

Hitachi to Withdraw from CRTs for PC Monitors
- Company Will Concentrate Resources on Flat Panel Displays -

TOKYO, July 26, 2001 --- Hitachi, Ltd. (TSE: 6501) today announced that it has decided to withdraw from CRTs for PC monitors. In line with this decision, by the end of 2001 Hitachi will halt production of monitor CRTs at its manufacturing bases in Japan, Singapore and Malaysia, and is reviewing specific options for selling the business.

The sluggishness of the desktop PC market has reduced demand for CRTs for PC monitors, leading to a sharp fall in prices. Moreover, with future demand expected to shift to LCD monitors, there are no prospects for growth of the monitor CRT market.

Hitachi's Display Group has been endeavoring to boost the cost-competitiveness of its products by transferring production overseas and moving to a lineup of higher-value-added products such as short-length CRTs, flat-face CRTs and large-screen CRTs for PC monitors. However, it was determined that any radical improvement in profitability would be difficult to achieve, leading to the decision to pull out of the monitor CRT business.

Looking ahead, the Display Group intends to concentrate resources on flat panel displays, particularly TFT LCDs including low-temperature poly-silicon TFT LCDs, and to utilize its leading-edge technology, including Super TFT, which offers high picture quality and a wide viewing angle and is well-suited for moving picture images. In addition, this month saw the start of TFT LCD production at a high-efficiency production line that uses the world's largest glass substrates, measuring 730 mm by 920 mm. By utilizing these

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strengths, Hitachi will focus on expanding and improving the profitability of its display business, using a product lineup that ranges from small and medium-sized LCDs for mobile phones to large-screen models for multimedia applications.

■ Outline of Hitachi's CRT business for PC monitors

1. Scale of business (fiscal 2000, ended March 31, 2001)

Sales: Approx. 59 billion yen
Production quantity: Approx. 5 million pieces

2. Outline of production bases

Japan

Facility: Sakura Works, Display Group, Hitachi, Ltd.
Location: Sakura City, Chiba Prefecture, Japan
Production item: CRTs for PC monitors
Production quantity: Approx. 1.3 million pieces (fiscal 2000)
Number of employees: Approx. 770 (including employees of subsidiaries)

Singapore

Facility: Hitachi Electronic Devices (Singapore) Pte. Ltd.
Location: Singapore
Production item: CRTs for PC monitors
Production quantity: Approx. 2.5 million pieces (fiscal 2000)
Number of employees: Approx. 950

Malaysia

Facility: Hitachi Electronic Display Devices (Malaysia) Sdn. Bhd., etc.
Location: Johore, Malaysia
Production item: CRTs and electron guns for PC monitors
Production quantity: CRTs: Approx. 1.2 million pieces (fiscal 2000)
Electron guns: Approx. 4 million pieces (fiscal 2000)
Number of employees: Approx. 1,670

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