

Hitachi Group Profile

Company Profile (as of March 31, 2017)

Corporate name	Hitachi, Ltd.
Incorporated	February 1, 1920 (founded in 1910)
Head office	1-6-6 Marunouchi, Chiyoda-ku, Tokyo 100-8280, Japan
Representative	Toshiaki Higashihara Representative Executive Officer, President, and CEO
Capital	458.79 billion yen
Number of employees	35,631 (unconsolidated basis) 303,887 (consolidated basis)
Number of consolidated subsidiaries (including variable interest entities)	864 (Japan: 208, outside of Japan: 656)
Number of equity-method associates and joint ventures	388

Consolidated Financial Highlights for Fiscal 2016, Based on the International Financial Reporting Standards (IFRS)

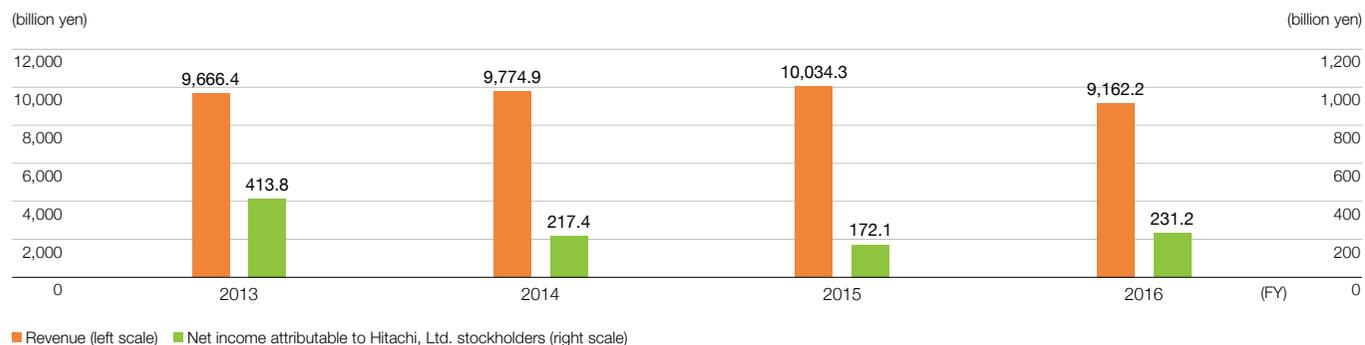
Revenue	9,162.2 billion yen (down 9%, year on year)
EBIT*1	475.1 billion yen (down 11%)
Income from continuing operations, before income taxes	469.0 billion yen (down 9%)
Net income attributable to Hitachi, Ltd. stockholders	231.2 billion yen (up 34%)
Capital expenditure*2	377.5 billion yen (down 29%)
R&D expenditure	323.9 billion yen (unchanged)
Total assets	9,663.9 billion yen

*1 EBIT: Income from continuing operations before income tax, less interest income, plus interest charges.

*2 Since fiscal 2015, the amount of investment in leased assets that fall under the heading of finance and leases included in conventional capital expenditure are deducted from capital expenditure for disclosure.

Note: Hitachi's consolidated financial statement is prepared based on the International Financial Reporting Standards (IFRS).

Revenue and Net Income Attributable to Hitachi, Ltd. Stockholders



Hitachi and Society

Creating value to fulfill our Corporate Credo—contributing to society through the development of superior, original technology and products—has underpinned our business development for more than a century. Hitachi’s R&D program focuses on products and services that help to resolve social issues.

Key Business Segments for Social Contributions

The issues humanity faces—environmental problems like climate change and ecosystem degradation; energy, water, resource, and food shortages; urban population growth; and the graying of societies—are growing more serious around the world. As a global corporate citizen, Hitachi is globally engaged in providing social infrastructure and, in many other fields, creating both economic and social value to address these issues and contribute to a sustainable society.

Information & Telecommunication Systems

Hitachi provides IT services that address customers’ diverse needs by combining Hitachi’s extensive expertise in a diverse range of business fields, including financial services, with advanced information technology. Our services cover the entire life cycle of systems, ranging from consulting to system integration, operation, maintenance, and other support.

Locations of our business operations: **Over 100** countries and regions

To help resolve issues confronting society and our customers, we provide IT solutions to support data utilization on a global basis.

- **Main Products and Services**

Systems integration, consulting, cloud services, servers, storage, software, telecommunications & networks, ATMs

- **Principal Consolidated Subsidiaries (as of March 31, 2017)**

Hitachi Information & Telecommunication Engineering, Ltd., Hitachi-Omron Terminal Solutions, Corp., Hitachi Computer Products (America), Inc., Hitachi Financial Equipment System (Shenzhen) Co., Ltd., Hitachi Solutions, Ltd., Hitachi Systems, Ltd., Hitachi Consulting Corporation, Hitachi Data Systems Corporation, Hitachi Payment Services Pvt. Ltd.



A Hitachi storage system.

