

FY12 Financial Results

April 23, 2013

 **Hitachi High-Technologies Corporation**

President and Chief Executive Officer Masao Hisada
Vice President and Executive Officer Shunichi Uno

FY12 Financial Results

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III **FY13 Outlook**

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I

Outline of FY12

(Note) YY/M denotes the year and month of the accounting period-end.
(e) denotes the forecast for the previous period (Jan 2013).

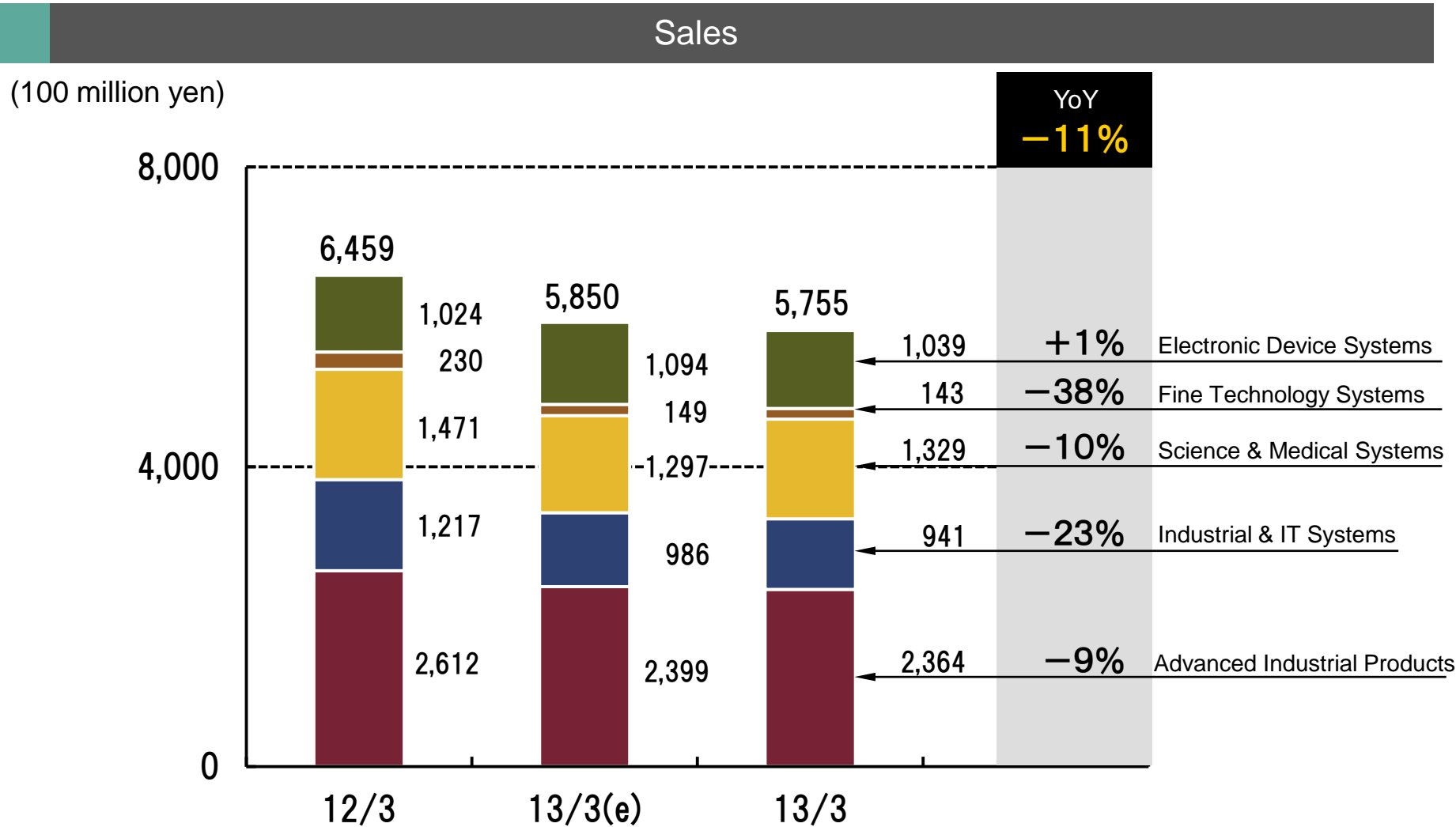
Outline of FY12 (Highlights)

(100 million yen)

	Results	YoY		vs. Previous Forecast	
		Increase/Decrease	Ratio	Increase/Decrease	Ratio
Sales	5,755	-704	-11%	-95	-2%
Operating Income	190	-65	-26%	-10	-5%
Ordinary Income	201	-61	-23%	-7	-3%
Net Income	122	-21	-15%	-1	-1%
Net Income per Share	88.45yen	-15.26yen		-0.98yen	
Cash Dividend per Share	20.00yen	-10.00yen*		±00.00yen	
ROE	4.7%		-1.1%		—
FIV	-3		-36		—
FCF	+65		-117		+30

Note: Cash dividends per share of FY11 includes memorial dividend of 10 yen (in commemoration of 10 years of operation)

Outline of FY12 (Sales)

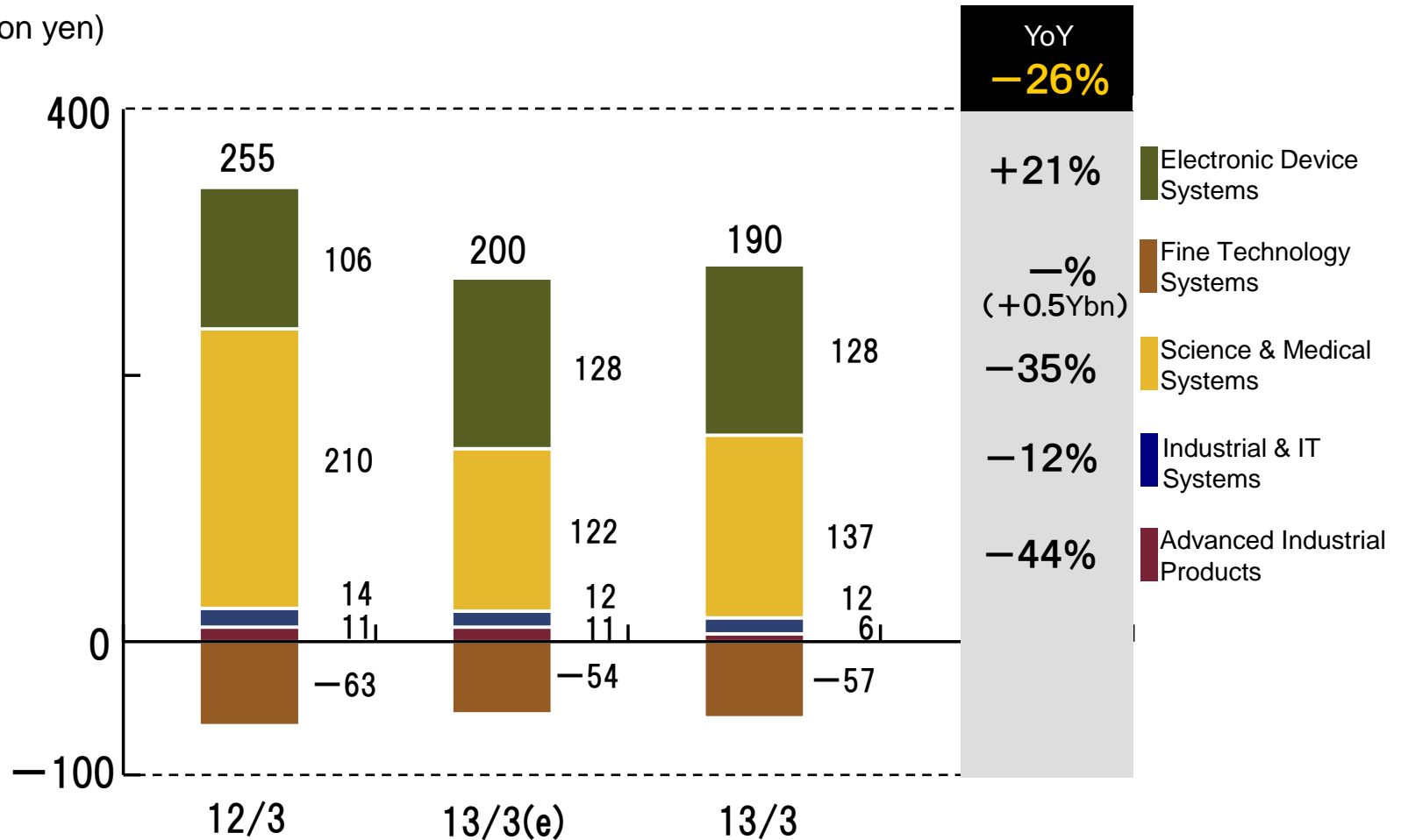


Note: Elimination such as subtractions in intersegment transactions, etc., are included in the totals.

Outline of FY12 (Operating Income)

Operating Income

(100 million yen)



Note: Elimination such as subtractions in intersegment transactions, etc., are included in the totals.

