

**FOR IMMEDIATE RELEASE**

**HITACHI LAUNCHES SERVER BUSINESS IN NORTH AMERICA**

TOKYO, Japan and BRISBANE, California, November 7, 2005 — Hitachi, Ltd. (NYSE: HIT) today announced the launch of Hitachi's highly scalable and performance oriented blade server platform called "BladeSymphony" as part of its global IT platform business operation in North America, where the market for blade servers is growing rapidly, driven by stringent requirements for cost efficiency and high performance by enterprises seeking to stay competitive and agile.

Hitachi is planning to provide server-based solutions with "BladeSymphony" for the high-end enterprise market in North America through both its own brand as well as OEM offerings. Hitachi believes that it can capture a respectable share of the market due to its unique technology and product position. The blade server product will begin shipping on December, 1st 2005.

Effective Oct 1, 2005, Hitachi, Ltd., established a server systems business unit in Hitachi America, Ltd., a wholly owned subsidiary of Hitachi, Ltd. to provide server-based solutions in North America. The unit has been designated as the Server Systems Group of Hitachi America, Ltd.'s Information Division. The business unit is responsible for sales and marketing, business development, and establishing a service & support infrastructure that will operate 24x7.

Sales offices for the Server Systems Group of Hitachi America are based in both California and New York initially and planned to expand as market conditions dictate to serve nationwide customer requirements. To provide customers with performance and connectivity testing, a System Test Center was also established in California .

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The series of “BladeSymphony” products have been available in the Japan market since the original launch in 2004. More than 100 customers have purchased “BladeSymphony” as alternatives to mainframes and UNIX® units in industries such as finance and telecommunications for mission critical applications.

Traditional enterprise IT systems have grown larger and more complicated. As a result, interest in blade servers has been increasing thanks to their inherent lower total cost of ownership (TCO), as well as efficient server management and consolidated operation. Hitachi’s “BladeSymphony” shares not only the characteristics of conventional blade servers but also has much higher performance, reliability, scalability and flexibility for mission critical applications such as database management.

The major benefits of Hitachi’s “BladeSymphony” include:

- Multi platform capability for server consolidation
  - Supports the latest Microsoft® Windows Server™ 2003 and Red Hat® Enterprise Linux®
  - Accommodates both Intel® Xeon® Processor and Intel® Itanium®2 Processor in the same chassis
  - Easy and flexible server management with Hitachi Management software
- Adoption of the latest technologies
  - The world’s first unique hardware-based virtualization working with Intel® Virtualization Technology on Intel® Itanium®2 Processor, making full use of computing resources
  - Ability for both scale up and scale out for performance enhancement and optimization
  - The world’s first adoption of FSB 667 MHz Intel® Itanium®2 Processor based server module

Hitachi intends to develop close relationships with leading technology partners to provide customers with a variety of solutions in the open market and plans to develop joint activities in areas such as solution development, marketing and sales promotion. To better serve to the market, Hitachi also plans to develop close relationships with business partners such as VARs and system integrators.

Beginning with the North America market, Hitachi plans to expand its server business operation to other regions with "BladeSymphony" families to be one of the leading global server platform providers. Over the course of the next three years, Hitachi anticipates revenue of approximately \$300 million from the "BladeSymphony" and related business.

"Intel welcomes the introduction of Hitachi BladeSymphony into the US market," said Kirk Skaugen, general manager, Server Platforms Group, Intel Corporation. "Intel and Hitachi have worked closely together to deliver technology innovations to provide real benefits to enterprise customers based on advanced server platforms. With the combined benefits of Intel's latest technology integrated into Hitachi's platform, we expect to address enterprise market requirements for highly scalable, reliable and cost effective solutions to accelerate the adoption from proprietary RISC market to open platforms in the mission critical segment."

"Microsoft would like to congratulate Hitachi on the launch of its server systems business unit in North America to provide customers with enterprise-ready blade servers using BladeSymphony," said Bob Muglia, senior vice president, Server and Tools Business, Microsoft Corp. "By incorporating industry-leading products such as 32-bit and 64-bit Windows Server 2003 and SQL Server 2005, which launches today, Microsoft will continue to work closely with Hitachi to provide highly scalable and reliable solutions to meet enterprise customers' demands for mission critical systems."

"Red Hat ® is pleased to support the launch of Hitachi's BladeSymphony. As part of our Open Source Architecture strategy for the enterprise, Red Hat is committed to working with partners to bring to market quality solutions for our enterprise customers. We believe that Red Hat Enterprise Linux ® on BladeSymphony will deliver high value with high performance," said Alex Pinchev, EVP Worldwide Sales/President, International Operations.

### **About Hitachi**

Hitachi America, Ltd., Information Division, Server Systems Group, supplies highly scalable and performance-oriented blade server platforms targeting mid- and large-scale enterprise customers with solutions offerings ranging from high-end transaction engines to large scale databases. For more information about Hitachi blade servers, visit [www.hitachi.us/servers](http://www.hitachi.us/servers) or [www.bladesymphony.com](http://www.bladesymphony.com).

Hitachi America, Ltd. markets and manufactures a broad range of electronics, computer systems and products, and consumer electronics, and provides industrial equipment and services throughout North America. For more information on Hitachi in North America, visit <http://www.hitachi.us>.

Hitachi, Ltd., (NYSE: HIT), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 347,000 employees worldwide. Fiscal 2004 (ended March 31, 2005) consolidated sales totaled 9,027.0 billion yen (\$84.4 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 Website at <http://www.hitachi.com>.

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