

# Financial Report for Third Quarter of Fiscal 2011 Ending March 31, 2011

〔Japanese accounting standards〕 (Consolidated)

February 1, 2011

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/>)  
 President & Chief Executive Officer: Mitsuo Imai  
 Contact: Shoichi Kogure  
 General Manager, Administration Dept. Human Resources & Administration Group  
 Tel: +81-3-6381-1050

Scheduled date for quarterly report submission: February 10, 2011  
 Scheduled date for beginning payment of dividends: —  
 Supplementary explanatory materials for quarterly settlement of accounts prepared (Y/N): Y  
 Briefing held on quarterly settlement of accounts (Y/N): Y (For institutional investors, analysts, and members of the press)

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

## 1. Performance over the year under review (Apr. 1, 2010- Dec. 31, 2010)

### (1) Operating Results

	Net sales (Million yen)		Operating income (Million yen)		Ordinary income (Million yen)		Net income (Million yen)	
		%		%		%		%
Dec./10	314,929	(17.7)	836	(-)	154	(-)	-254	(-)
Dec./09	267,538	(-33.5)	-6,565	(-)	-4,812	(-)	-6,259	(-)

	Net income per share (Yen)	Diluted net income per share (Yen)
Dec./10	-0.70	—
Dec./09	-17.21	—

*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)
Dec./10	287,880	119,175	40.7	321.31
Mar./10	289,016	123,233	41.9	332.69

*Note:* Equity Dec./10 117,085 million yen Mar./10 121,238 million yen

## 2. Dividends

	Dividends per share				
	Jun.30	Sept.30	Dec.31	Mar.31	Total
Mar./10	(Yen) —	(Yen) 2.50	(Yen) —	(Yen) 2.50	(Yen) 5.00
Mar./11	—	2.50	—	—	—
Mar./11 (Forecast)	—	—	—	2.50	5.00

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

## 3. Business results forecast for fiscal year 2011 (Apr. 1, 2010-Mar. 31, 2011)

	Net sales (Million yen)	Operating income (Million yen)	Ordinary income (Million yen)	Net income (Million yen)	Net income per share (Yen)
Mar./11	420,000	2,300	1,800	600	1.65
	% 12.8	% (-)	% (-)	% (-)	

*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

4. Other Notes (For detailed information, see "Other Information" on page 4 of the Appendix.)

(1) Significant changes in key subsidiaries during the third quarter of this fiscal year (Y/N):N

Note: This refers to changes in designated subsidiaries resulting from changes in the scope of consolidation during this quarter.

(2) Application of simplified accounting and special accounting (Y/N):Y

Note: This refers to the application of simplified accounting and to special accounting used in the preparation of quarterly consolidated financial statements.

(3) Changes in accounting principles and procedures and methods of representation, etc.

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

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

Note: This refers to changes in matters such as accounting principles and procedures and methods of representation related to the preparation of quarterly consolidated financial statements, as shown under "Important Changes to Bases for Preparing Quarterly Consolidated Financial Statements."

(4) Number of shares outstanding (Common)

(i) Number of shares outstanding at the end of period (including treasury stock)	Dec./10	374,018,174	Mar./10	374,018,174
(ii) Number of treasury stock at the end of period	Dec./10	9,619,547	Mar./10	9,603,268
(iii) Average shares this quarter (consolidated total through this quarter)	Dec./10	364,411,027	Dec./09	363,631,561

\* Statement on status of implementation of quarterly review procedures

At the time this quarterly Financial Report was released, procedures were underway to review quarterly financial statements pursuant to the Financial Instruments and Exchange Act.

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

Forecasts of business performance and other forward-looking statements in this document are based on information available to the Company at the time this document was prepared, as well as certain reasonable assumptions. Due to various factors, actual business performance and other results may depart significantly from these forecasts. See "Qualitative information on consolidated business performance forecasts" on page 4 of the Appendix concerning the assumptions used to forecast business performance, precautions regarding the use of forecasts of business performance, and related matters.

**【Appendix】**

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## 1. Qualitative information on financial results for this quarter

### (1) Qualitative information on consolidated business performance

Toward the end of 2010, while the economies of emerging markets continued to expand during the cumulative third quarter of this consolidated fiscal year (April-December 2010), various factors (including economic slowing starting in the summer in Europe and North America) increased the sense of stagnation in the global economy. The Japanese economy appeared to enter a lull, accompanying rapid appreciation of the yen in international currency markets and stagnation in the global economy.

