

HITACHI LTD  
Form 6-K  
November 28, 2011  
Table of Contents

## **FORM 6-K**

# **SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 OF  
THE SECURITIES EXCHANGE ACT OF 1934**

**For the month of November 2011**

**Commission File Number 1-8320**

## **Hitachi, Ltd.**

**(Translation of registrant's name into English)**

**6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8280, Japan**

**(Address of principal executive offices)**

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

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Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes  No

If  is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-

**Table of Contents**

This report on Form 6-K contains the following:

1. Translation of quarterly report filed with the Japanese government pursuant to the Financial Instruments and Exchange Act of Japan
2. Press release dated November 25, 2011 regarding realignment of battery business framework
3. Press release dated November 25, 2011 regarding executive change and organization change
4. Press release dated November 25, 2011 regarding commencement of tender offer by subsidiary

**Table of Contents**

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Hitachi, Ltd.  
(Registrant)

Date November 28, 2011

By /s/ Toshiaki Kuzuoka  
Toshiaki Kuzuoka  
Senior Vice President and Executive Officer

**Table of Contents**

(English Summary)

Quarterly Report

pursuant to Article 24-4-7.1 of

the Financial Instruments and Exchange Act of Japan

For the Second Quarter of 143rd Business Term

(from July 1, 2011 to September 30, 2011)

Hitachi, Ltd.

Tokyo, Japan

Notes:

1. This is an English summary of the Quarterly Report filed with the Director of the Kanto Local Finance Bureau of the Financial Services Agency on November 14, 2011 pursuant to the Financial Instruments and Exchange Act of Japan. Certain information which has been previously filed with the SEC in other reports or is not material is omitted from this English summary.
2. Unless the context indicates otherwise, the term "Company" refers to Hitachi, Ltd. and the term "Hitachi" refers to the Company and its consolidated subsidiaries.

**Table of Contents**

**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 in Japan, 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 Components & Devices and the Digital Media & Consumer Products segments;

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;

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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 and other 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;

**Table of Contents**

the possibility of incurring expenses resulting from any defects in products or services of Hitachi;

the possibility of disruption of Hitachi's operations in Japan by earthquakes, tsunamis or other natural disasters, including the possibility of continuing adverse effects on Hitachi's operations as a result of the earthquake and tsunami that struck northeastern Japan on March 11, 2011;

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 elsewhere in this document and in other materials published by Hitachi.



**Table of Contents****Outline****1. Consolidated Financial Summary**

	(Millions of yen, except per share amounts)		
	Six months ended September 30, 2010	Six months ended September 30, 2011	Year ended March 31, 2011
Revenues	4,502,451	4,572,729	9,315,807
	[2,349,885]	[2,422,036]	
Income before income taxes	263,808	133,010	432,201
Net income attributable to Hitachi, Ltd.	158,049	50,949	238,869
	[71,991]	[48,018]	
Comprehensive income	163,553	27,529	228,459
Total Hitachi, Ltd. Stockholders' equity	1,415,077	1,450,558	1,439,865
Total equity	2,403,988	2,446,635	2,441,389
Total assets	9,318,463	9,199,139	9,185,629
Net income attributable to Hitachi, Ltd. stockholders per share, Basic (yen)	35.00	11.28	52.89
	[15.94]	[10.63]	
Net income attributable to Hitachi, Ltd. stockholders per share, Diluted (yen)	32.68	10.55	49.38
Total Hitachi, Ltd. stockholders' equity ratio (%)	15.2	15.8	15.7
Cash flows from operating activities	377,532	93,128	841,554
Cash flows from investing activities	(105,640)	(221,761)	(260,346)
Cash flows from financing activities	(193,897)	104,027	(584,176)
Cash and cash equivalents at end of period	633,817	510,643	554,810

Notes: 1. The consolidated financial statements of the Company have been prepared in conformity with accounting principles generally accepted in the United States.

2. The figures of Revenues, Net income attributable to Hitachi, Ltd. and Net income attributable to Hitachi, Ltd. stockholders per share, Basic in square bracket are those in the three months ended September 30, 2010 and 2011, respectively.

**2. Principal Businesses**

There was no material change in principal businesses of Hitachi during the six months ended September 30, 2011.

