

**Summary of Consolidated Financial Statements for the Nine Months Ended September 30, 2021
(Japanese GAAP)**

Company name **HORIBA, Ltd.**
 Listing code 6856
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November 11, 2021
 Listed stock exchanges: Tokyo
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(Figures have been rounded down to the nearest million yen)

1. Consolidated Results for the Nine Months Ended September 30, 2021 (January 1, 2021 - September 30, 2021)

(1) Consolidated Operating Results (Percentages represent changes from the corresponding in 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	%
Nine months ended 9/30/21	153,957	18.6	19,859	81.1	19,868	84.0	13,721	82.3
Nine months ended 9/30/20	129,790	-5.3	10,968	-8.6	10,799	-6.6	7,525	-10.7

(Note) Comprehensive Income: FY2021Q3 20,278 million yen (366.1%) FY2020Q3 4,350 million yen (-18.2%)

	Net Income Attributable to Owners of Parent per Share	Net Income Attributable to Owners of Parent per Share (Diluted)
	Yen	Yen
Nine months ended 9/30/21	325.17	323.51
Nine months ended 9/30/20	178.37	177.53

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of 9/30/21	357,832	194,428	54.1
As of 12/31/20	328,068	178,669	54.3

(Reference) Net assets excluding subscription rights to shares and non-controlling interests:
 As of 9/30/21 193,626 million yen As of 12/31/20 177,964 million yen

2. Dividends

	Dividend per Share				
	First Quarter	Second Quarter	Third Quarter	Year End	Total
	Yen	Yen	Yen	Yen	Yen
FY 12/2020	-	30.00	-	60.00	90.00
FY 12/2021	-	50.00	-		
FY 12/2021 (Forecast)				80.00	130.00

(Note) Changes in the latest dividend forecasts released: None

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

(Percentages represent changes from the previous fiscal 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
Full year	220,000	17.6	28,500	44.7	28,000	44.3	18,500	40.3	438.42

(Note) Changes in the latest business forecasts released: None

Notes

(1) Changes in significant subsidiaries during the period

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

(2) Application of the accounting method specific to quarterly consolidated financial statements: Yes

(3) 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

(4) Number of shares outstanding (common stock)

① Shares issued (including treasury stock)	September 30, 2021	42,532,752	December 31, 2020	42,532,752
② Treasury stock	September 30, 2021	335,472	December 31, 2020	335,478
③ Average number of outstanding shares	Jan. - Sep., 2021	42,197,319	Jan. - Sep., 2020	42,191,357

Note 1. This consolidated financial report is not subject to quarterly review 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 at the HORIBA Group as of November 11, 2021. 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

(1) Information Concerning Consolidated Operating Results

(For details, see page 10, "3. Supplemental Information - HORIBA, Ltd. Financial Highlights for the Nine Months Ended September 30, 2021")

During the nine months ended September 30, 2021, HORIBA, Ltd. ("the Company") and its consolidated subsidiaries (together "the HORIBA Group" or "HORIBA" as a consolidated group) increased sales by 18.6% year-on-year to 153,957 million yen, mainly due to an increase in sales of the Semiconductor segment. Operating income increased by 81.1% to 19,859 million yen, ordinary income by 84.0% to 19,868 million yen and net income attributable to owners of parent by 82.3% to 13,721 million yen.

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

(Automotive Segment)

Owing to decrease in sales of emission measurement systems in Japan and Asia, segment sales decreased by 10.4% year-on-year to 37,312 million yen. As a result, operating loss of 1,935 million yen was recorded (compared to operating loss of 65 million yen in the third quarter of the previous year).

(Process & Environmental Segment)

Mainly due to an increase in sales of stack gas analyzers in Asia, segment sales increased by 13.8% year-on-year to 14,567 million yen and operating income increased by 69.7% to 1,294 million yen.

(Medical-Diagnostics Segment)

Sales of hematology analyzers increased in Americas and other areas. As a result, segment sales increased by 25.2% year-on-year to 19,122 million yen and operating income of 84 million yen was recorded (compared to operating loss of 480 million yen in the third quarter of the previous year).

