

**Consolidated Financial Statements for the Six Months Ended June 30, 2011  
(Japanese GAAP)**

August 4, 2011

Company name **HORIBA, Ltd.**  
 Listing code 6856  
 Representative Atsushi Horiba, Chairman, President and CEO  
 Contact Fumitoshi Sato, Managing Director  
 Scheduled date of interim dividend payment: August 29, 2011

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

**1. Consolidated Results for the Six Months Ended June 30, 2011 (January 1, 2011 - June 30, 2011)**

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

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended 6/30/11	60,031	8.9	6,825	48.2	6,805	46.8	4,277	42.3
Six months ended 6/30/10	55,101	12.4	4,606	184.6	4,636	171.1	3,006	194.6

	Net Income per Share	Net Income per Share (Diluted)
	Yen	Yen
Six months ended 6/30/11	101.14	100.89
Six months ended 6/30/10	71.09	70.96

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
As of 6/30/11	143,391	88,964	61.9	2,098.05
As of 12/31/10	137,290	84,155	61.2	1,986.77

(Reference) Net assets excluding subscription rights to shares and minority interests in consolidated subsidiaries  
 As of June 30, 2011: ¥ 88,736 million yen; As of December 31, 2010: ¥ 84,019 million yen.

**2. Dividends**

	Dividend per share				
	First quarter	Second quarter	Third quarter	Year end	Total
Year ended 12/31/10	—	6.00	—	11.00	17.00
Year ending 12/31/11	—	9.00	—	—	—
Year ending 12/31/11 (Forecast)	—	—	—	21.00	30.00

(Note) Revision of cash dividend forecast during this period: Yes

**3. Consolidated Forecast for the Year Ending December 31, 2011 (January 1, 2011 - December 31, 2011)**

(Percentages represent changes from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	122,000	2.9	13,500	9.8	13,500	9.7	8,500	7.2	200.98

(Note) Revision of consolidated forecast during this period: Yes

#### 4. Others

(1) Changes in significant subsidiaries during the current period: None

(Note) This item indicates whether there were changes in significant subsidiaries affecting the scope of consolidation during the current period.

(2) Adoption of simplified financial accounting procedures and specific accounting procedures: Yes

(Note) This item indicates whether there were adoption of simplified financial accounting procedures and specific accounting procedures for presenting quarterly consolidated financial statements.

(3) Changes of accounting principles, procedures and disclosures

(a) Changes due to revisions in accounting standards: Yes

(b) Changes other than the above: None

(Note) This item indicates whether there were changes of accounting principles, procedures and disclosures for presenting quarterly consolidated financial statements.

(4) Number of shares outstanding (common stock)

	<u>June 30, 2011</u>	<u>December 31, 2010</u>
(a) Shares issued (including treasury stock)	42,532,752	42,532,752
(b) Treasury stock	238,082	243,055
	<u>Jan. - Jun. 2011</u>	<u>Jan. - Jun. 2010</u>
(c) The average number of outstanding shares during the six months ended FY2011 and FY2010	42,292,178	42,289,655

Note 1. Indication regarding implementation status of quarterly review procedures

These quarterly financial statements have not been prepared for the purpose of quarterly review procedures pursuant to the Financial Instruments and Exchange Act (FIEA). Review procedures for quarterly financial statements were in the process of being implemented as of the release of these quarterly financial statements.

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

The business forecasts stated herein are based on information currently available and certain assumptions for factors which may affect business results. Actual results may differ from the forecasts due to a range of factors. For additional information, please see page 4, "1. (2) Qualitative information concerning consolidated earnings forecasts for FY2011".

## **1. Qualitative Information Concerning Consolidated Results**

### **(1) Qualitative Information Concerning Consolidated Operating Results**

(For details, see page 11-14, "3. Supplemental Information - HORIBA, Ltd. Financial Highlights for the Six Months Ended June 30, 2011)

During the second quarter on a cumulative basis (the six months ended June 30, 2011), the Japanese economy experienced a significant drop in manufacturing activity in response to the Great East Japan Earthquake of March 2011. However, production was on a recovering trend as a supply chain of components and materials had been restored and the economy had also begun to pick up gradually. The overseas economy, on the other hand, experienced a moderate recovery. In China and India, the economic expansion led by domestic demand continued, while the U.S. economy tended to slow down, in particular in consumer spending. The average exchange rates for the six months from January to June 2011 were 82.01 yen per U.S. dollar and 115.04 yen per euro, with the yen appreciating from the same period of last year by 11% and 5% respectively.

