

**Outline of Consolidated Financial Results
for the Third Quarter
Ended December 31, 2019**

January 31, 2020

Hitachi, Ltd.

Contents

- 1. Outline of Consolidated Financial Results
for the Third Quarter Ended December 31, 2019**
- 2. Outlook for Fiscal 2019**
- 3. Supplemental Information**



**1. Outline of Consolidated Financial Results
for the Third Quarter Ended December 31, 2019**

1-1. Highlights of Q3 (Apr. - Dec.) FY2019 Financial Results

Revenues	6,344.1 billion yen	down 6% / 438.7 billion yen year over year	<ul style="list-style-type: none"> ● Increased in IT and Industry segments ● Decreased in Smart Life segment due to divestitures, Energy segment and Hitachi Metals, etc.
Adjusted operating income*1	445.6 billion yen	down 17% / 88.9 billion yen year over year	<ul style="list-style-type: none"> ● Increased in IT, Industry and Smart Life segments ● Decreased in Energy segment, Hitachi Construction Machinery, Hitachi Metals, etc.
EBIT*2	54.9 billion yen	down 82% / 250.5 billion yen year over year	<ul style="list-style-type: none"> ● Posted loss for the settlement on the South Africa projects conducted by Mitsubishi Hitachi Power Systems ● Posted Impairment loss on fixed assets and goodwill in magnetic materials business of Hitachi Metals
Net income attributable to Hitachi, Ltd. stockholders	55.1 billion yen	down 33% / 27.4 billion yen year over year	
Free cash flows	(184.1) billion yen	down 211.0 billion yen year over year	

*1 "Adjusted operating income" is presented as revenues less selling, general and administrative expenses as well as cost of sales .

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

1-2. Consolidated Statement of Profit or Loss

Billions of yen

	Q3 (Apr. - Dec.) FY2018	Q3 (Apr. - Dec.) FY2019	Year over year
Revenues	6,782.9	6,344.1	(438.7) [94%]
<i>Adjusted operating income ratio</i>	7.9%	7.0%	(0.9%)
Adjusted operating income	534.5	445.6	(88.9)
<i>EBIT ratio</i>	4.5%	0.9%	(3.6%)
EBIT	305.4	54.9	(250.5)
Income from continuing operations, before income taxes	306.7	52.1	(254.6)
Income taxes	(137.5)	35.2	+172.8
Income from continuing operations	169.2	87.3	(81.8)
Loss from discontinued operations*	(4.4)	(1.1)	+3.2
Net income	164.8	86.2	(78.6)
Net income attributable to Hitachi, Ltd. stockholders	82.6	55.1	(27.4)

* 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. as part of 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.

1-3. Financial Results by Five Sectors and Listed Subsidiaries

Billions of yen

		Q3 (Apr. - Dec.) FY2018*4		Q3 (Apr. - Dec.) FY2019*4		Year over year	
Five sectors total*1,2,3 (IT/ Energy/ Industry/ Mobility/ Smart Life)	Revenues		4,174.5		3,989.3		96%
	Adjusted operating income	7.5%	312.2	7.5%	299.3	±0.0%	(12.8)
	EBIT	2.4%	98.5	(0.6%)	(23.2)	(3.0%)	(121.7)
	Net income attributable to Hitachi, Ltd. stockholders		6.8		40.6		+33.8
Listed subsidiaries total*1,3 (Hitachi High-Technologies/ Hitachi Construction Machinery/ Hitachi Metals/ Hitachi Chemical)	Revenues		2,608.4		2,354.8		90%
	Adjusted operating income	8.5%	222.2	6.2%	146.2	(2.3%)	(76.0)
	EBIT	7.9%	206.9	3.3%	78.1	(4.6%)	(128.7)
	Net income attributable to Hitachi, Ltd. stockholders		75.7		14.4		(61.2)

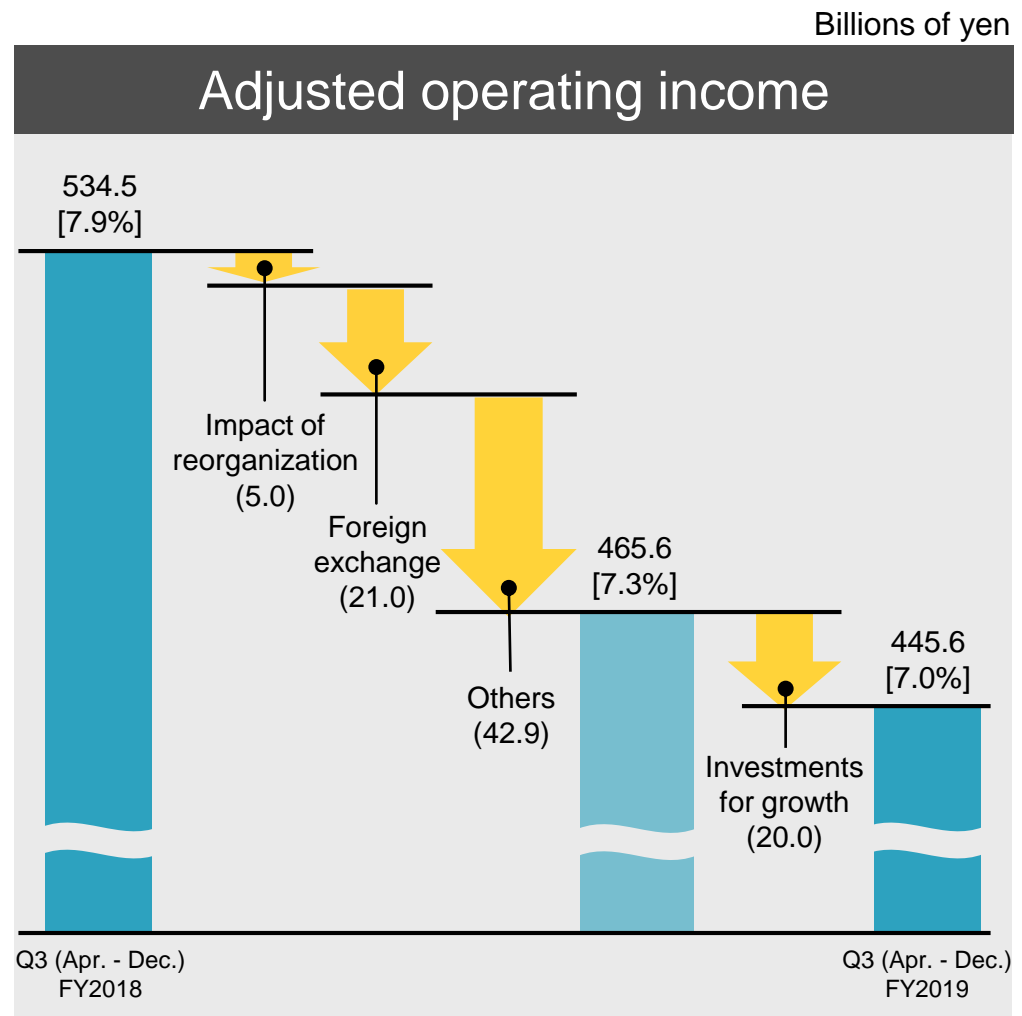
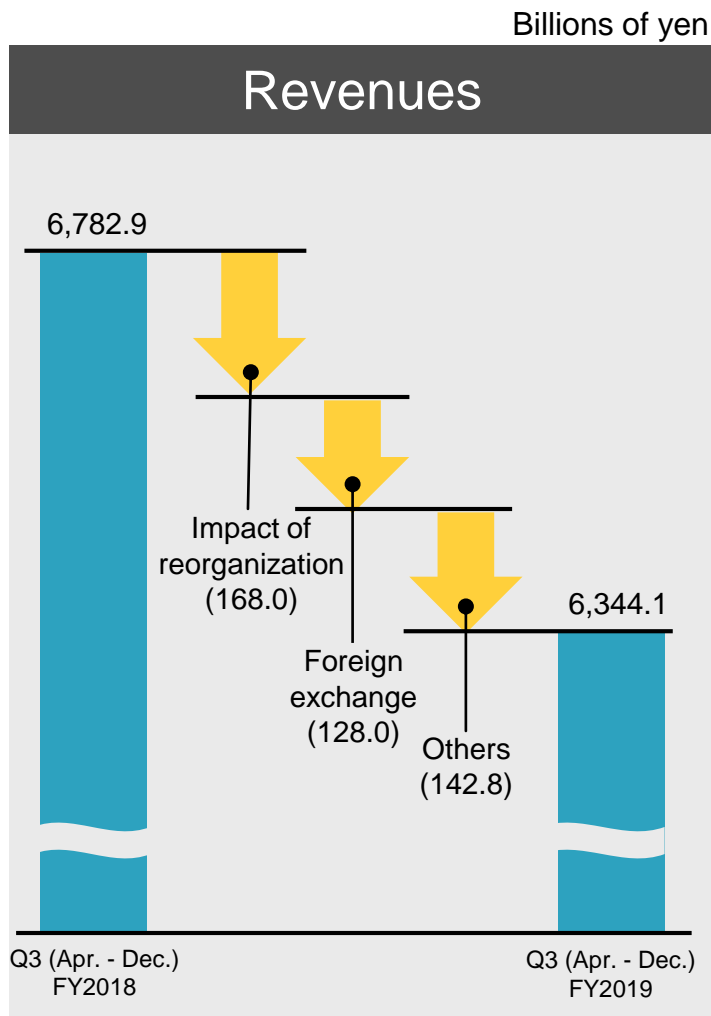
*1 Business segment changed on the beginning of FY2019, and figures for Q3 (Apr. - Dec.) FY2018 using the new segment classification are shown.

