

Outline of Consolidated Financial Results for Fiscal 2012

May 10, 2013

Hitachi, Ltd.

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2. Outlook for Fiscal 2013
3. Overview by Business Segment

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<p>Revenues</p>	<p>Decreased 6% YoY^{*1}, rose 2% compared to previous forecast^{*2}</p> <ul style="list-style-type: none"> ● Revenues were higher in the Social Infrastructure & Industrial Systems, Power Systems and Information & Telecommunication Systems. ● All segments except the Electronic Systems & Equipment exceeded the previous forecasts.
<p>Operating income</p>	<p>Increased 9.7 billion yen YoY^{*3}, 2.0 billion yen compared to previous forecast^{*2}</p> <ul style="list-style-type: none"> ● All segments exceeded the previous forecasts excluding the Information & Telecommunication Systems, Electronic Systems & Equipment, and Construction Machinery.
<p>Net other income (deductions)</p>	<p>Decreased 222.9 billion yen YoY, rose 12.5 billion yen compared to previous forecast^{*2}</p> <ul style="list-style-type: none"> ● Decreased year over year because of lower net gain on securities.
<p>Net income attributable to Hitachi, Ltd. stockholders</p>	<p>Decreased 171.8 billion yen YoY^{*4}, increased 25.3 billion yen compared to previous forecast^{*2}</p> <ul style="list-style-type: none"> ● Decreased year over year because of lower net gain on securities.
<p>Free cash flows</p>	<p>Positive 30.0 billion yen, down 221.5 billion yen YoY</p> <ul style="list-style-type: none"> ● Decline mainly reflected the absence of the impact of selling the HDD business sale in fiscal 2011 and the acquisition of the U.K. company Horizon Nuclear Power Limited.

*1 After adjustment for the effect of selling the HDD and small & medium-sized display businesses: decreased 21.8 billion yen

*2 Previous forecast announced on February 4, 2013

*3 After adjustment for the effect of selling the HDD and small & medium-sized display businesses: rose 45.2 billion yen

*4 After adjustment for the effect of selling the HDD and small & medium-sized display businesses: rose 74.9 billion yen

	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2012 Target*1
Revenues	9,315.8 billion yen	9,665.8 billion yen	9,041.0 billion yen	10,000 billion yen
Operating income ratio	4.8%	4.3%	4.7%	Over 5%
Net income attributable to Hitachi, Ltd. stockholders	238.8 billion yen	347.1 billion yen	175.3 billion yen	Consistently generate at least 200 billion yen
D/E ratio*2 (Manufacturing, services & others)	1.03 times (0.68 times)	0.86 times (0.56 times)	0.75 times (0.47 times)	0.8 times or below
Total Hitachi, Ltd. stockholders' equity ratio (Manufacturing, services & others)	15.7% (17.0%)	18.8% (20.5%)	21.2% (23.2%)	20%
Exchange rate	86 yen/U.S. dollar 113 yen/euro	79 yen/U.S. dollar 109 yen/euro	83 yen/U.S. dollar 107 yen/euro	80 yen/U.S. dollar 110 yen/euro

*1 As of June 9, 2011 (revised to reflect HDD business transfer), assumed exchange rate.

*2 Including non-controlling interests, and also including non-recourse borrowings of consolidated securitization entities.

1. Promote Social Innovation Business

- **Focused investment on the Social Innovation Business**
(acquisitions of U.K. company Horizon Nuclear Power Limited, U.S. company BlueArc Corporation, etc.)
- **Promoted business structure reforms** (sold HDD business, small and medium-sized display business, etc.)
- **Transformed the management system** (Six groups structure)

2. Strengthen Management Base

- **Improved the financial base** (Total Hitachi, Ltd. stockholders' equity ratio=21.2%, D/E ratio=0.75 times)
- **Maintained positive free cash flows** (Fiscal 2010-2012 average of 287.5 billion yen/year)
- **Pushed ahead with Hitachi Smart Transformation Project for overhauling cost structures**

3. Global Growth Strategies

- **Expanded and improved global business base** (strengthened production and procurement functions, etc.)
- **Stepped up efforts to win large projects overseas** (U.K. IEP*, mining machinery for Turkish gold mine, etc.)

* IEP: Intercity Express Programme

Fiscal 2012

Realized higher operating income even with lower revenues in line with business portfolio reforms

From fiscal 2013

Reform business structure for generating higher profits
 ▶ Improved gross profit margin, SG&A expenses ratio

■ Promoted initiatives

Production costs

- Accelerated globalization of the total value chain from sales through design and manufacturing
- Reduced cost of procuring production facilities
- Improved design efficiency with modularization
- Centralized common manufacturing processes
 - Centralized circuit board assembly sites (from 28 to 5), etc.

Direct Materials costs

- Accelerated SCM cost reforms across businesses with the appointment of Chief Procurement Officers (CPOs)
- Strengthened platforms for accelerating local procurement (established Hitachi China Materials Technology Innovation Center in April 2013)
- Strengthened locally led design and quality assurance capabilities
- Expanded global centralized purchasing
- Expanded and increased corporate procurement sites (completed establishment of 25 overseas bases)

Indirect costs

- Reduced indirect materials costs (unit cost and absolute amount)
 - Reduced logistic costs (centralized warehouses in Japan and overseas, standardized packaging materials, etc.)
 - Centralized common Group expense items (communications, travel expenses, consumables, etc.)
- Accelerated use of shared services globally (India, since October 2012)

