

**Summary of Consolidated Financial Statements for the Year Ended December 31, 2020  
(Japanese GAAP)**

Company name **HORIBA, Ltd.**  
 Listing code 6856  
 Representative Atsushi Horiba, Chairman & Group CEO  
 Contact Yoshihiro Morita, Department Manager, Accounting Dept.  
 Scheduled date of start of dividend payment: March 8, 2021

February 15, 2021  
 Listed stock exchanges: Tokyo  
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(Figures have been rounded down to the nearest million yen)

**1. Consolidated Results for the Year Ended December 31, 2020 (January 1, 2020 - December 31, 2020)**

(1) Consolidated Operating Results (Percentages represent changes from the previous year)

	Net Sales		Operating Income		Ordinary Income		Net income Attributable to Owners of Parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended 12/31/20	187,080	-6.6	19,694	-5.8	19,399	-5.5	13,188	-14.8
Year ended 12/31/19	200,241	-4.9	20,916	-27.5	20,518	-27.5	15,481	-30.6

(Note) Comprehensive Income: FY2020 11,580 million yen (-26.8%) FY2019 15,827 million yen (-3.3%)

	Net Income Attributable to Owners of Parent per Share	Net Income Attributable to Owners of Parent per Share (Diluted)	Return on Equity	Ordinary Income to Total Assets	Operating Income to Net Sales
	Yen	Yen	%	%	%
Year ended 12/31/20	312.58	311.09	7.6	6.0	10.5
Year ended 12/31/19	367.09	365.44	9.3	6.9	10.4

(Reference) Equity in earnings of affiliates: FY2020 -million yen FY2019 -million yen

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of 12/31/20	328,068	178,669	54.3	4,217.45
As of 12/31/19	315,133	171,615	54.3	4,053.30

(Reference) Net assets excluding subscription rights to shares and non-controlling interests:

As of 12/31/20 177,964 million yen As of 12/31/19 170,953 million yen

(3) Consolidated Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended 12/31/20	32,253	(14,016)	843	114,156
Year ended 12/31/19	26,638	(12,367)	19,215	96,064

**2. Dividends**

	Dividend per Share					Total Dividends (Annual)	Payout Ratio (Consolidated)	Dividends to Net Assets (Consolidated)
	First quarter	Second quarter	Third quarter	Year end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended 12/31/19	-	50.00	-	80.00	130.00	5,482	35.4	3.3
Year ended 12/31/20	-	30.00	-	60.00	90.00	3,797	28.8	2.2
Year ending 12/31/21 (Forecast)	-	30.00	-	60.00	90.00		28.1	

**3. Consolidated Forecast for the Year Ending December 31, 2021 (January 1, 2021 - December 31, 2021)**

(Percentages represent changes from the same period in the previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent		Net Income Attributable to Owners of Parent per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	91,500	7.7	8,500	27.3	8,300	22.5	5,500	13.2	130.34
Full year	200,000	6.9	20,000	1.5	19,500	0.5	13,500	2.4	319.93

## Notes

(1) Changes in significant subsidiaries during the period

(Changes in specified subsidiaries that caused a change in the scope of consolidation): None

(2) Changes in accounting policies, accounting estimates and retrospective restatement

① Changes in accounting policies associated with revision of accounting standards: None

② Changes in accounting policies arising from other than the above: None

③ Changes in accounting estimates: None

④ Retrospective restatement: None

(3) Number of shares outstanding (common stock)

① Shares issued (including treasury stock)	December 31, 2020	42,532,752	December 31, 2019	42,532,752
② Treasury stock	December 31, 2020	335,478	December 31, 2019	356,524
③ Average number of outstanding shares	December 31, 2020	42,192,859	December 31, 2019	42,174,733

Note 1. This consolidated financial report is not subject to audit by certified public accountants or accounting firms.

Note 2. Appropriate use of business forecasts and other important information

The forecasts of dividend amount and business performance contained in this report have been made based on certain future assumptions, outlooks, and plans which are available currently.

However, due to risks and various uncertain factors such as future business operation policies, changes in the economic environment in Japan and overseas, fluctuation of currency rates, it is possible that actual performance would vary considerably from the forecasts.

## 1. Qualitative Information Concerning Consolidated Results

Effective from January 1, 2021, the names of the report segments were changed as below. This change was only a change of the segment names and had no effect on information on the segments. The segment information for the fiscal year ended December 31, 2020 and the fiscal year ended December 31, 2019 are stated using the new segment names.

