

FOR IMMEDIATE RELEASE

**Hitachi Announces Consolidated Financial Results
for the Third Quarter of Fiscal 2002**

Tokyo, February 4, 2003 --- Hitachi, Ltd. (NYSE:HIT / TSE:6501) today announced its consolidated financial results for the third quarter of fiscal 2002, which ended December 31, 2002.

During the quarter, the outlook for the U.S. economy, which had remained resilient on the strength of consumer spending, became increasingly uncertain due to rising tensions over Iraq and to other factors. Meanwhile, the Japanese economy saw domestic demand continue to languish due to lackluster private-sector plant and equipment investment and soft personal spending. External demand, however, was relatively strong, backed by brisk exports from Japan to the U.S. and other Asian countries.

Against this backdrop, net sales rose 5% year on year, to 1,921.0 billion yen (US\$16,009 million). Hitachi posted operating income of 12.8 billion yen (US\$107 million), reversing an operating loss of 69.2 billion yen (US\$577 million) in the previous fiscal year's third quarter. This improvement was mainly due to lower fixed costs brought about by the structural reforms implemented in the previous fiscal year, as well as the results of the Corporate Innovation Initiative (CII), including the Procurement Renewal Project.

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By segment, Information & Telecommunication Systems sales rose 10% year on year, to 409.6 billion yen (US\$3,414 million) as disk array subsystems and hard disk drives posted strong sales. The segment recorded operating income of 1.8 billion yen (US\$15 million), a 15.3 billion yen (US\$128 million) improvement from the 13.5 billion yen (US\$113 million) loss recorded in the same period of the previous fiscal year. This improvement reflects growth in sales of disk array subsystems and hard disks drives, in addition to benefits from structural reforms, particularly in the telecommunication network sector.

In Electronic Devices, sales of small and medium-size TFT LCDs used in mobile phones increased. However, sales of large-size TFT LCDs dropped sharply due to falling panel prices and a soft PC market. In semiconductors, demand was strong for system LSIs, including LCD drivers used in mobile phones and microcomputers for automotive applications. Demand was also strong for multi-purpose semiconductors. As a result, segment sales were 378.4 billion yen (US\$3,154 million), 11% higher year on year. While the segment recorded an operating loss of 6.0 billion yen (US\$50 million), this was a 48.0 billion yen (US\$400 million) improvement from the 54.0 billion yen (US\$450 million) loss recorded in the third quarter of fiscal 2001. This turnaround reflects the benefits of structural reforms.

In Power & Industrial Systems, sales increased 3% overall, to 498.7 billion yen (US\$4,156 million) due to firm demand for construction machinery, mainly overseas, and the inclusion in consolidated results of the former Unisia JECS Corporation (now Hitachi Unisia Automotive, Ltd.), which became a wholly owned subsidiary in the current fiscal year. These factors outweighed lower sales of maintenance services for nuclear power plants of Japanese utilities, as well as the effects of lackluster private-sector plant and equipment investment that reflected the sluggish state of the Japanese economy. Operating income surged 352%, to 9.5 billion yen (US\$80 million) as a strong performance from construction machinery offset deteriorating results in air-conditioning equipment and other industrial equipment areas.

In Digital Media & Consumer Products, sales rose 1%, to 307.4 billion yen (US\$2,562 million) due to brisk sales of optical storage products and plasma TVs and to higher demand for lithium-ion batteries used in mobile phones and other rechargeable batteries manufactured by Hitachi Maxell, Ltd. Hampering growth was sluggish sales of large home appliances, which resulted from falling sales prices in Japan. The segment recorded operating income of 2.7 billion yen (US\$23 million), 336% higher year on year. Higher earnings reflected a strong performance in recordable DVD disks and a return to profitability in rechargeable batteries at Hitachi Maxell.

In High Functional Materials & Components, although Hitachi Cable, Ltd. saw sales decline year on year, segment sales rose 2%, to 310.3 billion yen (US\$2,586 million) thanks mainly to higher sales for electronics-related materials and components at Hitachi Chemical Co., Ltd. Due to the benefits of structural reforms, the segment posted operating income of 7.1 billion yen (US\$59 million), an 11.6 billion yen (US\$97 million) turnaround from the loss of 4.5 billion yen (US\$38 million) recorded in the same period of the previous fiscal year.

