

# Report of Consolidated Financial Results

For the Year ended March 31, 2014

May 9, 2014

Name of Company: Hitachi Zosen Corporation  
 Code Number: 7004 URL: <http://www.hitachizosen.co.jp>  
 Stock Exchange Listings: Tokyo  
 Representative: Takashi Tanisho, President & Chief Operating Officer  
 Contact Person: Toshiki Nakamura, General Manager of Accounting Department tel. +81-6-6569-0001

This "Consolidated Financial Results" has been prepared in accordance with accounting principles generally accepted in Japan.

## 1. Business results and financial positions for the fiscal year (April 1, 2013 - March 31, 2014)

### (1) Results of operations

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

	Net sales		Operating income		Ordinary income		Net income	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
Year ended March 31, 2014	333,433	12.3	7,879	-30.7	6,220	-44.7	3,720	-49.8
Year ended March 31, 2013	296,792	-2.1	11,362	-0.0	11,247	4.4	7,411	-20.5

	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, 2014	23.77	—	3.7	1.7	2.4
Year ended March 31, 2013	46.78	44.78	7.6	3.0	3.8

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

Yen -1,003 million (March 31, 2014), Yen 2,364 million (March 31, 2013)

Net income per share and Net income per share-diluted are calculated assuming the one for five share consolidation of common stocks effective October 1, 2013 occurred at the beginning of the fiscal year ended March 31, 2013.

### (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, 2014	379,414	117,565	26.4	641.16
Year ended March 31, 2013	366,347	115,126	26.9	627.85

(Note) Shareholder's equity: Yen 100,322 million (March 31, 2014), Yen 98,414 million (March 31, 2013)

Shareholders' equity per share are calculated assuming the one for five share consolidation of common stocks effective October 1, 2013 occurred at the beginning of the fiscal year ended March 31, 2013.

### (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, 2014	300	-8,697	-514	49,961
Year ended March 31, 2013	9,649	-13,488	-7,818	56,413

## 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, 2013	0.00	2.00	2.00	1,567	21.4	1.6
Year ended March 31, 2014	0.00	10.00	10.00	1,565	42.1	1.6
Year ending March 31, 2015 (Forecast)	0.00	10.00	10.00	—	39.1	—

Year-end dividends for the year ended March 31, 2014 and year-end dividends for the year ending March 31, 2015 (forecast) are calculated in consideration of the one for five share consolidation of common stocks effective October 1, 2013.

## 3. Forecast of consolidated earnings for the fiscal year ending March 31, 2015 (April 1, 2014 - March 31, 2015)

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

	Net sales		Operating income		Ordinary income		Net income		Net income per share - basic (yen)
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)	
Year ending March 31, 2015	320,000	-4.0	10,000	26.9	8,000	28.6	4,000	7.5	25.56

## 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, 2014 159,214,656 shares

March 31, 2013 159,214,656 shares

(ii) Number of shares held in treasury

March 31, 2014 2,743,807 shares

March 31, 2013 2,465,894 shares

(iii) Average number of shares during the period

March 31, 2014 156,521,762 shares

March 31, 2013 158,430,530 shares

The above information during the respective periods is calculated in consideration of the one for five share consolidation of our common stocks effective October 1, 2013, assuming that the event occurred at the beginning of the fiscal year ended March 31, 2013.

(4) At the timing of this report's publication, the audit procedures in accordance with Japanese Financial Instruments and Exchange Act are in progress.

(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.

## 5. Financial Results

### (1) Analysis of Financial Results

#### 1) Overview of consolidated operating results

Based on "Hitz Vision", the 3-year medium term business plan starting from the fiscal year 2011, we have taken measures to stimulate innovation in business operations and management; implementing priority investment of our corporate resources, fostering the growth area, strengthening our fundamental earning power and our financial position and identifying new business fields and new market segments.

In the fiscal year ended March 31, 2014, Order intake decreased to ¥ 328,433 million compared to the previous fiscal year, reflecting a decline of large new orders in Environmental Systems & Industrial Plants. Net sales increased to ¥ 333,433 million due mainly to a boost of sales in Environmental Systems & Industrial Plants.

