

Lumada — Hitachi's Growth Model

Lumada

Hitachi's source of competitive advantage lies in its ability to create value from both the physical and digital worlds by integrating the domain knowledge it has cultivated across a broad range of businesses since its founding with operational technology (OT) and advanced digital technologies.

Building on this strength, we have spent the past decade advancing Lumada, which creates value from data and accelerates digital innovation. Within Lumada, HMAX™ by Hitachi (HMAX) comprises a portfolio of next-generation solutions that leverage AI enhanced by Hitachi's unique domain knowledge to transform social infrastructure. Through delivering HMAX, we address the most complex challenges facing social infrastructure and delivers the greatest outcomes and value to customers and society.

	FY2025 (results)	FY2027 (targets)	Long-term goal
Lumada			
Revenue ratio	40%	50%	80%
Adj. EBITA margin	16%	18%	20%

Lumada contributes to all elements of
Hitachi's Corporate Value Enhancement Formula. (P.04)

Enhancing
Corporate
Value

Maximizing Value Creation
(Profit, Cash Flow and ROIC)

Reducing the Cost of Capital

Enhancing Growth

Features of
Lumada

- Expand high-margin digital services businesses
- Improve ROIC through the application of services to third-party assets
- Achieve sustainable growth by transforming social infrastructure by continuously accumulating data and through ever-evolving cutting-edge technologies
- Increase digital services and recurring revenue

Maximizing
Value Creation

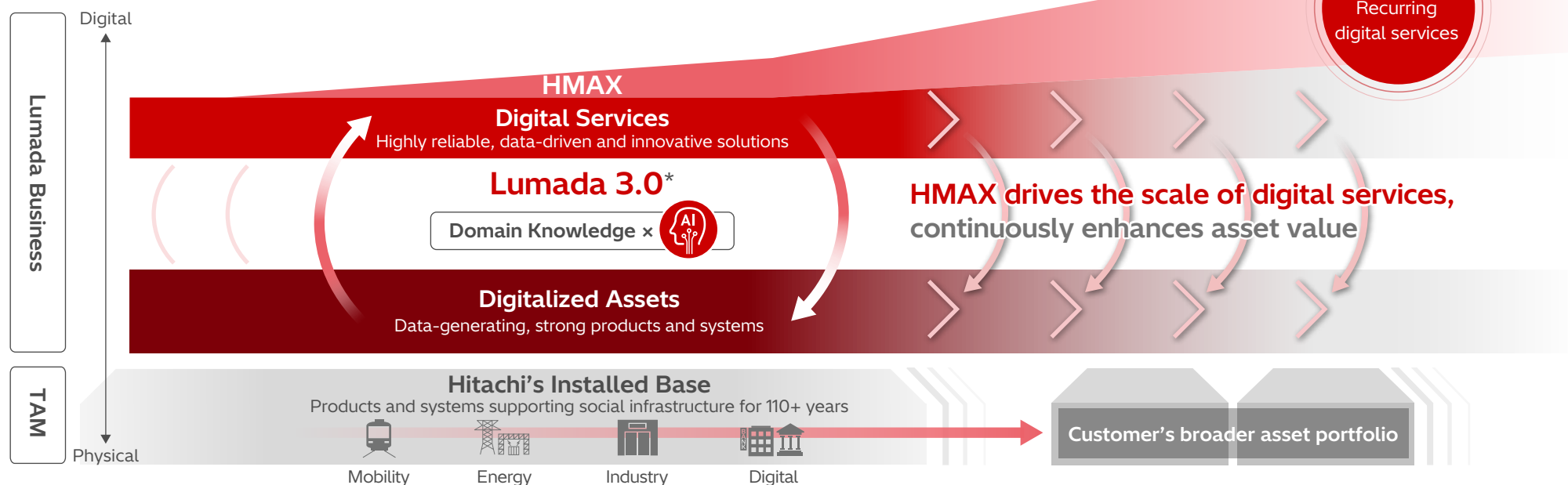
Enhancing Growth

Reducing the Cost
of Capital

What is HMAX?

- 1 Leverage data from digitally connected assets
- 2 Utilize AI enhanced by domain knowledge
- 3 Deliver continuous recurring services

HMAX
Recurring
digital services



*Lumada 3.0: An evolution of Lumada, leveraging AI enhanced with Hitachi's domain knowledge