*2 "Five sectors total" is presented as the financial results subtracted listed subsidiaries total from consolidated total. It includes others and corporate items & eliminations.

*3 Figures for Q3 (Apr. - Dec.) FY2018 of listed subsidiaries total include financial results of Hitachi Kokusai Electric.

*4 Figures of percentage indicate adjusted operating income ratio or EBIT ratio.

1-4. Factors Affecting Changes in Revenues and Adjusted Operating Income (Year over Year)



- Impact of reorganization
 - Divestitures on automotive systems business
 - Deconsolidation of Hitachi Kokusai Electric

[]: Adjusted operating income ratio

1-5. Revenues by Market

Billions of yen

	Q3 (Apr. - Dec.) FY2018		Q3 (Apr. - Dec.) FY2019		Year over year
		Ratio		Ratio	
Japan	3,221.5	47%	3,153.4	50%	98%
Outside Japan	3,561.4	53%	3,190.7	50%	90%
Asia	1,546.7	23%	1,372.6	21%	89%
China	786.5	12%	707.9	11%	90%
ASEAN, India, other areas	760.1	11%	664.7	10%	87%
North America	895.9	13%	825.0	13%	92%
Europe	750.1	11%	671.2	11%	89%
Other Areas	368.5	6%	321.7	5%	87%
Total	6,782.9	100%	6,344.1	100%	94%

1-6. Summary of Consolidated Financial Position and Summary of Consolidated Statements of Cash Flows

■ Summary of Consolidated Financial Position

Billions of yen

	As of March 31, 2019	As of December 31, 2019	Change from March 31, 2019
Total assets	9,626.5	10,281.3	+654.7
Trade receivables and contract assets	2,399.9	2,194.9	(204.9)
Total liabilities	5,212.1	5,919.1	+706.9
Interest-bearing debt	1,004.7	1,562.5	+557.8
Total Hitachi, Ltd. stockholders' equity	3,262.6	3,229.4	(33.1)
Non-controlling interests	1,151.8	1,132.7	(19.0)
Cash Conversion Cycle	69.3 days	75.3 days	+6.0 days
Total Hitachi, Ltd. stockholders' equity ratio	33.9%	31.4%	(2.5 %)
D/E ratio (Including non-controlling interests)	0.23 times	0.36 times	+0.13 times

■ Summary of Consolidated Statements of Cash Flows

Billions of yen

	Q3 (Apr. - Dec.) FY2018	Q3 (Apr. - Dec.) FY2019	Year over year
Cash flows from operating activities	202.3	307.8	+105.4
Cash flows from investing activities	(175.4)	(492.0)	(316.5)
Free cash flows	26.8	(184.1)	(211.0)

1-7. Revenues, Adjusted Operating Income and EBIT by Business Segment (1)*1

Billions of yen

		Q3 (Apr. - Dec.) FY2018*2		Q3 (Apr. - Dec.) FY2019*2		Year over year		Dynamics
IT	Revenues		1,475.9		1,494.2		101%	(+) Expansion of systems integration business (-) Sales decrease in storage systems for overseas market
	Adjusted operating income	10.6%	156.6	11.1%	165.6	+0.5%	+9.0	(+) Increase in revenues (-) Increase in strategic investment for expansion of digital solution business
	EBIT	11.2%	165.4	10.6%	158.1	(0.6%)	(7.2)	(+) Increase in adjusted operating income (-) Decrease in gains from selling lands of former production base
Energy	Revenues		272.2		245.7		90%	(-) Decrease in projects related to new regulations in Nuclear Energy BU*3 (-) Decrease in revenues due to the business transfer of power receiving and transforming facilities business for industry field
	Adjusted operating income	3.8%	10.4	(0.6%)	(1.4)	(4.4%)	(11.8)	(-) Decrease in revenues (-) Decline in profitability of some projects in Energy BU
	EBIT	(102.8%)	(279.9)	(154.3%)	(379.2)	(51.5%)	(99.2)	(-) Posting of loss for the settlement on the South Africa projects conducted by Mitsubishi Hitachi Power Systems (+) Posting of impairment loss in the previous fiscal year for the suspension of UK nuclear power stations construction project

*1 Business segment changed on the beginning of FY2019, and figures for Q3 (Apr. - Dec.) FY2018 using the new segment classification are shown.

*2 Figures of percentage indicate adjusted operating income ratio or EBIT ratio.

*3 Business Unit

1-8. Revenues, Adjusted Operating Income and EBIT by Business Segment (2)

Billions of yen

		Q3 (Apr. - Dec.) FY2018		Q3 (Apr. - Dec.) FY2019		Year over year		Dynamics
Industry	Revenues		546.2		554.9		102%	(+) Sales increase in air conditioning systems business for industry field
	Adjusted operating income	4.3%	23.3	4.6%	25.5	+0.3%	+2.1	(+) Increase in revenues (+) Profitability improvement in Industry & Distribution BU
	EBIT	4.4%	24.1	5.4%	30.2	+1.0%	+6.0	(+) Improvement in profit of an equity-method associate
Mobility	Revenues		907.4		832.6		92%	(-) Impact of foreign exchange (-) Decrease in revenues of Railway Systems BU in the UK (-) Sales price down in Building Systems BU in China
	Adjusted operating income	7.2%	65.2	7.4%	61.3	+0.2%	(3.8)	(-) Decrease in revenues (+) Profitability improvement in Building Systems BU due to cost reduction, etc.
	EBIT	11.4%	103.7	11.0%	91.6	(0.4%)	(12.1)	(-) Decrease in gains from selling a part of Agility Trains West stocks

1-9. Revenues, Adjusted Operating Income and EBIT by Business Segment (3)

Billions of yen

		Q3 (Apr. - Dec.) FY2018		Q3 (Apr. - Dec.) FY2019		Year over year		Dynamics
Smart Life	Revenues		1,205.4		1,076.8		89%	(-) Impact of divestitures of car information systems business, etc. in automotive systems business
	Adjusted operating income	2.3%	27.5	4.1%	44.0	+1.8%	+16.5	(+) Profitability improvement in automotive systems business, home appliances business and Healthcare BU due to cost reduction
	EBIT	(0.0%)	(0.3)	3.4%	36.4	+3.4%	+36.8	(+) Increase in adjusted operating income (+) Posting of structural reform expenses in the previous fiscal year in automotive systems business
Hitachi High-Technologies	Revenues		540.4		516.9		96%	(-) Decrease in demand for industrial materials (-) Sales decrease in liquid crystal display exposure systems (+) Sales increase in semiconductor processing equipment
	Adjusted operating income	9.5%	51.4	9.3%	48.1	(0.2%)	(3.2)	(-) Decrease in revenues
	EBIT	9.2%	49.5	9.4%	48.4	+0.2%	(1.0)	(-) Decrease in adjusted operating income

1-10. Revenues, Adjusted Operating Income and EBIT by Business Segment (4)

Billions of yen

		Q3 (Apr. - Dec.) FY2018		Q3 (Apr. - Dec.) FY2019		Year over year		Dynamics
Hitachi Construction Machinery	Revenues		743.1		687.1		92%	(-) Impact of foreign exchange (-) Sales decrease in China and India, etc. (-) Production suspension by Typhoon damage
	Adjusted operating income	11.3%	84.3	8.4%	57.9	(2.9%)	(26.3)	(-) Decrease in revenues (-) Increase in indirect expenses (-) Impact of foreign exchange
	EBIT	10.8%	80.1	8.5%	58.4	(2.3%)	(21.6)	(-) Decrease in adjusted operating income (-) Posting of structural reform expenses (+) Gains on business reorganization
Hitachi Metals	Revenues		775.5		670.9		87%	(-) Decrease in demand for automobile, semiconductor and FA* (-) Impact of business transfer of aluminum wheels business
	Adjusted operating income	5.5%	42.7	1.8%	11.8	(3.7%)	(30.9)	(-) Decrease in revenues (-) Revaluation loss on inventories
	EBIT	4.8%	37.0	(7.9%)	(52.8)	(12.7%)	(89.9)	(-) Decrease in adjusted operating income (-) Posting of impairment loss on fixed assets and goodwill in magnetic materials business
Hitachi Chemical	Revenues		522.3		479.6		92%	(-) Decrease in demand for semiconductor and automobile (-) Impact of foreign exchange
	Adjusted operating income	7.5%	39.2	5.9%	28.3	(1.6%)	(10.9)	(-) Decrease in revenues
	EBIT	6.8%	35.6	5.0%	24.0	(1.8%)	(11.5)	(-) Decrease in adjusted operating income

