

**FOR IMMEDIATE RELEASE**

**Hitachi Announces Consolidated Financial Results  
for the Third Quarter Ended December 31, 2022**

**Tokyo, February 1, 2023** --- Hitachi, Ltd. (TSE:6501) today announced its consolidated financial results for the third quarter of fiscal 2022, ended December 31, 2022

Note: All figures were converted at the rate of 133 yen to the U.S. dollar as of December 31, 2022.

## Summary

	Nine months ended December 31			
	Billions of yen		(B)/(A) (%)	Millions of U.S. dollars
	2021(A)	2022(B)		2022
1. Revenues	7,346.6	8,108.7	110	60,968
2. Adjusted operating income	484.4	527.4	109	3,966
3. Adjusted EBITA (Adjusted Earnings before interest, taxes and amortization)	575.2	624.2	109	4,693
4. Income before income taxes	593.2	456.8	77	3,435
5. Net income	512.2	333.8	65	2,510
6. Net income attributable to Hitachi, Ltd. stockholders	450.7	292.2	65	2,197
7. Earnings per share attributable to Hitachi, Ltd. stockholders	(Yen)	(Yen)		(U.S.dollars)
Basic	466.47	306.99	66	2.31
Diluted	465.86	306.66	66	2.31

Notes: 1. The Company's consolidated financial statements are prepared based on IFRS.

2. "Adjusted operating income" is presented as revenues less cost of sales as well as selling, general and administrative expenses.

3. "Adjusted EBITA" = Adjusted operating income + Acquisition-related amortization + Share of profits(losses) of investments accounted for using the equity method.

4. The figures are for 760 consolidated subsidiaries and 369 equity-method associates and joint ventures.

### Condensed Quarterly Consolidated Statement of Profit or Loss

	Nine months ended December 31			
	Millions of yen		(B)/(A) (%)	Millions of U.S. dollars
	2021 (A)	2022 (B)		2022
Revenues	7,346,665	8,108,796	110	60,968
Cost of sales	(5,532,216)	(6,123,921)	111	(46,045)
Gross profit	1,814,449	1,984,875	109	14,924
Selling, general and administrative expenses	(1,329,989)	(1,457,376)	110	(10,958)
Adjusted operating income	484,460	527,499	109	3,966
Other income	100,377	71,658	71	539
Other expenses	(31,127)	(152,309)	489	(1,145)
Financial income	14,927	9,915	66	75
Financial expenses	(553)	(16,260)	-	(122)
Share of profits (losses) of investments accounted for using the equity method	33,318	34,016	102	256
EBIT (Earnings before interest and taxes)	601,402	474,519	79	3,568
Interest income	11,364	17,637	155	133
Interest charges	(19,510)	(35,337)	181	(266)
Income before income taxes	593,256	456,819	77	3,435
Income taxes	(81,015)	(122,962)	152	(925)
Net income	512,241	333,857	65	2,510
Net income attributable to:				
Hitachi, Ltd. stockholders	450,785	292,232	65	2,197
Non-controlling interests	61,456	41,625	68	313
Earnings per share attributable to Hitachi, Ltd. stockholders	Yen	Yen		U.S.dollars
Basic	466.47	306.99	66	2.31
Diluted	465.86	306.66	66	2.31

### Condensed Quarterly Consolidated Statement of Comprehensive Income

	Nine months ended December 31			
	Millions of yen		(B)/(A) (%)	Millions of U.S. dollars
	2021 (A)	2022 (B)		2022
Net income	512,241	333,857	65	2,510
Other comprehensive income (OCI)				
Items not to be reclassified into net income				
Net changes in financial assets measured at fair value through OCI	(15,528)	(17,131)	-	(129)
Remeasurements of defined benefit plans	-	17,232	-	130
Share of OCI of investments accounted for using the equity method	(255)	641	-	5
Total items not to be reclassified into net income	(15,783)	742	-	6
Items that can be reclassified into net income				
Foreign currency translation adjustments	123,539	209,406	170	1,574
Net changes in cash flow hedges	1,908	5,375	282	40
Share of OCI of investments accounted for using the equity method	20,401	22,664	111	170
Total items that can be reclassified into net income	145,848	237,445	163	1,785
Other comprehensive income (OCI)	130,065	238,187	183	1,791
Comprehensive income	642,306	572,044	89	4,301
Comprehensive income attributable to:				
Hitachi, Ltd. stockholders	556,799	481,233	86	3,618
Non-controlling interests	85,507	90,811	106	683

