

(Summary)

Financial report for 1st half of fiscal 2005 ended March 31, 2005 (Non-consolidated)

October 28, 2004

Name of Listed Company: **Hitachi Cable, Ltd.**

Stock Exchange where listed (Section): Tokyo Stock Exchange, Inc. (First Section)

Osaka Securities Exchange Co., Ltd. (First Section)

Code Number: 5812

Head Office: Tokyo

(URL <http://www.hitachi-cable.co.jp>)

Representative: Norio Sato, President

Contact: Masaaki Ishikawa

General Manager, Administration, Dept., Human Resources & Administration Group

Tel: +81-3-5252-3261

Date of the Board of Directors Meeting at which the Account Settlement Plan was approved: October 28, 2004

Existence of Interim Dividend System: Yes

The Day the Company Starts the Payment of the Dividends: December 2, 2004

Adoption of Stock Trading System: Yes. 1Unit=1,000 Shares

1. Performance over 1st half of the fiscal year under review (Apr.1, 2004 – Sep.30, 2004)

(1) Operating results

	Net sales (million yen)	Operating Income (loss) (million yen)	Ordinary Income (million yen)
September/04	125,926 (11.2)	2,179 (—)	3,087 (777.5%)
September/03	113,259 (-6.0)	-166 (—)	352 (—)
March/04	237,757	1,108	1,435

	Interim Net Income (loss) (million yen)	Interim Net Income (loss) Per Share (million yen)
September/04	1,238 (—)	3.37
September/03	-4,582 (—)	-12.47
March/04	-2,943	-8.04

(Notes) ① Average Number of shares outstanding

	Common	Preferred
Sep./04	367,489,806	—
Sep./03	367,555,095	—
Mar./04	366,254,807	—

② Changing in accounting policy: Yes

Application of accounting standards in connection with impairment of fixed assets and guidelines thereof.

③ Figures are rounded off to the nearest 1 million yen.

④ Figures in parentheses represent % change from 1st half of the last fiscal year.

(2) Dividends

	Interim Dividend Per Share (yen)	Annual Dividend Per Share (yen)
September/04	3.50	—
September/03	2.50	—
March/04	—	5.00

(3) Financial standing

	Total Assets (million yen)	Shareholders' Equity (million yen)	Shareholders' Equity Ratio (%)	Shareholders' Equity Per Share (yen)
September/04	265,799	158,830	59.8	432.22
September/03	273,551	153,185	56.0	421.04
March/04	275,562	158,706	57.6	431.85

(Notes)

① Number of shares outstanding at the end of period

	Common	Preferred
September/04	367,476,253	—
September/03	363,827,302	—
March/04	367,501,939	—

② Number of treasury stocks at the end of period

	Common	Preferred
September/04	6,541,921	—
September/03	10,190,872	—
March/04	6,516,235	—

2. Business results forecast for fiscal year 2005 (Apr. 1, 2004–Mar. 31, 2005)

	Net Sales (million yen)	Ordinary Income (million yen)	Net Income (million yen)	Annual Dividend Per Share	
				Term-end Dividend (yen)	(yen)
March/05	250,000	7,000	3,000	3.50	7.00

(Reference) Forecast net income per share (Whole year): 8.16yen

* Safe harbor statement

The figures contained herein, excepting actual performance figures, are based on assumptions by management that were judged to be valid at the time these materials were created. Actual performance may be very different from these forecasts and targets.

1. Non-consolidated Interim Balance Sheet

(million yen)