In this environment, although overseas sales decreased in value because of the appreciation of the yen, the HORIBA Group was supported by growth in capital expenditures by silicon semiconductor, solar cell, and light-emitting diode (LED) manufacturers and a recovery in investment by overseas automobile manufacturers. As a result, consolidated net sales increased 8.9% from a year earlier to 60,031 million yen.

In terms of profits, operating income rose 48.2% to 6,825 million yen on the back of higher sales and the effect of expenditure constraints due to the uncertainty caused by the Great East Japan Earthquake. Ordinary income increased 46.8% to 6,805 million yen and net income grew 42.3% to 4,277 million yen.

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

#### **(Automotive Test Systems)**

Although overseas sales were lower after yen conversion due to the stronger yen, signs of a recovery in investment by the automobile industry in Europe became apparent, and investment in Asia was also robust. Furthermore, profitability improved in Japan and other countries on the back of expense containment and an increase in sales of engine emission measurement systems, HORIBA's major product. Consequently, sales in the segment rose 13.2% year-on-year to 17,112 million yen and operating income was 816 million yen (compared to an operating loss of 168 million yen a year earlier).

#### **(Process & Environmental Instruments & Systems)**

Air pollution analyzers and stack gas analyzers showed underlying strength in Japan and overseas, while demand of radiation measurement equipment was expanded after the Great East Japan Earthquake. As a result, sales in the segment grew 8.7% year-on-year to 6,264 million yen and operating income rose 80.3% to 659 million yen.

#### **(Medical-Diagnostic Instruments & Systems)**

Sales of blood cell testing instruments were solid in Japan, Asia, and South America. Profitability improved in response to higher sales of testing reagents in tandem with an increase in the installed base of instruments. Consequently, sales in the segment rose 7.8% year-on-year to 11,994 million yen and operating income grew 67.2% to 1,824 million yen.

#### **(Semiconductor Instruments & Systems)**

Owing to the expansion of production by silicon semiconductor, solar cell, and light-emitting diode (LED) manufacturing equipment makers, segment sales increased mainly in the case of mass flow controllers, HORIBA's mainstay product. Although the decline in selling prices accelerated because of the stronger yen, earnings improved on the back of cost cuts and higher sales. As a result, segment sales increased 9.5% year-on-year to 14,457 million yen and operating income grew 8.3% to 3,295 million yen.

### (Scientific Instruments & Systems)

With the support of a moderate recovery in private-sector investment, segment sales rose 3.2% year-on-year to 10,202 million yen. On the profit front, however, operating income declined 16.0% to 229 million yen mainly due to a temporary increase in R&D expenses.

From 2011, HORIBA has divided the Analytical Instruments & Systems segment into the Process & Environmental Instruments & Systems segment and the Scientific Instruments & Systems segment, based on its management approach. The Analytical Instruments & Systems segment results of the previous year have been regrouped to make them comparable to the new segments' results.

### (2) Qualitative Information Concerning Consolidated Earnings Forecasts for FY2011

With consideration given to the latest earnings trend, the Company's consolidated earnings forecasts for full-year of FY2011 are as follows.

#### Cumulative consolidated forecast of full-year FY2011

(Unit: millions of yen)

	Previous forecast (As of Feb. 15)	Revised forecast (As of Aug. 4)	Changes
Net sales	120,000	122,000	+2,000
Operating income	12,500	13,500	+1,000
Ordinary income	12,500	13,500	+1,000
Net income	8,000	8,500	+500

#### Cumulative consolidated forecast of full-year FY2011 by segment

Net sales (Millions of yen)				Operating income (Millions of yen)			
	Previous forecast (As of May 10)	Revised forecast (As of Aug. 4)	Changes		Previous forecast (As of May 10)	Revised forecast (As of Aug. 4)	Changes
Automotive	37,000	37,500	+500	Automotive	1,900	2,100	+200
P&E*	12,000	13,800	+1,800	P&E	1,000	1,700	+700
Medical	23,000	23,200	+200	Medical	2,600	3,200	+600
Semiconductor	27,000	26,500	-500	Semiconductor	5,900	5,700	-200
Scientific	21,000	21,000	-	Scientific	1,100	800	-300
Total	120,000	122,000	+2,000	Total	12,500	13,500	+1,000

\*P&E is Process & Environmental.

