1. Qualitative Information Concerning Consolidated Business Results

(1) Summary of Fiscal 2015 Third Quarter (Nine Months Ended December 31, 2015) Consolidated Business Results

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Revenues	7,230.2	4%	59,754
Adjusted operating income	408.3	+14.2	3,375
EBIT	410.9	+31.8	3,396
Income from continuing operations, before income taxes	400.5	+31.9	3,311
Income from continuing operations	283.9	+8.7	2,346
Loss from discontinued operations	(14.4)	+10.0	(119)
Net income	269.4	+18.7	2,227
Net income attributable to Hitachi, Ltd. stockholders	172.9	+10.5	1,429

During the nine-month period ended December 31, 2015, the global economy remained largely flat, mainly due to an ongoing deceleration in economic growth in China, which is attributable to the slowdown in investment and production primarily in the manufacturing industry, which is saddled with excessive production capacity, along with sluggish economic growth in emerging countries in the wake of the impact of low crude oil and resource prices. On the other hand, the U.S. economy has continued to recover, supported by improving employment and income levels. The European economy bottomed out and, with support from quantitative easing, has returned to a recovery path. Meanwhile, the Japanese economy saw a slower pace of recovery mainly due to lackluster growth in production, which principally reflected a decrease in exports to China. This was despite continued recovery in corporate earnings.

Hitachi’s consolidated revenues for the nine-month period ended December 31, 2015 increased 4% year over year, to 7,230.2 billion yen. The increase resulted mainly from higher revenues in the following segments: the Social Infrastructure & Industrial Systems Segment, which saw an increase in revenues attributed mainly to the acquisition of the majority of the Signalling and Rolling Stock operations of Finmeccanica S.p.A. of Italy in November 2015; the Information & Telecommunication Systems Segment, which saw a solid performance in its system solutions business centered on financial systems; the High Functional Materials & Components Segment, which saw a steady performance mainly in North America as a result of the acquisition of Waupaca Foundry Holdings, Inc., a major U.S. iron casting company, by Hitachi Metals, Ltd. in November 2014 and the Automotive Systems Segment, which saw growth in sales given the steady demand for automobiles in North America.

The adjusted operating income, one of the KPIs by which Hitachi measures its business, exhibited record high performance, increasing 14.2 billion yen year over year to 408.3 billion yen. The increase was mainly due to higher earnings in line with the increased revenues in the Information & Telecommunication Systems Segment, the High

Functional Materials & Components Segment, the Automotive Systems Segment, and certain other segments.

EBIT showed record high performance, increasing 31.8 billion yen year over year to 410.9 billion yen. This increase was mainly due to higher earnings in the High Functional Materials & Components Segment, the Automotive Systems Segment, the Smart Life & Ecofriendly Systems Segment, and certain other segments, which are attributable in part to the increase in adjusted operating income gains recorded from the sale of the company's equity interest in Hitachi Tool Engineering, Ltd. by Hitachi Metals, Ltd., and the recording of earnings that resulted from the reorganization of the air-conditioning business.

Income from continuing operations, before income taxes, increased 31.9 billion yen year over year to 400.5 billion yen. After deducting corporate income taxes of 116.6 billion yen, Hitachi posted net income from continuing operations of 283.9 billion yen, up 8.7 billion yen year over year. Net income after deducting loss from discontinued operations of 14.4 billion yen was 269.4 billion yen, up 18.7 billion yen year over year. After deducting net income attributable to non-controlling interests of 96.5 billion yen, Hitachi posted net income attributable to Hitachi, Ltd. stockholders of 172.9 billion yen, an increase of 10.5 billion yen year over year.

(2) Revenues, Adjusted Operating Income and EBIT by Segment

Results by segment were as follows:

[Information & Telecommunication Systems]

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Revenues	1,501.6	6%	12,410
Adjusted operating income	77.4	+10.0	640
EBIT	70.6	+7.2	584

The segment recorded revenues of 1,501.6 billion yen, an increase of 6% year over year, mainly reflecting a strong performance in the system solutions business, which is centered on financial systems, and an increase in revenues in the storage solutions business due to foreign exchange movements.

