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Outline of Consolidated Financial Results for the First Quarter Ended June 30, 2026 [Fiscal 2026]

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

July 29th, 2026

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Performance Highlights

Q1 FY2026 Actual

- ✓ Primarily supported by foreign exchange effects, revenue increased significantly by +20% year over year. Revenue and Adj. EBITA both reached Q1 record highs
- ✓ All four sectors, particularly Energy, delivered higher revenue and profits
- ✓ The impact from the Middle East Situation was lower than initially anticipated, at approximately (16.0) bn yen on revenue and (7.0) bn yen on Adj. EBITA

Revenue	+20% [+12%](*1)	2,709.5 bn yen
Adj. EBITA	323.5 bn yen	+86.0 bn yen
Adj. EBITA Margin	11.9%	+140 bps(*2)
Net Income (Attributable to Hitachi, Ltd. shareholders)	189.4 bn yen	(2.7) bn yen(*3)
Core FCF	365.0 bn yen	+13.6 bn yen

(*1)[]: Estimated YoY changes excl. FX impact
(*2)Bps: Basis points (100bps=1%)
(*3)Quarterly profit decreased by 2.7 bn yen YoY, including an approximately 50.0 bn yen reversal impact from the extraordinary dividend related to the business portfolio restructuring in the prior fiscal year

FY2026 Forecast

- ✓ All four sectors were revised upward, resulting in an upward revision for Hitachi Group as a whole
  - Compared with the previous forecast (consolidated total): Revenue +600.0 bn yen, Adj. EBITA +100.0 bn yen, and Net Income +50.0 bn yen
- ✓ In addition to CAPEX(*4) aimed at driving organic growth, corporate strategic investments(*5) were increased to accelerate the utilization of AI
- ✓ Continuously monitoring the Middle East Situation

Revenue	Raised	+11% [+7%]	11,700.0 bn yen
Adj. EBITA	Raised	1,520.0 bn yen	+208.5 bn yen
Adj. EBITA Margin	Raised	13.0%	+60 bps
Net Income (Attributable to Hitachi, Ltd. shareholders)	Raised	900.0 bn yen	+97.6 bn yen
Core FCF	Raised	900.0 bn yen	(270.2) bn yen(*6)
ROIC	Raised	13%	

(*4)CAPEX: Total expenditures for property, plant and equipment (PP&E) and intangible assets
(*5)Corporate strategic investments: Lumada/HMAX development, R&D for ultra-long-term themes, pipeline development through group-wide sales expansion, and human capital investment for AI talent cultivation and acquisition
(*6)Core FCF decreased by 270.2 bn yen YoY, including a large advance payment impact (approximately 340.0 bn yen) etc.

Breakdown of YoY Changes in Revenues and Adj. EBITA in Q1 FY2026

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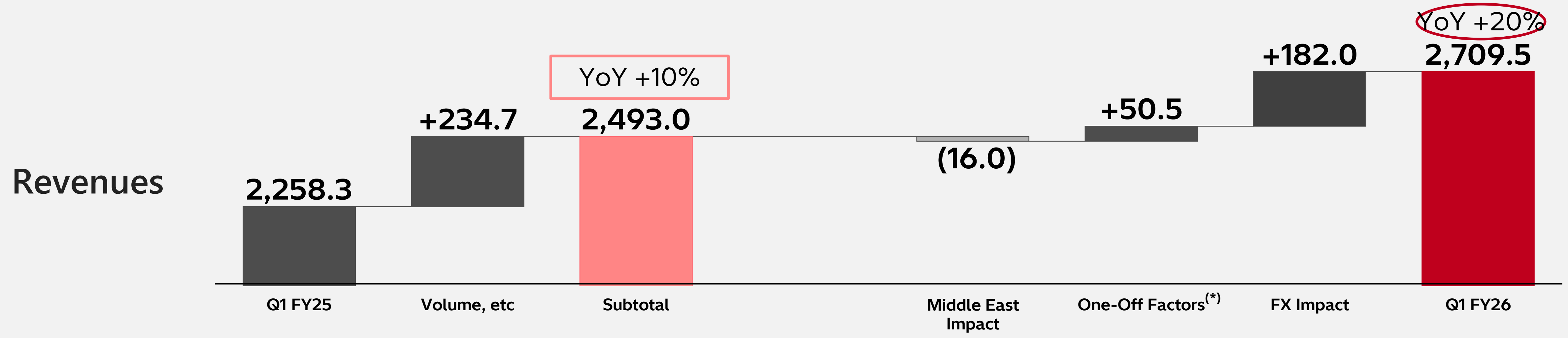
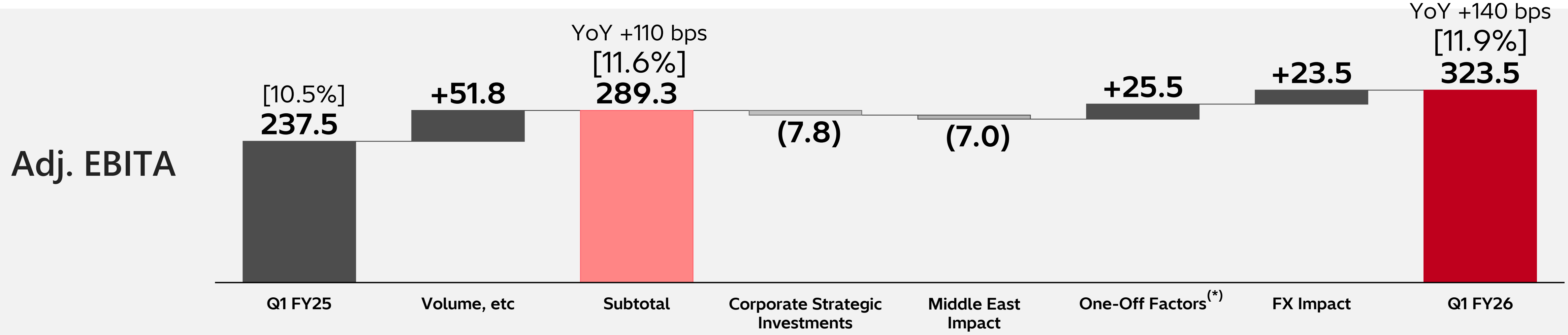
Billion of yen





(*)Impact of one-off large projects, timing shifts in large order recognition, etc.

Breakdown of YoY Changes in Revenues and Adj. EBITA in FY2026

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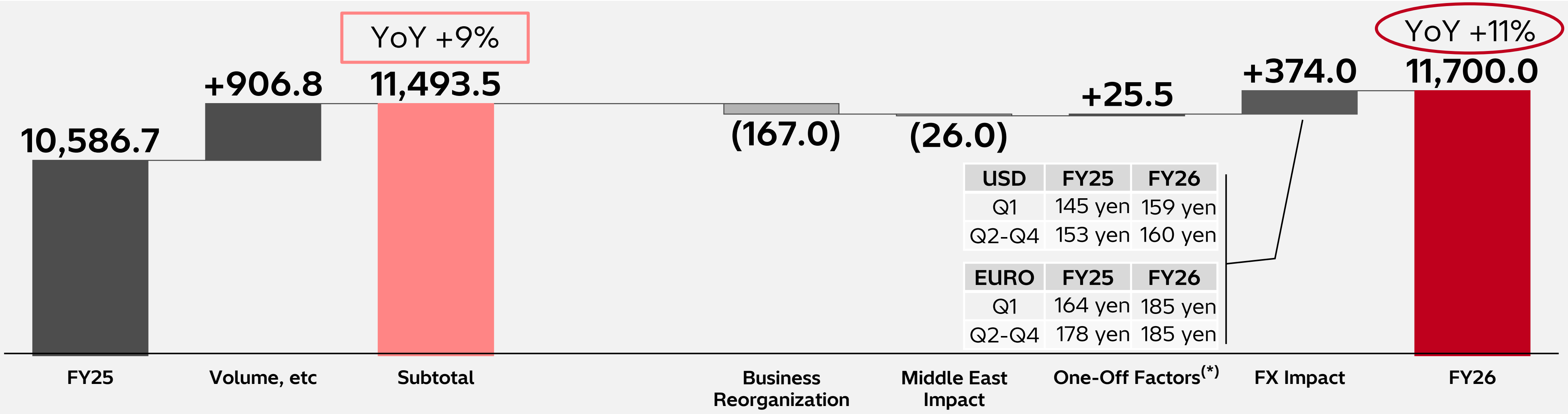
Billion of yen

