

(Summary)

# Non-consolidated Financial Report for fiscal 2003 ended March 31, 2003

April 25, 2003

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 Location: Tokyo

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

President and Representative Director: Norio Sato

Contact: Shinichiro Suzumura

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: April 25, 2003

Date of the Regular Shareholders Meeting: June 27, 2003

Existence of Interim Dividend System: Yes.

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

## 1. Performance over the year under review (Apr.1, 2002-Mar.31, 2003)

### (1) Operating results

	Net sales (million yen)	Operating income (loss) (million yen)	Ordinary income (loss) (million yen)	Net income (loss) (million yen)
Mar./03	242,908 ( -10.0%)	-4,871 ( -%)	-3,019 ( -%)	-3,334 ( -%)
Mar./02	269,850 ( -18.3%)	-4,469 ( -%)	-2,738 ( -%)	-263 ( -%)

	Net income (loss) per share (yen)	Diluted net income per share (yen)	Ratio of net income to shareholders' equity (%)	Ratio of ordinary income to total assets (%)	Ratio of ordinary income to net sales (%)
Mar./03	-8.98	-	-2.0	-1.0	-1.2
Mar./02	-0.70	-	-0.1	-0.8	-1.0

Note:

#### ① Average number of shares outstanding

	Common	Preferred
Mar./03	371,302,402	-
Mar./02	373,335,863	-

② We haven't made change in accounting policy.

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

④ Figures in parentheses represent % change from the previous year.

### (2) Dividend

	Annual dividend per share (yen)			Annual total amount of dividends (million yen)	Payout ratio (%)	Ratio of dividends to shareholders' equity (¥)
	Interim Dividend (yen)	Term-end Dividend (yen)				
Mar./03	5.00	2.50	2.50	1,849	-	1.2
Mar./02	7.50	5.00	2.50	2,797	-	1.6

(3) Financial standing

	Total assets (million yen)	Shareholders' equity (million yen)	Shareholders' equity ratio (million yen)	Book-value per share (million yen)
Mar./03	286,554	159,553	55.7	433.81
Mar./02	336,405	172,732	51.3	464.35

Note:

①Number of shares outstanding at the end of period

	Common	Preferred
Mar./03	367,793,795	—
Mar./02	371,991,360	—

②Number of treasury shares

	Common	Preferred
Mar./03	6,224,379	—
Mar./02	2,026,814	—

2. Business results forecast for fiscal 2004 (Apr. 1, 2003-Mar. 31, 2004)

	Net sales (million yen)	Ordinary income (million yen)	Net income (million yen)	Annual dividend per share		
				Interim dividend (yen)	Term-end dividend (yen)	(yen)
Sep./03	115,000	0	0	2.50	—	—
Mar./04	235,000	2,000	1,200	—	2.50	5.00

(Reference) Forecast net income per share (Whole year): 3.26 yen

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.

— — — — —  
Please note that all persons who view the content of the announcement of this matter prior to 12 hours from the time of its announcement (3:30 am on April 26, 2003), will be regarded as interested parties or recipients of primary information under insider trading regulations as provided for in Article 166 of the Securities and Exchange Law and Article 30 of the Implementation Ordinances of that Law and should therefore exercise appropriate caution.  
— — — — —

# 1. Non-consolidated Balance Sheet

(million yen)

