

Outline of Consolidated Financial Results for the First Quarter Ended June 30, 2025 [Fiscal 2025]

Hitachi, Ltd.
Senior Vice President and Executive Officer, CFO
Tomomi Kato

July 31st, 2025

Contents

- 1. Key Messages**
 - 2. Q1 FY2025 Results**
 - 3. FY2025 Outlooks**
 - 4. Performance by Business Segment**
- Appendices**

Key Messages

1. Q1 FY2025 Results

- ✓ PG business of Energy sector and Railway business of Mobility sector performed strongly, with increased revenues and profits, despite FX impacts and U.S. reciprocal tariff impacts. Adjusted EBITA reached a record high
- ✓ Core FCF increased significantly due to the concentration of advance received from large projects (Excluding large advance received effect: c. +70 billion yen)

Revenues	+2% [+5%] (*) 2,258.3 bn yen	Adj. EBITA	237.5 bn yen +13.2 bn yen	Adj. EBITA Margin	10.5% +0.4 pts
Net Income (Attributable to Hitachi, Ltd. Shareholders)	192.2 bn yen +16.8 bn yen	Core FCF	351.4 bn yen +280.4 bn yen	<div> <div>Core FCF (Excluding large advance received effect)</div> <div>c. 130.0 bn yen c. +70.0 bn yen</div> </div>	

2. FY2025 Outlooks

- ✓ While short-term risks such as U.S. reciprocal tariff impact remain, the momentum in DX and GX demand expansion is expected to continue over the mid-to-long term
- ✓ Even with increased strategic investments and anticipated risks caused by tariff impacts, revenue and profit growth is forecasted, supported by the business expansion in the Energy, DSS, and Mobility sectors

Revenues	+3% [+6%] 10,100.0 bn yen	Adj. EBITA	1,110.0 bn yen +26.4 bn yen	Adj. EBITA Margin	11.0% (0.1) pts
Net Income (Attributable to Hitachi, Ltd. Shareholders)	710.0 bn yen 94.2 bn yen	Core FCF	640.0 bn yen (140.5) bn yen	ROIC	11% +0 pts

3 (*) []: Estimated YoY changes excl. FX impact

Key Messages (Segment Highlights)

	Q1 FY2025				FY2025			
	Revenues	YoY	Adj. EBITA (%)	YoY	Revenues	YoY	Adj. EBITA (%)	YoY
Energy	667.5 bn yen	+8%	11.8%	+1.5 pts	2,840.0 bn yen	+8%	12.2%	+2.6 pts
✓ Power Grid business continued to show strong momentum, driven by robust demand for transmission upgrades and connections to renewable energy sources. Adj. EBITA is revised upward by 32 billion yen								
Mobility	285.4 bn yen	+19%	7.6%	+0.6 pts	1,200.0 bn yen	+2%	8.2%	+0.1 pts
✓ In addition to the impact of the acquisition of Thales's railway signaling-related business, the signaling systems projects continued to perform steadily. Adj. EBITA is revised upward by 1 billion yen								
DSS	617.4 bn yen	(3)%	10.8%	(1.6) pts	3,020.0 bn yen	+7%	14.5%	+0.6 pts
✓ Q1 Orders received: Domestic DX/modernization projects steadily progressed, increasing in YoY 5% ✓ While the domestic business continued to show solid momentum in DX and modernization, the overseas business faced investment restraints from European and US customers caused by tariff impacts, competitive situation, and delays in certain projects ✓ Storage business implements measures such as sales expansion, project management, service enhancement, and cost reduction								
CI	711.3 bn yen	(4)%	9.6%	(0.1) pts	3,230.0 bn yen	(2)%	10.7%	+0.2 pts
✓ Q1 Orders received: Semiconductor manufacturing equipment, radiation therapy systems, and UPS (uninterruptible power supply) solutions continued to perform steadily, increasing in YoY 4% ✓ Elevator and escalator business experienced a decline in both revenues and profits due to reduced new installation demand in China. Meanwhile, semiconductor manufacturing equipment and other businesses generally improved profitability								
Corporate items & Elimination	(143.9) bn yen	(8.5) bn yen	(1.2) bn yen	+4.9 bn yen	(675.0) bn yen	(49.5) bn yen	(119.0) bn yen	(104.2) bn yen
Adj. EBITA (FY2025 Forecasts)	✓ A downward adjustment of approximately 10 billion yen was made to reflect the release of upside potential—mainly from the Energy business—that had been previously incorporated under Corporate items and Eliminations ✓ A downward adjustment of approximately 20 billion yen is made to reflect the incorporation of business deterioration risks							

Topics (U.S. Reciprocal Tariff Impacts)

1. Q1 FY2025 (Actual)

- ✓ Direct and indirect impact amounts (after offsetting effects of countermeasures): (2.5) billion yen in Adj. EBITA, (4.0) billion yen in Net Income
- ✓ Hitachi Energy implemented efforts to mitigate the direct impact on performance through countermeasures such as price pass-through
- ✓ As indirect impacts, some customers in DSS restrained their investments

2. FY2025 (Outlooks)

- ✓ Assuming the tariff rate announced as of July 27 (U.S. time) is applied, the following risks are incorporated into the performance outlooks. Estimated direct and indirect impacts (after offsetting effects of countermeasures): c. (30.0) billion yen in Adj. EBITA, c. (35.0) billion yen in Net Income
- ✓ Power grids, a major business in North America, continues steady mid-to-long term momentum in demand for upgrading and new installation of transmission infrastructure

Estimated Risks: c. (30.0) bn yen in Adj. EBITA (illustrative)