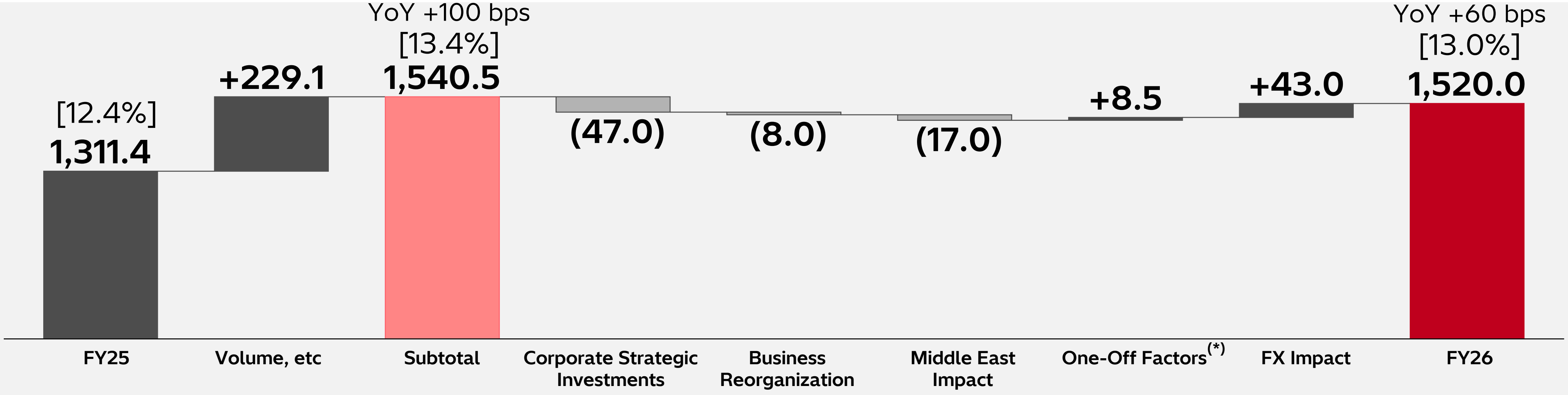
Revenues



USD	FY25	FY26
Q1	145 yen	159 yen
Q2-Q4	153 yen	160 yen

EURO	FY25	FY26
Q1	164 yen	185 yen
Q2-Q4	178 yen	185 yen

Adj. EBITA



(*)Impact of one-off large projects, timing shifts in large order recognition, etc.

Segment Highlights in FY2026 Q1 Actual and Full-Year Forecast

(Billions of yen)	FY2026							
	Q1(Actual)			Q2-Q4(Forecast)		Full-Year(Forecast)		Q1 Highlights and Upward Revision to Full-Year Guidance
	Orders	Revenue (YoY)	Adj. EBITA Margin(YoY)	Revenue (YoY)	Adj. EBITA Margin(YoY)	Revenue (YoY)	Adj. EBITA Margin(YoY)	
DSS	1,007.0 +7%	719.0 +11%	11.9% +80 bps	2,500.9 +3%	16.9% +10 bps	3,220.0 +5%	15.8% +30 bps	● Q1 Orders/Revenue: Solid execution of domestic AX/modernization projects (financial, public, and transportation) ● Q1 Profit: Increased on enhanced project management, Lumada business expansion, and AI-driven productivity improvements ● FY2026 Guidance Upgrade: Revenue +30.0 bn yen, Adj. EBITA +8.0 bn yen, Adj. EBITA margin +10 bps
Energy	1,906.3 +87%	911.9 +37%	14.2% +240 bps	3,148.0 +23%	14.2% +100 bps	4,060.0 +26%	14.2% +130 bps	● Q1 Orders: Order growth was driven by several large HVDC project awards in Europe and continued solid demand for transmission equipment ● Q1 Revenue/Profit: Solid execution of strong order backlog. Results influenced by translation to yen ● FY2026 Guidance Upgrade: Revenue +360.0 bn yen, Adj. EBITA +76.0 bn yen, Adj. EBITA margin +70 bps
Mobility	569.0 +25%	344.4 +21%	8.8% +120 bps	1,105.5 +7%	9.5% +120 bps	1,450.0 +10%	9.4% +120 bps	● Q1 Revenue/Profit: Revenue and profit increased, driven by growth in Rail Vehicles business and Rail Control business, lower acquisition-related expenses associated with Thales GTS business, and FX effects ● FY2026 Guidance Upgrade: Revenue +100.0 bn yen, Adj. EBITA +9.0 bn yen, Adj. EBITA margin ±0 bps
CI	938.2 +25%	761.0 +13%	11.0% +160 bps	2,488.9 +3%	12.1% +60 bps	3,250.0 +5%	11.8% +80 bps	● Q1 Orders: Increased, driven by semiconductor manufacturing, measurement and inspection equipment ● Q1 Revenue: Increased, driven by the expansion of Building Service business, higher sales of semiconductor manufacturing, measurement and inspection equipment, and FX effects ● Q1 Profit: Increased, driven by higher sales of semiconductor manufacturing, measurement and inspection equipment ● FY2026 Guidance Upgrade: Revenue +100.0 bn yen, Adj. EBITA +14.0 bn yen, Adj. EBITA margin ±0 bps
Corporate, Elimination and Others	-	(26.8)	-	(253.1)	-	(280.0)	-	
Consolidated Total	- -	2,709.5 +20%	11.9% +140 bps	8,990.4 +8%	13.3% +40 bps	11,700.0 +11%	13.0% +60 bps	● FY2026 Guidance Upgrade: Revenue +600.0 bn yen, Adj. EBITA +100.0 bn yen, Adj. EBITA margin +20 bps

Segment Highlights FY2026 Q1 Actual and Full-Year Forecast (Normalized Basis(*))

➢ For details, refer to Appendices

✓ **Q1 momentum continues, with full-year revenue projected to increase by +9% YoY and Adj. EBITA margin projected to expand by +100 bps YoY on a normalized basis**

(Billions of yen)	FY2026 (YoY)						Full-Year Highlights
	Q1 Actual(YoY)		Q2-Q4 Forecast (YoY)		FY Forecast (YoY)		
	Revenue	Adj. EBITA Margin	Revenue	Adj. EBITA Margin	Revenue	Adj. EBITA Margin	
DSS	+29.7 +5%	+10 bps	+140.0 +6%	+40 bps	+169.7 +6%	+50 bps	● Revenue: Driven by solid domestic AX/modernization businesses, expanded AX-related services ● Profit: Increased on enhanced project management, Lumada business expansion, and AI-driven productivity improvements
Energy	+158.9 +24%	+180 bps	+514.9 +20%	+120 bps	+673.8 +21%	+130 bps	● Revenue: Continued solid execution of strong order backlog, additional capacity, and ongoing productivity improvements ● Profit: Volume leverage, improved revenue profile, operational excellence, solid project execution, and favorable mix
Mobility	+6.8 +2%	(10) bps	+21.8 +2%	+80 bps	+28.7 +2%	+50 bps	● Revenue: Expanded across all regions, driven by progress on new projects in Europe, North America, Asia, and other regions, as well as the acquisition effect of Clever Devices ● Profit: Profitability improved through higher revenue, favorable project mix in Rail Vehicles business and Rail Control business, and cost reductions
CI	+38.0 +6%	+40 bps	+142.9 +6%	+30 bps	+181.0 +6%	+40 bps	● Revenue: Expansion of Facilities business, as well as higher sales of semiconductor manufacturing, measurement and inspection equipment backed by AI-related demand ● Profit: Expansion of the service business including Lumada business
Consolidated Total	+234.7 +10%	+110 bps	+672.0 +8%	+100 bps	+906.8 +9%	+100 bps	

(*)Normalized Basis: Excludes the impacts of FX fluctuations, business reorganization, and one-off factors, including large one-off projects, timing shifts in large order recognition, etc.

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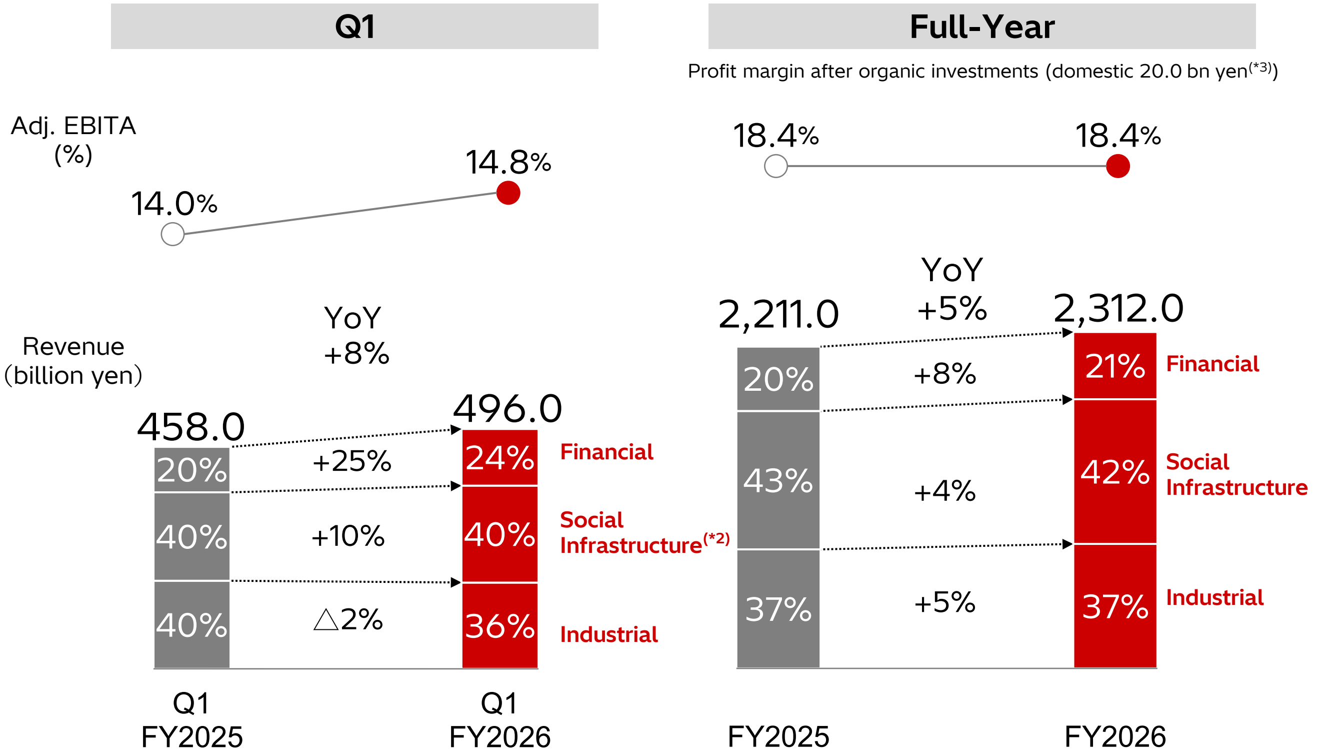
DSS：Domestic IT Services

