

Hitachi empowers new Taiwan Healthcare IC Card with JavaCard™ smart card controller

Tokyo, Japan, April 12, 2002 - Hitachi, Ltd. (Hitachi)(TSE: 6501, NYSE: HIT) today announced that its popular AE-4 family of smart card controllers will start shipping for the Taiwan Healthcare IC Card project. From July 2002, the project will equip 24 million Taiwanese with JavaCard™ technology-based multifunctional smart cards to store personalised information to help provide a state-of-the-art Health Insurance system for Taiwan. This project is performed by the global consortium, led by TECO ELECTRIC & MACHINERY Co., Ltd. (TECO), where Hitachi develops and manufactures microcontroller chips and Giesecke & Devrient develops operating system. The implementation on Hitachi AE-4 16-bit microcontroller is based on Java Card 2.1.

Hitachi is No.1 supplier of microcontroller chips for GSM SIM card and gains ground in new applications such as financial card and ID card. Taiwan Healthcare Card makes a great step forward in those areas.

Satoru Ito, President and Chief Executive Officer of Semiconductor & Integrated Circuits, Hitachi, Ltd. says: "We are delighted to be selected with our smart card controllers in such a high profile project. We see AE-4 smart card controllers as the leading JavaCard™ platform for high security applications. As such, the AE-4 is a perfect fit for Taiwan National Healthcare IC Card, where security, JavaCard™ suitability, function integration, safety of supply are forming a valuable offer to our customer.

"Hitachi is one of our consortium members for the contract to supply the National Healthcare IC Cards to the National Health Insurance Bureau under the cabinet-level Department of Health," said Theodore M.H. Huang, Chairman of TECO. "We were impressed by Hitachi's excellent security capabilities and world-leading technology for its smart card controllers and are very proud to have Hitachi as our strategic partner for the National Healthcare IC Card project."

Ingo Zankel, Senior Vice President, Giesecke & Devrient appreciates cooperating with TECO and Hitachi in the world's largest Java™ smart card project: "G&D's JavaCard™ operating system and its applications will be a corner stone in the overall solution. I believe JavaCard™ on high performance and secure chips will be increasingly important to a wide range of smart card applications." Zankel points out.

The AE-4 family of smart card microcontrollers today includes devices from 8 KB EEPROM to 64 KB EEPROM both with and without coprocessor for public key cryptography. AE-4 is a 16-bit controller and has a linear address space and high memory integration which makes it the platform of choice for JavaCard™ based solutions.

* Java and Java related trademarks and logos are trademarks of Sun Microsystems, Inc. USA

About Hitachi, Ltd.:

Hitachi, Ltd., headquartered in Tokyo, Japan, is one of the world's leading global electronics companies, with fiscal 2000 (ended March 31, 2001) consolidated sales of 8,416 billion yen (\$67.9 billion*). The company manufactures and markets a wide range of products, including computers, semiconductors, consumer products and power and industrial equipment. For more information on Hitachi, Ltd., please visit Hitachi's Web site at <http://global.hitachi.com>.

*At an exchange rate of 124 yen to the dollar.

About TECO

TECO has started out as an industrial motor manufacturer since 45 years ago. Over the years, it has successfully diversified into a conglomerate with worldwide business operations. TECO is not only renowned as a leading heavy electrical industrial brand, but also as a leading manufacturer of home appliances, telecommunications equipment, IT systems, electromechanical components, and commercial electronics. Besides, TECO is also committed to the medical information system, e-commerce and service industry, which including the investment in food and beverage business. Recently, it participates in the High-Speed Railway BOT project that promotes TECO into cross-industrial cooperation. TECO group has about 30 subsidiaries and affiliations across Asia, America and Europe, and the total employee amount is over tens of thousands. For further information about TECO, visit <http://www.teco.com.tw>

About Giesecke & Devrient:

Giesecke & Devrient (G&D) is an internationally operating high-tech group, founded in 1852 as a specialist for banknote printing and security paper manufacture, later adding currency automation systems to its product spectrum. Today, G&D is a technology leader in the supply of smart cards, card systems and solutions for telecommunications, electronic payments, transportation, health, ID, loyalty, pay-TV, multimedia and Internet security (PKI).

The Giesecke & Devrient Group, headquartered in Munich, has subsidiaries and joint ventures operating all over the world. G&D employs almost 7,000 people world-wide and generated a revenue of Euro 1.1 billion in 2000. Throughout the company's 150-year history, G&D has consistently pioneered the use of innovative technology. Today, the supply of complex system solutions and customized services plays an increasingly important part in the organization's activities.

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.
