

FOR IMMEDIATE RELEASE

**Hitachi Announces Consolidated Financial Results
for the First Quarter Ended June 30, 2025**

Tokyo, July 31, 2025 --- Hitachi, Ltd. (TSE:6501) today announced its consolidated financial results for the first quarter of fiscal 2025, ended June 30, 2025

Condensed Quarterly Consolidated Statement of Profit or Loss

(Millions of yen)

	Three months ended June 30, 2024 (A)	Three months ended June 30, 2025 (B)	(B)/(A) (%)
Revenues	2,211,423	2,258,325	102
Cost of sales	(1,571,191)	(1,596,866)	102
Gross profit	640,232	661,459	103
Selling, general and administrative expenses	(442,608)	(450,443)	102
Adjusted operating income	197,624	211,016	107
Other income	38,278	1,684	4
Other expenses	(17,228)	(15,435)	90
Financial income	21,289	72,648	341
Financial expenses	(5)	(3,754)	-
Share of profits (losses) of investments accounted for using the equity method	18,235	7,579	42
EBIT (Earnings before interest and taxes)	258,193	273,738	106
Interest income	13,385	8,433	63
Interest charges	(19,201)	(10,128)	53
Income before income taxes	252,377	272,043	108
Income taxes	(65,623)	(71,627)	109
Net income	186,754	200,416	107
Net income attributable to:			
Hitachi, Ltd. stockholders	175,325	192,204	110
Non-controlling interests	11,429	8,212	72
Earnings per share attributable to Hitachi, Ltd. stockholders	Yen	Yen	
Basic	37.87	42.01	111
Diluted	37.83	41.98	111

Note: On July 1, 2024, the Company completed a share split into 5 shares for every one common share. The figures for basic and diluted earnings per share attributable to Hitachi, Ltd. stockholders are calculated on the assumption that the Company conducted this split at the beginning of the previous fiscal year.

Condensed Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three months ended June 30, 2024 (A)	Three months ended June 30, 2025 (B)	(B)/(A) (%)
Net income	186,754	200,416	107
Other comprehensive income (OCI)			
Items not to be reclassified into net income			
Net changes in financial assets measured at fair value through OCI	160	4,881	-
Remeasurements of defined benefit plans	365	(1)	-
Share of OCI of investments accounted for using the equity method	865	(1,150)	-
Total items not to be reclassified into net income	1,390	3,730	268
Items that can be reclassified into net income			
Foreign currency translation adjustments	236,497	(77,029)	-
Net changes in cash flow hedges	3,923	2,792	71
Share of OCI of investments accounted for using the equity method	30,726	(8,267)	-
Total items that can be reclassified into net income	271,146	(82,504)	-
Other comprehensive income (OCI)	272,536	(78,774)	-
Comprehensive income	459,290	121,642	26
Comprehensive income attributable to:			
Hitachi, Ltd. stockholders	442,217	114,997	26
Non-controlling interests	17,073	6,645	39

Condensed Quarterly Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2025 (A)	As of June 30, 2025 (B)	(B)-(A)
Assets			
Current assets			
Cash and cash equivalents	866,242	1,242,239	375,997
Trade receivables and contract assets	3,496,340	3,141,099	(355,241)
Inventories	1,566,282	1,674,476	108,194
Investments in securities and other financial assets	318,421	384,979	66,558
Other current assets	350,558	552,869	202,311
Total Current assets	6,597,843	6,995,662	397,819
Non-current assets			
Investments accounted for using the equity method	836,231	702,887	(133,344)
Investments in securities and other financial assets	349,567	347,318	(2,249)
Property, plant and equipment	1,341,537	1,375,694	34,157
Goodwill	2,486,823	2,431,347	(55,476)
Other intangible assets	1,199,996	1,178,119	(21,877)
Other non-current assets	472,816	460,985	(11,831)
Total Non-current assets	6,686,970	6,496,350	(190,620)
Total Assets	13,284,813	13,492,012	207,199
Liabilities			
Current liabilities			
Short-term debt	73,146	230,138	156,992
Current portion of long-term debt	368,818	367,565	(1,253)
Other financial liabilities	280,227	329,402	49,175
Trade payables	1,572,764	1,582,661	9,897
Accrued expenses	736,286	551,045	(185,241)
Contract liabilities	2,196,193	2,422,887	226,694
Other current liabilities	680,411	652,089	(28,322)
Total Current liabilities	5,907,845	6,135,787	227,942
Non-current liabilities			
Long-term debt	764,152	814,451	50,299
Retirement and severance benefits	247,497	247,696	199
Other non-current liabilities	333,902	313,930	(19,972)
Total Non-current liabilities	1,345,551	1,376,077	30,526
Total Liabilities	7,253,396	7,511,864	258,468
Equity			
Hitachi, Ltd. stockholders' equity			
Common stock	464,384	466,666	2,282
Capital surplus	-	-	-
Retained earnings	4,350,503	4,441,425	90,922
Accumulated other comprehensive income	1,040,791	963,271	(77,520)
(Foreign currency translation adjustments)	890,159	807,801	(82,358)
(Remeasurements of defined benefit plans)	114,167	114,166	(1)
(Net changes in financial assets measured at fair value through OCI)	39,496	42,873	3,377
(Net changes in cash flow hedges)	(3,031)	(1,569)	1,462
Treasury stock, at cost	(8,587)	(55,792)	(47,205)
Total Hitachi, Ltd. stockholders' equity	5,847,091	5,815,570	(31,521)
Non-controlling interests	184,326	164,578	(19,748)
Total Equity	6,031,417	5,980,148	(51,269)
Total Liabilities and Equity	13,284,813	13,492,012	207,199