✓ **Growth driven by AX(*1)/modernization, accelerating transformation into highly profitable businesses through the application of AI**

Revenue・Adj. EBITA margin

Domestic IT Services: Combined total of SI & Services and Engineering & Services businesses in Japan (after intercompany elimination)



Domestic IT Services Q1 results

Capturing robust demand, driving growth in the Finance and Social Infrastructure fields

- **Revenue and profit increased, driven by AI-driven productivity improvements and project management**
  - ✓ Finance: Robust momentum in modernization and migration projects, driven by the insurance field
  - ✓ Social: Robust performance in the public sector and transportation fields
  - ✓ Industrial: Revenue increased, primarily driven by the solid accumulation of FA projects for full year, despite the high-base effect of large-scale projects in Q1
  - ✓ Full-year order forecast: YoY +7% (Increase across all fields, driven by AX projects)

Progress of Agentic Integration

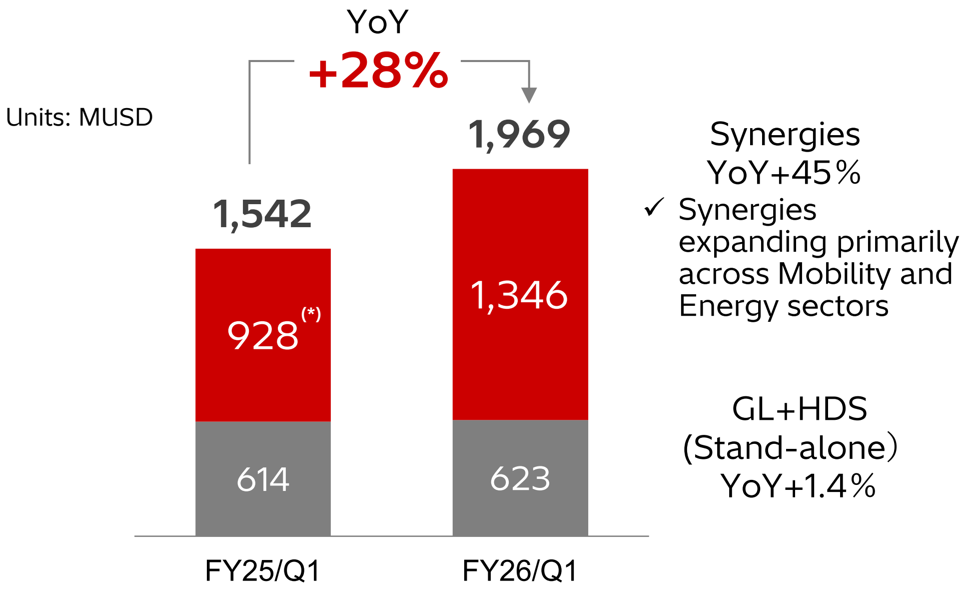
- **Sequential deployment of "Agentic AI Integration Platform" to large-scale projects from September, enabling full application of AI across all phases of mission-critical SI**
  - ✓ Developed a platform integrating Hitachi's knowledge, including VelocityAI(*4) (GlobalLogic) and HARC(*5)(Hitachi Digital Services), with partner's frontier AI, achieving both high quality requirements and development speed
  - ✓ Completed preparation of the internal usage environment and started preliminary use from June; demonstrated approx. 200x(*6) productivity in processes from design to testing. Achieved the initial plan as early as Q1
  - ✓ Further expanding the 60% AI application rate in system development, aiming for a 30%(*7) productivity improvement across all development in FY2027
  - ✓ FDE(*8) team contributes to enhancing customer competitiveness and sustainable corporate growth (Domestic FDE talent: Expanding from approx. 300 in July to approx. 1,000 by FY-end)

(*1)AX: AI Transformation (*2)Social Infrastructure: Public, Energy, and Rail
(*3)Organic Investment: Development and enhancement of AI application platform, and cultivation and acquisition of FDE talent
(*4)VelocityAI: Service suite supporting the development and implementation of Agentic AI
(*5)HARC(Hitachi Application Reliability Centers):Cloud operation improvement support services, provides one-stop support, from advisory services such as assessments and requirements definition to managed services covering operations improvement, design, and execution.
(*6)200x: Demonstrated value under specific internal processes and conditions; effects may vary depending on project scale and characteristics
(*7)30% productivity improvements: Man-hour and lead time reduction across all SI phases compared to cases without the application of AI (*8)FDE: Forward Deployed Engineer

DSS: Overseas IT Services Business (GlobalLogic + Hitachi Digital Services)

✓ **Global expansion of "One Hitachi" synergies. Accelerating business transformation through greater integration benefits**

GlobalLogic(GL)+Hitachi Digital Services(HDS) Stand-alone/Synergies(*)Revenue



(*) FY25/Q1 synergies: GlobalLogic: 462, HDS: 466

Total	614	623
GL	496	488
HDS	118	135

GL・HDS / Synergies (booked by other BUs & Group companies)(*)

GL・HDS Stand-alone Total

Expanding Growth Opportunities through One Hitachi Synergies

- **Accelerating co-creation with customers for HMAX expansion**
  - ✓ HMAX for Buildings: Launching BuilMirai Experience Center at GL's India office to support the global expansion of the Building Solutions business from India
  - ✓ Overseas FDE talent: increase from approx. 100 in July to approx. 350 by FY-end
- **Strengthening capabilities for Physical AI**
  - ✓ Enhancing FDE capabilities to accelerate Physical AI deployment through a strategic alliance with Google Cloud
  - ✓ Strategic partnership with thyssenkrupp AG to deploy autonomous robotics and Physical AI across the heavy industry field

Accelerating business transformation through operational integration

- **GL+HDS operational integration (Apr. 2026), enabling end-to-end value delivery from development to operations**
  - ✓ GL+HDS: Expansion of cross-selling in the high-tech, industrial, and manufacturing sectors, delivering end-to-end value from digital engineering to HARC(*)-enabled operations
  - ✓ GL: Growth in the healthcare and the European financial services
  - ✓ HDS: Revenue growth driven by existing strategic accounts and new customer wins
- **Strengthening leadership and enhancing AI capabilities**
  - ✓ Anand Birje, with more than 20 years of leadership in the technology industry, appointed CEO of DEAI BU(*). Accelerating the global expansion of HMAX (Press Release)
  - ✓ Further expansion of highly-skilled AI professionals(*) (from approx. 5,800 in July to approx. 13,000 by FY-end)

(*)GlobalLogic and HDS contribution to the Lumada business. Synergies represent revenue recorded in each sector
(*)HARC(Hitachi Application Reliability Centers): Cloud operation improvement support services, provides one-stop support, from advisory services such as assessments and requirements definition to managed services covering operations improvement, design, and execution
(*)DEAI BU(Digital Engineering & AI Solutions Business Unit): Business Unit that accelerates value creation globally through a digital-centric One Hitachi approach, comprising GlobalLogic, Hitachi Digital Services, etc.
(*)Highly-Skilled AI Professionals: Engineers and architects with advanced AI expertise who drive AI driven business transformation and solution development

Impact of the Middle East Situation

- ✓ **Q1 impact was limited versus initial assumptions (Revenue: (16.0) bn yen, Adjusted EBITA: (7.0) bn yen)**
- ✓ **Risk impacts on Q2-Q4 have been reflected in the forecast amid increasing uncertainty; the situation continues to be monitored**

Priorities

- Support business continuity for customers and partners
- Ensure the safety of employees working in the region

Exposure to the Middle East (FY25)

- Revenue: c. 470.0 bn yen
- Number of employees: c. 2,900
- Main countries: Saudi Arabia, UAE, and others

Risk Impacts

	Initial Assumptions(*)	Updates	
	Q1 Forecast	Q1 Actual	Q2-Q4 Forecast
Risk Amount (bn yen)	Revenue (40.0) Adj. EBITA (20.0)	Revenue (16.0) Adj. EBITA (7.0)	Revenue (10.0) Adj. EBITA (10.0)
Main Impacts	• Middle East project disruptions • Raw material shortages / cost increases	• Sales timing delays caused by logistics disruptions and shortages of procured components • Decline in orders for short lead-time products • Rising procurement and energy costs • Reduced factory operating rate	
Sectors	Energy, CI, and Mobility	Energy and others	

