

**1. Qualitative Information Concerning Consolidated Business Results**  
**(1) Summary of Fiscal 2014 First-Quarter Consolidated Business Results**

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	2,136.3	3%	21,152
Operating income	80.1	24.6	794
EBIT (Earnings before interest and taxes)	85.1	26.6	843
Income before income taxes	81.3	25.9	806
Net income	52.0	29.4	516
Net income attributable to Hitachi, Ltd. stockholders	28.8	18.0	286

During the first quarter of fiscal 2014, the global economy showed signs of recovery, despite the impact of an economic slowdown in Europe. This trend was underpinned by the positive impact of economic stimulus measures implemented by the Chinese government as well as improving employment and income levels in the U.S. Furthermore, the Japanese economy saw business conditions improve, mainly due to the government's bold implementation of national growth strategies, including executing budgets ahead of schedule. Other positive factors included improving employment conditions and a rebound in corporate capital expenditures.

Hitachi's consolidated revenues for the first quarter increased 3% year over year, to 2,136.3 billion yen. This increase resulted mainly from higher year over year revenues in the following segments: the Information & Telecommunication Systems Segment, where system solutions performed solidly; the Electronic Systems & Equipment Segment, mainly attributable to higher revenues at Hitachi High-Technologies Corporation; the Social Infrastructure & Industrial Systems Segment, which was underpinned by a strong performance by the elevator and escalator business in China; and the Automotive Systems Segment, which performed solidly, primarily in overseas markets such as North America and China. Conversely, revenues in the Power Systems Segment declined year over year, chiefly due to the integration of the thermal power generation systems business into Mitsubishi Hitachi Power Systems, Ltd., a joint venture company with Mitsubishi Heavy Industries, Ltd.

Hitachi posted operating income of 80.1 billion yen, up 24.6 billion yen year over year. This was largely due to higher year over year operating income mainly in the Electronic Systems & Equipment, Smart Life & Ecofriendly Systems, Information & Telecommunication Systems, and Automotive Systems segments. Another contributing factor was the return to profitability of the Social Infrastructure & Industrial Systems Segment. However, Hitachi recorded an operating loss in the Power Systems Segment.

EBIT increased 26.6 billion yen year over year, to 85.1 billion yen, due mainly to the higher operating income.

Hitachi recorded net other income of 1.1 billion yen, an improvement of 1.2 billion yen from the first quarter of fiscal 2013.

As a result, Hitachi recorded income before income taxes of 81.3 billion yen, up 25.9 billion yen year over year. After deducting taxes of 29.2 billion yen, Hitachi posted net income of 52.0 billion yen, up 29.4 billion yen year over year. After deducting net income attributable to noncontrolling interests of 23.2 billion yen, Hitachi posted net income attributable to Hitachi, Ltd. stockholders of 28.8 billion yen, up 18.0 billion yen year over year.

## (2) Revenues, Operating Income and EBIT by Segment

Results by segment were as follows:

### [Information & Telecommunication Systems]

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	418.2	8%	4,142
Operating income	3.9	3.8	39
EBIT	3.8	2.8	38

The segment recorded revenues of 418.2 billion yen, an increase of 8% year over year, due mainly to solid performances by system solutions centered on public systems and financial systems, as well as storage solutions.

The segment recorded operating income of 3.9 billion yen. This increase was mainly the result of profitability enhancements in unprofitable system solutions projects as well as higher revenues.

EBIT was 3.8 billion yen, an increase of 2.8 billion yen over the same period last year, mainly reflecting the higher operating income.

Note: Effective on April 1, 2014, Hitachi Information & Control Solutions and Ibaraki Hitachi Information Service (both companies merged and changed its corporate name to Hitachi Industry & Control Solutions on April 1, 2014), which were previously included in the "Information & Telecommunication Systems", have been included in the "Social Infrastructure & Industrial Systems." Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

**[Power Systems]**

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	87.9	(43%)	871
Operating income	(15.5)	(9.7)	(154)
EBIT	(16.0)	(11.9)	(159)

Segment revenues declined 43% year over year to 87.9 billion yen, due mainly to the February 2014 integration of the thermal power generation systems business into Mitsubishi Hitachi Power Systems, Ltd., the joint venture with Mitsubishi Heavy Industries, Ltd. This decrease was partly offset by higher year over year revenues in nuclear power generation systems, power transmission & distribution systems and other businesses.

The segment recorded an operating loss of 15.5 billion yen, 9.7 billion yen worse than the same period last year, due mainly to the additional costs in some projects, as well as the lower revenues.

