

**Outline of Consolidated Financial Results
for the Third Quarter
ended December 31, 2015**

February 3, 2016

Hitachi, Ltd.

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for the Third Quarter ended December 31, 2015**
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1. Outline of Consolidated Financial Results for the Third Quarter ended December 31, 2015

1-1. Highlights of 3rd Quarter (Oct. - Dec.) FY2015 Financial Results

Revenues	2,423.3 billion yen (up 1% / 29.6 billion yen YoY) <ul style="list-style-type: none"> ● Higher in the Social Infrastructure & Industrial Systems, Information & Telecommunication Systems, Automotive Systems, and Financial Services segments
Adjusted operating income* ¹	134.3 billion yen (up 3% / 4.0 billion yen YoY) <ul style="list-style-type: none"> ● Record high performance ● Higher in the Information & Telecommunication Systems, Automotive Systems, and Social Infrastructure & Industrial Systems segments, etc.
EBIT (Earnings before interest and taxes)* ²	148.3 billion yen (up 30% / 34.6 billion yen YoY) <ul style="list-style-type: none"> ● Higher in the Smart Life & Ecofriendly Systems, High Functional Materials & Components, and Information & Telecommunication Systems segments, etc.
Net income attributable to Hitachi, Ltd. stockholders	75.3 billion yen (up 68% / 30.6 billion yen YoY)
Total Hitachi, Ltd. stockholders' equity ratio (Manufacturing, Services and Others)	27.5% (down 0.1 points from March 31, 2015)
Core free cash flows* ³ (Manufacturing, Services and Others)	13.8 billion yen (increased 109.8 billion yen YoY) [Free cash flows (Manufacturing, Services and Others): Negative 32.7 billion yen (increased 79.5 billion yen YoY)]

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

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

*3 "Core free cash flows" are operating cash flows plus collection of lease receivables less cash outflows for the purchase of property, plant and equipment, intangible assets and leased assets.

Revenues	<p>7,230.2 billion yen (up 4% / 284.4 billion yen YoY)</p> <ul style="list-style-type: none"> ● Higher in the Social Infrastructure & Industrial Systems, Information & Telecommunication Systems, High Functional Materials & Components, and Automotive Systems segments, etc.
Adjusted operating income	<p>408.3 billion yen (up 4% / 14.2 billion yen YoY)</p> <ul style="list-style-type: none"> ● Record high performance ● Higher in the Information & Telecommunication Systems, High Functional Materials & Components, and Automotive Systems segments, etc.
EBIT	<p>410.9 billion yen (up 8% / 31.8 billion yen YoY)</p> <ul style="list-style-type: none"> ● Record high performance ● Higher in the High Functional Materials & Components, Automotive Systems, and Smart Life & Ecofriendly Systems segments, etc.
Net income attributable to Hitachi, Ltd. stockholders	<p>172.9 billion yen (up 7% / 10.5 billion yen YoY)</p>
Total Hitachi, Ltd. stockholders' equity ratio (Manufacturing, Services and Others)	<p>27.5% (down 0.1 points from March 31, 2015)</p>
Core free cash flows (Manufacturing, Services and Others)	<p>102.6 billion yen (increased 156.4 billion yen YoY) [Free cash flows (Manufacturing, Services and Others): 45.8 billion yen (increased 99.9 billion yen YoY)]</p> <ul style="list-style-type: none"> ● Core free cash flows record high performance

1-3. Consolidated Statement of Profit or Loss*

Billions of yen

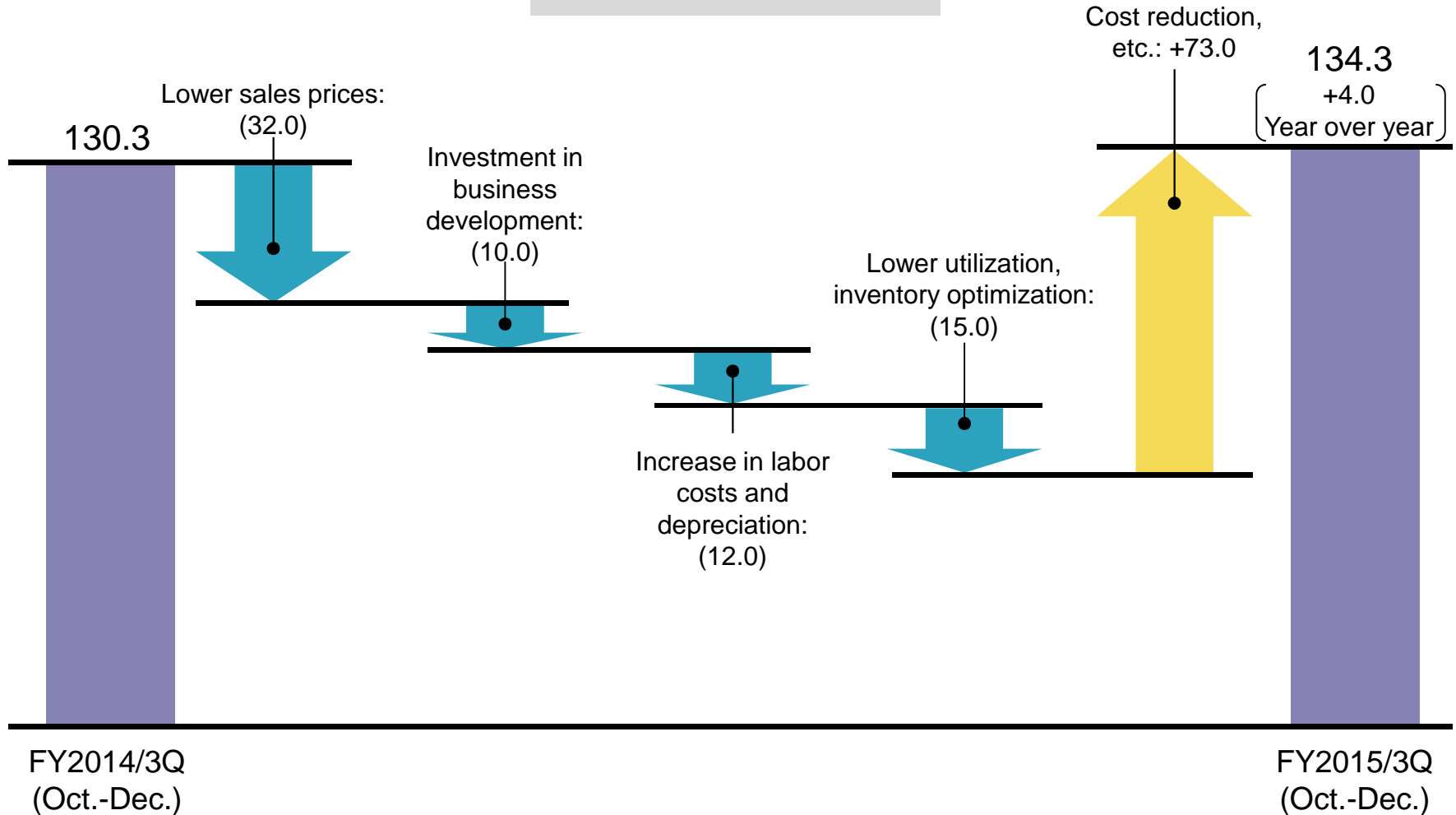
	3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
	FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Revenues	2,393.7	2,423.3	+29.6 [101%]	6,945.8	7,230.2	+284.4 [104%]
Adjusted operating income	130.3	134.3	+4.0	394.1	408.3	+14.2
EBIT	113.6	148.3	+34.6	379.0	410.9	+31.8
Income from continuing operations, before income taxes	110.4	145.8	+35.4	368.6	400.5	+31.9
Income taxes	(28.4)	(39.5)	(11.1)	(93.4)	(116.6)	(23.2)
Income from continuing operations	81.9	106.2	+24.3	275.1	283.9	+8.7
Loss from discontinued operations	(8.0)	(2.6)	+5.4	(24.4)	(14.4)	+10.0
Net income	73.9	103.6	+29.7	250.7	269.4	+18.7
Net income attributable to Hitachi, Ltd. stockholders	44.7	75.3	+30.6	162.3	172.9	+10.5

* A part of the thermal power generation systems business is classified as discontinued operations in accordance with the provision of IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations," which was not transferred to Mitsubishi Hitachi Power Systems, Ltd. 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.

