HORIBA
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Summary of Consolidated Financial Statements for the Six Months Ended June 30, 2019 (Japanese GAAP)

August 6, 2019

Company name	**HORIBA, Ltd.**	Listed stock exchanges: Tokyo
Listing code	6856	URL: http://www.horiba.com
Representative	Atsushi Horiba, Chairman & Group CEO	TEL: (81)75-313-8121
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Scheduled date of start of interim dividend payment: September 24, 2019

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

1. Consolidated Results for the Six Months Ended June 30, 2019 (January 1, 2019 - June 30, 2019)

(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	%
Six months ended 6/30/19	91,607	-8.4	8,282	-41.1	8,040	-41.4	5,770	-45.1
Six months ended 6/30/18	99,966	14.5	14,057	44.9	13,731	43.5	z	62.6

(Note) Comprehensive Income: FY2019Q2 3,877 million yen (-39.7%), FY2018Q2 6,425 million yen (-16.7%)

	Net Income Attributable to Owners of Parent per Share	Net Income Attributable to Owners of Parent per Share (Diluted)
	Yen	Yen
Six months ended 6/30/19	136.84	136.24
Six months ended 6/30/18	249.14	248.08

(2) Consolidated Financial Position

	Total Assets	Net Assets	Shareholders' Equity Ratio
	Millions of yen	Millions of yen	%
As of 6/30/19	273,685	162,008	58.9
As of 12/31/18	277,368	162,018	58.2

(Reference) Net assets excluding subscription rights to shares and non-controlling interests:
As of June 30, 2019: 161,238 million yen; As of December 31, 2018: 161,362 million yen

2. Dividends

	Dividend per Share				
	First quarter	Second quarter	Third quarter	Year end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended 12/31/18	—	50.00	—	95.00	145.00
Year ending 12/31/19	—	50.00			
Year ending 12/31/19 (Forecast)			—	80.00	130.00

(Note) Changes in the latest dividend forecasts released: None
Total Year-end dividend for fiscal year 2018 of 95 yen per share:
Year-end ordinary dividend of 75 yen and commemorative dividend for the 65th anniversary of the company foundation of 20 yen

3. Consolidated Forecast for the Year Ending December 31, 2019 (January 1, 2019 - December 31, 2019)

(Percentages represent changes from the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to Owners of Parent		Net Income Attributable to Owners of Parent per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	213,000	1.2	25,000	-13.3	24,500	-13.5	17,500	-21.6	414.93

(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): None

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

(3) Changes in accounting policies, accounting estimates and retrospective restatement
① Changes in accounting policies associated with revision of accounting standards: Yes
② Changes in accounting policies arising from other than the above: None
③ Changes in accounting estimates: None
④ Retrospective restatement: None

(4) Number of shares outstanding (common stock)

	June 30,2019	December 31, 2018
① Shares issued (including treasury stock)	42,532,752	42,532,752
② Treasury stock	356,472	362,304
	Jan. - Jun., 2019	Jan. - Jun., 2018
③ Average number of outstanding shares	42,173,185	42,156,593

Note 1. This consolidated financial report is not subject to quarterly review by certified public accountants or accounting firms.

Note 2. Appropriate use of business forecasts and other important information
The forecasts of dividend amount and business performance contained in this report have been made based on certain future assumptions, outlooks, and plans which are available at the HORIBA Group as of August 6, 2019. 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 11, “3. Supplemental Information - HORIBA, Ltd. Financial Highlights for the Six Months Ended June 30, 2019”)

During the six months ended June 30, 2019 (the first half year), HORIBA, Ltd. (“the Company”) and its consolidated subsidiaries (together “the HORIBA Group” or “HORIBA” as a consolidated group) decreased sales by 8.4% year-on-year to 91,607 million yen, mainly due to a decline in sales in the Semiconductor Instruments & Systems segment. Operating income decreased by 41.1% to 8,282 million yen and ordinary income by 41.4% to 8,040 million yen, while net income attributable to owners of parent also decreased by 45.1% to 5,770 million yen.

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

(Automotive Test Systems)

Owning to an increase in sales in Asia and Europe, segment sales increased by 5.1% y-o-y to 34,381 million yen. On the profit side, operating income decreased by 35.7% to 1,599 million yen due to a decline in profitability, caused by a change in geographical sales mix and other factors, and an increase in expenses, which stemmed from investments, including R&D expenses.

