

FOR IMMEDIATE RELEASE

**Hitachi Announces Consolidated Financial Results
for the Third Quarter Ended December 31, 2017**

Tokyo, January 31, 2018 --- Hitachi, Ltd. (TSE:6501) today announced its consolidated financial results for the third quarter of fiscal 2017, ended December 31, 2017.

Note: All figures were converted at the rate of 113 yen to the U.S. dollar as of December 31, 2017.

Summary

	Nine months ended December 31			
	Yen (billions)		(B)/(A) (%)	U.S. Dollars (millions)
	2016(A)	2017(B)		2017
1. Revenues	6,519.3	6,674.0	102	59,062
2. Adjusted operating income	373.1	474.5	127	4,200
3. EBIT (Earnings before interest and taxes)	362.0	472.8	131	4,185
4. Income from continuing operations, before income taxes	356.9	468.1	131	4,143
5. Net income	269.2	351.7	131	3,113
6. Net income attributable to Hitachi, Ltd. stockholders	191.2	258.5	135	2,288
7. Earnings per share attributable to Hitachi, Ltd. stockholders	(Yen)	(Yen)		(U.S.Dollars)
Basic	39.61	53.56	135	0.47
Diluted	39.60	53.51	135	0.47

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. "EBIT" is presented as income from continuing operations, before income taxes less interest income plus interest charges.

4. The figures are for 885 consolidated subsidiaries and 398 equity-method associates and joint ventures.

5. A part of the thermal power generation systems business is classified as discontinued operations in accordance with the provision of IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations," which was not transferred to Mitsubishi Hitachi Power Systems, Ltd. for the business integration in the thermal power generation systems with Mitsubishi Heavy Industries, Ltd. The results of the discontinued operations are reported separately from continuing operations.

1. Qualitative Information Concerning Consolidated Business Results

(1) Summary of Fiscal 2017 Third Quarter (Nine Months Ended December 31, 2017)

Consolidated Business Results

	Nine months ended December 31, 2017		
	Yen (billions)	Year over year change (billion yen)	U.S. Dollars (millions)
Revenues	6,674.0	+2%	59,062
Adjusted operating income	474.5	+101.4	4,200
EBIT	472.8	+110.7	4,185
Income from continuing operations, before income taxes	468.1	+111.1	4,143
Income from continuing operations	351.6	+81.5	3,112
Income from discontinued operations	0.0	+0.9	1
Net income	351.7	+82.5	3,113
Net income attributable to Hitachi, Ltd. stockholders	258.5	+67.3	2,288

During the nine-month period ended December 31, 2017, the global economy expanded at a moderate pace. The U.S. economy and the Japanese economy remained firm, particularly in consumer spending and capital investment. In China, the economy grew steadily, supported by the increase of infrastructure investments and consumer spending. In Europe, the U.K. economy slowed continuously because of Brexit negotiations underway, but the European economy recovered overall, led by the German economy.

Hitachi's consolidated revenues for the nine-month period ended December 31, 2017 increased 2% year over year, to 6,674.0 billion yen. While the revenues were affected by the conversion of Hitachi Transport System, Ltd. and Hitachi Capital Corporation to equity-method associates and the deconsolidation of Hitachi Koki Co., Ltd. in the previous fiscal year, the revenues increased in the Construction Machinery segment where overseas sales rose mainly in China, the High Functional Materials & Components segment where the sales of electronics- and automotive-related products expanded, the Social Infrastructure & Industrial Systems segment where the railway systems business was strong in the U.K., and the Information & Telecommunication Systems segment where the system integration business remained firm in Japan.

Adjusted operating income increased to 474.5 billion yen, an increase of 101.4 billion yen year over year. The increase was mainly in the Construction Machinery segment where overseas sales increased, the Social Infrastructure & Industrial System segment where the profitability of the industry & distribution field, the power and energy business and the industrial products business improved, and the Information & Telecommunication Systems segment where the profitability of the system integration business in Japan improved in addition to the effect of the structural reform implemented last fiscal year.

EBIT increased 110.7 billion yen year over year, to 472.8 billion yen, due mainly to the rise in adjusted operating income.

Income from continuing operations, before income taxes increased 111.1 billion yen year over year, to 468.1 billion yen. After deducting income taxes of 116.4 billion yen, Hitachi posted income from

continuing operations of 351.6 billion yen, up 81.5 billion yen year over year. Net income increased 82.5 billion yen year over year, to 351.7 billion yen. Net income attributable to Hitachi, Ltd. stockholders increased 67.3 billion yen year over year, to 258.5 billion yen.

