



Summary of Consolidated Financial Statements for the Year Ended December 31, 2025 (Japanese GAAP)

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February 12, 2026

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 Listing code 6856 URL: <https://www.horiba.com/int/>
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 Scheduled date of annual general meeting of shareholders: March 21, 2026
 Scheduled date of start of dividend payment: March 2, 2026
 Scheduled date to file annual securities report: March 23, 2026

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

1. Consolidated Results for the Year Ended December 31, 2025 (January 1, 2025 - December 31, 2025)

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

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to HORIBA, Ltd.'s Shareholders	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year Ended 12/31/25	333,081	5.0	53,040	9.7	54,226	8.1	37,090	10.4
Year Ended 12/31/24	317,369	9.2	48,340	2.2	50,170	4.0	33,591	-16.7

(Note) Comprehensive income: FY2025 44,996 million yen (-6.3%) FY2024 48,035 million yen (-10.5%)

	Net Income Attributable to HORIBA, Ltd.'s Shareholders per Share	Net Income Attributable to HORIBA, Ltd.'s Shareholders per Share (Diluted)	Return on Equity	Ordinary Income to Total Assets	Operating Income to Net Sales
	Yen	Yen	%	%	%
Year Ended 12/31/25	883.50	879.27	11.2	10.8	15.9
Year Ended 12/31/24	799.44	795.34	11.3	10.8	15.2

(Reference) Equity in earning of affiliates: FY2025 – million yen FY2024 – 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 12/31/25	518,279	348,640	67.1	8,286.08
As of 12/31/24	481,616	314,704	65.2	7,485.06

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

As of 12/31/25 347,981 million yen As of 12/31/24 314,017 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 Period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year Ended 12/31/25	54,383	(24,923)	(11,993)	162,471
Year Ended 12/31/24	40,335	(17,562)	(15,933)	143,963

2. Dividends

	Dividend per Share					Total Dividends (Annual)	Payout Ratio (Consolidated)	Dividends to Net Assets (Consolidated)
	First Quarter	Second Quarter	Third Quarter	Year End	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
FY 12/2024	—	80.00	—	190.00	270.00	11,327	33.8	3.8
FY 12/2025	—	80.00	—	370.00	450.00	18,898	50.9	5.7
FY 12/2026 (Forecast)	—	150.00	—	340.00	490.00		50.8	

(Note) Total Year-end dividend for fiscal year 2025 of 370 yen per share: Year-end ordinary dividend of 210 yen and special dividend of 160 yen

3. Consolidated Forecasts for the Year Ending December 31, 2026 (January 1, 2026 - December 31, 2026)

(Percentages represent changes from the same period in the previous year)

	Net Sales		Operating Income		Ordinary Income		Net Income Attributable to HORIBA, Ltd.'s Shareholders		Net Income Attributable to HORIBA, Ltd.'s Shareholders per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First Half	156,000	4.7	24,000	9.6	24,000	6.5	17,000	7.2	404.80
Full Year	345,000	3.6	56,000	5.6	56,500	4.2	40,500	9.2	964.38

Notes

(1) Significant changes in the scope of consolidation during the period: Yes

New One company (Company name: EtaMax Co., Ltd. [Korea])

Excluded One company (Company name: EtaMax Co., Ltd. [Korea])

(For details, see page 14, "3. Consolidated Financial Statements and Notes (5) Notes to Consolidated Financial Statements, Changes in the Scope of Consolidation or Application of the Equity Method")

(2) Changes in accounting policies, accounting estimates and retrospective restatement

(i) Changes in accounting policies associated with revision of accounting standards: Yes

(ii) Changes in accounting policies arising from other than the above: None

(iii) Changes in accounting estimates: None

(iv) Retrospective restatement: None

(3) Number of shares outstanding (common stock)

(i) Shares issued (including treasury stock)	December 31, 2025	42,233,252	December 31, 2024	42,233,252
(ii) Treasury stock	December 31, 2025	237,318	December 31, 2024	280,753
(iii) Average number of outstanding shares	December 31, 2025	41,981,773	December 31, 2024	42,018,662

Note 1. This consolidated financial report is not subject to audit 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 February 12, 2026. 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

We have restructured our internal organization to enhance our business in three focus fields outlined in Mid-Long Term Management Plan (MLMAP2028), which was announced on February 14, 2024. Consequently, from the beginning of FY2025, we have changed the business segment from conventional 5 segments, "Automotive", "Process & Environmental", "Medical-Diagnostics", "Semiconductor" and "Scientific", to 3 fields, "Energy & Environment", "Bio & Healthcare" and "Materials & Semiconductor".

