FOR IMMEDIATE RELEASE

Hitachi Announces Consolidated Financial Results for the Second Quarter Ended September 30, 2026

Tokyo, October 28, 2026 --- Hitachi, Ltd. (TSE:6501) today announced its consolidated financial results for the Second Quarter Ended September 30, 2026

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Condensed Semi-annual Consolidated Statement of Profit or Loss

(Millions of yen)

	Six-month period ended September 30, 2025 (A)	Six-month period ended September 30, 2026 (B)	(B)/(A) (%)
Revenues	4,787,406	5,614,028	117
Cost of sales	(3,361,562)	(3,923,051)	117
Gross profit	1,425,844	1,690,977	119
Selling, general and administrative expenses	(917,801)	(1,047,717)	114
Adjusted operating income	508,043	643,260	127
Other income	96,918	2,630	3
Other expenses	(32,760)	(21,437)	65
Financial income	102,264	22,940	22
Financial expenses	(5,538)	(22,536)	407
Share of profits (losses) of investments accounted for using the equity method	12,965	2,633	20
EBIT (Earnings before interest and taxes)	681,892	627,490	92
Interest income	16,938	16,132	95
Interest charges	(18,661)	(13,688)	73
Income before income taxes	680,169	629,934	93
Income taxes	(186,611)	(184,635)	99
Net income	493,558	445,299	90
Net income attributable to:			
Hitachi, Ltd. stockholders	472,862	416,621	88
Non-controlling interests	20,696	28,678	139

Earnings per share attributable to Hitachi, Ltd. stockholders	Yen	Yen	
Basic	103.63	93.20	90
Diluted	103.55	93.10	90

Condensed Semi-annual Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six-month period ended September 30, 2025 (A)	Six-month period ended September 30, 2026 (B)	(B)/(A) (%)
Net income	493,558	445,299	90
Other comprehensive income (OCI)			
Items not to be reclassified into net income			
Net changes in financial assets measured at fair value through OCI	11,439	63,427	554
Remeasurements of defined benefit plans	41	3,173	-
Share of OCI of investments accounted for using the equity method	(1,162)	77	-
Total items not to be reclassified into net income	10,318	66,677	646
Items that can be reclassified into net income			
Foreign currency translation adjustments	44,415	(89,954)	-
Net changes in cash flow hedges	1,668	(29,902)	-
Share of OCI of investments accounted for using the equity method	7,580	3,732	49
Total items that can be reclassified into net income	53,663	(116,124)	-
Other comprehensive income (OCI)	63,981	(49,447)	-
Comprehensive income	557,539	395,852	71
Comprehensive income attributable to:			
Hitachi, Ltd. stockholders	536,242	364,917	68
Non-controlling interests	21,297	30,935	145

