

# Financial Report for First Quarter of Fiscal 2012 Ending March 31, 2012

〔Japanese accounting standards〕 (Consolidated)

July 27, 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.com>)

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Scheduled date for quarterly report submission: August 12, 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

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

## 1. Performance over the year under review (Apr. 1, 2011-Jun 30, 2011)

### (1) Operating Results

	Net sales (Million yen)		Operating income (Million yen)		Ordinary income (Million yen)		Net income (Million yen)	
		%		%		%		%
Jun./11	104,992	(4.7)	2,382	(—)	3,314	(883.4)	1,723	(482.1)
Jun./10	100,268	(25.5)	111	(—)	337	(—)	296	(—)

*Note:* Comprehensive income Jun./11 2,648 million yen (327.8%) Jun./10 619 million yen (—%)

	Net income per share (Yen)	Diluted net income per share (Yen)
Jun./11	4.73	—
Jun./10	0.81	—

*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 (%)
Jun./11	279,555	108,733	38.1
Mar./11	270,750	106,093	38.4

*Note:* Equity Jun./11 106,396 million yen Mar./10 103,895 million yen

## 2. Dividends

	Annual dividends				
	Jun.30	Sept.30	Dec.31	Mar.31	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Mar./11	—	2.50	—	0.00	2.50
Mar./12	—	—	—	—	—
Mar./12 (Forecast)	—	—	—	—	—

*Note:* The most recent figures for forecasted dividends have been revised (Y/N):N

*Note:* Forecast of dividends for distribution at the end of fiscal 2012 remain to be determined.

Hitachi Cable plans to announce this forecast when disclosure becomes possible.

### 3. Business results forecast for fiscal year 2012 (Apr. 1, 2011-Mar. 31, 2012)

	Net sales (Million yen)	Operating income (Million yen)	Ordinary income (Million yen)	Net income (Million Yen)	Net income per share (Yen)
	%	%	%	%	
Sep./11	200,000 (-3.7)	-500 (-)	-1,600 (-)	-3,000 (-)	-8.23
Mar./12	445,000 (6.1)	7,000 (788.3)	6,000 (-)	1,000 (-)	2.74

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

Note: The most recent figures for consolidated business performance forecasts have been revised (Y/N):N

### 4. Other Notes

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

(2) Application of special accounting used in the preparation of quarterly consolidated financial statements (Y/N):Y

Note: For more information, see "2. Notes concerning summary information : (2) Application of special accounting used in the preparation of quarterly consolidated financial statements" on page 3 of the Appendix.

(3) Changes in accounting policies; changes in revisions or restatement of accounting estimates

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

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

(iii) Changes in accounting estimates (Y/N):N

(iv) Revisions or restatement (Y/N):N

(4) Number of shares outstanding (Common)

(i) Number of shares outstanding at the end of period (including treasury stock)

Jun./11	374,018,174	Mar./11	374,018,174
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Jun./11	9,626,287	Mar./11	9,623,520
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Jun./11	364,393,730	Jun./10	364,413,076
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\* 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 "1. Qualitative information on financial results for this quarter: (3) Qualitative information on consolidated business performance forecasts" on page 3 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

Despite concerns for a potential long-term downturn in economic prospects, the global economy in the cumulative first quarter of this consolidated fiscal year sustained a pattern characterized by gentle recovery. While the Japanese economy continued to face dire conditions due to factors such as supply-chain disruptions following the Great East Japan Earthquake and the effects of production adjustments by automakers and other manufacturers, signs of recovery gradually emerged following a return to normal production activities.

Under these conditions, Hitachi Cable Group net sales during the cumulative first quarter of this consolidated fiscal year rose to 104,992 million yen, up 5% from the cumulative first quarter of the previous consolidated fiscal year. This gain was attributable to the higher price of copper, the primary raw material used to make wires and cables, and copper products, compared to the same period of the previous fiscal year, and to growth in demand related to reconstruction in areas affected by the Great East Japan Earthquake.

