

HITACHI LTD
Form 6-K
September 26, 2006
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FORM 6-K
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the month of September 2006

Commission File Number 1-8320

Hitachi, Ltd.

(Translation of registrant's name into English)

6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-8280, Japan

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F X Form 40-F _____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): _____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): _____

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes _____ No X

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-_____

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This report on Form 6-K contains the following:

1. Press release dated September 15, 2006 regarding revision of business forecast for Fiscal 2006 and interim dividend
2. Press release dated September 15, 2006 regarding supplementary information for Hitachi's revision of business forecast for fiscal 2006 reasons and future improvement measures
3. Press release dated September 15, 2006 regarding new executive officer

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Hitachi, Ltd.
(Registrant)

Date: September 26, 2006

By /s/ Takashi Hatchoji
Takashi Hatchoji

Executive Vice President and Executive Officer

Table of Contents**FOR IMMEDIATE RELEASE**

**Hitachi Announces Revision of Business Forecast
for Fiscal 2006 and Interim Dividend**

Tokyo, September 15, 2006 Hitachi, Ltd. (NYSE:HIT / TSE:6501) today announced that a meeting of the Board of Directors held today decided to revise the Company's consolidated and non-consolidated business forecast for fiscal 2006, the year ending March 31, 2007, announced with annual operating results on April 27 this year. A meeting of the Board of Directors also decided on the interim dividend applicable to the current fiscal year. Details are as follows.

1. Revision of Business Forecast for the First Half of Fiscal 2006, Ending September 30, 2006**(1) Business Forecast / Consolidated (from April 1, 2006 to September 30, 2006)**

(Billions of yen)

| | Revenues | Operating income (loss) | Income (loss) before income taxes and minority interests | Income (loss) before minority interests | Net income (loss) |
|---|-----------------|--|---|--|------------------------------|
| Previous forecast (A) | 4,590.0 | 50.0 | 60.0 | 20.0 | (10.0) |
| Revised forecast (B) | 4,660.0 | (17.0) | (20.0) | (55.0) | (90.0) |
| (B) - (A) | 70.0 | (67.0) | (80.0) | (75.0) | (80.0) |
| % change | 2% | | | | |
| First half of fiscal 2005, ended September 30, 2005 | 4,413.3 | 77.7 | 82.1 | 21.1 | (10.9) |

Table of Contents**Revenues by Industry Segment**

| | (Billions of yen) | | |
|---|-----------------------|----------------------|-----------------|
| | Previous forecast (A) | Revised forecast (B) | (B) / (A) X 100 |
| Information & Telecommunication Systems | 1,145.0 | 1,130.0 | 99% |
| Electronic Devices | 600.0 | 625.0 | 104% |
| Power & Industrial Systems | 1,220.0 | 1,240.0 | 102% |
| Digital Media & Consumer Products | 765.0 | 760.0 | 99% |
| High Functional Materials & Components | 785.0 | 840.0 | 107% |
| Logistics, Services & Others | 580.0 | 580.0 | 100% |
| Financial Services | 240.0 | 255.0 | 106% |
| Subtotal | 5,335.0 | 5,430.0 | 102% |
| Eliminations & Corporate items | (745.0) | (770.0) | |
| Total | 4,590.0 | 4,660.0 | 102% |

Operating Income (Loss) by Industry Segment

| | (Billions of yen) | | |
|---|-----------------------|----------------------|-----------|
| | Previous forecast (A) | Revised forecast (B) | (B) / (A) |
| Information & Telecommunication Systems | 10.0 | 7.0 | (3.0) |
| Electronic Devices | 11.0 | 21.0 | 10.0 |
| Power & Industrial Systems | 14.0 | (61.0) | (75.0) |
| Digital Media & Consumer Products | (21.0) | (27.0) | (6.0) |
| High Functional Materials & Components | 48.0 | 55.0 | 7.0 |
| Logistics, Services & Others | 5.0 | 4.0 | (1.0) |
| Financial Services | 16.0 | 13.0 | (3.0) |
| Subtotal | 83.0 | 12.0 | (71.0) |
| Eliminations & Corporate items | (33.0) | (29.0) | 4.0 |
| Total | 50.0 | (17.0) | (67.0) |

(2) Business Forecast / Unconsolidated (from April 1, 2006 to September 30, 2006)

| | (Billions of yen) | | |
|---|-------------------|-----------------|------------|
| | | Ordinary income | Net income |
| | Revenues | (loss) | (loss) |
| Previous forecast (A) | 1,150.0 | (50.0) | 0.0 |
| Revised forecast (B) | 1,207.0 | (60.0) | (75.0) |
| (B) / (A) | 57.0 | (10.0) | (75.0) |
| % change | 5% | | |
| First half of fiscal 2005, ended September 30, 2005 | 1,210.7 | 8.9 | 20.0 |