In these circumstances, under its Plan "BRIDGE" medium-term management plan (covering the fiscal years 2011-2013), in addition to implementing various business restructuring measures, the Hitachi Cable Group has focused on issues in the areas of electrical power infrastructure and next-generation energy, the industrial infrastructure, and the information and telecommunications infrastructure, while strengthening its overseas operations.

Despite downward pressure created by a rising yen, net sales for the Hitachi Cable Group through the cumulative third quarter of this consolidated fiscal year rose to 314,929 million yen, up 18% from the same period of the previous consolidated fiscal year (April-December 2009). This trend was attributable to growth backed by steadily recovering demand in the electronics and automotive markets through the second quarter of this consolidated fiscal year (April-September 2010) and upward pressure on product sale prices attributable to the higher price for copper, the primary raw material used to make wires, cables, and copper products, relative to prices for the same period of the previous fiscal year.

While the appreciating yen also affected income, operating income for this cumulative third quarter rose to 836 million yen, some 7.4 billion yen above the figure for the cumulative third quarter of the previous consolidated fiscal year. Ordinary income rose to 154 million yen, roughly 5 billion yen above the figure for the cumulative third quarter of the previous consolidated fiscal year. These gains reflected the impact of factors such as cost-cutting activities and growth in net sales. Additionally, while net income in the quarter showed a loss of 254 million yen, losses declined by approximately 6 billion yen from the figure for the cumulative third quarter of the previous consolidated fiscal year.

Comparisons to forecasts from the start of the fiscal year point to very severe conditions in the business climate for the Hitachi Cable Group. These current conditions are the result of various overlapping factors, including slow capital investment in information and telecommunications, the growing impact of inventory adjustments in semiconductor-related markets, and sluggish markets for wires and cables for construction, as well as continuing yen appreciation in international currency markets. In light of these circumstances, the Group has revised its forecasts of business performance for the fiscal year ending March 2011. For details of these revisions in forecasts of business performance, see "1. Qualitative information on financial results for this quarter: (3) Qualitative information on consolidated business performance forecasts," below.

The Group is proceeding with various measures to break free of the current conditions and to improve business performance, including cutting fixed costs, focusing on high-value-added products, and accelerating the shift of certain operations to overseas. The Group will also withdraw from the business of chip-on-film (COF) products for LCD use, given persistent factors that make profitability in this area quite difficult to achieve and dim hopes of a recovery in orders received. (This was previously announced on November 29, 2010, in the news release "Notice of withdrawal from Development, Manufacture and Sale of LCD COF.")

Through the steady implementation of these measures, the Group will make every effort to restore its earning capacity.

Provided below is an overview of business performance through the cumulative third quarter of this consolidated fiscal year for each reporting segment. The net sales figures given for each segment represent sales to customers.

The following standards have been applied from the consolidated fiscal year which includes this cumulative third quarter: "Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Statement No. 17; March 27, 2009) and "Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information" (ASBJ Guidance No. 20; March 21, 2008). For more information, see "Segment Information: (i) Summary of reporting segments" on page 10 of the Appendix.

#### Electronic & Automotive Products

Net sales in this segment totaled 178,285 million yen; operating income totaled 1,541 million yen.

By product line, despite a decline from the figure through the second quarter of this consolidated fiscal year in sales to the automotive electronic components field, overall sales of magnet wires through the cumulative third quarter of this consolidated fiscal year grew significantly from the same period of the previous fiscal year, driven by strong sales for heavy electrical machinery and for general and industrial uses. Sales of electronic wires and wiring devices also grew significantly through the cumulative third quarter of this consolidated fiscal year compared with the same period of the previous fiscal year, despite a slight decline in sales for use in industrial and machine tools after the third quarter of this consolidated fiscal year, an area of strength through the cumulative second quarter of

this consolidated fiscal year, due to declining production of semiconductor manufacturing machinery and other machinery. Sales of auto parts declined in Japan in this third quarter of this consolidated fiscal year due to the end of the Japanese government's eco-car subsidy program. Nevertheless, sales generally remained strong overseas. Sales through the cumulative third quarter of this consolidated fiscal year surpassed the level of the same period last year. Sales of industrial cables and electric power cables showed signs of recovery, as domestic construction demand rose in the third quarter of this consolidated fiscal year. Sales of fiber optics and telecommunication cables in the third quarter dropped significantly from the same period of the previous consolidated fiscal year, as demand for optical submarine cables remained in an off-peak period.