With regard to our consolidated earnings forecasts for full-year fiscal 2011, we foresee a negative impact from the appreciation of the yen and we expect sales to fall short of our initial estimates in the Semiconductor Instruments & Systems segment, where the demand trend from the third quarter has become increasingly uncertain. However, as we expect sales to exceed our initial estimates in the Automotive Test Systems segment, where investment is recovering on a worldwide basis, and in the Process & Environmental Instruments & Systems segment, where domestic demand is expanding, we have revised up our sales forecast by 2,000 million yen.

On the profit front, although the Semiconductor Instruments & Systems is projecting a decrease in sales and the Scientific Instruments & Systems segment foresees lower profitability, we have factored in an increase in sales in other segments and the degree of progress during the first six months of fiscal 2011. As a result, we have revised up our operating income and ordinary income forecasts by 1,000 million yen, respectively, and our net income forecast by 500 million yen.

(Reference)

Cumulative non-consolidated forecast of full-year FY2011

(Unit: millions of yen)

	Previous forecast (As of Feb. 15)	Revised forecast (As of Aug. 4 )	Changes
Net sales	48,000	50,000	+2,000
Operating income	2,500	4,000	+1,500
Ordinary income	4,500	6,200	+1,700
Net income	3,000	4,200	+1,200

With regard to our non-consolidated earnings forecasts for full-year fiscal 2011, sales is likely to below our initial targets in the Semiconductor Instruments & Systems segment and the Scientific Instruments & Systems segment. However, in the Medical-Diagnostic Instruments & Systems segment, profitability is improving and, in the Automotive Test Systems segment, sales are gradually recovering on the back of a recovery in investment in the automobile industry. In addition, sales of radiation measurement equipment, which have continued to experience demand growth after the earthquake, is expected to increase. In light of these factors, we have revised up our sales forecast by 2,000 million yen. In terms of profits, we have revised up our operating income forecast by 1,500 million yen, reflecting profitability improvement stemming from higher sales and expense containment. In line with this revision, we have revised up our ordinary income forecast by 1,700 million yen and our net income forecast by 1,200 million yen.

Revision of dividend forecasts for FY 2011

	Dividend per share (Yen)		
	Interim	Year end	Total
Previous forecasts (as of February 15, 2011)	-	13	22
Revised forecasts	-	21	30
Actual results for FY2011	9	-	-
Actual results for FY2010	6	11	17

(Reasons for the amendments)

The Company believes that the distribution of profits to shareholders is one of its priority issues while giving due consideration to ensuring a stable management base and internal reserves for business expansion. Its basic policy regarding dividends is to maintain its standard payout ratio in which the total dividend payment amount is equal to 30% of the non-consolidated net income of the Company.

Dividend forecasts for FY2011 had been 22 yen per share for the full year (9 yen for the interim and 13 yen for the year-end) since the announcement of the financial statements for FY2010 on February 15, 2011. However, considering the revised earnings forecasts for FY2011, the Company decided to increase the year-end per-share dividend forecast by 8 yen to 21 yen. As a result, the annual dividend forecast is revised to 30 yen per share (9 yen for the interim and 21 yen for the year-end.)

(Note) The expected dividend amount and forecast for business results have been made on the basis of information available as of August 4, 2011. However owing to the existence of various uncertain elements, it is possible that actual performance will vary considerably from the forecasts. The major risk factors are as follows, but are not limited to these.

**Business risks:**

Risks associated with international business activities including a loss from fluctuation of currency exchange rates; changes in performance or financial position associated with acquisitions or alliances; repairs of facilities following natural disasters and associated delays in delivery; risks associated with contracts and transactions; laws and regulations; and other business risks

**Risks associated with development and production:**

Compensation for product liability; delays in development of new products; risks concerning intellectual property right; risks concerning fluctuation in raw material prices; and risks in shortage of electricity supply

**Financial risks:**

Shifts in the market price of securities or other assets; and reversal of deferred tax assets resulting from changes in systems or accounting policies

