

FOR IMMEDIATE RELEASE

Hitachi Announces Corporate Split and New Company Establishment Plan for Consumer Business Group

Tokyo, May 26, 2009 --- Hitachi, Ltd. (NYSE:HIT / TSE:6501) today announced that it has decided on a corporate split and new company establishment plan as part of its structural reforms relating to the Consumer Business Group announced on March 16, 2009.

1. Purpose of Corporate Split

Hitachi's Consumer Business Group is engaged in business connected with the development, manufacture and sales of AV-related equipment, mainly flat-panel TVs and commercial-use LCD projectors.

With the business environment remaining challenging due to the worldwide economic downturn and rapid price erosion of flat-panel TVs and other products, Hitachi has been pushing ahead with efforts to convert to a low-risk operating structure and improve earnings by implementing business structure reforms. These reforms have included sourcing glass panel components used in plasma TVs from outside the Hitachi Group and rightsizing the workforce since the previous fiscal year.

Hitachi has decided to split-off the Consumer Business Group on July 1, 2009 and establish a new wholly owned subsidiary called Hitachi Consumer Electronics Co., Ltd. (President and Representative Director : Shutoku Watanabe) to continue these operations.

This corporate split will result in stronger ties with Hitachi Group companies responsible for externally sourcing, selling and providing services for home appliances, as Hitachi seeks to put in place a market-oriented business structure that is more responsive in supplying products matching customer needs. In addition, the new company will strengthen B2B businesses such as commercial-use LCD projectors by making its decision faster. Moreover, by also making full use of cooperation with partners, it aims to quickly establish a stable, high-profit business structure.

Hitachi will continue to look at further business structure reforms, including reorganizing the home appliances and other businesses, in order to optimize the management efficiency of the consumer business in the Hitachi Group as a whole.

2. Outline of the Corporate Split

(1) Corporate Split Schedule

May 26, 2009 Decision on corporate split and company establishment plan

July 1, 2009 (Planned) Scheduled corporate split date (Effective date)

(Note) Hitachi will not seek shareholder approval of the corporate split and company establishment plan because this is a simple corporate split and establishment as provided for in Article 805 of the Corporate Law of Japan.

(2) Corporate Split Method

This is a corporate split in which Hitachi is the transferring company and the new company is the assuming company.

(3) Decrease in Capital, etc. due to Corporate Split

There will be no decrease in capital, etc. due to this corporate split.

(4) Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights of the Transferring Company

There will be no change in the treatment of stock acquisition rights and bonds with stock acquisition rights issued by Hitachi due to this corporate split.

(5) Rights and Obligations to be Transferred to the New Company

The new company will, in principle, take over the contracts related to the transferred businesses and all rights and obligations thereof on the effective date. However, this shall exclude rights and obligations specified separately in the corporate split plan.

(6) Outlook for Fulfillment of Financial Obligations

Hitachi has concluded that the Company and the new company will have the capability to fulfill obligations whose maturity date comes on or after the effective date of the corporate split.

3. Outline of the New Company

(As of March 31, 2009)

	Transferring Company	New Company
Name	Hitachi, Ltd	Hitachi Consumer Electronics, Co., Ltd.
Business	Development, manufacture and sales of information systems, electronic devices, power and industrial systems, consumer products	Development, manufacture and sales of flat-panel TVs and commercial-use LCD projectors, etc.
Established	February 1, 1920	July 1, 2009 (Planned)
Head office	6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo	2-1, Otemachi 2-chome, Chiyoda-ku, Tokyo
Representative	Takashi Kawamura, Representative Executive Officer, Chairman, President and Chief Executive Officer	Shutoku Watanabe, President and Representative Director
Capital	282,033 million yen	1,000 million yen
Shares outstanding	3,368,126,056 shares	20,000 shares
Stockholders' equity	1,049,951 million yen (consolidated basis)	44,042 million yen (unconsolidated basis)
Total assets	9,403,709 million yen (consolidated basis)	106,780 million yen (unconsolidated basis)
Fiscal year end	March 31	September 30
Main shareholders and their holdings	The Master Trust Bank of Japan, Ltd. (Trust Account) 6.22% NATS CUMCO 5.60% Japan Trustee Services Bank, Ltd. (Trust Account 4G) 5.39%	Hitachi, Ltd. 100%

(Note) The name and position of Hitachi's representative is as of April 1, 2009.

*The overview of the new company is a forecast as of July 1, 2009, the effective date of the corporate split. Net assets and total assets are forecasts calculated based on figures as of March 31, 2009.

4. Overview of the Business Group to be Split-Off

(1) Business Activities of the Business Group to be Split-Off

AV-related equipment business, mainly flat-panel TVs and commercial-use LCD projectors.

(2) Operating Results of the Business Group to be Split-Off

Revenues: Approx. 210.0 billion yen (Year ended March 31, 2009, Unconsolidated Basis)

(3) Assets and Liabilities to be Transferred to the New Company (As of July 1, 2009)

Assets: 106,780 million yen

Liabilities: 62,738 million yen

5. Executives of the New Company (As of July 1, 2009)

Shutoku Watanabe

New Position : President and Representative Director,
Hitachi Consumer Electronics, Co., Ltd.

Current Position : President & Chief Executive Officer, Consumer Business Group,
Hitachi, Ltd.

Teizo Fujii

New Position : Executive Managing Director, Hitachi Consumer Electronics, Co., Ltd.

Current Position : CIO, Executive Vice President, Consumer Business Group,
General Manager, Digital AV Products Division, Hitachi, Ltd.

Takeo Yamada

New Position : Executive Managing Director, Hitachi Consumer Electronics, Co., Ltd.

Current Position : General Manager, Solutions Business Division, Consumer Business Group,
Hitachi, Ltd.

