

## Consolidated Financial Statements for the Year Ended December 31, 2011 (Japanese GAAP)

February 14, 2012

Company name	HORIBA, Ltd.	Listed stock exchanges: Tokyo, Osaka
Listing code	6856	URL: <a href="http://www.horiba.com">http://www.horiba.com</a>
Representative	Atsushi Horiba, Chairman, President and CEO	
Contact	Fumitoshi Sato, Managing Director	TEL: (81)75-313-8121

(Figures have been rounded down to the nearest million yen)

### 1. Consolidated Results for the Year Ended December 31, 2011 (January 1, 2011 - December 31, 2011)

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

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended 12/31/11	123,456	4.1	14,906	21.2	14,611	18.7	8,664	9.3
Year ended 12/31/10	118,556	13.4	12,299	139.1	12,309	133.4	7,927	150.7

(Note) Comprehensive Income: FY2011 ¥ 7,050 million yen (51.3%), FY2010 ¥ 4,659 million yen (-%)

	Net Income per Share	Net Income per Share (Diluted)	Return on Equity	Ordinary Income to Total Assets	Operating Income to Net Sales
	Yen	Yen	%	%	%
Year ended 12/31/11	204.88	204.41	9.9	10.4	12.1
Year ended 12/31/10	187.46	187.11	9.7	9.2	10.4

(Reference) Equity in earnings of affiliates: FY2011 ¥ 2 million yen, FY2010 ¥ 12 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 12/31/11	144,649	90,460	62.4	2,133.44
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 December 31, 2011: ¥ 90,232 million yen; As of December 31, 2010: ¥ 84,019 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 the period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended 12/31/11	6,954	(6,145)	855	35,767
Year ended 12/31/10	11,964	(2,821)	(1,028)	34,459

## 2. Dividends

	Dividend per share					Total Dividends (Annual)	Payout Ratio (Consolidated)	Dividends to Net Assets (Consolidated)
	End of 1Q	End of 2Q	End of 3Q	Year end	Total			
Year ended 12/31/10	-	6.00	-	11.00	17.00	718	9.1	0.9
Year ended 12/31/11	-	9.00	-	31.00	40.00	1,691	19.5	1.9
Year ending 12/31/12 (Forecast)	-	15.00	-	28.00	43.00		24.2	

(Note) As HORIBA, Ltd. will celebrate the 60th anniversary of its foundation on January 26, 2013, it plans to pay a commemorative dividend of 10 yen per share. Thus, the year-end dividend per share for fiscal 2012 is projected to be 28 yen, after combining the commemorative dividend of 10 yen with the ordinary dividend of 18 yen.

## 3. Consolidated Forecast for the Year Ending December 31, 2012 (January 1, 2012 - December 31, 2012)

(Percentages represent changes from the same period in the previous 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
First half	58,500	-2.6	5,000	-26.7	4,800	-29.5	3,000	-29.9	70.93
Full year	123,500	0.0	12,500	-16.1	12,000	-17.9	7,500	-13.4	177.33

#### 4. Others

(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 principles, procedures and disclosures

① Changes due to revisions in accounting standards: Yes

② Changes other than the above: None

(Note) Please see "Significant Changes in the Basis of Presentation of the Consolidated Financial Statements" on page 17 for further details.

(3) Number of shares outstanding (common stock)

	<u>December 31, 2011</u>	<u>December 31, 2010</u>
① Shares issued (including treasury stock)	42,532,752	42,532,752
② Treasury stock	238,083	243,055
③ The average number of outstanding shares during Jan. - Dec. in FY2011 and FY2010	42,293,434	42,289,698

(Reference) Overview of Non-Consolidated Financial Results

1. Non-Consolidated Results for the Year Ended December 31, 2011 (January 1, 2011 - December 31, 2011)

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

	Net Sales		Operating Income		Ordinary Income		Net Income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended 12/31/11	51,902	14.7	5,651	133.6	8,278	121.4	5,541	133.8
Year ended 12/31/10	45,243	6.8	2,418	329.6	3,739	83.7	2,370	29.4

	Net Income per Share		Net Income per Share (Diluted)	
	Yen		Yen	
Year ended 12/31/11	131.03		130.73	
Year ended 12/31/10	56.04		55.94	

(2) Non-Consolidated Financial Position

	Total Assets		Net Assets		Shareholders' Equity Ratio		Net Assets per Share	
	Millions of yen	%	Millions of yen	%	%		Yen	
As of 12/31/11	101,479		72,403		71.2		1,707.46	
As of 12/31/10	95,212		67,804		71.1		1,600.34	

(Reference) Net assets excluding subscription rights to shares:

As of December 31, 2011: ¥ 72,216 million yen; As of December. 31, 2010: ¥ 67,677 million yen

2. Non-Consolidated Forecast for the Year Ending December 31, 2012 (January 1, 2012 - December 31, 2012)

(Percentages represent changes from the same period in the previous 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	
First half	26,000	5.7	2,000	-11.4	4,000	-14.1	3,200	-15.2	75.66	
Full year	53,000	2.1	4,000	-29.2	6,200	-25.1	4,500	-18.8	106.40	

Note 1. Indication regarding implementation status of audit procedures

These financial statements have not been prepared for the purpose of audit procedures pursuant to the Financial Instruments and Exchange Act (FIEA). Audit procedures for financial statements were in the process of being implemented as of the release of these 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 "1. Operating Results" on page 3.

## **1. Operating Results**

### **(1) Operating Results Analysis**

(For details, see page 19, "HORIBA, Ltd. Financial Highlights for the Year Ended December 31, 2011")

#### **(i) Operating Results for the year ended December 31, 2011**

During the fiscal year ended December 31, 2011, the weaker economies in the U.S. and Europe slowed the pace of recovery but the overall global economy posted continued moderate economic growth, with emerging countries acting as the driving force. In the U.S., a delayed improvement in the housing market and employment dampened economic growth, while in Europe the sovereign debt crisis affected the real economy and signs of economic slowdown became more evident. Meanwhile, economies in emerging countries such as China and India slowed down only marginally and maintained relatively high economic growth. In Japan, manufacturing activities dropped significantly in response to the Great East Japan Earthquake in March 2011, but the economy recovered on the back of the restoration of manufacturing equipment and the rebuilding of the supply chain for components and materials. However, owing to the appreciation of the yen and the floods in Thailand, the recovery stalled. In 2011, the yen continued to strengthen as in the previous year. The annual average exchange rates were 79.80 yen against the U.S. dollar and 111.13 yen against the euro, marking increases of 10.0% and 4.6%, respectively.

