

Hitachi Introduces Sony's Contactless Smart Card Technology "FeliCa"

Tokyo, Japan - June 5, 2002 - Hitachi, Ltd. (TSE:6501) today announced the introduction of FeliCa Technology*¹ developed by Sony Corporation (TSE:6758) for contactless smart card. Accordingly, Hitachi will develop the Operating System using FeliCa Technology for its microcomputer to be built in smart cards and will ship such microcomputer in December 2002.

In recent years, microcomputer built-in smart cards has been adopted and used in various fields such as GSM-SIM*² cards and W-CDMA-UIM*³ cards in communication field, credit cards and cash cards in financial field, electronic transportation ticket and ETC*⁴ cards in transportation field.

Especially in the fields such as transportation field that requires high-speed transaction and distribution field that requires operability and rapid payment have the rush of contactless type adoption.

Contactless smart card system using FeliCa technology has been used for electronic transportation ticket of railroads and buses in domestic and overseas market. It has also been widespread used as a small amount payment card for stores, and also for ID cards.

On the other hand, Hitachi has commercialized "AE-3 Series" with 8-bit CPU core and "AE-4 Series" with 16-bit CPU core as a microcomputer for smart card, and received high reputation for the adoption of high performance, high security, and high reliability in financial field, communication field, and especially for GSM-SIM card for cellular phone.

Furthermore, Hitachi has obtained "ISO 15408"*⁵ certification which is an international standard for security of IT products. It has obtained not only the security of the product, but also the high-level guarantee including security management of product development and manufacturing and is in a leading position in microcomputer market for smart card.

In future, introduction of FeliCa technology will expand Hitachi's product line-ups satisfying the needs from financial and communication fields to transportation and distribution fields including built-in Dual-way chip installing both contact and contactless interface.

- *1 FeliCa Technology: Technology for a contactless smart card system that enables high speed, secure, and high-performance intercommunication in a short distance.
- *2 GSM-SIM (Global System for Mobile communication-Subscriber Identity Module):
GSM is a methodology for mobile communication such as for mobile phones. A SIM card stores user information and by incorporating a card in a GSM telephone set, calls can be made using the information of the card owner.
- *3 W-CDMA-UIM (Wide band-Code Division Multiple Access-User Identify Module):
W-CDMA is one of the communication methodologies that are used for next-generation mobile phones. The methodology targets enhancement of voice quality, high-speed data communication, and international roaming, in comparison to the conventional methods such as GSM and PDC.
A UIM card stores user information in the same way as the SIM card that is used for GSM.
- *4 ETC (Electronic Toll Collection system):
This is a non-stop automatic toll collection system and collects tolls automatically when vehicles pass toll stations of toll roads through a radio device on the road side and on-vehicle device installed in a vehicle.
- *5 ISO 15408: International standard initiated by ISO (International Organization for Standardization) for information technology security evaluation standard in 1999. It is an international standard for evaluating the security strength of software and hardware product and its total.
It is based on “Common Criteria, Version 2.1”, developed at CC Project organized by major Euro-American countries. Therefore, “ISO 15408 “ is sometimes referred as “Common Criteria”.

“FeliCa” is registered trademark of Sony Corporation

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>.

###

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.
