October 31, 2000

Hitachi , Ltd.

Supplementary information on Information Systems & Electronics sector

1．Computers

Sales (total internal and external sales)　(Upper rows are percentage changes from preceding year; billions of yen)

		Fiscal 1999			Fiscal 2000 (Forecast)		
		1st half	2nd half	Total	1st half	2nd half	Total
Consolidated basis	Total	96%	96%	96%	99%	103%	101%
		805	865	1,670	795	895	1,690
Unconsolidated basis	Total	94%	97%	95%	100%	103%	102%
		623	685	1,308	623	707	1,330
	In Japan	99%	104%	101%	105%	100%	102%
		490	593	1,083	515	591	1,106
	Export	79%	68%	74%	81%	126%	100%
		133	92	225	108	116	224
	Export ratio	21.3%	13.4%	17.2%	17.3%	16.4%	16.8%

Orders received for main products, in numbers of units (includes export models other than PC export models) : unconsolidated basis

	Fiscal 1999			Fiscal 2000 (Forecast)		
	1st half	2nd half	Total	1st half	2nd half	Total
Supercomputers	13	8	21	10	18	28
General-purpose computers (Total)	774	793	1,567	387	307	694
High-end (A)	190	248	438	96	23	119
Large (B)	468	446	914	170	78	248
(A)+(B)	658	694	1,352	266	101	367
Midrange	116	99	215	121	206	327
UNIX servers	1,400	1,300	2,700	1,400	1,500	2,900
UNIX workstations	1,500	700	2,200	1,000	500	1,500
PCs & PC servers	303,000	307,000	610,000	310,000	400,000	710,000
Large-capacity disk storage subsystems (RAID)	1,850	2,250	4,100	3,300	5,200	8,500

Notes: Figures for supercomputers and general-purpose computers are based on the number of instruction processors.

Figures for parallel supercomputers (SR series) are based on the number of systems.

Figures for disk storage subsystems are based on the number of terabytes.

Domestic orders received by information systems operations, by product sector: unconsolidated basis *

	1st half of fiscal 1999	Fiscal 1999	1st half of fiscal 2000
Hardware	42%	43%	40%
Software, Services	58%	57%	60%

＊Information systems operations : Finance & Distribution Systems, Industrial Information Systems, Government & Public Corporation Information Systems, Telecommunication & Information Infrastructure Systems, Information & Computer Systems and Information & Network Services (excluding Telecommunication Systems)

Domestic orders received by information systems operations, by industry: unconsolidated basis*

	1st half of fiscal 1999	Fiscal 1999	1st half of fiscal 2000
Finance	27%	27%	28%
Manufacturing	21%	19%	21%
Distribution	18%	19%	21%
Public utilities, other	34%	35%	30%

＊Information systems operations : Finance & Distribution Systems, Industrial Information Systems, Government & Public Corporation Information Systems, Telecommunication & Information Infrastructure Systems, Information & Computer Systems and Information & Network Services (excluding Telecommunication Systems)

●Outline of operations :

<1st half of fiscal 2000>

Overseas, results were down year-on-year, owing to reduced revenues from mainframes. In Japan, solutions operations were firm, especially in the financial sector, making up for the decrease in overseas sales.

<Fiscal 2000>

In Japan, solutions operations continue to expand, and overseas, storage operations register major growth, so overall, year-on-year sales are expected to post gains.

2. Telecommunication Systems (unconsolidated basis)

Sales (total internal and external sales, unconsolidated basis)

(Upper rows are percentage changes from preceding year; billions of yen)

	Fiscal 1999			Fiscal 2000 (Forecast)		
	1st half	2nd half	Total	1st half	2nd half	Total
	122%	99%	109%	109%	108%	109%
Total	93	107	200	101	116	217
Export ratio	10%	8%	9%	9%	12%	11%

●Outline of operations :

<1st half of fiscal 2000>

In Japan, major gains were registered by cellular phones, and ISDN switches were also increased. In export, optical components did well. The overall result was a year-on-year increase of 9%, to 101 billion yen.

<Fiscal 2000>

The brisk pace of cellular phones and ISDN switches in Japan, and of optical components overseas, is expected to continue. Sales of 217 billion yen are projected for the fiscal year, an increase of 9% compared to the preceding year.

