

Financial Report for Second Quarter of Fiscal 2012 Ending March 31, 2012

[Japanese accounting standards] (Consolidated)

October 28, 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>)

President and Chief Executive Officer: Hideaki Takahashi
Contact: Shoichi Kogure

General Manager, Administration Dept. Human Resources & Administration Div.
Business Support Group

Tel: +81-3-6381-1050

Scheduled date for quarterly report submission: November 11, 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- Sep. 30, 2011)

(1) Operating Results

	Net sales (Million yen)	Operating income (Million yen)	Ordinary income (Million yen)	Net income (Million yen)
	%	%	%	%
Sep./11	210,434 (1.4)	1,356 (-29.5)	296 (-67.3)	-9,056 (-)
Sep./10	207,584 (21.9)	1,923 (-)	904 (-)	817 (-)

Note: Comprehensive income Sep./11 -9,520 million yen (-%) Sep./10 -467 million yen (-%)

	Net income per share (Yen)	Diluted net income per share (Yen)
Sep./11	-24.85	—
Sep./10	2.24	—

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 (%)
Sep./11	265,303	96,436	35.5
Mar./11	270,750	106,093	38.4

Note: Equity Sep./11 94,244 million yen Mar./10 103,895 million yen

2. Dividends

	Annual dividends				
	Jun.30	Sep.30	Dec.31	Mar.31	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Mar./11	—	2.50	—	0.00	2.50
Mar./12	—	0.00	—	—	—
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)
Mar./12	440,000 (4.9)%	5,000 (534.5)%	4,000 (—)%	-22,000 (—)%	-60.33

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):Y

4. Other Notes

(1) Significant changes in key subsidiaries during the cumulative second 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 4 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)	Sep./11	374,018,174	Mar./11	374,018,174
(ii) Number of treasury stock at the end of period	Sep./11	9,629,090	Mar./11	9,623,520
(iii) Average shares this quarter (consolidated total through this quarter)	Sep./11	364,392,410	Sep./10	364,412,140

* 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

While the global economy in the cumulative second quarter of this consolidated fiscal year (April–September 2011) experienced a continuing gentle improvement, driven by emerging markets, the economy has slowed since the summer, due to financial uncertainties in Europe and increased concerns about an economic slowdown in the United States. The Japanese economy continued to recover from the downturn caused by earthquake damage, but this recovery was less than robust, due to the prolonged yen strengthening on international currency markets and the economic slowdown overseas.

A look at Hitachi Cable Group business performance during the cumulative second quarter of this consolidated fiscal year shows total net sales of 210,434 million yen, roughly equal to the figure of 207,584 million yen in the cumulative second quarter of the previous consolidated fiscal year (April–September 2010). Various factors contributed to this figure, including copper prices (copper being the primary raw material used to make wires and cables, and other copper products) that rose above levels during the cumulative second quarter of the previous consolidated fiscal year. This was despite downward pressure on sales resulting from the strong yen. A look at income shows operating income fell to 1,356 million yen, down 567 million yen from the cumulative second quarter of the previous consolidated fiscal year. Contributing factors included the strong yen and fluctuations in copper prices, as well as fluctuations in sale prices, despite progress in reducing fixed costs and cost-cutting. Ordinary income fell to 296 million yen, down 608 million yen from the cumulative second quarter of the previous consolidated fiscal year, due to the booking of investment losses by the equity method in addition to lower operating income. The Hitachi Cable Group is also seeking to strengthen its business foundations through structural reforms under its Renewed Plan “BRIDGE” medium-term management plan. Factors including the booking of impairment losses and costs associated with business structural improvements as extraordinary losses resulting from the implementation of these plans meant net income fell to a net loss of 9,056 million yen, down 9,873 million yen from the cumulative second quarter of the previous consolidated fiscal year.

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 10 of the Appendix.

Industrial Infrastructure Products

Net sales in this segment totaled 45,019 million yen. Operating losses totaled 217 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 second 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 73,868 million yen. Operating income totaled 854 million yen.

