



# Outline of Consolidated Financial Results for the Year Ended March 31, 2024

[Fiscal 2023]

April 26, 2024

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# 1. Key Messages

## FY2023 Results

Due to robust orders by DX/GX tailwind, Lumada business expansion, and enhancement of cash generating capability, three sectors achieved higher revenues and profits  
Due to enhancement of cash flow management, record-high core FCF was achieved. ROIC was also improved

### Three sectors

Revenues	<b>+12%</b> [+8%] 8.6 tn yen	Adj. EBITA	<b>+20%</b> [+17%] 867.4 bn yen	Adj. EBITA Margin	<b>10.1%</b> +0.6 pts
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### Consolidated Total

Net Income	<b>589.8</b> bn yen (9)%	Core FCF	<b>571.4</b> bn yen +155.0 bn yen	ROIC	<b>8.7%</b> +1.1 pts
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Three sectors: Consolidated Total less the consolidated figures of Hitachi Astemo prior to be accounted by an equity-method affiliate  
[ ]: Estimated YoY changes excl. FX impact. Net Income decreased due to the decrease of net gain on business reorganization and others

## FY2024 Forecasts

Mid-term Management Plan 2024 targets are almost expected to be achieved. Three sectors (excl. Hitachi Astemo) are expected higher revenues and profits. Core FCF is expected to be 1.5 trillion yen and to exceed the target by 0.3 trillion yen

### Three Sectors (excl. Hitachi Astemo)

Revenues	<b>+5%</b> [+8%] 9.0 tn yen	Adj. EBITA	<b>+20%</b> [+23%] 1,030.5 bn yen	Adj. EBITA Margin	<b>11.5%</b> +1.5 pts
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### Consolidated Total

Net Income	<b>600.0</b> bn yen +2%	Core FCF	<b>480.0</b> bn yen (91.4) bn yen	ROIC	<b>9.5%</b> +0.8 pts
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Three sectors (excl. Hitachi Astemo): Consolidated Total less equity in earnings of Hitachi Astemo as an affiliated company and consolidated figures of Hitachi Astemo prior to be accounted for using the equity method  
[ ]: Estimated YoY changes excl. FX impact. Core FCF is expected to decrease due to CAPEX increase and tax increase related to selling of cross shareholding

## Share Holder Returns

**Share Holder Returns: Expansions are planned due to enhancement of cash generating capability and additional asset sales**

**Dividend: Expansion is planned due to enhancement of cash generating capability**

Total amount (Cash out): 129.1 bn yen in FY2022 (+17.9 bn yen from FY2021) and 144.5 bn yen in FY2023 (+15.3 bn yen from FY2022)  
Annual dividend increases to 180 yen/share in FY2023 from 145 yen/share in FY2022 (Annual dividend increases +24% from FY2022)

**Share Buyback: Planed due to additional asset sales**

200.0 bn yen is planed in FY2024 (+100.0 bn yen from FY2023)



## 2. FY2023 Results

# Highlights of Results (FY2023)

- Three sectors grew revenues (YoY +12%) and improved Adj. EBITA (YoY +142.6 bn yen, +20%) and profitability
- Core FCF increased in YoY due to enhancement of cash flow management, an increase in advances received in Hitachi Energy, and other gains

Billions of yen	Consolidated Total <sup>(*)</sup>	Three sectors <sup>(*)</sup>	
<b>Revenues</b>	9,728.7	<b>8,564.3</b>	
YoY	(11)%	[+8%] <sup>(*)</sup>	+12%
<b>Adj. EBITA</b>	918.1	<b>867.4</b>	
YoY	+33.5	+142.6	
<b>Adj. EBITA margin</b>	9.4%	<b>10.1%</b>	
YoY	+1.3 pts	+0.6 pts	
<b>Net income attributable to Hitachi, Ltd. stockholders</b>	589.8	<b>606.7</b>	
YoY	(59.2)	(35.0)	
<b>EPS</b>	634 yen	<b>652 yen</b>	
YoY	(50) yen	(24) yen	
<b>Core free cash flows</b>	571.4		
YoY	+155.0		
<b>ROIC</b>	8.7%		
YoY	+1.1 pts		

	Actual FX rate	FY2022 (Average)	FY2023 (Average)
US \$		135 yen	145 yen
€		141 yen	157 yen

