

HITACHI, LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED SEPTEMBER 30, 2000

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 108 yen = U.S.\$1, the approximate exchange rate prevailing on the Tokyo Foreign Exchange Market as of September 29, 2000.

SUMMARY

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

	The half years ended September 30			
	YEN (millions)		(A)/(B) X100	U.S.DOLLARS (millions)
	2000 (A)	1999 (B)		2000
1. Net sales	4,011,404	3,802,999	105	37,143
2. Operating income	166,132	65,698	253	1,538
3. Income before income taxes and minority interests	154,752	33,144	467	1,433
4. Income before minority interests	92,330	10,929	845	855
5. Net income	61,684	4,777	1,291	571
6. Net income per share				
Basic	18.48	1.43	1,292	0.17
Diluted	17.82	1.41	1,264	0.17
7. Net income per ADS (representing 10 shares)				
Basic	185	14	1,292	1.71
Diluted	178	14	1,264	1.65

- Notes: 1. The Company changed the method of carrying its investment in a certain affiliated company from cost to equity in the fiscal year ended March 31, 2000. Accordingly, figures for the first half of fiscal 1999 have been restated.
2. Statement of Financial Accounting Standards (SFAS) No. 115, "Accounting for Certain Investments in Debt and Equity Securities," has been implemented in the body of the consolidated financial statements for the first half of fiscal 2000. Accordingly, figures for fiscal 1999 and the first half of fiscal 1999 have been restated.
3. The merger of Hitachi Leasing, Ltd. (an affiliated company whose investment had been carried on the equity method) with Hitachi Credit Corporation, a Hitachi subsidiary, effective on October 1, 2000, is assumed to have taken place on April 1, 2000. As a result, Hitachi Leasing, Ltd. and its subsidiaries are consolidated as subsidiaries for the first half of fiscal 2000.