

HITACHI

Hitachi Investor Day 2026

Energy Business Strategy

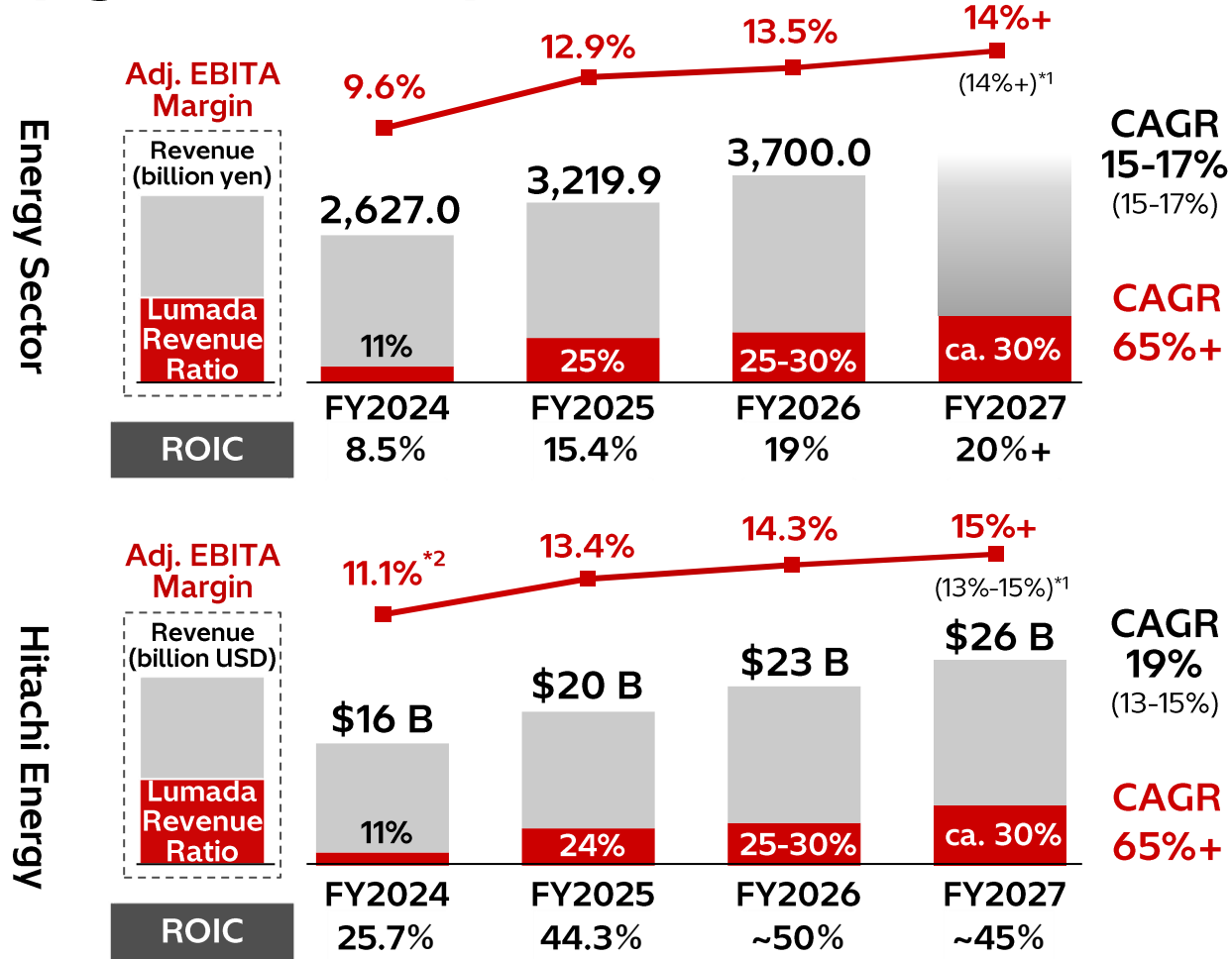
June 10, 2026

Andreas Schierenbeck
Senior Vice President and Executive Officer,
CEO of Energy Sector,
Hitachi, Ltd.

Contents

- 1. FY2025 Review / Progress on Inspire 2027**
- 2. Market Environment**
- 3. Strategic Priorities**
- 4. Future Ambition and Conclusion**

Upgraded Inspire 2027 Plan Driven by Growth & Solid Execution



Achievements

- Delivered record high orders, revenue, profit and cash in FY2025
- Upgraded Inspire 2027 plan
- Established HE Service BU*3, invested in Shermco (inorganic growth) and launched HMAX Energy
- Continued investments in capacity expansions and operational excellence
- 1st SMR FIDed, construction started in Canada

Priorities for further growth/transformation

- Continue solid execution and capacity expansion to deliver our record backlog
- Leverage AI, digitalization (Lumada and HMAX) and innovative technologies to cement our market leadership
- Capture market opportunities to accelerate profitable growth through partnerships, strategic investments and expansion into SMR*4 business through JV with GE Vernova

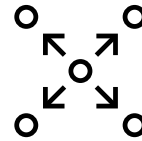
2 *1 (): Previous target announced at the latest timing
 *2 Adjusted EBITA in FY2024 includes equity in earnings (losses) of affiliates, excluding structural reform expense
 *3 Hitachi Energy Service Business Unit *4 Small Modular Reactor

Positioned to Outgrow the Market and Keep Leading



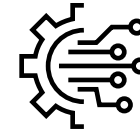
Strengthen the core

- Operational excellence
- Continue investments in capacity expansion
- M&A and partnerships
- Core nuclear business in Japan



Accelerate strategic growth

- Capture profitable market opportunities
- Become #1 service provider
- Record order backlog and long-term market visibility enable confident investments



Leverage AI, digitalization and innovative technology

- Accelerate investment in AI
- Cement technology leadership
- Capture global opportunities in SMR

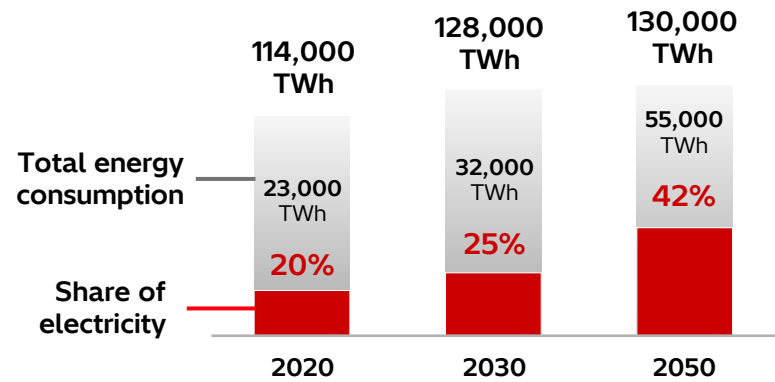
With a strong foothold in attractive markets and a track record of pioneering technology, we're set to outpace market growth and sustain industry leadership.

