
Outline of Consolidated Financial Results for the Third Quarter Ended December 31, 2023

[Fiscal 2023]

January 31, 2024

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1. Key Messages

1

Results

Three sectors^(a)

Q3

Revenues: 2,128.9bn yen (YoY +11%)
Adj. EBITA: 221.8bn yen (YoY +34.1bn yen)

Q1-Q3

Revenues: 6,053.7bn yen (YoY +12%)
Adj. EBITA: 581.5bn yen (YoY +83.4bn yen)

2

FY2023 Forecast

Three sectors forecast was revised upward
Revenues: 8,285.6bn yen (+4% from previous forecast^(b))
Adj. EBITA: 829.3bn yen (+11.3bn yen from previous forecast)
Revenues and profits are expected to increase YoY

Consolidated total forecast was revised upward
Net income: 530.0bn yen (+10.0bn yen from previous forecast)
Core FCF: 440.0bn yen (+100.0bn yen from previous forecast)

3

Orders remained firm mainly in Digital Systems & Services and Hitachi Energy

DSS^(c) Deal for next-generation nationwide load dispatching system from Transmission and Distribution IT & OT Systems LLC, a JV established by 10 domestic power transmission and distribution companies. Contributing to stable electricity supply by sharing the nationwide^(e) power supply and demand adjustment system

- GEM^(d)
- Hitachi Energy and Petrofac booked their second project under a multi-year Framework Agreement worth more than 14.0bn dollar with TenneT, the Dutch-German transmission system operator to expand offshore wind capacity in the North Sea. Hitachi Energy will supply its HVDC converter stations
 - c.140.0bn yen deal with Trenitalia for high-speed trains in Italy
 - DSS Q1-Q3 orders 2,064.1bn yen (YoY +9%), backlog c.1.5 trillion yen
 - Hitachi Energy Q1-Q3 orders 2,620.9bn yen (YoY +51%), backlog c.4.3 trillion yen

(a) Since Hitachi Astemo became an equity method affiliate on October 16, 2023, disclosed in "Three sectors"

"Three sectors" is presented as the consolidated total less Hitachi Astemo. It includes others and corporate items & eliminations

(b) Comparison with figures announced on October 27, 2023 (c) DSS: Digital Systems & Services (d) GEM: Green Energy & Mobility (e) Excl. the Okinawa area



2. Q3 FY2023 Results

Highlights of Results (Q3 FY23)

- Three sectors^(a) grew revenues (YoY +11%) and increased Adj. EBITA (YoY +34.1bn yen, +18%) in organic
- Core FCF increased in YoY due to enhancement of cash flow management and an increase in advances received and other gains in Hitachi Energy, despite the restructuring of listed subsidiaries

Billions of yen	Total ^(b)	Three sectors		
Revenues	2,258.0	2,128.9		
YoY	(16)%	[+8%] ^(c) +11%		
Adjusted EBITA	231.2	221.8		
YoY	+0.1	+34.1		
Adjusted EBITA margin	10.2%	10.4%		
YoY	+1.6 pts	+0.6 pts		
Net income attributable to Hitachi, Ltd. stockholders	235.9	244.1		
YoY	+116.2	+127.0		
Core free cash flows	147.4			
YoY	+97.1			
		Actual FX rate	Q3 FY22 (Average)	Q3 FY23 (Average)
		US \$	142 yen	148 yen
		€	144 yen	159 yen

(a) Since Hitachi Astemo became an equity method affiliate on October 16, 2023, disclosed in "Three sectors"

(b) Hitachi Astemo's revenue was 129.1bn yen and Adjusted EBITA was 9.4bn yen in "Total"

(c) Figures in parentheses are estimated YoY changes excluding the impact of FX rate fluctuation

Q3 FY23 Results by Business Segment (1/3)

Billions of yen	Q3 FY23		YoY		Dynamics
	Revenues	Adj. EBITA ^(a)	Revenues	Adj. EBITA	
Digital Systems & Services	630.7	87.0 13.8%	+9% [+7%] ^(b)	+16.1 +1.5 pts	<ul style="list-style-type: none"> Segment revenues and profits increased Front Business revenues and profits increased due to dealing with large-scale system renewal projects in financial, public, energy field, and etc., as well as steady growth in Lumada business IT Services revenues and profits increased due to solid performance of Lumada business (security, cloud-related services, and services for manufacturing and distribution, etc.) Services & Platforms revenues were flat due to business reorganization, despite growth of GlobalLogic, recovery of storage sales, and increase in domestic DX/cloud services. Profits increased due to progress of cost reduction, etc. GlobalLogic revenues and profits increased. Revenues increased YoY +18% (US dollar base YoY +13%) and maintained high profitability (Adj. EBITA margin of 20%)
Front Business	263.0	32.8 12.5%	+19%	+13.1 +3.5 pts	
IT Services	231.7	24.3 10.5%	+10%	+2.1 (0.1) pts	
Services & Platforms	246.4	27.2 11.0%	±0%	+3.6 +1.5 pts	
Green Energy & Mobility	782.7	47.3 6.0%	+21% [+15%]	+0.1 (1.3) pts	<ul style="list-style-type: none"> Segment revenues increased due to solid business performance in Hitachi Energy and Railway Systems. Profits were flat due to related cost of power grids business Nuclear Energy & Hitachi Power Solutions revenues and profits increased due to solid business performance despite changes in the project mix Hitachi Energy revenues increased due to conversion of strong backlog and continued growth momentum in orders. Profits improved further from higher revenues and operating leverage driven by solid execution Railway Systems revenues increased due to progress in major projects. Profits decreased due to some low-margin projects
Nuclear Energy	36.3	-	+29%	-	
Hitachi Power Solutions	26.3	-	+16%	-	
Nuclear Energy & Hitachi Power Solutions	81.3	6.2 7.6%	+32%	+0.6 (1.4) pts	
Hitachi Energy	484.3	42.0 8.7%	+25%	+9.2 +0.3 pts	
Related cost ^(c)	-	(13.1)	-	(10.2)	
Railway Systems	217.1	12.6 5.8%	+11%	(0.7) (1.0) pts	

