

Outline of Consolidated Financial Results for Fiscal 2013

May 12, 2014

Hitachi, Ltd.

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1. Outline of Consolidated Financial Results for Fiscal 2013

1-1. Highlights of Fiscal 2013 Results

Revenues	<p>9,616.2 billion yen (up 6% / 575.1 billion yen YoY, up 2% compared to previous forecast*1) Higher in the Information & Telecommunication Systems, Social Infrastructure & Industrial Systems, Others (Logistics and Other services) and Electronic Systems & Equipment segments, etc.</p>
Operating income	<p>532.8 billion yen (up 26% / 110.7 billion yen YoY, up 22.8 billion yen compared to previous forecast*1)</p> <ul style="list-style-type: none"> ● Higher in the High Functional Materials & Components, Electronic Systems & Equipment, Construction Machinery, Automotive Systems and Digital Media & Consumer Products segments, etc. ● Achieved highest operating income.
EBIT (Earnings before interest and taxes)*2	<p>580.1 billion yen (up 62% / 222.1 billion yen YoY, up 120.1 billion yen compared to previous forecast*1)</p> <ul style="list-style-type: none"> ● Higher due to recording the gain associated with the integration of the thermal power generation systems business into Mitsubishi Hitachi Power Systems, Ltd., the joint venture company with Mitsubishi Heavy Industries, Ltd. ● Achieved highest EBIT.
Net income attributable to Hitachi, Ltd. stockholders	<p>264.9 billion yen (up 51% / 89.6 billion yen YoY, up 49.9 billion yen compared to previous forecast*1)</p>
Total Hitachi, Ltd. stockholders' equity ratio (Manufacturing, Services and Others)	<p>27.4% (up 4.2 of a point from March 31, 2013)</p>
Core free cash flows*3 (Manufacturing, Services and Others)	<p>22.4 billion yen (up 3.0 billion yen YoY) [Free cash flows (Manufacturing, Services and Others): 104.9 billion yen (up 79.8 billion yen YoY)]</p>

*1 Previous forecast announced on February 4, 2014

*2 Defined income before income taxes less interest income plus interest charges.

*3 Operating cash flow plus collection of investments in leases less cash outflows for the purchase of property, plant and equipment, intangible assets, software, and the assets to be leased.

1-2. Consolidated Statements of Operations

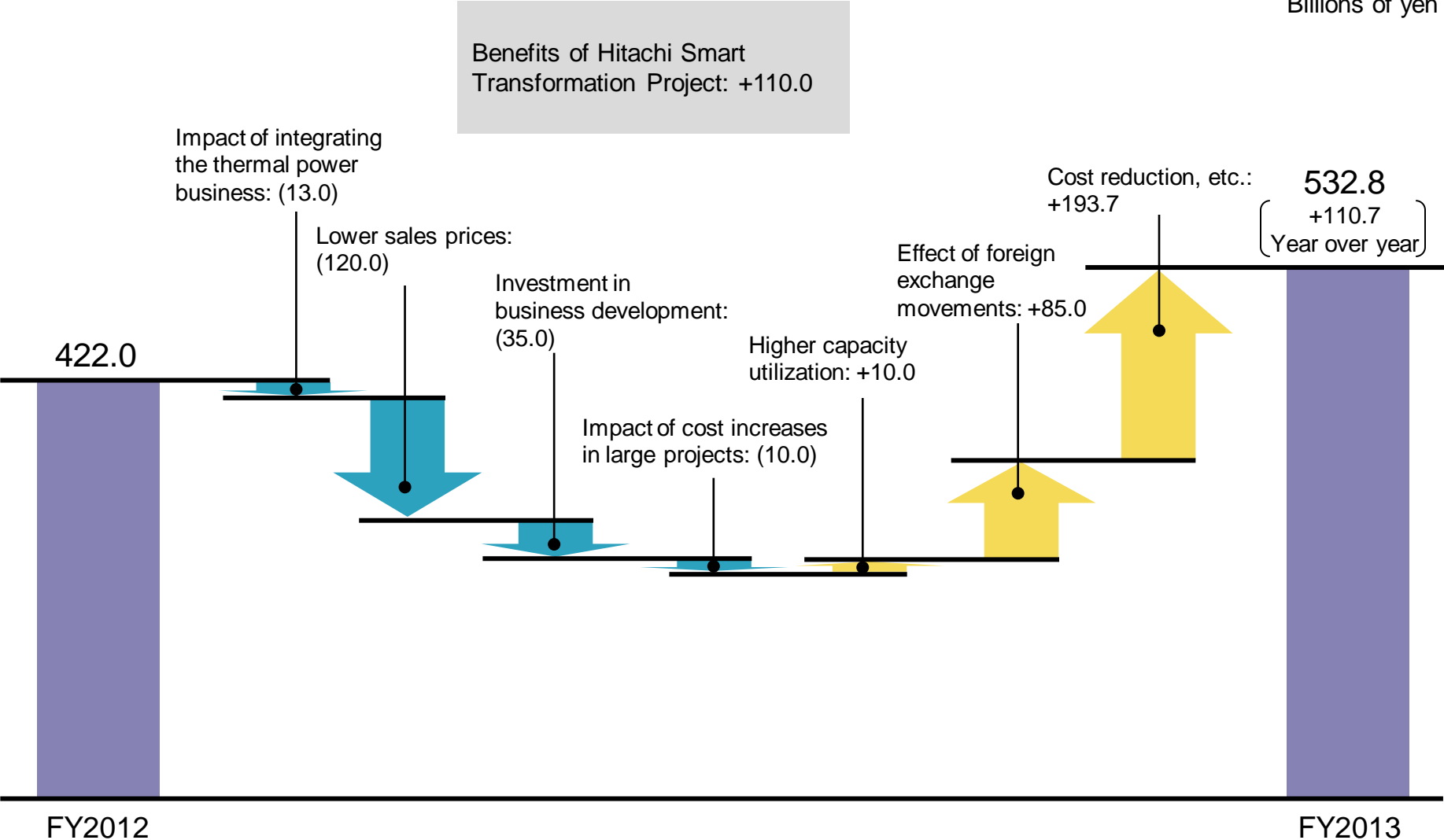
Billions of yen

	FY2012	FY2013	Year over year	Previous forecast comparison*
Revenues	9,041.0	9,616.2	+575.1 [106%]	+216.2 [102%]
Operating income	422.0	532.8	+110.7	+22.8
EBIT	358.0	580.1	+222.1	+120.1
Net other income (deductions)	(77.4)	35.3	+112.8	+100.3
Income before income taxes	344.5	568.1	+223.6	+123.1
Income taxes	(106.8)	(204.1)	(97.3)	(74.1)
Net income	237.7	364.0	+126.3	+49.0
Net income attributable to noncontrolling interests	(62.3)	(99.0)	(36.6)	+0.9
Net income attributable to Hitachi, Ltd. stockholders	175.3	264.9	+89.6	+49.9

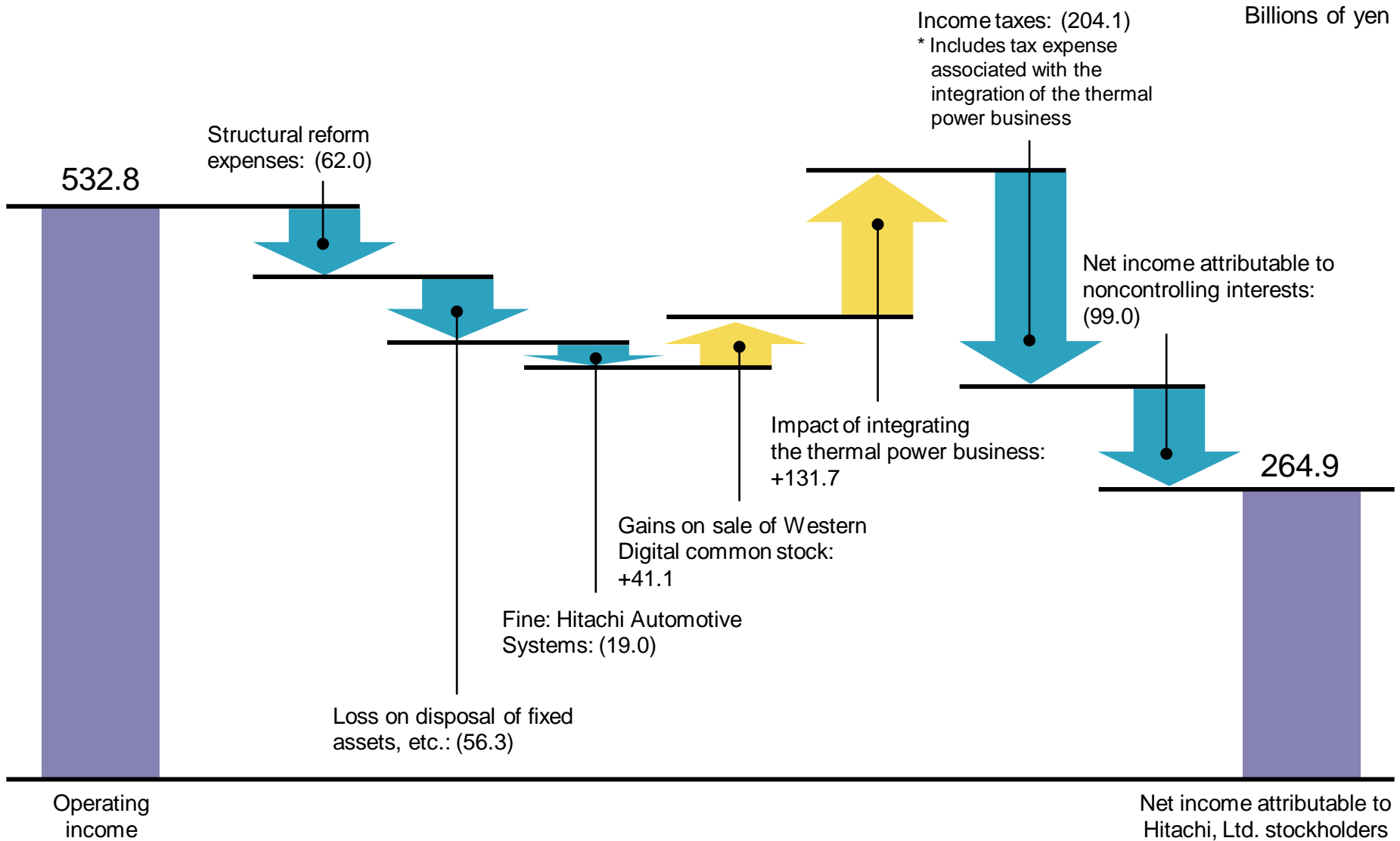
* Previous forecast announced on February 4, 2014