#### Information Systems

Net sales in this segment totaled 28,050 million yen; operating losses totaled 21 million yen.

Results by product line show that despite a drop from the cumulative third quarter figures of the previous consolidated fiscal year in the systems integration business, information network sales remained largely unchanged year-on-year through the cumulative third quarter of this consolidated fiscal year, due to growing shipments of information and telecommunications networking devices for mobile backhaul next-generation mobile telecommunications systems. Sales of wireless systems this quarter fell significantly from figures for the cumulative third quarter of the previous consolidated fiscal year, as the demand for use in digital broadcast relay stations has passed a peak, and the market for the construction of mobile-phone base stations shifted toward smaller projects and declining capital investment.

#### Semiconductor Materials & Packaging

Net sales in this segment totaled 21,665 million yen; operating losses totaled 1,671 million yen.

Results by product line show that sales of compound semiconductors in the cumulative third quarter grew from the same period for the previous consolidated fiscal year, driven by strong sales of epitaxial wafers for use in high-frequency devices, due to factors such as growth in sales of smartphones. In the tape automated bonding (TAB) business, the Group has decided to withdraw from the business of chip-on-film (COF) products for LCD use, where performance has declined precipitously. The Group is currently making steady progress toward the early completion of this withdrawal. Sales in the cumulative third quarter of this consolidated fiscal year overall fell significantly from the same period in the previous fiscal year as a result of a rapid drop in demand for special-purpose TAB products in addition to intensification of price competition during the third quarter of this consolidated fiscal year in the market for TAB products for memory use.

#### Metal Materials & Component Products

Net sales in this segment totaled 61,452 million yen; operating income totaled 50 million yen.

By product line, sales of lead frames in this third quarter rose year-on-year, although the strength seen through the second quarter of this consolidated fiscal year slowed in connection with inventory adjustments in electronics markets. The performance of copper products in this third quarter grew considerably from the cumulative third quarter of the previous consolidated fiscal year for sales of copper tubes, backed by a last-minute increase in demand for air-conditioners and other products accompanying fierce heat and revisions in the Japanese government's "eco-points" system for home appliances. While sales of copper strips fell during the third quarter of this consolidated fiscal year, chiefly of products for use in semiconductors as the semiconductor market entered an adjustment phase, sales in the cumulative third quarter of this consolidated fiscal year overall rose from the same period last year.

#### Sales Companies

Net sales in this segment totaled 25,477 million yen; operating income totaled 1,338 million yen.

#### (2) Qualitative information on consolidated financial conditions

Total assets at the end of the third quarter of this consolidated fiscal year were 287,880 million yen, 1,136 million yen below the figure at the end of the previous consolidated fiscal year. This figure includes total current assets of 159,361 million yen, up 10,870 million yen from the end of the previous consolidated fiscal year. This growth is attributable primarily to an increase of 12,058 million yen in inventory assets (the total of merchandise and products, in-process inventories, and raw materials and supplies). Fixed assets fell by 12,006 million yen from the end of the previous consolidated fiscal year to 128,519 million yen, due chiefly to declines of 1,652 million yen in buildings and structures; 5,594 million yen in machinery, vehicles, and tools; 1,146 million yen in negotiable securities; and 1,105 million yen in prepaid pension expenses.

Liabilities totaled 168,705 million yen, up 2,922 million yen from the end of the previous consolidated fiscal year. This was due primarily to a 2,329 million yen decline in trade payables, offset by an increase of 5,839 million yen in short-term debts.

Net assets totaled 119,175 million yen, down 4,058 million yen from the end of the previous consolidated fiscal year, due primarily to declines of 2,099 million yen in retained earnings, 525 million yen in net unrealized holding gains on securities, and 1,806 million yen in foreign currency translation adjustments.

### (3) Qualitative information on consolidated business performance forecasts

Comparisons to forecasts from the start of the fiscal year point to very severe conditions in the business climate for the Hitachi Cable Group. These current conditions are the result of various overlapping factors, including slow capital investment in information and telecommunications, the growing impact of inventory adjustments in semiconductor-related markets, and sluggish markets for wires and cables for construction, as well as continuing yen appreciation in international currency markets.

In light of these circumstances, in its projections of business performance for the fiscal year ending March 2011, the Group has lowered its forecasts for both net sales and income from the figures announced on October 28, 2010, in the news release “Financial Report for Second Quarter of Fiscal 2011 Ending March 31, 2011 [Japanese Accounting Standards] (Consolidated).” The revised forecasts are summarized below.