(Process & Environmental Instruments & Systems)

Due to tough comparison to the first six months of the previous year when a large project was recorded in Asia, segment sales decreased by 0.9% y-o-y to 9,161 million yen and operating income decreased by 23.6% to 663 million yen.

(Medical-Diagnostic Instruments & Systems)

Segment sales decreased by 3.6% y-o-y to 12,667million yen, as the depreciation of the euro against the yen deflated sales when translated into yen. On the profit side, operating income decreased by 29.3% to 709 million yen, partly due to an increase in R&D expenses.

(Semiconductor Instruments & Systems)

In response to semiconductor manufactures’ capital expenditure adjustments, sales to semiconductor production equipment manufactures decreased. Segment sales consequently decreased by 29.8% y-o-y to 22,705 million yen and operating income decreased by 47.3% to 5,399 million yen.

(Scientific Instruments & Systems)

Owning to an increase in sales in Asia and the Americas, segment sales increased by 1.2% y-o-y to 12,691 million yen, while operating loss of 90 million was recorded (compared to operating loss of 545 million yen in the first six months of the previous year).

(2) Information Concerning Consolidated Earnings Forecasts for FY2019

HORIBA's full year consolidated earnings forecast is as follows:

Consolidated forecast of full year FY2019

(Amount: millions of yen)

	Previous Forecast (As of May 14)	Revised Forecast (As of Aug. 8)	Changes
Net sales	218,000	213,000	-5,000
Operating income	29,000	25,000	-4,000
Ordinary income	28,500	24,500	-4,000
Net income attributable to owners of parent	20,000	17,500	-2,500

Consolidated forecast of full year FY2019 by segment

Net sales (Amount: millions of yen)

	Previous Forecast (As of May 14)	Revised Forecast (As of Aug. 6)	Changes
Automotive	85,000	85,000	-
Process & Environmental	20,000	20,000	-
Medical	28,000	28,000	-
Semiconductor	55,000	50,000	-5,000
Scientific	30,000	30,000	-
Total	218,000	213,000	-5,000

Operating income (Amount: millions of yen)

	Previous Forecast (As of May 14)	Revised Forecast (As of Aug. 6)	Changes
Automotive	9,000	8,000	-1,000
Process & Environmental	2,000	2,000	-
Medical	2,000	2,000	-
Semiconductor	15,000	12,000	-3,000
Scientific	1,000	1,000	-
Total	29,000	25,000	-4,000

With regard to consolidated earnings forecasts for the current fiscal year, overall sales forecast has been revised downward by 5,000 million yen to 213,000 million yen, while operating income forecast has been revised downward by 4,000 million yen to 25,000 million yen. This decrease in operating income forecast has led to downward revision by 4,000 million yen in ordinary income forecast and 2,500 million yen in forecast for net income attributable to owners of parent.

By business segment, the Automotive Test Systems segment has revised downward its operating income forecast by 1,000 million yen, taking into account the progress up to the second quarter of this year. The Semiconductor Instruments & Systems segment revised downward its sales and operating income forecast by 5,000 million yen and 3,000 million yen respectively, after taking into account the recent order trend and other factors.

The dividend forecast for the current fiscal year has remained unchanged.

(Disclaimer regarding business 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 August 6, 2019. However, due to risks and various uncertain factors such as future business operation policies, changes in the economic environment in Japan and overseas, fluctuation of currency rates, it is possible that actual performance would vary considerably from the forecasts

2. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

Amount: millions of yen

	FY2018 (As of December 31, 2018)	FY2019 first half (As of June 30, 2019)
Assets		
Current Assets:		
Cash and bank deposits	63,632	64,095
Trade notes and accounts receivable	59,111	49,810
Marketable securities	2,399	2,453
Merchandise and finished goods	20,018	19,833
Work in process	19,843	21,798
Raw materials and supplies	15,276	14,057
Other current assets	8,290	8,584
Allowance for doubtful accounts	(682)	(747)
Total Current Assets	187,891	179,887
Fixed Assets:		
Property, Plant and Equipment:		
Buildings and structures, net	37,207	38,143
Machinery, equipment and vehicles, net	10,244	11,864
Land	13,692	13,596
Construction in progress	3,018	3,575
Other property, plant and equipment, net	4,576	4,975
Total Property, Plant and Equipment	68,739	72,155
Intangibles:		
Goodwill	901	768
Software	2,907	2,734
Other intangibles	1,092	1,795
Total Intangibles	4,901	5,298
Investments and Other Non-Current Assets:		
Investment securities	8,359	9,000
Deferred tax assets	4,636	4,485
Other investments and other assets	2,917	2,932
Allowance for doubtful accounts	(76)	(74)
Total Investments and Other Non-Current Assets	15,836	16,344
Total Fixed Assets	89,477	93,798
Total Assets	277,368	273,685