Outline of FY12 (Balance Sheet in Summary)

As of end of March 2013 (100 million yen)

As of end of March 2013 (100 million yen)			As of end of March 2012 (100 million yen)		
		vs. 12/3			vs. 12/3
Current Assets		3,306	-231	Current Liabilities	
Cash & Deposits/Deposit to Hitachi Group Cash Management Fund	1,181	-40	Notes & Accounts Payable	844	-211
Notes & Accounts Receivable	1,107	-193	Others	528	-32
Inventories	703	+17	Fixed Liabilities		292
Others	315	-15	Retirement and severance benefits	265	-0
Fixed Assets		1,030	+146	Others	27
Tangible Fixed Assets	663	+66	Net Assets		2,672
Intangible Fixed Assets	140	+77	Shareholder Capital	2,638	+94
Investments & Other Assets	227	+3	Accumulated Other Comprehensive Income	30	+46
			Minority Interests	4	+2
Total Assets	4,336	-85	Total Liabilities & Shareholders' Equity		4,336
					-85

Outline of FY12 (Cash Flow Statement in Summary)

(100 million yen)

	13/3		13/3
Cash Flow from Operating Activities	+110	Cash Flow from Financing Activities	-80
Income Before Income Taxes and Minority Interests	+170	Dividends Paid	-28
Depreciation and Amortization	+78	Repayment of Long- and Short-term Debt	-52
Working Fund	-3	Others	-0
Income Taxes Paid	-119	Effect of Exchange Rate Changes	+34
Others	-17		
Cash Flow from Investing Activities	-44		
Capital Expenditures Proceeded from Sales/Purchase of Securities	+21		
Capital Expenditures Proceeded from Sales/Purchase of Property and Equipment	-111		
Purchase of Investments in Subsidiaries	-63		
Others	+108		
Free Cash Flow	+65		
			13/3
		Cash and Cash Equivalents	
		At the Beginning of Year	1,216
		Net Increase (Decrease)	+19
		At the End of Term	1,235

II

FY13 Management Policy

1.

Strengthen business portfolio by shifting resources to growing fields

2.

Act globally – Expand and accelerate global business by focusing on target region

3.

Create new business by accelerating research and development

1. Strengthen business portfolio by shifting resources to growing fields



Electronic Device Systems

Strengthen customer relationships by concentrating resources on priority customers



Promote collaboration from the initial development stage by upgrading and expanding engineering sites



CD-SEM
CG5000



Fine Technology Systems

Complete business restructuring and shift resources to new businesses



Transfer the entire business to Hitachi High-Tech Fine Systems Corporation (April 2013)

Launch new businesses in the fields of environment and new energy and social innovation, in addition to the organic light emitting diode (OLED) business

1. Strengthen business portfolio by shifting resources to growing fields

▶ Science & Medical Systems

- Maintain and expand the segment's worldwide market share in the in vitro diagnostics and DNA sequencer business
 - ➔ Increase in vitro diagnostics measurement items and lineups and expand sales of DNA sequencers by obtaining U.S.DNA approval
- Added SII Nanotechnology* to the Hitachi High-Tech Group as Hitachi High-Tech Science
 - ➔ Expanding product lineup including thermal and X-ray fluorescence analysis and maximizing the synergy of mixing core technologies



X-ray particle inspection systems
SEA-Hybrid
(Hitachi High-Tech Science)

* A wholly owned subsidiary of Seiko Instruments Inc.

▶ Trading Divisions

- Strengthen measures in the social innovation field and promote businesses that delivers added value
- ➔ Establish joint venture Chorus Call Asia Corporation (April 2013)
Launch a communication cloud business
(videoconferencing services based on a metered payment system and other businesses)



Communication Cloud
(Chorus Call Asia)

2. Act globally – Expand and accelerate global business by focusing on target region

▶ Proprietary Product Divisions

- Promote collaboration and strengthen ties with major overseas customers
- Establish an optimal worldwide production system based on the characteristics of businesses (products)
 - ➡ Build an integrated product design and manufacturing system in Dalian, China for devices for emerging markets



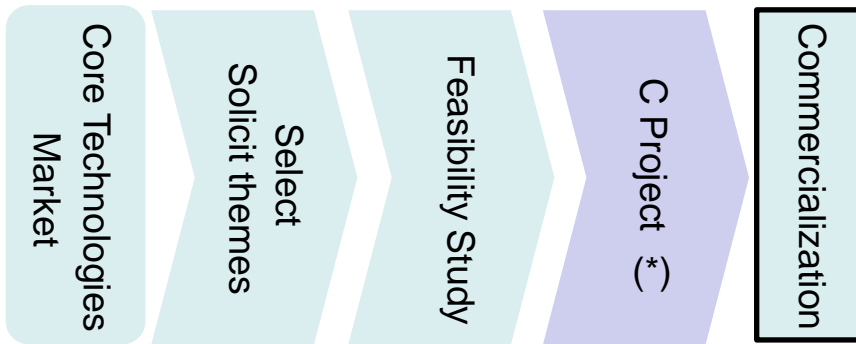
High Performance
Liquid Chromatograph
Primaide
(Made in Dalian, China)

▶ Trading Divisions

- Promote the Social Innovation Business through ties with the Hitachi Group
 - ➡ Promote small-scale/dispersive renewable energy business, industrial ICT(M2M) business, procurement and other businesses as a Hitachi Group's trading company
- Promote regional business development
 - ➡ Indonesia, Brazil, Russia, Turkey, and Saudi Arabia, among other countries

3. Create new business by accelerating research and development

● New business creation scheme



(*)Corporate/Challenge Project

● C project themes

- Drug manufacturing research support
- Social infrastructure analysis solutions
- Machine-to-machine big data
- Spherical shaped solar cells Sphelar®
- Coating and deposition solutions

Coating and deposition solutions

- For resin-mold solar cells
 - Developed a lightweight, weather-proof product with highly efficient power generation
- For large-size touch panels
 - Achieved high productivity by fusing UV curing resin precision coating technology and vacuum bonding technology



Lightweight Resin-mold Solar Cells



Touch Panels Manufacturing Equipment

III

FY13 Outlook

Note: YY/M denotes the year and month of the accounting period end

FY13 Outlook (Highlights)

(100 million yen)

	FY13 Outlook	YoY		vs. Medium-term Management Plan	
		Increase/Decrease	Ratio	Increase / Decrease	Ratio
Sales	6,400	+645	+11%	-1,600	-20%
Operating Income	280	+90	+48%	-220	-44%
Ordinary Income	280	+79	+39%	—	—
Net Income	197	+75	+62%	-113	-36%
Net Income per Share	143.23yen	+54.78yen		—	
Cash Dividend per Share	20.00yen	±00.00yen		—	
ROE	7.7%	+3.0%		-3.0%	
FCF	+30	-36		—	

Note: FX rate estimate: 1USD=95yen, 1EUR=120yen
Medium-term Management Plan(published in Oct 2011)

vs. Medium-term Management Plan (Oct 2011)

Sales (¥800 billion → ¥640 billion - ¥160 billion)

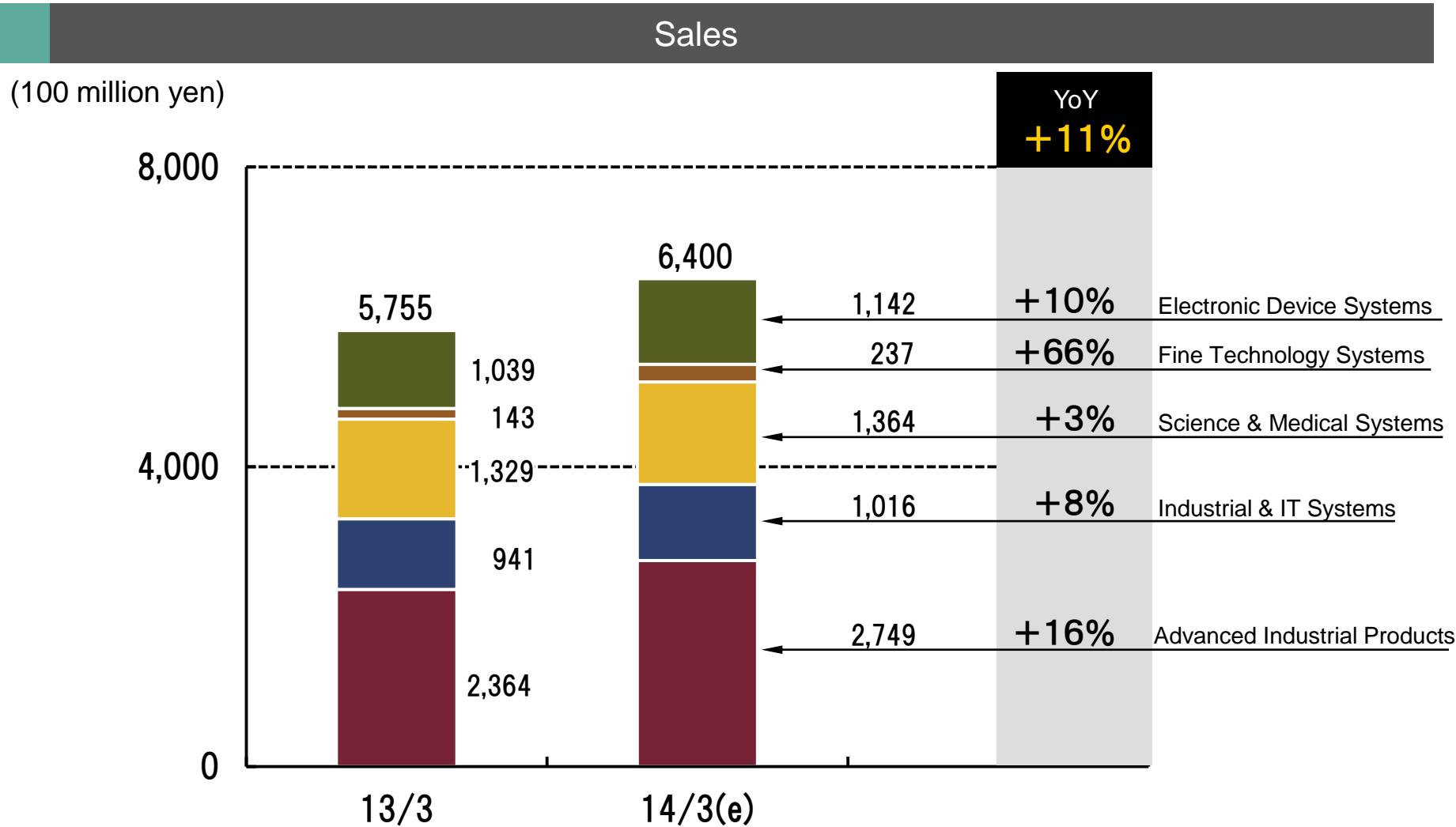
Macroeconomic factor

Overseas	The European debt crisis has persisted for an extended period, while growth in China and other emerging markets has slowed
Japan	Capital investment in the manufacturing sector has been slow to recover following the Great East Japan Earthquake

