

July 25, 2008

Announcement of Revision of Business Forecasts Accompanying Change in Accounting Policy

Hitachi High-Technologies Corporation decided to change its accounting policy (revenue recognition criteria) at a meeting of the Executive Committee held today.

Based on this change and recent business performance, Hitachi High-Technologies has decided to revise the Company's business forecasts for the fiscal year ending March 31, 2009, which were announced on April 24, 2008.

1. Revision of consolidated business forecasts

- 1) Forecasts for interim period of fiscal year ending March 31, 2009 (April 1, 2008 – September 30, 2008)

(Millions of yen)

	Net sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	441,000	19,400	19,400	11,580
Revised forecast (B)	415,000	8,800	9,300	4,300
(B) – (A)	-26,000	-10,600	-10,100	-7,280
% change	-5.9	-54.6	-52.1	-62.9
(Ref.) Previous interim results	487,227	23,259	23,755	14,712

- 2) Forecasts for full fiscal year ending March 31, 2009 (April 1, 2008 – March 31, 2009)

(Millions of yen)

	Net sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	910,000	43,000	43,000	26,800
Revised forecast (B)	880,000	35,000	35,300	22,000
(B) – (A)	-30,000	-8,000	-7,700	-4,800
% change	-3.3	-18.6	-17.9	-17.9
(Ref.) Previous interim results	943,124	49,141	48,705	26,932

2. Revision of non-consolidated business forecasts

1) Forecasts for interim period of fiscal year ending March 31, 2009 (April 1, 2008 – September 30, 2008)

(Millions of yen)

	Net sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	350,000	14,000	19,600	14,800
Revised forecast (B)	321,000	4,900	11,080	8,670
(B) – (A)	-29,000	-9,100	-8,520	-6,130
% change	-8.3	-65.0	-43.5	-41.4
(Ref.) Previous interim results	374,362	17,041	18,880	17,886

2) Forecasts for full fiscal year ending March 31, 2009 (April 1, 2008 – March 31, 2009)

(Millions of yen)

	Net sales	Operating profit	Ordinary income	Net income
Previous forecast (A)	712,000	30,700	36,500	25,600
Revised forecast (B)	686,000	24,200	30,300	21,820
(B) – (A)	-26,000	-6,500	-6,200	-3,780
% change	-3.7	-21.2	-17.0	-14.8
(Ref.) Previous interim results	741,203	34,300	36,838	27,730

3. Reasons for the revisions

1) Change in revenue recognition criteria

From April 1, 2008, the Company has changed its revenue recognition criteria with regard to products such as semiconductor manufacturing equipment and LCD manufacturing equipment which require post-delivery installation. In principle, revenue is now recognized on completion of installation, rather than on delivery.

Recent advances in microfabrication technology have led to more sophisticated semiconductor manufacturing equipment and progressively larger LCD manufacturing equipment. As a result, the period between delivery and full installation for the Company's products of this type can be long, while they account for an increasingly large share of revenues. At the same time, improvements to the Company's IT system have enabled it to obtain data regarding the completion of installation work. In light of these developments, therefore, the Company changed its revenue recognition criteria to more accurately reflect revenues in the financial statements.

2) Changes in business environment

The business environment for Hitachi High-Technologies in the first half of the current fiscal year is projected to be severe. In addition to the protracted slump in the semiconductor memory market, the slowdown in the U.S. economy and rising prices of crude oil and raw materials are causing reduced investment by semiconductor memory manufacturers.

However, the Company's orders received should recover because some semiconductor memory manufacturers are expected to restart investment from the second half of the fiscal year and because of the impact of renewed investment in LCD-related manufacturing equipment. In the life science field also, clinical chemistry and immunodiagnostic analyzers for European and U.S. markets and pre-analytical process automation systems are expected to maintain strong sales.

In view of these circumstances, Hitachi High-Technologies has revised its consolidated and non-consolidated business forecasts for the interim period of the fiscal year ending March 31, 2009 and for the full fiscal year ending March 31, 2009.

Note: The above forecasts are based on information available at the time of their announcement and are subject to various risks and uncertainties that could cause actual results to differ materially from forecasts.

(Reference)

1. Breakdown of revision of consolidated business forecasts

1) Forecasts for interim period of fiscal year ending March 31, 2009 (April 1, 2008 – September 30, 2008)

(Millions of yen)

	Previous forecast	Revised forecast	Impact from accounting policy change	Impact from business results change	Interim period of fiscal year ended March 31, 2008*
Net sales	441,000	415,000	-32,000	6,000	487,227
Operating profit	19,400	8,800	-6,700	-3,900	23,259

*Results for same period of last year, for reference

2) Forecasts for full fiscal year ending March 31, 2009 (April 1, 2008 – March 31, 2009)

(Millions of yen)

	Previous forecast	Revised forecast	Impact from accounting policy change	Impact from business results change	Fiscal year ended March 31, 2008*
Net sales	910,000	880,000	-30,000	—	943,124
Operating profit	43,000	35,000	-8,000	—	49,141

*Results for previous fiscal year, for reference

2. Breakdown of revision of non-consolidated business forecasts

1) Forecasts for interim period of fiscal year ending March 31, 2009 (April 1, 2008 – September 30, 2008)

(Millions of yen)

	Previous forecast	Revised forecast	Impact from accounting policy change	Impact from business results change	Interim period of fiscal year ended March 31, 2008*
Net sales	350,000	321,000	-31,200	2,200	374,362
Operating profit	14,000	4,900	-5,695	-3,405	17,041

*Results for same period of last year, for reference

2) Forecasts for full fiscal year ending March 31, 2009 (April 1, 2008 – March 31, 2009)

(Millions of yen)

	Previous forecast	Revised forecast	Impact from accounting policy change	Impact from business results change	Fiscal year ended March 31, 2008*
Net sales	712,000	686,000	-26,000	—	741,203
Operating profit	30,700	24,200	-6,500	—	34,300

*Results for previous fiscal year, for reference

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