Amount: millions of yen

	FY2018 (As of December 31, 2018)	FY2019 first half (As of June 30, 2019)
Liabilities		
Current Liabilities:		
Trade notes and accounts payable	21,933	17,794
Short-term loans payable	12,044	9,053
Accounts payable - other	15,920	14,070
Accrued income taxes	3,514	2,930
Advances Received	17,475	21,387
Accrued bonuses to employees	1,265	662
Accrued bonuses to directors and corporate auditors	-	279
Reserve for product warranty	2,012	1,888
Other current liabilities	3,830	4,143
Total Current Liabilities	77,997	72,211
Non-Current Liabilities:		
Corporate bonds	15,000	15,000
Long-term loans payable	17,028	16,872
Deferred tax liabilities	184	142
Net defined benefit liability	1,946	1,908
Provision for loss on dissolution of the employees' pension fund	640	502
Other non-current liabilities	2,552	5,039
Total Non-Current Liabilities	37,352	39,465
Total Liabilities	115,349	111,676
Net Assets		
Shareholders' Equity		
Common stock	12,011	12,011
Capital surplus	18,717	18,717
Retained earnings	132,329	134,087
Treasury stock	(1,428)	(1,405)
Total Shareholders' Equity	161,630	163,411
Accumulated Other Comprehensive Income		
Net unrealized holding gains on securities	2,788	3,229
Deferred gains or losses on hedges	(2)	(0)
Foreign currency translation adjustments	(2,829)	(5,194)
Remeasurements of defined benefit plans	(224)	(207)
Total Accumulated Other Comprehensive Income	(267)	(2,173)
Subscription Rights to Shares	549	651
Non-Controlling Interests	106	119
Total Net Assets	162,018	162,008
Total Liabilities and Net Assets	277,368	273,685

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

(Consolidated Statements of Income)

Amount: millions of yen

	FY2018 first half (Six months ended June 30, 2018)	FY2019 first half (Six months ended June 30, 2019)
Net Sales	99,966	91,607
Cost of Sales	56,604	53,077
Gross Income	43,362	38,530
Selling, General and Administrative Expenses	29,304	30,247
Operating Income	14,057	8,282
Non-Operating Income		
Interest income	47	113
Dividend income	95	98
Other	74	127
Total non-operating income	217	339
Non-Operating Expense		
Interest expense	212	234
Foreign exchange losses	284	259
Other	46	87
Total non-operating expense	543	581
Ordinary Income	13,731	8,040
Extraordinary Gain		
Gain on sales of fixed assets	525	111
Reversal of provision for loss on dissolution of the employee's pension fund	-	137
Total extraordinary gain	525	248
Extraordinary Loss		
Loss on sales of fixed assets	22	-
Loss on disposal of fixed assets	23	6
Total extraordinary loss	45	6
Income before Income Taxes	14,211	8,282
Income taxes (current)	4,051	2,640
Income taxes (deferred)	(353)	(144)
Total income taxes	3,698	2,496
Net Income	10,513	5,786
Profit attributable to non-controlling interests	10	15
Net Income Attributable to Owners of Parent	10,503	5,770

(Consolidated Statements of Comprehensive Income)

Amount: millions of yen

	FY2018 first half (Six months ended June 30, 2018)	FY2019 first half (Six months ended June 30, 2019)
Net Income	10,513	5,786
Other Comprehensive Income		
Net unrealized holding gains or losses on securities	(803)	441
Deferred gains or losses on hedges	(0)	2
Foreign currency translation adjustments	(3,288)	(2,368)
Remeasurements of defined benefit plans	4	16
Total other comprehensive income	(4,087)	(1,908)
Comprehensive Income	6,425	3,877
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	6,421	3,865
Comprehensive income attributable to non-controlling interests	3	12

