

## Summary of Consolidated Financial Statements for the Nine Months Ended September 30, 2017

November 7, 2017

Company name **HORIBA, Ltd.** Listed stock exchanges: Tokyo  
 Listing code 6856 URL: <http://www.horiba.com>  
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(Figures have been rounded down to the nearest million yen)

### 1. Consolidated Results for the Nine Months Ended September 30, 2017 (January 1, 2017 - September 30, 2017)

(1) Consolidated Operating Results (Percentages represent changes from the corresponding period 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 9/30/17	132,289	13.2	14,612	37.1	14,350	38.8	10,785	48.1
Nine months ended 9/30/16	116,901	-2.9	10,659	-23.2	10,341	-23.1	7,281	-16.3

(Note) Comprehensive Income: FY2017Q3 14,277 million yen (-%), FY2016Q3 -1,467 million yen (-%)

	Net Income per Share	Net Income per Share (Diluted)
	Yen	Yen
Nine months ended 9/30/17	255.90	254.82
Nine months ended 9/30/16	172.88	172.12

### (2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of 9/30/17	253,936	143,555	56.3
As of 12/31/16	239,657	133,191	55.4

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

As of September 30, 2017: 142,981 million yen; As of December 31, 2016: 132,654 million yen

### 2. Dividends

	Dividend per share				
	First quarter	Second quarter	Third quarter	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended 12/31/16	—	30.00	—	55.00	85.00
Year ending 12/31/17	—	40.00	—		
Year ending 12/31/17 (Forecast)				55.00	95.00

(Note) Changes in the latest dividend forecasts released: Yes

### 3. Consolidated Forecast for the Year Ending December 31, 2017 (January 1, 2017 - December 31, 2017)

(Percentages represent changes from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net income attributable to Owners of Parent		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	190,000	11.7	23,000	24.3	22,000	20.4	15,000	15.7	355.88

(Note) Changes in the latest business forecasts released: Yes

## Notes

- (1) Changes in significant subsidiaries during the period  
(Changes in specified subsidiaries that caused a change in the scope of consolidation): Yes  
New one company(company name:HORIBA Americas Holding Incorporated)
- (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: Yes
  - ③ Changes in accounting estimates: None
  - ④ Retrospective restatement: None
- (Note) Please see "3. Notes to Consolidated Financial Statements" on page 10 for further details.
- (4) Number of shares outstanding (common stock)

	<u>September 30, 2017</u>	<u>December 31, 2016</u>
① Shares issued (including treasury stock)	42,532,752	42,532,752
② Treasury stock	377,723	402,986
	<u>Jan. - Sep. 2017</u>	<u>Jan. - Sep. 2016</u>
③ The average number of outstanding shares during the nine months ended FY2017 and FY2016	42,147,011	42,118,411

### 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 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 7, 2017. 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 12, “4. Supplemental Information - HORIBA, Ltd. Financial Highlights for the Nine Months Ended September 30, 2017”)

In the nine months ended September 30, 2017 (the first three quarters), HORIBA, Ltd. (“the Company”) and its consolidated subsidiaries (together “the HORIBA Group” or “HORIBA” as a consolidated group) recorded sales of 132,289 million yen, up 13.2% year-on-year, mainly due to an increase in sales in the Automotive Test Systems segment and the Semiconductor Instruments & Systems segment. Operating income increased by 37.1% year-on-year to 14,612 million yen and ordinary income by 38.8% to 14,350 million yen. Net income attributable to owners of parent increased by 48.1% to 10,785 million yen due to the reversal of provision for loss on dissolution of the employees’ pension fund and other factors.

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

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

Sales of emission measurement systems and MCT (Mechatronics) increased in Japan and Europe. As a result, segment sales increased by 15.1% year-on-year to 45,363 million yen and operating income of 2,283 million yen was recorded (Last year during the same period, operating income of 63 million yen had been recorded).

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

While the process measurement equipment business in the Americas was sluggish, sales of stack gas analyzers to power plants and factories were robust in Japan and China. As a result, segment sales increased by 1.9% year-on-year to 12,034 million yen. Operating income, however, decreased by 62.4% to 422 million yen due to lower profitability in Asia in addition to a decrease in sales in the process measurement equipment business in the Americas.

