FOR IMMEDIATE RELEASE

Hitachi, TOKICO and Hitachi Unisia Automotive Sign Merger Agreement

Tokyo, May 25, 2004 ---Hitachi, Ltd. (NYSE:HIT / TSE:6501 / 'Hitachi'), TOKICO LTD. (TSE:7232 / 'TOKICO') and Hitachi Unisia Automotive, Ltd. ('Unisia') announced that they have signed a merger agreement today. This agreement is based on merger memorandum of understanding dated March 26, 2004.

1. Overview of the Merger Agreement

(1) Method used for merger

As the surviving company, Hitachi will absorb TOKICO and Unisia, which will be dissolved thereafter. Shares of TOKICO will be de-listed as of September 27, 2004.

(2) Merger ratio

Hitachi and TOKICO asked Nomura Securities Co., Ltd. ('Nomura Securities') and KPMG Corporate Finance K.K. ('KPMG'), respectively, to calculate proposed merger ratios. Based on discussions by Hitachi and TOKICO with reference to the results of these proposals, the two companies agreed on the merger ratio as follows:

Company	Hitachi	TOKICO
Merger ratio	1	0.521

Hitachi shares will not exchange its shares for those of Unisia because Unisia is a wholly owned subsidiary of Hitachi.

Notes

1. Stock allocation ratio

- 0.521 Hitachi shares will be allotted for every 1 TOKICO share held. However, this may change based on discussions among the three companies if there is a significant change in the three companies' financial position between now and the merger date.
- No allocation will be made with respect to 26,952,434 shares of TOKICO common stock held by Hitachi.
- Hitachi will use treasury stock instead of issuing new shares for all the shares allocated at the time of this merger.

2. Calculation methods and basis of calculations used by third parties

Nomura Securities used the market value method with respect to Hitachi, and the market value, peer company comparison and discounted cash flow methods with respect to TOKICO. Nomura Securities calculated a merger ratio proposal based on a comprehensive analysis using these results.

KPMG used the market value method with respect to Hitachi, and the market value, discounted cash flow and the adjusted net worth methods for TOKICO. KPMG calculated a merger ratio proposal based on a comprehensive analysis using these results.

3. New Hitachi shares issued as a result of this merger

No new shares will be issued because Hitachi will use its treasury stock.

(3) Payments

Hitachi will pay 4 yen per 1 TOKICO share held as an equivalent to TOKICO's interim dividend from April 1, 2004 to September 30, 2004, within three months of the date of merger to shareholders recorded in TOKICO's register of shareholders and beneficial shareholders or registered rights holders at the end of the day prior to the merger date. However, this may change based on discussions between Hitachi and TOKICO if there is a significant change in TOKICO's financial position between now and the merger date.

(4) Capital Stock

There will be no increase in the capital of Hitachi.

There are no changes in the names, business activities, head office or CEOs.

2. Schedule for the merger

May 25, 2004	Conclusion of merger agreement [Board of Directors] (*) [(*Approval by executive officers at Hitachi, and resolution by Board of Directors at TOKICO and Unisia)]
June 16, 2004	Approval of merger agreement at ordinary general meeting of shareholders (Unisia)
June 25, 2004	Approval of merger agreement at ordinary general meeting of shareholders (TOKICO)
August 20, 2004	Public notice and individual notices of submission of TOKICO share certificates (tentative)
September 27, 2004	Delisting of TOKICO shares from the Tokyo Stock Exchange
September 30, 2004	Deadline for submission of TOKICO share certificates
October 1, 2004	Date of merger (tentative)
Early October 2004	Registration of merger (tentative)

Hitachi will merge the two companies without approval of the general meeting of shareholders' of the merger agreement, pursuant to the regulations of Article 413-3, Paragraph 1 of the Commercial Code of Japan.

Cautionary Statement

Certain statements found in this document may constitute "forward-looking statements" as defined in the U.S. Private Securities Litigation Reform Act of 1995. Such "forward-looking statements" reflect management's current views with respect to certain future events and financial performance and include any statement that does not directly relate to any historical or current fact. Words such as "anticipate," "believe," "expect," "estimate," "intend," "plan," "project" and similar expressions which indicate future events and trends are used to assist readers in identifying these "forward-looking statements." Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the "forward-looking statements" and from historical trends. Certain "forward-looking statements" are based on current assumptions of future events which may not prove to be accurate. Undue reliance should not be placed on "forward-looking statements," as such statements speak only as of the date of this document.

