



Overview of Consolidated Financial Results for the First Quarter of Fiscal 2005

July 28, 2005

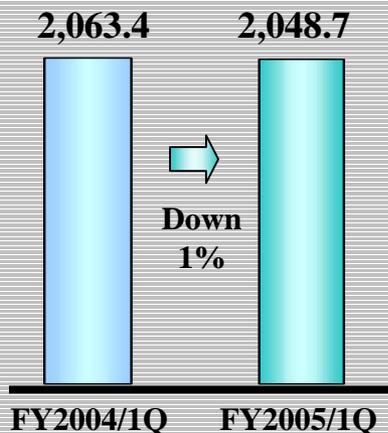
Hitachi, Ltd.

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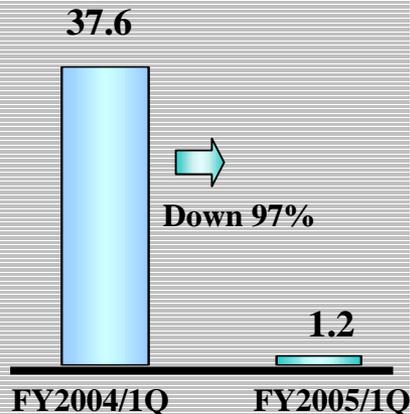
Consolidated Financial Highlights for the First Quarter of Fiscal 2005

Revenues

Billions of Yen



Operating Income

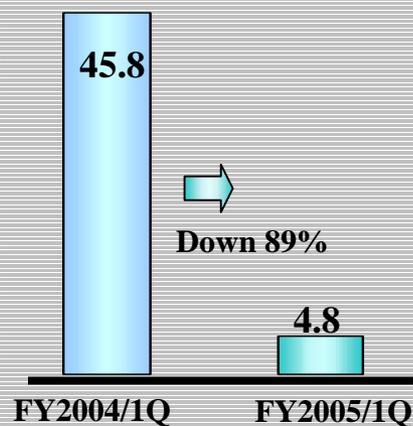


Effects of Business Reorganization on Revenues

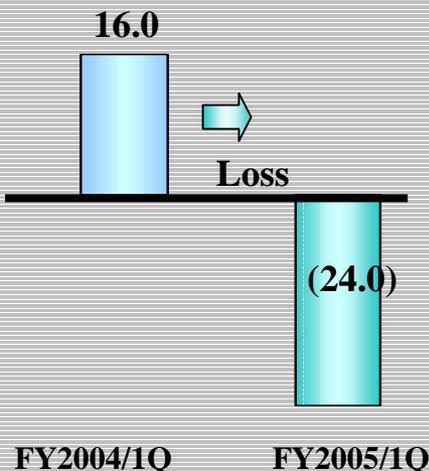
Billions of Yen

TOKICO merger	32.0
Sale of former Hitachi Printing Solutions, Ltd.	(12.0)
Consolidation of Fujitsu Hitachi Plasma Display Limited	10.3