In Logistics, Services & Others, sales rose 9% year on year, to 375.9 billion yen (US\$3,133 million) on higher sales of information and telecommunications-related equipment, such as hard disk drives and servers, at overseas sales companies. Segment operating income climbed 121% to 2.6 billion yen (US\$22 million).

In Financial Services, segment sales rose 1% year on year, to 142.9 billion yen (US\$1,191 million) due to a steady performance from financial services, particularly the leasing business for information equipment. This offset the effects of a weak Japanese economy. Segment operating income dropped 65%, to 3.1 billion yen (US\$26 million) as a result of increased competition.

Other income fell 11.5 billion yen (US\$97 million), to 7.3 billion yen (US\$61 million). However, other deductions fell 94.2 billion yen (US\$785 million), to 13.4 billion yen (US\$112 million).

As a result, income before income taxes was 6.8 billion yen (US\$57 million). After income taxes of 1.0 billion yen (US\$9 million), Hitachi recorded income before minority interests of 5.7 billion yen (US\$48 million). Net income was 1.3 billion yen (US\$11 million), a 117.1 billion yen (US\$976 million) improvement from the 115.8 billion yen (US\$965 million) loss recorded in the third quarter of fiscal 2001.

Financial Position

Operating activities used net cash of 30.1 billion yen (US\$251 million), 20.0 billion yen (US\$167 million) more than in the same period of the previous fiscal year, due to an increase in inventories and accounts receivable in line with higher sales.

Investing activities used net cash of 337.9 billion yen (US\$2,816 million), 170.7 billion yen (US\$1,423 million) more year on year, reflecting Hitachi's acquisition during the third quarter of IBM's hard disk drive operations. However, cash used for the purchase of property, plant and equipment decreased as Hitachi adopted a more selective approach to capital investments.

Free cash flows, the sum of cash flows from operating and investing activities, were an outflow of 368.0 billion yen (US\$3,067 million), an increase of 190.8 billion yen (US\$1,591 million) year on year.

Financing activities provided net cash of 269.4 billion yen (US\$2,246 million), compared with net cash used of 266.1 billion yen (US\$2,218 million) in the same period of the previous fiscal year, due to an increase in debt.

Cash and cash equivalents as of December 31, 2002 amounted to 775.0 billion yen (US\$6,458 million), a net decrease of 100.1 billion yen (US\$835 million) during the third quarter.

Debt as of December 31, 2002 stood at 3,115.5 billion yen (US\$25,963 million), 338.6 billion yen (US\$2,822 million) more than at September 30, 2002.

Capital investment on a completion basis decreased 8%, to 184.0 billion yen (US\$1,534 million), and depreciation decreased 8%, to 117.6 billion yen (US\$981 million).

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

Outlook for Fiscal 2002

The world economy is being cloaked in growing uncertainty as tensions over Iraq rise while the non-performing loan issue and persistent deflationary forces indicate that the Japanese economy is not likely to stage a full-fledged recovery in the foreseeable future. Consequently, Hitachi's operating environment is expected to remain unpredictable.

Hitachi has decided at this point not to revise its projections for fiscal 2002, as announced in October last year and detailed below. The projections assume an exchange rate of 120 yen to the U.S. dollar for the fourth quarter of fiscal 2002.

Net sales	8,050 billion yen (US\$67,083 million) (year-on-year increase of 1%)
Operating income	150 billion yen (US\$1,250 million)
Income before income taxes	130 billion yen (US\$1,083 million)
Income before minority interests	61 billion yen (US\$508 million)
Net income	36 billion yen (US\$300 million)

Cautionary Statement

This document contains forward-looking statements which reflect management's current views with respect to certain future events and financial performance. Words such as "anticipate," "believe," "expect," "estimate," "intend," "plan," "project" and similar expressions which indicate future events and trends identify forward-looking statements. Actual results may differ materially from those projected or implied in the forward-looking statements and from historical trends. Further, certain forward-looking statements are based upon assumptions of future events which may not prove to be accurate.

