

**Hitachi Group to eliminate 6 chemical substances targeted in RoHS by March 2005
Shifting to lead-free solder by March 2004 in Japan and by March 2005 worldwide**

Tokyo, December 1, 2003 --- Hitachi, Ltd. (TSE:6501) today announced that Hitachi Group has decided to phase out by the end of fiscal 2004 6 chemical substances (*1) (hereafter referred to as 6 substances) included in about 70 products subject to the EU directive (hereafter referred to as RoHS directive (*2)) restricting the use of certain hazardous substances in electrical and electronic equipment, which became effective in the 15 EU member countries. The Group also decided to abolish the use of lead containing solder and switch to lead-free solder by March 2004 for products produced by its factories in Japan and by March 2005 for products produced the world over, including procured products. The Group has already completed its investigation of 6 substances in use for 70 percent of the parts used for EU-bound products that are subject to the RoHS directive and expects its investigation for all parts to be finished in fiscal 2003. Hitachi Group will accelerate its substitution efforts to achieve a total phase-out in the future.

The RoHS directive targets electric and electronic equipment, banning the use of 6 substances in the products to be sold in the EU member countries after July 2006. Because of its excellent stability and ease of use, lead solder has long been used in joining printed circuit boards with electronic parts in electric and electronic devices. The shift to lead-free solder is increasingly being demanded since it became evident that there is now an increased risk of lead-containing effluent leaching out of landfills because of acid rain.

Hitachi Group has aimed to phase out lead solder by the end of fiscal 2003 for domestic production and has been making efforts to achieve this goal. Regarding the use of lead-free solder for low heat-resistant parts and wave soldered printed circuit boards, a major challenge in achieving this goal, we have confirmed that satisfactory reliability and workability can be obtained by adding indium (In) to the commonly used tin/silver/copper (Sn/Ag/Cu) solder and plan to use it from December 2003. As a result, our goal of abolishing lead solder by the end of fiscal 2003 for domestic production and by March 2005 for overseas production and procured parts is in sight. Along with the expanded use of lead-free solder, the Group additionally intends to do away with 6 target substances from all parts of the world.

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We have already completed the investigation of 70 percent of the parts used for EU-bound products subject to the RoHS directive, and the investigation of all parts is expected to be finished by the end of fiscal 2003. Concerning 30 percent of the parts that were found to be subject to the directive, we have almost finished reviewing alternative technologies and started using them for products.

Hitachi Group, in cooperation with industrial, academic and government circles, has been pushing through the IMS (*3) international project EFSOT(*4) in order to popularize lead-free solder technology. The Group thus far has been engaged in deepening lead-free solder technology and evaluating environmental impacts, having entered into cooperative initiatives with Japan, Europe and Korea in February 2003 in order to push forward technical development on the international front.

Hitachi Group is committed to the ongoing production of eco-friendly, clean products in the future.

(*1) RoHS directive: Restriction of the use of certain hazardous substances in electrical and electronic equipment

(*2) 6 chemical substances: lead, mercury, cadmium, hexavalent chromium, bromic fire retardants (polybrominated biphenyl (PBB), polybrominated diphenyl (PBDE))

(*3) Intelligent Manufacturing Systems

(*4) Next Generation Eco-Friendly Soldering Technology

Examples of application

(1) Lead-free wires for electric and electronic equipment

The Group shifted to lead-free wires that are used for internal and external wiring of electric and electronic equipments. For example, substituted non-lead types (zinc compounds) stabilizers for lead type one and coloring agents that were used in flame-retardant polyethylene electronic wires. Using compounding technology that balances the characteristics of wires, such as heat stability when extruding, heat aging, the ease of cutting/stripping and handling. They have been gradually introduced since October 2002 then, as of now, the goal is more than 90 percent attained.

(2) Reduction of mercury content in fluorescent lamps

With respect to the 8 W strip-light model of fluorescent lamps, its mercury content will be reduced and RoHS directive compatible products will be released into the market in April 2004. By applying the new technology using metal alloys to the mercury-sealing process, the new product succeeded in reducing mercury content by about 70 %.

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>.

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