

Hitachi Strengthens Global Consulting Business
Plans to Deliver Seamless Services in Japan, U.S. and Europe
With 3,000 Consultants by Fiscal 2008

TOKYO, Japan, February 7, 2006 --- Hitachi, Ltd. (NYSE:HIT/TSE:6501) today announced a number of actions to strengthen its business and IT consulting operations worldwide – in Japan, the U.S. and Europe. With 3,000 consultants planned by fiscal 2008, these moves establish a framework for delivering seamless consulting services around the world.

On April 3rd, EXSURGE, Inc., a Hitachi Group company in Japan engaged in the consulting business, will be renamed Hitachi Consulting Co., Ltd. At the same time, Paul Yonamine will be appointed Representative Director, President and CEO. The consulting resources of Hitachi, Ltd. and group companies in Japan and Asia will be consolidated in this company. This consolidation will further strengthen Hitachi's Japan and Asia-based consulting business and make it easier to standardize offerings and methodologies for seamless delivery across Asia.

Also, Hitachi Consulting Europe Limited has been established in London, England, to oversee consulting operations in Europe as a wholly owned subsidiary of U.S.-based Hitachi Consulting Corporation. Plans now call for the start of operations in the U.K., Spain and Portugal in March with steps to open offices in other key European markets

in 2007 and 2008.

To provide executive guidance over all Hitachi consulting businesses, the Hitachi Global Consulting Committee will be formed on April 3 within the Information & Telecommunication Systems Group. This committee will promote the sharing of strategies, solution offerings and tools and methodologies across Japan, the U.S. and Europe as well as the reciprocal use of resources among these three regions.

According to Kazuo Furukawa, Chairman of the Board for Hitachi Consulting Corporation, and Executive Vice President and Executive Officer for Hitachi, Ltd., “In recent years, corporate information systems have become increasingly important in the context of management strategy. Against this backdrop, IT vendors are being required to provide total solutions seamlessly and on a worldwide basis. These solutions must encompass everything from consultation on management strategy and business process re-engineering to the building, operation and maintenance of IT solutions.”

Hitachi established the Institute of Advanced Business Systems (now the Business Solution Systems Division) in February 1990 as a consulting division to address these sorts of needs. Subsequently, in November 2000, Hitachi established Hitachi Consulting Corporation to provide these services in the US. Later, in July 2002, EXSURGE, Inc. was established in Japan to specialize in the consulting services business, including management consulting. In November 2005, Hitachi formed alliances with Satyam Computer Services and Intelligroup to establish the Hitachi Global Solutions Center in India as the main hub for expanding Hitachi’s and the Hitachi Group’s global outsourcing capabilities.

Most recently, on February 3, 2006, Hitachi Consulting Corporation announced the acquisition of Business Intelligence and Corporate Performance Management market leader, Navigator Systems, Inc. With this acquisition, Hitachi Consulting continues its aggressive pursuit of the BI and CPM market and will continue to emphasize this important market through additional acquisitions and aggressive, organic growth.

Now, Hitachi announces it will change the name of EXSURGE, Inc. to Hitachi Consulting Co., Ltd. and at the same time appoint Paul Yonamine as Representative Director, President and CEO of the company, and as Executive Advisor for Information & Telecommunication Systems Group of Hitachi, Ltd., effective April 3. Formerly an Executive Vice President of US-based consulting firm BearingPoint, Inc. and Chairman and Representative Director of BearingPoint Co., Ltd., Yonamine made a major

contribution to higher sales and earnings at this company. Through financial audit, consulting and other activities, he has formed close relationships in economic circles and with the heads of companies in Japan. He is a well-known and influential figure in the consulting world.

Under the leadership of Paul Yonamine, Hitachi Consulting Co., Ltd. will draw on and pull together the consulting resources of Hitachi's consulting business units and those of group companies in Japan and Asia. In parallel, the number of consultants for management strategy and other fields will be increased to make the company more competitive as a consulting services firm responsible for Japan and the rest of Asia.

To strengthen operations in Europe, meanwhile, U.S.-based Hitachi Consulting Corporation established Hitachi Consulting Europe Limited as a wholly owned subsidiary in London, England, on December 21, 2005. This company will oversee the operations at companies in the U.K., Spain and Portugal by March this year and will target expansion to Germany and France in the future. To lead this expansion, Hitachi appointed Michael Travis, formerly President and COO of Hitachi Consulting Corporation, as the company's new CEO on January 1, 2006. Travis is responsible for managing the consulting business in both the U.S. and Europe. He joined Hitachi Consulting in July of 2002, along with almost 400 partners and consultants from Andersen Business Consulting, and became President and COO in April of 2003. He has led Hitachi Consulting to the forefront of business and IT consulting in the US with two strong years of growth and increasing profitability. Earlier this year, Travis was honored by Consulting Magazine on its list of Top 25 Consultants.