Factors that could cause actual results to differ materially from those projected or implied in any forward-looking statements include, but are not limited to, rapid technological change, particularly in the Information & Telecommunication Systems segment and Electronic Devices segment; uncertainty as to Hitachi's ability to continue to develop products and to market products that incorporate new technology on a timely and cost-effective basis and achieve market acceptance; fluctuations in product demand and industry capacity, particularly in the Information & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment; increasing commoditization of information technology products, and intensifying price competition in the market for such products; fluctuations in rates of exchange for the yen and other currencies in which Hitachi makes significant sales or in which Hitachi's assets and liabilities are denominated, particularly between the yen and the U.S. dollar; uncertainty as to Hitachi's access to liquidity or long-term financing, particularly in the context of restrictions on availability of credit prevailing in Japan; uncertainty as to Hitachi's ability to implement measures to reduce the potential negative impact of fluctuations in product demand and/or exchange rates; general economic conditions and the regulatory and trade environment of Hitachi's major markets, particularly, the United States, Japan and elsewhere in Asia, including, without limitation, continued stagnation or deterioration of the Japanese or other East Asian economies, or direct or indirect restriction by other nations of imports; uncertainty as to Hitachi's access to, or protection for, certain intellectual property rights, particularly those related to electronics and data processing technologies; Hitachi's dependence on alliances with other corporations in designing or developing certain products; and the market prices of equity securities in Japan, declines in which may result in write-downs of equity securities Hitachi holds.

These factors listed above are not exclusive and are in addition to other factors that are stated or indicated elsewhere in this document, or in other materials published by the Company.

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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."

Consolidated Statements of Income (Unaudited)

	Three months ended December 31			
	Yen (millions)		(A)/(B) X100 (%)	U.S. Dollars (millions)
	2002 (A)	2001 (B)		2002
Net sales	1,921,059	1,834,183	105	16,009
Cost of sales	1,465,699	1,445,815	101	12,214
Selling, general and administrative expenses	442,464	457,660	97	3,687
Operating income (loss)	12,896	(69,292)	-	107
Other income	7,331	18,929	39	61
(Interest and dividends)	5,345	5,584	96	45
(Other)	1,986	13,345	15	17
Other deductions	13,410	107,625	12	112
(Interest charges)	8,113	11,353	71	68
(Other)	5,297	96,272	6	44
Income (Loss) before income taxes and minority interests	6,817	(157,988)	-	57
Income taxes	1,079	(41,393)	-	9
Income (Loss) before minority interests	5,738	(116,595)	-	48
Minority interests	4,406	(774)	-	37
Net income (loss)	1,332	(115,821)	-	11

Consolidated Statements of Income (Unaudited)

	Nine months ended December 31			
	Yen (millions)		(C)/(D) X100 (%)	U.S. Dollars (millions)
	2002 (C)	2001 (D)		2002
Net sales	5,837,550	5,772,304	101	48,646
Cost of sales	4,435,257	4,462,158	99	36,960
Selling, general and administrative expenses	1,327,709	1,421,548	93	11,064
Operating income (loss)	74,584	(111,402)	-	622
Other income	34,043	26,667	128	284
(Interest and dividends)	16,326	22,830	72	136
(Other)	17,717	3,837	462	148
Other deductions	55,933	171,794	33	466
(Interest charges)	25,916	37,253	70	216
(Other)	30,017	134,541	22	250
Income (Loss) before income taxes and minority interests	52,694	(256,529)	-	439
Income taxes	22,346	(23,238)	-	186
Income (Loss) before minority interests	30,348	(233,291)	-	253
Minority interests	16,164	(6,927)	-	135
Net income (loss)	14,184	(226,364)	-	118

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Consolidated Balance Sheets (Unaudited)