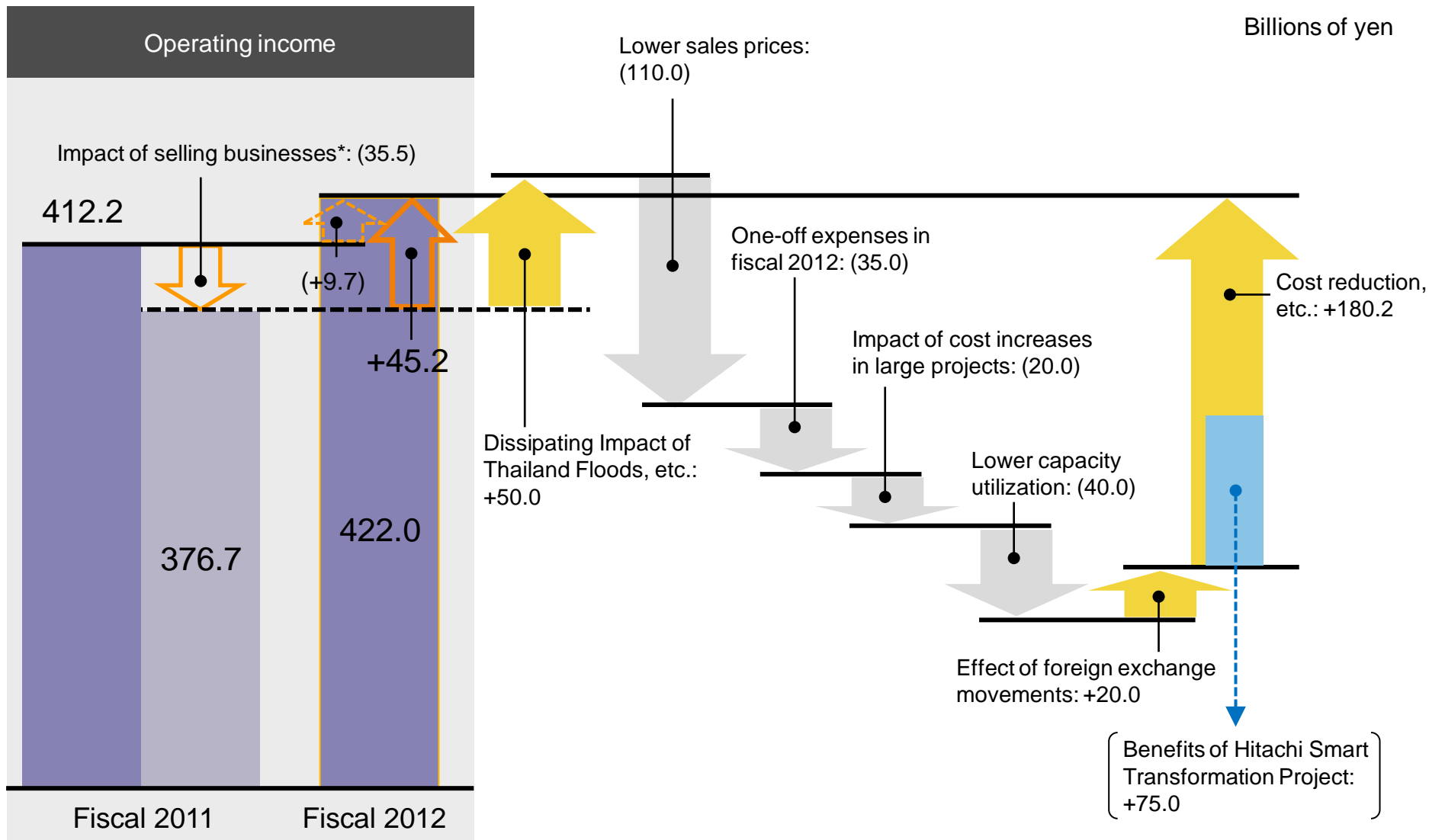
Billions of yen

	Fiscal 2011	Fiscal 2012	Year over year		Previous forecast comparison*2
				After adjustment*1	
Revenues	9,665.8	9,041.0	(624.8) [94%]	(21.8) [100%]	+141.0 [102%]
Operating income	412.2	422.0	+9.7	+45.2	+2.0
Net other income (deductions)	145.4	(77.4)	(222.9)	(8.9)	+12.5
Income before taxes	557.7	344.5	(213.1)	+36.2	+14.5
Income taxes	144.9	106.8	(38.1)	(34.0)	+1.8
Net income	412.8	237.7	(175.0)	+70.3	+12.7
Net income attributable to noncontrolling interests	65.6	62.3	(3.2)	(4.6)	(12.6)
Net income attributable to Hitachi, Ltd. stockholders	347.1	175.3	(171.8)	+74.9	+25.3

*1 After adjustment for the effect of selling the HDD and small & medium-sized display businesses

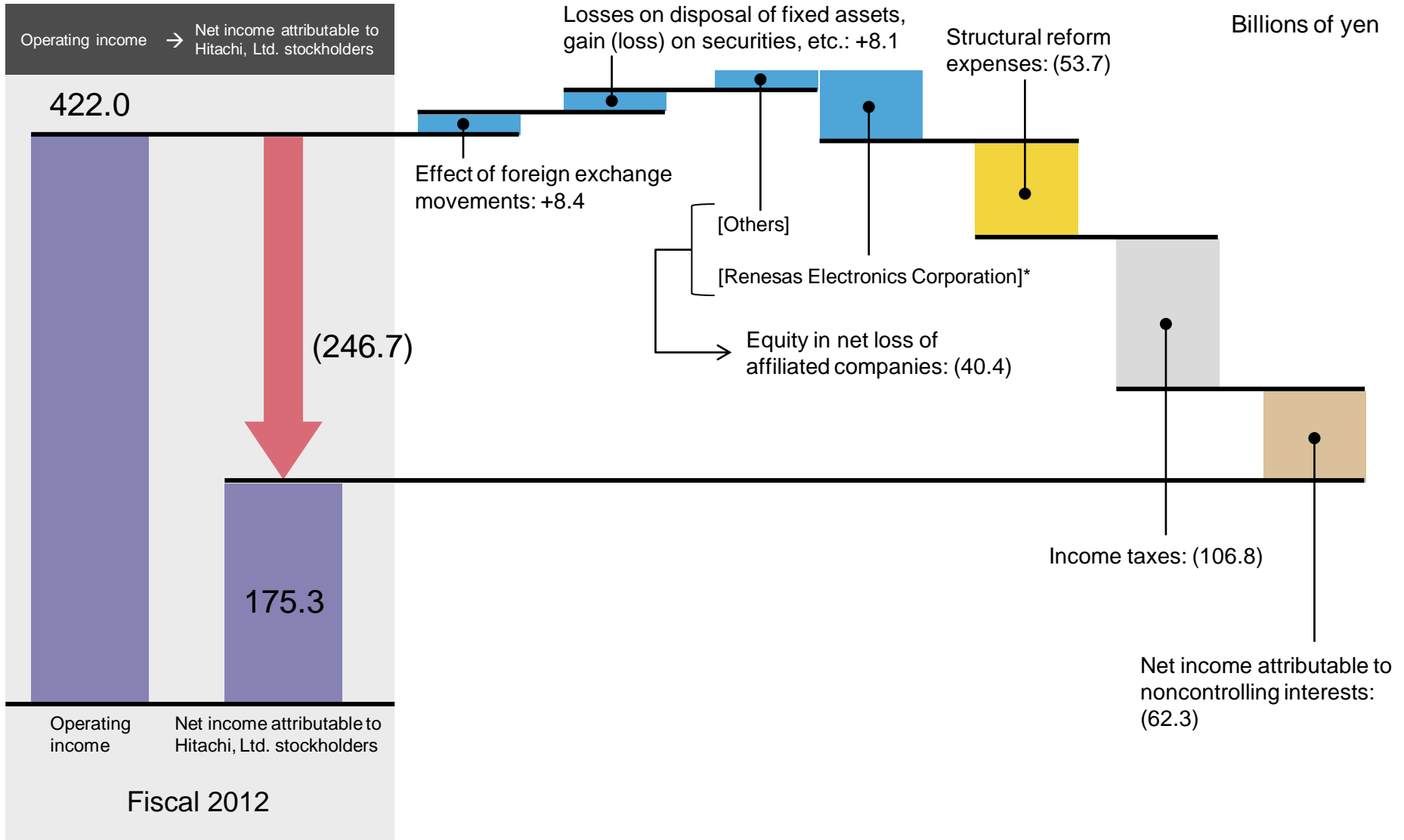
*2 Previous forecast announced on February 4, 2013

1-6. Major Factors for Change in Operating Income (Year over Year)



* The HDD and small & medium-sized display business

1-7. Major Factors for Change in Net Income Attributable to Hitachi, Ltd. Stockholders