Individual factor

- Electronic Device Systems (¥120 billion → ¥114.2 billion -¥5.8 billion)**
 Segment sales declined mainly due to postponed investments associated with stagnant PC demand and an uncertain outlook for capital investment among major customers in fiscal 2013
- Fine Technology Systems (¥50 billion → ¥23.7 billion -¥26.3 billion)**
 Segment sales decreased mainly due to lower capital investment accompanying stagnant PC demand and falling LCD TV prices, and delays in the emergence of an OLED market
- Science & Medical Systems (¥140 billion → ¥136.4 billion -¥3.6 billion)**
 Segment sales decreased mainly due to lackluster Biotechnology & Medical products sales due to the impact of the European debt crisis
- Trading Divisions* (¥500 billion → ¥376.5 billion -¥123.5 billion)**
 Segment sales decreased due to lower demand for consumer electronics products accompanying the delayed recovery in domestic capital investment, slower economic growth in emerging markets and other factors

FY13 Outlook (Sales)

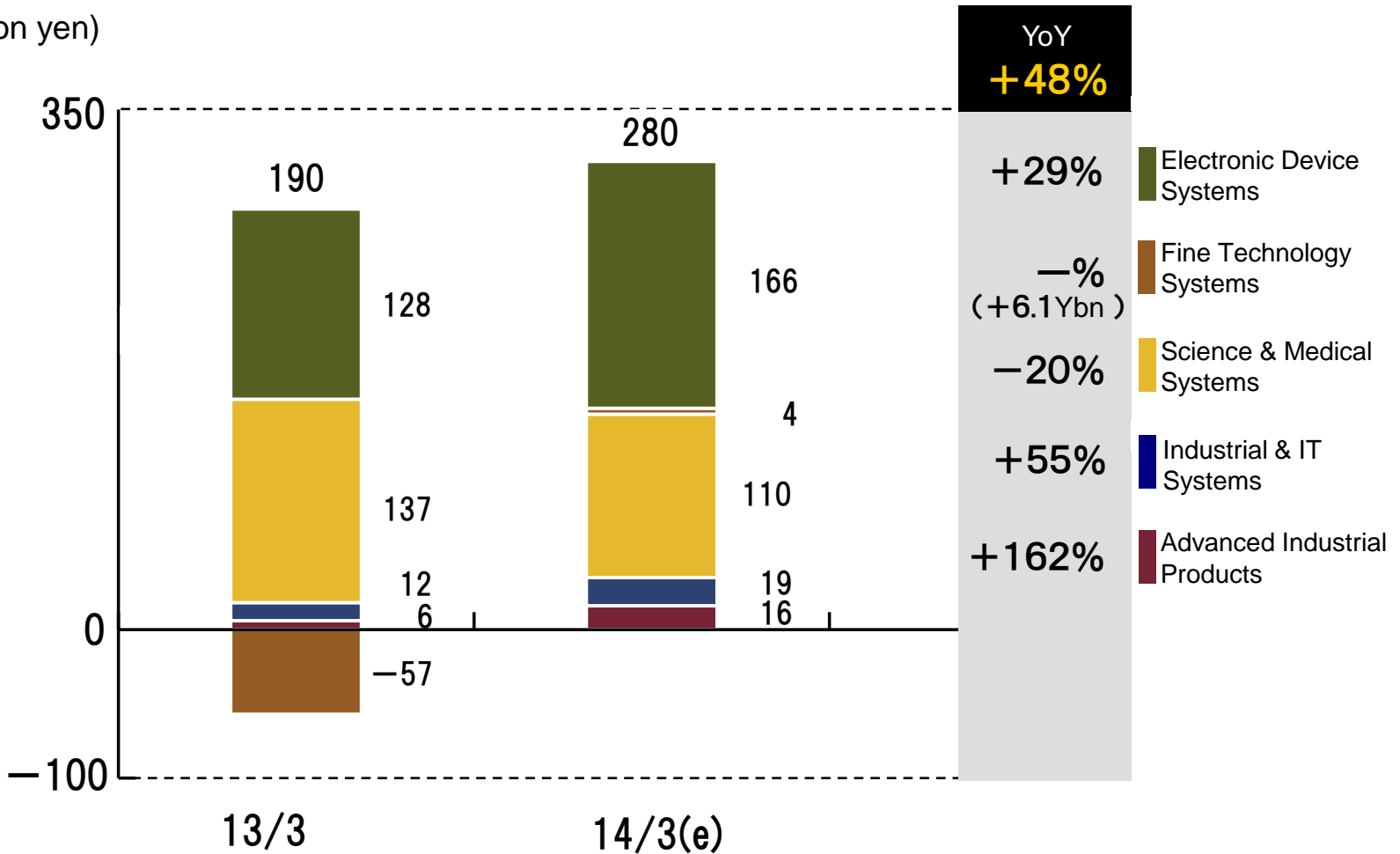


Note: Elimination such as subtractions in intersegment transactions, etc., are included in the totals.

FY13 Outlook (Operating Income)

Operating Income

(100 million yen)



Note: Elimination such as subtractions in intersegment transactions, etc., are included in the totals.

FY13 Business Environment

Overview of the Semiconductor Manufacturing Equipment Market

- In FY2012, the equipment market contracted by 19% year on year due to the impact of sluggish PC demand. However, Hitachi High-Tech delivered stronger business results than in FY2011 by focusing on growth segments
- In FY2013, the equipment market is projected to grow by 5% year on year. Hitachi High-Tech's mainstay gate etching and metrology & inspection equipment markets are projected to achieve higher growth than the industry average
- Mass production of 20 nm products by foundries as well as 14 nm products by MPU manufacturers will start. Investment in 2X nm miniaturization for low-power DRAMs for mobile devices is anticipated. The first full-scale mass production lines for 3D NAND will come online
- On the process technology front, vigorous investment in cutting-edge devices is anticipated based on the start of mass production of FinFET devices and expansion in the processes applied to double patterning
- The die bonder market is expected to see increased investment in development of NAND thin dies

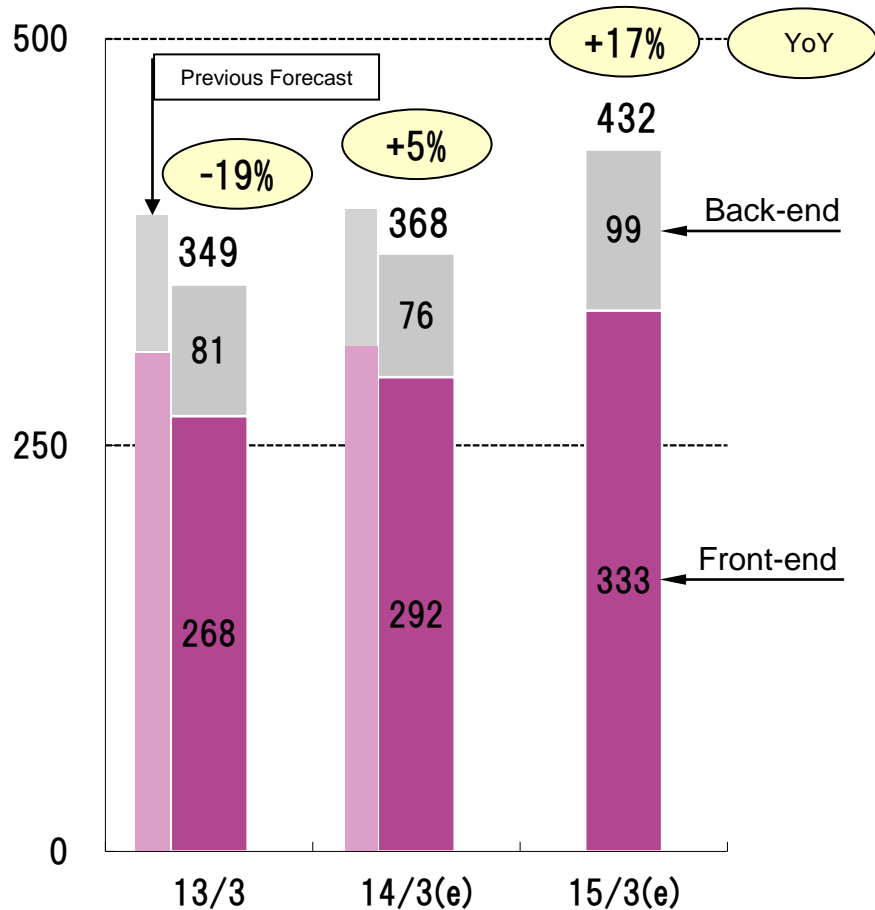
Overview of the Assembly Equipment Market

- In FY2013, the high-speed mounter market is projected to see an accelerated shift to low-price, ultra-high-speed products. In EMS, requests for ultra-small component mounting will increase, along with stronger demand for enhanced basic functions and productivity