A look at net sales by product shows that while recovering production at automakers strengthened demand for automotive components starting in the second quarter of this consolidated fiscal year (July–September 2011), this demand failed to reach the levels achieved in the cumulative second quarter of the previous consolidated fiscal year, when a rush in demand prior to the end of the eco-car subsidy program led to booming sales. Demand in the electronic products business fell, especially for products for television and semiconductor markets. Since the second quarter of this consolidated fiscal year, sales in the magnet wire products business have surpassed those in the cumulative second quarter of the previous consolidated fiscal year, driven by booming demand for products designed for the automotive electronics components field.

Information Systems Devices & Materials

Net sales in this segment totaled 22,853 million yen. Operating losses totaled 251 million yen.

Net sales in the information networks business grew from the cumulative second quarter of the previous consolidated fiscal year, thanks to increased demand from telecommunications carriers for use in long-term evolution (LTE) mobile backhaul, alongside strong sales to enterprises in general. Sales in the wireless systems business were slow, as demand for use in mobile phone base stations entered an off-peak period. Sales in the compound semiconductor products business declined from the cumulative second quarter of the previous consolidated fiscal year due to production stoppages attributable to the earthquake in the first quarter of this

consolidated fiscal year (April–June 2011), as well as lower sales accompanying restructuring of the LED business.

Metal Materials & Component Products

Net sales in this segment totaled 50,162 million yen. Operating losses totaled 512 million yen.

Despite sluggish demand for products for the semiconductor market, copper prices above levels in the cumulative second quarter of the previous consolidated fiscal year led to an increase in net sales of copper strips. While demand for copper tubes for air-conditioner use rapidly declined beginning in the second quarter of this consolidated fiscal year, sales of copper products increased due to strong demand for copper products for electrical use and processed goods and due to the impact of copper prices. Sales of lead frames, particularly among products for the semiconductor market, marked a slowdown. Lower demand for memory use and for special applications, in addition to the decrease following the withdrawal from the chip-on-film (COF) business for LCD use, affected sales of package materials.

Sales Companies

Net sales in this segment totaled 18,532 million yen. Operating income totaled 1,092 million yen.

(2) Qualitative information on consolidated financial conditions

Total assets at the end of the second quarter of this consolidated fiscal year were 265,303 million yen, 5,447 million yen fell the figure at the end of the previous consolidated fiscal year. This figure reflects current assets of 162,213 million yen, an increase of 6,766 million yen from the end of the previous consolidated fiscal year. This growth is primarily attributable to an increase of 7,355 million yen in trade receivable.

Fixed assets fell by 12,213 million yen from the end of the previous consolidated fiscal year to 103,090 million yen, due primarily to a decline of 4,909 million yen in buildings and structures, a decline of 3,523 million yen in machinery, vehicles, and tools, a decline of 3,888 million yen in negotiable securities.

Liabilities totaled 168,867 million yen, an increase of 4,210 million yen from the end of the previous consolidated fiscal year. This increase was due primarily to an increase of 10,010 million yen in short-term debts, a decline of 3,245 million yen in reserves for losses due to disasters.

Net assets totaled 96,436 million yen, fell by 9,657 million yen from the end of the previous consolidated fiscal year, due primarily to an increase of 9,056 million yen in retained earnings, an decline of 867 million yen in net unrealized holding gains on securities.

(3) Qualitative information on consolidated business performance forecasts

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 the forecasts of business performance announced in "Notice of revisions to forecasts of business performance and notice of dividend forecasts," released September 9, 2011. But ordinary income declined from the forecast due to the worse of investment losses by equity method. However, net loss lessened because extraordinary losses for the cumulative second quarter of this consolidated fiscal year declined from the forecast.

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 enhancement of product competitiveness.

【Revisions to forecasts of full-year business performance of fiscal 2012】

(April 1, 2011 - March 31, 2012)

	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

(Note1) 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.

(Note2) 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.

2. Notes concerning summary information

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

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

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 second 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.

1. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(Units: million yen)

	End of consolidated fiscal 2011 (March 31, 2011)	Consolidated 2nd quarter of fiscal 2012 (Sep. 30, 2011)
(Assets)		
Current assets		
Cash and cash equivalents	11,689	7,763
Trade receivables	81,669	89,024
Securities	144	191
Merchandise and products	10,900	12,851
In-process inventories	27,608	29,212
Raw materials and supplies	13,880	10,488
Deferred tax assets	521	494
Other	9,226	12,368
Allowance for doubtful accounts	-190	-178
Total current assets	155,447	162,213
Fixed assets		
Tangible fixed assets		
Buildings and structures	109,207	105,687
Cumulative depreciation	-71,526	-72,915
Buildings and structures (net)	37,681	32,772
Machinery, vehicles, and tools	273,428	270,872
Cumulative depreciation	-240,211	-241,178
Machinery, vehicles, and tools (net)	33,217	29,694
Land	9,712	9,610
Construction in progress	1,353	1,849
Total tangible fixed assets	81,963	73,925
Intangible fixed assets		
Goodwill	526	394
Other	8,044	8,118
Total intangible fixed assets	8,570	8,512
Investments and other assets		
Negotiable securities	17,175	13,287
Long-term loans	2,726	2,506
Deferred tax assets	1,055	1,060
Other	6,306	6,103
Allowance for doubtful accounts	-2,492	-2,303
Total investments and other assets	24,770	20,653
Total fixed assets	115,303	103,090
Total assets	270,750	265,303

(Units: million yen)

	End of consolidated fiscal 2011 (March 31, 2011)	Consolidated 2nd quarter of fiscal 2012 (Sep. 30, 2011)
(Liabilities)		
Current liabilities		
Trade payables	59,047	53,971
Short-term debt	15,393	25,403
Long-term debt due within one year	—	5,000
Corporate tax payable	1,009	1,417
Reserves for losses due to disasters	5,140	1,895
Provision for surcharge	—	1,426
Other	23,317	24,265
Total current liabilities	<u>103,906</u>	<u>113,377</u>
Fixed liabilities		
Company bonds	5,000	5,000
Long-term debt	23,500	18,500
Deferred tax liabilities	2,541	2,119
Retirement and severance benefits	26,669	27,936
Reserve for directors' retirement allowances	635	414
Liability due to application of equity method	1,924	1,203
Other	482	318
Total fixed liabilities	<u>60,751</u>	<u>55,490</u>
Total liabilities	<u>164,657</u>	<u>168,867</u>
(Net assets)		
Shareholders' equity		
Common stock	25,948	25,948
Capital surplus	31,518	31,518
Retained earnings	57,931	48,875
Treasury stock	-3,989	-3,990
Total shareholders' equity	<u>111,408</u>	<u>102,351</u>
Accumulated other comprehensive income		
Net unrealized holding gains on securities	684	-183
Deferred hedging gains/losses	237	280
Foreign currency translation adjustments	-8,434	-8,204
Total accumulated other comprehensive income	<u>-7,513</u>	<u>-8,107</u>
Minority investments	<u>2,198</u>	<u>2,192</u>
Total net assets	<u>106,093</u>	<u>96,436</u>
Total liabilities and net assets	<u>270,750</u>	<u>265,303</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 Second Quarter)

(Units: million yen)

	Consolidated cumulative 2nd quarter of fiscal 2011 (Apr. 1, 2010 - Sep. 30, 2010)	Consolidated cumulative 2nd quarter of fiscal 2012 (Apr. 1, 2011 - Sep. 30, 2011)
Net sales	207,584	210,434
Cost of sales	180,614	185,740
Total return on sales	26,970	24,694
Sales and general administrative expenses	25,047	23,338
Operating income	1,923	1,356
Non-operating income		
Interest received	124	61
Dividends received	96	162
Insurance income	21	650
Other non-operating income	965	1,085
Total non-operating income	1,206	1,958
Non-operating expenses		
Interest expenses	476	498
Investment losses by equity method	871	1,752
Other non-operating expenses	878	768
Total non-operating expenses	2,225	3,018
Ordinary income	904	296
Extraordinary income		
Gains on sale of negotiable securities	295	—
Amount of reversal of reserves for losses due to disasters	—	1,141
Gains on sale of fixed assets	312	105
Other extraordinary income	—	279
Total extraordinary income	607	1,525
Extraordinary losses		
Impairment losses	78	5,586
Restructuring costs	98	1,456
Losses due to disasters	—	1,322
Transfer to provision for surcharge	—	1,426
Other extraordinary losses	308	255
Total extraordinary losses	484	10,045