Condensed Quarterly Consolidated Statement of Changes in Equity

(Millions of yen)

Three months ended June 30, 2024								
	Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income	Treasury stock, at cost	Total Hitachi, Ltd. stockholders' equity	Non-controlling interests	Total equity
Balance at beginning of period	463,417	-	4,084,729	1,160,550	(4,991)	5,703,705	155,898	5,859,603
Changes in equity								
Reclassified into retained earnings	-	-	392	(392)	-	-	-	-
Net income	-	-	175,325	-	-	175,325	11,429	186,754
Other comprehensive income	-	-	-	266,892	-	266,892	5,644	272,536
Dividends to Hitachi, Ltd. stockholders	-	-	(92,662)	-	-	(92,662)	-	(92,662)
Dividends to non-controlling interests	-	-	-	-	-	-	(25,415)	(25,415)
Acquisition of treasury stock	-	-	-	-	(35,686)	(35,686)	-	(35,686)
Disposition of treasury stock	-	(791)	-	-	1,007	216	-	216
Issuance of new shares	967	966	-	-	-	1,933	-	1,933
Transfer to capital surplus from retained earnings	-	2,260	(2,260)	-	-	-	-	-
Changes in non-controlling interests	-	(2,435)	-	(25,236)	-	(27,671)	940	(26,731)
Total changes in equity	967	-	80,795	241,264	(34,679)	288,347	(7,402)	280,945
Balance at end of period	464,384	-	4,165,524	1,401,814	(39,670)	5,992,052	148,496	6,140,548

(Millions of yen)

Three months ended June 30, 2025								
	Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income	Treasury stock, at cost	Total Hitachi, Ltd. stockholders' equity	Non-controlling interests	Total equity
Balance at beginning of period	464,384	-	4,350,503	1,040,791	(8,587)	5,847,091	184,326	6,031,417
Changes in equity								
Reclassified into retained earnings	-	-	356	(356)	-	-	-	-
Net income	-	-	192,204	-	-	192,204	8,212	200,416
Other comprehensive income	-	-	-	(77,207)	-	(77,207)	(1,567)	(78,774)
Dividends to Hitachi, Ltd. stockholders	-	-	(100,713)	-	-	(100,713)	-	(100,713)
Dividends to non-controlling interests	-	-	-	-	-	-	(26,489)	(26,489)
Acquisition of treasury stock	-	-	-	-	(47,534)	(47,534)	-	(47,534)
Disposition of treasury stock	-	(292)	-	-	329	37	-	37
Issuance of new shares	2,282	2,282	-	-	-	4,564	-	4,564
Transfer to capital surplus from retained earnings	-	925	(925)	-	-	-	-	-
Changes in non-controlling interests	-	(2,915)	-	43	-	(2,872)	96	(2,776)
Total changes in equity	2,282	-	90,922	(77,520)	(47,205)	(31,521)	(19,748)	(51,269)
Balance at end of period	466,666	-	4,441,425	963,271	(55,792)	5,815,570	164,578	5,980,148

Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of yen)

