

## **Hitachi, Fuji Electric and Meidensha Announce the Profile of a Joint-Venture Company for Transmission and Distribution Field**

Tokyo, May 7, 2001, --- Hitachi, Ltd. (NYSE:HIT), Fuji Electric Co., Ltd. (TSE:6504) and Meidensha Corporation (TSE:6508) announced today that they agreed to form a joint venture company on July 1, 2001. It will be called “Japan AE Power Systems Corporation (tentative name)” which will conduct R &D, design, manufacturing, inspection, quality control and engineering of the products for Transmission and Distribution (T&D) of electric power.

The three companies has been in the comprehensive strategic alliance discussion on all areas of the T&D business from R & D and design, to production and services in order to build a broad range of related cooperation. As a result of the discussion, the alliance will form a joint venture.

By establishing the joint venture company, the alliance intends to improve the product competitiveness, shorten new product development cycle by the synergy of the technologies with the competitive advantages, improve the product line-ups, and strengthen the solutions business sector by meeting the ever-changing needs of the clients.

The overseas sales function of the applicable products for T&D systems will be handled at the new company. The domestic sales function will still remain in the three principal companies.

The three companies are intent on moving to the forefront of the T&D business area while ensuring the new company’s ability to continuously supplying customers with top-quality and highly reliable systems.

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### **A Planned Profile of a New Company**

1. Name : Japan AE Power Systems Corporation  
(Tentative Name)
2. Address : 2-chome, Yaesu, Chuo-ku, Tokyo, Japan
3. Location of Principal Factory : (1) Hitachi-city, Ibaraki-pref.  
(2) Ichihara-city, Chiba-pref.  
(3) Numazu-city, Shizuoka-pref.
4. Capital : 6 billion yen  
(Ratio: Hitachi 50% Fuji 30% Meidensha 20%)
5. Establishment Date : July 1, 2001
6. Representative Officer : Masakazu Mori, President & C.E.O.  
(Former President, Hitachi (China) Ltd.)
7. Employee : About 2,000 people
8. Type of Business : R & D, design, manufacturing, inspection,  
quality control and engineering of the T & D  
products
9. The Business Outlook : Annual Turnover Fiscal Year 2003  
(Ending March 2004) 120 Billion Yen