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**Notice of booking of extraordinary losses,  
difference between business performance forecasts and actual performance  
of consolidated cumulative second quarter,  
and notice of revisions to forecasts of full-year business performance**

At the Board of Directors meeting held today, Hitachi Cable decided to book extraordinary losses for the consolidated fiscal year ending March 2012 (April 1, 2011–March 31, 2012), as outlined below.

Hitachi Cable also announces the differences between the business performance forecasts\* and the actual performance of the cumulative second quarter of consolidated fiscal year ending March 2012. In addition, the forecasts\* of full-year business performance of the consolidated fiscal year ending March 2012 revise as described below.

\*The business performance forecasts announced in “Notice of revisions to forecasts of business performance and notice of dividend forecasts,” released September 9, 2011.

**1. Reasons for and details of booking of extraordinary losses**

**(1) Impairment losses: 5,582 million yen (consolidated)**

This figure represents the booking of impairment of manufacturing facilities in relation to cuts in the packaging materials business, which is experiencing declining demand, particularly for TAB materials for memory chips; and impairment losses for buildings and manufacturing facilities used to manufacture optical submarine cables, a business from which Hitachi Cable is currently withdrawing.

**(2) Transfers to provision for surcharge: 1,426 million yen (consolidated)**

This allowance is booked in anticipation of the risk of surcharges in connection with international cartel behavior in high-voltage power cables, for which Hitachi Cable has received a Statement of Objections\* from the European Commission.

Hitachi Cable plans to continue to proceed with various actions related to this case, including submitting an opinion to the European Commission.

\* A Statement of Objections is a document indicating the provisional opinion of the European Commission regarding suspected violations of European Union competition law. Interested parties are given the opportunity to respond. A Statement of Objections is a document issued during the investigative process. It is not a final decision of the European Commission. The final decision of the European Commission may be appealed to the European Court of Justice.

**2. Differences between the business performance forecasts and the actual performance of the cumulative second quarter of consolidated fiscal year ending March 2012, and revisions to forecasts of full-year business performance of the consolidated fiscal year ending March 2012**

(1) Differences between the business performance forecasts and the actual performance of the cumulative second quarter of consolidated fiscal year ending March 2012 (April 1, 2011 - September 30, 2011)\*1

	Sales	Operating income	Ordinary income	Net income	Net income per share
Previously announced forecasts (A) (Announced September 9, 2011)	210,000	1,500	500	-10,000	-27.44
Actual results (B)	210,434	1,356	296	-9,056	-24.85
Difference:(B) - (A)	434	-144	-204	944	
Percentage change (%)	0.2	-9.6	-40.8	—	
Reference: Performance in previous cumulative second quarter (Year ended March, 31 2011)	207,584	1,923	904	817	2.24

\*1: 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) Revisions to forecasts of full-year business performance of the fiscal year ending March 2012 (April 1, 2011 - March 31, 2012) \*2,\*3

	Sales	Operating income	Ordinary income	Net income	Net income per share
Previously announced forecasts (A) (Announced September 9, 2011)	460,000	8,000	7,000	-19,000	-52.14
Revised forecast (B)	440,000	5,000	4,000	-22,000	-60.33
Difference:(B) - (A)	- 20,000	- 3,000	- 3,000	- 3,000	
Percentage change (%)	-4.3	-37.5	-42.9	—	
Reference: Performance in previous fiscal year (Year ended March, 31 2011)	419,279	788	- 1,765	- 12,993	- 35.65

\*2: 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.

\*3: The fiscal year ending March 2012 is a transitional period with respect to fiscal year revisions at overseas consolidated subsidiaries. Thus, forecasts of consolidated business performance for this fiscal year incorporate 15-month forecasts (January 1, 2011 to March 31, 2012) of business performance for 26 subsidiaries whose fiscal years end in December and 14-month forecasts (February 1, 2011 to March 31, 2012) of business performance for one subsidiary whose fiscal year ends in January.

### 3. Reasons for these revisions

Hitachi Cable Group's business performance for the cumulative second quarter of this consolidated fiscal year about net sales and operating income were more or less in line with previous forecasts of business performance announced in "Notice of revisions to forecasts of business performance and notice of dividend forecasts," released September 9, 2011. Yet, ordinary income declined from the forecast due to the worse of investment losses by equity method. However, net loss lessened from the previous forecast because extraordinary losses for the cumulative second quarter of this consolidated fiscal year declined from the forecast.

Moreover, Since the second half of the second quarter of this consolidated fiscal year, demand has declined rapidly, chiefly for products for the semiconductor markets and products related to electronics. Harsh conditions are expected to persist through the third quarter of this consolidated fiscal year and beyond. The business environment in which the Group operates remains unpredictable. Concerns include a sluggish domestic economy, economic slowing overseas, and prolonged yen strengthening on international currency markets.

Given these conditions, Hitachi Cable has chosen to lower its forecasts for both sales and income in the forecasts of full-year business performance for fiscal 2012, previously announced on September 9, 2011.

To achieve success as a global enterprise, the Hitachi Cable Group will strive to restore its business performance through the steadfast pursuit of various measures, including the selection and concentration of its businesses based on the medium-term management plan, reducing fixed costs through reforms in business structures, and strengthening product competitiveness.

Note: The figures for the above forecasts are based on information available at the time this document was prepared.  
Actual business performance may vary due to various unforeseen factors.

This document is an English translation of a document prepared in Japanese. In the event of any discrepancies between the content of the Japanese and English documents, the content of the Japanese document shall take precedence.