1-3. Factors for Change in Operating Income (Year over year)

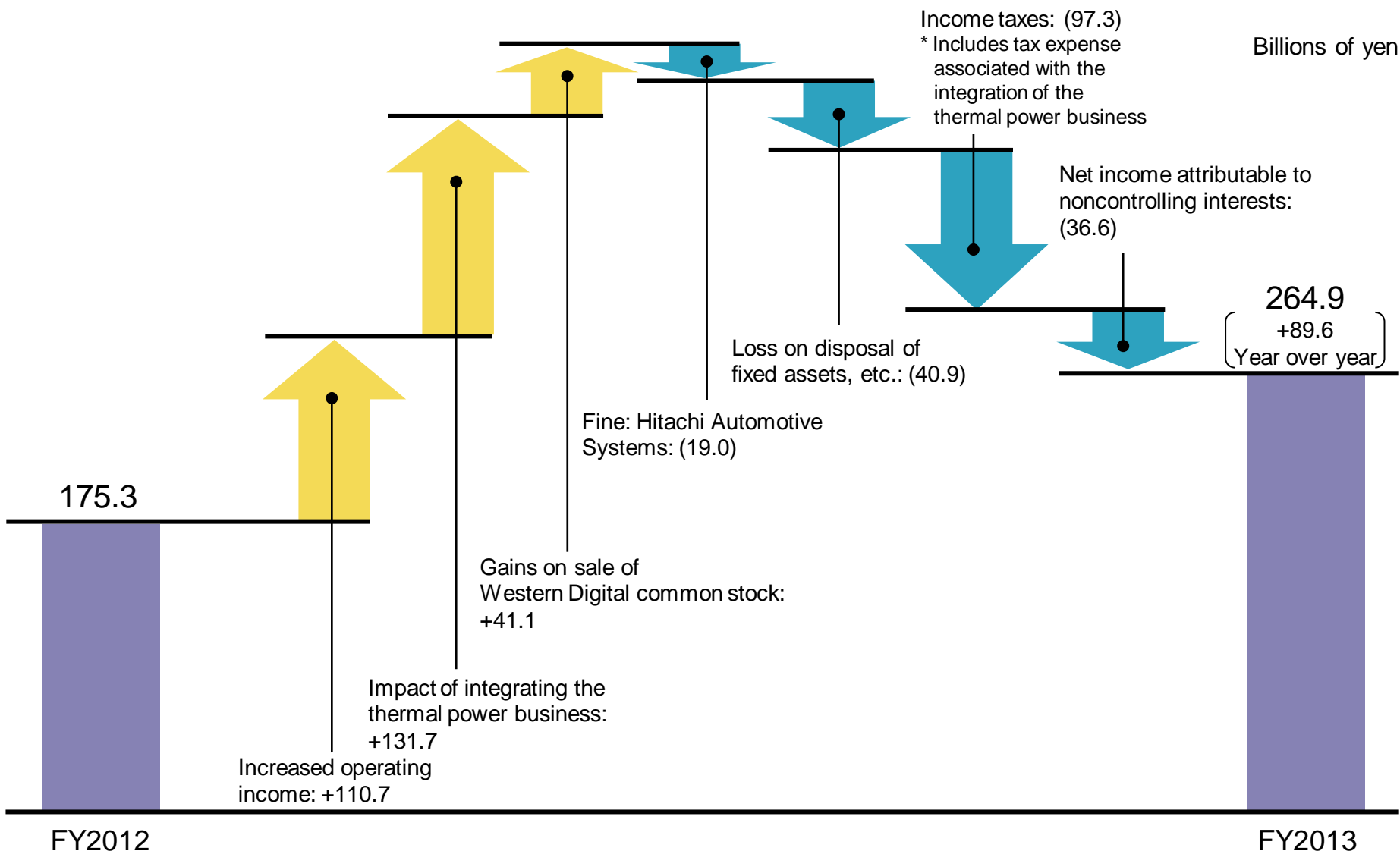
Billions of yen



1-4. Factors for Change in Net Income Attributable to Hitachi, Ltd. Stockholders



1-5. Factors for Change in Net Income Attributable to Hitachi, Ltd. Stockholders (Year over Year)



1-6. Revenues by Market

Billions of yen

	FY2012		FY2013		Year over year
		Ratio		Ratio	
Japan	5,355.1	59%	5,303.4	55%	99%
Outside Japan	3,685.9	41%	4,312.7	45%	117%
Asia	1,711.1	19%	2,063.5	21%	121%
China	816.3	9%	1,073.6	11%	132%
North America	804.0	9%	910.2	10%	113%
Europe	636.8	7%	812.1	8%	128%
Other Areas	533.9	6%	526.7	6%	99%
Total	9,041.0	100%	9,616.2	100%	106%

Ratio of overseas revenues: 41% → 45%

1-7. Summary of Consolidated Balance Sheets

Billions of yen

	As of March 31, 2013	As of March 31, 2014	Change from March 31, 2013
Total assets	9,809.2	11,016.8	+1,207.6
Trade receivables and Inventories	3,859.1	4,204.9	+345.8
Total liabilities	6,629.9	7,164.4	+534.4
Interest-bearing debt	2,370.0	2,823.0	+452.9
Total Hitachi, Ltd. stockholders' equity	2,082.5	2,651.2	+568.6
Noncontrolling interests	1,096.7	1,201.2	+104.4
Total Hitachi, Ltd. stockholders' equity ratio	21.2%	24.1%	2.9 points increase
D/E ratio (Including noncontrolling interests)	0.75 times	0.73 times	0.02 points decrease

1-8. Summary of Consolidated Balance Sheets by Manufacturing, Services and Others and Financial Services

■ Summary of Consolidated Balance Sheets (Manufacturing, Services and Others)*

Billions of yen

	As of March 31, 2013	As of March 31, 2014	Change from March 31, 2013
Total assets	8,324.4	9,067.9	+743.4
Trade receivables and Inventories	3,444.7	3,558.4	+113.6
Total liabilities	5,414.7	5,512.0	+97.2
Interest-bearing debt	1,368.8	1,418.2	+49.4
Total Hitachi, Ltd. stockholders' equity	1,932.3	2,483.8	+551.4
Noncontrolling interests	977.3	1,072.0	+94.7
Total Hitachi, Ltd. stockholders' equity ratio	23.2%	27.4%	4.2 points increase
D/E ratio (Including noncontrolling interests)	0.47 times	0.40 times	0.07 points decrease

■ Summary of Consolidated Balance Sheets (Financial Services)*

Billions of yen

	As of March 31, 2013	As of March 31, 2014	Change from March 31, 2013
Total assets	1,960.9	2,446.1	+485.1
Trade receivables and Inventories	642.3	878.3	+235.9
Total liabilities	1,680.2	2,138.1	+457.8
Interest-bearing debt	1,224.9	1,647.1	+422.1
Total Hitachi, Ltd. stockholders' equity	161.1	178.4	+17.3
Noncontrolling interests	119.6	129.5	+9.9
Total Hitachi, Ltd. stockholders' equity ratio	8.2%	7.3%	0.9 points decrease
D/E ratio (Including noncontrolling interests)	4.36 times	5.35 times	0.99 points increase

* Figures here represent unaudited information prepared by the Company

1-9. Summary of Consolidated Statements of Cash Flows

■ Summary of Consolidated Statements of Cash Flows

Billions of yen

	FY2012	FY2013	Year over year
Cash flows from operating activities	583.5	439.4	(144.1)
Cash flows from investing activities	(553.4)	(491.3)	+62.0
Free cash flows	30.0	(51.9)	(82.0)
Core free cash flows	45.7	(186.0)	(231.7)

■ Summary of Consolidated Statements of Cash Flows (Manufacturing, Services and Others)*

Billions of yen

	FY2012	FY2013	Year over year
Cash flows from operating activities	503.4	498.6	(4.8)
Cash flows from investing activities	(478.4)	(393.6)	+84.7
Free cash flows	25.0	104.9	+79.8
Core free cash flows	19.4	22.4	+3.0

■ Summary of Consolidated Statements of Cash Flows (Financial Services)*

Billions of yen

	FY2012	FY2013	Year over year
Cash flows from operating activities	105.2	(25.9)	(131.1)
Cash flows from investing activities	(63.0)	(124.1)	(61.1)
Free cash flows	42.1	(150.0)	(192.2)
Core free cash flows	46.9	(202.5)	(249.5)

* Figures here represent unaudited information prepared by the Company

1-10. Consolidated Capital Expenditure, Depreciation and R&D Expenditure

■ Consolidated Capital Expenditure (Completion basis, including Leasing Assets)

Billions of yen

	FY2012	FY2013	Year over year
Manufacturing, Services and Others	406.1	389.6	96%
Financial Services	345.0	478.5	139%
Total*	742.5	849.8	114%

* Total figures exclude inter-segment transactions.