	Three months ended June 30, 2024 (A)	Three months ended June 30, 2025 (B)	(B)-(A)
Cash flows from operating activities			
Net Income	186,754	200,416	13,662
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization	105,110	105,069	(41)
Impairment losses	1,095	6,289	5,194
Income taxes	65,623	71,627	6,004
Share of (profits) losses of investments accounted for using the equity method	(18,235)	(7,579)	10,656
Financial income and expenses	3,441	(46,524)	(49,965)
Net (gain) loss on business reorganization and others	(17,024)	(1,278)	15,746
(Gain) loss on sale of property, plant and equipment	(21,136)	487	21,623
Change in trade receivables and contract assets	302,069	581,781	279,712
Change in inventories	(120,706)	(130,574)	(9,868)
Change in trade payables	(45,293)	6,599	51,892
Change in accrued expenses	(163,040)	(174,647)	(11,607)
Change in retirement and severance benefits	(1,283)	1,209	2,492
Other	(12,163)	(67,331)	(55,168)
Subtotal	265,212	545,544	280,332
Interest received	9,928	10,713	785
Dividends received	9,474	19,609	10,135
Interest paid	(20,228)	(11,468)	8,760
Income taxes paid	(121,266)	(122,307)	(1,041)
Net cash provided by (used in) operating activities	143,120	442,091	298,971
Cash flows from investing activities			
Purchase of property, plant and equipment	(40,931)	(60,564)	(19,633)
Purchase of intangible assets	(31,261)	(30,123)	1,138
Proceeds from sale of property, plant and equipment, and intangible assets	29,016	5,178	(23,838)
Purchase of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method)	(248,484)	(3,947)	244,537
Proceeds from sale of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method)	45,458	276	(45,182)
Other	11,807	14,788	2,981
Net cash provided by (used in) investing activities	(234,395)	(74,392)	160,003
Free cash flows	(91,275)	367,699	458,974
Cash flows from financing activities			
Change in short-term debt, net	372,645	157,169	(215,476)
Proceeds from long-term debt	619	50,048	49,429
Payments on long-term debt	(25,667)	(23,873)	1,794
Proceeds from payments from non-controlling interests	-	480	480
Dividends paid to Hitachi, Ltd. stockholders	(92,709)	(100,771)	(8,062)
Dividends paid to non-controlling interests	(25,252)	(26,000)	(748)
Acquisition of common stock for treasury	(35,686)	(47,534)	(11,848)
Net cash provided by (used in) financing activities	193,950	9,519	(184,431)
Effect of exchange rate changes on cash and cash equivalents	37,184	(1,221)	(38,405)
Change in cash and cash equivalents	139,859	375,997	236,138
Cash and cash equivalents at beginning of period	705,367	866,242	160,875
Cash and cash equivalents at end of period	845,226	1,242,239	397,013

Segment Information

(1) Segment revenues and profit (loss)

The operating segments of the Company are the components for which separate financial information is available and which is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

The Company discloses its business in five reportable segments, corresponding to categories of activities classified primarily by the similarities for the nature of markets, products and services, and economic characteristics. Several operating segments are aggregated into Energy and Connective Industries for financial reporting purposes so that users of the financial statements better understand the Company's financial position and business performance. The Company aggregates operating segments based on the similarities of economic characteristics mainly using the segment profit (loss) margin ratio of operating segments. The primary products and services included in each reportable segment are as follows:

(a) Digital Systems & Services:

Digital solutions (System integration, Consulting, Cloud services), IT products (Storage, Servers), Software, and ATMs

(b) Energy:

Energy solutions (Power grids, Nuclear)

(c) Mobility:

Railway systems

(d) Connective Industries:

Building systems (Elevators, Escalators), Smart life & ecofriendly systems (Home appliances, Air conditioners), Industrial Machinery & Solutions, Measurement and analytical systems (Semiconductor manufacturing equipment, Clinical analyzers), Industry & distribution solutions, and Water & environment solutions

(e) Others:

Property management and others

Effective from April 1, 2025, the Company changed its business structure in order to realize the Company's transformation into a "True One Hitachi" with digital at its core, and sustainably accelerate the growth of the Social Innovation Business as a digital-centric company. Accordingly, the Company reclassified its reportable segments in five segments as Digital Systems & Services, Energy, Mobility, Connective Industries, and Others. Figures for the three months ended June 30, 2024 have been restated on the basis of the reclassification.

