

FOR IMMEDIATE RELEASE

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**Hitachi Announces Consolidated Financial Results
for the First Quarter Ended June 30, 2018**

Tokyo, July 27, 2018 --- Hitachi, Ltd. (TSE:6501) today announced its consolidated financial results for the first quarter of fiscal 2018, ended June 30, 2018.

Note: All figures were converted at the rate of 111 yen to the U.S. dollar as of June 30, 2018.

Summary

	Three months ended June 30			
	Yen (billions)		(B)/(A) (%)	U.S. Dollars (millions)
	2017(A)	2018(B)		2018
1. Revenues	2,088.6	2,165.8	104	19,513
2. Adjusted operating income	131.8	148.1	112	1,335
3. EBIT (Earnings before interest and taxes)	143.2	180.4	126	1,626
4. Income from continuing operations, before income taxes	141.5	180.4	127	1,626
5. Net income	106.2	137.4	129	1,238
6. Net income attributable to Hitachi, Ltd. stockholders	75.0	105.2	140	948
7. Earnings per share attributable to Hitachi, Ltd. stockholders	(Yen)	(Yen)		(U.S.Dollars)
Basic	15.55	21.80	140	0.20
Diluted	15.54	21.78	140	0.20

Notes: 1. The Company's consolidated financial statements are prepared based on IFRS.

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

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

4. The figures are for 851 consolidated subsidiaries and 415 equity-method associates and joint ventures.

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. for 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. Qualitative Information Concerning Consolidated Business Results

(1) Summary of Fiscal 2018 First Quarter (Three Months Ended June 30, 2018)

Consolidated Business Results

	Three months ended June 30, 2018		
	Yen (billions)	Year over year change (billion yen)	U.S. Dollars (millions)
Revenues	2,165.8	+4%	19,513
Adjusted operating income	148.1	+16.3	1,335
EBIT	180.4	+37.1	1,626
Income from continuing operations, before income taxes	180.4	+38.9	1,626
Income from continuing operations	131.5	+25.1	1,185
Income from discontinued operations	5.8	+5.9	53
Net income	137.4	+31.1	1,238
Net income attributable to Hitachi, Ltd. stockholders	105.2	+30.1	948

During the first quarter of fiscal 2018, the year ending March 31, 2019, Hitachi's consolidated revenues increased 4% year over year, to 2,165.8 billion yen. The revenues increased in the Social Infrastructure & Industrial Systems segment where the railway systems business for Europe was strong in addition to the impact of acquisition of the air compressor business (Sullair) in July 2017, the High Functional Materials & Components segment where Hitachi Chemical Company, Ltd. and Hitachi Metals, Ltd. conducted M&As, the Construction Machinery segment where overseas sales rose mainly in Asia-Pacific, North America and China, and the Information & Telecommunication Systems segment where system integration business remained firm in Japan.

Adjusted operating income was 148.1 billion yen, an increase of 16.3 billion yen year over year. The increase was mainly in the Construction Machinery segment, the Social Infrastructure & Industrial Systems segment, and the Information & Telecommunication Systems segment, in which profit increased due to increase in revenues and improvement in profitability, despite the decrease in profit at the Automotive Systems segment and the High Functional Materials & Components segment.

EBIT increased 37.1 billion yen year over year, to 180.4 billion yen, due mainly to the rise in adjusted operating income and gains by selling Hitachi Kokusai Electric Inc. stock.

Income from continuing operations, before income taxes increased 38.9 billion yen year over year, to 180.4 billion yen. After deducting income taxes of 48.9 billion yen, Hitachi posted income from continuing operations of 131.5 billion yen, up 25.1 billion yen year over year. Profit from discontinued operations increased 5.9 billion yen year over year, to 5.8 billion yen. Net income increased 31.1 billion yen year over year, to 137.4 billion yen. Net income attributable to Hitachi, Ltd. stockholders increased 30.1 billion yen year over year, to 105.2 billion yen.

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

Please refer to the presentation material.

