



“Moving toward the successful completion of the

Renewed Plan “BRIDGE” Medium-Term Management Plan, we are maximizing our efforts to transform Hitachi Cable into a company that enjoys steady income growth.”

Performance in Fiscal 2011

The global economy gradually recovered during the first half of fiscal year ended March 31, 2012, supported primarily by emerging markets. Nevertheless, various factors emerged from the summer onward to slow the global economy in the second half, including financial difficulties in Europe and stagnant export growth to emerging markets. The Japanese economy experienced steady improvement after experiencing a significant economic downturn caused by the Great East Japan Earthquake in March 2011. From the second half onward, however, domestic economic conditions

remained stagnant due to the global recession and the historically strong yen.

Under these conditions, net sales for the consolidated fiscal year under review rose ¥13.3 billion year on year to ¥432.5 billion, but this was only half of the ¥22.6 billion increase attributable to the unification of consolidated subsidiary fiscal periods.* Growth in sales was stunted mainly by high yen rates and a sharp drop off of demand for electronics and semiconductor-related products from the second quarter onward.

On the earnings front, operating

income and ordinary income improved compared with the previous consolidated fiscal year, totaling ¥1,966 million and ¥927 million, respectively. These increases were largely attributable to our business structure reforms and reductions in fixed expenses. In addition, net loss amounted to ¥22,758 million due to the posting of an extraordinary loss following the implementation of various initiatives based on the Renewed Plan "BRIDGE" Medium-Term Management Plan.

Moving towards the Successful Completion of the Medium-Term Management Plan

Hitachi Cable is taking steps towards the reinforcement of its management foundation and business structure reforms as well as implementing global growth strategies in accordance with the Renewed Plan "BRIDGE" Medium-Term Management Plan. In fiscal 2011, we engaged in the selection and concentration of business operations, the restructuring of domestic operational structures and the consolidation of Group companies in Europe and North America. At the same time, we undertook various

measures to optimize our domestic personnel structure in keeping with the size of our business operations. To facilitate global growth, Hitachi Cable took steps to strengthen its overseas business management system as it promoted regional production abroad.

The operating conditions currently surrounding Hitachi Cable are becoming increasingly uncertain, primarily reflecting concerns over the ongoing global economic recession, the persistently high yen and power supply constraints in Japan. Despite these severe

circumstances, we aim to achieve net sales of ¥380 billion, operating income of ¥12 billion and net income of ¥6 billion in fiscal 2012 based on the effect that our business structure reform efforts are having on earnings.

Continuing to promote various reforms, we—as a member of society—will never waver in our commitment to prioritize CSR initiatives in the areas of legal compliance, environmental preservation, safety assurance, respect for human rights and information security management.

To Our Stakeholders

For the year ended March 31, 2012, Hitachi Cable regrettably decided to cancel its interim and year-end dividend. In reaching this decision, the Company gave overriding consideration to the Group's operating conditions, current performance and business strategies going forward. This was a difficult decision to make, and I do extend my sincere apologies to each of our shareholders.

Fiscal 2012 is the final year of the Renewed Plan "BRIDGE" Medium-Term Management Plan. In light of this, we will maximize our efforts to transform Hitachi Cable into a company that enjoys steady income growth, thereby achieving the plan's basic policy of restoring our status as a highly profitable enterprise and reshaping itself into a truly global entity. As we strive to grow into a truly

global corporate group, we seek your ongoing support and understanding.

July 2012

President and CEO



Hideaki Takahashi

*Hitachi Cable unified the fiscal years of its consolidated subsidiaries. All such companies now settle accounts on March 31. Performance for the fiscal year ended March 31, 2012 includes the 15-month results of 26 consolidated overseas subsidiaries that had previously undertaken account settlement in December, as well as the 14-month results of one consolidated overseas subsidiary that had previously settled accounts in January.