Table of Contents**2. Revision of Business Forecast for Fiscal 2006, Ending March 31, 2007****(1) Business Forecast / Consolidated (from April 1, 2006 to March 31, 2007)**

| | (Billions of yen) | | | | |
|-----------------------------------|-------------------|---------------------|--|--|----------------------|
| | Revenues | Operating income | Income before income taxes and minority interests | Income before minority interests | Net income (loss) |
| Previous forecast (A) | 9,700.0 | 290.0 | 280.0 | 135.0 | 55.0 |
| Revised forecast (B) | 9,740.0 | 180.0 | 160.0 | 25.0 | (55.0) |
| (B) (A) | 40.0 | (110.0) | (120.0) | (110.0) | (110.0) |
| % change | 0% | (38)% | (43)% | (81)% | |
| Fiscal 2005, ended March 31, 2006 | 9,464.8 | 256.0 | 274.8 | 120.5 | 37.3 |

Revenues by Industry Segment

| | (Billions of yen) | | |
|---|-----------------------|----------------------|-----------------|
| | Previous forecast (A) | Revised forecast (B) | (B) / (A) X 100 |
| Information & Telecommunication Systems | 2,530.0 | 2,440.0 | 96% |
| Electronic Devices | 1,245.0 | 1,250.0 | 100% |
| Power & Industrial Systems | 2,660.0 | 2,760.0 | 104% |
| Digital Media & Consumer Products | 1,565.0 | 1,520.0 | 97% |
| High Functional Materials & Components | 1,605.0 | 1,700.0 | 106% |
| Logistics, Services & Others | 1,215.0 | 1,190.0 | 98% |
| Financial Services | 480.0 | 490.0 | 102% |
| Subtotal | 11,300.0 | 11,350.0 | 100% |
| Eliminations & Corporate items | (1,600.0) | (1,610.0) | |
| Total | 9,700.0 | 9,740.0 | 100% |

Operating Income (Loss) by Industry Segment

| | (Billions of yen) | | |
|---|-----------------------|----------------------|---------|
| | Previous forecast (A) | Revised forecast (B) | (B) (A) |
| Information & Telecommunication Systems | 93.0 | 58.0 | (35.0) |
| Electronic Devices | 37.0 | 45.0 | 8.0 |
| Power & Industrial Systems | 93.0 | 35.0 | (58.0) |
| Digital Media & Consumer Products | (28.0) | (45.0) | (17.0) |
| High Functional Materials & Components | 114.0 | 118.0 | 4.0 |
| Logistics, Services & Others | 19.0 | 19.0 | 0.0 |
| Financial Services | 33.0 | 28.0 | (5.0) |
| Subtotal | 361.0 | 258.0 | (103.0) |
| Eliminations & Corporate items | (71.0) | (78.0) | (7.0) |
| Total | 290.0 | 180.0 | (110.0) |

Table of Contents**(2) Business Forecast / Unconsolidated (from April 1, 2006 to March 31, 2007)**

| | | (Billions of yen) | |
|-----------------------------------|-----------------|------------------------|-------------------|
| | | Ordinary income | Net income |
| | Revenues | (loss) | (loss) |
| Previous forecast (A) | 2,600.0 | 5.0 | 30.0 |
| Revised forecast (B) | 2,670.0 | (40.0) | (55.0) |
| (B) (A) | 70.0 | (45.0) | (85.0) |
| % change | 3% | | |
| Fiscal 2005, ended March 31, 2006 | 2,713.3 | 42.6 | 37.0 |

<Reasons for Revisions>

Operating income of the Electronic Devices and High Functional Materials & Components segments are expected to outperform initial projections. However, various factors in other segments are expected to cause operating results to be lower than originally forecast. The Power & Industrial Systems segment will book repair costs related to turbine damage at certain nuclear power plants. It has also seen a significant increase in additional costs for thermal power plants overseas. In the Information & Telecommunication Systems segment, profitability has worsened in hard disk drive operations due to a large drop in prices caused by stiffer competition. Further, falling sales of room air conditioners and DVD recorders, among other factors, are affecting the performance of the Digital Media & Consumer Products segment.

3. The Interim Dividend for the Fiscal Year Ending March 31, 2007

The interim dividend for the fiscal year ending March 31, 2007 has been set as follows.

3.0 yen per share*

* The Company intends to pay interim dividend on December 1, 2006.