2. Financial Position

(1) Financial Position

	As of June 30, 2018		
	Yen (billions)	Change from March 31, 2018 (billion yen)	U.S. Dollars (millions)
Total assets	9,934.5	(172.0)	89,501
Total liabilities	5,395.2	(199.7)	48,606
Interest-bearing debt	1,208.5	+158.2	10,887
Total Hitachi, Ltd. stockholders' equity	3,357.2	+79.1	30,245
Non-controlling interests	1,182.1	(51.4)	10,650
Cash Conversion Cycle	60.4 days	9.3 days decrease	—
Total Hitachi, Ltd. stockholders' equity ratio	33.8%	1.4 points increase	—
D/E ratio (including non-controlling interests)	0.27 times	0.04 points increase	—

Total assets decreased 172.0 billion yen from March 31, 2018, to 9,934.5 billion yen, mainly reflecting conversion of Hitachi Kokusai Electric into an equity-method associate and the collection of trade receivables. Interest-bearing debt increased 158.2 billion yen from March 31, 2018, to 1,208.5 billion yen, as a result of an increase in short-term debt, etc. As of June 30, 2018, the total Hitachi, Ltd. stockholders' equity increased 79.1 billion yen from March 31, 2018, to 3,357.2 billion yen. As a result, the total Hitachi, Ltd. stockholders' equity ratio was 33.8%, an improvement of 1.4 points from March 31, 2018. The debt-to-equity ratio, including non-controlling interests, was 0.27 times, an increase of 0.04 points from March 31, 2018. Cash Conversion Cycle improved 9.3 days from March 31, 2018, to 60.4 days.

(2) Cash Flows

	Three months ended June 30, 2018		
	Yen (billions)	Year over year change (billion yen)	U.S. Dollars (millions)
Cash flows from operating activities	134.3	+7.4	1,210
Cash flows from investing activities	(103.9)	+0.6	(936)
Free cash flows	30.4	+8.1	274
Cash flows from financing activities	87.7	+68.9	791

Operating activities provided net cash of 134.3 billion yen, 7.4 billion yen more than in the same period last year, due to the progress in the collection of trade receivables, despite an increase in inventories. Investing activities used net cash of 103.9 billion yen, flat year over year. Free cash flows were positive 30.4 billion yen, an increase of 8.1 billion yen year over year. Financing activities provided net cash of 87.7 billion yen, 68.9 billion yen more than in the same period last year, due to an increase in borrowings.

Accordingly, cash and cash equivalents were 814.3 billion yen, up 116.4 billion yen from the end of the previous fiscal year.

3. Outlook for Fiscal 2018

	Year ending March 31, 2019		
	Yen (billions)	Year over year change (billion yen)	U.S. Dollars (millions)
Revenues	9,400.0	0%	84,685
Adjusted operating income	750.0	+35.3	6,757
EBIT	750.0	+105.7	6,757
Income from continuing operations, before income taxes	735.0	+96.3	6,622
Net income	530.0	+39.0	4,775
Net income attributable to Hitachi, Ltd. stockholders	400.0	+37.0	3,604

Hitachi forecasts the results shown above for fiscal 2018, the year ending March 31, 2019, without any change to the forecasts from that announced on April 27, 2018. The assumed exchange rates are at 105 yen to the U.S. dollar and 130 yen to the euro.

Hitachi will accelerate the global expansion of its Social Innovation Business through collaborative creation with customers, persist with its business structural reforms and continue to pursue efforts to strengthen its business foundations by reviewing its business portfolio, with the aim of achieving sustainable growth.

Cautionary Statement

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

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

- economic conditions, including consumer spending and plant and equipment investment in Hitachi’s major markets, 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.

Condensed Quarterly Consolidated Statement of Profit or Loss

	Three months ended June 30			
	Yen (millions)		(B)/(A) (%)	U.S. Dollars (millions) 2018
	2017 (A)	2018 (B)		
Revenues	2,088,669	2,165,899	104	19,513
Cost of sales	(1,529,896)	(1,586,396)	104	(14,292)
Gross profit	558,773	579,503	104	5,221
Selling, general and administrative expenses	(426,932)	(431,355)	101	(3,886)
Adjusted operating income	131,841	148,148	112	1,335
Other income	604	39,563	—	356
Other expenses	(10,903)	(10,335)	95	(93)
Financial income	4,649	14,437	311	130
Financial expenses	(474)	(203)	43	(2)
Share of profits (losses) of investments accounted for using the equity method	17,577	(11,134)	—	(100)
EBIT (Earnings before interest and taxes)	143,294	180,476	126	1,626
Interest income	3,190	4,570	143	41
Interest charges	(4,931)	(4,584)	93	(41)
Income from continuing operations, before income taxes	141,553	180,462	127	1,626
Income taxes	(35,194)	(48,911)	139	(441)
Income from continuing operations	106,359	131,551	124	1,185
Income (loss) from discontinued operations	(70)	5,876	—	53
Net income	106,289	137,427	129	1,238
Net income attributable to:				
Hitachi, Ltd. stockholders	75,068	105,245	140	948
Non-controlling interests	31,221	32,182	103	290