In order to perform an analysis of business performance in comparison to the previous year, we utilize reclassified figures within the new business segment.

(1) Information Concerning Consolidated Operating Results

(For details, see pages 15-17, "4. Supplemental Information - Financial Highlights for the Year Ended December 31, 2025")

In FY2025, HORIBA, Ltd. (hereinafter the Company) and its consolidated subsidiaries (hereinafter the HORIBA Group or HORIBA) increased sales by 5.0% year-on-year to 333,081 million yen, mainly due to a higher sales in "Energy & Environment" and "Materials & Semiconductor". Operating income increased by 9.7% to 53,040 million yen and ordinary income increased by 8.1% to 54,226 million yen. Net income attributable to HORIBA, Ltd.'s shareholders increased by 10.4% to 37,090 million yen, mainly due to a lower tax burden, despite extraordinary losses related to restructuring.

The average exchange rates for 2025 were 149.61 yen against the U.S. dollar and 169.19 yen against the euro, representing year-on-year appreciation of 1.4% against the U.S. dollar and depreciation of 3.1% against the euro.

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

(Energy & Environment Field)

Mainly in Europe and the Americas, sales of the automotive-related business increased due to growth in demand for combustion measurement and related applications for hybrid vehicle development, as the shift to EVs moderated. As a result, the segment sales increased by 5.5% year-on-year to 134,407 million yen and operating income increased by 120.9% to 9,417 million yen.

(Bio & Healthcare Field)

Segment sales increased by 5.0% year-on-year to 42,173 million yen, mainly due to an increase in sales in Europe. In terms of profitability, despite the increase in sales, the segment posted an operating loss of 894 million yen, mainly due to intensifying competition and continued investments in the life science field (compared to an operating loss of 890 million yen in FY2024).

(Materials & Semiconductor Field)

Segment sales increased by 4.5% year-on-year to 156,500 million yen, mainly due to an increase in sales to semiconductor production equipment manufacturers in Asia, driven by demand for advanced semiconductors for generative AI, and other applications. On the profit side, operating income decreased by 1.0% to 44,517 million yen, mainly due to accelerated R&D and technology investments.

(2) Information Concerning Consolidated Earnings Forecasts for FY2026

The consolidated earnings forecasts are summarized as follows.

Our assumed foreign exchange rates for FY2026 are 145 yen against the U.S. dollar (vs. 149.61 yen in FY2025) and 175 yen against the euro (vs. 169.19 yen in FY2025)

Net sales of 345,000 million yen (up by 3.6% year-on-year)

In Materials & Semiconductor, sales are expected to increase, supported by expanded supply capacity, resulting from the start of operations at the Fukuchiyama factory, and other factors, amid an anticipated further increase in capital expenditure by semiconductor manufacturers on the back of continued strong AI-related demand.

As a result, net sales are expected to increase by 11,918 million yen from FY2025 to 345,000 million yen.

Operating income of 56,000 million yen (up by 5.6% year-on-year)

In Materials & Semiconductor, operating income is expected to increase due to a higher sales to semiconductor production equipment manufacturers. In Energy & Environment, we expect an improvement in profitability mainly due to a continued strong demand in the automotive-related business and restructuring measures. In Bio & Healthcare, an improvement in profitability through restructuring measures is expected.

As a result, total operating income is expected to increase by 2,959 million yen from FY2025 to 56,000 million yen.