FY13 Outlook (Electronic Device Systems) ②

Semiconductor Manufacturing Equipment Market

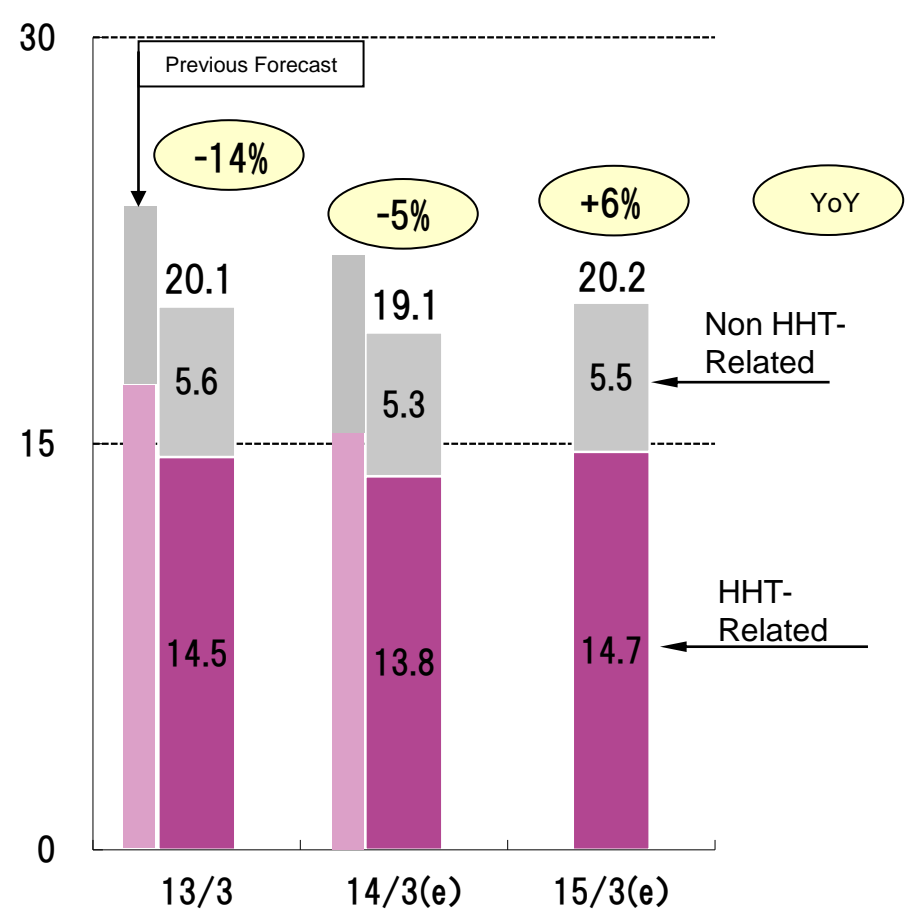
(100 million USD)



(Source) Gartner(Mar. 2013)/ HHT's estimation
Previous forecast is based on published values for Q2/Oct. 2012.

Assembly Equipment Market

(10 billion yen)



(Source) Calculated using Hitachi High-Tech's market prediction model.
Previous forecast is based on published values for Q2/ Oct. 2012.

Semiconductor Devices Miniaturization Trends and Our Actions

FY2013 trends in semiconductor process technology and growing fields

Fields	Trends	Growing technology fields
MPU	<ul style="list-style-type: none"> ● Development of mass production technology for 14 nm products 	<ul style="list-style-type: none"> ▪ High-precision processing of fine patterns ▪ DP and FinFET metrology
ASSP	<ul style="list-style-type: none"> ● Start of mass production of 20 nm products ● Start of trial mass production of FinFET 	
NAND	<ul style="list-style-type: none"> ● Development of 3D-NAND mass production technology 	<ul style="list-style-type: none"> ▪ High-aspect, high-precision processing ▪ Bottom-hole measurement technology
Packaging	<ul style="list-style-type: none"> ● Development of thin dies for multi-layer packaging 	<ul style="list-style-type: none"> ▪ Assembly technology for thin dies
In all fields	<ul style="list-style-type: none"> ● Promotion of 450 mm technology 	<ul style="list-style-type: none"> ▪ Technology for high productivity

Our Actions

- Enhance measurement applications for miniaturization technologies such as DP and FinFET
- Establish mass production technology for gate etching addressing 14 nm fine pattern processing
- Establish process and measurement technologies for high-aspect products such as 3D-NAND
- Develop 450 mm technology through tie-ups with consortiums and leading-edge customers
- Release high-speed die bonders for thin dies

FY13 Outlook (Electronic Device Systems) ④

Changes in Order Received

(100 million yen)

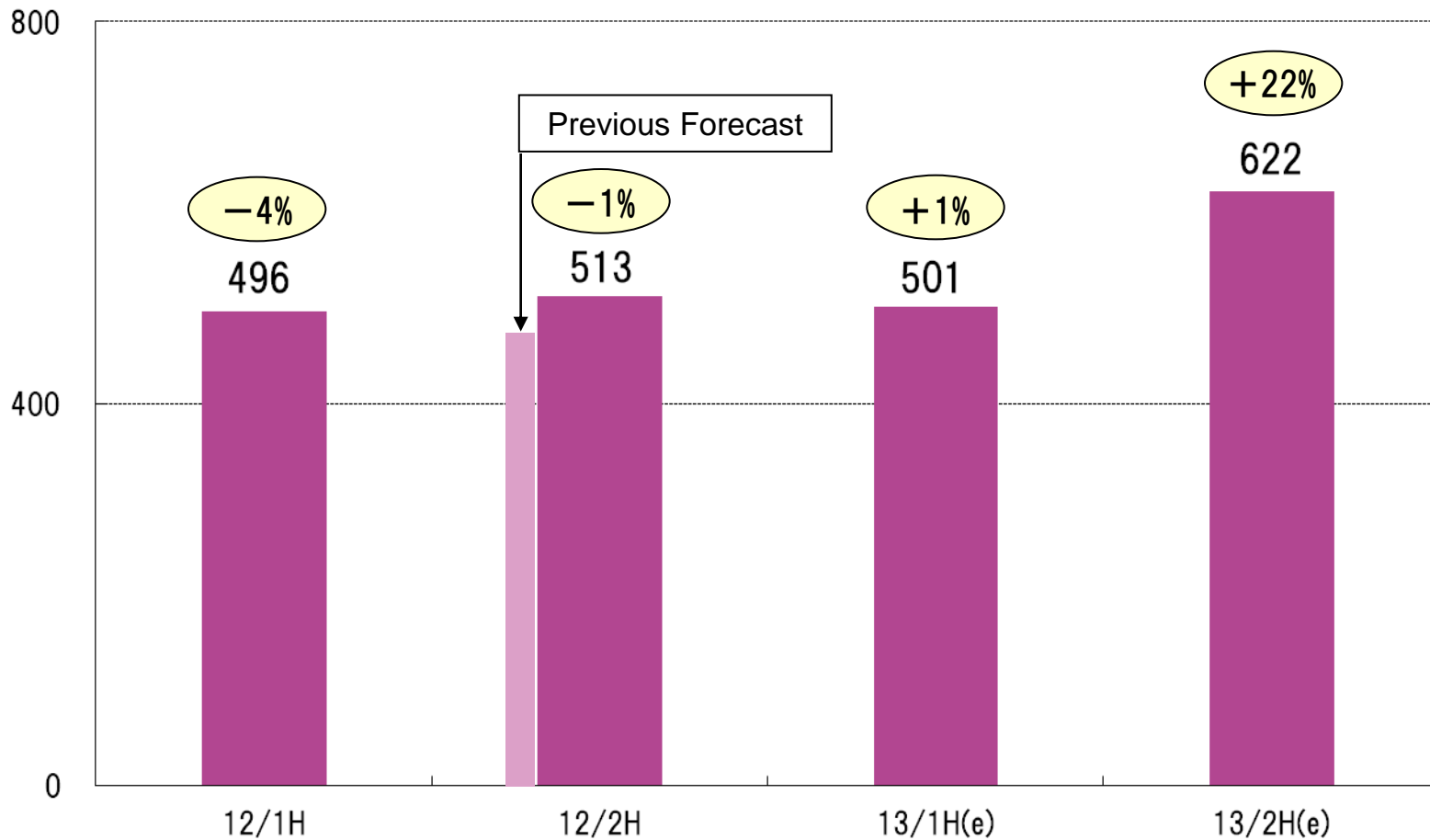
13/3 1,009

-2%

14/3 1,123

+11%

YoY



FY13 Strategies

1. Promote business portfolio optimization

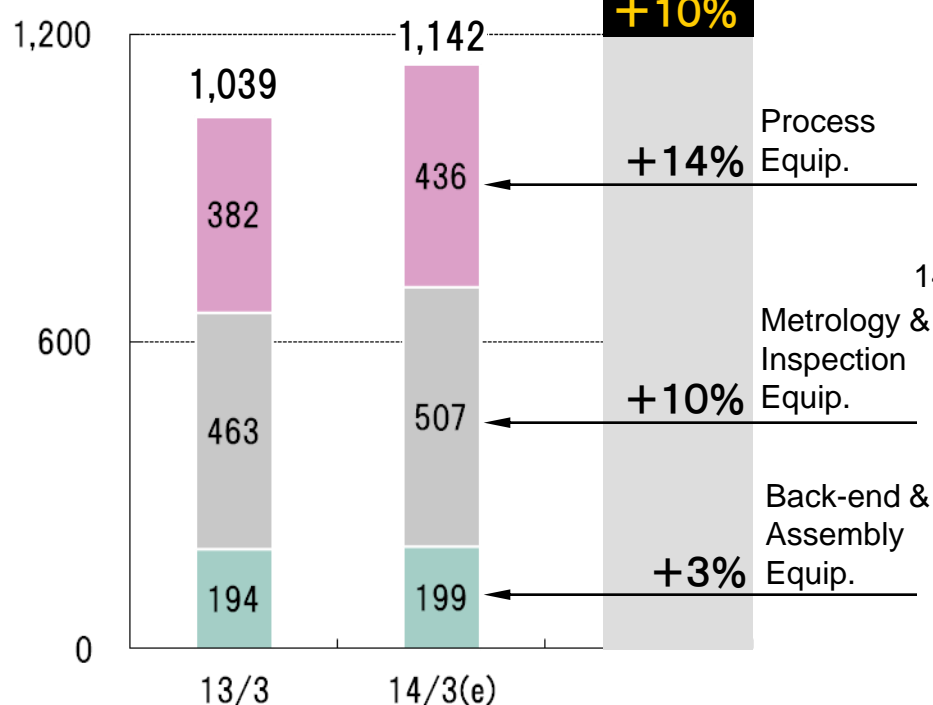
Expand mainstay businesses in growing cutting-edge wafer processes and increasingly sophisticated assembly processes, while expanding business into new fields such as power devices

