

Consolidated Financial Statements for the year ended March 31, 2010

Hitachi Zosen Corporation

Code Number : 7004
 URL : <http://www.hitachizosen.co.jp/>
 Stock Exchange Listings : Tokyo, Osaka
 Head Office : 7-89, Nanko-kita 1-chome, Suminoe-ku, Osaka 559-8559
 Representative : Minoru Furukawa, President
 Contact Person : Masayuki Morikata, General Manager of Accounting & Finance Department Tel 06-6569-0022
 Date of the Board Meeting for the Annual Operation Results : May 12, 2010

This Consolidated Financial Statements has been prepared in accordance with Japanese accounting principles.

(Fractions less than ¥1million have been omitted.)

1. Business results and financial positions for the current fiscal year **(April 1, 2009-March 31, 2010)**

(1) Results of operations (Percentages show rates of increase or decrease from previous period.)

	Net sales		Operating income		Ordinary income		Net income	
	(¥ millions)	(%)	(¥ millions)	(%)	(¥ millions)	(%)	(¥ millions)	(%)
Year ended March 31, 2010	273,526	-8.4	13,556	16.1	16,067	78.7	7,906	446.0
Year ended March 31, 2009	298,605	1.1	11,678	7.9	8,990	24.0	1,448	-90.8

	Net income per share primary (¥)	Net income per share diluted (¥)	Return on equity (%)	Return on assets (%)	Operating income to net sales (%)
Year ended March 31, 2010	9.95	8.38	10.6	4.5	5.0
Year ended March 31, 2009	1.82	1.53	2.0	2.5	3.9

Note : Equity in net income of affiliates:

Year ended March 31, 2010 : ¥ 3,687million
 Year ended March 31, 2009 : ¥ 62million

(2) Financial position

	Total assets (¥ millions)	Net assets (¥ millions)	Shareholders' equity to total assets (%)	Shareholders' equity per share (¥)
Year ended March 31, 2010	349,330	93,199	22.5	99.15
Year ended March 31, 2009	367,472	85,843	19.3	89.05

Note : Shareholders' equity

Year ended March 31, 2010 : ¥ 78,726million
 Year ended March 31, 2009 : ¥ 70,757million

(3) Cash flow

	From operating activities (¥ millions)	From investing activities (¥ millions)	From financing activities (¥ millions)	Cash and cash equivalents at end of period (¥ millions)
Year ended March 31, 2010	5,508	-12,658	8,755	51,689
Year ended March 31, 2009	2,347	-7,492	1,169	50,094

2. Dividends

(Record Date)	Dividends per share			Total amount of dividend payment (¥ millions)	Dividend payout ratio (Consolidated)	Dividend to net assets ratio (Consolidated)
	Interim (¥)	Year-end (¥)	Annual (¥)			
Year ended March 31, 2010	0.00	2.00	2.00	1,587	20.1%	2.1%
Year ended March 31, 2009	0.00	0.00	0.00	0	0.0%	0.0%
Year ending March 31, 2011 (Forecast)	0.00	2.00	2.00	—	19.8%	—

3. Forecast of business results for the next fiscal year (April 1,2010-March 31,2011)

(Percentages show rates of increase or decrease from the corresponding period of previous year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share primary (¥)
	(¥ millions)	(%)	(¥ millions)	(%)	(¥ millions)	(%)	(¥ millions)	(%)	
Six months ending	128,000	3.7	4,000	-28.3	3,500	-51.0	3,000	-57.7	3.78
Year ending	300,000	9.7	12,000	-11.5	10,000	-37.8	8,000	1.2	10.08

Cautionary Statement

Forward-looking statements are based on information currently available to Hitachi Zosen Corporation. Therefore those forward-looking statements include unknown risks and uncertainties. Accordingly, you should note that the actual results could differ materially from those forward-looking statements. Risks and uncertainties that could influence the ultimate outcome include, but are not limited to, the economic conditions surrounding Hitachi Zosen Corporation and/or exchange rate fluctuation.