(*)As of April 27th, 2026

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Q1 FY2026 Highlights

- ✓ Revenue and profits increased across all four sectors (Revenue +20% YoY)
- ✓ Core FCF totaled 365.0 bn yen (+13.6 bn yen YoY). CAPEX totaled 131.1 bn yen (+40.4 bn yen YoY), reflecting steady execution of organic growth investments
- ✓ For inorganic growth, the acquisition of Clever Devices was closed on July 1, 2026, U.S. time
- ✓ Share Buybacks totaled 147.9 bn yen in Q1, representing 27% of the full-year buyback target of 550.0 bn yen

Actual

Billions of yen	Consolidated Total
Revenue	**2,709.5**
YoY [YoY excl. FX impact]	+20% [+12%]
Adj. EBITA	**323.5**
YoY	+86.0
Adj. EBITA Margin	**11.9%**
YoY	+140 bps
Net income Attributable to Hitachi, Ltd. Shareholders	**189.4**
YoY	(2.7)(*)
Core FCF	**365.0**
YoY	+13.6

Shareholder Return

		Actual
Dividends(*)	(Billions of yen)	**121.4**
YoY		+20.7
Share buybacks	(Billions of yen)	**147.9**
YoY		+100.4
Number of shares repurchased(*)	(Million Shares)	**30.1**
YoY		+18.2

(*)Dividends paid during the period
(*)Shares repurchased based on the cash outflow during the period

Actual FX rate (Average)

- Q1 FY25 : 145 yen/USD and 164 yen/EURO
- Q1 FY26 : 159 yen/USD and 185 yen/EURO

(*)Quarterly profit decreased by 2.7 bn yen YoY, including an approximately 50.0 bn yen reversal impact from the extraordinary dividend related to the business portfolio restructuring in the prior fiscal year

Breakdown of YoY Changes in Net Income and Core FCF in Q1 FY2026

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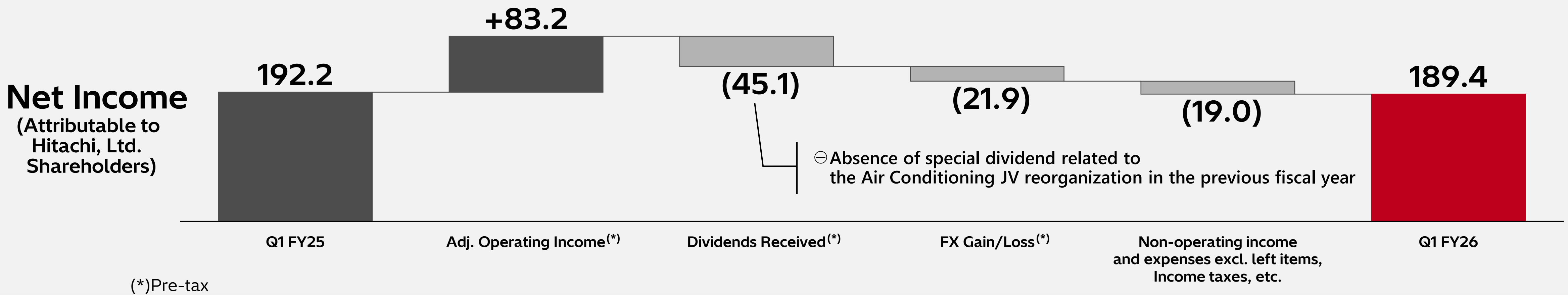
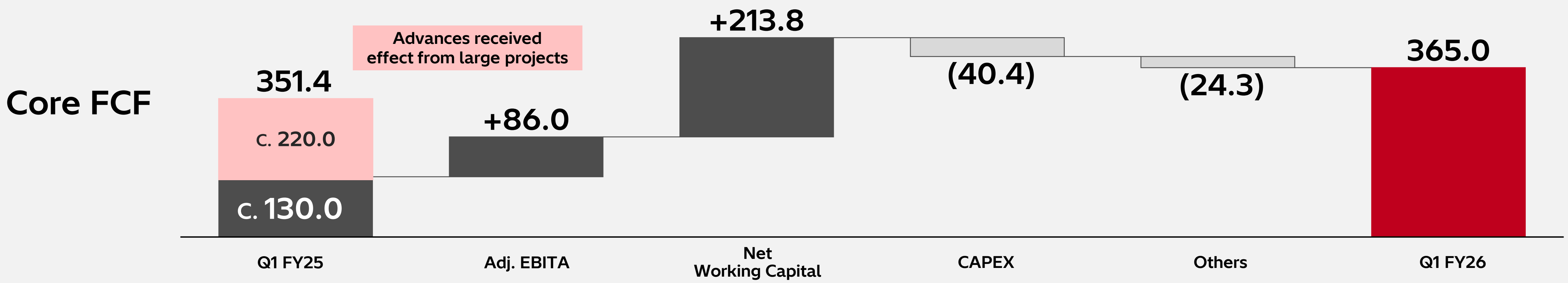
Billions of yen



(*)Pre-tax



Financial Position and Cash Flows

Summary of Consolidated Financial Position

Billions of yen	As of March 31, 2026	As of June 30, 2026	Difference from March 31, 2026
Total assets	15,041.2	**15,041.4**	+0.1
Cash and cash equivalents	1,323.4	**1,504.4**	+181.0
Trade receivables and contract assets	4,004.8	**3,618.7**	(386.1)
Total liabilities	8,268.6	**8,278.5**	+9.9
Interest-bearing debt	1,009.0	**1,056.9**	+47.8
Total Hitachi, Ltd. shareholders' equity	6,568.3	**6,573.7**	+5.3
Non-controlling interests	204.2	**189.1**	(15.1)
Cash Conversion Cycle	36.6 days	**19.6 days**	(17.0) days
D/E ratio	0.15 times	**0.16 times**	+0.01 pts

Summary of Consolidated Statement of Cash Flows

Billions of yen	Q1 FY2025	Q1 FY2026	YoY
Cash flows from operating activities	442.0	**496.1**	+54.0
Cash flows from investing activities	(74.3)	**(29.0)**	+45.3
Of which, CAPEX	(90.6)	**(131.1)**	(40.4)
Core FCF	351.4	**365.0**	+13.6

Regional Revenues in Q1 FY2026

Expanded overseas, led by Europe

- ✓ **Energy** : Expanded across all regions primarily in Europe and North America (+) Solid execution of strong order backlog from both systems and products businesses
- ✓ **Mobility** : Expanded in Europe (+) Expansion of Rail Control business
- ✓ **CI** : Expanded in China (+) Expansion of Building Services business, and higher sales of semiconductor manufacturing, measurement and inspection equipment

Billions of yen	Japan	North America	Europe	China	Asia (excl. Japan, China, and the Middle East)	Other areas(*)	Overseas Total
DSS	492.6	85.0	61.2	6.8	55.1	18.1	226.3
YoY	+10%	±0%	+32%	+5%	+18%	+38%	+14%
Energy	57.4	274.4	298.7	64.2	70.4	146.5	854.4
YoY	+72%	+35%	+39%	+15%	+48%	+31%	+35%
Mobility	24.6	26.5	214.1	6.4	29.4	43.0	319.7
YoY	+77%	+8%	+15%	+56%	+48%	+21%	+18%
CI	327.1	68.5	56.8	203.6	95.7	9.1	433.9
YoY	+4%	+10%	+11%	+31%	+19%	+3%	+21%
Consolidated Total	870.4	454.6	627.3	285.0	255.0	217.0	1,839.1
YoY	+11%	+21%	+25%	+27%	+26%	+28%	+25%
Ratio	32%	17%	23%	11%	9%	8%	68%

(*)Other areas: The Middle East, Central and South America, Africa, and Oceania

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Order Results by Business Segment in Q1 FY2026

Key Drivers of Order Intake in Q1 FY2026

- ✓ **DSS**
  - (+) Solid AX/modernization projects
  - (+) Higher sales of new high-end block storage products
- ✓ **Energy**
  - (+) Driven by several large HVDC project awards in Europe
  - (-) High base effect from previous year's large-scale nuclear projects
- ✓ **Mobility**
  - (+) Increase in large-scale Rail Control projects
- ✓ **CI**
  - (+) Increase in semiconductor manufacturing, measurement and inspection equipment, clinical chemistry and immunoassay analyzers(Measurement & Analysis Systems)

Billions of yen	Q1 FY2026	YoY
DSS	1,007.0	+7%
SI & Services	520.4	±0%(*)
Engineering & Services	493.3	+7%
IT Products	127.6	+26%
Energy	1,906.3	+87%
Power Grids	1,871.6	+94%
Nuclear Energy	34.9	(43)%
Mobility	569.0	+25%

(*)SI & Services: YoY +10% in public sector and others, excl. high-base effect of large-scale projects

	Q1 FY2026	YoY
CI	938.2	+25%
Industrial Solutions	445.0	+31%
Measurement & Analysis Systems	306.5	+55%
Industrial Products	155.1	+8%
Urban Solutions & Services	378.2	+20%
Building Systems	238.2	+17%

