

FOR IMMEDIATE RELEASE

**Hitachi Announces Consolidated Financial Results
for the Second Quarter Ended September 30, 2025**

Tokyo, October 30, 2025 --- Hitachi, Ltd. (TSE:6501) today announced its consolidated financial results for the Second Quarter Ended September 30, 2025

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Condensed Semi-annual Consolidated Statement of Profit or Loss

(Millions of yen)

	Six months ended September 30, 2024 (A)	Six months ended September 30, 2025 (B)	(B)/(A) (%)
Revenues	4,545,982	4,787,406	105
Cost of sales	(3,252,750)	(3,361,562)	103
Gross profit	1,293,232	1,425,844	110
Selling, general and administrative expenses	(888,493)	(917,801)	103
Adjusted operating income	404,739	508,043	126
Other income	54,539	96,918	178
Other expenses	(40,121)	(32,760)	82
Financial income	27,877	102,264	367
Financial expenses	(3,426)	(5,538)	162
Share of profits (losses) of investments accounted for using the equity method	4,697	12,965	276
EBIT (Earnings before interest and taxes)	448,305	681,892	152
Interest income	21,748	16,938	78
Interest charges	(30,718)	(18,661)	61
Income before income taxes	439,335	680,169	155
Income taxes	(123,948)	(186,611)	151
Net income	315,387	493,558	156
Net income attributable to:			
Hitachi, Ltd. stockholders	292,273	472,862	162
Non-controlling interests	23,114	20,696	90
Earnings per share attributable to Hitachi, Ltd. stockholders	Yen	Yen	
Basic	63.29	103.63	164
Diluted	63.22	103.55	164

Note: On July 1, 2024, the Company completed a share split into 5 shares for every one common share. The figures for basic and diluted earnings per share attributable to Hitachi, Ltd. stockholders are calculated on the assumption that the Company conducted this split at the beginning of the previous fiscal year.

Condensed Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2024 (A)	Six months ended September 30, 2025 (B)	(B)/(A) (%)
Net income	315,387	493,558	156
Other comprehensive income (OCI)			
Items not to be reclassified into net income			
Net changes in financial assets measured at fair value through OCI	(3,596)	11,439	-
Remeasurements of defined benefit plans	365	41	11
Share of OCI of investments accounted for using the equity method	(2,119)	(1,162)	-
Total items not to be reclassified into net income	(5,350)	10,318	-
Items that can be reclassified into net income			
Foreign currency translation adjustments	(249,203)	44,415	-
Net changes in cash flow hedges	4,413	1,668	38
Share of OCI of investments accounted for using the equity method	(3,847)	7,580	-
Total items that can be reclassified into net income	(248,637)	53,663	-
Other comprehensive income (OCI)	(253,987)	63,981	-
Comprehensive income	61,400	557,539	908
Comprehensive income attributable to:			
Hitachi, Ltd. stockholders	38,741	536,242	-
Non-controlling interests	22,659	21,297	94

Condensed Semi-annual Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2025 (A)	As of September 30, 2025 (B)	(B)-(A)
Assets			
Current assets			
Cash and cash equivalents	866,242	1,278,935	412,693
Trade receivables and contract assets	3,496,340	3,373,227	(123,113)
Inventories	1,566,282	1,762,698	196,416
Investments in securities and other financial assets	318,421	328,426	10,005
Other current assets	350,558	431,392	80,834
Total Current assets	6,597,843	7,174,678	576,835
Non-current assets			
Investments accounted for using the equity method	836,231	718,026	(118,205)
Investments in securities and other financial assets	349,567	369,725	20,158
Property, plant and equipment	1,341,537	1,449,592	108,055
Goodwill	2,486,823	2,504,011	17,188
Other intangible assets	1,199,996	1,188,462	(11,534)
Other non-current assets	472,816	482,649	9,833
Total Non-current assets	6,686,970	6,712,465	25,495
Total Assets	13,284,813	13,887,143	602,330
Liabilities			
Current liabilities			
Short-term debt	73,146	44,608	(28,538)
Current portion of long-term debt	368,818	326,986	(41,832)
Other financial liabilities	280,227	268,789	(11,438)
Trade payables	1,572,764	1,587,573	14,809
Accrued expenses	736,286	655,566	(80,720)
Contract liabilities	2,196,193	2,560,779	364,586
Other current liabilities	680,411	739,587	59,176
Total Current liabilities	5,907,845	6,183,888	276,043
Non-current liabilities			
Long-term debt	764,152	836,850	72,698
Retirement and severance benefits	247,497	252,692	5,195
Other non-current liabilities	333,902	322,048	(11,854)
Total Non-current liabilities	1,345,551	1,411,590	66,039
Total Liabilities	7,253,396	7,595,478	342,082
Equity			
Hitachi, Ltd. stockholders' equity			
Common stock	464,384	466,666	2,282
Capital surplus	-	5,206	5,206
Retained earnings	4,350,503	4,724,327	373,824
Accumulated other comprehensive income	1,040,791	1,102,866	62,075
(Foreign currency translation adjustments)	890,159	941,462	51,303
(Remeasurements of defined benefit plans)	114,167	113,045	(1,122)
(Net changes in financial assets measured at fair value through OCI)	39,496	49,217	9,721
(Net changes in cash flow hedges)	(3,031)	(858)	2,173
Treasury stock, at cost	(8,587)	(179,359)	(170,772)
Total Hitachi, Ltd. stockholders' equity	5,847,091	6,119,706	272,615
Non-controlling interests	184,326	171,959	(12,367)
Total Equity	6,031,417	6,291,665	260,248
Total Liabilities and Equity	13,284,813	13,887,143	602,330

