

## Contents

**HORIBA**

- 2012 1<sup>st</sup> Half Results
- 2012 Full Year Plan
- Business Segment Outline
- Other Topics
- Corporate Profile

< Disclaimer >

Plans and forecasts detailed in this presentation, that do not constitute historical facts, are predictions concerning future business results. These statements are based on judgments made in accordance with information available at the time of producing this presentation.

All rights reserved. Reproduction in whole or part of this presentation without permission is prohibited.

Additional information is available at our website: <http://www.horiba.com>

Explore the future

Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

**HORIBA**

3

© 2012 HORIBA, Ltd. All rights reserved.

2012  
1<sup>st</sup> Half

## 2012 1<sup>st</sup> Half Results

**HORIBA**

(Billions of Yen)

	2011	2012		
	1 <sup>st</sup> Half Results	1 <sup>st</sup> Half Results	vs. 2011	Plan at May 9
Sales	60.0	56.9	-3.0 (-5.1%)	60.5
O.P.	6.8	5.3	-1.5 (-22.2%)	6.3
O.P. %	11.4%	9.3%	-2.1P	10.4%
Ordinary profit	6.8	5.0	-1.7 (-25.4%)	5.9
Net profit	4.2	3.0	-1.2 (-28.7%)	3.8
ROE	5.0%	3.3%	-1.7P	4.1%

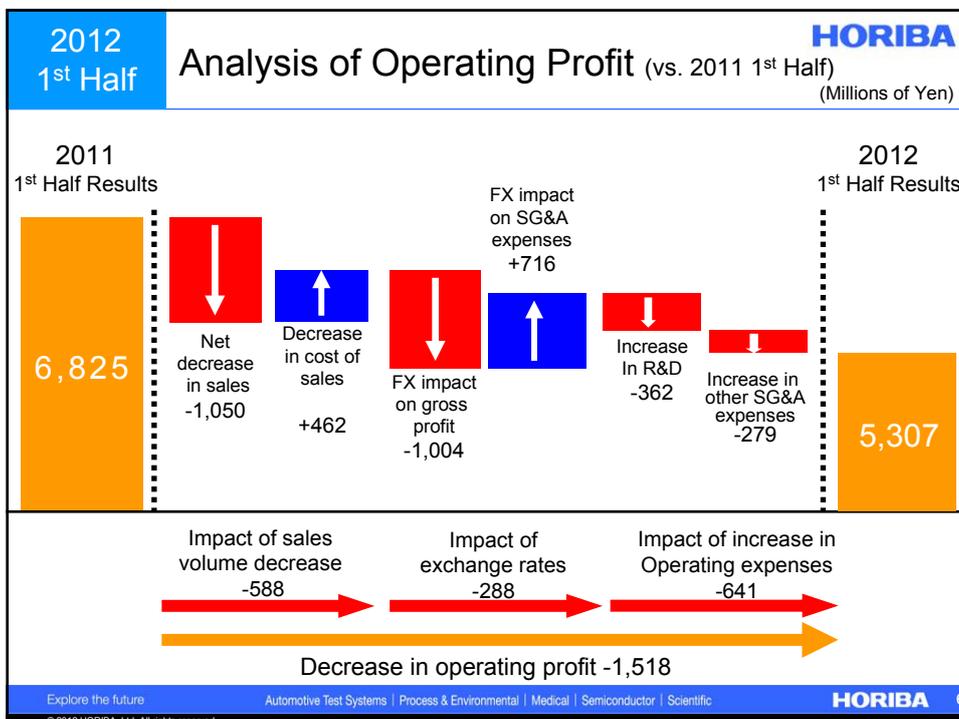
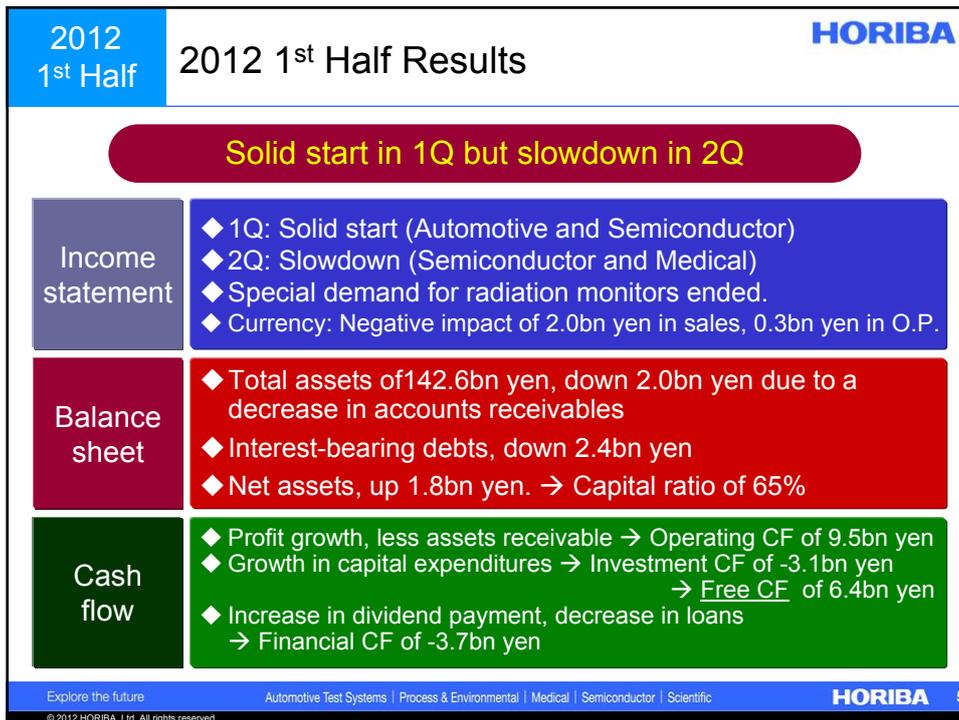
Explore the future

Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

**HORIBA**

4

© 2012 HORIBA, Ltd. All rights reserved.