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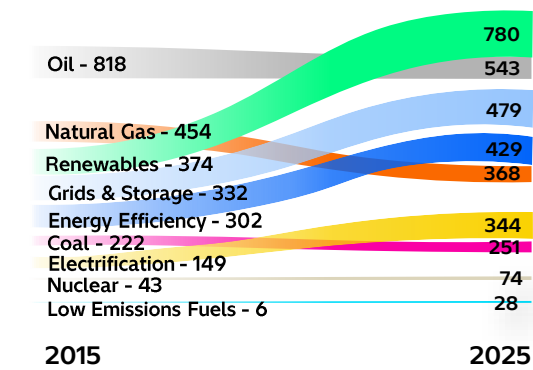
Energy Sector Demand Drivers to 2035 and Beyond

Electricity share increasing



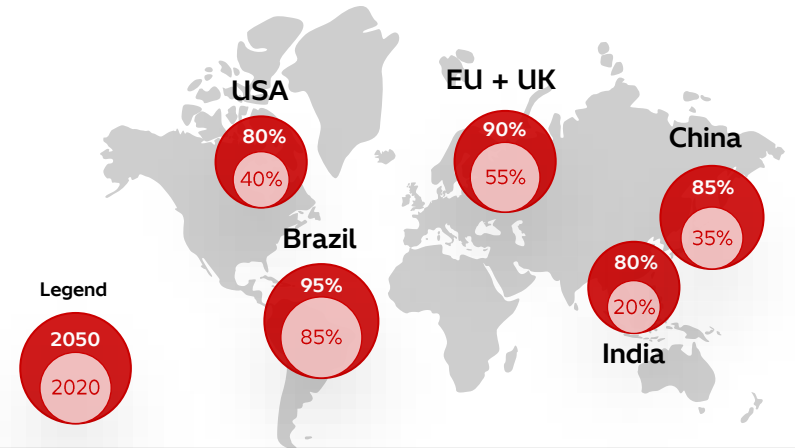
Evolution of global energy investment (B USD)

Investment in fossil fuels is decreasing



RES and Nuclear expanding

- 2.0x Renewables
- 1.4x Grids & storage
- 2.4x Electrification
- 1.7x Nuclear



High growth areas

Growth in demand 2020-2050

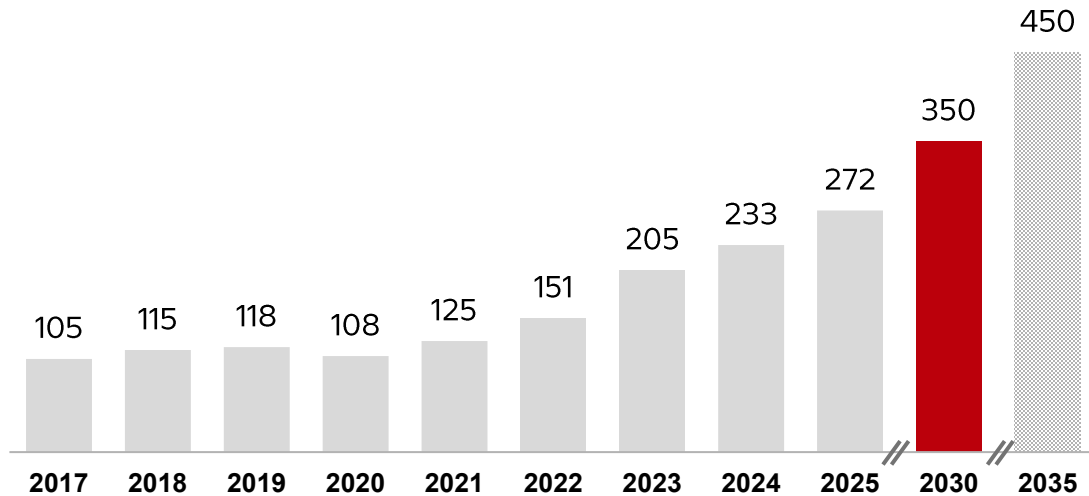


5 *1 Battery Energy Storage System *2 Static synchronous compensator

Energy Sector Market Development and Outlook

Power grids

Hitachi Energy market size (B USD)*1

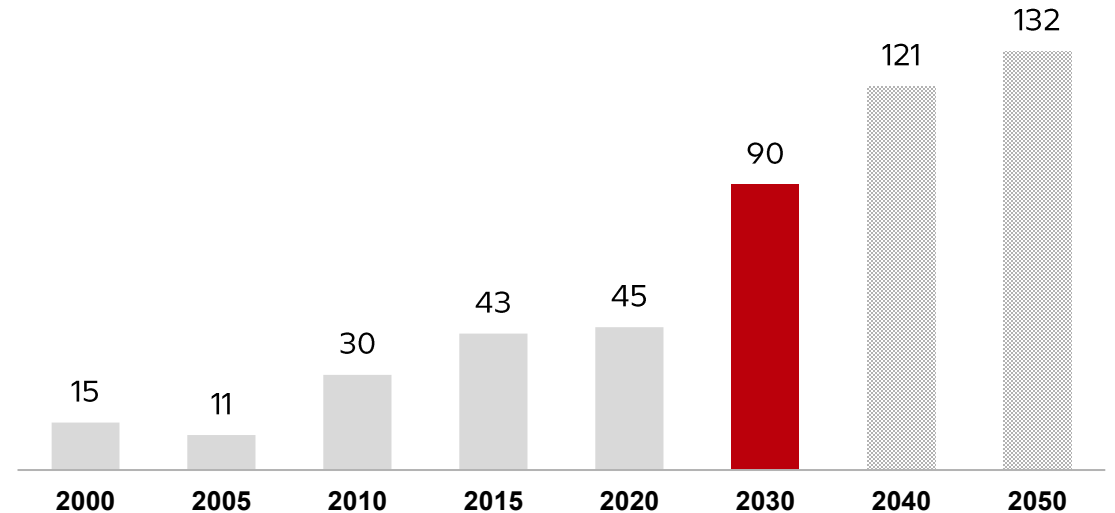


- Electrification and demand growth
- Renewables transition
- Security and reliability

*1 2025 Hitachi Energy market assessment. Unconsolidated figures in FY2025 Budget rate B USD

Nuclear

Nuclear power generation market size (B USD)*2



- Nuclear market turnaround drives growth through 2050
- SMR market is growing alongside the conventional large reactor

*2 Annual global investment. Sourced from International Atomic Energy Agency (IAEA) and International Energy Agency (IEA).