Adjusted operating income, EBIT and EBITDA by segment are provided in the "Supplemental Material" on the Hitachi web site

(a) Percentages are Adjusted EBITA margin (b) Figures in parentheses are estimated YoY changes excluding the impact of FX rate fluctuation

(c) Related cost includes PMI related costs associated with the acquisition of power grids business

Q3 FY23 Results by Business Segment (2/3)

Billions of yen	Q3 FY23		YoY		Dynamics
	Revenues	Adj. EBITA	Revenues	Adj. EBITA	
Connective Industries	740.0	78.6 10.6%	±0% [(2)% ^(a)]	+0.4 +0.1 pts	<ul style="list-style-type: none"> Segment revenues and profits were flat, with revenues and profits decreased in Measurement & Analysis Systems (Hitachi High-Tech) and revenues and profits increased in digital solutions and products in the industrial fields Building Systems BU^(b) revenues were flat and profits increased due to the growth of building service, despite the decline in demand for the new installation of elevators and escalators in China Smart Life & Ecofriendly Systems revenues and profits decreased due to the decrease of domestic demand, etc. Measurement & Analysis Systems (Hitachi High-Tech) revenues and profits decreased due to sales decrease in semiconductor manufacturing equipment, despite increased demand in clinical chemistry and immunochemistry analyzers Industrial Digital BU revenues and profits increased due to business expansion in digital solutions businesses, etc. and cost reduction, etc. Water & Environment BU revenues and profits increased due to business expansion in air conditioning system business Industrial Products revenues and profits increased due to solid business performance
Building Systems	239.7	27.3 11.4%	(1)%	+1.9 +0.9 pts	
Smart Life & Ecofriendly Systems (Hitachi GLS ^(c))	89.5	7.0 7.8%	(7)%	(0.7) (0.2) pts	
Measurement & Analysis Systems (Hitachi High-Tech)	153.8	18.0 11.7%	(7)%	(6.5) (3.1) pts	
Industrial Digital	86.6	9.1 10.6%	+2%	+0.8 +0.8 pts	
Water & Environment	46.9	4.5 9.6%	+24%	+2.7 +4.7 pts	
Industrial Products	117.3	13.4 11.5%	+7%	+3.4 +2.4 pts	

Adjusted operating income, EBIT and EBITDA by segment are provided in the "Supplemental Material" on the Hitachi web site

(a) Figures in parentheses are estimated YoY changes excluding the impact of FX rate fluctuation

(b) BU: Business Unit

(c) Hitachi GLS : Hitachi Global Life Solutions

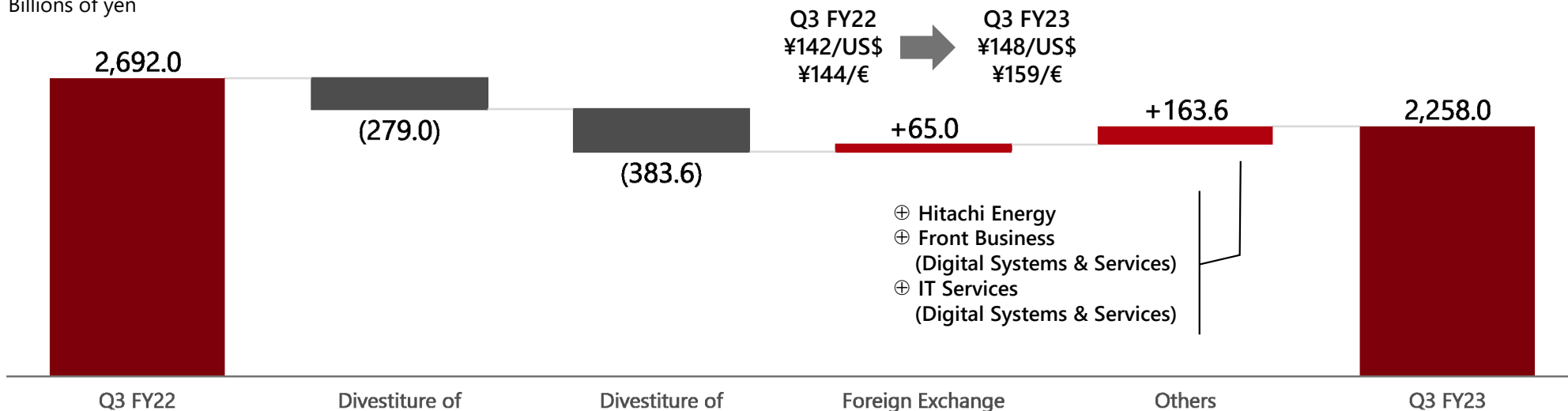
Q3 FY23 Results by Business Segment (3/3)