Condensed Quarterly Consolidated Statement of Comprehensive Income

	Three months ended June 30			
	Yen (millions)		(B)/(A) (%)	U.S. Dollars (millions) 2018
	2017 (A)	2018 (B)		
Net income	106,289	137,427	129	1,238
Other comprehensive income (OCI)				
Items not to be reclassified into net income				
Net changes in financial assets measured at fair value through OCI	(15,378)	112	—	1
Remeasurements of defined benefit plans	—	—	—	—
Share of OCI of investments accounted for using the equity method	576	324	56	3
Total items not to be reclassified into net income	(14,802)	436	—	4
Items that can be reclassified into net income				
Foreign currency translation adjustments	18,244	3,618	20	33
Net changes in cash flow hedges	2,654	(282)	—	(3)
Share of OCI of investments accounted for using the equity method	7,401	3,091	42	28
Total items that can be reclassified into net income	28,299	6,427	23	58
Other comprehensive income (OCI)	13,497	6,863	51	62
Comprehensive income	119,786	144,290	120	1,300
Comprehensive income attributable to:				
Hitachi, Ltd. stockholders	80,331	113,121	141	1,019
Non-controlling interests	39,455	31,169	79	281

Condensed Quarterly Consolidated Statement of Financial Position

	Yen (millions)		(B)-(A)	U.S. Dollars (millions)
	As of March 31, 2018 (A)	As of June 30, 2018 (B)		As of June 30, 2018
Total Assets	10,106,603	9,934,595	(172,008)	89,501
Current assets	5,151,800	5,020,138	(131,662)	45,226
Cash and cash equivalents	697,964	814,399	116,435	7,337
Trade receivables and contract assets	2,501,414	2,142,788	(358,626)	19,304
Inventories	1,375,232	1,445,750	70,518	13,025
Investments in securities and other financial assets	373,324	379,921	6,597	3,423
Other current assets	203,866	237,280	33,414	2,138
Non-current assets	4,954,803	4,914,457	(40,346)	44,274
Investments accounted for using the equity method	743,407	725,244	(18,163)	6,534
Investments in securities and other financial assets	716,431	664,894	(51,537)	5,990
Property, plant and equipment	2,124,827	2,129,497	4,670	19,185
Intangible assets	1,054,370	1,058,500	4,130	9,536
Other non-current assets	315,768	336,322	20,554	3,030

Total Liabilities and Equity	10,106,603	9,934,595	(172,008)	89,501
Total Liabilities	5,594,932	5,395,222	(199,710)	48,606
Current liabilities	3,795,394	3,708,623	(86,771)	33,411
Short-term debt	121,439	274,279	152,840	2,471
Current portion of long-term debt	117,191	191,056	73,865	1,721
Other financial liabilities	254,735	293,226	38,491	2,642
Trade payables	1,536,983	1,399,138	(137,845)	12,605
Other current liabilities	1,765,046	1,550,924	(214,122)	13,972
Non-current liabilities	1,799,538	1,686,599	(112,939)	15,195
Long-term debt	811,664	743,172	(68,492)	6,695
Retirement and severance benefits	575,156	553,825	(21,331)	4,989
Other non-current liabilities	412,718	389,602	(23,116)	3,510
Total Equity	4,511,671	4,539,373	27,702	40,895
Hitachi, Ltd. stockholders' equity	3,278,024	3,357,201	79,177	30,245
Common stock	458,790	458,790	0	4,133
Capital surplus	575,809	576,742	933	5,196
Retained earnings	2,105,395	2,194,532	89,137	19,771
Accumulated other comprehensive income	142,167	130,904	(11,263)	1,179
(Foreign currency translation adjustments)	60,807	64,963	4,156	585
(Remeasurements of defined benefit plans)	22,675	24,059	1,384	217
(Net changes in financial assets measured at fair value through OCI)	174,588	154,392	(20,196)	1,391
(Net changes in cash flow hedges)	(115,903)	(112,510)	3,393	(1,014)
Treasury stock, at cost	(4,137)	(3,767)	370	(34)
Non-controlling interests	1,233,647	1,182,172	(51,475)	10,650

Note: In adoption of IFRS 15, "Trade receivables" which were included in "Current assets" have been changed to "Trade receivables and contract assets".

