[Translation]

Quarterly Report

(The First Quarter of 145th Business Term)
From April 1, 2013 to June 30, 2013

6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo
Hitachi, Ltd.

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[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo) Nagoya Stock Exchange, Inc. (8-20, Sakae 3-chome, Naka-ku, Nagoya)

This is an English translation of the Quarterly Report filed with the Director of the Kanto Local Finance Bureau via Electronic Disclosure for Investors' NETwork ("EDINET") pursuant to the Financial Instruments and Exchange Act of Japan.

The translation of the Confirmation Letter for the original Quarterly Report are included at the end of this document.

Unless the context indicates otherwise, the term "Company" refers to Hitachi, Ltd. and the term "Hitachi" refers to the Company and its consolidated subsidiaries.

Unless otherwise stated, in this document, where we present information in millions or hundreds of millions of yen, we have truncated amounts of less than one million or one hundred million, as the case may be. Accordingly, the total of figures presented in columns or otherwise may not equal the total of the individual items. We have rounded all percentages to the nearest percent, one-tenth of one percent or one-hundredth of one percent, as the case may be.

References in this document to the "Financial Instruments and Exchange Act" are to the Financial Instruments and Exchange Act of Japan and other laws and regulations amending and/or supplementing the Financial Instruments and Exchange Act of Japan.

Contents

Part I Information on the Company

I. Overview of the Company

1. Key Financial Data

Consolidated financial data, etc.

(Millions of yen, unless otherwise stated)

	Three months ended June 30, 2012	Three months ended June 30, 2013	Year ended March 31, 2013
Revenues	2,120,715	2,082,938	9,041,071
Income before income taxes	48,866	55,399	344,537
Net income attributable to Hitachi, Ltd. stockholders	7,011	10,795	175,326
Comprehensive income (loss)	(26,986)	136,715	420,680
Total Hitachi, Ltd. stockholders' equity	1,718,289	2,161,939	2,082,560
Total equity	2,710,167	3,279,330	3,179,287
Total assets	9,220,348	10,293,637	9,809,230
Net income attributable to Hitachi, Ltd. stockholders per share, Basic (yen)	1.51	2.23	37.28
Net income attributable to Hitachi, Ltd. stockholders per share, Diluted (yen)	1.45	2.23	36.29
Total Hitachi, Ltd. stockholders' equity ratio (%)	18.6	21.0	21.2
Cash flows from operating activities	43,421	42,948	583,508
Cash flows from investing activities	(89,179)	(148,059)	(553,457)
Cash flows from financing activities	31,845	163,382	(180,445)
Cash and cash equivalents at end of period	602,408	603,285	527,632

(Notes) 1. Our consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States.
2. Revenues do not include the consumption tax, etc.

2. Description of Business

The Company's consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States, and affiliates are disclosed based on the definitions of those accounting principles. The same applies to "II. Business Overview".

There was no material change in principal businesses of Hitachi during the three months ended June 30, 2013. The Hitachi Group is comprised of the Company and 960 consolidated subsidiaries (including variable interest entities) and 212 equity-method affiliates. Although the consolidated subsidiaries include variable interest entities, there is no variable interest entity included into the figures of consolidated subsidiaries as of June 30, 2013. Also, consolidated trust accounts are not included into the figures of consolidated subsidiaries.

Changes of businesses in each segment and major consolidated subsidiaries during the three months ended June 30, 2013 were as follows. Effective April 1, 2013, the Company changed the name of the "Others" segment to the "Others (Logistics and Other services)" segment.

Segment	Positioning of principal affiliated companies	
	Manufacturing	Sales and services
Social Infrastructure & Industrial Systems		[Consolidated subsidiaries] (Dissolved by the merger) Hitachi Plant Technologies, Ltd.

(Note) Hitachi Plant Technologies, Ltd. merged with the Company as of April 1, 2013.

II. Business Overview

1. Risk Factors

There was no new risk factor recognized during the three months ended June 30, 2013.

There were no material changes in the risk factors stated in the Annual Securities Report for the 144th business term pursuant to the Financial Instruments and Exchange Act of Japan.

2. Material Agreements, etc.

(1) Business Integration

The Company and Mitsubishi Heavy Industries, Ltd. ("MHI") have signed a basic integration agreement and a joint venture agreement (the "Definitive Agreements") in relation to the business integration (the "Business Integration") in fields centered on the thermal power generation systems (the "Integrated Business") on June 11, 2013.

In accordance with the Definitive Agreements, the two companies have respectively signed absorption-type company split agreements (the "Absorption-type Company Split Agreements") with the new company established by MHI (the "Integrated Company") in order to transfer the Integrated Business by way of company split (the "Company Split") on July 31, 2013.

The outline of the Business Integration is as follows.

(i) Purpose of the Business Integration

The global market has continued to expand, driven by the growth engines of China and other emerging countries, while environmental awareness around the world has increased. These trends have presented a major opportunity for the Company and MHI to expand thermal power generation systems businesses where they both excel businesses that solve global energy and environmental issues at the same time. In order to prevail against competition and respond to this buoyant demand, companies must respond in detail based on highly advanced technologies, quality and reliability, unfettered by the traditional frameworks of companies. In this regard, they must be able to harness engineering capabilities as well as sales and service capabilities closely tied to each region. The Company and MHI share the same corporate credo of contributing to society through the development of superior, original technologies and products. Over the years, the two companies have established partnerships harnessing their technical skills and expertise in a variety of fields. Examples include an alliance and subsequent establishment of a joint venture in the steel production machinery field; collaboration in the overseas railway systems business; and integration of the hydroelectric power generation system business. Another example has been joint support for the Fukushima Daiichi Nuclear Power Station of Tokyo Electric Power Company.

Based on these extensive partnerships, the two companies reached an agreement on the Business Integration to address buoyant global demand for thermal power generation systems by harnessing superior technical skills, quality and reliability, with the aim of prevailing against intensifying global competition.

In the thermal power generation field, the two companies both have expansive product lineups. For example, in gas turbines, MHI has focused on highly efficient large models in recent years. Meanwhile, the Company sees its mainstay products as small and medium-sized models. Regionally, MHI has strengths mainly in Southeast Asia and the Middle East, while the Company has harnessed its strengths in markets such as Europe and Africa. The two companies will respectively strive to leverage the complementary strengths of the other company. Moreover, the two companies will further enhance their ability to address customer needs and provide services by taking advantage of their respective strengths in providing total solutions across all aspects of thermal power plants.

Through this agreement, the Company and MHI will cooperate to develop a stable and efficient management base for the new company. The Integrated Company aims to be a global leading company in the thermal power generation systems field by accelerating global business development along with synergies of the integration and by maximizing integrated and complementary strengths in the technology and product aspects.

(ii) Schedule of the Business Integration

June 11, 2013	Execution of the Definitive Agreements
July 31, 2013	Execution of the Absorption-type Company Split Agreement
January 1, 2014 (Tentative)	Effective date

The Company Split will be a simple absorption-type company split pursuant to Article 784, Paragraph 3 of the Companies Act of Japan. Therefore, the Company and MHI do not plan to convene shareholders' meetings to obtain approval for the company split agreement.

(iii) Business Integration Method and Equity Contribution

The Business Integration is executed according to the following scheme. The equity ownership percentage of the Company and MHI will be 35% and 65% respectively on the effective date of the company split.

(a) MHI establishes the Integrated Company.
(b) The Company and MHI will respectively transfer the Integrated Business to the Integrated Company by way of absorption-type company split and other method. As a result, the Company and MHI own shares of common stock of the Integrated Company 317 shares and 683 shares, respectively.
(c) MHI will sell 33 shares of common stock of the Integrated Company that it owns to the Company for 29.7 billion yen.

(iv) Scope of the Integrated Business

- Thermal power generation system businesses (gas turbines, steam turbines, coal gasification generating equipment, boilers, thermal power control systems, generators, etc.)
- Geothermal power system business
- Environmental equipment business
- Fuel cells business
- Electric power sales business (Only electric power sales in relation to demonstration facility for gas turbine combined cycle power generation plant at Takasago Machinery Works of MHI)
- Other related business

Certain subsidiaries and affiliates engaging in these businesses are included in the Business Integration.

(v) Rights and Obligations Transferred to the Integrated Company

The Integrated Company will succeed assets, liabilities, other rights and obligations and contractual status from the Company and MHI through the Company Split as provided in the Absorption-type Company Split Agreements. Stocks and interests of certain subsidiaries and affiliates which each company owns in relation to the Integrated Business will be included in the Business Integration.

Accounts and amounts of assets and liabilities to be transferred are as follows. The book value are estimated amounts based on the amounts as of March 31, 2013 and the actual amounts to be transferred may be different.

- Assets and liabilities to be transferred from the Company (Unconsolidated basis)

Assets		Liabilities	
Accounts	Book value (billion yen)	Accounts	Book value (billion yen)
Current assets	121.5	Current liabilities	108.4
Fixed assets	103.9	Noncurrent liabilities	5.1
Total	225.4	Total	113.5

- Assets and liabilities to be transferred from MHI (Unconsolidated basis)

Assets		Liabilities	
Accounts	Book value (billion yen)	Accounts	Book value (billion yen)
Current assets	428.0	Current liabilities	320.3
Fixed assets	162.4	Noncurrent liabilities	50.6
Total	590.4	Total	371.0

(vi) Calculation Basis, etc., Concerning Allotment under the Company Split

The Company and MHI, referencing the results of calculations by the each financial adviser and comprehensively considering factors including financial condition, condition of assets and business forecasts of each, discussed the number of shares of common stock of the Integrated Company to be allocated with due care, and concluded that the above number of shares of common stock to be allocated was appropriate.

(vii) Overview of the Integrated Company

Name	MH Power Systems, Ltd. (Name will be changed in conjunction with the Business Integration)
Head office	3-1, Minato Mirai 3-chome, Nishi-ku, Yokohama, Kanagawa
Representative	The Company will appoint Chairman of the Board (part-time) and MHI will appoint President and Director, respectively.
Capital	100.0 billion yen
Business	Businesses as stated in (iv) above

(2) Absorption-type Company Split

The Company decided to transfer its construction business for power plants, transportation systems and industrial plants (the "businesses to be transferred") and integrate them in Hitachi Plant Engineering & Services, Ltd. ("Hitachi Plant Engineering & Services") through an absorption-type company split (the "Absorption-type Company Split") on June 28, 2013. The Company and Hitachi Plant Engineering & Services, Ltd. have concluded an absorption-type company split agreement on August 6, 2013.

The outline of the Absorption-type Company Split is as follows.

(i) Purpose of the Absorption-type Company Split

In recent years, investment in social and industrial infrastructure systems has increased on a global scale. At the same time, infrastructure must now be more advanced to both support economic development and the creation of a low-carbon society. In emerging countries in particular, rapid population growth, economic expansion and other developments are driving much higher demand for social infrastructure such as large-scale urban development, energy, transportation and water systems, in addition to industrial infrastructure, including industrial parks and natural resource development.

The Company is accelerating global development of its Social Innovation Business to solve issues facing society and customers through innovative solutions combining products, services and highly sophisticated IT. As part of this drive, in April 2013, the Company merged its wholly owned subsidiary Hitachi Plant Technologies, Ltd., which had globally engaged in various businesses including manufacturing of large pumps, compressors and other components, EPC (Engineering, Procurement and Construction) for water treatment systems, air conditioning systems, chemical and pharmaceutical plants, and construction of power plants, transportation systems and other large plants.

In order to develop these efforts, by integrating the Company's engineering capabilities including construction design and construction management for large-scale plants and Hitachi Plant Engineering & Services' construction abilities, it is anticipated to create a business structure with outstanding technical abilities and competitiveness. The integration is expected to strengthen the Company's capabilities for providing solutions for large-scale infrastructure systems, such as power plants, transportation systems and smart cities. It is also aimed at winning more orders in Japan and overseas.

(ii) Schedule of the Absorption-type Company Split

August 6, 2013	Execution of absorption-type company split agreement
October 1, 2013 (Tentative)	Effective date

The Absorption-type Company Split is deemed to be a simple absorption-type company split at the Company, pursuant to Article 784, Paragraph 3 of the Companies Act of Japan, and a short-form absorption-type company split at Hitachi Plant Engineering & Services, pursuant to Article 796, Paragraph 1 of the Companies Act of Japan. Therefore, the Company and Hitachi Plant Engineering & Services do not plan to convene shareholders' meetings to obtain approval for the absorption-type company split agreement.

(iii) Absorption-type Company Spilt Method and Allotment

This is an absorption-type company split in which the Company is the transferring company and Hitachi Plant Engineering & Services is the successor company. Hitachi Plant Engineering & Services will allot one share of common stock to the Company on October 1, 2013.

