

**Hitachi, Ltd. and Subsidiaries**  
**Consolidated Financial Statements**  
**for the Third Quarter Ended December 31, 2002**

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 120 yen = U.S.\$1, the approximate exchange rate prevailing on the Tokyo Foreign Exchange Market as of December 30, 2002.

**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 December 31				Nine months ended December 31			
	Yen (millions)		(A)/(B) X100 (%)	U.S. \$ (millions)	Yen (millions)		(C)/(D) X100 (%)	U.S. \$ (millions)
	2002 (A)	2001 (B)		2002	2002 (C)	2001 (D)		2002
1. Net sales	1,921,059	1,834,183	105	16,009	5,837,550	5,772,304	101	48,646
2. Operating income (loss)	12,896	(69,292)	-	107	74,584	(111,402)	-	622
3. Income (loss) before income taxes and minority interests	6,817	(157,988)	-	57	52,694	(256,529)	-	439
4. Income (loss) before minority interests	5,738	(116,595)	-	48	30,348	(233,291)	-	253
5. Net income (loss)	1,332	(115,821)	-	11	14,184	(226,364)	-	118
6. Net income (loss) per share								
Basic	0.39	(34.70)	-	0.00	4.24	(67.82)	-	0.04
Diluted	0.38	-	-	0.00	4.15	-	-	0.03
7. Net income (loss) per ADS (representing 10 shares)								
Basic	4	(347)	-	0.03	42	(678)	-	0.35
Diluted	4	-	-	0.03	42	-	-	0.35

Notes: 1. Consolidated quarterly figures are unaudited.

2. Segment Information and operating income (loss) are presented in accordance with financial reporting principles and practices generally accepted in Japan.
3. The figures are for 1,105 consolidated subsidiaries and 111 equity-method affiliates.
4. Hitachi Global Storage Technologies (HGST), which was established following the acquisition of IBM's hard disk drive operations on December 31, 2002, will be consolidated by Hitachi effective March 31, 2003, in accordance with the provisions of Accounting Research Bulletin No.51, "Consolidated Financial Statements."