Billions of yen	Q3 FY23		YoY		Dynamics
	Revenues	Adj. EBITA	Revenues	Adj. EBITA	
Hitachi Astemo	129.1	9.4 7.3%	(74)% [(75)% ^(a)]	(18.6) +1.6 pts	• Due to conversion to an equity-method affiliate, included in consolidated total until October FY23
Hitachi Construction Machinery	0.0	0.0 -	±0%	±0.0 -	• Included in consolidated total until August FY22
Hitachi Metals	0.0	0.0 -	(100)%	(15.4) -	• Due to selling Hitachi Metals shares in FY2022 (Included in consolidated total until Q3 FY22)
Others	126.2	5.6 4.5%	+10% [+9%]	+4.0 +3.1 pts	• Overseas and domestic sales companies, etc.
Corporate items & Eliminations	(150.8)	3.1	-	+13.2	• Cost for updating the company-wide management platform and equity in earnings of affiliates such as Hitachi Construction Machinery and Hitachi Astemo, etc.
Total	2,258.0	231.2 10.2%	(16)% [(19)%]	+0.1 +1.6 pts	

Factors Affecting Changes in Revenues and Adjusted EBITA (Q3 FY23 Total)

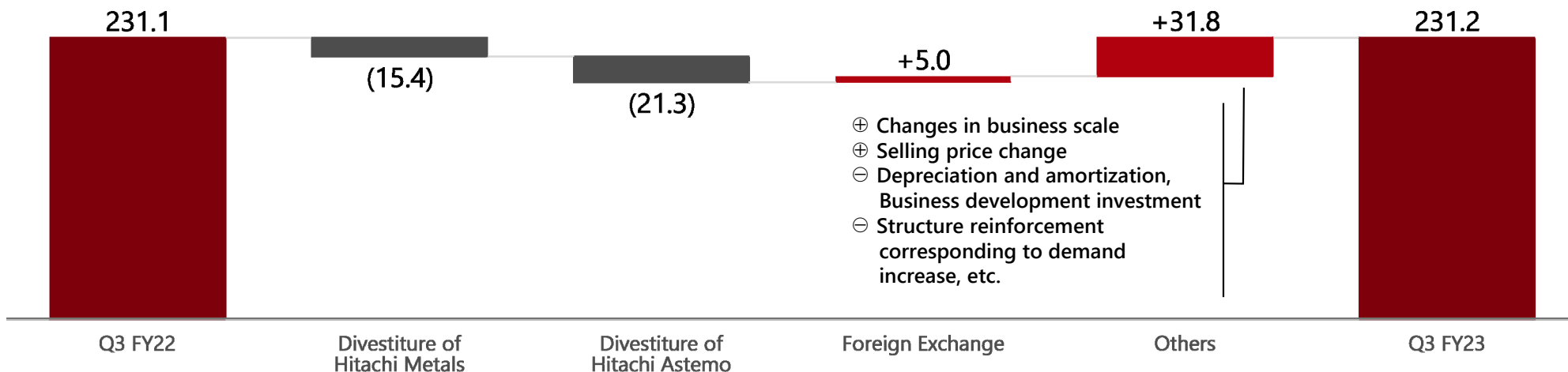
Revenues

Billions of yen



Adjusted EBITA

Billions of yen



Summary of Consolidated Financial Position

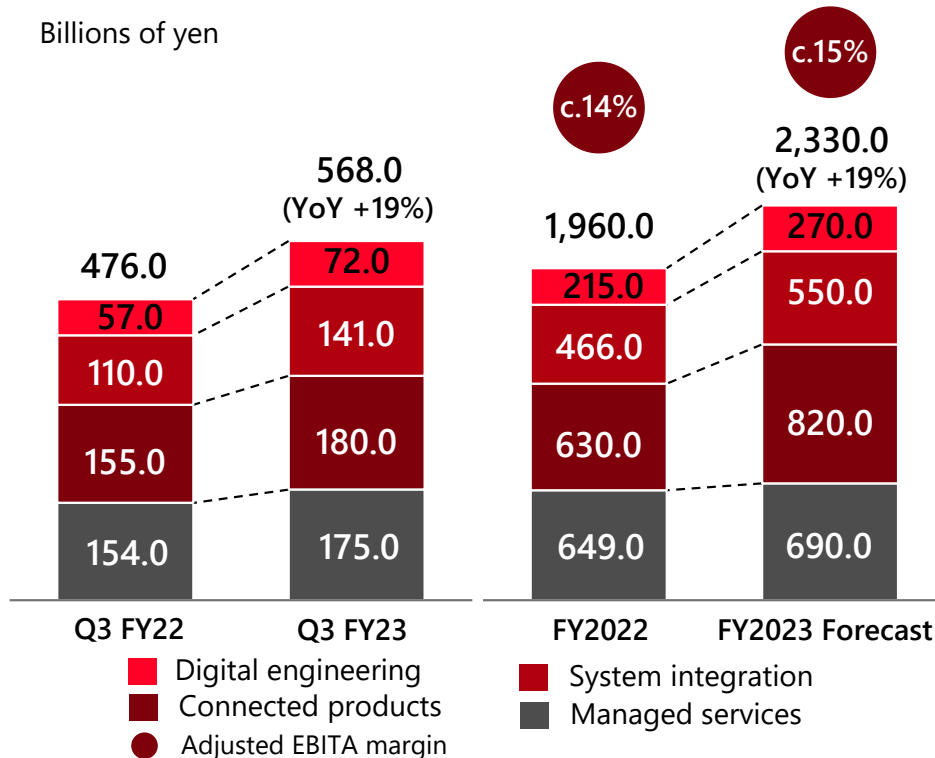
Billions of yen	As of March 31, 2023	As of December 31, 2023	Difference from March 31, 2023
Total assets	12,501.4	12,073.2	(428.2)
Cash and cash equivalents	833.2	864.3	+31.0
Trade receivables and contract assets	2,874.9	2,720.8	(154.1)
Total liabilities	7,165.8	6,649.8	(516.0)
Interest-bearing debt	2,213.3	1,754.5	(458.7)
Total Hitachi, Ltd. stockholders' equity	4,942.8	5,278.6	+335.8
Non-controlling interests	392.7	144.7	(247.9)
Cash Conversion Cycle	58.1 days	51.5 days	(6.6) days
Total Hitachi, Ltd. stockholders' equity ratio	39.5%	43.7%	+4.2 pts
D/E ratio	0.41 times	0.32 times	(0.09) pts

