

Financial Report for Second Quarter of Fiscal 2009

Ending March 31, 2009

October 30, 2008

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

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

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Scheduled date for quarterly report submission: November 14, 2008

Scheduled date of beginning payment of dividends: December. 2, 2008

Note: Figures are rounded off to the nearest 1 million yen.

1. Performance over the year under review (Apr. 1, 2008-Sep. 30, 2008)

(1) Operating Results

	Net sales (Million yen)	Operating income (Million yen)	Ordinary income (Million yen)	Net income (Million yen)
Sep. 2008	281,038 (—)	3,437 (—)	4,285 (—)	435 (—)
Sep. 2007	277,468 (10.2)	10,938 (10.5)	11,366 (17.6)	6,840 (52.6)

	Net income per share (Yen)	Diluted net income per share (Yen)
Sep. 2008	1.20	1.20
Sep. 2007	18.82	18.81

Note: Figures in parentheses represent % change from same term of the previous year.

(2) Financial Standing

	Total assets (Million yen)	Net assets (Million yen)	Equity ratio (%)	Net assets per share (yen)
Sep. 2008	392,699	195,864	49.1	530.14
Mar. 2008	370,127	200,842	53.3	543.09

Note: Equity Sep./08 192,715 million yen Mar./08 197,438 million yen

2. Dividends

(Base date)	Dividends per share				
	Jun.30	Sept.30	Dec.31	Mar.31	Annual
Mar./08	(Yen) —	(Yen) 4.25	(Yen) —	(Yen) 4.25	(Yen) 8.50
Mar./09	—	4.25			
Mar./09 (Forecast)			—	3.00	7.25

Note: Revisions made this quarter to forecast dividends (Y/N): Y

3. Business results forecast for fiscal year 2009 (Apr. 1, 2008-Mar. 31, 2009)

	Net sales (Million yen)	Operating income (Million yen)	Ordinary income (Million yen)	Net income (Million yen)	Net income per share (Yen)
Mar./09	540,000 (-4.6)	1,000 (-95.7)	1,000 (-95.4)	-5,000 (—)	-13.75

Note: Figures in parentheses represent % change from same term of the previous year.

Note: Revisions made this quarter to consolidated business performance forecast (Y/N): Y

Non-consolidated Business Results Forecast (Reference)

Non-consolidated business results forecast for fiscal year 2009 (Apr. 1, 2008-Mar. 31, 2009)

	Net sales (Million yen)	Operating income (Million yen)	Ordinary income (Million yen)	Net income (Million yen)	Net income Per Share (Yen)
Mar./09	330,000 (-5.5)	-2,500 (-)	4,000 (-66.8)	3,500 (-43.5)	9.63

Note: Figures in parentheses represent % change from same term of the previous year.

Note: Revisions made this quarter to non-consolidated business performance forecast (Y/N): Y

4. Other Notes

(1) Significant changes in key subsidiaries during the first quarter of this fiscal year (changes in designated subsidiaries resulting from changes in the scope of consolidation) (Y/N): N

(2) Application of simplified accounting or special accounting used to prepare these quarterly consolidated financial statements (Y/N): Y

Note: For details, see "4. Other Notes" under "Qualitative information, financial statements, etc." on page 5.

(3) Changes in accounting principles, procedures, methods of representation, etc., in preparing quarterly consolidated financial statements (covered under Important Changes to Bases for Preparing Quarterly Consolidated Financial Statements)

(i) Changes resulting from changes to accounting standards etc. (Y/N): Y

(ii) Changes other than those noted under "(i)" above (Y/N): Y

Note: For details, see "4. Other Notes" under "Qualitative information, financial statements, etc." on page 5.

(4) Number of shares outstanding (Common)

(i) Number of shares outstanding at the end of period (including treasury stock) Sep./08 374,018,174 Mar./08 374,018,174

(ii) Number of treasury stock at the end of period Sep./08 10,501,030 Mar./08 10,469,883

(iii) Average shares this quarter (consolidated total through this quarter) Sep./08 363,540,576 Sep./07 363,432,544

* Notes concerning appropriate use of business performance forecasts and other matters

1. Caution on statements regarding the future

The forecasts of business performance and other statements regarding the future in this document are based on information obtained by the Company as of the time of preparation of this document and upon certain assumptions deemed reasonable. Due to various factors, actual business performance and other results may vary significantly from these forecasts.