2. Accelerate global growth strategies

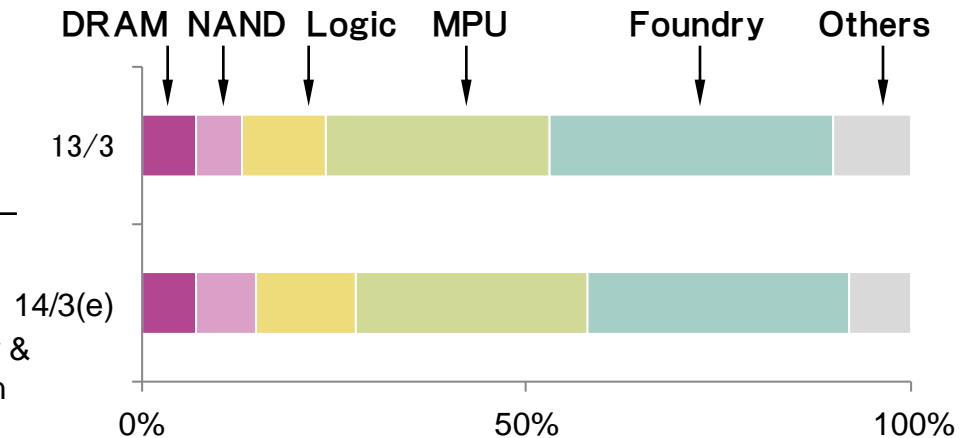
Win global customers and achieve segment leadership by promoting early collaboration and enhancing engineering sites

Sales Change in Main Businesses

(100 million yen)



Sales Ratio by Fields (Front-end Equip.)



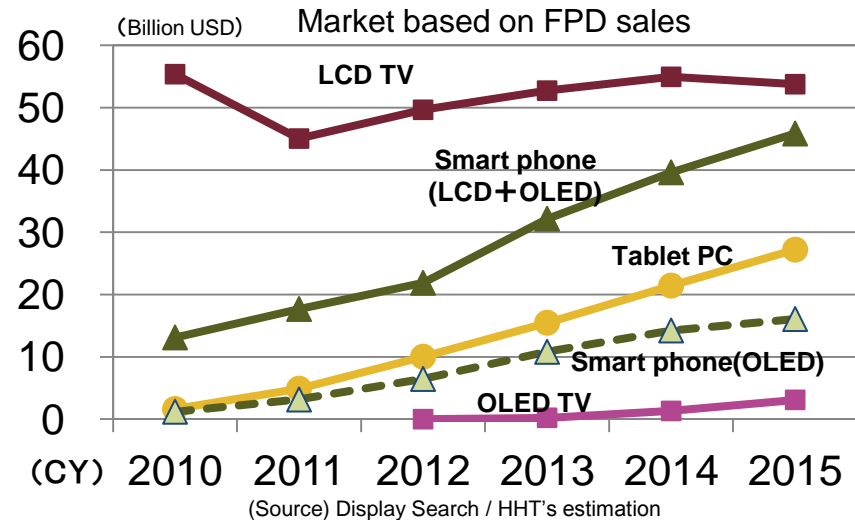
FY12: Firm growth atop large-scale foundry investment. NAND-related investment was restrained

FY13: Continued foundry and MPU investment. Increase in NAND- and logic-related investment

FY13 Business Environment

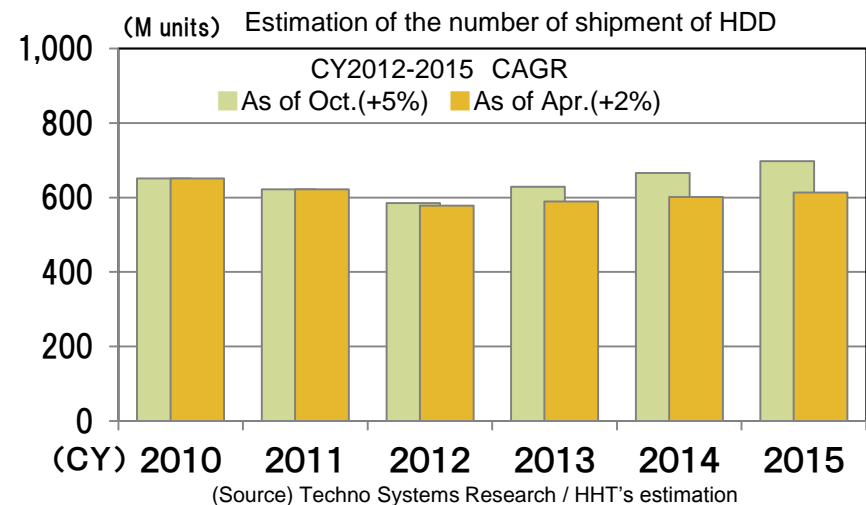
FPD market trend

- Stagnant demand for LCD TVs going forward. Investment in large-scale LCD panels will resume in China
- Continued growth in the smart phone market. Continued investment in OLEDs for smart phones
- Full-scale preparations for launching OLED TVs in 2013 are expected



HD market trend

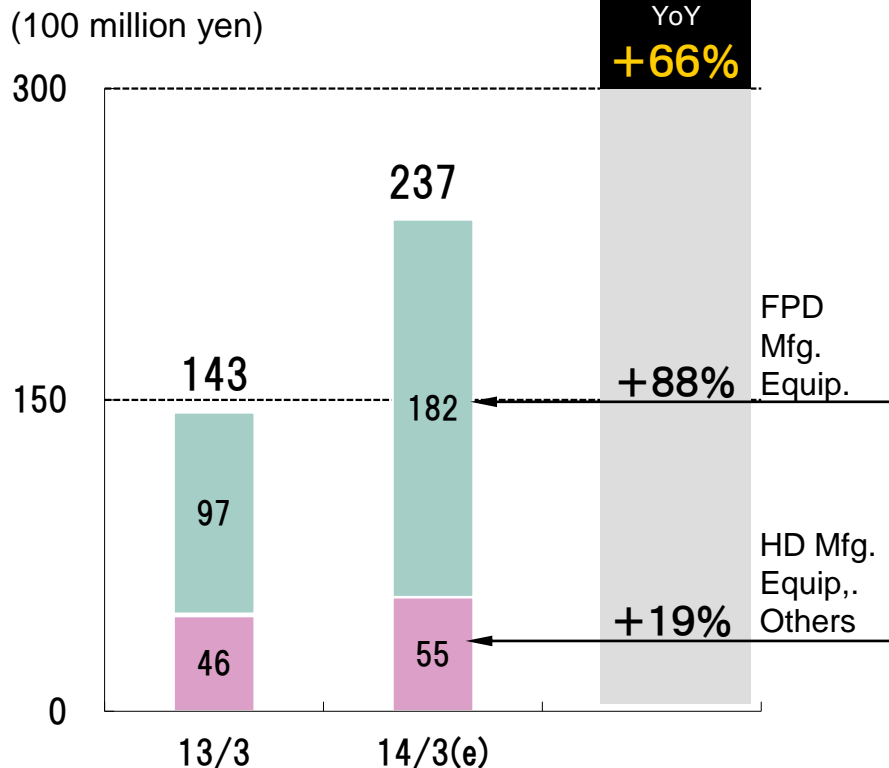
- HDD shipments will remain lackluster due to growth in tablets and an anemic notebook PC market
- Investments will be limited in improvements of performance in high-density and production yield
- Slower growth rate for HDD shipments (+5%→+2%)