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Energy Sector Leads Across Electrification and Technologies

Transformers



Installed 1 out of 6 transformers in the world

#1 market share

High Voltage



Installed 1 in 4 high-voltage switchgear in the world; leader in SF6-free high-voltage switchgear

#1 market share

Grid Integration (HVDC & Power Quality)



>175 GW*1 of HVDC*2 links integrated into power system

#1 market share

Grid Automation



Supporting 50% of the top 250 global electric utilities

#1 market share

Service



Access to world's largest installed base with >500,000 assets, \$240b value in >190 countries.

#1 installed base

Nuclear



Supporting 2/3 of BWR*3 units in Japan, involved in all ABWR (Gen III+)*4 constructions

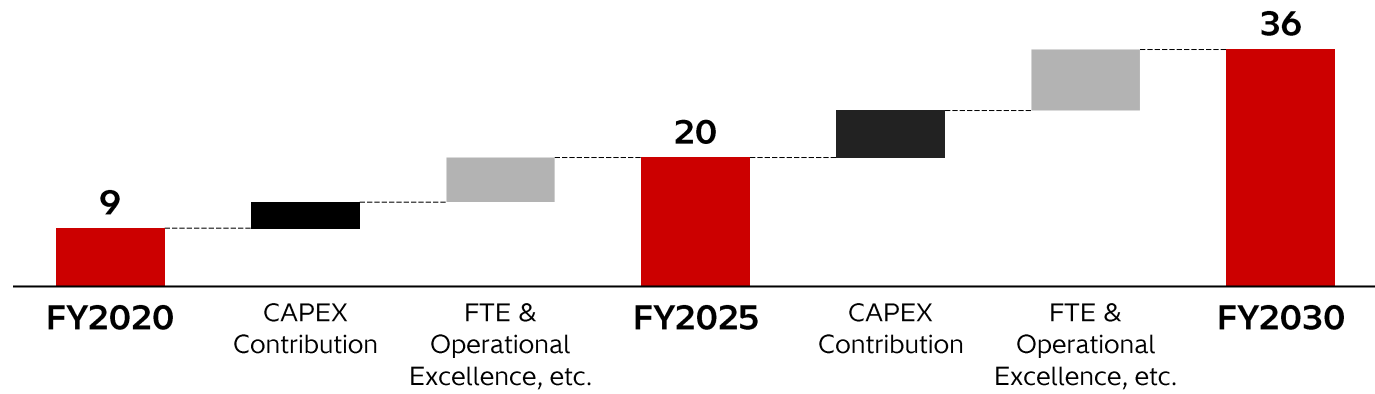
#2 market share in Japan

Continue investing for innovation, technologies, and solutions while maintaining and modernizing the world's largest installed base ^{*5}

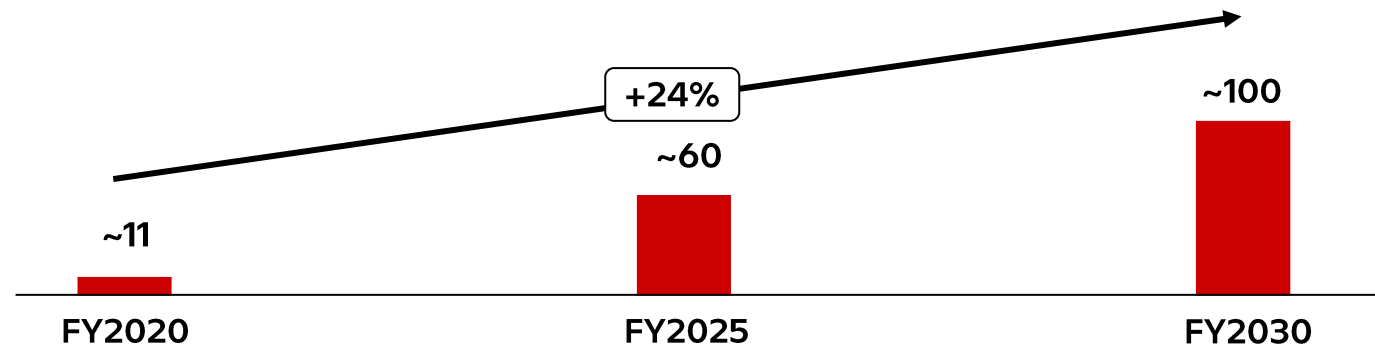
8 *1 Gigawatt *2 High-Voltage Direct Current *3 Boiling Water Reactor, including under construction and decommissioning *4 Advanced Boiling Water Reactor, Generation III+
*5 BU market share based on internal estimates on unconsolidated market