## 2. Consolidated Financial Statements

### (1) Consolidated Balance Sheets

Amount: millions of yen

	FY2011 second quarter (As of June 30, 2011)	FY2010 (As of December 31, 2010)
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and bank deposits	27,492	26,958
Trade notes and accounts receivable	36,293	36,427
Marketable securities	9,608	7,638
Merchandise and finished goods	10,073	8,341
Work in process	9,674	8,781
Raw materials and supplies	7,922	7,720
Deferred tax assets	2,987	2,930
Other current assets	2,809	2,092
Allowance for doubtful accounts	(796)	(765)
<b>Total Current Assets</b>	106,065	100,124
<b>Fixed Assets:</b>		
<b>Property, Plant and Equipment:</b>		
Buildings and structures, net	8,547	8,653
Machinery, equipment and vehicles, net	3,481	3,295
Land	7,490	7,272
Construction in progress	932	743
Other property, plant and equipment, net	2,466	2,551
<b>Total Property, Plant and Equipment</b>	22,917	22,516
<b>Intangibles:</b>		
Goodwill	255	210
Software	4,491	4,787
Other intangibles	318	373
<b>Total Intangibles</b>	5,065	5,371
<b>Investments and Other Non-Current Assets:</b>		
Investment securities	3,922	4,123
Deferred tax assets	2,336	2,129
Other investments and other assets	3,309	3,231
Allowance for doubtful accounts	(224)	(205)
<b>Total Investments and Other Non-Current Assets</b>	9,342	9,278
<b>Total Fixed Assets</b>	37,325	37,166
<b>Total Assets</b>	143,391	137,290

Amount: millions of yen

	FY2011 second quarter (As of June 30, 2011)	FY2010 (As of December 31, 2010)
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Trade notes and accounts payable	14,417	13,484
Short-term loans payable	7,147	5,575
Accounts payable - other	7,729	8,540
Accrued income taxes	1,779	3,458
Deferred tax liabilities	9	34
Accrued bonuses to employees	419	647
Accrued bonuses to directors and corporate auditors	291	106
Reserve for product warranty	1,144	1,098
Provision for business structure improvement	280	-
Other current liabilities	5,970	4,751
<b>Total Current Liabilities</b>	<b>39,191</b>	<b>37,695</b>
<b>Non-Current Liabilities:</b>		
Corporate bonds	10,000	10,000
Long-term loans payable	1,104	1,195
Deferred tax liabilities	115	113
Employees' retirement benefits	1,794	1,734
Directors' and corporate auditors' retirement benefits	211	248
Provision for loss on guarantees	-	67
Provision for compensation losses	419	429
Other non-current liabilities	1,590	1,651
<b>Total Non-Current Liabilities</b>	<b>15,235</b>	<b>15,439</b>
<b>Total Liabilities</b>	<b>54,426</b>	<b>53,135</b>
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Common stock	12,011	12,011
Capital surplus	18,717	18,717
Retained earnings	62,272	58,468
Treasury stock	(788)	(804)
<b>Total Shareholders' Equity</b>	<b>92,212</b>	<b>88,392</b>
<b>Valuation and Translation Adjustments</b>		
Net unrealized holding gains on securities	792	897
Foreign currency translation adjustments	(4,268)	(5,269)
<b>Total Valuation and Translation Adjustments</b>	<b>(3,476)</b>	<b>(4,372)</b>
<b>Subscription Rights to Shares</b>	<b>186</b>	<b>126</b>
<b>Minority Interests in Consolidated Subsidiaries</b>	<b>41</b>	<b>9</b>
<b>Total Net Assets</b>	<b>88,964</b>	<b>84,155</b>
<b>Total Liabilities and Net Assets</b>	<b>143,391</b>	<b>137,290</b>



## (2) Consolidated Statements of Income

Amount: millions of yen

	FY2010 second quarter (Six months ended June 30, 2010)	FY2011 second quarter (Six months ended June 30, 2011)
Net sales	55,101	60,031
Cost of sales	30,769	33,173
<b>Gross Income</b>	<b>24,332</b>	<b>26,858</b>
Selling, general and administrative expenses	19,726	20,032
<b>Operating Income</b>	<b>4,606</b>	<b>6,825</b>
<b>Non-Operating Income</b>		
Interest income	59	50
Dividend income	43	47
Foreign exchange gain	69	-
Other	187	155
Total non-operating income	359	253
<b>Non-Operating Expense</b>		
Interest expense	284	221
Foreign exchange losses	-	31
Other	45	20
Total non-operating expense	329	273
<b>Ordinary Income</b>	<b>4,636</b>	<b>6,805</b>
<b>Extraordinary Gain</b>		
Gain on sale of fixed assets	13	5
Gain on sale of investment securities	5	-
Reversal of provision for loss on guarantees	-	67
Other	-	4
Total extraordinary gain	19	76
<b>Extraordinary Loss</b>		
Loss on sale of fixed assets	0	4
Loss on disposal of fixed assets	11	14
Loss on impairment of fixed assets	40	85
Loss on sales of investment securities	0	0
Loss on valuation of investment securities	104	53
Provision for loss on guarantees	11	-
Provision for business structure improvement	-	284
Other	-	2
Total extraordinary loss	168	445
<b>Income before Income Taxes and Minority Interests</b>	<b>4,487</b>	<b>6,436</b>
Income taxes (current)	1,998	2,270
Income taxes (deferred)	(510)	(111)
Total income taxes	1,488	2,158
<b>Income before Minority Interests</b>	<b>-</b>	<b>4,277</b>
Minority interests (losses) in earnings of consolidated subsidiaries	(7)	0
<b>Net Income</b>	<b>3,006</b>	<b>4,277</b>

