

## Hitachi Announces Revisions of Consolidated Interim Business Forecasts for Fiscal 2013

**Tokyo, October 23, 2013** --- Hitachi, Ltd. (TSE:6501) today announced revisions to the Company's consolidated business forecasts for the first half of fiscal 2013, the year ending March 31, 2014, which were announced on July 30, 2013 in light of recent business performance.

### Revisions of Consolidated Interim Business Forecasts for Fiscal 2013

(From April 1 to September 30, 2013)

(Millions of yen)

	Revenues	Operating income	Income before income taxes	Net income	Net income attributable to Hitachi, Ltd stockholders
Previous forecast (A)	4,400,000	145,000	115,000	50,000	15,000
Revised forecast (B)	4,470,000	173,000	135,000	69,000	32,000
(B)-(A)	70,000	28,000	20,000	19,000	17,000
% change	1.6	19.3	17.4	38.0	113.3
First half of fiscal 2012 ended September 30, 2012	4,355,568	163,604	116,258	65,513	30,125

### Reasons for Revisions

Hitachi has raised its forecast for revenues for the first half of fiscal 2013 by 70 billion yen from the previous forecast announced on July 30, 2013 expecting higher revenues in the Information & Telecommunication Systems Segment, Automotive Systems Segment and other segments.

The Company has also raised its forecast for operating income by 28 billion yen. This revision is based on improved operating income in all business segments, most notably in Power Systems segment and Social Infrastructure & Industrial Systems Segment. Hitachi plans to post the fine due to violations of U.S. antitrust laws, which Hitachi Automotive Systems, Ltd. -- subsidiary of Hitachi -- has agreed to pay with the United States Department of Justice, in the amount of 195 million U.S. dollars (19.0 billion yen) on other deductions. On the other hand, Hitachi plans to post improved net gain on foreign exchange and net loss on sale and disposal of fix assets on other income. As a result, Hitachi has also raised its projection for income before income taxes by 20 billion yen, and raised its forecasts for net income by 19 billion yen and net income attributable to Hitachi, Ltd. stockholders by 17 billion yen.

Hitachi adopted EBIT\* as one of KPIs to measure its business performance from this fiscal year. The Company has raised its forecast for EBIT for the first half of fiscal 2013, which were 120 billion yen, by 22 billion yen to 142 billion yen. This mainly reflecting the

improvement in operating income. EBIT of the same period of previous fiscal year was 124 billion yen.

\* EBIT is defined income before income taxes less interest income plus interest charges.

On the basis of these results, Consolidated Interim Business Forecasts for Fiscal 2013 will mark increases both in revenues and profits.

Hitachi has not revised its full-year forecasts at this time because of considerable uncertainty surrounding the business environment in the second half of fiscal 2013. Uncertain factors include trends in the global economy, especially in the U.S., Europe and China, foreign currency fluctuations, and fluctuations in raw materials prices.

### **Cautionary Statement**

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 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 in other materials published by Hitachi.

### **About Hitachi, Ltd.**

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 326,000 employees worldwide. The company's consolidated revenues for fiscal 2012 (ended March 31, 2013) totaled 9,041 billion yen (\$96.1 billion). Hitachi is focusing more than ever on the Social Innovation Business, which includes infrastructure systems, information & telecommunication systems, power systems, construction machinery, high functional material & components, automotive systems and others. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.

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