Execution of Record Order Backlog is Key to Success

Revenue growth driven by capacity expansion (B USD) *1



Backlog evolution up to 2030 (B USD)*1

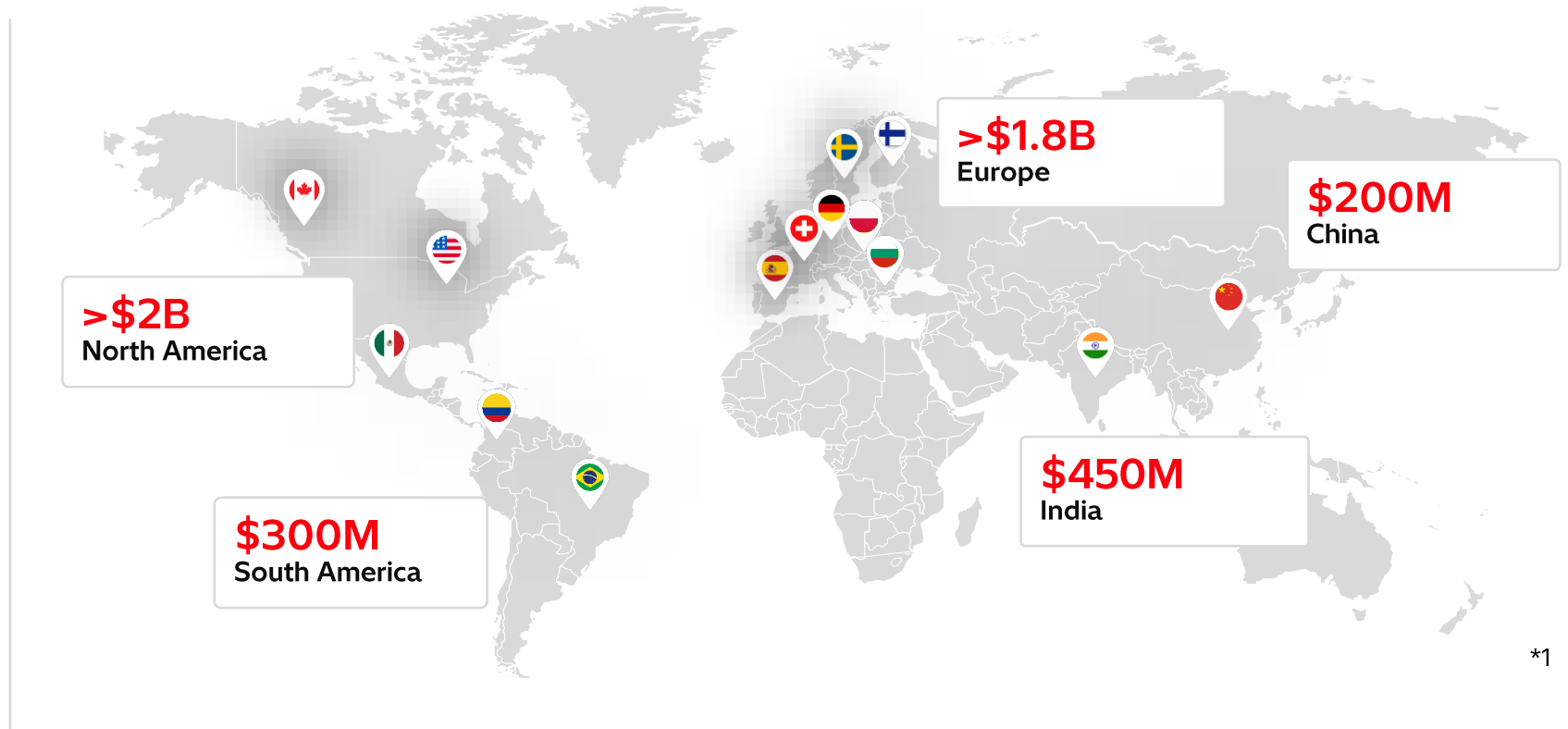
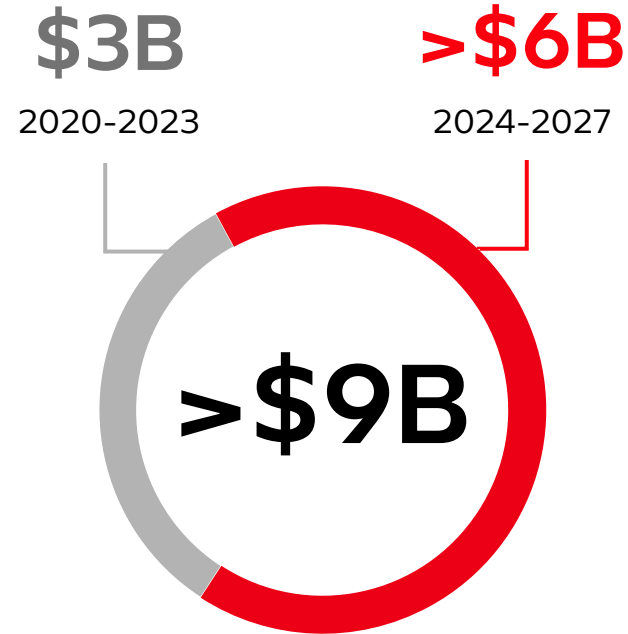


Order Backlog
 Order backlog to revenue ratio expected to remain stable at 2.5-3x, execution is key

CAPEX
 Optimization of existing capacity, investments in bankable business cases

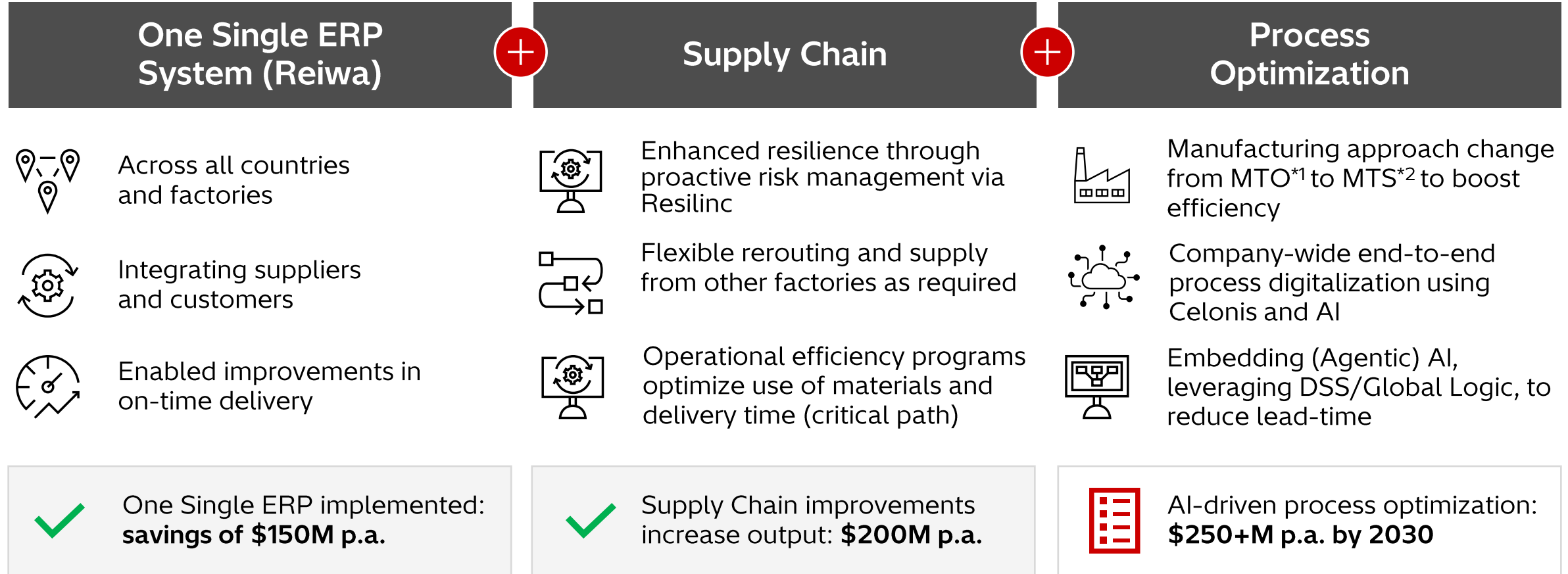
Workforce
 FTE increases to drive output growth while keeping G&A stable through AI