See "3. Qualitative information on forecasts of consolidated business performance" under "Qualitative information, financial statements, etc." on page 3 concerning the content of the assumptions used in forecasting business performance, cautions concerning the use of forecasts of business performance, and related matters.

2. Application of quarterly accounting standards

Beginning this consolidated fiscal year, Hitachi Cable is applying the *Accounting Standard for Quarterly Financial Statements* (Accounting Standards Board of Japan Statement No.12) and *Implementation Guidance for Accounting Standard for Quarterly Financial Statements* (ASBJ Guidance No.14). Hitachi Cable is also preparing quarterly consolidated financial statements in accordance with the regulations for quarterly consolidated financial statements.

【Qualitative information, financial statements, etc.】

1. Qualitative information on consolidated business performance

Despite the rising yen, sales through the first and second quarters of this consolidated fiscal year totaled 281,038 million yen, driven by factors such as strong performance in the information and telecommunications networking business and progress in consolidation following business acquisitions. However, other factors, including falling product demand, declining prices in operations targeting the semiconductor and automotive markets, increased depreciation following a review of machinery and equipment durable life required by Corporation Tax Law amendments, and high crude-oil prices, as well as the strong yen, led to sluggish income performance. Operating income totaled 3,437 million yen; ordinary income 4,285 million yen; and net income 435 million yen.

Given below is a performance overview for each business segment. Sales figures for each segment include internal sales and transfers between segments.

Wires and cables

Sales of industrial and power cables were strong these quarters, as were sales of magnet wires for applications such as automotive electronic components and heavy electrical machinery. Sales of electronic wires and wiring devices proved slow, hampered by sluggish demand for use in semiconductor manufacturing equipment, among other factors.

Sales in this segment totaled 143,730 million yen; operating income totaled 3,577 million yen.

Information and telecommunications networking

Robust information network sales were driven by growing sales of products targeting telecommunications carriers and the clustering of numerous orders for large systems integration projects into these quarters. Despite the strong yen, sales of optical submarine cables remained high, backed by booming demand. Sales of wireless systems were strong, primarily for use in mobile phone base stations.

Sales in this segment totaled 41,843 million yen; operating income totaled 2,746 million yen.

Sophisticated materials

Sales of electronic device applications drove strong sales of compound semiconductors. However, higher depreciation following revisions in the durable life of machinery and equipment weakened profits in this area.

The semiconductor packaging materials business suffered significant losses due to lower sales and falling prices, primarily in the area of chip-on-film (COF) products for use in liquid crystal display (LCD) devices.

While factors such as the acquisition of new consolidated subsidiaries led to higher auto parts sales, profits in this sector proved unable to shake off the effects of slowing demand, primarily in North American markets, or the effects of rising raw material costs.

In copper products, exports for copper tubes and sales of copper strips for discrete semiconductor applications were sluggish. Profits suffered significantly due to increased depreciation following revisions in the durable life of machinery and equipment.

Sales in this segment sales totaled 107,618 million yen; operating losses totaled 3,213 million yen.

Other businesses

Sales in this segment, comprised of logistics and other operations, were 9,013 million yen. Operating income in this segment was 326 million yen.

2. Qualitative information on consolidated financial conditions

Consolidated Balance Sheet

Total assets at the end of the second quarter of this consolidated fiscal year were 392,699 million yen, 22,572 million yen above figures from the end of the previous consolidated fiscal year. Of this total, current assets totaled 217,603 million yen, an increase of 15,525 million yen from the end of the previous consolidated fiscal year. This figure resulted primarily from an increase of 6,078 million yen in trade receivable. Fixed assets increased by 7,047 million yen from the end of the previous consolidated fiscal year to 175,096 million yen, due primarily to growth of 6,751 million yen in tangible fixed assets.

Liabilities totaled 196,835 million yen, an increase of 27,550 million yen from the end of the previous consolidated fiscal year. This increase was due primarily to an increase of 19,031 million yen in short-term debt and an increase of 5,032 million yen in long-term debt.

