

News Release

FOR IMMEDIATE RELEASE

Hitachi's Business Situation in Ukraine and Russia

Tokyo, March 10, 2022 – Hitachi Group considers the safety and health of all employees and their families as its top priority. In Ukraine, the company is engaged in various activities to realize this goal and hopes that peace will return as soon as possible.

In Ukraine, there are engineering hubs of GlobalLogic, a U.S. subsidiary. As part of its strategy to put top priority on the safety of employees and their families, GlobalLogic has been taking actions based on Business Continuity Plan (BCP) including evacuation to safer location in Ukraine and across borders to other countries. While there has been some interruption of services during employee transition, the company has been able to resume client projects and is working to get operations back to normal status. Due to the nature of the software engineering work, employees are able to perform their duties from remote locations as they were doing because of the pandemic and there has not been a significant impact on GlobalLogic's operation at this moment.

Regarding business in Russia, Hitachi Group is suspending exports to Russia and pausing all manufacturing activities within the country for the time being, with the exception of products, services and support for electrical power equipment that are indispensable to the daily lives of people.

The revenues in the Russian market accounts for approx. 0.5% of Hitachi's consolidated revenues forecast for the fiscal year ending March 2022, 10 trillion yen, and more than a half of this is from revenues of construction machinery. The revenues for which engineering hubs of GlobalLogic in Ukraine are involved in accounts for approx. 0.3% of Hitachi's consolidated revenues forecast for the fiscal year ending March 2022.

There is not anticipated to be a significant impact on Hitachi's consolidated earnings forecast for fiscal year ending March 2022 by the current Russia-Ukraine situation at this point. When it becomes certain that there is a significant impact on Hitachi's future earnings, Hitachi will promptly disclose that.

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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 2020 (ended March 31, 2021) totaled 8,729.1 billion yen (\$78.6 billion), with 871 consolidated subsidiaries and approximately 350,000 employees worldwide. Hitachi is working to increase social, environmental and economic value for its customers across six domains; IT, Energy, Industry, Mobility, Smart Life and Automotive Systems through Lumada, Hitachi's advanced digital solutions, services, and technologies for turning data into insights to drive digital innovation. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

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.