Deploying the Largest Investment Program in the Industry



Currently investing in >40 brownfield & greenfield factories globally,
only bankable business cases

Operational Efficiency Enabled by Digital Core



Operational efficiency and AI programs improve cumulative profit by >\$2B by 2030

Capturing High Growth Segments



~20%
Service
Revenue growth in FY2025*1



>150%
Data center
Order growth in FY2025



1,000+
Innovative products
EconIQ units sold

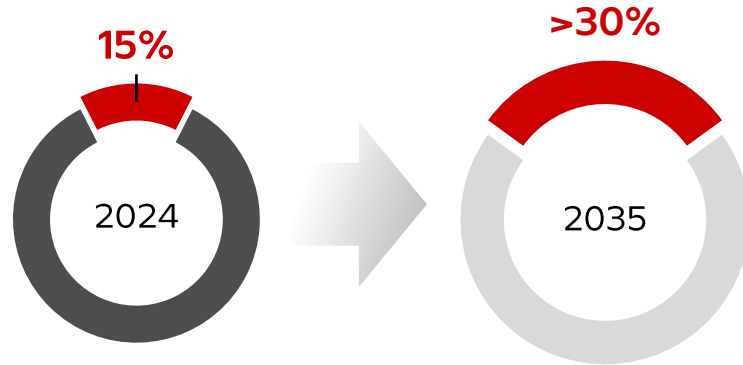


1st
SMR construction
In Canada*2, leading globally

Ambition to Become #1 in Service

Ambition to double share of service revenue

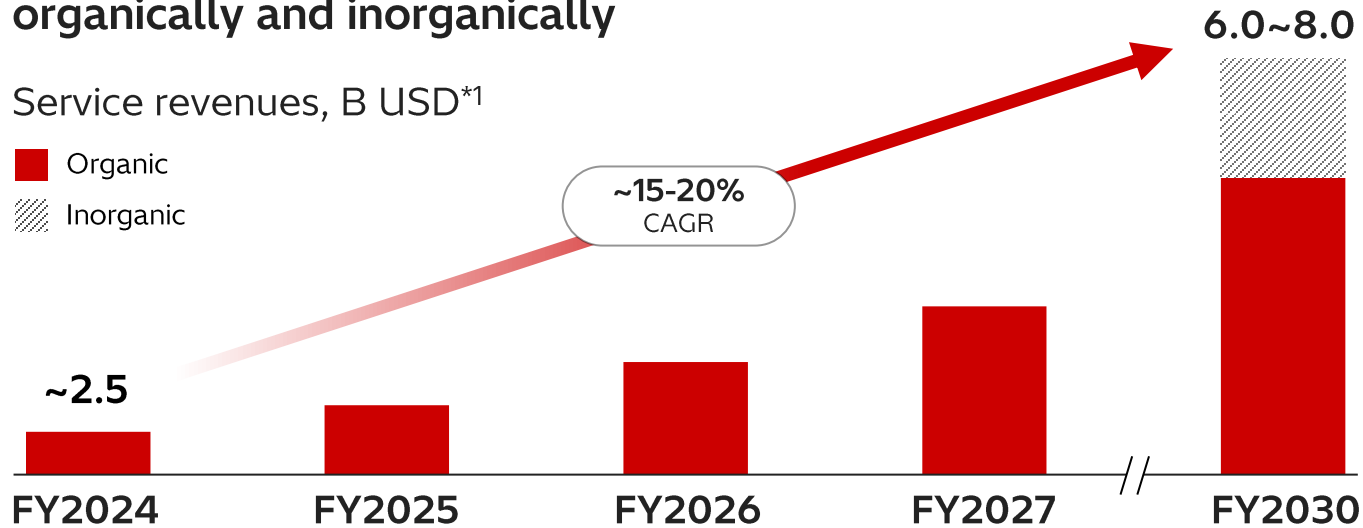
■ Service
■ Non-service



High double-digit growth through 2030, organically and inorganically

Service revenues, B USD*1

■ Organic
▨ Inorganic



Service focus

Service BU established in April 2025. Structure, clear priorities and roadmap in place to achieve our ambition.

Organic & inorganic growth

Organic revenue growth of ~15% in FY25, ~20% incl. equity accounted investment revenue.

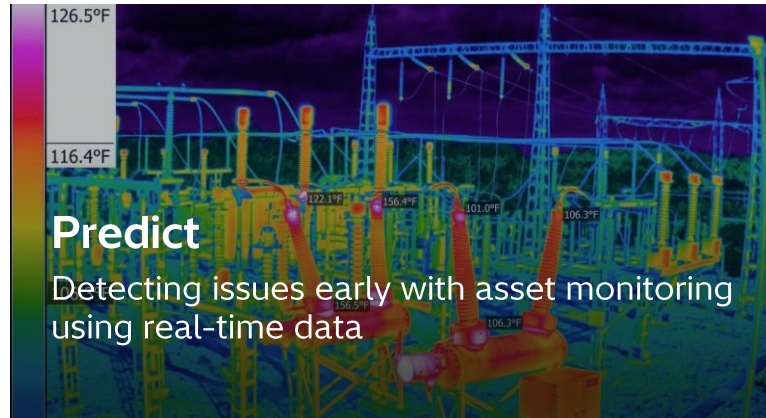
Inorganic: First Service acquisition, Shermco, completed in October 2025 with significant synergies materializing. Combined capability to serve hyperscalers building next-generation AI factories.