### Condensed Quarterly Consolidated Statement of Financial Position

	Millions of yen		(B)-(A)	Millions of U.S. dollars
	As of March 31, 2022 (A)	As of December 31, 2022 (B)		As of December 31, 2022
<b>Assets</b>				
Current assets				
Cash and cash equivalents	968,827	839,608	(129,219)	6,313
Trade receivables and contract assets	2,978,149	2,568,812	(409,337)	19,314
Inventories	2,042,432	1,762,698	(279,734)	13,253
Investments in securities and other financial assets	376,315	272,453	(103,862)	2,049
Assets held for sale	-	1,187,829	1,187,829	8,931
Other current assets	233,708	306,414	72,706	2,304
<b>Total Current assets</b>	<b>6,599,431</b>	<b>6,937,814</b>	<b>338,383</b>	<b>52,164</b>
Non-current assets				
Investments accounted for using the equity method	411,201	485,007	73,806	3,647
Investments in securities and other financial assets	584,806	476,095	(108,711)	3,580
Property, plant and equipment	2,478,901	1,699,648	(779,253)	12,779
Goodwill	2,153,706	2,120,916	(32,790)	15,947
Other intangible assets	1,257,128	1,222,574	(34,554)	9,192
Other non-current assets	402,329	338,952	(63,377)	2,549
<b>Total Non-current assets</b>	<b>7,288,071</b>	<b>6,343,192</b>	<b>(944,879)</b>	<b>47,693</b>
<b>Total Assets</b>	<b>13,887,502</b>	<b>13,281,006</b>	<b>(606,496)</b>	<b>99,857</b>
<b>Liabilities</b>				
Current liabilities				
Short-term debt	1,234,119	1,530,140	296,021	11,505
Current portion of long-term debt	336,418	217,531	(118,887)	1,636
Other financial liabilities	294,047	280,356	(13,691)	2,108
Trade payables	1,754,633	1,478,754	(275,879)	11,118
Accrued expenses	738,030	573,669	(164,361)	4,313
Contract liabilities	1,069,732	1,138,338	68,606	8,559
Liabilities directly associated with assets held for sale	-	467,695	467,695	3,517
Other current liabilities	427,087	395,580	(31,507)	2,974
<b>Total Current liabilities</b>	<b>5,854,066</b>	<b>6,082,063</b>	<b>227,997</b>	<b>45,730</b>
Non-current liabilities				
Long-term debt	1,556,175	1,307,066	(249,109)	9,828
Retirement and severance benefits	414,839	344,532	(70,307)	2,590
Other non-current liabilities	707,145	376,749	(330,396)	2,833
<b>Total Non-current liabilities</b>	<b>2,678,159</b>	<b>2,028,347</b>	<b>(649,812)</b>	<b>15,251</b>
<b>Total Liabilities</b>	<b>8,532,225</b>	<b>8,110,410</b>	<b>(421,815)</b>	<b>60,981</b>
<b>Equity</b>				
Hitachi, Ltd. stockholders' equity				
Common stock	461,731	462,817	1,086	3,480
Capital surplus	46,119	-	(46,119)	-
Retained earnings	3,197,725	3,260,488	62,763	24,515
Accumulated other comprehensive income	639,263	804,355	165,092	6,048
(Foreign currency translation adjustments)	444,651	629,952	185,301	4,736
(Remeasurements of defined benefit plans)	105,675	76,048	(29,627)	572
(Net changes in financial assets measured at fair value through OCI)	110,109	91,206	(18,903)	686
(Net changes in cash flow hedges)	(21,172)	7,149	28,321	54
Treasury stock, at cost	(3,002)	(3,490)	(488)	(26)
<b>Total Hitachi, Ltd. stockholders' equity</b>	<b>4,341,836</b>	<b>4,524,170</b>	<b>182,334</b>	<b>34,016</b>
Non-controlling interests	1,013,441	646,426	(367,015)	4,860
<b>Total Equity</b>	<b>5,355,277</b>	<b>5,170,596</b>	<b>(184,681)</b>	<b>38,877</b>
<b>Total Liabilities and Equity</b>	<b>13,887,502</b>	<b>13,281,006</b>	<b>(606,496)</b>	<b>99,857</b>

Note: Mainly assets, liabilities of Hitachi Metals group (currently Proterial group), "Investments accounted for using the equity method" regarding Hitachi Transport System group are presented separately in the "Assets held for sale" and "Liabilities directly associated with assets held for sale".