Summary of Consolidated Statement of Cash Flows

Billions of yen	Q1-Q3 FY22	Q1-Q3 FY23	YoY
Cash flows from operating activities	380.0	542.8	+162.7
Cash flows from investing activities	(145.2)	(172.0)	(26.7)
Free cash flows	234.8	370.8	+136.0
Core free cash flows	74.9	268.5	+193.6

Lumada business revenues^(a)

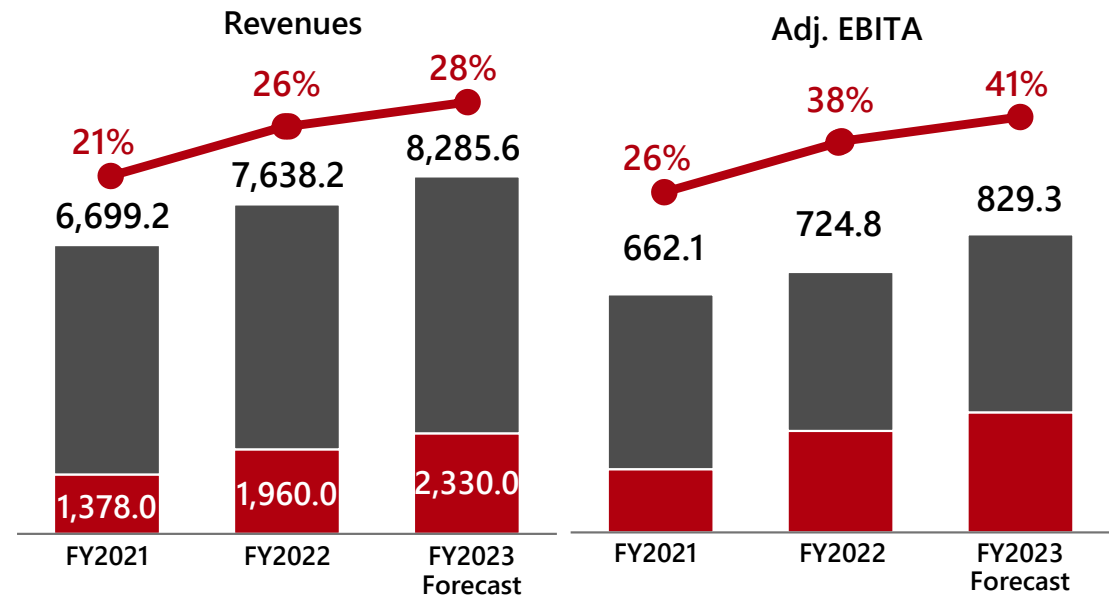
Billions of yen



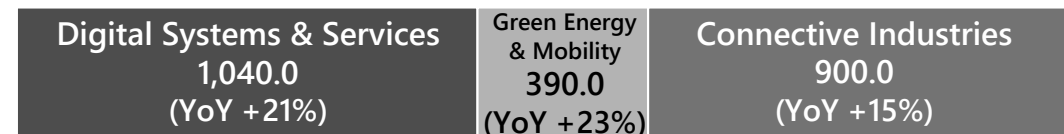
(a) Excluding Hitachi Astemo

Lumada business ratio

■ Lumada ■ Non Lumada ● Lumada ratio



Lumada business revenues composition by segment (FY2023)



Lumada business expansion

- Hitachi received the order for next-generation nationwide load dispatching system in the end of October from Transmission and Distribution IT & OT Systems LLC by the abundant experience of developing and implementing mission-critical systems for electric power companies in Japan and Hitachi Energy's systems for adjusting balancing the energy market. GlobalLogic supports Hitachi Energy in the platform development of the control and monitoring solutions that will be central to this load dispatching system DSS^(b)
GEM^(c)
- GlobalLogic executed Share Purchase Agreements with digital engineering companies in Australia on December 12 and in the United States on December 19 DSS
- Developed a chain traceability system that centrally manages information from raw material receipt to manufacturing, logistics, and warehousing by cooperative creation with Suntory Beverage & Food Limited, and began operation at all soft drink factories and warehouses in Japan CI^(d)
- More than 100 orders related to Generative AI have been received in Japan and overseas. Started in-house use of Generative AI for approx. 30,000 employees in Japan, to be expanded to all employees in the Hitachi Group in April DSS GEM CI
- Developed "Augmented Reality metaverse" with utilizing on-site data collection technology and Generative AI, aiming to apply to nuclear power, railway and others