EBIT was negative 16.0 billion yen, 11.9 billion yen worse than the same period last year, due mainly to the deterioration in operating profitability.

**[Social Infrastructure & Industrial Systems]**

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	286.4	7%	2,836
Operating income	2.1	2.7	22
EBIT	2.7	1.3	27

Segment revenues were 286.4 billion yen, up 7% year over year. This increase was due mainly to higher sales in the infrastructure systems business and railway system business in the U.K., along with a solid performance by the elevator and escalator business in China.

The segment recorded operating income of 2.1 billion yen, an improvement of 2.7 billion yen from the operating loss recorded during the same period last year. This improvement was due mainly the higher revenues and progress related to cost reductions.

EBIT was 2.7 billion yen, up 1.3 billion yen year over year, due mainly to the improvement in operating income.

Note: Effective on April 1, 2014, Hitachi Information & Control Solutions and Ibaraki Hitachi Information Service (both companies merged and changed its corporate name to Hitachi Industry & Control Solutions on April 1, 2014), which were previously included in the "Information & Telecommunication Systems", have been included in the "Social Infrastructure & Industrial Systems." Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

**[Electronic Systems & Equipment]**

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	252.6	12%	2,501
Operating income	12.9	12.6	128
EBIT	11.9	10.6	118

Segment revenues increased 12% year over year to 252.6 billion yen. This result reflected higher sales of semiconductor manufacturing systems and medical analysis systems at Hitachi High-Technologies Corporation and higher sales of semiconductor manufacturing systems at Hitachi Kokusai Electric Inc.

Segment operating income increased 12.6 billion yen to 12.9 billion yen, due mainly to the higher revenues.

EBIT was 11.9 billion yen, a year over year increase of 10.6 billion yen, mainly reflecting the higher operating income.

**[Construction Machinery]**

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	182.2	2%	1,805
Operating income	11.2	(0.5)	112
EBIT	11.8	5.7	118

The segment recorded a 2% year over year increase in revenues to 182.2 billion yen. The higher revenues mainly reflected strong sales of hydraulic excavators and other items, primarily in Europe. However, sales were sluggish in Asia, including China, and Oceania.

Segment operating income decreased 0.5 billion yen to 11.2 billion yen.

EBIT was 11.8 billion yen, an increase of 5.7 billion yen year over year. The increase was due mainly to the absence of the foreign exchange loss recorded in the same period last year.

**[High Functional Materials & Components]**

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	340.0	1%	3,366
Operating income	26.3	0.3	261
EBIT	29.5	4.2	293

Segment revenues increased 1% year over year to 340.0 billion yen. This result mainly reflected solid performances by automobile products primarily in North America and China, and certain electronics-related materials.

Segment operating income was 26.3 billion yen, which is mostly unchanged from the same period last year.

EBIT was 29.5 billion yen, up 4.2 billion yen year over year. This result mainly reflected lower expenses related to business structure reforms and the gain of securities sales.

**[Automotive Systems]**

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	219.6	6%	2,174
Operating income	11.8	2.1	117
EBIT	11.6	1.7	115

The segment recorded revenues of 219.6 billion yen, up 6% year over year, due mainly to robust demand in overseas automobile markets, such as North America and China.

Operating income increased 2.1 billion yen year over year to 11.8 billion yen, due mainly to the higher revenues and improved capacity utilization associated with revenue growth.

EBIT was 11.6 billion yen, up 1.7 billion yen year over year, due mainly to the higher operating income.

**[Smart Life & Ecofriendly Systems]**

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	200.6	7%	1,987
Operating income	8.5	5.7	85
EBIT	9.5	5.2	95

Segment revenues increased 7% year over year to 200.6 billion yen. This result mainly reflected higher overseas sales centered on the air-conditioning business.

The segment recorded operating income of 8.5 billion yen, up 5.7 billion yen year over year. This result was mainly attributable to higher revenues, progress with cost reductions and the decreased impact of price down.

EBIT increased 5.2 billion yen year over year to 9.5 billion yen, mainly in line with the higher operating income.

Note: Effective on April 1, 2014, the former "Digital Media & Consumer Products" was renamed "Smart Life & Ecofriendly Systems." Hitachi Appliances and Hitachi Consumer Marketing have been included in the "Smart Life & Ecofriendly Systems" and Hitachi-LG Data Storage, Hitachi Consumer Electronics and Hitachi Media Electronics, which were previously included in the "Digital Media & Consumer Products", have been included in the "Others (Logistics and Other services)."  
Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.