Condensed Quarterly Consolidated Statement of Changes in Equity

Yen (millions)

	Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income	Treasury stock, at cost	Total Hitachi, Ltd. stockholders' equity	Non-controlling interests	Total equity
As of March 31, 2017	458,790	577,573	1,793,570	141,068	(3,916)	2,967,085	1,129,910	4,096,995
Reclassified into retained earnings	-	-	8,598	(8,598)	-	-	-	-
Net income	-	-	75,068	-	-	75,068	31,221	106,289
Other comprehensive income	-	-	-	5,263	-	5,263	8,234	13,497
Cash dividends	-	-	(33,796)	-	-	(33,796)	(17,130)	(50,926)
Changes in treasury stock	-	(25)	-	-	3	(22)	-	(22)
Equity transactions and other	-	(507)	-	-	-	(507)	(90)	(597)
Total changes in equity	-	(532)	49,870	(3,335)	3	46,006	22,235	68,241
As of June 30, 2017	458,790	577,041	1,843,440	137,733	(3,913)	3,013,091	1,152,145	4,165,236
As of March 31, 2018	458,790	575,809	2,105,395	142,167	(4,137)	3,278,024	1,233,647	4,511,671
Cumulative effects of changes in accounting policies	-	-	3,209	-	-	3,209	(1,406)	1,803
Restated balance	458,790	575,809	2,108,604	142,167	(4,137)	3,281,233	1,232,241	4,513,474
Reclassified into retained earnings	-	-	19,304	(19,304)	-	-	-	-
Net income	-	-	105,245	-	-	105,245	32,182	137,427
Other comprehensive income (loss)	-	-	-	7,876	-	7,876	(1,013)	6,863
Cash dividends	-	-	(38,621)	-	-	(38,621)	(20,152)	(58,773)
Changes in treasury stock	-	(237)	-	-	370	133	-	133
Equity transactions and other	-	1,170	-	165	-	1,335	(61,086)	(59,751)
Total changes in equity	-	933	85,928	(11,263)	370	75,968	(50,069)	25,899
As of June 30, 2018	458,790	576,742	2,194,532	130,904	(3,767)	3,357,201	1,182,172	4,539,373

U.S. Dollars (millions)

	Common stock	Capital surplus	Retained earnings	Accumulated other comprehensive income	Treasury stock, at cost	Total Hitachi, Ltd. stockholders' equity	Non-controlling interests	Total equity
As of March 31, 2018	4,133	5,187	18,968	1,281	(37)	29,532	11,114	40,646
Cumulative effects of changes in accounting policies	-	-	29	-	-	29	(13)	16
Restated balance	4,133	5,187	18,996	1,281	(37)	29,561	11,101	40,662
Reclassified into retained earnings	-	-	174	(174)	-	-	-	-
Net income	-	-	948	-	-	948	290	1,238
Other comprehensive income (loss)	-	-	-	71	-	71	(9)	62
Cash dividends	-	-	(348)	-	-	(348)	(182)	(529)
Changes in treasury stock	-	(2)	-	-	3	1	-	1
Equity transactions and other	-	11	-	1	-	12	(550)	(538)
Total changes in equity	-	8	774	(101)	3	684	(451)	233
As of June 30, 2018	4,133	5,196	19,771	1,179	(34)	30,245	10,650	40,895

Condensed Quarterly Consolidated Statement of Cash Flows

	Three months ended June 30		
	Yen (millions)		U.S. Dollars (millions)
	2017	2018	2018
Cash flows from operating activities			
Net income	106,289	137,427	1,238
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization	87,211	90,175	812
Change in trade receivables and contract assets	311,857	382,217	3,443
Change in inventories	(137,106)	(179,524)	(1,617)
Change in payables	(72,344)	(77,740)	(700)
Other	(168,974)	(218,200)	(1,966)
Net cash provided by (used in) operating activities	126,933	134,355	1,210
Cash flows from investing activities			
Purchase of property, plant and equipment	(78,909)	(102,788)	(926)
Purchase of intangible assets	(21,595)	(19,035)	(171)
Purchase of leased assets	(1,320)	(1,386)	(12)
Proceeds from sale of property, plant and equipment, and intangible assets	3,603	5,580	50
Proceeds from sale of leased assets	1,253	1,558	14
Proceeds from sale (purchase) of investments in securities and other financial assets (including investments in subsidiaries and investments accounted for using the equity method), net	(2,490)	29,944	270
Other	(5,167)	(17,815)	(160)
Net cash provided by (used in) investing activities	(104,625)	(103,942)	(936)
Free cash flows	22,308	30,413	274
Cash flows from financing activities			
Change in interest-bearing debt	69,049	142,281	1,282
Dividends paid to stockholders	(33,838)	(38,665)	(348)
Dividends paid to non-controlling interests	(16,559)	(19,519)	(176)
Other	203	3,682	33
Net cash provided by (used in) financing activities	18,855	87,779	791
Effect of exchange rate changes on cash and cash equivalents	6,614	(1,757)	(16)
Change in cash and cash equivalents	47,777	116,435	1,049
Cash and cash equivalents at beginning of period	765,242	697,964	6,288
Cash and cash equivalents at end of period	813,019	814,399	7,337

