

Report of Consolidated Financial Results

For the Year ended March 31, 2022

May 11, 2022

Name of Company: Hitachi Zosen Corporation
Code Number: 7004 URL: <https://www.hitachizosen.co.jp>
Stock Exchange Listing: Tokyo
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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, 2021 - March 31, 2022)

(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, 2022	441,797	8.1	15,541	0.9	11,783	-0.1	7,899	85.5
Year ended March 31, 2021	408,592	1.5	15,396	10.8	11,792	25.1	4,258	93.8

	Net income per share	Net income per share-diluted	Return on equity	Return on assets	Operating income to net sales
	(yen)	(yen)	(%)	(%)	(%)
Year ended March 31, 2022	46.87	—	6.1	2.6	3.5
Year ended March 31, 2021	25.26	—	3.5	2.8	3.8

(Note) Equity in net income of nonconsolidated subsidiaries and affiliates:
Yen 260 million (March 31, 2022), Yen -622 million (March 31, 2021)

(2) Financial position

	Total assets	Net assets	Shareholders' equity to total assets	Shareholders' equity per share
	(million yen)	(million yen)	(%)	(yen)
Year ended March 31, 2022	461,161	132,926	28.5	779.08
Year ended March 31, 2021	429,336	128,167	29.4	749.58

(Note) Shareholders' equity: Yen 131,299 million (March 31, 2022), Yen 126,330 million (March 31, 2021)

(3) Cash flows

	From operating activities	From investing activities	From financing activities	Cash and cash equivalents at end of year
	(million yen)	(million yen)	(million yen)	(million yen)
Year ended March 31, 2022	26,858	943	-8,759	65,956
Year ended March 31, 2021	22,680	-13,847	-5,271	45,812

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, 2021	0.00	12.00	12.00	2,022	47.5	1.7
Year ended March 31, 2022	0.00	12.00	12.00	2,022	25.6	1.6
Year ending March 31, 2023 (Forecast)	0.00	15.00	15.00	—	25.3	—

3. Forecast of consolidated earnings for the fiscal year ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(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, 2023	440,000	-0.4	20,000	28.7	16,000	35.8	10,000	26.6	59.34

4. Notes

(1) Changes in major subsidiaries during the period: Yes (Hitachi Zosen Inova Steinmüller GmbH)

(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, 2022 170,214,843 shares

March 31, 2021 170,214,843 shares

(ii) Number of shares held in treasury

March 31, 2022 1,683,577 shares

March 31, 2021 1,678,837 shares

(iii) Average number of shares during the period

March 31, 2022 168,533,519 shares

March 31, 2021 168,538,479 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.

5. Analysis of Financial Results

In this chapter, we analyze the consolidated operating results and consolidated financial position. Numerical figures are quoted from "12. Supplementary information" of this report.

(1) Overview of consolidated operating results

① Overview of the consolidated operating results in the fiscal year ended March 2022

During the fiscal year ended March 2022, the global economy remained a severe situation due to the worldwide new Coronavirus (COVID-19) pandemic, but there were some signs of recovery due to measures to prevent the spread of the infection. In Japan as well, the situation remains difficult, but there are signs of a recovery, including capital investment and steady public-sector investment. However, it is still necessary to pay attention to the impact of COVID-19 and the Russia-Ukraine crisis on the global and Japanese economies.

Under such circumstances, based on the medium-term management plan "Forward 22" that started in the fiscal year 2020, the Group has been promoting various key measures with the basic policies; increase the added value of products and services, promote the selection and concentration of businesses and shift resources to growth areas, and promote work style reforms by improving operational efficiency and productivity.

Because of the above efforts, Order intake amounted to Yen 677.9 billion, an increase of 57.9% from the previous fiscal year, reflecting an increase of large-sized orders mainly in the Environmental Business. Net sales were Yen 441.7 billion, an increase of 8.1% from the previous fiscal year mainly due to an increase in the Environmental Business.

Operating income increased by Yen 0.2 billion to Yen 15.5 billion from the previous fiscal year and Ordinary income was almost unchanged from the previous year at Yen 11.7 billion. Mainly due to the recording of an extraordinary gain on bargain purchase arising from the acquisition of a German company, profit attributable to shareholders of Hitachi Zosen increased by Yen 3.6 billion to Yen 7.8 billion from the previous fiscal year.

Business results by segments are as follows.

Environmental Business:

Net sales increased 14.0% to Yen 307.2 billion due to the progress of large-sized EfW constructions overseas. Operating loss was reduced by Yen 0.2 billion to Yen 12.4 billion due mainly to a decrease of the high-profitability constructions.