■ Consolidated Depreciation

Billions of yen

	FY2012	FY2013	Year over year
Manufacturing, Services and Others	242.8	261.2	108%
Financial Services	57.8	68.5	119%
Total	300.6	329.8	110%

■ Consolidated R&D Expenditure

Billions of yen

	FY2012	FY2013	Year over year
Total	341.3	351.4	103%

■ Composition of Business Group (FY2013)

Business Group	Segment and Subsidiary
Infrastructure Systems Group	Social Infrastructure & Industrial Systems Segment, Electronic Systems & Equipment Segment, Digital Media & Consumer Products Segment
Information & Telecommunication Systems Group	Information & Telecommunication Systems Segment, Hitachi Transport System
Power Systems Group	Power Systems Segment
Construction Machinery Group	Construction Machinery Segment
High Functional Materials & Components Group	High Functional Materials & Components Segment, Hitachi Maxell
Automotive Systems Group	Automotive Systems Segment
Financial Services	Financial Services Segment

Some businesses are not included in the table above.

1-12. Revenues, Operating Income and EBIT by Business Group (1)*1

Billions of yen

		FY2012	FY2013	Year over year	Previous forecast comparison*2
Infrastructure Systems	Revenues	3,146.6	3,454.2	110%	101%
	Operating income	84.2	120.5	+36.2	+7.5
	EBIT	94.9	109.0	+14.1	+0.0
Information & Telecommunication Systems	Revenues	2,338.4	2,566.1	110%	103%
	Operating income	126.2	126.5	+0.3	(16.4)
	EBIT	125.5	111.9	(13.5)	(20.0)
Power Systems	Revenues	904.6	777.3	86%	100%
	Operating income	29.9	16.7	(13.1)	+1.7
	EBIT	30.0	152.9	+122.9	+138.9
Construction Machinery	Revenues	756.0	767.3	101%	96%
	Operating income	54.6	73.9	+19.3	(8.0)
	EBIT	58.1	63.3	+5.1	(14.6)

*1 Figures here represent unaudited information prepared by the Company

*2 Previous forecast announced on February 4, 2014

1-13. Revenues, Operating Income and EBIT by Business Group (2)*1

		Billions of yen			
		FY2012	FY2013	Year over year	Previous forecast comparison*2
High Functional Materials & Components	Revenues	1,475.9	1,512.1	102%	101%
	Operating income	61.4	109.3	+47.9	+6.3
	EBIT	52.6	106.5	+53.9	+6.5
Automotive Systems	Revenues	806.8	892.1	111%	104%
	Operating income	35.4	47.3	+11.9	+4.3
	EBIT	36.4	4.9	(31.4)	(19.0)
Financial Services	Revenues	340.2	338.5	99%	106%
	Operating income	29.2	33.1	+3.8	+2.1
	EBIT	29.4	34.6	+5.2	+1.6
Total	Revenues	9,041.0	9,616.2	106%	102%
	Operating income	422.0	532.8	+110.7	+22.8
	EBIT	358.0	580.1	+222.1	+120.1

*1 Figures here represent unaudited information prepared by the Company

*2 Previous forecast announced on February 4, 2014

1-14. Revenues, Operating Income and EBIT by Business Segment (1)

Billions of yen

		FY2012	FY2013	Year over year	Previous forecast comparison*
Information & Telecommunication Systems	Revenues	1,786.5	1,954.9	109%	103%
	Operating income	104.6	110.0	+5.3	(9.9)
	EBIT	104.2	98.5	(5.6)	(11.4)
Power Systems	Revenues	904.6	777.3	86%	100%
	Operating income	29.9	16.7	(13.1)	+1.7
	EBIT	30.0	152.9	+122.9	+138.9
Social Infrastructure & Industrial Systems	Revenues	1,313.8	1,446.6	110%	100%
	Operating income	60.2	56.7	(3.4)	(4.2)
	EBIT	63.3	59.1	(4.1)	(2.8)
Electronic Systems & Equipment	Revenues	1,014.3	1,116.7	110%	101%
	Operating income	29.3	59.1	+29.7	+7.1
	EBIT	32.4	52.6	+20.2	+2.6
Construction Machinery	Revenues	756.0	767.3	101%	96%
	Operating income	54.6	73.9	+19.3	(8.0)
	EBIT	58.1	63.3	+5.1	(14.6)
High Functional Materials & Components	Revenues	1,336.4	1,363.2	102%	102%
	Operating income	58.4	101.7	+43.3	+5.7
	EBIT	50.7	96.5	+45.8	+4.5

* Previous forecast announced on February 4, 2014

1-15. Revenues, Operating Income and EBIT by Business Segment (2)

Billions of yen

		FY2012	FY2013	Year over year	Previous forecast comparison*1
Automotive Systems	Revenues	806.8	892.1	111%	104%
	Operating income	35.4	47.3	+11.9	+4.3
	EBIT	36.4	4.9	(31.4)	(19.0)
Digital Media & Consumer Products	Revenues	818.5	890.8	109%	104%
	Operating income	(5.3)	4.6	+10.0	+4.6
	EBIT	(0.9)	(2.9)	(2.0)	+0.0
Others (Logistics and Other services) *2	Revenues	1,111.0	1,233.6	111%	103%
	Operating income	40.1	45.9	+5.8	+0.9
	EBIT	33.5	48.1	+14.6	+3.1
Financial Services	Revenues	340.2	338.5	99%	106%
	Operating income	29.2	33.1	+3.8	+2.1
	EBIT	29.4	34.6	+5.2	+1.6
Corporate items & Eliminations	Revenues	(1,147.5)	(1,165.2)	-	-
	Operating income	(14.7)	(16.6)	(1.9)	+18.3
	EBIT	(79.3)	(27.9)	+51.4	+17.0
Total	Revenues	9,041.0	9,616.2	106%	102%
	Operating income	422.0	532.8	+110.7	+22.8
	EBIT	358.0	580.1	+222.1	+120.1

*1 Previous forecast announced on February 4, 2014

*2 On April 1, 2013, the former "Others" was renamed "Others (Logistics and Other services)".

2. Hitachi Smart Transformation Project Progress and Outlook

Realize steady cost reductions as project activities became entrenched

Production Costs

- Promote global SCM reforms (Applying to all of the 18 targeted manufacturing business entities)
 - Commenced operation of shared PSI*1 system for mass production-type businesses (Full-scale operation to start in FY2014)
- Expand application of modular design
 - A dedicated team is doing the rounds of business sites and offering consultation (Applying to 8 of the 17 targeted manufacturing business entities)

Direct Materials Costs

- Expand centralized purchasing globally
[Achieved targeting of 34% centralized purchasing ratio in FY2013]
(E.g. Centralized procurement of Chinese aluminum materials and design tool license)
- Strengthen global procurement capabilities
 - Increase the functionality of global corporate procurement bases (Shortening lead time and strengthening quality control of products procured overseas)
 - Utilize global supplier database (Registered more than 6,000 companies)
- Strengthen procurement engineering capabilities:
Locally-led promotion of quality improvement measures
 - Applying to overseas sites of 6 business entities (E.g. Casting components, machine processing, sheet-metal and molded products)
 - In addition to China, plan to extend to Thailand

Indirect Costs

- A dedicated team is promoting global logistics reforms (E.g. Taking measures to reduce transport cost between third countries)
- Promote reduction of overseas indirect materials costs (Accelerating usage of sourcing center in China)
- Accelerate shared services globally (Started BPO*2 of indirect operations in India and Singapore)
- Promote standardization of indirect operation processes (E.g. Integrating related divisions, implementing standardization measures)

3. Outlook for Fiscal 2014

■ Business Environment

- **Japan** : Moderate growth supported mainly by improving employment levels and a rebound in capital expenditures
- **U.S.** : Continuing economic recovery underpinned by improving employment and wage levels
- **Europe** : Protracted economic slowdown centered on Southern Europe due to persistent issues with governmental finances and employment challenges
- **China** : Economic growth is expected to slow
- **Russia** : Increasing uncertainty about the situation

■ Summary of the FY2014 Forecast

[Projections for FY2014 assume an exchange rate of 98 yen to the U.S. dollar and 130 yen to the euro.]

