

Hitachi to Set up New High-Pressure Fuel Pump Factory in Sachsen, Germany

Tokyo, September 30, 2003 --- Hitachi, Ltd. (NYSE: HIT / TSE: 6501) today announced that it is to establish a new factory in Sachsen, Germany, for the production of mainly high-pressure fuel pumps*, a core component of gasoline direct injection engines for automotive applications, whose demand is expected to grow. This new factory will be set up under Hitachi Automotive Systems Europe GmbH, a subsidiary of Hitachi, Ltd. Construction is to start in November 2003 and production is scheduled to start in January 2005.

The high-pressure fuel pump market is expected to continue growing due to increasingly strict environmental regulations in Europe related to the automobile industry. Car manufacturers need to introduce more fuel-efficient engines utilizing direct injection technology. Hitachi estimates the market for high-pressure fuel pumps for gasoline direct injection will increase from 0.2 million units in 2002 to 3.8 million units in 2009.

Hitachi understands that local production is essential for the promotion of the pump in Europe. The new factory will target a turnover of 5 billion yen in 2007.

Hitachi already has one factory for automotive products in Europe, Hitachi Automotive Products Europe Ltd. This factory will continue to produce mainly electronic products and the new factory will produce mechatronic products for automotive applications to expand the business in Europe.

* High-Pressure fuel pump

A pump to supply fuel to fuel injection equipment at high pressure.

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About New Factory

Factory name	Hitachi Automotive Systems Europe GmbH. Sachsen Works
Factory Manager	Mineo Kashiwaya (Currently Hitachi Ltd., Automotive Systems Executive Staff to President)
Location	Rosswein, Sachsen, Germany
Production	Scheduled for January 2005 (Construction begins November 2003)
Products	High-pressure fuel pumps for gasoline direct injection, etc.
Turnover	Around 5 billion yen in 2007
Employees	Around 70 in 2007

About Hitachi Automotive Systems Europe GmbH.

Company name	Hitachi Automotive Systems Europe GmbH.
Managing Director	Haruo Okamoto
Location	Schweig-Oberding, Bayern near Munich airport Germany
Establishment	July 2003
Capital	10.5 million euros (as of End of 2004)
Shareholders	Hitachi Ltd., 67% Hitachi Automotive Products Europe Ltd., 33% (as of end of 2004)
Business	Manufacture and sales of automotive mechatronics components (2005)
Employees	Around 100 include Sachsen Works (2005)

About Hitachi Automotive Products Europe Ltd.

Company name	Hitachi Automotive Products Europe Ltd.
Managing Director	Haruo Okamoto
Location	Bolton, U.K.
Establishment	April 1997
Capital	9 million pounds sterling
Shareholders	Hitachi Ltd. 75%, Hitachi Europe Ltd. 25%
Business	Manufacture and sales of automotive electronics components
Employees	Around 130 (as of September 2003)

About Hitachi, Ltd.

Hitachi, Ltd. (NYSE: HIT), headquartered in Tokyo, Japan, is a leading global electronics company, with approximately 340,000 employees worldwide. Fiscal 2002 (ended March 31, 2003) consolidated sales totaled 8,191.7 billion yen (\$68.3 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://www.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.