	Yen (millions)		(A)/(B) X100 (%)	Yen	U.S. Dollars
	As of December 31, 2002 (A)	As of September 30, 2002 (B)		(millions) As of March 31, 2002	(millions) As of December 31, 2002
Assets	9,942,774	9,360,312	106	9,915,654	82,856
Current assets	5,231,144	4,991,308	105	5,507,535	43,593
Cash and cash equivalents	775,016	875,212	89	1,029,374	6,458
Short-term investments	157,934	160,862	98	178,933	1,316
Trade receivables (Notes and Accounts)	1,971,788	1,850,662	107	2,100,005	16,432
Investment in leases	479,686	459,526	104	527,432	3,997
Inventories	1,323,608	1,193,242	111	1,214,399	11,030
Other current assets	523,112	451,804	116	457,392	4,359
Investments and advances	957,905	773,211	124	834,907	7,983
Property, plant and equipment	2,511,530	2,448,810	103	2,514,424	20,929
Other assets	1,242,195	1,146,983	108	1,058,788	10,352
Liabilities and Stockholders' equity	9,942,774	9,360,312	106	9,915,654	82,856
Current liabilities	4,175,690	3,649,636	114	3,885,265	34,797
Short-term debt and current installments of long-term debt	1,580,282	1,235,091	128	1,199,921	13,169
Trade payables (Notes and Accounts)	1,161,800	1,048,232	111	1,083,836	9,682
Other current liabilities	1,433,608	1,366,313	105	1,601,508	11,947
Noncurrent liabilities	2,667,556	2,617,237	102	2,927,421	22,230
Long-term debt	1,535,237	1,541,809	100	1,798,303	12,794
Other liabilities	1,132,319	1,075,428	105	1,129,118	9,436
Minority interests	799,338	802,071	100	798,744	6,661
Stockholders' equity	2,300,190	2,291,368	100	2,304,224	19,168
Common stock	282,032	282,032	100	282,032	2,350
Capital surplus	563,867	530,460	106	527,010	4,699
Legal reserve and retained earnings	1,752,888	1,761,907	99	1,753,999	14,607
Accumulated other comprehensive income (loss)	(296,833)	(282,322)	-	(258,484)	(2,474)
(Foreign currency translation adjustments)	(60,334)	(56,624)	-	(38,012)	(503)
(Minimum pension liability adjustments)	(244,156)	(243,059)	-	(260,100)	(2,035)
(Net unrealized holding gain on available-for-sale securities)	8,306	17,621	47	39,997	69
(Cash flow hedges)	(649)	(260)	-	(369)	(5)
Treasury stock	(1,764)	(709)	-	(333)	(15)

Note: Hitachi's investment in HGST is recorded under "Investments and advances" on Hitachi's consolidated balance sheet at December 31, 2002.

Consolidated Statements of Cash Flows (Unaudited)

	Three months ended December 31		
	Yen (millions)		U.S. Dollars (millions)
	2002	2001	2002
Cash flows from operating activities			
Net income (loss)	1,332	(115,821)	11
Adjustments to reconcile net income (loss) to net cash provided by operating activities			
Depreciation	117,683	127,526	981
(Increase) Decrease in receivables and inventories	(185,323)	107,771	(1,544)
Increase (Decrease) in payables	85,098	(78,031)	709
Other	(48,948)	(51,521)	(408)
Net cash used in operating activities	(30,158)	(10,076)	(251)
Cash flows from investing activities			
(Increase) Decrease in short-term investments	3,898	(13,142)	32
Purchase of rental assets and other properties, net	(166,211)	(178,156)	(1,385)
Purchase of investments and subsidiaries' common stock, net	(3,982)	(26,693)	(33)
Collection of investment in leases	72,090	68,288	601
Other	(243,718)	(17,440)	(2,031)
Net cash used in investing activities	(337,923)	(167,143)	(2,816)
Cash flows from financing activities			
Increase (Decrease) in interest-bearing debt	284,352	(252,265)	2,370
Dividends paid to stockholders	(8,524)	(8,604)	(71)
Dividends paid to minority stockholders of subsidiaries	(5,390)	(5,536)	(45)
Other	(969)	268	(8)
Net cash provided by (used in) financing activities	269,469	(266,137)	2,246
Effect of exchange rate changes on cash and cash equivalents	(1,584)	15,060	(13)
Net decrease in cash and cash equivalents	(100,196)	(428,296)	(835)
Cash and cash equivalents at beginning of the period	875,212	1,431,598	7,293
Cash and cash equivalents at end of the period	775,016	1,003,302	6,458

Consolidated Statements of Cash Flows (Unaudited)