Order Backlog (as of June 30, 2026)

DSS	: 2.1 tn yen	(+19% vs end-FY2025)
Hitachi Energy	: 10.3 tn yen	(+12% vs end-FY2025)
	63.6 bn USD	(+10% vs end-FY2025)
Mobility	: 7.4 tn yen	(+5% vs end-FY2025)

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FY2026 Highlights

- ✓ CAPEX is being expanded, primarily in Energy's Power Grids business. Full-year CAPEX is expected to reach 670.0 bn yen (YoY +172.1 bn yen)
- ✓ Share buybacks totaled 147.9 bn yen in Q1. Approximately 400.0 bn yen remains available under the planned repurchase program for FY2026

Forecast

Billions of yen	Consolidated Total: Previous	Consolidated Total: Present	Consolidated Total: vs Previous
Revenue	11,100.0	11,700.0	+600.0
YoY		+11%	
Adj. EBITA	1,420.0	1,520.0	+100.0
YoY		+208.5	
Adj. EBITA Margin	12.8%	13.0%	+20 bps
YoY		+60 bps	
Net income attributable to Hitachi, Ltd. Shareholders	850.0	900.0	+50.0
YoY		+97.6	
Basic EPS(*)	188.78 yen	201.14 yen	+12.36 yen
YoY		+24.38 yen/+13%	
Core FCF	850.0	900.0	+50.0
YoY		(270.2)(*)	
ROIC	12%	13%	-

FX sensitivity

Assumed FX rate		FX Sensitivity(*) (Q2-Q4 FY2026): Revenue	FX Sensitivity(*) (Q2-Q4 FY2026): Adj. EBITA
USD	160 yen	+11.0 bn yen	+1.2 bn yen
EURO	185 yen	+7.0 bn yen	+0.6 bn yen

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

Shareholder Return

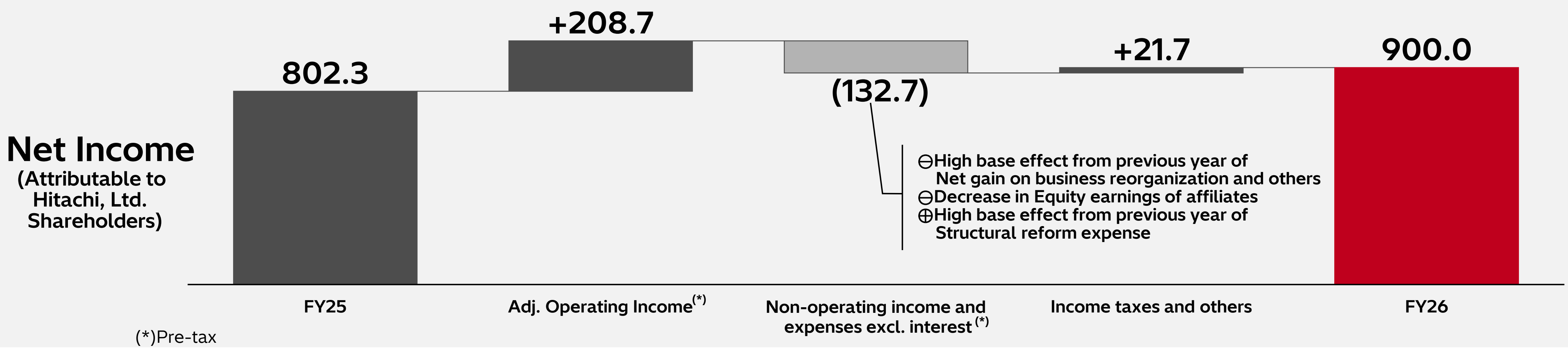
(Billions of yen)	FY2026(Forecast): Full-Year	FY2026(Forecast): Q2- Q4
Dividends(*)	250.0	128.6
YoY	+45.0	+24.2
Share Buybacks(*)	550.0	402.1
YoY	+198.0	+97.5
Total Shareholder Returns	800.0	530.7

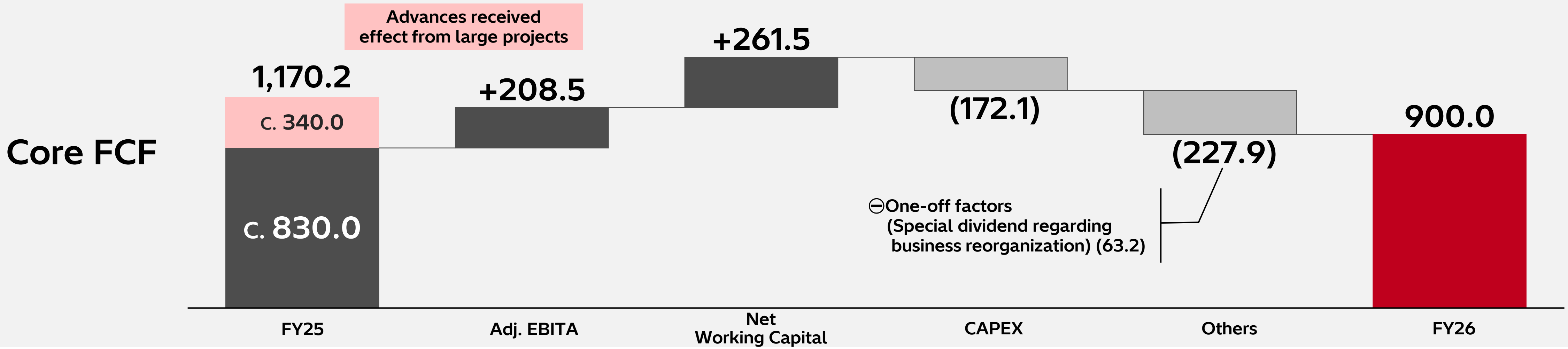
(*)Dividends to be paid during the period
(*)Cash outflow during the period (maximum number of shares to be acquired: 160 million, approved by the Board of Directors on April 27, 2026)

(*)Basic Earnings Per Share attributable to Hitachi, Ltd. shareholders. Weighted average number of shares to calculate basic earnings per share is 4,474,394,906
(*)Core FCF declined by 270.2 bn yen YoY, including a large advance payment impact (approximately 340.0 bn yen) etc.

Breakdown of YoY Changes in Net Income and Core FCF in FY2026

Billions of yen





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DSS: Performance by Business Segment

Billions of yen	Q1 FY2026		YoY		FY2026		YoY		vs Previous Forecast	
	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA
DSS	719.0	85.5	+11%	+14.1	3,220.0	508.0	+5%(*2)	+30.8	+1%	+8.0
		11.9%	[+7%](*1)	+80 bps		15.8%	[+3%]	+30 bps		+10 bps
SI & Services	333.7	40.8	+11%	+7.0	1,564.0	239.0	+6%	+12.9	+2%	+5.0
		12.2%		+100 bps		15.3%		±0 bps		±0 bps
Engineering & Services	394.6	45.7	+5%	+2.1	1,790.0	265.0	+6%	+17.7	+1%	+2.0
		11.6%		±0 bps		14.8%		+20 bps		±0 bps
IT Products	126.7	2.5	+26%	+6.3	498.0	28.5	+2%(*2)	+15.9	+6%	+1.5
		2.0%		+580 bps		5.7%		+310 bps		(10) bps

		Q1 FY2026 Key Performance Drivers (YoY)		FY2026 Key Performance Drivers (YoY)
SI & Services	Revenue	(+)Solid domestic AX/modernization business (financial, public, and transportation)	Revenue	(+)Solid domestic AX/modernization business
	Profit	(+)Enhanced project management, expansion of Lumada business, and AI-driven productivity improvements	Profit	(+)Expansion of Lumada business, AI-driven productivity improvements (–)Strengthen the FDE team, Investment in HMAX expansion
Engineering & Services	Revenue	(+)Expansion of Lumada business(cloud, security, and AI related services)	Revenue	(+)Expansion of Lumada business, GL+HDS: Expansion of AI-related business, co-creation projects generating synergies with other sectors (GL+HDS stand-alone YoY: HSD(*3) on a USD basis)
	Profit	(+)Expansion of Lumada business, AI-driven productivity improvements	Profit	(+)Expansion of highly profitable Lumada business, AI-driven productivity improvements
IT Products	Revenue	(+)Rebound from the impact of investment restraint in the previous fiscal year, higher sales expansion of block storage	Revenue	(+)Higher sales of block storage supporting next-generation AI workloads, expansion of pipeline. Driving strategic partnering for greater market competitiveness
	Profit	(+)Rebound from the impact of investment restraint in the previous fiscal year, operational improvement, and expanded block storage sales	Profit	(+)Expansion of block storage sales, ongoing operational Improvement

(*1)[]: Estimated YoY changes excl. FX impact
(*2)Excluding the impact of the planned ATM business deconsolidation in FY2026, DSS revenue increased +6% YoY and IT Products revenue increased +15% YoY
(*3)HSD：High-Single Digits