	End of fiscal	End of fiscal	B-A		End of fiscal	End of fiscal	B-A
	2002 (A)	2003 (B)			2002 (A)	2003 (A)	
	Mar. 31, 2002	Mar. 31, 2003			Mar. 31, 2002	Mar. 31, 2003	
<b>[ Assets ]</b>				<b>[ Liabilities ]</b>			
<b>Current assets</b>	<b>137,925</b>	<b>110,456</b>	<b>-27,468</b>	<b>Current liabilities</b>	<b>109,955</b>	<b>79,167</b>	<b>-30,788</b>
Cash and deposits in bank	6,478	2,170	-4,307	Accounts payable	33,296	26,734	-6,562
Notes receivable	2,647	2,773	125	Short-term debt	51,977	12,959	-39,018
Account securities	66,313	58,418	-7,894	Commercial paper	0	16,000	16,000
Advance payments	1,366	179	-1,186	Amortized company bonds	7,783	10,000	2,216
Products	5,884	2,488	-3,396	Amounts in arrears	4,232	4,481	249
Materials	3,445	3,072	-372	Corporation tax payable	283	74	-208
Work in process	19,512	17,034	-2,477	Expenses payable	8,621	5,871	-2,750
Deferred income taxes	4,916	1,887	-3,029	Advances received	1,990	834	-1,156
Other current assets	27,982	22,602	-5,379	Deposits received	1,511	1,613	101
Allowance for doubtful account	-620	-170	450	Others	258	598	340
<b>Fixed assets</b>	<b>198,479</b>	<b>176,097</b>	<b>-22,382</b>	<b>Fixed liabilities</b>	<b>53,717</b>	<b>47,833</b>	<b>-5,883</b>
<b>— Tangible fixed assets</b>	<b>117,612</b>	<b>101,868</b>	<b>-15,743</b>	Company bonds	20,000	15,000	-5,000
Buildings	36,095	34,990	-1,105	Long-term debt	11,741	19,181	7,439
Structures	2,869	2,576	-292	Reserve for directors' reserve for retirement	20,819	12,236	-8,583
Machinery	47,345	40,056	-7,289	Retirement allowance	982	1,122	140
Vehicle and other transportation equipment	133	59	-73	Others	173	292	119
Tools, equipment and fixtures	5,836	4,969	-866	<b>Total liabilities</b>	<b>163,673</b>	<b>127,000</b>	<b>-36,672</b>
Land	9,999	9,355	-644	<b>[Shareholders' equity]</b>			
Construction in progress	15,331	9,861	-5,470	Paid-in capital	25,948	25,948	0
<b>Intangible fixed assets</b>	<b>1,586</b>	<b>2,350</b>	<b>764</b>	Capital reserve	29,953	30,023	70
Utility rights, etc.	1,586	2,350	764	Capital surplus	29,953	30,023	70
Investments, etc.	79,280	71,878	-7,402	Profit reserve	109,333	104,551	-4,781
Stocks sales of subsidiaries	17,877	19,597	1,719	Profit surplus	6,487	6,504	17
Investment securities	41,893	21,728	-20,165	Special depreciation reserve	148	132	-16
Long-term loans	6,227	7,328	1,101	Reserve for deferred income taxes on special account	391	413	22
Deferred income taxes	1,700	12,737	11,037	Special reserve	92,500	92,630	130
Others	14,931	13,346	-1,585	Retained earnings at the end of year	9,806	4,871	-4,935
Allowance for doubtful accounts	-3,350	-2,860	490	(Net income (loss))	(- 263)	(- 3,334)	(- 3,071)
				The accumulated changes in fair value carried in the section of equity	8,559	1,289	-7,269
				Treasury Stock	-1,061	-2,259	-1,197
				<b>Total Shareholders' equity</b>	<b>172,732</b>	<b>159,553</b>	<b>-13,178</b>
<b>Total assets</b>	<b>336,405</b>	<b>286,554</b>	<b>-49,851</b>	<b>Total liabilities and shareholders' equity</b>	<b>336,405</b>	<b>286,554</b>	<b>-49,851</b>

(Note) Legal reserve (until fiscal 2002) →Capital reserve (From fiscal 2003)

Surplus fund (until fiscal 2002) →Profit reserve (From fiscal 2003)

## 2. Non-Consolidated profit and loss sheet

(million yen)