**[Others (Logistics and Other services)]**

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	289.9	(5%)	2,871
Operating income	5.8	0.9	58
EBIT	6.8	(0.9)	68

The segment reported a 5% year over year decline in revenues to 289.9 billion yen. This result mainly reflected the conversion of Hitachi Maxell, Ltd. into an equity-method affiliate, despite higher revenues at Hitachi Transport System, Ltd.

The segment recorded operating income of 5.8 billion yen, up 0.9 billion yen year over year. This result was mainly attributable to a decrease in expenses related to business structure reforms.

EBIT decreased 0.9 billion yen year over year to 6.8 billion yen.

Note: Effective on April 1, 2014, Hitachi-LG Data Storage, Hitachi Consumer Electronics and Hitachi Media Electronics, which were previously included in the "Digital Media & Consumer Products", have been included in "Others (Logistics and Other services)."  
 Figures for each segment, including figures for the previous fiscal year, reflect the changed segmentation.  
 The optical disk drive operations are conducted by Hitachi-LG Data Storage, Inc. (HLDS), which has a December 31 fiscal year-end, different from Hitachi's March 31 year-end. Hitachi's results for the three months ended June 30, 2014 include operating results of HLDS for the three months ended March 31, 2014.

**[Financial Services]**

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	97.4	19%	965
Operating income	9.1	0.8	91
EBIT	10.4	0.9	103

Segment revenues increased 19% year over year to 97.4 billion yen. This result was due mainly to recognition of one-time revenue associated with a large property sale in Japan following lease cancellation. In addition, results reflect a strong performance by Hitachi Capital Corporation's overseas business, particularly in Europe.

Segment operating income increased 0.8 billion yen year over year to 9.1 billion yen, mainly reflecting the higher revenues.

EBIT increased 0.9 billion yen year over year to 10.4 billion yen, mainly reflecting the higher operating income.

### (3) Revenues by Market

	Three months ended June 30, 2014		
	Yen (billions)	Year over year % change	U.S. dollars (millions)
Japan	1,106.7	2%	10,957
Outside Japan	1,029.6	3%	10,195
Asia	483.6	0%	4,789
North America	222.3	3%	2,201
Europe	211.1	26%	2,090
Other Areas	112.5	(13%)	1,114

Revenues in Japan were 1,106.7 billion yen, up 2% year over year. This was due mainly to higher revenues in the Information & Telecommunication Systems, the Financial Services and the Construction Machinery segments.

Overseas revenues increased 3% year over year, to 1,029.6 billion yen. In addition to higher revenues in the Social Infrastructure & Industrial Systems Segment due to strong sales of elevators and escalators in China, this result mainly reflected increased revenues in the Electronic Systems & Equipment, Smart Life & Ecofriendly Systems, and Automotive Systems segments.

As a result, the ratio of overseas revenues to consolidated revenues was 48%, mostly unchanged from the same period last year.

### (4) Capital Expenditures, Depreciation and R&D Expenditures

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Capital expenditures [Manufacturing, Services and Others]	78.6	(13.7)	779
Depreciation [Manufacturing, Services and Others]	64.2	0.5	636
R&D expenditures	79.8	(1.9)	791

Capital expenditures in Manufacturing, Services and Others were 78.6 billion yen, down 13.7 billion yen year over year, despite continued investments in global business expansion for the Social Innovation Business. The decline primarily reflected large investments made during the previous fiscal year and the conversion of Hitachi Maxell, Ltd. into an equity-method affiliate.

Depreciation in Manufacturing, Services and Others increased 0.5 billion yen year over year to 64.2 billion yen.

Including Financial Services, capital expenditures were 178.6 billion yen, while depreciation was 81.6 billion yen.

R&D expenditures decreased 1.9 billion yen year over year to 79.8 billion yen, despite the execution of investments in research and development to strengthen the Social Innovation Business. This decline mainly reflected the integration of the thermal power generation systems business into Mitsubishi Hitachi Power Systems, Ltd., the joint venture company with Mitsubishi Heavy Industries, Ltd. and the conversion of Hitachi Maxell, Ltd. into an equity-method affiliate.