## Condensed Quarterly Consolidated Statement of Changes in Equity

Millions of yen

Nine months ended December 31, 2021								
	Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income	Treasury stock, at cost	Total Hitachi, Ltd. stockholders' equity	Non-controlling interests	Total equity
Balance at beginning of period	460,790	84,040	2,710,604	273,561	(3,493)	3,525,502	932,730	4,458,232
Changes in equity								
Reclassified into retained earnings	-	-	4,718	(4,718)	-	-	-	-
Net income	-	-	450,785	-	-	450,785	61,456	512,241
Other comprehensive income	-	-	-	106,014	-	106,014	24,051	130,065
Dividends to Hitachi, Ltd. stockholders	-	-	(111,210)	-	-	(111,210)	-	(111,210)
Dividends to non-controlling interests	-	-	-	-	-	-	(45,756)	(45,756)
Acquisition of treasury stock	-	-	-	-	(208)	(208)	-	(208)
Sales of treasury stock	-	(294)	-	-	739	445	-	445
Issuance of new shares	941	941	-	-	-	1,882	-	1,882
Changes in non-controlling interests	-	(19,318)	-	(3,739)	-	(23,057)	(21,252)	(44,309)
Total changes in equity	941	(18,671)	344,293	97,557	531	424,651	18,499	443,150
Balance at end of period	461,731	65,369	3,054,897	371,118	(2,962)	3,950,153	951,229	4,901,382

Millions of yen

Nine months ended December 31, 2022								
	Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income	Treasury stock, at cost	Total Hitachi, Ltd. stockholders' equity	Non-controlling interests	Total equity
Balance at beginning of period	461,731	46,119	3,197,725	639,263	(3,002)	4,341,836	1,013,441	5,355,277
Changes in equity								
Reclassified into retained earnings	-	-	50,205	(50,205)	-	-	-	-
Net income	-	-	292,232	-	-	292,232	41,625	333,857
Other comprehensive income	-	-	-	189,001	-	189,001	49,186	238,187
Dividends to Hitachi, Ltd. stockholders	-	-	(129,148)	-	-	(129,148)	-	(129,148)
Dividends to non-controlling interests	-	-	-	-	-	-	(24,388)	(24,388)
Acquisition of treasury stock	-	-	-	-	(200,160)	(200,160)	-	(200,160)
Sales of treasury stock	-	(94)	-	-	255	161	-	161
Cancellation of treasury stock	-	(199,417)	-	-	199,417	-	-	-
Issuance of new shares	1,086	1,086	-	-	-	2,172	-	2,172
Changes in non-controlling interests	-	152,306	(150,526)	26,296	-	28,076	(433,438)	(405,362)
Total changes in equity	1,086	(46,119)	62,763	165,092	(488)	182,334	(367,015)	(184,681)
Balance at end of period	462,817	-	3,260,488	804,355	(3,490)	4,524,170	646,426	5,170,596

Millions of U.S. dollars

Nine months ended December 31, 2022								
	Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income	Treasury stock, at cost	Total Hitachi, Ltd. stockholders' equity	Non-controlling interests	Total equity
Balance at beginning of period	3,472	347	24,043	4,806	(23)	32,645	7,620	40,265
Changes in equity								
Reclassified into retained earnings	-	-	377	(377)	-	-	-	-
Net income	-	-	2,197	-	-	2,197	313	2,510
Other comprehensive income	-	-	-	1,421	-	1,421	370	1,791
Dividends to Hitachi, Ltd. stockholders	-	-	(971)	-	-	(971)	-	(971)
Dividends to non-controlling interests	-	-	-	-	-	-	(183)	(183)
Acquisition of treasury stock	-	-	-	-	(1,505)	(1,505)	-	(1,505)
Sales of treasury stock	-	(1)	-	-	2	1	-	1
Cancellation of treasury stock	-	(1,499)	-	-	1,499	-	-	-
Issuance of new shares	8	8	-	-	-	16	-	16
Changes in non-controlling interests	-	1,145	(1,132)	198	-	211	(3,259)	(3,048)
Total changes in equity	8	(347)	472	1,241	(4)	1,371	(2,760)	(1,389)
Balance at end of period	3,480	-	24,515	6,048	(26)	34,016	4,860	38,877

