

FOR IMMEDIATE RELEASE

Hitachi Announces Consolidated Financial Results for Fiscal 2022

Tokyo, April 27, 2023 --- Hitachi, Ltd. (TSE:6501) today announced its consolidated financial results for fiscal 2022, ended March 31, 2023.

Summary

(Billions of yen)

	Year ended March 31, 2022 (A)	Year ended March 31, 2023 (B)	(B)/(A) (%)
1. Revenues	10,264.6	10,881.1	106
2. Adjusted operating income	738.2	748.1	101
3. Adjusted EBITA (Adjusted Earnings before interest, taxes and amortization)	855.3	884.6	103
4. Income before income taxes	839.3	819.9	98
5. Net income	670.8	703.8	105
6. Net income attributable to Hitachi, Ltd. stockholders	583.4	649.1	111
7. Earnings per share attributable to Hitachi, Ltd. stockholders	(Yen)	(Yen)	
Basic	603.75	684.55	113
Diluted	602.96	683.89	113

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 696 consolidated subsidiaries and 267 equity-method associates and joint ventures.

1. Qualitative Information Concerning Consolidated Business Results

(1) Summary of Fiscal 2022 Consolidated Business Results

(Billions of yen)

	Year Ended March 31, 2023	Year over year change
Revenues	10,881.1	+6%
Adjusted operating income	748.1	+9.9
Adjusted EBITA	884.6	+29.2
Income before income taxes	819.9	(19.3)
Net income	703.8	+33.0
Net income attributable to Hitachi, Ltd. stockholders	649.1	+65.6

For fiscal 2022, the Hitachi's consolidated revenues were 10,881.1 billion yen, increased 6% year over year. While revenues in listed subsidiaries decreased due to selling a part of Hitachi Construction Machinery shares and selling Hitachi Metals shares, the revenues increased in Green Energy & Mobility sector where the business performance in Hitachi Energy and Railway Systems were steady, Hitachi Astemo which was benefited from moderate production recovery of OEMs, and Digital System & Services sector where Lumada business expanded.

Adjusted operating income increased 9.9 billion yen year over year, to 748.1 billion yen. The increase was mainly due to the increase in Connective Industries sector and Green Energy & Mobility sector, despite the decrease in profit in Hitachi Construction Machinery due to selling a part of their shares.

Adjusted EBITA increased 29.2 billion yen year over year, to 884.6 billion yen. The increase was mainly due to the increase equity in earnings of affiliates as well as the increase in adjusted operating income.

Income before income taxes decreased 19.3 billion yen year over year, to 819.9 billion yen. The decrease was mainly due to goodwill impairment and the impact of the shift to risk-sharing corporate pension plan, despite gains from selling of Hitachi Transport System shares, Hitachi Metals and Hitachi Construction Machinery.

Net income increased 33.0 billion yen year over year, to 703.8 billion yen. Net income attributable to Hitachi, Ltd. stockholders increased 65.6 billion yen year over year, to 649.1 billion yen.

(2) Business Results by Segments

Please refer to the presentation material, "Outline of Consolidated Financial Results for the Year Ended March 31, 2023."

(3) Outlook for Fiscal 2023

(Billions of yen)

	Year Ending March 31, 2024	Year over year change
Revenues	8,800.0	(19%)
Adjusted operating income	675.0	(73.1)
Adjusted EBITA	835.0	(49.6)
Income before income taxes	705.0	(114.9)
Net income	542.0	(161.8)
Net income attributable to Hitachi, Ltd. stockholders	500.0	(149.1)

Reflecting these business environments, Hitachi forecasts the results shown above for fiscal 2023, the year ending March 31, 2024.

Projections for fiscal 2023 assume exchange rates of 130 yen to the U.S. dollar and 140 yen to the euro.

Hitachi will accelerate the global expansion of its Social Innovation Business through collaborative creation with customers, persist with its business structural reforms and pursue efforts to strengthen its business foundations by reviewing its business portfolio, with the aim of achieving sustainable growth.