## 2. Financial Position

### (1) Financial Position

	As of June 30, 2014		
	Yen (billions)	Change from March 31, 2014 (billion yen or point)	U.S. dollars (millions)
Total assets	10,882.9	(133.9)	107,752
Total liabilities	7,037.7	(126.6)	69,681
Interest-bearing debt	2,904.4	81.3	28,757
Total Hitachi, Ltd. stockholders' equity	2,635.7	(15.4)	26,097
Noncontrolling interests	1,209.4	8.2	11,975
Total Hitachi, Ltd. stockholders' equity ratio	24.2%	0.1 point increase	-
D/E ratio (including noncontrolling interests)	0.76 times	0.03 point increase	-

### [Manufacturing, Services and Others]

	As of June 30, 2014		
	Yen (billions)	Change from March 31, 2014 (billion yen or point)	U.S. dollars (millions)
Total assets	8,854.7	(213.1)	87,671
Total liabilities	5,309.7	(202.3)	52,571
Interest-bearing debt	1,419.5	1.2	14,055
Total Hitachi, Ltd. stockholders' equity	2,466.7	(17.1)	24,423
Noncontrolling interests	1,078.3	6.2	10,677
Total Hitachi, Ltd. stockholders' equity ratio	27.9%	0.5 point increase	-
D/E ratio (including noncontrolling interests)	0.40 times	-	-

Total assets in Manufacturing, Services and Others as of June 30, 2014, decreased 213.1 billion yen from March 31, 2014 to 8,854.7 billion yen. This decline mainly reflected collecting accounts receivable recorded as of March 31, 2014. Total liabilities in Manufacturing, Services and Others decreased 202.3 billion yen from March 31, 2014 to 5,309.7 billion yen, mainly due to a decrease in accounts payable. Stockholders' equity in Manufacturing, Services and Others decreased 17.1 billion

yen from March 31, 2014 to 2,466.7 billion yen, mainly reflecting the payment of dividends. As a result, the total Hitachi, Ltd. stockholders' equity ratio in Manufacturing, Services and Others was 27.9%. The debt-to-equity ratio, including noncontrolling interests, was 0.40 times.

**[Financial Services]**

	As of June 30, 2014		
	Yen (billions)	Change from March 31, 2014 (billion yen or point)	U.S. dollars (millions)
Total assets	2,524.2	78.0	24,992
Total liabilities	2,211.6	73.5	21,897
Interest-bearing debt	1,722.5	75.4	17,054
Total Hitachi, Ltd. stockholders' equity	180.3	1.9	1,786
Noncontrolling interests	132.2	2.6	1,309
Total Hitachi, Ltd. stockholders' equity ratio	7.1%	0.2 point decrease	-
D/E ratio (including noncontrolling interests)	5.51 times	0.16 point increase	-

Total assets in Financial Services as of June 30, 2014 increased 78.0 billion yen from March 31, 2014 to 2,524.2 billion yen. This mainly reflected increases in accounts receivable and investments in leases in line with business expansion, primarily in overseas markets. Interest-bearing debt in Financial Services increased 75.4 billion yen from March 31, 2014 to 1,722.5 billion yen, mainly attributable to an increase in demand for funds in line with business expansion. Stockholders' equity in Financial Services increased 1.9 billion yen from March 31, 2014 to 180.3 billion yen. As a result, the total Hitachi, Ltd. stockholders' equity ratio in Financial Services was 7.1%, and the debt-to-equity ratio, including noncontrolling interests, was 5.51 times.

## (2) Cash Flows

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Cash flows from operating activities	109.0	66.1	1,080
Cash flows from investing activities	(119.3)	28.6	(1,182)
Free cash flows	(10.3)	94.8	(102)
Core free cash flows	(29.7)	98.4	(295)
Cash flows from financing activities	36.1	(127.1)	358

## Cash Flows [Manufacturing, Services and Others]

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Cash flows from operating activities	155.3	49.3	1,538
Cash flows from investing activities	(98.0)	24.0	(971)
Free cash flows	57.2	73.4	567
Core free cash flows	43.5	52.3	431
Cash flows from financing activities	(34.1)	(103.1)	(338)

Note: "Core free cash flows" are operating cash flows plus collection of investments in leases less cash outflows for the purchase of property, plant and equipment, intangible assets, software, and the assets to be leased.

Operating activities in Manufacturing, Services and Others provided net cash of 155.3 billion yen, up 49.3 billion yen year over year. This increase mainly reflected an increase in net income and also collecting accounts receivable recorded as of March 31, 2014. Investing activities in Manufacturing, Services and Others used net cash of 98.0 billion yen, 24.0 billion yen less than in the same period last year. This decrease mainly reflected large investments made last fiscal year and the conversion of Hitachi Maxell, Ltd. into an equity-method affiliate. Free cash flows in Manufacturing, Services and Others, the sum of cash flows from operating and investing activities, were positive 57.2 billion yen, an improvement of 73.4 billion yen year over year. Core free cash flows in Manufacturing, Services and Others were positive 43.5 billion yen, 52.3 billion yen more than in the same period last year. Financing activities in Manufacturing, Services and Others used net cash of 34.1 billion yen, a 103.1 billion yen less year over year, by decreasing of fund procurement caused by cash flow improvement.