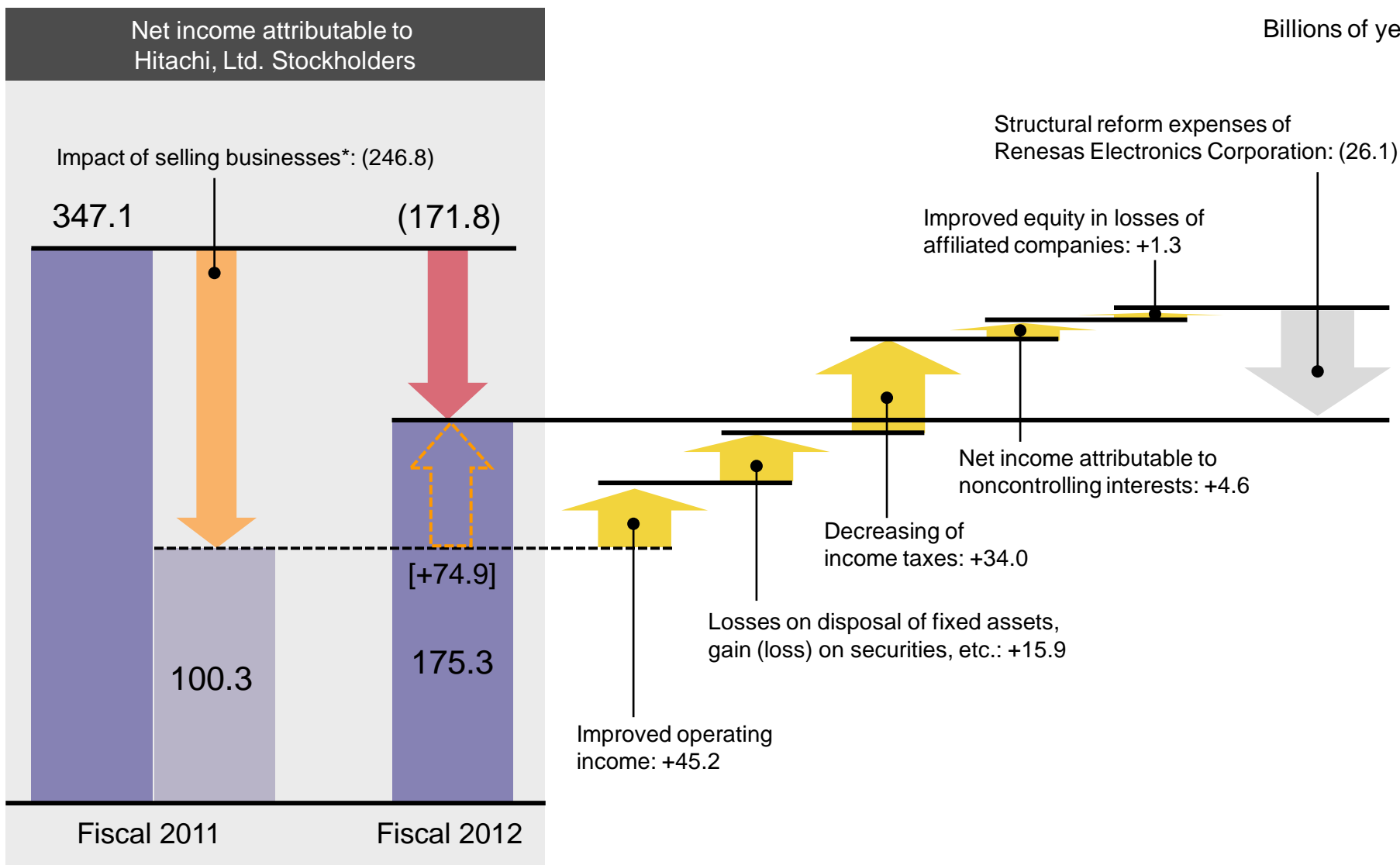


* Includes structural reform expenses

1-8. Major Factors for Change in Net Income Attributable to Hitachi, Ltd. Stockholders (Year over Year)

Net income attributable to Hitachi, Ltd. Stockholders

Billions of yen



* The HDD and small & medium-sized display business

1-9. Revenues by Market

Billions of yen

	Fiscal 2011	Ratio	Fiscal 2012	Ratio	Year over year	
						After adjustment*
Japan	5,534.4	57%	5,355.1	59%	97%	98%
Outside Japan	4,131.4	43%	3,685.9	41%	89%	102%
Asia	2,000.9	21%	1,711.1	19%	86%	101%
China	1,073.4	11%	816.3	9%	76%	97%
North America	869.0	9%	804.0	9%	93%	105%
Europe	761.1	8%	636.8	7%	84%	96%
Other Areas	500.2	5%	533.9	6%	107%	109%
Total	9,665.8	100%	9,041.0	100%	94%	100%

Ratio of overseas revenues: 43% (40%)* → 41%

* After adjustment for the effect of selling the HDD and small & medium-sized display businesses

Billions of yen

	As of March 31, 2012	As of March 31, 2013	Change from March 31, 2012
Total assets	9,418.5	9,809.2	+390.7
Total liabilities	6,644.5	6,629.9	(14.5)
Interest-bearing debt	2,396.4	2,370.0	(26.3)
Total Hitachi, Ltd. stockholders' equity	1,771.7	2,082.5	+310.7
Noncontrolling interests	1,002.2	1,096.7	+94.5
Total Hitachi, Ltd. stockholders' equity ratio	18.8%	21.2%	2.4 points improvement
D/E ratio (Including noncontrolling interests)	0.86 times	0.75 times	0.11 points improvement

Billions of yen

	As of March 31, 2012	As of March 31, 2013	Year over year
Cash flows from operating activities	447.1	583.5	+136.3
Cash flows from investing activities	(195.5)	(553.4)	(357.8)
Free cash flows	251.5	30.0	(221.5)
Cash flows from financing activities	(167.8)	(180.4)	(12.6)

■ Consolidated Balance Sheets

Billions of yen

	Manufacturing, Services & Others	Financial Services	Total*
Total assets	8,324.4	1,960.9	9,809.2
Total liabilities	5,414.7	1,680.2	6,629.9
Interest-bearing debt	1,368.8	1,224.9	2,370.0
Total Hitachi, Ltd. stockholders' equity	1,932.3	161.1	2,082.5
Noncontrolling interests	977.3	119.6	1,096.7
Total Hitachi, Ltd. stockholders' equity ratio	23.2%	8.2%	21.2%
D/E ratio (Including noncontrolling interests)	0.47 times	4.36 times	0.75 times

■ Consolidated Statements of Cash Flows

Billions of yen

	Manufacturing, Services & Others	Financial Services	Total*
Cash flows from operating activities	503.4	105.2	583.5
Cash flows from investing activities	(478.4)	(63.0)	(553.4)
Free cash flows	25.0	42.1	30.0
Cash flows from financing activities	(170.1)	(44.4)	(180.4)

* Total figures exclude inter-segment transactions

Consolidated Capital Expenditure (Completion basis, including Leasing Assets)

Billions of yen

	Fiscal 2011	Fiscal 2012	Year over year	
				After adjustment*2
Total*1	649.2	742.5	114%	122%
Manufacturing, Services & Others	405.4	406.1	100%	111%
Financial Services	256.2	345.0	135%	-

Consolidated Depreciation (Including Leasing Assets)

Billions of yen

	Fiscal 2011	Fiscal 2012	Year over year	
				After adjustment*2
Total	360.3	300.6	83%	94%
Manufacturing, Services & Others	302.2	242.8	80%	93%
Financial Services	58.1	57.8	99%	-

Consolidated R&D Expenditure

Billions of yen

	Fiscal 2011	Fiscal 2012	Year over year	
				After adjustment*2
Total	412.5	341.3	83%	98%

*1 Total Figures exclude inter-segment transactions

*2 After adjustment for the effect of selling the HDD and small & medium-sized display businesses

1-14. Revenues by Business Segment

Billions of yen

	Fiscal 2011	Fiscal 2012	Year over year		Previous forecast comparison*2
				After adjustment*1	
Information & Telecommunication Systems	1,764.2	1,786.5	101%	-	100%
Power Systems	832.4	904.6	109%	-	104%
Social Infrastructure & Industrial Systems	1,204.9	1,313.8	109%	-	104%
Electronic Systems & Equipment	1,101.7	1,014.3	92%	-	99%
Construction Machinery	798.7	756.0	95%	-	105%
High Functional Materials & Components	1,437.1	1,336.4	93%	-	100%
Automotive Systems	811.5	806.8	99%	-	103%
Digital Media & Consumer Products	858.8	818.5	95%	-	101%
Financial Services	353.2	340.2	96%	-	106%
Others*3	1,719.7	1,111.0	65%	99%	100%
Eliminations & Corporate items	(1,216.8)	(1,147.5)	-	-	-
Total	9,665.8	9,041.0	94%	100%	102%

*1 After adjustment for the effect of selling the HDD and small & medium-sized display businesses

