

**Hitachi Announces Revision of Consolidated and
Unconsolidated Business Forecasts for Fiscal 1999
and Year-End Dividend**

Tokyo, Japan, March 10, 2000 -- Hitachi, Ltd. (TSE: 6501) today announced that it has revised its consolidated and unconsolidated business forecasts for fiscal 1999, ending March 31, 2000. The revised forecasts are set out below. The revisions were decided at a meeting of the Board of Directors held today. The year-end dividend for fiscal 1999, listed below, will be referred to the General Meeting of Shareholders to be convened in June.

1. Forecasts

Consolidated forecast for fiscal 1999, ending March 31, 2000 Millions of yen

	Fiscal 1999			Fiscal 1998 results
	Revised forecast (A)	(A)/(B) X 100	Previous forecast*(B)	
Net sales	7,800,000	100%	7,800,000	7,977,374
Operating income (loss)	140,000	85%	165,000	(34,074)
Income (loss) before income taxes	70,000	61%	115,000	(223,309)
Net income (loss)	10,000	29%	35,000	(338,794)

* Announced in November 1999.

- Factors relating to the revision of the forecast -

Sales of mainframe computers fell below expectations owing to intensifying competition and customer concern over the year 2000 problem mainly in markets abroad. However, total sales are expected to be in line with the previous forecast, supported by stronger-than-expected sales of semiconductors and LCDs.

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In terms of operating income, the higher contribution from semiconductors and LCDs has not been enough to offset the decrease in mainframe computers. As a result, the forecast for operating income has been lowered to 140,000 million yen. Income before income taxes is expected to amount to 70,000 million yen and net income to 10,000 million yen, both figures below the preceding forecast. A major factor in these shortfalls, in addition to the decrease in operating income, is expenses posted for the restructuring of Hitachi Data Systems Corporation, which handles overseas sales of mainframes and large-capacity disk array subsystems. Under the restructuring program, Hitachi Data Systems will be reorganized as a solutions-oriented concern.

Unconsolidated forecast

Millions of yen

	Fiscal 1999			Fiscal 1998 results
	Revised forecast (A)	(A)/(B) X 100	Previous forecast**(B)	
Net sales	3,700,000	100%	3,700,000	3,781,118
Operating income (loss)	40,000	100%	40,000	(95,494)
Ordinary income (loss)	30,000	100%	30,000	(114,920)
Extraordinary loss/gain	(30,000)	-	(10,000)	(195,562)
Income (loss) before income taxes	0	0%	20,000	(310,483)
Net income (loss)	10,000	50%	20,000	(175,534)

** Announced in October 1999.

- Factors relating to the revision of the forecast -

Net sales, operating income and ordinary income are all expected to be in line with the preceding forecast.

Extraordinary loss items include approximately 64,000 million yen for expenses related to restructuring programs which include reorganization, particularly of the information systems sector, and streamlining of operations such as by setting up the manufacturing division of the industrial components and equipment sector as a separate company. Approximately 25,000 million yen is also posted for the amortization of the prior service cost portion of employees pension fund plans which the company has been posting since Fiscal 1997. Sales of land, shares of subsidiaries and investment securities resulted in an extraordinary gain of approximately 59,000 million yen. As a result of the above, there is expected to be zero income before income taxes, and net income is expected to amount to 10,000 million yen, both therefore falling short of the previous forecast.

**2. Year-end dividend for the fiscal year ending March 31, 2000
(from April 1, 1999 to March 31, 2000)**

3 yen per share

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	Semi-annual dividend	Year-end dividend	Total
Fiscal year ended March 31, 1999	-	5.5 yen per share	5.5 yen per share
Fiscal year ending March 31, 2000	3 yen per share	3 yen per share	6 yen per share

Cautionary Statement

Statements in this news release contain forward-looking statements which reflect management's current views with respect to certain future events and financial performance. Words such as "anticipate," "believe," "expect," "estimate," "intend," "plan," "project" and similar expressions which indicate future events and trends identify forward-looking statements. Actual results may differ materially from those projected or implied in the forward-looking statements and from historical trends. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate.

Factors that could cause actual results to differ materially from those projected or implied in any forward-looking statements include, but are not limited to, rapid technological change, particularly in the Information Systems & Electronics segment; uncertainty as to Hitachi's ability to continue to develop products and to market products that incorporate new technology on a timely and cost-effective basis and achieve market acceptance; fluctuations in product demand and industry capacity, particularly in the Information Systems & Electronics segment and the Consumer Products segment; exchange rates and their fluctuations between the yen and other currencies in which Hitachi makes significant sales or in which Hitachi's assets and liabilities are denominated, particularly between the yen and the U.S. dollar; uncertainty as to Hitachi's access to liquidity or long-term financing, particularly in the context of restrictions or availability of credit prevailing in Japan; uncertainty as to Hitachi's ability to implement measures to reduce the potential negative impact of fluctuations in product demand and/or exchange rates; general economic conditions and the regulatory and trade environment of Hitachi's major markets, particularly, the United States, Japan and elsewhere in Asia, including, without limitation, continued stagnation or deterioration of the Japanese or other East Asian economies, or direct or indirect restriction by other nations of imports; uncertainty as to Hitachi's access to, or protection for, certain intellectual property rights, particularly those related to electronics and data processing technologies; Hitachi's dependence on alliances with other corporations in designing or developing certain products; the market prices of equity securities in Japan, declines in which may result in write-downs of equity securities Hitachi holds; and uncertainty as to the result of Hitachi's effort to deal with the Year 2000 problem.

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