Machinery & Infrastructure Business:

Net sales decreased 3.5% to Yen 126.2 billion due mainly to a slowdown of orders of process equipment and press machines for automotive industry. Operating income slightly decreased to 2.6 billion from the previous fiscal year.

Other Businesses:

Net sales increased to Yen 8.3 billion and Operating income increased by Yen 0.4 billion to Yen 0.5 billion from the last fiscal year.

Please note that at the beginning of this fiscal year, we have changed the segmentation from Environment Business, Machinery Business, Infrastructure Business, and Other Businesses to Environment Business, Machinery & Infrastructure Business, and Other Businesses. In line with this change, we have restated the figures in the same period of the previous year to reflect the new classification.

② Forecast of consolidated earnings of the fiscal year ending March 2023

At the beginning of the fiscal year ending March 2023, we establish a "Carbon Neutral Solution Business Headquarters" in order to promote innovation in global warming countermeasure technologies, work toward building a decarbonized society, and achieve growth and profitability.

Therefore, in the fiscal year ending March 31, 2023, we have changed the segmentation from "Environmental Business," "Machinery & Infrastructure Business" and "Other Business" to "Environment", "Machinery & Infrastructure", "Carbon Neutral

Solution”, and “Other”.

Order intake is expected to decrease to Yen 500.0 billion, which reflects that our overseas subsidiary has contracted the large O&M projects in this fiscal year. Net sales are projected at Yen 440.0 billion which is comparable to that of this fiscal year.

As to the profitability, Operating income is expected to increase to Yen 20.0 billion due to the progress of domestic and overseas EfW projects. Ordinary income and Profit attributable to shareholders of Hitachi Zosen are estimated at Yen 16.0 billion and Yen 10.0 billion respectively.

We assess the impact of the COVID-19 pandemic and the Russia-Ukraine crisis for the current consolidated fiscal year is limited. We will disclose it immediately when we need to revise the forecast.

(2) Overview of consolidated financial position

① Assets, Liabilities and Net assets

Total assets increased by Yen 31.8 billion to Yen 461.1 billion from a year earlier mainly due to the large increase in Notes and accounts receivable, Contract assets and Cash and time deposits. Total liabilities increased by Yen 27.1 billion to Yen 328.2 billion from a year earlier owing to an increase in Accrued expenses and Notes and accounts payables. Net assets increased by Yen 4.7 billion to Yen 132.9 billion from a year earlier mainly due to Profit attributable to shareholders of Hitachi Zosen.

② Cash flow

Net cash provided by operating activities was Yen 26.8 billion reflecting income before income taxes and minority interests. Net cash provided by investing activities was Yen 0.9 billion mainly due to the proceeds from purchase of shares of subsidiaries resulting in charge in scope of consolidation.

Net cash used in financing activities was Yen 8.7 billion mainly due to the repayment of bank borrowings.

6. Policy for selecting an Accounting Standard

In light of the current situation in which Japanese accounting standards are converging with international accounting standards, our Group's policy for the time being is to continue to prepare consolidated financial statements based on Japanese standards.

Although the timing of application of our Group's International Financial Reporting Standards (IFRS) has not yet been decided, we are considering preparation for its application and will continue to pay close attention to the situation surrounding our Group.

7. Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Assets		
Current assets		
Cash and deposits	47,277	67,200
Notes and accounts receivable - trade	169,316	—
Notes and accounts receivable - trade, and contract assets	—	189,775
Merchandise and finished goods	1,622	1,119
Work in process	16,738	6,836
Raw materials and supplies	5,594	6,518
Other	22,264	24,045
Allowance for doubtful accounts	△3,307	△3,255
Total current assets	259,505	292,241
Non-current assets		
Property, plant and equipment		
Buildings and structures	87,975	87,603
Accumulated depreciation	△53,439	△54,840
Buildings and structures, net	34,536	32,762
Machinery, equipment and vehicles	103,158	102,985
Accumulated depreciation	△80,981	△83,713
Machinery, equipment and vehicles, net	22,176	19,271
Tools, furniture and fixtures	18,410	19,342
Accumulated depreciation	△15,256	△16,181
Tools, furniture and fixtures, net	3,153	3,161
Land	46,474	46,155
Leased assets	1,709	1,725
Accumulated depreciation	△705	△970
Leased assets, net	1,004	755
Right of use assets	3,798	5,247
Accumulated depreciation	△1,139	△2,173
Right of use assets, net	2,658	3,074
Construction in progress	3,327	5,358
Total property, plant and equipment	113,330	110,539
Intangible assets		
Goodwill	1,626	1,486
Other	7,873	9,964
Total intangible assets	9,500	11,451
Investments and other assets		
Investment securities	15,832	16,868
Long-term loans receivable	28	27
Retirement benefit asset	4,703	5,659
Deferred tax assets	17,091	16,964
Other	10,444	9,082
Allowance for doubtful accounts	△1,163	△1,767
Total investments and other assets	46,936	46,835
Total non-current assets	169,767	168,826
Deferred assets		
Bond issuance costs	62	93
Total deferred assets	62	93
Total assets	429,336	461,161