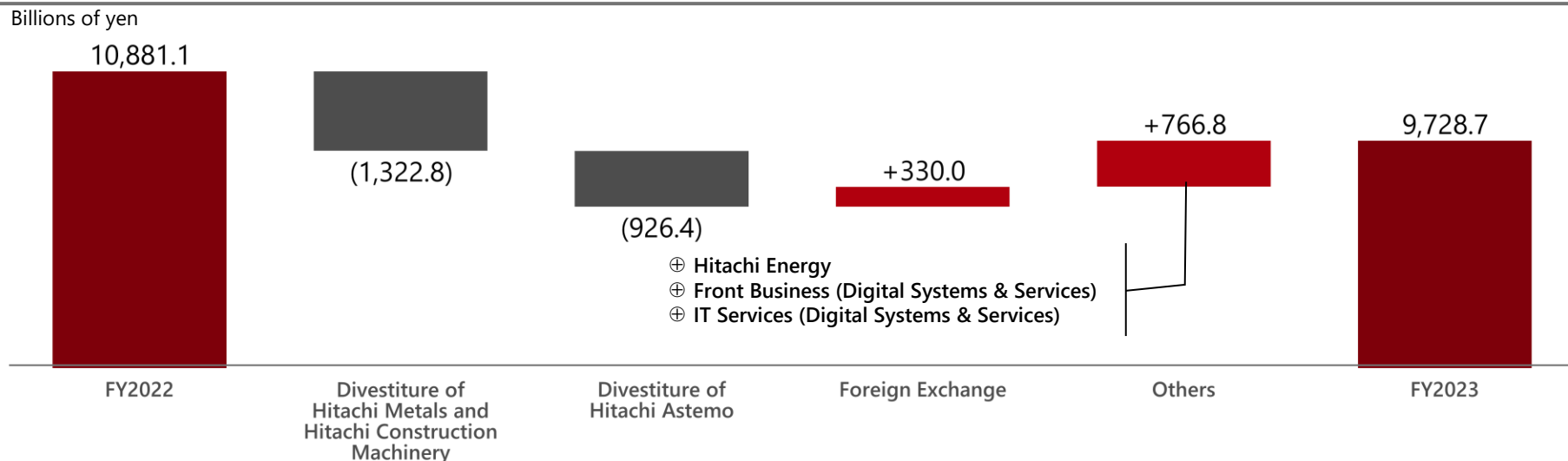
(\*) Hitachi Astemo's revenue was 1,164.3 bn yen, Adj. EBITA was 50.6 bn yen and Net income was (16.8) bn yen in Consolidated Total

(\*) Three sectors: Consolidated Total less the consolidated figures for Hitachi Astemo as a subsidiary before conversion to an equity-method affiliate

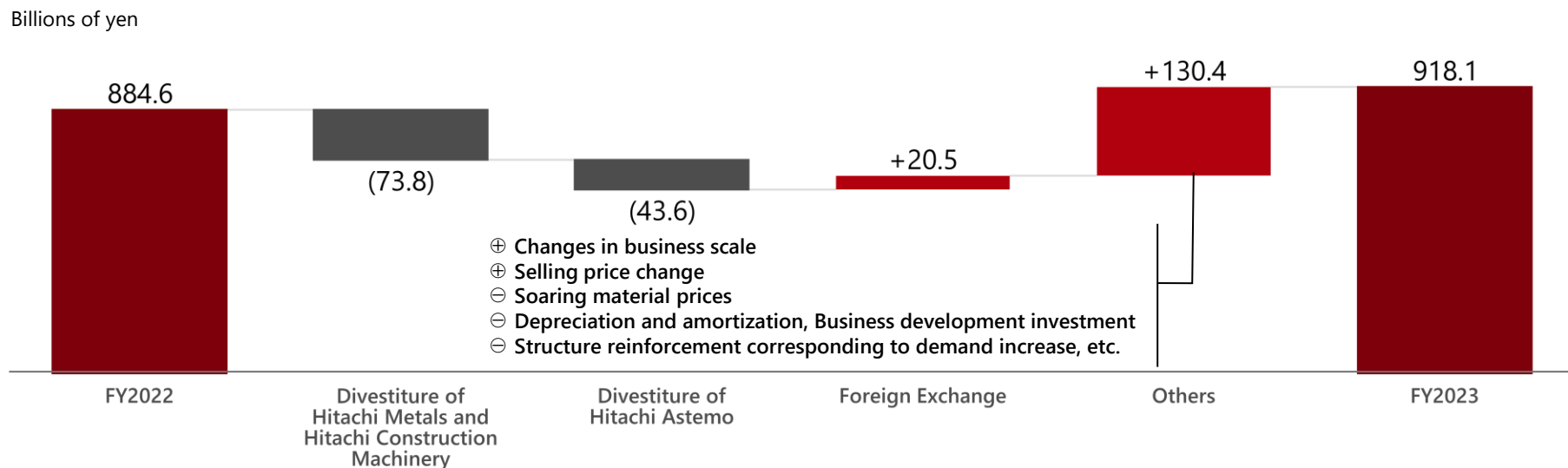
(\*) [ ]: Estimated YoY changes excl. FX impact

# Factors Affecting Year over Year Changes in Revenues and Adj. EBITA (FY2023 Consolidated Total)

## Revenues



## Adj. EBITA



## Summary of Consolidated Financial Position

Billions of yen	As of March 31, 2023	As of March 31, 2024	Difference from March 31, 2023
Total assets	12,501.4	12,221.2	(280.1)
Cash and cash equivalents	833.2	705.3	(127.9)
Trade receivables and contract assets	2,874.9	2,991.3	+116.3
Total liabilities	7,165.8	6,361.6	(804.1)
Interest-bearing debt	2,213.3	1,180.0	(1,033.3)
Total Hitachi, Ltd. stockholders' equity	4,942.8	5,703.7	+760.8
Non-controlling interests	392.7	155.8	(236.8)
Cash Conversion Cycle	58.1 days	54.2 days	(3.9) days
Total Hitachi, Ltd. stockholders' equity ratio	39.5%	46.7%	+7.2 pts
D/E ratio	0.41 times	0.20 times	(0.21) pts

## Summary of Consolidated Statement of Cash Flows

Billions of yen	FY2022	FY2023	YoY
Cash flows from operating activities	827.0	956.6	+129.5
Cash flows from investing activities	151.0	(131.5)	(282.6)
Free cash flows	978.1	825.0	(153.0)
Core free cash flows	416.4	571.4	+155.0