The adjusted operating income was 77.4 billion yen, an increase of 10.0 billion yen year over year, mainly reflecting a strong performance in the system solutions business that is being reinforced. This was despite lower earnings in the telecommunications & network business, resulting mainly from reductions in capital investment by Japanese telecommunications carriers as well as a decline in demand for high-end storage in North America.

EBIT increased 7.2 billion yen year over year to 70.6 billion yen, despite the costs recorded for business structure reforms centered on the IT platform business. This increase is attributable mainly to higher adjusted operating income.

[Social Infrastructure & Industrial Systems]

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Revenues	1,514.4	9%	12,516
Adjusted operating income	36.0	(6.1)	298
EBIT	33.8	(16.6)	280

Segment revenues were 1,514.4 billion yen, up 9% year over year. This increase was due mainly to solid performance by the elevator and escalator business, in addition to the significant increase in revenues from the rail systems business, which was attributable to the acquisition of the majority of the Signalling and Rolling Stock operations of Finmeccanica S.p.A. of Italy.

The adjusted operating income was 36.0 billion yen, a decrease of 6.1 billion yen year over year, mainly reflecting the increase in losses of certain overseas projects in the infrastructure systems business. This was despite higher earnings in the rail systems business and the elevator and escalator business in line with the increased revenues.

EBIT decreased 16.6 billion yen year over year to 33.8 billion yen. This decrease was due mainly to the decrease in earnings of an equity-method company in the power systems business, in addition to the decline in adjusted operating income.

Note: Effective on April 1, 2015, the "Power Systems" became part of the "Social Infrastructure & Industrial Systems." Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

[Electronic Systems & Equipment]

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Revenues	808.1	3%	6,679
Adjusted operating income	43.9	+0.5	363
EBIT	47.1	+4.9	390

Segment revenues increased 3% year over year to 808.1 billion yen. This result mainly reflected a strong performance by semiconductor manufacturing systems at Hitachi Kokusai Electric Inc., as well as firm sales of electron microscopes and medical analysis systems at Hitachi High-Technologies Corporation.

The adjusted operating income was 43.9 billion yen, a year over year increase of 0.5 billion yen. This increase mainly reflected higher earnings at Hitachi Kokusai Electric Inc. in line with the increased revenues. This was despite the lower earnings at Hitachi Koki Co., Ltd., which were attributable to the negative impact of the weaker euro and a slowdown in the Russian market, and at Hitachi High-Technologies Corporation, which experienced a decline in sales of highly profitable systems.

EBIT increased 4.9 billion yen year over year to 47.1 billion yen. This increase was due mainly to higher earnings at Hitachi Kokusai Electric Inc. in line with the increased adjusted operating income, as well as higher earnings at Hitachi High-Technologies Corporation, which is temporarily recording earnings in line with the shift to a defined contribution pension system.

[Construction Machinery]

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Revenues	549.1	(5%)	4,538
Adjusted operating income	14.3	(27.7)	118
EBIT	5.4	(37.2)	45

Segment revenues decreased 5% year over year to 549.1 billion yen, mainly reflecting sluggish market conditions in Asia, including China, as well as Oceania, and Russia-CIS.

The adjusted operating income was 14.3 billion yen, a decrease of 27.7 billion yen year over year. The decrease was due mainly to the higher ratio of low-margin compact models in the product lines, attributable to exhaust emission regulations in Japan, a change in the model mix of products for China, and to disposal of inventories due to the long-term stagnation of the market, as well as lower revenues.

EBIT was 5.4 billion yen, a year over year decrease of 37.2 billion yen. This mainly reflected foreign exchange losses attributed to the depreciation of emerging –market currencies and the cost related to business structure reforms as well as the decline in adjusted operating income.

[High Functional Materials & Components]

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Revenues	1,188.2	8%	9,820
Adjusted operating income	93.2	+7.7	771
EBIT	119.5	+34.0	988

Segment revenues increased 8% year over year to 1,188.2 billion yen. This result mainly reflected the acquisition of Waupaca Foundry Holdings, Inc., a major U.S. iron casting company, by Hitachi Metals, Ltd., and increases in automotive-related products primarily in North America.