(Millions of yen)

	As of March 31, 2021	As of March 31, 2022
Liabilities		
Current liabilities		
Notes and accounts payable - trade	41,598	51,607
Electronically recorded obligations - operating	21,787	20,205
Short-term borrowings	14,572	26,715
Current portion of bonds payable	5,000	—
Lease liabilities	1,006	1,302
Accrued expenses	59,026	71,027
Income taxes payable	1,112	4,077
Advances received	24,914	—
Contract liabilities	—	29,128
Provision for construction warranties	7,586	11,690
Provision for loss on construction contracts	3,688	6,619
Other	17,819	15,640
Total current liabilities	198,113	238,015
Non-current liabilities		
Bonds payable	20,000	30,000
Long-term borrowings	54,528	31,177
Lease liabilities	3,043	2,686
Deferred tax liabilities	527	428
Retirement benefit liability	20,685	21,859
Provision for retirement benefits for directors (and other officers)	251	93
Asset retirement obligations	3,074	3,092
Other	944	880
Total non-current liabilities	103,055	90,219
Total liabilities	301,169	328,234
Net assets		
Shareholders' equity		
Share capital	45,442	45,442
Capital surplus	8,530	8,530
Retained earnings	67,296	71,163
Treasury shares	△1,022	△1,026
Total shareholders' equity	120,246	124,110
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,294	1,307
Deferred gains or losses on hedges	△117	△119
Revaluation reserve for land	△7	△7
Foreign currency translation adjustment	637	931
Remeasurements of defined benefit plans	4,278	5,077
Total accumulated other comprehensive income	6,084	7,189
Non-controlling interests	1,836	1,626
Total net assets	128,167	132,926
Total liabilities and net assets	429,336	461,161

8. Consolidated statements of Income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net sales	408,592	441,797
Cost of sales	335,777	369,648
Gross profit	72,815	72,149
Selling, general and administrative expenses	57,418	56,607
Operating profit	15,396	15,541
Non-operating income		
Interest income	295	128
Dividend income	103	54
Share of profit of entities accounted for using equity method	—	260
Foreign exchange gains	269	—
Other	946	1,148
Total non-operating income	1,615	1,592
Non-operating expenses		
Interest expenses	738	809
Share of loss of entities accounted for using equity method	622	—
Foreign exchange losses	—	935
Other	3,858	3,604
Total non-operating expenses	5,219	5,349
Ordinary profit	11,792	11,783
Extraordinary income		
Gain on bargain purchase	—	3,781
Total extraordinary income	—	3,781
Extraordinary losses		
Impairment losses	4,924	3,692
Total extraordinary losses	4,924	3,692
Profit before income taxes	6,868	11,873
Income taxes - current	1,945	4,079
Income taxes - deferred	631	△119
Total income taxes	2,576	3,960
Profit	4,291	7,912
Profit attributable to non-controlling interests	33	13
Profit attributable to shareholders of Hitachi Zosen	4,258	7,899

9. Consolidated statements of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Profit	4,291	7,912
Other comprehensive income		
Valuation difference on available-for-sale securities	954	△31
Deferred gains or losses on hedges	△144	117
Foreign currency translation adjustment	691	149
Remeasurements of defined benefit plans, net of tax	4,299	794
Share of other comprehensive income of entities accounted for using equity method	289	81
Total other comprehensive income	6,090	1,111
Comprehensive income	10,382	9,024
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	10,348	9,004
Comprehensive income attributable to non-controlling interests	34	20

10. Consolidated statement of Shareholder's Equity

For the year ended March 31, 2021

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	45,442	8,527	65,060	△1,020	118,009
Changes during period					
Dividends of surplus			△2,022		△2,022
Profit attributable to shareholders of Hitachi Zosen			4,258		4,258
Disposal of treasury shares		△0		0	0
Purchase of treasury shares				△2	△2
Change in ownership interest of parent due to transactions with non-controlling interests		3			3
Net changes in items other than shareholders' equity					
Total changes during period	—	3	2,235	△2	2,236
Balance at end of period	45,442	8,530	67,296	△1,022	120,246