*2 Previous forecast announced on February 4, 2013

*3 Effective on April 1, 2012, Hitachi discontinued the Components & Devices Segment. The businesses, which were previously included in the Components & Devices Segment, have been included in the Others. Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

1-15. Operating Income (Loss) by Business Segment

Billions of yen

	Fiscal 2011	Fiscal 2012	Year over year		Previous forecast comparison*2
				After adjustment*1	
Information & Telecommunication Systems	101.7	104.6	+2.9	-	(10.3)
Power Systems	(33.9)	29.9	+63.8	-	+3.9
Social Infrastructure & Industrial Systems	49.1	60.2	+11.0	-	+4.2
Electronic Systems & Equipment	49.9	29.3	(20.6)	-	(4.6)
Construction Machinery	63.1	54.6	(8.5)	-	(3.3)
High Functional Materials & Components	77.0	58.4	(18.5)	-	+5.4
Automotive Systems	37.0	35.4	(1.6)	-	+2.4
Digital Media & Consumer Products	(10.9)	(5.3)	+5.5	-	+1.6
Financial Services	30.2	29.2	(0.9)	-	+1.2
Others*3	72.7	40.1	(32.5)	+2.9	+1.1
Eliminations & Corporate items	(23.8)	(14.7)	+9.1	-	+0.2
Total	412.2	422.0	+9.7	+45.2	+2.0

*1 After adjustment for the effect of selling the HDD and small & medium-sized display businesses

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■ Business Environment

Japan	The economy is forecasted to experience moderate growth during the latter half of fiscal 2013 due to growth in the U.S. and emerging markets, as well as improving economic sentiment in Japan due to the benefits of various government measures aimed at ending the deflationary period.
U.S.	The U.S. economy could see the pace of recovery accelerate during the second half of 2013, as a result of quantitative easing and household debt adjustment, despite the downward pressure on the economy from automatic government spending cuts.
Europe	Forecasting protracted economic slowdown due to ongoing government austerity programs, although financial markets have rebounded due to the ECB's debt crisis response.
China	Real GDP growth for the January to March 2013 quarter slowed, and the Chinese economy is moving from investment to consumption-led. With many issues also in need of structural reform such as excess production, economic growth is expected to slow.
Emerging Economies	Although growth slipped in 2012 due to the European crisis and slowing Chinese economy, emerging economies are expected to see a slight upturn in economic growth in 2013, driven by internal demand in ASEAN countries.

■ Main Initiatives for Fiscal 2013

- | | |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Promote Social Innovation Business | <ul style="list-style-type: none"> ● Focus investment on the Social Innovation Business ● Expand development of services businesses |
| 2. Strengthen Management Base | <ul style="list-style-type: none"> ● Accelerate promotion on the Hitachi Smart Transformation Project for reforming cost structures |
| 3. Global Growth Strategies | <ul style="list-style-type: none"> ● Expand overseas orders in strong businesses |

■ Fiscal 2013 Outlook: Projecting higher revenues and higher earnings

[Projections for fiscal 2013 assume an exchange rate of 95 yen to the U.S.dollar and 120 yen to the euro.]

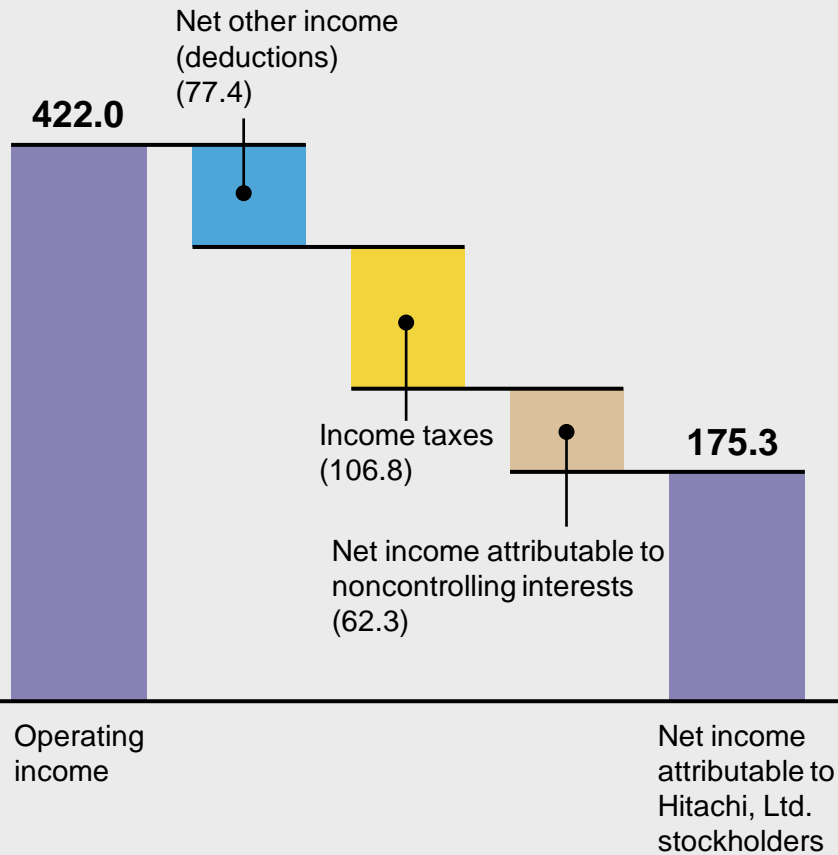
Billions of yen

	Fiscal 2012	Fiscal 2013 (Forecast)	Year over year
Revenues	9,041.0	9,200.0	+159.0 [102%]
Operating income	422.0	500.0	+77.9
Net other income (deductions)	(77.4)	(75.0)	+2.4
Income before income taxes	344.5	425.0	+80.5
Income taxes	106.8	120.0	+13.2
Net income	237.7	305.0	+67.3
Net income attributable to noncontrolling interests	62.3	95.0	+32.6
Net income attributable to Hitachi, Ltd. stockholders	175.3	210.0	+34.7

2-3. Major Factors of Net Income Attributable to Hitachi, Ltd. Stockholders

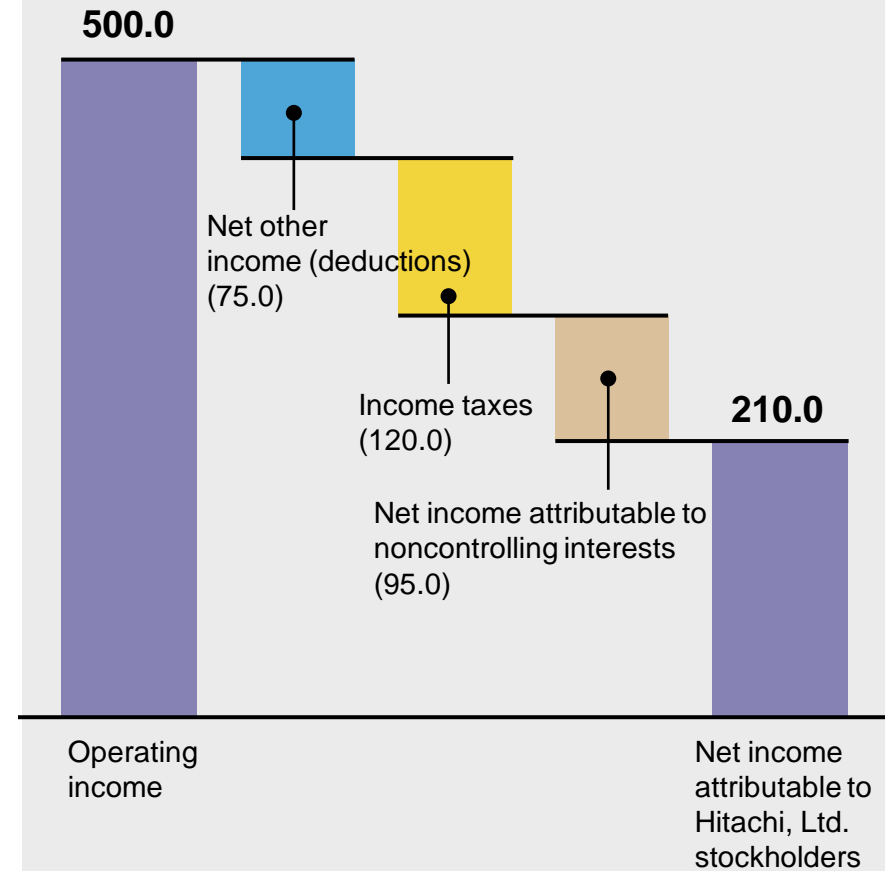
Fiscal 2012

Billions of yen



Fiscal 2013 (Forecast)