		Indirect Impact (Loss of sales opportunities, etc.)	Direct Impact (Increase in tariff costs)
Importing Countries	U.S.		
	Others		

Main businesses with risks	Risk	Countermeasures in progress	
Measurement & Analysis Systems	<ul style="list-style-type: none"> Import of semiconductor manufacturing equipment from Japan Customer investment restraint 	<ul style="list-style-type: none"> Price pass-through 	<ul style="list-style-type: none"> Utilization of co-creation hubs and capturing business opportunities in response to expanded investment toward the U.S.
Industrial Products & Services	<ul style="list-style-type: none"> Import of a part of finished products and components for air compressors from China Customer investment restraint 		<ul style="list-style-type: none"> Review supply chain (Expansion of local production and procurement)
Power Grids	<ul style="list-style-type: none"> Import of some components used for HVDC system and other components from Europe, Canada, and other regions 		<ul style="list-style-type: none"> Flexible production system leveraging global footprints (The majority of key products for the U.S. market are manufactured domestically in the U.S.)
Equity method affiliates (Astemo, Hitachi Construction Machinery, etc.)	<ul style="list-style-type: none"> Import of certain components from Mexico, Japan, and other regions 		-

Contents

1. Key Messages
 - 2. Q1 FY2025 Results**
 3. FY2025 Outlooks
 4. Performance by Business Segment
- Appendices

Q1 FY2025 Highlights

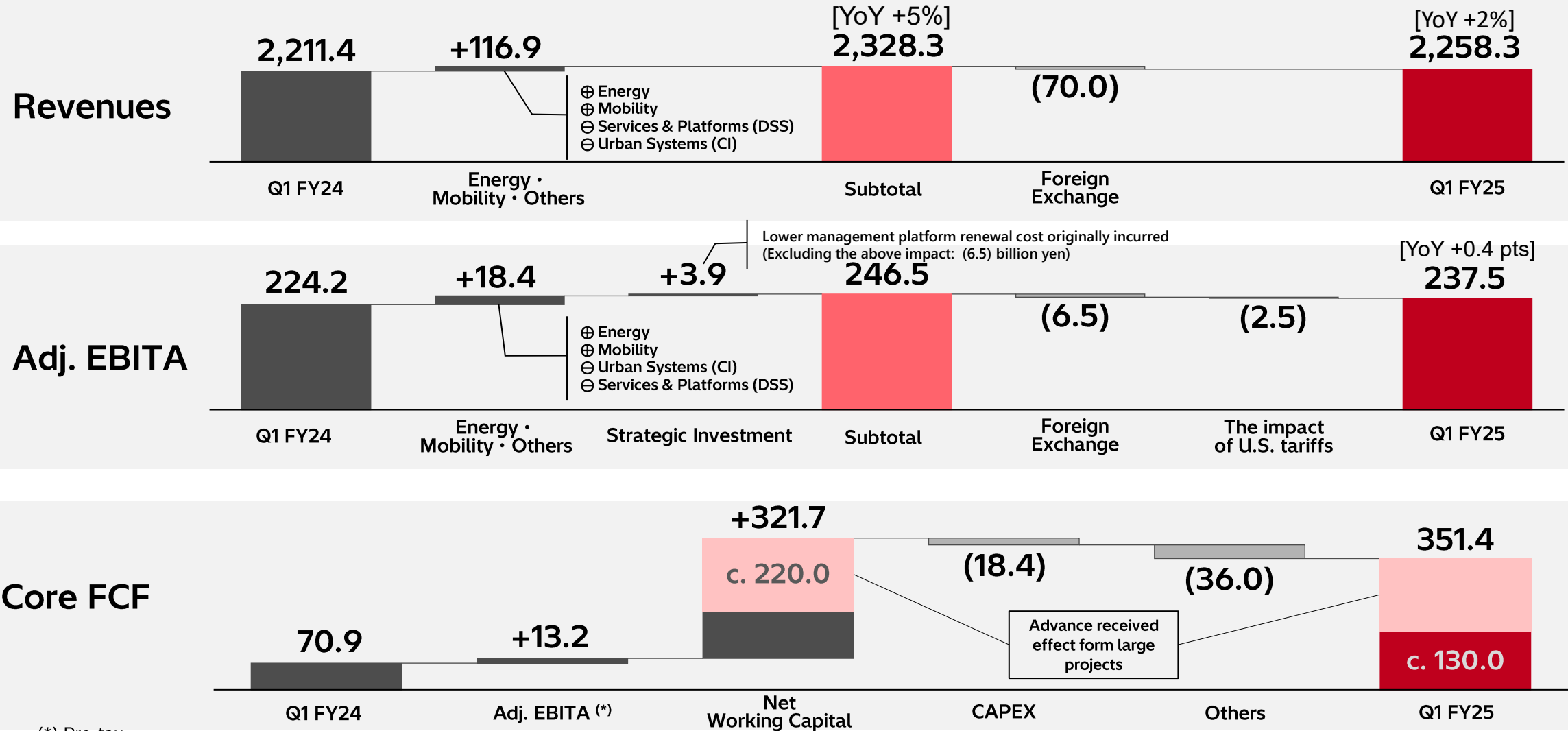
- ✓ The consolidated total business expanded, driven by strong demand for environmental solutions and equipment upgrades, particularly in the Energy and Mobility sectors. Revenues increased (YoY +5% excl. FX impact), and Adj. EBITA increased by 13.2 billion yen, resulting in improved profitability
- ✓ Core FCF significantly increased YoY due to the concentration of large advance received etc.

