

Hitachi Establishes “Hitachi Group Headquarters”
- Aims to Improve Group Management System and Expand Group Synergy -

Tokyo, March 11, 2004 --- Hitachi, Ltd. (NYSE:HIT / TSE:6501) today announced plans to establish the Hitachi Group Headquarters on April 1 2004. This will develop and execute Group management strategy expanding Hitachi’s group synergy. The establishment of Hitachi Group Headquarters is part of Hitachi’s structural reform under the company’s current medium-term management plan, “i.e.HITACHI Plan II.”

Isao Uchigasaki, Chairman of the Board of Hitachi Chemical Co., Ltd., is to head the Hitachi Group Headquarters and will be appointed concurrently Hitachi Group Executive Officer at Hitachi. The Hitachi Group Headquarters will have three divisions: Hitachi Group - Global Business, headed by Hiroaki Nakanishi, Vice President and Executive Officer, Hitachi Group - Legal and Corporate Communications, headed by Takashi Hatchoji, Vice President and Executive Officer and Hitachi Group - Corporate Strategy, headed by Makoto Ebata, Executive Officer. Mr. Nakanishi and Mr. Hatchoji will be Senior Vice President and Executive Officer, and Mr. Ebata will be Vice President and Executive Officer on April 1, 2004.

As a conglomerate of businesses, Hitachi develops businesses in a broad of field with many subsidiaries, including public companies. The Hitachi Group Headquarters is being established for improving Hitachi’s activity on global market, increasing Hitachi’s corporate value continuously.

Details of the Hitachi Group Headquarters have not been finalized, but 50 of its approximate 200 staff will be named from subsidiaries and Hitachi’s business groups eventually. Also, Hitachi will promote the exchange of personnel between Hitachi and its Group companies. These initiatives will improve Hitachi’s group management system from the perspective of the Group as a whole.

Hitachi has previously taken a number of steps designed to improve management of the Group. Two examples are the 1998 establishment of the Hitachi Group Committee and, in June 2003, adoption of the Committee System of Management by Hitachi and 18 publicly owned Group companies. The establishment of the Hitachi Group Headquarters will drive to improve Hitachi's management system which are well-balanced the "Independent Value Creation" and "Strategic Integration", in a way best suited to Hitachi. This will help propel the Hitachi Group toward the "i.e.HITACHI Plan II" goal of positive FIV in fiscal 2005 and growth thereafter by giving full play to its collective strengths.

Note: The Hitachi Group Executive Officer, the head of the Hitachi Group Headquarters, develops and executes initiatives to continually raise the corporate value of each company in the Hitachi Group and the Group as a whole. The Hitachi Group Executive Officer is also responsible for initiating and promoting projects, as well as upgrading cutting-edge and basic research, so as to capture synergies in terms of business strategy and operations by using headquarter functions.

About Hitachi, Ltd.

Hitachi, Ltd., (NYSE:HIT) headquartered in Tokyo, Japan, is a leading global electronics company, with approximately 340,000 employees worldwide. Fiscal 2002 (ended March 31, 2003) consolidated sales totaled 8,191.7 billion yen (\$68.3 billion). The company offers a wide range of systems, products and services in market sectors, including information systems, electronic devices, power and industrial systems, consumer products, materials and financial services. For more information on Hitachi, please visit the company's Web site at <http://www.hitachi.com>.

Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.
