in 2024	Improvement in 2025
<ul style="list-style-type: none"> <li>◆ Increased costs of conforming to complex specifications</li> </ul>	<ul style="list-style-type: none"> <li>➤ Experts such as former automotive top managers and experienced production control managers are working to improve operation and production efficiency</li> <li>➤ Enhance sales of standard products, pass along cost increases to sales prices, and start selective order acceptance (from 2H 2024)</li> </ul>
<ul style="list-style-type: none"> <li>◆ Additional costs in large projects</li> <li>◆ Delay in building internal management systems</li> </ul>	<ul style="list-style-type: none"> <li>➤ Decrease in one-off costs (additional costs, inventory evaluation loss)</li> <li>➤ Operation based on the restructured management system linked to process reform</li> </ul>

# Market and Business Environment

## Medical



- Strong sales of reagents due to steady demand in instruments despite **COVID-related subsidies** settled down
- Expect an expansion in demand of IVD testing **in high-growth markets**
- Aim at further expansion in fields outside hematology, such as **clinical chemistry**

## Life Science



- Higher needs for new technology that facilitates **bringing new pharmaceuticals to market** and developing new drugs, and for more accurate and efficient testing
- Plan to launch several new products, thanks to HORIBA's unique technologies and application development which enable pre-shipment, high-speed testing of **bio-pharmaceuticals** and **quality testing of bio reactors**

# Medical and Life Science

## IVD: Execute the priority regional strategy

Region	Strategy
Japan	<ul style="list-style-type: none"> <li>Expect an increase in testing at pediatric and other clinics by primary care physicians</li> <li>Increase sales mainly due to new hematology analyzers for veterinarian</li> </ul>
India Indonesia	<ul style="list-style-type: none"> <li>Expand sales volume by accelerating local production</li> </ul>
Americas	<ul style="list-style-type: none"> <li>Expand sales of FDA-certified products</li> <li>Expand HORIBA Pointe reagent sales</li> </ul>
Europe	<ul style="list-style-type: none"> <li>Expect steady alliance business with Siemens</li> </ul>

## Enhance solutions for bio-pharmaceutical manufacturing

### Expand the facilities related to bio-pharmaceutical processes in HORIBA's analysis lab

**Bio-Pharma** = Contribute to advanced medical treatment for intractable diseases and illness that could not be treated effectively with conventional medicines

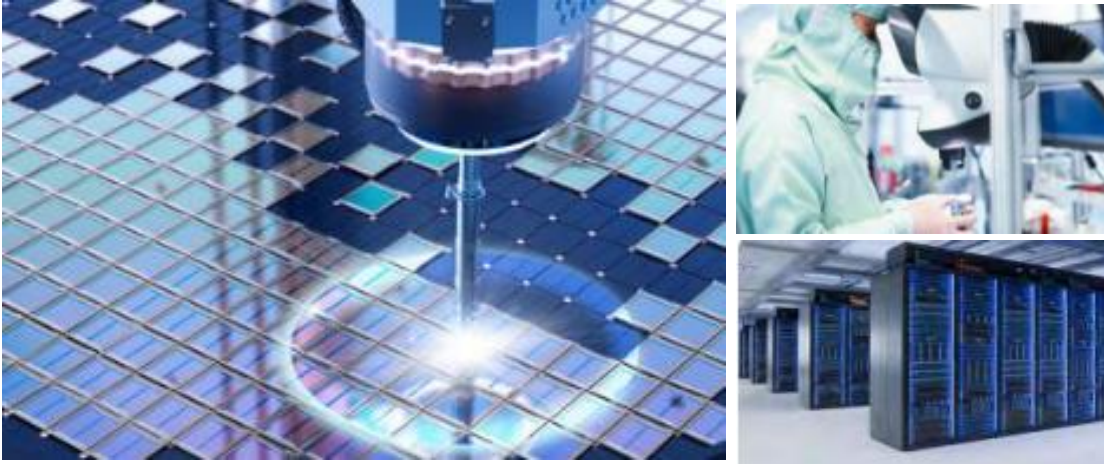
A "bio-reactor" is a device that controls the culture of cells and microorganisms to enable production, as required in manufacturing processes



Seeking synergy  
Solution that combines IVD and HORIBA's spectroscopic technology