Income before Income Taxes and Minority Interests

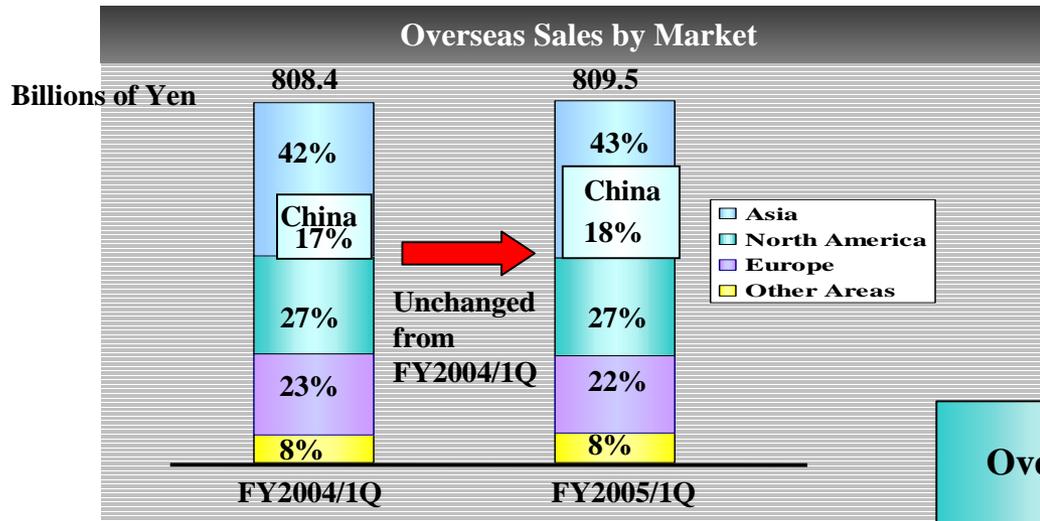


Net Income (Loss)



Breakdown of Major Non-operating Items

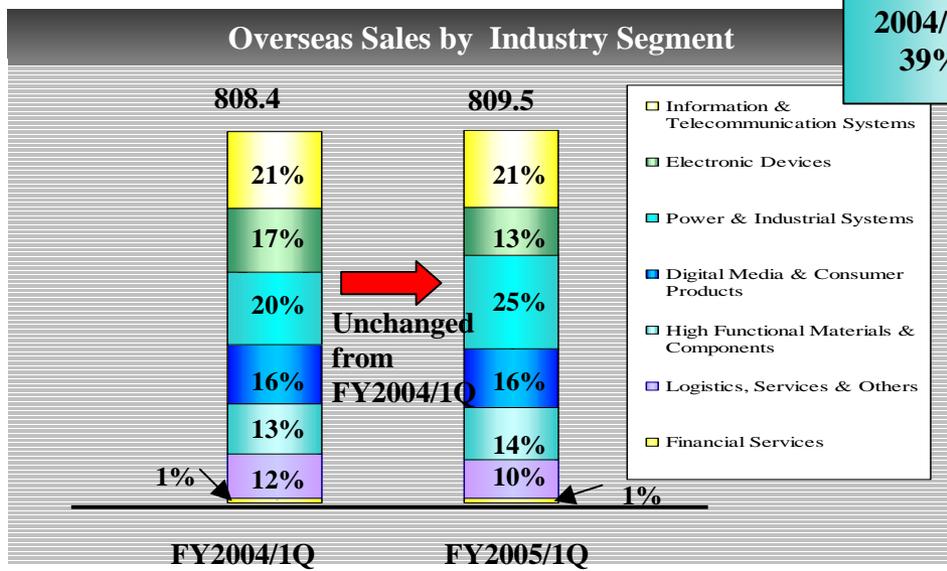
	Billions of Yen	YoY
Exchange gain	2.0	1.9
Equity in losses of affiliated companies	(2.3)	(7.7)
Net gain on securities	1.8	(2.9)
Net gain on sale and disposal of property	2.7	4.6



- ### Overseas Sales by Market
- Sales rose in Asia, particularly in China
 - Growth in elevators and escalators, optical disc drives, ATMs and other products in Asia
 - Growth in construction machinery and storage products in North America
 - In Europe, sales grew in construction machinery, however sales declined in HDDs and other products