Ordinary income of 56,500 million yen (up by 4.2% year-on-year)

In light of global financial conditions, net non-operating income is expected to be a net gain of 500 million yen (compared to a net non-operating gain of 1,186 million yen in FY2025).

As a result, ordinary income is expected to increase by 2,273 million yen from FY2025 to 56,500 million yen.

Net income attributable to HORIBA, Ltd.'s shareholders of 40,500 million yen (up by 9.2% year-on-year)

Taking into the account the impact of higher ordinary income and other factors, net income attributable to HORIBA, Ltd.'s shareholders is expected to increase by 3,409 million yen from FY2025 to 40,500 million yen.

(3) Basic Policy for Profit Distribution and Dividends for FY2025 and FY2026

The Company's shareholder return policy is "targeting a dividend payout ratio at 30% of net income attributable to HORIBA, Ltd.'s shareholders, while special dividend and share buybacks will be executed timely and properly, taking into account investment opportunities, the cash flow situation and other factors".

With regard to the dividends for FY2025, we have decided to pay a year-end dividend of 370 yen per share, comprising the previously forecast 210 yen plus a special dividend of 160 yen. Combined with the interim dividend already paid, this will bring the annual dividend to 450 yen per share (270 yen per share in the previous year).

For the fiscal year ending December 31, 2026, we forecast an annual dividend of 490 yen per share (including an interim dividend of 150 yen and a special dividend of 190 yen).

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 February 12, 2026.

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. Basic policy on selection of accounting standard

The HORIBA Group prepares its consolidated financial statements in accordance with General Accepted Accounting Principles in Japan ("JGAAP"), as it allows comparison between different periods and companies. Concerning adoption of the International Financial Reporting Standards (IFRS), HORIBA intends to appropriately respond with due consideration for various circumstances in Japan and abroad and expected clerical costs.

3. Consolidated Financial Statements and Notes

(1) Consolidated Balance Sheets

Amount: Millions of yen

	FY2024 (As of December 31, 2024)	FY2025 (As of December 31, 2025)
Assets		
Current Assets:		
Cash and bank deposits	144,272	162,339
Notes and accounts receivable - trade, and contract assets	82,582	82,192
Marketable securities	2,062	2,228
Merchandise and finished goods	33,575	31,652
Work in process	24,646	24,325
Raw materials and supplies	39,456	38,765
Other current assets	13,013	12,306
Allowance for doubtful accounts	(2,808)	(1,580)
Total Current Assets	336,801	352,229
Fixed Assets:		
Property, Plant and Equipment:		
Buildings and structures, net	55,958	62,833
Machinery, equipment and vehicles, net	18,446	19,491
Land	21,340	22,333
Construction in progress	12,315	21,734
Other property, plant and equipment, net	4,912	5,753
Total Property, Plant and Equipment	112,972	132,147
Intangibles:		
Goodwill	1,061	1,984
Software	978	861
Leasehold interests in land	1,475	1,419
Other intangibles	1,968	2,179
Total Intangibles	5,483	6,445
Investments and Other Non-Current Assets:		
Investment securities	16,014	17,126
Retirement benefit asset	1,749	2,855
Deferred tax assets	7,100	5,975
Other investments and other assets	1,538	1,553
Allowance for doubtful accounts	(45)	(53)
Total Investments and Other Non-Current Assets	26,358	27,457
Total Fixed Assets	144,814	166,050
Total Assets	481,616	518,279