Reference: Dividends paid for the fiscal year ended March 31, 2006

| | |
|--------------------|-------------------|
| Interim dividend: | 5.5 yen per share |
| Year-end dividend: | 5.5 yen per share |

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Cautionary Statement

Certain statements found in this document may constitute forward-looking statements as defined in the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking statements reflect management's current views with respect to certain future events and financial performance and include any statement that does not directly relate to any historical or current fact. Words such as anticipate, believe, expect, estimate, forecast, intend, plan, project and similar expressions which indicate future events and trends may identify forward-looking statements. Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the forward-looking statements and from historical trends. Certain forward-looking statements are based upon current assumptions of future events which may not prove to be accurate. Undue reliance should not be placed on forward-looking statements, as such statements speak only as of the date of this document.

Factors that could cause actual results to differ materially from those projected or implied in any forward-looking statement and from historical trends include, but are not limited to:

- fluctuations in product demand and industry capacity, particularly in the Information & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment;
- uncertainty as to Hitachi's ability to continue to develop and market products that incorporate new technology on a timely and cost-effective basis and to achieve market acceptance for such products;
- rapid technological change, particularly in the Information & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment;
- increasing commoditization of information technology products, and intensifying price competition in the market for such products, particularly in the Information & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment;
- fluctuations in rates of exchange for the yen and other currencies in which Hitachi makes significant sales or in which Hitachi's assets and liabilities are denominated, particularly between the yen and the U.S. dollar;
- uncertainty as to Hitachi's ability to implement measures to reduce the potential negative impact of fluctuations in product demand and/or exchange rates;
- general socio-economic and political conditions and the regulatory and trade environment of Hitachi's major markets, particularly, the United States, Japan and elsewhere in Asia, including, without limitation, a return to stagnation or deterioration of the Japanese economy, or direct or indirect restriction by other nations on imports;
- uncertainty as to Hitachi's access to, or ability to protect, certain intellectual property rights, particularly those related to electronics and data processing technologies;
- uncertainty as to the results of litigation and legal proceedings of which the Company, its subsidiaries or its equity method affiliates have become or may become parties;

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- possibility of incurring expenses resulting from any defects in products or services of Hitachi;
- uncertainty as to the success of restructuring efforts to improve management efficiency and to strengthen competitiveness;
- uncertainty as to the success of alliances upon which Hitachi depends, some of which Hitachi may not control, with other corporations in the design and development of certain key products;
- uncertainty as to Hitachi's ability to access, or access on favorable terms, liquidity or long-term financing; and
- uncertainty as to general market price levels for equity securities in Japan, declines in which may require Hitachi to write down equity securities it holds.

The factors listed above are not all-inclusive and are in addition to other factors contained in Hitachi's periodic filings with the U.S. Securities and Exchange Commission and in other materials published by Hitachi.

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FOR IMMEDIATE RELEASE

Supplementary Information for Hitachi's Revision of Business Forecasts for Fiscal 2006

Reasons and Future Improvement Measures

In fiscal 2006, the year ending March 31, 2007, Hitachi is now forecasting net sales of 9,740.0 billion yen, 40.0 billion yen higher than initial forecasts.

However, Hitachi has sharply revised down its initial forecast for operating income by 110.0 billion yen to 180.0 billion yen. This revision mainly reflects a lump-sum charge in the power systems business, and worsening earnings in the hard disk drive (HDD), room air conditioner and other businesses, despite ongoing efforts to thoroughly reduce costs. Consequently, Hitachi is now forecasting an income before income taxes and minority interests of 160.0 billion yen, an income before minority interests of 25.0 billion yen and a net loss of 55.0 billion yen for fiscal 2006. The operating profitability outlook for each segment is as follows.

In the Information & Telecommunication Systems segment, earnings are projected to fall far below initial forecasts despite a strong performance in the storage solutions business. This deterioration mainly reflects worsening profitability in the HDD business due to a large drop in prices in the wake of intensifying price-based competition. In the Electronic Devices segment, the LCD business is on track to meeting initial forecasts for achieving profitable operations. In the Power & Industrial Systems segment, despite healthy results at Hitachi Construction Machinery Co., Ltd., Hitachi will book a lump-sum charge to cover the repair costs for turbine damage at nuclear power plants and cost overruns at an overseas thermal power plant project. This charge will result in much lower segment operating income than initial forecasts. In the Digital Media & Consumer Products segment, flat-panel TVs are almost on track to meeting initial forecasts, but a downturn in sales of room air conditioners and DVD recorders will see earnings fall below initial forecasts. Meanwhile, in the High Functional Materials & Components segment, earnings are expected to surpass initial forecasts due to a steady performance by Hitachi Metals, Ltd., Hitachi Chemical Co., Ltd. and other subsidiaries.