(3) Consolidated Statements of Cash Flows

Amount: millions of yen

	FY2018 first half (Six months ended June 30, 2018)	FY2019 first half (Six months ended June 30, 2019)
Cash Flows from Operating Activities:		
Income before income taxes	14,211	8,282
Depreciation expense	3,513	4,169
Amortization of goodwill	41	101
Increase (decrease) in allowance for doubtful accounts	(80)	90
Increase (decrease) in net defined benefit liability	39	28
Interest and dividend income	(142)	(211)
Interest expense	212	234
Foreign exchange losses (gains)	149	20
Loss (gain) on sales of fixed assets	(502)	(111)
Loss on disposal of fixed assets	23	6
Decrease (increase) in trade notes and accounts receivable	4,743	8,134
Decrease (increase) in inventories	(9,294)	(1,558)
Increase (decrease) in trade notes and accounts payable	3,111	(3,728)
Other, net	3,446	2,415
Subtotal	19,472	17,875
Interest and dividends received	143	220
Interest paid	(201)	(243)
Income taxes (paid) refund	(7,007)	(4,003)
Net Cash Provided by (used in) Operating Activities	12,407	13,848
Cash Flows from Investing Activities:		
Increase in time deposits	(1,004)	(1,873)
Decrease in time deposits	1,106	2,662
Decrease in time deposits restricted for use	32	-
Payments for purchase of marketable securities	(1,100)	(1,400)
Proceeds from sales or redemption of marketable securities	901	1,868
Payments for purchase of property, plant and equipment	(5,290)	(4,951)
Proceeds from sales of property, plant and equipment	1,408	245
Payments for purchase of intangibles	(307)	(302)
Payments for purchase of investment securities	(8)	(8)
Proceeds from sales or redemption of investment securities	-	0
Payments of loans receivable	(32)	(13)
Collection of loans receivable	17	16
Other, net	(154)	(508)
Net Cash Provided by (used in) Investing Activities	(4,432)	(4,267)
Cash Flows from Financing Activities:		
Net increase (decrease) in short-term borrowings	(749)	(1,617)
Increase in long-term debt	-	251
Repayments of long-term debt	(275)	(1,425)
Repayments on finance lease obligations	(86)	(467)
Net decrease (increase) of treasury stock	0	(0)
Cash dividends paid	(3,201)	(4,002)
Net Cash Provided by (used in) Financing Activities	(4,313)	(7,262)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(525)	(511)
Net Increase (Decrease) in Cash and Cash Equivalents	3,136	1,807
Cash and Cash Equivalents at Beginning of Period	58,333	62,837
Cash and Cash Equivalents at End of Period	61,470	64,644

(4) Notes to Consolidated Financial Statements

Application of special accounting for preparing quarterly consolidated financial statement

(Calculation method for tax expenses)

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

Change in accounting policy

(Application of IFRS 16, "Leases" and FASB Accounting Standards Update (ASU) 2016-02, "Leases")

The Company applied IFRS 16, "Leases" and FASB Accounting Standards Update (ASU) 2016-02, "Leases" for foreign subsidiaries from the first quarter of the current fiscal year ending December 31, 2019. The aforementioned standards require a lessee to recognize assets and liabilities generally for all leases on the balance sheet. The impact of this change to the consolidated balance sheet as at June 30, 2019, and the consolidated income statement and statement of comprehensive income for the six months ended June 30, 2019 is immaterial.

Additional information

(Application of the "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28; February 16, 2018), etc.)

As the Company applied "Partial Amendments to Accounting Standard for Tax Effect Accounting" (ASBJ Statement No. 28; February 16, 2018), etc., from the beginning of the first quarter of the current fiscal year, deferred tax assets are presented under investments and other assets and deferred tax liabilities are presented under non-current liabilities.

3. Supplemental Information

HORIBA, Ltd. Financial Highlights for the Six Months Ended June 30, 2019

1. Consolidated Financial Results

Amount: millions of yen

	12/2018 Result	**12/2019 Result**	Changes		12/2018 Result	**12/2019 Forecast**	Changes	
	1st half	**1st half**	Amount	Ratio	Full year	**Full year**	Amount	Ratio
Net Sales	99,966	**91,607**	-8,359	-8.4%	210,570	**213,000**	+2,429	+1.2%
Operating Income	14,057	**8,282**	-5,774	-41.1%	28,838	**25,000**	-3,838	-13.3%
Operating Income Ratio	*14.1%*	***9.0%***	*-5.1P*		*13.7%*	***11.7%***	*-2.0P*	
Ordinary Income	13,731	**8,040**	-5,691	-41.4%	28,316	**24,500**	-3,816	-13.5%
Ordinary Income Ratio	*13.7%*	***8.8%***	*-4.9P*		*13.4%*	***11.5%***	*-1.9P*	
Net Income Attributable to Owners of Parent	10,503	**5,770**	-4,732	-45.1%	22,313	**17,500**	-4,813	-21.6%
Net Income Ratio	*10.5%*	***6.3%***	*-4.2P*		*10.6%*	***8.2%***	*-2.4P*	
US$	108.67	**110.06**	+1.39		110.44	**110.00**	-0.44	
Euro	131.55	**124.32**	-7.23		130.35	**125.00**	-5.35	