Amount: Millions of yen

	FY2024 (As of December 31, 2024)	FY2025 (As of December 31, 2025)
Liabilities		
Current Liabilities:		
Trade notes and accounts payable	20,321	19,595
Short-term loans payable	9,013	12,189
Current portion of bonds	-	15,000
Accounts payable - other	23,345	25,755
Accrued income taxes	7,997	5,554
Contract liabilities	25,387	23,575
Accrued bonuses to employees	2,747	3,438
Reserve for product warranty	3,832	3,643
Provision for business restructuring	-	1,219
Provision for environmental measures	-	320
Other current liabilities	7,638	7,686
Total Current Liabilities	100,283	117,978
Non-Current Liabilities:		
Corporate bonds	30,000	15,000
Long-term loans payable	25,391	24,294
Provision for environmental measures	-	44
Deferred tax liabilities	739	866
Retirement benefit liability	2,074	2,366
Other non-current liabilities	8,421	9,088
Total Non-Current Liabilities	66,627	51,660
Total Liabilities	166,911	169,639
Net Assets		
Shareholders' Equity		
Common stock	12,011	12,011
Capital surplus	18,624	18,624
Retained earnings	241,826	267,469
Treasury stock	(2,841)	(2,402)
Total Shareholders' Equity	269,621	295,703
Accumulated Other Comprehensive Income		
Net unrealized holding gains or losses on securities	6,901	8,622
Foreign currency translation adjustments	37,112	42,725
Remeasurements of defined benefit plans	382	930
Total Accumulated Other Comprehensive Income	44,395	52,278
Subscription Rights to Shares	673	621
Non-Controlling Interests	14	37
Total Net Assets	314,704	348,640
Total Liabilities and Net Assets	481,616	518,279

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

(Consolidated Statements of Income)

Amount: Millions of yen

	FY2024 (For the Year Ended December 31, 2024)	FY2025 (For the Year Ended December 31, 2025)
Net Sales	317,369	333,081
Cost of Sales	180,514	186,722
Gross Income	136,854	146,359
Selling, General and Administrative Expenses	88,514	93,318
Operating Income	48,340	53,040
Non-Operating Income		
Interest income	2,428	2,219
Dividend income	355	391
Subsidy income	462	309
Other	417	296
Total Non-Operating Income	3,663	3,218
Non-Operating Expenses		
Interest expenses	924	852
Foreign exchange losses	651	990
Other	256	188
Total Non-Operating Expenses	1,832	2,031
Ordinary Income	50,170	54,226
Extraordinary Gain		
Gain on sales of fixed assets	20	71
Gain on sales of Investment Securities	-	1
Total Extraordinary Gain	20	72
Extraordinary Losses		
Loss on sales of fixed assets	1	0
Loss on disposal of fixed assets	53	223
Impairment losses	1,305	998
Business restructuring expenses	-	1,342
Environmental expenses	-	597
Amortization of goodwill	-	51
Loss on disaster	-	3
Total Extraordinary Losses	1,359	3,217
Income before Income Taxes	48,832	51,081
Income taxes (current)	15,759	13,736
Income taxes (deferred)	(525)	233
Total Income Taxes	15,233	13,970
Net Income	33,598	37,111
Profit (loss) attributable to non-controlling interests	6	20
Net Income Attributable to HORIBA, Ltd.'s Shareholders	33,591	37,090

(Consolidated Statements of Comprehensive Income)

Amount: Millions of yen

	FY2024 (For the Year Ended December 31, 2024)	FY2025 (For the Year Ended December 31, 2025)
Net Income	33,598	37,111
Other Comprehensive Income		
Net unrealized holding gains or losses on securities	51	1,720
Foreign currency translation adjustments	14,171	5,925
Remeasurements of defined benefit plans	70	548
Share of other comprehensive income of entities accounted for using equity method	144	(308)
Total Other Comprehensive Income	14,437	7,885
Comprehensive Income	48,035	44,996
(Breakdown of comprehensive income)		
Comprehensive income attributable to HORIBA, Ltd.'s Shareholders	48,039	44,973
Comprehensive income attributable to non-controlling interests	(3)	23

(3) Consolidated Statements of Changes in Net Assets

FY2024 (For the Year Ended December 31, 2024)

Amount: Millions of yen

	Shareholders' Equity				
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Beginning Balance	12,011	18,766	223,320	(1,037)	253,060
Changes during the Period					
Dividend from Earnings			(12,232)		(12,232)
Net Income Attributable to HORIBA, Ltd.'s Shareholders			33,591		33,591
Purchase of Treasury Stock				(4,999)	(4,999)
Disposal of Treasury Stock		(25)		58	33
Restricted Stock Remuneration		62		106	169
Cancellation of Treasury Stock		(3,031)		3,031	-
Transfer of Negative Balance of Other Capital Surplus		2,852	(2,852)		-
Others					
Total Changes during the Period	-	(141)	18,506	(1,803)	16,560
Ending Balance	12,011	18,624	241,826	(2,841)	269,621

