

Hitachi, Ltd. and Subsidiaries

Consolidated Financial Statements for the Third Quarter Ended December 31, 2003

The consolidated financial statements presented herein are expressed in yen and, solely for the convenience of the reader, have been translated into United States dollars at the rate of 107 yen = U.S.\$1, the approximate exchange rate prevailing on the Tokyo Foreign Exchange Market as of December 30, 2003.

Summary

In millions of yen and U.S. dollars, except Net income (loss) per share (6) and Net income (loss) per American Depositary Share (7).

	Three months ended December 31				Nine months ended December 31			
	Yen (millions)		(A)/(B) X100 (%)	U.S. \$ (millions)	Yen (millions)		(C)/(D) X100 (%)	U.S. \$ (millions)
	2003 (A)	2002 (B)		2003	2003 (C)	2002 (D)		2003
1. Net sales	2,046,964	1,921,059	107	19,131	6,088,371	5,837,550	104	56,901
2. Operating income	63,274	12,896	491	591	83,513	74,584	112	780
3. Income before income taxes and minority interests	46,186	603	-	432	136,689	34,070	401	1,277
4. Income before minority interests	6,955	2,122	328	65	21,279	19,508	109	199
5. Net income (loss)	2,519	(2,263)	-	24	7,903	3,403	232	74
6. Net income (loss) per share								
Basic	0.76	(0.68)	-	0.01	2.39	1.02	234	0.02
Diluted	0.73	-	-	0.01	2.32	0.93	249	0.02
7. Net income (loss) per ADS (representing 10 shares)								
Basic	8	(7)	-	0.07	24	10	240	0.22
Diluted	7	-	-	0.07	23	9	256	0.21

Notes: 1. The Company's financial statements are prepared based on U.S. GAAPs and are unaudited.

2. Figures for the third quarter and first nine months of fiscal 2002 have been restated to reflect the Company's adoption of the FASB's Emerging Issues Task Force (EITF) Issue No. 03-2, "Accounting for the Transfer to the Japanese Government of the Substitutional Portion of Employee Pension Fund Liabilities," which was issued in January 2003.

3. Segment Information and operating income are presented in accordance with financial reporting principles and practices generally accepted in Japan.

4. The figures are for 966 consolidated subsidiaries and 166 equity-method affiliates.