(iv) Business to Be Transferred

Construction and construction engineering for power plants, transportation systems and industrial plants as well as design, manufacturing and construction for dust collection systems

(v) Rights and Obligations to Be Transferred to the Successor Company

Hitachi Plant Engineering & Services will succeed to assets, claims and obligations, contractual status and intellectual property of the Company relating only to the businesses to be transferred.

Furthermore, the statuses under contract of labor agreements with employees of the Company engaging in the businesses to be transferred and the rights and obligations based on these agreements will not be transferred to Hitachi Plant Engineering & Services due to the Absorption-type Company Split. The employees will remain in the employment of the Company, and the Company will loan them out to Hitachi Plant Engineering & Services, which will engage the employees in the businesses to be transferred.

Accounts and amounts of assets and liabilities to be transferred are as follows.

(Estimation based on amounts as of October 1, 2013)

Category	Details	Amount (million yen)
Assets	Accounts receivable, inventory, tangible and intangible fixed assets, etc.	36,047
Liabilities	Accounts payable, advances received, etc.	30,399

(vi) Calculation Basis, etc., Concerning Allotment under the Company Split

Because the Company owns all of the issued shares of Hitachi Plant Engineering & Services, the Company and Hitachi Plant Engineering & Services concluded that it was appropriate to allot one share of Hitachi Plant Engineering & Services to the Company.

(vii) Overview of the Successor Company

Name	Hitachi Plant Construction, Ltd.
Head office	1-3, Higashi-Ikebukuro 3-Chome, Toshima-ku, Tokyo
Representative	Nobuho Goto President
Capital	3,000 million yen
Business	Construction, construction engineering and construction services for power plants, transportation systems and industrial plants as well as design, manufacturing and construction for dust collection systems

(3) As Licensee

The material contract terminated during the three months ended June 30, 2013 is as follows.

Licensee	Licensor	Country	Item under contract	Contract description	Contract period
Hitachi, Ltd. (The Company)	General Electric Company	U.S.A.	Gas turbines	License of technology (Note)	From March 31, 2006 to June 25, 2013

(Note) A lump-sum payment had been made, and a certain percentage of sales of the item was paid as royalties.

(4) As Licensor

The material contract entered into during the three months ended June 30, 2013 is as follows.

Licensor	Licensee	Country	Item under contract	Contract description	Contract period
Hitachi Metals, Ltd. (Consolidated subsidiary)	Ningbo Yunsheng Co., Ltd.	China	Rare earth magnets	License of patents (Note)	From April 26, 2013 to the expiration of the patents under contracts

(Note) A lump-sum payment has been received, and a certain percentage of sales of the item is received as royalties.

3. Analyses of Consolidated Financial Condition, Operating Results and Cash Flows
(1) Outline of Business Results

Effective from April 1, 2013, the Company adopted earnings before interest and taxes (“EBIT”), which is presented as income before income taxes less interest income plus interest charges, as the measurement for the consolidated operating results.

Results of Operations

During the three months ended June 30, 2013, the U.S. economy continued to experience a recovery and Southeast Asian countries saw moderate economic expansion. On the other hand, the economic recession continued in Europe due to such factors as ongoing fiscal austerity and China and India continued to experience slower economic growth.

The Japanese economy has improved, due to the depreciation of yen and higher stock market prices resulting from quantitative easing.

Under these conditions, total revenues in the three months ended June 30, 2013 decreased 2% compared with the three months ended June 30, 2012, to ¥2,082.9 billion due mainly to lower revenues in the Power Systems segment, where sales of preventive maintenance services for nuclear power generation systems declined sharply, and in the Construction Machinery and the Electronic Systems & Equipment segments. This decrease was partially offset by higher revenues in the Social Infrastructure & Industrial Systems segment, due mainly to strong sales of elevators and escalators in China, and in the Information & Telecommunication Systems and the Digital Media & Consumer Products segments.

Cost of sales in the three months ended June 30, 2013 decreased 4% compared with the three months ended June 30, 2012, to ¥1,537.0 billion, and the ratio of cost of sales to revenues accounted for 74% in the three months ended June 30, 2013, compared with 76% in the three months ended June 30, 2012.

Selling, general and administrative expenses in the three months ended June 30, 2013 increased 8% compared with the three months ended June 30, 2012, to ¥490.3 billion and their ratio to revenues was 24% in the three months ended June 30, 2013, compared with 21% in the three months ended June 30, 2012. This increase was due mainly to the effects of foreign currency fluctuations.

Impairment losses for long-lived assets in the three months ended June 30, 2013 was ¥0.2 billion , almost the same as the three months ended June 30, 2012.

Restructuring charges in the three months ended June 30, 2013 increased ¥2.0 billion, to ¥3.0 billion compared with the three months ended June 30, 2012.

Interest income in the three months ended June 30, 2013 decreased ¥0.5 billion, to ¥3.1 billion compared with the three months ended June 30, 2012.

Dividend income in the three months ended June 30, 2013 increased ¥1.1 billion, to ¥3.7 billion compared with the three months ended June 30, 2012.

Other income in the three months ended June 30, 2013 was ¥4.6 billion, a ¥1.5 billion increase compared with the three months ended June 30, 2012, due mainly to the posting of exchange gain.

Interest charges in the three month ended June 30, 2013 decreased ¥0.7 billion, to ¥6.3 billion compared with the three months ended June 30, 2012.

Other deductions in the three months ended June 30, 2013 were ¥2.0 billion, a ¥10.8 billion decrease compared with the three months ended June 30, 2012 due mainly to the posting of exchange gain in the three months ended June 30, 2013, as compared with exchange loss in the three months ended June 30, 2012.

Equity in net loss of affiliated companies in the three months ended June 30, 2013 decreased ¥2.9 billion compared with the three months ended June 30, 2012, to ¥0.3 billion, due mainly to improvement of profitability at the Company's equity-method affiliated company in the semiconductor industry.

As a result of the foregoing, income before income taxes in the three months ended June 30, 2013 increased 13% compared with the three months ended June 30, 2012, to ¥55.3 billion. EBIT in the three months ended June 30, 2013 increased 12% compared with the three months ended June 30, 2012, to ¥58.5 billion.

Income taxes amounted to ¥32.7 billion in the three months ended June 30, 2013, an increase of ¥4.2 billion compared with the three months ended June 30, 2012.

Net income in the three months ended June 30, 2013 increased 11% compared with the three months ended June 30, 2012, to ¥22.6 billion.

Net income attributable to noncontrolling interests amounted to ¥11.8 billion in the three months ended June 30, 2013, a decrease of ¥1.5 billion compared with the three months ended June 30, 2012.

As a result of the foregoing, net income attributable to Hitachi, Ltd. stockholders in the three months ended June 30, 2013 increased 54% compared with the three months ended June 30, 2012, to ¥10.7 billion.

Operations by Segment

The following is an overview of Hitachi's results of operations by segment. Revenues for each segment include intersegment transactions.

Effective April 1, 2013, the Company changed its measurement of segment profitability from operating income, which is presented as total revenues less total cost of sales and selling, general administrative expenses in order to be consistent with financial reporting principles and practices generally accepted in Japan, to EBIT. Accordingly, the amounts previously reported for the three months ended June 30, 2012 have been restated in conformity with the new measure of segment profit or loss.

Effective April 1, 2013, the Company changed the name of "Others" to "Others (Logistics and Other services)."

(Information & Telecommunication Systems)

Revenues increased 5% compared with the three months ended June 30, 2012, to ¥391.0 billion, due mainly to increased sales in services business and the effects of foreign currency fluctuations. This increase was partially offset by lower sales in hardware business owing to lower demand in telecommunications and servers.

Segment profit improved ¥1.5 billion, resulting in a profit of ¥0.6 billion, compared with the three months ended June 30, 2012, due mainly to improved operating income in software and services business, mainly resulting from higher revenues in services business and improved profitability. This improvement was partially offset by declined operating income in hardware business owing to lower sales in telecommunications and servers.

(Power Systems)

Revenues decreased 18% compared with the three months ended June 30, 2012, to ¥155.5 billion, due mainly to a significant decline in revenues from preventive maintenance services for nuclear power generation systems and a drop-off in new projects and preventive maintenance services for thermal power generation systems in Japan.

Segment profit worsened ¥6.1 billion, resulting in a loss of ¥4.1 billion, compared with the three months ended June 30, 2012, due to worsened operating income owing to decreased revenues.

(Social Infrastructure & Industrial Systems)

Revenues increased 8% compared with the three months ended June 30, 2012, to ¥257.5 billion, due mainly to strong sales of elevators and escalators in China and other overseas markets.

Segment profit improved ¥3.9 billion, resulting in a profit of ¥1.8 billion, compared with the three months ended June 30, 2012, due mainly to an improvement in operating income, mainly resulting from increased revenues and foreign exchange gain.

(Electronic Systems & Equipment)

Revenues decreased 8% compared with the three months ended June 30, 2012, to ¥225.6 billion, due mainly to lower sales of semiconductor manufacturing systems and medical analysis systems, etc. at Hitachi High-Technologies Corporation.

Segment profit decreased 85% compared with the three months ended June 30, 2012, to ¥1.2 billion, due to decreased operating income at Hitachi High-Technologies Corporation, etc. owing to lower revenues, despite the posting of foreign exchange gain, etc.

(Construction Machinery)

Revenues decreased 10% compared with the three months ended June 30, 2012, to ¥178.5 billion, due to lower sales of mining machinery in Asia and Oceania, despite higher sales of hydraulic excavators in China.

Segment profit decreased 43% compared with the three months ended June 30, 2012, to ¥6.1 billion, due mainly to decreased operating income owing to decreased revenues and foreign exchange loss.

(High Functional Materials & Components)

Revenues decreased 1% compared with the three months ended June 30, 2012, to ¥338.1 bullion, due mainly to the impact of the withdrawal from unprofitable businesses and sluggish hard disk drive-related demand. This decrease was partially offset by solid sales of automobile products and electronics-related materials.

Segment profit increased 24% compared with the three months ended June 30, 2012, to ¥25.2 billion, due to improvement of operating income, mainly reflecting the effect of business structure reforms. This increase was partially offset by the posting of restructuring costs.

(Automotive Systems)

Revenues increased 1% compared with the three months ended June 30, 2012, to ¥207.8 billion, due mainly to solid demand in the automotive markets overseas, reflecting recovery in demand in North America and China.

Segment profit increased 20% compared with the three months ended June 30, 2012, to ¥9.8 billion, due mainly to increased operating income mainly resulting from higher revenues and cost reductions and effects of an improvement in foreign exchange loss.

(Digital Media & Consumer Products)

Revenues increased 4% compared with the three months ended June 30, 2012, to ¥227.6 billion, due mainly to higher sales of air-conditioning equipment and refrigerators, etc. primarily in overseas markets.

Segment profit increased ¥1.7 billion compared with the three months ended June 30, 2012, to ¥1.7 billion, due mainly to an improvement in operating income mainly resulting from higher revenues and the benefits of business structure reforms in the digital media business and effects of improved foreign exchange gain and equity in net gain of affiliated companies.

(Others (Logistics and Other services))

Revenues decreased 6% compared with the three months ended June 30, 2012, to ¥263.0 billion, due mainly to lower sales of batteries for consumer applications and certain other products, despite higher revenues at Hitachi Transport System, Ltd.

Segment profit increased 13% compared with the three months ended June 30, 2012, to ¥10.2 billion, due mainly to increased dividend income. This increase was partially offset by decreased operating income owing to lower earnings due to a decline in freight volume for automotive-related customers in Japan and cost increases for new projects at Hitachi Transport System, Ltd. in addition to lower revenues.

(Financial Services)

Revenues decreased 14% compared with the three months ended June 30, 2012, to ¥81.7 billion, due mainly to the absence of recording sales related to a large cancellation in the three months ended June 30, 2012, despite strong results in the overseas business particularly in Asia.

Segment profit increased 22% compared with the three months ended June 30, 2012, to ¥9.4 billion, due to increased operating income, mainly resulting from the consolidation of NBL Co., Ltd. and higher revenues in the overseas business at Hitachi Capital Corporation.

Revenues by Market

Revenues in Japan in the three months ended June 30, 2013 were ¥1,087.7 billion, a decrease of 10% compared with the three months ended June 30, 2012, due mainly to lower revenues in the Power Systems segment owing to lower sales of preventive maintenance services for nuclear power generation systems, and lower revenues in the High Functional Materials & Components, the Financial Services and the Information & Telecommunication Systems segments.

Overseas revenues were ¥995.2 billion, an increase of 9% compared with the three months ended June 30, 2012, due mainly to higher revenues in the Information & Telecommunication Systems segment mainly resulting from increased sales in services business and effects of foreign currency fluctuations, in the Social Infrastructure & Industrial Systems segment resulting from strong sales of elevators and escalators to China and higher revenues in the High Functional Materials & Components and the Automotive Systems segments, both of which benefited from growth in global automobile demand.