	Nine months ended December 31		
	Yen (millions)		U.S. Dollars (millions)
	2002	2001	2002
Cash flows from operating activities			
Net income (loss)	14,184	(226,364)	118
Adjustments to reconcile net income (loss) to net cash provided by operating activities			
Depreciation	343,963	386,240	2,866
(Increase) Decrease in receivables and inventories	(10,059)	559,585	(84)
Increase (Decrease) in payables	59,187	(351,905)	493
Other	(245,930)	(181,309)	(2,049)
Net cash provided by operating activities	161,345	186,247	1,345
Cash flows from investing activities			
Decrease in short-term investments	21,489	39,986	179
Purchase of rental assets and other properties, net	(471,719)	(587,840)	(3,931)
Sale of (Purchase of) investments and subsidiaries' common stock, net	52,007	(73,046)	433
Collection of investment in leases	281,959	300,735	2,350
Other	(350,618)	(63,552)	(2,922)
Net cash used in investing activities	(466,882)	(383,717)	(3,891)
Cash flows from financing activities			
Increase (Decrease) in interest-bearing debt	92,445	(193,565)	770
Dividends paid to stockholders	(8,606)	(26,893)	(72)
Dividends paid to minority stockholders of subsidiaries	(12,346)	(12,894)	(103)
Other	119	41,344	1
Net cash provided by (used in) financing activities	71,612	(192,008)	597
Effect of exchange rate changes on cash and cash equivalents	(20,433)	11,177	(170)
Net decrease in cash and cash equivalents	(254,358)	(378,301)	(2,120)
Cash and cash equivalents at beginning of the period	1,029,374	1,381,603	8,578
Cash and cash equivalents at end of the period	775,016	1,003,302	6,458

Segment Information (Unaudited)

Industry Segments

		Three months ended December 31			
		Yen (millions)		(A)/(B) X100 (%)	U.S. Dollars (millions)
		2002 (A)	2001 (B)		2002
Sales	Information & Telecommunication Systems	409,665 17%	372,806 17%	110	3,414
	Electronic Devices	378,452 16%	342,458 15%	111	3,154
	Power & Industrial Systems	498,747 20%	482,228 21%	103	4,156
	Digital Media & Consumer Products	307,473 13%	303,059 13%	101	2,562
	High Functional Materials & Components	310,323 13%	303,062 13%	102	2,586
	Logistics, Services & Others	375,994 15%	346,356 15%	109	3,133
	Financial Services	142,924 6%	141,576 6%	101	1,191
	Subtotal	2,423,578 100%	2,291,545 100%	106	20,196
	Eliminations & Corporate items	(502,519)	(457,362)	-	(4,188)
Total	1,921,059	1,834,183	105	16,009	
Operating income (loss)	Information & Telecommunication Systems	1,811 -	(13,538) -	-	15
	Electronic Devices	(6,010) -	(54,043) -	-	(50)
	Power & Industrial Systems	9,552 -	2,111 -	452	80
	Digital Media & Consumer Products	2,748 -	630 -	436	23
	High Functional Materials & Components	7,113 -	(4,502) -	-	59
	Logistics, Services & Others	2,678 -	1,214 -	221	22
	Financial Services	3,116 -	8,852 -	35	26
	Subtotal	21,008 -	(59,276) -	-	175
	Eliminations & Corporate items	(8,112)	(10,016)	-	(68)
Total	12,896	(69,292)	-	107	

Note: Net sales by industry segment include intersegment transactions.

Segment Information (Unaudited)

Industry Segments

		Nine months ended December 31			
		Yen (millions)		(C)/(D) X100 (%)	U.S. Dollars (millions)
		2002 (C)	2001 (D)		2002
Sales	Information & Telecommunication Systems	1,287,895 17%	1,246,118 17%	103	10,732
	Electronic Devices	1,144,869 16%	1,107,548 15%	103	9,541
	Power & Industrial Systems	1,566,848 21%	1,599,603 22%	98	13,057
	Digital Media & Consumer Products	905,162 12%	885,552 12%	102	7,543
	High Functional Materials & Components	923,384 13%	931,237 13%	99	7,695
	Logistics, Services & Others	1,076,607 15%	1,054,122 15%	102	8,972
	Financial Services	436,245 6%	422,678 6%	103	3,635
	Subtotal	7,341,010 100%	7,246,858 100%	101	61,175
	Eliminations & Corporate items	(1,503,460)	(1,474,554)	-	(12,529)
	Total	5,837,550	5,772,304	101	48,646
Operating income (loss)	Information & Telecommunication Systems	43,978 -	1,020 -	-	366
	Electronic Devices	(13,928) -	(126,961) -	-	(116)
	Power & Industrial Systems	20,663 -	28,847 -	72	172
	Digital Media & Consumer Products	8,495 -	(5,392) -	-	71
	High Functional Materials & Components	16,155 -	(5,977) -	-	135
	Logistics, Services & Others	4,135 -	8,586 -	48	34
	Financial Services	21,769 -	29,255 -	74	181
	Subtotal	101,267 -	(70,622) -	-	844
	Eliminations & Corporate items	(26,683)	(40,780)	-	(222)
	Total	74,584	(111,402)	-	622

