Data

Past Mid-term Management Plans

Management Plan

Mid-term management plan 2012 (FY2010–2012)

Rebuilding management
Recovery

1 Created a product-based company system clarifying responsibilities and authority

- Clarified responsibility and authority through introduction of an in-house company system
- Consolidated business into six groups, focused on growth fields under an integrated system of operations and accelerated management

2 Rebuilt/withdrew from low-profit businesses

- Automotive systems business: Rebuilt through structural reform
- Flat-panel TV business: Withdrew from in-house production
- HDD business: Divestiture

3 Strengthened cost competitiveness

- Started the Hitachi Smart Transformation Project for cost structure reform
- Expanded centralized purchasing and global procurement
- Optimized and consolidated manufacturing sites

Mid-term management plan 2015 (FY2013–2015)

Building a foundation for growth
The swapping out of businesses

1 Promoted the Social Innovation Business on a global basis by strengthening front-line functions

- Expanded service businesses through the use of digitalizations
- Strengthened digital capabilities through the acquisition of Pentaho

2 Reviewed non-core businesses

- Thermal power business: Established a joint-venture firm with Mitsubishi Heavy Industries
- Air-conditioning business: Established a joint-venture firm with Johnson Controls
- Batteries business: Relisted Hitachi Maxell, drew down Hitachi's stake in the Company

3 Promoted globalization

- Relocated the railway systems business headquarters to the United Kingdom
- Introduced Global Performance Management aimed at enhancing the use of global human capital

Mid-term management plan 2018 (FY2016–2018)

Strengthening the Social Innovation Business
Leveraging digital technologies

1 Transitioned away from a product-based company system to a three-level structure comprising front-line, platform and product tiers

- Accelerated decision-making with the introduction of a business unit system

2 Strengthened the global front-line

- Bolstered global front-line operations through acquisitions (Ansaldo STS [now Hitachi Rail STS], Sullair [now Hitachi Global Air Power])

3 Expanded the digital solutions business with Lumada

- Launched Lumada
- Established Hitachi Vantara to deliver digital solutions
- Lumada business revenues grew to 1 trillion yen

4 Executed ongoing business reviews

- Divestiture and deconsolidation of listed subsidiaries (Divestiture of Hitachi Koki and Clarion, sold a part of shares in Hitachi Transport System, Hitachi Capital and Hitachi Kokusai Electric)
- Reduced/withdrew from low-profit businesses such as the information and telecommunications equipment business and the overseas EPC business

Mid-term management plan 2021 (FY2019–2021)

Realized social innovation with digitalization
Built a platform for global growth

1 Launched the digital business platform and achieved growth

- Launched the Lumada Solution Hub and the Lumada Alliance Program
- Expanded the Lumada business revenues to 1.6 trillion yen

2 Enhanced efforts toward digital and environmental growth

- 2019: Acquired JR Automation
- 2020: Made Hitachi High-Tech a wholly owned subsidiary/established Hitachi ABB Power Grids (now Hitachi Energy)
- 2021: Established Hitachi Astemo (now Astemo)/acquired GlobalLogic/transferred the diagnostic imaging-related business
- Participated in COP26 as a principal partner

3 Reinforced and improved the business foundation by resolving management issues

- Made progress in reviewing the capital policies of listed subsidiaries
  - Divestiture of Hitachi Chemical and Hitachi Metals*1
  - Sale of a part of shares in Hitachi Construction Machinery and Hitachi Transport System*1
- Responded to management issues
  - Settled with Mitsubishi Heavy Industries on South Africa projects
  - Withdrew business operations on the United Kingdom nuclear power stations construction project
- Promoted diversity, increased digital talent and enhanced risk management

*1 Completed in FY2022

Mid-term management plan 2024 (FY2022–2024)

Mode change to organic growth
Moved to next stage aimed at sustained growth

Financial indicators	MMP 2024 targets (as announced in April 2023)	FY2024 results
Revenues CAGR (FY2021–2024)	5–7%	14%
Adj. EBITA margin*2	12%	11.7%
EPS growth rate CAGR*3 (FY2021–2024)	10–14%	18%
Core FCF (3-year cumulative) (FY2022–2024)	1.2 trillion yen	1.8 trillion yen
ROIC	10%	10.9%

