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Hitachi Announces Consolidated Financial Results for Fiscal 2012

Tokyo, May 10, 2013 --- Hitachi, Ltd. (TSE:6501) today announced its consolidated financial results for fiscal 2012, ended March 31, 2013.

- Notes: 1. All figures, except for the outlook for fiscal 2013, were converted at the rate of 94 yen to the U.S. dollar, the approximate exchange rate on the Tokyo Foreign Exchange Market as of March 29, 2013.
2. Operating income is presented in accordance with financial reporting principles and practices generally accepted in Japan.

Summary

In millions of yen and U.S. dollars, except Net income attributable to Hitachi, Ltd. stockholders per share (6).

| | The years ended March 31 | | | |
|--|--------------------------|-----------|----------------|----------------------------|
| | Yen (millions) | | (B)/(A) (%) | U.S. Dollars (millions) |
| | 2012(A) | 2013(B) | | 2013 |
| 1. Revenues | 9,665,883 | 9,041,071 | 94 | 96,182 |
| 2. Operating income | 412,280 | 422,028 | 102 | 4,490 |
| 3. Income before income taxes | 557,730 | 344,537 | 62 | 3,665 |
| 4. Net income | 412,808 | 237,721 | 58 | 2,529 |
| 5. Net income attributable to Hitachi, Ltd. stockholders | 347,179 | 175,326 | 51 | 1,865 |
| 6. Net income attributable to Hitachi, Ltd. stockholders per share | (Yen) | (Yen) | | (U.S.Dollars) |
| Basic | 76.81 | 37.28 | 49 | 0.40 |
| Diluted | 71.86 | 36.29 | 51 | 0.39 |

Notes: 1. The Company's consolidated financial statements are prepared based on U.S.GAAP.

2. Operating income is presented in accordance with financial reporting principles and practices generally accepted in Japan.

3. The figures are for 963 consolidated subsidiaries and 215 equity-method affiliates. Although the consolidated subsidiaries include Variable interest entities, there is no Variable interest entity included into the figures of consolidated subsidiaries in this period. Also, consolidated trust accounts are not included into the figures of consolidated subsidiaries.

1. Qualitative Information Concerning Consolidated Business Results

1-1. Summary of Fiscal 2012 Consolidated Business Results

(1) Business Results

| | Year ended March 31, 2013 | | |
|---|---------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 9,041.0 | (6%) | 96,182 |
| Operating income | 422.0 | 9.7 | 4,490 |
| Income before income taxes | 344.5 | (213.1) | 3,665 |
| Net income | 237.7 | (175.0) | 2,529 |
| Net income attributable to Hitachi, Ltd. stockholders | 175.3 | (171.8) | 1,865 |

During fiscal 2012, the year ended March 31, 2013, in the U.S., the economy experienced a moderate recovery as a result of an uptick in the housing market and improvements in the employment market. On the other hand, the European sovereign debt crisis continued, and the rate of economic growth continued to slow in emerging markets due to falling exports and other factors.

The Japanese economy experienced an economic upturn due to higher public works spending on reconstruction efforts from the Great East Japan Earthquake, and an anticipated economic uptick due to the Yen's depreciation during the latter half of the fiscal year. However, the economy has not made a full recovery, mainly as a result of decreased exports due to global economic sluggishness and lackluster growth in consumer spending and capital expenditures.

Hitachi's consolidated revenues for fiscal 2012 decreased 6% year over year, to 9,041.0 billion yen, due mainly to the sale of the hard disk drive business in fiscal 2011. However, revenues rose in the Social Infrastructure & Industrial Systems Segment, where the elevator and escalator business in China performed strongly, and in the Power Systems Segment, mainly as a result of taking-over of part of the transmission and distribution business from Japan AE Power Systems Corporation.

Hitachi posted operating income of 422.0 billion yen, an improvement of 9.7 billion yen from fiscal 2011. This improvement mainly reflected improved profitability in the Social Infrastructure & Industrial Systems Segment as a result of the strong performance in the elevator and escalator business, and continued progress with cost structure reforms under the Hitachi Smart Transformation Project. On the other hand, operating income was impacted by the sale of the hard disk drive business. In addition, there were declines in the Electronic Systems & Equipment Segment as a result of market downturns in China and Europe and in the High Functional Materials & Components Segment due to write-offs associated with a decrease in raw material prices.

Hitachi posted net other deductions of 77.4 billion yen, 222.9 billion yen worse year over year. This outcome primarily reflected the recording of a large net gain on securities in fiscal 2011.

As a result, Hitachi recorded income before income taxes of 344.5 billion yen, 213.1 billion yen lower than in fiscal 2011.

After deducting income taxes of 106.8 billion yen, Hitachi posted net income of 237.7 billion yen, 175.0 billion yen lower year over year. After deducting net income attributable to noncontrolling interests of 62.3 billion yen, Hitachi posted net income attributable to Hitachi, Ltd. stockholders of 175.3 billion yen, down 171.8 billion yen from fiscal 2011.

Excluding the impact of selling the hard disk drive business and the small and medium-sized display business in fiscal 2011, consolidated revenues for fiscal 2012 decreased 21.8 billion yen year over year, while operating income increased 45.2 billion yen. Income before income taxes increased 36.2 billion yen, and net income attributable to Hitachi, Ltd. stockholders increased 74.9 billion yen.

(2) Revenues and Operating Income (Loss) by Segment

Results by segment were as follows.

[Information & Telecommunication Systems]

| | Year ended March 31, 2013 | | |
|------------------|---------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 1,786.5 | 1% | 19,006 |
| Operating income | 104.6 | 2.9 | 1,114 |

For fiscal 2012, the segment recorded revenues of 1,786.5 billion yen, an increase of 1% year over year. The higher overall revenues resulted mainly from steady sales of services in Japan and of storage solutions overseas.

Segment operating income increased 2.9 billion yen year over year, to 104.6 billion yen. While profitability in services declined, storage solutions posted higher earnings based on steady sales.

[Power Systems]

| | Year ended March 31, 2013 | | |
|------------------|---------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 904.6 | 9% | 9,624 |
| Operating income | 29.9 | 63.8 | 318 |

For fiscal 2012, segment revenues rose 9% year over year, to 904.6 billion yen. The overall increase mainly reflected the taking-over of part of the transmission and distribution business from Japan AE Power Systems Corporation and higher sales of thermal power generation systems.

The segment recorded operating income of 29.9 billion yen, up 63.8 billion yen year over year. The improvement resulted from increased revenues, and progress with cost-reduction measures. Moreover, in fiscal 2011, Hitachi recorded additional expenses at overseas thermal power generation systems projects.

[Social Infrastructure & Industrial Systems]

| | Year ended March 31, 2013 | | |
|------------------|---------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 1,313.8 | 9% | 13,977 |
| Operating income | 60.2 | 11.0 | 640 |

For fiscal 2012, segment revenues increased 9% year over year, to 1,313.8 billion yen. The overall increase mainly reflected strong growth in the elevator and escalator business in China and higher sales of industrial-use electrical equipment overseas.

The segment recorded operating income of 60.2 billion yen, an 11.0 billion yen increase year over year, mainly due to higher sales in the elevator and escalator business and progress with cost-reduction measures.

[Electronic Systems & Equipment]

| | Year ended March 31, 2013 | | |
|------------------|---------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 1,014.3 | (8%) | 10,791 |
| Operating income | 29.3 | (20.6) | 313 |

For fiscal 2012, the segment recorded revenues of 1,014.3 billion yen, down 8% year over year. The overall decline mainly reflected lower revenues due to lower sales of mobile phones in the trading division and medical analysis systems at Hitachi High-Technologies Corporation, semiconductor manufacturing systems at Hitachi Kokusai Electric Inc., and medical electronics equipment at Hitachi Medical Corporation.

Segment operating income declined 20.6 billion yen year over year, to 29.3 billion yen, mainly due to lower revenues, as well as lower earnings at Hitachi Medical Corporation on account of losses stemming from business plan revisions.

[Construction Machinery]

| | Year ended March 31, 2013 | | |
|------------------|---------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 756.0 | (5%) | 8,043 |
| Operating income | 54.6 | (8.5) | 581 |

For fiscal 2012, the segment recorded a 5% year over year decline in revenues, to 756.0 billion yen. The overall decline reflected lower demand for hydraulic excavators in China and decreased sales of mining machinery in Asia.

Segment operating income declined 8.5 billion yen year over year, to 54.6 billion yen, mainly reflecting lower revenues.

