

Hitachi to Announce Restructuring of Color TV Operations in Asian Region

SINGAPORE / TOKYO, Japan, June 29, 2001-- Hitachi, Ltd. today announced that, as part of its restructuring of color TV operations in Asian region, the company has decided to transfer color TV product management and R&D capabilities from Hitachi Consumer Products (S) Pte. Ltd. (HCPS) to Hitachi Asia Ltd. (HAS), Hitachi's regional headquarters. The company has also decided to transfer the manufacturing of color TVs at HCPS to Hitachi's factories in China and Indonesia. The production of vacuum cleaners at HCPS will also be transferred to Thailand.

The measures announced today will make Singapore Hitachi's base for its color TV product management and R&D. HAS is responsible for sales, marketing and international procurement in the Asian region. Following the transfer of color TV product management and R&D, HAS will be able to develop the TV products that further meet market needs.

Affected by the slowdown of the global economy, prices of color TVs have been declining rapidly due to increased competition. And against this backdrop, Hitachi has been strengthening competitiveness of its TV operations on a global scale by consolidating its manufacturing operations, which includes the transfer of cathode-ray tube TV production from Japan to abroad.

About 550 HCPS employees will be affected by the restructuring including about 20 R&D engineers and product management staffs that will be transferred to HAS. Affected employees will receive a compensation package based on the Collective Agreement signed with the Union. An outplacement initiative will be implemented to transfer some of the affected employees to other Hitachi Companies. Hitachi is also working with the relevant government agencies to place affected employees in other companies.

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Hitachi will have a total of about 6,500 employees in Singapore after the restructuring.

<u>Product line</u>	<u>New manufacturing site</u>
Wide-screen color TVs	Hitachi Fujian Digital Media Company Ltd. (Fuzhou China)
4:3 color TVs	P.T. Hitachi Consumer Products Indonesia (Jakarta Indonesia)
Vacuum cleaners	Hitachi Consumer Products (Thailand), Ltd. (Bangkok Thailand)

About HCPS*

Company Name: Hitachi Consumer Products (S) Pte. Ltd.
 Location: Singapore
 Capital: 18.66 million Singapore dollars
 Established: October 1972
 President: Hisayuki Kashimoto
 Business: Manufacturing and sales of TVs and vacuum cleaners
 No. of Employees: About 550

About HAS*

Company Name: Hitachi Asia Ltd.
 Location: Singapore
 Capital: 24 million Singapore dollars
 Established: February 1989
 President: Takashi Muraki
 Business: Sales of Hitachi products, services and international procurement of components and materials.
 No. of Employees: About 870

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About HFDM*

Company Name: Hitachi Fujian Digital Media Company Ltd.
 Location: Fuzhou, China
 Capital: 100 million yuan
 Established: June 2001
 President: Yoshiteru Isago
 Business: Design, production and marketing of projection TVs and other digital media products
 No. of Employees: About 450 (estimated as of December 2001)

About HCPI*

Company Name: P.T. Hitachi Consumer Products Indonesia
 Location: Jakarta, Indonesia
 Capital: 12,780 million Rupiah
 Established: December 1992
 President: Hisayuki Kashimoto
 Business: Manufacturing and sales of color TVs, gas cookers and rice cookers
 No. of Employees: About 950

About HCPT*

Company Name: Hitachi Consumer Products (Thailand), Ltd.
 Location: Samutprakarn, Thailand (near Bangkok)
 Capital: 1,050 million Bahts
 Established: November 1970
 President: Hoya Nakamura
 Business: Manufacturing and sales of refrigerators room, air conditioners, pumps, fans, and rice cookers
 No. of Employees: About 2,320

*Figures as of May 31, 2001

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