Before Change	After Change
Automotive Test Systems	Automotive
Process & Environmental Instruments & Systems	Process & Environmental
Medical-Diagnostic Instruments & Systems	Medical-Diagnostics
Semiconductor Instruments & Systems	Semiconductor
Scientific Instruments & Systems	Scientific

### (1) Information Concerning Consolidated Operating Results

(For details, see page 15, “4. Supplemental Information - HORIBA, Ltd. Financial Highlights for the Year Ended December 31, 2020”)

In the fiscal year ended December 31, 2020, HORIBA, Ltd. (“the Company”) and its consolidated subsidiaries (together “the HORIBA Group” or “HORIBA” as a consolidated group) decreased sales by 6.6% year-on-year to 187,080 million yen, due to a decline in sales in mainly Automotive segment, while sales in the Semiconductor segment increase. Operating income decreased by 5.8% to 19,694 million yen, ordinary income by 5.5% to 19,399 million yen and net income attributable to owners of parent by 14.8% to 13,188 million yen.

The annual average exchange rates for 2020 were 106.76 yen against the U.S. dollar and 121.88 yen against the euro, representing year-on-year appreciation of 2.1% against the U.S. dollar and 0.1% against the euro.

The operating results of each business segment are summarized as follows.

#### (Automotive Segment)

Mainly due to the stagnation of corporate activities affected by the spread of COVID-19, segment sales decreased by 21.1% year-on-year to 63,913 million yen and operating income decreased by 61.8% to 2,465 million yen.

#### (Process & Environmental Segment)

Demand from public investments was solid against the backdrop of tightening environmental regulations globally.

However, segment sales decreased by 6.0% year-on-year to 18,337 million yen and operating income decreased by 3.4% to 1,639 million yen, mainly due to the stagnation of corporate activities affected by the spread of COVID-19.

**(Medical-Diagnostics Segment)**

The number of tests performed at hospitals decreased as the spread of COVID-19 led to a decrease in the number of patients who visit hospital. Consequently, segment sales decreased by 17.0% year-on-year to 21,035 million yen, and operating loss of 426 million yen was recorded (compared to operating income of 1,302 million yen in the previous year).

**(Semiconductor Segment)**

Sales to semiconductor production equipment manufacturers increased, in response to a recovery of semiconductor manufacturers' capital expenditures driven by an increase in demand for semiconductors associated with the expansion of telework, digital business and other factors. As a result, segment sales increased by 20.7% year-on-year to 56,967 million yen and operating income increased by 31.0% to 14,052 million yen.

**(Scientific Segment)**

Mainly due to the stagnation of corporate activities affected by the spread of COVID-19, segment sales decreased by 1.3% year-on-year to 26,825 million yen. On the profit side, operating income increased by 167.4% to 1,963 million yen, due to an increase in sales of high-margin products and cost reduction mainly in selling expense.

## **(2) Information Concerning Consolidated Earnings Forecasts for FY2021**

The consolidated earnings forecasts are summarized as follows.

Our assumed foreign exchange rates for fiscal 2021 are 105 yen against the U.S. dollar (vs. 106.76 yen in fiscal 2020) and 125 yen against the euro (vs. 121.88 yen in fiscal 2020).

### **Net sales of 200,000 million yen (up 6.9% year-on-year)**

In the Automotive Segment, sales in Japan are expected to decline, while sales in Europe are expected to be favorable. As a result, segment sales are expected to stay at the same level in the previous fiscal year.

In the Process & Environmental Segment, the Medical-Diagnostics Segment and the Scientific Segment, sales are expected to increase, in response to recovery from stagnant social and economic activities caused by the impact from the spread of COVID-19.

In Semiconductor Segment, sales to semiconductor production equipment manufacturers are expected to increase, in response to a growth of semiconductor manufacturers' capital expenditures driven by an increase in demand for semiconductors.

As a result, net sales are expected to increase by 12,919 million yen from fiscal 2020 to 200,000 million yen.

### **Operating income of 20,000 million yen (up 1.5% year-on-year)**

In the Automotive Segment, operating income is expected to decrease, due to normalization of expenses that decreased owing to slowdown in activities caused by the spread of COVID-19, and changes in the sales composition of products.

In the Semiconductor Segment, operating income is expected to increase in line with an increase in sales.

As a result, total operating income is expected to increase by 305 million yen from fiscal 2020 to 20,000 million yen.