# Revenues by Market (FY2023)

Billions of yen	Japan	North America	Europe	China	ASEAN, India, other areas	Other areas	Overseas Revenues
<b>Digital Systems &amp; Services</b>	1,731.2	344.4	235.4	34.7	193.1	59.6	867.4
YoY	+11%	+7%	+6%	(21)%	±0%	+12%	+4%
<b>Green Energy &amp; Mobility</b>	426.0	665.0	1,009.2	204.2	262.2	485.3	2,626.2
YoY	±0%	+45%	+22%	+16%	+11%	+40%	+28%
<b>Connective Industries</b>	1,519.7	267.1	204.8	746.3	284.2	35.6	1,538.2
YoY	+3%	+3%	+2%	+3%	+5%	(6)%	+3%
<b>Three sectors</b>	3,500.3	1,277.2	1,450.0	988.6	767.3	580.6	5,064.0
YoY	+8%	+22%	+16%	+4%	+7%	+32%	+15%
<b>Ratio</b>	41%	15%	17%	11%	9%	7%	59%
<b>Hitachi Astemo</b>	273.0	305.6	100.8	166.1	229.4	89.3	891.3
YoY	(44)%	(33)%	(37)%	(45)%	(42)%	(25)%	(38)%
<b>Consolidated Total</b>	3,773.3	1,582.9	1,550.8	1,154.7	996.7	669.9	5,955.3
YoY(*)	(8)%	(16)%	+1%	(14)%	(23)%	(6)%	(12)%
<b>Ratio</b>	39%	16%	16%	12%	10%	7%	61%

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



## 3. FY2024 Forecasts

# Highlights of Forecasts (FY2024)

- Almost all KPIs of the Mid-term Management Plan 2024 are expected to be achieved. Core FCF to be achieved by 1.5 trillion yen (Cumulative 3 years, +0.3 trillion yen from the plan)
- Acquisition of Thales GTS is planned to be closed in Q1 FY24

Billions of yen	Consolidated Total
<b>Revenues</b>	9,000.0
YoY	(7)%
<b>Adj. EBITA</b>	1,035.0
YoY	+116.8
<b>Adj. EBITA margin</b>	11.5%
YoY	+2.1 pts
<b>Net Income attributable to Hitachi, Ltd. Share Holders</b>	600.0
YoY	+10.1
<b>EPS</b>	647 yen <sup>(*)</sup>
YoY	+13 yen
<b>Core FCF</b>	480.0
YoY	(91.4)
<b>ROIC</b>	9.5%
YoY	+0.8 pts

## Three sectors (excl. Hitachi Astemo)<sup>(\*)</sup>

	9,000.0
[+8%] <sup>(*)</sup>	+5%
	1,030.5
	+174.7
	11.5%
	+1.5 pts
	595.5
	+0.5

	Assumed FX rate	FX sensitivity <sup>(*)</sup> (FY2024)	
		Revenues	Adj. EBITA
US \$	140 yen	+12.0 bn yen	+1.2 bn yen
€	150 yen	+7.0 bn yen	+0.5 bn yen

<sup>(\*)</sup> Impact of FX rate fluctuation by one-yen depreciation from assumed rate

<sup>(\*)</sup> Three sectors (excl. Hitachi Astemo): Consolidated Total less equity in earnings of Hitachi Astemo as an affiliated company and consolidated figures of Hitachi Astemo prior to be accounted for using the equity method

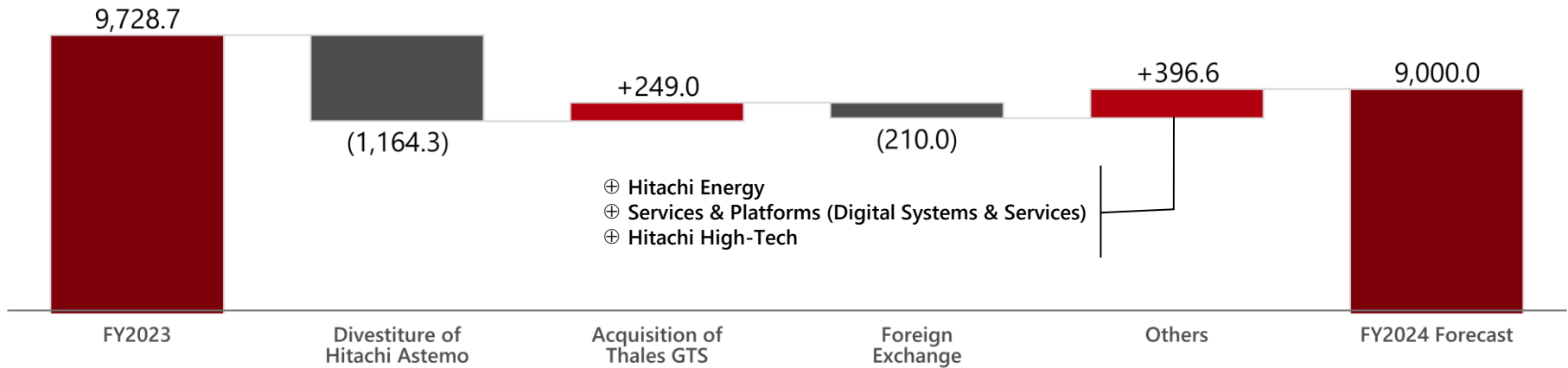
<sup>(\*)</sup> [ ]: Estimated YoY changes excl. FX impact