In addition, from the year ending March 31, 2026, the calculation method of the segment profit (loss), previously presented based on Adjusted EBITA (Adjusted Earnings before Interest, Taxes and Amortization), is changed and presented, as a measure of profit (loss) used by the chief operating decision maker mainly in deciding how to allocate resources and in assessing performance. Previously Adjusted EBITA represented the profit (loss) calculated by deducting the selling, general and administrative expenses from the gross profit, adding back the amortization of intangible assets, etc. recognized upon business combinations, and adding the share of profits (losses) of investments accounted for using the equity method. But, from the year ending March 31, 2026, it is calculated by deducting the selling, general and administrative expenses from the gross profit, and adding back the amortization of intangible assets, etc. recognized upon business combinations. Adjusted EBITA for the three months ended June 30, 2024 has been restated on the basis of this change of definition.

The following tables show segment information for the three months ended June 30, 2024 and 2025.

(Millions of yen)

	Three months ended June 30, 2024			
	Reportable Segment			
	Digital Systems & Services	Energy	Mobility	Connective Industries
Revenues				
Revenues from External Customers	593,857	605,992	240,415	699,681
Revenues from Intersegment Transactions	40,215	13,838	190	38,142
Total Revenues	634,072	619,830	240,605	737,823
Segment Profit (Loss)	78,711	63,911	16,839	71,479

(Millions of yen)

	Three months ended June 30, 2024			
	Reportable Segment		Corporate items & Eliminations	Total
	Others	Subtotal		
Revenues				
Revenues from External Customers	61,619	2,201,564	9,859	2,211,423
Revenues from Intersegment Transactions	52,852	145,237	(145,237)	-
Total Revenues	114,471	2,346,801	(135,378)	2,211,423
Segment Profit (Loss)	(405)	230,535	(6,242)	224,293

(Millions of yen)

	Three months ended June 30, 2025			
	Reportable Segment			
	Digital Systems & Services	Energy	Mobility	Connective Industries
Revenues				
Revenues from External Customers	578,333	664,152	285,261	659,349
Revenues from Intersegment Transactions	39,142	3,427	159	51,993
Total Revenues	617,475	667,579	285,420	711,342
Segment Profit (Loss)	66,416	78,472	21,727	68,340

(Millions of yen)

	Three months ended June 30, 2025			
	Reportable Segment		Corporate items & Eliminations	Total
	Others	Subtotal		
Revenues				
Revenues from External Customers	61,303	2,248,398	9,927	2,258,325
Revenues from Intersegment Transactions	59,136	153,857	(153,857)	-
Total Revenues	120,439	2,402,255	(143,930)	2,258,325
Segment Profit (Loss)	3,824	238,779	(1,252)	237,527

Segment profit (loss) is measured by Adjusted EBITA. Adjusted EBITA is defined as Adjusted Earnings before Interest, Taxes and Amortization. Adjusted EBITA represents profit (loss) calculated by deducting selling, general and administrative expenses from gross profit, adding back amortization of intangible assets, etc. recognized upon business combinations.

Intersegment transactions are generally recorded at the same prices used in arm's length transactions. Corporate items include corporate expenses not allocated to individual segments, such as expenditures for advanced R&D, and others.

Adjustments to income before income taxes from segment profit (loss) are as follows.

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Segment Profit (Loss)	224,293	237,527
Amortization of Intangible assets, etc. recognized upon business combinations	(26,669)	(26,511)
Other income	38,278	1,684
Other expenses	(17,228)	(15,435)
Financial income	21,289	72,648
Financial expenses	(5)	(3,754)
Share of profits (losses) of investments accounted for using the equity method	18,235	7,579
EBIT (Earnings before interest and taxes)	258,193	273,738
Interest income	13,385	8,433
Interest charges	(19,201)	(10,128)
Income before income taxes	252,377	272,043

(2) Revenues by Market

(Millions of yen)

	Three months ended June 30, 2024 (A)	Three months ended June 30, 2025 (B)	(B)/(A) (%)
Japan	790,335 36%	784,936 35%	99
North America	379,077 17%	376,090 17%	99
Europe	427,506 19%	500,571 22%	117
Asia	451,106 21%	426,915 19%	95
Other Areas	163,399 7%	169,813 7%	104
Overseas Revenues Subtotal	1,421,088 64%	1,473,389 65%	104
Total Revenues	2,211,423 100%	2,258,325 100%	102

Notes

(1) Notes Regarding Going Concern

Not applicable.