[High Functional Materials & Components]

| | Year ended March 31, 2013 | | |
|------------------|---------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 1,336.4 | (7%) | 14,217 |
| Operating income | 58.4 | (18.5) | 621 |

For fiscal 2012, segment revenues declined 7% year over year, to 1,336.4 billion yen. The overall decline reflected lower sales at Hitachi Cable, Ltd. due to its withdrawal from unprofitable businesses and decreased sales resulting from lower demand for electronics-related products. In addition, Hitachi Metals, Ltd. recorded lower sales due to lower demand for display- and semiconductor-related products.

Segment operating income decreased 18.5 billion yen year over year, to 58.4 billion yen. This was mainly attributable to lower earnings due to lower sales and write-offs associated with a decrease in raw material prices at Hitachi Metals.

[Automotive Systems]

| | Year ended March 31, 2013 | | |
|------------------|---------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 806.8 | (1%) | 8,583 |
| Operating income | 35.4 | (1.6) | 377 |

For fiscal 2012, segment revenues decreased 1% year over year, to 806.8 billion yen. This was mainly attributable to decreased production by Japanese carmakers in China.

The segment recorded operating income of 35.4 billion yen, down 1.6 billion yen year over year, mainly due to decreased revenues.

[Digital Media & Consumer Products]

| | Year ended March 31, 2013 | | |
|----------------|---------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 818.5 | (5%) | 8,708 |
| Operating loss | (5.3) | 5.5 | (57) |

For fiscal 2012, the segment recorded revenues of 818.5 billion yen, down 5% year over year. While the segment recorded steady sales of home appliances, the overall decrease reflected lower sales due to business strategy changes in flat-panel TVs, as well as decreased sales from optical disk drive products caused by falling sales prices.

The segment recorded an operating loss of 5.3 billion yen, a 5.5 billion yen improvement on fiscal 2011. This improvement reflected the benefits of business structure reforms in the flat-panel TV business and the absence of the impact of the flooding in Thailand in fiscal 2011.

Note: The optical disk drive operations are conducted by Hitachi-LG Data Storage, Inc. (HLDS), which has a December 31 fiscal year-end, different from Hitachi's March 31 year-end. Hitachi's results for the fiscal year ended March 31, 2013 include operating results of HLDS for the fiscal year ended December 31, 2012.

[Financial Services]

| | Year ended March 31, 2013 | | |
|------------------|---------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 340.2 | (4%) | 3,620 |
| Operating income | 29.2 | (0.9) | 312 |

For fiscal 2012, the segment reported a 4% year over year decline in revenues, to 340.2 billion yen. Hitachi Capital Corporation saw revenues decline in the finance services business for corporate customers in Japan, although the overseas business recorded a strong performance, particularly in Asia.

Segment operating income declined 0.9 billion yen, to 29.2 billion yen, due mainly to lower revenues.

[Others]

| | Year ended March 31, 2013 | | |
|------------------|---------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 1,111.0 | (35%) | 11,819 |
| Operating income | 40.1 | (32.5) | 427 |

For fiscal 2012, segment revenues declined 35% year over year, to 1,111.0 billion yen. The overall decline reflected the sale of the hard disk drive business in the previous fiscal year.

Segment operating income decreased 32.5 billion yen year over year, to 40.1 billion yen, due mainly to the sale of the hard disk drive business.

Note: Effective on April 1, 2012, Hitachi discontinued the Components & Devices Segment. The businesses which were previously included in the Components & Devices Segment have been included in the Others. Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

(3) Revenues by Market

| | Year ended March 31, 2013 | | |
|---------------|---------------------------|--------------------------|----------------------------|
| | Yen (billions) | Year over year change | U.S. Dollars (millions) |
| Japan | 5,355.1 | (3%) | 56,969 |
| Outside Japan | 3,685.9 | (11%) | 39,212 |
| Asia | 1,711.1 | (14%) | 18,204 |
| North America | 804.0 | (7%) | 8,554 |
| Europe | 636.8 | (16%) | 6,775 |
| Other Areas | 533.9 | 7% | 5,680 |

For fiscal 2012, revenues in Japan were 5,355.1 billion yen, down 3% year over year. This result mainly reflected lower revenues in the High Functional Materials & Components Segment due to the impact of lower demand in the electronics field. However, the Power Systems and the Social Infrastructure & Industrial Systems segments experienced increases in revenues year over year.

Outside Japan, revenues declined 11% year over year, to 3,685.9 billion yen, despite higher revenues in the Social Infrastructure & Industrial Systems Segment due to strong sales of elevators and escalators in China. The overall decline was mainly attributable to the sale of the hard disk drive business, as well as lower year-over-year revenues in the Electronic Systems & Equipment Segment.

As a result, the ratio of overseas revenues to consolidated revenues was 41%, 2 points lower on a year over year basis.

(4) Capital Expenditures, Depreciation and R&D Expenditures

For fiscal 2012, capital expenditures on a completion basis in Manufacturing, Services & Others were flat year over year at 406.1 billion yen, despite further investments in global business development. This result was due to the sale of the hard disk drive business.

Depreciation in Manufacturing, Services & Others declined 20% year over year, to 242.8 billion yen. This was primarily due to the sale of the hard disk drive business.

Including Financial Services, capital expenditures were 742.5 billion yen, Depreciation was 300.6 billion yen.

R&D expenditures decreased 17% year over year, to 341.3 billion yen, which corresponded to 3.8% of consolidated revenues. This decline mainly reflected the impact of the sale of the hard disk drive business, and it occurred despite continued investment in research and development to strengthen the Social Innovation Business.

(5) Outlook for Fiscal 2013

| | Year ending March 31, 2014 | | |
|---|----------------------------|---|----------------------------|
| | Yen (billions) | Year over year change (% or billions yen) | U.S. Dollars (millions) |
| Revenues | 9,200.0 | 2% | 96,842 |
| Operating income | 500.0 | 77.9 | 5,263 |
| Income before income taxes | 425.0 | 80.4 | 4,474 |
| Net income | 305.0 | 67.2 | 3,211 |
| Net income attributable to Hitachi, Ltd. stockholders | 210.0 | 34.6 | 2,211 |

Note: All fiscal 2013 outlook figures were converted using 95 yen to the U.S. dollar.

In terms of the overall global business environment going forward, Europe is expected to experience a protracted economic slowdown due to ongoing government austerity programs. Meanwhile, the U.S. economy could see the pace of recovery accelerate during the second half of 2013, as a result of quantitative easing and household debt adjustments. In addition, economic growth is expected to resume somewhat in emerging markets, driven by internal demand in ASEAN countries. The Japanese economy is forecasted to experience moderate growth during the latter half of 2013 as a result of the projected global economic uptick and the benefit of various government measures aimed at ending the deflationary period.

At present, the Hitachi Group is striving to transform itself into a global major player, centered on the Social Innovation Business. While channeling business resources into the Social Innovation Business, Hitachi will also rigorously manage cash flows, accelerate far-reaching cost structure reforms through the Hitachi Smart Transformation Project and take other steps, as it works to achieve sustained growth and establish a stable earnings base in global markets.

Hitachi is forecasting the results shown before mentioned for fiscal 2013, the year ending March 31, 2014.

Projections for fiscal 2013 assume an exchange rate of 95 yen to the U.S. dollar and 120 yen to the euro.

1-2. Financial Position

(1) Financial Position

| | As of March 31, 2013 | | |
|--|----------------------|-------------------------------|----------------------------|
| | Yen (billions) | Change from March 31, 2012 | U.S. Dollars (millions) |
| Total assets | 9,809.2 | 390.7 | 104,354 |
| Total liabilities | 6,629.9 | (14.5) | 70,531 |
| Interest-bearing debt | 2,370.0 | (26.3) | 25,214 |
| Total Hitachi, Ltd. stockholders' equity | 2,082.5 | 310.7 | 22,155 |
| Noncontrolling interests | 1,096.7 | 94.5 | 11,667 |
| Total Hitachi, Ltd. stockholders' equity ratio | 21.2% | 2.4 point improvement | - |
| D/E ratio (including noncontrolling interests) | 0.75times | 0.11 point improvement | - |

Total assets as of March 31, 2013 increased 390.7 billion yen, to 9,809.2 billion yen, due mainly to the acquisition of the U.K. company Horizon Nuclear Power Limited. Interest-bearing debt declined 26.3 billion yen from March 31, 2012, to 2,370.0 billion yen, mainly because of progress converting convertible bond-type bonds with stock acquisition rights to shares. Stockholders' equity increased 310.7 billion yen from March 31, 2012, to 2,082.5 billion yen, mainly reflecting net income attributable to Hitachi, Ltd. stockholders and an increase in foreign currency translation adjustments. As a result, the total Hitachi, Ltd. stockholders' equity ratio was 21.2%. The debt-to-equity ratio, including noncontrolling interests, was 0.75 times.