The Group is proceeding with various measures to break free of the current conditions and to improve business performance, including cutting fixed costs, focusing on high-value-added products, and accelerating the shift of certain operations to overseas. The Group will also withdraw from the business of chip-on-film (COF) products for LCD use, given persistent factors that make profitability in this area quite difficult to achieve and dim hopes of a recovery in orders received. (This was previously announced on November 29, 2010, in the news release “Notice of withdrawal from Development, Manufacture and Sale of LCD COF.”)

Through the steady implementation of these measures, the Group will make every effort to restore its earning capacity.

#### 【Revisions to forecasts of full-year business performance】 (April 1, 2010 - March 31, 2011)

	Sales	Operating income	Ordinary income	Net income	Net income per share
Previously announced forecasts (A) (Announced October 28, 2010)	430,000	8,000	7,000	3,000	8.23
Revised forecast (B)	420,000	2,300	1,800	600	1.65
Difference : (B) - (A)	- 10,000	- 5,700	- 5,200	- 2,400	—
Percentage change (%)	-2.3	-71.3	-74.3	-80.0	—
Reference:					
Performance in previous fiscal year Year ended March, 31 2010	372,450	-6,381	-4,939	-9,110	-25.04

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.

## 2. Other information

### (1) Summary of significant changes in key subsidiaries : Not applicable

### (2) Summary of simplified accounting and special accounting

#### (i) Simplified accounting

##### Method for calculating deferred tax assets and deferred tax liabilities

Forecasts of future business performance and tax planning used in the previous consolidated fiscal year are used to assess the recoverability of deferred tax assets if no significant changes are deemed to have occurred in business or related conditions, or in the occurrence state of temporary differences since the end of the previous consolidated fiscal year. If significant changes are deemed to have taken place in business or related conditions, or in the occurrence state of temporary differences since the end of the previous consolidated fiscal year, forecasts of future business performance and tax planning used at the end of the previous consolidated fiscal year are applied after adjusting for the effects of such changes.

#### (ii) Special accounting

##### Calculation of provision for income taxes

The provision for income taxes is calculated based on reasonable estimates of the effective tax rate on net income before taxes for the consolidated fiscal year, including this third quarter, after the application of tax-

effect accounting, and by multiplying this estimated effective tax rate by quarterly net income before taxes. The legal effective tax rate is used when the estimated effective tax rate cannot be applied. The amount of corporate taxes, etc. shown includes corporate tax adjustments.

(3) Summary of changes in accounting principles, procedures, methods of representation, etc.

Changes in accounting standards

(i) Application of Accounting Standards for Asset Retirement Obligations

The following standards have been applied starting with the first quarter of this consolidated fiscal year: “Accounting Standards for Asset Retirement Obligations” (ASBJ Statement No. 18; March 31, 2008) and “Guidance on Accounting Standards for Asset Retirement Obligations” (ASBJ Guidance No. 21; March 31, 2008).

This change has had no effect on profits or losses.

(ii) Application of Revised Accounting Standard for Equity Method of Accounting for Investments and Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method

The following standards have been applied starting with the first quarter of this consolidated fiscal year: “Revised Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No. 16; as revised March 10, 2008) and “Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method” (ASBJ PITF No. 24; March 10, 2008).

This change has had no effect on profits or losses.

(iii) Application of Accounting Standard for Business Combinations, etc.

The following standards have been applied starting with the first quarter of this consolidated fiscal year: “Accounting Standard for Business Combinations” (ASBJ Statement No. 21; December 26, 2008), “Accounting Standard for Consolidated Financial Statements” (ASBJ Statement No. 22; December 26, 2008), “Partial amendments to Accounting Standard for Research and Development Costs” (ASBJ Statement No. 23; December 26, 2008), “Revised Accounting Standard for Business Divestiture” (ASBJ Statement No. 7; December 26, 2008), “Revised Accounting Standard for Equity Method of Accounting for Investments” (ASBJ Statement No. 16; as revised December 26, 2008), and “Revised Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10; December 26, 2008).