Billions of yen

	FY2013	FY2014 (Forecast)	Year over year
Revenues	9,616.2	9,400.0	(216.2) [98%]
Operating income	532.8	560.0	+27.1
EBIT	580.1	520.0	(60.1)
Net income attributable to Hitachi, Ltd. stockholders	264.9	230.0	(34.9)

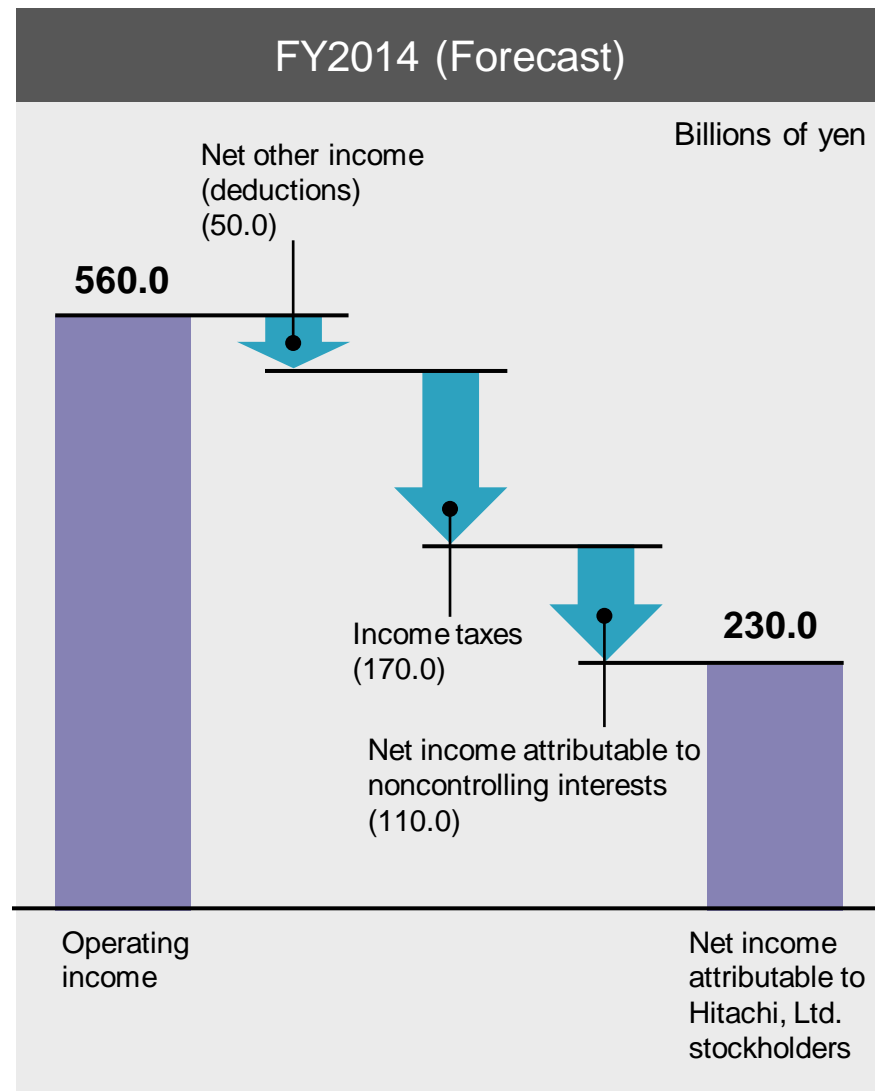
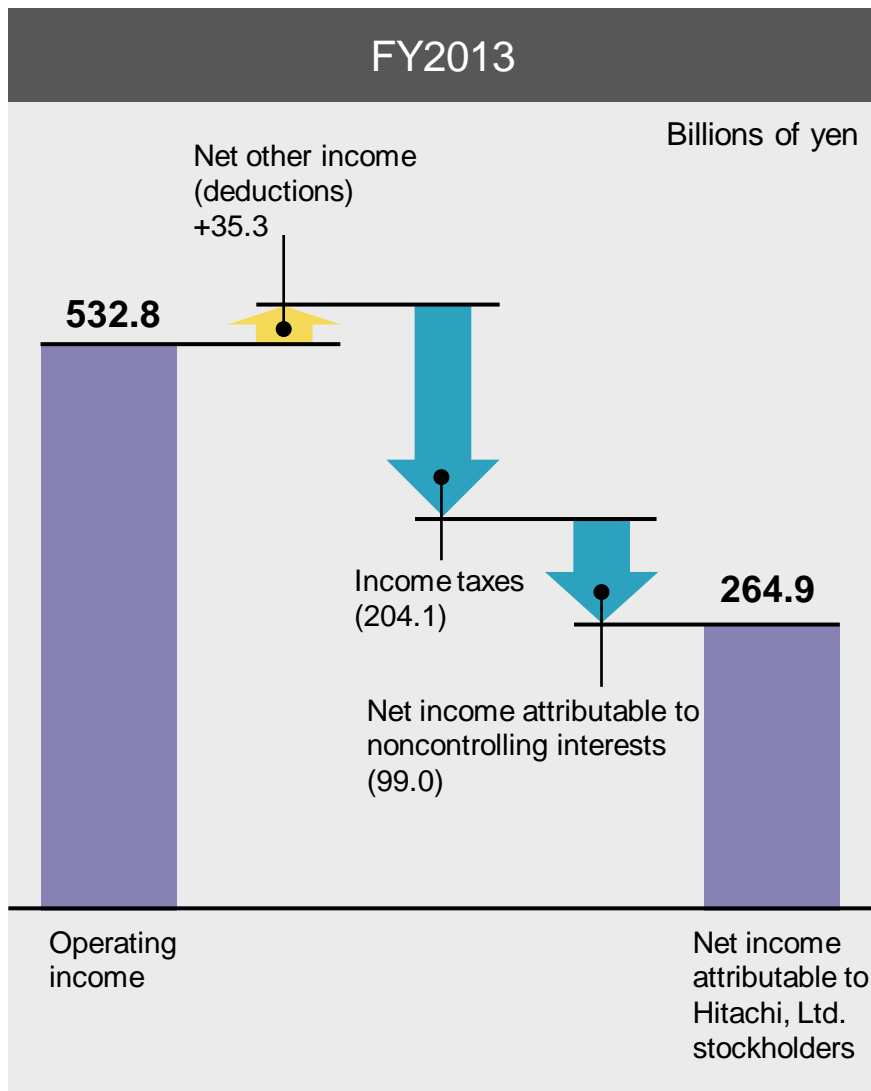
3-2. Outlook for FY2014 (2)

[Projections for FY2014 assume an exchange rate of 98 yen to the U.S. dollar and 130 yen to the euro.]

Billions of yen

	FY2013	FY2014 (Forecast)	Year over year
Revenues	9,616.2	9,400.0	(216.2) [98%]
Operating income	532.8	560.0	+27.1
EBIT	580.1	520.0	(60.1)
Net other income (deductions)	35.3	(50.0)	(85.3)
Income before income taxes	568.1	510.0	(58.1)
Income taxes	(204.1)	(170.0)	+34.1
Net income	364.0	340.0	(24.0)
Net income attributable to noncontrolling interests	(99.0)	(110.0)	(10.9)
Net income attributable to Hitachi, Ltd. stockholders	264.9	230.0	(34.9)

3-3. Factors of Net Income Attributable to Hitachi, Ltd. Stockholders



3-4. Outlook for FY2014: Revenues, Operating income and EBIT by Business Group (1)*

Billions of yen

		FY2013	FY2014 (Forecast)	Year over year
Infrastructure Systems ^{†1, 2}	Revenues	3,358.2	3,470.0	103%
	Operating income	137.9	174.0	+36.0
	EBIT	139.4	173.0	+33.5
Information & Telecommunication Systems ^{†1}	Revenues	2,546.2	2,600.0	102%
	Operating income	123.0	162.0	+38.9
	EBIT	109.7	151.0	+41.2
Power Systems	Revenues	777.3	520.0	67%
	Operating income	16.7	5.0	(11.7)
	EBIT	152.9	21.0	(131.9)
Construction Machinery	Revenues	767.3	750.0	98%
	Operating income	73.9	76.0	+2.0
	EBIT	63.3	76.0	+12.6

* Figures here represent unaudited information prepared by the Company

†1, 2 See notes concerning individual business groups and business segments (page 39)

3-5. Outlook for FY2014: Revenues, Operating income and EBIT by Business Group (2)*

Billions of yen

		FY2013	FY2014 (Forecast)	Year over year
High Functional Materials & Components†3	Revenues	1,363.2	1,400.0	103%
	Operating income	101.7	108.0	+6.2
	EBIT	96.5	97.0	+0.4
Automotive Systems	Revenues	892.1	940.0	105%
	Operating income	47.3	60.0	+12.6
	EBIT	4.9	60.0	+55.0
Financial Services	Revenues	338.5	350.0	103%
	Operating income	33.1	33.0	(0.1)
	EBIT	34.6	34.0	(0.6)
Total	Revenues	9,616.2	9,400.0	98%
	Operating income	532.8	560.0	+27.1
	EBIT	580.1	520.0	(60.1)