Portfolio Highlights

In March 2026, HMAX Energy offering officially launched during CERAWEEK.

HMAX Energy – Suite of Digitally-Enabled Services for Critical Energy Infrastructure

Leveraging 30,000+ Digital Engineers in DSS including GlobalLogic, and enabled through asset connectivity, lifecycle partnerships and domain expertise



HMAX Energy delivers actionable value for customers



Efficiency increase



Lifetime extension



Develop workforce



Uptime and availability



Safety and security

HMAX Energy Reference Cases



Increase condition awareness to optimize operations, reduce equipment failures, extend fleet life, and improve environmental performance across a large operating base

60%

Reduction in failure rate and downtime*²

Extended asset life and improved environmental performance

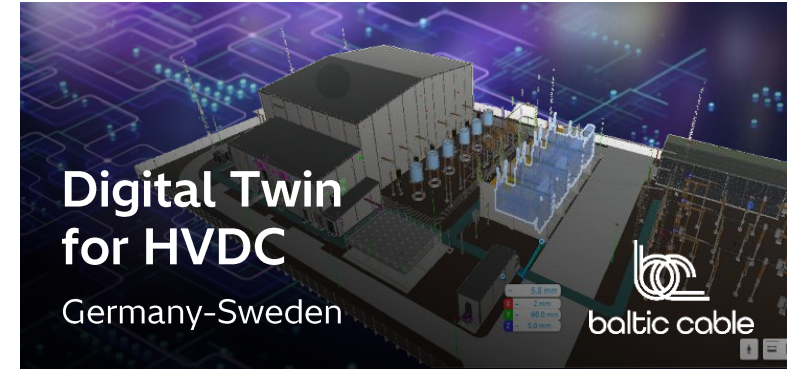


Maximize uptime of power supply by remotely monitoring PASS*¹ health and dynamically optimizing its maintenance plan

35%

Less time spent on site inspection activities*²

Unplanned outage days



Simplify complex system operations and maintenance via real-time data, visualization, and advanced analytics

90%

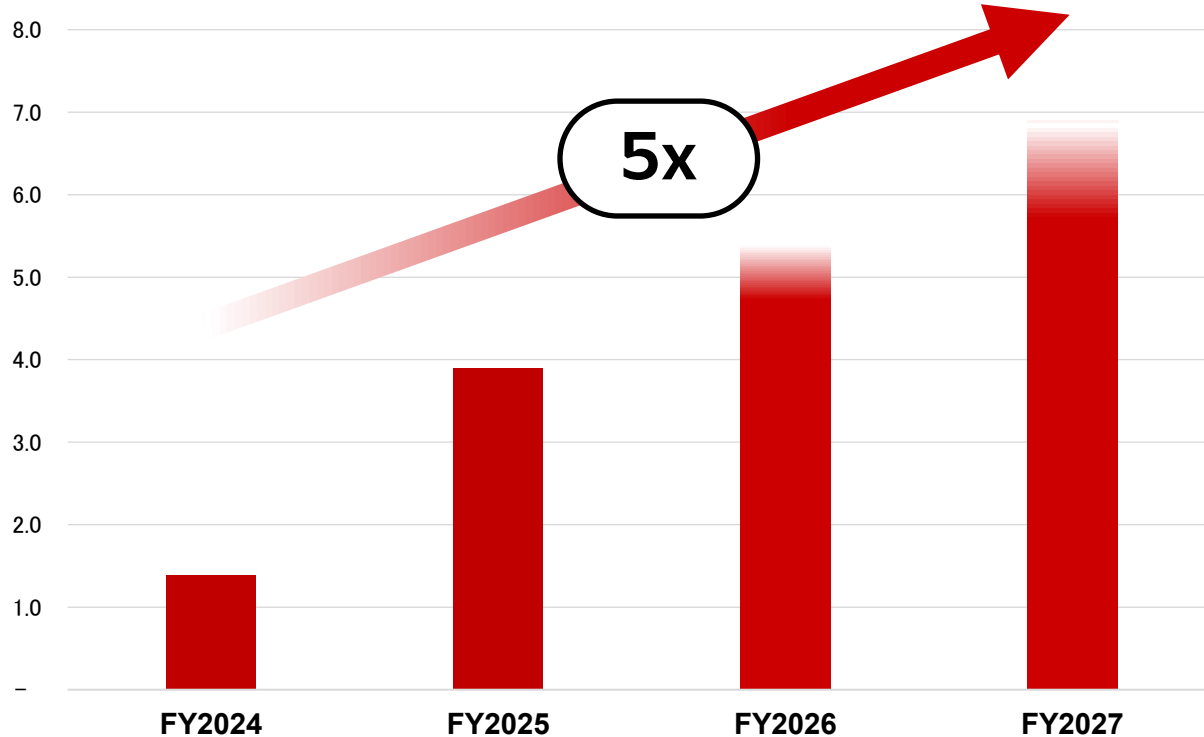
Reduction in response time to incidents*²

HVDC Link uptime with remote support and preventive maintenance

Data Center Growth: Converting High Demand into Orders

Hitachi Energy data center orders

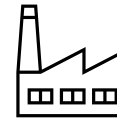
B USD



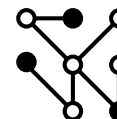
Demand for data centers is accelerating, driven by AI



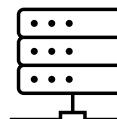
Uniquely positioned due to fast delivery times and standardization (e.g. containerized or SST 800V)



