

FY2010 (Ended Mar. 31st, 2011) Financial Overview

Hitachi Koki Co., Ltd.
April 27th, 2011

Impact of the Earthquake

1. Restoration of Plants after the Earthquake

- Mar. 11 Occurrence of the Earthquake
- Mar. 19 Restored Power-supply
- Mar. 26 Restored Water-supply
- Mar. 30 Restarted partial operation
- Apr. 11 Recovered 60% of full Production
- Apr. 18 Recovered 80% of full Production
- May Resuming Full Production

2. Extraordinary loss related to the Earthquake

- Cost for building repair
 - Cost for restored machinery
 - Loss from suspension of operation
- } Total loss approx. ¥1.6 billion

3. Sales Impact ————— approx. ¥1.0 billion

*FY2010 (Ended Mar. 31st, 2011)
Result and Projection*

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Unit: M¥

	FY2009	FY2010	vs2009	FY2011 projection	vs2010
Sales	115,000	118,558	103%	127,000	107%
Operating Profit	3,637	3,630	100%	7,000	193%
Ordinary Profit	3,638	3,705	102%	6,800	184%
Net Income (Net Income per share)	967 (¥9.54)	528 (¥5.21)	55%	3,700 (¥36.49)	701%
Dividends per share	¥24.00	¥24.00		¥24.00	
	1Q ¥6.00	1Q ¥6.00		1Q ¥6.00	
	2Q ¥6.00	2Q ¥6.00		2Q ¥6.00	
	3Q ¥6.00	3Q ¥6.00		3Q ¥6.00	
	4Q ¥6.00	4Q ¥6.00		4Q ¥6.00	

End of FY2010 (Ended Mar. 31st, 2011)

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Major Management Index

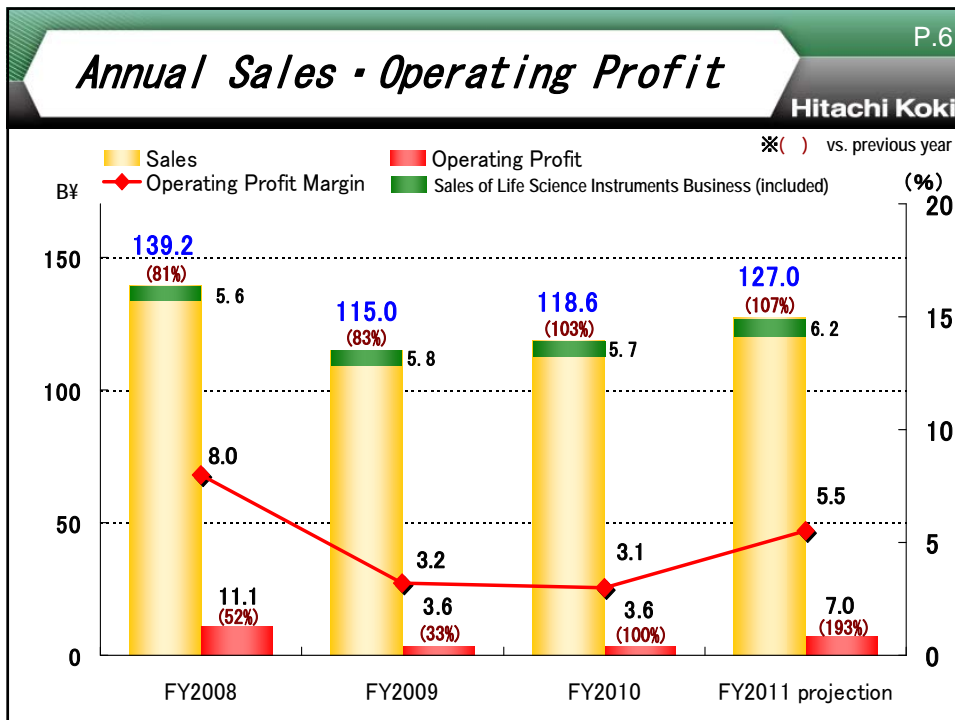
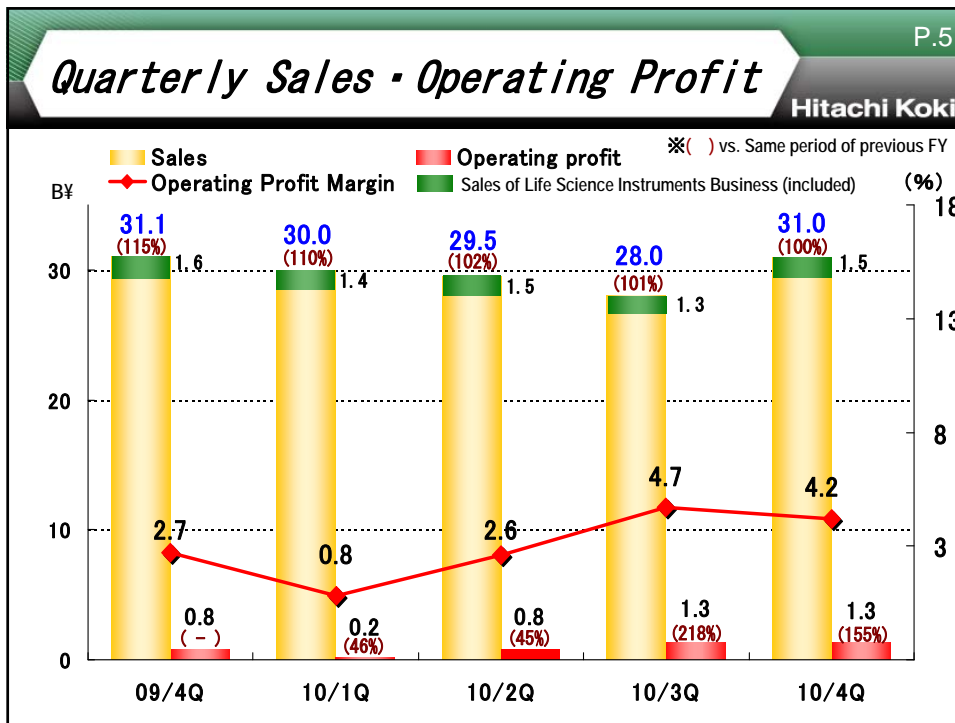
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① Company equity ratio	73.1%
② Net assets per share	¥998.94
③ ROE	0.5%
④ ROA	0.4%
⑤ PER	x 153.4
⑥ PBR	x 0.80