* Factory Automation

1-11. Revenues, Adjusted Operating Income and EBIT by Business Segment (5)

Billions of yen

		Q3 (Apr. - Dec.) FY2018		Q3 (Apr. - Dec.) FY2019		Year over year		Dynamics
Others	Revenues		422.2		351.6		83%	
	Adjusted operating income	6.3%	26.5	4.8%	16.8	(1.5%)	(9.7)	(-) Impact of deconsolidation of Hitachi Kokusai Electric
	EBIT	6.8%	28.8	7.6%	26.7	+0.8%	(2.0)	
Corporate items & Eliminations	Revenues		(628.2)		(566.8)		-	
	Adjusted operating income		6.9		(12.6)		(19.5)	
	EBIT		61.1		12.7		(48.4)	(-) Absence of gains from selling Hitachi Kokusai Electric stock recorded in the previous fiscal year
Total	Revenues		6,782.9		6,344.1		94%	
	Adjusted operating income	7.9%	534.5	7.0%	445.6	(0.9%)	(88.9)	
	EBIT	4.5%	305.4	0.9%	54.9	(3.6%)	(250.5)	

■ Progress of Lumada Business

Billions of yen

	FY2018		FY2019				
	Q3 (Apr. - Dec.)	Total	Q3 (Apr. - Dec.)	Year over year	Total (Forecast)		
					Year over year	Previous forecast*1 comparison	
Revenues of Lumada business	757.0	1,127.0	839.0	111%	1,170.0	104%	100%
1) Lumada core business	205.0	335.0	254.0	124%	370.0	110%	100%
2) Lumada SI business	552.0	792.0	585.0	106%	800.0	101%	100%

1) Lumada core business: Service business that converts customers data into valuable insight through AI and analytics, and improves management indicators or offers problem solutions

2) Lumada SI business: SI business which is deployed within the IoT area (industry / manufacturing and social infrastructure area) that is led by the Lumada core business

- Completed the integration of Hitachi Vantara Corporation and Hitachi Consulting Corporation
New Hitachi Vantara LLC to lead the global expansion of the Lumada business (from January 2020)
- Omika Works identified by the World Economic Forum as a “Lighthouse,” an advanced factory, for the first time as a Japanese company
Recognized for total optimization and sophistication in the entire value chain utilizing Lumada solutions
- Started Proof of Concept to optimize portfolio of insurance using CMOS annealing*2, a new type of computer, through co-creation with Sompo Japan Nipponkoa Insurance Inc. and Sompo Risk Management Inc.

*1 As of December 18, 2019

*2 New type of computer which Hitachi is developing to solve combinatorial optimization problems utilizing Ising model that describes properties of magnetic materials

■ Business Strengthening and Financial Strategy toward Growth

- Decided to commence a tender offer for shares of Hitachi High-Technologies Corporation (To be started on February 17, 2020)
 - ✓ To establish a measuring and analysis platform to strengthen Lumada
 - ✓ To achieve the entire Hitachi Group's growth through transformation by digital & services
- Completed the acquisition of the robotic system integration business mainly operated by JR Automation Technologies, LLC in the United States of America (in December 2019)
 - ✓ Accelerated global development of digital solution business which connects business management and workplace
- Decided to issue unsecured straight bonds up to 200 billion yen (To be issued after February 2020)
 - ✓ To raise funds for M&A investments in FY2020

■ Structuring Reform

- Decided to tender all shares of Hitachi Chemical Company, Ltd., in response to a tender offer to be carried by Showa Denko K.K. (To be started around February 2020)
- Decided to transfer the diagnostic imaging-related business to FUJIFILM Corporation (To be completed in July 2020)
 - ✓ Aims for further growth through business integrations with other companies and concentrates management resources on the Social Innovation Business

■ Settlement on Projects in the Republic of South Africa

- Reached a settlement with Mitsubishi Heavy Industries, Ltd. on projects in the Republic of South Africa conducted by Mitsubishi Hitachi Power Systems, Ltd., in conclusion of discussion (in December 2019)

2. Outlook for Fiscal 2019

2-1. Outlook for FY2019

- Projections for the Q4 (Jan.-Mar.) FY2019 assume an exchange rate of 105 yen to the U.S. dollar and 115 yen to the euro

Billions of yen

	FY2018	FY2019			
		Previous forecast ^{*3}	Forecast	Year over year	Previous forecast comparison
Revenues	9,480.6	8,700.0	8,700.0	(780.6) [92%]	±0.0 [100%]
<i>Adjusted operating income ratio</i>	8.0%	7.9%	7.7%	(0.3%)	(0.2%)
Adjusted operating income	754.9	685.0	669.0	(85.9)	(16.0)
<i>EBIT ratio</i>	5.4%	5.8%	5.6%	+0.2%	(0.2%)
EBIT	513.9	505.0	485.0	(28.9)	(20.0)
Income from continuing operations, before income taxes	516.5	493.0	480.0	(36.5)	(13.0)
Income taxes	(186.3)	(270.0)	(264.0)	(77.6)	+6.0
Income from continuing operations	330.1	223.0	216.0	(114.1)	(7.0)
Loss from discontinued operations	(9.1)	(2.0)	(2.0)	+7.1	±0.0
Net income	321.0	221.0	214.0	(107.0)	(7.0)
Net income attributable to Hitachi, Ltd. stockholders	222.5	170.0	170.0	(52.5)	±0.0
Earnings per share ^{*1,2}	230.47 yen	176.04 yen	176.04 yen	(54.43 yen)	±0.00 yen
ROIC	8.5%	6.5%	6.1%	(2.4%)	(0.4%)

*1 On October 1, 2018, Hitachi completed the share consolidation of every five shares into one share for its common stock.

Earnings per share are calculated on the assumption that the company conducted consolidation at the beginning of FY2018.

*2 Forecast of FY2019 is affected by restricted stocks issued on May 31, 2019, etc.

*3 Announced on December 18, 2019

2-2. Outlook for FY2019 by Five Sectors and Listed Subsidiaries

Billions of yen

		FY2018*4	FY2019			
			Forecast*4	Year over year		Previous forecast*5 comparison
Five sectors total*1,2,3 (IT/ Energy/ Industry/ Mobility/ Smart Life)	Revenues	5,984.5	5,510.0	92%		100%
	Adjusted operating income	7.8% 468.0	8.6% 472.5	+0.8%	+4.4	±0.0% ±0.0
	EBIT	4.2% 254.1	6.7% 370.0	+2.5%	+115.8	±0.0% ±0.0
	Net income attributable to Hitachi, Ltd. stockholders	128.1	146.0	+17.8		+5.0
Listed subsidiaries total*1,3 (Hitachi High-Technologies/ Hitachi Construction Machinery/ Hitachi Metals/ Hitachi Chemical)	Revenues	3,496.1	3,190.0	91%		100%
	Adjusted operating income	8.2% 286.9	6.2% 196.5	(2.0%)	(90.4)	(0.4%) (16.0)
	EBIT	7.4% 259.7	3.6% 115.0	(3.8%)	(144.7)	(0.6%) (20.0)
	Net income attributable to Hitachi, Ltd. stockholders	94.3	24.0	(70.3)		(5.0)

*1 Business segment changed on the beginning of FY2019, and figures for FY2018 using the new segment classification are shown.

*2 "Five sectors total" is presented as the financial results subtracted listed subsidiaries total from consolidated total. It includes others and corporate items & eliminations.

*3 Figures for FY2018 of listed subsidiaries total include financial results of Hitachi Kokusai Electric.

*4 Figures of percentage indicate adjusted operating income ratio or EBIT ratio.

