

**HITACHI, LTD.**  
**UNCONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2000**  
(106 yen = U.S.\$1)

April 28, 2000

	YEN (millions)	1999	% Increase (Decrease)	U.S. DOLLARS (millions)
<b><u>INCOME STATEMENTS</u></b>	<b>2000</b>	<b>1999</b>		<b>2000</b>
Net sales	3,771,948	3,781,118	0	35,584
Cost of sales	3,025,959	3,112,327	( 3 )	28,547
S.G.A. expenses	705,123	764,285	( 8 )	6,652
<b><u>Operating income (loss)</u></b>	40,865	(95,494)	-	386
Other income	89,143	63,585	40	841
Other deductions	98,221	83,011	18	927
<b><u>Ordinary income (loss)</u></b>	31,787	(114,920)	-	300
Extraordinary gain	58,942	38,146	55	556
Extraordinary loss	88,823	233,709	( 62 )	838
<b><u>Income (loss) before income taxes</u></b>	1,906	(310,483)	-	18
Current income taxes	240	240	0	2
Deferred income taxes	(10,206)	(135,189)	( 92 )	(96)
<b><u>Net income (loss)</u></b>	11,872	(175,534)	-	112
Basic EPS (yen and dollars)	3.56	(52.59)	-	0.03
Diluted EPS (yen and dollars)	-	-	-	-
<b><u>BALANCE SHEETS</u></b>	<b>2000/3/31</b>	<b>1999/3/31</b>		<b>2000/3/31</b>
Current assets	2,476,772	2,497,521	( 1 )	23,366
(Quick assets)	1,870,094	1,798,571	4	17,642
(Inventories)	541,182	637,742	( 15 )	5,105
(Deferred tax assets)	65,496	61,207	7	618
Fixed assets	1,527,143	1,652,066	( 8 )	14,407
(Investments)	597,429	690,110	( 13 )	5,636
(Deferred tax assets)	270,321	264,404	2	2,550
(Others)	659,393	697,552	( 5 )	6,221
<b><u>Total assets</u></b>	4,003,916	4,149,588	( 4 )	37,773
Current liabilities	1,577,344	1,616,585	( 2 )	14,881
Fixed liabilities	840,195	930,133	( 10 )	7,926
(Debentures)	540,121	540,127	0	5,095
(Long-term loans)	2,785	2,602	7	26
(Others)	297,288	387,404	( 23 )	2,805
<b><u>Total liabilities</u></b>	2,417,539	2,546,718	( 5 )	22,807
<b><u>Stockholders' equity</u></b>	1,586,376	1,602,869	( 1 )	14,966
<b><u>Liabilities and stockholders' equity</u></b>	4,003,916	4,149,588	( 4 )	37,773

**FORECAST FOR THE YEAR ENDING MARCH 31, 2001**

	<b>Net sales</b>	<b>Ordinary income</b>	<b>Net income</b>
<b>Millions of Yen</b>	3,790,000	45,000	33,000
<b>Millions of U.S. dollars</b>	35,755	425	311

Cautionary Statement

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

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

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