	End of fiscal 2002 (A) (Apr. 1, 2001– Mar. 31, 2002)	End of fiscal 2003 (B) (Apr. 1, 2002– Mar. 31, 2003)	B/A (%)
[ Ordinary income and loss ]			
Recurring income and loss			
Net sales	269,850	242,908	90
Cost of sales	238,492	220,244	
Sales, general and administrative expense	35,828	27,536	
Operating income (loss)	-4,469	-4,871	-
Non-operating income and loss			
Non-operating revenues	7,314	6,367	87
(Interest and dividends received)	(3,729)	(4,138)	
(Miscellaneous revenues)	(3,584)	(2,229)	
Non-operating expenses	5,583	4,515	81
(Interest paid expenses)	(1,258)	(1,097)	
(Miscellaneous losses)	(4,324)	(3,418)	
Ordinary income	- 2,738	- 3,019	-
[Extraordinary income and loss]			
Extraordinary income	2,865	12,628	441
(Profit on sales of negotiable securities)	(2,865)	(8,857)	
(Profit of sales of land)	(—)	(1,818)	
(Reversal of employee severance obligations for prior service)	(—)	(1,807)	
(Others)	(—)	(144)	
Extraordinary loss	2,123	15,324	722
(Cost for restructuring)	(1,688)	(11,784)	
(Valuation loss of negotiable securities)	(—)	(3,147)	
(Others)	(435)	(391)	
Income (loss) before income tax	-1,996	-5,715	-
Corporation, inhabitant taxes	151	298	197
Deferred	-1,884	-2,679	-
Net income (loss)	-263	-3,334	-
Retaining earnings brought forward	11,937	8,870	74
Retained earnings by merger	—	265	-
Interim dividends	1,867	929	50
Retained earnings at the end of year	9,806	4,871	50

### 3. Statement of profit appropriations

(million yen)

	Fiscal 2002 (Apr. 1, 2001– Mar. 31, 2002)	Fiscal 2003 (Apr. 1, 2002– Mar. 31, 2003)
Retained earning at end of year	9,806	4,871
Reversal of special depreciation reserve	34	37
Reversal of deferred income taxes on fixed assets	14	13
Total	9,854	4,922
The appropriations are as follows:		
Profit reserve	–	–
Cash dividends	929	919
	(Ordinary 2.50 yen)	(Ordinary 2.50 yen)
Directors' bonuses	–	–
Special depreciation reserve	18	1
Reserve for deferred income taxes on fixed assets	36	107
Special reserve	–	–
Retained earnings carried forward	8,870	3,894

#### 4. Notes

(1) Notes required by Non-consolidated Financial Statements Regulations of Japan (Excluding Non-consolidated Financial Statements Regulation of Japan Art. 8-6, Art.8-7 Section1-(3), Art.8-12)

- ① Accumulated depreciation of tangible fixed assets  
 (Mar. 31, 2002) 217,290 million yen (Mar. 31, 2003) 209,537 million yen
- ② Guarantees of loans (including contingent guarantees)  
 (Mar. 31, 2002) 6,258 million yen (Mar. 31, 2003) 5,697 million yen
- ③ Letter of awareness  
 (Mar. 31, 2002) — (Mar. 31, 2003) 12,786 million yen
- ④ Promissory notes transferred due to securitization of assets  
 (Mar. 31, 2002) 8,072 million yen (Mar. 31, 2003) 8,712 million yen
- ⑤ Trade receivable transferred due to securitization of assets  
 (Mar. 31, 2002) — (Mar. 31, 2003) 2,100 million yen
- ⑥ Shareholders' equity provided by Commercial Code of Japan Art.290 Section 1-(6)  
 (Mar. 31, 2002) 8,561 million yen (Mar. 31, 2003) 1,289 million yen

(2) Notes required by Non-consolidated Financial Statements Regulations of Japan excluding(1)

① Lease transaction

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

	[Mar. 31, 2002]	[Mar. 31, 2003]
Lease rental expense	629 million yen	408 million yen
Outstanding future lease payments as of the end of the period	872 million yen	489 million yen

[Operating lease]

	[Mar. 31, 2002]	[Mar. 31, 2003]
Outstanding future lease payments	—	31 million yen