On April 3, 2006, Hitachi will also establish the Hitachi Global Consulting Committee within the Information & Telecommunication Systems Group. Consulting services companies in Japan, the U.S. and Europe will pursue the same strategy as members of the Hitachi Consulting group and these companies will utilize each other's methodologies and other expertise with the goal of making Hitachi's consulting business consistent and seamless, globally. "We will make the Hitachi Consulting brand a global leader in providing IT and Business consulting services", said Mr. Furukawa.

Hitachi is leveraging its knowledge, experience and capabilities within the Hitachi group with the information and telecommunication business concept "uVALUE", aiming at providing its customers with strategic solutions, which only Hitachi can offer.

Along with these moves to strengthen the consulting services business, Hitachi's intention is to put in place a framework capable of providing services in a seamless fashion to client companies that are rapidly expanding around the world. By also drawing on the Hitachi Group's collective strengths, Hitachi will deliver total solutions that contribute to management innovations at these same companies.

About EXSURGE, Inc.

(To be renamed Hitachi Consulting Co., Ltd. on April 1, 2006)

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| Name | EXSURGE, Inc. (http://www.exsurge.com/) |
| Established | July 1, 2002 |
| Head Office | 7F, Izumi Garden Tower, 1-6-1, Roppongi, Minato-ku, Tokyo 106-6007 |
| Business | Business Consulting and Systems Integration in Japan and Asia |
| Number of Employees | Approximately 50 (As of January 31, 2006) |

About Hitachi Consulting Corporation

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| Name | Hitachi Consulting Corporation (http://www.hitachiconsulting.com) |
| Established | November 1, 2000 |
| President and CEO | Michael Travis |
| Head Office | Dallas, Texas, U.S.A. |
| Business | Consulting in the North America concerning business and IT management |
| Number of Employees | Approximately 900 (As of January 31, 2006) |

Biography of Paul Yonamine

Paul Yonamine joined Peat, Marwick, Mitchell & Company (subsequently renamed to KPMG LLP) in 1979 to provide audit, tax and consulting services to Japanese companies in the United States. Mr. Yonamine became the Partner-in-Charge of KPMG's Japanese Practice in Southern California in 1992. Between 1995 and 1999, Mr. Yonamine served as the Managing Partner of KPMG's Honolulu office and the U.S. National Partner-in-Charge of KPMG's Japanese Practice Consulting Group. Subsequently, Mr. Yonamine became the President and Representative Director of KPMG Consulting Co., Ltd. in 1999, helping to launch the Asia-Pacific operations of the company. In 2001, he was appointed as an Executive Vice President and the Asia Pacific Regional Leader of KPMG Consulting, Inc. (renamed to BearingPoint, Inc. in 2002) and became the Chairman and Representative Director of the Japanese subsidiary. After leaving BearingPoint in April 2005, Mr. Yonamine served as the Senior Advisor to the Mayor of the City and County of Honolulu, where he led the City-wide review and reengineering effort for all City operations.

Paul Yonamine was born in Japan and is fluent in both Japanese and English. He received his Bachelor of Science degree in Accounting from the University of San

Francisco and is a Certified Public Accountant.

Biography of Michael Travis

Before joining Hitachi Consulting, Michael Travis spent 24 years with Arthur Andersen Business Consulting and Andersen Consulting in various client service and practice leadership roles. He spearheaded initiatives to help CIOs drive increased corporate value from the IT function and position IT leadership for higher impact and influence in the organization. Additionally, Travis taught Management Information Systems courses at the University of Texas and Southern Methodist University. Travis also served in industry as a CIO and financial executive for a publicly traded company and as chief executive for a software company.

Since taking the helm in 2003 of Hitachi Consulting, Travis has promoted expansion and innovation. Under his leadership Hitachi Consulting adopted a comprehensive five-year business plan starting from 2004, which in its first 2 years, achieved its profitability goal while growing revenue. In the fall of 2004 Travis led a major reorganization internally within Hitachi Consulting to create an organization that was even more client-focused.

Michael Travis earned a bachelor's degree and master of business administration from the University of Texas. He serves on the Advisory Board for the University of Southern California Marshall School of Business and is active with charitable organizations that benefit children.

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.