Net assets totaled 195,864 million yen, a decline of 4,978 million yen from the end of the previous consolidated fiscal year. The primary cause was a decline of 2,299 million yen in foreign currency translation adjustments.

3. Qualitative information on forecasts of consolidated business performance

Extreme uncertainty characterizes current prospects for the business environment in which the Hitachi Cable Group operates, due to factors such as concerns about a global economic slowdown as the effects of the financial crisis originating in the United States spread to the real economy.

During this consolidated fiscal year, Hitachi Cable Group sales are projected to be lower than originally forecast, due to the effects of rapid declines beginning roughly September 2008 in the price of copper, a primary raw material for wires, cables, and copper products. Other factors include slowing demand and falling prices, primarily in products intended for the semiconductor and automotive markets.

Profits are expected to decline as well, due to lower sales of products targeting the semiconductor and automotive markets. In particular, the tape automated bonding (TAB) business is projected to suffer significant losses due to unexpected declines in sales quantities and falling prices. Operating income and ordinary income significantly below previous forecasts now appear inevitable for the various preceding reasons, along with other contributing factors such as anticipated revaluation losses on inventory assets based on falling copper prices.

To enact swift response to these changes in the business environment, Hitachi Cable will examine and implement improvements in its business structure during the current fiscal year. Having incorporated the resulting restructuring costs and other costs into its forecasts of business performance as extraordinary losses, it has also revised its net income forecasts.

The Company will also revise projected end-of-year dividends based on a full consideration of factors such as the current business environment and forecasts of business performance.

【Revisions to forecasts of business performance for full year (Apr. 1, 2008 - Mar. 31, 2009)】

(1) Consolidated

	Sales	Operating income	Ordinary income	Net income	Net income per share
Previously announced forecasts (A) (Announced July 29, 2008)	580,000	16,500	17,000	9,800	26.96
Revised forecast (B)	540,000	1,000	1,000	-5,000	-13.75
Difference: (B) - (A)	-40,000	-15,500	-16,000	-14,800	-40.71
Percentage change (%)	-6.9	-93.9	-94.1	—	—
Reference: Performance in previous fiscal year Year ended March,31 2008	565,994	23,117	21,639	10,708	29.46

(2) Non-consolidated

	Sales	Operating income	Ordinary income	Net income	Net income per share
Previously announced forecasts (A) (Announced July 29, 2008)	349,000	5,500	8,900	6,800	18.70
Revised forecast (B)	330,000	-2,500	4,000	3,500	9.63
Difference: (B) - (A)	-19,000	-8,000	-4,900	-3,300	-9.07
Percentage change (%)	-5.4	—	-55.1	-48.5	-48.5
Reference: Performance in previous fiscal year Year ended March,31 2008	349,193	11,088	12,050	6,195	17.04

Note: Figures for sales, operating income, ordinary income, and net income above are given in units of millions of yen. Figures for net income per share above are given in units of yen.

【Revisions to forecasts of end-of-year dividend】

Base date	Dividends per share (yen)		
	End of second quarter	End of year	Annual
Previously announced forecasts (Announced July, 29 2008)	4.25	4.25	8.50
Revised forecast	4.25	3.00	7.25
Performance in this fiscal year			
Performance in previous fiscal year Year ended March,31 2008	4.25	4.25	8.50

4. Other Notes

- (1) Significant changes in key subsidiaries during the second quarter of this fiscal year (changes in designated subsidiaries resulting from changes in the scope of consolidation): Not applicable
- (2) Application of simplified account processing or special account processing in preparation of quarterly financial statements
Special account processing for preparing quarterly consolidated financial statements

Estimated tax costs:

Estimated tax costs were calculated by estimating a reasonable estimate of the effective tax rate after application of tax-effect accounting to net income before taxes for the consolidated fiscal year including this second quarter, then multiplying fiscal net income before taxes by this estimated effective tax rate.

Adjustments to corporate tax and other taxes are included in the figure for corporate taxes, etc.