# Market and Business Environment

## Semiconductors



- Demand expansion driven by investment related to **DRAM (HBM\*1) for Generative AI**
- Expect inventory adjustment in NAND investment and a gradual recovery in investment in late 2025
- An adjustment phase in demand for MFC\*2 **used in power devices, photovoltaics and artificial diamonds**
- Uncertain outlook over semiconductor-related **tariffs and trade policies** of several countries

\*1 High Bandwidth Memory

\*2 Mass Flow Controller

## Materials



- Sales increase of raman spectrometers, particle size distribution analyzers and x-ray fluorescence analyzers due to the sales promotion and expanded product line-ups **for advanced material development**
- Expand the line-up of technologies, such as **process measurement/control** and **monitoring for deposition and etching** for semiconductor production processing

# Semiconductor

A wide range of measurement/control solutions to improve efficiency and yield rates in semiconductor production processing

**NEW!**

## Ultra-thin Mass Flow Controller

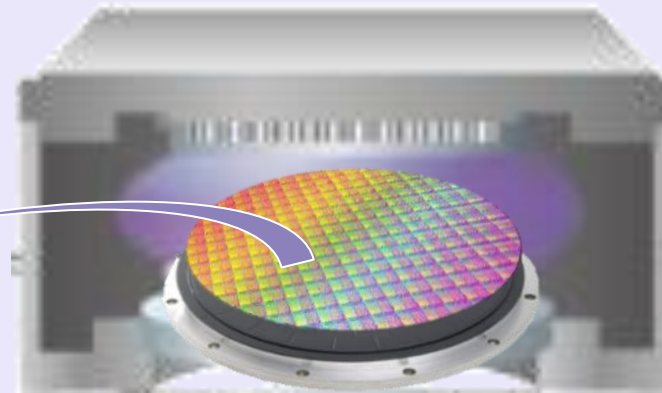
- Achieving industry-leading high flow capability for etching and deposition applications



**NEW!**

## Chemical Solution Monitoring System

- Achieving the concentration management of multi-component chemical solutions including trace elements, and contributing to the evolution of semiconductor production processing



**NEW!**

## Fully-Automated Thin Film Inspection System

- This one single instrument enables performance of multiple important inspections, such as film thickness measurement, defect analysis, and composition analysis of various wafers.



**NEW!**

## Laser Gas Analyzer

- HORIBA-developed quantum cascade laser for semiconductor process control
- Contributing to upgrading the in-chamber sensing technology