(Semiconductor Segment)

Sales to semiconductor production equipment manufacturers increased significantly, in response to expansion of semiconductor manufacturers' capital expenditures driven by an increase in demand for semiconductors. As a result, segment sales increased by 50.1% year-on-year to 62,683 million yen and operating income increased by 99.2% to 19,722 million yen.

(Scientific Segment)

Mainly due to an increase in sales of optical components in Americas, segment sales increased by 10.6% year-on-year to 20,270 million yen. On the profit side, operating income however decreased by 18.7% to 692 million yen mainly due to increase in R&D expenses.

(2) Information Concerning Consolidated Earnings Forecasts for FY2021

Consolidated earnings forecasts for FY2021 remain unchanged from those in “Summary of Consolidated Financial Statements for the Six Months Ended June 30, 2021” disclosed on August 10, 2021.

Also, the dividend forecast for the current fiscal year remains unchanged.

Cautionary statement with respect to earnings 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 at the HORIBA Group as of November 11, 2021. 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. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

Amount : Millions of yen

	FY2020 (As of December 31, 2020)	FY2021 Third Quarter (As of September 30, 2021)
Assets		
Current Assets:		
Cash and bank deposits	114,537	127,448
Trade notes and accounts receivable	50,873	49,911
Marketable securities	1,965	2,053
Merchandise and finished goods	18,578	19,285
Work in process	16,786	21,780
Raw materials and supplies	13,886	15,751
Other current assets	8,364	10,316
Allowance for doubtful accounts	(1,032)	(1,140)
Total Current Assets	223,959	245,407
Fixed Assets:		
Property, Plant and Equipment:		
Buildings and structures, net	40,874	46,364
Machinery, equipment and vehicles, net	11,386	12,800
Land	15,315	15,812
Construction in progress	9,630	7,785
Other property, plant and equipment, net	4,863	4,723
Total Property, Plant and Equipment	82,071	87,485
Intangibles:		
Goodwill	944	1,546
Software	2,375	2,051
Leasehold interests in land	563	595
Other intangibles	743	632
Total Intangibles	4,625	4,826
Investments and Other Non-Current Assets:		
Investment securities	10,605	12,360
Retirement benefit asset	321	450
Deferred tax assets	3,844	4,467
Other investments and other assets	2,686	2,884
Allowance for doubtful accounts	(46)	(49)
Total Investments and Other Non-Current Assets	17,411	20,113
Total Fixed Assets	104,108	112,425
Total Assets	328,068	357,832

Amount : Millions of yen

	FY2020 (As of December 31, 2020)	FY2021 Third Quarter (As of September 30, 2021)
Liabilities		
Current Liabilities:		
Trade notes and accounts payable	20,264	26,586
Short-term loans payable	9,548	25,114
Accounts payable-other	15,092	13,879
Accrued income taxes	4,042	6,071
Advances received	15,473	16,503
Accrued bonuses to employees	919	2,004
Accrued bonuses to directors and corporate auditors	-	419
Reserve for product warranty	2,331	2,375
Other current liabilities	5,124	5,310
Total Current Liabilities	72,797	98,265
Non-Current Liabilities:		
Corporate bonds	30,000	30,000
Long-term loans payable	37,518	25,017
Deferred tax liabilities	836	1,636
Retirement benefit liability	2,237	2,471
Other non-current liabilities	6,009	6,014
Total Non-Current Liabilities	76,601	65,139
Total Liabilities	149,399	163,404
Net Assets		
Shareholders' Equity		
Common stock	12,011	12,011
Capital surplus	18,599	18,624
Retained earnings	150,222	159,302
Treasury stock	(1,323)	(1,323)
Total Shareholders' Equity	179,509	188,614
Accumulated Other Comprehensive Income		
Net unrealized holding gains or losses on securities	4,363	5,568
Deferred gains or losses on hedges	6	-
Foreign currency translation adjustments	(5,839)	(517)
Remeasurements of defined benefit plans	(75)	(38)
Total Accumulated Other Comprehensive Income	(1,545)	5,012
Subscription Rights to Shares	697	791
Non-Controlling Interests	6	9
Total Net Assets	178,669	194,428
Total Liabilities and Net Assets	328,068	357,832