Changes of businesses in each segment and major consolidated subsidiaries during the six months ended September 30, 2011 were as follows.

Effective from April 1, 2011, the batteries business was reclassified from the Components & Devices segment to the Automotive Systems segment.

Hitachi Maxell Energy, Ltd., a wholly owned subsidiary of the Company in the Automotive Systems segment, was established through a separation of its batteries business from Hitachi Maxell, Ltd. on April 1, 2011.



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**Table of Contents**

**Business**

**1. Risk Factors**

There was no new risk factor recognized during the six months ended September 30, 2011.

Material changes in the risk factors stated in the annual report for the 142nd business term pursuant to the Financial Instruments and Exchange Act of Japan were as follows.

Changes in We are subject to regulatory investigations, private litigation and governmental regulations that may result in substantial costs or otherwise harm our business.

In July 2011, a subsidiary and an affiliated company of the Company in Japan received statements of objections from the European Commission in respect of alleged antitrust violations relating to high-voltage power cables. In July 2011, a subsidiary of the Company in Japan was investigated by the Fair Trade Commission of Japan, a subsidiary in the U.S. was investigated by and received a grand jury subpoena from the Antitrust Division of the U.S. Department of Justice, the Company and a subsidiary in Europe received requests for information from the European Commission, and a subsidiary in Canada received requests for information from the Canadian Competition Bureau, all in respect of alleged antitrust violations relating to automotive equipment. In September 2011, a subsidiary of the Company in Korea received a notice of discontinuation of the investigation from the Competition Commission of Singapore in respect of alleged antitrust violations relating to optical disk drives. In October 2011, a subsidiary in Japan agreed to pay a fine in relation to the investigation from the Antitrust Division of the U.S. Department of Justice in respect of alleged antitrust violations relating to optical disk drives.

Changes in We may be subject to product liability claims that could result in significant direct or indirect costs.

In September 2008, Chubu Electric Power Co., Inc. filed a lawsuit against the Company in the Tokyo District Court. Chubu Electric Power sought compensation in the amount of ¥41.8 billion plus interest for consequential losses from the breakdown of certain turbine vanes in the nuclear reactors at Hamaoka Nuclear Power Station. In September 2011, the Tokyo District Court issued a settlement proposal requiring the Company to pay a settlement, and the lawsuit was subsequently settled in October 2011.

Changes in A substantial portion of our operations are conducted in Japan and earthquakes or other natural disasters or events may seriously disrupt them.

In October 2011, the situation of floods in Thailand worsened. As a result, Hitachi suffered damages to certain of its plants and offices in Thailand. The operations of Hitachi's suppliers and customers were adversely affected by the floods. If the effects of the flood damages continue for a long, Hitachi's operating activities, results of operations and financial condition may be adversely affected.

**2. Contracts**

No material contracts were entered into during the three months ended September 30, 2011.

**3. Financial Condition, Business Results and Cash Flows**

**(1) Outline of Business Results**

Effective from April 1, 2011, there was a change in segmentation between the Automotive Systems and the Components & Devices segments. Figures for each segment, including figures for the six months ended September 30, 2010 reflect the new segmentation.

**Business Results**

During the six months ended September 30, 2011, the global economy showed increased concerns about deceleration of its recovery due mainly to the sluggish economy in the U.S. and European sovereign debt crisis although the Chinese economy and other emerging nations' economies continued to grow.

The Japanese economy showed signs of recovery, even though it experienced the power supply restrictions, disruptions to supply chains for parts and components and other factors caused by the Great East Japan Earthquake of March 11.

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Under these conditions, total revenues in the six months ended September 30, 2011 increased 2% compared with the six months ended September 30, 2010, to ¥4,572.7 billion. This was attributable to higher revenues in the Others, Information & Telecommunication Systems and Construction Machinery segments, despite the effects of the Great East Japan Earthquake.

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**Table of Contents**

Cost of sales in the six months ended September 30, 2011 increased 3% compared with the six months ended September 30, 2010, to ¥3,435.4 billion, and the ratio of cost of sales to revenues accounted for 75% in the six months ended September 30, 2011, compared with 74% in the six months ended September 30, 2010.