Global footprint and capacity expansions



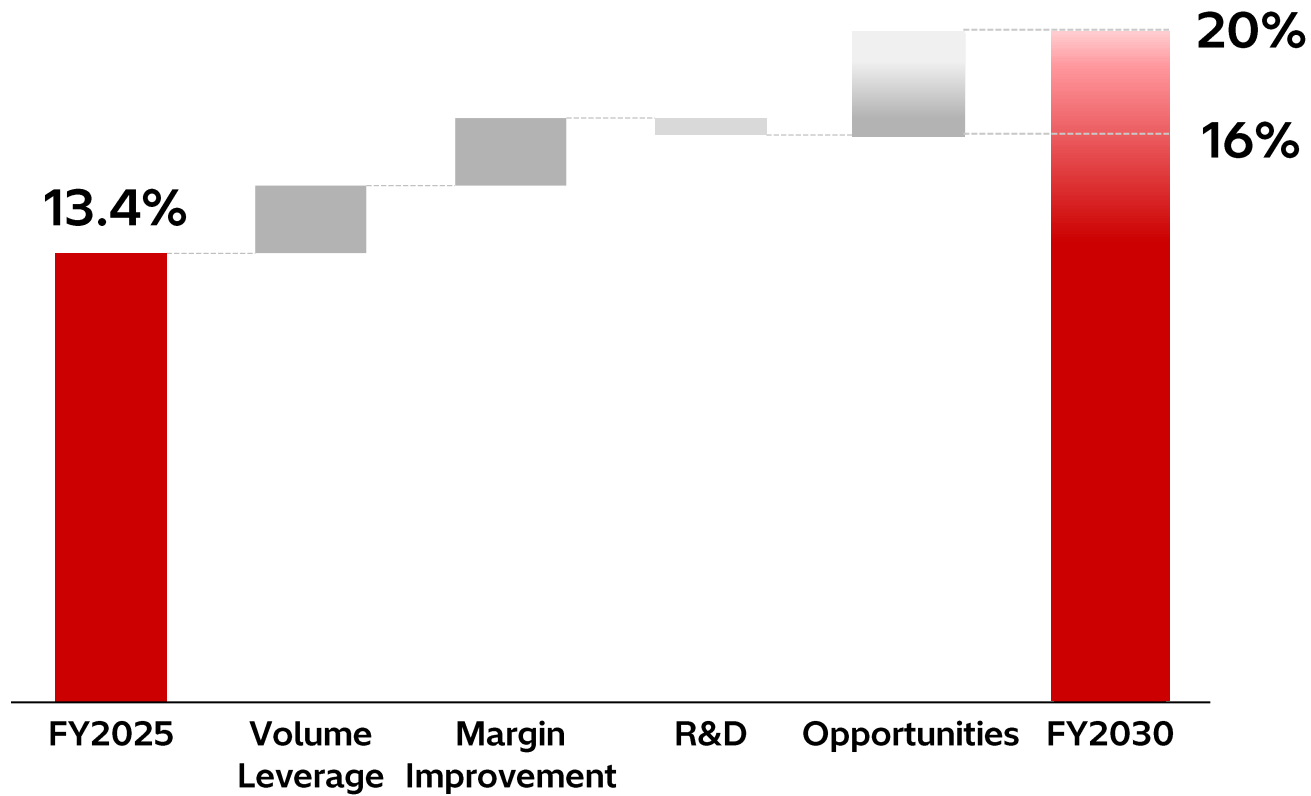
Market dynamics, such as shift from CAPEX to OPEX models



Repeatable solution to accelerate deployment

Driving EBITA Through Scale and Operational Excellence

Adjusted EBITA improvement from FY2025 to FY2030



Levers & opportunities

- Volume leverage (SG&A)
- Significant capacity expansion
- High growth markets (Data centers, eco-efficient products, service, digital)
- Enhanced operational excellence and productivity with AI and Digital Core
- Financing solutions as an enabler for further growth

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Profitable Growth Journey Continues

Energy Sector

	FY2024	FY2025	FY2026	FY2027*2	FY2030*2
Revenue Growth*1	YoY +25%	YoY +23% [20%]	YoY +15% [16%]	15-17% (15-17%) FY2024-FY2027 CAGR	Revenue Growth ~14% (10-12%) FY2024-FY2030 CAGR
Adj. EBITA Margin	9.6%	12.9%	13.5%	14%+ (14%+)	Adj. EBITA Margin 16%+
ROIC	8.5%	15.4%	19%	20%+ (ca. 14%)	
Lumada Revenue Ratio	11%	25%	25-30%	ca. 30% (ca. 30%)	