1-4. 3Q (Oct. - Dec.) FY2015: Factors Affecting Changes in Adjusted Operating Income (year over year)

Billions of yen

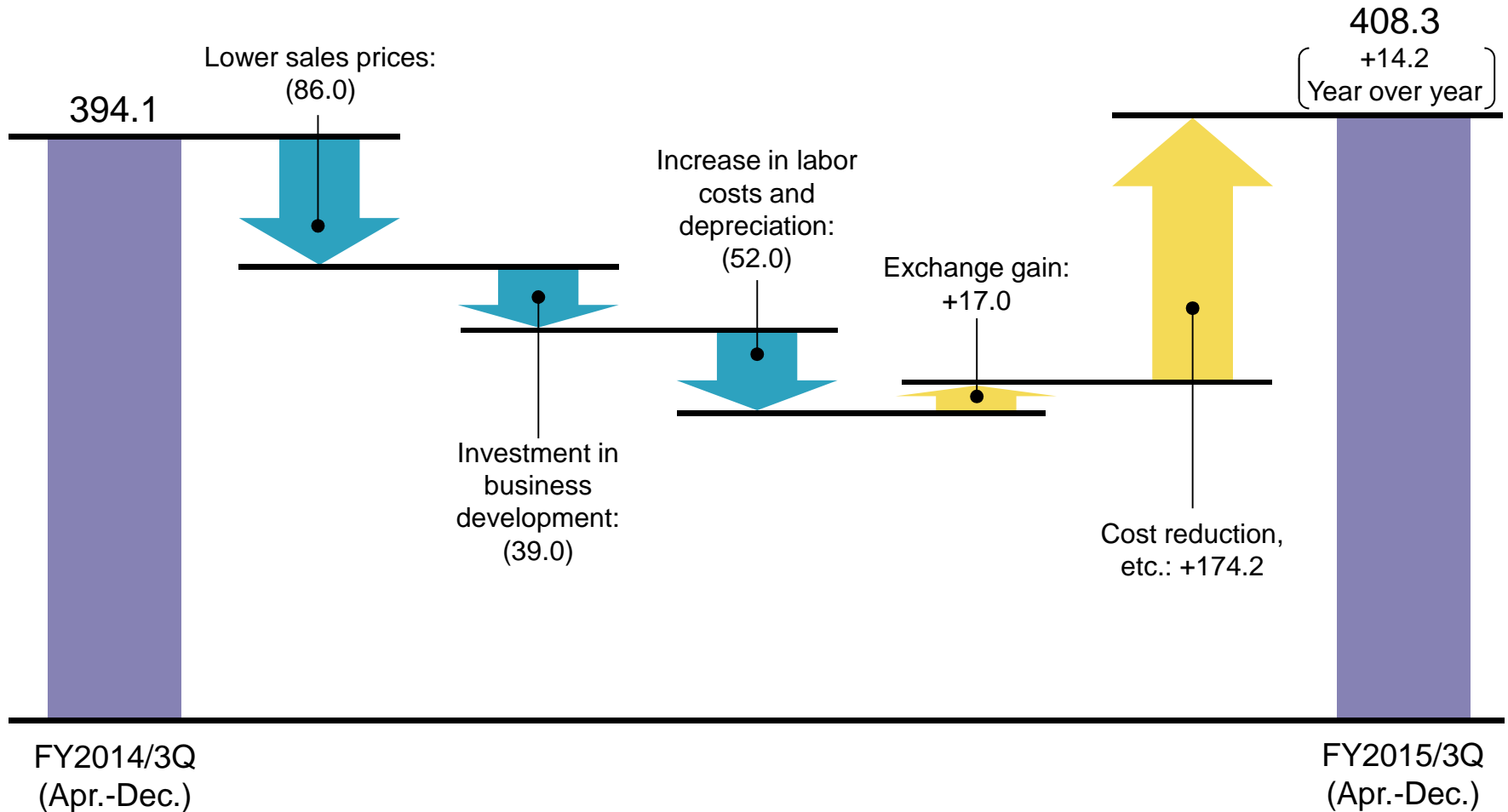
Benefits of Hitachi Smart Transformation Project: +30.0



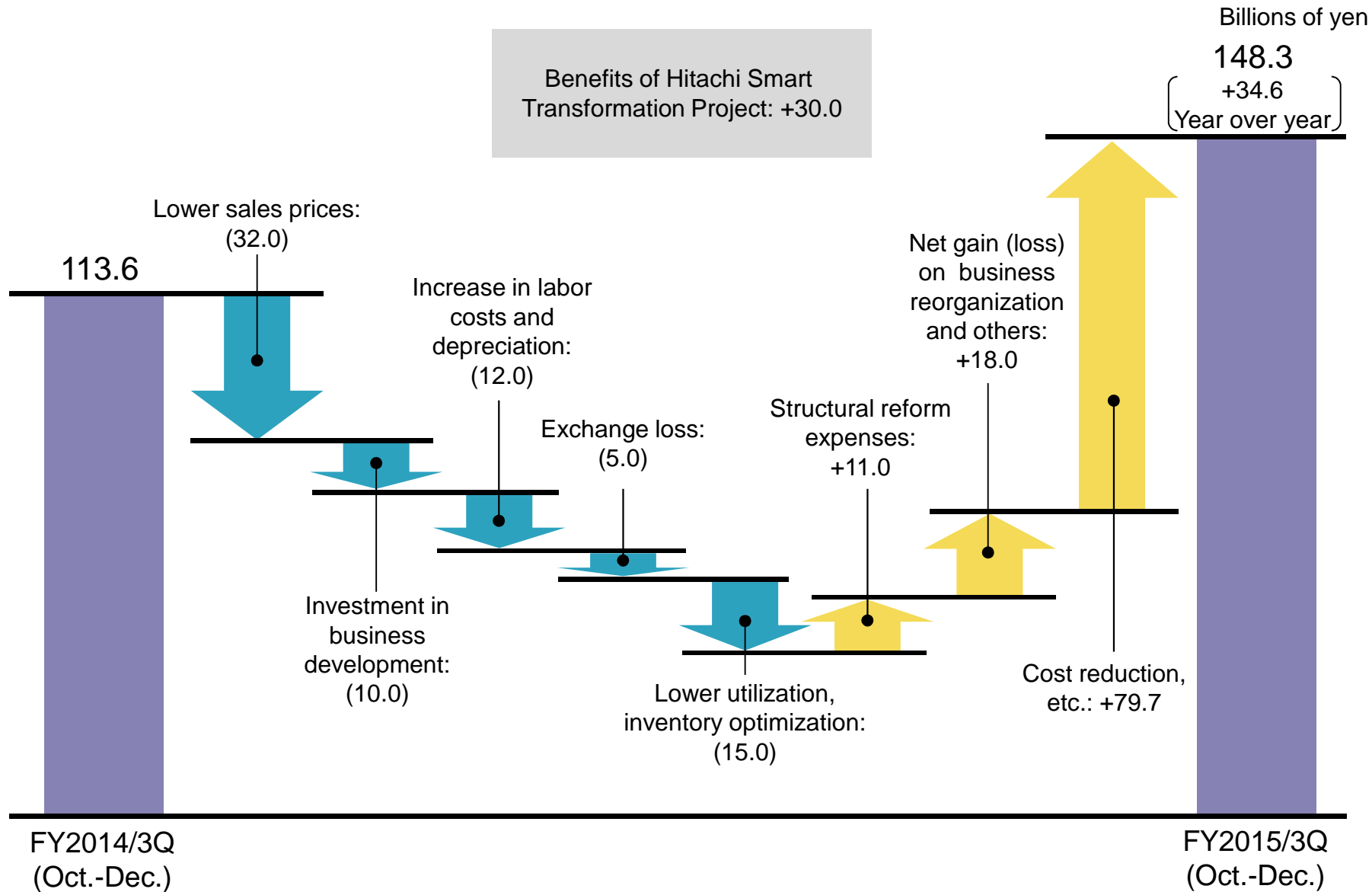
1-5. 3Q (Apr. - Dec.) FY2015: Factors Affecting Changes in Adjusted Operating Income (year over year)