### Condensed Quarterly Consolidated Statement of Cash Flows

	Nine months ended December 31			
	Millions of yen		(B)-(A)	Millions of U.S. dollars
	2021 (A)	2022 (B)		2022
<b>Cash flows from operating activities</b>				
Net Income	512,241	333,857	(178,384)	2,510
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization	397,833	405,975	8,142	3,052
Impairment losses	5,296	67,290	61,994	506
Income taxes	81,015	122,962	41,947	925
Share of (profits) losses of investments accounted for using the equity method	(33,318)	(34,016)	(698)	(256)
Financial income and expenses	(1,755)	7,983	9,738	60
Net (gain) loss on business reorganization and others	(93,905)	(64,980)	28,925	(489)
(Gain) loss on sale of property, plant and equipment	(5,367)	(5,369)	(2)	(40)
Change in trade receivables and contract assets	123,450	126,910	3,460	954
Change in inventories	(378,278)	(368,518)	9,760	(2,771)
Change in trade payables	47,330	(19,233)	(66,563)	(145)
Change in accrued expenses	(109,374)	(103,782)	5,592	(780)
Change in retirement and severance benefits	(19,607)	54,631	74,238	411
Other	(52,217)	(1,436)	50,781	(11)
Subtotal	473,344	522,274	48,930	3,927
Interest received	11,967	16,251	4,284	122
Dividends received	12,253	17,634	5,381	133
Interest paid	(19,901)	(34,490)	(14,589)	(259)
Income taxes paid	(220,507)	(141,579)	78,928	(1,065)
Net cash provided by (used in) operating activities	257,156	380,090	122,934	2,858
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(208,002)	(196,643)	11,359	(1,479)
Purchase of intangible assets	(97,710)	(108,534)	(10,824)	(816)
Proceeds from sale of property, plant and equipment, and intangible assets	48,224	48,935	711	368
Purchase of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method)	(927,074)	(36,873)	890,201	(277)
Proceeds from sale of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method)	115,157	151,352	36,195	1,138
Other	41,677	(3,514)	(45,191)	(26)
Net cash provided by (used in) investing activities	(1,027,728)	(145,277)	882,451	(1,092)
<b>Free cash flows</b>	<b>(770,572)</b>	<b>234,813</b>	<b>1,005,385</b>	<b>1,766</b>
<b>Cash flows from financing activities</b>				
Change in short-term debt, net	1,104,163	481,670	(622,493)	3,622
Proceeds from long-term debt	38,165	77,730	39,565	584
Payments on long-term debt	(248,983)	(173,272)	75,711	(1,303)
Proceeds from payments from non-controlling interests	-	310	310	2
Dividends paid to Hitachi, Ltd. stockholders	(111,232)	(129,102)	(17,870)	(971)
Dividends paid to non-controlling interests	(50,590)	(43,038)	7,552	(324)
Acquisition of common stock for treasury	(208)	(200,160)	(199,952)	(1,505)
Proceeds from sales of treasury stock	445	161	(284)	1
Purchase of shares of consolidated subsidiaries from non-controlling interests	(21,607)	(274,687)	(253,080)	(2,065)
Other	(21)	(469)	(448)	(4)
Net cash provided by (used in) financing activities	710,132	(260,857)	(970,989)	(1,961)
Effect of exchange rate changes on cash and cash equivalents	34,756	16,516	(18,240)	124
Change in cash and cash equivalents	(25,684)	(9,528)	16,156	(72)
Cash and cash equivalents at beginning of period	1,015,886	968,827	(47,059)	7,284
Cash and cash equivalents at end of period	990,202	959,299	(30,903)	7,213

Note: Cash and cash equivalents as of December 31, 2022 in the condensed quarterly consolidated statement of cash flows also include the cash and cash equivalents of Hitachi Metals which is classified as assets held for sale as of December 31, 2022.