The analytical and measurement equipment market saw signs of a moderate recovery in capital spending and development investment by automakers. However, equipment demand in the semiconductor-related market dropped in the second half of 2011 as semiconductor makers and light-emitting diode (LED) makers had completed a cycle of capital spending. In addition, due to the stronger yen and intensified competition, the general trend of declining product prices continued.

In the face of these economic conditions, HORIBA, Ltd. ("the Company") and its consolidated subsidiaries (together "the HORIBA Group" or "HORIBA" as a consolidated group) implemented measures to enhance our businesses in 2011. The Corporate & Segment Strategy Division was newly established to design and promote overall corporate strategy. At the same time, primarily focused 13 businesses were selected from five business segments and "business owners" who make and implement specific product strategies were assigned to each of these businesses. These measures led to the accelerated launch of products that match market needs. By business segment, the Automotive Test System segment reorganized the MCT (Mechatronics) business\* with the aim of improving profitability and continued R&D spending for next-generation product development. In the Process & Environmental Instruments & Systems segment, a production system was established to satisfy an increase in demand for environmental radiation monitor, and the segment strived to provide "reassurance" to people who live in East Japan. In the Medical-Diagnostic Instruments & Systems segment, HORIBA STEC undertook the expansion work on the Aso factory in Kumamoto Prefecture in order to enhance the production system for blood cell testing instruments. In addition, with the aim of responding to growing demand for testing reagents in various countries, a reagent factory was newly built in China, and the factory in Brazil has been under going the expansion work. What's more, new representative offices were established in Vietnam and Indonesia to meet the high market demand. The Semiconductor Instruments & Systems segment focused on cost reduction measures such as establishing Beijing HORIBA METRON, a joint venture company which is established to manufacture mass flow controllers for LEDs and photovoltaics locally. In the Scientific Instruments & Systems segment, a new R&D center in Europe is currently under construction. HORIBA supports joint research with universities and research institutions and aims to develop products that meet the advanced needs of customers in advanced material analysis and other fields.

At the same time, the Group implemented cost reduction measures to improve profitability. Specific measures included promotion of the use of “shared services” (consolidation of common services in several organizations to make them more efficient and specialized) and control of fixed costs through reorganization in Europe and the U.S.. Due to improved profitability in the Medical-Diagnostic Instruments & Systems segment, the HORIBA Group has further advanced its well-balanced management by optimally allocating business resources to each business segment and region. The Group is thus establishing a system in which business segments complement each other to achieve optimal profits.

As a result of such measures and sales efforts, sales increased by 4.1% from a year earlier to 123,456 million yen. Operating income and ordinary income rose by 21.2% and 18.7% respectively to 14,906 million yen and 14,611 million yen, while net income rose by 9.3% to 8,664 million yen.

The operating results of each business segment are summarized as follows. From 2011, HORIBA changed its number of business segments from four to five, by dividing the Analytical Instruments & Systems segment into the Process & Environmental Instruments & Systems segment and the Scientific Instruments & Systems segment. The three other business segments remain unchanged.

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

Although overseas sales were lower after yen conversion due to the stronger yen, segment sales increased as investment by the automobile industry was robust in emerging countries and signs of a recovery in investment became apparent. Furthermore, profitability improved mainly in emission measurement systems, HORIBA's major product. In the MCT(Mechatronics) business, the reorganization of the main base in Germany began to bear fruit and profitability improved in the second half of 2011. Consequently, sales in the segment increased by 8.2% year-on-year to 38,678 million yen and operating income rose by 73.6% to 2,834 million yen.

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

Stack gas analyzers and other products which responded to various environmental regulations showed underlying strength. In addition, sales of environmental radiation monitor grew due to an increase in demand after the Great East Japan Earthquake. As a result, sales in the segment grew by 23.5% year-on-year to 14,558 million yen and operating income soared by 189.3% to 2,532 million yen.

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

Although sales in Europe, which represented about a half of segment sales, were lower after yen conversion due to the stronger yen, sales of blood cell testing instruments were solid in Japan, South America, and Asia. Consequently, sales in the segment increased by 4.3% year-on-year to 23,485 million yen and operating income rose by 35.9% to 3,166 million yen.

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

Owing to the expansion of production by makers of manufacturing equipment for silicon semiconductors, light-emitting diodes (LEDs), and other products, sales of mass flow controllers, HORIBA's mainstay product, as well as chemical concentration monitors increased in the first half of 2011. However, in the second half of 2011, sales decreased due to production adjustments by customers. Moreover, profitability deteriorated due to a decline in selling prices caused by the stronger yen. As a result, segment sales

decreased 10.8% year-on-year to 24,694 million yen and operating income declined 22.1% to 4,939 million yen.

**(Scientific Instruments & Systems)**

Although overseas sales were lower after yen conversion due to the stronger yen, sales of analytical instruments in the advanced material development area increased in various countries. In Japan, the weakening of the Euro led to solid sales of analytical instruments developed and manufactured in France, and profitability improved. Consequently, sales in the segment increased by 5.8% year-on-year to 22,040 million yen and operating income rose by 28.0% to 1,433 million yen.

\* The MCT (Mechatronics) business is the automotive measurement instruments business that was acquired from Carl Schenck AG in Germany in 2005.

## **(ii) Outlook for the Year Ending December 31, 2012**

The outlook for the global economy is extremely uncertain, with worries that a delay in solving Europe's sovereign crisis will slow down the world economy in 2012. The U.S. is expected to record moderate growth with little improvement in the housing market and employment, while the European economy is likely to remain sluggish. Emerging countries such as China and India are projected to maintain high economic growth albeit at a slower rate than in 2011 due to some deceleration in exports and investments. Japan's economy is projected to pick up gradually from the middle of 2012, partly due to rising demand for reconstruction from the Great East Japan Earthquake disaster. Against this background, HORIBA's forecasts for fiscal 2012 are shown below.

Our assumed foreign exchange rates are 75 yen against the U.S. dollar (vs. 79.80 yen in fiscal 2011) and 100 yen against the euro (vs. 111.13 yen in fiscal 2011).

### **Net sales of 123,500 million yen, up 0.0% y-o-y**

Net sales are expected to increase by 43 million yen from the previous year to 123,500 million yen.