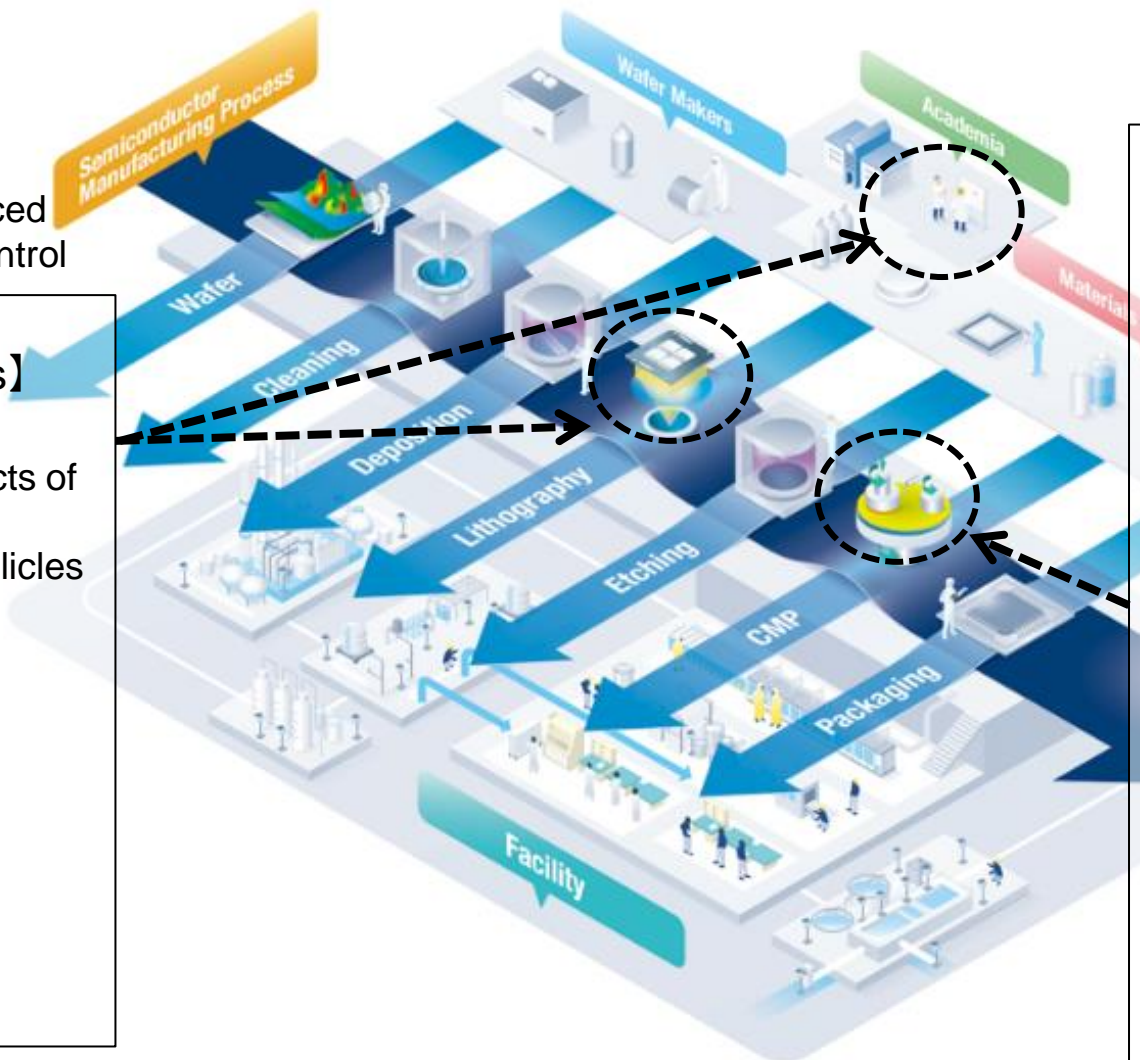
## Contributing to the development of semiconductor materials (EUV pellicles/CMP\* slurry)

Approach the material market that is needed in each process of semiconductor production

Provide solutions such as for advanced material development and quality control

### 【Development of EUV pellicles】

- Evaluation of structure and defects of pellicles
- Monitoring of the condition of pellicles in process operations



### 【Development of CMP slurry】

- Assessment of polishing performance
- Analyzing particle size and pH in CMP slurry

**Launched Laser Diffraction and Dynamic Imaging Particle Size and Shape Analyzer**

**NEW!**



- ✓ Analyze size and pattern of particles and powder
- ✓ Provide analysis results of particle size distribution and shape, in 1 minute

\*CMP : Chemical Mechanical Polishing

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# Data management system × Water quality analysis

## Contributing to river water quality management, using data management systems



Testing course in HORIBA MIRA, Nuneaton, UK

- Aggravation of water quality by waste water flowing into rivers in the UK
- Use the data management system to collect and visualize the analyzed water quality data of the water pool in the test course (used for re-creation of road conditions in rainy days)



Water quality monitoring system under experimental study in HORIBA MIRA

- Accelerate group-wide efforts to digitalize water infrastructure data and to forecast conditions, in addition to water quality management