	1st half of fiscal 2004 Sep. 30, 2003	1st half of fiscal 2005 Sep. 30, 2004	End of fiscal 2004 Mar. 31, 2004		1st half of fiscal 2004 Sep. 30, 2003	1st half of fiscal 2005 Sep. 30, 2004	End of fiscal 2004 Mar. 31, 2004
[Assets]				[Liabilities]			
Current Assets	108,288	113,408	117,008	Current Liabilities	74,184	72,398	72,654
Cash and Deposits in Bank	1,249	337	1,632	Accounts Payable	26,870	30,823	33,836
Notes Receivable	2,736	2,452	2,865	Short-term Debt	8,007	18,497	9,604
Accounts Receivable	54,680	61,474	60,020	Commercial Paper	16,000	-	14,000
Advance Payments	310	157	187	Amortized Bond	10,000	10,000	-
Products	2,452	2,377	2,290	Amounts in Arrears	4,146	4,313	6,314
Materials	3,198	2,999	2,374	Corporation Taxes Payable	60	201	79
Work in Process	17,016	18,138	15,862	Expenses Payable	6,141	6,408	6,192
Deferred Income Taxes	6,545	9,203	5,500	Advances Received	1,102	712	954
Others	20,382	17,011	27,008	Deposits Received	1,425	1,428	1,486
Allowance for Doubtful Accounts	-280	-740	-730	Others	433	16	189
Fixed Assets	165,263	152,391	158,554	Fixed Liabilities	46,182	34,571	44,202
Tangible Fixed Assets	91,407	85,166	87,973	Bond	15,000	5,000	15,000
Buildings	33,925	32,524	33,199	Long-term Debt	18,623	18,516	18,623
Structures	2,439	2,247	2,356	Reserve for Retirement Allowance	11,980	10,352	9,868
Machinery	35,018	33,439	33,442	Reserve for Directors' Retirement Allowance	435	461	471
Vehicle and Other Transportation Equipment	51	42	43	Others	144	242	240
Tools, Equipment and Fixtures	4,179	3,788	3,713	Total Liabilities	120,366	106,969	116,856
Land	9,305	8,297	9,101	[Shareholders' Equity]			
Construction in Progress	6,490	4,829	6,119	Paid-in Capital	25,948	25,948	25,948
Intangible Fixed Assets	2,802	3,801	3,207	Capital Reserve	30,023	33,698	33,697
Utility Rights, etc.	2,802	3,801	3,207	Capital Surplus	30,023	33,697	33,697
Investments, etc.	71,054	63,424	67,374	Profit Reserve	99,051	99,918	99,599
Shares of Subsidiaries	21,026	28,378	26,644	Profit Surplus	6,505	6,512	6,512
Investment Securities	23,491	22,502	23,060	Special Depreciation Reserve	96	313	96
Long-term Loans	5,351	5,132	5,930	Reserve for Deferred Income Taxes on Special Accounts	508	496	508
Deferred Income Taxes	10,902	6,799	11,094	Special Reserve	92,630	86,964	92,964
Others	12,984	3,053	3,236	Retained Earnings at the End of the Term	-688	5,633	-481
Allowance for Doubtful Accounts	-2,700	-2,440	-2,590	(Interim Net Income)			
				The Accumulated Changes in Fair Value Carried in the Section of Equity	2,122	1,813	1,995
				Treasury Stock	-3,959	-2,547	-2,533
				Total Shareholders' Equity	153,185	158,830	158,706
Total Assets	273,551	265,799	275,562	Total Liabilities and Shareholders' Equity	273,551	265,799	275,562

2. Non-consolidated Interim Profit and Loss Sheet

(million yen)

