

## FOR IMMEDIATE RELEASE

### **Hitachi, Toshiba and Renesas Agree to Establish Semiconductor Foundry Planning Company**

TOKYO, Japan, January 18, 2006 --- Hitachi, Ltd. (NYSE:HIT/TSE:6501, “Hitachi”), Toshiba Corporation. (TSE:6502, “Toshiba”) and Renesas Technology Corp.(“Renesas”), today agreed to jointly set up Advanced Process Semiconductor Foundry Planning Co., Ltd., a planning company for a semiconductor foundry business employing advanced fabrication processes. The company will be established in January 2006.

Due to the increasing miniaturization of semiconductor fabrication processes, enormous investment is now required to construct plants that produce system LSIs, which use cutting-edge processes. For example, construction of a semiconductor foundry using next-generation 45-nanometer (nm)\* process technology is said to require an investment of at least 300 billion yen.

Hitachi, Toshiba and Renesas have therefore decided to establish a company to study the feasibility of an independent semiconductor foundry business to which the partners could effectively outsource fabrication of advanced system LSI products based on 65-nm or finer process technologies. After establishment, the company will plan and evaluate the feasibility of the foundry business over a period of approximately six months. If the assessment results in the decision to launch the business, willing companies among Hitachi, Toshiba and Renesas will seek additional investors and take other steps to put in place an optimal operating framework. Alternatively, the planning company will be dissolved if the partners decide not to launch the business.

\* One nanometer is a billionth of a meter.

### **Outline of Semiconductor Foundry Planning Company (Planned)**

Company name:	Advanced Process Semiconductor Foundry Planning Co., Ltd.
Location:	29, Kanda Awajicho 2-chome, Chiyoda-ku, Tokyo
Date of establishment:	January 2006
Representative:	Hirokazu Hashimoto, President (Former Vice-President of NEC Electronics Corporation)
Capital:	100 million yen at establishment, including capital reserve (plans to increase capital by a further 100 million yen in March 2006)
Shareholders and holdings:	Hitachi, Ltd.: 50.1%; Toshiba Corporation: 33.4%; Renesas Technology Corp.: 16.5%
Business activities:	Examine feasibility of establishing an independent foundry business and formulate related business plans
Number of employees:	10

#### **About Hitachi, Ltd.**

Hitachi, Ltd., (NYSE: HIT/ TSE: 6501), 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>

#### **About Toshiba Corporation**

Toshiba Corporation is a leader in the development and manufacture of electronic devices and components, information and communication systems, digital consumer products and power systems. The company's ability to integrate wide-ranging capabilities, from hardware to software and services, assure its position as an innovator in diverse fields and many businesses. In semiconductors, Toshiba continues to promote its leadership in the fast growing system LSI market and to build on its world-class position in NAND flash memories, analog devices and discrete devices. Visit Toshiba's website at [www.toshiba.co.jp/index.htm](http://www.toshiba.co.jp/index.htm)

**About Renesas Technology Corp.**

Renesas Technology Corp. designs and manufactures highly integrated semiconductor system solutions for mobile, automotive and PC/AV markets. Established on April 1, 2003 as a joint venture between Hitachi, Ltd. (NYSE: HIT/ TSE: 6501) and Mitsubishi Electric Corporation (TSE : 6503) and headquartered in Tokyo, Japan, Renesas Technology is one of the largest semiconductor companies in the world and the world's leading microcontroller supplier globally. Besides microcontrollers, Renesas Technology offers flash memories, system-in-package and system-on-chip devices, Smart Card ICs, mixed-signal products, SRAMs and more.  
[www.renesas.com](http://www.renesas.com)

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