*2 Adj. EBITA (old definition): Adj. operating income plus acquisition-related amortization
*3 Impact of one-time factors is excluded from net income in FY2021

1 Changed mode to organic growth

- Increase in orders and revenue growth driven by DX and GX
- Expanded the Lumada business revenues to 3.0 trillion yen and driving improved profit margins
- Stabilized net income through risk management
- Increased EPS growth rate
- Deconsolidation of Hitachi Astemo (now Astemo)

2 Established cash flow and ROIC oriented management

- Expanded cash generation capability
  - Core FCF (3-year cumulative) 0.9 trillion yen → 1.8 trillion yen
  - CF conversion 50% → 83%
- Improved ROIC 7.7% → 10.9%

3 Increased shareholder returns

- Total share buybacks (3-year cumulative) 500 billion yen
- Increased total shareholder return ratio (against core FCF, 3-year cumulative) from 35% to 54%

4 Strengthened sustainable management including evolving governance

- Aligned executive compensation with shareholder value
  - Revised director and executive officer compensation system (incorporated TSR growth against global peers into a reward metric)
- Enhanced digital talent: 107,000 / Engagement score: 71.5

10-Year Financial Data

Annual Securities Report

Information for Shareholders and Investors (Financial Information)

million yen

Fiscal year (IFRS)	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Revenues	9,162,264	9,368,614	9,480,619	8,767,263	8,729,196	10,264,602	10,881,150	9,728,716	9,783,370	10,586,781
Adjusted operating income	587,309	714,630	754,976	661,883	495,180	738,236	748,144	755,816	971,606	1,199,275
Adjusted EBITA (updated definition)	-	-	-	-	-	-	-	-	1,083,525	1,311,436
Adjusted EBITA (old definition)	-	-	-	-	609,107	855,380	884,606	918,184	1,141,845	-
EBIT	475,182	644,257	513,906	183,614	850,287	850,951	845,632	857,942	977,607	1,274,049
EBITDA	-	-	885,318	619,001	1,343,067	1,392,840	1,373,468	1,310,702	1,409,337	1,732,295
Net income attributable to Hitachi, Ltd. stockholders	231,261	362,988	222,546	87,596	501,613	583,470	649,124	589,896	615,724	802,368
Net cash provided by (used in) operating activities	629,582	727,168	610,025	560,920	793,128	729,943	827,045	956,612	1,172,240	1,668,061
Net cash provided by (used in) investing activities	(337,955)	(474,328)	(162,872)	(525,826)	(458,840)	(1,048,866)	151,063	(131,543)	(573,650)	(341,553)
Net cash provided by (used in) financing activities	(209,536)	(321,454)	(320,426)	2,837	(184,838)	202,739	(1,142,966)	(1,024,907)	(424,122)	(971,037)
Core free cash flows	100,215	283,593	136,079	135,441	419,848	290,082	416,460	571,467	780,592	1,170,232
Capital expenditures (CF basis)	417,150	440,312	472,249	421,276	372,945	439,861	410,585	385,145	391,648	497,829
Depreciation	302,757	265,413	271,682	342,450	345,201	382,922	358,412	280,306	238,784	251,154
Amortization	112,426	99,019	96,362	90,708	146,462	157,330	167,898	171,234	192,750	206,819
R&D expenditures	323,963	332,920	323,145	293,799	293,571	317,383	316,280	290,145	259,431	290,399
Total assets	9,663,917	10,106,603	9,626,592	9,930,081	11,852,853	13,887,502	12,501,414	12,221,284	13,284,813	15,041,246
Total Hitachi, Ltd. stockholders' equity	2,967,085	3,278,024	3,262,603	3,159,986	3,525,502	4,341,836	4,942,854	5,703,705	5,847,091	6,568,369
Interest-bearing debt	1,176,603	1,050,294	1,004,771	1,485,042	2,397,356	3,126,712	2,213,348	1,180,022	1,206,116	1,009,037