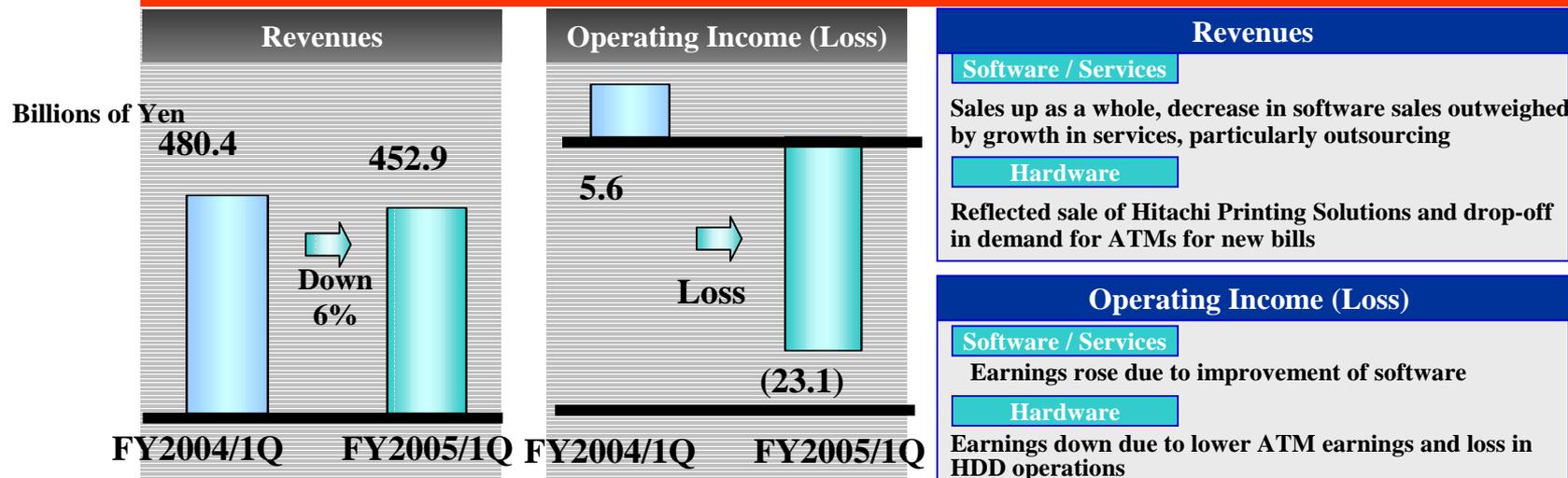
Overseas Sales Ratio

2004/1Q → 2005/1Q
39% → 40%



- ### Overseas Sales by Industry Segment
- Power & Industrial Systems sales grew due to the effect of merging with TOKICO, as well as growth in overseas sales of thermal power plants and elevators and escalators, among other products.
 - High Functional Materials & Components sales were firm.

Information & Telecommunication Systems



	Revenues for FY2005/1Q (Billions of Yen)	YoY change
Software / Services	190.4	2%
Hardware <HDD>	262.5 <110.8>	(11%) <(2%)>

Major Activities in the First Quarter of FY2005

Expanded outsourcing business (Kita-Nippon Bank, Ltd. etc.)

Strengthened security business (Finger vein authentication, encryption technology, etc.)

Note: HDD operations are conducted by Hitachi Global Storage Technologies (Hitachi GST), which has a December 31 fiscal year-end, different from Hitachi's March 31 year-end. Hitachi's results for the first quarter of fiscal 2005 include operating results of Hitachi GST for the period from January through March 2005.

Electronic Devices

Revenues

Operating Income

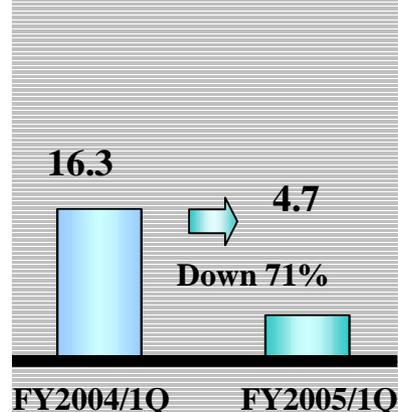
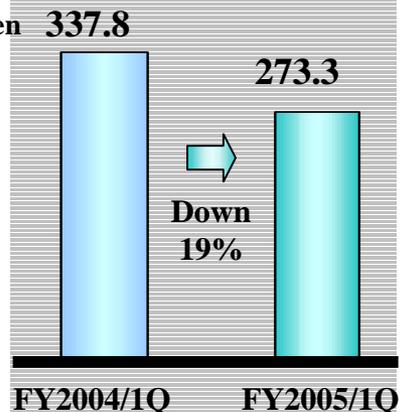
Revenues

- Lower sales of small and medium-sized LCDs for mobile phones and other uses
- Lower sales at Hitachi High-Technologies Corp.