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In light of these revised forecasts, Hitachi will take far-reaching countermeasures in each business, as part of efforts to shift to a highly profitable earnings structure. First, in the power systems business, Hitachi today (September 15) established the Supervisory Office for Power Systems, led by the president, along with project teams within the new unit, to ascertain the cause of turbine damage at nuclear power plants and implement countermeasures. Another task of this organization will be to identify issues relating to the cost overruns at an overseas thermal power plant project and improvement measures. Efforts will also be made to reinforce systems for winning new orders for overseas thermal and nuclear power plant projects and to develop energy technologies, including next-generation nuclear power technologies. In the HDD business, Hitachi will take various initiatives to improve earnings, including launching new products that employ perpendicular magnetic recording technology and reducing costs by improving productivity and by enhancing yields. In the room air conditioner and DVD recorder businesses, Hitachi will strive to strengthen competitiveness by launching new products that fit market requirements, lowering costs and taking other steps.

To further restore reliability of products and services and reinforce manufacturing, Hitachi today (September 15) established the Supervisory Office for MONOZUKURI, led by the president. This headquarters will enhance quality assurance-related education and systems, and bolster development and design processes. Other tasks of the organization include reinforcing risk and project management capabilities, and implementing company-wide activities to restore reliability of products and services .

In light of the large recent deterioration in business performance, Hitachi will reduce the monthly salaries of executive officers.

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1. Reasons for Revising Forecasts and Future Improvement Measures

1-1. Power & Industrial Systems Segment

(1) Repair costs for turbine damage at nuclear power stations

Repair costs for damage to low-pressure steam turbine blades for advanced boiling water reactor nuclear power plants installed at Hamaoka Nuclear Power Station No. 5 and Unit 2 of Shika Nuclear Power Station, operated by Chubu Electric Power Co., Inc. and Hokuriku Electric Power Company, respectively.

<Reason>

Hitachi plans to book a lump-sum charge during the first half of fiscal 2006 based on estimated expenses for the investigation and inspection of turbine damage, as well as immediate and permanent repairs.

<Short-term Countermeasures>

Fully cooperating with electric power companies, Hitachi's Power Systems Group will work alongside Hitachi research laboratories to conduct an exhaustive investigation into the cause of the turbine damage in conjunction with immediate countermeasures. Long-term countermeasures have been formulated and are being proposed.

Hitachi today (September 15) established the Supervisory Office for Power Systems, led by the president, along with project teams within the new unit, to ascertain the cause of the incident and implement countermeasures.

<Medium- and Long-term Improvement Measures>

Reinforce technology development capabilities through unified management of research laboratories and relevant sections in business departments as part of efforts to enhance the competitiveness and reliability of core products (Bolster R&D facilities, develop engineering tools, reduce costs through development process reforms, and shorten design and manufacturing lead times)

Reinforce system for winning new orders for overseas nuclear power plants

Develop next-generation nuclear power technologies

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(2) Cost Overruns at Overseas Thermal Power Plant Project

Large cost overruns have occurred at an overseas thermal power plant project (local installation work for the MidAmerican power plant project) a 790MW ultra-super critical pressure coal-fired thermal power plant for MidAmerican Energy Company in Iowa, U.S.A.

<Reasons>

Hitachi suffered a large increase in costs arising from measures to reverse delays in construction processes. These delays were caused by the outflow of local construction workers and a sharp decline in construction work efficiency related to progress with recovery efforts for Hurricane Katrina in the U.S. South-Midwest region. (Plant will begin operations in May 2007 on schedule.)

Larger-than-planned increase in number of construction processes and deterioration in efficiency of local construction work, due to factors such as local construction companies' relative lack of experience in construction of large-scale coal-fired thermal power plants and difficulty in securing highly-skilled workers. These factors came into play mainly because these kinds of plants have not been built in the U.S. for many years.

Hitachi plans to book a lump-sum charge during the first half of fiscal 2006 based on an estimate of additional costs expected to arise prior to the plant becoming operational in May 2007.

<Short-term Improvement Measures>

Improve construction work efficiency by shifting ordering for local construction work by local general contractors to direct ordering by Hitachi (Hitachi America, Ltd.).

Establish a countermeasures unit to reinforce the local project management framework, including management of construction progress, detailed inspection of construction processes, and real-time cost controls

<Medium- and Long-term Improvement Measures>

Reinforce overseas project management capabilities and risk management (Enhance estimates, contracts, and engineering capabilities)

Develop global businesses and conduct project management closely tied to each region by delegating responsibility to overseas operating companies, such as Hitachi Power Systems America, Ltd. and Hitachi Power Europe GmbH.

Hitachi today (September 15) established the Supervisory Office for Power Systems, led by the president, along with project teams within the new unit, to identify pressing issues and reflect improvements in future activities.

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1-2. Information & Telecommunication Systems (Hard Disk Drive Business)