(1) ③ = net income (converted to an annual basis) ÷ equity capital × 100

(2) ④ = net income (converted to an annual basis) ÷ total assets × 100

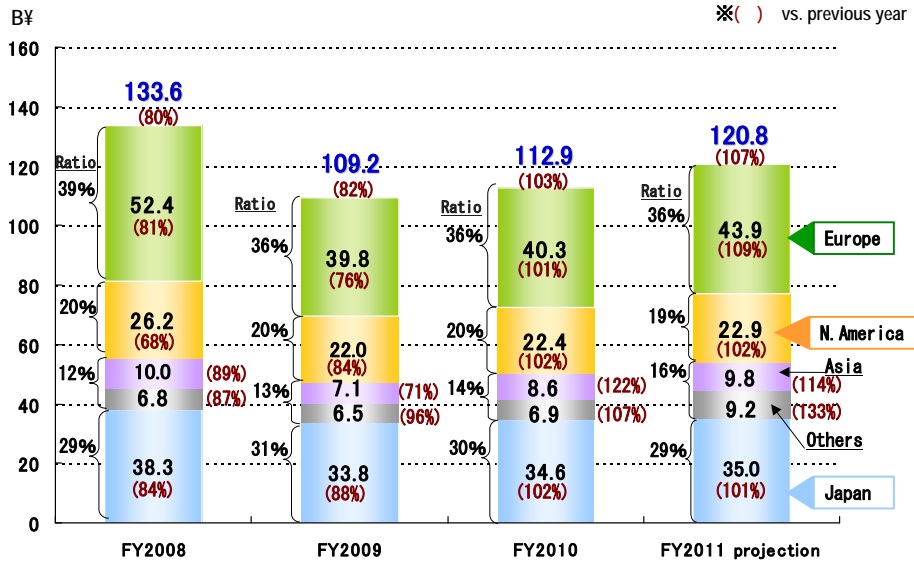
(3) ⑤⑥ = calculated with ¥799, closing stock price on Mar. 31st, 2011