The Automotive Test Systems segment is expecting a moderate recovery in capital spending and development investment by automakers, the segment's major customers, will lead to growth in sales of engine emission measurement systems, HORIBA's major product, and in sales in the MCT (Mechatronics) business. On the other hand, the HIT business, which handles vehicle driving and operating management system, is forecast to record a decrease in sales due to a tough comparison with the previous year, when a large transaction was recorded.

The Process & Environmental Instruments & Systems segment is anticipating growth in demand for stack gas analyzers and other products related to environmental regulations. However, segment sales are projected to decrease as the demand outlook for environmental radiation monitor is uncertain at this moment.

Medical-Diagnostic Instruments & Systems segment sales are expected to be lower after yen conversion due to the weaker euro, despite growth in sales of blood cell testing instruments in various countries.

The Semiconductor Instruments & Systems segment anticipates a moderate recovery in demand for silicon semiconductor manufacturing equipment. However, a recovery in demand for photovoltaics and light-emitting diodes (LEDs) is uncertain, while sales prices are likely to drop due to the strong yen and intensified competition.

Scientific Instruments & Systems segment sales are expected to be lower after yen conversion due to the weaker euro.

### **Operating income of 12,500 million yen, down 16.1% y-o-y**

Operating income is likely to decrease by 2,406 million yen from the previous year to 12,500 million yen.

In the Automotive Test Systems segment, the appreciation of the yen is expected to lower the profitability of emission measurement systems, HORIBA's major product, while the MCT business is projected to improve profitability due to last year's reorganization and continued cost reduction efforts. In addition, the demand outlook for environmental radiation monitor is uncertain, and the Semiconductor Instruments & Systems segment is projecting a decrease in sales and the appreciation of yen look to deteriorate the profitability.

### **Ordinary income of 12,000 million yen, down 17.9% y-o-y**

Ordinary income is expected to decrease by 2,611 million yen from the previous year to 12,000 million yen. Our forecasts incorporate a non-operating loss of 500 million yen on a net basis, assuming foreign exchange losses and some uncertain non-operating expenses.

**Net income of 7,500 million yen, down 13.4% y-o-y**

Assuming the generation of some extraordinary losses, a net extraordinary loss of 600 million yen has been incorporated in our forecasts. As a result, net income is forecast to decrease by 1,164 million yen from the previous year to 7,500 million yen.

(Note) The above forecasts have been made on the basis of information available as of February 14, 2012, but owing to the existence of various uncertain elements, it is possible that actual performance will vary considerably from those forecasts.

**(2) Basic Policy for Profit Distribution and Dividends for the Year Ended December 31, 2011 and the Year Ending December 31, 2012**

The Company's 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. The Company receives a certain proportion of the net income of each group company as a dividend. Thus, although dividend payments to shareholders are computed based on the non-consolidated net income of the Company, they are in effect made on consolidated earnings. In addition, the Company intends to appropriate internal reserves for retained earnings as working capital for business expansion, capital expenditures and investments in research and development, with the aim of improving corporate value in the medium to long term.

According to its basic policy, HORIBA has decided to pay a year-end dividend of 31 yen per share. Combined with the interim dividend that has been paid out, the annual dividend is 40 yen.

For the next fiscal year ending December 31, 2012, HORIBA, Ltd. will celebrate the 60th anniversary of its foundation and the Company intends to pay 10 yen per share as a commemorative dividend. When this dividend of 10 yen is combined with 33 yen, which is calculated based on the standard payout ratio, the annual dividend per share is projected to be 43 yen, an increase of 3 yen from fiscal 2011.

**(3) Business risks**

Disclosure is omitted as there have been no significant changes since the latest annual securities report that was submitted on March 28, 2011.

## **2. Management Policies**

### **(1) Basic Management Policies**

As a manufacturer of analytical equipment that is developing its business worldwide, the HORIBA Group aims to be a truly global company. Our basic philosophy is to contribute to society by preserving the environment, bringing human health and greater convenience and safety to society, and promoting the development of science and technology through our business activities, which focus on analytical technologies and span a variety of industrial fields in the global market. In addition, HORIBA Group has long focused on consolidated-based management and promoted the reinforcement of alliances and the integration of its 36 companies throughout the world by utilizing our human and technological resources.

### **(2) Management Target Indices**

The HORIBA Group established the Mid-Long Term Management Plan in 2011 with numerical targets set for 2015. The HORIBA Group will launch various measures to achieve the numerical targets of 150 billion yen in consolidated net sales, an operating income margin of 13% or more, and ROE of 11% or more. In 2011, the first year of the plan, although the business environment was harsh because of the impact of the Great East Japan Earthquake, the appreciation of the yen, and other factors, the HORIBA Group achieved growth in sales and profit, and recorded net sales of 123.4 billion yen, an operating margin of 12.1%, and ROE of 9.9%.

### **(3) Challenges for HORIBA: Mid-Long Term Business Strategies of HORIBA**

The HORIBA Group's business consists of five segments: Automotive Test Systems, Process and Environmental Instruments & Systems, Medical-Diagnostic Instruments & Systems, Semiconductor Instruments & Systems and Scientific Instruments & Systems. Each segment operates business in a different market, which enables each to exert its strengths and complement the weaknesses of each other. Our aim is to achieve well-balanced growth with this structure. Technologies and know-how in all segments are shared mutually. The transfer of human and other resources among segments gives us the strategic flexibility to temporarily integrate resources in a favorably performing business while alleviating the burden to a certain extent in an underperforming business. This enables us to achieve efficient management.

Moreover, we aim to evolve and perfect the management principle of the "HORIBA Group is One Company," which was launched in fiscal March 2004, and establish a corporate structure that enables us to generate steady high earnings.

The primary measures of the Mid-Long Term Management Plan for fiscal 2011 to fiscal 2015 are as follows:

- **Primary measure 1: Building a corporate structure that enables us to generate stable high earnings**

#### **1. Select and invest heavily in focused businesses**

Thanks to aggressive investments under the previous Mid-Long Term Management Plan, the medical-diagnostic and semiconductor businesses have grown to contribute to HORIBA's overall earnings, with to their high profitability. In other words, focused investments in these two businesses have changed HORIBA's earnings structure from being highly dependent on the automotive business to be becoming more well-balanced earnings structure that enable us to generate stable high earnings. In addition, we plan to focus on water quality-related products which belong to the environmental, scientific, and semiconductor businesses. Because of their high near-term growth potential, we will concentrate our human and R&D resources in this area and accelerate its global development.