2. Consolidated Segment Results

Amount: millions of yen

Net Sales	12/2018 Result	**12/2019 Result**	Changes		12/2018 Result	**12/2019 Forecast**	Changes	
	1st half	**1st half**	Amount	Ratio	Full year	**Full year**	Amount	Ratio
Automotive	32,705	**34,381**	+1,676	+5.1%	79,656	**85,000**	+5,343	+6.7%
Process&Environmental	9,248	**9,161**	-86	-0.9%	19,361	**20,000**	+638	+3.3%
Medical	13,134	**12,667**	-467	-3.6%	26,012	**28,000**	+1,987	+7.6%
Semiconductor	32,343	**22,705**	-9,637	-29.8%	57,785	**50,000**	-7,785	-13.5%
Scientific	12,535	**12,691**	+156	+1.2%	27,754	**30,000**	+2,245	+8.1%
Total	99,966	**91,607**	-8,359	-8.4%	210,570	**213,000**	+2,429	+1.2%

Operating Income	12/2018 Result	**12/2019 Result**	Changes		12/2018 Result	**12/2019 Forecast**	Changes	
	1st half	**1st half**	Amount	Ratio	Full year	**Full year**	Amount	Ratio
Automotive	2,489	**1,599**	-890	-35.7%	7,702	**8,000**	+297	+3.9%
Process&Environmental	868	**663**	-205	-23.6%	2,027	**2,000**	-27	-1.4%
Medical	1,004	**709**	-294	-29.3%	1,823	**2,000**	+176	+9.7%
Semiconductor	10,240	**5,399**	-4,840	-47.3%	17,063	**12,000**	-5,063	-29.7%
Scientific	(545)	**(90)**	+455	-	221	**1,000**	+778	+352.3%
Total	14,057	**8,282**	-5,774	-41.1%	28,838	**25,000**	-3,838	-13.3%

3. Consolidated Segment Sales by Destination

Amount: millions of yen

	12/2018 Result	**12/2019 Result**	Changes		12/2018 Result	**12/2019 Forecast**	Changes	
	1st half	**1st half**	Amount	Ratio	Full year	**Full year**	Amount	Ratio
Automotive	32,705	**34,381**	+1,676	+5.1%	79,656	**85,000**	+5,343	+6.7%
Japan	11,876	**10,528**	-1,347	-11.3%	23,075	**21,000**	-2,075	-9.0%
Asia	7,514	**9,096**	+1,581	+21.1%	21,672	**25,500**	+3,827	+17.7%
Americas	4,267	**4,372**	+105	+2.5%	11,191	**10,500**	-691	-6.2%
Europe	9,047	**10,383**	+1,336	+14.8%	23,716	**28,000**	+4,283	+18.1%
Process&Environmental	9,248	**9,161**	-86	-0.9%	19,361	**20,000**	+638	+3.3%
Japan	4,737	**4,900**	+163	+3.4%	9,538	**10,000**	+461	+4.8%
Asia	2,103	**1,874**	-228	-10.9%	4,616	**4,500**	-116	-2.5%
Americas	1,287	**1,152**	-135	-10.5%	2,677	**3,000**	+322	+12.0%
Europe	1,119	**1,234**	+114	+10.2%	2,528	**2,500**	-28	-1.1%
Medical	13,134	**12,667**	-467	-3.6%	26,012	**28,000**	+1,987	+7.6%
Japan	3,150	**3,107**	-42	-1.4%	5,889	**7,000**	+1,110	+18.9%
Asia	2,724	**2,726**	+2	+0.1%	5,607	**6,000**	+392	+7.0%
Americas	2,688	**2,642**	-46	-1.7%	5,341	**5,500**	+158	+3.0%
Europe	4,571	**4,190**	-381	-8.3%	9,174	**9,500**	+325	+3.5%
Semiconductor	32,343	**22,705**	-9,637	-29.8%	57,785	**50,000**	-7,785	-13.5%
Japan	10,531	**8,067**	-2,463	-23.4%	20,208	**18,000**	-2,208	-10.9%
Asia	16,027	**9,935**	-6,092	-38.0%	26,788	**22,000**	-4,788	-17.9%
Americas	3,918	**2,995**	-923	-23.6%	6,956	**6,500**	-456	-6.6%
Europe	1,865	**1,706**	-158	-8.5%	3,833	**3,500**	-333	-8.7%
Scientific	12,535	**12,691**	+156	+1.2%	27,754	**30,000**	+2,245	+8.1%
Japan	3,545	**3,536**	-8	-0.3%	7,275	**8,000**	+724	+10.0%
Asia	2,901	**3,007**	+106	+3.7%	7,609	**8,000**	+390	+5.1%
Americas	3,326	**3,525**	+199	+6.0%	7,117	**8,000**	+882	+12.4%
Europe	2,761	**2,621**	-140	-5.1%	5,753	**6,000**	+246	+4.3%
Total	99,966	**91,607**	-8,359	-8.4%	210,570	**213,000**	+2,429	+1.2%
Japan	33,841	**30,141**	-3,699	-10.9%	65,986	**64,000**	-1,986	-3.0%
Asia	31,270	**26,641**	-4,629	-14.8%	66,293	**66,000**	-293	-0.4%
Americas	15,488	**14,688**	-800	-5.2%	33,283	**33,500**	+216	+0.6%
Europe	19,366	**20,136**	+770	+4.0%	45,006	**49,500**	+4,493	+10.0%