Segment Information
(1) Business Segments

	Three months ended June 30			
	Yen (millions)		(B)/(A) (%)	U.S. Dollars (millions) 2018
	2017 (A)	2018 (B)		
Information & Telecommunication Systems	434,784 19%	440,572 19%	101	3,969
Social Infrastructure & Industrial Systems	478,711 21%	518,320 22%	108	4,670
Electronic Systems & Equipment	245,108 11%	239,999 10%	98	2,162
Construction Machinery	211,499 9%	240,211 10%	114	2,164
High Functional Materials & Components	393,354 17%	427,928 18%	109	3,855
Automotive Systems	244,188 11%	238,521 10%	98	2,149
Smart Life & Ecofriendly Systems	131,167 6%	114,329 5%	87	1,030
Others	132,890 6%	124,467 6%	94	1,121
Subtotal	2,271,701 100%	2,344,347 100%	103	21,120
Corporate items & Eliminations	(183,032)	(178,448)	—	(1,608)
Revenues Total	2,088,669	2,165,899	104	19,513
Information & Telecommunication Systems	27,175 22%	34,585 24%	127	312
Social Infrastructure & Industrial Systems	13,389 11%	20,988 15%	157	189
Electronic Systems & Equipment	19,419 16%	19,187 13%	99	173
Construction Machinery	16,530 13%	27,318 19%	165	246
High Functional Materials & Components	31,306 25%	27,650 19%	88	249
Automotive Systems	10,490 8%	5,347 4%	51	48
Smart Life & Ecofriendly Systems	2,121 2%	2,682 2%	126	24
Others	4,115 3%	4,959 4%	121	45
Subtotal	124,545 100%	142,716 100%	115	1,286
Corporate items & Eliminations	7,296	5,432	—	49
Adjusted operating income Total	131,841	148,148	112	1,335
Information & Telecommunication Systems	25,920 20%	28,680 21%	111	258
Social Infrastructure & Industrial Systems	16,528 12%	10,111 7%	61	91
Electronic Systems & Equipment	18,998 14%	18,691 14%	98	168
Construction Machinery	17,862 13%	25,326 19%	142	228
High Functional Materials & Components	34,055 26%	33,473 25%	98	302
Automotive Systems	9,836 7%	4,489 3%	46	40
Smart Life & Ecofriendly Systems	7,412 6%	7,696 6%	104	69
Others	2,814 2%	6,599 5%	235	59
Subtotal	133,425 100%	135,065 100%	101	1,217
Corporate items & Eliminations	9,869	45,411	—	409
EBIT Total	143,294	180,476	126	1,626

Note: Revenues by business segment include intersegment transactions.

(2) Revenues by Market

	Three months ended June 30			
	Yen (millions)		(B)/(A) (%)	U.S. Dollars (millions) 2018
	2017 (A)	2018 (B)		
Japan	976,033 47%	981,402 45%	101	8,841
Asia	490,892 23%	520,307 24%	106	4,687
North America	287,196 14%	299,611 14%	104	2,699
Europe	218,031 10%	248,110 12%	114	2,235
Other Areas	116,517 6%	116,469 5%	100	1,049
Overseas Revenues Subtotal	1,112,636 53%	1,184,497 55%	106	10,671
Total Revenues	2,088,669 100%	2,165,899 100%	104	19,513

Notes

(1) Notes Regarding Going Concern

Not applicable.

(2) Changes in Accounting Policies

(a) Adoption of IFRS 9 “Financial Instruments” (amended in July 2014)

From the beginning of the fiscal 2018, the year ended March 31, 2019, the Company has adopted IFRS 9 “Financial Instruments” (amended in July 2014). As a transitional measure upon the adoption of IFRS 9 (amended in July 2014), the Company applies this standard and recognizes the cumulative effect of initially applying this standard as an adjustment to the beginning balance of retained earnings for the current fiscal year. The effect of adopting this standard on the Company’s financial position and operating results is not material.

(b) Adoption of IFRS 15 “Revenue from Contracts with Customers”

From the beginning of the fiscal 2018, the year ended March 31, 2019, the Company has adopted IFRS 15 “Revenue from Contracts with Customers.” As a transitional measure upon the adoption of IFRS 15, the Company applies this standard retrospectively and recognizes the cumulative effect of initially applying this standard as an adjustment to the beginning balance of retained earnings for the current fiscal year. The effect of the adopting this standard on the Company’s financial position and operating results is not material.

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