Billions of yen

Benefits of Hitachi Smart Transformation Project: +86.0



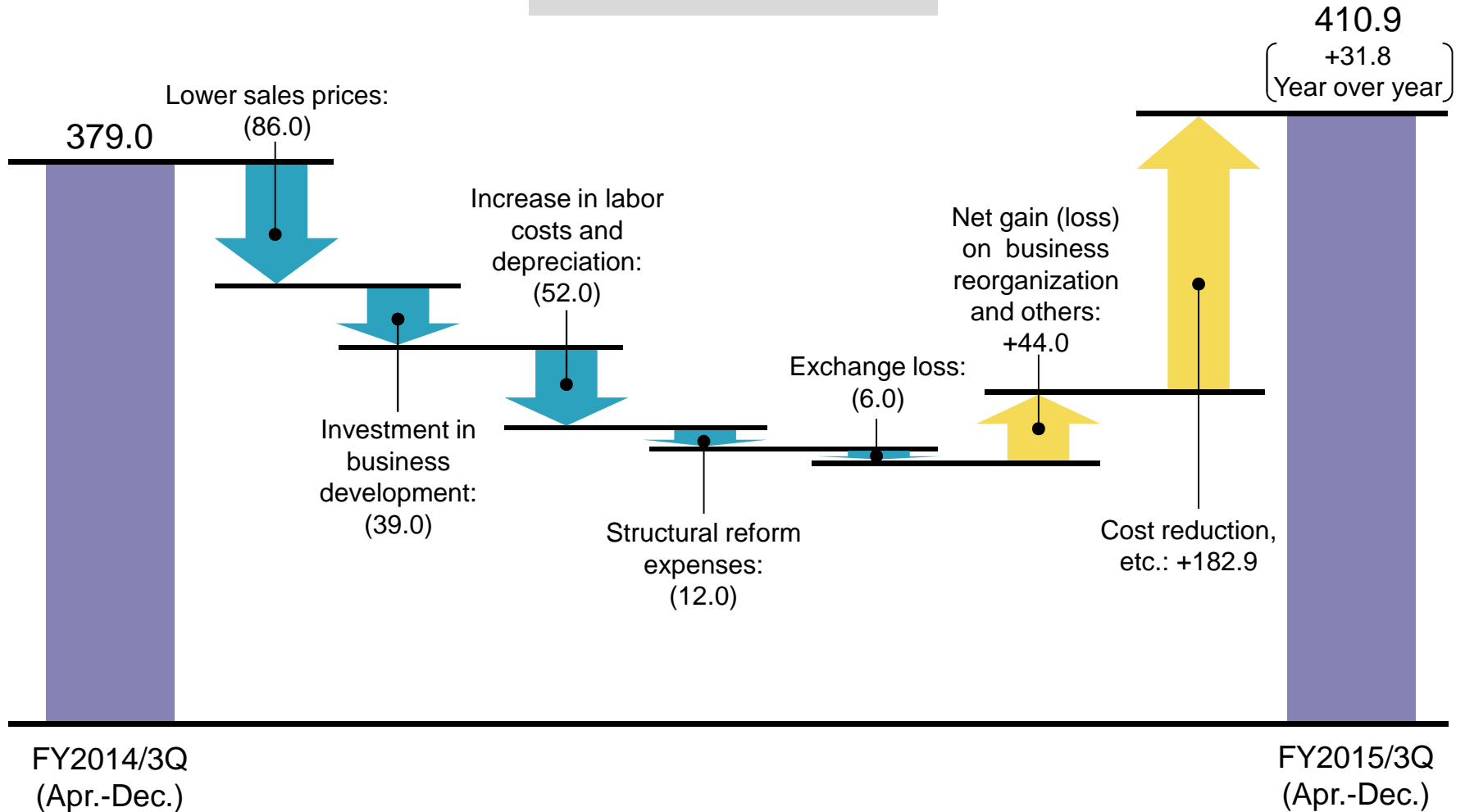
1-6. 3Q (Oct. - Dec.) FY2015: Factors Affecting Changes in EBIT (year over year)



1-7. 3Q (Apr. - Dec.) FY2015: Factors Affecting Changes in EBIT (year over year)