Condensed Semi-annual Consolidated Statement of Changes in Equity

(Millions of yen)

Six months ended September 30, 2024								
	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	463,417	-	4,084,729	1,160,550	(4,991)	5,703,705	155,898	5,859,603
Changes in equity								
Reclassified into retained earnings	-	-	125	(125)	-	-	-	-
Net income	-	-	292,273	-	-	292,273	23,114	315,387
Other comprehensive income	-	-	-	(253,532)	-	(253,532)	(455)	(253,987)
Dividends to Hitachi, Ltd. stockholders	-	-	(92,662)	-	-	(92,662)	-	(92,662)
Dividends to non-controlling interests	-	-	-	-	-	-	(27,966)	(27,966)
Acquisition of treasury stock	-	-	-	-	(123,678)	(123,678)	-	(123,678)
Disposition of treasury stock	-	(791)	-	-	1,010	219	-	219
Issuance of new shares	967	966	-	-	-	1,933	-	1,933
Transfer to capital surplus from retained earnings	-	1,530	(1,530)	-	-	-	-	-
Changes in non-controlling interests	-	(1,705)	-	(25,193)	-	(26,898)	3,648	(23,250)
Total changes in equity	967	-	198,206	(278,850)	(122,668)	(202,345)	(1,659)	(204,004)
Balance at end of period	464,384	-	4,282,935	881,700	(127,659)	5,501,360	154,239	5,655,599

(Millions of yen)

Six months ended September 30, 2025								
	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	464,384	-	4,350,503	1,040,791	(8,587)	5,847,091	184,326	6,031,417
Changes in equity								
Reclassified into retained earnings	-	-	1,675	(1,675)	-	-	-	-
Net income	-	-	472,862	-	-	472,862	20,696	493,558
Other comprehensive income	-	-	-	63,380	-	63,380	601	63,981
Dividends to Hitachi, Ltd. stockholders	-	-	(100,713)	-	-	(100,713)	-	(100,713)
Dividends to non-controlling interests	-	-	-	-	-	-	(31,824)	(31,824)
Acquisition of treasury stock	-	-	-	-	(171,649)	(171,649)	-	(171,649)
Disposition of treasury stock	-	(785)	-	-	877	92	-	92
Issuance of new shares	2,282	2,282	-	-	-	4,564	-	4,564
Transfer to capital surplus from retained earnings	-	-	-	-	-	-	-	-
Changes in non-controlling interests	-	3,709	-	370	-	4,079	(1,840)	2,239
Total changes in equity	2,282	5,206	373,824	62,075	(170,772)	272,615	(12,367)	260,248
Balance at end of period	466,666	5,206	4,724,327	1,102,866	(179,359)	6,119,706	171,959	6,291,665