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	145	△6	△7	△110	△26	△6	1,496	119,500
Changes during period								
Dividends of surplus								△2,022
Profit attributable to shareholders of Hitachi Zosen								4,258
Disposal of treasury shares								0
Purchase of treasury shares								△2
Change in ownership interest of parent due to transactions with non-controlling interests								3
Net changes in items other than shareholders' equity	1,148	△111	—	748	4,304	6,090	340	6,430
Total changes during period	1,148	△111	—	748	4,304	6,090	340	8,667
Balance at end of period	1,294	△117	△7	637	4,278	6,084	1,836	128,167

For the year ended March 31, 2022

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	45,442	8,530	67,296	△1,022	120,246
Cumulative effects of changes in accounting policies			△2,008		△2,008
Restated balance	45,442	8,530	65,287	△1,022	118,237
Changes during period					
Dividends of surplus			△2,022		△2,022
Profit attributable to shareholders of Hitachi Zosen			7,899		7,899
Disposal of treasury shares		0		0	0
Purchase of treasury shares				△3	△3
Net changes in items other than shareholders' equity					
Total changes during period	—	0	5,876	△3	5,872
Balance at end of period	45,442	8,530	71,163	△1,026	124,110

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	1,294	△117	△7	637	4,278	6,084	1,836	128,167
Cumulative effects of changes in accounting policies								△2,008
Restated balance	1,294	△117	△7	637	4,278	6,084	1,836	126,158
Changes during period								
Dividends of surplus								△2,022
Profit attributable to shareholders of Hitachi Zosen								7,899
Disposal of treasury shares								0
Purchase of treasury shares								△3
Net changes in items other than shareholders' equity	13	△1	—	294	798	1,105	△210	895
Total changes during period	13	△1	—	294	798	1,105	△210	6,767
Balance at end of period	1,307	△119	△7	931	5,077	7,189	1,626	132,926

11. Consolidated statement of Cash Flow

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from operating activities		
Profit before income taxes	6,868	11,873
Depreciation	10,241	10,663
Impairment losses	4,924	3,692
Gain on bargain purchase	—	△3,781
Amortization of goodwill	563	258
Increase (decrease) in allowance for doubtful accounts	542	515
Increase (decrease) in retirement benefit liability	519	490
Increase (decrease) in provision for loss on construction contracts	973	4,104
Interest and dividend income	△399	△183
Interest expenses	738	809
Foreign exchange losses (gains)	△269	935
Share of loss (profit) of entities accounted for using equity method	622	△260
Decrease (increase) in trade receivables	△8,339	—
Increase (decrease) in trade receivable and contract assets	—	△13,731
Decrease (increase) in inventories	△315	10,745
Decrease (increase) in other current assets	△2,067	3,577
Increase (decrease) in trade payables	△2,888	3,443
Increase (decrease) in accrued expenses	11,390	5,564
Increase (decrease) in advances received	2,056	—
Increase (decrease) in contract liabilities	—	2,641
Increase (decrease) in other current liabilities	1,730	△6,899
Other, net	△575	△2,822
Subtotal	26,318	31,636
Interest and dividends received	608	249
Interest paid	△607	△820
Income taxes paid	△3,639	△4,206
Net cash provided by (used in) operating activities	22,680	26,858
Cash flows from investing activities		
Payments into time deposits	△3,983	△2,346
Proceeds from withdrawal of time deposits	3,815	2,618
Purchase of property, plant and equipment	△10,511	△7,474
Proceeds from sale of property, plant and equipment	372	302
Purchase of intangible assets	△1,420	△1,758
Purchase of investment securities	△79	△1,048
Proceeds from sale of investment securities	464	324
Proceeds for investments in capital of subsidiaries and associates	—	2,508
Payments for investments in capital of subsidiaries and associates	△2,347	△462
Purchase of shares of subsidiaries resulting in change in scope of consolidation	△162	△508
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	8,702
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	214	—
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	△87	—
Other, net	△122	85
Net cash provided by (used in) investing activities	△13,847	943

(Millions of yen)

	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	856	△7,660
Proceeds from long-term borrowings	1,746	1,235
Repayments of long-term borrowings	△5,328	△4,348
Proceeds from issuance of bonds	—	10,000
Redemption of bonds	—	△5,000
Dividends paid	△2,022	△2,022
Other, net	△523	△962
Net cash provided by (used in) financing activities	△5,271	△8,759
Effect of exchange rate change on cash and cash equivalents	655	1,098
Net increase (decrease) in cash and cash equivalents	4,216	20,141
Cash and cash equivalents at beginning of period	41,595	45,812
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	—	2
Cash and cash equivalents at end of period	45,812	65,956