(b) DSS: Digital Systems & Services (c) GEM: Green Energy & Mobility (d) CI: Connective Industries



3. FY2023 Forecast

Highlights of Forecast (FY2023)

- Revised upward for all profit items. Three sectors^(a) is expected to grow revenues (YoY +8%) and increase Adj. EBITA (YoY +104.4bn yen, +14%)
- Core FCF was revised upward by 100.0bn yen due to enhancement of cash flow management and an increase in advances received and other gains in Hitachi Energy

Billions of yen	Total ^(b)		Three sectors	
	Previous forecast	Present forecast	Previous forecast	Present forecast
Revenues	9,150.0	9,450.0	8,000.0	8,285.6
YoY		(13)%		[+6%] ^(c) +8%
Adjusted EBITA	865.0	880.0	818.0	829.3
YoY		(4.6)		+104.4
Adjusted EBITA margin	9.5%	9.3%	10.2%	10.0%
YoY		+1.2 pts		+0.5 pts
Net income attributable to Hitachi, Ltd. Stockholders	520.0	530.0	533.0	546.8
YoY		(119.1)		(94.9)
EPS	559 yen	570 yen	573 yen	588 yen
YoY		(114) yen		(88) yen
Core free cash flows	340.0	440.0		
YoY		+23.6		
ROIC	8.0%	8.2%		
YoY		+0.6 pts		

	Assumed FX rate	FX sensitivity ^(d) (Q4 FY2023)	
		Revenues	Adj. EBITA
US \$	140 yen	+3.0bn yen	+0.2bn yen
€	150 yen	+1.5bn yen	+0.1bn yen

(a) Since Hitachi Astemo became an equity method affiliate on October 16, 2023, disclosed in "Three sectors"
 (b) Hitachi Astemo's revenue is 1,164.3bn yen, Adjusted EBITA is 50.6bn yen and Net income is (16.8)bn yen in "Total"
 (c) Figures in parentheses are estimated YoY changes excluding the impact of FX rate fluctuation
 (d) Impact of FX rate fluctuation by one-yen depreciation from assumed rate

Highlights of Forecast (FY2023)

Billions of yen	FY2023 Forecast		YoY		Previous forecast comparison		Dynamics
	Revenues	Adj. EBITA ^(a)	Revenues	Adj. EBITA	Revenues	Adj. EBITA	
Digital Systems & Services	2,550.0	321.0 12.6%	+7% [+5%] ^(b)	+27.2 +0.3 pts	+3%	+11.0 ±0.0 pts	<ul style="list-style-type: none"> Segment forecast was revised upward by 80.0bn yen in revenues and 11.0bn yen in Adj. EBITA from the previous forecast Segment forecasts revenues and profits YoY increase due to expansion of Lumada business by harvesting digital demand GlobalLogic forecasts revenues and profits YoY increase due to continuing growth despite the impact of the economic slowdown and restrained investment in North America and Europe
GlobalLogic (standalone ^(c))	252.0	52.0 20.6%	+22%	+6.8 (1.2) pts	±0%	±0.0 ±0.0 pts	
Green Energy & Mobility	2,970.0	190.0 6.4%	+20% [+15%]	+26.4 (0.2) pts	+7%	+4.0 (0.3) pts	<ul style="list-style-type: none"> Segment forecast was revised upward by 190.0bn yen in revenues and 4.0bn yen in Adj. EBITA from the previous forecast Hitachi Energy forecasts YoY revenues and profits growth driven by steady order backlog conversion, addressing external supply chain challenges and capacity build up Railway Systems forecasts revenues and profits YoY increase due to progress in major projects
Hitachi Energy (standalone)	1,803.5	148.7 8.2%	+28%	+47.7 +1.1 pts	+8%	+11.6 ±0.0 pts	
Railway Systems	828.6	57.2 6.9%	+13%	+9.6 +0.4 pts	+2%	+1.0 ±0.0 pts	
Connective Industries	3,000.0	330.0 11.0%	+1% [±0%]	+17.8 +0.5 pts	±0%	±0.0 ±0.0 pts	<ul style="list-style-type: none"> No change from the previous segment forecast Building Systems BU forecasts revenues YoY are flat and profits YoY increase due to the growth of building service despite the decline in demand for the new installation of elevators and escalators in China Measurement & Analysis Systems (Hitachi High-Tech) forecasts revenues YoY are flat and profits YoY decrease due to sales decrease in semiconductor manufacturing equipment and increase in development cost, etc.
Building Systems	890.0	89.2 10.0%	±0%	+5.6 +0.6 pts	+3%	+4.5 +0.2 pts	
Measurement & Analysis Systems (Hitachi High-Tech)	670.0	80.3 12.0%	(1)%	(12.3) (1.7) pts	±0%	±0.0 ±0.0 pts	
Hitachi Astemo	1,164.3	50.6 4.4%	(39)% [(41)%]	(22.7) +0.6 pts	+1%	+3.6 +0.3 pts	<ul style="list-style-type: none"> Due to conversion to an equity-method affiliate, included in consolidated total until October FY23
Total	9,450.0	880.0 9.3%	(13)% [(15)%]	(4.6) +1.2 pts	+3%	+15.0 (0.2) pts	

Adjusted operating income, EBIT and EBITDA by segment are provided in the "Supplemental Material" on the Hitachi web site