3. Semiconductors (consolidated basis)

Sales (Upper rows are percentage changes from preceding year; billions of yen)

Fiscal 1999			Fiscal 2000 (Forecast)		
1st half	2nd half	Total	1st half	2nd half	Total
107%	117%	112%	122%	114%	118%
320	350	670	390	400	790

Sales by division

	Fiscal 1999	Fiscal 2000 (Forecast)
DRAM Business Division	21%	18%
System Memory Business Division	7%	9%
System LSI Business Division	47%	48%
Multi-Purpose Semiconductor Business Division	25%	25%

Semiconductor Capital Investment (Billions of yen)

	Fiscal 1999	Fiscal 2000 (Planned)
Naka Operation	22	17
Takasaki Operation	14	13
Koufu Operation	6	21
Other	16	21
Parent subtotal	58 (1st half: 24, 2nd half: 34)	72 (1st half: 36, 2nd half: 36)
TTI*1	—	70
Other	35	36
Domestic subsidiaries	35	106
HNS*2	40	19
Other	15	7
Overseas subsidiaries	55	26
Subsidiaries subtotal	90	132
Hitachi consolidated total	148 (1st half: 66, 2nd half: 82)	204 (1st half: 148, 2nd half: 56)

＊1: TTI: Trecenti Technologies, Inc.

＊2: HNS: Hitachi Nippon Steel Semiconductor Singapore Pte. Ltd.

DRAM production quantity

	As of October 2000	Planned
64MDRAM	6 million pieces/month	December 2000: 5 million pieces/month March 2001 : 3.5 million pieces/month
256MDRAM	1.2 million pieces/month	December 2000: 1.8 million pieces/month March 2001 : 2.3 million pieces/month

Flash Memory production quantity

	As of October 2000	Planned
64M Flash Memory	500,000 pieces/month	December 2000: 400,000 pieces/month March 2001 : 400,000 pieces/month
256M Flash Memory	500,000 pieces/month	December 2000: 800,000 pieces/month March 2001 : 1 million pieces/month

Microprocessor/microcontroller sales (Billions of yen; % change from preceding year)

Fiscal 1999		Fiscal 2000 (Forecast)	
200	118%	240	120%

●Outline of operations :

<1st half of fiscal 2000>

Microprocessors/microcontrollers for PCs, PC peripherals, cellular phones and automotive applications did well, as did high-power amplifiers for GSM applications. As a result, sales rose 22% year-on-year, to 390 billion yen.

<Fiscal 2000>

Microprocessors/microcontrollers and other system LSI products, high-power amplifiers for GSM applications and system memory products are being increased. This is expected to result in sales of 790 billion yen, 18% more than the preceding year.

4. Displays (consolidated basis)

Sales (Billions of yen; % change from preceding year)

		Fiscal 1999		Fiscal 2000 (Forecast)	
Total		290 (1st half :140, 2nd half: 150)	104%	290 (1st half: 150, 2nd half: 140)	100%
Major products					
	LCDs	160	200%	176	110%
	Color display tubes	70	47%	67	96%
	Color picture tubes	26	130%	26	100%
	Projection tubes	18	100%	15	83%

LCD Production (Billions of yen; % change from preceding year)

	Fiscal 1999				Fiscal 2000 (Forecast)			
	1st half	2nd half	Total		1st half	2nd half	Total	
TFT LCDs	67	77	144	240%	79	71	150	104%
STN LCDs	7	9	16	80%	10	16	26	163%
Total	74	86	160	200%	89	87	176	110%

LCD Capital Investment (Billions of yen; % change from preceding year)

Fiscal 1999				Fiscal 2000 (Planned)			
1st half	2nd half	Total		1st half	2nd half	Total	
9	22	31	620%	28	29	57	184%

●Outline of operations :

<1st half of Fiscal 2000>

In TFT LCDs, manufacturers in Korea, Taiwan and elsewhere boosted capacity, but owing to shortages of components, there was an approximate balance between supply and demand. Sales were supported by the growth of the market for TFT LCDs for PCs, resulting in a year-on-year increase of 7%, to 150 billion yen.

<Fiscal 2000>

The market environment for TFT LCD products is expected to grow increasingly severe. However, an aggressive push into growth sectors, such as color STN LCDs for cellular phones, is expected to result in sales of 290 billion yen, the same as the preceding year.