Fiscal year (IFRS)	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Adjusted EBITA margin (updated definition) (%)	-	-	-	-	-	-	-	-	11.1	12.4
Adjusted EBITA margin (old definition) (%)	-	-	-	-	7.0	8.3	8.1	9.4	11.7	-
Earnings per share attributable to Hitachi, Ltd. stockholders, basic (EPS) (yen)	47.90	75.19	46.09	18.14	103.86	120.75	136.91	126.91	133.85	176.76
Core free cash flows per share, basic (CFPS) (yen)	20.76	58.74	28.18	28.05	86.93	60.03	87.84	122.95	169.70	257.80
Return on invested capital (ROIC) (%)	-	-	8.5	9.4	6.4	7.7	7.6	8.7	10.9	12.4
Return on equity (ROE) (%)	8.1	11.6	6.8	2.7	15.0	14.8	14.0	11.1	10.7	12.9
D/E ratio (Including non-controlling interests) (times)	0.29	0.23	0.23	0.35	0.54	0.58	0.41	0.20	0.20	0.15
Total shareholder return (payment basis)	57,937	67,591	77,246	91,761	96,653	111,210	329,146	244,460	389,206	557,124
including share buybacks	0	0	0	0	0	0	199,999	99,999	199,999	352,054
Dividend per share (yen)	13.0	15.0	18.0	19.0	21.0	25.0	29.0	36.0	43.0	50.0
Dividend payout ratio (%)	27.1	20.0	39.1	104.8	20.2	20.7	21.0	28.3	32.0	28.1

Fiscal year (IFRS)	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Strategic shareholding status Number of shares / the ratio of strategic shareholdings (total amount recorded on the balance sheet) of net assets (consolidated)	309 / 7.9%	288 / 6.0%	272 / 4.1%	233 / 3.3%	217 / 4.5%	198 / 5.1%	177 / 4.4%	157 / 1.1%	143 / 1.0%	135 / 4.0%

Notes: 1. Adjusted operating income is presented as revenues less selling, general and administrative expenses, as well as cost of sales.

2. Adjusted EBITA (updated definition) = Adjusted operating income + Acquisition-related amortization. Adjusted EBITA (old definition) = Adjusted operating income + Acquisition-related amortization + Share of profits (losses) of investments accounted for using the equity method.

3. Cash flows presented as free cash flows excluding cash flows from M&A and asset sales, etc.

4. On October 1, 2018, the Company completed the share consolidation of every 5 shares into 1 common share. On July 1, 2024, the Company completed the share split into 5 shares for every 1 common share. The figures of EPS, CFPS and dividend per share from FY2018 to FY2024 are calculated based on the adjusted number of shares due to the share consolidation and split. EPS and CFPS are calculated based on the weighted average number of ordinary shares outstanding during the period.

5. TSR (Total Shareholder Return) shows the investment return, including share price appreciation and dividends received during the period, with the investment value at the end of March 2016 set at a numerical index of one hundred.

	Previous year	Past 3 years		Past 5 years		Past 10 years	
	TSR	TSR	Annual TSR	TSR	Annual TSR	TSR	Annual TSR
Hitachi	30.5%	216.7%	46.8%	364.3%	35.9%	798.8%	24.6%
TOPIX (including dividends)	31.5%	91.7%	24.2%	102.3%	15.1%	232.4%	12.8%

5-Year ESG Data

Sustainability Report

Employee data (Hitachi Group)

		FY2021	FY2022	FY2023	FY2024	FY2025
Number of employees	Hitachi Group*2	368,247	322,525	268,655*1	282,743	287,901
	Hitachi, Ltd.	29,485	28,672	28,111	25,892	25,934
Average service (years)	Hitachi Group*2	13.5	12.6	12.9	12.6	11.8
Turnover rate (%)*3, 4	Hitachi Group*2	7.5	8.5	6.3	5.8	6.0

AI professional talents*5 (Hitachi Group)

Number of AI professional talents	—	—	—	22,000	39,000

Employee engagement score*6 (Hitachi Group)

Global average (point)		65	69.5	68.6	71.5	73.3
By region (point)	Japan	56	61.2	61.6	63.2	65.6
	Outside Japan	80	82.3	80.2	80.9	81.6

Registered employees, managers

Ratio of women employees (%)*3	Hitachi Group*2	20.2	22.3	22.5	23.2	23.4
Ratio of women managers (%)*7	Hitachi Group*2, 3	9.8	13.0	14.1	15.8	17.4
	Hitachi, Ltd.*8	6.8	7.4	7.8	8.5	8.9

Ratio of women and ethnically/culturally diverse executive and corporate officers† (Hitachi, Ltd.)