Regarding the automotive business, the MCT (Mechatronics) business has driveline-related products with high growth potential in the development of next-generation automobiles. We aim to expand the business and generating an early turnaround in profitability, by investing in the launch of new products and achieving further efficiency.

## **2. From business expansion driven by “technology development” to business expansion focused on “customer oriented business model”**

The HORIBA Group has developed product with its unique technologies and has provided distinguished products to customers in the niche “analysis” market. Going forward, we will add application technologies to products and transform our business model so that we can provide customers with proposals for efficiency and laborsaving. By making proposals that encompass measurement methods and software, we will create the industry standard, expand market share in each of the five business area, and thereby aim to become a global leader in the analysis and measurement market.

### **● Primary measure 2: Evolving and perfecting “One Company Management”**

#### **1. Organizational reform to enhance the corporate structure**

With the aim of becoming a highly profitable company and enhance its global leadership as the headquarters, HORIBA's headquarters restructured its organization in January 2011. Going forward, the R&D Division, where operations have been separated by business segment, will be reorganized by function so that intra-segment information is shared and the capability to propose solutions is enhanced. We will also enhance the speed and quality of decision-making by clearly defining the responsibilities of persons in charge of development, production, and sales, who will work under a newly-appointed person in charge of overall business strategies.

#### **2. Efficient management by region**

During the previous Management Plan, shared services which had been successful in the U.S., was implemented in Japan. Going forward, we will introduce “shared services” in Europe and Asia with reference to successful examples in the U.S. and Japan. We will also promote further efficiency by speeding up management decision-making, and achieving a more specialized level of operations and cost reduction.

### **● Primary measure 3: Accelerating establishment of global development and production system**

The HORIBA Group will make further progress in establishing footprints, mainly in Asian countries. In 2011, the first year of the Mid-Long Term Management Plan, HORIBA expanded the production capacity of its semiconductor business by opening a joint-venture plant in China. In Brazil, relocation and the expansion of the testing reagent plant is now going under the process and is increasing capacity in order to expand the medical business in South America. In Japan, the Aso factory in Kumamoto prefecture began construction for expansion with the aim of responding to rising demand for testing reagents. In France, we commenced construction of a new R&D center, which will be a Europe's central base for R&D activities in Scientific Instruments & Systems segment. As a footprint for future business expansion, the Group opened representative offices in Vietnam and Indonesia, where demand is rising and economic growth is pronounced even among South East Asian countries. We will also accelerate the building of footholds for the medical-diagnostic and automotive businesses, where growth in demand is highly anticipated.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

Amount: millions of yen

	FY2010 (As of December 31, 2010)	FY2011 (As of December 31, 2011)
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and bank deposits	26,958	28,893
Trade notes and accounts receivable	36,427	39,375
Marketable securities	7,638	8,350
Merchandise and finished goods	8,341	9,015
Work in process	8,781	9,127
Raw materials and supplies	7,720	8,144
Deferred tax assets	2,930	3,201
Other current assets	2,092	2,896
Allowance for doubtful accounts	(765)	(750)
<b>Total Current Assets</b>	100,124	108,255
<b>Fixed Assets:</b>		
<b>Property, Plant and Equipment:</b>		
Buildings and structures, net	8,653	8,156
Machinery, equipment and vehicles, net	3,295	2,945
Land	7,272	7,362
Construction in progress	743	2,130
Other property, plant and equipment, net	2,551	2,328
<b>Total Property, Plant and Equipment</b>	22,516	22,924
<b>Intangibles:</b>		
Goodwill	210	201
Software	4,787	4,182
Other intangibles	373	256
<b>Total Intangibles</b>	5,371	4,640
<b>Investments and Other Non-Current Assets:</b>		
Investment securities	4,123	3,514
Deferred tax assets	2,129	2,115
Other investments and other assets	3,231	3,240
Allowance for doubtful accounts	(205)	(40)
<b>Total Investments and Other Non-Current Assets</b>	9,278	8,829
<b>Total Fixed Assets</b>	37,166	36,394
<b>Total Assets</b>	137,290	144,649

Amount: millions of yen

	FY2010 (As of December 31, 2010)	FY2011 (As of December 31, 2011)
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Trade notes and accounts payable	13,484	13,196
Short-term loans payable	5,575	6,684
Accounts payable - other	8,540	7,805
Accrued income taxes	3,458	2,459
Deferred tax liabilities	34	18
Accrued bonuses to employees	647	755
Accrued bonuses to directors and corporate auditors	106	84
Reserve for product warranty	1,098	1,308
Provision for business structure improvement	-	174
Other current liabilities	4,751	6,085
<b>Total Current Liabilities</b>	<b>37,695</b>	<b>38,574</b>
<b>Non-Current Liabilities:</b>		
Corporate bonds	10,000	10,000
Long-term loans payable	1,195	1,291
Deferred tax liabilities	113	108
Employees' retirement benefits	1,734	1,775
Directors' and corporate auditors' retirement benefits	248	221
Provision for loss on guarantees	67	-
Provision for compensation losses	429	616
Other non-current liabilities	1,651	1,600
<b>Total Non-Current Liabilities</b>	<b>15,439</b>	<b>15,615</b>
<b>Total Liabilities</b>	<b>53,135</b>	<b>54,189</b>
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Common stock	12,011	12,011
Capital surplus	18,717	18,717
Retained earnings	58,468	66,278
Treasury stock	(804)	(788)
<b>Total Shareholders' Equity</b>	<b>88,392</b>	<b>96,219</b>
<b>Accumulated Other Comprehensive Income</b>		
Net unrealized holding gains on securities	897	717
Foreign currency translation adjustments	(5,269)	(6,703)
<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,372)</b>	<b>(5,986)</b>
<b>Subscription Rights to Shares</b>	<b>126</b>	<b>186</b>
<b>Minority Interests in Consolidated Subsidiaries</b>	<b>9</b>	<b>40</b>
<b>Total Net Assets</b>	<b>84,155</b>	<b>90,460</b>
<b>Total Liabilities and Net Assets</b>	<b>137,290</b>	<b>144,649</b>