### **Ordinary income of 19,500 million yen (up 0.5% year-on-year)**

Ordinary income is expected to incorporate a net non-operating loss of 500 million yen (compared to that of 295 million yen in fiscal 2020), assuming interest expenses and some uncertain non-operating expenses.

As a result, ordinary income is expected to increase by 100 million yen from fiscal 2020 to 19,500 million yen.

### **Net income attributable to owners of parent of 13,500 million yen (up 2.4% year-on-year)**

Net extraordinary loss of 500 million yen (compared to net extraordinary loss of 578 million yen in fiscal 2020) is secured for unexpected incidences. As a result, net income attributable to owners of parent is forecasted to increase by 311 million yen from the fiscal 2020 to 13,500 million yen.

### **(3) Basic Policy for Profit Distribution and Dividends for the Year Ended December 31, 2020 and the Year Ending December 31, 2021**

HORIBA's shareholder return policy is to set the total returns to shareholders (the combined amount of dividend payments and share buybacks) at approximately 30% of consolidated net income attributable to owners of parent.

With regard to the dividends for the year ended December 31, 2020, we have decided to pay a year-end dividend of 60 yen per share. Combined with the interim dividend that has been paid out, the annual dividend will be 90 yen (compared to 130 yen in fiscal 2019).

As regards the dividend forecast for the fiscal year ending December 31, 2021, we expect to pay an annual dividend of 90 yen per share (interim dividend is 30 yen).

The Company will continue to focus on improving corporate value through profit growth by investing internal reserves in growth areas in an effective manner, and it will make profit returns to shareholders that are linked to consolidated earnings.

(Disclaimer regarding business forecasts)

The forecasts of dividend amount and business performance contained in this report have been made based on certain future assumptions, outlooks, and plans which are available currently.

However, due to risks and various uncertain factors such as future business operation policies, changes in the economic environment in Japan and overseas, fluctuation of currency rates, it is possible that actual performance would vary considerably from the forecasts.

## **2. Basic policy on selection of accounting standard**

The HORIBA Group prepares its consolidated financial statements in accordance with General Accepted Accounting Principles in Japan ("JGAAP"), as it allows comparison between different periods and companies. Concerning adoption of the International Financial Reporting Standards (IFRS), HORIBA intends to appropriately respond with due consideration for various circumstances in Japan and abroad and expected clerical costs.

### 3. Consolidated Financial Statements and Notes

#### (1) Consolidated Balance Sheets

Amount : Millions of yen

	FY2019 (As of December 31, 2019)	FY2020 (As of December 31, 2020)
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and bank deposits	95,646	114,537
Trade notes and accounts receivable	59,121	50,873
Marketable securities	3,079	1,965
Merchandise and finished goods	19,995	18,578
Work in process	17,690	16,786
Raw materials and supplies	13,927	13,886
Other current assets	7,889	8,364
Allowance for doubtful accounts	(796)	(1,032)
<b>Total Current Assets</b>	<b>216,553</b>	<b>223,959</b>
<b>Fixed Assets:</b>		
<b>Property, Plant and Equipment:</b>		
Buildings and structures, net	39,780	40,874
Machinery, equipment and vehicles, net	12,053	11,386
Land	15,177	15,315
Construction in progress	3,604	9,630
Other property, plant and equipment, net	5,313	4,863
<b>Total Property, Plant and Equipment</b>	<b>75,929</b>	<b>82,071</b>
<b>Intangibles:</b>		
Goodwill	1,254	944
Software	2,734	2,375
Leasehold interests in land	548	563
Other intangibles	997	743
<b>Total Intangibles</b>	<b>5,535</b>	<b>4,625</b>
<b>Investments and Other Non-Current Assets:</b>		
Investment securities	10,612	10,605
Net defined benefit asset	13	321
Deferred tax assets	3,605	3,844
Other investments and other assets	2,933	2,686
Allowance for doubtful accounts	(51)	(46)
<b>Total Investments and Other Non-Current Assets</b>	<b>17,114</b>	<b>17,411</b>
<b>Total Fixed Assets</b>	<b>98,579</b>	<b>104,108</b>
<b>Total Assets</b>	<b>315,133</b>	<b>328,068</b>