Hitachi Energy

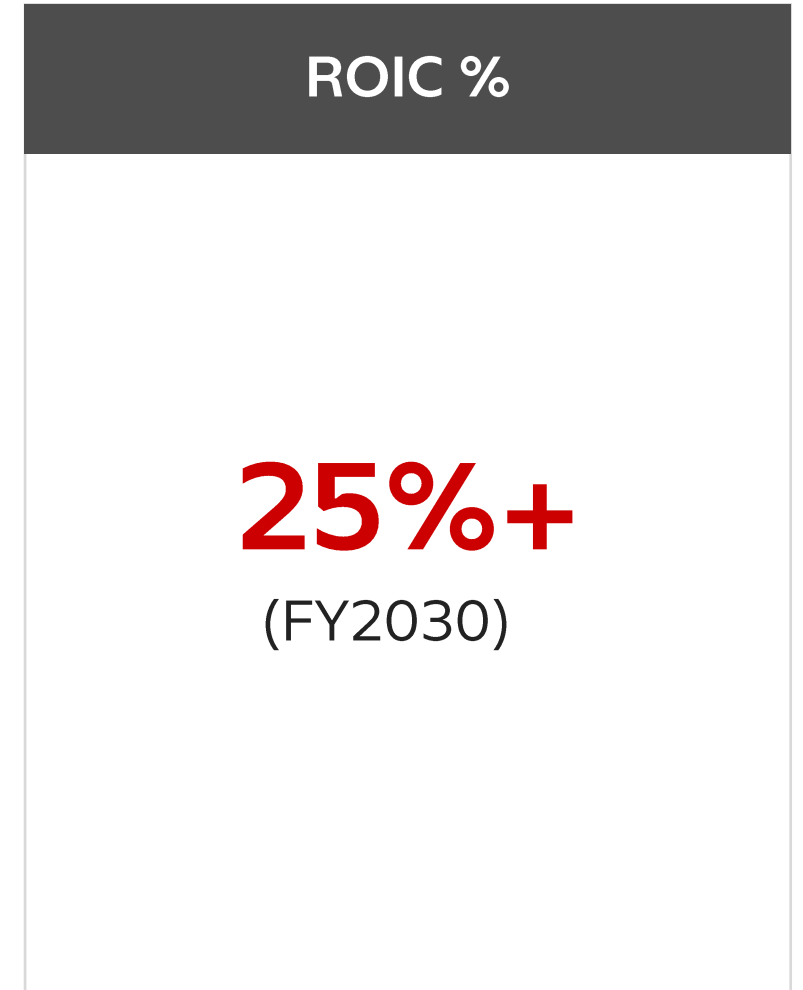
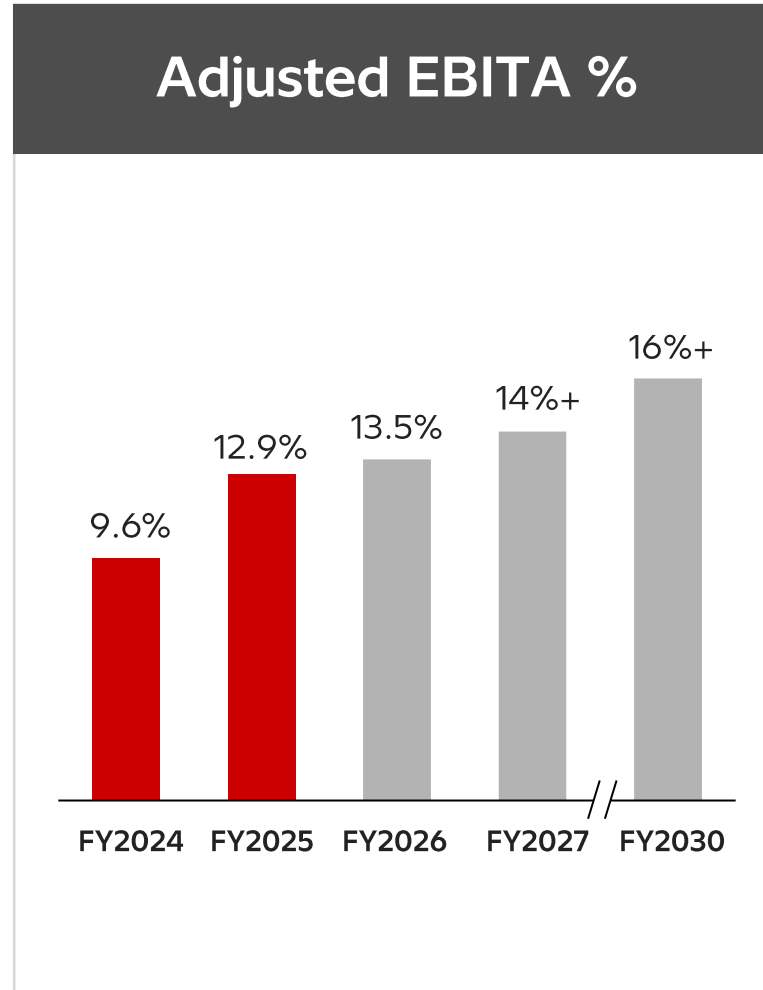
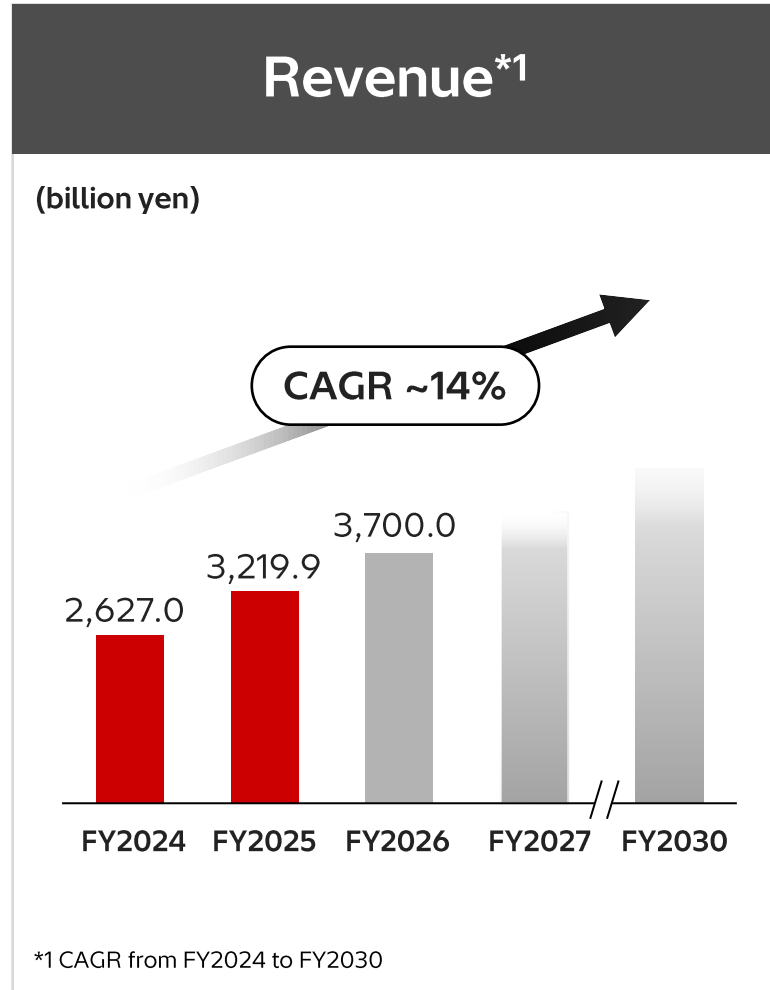
	FY2024	FY2025	FY2026	FY2027*2	FY2030*2
Revenue Growth	YoY +23%	YoY +26%	YoY +17%	19% (13-15%) FY2024-FY2027 CAGR	~15% (13-15%) FY2024-FY2030 CAGR
Adj. EBITA Margin	11.1%*3	13.4%	14.3%	15%+ (13-15%)	16-20%

*1 []: Growth rate excl. FX impact

*2 (): Previous target announced at the latest timing

*3 Adjusted EBITA in FY2024 includes equity in earnings (losses) of affiliates, excluding structural reform expenses

Energy Sector Ambition FY2026, 2027, 2030

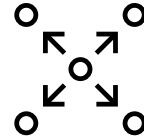


Positioned to Outgrow the Market and Keep Leading



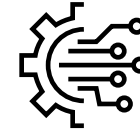
Strengthen the core

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- M&A and partnerships
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Leverage AI, digitalization and innovative technology

- Accelerate investment in AI
- Cement technology leadership
- Capture global opportunities in SMR



Significant market tailwinds



Profitable and sustainable growth



High capital returns



High value creating business

**Consistent record of delivering sustainable, profitable growth.
Clearly defined strategy to continue the journey of long-term value creation.**

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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;
- exacerbation of social and economic impacts of the spread of COVID-19;
- 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.