

**FOR IMMEDIATE RELEASE**

**Hitachi Group will Hold 60% Shares of Joint Ventures in Thailand  
to Strengthen the Elevator and Escalator Business**

**Aims to Bolster Manufacturing, Maintenance and Service Framework in Asia**

TOKYO, Japan, 13 May 2005 --- Hitachi Ltd. (NYSE: HIT / TSE: 6501) today announced that it inked a contract with Siam Motors Co., Ltd. under which the Hitachi Group will purchase from Siam Motors an additional 20% of the shares of two joint-venture companies: Siam-Hitachi Elevator Co., Ltd. ("SHE") and Bangkok-Hitachi Elevator Service Co., Ltd. ("BHESCO") which are located in Thailand. SHE manufactures and sells elevators and escalators and BHESCO provides maintenance and services for these products. This purchase is aimed at strengthening the Hitachi Group's elevator and escalator business in Southeast Asia and the Middle East.

As a result of this agreement, the investment ratio of the Hitachi Group (including Hitachi's affiliated company) in both SHE and BHESCO will increase from 40% at present to 60%, giving Hitachi management control. By further bolstering cooperation with the two companies, Hitachi aims to strengthen its framework for elevator and escalator manufacturing, maintenance and services in Asia.

SHE and BHESCO were established in 1991 by the Hitachi Group and Siam Motors Group with the aim of conducting manufacturing, sales and service operations for elevators and escalators in Thailand. With the Thai economy having grown at a stable annual rate of 5-6% in recent years, the elevator and escalator market in the country has also expanded steadily.

Hitachi has positioned Southeast Asia and the Middle East as important regions alongside China and Japan in the elevator and escalator business. Operations are being conducted with the goal of becoming one of the top three companies in Southeast Asia and the Middle East in 2009 with a share of 15% of orders for elevators and escalators in these markets.

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By increasing its investment ratio, Hitachi will deepen ties with SHE and BHESCO, allowing it to utilize its management resources, technologies and know-how, more than before in these operations in Southeast Asia and the Middle East. Backed by a strong market environment, Hitachi plans to leverage its sophisticated technological capabilities, a central strength of the company, and its accomplishments to date in Thailand to strengthen elevator and escalator operations in Southeast Asia and the Middle East.

Furthermore, by adding SHE to manufacturing bases in Japan, China and Singapore, Hitachi's elevator and escalator manufacturing infrastructure will be reinforced in Asia. By taking actions to supply products with greater stability, offer more competitive models and enhance maintenance services, Hitachi plans to expand its elevator and escalator business in Asia.

#### **About SHE**

Company name	Siam-Hitachi Elevator Co., Ltd.
Location	10 <sup>th</sup> Floor RS Tower, 121/42-45, Rachadaphisek Road, Din Daeng, Bangkok, Thailand
Capital Stock	33.5 million baht (around 90 million yen)
Shareholders	(current) Hitachi, Ltd. 20%, Hitachi Asia Ltd. 10%, Hitachi Elevator Engineering (Singapore) Pte. Ltd. 10%, Siam Motors Co., Ltd. 49.98%, others 10.02%
	(after purchasing shares) Hitachi, Ltd. 40%, Hitachi Asia Ltd. 10%, Hitachi Elevator Engineering (Singapore) Pte. Ltd. 10%, Siam Motors Co., Ltd. 29.98%, others 10.02%
President	Phornthep Phornprapha
Number of employees	157 (as of December 31, 2004)
Business	Manufacturing, sales and installation of elevator and escalator
Net sales	Around 400 million baht (around 1.1 billion yen) (fiscal year ended December 31, 2004)

### **About BHESCO**

Company name	Bangkok-Hitachi Elevator Service Co., Ltd.
Location	10 <sup>th</sup> Floor RS Tower, 121/42-45, Rachadaphisek Road, Din Daeng, Bangkok, Thailand
Capital Stock	16.8 million baht (around 45 million yen)
Shareholders	(current) Hitachi, Ltd. 5%, Hitachi Elevator Engineering (Singapore) Pte. Ltd. 20%, Hitachi Building Systems Co., Ltd. 15%, Siam Motors Co., Ltd. 49.79%, others 10.21%
	(after purchasing shares) Hitachi, Ltd. 5%, Hitachi Elevator Engineering (Singapore) Pte. Ltd. 20%, Hitachi Building Systems Co., Ltd. 24%, Hitachi Transport System (Thailand), Ltd. 11% Siam Motors Co., Ltd. 29.79%, others 10.21%
President	Phornthep Phornprapha
Number of employees	281 (as of December 31, 2004)
Business	Maintenance and services of elevator and escalator
Net sales	Around 300 million baht (around 800 million yen) (fiscal year ended December 31, 2004)

### **About Hitachi, Ltd.**

Hitachi, Ltd., (NYSE: HIT/ TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 347,000 employees worldwide. Fiscal 2004 (ended March 31, 2005) consolidated sales totaled 9,027.0 billion yen (\$84.4 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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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.

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