

# FY2011 (Ending Mar. 31st, 2012) Second Quarter Financial Overview

Hitachi Koki Co., Ltd.  
October 28th, 2011

## FY2010 2nd Quarter (Ending Mar. 31st, 2012) Result and Projection

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Unit: B¥

	2 <sup>nd</sup> half year			Full year		
	FY 2010	FY 2011	2011 Vs 2010	FY 2010	FY 2011 (projection)	2011 Vs 2010
Sales	59.5	58.0	98% ※(99%)	118.6	127.0	107%
Operating Profit	1.0	2.6	266%	3.6	7.0	193%
Operating Profit Margin	1.7%	4.5%	-	3.1%	5.5%	-
Ordinary Profit	1.0	2.4	234%	3.7	6.8	184%
Net Income	0.1	1.8	-	0.5	3.7	701%

※ ( ) : Excluding the effects from a change of the reporting period of 10 subsidiaries made in previous first quarter.

### Major Management Index

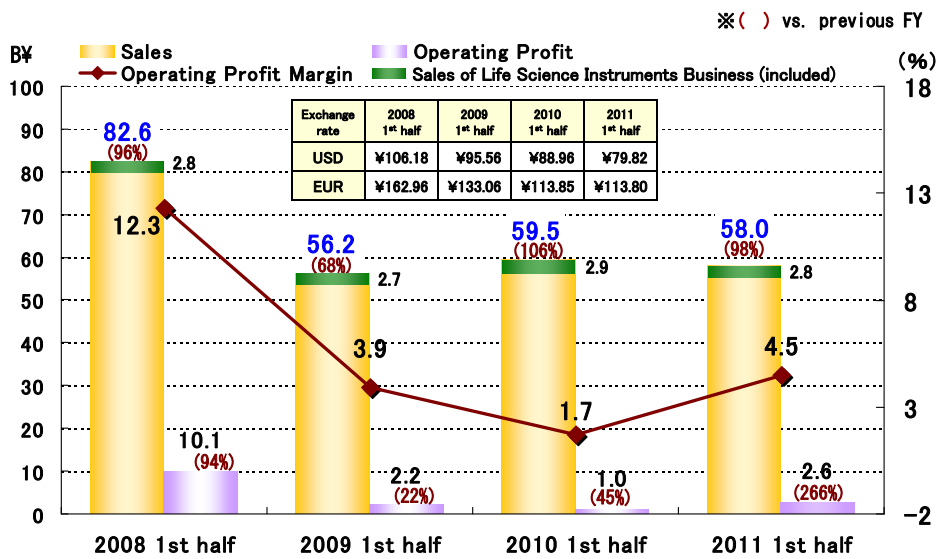
①	Company equity ratio	72.4%
②	Net assets per share	¥970.41
③	ROE	3.6%
④	ROA	2.6%
⑤	PER	16.5times
⑥	PBR	0.60times

(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 ¥583, closing stock price on Sep. 30th, 2011

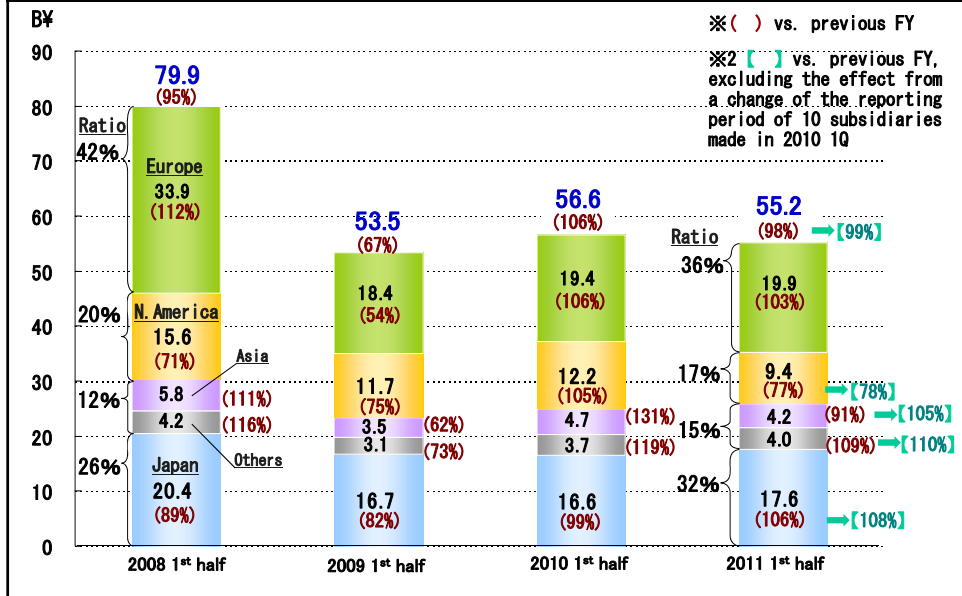
### Sales · Operating profit by 2nd Quarter