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

Sales of blood cell testing instruments were sluggish in Europe and the Americas. Consequently, segment sales decreased by 6.3% year-on-year to 18,520 million yen, and operating income was down 44.4% to 1,236 million yen.

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

Along with the high-level capital investment by semiconductor manufacturers, sales to semiconductor production equipment manufacturers increased significantly. As a result, segment sales increased by 39.0% year-on-year to 38,596 million yen and operating income surged by 56.1% to 11,163 million yen.

#### **(Scientific Instruments & Systems)**

In addition to sluggish sales of analytical instruments to universities and other customers in Japan and Europe, R&D expense increased. Consequently, segment sales decreased by 2.0% year-on-year to 17,773 million yen and operating loss of 492 million yen was recorded (Last year during the same period, operating income of 102 million yen had been recorded)

## (2) Information Concerning Consolidated Earnings Forecasts for FY2017

After taking into account the recent trend in sales, exchange rate and other factors, HORIBA's consolidated earnings forecasts for the current fiscal year have been revised as follows. The full-year exchange rate forecast has been changed from 110 yen to 111 yen against the U.S. dollar and from 120 yen to 127 yen against the euro.

### Consolidated forecast of full year FY2017

(Amount: millions of yen)

	Previous Forecast (As of Aug.4)	Revised Forecast (As of Nov.7)	Changes
Net sales	187,000	190,000	+3,000
Operating income	22,000	23,000	+1,000
Ordinary income	21,300	22,000	+700
Net income attributable to owners of parent	14,500	15,000	+500

### Consolidated forecast of full year FY2017 by segment

Net sales (Amount: millions of yen)				Operating income (Amount: millions of yen)			
	Previous Forecast (As of Aug.4)	Revised Forecast (As of Nov.7)	Changes		Previous Forecast (As of Aug.4)	Revised Forecast (As of Nov.7)	Changes
Automotive	71,000	71,000	-	Automotive	5,700	5,700	-
Process & Environmental	18,000	17,000	-1,000	Process & Environmental	1,100	600	-500
Medical	25,000	25,000	-	Medical	1,700	1,700	-
Semiconductor	48,000	51,000	+3,000	Semiconductor	13,000	14,500	+1,500
Scientific	25,000	26,000	+1,000	Scientific	500	500	-
Total	187,000	190,000	+3,000	Total	22,000	23,000	+1,000

With regard to consolidated earnings forecasts for the current fiscal year, overall sales forecast has been revised upward by 3,000 million yen to 190,000 million yen, while operating income forecast has been revised upward by 1,000 million yen to 23,000 million yen. This increase in operating income forecast has led to upward revision by 700 million yen in ordinary income forecast and 500 million yen in forecast for net income attributable to owners of parent.

By business segment, HORIBA has revised upward its forecast for the Semiconductor Instruments & Systems segment by 3,000 million yen in sales and 1,500 million yen in operating income, assuming that semiconductor manufacturers will continue the high-level of capital investment in the fourth quarter.

Sales forecast for the Scientific Instruments & systems segment has been revised upward by 1,000 million yen, taking into account solid sales in Asia, the Americas and other areas.

In contrast, HORIBA has revised downward its forecast for the Process & Environmental Instruments & Systems segment by 1,000 million yen in sales and 500 million yen in operating income, after taking into account the current trend.

Amendments to dividend forecasts for fiscal 2017

	Dividend per share (Yen)		
	Interim (End of second quarter)	Year end	Total
Previous forecasts (as of February 14, 2017)	-	50	90
Revised forecasts	-	55	95
Actual results for Fiscal 2017	40	-	-
Actual results for Fiscal 2016	30	55	85

(Reasons for the amendments)

HORIBA's shareholder return policy is to target the total returns to shareholders (the combined amount of dividend payments and share buybacks) at approximately 30% of consolidated net income attributable to owners of parent. Dividend forecasts for fiscal 2017 had been 90 yen per share for the full year (40 yen for the interim and 50 yen for the year-end) since "the announcement of the financial statements for fiscal 2016" on February 14, 2017. However, considering the revised consolidated earnings forecasts for fiscal 2017, the Company has amended the forecasts to increase the year-end per-share dividend forecast by 5 yen to 55 yen. As a result, the annual dividend forecast is revised to 95 yen per share (40 yen for the interim and 55 yen for the year-end).

