

(Translation)

**Financial Report for fiscal 2000 ended March 31, 2000 (Non-consolidated)**

May 16, 2000

Name of Listed Company: Hitachi Cable, Ltd.  
Stock Exchange where listed (section):Tokyo Stock Exchange(First Section)  
Osaka Securities Exchange (First  
Section)  
Code Number:5812  
Head Office Location: Tokyo  
Contact: Masao Yamaguchi,  
General Manager, Administration Dept.  
Tel: +81-3-5252-3261

Date of the Board of Directors Meeting at  
which the Account Settlement Plan was approved: May 16, 2000  
Date of the Regular Stockholders Meeting: June 29, 2000  
Existence of Interim Dividend System: Yes

1 . Performance over the year under review (Apr.1, 1999-Mar.31, 2000)

(1) Operating results

	Net sales (¥ million)	Operating income (¥ million)	Ordinary income (¥ million)	Net income (¥ million)
Mar./00	294,194 (-7.7%)	9,926 (47.9%)	7,822 (11.2%)	4,110 (27.0%)
Mar./99	318,763 (-11.8%)	6,712 (-53.5%)	7,031 (-50.3%)	3,237 (-58.9%)

	Net income per share (¥)	Diluted net income per share (¥)	Ratio of net income to shareholder's equity (%)	Ratio of ordinary income to total assets (%)	Ratio of ordinary income to net sales (%)
Mar./00	10.93	-	2.5	2.5	2.7
Mar./99	8.60	-	2.0	2.2	2.2

Notes: 1.Average number of shares outstanding

	Common	Preferred
Mar./00	376,200,692	-
Mar./99	376,423,848	-

2.We have made change in accounting policy.

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

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

## (2) Dividends

	Annual dividend per share(¥)		Annual total amount of dividends (¥ million)	Payout ratio (%)	Ratio of dividends to shareholders' equity (%)
	Interim dividend (¥)	Term-end dividend (¥)			
Mar./00	10.00	5.00	3,749	91.2	2.3
Mar./99	10.00	5.00	3,764	116.3	2.4

## (3) Financial standing

	Total Assets (¥ million)	Shareholders' equity (¥ million)	Shareholders' equity ratio (%)	Shareholders' equity per share (¥)
Mar./00	320,885	165,815	51.7	444.03
Mar./99	315,821	159,857	50.6	424.67

Note: 1. Number of shares outstanding at end of period (Trading unit: 1,000 shares)

	Common	Preferred
Mar./00	373,435,848	-
Mar./99	376,423,848	-

## 2 . Business Results Forecast for Fiscal Year 2001(Apr.1, 2000-Mar.31, 2001)

	Net sales (¥ million)	Ordinary Income (¥ million)	Net income (¥ million)	Annual dividend per share (¥)		
				Interim dividend (¥)	Term-end dividend (¥)	
Sep./00	155,000	6,000	3,000	5.00	-	-
Mar./01	320,000	12,500	6,000	-	5.00	10.00

(Reference) Forecast net income per share (whole year): ¥ 16.07

## 1. Balance Sheet

(¥ million)