Note: Net sales by industry segment include intersegment transactions.

Segment Information (Unaudited)

Sales by Market

		Three months ended December 31			
		Yen (millions)		(A)/(B) X100 (%)	U.S. Dollars (millions)
		2002 (A)	2001 (B)		2002
Japan		1,244,908 65%	1,225,023 67%	102	10,374
	Asia	254,008 13%	205,555 11%	124	2,117
	North America	242,035 13%	234,991 13%	103	2,017
	Europe	135,257 7%	122,992 7%	110	1,127
	Other Areas	44,851 2%	45,622 2%	98	374
Outside Japan		676,151 35%	609,160 33%	111	5,635
Total		1,921,059 100%	1,834,183 100%	105	16,009

		Nine months ended December 31			
		Yen (millions)		(C)/(D) X100 (%)	U.S. Dollars (millions)
		2002 (C)	2001 (D)		2002
Japan		3,878,016 66%	3,925,441 68%	99	32,317
	Asia	752,602 13%	637,081 11%	118	6,272
	North America	669,015 12%	685,863 12%	98	5,575
	Europe	397,442 7%	379,935 7%	105	3,312
	Other Areas	140,475 2%	143,984 2%	98	1,171
Outside Japan		1,959,534 34%	1,846,863 32%	106	16,329
Total		5,837,550 100%	5,772,304 100%	101	48,646

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**Supplementary Information
for the Third Quarter Ended December 31, 2002 (Consolidated basis)**

I. Summary

(Billions of yen)

	Three months ended December 31			Nine months ended December 31		
	2001	2002		2001	2002	
	(A)	(B)	(B)/(A) X100(%)		(C)	(D)
Net sales	1,834.1	1,921.0	105	5,772.3	5,837.5	101
Operating income (loss)	(69.2)	12.8	-	(111.4)	74.5	-
Income (loss) before income taxes and minority interests	(157.9)	6.8	-	(256.5)	52.6	-
Income (loss) before minority interests	(116.5)	5.7	-	(233.2)	30.3	-
Net income (loss)	(115.8)	1.3	-	(226.3)	14.1	-
Average exchange rate (yen / U.S.\$)	126	122	-	123	122	-
Capital investment(Completion basis)	199.9	184.0	92	641.9	559.3	87
Leasing assets	105.9	110.1	104	329.0	323.9	98
Other	93.9	73.8	79	312.8	235.3	75
Depreciation	127.5	117.6	92	386.2	343.9	89
Leasing assets	18.9	20.3	107	62.6	60.5	97
Other	108.5	97.2	90	323.6	283.3	88
R&D expenditure	95.1	90.7	95	308.2	280.4	91
Percentage of net sales	5.2%	4.7%	-	5.3%	4.8%	-

	As of March 31, 2002	As of September 30, 2002	As of December 31, 2002
Stockholders' equity per share(yen)	690	687	684
Cash & cash equivalents, Short-term investments (Billions of yen)	1,208.3	1,036.0	932.9
Interest-bearing debt (Billions of yen)	2,998.2	2,776.9	3,115.5
Number of employees	321,517	318,418	327,805
Japan	256,823	251,584	258,439
Overseas	64,694	66,834	69,366
Number of consolidated subsidiaries	1,066	1,069	1,105
Japan	712	706	716
Overseas	354	363	389

2. Overseas sales by industry segment

(Billions of yen)