- (3) Changes in accounting principles, procedures, methods of representation, etc. involved in preparation of quarterly financial statements

(Change in account processing)

- (i) Beginning this consolidated fiscal year, Hitachi Cable applied the *Accounting Standard for Quarterly Financial Statements* (Accounting Standards Board of Japan Statement No. 12) and *Implementation Guidance for Accounting Standards for Quarterly Financial Statements* (ASBJ Guidance No. 14). Hitachi Cable also prepared quarterly consolidated financial statements in accordance with principles for quarterly non-consolidated financial statements.

(ii) Changes in standards and methods of assessment of key assets

Inventory assets

In the past, inventory assets held for ordinary sale purposes have been assessed through the lower of the cost-or-market method using the periodic averaging method.

However, starting the first quarter of this consolidated fiscal year, inventory assets are assessed primarily through the cost method (for figures on the Balance Sheet, devaluating book value based on declines in profitability) by the periodic average method. This change is in accordance with application of *Accounting Standards for Inventory Assessment* (ASBJ Statement No. 9, July 5, 2006).

Overall, operating income, ordinary income, and net income before taxes and other adjustments through the these quarters of the consolidated fiscal year each declined by 446 million yen.

(iii) Application of *Practical Solutions for Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements*

Beginning with the first quarter of this consolidated fiscal year, Hitachi Cable has applied the *Practical Solutions for Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements* (ASBJ Practical Issues Task Force Report No.18, May17,2006), making the necessary revisions to consolidated financial statements.

This change has had only slight effects on profit and loss.

(iv) Application of *Accounting Standards for Lease Transactions*

In the past, Hitachi Cable processed accounting for finance lease transactions other than those involving transfer of ownership in accordance with methods used for rental transactions. However, since the *Accounting Standards for Lease Transactions* (ASBJ Statement No. 13 [Subcommittee I, Business Accounting Council; June 17, 1993, revised March 30, 2007]) and *Implementation Guidance on Accounting Standards for Lease Transactions* (ASBJ Implementation Guidance No. 16 [Accounting System Committee, Japanese Institute of Certified Public Accountants; January 18, 1994, revised March 30, 2007]) may be applied to quarterly consolidated financial statements in consolidated fiscal years from April 1, 2008 or later, Hitachi Cable has applied these standards beginning the first quarter of this consolidated fiscal year, processing accounting for finance lease transactions other than those involving transfer of ownership, with leases beginning April 1, 2008, or later, in accordance with the account processing used for ordinary purchase transactions. In addition, the method of depreciation applied to leased assets related to finance lease transactions other than those involving transfer of ownership is the straight-line method, using the term of the lease as the service life of the asset and setting its residual value to zero.

Finance lease transactions other than those involving transfer of ownership with leases beginning before the start of the fiscal year in which the accounting standards for lease take effect will continue to be processed in accordance with methods used for ordinary lease transactions.

Since no finance lease transactions other than those involving transfer of ownership with leases beginning April 1, 2008, or later occurred during the these quarters of this consolidated fiscal year, this change had no effect on income.

(v) Standards for conversion of key assets or liabilities denominated in foreign currency into Japanese yen

In the past, assets and liabilities and revenues and expenditures of overseas subsidiaries and other facilities were converted to yen using spot exchange rates as of the dates of settlement at overseas subsidiaries and other facilities, with any difference resulting from such conversion included in booking of foreign-currency translation adjustments and minority interests. However, beginning with the first quarter

of this consolidated fiscal year, such revenues and expenditures were converted into yen using average exchange rates over the relevant period, in accordance with relevant accounting principles.

This change is intended to better reflect changes in market exchange rates in conversion of revenues and expenses arising throughout the consolidated fiscal year for recording in consolidated financial statements for the consolidated fiscal year, thereby representing business conditions more accurately.

This change has had only slight effects on income.

(Additional information)

Changes in service lives of tangible fixed assets

As a result of a review of the service lives of machinery at Hitachi Cable and its domestic subsidiaries conducted in response to the amendment of the Corporation Tax Law, it has been projected that improvements to and renovation of facilities will be conducted over even shorter periods of time than in the past, due primarily to shortening of product life cycles.

Operating income through the these quarters was 1,256 million yen lower than that for the same period last year. Ordinary income and net income before taxes and other adjustments both fell 1,280 million yen from the same period last year.