	Sales		vs. 2011	O.P.		vs. 2011
	2011 1st Half	2012 1st Half		2011 1st Half	2012 1st Half	
	Auto	17.1		18.5	+1.4	
Medical	11.9	11.0	-0.9	1.8	1.3	-0.4
Semiconductor	14.4	10.4	-4.0	3.2	1.9	-1.3
Scientific	10.2	9.8	-0.3	0.2	0.2	-0
P&E	6.2	7.1	+0.8	0.6	1.0	+0.3
<b>Total</b>	<b>60.0</b>	<b>56.9</b>	<b>-3.0</b>	<b>6.8</b>	<b>5.3</b>	<b>-1.5</b>

Explore the future | Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific | HORIBA 7  
© 2012 HORIBA, Ltd. All rights reserved.

Sales	2011		2012		1st Half
	1Q	2Q	1Q	2Q	
Auto	8.2	8.8	9.1	9.3	18.5
Medical	5.7	6.2	5.5	5.4	11.0
Semicon	6.9	7.4	5.5	4.9	10.4
Scientific	5.3	4.8	5.1	4.6	9.8
P&E	2.9	3.3	4.1	3.0	7.1
<b>Total</b>	<b>29.3</b>	<b>30.7</b>	<b>29.5</b>	<b>27.4</b>	<b>56.9</b>

O.P.	2011		2012		1st Half
	1Q	2Q	1Q	2Q	
Auto	0.3	0.4	0.5	0.1	0.7
Medical	0.7	1.0	0.7	0.6	1.3
Semicon	1.5	1.7	1.2	0.7	1.9
Scientific	0.1	0.0	0.2	0.0	0.2
P&E	0.2	0.4	0.8	0.1	1.0
<b>Total</b>	<b>3.1</b>	<b>3.6</b>	<b>3.6</b>	<b>1.6</b>	<b>5.3</b>

**QoQ comparison**  
(2012 1Q vs. 2Q)

[Sales]

- Fell in all segments excluding Auto.
- Dropped sharply in P&E and Semiconductors.

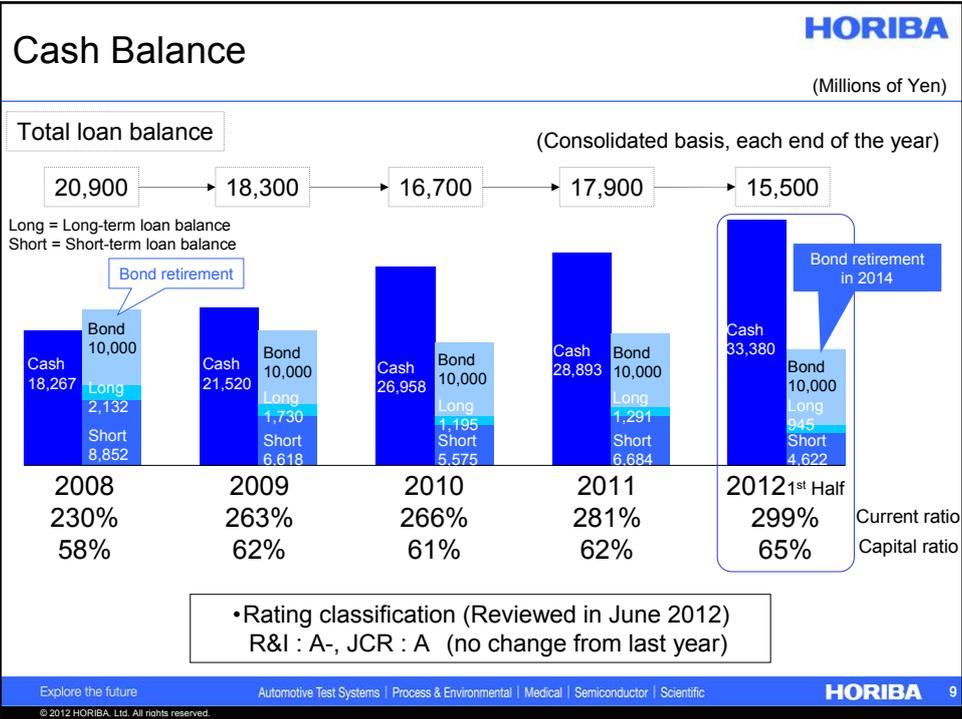
[O.P.]

- Decreased in all segments.

**YoY comparison**  
(2011.2Q vs. 2012.2Q)

- Sales fell in all segments excluding Auto.
- Profits dropped sharply in Semiconductors. (Demand peaked in 2Q of 2011.)

Explore the future | Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific | HORIBA 8  
© 2012 HORIBA, Ltd. All rights reserved.

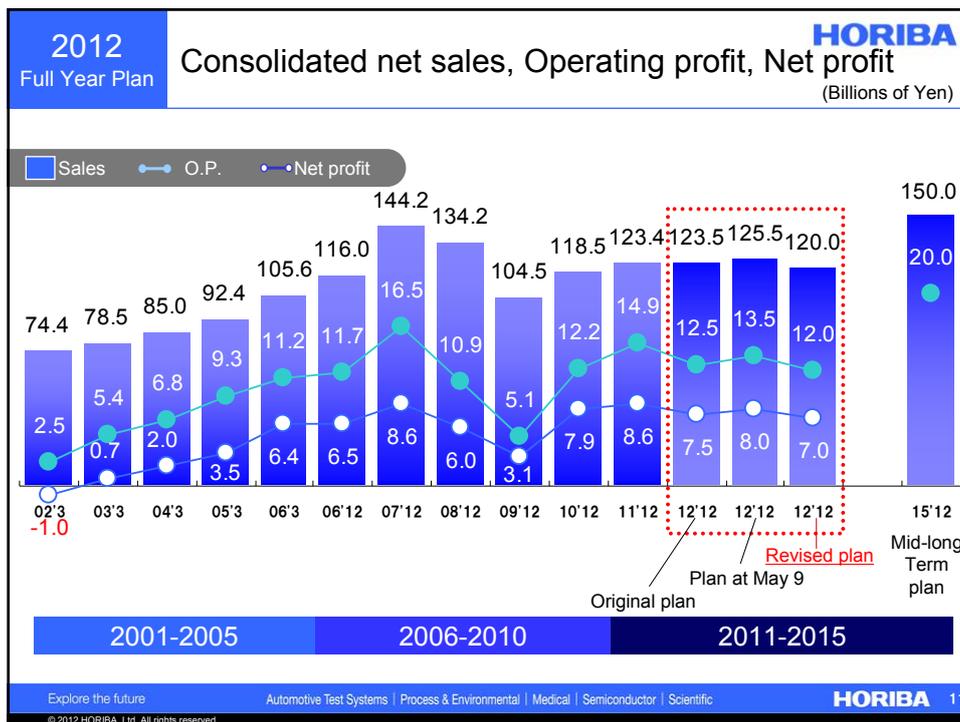


## Contents

**HORIBA**

- 2012 1<sup>st</sup> Half Results
- **2012 Full Year Plan**
- Business Segment Outline
- Other Topics
- Corporate Profile

Explore the future | Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific | **HORIBA** 10  
 © 2012 HORIBA, Ltd. All rights reserved.