Condensed Semi-annual Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2026 (A)	As of September 30, 2026 (B)	(B)-(A)
Assets			
Current assets			
Cash and cash equivalents	1,323,480	1,511,029	187,549
Trade receivables and contract assets	4,004,890	3,729,613	(275,277)
Inventories	1,770,479	1,887,616	117,137
Investments in securities and other financial assets	355,304	456,490	101,186
Other current assets	413,086	699,787	286,701
Total Current assets	7,867,239	8,284,535	417,296
Non-current assets			
Investments accounted for using the equity method	612,142	468,055	(144,087)
Investments in securities and other financial assets	593,559	398,687	(194,872)
Property, plant and equipment	1,652,913	1,724,875	71,962
Goodwill	2,647,501	2,639,982	(7,519)
Other intangible assets	1,215,731	1,173,625	(42,106)
Other non-current assets	452,161	497,969	45,808
Total Non-current assets	7,174,007	6,903,193	(270,814)
Total Assets	15,041,246	15,187,728	146,482
Liabilities			
Current liabilities			
Short-term debt	43,407	50,889	7,482
Current portion of long-term debt	425,877	424,665	(1,212)
Other financial liabilities	317,342	260,958	(56,384)
Trade payables	1,658,755	1,663,872	5,117
Accrued expenses	799,334	708,057	(91,277)
Contract liabilities	3,054,661	3,290,467	235,806
Other current liabilities	867,763	943,407	75,644
Total Current liabilities	7,167,139	7,342,315	175,176
Non-current liabilities			
Long-term debt	539,753	553,387	13,634
Retirement and severance benefits	235,675	232,035	(3,640)
Other non-current liabilities	326,072	337,078	11,006
Total Non-current liabilities	1,101,500	1,122,500	21,000
Total Liabilities	8,268,639	8,464,815	196,176
Equity			
Hitachi, Ltd. stockholders' equity			
Common stock	466,666	466,666	-
Capital surplus	-	-	-
Retained earnings	4,759,761	5,076,028	316,267
Accumulated other comprehensive income	1,502,404	1,427,240	(75,164)
(Foreign currency translation adjustments)	1,290,980	1,198,302	(92,678)
(Remeasurements of defined benefit plans)	130,835	133,876	3,041
(Net changes in financial assets measured at fair value through OCI)	75,375	116,408	41,033
(Net changes in cash flow hedges)	5,214	(21,346)	(26,560)
Treasury stock, at cost	(160,462)	(444,535)	(284,073)
Total Hitachi, Ltd. stockholders' equity	6,568,369	6,525,399	(42,970)
Non-controlling interests	204,238	197,514	(6,724)
Total Equity	6,772,607	6,722,913	(49,694)
Total Liabilities and Equity	15,041,246	15,187,728	146,482

Condensed Semi-annual Consolidated Statement of Changes in Equity

(Millions of yen)

Six-month period 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	-	-	-	-	-	-	-	-
Transactions with non-controlling interests and others	-	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

(Millions of yen)

Six-month period ended September 30, 2026								
	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	466,666	-	4,759,761	1,502,404	(160,462)	6,568,369	204,238	6,772,607
Changes in equity								
Reclassified into retained earnings	-	-	22,621	(22,621)	-	-	-	-
Net income	-	-	416,621	-	-	416,621	28,678	445,299
Other comprehensive income	-	-	-	(51,704)	-	(51,704)	2,257	(49,447)
Dividends to Hitachi, Ltd. stockholders	-	-	(121,493)	-	-	(121,493)	-	(121,493)
Dividends to non-controlling interests	-	-	-	-	-	-	(35,421)	(35,421)
Acquisition of treasury stock	-	-	-	-	(290,396)	(290,396)	-	(290,396)
Disposition of treasury stock	-	(3,768)	-	-	6,323	2,555	-	2,555
Issuance of new shares	-	-	-	-	-	-	-	-
Transfer to capital surplus from retained earnings	-	1,482	(1,482)	-	-	-	-	-
Transactions with non-controlling interests and others	-	2,286	-	(839)	-	1,447	(2,238)	(791)
Total changes in equity	-	-	316,267	(75,164)	(284,073)	(42,970)	(6,724)	(49,694)
Balance at end of period	466,666	-	5,076,028	1,427,240	(444,535)	6,525,399	197,514	6,722,913

Condensed Semi-annual Consolidated Statement of Cash Flows

(Millions of yen)