Selling, general and administrative expenses in the six months ended September 30, 2011 increased 2% compared with the six months ended September 30, 2010, to ¥966.6 billion and their ratio to revenues was 21% in the six months ended September 30, 2011, which was the same level as in the six months ended September 30, 2010.

Other income in the six months ended September 30, 2011 was ¥6.4 billion, a ¥69.4 billion decrease compared with the six months ended September 30, 2010, due primarily to absence of large net gains from the sale of securities such as the sale of a substantial portion of shares of IPS Alpha Technology, Ltd. recorded in the six months ended September 30, 2010. Equity in net loss of affiliated companies in the six months ended September 30, 2011 increased ¥9.2 billion compared with the six months ended September 30, 2010, to ¥14.6 billion, due mainly to recording losses at the Company's equity method affiliated company in the semiconductor industry.

As a result of the above, income before income taxes in the six months ended September 30, 2011 decreased 50% compared with the six months ended September 30, 2010, to ¥133.0 billion.

Income taxes amounted to ¥55.2 billion in the six months ended September 30, 2011, a decrease of ¥4.0 billion compared with the six months ended September 30, 2010.

As a result of the above, net income in the six months ended September 30, 2011 decreased 62% compared with the six months ended September 30, 2010, to ¥77.7 billion.

Net income attributable to noncontrolling interests amounted to ¥26.7 billion in the six months ended September 30, 2011, a decrease of ¥19.6 billion compared with the six months ended September 30, 2010.

As a result of the above, net income attributable to Hitachi, Ltd. in the six months ended September 30, 2011 decreased 68% compared with the six months ended September 30, 2010, to ¥50.9 billion.

**Business Results by Segment**

The following is an overview of Hitachi's results of operations by segment. Revenues for each segment include intersegment transactions.

**(Information & Telecommunication Systems)**

The segment recorded revenues of ¥797.0 billion, an increase of 3% compared with the six months ended September 30, 2010, as a result of increased revenues from software and services business due to increased sales of software and services related to storage solutions in the overseas market.

Segment profit decreased 10% compared with the six months ended September 30, 2010, to ¥31.0 billion, due mainly to the impact of the Great East Japan Earthquake.

**(Power Systems)**

Revenues decreased 3% compared with the six months ended September 30, 2010, to ¥372.4 billion due to lower sales of nuclear power generation systems in the aftermath of the Great East Japan Earthquake. This decrease was partially offset by higher sales of thermal power generation systems in the domestic market.

Segment profit decreased 96% compared with the six months ended September 30, 2010, to ¥0.6 billion due primarily to the impact of the Great East Japan Earthquake and a decline in profitability of coal-fired power systems in the overseas market.

**(Social Infrastructure & Industrial Systems)**

The segment recorded revenues of ¥513.5 billion, an increase of 1% compared with the six months ended September 30, 2010 due to higher sales of railway systems in the overseas market and increased sales of industrial equipment for the manufacturing industry. This increase was

partially offset by lower sales of plant-related equipment and construction.

Segment profit decreased 41% compared with the six months ended September 30, 2010, to ¥6.3 billion, as a result of decline in profitability of plant-related equipment and construction due to lower sales.

## **Table of Contents**

### (Electronic Systems & Equipment)

Revenues increased 1% compared with the six months ended September 30, 2010, to ¥533.5 billion, due primarily to higher sales of Hitachi Medical Corporation resulting from consolidating Aloka Co., Ltd. (currently Hitachi Aloka Medical, Ltd.) in January 2011. This increase was partially offset by lower sales in the liquid crystal displays -related products, parts and components sales business at Hitachi High-Technologies Corporation.

Segment profit increased 31% compared with the six months ended September 30, 2010, to ¥21.3 billion, reflecting higher earnings at Hitachi Kokusai Electric Inc. and Hitachi Koki Co., Ltd. due mainly to efforts to reduce costs.

### (Construction Machinery)

Revenues increased 6% compared with the six months ended September 30, 2010, to ¥355.8 billion as a result of an increase in the shipments of hydraulic excavators due primarily to strong demand in the emerging markets, particularly in the Asian markets, as well as in the Japanese and the U.S. markets, mainly in the lease industries. This increase was partially offset by lower demand in China for hydraulic excavators and the impact of the yen's appreciation.

