

HITACHI, LTD. AND SUBSIDIARIES

**Consolidated Financial Statements
for the First Quarter ended June 30, 2006**

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 115 yen = U.S.\$1, the approximate exchange rate prevailing on the Tokyo Foreign Exchange Market as of June 30, 2006.

Summary

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

	Three months ended June 30			
	Yen (millions)		(A)/(B) X100 (%)	U.S. Dollars (millions)
	2006 (A)	2005 (B)		2006
1. Revenues	2,247,003	2,048,745	110	19,539
2. Operating income	17,135	1,289	-	149
3. Income before income taxes and minority interests	11,950	4,851	246	104
4. Income (loss) before minority interests	(5,639)	(12,809)	-	(49)
5. Net income (loss)	(22,044)	(24,081)	-	(192)
6. Net income (loss) per share				
Basic	(6.61)	(7.23)	-	(0.06)
Diluted	(6.62)	(7.23)	-	(0.06)
7. Net income (loss) per ADS (representing 10 shares)				
Basic	(66)	(72)	-	(0.57)
Diluted	(66)	(72)	-	(0.57)

Notes: 1. The Company's consolidated financial statements are prepared based on U.S. GAAP.

2. Segment Information and operating income are presented in accordance with financial reporting principles and practices generally accepted in Japan.

3. The figures are for 884 consolidated subsidiaries, including Variable Interest Entities, and 162 equity-method affiliates.

4. Consolidated quarterly figures are unaudited.