*5 As of December 18, 2019

2-3. Outlook for FY2019: Revenues, Adjusted Operating Income and EBIT by Business Segment (1)*1

Billions of yen

		FY2018*2		FY2019					
				Forecast*2	Year over year		Previous forecast*3 comparison		Dynamics (Previous forecast comparison)
Total	Revenues	9,480.6	8,700.0		92%	100%			
	Adjusted operating income	8.0% 754.9	7.7% 669.0	(0.3%)	(85.9)	(0.2%)	(16.0)		
	EBIT	5.4% 513.9	5.6% 485.0	+0.2%	(28.9)	(0.2%)	(20.0)		
IT	Revenues	2,121.6	2,070.0		98%	100%		✓ Revenues, Adjusted operating income: (+) Increase in IT service business due to steady IT investments in Japan	
	Adjusted operating income	10.8% 230.1	11.2% 231.0	+0.4%	+0.8	+0.5%	+11.0		
	EBIT	10.0% 212.6	10.1% 210.0	+0.1%	(2.6)	(0.1%)	±0.0		
Energy	Revenues	453.9	370.0		81%	100%		✓ EBIT: (-) Decrease in profit of equity-method associates	
	Adjusted operating income	7.5% 34.0	6.2% 23.0	(1.3%)	(11.0)	±0.0%	±0.0		
	EBIT	(65.6%) (298.0)	(98.1%) (363.0)	(32.5%)	(64.9)	(3.2%)	(12.0)		
Industry	Revenues	895.4	830.0		93%	104%		✓ Revenues: (+) Impact of acquisition of JR Automation and expansion of digital solution business in Industry & Distribution BU ✓ EBIT: (+) Posting of gains from selling real estate	
	Adjusted operating income	2.3% 20.6	6.7% 56.0	+4.4%	+35.3	(0.3%)	±0.0		
	EBIT	2.1% 19.1	6.0% 50.0	+3.9%	+30.8	+0.1%	+3.0		
Mobility	Revenues	1,214.1	1,146.0		94%	101%		✓ Revenues: (+) Sales increase in Building Systems BU in China ✓ EBIT: (-) Posting of structural reform expenses in Building Systems BU	
	Adjusted operating income	7.6% 92.6	8.0% 92.0	+0.4%	(0.6)	(0.1%)	±0.0		
	EBIT	10.5% 127.4	9.2% 106.0	(1.3%)	(21.4)	(0.3%)	(1.0)		
Smart Life	Revenues	1,649.3	1,520.0		92%	99%		✓ Revenues, Adjusted operating income: (-) Sales decrease in automotive systems business in China and North America ✓ EBIT: (-) Posting of structural reform expenses in automotive systems business	
	Adjusted operating income	3.9% 64.9	5.4% 82.0	+1.5%	+17.0	(0.3%)	(6.0)		
	EBIT	7.1% 116.9	4.6% 70.0	(2.5%)	(46.9)	(0.8%)	(13.0)		

*1 Business segment changed on the beginning of FY2019, and figures for FY2018 using the new segment classification are shown.

*2 Figures of percentage indicate adjusted operating income ratio or EBIT ratio.

*3 As of December 18, 2019

2-4. Outlook for FY2019: Revenues, Adjusted Operating Income and EBIT by Business Segment (2)

Billions of yen

		FY2018		FY2019						
				Forecast		Year over year		Previous forecast comparison		Dynamics (Previous forecast comparison)
Hitachi High-Technologies	Revenues		731.1		700.0		96%		100%	
	Adjusted operating income	9.1%	66.7	8.0%	56.0	(1.1%)	(10.7)	±0.0%	±0.0	
	EBIT	8.8%	64.2	8.6%	60.0	(0.2%)	(4.2)	±0.0%	±0.0	
Hitachi Construction Machinery	Revenues		1,033.7		955.0		92%		98%	✓ Revenues, Adjusted operating income, EBIT: (-) Sales decrease in China and India
	Adjusted operating income	11.2%	115.7	9.2%	88.0	(2.0%)	(27.7)	(1.5%)	(16.0)	
	EBIT	10.1%	104.5	8.9%	85.0	(1.2%)	(19.5)	(1.5%)	(16.0)	
Hitachi Metals	Revenues		1,023.4		895.0		87%		100%	
	Adjusted operating income	5.0%	51.4	1.6%	14.0	(3.4%)	(37.4)	±0.0%	±0.0	
	EBIT	4.4%	45.3	(6.7%)	(60.0)	(11.1%)	(105.3)	±0.0%	±0.0	
Hitachi Chemical	Revenues		681.0		640.0		94%		100%	✓ EBIT: (-) Posting of impairment loss on fixed assets and advisory fee of a tender offer
	Adjusted operating income	7.1%	48.5	6.0%	38.5	(1.1%)	(10.0)	±0.0%	±0.0	
	EBIT	6.0%	41.1	4.7%	30.0	(1.3%)	(11.1)	(0.6%)	(4.0)	
Others	Revenues		561.3		480.0		86%		100%	
	Adjusted operating income	5.6%	31.3	3.3%	16.0	(2.3%)	(15.3)	±0.0%	±0.0	
	EBIT	5.4%	30.2	5.0%	24.0	(0.4%)	(6.2)	+1.7%	+8.0	
Corporate items & Eliminations	Revenues		(884.5)		(906.0)		-		-	
	Adjusted operating income		(1.2)		(27.5)		(26.2)		(5.0)	
	EBIT		50.3		273.0		+222.6		+15.0	

**3-1. Supplemental Information:
Financial Results of Q3 (Oct. - Dec.) FY2019**

Q3 FY2019 Consolidated Statement of Profit or Loss

Billions of yen

	Q3 (Oct. - Dec.) FY2018	Q3 (Oct. - Dec.) FY2019	Year over year
Revenues	2,291.1	2,122.8	(168.2) [93%]
<i>Adjusted operating income ratio</i>	8.3%	7.0%	(1.3%)
Adjusted operating income	189.9	148.4	(41.5)
<i>EBIT ratio</i>	(2.0%)	(11.1%)	(9.1%)
EBIT	(46.8)	(235.5)	(188.6)
Loss from continuing operations, before income taxes	(46.1)	(236.8)	(190.6)
Income taxes	(44.7)	125.9	+170.7
Loss from continuing operations	(90.9)	(110.9)	(19.9)
Loss from discontinued operations	(0.4)	(0.3)	+0.0
Net loss	(91.3)	(111.3)	(19.9)
Net loss attributable to Hitachi, Ltd. stockholders	(110.3)	(134.1)	(23.7)