Summary of Consolidated Business Results, etc.

For detailed information, please refer to the Presentation Material "Outline of Consolidated Financial Results for the First Quarter Ended June 30, 2025" (disclosed on July 31) on TDnet and our website.

(<https://www.hitachi.com/IR-e/library/fr/index.html>)

Cautionary Statement

Certain statements found in this document may constitute "forward-looking statements" as defined in the U.S. Private Securities Litigation Reform Act of 1995. Such "forward-looking statements" reflect management's current views with respect to certain future events and financial performance and include any statement that does not directly relate to any historical or current fact. Words such as "anticipate," "believe," "expect," "estimate," "forecast," "intend," "plan," "project" and similar expressions which indicate future events and trends may identify "forward-looking statements." Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the "forward-looking statements" and from historical trends. Certain "forward-looking statements" are based upon current assumptions of future events which may not prove to be accurate. Undue reliance should not be placed on "forward-looking statements," as such statements speak only as of the date of this report.

Factors that could cause actual results to differ materially from those projected or implied in any "forward-looking statement" and from historical trends include, but are not limited to:

- economic conditions, including consumer spending and plant and equipment investment in Hitachi's major markets, as well as levels of demand in the major industrial sectors Hitachi serves;
- exchange rate fluctuations of the yen against other currencies in which Hitachi makes significant sales or in which Hitachi's assets and liabilities are denominated;
- uncertainty as to Hitachi's ability to access, or access on favorable terms, liquidity or long-term financing;
- uncertainty as to general market price levels for equity securities, declines in which may require Hitachi to write down equity securities that it holds;
- fluctuations in the price of raw materials including, without limitation, petroleum and other materials, such as copper, steel, aluminum, synthetic resins, rare metals and rare-earth minerals, or shortages of materials, parts and components;
- credit conditions of Hitachi's customers and suppliers;
- general socioeconomic and political conditions and the regulatory and trade environment of countries where Hitachi conducts business, particularly Japan, Asia, the United States and Europe, including, without limitation, direct or indirect restrictions by other nations on imports and differences in commercial and business customs including, without limitation, contract terms and conditions and labor relations;
- uncertainty as to Hitachi's ability to respond to tightening of regulations to prevent climate change;
- uncertainty as to Hitachi's ability to maintain the integrity of its information systems, as well as Hitachi's ability to protect its confidential information or that of its customers;
- uncertainty as to Hitachi's ability to attract and retain skilled personnel;
- uncertainty as to Hitachi's ability to continue to develop and market products that incorporate new technologies on a timely and cost-effective basis and to achieve market acceptance for such products;
- the possibility of disruption of Hitachi's operations by natural disasters such as earthquakes and tsunamis, the spread of infectious diseases, and geopolitical and social instability such as terrorism and conflict;
- estimates, fluctuations in cost and cancellation of long-term projects for which Hitachi uses the percentage-of-completion method to recognize revenue from sales;
- increased commoditization of and intensifying price competition for products;
- fluctuations in demand of products, etc. and industry capacity;
- uncertainty as to Hitachi's ability to implement measures to reduce the potential negative impact of fluctuations in demand of products, etc., exchange rates and/or price of raw materials or shortages of materials, parts and components;
- uncertainty as to the success of cost structure overhaul;
- uncertainty as to Hitachi's ability to achieve the anticipated benefits of its strategy to strengthen its Social Innovation Business;
- uncertainty as to the success of acquisitions of other companies, joint ventures and strategic alliances and the possibility of incurring related expenses;

- uncertainty as to the success of restructuring efforts to improve management efficiency by divesting or otherwise exiting underperforming businesses and to strengthen competitiveness;
- the potential for significant losses on Hitachi's investments in equity-method associates and joint ventures;
- uncertainty as to the outcome of litigation, regulatory investigations and other legal proceedings of which the Company, its subsidiaries or its equity-method associates and joint ventures have become or may become parties;
- the possibility of incurring expenses resulting from any defects in products or services of Hitachi;
- uncertainty as to Hitachi's access to, or ability to protect, certain intellectual property; and
- uncertainty as to the accuracy of key assumptions Hitachi uses to evaluate its employee benefit-related costs.

The factors listed above are not all-inclusive and are in addition to other factors contained elsewhere in this report and in other materials published by Hitachi.

*This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.