Operating Income

- Sharp decline in earnings in display business due to falling prices and other factors

Billions of Yen



	Revenues for FY2005/1Q (Billions of Yen)	YoY change	Operating Loss for FY05/1Q (Billions of Yen)	YoY change
Displays	47.3	(28%)	(4.9)	-

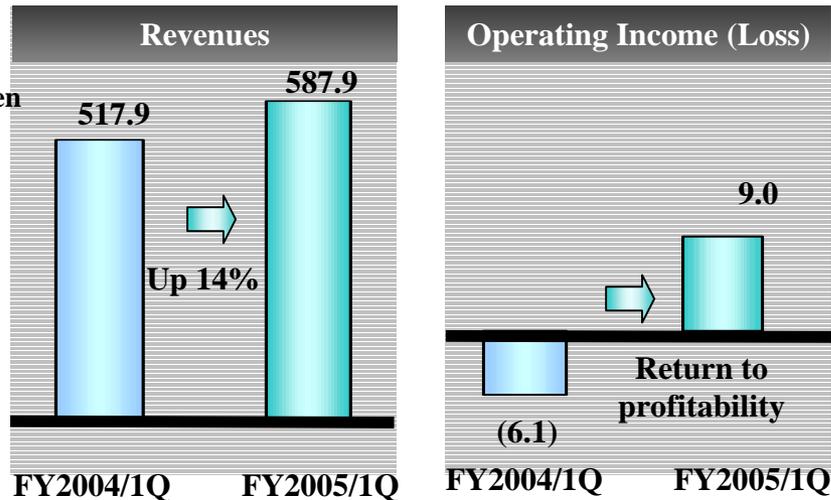
Major Activities in the First Quarter of FY2005

IPS Alpha Technology, Ltd. advanced construction of new plant for manufacturing LCDs

Hitachi High-Technologies Corp. constructed a new plant for semiconductor inspection equipment

Hitachi High-Technologies Corp. established a wholly owned trading company in China

Power & Industrial Systems



Revenues

- Revenues boosted by TOKICO merger
- Growth in overseas sales of thermal power plants, and of air-conditioning systems, elevators and escalators and other products

Operating Income (Loss)

- Fewer unprofitable projects
- Higher earnings in air-conditioning systems, elevators and escalators and other products

Major Activities in the First Quarter of FY2005

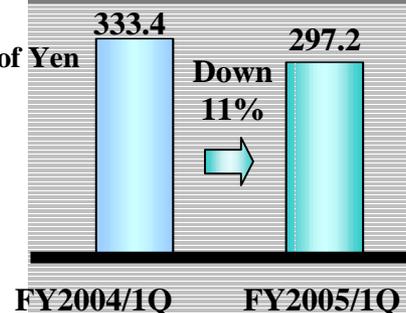
Announced to strengthen cooperation with Clarion Co. Ltd. to bolster Car Information Systems (CIS) business

Consolidated a manufacturing and sales company for elevators and escalators in Thailand

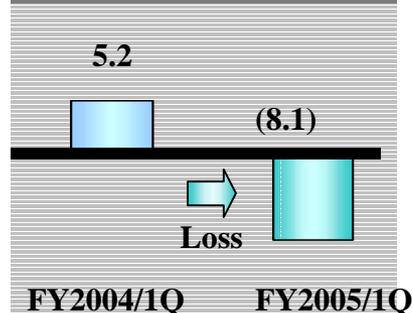
Received order for rail vehicles and maintenance in the U.K.

Digital Media & Consumer Products

Revenues



Operating Income (Loss)



Revenues

- Effect of consolidating Fujitsu Hitachi Plasma Display Limited (FHP)
- Lower sales prices for flat-panel TV's, including plasma TVs, and home appliances due to tougher marketplace competition

Operating Income (Loss)

- Loss at FHP
- Lower earnings from digital consumer electronic products and home appliances due to tougher marketplace competition

	Revenues for FY2005/1Q (Billions of Yen)	YoY change
Fujitsu Hitachi Plasma Display	10.3	(52%)