* Figures here represent unaudited information prepared by the Company

†3 See notes concerning individual business groups and business segments (page 39)

3-6. Outlook for FY2014: Revenues, Operating income and EBIT by Business Segment (1)

Billions of yen

		FY2013	FY2014 (Forecast)	Year over year
Information & Telecommunication Systems ^{†4}	Revenues	1,934.9	1,950.0	101%
	Operating income	106.5	136.0	+29.4
	EBIT	96.3	126.0	+29.6
Power Systems	Revenues	777.3	520.0	67%
	Operating income	16.7	5.0	(11.7)
	EBIT	152.9	21.0	(131.9)
Social Infrastructure & Industrial Systems ^{†4}	Revenues	1,501.4	1,570.0	105%
	Operating income	59.0	90.0	+30.9
	EBIT	61.1	86.0	+24.8
Electronic Systems & Equipment	Revenues	1,116.7	1,160.0	104%
	Operating income	59.1	60.0	+0.8
	EBIT	52.6	59.0	+6.3
Construction Machinery	Revenues	767.3	750.0	98%
	Operating income	73.9	76.0	+2.0
	EBIT	63.3	76.0	+12.6
High Functional Materials & Components	Revenues	1,363.2	1,400.0	103%
	Operating income	101.7	108.0	+6.2
	EBIT	96.5	97.0	+0.4

^{†4} See notes concerning individual business groups and business segments (page 39)

3-7. Outlook for FY2014: Revenues, Operating income and EBIT by Business Segment (2)

Billions of yen

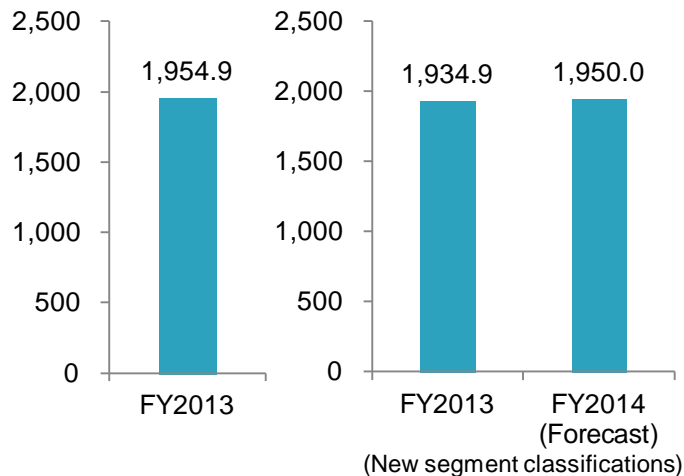
		FY2013	FY2014 (Forecast)	Year over year
Automotive Systems	Revenues	892.1	940.0	105%
	Operating income	47.3	60.0	+12.6
	EBIT	4.9	60.0	+55.0
Smart Life & Ecofriendly Systems ^{†5}	Revenues	740.0	740.0	100%
	Operating income	19.8	24.0	+4.1
	EBIT	25.4	28.0	+2.5
Others (Logistics and Other services) ^{†5}	Revenues	1,388.9	1,250.0	90%
	Operating income	30.8	38.0	+7.1
	EBIT	19.7	36.0	+16.2
Financial Services	Revenues	338.5	350.0	103%
	Operating income	33.1	33.0	(0.1)
	EBIT	34.6	34.0	(0.6)
Corporate items & Eliminations	Revenues	(1,204.6)	(1,230.0)	-
	Operating income	(15.4)	(70.0)	(54.5)
	EBIT	(27.6)	(103.0)	(75.3)
Total	Revenues	9,616.2	9,400.0	98%
	Operating income	532.8	560.0	+27.1
	EBIT	580.1	520.0	(60.1)

^{†5} See notes concerning individual business groups and business segments (page 39)

4. Overview by Business Segment

Revenues

Billions of yen



Review of Operations

* Figures in brackets are year over year comparisons

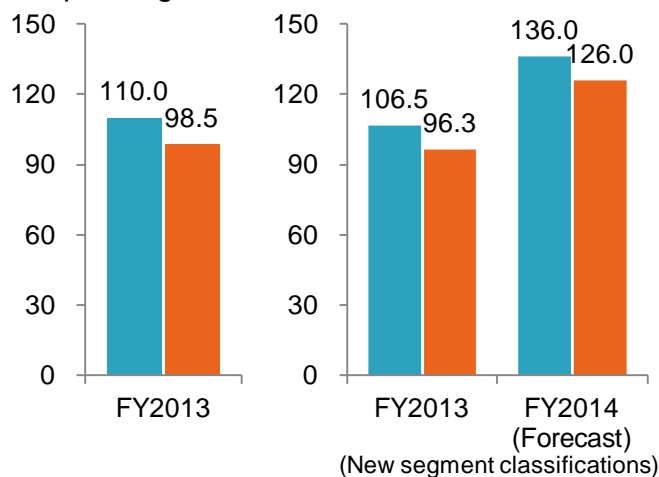
FY2013 Results

- **Revenues: 1,954.9 billion yen [109%]**
Revenues increased due to higher sales in services and ATMs, and foreign currency fluctuations.
- **Operating income: 110.0 billion yen [+5.3 billion yen]**
Operating income increased largely in line with higher revenues.
- **EBIT: 98.5 billion yen [(5.6) billion yen]**
EBIT decreased, mainly reflecting the recording of expenses related to business structure reforms.

Operating income and EBIT

Billions of yen

■ Operating income ■ EBIT

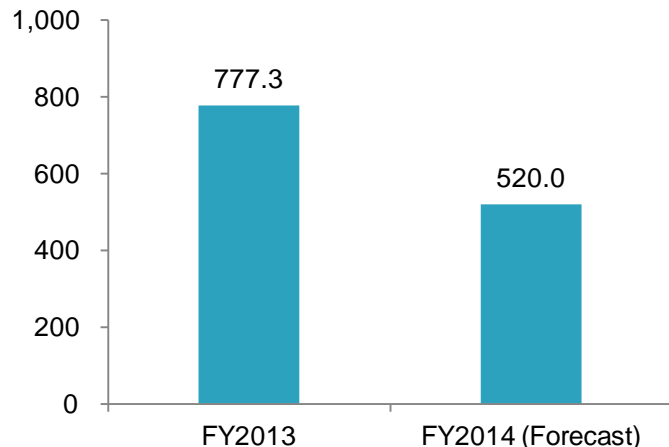


FY2014 Outlook (New segment classifications)

- **Revenues: 1,950.0 billion yen [101%]**
Forecasting higher revenues due to expansion in storage solution and operation services business, despite a decline due to lower demand in the telecommunication systems business
- **Operating income: 136.0 billion yen [+29.4 billion yen]**
Forecasting higher earnings due to expansion of storage solution and operation service businesses, in addition to thorough implementation of better project management in services.
- **EBIT: 126.0 billion yen [+29.6 billion yen]**
Forecasting higher EBIT due to increase in operating income and other factors.

Revenues

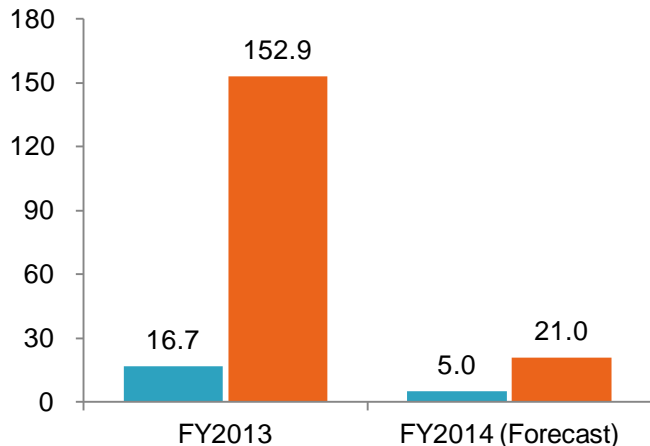
Billions of yen



Operating income and EBIT

Billions of yen

■ Operating income ■ EBIT



Review of Operations

* Figures in brackets are year over year comparisons

● FY2013 Results

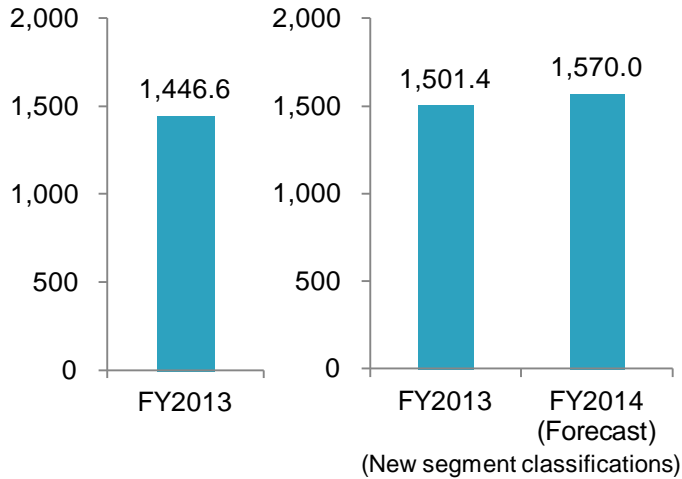
- **Revenues: 777.3 billion yen [86%]**
Lower revenues due mainly to a decline in the volume of work for nuclear power generation systems, and the integration of the thermal power generation systems business to Mitsubishi Hitachi Power Systems, Ltd., a joint venture with Mitsubishi Heavy Industries, Ltd. intended to bolster the international competitiveness of this business.
- **Operating income: 16.7 billion yen [(13.1) billion yen]**
Operating income declined due to lower revenues.
- **EBIT: 152.9 billion yen [+122.9 billion yen]**
EBIT increased mainly due to the gain associated with the integration of the thermal power generation systems business with Mitsubishi Heavy Industries, Ltd.