<sup>(\*)</sup> EPS after share split is expected to be 129 yen as noticed 'Notice Regarding Share Split and Partial Amendments to the Articles of Incorporation Accompanying the Share Split' on April 26, 2024

# Factors Affecting Year over Year Changes in Revenues and Adj. EBITA (FY2024 Consolidated Total)

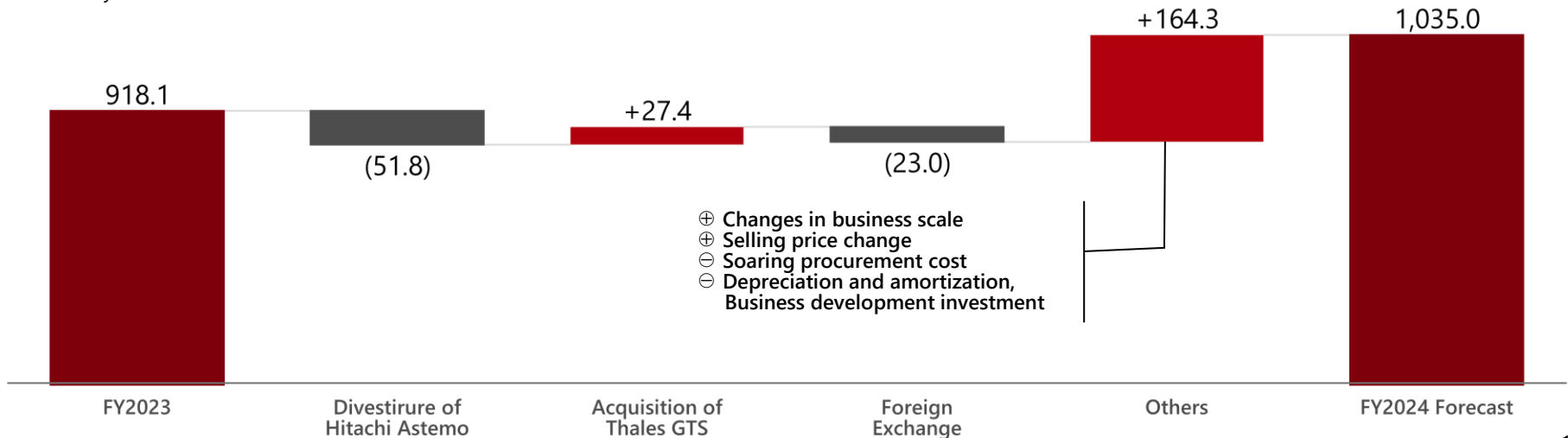
## Revenues

Billions of yen



## Adj. EBITA

Billions of yen



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## 4. Performance by Business Segment

# Performance by Business Segment (DSS)

Billions of yen	FY2023		YoY		FY2024 Forecasts		YoY	
	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA
<b>Digital Systems &amp; Services</b>	2,598.6	333.4	+9%	+39.7	2,700.0	365.0	+4%	+31.5
		12.8%	[+6%] <sup>(*)</sup>	+0.5 pts		13.5%	[+5%]	+0.7 pts
<b>Front Business</b>	1,111.2	123.8	+13%	+29.5	1,140.0	140.0	+3%	+16.2
		11.1%		+1.5 pts		12.3%		+1.2 pts
<b>IT Services</b>	969.8	112.0	+9%	+11.7	990.0	118.0	+2%	+6.0
		11.5%		+0.2 pts		11.9%		+0.4 pts
<b>Services &amp; Platforms</b>	983.5	87.1	+4%	+8.1	1,020.0	119.0	+4%	+31.9
		8.9%		+0.6 pts		11.7%		+2.8 pts
<b>GlobalLogic (standalone<sup>(*)</sup>)</b>	255.1	49.9	+23%	+4.7	283.9	56.3	+11%	+6.4
		19.6%	[+15%]	(2.2) pts		19.8%	[+15%]	+0.2 pts

## FY2023 Outline

- Segment revenues and profits increased
- Front Business revenues and profits increased due to dealing with large-scale system renewal projects in financial, public, energy field, and etc., as well as steady growth in Lumada business
- IT Services revenues and profits increased due to solid performance of Lumada business (security, cloud-related services, and services for manufacturing and distribution, etc.)
- Services & Platforms revenues and profits increased due to growth of GlobalLogic and increase in domestic DX/cloud services
- GlobalLogic profits increased due to increased revenues YoY +23% (US dollar base YoY +15%)

## FY2024 Forecasts Outline

- Segment forecasts revenues and profits increase due to strong digital demand both domestically and internationally (FY23/E Backlog: 1.5 trillion yen, YoY +15%). Increasing investment for next growth including generative AI
- Front Business forecasts revenues and profits increase due to dealing with large-scale system renewal projects and steady growth in Lumada business, despite reactionary YoY decrease in projects for renewal of Japanese banknotes in ATM business
- IT Services forecasts revenues and profits increase due to solid performance of Lumada business
- Services & Platforms forecasts revenues and profits increase due to growth of GlobalLogic, recovery of overseas storage business and increase in domestic DX/cloud services
- GlobalLogic forecasts revenues increase YoY +11% (US dollar base YoY +15%) due to synergies with other sectors and harvesting of demand for generative AI, despite the impact of the economic slowdown in North America and Europe