**2012 Full Year Plan** Consolidated Outlook for 2012 (Billions of Yen) **HORIBA**

	2011	2012		Previous
	Results	Revised Plan	vs. 2011	
Sales	123.4	120.0	-3.4 (-2.8%)	125.5
O.P.	14.9	12.0	-2.9 (-19.5%)	13.5
O.P. %	12.1%	10.0%	-2.1P	10.8%
Ordinary profit	14.6	11.3	-3.3 (-22.7%)	12.7
Net profit	8.6	7.0	-1.6 (-19.2%)	8.0
ROE	9.9%	7.5%	-2.4P	8.5%
Exchange rate	2011 Results	US\$=79.80 yen	EUR=111.13 yen	
	2012 Plan	US\$=80 yen	EUR=100 yen	
	Sensitivity O.P. 1 yen appreciation → US\$:134mn yen, EUR:23mn yen			

© 2012 HORIBA, Ltd. All rights reserved. **HORIBA** 12

2012 Full Year Plan		Segment Business Plan				HORIBA (Billions of Yen)			
	Sales				Operating profit				
	2011 Results	2012 Previous	2012 Revised	vs. Previous	2011 Results	2012 Previous	2012 Revised	vs. Previous	
Auto	38.6	42.5	43.0	+0.5	2.8	2.5	2.7	+0.2	
Medical	23.4	24.0	22.5	-1.5	3.1	3.5	3.0	-0.5	
Semi	24.6	23.5	20.5	-3.0	4.9	4.0	3.3	-0.7	
Scientific	22.0	21.5	20.5	-1.0	1.4	1.6	1.3	-0.3	
P&E	14.5	14.0	13.5	-0.5	2.5	1.9	1.7	-0.2	
<b>Total</b>	<b>123.4</b>	<b>125.5</b>	<b>120.0</b>	<b>-5.5</b>	<b>14.9</b>	<b>13.5</b>	<b>12.0</b>	<b>-1.5</b>	

※Previous plan was announced on May 9.

Explore the future | Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific | HORIBA 13  
© 2012 HORIBA, Ltd. All rights reserved.

Contents		HORIBA	
<ul style="list-style-type: none"> <li>• 2012 1<sup>st</sup> Half Results</li> <li>• 2012 Full Year Plan</li> <li>• <b>Business Segment Outline</b></li> <li>• Other Topics</li> <li>• Corporate Profile</li> </ul>			

Explore the future | Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific | HORIBA 14  
© 2012 HORIBA, Ltd. All rights reserved.

## Topics on 2012

**HORIBA**

- Automotive
  - New exhaust gas analyzer "MEXA-ONE" launched
- Medical
  - New reagent plants will be opened,
    - Japan (August), Brazil (December)
- Semiconductor
  - Steady shipment for Silicon-semi till the end of June
  - No sign of recovery for LED/PV
- Scientific
  - New R&D center will be opened in October (near Paris)
- P&E
  - Radiation monitor demand has been decreasing



Explore the future | Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

**HORIBA** 15

© 2012 HORIBA, Ltd. All rights reserved.

Auto

## 2012 1<sup>st</sup> Half Results / 2012 Full Year Plan

**HORIBA**

(Billions of Yen)

### 2012 1<sup>st</sup> Half Results

Emission Measurement System (EMS) (Sales 12.7bn yen)

⊕ 1Q : Steady due to shipment in Mar. (Japan)

⊖ 2Q : Slow shipment, except in Asia

Mechatronics (MCT) (Sales 4.1bn yen)

⊖ EU/Asia recovered in 2Q but short to plan

HIT (Sales 1.7bn yen)

⊕ Steady shipment and profit exceeded plan

Sales / O.P. (every 6 month)

### 2012 Full Year Plan

EMS (Sales 28.5bn yen)

⊕ Increase in inquiry

⊖ The stronger yen lowers profitability

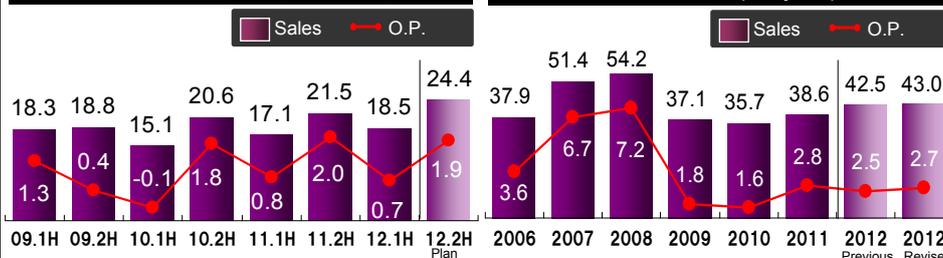
MCT (Sales 11.5bn yen)

⊕ Increase in inquiry. Accomplish shipment budget.

HIT (Sales 3.0bn yen)

⊕ Growth in market. Aim to recover margin.

Sales / O.P. (full year)



Explore the future | Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

**HORIBA** 16

© 2012 HORIBA, Ltd. All rights reserved.

Over 8,500 units are supplied to customers worldwide

Emerging as a new standard in emission testing

Started to accept orders globally in August



**Feature 1** Maximum system availability



**Wide application range**  
New functions and features provide highly accurate measurement



**Improved test facility**  
More efficient facility operations due to enhanced durability and maintainability



**Increased test efficiency**  
Faster response, optimized functionality and reduced running cost

**Feature 2** Adopted "HORIBA One Platform," a new integrated operation platform

**Japan**

1. Solid demand for EMS
2. Rise in MCT projects and market share
3. Steady shipment for HIT

**Europe**

1. Steady investment by automakers  
Rise in MCT projects
2. Need to achieve breakeven in MCT business

**US**

1. Firm order trend of EMS
2. Major customers increasingly adopt MCT products  
→ A wave of investments in developing Hybrid cars

**Asia (ex Japan)**

China Demand expansion continued  
Rise in MCT projects  
India Delay in the NATRiP project (10mn euro), but expect to be profitable in 2012 with a recovery in other products.