(2) Cash Flows

| | Year ended March 31, 2013 | | |
|--------------------------------------|---------------------------|--|----------------------------|
| | Yen (billions) | Year over year change (billions yen) | U.S. Dollars (millions) |
| Cash flows from operating activities | 583.5 | 136.3 | 6,208 |
| Cash flows from investing activities | (553.4) | (357.8) | (5,888) |
| Free cash flows | 30.0 | (221.5) | 320 |
| Cash flows from financing activities | (180.4) | (12.6) | (1,920) |

Operating activities provided net cash of 583.5 billion yen, a 136.3 billion yen increase year over year. This increase reflected the absence of the decline in cash from operations due to acceptance delays from customers in fiscal 2011 caused by the effect of the Great East Japan Earthquake.

Investing activities used net cash of 553.4 billion yen, 357.8 billion yen more than in fiscal 2011. This mainly reflected the absence of the impact of selling the hard disk drive business in fiscal 2011, and the acquisition of the U.K. company Horizon Nuclear Power Limited.

Free cash flows, the sum of cash flows from operating and investing activities, was a positive 30.0 billion yen, despite declining 221.5 billion yen year over year.

Financing activities used net cash of 180.4 billion yen, 12.6 billion yen more than in fiscal 2011. This mainly reflected an increase in dividend payments from fiscal 2011.

The net result of the above items was a 91.9 billion yen decrease in cash and cash equivalents to 527.6 billion yen.

(3) Trends in Cash Flow Indexes

| | Year ended March 31, 2011 | Year ended March 31, 2012 | Year ended March 31, 2013 |
|--|---------------------------------|---------------------------------|---------------------------------|
| Hitachi, Ltd. stockholders' equity ratio (%) | 15.7 | 18.8 | 21.2 |
| Equity ratio based on market value (%) | 21.3 | 26.1 | 26.7 |
| Cash flow to interest-bearing debt ratio | 3.0 | 5.4 | 4.1 |
| Interest coverage ratio (times) | 33.8 | 15.9 | 21.8 |

(a) Hitachi, Ltd. stockholder's equity ratio: Total Hitachi, Ltd. shareholders' equity / Total assets

(b) Equity ratio based on market value: Market capitalization / Total assets

(c) Cash flow to interest-bearing debt ratio: Interest-bearing debt / Cash flows from operating activities

(d) Interest coverage ratio: Cash flows from operating activities / Interest charges

Note: Market capitalization is computed based on the number of issued shares, excluding treasury stock.

1-3. Basic Policy on the Distribution of Earnings and Fiscal 2012 and 2013

Dividends

Hitachi views enhancement of the long-term and overall interests of shareholders as an important management objective.

The industrial sector encompassing energy, information systems, social infrastructure and other primary businesses of Hitachi is undergoing rapid technological innovation and changes in market structure. This makes vigorous upfront investment in R&D and plant and equipment essential for securing and maintaining market competitiveness and improving profitability. Dividends are therefore decided based on medium-to-long term business plans with an eye to ensuring the availability of internal funds for reinvestment and the stable growth of dividends, with appropriate consideration of a range of factors, including Hitachi's financial condition, results of operations and dividend payout ratio.

Hitachi believes that the repurchase of its shares should be undertaken, when necessary, as part of its policy on distribution to shareholders to complement the

dividend payout. In addition, Hitachi will repurchase its own shares in order to flexibly implement a capital strategy, including business restructuring, to maximize shareholder value so far as consistent with the dividend policy. Such action will be taken by Hitachi after considering its future capital requirement under its business plans, market conditions and other relevant factors.

Based on the above policies, Hitachi plans to pay an annual dividend of 10 yen per share for fiscal 2012. Dividends for fiscal 2013 have yet to be determined.

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, 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 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;
- uncertainty as to the success of 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 by earthquakes, tsunamis or other natural disasters;
- 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 other materials published by Hitachi.

2. Management Policy

(1) Basic Management Policy

Amid intensifying competition in global markets, the Hitachi Group has been expanding its business through development of Hitachi and its related companies (subsidiaries and affiliated companies). Hitachi aims to improve its development by delivering competitive products and services imbuing higher value for customers. By taking full advantage of the diverse resources of the Hitachi Group while at the same time reviewing and restructuring businesses, Hitachi aims to bolster its competitiveness and achieve growth in global markets. This process will be consistent with Hitachi's basic management policy, which is to increase shareholder value by meeting the expectations of customers, shareholders, employees and other stakeholders.

(2) Medium- and Long-term Management Strategy

The Hitachi Group will work to drive global growth through the Social Innovation Business by fully capitalizing on the Hitachi Group's business base built up over the years. The Social Innovation Business includes information and telecommunication systems, power systems, industrial and transportation systems, and social and urban systems, as well as the sophisticated materials and key devices that support them. At the same time, the Hitachi Group will work to establish an even more solid management base by pushing ahead with ongoing business reforms and cost structure reforms.

(3) Challenges Facing Hitachi Group

While the forecast of the management environment remains uncertain, the Hitachi Group will promote the following measures in order to further improve profitability and achieve future growth as Hitachi works to become a top global company.

- In order to respond to increasing global demand for safe, secure, and highly economical social infrastructures, Hitachi will promote the Social Innovation Business globally. Hitachi will further strengthen the Social Innovation Business through the integration of IT with social infrastructure by collaboratively operating highly related businesses and establishing cross-functional organization.
- In order to achieve global growth, Hitachi will strengthen its regional functions, employing specific strategies tailored to the needs of each region. Hitachi will focus mainly on China, Asia, and other areas where high levels of growth are expected and will create and expand businesses in these regions. Hitachi will also work to develop and promote human capital by implementing human resource utilization measures globally throughout the Hitachi Group.
- In order to achieve cost competitiveness that will be advantageous in global markets, Hitachi will promote cost reductions by thoroughly overhauling its cost structure across the Group including procurement, production and administrative operations.
- Hitachi will continue to strengthen the financial position by striving to improve the

cash flow through reducing costs, as well as thoroughly implementing measures such as inventory management and reduction of working capital.

- By continuing to strive to ensure the quality of the products and services Hitachi provides to customers, Hitachi will further gain the trust of society in the Hitachi Group, and increase the value of the Hitachi brand.
- Hitachi will combine various strengths of the Hitachi Group to promote measures directed at recovering from the Great East Japan Earthquake, such as by contributing to the creation of sustainable, disaster-resistant cities. At the same time, Hitachi will utilize such experience to contribute to the development of social infrastructures worldwide.
- Hitachi will contribute to stable supplies of energy around the world by striving to provide even safer nuclear power generation systems.
- Hitachi will intensify the focus on “Basics and Ethics” in order to eliminate misconducts within the Hitachi Group, and strive to contribute to the environment and to communities.

