

**FOR IMMEDIATE RELEASE**

**IBM and Hitachi Form Research Collaboration to  
Study Chip Characteristics at Near Atomic Scale**

**TOKYO, Japan and ARMONK, NY, March 10, 2008** --- International Business Machines Corporation (NYSE: IBM) and Hitachi, Ltd. (NYSE:HIT / TSE:6501) today announced that they have signed a unique, two-year joint semiconductor metrology research agreement in order to speed the pace of semiconductor innovation. The agreement marks the first time Hitachi and IBM have collaborated on semiconductor technology - the two companies currently work together on enterprise servers and other products.

Miniaturization of transistors, a driving force in improving the performance of computer chips, is being aggressively pursued in the development of next-generation 32 and 22-nanometer devices. The feature size of such minute devices is in the realm of billionths of a meter, and effects at this scale can have a large impact on the electrical characteristics of individual transistors.

The new collaboration will focus on 32-nm and beyond semiconductor research and will use new methods that include the latest technologies to analyze semiconductor devices and structures in order to improve the characterization and measurement of transistor variation – as well as to develop a better understanding of device physics. Engineers from the two companies and Hitachi's subsidiary, Hitachi High-Technologies, will conduct joint research at IBM's Thomas J. Watson Research Center in Yorktown Heights, N.Y. and at the College of Nanoscale Science and Engineering's Albany NanoTech Complex.

“Hitachi's cutting-edge semiconductor characterization capabilities, and IBM's state-of-the-art CMOS research capabilities can help the two companies accelerate the pace of semiconductor innovation for the 32-nanometer generation and beyond,” said Bernie Meyerson, vice president Strategic Alliances and CTO for IBM's Systems & Technology Group. “By combining individual research strength and intellectual property we reduce the significant costs associated with research needed to advance the next generation of chip technology.”

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“Hitachi’s significant expertise in analytical instrumentation and semiconductor physics can promote industry-leading research for next generation semiconductor technology,” said Eiji Takeda, Vice President and Executive Officer, General Manager of Research & Development Group, Hitachi, Ltd. “Our two companies have a long history of successful business collaboration and we look forward to extending this to include the semiconductor metrology research arena.”

IBM and Hitachi, through this collaborative research, intend to investigate the possibilities for even further transistor scaling.

**About IBM**

For further information about IBM Microelectronics, visit <http://www.ibm.com/chips/>.

**About Hitachi, Ltd.**

Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 384,000 employees worldwide. Fiscal 2006 (ended March 31, 2007) consolidated revenues totaled 10,247 billion yen (\$86.8 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 website at <http://www.hitachi.com>.

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