(\*) [ ]: Estimated YoY changes excl. FX impact. For GlobalLogic, it's fluctuation on USD base

# Performance by Business Segment (GEM)

Billions of yen	FY2023		YoY		FY2024 Forecasts		YoY	
	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA
<b>Green Energy &amp; Mobility</b>	3,052.3	199.1 6.5%	+24% [+16%] <sup>(*)</sup>	+35.6 (0.1) pts	3,430.0	295.0 8.6%	+12% [+16%]	+95.8 +2.1 pts
<b>Nuclear Energy &amp; Hitachi Power Solutions</b>	347.3	26.2 7.6%	+10%	(10.1) (3.9) pts	289.8	27.7 9.5%	(17)% <sup>(*)</sup>	+1.4 +1.9 pts
Nuclear Energy	171.1	-	±0%	-	162.0	-	(5)%	-
Hitachi Power Solutions	118.9	-	+7%	-	130.0	-	+9%	-
<b>Hitachi Energy (Standalone)<sup>(*)</sup></b>	1,849.2	157.3 8.5%	+31%	+56.3 +1.4 pts	2,066.7	205.7 10.0%	+12%	+48.4 +1.5 pts
Related cost <sup>(*)</sup>	-	(40.8)	-	(26.2)	-	(30.7)	-	+10.1
<b>Railway Systems (Exclude related cost)<sup>(*)</sup></b>	856.1	65.5 7.7%	+16%	+17.9 +1.2 pts	1,075.1	108.2 10.1%	+26%	+42.6 +2.4 pts
Related cost <sup>(*)</sup>	-	(1.5)	-	(1.5)	-	(17.3)	-	(15.8)

## FY2023 Outline

- Segment revenues and profits increased due to solid business performance in Hitachi Energy and Railway Systems. Overall segment profitability was flat, due to costs in the Power Grids BU offsetting Hitachi Energy gains
- Nuclear Energy & Hitachi Power Solutions revenues increased due to solid business performance. Profits decreased due to cost increases in a certain project in FY23 Q2
- Hitachi Energy revenues and profits grew through conversion of strong order backlog and improved productivity, driven by higher operating leverage and operational efficiencies
- Railway Systems revenues and profits increased due to progress in large projects (rolling stock and maintenance business in Europe and signaling business in North America) and profitability improvement due to better project mix

## FY2024 Forecasts Outline

- Segment aims to higher revenues and profits due to firm orders and expansion of Lumada business (service business, etc.), as well as the planned acquisition of Thales GTS
- Hitachi Energy aims to grow revenues and profits through solid execution of growing order backlog (FY23/E Backlog: 4.7 trillion yen, YoY +73%). Higher revenues, improved productivity, and further operational efficiencies are expected to drive profitability growth. Related cost in the Power Grids BU is expected to be final in FY2024
- Railway Systems forecasts revenues and profits increase due to the planned acquisition of Thales GTS (revenue: 249.0 bn yen, Adj. EBITA: 27.4 billion yen (excluding related costs)), to exceed 1 trillion in revenue, along with profitability improvement from increased signaling business ratio and the stabilization of low-margin projects

(\*) [ ]: Estimated YoY changes excl. FX impact (\*) Hitachi Energy (Standalone) and Railway Systems (Exclude related cost) do not include related cost

(\*) Related cost includes PMI related costs associated with acquisition

(\*) Nuclear Energy & Hitachi Power Solutions YoY includes the impact of selling Hitachi Power Semiconductor Device shares (planned)

# Performance by Business Segment (CI)

Billions of yen	FY2023		YoY		FY2024 Forecasts		YoY	
	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA
<b>Connective Industries</b>	3,057.9	320.6	+3%	+8.4	3,150.0	361.0	+3%	+40.3
		10.5%	[+1%] <sup>(*)</sup>	±0.0 pts		11.5%	[+5%]	+1.0 pts
Building Systems	921.7	97.0	+3%	+13.4	870.0	98.0	(6)%	+1.0
		10.5%		+1.1 pts		11.3%		+0.8 pts
Smart Life & Ecofriendly Systems (Hitachi GLS)	373.8	34.7	(5)%	(0.8)	380.0	41.8	+2%	+7.1
		9.3%		+0.3 pts		11.0%		+1.7 pts
Measurement & Analysis Systems (Hitachi High-Tech)	670.4	73.9	(1)%	(18.7)	760.0	92.0	+5%	+16.5
		11.0%		(2.7) pts		12.1%		+1.7 pts
Industrial Digital	370.6	42.3	+3%	+1.6	390.0	46.6	+5%	+4.3
		11.4%		+0.1 pts		12.0%		+0.6 pts
Water & Environment	212.0	21.7	+14%	+2.7	200.0	22.7	(6)%	+0.9
		10.3%		+0.1 pts		11.3%		+1.0 pts
Industrial Products	487.2	54.9	+8%	+9.0	500.0	58.6	+3%	+3.7
		11.3%		+1.1 pts		11.7%		+0.4 pts