Consolidated Statements of Operations

| | The years ended March 31 | | | |
|---|--------------------------|-----------|----------------|------------------------------------|
| | Yen (millions) | | (B)/(A) (%) | U.S. Dollars (millions) 2013 |
| | 2012 (A) | 2013 (B) | | |
| Revenues | 9,665,883 | 9,041,071 | 94 | 96,182 |
| Cost of sales | 7,278,971 | 6,743,991 | 93 | 71,745 |
| Selling, general and administrative expenses | 1,974,632 | 1,875,052 | 95 | 19,947 |
| Operating income | 412,280 | 422,028 | 102 | 4,490 |
| Other income | 247,110 | 45,864 | 19 | 488 |
| (Interest and dividends) | 18,204 | 19,644 | 108 | 209 |
| (Other) | 228,906 | 26,220 | 11 | 279 |
| Other deductions | 101,660 | 123,355 | 121 | 1,312 |
| (Interest charges) | 28,141 | 26,707 | 95 | 284 |
| (Other) | 73,519 | 96,648 | 131 | 1,028 |
| Income before income taxes | 557,730 | 344,537 | 62 | 3,665 |
| Income taxes | 144,922 | 106,816 | 74 | 1,136 |
| Net income | 412,808 | 237,721 | 58 | 2,529 |
| Less: Net income attributable to noncontrolling interests | 65,629 | 62,395 | 95 | 664 |
| Net income attributable to Hitachi, Ltd. stockholders | 347,179 | 175,326 | 51 | 1,865 |

Consolidated Statements of Comprehensive Income

| | The years ended March 31 | | | |
|---|--------------------------|----------|----------------|------------------------------------|
| | Yen (millions) | | (B)/(A) (%) | U.S. Dollars (millions) 2013 |
| | 2012 (A) | 2013 (B) | | |
| Net income | 412,808 | 237,721 | 58 | 2,529 |
| Other comprehensive income (loss) arising during the year | | | | |
| Foreign currency translation adjustments | 23,462 | 181,814 | 775 | 1,934 |
| Pension liability adjustments | (44,149) | (12,040) | — | (128) |
| Net unrealized holding gain on available-for-sale securities | 2,962 | 41,386 | — | 440 |
| Cash flow hedges | (2,502) | (28,201) | — | (300) |
| Total other comprehensive income (loss) arising during the year | (20,227) | 182,959 | — | 1,946 |
| Comprehensive income | 392,581 | 420,680 | 107 | 4,475 |
| Less: Comprehensive income attributable to noncontrolling interests | 49,446 | 117,490 | 238 | 1,250 |
| Comprehensive income attributable to Hitachi, Ltd. stockholders | 343,135 | 303,190 | 88 | 3,225 |

Consolidated Balance Sheets

| | Yen (millions) | | (B)-(A) | U.S. Dollars (millions) |
|---|-----------------------------|-----------------------------|----------------|----------------------------|
| | As of March 31, 2012 (A) | As of March 31, 2013 (B) | | As of March 31, 2013 |
| Total Assets | 9,418,526 | 9,809,230 | 390,704 | 104,354 |
| Current assets | 5,162,186 | 5,190,138 | 27,952 | 55,214 |
| Cash and cash equivalents | 619,577 | 527,632 | (91,945) | 5,613 |
| Short-term investments | 11,562 | 10,444 | (1,118) | 111 |
| Trade receivables, net | | | | |
| Notes | 117,951 | 110,316 | (7,635) | 1,174 |
| Accounts | 2,225,519 | 2,311,460 | 85,941 | 24,590 |
| Investments in leases | 235,744 | 270,899 | 35,155 | 2,882 |
| Current portion of financial assets transferred to consolidated securitization entities | 86,071 | 23,365 | (62,706) | 249 |
| Inventories | 1,413,252 | 1,437,399 | 24,147 | 15,291 |
| Other current assets | 452,510 | 498,623 | 46,113 | 5,305 |
| Investments and advances | 744,493 | 781,984 | 37,491 | 8,319 |
| Property, plant and equipment | 2,025,538 | 2,279,964 | 254,426 | 24,255 |
| Intangible assets | 609,962 | 705,396 | 95,434 | 7,504 |
| Financial assets transferred to consolidated securitization entities | 205,411 | 131,379 | (74,032) | 1,398 |
| Other assets | 670,936 | 720,369 | 49,433 | 7,664 |
| Total Liabilities and Equity | 9,418,526 | 9,809,230 | 390,704 | 104,354 |
| Current liabilities | 4,110,873 | 3,964,141 | (146,732) | 42,172 |
| Short-term debt and current portion of long-term debt | 915,556 | 934,035 | 18,479 | 9,937 |
| Current portion of non-recourse borrowings of consolidated securitization entities | 97,004 | 26,399 | (70,605) | 281 |
| Trade payables | | | | |
| Notes | 24,025 | 15,462 | (8,563) | 164 |
| Accounts | 1,301,759 | 1,219,402 | (82,357) | 12,972 |
| Advances received | 362,895 | 359,795 | (3,100) | 3,828 |
| Other current liabilities | 1,409,634 | 1,409,048 | (586) | 14,990 |
| Noncurrent liabilities | 2,533,658 | 2,665,802 | 132,144 | 28,360 |
| Long-term debt | 1,248,851 | 1,306,747 | 57,896 | 13,902 |
| Non-recourse borrowings of consolidated securitization entities | 135,043 | 102,898 | (32,145) | 1,095 |
| Retirement and severance benefits | 890,977 | 913,211 | 22,234 | 9,715 |
| Other liabilities | 258,787 | 342,946 | 84,159 | 3,648 |
| Total equity | 2,773,995 | 3,179,287 | 405,292 | 33,822 |
| Total Hitachi, Ltd. stockholders' equity | 1,771,782 | 2,082,560 | 310,778 | 22,155 |
| Common stock | 427,775 | 458,790 | 31,015 | 4,881 |
| Capital surplus | 600,243 | 622,946 | 22,703 | 6,627 |
| Legal reserve and retained earnings | 1,242,110 | 1,370,723 | 128,613 | 14,582 |
| Accumulated other comprehensive loss | (496,896) | (368,334) | 128,562 | (3,918) |
| (Foreign currency translation adjustments) | (220,615) | (91,314) | 129,301 | (971) |
| (Pension liability adjustments) | (294,252) | (308,724) | (14,472) | (3,284) |
| (Net unrealized holding gain on available-for-sale securities) | 20,491 | 61,482 | 40,991 | 654 |
| (Cash flow hedges) | (2,520) | (29,778) | (27,258) | (317) |
| Treasury stock, at cost | (1,450) | (1,565) | (115) | (17) |
| Noncontrolling interests | 1,002,213 | 1,096,727 | 94,514 | 11,667 |

Consolidated Statements of Stockholders' Equity

| | The years ended March 31 | | |
|---|--------------------------|-----------|----------------------------|
| | Yen (millions) | | U.S. Dollars (millions) |
| | 2012 | 2013 | 2013 |
| Hitachi, Ltd. stockholders' equity | | | |
| Common stock | | | |
| Balance at beginning of year | 409,129 | 427,775 | 4,551 |
| Conversion of convertible bonds | 18,646 | 31,015 | 330 |
| Balance at end of year | 427,775 | 458,790 | 4,881 |
| Capital surplus | | | |
| Balance at beginning of year | 603,133 | 600,243 | 6,386 |
| Conversion of convertible bonds | 18,646 | 31,015 | 330 |
| Sales of treasury stock | (9) | (5) | (0) |
| Equity transactions and other | (21,527) | (8,307) | (88) |
| Balance at end of year | 600,243 | 622,946 | 6,627 |
| Retained earnings | | | |
| Balance at beginning of year | 922,036 | 1,242,110 | 13,214 |
| Net income attributable to Hitachi, Ltd. stockholders | 347,179 | 175,326 | 1,865 |
| Cash dividends | (27,105) | (46,713) | (497) |
| Balance at end of year | 1,242,110 | 1,370,723 | 14,582 |
| Accumulated other comprehensive loss | | | |
| Balance at beginning of year | (493,062) | (496,896) | (5,286) |
| Current-period change | (3,834) | 128,562 | 1,368 |
| Balance at end of year | (496,896) | (368,334) | (3,918) |
| Treasury stock | | | |
| Balance at beginning of year | (1,371) | (1,450) | (15) |
| Current-period change | (79) | (115) | (1) |
| Balance at end of year | (1,450) | (1,565) | (17) |
| Total Hitachi, Ltd. stockholders' equity | 1,771,782 | 2,082,560 | 22,155 |
| Noncontrolling interests | | | |
| Balance at beginning of year | 1,001,524 | 1,002,213 | 10,662 |
| Net income attributable to noncontrolling interests | 65,629 | 62,395 | 664 |
| Dividends to noncontrolling interests | (22,293) | (24,162) | (257) |
| Equity transactions and other | (42,647) | 56,281 | 599 |
| Balance at end of year | 1,002,213 | 1,096,727 | 11,667 |
| Total equity | 2,773,995 | 3,179,287 | 33,822 |