	Six-month period ended September 30, 2025 (A)	Six-month period ended September 30, 2026 (B)	(B)-(A)
Cash flows from operating activities			
Net Income	493,558	445,299	(48,259)
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization	216,466	237,602	21,136
Impairment losses	8,623	11,545	2,922
Income taxes	186,611	184,635	(1,976)
Share of (profits) losses of investments accounted for using the equity method	(12,965)	(2,633)	10,332
Financial income and expenses	(60,028)	(20,784)	39,244
Net (gain) loss on business reorganization and others	(95,994)	214	96,208
(Gain) loss on sale of property, plant and equipment	1,726	(2,039)	(3,765)
Change in trade receivables and contract assets	136,479	249,275	112,796
Change in inventories	(188,273)	(138,164)	50,109
Change in trade payables	(29,408)	(5,817)	23,591
Change in accrued expenses	(82,418)	(82,438)	(20)
Change in contract liabilities	358,477	263,487	(94,990)
Change in retirement and severance benefits	3,772	3,023	(749)
Other	(83,308)	(104,021)	(20,713)
Subtotal	853,318	1,039,184	185,866
Interest received	17,712	19,188	1,476
Dividends received	76,217	15,089	(61,128)
Interest paid	(18,740)	(13,306)	5,434
Income taxes paid	(178,880)	(261,277)	(82,397)
Net cash provided by (used in) operating activities	749,627	798,878	49,251
Cash flows from investing activities			
Purchase of property, plant and equipment	(130,833)	(191,391)	(60,558)
Purchase of intangible assets	(67,250)	(75,950)	(8,700)
Proceeds from sale of property, plant and equipment, and intangible assets	7,164	12,273	5,109
Purchase of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method)	(30,162)	(86,070)	(55,908)
Proceeds from sale of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method)	216,000	208,446	(7,554)
Other	18,478	11,151	(7,327)
Net cash provided by (used in) investing activities	13,397	(121,541)	(134,938)
Free cash flows	763,024	677,337	(85,687)
Cash flows from financing activities			
Change in short-term debt, net	(31,803)	18,977	50,780
Proceeds from long-term debt	57,488	8,946	(48,542)
Payments on long-term debt	(97,674)	(52,490)	45,184
Proceeds from payments from non-controlling interests	480	276	(204)
Dividends paid to Hitachi, Ltd. stockholders	(100,610)	(121,381)	(20,771)
Dividends paid to non-controlling interests	(31,957)	(33,716)	(1,759)
Acquisition of common stock for treasury	(171,649)	(290,396)	(118,747)
Proceeds from sales of treasury stock	-	2,539	2,539
Purchase of shares of consolidated subsidiaries from non-controlling interests	(2,212)	(7,063)	(4,851)
Net cash provided by (used in) financing activities	(377,937)	(474,308)	(96,371)
Effect of exchange rate changes on cash and cash equivalents	27,606	(15,480)	(43,086)
Change in cash and cash equivalents	412,693	187,549	(225,144)
Cash and cash equivalents at beginning of period	866,242	1,323,480	457,238
Cash and cash equivalents at end of period	1,278,935	1,511,029	232,094

Note: A change in presentation has been made effective from April 1, 2026 for improved clarity. “Change in contract liabilities,” which was previously included in “Change in trade receivables and contract assets” under cash flows from operating activities, has been reclassified and separately presented.
The condensed semi-annual consolidated statement of cash flows for the six-month period ended September 30, 2025 has been reclassified in order to reflect this change in presentation.

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, Cloud services, Consulting services), IT products (Storage, Servers), Software, and ATMs

(b) Energy:
Energy solutions (Power grids, Nuclear)

(c) Mobility:
Railway systems

(d) Connective Industries:
Measurement and analysis systems (Semiconductor manufacturing equipment, Clinical analyzers), Industrial equipment & Digital solutions, Building systems (Elevators, Escalators), and Smart life & ecofriendly systems (Home appliances, Air conditioners)

(e) Others:
Property management and others

Effective from April 1, 2026, the Company transferred its Industry SI business, which had previously been included in the Connective Industries segment, to the Digital Systems & Services segment, and has disclosed the results of the Digital Systems & Services segment including the transferred business. Accordingly, figures for the six-month period ended September 30, 2025 have been restated on the basis of the reclassification.

The following tables show business segment information for the six-month period ended September 30, 2025 and 2026.