Billions of yen



2-4. Outlook for Fiscal 2013 Revenues by Business Segment

Billions of yen

	Fiscal 2012	Fiscal 2013 (Forecast)	Year over year
Information & Telecommunication Systems	1,786.5	1,820.0	102%
Power Systems	904.6	750.0	83%
Social Infrastructure & Industrial Systems	1,313.8	1,370.0	104%
Electronic Systems & Equipment	1,014.3	1,090.0	107%
Construction Machinery	756.0	800.0	106%
High Functional Materials & Components	1,336.4	1,310.0	98%
Automotive Systems	806.8	820.0	102%
Digital Media & Consumer Products	818.5	820.0	100%
Financial Services	340.2	330.0	97%
Others	1,111.0	1,150.0	104%
Eliminations & Corporate items	(1,147.5)	(1,060.0)	-
Total	9,041.0	9,200.0	102%

2-5. Outlook for Fiscal 2013 Operating Income (Loss) by Business Segment

Billions of yen

	Fiscal 2012	Fiscal 2013 (Forecast)	Year over year
Information & Telecommunication Systems	104.6	120.0	+15.3
Power Systems	29.9	15.0	(14.9)
Social Infrastructure & Industrial Systems	60.2	66.0	+5.7
Electronic Systems & Equipment	29.3	47.0	+17.6
Construction Machinery	54.6	82.0	+27.3
High Functional Materials & Components	58.4	84.0	+25.5
Automotive Systems	35.4	41.0	+5.5
Digital Media & Consumer Products	(5.3)	0.0	+5.3
Financial Services	29.2	30.0	+0.7
Others	40.1	45.0	+4.8
Eliminations & Corporate items	(14.7)	(30.0)	(15.2)
Total	422.0	500.0	+77.9

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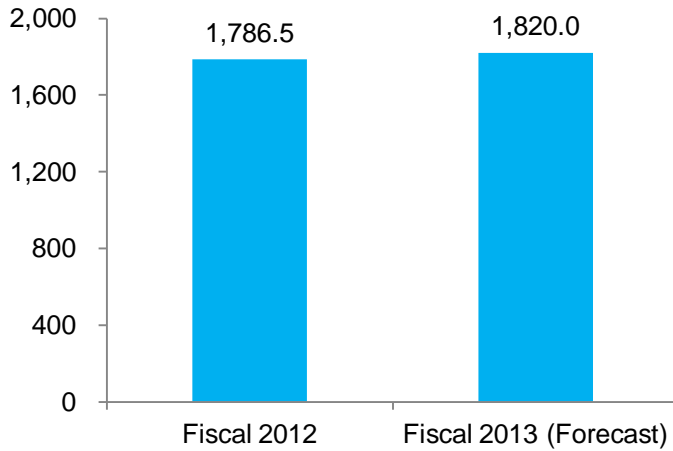


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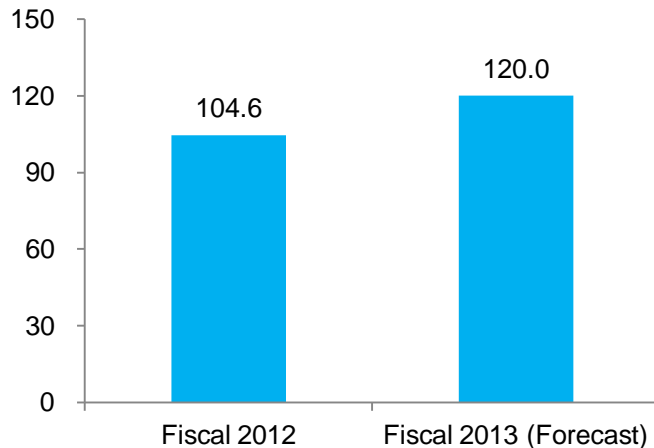
Revenues

Billions of yen



Operating income

Billions of yen



Review of Operations

* Figures in brackets are year over year comparisons

● Fiscal 2012 Results

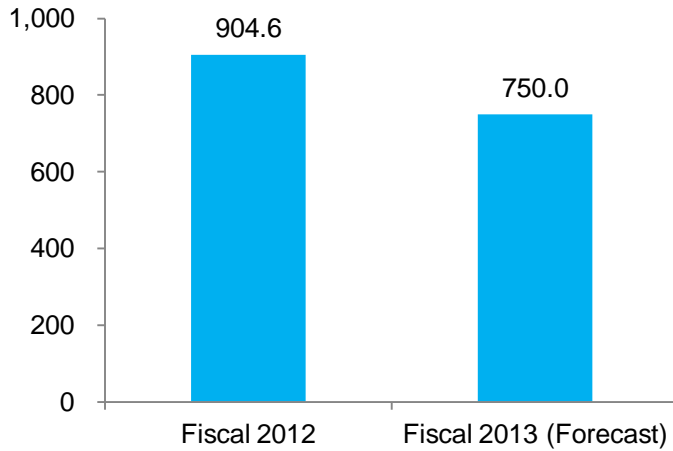
- **Revenues: 1,786.5 billion yen [101%]**
Slightly higher revenues from steady sales in services in Japan and storage solutions and ATMs overseas, as well as the impact of foreign currency exchange rate fluctuations, etc.
- **Operating income: 104.6 billion yen [+2.9 billion yen]**
Higher earnings despite cost increases in services and lower telecommunication sales. This mainly reflected higher earnings in storage solutions and ATMs overseas, as well as the impact of foreign currency exchange rate fluctuations, etc.

● Fiscal 2013 Outlook

- **Revenues: 1,820.0 billion yen [102%]**
Forecasting higher revenues based on strong sales in overseas storage solutions and domestic services, as well as expanding sales of new services and products.
- **Operating income: 120.0 billion yen [+15.3 billion yen]**
Forecasting higher earnings based on higher revenues, and strengthening project management in services.