## Segment Information

### (1) Business Segments

	Nine months ended December 31			
	Millions of yen		(B)/(A) (%)	Millions of U.S. dollars 2022
	2021 (A)	2022 (B)		
Digital Systems & Services	1,495,426 19%	1,678,039 19%	112	12,617
Green Energy & Mobility	1,465,069 19%	1,723,711 20%	118	12,960
Connective Industries	1,998,572 25%	2,170,378 25%	109	16,319
Automotive Systems	1,151,340 15%	1,377,215 16%	120	10,355
Hitachi Construction Machinery	720,366 9%	475,114 6%	66	3,572
Hitachi Metals	690,849 9%	847,726 10%	123	6,374
Others	323,318 4%	332,936 4%	103	2,503
Subtotal	7,844,940 100%	8,605,119 100%	110	64,700
Corporate items & Eliminations	(498,275)	(496,323)	-	(3,732)
<b>Total Revenues</b>	<b>7,346,665</b>	<b>8,108,796</b>	<b>110</b>	<b>60,968</b>
Digital Systems & Services	179,790 32%	188,321 29%	105	1,416
Green Energy & Mobility	55,053 10%	91,990 14%	167	692
Connective Industries	185,945 33%	227,407 35%	122	1,710
Automotive Systems	37,331 6%	39,868 6%	107	300
Hitachi Construction Machinery	68,176 12%	43,226 7%	63	325
Hitachi Metals	23,478 4%	43,054 7%	183	324
Others	15,428 3%	9,479 2%	61	71
Subtotal	565,201 100%	643,345 100%	114	4,837
Corporate items & Eliminations	10,002	(19,112)	-	(144)
<b>Total Adjusted EBITA</b>	<b>575,203</b>	<b>624,233</b>	<b>109</b>	<b>4,693</b>

Notes: 1. Revenues by business segment include intersegment transactions.

2. Effective from April 1, 2022, the Company reclassified its reportable segments. Accordingly, figures for the nine months ended December 31, 2021 have been restated on the basis of the reclassification.

3. From the year ending March 31, 2023, the segment profit (loss), previously presented based on EBIT, is changed and presented on an Adjusted EBITA basis, as a measure of profit (loss) used by the chief operating decision maker mainly in deciding how to allocate resources and in assessing performance.

4. In August 2022, the Company sold a certain number of shares of Hitachi Construction Machinery Co., Ltd. (Hitachi Construction Machinery). As a result, Hitachi Construction Machinery and its subsidiaries, which were included in the Hitachi Construction Machinery segment, became the equity-method associates of the Company. Accordingly, Hitachi Construction segment ceased to be a business segment, and from the second quarter of this fiscal year, the Company includes its share of profits (losses) of investments accounted for using the equity method of Hitachi Construction Machinery and its subsidiaries after the transfer of shares in Corporate items and Eliminations.

**(2) Revenues by Market**

	Nine months ended December 31			
	Millions of yen		(B)/(A) (%)	Millions of U.S. dollars 2022
	2021 (A)	2022 (B)		
Japan	2,883,822 39%	2,873,177 35%	100	21,603
Asia	1,895,895 26%	2,092,980 26%	110	15,737
North America	1,108,868 15%	1,458,317 18%	132	10,965
Europe	941,383 13%	1,136,302 14%	121	8,544
Other Areas	516,697 7%	548,020 7%	106	4,120
Overseas Revenues Subtotal	4,462,843 61%	5,235,619 65%	117	39,366
Total Revenues	7,346,665 100%	8,108,796 100%	110	60,968



## Notes

### (1) Notes Regarding Going Concern

Not applicable.

### (2) Subsequent Events

Sale of all shares of Hitachi Metals, Ltd. (hereinafter "Hitachi Metals")

On April 28, 2021, the Company entered into a non-tender agreement regarding the common stocks of Hitachi Metals (hereinafter "Hitachi Metals Shares"), a consolidated subsidiary of the Company in the Hitachi Metals segment, with K. K. BCJ-52 (hereinafter "Tender Offeror"), a wholly owned company of G.K. BCJ-51, the outstanding shares of which are indirectly owned by investment funds which Bain Capital Private Equity, LP and its group provide with investment advice.

Tender Offeror commenced tender offer for Hitachi Metals Shares (hereinafter "Tender Offer") on September 27, 2022, and Tender Offer was completed on October 25, 2022. Following the completion of Tender Offer, the acquisition of treasury stock by Hitachi Metals took place and all shares of Hitachi Metals Shares owned by the Company were transferred on January 5, 2023. The Company's consideration was 382,042 million yen.