● FY2014 Outlook

- **Revenues: 520.0 billion yen [67%]**
Forecasting lower revenues, mainly due to the integration of the thermal power generation systems business to Mitsubishi Hitachi Power Systems, Ltd., an equity-method affiliate.
- **Operating income: 5.0 billion yen [(11.7) billion yen]**
Forecasting lower operating income, mainly due to the integration of the thermal power generation systems business to Mitsubishi Hitachi Power Systems, Ltd., an equity-method affiliate.
- **EBIT: 21.0 billion yen [(131.9) billion yen]**
Forecasting a decline in EBIT in the absence of the gain recorded in the previous fiscal year associated with the integration of the thermal power generation systems business with Mitsubishi Heavy Industries, Ltd.

Revenues

Billions of yen



Review of Operations

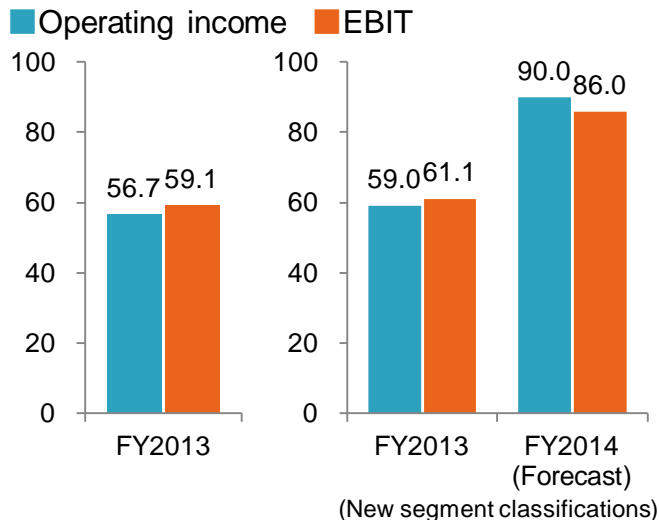
* Figures in brackets are year over year comparisons

FY2013 Results

- Revenues: 1,446.6 billion yen [110%]**
 Revenues increased, mainly due to higher sales in the infrastructure systems business and in the overseas rail systems business, as well as in the elevators and escalators business in China.
- Operating income: 56.7 billion yen [(3.4) billion yen]**
 Operating income declined, mainly due to the unprofitable projects in the infrastructure systems business, despite higher earnings in the elevators and escalators business and the rail systems business on increased revenues.
- EBIT: 59.1 billion yen [(4.1) billion yen]**
 EBIT fell, primarily lower operating income.

Operating income and EBIT

Billions of yen



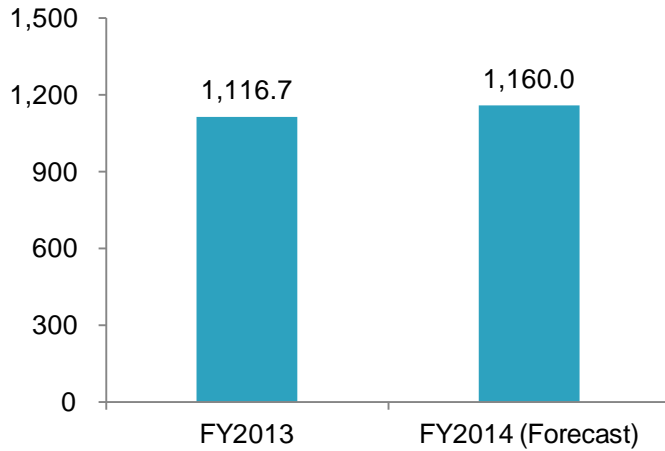
FY2014 Outlook (New segment classifications)

- Revenues: 1,570.0 billion yen [105%]**
 Forecasting higher revenues on expectations for strong performance in the elevators and escalators business in China and an increase in overseas projects in the infrastructure systems business.
- Operating income: 90.0 billion yen [+30.9 billion yen]**
 Forecasting an increase in operating income due to curtailing unprofitable projects in the infrastructure systems business, higher revenues, and strong performance in the elevators and escalators business.
- EBIT: 86.0 billion yen [+24.8 billion yen]**
 Forecasting higher EBIT due to increase in operating income and other factors, despite a projected deterioration in foreign exchange gain and loss.

†4 See notes concerning individual business groups and business segments (page 39)

Revenues

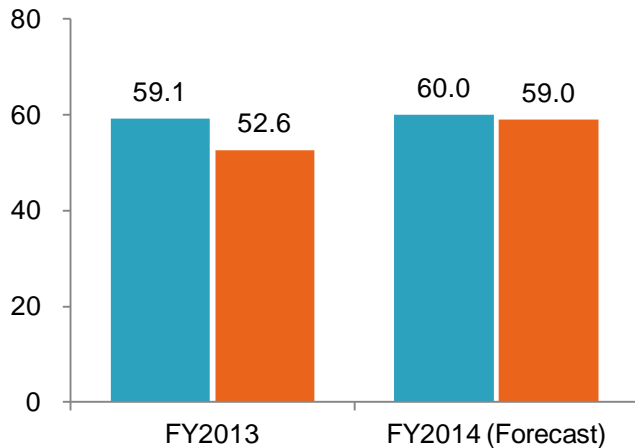
Billions of yen



Operating income and EBIT

Billions of yen

■ Operating income ■ EBIT



Review of Operations

* Figures in brackets are year over year comparisons

● FY2013 Results

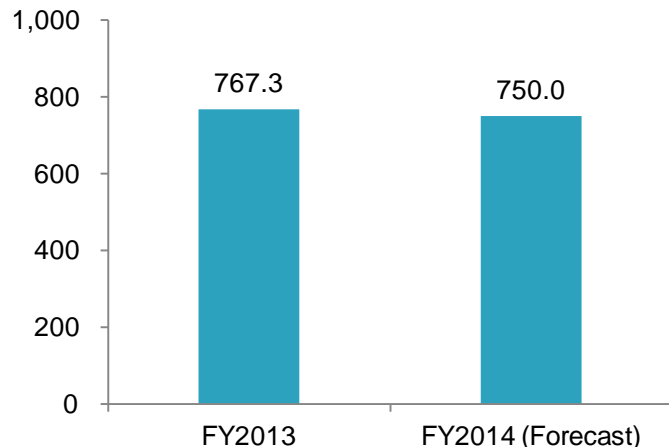
- **Revenues: 1,116.7 billion yen [110%]**
Revenues increased on higher sales of semiconductor manufacturing systems and medical analysis systems at Hitachi High-Technologies Corporation and higher sales of semiconductor manufacturing systems at Hitachi Kokusai Electric Inc.
- **Operating income: 59.1 billion yen [+29.7 billion yen]**
Operating income increased due to the benefits of business structure reforms, in addition to higher revenues.
- **EBIT: 52.6 billion yen [+20.2 billion yen]**
EBIT was higher, mainly reflecting higher operating income.

● FY2014 Outlook

- **Revenues: 1,160.0 billion yen [104%]**
Forecasting an increase in revenues due to steady sales of semiconductor manufacturing systems at Hitachi High-Technologies Corporation.
- **Operating income: 60.0 billion yen [+0.8 billion yen]**
Forecasting higher operating income on the projected higher revenues.
- **EBIT: 59.0 billion yen [+6.3 billion yen]**
Forecasting an increase in EBIT, mainly due a decrease in expenses related to business structure reforms.