Billions of yen	Consolidated Total
Revenues	2,258.3
YoY [YoY excl. FX impact]	+2% [+5%]
Adj. EBITA	237.5
YoY	+13.2
Adj. EBITA margin	10.5%
YoY	+0.4 pts
Net income attributable to Hitachi, Ltd. Shareholders	192.2
YoY	+16.8
Core FCF	351.4
YoY	+280.4

◆Actual FX rate (Average) Q1 FY24: 156 yen/US \$ and 168 yen/€. Q1 FY25: 145 yen/US \$ and 164 yen/€

Breakdown of YoY Changes in Revenues, Adj. EBITA, and Core FCF in Q1 FY2025

Billions of yen



Financial Position and Cash Flows

Summary of Consolidated Financial Position

Billions of yen	As of March 31, 2025	As of June 30, 2025	Difference from March 31, 2025
Total assets	13,284.8	13,492.0	+207.1
Cash and cash equivalents	866.2	1,242.2	+375.9
Trade receivables and contract assets	3,496.3	3,141.0	(355.2)
Total liabilities	7,253.3	7,511.8	+258.4
Interest-bearing debt	1,206.1	1,412.1	+206.0
Total Hitachi, Ltd. shareholders' equity	5,847.0	5,815.5	(31.5)
Non-controlling interests	184.3	164.5	(19.7)
Cash Conversion Cycle	48.3 days	30.1 days	(18.2) days
D/E ratio	0.20 times	0.24 times	+0.04 pts

Summary of Consolidated Statement of Cash Flows

Billions of yen	Q1 FY2024	Q1 FY2025	YoY
Cash flows from operating activities	143.1	442.0	+298.9
Cash flows from investing activities	(234.3)	(74.3)	+160.0
Core FCF	70.9	351.4	+280.4

Regional Revenues in Q1 FY2025

✓ The business in Europe expanded:

Energy, driven by robust demand for transmission upgrades and connections to renewable energy sources, and Mobility, driven by the acquisition of Thales's railway signaling-related business and robust performance of signaling systems projects

✓ The business in China declined:

In CI, the decline in demand for the new installations of elevators and escalators

Billions of yen	Japan	North America	Europe	China	ASEAN, India, other areas	Other areas	Overseas revenues
DSS	420.3	84.9	46.3	6.3	46.2	13.1	197.0
YoY	+3%	(9)%	(23)%	(22)%	(1)%	(17)%	(12)%
Energy	33.3	202.9	215.6	55.9	47.7	111.9	634.2
YoY	(25)%	+1%	+33%	+1%	(4)%	+3%	+10%
Mobility	13.9	24.6	187.0	4.1	19.9	35.7	271.4
YoY	(3)%	+21%	+17%	+25%	+46%	+22%	+20%
CI	352.9	62.6	51.0	155.2	80.4	8.8	358.3
YoY	(1)%	(3)%	+14%	(22)%	+23%	(3)%	(6)%
Consolidated Total	784.9	376.0	500.5	224.8	202.0	169.8	1,473.3
YoY	(1)%	(1)%	+17%	(16)%	+10%	+4%	+4%
Ratio	35%	17%	22%	10%	9%	7%	65%

Orders Results by Business Segment in Q1 FY2025

- ✓ **DSS** : For the domestic business, DX and modernization projects progressed steadily in Front Business and IT services
For the overseas business, Services and Platforms faced investment restraints from certain customers caused by tariff impacts, competitive situation, etc.
- ✓ **Energy** : The Power Grid business declined year on year, with strong large order bookings in the comparable period. However, Base orders remained solid, with mid-teen growth continuing
- ✓ **Mobility** : In addition to the acquisition of Thales's railway signaling-related business, projects for the rolling stocks and signaling systems progressed steadily
- ✓ **CI** : Increases in semiconductor manufacturing equipment, radiation therapy systems, UPS (uninterruptible power supply) units, etc

Billions of yen	Q1 FY25	YoY
Digital Systems & Services	920.7	+5%
Front Business	481.6	+6%
IT Services	321.2	+6%
Services & Platforms	235.7	(14)%
Energy	1,020.9	(14)%
Power Grid	967.1	(10)% ^(*1)
Nuclear Energy	61.5	(49)% ^(*1)
Mobility	454.3	+143%^(*2)

	Q1 FY25	YoY
Connective Industries	797.8	+4%
Urban Systems	285.6	(5)%
Building Systems	204.4	(6)%
Industrial Products & Services	172.2	+12%
Industrial AI	339.9	+8%
Measurement & Analysis Systems (Hitachi High-Tech)	198.0	+16%
Industrial Digital	101.4	(5)%

Order backlog As of June 30, 2025

DSS	: 1.8 tn yen	(compared to the end of FY2024 +19%)
Hitachi Energy	: 6.8 tn yen	(compared to the end of FY2024 +6%)
	47.6 bn USD	(compared to the end of FY2024 +9%)
Mobility	: 6.5 tn yen	(compared to the end of FY2024 +6%)

*1 : Impact of large projects in Q1 FY2024

*2 : Impact of the acquisition of Thales's railway signaling-related business

Contents

1. Key Messages
 2. Q1 FY2025 Results
 - 3. FY2025 Outlooks**
 4. Performance by Business Segment
- Appendices

FY2025 Highlights

- ✓ Amid growing uncertainty in the global economy triggered by the U.S. reciprocal tariffs policy, we expect the momentum of DX and GX demand expansion to remain unchanged in the mid-to-long term
- ✓ Despite incorporating in increased strategic investments, FX impacts, U.S. tariff effects, and newly anticipated business deterioration risks, Adj. EBITA is expected to grow in YoY, driven by expansion in the Energy, DSS, and Mobility sectors
- ✓ Core FCF is forecasted to decrease in YoY due to the increase in advance received in FY2024, CAPEX of Hitachi Energy, etc
- ✓ ROIC is forecasted to remain flat in YoY, considering Adj. EBITA margin and growth investments (M&A) potential opportunities