Amount : Millions of yen

	FY2019 (As of December 31, 2019)	FY2020 (As of December 31, 2020)
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Trade notes and accounts payable	19,861	20,264
Short-term loans payable	8,495	9,548
Current portion of bonds	15,000	-
Accounts payable - other	16,164	15,092
Accrued income taxes	2,004	4,042
Advances Received	19,169	15,473
Accrued bonuses to employees	1,188	919
Reserve for product warranty	2,369	2,331
Other current liabilities	4,218	5,124
<b>Total Current Liabilities</b>	<b>88,472</b>	<b>72,797</b>
<b>Non-Current Liabilities:</b>		
Corporate bonds	30,000	30,000
Long-term loans payable	16,878	37,518
Deferred tax liabilities	613	836
Net defined benefit liability	2,017	2,237
Other non-current liabilities	5,534	6,009
<b>Total Non-Current Liabilities</b>	<b>55,044</b>	<b>76,601</b>
<b>Total Liabilities</b>	<b>143,517</b>	<b>149,399</b>
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Common stock	12,011	12,011
Capital surplus	18,599	18,599
Retained earnings	141,689	150,222
Treasury stock	(1,405)	(1,323)
<b>Total Shareholders' Equity</b>	<b>170,894</b>	<b>179,509</b>
<b>Accumulated Other Comprehensive Income</b>		
Net unrealized holding gains or losses on securities	4,344	4,363
Deferred gains or losses on hedges	0	6
Foreign currency translation adjustments	(4,042)	(5,839)
Remeasurements of defined benefit plans	(244)	(75)
<b>Total Accumulated Other Comprehensive Income</b>	<b>58</b>	<b>(1,545)</b>
<b>Subscription Rights to Shares</b>	<b>651</b>	<b>697</b>
<b>Non-Controlling Interests</b>	<b>10</b>	<b>6</b>
<b>Total Net Assets</b>	<b>171,615</b>	<b>178,669</b>
<b>Total Liabilities and Net Assets</b>	<b>315,133</b>	<b>328,068</b>

**(2) Consolidated Statements of Income and Consolidated Comprehensive Income Statements**  
(Consolidated Statements of Income)

Amount : Millions of yen

	FY2019 (For the year ended December 31, 2019)	FY2020 (For the year ended December 31, 2020)
<b>Net Sales</b>	200,241	187,080
<b>Cost of Sales</b>	117,624	110,648
<b>Gross Income</b>	82,617	76,431
<b>Selling, General and Administrative Expenses</b>	61,701	56,737
<b>Operating Income</b>	20,916	19,694
<b>Non-Operating Income</b>		
Interest income	237	280
Dividend income	185	170
Subsidy income	43	182
Foreign tax refund	148	-
Other	214	204
<b>Total Non-Operating Income</b>	827	838
<b>Non-Operating Expense</b>		
Interest expense	496	466
Bond issuance cost	154	-
Foreign exchange losses	439	444
Commission for syndicated loans	-	133
Other	135	89
<b>Total Non-Operating Expense</b>	1,225	1,133
<b>Ordinary Income</b>	20,518	19,399
<b>Extraordinary Gain</b>		
Gain on sales of fixed assets	113	23
Gain on sales of investment securities	9	554
Gain on sales of golf memberships	-	31
Reversal of provision for loss on dissolution of the employees' pension fund	137	-
<b>Total Extraordinary Gain</b>	260	610
<b>Extraordinary Loss</b>		
Loss on sales of fixed assets	-	0
Loss on disposal of fixed assets	44	51
Business restructuring expenses	-	1,136
<b>Total Extraordinary Loss</b>	44	1,188
<b>Income before Income Taxes</b>	20,734	18,821
Income taxes (current)	4,956	5,891
Income taxes (deferred)	268	(256)
<b>Total Income Taxes</b>	5,225	5,634
<b>Net Income</b>	15,508	13,187
Profit (loss) attributable to non-controlling interests	26	(1)
<b>Net Income Attributable to Owners of Parent</b>	15,481	13,188

## (Consolidated Statements of Comprehensive Income)

Amount : Millions of yen

	FY2019 (For the year ended December 31, 2019)	FY2020 (For the year ended December 31, 2020)
<b>Net Income</b>	15,508	13,187
<b>Other Comprehensive Income</b>		
Net unrealized holding gains or losses on securities	1,555	18
Deferred gains or losses on hedges	3	5
Foreign currency translation adjustments	(1,220)	(1,799)
Remeasurements of defined benefit plans	(20)	169
<b>Total Other Comprehensive Income</b>	318	(1,606)
<b>Comprehensive Income</b>	15,827	11,580
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	15,807	11,584
Comprehensive income attributable to non-controlling interests	19	(4)