② Securities

Stocks of subsidiaries and affiliates which are quoted on market

[Mar. 31, 2002]

	The amount on balance sheet (A)	Market price (B)	B-A
Subsidiaries' stock	1,978 million yen	3,158 million yen	1,180 million yen
Affiliates' stock	—	—	—
Total	1,978 million yen	3,158 million yen	1,180 million yen

[Mar. 31, 2003]

	The amount on balance sheet (A)	Market price (B)	B-A
Subsidiaries' stock	2,077 million yen	2,763 million yen	685 million yen
Affiliates' stock	—	—	—
Total	2,077 million yen	2,763 million yen	685 million yen

③ Tax effect accounting

A. Breakdown of deferred tax assets and liabilities by major factors

(million yen)

	[Mar. 31, 2002]	[Mar. 31, 2003]
<Deferred tax assets>		
Loss carried forward	3,719	6,982
Reserve for retirement benefits	5,385	2,720
Restructuring cost	—	1,872
Accrued employees bonuses	1,167	1,152
Others	2,937	3,182
Sub total	13,210	15,910
<Deferred tax liabilities>		
Difference in valuation of other securities	- 6,198	- 874
Others	- 395	- 411
Sub total	- 6,593	- 1,285
Net deferred tax assets	6,616	14,624

B. The statutory effective tax rate used to calculate deferred tax assets and liabilities was 42.0% in the previous fiscal year, ended March 31, 2002. Following the enactment of the Law to Partially Amend the Local Tax Law (Law No. 9, 2003) on March 31, 2003, in the fiscal year under review the tax rate applicable to temporary differences expected to be settled by March 31, 2004 is 42.0%, while a tax rate of 40.4% will be applied to temporary differences expected to be settled thereafter. As a result, net deferred tax assets decreased 338 million yen, while deferred income taxes and net unrealized gain on available-for-sale securities increased 373 million yen, respectively.

# 1. Non-consolidated Balance Sheet

(million yen)

	End of fiscal	End of fiscal	B-A		End of fiscal	End of fiscal	B-A
	2002 (A)	2003 (B)			2002 (A)	2003 (A)	
	Mar. 31, 2002	Mar. 31, 2003			Mar. 31, 2002	Mar. 31, 2003	
<b>[ Assets ]</b>				<b>[ Liabilities ]</b>			
<b>Current assets</b>	137,925	110,456	-27,468	<b>Current liabilities</b>	109,955	79,167	-30,788
Cash and deposits in bank	6,478	2,170	-4,307	Accounts payable	33,296	26,734	-6,562
Notes receivable	2,647	2,773	125	Short-term debt	51,977	12,959	-39,018
Account securities	66,313	58,418	-7,894	Commercial paper	0	16,000	16,000
Advance payments	1,366	179	-1,186	Amortized company bonds	7,783	10,000	2,216
Products	5,884	2,488	-3,396	Amounts in arrears	4,232	4,481	249
Materials	3,445	3,072	-372	Corporation tax payable	283	74	-208
Work in process	19,512	17,034	-2,477	Expenses payable	8,621	5,871	-2,750
Deferred income taxes	4,916	1,887	-3,029	Advances received	1,990	834	-1,156
Other current assets	27,982	22,602	-5,379	Deposits received	1,511	1,613	101
Allowance for doubtful account	-620	-170	450	Others	258	598	340
<b>Fixed assets</b>	198,479	176,097	-22,382	<b>Fixed liabilities</b>	53,717	47,833	-5,883
<b>— Tangible fixed assets</b>	117,612	101,868	-15,743	Company bonds	20,000	15,000	-5,000
Buildings	36,095	34,990	-1,105	Long-term debt	11,741	19,181	7,439
Structures	2,869	2,576	-292	Reserve for directors' reserve for retirement	20,819	12,236	-8,583
Machinery	47,345	40,056	-7,289	Retirement allowance	982	1,122	140
Vehicle and other transportation equipment	133	59	-73	Others	173	292	119
Tools, equipment and fixtures	5,836	4,969	-866	<b>Total liabilities</b>	163,673	127,000	-36,672
Land	9,999	9,355	-644	<b>[Shareholders' equity]</b>			
Construction in progress	15,331	9,861	-5,470	Paid-in capital	25,948	25,948	0
<b>Intangible fixed assets</b>	1,586	2,350	764	Capital reserve	29,953	30,023	70
Utility rights, etc.	1,586	2,350	764	Capital surplus	29,953	30,023	70
<b>Investments, etc.</b>	79,280	71,878	-7,402	Profit reserve	109,333	104,551	-4,781
Stocks sales of subsidiaries	17,877	19,597	1,719	Profit surplus	6,487	6,504	17
Investment securities	41,893	21,728	-20,165	Special depreciation reserve	148	132	-16
Long-term loans	6,227	7,328	1,101	Reserve for deferred income taxes on special account	391	413	22
Deferred income taxes	1,700	12,737	11,037	Special reserve	92,500	92,630	130
Others	14,931	13,346	-1,585	Retained earnings at the end of year	9,806	4,871	-4,935
Allowance for doubtful accounts	-3,350	-2,860	490	(Net income (loss))	(-263)	(-3,334)	(-3,071)
				The accumulated changes in fair value carried in the section of equity	8,559	1,289	-7,269
				Treasury Stock	-1,061	-2,259	-1,197
				<b>Total Shareholders' equity</b>	172,732	159,553	-13,178
<b>Total assets</b>	336,405	286,554	-49,851	<b>Total liabilities and shareholders' equity</b>	336,405	286,554	-49,851