4. Capital Expenditures, Depreciation and R&D Expenses

Amount: millions of yen

	12/2018		12/2019	
	1st half Result	Full-year Result	1st half Result	Full-year Forecast
Capital Expenditures (*1)	5,702	10,239	5,145	16,000
Depreciation (*2)	3,554	7,240	4,271	8,000
R&D Expenses	7,208	15,183	8,298	16,000

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

(*2) Amortization of goodwill is included in depreciation.

5. Consolidated Financial Results (Quarterly Comparison)

Amount: millions of yen

	12/2018 Result				12/2019		
	1Q	2Q	3Q	4Q	1Q Result	2Q Result	2H Forecast
Net Sales	52,696	47,270	46,063	64,539	45,320	46,287	121,392
Operating Income	9,199	4,857	3,819	10,961	4,434	3,848	16,717
Operating Income Ratio	*17.5%*	*10.3%*	*8.3%*	*17.0%*	*9.8%*	*8.3%*	*13.8%*
Ordinary Income	8,968	4,763	3,786	10,798	4,303	3,737	16,459
Ordinary Income Ratio	*17.0%*	*10.1%*	*8.2%*	*16.7%*	*9.5%*	*8.1%*	*13.6%*
Net Income Attributable to Owners of Parent	6,114	4,388	2,970	8,840	2,561	3,209	11,729
Net Income Ratio	*11.6%*	*9.3%*	*6.4%*	*13.7%*	*5.7%*	*6.9%*	*9.7%*
US$	108.22	109.12	111.46	112.96	110.22	109.90	109.94
Euro	133.14	129.96	129.51	128.79	125.16	123.48	125.68

6. Consolidated Segment Results (Quarterly Comparison)

Amount: millions of yen

Net Sales	12/2018 Result				12/2019		
	1Q	2Q	3Q	4Q	1Q Result	2Q Result	2H Forecast
Automotive	18,097	14,607	15,640	31,310	16,242	18,138	50,618
Process&Environmental	4,941	4,306	4,250	5,861	4,791	4,369	10,838
Medical	6,637	6,497	6,106	6,771	6,307	6,359	15,332
Semiconductor	16,468	15,875	13,058	12,384	11,548	11,157	27,294
Scientific	6,551	5,983	7,008	8,210	6,429	6,261	17,308
Total	52,696	47,270	46,063	64,539	45,320	46,287	121,392

Operating Income	12/2018 Result				12/2019		
	1Q	2Q	3Q	4Q	1Q Result	2Q Result	2H Forecast
Automotive	2,610	(120)	(745)	5,958	905	694	6,400
Process&Environmental	681	187	314	844	470	193	1,336
Medical	552	452	308	511	208	501	1,290
Semiconductor	5,453	4,786	3,812	3,011	2,752	2,647	6,600
Scientific	(97)	(448)	131	635	98	(188)	1,090
Total	9,199	4,857	3,819	10,961	4,434	3,848	16,717

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