# Group HR Strategy

## Implement the Global Leadership Program

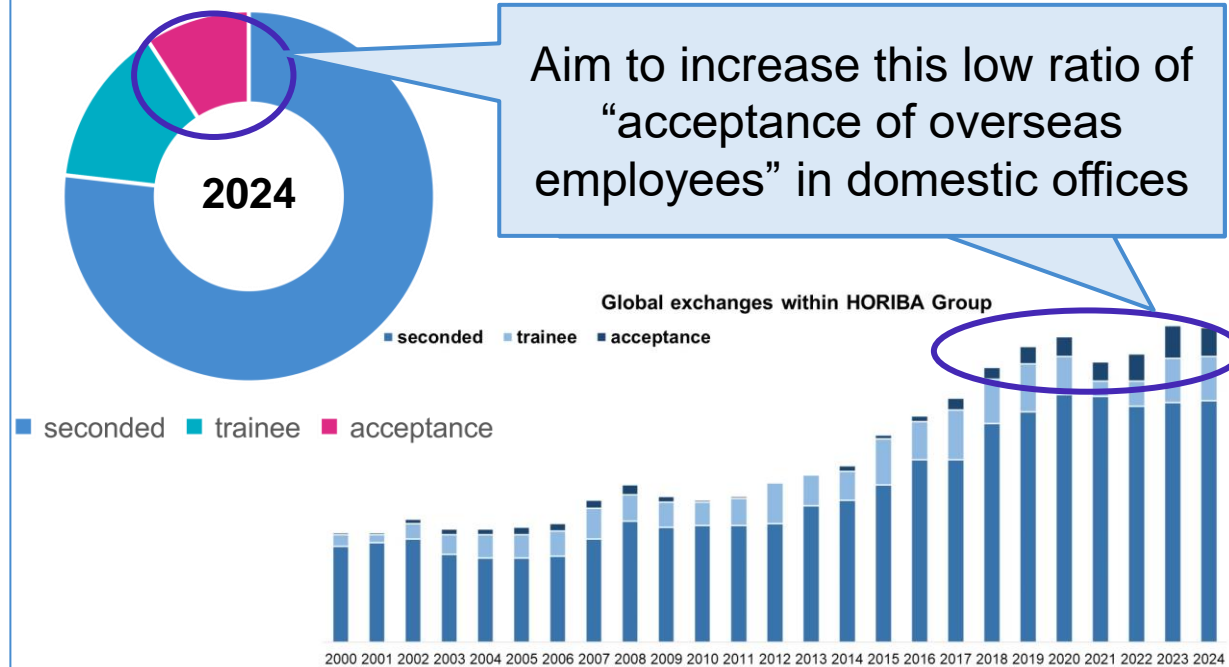


Global Leadership Program  
Participants:  
3 from Japan, 8 from overseas

[Purpose of the program]  
Identification and development of future management  
leaders from Group companies

## Promote global exchanges within HORIBA Group

- 160 employees were sent as a trainee or were seconded between offices in Japan and overseas in 2024
- **Promoting acceptance of employees from overseas** to enhance global operations



# Sustainability Strategy

## Start efforts to reduce CO<sub>2</sub> emissions

### CO<sub>2</sub> emissions (Scope 1, 2) reduction

#### Target:

- 42% reduction in CO<sub>2</sub> emissions by 2033 (vs. 2023)
- Carbon neutral by 2050

#### Activity:

- Establish a global CO<sub>2</sub> reduction plan towards 2025
- Purchase electricity generated from renewable energy sources and install solar power generation equipment, etc.

### CO<sub>2</sub> emissions (Scope 3) calculation

- Started from 2024
- Already disclosed the emission data for 2023 only for HORIBA, Ltd.
- Calculated global emissions for HORIBA Group in 2025

## Contribute to food safety and security

HORIBA's residual chlorine concentration monitors contribute to improved sanitation and digitalization



Monitoring of chlorine concentration in the washing process of cut vegetables for lunch boxes and prepared foods in convenience stores