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

	(Units: million yen)	
	End of Second Quarter of Fiscal 2009 (Sep. 30, 2008)	End of Fiscal 2008 (Mar. 31, 2008)
(Assets)		
Current assets		
Cash and cash equivalents	10,309	9,902
Trade receivables	121,319	115,241
Securities	269	—
Products	17,204	13,990
Raw materials	14,717	12,348
In-process inventories	36,634	33,434
Deferred income tax	4,872	5,052
Other	12,847	12,774
Allowance for doubtful accounts	-568	-663
Total current assets	217,603	202,078
Fixed assets		
Tangible fixed assets		
Buildings and structures	115,306	109,697
Cumulative depreciation	-66,523	-65,584
Buildings and structures (net)	48,783	44,113
Machinery, vehicles, and tools	285,039	279,240
Cumulative depreciation	-228,097	-223,129
Machinery, vehicles, and tools (net)	56,942	56,111
Land	10,286	9,143
Construction in progress	7,982	7,875
Total tangible fixed assets	123,993	117,242
Intangible fixed assets		
Goodwill	2,058	—
Other	8,362	7,844
Total intangible fixed assets	10,420	7,844
Investments and other assets		
Negotiable securities	17,672	20,161
Long-term loans	2,904	3,020
Prepaid pension expenses	3,806	4,259
Deferred income tax	11,280	10,461
Other	7,789	7,919
Allowance for doubtful accounts	-2,768	-2,857
Total investments and other assets	40,683	42,963
Total fixed assets	175,096	168,049
Total assets	392,699	370,127

(Units: million yen)

	End of Second Quarter of Fiscal 2009 (Sep. 30, 2008)	End of Fiscal 2008 (Mar. 31, 2008)
(Liabilities)		
Current liabilities		
Trade payables	78,430	78,385
Short-term debt	33,480	14,449
Corporate tax payable	2,822	2,743
Other	30,005	28,528
Total current liabilities	144,737	124,105
Fixed liabilities		
Company bonds	5,000	5,000
Long-term debt	23,532	18,500
Deferred tax liabilities	687	379
Retirement and severance benefits	21,381	20,042
Reserve for directors' retirement allowances	892	851
Other	606	408
Total fixed liabilities	52,098	45,180
Total liabilities	196,835	169,285
(Net assets)		
Shareholders' equity		
Common stock	25,948	25,948
Capital surplus	31,534	31,534
Retained earnings	139,980	141,090
Treasury stock	-4,367	-4,356
Total shareholders' equity	193,095	194,216
Valuation and translation adjustments		
Net unrealized holding gains on securities	385	1,517
Deferred hedging gains/losses	180	351
Foreign currency translation adjustments	-945	1,354
Total valuation and translation adjustments	-380	3,222
Minority investments	3,149	3,404
Total net assets	195,864	200,842
Total liabilities and net assets	392,699	370,127

(2) Quarterly Consolidated Statement of Profit and Loss

Consolidated total through first year-to-date quarterly period

	(Units: million yen)
	Consolidated second year-to-date quarterly period (Apr. 1, 2008 – Sep. 30, 2008)
Net sales	281,038
Cost of sales	249,295
Total return on sales	31,743
Sales and general administrative expenses	28,306
Operating income	3,437
Non-operating income	
Interest received	124
Dividends received	187
Investment income by equity method	470
Other non-operating income	1,701
Total non-operating income	2,482
Non-operating expenses	
Interest expense	772
Other non-operating expenses	862
Total non-operating expenses	1,634
Ordinary income	4,285
Extraordinary income	
Prior-period adjustments	68
Gains on sale of negotiable securities	23
Total extraordinary income	91
Extraordinary losses	
Loss on elimination of fixed assets	834
Other extraordinary losses	167
Total extraordinary losses	1,001
Net income before taxes and other adjustments	3,375
Corporate taxes, etc.	2,698
Gains to minority investors	242
Net income	435

Beginning this consolidated fiscal year, Hitachi Cable is applying the *Accounting Standard for Quarterly Financial Statements* (Accounting Standards Board of Japan Statement No.12) and *Implementation Guidance for Accounting Standard for Quarterly Financial Statements* (ASBJ Guidance No.14). Hitachi Cable is also preparing quarterly consolidated financial statements in accordance with the regulations for quarterly consolidated financial statements.