	Accumulated Other Comprehensive Income				Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Net Unrealized Holding Gains or Losses on Securities	Foreign Currency Translation Adjustments	Remeasure-ments of Defined Benefit Plans	Total Accumulated Other Comprehensive Income			
Beginning Balance	6,850	22,785	312	29,947	706	17	283,732
Changes during the Period							
Dividend from Earnings							(12,232)
Net Income Attributable to HORIBA, Ltd.'s Shareholders							33,591
Purchase of Treasury Stock							(4,999)
Disposal of Treasury Stock							33
Restricted Stock Remuneration							169
Cancellation of Treasury Stock							-
Transfer of Negative Balance of Other Capital Surplus							-
Others	51	14,326	70	14,447	(33)	(3)	14,411
Total Changes during the Period	51	14,326	70	14,447	(33)	(3)	30,972
Ending Balance	6,901	37,112	382	44,395	673	14	314,704

	Shareholders' Equity				
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Beginning Balance	12,011	18,624	241,826	(2,841)	269,621
Changes during the Period					
Dividend from Earnings			(11,330)		(11,330)
Net Income Attributable to HORIBA, Ltd.'s Shareholders			37,090		37,090
Purchase of Treasury Stock				(1)	(1)
Disposal of Treasury Stock		(72)		124	51
Restricted Stock Remuneration		1		172	174
Performance share unit-based remuneration		(46)		143	97
Transfer of Negative Balance of Other Capital Surplus		117	(117)		-
Others					
Total Changes during the Period	-	-	25,642	439	26,081
Ending Balance	12,011	18,624	267,469	(2,402)	295,703

	Accumulated Other Comprehensive Income				Subscription Rights to Shares	Non-Controlling Interests	Total Net Assets
	Net Unrealized Holding Gains or Losses on Securities	Foreign Currency Translation Adjustments	Remeasurements of Defined Benefit Plans	Total Accumulated Other Comprehensive Income			
Beginning Balance	6,901	37,112	382	44,395	673	14	314,704
Changes during the Period							
Dividend from Earnings							(11,330)
Net Income Attributable to HORIBA, Ltd.'s Shareholders							37,090
Purchase of Treasury Stock							(1)
Disposal of Treasury Stock							51
Restricted Stock Remuneration							174
Performance share unit-based remuneration							97
Transfer of Negative Balance of Other Capital Surplus							-
Others	1,720	5,613	548	7,882	(51)	23	7,853
Total Changes during the Period	1,720	5,613	548	7,882	(51)	23	33,935
Ending Balance	8,622	42,725	930	52,278	621	37	348,640

(4) Consolidated Statements of Cash Flows

Amount: Millions of yen

	FY2024 (For the Year Ended December 31, 2024)	FY2025 (For the Year Ended December 31, 2025)
Cash Flows from Operating Activities:		
Income before income taxes	48,832	51,081
Depreciation expense	12,653	13,180
Impairment losses	1,305	998
Amortization of goodwill	406	625
Increase (decrease) in allowance for doubtful accounts	96	(1,462)
Increase (decrease) in provision for environmental measures	-	364
Increase (decrease) in provision for business restructuring	-	1,124
Increase (decrease) in retirement benefit liability	103	(2)
Interest and dividend income	(2,783)	(2,611)
Interest expense	924	852
Foreign exchange losses (gains)	22	57
Loss (gain) on sales of fixed assets	(19)	(70)
Loss on disposal of fixed assets	53	223
Loss (gain) on sales of investment securities	-	(1)
Decrease (increase) in notes and accounts receivable - trade, and contract assets	(6,699)	3,689
Decrease (increase) in inventories	5,794	6,028
Increase (decrease) in trade notes and accounts payable	(12,095)	(1,773)
Other, net	1,518	(3,309)
Subtotal	50,113	68,995
Interest and dividends received	2,857	2,624
Interest paid	(879)	(874)
Income taxes (paid) refund	(11,755)	(16,362)
Net Cash Provided by (Used in) Operating Activities	40,335	54,383