No change from the previous forecasts

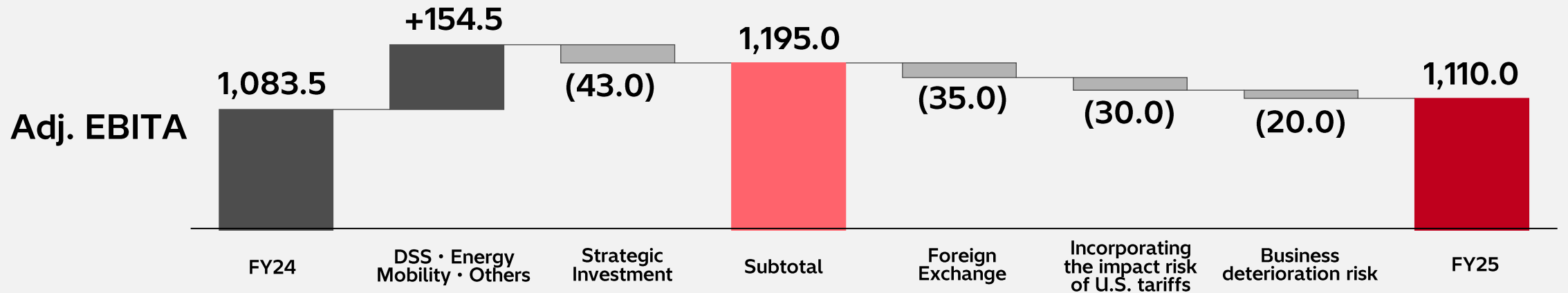
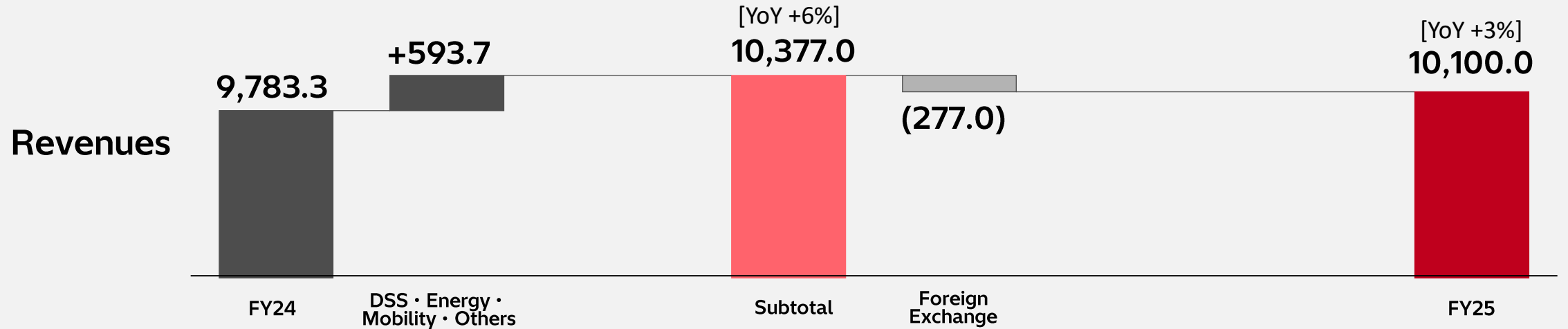
Billions of yen	Consolidated Total
Revenues	10,100.0
YoY	+3%
Adj. EBITA	1,110.0
YoY	+26.4
Adj. EBITA margin	11.0%
YoY	(0.1) pts
Net income attributable to Hitachi, Ltd. Shareholders	710.0
YoY	+94.2
EPS	155.39 yen
Core FCF	640.0
YoY	(140.5)
ROIC	11%
YoY	+0 pts

Assumed FX rate		FX sensitivity ^(*) (FY2025)	
		Revenues	Adj. EBITA
US \$	145 yen	+10.0 bn yen	+1.0 bn yen
€	155 yen	+6.5 bn yen	+0.5 bn yen