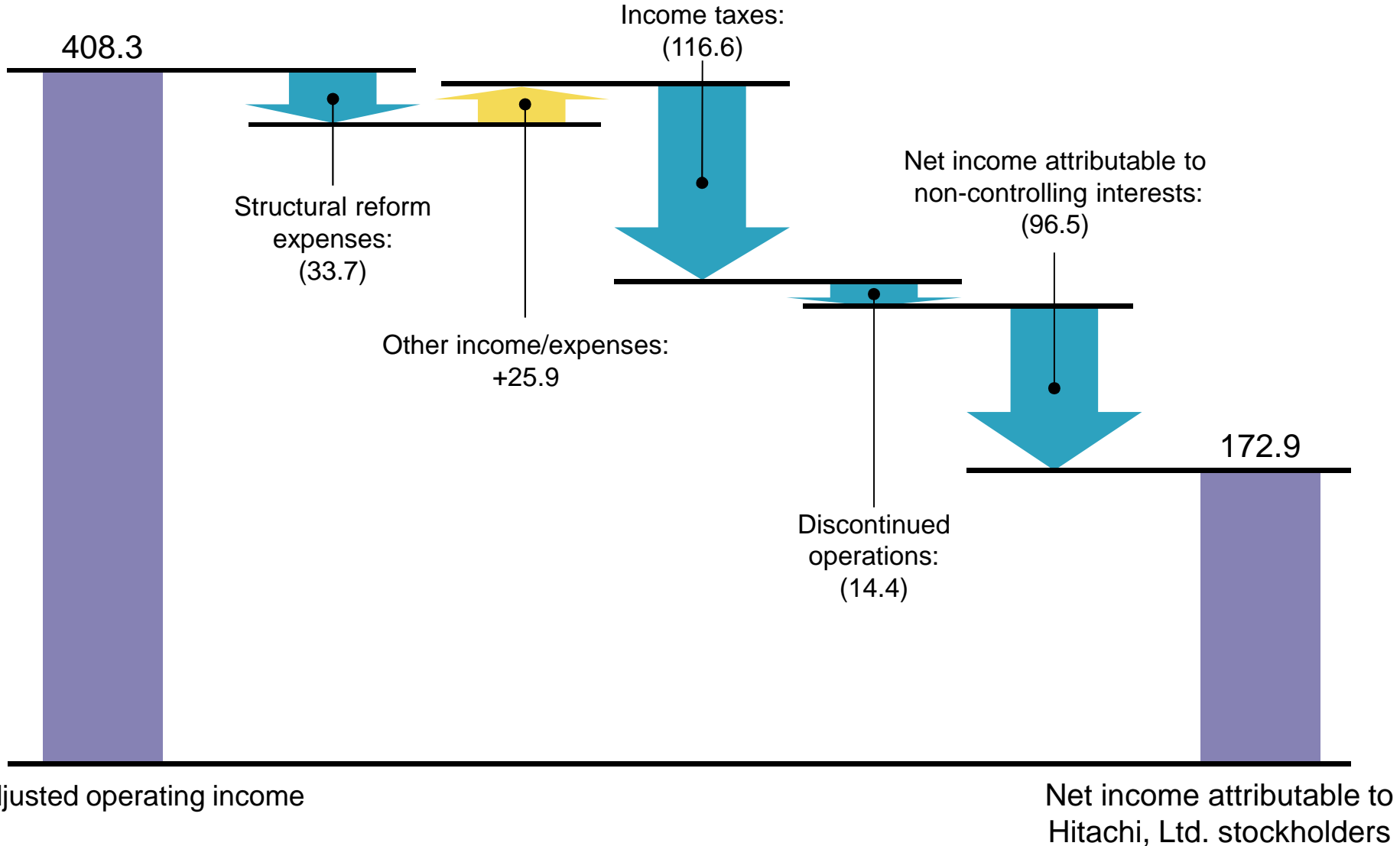
Billions of yen

Benefits of Hitachi Smart Transformation Project: +86.0



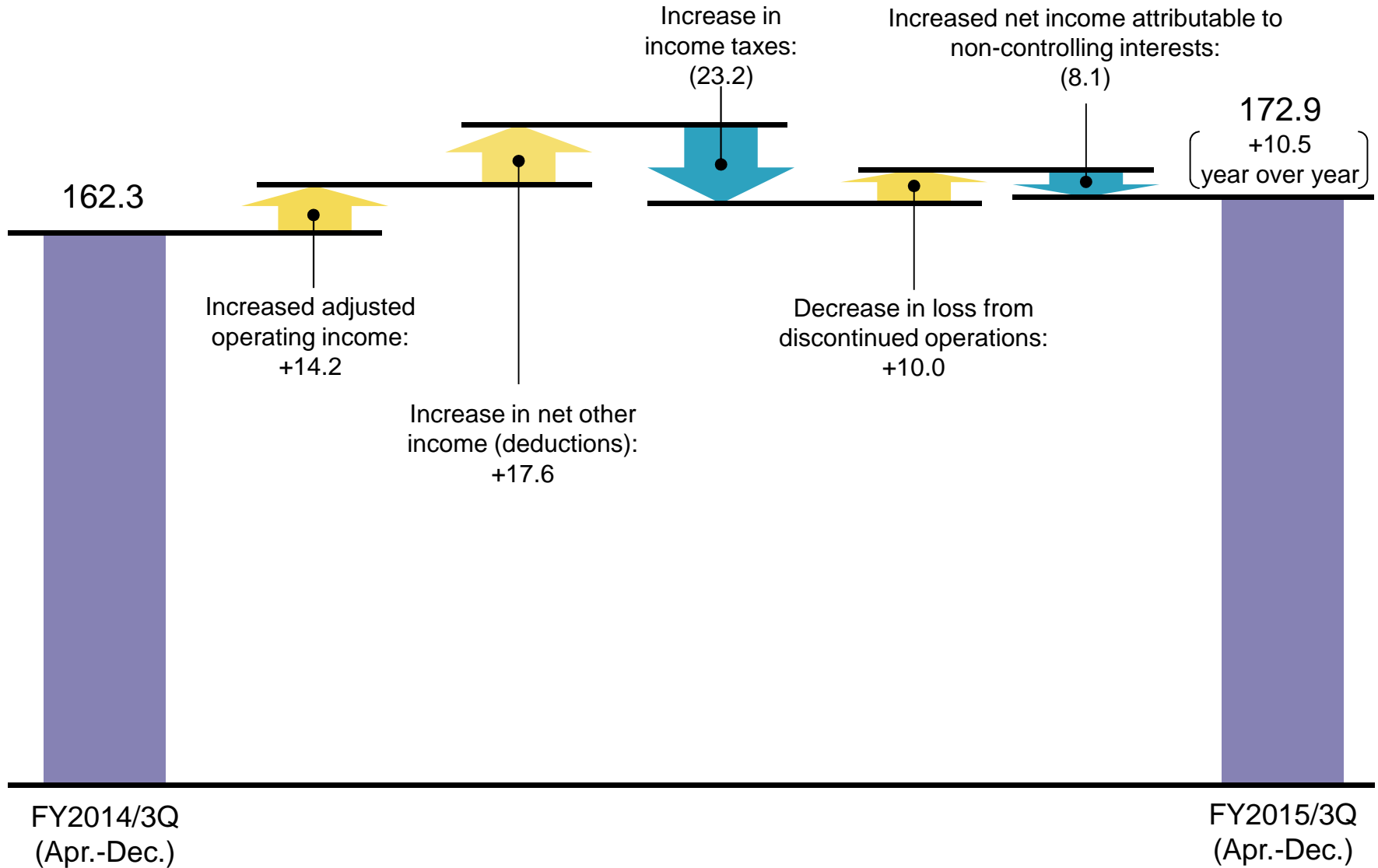
1-8. 3Q (Apr. - Dec.) FY2015: Factors Affecting Changes in Net Income Attributable to Hitachi, Ltd. Stockholders

Billions of yen



1-9. 3Q (Apr. - Dec.) FY2015: Factors Affecting Changes in Net Income Attributable to Hitachi, Ltd. Stockholders (year over year)

Billions of yen



1-10. Revenues by Market

Billions of yen

	3Q (Oct. - Dec.)					3Q (Apr. - Dec.)				
	FY2014		FY2015		Year over year	FY2014		FY2015		Year over year
		Ratio		Ratio			Ratio		Ratio	
Japan	1,225.4	51%	1,193.4	49%	97%	3,641.9	52%	3,609.6	50%	99%
Outside Japan	1,168.2	49%	1,229.9	51%	105%	3,303.8	48%	3,620.6	50%	110%
Asia	570.4	24%	542.2	22%	95%	1,603.3	23%	1,640.1	23%	102%
China	316.7	13%	304.8	12%	96%	859.1	12%	852.5	12%	99%
ASEAN, India, other areas	253.6	11%	237.3	10%	94%	744.1	11%	787.6	11%	106%
North America	282.8	12%	317.3	13%	112%	740.5	11%	961.1	13%	130%
Europe	209.3	9%	255.7	11%	122%	623.0	9%	680.7	9%	109%
Other Areas	105.6	4%	114.6	5%	109%	336.9	5%	338.5	5%	100%
Total	2,393.7	100%	2,423.3	100%	101%	6,945.8	100%	7,230.2	100%	104%

Ratio of overseas revenues for 3Q (Apr. - Dec.) : 48% → 50% Record High Performance

1-11. Summary of Consolidated Statements of Profit or Loss by Manufacturing, Services and Others and Financial Services

■ Summary of Consolidated Statements of Profit or Loss

Billions of yen

	3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
	FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Revenues	2,393.7	2,423.3	+29.6 [101%]	6,945.8	7,230.2	+284.4 [104%]
Adjusted operating income	130.3	134.3	+4.0	394.1	408.3	+14.2
EBIT	113.6	148.3	+34.6	379.0	410.9	+31.8

■ Summary of Consolidated Statements of Profit or Loss (Manufacturing, Services and Others)*

Billions of yen

	3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
	FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Revenues	2,334.1	2,366.7	+32.6 [101%]	6,776.1	7,064.9	+288.7 [104%]
Adjusted operating income	120.5	122.7	+2.1	361.3	371.7	+10.3
EBIT	107.7	140.1	+32.3	352.3	380.7	+28.3

■ Summary of Consolidated Statements of Profit or Loss (Financial Services)*

Billions of yen

	3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
	FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Revenues	90.8	91.6	+0.7 [101%]	265.6	272.9	+7.2 [103%]
Adjusted operating income	10.2	10.8	+0.6	28.6	34.4	+5.7
EBIT	8.8	11.2	+2.3	28.2	35.7	+7.4

* Figures here represent information voluntarily prepared by the Company.