The adjusted operating income increased 7.7 billion yen year over year to 93.2 billion yen, mainly reflecting the increase in revenues and benefits achieved from business structure reforms.

EBIT was 119.5 billion yen, up 34.0 billion yen year over year, mainly due to gains recorded on the sale of equity interest in Hitachi Tool Engineering, Ltd. by Hitachi Metals, Ltd., as well as an increase in adjusted operating income.

[Automotive Systems]

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Revenues	741.5	9%	6,128
Adjusted operating income	41.0	+5.7	340
EBIT	39.5	+14.4	326

The segment recorded revenues of 741.5 billion yen, up 9% year over year, due mainly to further growth in sales driven by robust demand for automobiles in the North American and Chinese markets.

The adjusted operating income was 41.0 billion yen, up 5.7 billion yen year over year, due mainly to the increase in revenues.

EBIT was 39.5 billion yen, up 14.4 billion yen year over year. This was mainly the result of the increase in adjusted operating income and the absence of costs for expenses related to competition law and others recorded during the same period last year.

[Smart Life & Ecofriendly Systems]

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Revenues	539.0	(3%)	4,455
Adjusted operating income	17.5	(2.7)	145
EBIT	34.8	+9.0	288

Segment revenues decreased 3% year over year to 539.0 billion yen. This decrease mainly reflects the impact of the reorganization of the air-conditioning business, which involved the establishment of a joint venture with Johnson Controls Inc., a corporation headquartered in the United States.

The adjusted operating income was 17.5 billion yen, down 2.7 billion yen year over year. This decrease mainly reflects the decline in revenues in line with the reorganization of the air-conditioning business.

EBIT increased 9.0 billion yen to 34.8 billion yen, due mainly to earnings recorded as a result of the reorganization of the air-conditioning business.

[Others (Logistics and Other Services)]

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Revenues	935.6	(1%)	7,733
Adjusted operating income	38.6	+12.1	320
EBIT	38.1	+10.6	315

Segment revenues were 935.6 billion yen, down 1% year over year, due mainly to a decrease in revenues from the optical disk drive business attributable to the impact of reduced demand. This was despite the solid performance of Hitachi Transport System, Ltd.

The adjusted operating income was 38.6 billion yen, an increase of 12.1 billion yen year over year. This was mainly due to improved profitability in the Third Party Logistics business of Hitachi Transport System, Ltd.

EBIT increased 10.6 billion yen year over year to 38.1 billion yen, mainly reflecting the higher earnings at Hitachi Transport System, Ltd. in line with the increase in adjusted operating income.

[Financial Services]

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Revenues	272.9	3%	2,256
Adjusted operating income	34.4	+5.7	285
EBIT	35.7	+7.4	296

Segment revenues increased 3% year over year to 272.9 billion yen. This result mainly reflected a strong performance by business overseas, particularly in the Americas.

The adjusted operating income increased 5.7 billion yen year over year to 34.4 billion yen, mainly reflecting the higher revenues and the benefits of progress made on business structure reforms.

EBIT increased 7.4 billion yen year over year to 35.7 billion yen, due in part to the increase in adjusted operating income.

(3) Revenues by Market

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change	U.S. dollars (millions)
Japan	3,609.6	(1%)	29,832
Outside Japan	3,620.6	10%	29,922
Asia	1,640.1	2%	13,555
North America	961.1	30%	7,943
Europe	680.7	9%	5,626
Other Areas	338.5	0%	2,798

Revenues in Japan were 3,609.6 billion yen, down 1% year over year. This was due mainly to lower sales in the High Functional Materials & Components Segment and the Automotive Systems Segment, despite higher revenues in the Information & Telecommunication Systems Segment, the Social Infrastructure & Industrial Systems Segment, and certain other segments.

Overseas revenues increased 10% year over year to 3,620.6 billion yen. In addition to the yen’s depreciation, this result mainly reflects increased revenues in the High Functional Materials & Components Segment, which acquired Waupaca Foundry Holdings, Inc., a major U.S. iron casting company, the Social Infrastructure & Industrial Systems Segment, which acquired the majority of the Signalling and Rolling Stock operations of Finmeccanica S.p.A. of Italy, the Automotive Systems Segment, the Information & Telecommunication Systems Segment, and certain other segments.