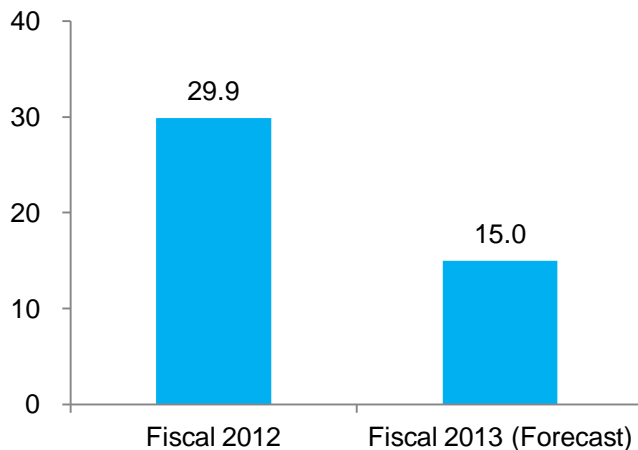
Revenues

Billions of yen



Operating income

Billions of yen



Review of Operations

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● Fiscal 2012 Results

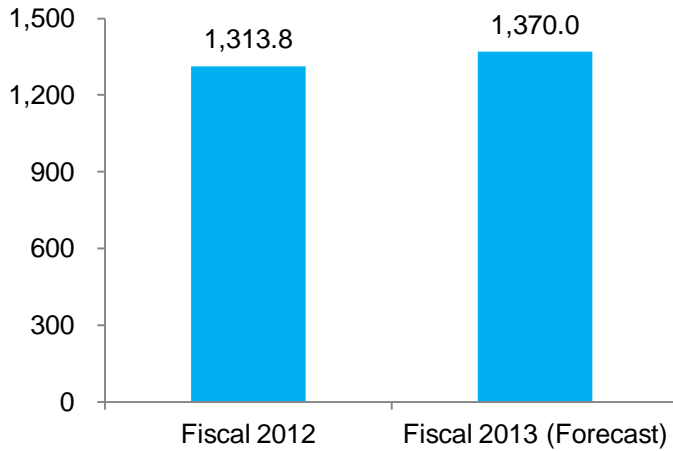
- **Revenues: 904.6 billion yen [109%]**
Revenues rose mainly due to taking-over of the transmission and distribution systems business from Japan AE Power Systems Corporation, and higher sales of thermal power generation systems.
- **Operating income: 29.9 billion yen [+63.8 billion yen]**
The segment saw a marked improvement in profitability and moved back into the black, mainly due to the absence of additional expenses in overseas thermal power generation systems recorded in fiscal 2011 and progress with cost-reduction measures.

● Fiscal 2013 Outlook

- **Revenues: 750.0 billion yen [83%]**
Forecasting decrease in revenues, due to lower sales from preventive maintenance services for nuclear power generation systems in Japan, and the establishment of a joint venture in thermal power systems with Mitsubishi Heavy Industries, Ltd. scheduled for January 2014.
- **Operating income: 15.0 billion yen [(14.9) billion yen]**
Forecasting decrease in operating income, in line with the projected decrease in revenues.

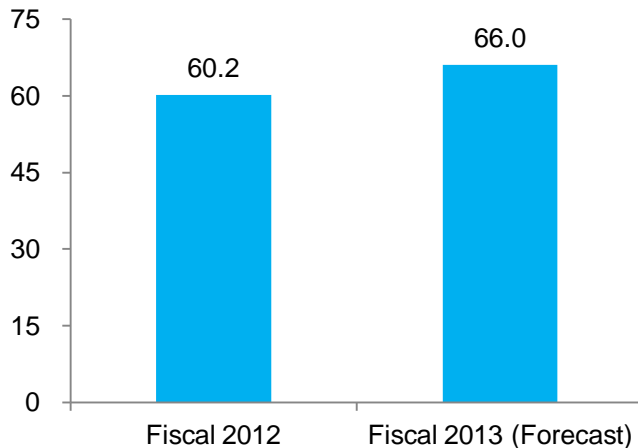
Revenues

Billions of yen



Operating income

Billions of yen



Review of Operations

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● Fiscal 2012 Results

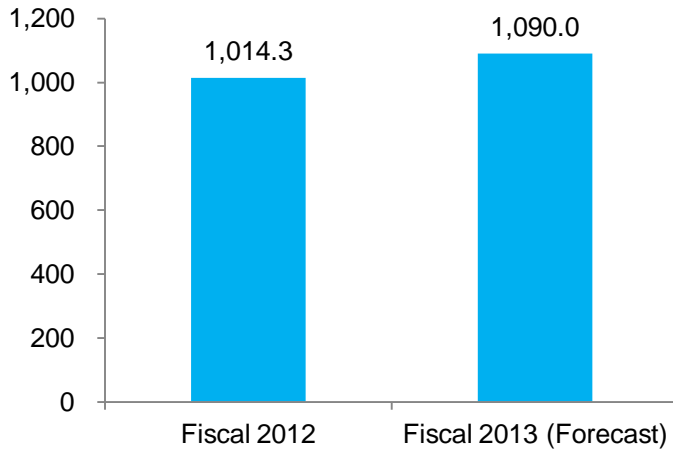
- **Revenues: 1,313.8 billion yen [109%]**
Revenues increased due to strong growth in the elevator and escalator business in China, and higher sales of industrial-use electrical equipment overseas.
- **Operating income: 60.2 billion yen [+11.0 billion yen]**
Operating income increased due to the higher revenues, progress with cost-reduction measures, etc.

● Fiscal 2013 Outlook

- **Revenues: 1,370.0 billion yen [104%]**
Forecasting higher revenues on higher sales of industrial equipment overseas and increased orders in the elevator and escalator business in China and other Asian markets.
- **Operating income: 66.0 billion yen [+5.7 billion yen]**
Forecasting higher operating income on the higher revenues and progress with cost-reduction measures.

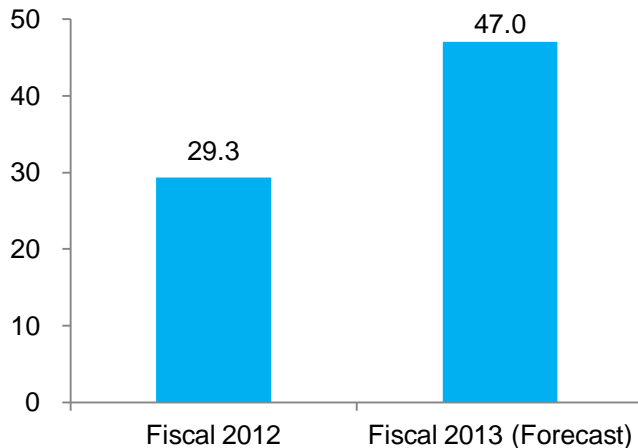
Revenues

Billions of yen



Operating income

Billions of yen



Review of Operations

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● Fiscal 2012 Results

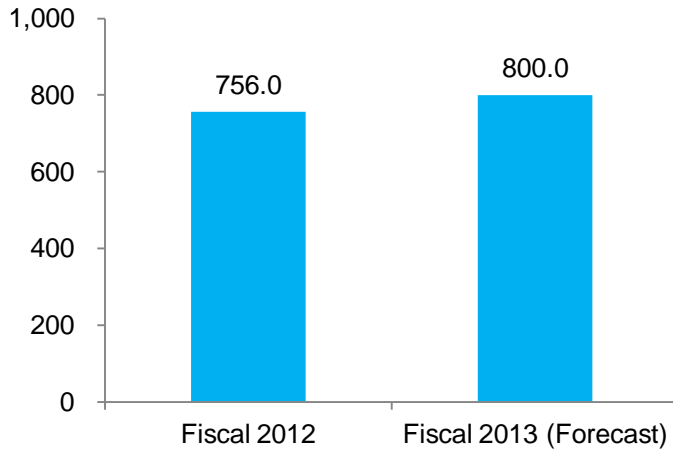
- **Revenues: 1,014.3 billion yen [92%]**
Revenues declined mainly due to lower sales of mobile phones in the trading division and medical analysis systems at Hitachi High-Technologies Corporation, etc.
- **Operating income: 29.3 billion yen [(20.6) billion yen]**
Operating income declined due to the lower revenues, as well as lower earnings at Hitachi Medical Corporation on account of losses stemming from business plan revisions.

● Fiscal 2013 Outlook

- **Revenues: 1,090.0 billion yen [107%]**
Forecasting higher revenues on projected strong sales at Hitachi High-Technologies Corporation, centered on industrial materials and semiconductor manufacturing equipment.
- **Operating income: 47.0 billion yen [+17.6 billion yen]**
Forecasting higher operating income on the projected higher revenues.

