

## **Hitachi, Ltd. and UNISIA JECS Corporation Sign Share Exchange Agreement**

Tokyo, Japan, May 28, 2002 -- Hitachi, Ltd. (TSE:6501, NYSE:HIT, Hitachi) and UNISIA JECS Corporation (TSE:7205, UJ) today announced that they have signed a share exchange agreement today, in accordance with decisions taken by their respective boards of directors. The agreement is based on a memorandum by the two parties dated April 18, 2002.

### **Outline of the share exchange agreement**

#### **1. Methodology**

Hitachi and UJ shall exchange shares in accordance with the method stipulated in Articles 352 through 363 of the Commercial Code of Japan to have Hitachi become the parent company, retaining whole ownership in UJ and have UJ become a wholly-owned subsidiary of Hitachi.

#### **2. Shares to be issued and allotted for share exchange**

Hitachi shall issue a total of 25,143,245 ordinary shares for allocation to UJ shareholders, including beneficial shareholders listed in the company's shareholders register, including the register of beneficial shareholders, at the close of business on the day prior to the share exchange date. Shareholders of UJ shall receive 0.197 shares of Hitachi stock per share of UJ stock held. However, there will be no allocation of shares with respect to the 25,535,000 shares of UJ stock held by Hitachi.

#### **3. Initial date for calculating dividends**

The initial date for calculating dividends payable on the shares issued for the share exchange in the preceding article shall be October 1, 2002.

#### **4. Amount of capital and capital reserve**

There will be no increase in the capital of Hitachi. Hitachi's capital reserve shall increase by the amount of net assets of UJ that remain outstanding on the effective date of the share exchange, multiplied by the ratio of: the number of shares to be transferred to Hitachi upon the share exchange to the total number of issued shares of UJ.

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### 5. Approval of the agreement

UJ shall propose for shareholder approval the share exchange agreement and share exchange at its ordinary general meeting of shareholders scheduled for June 27, 2002.

In accordance with the provisions of Paragraph 1 of Article 358 of the Commercial Code of Japan, Hitachi does not plan to submit the share exchange agreement for approval at Hitachi's ordinary general meeting of shareholders.

### Schedule of the share exchange

May 28, 2002	Signing of the share exchange agreement
June 27, 2002	Shareholder approval of the share exchange agreement (ordinary general meeting of shareholders of UJ)
September 25, 2002	Delisting of UJ from Tokyo Stock Exchange
September 30, 2002	Deadline for the submission of UJ share certificates by shareholders
October 1, 2002	Effective date of the share exchange

### About Hitachi, Ltd.

Hitachi, Ltd., headquartered in Tokyo, Japan, is one of the world's leading global electronics companies, with fiscal 2001 (ended March 31, 2002) consolidated sales of 7,993.7 billion yen (\$60.1 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 133 yen to the dollar.

### About UNISIA JECS Corporation

UNISIA JECS CORPORATION, headquartered in Atsugi, Kanagawa, Japan, is one of the world's leading automotive parts suppliers, with fiscal 2001 (ended March 31, 2002) consolidated sales of 199.4 billion yen (\$1.5 billion\*) The company manufactures and markets products, including engine components, engine management systems, anti-lock braking systems and power steering systems.

\*At an exchange rate of 133 yen to the dollar.

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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.

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