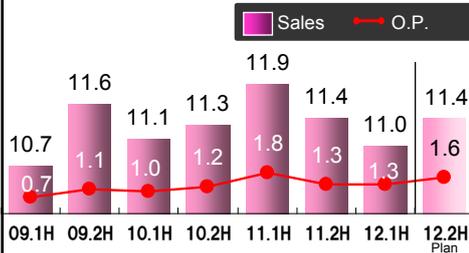
(Billions of Yen)

2012 1st Half Results

Overseas

- ⊕ Steady sales in EU/Asia
  - ⊖ Sales slowdown in North America
  - ⊖ Weak euro → Sales decrease in yen
- Japan
- ⊕ CBC+CRP analyzers: Favorable

Sales / O.P. (every 6 month)

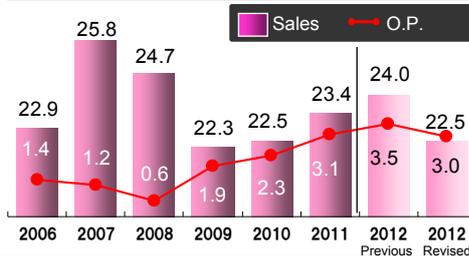


2012 Full Year Plan

Overseas

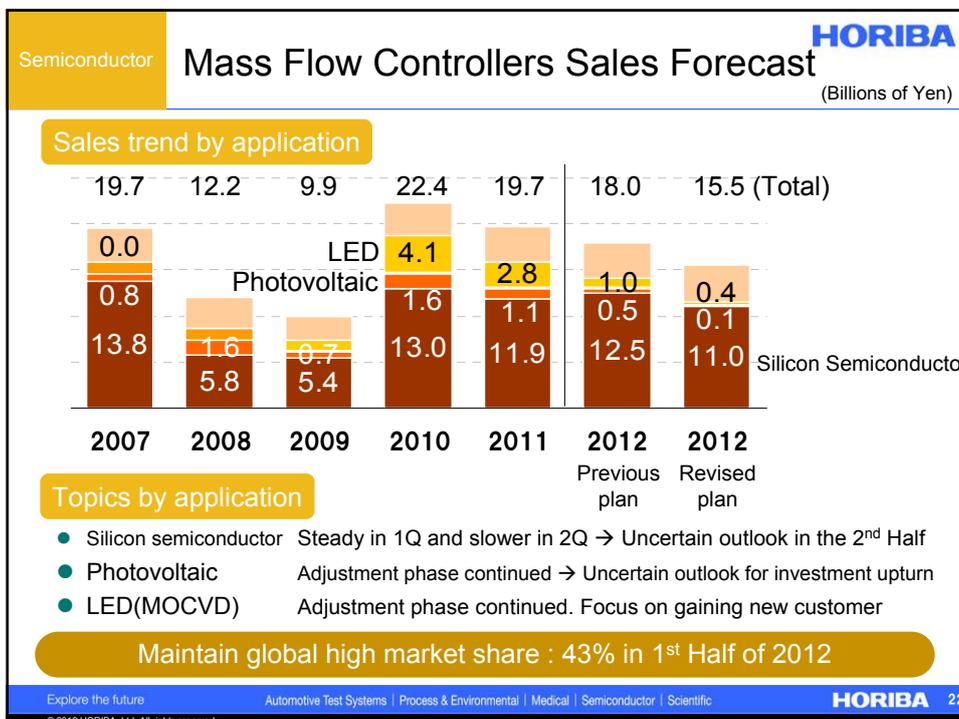
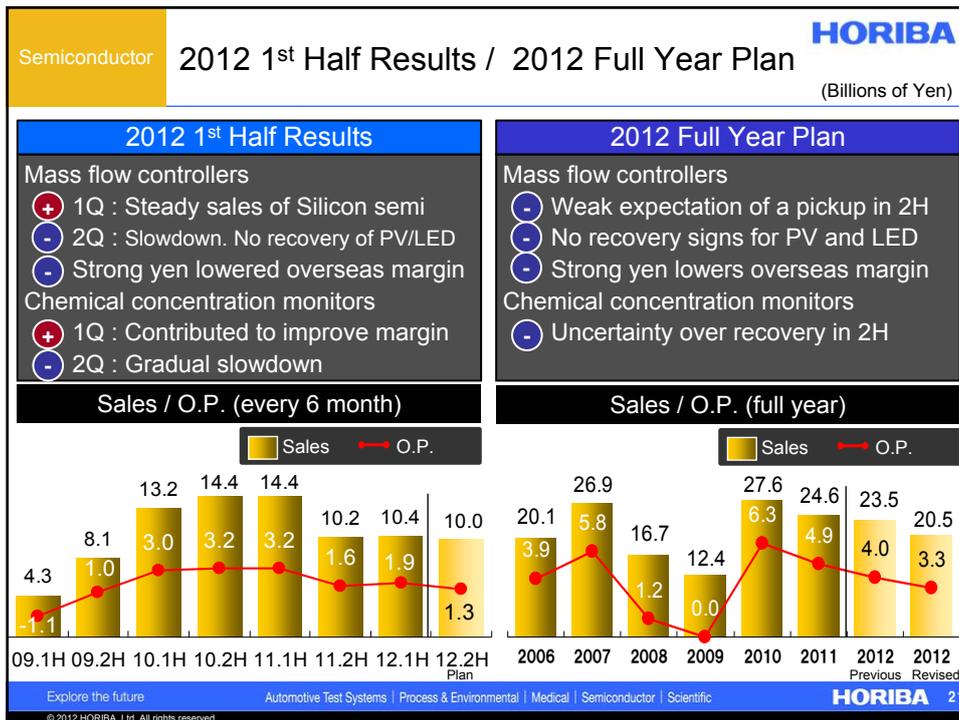
- ⊖ Concerns over Europe's economic downturn
  - ⊖ Sales slowdown in North America
  - ⊖ Weak euro → Sales decrease in yen
- Japan
- ⊕ CBC+CRP analyzers: Favorable

Sales / O.P. (full year)



- Accelerate construction of reagent factory (under construction in Brazil and India)
  - New reagent factories are constructed near the areas of huge consumption, with the aim of saving transportation and inventory costs and improving profitability.
  - Plan to expand in Asia, East Asia and North America.