	June 2022	June 2023	June 2024	June 2025	June 2026
Number of women executives	9	9	9	11	11
Ratio of women executives (%)	12.2	11.4	11.8	15.9	15.9
Number of non-Japanese executives	13	16	19	18	16
Ratio of non-Japanese executives (%)	17.6	20.3	25.0	26.1	23.2

†Executive Officers and Corporate Officers

[Scope of data]

*1 The decrease in the number of group employees from the previous fiscal year is mainly due to the deconsolidation of Hitachi Astemo (now Astemo).

*2 Manufacturing workers not registered in the employee database and employees of some newly consolidated companies are not included. As of the end of fiscal 2025, the number of manufacturing workers not registered in the employee database was 22,000.

*3 The figures are based on enrolled employees with employment contracts including those seconded from Hitachi Group to other companies and those taking leave, and excluding those seconded from other companies to Hitachi Group (as of March 31).

*4 Figures include only voluntary resignations.

*5 The number of employees who have completed the Company's internal training program or obtained AI-related certifications from vendors, among others.

*6 Employee engagement score measures the positive response rate of 4 factors—pride in working for Hitachi; whether it is a workplace one would recommend to others as a great place to work; job satisfaction and sense of accomplishment; and desire to continue working for Hitachi for the foreseeable future.

*7 The increase in the percentage of women managers over time reflects improved coverage of our employee database and changes in the number of consolidated companies.

*8 The figures are based on the number of employees including those seconded from Hitachi Group to other companies, those taking leave, and those seconded from other companies to the Hitachi Group (as of March 31). Figures for fiscal 2021 exclude those seconded from other companies to the Hitachi Group.

Total recordable injury frequency rate (TRIFR*9) (Hitachi Group)

	FY2021	FY2022	FY2023	FY2024	FY2025
Global total	0.27	0.26	0.16	0.13	0.15
Japan	0.12	0.14	0.13	0.11	0.11
Asia (excluding Japan)	0.11	0.09	0.05	0.05	0.07
North America, Central and South America	1.20	1.10	0.38	0.30	0.32
Europe	0.45	0.39	0.32	0.26	0.30

Number of fatal accidents

Hitachi Group (including contractors)	2	5	4	2	4

[Scope of data]

*9 Total Recordable Injury Frequency Rate (number of recordable injuries per 200,000 work hours)

Sustainable procurement activities (Hitachi Group)

	FY2021	FY2022	FY2023	FY2024	FY2025
Sustainability assessment (companies)	[Human rights] 2,524*11 [Environment] 708*11	1,374*12	3,227	4,029	5,090
Sustainability audits (companies)	25	128*13	150	153	142
Sustainability procurement seminars (companies)	359	520	269*14	156	388

*10 Sustainability monitoring in fiscal 2021 was focused on human rights and environment.

*11 Sustainability monitoring from fiscal 2022 onwards has been focused on environment, labor and human rights, ethics and sustainable procurement.

*12 Included the number of companies audited by Hitachi Energy beginning fiscal 2022.

*13 Procurement partners of Hitachi Astemo (now Astemo) not included in the Sustainable Procurement Seminars for fiscal 2023.

Environment (Hitachi Group)

	FY2021	FY2022	FY2023	FY2024	FY2025
Total greenhouse gases*14 (kt-CO_2e)	3,412	1,565	676	601	460
Waste and valuables generated (kt)	1,111	356	164	154	162
Water usage (million m^3)	26.03	14.56	10.92	9.20	10.01
Total chemical substances discharged (kt)	3.50	1.39	0.65	0.49	0.55

*14 Total GHGs: Scope 1 and 2 market-based

Avoided emissions through products and services: 280 million tons/year

(Forecast: fiscal 2025 to fiscal 2027 average)

[Scope of data]

Based on the Environmental Management Classification Criteria, all Hitachi Group sites are classified into three categories (A, B and C)*. The reporting boundary for environmental data is determined in accordance with the environmental risks associated with each category.