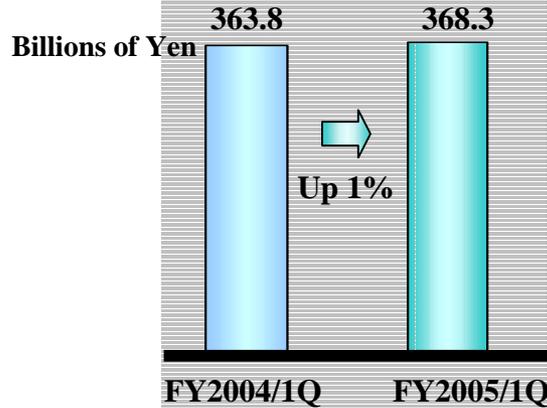
Major Activities in the First Quarter of FY2005

- Made FHP a consolidated subsidiary and decided to increase investment in facilities to increase production at FHP
- Decided investment to raise production of plasma TVs in China
- Stepped up launch of value-added home appliances (washer-dryers, dish washer/dryers, etc.)

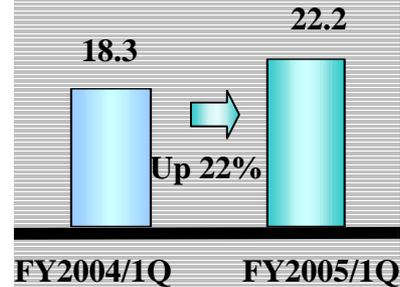
Note: The optical disk drive business is conducted by Hitachi-LG Data Storage, Inc. (HLDS), which has a December 31 fiscal year-end. Hitachi's results for the first quarter of fiscal 2005 include the operating results of HLDS for the period from January through March 2005.

High Functional Materials & Components

Revenues



Operating Income



Revenues

- Hitachi Chemical, Hitachi Metals and Hitachi Cable recorded healthy growth in sales

Operating Income

- Healthy earnings from products for automotive-related fields in particular

Major Activities in the First Quarter of FY2005

Hitachi Chemical started production at a new electrical insulating varnish production base in China

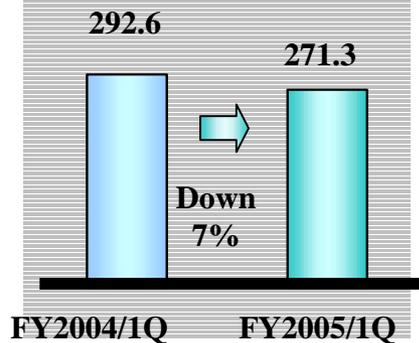
Hitachi Metals strengthened magnetic materials operations, creating two pillars: a soft magnetic materials business, newly formed an in-house company, and a hard magnetic materials business

Hitachi Cable established company to manufacture and sell contact wires and wire rods in China

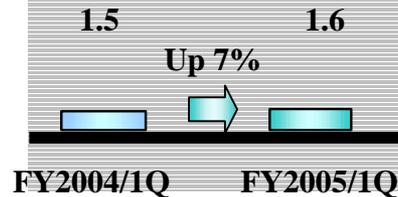
Logistics, Services & Others

Revenues

Billions of Yen



Operating Income



Revenues

- Hitachi Transport System recorded healthy growth
- Hitachi Mobile posted lower revenues
- Overseas sales companies saw sluggish sales of digital consumer electronics and other products

Operating Income

- Firm earnings growth at Hitachi Transport System
- Sluggish earnings at Hitachi Mobile

Major Activities in the First Quarter of FY2005

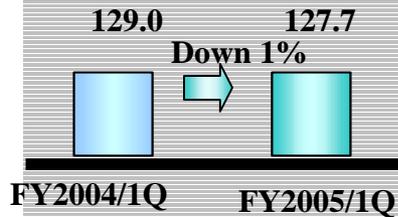
Hitachi Transport System opened a joint distribution center for the toiletries industry