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

Amount : Millions of yen

	FY2020 Third Quarter (Nine Months Ended September 30, 2020)	FY2021 Third Quarter (Nine Months Ended September 30, 2021)
Net Sales	129,790	153,957
Cost of Sales	76,816	89,252
Gross Income	52,974	64,704
Selling, General and Administrative Expenses	42,006	44,845
Operating Income	10,968	19,859
Non-Operating Income		
Interest income	233	143
Dividend income	94	119
Subsidy income	176	69
Other	170	279
Total Non-Operating Income	674	610
Non-Operating Expense		
Interest expense	324	364
Foreign exchange losses	314	169
Other	204	67
Total Non-Operating Expense	843	601
Ordinary Income	10,799	19,868
Extraordinary Gain		
Gain on sales of fixed assets	19	15
Gain on sales of investment securities	554	6
Total Extraordinary Gain	574	22
Extraordinary Loss		
Loss on sales of fixed assets	0	2
Loss on disposal of fixed assets	26	60
Loss on valuation of investment securities	9	-
Business restructuring expenses	114	-
Total Extraordinary Loss	149	63
Income before Income Taxes	11,223	19,827
Income taxes (current)	3,855	6,406
Income taxes (deferred)	(153)	(297)
Total Income Taxes	3,702	6,109
Net Income	7,521	13,718
Loss attributable to non-controlling interests	(4)	(2)
Net Income Attributable to Owners of Parent	7,525	13,721

(Consolidated Statements of Comprehensive Income)

Amount : Millions of yen

	FY2020 Third Quarter (Nine Months Ended September 30, 2020)	FY2021 Third Quarter (Nine Months Ended September 30, 2021)
Net Income	7,521	13,718
Other Comprehensive Income		
Net unrealized holding gains or losses on securities	(718)	1,205
Deferred gains or losses on hedges	(0)	(6)
Foreign currency translation adjustments	(2,500)	5,323
Remeasurements of defined benefit plans	49	36
Total Other Comprehensive Income	(3,171)	6,559
Comprehensive Income	4,350	20,278
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	4,357	20,279
Comprehensive income attributable to non-controlling interests	(6)	(0)

(3) Notes to Consolidated Financial Statements

Application of special accounting for preparing quarterly consolidated financial statement

(Calculation method for tax expenses)

The Company and its domestic consolidated subsidiaries calculated income tax expenses by multiplying quarterly income before income taxes by reasonably estimated annual effective tax rate. This tax rate was reasonably estimated after applying the deferred tax accounting to the annual income before income taxes.

Additional information

(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 nonconsolidated 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).

3. Supplemental Information

HORIBA, Ltd. Financial Highlights for the Nine Months Ended September 30, 2021

1. Consolidated Financial Results		Amount : Millions of yen										
	12/2020 Results		12/2021 Results		Changes		12/2020 Results		12/2021 Forecasts		Changes	
	3Q (9 months)	3Q (9 months)	Amount	Ratio	Full year	Full year	Amount	Ratio	Full year	Full year	Amount	Ratio
Net Sales	129,790	153,957	+24,166	+18.6%	187,080	220,000	+32,919	+17.6%				
Operating Income	10,968	19,859	+8,891	+81.1%	19,694	28,500	+8,805	+44.7%				
<i>Operating Income Ratio</i>	8.5%	12.9%	+4.4P		10.5%	13.0%	+2.5P					
Ordinary Income	10,799	19,868	+9,069	+84.0%	19,399	28,000	+8,600	+44.3%				
<i>Ordinary Income Ratio</i>	8.3%	12.9%	+4.6P		10.4%	12.7%	+2.3P					
Net Income Attributable to Owners of Parent	7,525	13,721	+6,195	+82.3%	13,188	18,500	+5,311	+40.3%				
<i>Net Income Ratio</i>	5.8%	8.9%	+3.1P		7.0%	8.4%	+1.4P					
US\$	107.55	108.58	+1.03		106.76	109.00	+2.24					
Euro	120.93	129.87	+8.94		121.88	130.00	+8.12					