Operating income decreased to ¥ 7,879 million, for Infrastructure showed some recovery but could not cover the loss from Machinery. Ordinary income also decreased to ¥ 6,220 million, resulting from decrease of Operating income and Equity in net loss of nonconsolidated subsidiaries and affiliates. After deducting income taxes and minority interests, Net income was below the level of the previous fiscal year, ¥ 3,720 million.

#### 2) Business results by segments

Segment information on our major businesses and products as well as segment consolidated results is given below.

As per reorganization effective January 1, 2013, Environmental Systems and Industrial Plants are merged into one segment. In the following analysis, the figures of the previous fiscal year are also restated to reflect this organizational change.

#### (Major businesses and products by segment)

Environmental Systems & Industrial Plants	Solid waste incinerator, EfW, Material recycle system, Water and sludge treatment, Biomass utilization, Desalination plant and other plants, SCR system, Power generation system, IPP
Machinery	Marine diesel engines, Deck machinery for ships, Press machine, Boiler
Process Equipment	Pressure vessels, Spent nuclear fuel storage cask & canister (container)
Infrastructure	Bridge, Hydraulic gate, Marine civil engineering, Shield tunneling machine
Precision Machinery	Plastic machinery, Food machinery, Pharmaceutical machinery, Precision machinery, Electronics control system
Other businesses	Transportation, Warehousing, Port cargo handling

#### (Operating results by business segments)

##### Environmental Systems & Industrial Plants:

Despite the fierce competition for new orders intake, Net sales increased to ¥ 206,299 million from the previous fiscal year due to the progress of overseas large contracts. Operating income decreased to ¥ 9,889 million reflecting completion of profitable construction in the previous fiscal year.

##### Machinery:

While Press machine for automobile industry continued to be prosperous, Marine diesel engines declined. Therefore, Net sales decreased from the previous fiscal year to ¥ 51,941 million and Operating loss ¥ 353 million was recognized.

##### Process Equipment:

Reflecting progress of large contracts which was received in the previous fiscal year and acquisition of NAC International Inc., Net sales grew up to ¥ 15,976 million from a year ago. Although this segment booked Operating income in the previous fiscal year, Operating loss was ¥ 38 million due to amortization of goodwill which was occurred by the acquisition of NAC International Inc.

Infrastructure:

In spite of the intensified competition in public sector, Net sales increased to ¥ 28,092 million from the previous fiscal year. Operating loss decreased to ¥ 1,580 million due to a boost of sales and strict cost management.

Precision Machinery:

With a sign of recovery in investment of related industries, Net sales amounted to ¥ 22,625 million. However, Operating loss ¥ 196 million was recognized due to low-profitability contracts.

Other Businesses:

Both Net sales and Operating income dropped from the previous fiscal year to ¥ 8,500 million and ¥ 285 million respectively.

3) Earning forecast of the next fiscal year

Concerning the forecast of consolidated sales and earnings for the next fiscal year, Order intake is projected at ¥ 400,000 million anticipating the growth of orders in Environmental Systems & Industrial Plants. Net sales is expected to decrease to ¥ 320,000 million due to completion of large EfW projects in this fiscal period. As to the profitability, Operating income is projected at ¥ 10,000 million, which exceeds this fiscal year, considering the improvement of profitability in Machinery and Infrastructure. Ordinary income and Net income are estimated at ¥ 8,000 million and ¥ 4,000 million respectively.

(2) Analysis of Consolidated Financial Position

1) Assets, Liabilities and Net assets

Total assets increased by ¥ 13,067 million from the previous fiscal year to ¥ 379,414 million due to increase of Trade notes and accounts receivables.

Total liabilities increased by ¥ 10,628 million from the previous fiscal year to ¥ 261,849 million reflecting increase of Notes and accounts payables and Accrued expenses.

The net assets increased by ¥ 2,439 million to ¥ 117,565 million.

2) Cash flows

Although there was increase of Trade notes and accounts receivables, Cash flows from operating activities increased by ¥ 300 million after booking Net income.

Due to capital investments, Cash flows from investing activities were cash outflow of ¥ 8,697 million.

Cash flows from financing activities were cash outflow of ¥ 514 million.