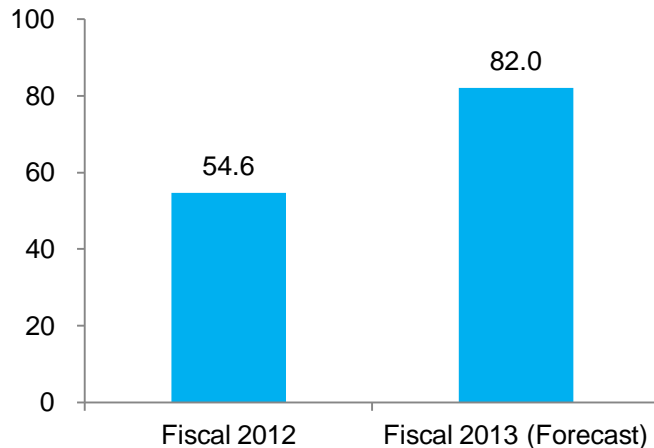
Revenues

Billions of yen



Operating income

Billions of yen



Review of Operations

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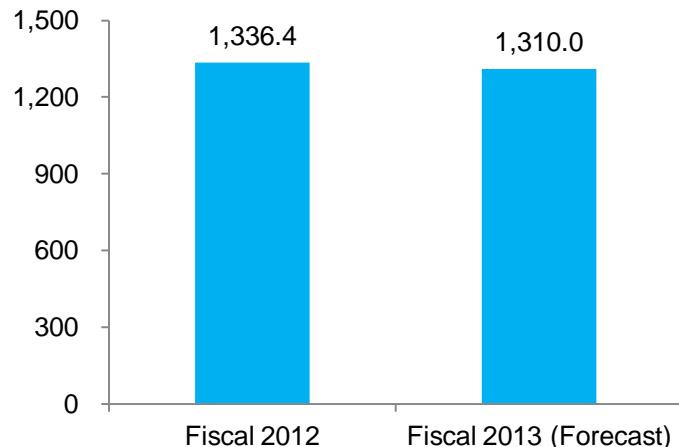
- Revenues: 756.0 billion yen [95%]
Revenues declined due to lower demand for hydraulic excavators in China, and decreased sales of mining machinery in Asia.
- Operating income: 54.6 billion yen [(8.5) billion yen]
Operating income declined due to lower revenues.

● Fiscal 2013 Outlook

- Revenues: 800.0 billion yen [106%]
Forecasting higher revenues on a projected increase in housing starts and reconstruction-related work in Japan, as well as a recovery in demand for hydraulic excavators in China.
- Operating income: 82.0 billion yen [+27.3 billion yen]
Forecasting higher earnings due to the benefits of the yen's depreciation, in addition to sales price revisions and cost-reduction measures, etc.

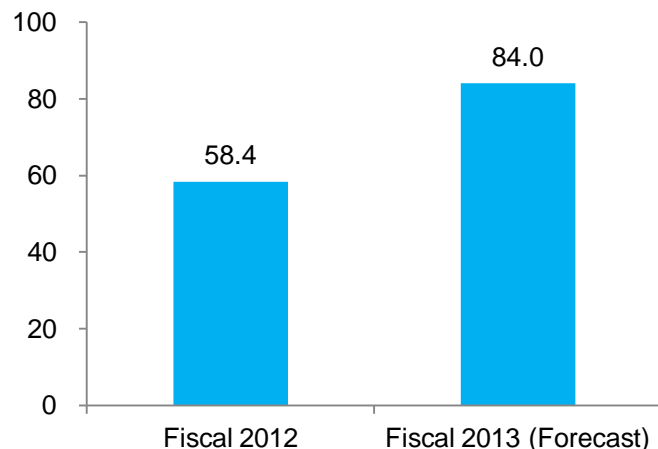
Revenues

Billions of yen



Operating income

Billions of yen



Review of Operations

* Figures in brackets are year over year comparisons

● Fiscal 2012 Results

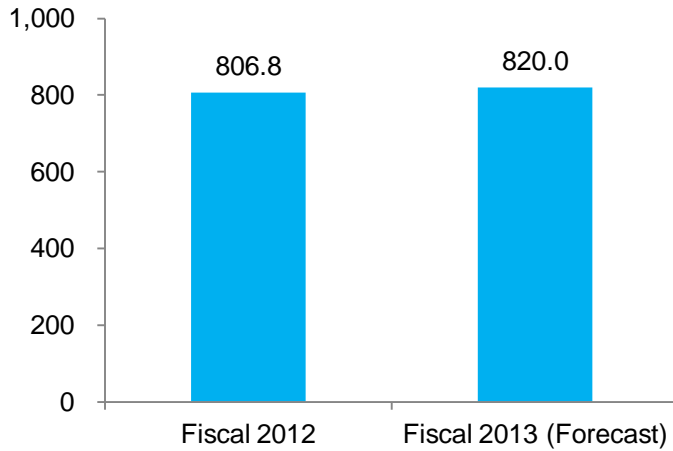
- **Revenues: 1,336.4 billion yen [93%]**
Revenues declined due mainly to the withdrawal from unprofitable businesses at Hitachi Cable, Ltd. and lower demand for electronics-related products.
- **Operating income: 58.4 billion yen [(18.5) billion yen]**
Operating income declined due to lower sales and write-offs associated with a decrease in raw material prices at Hitachi Metals, Ltd.

● Fiscal 2013 Outlook

- **Revenues: 1,310.0 billion yen [98%]**
Forecasting lower revenues because of lower sales at Hitachi Cable, although Hitachi Chemical Co., Ltd. is expected to see strong sales, centered on materials for tablet PCs and smartphones.
- **Operating income: 84.0 billion yen [+25.5 billion yen]**
Forecasting higher earnings due to the absence of losses stemming from falling raw materials prices in fiscal 2012, business structure reforms at Hitachi Cable and the projected higher revenues at Hitachi Chemical.

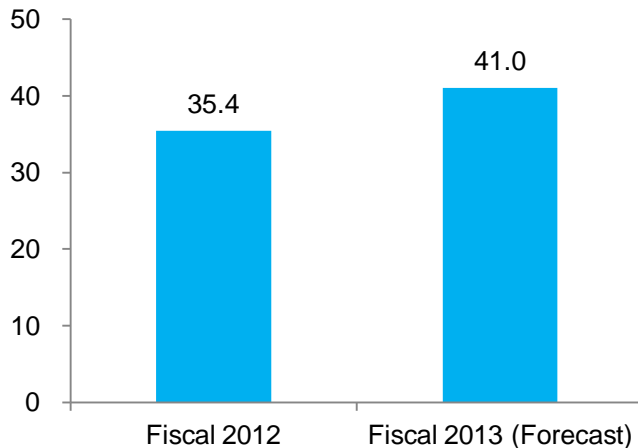
Revenues

Billions of yen



Operating income

Billions of yen



Review of Operations

* Figures in brackets are year over year comparisons

● Fiscal 2012 Results

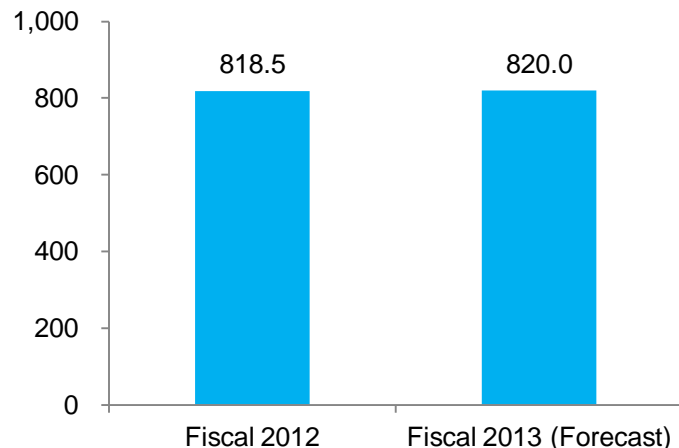
- Revenues: 806.8 billion yen [99%]
Revenues fell slightly reflecting mainly the impact of lower production by Japanese carmakers in China.
- Operating income: 35.4 billion yen [(1.6) billion yen]
Operating income declined due to lower revenues.