## (3) Consolidated Statements of Cash Flows

Amount: millions of yen

	FY2010 second quarter (Six months ended June 30, 2010)	FY2011 second quarter (Six months ended June 30, 2011)
<b>Cash Flows from Operating Activities:</b>		
Income before income taxes	4,487	6,436
Depreciation expense	2,139	1,999
Loss on impairment of fixed assets	40	85
Amortization of goodwill	19	16
Increase (decrease) in allowance for doubtful receivables	0	(12)
Increase (decrease) in provision for business structure improvement	-	280
Increase (decrease) in employees' retirement benefits	55	4
Increase (decrease) in directors' and corporate auditors' retirement benefits	(18)	(36)
Increase (decrease) in provision for loss on guarantees	-	(67)
Increase (decrease) in provision for compensation losses	-	(10)
Interest and dividend income	(103)	(97)
Interest expense	284	221
Foreign exchange losses (gains)	47	(1)
Loss (gain) on sale of fixed assets	(13)	(0)
Loss on disposal of fixed assets	11	14
Loss (gain) on valuation of marketable securities	4	-
Loss (gain) on valuation of investment securities	104	53
Loss (gain) on sale of investment securities	(4)	0
Decrease (increase) in trade notes and accounts receivable	(326)	1,111
Decrease (increase) in inventories	(3,447)	(2,112)
Increase (decrease) in trade notes and accounts payable	3,768	734
Other, net	1,148	(743)
<b>Subtotal</b>	<b>8,197</b>	<b>7,877</b>
Interest and dividends received	104	91
Interest paid	(294)	(241)
Income taxes (paid) refund	109	(4,001)
<b>Net Cash Provided by (used in) Operating Activities</b>	<b>8,118</b>	<b>3,725</b>
<b>Cash Flows from Investing Activities:</b>		
Increase in time deposits	(500)	(522)
Decrease in time deposits	500	1
Increase in time deposits restricted for use	(262)	-
Decrease in time deposits restricted for use	-	32
Payments for purchase of marketable securities	(237)	(905)
Proceeds from sale of marketable securities	475	101
Payments for purchase of property, plant and equipment	(1,478)	(1,933)
Proceeds from sale of property, plant and equipment	20	14
Payments for purchase of intangibles	(82)	(96)
Payments for purchase of investment securities	(96)	(27)
Proceeds from sale or redemption of investment securities	89	11
Payments for purchase of investments in consolidated subsidiaries	-	(46)
Payments of loans receivable	(71)	(78)
Collection of loans receivable	3	17
Other, net	1	(23)
<b>Net Cash Provided by (used in) Investing Activities</b>	<b>(1,638)</b>	<b>(3,453)</b>
<b>Cash Flows from Financing Activities:</b>		
Net increase (decrease) in short-term borrowings	385	1,281
Increase in long-term debt	22	104
Repayments of long-term debt	(417)	(350)
Repayments on finance lease obligations	(128)	(76)
Proceeds from stock issuance to minority shareholders	-	41
Net decrease (increase) of treasury stock	(0)	(0)
Cash dividends paid	(295)	(465)
Cash dividends paid to minority interests	-	(6)
<b>Net Cash Provided by (used in) Financing Activities</b>	<b>(434)</b>	<b>528</b>
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>(1,098)</b>	<b>369</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>4,946</b>	<b>1,169</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>27,590</b>	<b>34,459</b>
<b>Cash and Cash Equivalents at End of Period</b>	<b>32,537</b>	<b>35,628</b>

### 3. Supplemental Information

HORIBA, Ltd. Financial Highlights for the Six Months Ended June 30, 2011
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#### 1. Consolidated Financial Results

