

Hitachi Announces Revisions of Consolidated Interim Business Forecasts for Fiscal 2011

Tokyo, July 29, 2011 --- Hitachi, Ltd. (NYSE:HIT / TSE:6501) today announced revisions to the Company's consolidated business forecasts for the first half of fiscal 2011, the year ending March 31, 2012, which were announced on June 9, 2011 in light of recent business performance.

1. Revisions of Consolidated Interim Business Forecasts for Fiscal 2011

(From April 1 to September 30, 2011)

(Millions of yen)

	Revenues	Operating income	Income before income taxes	Net income	Net income attributable to Hitachi, Ltd
Previous forecast (A)	4,400,000	80,000	55,000	20,000	0
Revised forecast (B)	4,400,000	100,000	75,000	30,000	10,000
(B)-(A)	0	20,000	20,000	10,000	10,000
% change	0.0%	25.0%	36.4%	50.0%	-
First half of fiscal 2010 ended September 30,2010	4,502,451	218,048	263,808	204,437	158,049

Reasons for Revisions

The overall revenue forecast for the first half of fiscal 2011 has not changed from the previous forecast issued on June 9, 2011. While the Great East Japan Earthquake has had an impact, there also has had a recovering demand in automotive-related fields and other factors.

Hitachi has raised its forecast for operating income from the previous forecast due to progress with cost cutting, including fixed costs. The revised forecast also reflects a smaller-than-expected impact from the Great East Japan Earthquake as a result of concerted group-wide efforts to recover from the disaster.

As a result, Hitachi has raised its forecasts for income before income taxes, net income and net income attributable to Hitachi, Ltd. from the previous forecasts.

Hitachi has not revised its full-year forecasts at this time because of considerable uncertainty surrounding the business environment in the second half of fiscal 2011. Uncertain factors include trends in the global economy, especially in the U.S., Europe and China, foreign currency fluctuations, and fluctuations in raw materials prices.

2. Revisions of Consolidated Interim Business Forecasts by Business Segment for Fiscal 2011

(1) Revenues by Business Segment

(Billions of yen)

	Previous forecast (A)	Revised forecast (B)	((B)-(A))	Fiscal 2010
Information & Telecommunication Systems	770.0	770.0	0	774.8
Power Systems	370.0	370.0	0	384.8
Social Infrastructure & Industrial Systems	490.0	490.0	0	508.9
Electronic Systems & Equipment	520.0	520.0	0	529.0
Construction Machinery	370.0	370.0	0	334.4
High Functional Materials & Components	670.0	670.0	0	700.4
Automotive Systems	350.0	370.0	20.0	382.3
Components & Devices	350.0	350.0	0	395.9
Digital Media & Consumer Products	470.0	470.0	0	506.9
Financial Services	180.0	180.0	0	186.6
Others	450.0	450.0	0	375.2
Eliminations & Corporate Items	(590.0)	(610.0)	(20.0)	(577.1)
Total	4,400.0	4,400.0	0	4,502.4

(2) Operating Income by Business Segment

(Billions of yen)

	Previous forecast (A)	Revised forecast (B)	((B)-(A))	Fiscal 2010
Information & Telecommunication Systems	30.0	30.0	0	34.5
Power Systems	(5.0)	(5.0)	0	14.3
Social Infrastructure & Industrial Systems	0	3.0	3.0	10.7
Electronic Systems & Equipment	10.0	12.0	2.0	16.2
Construction Machinery	13.0	18.0	5.0	18.2
High Functional Materials & Components	26.0	26.0	0	50.2
Automotive Systems	0	6.0	6.0	5.6
Components & Devices	10.0	10.0	0	35.5
Digital Media & Consumer Products	(2.0)	2.0	4.0	10.9
Financial Services	12.0	12.0	0	11.2
Others	11.0	11.0	0	12.8
Eliminations & Corporate Items	(25.0)	(25.0)	0	(2.6)
Total	80.0	100.0	20.0	218.0

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:

- economic conditions, including consumer spending and plant and equipment investment in Hitachi’s major markets, particularly Japan, Asia, the United States and Europe, as well as levels of demand in the major industrial sectors Hitachi serves, including, without limitation, the information, electronics, automotive, construction and financial sectors;
- exchange rate fluctuations of the yen against other currencies in which Hitachi makes significant sales or in which Hitachi’s assets and liabilities are denominated, particularly against the U.S. dollar and the euro;
- uncertainty as to Hitachi’s ability to access, or access on favorable terms, liquidity or long-term financing;
- uncertainty as to general market price levels for equity securities in Japan, declines in which may require Hitachi to write down equity securities that it holds;
- the potential for significant losses on Hitachi’s investments in equity method affiliates;

- increased commoditization of information technology products and digital media-related products and intensifying price competition for such products, particularly in the Components & Devices and the Digital Media & Consumer Products segments;
- uncertainty as to Hitachi's ability to continue to develop and market products that incorporate new technologies on a timely and cost-effective basis and to achieve market acceptance for such products;
- rapid technological innovation;
- the possibility of cost fluctuations during the lifetime of, or cancellation of, long-term contracts for which Hitachi uses the percentage-of-completion method to recognize revenue from sales;
- fluctuations in the price of raw materials including, without limitation, petroleum and other materials, such as copper, steel, aluminum, synthetic resins, rare metals and rare-earth minerals, or shortages of materials, parts and components;
- fluctuations in product demand and industry capacity;
- uncertainty as to Hitachi's ability to implement measures to reduce the potential negative impact of fluctuations in product demand, exchange rates and/or price of raw materials or shortages of materials, parts and components;
- uncertainty as to Hitachi's ability to achieve the anticipated benefits of its strategy to strengthen its Social Innovation Business;
- uncertainty as to the success of restructuring efforts to improve management efficiency by divesting or otherwise exiting underperforming businesses and to strengthen competitiveness and other cost reduction measures;
- general socioeconomic and political conditions and the regulatory and trade environment of countries where Hitachi conducts business, particularly Japan, Asia, the United States and Europe, including, without limitation, direct or indirect restrictions by other nations on imports and differences in commercial and business customs including, without limitation, contract terms and conditions and labor relations;
- 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 access to, or ability to protect, certain intellectual property rights, particularly those related to electronics and data processing technologies;
- uncertainty as to the outcome of litigation, regulatory investigations and other legal proceedings of which the Company, its subsidiaries or its equity method affiliates have become or may become parties;
- the possibility of incurring expenses resulting from any defects in products or services of Hitachi;
- the possibility of disruption of Hitachi's operations in Japan by earthquakes, tsunamis or other natural disasters, including the possibility of continuing adverse effects on Hitachi's operations as a result of the earthquake and tsunami that struck northeastern Japan on March 11, 2011;
- uncertainty as to Hitachi's ability to maintain the integrity of its information systems, as well as Hitachi's ability to protect its confidential information or that of its customers;
- uncertainty as to the accuracy of key assumptions Hitachi uses to evaluate its significant employee benefit-related costs; and
- uncertainty as to Hitachi's ability to attract and retain skilled personnel.

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.

About Hitachi, Ltd.

Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 360,000 employees worldwide. Fiscal 2010 (ended March 31, 2011) consolidated revenues totaled 9,315 billion yen (\$112.2 billion). Hitachi will focus more than ever on the Social Innovation Business, which includes information and telecommunication systems, power systems, environmental, industrial and transportation systems, and social and urban systems, as well as the sophisticated materials and key devices that support them. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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