Mobility

Driving the next generation of mobility through digitalization, multimodality, autonomy and agentic AI, backed by our strong position as a sustainable, digital and global mobility player

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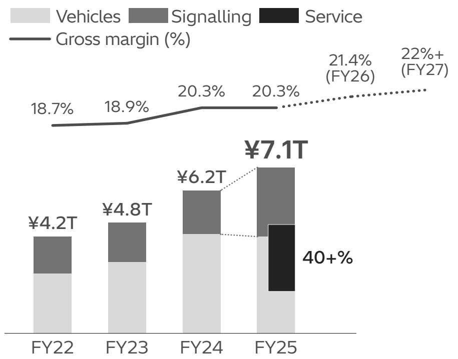
Investor Day (Mobility Business Strategy)

Business environment

The future of mobility is being shaped by three powerful trends that are transforming the market and accelerating investment in rail infrastructure world-wide. The first is the demand for greater transport capacity, which is driven by population growth and increasing energy costs. The second is a broader view of sustainability, which focuses not only on carbon footprint reduction but also on providing more affordable mobility solutions. The third is the role of digitalization in advancing multimodality by seamlessly connecting multiple modes of transportation.

The global railway market is undergoing a structural transformation and is expected to continue growing over the medium- to long- term. In the near term, the global rail market is projected to expand by approximately 4% annually across signaling, rolling stock and digital mobility. We are also strengthening our presence in high-growth regions, including Germany, Eastern Europe and the Middle East.

Order backlog trends



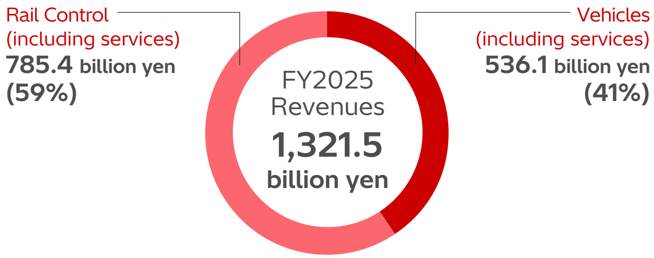
Progress of Inspire 2027

Fiscal 2025 marked another year of solid execution against our Inspire 2027 commitments. Revenue increased 13% year over year, adjusted EBITA margin improved by 0.4 percentage points, and order intake grew, resulting in a book-to-bill ratio of 1.2x. Even as we increased CAPEX by 65% and R&D investment by 25% year over year, ROIC excluding PPA and integration-related costs improved by 2 percentage points to 12.5%, while the cash conversion cycle improved to 54.3 days, reflecting continued progress in operational discipline.

We also made strong progress across major projects, including those in Turin, Taiwan and Pittsburgh. In digital mobility, HMAX Mobility was deployed with Tobu Railway and in Copenhagen and more, expanding the installed base to 2,500 trainsets. Importantly, over 35% of these fleets were manufactured by companies other than Hitachi, demonstrating the platform's ability to serve the broader rail ecosystem. We are building strong sales momentum, with the HMAX opportunity pipeline expanding rapidly from 200 billion yen last year to over 600 billion yen. We also advanced our strategic M&A agenda through the acquisitions of Omnicom, which brings sensor technologies, and Clever Devices, a provider of ITS for public transportation. This marks a major step forward in multimodality, enabling us to expand the HMAX platform into the broader mobility domain.

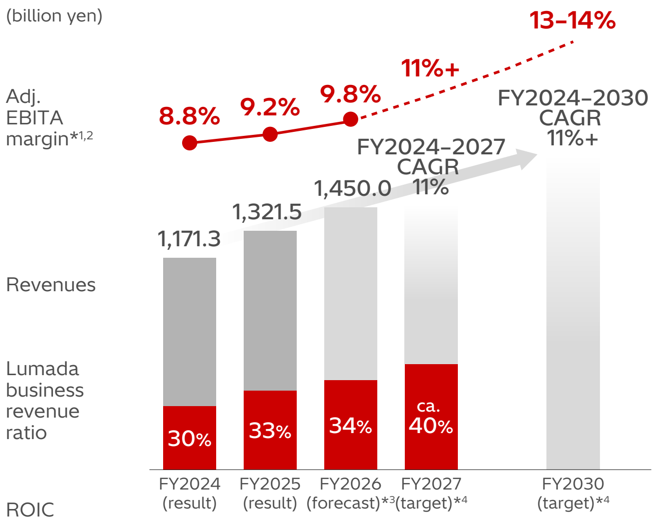
As a result, we are accelerating our transformation from a rail-focused OEM into a multimodal digital mobility company. By 2030, we aim to expand revenue to approximately 2.0 trillion yen, building on our achievement of growing revenue by 3.5 times from the fiscal 2015 level to fiscal 2025, through a balanced combination of organic growth and strategic acquisitions.