Factors that could cause actual results to differ materially from those projected or implied in any "forward-looking statement" and from historical trends include, but are not limited to:

- rapid technological change, particularly in the Information & Telecommunication Systems segment and Electronic Devices segment;

- uncertainty as to Hitachi's ability to continue to develop and market products that incorporate new technology on a timely and cost-effective basis and to achieve market acceptance for such products;

- fluctuations in product demand and industry capacity, particularly in the Information & Telecommunication Systems segment, Electronic Devices segment and Digital Media & Consumer Products segment;

- increasing commoditization of information technology products, and intensifying price competition in the market for such products;

- fluctuations in rates of exchange for the yen and other currencies in which Hitachi makes significant sales or in which Hitachi's assets and liabilities are denominated, particularly between the yen and the U.S. dollar;

- uncertainty as to Hitachi's ability to access, or access on favorable terms, liquidity or long-term financing, particularly in the context of limited credit availability currently prevailing in Japan;

- uncertainty as to Hitachi's ability to implement measures to reduce the potential negative impact of fluctuations in product demand and/or exchange rates;

- general economic conditions and the regulatory and trade environment of Hitachi's major markets, particularly, the United States, Japan and elsewhere in Asia, including, without limitation, continued stagnation or deterioration of the Japanese economy, or direct or indirect restriction by other nations on imports;

- uncertainty as to Hitachi's access to, and ability to protect, certain intellectual property rights, particularly those related to electronics and data processing technologies;

- uncertainty as to the success of alliances upon which Hitachi depends, some of which Hitachi may not control, with other corporations in the design and development of certain key products; and

- uncertainty as to general market price levels for equity securities in Japan, declines in which may require Hitachi to write-down equity securities it holds.

The factors listed above are not all-inclusive and are in addition to other factors contained in Hitachi's periodic filings with the U.S. Securities and Exchange Commission and in other materials published by Hitachi.

<u>Regarding the merger between Hitachi, Ltd. and TOKICO LTD.</u>
Hitachi, Ltd. and TOKICO LTD. are Japanese companies. Information distributed in connection with the proposed merger is subject to Japanese disclosure requirements, which are different from those of the U.S. Financial information included herein is prepared in accordance with Japanese accounting standards and may therefore not be comparable to the financial information of U.S. companies.
It may be difficult for you to enforce your rights and any claim you may have arising under the federal securities laws in respect of the merger, since the companies are located in Japan, and some or all of its officers and directors are residents of Japan. You may not be able to sue the companies or their officers or directors in a Japanese court for violations of the U.S. securities laws. Finally, it may be difficult to compel the companies and their affiliates to subject themselves to a U.S. court's judgment.

About Hitachi, Ltd.
Hitachi, Ltd. (NYSE: HIT), headquartered in Tokyo, Japan, is a leading global electronics company, with approximately 326,000 employees worldwide. Fiscal 2003 (ended March 31, 2004) consolidated sales totaled 8,632.4 billion yen ($81.4 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.

About TOKICO LTD.
TOKICO LTD. located principally in Kanagawa, Japan, is a leading and global company, with approximately 4,300 employees working worldwide. In fiscal 2003 (ended March 31, 2004) consolidated sales totaled 125.1 billion yen ($1.1 billion). The company offers automotive parts, measurement and control systems, pneumatic equipment and services therefore in the world. In the field of automotive parts, TOKICO is a manufacturer in an exceptional position manufacturing and selling both suspension systems and brake systems. Using such position to advantage, TOKICO is engaged in and promoting development of various products that makes vehicles safe, comfortable and environmentally friendly. For more information on TOKICO, please access the company's Web site at http://www.tokico.co.jp

About Hitachi Unisia Automotive, Ltd.
Hitachi Unisia Automotive, Ltd., headquartered in Atsugi, Kanagawa, Japan, is a wholly owned subsidiary of Hitachi, Ltd. and one of the world’s leading automotive parts suppliers, with fiscal 2002 (ended March 31, 2003) unconsolidated sales totaled 173.8 billion yen ($1.6 billion). The company manufactures and markets products, including engine components, engine management systems, anti-lock braking systems and power steering systems.

# # #