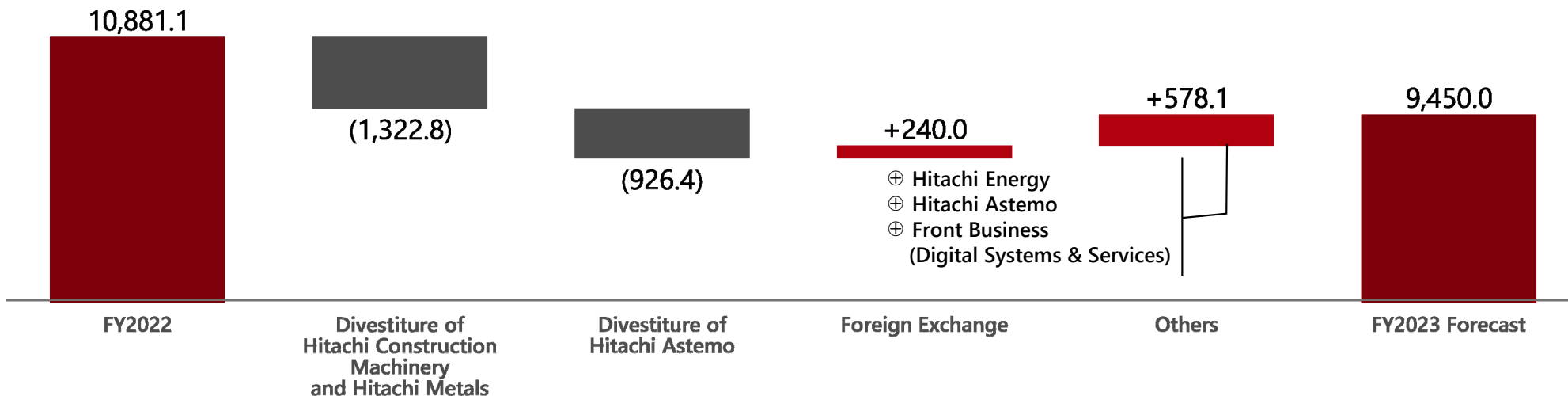
(a) Percentages are Adjusted EBITA margin (b) Figures in parentheses are estimated YoY changes excluding the impact of FX rate fluctuation

(c) Standalone does not include acquisition related cost

Factors Affecting Changes in Revenues and Adjusted EBITA (FY2023 Total)

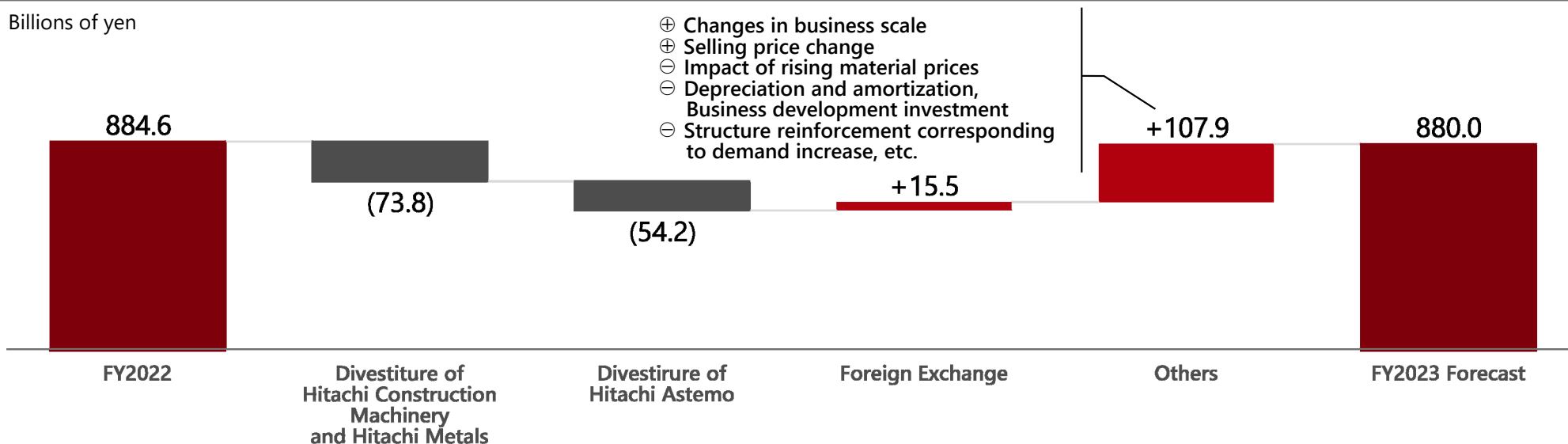
Revenues

Billions of yen



Adjusted EBITA

Billions of yen





4. Appendix

Highlights of Results (Q1-Q3 FY23)

- Three sectors^(a) grew revenues (YoY +12%) and increased Adj. EBITA (YoY +83.4bn yen, +17%) in organic
- Core FCF increased in YoY due to enhancement of cash flow management and an increase in advances received and other gains in Hitachi Energy, despite the restructuring of listed subsidiaries

Billions of yen	Total ^(b)	Three sectors
Revenues	7,218.1	6,053.7
YoY	(11)%	[+9%] ^(c) +12%
Adjusted EBITA	632.2	581.5
YoY	+7.9	+83.4
Adjusted EBITA margin	8.8%	9.6%
YoY	+1.1 pts	+0.4 pts
Net income attributable to Hitachi, Ltd. stockholders	445.0	461.9
YoY	+152.8	+175.5
Core free cash flows	268.5	
YoY	+193.6	