12. Supplementary Information

(1) Consolidated Information by segments

i) Order Intake

(Unit: billion yen)

Business Segment	Fiscal year ended March. 31, 2021	Fiscal year ended March. 31, 2022	Difference	Order backlog as of March. 31, 2022
Environmental Business	303.7	529.4	225.7	883.1
Machinery & Infrastructure Business	117.3	140.1	22.8	134.6
Other Businesses	8.4	8.4	0.0	0.3
Total	429.4	677.9	248.5	1,018.0

ii) Statements of Operations

(Unit: billion yen)

		Fiscal year ended March. 31, 2021		Fiscal year ended March. 31, 2022		Difference	
		Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Operating income & Net sales	Environmental Business	269.4	12.6	307.2	12.4	37.8	-0.2
	Machinery & Infrastructure Business	130.8	2.6	126.2	2.6	-4.6	0.0
	Other Businesses	8.3	0.1	8.3	0.5	0.0	0.4
	Total	408.5	15.3	441.7	15.5	33.2	0.2
Ordinary Income		11.7		11.7		0.0	
Profit attributable to shareholders of Hitachi Zosen		4.2		7.8		3.6	

iii) Consolidated Balance Sheet

(Unit: billion yen)

	As of Mar. 31, 2021	As of Mar. 31, 2022	Difference
Cash and time deposits	47.3	67.2	19.9
Trade notes and accounts, contract assets	169.3	189.8	20.5
Inventories	23.9	14.5	-9.4
Tangible & intangible fixed assets	122.8	122.0	-0.8
Others	66.0	67.6	1.6
Total Assets	429.3	461.1	31.8
Notes and accounts payable	63.4	71.8	8.4
Interest bearing debt	98.1	91.9	-6.2
Others	139.6	164.5	24.9
Total Liabilities	301.1	328.2	27.1
Shareholders' equity	120.3	124.1	3.8
Accumulated other comprehensive income	6.1	7.2	1.1
Minority interests and other	1.8	1.6	-0.2
Total Net Assets	128.2	132.9	4.7
Total Liabilities and Net Assets	429.3	461.1	31.8

iv) Consolidated Statements of Cash Flows

(Unit: billion yen)

	Fiscal year ended Mar. 31, 2021	Fiscal year ended Mar. 31, 2022	Difference
Cash flows from operating activities	22.6	26.8	4.2
Cash flows from investing activities	-13.8	0.9	14.7
Cash flows from financing activities	-5.2	-8.7	-3.5
Foreign exchange translation	0.7	1.1	0.4
Increase/decrease in cash & cash equivalents	4.3	20.1	15.8
Cash & cash equivalents at beginning of year	41.5	45.8	4.3
Cash & cash equivalents at end of year	45.8	65.9	20.1

(2) Forecast of Consolidated Information by segments for fiscal year ending March 31, 2023

i) Order Intake (Unit: billion yen)

Business Segment	(Actual)		(Forecast)	
	Fiscal year ended March 31, 2022		Fiscal year ending March. 31, 2023	(Forecast) Difference
Environments	529.4		350.0	-179.4
Machinery & Infrastructure	97.1		90.0	-7.1
Carbon Neutral Solution	43.0		52.0	9.0
Other	8.4		8.0	-0.4
Total	677.9		500.0	-177.9

ii) Statements of Operations (Unit: billion yen)

		(Actual)		(Forecast)		(Forecast)	
		Fiscal year ended March 31, 2022		Fiscal year ending March. 31, 2023		Difference	
		Net sales	Operating income	Net sales	Operating income	Net sales	Operating income
Net sales & Operating income	Environments	307.2	12.4	300.0	16.5	-7.2	4.1
	Machinery & Infrastructure	86.3	2.2	87.0	2.8	0.7	0.6
	Carbon Neutral Solution	39.9	0.4	45.0	0.3	5.1	-0.1
	Other	8.3	0.5	8.0	0.4	-0.3	-0.1
	Total	441.7	15.5	440.0	20.0	-1.7	4.5
Ordinary Income		11.7		16.0		4.3	
Profit attributable to shareholders of Hitachi Zosen		7.8		10.0		2.2	

(Notes)

In the fiscal year ending March 31, 2023, we will change the segmentation from "Environmental Business", "Machinery & Infrastructure Business" and "Other Business" to "Environments", "Machinery & Infrastructure", "Carbon Neutral Solution" and "Other". In the line with this change, we have restated the figures in the fiscal year ended March 31, 2022 to reflect the new classification.