Condensed Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2024 (A)	Six months ended September 30, 2025 (B)	(B)-(A)
Cash flows from operating activities			
Net Income	315,387	493,558	178,171
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization	214,928	216,466	1,538
Impairment losses	4,030	8,623	4,593
Income taxes	123,948	186,611	62,663
Share of (profits) losses of investments accounted for using the equity method	(4,697)	(12,965)	(8,268)
Financial income and expenses	1,187	(60,028)	(61,215)
Net (gain) loss on business reorganization and others	(32,172)	(95,994)	(63,822)
(Gain) loss on sale of property, plant and equipment	(21,895)	1,726	23,621
Change in trade receivables and contract assets	213,753	494,956	281,203
Change in inventories	(109,683)	(188,273)	(78,590)
Change in trade payables	(17,610)	(29,408)	(11,798)
Change in accrued expenses	(67,300)	(82,418)	(15,118)
Change in retirement and severance benefits	3,776	3,772	(4)
Other	(134,185)	(83,308)	50,877
Subtotal	489,467	853,318	363,851
Interest received	21,529	17,712	(3,817)
Dividends received	10,876	76,217	65,341
Interest paid	(34,088)	(18,740)	15,348
Income taxes paid	(164,449)	(178,880)	(14,431)
Net cash provided by (used in) operating activities	323,335	749,627	426,292
Cash flows from investing activities			
Purchase of property, plant and equipment	(90,922)	(130,833)	(39,911)
Purchase of intangible assets	(63,810)	(67,250)	(3,440)
Proceeds from sale of property, plant and equipment, and intangible assets	34,978	7,164	(27,814)
Purchase of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method)	(270,754)	(30,162)	240,592
Proceeds from sale of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method)	66,072	216,000	149,928
Other	12,550	18,478	5,928
Net cash provided by (used in) investing activities	(311,886)	13,397	325,283
Free cash flows	11,449	763,024	751,575
Cash flows from financing activities			
Change in short-term debt, net	314,247	(31,803)	(346,050)
Proceeds from long-term debt	80,619	57,488	(23,131)
Payments on long-term debt	(51,555)	(97,674)	(46,119)
Proceeds from payments from non-controlling interests	-	480	480
Dividends paid to Hitachi, Ltd. stockholders	(92,464)	(100,610)	(8,146)
Dividends paid to non-controlling interests	(28,139)	(31,957)	(3,818)
Acquisition of common stock for treasury	(123,678)	(171,649)	(47,971)
Proceeds from sales of treasury stock	3	-	(3)
Purchase of shares of consolidated subsidiaries from non-controlling interests	-	(2,212)	(2,212)
Net cash provided by (used in) financing activities	99,033	(377,937)	(476,970)
Effect of exchange rate changes on cash and cash equivalents	(21,585)	27,606	49,191
Change in cash and cash equivalents	88,897	412,693	323,796
Cash and cash equivalents at beginning of period	705,367	866,242	160,875
Cash and cash equivalents at end of period	794,264	1,278,935	484,671

Segment Information

(1) Segment revenues and profit (loss)

The operating segments of the Company are the components for which separate financial information is available and which is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

The Company discloses its business in five reportable segments, corresponding to categories of activities classified primarily by the similarities for the nature of markets, products and services, and economic characteristics. Several operating segments are aggregated into Energy and Connective Industries for financial reporting purposes so that users of the financial statements better understand the Company's financial position and business performance. The Company aggregates operating segments based on the similarities of economic characteristics mainly using the segment profit (loss) margin ratio of operating segments. The primary products and services included in each reportable segment are as follows:

(a) Digital Systems & Services:

Digital solutions (System integration, Consulting, Cloud services), IT products (Storage, Servers), Software, and ATMs

(b) Energy:

Energy solutions (Power grids, Nuclear)

(c) Mobility:

Railway systems

(d) Connective Industries:

Building systems (Elevators, Escalators), Smart life & ecofriendly systems (Home appliances, Air conditioners), Industrial Machinery & Solutions, Measurement and analytical systems (Semiconductor manufacturing equipment, Clinical analyzers), Industry & distribution solutions, and Water & environment solutions

(e) Others:

Property management and others

Effective from April 1, 2025, the Company changed its business structure in order to realize the Company's transformation into a "True One Hitachi" with digital at its core, and sustainably accelerate the growth of the Social Innovation Business as a digital-centric company. Accordingly, the Company reclassified its reportable segments in five segments as Digital Systems & Services, Energy, Mobility, Connective Industries, and Others. Figures for the six months ended September 30, 2024 have been restated on the basis of the reclassification.