Power Tools Business —Annual sales by region—

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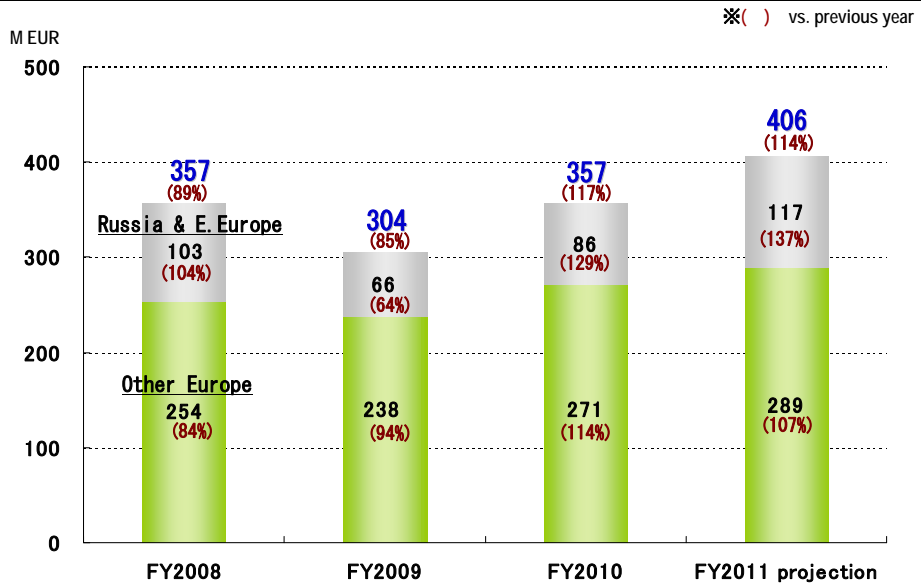
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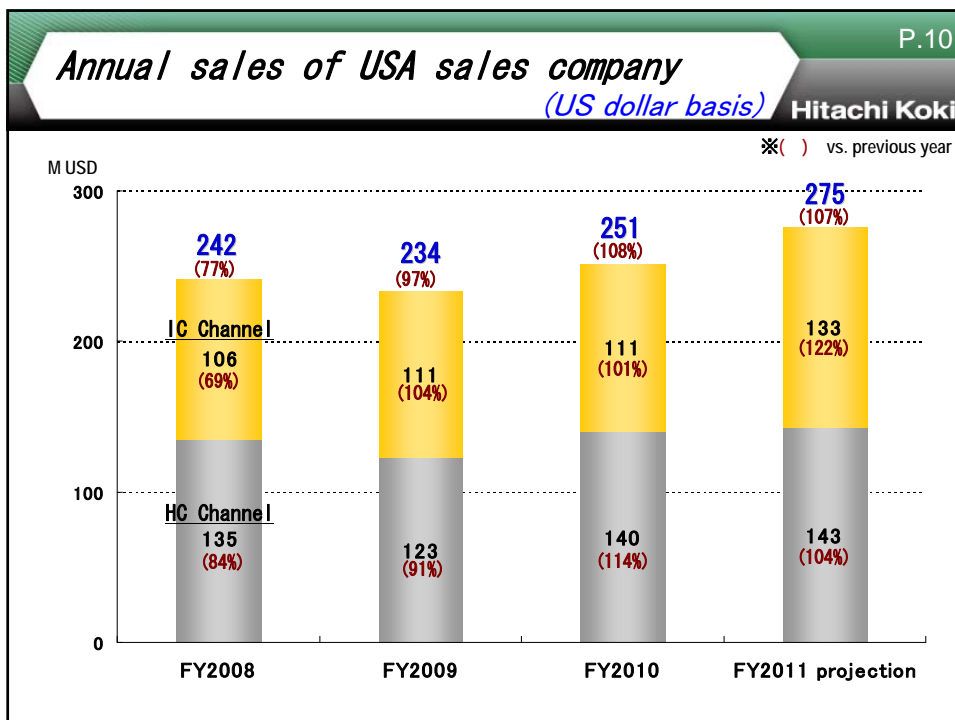
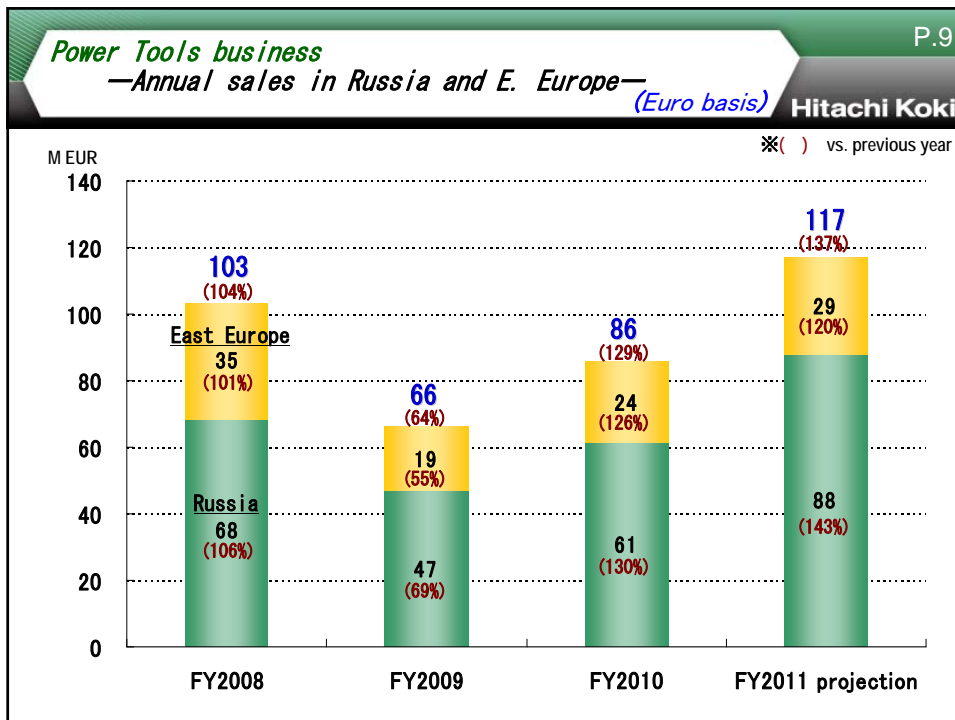