Amount: Millions of yen

	FY2024 (For the Year Ended December 31, 2024)	FY2025 (For the Year Ended December 31, 2025)
Cash Flows from Investing Activities:		
Increase in time deposits	(1,335)	(950)
Decrease in time deposits	3,117	1,264
Payments for purchase of marketable securities	(1,005)	(1,507)
Proceeds from sales or redemption of marketable securities	1,000	1,505
Payments for purchase of property, plant and equipment	(18,152)	(25,275)
Proceeds from sales of property, plant and equipment	92	254
Payments for purchase of intangibles	(1,295)	(867)
Payments for purchase of investment securities	(51)	(54)
Proceeds from sales or redemption of investment securities	-	1,674
Payments of loans receivable	(34)	(76)
Collection of loans receivable	30	72
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(2,497)
Subsidies received	-	1,554
Other, net	72	(21)
Net Cash Provided by (Used in) Investing Activities	(17,562)	(24,923)
Cash Flows from Financing Activities:		
Net increase (decrease) in short-term borrowings	2,365	2,184
Increase in long-term debt	1,253	-
Repayments of long-term debt	(430)	(992)
Repayments on finance lease obligations	(1,875)	(1,859)
Purchase of treasury shares	(5,017)	(1)
Proceeds from disposal of treasury shares	0	0
Cash dividends paid	(12,228)	(11,324)
Net Cash Provided by (Used in) Financing Activities	(15,933)	(11,993)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	6,573	1,041
Net Increase (Decrease) in Cash and Cash Equivalents	13,412	18,508
Cash and Cash Equivalents at Beginning of Period	130,550	143,963
Cash and Cash Equivalents at End of Period	143,963	162,471

(5) Notes to Consolidated Financial Statements

Changes in the Scope of Consolidation or Application of the Equity Method

1. Important changes in the scope of consolidation

In the consolidated accounting period of the second quarter, EtaMax Co., Ltd. (Korea) was newly included in the scope of consolidation following the acquisition of its shares by HORIBA STEC Korea, Ltd. (Korea), a consolidated subsidiary. In the consolidated accounting period of the third quarter, EtaMax Co., Ltd. (Korea) was excluded from the scope of consolidation due to its absorption-type merger into HORIBA STEC Korea, Ltd. (Korea).

2. Important changes in the scope of Application of the Equity Method

In FY2025, shares of IDV Robotics Ltd. (U.K.), which was an equity-method affiliate, were sold, including all remaining shares. As a result, it has been excluded from the scope of the equity method.

Changes in accounting policies

(Application of the Accounting Standard for Current Income Taxes and other standards)

The Accounting Standard for Current Income Taxes (ASBJ Statement No.27, October 28, 2022; hereinafter "Revised Accounting Standard 2022"), etc., have been adopted from the beginning of the fiscal year ended December 31, 2025. The amendment to categories in which current income taxes should be recorded (taxes on other comprehensive income) follows the transitional treatment prescribed in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment prescribed in the proviso of paragraph 65-2 (2) of the Implementation Guidance on Tax Effect Accounting (ASBJ Guidance No.28, October 28, 2022; hereinafter "Revised Implementation Guidance 2022"). This change in accounting policies has no impact on the consolidated financial statements.

For the amendment related to the revised accounting treatment for consolidated financial statements when gains or losses on sale of shares in subsidiaries resulting from transactions between consolidated companies were deferred for tax purposes, the Revised Implementation Guidance 2022 has been adopted from the beginning of the fiscal year ended December 31, 2025. This change in accounting policies has no impact on the consolidated financial statements for the prior fiscal year.