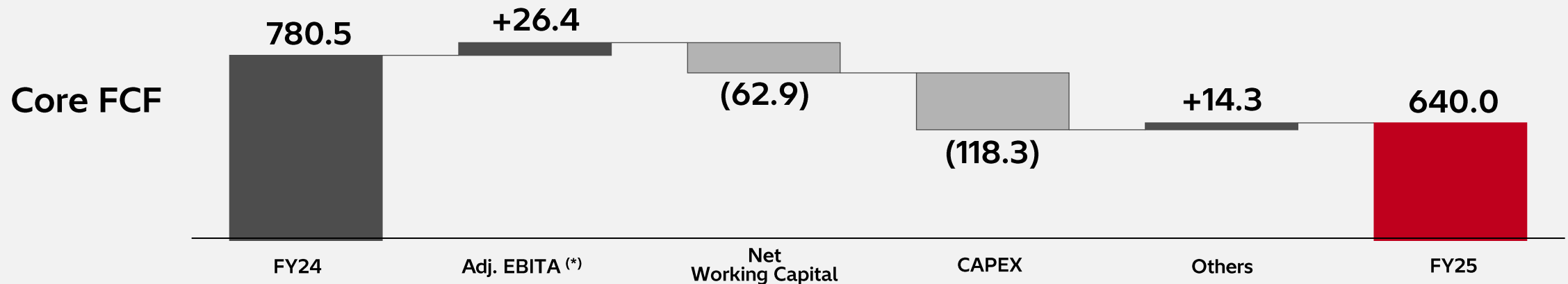
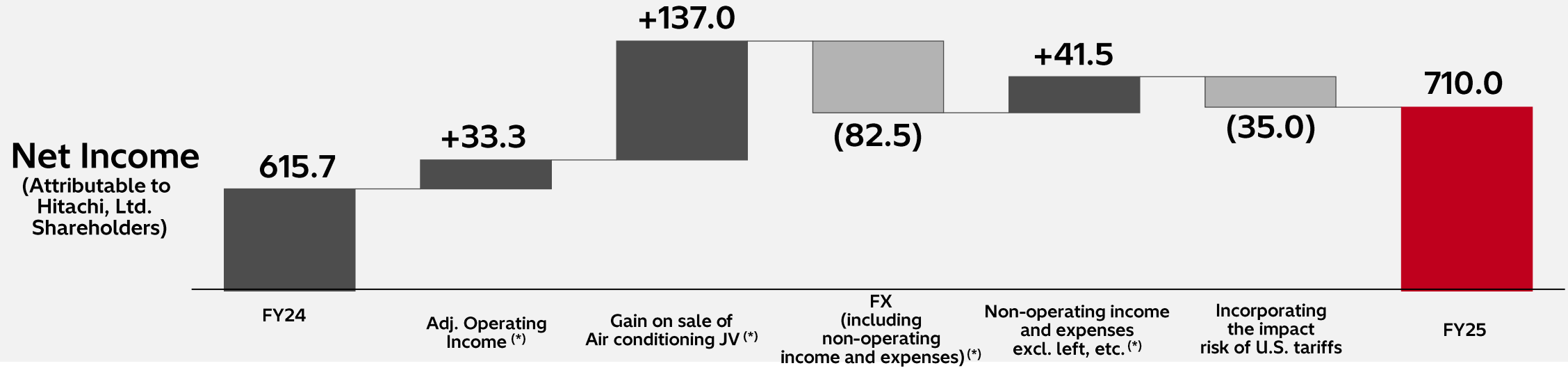
(*) Impact of FX rate fluctuation by one-yen depreciation from assumed rate

Breakdown of YoY Changes in Revenues and Adj. EBITA in FY2025

Billions of yen



Breakdown of YoY Changes in Net Income and Core FCF in FY2025



(*) Pre-tax

Contents

1. Key Messages
 2. Q1 FY2025 Results
 3. FY2025 Outlooks
 - 4. Performance by Business Segment**
- Appendices

DSS: Performance by Business Segment in FY2025

Billions of yen		Q1 FY2025		YoY		FY2025		YoY		vs Previous Forecasts	
		Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA
Digital Systems & Services		617.4	66.4	(3)%	(12.2)	3,020.0	437.0	+7%	+42.9	±0%	±0.0
			10.8%	[±0%]^(*)	(1.6) pts		14.5%	[+8%]	+0.6 pts		±0.0 pts
	Front Business	260.7	25.5	±0%	(2.7)	1,295.0	172.5	+5%	+19.3	±0%	±0.0
			9.8%		(1.0) pts		13.3%		+0.8 pts		±0.0 pts
	IT Services	246.6	25.4	+7%	+2.8	1,111.0	141.0	+5%	+8.4	±0%	±0.0
			10.3%		+0.5 pts		12.7%		+0.2 pts		±0.0 pts
	Services & Platforms	235.7	14.9	(14)%	(9.2)	1,140.0	131.0	+1%	+34.7	±0%	±0.0
			6.3%		(2.5) pts		11.5%		+2.9 pts		±0.0 pts

Q1 FY2025

- Front Business : Despite the successful execution of projects for DX/modernizations in the domestic IT market, revenues were flat and profits decreased due to an impact of ATM project for renewal of Japanese banknotes etc. in the previous year
- IT Services : Revenues and profits increased due to the expansion of the Lumada business (cloud-related services, security-related services, managed service, and others)
- Services & Platforms : Oversea storage business faced a decline in both revenue and profit due to investment restraints from European and US customers caused by tariff impacts, competitive situation, delays in certain projects, and FX impact
GlobalLogic grew mainly through synergies with other sectors despite the impact of investment restraints among European and US customers (US dollar base YoY MSD*)

FY2025

- Sector total : No change from previous forecasts
- Front Business : Revenues and profits increase due to the successful execution of large-scale projects for DX/modernizations in the domestic IT market and the expansion of the Lumada business
- IT Services : Revenues and profits increase due to the expansion of the Lumada business (cloud-related services, security-related services, managed service, and others)
- Services & Platforms : Oversea storage business revenues and profits increase due to sales expansion, project management, service enhancement, cost reduction, etc
GlobalLogic continuously grows due to the capture of synergies with other sectors and the demand for generative AI (US dollar base YoY MDD*)

Energy: Performance by Business Segment in FY2025

Billions of yen	Q1 FY2025		YoY		FY2025		YoY		vs Previous Forecasts	
	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA
Energy	667.5	78.4	+8%	+14.5	2,840.0	346.0	+8%	+93.9	+1%	+32.0
		11.8%	[+13%] ^(*)	+1.5 pts		12.2%	[+13%]	+2.6 pts		+1.0 pts
Power Grid	640.9	79.2	+11%	+21.1	2,652.3	336.8	+10%	+105.1	+1%	+31.2
		12.4%		+2.4 pts		12.7%		+3.1 pts		+1.1 pts
Nuclear Energy	26.6	-	(27)%	-	186.5	-	(9)%	-	±0%	-
		-		-		-		-		-

Q1 FY2025

- Power Grid : Revenues increased due to solid execution of strong order backlog. In nominal rates, growth was significantly impacted by conversion to yen. Profit increased, driven by revenue growth, improved revenue profile, operational excellence, solid project execution, and lower management platform renewal cost.
Hitachi Energy) Base orders remained solid with mid-teen growth rate. The Lumada business also expanded
- Hitachi Energy : Revenues 4.4 BUSD (YoY: +0.7 BUSD / +20%) Adj. EBITA / margin 0.56 BUSD / 12.6% (YoY: +0.22 BUSD / +3.5 pts)
- Nuclear Energy : Despite steady progress with domestic projects to comply with new regulatory requirements, revenues and profits decreased due to impact of a large project recorded in the same period of the previous year, etc.