	Consolidated cumulative 2nd quarter of fiscal 2011 (Apr. 1, 2010 - Sep. 30, 2010)	Consolidated cumulative 2nd quarter of fiscal 2012 (Apr. 1, 2011 - Sep. 30, 2011)
Net income (loss: -) before taxes and other adjustments	1,027	-8,224
Corporate taxes, etc.	72	677
Net income (loss: -) before adjustment for minority interests	955	-8,901
Gains to minority investors	138	155
Net income (loss: -)	817	-9,056

(Quarterly Statement of Consolidated Comprehensive Income)
(Consolidated Cumulative Second Quarter)

(Units: million yen)

	Consolidated cumulative 2nd quarter of fiscal 2011 (Apr. 1, 2010 - Sep. 30, 2010)	Consolidated cumulative 2nd quarter of fiscal 2012 (Apr. 1, 2011 - Sep. 30, 2011)
Net income (loss: -) before adjustment for minority interests	955	-8,901
Other comprehensive income		
Net unrealized holding gains on securities	-603	-867
Deferred hedging gains/losses	168	-158
Foreign currency translation adjustments	-859	260
Equity in equity-method affiliates	-128	146
Total other comprehensive income	-1,422	-619
Comprehensive income	-467	-9,520
(Items)		
Comprehensive income attributable to owners of the parent	-569	-9,650
Comprehensive income attributable to minority interests	102	130

(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 network, wireless system and compound semiconductor. 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 second quarter of fiscal 2011 (Apr. 1, 2010- Sep. 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)	40,584	74,780	25,484	50,320	16,416	207,584	-	207,584
In-house sales or transfer between operating segments (Note1)	15,396	40,443	1,647	10,781	65,839	134,106	-134,106	-
Total	55,980	115,223	27,131	61,101	82,255	341,690	-134,106	207,584
Segment income (loss :-)	-342	1,405	96	-394	746	1,511	412	1,923

(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 412 million yen in adjustments to segment income or loss (-) reflects -192 million yen in amortization of goodwill, 466 million yen in elimination of transactions within and between segments, and 138 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 second quarter of fiscal 2012 (Apr. 1, 2011- Sep 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)	45,019	73,868	22,853	50,162	18,532	210,434	—	210,434
In-house sales or transfer between operating segments (Note1)	16,576	37,497	2,020	8,201	71,820	136,114	-136,114	—
Total	61,595	111,365	24,873	58,363	90,352	346,548	-136,114	210,434
Segment income (loss :-)	-217	854	-251	-512	1,092	966	390	1,356

(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 390 million yen in adjustments to segment income or loss (-) reflects -132 million yen in amortization of goodwill, 209 million yen in elimination of transactions within and between segments, and 313 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.

(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

(Adoption of early retirement and outplacement program)

Based on discussions with its labor union, Hitachi Cable, Ltd. has reached agreement about an early retirement and outplacement program on October 27, 2011.

1. Reasons for adoption of early retirement and outplacement program

In response to dramatic worsening in the business environment in fiscal year 2009 (ended March 2009) and declining business performance, the Hitachi Cable Group launched various business structural reforms and performance improvement measures. Nevertheless, it has continued to operate at a loss since fiscal 2009. Hitachi Cable has now revised its medium-term management plan, formulating a Renewed Plan "BRIDGE" medium-term management plan.

Under the new medium-term management plan, in addition to proceeding with the selection and concentration of businesses and measures to reorganize its business structure, Hitachi Cable will rationalize its workforce through an early retirement and outplacement program to adapt to the reduced scale of its domestic businesses.

2. Overview of the early retirement and outplacement program

- (1) Number of candidates sought : Approximately 650 persons
- (2) Eligible persons : Employees of Hitachi Cable and consolidated subsidiaries in Japan, aged 35 and above
- (3) Application period : November 1 – December 31, 2011
- (4) Date of retirement : December 20, 2011 – January 20, 2012
- (5) Compensation : Special retirement benefits will be paid in addition to ordinary retirement benefits. An external outplacement support firm will provide outplacement support for employees aged 35 through 63 who wish to use such services

3. Effect on profits and losses

Extraordinary losses arising from this early retirement and outplacement program are projected to be approximately 7 billion yen on a consolidated basis. This amount will be booked as extraordinary losses in the third quarter of fiscal 2012.