In addition, from the year ending March 31, 2026, the calculation method of the segment profit (loss), previously presented based on Adjusted EBITA (Adjusted Earnings before Interest, Taxes and Amortization), is changed and presented, as a measure of profit (loss) used by the chief operating decision maker mainly in deciding how to allocate resources and in assessing performance. Previously Adjusted EBITA represented the profit (loss) calculated by deducting the selling, general and administrative expenses from the gross profit, adding back the amortization of intangible assets, etc. recognized upon business combinations, and adding the share of profits (losses) of investments accounted for using the equity method. But, from the year ending March 31, 2026, it is calculated by deducting the selling, general and administrative expenses from the gross profit, and adding back the amortization of intangible assets, etc. recognized upon business combinations. Adjusted EBITA for the six months ended September 30, 2024 has been restated on the basis of this change of definition.

The following tables show segment information for the six months ended September 30, 2024 and 2025.

(Millions of yen)

	Six months ended September 30, 2024			
	Reportable Segment			
	Digital Systems & Services	Energy	Mobility	Connective Industries
Revenues				
Revenues from External Customers	1,229,372	1,184,488	524,049	1,459,351
Revenues from Intersegment Transactions	83,046	27,736	439	84,677
Total Revenues	1,312,418	1,212,224	524,488	1,544,028
Segment Profit (Loss)	169,120	108,149	34,938	155,509

(Millions of yen)

	Six months ended September 30, 2024			
	Reportable Segment		Corporate items & Eliminations	Total
	Others	Subtotal		
Revenues				
Revenues from External Customers	129,029	4,526,289	19,693	4,545,982
Revenues from Intersegment Transactions	108,737	304,635	(304,635)	-
Total Revenues	237,766	4,830,924	(284,942)	4,545,982
Segment Profit (Loss)	5,537	473,253	(10,898)	462,355

(Millions of yen)

	Six months ended September 30, 2025			
	Reportable Segment			
	Digital Systems & Services	Energy	Mobility	Connective Industries
Revenues				
Revenues from External Customers	1,240,815	1,408,925	585,344	1,403,588
Revenues from Intersegment Transactions	85,475	9,457	358	113,227
Total Revenues	1,326,290	1,418,382	585,702	1,516,815
Segment Profit (Loss)	176,374	172,722	40,747	168,246

(Millions of yen)

	Six months ended September 30, 2025			
	Reportable Segment		Corporate items & Eliminations	Total
	Others	Subtotal		
Revenues				
Revenues from External Customers	129,737	4,768,409	18,997	4,787,406
Revenues from Intersegment Transactions	122,052	330,569	(330,569)	-
Total Revenues	251,789	5,098,978	(311,572)	4,787,406
Segment Profit (Loss)	12,623	570,712	(8,909)	561,803

Segment profit (loss) is measured by Adjusted EBITA. Adjusted EBITA is defined as Adjusted Earnings before Interest, Taxes and Amortization. Adjusted EBITA represents profit (loss) calculated by deducting selling, general and administrative expenses from gross profit, adding back amortization of intangible assets, etc. recognized upon business combinations.

Intersegment transactions are generally recorded at the same prices used in arm's length transactions. Corporate items include corporate expenses not allocated to individual segments, such as expenditures for advanced R&D, and others.

Adjustments to income before income taxes from segment profit (loss) are as follows:

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Segment Profit (Loss)	462,355	561,803
Amortization of Intangible assets, etc. recognized upon business combinations	(57,616)	(53,760)
Other income	54,539	96,918
Other expenses	(40,121)	(32,760)
Financial income	27,877	102,264
Financial expenses	(3,426)	(5,538)
Share of profits (losses) of investments accounted for using the equity method	4,697	12,965
EBIT (Earnings before interest and taxes)	448,305	681,892
Interest income	21,748	16,938
Interest charges	(30,718)	(18,661)
Income before income taxes	439,335	680,169

(2) Revenues by Market

(Millions of yen)

	Six months ended September 30, 2024 (A)	Six months ended September 30, 2025 (B)	(B)/(A) (%)
Japan	1,679,008 37%	1,714,963 36%	102
North America	741,254 17%	775,788 16%	105
Europe	872,555 19%	1,020,005 21%	117
Asia	921,586 20%	901,385 19%	98
Other Areas	331,579 7%	375,265 8%	113
Overseas Revenues Subtotal	2,866,974 63%	3,072,443 64%	107
Total Revenues	4,545,982 100%	4,787,406 100%	105

Notes

(1) Notes Regarding Going Concern

Not applicable.

Summary of Consolidated Business Results, etc.

For detailed information, please refer to the Presentation Material "Outline of Consolidated Financial Results for the Second Quarter Ended September 30, 2025" (disclosed on October 30) on TDnet and our website.

(<https://www.hitachi.com/en/ir/library/fr/>)

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 response 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;
- 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.