

June 9, 2017

To whom it may concern:

Company Name: Hitachi Zosen Corporation
Representative: Takashi Tanisho, Chairman and President

Correction of "Report of Consolidated Financial Results for the year ended March 31, 2017"

We hereby announce the corrections of "Report of Consolidated Financial Results for the year ended March 31, 2017" disclosed on May 11, 2017 as shown below.

1. Reason for the corrections

After the May 11, 2017 release of Report of Consolidated Financial Results for the year ended March 31, 2017 errors were found in the Consolidated Statements of Cash Flows and the related corrections have been made as follows. Those corrections will not give any impact either on our operating results or financial position.

2. Corrections

The corrections are underlined.

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1. Business results and financial positions for the fiscal year (April 1, 2016 - March 31, 2017)

(3) Cash flows

Before correction:

	From operating activities (million yen)	From investing activities (million yen)	From financing activities (million yen)	Cash and cash equivalents at end of year (million yen)
Year ended March 31, 2017	17,304	<u>-8,385</u>	-8,417	50,848
Year ended March 31, 2016	8,147	-3,666	-15,948	49,671

After correction:

	From operating activities (million yen)	From investing activities (million yen)	From financing activities (million yen)	Cash and cash equivalents at end of year (million yen)
Year ended March 31, 2017	17,304	<u>-6,998</u>	-8,417	50,848
Year ended March 31, 2016	8,147	-3,666	-15,948	49,671

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5. Financial Results

(2) Analysis of consolidated financial position

② Cash flow

Before correction:

Cash flows from investing activities were cash outflow of Yen 8.4 billion due to capital investments.

After correction:

Cash flows from investing activities were cash outflow of Yen 7.0 billion due to capital investments.

11. Consolidated Statements of Cash Flows

Before correction:

	(Millions of yen)	
	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
(*) Part of Consolidated Statements of Cash Flows as follows.		
Cash flows from investing activities		
Payments into time deposits	△2,204	△2,042
Proceeds from withdrawal of time deposits	1,846	2,311
Purchase of property, plant and equipment	△8,249	△8,042
Proceeds from sales of property, plant and equipment	5,671	5,456
Purchase of intangible assets	△770	△973
Purchase of investment securities	△270	△678
Payments for investments in capital of subsidiaries and associates	△494	△175
Purchase of shares of subsidiaries	-	△5,211
Other, net	806	971
Net cash provided by (used in) investing activities	△3,666	△8,385
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	945	24,051
Proceeds from long-term loans payable	19,713	1,700
Repayments of long-term loans payable	△24,786	△22,536
Redemption of bonds	△10,000	-
Cash dividends paid	△1,670	△2,022
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	△106	△9,577
Other, net	△42	△31
Net cash provided by (used in) financing activities	△15,948	△8,417
Effect of exchange rate change on cash and cash equivalents	196	△711
Net increase (decrease) in cash and cash equivalents	△11,269	△210
Cash and cash equivalents at beginning of period	60,769	49,671
Cash and cash equivalents of newly consolidated subsidiaries, at beginning of year	171	1,386
Cash and cash equivalents at end of period	49,671	50,848

After correction:

	(Millions of yen)	
	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017
(*) Part of Consolidated Statements of Cash Flows as follows.		
Cash flows from investing activities		
Payments into time deposits	△2,204	△2,042
Proceeds from withdrawal of time deposits	1,846	2,311
Purchase of property, plant and equipment	△8,249	△8,042
Proceeds from sales of property, plant and equipment	5,671	5,456
Purchase of intangible assets	△770	△973
Purchase of investment securities	△270	△678
Payments for investments in capital of subsidiaries and associates	△494	△175
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	△3,824
Other, net	806	971
Net cash provided by (used in) investing activities	△3,666	△6,998
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	945	24,051
Proceeds from long-term loans payable	19,713	1,700
Repayments of long-term loans payable	△24,786	△22,536
Redemption of bonds	△10,000	-
Cash dividends paid	△1,670	△2,022
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	△106	△9,577
Other, net	△42	△31
Net cash provided by (used in) financing activities	△15,948	△8,417
Effect of exchange rate change on cash and cash equivalents	196	△711
Net increase (decrease) in cash and cash equivalents	△11,269	1,176
Cash and cash equivalents at beginning of period	60,769	49,671
Cash and cash equivalents of newly consolidated subsidiaries, at beginning of year	171	-
Cash and cash equivalents at end of period	49,671	50,848

12. Supplementary Information

(1) Consolidated Information by segments

5) Consolidated Statements of Cash Flows

Before correction:

(Unit: billion yen)

	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017	Difference
Cash flows from operating activities	8.1	17.3	9.2
Cash flows from investing activities	-3.7	<u>-8.4</u>	<u>-4.7</u>
Cash flows from financing activities	-15.9	-8.4	7.5
Foreign exchange translation	0.2	-0.7	-0.9
Increase/decrease in cash & cash equivalents	-11.3	<u>-0.2</u>	<u>11.1</u>
Cash & cash equivalents at beginning of year	60.7	49.6	-11.1
Other increase/decrease	0.2	<u>1.4</u>	<u>1.2</u>
Cash & cash equivalents at end of year	49.6	50.8	1.2

After correction:

(Unit: billion yen)

	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017	Difference
Cash flows from operating activities	8.1	17.3	9.2
Cash flows from investing activities	-3.7	<u>-7.0</u>	<u>-3.3</u>
Cash flows from financing activities	-15.9	-8.4	7.5
Foreign exchange translation	0.2	-0.7	-0.9
Increase/decrease in cash & cash equivalents	-11.3	<u>1.2</u>	<u>12.5</u>
Cash & cash equivalents at beginning of year	60.7	49.6	-11.1
Other increase/decrease	0.2	<u>-</u>	<u>-0.2</u>
Cash & cash equivalents at end of year	49.6	50.8	1.2

Note: The full report with the above corrections is available at our website.