## FY2023 Outline

- Segment revenues and profits increased, with revenues and profits decreasing in Measurement & Analysis Systems and Smart Life & Ecofriendly Systems, due to revenues and profits increasing in Building Systems and Industrial Products, etc.
- Building Systems revenues and profits increased due to growth of building service business, promotion of cost reduction, and FX impact, despite the decline in demand for the new installation of elevators and escalators in China
- Measurement & Analysis Systems revenues were flat and profits decreased due to sales decrease in semiconductor manufacturing equipment and increase in development cost, etc., despite increased demand in clinical chemistry and immunochemistry analyzers
- Water & Environment revenues and profits increased due to solid business performance in air conditioning system business (semiconductor·electronics) in Japan

## FY2024 Forecasts Outline

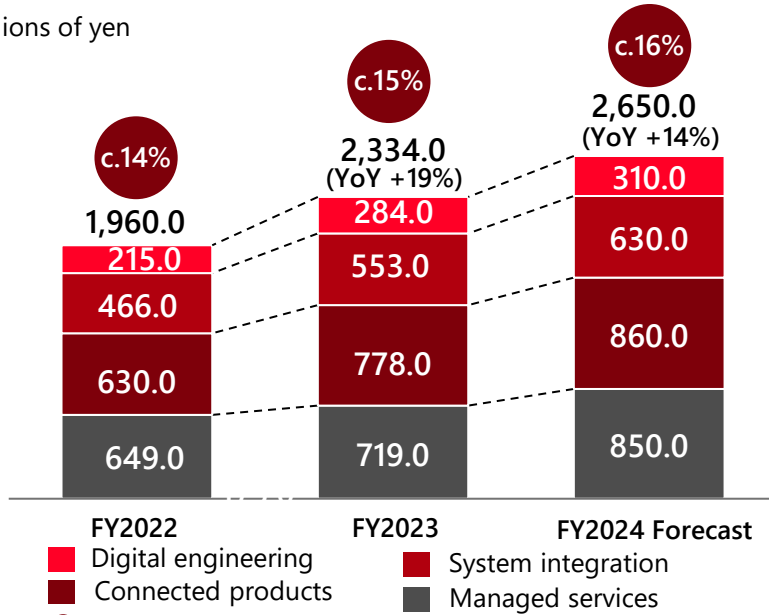
- Segment forecasts revenues and profits increase mainly due to expected recovery in semiconductor demand in Measurement & Analysis Systems, expected profitability improvement in Smart Life & Ecofriendly Systems, and Lumada business (service business etc.), despite revenues decrease in Building Systems
- Building Systems forecasts revenues decrease and profits increase due to promotion of measures to increase profitability (cost reduction, fixed cost reduction, and price improvement), despite the continued adjustment phase in Chinese real estate market and FX impact
- Measurement & Analysis Systems forecasts revenues and profits increase due to expected recovery in semiconductor demand, and sales increase in clinical chemistry and immunochemistry analyzers, radiation therapy system

(\*) [ ]: Estimated YoY changes excl. FX impact



## Lumada business revenues(\*)

Billions of yen

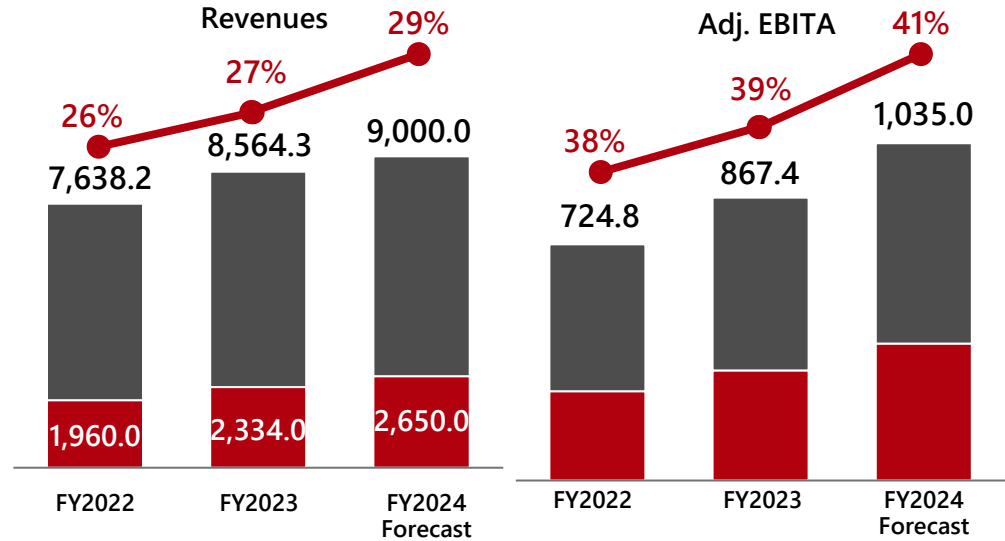


■ Digital engineering  
■ Connected products  
■ System integration  
■ Managed services  
● Adj. EBITA margin

