

## B-e-8 Regarding the Lawsuit Seeking Damages Associated with HORIBA's Past Practices that Violated the Antimonopoly Law

By May 31, 2012, 36 local governments had filed a lawsuit against HORIBA for damages associated with the company's previous violations of the Antimonopoly Law. This section explains the circumstances of this legal action.

In November 2008, together with two other companies in the industry, we were ordered by the Japan Fair Trade Commission to end practices (so-called “bid rigging”) that violated the Antimonopoly Law. The Japan FTC claimed that three companies violated the law with respect to the bidding for automatic measuring instruments for constantly monitoring the air (air pollution monitoring systems), which were ordered by government and municipal offices.

Later, some of the local governments that are the users of these instruments demanded payment of damages from us and the other two companies, claiming that because of the

illegal acts, they had been forced to purchase the instruments at unreasonably high prices.

These claims for damages included some that we found unacceptable in terms of the scope of the transactions covered by the claims, the calculation of damages, and so forth. As a result, we thought that some of the claimed damages were too high. For this reason, while consulting with our lawyers, we negotiated with the local governments in good faith to solve this issue, but unfortunately we were unable to reach an agreement. Under these circumstances, the local governments took legal action against us in the courts of

their respective districts.

In court, we hope to clarify whether we should pay the damages claimed and whether the amounts claimed are appropriate if it is deemed that we should do so.

Regardless of the outcome, we take seriously the fact that we were previously ordered by the Japan FTC to end practices that violated the Antimonopoly Law and we are striving to prevent recurrence of similar illegal acts.

We ask for all our stakeholders understanding regarding the state of affairs described above.

### KEYWORDS

∴ Analysis and Measurement Industry | Masao Horiba Awards | Response to the Great East Japan Earthquake | Program for Making Use of Corporate Engineers  
| Support for Victims of Crimes | Kyoto City on its Environmental Policy