**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. 7, 2017. 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

### (1) Consolidated Balance Sheets

Amount: millions of yen

	FY2016 (As of December 31, 2016)	FY2017 third quarter (As of September 30, 2017)
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and bank deposits	52,272	55,153
Trade notes and accounts receivable	53,724	48,931
Marketable securities	1,178	1,979
Merchandise and finished goods	15,118	16,106
Work in process	14,543	19,849
Raw materials and supplies	10,626	12,405
Deferred tax assets	4,160	4,515
Other current assets	6,029	7,092
Allowance for doubtful accounts	(842)	(825)
<b>Total Current Assets</b>	156,812	165,207
<b>Fixed Assets:</b>		
<b>Property, Plant and Equipment:</b>		
Buildings and structures, net	32,966	34,895
Machinery, equipment and vehicles, net	8,837	10,656
Land	13,065	13,497
Construction in progress	3,453	3,795
Other property, plant and equipment, net	3,654	3,757
<b>Total Property, Plant and Equipment</b>	61,977	66,603
<b>Intangibles:</b>		
Goodwill	387	436
Software	4,082	3,489
Other intangibles	3,453	3,372
<b>Total Intangibles</b>	7,923	7,297
<b>Investments and Other Non-Current Assets:</b>		
Investment securities	8,519	9,995
Deferred tax assets	1,726	2,025
Other investments and other assets	2,764	2,868
Allowance for doubtful accounts	(66)	(62)
<b>Total Investments and Other Non-Current Assets</b>	12,943	14,827
<b>Total Fixed Assets</b>	82,844	88,728
<b>Total Assets</b>	239,657	253,936

Amount: millions of yen

	FY2016 (As of December 31, 2016)	FY2017 third quarter (As of September 30, 2017)
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Trade notes and accounts payable	20,013	21,412
Short-term loans payable	12,463	9,134
Accounts payable - other	14,041	11,991
Accrued income taxes	1,838	3,484
Advances Received	10,162	15,597
Deferred tax liabilities	76	99
Accrued bonuses to employees	914	2,136
Accrued bonuses to directors and corporate auditors	58	422
Reserve for product warranty	1,672	1,891
Provision for loss on disaster	227	99
Other current liabilities	4,607	4,333
<b>Total Current Liabilities</b>	66,076	70,605
<b>Non-Current Liabilities:</b>		
Corporate bonds	15,000	15,000
Long-term loans payable	19,255	18,946
Deferred tax liabilities	931	1,333
Net defined benefit liability	2,191	2,333
Provision for loss on dissolution of the employees' pension fund	1,247	606
Other non-current liabilities	1,763	1,556
<b>Total Non-Current Liabilities</b>	40,389	39,775
<b>Total Liabilities</b>	106,466	110,380
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Common stock	12,011	12,011
Capital surplus	18,717	18,717
Retained earnings	103,104	109,848
Treasury stock	(1,588)	(1,488)
<b>Total Shareholders' Equity</b>	132,244	139,088
<b>Accumulated Other Comprehensive Income</b>		
Net unrealized holding gains on securities	2,928	3,943
Foreign currency translation adjustments	(2,297)	132
Remeasurements of defined benefit plans	(221)	(183)
<b>Total Accumulated Other Comprehensive Income</b>	409	3,892
<b>Subscription Rights to Shares</b>	466	492
<b>Non-controlling Interests</b>	71	80
<b>Total Net Assets</b>	133,191	143,555
<b>Total Liabilities and Net Assets</b>	239,657	253,936

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

Amount: millions of yen

	FY2016 third quarter (Nine months ended September 30, 2016)	FY2017 third quarter (Nine months ended September 30, 2017)
<b>Net Sales</b>	116,901	132,289
<b>Cost of Sales</b>	68,329	76,895
<b>Gross Income</b>	48,572	55,393
<b>Selling, General and Administrative Expenses</b>	37,912	40,780
<b>Operating Income</b>	10,659	14,612
<b>Non-Operating Income</b>		
Interest income	110	83
Dividend income	89	100
Subsidy income	107	15
Other	163	221
Total non-operating income	471	421
<b>Non-Operating Expense</b>		
Interest expense	385	317
Foreign exchange losses	341	285
Other	62	81
Total non-operating expense	789	683
<b>Ordinary Income</b>	10,341	14,350
<b>Extraordinary Gain</b>		
Gain on sales of fixed assets	5	56
Gain on sales of investment securities	0	0
Gain on sales of subsidiaries and affiliates' stocks	240	-
Reversal of provision for loss on dissolution of the employee's pension fund	-	489
Reversal of foreign currency translation adjustment	112	-
Total extraordinary gain	359	546
<b>Extraordinary Loss</b>		
Loss on sales of fixed assets	0	2
Loss on disposal of fixed assets	170	167
Provision for loss on dissolution of the employees' pension fund	177	-
Loss on disaster	940	-
Total extraordinary loss	1,287	169
<b>Income before Income Taxes</b>	9,413	14,727
Income taxes (current)	1,517	4,498
Income taxes (deferred)	612	(566)
Total income taxes	2,129	3,932
<b>Net Income</b>	7,283	10,794
Profit attributable to non-controlling interests	1	9
<b>Net Income attributable to Owners of Parent</b>	7,281	10,785