1-12. Summary of Consolidated Financial Position

Billions of yen

	As of March 31, 2015	As of December 31, 2015	Change from March 31, 2015
Total assets	12,433.7	12,823.0	+389.3
Trade receivables and Inventories	4,328.1	4,387.8	+59.6
Total liabilities	8,137.3	8,420.8	+283.4
Interest-bearing debt	3,557.3	3,909.9	+352.6
Total Hitachi, Ltd. stockholders' equity	2,942.2	2,988.7	+46.4
Non-controlling interests	1,354.0	1,413.4	+59.3
Total Hitachi, Ltd. stockholders' equity ratio	23.7%	23.3%	0.4 points decrease
D/E ratio (Including non-controlling interests)	0.83 times	0.89 times	0.06 points increase

1-13. Summary of Consolidated Financial Position by Manufacturing, Services and Others and Financial Services*

■ Summary of Consolidated Financial Position (Manufacturing, Services and Others)

Billions of yen

	As of March 31, 2015	As of December 31, 2015	Change from March 31, 2015
Total assets	9,984.4	10,160.2	+175.7
Trade receivables and Inventories	3,896.8	3,846.3	(50.4)
Total liabilities	6,012.5	6,097.5	+85.0
Interest-bearing debt	1,627.7	1,780.3	+152.6
Total Hitachi, Ltd. stockholders' equity	2,760.3	2,797.9	+37.5
Non-controlling interests	1,211.5	1,264.7	+53.1
Cash Conversion Cycle	81.8 days	73.6 days	8.2 days improve
Total Hitachi, Ltd. stockholders' equity ratio	27.6%	27.5%	0.1 points decrease
D/E ratio (Including non-controlling interests)	0.41 times	0.44 times	0.03 points increase

■ Summary of Consolidated Financial Position (Financial Services)

Billions of yen

	As of March 31, 2015	As of December 31, 2015	Change from March 31, 2015
Total assets	2,953.6	3,186.0	+232.3
Trade receivables and Inventories	698.5	772.5	+73.9
Total liabilities	2,616.8	2,836.5	+219.7
Interest-bearing debt	2,138.6	2,390.8	+252.1
Total Hitachi, Ltd. stockholders' equity	195.3	201.0	+5.7
Non-controlling interests	141.4	148.3	+6.8
Total Hitachi, Ltd. stockholders' equity ratio	6.6%	6.3%	0.3 points decrease
D/E ratio (Including non-controlling interests)	6.35 times	6.84 times	0.49 points increase

* Figures here represent information voluntarily prepared by the Company.

1-14. Summary of Consolidated Statements of Cash Flows

■ Summary of Consolidated Statements of Cash Flows

Billions of yen

	3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
	FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Cash flows from operating activities	(64.1)	76.7	+140.9	114.3	386.3	+272.0
Cash flows from investing activities	(161.9)	(220.4)	(58.4)	(430.5)	(552.9)	(122.3)
Free cash flows	(226.1)	(143.6)	+82.5	(316.2)	(166.5)	+149.6
Core free cash flows	(218.1)	(106.0)	+112.0	(329.1)	(117.5)	+211.5

■ Summary of Consolidated Statements of Cash Flows (Manufacturing, Services and Others)*

Billions of yen

	3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
	FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Cash flows from operating activities	17.2	132.3	+115.0	263.2	446.4	+183.2
Cash flows from investing activities	(129.5)	(165.1)	(35.5)	(317.2)	(400.5)	(83.2)
Free cash flows	(112.2)	(32.7)	+79.5	(54.0)	45.8	+99.9
Core free cash flows	(96.0)	13.8	+109.8	(53.7)	102.6	+156.4

■ Summary of Consolidated Statements of Cash Flows (Financial Services)*

Billions of yen

	3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
	FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Cash flows from operating activities	(68.8)	(52.8)	+16.0	(111.7)	(47.2)	+64.4
Cash flows from investing activities	(36.3)	(54.0)	(17.7)	(127.9)	(150.7)	(22.7)
Free cash flows	(105.2)	(106.8)	(1.6)	(239.7)	(198.0)	+41.7
Core free cash flows	(114.6)	(123.1)	(8.5)	(254.6)	(229.0)	+25.5

* Figures here represent information voluntarily prepared by the Company.

1-15. Consolidated Capital Expenditure, Depreciation and R&D Expenditure

Consolidated Capital Expenditure (Completion basis)*

Billions of yen

	3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
	FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Manufacturing, Services and Others	88.2	96.4	109%	251.2	283.6	113%
Financial Services	12.5	30.3	242%	45.5	91.1	200%
Total	100.7	126.7	126%	296.8	374.8	126%

* From FY2015/1Q, capital expenditures including figures for the previous fiscal year are stated exclusive of investment in lease assets classified as a finance lease, which was previously included in capital expenditures.

Consolidated Depreciation

Billions of yen

	3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
	FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Manufacturing, Services and Others	70.8	71.6	101%	201.1	213.6	106%
Financial Services	18.9	19.5	103%	55.2	58.1	105%
Total	89.7	91.2	102%	256.4	271.7	106%

Consolidated R&D Expenditure

Billions of yen

	3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
	FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Total	80.3	82.0	102%	245.2	246.5	101%

1-16. Revenues, Adjusted Operating Income and EBIT by Business Segment (1)

Billions of yen

		3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
		FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Information & Telecommunication Systems	Revenues	478.1	501.5	105%	1,415.1	1,501.6	106%
	Adjusted operating income	20.4	27.5	+7.0	67.4	77.4	+10.0
	EBIT	18.3	25.3	+7.0	63.3	70.6	+7.2
Social Infrastructure & Industrial Systems*	Revenues	498.4	564.3	113%	1,395.0	1,514.4	109%
	Adjusted operating income	17.3	19.2	+1.9	42.1	36.0	(6.1)
	EBIT	25.9	20.9	(4.9)	50.4	33.8	(16.6)
Electronic Systems & Equipment	Revenues	258.5	258.6	100%	786.5	808.1	103%
	Adjusted operating income	14.9	12.2	(2.6)	43.4	43.9	+0.5
	EBIT	15.1	15.0	0.0	42.1	47.1	+4.9
Construction Machinery	Revenues	190.6	184.0	97%	579.7	549.1	95%
	Adjusted operating income	14.3	(1.6)	(15.9)	42.1	14.3	(27.7)
	EBIT	13.6	(6.2)	(19.8)	42.7	5.4	(37.2)
High Functional Materials & Components	Revenues	403.4	387.6	96%	1,103.3	1,188.2	108%
	Adjusted operating income	32.6	32.5	0.0	85.5	93.2	+7.7
	EBIT	22.8	33.3	+10.5	85.5	119.5	+34.0

* Effective on April 1, 2015, the "Power Systems" became part of the "Social Infrastructure & Industrial Systems."
Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

1-17. Revenues, Adjusted Operating Income and EBIT by Business Segment (2)

Billions of yen

		3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
		FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Automotive Systems	Revenues	237.0	251.3	106%	683.3	741.5	109%
	Adjusted operating income	10.4	13.9	+3.4	35.3	41.0	+5.7
	EBIT	4.7	14.2	+9.5	25.0	39.5	+14.4
Smart Life & Ecofriendly Systems	Revenues	178.5	145.7	82%	555.5	539.0	97%
	Adjusted operating income	5.7	5.6	0.0	20.3	17.5	(2.7)
	EBIT	7.1	21.6	+14.5	25.7	34.8	+9.0
Others (Logistics and Other services)	Revenues	317.0	312.6	99%	942.8	935.6	99%
	Adjusted operating income	10.0	11.5	+1.5	26.4	38.6	+12.1
	EBIT	11.6	13.7	+2.1	27.4	38.1	+10.6
Financial Services	Revenues	90.8	91.6	101%	265.6	272.9	103%
	Adjusted operating income	10.2	10.8	+0.6	28.6	34.4	+5.7
	EBIT	8.8	11.2	+2.3	28.2	35.7	+7.4
Corporate items & Eliminations	Revenues	(259.1)	(274.3)	-	(781.4)	(820.4)	-
	Adjusted operating income	(5.7)	2.3	+8.0	2.6	11.5	+8.9
	EBIT	(14.6)	(1.2)	+13.4	(11.6)	(13.9)	(2.2)
Total	Revenues	2,393.7	2,423.3	101%	6,945.8	7,230.2	104%
	Adjusted operating income	130.3	134.3	+4.0	394.1	408.3	+14.2
	EBIT	113.6	148.3	+34.6	379.0	410.9	+31.8

1-18. Revenues, Adjusted Operating Income and EBIT by Business Group (1)*1

Billions of yen

		3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
		FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
Power & Infrastructure Systems*2	Revenues	935.5	968.7	104%	2,737.1	2,861.5	105%
	Adjusted operating income	37.9	37.1	(0.7)	105.9	97.5	(8.3)
	EBIT	48.2	57.7	+9.4	118.4	115.8	(2.5)
Information & Telecommunication Systems	Revenues	653.3	674.5	103%	1,918.5	2,015.2	105%
	Adjusted operating income	27.5	34.7	+7.2	82.5	97.6	+15.1
	EBIT	25.7	34.1	+8.3	79.1	92.6	+13.4
Construction Machinery	Revenues	190.6	184.0	97%	579.7	549.1	95%
	Adjusted operating income	14.3	(1.6)	(15.9)	42.1	14.3	(27.7)
	EBIT	13.6	(6.2)	(19.8)	42.7	5.4	(37.2)

*1 Figures here represent information voluntarily prepared by the Company.