(\*) Excluding Hitachi Astemo

## Lumada business ratio

■ Lumada ■ Non Lumada ● Lumada ratio



## Lumada business revenues composition by segment (FY2023)



## Lumada business expansion

- Accelerate co-creation with customers and partners in Japan and overseas to meet growing data center demand driven by generative AI and cloud
  - Started collaboration with NVIDIA to jointly develop solutions for applying generative AI in mission-critical OT domains and provide a generative AI infrastructure solution "Hitachi iQ(\*)"
  - Accelerates customer collaboration on generative AI in Japan and overseas. GlobalLogic has received orders related to generative AI from a wide range of industries including tech companies in North America
  - HARC(\*), which supports cloud operation transformation, have been adopted both domestically and internationally, and selected as a partner of ORIX Bank, a leading Japanese company in cloud utilization
  - Managed cloud services provided from Hitachi's data center and the common infrastructure for generative AI(\*) have achieved carbon neutrality
- Launched Train Maintenance DX as a Service for railway vehicle maintenance using expertise in manufacturing
- Jointly with JFE Steel, Started Providing Solutions for the Steel Industry. Started providing solutions globally, which combines Hitachi's AI-aided automated control technologies and JFE Steel's consulting programs, a service that leverages its operational expertise

(\*)Hitachi iQ: Portfolio of AI solutions based on NVIDIA's advanced AI technology combined with Hitachi Vantara's next-generation storage platform

(\*)HARC: Hitachi Application Reliability Centers

(\*)Common infrastructure for generative AI: Generative AI utilization environment that combines and leverages partners' LLMs (large-scale language models) and Hitachi's knowledge

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## 5. Appendix

# Highlights of Results (Q4 FY23)

Billions of yen	Consolidated Total	Three sectors	
<b>Revenues</b>	2,510.5		2,510.5
YoY	(9)%	[+7%] <sup>(*)</sup>	+13%
<b>Adj. EBITA</b>	285.9		285.9
YoY	+25.5		+59.1
<b>Adj. EBITA margin</b>	11.4%		11.4%
YoY	+2.0 pts		+1.2 pts
<b>Net income attributable to Hitachi, Ltd. stockholders</b>	144.8		144.8
YoY	(212.0)		(210.6)
<b>Core free cash flows</b>	302.8		
YoY	(38.7)		

Actual FX rate	Q4 FY22 (Average)	Q4 FY23 (Average)
US \$	132 yen	149 yen
€	142 yen	161 yen

(\*) [ ]: Estimated YoY changes excl. FX impact

# Performance by Business Segment (Consolidated Total)

Billions of yen	Q4 FY23		YoY		FY2023		YoY		FY2024 Forecasts		YoY	
	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA	Revenues	Adj. EBITA
<b>Digital Systems &amp; Services</b>	775.4	111.3	+9%	+5.9	2,598.6	333.4	+9%	+39.7	2,700.0	365.0	+4%	+31.5
		14.4%	[+5%] <sup>(*)</sup>	(0.4) pts		12.8%	[+6%]	+0.5 pts		13.5%	[+5%]	+0.7 pts
<b>Green Energy &amp; Mobility</b>	923.8	72.2	+21%	+10.2	3,052.3	199.1	+24%	+35.6	3,430.0	295.0	+12%	+95.8
		7.8%	[+11%]	(0.3) pts		6.5%	[+16%]	(0.1) pts		8.6%	[+16%]	+2.1 pts
<b>Connective Industries</b>	854.0	96.2	+6%	+11.4	3,057.9	320.6	+3%	+8.4	3,150.0	361.0	+3%	+40.3
		11.3%	[+3%]	+0.8 pts		10.5%	[+1%]	±0.0 pts		11.5%	[+5%]	+1.0 pts
<b>Hitachi Astemo</b>	-	-	-	(33.5)	1,164.3	50.6	(39)%	(22.7)	-	-	-	(50.6)
		-	-	-		4.4%	[(41)%]	+0.6 pts		-	-	-
<b>Others</b>	139.7	(6.7)	(5)%	+8.4	507.7	6.7	+2%	+21.9	470.0	1.0	(7)%	(5.7)
		(4.8)%	[(6)%]	+5.5 pts		1.3%	[+2%]	+4.4 pts		0.2%	[(7)%]	(1.1) pts
<b>Corporate items &amp; Eliminations</b>	(182.5)	12.8	-	+23.0	(652.3)	7.4	-	+36.7	(750.0)	13.0	-	+5.5
		-	-	-		-	-	-		-	-	-
<b>Consolidated Total</b>	2,510.5	285.9	(9)%	+25.5	9,728.7	918.1	(11)%	+33.5	9,000.0	1,035.0	(7)%	+116.8
		11.4%	[(14)%]	+2.0 pts		9.4%	[(14)%]	+1.3 pts		11.5%	[(5)%]	+2.1 pts