Operating income rose to 2,382 million yen, up 2,271 million yen from the cumulative first quarter of the previous consolidated fiscal year. Contributing factors included the effects of cost-cutting and reductions in fixed costs as well as the increase in net sales. Ordinary income improved as well, rising by 2,977 million yen from the cumulative first quarter of the previous consolidated fiscal year to 3,314 million yen. Net income for the cumulative first quarter of this consolidated fiscal year rose by 1,427 million yen from the cumulative first quarter of the previous consolidated fiscal year to 1,723 million yen.

Provided below is an overview of business performance for each reporting segment. The net sales figures given for each segment represent net sales after offsetting.

Starting this consolidated fiscal year, in line with the reorganization effective April 1, 2011, the Hitachi Cable Group has made changes in its reporting segments.

For more information, see “(4)Segment Information: 【Sales Results for Each Segment】” on page 8 of the Appendix.

#### Industrial Infrastructure Products

Net sales in this segment totaled 23,617 million yen. Operating income totaled 944 million yen.

Demand in the Industrial Systems Products and Power & Energy businesses increased significantly, chiefly for use in construction due to a rebound from supply stoppages caused by the earthquake and in response to reconstruction-related demand. Sales in the Optical Communication Products business also rose from the cumulative first quarter of the previous consolidated fiscal year, buoyed by demand generated by reconstruction of the telecommunications infrastructure.

#### Electronic & Automotive Products

Net sales in this segment totaled 35,879 million yen. Operating income totaled 800 million yen.

Despite strong sales at overseas subsidiaries, sales of Automotive Components were sluggish due to the effects of production adjustments by automakers in Japan. Sales in the Electronic Products business exceeded those in the cumulative first quarter of the previous consolidated fiscal year, thanks to steady performance overseas, despite certain shortages in domestic supplies of materials due to the earthquake. Sales in the Magnet Wire Products business fell from the cumulative first quarter of the previous consolidated fiscal year due to the earthquake and declining sales in the automotive electronic components field caused by a decline in automobile production in Japan, despite strong performance overseas.

#### Information Systems Devices & Materials

Net sales in this segment totaled 10,360 million yen. Operating losses totaled 139 million yen.

Sales in the Information Networks business grew from the cumulative first quarter of the previous consolidated fiscal year, thanks to strong sales to private-sector corporations and increased demand for use in the long-term evolution (LTE) mobile backhaul of telecommunications carriers. Sales in the Wireless Systems business remained low, with demand for use in mobile-phone base stations mired in an off-peak period. Sales in the Compound Semiconductor Products business declined from the cumulative first quarter of the previous consolidated fiscal year due to production stoppages attributable to the earthquake.

#### Metal Materials & Component Products

Net sales in this segment totaled 26,608 million yen. Operating income totaled 403 million yen.

Despite sluggish demand for products used in the automotive and semiconductor markets subject to production adjustments following the earthquake, rising copper prices led to stronger sales of copper strips than in the cumulative first quarter of the previous consolidated fiscal year. Sales of copper products were strong in the area of copper tubes due to steady demand for air conditioner use and in the area of copper products for electrical applications and processed goods. Production adjustments among semiconductor manufacturers following the

earthquake led to sluggish sales of lead frames. While sales of packaging materials were strong for memory use, demand declined for special applications. Coupled with the withdrawal from the chip-on-film (COF) business for LCD use, these trends resulted in an overall decline from the cumulative first quarter of the previous consolidated fiscal year.

#### Sales Companies

Net sales in this segment totaled 8,528 million yen. Operating income totaled 454 million yen.