Assuming that Hitachi Transport System, Hitachi Capital, and Hitachi Koki were not consolidated in the nine-month period of the previous fiscal year, the consolidated revenues increased 5%, the adjusted operating income increased 105.4 billion yen, and EBIT increased 122.7 billion yen year over year on a constant currency basis.

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

Please refer to the presentation material.

2. Financial Position

Since Hitachi Capital, which belonged to the Financial Services segment, was converted into an equity-method associate as of October 3, 2016, the Financial Services segment is not presented as a reportable segment. Therefore, financial position and cash flows by "Manufacturing, Services and Others" and "Financial Services" are no longer presented.

(1) Financial Position

	As of December 31, 2017		
	Yen (billions)	Change from March 31, 2017 (billion yen)	U.S. Dollars (millions)
Total assets	10,196.1	+532.2	90,231
Total liabilities	5,746.7	+179.7	50,856
Interest-bearing debt	1,246.9	+70.3	11,035
Total Hitachi, Ltd. stockholders' equity	3,220.5	+253.4	28,500
Non-controlling interests	1,228.9	+99.0	10,875
Cash Conversion Cycle	68.6 days	3.6 days decrease	—
Total Hitachi, Ltd. stockholders' equity ratio	31.6%	0.9 points increase	—
D/E ratio (including non-controlling interests)	0.28 times	0.01 points decrease	—

Total assets increased 532.2 billion yen from March 31, 2017, to 10,196.1 billion yen, mainly reflecting the acquisition of the air compressor business ("Sullair" business) of Accudyne Industries in July 2017, and an increase in inventories for the sales at the end of fiscal year. Interest-bearing debt increased 70.3 billion yen from March 31, 2017, to 1,246.9 billion yen. As of December 31, 2017, the total Hitachi, Ltd. stockholders' equity increased 253.4 billion yen from March 31, 2017, to 3,220.5 billion yen. As a result, the total Hitachi, Ltd. stockholders' equity ratio was 31.6%, an improvement of 0.9 points from March 31, 2017. The debt-to-equity ratio, including non-controlling interests, was 0.28 times, a decrease of 0.01 point from March 31, 2017. Cash Conversion Cycle improved 3.6 days from March 31, 2017, to 68.6 days.

(2) Cash Flows

	Nine months ended December 31, 2017		
	Yen (billions)	Year over year change (billion yen)	U.S. Dollars (millions)
Cash flows from operating activities	473.2	+94.0	4,188
Cash flows from investing activities	(314.2)	(113.5)	(2,781)
Free cash flows	158.9	(19.5)	1,407
Cash flows from financing activities	(142.4)	(30.3)	(1,260)

Operating activities provided net cash of 473.2 billion yen, 94.0 billion yen more than in the same period last year, due to an increase in net income. Investing activities used net cash of 314.2 billion yen, 113.5 billion yen more than in the same period last year, reflecting an increase in expenditure related to M&A, including the acquisition of the Sullair business, and the absence of proceeds from the sale of part of shares in Hitachi Transport System and Hitachi Capital recorded in the same period last year. This was despite a significant decrease in purchase of leased assets as a result of the conversion of Hitachi Capital into an equity-method associate in the previous fiscal year. Free cash flows were positive 158.9 billion yen, a decrease of 19.5 billion yen year over year. Financing activities used net cash of 142.4 billion yen, 30.3 billion yen more than in the same period last year, due to a decrease in proceeds from issuance of debt as a result of the conversion of Hitachi Capital into an equity-method associate.

Accordingly, cash and cash equivalents were 811.3 billion yen, up 46.0 billion yen from the end of the previous fiscal year.

In case of comparing the cash flows on a consolidated basis with the cash flows in a "Manufacturing, Services and Others" in the same period last year, the details are as follows;

Operating activities provided net cash of 473.2 billion yen, 84.8 billion yen more than in the same period last year, due to an increase in net income. Investing activities used 314.2 billion yen, 298.3 billion yen more than 15.9 billion yen in the same period last year because of an increase in expenditure related to M&A, including the acquisition of the Sullair business and the absence of proceeds from the sale of part of the shares in Hitachi Transport System and Hitachi Capital recorded in the same period last year. Free cash flows were positive 158.9 billion yen, 213.4 billion yen less than 372.4 billion yen in the same period last year. Financing activities used 142.4 billion yen, 127.2 billion yen less than 269.6 billion yen in the same period last year, due to a decrease in repayment of borrowings.

