

## Report of Consolidated Financial Results

### For the Nine Months Ended December 31, 2002

<p>Registered Company Name: Hitachi High-Technologies Corporation</p> <p>Code No: 8036</p> <p>URL: <a href="http://www.hitachi-hitec.com/">http://www.hitachi-hitec.com/</a></p> <p>Contact: Tatsuya Akutagawa, Deputy General Manager, General Affairs Dept.</p>	<p>Stock Listings: Tokyo, Osaka</p> <p>Head Office: Tokyo</p> <p>Telephone: (03) 3504-5138</p>
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#### 1. Business Performance

- (1) Results of Operations (For the Nine Months Ended December 31, 2002, and the Year Ended March 31, 2002)

(Millions of Yen)

	Net Sales	Operating Income	Ordinary Income
FY2002 Q1-Q3	¥577,900	¥8,933	¥9,717
FY2001	¥738,289	¥9,940	¥10,321

(Millions of Yen)

	Net Income
FY2002 Q1-Q3	¥4,657
FY2001	¥5,507

- (2) Financial Position (As of December 31, 2002, and March 31, 2002)

(Millions of Yen, %)

	Total Assets	Total Shareholders' Equity	Shareholders' Equity Ratio
FY2002 Q1-Q3	¥386,281	¥153,935	39.9%
FY2001	¥382,533	¥155,154	40.6%

- (3) Scope of Consolidation and Application of Equity Method
- Consolidated subsidiaries: 34
  - Equity-method unconsolidated subsidiaries: 0
  - Equity-method affiliate: 1

## 2. Earnings Outlook (For the Year Ending March 31, 2003)

(Millions of Yen)

	Net Sales	Ordinary Income	Net Income
FY2002	¥764,000	¥11,300	¥5,900

### General Notes

1. Financial data for the third quarter of fiscal 2002 has not been audited.
2. The Company started publishing quarterly results in fiscal 2002. Accordingly, figures for the same period of the previous year are unavailable.
3. Projections made in this report are based on information available at the time of publication. Owing to various factors, actual results may differ from these projections.
4. Amounts less than one million yen have been rounded.

## Results of Operations

### (1) *Overview*

Net sales for the nine months ended December 31, 2002, amounted to ¥577.9 billion, equal to 75.6% of our forecast net sales for the whole of fiscal 2002. Ordinary income totaled ¥9.7 billion and net income was ¥4.7 billion, 86.0% and 78.9% of the corresponding fiscal 2002 full-term projections. Segment operating results were as follows:

#### *Electronic Device Systems*

Sales of semiconductor manufacturing equipment failed to pick up as semiconductor manufacturers continued to restrain capital investment worldwide. Although scanning electron microscopes (SEMs), our principal product in the semiconductor manufacturing equipment category, performed well, sales of electron beam lithography systems and etching systems were lackluster. In contrast, domestic sales of reduced projection exposure systems and sales of liquid crystal display (LCD)-related manufacturing equipment to customers in Taiwan and the Republic of Korea were strong. As a result, segment sales amounted to ¥99.0 billion.

#### *Life Science*

In the field of clinical analyzers, domestic sales were firm. We also enjoyed robust sales of clinical chemistry analyzers and immunoassay analyzers to the United States and Europe. In addition, sales of DNA sequencers to the United States were strong. Reflecting these results, segment sales reached ¥62.0 billion.

#### *Information Systems & Electronic Components*

Reflecting signs of recovery in semiconductor-related demand overseas, we recorded brisk sales of DVD optical pick-ups and semiconductors for cellular phones. Sales of information home appliances to the United States were also buoyant. In addition, we maintained steady sales of mass-production versions of our organic electro-luminescence manufacturing equipment, which were developed in-house. As a result, segment sales totaled ¥224.9 billion.

#### *Advanced Industrial Products*

Sales of optical communications components were weak, owing to the slump in the telecommunications industry, but we achieved firm sales of optical components for LCD projectors and optical pick-up components for DVD-ROMs. Wafers and personal computer (PC)-related products also sold well. Accordingly, we recorded segment sales of ¥192.0 billion.