Energy: Performance by Business Segment

Billions of yen	Q1 FY2026		YoY		FY2026		YoY		vs Previous Forecast	
	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA
Energy	911.9	129.0	+37%	+50.5	4,060.0	576.0	+26%	+159.9	+10%	+76.0
		14.2%	[+24%](*)	+240 bps		14.2%	[+21%]	+130 bps		+70 bps
Power Grids	867.8	125.4	+35%	+46.2	3,783.5	550.5	+26%	+154.0	+9%	+59.6
		14.4%		+200 bps		14.6%		+140 bps		+50 bps
Nuclear Energy	42.0	-	+58%	-	253.0	-	+20%	-	+10%	-
		-		-		-		-		-

			Q1 FY2026 Key Performance Drivers (YoY)	FY2026 Key Performance Drivers (YoY)
Power Grids (incl. Hitachi Energy)	By business	Revenue	(+) Continued solid execution of strong order backlog, particularly in large-scale projects and product businesses, and productivity improvements Results influenced by translation to yen	(+) Continued solid execution of strong order backlog, additional capacity, and ongoing productivity improvement Results influenced by translation to yen
		Profit	(+) Volume leverage, improved revenue profile, operational excellence, solid project execution, favorable mix, and expansion of Lumada business	(+) Volume leverage, improved revenue profile, operational excellence, solid project execution, favorable mix, and expansion of Lumada business
	By region	Revenue	(+) Expanded across all regions, primarily driven by Europe and North America	(+) Expected to remain strong in Europe and North America
Hitachi Energy		Revenue	5.40 BUSD (YoY: +0.99 BUSD / +22%)	23.65 BUSD (YoY: +3.88 BUSD / +20%)
		Adj. EBITA	0.80 BUSD (YoY: +0.24 BUSD)	3.50 BUSD (YoY: +0.86 BUSD)
		Adj. EBITA Margin	14.8% (YoY: +220 bps)	14.8% (YoY: +140 bps)
Nuclear Energy		Revenue	(+) Robust business performance of Japanese projects across multiple plants to comply with new regulatory requirements	(+) Robust business performance of Japanese projects across multiple plants to comply with new regulatory requirements

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

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Mobility: Performance by Business Segment

Billions of yen	Q1 FY2026 Revenue	Q1 FY2026 Adj. EBITA	YoY Revenue	YoY Adj. EBITA	FY2026 Revenue	FY2026 Adj. EBITA	YoY Revenue	YoY Adj. EBITA	vs Previous Forecast Revenue	vs Previous Forecast Adj. EBITA
Mobility	344.4	30.4	+21%	+8.7	1,450.0	136.0	+10%	+27.8	+7%	+9.0
		8.8%	[+8%](*)	+120 bps		9.4%	[+5%]	+120 bps		±0 bps
Mobility (excl. related cost)	344.4	32.7	+21%	+7.8	1,450.0	142.3	+10%	+20.7	+7%	+9.3
		9.5%		+80 bps		9.8%		+60 bps		(10) bps
Related cost(*)	-	(2.3)	-	+0.8	-	(6.3)	-	+7.1	-	(0.3)

			Q1 FY2026 Key Performance Drivers (YoY)	FY2026 Key Performance Drivers (YoY)
Mobility (excl. related cost)	**By business**	**Revenue**	(+) Solid Rail Vehicles business, Rail Control business, and FX effects	(+) Solid Rail Vehicles business; Impact of Clever Devices acquisition
		Profit	(+) Growth in Rail Vehicles business and Rail Control business, reduction of Thales acquisition related costs, and FX effects	(+) Profitability improvements of Rail Control business (including Lumada business) driven by favorable project mix and cost reduction
	By region	**Revenue**	(+) Expanded primarily in Europe	(+) Expanded across all regions, primarily in North America and Europe
	Former Thales GTS business (excl. related cost)		(+) Revenue: 96.7 bn yen Adj. EBITA: 11.4 bn yen Adj. EBITA Margin: 11.8%	(+) Revenue: 424.5 bn yen Adj. EBITA: 54.5 bn yen Adj. EBITA Margin: 12.8%

(*)[]: Estimated YoY changes excl. FX impact
(*)Related cost includes PMI related costs associated with acquisition

CI: Performance by Business Segment

Billions of yen	Q1 FY2026		YoY		FY2026		YoY		vs Previous Forecast	
	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA
CI	761.0	83.4 11.0%	+13% [+8%](*1)	+20.1 +160 bps	3,250.0	385.0 11.8%	+5%(*2) [+3%]	+44.6 +80 bps	+3%	+14.0 ±0 bps
Industrial Solutions	334.4	45.6 13.6%	+10%	+11.8 +250 bps	1,564.0	207.3 13.3%	+10%	+26.5 +60 bps	+2%	+11.9 +60 bps
Measurement & Analysis Systems	209.6	36.3 17.3%	+12%	+12.6 +470 bps	900.0	122.0 13.6%	+10%	+19.4 +110 bps	+3%	+11.9 +100 bps
Industrial Products	132.0	14.9 11.3%	+14%	+3.9 +190 bps	579.7	72.3 12.5%	+8%	+12.7 +150 bps	+3%	+1.9 ±0 bps
Urban Solutions & Services	338.8	29.8 8.8%	+15%	+5.0 +40 bps	1,294.5	149.6 11.6%	(3)%(*2)	+10.6 +120 bps	+4%	+5.6 ±0 bps
Building Systems	231.8	22.1 9.5%	+22%	+3.7 (20) bps	920.0	116.0 12.6%	+8%	+10.7 +30 bps	+6%	+6.4 ±0 bps

		Q1 FY2026 Key Performance Drivers (YoY)	FY2026 Key Performance Drivers (YoY)
Industrial Solutions	Revenue	(+) Expansion of Measurement & Analysis Systems (semiconductor manufacturing, measurement and inspection equipment, etc.)	(+) Expansion of Measurement & Analysis Systems (semiconductor manufacturing, measurement and inspection equipment, etc.)
	Profit	(+) Profit increase driven by higher revenue	(+) Profit increase driven by higher revenue
Industrial Products	Revenue	(+) Expansion of sales of new energy-efficiency standard-compliant distribution transformers	(+) Expansion of sales of new energy-efficiency standard-compliant distribution transformers and UPS (Uninterruptible Power Supply), including for data centers
	Profit	(+) Improvement in the product mix of distribution transformers (Sales expansion of new energy efficiency standard-compliant equipment), cost reduction	(+) Improvement in the product mix of distribution transformers (Sales expansion of new energy efficiency standard-compliant equipment), cost reduction
Urban Solutions & Services	Revenue	(+) Expansion of Building Services business (China), FX effects	(+) Expansion of Building Service business (China and Japan) and Commercial Air Conditioning business, FX effects (-) Impact of the capital reorganization of Home Appliance business
	Profit	(+) Expansion of Building Services business (China), FX effects	(+) Expansion of Building Service business (China and Japan), FX effects (-) Weaker demand for new elevator and escalator installations (China), impact of the capital reorganization of Home Appliance business

(*1)[]: Estimated YoY changes excl. FX impact
(*2)The Home Appliance business included in Urban Solutions & Services is scheduled to be deconsolidated within FY2026.
Excluding the impact of the deconsolidation of the Home Appliances business, CI revenue is expected to increase YoY +9% and Urban Solutions & Services BU revenue YoY +6%

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Lumada Business Expansion: Accelerating HMAX Scale-up

- ✓ Q1 Lumada revenue increased by +31% YoY across all sectors; HMAX revenue progress is at 22%
- ✓ Full-year revenue forecasts for Lumada and HMAX were revised upward, leading the increase in the Hitachi Group's full-year guidance

Q1 FY2026

Lumada		HMAX
Revenue	Revenue Ratio	Revenue
1,144.0 bn yen (YoY +31%)	43%	111.0 bn yen (Progress Rate: 22%)

Lumada business revenue

	Revenue (bn yen)	Progress Rate	Revenue ratio
Lumada	1,144.0	23%	43%
Digital Services	547.0	23%	21%
HMAX	111.0	22%	4%
Digitalized Assets	597.0	22%	23%

Lumada business – Revenue by Sector

	Revenue (bn yen)	YoY	Revenue ratio(*)
DSS	508.0	+27%	72%
Energy	216.0	+34%	24%
Mobility	116.0	+21%	34%
CI	348.0	+39%	49%

FY2026

Lumada			HMAX	
Revenue	Revenue Ratio	Adj. EBITA Margin	Revenue	Adj. EBITA Margin
Raised 5,060.0 bn yen (YoY +22%)	44%	17%	Raised 505.0 bn yen (YoY +68%)	22%

Lumada business revenue

	Revenue (bn yen)	YoY	Revenue Ratio	Adj. EBITA Margin
Lumada	5,060.0	+22%	44%	17%
Digital Services	2,380.0	+31%	21%	20%
HMAX	505.0	+68%	4%	22%
Digitalized Assets	2,680.0	+15%	23%	14%

Lumada business – Revenue by Sector

	Revenue (bn yen)	YoY	Revenue ratio(*)
DSS	2,223.0	+19%	70%
Energy	960.0	+22%	24%
Mobility	497.0	+13%	34%
CI	1,443.0	+17%	46%

(*)Each sector is calculated based on its respective revenue. For DSS and CI, figures are calculated based on revenue excluding certain restructuring businesses