(Note) Legal reserve (until fiscal 2002) →Capital reserve (From fiscal 2003)

Surplus fund (until fiscal 2002) →Profit reserve (From fiscal 2003)



## 2. Non-Consolidated profit and loss sheet

(million yen)

	End of fiscal 2002 (A) (Apr. 1, 2001– Mar. 31, 2002)	End of fiscal 2003 (B) (Apr. 1, 2002– Mar. 31, 2003)	B/A (%)
[ Ordinary income and loss ]			
Recurring income and loss			
Net sales	269,850	242,908	90
Cost of sales	238,492	220,244	
Sales, general and administrative expense	35,828	27,536	
Operating income (loss)	-4,469	-4,871	-
Non-operating income and loss			
Non-operating revenues	7,314	6,367	87
(Interest and dividends received)	(3,729)	(4,138)	
(Miscellaneous revenues)	(3,584)	(2,229)	
Non-operating expenses	5,583	4,515	81
(Interest paid expenses)	(1,258)	(1,097)	
(Miscellaneous losses)	(4,324)	(3,418)	
Ordinary income	- 2,738	- 3,019	-
[Extraordinary income and loss]			
Extraordinary income	2,865	12,628	441
(Profit on sales of negotiable securities)	(2,865)	(8,857)	
(Profit of sales of land)	(—)	(1,818)	
(Reversal of employee severance obligations for prior service)	(—)	(1,807)	
(Others)	(—)	(144)	
Extraordinary loss	2,123	15,324	722
(Cost for restructuring)	(1,688)	(11,784)	
(Valuation loss of negotiable securities)	(—)	(3,147)	
(Others)	(435)	(391)	
Income (loss) before income tax	-1,996	-5,715	-
Corporation, inhabitant taxes	151	298	197
Deferred	-1,884	-2,679	-
Net income (loss)	-263	-3,334	-
Retaining earnings brought forward	11,937	8,870	74
Retained earnings by merger	—	265	-
Interim dividends	1,867	929	50
Retained earnings at the end of year	9,806	4,871	50

### 3. Statement of profit appropriations

(million yen)