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

Amount: millions of yen

	FY2010 (For the year ended December 31, 2010)	FY2011 (For the year ended December 31, 2011)
Net sales	118,556	123,456
Cost of sales	66,153	67,892
<b>Gross Income</b>	<b>52,402</b>	<b>55,564</b>
Selling, general and administrative expenses	40,102	40,657
<b>Operating Income</b>	<b>12,299</b>	<b>14,906</b>
<b>Non-Operating Income</b>		
Interest income	111	112
Dividend income	73	78
Foreign exchange gain	31	-
Other	376	358
Total non-operating income	593	548
<b>Non-Operating Expense</b>		
Interest expense	488	494
Foreign exchange losses	-	283
Other	95	66
Total non-operating expense	584	844
<b>Ordinary Income</b>	<b>12,309</b>	<b>14,611</b>
<b>Extraordinary Gain</b>		
Gain on sales of fixed assets	313	10
Gain on sales of investment securities	5	-
Reversal of allowance for doubtful accounts	16	-
Reversal of provision for loss on guarantees	-	67
Other	-	0
Total extraordinary gain	335	78
<b>Extraordinary Loss</b>		
Loss on sales of fixed assets	25	4
Loss on disposal of fixed assets	112	48
Loss on impairment of fixed assets	40	98
Loss on sales of investment securities	0	0
Loss on valuation of investment securities	203	370
Provision for loss on guarantees	11	-
Provision for compensation losses	299	214
Provision for business structure improvement	-	267
Office transfer expenses	68	-
Other	-	38
Total extraordinary loss	761	1,042
<b>Income before Income Taxes and Minority Interests</b>	<b>11,882</b>	<b>13,647</b>
Income taxes (current)	4,945	5,187
Income taxes (deferred)	(990)	(204)
Total income taxes	3,955	4,982
<b>Income before Minority Interests</b>	<b>-</b>	<b>8,664</b>
Minority interests (losses) in earnings of consolidated subsidiaries	(0)	(0)
<b>Net Income</b>	<b>7,927</b>	<b>8,664</b>

## (Consolidated Statements of Comprehensive Income)

Amount: millions of yen

	FY2010 (For the year ended December 31, 2010)	FY2011 (For the year ended December 31, 2011)
<b>Income before Minority Interests</b>	-	8,664
<b>Other Comprehensive Income</b>		
Net unrealized holding gains on securities	-	(179)
Foreign currency translation adjustments	-	(1,434)
Share of other comprehensive income of associates accounted for using equity method	-	(0)
Total other comprehensive income	-	(1,613)
<b>Comprehensive Income</b>	-	7,050
(Breakdown of comprehensive income)		
Parent company portion of comprehensive income	-	7,051
Minority interests portion of comprehensive income	-	(0)

## (3) Consolidated Statement of Changes in Net Assets

Amount: Millions of yen

	FY2010 (For the year ended December 31, 2010)	FY2011 (For the year ended December 31, 2011)
<b>Shareholders' Equity</b>		
<b>Common Stock</b>		
Beginning balance	12,011	12,011
Ending balance	12,011	12,011
<b>Capital Surplus</b>		
Beginning balance	18,717	18,717
Ending balance	18,717	18,717
<b>Retained Earnings</b>		
Beginning balance	51,095	58,468
Changes during the period		
Dividend from earnings	(549)	(845)
Net income	7,927	8,664
Disposal of treasury stock	(4)	(8)
Total changes during the period	7,373	7,810
Ending balance	58,468	66,278
<b>Treasury Stock</b>		
Beginning balance	(811)	(804)
Changes during the period		
Acquisition of treasury stock	(0)	(0)
Disposal of treasury stock	6	16
Total changes during the period	6	16
Ending balance	(804)	(788)
<b>Total Shareholders' Equity</b>		
Beginning balance	81,012	88,392
Changes during the period		
Dividend from earnings	(549)	(845)
Net income	7,927	8,664
Acquisition of treasury stock	(0)	(0)
Disposal of treasury stock	2	7
Total changes during the period	7,379	7,826
Ending balance	88,392	96,219

Amount: millions of yen

	FY2010 (For the year ended December 31, 2010)	FY2011 (For the year ended December 31, 2011)
<b>Accumulated Other Comprehensive Income</b>		
<b>Net Unrealized Holding Gains on Securities</b>		
Beginning balance	932	897
Changes during the period		
Others	(35)	(179)
Total changes during the period	(35)	(179)
Ending balance	897	717
<b>Foreign Currency Translation Adjustments</b>		
Beginning balance	(2,039)	(5,269)
Changes during the period		
Others	(3,230)	(1,434)
Total changes during the period	(3,230)	(1,434)
Ending balance	(5,269)	(6,703)
<b>Total Accumulated Other Comprehensive Income</b>		
Beginning balance	(1,106)	(4,372)
Changes during the period		
Others	(3,265)	(1,613)
Total changes during the period	(3,265)	(1,613)
Ending balance	(4,372)	(5,986)
<b>Subscription Rights to Shares</b>		
Beginning balance	59	126
Changes during the period		
Others	67	60
Total changes during the period	67	60
Ending balance	126	186
<b>Minority Interests</b>		
Beginning balance	11	9
Changes during the period		
Others	(2)	31
Total changes during the period	(2)	31
Ending balance	9	40
<b>Total Net Assets</b>		
Beginning balance	79,977	84,155
Changes during the period		
Dividend from Earnings	(549)	(845)
Net Income	7,927	8,664
Acquisition of Treasury Stock	(0)	(0)
Disposal of Treasury Stock	2	7
Others	(3,201)	(1,521)
Total Changes during the Period	4,178	6,305
Ending Balance	84,155	90,460