## Power Tools Business Sales by region

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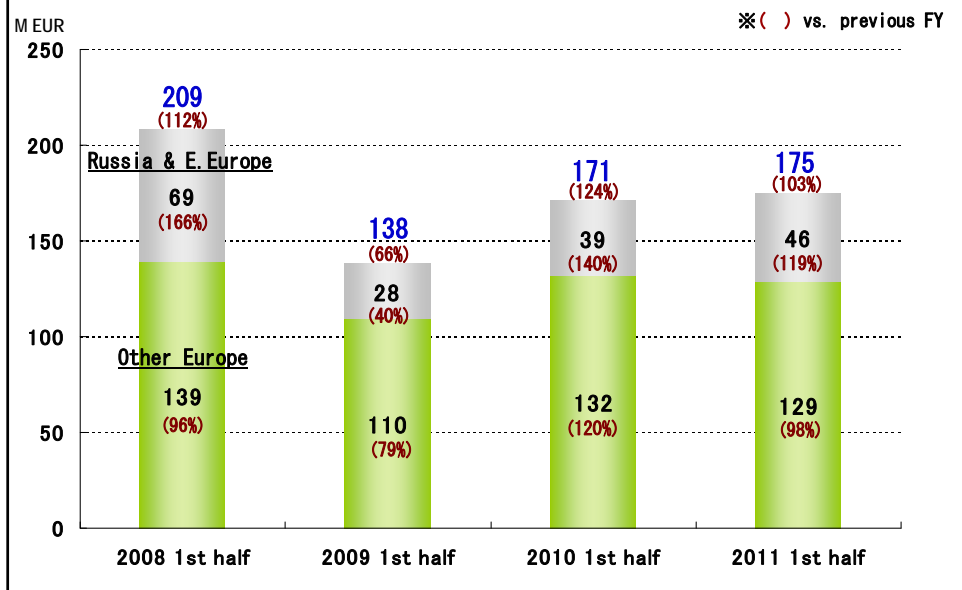
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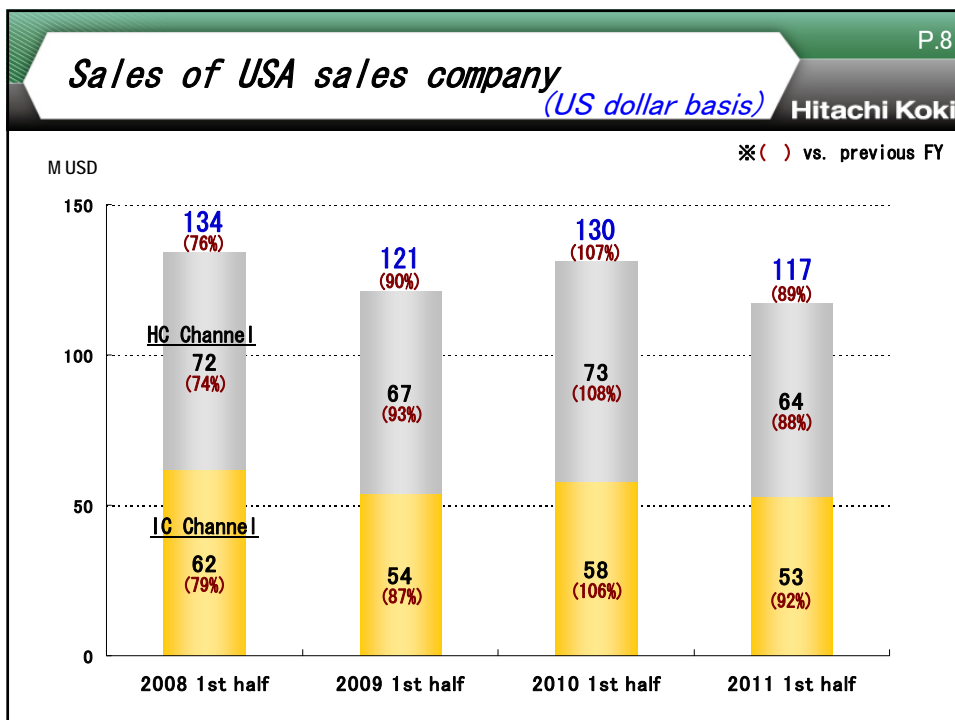
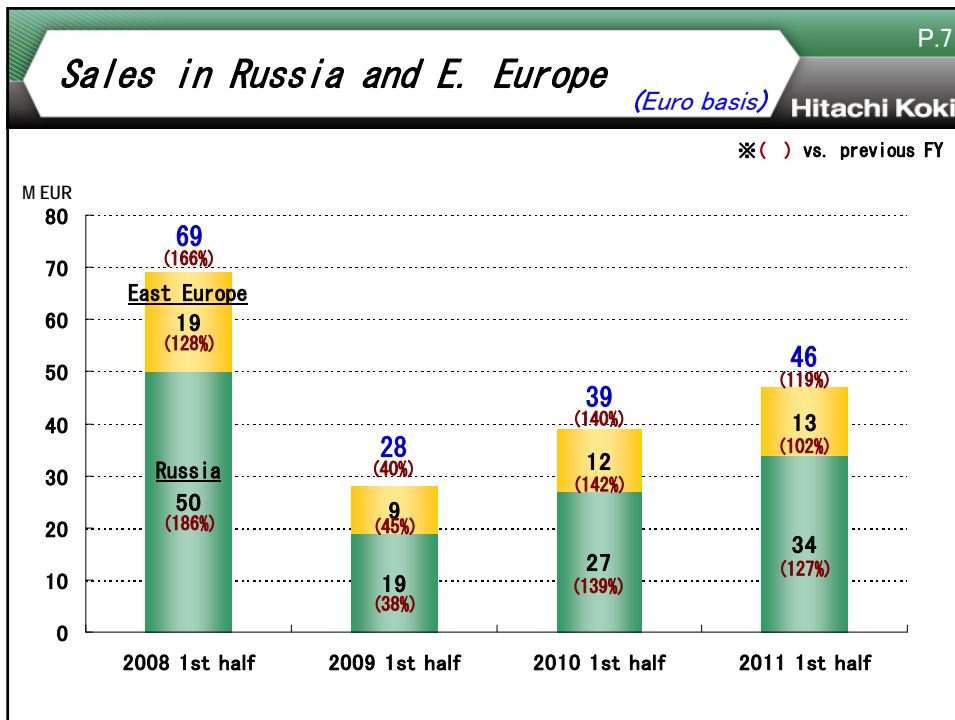