Contents

Consolidated Total: Performance by Business Segment

Billions of yen	Q1 FY2026		YoY		FY2026		YoY		vs Previous Forecast	
	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA	Revenue	Adj. EBITA
DSS	719.0	85.5	+11%	+14.1	3,220.0	508.0	+5%	+30.8	+1%	+8.0
		11.9%	[+7%](*)	+80 bps		15.8%	[+3%]	+30 bps		+10 bps
Energy	911.9	129.0	+37%	+50.5	4,060.0	576.0	+26%	+159.9	+10%	+76.0
		14.2%	[+24%]	+240 bps		14.2%	[+21%]	+130 bps		+70 bps
Mobility	344.4	30.4	+21%	+8.7	1,450.0	136.0	+10%	+27.8	+7%	+9.0
		8.8%	[+8%]	+120 bps		9.4%	[+5%]	+120 bps		±0 bps
CI	761.0	83.4	+13%	+20.1	3,250.0	385.0	+5%	+44.6	+3%	+14.0
		11.0%	[+8%]	+160 bps		11.8%	[+3%]	+80 bps		±0 bps
Others	123.4	4.5	+2%	+0.6	500.0	11.0	(6)%	(11.9)	+5%	+1.0
		3.6%	[+2%]	+40 bps		2.2%	[(6)%]	(210) bps		+10 bps
Corporate items & Elimination	(150.3)	(9.5)	-	(8.2)	(780.0)	(96.0)	-	(42.8)	-	(8.0)
Consolidated Total	2,709.5	323.5	+20%	+86.0	11,700.0	1,520.0	+11%	+208.5	+5%	+100.0
		11.9%	[+12%]	+140 bps		13.0%	[+7%]	+60 bps		+20 bps

(*)[ ]: Estimated YoY changes excl. FX impacts
For details of EBIT, EBITDA, etc. for each sector, refer to "Supplemental Material" for the relevant quarter

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Summary of Consolidated Statement of Profit & Loss

Billions of yen	Q1 FY2025	Q1 FY2026	YoY	FY2025	FY2026	YoY	vs Previous Forecast
Revenue	2,258.3	2,709.5	+20%	10,586.7	11,700.0	+11%	+5%
Adj. Operating Income	211.0	294.2	+83.2	1,199.2	1,408.0	+208.7	+93.0
Acquisition-related amortization to be added back	+26.5	+29.2	+2.7	+112.1	+112.0	(0.1)	+7.0
Adjusted EBITA	237.5	323.5	+86.0	1,311.4	1,520.0	+208.5	+100.0
Acquisition-related amortization	(26.5)	(29.2)	(2.7)	(112.1)	(112.0)	+0.1	(7.0)
Equity in earnings of affiliates	+7.5	+2.8	(4.7)	+44.1	+5.0	(39.1)	(1.0)
Net gain on business reorganization and others	+1.2	(0.3)	(1.6)	+131.8	(63.0)(*)	(93.6)	(17.0)
Structural reform expenses(*)	(9.9)	(9.2)	+0.7	(167.6)			
Others	+63.8	+6.5	(57.2)	+66.4			
EBIT	273.7	294.1	+20.3	1,274.0	1,350.0	+75.9	+75.0
Interest	(1.6)	+0.9	+2.6	(0.9)	(15.0)	(14.0)	+3.0
Income taxes [Effective income tax rate]	(71.6)	(91.9)	(20.3)	(421.6) [33.1%]	(375.0) [28.1%]	+46.6	(22.0)
Deduction for non-controlling interests	(8.2)	(13.6)	(5.4)	(49.0)	(60.0)	(10.9)	(6.0)
Net income attributable to Hitachi, Ltd. shareholders	192.2	189.4	(2.7)	802.3	900.0	+97.6	+50.0

(*)Structural reform expenses include impairment loss and special severance pay
(*)Figures for FY2026 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

FY2026 Full-Year Outlook: YoY Variance Analysis

Billions of yen		FY2026 Forecast											
		Q1				Q2-Q4				Full-Year			
		Actual	YoY	Special Items	Normalized Basis(*)	Forecast	YoY	Special Items	Normalized Basis	Forecast	YoY	Special Items	Normalized Basis
Revenue	**Consolidated Total(*)**	**2,709.5**	**+451.2** **+20%**	**+216.5**	**+234.7** **+10%**	**8,990.4**	**+661.9** **+8%**	**(10.1)**	**+672.0** **+8%**	**11,700.0**	**+1,113.2** **+11%**	**+206.4**	**+906.8** **+9%**
	DSS	719.0	+72.2 +11%	+42.5	+29.7 +5%	2,500.9	+79.3 +3%	(60.6)	+140.0 +6%	3,220.0	+151.6 +5%	(18.1)	+169.7 +6%
	Energy	911.9	+244.3 +37%	+85.4	+158.9 +24%	3,148.0	+595.7 +23%	+80.8	+514.9 +20%	4,060.0	+840.0 +26%	+166.2	+673.8 +21%
	Mobility	344.4	+59.0 +21%	+52.1	+6.8 +2%	1,105.5	+69.4 +7%	+47.5	+21.8 +2%	1,450.0	+128.4 +10%	+99.6	+28.7 +2%
	CI	761.0	+89.5 +13%	+51.5	+38.0 +6%	2,488.9	+74.4 +3%	(68.5)	+142.9 +6%	3,250.0	+163.9 +5%	(17.0)	+181.0 +6%
Adj. EBITA	**Consolidated Total**	**323.5**	**+86.0**	**+34.2**	**+51.8**	**1,196.4**	**+122.5**	**(54.6)**	**+177.2**	**1,520.0**	**+208.5**	**(20.5)**	**+229.1**
	DSS	85.5	+14.1	+9.5	+4.5	422.4	+16.7	(18.6)	+35.4	508.0	+30.8	(9.1)	+40.0
	Energy	129.0	+50.5	+16.8	+33.7	446.9	+109.4	+4.3	+105.0	576.0	+159.9	+21.1	+138.7
	Mobility	30.4	+8.7	+8.6	±0.0	105.5	+19.1	+9.3	+9.8	136.0	+27.8	+17.9	+9.8
	CI	83.4	+20.1	+13.7	+6.4	301.5	+24.4	(1.0)	+25.5	385.0	+44.6	+12.6	+32.0
Adj. EBITA Margin	**Consolidated Total**	**11.9%**	**+140 bps**	**-**	**+110 bps**	**13.3%**	**+40 bps**	**-**	**+100 bps**	**13.0%**	**+60 bps**	**-**	**+100 bps**
	DSS	11.9%	+80 bps		+10 bps	16.9%	+10 bps		+40 bps	15.8%	+30 bps		+50 bps
	Energy	14.2%	+240 bps		+180 bps	14.2%	+100 bps		+120 bps	14.2%	+130 bps		+130 bps
	Mobility	8.8%	+120 bps		(10) bps	9.5%	+120 bps		+80 bps	9.4%	+120 bps		+50 bps
	CI	11.0%	+160 bps		+40 bps	12.1%	+60 bps		+30 bps	11.8%	+80 bps		+40 bps

(*)Normalized Basis: Excludes the impacts of FX fluctuations, business reorganization, and one-off factors, including large one-off projects, timing shifts in large order recognition, etc.

(*)Consolidated Total: Includes the figures other than 4 sectors, such as corporate strategic investments

Progress of Alliances and Partnerships

※Major alliances and partnerships announced since FY2025 earnings announcement
(Company names in alphabetical order from top left)

Anthropic LINK

Hitachi announces strategic partnership with Anthropic to strengthen "Lumada 3.0" through frontier AI

- Accelerating AX through the Integration of Anthropic's Claude and Hitachi's Capabilities
- Accelerating Value Creation through the Frontier AI Deployment Center
- Enterprise-wide Transformation at Hitachi
- Advancing HMAX through frontier AI

Bosch Home Comfort Group LINK

Collaboration on intelligent connectivity and diagnostic solutions for commercial air conditioning based on "HMAX for Buildings"

- Collaboration combining domain knowledge of both companies and advanced AI, based on "HMAX for Buildings," a next-generation suite of solutions of Hitachi in the building management area
- Accelerating global expansion by maximizing lifetime value of equipment in mission-critical facilities requiring continuous operation, such as office buildings, commercial complexes, universities, hospitals, and factories

Google Cloud LINK

Hitachi and Google Cloud expand strategic alliance to accelerate real-world deployment of physical AI through FDE and advanced cybersecurity solutions

- Accelerating Physical AI Deployment through the Enhancement of FDEs Capabilities
- Advancing Solutions to Frontline Challenges through HMAX Enhancement
- Next Generation Cybersecurity for AI Era Threats

Intel LINK

Hitachi and Intel announce strategic collaboration to accelerate AI transformation across key industries

- Combining Hitachi's information technology (IT) expertise, deep operational technology (OT) and product manufacturing knowledge with Intel's advanced computing capabilities and silicon-based platforms to develop next-generation compute capabilities and industry solutions

NVIDIA LINK

Hitachi and NVIDIA collaborate to advance HMAX and enable end-to-end autonomous operations through the integrated control of physical AI

- Developing open and sovereign-enabled multi-agent orchestration technology to optimize the overall operations at industrial sites
- Connecting Hitachi's social infrastructure intelligence platform "IWIM" with NVIDIA Cosmos world foundation model to enable safe and secure control
- Accelerating real-world implementation through Hitachi's Physical AI FDE (Forward Deployed Engineer) Team