FY2025

- Sector total : Upgraded forecast
(Revenues +30 bn yen and Adj. EBITA +32 bn yen)
Demand for upgrading power grids and the connection of renewable energy to power grids continues to grow globally.
- Power Grid : Revenues increase with demand growth across the portfolio and solid execution. In nominal rates, growth is significantly impacted by conversion to yen. Profit increases due to revenue growth, improved risk & margin profile, operational excellence, solid project execution, and lower management platform renewal cost
- Hitachi Energy : Revenues 18.2 BUSD (YoY: +2.5 BUSD / +16%) Adj. EBITA / margin 2.36 BUSD / 13.0% (YoY: +0.87 BUSD / +3.4 pts)
- Nuclear Energy : Despite steady progress with domestic projects to comply with new regulatory requirements, revenues and profits decrease due to impact of a large project recorded in the previous fiscal year

(*) []: Estimated YoY changes excl. FX impact

Mobility: Performance by Business Segment in FY2025

Billions of yen	Q1 FY2025		YoY		FY2025		YoY		vs Previous Forecasts	
	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA
Mobility	285.4	21.7	+19%	+4.8	1,200.0	98.0	+2%	+3.0	+1%	+1.0
		7.6%	[+21%] ^(*)	+0.6 pts		8.2%	[+6%]	+0.1 pts		±0.0 pts
Mobility	285.4	24.9	+19%	+6.3	1,200.0	109.9	+2%	+7.1	+1%	+1.1
(Exclude related cost)^(*)		8.7%		+1.0 pts		9.2%		+0.4 pts		+0.1 pts
Related cost^(*)	-	(3.2)	-	(1.5)	-	(11.9)	-	(4.0)	-	(0.1)

Q1 FY2025

- Mobility
(excl. related cost) : Revenues and profits increased due to progress in signaling systems projects, and Lumada business expansion, as well as the acquisition of Thales's railway signaling-related business, despite the effects of FX impacts (conversion to yen) and related costs increasing
Former Thales's railway signaling-related business (excl. Related cost) Q1 actual
Revenues: 86.2 bn yen, Adj. EBITA: 8.6 bn yen

FY2025

- Sector total : Upgraded forecast
(Revenues +10 bn yen and Adj. EBITA +1 bn yen)
- Mobility
(excl. related cost) : Revenues and profits increase due to progress in both of rolling stock and signaling systems projects, as well as the acquisition of Thales's railway signaling-related business, despite FX impact, related cost increase
Former Thales's railway signaling-related business (excl. Related cost) FY2025 forecast
Revenues: 349.9 bn yen, Adj. EBITA: 39.6 bn yen

(*) []: Estimated YoY changes excl. FX impact (*) Exclude related cost does not include related cost

(*) Related cost includes PMI related costs associated with acquisition

CI: Performance by Business Segment in FY2025

Billions of yen	Q1 FY2025		YoY		FY2025		YoY		vs Previous Forecasts	
	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA
Connective Industries	711.3	68.3 9.6%	(4)% [(1)%] ^(*)	(3.1) (0.1) pts	3,230.0	346.0 10.7%	(2)% [±0%]	+0.6 +0.2 pts	±0%	±0.0 ±0.0 pts
Urban Systems	271.9	23.1 8.5%	(15)%	(8.2) (1.3) pts	1,205.0	118.5 9.8%	(7)%	(11.2) (0.2) pts	±0%	±0.0 ±0.0 pts
Building Systems	190.6	18.5 9.7%	(19)%	(9.8) (2.3) pts	847.0	97.4 11.5%	(9)%	(13.1) (0.4) pts	±0%	±0.0 ±0.0 pts
Industrial Products & Services	139.4	12.7 9.1%	+3%	+0.2 (0.1) pts	635.0	73.2 11.5%	±0%	+8.5 +1.3 pts	±0%	±0.0 ±0.0 pts
Industrial AI	305.2	33.8 11.1%	+6%	+5.3 +1.2 pts	1,425.0	164.5 11.5%	+3%	+5.4 ±0.0 pts	±0%	±0.0 ±0.0 pts
Measurement & Analysis Systems (Hitachi High-Tech)	187.1	23.7 12.6%	+12%	+3.5 +0.5 pts	790.0	88.0 11.1%	+4%	±0.0 (0.5) pts	±0%	±0.0 ±0.0 pts
Industrial Digital	84.9	7.9 9.3%	+5%	+1.3 +1.1 pts	410.0	50.0 12.2%	+3%	+2.4 +0.3 pts	±0%	±0.0 ±0.0 pts