As a result, the ratio of overseas revenues to consolidated revenues was a record high performance of 50%, 2 points higher than the same period last year.

(4) Capital Expenditures, Depreciation and R&D Expenditures

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Capital expenditures [Manufacturing, Services and Others]	283.6	+32.4	2,344
Depreciation [Manufacturing, Services and Others]	213.6	+12.5	1,766
R&D expenditures	246.5	+1.2	2,037

Note: From the first quarter of fiscal 2015, capital expenditures including figures for the previous fiscal year are stated exclusive of investment in lease assets classified as a finance lease, which was previously included in capital expenditures.

Capital expenditures in Manufacturing, Services and Others were 283.6 billion yen, up 32.4 billion yen year over year, due mainly to continued investments made to strengthen the expansion of the Social Innovation Business globally.

Depreciation in Manufacturing, Services and Others increased 12.5 billion yen year over year to 213.6 billion yen.

Including Financial Services, capital expenditures were 374.8 billion yen, while depreciation was 271.7 billion yen.

R&D expenditures were 246.5 billion yen, mostly unchanged from the same period last year, despite the execution of investments in research and development to strengthen the Social Innovation Business. This is due mainly to the stricter selection of development projects.

2. Financial Position

(1) Financial Position

	As of December 31, 2015		
	Yen (billions)	Change from March 31, 2015 (billion yen)	U.S. dollars (millions)
Total assets	12,823.0	+389.3	105,975
Total liabilities	8,420.8	+283.4	69,594
Interest-bearing debt	3,909.9	+352.6	32,314
Total Hitachi, Ltd. stockholders' equity	2,988.7	+46.4	24,700
Non-controlling interests	1,413.4	+59.3	11,681
Total Hitachi, Ltd. stockholders' equity ratio	23.3%	0.4 points decrease	-
D/E ratio (including non-controlling interests)	0.89 times	0.06 points increase	-

[Manufacturing, Services and Others]

	As of December 31, 2015		
	Yen (billions)	Change from March 31, 2015 (billion yen)	U.S. dollars (millions)
Total assets	10,160.2	+175.7	83,969
Total liabilities	6,097.5	+85.0	50,393
Interest-bearing debt	1,780.3	+152.6	14,713
Total Hitachi, Ltd. stockholders’ equity	2,797.9	+37.5	23,124
Non-controlling interests	1,264.7	+53.1	10,452
Cash Conversion Cycle	73.6 days	8.2 days improve	-
Total Hitachi, Ltd. stockholders’ equity ratio	27.5%	0.1 points decrease	-
D/E ratio (including non-controlling interests)	0.44 times	0.03 points increase	-

Total assets in Manufacturing, Services and Others as of December 31, 2015 increased 175.7 billion yen from March 31, 2015, to 10,160.2 billion yen. This mainly reflected the acquisition of the majority of the Signalling and Rolling Stock operations of Finmeccanica S.p.A. of Italy and the acquisition by U.S.-based Hitachi Data Systems Corporation of Pentaho Corporation, which is developing Big Data analysis software. Interest-bearing debt in Manufacturing, Services and Others increased 152.6 billion yen from March 31, 2015, to 1,780.3 billion yen. As of December 31, 2015, total Hitachi, Ltd. stockholders’ equity in Manufacturing, Services and Others increased 37.5 billion yen from March 31, 2015, to 2,797.9 billion yen. As a result, the total Hitachi, Ltd. stockholders’ equity ratio in Manufacturing, Services and Others was 27.5% and the debt-to-equity ratio, including non-controlling interests, was 0.44 times. The Cash Conversion Cycle in Manufacturing, Services and Others improved 8.2 days from March 31, 2015 to 73.6 days. This was mainly the result of strengthening the company’s ability to collect trade receivables promptly and decreasing inventories, despite impacts of business reorganization.