	Fiscal 2002 (Apr. 1, 2001– Mar. 31, 2002)	Fiscal 2003 (Apr. 1, 2002– Mar. 31, 2003)
Retained earning at end of year	9,806	4,871
Reversal of special depreciation reserve	34	37
Reversal of deferred income taxes on fixed assets	14	13
Total	9,854	4,922
The appropriations are as follows:		
Profit reserve	–	–
Cash dividends	929	919
	(Ordinary 2.50 yen)	(Ordinary 2.50 yen)
Directors' bonuses	–	–
Special depreciation reserve	18	1
Reserve for deferred income taxes on fixed assets	36	107
Special reserve	–	–
Retained earnings carried forward	8,870	3,894

#### 4. Notes

(1) Notes required by Non-consolidated Financial Statements Regulations of Japan (Excluding Non-consolidated Financial Statements Regulation of Japan Art. 8-6, Art.8-7 Section1-(3), Art.8-12)

- ① Accumulated depreciation of tangible fixed assets  
 (Mar. 31, 2002) 217,290 million yen (Mar. 31, 2003) 209,537 million yen
- ② Guarantees of loans (including contingent guarantees)  
 (Mar. 31, 2002) 6,258 million yen (Mar. 31, 2003) 5,697 million yen
- ③ Letter of awareness  
 (Mar. 31, 2002) — (Mar. 31, 2003) 12,786 million yen
- ④ Promissory notes transferred due to securitization of assets  
 (Mar. 31, 2002) 8,072 million yen (Mar. 31, 2003) 8,712 million yen
- ⑤ Trade receivable transferred due to securitization of assets  
 (Mar. 31, 2002) — (Mar. 31, 2003) 2,100 million yen
- ⑥ Shareholders' equity provided by Commercial Code of Japan Art.290 Section 1-(6)  
 (Mar. 31, 2002) 8,561 million yen (Mar. 31, 2003) 1,289 million yen

(2) Notes required by Non-consolidated Financial Statements Regulations of Japan excluding(1)

① Lease transaction

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

	[Mar. 31, 2002]	[Mar. 31, 2003]
Lease rental expense	629 million yen	408 million yen
Outstanding future lease payments as of the end of the period	872 million yen	489 million yen

[Operating lease]

	[Mar. 31, 2002]	[Mar. 31, 2003]
Outstanding future lease payments	—	31 million yen

② Securities

Stocks of subsidiaries and affiliates which are quoted on market

[Mar. 31, 2002]

	The amount on balance sheet (A)	Market price (B)	B-A
Subsidiaries' stock	1,978 million yen	3,158 million yen	1,180 million yen
Affiliates' stock	—	—	—
Total	1,978 million yen	3,158 million yen	1,180 million yen

[Mar. 31, 2003]

	The amount on balance sheet (A)	Market price (B)	B-A
Subsidiaries' stock	2,077 million yen	2,763 million yen	685 million yen
Affiliates' stock	—	—	—
Total	2,077 million yen	2,763 million yen	685 million yen

③ Tax effect accounting

A. Breakdown of deferred tax assets and liabilities by major factors

(million yen)

	[Mar. 31, 2002]	[Mar. 31, 2003]
<Deferred tax assets>		
Loss carried forward	3,719	6,982
Reserve for retirement benefits	5,385	2,720
Restructuring cost	—	1,872
Accrued employees bonuses	1,167	1,152
Others	2,937	3,182
Sub total	13,210	15,910
<Deferred tax liabilities>		
Difference in valuation of other securities	- 6,198	- 874
Others	- 395	- 411
Sub total	- 6,593	- 1,285
Net deferred tax assets	6,616	14,624

B. The statutory effective tax rate used to calculate deferred tax assets and liabilities was 42.0% in the previous fiscal year, ended March 31, 2002. Following the enactment of the Law to Partially Amend the Local Tax Law (Law No. 9, 2003) on March 31, 2003, in the fiscal year under review the tax rate applicable to temporary differences expected to be settled by March 31, 2004 is 42.0%, while a tax rate of 40.4% will be applied to temporary differences expected to be settled thereafter. As a result, net deferred tax assets decreased 338 million yen, while deferred income taxes and net unrealized gain on available-for-sale securities increased 373 million yen, respectively.