## (Consolidated Statements of Comprehensive Income)

Amount: millions of yen

	FY2016 third quarter (Nine months ended September 30, 2016)	FY2017 third quarter (Nine months ended September 30, 2017)
<b>Net Income</b>	7,283	10,794
<b>Other Comprehensive Income</b>		
Net unrealized holding gains on securities	(369)	1,014
Deferred gains or losses on hedges	0	-
Foreign currency translation adjustments	(8,380)	2,430
Remeasurements of defined benefit plans	(0)	38
Total other comprehensive income	(8,750)	3,483
<b>Comprehensive Income</b>	(1,467)	14,277
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	(1,460)	14,268
Comprehensive income attributable to non-controlling interests	(6)	9

### **3. Notes to Consolidated Financial Statements**

#### **(1) Significant Items That Form the Basis for Preparation of Consolidated Financial Statements**

##### **(Significant Change in Scope of Consolidation)**

From the first quarter of fiscal 2017, newly-established HORIBA Americas Holding Incorporated (U.S.) has been included in the scope of consolidation.

#### **(2) Application of special accounting for preparing quarterly consolidated financial statement**

##### **(Change in 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.

#### **(3) Changes in Accounting Policies**

##### **(Change in calculation method for tax expenses)**

The Company and its domestic consolidated subsidiaries had previously used fundamental methods for calculating tax expenses. However, in order to improve efficiency of the work of preparing the quarterly financial statements, the Company and its domestic consolidated subsidiaries have changed the methods used in this regard. Accordingly, since the first quarter of fiscal 2017, the methods for calculating tax expenses has been changed to the methods of rationally estimating their annual effective tax rate after the application of the deferred tax accounting to the annual income before income taxes and multiplying quarterly income before income taxes by reasonably estimated annual effective tax rate.

As this change in accounting policy has an immaterial impact on earnings, it has not been retroactively applied.

#### **(4) Business combination**

##### **(Transactions under common control and others)**

HORIBA Advanced Techno, a wholly owned subsidiary of the Company, which took over the water quality and liquid analysis instruments and systems business of the company (hereinafter the "water measurement business"), through absorption-type company split approach, since January 1, 2017.

The absorption-type company split was summarized as follows.

##### **(1) Purpose of the company split**

The HORIBA Group's water measurement business, represented by pH meters, the Group's mainstay product since the foundation of the Company, had been promoted jointly by the Company and HORIBA Advanced Techno. With the aim of business expansion in the water measurement area, as one of the priority initiatives in the HORIBA Mid-Long Term Management Plan, the Company split its water measurement business and integrated it with HORIBA Advanced Techno in order to develop more market-oriented products, improve customer satisfaction, and enhance market competitiveness and earnings power.

##### **(2) Legal method of business combination**

This company split was an absorption-type company split in which HORIBA Advanced Techno was the succeeding company.

##### **(3) Date of business combination**

January 1, 2017

##### **(4) Details of allotments relating to the company split**

The company owned all shares of HORIBA Advanced Techno and there was no consideration such as allotment of shares or payment of cash due to this company split.

##### **(5) Calculation of allotments relating to the company split**

There were no allotments of shares or other assets due to this company split.

##### **(6) Rights and obligations to be succeeded by the successor company**

In accordance with the absorption-type company split agreement, HORIBA Advanced Techno had took over assets, liabilities, other rights and obligations, and contractual status that were considered necessary to carry out the business.

