

February 14, 2013

To whom it may concern:

Company Name: HORIBA, Ltd.
Representative: Atsushi Horiba,
Chairman, President and CEO
(Securities code: 6856)
Contact: Fumitoshi Sato,
Managing Director
Telephone: (81)75-313-8121

Notice Regarding Changes in Basic Dividend Policy

HORIBA, Ltd. ("the Company") hereby announces that the board of directors' meeting held on February 14, 2013 passed a resolution to change its basic dividend policy as stated below.

Changes in Basic Dividend Policy

1. Previous Basic Policy (up to fiscal year 2012)

The Company's basic dividend policy has been to maintain its standard payout ratio in which the total dividend payment is equal to 30% of the non-consolidated net income of the Company, while aiming to strengthen its profit structure through an improvement in productivity and other means. The Company has appropriated internal reserves as basic funds for working capital for business expansion, capital expenditure, investment in research and development, and the reinforcement of the financial strength, making returns to shareholders through the development of businesses for the future.

2. New Basic Policy

The Company has decided that from the fiscal year 2013, it will adopt a dividend policy in which the Company will maintain a total shareholder return ratio of around 30% of consolidated net income of the Company, combined with the amount of dividend payments and the amount of share repurchase, and also consider changes in the economic environment, while aiming to strengthen its profit structure through an improvement in productivity and other means.

The Company will continue to make effective use of internal reserves to improve corporate value through profit growth and focus on investing in growth areas, it will make profit returns to shareholders that are linked to consolidated earnings.

3. Reasons for Change

The Company previously maintained the above-mentioned dividend policy based on the standard dividend payout ratio. However, responding to the expansion of corporate size and the enhancement of the profitability of domestic and overseas group companies, the Company will change the base amount of profit returns to shareholders from non-consolidated net income to consolidated net income. Furthermore, in order to repurchase share flexibly according to the states of securities markets and the Company's financial condition, the Company has changed to a dividend policy in which it will maintain a total shareholder return ratio of around 30% of consolidated net income of the Company, combined with the amount of dividend payments and the amount of share repurchase.

Comparing the Company's new and old policy for the total shareholder return based on actual figures during the past 11 years, the Company calculates that there would be an increase of approximately 40% of the total shareholder return.

(Reference) Trend in dividends, average payout ratio and total return ratio during past 11 fiscal years

	Non-consolidated payout ratio	Total return ratio (Consolidated)	Consolidated payout ratio
	%	%	%
Year ended 12/31/2011	30.5	19.5	19.5
Year ended 12/31/2012	37.5	28.6	28.6
Average (from fiscal year 2002 to fiscal year 2012)*	32.3	21.2	19.9
Year ending 12/31/2013 (Forecast)	47.6	30.2	30.2

Note : Fiscal year 2002 ended on March 20, 2003. As HORIBA changed its fiscal year-end to December 31, effective from fiscal year 2006, fiscal year 2006 for the Company and HORIBA Advanced Techno Co., Ltd. comprised 9 months and 11 days, and the same fiscal year for HORIBA STEC Co., Ltd. comprised 9 months.

Shadowed cells: Comparing the Company's new and old policy for the total shareholder return based on actual figures during the past 11 years (from fiscal year 2002 to fiscal year 2012), the Company calculates that there would be an increase of approximately 40% of the total shareholder return.