On an overall basis, Cash and cash equivalents at the end of the previous fiscal year decreased by ¥ 6,452 million to ¥ 49,961 million.

(3) Dividend

Our basic policy for profit distribution is to implement the stable and appropriate level of dividend payment in light of underlying business results consecutively, while trying to enhance retained earnings required for future business development. Retained earnings should be employed for capital investment and R&D to strengthen our business base and expansion of business fields.

In consideration of this policy, we are planning to propose ¥ 10.00 per share year-end dividends to the shareholders' meeting on June 24, 2014.

The year-end dividends are calculated in consideration of the one for five share consolidation of common stocks effective October 1, 2013. Therefore year-end dividends for the fiscal year ended March 31, 2014 were equal with that for the fiscal year ended March 31, 2013.

## 6. Consolidated financial statements

### CONSOLIDATED BALANCE SHEETS

Hitachi Zosen Corporation and Consolidated Subsidiaries  
At March 2013 and 2014 (unaudited)

	Millions of yen	
	2013	2014
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and time deposits	¥ 59,249	¥ 54,462
Receivables:		
Trade notes and accounts:		
Nonconsolidated subsidiaries and affiliates	811	897
Other	107,022	121,440
Other	2,566	5,875
Allowance for doubtful receivables	(1,450)	(1,541)
	108,949	126,671
Marketable securities	45	52
Inventories	19,338	21,156
Deferred tax assets	6,909	6,203
Prepaid expenses and other current assets	6,748	7,129
Total current assets	201,238	215,673
<b>Property, plant and equipment, at cost:</b>		
Land	67,723	67,607
Buildings and structures	77,122	77,637
Machinery and equipment	93,643	95,203
Lease assets	1,022	1,303
Construction in progress	522	1,499
	240,032	243,249
Less accumulated depreciation	(116,559)	(121,218)
Property, plant and equipment, net	123,473	122,031
<b>Intangible assets:</b>		
Goodwill	4,736	3,432
Other intangible assets	2,246	3,855
Total intangible assets	6,982	7,287
<b>Investments and other noncurrent assets:</b>		
Investments in nonconsolidated subsidiaries and affiliates	9,033	8,354
Investments in securities	15,521	15,523
Long-term loans receivable	84	53
Deferred tax assets	1,263	3,286
Other investments and noncurrent assets	9,751	8,286
Allowance for doubtful receivables	(1,038)	(1,102)
Total investments and other noncurrent assets	34,614	34,400
<b>Deferred assets</b>	40	23
<b>Total assets</b>	¥ 366,347	¥ 379,414

	Millions of yen	
	2013	2014
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Notes and accounts payable:		
Nonconsolidated subsidiaries and affiliates	¥ 221	¥ 434
Other	52,279	58,198
Electronically recorded obligations		
Short-term borrowings	5,960	10,326
Current portion of long-term debt	30,564	22,607
Accrued expenses	37,140	42,114
Accrued income taxes	2,321	1,836
Advances received on work in progress	16,754	16,651
Reserve for directors' and corporate auditors' bonuses	81	39
Reserve for product warranty	5,580	3,983
Reserve for losses on construction contracts	9,794	7,517
Other current liabilities	10,377	9,761
Total current liabilities	171,071	173,466
<b>Long-term liabilities:</b>		
Long-term debt, less current portion	65,501	70,561
Asset retirement obligations	934	879
Deferred tax liabilities	1,957	2,545
Employees' severance and retirement benefits	9,829	—
Net defined benefit liability	—	12,135
Directors' and corporate auditors' severance and retirement benefits	694	500
Other noncurrent liabilities	1,235	1,763
Total long-term liabilities	80,150	88,383
Total liabilities	251,221	261,849
<b>CONTINGENT LIABILITIES</b>		
	—	—
<b>NET ASSETS:</b>		
Common stock		
Authorized —400,000,000 shares		
Issued —159,214,656 shares at March 31, 2013 and 2014	45,442	45,442
Capital surplus	5,974	5,974
Retained earnings	48,314	50,467
Treasury stock, at cost —2,465,894 shares in 2013		
—2,743,807 shares in 2014	(1,799)	(1,995)
Net unrealized holding gains (losses) on securities	292	416
Net unrealized holding gains (losses) on hedging derivatives	(1,110)	(775)
Pension obligation adjustments of overseas subsidiaries	880	—
Remeasurements of defined benefit plans	—	(1,688)
Land revaluation difference	(22)	(22)
Foreign currency translation adjustments	443	2,504
Subscription rights to shares	1	1
Minority interests in consolidated subsidiaries	16,711	17,241
Total net assets	115,126	117,565
<b>Total liabilities and net assets</b>	¥ 366,347	¥ 379,414