Segment profit increased 42% compared with the six months ended September 30, 2010, to ¥25.8 billion, due to higher sales of services and parts and components, centered on mining machinery, and due to cost cutting.

### (High Functional Materials & Components)

Revenues in the six months ended September 30, 2011 were ¥700.6 billion, which were the same level as in the six months ended September 30, 2010. Although, Hitachi Metals, Ltd. and Hitachi Cable, Ltd. recorded higher sales, sales at Hitachi Chemical Co., Ltd. declined due to lower demand for semiconductor- and liquid crystal displays-related materials, as well as lower automobile production because of the Great East Japan Earthquake.

Segment profit decreased 33% compared with the six months ended September 30, 2010, to ¥33.8 billion due to a decrease in profits at Hitachi Chemical, Hitachi Metals and Hitachi Cable because of the impact of the Great East Japan Earthquake, and decreased sales owing to lower demand for electronics materials and components, including semiconductor- and liquid crystal displays-related materials.

### (Automotive Systems)

Revenues increased 2% compared with the six months ended September 30, 2010, to ¥388.1 billion despite the impact of a drop in automobile production in Japan after the Great East Japan Earthquake at the beginning of the six months ended September 30, 2011. This increase in revenues primarily reflected increased demand reflecting a recovery in automobile production in Japan in the latter half of six months ended September 30, 2011, and strong growth in sales of lithium-ion batteries for smartphones.

Segment profit increased 161% compared with the six months ended September 30, 2010, to ¥14.7 billion, due mainly to cost reductions.

### (Components & Devices)

Revenues were ¥367.4 billion, a decrease of 7% compared with the six months ended September 30, 2010, due primarily to decrease in revenues from hard disc drives affected by price declines and the yen's appreciation.

Segment profit decreased 65% compared with the six months ended September 30, 2010, to ¥12.6 billion, due mainly to decline in profitability of the hard disc drives business.

### (Digital Media & Consumer Products)

Revenues decreased 7% compared with the six months ended September 30, 2010, to ¥471.3 billion. This decline in revenues reflected lower sales of optical disk drive-related products owing to shortages of parts and components caused by the Great East Japan Earthquake and to the yen's appreciation. Lower sales of flat-panel TVs due to lower sales prices also contributed to the decreased revenues. However, this decreased revenues were partially offset by higher sales of air-conditioning equipment mainly in Japan, spurred by demand for upgrading to energy-saving models.

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Segment profit decreased 53% compared with the six months ended September 30, 2010, to ¥5.2 billion, due primarily to decreased earnings from optical disk drive-related products and flat-panel TVs owing to lower sales.



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## Table of Contents

### (Financial Services)

Revenues decreased 3% compared with the six months ended September 30, 2010, to ¥181.4 billion, due to lower revenues in the finance services business at Hitachi Capital Corporation in the aftermath of the Great East Japan Earthquake. This decrease was partially offset by higher revenues from the overseas business in particular from the Asian market at Hitachi Capital.

Segment profit increased 26% compared with the six months ended September 30, 2010, to ¥14.1 billion, reflecting higher earnings at Hitachi Capital because of increased revenues from the overseas and new businesses and reduced financing and credit costs.

### (Others)

Revenues were ¥467.8 billion, an increase of 25% compared with the six months ended September 30, 2010 due to higher revenues at Hitachi Transport System, Ltd. owing to the effect of making Vantec Corporation a consolidated subsidiary in April 2011 and healthy growth in sales in third-party logistics solutions.

Segment profit increased 27% compared with the six months ended September 30, 2010, to ¥16.3 billion.

## Revenues by Market

Revenues in Japan in the six months ended September 30, 2011 were ¥2,572.4 billion, an increase of 2% compared with the six months ended September 30, 2010 due primarily to higher revenues in the Others segment reflecting higher revenues at Hitachi Transport System due mainly to the consolidation of Vantec and healthy growth in sales in third-party logistics solutions. This effect was partially offset by decline in revenues in the Components & Devices and Electronic Systems & Equipment segments.