As a result, the ratio of overseas revenues to total revenues was 48% in the three months ended June 30, 2013, compared with 43% in the three months ended June 30, 2012.

(2) Summary of Financial Condition, etc.

Liquidity and Capital Resources

During the three months ended June 30, 2013, there was no major changes in the Company's policies of maintaining liquidity and ensuring funds, efforts for improvement in fund management efficiency, and ideas regarding funding sources and fundraising. Standard & Poor's Rating Japan changed the Company's long-term rating from BBB+ to A- on August 2, 2013.

Cash Flows

(Cash flows from operating activities)

Net income in the three months ended June 30, 2013 increased ¥2.2 billion compared with the three months ended June 30, 2012, to ¥22.6 billion. Depreciation in the three months ended June 30, 2013 was ¥80.0 billion, a ¥9.4 billion increase compared with the three months ended June 30, 2012. Increase in inventories in the three months ended June 30, 2013 was ¥141.1 billion, a ¥8.0 billion increase compared with the three months ended June 30, 2012. Decrease in payables in the three months ended June 30, 2013 was ¥73.5 billion, a ¥12.8 billion decrease compared with the three months ended June 30, 2012. Decrease in receivables in the three months ended June 30, 2013 was ¥280.3 billion, a ¥57.4 billion decrease compared with the three months ended June 30, 2012. This is because collection of receivables recorded at the end of the fiscal year ended March 31, 2013 proceeded in the three months ended June 30, 2013. Decrease in accrued expenses and retirement and severance benefits in the three months ended June 30, 2013 was ¥145.1 billion, a ¥26.7 billion increase compared with the three months ended June 30, 2012. As a result of the foregoing, cash flows from operating activities recorded net cash inflow of ¥42.9 billion in the three months ended June 30, 2013, a decrease of ¥0.4 billion compared with the three months ended June 30, 2012.

(Cash flows from investing activities)

A net sum of ¥157.5 billion in the three months ended June 30, 2013 was recorded as investments mainly related to property, plant and equipment, where the collection of investments in leases, the proceeds from disposal of property, plant and equipment and the proceeds from disposal of tangible assets and software to be leased were subtracted from the amount of the capital expenditures, the purchase of intangible assets and the purchase of tangible assets and software to be leased. This net sum increased by ¥49.9 billion compared with the three months ended June 30, 2012, due mainly to the purchase of tangible assets in the Financial Services segment. As a result of the foregoing, cash flows from investing activities recorded net cash outflow of ¥148.0 billion in the three months ended June 30, 2013, an increase of ¥58.8 billion compared with the three months ended June 30, 2012.

(Cash flows from financing activities)

Net increase in short-term debt was ¥114.2 billion. This was an increase of ¥21.1 billion compared with the three months ended June 30, 2012, due mainly to the issuance of commercial paper. A net sum of ¥81.6 billion in the three months ended June 30, 2013 was recorded as proceeds related to long-term debt, where the payments on long-term debt were subtracted from the proceeds from long-term debt. This net inflow increased by ¥98.0 billion compared with the three months ended June 30, 2012. As a result of the foregoing, cash flows from financing activities recorded net cash inflow of ¥163.3 billion in the three months ended June 30, 2013, an increase of ¥131.5 billion compared with the three months ended June 30, 2012.

As a result of the foregoing, in the three months ended June 30, 2013, cash and cash equivalents was ¥603.2 billion as of June 30, 2013, an increase of ¥75.6 billion from March 31, 2013. Free cash flows, the sum of cash flows from operating and investing activities, were an outflow of ¥105.1 billion in the three months ended June 30, 2013, an increase of ¥59.3 billion compared with the three months ended June 30, 2012.

Assets, Liabilities and Equity

Total assets as of June 30, 2013 were ¥10,293.6 billion, an increase of ¥484.4 billion from March 31, 2013. This was due mainly to an increase in accounts receivables owing to seasonal reasons and the impact of the consolidation of NBL Co., Ltd. for strengthening the financial services business.

Total interest-bearing debt as of June 30, 2013, which is the sum of short-term debt, long-term debt and non-recourse borrowings of consolidated securitization entities, was ¥2,804.0 billion, a ¥433.9 billion increase from March 31, 2013. This was due mainly to the impact of the consolidation of NBL Co., Ltd.

Total Hitachi, Ltd. stockholders' equity as of June 30, 2013 increased by ¥79.3 billion from March 31, 2013, to ¥2,161.9 billion, due mainly to an increase in the accumulated other comprehensive loss owing to the depreciation of yen and higher stock market prices. The ratio of stockholders' equity to total assets was 21.0%, compared with 21.2% as of March 31, 2013.

Noncontrolling interests as of June 30, 2013 increased by ¥20.6 billion from March 31, 2013, to ¥1,117.3 billion.

The ratio of the interest-bearing debt to the total equity (the sum of total Hitachi, Ltd. stockholders' equity and noncontrolling interests) increased to 0.86, compared with 0.75 as of March 31, 2013, due mainly to an increase in the short-term debt.

(3) Challenges Facing Hitachi Group

1) Business and Financial Condition

There was no material change in Hitachi's business strategy during the three months ended June 30, 2013.

2) Fundamental Policy on the Conduct of Persons Influencing Decision on the Company's Financial and Business Policies

The Group invests a great deal of business resources in fundamental research and in the development of market-leading products and businesses that will bear fruit in the future, and realizing the benefits from these management policies requires that they be continued for a set period of time. For this purpose, the Company keeps its shareholders and investors well informed of not just the business results for each period but also of the Company's business policies for creating value in the future.

The Company does not deny the significance of the vitalization of business activities and performance that can be brought about through a change in management control, but it recognizes the necessity of determining the impact on company value and the interests of all shareholders of the buying activities and buyout proposals of parties attempting to acquire a large share of stock of the Company or a Group company by duly examining the business description, future business plans, past investment activities, and other necessary aspects of such a party.

There is no party that is currently attempting to acquire a large share of the Company's stocks nor is there a specific threat, neither does the Company intend to implement specified so-called anti-takeover measures in advance of the appearance of such a party, but the Company does understand that it is one of the natural duties bestowed upon it by the shareholders and investors to continuously monitor the state of trading of the Company's stock and then to immediately take what the Company deems to be the best action in the event of the appearance of a party attempting to purchase a large share of the Company's stock. In particular, together with outside experts, the Company will evaluate the buyout proposal of the party and hold negotiations with the buyer, and if the Company deems that said buyout will not maintain the Company's value and is not in the best interest of the shareholders, then the Company will quickly determine the necessity, content, etc., of specific countermeasures and prepare to implement them. The same response will also be taken in the event a party attempts to acquire a large percentage of the shares of a Group company.

(4) Research and Development

There was no material changes in the research and development of the Hitachi Group (the Company and consolidated subsidiaries) stated in the Annual Securities Report for the 144th business term pursuant to the Financial Instruments and Exchange Act of Japan. The Hitachi Group's R&D expenditures in the three months ended June 30, 2013 were ¥81.8 billion, 3.9% of revenues. A breakdown of R&D expenditures by segment is shown below.

(Billions of yen)

Segment	Three months ended June 30, 2013
Information & Telecommunication Systems	19.7
Power Systems	4.6
Social Infrastructure & Industrial Systems	5.6
Electronic Systems & Equipment	9.3
Construction Machinery	4.5
High Functional Materials & Components	10.7
Automotive Systems	14.2
Digital Media & Consumer Products	4.6
Others (Logistics and Other services)	2.0
Financial Services	0.2
Corporate	6.0
Total	81.8

(5) Employees

The number of employees of the Company increased by 4,150 persons during the three months ended June 30, 2013, to 37,815 persons. This increase was due mainly to increase in the Social Infrastructure & Industrial Systems segment resulting from the merger in which the Company merged Hitachi Plant Technologies, Ltd. There was no material changes in the number of employees of the Hitachi Group (the Company and consolidated subsidiaries).

(6) Property, Plants and Equipment

The major property, plants and equipment materially changed during the three months ended June 30, 2013 are as follows. This was due mainly to the merger in which the Company merged Hitachi Plant Technologies, Ltd.

The Company

(As of June 30, 2013)

Facility (Main location)	Segment	Details of major facilities and equipment	Book value (Millions of yen)						Number of employees
			Buildings	Machinery and equipment	Land [Area in thousands of m^2]	Lease assets	Others	Total	
Infrastructure Systems Company (Hitachi, Ibaraki)	Information & Telecommunication Systems, Power Systems and Social Infrastructure & Industrial Systems	Manufacturing facilities for industrial machinery and plants, switchboards and calculation control equipment, system development facilities	12,409	11,747	4,832 [789]	3,155	426	32,571	7,093

(7) Forward-Looking Statements

Certain statements found in “3. Analyses of Consolidated Financial Condition, Operating Results and Cash Flows” and other descriptions in this report 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 report.

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 segment;
- 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 elsewhere in this report and in other materials published by Hitachi.

III. Information on the Company

1. Information on the Company's Stock, etc.

(1) Total number of shares, etc.

1) Total number of shares

Class	Total number of shares authorized to be issued (shares)
Common stock	10,000,000,000
Total	10,000,000,000

2) Issued shares

Class	Number of shares issued as of the end of fiscal year (shares) (June 30, 2013)	Number of shares issued as of the filing date (shares) (August 9, 2013)	Stock exchange on which the Company is listed	Description
Common stock	4,833,463,387	4,833,463,387	Tokyo, Nagoya	The number of shares per one unit of shares is 1,000 shares.
Total	4,833,463,387	4,833,463,387	—	—

(2) Information on the stock acquisition rights, etc.

Not applicable.

(3) Information on moving strike convertible bonds, etc.

Not applicable.

(4) Information on shareholder right plans

Not applicable.

(5) Changes in the total number of issued shares and the amount of common stock and other

Date	Change in the total number of issued shares (shares)	Balance of the total number of issued shares (shares)	Change in common stock (Millions of yen)	Balance of common stock (Millions of yen)	Change in capital reserve (Millions of yen)	Balance of capital reserve (Millions of yen)
From April 1, 2013 to June 30, 2013	—	4,833,463,387	—	458,790	—	176,757

(6) Major shareholders

Not applicable.

(7) Information on voting rights

Information on voting rights as of March 31, 2013 is stated in this item because the Company does not identify the number of voting rights as of June 30, 2013 due to the lack of information on the number of the Company's shares held by the entity which the Company holds one quarter or more of all voting rights of such entity as of June 30, 2013.

1) Issued shares

(As of March 31, 2013)

Classification	Number of shares (shares)	Number of voting rights	Description
Shares without voting right	—	—	—
Shares with restricted voting right (treasury stock, etc.)	—	—	—
Shares with restricted voting right (others)	—	—	—
Shares with full voting right (treasury stock, etc.)	Common stock 3,070,000	—	—
Shares with full voting right (others)	Common stock 4,804,615,000	4,804,615	—
Shares less than one unit	Common stock 25,778,387	—	—
Number of issued shares	4,833,463,387	—	—
Total number of voting rights	—	4,804,615	—

(Note) The "Shares with full voting right (others)" column includes 26,000 shares registered in the name of Japan Securities Depository Center, Incorporated (account for managing stocks whose shareholders have not transferred titles) and 26 voting rights for those shares.

2) Treasury stock, etc.

(As of March 31, 2013)

Name of shareholder	Address	Number of shares held under own name (shares)	Number of shares held under the names of others (shares)	Total shares held (shares)	Ownership percentage to the total number of issued shares (%)
Hitachi, Ltd.	6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo	2,899,000	—	2,899,000	0.06
Aoyama Special Steel Co., Ltd.	9-11, Shinkawa 2-chome, Chuo-ku, Tokyo	10,000	—	10,000	0.00
ISHII DENKOSHA Co., Ltd.	1-11, Oroshishinmachi 3-chome, Higashi-ku, Niigata-shi, Niigata	1,000	—	1,000	0.00
SAITA KOUGYOU CO., LTD.	5-3, Takinogawa 5-chome, Kita-ku, Tokyo	88,000	—	88,000	0.00
NIKKO SHOKAI CO., LTD.	9-5, Minami-Shinagawa 4-chome, Shinagawa-ku, Tokyo	5,000	—	5,000	0.00
Nitto Jidosha Kiki K.K.	3268, Nagaoka, Ibarakimachi, Higashiibaraki-gun, Ibaraki	52,000	—	52,000	0.00
Mizuho Co., Inc.	4-1, Koishikawa 5-chome, Bunkyo-ku, Tokyo	15,000	—	15,000	0.00
Total	—	3,070,000	—	3,070,000	0.06

2. Changes in Senior Management

There was no change in senior management from the filing date of the Annual Securities Report for the 144th business term pursuant to the Financial Instruments and Exchange Act of Japan to June 30, 2013.