Q3 FY2019 Financial Results by Five Sectors and Listed Subsidiaries

Billions of yen

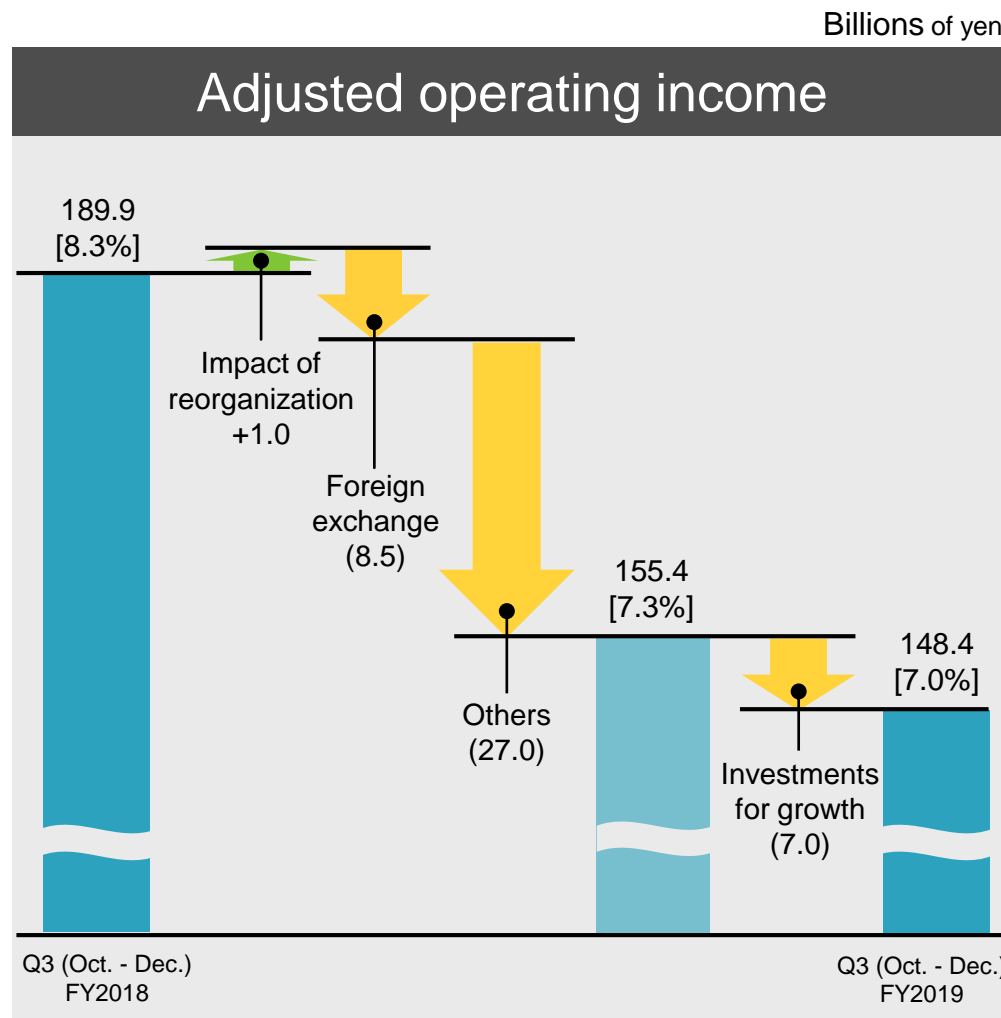
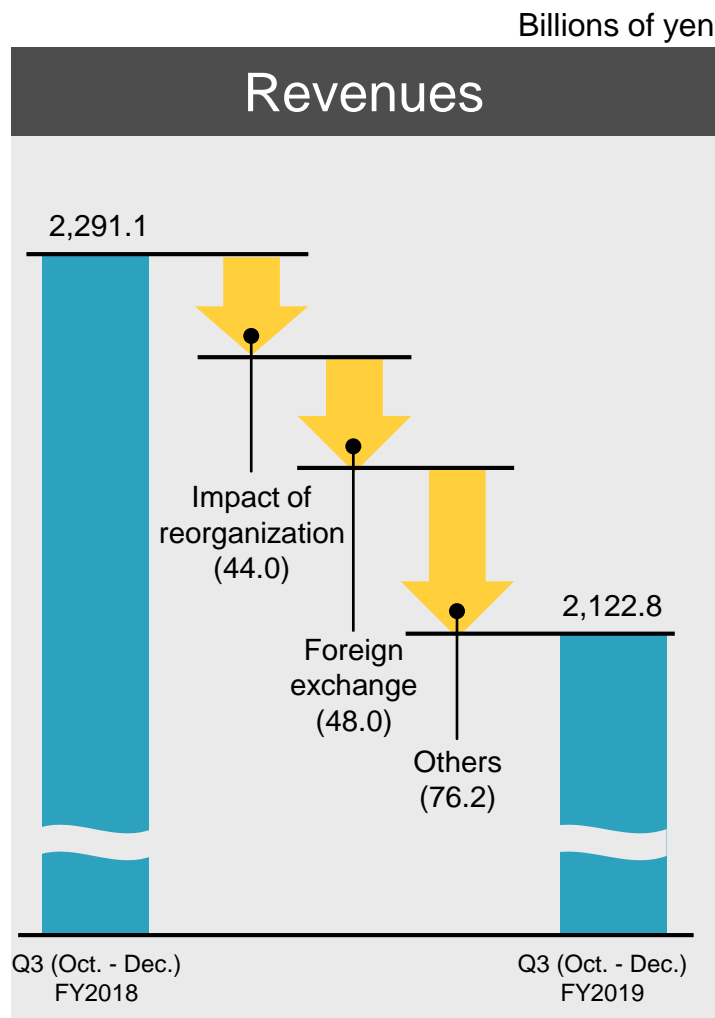
		Q3 (Oct. - Dec.) FY2018*3		Q3 (Oct. - Dec.) FY2019*3		Year over year	
Five sectors total*1,2 (IT/ Energy/ Industry/ Mobility/ Smart Life)	Revenues		1,425.5		1,368.4		96%
	Adjusted operating income	8.3%	118.6	7.3%	100.3	(1.0%)	(18.2)
	EBIT	(7.3%)	(104.2)	(20.5%)	(280.9)	(13.2%)	(176.6)
	Net income attributable to Hitachi, Ltd. stockholders		(131.5)		(151.4)		(19.9)
Listed subsidiaries total*1 (Hitachi High-Technologies/ Hitachi Construction Machinery/ Hitachi Metals/ Hitachi Chemical)	Revenues		865.5		754.3		87%
	Adjusted operating income	8.2%	71.3	6.4%	48.1	(1.8%)	(23.2)
	EBIT	6.6%	57.3	6.0%	45.3	(0.6%)	(12.0)
	Net income attributable to Hitachi, Ltd. stockholders		21.1		17.3		(3.8)

*1 Business segment changed on the beginning of FY2019, and figures for Q3 (Oct. - Dec.) FY2018 using the new segment classification are shown.

*2 "Five sectors total" is presented as the financial results subtracted listed subsidiaries total from consolidated total. It includes others and corporate items & eliminations.

*3 Figures of percentage indicate adjusted operating income ratio or EBIT ratio.

Q3 FY2019 Factors Affecting Changes in Revenues and Adjusted Operating Income (Year over Year)



- Impact of reorganization
 - Divestitures on automotive systems business

[]: Adjusted operating income ratio

Q3 FY2019 Revenues by Market and Summary of Consolidated Statements of Cash Flows

Revenues by Market

Billions of yen

	Q3 (Oct. - Dec.) FY2018		Q3 (Oct. - Dec.) FY2019		Year over year
		Ratio		Ratio	
Japan	1,099.6	48%	1,027.4	48%	93%
Outside Japan	1,191.4	52%	1,095.3	52%	92%
Asia	515.1	23%	496.2	24%	96%
China	267.3	12%	261.2	12%	98%
ASEAN, India, other areas	247.7	11%	234.9	12%	95%
North America	300.4	13%	262.0	12%	87%
Europe	255.9	11%	230.3	11%	90%
Other Areas	119.9	5%	106.7	5%	89%
Total	2,291.1	100%	2,122.8	100%	93%

Summary of Consolidated Statements of Cash Flows

Billions of yen

	Q3 (Oct. - Dec.) FY2018	Q3 (Oct. - Dec.) FY2019	Year over year
Cash flows from operating activities	(9.6)	102.1	+111.8
Cash flows from investing activities	(33.0)	(284.9)	(251.9)
Free cash flows	(42.6)	(182.7)	(140.1)

Q3 FY2019 Revenues, Adjusted Operating Income and EBIT by Business Segment (1)*1

Billions of yen

		Q3 (Oct. - Dec.) FY2018*2		Q3 (Oct. - Dec.) FY2019*2		Year over year	
Total	Revenues		2,291.1		2,122.8		93%
	Adjusted operating income	8.3%	189.9	7.0%	148.4	(1.3%)	(41.5)
	EBIT	(2.0%)	(46.8)	(11.1%)	(235.5)	(9.1%)	(188.6)
IT	Revenues		499.7		499.0		100%
	Adjusted operating income	11.7%	58.4	11.3%	56.5	(0.4%)	(1.8)
	EBIT	15.4%	77.1	10.5%	52.3	(4.9%)	(24.8)
Energy	Revenues		95.1		84.1		88%
	Adjusted operating income	5.4%	5.1	(2.0%)	(1.6)	(7.4%)	(6.7)
	EBIT	(289.3%)	(275.2)	(452.1%)	(380.2)	(162.8%)	(105.0)
Industry	Revenues		186.2		188.2		101%
	Adjusted operating income	5.2%	9.7	6.2%	11.6	+1.0%	+1.9
	EBIT	4.8%	8.9	5.1%	9.5	+0.3%	+0.6
Mobility	Revenues		326.4		302.7		93%
	Adjusted operating income	8.2%	26.6	7.5%	22.7	(0.7%)	(3.9)
	EBIT	21.0%	68.5	9.1%	27.6	(11.9%)	(40.8)
Smart Life	Revenues		398.6		367.8		92%
	Adjusted operating income	2.3%	9.0	4.1%	15.1	+1.8%	+6.1
	EBIT	(0.4%)	(1.4)	2.3%	8.5	+2.7%	+10.0

*1 Business segment changed on the beginning of FY2019, and figures for Q3 (Oct. - Dec.) FY2018 using the new segment classification are shown.

*2 Figures of percentage indicate adjusted operating income ratio or EBIT ratio.