- Sector total : In Q1, despite revenues and profits increased in Industrial Products & Services and Industrial AI due to the expansion of Lumada business, overall revenues and profits decreased due to the decline in demand for the new installations of elevators and escalators in China and FX impact. Full-year profits increase due to service expansion in Industrial Products & Services and cost reductions
- Building Systems : In Q1, revenues and profits decreased due to the decline in demand for the new installations of elevators and escalators in China and FX impact, despite the growth of building service business, activities to improve profitability (cost reduction, etc). Same trends continue in full-year
- Industrial Products & Services : In Q1, despite revenues increased due to sales increase in industrial products in non-mass-produced products, profits were flat due to FX impact. Full-year profits increase due to service expansion and cost reductions
- Measurement & Analysis Systems : In Q1, revenues and profits increased due to sales increase in semiconductor manufacturing equipment. Full-year profits are to remain flat due to increased strategic investments in the Healthcare Solutions business
- Industrial Digital : In Q1, revenues and profits increased due to expansion of digital solutions business (Lumada business) in the industrial field. Same trends continue in full-year

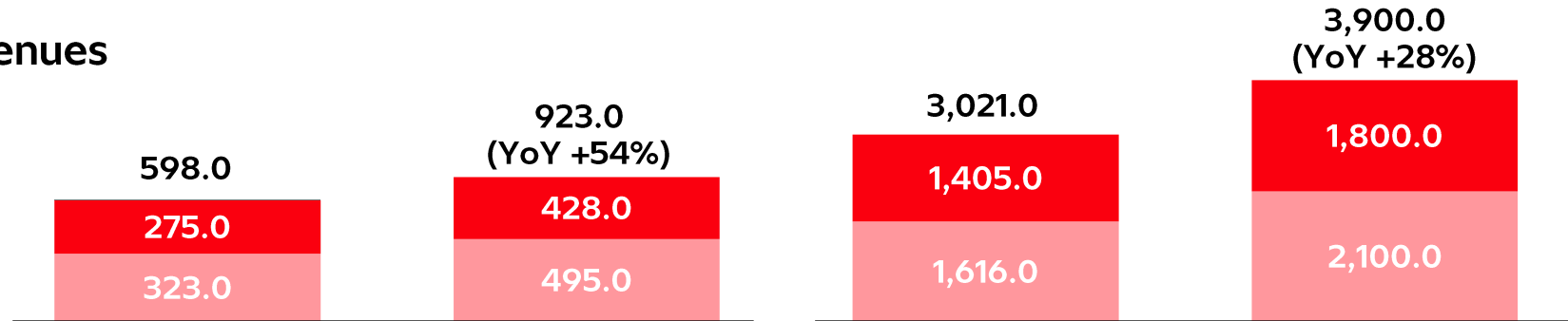
Lumada Business

- ✓ The Lumada business is expanding especially with Energy. The provision of digital services for digitized assets is progressing steadily across all sectors

	Q1 FY2024	Q1 FY2025	FY2024	FY2025
Lumada business revenue ratio	27%	41%	31%	38%
Lumada business Adj. EBITA margin			15%	16%

Lumada business revenues

Billions of yen
 ■ Digital Services
 ■ Digitalized Assets



Lumada business revenues by sector

	Q1 FY2025	YoY	Lumada business revenue ratio
DSS	381.0 bn yen	+38%	62%
Energy	160.0 bn yen	+344%	24%
Mobility	95.0 bn yen	+46%	33%
CI	287.0 bn yen	+30%	40%

	FY2025	YoY	Lumada business revenue ratio
DSS	1,700.0 bn yen	+33%	56%
Energy	667.0 bn yen	+140%	23%
Mobility	386.0 bn yen	+12%	32%
CI	1,220.0 bn yen	+9%	38%

Lumada Business

Q1 FY2025 YoY increase factors

DSS	<ul style="list-style-type: none"> Utilizing generative AI in modernization and migration initiatives in Front Business, and enhancing and streamlining customer management solutions in IT Services DS DA (*) Expanding the installed base for data center applications in Services & Platforms leads to the growth of Digitalized Assets DA
Energy	<ul style="list-style-type: none"> For large-scale projects such as control and protection systems and maintenance for HVDC applications, realizing greater value through digital service transformation (See below. Project in June) DS DA The ongoing modernization for existing asset management systems, such as EAM (Enterprise Asset Management), enabled an upgrade DA
Mobility	<ul style="list-style-type: none"> For signaling systems business, realizing greater value through digital service transformation DS DA O&M and new signaling systems projects were steadily expanding DS DA
CI	<ul style="list-style-type: none"> The installed base of digitalized assets expanded through renewal projects of Building Systems aiming at generating future service businesses, as well as through initiatives involving Hitachi High-Tech DA The digital services business expanded, particularly through operation and maintenance services for IT systems for the manufacturing industry DS

Enlarging Digital Service / Lumada 3.0 business

- Apr.** Signed a contract to extend railway vehicle maintenance services in Scotland, UK through 2032
In this project and others, the introduction of HMAX is being actively proposed
- June** Hitachi Energy signed an extended agreement which includes an advanced suite of digital solutions, providing real-time monitoring and state-of-the-art cybersecurity with Brazilian electric company Eletrobras for the Rio Madeira HVDC system
- July** An AI agent trained with on-site expertise using Hitachi's operational technology (OT) know-how visually presents work procedures and safety precautions to workers within a precisely replicated digital twin powered by NVIDIA Omniverse. This contributes to improving safety in frontline workers' environments