2012 1st Half Results

Japan

- ⊕ Steady flows of inquiries for cutting-edge material analysis
- ⊕ Good start-up of new models (ex pH meter)

Overseas

- ⊖ Budget cuts in U.S. and Europe
- ⊖ Weak euro → Sales decrease in yen

Sales / O.P. (every 6 month)



2012 Full Year Plan

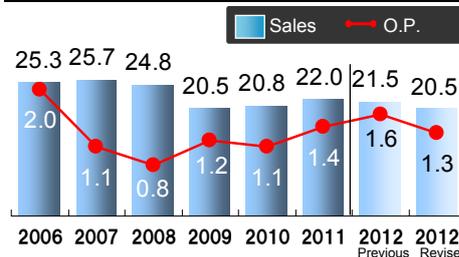
Japan

- ⊕ Expect solid demand for cutting-edge material analysis
- ⊖ Limited impact from government budget increase

Overseas

- ⊖ Government budget cuts in U.S. and Europe
- ⊖ Weak euro → Sales decrease in yen

Sales / O.P. (full year)



1. Optical analyzer from HORIBA Jobin Yvon

- Target: Ultra fine carbon materials, Lithium ion batteries
- Customer: University and corporate research institutions



2. Analyzers of detrimental elements for RoHS

- Target: Analysis and checking of cadmium or lead
- Customer: Quality control divisions of manufacturers



3. Portable elemental analyzers

- Target: Component analysis of metals or rubble
- Customer: Quality control divisions of manufacturers



4. Portable easy-to-use pH analyzers

- Target: Multi-purpose water quality analysis
- Customer: companies, research institutions, and schools



Accelerate new product launch

Enlarge shares in the targeted markets

2012 1st Half Results

Japan

- ⊕ 1Q : Steady sales of Stack gas analyzers and Radiation monitors
  - ⊖ 2Q : Slowdown in sales of those products
- Overseas
- ⊖ Strong yen → Lower overseas margin

Sales / O.P. (every 6 month)

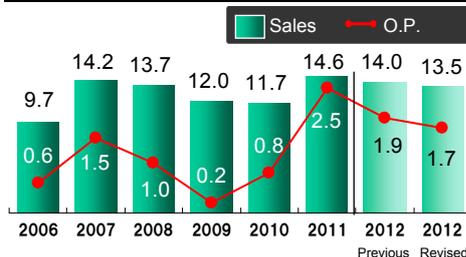


2012 Full Year Plan

Japan

- ⊖ Demand of Radiation monitors slows down
  - ⊕ Steady demand of maintenance services of Stack gas analyzers in thermal power plants
- Overseas
- ⊕ Demand growth in East Asia. Good prospects for after 2013.

Sales / O.P. (full year)



Radiation Monitors

**Sales** 2011 : 33,500 units (100 units p.a. before the earth quake of 2011)  
 2012 1st half : 11,500 units (9,300 units in 1Q, 2,200 units in 2Q)

**Customer** Public sector(50%), Private sector(30%), Individuals(20%)

Demand growth for a new model with a communication device for identifying decontaminated areas (mapping)

Enhanced sales and service systems

- Opened a new service station in Fukushima prefecture



Portable Gas Analyzers

**Target** : Thermal power and other plants, research Institutions

**Trend** : Expect to contribute to the next-generation energy development (i.e., biogas generation system)



Water Quality Analyzers

**Target** : Water-quality total-volume restrictions (Japan), monitoring of waste water at factories and plants

**Trend** : Expect replacement demand growth with the next regulation



## Contents

HORIBA

- 2012 1<sup>st</sup> Half Results
- 2012 Full Year Plan
- Business Segment Outline
- **Other Topics**
- Corporate Profile

Explore the future

Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

HORIBA 27

© 2012 HORIBA, Ltd. All rights reserved.

## Accelerate global investments

HORIBA



### Japan (Aso in Kumamoto pref.)

- The maximum scale factory in our group (opened in August 2012)
- Production expansion for testing reagent (Medical)
- Investment : 1.5bn yen (1.0bn in 2012)

New site



### France (Paris)

- New R&D center for Scientific segment  
(will be opened in October 2012)
- Investment : 2.0bn yen (0.9bn in 2012)
- Enhance collaboration with  
École Polytechnique  
(step up R&D on  
industry-government-academia)



Explore the future

Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

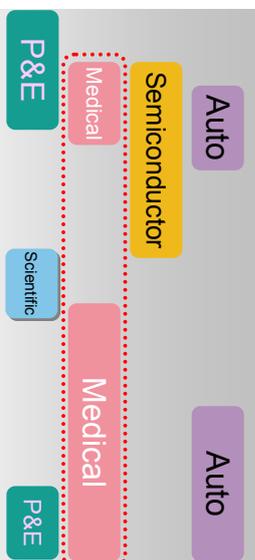
HORIBA 28

© 2012 HORIBA, Ltd. All rights reserved.