Revenue	Adjusted operating income	EBIT
1,982.8 billion yen	152.9 billion yen	76.4 billion yen

Social Infrastructure & Industrial Systems

Hitachi has a long and proven track record of high reliability in supporting people’s daily lives through such products and services as rolling stock and train management systems, power plants and transmission and distribution systems, elevators and escalators, and water solutions. It also offers industrial solutions and equipment to enhance the sophistication of production facilities. Hitachi utilizes digital technologies to provide optimum solutions in addressing the issues and diversifying needs of customers worldwide.

Installation of water solutions: **1,800** sites

Through our OT (operational technology) and IT, Hitachi offers comprehensive water solutions on a global scale, such as seawater desalination equipment, monitoring and control systems, design and construction of water treatment plants, and operation and maintenance of plants.

- **Main Products and Services**

Industrial machinery and plants; elevators; escalators; railway systems; thermal, nuclear, and renewable energy power generation systems; transmission and distribution systems

Introduction

• Principal Consolidated Subsidiaries (as of March 31, 2017)

Hitachi-GE Nuclear Energy, Ltd., Hitachi Industrial Equipment Systems Co., Ltd., Hitachi Elevator (China) Co., Ltd., Hitachi Building Systems Co., Ltd., Hitachi Industry & Control Solutions, Ltd., Hitachi Plant Construction, Ltd., Hitachi Plant Services Co., Ltd., Hitachi Power Solutions Co., Ltd., Hitachi Rail Europe, Ltd., Horizon Nuclear Power, Ltd.



A seawater desalination system.

Revenue	Adjusted operating income	EBIT
2,331.9 billion yen	77.0 billion yen	-19.9 billion yen

Electronic Systems & Equipment

Drawing on the Hitachi Group's advanced technologies, Hitachi provides systems supporting the information society, including semiconductor manufacturing equipment, measurement and analysis equipment, broadcasting and video systems, and healthcare solutions that support healthy lifestyles.

Number of operating particle therapy facilities: **3** in Japan, **4** in the United States (as of June 30, 2017)

Particle therapy mitigates the burden on the body and allows patients to maintain their quality of life, and it is expected to make its mark in pediatric oncology, which entails great physical strain. The global share of Hitachi's highly reliable particle therapy system has been rising.

• Main Products and Services

Semiconductor manufacturing equipment, measurement and analysis equipment, advanced industrial products, medical equipment

• Principal Consolidated Subsidiaries (as of March 31, 2017)

Hitachi High-Technologies Corporation, Hitachi Kokusai Electric Inc.



Hokkaido University Hospital's particle beam cancer therapy system.

Revenue	Adjusted operating income	EBIT
1,170.3 billion yen	81.5 billion yen	66.7 billion yen

Construction Machinery

Leveraging decades of technological expertise and know-how, Hitachi offers solutions that address the needs of a broad range of industries, including civil engineering and construction, building and structural demolition, and mining and excavation. Hitachi also handles the sale, servicing, and maintenance of hydraulic excavators and other construction machinery to provide integrated solutions globally.

Global share of hydraulic mining excavator market: **Approximately 30%**

Hitachi Construction Machinery's hydraulic excavators, wheel loaders, and dump trucks are used at construction sites and mines around the world.

• Main Products and Services

Hydraulic excavators, wheel loaders, mining machinery

• Principal Consolidated Subsidiaries (as of March 31, 2017)

Hitachi Construction Machinery Co., Ltd.



Hitachi Construction Machinery's ultralarge hydraulic excavator and mining dump truck.

Revenue	Adjusted operating income	EBIT
753.9 billion yen	26.3 billion yen	22.7 billion yen

High Functional Materials & Components

Hitachi draws on its wealth of technological expertise and know-how to provide a variety of materials and components—such as semiconductor- and display-related materials, synthetic resin products, specialty steels, magnetic materials, casting components, and wires and cables—that enable advanced functions in products for such sectors as autos, IT and consumer electronics, and industrial and social infrastructure. Business operations are focused in Asia, North America, and Europe.

Weight of molded plastic rear door module: **30% reduction (compared to steel)**

Hitachi Chemical's molded plastic rear door module achieves a substantial reduction in weight compared to conventional steel products. Japan's first plastic rear door module (according

Introduction

to Hitachi Chemical findings) has been made into reality, taking advantage of resin's superior workability to enable designs not possible with steel without sacrificing rigidity and strength.

• Main Products and Services

Semiconductor- and display-related materials, printed wiring board and related materials, automotive parts (molded plastic products, etc.), energy storage devices, specialty steels, magnetic materials and components, high-grade casting components, wires and cables

• Principal Consolidated Subsidiaries (as of March 31, 2017)

Hitachi Chemical Company, Ltd., Hitachi Metals, Ltd.



Hitachi Chemical's molded plastic rear door module.

Revenue	Adjusted operating income	EBIT
1,464.6 billion yen	119.9 billion yen	123.3 billion yen

Automotive Systems

To contribute to the realization of an affluent society by creating new value-added systems, products, and services through the harmonization of people, vehicles, and society, Hitachi is accelerating its technological development in the fields of environment and safety. We will further develop our Advanced Vehicle Control System, integrating our safety and information technologies with the Hitachi Group's social infrastructure

services to meet society's needs for environmental conservation, accident elimination, and traffic congestion reduction.