**(3) Consolidated Statements of Changes in Net Assets**

FY2019 (For the year ended December 31, 2019)

Amount : Millions of yen

	Shareholders' Equity				
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Beginning Balance	12,011	18,717	132,329	(1,428)	161,630
Changes during the Period					
Dividend from Earnings			(6,115)		(6,115)
Net income Attributable to Owners of Parent			15,481		15,481
Purchase of Treasury Stock				(0)	(0)
Disposal of Treasury Stock		0	(6)	23	16
Purchase of Shares of Consolidated Subsidiaries		(118)			(118)
Others					
Total changes during the Period	—	(117)	9,359	22	9,264
Ending Balance	12,011	18,599	141,689	(1,405)	170,894

	Accumulated Other Comprehensive Income					Subscription Rights to Shares	Non-controlling Interests	Total Net Assets
	Net unrealized holding gains or losses on securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total Accumulated Other Comprehensive Income			
Beginning Balance	2,788	(2)	(2,829)	(224)	(267)	549	106	162,018
Changes during the Period								
Dividend from Earnings								(6,115)
Net Income Attributable to Owners of Parent								15,481
Purchase of Treasury Stock								(0)
Disposal of Treasury Stock								16
Purchase of Shares of Consolidated Subsidiaries								(118)
Others	1,555	3	(1,212)	(20)	326	102	(95)	332
Total Changes during the Period	1,555	3	(1,212)	(20)	326	102	(95)	9,596
Ending Balance	4,344	0	(4,042)	(244)	58	651	10	171,615

FY2020 (For the year ended December 31, 2020)

Amount : Millions of yen

	Shareholders' Equity				
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Beginning Balance	12,011	18,599	141,689	(1,405)	170,894
Changes during the Period					
Dividend from Earnings			(4,640)		(4,640)
Net Income Attributable to Owners of Parent			13,188		13,188
Purchase of Treasury Stock				(0)	(0)
Disposal of Treasury Stock		(0)	(15)	83	67
Others					
Total Changes during the Period	—	(0)	8,533	82	8,615
Ending Balance	12,011	18,599	150,222	(1,323)	179,509

	Accumulated Other Comprehensive Income					Subscription Rights to Shares	Non-controlling Interests	Total Net Assets
	Net unrealized holding gains or losses on securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total Accumulated Other Comprehensive Income			
Beginning Balance	4,344	0	(4,042)	(244)	58	651	10	171,615
Changes during the Period								
Dividend from Earnings								(4,640)
Net Income Attributable to Owners of Parent								13,188
Purchase of Treasury Stock								(0)
Disposal of Treasury Stock								67
Others	18	5	(1,797)	169	(1,603)	46	(4)	(1,561)
Total Changes during the Period	18	5	(1,797)	169	(1,603)	46	(4)	7,053
Ending Balance	4,363	6	(5,839)	(75)	(1,545)	697	6	178,669

#### (4) Consolidated Statements of Cash Flows

Amount : Millions of yen

	FY2019 (For the year ended December 31, 2019)	FY2020 (For the year ended December 31, 2020)
<b>Cash Flows from Operating Activities:</b>		
Income before income taxes	20,734	18,821
Depreciation expense	8,485	9,296
Amortization of goodwill	309	322
Increase (decrease) in allowance for doubtful accounts	105	235
Increase (decrease) in net defined benefit liability	1	158
Interest and dividend income	(422)	(451)
Interest expense	496	466
Foreign exchange losses (gains)	89	151
Loss (gain) on sales of fixed assets	(113)	(23)
Loss on disposal of fixed assets	44	51
Loss (gain) on sales of investment securities	(9)	(554)
Loss (gain) on sales of golf club memberships	-	(31)
Business restructuring expenses	-	1,136
Decrease (increase) in trade notes and accounts receivable	(935)	7,999
Decrease (increase) in inventories	2,852	2,049
Increase (decrease) in trade notes and accounts payable	(1,760)	256
Other, net	3,196	(4,239)
<b>Subtotal</b>	<b>33,075</b>	<b>35,646</b>
Interest and dividend received	434	431
Interest paid	(465)	(485)
Income taxes (paid) refund	(6,405)	(3,338)
<b>Net Cash Provided by (used in) Operating Activities</b>	<b>26,638</b>	<b>32,253</b>
<b>Cash Flows from Investing Activities:</b>		
Increase in time deposits	(2,418)	(1,061)
Decrease in time deposits	3,018	816
Payments for purchase of marketable securities	(2,000)	(1,400)
Proceeds from sales or redemption of marketable securities	1,900	2,000
Payments for purchase of property, plant and equipment	(11,762)	(14,616)
Proceeds from sales of property, plant and equipment	262	75
Payments for purchase of intangibles	(1,172)	(429)
Payments for purchase of investment securities	(24)	(43)
Proceeds from sales or redemption of investment securities	13	609
Payments of loans receivable	(39)	(38)
Collection of loans receivable	96	23
Other, net	(239)	49
<b>Net Cash Provided by (used in) Investing Activities</b>	<b>(12,367)</b>	<b>(14,016)</b>
<b>Cash Flows from Financing Activities:</b>		
Net increase (decrease) in short-term borrowings	(2,205)	1,204
Proceeds from long-term borrowings	313	20,898
Repayments of long-term debt	(1,561)	(366)
Repayments on finance lease obligations	(831)	(1,254)
Net decrease (increase) of treasury stock	(0)	(0)
Cash dividends paid	(6,110)	(4,637)
Proceeds from issuance of bonds	29,845	-
Redemption of bonds	-	(15,000)
Dividends paid to non-controlling interests	(7)	-
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(226)	-
<b>Net Cash Provided by (used in) Financing Activities</b>	<b>19,215</b>	<b>843</b>
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>(259)</b>	<b>(988)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>33,227</b>	<b>18,091</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>62,837</b>	<b>96,064</b>
<b>Cash and Cash Equivalents at End of Period</b>	<b>96,064</b>	<b>114,156</b>