Millions of yen

	12/2011		12/2010		Changes		12/2011		12/2010		Changes	
	Result		Result		Changes		Estimate		Result		Changes	
	1st half	1st half	Amount	Ratio	Full year	Full year	Amount	Ratio				
Net Sales	<b>60,031</b>	55,101	+4,929	+8.9%	<b>122,000</b>	118,556	+3,443	+2.9%				
Operating Income	<b>6,825</b>	4,606	+2,219	+48.2%	<b>13,500</b>	12,299	+1,200	+9.8%				
<i>Operating Income Ratio</i>	<i>11.4%</i>	<i>8.4%</i>	<i>+3.0P</i>		<i>11.1%</i>	<i>10.4%</i>	<i>+0.7P</i>					
Ordinary Income	<b>6,805</b>	4,636	+2,168	+46.8%	<b>13,500</b>	12,309	+1,190	+9.7%				
<i>Ordinary Income Ratio</i>	<i>11.3%</i>	<i>8.4%</i>	<i>+2.9P</i>		<i>11.1%</i>	<i>10.4%</i>	<i>+0.7P</i>					
Net Income	<b>4,277</b>	3,006	+1,271	+42.3%	<b>8,500</b>	7,927	+572	+7.2%				
<i>Net Income Ratio</i>	<i>7.1%</i>	<i>5.5%</i>	<i>+1.6P</i>		<i>7.0%</i>	<i>6.7%</i>	<i>+0.3P</i>					
US\$	<b>82.01</b>	91.36	-9.35		<b>80.00</b>	87.79	-7.79					
Euro	<b>115.04</b>	121.22	-6.18		<b>110.00</b>	116.27	-6.27					

#### 2. Consolidated Segment Results

Millions of yen

	12/2011		12/2010		Changes		12/2011		12/2010		Changes	
	Result		Result		Changes		Estimate		Result		Changes	
	1st half	1st half	Amount	Ratio	Full year	Full year	Amount	Ratio				
Net Sales	<b>17,112</b>	15,113	+1,999	+13.2%	<b>37,500</b>	35,751	+1,748	+4.9%				
Automotive	<b>17,112</b>	15,113	+1,999	+13.2%	<b>37,500</b>	35,751	+1,748	+4.9%				
Process&Environmental	<b>6,264</b>	5,765	+499	+8.7%	<b>13,800</b>	11,787	+2,012	+17.1%				
Medical	<b>11,994</b>	11,127	+867	+7.8%	<b>23,200</b>	22,514	+685	+3.0%				
Semiconductor	<b>14,457</b>	13,206	+1,250	+9.5%	<b>26,500</b>	27,676	-1,176	-4.3%				
Scientific	<b>10,202</b>	9,888	+313	+3.2%	<b>21,000</b>	20,825	+174	+0.8%				
Total	<b>60,031</b>	55,101	+4,929	+8.9%	<b>122,000</b>	118,556	+3,443	+2.9%				
Operating Income	<b>816</b>	(168)	+984	-	<b>2,100</b>	1,632	+467	+28.6%				
Automotive	<b>816</b>	(168)	+984	-	<b>2,100</b>	1,632	+467	+28.6%				
Process&Environmental	<b>659</b>	365	+293	+80.3%	<b>1,700</b>	875	+824	+94.2%				
Medical	<b>1,824</b>	1,090	+733	+67.2%	<b>3,200</b>	2,330	+869	+37.3%				
Semiconductor	<b>3,295</b>	3,043	+251	+8.3%	<b>5,700</b>	6,340	-640	-10.1%				
Scientific	<b>229</b>	273	-43	-16.0%	<b>800</b>	1,120	-320	-28.6%				
Total	<b>6,825</b>	4,606	+2,219	+48.2%	<b>13,500</b>	12,299	+1,200	+9.8%				

(Note 1.) From 2011, HORIBA has divided the Analytical Instruments & Systems segment into the Process & Environment Instruments & Systems segment and the Scientific Instruments & Systems segment, based on its management approach.