(a) Since Hitachi Astemo became an equity method affiliate on October 16, 2023, disclosed in "Three sectors"

(b) Hitachi Astemo's revenue was 1,164.3bn yen, Adjusted EBITA was 50.6bn yen and Net income was (16.8)bn yen in "Total"

(c) Figures in parentheses are estimated YoY changes excluding the impact of FX rate fluctuation

Highlights of Results (Q1-Q3 FY23)

Billions of yen	Q1-Q3 FY23		YoY		Dynamics
	Revenues	Adj. EBITA ^(a)	Revenues	Adj. EBITA	
Digital Systems & Services	1,823.2	222.0 12.2%	+9% [+7%] ^(b)	+33.7 +1.0 pts	<ul style="list-style-type: none"> Segment revenues and profits increased due to expansion of Lumada business by harvesting digital demand
GlobalLogic (standalone) ^(c)	185.5	36.6 19.7%	+21%	+2.3 (2.8) pts	<ul style="list-style-type: none"> GlobalLogic revenues and profits increased due to continued growth despite economic slowdown and restrained investment in North America and Europe
Green Energy & Mobility	2,128.4	126.9 6.0%	+25% [+19%]	+25.4 +0.1 pts	<ul style="list-style-type: none"> Segment revenues and profits increased
Hitachi Energy (standalone)	1,311.6	105.3 8.0%	+29%	+35.6 +1.2 pts	<ul style="list-style-type: none"> Hitachi Energy revenues and profits increased due to solid business performance and steady execution of the significant order backlog on the back of energy transition acceleration
Railway Systems	607.4	39.5 6.5%	+19%	+11.1 +0.9 pts	<ul style="list-style-type: none"> Railway Systems revenues and profits increased due to progress in major projects and profitability improvement resulting from better project mix
Connective Industries	2,203.8	224.4 10.2%	+2% [+1%]	(2.9) (0.3) pts	<ul style="list-style-type: none"> Segment revenues increased due to Industrial Products, etc. Profits decreased due to sales decrease in semiconductor manufacturing equipment in Measurement & Analysis Systems (Hitachi High-Tech)
Building Systems	708.3	80.1 11.3%	±0%	+8.5 +1.2 pts	<ul style="list-style-type: none"> Building Systems BU revenues were flat and profits increased due to the growth of building service, despite the decline in demand for the new installation of elevators and escalators in China
Measurement & Analysis Systems (Hitachi High-Tech)	471.0	50.4 10.7%	(6)%	(27.9) (4.9) pts	<ul style="list-style-type: none"> Measurement & Analysis Systems (Hitachi High-Tech) revenues and profits decreased due to sales decrease in semiconductor manufacturing equipment
Hitachi Astemo	1,164.3	50.6 4.4%	(15)% [(18)%]	+10.8 +1.5 pts	<ul style="list-style-type: none"> Due to conversion to an equity-method affiliate, included in consolidated total until October FY23
Total	7,218.1	632.2 8.8%	(11)% [(13)%]	+7.9 +1.1 pts	

Adjusted operating income, EBIT and EBITDA by segment are provided in the "Supplemental Material" on the Hitachi web site

(a) Percentages are Adjusted EBITA margin

(b) Figures in parentheses are estimated YoY changes excluding the impact of FX rate fluctuation

(c) Standalone does not include acquisition related cost

Summary of Consolidated Statement of Profit or Loss

	Q3 FY22	Q3 FY23	YoY	Q1-Q3 FY22	Q1-Q3 FY23	YoY	FY2022	FY2023	YoY	Previous forecast comparison
Billions of yen										
Revenues	2,692.0	2,258.0	(16)%	8,108.7	7,218.1	(11)%	10,881.1	9,450.0	(13)%	+3%
Adjusted Operating Income	202.8	200.2	(2.6)	527.4	525.7	(1.7)	748.1	740.0	(8.1)	+20.0
Equity in earnings of affiliates	+7.3	+9.3	+2.0	+34.0	+42.6	+8.6	+52.8	+55.3	+2.4	(9.7)
Acquisition-related amortization to be added back	+20.9	+21.6	+0.7	+62.7	+63.8	+1.1	+83.6	+84.7	+1.0	+4.7
Adjusted EBITA	231.1	231.2	+0.1	624.2	632.2	+7.9	884.6	880.0	(4.6)	+15.0
Net gain on business reorganization and others	(1.1)	+85.4	+86.6	+64.9	+96.6	+31.6	+297.3	+97.0	(200.3)	(23.0)
Acquisition-related amortization	(20.9)	(21.6)	(0.7)	(62.7)	(63.8)	(1.1)	(83.6)	(84.7)	(1.0)	(4.7)
Structural reform expenses ^(a)	(5.5)	(4.8)	+0.7	(71.1)	(13.1)	+58.0	(139.2)	(102.3) ^(b)	+150.4	+27.7
Others	(21.2)	+36.8	+58.0	(80.7)	+15.2	+95.9	(113.4)			
EBIT	182.2	327.1	+144.9	474.5	667.0	+192.5	845.6	790.0	(55.6)	+15.0
Interest	(7.5)	(7.0)	+0.4	(17.7)	(24.9)	(7.2)	(25.6)	(40.0)	(14.3)	±0.0
Income taxes [Effective income tax rate]	(41.6)	(75.8)	(34.2)	(122.9)	(165.6)	(42.6)	(116.1)	(183.0)	(66.8)	(5.0)
							[14.2%]	[24.4%]		
Deduction for non-controlling interests	(13.2)	(8.1)	+5.1	(41.6)	(31.4)	+10.2	(54.7)	(37.0)	+17.7	±0.0
Net income attributable to Hitachi, Ltd. Stockholders	119.7	235.9	+116.2	292.2	445.0	+152.8	649.1	530.0	(119.1)	+10.0