## Accelerate global investments (all items)



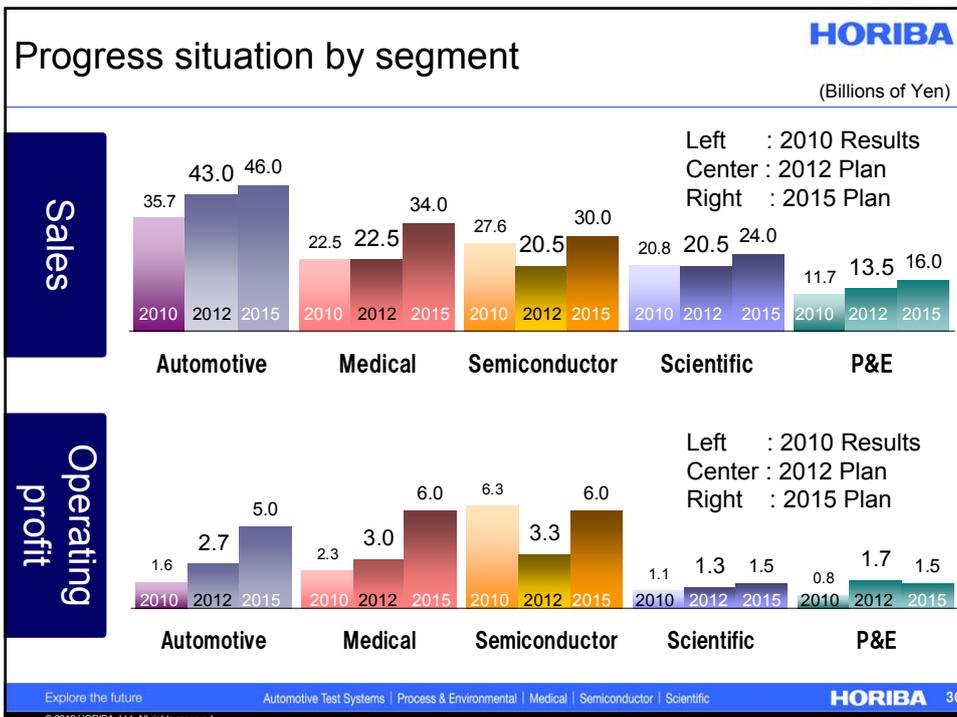
- ✓ Viet Nam (Hanoi)
  - Representative office (opened in Jan. 2011)
  - Focus on P&E business
- ✓ China (Shanghai)
  - New reagent factory (opened in Feb. 2011)
  - Investment : 0.3bn yen (in 2010)
- ✓ China (Beijing)
  - HORIBA Metron (joint venture company)
  - Focus on production for Mass Flow Controller
- ✓ Taiwan
  - Incorporated for local operation
  - Focus on Semiconductor business
- France (Paris)
  - New R&D center will be opened in 2012 autumn
  - Investment : 2.0bn yen (1.1bn yen in 2011)
- ✓ Japan (Aso in Kyusyu prefecture)
  - Reagent factory will be expanded in 2012 summer
  - Investment : 1.5bn yen (0.4bn yen in 2011)
- ✓ Indonesia
  - Representative office (opened in Oct. 2011)
  - Focus on Medical business
- Brazil (Sao Paolo)
  - Reagent factory will be expanded in 2012
  - Investment : 0.7bn yen (0.2bn yen in 2011)
- India (Delhi, Pune, Mumbai, Bangalore)
  - Formulation of hub site
  - Focus on Automotive, Medical and P&E businesses



Explore the future
Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

29

© 2012 HORIBA, Ltd. All rights reserved.



# HORIBA, Ltd. P&L



(Billions of Yen)

	1 <sup>st</sup> half			Full year		
	2011 Results	2012 Results	vs. 2011	2011 Results	2012 Plan	vs. 2011
Sales	24.6	27.0	+2.4	51.9	53.5	+1.6
O.P.	2.3	2.7	+0.4	5.7	4.2	-1.5
O.P. %	9.2%	9.8%	+0.6P	10.9%	7.9%	-3.0P
Ordinary profit	4.7	4.9	+0.2	8.3	6.2	-2.1
Net profit	3.8	4.0	+0.2	5.5	4.5	-1.0

Explore the future

Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

HORIBA 31

© 2012 HORIBA, Ltd. All rights reserved.

# Financial Policies

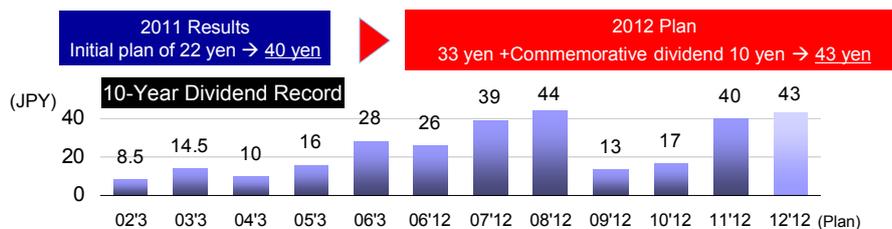


## Dividend Policy

- Maintain a standard payout ratio of 30% of net profit (non-consolidated base)  
\* Dividends paid by group companies are included in net profit of HORIBA, Ltd.

## Per-Share Dividend Amount

- 2011: 40 yen (9 yen at 2Q-end and 31 yen at year-end) up 23 yen vs. 2010
- 2012 Plan: 43 yen (15 yen at 2Q-end and 28 yen at year-end, including 10 yen commemorative dividend)



Explore the future

Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

HORIBA 32

© 2012 HORIBA, Ltd. All rights reserved.

## HORIBA celebrates its 60th anniversary in 2013

**HORIBA**



### The design of the logo

The theme to celebrate HORIBA, Ltd.'s 60th anniversary is "TASUKI: Handing on Omoi." A tasuki is the sash worn in an ekiden (long distance relay race). A sash in the corporate color, and five colors representing the five business segments, forms a "60." On the sash is the message, "Handing on Omoi. From our predecessors to the next generation and the world."

Omoi means an emotional feeling, passion, thoughts, enthusiasm, desire, aspiration, ambition, commitment, mission, and objective.

Explore the future

Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

**HORIBA** 33

© 2012 HORIBA, Ltd. All rights reserved.

## Contents

**HORIBA**

- 2012 1<sup>st</sup> Half Results
- 2012 Full Year Plan
- Business Segment Outline
- Other Topics
- **Corporate Profile**

Explore the future

Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

**HORIBA** 34

© 2012 HORIBA, Ltd. All rights reserved.

## Corporate Philosophy

HORIBA

Corporate motto

JOY and FUN



- To have interest and pride in our work
- To enjoy our lives

Explore the future

Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

HORIBA 35

© 2012 HORIBA, Ltd. All rights reserved.

## Key Figures

HORIBA

- Sales (Fiscal 2011)  
123.4bn yen  
(1,588 MUSD)
- R&D Expenditure  
8.1% of net sales
- Operating Profit  
14.9bn yen  
(191 MUSD)
- ROE  
9.9%
- Worldwide Employees  
5,448

\*HORIBA observes fiscal year by January - December.