## 3. Quarterly Consolidated Financial Statements

## (1) Quarterly Consolidated Balance Sheet

(Units: million yen)

	End of 3rd quarter of fiscal 2011 (Dec. 31, 2010)	End of fiscal 2010 (Mar. 31, 2010)
(Assets)		
Current assets		
Cash and cash equivalents	6,704	8,301
Trade receivables	85,261	84,562
Securities	126	176
Merchandise and products	14,644	11,661
In-process inventories	32,127	24,463
Raw materials and supplies	11,497	10,086
Deferred tax assets	519	524
Other	8,790	9,196
Allowance for doubtful accounts	-307	-478
Total current assets	159,361	148,491
Fixed assets		
Tangible fixed assets		
Buildings and structures	112,234	111,872
Cumulative depreciation	-71,235	-69,221
Buildings and structures (net)	40,999	42,651
Machinery, vehicles, and tools	280,222	279,245
Cumulative depreciation	-242,159	-235,588
Machinery, vehicles, and tools (net)	38,063	43,657
Land	9,737	9,803
Construction in progress	4,057	4,472
Total tangible fixed assets	92,856	100,583
Intangible fixed assets		
Goodwill	846	1,134
Other	8,064	8,975
Total intangible fixed assets	8,910	10,109
Investments and other assets		
Negotiable securities	19,273	20,419
Long-term loans	2,690	2,756
Prepaid pension expenses	227	1,332
Deferred tax assets	884	825
Other	6,135	6,991
Allowance for doubtful accounts	-2,456	-2,490
Total investments and other assets	26,753	29,833
Total fixed assets	128,519	140,525
Total assets	287,880	289,016

(Units: million yen)

	End of 3rd quarter of fiscal 2011 (Dec. 31, 2010)	End of fiscal 2010 (Mar. 31, 2010)
(Liabilities)		
Current liabilities		
Trade payables	58,641	60,970
Short-term debt	26,113	20,274
Corporate tax payable	735	916
Other	22,534	24,244
Total current liabilities	108,023	106,404
Fixed liabilities		
Company bonds	5,000	5,000
Long-term debt	23,500	23,500
Deferred tax liabilities	3,192	3,564
Retirement and severance benefits	25,969	24,635
Reserve for directors' retirement allowances	639	590
Liability due to application of equity method	2,062	1,301
Other	320	789
Total fixed liabilities	60,682	59,379
Total liabilities	168,705	165,783
(Net assets)		
Shareholders' equity		
Common stock	25,948	25,948
Capital surplus	31,518	31,518
Retained earnings	70,668	72,767
Treasury stock	-3,988	-3,984
Total shareholders' equity	124,146	126,249
Valuation and translation adjustments		
Net unrealized holding gains on securities	579	1,104
Deferred hedging gains/losses	273	-8
Foreign currency translation adjustments	-7,913	-6,107
Total valuation and translation adjustments	-7,061	-5,011
Minority investments	2,090	1,995
Total net assets	119,175	123,233
Total liabilities and net assets	287,880	289,016

## (2) Quarterly Consolidated Statement of Profit and Loss

Consolidated cumulative third quarter

(Units: million yen)

	Consolidated cumulative 3rd quarter of fiscal 2010 (Apr. 1, 2009 - Dec. 31, 2009)	Consolidated cumulative 3rd quarter of fiscal 2011 (Apr. 1, 2010 - Dec. 31, 2010)
Net sales	267,538	314,929
Cost of sales	237,548	276,810
Total return on sales	29,990	38,119
Sales and general administrative expenses	36,555	37,283
Operating income (loss :-)	-6,565	836
Non-operating income		
Interest received	105	156
Dividends received	146	111
Investment income by equity method	1,714	—
Gains on sales of goods	—	352
Other non-operating income	1,405	1,066
Total non-operating income	3,370	1,685
Non-operating expenses		
Interest expenses	709	744
Investment losses by equity method	—	565
Other non-operating expenses	908	1,058
Total non-operating expenses	1,617	2,367
Ordinary income (loss:-)	-4,812	154
Extraordinary income		
Gains on sale of negotiable securities	49	295
Gains on sale of fixed assets	12	312
Total extraordinary income	61	607
Extraordinary losses		
Losses on sale of negotiable securities	344	—
Impairment losses	269	78
Compensation for damages	—	203
Other extraordinary losses	105	244
Total extraordinary losses	718	525
Net income (loss:-) before taxes and other adjustments	-5,469	236
Corporate taxes, etc.	759	271
Quarterly net loss before adjustment for minority interests	—	-35
Gains to minority investors	31	219
Net loss (-)	-6,259	-254

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

## (4) Segment Information

## 【Sales Results for Each Segment by Business Type】

Consolidated cumulative third quarter of fiscal 2010 (Apr. 1, 2009-Dec. 31, 2009)

(Million yen)