Hitachi Mobile delivered an auto used-car auction system to JU-Chiba

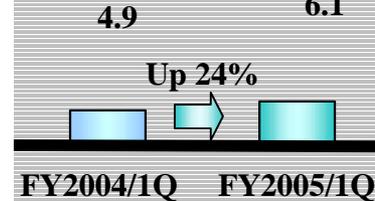
Financial Services

Revenues

Billions of Yen



Operating Income



Revenues

- Healthy growth at Hitachi Capital

Operating Income

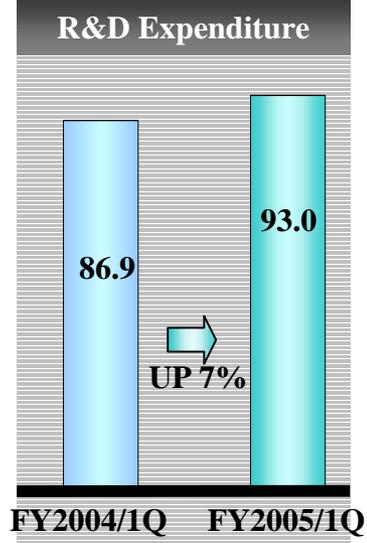
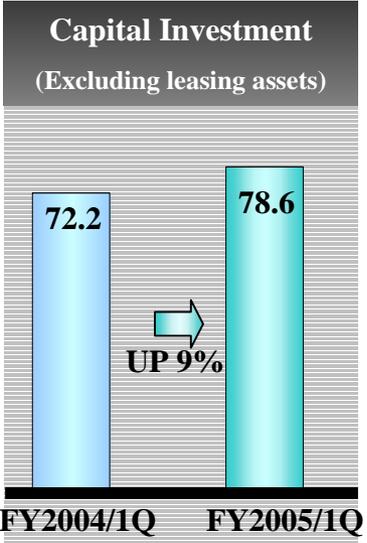
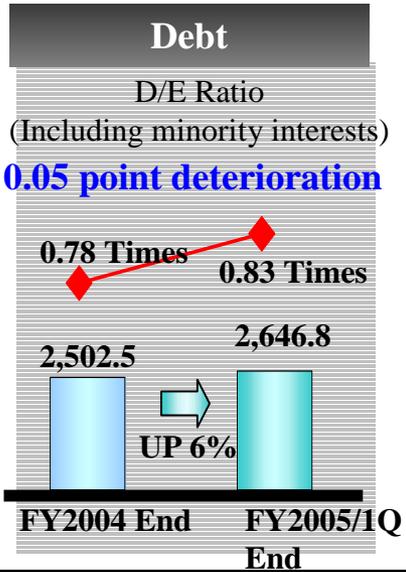
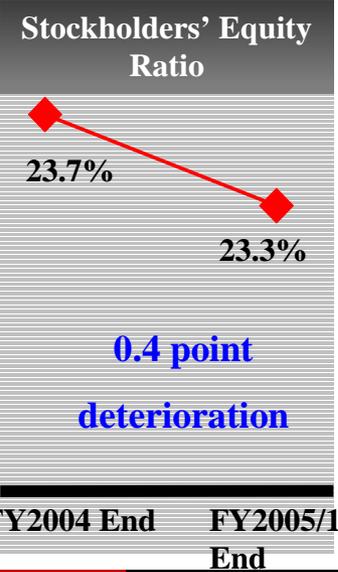
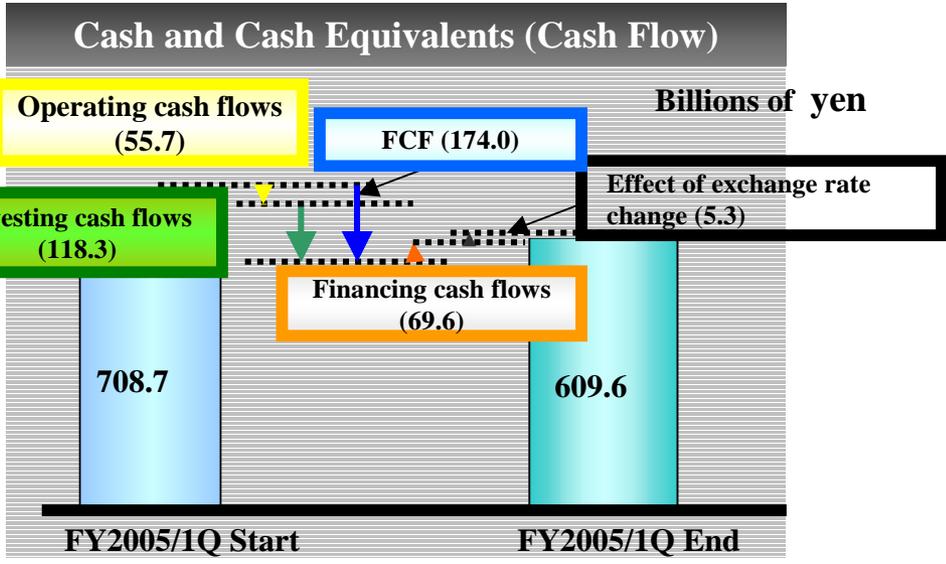
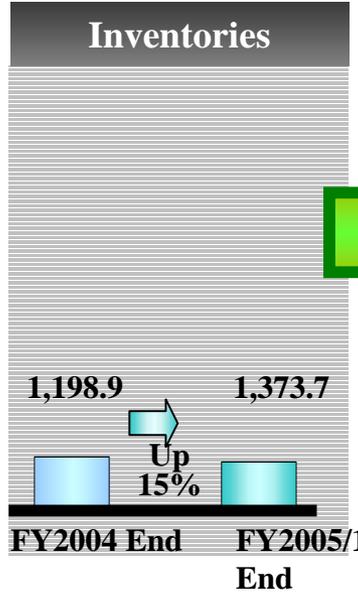
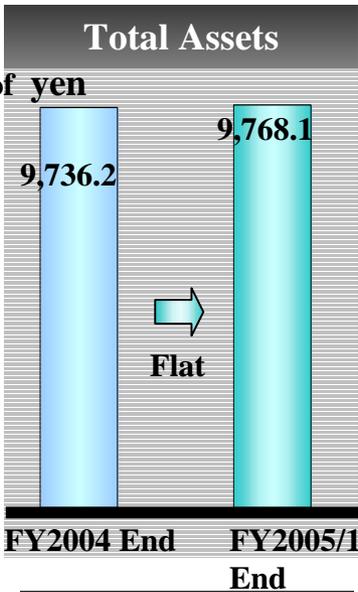
- Higher earnings at Hitachi Capital due to cost-cutting