[Financial Services]

	As of December 31, 2015		
	Yen (billions)	Change from March 31, 2015 (billion yen)	U.S. dollars (millions)
Total assets	3,186.0	+232.3	26,331
Total liabilities	2,836.5	+219.7	23,443
Interest-bearing debt	2,390.8	+252.1	19,759
Total Hitachi, Ltd. stockholders' equity	201.0	+5.7	1,662
Non-controlling interests	148.3	+6.8	1,226
Total Hitachi, Ltd. stockholders' equity ratio	6.3%	0.3 points decrease	-
D/E ratio (including non-controlling interests)	6.84 times	0.49 points increase	-

Total assets in Financial Services as of December 31, 2015 increased 232.3 billion yen from March 31, 2015 to 3,186.0 billion yen. This mainly reflected increases in trade receivables and lease receivables in line with business expansion, primarily overseas. Interest- bearing debt in Financial Services increased 252.1 billion yen from March 31, 2015 to 2,390.8 billion yen, due mainly to an increase in demand for funds in line with business expansion. As of December 31, 2015, total Hitachi, Ltd. stockholders' equity in Financial Services increased 5.7 billion yen from March 31, 2015, to 201.0 billion yen. As a result, the total Hitachi, Ltd. stockholders' equity ratio in Financial Services was 6.3% and the debt-to-equity ratio, including non-controlling interests, was 6.84 times.

(2) Cash Flows

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Cash flows from operating activities	386.3	+272.0	3,193
Cash flows from investing activities	(552.9)	(122.3)	(4,570)
Free cash flows	(166.5)	+149.6	(1,376)
Core free cash flows	(117.5)	+211.5	(971)
Cash flows from financing activities	228.6	(203.0)	1,890

Note: "Core free cash flows" are operating cash flows plus collection of investments in leases less cash outflows for the purchase of property, plants and equipment, intangible assets, software, and the assets to be leased.

Cash Flows [Manufacturing, Services and Others]

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Cash flows from operating activities	446.4	+183.2	3,689
Cash flows from investing activities	(400.5)	(83.2)	(3,310)
Free cash flows	45.8	+99.9	379
Core free cash flows	102.6	+156.4	848
Cash flows from financing activities	23.4	(126.7)	(194)

Operating activities in Manufacturing, Services and Others provided net cash of 446.4 billion yen, 183.2 billion yen more than in the same period last year. This increase mainly reflected the progress made in collecting trade receivables and decreasing inventories. Investing activities in Manufacturing, Services and Others used net cash of 400.5 billion yen, 83.2 billion yen more than in the same period last year. This increase mainly reflected the acquisition of the majority of the Signalling and Rolling Stock operations of Finmeccanica S.p.A. of Italy and the acquisition by U.S.-based Hitachi Data Systems Corporation of Pentaho Corporation, which is developing Big Data analysis software. Free cash flows in Manufacturing, Services and Others, the sum of cash flow from operating and investing activities, were positive 45.8 billion yen, an increase of 99.9 billion yen year over year. Core free cash flows in Manufacturing, Services and Others were positive 102.6 billion yen, 156.4 billion yen more than in the same period last year. Financing activities in Manufacturing, Services and Others provided net cash of 23.4 billion yen, 126.7 billion yen less than in the same period last year.

[Financial Services]

	Nine months ended December 31, 2015		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Cash flows from operating activities	(47.2)	+64.4	(391)
Cash flows from investing activities	(150.7)	(22.7)	(1,246)
Free cash flows	(198.0)	+41.7	(1,637)
Core free cash flows	(229.0)	+25.5	(1,893)
Cash flows from financing activities	243.0	(15.9)	2,008

Operating activities in Financial Services used net cash of 47.2 billion yen, a spending decrease of 64.4 billion yen year over year. Investing activities in Financial Services used net cash of 150.7 billion yen, 22.7 billion yen more than in the same period last year. This mainly reflected the acquisition of assets related primarily to the environment and renewable energy. Free cash flows in Financial Services, the sum of cash flows from operating activities and investing activities, were negative 198.0 billion yen, a spending decrease of 41.7 billion yen year over year. Core free cash flows in Financial Services were negative 229.0 billion yen, a spending decrease of 25.5 billion yen year over year. Financing activities in Financial Services provided net cash of 243.0 billion yen, 15.9 billion yen less than in the same period last year.