Consolidated Statements of Cash Flows

| | The years ended March 31 | | |
|--|--------------------------|-----------|----------------------------|
| | Yen (millions) | | U.S. Dollars (millions) |
| | 2012 | 2013 | 2013 |
| Cash flows from operating activities | | | |
| Net income | 412,808 | 237,721 | 2,529 |
| Adjustments to reconcile net income to net cash provided by operating activities | | | |
| Depreciation | 360,358 | 300,664 | 3,199 |
| Amortization | 119,308 | 117,355 | 1,248 |
| Net gain on sale of investments in securities and other | (228,115) | (24,047) | (256) |
| Decrease (increase) in receivables | (259,211) | 71,777 | 764 |
| Decrease (increase) in inventories | (162,594) | 7,860 | 84 |
| Increase (decrease) in payables | 119,177 | (187,651) | (1,996) |
| Other | 85,424 | 59,829 | 636 |
| Net cash provided by operating activities | 447,155 | 583,508 | 6,208 |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment, net | (289,805) | (353,175) | (3,757) |
| Purchase of intangible assets, net | (106,042) | (105,842) | (1,126) |
| Purchase of tangible assets and software to be leased, net | (251,903) | (314,696) | (3,348) |
| Proceeds from sale (purchase) of investments in securities and shares of consolidated subsidiaries resulting in deconsolidation, net | 179,594 | (91,119) | (969) |
| Collection of investments in leases | 244,446 | 285,407 | 3,036 |
| Other | 28,126 | 25,968 | 276 |
| Net cash used in investing activities | (195,584) | (553,457) | (5,888) |
| Cash flows from financing activities | | | |
| Decrease in interest-bearing debt | (85,745) | (81,886) | (871) |
| Dividends paid to stockholders | (27,018) | (46,564) | (495) |
| Dividends paid to noncontrolling interests | (22,206) | (25,827) | (275) |
| Other | (32,869) | (26,168) | (278) |
| Net cash used in financing activities | (167,838) | (180,445) | (1,920) |
| Effect of exchange rate changes on cash and cash equivalents | (18,966) | 58,449 | 622 |
| Net increase (decrease) in cash and cash equivalents | 64,767 | (91,945) | (978) |
| Cash and cash equivalents at beginning of year | 554,810 | 619,577 | 6,591 |
| Cash and cash equivalents at end of year | 619,577 | 527,632 | 5,613 |

Segment Information

(1) Business Segments

| | | The years ended March 31 | | | |
|----------|--|--------------------------|--------------------|---------|----------------------------|
| | | Yen (millions) | | (B)/(A) | U.S. Dollars (millions) |
| | | 2012 (A) | 2013 (B) | (%) | 2013 |
| Revenues | Information & Telecommunication Systems | 1,764,247 16% | 1,786,587 18% | 101 | 19,006 |
| | Power Systems | 832,408 8% | 904,696 9% | 109 | 9,624 |
| | Social Infrastructure & Industrial Systems | 1,204,975 11% | 1,313,847 13% | 109 | 13,977 |
| | Electronic Systems & Equipment | 1,101,784 10% | 1,014,312 10% | 92 | 10,791 |
| | Construction Machinery | 798,785 7% | 756,067 7% | 95 | 8,043 |
| | High Functional Materials & Components | 1,437,186 13% | 1,336,441 13% | 93 | 14,217 |
| | Automotive Systems | 811,583 8% | 806,847 8% | 99 | 8,583 |
| | Digital Media & Consumer Products | 858,845 8% | 818,522 8% | 95 | 8,708 |
| | Financial Services | 353,204 3% | 340,294 3% | 96 | 3,620 |
| | Others | 1,719,753 16% | 1,111,022 11% | 65 | 11,819 |
| | Subtotal | 10,882,770 100% | 10,188,635 100% | 94 | 108,390 |
| | Eliminations & Corporate items | (1,216,887) | (1,147,564) | — | (12,208) |
| Total | 9,665,883 | 9,041,071 | 94 | 96,182 | |

| | | The years ended March 31 | | | |
|-------------------------------|---|--------------------------|-----------------|---------|----------------------------|
| | | Yen (millions) | | (B)/(A) | U.S. Dollars (millions) |
| | | 2012 (A) | 2013 (B) | (%) | 2013 |
| Operating income (loss) | Information & Telecommunication Systems | 101,732 23% | 104,689 24% | 103 | 1,114 |
| | Power Systems | (33,986) (8%) | 29,911 7% | — | 318 |
| | Social Infrastructure & Industrial Systems | 49,181 11% | 60,203 14% | 122 | 640 |
| | Electronic Systems & Equipment | 49,995 11% | 29,382 7% | 59 | 313 |
| | Construction Machinery | 63,129 14% | 54,627 12% | 87 | 581 |
| | High Functional Materials & Components | 77,007 18% | 58,418 13% | 76 | 621 |
| | Automotive Systems | 37,049 9% | 35,423 8% | 96 | 377 |
| | Digital Media & Consumer Products | (10,947) (2%) | (5,355) (1%) | — | (57) |
| | Financial Services | 30,222 7% | 29,290 7% | 97 | 312 |
| | Others | 72,721 17% | 40,162 9% | 55 | 427 |
| | Subtotal | 436,103 100% | 436,750 100% | 100 | 4,646 |
| | Eliminations & Corporate items | (23,823) | (14,722) | — | (157) |
| Total | 412,280 | 422,028 | 102 | 4,490 | |

Notes: 1. Revenues by business segment include inter-segment transactions.

2. Effective on April 1, 2012, Hitachi discontinued the Components & Devices Segment. The businesses, which were previously included in the Components & Devices Segment, have been included in the Others. Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

(2) Revenues by Market

| | | The years ended March 31 | | | |
|---------------|---------------|--------------------------|-------------------|---------|----------------------------|
| | | Yen (millions) | | (B)/(A) | U.S. Dollars (millions) |
| | | 2012 (A) | 2013 (B) | (%) | 2013 |
| Japan | | 5,534,462 57% | 5,355,119 59% | 97 | 56,969 |
| | Asia | 2,000,989 21% | 1,711,141 19% | 86 | 18,204 |
| | North America | 869,014 9% | 804,057 9% | 93 | 8,554 |
| | Europe | 761,125 8% | 636,840 7% | 84 | 6,775 |
| | Other Areas | 500,293 5% | 533,914 6% | 107 | 5,680 |
| Outside Japan | | 4,131,421 43% | 3,685,952 41% | 89 | 39,212 |
| Total | | 9,665,883 100% | 9,041,071 100% | 94 | 96,182 |

Per Share Information

| | The years ended March 31 | | |
|---|--------------------------|--------|---------------|
| | 2012 | 2013 | 2013 |
| | (Yen) | (Yen) | (U.S.Dollars) |
| Hitachi, Ltd. stockholders' equity per share | 382.26 | 431.13 | 4.59 |
| Net income attributable to Hitachi, Ltd. stockholders per share | | | |
| Basic | 76.81 | 37.28 | 0.40 |
| Diluted | 71.86 | 36.29 | 0.39 |

The reconciliations of the numbers and the amounts used in the basic and diluted net income attributable to Hitachi, Ltd. stockholders per share computations are as follows:

| | The years ended March 31 | | |
|---|--------------------------|--------------------|----------------------------|
| | 2012 | 2013 | 2013 |
| | (Number of shares) | (Number of shares) | |
| Weighted average number of shares on which basic net income per share is calculated | 4,520,117,309 | 4,702,790,707 | |
| Effect of dilutive securities: | | | |
| 130% call option attached unsecured convertible bonds (8th series) | 310,772,267 | 127,952,024 | |
| Number of shares on which diluted net income per share is calculated | 4,830,889,576 | 4,830,742,731 | |
| | (Millions of yen) | (Millions of yen) | (Millions of U.S. dollars) |
| Net income attributable to Hitachi, Ltd. stockholders | 347,179 | 175,326 | 1,865 |
| Effect of dilutive securities: | | | |
| Other | (12) | (11) | (0) |
| Net income attributable to Hitachi, Ltd. stockholders on which diluted net income per share is calculated | 347,167 | 175,314 | 1,865 |

Unconsolidated Financial Statements Summary
Income Statements

| | The years ended March 31 | | | |
|--|--------------------------|-----------|----------------|------------------------------------|
| | Yen (millions) | | (B)/(A) (%) | U.S. Dollars (millions) 2013 |
| | 2012 (A) | 2013 (B) | | |
| Revenues | 1,870,475 | 1,911,529 | 102 | 20,335 |
| Cost of sales | 1,415,426 | 1,447,857 | 102 | 15,403 |
| Gross Profit | 455,048 | 463,672 | 102 | 4,933 |
| Selling, general and administrative expenses | 437,179 | 428,891 | 98 | 4,563 |
| Operating income | 17,869 | 34,781 | 195 | 370 |
| Other income | 75,556 | 80,497 | 107 | 856 |
| Other deductions | 44,502 | 39,228 | 88 | 417 |
| Ordinary income | 48,923 | 76,050 | 155 | 809 |
| Extraordinary gain | 280,135 | 7,259 | 3 | 77 |
| Extraordinary loss | 69,988 | 39,642 | 57 | 422 |
| Income before income taxes | 259,070 | 43,667 | 17 | 465 |
| Current income taxes | 2,157 | (15,911) | — | (169) |
| Deferred income taxes | 2,364 | 1,897 | 80 | 20 |
| Net income | 254,549 | 57,681 | 23 | 614 |
| Basic EPS (yen and dollars) | 56.31 | 12.27 | 22 | 0.13 |
| Diluted EPS (yen and dollars) | 52.70 | 11.94 | 23 | 0.13 |