## (4) Consolidated Statements of Cash Flows

Amount: millions of yen

	FY2010 (For the year ended December 31, 2010)	FY2011 (For the year ended December 31, 2011)
<b>Cash Flows from Operating Activities:</b>		
Income before income taxes and minority interests	11,882	13,647
Depreciation expense	4,489	4,111
Loss on impairment of fixed assets	40	98
Amortization of goodwill	34	34
Increase (decrease) in allowance for doubtful accounts	165	(40)
Increase (decrease) in provision for business structure improvement	-	192
Increase (decrease) in employees' retirement benefits	197	87
Increase (decrease) in directors' and corporate auditors' retirement benefits	(6)	(26)
Increase (decrease) in provision for loss on guarantees	-	(67)
Increase (decrease) in provision for compensation losses	429	187
Interest and dividend income	(185)	(190)
Interest expense	488	494
Foreign exchange losses (gains)	64	(21)
Loss (gain) on sales of fixed assets	(287)	(5)
Loss on disposal of fixed assets	112	48
Loss (gain) on valuation of marketable securities	4	-
Loss (gain) on valuation of investment securities	203	370
Loss (gain) on sales of investment securities	(4)	0
Decrease (increase) in trade notes and accounts receivable	(4,985)	(4,080)
Decrease (increase) in inventories	(3,689)	(2,144)
Increase (decrease) in trade notes and accounts payable	3,933	70
Other, net	535	791
<b>Subtotal</b>	<b>13,423</b>	<b>13,560</b>
Interest and dividends received	189	184
Interest paid	(503)	(519)
Income taxes (paid) refund	(1,144)	(6,270)
<b>Net Cash Provided by (used in) Operating Activities</b>	<b>11,964</b>	<b>6,954</b>
<b>Cash Flows from Investing Activities:</b>		
Increase in time deposits	(655)	(872)
Decrease in time deposits	804	507
Increase in time deposits restricted for use	(262)	-
Decrease in time deposits restricted for use	-	32
Payments for purchase of marketable securities	(228)	(1,908)
Proceeds from sales of marketable securities	456	905
Payments for purchase of property, plant and equipment	(3,280)	(4,204)
Proceeds from sales of property, plant and equipment	608	51
Payments for purchase of intangibles	(187)	(226)
Payments for purchase of investment securities	(101)	(136)
Proceeds from sales or redemption of investment securities	87	12
Payments for purchase of investments in consolidated subsidiaries	-	(44)
Payments of loans receivable	(79)	(92)
Collection of loans receivable	24	32
Other, net	(7)	(200)
<b>Net Cash Provided by (used in) Investing Activities</b>	<b>(2,821)</b>	<b>(6,145)</b>
<b>Cash Flows from Financing Activities:</b>		
Net increase (decrease) in short-term borrowings	(38)	1,557
Increase in long-term debt	341	824
Repayments of long-term debt	(543)	(577)
Repayments on finance lease obligations	(237)	(135)
Proceeds from stock issuance to minority shareholders	-	41
Net decrease (increase) of treasury stock	(0)	(0)
Cash dividends paid	(550)	(847)
Cash dividends paid to minority interests	-	(6)
<b>Net Cash Provided by (used in) Financing Activities</b>	<b>(1,028)</b>	<b>855</b>
<b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>	<b>(1,244)</b>	<b>(356)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>6,868</b>	<b>1,308</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>34,459</b>	<b>35,767</b>

**(5) Notes related to Going Concern**

None

**(6) Important Items Regarding the Preparation of the Consolidated Financial Statements**

With the exception of significant changes in the basis of preparation of the consolidated financial statements, disclosure of the important items regarding the preparation of the consolidated financial statements has been omitted, as there were no significant changes from the matters disclosed in the Annual Securities Report (released on March 28, 2011).

**(7) Significant Changes in the Basis of Preparation of the Consolidated Financial Statements**

**Changes in accounting practices**

**(Adoption of "Accounting Standard for Asset Retirement Obligations")**

Effective fiscal 2011, the Company has adopted the "Accounting Standard for Asset Retirement Obligations" (ASBJ Statement No.18, March 31, 2008) and the "Guidance on Accounting Standard for Asset Retirement Obligations" (ASBJ Guidance No. 21, March 31, 2008).

This application had immaterial impact on operating income, ordinary income and income before income taxes.

**(8) Changes in methods of presentation**

**(Consolidated Statements of Income)**

Effective fiscal 2011, the Company has adopted the "Cabinet Office Ordinance for Partial Amendment of Regulations on Terminology, Forms and Preparation of Consolidated Financial Statements" (Cabinet Office Ordinance No.5, March 24, 2009), in accordance with the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No.22, December 26, 2008) and included the line item "Income before minority interests."

**(9) Additional information**

**(Consolidated Comprehensive Income)**

Effective fiscal 2011, the Company has adopted the "Accounting Standard for Presentation of Comprehensive Income" (ASBJ Statement No.25, June 30, 2010).

Regarding "Accumulated Other Comprehensive Income" and "Total Accumulated Other Comprehensive Income" in the previous fiscal year, however, values are reported in terms of "Valuation and Transaction Adjustments" and "Total Valuation and Transaction Adjustments."

#### 4. Other

##### (1) Change in Directors and Auditors (scheduled on March 24, 2012)

###### Change in Auditor

- ① To be appointed as New Corporate Auditor  
Toshihiko Uno, Present Alternate Corporate Auditor
- ② To retire as Corporate Auditor  
Hiroshi Tajima, Corporate Auditor

##### (2) Change in Corporate Officers (scheduled on April 1, 2012)

###### ① To be appointed (scheduled)

Name	New Title	Present Title
Hideyuki Koishi	Corporate Officer Vice President and Director of HORIBA STEC, Co., Ltd.	Vice President and Director of HORIBA STEC, Co., Ltd.

###### ② To be promoted (scheduled)

Name	New Title	Present Title
Bertrand de Castelnau	Senior Corporate Officer President & CEO of HORIBA ABX S.A.S. (France)	Corporate Officer President & CEO of HORIBA ABX S.A.S. (France)

Rex Tapp resigned as Corporate Officer on December 31, 2011.

As a result, HORIBA is scheduled to have 17 Corporate Officers that comprise 1 Executive Corporate Officer, 6 Senior Corporate Officers, 3 Corporate Officers, and 7 Junior Corporate Officers as of April 1, 2012.