	End of fiscal 1999 (A) (Mar. 31, 1999)	End of fiscal 2000 (B) ( Mar.31,2000 )	(B)-(A)
<b>[ Assets ]</b>			
<b>Current Assets</b>	<b>1 7 2 , 4 2 8</b>	<b>1 7 2 , 8 1 9</b>	<b>3 9 1</b>
Cash and deposits in banks	1 9 , 4 7 6	1 3 , 9 9 1	- 5 , 4 8 4
Notes receivable	1 4 , 2 1 4	1 4 , 5 8 9	3 7 5
Accounts receivable	8 1 , 7 4 8	7 6 , 0 9 2	- 5 , 6 5 5
Negotiable securities	1 8 , 7 0 1	2 4 , 7 7 1	6 , 0 7 0
Advance Payments	1 , 5 9 2	8 6 8	- 7 2 3
Products	8 , 1 1 4	7 , 7 9 7	- 3 1 7
Materials	3 , 7 7 5	3 , 7 2 3	- 5 2
Work in process	2 0 , 9 1 3	2 1 , 7 7 0	8 5 6
Deferred income tax	-	1 , 3 6 3	1 , 3 6 3
Other current assets	4 , 4 5 1	8 , 2 7 0	3 , 8 1 9
Allowance for doubtful accounts	- 5 6 0	- 4 2 0	1 4 0
<b>Fixed Assets</b>	<b>1 4 3 , 3 9 3</b>	<b>1 4 8 , 0 6 6</b>	<b>4 , 6 7 2</b>
<b>Tangible fixed asset</b>	<b>1 0 0 , 9 2 5</b>	<b>9 8 , 7 4 2</b>	<b>- 2 , 1 8 2</b>
Buildings	3 2 , 7 9 2	3 2 , 6 2 4	- 1 6 8
Structures	3 , 4 8 6	3 , 1 8 5	- 3 0 1
Machinery	4 6 , 3 1 9	4 5 , 3 0 6	- 1 , 0 1 2
Vehicles and other transportation equipment	1 7 9	1 6 8	- 1 1
Tools, equipment and fixtures	6 , 3 2 7	5 , 9 8 3	- 3 4 4
Land	8 , 7 5 1	8 , 7 9 7	4 6
Construction in progress	3 , 0 6 6	2 , 6 7 5	- 3 9 1
<b>Intangible fixed assets</b>	<b>8 4 2</b>	<b>1 , 2 5 1</b>	<b>4 0 9</b>
Utility rights, etc.	8 4 2	1 , 2 5 1	4 0 9
<b>Investments, etc.</b>	<b>4 1 , 6 2 5</b>	<b>4 8 , 0 7 2</b>	<b>6 , 4 4 6</b>
Shares in subsidiaries	1 4 , 7 0 9	1 4 , 9 5 0	2 4 1
Investment securities	7 , 9 4 8	1 0 , 5 0 8	2 , 5 6 0
Long-term loans	5 , 0 1 4	2 , 3 3 8	- 2 , 6 7 5
Deferred income tax	-	6 , 7 0 3	6 , 7 0 3
Other	1 3 , 9 8 8	1 4 , 2 3 0	2 4 1
Allowance for doubtful accounts	- 3 5	- 6 6 0	- 6 2 5
<b>Total Assets</b>	<b>3 1 5 , 8 2 1</b>	<b>3 2 0 , 8 8 5</b>	<b>5 , 0 6 3</b>

( ¥ million )

	End of fiscal 1999 (A) ( Mar.31,1999)	End of fiscal 2000 (B) ( Mar.31,2000)	(B)-(A)
<b>[ Liabilities ]</b>			
Current Liabilities	77,419	80,009	2,589
Accounts payable	34,069	34,379	309
Short-term debt	24,916	25,628	711
Amounts in arrears	4,725	4,350	-374
Corporation tax payable	642	2,303	1,660
Expenses payable	9,406	9,439	32
Advances received	1,678	1,887	208
Deposits received	1,634	1,667	33
Other	346	353	7
Fixed liabilities	78,544	75,060	-3,484
Bonds	37,798	37,798	-
Long-term debt	11,126	11,107	-18
Reserve for retirement allowance	29,619	26,154	-3,465
<b>Total Liabilities</b>	<b>155,964</b>	<b>155,069</b>	<b>-894</b>
<b>[ Shareholders' Equity ]</b>			
Paid-in Capital	25,940	25,940	-
Legal reserve	36,175	36,175	-
Capital surplus	29,690	26,690	-
Profit reserve	6,485	6,485	-
Surplus Fund	97,741	103,699	5,958
Reserve for loss from overseas investment	43	11	-32
Special depreciation reserve	357	177	-179
Reserve for deferred income taxes on fixed assets	511	346	-165
Reserve for deferred income taxes on special account	63	36	-26
Special reserve	89,500	89,500	-
Retained earnings at end of year	7,264	13,627	6,363
(Interim Net income)	(3,237)	(4,110)	(872)
<b>Total Shareholders' Equity</b>	<b>159,857</b>	<b>165,815</b>	<b>5,958</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>315,821</b>	<b>320,885</b>	<b>5,063</b>

( ):Figures in parentheses are included in the surplus fund.

## 2.Statement of Profit and Loss

(¥ million)