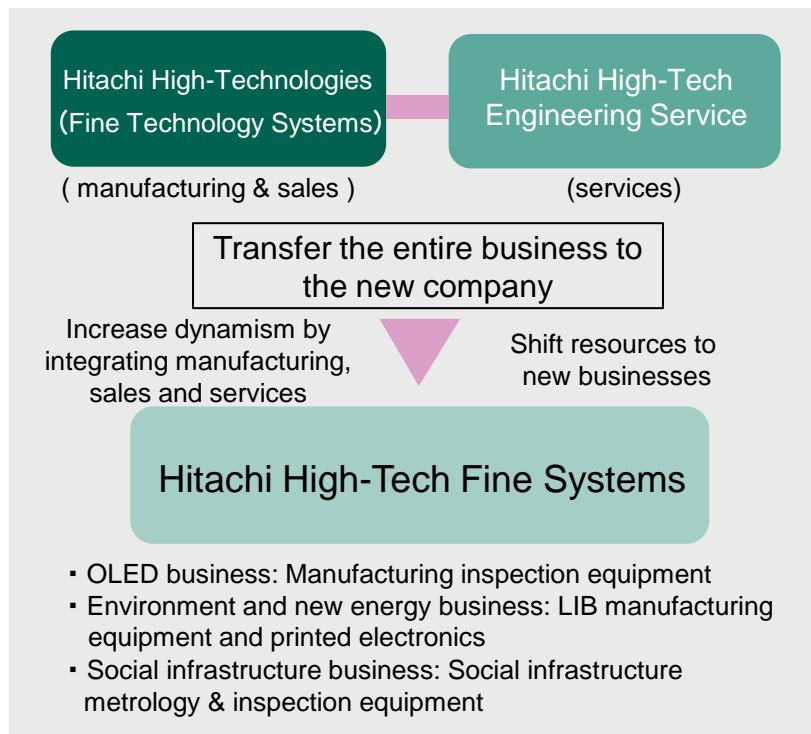
FY13 Strategies

1. Promote dynamic business expansion based on integrated manufacturing, sales and services through the establishment of High-Tech Fine Systems Corporation
2. Proactively expand business in the growing fields of environment and new energy and social infrastructure

Sales Changes in main products

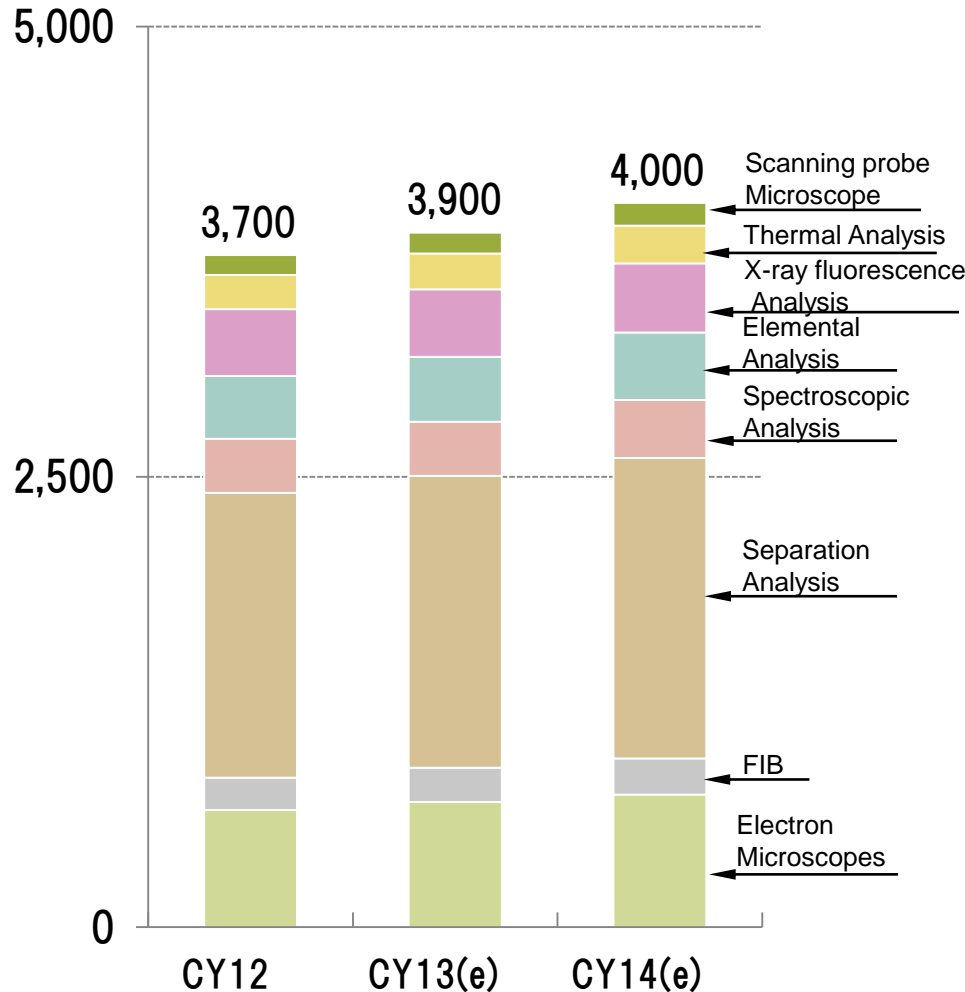


Promote business restructuring



Scientific Instruments Market (HHT-related)

(100 million yen)(based on sales) **CAGR +4%**



(Source) Estimates by HHT based on data from market research firms

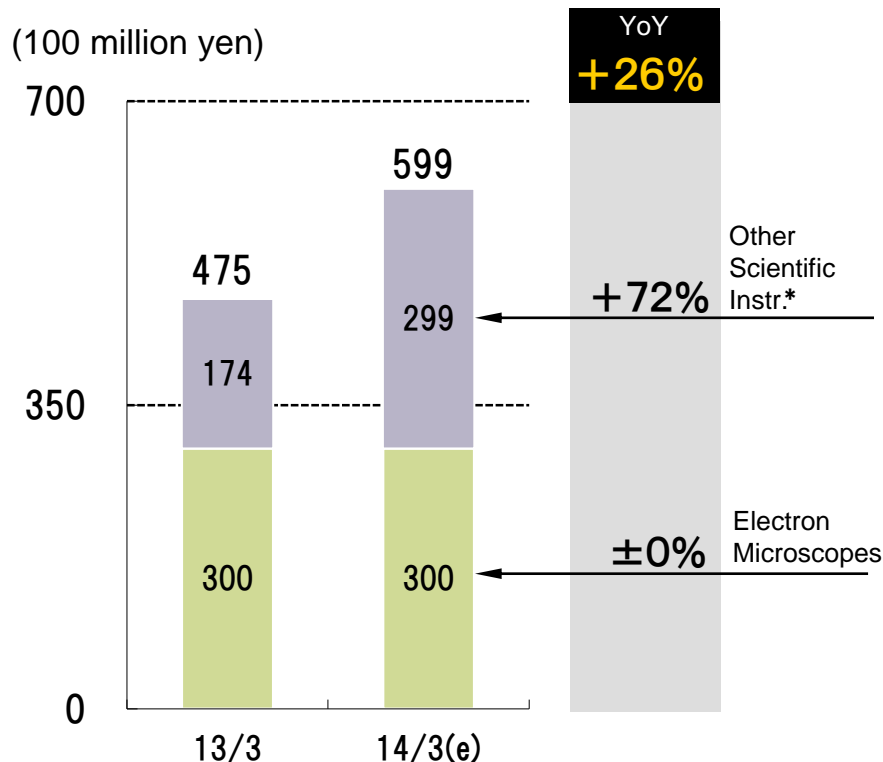
FY13 Business Environment

- Electron Microscopes**
 - Demand will decrease in the semiconductor and LCD-related fields
 - Demand is projected to increase slightly in cutting-edge fields (new energy, new materials) for the next generation
 - Demand in Japan is expected to be supported by the supplementary budget
- Separation Analysis**
 - Demand for ultra-high-speed liquid chromatographs is projected to increase sharply in the pharmaceutical field
- X-ray fluorescence Analysis**
 - Demand for metal particle contamination inspections is projected to expand in the lithium-ion battery market
 - Growth is anticipated from expansion in the scope of application of RoHS regulations
- Thermal Analysis**
 - Firm demand is expected in the functional materials market

FY13 Strategies

1. Strengthen the product portfolio and expand business volume through synergies with Hitachi High-Tech Science
2. Expand sales of dedicated machines for the environment and new energy fields, and the biotechnology and food fields

Sales Change in Main Businesses



* Other Scientific Instr.:
Existing Analytical Instr.+ Hitachi High-Tech Science

Future Actions

- Expand sales by strengthening the product portfolio
 - Promote joint development (FIB-SEM and others)
 - Expand sales by utilizing the sales networks of both companies
- Cultivate the environment and new energy field further by expanding sales of particle inspection systems for fuel cells and lithium-ion batteries
- Expand sales of RoHS inspection equipment
- Expand sales of amino-acid analyzers in the biotechnology and food fields



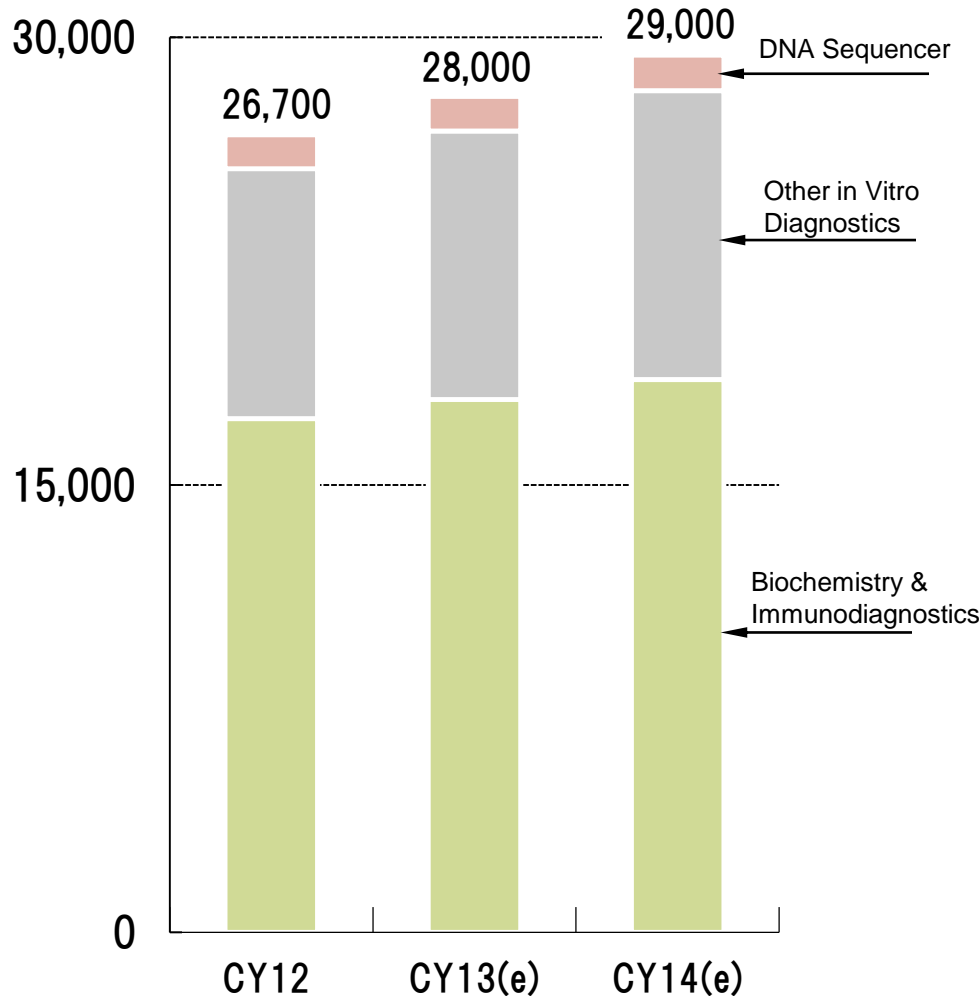
SEA-Hybrid, an X-ray particle inspection system for lithium ion batteries and fuel cells