2. Consolidated Segment Results		Amount : Millions of yen										
	12/2020 Results		12/2021 Results		Changes		12/2020 Results		12/2021 Forecasts		Changes	
	3Q (9 months)	3Q (9 months)	Amount	Ratio	Full year	Full year	Amount	Ratio	Full year	Full year	Amount	Ratio
Net Sales												
Automotive	41,623	37,312	-4,311	-10.4%	63,913	64,000	+86	+0.1%				
Process&Environmental	12,799	14,567	+1,768	+13.8%	18,337	21,000	+2,662	+14.5%				
Medical-Diagnostics	15,278	19,122	+3,844	+25.2%	21,035	25,000	+3,964	+18.8%				
Semiconductor	41,756	62,683	+20,927	+50.1%	56,967	81,000	+24,032	+42.2%				
Scientific	18,332	20,270	+1,937	+10.6%	26,825	29,000	+2,174	+8.1%				
Total	129,790	153,957	+24,166	+18.6%	187,080	220,000	+32,919	+17.6%				
Operating Income												
Automotive	(65)	(1,935)	-1,870	-	2,465	1,000	-1,465	-59.4%				
Process&Environmental	763	1,294	+531	+69.7%	1,639	1,500	-139	-8.5%				
Medical-Diagnostics	(480)	84	+565	-	(426)	500	+926	-				
Semiconductor	9,898	19,722	+9,823	+99.2%	14,052	24,000	+9,947	+70.8%				
Scientific	852	692	-159	-18.7%	1,963	1,500	-463	-23.6%				
Total	10,968	19,859	+8,891	+81.1%	19,694	28,500	+8,805	+44.7%				

3. Consolidated Segment Sales by Destination

Amount : Millions of yen

	12/2020		12/2021		12/2020		12/2021	
	Results		Results		Results		Forecasts	
	3Q (9 months)	3Q (9 months)	Amount	Ratio	Full year	Full year	Amount	Ratio
Automotive	41,623	37,312	-4,311	-10.4%	63,913	64,000	+86	+0.1%
Japan	12,517	10,637	-1,879	-15.0%	17,640	15,000	-2,640	-15.0%
Asia	11,499	9,892	-1,607	-14.0%	17,584	16,500	-1,084	-6.2%
Americas	4,005	3,863	-141	-3.5%	7,226	8,000	+773	+10.7%
Europe	13,601	12,918	-683	-5.0%	21,462	24,500	+3,037	+14.2%
Process&Environmental	12,799	14,567	+1,768	+13.8%	18,337	21,000	+2,662	+14.5%
Japan	7,077	7,328	+251	+3.6%	9,917	10,500	+582	+5.9%
Asia	2,461	3,795	+1,333	+54.2%	4,010	6,000	+1,989	+49.6%
Americas	1,716	1,656	-60	-3.5%	2,184	2,000	-184	-8.4%
Europe	1,543	1,787	+243	+15.8%	2,225	2,500	+274	+12.3%
Medical-Diagnostics	15,278	19,122	+3,844	+25.2%	21,035	25,000	+3,964	+18.8%
Japan	3,958	4,013	+55	+1.4%	5,466	5,000	-466	-8.5%
Asia	3,105	4,192	+1,086	+35.0%	4,243	5,500	+1,256	+29.6%
Americas	2,867	4,375	+1,508	+52.6%	3,966	5,500	+1,533	+38.6%
Europe	5,346	6,541	+1,194	+22.3%	7,358	9,000	+1,641	+22.3%
Semiconductor	41,756	62,683	+20,927	+50.1%	56,967	81,000	+24,032	+42.2%
Japan	13,519	19,041	+5,522	+40.8%	18,511	25,000	+6,488	+35.1%
Asia	20,572	32,327	+11,755	+57.1%	28,270	40,500	+12,229	+43.3%
Americas	5,433	7,209	+1,776	+32.7%	7,272	10,500	+3,227	+44.4%
Europe	2,230	4,103	+1,872	+84.0%	2,912	5,000	+2,087	+71.6%
Scientific	18,332	20,270	+1,937	+10.6%	26,825	29,000	+2,174	+8.1%
Japan	4,218	4,859	+640	+15.2%	6,140	7,000	+859	+14.0%
Asia	4,782	4,765	-17	-0.4%	7,413	8,000	+586	+7.9%
Americas	5,369	6,543	+1,173	+21.8%	7,632	8,000	+367	+4.8%
Europe	3,960	4,102	+141	+3.6%	5,638	6,000	+361	+6.4%
Total	129,790	153,957	+24,166	+18.6%	187,080	220,000	+32,919	+17.6%
Japan	41,291	45,881	+4,589	+11.1%	57,676	62,500	+4,823	+8.4%
Asia	42,422	54,973	+12,550	+29.6%	61,522	76,500	+14,977	+24.3%
Americas	19,393	23,649	+4,255	+21.9%	28,282	34,000	+5,717	+20.2%
Europe	26,683	29,453	+2,769	+10.4%	39,598	47,000	+7,401	+18.7%