2. Financial Position

(1) Financial Position

(Billions of yen)

	As of March 31, 2023	Change From March 31, 2022
Total assets	12,501.4	(1,386.0)
Total liabilities	7,165.8	(1,366.3)
Interest-bearing debt	2,213.3	(913.3)
Total Hitachi, Ltd. stockholders' equity	4,942.8	+601.0
Non-controlling interests	392.7	(620.7)
Cash Conversion Cycle	58.1 days	20.0 days decrease
Total Hitachi, Ltd. stockholders' equity ratio	39.5%	8.2 points increase
D/E ratio (including non-controlling interests)	0.41 times	0.17 points decrease

Total assets decreased 1,386.0 billion yen from March 31, 2022, to 12,501.4 billion yen, mainly due to selling a part of Hitachi Construction Machinery shares and selling Hitachi Metals shares. Interest-bearing debt decreased 913.3 billion yen from March 31, 2022, to 2,213.3 billion yen, mainly due to selling a part of Hitachi Construction Machinery shares and selling Hitachi Metals shares. As of March 31, 2023, the total Hitachi, Ltd. stockholders' equity increased 601.0 billion yen from March 31, 2022, to 4,942.8 billion yen. As a result, the total Hitachi, Ltd. stockholders' equity ratio was 39.5%. The debt-to-equity ratio, including non-controlling interests, was 0.41 times and Cash Conversion Cycle was 58.1 days.

(2) Cash Flows

(Billions of yen)

	Year Ended March 31, 2023	Year over year change
Cash flows from operating activities	827.0	+97.1
Cash flows from investing activities	151.0	+1,199.9
Free cash flows	978.1	+1,297.0
Cash flows from financing activities	(1,142.9)	(1,345.7)

Operating activities provided net cash of 827.0 billion yen, 97.1 billion yen more than in the previous fiscal year, mainly due to the improvement of adjusted operating income and the decrease tax payments for selling assets. Investing activities provided net cash of 151.0 billion yen, 1,199.9 billion yen more than in the previous fiscal year, mainly due to selling a part of or full of Hitachi Construction Machinery shares, Hitachi Metals shares and Hitachi Transport System shares in addition to the decrease in expenditure of a scale equivalent to the acquisition of GlobalLogic in the previous fiscal year. Free cash flows were 978.1 billion yen, 1,297.0 billion yen more than in the previous fiscal year. Financing activities used net cash of negative 1,142.9 billion yen, 1,345.7 billion yen less than in the previous fiscal year, mainly due to the decrease short-term debt.

Accordingly, cash and cash equivalents were 833.2 billion yen, down 135.5 billion yen from the end of the previous fiscal year.

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.

3. Basic Stance on Accounting Standard Selection

Hitachi, Ltd. applied International Financial Reporting Standards (IFRS), starting with the consolidated financial statements in its annual securities report for fiscal 2014, the year ended March 31, 2015. IFRS was applied in response to globalization, with the primary goal of building a uniform standard for evaluating operating results, standardizing operations, and improving management efficiency of the Hitachi Group.

Consolidated Statement of Profit or Loss

(Millions of yen)

	Year ended March 31, 2022 (A)	Year ended March 31, 2023 (B)	(B)/(A) (%)
Revenues	10,264,602	10,881,150	106
Cost of sales	(7,705,981)	(8,192,063)	106
Gross profit	2,558,621	2,689,087	105
Selling, general and administrative expenses	(1,820,385)	(1,940,943)	107
Adjusted operating income	738,236	748,144	101
Other income	128,354	302,196	235
Other expenses	(83,965)	(245,016)	292
Financial income	27,938	7,878	28
Financial expenses	(97)	(20,417)	-
Share of profits (losses) of investments accounted for using the equity method	40,485	52,847	131
EBIT (Earnings before interest and taxes)	850,951	845,632	99
Interest income	15,492	25,652	166
Interest charges	(27,110)	(51,313)	189
Income before income taxes	839,333	819,971	98
Income taxes	(168,469)	(116,101)	69
Net income	670,864	703,870	105
Net income attributable to:			
Hitachi, Ltd. stockholders	583,470	649,124	111
Non-controlling interests	87,394	54,746	63
Earnings per share attributable to Hitachi, Ltd. stockholders	Yen	Yen	
Basic	603.75	684.55	113
Diluted	602.96	683.89	113

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Year ended March 31, 2022 (A)	Year ended March 31, 2023 (B)	(B)/(A) (%)
Net income	670,864	703,870	105
Other comprehensive income (OCI)			
Items not to be reclassified into net income			
Net changes in financial assets measured at fair value through OCI	(11,224)	21,484	-
Remeasurements of defined benefit plans	30,795	40,202	131
Share of OCI of investments accounted for using the equity method	(403)	1,511	-
Total items not to be reclassified into net income	19,168	63,197	330
Items that can be reclassified into net income			
Foreign currency translation adjustments	391,489	232,360	59
Net changes in cash flow hedges	8,172	7,265	89
Share of OCI of investments accounted for using the equity method	41,207	14,595	35
Total items that can be reclassified into net income	440,868	254,220	58
Other comprehensive income (OCI)	460,036	317,417	69
Comprehensive income	1,130,900	1,021,287	90
Comprehensive income attributable to:			
Hitachi, Ltd. stockholders	958,008	905,819	95
Non-controlling interests	172,892	115,468	67

Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2022 (A)	As of March 31, 2023 (B)	(B)-(A)
Assets			
Current assets			
Cash and cash equivalents	968,827	833,283	(135,544)
Trade receivables and contract assets	2,978,149	2,874,987	(103,162)
Inventories	2,042,432	1,646,188	(396,244)
Investments in securities and other financial assets	376,315	346,916	(29,399)
Other current assets	233,708	227,161	(6,547)
Total Current assets	6,599,431	5,928,535	(670,896)
Non-current assets			
Investments accounted for using the equity method	411,201	478,620	67,419
Investments in securities and other financial assets	584,806	496,897	(87,909)
Property, plant and equipment	2,478,901	1,700,471	(778,430)
Goodwill	2,153,706	2,165,350	11,644
Other intangible assets	1,257,128	1,244,688	(12,440)
Other non-current assets	402,329	486,853	84,524
Total Non-current assets	7,288,071	6,572,879	(715,192)
Total Assets	13,887,502	12,501,414	(1,386,088)
Liabilities			
Current liabilities			
Short-term debt	1,234,119	777,650	(456,469)
Current portion of long-term debt	336,418	141,861	(194,557)
Other financial liabilities	294,047	263,748	(30,299)
Trade payables	1,754,633	1,548,497	(206,136)
Accrued expenses	738,030	720,961	(17,069)
Contract liabilities	1,069,732	1,241,366	171,634
Other current liabilities	427,087	472,095	45,008
Total Current liabilities	5,854,066	5,166,178	(687,888)
Non-current liabilities			
Long-term debt	1,556,175	1,293,837	(262,338)
Retirement and severance benefits	414,839	323,264	(91,575)
Other non-current liabilities	707,145	382,568	(324,577)
Total Non-current liabilities	2,678,159	1,999,669	(678,490)
Total Liabilities	8,532,225	7,165,847	(1,366,378)
Equity			
Hitachi, Ltd. stockholders' equity			
Common stock	461,731	462,817	1,086
Capital surplus	46,119	-	(46,119)
Retained earnings	3,197,725	3,637,184	439,459
Accumulated other comprehensive income	639,263	846,392	207,129
(Foreign currency translation adjustments)	444,651	635,260	190,609
(Remeasurements of defined benefit plans)	105,675	87,967	(17,708)
(Net changes in financial assets measured at fair value through OCI)	110,109	115,355	5,246
(Net changes in cash flow hedges)	(21,172)	7,810	28,982
Treasury stock, at cost	(3,002)	(3,539)	(537)
Total Hitachi, Ltd. stockholders' equity	4,341,836	4,942,854	601,018
Non-controlling interests	1,013,441	392,713	(620,728)
Total Equity	5,355,277	5,335,567	(19,710)
Total Liabilities and Equity	13,887,502	12,501,414	(1,386,088)

Consolidated Statement of Changes in Equity

(Millions of yen)

Year ended March 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 year	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	-	-	14,861	(14,861)	-	-	-	-
Net income	-	-	583,470	-	-	583,470	87,394	670,864
Other comprehensive income	-	-	-	374,538	-	374,538	85,498	460,036
Dividends to Hitachi, Ltd. stockholders	-	-	(111,210)	-	-	(111,210)	-	(111,210)
Dividends to non-controlling interests	-	-	-	-	-	-	(63,647)	(63,647)
Acquisition of treasury stock	-	-	-	-	(251)	(251)	-	(251)
Sales of treasury stock	-	(291)	-	-	742	451	-	451
Issuance of new shares	941	941	-	-	-	1,882	-	1,882
Changes in non-controlling interests	-	(38,571)	-	6,025	-	(32,546)	(28,534)	(61,080)
Total changes in equity	941	(37,921)	487,121	365,702	491	816,334	80,711	897,045
Balance at end of year	461,731	46,119	3,197,725	639,263	(3,002)	4,341,836	1,013,441	5,355,277

(Millions of yen)