Q3 FY2019 Revenues, Adjusted Operating Income and EBIT by Business Segment (2)

Billions of yen

		Q3 (Oct. - Dec.) FY2018	Q3 (Oct. - Dec.) FY2019	Year over year	
Hitachi High-Technologies	Revenues	177.3	170.6	96%	
	Adjusted operating income	8.8% 15.6	10.1% 17.2	+1.3%	+1.6
	EBIT	8.8% 15.6	10.4% 17.7	+1.6%	+2.0
Hitachi Construction Machinery	Revenues	252.7	206.6	82%	
	Adjusted operating income	12.5% 31.4	6.5% 13.5	(6.0%)	(17.9)
	EBIT	12.2% 30.7	7.6% 15.6	(4.6%)	(15.1)
Hitachi Metals	Revenues	256.5	214.0	83%	
	Adjusted operating income	3.8% 9.6	2.8% 5.8	(1.0%)	(3.8)
	EBIT	(0.4%) (1.0)	1.6% 3.4	+2.0%	+4.5
Hitachi Chemical	Revenues	178.8	163.0	91%	
	Adjusted operating income	8.1% 14.4	7.0% 11.4	(1.1%)	(3.0)
	EBIT	6.7% 12.0	5.3% 8.5	(1.4%)	(3.4)
Others	Revenues	129.5	115.3	89%	
	Adjusted operating income	6.7% 8.6	4.3% 4.9	(2.4%)	(3.7)
	EBIT	7.2% 9.3	10.8% 12.4	+3.6%	+3.1
Corporate items & Eliminations	Revenues	(210.2)	(188.8)	-	
	Adjusted operating income	0.9	(9.1)	(10.0)	
	EBIT	8.4	(11.2)	(19.6)	

3-2. Supplemental Information: Detailed Information by Business Segments

■ Revenues, Adjusted Operating Income and EBIT*1,2

Billions of yen

	FY2018*5			FY2019*5						
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Total	Q3 (Oct. - Dec.)		Q3 (Apr. - Dec.)		Total (Forecast)		
					Year over Year		Year over Year		Year over year	Previous forecast*6 comparison
Revenues	499.7	1,475.9	2,121.6	499.0	100%	1,494.2	101%	2,070.0	98%	100%
Front Business*3	314.8	964.3	1,393.0	332.3	106%	1,000.2	104%	1,386.0	99%	101%
Services & Platforms*4	202.3	579.6	817.6	192.7	95%	571.6	99%	788.0	96%	98%
Adjusted operating income	11.7% 58.4	10.6% 156.6	10.8% 230.1	11.3% 56.5	(0.4%) (1.8)	11.1% 165.6	+0.5% +9.0	11.2% 231.0	+0.4% +0.8	+0.5% +11.0
Front Business	10.7% 33.8	9.9% 95.3	11.2% 155.3	10.5% 34.9	(0.2%) +1.1	10.5% 104.7	+0.6% +9.4	11.1% 154.0	(0.1%) (1.3)	+0.3% +6.0
Services & Platforms	10.9% 21.9	9.4% 54.7	9.3% 76.2	9.4% 18.0	(1.5%) (3.9)	8.4% 47.8	(1.0%) (6.8)	8.1% 64.0	(1.2%) (12.2)	+0.2% ±0.0
EBIT	15.4% 77.1	11.2% 165.4	10.0% 212.6	10.5% 52.3	(4.9%) (24.8)	10.6% 158.1	(0.6%) (7.2)	10.1% 210.0	+0.1% (2.6)	(0.1%) ±0.0
Front Business	9.1% 28.5	9.1% 88.0	9.4% 131.4	9.8% 32.5	+0.7% +3.9	10.1% 101.4	+1.0% +13.3	10.2% 142.0	+0.8% +10.5	(0.1%) ±0.0
Services & Platforms	20.9% 42.2	11.8% 68.1	10.7% 87.2	8.2% 15.9	(12.7%) (26.3)	7.8% 44.8	(4.0%) (23.3)	6.9% 54.0	(3.8%) (33.2)	+0.2% ±0.0

*1 Business segment changed on the beginning of FY2019, and figures for FY2018 using the new segment classification are shown.

*2 Figures for each subsegment include intersegment transactions.

*3 System integration, sales, maintenance and related services of software and hardware for financial, public, enterprise and social infrastructure (power, rail, telecommunication, etc.) sectors, consulting, etc.

*4 Sales, maintenance and services of control systems, server, storage, related software, etc.

*5 Figures of percentage indicate adjusted operating income ratio or EBIT ratio.

*6 As of December 18, 2019

Revenues, Adjusted Operating Income and EBIT*1

Billions of yen

	FY2018			FY2019						
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Total	Q3 (Oct. - Dec.)		Q3 (Apr. - Dec.)		Total (Forecast)		
				Year over Year	Year over Year	Year over year	Previous forecast comparison			
Revenues	95.1	272.2	453.9	84.1	88%	245.7	90%	370.0	81%	100%
Nuclear Energy BU*2	35.1	92.0	171.6	25.0	71%	75.7	82%	153.0	89%	100%
Energy BU*2	64.9	192.3	304.2	60.7	94%	173.9	90%	246.9	81%	100%
Adjusted operating income	5.4%	3.8%	7.5%	(2.0%)	(7.4%)	(0.6%)	(4.4%)	6.2%	(1.3%)	±0.0%
	5.1	10.4	34.0	(1.6)	(6.7)	(1.4)	(11.8)	23.0	(11.0)	±0.0
EBIT	(289.3%)	(102.8%)	(65.6%)	(452.1%)	(162.8%)	(154.3%)	(51.5%)	(98.1%)	(32.5%)	(3.2%)
	(275.2)	(279.9)	(298.0)	(380.2)	(105.0)	(379.2)	(99.2)	(363.0)	(64.9)	(12.0)

*1 Figures for each subsegment include intersegment transactions.

*2 Figures for each BU include control systems business, which is posted in IT segment.

Revenues, Adjusted Operating Income and EBIT*1

Billions of yen

	FY2018			FY2019						
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Total	Q3 (Oct. - Dec.)		Q3 (Apr. - Dec.)		Total (Forecast)		
					Year over Year		Year over Year		Year over year	Previous forecast comparison
Revenues	186.2	546.2	895.4	188.2	101%	554.9	102%	830.0	93%	104%
Industry & Distribution BU*2	56.6	171.2	331.6	54.8	97%	170.5	100%	265.5	80%	113%
Water & Environment BU*2	35.5	95.3	169.1	37.8	107%	103.9	109%	171.2	101%	100%
Industrial Products Business	98.5	290.7	419.8	97.4	99%	290.0	100%	419.8	100%	97%
Adjusted operating income	5.2%	4.3%	2.3%	6.2%	+1.0%	4.6%	+0.3%	6.7%	+4.4%	(0.3%)
	9.7	23.3	20.6	11.6	+1.9	25.5	+2.1	56.0	+35.3	±0.0
Industry & Distribution BU*2	1.0%	2.2%	(6.5%)	9.3%	+8.3%	5.6%	+3.4%	6.6%	+13.1%	+0.6%
	0.6	3.8	(21.5)	5.1	+4.5	9.6	+5.8	17.4	+38.9	+3.4
Water & Environment BU*2	3.6%	1.4%	7.5%	1.3%	(2.3%)	0.1%	(1.3%)	7.1%	(0.4%)	±0.0%
	1.3	1.3	12.7	0.5	(0.8)	0.1	(1.2)	12.1	(0.6)	±0.0
Industrial Products Business	7.5%	6.3%	7.8%	5.8%	(1.7%)	5.4%	(0.9%)	7.0%	(0.8%)	(0.7%)
	7.4	18.4	32.9	5.7	(1.7)	15.7	(2.7)	29.6	(3.3)	(3.6)
EBIT	4.8%	4.4%	2.1%	5.1%	+0.3%	5.4%	+1.0%	6.0%	+3.9%	+0.1%
	8.9	24.1	19.1	9.5	+0.6	30.2	+6.0	50.0	+30.8	+3.0
Industry & Distribution BU*2	0.1%	1.4%	(7.5%)	5.9%	+5.8%	7.7%	+6.3%	5.0%	+12.5%	+0.5%
	0.0	2.4	(24.8)	3.2	+3.2	13.1	+10.7	13.2	+38.0	+2.7
Water & Environment BU*2	3.2%	2.8%	8.6%	(0.5%)	(3.7%)	(0.6%)	(3.4%)	7.3%	(1.3%)	±0.0%
	1.1	2.6	14.5	(0.2)	(1.3)	(0.6)	(3.2)	12.5	(2.0)	±0.0
Industrial Products Business	7.4%	6.6%	7.8%	6.2%	(1.2%)	6.1%	(0.5%)	5.8%	(2.0%)	(0.7%)
	7.3	19.1	32.9	6.1	(1.2)	17.6	(1.5)	24.2	(8.8)	(4.0)

*1 Figures for each subsegment include intersegment transactions.

*2 Figures for each BU include control systems business, which is posted in IT segment.