Revenues

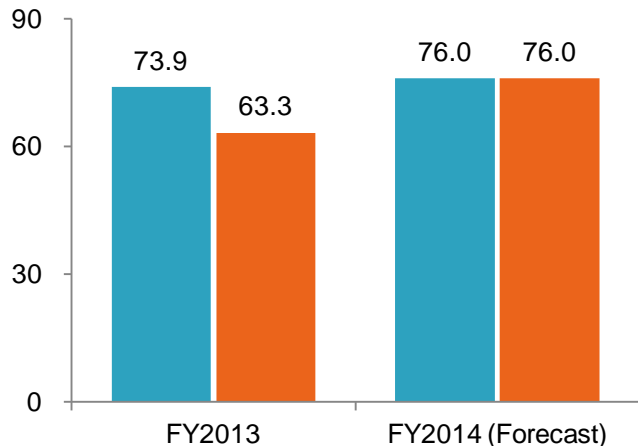
Billions of yen



Operating income and EBIT

Billions of yen

■ Operating income ■ EBIT



Review of Operations

* Figures in brackets are year over year comparisons

● FY2013 Results

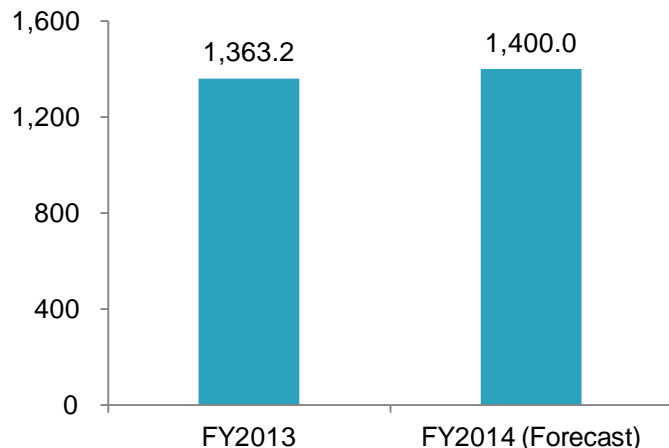
- **Revenues: 767.3 billion yen [101%]**
Higher revenues mainly reflected increased sales of hydraulic excavators in Japan and China, despite a decrease in sales of mining machinery.
- **Operating income: 73.9 billion yen [+19.3 billion yen]**
Operating income was higher, mainly due to the impact of foreign currency fluctuations, as well as progress with cost reductions.
- **EBIT: 63.3 billion yen [+5.1 billion yen]**
EBIT increased, due to the higher operating income, despite the absence of the gains on the sale of subsidiary shares associated with business restructuring recorded in the previous fiscal year.

● FY2014 Outlook

- **Revenues: 750.0 billion yen [98%]**
Forecasting lower revenues on a projected decline in sales of hydraulic excavators in Japan, although demand is expected to recover mainly in Europe and the U.S.
- **Operating income: 76.0 billion yen [+2.0 billion yen]**
Forecasting higher operating income based on a projected increase in sales prices and progress with cost reductions, as well as higher sales of highly profitable parts and services.
- **EBIT: 76.0 billion yen [+12.6 billion yen]**
Forecasting an increase in EBIT driven by improvement in foreign exchange losses and other factors.

Revenues

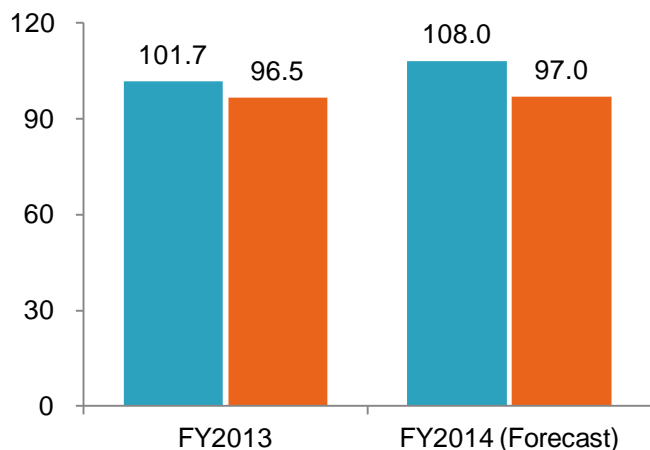
Billions of yen



Operating income and EBIT

Billions of yen

■ Operating income ■ EBIT



Review of Operations

* Figures in brackets are year over year comparisons

● FY2013 Results

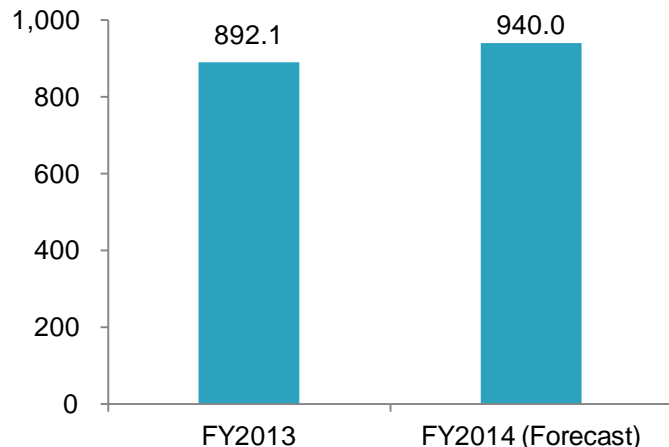
- **Revenues: 1,363.2 billion yen [102%]**
Revenues increased, mainly reflecting healthy demand for automobile products and certain electronics-related materials, despite lackluster sales of hard disk drive-related materials.
- **Operating income: 101.7 billion yen [+43.3 billion yen]**
Operating income increased. In addition to the higher revenues, this was mainly attributable to the benefits of business structure reforms, and the near absence of the impact associated with a drop in raw materials prices in the previous fiscal year.
- **EBIT: 96.5 billion yen [+45.8 billion yen]**
EBIT was higher. In addition to the higher operating income, this result mainly reflected lower expenses related to business structure reforms.

● FY2014 Outlook

- **Revenues: 1,400.0 billion yen [103%]**
Forecasting an increase in revenues due to firm growth, mainly in automobile products and touch panel materials.
- **Operating income: 108.0 billion yen [+6.2 billion yen]**
Forecasting higher operating income, mainly due to the higher revenues and progress with cost cutting.
- **EBIT: 97.0 billion yen [+0.4 billion yen]**
Forecasting an increase in EBIT, mainly due to the higher operating income, despite decrease in foreign exchange gain.

Revenues

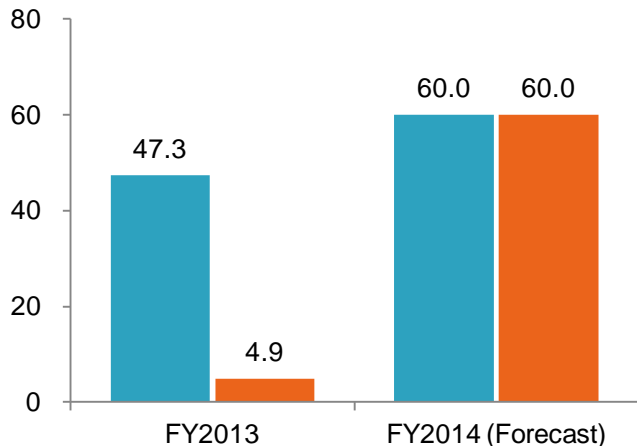
Billions of yen



Operating income and EBIT

Billions of yen

■ Operating income ■ EBIT



Review of Operations

* Figures in brackets are year over year comparisons

● FY2013 Results

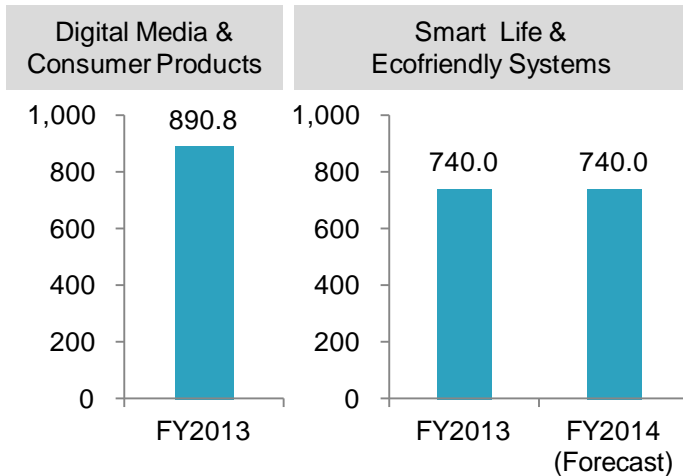
- Revenues: 892.1 billion yen [111%]**
 Revenues were higher, mainly due to last-minute demand ahead of the scheduled consumption tax rate increase in Japan, in addition to firm demand in overseas automobile markets.
- Operating income: 47.3 billion yen [+11.9 billion yen]**
 Operating income increased, mainly due to higher revenues and improvement associated with capacity utilization.
- EBIT: 4.9 billion yen [(31.4) billion yen]**
 EBIT declined, despite the increase in operating income, mainly due to a fine for violating U.S. antitrust laws, and the recording of impairment losses in the vehicle battery business.

● FY2014 Outlook

- Revenues: 940.0 billion yen [105%]**
 Forecasting higher revenues due to increasing support for customers' global expansions, including expanding local production capacity in emerging countries and elsewhere.
- Operating income: 60.0 billion yen [+12.6 billion yen]**
 Forecasting an increase in operating income, due to the cost-reducing effect by accelerating local production and local procurement, in addition to higher revenues and improved capacity utilization.
- EBIT: 60.0 billion yen [+55.0 billion yen]**
 Forecasting higher EBIT in the absence of a fine for violating U.S. antitrust laws recorded in the previous fiscal year.