	End of fiscal 1999 ( A ) (Apr.1, 1998 – Mar.31, 1999)	End of fiscal 2000 ( B ) (Apr.1,1999 – Mar.31,2000)	B / A ( % )
[ Recurring Profit and Loss ]			
<b>Operating Profit and Loss</b>			
<u>Net sales</u>	318,763	294,194	92
Cost of sales	273,704	247,264	90
Sales, general and administrative expenses	38,346	37,004	96
<u>Operating income</u>	6,712	9,926	148
<b>Non-operating Profit and Loss</b>			
Non-operating revenues	4,949	3,608	73
(Interest and dividends received)	( 2,414 )	( 1,825 )	(76)
( Miscellaneous revenues )	( 2,535 )	( 1,782 )	(70)
Non-operating expenses	4,630	5,712	123
( Interest and discount charges paid )	( 1,661 )	( 1,203 )	(72)
( Miscellaneous losses )	( 2,969 )	( 4,509 )	(152)
<u>Ordinary income</u>	7,031	7,822	111
[ Extraordinary profit and loss ]			
Extraordinary profit		3,535	
(Prorit on sale negotiable securities)	( )	(3,535)	( )
Extraordinary loss	894	4,774	534
(the amortization period for prior service costs)	(894)	(2,127)	(238)
(Loss on reorganization of business)	( )	(2,000)	( )
(Credit reserve for bad debt)	( )	(647)	( )
Income before income tax	6,137	6,582	107
Corporation, inhabitant taxes	2,900	2,410	83
Deferred		62	
Net income	3,237	4,110	127
Retaining earnings brought forward	5,909	5,253	89
Adjustment for tax effect of previous years		8,129	
Reversal of allowance/reserve in accordance with tax effect accounting		414	
Interim dividends	1,882	1,882	100
Retirement of treasury stocks		2,397	
Retained earning at end of year	7,264	13,627	187

### 3. Statement of profit Appropriations

(¥ million)

	Fiscal 1999 (Apr. 1, 1998 – Mar. 31, 1999)	Fiscal 2000 (Apr. 1, 1999 – Mar. 31, 2000)
Retained earning at end of year	7 , 2 6 4	1 3 , 6 2 7
Reversal of reserve for overseas investment losses	2 4	1 1
Reversal of special depreciation reserve	5 1	2 9
Reversal of deferred income taxes on fixed assets	2 4	1 4
Reserve for deferred income tax on special account		3 6
Total	7 , 3 6 4	1 3 , 7 1 9
The appropriations are as follows :		
Cash dividends	1 , 8 8 2 (ordinary ¥ 5.00)	1 , 8 6 7 (ordinary ¥ 5.00)
Directors' bonuses	1 2 0	1 1 0
Special depreciation reserve	-	1 3
Reserve for deferred income taxed on fixed assets	1 0 9	7 0
Retained earnings carried forward	5 , 2 5 3	1 1 , 6 5 8

#### **4. Important accounting policy**

##### 1. Securities Valuation

Marketable securities quoted on exchanges are stated at the lower of cost or market. Cost is determined by the moving average.

Other securities are carried at cost determined by the moving average.

##### 2. Inventories Valuation

**Finished products, main materials and work-in-process:** They are valued at the lower of cost or market. Cost is determined by the weight average method.

Up to the last term, we use the lower of cost or market (the Reversal method), and cost is determined by "last-in, first-out" method. From this term, we use the lower of cost or market (the Separation method), and cost is determined by the weighted average method.

Effect by the change of account method is slight.

##### 3. Depreciation method of tangible fixed assets

Buildings and building accessory equipment . . . . the straight line method

Others . . . . the declining balance depreciation

##### 4. Retirement Allowance

The reserve for retirement allowance is set aside based on the Company's retirement regulations as stated below:

As for the employees of the Company, the allowance is the amount which would be required to be paid as a lump sum if all eligible employees involuntarily terminated their services at the end of the year under review, minus the amount to be funded by the qualified pension plan.

As for the member of the Company's board of directors, there is a reserve of ¥1,119 million determined based on Company regulations. This reserve comes under the definition in Article 287-2 of the Commercial Code of Japan.

(Note)

Retirement of treasury stock...¥2,397,338,000 (Number of stock: 2,988,000)

**5. Change of Directors (We already announced new board member at April 20, 2000)**

(1) Representative Directors

None

(2) Other Directors

Candidates for Corporate Auditor \*A position as of today

Corporate Auditor (standing) Koichi Mikoshiba \*Adviser of Hitachi Cable, Ltd.

Corporate Auditor (non-standing) Masahiro Shimojyo \*Lawyer (Nishimura & Partners)

They are expected to retire from their posts.

Executive Managing Director Keisuke Izumi

(He will be installed as President of Hitachi Cable International, Ltd.)

Board Director Tetsuo Hashimoto

(He will continue to be President of Hitachi Densen Shoji, Ltd.)

Board Director Kazuo Inada

(He will be installed as President of Hitachi Cable Distribution, Ltd.)

Corporate Auditor (standing) Yoshionobu Yoshida

(He will be installed as Adviser of Hitachi Cable, Ltd.)

Corporate Auditor (non-standing) Yutaka Sonoyama