**CONSOLIDATED STATEMENTS OF INCOME**  
Hitachi Zosen Corporation and Consolidated Subsidiaries  
For the Years Ended March 31, 2013 and 2014 (unaudited)

	Millions of yen	
	2013	2014
<b>Net sales</b>	¥ 296,792	¥ 333,433
<b>Cost of sales</b>	246,047	283,260
Gross profit	50,745	50,173
<b>Selling, general and administrative expenses</b>	39,383	42,294
Operating income	11,362	7,879
<b>Other income (expenses):</b>		
Interest and dividend income	175	240
Interest expense	(1,315)	(1,162)
Foreign exchange gain	(368)	51
Equity in net income of nonconsolidated subsidiaries and affiliates	2,364	(1,003)
Impairment loss	(1,690)	—
Contribution for withdrawal from employee's pension fund	(841)	—
Other, net	(971)	215
Total other expenses	(2,646)	(1,659)
Income before income taxes and minority interests	8,716	6,220
<b>Income taxes</b>		
Current	2,858	2,234
Deferred	(2,558)	(737)
Income before minority interests	8,416	4,723
<b>Minority interests in net income of consolidated subsidiaries</b>	1,005	1,003
Net income	¥ 7,411	¥ 3,720

	Yen	
	2013	2014
<b>Amounts per share</b>		
Net income - basic	¥ 46.78	¥ 23.77
Net income - diluted	44.78	—
Cash dividends	2.00	10.00

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

Hitachi Zosen Corporation and Consolidated Subsidiaries  
For the Years Ended March 31, 2013 and 2014 (unaudited)

	Millions of yen	
	2013	2014
<b>Income before minority interests</b>	¥ 8,416	¥ 4,723
<b>Other comprehensive income</b>		
Net unrealized holding gains (losses) on securities	36	92
Net unrealized holding gains (losses) on hedging derivatives	(881)	371
Foreign currency translation adjustments	945	1,634
Equity of nonconsolidated subsidiaries and affiliates accounted for using equity method	433	519
Changes in equity	(1,887)	—
<b>Total other comprehensive income</b>	(1,354)	2,616
<b>Total comprehensive income</b>	7,062	7,339
Comprehensive income attributable to		
Owners of the parent	6,173	6,240
Minority interests	889	1,099



### CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

Hitachi Zosen Corporation and Consolidated Subsidiaries  
For the Years Ended March 31, 2013 and 2014 (unaudited)