Additional information

(Impact of changes in income tax rates)

With the enactment of the Act for Partial Amendment of the Income Tax Act, etc. (Act No. 13 of 2025) by the Diet on March 31, 2025, a "Special Defense Corporate Tax" will be imposed from consolidated fiscal years beginning on or after April 1, 2026.

Accordingly, the statutory effective tax rate used in calculating deferred tax assets and deferred tax liabilities will change from the previous 30.54% to 31.43% for temporary differences and other items expected to be resolved from the fiscal year beginning January 1, 2027 onwards.

The impact of this tax rate change is minimal.

4. Supplemental Information

Financial Highlights for the Year Ended December 31, 2025

1. Consolidated Financial Results

Amount : Millions of yen

	12/2024	12/2025	Changes		12/2026	Changes	12/2026	Changes
	Results	Results	Amount	Ratio	Forecasts	Amount	Forecasts	Amount
	Full Year	Full Year			Full Year		1st Half	Amount
Net Sales	317,369	333,081	+15,712	+5.0%	345,000	+11,918	156,000	+7,056
Operating Income	48,340	53,040	+4,700	+9.7%	56,000	+2,959	24,000	+2,106
<i>Operating Income Ratio</i>	15.2%	15.9%	+0.7P		16.2%	+0.3P	15.4%	+0.7P
Ordinary Income	50,170	54,226	+4,055	+8.1%	56,500	+2,273	24,000	+1,470
<i>Ordinary Income Ratio</i>	15.8%	16.3%	+0.5P		16.4%	+0.1P	15.4%	+0.3P
Net Income Attributable to HORIBA, Ltd.'s Shareholders	33,591	37,090	+3,499	+10.4%	40,500	+3,409	17,000	+1,140
<i>Net Income Ratio</i>	10.6%	11.1%	+0.5P		11.7%	+0.6P	10.9%	+0.3P
US\$	151.69	149.61	-2.08		145.00	-4.61	145.00	-3.40
Euro	164.05	169.19	+5.14		175.00	+5.81	175.00	+12.75

2. Consolidated Segment Results

Amount : Millions of yen

Net Sales	12/2024	12/2025	Changes		12/2026	Changes	12/2026	Changes
	Results	Results	Amount	Ratio	Forecasts	Amount	Forecasts	Amount
	Full Year	Full Year			Full Year		1st Half	Amount
Energy & Environment	127,422	134,407	+6,985	+5.5%	134,000	-407	55,000	+685
Bio & Healthcare	40,155	42,173	+2,018	+5.0%	43,000	+826	20,000	+1,138
Materials & Semiconductor	149,791	156,500	+6,709	+4.5%	168,000	+11,499	81,000	+5,231
Total	317,369	333,081	+15,712	+5.0%	345,000	+11,918	156,000	+7,056

Operating Income	12/2024	12/2025	Changes		12/2026	Changes	12/2026	Changes
	Results	Results	Amount	Ratio	Forecasts	Amount	Forecasts	Amount
	Full Year	Full Year			Full Year		1st Half	Amount
Energy & Environment	4,262	9,417	+5,154	+120.9%	10,000	+582	1,800	+1,289
Bio & Healthcare	(890)	(894)	-3	—	—	+894	—	+1,147
Materials & Semiconductor	44,968	44,517	-450	-1.0%	46,000	+1,482	22,200	-330
Total	48,340	53,040	+4,700	+9.7%	56,000	+2,959	24,000	+2,106

(Notes) HORIBA Group has restructured our internal organization to enhance our business in three focus fields outlined in Mid-Long Term Management Plan (MLMAP2028), which was announced on February 14, 2024. Consequently, from the beginning of FY2025, we change the business segment category from conventional categories, “Automotive”, “Process & Environmental”, “Medical-Diagnostics”, “Semiconductor” and “Scientific”, to 3 categories, “Energy & Environment”, “Bio & Healthcare” and “Materials & Semiconductor”.

In order to perform an analysis of business performance in comparison to the previous year, we utilize reclassified figures within the new business segment category.