3. Outlook for Fiscal 2017

	Year ending March 31, 2018		
	Yen (billions)	Year over year change (billion yen)	U.S. Dollars (millions)
Revenues	9,300.0	+2%	82,301
Adjusted operating income	660.0	+72.6	5,841
EBIT	580.0	+104.8	5,133
Income from continuing operations, before income taxes	570.0	+100.9	5,044
Net income	405.0	+66.9	3,584
Net income attributable to Hitachi, Ltd. stockholders	300.0	+68.7	2,655

The business environment surrounding Hitachi is expected to remain uncertain. There are concerns regarding U.S. policy trends, the prospects for the negotiations on Brexit in Europe and the political instability of various countries, despite the expectation that the Japanese economy will continue to recover.

Considering these circumstances and the results for the nine-month period ended December 31, 2017, Hitachi is forecasting the results shown above for fiscal 2017, maintaining the forecasts as of October 26, 2017. The assumed exchange rates are 110 yen to the U.S. dollar and 120 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.

Cautionary Statement

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

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

- economic conditions, including consumer spending and plant and equipment investment in Hitachi’s major markets, particularly Japan, Asia, the United States and Europe, as well as levels of demand in the major industrial sectors Hitachi serves;
- 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;
- the possibility of cost fluctuations during the lifetime of, or cancellation of, long-term contracts for which Hitachi uses the percentage-of-completion method to recognize revenue from sales;
- credit conditions of Hitachi’s customers and suppliers;
- fluctuations in 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;
- 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;
- increased commoditization of and intensifying price competition for products;
- uncertainty as to Hitachi’s ability to attract and retain skilled personnel;
- 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;
- 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 cost structure overhaul;
- uncertainty as to Hitachi’s access to, or ability to protect, certain intellectual property;
- uncertainty as to the outcome of litigation, regulatory investigations and other legal proceedings of which the Company, its subsidiaries or its equity-method associates and joint ventures have become or may become parties;
- the possibility of incurring expenses resulting from any defects in products or services of Hitachi;
- the possibility of disruption of Hitachi’s operations by natural disasters such as earthquakes and tsunamis, the spread of infectious diseases, and geopolitical and social instability such as terrorism and conflict;
- uncertainty as to Hitachi’s ability to maintain the integrity of its information systems, as well as Hitachi’s ability to protect its confidential information or that of its customers; 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 in other materials published by Hitachi.

Condensed Quarterly Consolidated Statement of Profit or Loss

	Nine months ended December 31			
	Yen (millions)		(B)/(A) (%)	U.S. Dollars (millions) 2017
	2016 (A)	2017 (B)		
Revenues	6,519,311	6,674,028	102	59,062
Cost of sales	(4,817,183)	(4,896,973)	102	(43,336)
Gross profit	1,702,128	1,777,055	104	15,726
Selling, general and administrative expenses	(1,329,021)	(1,302,504)	98	(11,527)
Adjusted operating income	373,107	474,551	127	4,200
Other income	42,025	4,613	11	41
Other expenses	(69,269)	(52,624)	76	(466)
Financial income	5,796	7,142	123	63
Financial expenses	(23,704)	(6,302)	27	(56)
Share of profits of investments accounted for using the equity method	34,100	45,469	133	402
EBIT (Earnings before interest and taxes)	362,055	472,849	131	4,185
Interest income	9,623	10,821	112	96
Interest charges	(14,715)	(15,518)	105	(137)
Income from continuing operations, before income taxes	356,963	468,152	131	4,143
Income taxes	(86,853)	(116,464)	134	(1,031)
Income from continuing operations	270,110	351,688	130	3,112
Income (loss) from discontinued operations	(869)	98	—	1
Net income	269,241	351,786	131	3,113
Net income attributable to:				
Hitachi, Ltd. stockholders	191,264	258,582	135	2,288
Non-controlling interests	77,977	93,204	120	825

