

HITACHI, LTD.
UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2005
(107yen = U.S.\$1)

April 28, 2005

	YEN (millions)			U.S. DOLLARS (millions)
<u>INCOME STATEMENTS</u>	2005(A)	2004(B)	(A)/(B)×100	2005
<u>Revenues</u>	2,597,496	2,488,873	104%	24,276
Cost of sales	2,096,204	1,999,740	105%	19,591
<u>Gross Profit</u>	501,292	489,132	102%	4,685
S.G.A. expenses	506,986	481,584	105%	4,738
<u>Operating income(loss)</u>	(5,694)	7,548	-	(53)
Other income	87,863	61,569	143%	821
Other deductions	59,886	48,934	122%	560
<u>Ordinary income</u>	22,282	20,183	110%	208
Extraordinary gain	63,140	68,891	92%	590
Extraordinary loss	66,140	10,155	651%	618
<u>Income before income taxes</u>	19,281	78,918	24%	180
Current income taxes	(6,961)	(61,207)	11%	(65)
Deferred income taxes	15,898	100,014	16%	149
<u>Net income</u>	10,344	40,111	26%	97
Basic EPS (yen and dollars)	3.12	12.14	26%	0.03
Diluted EPS (yen and dollars)	3.12	12.14	26%	0.03

<u>BALANCE SHEETS</u>	2005/3/31(A)	2004/3/31(B)	(A)/(B)×100	2005/3/31
<u>Current assets</u>	1,860,523	1,909,420	97%	17,388
(Quick assets)	1,467,950	1,528,119	96%	13,719
(Inventories)	282,875	294,396	96%	2,644
(Deferred tax assets)	109,698	86,903	126%	1,025
<u>Fixed assets</u>	1,891,998	1,798,964	105%	17,682
(Investments)	1,275,735	1,231,360	104%	11,923
(Deferred tax assets)	96,883	123,516	78%	905
(Others)	519,379	444,088	117%	4,854
<u>Total assets</u>	3,752,522	3,708,385	101%	35,070
<u>Current liabilities</u>	1,776,593	1,819,420	98%	16,604
<u>Fixed liabilities</u>	610,272	515,584	118%	5,703
(Debentures)	190,000	280,000	68%	1,776
(Long-term loans)	224,533	54,428	413%	2,098
(Others)	195,739	181,156	108%	1,829
<u>Total liabilities</u>	2,386,866	2,335,005	102%	22,307
<u>Stockholders' equity</u>	1,365,655	1,373,379	99%	12,763
<u>Liabilities and stockholders' equity</u>	3,752,522	3,708,385	101%	35,070

FORECAST FOR THE YEAR ENDING MARCH 31, 2006

	Revenues	Ordinary income	Net income
Millions of Yen	2,580,000	30,000	13,000
Millions of U.S. dollars	24,112	280	121

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:

- fluctuations in product demand and industry capacity, particularly in the Information & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment;
- uncertainty as to Hitachi’s ability to continue to develop and market products that incorporate new technology on a timely and cost-effective basis and to achieve market acceptance for such products;
- rapid technological change, particularly in the Information & Telecommunication Systems segment and Electronic Devices segment;
- increasing commoditization of information technology products, and intensifying price competition in the market for such products;
- fluctuations in rates of exchange for the yen and other currencies in which Hitachi makes significant sales or in which Hitachi’s assets and liabilities are denominated, particularly between the yen and the U.S. dollar;
- uncertainty as to Hitachi’s ability to implement measures to reduce the potential negative impact of fluctuations in product demand and/or exchange rates;
- general socio-economic and political conditions and the regulatory and trade environment of Hitachi’s major markets, particularly, the United States, Japan and elsewhere in Asia, including, without limitation, a return to stagnation or deterioration of the Japanese economy, or direct or indirect restriction by other nations on imports;
- 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 success of restructuring efforts to improve management efficiency and to strengthen competitiveness;
- 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 ability to access, or access on favorable terms, liquidity or long-term financing; and
- uncertainty as to general market price levels for equity securities in Japan, declines in which may require Hitachi to write-down equity securities it holds.

The factors listed above are not all-inclusive and are in addition to other factors contained in Hitachi’s periodic filings with the U.S. Securities and Exchange Commission and in other materials published by Hitachi.