	Three months ended December 31			Nine months ended December 31		
	2001	2002		2001	2002	
	(A)	(B)	(B)/(A) X100(%)		(C)	(D)
Information & Telecommunication Systems	63.0	79.5	126	182.4	208.5	114
Electronic Devices	116.6	137.7	118	381.2	400.9	105
Power & Industrial Systems	77.0	88.3	115	267.5	282.5	106
Digital Media & Consumer Products	127.3	114.9	90	363.1	360.9	99
High Functional Materials & Components	79.1	78.4	99	249.1	234.0	94
Logistics, Services & Others	136.2	166.9	123	374.9	444.0	118
Financial Services	9.7	9.6	99	28.3	28.1	99
Eliminations & Corporate items	0.0	0.4	-	0.0	0.3	-
Total	609.1	676.1	111	1,846.8	1,959.5	106

Supplementary Information on Information & Telecommunication Systems

1.Sales and Operating income (loss) by product sector (Billions of yen)

	Three months ended December 31			Nine months ended December 31		
	2002(A)	2001(B)	(A)/B X100(%)	2002(C)	2001(D)	(C)/D X100(%)
Sales	409.6	372.8	110%	1,287.8	1,246.1	103%
Software & Services	189.2	189.7	100%	642.6	642.4	100%
Hardware	220.4	183.1	120%	645.2	603.7	107%
Operating income (loss)	1.8	(13.5)	-	43.9	1.0	-

2.Sales by product sector (Billions of yen)

	Three months ended December 31			Nine months ended December 31		
	2002(A)	2001(B)	(A)/B X100(%)	2002(C)	2001(D)	(C)/D X100(%)
Software & Services	189.2	189.7	100%	642.6	642.4	100%
Software	39.8		-	131.4		-
Services	149.4		-	511.2		-
Hardware	220.4	183.1	120%	645.2	603.7	107%
Servers	33.8		-	93.9		-
PCs	32.3		-	103.9		-
Storage	88.0		-	253.5		-
Telecommunication	25.1		-	72.3		-
Others	41.2		-	121.6		-

Notes: Figures for servers include supercomputers, general-purpose computers and UNIX servers, etc.

Figures for PCs include PC servers and client PCs, etc.

Figures for storage include disk array subsystems, and Hard Disk Drives, etc.

3.SAN/NAS Storage Solutions (Billions of yen)

	Three months ended December 31			Nine months ended December 31		
	2002(A)	2001(B)	(A)/B X100(%)	2002(C)	2001(D)	(C)/D X100(%)
Sales	70.0	60.0	117%	200.0	180.0	111%

4.Hard Disk Drives (unconsolidated basis)

	Three months ended December 31			Nine months ended December 31		
	2002(A)	2001(B)	(A)/B X100(%)	2002(C)	2001(D)	(C)/D X100(%)
Number of units	2,200,000	1,700,000	129%	6,200,000	4,300,000	144%

Supplementary Information on Semiconductors & Displays

1. Semiconductors

Sales and Operating income (loss) (Billions of yen)

	Three months ended December 31			Nine months ended December 31		
	2002(A)	2001(B)	(A)/(B) X100(%)	2002(C)	2001(D)	(C)/(D) X100(%)
Sales	152.4	112.4	136%	429.9	379.9	113%
Operating income (loss)	(3.0)	(40.6)	-	(17.4)	(98.5)	-

DRAM & Flash Memory production quantity (pieces/months)

	Fiscal 2002		
	1st quarter	2nd quarter	3rd quarter
64MDRAM	550,000	600,000	600,000
256MDRAM	2,000,000	2,000,000	2,000,000
256M Flash Memory	600,000	600,000	500,000

2. Displays

Sales and Operating income (loss) (Billions of yen)

	Three months ended December 31			Nine months ended December 31		
	2002(A)	2001(B)	(A)/(B) X100(%)	2002(C)	2001(D)	(C)/(D) X100(%)
Sales	43.7	49.4	89%	143.7	141.4	102%
Operating income (loss)	(7.7)	(14.1)	-	(9.0)	(40.3)	-

LCD Sales (Billions of yen)

	Three months ended December 31			Nine months ended December 31		
	2002(A)	2001(B)	(A)/(B) X100(%)	2002(C)	2001(D)	(C)/(D) X100(%)
Total	32.0	35.0	91%	112.0	83.0	135%
Large size LCDs	20.0	31.0	65%	78.0	74.0	105%
Medium & small size LCDs	12.0	4.0	300%	34.0	9.0	378%