SEA1000A II, a hazardous substances monitor for RoHS inspections
SEA1000A II

Biotechnology Product/Clinical Analyzer Market (HHT-related)

(100 million yen)(based on sales) **CAGR +4%**



(Source) Estimates by HHT based on data from market research firms (reagent and equipment included)

FY13 Business Environment

In Vitro Diagnostics

- The clinical chemistry and immunodiagnostic analyzer market is projected to continue growing at an annual rate of 4-5%. Reagents account for the bulk of these markets
- Demand for equipment will see slower growth due to restrained purchasing in the European market. However, firm growth is expected over the medium term due to a recovery in the U.S. market and demand increase in China and other emerging markets

DNA Sequencers

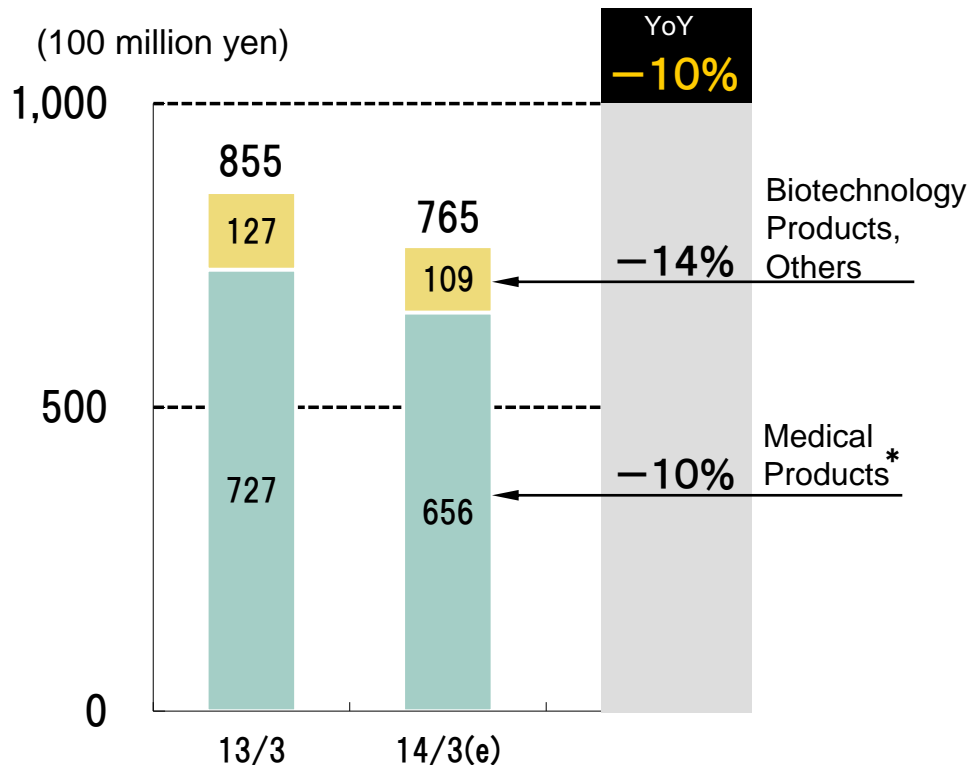
- Firm growth is expected in the DNA sequencer market as a whole due to expansion of application fields such as medical jurisprudence and medical science, etc., despite slower market growth in the research field
- Demand for CE sequencers should hold firm given that these sequencers are the industry's de facto standard, despite intensifying competition due to the introduction of new technologies into the market

FY13 Strategies

1. Strategies for large- and medium-sized system markets through clinical chemistry and immundiagnostic integrated systems
2. Full-scale entry into the clinical testing market through CE* sequencers

*CE: Capillary Electrophoresis

Sales Change in Main Businesses



Future Actions

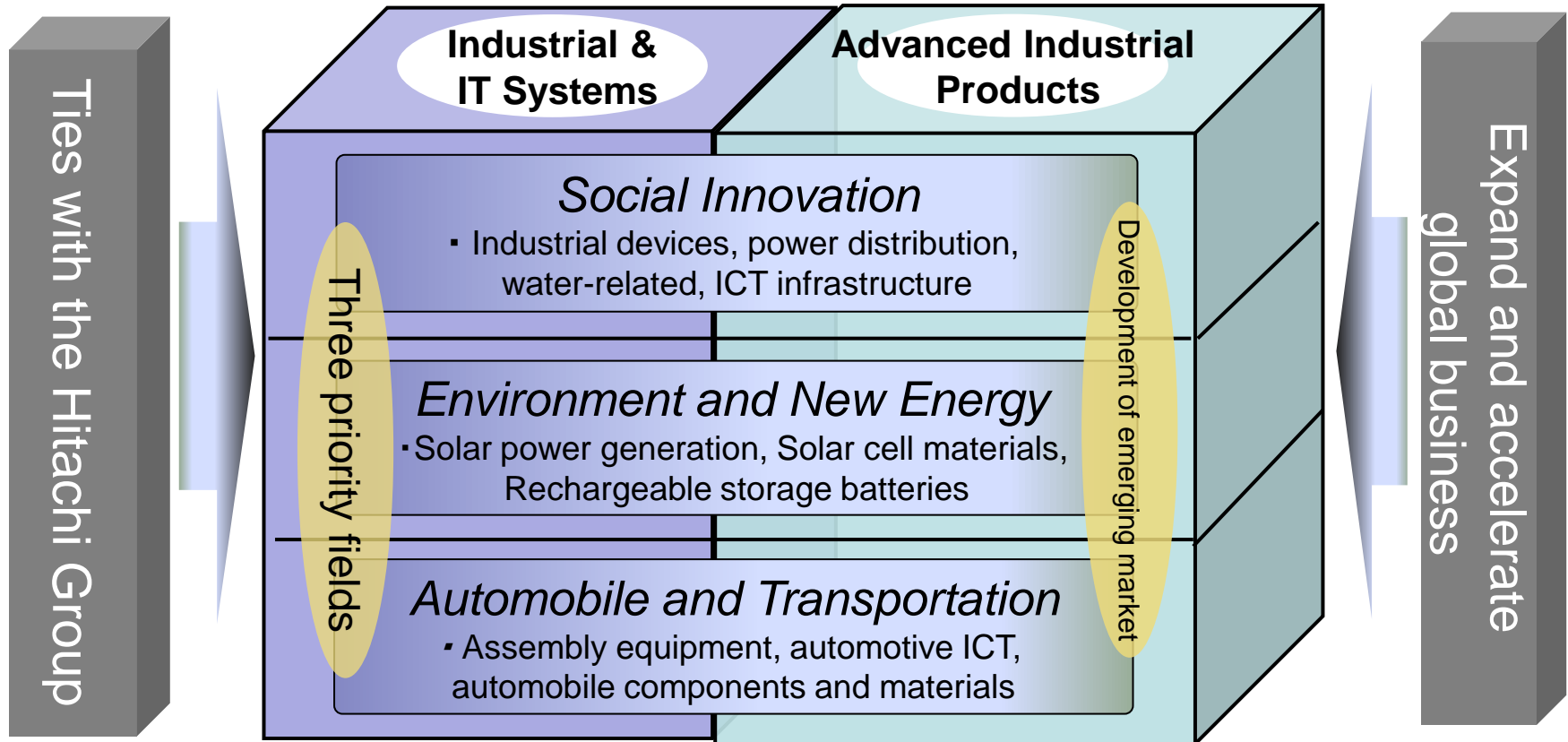
- Expand global sales of large- and medium-sized clinical chemistry and immunodiagnostic integrated systems to large-scale hospitals and testing centers
- Capture demand for automated clinical analyzers through an authorized sales agent network covering all of China, and enter the market for blood coagulation tests
- Launch global sales in the clinical testing field of the model 3500 CE sequencer, the first to obtain U.S. FDA medical device clearance (510(k)) for DNA sequencers

* Medical Products: In-vitro diagnostics equipment, after service and consumables