### 3. Consolidated Segment Sales by Region

Millions of yen

	12/2011		12/2010		12/2011		12/2010	
	Result	Result	Changes		Estimate	Result	Changes	
	1st half	1st half	Amount	Ratio	Full year	Full year	Amount	Ratio
<b>Automotive</b>	<b>17,112</b>	15,113	+1,999	+13.2%	<b>37,500</b>	35,751	+1,748	+4.9%
Japan	<b>7,090</b>	5,769	+1,321	+22.9%	<b>15,000</b>	12,016	+2,983	+24.8%
Asia	<b>2,993</b>	2,482	+511	+20.6%	<b>7,000</b>	6,244	+755	+12.1%
Americas	<b>2,035</b>	2,223	-187	-8.5%	<b>5,200</b>	5,926	-726	-12.3%
Europe	<b>4,992</b>	4,638	+354	+7.6%	<b>10,300</b>	11,563	-1,263	-10.9%
<b>Process&amp;Environmental</b>	<b>6,264</b>	5,765	+499	+8.7%	<b>13,800</b>	11,787	+2,012	+17.1%
Japan	<b>4,234</b>	3,785	+449	+11.9%	<b>9,500</b>	7,359	+2,140	+29.1%
Asia	<b>784</b>	668	+115	+17.3%	<b>1,500</b>	1,629	-129	-8.0%
Americas	<b>407</b>	594	-186	-31.4%	<b>1,100</b>	1,126	-26	-2.4%
Europe	<b>838</b>	717	+120	+16.7%	<b>1,700</b>	1,671	+28	+1.7%
<b>Medical</b>	<b>11,994</b>	11,127	+867	+7.8%	<b>23,200</b>	22,514	+685	+3.0%
Japan	<b>2,699</b>	2,299	+400	+17.4%	<b>5,300</b>	4,826	+473	+9.8%
Asia	<b>1,223</b>	957	+265	+27.7%	<b>2,200</b>	2,132	+67	+3.2%
Americas	<b>3,196</b>	2,998	+198	+6.6%	<b>6,100</b>	6,011	+88	+1.5%
Europe	<b>4,875</b>	4,872	+3	+0.1%	<b>9,600</b>	9,544	+55	+0.6%
<b>Semiconductor</b>	<b>14,457</b>	13,206	+1,250	+9.5%	<b>26,500</b>	27,676	-1,176	-4.3%
Japan	<b>6,049</b>	5,508	+540	+9.8%	<b>12,000</b>	12,010	-10	-0.1%
Asia	<b>3,394</b>	2,989	+405	+13.6%	<b>5,500</b>	6,067	-567	-9.3%
Americas	<b>2,241</b>	2,270	-29	-1.3%	<b>3,900</b>	4,311	-411	-9.5%
Europe	<b>2,772</b>	2,438	+333	+13.7%	<b>5,100</b>	5,287	-187	-3.5%
<b>Scientific</b>	<b>10,202</b>	9,888	+313	+3.2%	<b>21,000</b>	20,825	+174	+0.8%
Japan	<b>3,717</b>	3,479	+237	+6.8%	<b>7,500</b>	6,689	+810	+12.1%
Asia	<b>2,076</b>	1,879	+197	+10.5%	<b>3,600</b>	4,225	-625	-14.8%
Americas	<b>1,973</b>	1,949	+24	+1.2%	<b>4,400</b>	4,396	+3	+0.1%
Europe	<b>2,435</b>	2,580	-145	-5.6%	<b>5,500</b>	5,514	-14	-0.3%
<b>Total</b>	<b>60,031</b>	55,101	+4,929	+8.9%	<b>122,000</b>	118,556	+3,443	+2.9%
Japan	<b>23,791</b>	20,841	+2,950	+14.2%	<b>49,300</b>	42,902	+6,397	+14.9%
Asia	<b>10,470</b>	8,976	+1,494	+16.6%	<b>19,800</b>	20,299	-499	-2.5%
Americas	<b>9,854</b>	10,035	-181	-1.8%	<b>20,700</b>	21,772	-1,072	-4.9%
Europe	<b>15,914</b>	15,248	+666	+4.4%	<b>32,200</b>	33,581	-1,381	-4.1%

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

Millions of yen

	12/2011		12/2010	
	1st half Result	Full-year Estimate	1st half Result	Full-year Result
	Capital Expenditures (*2)	1,677	5,300	1,487
Depreciation	2,016	4,500	2,158	4,523
R&D Expenses	4,828	10,000	4,920	9,480

(Note 2.) Capital Expenditures are investments in tangible and intangible fixed assets.

