

Hitachi won a contract from Changchun Railway Vehicles for Chongqing Monorail

TOKYO, Japan, 7 November 2002 --- Hitachi Ltd. (NYSE: HIT / TSE: 6501) today announced that it has won a contract from Changchun Railway Vehicles Co. Ltd. for straddle type monorail system "Chongqing Monorail" which would be introduced to Chongqing City in China. Hitachi was awarded electrical equipment for all train sets and 2 train sets (8 rolling stock) from Changchun Railway Vehicles Co. Ltd., the main contractor of Chongqing Monorail who has won 21 train sets (84 rolling stocks) from Chongqing Rail. Changchun Railway Vehicles Co., Ltd. would manufacture the remaining 19 train sets (76 rolling stocks) with technical cooperation from Hitachi.

Chongqing city showed prosperous growth as the center of economy and transport in Chiangiang (Yangtze River) upper stream region, and became the fourth directly controlled city by the Chinese government in March 1997, along with Beijing, Shanghai, and Tianjin, and is still growing at a rapid speed as the largest industrial city in the southwest region of China. On the other hand, because city transport is dependent on road transportation such as bus and taxi, traffic congestion and air pollution has been conspicuous. Therefore, development of urban transport was an urgent need in easing traffic congestion and improving the living environment. Under these circumstances, the Chinese government has raised the construction of Chongqing Monorail as one of its current ten great major Western Development projects, with Chinese government's financial support and Japanese government's ODA Loan.

The Chongqing Monorail System is the first monorail to be introduced to China. Currently the construction between Jiaochangkou and Dayancun (14 stations), approximately 13.5 km, which is part of Chongqing Monorail's Jiaoxin-line (from Jiaochangkou to Xinshanzhuang), is put forward for the opening in June 2004. The 21 train sets (84 rolling stocks) for this line has been firstly awarded to Changchun Railway Vehicles Co. Ltd. and China Shanghai (Group) Corporation for Foreign Economic and Technological Cooperation from Chongqing Rail Transit General Corporation. Hitachi has been awarded electrical equipment for all train sets and 2 train sets (8 rolling stock) from Changchun Railway Vehicles Co. Ltd. as their subcontractor.

Chongqing City regards monorail as one of the most significant means for improvement and development of transportation network, and has decided to construct further new lines for the straddle type monorail other than Jioxin-line, with a total of 60 to 80km. Other cities in china, such as Shanghai, Hangzhou, and Hefei, also have plans for introducing the monorail system.

Introduction of new transportation system is put forward in many parts around the world as a means to ease traffic congestion. Among these new transportation systems, the straddle type monorails have a long history and achievements since the opening of the Tokyo Monorail System, operated between Hamamatsu-cho Station and Haneda Airport Station, in 1964, as the world's first urban transport system.

High light features of Hitachi's straddle type monorail system are simplicity of track structure which can minimize occupying area, and rolling stock system realizing noise deduction, earning high reputation as an environmentally friendly transport system. Other than Tokyo Monorail that has opened in 1964, Hitachi's monorail system has been introduced and adopted in Kita Kyushu, Osaka, Tama (Tokyo), and Okinawa, keeping top share in the domestic urban transport market. For overseas, Chongqing monorail project lies in the second line for Hitachi, next to Sentosa Monorail Project awarded in this June.

Hitachi will make the most of its achievements and will continue to expand its business for the environmentally friendly straddle type monorail system.

About Hitachi

Hitachi, Ltd., headquartered in Tokyo, Japan, is a leading global electronics company, with approximately 320,000 employees worldwide. Fiscal 2001 (ended March 31, 2002) consolidated sales totaled 7,994 billion yen (\$60.1 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://global.hitachi.com>.

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