	Millions of yen	
	2013	2014
<b>Common stock:</b>		
Balance at beginning of year	¥ 45,442	¥ 45,442
Balance at end of year	¥ 45,442	¥ 45,442
<b>Capital surplus:</b>		
Balance at beginning of year	¥ 5,974	¥ 5,974
Treasury stock disposed, net	0	0
Balance at end of year	¥ 5,974	¥ 5,974
<b>Retained earnings:</b>		
Balance at beginning of year	¥ 44,356	¥ 48,314
Cash dividends	(1,588)	(1,567)
Net income	7,411	3,720
Increase due to consolidation of additional subsidiaries	24	—
Changes in equity	(1,887)	—
Reversal of land revaluation difference	(2)	—
Balance at end of year	¥ 48,314	¥ 50,467
<b>Treasury stock:</b>		
Balance at beginning of year	¥ (286)	¥ (1,799)
Treasury stock disposed, net	1	—
Treasury stock purchased, net	(1,514)	(196)
Balance at end of year	¥ (1,799)	¥ (1,995)
<b>Net unrealized holding gains (losses) on securities:</b>		
Balance at beginning of year	¥ 73	¥ 292
Other	219	124
Balance at end of year	¥ 292	¥ 416
<b>Net unrealized holding gains (losses) on hedging derivatives:</b>		
Balance at beginning of year	¥ (242)	¥ (1,110)
Other	(868)	335
Balance at end of year	¥ (1,110)	¥ (775)
<b>Pension liability adjustment of foreign subsidiaries:</b>		
Balance at beginning of year	¥ 880	¥ 880
Other	—	(880)
Balance at end of year	¥ 880	¥ —
<b>Land revaluation difference:</b>		
Balance at beginning of year	¥ (24)	¥ (22)
Reversal of land revaluation difference	2	—
Balance at end of year	¥ (22)	¥ (22)
<b>Foreign currency translation adjustments:</b>		
Balance at beginning of year	¥ (855)	¥ 443
Other	1,298	2,061
Balance at end of year	¥ 443	¥ 2,504
<b>Remeasurements of defined benefit plans</b>		
Balance at beginning of year	¥ —	¥ —
Other	—	(1,688)
Balance at end of year	¥ —	¥ (1,688)
<b>Subscription rights to shares:</b>		
Balance at beginning of year	¥ 1	¥ 1
Balance at end of year	¥ 1	¥ 1
<b>Minority interests in consolidated subsidiaries:</b>		
Balance at beginning of year	¥ 15,728	¥ 16,711
Other	983	530
Balance at end of year	¥ 16,711	¥ 17,241
<b>Number of shares of common stock:</b>	Shares	Shares
	2013	2014
Balance at beginning of year	796,073,282	796,073,282
Balance at end of year	796,073,282	159,214,656

(Note) Number of shares of common stock is calculated in consideration of the one for five share consolidation of common stock effective October 1, 2013.

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
Hitachi Zosen Corporation and Consolidated Subsidiaries  
For the Years Ended March 31, 2013 and 2014 (unaudited)

	Millions of yen	
	2013	2014
<b>Cash flows from operating activities:</b>		
Income before income taxes and minority interests	¥ 8,716	¥ 6,220
Adjustments to reconcile income before income taxes and minority interests to net cash provided by operating activities:		
Depreciation	8,286	8,199
Impairment loss	1,690	—
Amortization of goodwill	160	476
Increase (decrease) in allowance for doubtful receivables	(43)	156
Increase in employees' severance and retirement benefits	601	—
Increase of net defined benefit liability	—	1,498
Increase (decrease) in reserve for losses on construction contracts	1,210	(2,277)
Interest and dividend income	(175)	(240)
Interest expense	1,315	1,162
Equity in net loss (income) of nonconsolidated subsidiaries and affiliates	(2,364)	1,003
Gain on sale of investments in securities	(1)	(570)
Loss on disposal of fixed assets	126	282
Decrease (increase) in trade receivables	2,370	(14,433)
Decrease (increase) in inventories	4,116	(1,815)
Decrease (increase) in other current assets	1,267	(4,314)
Increase (decrease) in trade payables	(8,015)	6,118
Increase (decrease) in accrued expenses	(3,067)	5,018
Increase (decrease) in advances received	369	(103)
Decrease in other current liabilities	(2,616)	(2,269)
Other	(2,194)	(589)
Subtotal	11,751	3,522
Interest and dividends received	939	287
Interest paid	(1,336)	(1,210)
Income taxes paid	(1,705)	(2,299)
<b>Net cash and cash equivalents provided by operating activities</b>	<b>9,649</b>	<b>300</b>
<b>Cash flows from investing activities:</b>		
Increase in time deposits	(3,198)	(4,999)
Decrease in time deposits	2,778	3,600
Purchase of property, plant and equipment	(5,991)	(5,295)
Purchase of intangible assets	(677)	(529)
Purchase of investments in securities	(1,278)	(15)
Proceeds from sales of investments in securities	16	862
Payments for investments in capital of affiliates	(422)	(2,502)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(4,196)	—
Other	(520)	181
<b>Net cash and cash equivalents used in investing activities</b>	<b>(13,488)</b>	<b>(8,697)</b>
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term borrowings, net	(791)	4,316
Proceeds from long-term debt	26,800	27,940
Payment of long-term debt	(25,370)	(30,836)
Proceeds from issuance of bonds	10,000	—
Redemption of bonds	(15,070)	—
Cash dividends paid	(1,588)	(1,568)
Other	(1,799)	(366)
<b>Net cash and cash equivalents used in financing activities</b>	<b>(7,818)</b>	<b>(514)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>1,298</b>	<b>2,444</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(10,359)</b>	<b>(6,467)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>66,609</b>	<b>56,413</b>
<b>Cash and cash equivalents of newly consolidated subsidiaries, at beginning of year</b>	<b>163</b>	<b>15</b>
<b>Cash and cash equivalents at end of year</b>	<b>¥ 56,413</b>	<b>¥ 49,961</b>