4. Capital Expenditures, Depreciation and R&D Expenses

Amount: Millions of yen

	12/2020		12/2021	
	3Q (9 months)	Full-year Results	3Q (9 months)	Full-year Forecasts
	Capital Expenditures (*1)	9,882	15,165	8,757
Depreciation (*2)	7,143	9,619	7,685	10,500
R&D Expenses	11,653	15,594	12,047	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

	12/2020 Results				12/2021			
	1Q	2Q	3Q	4Q	1Q Results	2Q Results	3Q Results	4Q Forecasts
	Net Sales	44,997	39,978	44,815	57,289	48,582	52,734	52,639
Operating Income	3,895	2,781	4,291	8,726	5,936	7,133	6,789	8,640
<i>Operating Income Ratio</i>	8.7%	7.0%	9.6%	15.2%	12.2%	13.5%	12.9%	13.1%
Ordinary Income	3,906	2,870	4,022	8,600	5,885	7,161	6,820	8,131
<i>Ordinary Income Ratio</i>	8.7%	7.2%	9.0%	15.0%	12.1%	13.6%	13.0%	12.3%
Net Income Attributable to Owners of Parent	2,287	2,573	2,665	5,662	3,900	4,844	4,976	4,778
<i>Net Income Ratio</i>	5.1%	6.4%	5.9%	9.9%	8.0%	9.2%	9.5%	7.2%
US\$	108.86	107.60	106.19	104.39	106.09	109.55	110.10	110.26
Euro	120.08	118.54	124.17	124.73	127.81	131.97	129.83	130.39

6. Consolidated Segment Results (Quarterly Comparison)

Amount : Millions of yen

	12/2020 Results				12/2021			
	1Q	2Q	3Q	4Q	1Q Results	2Q Results	3Q Results	4Q Forecasts
	Net Sales							
Automotive	14,870	12,238	14,515	22,290	12,153	12,770	12,388	26,687
Process&Environmental	4,595	4,078	4,125	5,538	5,224	4,816	4,527	6,432
Medical-Diagnostics	5,749	4,653	4,875	5,757	6,302	6,593	6,226	5,877
Semiconductor	13,847	13,576	14,333	15,210	18,441	21,602	22,640	18,316
Scientific	5,935	5,431	6,965	8,492	6,461	6,951	6,857	8,729
Total	44,997	39,978	44,815	57,289	48,582	52,734	52,639	66,042
Operating Income								
Automotive	322	(591)	204	2,530	(424)	(763)	(747)	2,935
Process&Environmental	250	188	323	876	699	414	180	205
Medical-Diagnostics	156	(231)	(405)	54	164	162	(242)	415
Semiconductor	3,241	3,177	3,479	4,153	5,257	7,093	7,370	4,277
Scientific	(75)	238	688	1,111	239	224	228	807
Total	3,895	2,781	4,291	8,726	5,936	7,133	6,789	8,640

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