## **(5) Notes to Consolidated Financial Statements**

### **Additional information**

#### **(Change in presentation method)**

#### **(Relation to the consolidated balance sheets)**

"Leasehold interests in land", which was included in "Other intangibles" in "Intangibles" in the previous consolidated fiscal year, is presented separately from the current consolidated fiscal year ended December 31, 2020, from the viewpoint of clarity in accounts classification. The Consolidated Financial Statements for the previous consolidated fiscal year have been reclassified to reflect this change.

As a result, in the Consolidated Balance Sheets for the previous consolidated fiscal year, the 1,546 million yen presented as "Other intangibles" in "Intangibles" has been reclassified as "Leasehold interests in land" of 548 million yen and "Other intangibles" of 997 million yen.

#### **(Application of tax effect accounting for transition from consolidated taxation system to group tax sharing system)**

With regard to the transition to group tax sharing system established in the "Act for Partial Amendment of the Income Tax Act, etc." (Act No. 8 of 2020) and items for which the non-consolidated taxation system has been reviewed in line with the transition to the group tax sharing system, the Company and its domestic consolidated subsidiaries calculated the amounts of deferred tax assets and deferred tax liabilities in accordance with the provisions of the tax act before the amendment based on the treatment of Paragraph 3 of the "Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System" (ASBJ Practical Issues Tax Force No. 39, March 31, 2020), instead of applying the provision of Paragraph 44 of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, February 16, 2018).

#### 4. Supplemental Information

### HORIBA, Ltd. Financial Highlights for the Year Ended December 31, 2020

#### 1. Consolidated Financial Results

Amount : Millions of yen

	12/2019	12/2020	Changes		12/2021	Changes	12/2021	Changes
	Results	Results	Amount	Ratio	Forecasts		Forecasts	
	Full year	Full year			Full year	1st half	Amount	
Net Sales	200,241	<b>187,080</b>	-13,161	-6.6%	<b>200,000</b>	+12,919	<b>91,500</b>	+6,524
Operating Income	20,916	<b>19,694</b>	-1,221	-5.8%	<b>20,000</b>	+305	<b>8,500</b>	+1,823
<i>Operating Income Ratio</i>	10.4%	<b>10.5%</b>	+0.1P		<b>10.0%</b>	-0.5P	<b>9.3%</b>	+1.4P
Ordinary Income	20,518	<b>19,399</b>	-1,118	-5.5%	<b>19,500</b>	+100	<b>8,300</b>	+1,523
<i>Ordinary Income Ratio</i>	10.2%	<b>10.4%</b>	+0.2P		<b>9.8%</b>	-0.6P	<b>9.1%</b>	+1.1P
Net Income Attributable to Owners of Parent	15,481	<b>13,188</b>	-2,293	-14.8%	<b>13,500</b>	+311	<b>5,500</b>	+639
<i>Net Income Ratio</i>	7.7%	<b>7.0%</b>	-0.7P		<b>6.8%</b>	-0.2P	<b>6.0%</b>	+0.3P
US\$	109.03	<b>106.76</b>	-2.27		<b>105.00</b>	-1.76	<b>105.00</b>	-3.23
Euro	122.03	<b>121.88</b>	-0.15		<b>125.00</b>	+3.12	<b>125.00</b>	+5.69