##### **(7) Outline of the successor company**

Capital: 250 million yen

Business: Development, manufacturing, sales and services of measurement equipment

##### **(8) Outline of accounting treatment to be applied**

Based on the "Accounting Standard for Business Combinations" and the "Guidelines on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures," this transfer had been treated as a transaction under common control.

#### 4. Supplemental Information

HORIBA, Ltd. Financial Highlights for the Nine Months Ended September 30, 2017
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##### 1. Consolidated Financial Results

Amount: millions of yen

	12/2016		12/2017		12/2016		12/2017	
	Result		Result		Result		Forecast	
	3Q (9Months)	3Q (9Months)	Amount	Ratio	Full year	Full year	Amount	Ratio
Net Sales	116,901	<b>132,289</b>	+15,387	+13.2%	170,093	<b>190,000</b>	+19,906	+11.7%
Operating Income	10,659	<b>14,612</b>	+3,953	+37.1%	18,499	<b>23,000</b>	+4,500	+24.3%
<i>Operating Income Ratio</i>	9.1%	<b>11.0%</b>	+1.9P		10.9%	<b>12.1%</b>	+1.2P	
Ordinary Income	10,341	<b>14,350</b>	+4,008	+38.8%	18,279	<b>22,000</b>	+3,720	+20.4%
<i>Ordinary Income Ratio</i>	8.8%	<b>10.8%</b>	+2.0P		10.7%	<b>11.6%</b>	+0.9P	
Net Income attributable to Owners of Parent	7,281	<b>10,785</b>	+3,503	+48.1%	12,962	<b>15,000</b>	+2,037	+15.7%
<i>Net Income Ratio</i>	6.2%	<b>8.2%</b>	+2.0P		7.6%	<b>7.9%</b>	+0.3P	
US\$	108.57	<b>111.89</b>	+3.32		108.78	<b>111.00</b>	+2.22	
Euro	121.06	<b>124.58</b>	+3.52		120.26	<b>127.00</b>	+6.74	

##### 2. Consolidated Segment Results

Amount: millions of yen

	12/2016		12/2017		12/2016		12/2017	
	Result		Result		Result		Forecast	
	3Q (9Months)	3Q (9Months)	Amount	Ratio	Full year	Full year	Amount	Ratio
Net Sales	39,426	<b>45,363</b>	+5,936	+15.1%	62,207	<b>71,000</b>	+8,792	+14.1%
Automotive	11,809	<b>12,034</b>	+225	+1.9%	16,753	<b>17,000</b>	+246	+1.5%
Process&Environmental	19,775	<b>18,520</b>	-1,255	-6.3%	26,564	<b>25,000</b>	-1,564	-5.9%
Medical	27,760	<b>38,596</b>	+10,835	+39.0%	38,828	<b>51,000</b>	+12,171	+31.3%
Semiconductor	18,128	<b>17,773</b>	-354	-2.0%	25,738	<b>26,000</b>	+261	+1.0%
Scientific	116,901	<b>132,289</b>	+15,387	+13.2%	170,093	<b>190,000</b>	+19,906	+11.7%
Total								
Operating Income	63	<b>2,283</b>	+2,220	-	3,529	<b>5,700</b>	+2,170	+61.5%
Automotive	1,122	<b>422</b>	-700	-62.4%	1,540	<b>600</b>	-940	-61.0%
Process&Environmental	2,221	<b>1,236</b>	-985	-44.4%	2,806	<b>1,700</b>	-1,106	-39.4%
Medical	7,149	<b>11,163</b>	+4,013	+56.1%	9,678	<b>14,500</b>	+4,821	+49.8%
Semiconductor	102	<b>(492)</b>	-595	-	944	<b>500</b>	-444	-47.1%
Scientific	10,659	<b>14,612</b>	+3,953	+37.1%	18,499	<b>23,000</b>	+4,500	+24.3%
Total								

