

HITACHI, LTD. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2001

The consolidated financial statements presented herein are expressed in yen and, solely for the convenience of the reader, have been translated into United States dollars at the rate of 124 yen = U.S.\$1, the approximate exchange rate prevailing on the Tokyo Foreign Exchange Market as of March 30, 2001.

SUMMARY

In millions of yen and U.S. dollars, except Net income per share (6) and Net income per American Depositary Share (7).

	Years ended March 31			
	YEN (millions)		(A)/(B) X100	U.S.DOLLARS (millions)
	2001 (A)	2000 (B)		2001
1. Net sales	8,416,982	8,001,203	105	67,879
2. Operating income	342,312	174,364	196	2,761
3. Income before income taxes and minority interests	323,655	79,235	408	2,610
4. Income before minority interests	158,794	31,733	500	1,281
5. Net income	104,380	16,922	617	842
6. Net income per share				
Basic	31.27	5.07	617	0.25
Diluted	30.32	4.99	608	0.24
7. Net income per ADS (representing 10 shares)				
Basic	313	51	617	2.52
Diluted	303	50	608	2.44

- Notes: 1. The Company changed the method of carrying its investment in a certain affiliated company from cost to equity in the fiscal year ended March 31, 2000.
2. Statement of Financial Accounting Standards (SFAS) No. 115, "Accounting for Certain Investments in Debt and Equity Securities," has been implemented in the body of the consolidated financial statements for the fiscal year ended March 31, 2001. Accordingly, figures for the fiscal year ended March 31, 2000 have been restated.
3. The merger of Hitachi Leasing, Ltd. (an affiliated company whose investment had been carried on the equity method) with Hitachi Credit Corporation, a Hitachi subsidiary, effective on October 1, 2000, is assumed to have taken place on April 1, 2000. As a result, Hitachi Leasing, Ltd. and its subsidiaries are consolidated as subsidiaries for the fiscal year ended March 31, 2001.
4. SFAS No. 87, "Employers' Accounting for Pensions," has been implemented for the fiscal year ended March 31, 2001.