Explore the future

Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific

HORIBA 36

© 2012 HORIBA, Ltd. All rights reserved.

**HORIBA**

## Well Balance Business Operation -Five Business Segments-

	<b>Automotive Test Systems</b> <ul style="list-style-type: none"> <li>Emission Measurement Systems (EMS)</li> <li>Mechatronics Devices (MCT)</li> <li>Test Automation Systems (TAS)</li> </ul>	
	<b>Process &amp; Environmental</b> <ul style="list-style-type: none"> <li>Environmental Systems</li> <li>Environmental Regulation &amp; Process Business</li> </ul>	
	<b>Medical</b> <ul style="list-style-type: none"> <li>In-Vitro Diagnostic (IVD) Systems</li> <li>Integration of HORIBA ABX's Technology &amp; Marketing Know-How</li> </ul>	
	<b>Semiconductor</b> <ul style="list-style-type: none"> <li>Mass Flow Controller</li> <li>In-situ Analysis</li> <li>Synergy among HORIBA HQ, HORIBA STEC and HORIBA Jobin Yvon's Technologies</li> </ul>	
	<b>Scientific</b> <ul style="list-style-type: none"> <li>Synergy of HORIBA and HORIBA Jobin Yvon's Technologie</li> <li>Raman, Grating, and Fluorescence</li> </ul>	

Explore the future    Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific    **HORIBA** 37

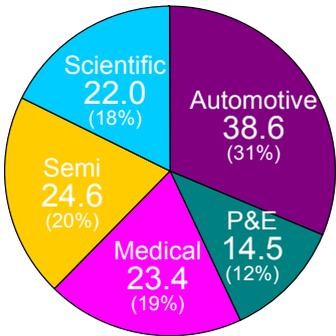
© 2012 HORIBA, Ltd. All rights reserved.

**HORIBA**

## Well Balance Business Operation -Five Business Segments-

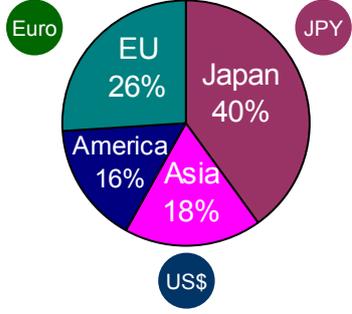
**Business & Geographic Composition of Sales(2011)**

**Sales 123.4bn yen**



Segment	Value (Bn Yen)	Percentage
Automotive	38.6	31%
Semi	24.6	20%
Medical	23.4	19%
Scientific	22.0	18%
P&E	14.5	12%

(Billions of Yen)

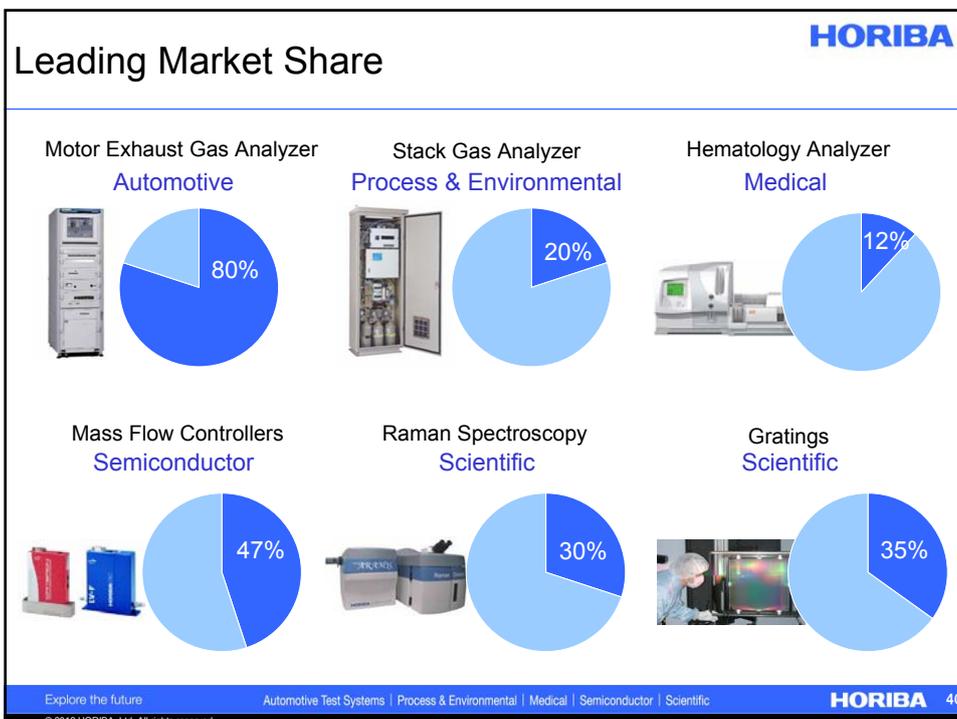
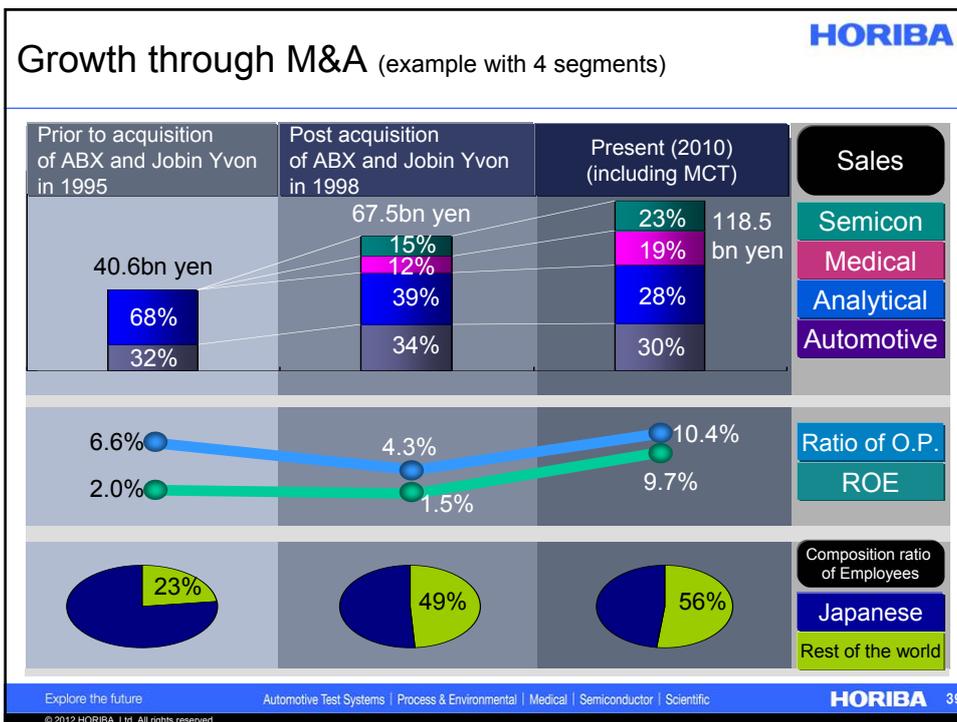