FY13 Strategies

Basic Policy

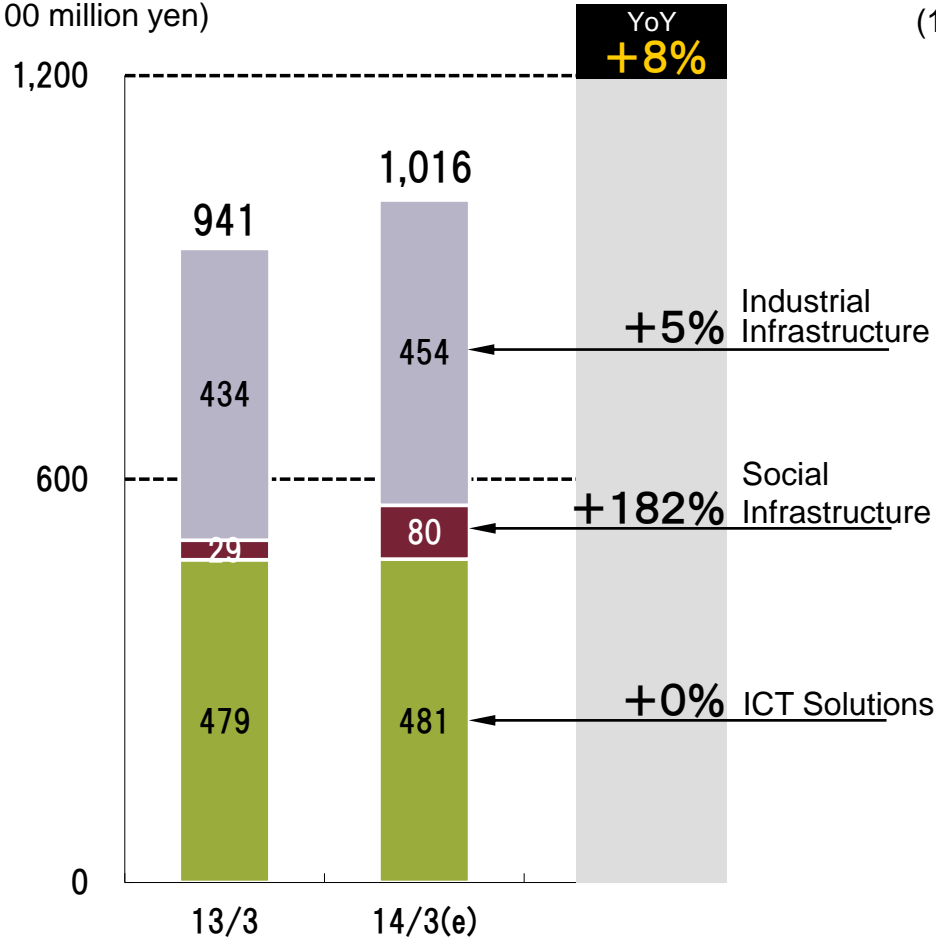
Expand business by promoting the three priority fields



FY13 Outlook (Industrial & IT Systems) (Advanced Industrial Products) ②

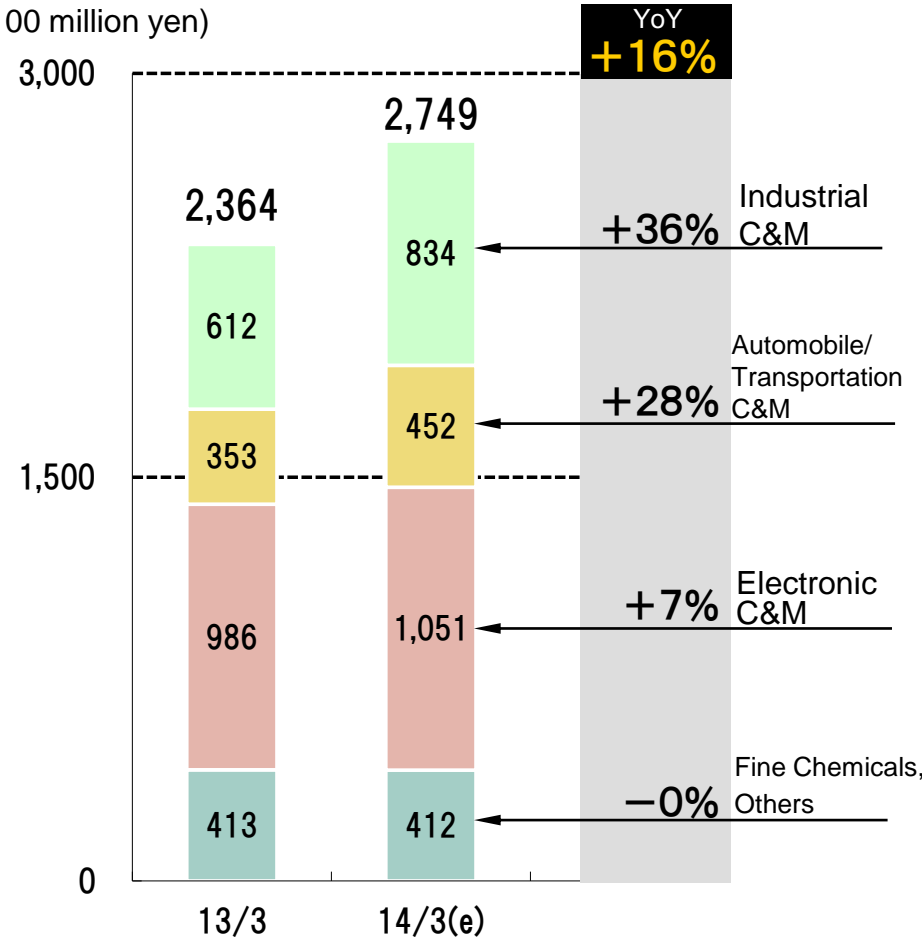
Changes in Sales (Industrial & IT Systems)

(100 million yen)



Changes in Sales (Advanced Industrial Products)

(100 million yen)



- Industrial Infrastructure: Automated assembly equipment, instrumentation facilities
- Social Infrastructure: Solar power generation facilities, power distribution
- ICT Solutions: IT equipment and software business

-C&M: Components & Materials

IV

Financial Data

Note: YY/M denotes the year and month of the accounting period end

Changes in Quarterly Results

(100 million yen)

			FY12 1Q	FY12 2Q	FY12 3Q	FY12 4Q
Sales / Operating Income	Electronic Device Systems	Sales	293	337	186	224
		Operating Income	61	52	4	11
	Fine Technology Systems	Sales	25	48	22	48
		Operating Income	-14	-14	-12	-17
	Science & Medical Systems	Sales	355	345	241	388
		Operating Income	52	32	9	44
	Industrial & IT Systems	Sales	259	279	183	221
		Operating Income	-2	6	0	7
	Advanced Industrial Products	Sales	605	592	583	584
		Operating Income	2	1	2	-0
	Others & Elimination/Corporate	Sales	-15	-17	-14	-17
		Operating Income	-6	-13	-3	-16
	Total	Sales	1,523	1,584	1,200	1,447
		Operating Income	94	66	1	29
Ordinary Income			99	66	3	32
Net Income			62	49	3	8

Capital Expenditure/ Depreciation Costs/ R&D

■ Capital Expenditures/Depreciation Costs/R&D

(100 million yen)

	12/3	13/3	YoY	14/3(e)	YoY
Capital Expenditure	173	117	-32%	233	+99%
Depreciation Costs	91	78	-14%	101	+29%
R&D	236	218	-7%	237	+9%

Note: Capital expenditure is based on acquisition base

■ Sales by Region

(100 million yen)

		Japan	North America	Europe	Asia	Mainland China	Other	Total
12/3	Sales	2,740	830	890	1,849	936	149	6,459
	Ratio	42.4%	12.9%	13.8%	28.6%	14.5%	2.3%	100.0%
13/3	Sales	2,524	630	686	1,776	790	139	5,755
	Ratio	43.9%	10.9%	11.9%	30.9%	13.7%	2.4%	100.0%

Sales Change in Main Business

(100 million yen)	FY12/Q1	FY12/Q2	FY12/Q3	FY12/Q4
Electronic Device Systems	293	337	186	224
Process Equipment	113	90	78	102
Metrology & Inspection Equipment	138	156	71	98
Back-end & Assembly Equipment	42	90	37	24
Fine Technology Systems	25	48	22	48
FPD Manufacturing Equipment	16	34	14	34
HD Manufacturing Equipment , Others	10	15	8	14
Science & Medical Systems	355	345	241	388
Electron Microscopes	67	72	54	107
Other Scientific Instr.	26	44	29	75
Medical Products	220	201	131	175
Biotechnology Products, Others	42	28	28	29
Industrial & IT Systems	259	279	183	221
Industrial Infrastructure	96	142	76	121
Social Infrastructure	2	11	5	10
ICT Solutions	161	125	102	90
Advanced Industrial Products	605	592	583	584
Industrial C&M	154	155	143	160
Automobile/Transportation C&M	84	81	91	96
Electronic C&M	257	247	254	229
Fine Chemicals, Others	110	110	95	98

Notes on the data

- 1. All financial statement summaries and results predictions included in this presentation are on a consolidated basis unless otherwise stated. Numerical data is rounded off to the nearest 100 million yen.**
- 2. In its disclosures, Hitachi High-Technologies may make statements that constitute forward-looking statements that reflect management's views with respect to certain future events and financial performance at the time of disclosure. Such statements are based on information available at the time of disclosure and may differ from actual results due to various external factors, both direct and indirect. In the event of a major discrepancy with the items disclosed, the Company will disclose on a case-by-case basis based on the law and/or the timely disclosure rules and regulations of the stock exchanges on which the Company is listed.**

The information included in this material is for reference when investing, and not a canvass to invest. Brand selection and the final decision is at your own judgment.

END

FY12 Financial Results

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