IV. Financial Information

Refer to the consolidated financial statements incorporated in this Quarterly Report.

Part II Information on Guarantors, etc. for the Company

Not applicable.

CONSOLIDATED BALANCE SHEETS
Hitachi, Ltd. and Subsidiaries
June 30, 2013 and March 31, 2013

Assets	June 30, 2013	March 31, 2013
	Millions of yen	
Current assets:		
Cash and cash equivalents (note 6)	603,285	527,632
Short-term investments (note 3)	10,100	10,444
Trade receivables:		
Notes (notes 4, 6, 13 and 20)	133,706	110,316
Accounts (notes 4, 6 and 20)	2,166,227	2,311,460
Net trade receivables	2,299,933	2,421,776
Investments in leases (notes 6 and 20)	310,544	270,899
Current portion of financial assets transferred to consolidated securitization entities (notes 6 and 20)	52,005	23,365
Inventories (note 5)	1,584,951	1,437,399
Prepaid expenses and other current assets	555,565	498,623
Total current assets	5,416,383	5,190,138
Investments and advances, including affiliated companies (note 3)	850,510	781,984
Property, plant and equipment:		
Land	522,296	518,313
Buildings	1,963,587	1,942,634
Machinery and equipment	5,219,351	5,207,010
Construction in progress	117,139	115,340
	7,822,373	7,783,297
Less accumulated depreciation	5,483,501	5,503,333
Net property, plant and equipment	2,338,872	2,279,964
Intangible assets (note 7)		
Goodwill	299,104	290,387
Other intangible assets	419,483	415,009
Total intangible assets	718,587	705,396
Financial assets transferred to consolidated securitization entities (notes 6 and 20)	168,323	131,379
Other assets (note 20)	800,962	720,369
Total assets	10,293,637	9,809,230

See accompanying notes to consolidated financial statements.

Liabilities and Equity	June 30, 2013	March 31, 2013
	Millions of yen	
Current liabilities:		
Short-term debt	937,867	673,850
Current portion of long-term debt	181,155	260,185
Current portion of non-recourse borrowings of consolidated securitization entities (note 6)	51,809	26,399
Trade payables:		
Notes	15,644	15,462
Accounts	1,184,109	1,219,402
Accrued expenses (note 13)	795,179	924,591
Income taxes	28,286	56,278
Advances received	431,045	359,795
Other current liabilities	491,370	428,179
Total current liabilities	4,116,464	3,964,141
Long-term debt	1,501,761	1,306,747
Non-recourse borrowings of consolidated securitization entities (note 6)	131,486	102,898
Retirement and severance benefits	900,184	913,211
Other liabilities	364,412	342,946
Total liabilities	7,014,307	6,629,943
Commitments and contingencies (note 13)		
Equity:		
Common stock (note 9)	458,790	458,790
Capital surplus	616,642	622,946
Retained earnings (note 11)	1,357,366	1,370,723
Accumulated other comprehensive loss	(269,225)	(368,334)
Treasury stock, at cost (note 10)	(1,634)	(1,565)
Total Hitachi, Ltd. stockholders' equity (note 12)	2,161,939	2,082,560
Noncontrolling interests (note 12)	1,117,391	1,096,727
Total equity	3,279,330	3,179,287
Total liabilities and equity	10,293,637	9,809,230

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS
AND CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
Hitachi, Ltd. and Subsidiaries
Three months ended June 30, 2013 and 2012

Consolidated Statements of Operations

	Millions of yen	
	2013	2012
Revenues	2,082,938	2,120,715
Cost of sales	(1,537,074)	(1,603,444)
Selling, general and administrative expenses	(490,379)	(453,697)
Impairment losses for long-lived assets	(248)	(252)
Restructuring charges (note 14)	(3,060)	(967)
Interest income	3,173	3,680
Dividend income	3,757	2,624
Other income (note 15)	4,666	3,153
Interest charges	(6,319)	(7,051)
Other deductions (note 15)	(2,023)	(12,889)
Equity in net loss of affiliated companies	(32)	(3,006)
Income before income taxes	55,399	48,866
Income taxes	(32,766)	(28,486)
Net income	22,633	20,380
Less net income attributable to noncontrolling interests	11,838	13,369
Net income attributable to Hitachi, Ltd. stockholders	10,795	7,011
Net income attributable to Hitachi, Ltd. stockholders per share (note 16):		Yen
Basic	2.23	1.51
Diluted	2.23	1.45

Consolidated Statements of Comprehensive Income

	Millions of yen	
	2013	2012
Net income	22,633	20,380
Other comprehensive income (loss) arising during the period		
Foreign currency translation adjustments	59,676	(38,669)
Pension liability adjustments	13,999	15,538
Net unrealized holding gain (loss) on available-for-sale securities	34,565	(27,257)
Cash flow hedges	5,842	3,022
Total other comprehensive income (loss) arising during the period	114,082	(47,366)
Comprehensive income (loss)	136,715	(26,986)
Less comprehensive income (loss) attributable to noncontrolling interests	26,824	(99)
Comprehensive income (loss) attributable to Hitachi, Ltd. stockholders	109,891	(26,887)

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Hitachi, Ltd. and Subsidiaries

Three months ended June 30, 2013 and 2012

	Millions of yen	
	2013	2012
Cash flows from operating activities:		
Net income	22,633	20,380
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	80,030	70,551
Amortization	28,187	28,003
Impairment losses for long-lived assets	248	252
Equity in net loss of affiliated companies	32	3,006
Gain on sale of investments in securities and other	(863)	(633)
Impairment of investments in securities	1,239	1,959
(Gain) loss on disposal of rental assets and other property	211	(1,878)
Decrease in receivables	280,354	222,943
Increase in inventories	(141,198)	(133,167)
(Increase) decrease in prepaid expenses and other current assets	(39,931)	5,052
Decrease in payables	(73,598)	(60,792)
Decrease in accrued expenses and retirement and severance benefits	(145,192)	(118,490)
Decrease in accrued income taxes	(14,595)	(31,238)
Increase in other current liabilities	44,336	46,378
Net change in lease receivables related to the Company's and its subsidiaries' products	2,591	7,895
Other	(1,536)	(16,800)
Net cash provided by operating activities	42,948	43,421
Cash flows from investing activities:		
Capital expenditures	(97,553)	(89,578)
Purchase of intangible assets	(25,935)	(20,703)
Purchase of tangible assets and software to be leased	(117,493)	(84,949)
Proceeds from disposal of property, plant and equipment	7,432	9,835
Proceeds from disposal of tangible assets and software to be leased	6,144	3,606
Collection of investments in leases	69,854	74,216
Purchase of investments in securities and shares of newly consolidated subsidiaries	(4,992)	(4,252)
Proceeds from sale of investments in securities and shares of consolidated subsidiaries resulting in deconsolidation	2,506	4,098
Other	11,978	18,548
Net cash used in investing activities	(148,059)	(89,179)
Cash flows from financing activities:		
Increase in short-term debt, net	114,289	93,093
Proceeds from long-term debt	256,618	96,424
Payments on long-term debt	(174,982)	(112,847)
Proceeds from sale of common stock by subsidiaries	1,556	1,619
Dividends paid to Hitachi, Ltd. stockholders	(24,203)	(23,215)
Dividends paid to noncontrolling interests	(8,174)	(9,485)
Acquisition of common stock for treasury	(71)	(28)
Proceeds from sales of treasury stock	2	2
Purchase of shares of consolidated subsidiaries from noncontrolling interest holders	(1,617)	(13,664)
Other	(36)	(54)
Net cash provided by financing activities	163,382	31,845
Effect of exchange rate changes on cash and cash equivalents	17,382	(3,256)
Net increase (decrease) in cash and cash equivalents	75,653	(17,169)
Cash and cash equivalents at beginning of period	527,632	619,577
Cash and cash equivalents at end of period	603,285	602,408

See accompanying notes to consolidated financial statements.

(1) Nature of Operations

Hitachi, Ltd. (the Company) is a Japanese corporation, whose principal office is located in Japan. The Company's and its subsidiaries' businesses are global and diverse, and include manufacturing and services such as information and telecommunication systems, power systems, social infrastructure and industrial systems, electronic systems and equipment, construction machinery, high functional materials and components, automotive systems, digital media and consumer products and others including logistics and other services, as well as financial services.

(2) Basis of Presentation and Summary of Significant Accounting Policies

(a) Basis of Presentation

The Company and its domestic subsidiaries keep their books of account in accordance with the financial accounting standards of Japan, and its foreign subsidiaries in accordance with those of the countries of their domicile.

The consolidated financial statements presented herein have been prepared to reflect the adjustments which are necessary to conform to accounting principles generally accepted in the United States of America. Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements. Actual results could differ from those estimates.

(b) Principles of Consolidation

The consolidated financial statements include the accounts of the Company, its majority-owned subsidiaries and all variable interest entities (VIEs) for which the Company or any of its consolidated entities is the primary beneficiary. The definition of a VIE is included in Accounting Standards Codification (ASC) 810, "Consolidation." This guidance addresses how a business enterprise should evaluate whether it has a controlling financial interest in an entity through means other than voting rights and accordingly should consolidate the entity. The consolidated financial statements include accounts of certain subsidiaries whose closing dates differ from June 30 by 93 days or less to either comply with local statutory requirements or facilitate timely reporting. There have been no significant transactions, which would materially affect the Company's financial position and results of operations, with such subsidiaries during the period from their closing dates to June 30. Intercompany accounts and significant intercompany transactions have been eliminated in consolidation.

Investments in corporate joint ventures and affiliated companies, where the Company has the ability to exercise significant influence over operational and financial policies generally by holding 20 - 50% ownership, are accounted for under the equity method. Investments where the Company does not have significant influence are accounted for under the cost method.

(c) Income Taxes

The Company computes interim income tax provisions by applying an estimated annual effective tax rate, which is reasonably determined considering the factors that will affect the tax rate including non-taxable transactions, tax credits and valuation allowances, to income before income taxes in accordance with the provisions for interim reporting included in ASC 740, "Income Taxes." The effect of a change in judgment about the realization of deferred tax assets in future years is recognized in the interim period in which the change occurs.

(d) Subsequent Events
The Company has evaluated up to August 9, 2013, the date on which its consolidated financial statements were available to be issued in accordance with the provisions of ASC855, "Subsequent Events."

(3) Investments in Securities and Affiliated Companies

Short-term investments as of June 30, 2013 and March 31, 2013 are as follows:

	Millions of yen	
	June 30, 2013	March 31, 2013
Investments in securities:		
Available-for-sale securities		
Government debt securities	7,000	6,502
Corporate debt securities	2,888	3,725
Other securities	192	197
Held-to-maturity securities	20	20
	10,100	10,444

Investments and advances, including affiliated companies as of June 30, 2013 and March 31, 2013 are as follows:

	Millions of yen	
	June 30, 2013	March 31, 2013
Investments in securities:		
Available-for-sale securities		
Equity securities	334,056	280,491
Government debt securities	1,249	956
Corporate debt securities	14,401	15,066
Other securities	10,583	9,618
Held-to-maturity securities	355	356
Cost-method investments	54,839	53,990
Investments in affiliated companies	279,005	259,967
Advances and other	156,022	161,540
	850,510	781,984

The following tables are summaries of the amortized cost basis, gross unrealized holding gains, gross unrealized holding losses and aggregate fair value of available-for-sale securities by the consolidated balance sheet classifications as of June 30, 2013 and March 31, 2013.

	Millions of yen			
	June 30, 2013			
	Amortized cost basis	Gross gains	Gross losses	Aggregate fair value
Short-term investments:				
Government debt securities	7,000	-	-	7,000
Corporate debt securities	2,817	75	4	2,888
Other securities	191	1	-	192
	10,008	76	4	10,080
Investments and advances:				
Equity securities	156,048	178,833	825	334,056
Government debt securities	1,231	20	2	1,249
Corporate debt securities	12,300	2,126	25	14,401
Other securities	10,258	325	-	10,583
	179,837	181,304	852	360,289
	189,845	181,380	856	370,369

	Millions of yen			
	March 31, 2013			
	Amortized cost basis	Gross gains	Gross losses	Aggregate fair value
Short-term investments:				
Government debt securities	6,501	1	-	6,502
Corporate debt securities	3,387	344	6	3,725
Other securities	196	1	-	197
	10,084	346	6	10,424
Investments and advances:				
Equity securities	155,625	125,775	909	280,491
Government debt securities	931	25	-	956
Corporate debt securities	12,997	2,093	24	15,066
Other securities	9,285	333	-	9,618
	178,838	128,226	933	306,131
	188,922	128,572	939	316,555

The following tables are summaries of gross unrealized holding losses on available-for-sale securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, as of June 30, 2013 and March 31, 2013.