Global share of air flow sensor market: **Approximately 40%**
(as of March 31, 2016)

Hitachi Automotive Systems' air flow sensor is widely used by automakers around the world and commands the highest global share. It accurately measures the volume and temperature of the air intake and contributes to a more efficient engine.

• Main Products and Services

Engine management systems, electric powertrain systems, drive control systems, car information systems

• Principal Consolidated Subsidiaries (as of March 31, 2017)

Clarion Co., Ltd., Hitachi Automotive Systems, Ltd., Hitachi Automotive Systems Americas, Inc.



Hitachi Automotive Systems' air flow sensor.

Revenue	Adjusted operating income	EBIT
992.2 billion yen	56.3 billion yen	65.8 billion yen

Smart Life & Ecofriendly Systems

Hitachi's home appliances, lighting and housing equipment, and refrigerating and air-conditioning solutions deliver new

value and lifestyle innovations to society and people around the world. Hitachi also helps reduce environmental impact by making an ongoing effort to improve products' energy efficiency.

Home appliance products: **Sold in over 120** countries and regions

Hitachi Appliances markets various home appliances products in over 120 countries and regions. By providing home appliances in accordance with each country's and region's needs, we continue to contribute to improving quality of life.

• Main Products and Services

Refrigerators, washing machines, vacuum cleaners, room air conditioners, air-conditioning equipment

• Principal Consolidated Subsidiaries (as of March 31, 2017)

Hitachi Appliances, Inc., Hitachi Consumer Products (Thailand), Ltd., Hitachi Consumer Marketing, Inc.



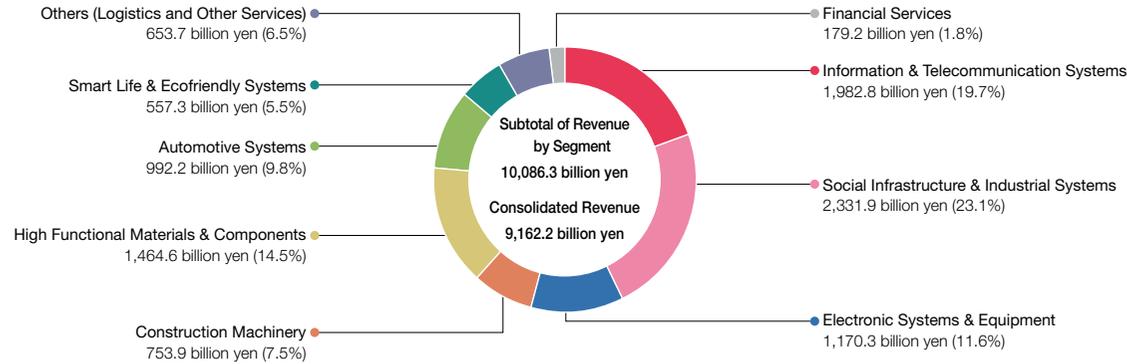
Hitachi Appliances' robot cleaner "minimaru."

Revenue	Adjusted operating income	EBIT
557.3 billion yen	22.4 billion yen	31.8 billion yen

Note: We conduct a broad range of business activities from product development to production, sales, and servicing in eight segments in all, including "Others," in addition to the above.

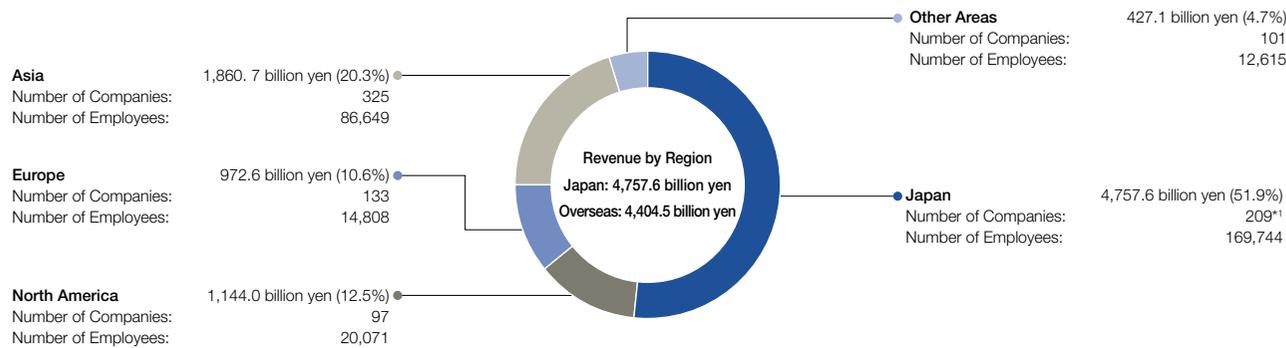
Revenue and Share by Segment

(Consolidated for fiscal 2016, based on IFRS)



Revenue and Share by Region

(Consolidated for fiscal 2016, based on IFRS)



*1 Including Hitachi, Ltd. and 208 consolidated subsidiaries, totaling 209 companies in Japan.