Overseas revenues increased 1% compared with the six months ended September 30, 2010, to ¥2,000.3 billion. This result was attributable to higher revenues in the Others segment due primarily to the consolidation of Vantec at Hitachi Transport System and higher revenues in the Electronic Systems & Equipment and Information & Telecommunication Systems segments, partially offset by declined revenues in the Digital Media & Consumer Products and Power Systems segments.

As a result, the ratio of overseas revenues to total revenues was 44%, which was the same level as in the six months ended September 30, 2010.

### (2) Summary of Financial Position, etc.

## Liquidity and Capital Resources

During the six months ended September 30, 2011, the Company had no major changes in the policies of maintaining liquidity and ensuring funds, efforts for improvement in fund management efficiency, and ideas regarding funding sources and fundraising.

## Cash Flows

### (Cash flows from operating activities)

Net income in the six months ended September 30, 2011 decreased ¥126.7 billion compared with the six months ended September 30, 2010, to ¥77.7 billion, due primarily to decreased operating income. Decrease in receivables in the six months ended September 30, 2011 was ¥29.3 billion, a ¥179.7 billion decrease compared with the six months ended September 30, 2010. Increase in inventories in the six months ended September 30, 2011 was ¥227.6 billion, a ¥44.9 billion increase compared with the six months ended September 30, 2010. These fluctuations were attributable to continuing influence of delay in shipment of products and customers' acceptance inspection caused by the Great East Japan Earthquake. As a result of the foregoing, operating activities provided net cash of ¥93.1 billion in the six months ended September 30, 2011, a ¥284.4 billion decrease compared with the six months ended September 30, 2010.

**Table of Contents****(Cash flows from investing activities)**

A net sum of ¥150.1 billion in the six months ended September 30, 2011 was recorded as investments related to property, plant and equipment, where the collection of investments in leases, the proceeds from disposal of property, plant and equipment and the proceeds from disposal of tangible assets and software to be leased were subtracted from the amount of the capital expenditures, the purchase of intangible assets and the purchase of tangible assets and software to be leased. This net sum increased by ¥26.0 billion compared with the six months ended September 30, 2010. Purchase of investments in securities and shares of newly consolidated subsidiaries in the six months ended September 30, 2011 increased ¥19.9 billion compared with the six months ended September 30, 2010, to ¥101.2 billion, due primarily to the purchase of shares of Vantec and the U.S. company operating network storage business. Proceeds from sale of investments in securities and shares of consolidated subsidiaries resulting in deconsolidation in the six months ended September 30, 2011 decreased ¥93.3 billion compared with the six months ended September 30, 2010, to ¥26.5 billion, due mainly to absence of large selling such as selling shares of IPS Alpha Technology in the six months ended September 30, 2010. As a result of the foregoing, investing activities used net cash of ¥221.7 billion in the six months ended September 30, 2011, an increase of ¥116.1 billion compared with the six months ended September 30, 2010.

**(Cash flows from financing activities)**

Net increase in short-term debt was ¥321.3 billion, an increase of ¥237.6 billion compared with the six months ended September 30, 2010, due primarily to the issuance of commercial paper ready to an increase in demands for working capital. A net sum of ¥190.7 billion in the six months ended September 30, 2011 was recorded as payments related to long-term debt, where the payments on long-term debt were subtracted from the proceeds from long-term debt. This net outflow decreased by ¥70.6 billion compared with the six months ended September 30, 2010. Financing activities provided net cash of ¥104.0 billion in the six months ended September 30, 2011, in contrast to the net cash of ¥193.8 billion used in operating activities in the six months ended September 30, 2010.

As a result of the above items, in the six months ended September 30, 2011 cash and cash equivalents decreased ¥44.1 billion, to ¥510.6 billion as of September 30, 2011. Free cash flows, the sum of cash flows from operating and investing activities, were an outflow of ¥128.6 billion in the six months ended September 30, 2011, compared with an inflow of ¥271.8 billion in the six months ended September 30, 2010.

**Assets, Liabilities, and Stockholders' Equity**

Total assets as of September 30, 2011 were ¥9,199.1 billion, an increase of ¥13.5 billion from March 31, 2011. This was due mainly to an increase in inventories owing to seasonal reasons and influence of the Great East Japan Earthquake.