	Millions of yen			
	June 30, 2013			
	Less than 12 months		12 months or longer	
	Aggregate fair value	Gross losses	Aggregate fair value	Gross losses
Short-term investments:				
Corporate debt securities	496	4	-	-
Investments and advances:				
Equity securities	4,401	415	1,640	410
Government debt securities	619	2	-	-
Corporate debt securities	847	13	988	12
	5,867	430	2,628	422
	6,363	434	2,628	422

	Millions of yen			
	March 31, 2013			
	Less than 12 months		12 months or longer	
	Aggregate fair value	Gross losses	Aggregate fair value	Gross losses
Short-term investments:				
Corporate debt securities	-	-	994	6
Investments and advances:				
Equity securities	4,904	601	1,219	308
Corporate debt securities	39	11	987	13
	4,943	612	2,206	321
	4,943	612	3,200	327

Equity securities consist primarily of stocks issued by Japanese and the U.S.A. listed companies. Government debt securities consist primarily of Japan treasury bonds. Corporate debt securities consist primarily of structured bonds. Other securities consist primarily of investment funds.

The following table represents the purchases, proceeds from the sale, gross realized gains on the sale, and gross realized losses on the sale of available-for-sale securities for the three months ended June 30, 2013 and 2012.

	Millions of yen	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Purchases	1,619	1,520
Proceeds from the sale	1,159	726
Gross realized gains on the sale	365	521
Gross realized losses on the sale	-	-

The contractual maturities of debt securities and other securities classified as investments and advances in the consolidated balance sheet as of June 30, 2013 are as follows:

	Millions of yen		
	Held-to-maturity	Available-for-sale	Total
Due within five years	355	8,150	8,505
Due after five years through ten years	-	1,652	1,652
Due after ten years	-	16,431	16,431
	355	26,233	26,588

Expected redemptions may differ from contractual maturities because some of these securities are redeemable at the option of the issuers.

The aggregate carrying amounts of cost-method investments which were not evaluated for impairment as of June 30, 2013 and March 31, 2013 were ¥53,710 million and ¥53,953 million, respectively, mainly because it was not practicable to estimate the fair value of the investments due to lack of a market price and difficulty in estimating fair value without incurring excessive cost and the Company did not identify any events or changes in circumstances that might have had a significant adverse effect on their fair value.

(4) Allowances for doubtful receivables

Allowances for doubtful receivables as of June 30, 2013 and March 31, 2013 are as follows:

	Millions of yen	
	June 30, 2013	March 31, 2013
Allowances for doubtful receivables	32,482	31,134

(5) Inventories

Inventories as of June 30, 2013 and March 31, 2013 are summarized as follows:

	Millions of yen	
	June 30, 2013	March 31, 2013
Finished goods	628,511	584,435
Work in process	691,554	601,305
Raw materials	264,886	251,659
	1,584,951	1,437,399

(6) Securitizations

The Company and certain subsidiaries securitize certain financial assets, such as lease, trade and mortgage loans receivable, and arrange other forms of asset-backed financing for the purpose of providing diversified and stable fund raising as part of their ongoing securitization activities. Historically, they have used third-party Special Purpose Entities (SPEs) to execute securitization transactions funded with commercial paper and other borrowings. These securitization transactions are similar to those used by many financial institutions.

Investors in these entities only have recourse to the assets owned by the entity and not to their general credit, unless noted below. The Company and certain subsidiaries do not provide non-contractual support to SPEs and do not have implicit support arrangements with any SPEs. The majority of their involvement with SPEs related to the securitization activities are assisting in the formation and financing of an entity, providing limited credit enhancements, servicing the assets and receiving fees for services provided.

A portion of these lease, trade and mortgage loans receivable is transferred to SPEs sponsored by financial institutions, which operate those SPEs as a part of their businesses. Accordingly, the amount of assets transferred by the Company and its subsidiaries is considerably small compared to the total assets of the SPEs sponsored by these financial institutions that purchase a large amount of assets from entities other than the Company and its subsidiaries. In certain transactions, investors have recourse with a scope that is considerably limited.

The transferred assets have similar risks and characteristics to the Company's and certain subsidiaries' receivables recorded on the consolidated balance sheets. Accordingly, the performance, such as collections or expected credit loss, of these transferred assets has been similar to the receivables recorded on the consolidated balance sheets for the Company and certain subsidiaries; however, the blended performance of the pools of transferred assets reflects the eligibility screening requirements that the Company and certain subsidiaries apply to determine which receivables are selected for transfer. Therefore, the blended performance may differ from receivables recorded on the consolidated balance sheets.

Consolidated SPEs

The Company consolidated SPEs mainly because the Company has both the power to direct the activities of the SPEs that most significantly impact the SPEs' economic performance and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the SPEs. The consolidated SPEs are mainly trusts for the securitizations of lease receivables and mortgage loans receivable.

The tables below summarize the assets and liabilities of the consolidated SPEs as of June 30, 2013 and March 31, 2013 by type of transferred financial assets that those SPEs hold:

	Millions of yen			
	June 30, 2013			
	Lease receivables	Mortgage loans receivable	Others	Total
Cash and cash equivalents	9,369	2,212	1,831	13,412
Current portion of financial assets transferred to consolidated securitization entities	31,385	10,576	10,044	52,005
Financial assets transferred to consolidated securitization entities	40,648	121,379	6,296	168,323
Current portion of non-recourse borrowings of consolidated securitization entities:				
Loans, mainly from banks	19,016	-	2,728	21,744
Beneficial interests in trusts	10,957	12,586	6,522	30,065
	29,973	12,586	9,250	51,809
Non-recourse borrowings of consolidated securitization entities:				
Loans, mainly from banks	26,568	-	4,100	30,668
Beneficial interests in trusts	3,747	96,436	635	100,818
	30,315	96,436	4,735	131,486

	Millions of yen			
	March 31, 2013			
	Lease receivables	Mortgage loans receivable	Others	Total
Cash and cash equivalents	3,617	2,458	961	7,036
Current portion of financial assets transferred to consolidated securitization entities	5,476	10,944	6,945	23,365
Financial assets transferred to consolidated securitization entities	3,411	127,380	588	131,379
Current portion of non-recourse borrowings of consolidated securitization entities:				
Loans, mainly from banks	2,360	-	-	2,360
Beneficial interests in trusts	4,371	13,196	6,472	24,039
	6,731	13,196	6,472	26,399
Non-recourse borrowings of consolidated securitization entities:				
Beneficial interests in trusts	205	102,580	113	102,898

The assets and liabilities of the consolidated SPEs on the table above exclude intercompany balances that are eliminated in consolidation. Substantially, all of the assets of the consolidated SPEs can only be used to settle obligations of those SPEs.

Transfers to unconsolidated entities
The following information is related to financial assets transferred to unconsolidated entities and accounted for as sales. Those financial assets are transferred mainly to SPEs sponsored by financial institutions.

Securitizations of lease receivables:
Hitachi Capital Corporation and certain other subsidiaries sold lease receivables to unconsolidated SPEs and other entities. During the three months ended June 30, 2013 and 2012, proceeds from the transfer of lease receivables were ¥5,840 million and ¥32,418 million, respectively, and net gains and net losses recognized on those transfers were a net loss of ¥2 million and a net gain of ¥1,654 million, respectively. The subsidiaries retained servicing responsibilities, but did not record a servicing asset or liability because the cost to service the receivables approximated the servicing income.

The amounts of initial fair value of the subordinated interests for the three months ended June 30, 2013 and 2012 were ¥390 million and ¥5,163 million, respectively. The subordinated interests relating to securitizations of lease receivables are initially classified as Level 3 assets within the fair value hierarchy. The initial fair value of the subordinated interests is determined based on economic assumptions including weighted-average life, expected credit risks, and discount rates.

Quantitative information about delinquencies, net credit losses, and components of lease receivables subject to transfer and other assets managed together as of and for the three months ended June 30, 2013 and as of and for the year ended March 31, 2013 is as follows:

	Millions of yen		
	June 30, 2013		
	Total principal amount of receivables	Principal amount of receivables 90 days or more past due	Net credit loss
Total assets managed or transferred:			
Lease receivables	1,122,126	313	72
Assets transferred	(249,615)		
Assets held in portfolio	872,511		

	Millions of yen		
	March 31, 2013		
	Total principal amount of receivables	Principal amount of receivables 90 days or more past due	Net credit loss
Total assets managed or transferred:			
Lease receivables	953,372	195	433
Assets transferred	(264,864)		
Assets held in portfolio	688,508		

As of June 30, 2013 and March 31, 2013, the amounts of the maximum exposures to losses were ¥88,227 million and ¥88,490 million, respectively. They mainly consist of the subordinated interests and the obligations to purchase assets with a scope that is considerably limited relating to these securitizations of lease receivables. As of June 30, 2013 and March 31, 2013, the amounts of the subordinated interests measured at fair value relating to these securitizations of lease receivables were ¥52,936 million and ¥53,081 million, respectively.

Securitizations of trade receivables:
The Company and certain subsidiaries sold trade receivables mainly to unconsolidated SPEs and other entities. During the three months ended June 30, 2013 and 2012, proceeds from the transfer of trade receivables were ¥145,444 million and ¥133,296 million, respectively, and net losses recognized on those transfers were ¥97 million and ¥383 million, respectively. The Company and certain subsidiaries retained servicing responsibilities, but did not record a servicing asset or liability because the cost to service the receivables approximated the servicing income.

The amount of initial fair value of the subordinated interests for the three months ended June 30, 2013 and 2012, were ¥110 million and ¥6,085 million, respectively. The subordinated interests relating to securitizations of trade receivables are initially classified as Level 3 assets within the fair value hierarchy. The initial fair value of the subordinated interests is determined based on economic assumptions including weighted-average life, expected credit risks, discount rates, and prepayment rates.

Quantitative information about delinquencies, net credit loss, and components of trade receivables subject to transfer and other assets managed together as of and for the three months ended June 30, 2013 and as of and for the year ended March 31, 2013 is as follows:

	Millions of yen		
	June 30, 2013		
	Total principal amount of receivables	Principal amount of receivables 90 days or more past due	Net credit loss
Total assets managed or transferred:			
Trade receivables	1,028,111	2,322	368
Assets transferred	(268,367)		
Assets held in portfolio	759,744		

	Millions of yen		
	March 31, 2013		
	Total principal amount of receivables	Principal amount of receivables 90 days or more past due	Net credit loss
Total assets managed or transferred:			
Trade receivables	1,042,802	1,957	2,095
Assets transferred	(290,172)		
Assets held in portfolio	752,630		

As of June 30, 2013 and March 31, 2013, the amounts of the maximum exposures to losses were ¥59,084 million and ¥62,586 million, respectively. They mainly consist of the subordinated interests and obligations to purchase assets with a scope that is considerably limited relating to these securitizations of trade receivables. As of June 30, 2013 and March 31, 2013, the amounts of the subordinated interests relating to these securitizations of trade receivables were ¥27,679 million and ¥33,325 million, respectively.