Balance Sheets

| | Yen (millions) | | (B)-(A) | U.S. Dollars (millions) As of March 31, 2013 |
|----------------------------|-----------------------------|-----------------------------|-----------|---|
| | As of March 31, 2012 (A) | As of March 31, 2013 (B) | | |
| Current assets | 1,290,992 | 1,221,492 | (69,500) | 12,995 |
| (Quick assets) | 1,087,824 | 1,010,411 | (77,412) | 10,749 |
| (Inventories) | 198,128 | 206,135 | 8,006 | 2,193 |
| (Deferred tax assets) | 5,039 | 4,945 | (94) | 53 |
| Fixed assets | 2,040,596 | 2,201,924 | 161,328 | 23,425 |
| (Investments) | 1,707,783 | 1,815,341 | 107,557 | 19,312 |
| (Others) | 332,813 | 386,583 | 53,770 | 4,113 |
| Total assets | 3,331,589 | 3,423,417 | 91,827 | 36,419 |
| Current liabilities | 1,592,737 | 1,698,008 | 105,270 | 18,064 |
| Fixed liabilities | 526,652 | 426,525 | (100,126) | 4,538 |
| (Debentures) | 192,068 | 50,000 | (142,068) | 532 |
| (Long-term loans) | 220,000 | 222,000 | 2,000 | 2,362 |
| (Deferred tax liabilities) | 21,808 | 40,869 | 19,061 | 435 |
| (Others) | 92,776 | 113,656 | 20,879 | 1,209 |
| Total liabilities | 2,119,390 | 2,124,534 | 5,144 | 22,601 |
| Net assets | 1,212,199 | 1,298,882 | 86,683 | 13,818 |
| Liabilities and net assets | 3,331,589 | 3,423,417 | 91,827 | 36,419 |

Supplementary Information for Consolidated Financial Results for Fiscal 2012

1. Summary (1) Consolidated Basis

| | Fiscal 2011 (A) | Fiscal 2012 (B) (B)/(A) | | Fiscal 2013 (Forecast) | | | |
|---|--------------------|----------------------------|------|--------------------------------|------------------------------------|---------|---------|
| | | | | Six months ending September 30 | | (D) | (D)/(B) |
| | | | | (C) | (C)/six months ended Sep. 30, 2012 | | |
| Revenues ^{*1} | 9,665.8 | 9,041.0 | 94% | 4,350.0 | 100% | 9,200.0 | 102% |
| Operating income ^{*1} | 412.2 | 422.0 | 102% | 130.0 | 79% | 500.0 | 118% |
| Percentage of revenues | 4.3 | 4.7 | — | 3.0 | — | 5.4 | — |
| Income before income taxes ^{*1} | 557.7 | 344.5 | 62% | 90.0 | 77% | 425.0 | 123% |
| Net income ^{*1} | 412.8 | 237.7 | 58% | 40.0 | 61% | 305.0 | 128% |
| Net income attributable to Hitachi, Ltd. stockholders ^{*1} | 347.1 | 175.3 | 51% | 10.0 | 33% | 210.0 | 120% |
| Dividend payout ratio(%) | 10.4 | 26.8 | — | — | — | — | — |
| Average exchange rate (yen / U.S.\$) | 79 | 83 | — | 95 | — | 95 | — |
| Net interest and dividends ^{*1} | (9.9) | (7.0) | — | — | — | — | — |

*1 Billions of yen

| | As of March 31, 2012 | As of March 31, 2013 |
|--|----------------------|----------------------|
| Cash & cash equivalents, Short-term investments (billions of yen) | 631.1 | 538.0 |
| Interest-bearing debt (billions of yen) | 2,396.4 | 2,370.0 |
| D/E Ratio (Including Noncontrolling interests) (times) | 0.86 | 0.75 |
| Number of employees | 323,540 | 326,240 |
| Japan | 212,302 | 207,727 |
| Overseas | 111,238 | 118,513 |
| Number of consolidated subsidiaries (Including Variable interest entities) ^{*2} | 939 | 963 |
| Japan | 340 | 314 |
| Overseas | 599 | 649 |

*2 There were no Variable interest entities included into the figures of consolidated subsidiaries in the prior year and this year. Also, consolidated trust accounts are not included into the figures of consolidated subsidiaries.

(2) Unconsolidated Basis

| | Fiscal 2011 (A) | Fiscal 2012 | |
|--------------------------------------|--------------------|-------------|---------|
| | | (B) | (B)/(A) |
| Revenues ^{*1} | 1,870.4 | 1,911.5 | 102% |
| Operating income ^{*1} | 17.8 | 34.7 | 195% |
| Ordinary income ^{*1} | 48.9 | 76.0 | 155% |
| Net income ^{*1} | 254.5 | 57.6 | 23% |
| Average exchange rate (yen / U.S.\$) | 81 | 84 | — |

| | As of March 31, 2012 | As of March 31, 2013 |
|---|----------------------|----------------------|
| Cash & cash equivalents, Short-term investments (billions of yen) | 85.6 | 36.5 |
| Interest-bearing debt (billions of yen) | 515.2 | 479.6 |
| Number of employees | 32,908 | 33,665 |

2. Consolidated Revenues by Business Segment^{*3}

(Billions of yen)

| | Fiscal 2011 (A) | Fiscal 2012 (B) (B)/(A) | | Fiscal 2013 (Forecast) | | | |
|--|--------------------|----------------------------|------|--------------------------------|------------------------------------|-----------|---------|
| | | | | Six months ending September 30 | | (D) | (D)/(B) |
| | | | | (C) | (C)/six months ended Sep. 30, 2012 | | |
| Information & Telecommunication Systems | 1,764.2 | 1,786.5 | 101% | 830.0 | 100% | 1,820.0 | 102% |
| Power Systems | 832.4 | 904.6 | 109% | 370.0 | 89% | 750.0 | 83% |
| Social Infrastructure & Industrial Systems | 1,204.9 | 1,313.8 | 109% | 570.0 | 105% | 1,370.0 | 104% |
| Electronic Systems & Equipment | 1,101.7 | 1,014.3 | 92% | 490.0 | 96% | 1,090.0 | 107% |
| Construction Machinery | 798.7 | 756.0 | 95% | 380.0 | 103% | 800.0 | 106% |
| High Functional Materials & Components | 1,437.1 | 1,336.4 | 93% | 650.0 | 96% | 1,310.0 | 98% |
| Automotive Systems | 811.5 | 806.8 | 99% | 400.0 | 100% | 820.0 | 102% |
| Digital Media & Consumer Products | 858.8 | 818.5 | 95% | 430.0 | 100% | 820.0 | 100% |
| Financial Services | 353.2 | 340.2 | 96% | 160.0 | 89% | 330.0 | 97% |
| Others | 1,719.7 | 1,111.0 | 65% | 540.0 | 97% | 1,150.0 | 104% |
| Subtotal | 10,882.7 | 10,188.6 | 94% | 4,820.0 | 98% | 10,260.0 | 101% |
| Eliminations & Corporate items | (1,216.8) | (1,147.5) | — | (470.0) | — | (1,060.0) | — |
| Total | 9,665.8 | 9,041.0 | 94% | 4,350.0 | 100% | 9,200.0 | 102% |

*3 Effective on April 1, 2012, Hitachi discontinued the Components & Devices Segment. The businesses, which were previously included in the Components & Devices Segment, have been included in the Others. Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