(Millions of yen)

	Six-month period ended September 30, 2025			
	Reportable Segment			
	Digital Systems & Services	Energy	Mobility	Connective Industries
Revenues				
Revenues from External Customers	1,327,546	1,408,925	585,344	1,316,857
Revenues from Intersegment Transactions	62,239	9,457	358	113,227
Total Revenues	1,389,785	1,418,382	585,702	1,430,084
Segment Profit (Loss)	189,584	172,722	40,747	155,036

(Millions of yen)

	Six-month period 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	307,333	(307,333)	-
Total Revenues	251,789	5,075,742	(288,336)	4,787,406
Segment Profit (Loss)	12,623	570,712	(8,909)	561,803

(Millions of yen)

	Six-month period ended September 30, 2026			
	Reportable Segment			
	Digital Systems & Services	Energy	Mobility	Connective Industries
Revenues				
Revenues from External Customers	1,449,741	1,862,775	692,256	1,475,316
Revenues from Intersegment Transactions	83,456	9,601	729	111,325
Total Revenues	1,533,197	1,872,376	692,985	1,586,641
Segment Profit (Loss)	211,520	274,894	55,876	178,419

(Millions of yen)

	Six-month period ended September 30, 2026			
	Reportable Segment		Corporate items & Eliminations	Total
	Others	Subtotal		
Revenues				
Revenues from External Customers	122,962	5,603,050	10,978	5,614,028
Revenues from Intersegment Transactions	133,696	338,807	(338,807)	-
Total Revenues	256,658	5,941,857	(327,829)	5,614,028
Segment Profit (Loss)	14,050	734,759	(35,108)	699,651

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, and 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-month period ended September 30, 2025	Six-month period ended September 30, 2026
Segment Profit (Loss)	561,803	699,651
Amortization of Intangible assets, etc. recognized upon business combinations	(53,760)	(56,391)
Other income	96,918	2,630
Other expenses	(32,760)	(21,437)
Financial income	102,264	22,940
Financial expenses	(5,538)	(22,536)
Share of profits (losses) of investments accounted for using the equity method	12,965	2,633
EBIT (Earnings before interest and taxes)	681,892	627,490
Interest income	16,938	16,132
Interest charges	(18,661)	(13,688)
Income before income taxes	680,169	629,934

(2) Revenues by Market

(Millions of yen)

	Six-month period ended September 30, 2025 (A)	Six-month period ended September 30, 2026 (B)	(B)/(A) (%)
Japan	1,714,963 36%	1,872,106 33%	109
North America	775,788 16%	970,647 17%	125
Europe	1,020,005 21%	1,220,944 22%	120
Asia	901,385 19%	1,110,358 20%	123
Other Areas	375,265 8%	439,973 8%	117
Overseas Revenues Subtotal	3,072,443 64%	3,741,922 67%	122
Total Revenues	4,787,406 100%	5,614,028 100%	117

Notes

(1) Notes Regarding Going Concern

Not applicable.

(2) Subsequent Events

Sale of shares of Astemo, Ltd. (hereinafter “Astemo”)

On December 16, 2025, the Company entered into an agreement regarding the transfer of a part of common stocks of Astemo, an equity-method associate of the Company in Corporate items of segment information, with Honda Motor Co., Ltd.

On September 25, 2026, a portion of the shares of Astemo held by the Company, which were previously included in Investments accounted for using the equity method in the consolidated statement of financial position, were reclassified to Other current assets in the condensed semi-annual consolidated statement of financial position since they met the criteria as held-for-sale assets in accordance with IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”, during the six-month period ended September 30, 2026.

Furthermore, on October 1, 2026, the Company completed the share transfer in accordance with the agreement. The consideration for the sale of the shares was 152,275 million yen. As a result of this transfer of shares, the Company’s ownership ratio of shares of Astemo decreased from 40.0% to 19.0%, and Astemo ceased to be an equity-method associate. The impact of the share transfer on net income attributable to Hitachi, Ltd. stockholders for the fiscal year ending March 31, 2027 is not material.

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, 2026" (disclosed on October 28, 2026) 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 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, 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;
- 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 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 document 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.