(7) Goodwill and Other Intangible Assets

Goodwill and other intangible assets included in other assets as of June 30, 2013 and March 31, 2013 are as follows:

Millions of yen

	June 30, 2013			March 31, 2013		
	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
Goodwill	299,104	-	299,104	290,387	-	290,387
Amortized intangible assets:						
Software	793,713	655,045	138,668	784,570	646,331	138,239
Software for internal use	568,199	430,961	137,238	568,637	434,299	134,338
Patents	80,720	75,440	5,280	80,401	75,190	5,211
Other	238,643	114,153	124,490	232,941	110,117	122,824
	1,681,275	1,275,599	405,676	1,666,549	1,265,937	400,612
Indefinite-lived intangible assets	13,807	-	13,807	14,397	-	14,397

(8) Retirement and Severance Benefits

Net periodic benefit cost for the contributory funded benefit pension plans and the unfunded lump-sum payment plans for the three months ended June 30, 2013 and 2012 consists of the following components:

Millions of yen

	Three months ended June 30, 2013	Three months ended June 30, 2012
Service cost	22,343	17,902
Interest cost	6,627	11,211
Expected return on plan assets for the period	(8,877)	(9,043)
Amortization of prior service benefit	(4,014)	(5,647)
Amortization of actuarial loss	22,226	24,259
Transfer to defined contribution pension plan	(20)	(104)
Employees' contributions	(42)	(17)
	38,243	38,561

(9) Common Stock

Issued shares of common stock as of June 30, 2013 and March 31, 2013 are as follows:

Issued shares

	June 30, 2013	March 31, 2013
Issued shares of common stock	4,833,463,387	4,833,463,387

(10) Treasury Stock

Shares of treasury stock as of June 30, 2013 and March 31, 2013 are as follows:

	Shares	
	June 30, 2013	March 31, 2013
Shares of treasury stock	3,003,266	2,899,151

(11) Dividends

Decision	Class of Shares	Cash dividends (Millions of yen)	Appropriation from	Cash dividends per share (Yen)	Record date	Effective Date
The Board of Directors on May 10, 2013	Common stock	24,152	Retained earnings	5.0	March 31, 2013	May 28, 2013

(12) Equity

The changes in the equity for the three months ended June 30, 2013 and 2012 are summarized as follows:

	Millions of yen		
	Three months ended June 30, 2013		
	Total Hitachi, Ltd. stockholders' equity	Noncontrolling interests	Total equity
Balance at beginning of period	2,082,560	1,096,727	3,179,287
Dividends to Hitachi, Ltd. stockholders	(24,152)	-	(24,152)
Dividends to noncontrolling interests	-	(10,841)	(10,841)
Equity transactions and other	(6,360)	4,681	(1,679)
Comprehensive income			
Net income	10,795	11,838	22,633
Other comprehensive income, net of income taxes and reclassification adjustments:			
Foreign currency translation adjustments	46,548	13,128	59,676
Pension liability adjustments	13,771	228	13,999
Net unrealized holding gain on available-for-sale securities	33,677	888	34,565
Cash flow hedges	5,100	742	5,842
Comprehensive income	109,891	26,824	136,715
Balance at end of period	2,161,939	1,117,391	3,279,330

	Millions of yen		
	Three months ended June 30, 2012		
	Total Hitachi, Ltd. stockholders' equity	Noncontrolling interests	Total equity
Balance at beginning of period	1,771,782	1,002,213	2,773,995
Dividends to Hitachi, Ltd. stockholders	(23,175)	-	(23,175)
Dividends to noncontrolling interests	-	(9,011)	(9,011)
Equity transactions and other	(3,431)	(1,225)	(4,656)
Comprehensive loss			
Net income	7,011	13,369	20,380
Other comprehensive income (loss), net of income taxes and reclassification adjustments:			
Foreign currency translation adjustments	(25,256)	(13,413)	(38,669)
Pension liability adjustments	14,792	746	15,538
Net unrealized holding loss on available-for-sale securities	(25,126)	(2,131)	(27,257)
Cash flow hedges	1,692	1,330	3,022
Comprehensive loss	(26,887)	(99)	(26,986)
Balance at end of period	1,718,289	991,878	2,710,167

The changes in accumulated other comprehensive loss, net of income taxes, for the three months ended June 30, 2013 are as follows:

	Millions of yen				
	Three months ended June 30, 2013				
	Foreign currency translation adjustments	Pension liability adjustments	Net unrealized holding gain on available-for-sale securities	Cash flow hedges	Total
Balance at beginning of period	(91,314)	(308,724)	61,482	(29,778)	(368,334)
Equity transactions and other	(3)	17	(3)	2	13
Other comprehensive income, net of reclassification adjustment					
Other comprehensive income arising during the period	46,549	(170)	33,882	4,891	85,152
Reclassification adjustments for realized net loss included in net income	(1)	13,941	(205)	209	13,944
Other comprehensive income, net of reclassification adjustment	46,548	13,771	33,677	5,100	99,096
Balance at end of period	(44,769)	(294,936)	95,156	(24,676)	(269,225)

The following table represents the reclassification adjustments for realized net loss included in net income by each classification of other comprehensive income arising during the period ended June 30, 2013 with location in consolidated statements of operations.

	Millions of yen	
	Three months ended June 30, 2013	
	Reclassification adjustments for realized net loss included in net income	Location
Foreign currency translation adjustments:		
	(1)	Other income
Before-tax amount	(1)	Income before income taxes
Tax benefit (expense)	-	Income taxes
Net-of-tax amount	(1)	Net income attributable to Hitachi, Ltd. stockholders
Pension liability adjustment:		
Prior service benefit	(3,533)	(a)
Actuarial loss	20,218	(a)
Before-tax amount	16,685	Income before income taxes
Tax benefit (expense)	(2,744)	Income taxes
Net-of-tax amount	13,941	Net income attributable to Hitachi, Ltd. stockholders
Net unrealized holding gain on available-for-sale securities:		
	(310)	Other deductions
Before-tax amount	(310)	Income before income taxes
Tax benefit (expense)	105	Income taxes
Net-of-tax amount	(205)	Net income attributable to Hitachi, Ltd. Stockholders
Cash flow hedges:		
Forward exchange contracts	77	Other income
Cross currency swap agreements	56	Other income
Interest rate swaps	68	Interest charges
Before-tax amount	201	Income before income taxes
Tax benefit (expense)	8	Income taxes
Net-of-tax amount	209	Net income attributable to Hitachi, Ltd. stockholders
Reclassification adjustments for realized net loss included in net income	13,944	Net income attributable to Hitachi, Ltd. stockholders

(a) These accumulated other comprehensive income (loss) components are included in the computation of net periodic benefit cost (see note 8).

(13) Commitments and Contingencies

The Company and its subsidiaries are contingently liable for loan guarantees to its affiliates and others in the amount of approximately ¥74,394 million as of June 30, 2013.

Hitachi Capital Corporation (HCC) and subsidiaries in financial services segment provide guarantees to financial institutions for extending loans to customers of the subsidiaries. As of June 30, 2013, the undiscounted maximum potential future payments under such guarantees amounted to ¥303,557 million. For providing these guarantees, the subsidiaries obtain collateral appropriate for the amount of the guarantees, and therefore, the Company considers the risk to be low. The Company accrued ¥10,869 million as an obligation to stand ready to perform over the term of the guarantees in the event the customer cannot make scheduled payments.

The Company and HCC provide loan commitments to affiliates and others.
The outstanding balance of loan commitments as of June 30, 2013 is as follows:

	Millions of yen
Total commitment available	40,632
Less amount utilized	356
Balance available	40,276

The amount of total commitment available in the table above includes lines of credits which require an additional credit approval prior to funding, and it may not be fully utilized.

The Company and certain subsidiaries have line of credit arrangements with banks in order to secure a financing source for business operations. The unused lines of credit as of June 30, 2013 amounted to ¥517,057 million, primarily related to unused lines of credit belonging to the Company. The Company maintains commitment line agreements with a number of banks and pays commitment fees as consideration. These commitment agreements generally provide a one-year term, and are subject to renewal at the end of the term. The unused availability under these agreements as of June 30, 2013 amounted to ¥200,000 million. The Company also maintains another commitment line agreement, whose three years and two months term ends in July 2016, with financing companies. The unused availability under this agreement as of June 30, 2013 amounted to ¥200,000 million.

It is a common practice in Japan for companies, in the ordinary course of business, to receive promissory notes in the settlement of trade accounts receivable and to subsequently discount such notes to banks or to transfer them by endorsement to suppliers in the settlement of accounts payable. As of June 30, 2013 and March 31, 2013, the Company and subsidiaries were contingently liable for trade notes discounted and endorsed in the following amounts:

	Millions of yen	
	June 30, 2013	March 31, 2013
Notes discounted	1,112	2,149
Notes endorsed	2,368	2,707
	3,480	4,856

The Company and its subsidiaries provide warranties for certain of their products. The accrued product warranty costs are based primarily on historical experience of actual warranty claims. The changes in accrued product warranty costs for the three months ended June 30, 2013 and 2012 are summarized as follows:

	Millions of yen	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Balance at beginning of period	40,114	41,356
Expense recognized upon issuance of warranties	3,615	1,961
Usage	(3,041)	(2,932)
Acquisitions and divestitures	-	81
Other, including effect of foreign currency translation	54	(678)
Balance at end of period	40,742	39,788

In December 2006, the Company and a subsidiary in Europe received requests for information from the European Commission in respect of alleged antitrust violations relating to liquid crystal displays.

In November 2007, a subsidiary in the U.S.A. received a grand jury subpoena in connection with the investigation conducted by the Antitrust Division of the U.S. Department of Justice in respect of alleged antitrust violations relating to cathode ray tubes. In addition, in November 2007, two subsidiaries in Asia and in Europe received requests for information from the European Commission. Furthermore, in November 2007, a subsidiary in Canada received requests for information from the Canadian Competition Bureau.

In June 2009, a subsidiary in Japan received a grand jury subpoena in connection with the investigation conducted by the Antitrust Division of the U.S. Department of Justice and received requests for information from the European Commission, and a subsidiary in Korea was investigated in Singapore by the Competition Commission of Singapore, all in respect of alleged antitrust violations relating to optical disk drives. In September 2011, the Korean subsidiary received a notice of discontinuation of the investigation from the Competition Commission of Singapore. In October 2011, the Japanese subsidiary agreed to pay a fine in relation to the investigation from the Antitrust Division of the U.S. Department of Justice and in November 2011, it paid that fine. In July 2012, the Japanese subsidiary received a statement of objections from the European Commission in respect of alleged antitrust violations.

In July 2011, a subsidiary and an affiliated company in Japan received a statement of objections from the European Commission in respect of alleged antitrust violations relating to high-voltage power cables. These companies accrued the reasonably estimated amount for the loss.

In July 2011, a subsidiary in the U.S.A. was investigated by and received a grand jury subpoena from the Antitrust Division of the U.S. Department of Justice, the Company and a subsidiary in Europe received requests for information from the European Commission, and a subsidiary in Canada received requests for information from the Canadian Competition Bureau, all in respect of alleged antitrust violations relating to automotive equipment.

The Company and its subsidiaries and affiliated companies (including a former subsidiary) have cooperated with the competent authorities. Depending upon the outcome of these matters, fines or surcharge payments, the amount of which is uncertain, may be imposed on them. Also, in connection with pending and settled antitrust violations, civil disputes, including class action lawsuits, involving the Company and some of these companies (including a former subsidiary) have arisen in a number of countries, including in the U.S.A. and Canada. A reasonably estimated amount was accrued for the potential losses in relation to certain of these civil disputes.

In August 2012, a subsidiary in Europe received a complaint filed by a customer in Europe seeking compensation for consequential losses of EUR 1,058 million (¥136,061 million), additional costs and interest allegedly incurred by the delay in the construction process of a power plant against, jointly and severally, the Company, the subsidiary in Europe, a consortium including the Company and the subsidiary in Europe, and two other companies. Although the Company, the subsidiary in Europe and the consortium will vigorously defend themselves against this lawsuit, there can be no assurance that they will not be held liable for any amounts claimed.

Depending upon the outcome of the above legal proceedings, there may be an adverse effect on the consolidated financial position or results of operations. Currently the Company is unable to estimate the adverse effect, if any, of many of these proceedings. Accordingly, except as otherwise stated, no accrual for potential loss has been made. The actual amount of fines, surcharge payments or any other payments resulting from these legal proceedings may be different from the accrued amounts.

In addition to the above, the Company and its subsidiaries are subject to several legal proceedings and claims which have arisen in the ordinary course of business and have not been finally adjudicated. These actions when ultimately concluded and determined will not, in the opinion of management, have a material adverse effect on the consolidated financial position or results of operations of the Company and subsidiaries.

(14) Restructuring Charges

Certain losses incurred in the reorganization of the Company's operations are considered restructuring charges. Components and related amounts of the restructuring charges, before the related tax effects, for the three months ended June 30, 2013 and 2012 are as follows:

	Millions of yen	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Special termination benefits	3,060	966
Loss on fixed assets	-	1
	3,060	967

The Company and certain subsidiaries provided special termination benefits to those employees voluntarily leaving the companies. The accrued special termination benefits were recognized at the time voluntary termination was offered and benefits were accepted by the employees. An analysis of the accrued special termination benefits for the three months ended June 30, 2013 and 2012 is as follows:

	Millions of yen	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Balance at beginning of the period	15,293	7,487
New charges	3,060	966
Cash payments	(14,964)	(7,004)
Foreign currency exchange rate changes	27	(29)
Balance at end of the period	3,416	1,420

The restructuring charges for the three months ended June 30, 2013 mainly consist of special termination benefits for the early-terminated employees of subsidiaries for the purpose of reorganizing businesses which has encountered the deterioration of the business environment in the High Functional Materials & Components segment.

(15) Other Income and Other Deductions

The following items are included in other income or other deductions for the three months ended June 30, 2013 and 2012.

