

FOR IMMEDIATE RELEASE

## Hitachi Announces Revisions to Full-year Consolidated Business Forecast

**Tokyo, July 30, 2020** --- Hitachi, Ltd. (TSE: 6501, “Hitachi”) today announced that it has revised its full-year consolidated business forecast for fiscal 2020, the year ending March 31, 2021 (from April 1, 2020 to March 31, 2021), which was disclosed on May 29, 2020.

### 1. Revisions of Business Forecast

#### (1) Revisions of Full-year Consolidated Business Forecast for Fiscal 2020 (from April 1, 2020 to March 31, 2021)

(Millions of yen)

	Revenues	Adjusted operating income	EBIT	Income from continuing operations, before income taxes	Net income	Net income attributable to Hitachi, Ltd. stockholders	Earnings per share attributable to Hitachi, Ltd. stockholders (basic)
Previous forecast (A)	7,080,000	372,000	614,000	600,000	351,000	335,000	346.80 yen
Revised forecast (B)	7,880,000	372,000	614,000	600,000	351,000	335,000	346.80 yen
(B) - (A)	800,000	0	0	0	0	0	0 yen
% change	11.3	0.0	0.0	0.0	0.0	0.0	0.0
Year Ended March 31, 2020	8,767,263	661,883	183,614	180,268	127,246	87,596	90.71 yen

Notes: 1. “Adjusted operating income” is presented as revenues less cost of sales as well as selling, general and administrative expenses.  
2. “EBIT” is presented as income from continuing operations, before income taxes less interest income plus interest charges.

#### (2) Reasons for Revisions

As announced in the press release entitled “Hitachi Completes Acquisition of ABB’s Power Grids Business; Hitachi ABB Power Grids Begins Operation” issued on July 1, 2020, Hitachi completed the procedures for its 80.1% investment in the company operating power grids business that had been carved out from ABB Ltd, and established the new company, Hitachi ABB Power Grids Ltd (“Hitachi ABB Power Grids”), on July 1, 2020. Based on the forecast of Hitachi ABB Power Grids and in light of recent business performance under COVID-19 impact, Hitachi has revised its full-year consolidated business forecast for fiscal 2020, the year ending March 31, 2021

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as above (1).

### **About Hitachi, Ltd.**

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is focused on its Social Innovation Business that combines information technology (IT), operational technology (OT) and products. The company's consolidated revenues for fiscal year 2019 (ended March 31, 2020) totaled 8,767.2 billion yen (\$80.4 billion), and it employed approximately 301,000 people worldwide. Hitachi drives digital innovation across five sectors – Mobility, Smart Life, Industry, Energy and IT – through Lumada, Hitachi's advanced digital solutions, services, and technologies for turning data into insights to drive digital innovation. Its purpose is to deliver solutions that increase social, environmental and economic value for its customers. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

### **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 document.

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, particularly Japan, Asia, the United States and Europe, 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;

- the possibility of cost fluctuations during the lifetime of, or cancellation of, long-term contracts for which Hitachi uses the percentage-of-completion method to recognize revenue from sales;
- credit conditions of Hitachi's customers and suppliers;
- fluctuations in product demand and industry capacity;
- uncertainty as to Hitachi's ability to implement measures to reduce the potential negative impact of fluctuations in product demand, exchange rates and/or price of raw materials or shortages of materials, parts and components;
- 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;
- uncertainty as to Hitachi's ability to attract and retain skilled personnel;
- increased commoditization of and intensifying price competition for products;
- 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;
- 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 the success of cost structure overhaul;
- uncertainty as to Hitachi's access to, or ability to protect, certain intellectual property;
- 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;
- 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;
- 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; 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 in other materials published by Hitachi.

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Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.

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