

10-Year Financial Data

U.S. GAAP

| For the year: | FY 2007 | FY 2008 | FY 2009 | FY 2010 | FY 2011 | FY 2012 | FY 2013 |
|---|-------------|-------------|------------|------------|------------|------------|------------|
| Revenues | ¥11,226,735 | ¥10,000,369 | ¥8,968,546 | ¥9,315,807 | ¥9,665,883 | ¥9,041,071 | ¥9,563,791 |
| Operating income | 345,516 | 127,146 | 202,159 | 444,508 | 412,280 | 422,028 | 538,288 |
| EBIT (Earnings before interest and taxes) | 335,729 | (275,239) | 77,815 | 443,812 | 573,218 | 358,015 | 585,662 |
| Net income (loss) attributable to Hitachi, Ltd. stockholders | (58,125) | (787,337) | (106,961) | 238,869 | 347,179 | 175,326 | 264,975 |
| Cash flows from operating activities | 791,837 | 558,947 | 798,299 | 841,554 | 447,155 | 583,508 | 439,406 |
| Cash flows from investing activities | (637,618) | (550,008) | (530,595) | (260,346) | (195,584) | (553,457) | (491,363) |
| Free cash flows | 154,219 | 8,939 | 267,704 | 581,208 | 251,571 | 30,051 | (51,957) |
| Cash flows from financing activities | (185,556) | 284,388 | (502,344) | (584,176) | (167,838) | (180,445) | 32,968 |
| Cash dividends declared | 19,947 | 9,971 | - | 36,133 | 36,727 | 47,690 | 50,711 |
| Capital expenditures (Property, plant and equipment) | 969,087 | 788,466 | 546,326 | 556,873 | 649,234 | 742,537 | 849,877 |
| Depreciation (Property, plant and equipment) | 541,470 | 478,759 | 441,697 | 382,732 | 360,358 | 300,664 | 329,833 |
| R&D expenditures | 428,171 | 416,517 | 372,470 | 395,180 | 412,514 | 341,310 | 351,426 |
| At year-end: | | | | | | | |
| Total assets | 10,530,847 | 9,403,709 | 8,964,464 | 9,185,629 | 9,418,526 | 9,809,230 | 11,016,899 |
| Property, plant and equipment | 2,653,918 | 2,393,946 | 2,219,804 | 2,111,270 | 2,025,538 | 2,279,964 | 2,342,091 |
| Total Hitachi, Ltd. stockholders' equity | 2,170,612 | 1,049,951 | 1,284,658 | 1,439,865 | 1,771,782 | 2,082,560 | 2,651,241 |
| Interest-bearing debt | 2,531,506 | 2,820,109 | 2,367,143 | 2,521,551 | 2,396,454 | 2,370,079 | 2,823,049 |
| Number of employees | 347,810 | 361,796 | 359,746 | 361,745 | 323,540 | 326,240 | 320,725 |
| Per share data: | | | | | | | |
| Net income (loss) attributable to Hitachi, Ltd. stockholders: | | | | | | | |
| Basic | ¥(17.48) | ¥(236.86) | ¥(29.20) | ¥52.89 | ¥76.81 | ¥37.28 | ¥54.86 |
| Diluted | (17.77) | (236.87) | (29.20) | 49.38 | 71.86 | 36.29 | 54.85 |
| Cash dividends declared | 6.0 | 3.0 | - | 8.0 | 8.0 | 10.0 | 10.5 |
| Total Hitachi, Ltd. stockholders' equity | 652.95 | 315.86 | 287.13 | 318.73 | 382.26 | 431.13 | 549.02 |
| Financial ratios: | | | | | | | |
| Operating income ratio | 3.1 | 1.3 | 2.3 | 4.8 | 4.3 | 4.7 | 5.6 |
| EBIT ratio | 3.0 | -2.8 | 0.9 | 4.8 | 5.9 | 4.0 | 6.1 |
| Return on revenues | -0.5 | -7.9 | -1.2 | 2.6 | 3.6 | 1.9 | 2.8 |
| Return on equity (ROE) | -2.5 | -48.9 | -9.2 | 17.5 | 21.6 | 9.1 | 11.2 |
| Return on assets (ROA) | 0.5 | -8.0 | -0.9 | 3.3 | 4.4 | 2.5 | 3.5 |
| D/E ratio (Including non-controlling interests) (times) | 0.76 | 1.29 | 1.04 | 1.03 | 0.86 | 0.75 | 0.73 |
| Total Hitachi, Ltd. stockholders' equity ratio | 20.6 | 11.2 | 14.3 | 15.7 | 18.8 | 21.2 | 24.1 |