	Millions of yen	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Net loss on securities	(1,330)	(976)
Net gain (loss) on sale and disposal of rental assets and other property	(530)	2,693
Exchange gain (loss)	2,895	(11,743)

(16) Net Income Per Share Information

The reconciliations of the numbers and the amounts used in the basic and diluted net income attributable to Hitachi, Ltd. stockholders per share computations for the three months ended June 30, 2013 and 2012 are as follows:

		Number of shares
	Three months ended June 30, 2013	Three months ended June 30, 2012
Weighted average number of shares on which basic net income per share is calculated	4,830,450,781	4,635,033,270
Effect of dilutive securities:		
Unsecured convertible bonds (8th series)	-	195,783,686
Number of shares on which diluted net income per share is calculated	4,830,450,781	4,830,816,956

		Millions of yen
	Three months ended June 30, 2013	Three months ended June 30, 2012
Net income attributable to Hitachi, Ltd. stockholders	10,795	7,011
Effect of dilutive securities:		
Unsecured convertible bonds (8th series)	-	11
Other	(16)	(11)
Net income attributable to Hitachi, Ltd. stockholders on which diluted net income per share is calculated	10,779	7,011

		Yen
Net income attributable to Hitachi, Ltd. stockholders per share:		
Basic	2.23	1.51
Diluted	2.23	1.45

(17) Concentrations of Credit Risk

The Company and its subsidiaries generally do not have significant concentrations of credit risk to any counterparties nor any regions because they are diversified and spread globally.

(18) Derivative Instruments and Hedging Activities

Overall risk profile

The major manufacturing bases of the Company and its subsidiaries are located in Japan and Asia. The selling bases are located globally, and the Company and its subsidiaries generated approximately 50% of their sales from overseas for the three months ended June 30, 2013. These overseas sales are mainly denominated in the U.S. dollar or Euro. As a result, the Company and its subsidiaries are exposed to market risks from changes in foreign currency exchange rates.

The Company's financing subsidiaries mainly in the U.K. issue variable rate medium-term notes mainly through the Euro markets to finance their overseas long-term operating capital. As a result, the Company and its subsidiaries are exposed to market risks from changes in foreign currency exchange rates and interest rates.

The Company and its subsidiaries are also exposed to credit-related losses in the event of non-performance by counterparties to derivative financial instruments, but it is not expected that any counterparties will fail to meet their obligations because most of the counterparties are internationally recognized financial institutions that are rated A or higher and contracts are diversified into a number of major financial institutions.

The Company and its subsidiaries have an insignificant amount of derivative instruments containing credit-risk-related contingent features, such as provisions that require the Company's debt to maintain an investment grade credit rating from each of the major credit rating agencies.

Risk management policy

The Company and its subsidiaries assess foreign currency exchange rate risk and interest rate risk by continually monitoring changes in these exposures and by evaluating hedging opportunities. It is the Company's principal policy not to enter into derivative financial instruments for speculation purposes.

Foreign currency exchange rate risk management

The Company and its subsidiaries have assets and liabilities which are exposed to foreign currency exchange rate risk and, as a result, they enter into forward exchange contracts and cross currency swap agreements for the purpose of hedging these risk exposures.

In order to fix the future net cash flows principally from trade receivables and payables recognized, which are denominated in foreign currencies, the Company and its subsidiaries on a monthly basis measure the volume and due date of future net cash flows by currency. In accordance with the Company's policy, a certain portion of measured net cash flows is covered using comprehensive forward exchange contracts, which principally mature within one year. If necessary, the Company and its subsidiaries establish the risk control policy and the risk management approach specific to each transaction by reviewing the business characteristics, the structure of the income and expenditure, and conditions of the contract. The Company and its subsidiaries hedge the risk exposure arising from specific transactions based on the risk control policy and the risk management approach.

The Company and its subsidiaries enter into cross currency swap agreements with the same maturities as underlying debt to fix cash flows from long-term debt denominated in foreign currencies. The hedging relationship between the derivative financial instrument and its hedged item is highly effective in achieving offsetting changes in foreign currency exchange rates.

Interest rate risk management

The Company's and its subsidiaries' exposure to interest rate risk is related principally to long-term debt obligations. Management believes it is prudent to minimize the variability caused by interest rate risk.

To meet this objective, the Company and its subsidiaries principally enter into interest rate swaps to manage fluctuations in cash flows. The interest rate swaps entered into are receive-variable, pay-fixed interest rate swaps. Under the interest rate swaps, the Company and certain subsidiaries receive variable interest rate payments on long-term debt associated with medium-term notes and make fixed interest rate payments, thereby creating fixed interest rate long-term debt.

Certain financing subsidiaries mainly finance a portion of their operations using long-term debt with a fixed interest rate and lend funds at variable interest rates. Therefore, such subsidiaries are exposed to interest rate risk. Management believes it is prudent to minimize the variability caused by interest rate risk. To meet this objective, certain financing subsidiaries principally enter into interest rate swaps converting the fixed rate to a variable rate to manage fluctuations in fair value resulting from interest rate risk. Under the interest rate swaps, certain financing subsidiaries receive fixed interest rate payments associated with long-term debt, including medium-term notes, and make variable interest rate payments, thereby creating variable-rate long-term debt.

The hedging relationship between the interest rate swaps and its hedged item is highly effective in achieving offsetting changes in cash flows and fair value resulting from interest rate risk.

Fair value hedge

Changes in the fair value of both recognized assets and liabilities, and derivative financial instruments designated as fair value hedges of these assets and liabilities are recognized in other income (deductions). Derivative financial instruments designated as fair value hedges include forward exchange contracts associated with operating transactions, cross currency swap agreements and interest rate swaps associated with financing transactions.

Cash flow hedge

Foreign currency exposure:

Changes in the fair value of forward exchange contracts designated and qualifying as cash flow hedges of forecasted transactions are reported in accumulated other comprehensive income (AOCI). These amounts are reclassified into earnings in the same period as the hedged items affect earnings.

Interest rate exposure:

Changes in fair values of interest rate swaps designated as hedging instruments for the variability of cash flows associated with long-term debt obligations are reported in AOCI. These amounts subsequently are reclassified into interest charges as a yield adjustment in the same period in which the hedged debt obligations affect earnings.

(19) Fair Value

ASC 820, "Fair Value Measurement" establishes a fair value hierarchy that prioritizes the use of observable inputs in markets over the use of unobservable inputs when measuring fair value as follows:

Level 1
Quoted prices for identical assets or liabilities in active markets.

Level 2
Quoted prices for similar assets or liabilities in active markets; quoted prices associated with transactions that are not distressed for identical or similar assets or liabilities in markets that are not active; or valuations whose significant inputs are derived from or corroborated by observable market data.

Level 3
Valuations using inputs that are not observable.

Investments in debt and equity securities

Investment securities of which quoted market prices are available to determine their fair value are included in Level 1. Level 1 securities include available-for-sale securities such as listed stocks on exchange markets, debt securities such as Japan treasury bonds and U.S.A. treasury bonds and exchange traded funds.

In the absence of an active market for investment securities, quoted prices for similar investment securities, quoted prices associated with transactions that are not distressed for identical or similar investment securities or other relevant information including market interest rate curves, referenced credit spreads or default rates, are used to determine fair value. These investments are included in Level 2. Level 2 securities include short-term investments and available-for-sale securities such as listed stocks traded over-the-counter, investment funds and debt securities traded over-the-counter.

In infrequent circumstances, the significant inputs of fair value for investment securities are unobservable and such investment are included in Level 3. The Company uses price information provided by financial institutions to evaluate these investments while corroborating the information mainly with prices estimated using an income approach based on its own valuation models or a market approach such as comparison with prices of similar securities. Level 3 securities include available-for-sale securities such as subordinated debentures and structured bonds with little market activity.

Derivatives

Closing prices are used for derivatives included in Level 1, which are traded on active markets. The majority of derivatives are traded on over-the-counter markets, which the Company does not deem to represent active markets. Derivative assets and liabilities for which fair value is based on quoted prices associated with transactions that are not distressed, in markets that are not active, or based on models using interest rate curves and forward and spot prices for currencies and commodities are included in Level 2. Derivatives included in Level 2 primarily consist of interest rate swaps, cross-currency swaps and foreign currency and commodity forward and option contracts. In infrequent circumstances, the significant inputs of fair value are unobservable and the Company mainly uses an income or market approach to corroborate relevant information provided by financial institutions. These derivatives are included in Level 3.

Subordinated interests resulting from securitization

When fair value is determined using observable inputs, including prices of recent transactions in markets that are not distressed, subordinated interests are included in Level 2. When significant inputs are not observable, fair value is determined based on economic assumptions used in measuring the fair value of the subordinated interests, including weighted-average life, expected credit risks, and discount rates, and the subordinated interests are included in Level 3.

The Company uses its own valuation models to evaluate these investments categorized within Level 3 and periodically reviews the appropriateness of consistent application of the models as well as updating of the inputs in consideration of recent changes in economic conditions. The Company also analyses that the sensitivity in the valuation of these investments does not have material adverse effects on the consolidated financial statements.

The following tables present the assets and liabilities that are measured at fair value on a recurring basis and the fair value hierarchy classification as of June 30, 2013 and March 31, 2013. The carrying values on the consolidated balance sheets are recorded by the fair value of these assets and liabilities:

	Millions of yen			
	June 30, 2013			
		Fair value hierarchy classification		
	Total	Level 1	Level 2	Level 3
Assets:				
Investments in securities				
Equity securities	334,056	333,251	805	-
Government debt securities	8,249	7,929	320	-
Corporate debt securities	17,289	-	5,274	12,015
Other	10,775	10,176	599	-
Derivatives	14,311	-	14,311	-
Subordinated interests resulting from securitization	79,818	-	-	79,818
	464,498	351,356	21,309	91,833
Liabilities:				
Derivatives	(65,571)	-	(65,571)	-

	Millions of yen			
	March 31, 2013			
		Fair value hierarchy classification		
	Total	Level 1	Level 2	Level 3
Assets:				
Investments in securities				
Equity securities	280,491	279,727	764	-
Government debt securities	7,458	7,132	326	-
Corporate debt securities	18,791	-	5,154	13,637
Other	9,815	9,246	569	-
Derivatives	12,017	-	12,017	-
Subordinated interests resulting from securitization	84,688	-	-	84,688
	413,260	296,105	18,830	98,325
Liabilities:				
Derivatives	(60,953)	-	(60,953)	-

The following tables present the changes in Level 3 instruments measured on a recurring basis for the three months ended June 30, 2013 and 2012:

	Millions of yen		
	Three months ended June 30, 2013		
	Corporate debt securities	Subordinated interests resulting from securitization	Total
Balance at beginning of period	13,637	84,688	98,325
Purchases	-	500	500
Settlements	(1,400)	(7,223)	(8,623)
Total gains or losses (realized/unrealized)			
Included in earnings (a)	(1)	50	49
Included in other comprehensive income (loss)	(221)	1,803	1,582
Balance at end of period	12,015	79,818	91,833
The amount of total gains or losses for the period included in earnings attributable to the change in unrealized gains or losses relating to assets still held at June 30, 2013	-	-	-

(a) Level 3 gains or losses included in earnings for the three months ended June 30, 2013 are reported in other income (deductions) for corporate debt securities and are reported in revenue for subordinated interests resulting from securitization.

	Millions of yen		
	Three months ended June 30, 2012		
	Corporate debt securities	Subordinated interests resulting from securitization	Total
Balance at beginning of period	24,264	66,313	90,577
Purchases	-	10,529	10,529
Settlements	(1,390)	(5,998)	(7,388)
Total gains or losses (realized/unrealized)			
Included in earnings (a)	-	94	94
Included in other comprehensive loss	(132)	(2,802)	(2,934)
Balance at end of period	22,742	68,136	90,878
The amount of total gains or losses for the period included in earnings attributable to the change in unrealized gains or losses relating to assets still held at June 30, 2012	-	-	-

(a) Level 3 gains or losses included in earnings for the three months ended June 30, 2012 are reported in revenue.

(20) Financing Receivables and Allowance for Doubtful Receivables

The Company classifies financing receivables aggregated and categorized as finance leases, installment loans, mortgage loans, and other financing receivables, based on the nature of risks and characteristics as described below.

Financing receivables from equipment leases, installment arrangements, mortgage loans, and other receivables with a contractual maturity of one year or more are subject to disclosure as reported in this note. Trade receivables from sale of products or services that have contractual maturities of one year or less are excluded from this note. Finance lease receivables are recorded based on the total minimum payments to be received and unguaranteed residual values less executory costs and unearned income. Installment loans, mortgage loans and other financing receivables are reported on the amortized cost basis.

Finance leases are receivables from lease arrangements, including products manufactured by the Company and certain of its subsidiaries, such as information technology equipment, manufacturing machinery and equipment and construction machinery, typically secured by underlying assets. The primary locations of finance leases are Japan, U.S.A., U.K. and China. The lease term ranges mainly from three to six years. The non-specific allowance for doubtful receivables is collectively determined on the basis of past collection experience, consideration of current economic conditions and changes in our customer collection trends as well as other factors that may affect the customers' ability to pay.