Year ended March 31, 2023								
	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 year	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	-	-	72,970	(72,970)	-	-	-	-
Net income	-	-	649,124	-	-	649,124	54,746	703,870
Other comprehensive income	-	-	-	256,695	-	256,695	60,722	317,417
Dividends to Hitachi, Ltd. stockholders	-	-	(129,148)	-	-	(129,148)	-	(129,148)
Dividends to non-controlling interests	-	-	-	-	-	-	(34,828)	(34,828)
Acquisition of treasury stock	-	-	-	-	(200,212)	(200,212)	-	(200,212)
Sales of treasury stock	-	(94)	-	-	258	164	-	164
Cancellation of treasury stock	-	(199,417)	-	-	199,417	-	-	-
Issuance of new shares	1,086	1,086	-	-	-	2,172	-	2,172
Transfer to capital surplus from retained earnings	-	153,487	(153,487)	-	-	-	-	-
Changes in non-controlling interests	-	(1,181)	-	23,404	-	22,223	(701,368)	(679,145)
Total changes in equity	1,086	(46,119)	439,459	207,129	(537)	601,018	(620,728)	(19,710)
Balance at end of year	462,817	-	3,637,184	846,392	(3,539)	4,942,854	392,713	5,335,567

Consolidated Statement of Cash Flows

(Millions of yen)

	Year ended March 31, 2022 (A)	Year ended March 31, 2023 (B)	(B)-(A)
Cash flows from operating activities			
Net Income	670,864	703,870	33,006
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization	540,252	526,310	(13,942)
Impairment losses	35,091	129,894	94,803
Income taxes	168,469	116,101	(52,368)
Share of (profits) losses of investments accounted for using the equity method	(40,485)	(52,847)	(12,362)
Financial income and expenses	(2,012)	18,204	20,216
Net (gain) loss on business reorganization and others	(102,135)	(297,351)	(195,216)
(Gain) loss on sale of property, plant and equipment	(21,066)	(2,465)	18,601
Change in trade receivables and contract assets	(33,292)	(60,673)	(27,381)
Change in inventories	(330,187)	(244,346)	85,841
Change in trade payables	156,475	43,964	(112,511)
Change in accrued expenses	9,679	36,826	27,147
Change in retirement and severance benefits	(29,122)	49,935	79,057
Other	(52,596)	28,182	80,778
Subtotal	969,935	995,604	25,669
Interest received	16,372	25,675	9,303
Dividends received	18,824	26,419	7,595
Interest paid	(26,698)	(49,770)	(23,072)
Income taxes paid	(248,490)	(170,883)	77,607
Net cash provided by (used in) operating activities	729,943	827,045	97,102
Cash flows from investing activities			
Purchase of property, plant and equipment	(296,968)	(252,638)	44,330
Purchase of intangible assets	(142,893)	(157,947)	(15,054)
Proceeds from sale of property, plant and equipment, and intangible assets	109,836	55,580	(54,256)
Purchase of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method)	(933,200)	(106,069)	827,131
Proceeds from sale of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method)	168,892	616,317	447,425
Other	45,467	(4,180)	(49,647)
Net cash provided by (used in) investing activities	(1,048,866)	151,063	1,199,929
Free cash flows	(318,923)	978,108	1,297,031
Cash flows from financing activities			
Change in short-term debt, net	653,244	(277,685)	(930,929)
Proceeds from long-term debt	44,798	80,062	35,264
Payments on long-term debt	(305,943)	(288,795)	17,148
Proceeds from payments from non-controlling interests	-	310	310
Dividends paid to Hitachi, Ltd. stockholders	(111,149)	(129,005)	(17,856)
Dividends paid to non-controlling interests	(56,338)	(52,217)	4,121
Acquisition of common stock for treasury	(251)	(200,212)	(199,961)
Proceeds from sales of treasury stock	451	164	(287)
Purchase of shares of consolidated subsidiaries from non-controlling interests	(22,009)	(274,687)	(252,678)
Other	(64)	(901)	(837)
Net cash provided by (used in) financing activities	202,739	(1,142,966)	(1,345,705)
Effect of exchange rate changes on cash and cash equivalents	69,125	29,314	(39,811)
Change in cash and cash equivalents	(47,059)	(135,544)	(88,485)
Cash and cash equivalents at beginning of year	1,015,886	968,827	(47,059)
Cash and cash equivalents at end of year	968,827	833,283	(135,544)

Segment Information
(1) Business Segments

(Millions of yen)