3. Consolidated Segment Sales by Destination

Amount : Millions of yen

	12/2024 Results		12/2025 Results		Changes		12/2026 Forecasts		Changes	
	Full Year		Full Year		Amount	Ratio	Full Year		Amount	
Energy & Environment	127,422	134,407	+6,985	+5.5%			134,000		-407	
Japan	38,637	38,225	-412	-1.1%			42,500		+4,274	
Asia	29,317	27,585	-1,732	-5.9%			30,000		+2,414	
Americas	19,279	21,369	+2,090	+10.8%			20,500		-869	
Europe	40,187	47,227	+7,039	+17.5%			41,000		-6,227	
Bio & Healthcare	40,155	42,173	+2,018	+5.0%			43,000		+826	
Japan	6,988	7,762	+773	+11.1%			8,300		+537	
Asia	10,522	10,971	+448	+4.3%			11,200		+228	
Americas	8,937	8,564	-372	-4.2%			8,500		-64	
Europe	13,706	14,875	+1,168	+8.5%			15,000		+124	
Materials & Semiconductor	149,791	156,500	+6,709	+4.5%			168,000		+11,499	
Japan	31,429	30,662	-766	-2.4%			37,500		+6,837	
Asia	90,566	100,442	+9,876	+10.9%			104,000		+3,557	
Americas	16,235	15,441	-793	-4.9%			17,000		+1,558	
Europe	11,559	9,953	-1,606	-13.9%			9,500		-453	
Total	317,369	333,081	+15,712	+5.0%			345,000		+11,918	
Japan	77,056	76,650	-405	-0.5%			88,300		+11,649	
Asia	130,406	138,999	+8,592	+6.6%			145,200		+6,200	
Americas	44,451	45,375	+923	+2.1%			46,000		+624	
Europe	65,454	72,055	+6,601	+10.1%			65,500		-6,555	

4. Capital Expenditures, Depreciation and R&D Expenses

Amount : Millions of yen

	12/2024	12/2025	12/2026
	Result	Result	Forecasts
Capital Expenditures (*1)	19,392	27,451	20,000
Depreciation (*2)	13,060	13,806	15,500
R&D Expenses	22,980	24,688	27,500

(*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

	12/2024 Results				12/2025 Results			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Net Sales	70,252	72,468	73,159	101,489	71,877	77,066	81,301	102,835
Operating Income	10,009	8,606	11,288	18,435	11,755	10,137	11,622	19,524
<i>Operating Income Ratio</i>	14.2%	11.9%	15.4%	18.2%	16.4%	13.2%	14.3%	19.0%
Ordinary Income	10,165	9,100	11,845	19,059	11,629	10,900	11,840	19,856
<i>Ordinary Income Ratio</i>	14.5%	12.6%	16.2%	18.8%	16.2%	14.1%	14.6%	19.3%
Net Income Attributable to HORIBA, Ltd.'s Shareholders	7,029	6,119	6,767	13,675	8,113	7,746	8,236	12,994
<i>Net Income Ratio</i>	10.0%	8.4%	9.2%	13.5%	11.3%	10.1%	10.1%	12.6%

6. Consolidated Segment Results (Quarterly Comparison)

Amount : Millions of yen

Net Sales	12/2024 Results				12/2025 Results			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Energy & Environment	26,839	26,073	25,244	49,265	25,845	28,468	31,654	48,439
Bio & Healthcare	9,276	10,063	9,472	11,342	8,855	10,005	10,647	12,664
Materials & Semiconductor	34,136	36,331	38,441	40,881	37,175	38,592	38,999	41,732
Total	70,252	72,468	73,159	101,489	71,877	77,066	81,301	102,835

Operating Income	12/2024 Results				12/2025 Results			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Energy & Environment	801	(1,414)	(735)	5,610	754	(243)	1,513	7,393
Bio & Healthcare	(416)	(305)	(474)	305	(734)	(413)	(172)	425
Materials & Semiconductor	9,624	10,325	12,498	12,519	11,735	10,794	10,282	11,704
Total	10,009	8,606	11,288	18,435	11,755	10,137	11,622	19,524

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