

HITACHI, LTD.
UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED SEPTEMBER 30, 2001
(119yen = U.S.\$1)

October 30, 2001

<u>INCOME STATEMENTS</u>	YEN			U.S. DOLLARS
	(millions)			(millions)
(The half years ended Sept. 30)	2001(A)	2000(B)	(A)/(B)×100	2001
Net sales	1,778,746	1,893,024	94%	14,947
Cost of sales	1,455,483	1,499,791	97%	12,231
S.G.A. expenses	351,616	354,440	99%	2,955
<u>Operating income (loss)</u>	(28,353)	38,792	-	(238)
Other income	27,101	37,332	73%	228
Other deductions	45,437	50,110	91%	382
<u>Ordinary income (loss)</u>	(46,689)	26,013	-	(392)
Extraordinary gain	3,775	4,095	92%	32
Extraordinary loss	-	4,069	-	-
<u>Income before income taxes (loss)</u>	(42,914)	26,040	-	(361)
Current income taxes	2,064	110	-	17
Deferred income taxes	(15,968)	2,260	-	(134)
<u>Net income (loss)</u>	(29,010)	23,670	-	(244)
Basic EPS (yen and dollars)	(8.69)	7.09	-	(0.07)
Diluted EPS (yen and dollars)	-	7.08	-	-

<u>BALANCE SHEETS</u>	2001/9/30(A)	2001/3/31(B)	(A)/(B)×100	2001/9/30
Current assets	2,054,472	2,421,631	85%	17,264
(Quick assets)	1,481,806	1,815,308	82%	12,452
(Inventories)	488,120	522,495	93%	4,102
(Deferred tax assets)	84,544	83,827	101%	710
Fixed assets	1,729,331	1,697,658	102%	14,532
(Investments)	781,197	791,613	99%	6,565
(Deferred tax assets)	228,431	194,047	118%	1,920
(Others)	719,703	711,997	101%	6,048
<u>Total assets</u>	3,783,804	4,119,290	92%	31,797
Current liabilities	1,435,074	1,698,302	85%	12,059
Fixed liabilities	764,618	762,672	100%	6,425
(Debentures)	511,299	511,299	100%	4,297
(Long-term loans)	2,638	2,688	98%	22
(Others)	250,681	248,685	101%	2,107
<u>Total liabilities</u>	2,199,692	2,460,974	89%	18,485
<u>Stockholders' equity</u>	1,584,112	1,658,316	96%	13,312
<u>Liabilities and stockholders' equity</u>	3,783,804	4,119,290	92%	31,797

FORECAST FOR THE YEAR ENDING MARCH 31, 2002

	Net sales	Ordinary income	Net income
Millions of Yen	3,470,000	(50,000)	(70,000)
Millions of U.S. dollars	29,160	(420)	(588)

Cautionary Statement

The forecast for year the ending March 31, 2002 is forward-looking information which reflect 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 & Telecommunication Systems segment and Electronic Devices 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 & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment; increasing commoditization of information technology products, and intensifying price competition in the market 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 access to liquidity or long-term financing, particularly in the context of restrictions on 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.