OpenAI LINK

Hitachi expands its work with OpenAI to accelerate AI-driven modernization and cybersecurity

- Establishing and providing an AI modernization approach
- Validating and strengthening next-generation cybersecurity capabilities
- Developing practical FDE capabilities and enhancing HMAX

thyssenkrupp AG LINK

GlobalLogic forge strategic alliance to accelerate industrial transformation through Physical AI

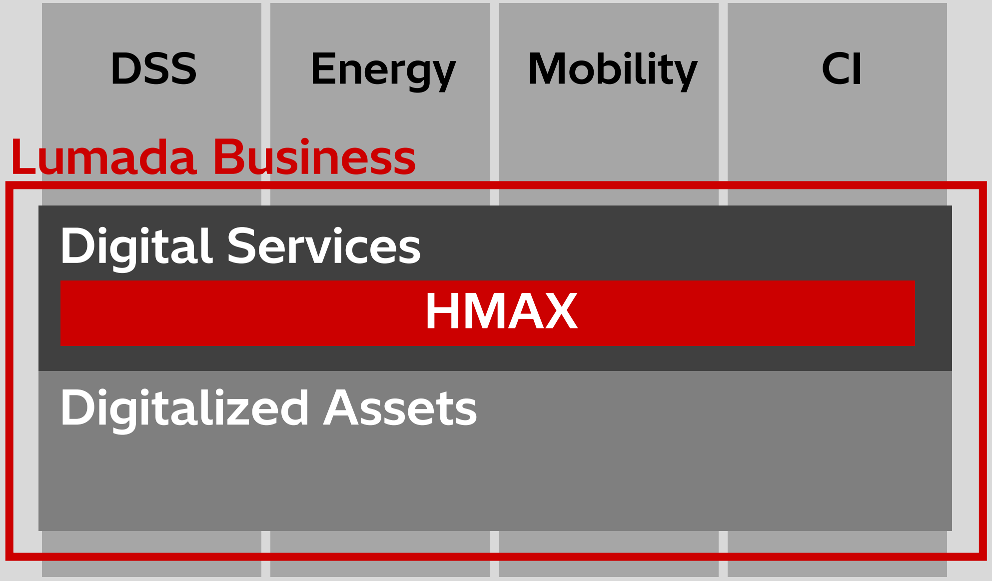
- GlobalLogic and thyssenkrupp agree to a strategic partnership to deploy autonomous robotics and Physical AI across global heavy industry operations.
- Physical AI solutions designed to eliminate engineering bottlenecks, protect frontline workers, and accelerate green energy project delivery at scale.

Our Ambition / Lumada and HMAX

Our Ambition :

To be a global leader
in continuously transforming social
infrastructure through digital

Business Structure to Achieve Our Ambition



Aspirations of Inspire 2027

"Contribute to a harmonized society by True One Hitachi and grow sustainably"

- ✓ "Lumada," which leverages Hitachi's unique strength in combining IT, OT, and products, helps solve social issues and achieve sustainable growth as a global leader in continuously transforming social infrastructure through digital

Lumada (since 2016)

- ✓ Lumada is the collective term for Hitachi's advanced digital technologies—solutions, services, and technologies—designed to extract value from customer data and accelerate digital innovation
- ✓ Positioning Hitachi's broad installed base of products and systems as "Digitalized Assets" that generate data and operational expertise, we provide "Digital Services" that transform collected data into value

HMAX

- ✓ A suite of next-generation solutions that brings the power of AI to social infrastructure
- ✓ To be classified as an "HMAX Service," a solution must meet these three criteria:
  1) HMAX uses data from Digitalized Assets (e.g. Infrastructure, factories, etc.)
  2) HMAX is powered by domain knowledge by AI as Enablers
  3) HMAX is "recurring" Digital Services

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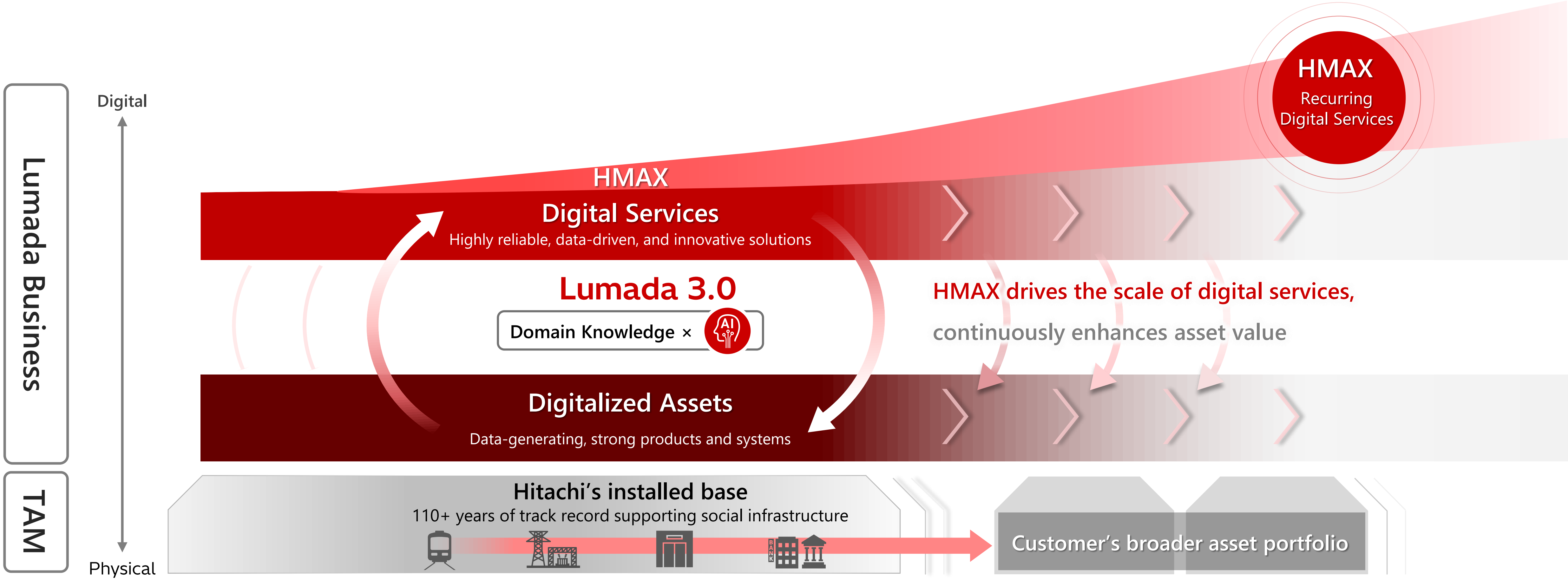
Lumada Business Growth Model

- ✓ Hitachi's strength in physical-digital integration forged in the mission-critical social infrastructure business
- ✓ Lumada growth model evolved through co-creation with customers and partners
- ✓ Driving Lumada business growth by scaling "HMAX" recurring Digital Services across customer assets



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

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HMAX by Hitachi: Next-generation Solution Suite Innovating Social Infrastructure Enabled by AI

- ✓ HMAX is a recurring service included in Lumada Digital Services
- ✓ We provide high-value-added services by combining AI and frontline / on-site data with our 110 years of domain expertise in developing and operating mission-critical social infrastructure
- ✓ A common three-layer architecture enables broad scaling, beyond our own installed base

Lumada Growth Model

Lumada Business

- HMAX
- Digital Services
- Domain knowledge × AI
- Digitalized Assets

TAM

- Installed Base

Value Proposition of HMAX

HMAX Energy

Supports securely extending asset life, increasing operational efficiency, and strengthening grid reliability for power infrastructure

up to 60% reduction
In revenue loss from equipment downtime

- Manufacturing and maintenance of power transmission and distribution equipment (transformers, switchgear)
- Integration of large-scale power transmission and distribution systems (HVDC, etc.)

× AI

Installed base of power transmission and distribution equipment

240BUSD

HMAX Mobility

Optimizing asset lifecycle and operational efficiency through optimal parts replacement, maintenance crew dispatch, cost reduction, and work-style reform

up to 15% reduction
in maintenance costs

- Manufacturing and O&M of rail vehicles
- Manufacturing and O&M of signaling systems
- Traffic management systems

× AI

Rail vehicles and signaling systems

Rail vehicles in operation around the globe: **＞16,000**

Railways installed with our signaling systems: **＞30,000km**

HMAX Industry

Driving innovation for frontline workers and improving well-being through equipment failure diagnostics, predictive maintenance, line optimization, etc.

Rapid diagnostics/recommendation by AI agent
90%+ accuracy within **10 seconds**

- Manufacturing and maintenance of products supporting foundations of social infra. and manufacturing (measuring/analytical instruments, compressors, air conditioning)
- Field engineering for mission-critical infrastructure, buildings, etc.

× AI

Elevators, air compressors, and marking systems

Installed base of elevators and escalators: **＞1,950K** units

Active installed base of air compressors: **＞200K** units

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Notes

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Items	Contents
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.
DSS / CI	Digital Systems & Services / Connective Industries

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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 document.

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 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 document 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.

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