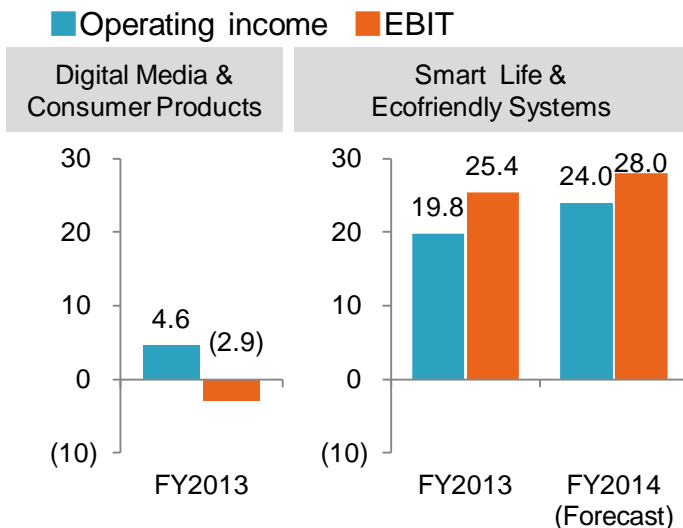
Revenues

Billions of yen



Operating income and EBIT

Billions of yen



Review of Operations

* Figures in brackets are year over year comparisons

● FY2013 Results (Digital Media & Consumer Products)

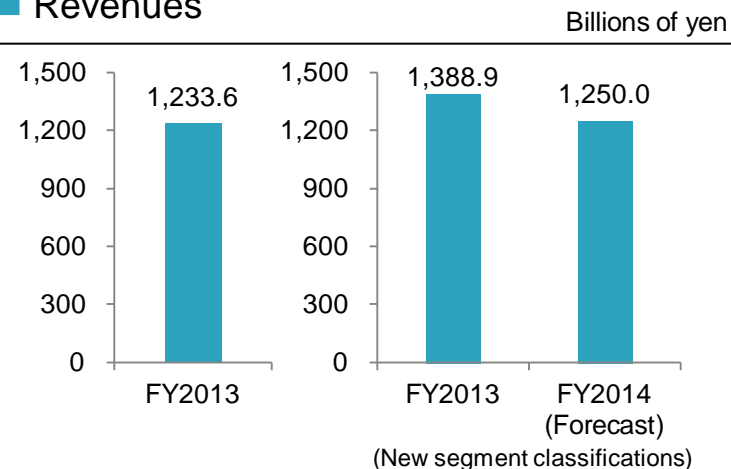
- **Revenues: 890.8 billion yen [109%]**
Revenues increased because of increased sales of home appliances due to last-minute demand ahead of the scheduled consumption tax rate increase in Japan, and of air-conditioning equipment, both in Japan and overseas.
- **Operating income: 4.6 billion yen [+10.0 billion yen]**
Operating income increased, mainly due to the higher revenues and progress with cost reductions.
- **EBIT: (2.9) billion yen [(2.0) billion yen]**
EBIT saw a larger loss due to an increase in expenses related to business structure reforms, despite the higher operating income.

● FY2014 Outlook (Smart Life & Ecofriendly Systems)

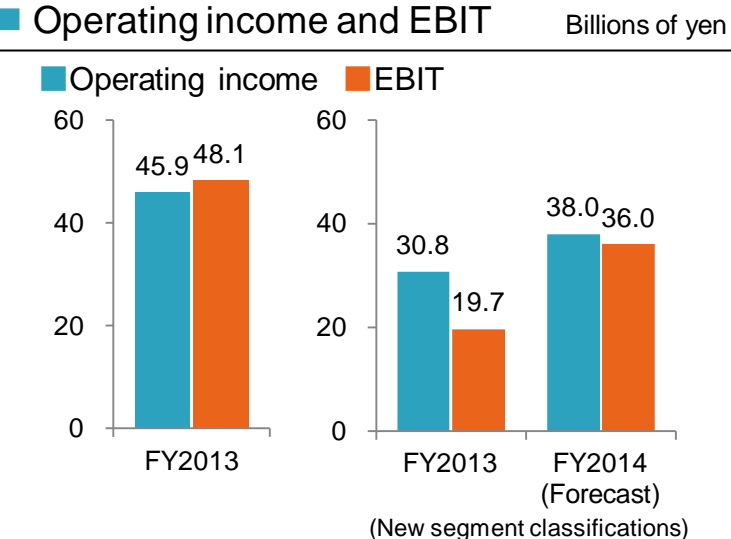
- **Revenues: 740.0 billion yen [100%]**
Forecasting largely unchanged revenues as a swing-back from last-minute demand ahead of the consumption tax rate increase in Japan in the previous year mostly offsets the launch of new products ahead of schedule and expansion of overseas businesses.
- **Operating income: 24.0 billion yen [+4.1 billion yen]**
Forecasting higher operating income, mainly due to the launch of new products and progress with cost reductions.
- **EBIT: 28.0 billion yen [+2.5 billion yen]**
Forecasting higher EBIT due to the increase in operating income and other factors.

Others (Logistics and Other services)

Revenues

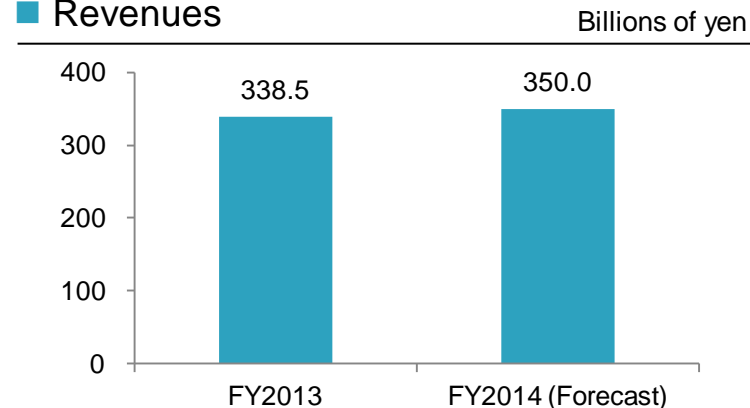


Operating income and EBIT

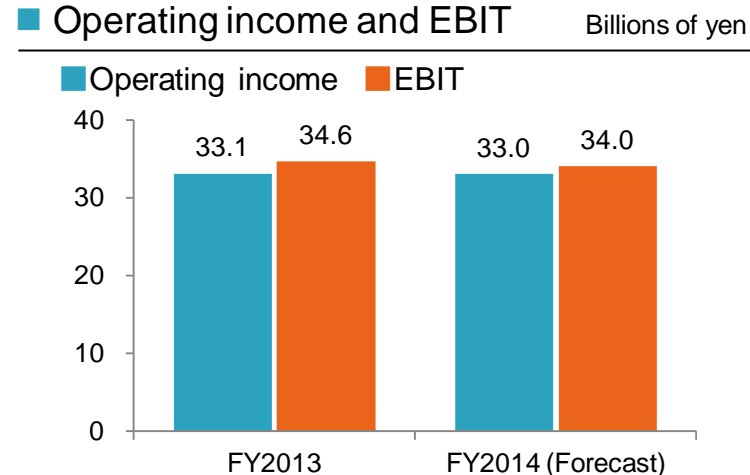


Financial Services

Revenues



Operating income and EBIT



^{†5} See notes concerning individual business groups and business segments (page 39)

■ Individual Business Groups

- †1 Effective on April 1, 2014, Hitachi Information & Control Solutions and Ibaraki Hitachi Information Service (both companies merged and changed its corporate name to Hitachi Industry & Control Solutions on April 1, 2014), which were previously included in the “Information & Telecommunication Systems”, have been included in the “Infrastructure Systems”. Forecasts for fiscal 2014 show the new group classifications, and figures for fiscal 2013 using the new group classifications are also shown for reference.
- †2 Effective on April 1, 2014, Hitachi-LG Data Storage, Hitachi Consumer Electronics and Hitachi Media Electronics, which were previously included in the “Infrastructure Systems”, have not been included in the group. Forecasts for fiscal 2014 show the new group classifications, and figures for fiscal 2013 using the new group classifications are also shown for reference.
- †3 Effective on April 1, 2014, Hitachi Maxell, which were previously included in the “High Functional Materials & Components”, has not been included in the group. Forecasts for fiscal 2014 show the new group classifications, and figures for fiscal 2013 using the new group classifications are also shown for reference.

■ Individual Business segments

- †4 Effective on April 1, 2014, Hitachi Information & Control Solutions and Ibaraki Hitachi Information Service (both companies merged and changed its corporate name to Hitachi Industry & Control Solutions on April 1, 2014), which were previously included in the “Information & Telecommunication Systems”, have been included in the “Social Infrastructure & Industrial Systems”. Forecasts for fiscal 2014 show the new segment classifications, and figures for fiscal 2013 using the new segment classifications are also shown for reference.
- †5 Effective on April 1, 2014, Hitachi-LG Data Storage, Hitachi Consumer Electronics and Hitachi Media Electronics, which were previously included in the “Digital Media & Consumer Products”, have been included in “Others (Logistics and Other services)”. The “Digital Media & Consumer Products” has been renamed to the “Smart Life & Ecofriendly Systems” based on these changes, and Hitachi Appliances and Hitachi Consumer Marketing have been included in this segment. Forecasts for fiscal 2014 show the new segment classifications, and figures for fiscal 2013 using the new segment classifications are also shown for reference.

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 which 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;
- rapid technological innovation;
- 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;
- 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 information technology products and digital media-related products and intensifying price competition for such 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 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 affiliates 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 affiliates;
- the possibility of disruption of Hitachi’s operations by earthquakes, tsunamis or other natural disasters;
- 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.

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