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

Total assets at the end of the first quarter of this consolidated fiscal year were 279,555 million yen, 8,850 million yen above the figure at the end of the previous consolidated fiscal year. This figure reflects total current assets of 165,054 million yen, an increase of 9,670 million yen from the end of the previous consolidated fiscal year. This growth is primarily attributable to an increase of 5,896 million yen in trade receivables, an increase of 5,029 million yen in inventories (representing the total of merchandise and products, in-process inventories, and raw materials and supplies). Fixed assets fell by 820 million yen from the end of the previous consolidated fiscal year to 114,501 million yen, due primarily to a increase of 616 million yen in construction in progress, a decline of 492 million yen in buildings and structures, a decline of 832 million yen in machinery, vehicles, and tools.

Liabilities totaled 170,822 million yen, an increase of 6,165 million yen from the end of the previous consolidated fiscal year. This increase was due primarily to an increase of 7,440 million yen in short-term debts, a decline of 1,395 million yen in reserves for losses due to disasters.

Net assets totaled 108,733 million yen, a increase of 2,640 million yen from the end of the previous consolidated fiscal year, due primarily to an increase of 1,723 million yen in retained earnings, an increase of 1,080 million yen in foreign currency translation adjustments.

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

Since business performance in the first quarter of this consolidated fiscal year proceeded largely within the framework of initial expectations, forecasts for cumulative performance through the second quarter of fiscal 2012 (ending March 2012) and for full-year performance in fiscal 2012 remain unchanged from forecasts announced in the Notice of business performance forecasts, released June 7, 2011.

## 2. Notes concerning summary information

(1) Significant changes in key subsidiaries during the cumulative first quarter of this consolidated fiscal year: Not applicable

(2) Application of special accounting used in the preparation of quarterly consolidated financial statements

#### (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 first 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. Quarterly Consolidated Financial Statements

## (1) Quarterly Consolidated Balance Sheet

(Units: million yen)

	End of consolidated fiscal 2011 (March 31, 2011)	Consolidated 1st quarter of fiscal 2012 (Jun. 30, 2011)
(Assets)		
Current assets		
Cash and cash equivalents	11,689	7,736
Trade receivables	81,669	87,565
Securities	144	159
Merchandise and products	10,900	13,995
In-process inventories	27,608	32,371
Raw materials and supplies	13,880	11,051
Deferred tax assets	521	501
Other	9,226	11,920
Allowance for doubtful accounts	-190	-244
Total current assets	155,447	165,054
Fixed assets		
Tangible fixed assets		
Buildings and structures	109,207	109,541
Cumulative depreciation	-71,526	-72,352
Buildings and structures (net)	37,681	37,189
Machinery, vehicles, and tools	273,428	273,934
Cumulative depreciation	-240,211	-241,549
Machinery, vehicles, and tools (net)	33,217	32,385
Land	9,712	9,722
Construction in progress	1,353	1,969
Total tangible fixed assets	81,963	81,265
Intangible fixed assets		
Goodwill	526	460
Other	8,044	7,969
Total intangible fixed assets	8,570	8,429
Investments and other assets		
Negotiable securities	17,175	17,291
Long-term loans	2,726	2,630
Deferred tax assets	1,055	1,053
Other	6,306	6,255
Allowance for doubtful accounts	-2,492	-2,422
Total investments and other assets	24,770	24,807
Total fixed assets	115,303	114,501
Total assets	270,750	279,555

(Units: million yen)