	Wires and cables	Information and telecommunications networking	Sophisticated materials	Other businesses	Total	Eliminated or companywide	Consolidated
Net sales							
(1) Sales to customers	125,155	43,954	96,745	1,684	267,538	—	267,538
(2) In-house sales or transfer between operating segments	4,461	3,255	3,056	9,686	20,458	(20,458)	—
Total	129,616	47,209	99,801	11,370	287,996	(20,458)	267,538
Operating income (loss: -)	-970	281	-6,356	470	-6,575	10	-6,565

(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

## 【Sales Results by Location】

Consolidated cumulative third quarter of fiscal 2010 (Apr. 1, 2009-Dec. 31, 2009)

(Million yen)

	Japan	Others	Total	Eliminated or companywide	Consolidated
Net sales					
(1) Sales to customers	216,970	50,568	267,538	—	267,538
(2) In-house sales or transfer between operating segments	20,565	3,178	23,743	(23,743)	—
Total	237,535	53,746	291,281	(23,743)	267,538
Operating loss (-)	-4,655	-1,828	-6,483	(82)	-6,565

(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.

**【Overseas sales】**

Consolidated cumulative third quarter of fiscal 2010 (Apr. 1, 2009-Dec. 31, 2009)

(Million yen)

	Asia	North America	Others	Total
I Overseas sales (Million yen)	44,800	17,461	4,976	67,237
II Consolidated sales (Million yen)				267,538
III Ratio of overseas sales in consolidated sales (%)	16.8	6.5	1.8	25.1

(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.

**【Segment Information】****(i) Summary of reporting segments**

Hitachi Cable's reporting segments are the structural units of the Company for which separate financial statements are available. These segments are subject to periodic review by the Board of Directors for the purpose of decisions related to the allocation of management resources and assessments of business performance.

Hitachi Cable has established business groups organized by product and service. Each business group drafts comprehensive domestic and international strategies for its products and services and deploys the relevant business activities. In addition, the group in charge of sales plays a key role in sales activities.

For this reason, Hitachi Cable is organized by product and service segments, based on business groups, in addition to a segment charged with primary responsibility for handling the sales of these products and services. The following five are the reporting segments: Electronic & Automotive Products; Information Systems; Semiconductor Materials & Packaging; Metal Materials & Component Products; and Sales Companies.

The areas of business in which the Electronic & Automotive Products segment is active include industrial cables and electric power cables, auto parts, fiber optics and telecommunication cables, electronic wires and wiring devices, and magnet wires. The areas of business in which the Information Systems segment is active include information networks and wireless systems. The Semiconductor Materials & Packaging segment handles business areas such as compound semiconductors and tape automated bonding (TAB) operations. The Metal Materials & Component Products segment handles business areas involving copper products and lead frames.

**(ii) Net sales and income/loss per reporting segment**

Consolidated cumulative third quarter of fiscal 2011 (Apr. 1, 2010-Dec. 31, 2010)

(Unit: million yen)

	Reporting segment						Adjustment amount (Note 2)	Amount booked to Quarterly Consolidated Statement of Profit and Loss (Note 3)
	Electronic & Automotive Products	Information Systems	Semi-conductor Materials & Packaging	Metal Materials & Component Products	Sales Companies	Total		
Net sales								
Sales to customers (Note 1)	178,285	28,050	21,665	61,452	25,477	314,929	—	314,929
In-house sales or transfer between reporting segments (Note 1)	84,616	1,965	3,531	12,252	99,919	202,283	-202,283	—
Total	262,901	30,015	25,196	73,704	125,396	517,212	-202,283	314,929
Segment income (loss :-)	1,541	-21	-1,671	50	1,338	1,237	-401	836

(Note 1) In-house sales or transfer between reporting segments is removed from the buyer reporting segment, not the seller reporting segment. This means the figure for net sales after offsetting is the figure resulting after eliminating internal sales from total net sales.

(Note 2) The amount of -401 million yen in adjustments to segment income or loss (-) reflects -288 million yen in amortization of goodwill, 718 million yen in elimination of transactions within and between segments, and -831 million yen in Company income/loss not allocated to any reporting segment.

(Note 3) Segment income or loss is adjusted against operating income on the Quarterly Consolidated Statement of Profit and Loss.

**Additional information**

“Revised Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Statement No. 17; March 27, 2009) and “Guidance on the Accounting Standard for Disclosures about Segments of an Enterprise and Related Information” (ASBJ Guidance No. 20; March 21, 2008) have been applied starting this first quarter for the consolidated settlement of accounts.

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