	1st half of fiscal 2004 (A) (Apr. 1, 2003– Sep. 30, 2003)	1st half of fiscal 2005 (B) (Apr. 1, 2004– Sep. 30, 2004)	End of fiscal 2004 (Apr. 1, 2003– Mar. 31, 2004)	B / A (%)
[Ordinary Income and Loss]				
Recurring Income and Loss				
Net Sales	113,259	125,926	237,757	111
Cost of Sales	100,248	110,944	210,727	111
Sales, General and Administrative Expense	13,177	12,803	25,922	97
Operating Income (Loss)	-166	2,179	1,108	—
Non-operating Income and Loss				
Non-operating Revenues	1,783	2,139	3,481	120
(Interest and Dividends Received)	(937)	(1,574)	(1,587)	
(Miscellaneous Revenues)	(846)	(565)	(1,894)	
Non-operating Expenses	1,265	1,231	3,154	97
(Interest Paid)	(448)	(348)	(825)	
(Miscellaneous Losses)	(817)	(883)	(2,329)	
Ordinary Income (Loss)	352	3,087	1,435	877
[Extraordinary Income and Loss]				
Extraordinary Income	1,105	564	5,332	51
(Profit on Sales of Negotiable Securities)	(390)	(3)	(1,328)	
(Profit on Sales of Land)	(715)	(547)	(1,246)	
(Reversal of Employee Severance Obligations for Prior Service)	(—)	(—)	(2,758)	
(Others)	(—)	14	(—)	
Extraordinary Loss	9,405	1,678	12,081	18
(Cost for Restructuring)	(8,903)	(788)	(10,587)	
(Valuation Loss of Negotiable Securities)	(73)	(210)	(328)	
(Impairment Loss)	(—)	(622)	(—)	
(Others)	(429)	(58)	(1,166)	
Income (Loss) Before Income Tax	-7,948	1,973	-5,314	—
Corporation, Inhabitant Taxes	20	20	40	100
Deferred	-3,386	715	-2,411	—
Interim Net Income (Loss)	-4,582	1,238	-2,943	—
Retaining Earnings Brought Forward	3,894	4,395	3,894	113
Retained Earnings by Merger	—	—	-522	—
Interim Dividends	—	—	910	—
Retained Earnings at the End of 1st Half of Year (The End of Year)	-688	5,633	-481	—

3. Notes

(1) Matters Related to the Consolidated Balance Sheet

① Accumulated Depreciation of Tangible Fixed Assets		
〔Sep. 30, 2003〕	191,963	million yen
〔Sep. 30, 2004〕	190,078	million yen
〔Mar. 31, 2004〕	186,502	million yen
② Guarantees of Loans (including contingent guarantees)		
〔Sep. 30, 2003〕	5,867	million yen
〔Sep. 30, 2004〕	6,478	million yen
〔Mar. 31, 2004〕	5,556	million yen
③ Letter of Awareness		
〔Sep. 30, 2003〕	11,121	million yen
〔Sep. 30, 2004〕	7,400	million yen
〔Mar. 31, 2004〕	9,746	million yen
④ Promissory notes transferred due to securitization of assets		
〔Sep. 30, 2003〕	8,080	million yen
〔Sep. 30, 2004〕	6,046	million yen
〔Mar. 31, 2004〕	5,929	million yen
⑤ Promissory Notes Transferred due to Securitization of Assets		
〔Sep. 30, 2003〕	3,980	million yen
〔Sep. 30, 2004〕	6,993	million yen
〔Mar. 31, 2004〕	7,633	million yen

(2) Matters Related to the Consolidated Income Statement of Profit and Loss

Notes concerning impairment of fixed assets:

In the first half of this consolidated fiscal year, the Company recorded losses on impairment of the following asset groups.

Location	Purpose	Type	Amount of Loss on Impairment	Reason for Recognition of Loss on Impairment	Amount Recoverable	Method of Calculating Amount Recoverable
Misawa, Aomori Pref., and elsewhere	Dormant assets	Land, buildings, and structures	Land: 615 million yen Buildings, etc.: 7 million yen <hr/> 622 million yen	Because market value had fallen considerably below book value	Net sale price	Assessed value of fixed assets for taxation purposes, etc

(3) Lease Transaction

① Finance lease transactions other than those in which the leased assets are regarded as being transferred to the lessee.

	Sep. 30, 2003	Sep. 30, 2004	Mar. 31, 2004
A. Lease Rental Expense	141 million yen	84 million yen	245 million yen
B. Outstanding Future Lease Payments as of the End of the Period	374 million yen	246 million yen	283 million yen

② Operating lease transaction

	Sep. 30, 2003	Sep. 30, 2004	Mar. 31, 2004
Outstanding Future Lease Payments	17 million yen	0 million yen	5 million yen

(4) Securities

Stocks of subsidiaries and affiliates which are quoted on market

[Sep. 30, 2003]

	The amount on balance sheet (A)	Market price (B)	B-A
Subsidiaries' stock	2,077 million yen	2,886 million yen	809 million yen
Affiliates' stock	-	-	-
Total	2,077 million yen	2,886 million yen	809 million yen

[Sep. 30, 2004]

None

[Mar. 31, 2004]

None