(3) Facts or circumstances casting doubt on going-concern assumptions : Not applicable

(4) Segment Information

【Sales Results for Each Segment by Business Type】

Consolidated second year-to-date quarterly period (Apr. 1, 2008-Sep. 30, 2008)

(Units: million yen)

	Wires and cables	Information and telecommunications networking	Sophisticated materials	Other businesses	Total	Eliminated or companywide	Consolidated
Net sales							
(1) Sales to customers	138,208	38,384	102,779	1,667	281,038	—	281,038
(2) In-house sales or transfer between operating segments	5,522	3,459	4,839	7,346	21,166	(21,166)	—
Total	143,730	41,843	107,618	9,013	302,204	(21,166)	281,038
Operating income	3,577	2,746	-3,213	326	3,436	1	3,437

(Note 1) As a rule, business operation is divided according to similarities of manufacturing processes, usage and selling methods.

(Note 2) Major products in each segment

Segment	Major products
Wires and cables	Industrial cables, magnet wires, electronic wires, wiring devices, cables for power use (aluminum wires, constructions), etc.
Information and telecommunications networking	Information networks (information network equipment, network integration, optical components), wireless systems (high-frequency / wireless system), telecommunications cables (optical submarine cables, fiber optic cables, metal telecommunications cables), etc.
Sophisticated materials	Compound semiconductors, auto parts (hoses, sensors, etc.), semiconductor packaging materials (TAB, lead frames), copper products (copper tubes, copper strips, copper products for electrical use), etc.
Other businesses	Logistics, etc

(Note 3) Because operating expenses are allocated in their entirety to individual business segments, there are no unallocatable operating expenses in the “eliminated or company-wide” item.

【Sales Results by Location】

Consolidated second year-to-date quarterly period (Apr. 1, 2008-Sep. 30, 2008)

(Units: million yen)

	Japan	Others	Total	Eliminated or companywide	Consolidated
Net sales					
(1) Sales to customers	219,813	61,225	281,038	—	281,038
(2) In-house sales or transfer between operating segments	20,254	3,749	24,003	(24,003)	—
Total	240,067	64,974	305,041	(24,003)	281,038
Operating income	2,712	702	3,414	23	3,437

(Note1) It is omitted to mention business results by country or region in the term under review, because every ratio of sales of country or region in total net sales are less than 10%.

(Note2) Others . . . U.S.A., Thailand, China, etc.

(Note3) Because operating expenses are allocated in their entirety to individual business segments, there are no unallocatable operating expenses in the "eliminated or company-wide" item.

【Overseas】

Consolidated second year-to-date quarterly period (Apr. 1, 2008-Sep. 30, 2008)

	Asia	North America	Others	Total
I Overseas (million yen)	52,784	19,662	5,542	77,988
II Consolidated sales (million yen)	—	—	—	281,038
III Ratio of overseas sales in consolidated sales (%)	18.8	7.0	1.9	27.7

(Note 1) As a rule, countries or regions are divided according to geographical proximity to each other.

(Note 2) Main Countries or regions

(1) Asia . . . China, South Korea, Thailand, Singapore, etc.

(2) North America . . . U.S.A., Canada

(3) Other countries . . . Italy, U.K., etc.

(Note 3) Overseas sales represent sales made by the Company and its consolidated subsidiaries in countries or regions other than Japan.

(5) Notes on notable changes in amount of shareholder equity (if applicable): Not applicable

(Reference)