Major Activities in the First Quarter of FY2005

Hitachi Capital established a leasing company in China

Established Hitachi Capital Trust Corporation

Hitachi Capital's proposal for the Gontazaka 3-chome Redevelopment Project was accepted by the City of Yokohama



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Outlook for Consolidated Financial Results for the First Half of Fiscal 2005

Outlook for Consolidated Financial Results for the First Half of Fiscal 2005

	the First Half of Fiscal 2005 (Billions of Yen)	YoY Change
Revenues	4,400.0	102%
Operating Income	70.0	55%
Income before Income Taxes and Minority Interests	70.0	51%
Income before Minority Interests	25.0	37%
Net Income	0	-

Outlook for Consolidated Financial Results for the First Half of Fiscal 2005

No change to outlook announced on April 28, 2005 with fiscal 2004 results
Decline possible in Electronic Devices, particularly LCDs, and Digital Media & Consumer Products, such as in the plasma display business
Power & Industrial Systems and High Functional Materials & Components looking strong
Aiming to achieve forecasts as a whole

HITACHI

Inspire the Next

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:

- fluctuations in product demand and industry capacity, particularly in the Information & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment;
- uncertainty as to Hitachi’s ability to continue to develop and market products that incorporate new technology on a timely and cost-effective basis and to achieve market acceptance for such products;
- rapid technological change, particularly in the Information & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment;
- increasing commoditization of information technology products, and intensifying price competition in the markets for such products;
- fluctuations in rates of exchange for 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 ability to implement measures to reduce the potential negative impact of fluctuations in product demand and/or exchange rates;
- general socio-economic and political conditions and the regulatory and trade environment of Hitachi’s major markets, particularly, the United States, Japan and elsewhere in Asia, including, without limitation, a return to stagnation or deterioration of the Japanese economy, or direct or indirect restriction by other nations on imports;
- 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 success of restructuring efforts to improve management efficiency and to strengthen competitiveness;
- 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 ability to access, or access on favorable terms, liquidity or long-term financing; and
- uncertainty as to general market price levels for equity securities in Japan, declines in which may require Hitachi to write down equity securities it holds.

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.