Condensed Quarterly Consolidated Statement of Comprehensive Income

	Nine months ended December 31			
	Yen (millions)		(B)/(A) (%)	U.S. Dollars (millions) 2017
	2016 (A)	2017 (B)		
Net income	269,241	351,786	131	3,113
Other comprehensive income (OCI)				
Items not to be reclassified into net income				
Net changes in financial assets measured at fair value through OCI	36,164	13,632	38	121
Remeasurements of defined benefit plans	(719)	(505)	70	(4)
Share of OCI of investments accounted for using the equity method	(31)	1,438	—	13
Total items not to be reclassified into net income	35,414	14,565	41	129
Items that can be reclassified into net income				
Foreign currency translation adjustments	(26,592)	82,338	—	729
Net changes in cash flow hedges	18,434	1,426	8	13
Share of OCI of investments accounted for using the equity method	(10,717)	(12)	0	(0)
Total items that can be reclassified into net income	(18,875)	83,752	—	741
Other comprehensive income (OCI)	16,539	98,317	594	870
Comprehensive income	285,780	450,103	157	3,983
Comprehensive income attributable to:				
Hitachi, Ltd. stockholders	208,520	324,628	156	2,873
Non-controlling interests	77,260	125,475	162	1,110

Condensed Quarterly Consolidated Statement of Financial Position

	Yen (millions)		(B)-(A)	U.S. Dollars (millions)
	As of March 31, 2017 (A)	As of December 31, 2017 (B)		As of December 31, 2017
Total Assets	9,663,917	10,196,152	532,235	90,231
Current assets	5,002,606	5,160,190	157,584	45,665
Cash and cash equivalents	765,242	811,324	46,082	7,180
Trade receivables	2,433,149	2,214,369	(218,780)	19,596
Inventories	1,225,907	1,559,471	333,564	13,801
Investments in securities and other financial assets	388,792	325,213	(63,579)	2,878
Other current assets	189,516	249,813	60,297	2,211
Non-current assets	4,661,311	5,035,962	374,651	44,566
Investments accounted for using the equity method	691,251	732,171	40,920	6,479
Investments in securities and other financial assets	758,350	752,926	(5,424)	6,663
Property, plant and equipment	1,998,411	2,127,457	129,046	18,827
Intangible assets	919,201	1,121,567	202,366	9,925
Other non-current assets	294,098	301,841	7,743	2,671
Total Liabilities and Equity	9,663,917	10,196,152	532,235	90,231
Total Liabilities	5,566,922	5,746,714	179,792	50,856
Current liabilities	3,720,859	3,853,265	132,406	34,100
Short-term debt	196,357	283,606	87,249	2,510
Current portion of long-term debt	190,233	130,413	(59,820)	1,154
Other financial liabilities	274,270	282,296	8,026	2,498
Trade payables	1,402,233	1,481,975	79,742	13,115
Other current liabilities	1,657,766	1,674,975	17,209	14,823
Non-current liabilities	1,846,063	1,893,449	47,386	16,756
Long-term debt	790,013	832,894	42,881	7,371
Retirement and severance benefits	635,684	619,091	(16,593)	5,479
Other non-current liabilities	420,366	441,464	21,098	3,907
Total Equity	4,096,995	4,449,438	352,443	39,376
Hitachi, Ltd. stockholders' equity	2,967,085	3,220,508	253,423	28,500
Common stock	458,790	458,790	0	4,060
Capital surplus	577,573	575,974	(1,599)	5,097
Retained earnings	1,793,570	1,995,609	202,039	17,660
Accumulated other comprehensive income	141,068	194,227	53,159	1,719
(Foreign currency translation adjustments)	78,987	130,171	51,184	1,152
(Remeasurements of defined benefit plans)	(847)	(1,612)	(765)	(14)
(Net changes in financial assets measured at fair value through OCI)	192,110	193,670	1,560	1,714
(Net changes in cash flow hedges)	(129,182)	(128,002)	1,180	(1,133)
Treasury stock, at cost	(3,916)	(4,092)	(176)	(36)
Non-controlling interests	1,129,910	1,228,930	99,020	10,875

Notes: Changes in presentation have been made due to materiality of some accounts balances as a result of business reorganization and others. 'Investments in securities and other financial assets,' which were included in 'Other current assets' as of March 31, 2017, have been reclassified and presented separately. 'Lease receivables,' which were separately presented under current and non-current assets, have been included in 'Investments in securities and other financial assets' under current and non-current assets, respectively. 'Other financial liabilities,' which were separately presented under non-current liabilities, have been included in 'Other non-current liabilities.' The condensed consolidated statement of financial position as of March 31, 2017 has been reclassified in order to reflect these changes in presentation.