Kenichi Yoshitake

New Position : Board Director, Hitachi Consumer Electronics, Co., Ltd.

Current Position : General Manager, Strategic Sales & Marketing Division,
Consumer Business Group, Hitachi, Ltd.

Tetsuo Shigekuni

New Position : Board Director, Hitachi Consumer Electronics, Co., Ltd.

Current Position : General Manager, Human Resources & Administration,
Consumer Business Group, Hitachi, Ltd.

Terada Masao

New Position : Board Director, Hitachi Consumer Electronics, Co., Ltd.

Current Position : General Manager, Finance & Accounting, Consumer Business Group,
Hitachi, Ltd.

Takashi Miyoshi

New Position : Board Director (Part-time) , Hitachi Consumer Electronics, Co., Ltd.

Current Position : Executive Vice President and Executive Officer, Hitachi, Ltd.

Kazuhiro Tachibana

New Position : Board Director (Part-time) , Hitachi Consumer Electronics, Co., Ltd.

Current Position : Executive Vice President & Director, Hitachi Appliances, Inc.

Hiroyuki Mizukami

New Position : Board Director (Part-time) , Hitachi Consumer Electronics, Co., Ltd.

Current Position : CTO, General Manager, Consumer Electronics Laboratory,
Consumer Business Group, Hitachi, Ltd.

Yasushi Fujita

New Position : Corporate Auditor, Hitachi Consumer Electronics, Co., Ltd.

Current Position : Corporate Auditor, Hitachi Communication Technologies, Ltd.

Fumitaka Ito

New Position : Corporate Auditor (Part-time) , Hitachi Consumer Electronics, Co., Ltd.

Current Position : General Manager, Business Strategy Planning & Development,
Consumer Business Group, Hitachi, Ltd.

Masatoshi Kato

New Position : Corporate Auditor (Part-time) , Hitachi Consumer Electronics, Co., Ltd.

Current Position : Board Director, General Manager, Finance Management Division,
Hitachi Appliances, Inc.

6. Status of Hitachi After the Corporate Split

(1) Company Name, Business Activities, Head Office, President, Capital, Fiscal Year

There will be no change due to this corporate split.

(2) Outlook

This corporate split will have no impact on consolidated operating results because the new company is being established as a wholly owned consolidated subsidiary of Hitachi.

Cautionary Statement

Certain statements found in this document may constitute “forward-looking statements” as defined in the U.S. Private Securities Litigation Reform Act of 1995. Such “forward-looking statements” reflect management’s current views with respect to certain future events and financial performance and include any statement that does not directly relate to any historical or current fact. Words such as “anticipate,” “believe,” “expect,” “estimate,” “forecast,” “intend,” “plan,” “project” and similar expressions which indicate future events and trends may identify “forward-looking statements.” Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the “forward-looking statements” and from historical trends. Certain “forward-looking statements” are based upon current assumptions of future events which may not prove to be accurate. Undue reliance should not be placed on “forward-looking statements,” as such statements speak only as of the date of this document.

Factors that could cause actual results to differ materially from those projected or implied in any “forward-looking statement” and from historical trends include, but are not limited to:

- economic conditions including consumer spending and plant and equipment investments in Hitachi’s major markets, particularly Japan, Asia, the United States and Europe, as well as levels of demand in the major industrial sectors which Hitachi serves, including, without limitation, the information, electronics, automotive, construction and financial sectors;
- fluctuations in product demand and industry capacity, particularly in the Information & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment;
- increased commoditization of information technology products and digital media related products and intensifying price competition for such products, particularly in the Information & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment;
- uncertainty as to Hitachi’s ability to continue to develop and market products that incorporate new technology on a timely and cost-effective basis and to achieve market acceptance for such products;
- rapid technological innovation, particularly in the Information & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment;
- exchange rate fluctuation for the yen and other currencies in which Hitachi makes significant sales or in which Hitachi’s assets and liabilities are denominated, particularly against the U.S. dollar and the euro;
- fluctuations in the price of raw materials including, without limitation, petroleum and other materials, such as copper, steel, aluminum and synthetic resins;
- uncertainty as to Hitachi’s ability to implement measures to reduce the potential negative impact of fluctuations in product demand, exchange rate fluctuation and/or in the price of raw materials;
- general socio-economic and political conditions and the regulatory and trade environment of Hitachi’s major markets, particularly Japan, Asia, the United States and Europe, including, without limitation, direct or indirect restrictions by other nations on imports, or differences in commercial and business customs including, without limitation, contract terms and conditions and labor relations;
- uncertainty as to Hitachi’s access to, or ability to protect, certain intellectual property rights, particularly those related to electronics and data processing technologies;
- uncertainty as to the outcome of litigation, regulatory investigations and other legal proceedings of which the Company, its subsidiaries or its equity method affiliates have become or may become parties;
- the possibility of incurring expenses resulting from any defects in products or services of Hitachi;
- uncertainty as to the success of restructuring efforts to improve management efficiency and to strengthen competitiveness;
- uncertainty as to the success of alliances upon which Hitachi depends, some of which Hitachi may not control, with other corporations in the design and development of certain key products;
- uncertainty as to Hitachi’s ability to access, or access on favorable terms, liquidity or long-term financing; and
- uncertainty as to general market price levels for equity securities in Japan, declines in which may require Hitachi to write down equity securities it holds.

The factors listed above are not all-inclusive and are in addition to other factors contained in Hitachi’s periodic filings with the U.S. Securities and Exchange Commission and in other materials published by Hitachi.

About Hitachi, Ltd.

Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 400,000 employees worldwide. Fiscal 2008 (ended March 31, 2009) consolidated revenues totaled 10,000 billion yen (\$102.0 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, logistics 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.