- Notes: 1 In order to be consistent with financial reporting principles and practices generally accepted in Japan, operating income is presented as total revenues less cost of sales and selling, general and administrative expenses. The Company believes that this is useful to investors in comparing the Company's financial results with those of other Japanese companies. Under accounting principles generally accepted in the United States of America, restructuring charges, net gain or loss on sales and disposal of rental assets and other property and impairment losses for long-lived assets are included as part of operating income.
- 2 The restructuring charges mainly represent special termination benefits incurred with the reorganization of our business structures and as the result of the Company and its subsidiaries reviewing and reshaping the business portfolio.
- 3 EBIT is presented as income before income taxes less interest income plus interest charges.
- 4 The Company has changed the number of employees to exclude temporary employees starting from the year ended March 31, 2010. The figures for the prior years have been restated to reflect the current year's presentation.
- 5 Effective from fiscal 2014, a part of the thermal power generation systems business is classified as a discontinued operation in accordance with the provision of ASC 205-20, "Presentation of Financial Statements - Discontinued Operations," which was not transferred to MITSUBISHI HITACHI POWER SYSTEMS, LTD. for the business integration in the thermal power generation systems with Mitsubishi Heavy Industries, Ltd. The results of the discontinued operation are reported separately from continuing operations. In line with this classification, "Revenues" and "Operating income" for fiscal 2013 are reclassified.
- 6 ROA (Return on Assets) = Net income / Total Assets (Average between the end of current fiscal year and the end of previous fiscal year) x 100

Millions of yen

FY 2014

¥9,761,970
600,479
551,018

241,301

447,348
(610,255)
(162,907)
250,335

57,944

848,716
349,614
335,515

12,395,379
2,564,105
2,930,309
3,354,616

333,150

Yen

¥49.97

49.93

12.0

606.87

%

6.2

5.6

2.5

8.6

3.1

0.78

23.6

IFRS

For the year:

| | Millions of yen | | | |
|---|-----------------|------------|-------------|-------------------|
| | FY 2013 | FY 2014 | FY 2015 | FY 2016 |
| Revenues | ¥9,666,446 | ¥9,774,930 | ¥10,034,305 | ¥9,162,264 |
| Adjusted operating income | 604,798 | 641,325 | 634,869 | 587,309 |
| EBIT | 691,230 | 534,059 | 531,003 | 475,182 |
| Net income attributable to Hitachi, Ltd. stockholders | 413,877 | 217,482 | 172,155 | 231,261 |
| Net cash provided by operating activities | 306,777 | 451,825 | 812,226 | 629,582 |
| Net cash used in investing activities | (550,179) | (612,545) | (730,799) | (337,955) |
| Free cash flows | (243,402) | (160,720) | 81,427 | 291,627 |
| Net cash provided by (used in) financing activities | 228,840 | 233,206 | (26,467) | (209,536) |
| Cash dividends declared | 50,711 | 57,944 | 57,939 | 62,764 |
| Capital expenditures (Property, plant and equipment) | 491,170 | 431,201 | 528,551 | 377,545 |
| Depreciation (Property, plant and equipment) | 331,228 | 350,783 | 366,547 | 302,757 |
| R&D expenditures | 354,487 | 334,814 | 333,730 | 323,963 |

At year-end:

| | | | | |
|--|------------|------------|------------|------------------|
| Total assets | 11,098,191 | 12,433,727 | 12,551,005 | 9,663,917 |
| Property, plant and equipment | 2,258,933 | 2,472,497 | 2,500,226 | 1,998,411 |
| Total Hitachi, Ltd. stockholders' equity | 2,668,657 | 2,942,281 | 2,735,078 | 2,967,085 |
| Interest-bearing debt | 3,033,985 | 3,557,356 | 3,604,455 | 1,176,603 |

Number of employees

323,919 336,670 335,244 **303,887**

Yen

Per share data:

Earnings per share attributable to Hitachi, Ltd. stockholders:

| | | | | |
|--|--------|--------|--------|---------------|
| Basic | ¥85.69 | ¥45.04 | ¥35.65 | ¥47.90 |
| Diluted | 85.66 | 45.00 | 35.62 | 47.88 |
| Cash dividends declared | 10.5 | 12.0 | 12.0 | 13.0 |
| Total Hitachi, Ltd. stockholders' equity | 552.62 | 609.35 | 566.48 | 614.56 |

%

Financial ratios:

| | | | | |
|---|------|------|------|-------------|
| Adjusted operating income ratio | 6.3 | 6.6 | 6.3 | 6.4 |
| EBIT ratio | 7.2 | 5.5 | 5.3 | 5.2 |
| Return on revenues | 4.3 | 2.2 | 1.7 | 2.5 |
| Return on equity (ROE) | 17.5 | 7.8 | 6.1 | 8.1 |
| Return on assets (ROA) | 5.0 | 2.9 | 2.4 | 3.0 |
| D/E ratio (Including non-controlling interests) (times) | 0.78 | 0.83 | 0.87 | 0.29 |
| Total Hitachi, Ltd. stockholders' equity ratio | 24.0 | 23.7 | 21.8 | 30.7 |

- Notes: 1 In order to be consistent with financial reporting principles and practices generally accepted in Japan, adjusted operating income is presented as total revenues less cost of sales and selling, general administrative expenses. The Company believes that this is useful to investors in comparing the Company's financial results with those of other Japanese companies.
- 2 A part of the thermal power generation systems business is classified as a discontinued operation 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. for the business integration in the thermal power generation systems with Mitsubishi Heavy Industries, Ltd. The results of the discontinued operation are reported separately from continuing operations.
- 3 From fiscal 2013, capital investment is stated exclusive of investment in lease assets classified as finance leases.
- 4 ROA (Return on Assets) = Net income / Total Assets (Average between the end of current fiscal year and the end of previous fiscal year) x 100