*2 Effective on April 1, 2015, the "Power Systems" became part of the "Infrastructure Systems" and changed its name to the "Power & Infrastructure Systems." Figures for each group, including figures for the previous fiscal year, reflect the changed segmentation.

1-19. Revenues, Adjusted Operating Income and EBIT by Business Group (2)*

Billions of yen

		3Q (Oct. - Dec.)			3Q (Apr. - Dec.)		
		FY2014	FY2015	Year over year	FY2014	FY2015	Year over year
High Functional Materials & Components	Revenues	403.4	387.6	96%	1,103.3	1,188.2	108%
	Adjusted operating income	32.6	32.5	0.0	85.5	93.2	+7.7
	EBIT	22.8	33.3	+10.5	85.5	119.5	+34.0
Automotive Systems	Revenues	237.0	251.3	106%	683.3	741.5	109%
	Adjusted operating income	10.4	13.9	+3.4	35.3	41.0	+5.7
	EBIT	4.7	14.2	+9.5	25.0	39.5	+14.4
Financial Services	Revenues	90.8	91.6	101%	265.6	272.9	103%
	Adjusted operating income	10.2	10.8	+0.6	28.6	34.4	+5.7
	EBIT	8.8	11.2	+2.3	28.2	35.7	+7.4
Total	Revenues	2,393.7	2,423.3	101%	6,945.8	7,230.2	104%
	Adjusted operating income	130.3	134.3	+4.0	394.1	408.3	+14.2
	EBIT	113.6	148.3	+34.6	379.0	410.9	+31.8

* Figures here represent information voluntarily prepared by the Company.

2. Outlook for Fiscal 2015

■ Business Environment

Continuing uncertain situation due to sluggish economic growth mainly in China and oil and natural resource producing countries

- Japan Slowing economic growth based on a decline in exports to China
- U.S. Continuing gradual economic growth, despite the recent slowdown
- Europe Sustained, gradual economic recovery after bottoming out with support from quantitative easing
- China Weak investment and production, particularly in the real estate sector and manufacturing sectors, which are saddled with excessive production capacity
- South East Asia Decelerating economic growth in line with slowing economic growth in China

■ Summary of the FY2015 Forecast

[Projections for the FY2015/4Q assume an exchange rate of 115 yen to the U.S. dollar and 125 yen to the Euro.]

Billions of yen

	FY2014	Previous forecast* (A)	Revised forecast (B)	Year over year	(B)-(A)
Revenues	9,774.9	9,950.0	9,950.0	+175.0 [102%]	±0.0 [100%]
Adjusted operating income	641.3	680.0	630.0	(11.3)	(50.0)
EBIT	534.0	620.0	540.0	+5.9	(80.0)
Loss from discontinued operations	(53.5)	(18.0)	(18.0)	+35.5	±0.0
Net income attributable to Hitachi, Ltd. stockholders	217.4	310.0	240.0	+22.5	(70.0)

* Announced on October 28, 2015

2-2. Outlook for FY2015: Revenues, Adjusted Operating Income and EBIT by Business Segment (1)

Billions of yen

		FY2014	FY2015 (Forecast)	Year over year	Previous forecast*1 comparison
Information & Telecommunication Systems	Revenues	2,034.0	2,080.0	102%	99%
	Adjusted operating income	135.1	137.0	+1.8	(21.0)
	EBIT	106.0	113.0	+6.9	(31.0)
Social Infrastructure & Industrial Systems*2	Revenues	2,066.2	2,280.0	110%	107%
	Adjusted operating income	88.9	90.0	+1.0	(26.0)
	EBIT	110.3	82.0	(28.3)	(32.0)
Electronic Systems & Equipment	Revenues	1,131.6	1,140.0	101%	99%
	Adjusted operating income	72.5	73.0	+0.4	±0.0
	EBIT	63.7	74.0	+10.2	±0.0
Construction Machinery	Revenues	815.7	760.0	93%	97%
	Adjusted operating income	59.8	26.0	(33.8)	(3.0)
	EBIT	60.5	22.0	(38.5)	(2.0)
High Functional Materials & Components	Revenues	1,529.4	1,600.0	105%	100%
	Adjusted operating income	120.8	127.0	+6.1	±0.0
	EBIT	123.9	152.0	+28.0	±0.0

*1 Announced on October 28, 2015

*2 Effective on April 1, 2015, the "Power Systems" became part of the "Social Infrastructure & Industrial Systems."
Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

2-3. Outlook for FY2015: Revenues, Adjusted Operating Income and EBIT by Business Segment (2)

Billions of yen

		FY2014	FY2015 (Forecast)	Year over year	Previous forecast* comparison
Automotive Systems	Revenues	936.9	1,000.0	107%	100%
	Adjusted operating income	47.4	61.0	+13.5	(7.0)
	EBIT	35.0	60.0	+24.9	(7.0)
Smart Life & Ecofriendly Systems	Revenues	754.2	670.0	89%	97%
	Adjusted operating income	28.4	21.0	(7.4)	±0.0
	EBIT	34.5	32.0	(2.5)	+9.0
Others (Logistics and Other services)	Revenues	1,274.2	1,260.0	99%	101%
	Adjusted operating income	41.8	52.0	+10.1	±0.0
	EBIT	51.0	51.0	0.0	±0.0
Financial Services	Revenues	356.2	370.0	104%	100%
	Adjusted operating income	38.9	45.0	+6.0	±0.0
	EBIT	35.4	46.0	+10.5	±0.0
Corporate items & Eliminations	Revenues	(1,123.9)	(1,210.0)	-	-
	Adjusted operating income	7.1	(2.0)	(9.1)	+7.0
	EBIT	(86.6)	(92.0)	(5.3)	(17.0)
Total	Revenues	9,774.9	9,950.0	102%	100%
	Adjusted operating income	641.3	630.0	(11.3)	(50.0)
	EBIT	534.0	540.0	+5.9	(80.0)

* Announced on October 28, 2015

2-4. Outlook for FY2015: Revenues, Adjusted Operating Income and EBIT by Business Group (1)*1

Billions of yen

		FY2014	FY2015 (Forecast)	Year over year	Previous forecast ^{*2} comparison
Power & Infrastructure Systems ^{*3}	Revenues	3,952.1	4,090.0	103%	103%
	Adjusted operating income	189.9	184.0	(5.9)	(26.0)
	EBIT	208.6	188.0	(20.6)	(23.0)
Information & Telecommunication Systems	Revenues	2,709.2	2,770.0	102%	99%
	Adjusted operating income	157.7	166.0	+8.2	(19.0)
	EBIT	128.1	141.5	+13.3	(28.5)
Construction Machinery	Revenues	815.7	760.0	93%	97%
	Adjusted operating income	59.8	26.0	(33.8)	(3.0)
	EBIT	60.5	22.0	(38.5)	(2.0)

*1 Figures here represent information voluntarily prepared by the Company.

*2 Announced on October 28, 2015

*3 Effective on April 1, 2015, the "Power Systems" became part of the "Infrastructure Systems" and changed its name to the "Power & Infrastructure Systems."
Figures for each group, including figures for the previous fiscal year, reflect the changed segmentation.

2-5. Outlook for FY2015: Revenues, Adjusted Operating Income and EBIT by Business Group (2)*¹

Billions of yen

		FY2014	FY2015 (Forecast)	Year over year	Previous forecast ² comparison
High Functional Materials & Components	Revenues	1,529.4	1,600.0	105%	100%
	Adjusted operating income	120.8	127.0	+6.1	±0.0
	EBIT	123.9	152.0	+28.0	±0.0
Automotive Systems	Revenues	936.9	1,000.0	107%	100%
	Adjusted operating income	47.4	61.0	+13.5	(7.0)
	EBIT	35.0	60.0	+24.9	(7.0)
Financial Services	Revenues	356.2	370.0	104%	100%
	Adjusted operating income	38.9	45.0	+6.0	±0.0
	EBIT	35.4	46.0	+10.5	±0.0
Total	Revenues	9,774.9	9,950.0	102%	100%
	Adjusted operating income	641.3	630.0	(11.3)	(50.0)
	EBIT	534.0	540.0	+5.9	(80.0)

*1 Figures here represent information voluntarily prepared by the Company.