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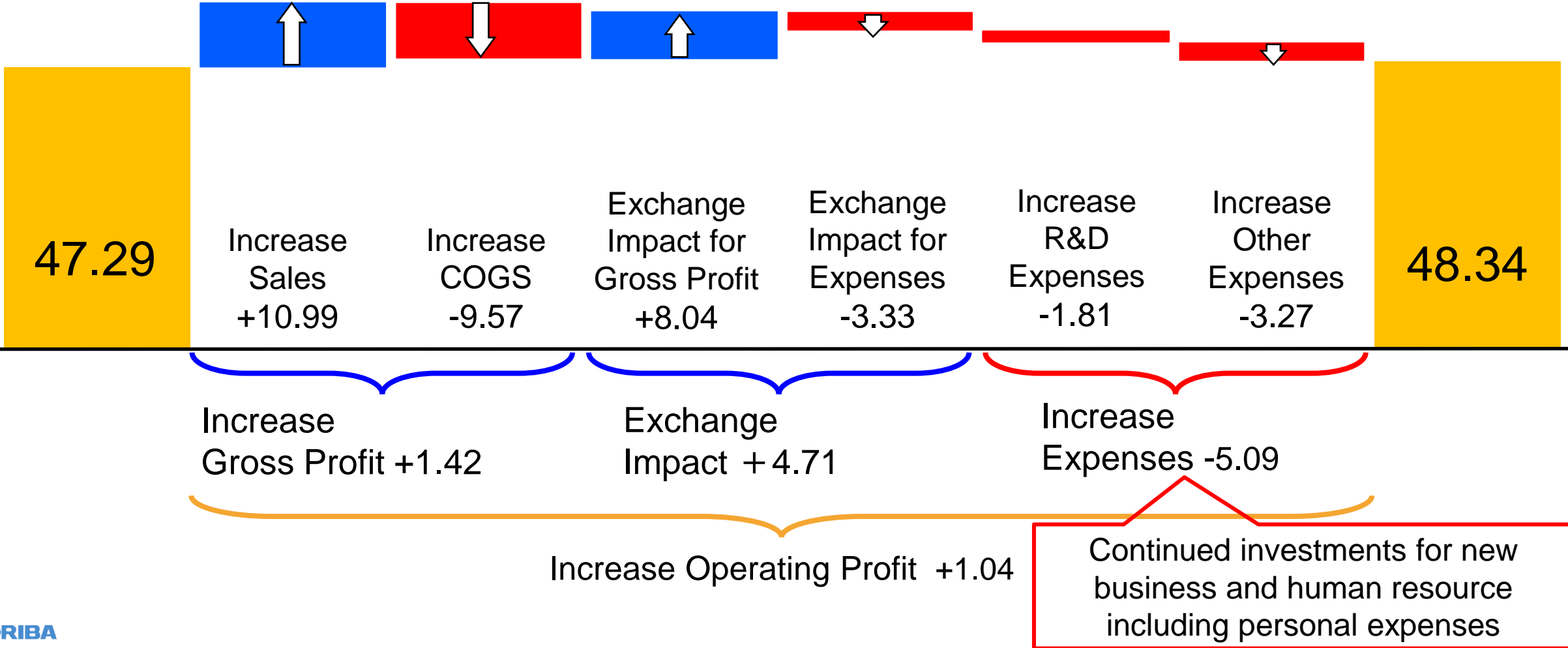
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# Operating Profit Analysis (vs 2023)

(Billions of yen)