Condensed Quarterly Consolidated Statement of Changes in Equity

Yen (millions)

								Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income	Treasury stock, at cost	Total Hitachi, Ltd. stockholders' equity			
As of March 31, 2016	458,790	586,790	1,609,761	83,543	(3,806)	2,735,078	1,390,492	4,125,570	
Reclassified into retained earnings	-	-	7,857	(7,857)	-	-	-	-	
Net income	-	-	191,264	-	-	191,264	77,977	269,241	
Other comprehensive Income (loss)	-	-	-	17,256	-	17,256	(717)	16,539	
Cash dividends	-	-	(57,939)	-	-	(57,939)	(37,476)	(95,415)	
Changes in treasury stock	-	(15)	-	-	(66)	(81)	-	(81)	
Equity transactions and other	-	(639)	-	(166)	-	(805)	(248,136)	(248,941)	
Total changes in equity	-	(654)	141,182	9,233	(66)	149,695	(208,352)	(58,657)	
As of December 31, 2016	458,790	586,136	1,750,943	92,776	(3,872)	2,884,773	1,182,140	4,066,913	
As of March 31, 2017	458,790	577,573	1,793,570	141,068	(3,916)	2,967,085	1,129,910	4,096,995	
Reclassified into retained earnings	-	-	11,048	(11,048)	-	-	-	-	
Net income	-	-	258,582	-	-	258,582	93,204	351,786	
Other comprehensive income	-	-	-	66,046	-	66,046	32,271	98,317	
Cash dividends	-	-	(67,591)	-	-	(67,591)	(31,427)	(99,018)	
Changes in treasury stock	-	(24)	-	-	(176)	(200)	-	(200)	
Equity transactions and other	-	(1,575)	-	(1,839)	-	(3,414)	4,972	1,558	
Total changes in equity	-	(1,599)	202,039	53,159	(176)	253,423	99,020	352,443	
As of December 31, 2017	458,790	575,974	1,995,609	194,227	(4,092)	3,220,508	1,228,930	4,449,438	

U.S. Dollars (millions)

								Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income	Treasury stock, at cost	Total Hitachi, Ltd. stockholders' equity			
As of March 31, 2017	4,060	5,111	15,872	1,248	(35)	26,257	9,999	36,257	
Reclassified into retained earnings	-	-	98	(98)	-	-	-	-	
Net income	-	-	2,288	-	-	2,288	825	3,113	
Other comprehensive income	-	-	-	584	-	584	286	870	
Cash dividends	-	-	(598)	-	-	(598)	(278)	(876)	
Changes in treasury stock	-	(0)	-	-	(2)	(2)	-	(2)	
Equity transactions and other	-	(14)	-	(16)	-	(30)	44	14	
Total changes in equity	-	(14)	1,788	470	(2)	2,243	876	3,119	
As of December 31, 2017	4,060	5,097	17,660	1,719	(36)	28,500	10,875	39,376	

Condensed Quarterly Consolidated Statement of Cash Flows

	Nine months ended December 31		
	Yen (millions)		U.S. Dollars (millions)
	2016	2017	2017
Cash flows from operating activities			
Net income	269,241	351,786	3,113
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization	320,915	271,944	2,407
Change in receivables	116,473	369,035	3,266
Change in inventories	(184,285)	(321,693)	(2,847)
Change in payables	41,279	1,146	10
Other	(184,446)	(199,008)	(1,761)
Net cash provided by (used in) operating activities	379,177	473,210	4,188
Cash flows from investing activities			
Purchase of property, plant and equipment	(231,553)	(251,105)	(2,222)
Purchase of intangible assets	(70,069)	(62,412)	(552)
Purchase of leased assets	(264,487)	(2,653)	(23)
Proceeds from sale of property, plant and equipment, and intangible assets	26,696	11,054	98
Proceeds from sale of leased assets	10,415	7,118	63
Collection of lease receivables	164,516	—	—
Proceeds from sale (purchase) of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method), net	123,433	(5,502)	(49)
Other	40,401	(10,738)	(95)
Net cash provided by (used in) investing activities	(200,648)	(314,238)	(2,781)
Free cash flows	178,529	158,972	1,407
Cash flows from financing activities			
Change in interest-bearing debt	(20,405)	(41,339)	(366)
Dividends paid to stockholders	(57,977)	(67,614)	(598)
Dividends paid to non-controlling interests	(36,300)	(31,126)	(275)
Other	2,656	(2,334)	(21)
Net cash provided by (used in) financing activities	(112,026)	(142,413)	(1,260)
Effect of exchange rate changes on cash and cash equivalents	(2,402)	29,523	261
Change in cash and cash equivalents	64,101	46,082	408
Cash and cash equivalents at beginning of period	699,315	765,242	6,772
Cash and cash equivalents at end of period	763,416	811,324	7,180