*2 Announced on October 28, 2015

3. Strengthening the Management Structure for the Next Stage of Growth

Business Restructuring

- Charging business restructuring expenses in FY2015: 80.0 billion yen
Additional measures under consideration
Benefits of progress made in business restructuring in FY2015: 22.0 billion yen
Further benefits are expected in FY2016 and so on
- Continuing business restructuring in the electric power transmission, distribution (T&D) systems business, the healthcare business, and Hitachi Construction Machinery Co., Ltd.
- The business restructuring and strengthening measures in the IT platform business
 - Narrowing down its in-house product development and improving the business structure in the telecommunications & network business as well as strengthening IoT related businesses
 - Accelerating transformation of business model from product sales business into service business in the overseas storage business
 - Expanding line-up of all-flash storage and strengthening the sales capabilities to customers
- Reviewing portfolio in the social infrastructure systems business
 - Withdrawal from low profitability business for overseas chemical plants and industrial plants in the Middle East
 - Focusing management resources on the pharmaceutical field, where Hitachi has a competitive advantage regarding culture facilities and manufacturing management system, etc. as well as focusing on the growing Asian market

Cash Generation

- Strengthen cash generation and continue to overhaul the cash management system across the entire Hitachi Group through the Hitachi Smart Transformation Project
- Improved the cash conversion cycle (CCC):
81.8 days as of March 31, 2015 to 73.6 days as of December 31, 2015*

Benefits of the Hitachi Smart Transformation Project

FY2015/3Q : 30.0 billion yen, FY2015/1-3Q: 86.0 billion yen

Making steady progress to achieve increased FY2015 cost reduction target of 110.0 billion yen, up from 100.0 billion yen

Main Initiatives and Progress in FY2015/3Q

1. Initiatives to Reform Cost Structure and Strengthen Cash Generating Ability

(1) Earnings Improvement

- Made sure to benefit from the effects of cost cutting aimed at achieving the targets for reducing direct material costs
- Steadily reduced fixed costs
 - Steadily promoted BPO*1 for indirect operations for the finance department worldwide
 - Promoted BPR*2 for indirect HR duties in Japan and formulated the BPO plan

(2) Cash Flow Improvement

- Strengthened the system for reducing working capital to over 130.0 billion yen and improved management of accounts receivables, inventory balances, and accounts payable
 - Reduced inventory balances in response to changes in the business environment
 - Reduced the lead time from the end-to-end point of view
 - Accelerated the introduction of the Electronically Recorded Monetary Claims
 - Initiated cash flow planning before receiving orders and rigorously implemented PDCA cycles

2. Business Process Reforms

- Initiate Proceed to trials pipeline management with the aim of developing the Social Innovation Business
- Overhaul the process of Core Value Chain by utilizing pipeline information

*1 BPO : Business Process Outsourcing

*2 BPR : Business Process Re-engineering

Strengthening the management structure

- Building a business unit system with strengthened front-line functions in each market by renewing the existing product-specific in-house company system in April 1, 2016
 - Providing valuable innovations through a combination of products and services through Collaborative Creation with the customers to expand the Social Innovation Business
 - Businesses will be categorized into four markets:
 - ① Power Systems / Energy
 - ② Manufacturing / Water
 - ③ Urban Solution
 - ④ Finance / Public / HealthcareThe new organization will be comprised of service-focused businesses that leverage services to provide innovations close to the customers, and product-focused businesses that offer products, components, and materials
 - Front BUs* will consist of a total of 12 units with strengthened front-line functions such as sales, engineering, and consulting, with the aim of providing innovations as services
 - Service & Platform BU* is being established to enhance the value of front BU's* customer service by providing open business platforms for the front office BUs* and partners to support expanding the Social Innovation Business
 - Product-focused Businesses will be established to provide globally competitive products, components, materials, etc. for customers and the front BUs*

* BU: Business Unit

Supplementary Information

Revenues, Adjusted operating income and EBIT *1

Billions of yen

	FY2014		FY2015						
	3Q (Oct. - Dec.)	3Q (Apr. - Dec.)	3Q (Oct. - Dec.)		3Q (Apr. - Dec.)		Total (Forecast)		
			Year over year	Year over year	Year over year	Year over year	Previous forecast ² comparison		
Revenues	478.1	1,415.1	501.5	105%	1,501.6	106%	2,080.0	102%	99%
System Solutions ^{*3}	276.1	846.3	288.1	104%	905.1	107%	1,278.6	103%	100%
Platform ^{*4}	254.6	738.6	255.3	100%	743.8	101%	1,036.9	102%	95%
Eliminations & Others ^{*5}	(52.6)	(169.8)	(41.9)	-	(147.3)	-	(235.5)	-	-
Adjusted Operating Income	20.4	67.4	27.5	+7.0	77.4	+10.0	137.0	+1.8	(21.0)
System Solutions ^{*3}	7.2	28.8	17.8	+10.6	54.9	+26.0	95.4	+17.7	±0.0
Platform ^{*4}	12.4	36.6	11.3	(1.0)	22.1	(14.4)	45.6	(12.0)	(24.5)
Eliminations & Others ^{*5}	0.8	1.9	(1.6)	-	0.3	-	(4.0)	-	-
EBIT	18.3	63.3	25.3	+7.0	70.6	+7.2	113.0	+6.9	(31.0)
System Solutions ^{*3}	7.4	28.6	17.2	+9.7	52.1	+23.4	92.1	+33.9	±0.0
Platform ^{*4}	9.9	33.5	9.6	(0.3)	20.8	(12.7)	36.5	(11.2)	(25.9)
Eliminations & Others ^{*5}	0.9	1.1	(1.4)	-	(2.3)	-	(15.6)	-	-

Storage Solutions

Billions of yen

	FY2014		FY2015						
	3Q (Oct. - Dec.)	3Q (Apr. - Dec.)	3Q (Oct. - Dec.)		3Q (Apr. - Dec.)		Total (Forecast)		
			Year over year	Year over year	Year over year	Year over year	Previous forecast ² comparison		
Revenues	136.0	354.0	138.0	101%	384.0	108%	510.0	105%	100%

*1 Figures for each subsegment include intersegment transactions. *2 Announced on October 28, 2015

*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 related services for software, server, storage and telecommunication & network equipment, etc.

*5 Figures for intersegment transactions, etc.

Consolidated Overseas Revenues by Business Segment

Billions of yen

	FY2014		FY2015				Total (Forecast)	
	3Q (Oct. - Dec.)	3Q (Apr. - Dec.)	3Q (Oct. - Dec.)		3Q (Apr. - Dec.)			
				Year over year		Year over year		Year over year
Information & Telecommunication Systems	181.6	479.0	190.2	105%	533.9	111%		
Social Infrastructure & Industrial Systems*	204.2	532.7	265.2	130%	634.4	119%		
Electronic Systems & Equipment	149.5	458.5	151.3	101%	478.2	104%		
Construction Machinery	130.0	419.7	122.4	94%	381.5	91%		
High Functional Materials & Components	200.6	527.6	216.0	108%	679.4	129%		
Automotive Systems	125.0	355.2	150.2	120%	430.1	121%		
Smart Life & Ecofriendly Systems	72.2	219.3	37.1	51%	200.4	91%		
Others (Logistics and Other services)	96.5	285.5	87.1	90%	272.0	95%		
Financial Services	35.5	99.7	35.1	99%	105.5	106%		
Corporate items & Eliminations	(27.3)	(73.8)	(25.1)	-	(95.1)	-		
Total	1,168.2	3,303.8	1,229.9	105%	3,620.6	110%	4,950.0	109%

* Effective on April 1, 2015, the "Power Systems" became part of the "Social Infrastructure & Industrial Systems."
Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

Consolidated Capital Expenditure by Business Segment in Manufacturing, Services and Others and Financial Services*1 (Completion basis)