## 5. Consolidated Financial Results (Quarterly Comparison)

Millions of yen

	12/2011			12/2010			
	1Q Result	2Q Result	2H Estimate	1Q Result	2Q Result	3Q Result	4Q Result
Net Sales	29,308	30,723	61,968	26,817	28,284	27,611	35,842
Operating Income	3,108	3,689	6,674	1,990	2,559	3,167	4,526
<i>Operating Income Ratio</i>	10.6%	12.0%	10.8%	7.4%	9.0%	11.5%	12.6%
Ordinary Income	3,077	3,696	6,694	1,963	2,618	3,105	4,566
<i>Ordinary Income Ratio</i>	10.5%	12.0%	10.8%	7.3%	9.3%	11.2%	12.7%
Net Income	2,157	2,120	4,222	1,383	1,623	2,001	2,919
<i>Net Income Ratio</i>	7.4%	6.9%	6.8%	5.2%	5.7%	7.3%	8.1%
US\$	82.31	81.71	77.99	90.69	92.03	85.75	82.69
Euro	112.66	117.42	104.96	125.49	116.95	110.42	112.22

## 6. Consolidated Segment Results (Quarterly Comparison)

Millions of yen

	12/2011			12/2010			
	1Q Result	2Q Result	2H Estimate	1Q Result	2Q Result	3Q Result	4Q Result
Net Sales							
Automotive	8,268	8,844	20,387	7,005	8,107	6,754	13,883
Process&Environmental	2,917	3,346	7,535	3,013	2,752	2,580	3,441
Medical	5,774	6,220	11,205	5,417	5,710	5,654	5,733
Semiconductor	6,971	7,485	12,042	6,023	7,183	7,682	6,787
Scientific	5,376	4,826	10,797	5,357	4,530	4,939	5,997
Total	29,308	30,723	61,968	26,817	28,284	27,611	35,842
Operating Income							
Automotive	357	450	1,283	(327)	143	(83)	1,883
Process&Environmental	246	409	1,040	240	119	150	358
Medical	795	1,024	1,375	494	584	796	443
Semiconductor	1,520	1,767	2,404	1,256	1,774	1,952	1,344
Scientific	188	37	570	327	(63)	351	494
Total	3,108	3,689	6,674	1,990	2,559	3,167	4,526

## 7. Consolidated Orders and Backlog Information (Quarterly Comparison)

Millions of yen

	12/2011			12/2010			
	1Q Result	2Q Result	2H Estimate	1Q Result	2Q Result	3Q Result	4Q Result
Orders							
Automotive	11,391	10,822	-	10,357	8,033	12,544	8,667
Process&Environmental	2,891	4,088	-	2,958	3,074	2,887	3,121
Medical	6,449	6,150	-	5,725	5,613	5,330	5,623
Semiconductor	7,502	7,377	-	6,827	7,149	7,448	6,190
Scientific	6,195	4,733	-	5,255	4,869	5,585	5,520
Total	34,430	33,172	-	31,124	28,740	33,796	29,124
Backlog							
Automotive	22,728	24,707	-	19,104	19,030	24,821	19,605
Process&Environmental	2,433	3,174	-	2,149	2,471	2,778	2,459
Medical	2,471	2,402	-	2,327	2,230	1,906	1,796
Semiconductor	2,648	2,539	-	2,981	2,947	2,714	2,117
Scientific	6,393	6,300	-	5,066	5,405	6,050	5,574
Total	36,675	39,123	-	31,630	32,086	38,270	31,552

**Non-Consolidated Financial Results**

Millions of yen

	12/2011	12/2010	Changes		12/2011	12/2010	Changes	
	Result	Result			Estimate	Result		
	1st half	1st half	Amount	Ratio	Full Year	Full Year	Amount	Ratio
Net Sales	<b>24,591</b>	21,607	+2,984	+13.8%	<b>50,000</b>	45,243	+4,756	+10.5%
Operating Income	<b>2,256</b>	802	+1,453	+181.2%	<b>4,000</b>	2,418	+1,581	+65.4%
<i>Operating Income Ratio</i>	<b>9.2%</b>	3.7%	+5.5P		<b>8.0%</b>	5.3%	+2.7P	
Ordinary Income	<b>4,653</b>	1,533	+3,120	+203.5%	<b>6,200</b>	3,739	+2,460	+65.8%
<i>Ordinary Income Ratio</i>	<b>18.9%</b>	7.1%	+11.8P		<b>12.4%</b>	8.3%	+4.1P	
Net Income	<b>3,773</b>	920	+2,853	+309.9%	<b>4,200</b>	2,370	+1,829	+77.2%
<i>Net Income Ratio</i>	<b>15.3%</b>	4.3%	+11.0P		<b>8.4%</b>	5.2%	+3.2P	

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