Consolidated Financial Statements

Second quarter of fiscal 2008

(1) Consolidated Interim Statement of Profit and Loss

Section	1st half of Fiscal 2008 (Apr.1, 2007-Sep.30, 2007)		
	Amount (million yen)	(%)	
I Net sales		277,468	100.0
II Cost of sales		240,201	86.6
Total return on sales		37,267	13.4
III Sales and general administrative expenses		26,329	9.5
Operating income		10,938	3.9
IV Non-operating income			
(Interest and dividends income)	281		
(Investment income by equity method)	1,409		
(Miscellaneous revenues)	1,224	2,914	1.1
V Non-operating expenses			
(Interest expense)	769		
(Miscellaneous losses)	1,717	2,486	0.9
Ordinary income		11,366	4.1
VI Extraordinary income			
(Gains on sale of fixed assets)	243		
(Gains on sale of negotiable securities)	2		
(Other)	111	356	0.1
VII Extraordinary losses			
(Impairment losses)	417		
(Other)	162	579	0.2
Interim net income (net income) before taxes and other adjustments		11,143	4.0
Corporate, residence, and enterprise taxes	1,898		
Corporate tax adjustments	2,067	3,965	1.4
Gains to minority investors		338	0.1
Interim net income (net income)		6,840	2.5

(2) Notes on going-concern assumptions : Not applicable

(3) Segment Information

【Sales Results for Each Segment by Business Type】

1st Half of Fiscal 2008 (Apr.1, 2007-Sep.30, 2007)

(million yen)

	Wires and cables	Information and telecommunications networking	Sophisticated materials	Other businesses	Total	Eliminated or companywide	Consolidated
Net sales							
(1) Sales to customers	140,033	36,948	98,989	1,498	277,468	—	277,468
(2) In-house sales or transfer between operating segments	5,910	3,637	4,262	6,638	20,447	(20,447)	—
Total	145,943	40,585	103,251	8,136	297,915	(20,447)	277,468
Operating expense	140,451	38,108	100,487	7,913	286,959	(20,429)	266,530
Operating income	5,492	2,477	2,764	223	10,956	(18)	10,938

(Note 1) As a rule, business operation is divided according to similarities of manufacturing processes, usage and selling methods.

(Note 2) Major products in each segment

Segment	Major products
Wires and cables	Industrial cables, magnet wires, electronic wires, wiring devices, cables for power use (aluminum wires, constructions), etc.
Information and telecommunications networking	Information network solutions (information network equipment, optical components), wireless system (high-frequency / wireless system), telecommunications cables (optical submarine cables, fiber optic cables, metal telecommunications cables.), etc
Sophisticated materials	Compound semiconductors, auto parts (sensors, hoses, etc.), semiconductor packaging materials (TAB, lead frames), copper products (copper tubes, copper strips, copper products for electrical use), etc.
Other businesses	Logistics, etc

(Note 3) Because operating expenses are allocated in their entirety to individual business segments, there are no unallocatable operating expenses in the "eliminated or company-wide" item.

【Sales Results by Location】

1st Half of Fiscal 2008 (Apr.1, 2007-Sep.30, 2007)

(million yen)

	Japan	Others	Total	Eliminated or companywide	Consolidated
Net sales					
(1) Sales to customers	215,697	61,771	277,468	—	277,468
(2) In-house sales or transfer between operating segments	20,430	4,046	24,476	(24,476)	—
Total	236,127	65,817	301,944	(24,476)	277,468
Operating expense	226,756	64,234	290,990	(24,460)	266,530
Operating income	9,371	1,583	10,954	(16)	10,938

(Note 1) It is omitted to mention business results by country or region in the term under review, because every ratio of sales of country or region in total net sales are less than 10%.

(Note 2) Others . . . U.S.A., Thailand, China, etc.

(Note 3) Because operating expenses are allocated in their entirety to individual business segments, there are no unallocatable operating expenses in the "eliminated or company-wide" item.

【Overseas】

1st Half of Fiscal 2008 (Apr.1, 2007-Sep.30, 2007) (million yen)

	Asia	North America	Others	Total
I Overseas (million yen)	58,442	19,740	3,999	82,181
II Consolidated sales (million yen)	—	—	—	277,468
III Ratio of Overseas Sales in Consolidated Sales (%)	21.1	7.1	1.4	29.6

(Note 1) As a rule, countries or regions are divided according to geographical proximity to each other.

(Note 2) Main Countries or regions

(1) Asia . . . China, South Korea, Thailand, Singapore, etc.

(2) North America . . . U.S.A., Canada

(3) Other countries . . . Italy, U.K., etc.

(Note 3) Overseas sales represent sales made by the Company and its consolidated subsidiaries in countries or regions other than Japan.