Business structure



Mobility	• Rail control services • Rail control • Vehicles services • Vehicles

Business performance/Inspire 2027 targets



ROIC	FY2024 (result)	FY2025 (result)	FY2026 (forecast)*3	FY2027 (target)*4
With PPA and integration cost	7.0%*5	8.3%	9.4%	ca. 12%
Without PPA and integration cost	10.5%*5	12.5%	12.3%	ca. 14%

*1 Adj. EBITA excluding integration cost
*2 Adj. EBITA including integration cost: 8.1% (FY24), 8.2% (FY25), 9.4% (FY26), ca 11% (FY27)
*3 Announced on July 29, 2026
*4 Announced on June 10, 2026
*5 FY24 ROIC restated for GTS opening (ROIC before restatement with PPA and integration cost: 9.0%)

The competitive advantages of the Mobility sector

With sustainability, digitalization and global mobility serving as powerful macro trends, Hitachi is leveraging its position as a global full-range provider with established strengths in both signaling systems and rolling stock.

Signaling	With the completed integration of Thales GTS, Hitachi has established itself as a global full-range provider in signaling systems, with one of the most comprehensive portfolios in the industry, seamlessly combining digital signaling, operations and asset management capabilities to expand its global footprint and drive stronger value creation.
Rolling stock	Hitachi serves as a global full-range provider of rolling stock, which forms a key foundation for the Mobility sector's digital asset base. We have a particularly strong position in high-speed trains and services. Moving forward, we will drive growth through a selective approach, focusing on our high-speed platforms while continuing to invest in the services business to ensure long-term business stability.

3 key business drivers

Global full range provider of signalling systems
Thales GTS integration now completed, delivers expanded global footprint and stronger value creation

Global full range provider of Rolling stock
Selective focus on high-end rolling stock platforms especially high-speed trains. Strong base for recurring business

Digital products and services based on HMAX, Autonomous driving, Revenue collection
Control operational data layers, integrate fragmented systems, enable real-time decision-making and orchestrate autonomous operations

Agentic AI implementation

Deploying AI agents in industrial processes and core use cases:

To drive operational transformation and accelerate execution of key tasks, the Mobility sector is making significant investments in the deployment of agentic AI within our engineering processes. Through our core program, RAILA / Project Jackie+, we have already deployed 90 AI agents across various areas of engineering. This initiative significantly contributes to a shorter time to market, improved product performance and higher productivity.

To highlight a few specific examples, we are leveraging these advanced AI capabilities in bidding documentation and preparation, diagram generation and software coding, substantially improving the efficiency and speed of our operations.

Agentic AI implementation in industrial processes—productivity & innovation (example)

RAILA/Project **Jackie+**

AI Agents - Accelerating task execution
Knowledge mgmt tool: Document analysis and understanding & writing
Requirements mgmt : Extraction, compliance, quality and classification
Extracting data from ERP, transforming and loading into central tool
Bidding documentation preparation: Understanding and analysis
Meeting notes & action summary: Copilot 365
HR chat bot: Policy and FAQ engagement
Diagram generation: Multimodal diagram creation
Software coding and unit testing
Tender authoring / bid writing: Writing higher quality RFP responses

*Image generated by AI

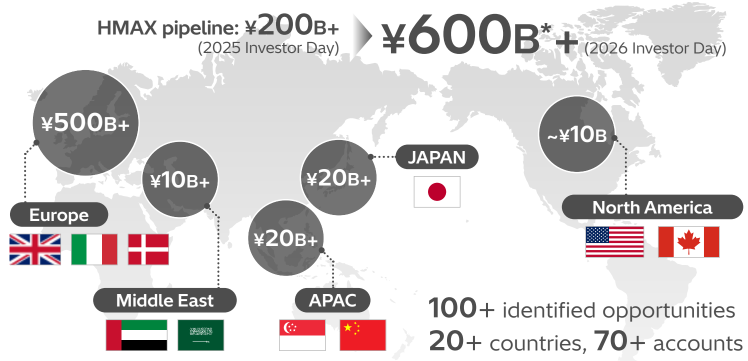
One Hitachi: Collaboration with the DSS sector

HMAX and Advanced Mobility

Through a One Hitachi collaboration, we have fused Hitachi Rail's deep domain knowledge and operational expertise with the digital capabilities of the DSS sector to create HMAX Mobility. This comprehensive digital mobility platform integrates advanced Digital Asset Management (DAM) capabilities—such as axle bearing and track condition monitoring, point machine analytics and predictive maintenance to optimize real-time operations, automate vehicle inspections, reduce life cycle costs, improve reliability and drive further quality improvements.

- **A major step into multimodality:** Through the strategic acquisition of Clever Devices, we are expanding the HMAX platform into the broader mobility domain, including public transit. This major step into multimodality enables us to combine data across broader mobility ecosystems and enhance our value propositions.
- **Pioneering physical AI and advanced mobility:** Powered by physical AI, we are transforming legacy infrastructure with Autonomous Trams featuring state-of-the-art situational awareness and advanced driverless safety capabilities. Key examples include Copenhagen Metro's 24/7 autonomous operation (GoA4) with punctuality of over 99% and Tobu Railway's next-gen DAM for automated inspections.

HMAX is gaining strong momentum. The HMAX opportunity pipeline grew from more than 200 billion yen last year to over 600 billion yen today, encompassing more than 100 identified opportunities across more than 20 countries.



* Total value of OS&M contract