2023  
Jan. – Dec.

2024  
Jan. – Dec.



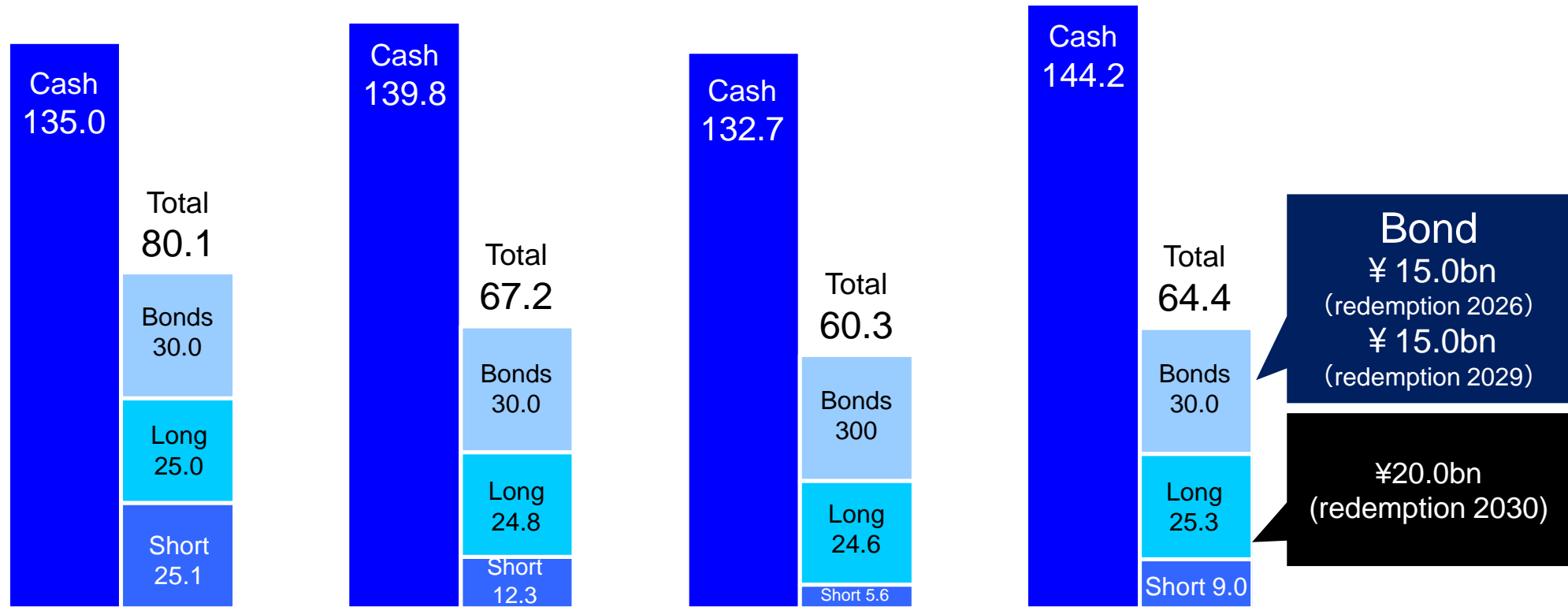
# Consolidated Cash Flows

(Billions of yen)

	2024	2023	Variation
Cash flows from operating activities	+40.3	+16.6	+23.6
Cash flows from investing activities	-17.5	-7.3	-10.2
Cash flows from financing activities	-15.9	-20.9	+5.0
Cash and cash equivalents at end of year	143.9	130.5	+13.4
Free cash flows	+22.7	+9.3	+13.4

# Cash Balance

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



Current ratio	253%	264%	315%	336%
Capital ratio	55%	58%	63%	65%

• Recent issuer rating: R&I “A” (Aug. 2024), JCR “A+” (Aug. 2024)

# Exchange Rate Trend / Forecasts / Impacts

	2023	2024	2025	
	Annual	Annual	Forecasts (as of Feb. 13)	vs 2024 (Annual)
USD	140.67	151.69	150.00	-1.69
EUR	152.11	164.05	160.00	-4.05

Exchange rate impact for 2024 Jan. – Dec. (vs 2023 Jan. – Dec.)

(Billions of yen)

Increase sales	+15.81
Increase cost of goods sales	-7.76
Impact to gross profit	+8.04
Increase expenses	-3.33
Impact to operating profit	+4.71

Exchange rate impact for 2025 Forecasts  
1 yen impact of Sales and O.P.  
(Weak yen)

(Billions of yen)

	Sales	Operating profit
USD	+0.71	+0.32
EUR	+0.37	+0.00

# Capital Investment, Depreciation, R&D

(Billions of yen)

	2023	2024				2025	
	Actual	Previous Forecasts (as of Nov. 13)	Actual	vs 2023	vs Previous Forecasts	Forecasts	vs 2024
Capex	9.1	23.0	19.3	+10.2	-3.6	20.0	+0.6
Depreciation and amortization	12.6	14.0	13.0	+0.4	-0.9	14.0	+0.9
R&D expenses	20.4	23.0	22.9	+2.5	-0.0	26.0	+3.0
to net sales(%)	7.0%	7.2%	7.2%	-	-	7.6%	-

\*Amortization of goodwill is included in depreciation.

## 2025 Topics

### PP&E:

Kyoto Fukuchiyama Technology Center new building  
Kyoto Fukuchiyama new factory



# Shareholder Return

## Basic Policy

- Dividend payment = 30% of Consolidated net income attributable to HORIBA, Ltd.'s shareholders to be targeted
- **Execute special dividend and share buybacks timely and properly**, considering investment opportunities and the cash flow situation.

## Dividends per share

- 2023 Results: 290yen [Interim 80yen / Year-end 210yen]
- 2024 Results: 270yen [Interim 80yen / Year-end 190yen] \*Including special dividend 25 yen
- 2025 Forecasts: 290yen [Interim 80yen / Year-end 210yen]

## Share buybacks / cancellation

- Period February 15, 2024 – April 23, 2024
- Number of acquired shares 334,500 shares
- Total acquisition price Approx. ¥5bn
- Date of cancellation June 5, 2024
- Number of cancelled shares 299,500 shares



# HORIBA