Segment Information
(1) Business Segments

	Nine months ended December 31			
	Yen (millions)		(B)/(A) (%)	U.S. Dollars (millions) 2017
	2016 (A)	2017 (B)		
Information & Telecommunication Systems	1,397,385 19%	1,413,048 19%	101	12,505
Social Infrastructure & Industrial Systems	1,587,645 22%	1,622,950 22%	102	14,362
Electronic Systems & Equipment	817,898 11%	763,260 11%	93	6,755
Construction Machinery	507,006 7%	683,902 9%	135	6,052
High Functional Materials & Components	1,067,395 15%	1,230,899 17%	115	10,893
Automotive Systems	723,156 10%	738,415 10%	102	6,535
Smart Life & Ecofriendly Systems	420,725 6%	399,557 6%	95	3,536
Others	496,435 7%	405,183 6%	82	3,586
Financial Services	179,212 3%	— —%	—	—
Subtotal	7,196,857 100%	7,257,214 100%	101	64,223
Corporate items & Eliminations	(677,546)	(583,186)	—	(5,161)
Revenues Total	6,519,311	6,674,028	102	59,062
Information & Telecommunication Systems	91,715 25%	118,372 26%	129	1,048
Social Infrastructure & Industrial Systems	34,095 9%	63,460 14%	186	562
Electronic Systems & Equipment	52,592 15%	55,855 12%	106	494
Construction Machinery	10,105 3%	65,280 14%	646	578
High Functional Materials & Components	87,960 24%	93,183 20%	106	825
Automotive Systems	35,385 10%	33,448 7%	95	296
Smart Life & Ecofriendly Systems	12,130 3%	15,514 3%	128	137
Others	19,318 5%	15,910 4%	82	141
Financial Services	21,336 6%	— —%	—	—
Subtotal	364,636 100%	461,022 100%	126	4,080
Corporate items & Eliminations	8,471	13,529	—	120
Adjusted operating income Total	373,107	474,551	127	4,200
Information & Telecommunication Systems	51,579 15%	104,419 23%	202	924
Social Infrastructure & Industrial Systems	36,584 11%	57,526 13%	157	509
Electronic Systems & Equipment	48,917 15%	56,677 13%	116	502
Construction Machinery	9,216 3%	70,518 16%	765	624
High Functional Materials & Components	91,640 28%	85,204 19%	93	754
Automotive Systems	35,580 11%	30,122 7%	85	267
Smart Life & Ecofriendly Systems	19,280 6%	24,623 5%	128	218
Others	14,672 4%	17,577 4%	120	156
Financial Services	22,841 7%	— —%	—	—
Subtotal	330,309 100%	446,666 100%	135	3,953
Corporate items & Eliminations	31,746	26,183	—	232
EBIT Total	362,055	472,849	131	4,185

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

2. As Hitachi Capital Corporation was converted into an equity-method associate as of October 3, 2016, there is no company which belongs to the Financial Services Segment from the beginning of the third quarter of the year ended March 31, 2017.

(2) Revenues by Market

	Nine months ended December 31			
	Yen (millions)		(B)/(A) (%)	U.S. Dollars (millions) 2017
	2016 (A)	2017 (B)		
Japan	3,300,518 51%	3,190,513 48%	97	28,235
Asia	1,380,044 21%	1,554,175 23%	113	13,754
North America	833,136 13%	863,605 13%	104	7,643
Europe	710,106 11%	700,770 10%	99	6,202
Other Areas	295,507 4%	364,965 6%	124	3,230
Overseas Revenues Subtotal	3,218,793 49%	3,483,515 52%	108	30,828
Total Revenues	6,519,311 100%	6,674,028 100%	102	59,062

Note

(1) Notes Regarding Going Concern

Not applicable

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