## Sales in Europe

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(Euro basis) Hitachi Koki





# Strategies (1)

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## 1. Product Strategies

- **Blue Ocean Strategy (Development of Original Products)**  
⇒ Portable Power Supply (I-BOX JUMBO)
- **HITACHI is for Li-ion battery-powered products**  
⇒ Expanding varieties of brushless motor mounted products (High efficiency, high functionality, high durability)  
⇒ Dustproof and waterproof impact driver (WH14DBAL2), which endure in tougher working environment
- **Outdoor Power Equipment Business**  
⇒ Expanding varieties of products, which mount engine complying with secondary exhaust emission regulations e.g. Chainsaw (CS33EDTP, CS33EB), Blower (RB24E)

Portable Power Supply I-BOX JUMBO



Dustproof and waterproof impact driver



Chainsaw with the engine that comply with secondary exhaust emission regulations

# Strategies (2)

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## 2. Sales Strategies

- **Japan:** Steady capture of recovery demand
- **Europe:** Full-scale recovery in Russia and E. Europe and sales expansion in France of strong sales
- **N. America:** Cultivating HC and IC channel with pneumatic tools
- **Emerging countries:** Expanding sales in potential markets (Set up Vietnam rep. office in October 2011)
- **Life-Science Instruments Business:** Stepping into the national project of next generation influenza vaccine mass production



Demolition hammer



High pressure water sprayer



Nailer

## 3. Production Strategies

- Pursuing a global manufacturing structure in optimal locations
- Smooth starting up of new factory in Guangzhou, China
- Local production for local consumption:  
Production upgrade of demolition hammer and rotary hammer at factory in Malaysia
- Implementation of global VEC\* activities

\*Value Engineering for Customer



New factory in Guangzhou, China

## *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.

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