#### 2. Consolidated Segment Results

Amount : Millions of yen

	12/2019	12/2020	Changes		12/2021	Changes	12/2021	Changes
	Results	Results	Amount	Ratio	Forecasts		Forecasts	
	Full year	Full year			Full year	1st half	Amount	
Net Sales								
Automotive	81,042	<b>63,913</b>	-17,128	-21.1%	<b>64,000</b>	+86	<b>27,000</b>	-108
Process&Environmental	19,500	<b>18,337</b>	-1,162	-6.0%	<b>21,000</b>	+2,662	<b>9,000</b>	+326
Medical-Diagnostics	25,335	<b>21,035</b>	-4,300	-17.0%	<b>25,000</b>	+3,964	<b>12,000</b>	+1,597
Semiconductor	47,191	<b>56,967</b>	+9,775	+20.7%	<b>61,000</b>	+4,032	<b>30,500</b>	+3,076
Scientific	27,170	<b>26,825</b>	-345	-1.3%	<b>29,000</b>	+2,174	<b>13,000</b>	+1,632
Total	200,241	<b>187,080</b>	-13,161	-6.6%	<b>200,000</b>	+12,919	<b>91,500</b>	+6,524
Operating Income								
Automotive	6,454	<b>2,465</b>	-3,988	-61.8%	<b>1,000</b>	-1,465	<b>(500)</b>	-230
Process&Environmental	1,697	<b>1,639</b>	-57	-3.4%	<b>1,500</b>	-139	<b>500</b>	+60
Medical-Diagnostics	1,302	<b>(426)</b>	-1,728	-	<b>500</b>	+926	-	+75
Semiconductor	10,727	<b>14,052</b>	+3,324	+31.0%	<b>15,500</b>	+1,447	<b>8,000</b>	+1,581
Scientific	734	<b>1,963</b>	+1,229	+167.4%	<b>1,500</b>	-463	<b>500</b>	+336
Total	20,916	<b>19,694</b>	-1,221	-5.8%	<b>20,000</b>	+305	<b>8,500</b>	+1,823

### 3. Consolidated Segment Sales by Destination

Amount : Millions of yen

	12/2019	12/2020	Changes		12/2021	Changes	12/2021	Changes
	Results	Results			Forecasts		Forecasts	
	Full year	Full year	Amount	Ratio	Full year	Amount	1st half	Amount
<b>Automotive</b>	<b>81,042</b>	<b>63,913</b>	-17,128	-21.1%	<b>64,000</b>	+86	<b>27,000</b>	-108
Japan	21,541	17,640	-3,900	-18.1%	15,000	-2,640	6,000	-3,174
Asia	24,507	17,584	-6,922	-28.2%	16,500	-1,084	7,500	+554
Americas	9,986	7,226	-2,760	-27.6%	8,000	+773	3,500	+1,285
Europe	25,006	21,462	-3,544	-14.2%	24,500	+3,037	10,000	+1,226
<b>Process&amp;Environmental</b>	<b>19,500</b>	<b>18,337</b>	-1,162	-6.0%	<b>21,000</b>	+2,662	<b>9,000</b>	+326
Japan	10,187	9,917	-269	-2.6%	10,500	+582	4,500	-434
Asia	4,242	4,010	-232	-5.5%	5,500	+1,489	2,500	+959
Americas	2,461	2,184	-277	-11.3%	2,000	-184	1,000	-168
Europe	2,608	2,225	-383	-14.7%	3,000	+774	1,000	-29
<b>Medical-Diagnostics</b>	<b>25,335</b>	<b>21,035</b>	-4,300	-17.0%	<b>25,000</b>	+3,964	<b>12,000</b>	+1,597
Japan	6,328	5,466	-861	-13.6%	6,000	+533	3,000	+235
Asia	5,661	4,243	-1,418	-25.0%	6,000	+1,756	2,500	+465
Americas	5,080	3,966	-1,113	-21.9%	4,000	+33	2,000	+41
Europe	8,265	7,358	-906	-11.0%	9,000	+1,641	4,500	+853
<b>Semiconductor</b>	<b>47,191</b>	<b>56,967</b>	+9,775	+20.7%	<b>61,000</b>	+4,032	<b>30,500</b>	+3,076
Japan	16,790	18,511	+1,721	+10.2%	22,000	+3,488	11,000	+1,498
Asia	21,251	28,270	+7,018	+33.0%	25,000	-3,270	12,500	-571
Americas	6,030	7,272	+1,242	+20.6%	11,000	+3,727	5,500	+1,943
Europe	3,118	2,912	-205	-6.6%	3,000	+87	1,500	+205
<b>Scientific</b>	<b>27,170</b>	<b>26,825</b>	-345	-1.3%	<b>29,000</b>	+2,174	<b>13,000</b>	+1,632
Japan	7,321	6,140	-1,181	-16.1%	7,500	+1,359	3,000	-16
Asia	6,796	7,413	+616	+9.1%	7,500	+86	3,500	+841
Americas	7,520	7,632	+111	+1.5%	8,000	+367	3,500	+262
Europe	5,531	5,638	+107	+1.9%	6,000	+361	3,000	+546
<b>Total</b>	<b>200,241</b>	<b>187,080</b>	-13,161	-6.6%	<b>200,000</b>	+12,919	<b>91,500</b>	+6,524
Japan	62,169	57,676	-4,492	-7.2%	61,000	+3,323	27,500	-1,890
Asia	62,460	61,522	-937	-1.5%	60,500	-1,022	28,500	+2,248
Americas	31,079	28,282	-2,797	-9.0%	33,000	+4,717	15,500	+3,364
Europe	44,532	39,598	-4,933	-11.1%	45,500	+5,901	20,000	+2,801