	End of consolidated fiscal 2011 (March 31, 2011)	Consolidated 1st quarter of fiscal 2012 (Jun. 30, 2011)
(Liabilities)		
Current liabilities		
Trade payables	59,047	58,569
Short-term debt	15,393	22,797
Corporate tax payable	1,009	1,425
Reserves for losses due to disasters	5,140	3,745
Other	23,317	23,521
Total current liabilities	<u>103,906</u>	<u>110,057</u>
Fixed liabilities		
Company bonds	5,000	5,000
Long-term debt	23,500	23,500
Deferred tax liabilities	2,541	2,345
Retirement and severance benefits	26,669	27,372
Reserve for directors' retirement allowances	635	413
Liability due to application of equity method	1,924	1,697
Other	482	438
Total fixed liabilities	<u>60,751</u>	<u>60,765</u>
Total liabilities	<u>164,657</u>	<u>170,822</u>
(Net assets)		
Shareholders' equity		
Common stock	25,948	25,948
Capital surplus	31,518	31,518
Retained earnings	57,931	59,654
Treasury stock	-3,989	-3,990
Total shareholders' equity	<u>111,408</u>	<u>113,130</u>
Accumulated other comprehensive income		
Net unrealized holding gains on securities	684	451
Deferred hedging gains/losses	237	241
Foreign currency translation adjustments	-8,434	-7,426
Total accumulated other comprehensive	<u>-7,513</u>	<u>-6,734</u>
Minority investments	<u>2,198</u>	<u>2,337</u>
Total net assets	<u>106,093</u>	<u>108,733</u>
Total liabilities and net assets	<u>270,750</u>	<u>279,555</u>

(2) Quarterly Consolidated Statement of Profit and Loss  
and Quarterly Statement of Consolidated Comprehensive Income  
(Quarterly Consolidated Statement of Profit and Loss)  
(Consolidated Cumulative First Quarter)

(Units: million yen)

	Consolidated cumulative 1st quarter of fiscal 2011 (Apr. 1, 2010 - Jun. 30, 2010)	Consolidated cumulative 1st quarter of fiscal 2012 (Apr. 1, 2011 - Jun. 30, 2011)
Net sales	100,268	104,992
Cost of sales	87,814	91,085
Total return on sales	12,454	13,907
Sales and general administrative expenses	12,343	11,525
Operating income	111	2,382
Non-operating income		
Interest received	84	32
Dividends received	64	58
Investment income by equity method	207	767
Other non-operating income	538	585
Total non-operating income	893	1,442
Non-operating expenses		
Interest expenses	256	234
Other non-operating expenses	411	276
Total non-operating expenses	667	510
Ordinary income	337	3,314
Extraordinary income		
Gains on sale of negotiable securities	107	—
Amount of reversal of reserves for losses due to disasters	—	95
Gains on sale of fixed assets	—	39
Total extraordinary income	107	134
Extraordinary losses		
Impairment losses	—	4
Restructuring costs	—	663
Losses due to disasters	—	579
Other extraordinary losses	—	22
Total extraordinary losses	—	1,268
Net income before taxes and other adjustments	444	2,180
Corporate taxes, etc.	78	348
Net income before adjustment for minority interests	366	1,832
Gains to minority investors	70	109
Net income	296	1,723



## (Quarterly Statement of Consolidated Comprehensive Income)

## (Consolidated Cumulative First Quarter)

(Units: million yen)

	Consolidated cumulative 1st quarter of fiscal 2011 (Apr. 1, 2010 - Jun. 30, 2010)	Consolidated cumulative 1st quarter of fiscal 2012 (Apr. 1, 2011 - Jun. 30, 2011)
Net income before adjustment for minority interests	366	1,832
Other comprehensive income		
Net unrealized holding gains on securities	-520	-242
Deferred hedging gains/losses	163	-34
Foreign currency translation adjustments	419	962
Equity in equity-method affiliates	191	130
Total other comprehensive income	253	816
Comprehensive income	619	2,648
(Items)		
Comprehensive income attributable to owners of the parent	503	2,502
Comprehensive income attributable to minority interests	116	146

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

(4) Segment Information

【Sales Results for Each Segment】

1. Summary of reporting segments

Hitachi Cable's reporting segments are the Company's structural units for which separate financial statements are available. These segments are subject to periodic review by the Board of Directors for decisions on 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 undertakes corresponding 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 segments are the reporting segments: Industrial Infrastructure Products; Electronic & Automotive Products; Information Systems Devices & Materials; Metal Materials & Component Products; and Sales Companies.

