

FOR IMMEDIATE RELEASE

**Hitachi, Ltd. to Transfer its Personal Health Care Business to
Hitachi Chemical Co., Ltd.
Restructuring to Enhance the Hitachi Group's Life Sciences Operations**

Tokyo, September 16, 2008 --- Hitachi, Ltd. (NYSE: HIT / TSE: 6501, "Hitachi") and Hitachi Chemical Co., Ltd. (TSE: 4217, "Hitachi Chemical") agreed on October 1, 2008 to transfer Hitachi's personal health care business to Hitachi Chemical to enhance the Hitachi Group's life science operations.

With Hitachi's point-of-care testing systems such as conducting on-the-spot clinical laboratory tests incorporated into both Hitachi Chemical's advantage diagnostic business and contract testing services, Hitachi Chemical's life sciences business will be further strengthened with the expanded line of life sciences products and health checkup solutions designed to prevent lifestyle-related diseases.

Hitachi launched the personal health care business back in September 2002 to make inroads into the home medical testing business. Hitachi's products include "Hitachi Clinical Analyzer S40", a bench-top point-of-care testing systems to conduct patients' on-the-spot clinical laboratory tests, and "Metabolyzer™ Series Hitachi Clinical Analyzer M40", a specific health checkup system for preventing metabolic syndrome. These are highly regarded especially by small medical institutions, such as health clinics and hospitals without expert medial technician, for emergency testing purposes.

Hitachi Chemical prioritizes four key business fields with high growth potential worldwide-"telecommunications and displays", "automobiles", "environment and energy"-which allow Hitachi Chemical to make the most of its strength and expand its businesses. For life sciences, Hitachi Chemical is now expanding the diagnostic business for allergy and infectious disease treatment along with contract testing services.

With this business transfer, Hitachi Chemical will expand the line of life sciences products by adding Hitachi's bench-top point-of-care testing systems to its advanced products such as immunoassay reagents. Moreover, speedy and diversified health checkup solutions will be offered through the integration of both Hitachi Chemical's diagnostic for infectious diseases area and Hitachi's point-of-care testing systems.

Hitachi Chemical will thus further expand the business to meet emerging health checkup demand for lifestyle-related diseases, which are recognized as a social problem as the number of patients is increasing, and to serve the needs of small medical institutions playing a key role in community healthcare.

Meanwhile, the transfer will have minimal impact on this fiscal year's performance for both Hitachi and Hitachi Chemical.

About Hitachi, Ltd.

Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 390,000 employees worldwide. Fiscal 2007 (ended March 31, 2008) consolidated revenues totaled 11,226 billion yen (\$112.3 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, logistics and financial services. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

About Hitachi Chemical Co., Ltd.

Hitachi Chemical Co., Ltd (TSE: 4217), headquartered in Tokyo, Japan, is an innovating global chemical company, with approximately 15,300 employees on a consolidated basis. Fiscal 2007 (ended March 31, 2008) consolidated sales totaled 627 billion yen (\$ 6.3 billion). The Company offers a diverse range of products, including Electronics Related Products and Advanced Performance Products. For more information on Hitachi Chemical, please visit the company's web site at <http://www.hitachi-chem.co.jp/english/>

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.
