

HITACHI, LTD.
UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED SEPTEMBER 30, 2000
(108 yen = U.S.\$1)

October 31, 2000

<u>INCOME STATEMENTS</u>	YEN			U.S. DOLLARS
(The half years ended Sept. 30)	(millions)			(millions)
	2000(A)	1999(B)	(A)/(B)×100	2000
Net sales	1,893,024	1,813,446	104%	17,528
Cost of sales	1,499,791	1,443,798	104%	13,887
S.G.A. expenses	354,440	352,181	101%	3,282
<u>Operating income</u>	38,792	17,466	222%	359
Other income	37,332	28,678	130%	346
Other deductions	50,110	42,196	119%	464
<u>Ordinary income</u>	26,013	3,948	659%	241
Extraordinary gain	4,095	17,343	24%	38
Extraordinary loss	4,069	12,776	32%	38
<u>Income before income taxes</u>	26,040	8,514	306%	241
Current income taxes	110	120	92%	1
Deferred income taxes	2,260	0	-	21
<u>Net income</u>	23,670	8,394	282%	219
Basic EPS (yen and dollars)	7.09	2.51	282%	0.07
Diluted EPS (yen and dollars)	7.08	-	-	0.07

<u>BALANCE SHEETS</u>	2000/9/30(A)	2000/3/31(B)	(A)/(B)×100	2000/9/30
Current assets	2,371,638	2,476,772	96%	21,960
(Quick assets)	1,742,710	1,870,094	93%	16,136
(Inventories)	552,279	541,182	102%	5,114
(Deferred tax assets)	76,648	65,496	117%	710
Fixed assets	1,621,243	1,527,143	106%	15,012
(Investments)	744,754	597,429	125%	6,896
(Deferred tax assets)	202,911	270,321	75%	1,879
(Others)	673,576	659,393	102%	6,237
<u>Total assets</u>	3,992,882	4,003,916	100%	36,971
Current liabilities	1,504,664	1,577,344	95%	13,932
Fixed liabilities	812,970	840,195	97%	7,528
(Debentures)	540,089	540,121	100%	5,001
(Long-term loans)	2,738	2,785	98%	25
(Others)	270,143	297,288	91%	2,501
<u>Total liabilities</u>	2,317,634	2,417,539	96%	21,460
<u>Stockholders' equity</u>	1,675,247	1,586,376	106%	15,512
<u>Liabilities and stockholders' equity</u>	3,992,882	4,003,916	100%	36,971

FORECAST FOR THE YEAR ENDING MARCH 31, 2001

	Net sales	Ordinary income	Net income
Millions of Yen	3,940,000	70,000	50,000
Millions of U.S. dollars	36,481	648	463

Cautionary Statement

The forecast for the year ending March 31, 2001 is forward-looking information which reflects management's current views with respect to certain future events and financial performance. Actual results may differ materially from this forecast. Further, this forward-looking information is based upon assumptions of future events which may not prove to be accurate.

Factors that could cause actual results to differ materially from the forecast include, but are not limited to, rapid technological change, particularly in the Information Systems & Electronics segment; uncertainty as to Hitachi's ability to continue to develop products and to market products that incorporate new technology on a timely and cost-effective basis and achieve market acceptance; fluctuations in product demand and industry capacity, particularly in the Information Systems & Electronics segment and the Consumer Products segment; exchange rates and their fluctuations between 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 access to liquidity or long-term financing, particularly in the context of restrictions or availability of credit prevailing in Japan; 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 economic conditions and the regulatory and trade environment of Hitachi's major markets, particularly, the United States, Japan and elsewhere in Asia, including, without limitation, continued stagnation or deterioration of the Japanese or other East Asian economies, or direct or indirect restriction by other nations of imports; uncertainty as to Hitachi's access to, or protection for, certain intellectual property rights, particularly those related to electronics and data processing technologies; Hitachi's dependence on alliances with other corporations in designing or developing certain products; and the market prices of equity securities in Japan, declines in which may result in write-downs of equity securities Hitachi holds.

###