Power Tools Business —Annual sales in Europe—

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(Euro basis) Hitachi Koki





Strategies (1)

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1. Regional Strategies

◆ Expansion in Emerging Countries

(1) Dramatic Growth in Russia and East Europe

- Sales expansion by strengthening sales force
- Focusing on Siberia and Far East
- Sales expansion of Engine Tools

	Russia/E. Europe		
	FY2009	FY2010	FY2011
Sales	66	86	117
vs previous year	64%	129%	137%



(2) Promotion of Sales Doubling Plan in Asia

- China: Strengthening sales force by establishing 4 sales bases and rebuilding of logistics network
- Effective sales expansion by Promotion Tour
 - Feb. 2011 – Indonesia 70 dealers
 - Feb. 2011 – India (6 cities including Mumbai) 27 dealers
 - Apr. 2011 – China (4 cities including Beijing) 43 dealers
- Thailand: Sales expansion by strengthening the dealer retention and cultivating HC channel

	Asia		
	FY2009	FY2010	FY2011
Sales	7.1	8.6	9.8
vs previous year	71%	122%	114%



(3) Capture of Latin American Market

- Getting our Business on track in Brazil, the largest Market
 - Aug. 2010 – Established Sales subsidiary
- Improvement of sales efficiency by merger of subsidiaries in Mexico and Panama

Strategies (2)

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2. Product Strategies

(1) Outdoor Power Equipment Business

- Accelerating the business expansion by maximizing the advantage of full line up of power source including AC, Battery and Engine
- Expanding sales of “I-BOX”, hybrid power supply that matches the times.
- Worldwide launching Disc motor mounted Brushcutter
- Offering eco-friendly Power Tools – “Zero Emission”



(2) HITACHI is for Li-ion battery-powered products Target 26.5 B¥ in FY2011 (24.2 B¥ in FY2010)

- Offering a wider selection
- Increasing line up of brushless motor mounted products, which is energy saving
- Making accurate response to standard trend including safety and energy saving regulation

(3) Accessories Business Target 30.0 B¥ in FY2011 (18.6 B¥ in FY2010)

- Established Accessory Business Development Div. in Apr. 2011
- Providing common and localized products

Continuous ultracentrifuges for a vaccine production

(4) Life Science Instruments Business

- Expanding sales of continuous ultracentrifuges for vaccine production
- Expanding sales in new material related field (ex. semiconductor, paint, cosmetics, etc.)



3. Production Strategy

Starting up New Factory in Guangzhou, China

–Aug.2011 To be Completed, –Oct. Starting production



Tabletop Ultracentrifuge

Ultracentrifuge

Cautionary Statements

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The forecasts shown above is based on the information available at the time they were prepared and certain assumptions we consider reasonable. Actual consolidated performance may differ sharply from our forecasts owing to a wide range of factors, including shifts in economic conditions in major markets, changes in foreign currency exchange rates, and changes in raw material prices.
