

**FOR IMMEDIATE RELEASE**

**Hitachi Sold Shares of Subsidiaries**

Tokyo, December 28, 2005---- Hitachi, Ltd. (TSE: 6501/NYSE: HIT) today announced that it has sold a part of shares of its subsidiaries.

1. Sales of shares:

(1) Name and number of shares sold

(i) Shares of Hitachi High-Technologies Corporation: 5,000,000 shares owned by Hitachi, Ltd.

Following the sale, Hitachi owns 70,807,382 shares, which represent 51.4 % of the issued and outstanding shares of Hitachi High-Technologies Corporation.

(ii) Shares of Hitachi Systems & Services, Ltd.: 3,000,000 shares owned by Hitachi, Ltd.

Following the sale, Hitachi owns 12,800,000 shares, which represent 51.2 % of the issued and outstanding shares of Hitachi Systems & Services, Ltd.

(2) Aggregate proceeds of the sales

Approximately 18.6 billion yen

(3) Method of the sales

Sales underwriting by securities firms and over-allotment

(4) Date of the sales

Shares of Hitachi High-Technologies Corporation: November 21, 2005

Shares of Hitachi Systems & Services, Ltd.: November 30, 2005

2. Impact on fiscal 2005 financial results

The sales of shares are expected to record:

(i) Approximately 12 billion yen in income before income taxes and minority interests and approximately 5.7 billion yen in net income on consolidated bases; and

(ii) Approximately 16.8 billion yen in income before income taxes and approximately 10.5 billion yen in net income on unconsolidated bases.

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Hitachi does not expect that the above sales of shares would affect the business forecast for the fiscal year ending March 31, 2006, which was announced on October 31, 2005.

**About Hitachi,Ltd.**

Hitachi, Ltd., (TSE:6501/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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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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