(a) Structural reform expenses include impairment loss and special severance pay

(b) Sum of "Structural reform expenses" and "Others"

Revenues by Market (Q1-Q3 FY23)

Billions of yen	Japan	China	ASEAN, India, other areas	North America	Europe	Other areas	Overseas Revenues
Digital Systems & Services	1,183.0	25.6	143.0	253.5	176.4	41.5	640.2
YoY	+12%	(27)%	(1)%	+5%	+9%	+8%	+3%
Green Energy & Mobility	254.6	151.1	186.7	464.2	729.6	341.9	1,873.7
YoY	+4%	+9%	+10%	+43%	+24%	+42%	+28%
Connective Industries	1,040.7	591.7	207.3	193.7	143.7	26.5	1,163.0
YoY	+4%	(1)%	+3%	(1)%	(4)%	(4)%	(1)%
Three sectors^(a)	2,354.1	769.9	557.7	912.2	1,050.0	409.6	3,699.6
YoY	+11%	(1)%	+6%	+19%	+16%	+32%	+13%
Ratio	39%	13%	9%	15%	17%	7%	61%
Hitachi Astemo	273.0	166.1	229.4	305.6	100.8	89.3	891.3
YoY	(20)%	(29)%	(22)%	(3)%	(9)%	+6%	(14)%
Total	2,627.1	936.0	787.1	1,217.8	1,150.8	499.0	4,590.9
YoY ^(b)	(9)%	(15)%	(21)%	(16)%	+1%	(9)%	(12)%
Ratio	36%	13%	11%	17%	16%	7%	64%

(a) Since Hitachi Astemo became an equity method affiliate on October 16, 2023, disclosed in "Three sectors"

(b) YoY of Total is compared to the previous year's results including Hitachi Construction Machinery and Hitachi Metals

Orders Results by Business Segment

- Orders remained firm mainly in Hitachi Energy, despite declines due to the large orders in the previous year in Nuclear Energy and Railway Systems

Billions of yen	Q3 FY23	YoY	Q1-Q3 FY23	YoY		Q3 FY23	YoY	Q1-Q3 FY23	YoY
Digital Systems & Services	663.1	+2%	2,064.1	+9%	Connective Industries	728.1	+1%	2,284.1	(1)%
Front Business	288.5	(4)%	954.5	+10%	Building Systems	213.4	+5%	697.2	(7)%
IT Services	244.2	+13%	755.7	+11%	Smart Life & Ecofriendly Systems (Hitachi GLS)	89.5	(7)%	276.6	(3)%
Services & Platforms	246.4	±0%	722.4	+4%	Measurement & Analysis Systems (Hitachi High-Tech)	154.7	+1%	464.0	(6)%
Green Energy & Mobility	1,340.0	+4%	3,541.0	+29%	Industrial Digital	83.4	+4%	265.5	+11%
Nuclear Energy	26.9	(32)%	106.1	+17%	Water & Environment	49.9	(12)%	168.4	+7%
Hitachi Power Solutions	24.2	+12%	71.6	(1)%	Industrial Products	127.7	±0%	380.1	+3%
Hitachi Energy	951.7	+72%	2,620.9	+51%					
Railway Systems	316.0	(53)%	692.0	(15)%					

Item	Contents
Three sectors	"Three sectors," which is calculated by subtracting "Hitachi Astemo" from the "Total," includes "Others" and "Corporate items & Eliminations."
Adjusted EBITA	Adjusted operating income plus acquisition-related amortization and equity in earnings (losses) of affiliates
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
Adjusted 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)	$(\text{NOPAT} + \text{equity in earnings (losses) of affiliates}) / \text{"Invested Capital"} \times 100$ NOPAT (Net Operating Profit after Tax) = Adjusted operating income \times (1 – tax burden rate) Invested Capital = interest-bearing debt + total equity
Core free cash flows	Cash flows presented as free cash flows excluding cash flows from M&A and asset sales, etc.
EPS (Earnings per share)	(Basic) Earnings per share attributable to Hitachi, Ltd. stockholders. Weighted average number of shares to calculate (basic) earnings per share for FY2023 forecast is 929,607,018
Front Business	System integration, sales, maintenance, related services of software and hardware, and consulting businesses for financial, public and social infrastructure (power, rail, telecommunication, etc.) sectors, and information control systems business
IT Services	Businesses of Hitachi Solutions and Hitachi Systems
Services & Platforms	Businesses of digital solutions (artificial intelligence, IoT platform, software, cloud service, etc.), sales of IT products (storage and server), maintenance, etc.

Item	Regarding YoY comparison
Digital Systems & Services	Figures for Hitachi Consulting Japan, which were included in IT Services until FY2022, are included in Services & Platforms from FY2023. YoY for this segment reflects this change
Hitachi Power Solutions	Figures for Hitachi Power Solutions, which were included in Energy BU until FY2022, are disclosed independently from FY2023. YoY for Green Energy & Mobility segment reflects this change
Green Energy & Mobility	Figures for Business Management Reinforcement Division, which were included in Energy BU until FY2022, are included in "Others" from FY2023. YoY for Green Energy & Mobility segment and "Others" reflects this change

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.



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