Revenues, Adjusted Operating Income and EBIT*1

Billions of yen

	FY2018			FY2019						
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Total	Q3 (Oct. - Dec.)		Q3 (Apr. - Dec.)		Total (Forecast)		
					Year over Year		Year over Year		Year over year	Previous forecast comparison
Revenues	326.4	907.4	1,214.1	302.7	93%	832.6	92%	1,146.0	94%	101%
Building Systems BU	169.5	473.1	621.6	168.6	99%	453.5	96%	600.0	97%	103%
Railway Systems BU*2	160.8	443.1	616.5	139.4	87%	393.5	89%	570.0	92%	100%
Adjusted operating income	8.2% 26.6	7.2% 65.2	7.6% 92.6	7.5% 22.7	(0.7%) (3.9)	7.4% 61.3	+0.2% (3.8)	8.0% 92.0	+0.4% (0.6)	(0.1%) ±0.0
Building Systems BU	11.1% 18.8	9.2% 43.5	8.7% 54.0	11.2% 18.9	+0.1% +0.0	10.3% 46.7	+1.1% +3.2	9.3% 56.0	+0.6% +2.0	(0.1%) +0.9
Railway Systems BU*2	5.2% 8.3	5.3% 23.6	7.5% 46.3	3.8% 5.3	(1.4%) (3.0)	4.6% 18.0	(0.7%) (5.6)	7.2% 41.2	(0.3%) (5.1)	±0.0% ±0.0
EBIT	21.0% 68.5	11.4% 103.7	10.5% 127.4	9.1% 27.6	(11.9%) (40.8)	11.0% 91.6	(0.4%) (12.1)	9.2% 106.0	(1.3%) (21.4)	(0.3%) (1.0)
Building Systems BU	10.8% 18.4	9.2% 43.3	8.7% 54.3	11.9% 20.0	+1.1% +1.7	10.4% 47.2	+1.2% +3.9	8.7% 52.0	±0.0% (2.3)	(0.4%) (1.0)
Railway Systems BU*2	31.5% 50.7	14.1% 62.3	13.1% 80.8	6.5% 9.0	(25.0%) (41.7)	12.1% 47.7	(2.0%) (14.7)	10.3% 58.9	(2.8%) (21.9)	+0.1% +1.0

*1 Figures for each subsegment include intersegment transactions.

*2 Figures for Railway Systems BU include control systems business, which is posted in IT segment.

Revenues, Adjusted Operating Income and EBIT*

Billions of yen

	FY2018			FY2019						
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Total	Q3 (Oct. - Dec.)		Q3 (Apr. - Dec.)		Total (Forecast)		
					Year over Year		Year over Year		Year over year	Previous forecast comparison
Revenues	398.6	1,205.4	1,649.3	367.8	92%	1,076.8	89%	1,520.0	92%	99%
Healthcare BU	37.4	114.4	176.1	38.6	103%	120.5	105%	183.5	104%	100%
Smart Life & Ecofriendly Systems Business	109.8	352.8	485.0	108.3	99%	350.0	99%	485.4	100%	99%
Automotive Systems Business	247.8	726.8	971.0	217.1	88%	594.7	82%	830.0	85%	98%
Adjusted operating income	2.3%	2.3%	3.9%	4.1%	+1.8%	4.1%	+1.8%	5.4%	+1.5%	(0.3%)
	9.0	27.5	64.9	15.1	+6.1	44.0	+16.5	82.0	+17.0	(6.0)
Healthcare BU	(1.7%)	(0.7%)	2.4%	4.4%	+6.1%	3.6%	+4.3%	6.4%	+4.0%	±0.0%
	(0.6)	(0.8)	4.3	1.7	+2.3	4.3	+5.1	11.7	+7.4	±0.0
Smart Life & Ecofriendly Systems Business	0.7%	2.7%	4.6%	4.7%	+4.0%	5.3%	+2.6%	5.7%	+1.1%	+0.1%
	0.7	9.6	22.4	5.1	+4.4	18.5	+8.9	27.7	+5.2	±0.0
Automotive Systems Business	3.6%	2.6%	3.9%	4.4%	+0.8%	4.1%	+1.5%	5.5%	+1.6%	(0.6%)
	8.8	18.6	38.0	9.6	+0.8	24.3	+5.6	45.3	+7.3	(6.0)
EBIT	(0.4%)	(0.0%)	7.1%	2.3%	+2.7%	3.4%	+3.4%	4.6%	(2.5%)	(0.8%)
	(1.4)	(0.3)	116.9	8.5	+10.0	36.4	+36.8	70.0	(46.9)	(13.0)
Healthcare BU	(2.4%)	(2.2%)	0.9%	4.5%	+6.9%	2.9%	+5.1%	4.5%	+3.6%	±0.0%
	(0.9)	(2.5)	1.6	1.7	+2.6	3.5	+6.0	8.2	+6.6	±0.0
Smart Life & Ecofriendly Systems Business	2.1%	5.2%	6.1%	5.8%	+3.7%	7.1%	+1.9%	8.1%	+2.0%	+0.5%
	2.3	18.3	29.5	6.3	+3.9	24.7	+6.4	39.5	+9.9	+2.0
Automotive Systems Business	(1.1%)	(2.3%)	8.8%	1.1%	+2.2%	2.1%	+4.4%	3.4%	(5.4%)	(1.4%)
	(2.7)	(16.4)	85.3	2.4	+5.1	12.5	+29.0	28.0	(57.4)	(12.8)

* Figures for each subsegment include intersegment transactions.

Impact of Settlement on the South Africa Project and Sales of Hitachi Chemical Shares

■ Settlement on the South Africa Project

Billions of yen

	Q3 (Oct. - Dec.) FY2019	FY2020 (Forecast)	Total
Settlement	(200.0)	0.0	(200.0)
Transfer of loan receivable	70.0	0.0	70.0
Cash to be paid	(130.0)	0.0	(130.0)
MHPS ^{*1} shares and transfer of assets, etc.	(245.9)	0.0	(245.9)
EBIT	(375.9)	0.0	(375.9)
Income taxes	0.0	109.0	109.0
Net income attributable to Hitachi, Ltd. stockholders	(375.9)	109.0	(266.9)

Free cash flow ^{*2}	To be cashed out in Q4 (Jan. - Mar.) FY2019	To be cashed out in FY2021	
	(130.0)	109.0	(21.0)

*1 MHPS : Mitsubishi Hitachi Power Systems, Ltd.

*2 Income taxes reduction effects for FY2020 will be realized in FY2021 when the tax return is filed.

■ Sales of Hitachi Chemical Shares

Billions of yen

	Q4 (Jan. - Mar.) FY2019 (Forecast)	FY2020 (Forecast)	Total
Sales of shares	495.0	0.0	495.0
Book value	(216.0)	0.0	(216.0)
EBIT	279.0	0.0	279.0
Income taxes	(120.0)	0.0	(120.0)
Net income attributable to Hitachi, Ltd. stockholders	159.0	0.0	159.0
Free cash flow ^{*3}	422.0	(120.0)	302.0

*3 Sales of shares 495.0 billion yen – Hitachi Chemical's cash balance 73.0 billion yen

Consolidated Revenues by Market and Business Segment (1)*

Billions of yen

	IT						Energy					
	FY2018		FY2019				FY2018		FY2019			
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year
Japan	342.0	1,029.1	347.2	101%	1,067.9	104%	84.4	240.7	71.6	85%	213.2	89%
Outside Japan	157.6	446.7	151.8	96%	426.2	95%	10.6	31.5	12.4	117%	32.4	103%
China	16.6	45.6	17.3	104%	44.9	99%	1.5	4.7	2.7	179%	7.6	161%
ASEAN, India, other areas	29.7	87.2	35.7	120%	95.4	109%	5.5	14.5	5.8	106%	13.7	94%
North America	51.9	150.2	45.3	87%	139.9	93%	2.0	5.7	2.3	114%	5.8	102%
Europe	46.8	130.3	42.1	90%	116.0	89%	1.0	4.0	1.0	99%	3.0	75%
Other Areas	12.5	33.1	11.2	89%	29.7	90%	0.4	2.4	0.3	83%	2.2	91%
Total	499.7	1,475.9	499.0	100%	1,494.2	101%	95.1	272.2	84.1	88%	245.7	90%

* Business segment changed on the beginning of FY2019, and figures for FY2018 using the new segment classification are shown.