*A: High environmental risk, B: Medium environmental risk, C: Low environmental risk

Corporate Data and Stock Information (as of March 31, 2026)

Corporate name
Hitachi, Ltd.
(Kabushiki Kaisha Hitachi Seisakusho)

URL
https://www.hitachi.com/en/

Head office
6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8280, Japan

Founded
1910 (Incorporated in 1920)

Capital stock
466,666 million yen

Number of employees (consolidated)
287,901

Number of shares issued (common stock, including treasury stock)
4,535,560,985

Number of shareholders
363,532

Administrator of shareholders' register
Sumitomo Mitsui Trust Bank, Limited
4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8233, Japan

Stock exchange listings
Tokyo, Nagoya

Accounting auditor
Ernst & Young ShinNihon LLC

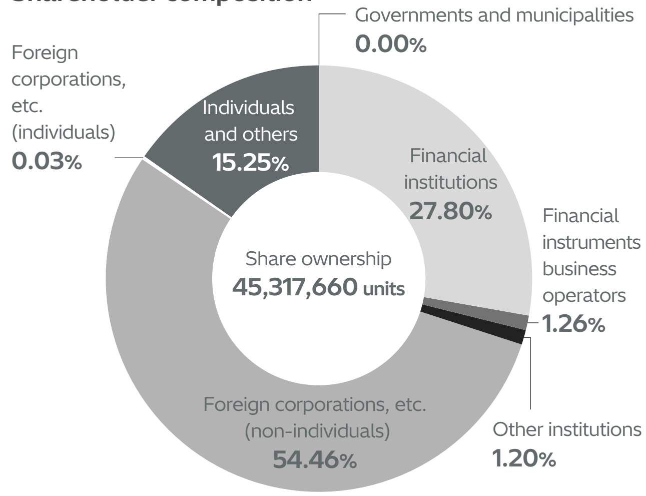
Contact
Hitachi, Ltd.
TEL: +81-3-3258-1111

10 largest shareholders

Name	Share ownership (shares)	Shareholding ratio (%)*2
The Master Trust Bank of Japan, Ltd. (Trust Account)	742,663,700	16.50
Custody Bank of Japan, Ltd. (Trust Account)	248,921,800	5.53
State Street Bank and Trust Company 505001	147,704,302	3.28
The Chase Manhattan Bank, N.A. Londonsecs Lending Omnibus Account	145,160,508	3.23
Moxley & Co LLC*1	108,165,930	2.40
Nippon Life Insurance Company	84,499,995	1.88
Hitachi Employees' Shareholding Association	73,662,230	1.64
GOVERNMENT OF NORWAY	70,531,030	1.57
JP Morgan Chase Bank 385642	67,468,788	1.50
State Street Bank and Trust Company 505223	64,500,403	1.43

*1 MOXLEY & CO LLC is the nominee name of the depositary bank, JP Morgan Chase Bank, N.A., for the aggregation of the Company's American Depositary Receipts (ADRs) holders.
*2 Treasury stock (35,798,823 shares) is not included in the calculation of the shareholding ratio.

Shareholder composition



Ratings (As of August 31, 2026)

Rating company	Long-term	Short-term
Standard & Poor's (S&P)	A	A–1
Moody's Japan K.K. (Moody's)	A2	P–1
Rating and Investment Information, Inc. (R&I)	AA	a–1+

Assurance
To enhance the reliability of information it discloses, Hitachi uses a combined assurance model that includes assurance obtained from executives and from external assurance providers. Please refer to production structure. Editorial Policy (P. 1)

The supervisor of the Hitachi Integrated Report 2026 is Tomomi Kato, Senior Vice President and Executive Officer, CFO and CRMO.

Some of the environmental in the Hitachi ESG Data Book 2026 has undergone third-party limited assurance by Ernst & Young ShinNihon LLC.

Indicators subject to independent assurance
Total greenhouse gases (Scope 1 and 2 market-based)

Engagement with shareholders and investors

Hitachi emphasizes engagement with shareholders and investors. In fiscal 2025, the CEO and CFO held discussions with institutional investors in North America, Europe, and Japan, providing opportunities to strengthen engagement. The Investor Relations Division holds IR briefings and meets with analysts and investors about 1,000 times a year, discussing topics ranging from business strategies, financial strategies and financial results to governance, the executive compensation structure and sustainability strategies. Feedback received during these meetings is shared with top management and utilized in decision-making.

IR briefings conducted in fiscal 2025
- Inspire 2027 Management Plan (April)
- Financial Results Briefings (quarterly)
- Hitachi Investor Day (June)
- Hitachi Energy Investor Day (UK, October)
- CES Booth Tour (U.S., January 2026)