### 3. Consolidated Segment Sales by Destination

Amount: millions of yen

	12/2016		12/2017		12/2016		12/2017	
	Result	Result	Changes		Result	Forecast	Changes	
	3Q (9Months)	3Q (9Months)	Amount	Ratio	Full year	Full year	Amount	Ratio
<b>Automotive</b>	<b>39,426</b>	<b>45,363</b>	+5,936	+15.1%	<b>62,207</b>	<b>71,000</b>	+8,792	+14.1%
Japan	13,757	<b>18,154</b>	+4,397	+32.0%	19,063	<b>24,300</b>	+5,236	+27.5%
Asia	8,730	<b>8,815</b>	+84	+1.0%	14,310	<b>15,000</b>	+689	+4.8%
Americas(*)	5,657	<b>5,761</b>	+103	+1.8%	9,192	<b>9,800</b>	+607	+6.6%
Europe	11,281	<b>12,632</b>	+1,351	+12.0%	19,642	<b>21,900</b>	+2,257	+11.5%
<b>Process&amp;Environmental</b>	<b>11,809</b>	<b>12,034</b>	+225	+1.9%	<b>16,753</b>	<b>17,000</b>	+246	+1.5%
Japan	6,532	<b>6,953</b>	+421	+6.4%	9,067	<b>10,000</b>	+932	+10.3%
Asia	1,535	<b>2,201</b>	+666	+43.4%	2,748	<b>3,000</b>	+251	+9.1%
Americas(*)	2,390	<b>1,443</b>	-947	-39.6%	2,935	<b>2,000</b>	-935	-31.9%
Europe	1,351	<b>1,436</b>	+84	+6.3%	2,001	<b>2,000</b>	-1	-0.1%
<b>Medical</b>	<b>19,775</b>	<b>18,520</b>	-1,255	-6.3%	<b>26,564</b>	<b>25,000</b>	-1,564	-5.9%
Japan	4,393	<b>4,284</b>	-109	-2.5%	5,877	<b>6,000</b>	+122	+2.1%
Asia	3,711	<b>3,582</b>	-128	-3.5%	4,852	<b>4,800</b>	-52	-1.1%
Americas(*)	4,766	<b>4,106</b>	-659	-13.8%	6,599	<b>5,500</b>	-1,099	-16.7%
Europe	6,904	<b>6,547</b>	-357	-5.2%	9,235	<b>8,700</b>	-535	-5.8%
<b>Semiconductor</b>	<b>27,760</b>	<b>38,596</b>	+10,835	+39.0%	<b>38,828</b>	<b>51,000</b>	+12,171	+31.3%
Japan	10,707	<b>13,475</b>	+2,767	+25.8%	15,004	<b>18,200</b>	+3,195	+21.3%
Asia	11,753	<b>18,312</b>	+6,559	+55.8%	16,969	<b>23,800</b>	+6,830	+40.3%
Americas(*)	3,839	<b>4,829</b>	+989	+25.8%	4,980	<b>6,600</b>	+1,619	+32.5%
Europe	1,460	<b>1,979</b>	+519	+35.6%	1,874	<b>2,400</b>	+525	+28.0%
<b>Scientific</b>	<b>18,128</b>	<b>17,773</b>	-354	-2.0%	<b>25,738</b>	<b>26,000</b>	+261	+1.0%
Japan	5,484	<b>4,485</b>	-998	-18.2%	7,509	<b>6,500</b>	-1,009	-13.4%
Asia	4,527	<b>4,938</b>	+411	+9.1%	6,082	<b>7,400</b>	+1,317	+21.7%
Americas(*)	4,423	<b>4,811</b>	+387	+8.8%	6,562	<b>7,100</b>	+537	+8.2%
Europe	3,693	<b>3,537</b>	-155	-4.2%	5,584	<b>5,000</b>	-584	-10.5%
<b>Total</b>	<b>116,901</b>	<b>132,289</b>	+15,387	+13.2%	<b>170,093</b>	<b>190,000</b>	+19,906	+11.7%
Japan	40,875	<b>47,353</b>	+6,477	+15.8%	56,522	<b>65,000</b>	+8,477	+15.0%
Asia	30,257	<b>37,851</b>	+7,593	+25.1%	44,963	<b>54,000</b>	+9,036	+20.1%
Americas(*)	21,077	<b>20,951</b>	-126	-0.6%	30,270	<b>31,000</b>	+729	+2.4%
Europe	24,690	<b>26,133</b>	+1,442	+5.8%	38,337	<b>40,000</b>	+1,662	+4.3%

(Note) Americas includes all countries in North America and South America.