**[Financial Services]**

	Three months ended June 30, 2014		
	Yen (billions)	Year over year change (billion yen)	U.S. dollars (millions)
Cash flows from operating activities	(40.1)	15.9	(397)
Cash flows from investing activities	(22.6)	17.2	(224)
Free cash flows	(62.7)	33.1	(621)
Core free cash flows	(68.4)	45.4	(678)
Cash flows from financing activities	62.4	(40.0)	618

Note: "Core free cash flows" are operating cash flows plus collection of investments in leases less cash outflows for the purchase of property, plant and equipment, intangible assets, software, and the assets to be leased.

For the first quarter of fiscal 2014, operating activities in Financial Services used net cash of 40.1 billion yen, 15.9 billion yen more than in the same period last year. Investing activities in Financial Services used net cash of 22.6 billion yen, 17.2 billion yen more than in the same period last year. Free cash flows in Financial Services, the sum of cash flows from operating activities and investing activities, were negative 62.7 billion yen, an increase of 33.1 billion yen year over year. Core free cash flows in Financial Services were negative 68.4 billion yen, an increase of 45.4 billion yen year over year. Financing activities in Financial Services provided net cash of 62.4 billion yen, 40.0 billion yen less than in the same period last year.

As a result, consolidated cash flows provided from operating activities for the first quarter of fiscal 2014 were 109.0 billion yen, a 66.1 billion yen increase year over year, and cash flows used in investing activities were 119.3 billion yen, 28.6 billion yen more than in the same period last year. Free cash flows were negative 10.3 billion yen, an increase of 94.8 billion yen over the same period last year. Consolidated core free cash flows were negative 29.7 billion yen, an increase of 98.4 billion yen over the same period last year. Financing activities provided consolidated net cash of 36.1 billion yen, 127.1 billion yen less than in the same period last year. The net result was an increase of 16.3 billion yen in cash and cash equivalents to 574.5 billion yen as of June 30, 2014.

### 3. Outlook for First Half of Fiscal 2014 and the Full Year of Fiscal 2014

	The first half of fiscal 2014 ending September 30, 2014		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	4,450.0	0%	44,059
Operating income	185.0	11.5	1,832
EBIT	170.0	27.9	1,683
Income before income taxes	165.0	29.4	1,634
Net income	105.0	35.6	1,040
Net income attributable to Hitachi, Ltd. stockholders	60.0	27.2	594

	Year ending March 31, 2015		
	Yen (billions)	Year over year change (% or billion yen)	U.S. dollars (millions)
Revenues	9,400.0	(2%)	93,069
Operating income	560.0	27.1	5,545
EBIT	520.0	(60.1)	5,149
Income before income taxes	510.0	(58.1)	5,050
Net income	340.0	(24.0)	3,366
Net income attributable to Hitachi, Ltd. stockholders	230.0	(34.9)	2,277

In terms of the overall global business environment going forward, the U.S., China and Japan should make continued headway toward economic recovery and are expected to see gradual economic growth. At the same time, Europe is expected to experience a protracted economic slowdown mainly in southern Europe due to persistent issues with governmental finances and employment challenges. The impact of conditions in the Ukraine on the euro zone economy is another concern.

In this environment, the Hitachi Group is working to achieve growth in the global market centered on the Social Innovation Business. At the same time, the Hitachi Group will promote reforms to strengthen its management base through the Hitachi Smart Transformation Project. In doing so, the Hitachi Group aims to transform itself for further growth.

Hitachi is forecasting the results shown above for the first half and the full year of fiscal 2014, the year ending March 31, 2015.

Projections for the second quarter of fiscal 2014 assume an exchange rate of 98 yen to the U.S. dollar and 130 yen to the euro.

Other

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries causing changes in scope of consolidation)

None

- (2) Application of simple accounting treatment and/or specific accounting treatment in preparing the quarterly consolidated financial statements

Yes

Hitachi computes interim income tax provisions by applying an estimated annual effective tax rate, which is reasonably determined considering the factors that will affect the tax rate including non-taxable transactions, tax credits and valuation allowances, to income before income taxes.

- (3) Changes in accounting principles, procedures and presentation methods for preparing quarterly consolidated financial statements.

None

### **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;
- 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;
- increased commoditization of and intensifying price competition for products;
- 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 potential for significant losses on Hitachi's investments in equity-method affiliates;
- 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.