	Year ended March 31, 2022 (A)	Year ended March 31, 2023 (B)	(B)/(A) (%)
Digital Systems & Services	2,153,625 20%	2,389,095 21%	111
Green Energy & Mobility	2,051,023 19%	2,492,522 21%	122
Connective Industries	2,752,898 25%	2,975,272 26%	108
Automotive Systems	1,597,718 14%	1,920,067 17%	120
Hitachi Construction Machinery	1,024,961 9%	475,114 4%	46
Hitachi Metals	942,701 9%	847,726 7%	90
Others	456,305 4%	473,015 4%	104
Subtotal	10,979,231 100%	11,572,811 100%	105
Corporate items & Eliminations	(714,629)	(691,661)	-
Total Revenues	10,264,602	10,881,150	106
Digital Systems & Services	281,403 33%	293,729 32%	104
Green Energy & Mobility	92,312 11%	132,737 14%	144
Connective Industries	257,808 30%	312,183 34%	121
Automotive Systems	62,346 7%	73,447 8%	118
Hitachi Construction Machinery	100,163 12%	43,226 5%	43
Hitachi Metals	30,705 4%	43,054 5%	140
Others	23,623 3%	15,553 2%	66
Subtotal	848,360 100%	913,929 100%	108
Corporate items & Eliminations	7,020	(29,323)	-
Total Adjusted EBITA	855,380	884,606	103

- 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 year ended March 31, 2022 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.
5. In January 2023, the Company sold all shares of Hitachi Metals, Ltd. (currently Proterial, Ltd.). As a result, Hitachi Metals, Ltd. was deconsolidated. Accordingly, Hitachi Metals segment ceased to be a business segment, but the segment figures for the year ended March 31, 2022 and 2023 are disclosed individually to enhance fair disclosure.

(2) Revenues by Market

(Millions of yen)

	Year ended March 31, 2022 (A)	Year ended March 31, 2023 (B)	(B)/(A) (%)
Japan	4,187,077 41%	4,118,244 38%	98
Asia	2,514,843 24%	2,635,114 24%	105
North America	1,555,142 15%	1,877,992 17%	121
Europe	1,299,413 13%	1,535,948 14%	118
Other Areas	708,127 7%	713,852 7%	101
Overseas Revenues Subtotal	6,077,525 59%	6,762,906 62%	111
Total Revenues	10,264,602 100%	10,881,150 100%	106

Notes

(1) Notes Regarding Going Concern

Not applicable.

(2) Subsequent Events

Repurchase of Shares of Common Stock

The Board of Directors decided to repurchase shares of its own common stock pursuant to Article 459, Paragraph 1 of the Companies Act of Japan and Article 32 of the Company's Articles of Incorporation, as follows.

(i) Reason for repurchase

The Company views the return of profits to shareholders through enhancing corporate value from mid- and long-term perspective and paying dividends continuously as an important managerial issue. The Company has decided to repurchase its own shares this time, taking into consideration its financial condition and the price of its common stock as well as the progress of the review of the business portfolio.

(ii) Outline of the Repurchase

1) Class of shares to be repurchased

Common stock of the Company

2) Aggregate number of shares to be repurchased

Up to 20 million shares

(2.13% of the number of outstanding shares (excluding treasury stocks))

3) Aggregate amount of repurchase

Up to 100 billion yen

4) Period of the repurchase

From April 28, 2023 to March 31, 2024

5) Method of repurchase

Expected open market purchase through the Tokyo Stock Exchange

Per share information

	Years ended March 31	
	2022	2023
	(Yen)	(Yen)
Hitachi, Ltd. stockholders' equity per share	4,488.91	5,271.97
Earnings per share attributable to Hitachi, Ltd. stockholders		
Basic	603.75	684.55
Diluted	602.96	683.89

The reconciliations of the numbers and the amounts used in the basic and diluted earnings per share attributable to Hitachi, Ltd. stockholders computations are as follows:

	Years ended March 31	
	2022	2023
	(Number of shares)	(Number of shares)
Weighted average number of shares on which basic earnings per share is calculated	966,413,255	948,247,986
Effect of dilutive securities		
Stock options	512,108	417,340
Restricted stock	715,736	493,790
Restricted stock units	37,232	5,419
Number of shares on which diluted earnings per share is calculated	967,678,331	949,164,535
	(Millions of yen)	(Millions of yen)
Net income attributable to Hitachi, Ltd. stockholders		
Basic	583,470	649,124
Effect of dilutive securities	-	-
Diluted	583,470	649,124

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