As a result, operating activities for the first nine months of fiscal 2015 provided net cash of 386.3 billion yen, 272.0 billion yen more than in the same period last year. Investing activities used net cash of 552.9 billion yen, 122.3 billion yen more than in the same period last year. Free cash flows were negative 166.5 billion yen, 149.6 billion yen less than in the same period last year. Core free cash flows were negative 117.5 billion yen, a spending decrease of 211.5 billion yen year over year. Financing activities provided net cash of 228.6 billion yen, 203.0 billion yen less than in the same period last year.

The net result was an increase of 34.4 billion yen in cash and cash equivalents to 736.1 billion yen as of December 31, 2015.

3. Outlook for Fiscal 2015

	Year ending March 31, 2016		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Revenues	9,950.0	2 %	82,231
Adjusted operating income	630.0	(11.3)	5,207
EBIT	540.0	+5.9	4,463
Income from continuing operations, before income taxes	520.0	+1.0	4,298
Income from continuing operations	393.0	(3.9)	3,248
Loss from discontinued operations	(18.0)	+35.5	(149)
Net income	375.0	+31.5	3,099
Net income attributable to Hitachi, Ltd. stockholders	240.0	+22.5	1,983

In terms of the business environment surrounding Hitachi, the U.S. economy, despite the recent slowdown in economic growth, will continue to show signs of moderate improvements on a mid- to long-term basis centered on consumer spending. The European economy is also expected to remain on a gradual recovery track because it has bottomed out as a result of quantitative easing measures. In China, investment and production are expected to languish, particularly in the real estate sector and the manufacturing sector, which is saddled with excessive production capacity. Emerging countries are projected to experience slower economic growth in the wake of the impact of low crude oil and resource prices. Based on these factors, the outlook for the global economy overall is expected to remain uncertain. The Japanese economy is expected to see a slower pace of growth based on a decline in exports to China. However, Japan offers encouraging prospects for an improving employment environment and improving capital expenditures in step with a recovery in corporate earnings.

In this environment, Hitachi is forecasting the results shown above for the full year of fiscal 2015, the year ending March 31, 2016. The forecast was revised down from the previous forecast to reflect the decline in earnings in the Social Infrastructure & Industrial Systems Segment, the Information & Telecommunication Systems Segment and certain other segments.

The Hitachi Group is working to expand the Social Innovation Business in the global market. At the same time, the Hitachi Group will move forward with business structure reforms and other reforms to strengthen its management base through the Hitachi Smart Transformation Project. In so doing, the Hitachi Group aims to transform itself to achieve further growth.

The projections for the fourth quarter of fiscal 2015 assume an exchange rate of 115 yen to the U.S. dollar and 125 yen to the euro.

Other

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries causing changes in scope of consolidation)

None

(2) Changes in accounting policy and estimate.

None

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, particularly Japan, Asia, the United States and Europe, as well as levels of demand in the major industrial sectors Hitachi serves, including, without limitation, the information, electronics, automotive, construction and financial sectors;
- 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, particularly against the U.S. dollar and the euro;
- 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;
- 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 cost fluctuations during the lifetime of, or cancellation of, long-term contracts for which Hitachi uses the percentage-of-completion method to recognize revenue from sales;
- credit conditions of Hitachi’s customers and suppliers;
- 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;
- fluctuations in product demand and industry capacity;
- uncertainty as to Hitachi’s ability to implement measures to reduce the potential negative impact of fluctuations in product demand, exchange rates and/or price of raw materials or shortages of materials, parts and components;
- increased commoditization of and intensifying price competition for products;
- 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;
- uncertainty as to the success of cost reduction measures;
- 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 the success of alliances upon which Hitachi depends, some of which Hitachi may not control, with other corporations in the design and development of certain key products;
- uncertainty as to Hitachi's access to, or ability to protect, certain intellectual property rights, particularly those related to electronics and data processing technologies;
- 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;
- the potential for significant losses on Hitachi's investments in equity-method associates and joint ventures;
- 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;
- 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 the accuracy of key assumptions Hitachi uses to evaluate its significant employee benefit-related costs; and
- uncertainty as to Hitachi's ability to attract and retain skilled personnel.

The factors listed above are not all-inclusive and are in addition to other factors contained in other materials published by Hitachi.