Billions of yen

		FY2014		FY2015				Total (Forecast)	
		3Q (Oct. - Dec.)	3Q (Apr. - Dec.)	3Q (Oct. - Dec.)		3Q (Apr. - Dec.)			Year over year
					Year over year		Year over year		
Manufacturing, Services and Others	Information & Telecommunication Systems	9.2	31.0	12.4	134%	37.3	120%	380.0	104%
	Social Infrastructure & Industrial Systems ^{*2}	17.5	40.4	17.3	99%	47.8	118%		
	Electronic Systems & Equipment	5.3	15.0	3.6	69%	13.7	92%		
	Construction Machinery	3.2	12.5	6.6	206%	15.0	120%		
	High Functional Materials & Components	19.0	48.9	21.0	110%	59.3	121%		
	Automotive Systems	19.6	51.8	20.0	102%	49.1	95%		
	Smart Life & Ecofriendly Systems	4.8	12.9	2.1	44%	15.0	117%		
	Others (Logistics and Other services)	8.4	35.4	11.2	134%	42.3	119%		
	Corporate items	0.9	3.0	1.7	191%	3.6	122%		
Manufacturing, Services and Others		88.2	251.2	96.4	109%	283.6	113%	380.0	104%
Financial Services		12.5	45.5	30.3	242%	91.1	200%	120.0	184%
Total		100.7	296.8	126.7	126%	374.8	126%	500.0	116%

*1 From FY2015/1Q, capital expenditures including figures for the previous fiscal year are stated exclusive of investment in lease assets classified as a finance lease, which was previously included in capital expenditures. The amount of investment in lease assets classified as a finance lease in each period was 112.4 billion yen for FY 2014/3Q(Oct.-Dec.), 323.0 billion yen for the FY2014/3Q(Apr.-Dec.), 117.2 billion yen for the FY2015/3Q(Oct.-Dec.), 340.5 billion yen for the FY2015/3Q(Apr.-Dec.) and is forecasted 420.0 billion yen for the FY 2015. The total amount of investment in lease assets classified as a finance lease and capital expenditures excludes inter-segment transactions, and was 211.0 billion yen for the FY 2014/3Q(Oct.-Dec.), 603.9 billion yen for the FY2014/3Q(Apr.-Dec.), 240.9 billion yen for the FY 2015/3Q(Oct.-Dec.), 698.4 billion yen for the FY2015/3Q(Apr.-Dec.) and is forecasted 910.0 billion yen for the FY2015.

*2 Effective on April 1, 2015, the "Power Systems" became part of the "Social Infrastructure & Industrial Systems."
Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

Consolidated Depreciation by Business Segment in Manufacturing, Services and Others and Financial Services

Billions of yen

		FY2014		FY2015				Total (Forecast)	
		3Q (Oct. - Dec.)	3Q (Apr. - Dec.)	3Q (Oct. - Dec.)		3Q (Apr. - Dec.)			Year over year
					Year over year		Year over year		
	Information & Telecommunication Systems	10.6	29.0	12.4	117%	35.6	123%		
	Social Infrastructure & Industrial Systems*	8.1	24.1	8.1	100%	23.2	96%		
	Electronic Systems & Equipment	3.9	11.0	3.9	99%	11.9	108%		
	Construction Machinery	7.9	23.5	8.3	105%	24.4	104%		
	High Functional Materials & Components	16.1	45.1	16.2	101%	48.3	107%		
	Automotive Systems	9.4	25.8	10.0	107%	28.6	111%		
	Smart Life & Ecofriendly Systems	4.7	13.9	2.7	57%	12.5	90%		
	Others (Logistics and Other services)	8.8	25.7	9.1	103%	26.7	104%		
	Corporate items	0.8	2.6	0.7	79%	2.2	87%		
	Manufacturing, Services and Others	70.8	201.1	71.6	101%	213.6	106%	290.0	106%
	Financial Services	18.9	55.2	19.5	103%	58.1	105%	80.0	105%
	Total	89.7	256.4	91.2	102%	271.7	106%	370.0	105%

* Effective on April 1, 2015, the "Power Systems" became part of the "Social Infrastructure & Industrial Systems." Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

Consolidated R&D Expenditure by Business Segment

Billions of yen

		FY2014		FY2015					
		3Q (Oct. - Dec.)	3Q (Apr. - Dec.)	3Q (Oct. - Dec.)		3Q (Apr. - Dec.)		Total (Forecast)	
					Year over year		Year over year		Year over year
	Information & Telecommunication Systems	15.9	52.1	13.9	88%	44.4	85%		
	Social Infrastructure & Industrial Systems*	10.8	30.3	12.2	113%	33.5	110%		
	Electronic Systems & Equipment	11.3	36.1	11.7	104%	36.1	100%		
	Construction Machinery	4.5	13.3	4.3	94%	13.7	103%		
	High Functional Materials & Components	11.6	34.5	11.4	98%	34.8	101%		
	Automotive Systems	15.3	45.7	19.1	125%	53.6	117%		
	Smart Life & Ecofriendly Systems	2.5	8.1	1.5	62%	7.7	95%		
	Others (Logistics and Other services)	1.5	5.0	1.2	82%	3.8	76%		
	Corporate items	6.5	19.5	6.2	96%	18.3	94%		
	Manufacturing, Services and Others	80.3	245.0	82.0	102%	246.4	101%		
	Financial Services	0.0	0.2	0.0	49%	0.0	29%		
	Total	80.3	245.2	82.0	102%	246.5	101%	355.0	106%
	Percentage of revenues (%)	3.4	3.5	3.4	-	3.4	-	3.6	-

* Effective on April 1, 2015, the "Power Systems" became part of the "Social Infrastructure & Industrial Systems."
Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

Average Foreign Exchange Rate*1

	FY2014		FY2015			
	3Q (Oct. - Dec.)	3Q (Apr. - Dec.)	3Q (Oct. - Dec.)	3Q (Apr. - Dec.)	4Q (Jan. - Mar.)	Total (Forecast)
	U.S. dollar	115	107	122	122	115
Euro	143	140	133	134	125	132

Yen

Foreign Exchange Sensitivity*2

	Revenues	Adjusted operating income
U.S. dollar	6.0	1.0
Euro	0.5	0.0

Billions of yen

Number of employees and consolidated subsidiaries

	As of March 31, 2015	As of December 31, 2015
Number of employees	336,670	335,653
Japan	193,638	189,810
Overseas	143,032	145,843
Number of consolidated subsidiaries*3	1,008	1,040
Japan	275	267
Overseas	733	773

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

*2 Impact of exchange rate fluctuation (4Q impact given a one yen depreciation from 4Q forecasted rate)

*3 Consolidated trust accounts are not included into the figures of consolidated subsidiaries.

Business Group*	Segment and Subsidiary
Power & Infrastructure Systems Group	Social Infrastructure & Industrial Systems, Electronic Systems & Equipment, Smart Life & Ecofriendly Systems
Information & Telecommunication Systems Group	Information & Telecommunication Systems, Hitachi Transport System
Construction Machinery Group	Construction Machinery
High Functional Materials & Components Group	High Functional Materials & Components
Automotive Systems Group	Automotive Systems
Financial Services	Financial Services

* Some businesses are not included in the table above.

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

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

- economic conditions, including consumer spending and plant and equipment investment in Hitachi’s major markets, particularly Japan, Asia, the United States and Europe, as well as levels of demand in the major industrial sectors Hitachi serves, including, without limitation, the information, electronics, automotive, construction and financial sectors;
- 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, particularly against the U.S. dollar and the euro;
- 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;
- 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 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 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;
- 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;
- 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;
- uncertainty as to the success of cost reduction measures;
- 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 alliances upon which Hitachi depends, some of which Hitachi may not control, with other corporations in the design and development of certain key products;
- uncertainty as to Hitachi’s access to, or ability to protect, certain intellectual property rights, particularly those related to electronics and data processing technologies;
- 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 potential for significant losses on Hitachi’s investments in equity-method associates and joint ventures;
- 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;
- uncertainty as to the accuracy of key assumptions Hitachi uses to evaluate its significant employee benefit-related costs; and
- uncertainty as to Hitachi’s ability to attract and retain skilled personnel.

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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