### (2) *Outlook for the Full Term*

Although it is very difficult to foresee a dramatic recovery in the world economy before the end of fiscal 2002, we are continuing to benefit from strong exports of electronic components, including semiconductors, and information technology (IT)-related products. Accordingly, we aim to achieve net sales of ¥764.0 billion, a 3.5% increase compared with the previous fiscal year; ordinary income of ¥11.3 billion, a 9.5% improvement; and net income of ¥5.9 billion, a 7.1% rise.

We are also striving to become a leading company in nanotechnology and other cutting-edge fields as we respond quickly to our customers' needs and achieve performance targets.

## Consolidated Statements of Income

For the three months and nine months ended December 31, 2002, and the year ended March 31, 2002

(Millions of Yen)

	FY2002 Q3	FY2002 Q1–Q3	FY2001
Net sales	¥192,697	¥577,900	¥738,289
Cost of sales	169,309	507,995	662,257
Gross profit	23,388	69,905	76,032
Selling, general and administrative expenses	19,306	60,972	66,092
Operating income	4,082	8,933	9,940
Other income:			
Interest	96	452	1,047
Dividends	59	143	160
Equity in earnings of affiliates	70	144	159
Others	971	1,409	902
	1,197	2,148	2,268
Other deductions:			
Interest	30	135	183
Others	269	1,228	1,703
	298	1,363	1,887
Ordinary income	4,981	9,717	10,321
Extraordinary gains	—	—	—
Extraordinary losses	—	—	—
Income before income taxes and minority interests	4,981	9,717	10,321
Income taxes	2,187	4,787	4,682
Minority interests	(38)	274	132
Net income	¥ 2,831	¥ 4,657	¥ 5,507

# Consolidated Balance Sheets

As of December 31, 2002, and March 31, 2002

(Millions of Yen)

ASSETS	FY2002 Q3	FY2001	Change
Current assets:			
Cash on hand and in banks	¥ 37,139	¥ 43,193	-6,053
Trade receivables	180,188	177,127	3,060
Marketable securities	2,159	2,098	61
Inventories	46,401	37,448	8,954
Others	18,304	16,616	1,688
Less: Allowance for doubtful receivables	(2,226)	(2,095)	-132
	281,965	274,386	7,578
Property, plant and equipment:			
Land	21,338	20,842	496
Others	36,206	35,742	464
	57,544	56,584	960
Intangible fixed assets	3,370	3,187	183
Investments and other assets:			
Investments in securities	25,027	31,328	-6,301
Others	19,914	18,477	1,437
Less: Allowance for doubtful receivables	(1,538)	(1,429)	-109
	43,403	48,376	-4,973
	104,317	108,147	-3,830
Total assets	¥386,281	¥382,533	3,748

(Millions of Yen)

LIABILITIES AND SHAREHOLDERS' EQUITY	FY2002 Q3	FY2001	Change
Current liabilities:			
Trade payables	¥140,956	¥129,371	11,585
Short-term debt	26,514	29,425	-2,910
Advances from customers	13,566	19,416	-5,849
Other current liabilities	22,199	21,555	643
	203,235	199,766	3,468
Long-term liabilities:			
Retirement allowances	23,433	23,283	151
Reserve for directors' retirement account	1,392	1,157	235
Others	153	126	28
	24,979	24,566	414
Total liabilities	228,214	224,332	3,882
Minority interests	4,132	3,047	1,085
Shareholders' equity:			
Common stock	7,938	7,938	—
Capital surplus	35,745	35,723	21
Accumulated earnings	108,362	106,733	1,630
Net unrealized holding gain on securities	2,992	4,581	-1,589
Foreign currency translation adjustments	(886)	290	-1,176
Less: Treasury stock, at cost	(216)	(111)	-104
Total shareholders' equity	153,935	155,154	-1,219
Total liabilities, minority interests and shareholders' equity	¥386,281	¥382,533	3,748