● Fiscal 2013 Outlook

- Revenues: 820.0 billion yen [102%]
Forecasting higher revenues mainly because of a projected recovery in emerging markets and the U.S. market, and the impact of the yen's depreciation, although there are concerns about the impact of lower production by Japanese carmakers in China, and the end of the subsidy scheme for eco-friendly cars in Japan.
- Operating income: 41.0 billion yen [+5.5 billion yen]
Forecasting higher operating income on the higher revenues, as well as higher capacity utilization and impact of the yen's depreciation.

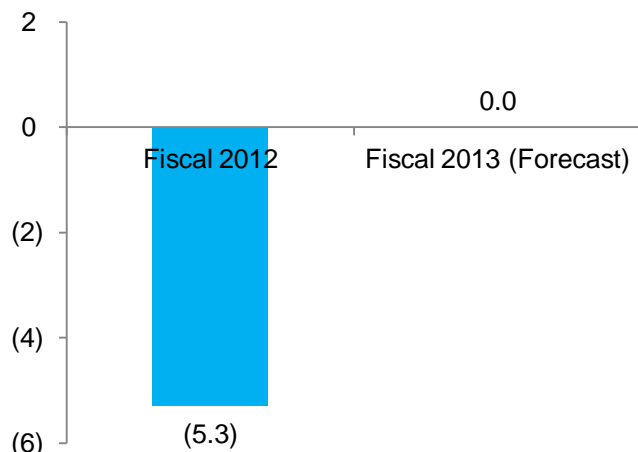
Revenues

Billions of yen



Operating income (loss)

Billions of yen



Review of Operations

* Figures in brackets are year over year comparisons

● Fiscal 2012 Results

- Revenues: 818.5 billion yen [95%]
Revenues declined due to business strategy changes in flat-panel TVs, as well as the impact of falling prices for optical disk drive products.
- Operating income (loss):
(5.3) billion yen [+5.5 billion yen]
A narrower operating loss was posted due to the benefits of business structure reforms in the flat-panel TV business and the absence of the impact of flooding in Thailand in fiscal 2011

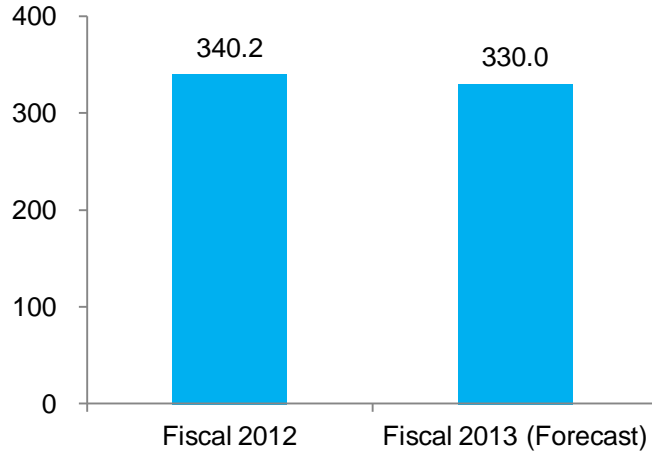
● Fiscal 2013 Outlook

- Revenues: 820.0 billion yen [100%]
Forecasting revenues on a par with fiscal 2012 due to growth in air-conditioning equipment and certain other product lines stemming from efforts to develop business in emerging markets, despite the impact of the LCD projector business transfer.
- Operating income (loss):
0 billion yen [+5.3 billion yen]
Forecasting recovered operating income due to improved profitability in overseas air-conditioning equipment and home appliances, despite structural reform expenses for the digital media business.

Financial Services

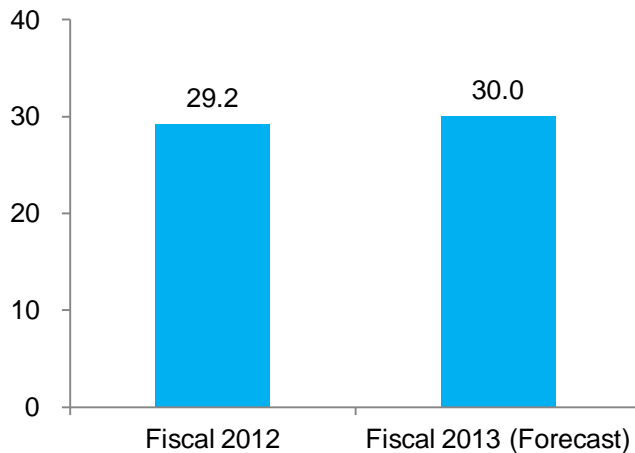
Revenues

Billions of yen



Operating income

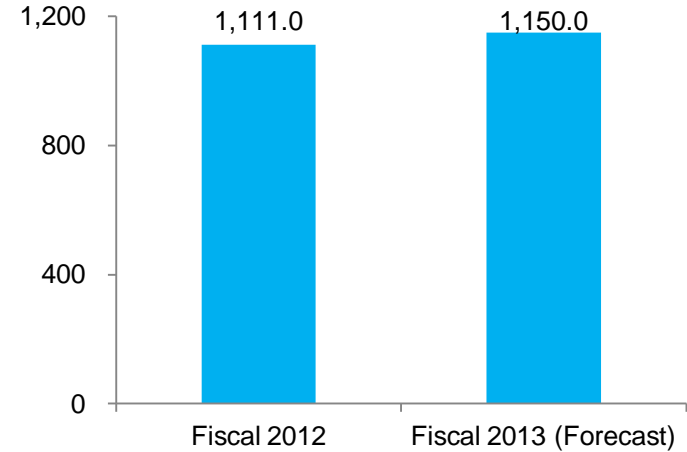
Billions of yen



Others

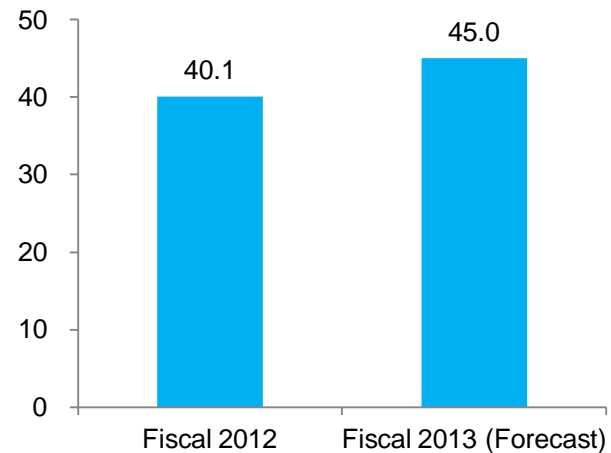
Revenues

Billions of yen



Operating income

Billions of yen



Certain statements found in this document may constitute “forward-looking statements” as defined in the U.S. Private Securities Litigation Reform Act of 1995. Such “forward-looking statements” reflect management’s current views with respect to certain future events and financial performance and include any statement that does not directly relate to any historical or current fact. Words such as “anticipate,” “believe,” “expect,” “estimate,” “forecast,” “intend,” “plan,” “project” and similar expressions which indicate future events and trends may identify “forward-looking statements.” Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the “forward-looking statements” and from historical trends. Certain “forward-looking statements” are based upon current assumptions of future events which may not prove to be accurate. Undue reliance should not be placed on “forward-looking statements,” as such statements speak only as of the date of this document.

Factors that could cause actual results to differ materially from those projected or implied in any “forward-looking statement” and from historical trends include, but are not limited to:

- 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 segments;
- 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 in other materials published by Hitachi.

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