As a result of the completion of the transaction, the Company's ownership ratio of Hitachi Metals Shares decreased from 53.4% to 0%, and Hitachi Metals was deconsolidated. An expected gain on the sale of Hitachi Metals Shares in the amount of approximately 95.0 billion yen will be recognized in Other income in the consolidated statement of profit or loss for the year ending March 31, 2023. Furthermore, non-controlling interest in Hitachi Metals will decrease approximately 272.0 billion yen in the consolidated statement of changes in equity for the year ending March 31, 2023.

On January 4, 2023, Hitachi Metals changed its name to Proterial, Ltd.

## Cautionary Statement

Certain statements found in this document may constitute “forward-looking statements” as defined in the U.S. Private Securities Litigation Reform Act of 1995. Such “forward-looking statements” reflect management’s current views with respect to certain future events and financial performance and include any statement that does not directly relate to any historical or current fact. Words such as “anticipate,” “believe,” “expect,” “estimate,” “forecast,” “intend,” “plan,” “project” and similar expressions which indicate future events and trends may identify “forward-looking statements.” Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the “forward-looking statements” and from historical trends. Certain “forward-looking statements” are based upon current assumptions of future events which may not prove to be accurate. Undue reliance should not be placed on “forward-looking statements,” as such statements speak only as of the date of this report.

Factors that could cause actual results to differ materially from those projected or implied in any “forward-looking statement” and from historical trends include, but are not limited to:

- economic conditions, including consumer spending and plant and equipment investment in Hitachi’s major markets, as well as levels of demand in the major industrial sectors Hitachi serves;
- exchange rate fluctuations of the yen against other currencies in which Hitachi makes significant sales or in which Hitachi’s assets and liabilities are denominated;
- uncertainty as to Hitachi’s ability to access, or access on favorable terms, liquidity or long-term financing;
- uncertainty as to general market price levels for equity securities, declines in which may require Hitachi to write down equity securities that it holds;
- fluctuations in the price of raw materials including, without limitation, petroleum and other materials, such as copper, steel, aluminum, synthetic resins, rare metals and rare-earth minerals, or shortages of materials, parts and components;
- credit conditions of Hitachi’s customers and suppliers;
- general socioeconomic and political conditions and the regulatory and trade environment of countries where Hitachi conducts business, particularly Japan, Asia, the United States and Europe, including, without limitation, direct or indirect restrictions by other nations on imports and differences in commercial and business customs including, without limitation, contract terms and conditions and labor relations;
- uncertainty as to Hitachi’s ability to respond to tightening of regulations to prevent climate change;
- uncertainty as to Hitachi’s ability to maintain the integrity of its information systems, as well as Hitachi’s ability to protect its confidential information or that of its customers;
- uncertainty as to Hitachi’s ability to attract and retain skilled personnel;
- uncertainty as to Hitachi’s ability to continue to develop and market products that incorporate new technologies on a timely and cost-effective basis and to achieve market acceptance for such products;
- exacerbation of social and economic impacts of the spread of COVID-19;
- the possibility of disruption of Hitachi’s operations by natural disasters such as earthquakes and tsunamis, the spread of infectious diseases, and geopolitical and social instability such as terrorism and conflict;
- estimates, fluctuations in cost and cancellation of long-term projects for which Hitachi uses the percentage-of-completion method to recognize revenue from sales;
- increased commoditization of and intensifying price competition for products;
- fluctuations in demand of products, etc. and industry capacity;
- uncertainty as to Hitachi’s ability to implement measures to reduce the potential negative impact of fluctuations in demand of products, etc., exchange rates and/or price of raw materials or shortages of materials, parts and components;
- uncertainty as to the success of cost structure overhaul;
- uncertainty as to Hitachi’s ability to achieve the anticipated benefits of its strategy to strengthen its Social Innovation Business;
- uncertainty as to the success of acquisitions of other companies, joint ventures and strategic alliances and the possibility of incurring related expenses;
- uncertainty as to the success of restructuring efforts to improve management efficiency by divesting or otherwise exiting underperforming businesses and to strengthen competitiveness;
- the potential for significant losses on Hitachi’s investments in equity-method associates and joint ventures;
- uncertainty as to the outcome of litigation, regulatory investigations and other legal proceedings of which the Company, its subsidiaries or its equity-method associates and joint ventures have become or may become parties;
- the possibility of incurring expenses resulting from any defects in products or services of Hitachi;
- uncertainty as to Hitachi’s access to, or ability to protect, certain intellectual property; and
- uncertainty as to the accuracy of key assumptions Hitachi uses to evaluate its employee benefit-related costs.

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

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