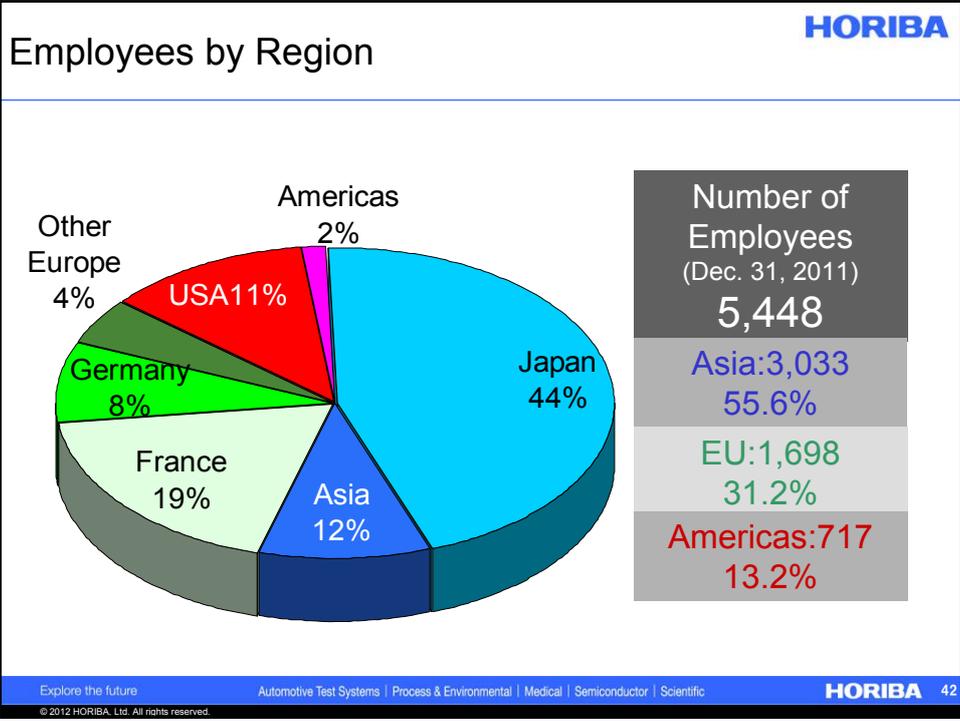
Region	Percentage
Japan	40%
EU	26%
Asia	18%
America	16%

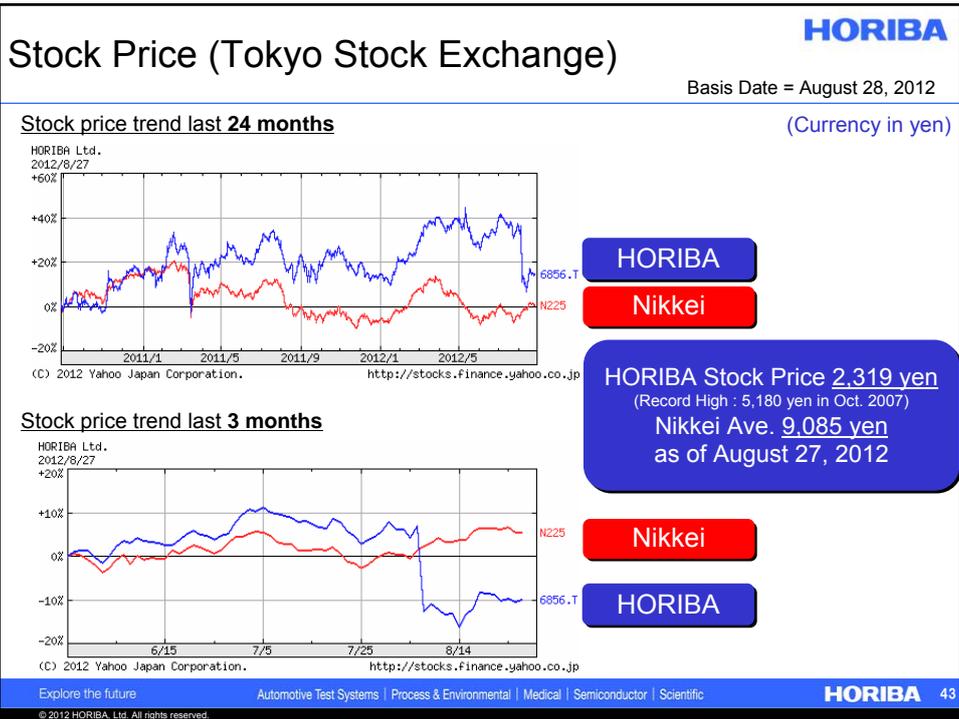
Reduce Country Risk and Exchange Risk

Explore the future    Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific    **HORIBA** 38

© 2012 HORIBA, Ltd. All rights reserved.







**HORIBA**

# Thank you

# ありがとうございました

	Cam on				
	ขอบคุณครับ	谢谢			
شكر	Gracias				Grazie
	Σας ευχαριστούμε	धन्यवाद			
Tacka dig	Danke	Merci		நன்றி	
					Obrigado
감사합니다	Большое спасибо				

# おもしろおかしく

Omoshiro Okashiku

Explore the future | Automotive Test Systems | Process & Environmental | Medical | Semiconductor | Scientific **HORIBA** 44

© 2012 HORIBA, Ltd. All rights reserved.