7. Supplementary Information

(1) Consolidated Results by segments

i) Statements of Operations

(Unit: billion yen)

	Fiscal year ended March 31, 2013		Fiscal year ended March 31, 2014		Difference	
	Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Environmental Systems & Industrial Plants	181.1	10.6	206.3	9.9	25.2	-0.7
Machinery	53.7	1.9	51.9	-0.4	-1.8	-2.3
Process Equipment	10.1	0.1	16.0	0.0	5.9	-0.1
Infrastructure	26.5	-2.3	28.1	-1.6	1.6	0.7
Precision Machinery	16.7	0.1	22.6	-0.2	5.9	-0.3
Other Businesses	8.6	0.9	8.5	0.1	-0.1	-0.8
Total	296.7	11.3	333.4	7.8	36.7	-3.5

ii) Order Intake

(Unit: billion yen)

Business Segment	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Difference
Environmental Systems & Industrial Plants	271.1	205.0	-66.1
Machinery	47.5	53.3	5.8
Process Equipment	16.3	17.3	1.0
Infrastructure	20.9	22.5	1.6
Precision Machinery	18.3	21.9	3.6
Other Businesses	8.7	8.4	-0.3
Total	382.8	328.4	-54.4

iii) Order Backlog

(Unit: billion yen)

Business Segment	March 31, 2013	March 31, 2014	Difference
Environmental Systems & Industrial Plants	342.8	341.5	-1.3
Machinery	41.9	43.3	1.4
Process Equipment	33.2	34.6	1.4
Infrastructure	24.8	19.2	-5.6
Precision Machinery	7.6	6.8	-0.8
Other Businesses	0.4	0.3	-0.1
Total	450.7	445.7	-5.0

(Notes)

As per reorganization effective January 1, 2013, Environmental systems and Industrial plants are merged into one segment.

In the above table, the figure of this fiscal year is restated to reflect this organizational change.

(2) Forecast of Consolidated Earnings by segments for fiscal year ending March 31, 2015

i) Statements of Operations

(Unit: billion yen)

		Fiscal year ended March 31, 2014		Fiscal year ending March 31, 2015		Difference	
		Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Operating Income	Environmental Systems & Industrial Plants	206.3	9.9	196.0	8.5	-10.3	-1.4
	Machinery	51.9	-0.4	50.0	0.0	-1.9	0.4
	Process Equipment	16.0	0.0	17.0	0.5	1.0	0.5
	Infrastructure	28.1	-1.6	23.0	0.0	-5.1	1.6
	Precision Machinery	22.6	-0.2	25.0	0.5	2.4	0.7
	Other Businesses	8.5	0.1	9.0	0.5	0.5	0.4
	Total	333.4	7.8	320.0	10.0	-13.4	2.2
Ordinary Income		6.2		8.0		1.8	
Net Income		3.7		4.0		0.3	

ii) Order Intake

(Unit: billion yen)

Business Segment	Fiscal year ended March 31, 2014	Fiscal year ending March 31, 2015	Difference
Environmental Systems and Industrial Plants	205.0	250.0	45.0
Machinery	53.3	53.0	-0.3
Process Equipment	17.3	28.0	10.7
Infrastructure	22.5	32.0	9.5
Precision Machinery	21.9	28.0	6.1
Other Businesses	8.4	9.0	0.6
Total	328.4	400.0	71.6