3. Consolidated Operating Income (Loss) by Business Segment^{*3}

(Billions of yen)

| | Fiscal 2011 (A) | Fiscal 2012 (B) (B)/(A) | | Fiscal 2013 (Forecast) | | | |
|--|--------------------|----------------------------|------|--------------------------------|------------------------------------|--------|---------|
| | | | | Six months ending September 30 | | (D) | (D)/(B) |
| | | | | (C) | (C)/six months ended Sep. 30, 2012 | | |
| Information & Telecommunication Systems | 101.7 | 104.6 | 103% | 34.0 | 125% | 120.0 | 115% |
| Power Systems | (33.9) | 29.9 | — | (7.0) | — | 15.0 | 50% |
| Social Infrastructure & Industrial Systems | 49.1 | 60.2 | 122% | 0.0 | — | 66.0 | 110% |
| Electronic Systems & Equipment | 49.9 | 29.3 | 59% | 7.0 | 35% | 47.0 | 160% |
| Construction Machinery | 63.1 | 54.6 | 87% | 28.0 | 123% | 82.0 | 150% |
| High Functional Materials & Components | 77.0 | 58.4 | 76% | 35.0 | 92% | 84.0 | 144% |
| Automotive Systems | 37.0 | 35.4 | 96% | 18.0 | 93% | 41.0 | 116% |
| Digital Media & Consumer Products | (10.9) | (5.3) | — | (4.0) | — | 0.0 | — |
| Financial Services | 30.2 | 29.2 | 97% | 14.0 | 102% | 30.0 | 102% |
| Others | 72.7 | 40.1 | 55% | 17.0 | 82% | 45.0 | 112% |
| Subtotal | 436.1 | 436.7 | 100% | 142.0 | 83% | 530.0 | 121% |
| Eliminations & Corporate items | (23.8) | (14.7) | — | (12.0) | — | (30.0) | — |
| Total | 412.2 | 422.0 | 102% | 130.0 | 79% | 500.0 | 118% |

4. Consolidated Overseas Revenues by Business Segment^{*3} (Billions of yen)

| | Fiscal 2011 (A) | Fiscal 2012 | | Fiscal 2013 (Forecast) | |
|--|--------------------|----------------|------------|------------------------|---------|
| | | (B) | (B)/(A) | (C) | (C)/(B) |
| Information & Telecommunication Systems | 434.6 | 458.1 | 105% | / | |
| Power Systems | 284.7 | 326.8 | 115% | | |
| Social Infrastructure & Industrial Systems | 302.1 | 382.8 | 127% | | |
| Electronic Systems & Equipment | 607.3 | 534.1 | 88% | | |
| Construction Machinery | 591.8 | 567.8 | 96% | | |
| High Functional Materials & Components | 542.5 | 521.3 | 96% | | |
| Automotive Systems | 360.5 | 361.9 | 100% | | |
| Digital Media & Consumer Products | 369.7 | 352.8 | 95% | | |
| Financial Services | 51.0 | 62.8 | 123% | | |
| Others | 715.6 | 207.1 | 29% | | |
| Subtotal | 4,260.3 | 3,776.0 | 89% | | |
| Eliminations & Corporate items | (128.9) | (90.0) | — | | |
| Total | 4,131.4 | 3,685.9 | 89% | | |

5. Overseas Production (Total Revenues of Overseas Manufacturing Subsidiaries)^{*4}

| | Fiscal 2011 (A) | Fiscal 2012 | |
|---------------------------------------|--------------------|-------------|---------|
| | | (B) | (B)/(A) |
| Overseas production (billions of yen) | 2,499.8 | 1,930.2 | 77% |
| Percentage of revenues (%) | 26 | 21 | — |
| Percentage of overseas revenues (%) | 61 | 52 | — |

*4 Figures in tables 5, 9, 10 and 11 represent unaudited financial information prepared by the Company for the purpose of this supplementary information.

6. Consolidated Capital Expenditure by Business Segment in Manufacturing, Services & Others and Financial Services (Completion basis, including Leasing Assets)^{*3, 5}

(Billions of yen)

| | Fiscal 2011 (A) | Fiscal 2012 | | Fiscal 2013 (Forecast) | | | |
|--|--------------------|--------------|-------------|------------------------|-------------|-------|------|
| | | (B) | (B)/(A) | (C) | (C)/(B) | | |
| Information & Telecommunication Systems | 50.6 | 52.6 | 104% | / | | | |
| Power Systems | 27.3 | 24.9 | 91% | | | | |
| Social Infrastructure & Industrial Systems | 24.2 | 32.6 | 135% | | | | |
| Electronic Systems & Equipment | 22.3 | 19.8 | 88% | | | | |
| Construction Machinery | 65.0 | 67.6 | 104% | | | | |
| High Functional Materials & Components | 67.8 | 82.2 | 121% | | | | |
| Automotive Systems | 38.3 | 51.7 | 135% | | | | |
| Digital Media & Consumer Products | 20.4 | 21.9 | 107% | | | | |
| Others | 85.4 | 46.0 | 54% | | | | |
| Corporate items | 3.5 | 6.4 | 181% | | | | |
| Manufacturing, Services & Others | 405.4 | 406.1 | 100% | | | 432.0 | 106% |
| Financial Services | 256.2 | 345.0 | 135% | | | 417.0 | 121% |
| Eliminations | (12.4) | (8.6) | — | | | (7.0) | — |
| Total | 649.2 | 742.5 | 114% | 842.0 | 113% | | |

*5 From this announcement, the Company adopted the new category as titled. Figures for each segment, including figures for the previous fiscal year, reflect the new category.

7. Consolidated Depreciation by Business Segment in Manufacturing, Services & Others and Financial Services^{*3, 5}

(Billions of yen)

| | Fiscal 2011 (A) | Fiscal 2012 | | Fiscal 2013 (Forecast) | |
|--|--------------------|-------------|---------|------------------------|---------|
| | | (B) | (B)/(A) | (C) | (C)/(B) |
| Information & Telecommunication Systems | 33.2 | 32.6 | 98% | / | |
| Power Systems | 17.1 | 16.9 | 99% | | |
| Social Infrastructure & Industrial Systems | 20.5 | 19.1 | 93% | | |
| Electronic Systems & Equipment | 11.8 | 10.2 | 86% | | |
| Construction Machinery | 35.0 | 31.5 | 90% | | |
| High Functional Materials & Components | 62.8 | 56.8 | 90% | | |
| Automotive Systems | 25.8 | 21.0 | 82% | | |
| Digital Media & Consumer Products | 19.0 | 18.9 | 99% | | |
| Others | 74.0 | 32.0 | 43% | | |
| Corporate items | 2.6 | 3.4 | 128% | | |
| Manufacturing, Services & Others | 302.2 | 242.8 | 80% | | |
| Financial Services | 58.1 | 57.8 | 99% | 63.0 | 109% |
| Total | 360.3 | 300.6 | 83% | 323.0 | 107% |

8. Consolidated R&D Expenditure by Business Segment^{*3}

(Billions of yen)

| | Fiscal 2011 (A) | Fiscal 2012 | | Fiscal 2013 (Forecast) | |
|--|--------------------|-------------|---------|------------------------|---------|
| | | (B) | (B)/(A) | (C) | (C)/(B) |
| Information & Telecommunication Systems | 87.9 | 81.2 | 92% | / | |
| Power Systems | 16.5 | 19.7 | 119% | | |
| Social Infrastructure & Industrial Systems | 22.5 | 24.6 | 109% | | |
| Electronic Systems & Equipment | 47.3 | 43.4 | 92% | | |
| Construction Machinery | 16.4 | 17.2 | 104% | | |
| High Functional Materials & Components | 46.1 | 43.4 | 94% | | |
| Automotive Systems | 52.8 | 58.3 | 111% | | |
| Digital Media & Consumer Products | 23.6 | 20.8 | 88% | | |
| Financial Services | 0.3 | 0.1 | 54% | | |
| Others | 74.6 | 6.9 | 9% | | |
| Corporate items | 24.0 | 25.2 | 105% | | |
| Total | 412.5 | 341.3 | 83% | 363.0 | 106% |
| Percentage of revenues (%) | 4.3 | 3.8 | — | 3.9 | — |