### (3) Supplemental Information

#### HORIBA, Ltd. Financial Highlights for the Year Ended December 31, 2011

#### 1. Consolidated Financial Results

					Millions of yen			
	12/2011	12/2010	Changes		12/2012	Changes from	12/2012	Changes from
	Result	Result	Amount	Ratio	Estimate	Previous Year	Estimate	Previous Year
	Full Year	Full Year	Amount	Ratio	Full Year	Amount	1st half	Amount
Net Sales	<b>123,456</b>	118,556	+4,900	+4.1%	<b>123,500</b>	+43	<b>58,500</b>	-1,531
Operating Income	<b>14,906</b>	12,299	+2,607	+21.2%	<b>12,500</b>	-2,406	<b>5,000</b>	-1,825
<i>Operating Income Ratio</i>	<i>12.1%</i>	<i>10.4%</i>	<i>+1.7P</i>		<i>10.1%</i>	<i>-2.0P</i>	<i>8.5%</i>	<i>-2.9P</i>
Ordinary Income	<b>14,611</b>	12,309	+2,302	+18.7%	<b>12,000</b>	-2,611	<b>4,800</b>	-2,005
<i>Ordinary Income Ratio</i>	<i>11.8%</i>	<i>10.4%</i>	<i>+1.4P</i>		<i>9.7%</i>	<i>-2.1P</i>	<i>8.2%</i>	<i>-3.1P</i>
Net Income	<b>8,664</b>	7,927	+737	+9.3%	<b>7,500</b>	-1,164	<b>3,000</b>	-1,277
<i>Net Income Ratio</i>	<i>7.0%</i>	<i>6.7%</i>	<i>+0.3P</i>		<i>6.1%</i>	<i>-0.9P</i>	<i>5.1%</i>	<i>-2.0P</i>
US\$	<b>79.80</b>	87.79	-7.99		<b>75.00</b>	-4.80	<b>75.00</b>	-7.01
Euro	<b>111.13</b>	116.27	-5.14		<b>100.00</b>	-11.13	<b>100.00</b>	-15.04

#### 2. Consolidated Segment Results

					Millions of yen			
	12/2011	12/2010	Changes		12/2012	Changes from	12/2012	Changes from
	Result	Result	Amount	Ratio	Estimate	Previous Year	Estimate	Previous Year
	Full Year	Full Year	Amount	Ratio	Full Year	Amount	1st half	Amount
Net Sales								
Automotive	<b>38,678</b>	35,751	+2,926	+8.2%	<b>42,000</b>	+3,321	<b>19,000</b>	+1,887
Process&Environmental	<b>14,558</b>	11,787	+2,770	+23.5%	<b>13,500</b>	-1,058	<b>6,800</b>	+535
Medical	<b>23,485</b>	22,514	+970	+4.3%	<b>23,500</b>	+14	<b>11,700</b>	-294
Semiconductor	<b>24,694</b>	27,676	-2,981	-10.8%	<b>23,500</b>	-1,194	<b>11,000</b>	-3,457
Scientific	<b>22,040</b>	20,825	+1,214	+5.8%	<b>21,000</b>	-1,040	<b>10,000</b>	-202
<b>Total</b>	<b>123,456</b>	118,556	+4,900	+4.1%	<b>123,500</b>	+43	<b>58,500</b>	-1,531
Operating Income								
Automotive	<b>2,834</b>	1,632	+1,201	+73.6%	<b>2,300</b>	-534	<b>500</b>	-316
Process&Environmental	<b>2,532</b>	875	+1,656	+189.3%	<b>1,300</b>	-1,232	<b>600</b>	-59
Medical	<b>3,166</b>	2,330	+836	+35.9%	<b>3,400</b>	+233	<b>1,600</b>	-224
Semiconductor	<b>4,939</b>	6,340	-1,401	-22.1%	<b>4,000</b>	-939	<b>1,800</b>	-1,495
Scientific	<b>1,433</b>	1,120	+313	+28.0%	<b>1,500</b>	+66	<b>500</b>	+270
<b>Total</b>	<b>14,906</b>	12,299	+2,607	+21.2%	<b>12,500</b>	-2,406	<b>5,000</b>	-1,825

(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 Destination

Millions of yen

	12/2011	12/2010	Changes		12/2012	Changes	12/2012	Changes
	Result	Result			Estimate		Estimate	
	Full Year	Full Year	Amount	Ratio	Full Year	Amount	1st half	Amount
<b>Automotive</b>	<b>38,678</b>	35,751	+2,926	+8.2%	<b>42,000</b>	+3,321	<b>19,000</b>	+1,887
Japan	<b>14,672</b>	12,016	+2,656	+22.1%	<b>15,400</b>	+727	<b>7,100</b>	+9
Asia	<b>7,379</b>	6,244	+1,134	+18.2%	<b>10,300</b>	+2,920	<b>4,300</b>	+1,306
Americas	<b>4,989</b>	5,926	-936	-15.8%	<b>5,300</b>	+310	<b>2,500</b>	+464
Europe	<b>11,636</b>	11,563	+72	+0.6%	<b>11,000</b>	-636	<b>5,100</b>	+107
<b>Process&amp;Environmental</b>	<b>14,558</b>	11,787	+2,770	+23.5%	<b>13,500</b>	-1,058	<b>6,800</b>	+535
Japan	<b>10,447</b>	7,359	+3,087	+41.9%	<b>9,500</b>	-947	<b>4,900</b>	+665
Asia	<b>1,643</b>	1,629	+14	+0.9%	<b>1,700</b>	+56	<b>800</b>	+15
Americas	<b>809</b>	1,126	-317	-28.2%	<b>800</b>	-9	<b>400</b>	-7
Europe	<b>1,657</b>	1,671	-13	-0.8%	<b>1,500</b>	-157	<b>700</b>	-138
<b>Medical</b>	<b>23,485</b>	22,514	+970	+4.3%	<b>23,500</b>	+14	<b>11,700</b>	-294
Japan	<b>5,435</b>	4,826	+608	+12.6%	<b>5,600</b>	+164	<b>2,800</b>	+100
Asia	<b>2,704</b>	2,132	+572	+26.8%	<b>3,100</b>	+395	<b>1,500</b>	+276
Americas	<b>6,019</b>	6,011	+7	+0.1%	<b>5,800</b>	-219	<b>2,900</b>	-296
Europe	<b>9,326</b>	9,544	-218	-2.3%	<b>9,000</b>	-326	<b>4,500</b>	-375
<b>Semiconductor</b>	<b>24,694</b>	27,676	-2,981	-10.8%	<b>23,500</b>	-1,194	<b>11,000</b>	-3,457
Japan	<b>11,244</b>	12,010	-765	-6.4%	<b>12,300</b>	+1,055	<b>5,800</b>	-249
Asia	<b>5,998</b>	6,067	-68	-1.1%	<b>5,700</b>	-298	<b>2,600</b>	-794
Americas	<b>3,656</b>	4,311	-654	-15.2%	<b>3,100</b>	-556	<b>1,600</b>	-641
Europe	<b>3,795</b>	5,287	-1,492	-28.2%	<b>2,400</b>	-1,395	<b>1,000</b>	-1,772
<b>Scientific</b>	<b>22,040</b>	20,825	+1,214	+5.8%	<b>21,000</b>	-1,040	<b>10,000</b>	-202
Japan	<b>7,186</b>	6,689	+497	+7.4%	<b>7,500</b>	+313	<b>3,500</b>	-217
Asia	<b>4,567</b>	4,225	+341	+8.1%	<b>3,800</b>	-767	<b>1,900</b>	-176
Americas	<b>4,493</b>	4,396	+97	+2.2%	<b>4,500</b>	+6	<b>2,200</b>	+226
Europe	<b>5,791</b>	5,514	+277	+5.0%	<b>5,200</b>	-591	<b>2,400</b>	-35
<b>Total</b>	<b>123,456</b>	118,556	+4,900	+4.1%	<b>123,500</b>	+43	<b>58,500</b>	-1,531
Japan	<b>48,986</b>	42,902	+6,084	+14.2%	<b>50,300</b>	+1,313	<b>24,100</b>	+308
Asia	<b>22,293</b>	20,299	+1,993	+9.8%	<b>24,600</b>	+2,306	<b>11,100</b>	+629
Americas	<b>19,969</b>	21,772	-1,803	-8.3%	<b>19,500</b>	-469	<b>9,600</b>	-254
Europe	<b>32,207</b>	33,581	-1,374	-4.1%	<b>29,100</b>	-3,107	<b>13,700</b>	-2,214