(\*) [ ]: Estimated YoY changes excl. FX impact

# Summary of Consolidated Statement of Profit or Loss

Billions of yen	Q4 FY22	Q4 FY23	YoY	FY2022	FY2023	YoY	FY2024	YoY
<b>Revenues</b>	2,772.3	2,510.5	(9)%	10,881.1	9,728.7	(11)%	9,000.0	(7)%
<b>Adj. Operating Income</b>	220.6	230.1	+9.4	748.1	755.8	+7.6	855.0	+99.1
Equity in earnings of affiliates	+18.8	+32.6	+13.8	+52.8	+75.2	+22.4	+64.5	(10.7)
Acquisition-related amortization to be added back	+20.8	+23.1	+2.2	+83.6	+87.0	+3.4	+115.5	+28.4
<b>Adj. EBITA</b>	260.3	285.9	+25.5	884.6	918.1	+33.5	1,035.0	+116.8
Acquisition-related amortization	(20.8)	(23.1)	(2.2)	(83.6)	(87.0)	(3.4)	(115.5)	(28.4)
Net gain on business reorganization and others	+232.3	+0.4	(231.9)	+297.3	+97.0	(200.3)		
Structural reform expenses <sup>(*)</sup>	(68.0)	(35.9)	+32.0	(139.2)	(49.1)	+90.1	(34.5) <sup>(*)</sup>	(61.3)
Others	(32.7)	(36.3)	(3.5)	(113.4)	(21.0)	+92.3		
<b>EBIT</b>	371.1	190.9	(180.1)	845.6	857.9	+12.3	885.0	+27.0
Interest	(7.9)	(7.2)	+0.7	(25.6)	(32.1)	(6.4)	(35.0)	(2.8)
Income taxes [Effective income tax rate]	+6.8	(33.4)	(40.3)	(116.1)	(199.0)	(82.9)	(220.0)	(20.9)
				[14.2%]	[24.1%]		[25.9%]	
Deduction for non-controlling interests	(13.1)	(5.4)	+7.6	(54.7)	(36.8)	+17.8	(30.0)	+6.8
<b>Net income attributable to Hitachi, Ltd. Stockholders</b>	356.8	144.8	(212.0)	649.1	589.8	(59.2)	600.0	+10.1

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

(\*) Figures for FY2024 are the sum of "Net gain on business reorganization and others", "Structural reform expenses", and "Others"

# Orders Results by Business Segment

Billions of yen	Q4 FY23	YoY	FY2023	YoY		Q4 FY23	YoY	FY2023	YoY
<b>Digital Systems &amp; Services</b>	701.0	+10%	2,765.2	+9%	<b>Connective Industries</b>	765.6	+6%	3,049.7	±0%
Front Business	302.2	+12%	1,256.7	+11%	Building Systems	213.9	+6%	911.1	(4)%
IT Services	283.8	+12%	1,039.5	+11%	Smart Life & Ecofriendly Systems (Hitachi GLS)	97.2	(10)%	373.8	(5)%
Services & Platforms	261.0	+3%	983.5	+4%	Measurement & Analysis Systems (Hitachi High-Tech)	169.1	+19%	633.1	(1)%
<b>Green Energy &amp; Mobility</b>	1,253.2	+15%	4,794.2	+25%	Industrial Digital	107.1	+1%	372.7	+8%
Nuclear Energy	74.8	(21)%	180.9	(2)%	Water & Environment	41.4	+18%	209.8	+9%
Hitachi Power Solutions	40.8	(6)%	112.4	(3)%	Industrial Products	126.7	+8%	506.7	+5%
Hitachi Energy	795.0	+42%	3,415.9	+49%					
Railway Systems	324.5	(14)%	1,016.5	(15)%					

Item	Contents
Three sectors	Consolidated Total less the consolidated figures of Hitachi Astemo prior to be accounted by an equity-method affiliate, includes "Others" and "Corporate items & Eliminations"
Three sectors (excl. Hitachi Astemo)	Consolidated Total less equity in earnings of Hitachi Astemo as an affiliated company and consolidated figures of Hitachi Astemo prior to be accounted for using the equity method, includes "Others" and "Corporate items & Eliminations"
DSS / GEM / CI	Digital Systems & Services / Green Energy & Mobility / Connective Industries
Adj. EBITA	Adj. operating income plus acquisition-related amortization and equity in earnings (losses) of affiliates
Acquisition-related amortization	Amortization and depreciation of intangible assets and other assets allocated from goodwill recognized through fair-value evaluation of an acquired company's assets and liabilities. This cost is a non-cash cost and is included in the purchase price for the company
Adj. operating income	Revenues less selling, general and administrative expenses as well as cost of sales
EBIT	Income before income taxes less interest income plus interest charges
EBITDA	Income before income taxes less interest income plus interest charges, depreciation and amortization
ROIC (Return on Invested Capital)	(NOPAT + equity in earnings (losses) of affiliates) / "Invested Capital" x 100 *Invested Capital = interest-bearing debt + total equity NOPAT (Net Operating Profit after Tax) = Adj. operating income x (1 – tax burden rate)
Core free cash flows	Cash flows presented as free cash flows excluding cash flows from M&A and asset sales, etc.
EPS (Earnings per share)	(Basic) Earnings per share attributable to Hitachi, Ltd. stockholders. Weighted average number of shares to calculate (basic) earnings per share for FY2023 is 930,802,158 Weighted average number of shares to calculate (basic) earnings per share for FY2024 forecast is 926,686,558

Items	Regarding YoY comparison
Digital Systems & Services	Figures for Hitachi Consulting Japan, which were included in IT Services until FY2022, are included in Services & Platforms from FY2023. YoY for this segment reflects this change
Green Energy & Mobility	Figures for Business Management Reinforcement Division, which were included in Energy BU until FY2022, are included in "Others" from FY2023. YoY for Green Energy & Mobility segment and "Others" reflects this change
Hitachi Power Solutions	Figures for Hitachi Power Solutions, which were included in Energy BU until FY2022, are disclosed independently from FY2023. YoY for Green Energy & Mobility segment reflects this change
Connective Industries	Figures for Healthcare Business Division, which were not disclosed independently until FY2023, are included in Measurement & Analysis Systems (Hitachi High-Tech) from FY2024. YoY Measurement & Analysis Systems (Hitachi High-Tech) reflects this change

# 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.

\* This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.





Hitachi Social Innovation is  
**POWERING GOOD**