### 4. Capital Expenditures, Depreciation and R&D Expenses

Amount : Millions of yen

	12/2019	12/2020	12/2021
	Results	Results	Forecasts
Capital Expenditures (*1)	12,834	15,165	16,500
Depreciation (*2)	8,794	9,619	10,500
R&D Expenses	16,254	15,594	17,000

(\*1) Capital Expenditures are investments in tangible and intangible fixed assets.

(\*2) Amortization of goodwill is included in depreciation.

## 5. Consolidated Financial Results (Quarterly Comparison)

Amount : Millions of yen

	12/2019 Results				12/2020 Results			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net Sales	45,320	46,287	45,422	63,211	44,997	39,978	44,815	57,289
Operating Income	4,434	3,848	3,722	8,910	3,895	2,781	4,291	8,726
<i>Operating Income Ratio</i>	9.8%	8.3%	8.2%	14.1%	8.7%	7.0%	9.6%	15.2%
Ordinary Income	4,303	3,737	3,517	8,960	3,906	2,870	4,022	8,600
<i>Ordinary Income Ratio</i>	9.5%	8.1%	7.7%	14.2%	8.7%	7.2%	9.0%	15.0%
Net Income Attributable to Owners of Parent	2,561	3,209	2,655	7,055	2,287	2,573	2,665	5,662
<i>Net Income Ratio</i>	5.7%	6.9%	5.8%	11.2%	5.1%	6.4%	5.9%	9.9%
US\$	110.22	109.90	107.24	108.76	108.86	107.60	106.19	104.39
Euro	125.16	123.48	119.22	120.26	120.08	118.54	124.17	124.73

## 6. Consolidated Segment Results (Quarterly Comparison)

Amount : Millions of yen

	12/2019 Results				12/2020 Results			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net Sales								
Automotive	16,242	18,138	17,705	28,956	14,870	12,238	14,515	22,290
Process&Environmental	4,791	4,369	4,709	5,628	4,595	4,078	4,125	5,538
Medical-Diagnostics	6,307	6,359	6,036	6,632	5,749	4,653	4,875	5,757
Semiconductor	11,548	11,157	10,837	13,647	13,847	13,576	14,333	15,210
Scientific	6,429	6,261	6,132	8,346	5,935	5,431	6,965	8,492
Total	45,320	46,287	45,422	63,211	44,997	39,978	44,815	57,289
Operating Income								
Automotive	905	694	1,199	3,655	322	(591)	204	2,530
Process&Environmental	470	193	312	721	250	188	323	876
Medical-Diagnostics	208	501	339	252	156	(231)	(405)	54
Semiconductor	2,752	2,647	2,037	3,290	3,241	3,177	3,479	4,153
Scientific	98	(188)	(167)	991	(75)	238	688	1,111
Total	4,434	3,848	3,722	8,910	3,895	2,781	4,291	8,726

### Contact

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