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

Millions of yen

	12/2011	12/2010	12/2012
	Result	Result	Estimate
	Capital Expenditures (*2)	4,670	4,033
Depreciation	4,146	4,523	4,500
R&D Expenses	10,060	9,480	10,000

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

## 5. Consolidated Financial Results (Quarterly Comparison)

Millions of yen

	12/2011 Result				12/2010 Result			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net Sales	29,308	30,723	27,614	35,810	26,817	28,284	27,611	35,842
Operating Income	3,108	3,689	2,880	5,200	1,990	2,559	3,167	4,526
<i>Operating Income Ratio</i>	10.6%	12.0%	10.4%	14.5%	7.4%	9.0%	11.5%	12.6%
Ordinary Income	3,077	3,696	2,604	5,201	1,963	2,618	3,105	4,566
<i>Ordinary Income Ratio</i>	10.5%	12.0%	9.4%	14.5%	7.3%	9.3%	11.2%	12.7%
Net Income	2,157	2,120	1,616	2,771	1,383	1,623	2,001	2,919
<i>Net Income Ratio</i>	7.4%	6.9%	5.9%	7.7%	5.2%	5.7%	7.3%	8.1%
US\$	82.31	81.71	77.75	77.43	90.69	92.03	85.75	82.69
Euro	112.66	117.42	110.09	104.35	125.49	116.95	110.42	112.22

## 6. Consolidated Segment Results (Quarterly Comparison)

Millions of yen

	12/2011 Result				12/2010 Result			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net Sales								
Automotive	8,268	8,844	7,133	14,431	7,005	8,107	6,754	13,883
Process&Environmental	2,917	3,346	3,810	4,483	3,013	2,752	2,580	3,441
Medical	5,774	6,220	5,746	5,744	5,417	5,710	5,654	5,733
Semiconductor	6,971	7,485	5,588	4,649	6,023	7,183	7,682	6,787
Scientific	5,376	4,826	5,336	6,501	5,357	4,530	4,939	5,997
Total	29,308	30,723	27,614	35,810	26,817	28,284	27,611	35,842

	12/2011 Result				12/2010 Result			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Operating Income								
Automotive	357	450	120	1,897	(327)	143	(83)	1,883
Process&Environmental	246	409	813	1,059	240	119	150	358
Medical	795	1,024	675	667	494	584	796	443
Semiconductor	1,520	1,767	932	711	1,256	1,774	1,952	1,344
Scientific	188	37	338	865	327	(63)	351	494
Total	3,108	3,689	2,880	5,200	1,990	2,559	3,167	4,526

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

Millions of yen

	12/2011 Result				12/2010 Result			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Orders								
Automotive	11,391	10,822	8,366	13,083	10,357	8,033	12,544	8,667
Process&Environmental	2,891	4,088	3,731	4,085	2,958	3,074	2,887	3,121
Medical	6,449	6,150	5,522	5,641	5,725	5,613	5,330	5,623
Semiconductor	7,502	7,377	4,466	4,965	6,827	7,149	7,448	6,190
Scientific	6,195	4,733	5,082	5,734	5,255	4,869	5,585	5,520
Total	34,430	33,172	27,169	33,509	31,124	28,740	33,796	29,124

	12/2011 Result				12/2010 Result			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Backlog								
Automotive	22,728	24,707	25,940	24,591	19,104	19,030	24,821	19,605
Process&Environmental	2,433	3,174	3,095	2,697	2,149	2,471	2,778	2,459
Medical	2,471	2,402	2,178	2,075	2,327	2,230	1,906	1,796
Semiconductor	2,648	2,539	1,418	1,733	2,981	2,947	2,714	2,117
Scientific	6,393	6,300	6,047	5,279	5,066	5,405	6,050	5,574
Total	36,675	39,123	38,679	36,377	31,630	32,086	38,270	31,552

### **Non-Consolidated Financial Results**

	12/2011	12/2010	Changes		12/2012	Changes	12/2012	Changes
	Result	Result	Amount	Ratio	Estimate	Amount	Estimate	Amount
	Full half	Full half			Full Year		1st Half	
Net Sales	<b>51,902</b>	45,243	+6,659	+14.7%	<b>53,000</b>	+1,097	<b>26,000</b>	+1,408
Operating Income	<b>5,651</b>	2,418	+3,232	+133.6%	<b>4,000</b>	-1,651	<b>2,000</b>	(256)
<i>Operating Income Ratio</i>	<b>10.9%</b>	5.3%	+5.6P		<b>7.5%</b>	-3.4P	<b>7.7%</b>	△1.5P
Ordinary Income	<b>8,278</b>	3,739	+4,538	+121.4%	<b>6,200</b>	-2,078	<b>4,000</b>	-653
<i>Ordinary Income Ratio</i>	<b>15.9%</b>	8.3%	+7.6P		<b>11.7%</b>	-4.2P	<b>15.4%</b>	△3.5P
Net Income	<b>5,541</b>	2,370	+3,171	+133.8%	<b>4,500</b>	-1,041	<b>3,200</b>	-573
<i>Net Income Ratio</i>	<b>10.7%</b>	5.2%	+5.5P		<b>8.5%</b>	-2.2P	<b>12.3%</b>	△3.0P

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