Consolidated Revenues by Market and Business Segment (2)

Billions of yen

	Industry						Mobility					
	FY2018		FY2019				FY2018		FY2019			
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year
Japan	142.6	408.8	145.4	102%	426.8	104%	84.4	239.5	88.9	105%	250.0	104%
Outside Japan	43.5	137.3	42.8	98%	128.1	93%	242.0	667.9	213.7	88%	582.6	87%
China	11.4	36.7	11.6	102%	33.8	92%	102.7	275.7	103.1	100%	253.0	92%
ASEAN, India, other areas	11.0	31.8	11.2	102%	32.6	102%	15.9	39.4	15.5	97%	47.2	120%
North America	11.8	38.7	11.9	101%	37.0	96%	14.4	40.8	13.1	91%	32.8	80%
Europe	3.8	10.9	3.0	79%	8.4	77%	93.7	277.3	71.8	77%	219.5	79%
Other Areas	5.4	19.1	4.9	90%	16.0	84%	15.1	34.5	9.9	66%	29.9	87%
Total	186.2	546.2	188.2	101%	554.9	102%	326.4	907.4	302.7	93%	832.6	92%

Consolidated Revenues by Market and Business Segment (3)

Billions of yen

	Smart Life						Hitachi High-Technologies					
	FY2018		FY2019				FY2018		FY2019			
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year
Japan	219.3	662.9	186.5	85%	603.4	91%	69.7	203.2	58.4	84%	186.2	92%
Outside Japan	179.2	542.5	181.3	101%	473.3	87%	107.6	337.2	112.1	104%	330.6	98%
China	35.3	110.4	37.5	106%	96.1	87%	24.3	70.6	24.5	101%	74.7	106%
ASEAN, India, other areas	31.1	94.3	33.5	108%	86.9	92%	37.9	129.9	29.8	79%	86.6	67%
North America	71.1	215.7	54.5	77%	167.7	78%	14.4	42.3	28.7	199%	85.1	201%
Europe	22.3	65.6	35.2	158%	74.2	113%	24.9	71.7	23.6	95%	69.7	97%
Other Areas	19.2	56.4	20.4	107%	48.2	86%	5.9	22.5	5.3	91%	14.3	64%
Total	398.6	1,205.4	367.8	92%	1,076.8	89%	177.3	540.4	170.6	96%	516.9	96%

Consolidated Revenues by Market and Business Segment (4)

Billions of yen

	Hitachi Construction Machinery						Hitachi Metals					
	FY2018		FY2019				FY2018		FY2019			
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year		Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.) Year over year	Q3 (Apr. - Dec.) Year over year			
Japan	55.8	145.5	45.4	81%	145.4	100%	115.4	342.1	101.4	88%	309.1	90%
Outside Japan	196.9	597.6	161.1	82%	541.7	91%	141.1	433.3	112.5	80%	361.8	83%
China	25.4	82.3	15.5	61%	58.6	71%	18.9	59.8	17.2	91%	49.6	83%
ASEAN, India, other areas	40.7	112.2	37.2	91%	102.6	91%	31.4	94.8	25.3	80%	78.6	83%
North America	44.9	124.2	37.9	84%	130.0	105%	76.2	231.9	55.4	73%	185.8	80%
Europe	32.7	101.0	24.8	76%	98.6	98%	11.1	37.6	10.1	91%	32.6	87%
Other Areas	53.0	177.7	45.6	86%	151.7	85%	3.4	9.0	4.4	131%	15.0	166%
Total	252.7	743.1	206.6	82%	687.1	92%	256.5	775.5	214.0	83%	670.9	87%

Consolidated Revenues by Market and Business Segment (5)

Billions of yen

	Hitachi Chemical						Consolidated Revenues							
	FY2018		FY2019				FY2018		FY2019					
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.)		Q3 (Apr. - Dec.)		Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.)		Q3 (Apr. - Dec.)		Total (Forecast)	Year over Year
			Year over year		Year over year				Year over year		Year over year			
Japan	67.2	190.5	56.5	84%	171.9	90%	1,099.6	3,221.5	1,027.4	93%	3,153.4	98%	4,390.0	94%
Outside Japan	111.5	331.8	106.4	95%	307.7	93%	1,191.4	3,561.4	1,095.3	92%	3,190.7	90%	4,310.0	89%
China	28.0	86.0	28.6	102%	80.8	94%	267.3	786.5	261.2	98%	707.9	90%		
ASEAN, India, other areas	48.1	143.7	44.2	92%	129.0	90%	247.7	760.1	234.9	95%	664.7	87%		
North America	11.9	36.4	12.1	102%	36.2	99%	300.4	895.9	262.0	87%	825.0	92%		
Europe	18.8	53.6	17.0	90%	47.9	89%	255.9	750.1	230.3	90%	671.2	89%		
Other Areas	4.5	11.9	4.3	96%	13.5	113%	119.9	368.5	106.7	89%	321.7	87%		
Total	178.8	522.3	163.0	91%	479.6	92%	2,291.1	6,782.9	2,122.8	93%	6,344.1	94%	8,700.0	92%

Consolidated Capital Expenditure by Business Segment (Completion basis)

Billions of yen

	FY2018		FY2019				Total (Forecast)	
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.)		Q3 (Apr. - Dec.)			Year over year
				Year over year		Year over year		
IT	7.1	25.5	17.3	242%	44.9	176%		
Energy	18.3	43.9	0.5	3%	4.5	10%		
Industry	1.5	5.2	2.6	176%	6.6	127%		
Mobility	4.4	11.4	3.7	84%	11.1	97%		
Smart Life	18.2	58.1	19.1	105%	59.9	103%		
Hitachi High-Technologies	3.6	11.6	3.8	105%	12.5	108%		
Hitachi Construction Machinery	7.9	20.0	15.9	201%	35.6	178%		
Hitachi Metals	26.6	70.2	14.2	54%	38.7	55%		
Hitachi Chemical	13.5	37.8	9.9	73%	30.0	79%		
Others	4.1	9.1	6.4	158%	21.7	238%		
Corporate items	0.2	1.1	0.4	146%	7.7	673%		
Total	105.8	294.5	94.4	89%	273.7	93%	430.0	104%

Consolidated Depreciation by Business Segment

Billions of yen

	FY2018		FY2019				Total (Forecast)	
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.)		Q3 (Apr. - Dec.)			Year over year
				Year over year		Year over year		
IT	11.8	34.6	17.3	146%	51.7	149%		
Energy	0.8	2.6	0.9	111%	2.6	102%		
Industry	2.4	7.1	3.2	136%	9.4	133%		
Mobility	3.9	11.7	4.9	127%	14.3	122%		
Smart Life	14.0	42.6	15.3	109%	42.6	100%		
Hitachi High-Technologies	2.5	7.4	3.2	126%	9.4	126%		
Hitachi Construction Machinery	8.3	23.8	10.2	123%	29.5	124%		
Hitachi Metals	11.9	34.4	12.3	104%	38.2	111%		
Hitachi Chemical	8.4	24.5	9.7	116%	28.5	116%		
Others	3.4	10.3	6.0	175%	18.3	177%		
Corporate items	0.8	2.7	3.1	350%	8.4	307%		
Total	68.6	202.3	86.7	126%	253.5	125%	330.0	122%

Consolidated R&D Expenditure by Business Segment

Billions of yen

	FY2018		FY2019				Total (Forecast)	
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q3 (Oct. - Dec.)		Q3 (Apr. - Dec.)			
				Year over year		Year over year		
IT	12.6	37.3	12.9	102%	38.5	103%		
Energy	2.2	6.4	1.6	75%	5.4	85%		
Industry	2.4	7.4	2.4	102%	8.1	109%		
Mobility	7.7	23.6	7.0	91%	21.4	91%		
Smart Life	21.2	63.8	15.2	72%	45.2	71%		
Hitachi High-Technologies	6.9	21.9	7.1	102%	22.4	102%		
Hitachi Construction Machinery	6.0	18.0	6.0	101%	18.4	102%		
Hitachi Metals	4.5	13.8	3.9	86%	12.1	88%		
Hitachi Chemical	8.2	24.4	8.1	99%	24.3	100%		
Others	0.0	0.9	0.2	-	1.0	114%		
Corporate items	5.4	16.0	5.1	96%	15.1	94%		
Total	77.6	234.1	70.1	90%	212.4	91%	310.0	96%
Percentage of revenues (%)	3.4	3.5	3.3	-	3.3	-	3.6	-

■ Average Foreign Exchange Rate*1

	FY2018				FY2019			
	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q4 (Jan. - Mar.)	Total	Q3 (Oct. - Dec.)	Q3 (Apr. - Dec.)	Q4 (Forecast)	Total (Forecast)
U.S. dollar	113	111	110	111	109	109	105	108
Euro	129	129	125	128	120	121	115	120

Yen

■ Foreign Exchange Sensitivity*2,3

	Revenues	Adjusted operating income
U.S. dollar	5.0	0.7
Euro	1.5	0.3

Billions of yen

■ Number of Employees and Consolidated Subsidiaries

	As of March 31, 2019	As of December 31, 2019
Number of employees	295,941	303,519
Japan	162,083	163,232
Outside Japan	133,858	140,287
Number of consolidated subsidiaries	803	824
Japan	181	174
Outside Japan	622	650

*1 Exchange rate applied for calculating profits and losses of overseas companies (average rate for the period)

*2 Impact of exchange rate fluctuation Q4 FY2019 impact by one yen depreciation from Q4 forecast rate

*3 Figures here represent information voluntarily prepared by the company.

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,” “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;
- uncertainty as to Hitachi’s ability to attract and retain skilled personnel;
- increased commoditization of and intensifying price competition for products;
- 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.

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