

# Research and Development

Our R&D program is designed to ensure “the timely development of products that respond to and satisfy customer needs.” While respecting the creativity of our researchers, we are committed to the development of leading-edge technologies that not only help secure market share, but also ensure that we remain at the forefront of the industry in terms of the technologies supporting our products.

## Fiscal 2005 in Review

The Group’s R&D activities are centered on Hitachi Koki’s Research and Development Division and the Design Department of the Life-Science Instruments Division.

In fiscal 2005, ¥3,292 million, or 2.3% of consolidated net sales, was allocated to expenses associated with the R&D of new products and technologies.

In the Power Tools Sector, we have developed a high-precision sliding compound miter saw that is compact and lightweight, making it highly portable and extremely easy to use; a high-output, gas-powered nailer with superior functionality, which does not require a compressor or an air hose; and other products. In addition, Hitachi Koki has won a number of prestigious international design awards in Japan, the United States and Europe, including seven consecutive Good Design Awards in Japan, the most in the industry, as well as its first IDEA (Industrial Design Excellence Award) in the United States and four consecutive iF Design Awards (International Forum Design Award) in Europe.

In the Life-Science Instruments Sector, we have developed innovatively designed compact tabletop centrifuges used in clinical blood and urinary research and high-speed refrigerated centrifuges with superior acceleration and deceleration performance

and enhanced functionality, making them compatible with multiple applications.

## Future Challenges

Hitachi Koki will take steps to speed up product development by taking full advantage of digital engineering to reduce the time it takes to develop new products that satisfy user needs. We will increase sales by creating an unparalleled product development capability, with the goal of having new products contribute more than 60% of net sales.

In the area of design, we will promote the development of a globally competitive three-dimensional design capability that is second to none and will attempt to win our fifth consecutive iF Design Award in Germany. We will strengthen our design capability so that it contributes to increased sales and the improvement of Hitachi Koki’s brand image by attempting to win a second consecutive IDEA in the United States, and conduct other measures.

## iF Design Award Winning Products

### Hammer (H 65SB2)

The H 65SB2 is a hammer used for the chipping of concrete (demolishing walls, breaking ground, etc.) in construction and utility work. This hammer comes equipped with the highest chipping capacity in its class thanks to a design optimized by computer analysis and a shock-absorbing mechanism that reduces vibration and ambient noise. In fiscal 2005, Hitachi Koki was awarded the internationally prestigious iF Design Award in Europe. This marks the fourth consecutive year that Hitachi Koki has won this award.