The areas of business in which the Industrial Infrastructure Products segment is active include industrial systems products and power & energy business and optical communication products. Areas of business in which the Electronic & Automotive Products segment is active include automotive components, electronic products and magnet wire products. The Information Systems Devices & Materials segment handles business areas such as information networks, wireless systems and compound semiconductor products. The Metal Materials & Component Products segment handles business areas that include copper strips, copper products, lead frame, and package materials.

2. Net sales and income/loss per reporting segment

Consolidated cumulative first quarter of fiscal 2011 (Apr. 1, 2010-Jun. 30, 2010)

(Million yen)

	Reporting segments						Adjustment amount (Note2)	Amount booked to quarterly consolidated statement of profit and loss (Note3)
	Industrial Infrastructure Products	Electronic & Automotive Products	Information Systems Devices & Materials	Metal Materials & Component Products	Sales Companies	Total		
Net sales								
Sales to customers (Note1)	19,695	35,939	11,293	26,159	7,182	100,268	—	100,268
In-house sales or transfer between operating segments (Note1)	7,560	20,180	752	5,866	32,089	66,447	-66,447	—
Total	27,255	56,119	12,045	32,025	39,271	166,715	-66,447	100,268
Segment income (loss :-)	-285	539	-352	-250	342	-6	117	111

(Note1) In-house sales or transfers between reporting segments are removed from the buyer reporting segment, not the seller reporting segment. This means the figure for net sales to external customers is the figure resulting after eliminating internal purchases from total net sales.

(Note2) The amount of 117 million yen in adjustments to segment income or loss (-) reflects -96 million yen in amortization of goodwill, -299 million yen in elimination of transactions within and between segments, and 512 million yen in Company income/loss not allocated to any reporting segment.

(Note3) Segment income or loss (-) is adjusted against operating income on the Quarterly Consolidated Statement of Profit and Loss.

## Consolidated cumulative first quarter of fiscal 2012 (Apr. 1, 2011-Jun. 30, 2011)

(Million yen)

	Reporting segments						Adjustment amount (Note2)	Amount booked to quarterly consolidated statement of profit and loss (Note3)
	Industrial Infrastructure Products	Electronic & Automotive Products	Information Systems Devices & Materials	Metal Materials & Component Products	Sales Companies	Total		
Net sales								
Sales to customers (Note1)	23,617	35,879	10,360	26,608	8,528	104,992	—	104,992
In-house sales or transfer between operating segments (Note1)	8,711	17,808	971	4,221	35,878	67,589	-67,589	—
Total	32,328	53,687	11,331	30,829	44,406	172,581	-67,589	104,992
Segment income (loss :-)	944	800	-139	403	454	2,462	-80	2,382

(Note1) In-house sales or transfers between reporting segments are removed from the buyer reporting segment, not the seller reporting segment. This means the figure for net sales to external customers is the figure resulting after eliminating internal purchases from total net sales.

(Note2) The amount of -80 million yen in adjustments to segment income or loss (-) reflects -66 million yen in amortization of goodwill, -162 million yen in elimination of transactions within and between segments, and 148 million yen in Company income/loss not allocated to any reporting segment.

(Note3) Segment income or loss (-) is adjusted against operating income on the Quarterly Consolidated Statement of Profit and Loss.

### 3. Changes in reporting segments

Starting this consolidated fiscal year, in line with the reorganization effective April 1, 2011, the Hitachi Cable Group has made changes in its reporting segments. Previously, the five reporting segments were Electronic & Automotive Products, Information Systems, Semiconductor Materials & Packaging, Metal Materials & Component Products, and Sales Companies. The five reporting segments will become Industrial Infrastructure Products, Electronic & Automotive Products, Information Systems Devices & Materials, Metal Materials & Component Products, and Sales Companies. The goal is to revise the organizational structure to reflect future business strategies, products, or businesses and to continue implementation of the Plan "BRIDGE" medium-term management plan, which took effect in fiscal year 2011.

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

(6) Significant events occurring after the end of this fiscal year: Not applicable