

Report of Consolidated Financial Results

For the Year ended March 31, 2020

May 25, 2020

Name of Company: Hitachi Zosen Corporation
Code Number: 7004 URL: <https://www.hitachizosen.co.jp>
Stock Exchange Listing: Tokyo
Representative: Sadao Mino, President & Chief Operating Officer
Contact Person: Tetsuro Iwashita, Executive Officer, General Manager of Accounting Department
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This "Consolidated Financial Results" has been prepared in accordance with accounting principles generally accepted in Japan.

(Figures are rounded down to the nearest million yen.)

1. Business results and financial positions for the fiscal year (April 1, 2019 - March 31, 2020)

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

	Net sales		Operating income		Ordinary income		Profit attributable to shareholders of Hitachi Zosen	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
Year ended March 31, 2020	402,450	6.4	13,891	88.8	9,429	40.3	2,197	-59.7
Year ended March 31, 2019	378,140	0.5	7,358	24.6	6,720	99.7	5,445	150.8

	Net income per share (yen)	Net income per share-diluted (yen)	Return on equity (%)	Return on assets (%)	Operating income to net sales (%)
Year ended March 31, 2020	13.04	—	1.9	2.2	3.5
Year ended March 31, 2019	32.31	—	4.6	1.6	1.9

(Note) Equity in net income of nonconsolidated subsidiaries and affiliates:

Yen 576 million (March 31, 2020), Yen 691 million (March 31, 2019)

(2) Financial position

	Total assets (million yen)	Net assets (million yen)	Shareholders' equity to total assets (%)	Shareholders' equity per share (yen)
Year ended March 31, 2020	409,531	119,500	28.8	700.15
Year ended March 31, 2019	429,040	120,410	27.8	708.89

(Note) Shareholders' equity: Yen 118,003 million (March 31, 2020), Yen 119,479 million (March 31, 2019)

(3) Cash flows

	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, 2020	32,808	6,179	-31,364	41,595
Year ended March 31, 2019	-5,428	-7,574	14,982	34,394

2. Dividends

(Record Date)	Dividends per share			Total amount of dividend payment (million yen)	Dividend payout ratio (Consolidated) (%)	Dividend to net assets ratio (Consolidated) (%)
	Interim (yen)	Year-end (yen)	Annual (yen)			
Year ended March 31, 2019	0.00	12.00	12.00	2,022	37.1	1.7
Year ended March 31, 2020	0.00	12.00	12.00	2,022	92.0	1.7
Year ending March 31, 2021 (Forecast)	0.00	12.00	12.00	—	50.6	—

3. Forecast of consolidated earnings for the fiscal year ending March 31, 2021 (April 1, 2020 - March 31, 2021)

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

	Net sales		Operating income		Ordinary income		Profit attributable to shareholders of Hitachi Zosen		Net income per share – basic (yen)
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	
Year ending March 31, 2021	400,000	-0.6	11,000	-20.8	6,500	-31.1	4,000	82.1	23.73

4. Notes

(1) Changes in major subsidiaries during the period: None

(2) Changes in accounting policies, changes in accounting estimates and restatements

(i) Changes in accounting policies as per the revision of accounting standards: Yes

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(3) Number of shares issued and outstanding (common stock)

(i) Number of shares issued and outstanding (including treasury stock)

March 31, 2020 170,214,843 shares

March 31, 2019 170,214,843 shares

(ii) Number of shares held in treasury

March 31, 2020 1,674,282 shares

March 31, 2019 1,670,326 shares

(iii) Average number of shares during the period

March 31, 2020 168,542,521 shares

March 31, 2019 168,546,496 shares

(4) This report is out of scope of Statutory Audit.

(5) This report includes forward-looking statements. These forward-looking statements are based on the current assumptions and beliefs of Hitachi Zosen Corporation in light of the information currently available to it, and involve known and unknown risks, uncertainties and other factors. Such risks, uncertainties and other factors may cause Hitachi Zosen Corporation's actual results, performance, achievements or financial position to be materially different from any future results, performance, achievements or financial position expressed or implied by these forward-looking statements.