Installment loans represent receivables from arrangements with customers and dealers to provide financing primarily for products manufactured by the Company and certain of its subsidiaries, such as manufacturing machinery. Installment loans are typically secured by underlying assets. The primary locations of installment loans are Japan, U.S.A., U.K. and China. The loan term is generally less than three years. The non-specific allowance is collectively determined on the basis of past collection experience, consideration of current economic conditions and changes in our customer collection trends as well as other factors that may affect the customers' ability to pay.

Mortgage loans are financing receivables from residential loan arrangements for individuals. Mortgage loans are usually arranged with collateral. The location of mortgage loans is Japan; more than fifty percent of mortgage loans are arranged for employees of the Company and its domestic subsidiaries. The term of mortgage loans is usually less than 30 years. The non-specific allowance is collectively determined on the basis of past collection experience, consideration of current economic conditions and changes in our customer collection trends as well as other factors that may affect the customers' ability to pay.

Other financing receivables are the financing service receivables provided by the subsidiaries in the financial services segment such as factoring, loan servicing, and other forms of commercial financing. The contractual maturities associated with those services generally range over one to three years. The non-specific allowance is collectively determined on the basis of past collection experience, consideration of current economic conditions and changes in our customer collection trends as well as other factors that may affect the customers' ability to pay.

In addition, common to all financing receivables, the Company and its subsidiaries individually evaluate collectability of financing receivables either by discounted cash flow analyses when they determine principal and interest of a financing receivable cannot be collected or by estimating the fair value of related collateral when applicable and further estimating the allowance for doubtful receivables. The Company and its subsidiaries have proprietary credit quality indicators appropriate to the unique characteristics of their operations and the nature of their financing receivable portfolios. Based on such indicators as the duration of overdue payments, the unpaid amounts, the existence of extended payment terms, evaluation by third-party credit agencies, and the degree of debtors' excessive debt, the Company and its subsidiaries classify and monitor their financial receivables into two categories: the individually evaluated receivables, and the collectively evaluated receivables.

Interest income for long-term financing receivables is recognized on the accrual basis.

As of June 30, 2013 and March 31, 2013, financing receivables include past due receivables in the amount of ¥36,314 million and ¥28,055 million, respectively. Of these amounts, financing receivables past due 90 days or more and still accruing interest amounted to ¥9,715 million and ¥7,802 million, respectively.

The following tables present the allowance for doubtful receivables and recorded investment in financing receivables as of June 30, 2013 and 2012, and changes in the allowance for the three months ended June 30, 2013 and 2012.

					Millions of yen
					June 30, 2013
	Finance leases	Installment loans	Mortgage loans	Other financing receivables	Total
Allowance for doubtful receivables					
Balance, March 31, 2013	9,946	2,209	153	5,082	17,390
Provision	1,889	948	2	1,767	4,606
Recovery	(1,103)	(504)	(6)	(612)	(2,225)
Write off	(83)	(640)	-	(296)	(1,019)
Acquisitions and divestitures	1,820	73	-	165	2,058
Balance, June 30, 2013	12,469	2,086	149	6,106	20,810
Applicable to amounts; Individually evaluated for impairment	7,419	703	46	3,507	11,675
Applicable to amounts; Collectively evaluated for impairment	5,050	1,383	103	2,599	9,135
Financing receivables					
Balance, June 30, 2013	884,980	240,229	166,021	289,056	1,580,286
Applicable to amounts; Individually evaluated for impairment	20,393	824	94	8,062	29,373
Applicable to amounts; Collectively evaluated for impairment	864,587	239,405	165,927	280,994	1,550,913

	Finance leases	Installment loans	Mortgage loans	Other financing receivables	Total
					Millions of yen
					June 30, 2012
Allowance for doubtful receivables					
Balance, March 31, 2012	7,680	1,912	210	6,509	16,311
Provision	1,359	450	36	619	2,464
Recovery	(495)	(205)	(34)	(433)	(1,167)
Write off	(91)	(200)	(1)	(276)	(568)
Balance, June 30, 2012	8,453	1,957	211	6,419	17,040
Applicable to amounts; Individually evaluated for impairment	3,514	770	85	4,298	8,667
Applicable to amounts; Collectively evaluated for impairment	4,939	1,187	126	2,121	8,373
Financing receivables					
Balance, June 30, 2012	710,400	149,548	185,454	224,807	1,270,209
Applicable to amounts; Individually evaluated for impairment	9,828	1,098	172	8,477	19,575
Applicable to amounts; Collectively evaluated for impairment	700,572	148,450	185,282	216,330	1,250,634

In addition, as of June 30, 2013 and March 31, 2013, the amounts of impaired loans relating to receivables which arose from sales of products or services are ¥32,680 million and ¥44,558 million, respectively.

(21) Subsequent Events

On June 11, 2013, the Company executed the definitive agreements on the business integration covering the thermal power generation systems business with Mitsubishi Heavy Industries, Ltd. (MHI).

On July 31, 2013, in accordance with the definitive agreements, MHI and the Company executed the absorption-type company split agreements with the integrated company established by MHI in order to transfer their business centered on the thermal power generation systems.

The Company expects to apply the provisions of deconsolidation and initial measurements of an equity method investee to the company split. In accordance with this accounting treatment, the assets and liabilities subject to the company split will be transferred to the integrated company and shares of the integrated company allotted due to the company split are expected to be recorded under investments in affiliated companies evaluated at fair value on January 1, 2014, the effective date of the company split.

(22) Segment Information

The operating segments of the Company are the components for which separate financial information is available and for which segment profit or loss amounts are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company has aggregated certain operating segments into reportable segments for reporting purpose, since such aggregation helps financial statement users better understand the Company's performance.

The reportable segments correspond to categories of activities classified primarily by markets, products and services.

The Company discloses its business in ten reportable segments: Information & Telecommunication Systems, Power Systems, Social Infrastructure & Industrial Systems, Electronic Systems & Equipment, Construction Machinery, High Functional Materials & Components, Automotive Systems, Digital Media & Consumer Products, Others (Logistics and Other services) and Financial Services.

The primary products and services included in each segment are as follows:

Information & Telecommunication Systems:
Systems integration, Outsourcing services, Software, Disk array subsystems, Servers, Mainframes, Telecommunication equipment and ATMs

Power Systems:
Thermal, Nuclear and Renewable energy power generation system and Transmission & distribution systems

Social Infrastructure & Industrial Systems:
Industrial machinery and plants, Elevators, Escalators and Railway systems

Electronic Systems & Equipment:
Semiconductor and LCDs manufacturing equipment, Test and measurement equipment, Medical electronics equipment, Power tools and Electronic parts manufacturing system

Construction Machinery:
Hydraulic excavators, Wheel loaders and Mining machinery

High Functional Materials & Components:
Wires and cables, Copper products, Semiconductor and display related materials, Circuit boards and materials, Specialty steels, Magnetic materials and components and High grade casting components and materials

Automotive Systems:
Engine management systems, Electric powertrain systems, Drive control systems and Car information systems

Digital Media & Consumer Products:
Air-conditioning equipment, Room air conditioner, Refrigerators, Washing machines, Optical disk drives, LCD projectors and Flat-panel TVs

Others (Logistics and Other services):
Logistics, Information storage media, Batteries, Property management and others

Financial Services:
Leasing and Loan guarantees

Effective April 1, 2013, the Company changed the name of Others to Others (Logistics and Other services).

Effective April 1, 2013, the Company changed its measurement of segment profitability from operating income to earnings before interest and taxes (EBIT). Accordingly, the amounts previously reported for the three months ended June 30, 2012 have been restated in conformity with the new measure of segment profit or loss.

The following tables show segment information for the three months ended June 30, 2013 and 2012.

Revenues from Outside Customers

	Millions of yen	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Information & Telecommunication Systems	348,264	331,165
Power Systems	138,454	170,050
Social Infrastructure & Industrial Systems	225,160	200,677
Electronic Systems & Equipment	198,035	217,294
Construction Machinery	178,123	197,962
High Functional Materials & Components	321,692	325,774
Automotive Systems	207,273	204,334
Digital Media & Consumer Products	209,457	199,631
Others (Logistics and Other services)	180,543	190,232
Financial Services	75,849	83,460
Subtotal	2,082,850	2,120,579
Corporate items	88	136
Total	2,082,938	2,120,715

Revenues from Intersegment Transactions

	Millions of yen	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Information & Telecommunication Systems	42,829	40,471
Power Systems	17,096	20,524
Social Infrastructure & Industrial Systems	32,412	37,396
Electronic Systems & Equipment	27,643	27,965
Construction Machinery	468	1,080
High Functional Materials & Components	16,443	17,385
Automotive Systems	592	668
Digital Media & Consumer Products	18,143	18,921
Others (Logistics and Other services)	82,505	88,333
Financial Services	5,864	11,170
Subtotal	243,995	263,913
Corporate items and Eliminations	(243,995)	(263,913)
Total	-	-

Total Revenues

	Millions of yen	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Information & Telecommunication Systems	391,093	371,636
Power Systems	155,550	190,574
Social Infrastructure & Industrial Systems	257,572	238,073
Electronic Systems & Equipment	225,678	245,259
Construction Machinery	178,591	199,042
High Functional Materials & Components	338,135	343,159
Automotive Systems	207,865	205,002
Digital Media & Consumer Products	227,600	218,552
Others (Logistics and Other services)	263,048	278,565
Financial Services	81,713	94,630
Subtotal	2,326,845	2,384,492
Corporate items and Eliminations	(243,907)	(263,777)
Total	2,082,938	2,120,715

Segment Profit (Loss)

	Millions of yen	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Information & Telecommunication Systems	609	(972)
Power Systems	(4,172)	1,949
Social Infrastructure & Industrial Systems	1,888	(2,056)
Electronic Systems & Equipment	1,252	8,358
Construction Machinery	6,137	10,740
High Functional Materials & Components	25,257	20,396
Automotive Systems	9,883	8,238
Digital Media & Consumer Products	1,778	42
Others (Logistics and Other services)	10,286	9,087
Financial Services	9,493	7,767
Subtotal	62,411	63,549
Corporate items and Eliminations	(3,866)	(11,312)
Total Segment profit	58,545	52,237
Interest income	3,173	3,680
Interest charges	(6,319)	(7,051)
Income before income taxes	55,399	48,866

Intersegment transactions are recorded at the same prices used in transactions with third parties. Corporate items include unallocated corporate expenses, such as leading edge R&D expenditures, and others.

Operating Income

	Millions of yen	
	Three months ended June 30, 2013	Three months ended June 30, 2012
Information & Telecommunication Systems	72	(1,408)
Power Systems	(5,877)	2,485
Social Infrastructure & Industrial Systems	(444)	(2,034)
Electronic Systems & Equipment	329	9,538
Construction Machinery	11,772	14,108
High Functional Materials & Components	26,047	20,011
Automotive Systems	9,714	9,327
Digital Media & Consumer Products	607	17
Others (Logistics and Other services)	7,091	8,948
Financial Services	8,281	7,250
Subtotal	57,592	68,242
Corporate items and Eliminations	(2,107)	(4,668)
Total	55,485	63,574

Operating income is presented as total revenues less total cost of sales and selling, general administrative expenses in order to be consistent with financial reporting principles and practices generally accepted in Japan.

[Cover]

[Document Filed]	Confirmation Letter
[Applicable Law]	Article 24-4-8, Paragraph 1 of the Financial Instruments and Exchange Act of Japan
[Filed to]	Director, Kanto Local Finance Bureau
[Filing Date]	August 9, 2013
[Company Name]	Kabushiki Kaisha Hitachi Seisakusho
[Company Name in English]	Hitachi, Ltd.
[Title and Name of Representative]	Hiroaki Nakanishi, President
[Name and title of CFO]	Toyoaki Nakamura, Executive Vice President and Executive Officer
[Address of Head Office]	6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo
[Place Where Available for Public Inspection]	Tokyo Stock Exchange, Inc. (2-1, Nihombashi Kabutocho, Chuo-ku, Tokyo) Nagoya Stock Exchange, Inc. (8-20, Sakae 3-chome, Naka-ku, Nagoya)

1. Matters Related to Adequacy of Statements Contained in the Annual Securities Report

   Mr. Hiroaki Nakanishi, President, and Mr. Toyoaki Nakamura, Executive Vice President and Executive Officer, confirmed that statements contained in the Quarterly Report for the first quarter of 145th fiscal year (from April 1, 2013 to June 30, 2013) were adequate under the Financial Instruments and Exchange Act.

2. Special Notes

   None.