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

Amount: millions of yen

	12/2016		12/2017	
	3Q (9Months)	Full-year Result	3Q (9Months)	Full-year Forecast
	Capital Expenditures (*)	8,790	13,796	8,399
Depreciation	4,959	6,816	5,624	7,200
R&D Expenses	9,457	12,933	10,083	14,000

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

## 5. Consolidated Financial Results (Quarterly Comparison)

Amount: millions of yen

	12/2016 Result				12/2017			
	1Q	2Q	3Q	4Q	1Q Result	2Q Result	3Q Result	4Q Forecast
	<b>Net Sales</b>	41,270	38,713	36,917	53,191	45,668	41,660	44,961
<b>Operating Income</b>	5,172	2,606	2,880	7,840	6,185	3,516	4,911	8,387
<i>Operating Income Ratio</i>	12.5%	6.7%	7.8%	14.7%	13.5%	8.4%	10.9%	14.5%
<b>Ordinary Income</b>	5,100	2,496	2,744	7,937	6,041	3,528	4,780	7,649
<i>Ordinary Income Ratio</i>	12.4%	6.4%	7.4%	14.9%	13.2%	8.5%	10.6%	13.3%
<b>Net Income attributable to Owners of Parent</b>	3,181	946	3,153	5,680	3,778	2,681	4,325	4,214
<i>Net Income Ratio</i>	7.7%	2.4%	8.5%	10.7%	8.3%	6.4%	9.6%	7.3%
<b>US\$</b>	115.35	108.05	102.31	109.41	113.60	111.08	110.99	108.33
<b>Euro</b>	127.15	121.89	114.14	117.86	121.05	122.27	130.42	134.26

## 6. Consolidated Segment Results (Quarterly Comparison)

Amount: millions of yen

	12/2016 Result				12/2017			
	1Q	2Q	3Q	4Q	1Q Result	2Q Result	3Q Result	4Q Forecast
	<b>Net Sales</b>							
<b>Automotive</b>	14,964	13,164	11,298	22,781	17,317	13,309	14,736	25,636
Process&Environmental	4,157	3,641	4,010	4,943	4,194	3,884	3,955	4,965
<b>Medical</b>	6,939	6,860	5,975	6,789	6,049	6,299	6,170	6,479
<b>Semiconductor</b>	8,689	9,205	9,865	11,068	12,261	12,497	13,837	12,403
<b>Scientific</b>	6,519	5,841	5,767	7,609	5,845	5,668	6,260	8,226
<b>Total</b>	41,270	38,713	36,917	53,191	45,668	41,660	44,961	57,710
<b>Operating Income</b>								
<b>Automotive</b>	1,124	(570)	(490)	3,466	2,103	65	114	3,416
Process&Environmental	666	200	254	418	173	147	100	177
<b>Medical</b>	828	764	628	584	469	383	383	463
<b>Semiconductor</b>	2,329	2,153	2,666	2,528	3,499	3,299	4,364	3,336
<b>Scientific</b>	222	57	(177)	841	(61)	(379)	(51)	992
<b>Total</b>	5,172	2,606	2,880	7,840	6,185	3,516	4,911	8,387

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

Amount: millions of yen

	12/2016 Result				12/2017			
	1Q	2Q	3Q	4Q	1Q Result	2Q Result	3Q Result	4Q Forecast
	<b>Orders</b>							
<b>Automotive</b>	12,316	14,777	18,638	22,199	17,338	19,589	22,284	-
Process&Environmental	3,447	4,111	3,684	5,016	3,741	4,505	5,013	-
<b>Medical</b>	7,654	6,465	5,600	6,632	6,669	6,284	6,077	-
<b>Semiconductor</b>	9,563	9,659	10,477	11,867	14,461	12,755	13,136	-
<b>Scientific</b>	5,623	5,358	5,858	8,673	5,153	6,023	7,545	-
<b>Total</b>	38,605	40,372	44,259	54,389	47,365	49,158	54,058	-
<b>Backlog</b>								
<b>Automotive</b>	40,566	42,180	49,520	48,938	48,959	55,239	62,787	-
Process&Environmental	4,106	4,576	4,249	4,323	3,870	4,491	5,549	-
<b>Medical</b>	4,353	3,958	3,583	3,426	4,046	4,031	3,938	-
<b>Semiconductor</b>	4,018	4,467	5,080	5,879	8,079	8,337	7,636	-
<b>Scientific</b>	8,343	7,863	7,955	9,018	8,326	8,681	9,966	-
<b>Total</b>	61,387	63,046	70,388	71,586	73,282	80,781	89,878	-

### Contact

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