Total interest-bearing debt as of September 30, 2011, which is the sum of short-term debt, long-term debt and non-recourse borrowings of consolidated securitization entities, increased to ¥2,641.1 billion, a ¥119.5 billion increase from March 31, 2011. This was due mainly to an increase in short-term debt, mainly owing to the issuance of commercial paper in response to an increase in demands for working capital.

Noncontrolling interests as of September 30, 2011 decreased by ¥5.4 billion from March 31, 2011, to ¥996.0 billion.

Total Hitachi, Ltd. stockholders' equity as of September 30, 2011 increased by ¥10.6 billion from March 31, 2011, to ¥1,450.5 billion. As a result, the ratio of stockholders' equity to total assets was 15.8%, compared with 15.7% as of March 31, 2011. The ratio of the interest-bearing debt to the total equity (the sum of total Hitachi, Ltd. stockholders' equity and noncontrolling interests) increased to 1.08, compared with 1.03 as of March 31, 2011, due mainly to an increase in the short-term debt.

**(3) Business Strategy**

There was no material change in Hitachi's business strategy during the six months ended September 30, 2011.

**Table of Contents****4. Research and Development Expense (Consolidated basis)**

	(Billions of yen)
Segment	Six months ended September 30, 2011
Information & Telecommunication Systems	41.8
Power Systems	7.6
Social Infrastructure & Industrial Systems	11.1
Electronic Systems & Equipment	23.0
Construction Machinery	7.7
High Functional Materials & Components	22.7
Automotive Systems	25.4
Components & Devices	34.6
Digital Media & Consumer Products	11.7
Financial Services	0.1
Others	1.1
Corporate	11.6
<b>Total</b>	<b>199.1</b>

**5. Annual Plan of Capital Expenditures (Accrual basis)**

	(Billions of yen)	
Segment	Year ending March 31, 2012 (Previous Forecast)	Year ending March 31, 2012 (Revised Forecast)
Information & Telecommunication Systems	49.0	48.0
Power Systems	30.0	28.0
Social Infrastructure & Industrial Systems	36.0	33.0
Electronic Systems & Equipment	23.0	25.0
Construction Machinery	70.0	64.0
High Functional Materials & Components	85.0	74.0
Automotive Systems	39.0	45.0
Components & Devices	50.0	43.0
Digital Media & Consumer Products	19.0	19.0
Financial Services	338.0	311.0
Others	37.0	42.0
Eliminations & Corporate items	(6.0)	(8.0)
<b>Total</b>	<b>770.0</b>	<b>724.0</b>

Note: The figures shown in the table above include investment in leasing assets.

**Table of Contents****Information on the Company****1. Capital as of September 30, 2011**

409,131 million yen

**2. Matters Concerning Shares**

Authorized (Common Stock)	10,000,000,000 shares
Shares Issued (Common Stock)	
Number of shares issued as of September 30, 2011:	4,520,157,581 shares*
Number of shares issued as of November 14, 2011:	4,520,157,581 shares**

\* Number of shares issued increased 6,309 shares during the three months ended September 30, 2011, due to exercise of stock acquisition rights pertaining to the bonds.

\*\* This number does not include number of shares issued due to exercise of stock acquisition rights pertaining to the bonds from November 1, 2011 to November 14, 2011.

The common stock of the Company is listed on the Tokyo, Osaka, Nagoya, Fukuoka and Sapporo stock exchanges in Japan and on the New York Stock Exchange overseas.

**3. Major Shareholders**

Name of Shareholders	(As of September 30, 2011)	
	Number of Shares Owned (Shares)	Percentage to Total Shares Issued (%)
1 The Master Trust Bank of Japan, Ltd. (Trust Account)	309,995,000	6.86
2 Japan Trustee Services Bank, Ltd. (Trust Account)	262,937,000	5.82
3 State Street Bank and Trust Company 505224	144,894,399	3.21
4 NATS CUMCO	141,522,820	3.13
5 SSBT OD05 Omnibus Account - Treaty Clients	130,546,040	2.89
6 Hitachi Employees Shareholding Association	126,856,384	2.81
7 Nippon Life Insurance Company	98,173,195	2.17
8 Japan Trustee Services Bank, Ltd. (Trust Account 9)	81,202,000	1.80
9 The Dai-Ichi Life Insurance Company, Limited	71,361,222	1.58