(*)DS: Digital Services, DA: Digitalized Assets

Contents

1. Key Messages
2. Q1 FY2025 Results
3. FY2025 Outlooks
4. Performance by Business Segment

Appendices

Consolidated Total: Performance by Business Segment in FY2025

Billions of yen	Q1 FY2025		YoY		FY2025		YoY		vs Previous Forecasts	
	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA
Digital Systems & Services	617.4	66.4	(3)%	(12.2)	3,020.0	437.0	+7%	+42.9	±0%	±0.0
		10.8%	[±0%] ^(*)	(1.6) pts		14.5%	[+8%]	+0.6 pts		±0.0 pts
Energy	667.5	78.4	+8%	+14.5	2,840.0	346.0	+8%	+93.9	+1%	+32.0
		11.8%	[+13%]	+1.5 pts		12.2%	[+13%]	+2.6 pts		+1.0 pts
Mobility	285.4	21.7	+19%	+4.8	1,200.0	98.0	+2%	+3.0	+1%	+1.0
		7.6%	[+21%]	+0.6 pts		8.2%	[+6%]	+0.1 pts		±0.0 pts
Connective Industries	711.3	68.3	(4)%	(3.1)	3,230.0	346.0	(2)%	+0.6	±0%	±0.0
		9.6%	[(1)%]	(0.1) pts		10.7%	[±0%]	+0.2 pts		±0.0 pts
Others	120.4	3.8	+5%	+4.2	485.0	2.0	(3)%	(9.9)	±0%	±0.0
		3.2%	[+6%]	+3.6 pts		0.4%	[(2)%]	(2.0) pts		±0.0 pts
Corporate items & Elimination	(143.9)	(1.2)	-	+4.9	(675.0)	(119.0)	-	(104.2)	-	(33.0)
Consolidated Total	2,258.3	237.5	+2%	+13.2	10,100.0	1,110.0	+3%	+26.4	±0%	±0.0
		10.5%	[+5%]	+0.4 pts		11.0%	[+6%]	(0.1) pts		±0.0 pts

(*) []: Estimated YoY changes excl. FX impact

For details of EBIT, EBITDA, etc. for each sector, refer to [“Supplemental Material” for the relevant quarter](#)

Summary of Consolidated Statement of Profit & Loss

Billions of yen		Q1 FY2024	Q1 FY2025	YoY	FY2024	FY2025	YoY	vs Previous Forecasts
Revenues		2,211.4	2,258.3	+2%	9,783.3	10,100.0	+3%	±0%
Adj. Operating Income		197.6	211.0	+13.3	971.6	1,005.0	+33.3	±0.0
	Acquisition-related amortization to be added back	+26.6	+26.5	(0.1)	+111.9	+105.0	(6.9)	±0.0
Adjusted EBITA		224.2	237.5	+13.2	1,083.5	1,110.0	+26.4	±0.0
	Acquisition-related amortization	(26.6)	(26.5)	+0.1	(111.9)	(105.0)	+6.9	±0.0
	Equity in earnings of affiliates	+18.2	+7.5	(10.6)	+58.3	+35.0	(23.3)	(10.0)
	Net gain on business reorganization and others	+17.0	+1.2	(15.7)	+29.6	+20.0 (*)	+72.3	+10.0
	Structural reform expenses (*)	(2.0)	(9.9)	(7.8)	(102.6)			
	Others	+27.2	+63.8	+36.5	+20.7			
EBIT		258.1	273.7	+15.5	977.6	1,060.0	+82.3	±0.0
	Interest	(5.8)	(1.6)	+4.1	(14.8)	(20.0)	(5.1)	±0.0
	Income taxes	(65.6)	(71.6)	(6.0)	(305.8)	(295.0)	+10.8	±0.0
	[Effective income tax rate]				[31.8%]	[28.4%]		
	Deduction for non-controlling interests	(11.4)	(8.2)	+3.2	(41.1)	(35.0)	+6.1	±0.0
Net income attributable to Hitachi, Ltd. Shareholders		175.3	192.2	+16.8	615.7	710.0	+94.2	±0.0

(*) Structural reform expenses include impairment loss and special severance pay

(*) Figures for FY2025 are the sum of “Net gain on business reorganization and others”, “Structural reform expenses” and “Others”

For details of EBITDA, depreciation, amortization, amortization of intangible assets associated with acquisitions, etc., refer to [“Supplemental Material” for the relevant quarter](#)

Items	Contents
DSS / CI	Digital Systems & Services / Connective Industries
Adj. EBITA	Adj. operating income plus acquisition-related amortization
Acquisition-related amortization	Amortization and depreciation of intangible assets and other assets allocated from goodwill recognized through fair-value evaluation of an acquired company's assets and liabilities. This cost is a non-cash cost and is included in the purchase price for the company
Adj. operating income	Revenues less selling, general and administrative expenses as well as cost of sales
EBIT	Income before income taxes less interest income plus interest charges
EBITDA	Income before income taxes less interest income plus interest charges, depreciation and amortization
ROIC (Return on Invested Capital)	(NOPAT + equity in earnings (losses) of affiliates) / "Invested Capital" x 100 *Invested Capital = interest-bearing debt + total equity NOPAT (Net Operating Profit after Tax) = Adj. operating income x (1 – tax burden rate)
Core free cash flows (Core FCF)	Cash flows presented as free cash flows excluding cash flows from M&A and asset sales, etc.
EPS (Earnings per share)	(Basic) Earnings per share attributable to Hitachi, Ltd. shareholders. On July 1, 2024, Hitachi conducted a 5-for-1 split of its common share Weighted average number of shares to calculate (basic) earnings per share for FY2025 forecast is 4,569,094,702

Business restructuring	
Connective Industries	<ul style="list-style-type: none"> Regarding the transfer of shares in Johnson Controls-Hitachi Air Conditioning Holding (UK) Ltd, an air conditioning joint venture established with Johnson Controls International plc ("JCI"), JCI and Germany-based Robert Bosch GmbH reached an agreement and entered into share purchase agreements in July 2024. The transaction is expected to be close before the end of the second quarter of FY2025 subject to regulatory approvals and other customary closing conditions.

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.

HITACHI