9. Consolidated Balance Sheets by Manufacturing, Services & Others and Financial Services^{*4} (Billions of yen)

| | As of March 31, 2012 | | | As of March 31, 2013 | | |
|---|--|-----------------------|---------------------|--|-----------------------|---------------------|
| | Manufacturing, Services & Others | Financial Services | Total ^{*6} | Manufacturing, Services & Others | Financial Services | Total ^{*6} |
| Current assets | 4,593.2 | 1,023.1 | 5,162.1 | 4,534.7 | 1,056.0 | 5,190.1 |
| Cash and cash equivalents | 589.0 | 142.0 | 619.5 | 500.7 | 141.7 | 527.6 |
| Trade receivables | 1,999.5 | 593.5 | 2,343.4 | 2,007.2 | 642.3 | 2,421.7 |
| Investments in leases | 86.6 | 169.6 | 235.7 | 84.4 | 203.0 | 270.8 |
| Current portion of financial assets transferred to consolidated securitization entities | 5.6 | 80.3 | 86.0 | 5.1 | 18.1 | 23.3 |
| Inventories | 1,413.2 | 0.0 | 1,413.2 | 1,437.4 | 0.0 | 1,437.3 |
| Others | 499.0 | 37.3 | 464.0 | 499.7 | 50.7 | 509.0 |
| Investments and advances | 685.4 | 92.0 | 744.4 | 720.6 | 112.3 | 781.9 |
| Property, plant and equipment | 1,828.4 | 198.4 | 2,025.5 | 2,074.7 | 206.3 | 2,279.9 |
| Financial assets transferred to consolidated securitization entities | — | 205.4 | 205.4 | — | 131.3 | 131.3 |
| Other assets | 887.6 | 431.6 | 1,280.8 | 994.2 | 454.8 | 1,425.7 |
| Total Assets | 7,994.7 | 1,950.6 | 9,418.5 | 8,324.4 | 1,960.9 | 9,809.2 |
| Current liabilities | 3,576.1 | 991.1 | 4,110.8 | 3,537.6 | 827.5 | 3,964.1 |
| Short-term debt and current portion of long-term debt | 615.2 | 491.6 | 915.5 | 690.9 | 407.9 | 934.0 |
| Current portion of non-recourse borrowings of consolidated securitization entities | 5.6 | 91.3 | 97.0 | 5.1 | 21.2 | 26.3 |
| Trade payables | 1,284.0 | 269.9 | 1,325.7 | 1,181.6 | 256.2 | 1,234.8 |
| Others | 1,671.1 | 138.1 | 1,772.5 | 1,659.8 | 142.1 | 1,768.8 |
| Long-term debt | 801.9 | 501.9 | 1,248.8 | 672.7 | 692.8 | 1,306.7 |
| Non-recourse borrowings of consolidated securitization entities | — | 135.0 | 135.0 | — | 102.8 | 102.8 |
| Other noncurrent liabilities | 1,089.4 | 65.6 | 1,149.7 | 1,204.3 | 56.9 | 1,256.1 |
| Total Liabilities | 5,467.6 | 1,693.8 | 6,644.5 | 5,414.7 | 1,680.2 | 6,629.9 |
| Total Hitachi, Ltd. stockholders' equity | 1,635.8 | 146.6 | 1,771.7 | 1,932.3 | 161.1 | 2,082.5 |
| Noncontrolling interests | 891.3 | 110.2 | 1,002.2 | 977.3 | 119.6 | 1,096.7 |
| Total Equity | 2,527.1 | 256.8 | 2,773.9 | 2,909.7 | 280.7 | 3,179.2 |
| Total Liabilities and Equity | 7,994.7 | 1,950.6 | 9,418.5 | 8,324.4 | 1,960.9 | 9,809.2 |

| | | | | | | |
|--|---------|---------|---------|---------|---------|---------|
| Interest-bearing debt | 1,422.8 | 1,220.0 | 2,396.4 | 1,368.8 | 1,224.9 | 2,370.0 |
| D/E ratio (including noncontrolling interests) | 0.56 | 4.75 | 0.86 | 0.47 | 4.36 | 0.75 |
| Total Hitachi, Ltd. stockholders' equity ratio | 20.5% | 7.5% | 18.8% | 23.2% | 8.2% | 21.2% |

^{*6} Total Figures exclude inter-segment transactions.

10. Consolidated Statements of Operations by Manufacturing, Services & Others and Financial Services^{*4}

(Billions of yen)

| | Fiscal 2011 | | | Fiscal 2012 | | |
|---|--|-----------------------|---------------------|--|-----------------------|---------------------|
| | Manufacturing, Services & Others | Financial Services | Total ^{*6} | Manufacturing, Services & Others | Financial Services | Total ^{*6} |
| Revenues | 9,457.4 | 353.2 | 9,665.8 | 8,839.6 | 340.2 | 9,041.0 |
| Operating income | 383.8 | 30.2 | 412.2 | 393.9 | 29.2 | 422.0 |
| Income before income taxes | 529.0 | 29.6 | 557.7 | 317.9 | 28.7 | 344.5 |
| Net income attributable to Hitachi, Ltd. stockholders | 341.0 | 7.7 | 347.1 | 164.9 | 12.7 | 175.3 |

11. Consolidated Statements of Cash Flows by Manufacturing, Services & Others and Financial Services^{*4}

(Billions of yen)

| | Fiscal 2011 | | | Fiscal 2012 | | |
|--|--|-----------------------|---------------------|--|-----------------------|---------------------|
| | Manufacturing, Services & Others | Financial Services | Total ^{*6} | Manufacturing, Services & Others | Financial Services | Total ^{*6} |
| Cash flows from operating activities | 442.7 | 17.8 | 447.1 | 503.4 | 105.2 | 583.5 |
| Cash flows from investing activities | (229.6) | 14.4 | (195.5) | (478.4) | (63.0) | (553.4) |
| Cash flows from financing activities | (138.6) | 0.7 | (167.8) | (170.1) | (44.4) | (180.4) |
| Effect of exchange rate changes on cash and cash equivalents | (19.1) | 0.1 | (18.9) | 56.7 | 1.8 | 58.4 |
| Net increase (decrease) in cash and cash equivalents | 55.4 | 33.2 | 64.7 | (88.3) | (0.3) | (91.9) |
| Cash and cash equivalents at beginning of year | 533.6 | 108.8 | 554.8 | 589.0 | 142.0 | 619.5 |
| Cash and cash equivalents at end of year | 589.0 | 142.0 | 619.5 | 500.7 | 141.7 | 527.6 |

12. Information & Telecommunication Systems

(1) Revenues and Operating Income^{*7}

(Billions of yen)

| | Fiscal 2011 (A) | Fiscal 2012 (B) (B)/(A) | | Fiscal 2013 (Forecast) | | | |
|-----------------------|--------------------|----------------------------|------|--------------------------------|------------------------------------|---------|---------|
| | | | | Six months ending September 30 | | Total | |
| | | | | (C) | (C)/six months ended Sep. 30, 2012 | (D) | (D)/(B) |
| Revenues | 1,764.2 | 1,786.5 | 101% | 830.0 | 100% | 1,820.0 | 102% |
| Software & Services | 1,222.2 | 1,235.6 | 101% | 592.0 | 104% | 1,303.0 | 105% |
| Software | 171.0 | 160.6 | 94% | | | | |
| Services | 1,051.2 | 1,075.0 | 102% | | | | |
| Hardware | 542.0 | 550.9 | 102% | 238.0 | 91% | 517.0 | 94% |
| Storage ^{*8} | 193.0 | 202.4 | 105% | | | | |
| Servers ^{*9} | 51.5 | 50.3 | 98% | | | | |
| PCs ^{*10} | 32.3 | 29.2 | 90% | | | | |
| Telecommunication | 140.9 | 122.7 | 87% | | | | |
| Others | 124.0 | 146.0 | 118% | | | | |
| Operating income | 101.7 | 104.6 | 103% | 34.0 | 125% | 120.0 | 115% |
| Software & Services | 86.2 | 75.6 | 88% | | | 102.0 | 135% |
| Hardware | 15.4 | 29.0 | 188% | | | 18.0 | 62% |

*7 Figures for each product exclude intra-segment transactions.

*8 Figures for Storage include disk array systems, etc.

*9 Figures for Servers include general-purpose computers, UNIX servers, etc.

*10 Figures for PCs include PC servers, client PCs (only commercial use), etc.

(2) Storage Solutions

(Billions of yen)

| | Fiscal 2011 (A) | Fiscal 2012 (B) (B)/(A) | | Fiscal 2013 (Forecast) | | | |
|----------|--------------------|----------------------------|------|--------------------------------|------------------------------------|-------|---------|
| | | | | Six months ending September 30 | | Total | |
| | | | | (C) | (C)/six months ended Sep. 30, 2012 | (D) | (D)/(B) |
| Revenues | 351.0 | 379.0 | 108% | 195.0 | 111% | 410.0 | 108% |

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