

**Hitachi to hold New President Conference (Extract)**

Tokyo, April 3, 2006 --- Hitachi, Ltd. (TSE:6501 / NYSE:HIT) today held the president conference for media and investors. Below is the extract of the speech of Mr. Kazuo Furukawa, new president of Hitachi, Ltd. as of April 1<sup>st</sup>.

**(1) Hitachi Centennial**

Hitachi will mark its centennial in 2010. The founding philosophy expressed by the words "Harmony," "Sincerity" and "Pioneering Spirit" are very important, even in this day and age. With this founding philosophy in mind, I will do everything in my power to generate growth.

**(2) Thoughts on Management**

When I was appointed president, I cited the words Trust, Challenge, and Leap Forward. With respect to the founding philosophy, I would like to single out Pioneering Spirit, which is at the heart of the will to take on Challenges. In taking on the challenge of future progress, the keywords are "Innovation," "Global" and "Synergy."

**1. Innovation**

The pace of innovation is accelerating. This makes it necessary to be able to "read" the future in order to know which technology is the right one. Hitachi will develop and market new products and systems that can change our world through innovation.

**2. Global**

A business that does not apply at the global level will certainly be eliminated. I intend to transform Hitachi into an advanced, global enterprise, by embracing diversity, including with respect to the development of human resources.

**3. Synergy**

Hitachi is setting up a Group management infrastructure that utilizes the merits of scale of the Hitachi Group, and promoting the optimal use of funds, human resources, purchasing power, IT infrastructures and other such resources. The Group management infrastructure will be used to combine the collective strengths of the Hitachi Group's broad range of businesses, technologies and expertise, to generate optimal "uVALUE" for the diverse problems facing customers and society and put "Inspire the Next" into practice.

**(3) Management-related**

**1. Summary of "i.e. HITACHI plan II" medium-term management plan**

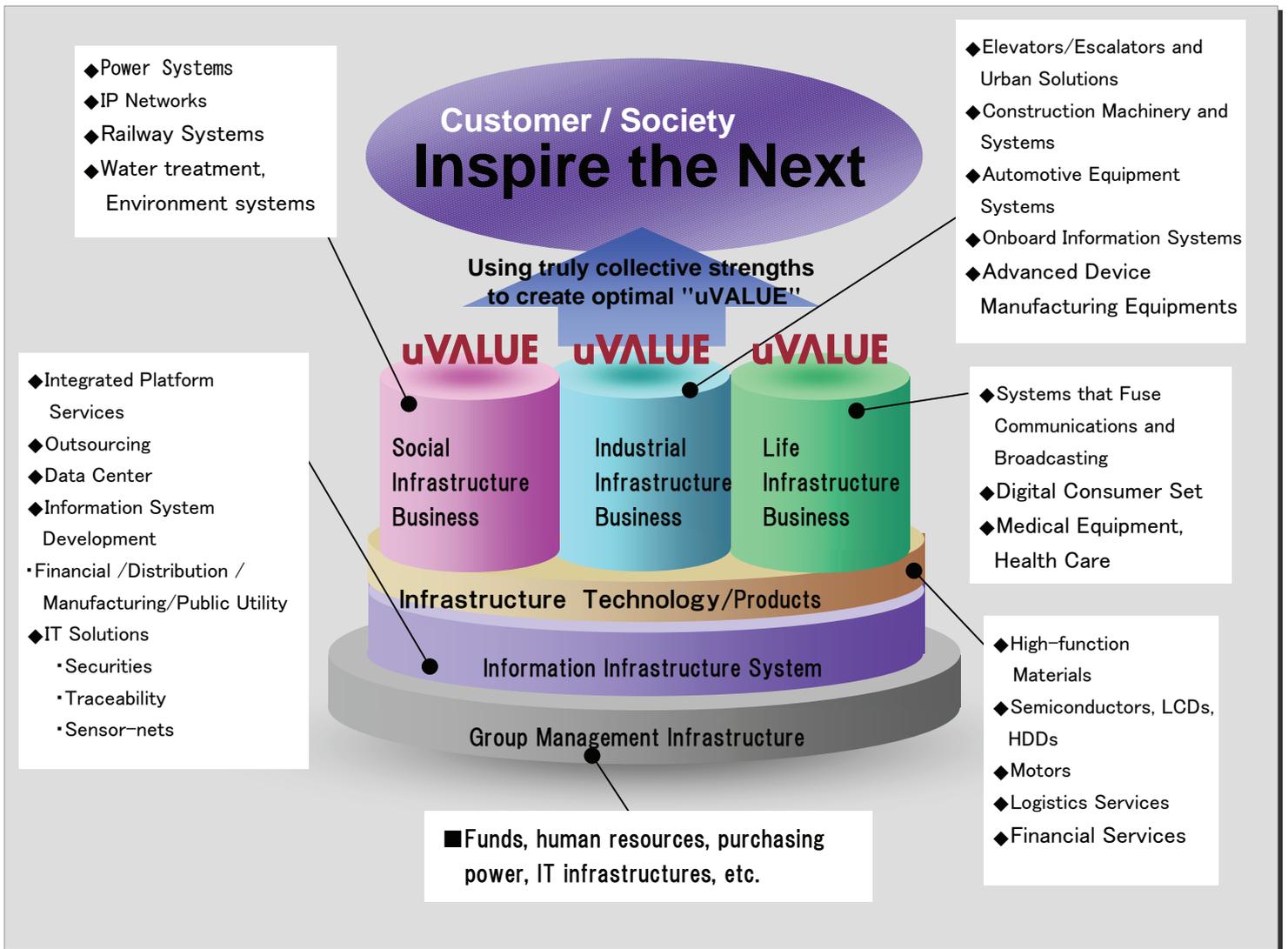
Hitachi has been implementing the plan, with the main emphasis on reshaping its business portfolio, speeding up the globalization process and creating new businesses. The restructuring is producing results, including progress with consolidated management and a strengthening of group governance. Priority has been given to investing in hard-disk drives, flat-panel TVs, LCDs and other such items regarded as core products in the ubiquitous information society. But in terms of profits, these businesses still have problems.

**2. Management Tasks**

I am steadily coming to grips with the biggest task, which is to move hard-disk drives, flat-panel TVs, LCDs and other such operations into the black. As a global enterprise, I want to see the Company attain an operating income ratio at least 5%, as soon as possible.

**(4) What Hitachi should be**

Hitachi should be an aggregate of businesses that underpin people's lives. That is, it should be an aggregation of social infrastructure, industrial infrastructure and life infrastructure, each combined with information infrastructures to thereby produce synergies and create optimal "uVALUE" for customers and society. In other words, Hitachi should be a business entity that utilizes its truly collective strengths, creating high value-added through its ability to freely combine experience, knowledge and expertise drawn from a broad range of business areas.



---

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.

---