

**SUN MICROSYSTEMS, HITACHI, LTD., AND HITACHI DATA SYSTEMS
ANNOUNCE GLOBAL RELATIONSHIP**

**Broad Multi-Billion Dollar Agreement Delivers Superior Products,
Technologies, and Services Offerings for Enterprise Customers**

PALO ALTO, Calif., TOKYO, and SANTA CLARA, Calif., August 8, 2001 - Sun Microsystems, Hitachi, Ltd., and its wholly owned subsidiary, Hitachi Data Systems, today announced that they have entered into a far-reaching agreement. Sun has signed a distributor agreement for certain high-end Hitachi Data Systems products; Sun and Hitachi Data Systems will cross-license and distribute each other's storage software; both companies will collaborate on the development of storage software; and the companies will work on expanding integration capabilities worldwide.

In addition, Sun and Hitachi Data Systems will work on expanding their joint-supplier relationship and invest in joint global mission-critical support centers.

This agreement significantly enhances the competitive advantage for Sun and Hitachi enterprise customers seeking the highest levels of availability. Integrating systems and services with datacenter storage builds a standards-based customer solution without parallel in the industry.

"Over the last five years Sun has evolved from being #1 in workstation servers to being the premier server vendor for mission-critical datacenters," stated Ed Zander, President and Chief Operating Officer, Sun Microsystems, Inc. "Sun is building on a core competency in storage with this bold relationship. Our focus is on delivering end-to-end webtone solutions to meet the most demanding customer requirements."

"Hitachi, Ltd. is proud to announce our new agreement with Sun Microsystems," said Hiroaki Nakanishi, Managing officer and General Manager, International Operations Group, Information and Telecommunication Systems Group, Hitachi, Ltd. "The complementary skills that Sun and Hitachi bring to each other will help both companies achieve continuing success in their storage businesses."

"This agreement enables us to augment the success of the Sun StorEdge(tm) T3 array in the midrange and the enterprise with the new Sun StorEdge 9900 series. With the Sun Enterprise 10000 and the newly introduced MidFrame servers, we are now delivering open, end-to-end Sun systems into high-end glass house environments," remarked Mark Canepa, executive vice president, Sun Network Storage. "We're investing heavily in storage and this relationship extends our strategy for customer success across an even broader front."

"This is a tremendously important day for Hitachi and its customers. We are delighted to team up with Sun Microsystems to change the landscape of the storage industry," said Dave Roberson, Hitachi Data Systems Chief Operating Officer. "With the vast reach of Sun's sales and marketing organization, the benefits of Hitachi Freedom Storage reliability and scalability will become available to far more customers worldwide than ever before. Moreover, our existing customers will gain the benefit of using Sun's storage software."

Highlights of the agreement:

- Sun will extend the Sun StorEdge T3 arrays in direct attach storage (DAS) and storage area network (SAN) environments with a high-end product for the datacenter. Collaboration on this high-end storage solution will extend and complement the comprehensive line of storage products available through Sun's extensive sales force. Sun will globally sell and support the new Sun StorEdge 9900 series, which is based on the Hitachi Freedom Storage™ Lightning 9900™ products.
- Joint distribution agreement for Hitachi's leading storage software and Sun's leading storage management software offerings will be enhanced to support the operation of each other's storage hardware products.
- Sun and Hitachi Data Systems will collaborate to deliver the highest levels of service and solutions to StorEdge 9900 customers worldwide. Joint mission-critical support centers will be staffed with co-located support engineers in multiple locations worldwide.
- The Sun StorEdge 9900 series will be certified for use in SunPlex(tm) and Sun Cluster environments and will deliver higher levels of availability, scalability, and manageability, enabling customers to better manage their service levels. Additionally, Sun's strategic focus is to make the StorEdge 9900 series the leader in performance for enterprise-class Solaris servers.

About Sun Microsystems, Inc.

Since its inception in 1982, a singular vision -- "The Network Is The Computer[tm]" -- has propelled Sun Microsystems, Inc. (Nasdaq: SUNW), to its position as a leading provider of industrial-strength hardware, software and services that power the Internet and allow companies worldwide to take their businesses to the nth. With \$18.3 billion in annual revenues, Sun can be found in more than 170 countries and on the World Wide Web at <http://sun.com>.

About Hitachi, Ltd.

Hitachi, Ltd., headquartered in Tokyo, Japan, is one of the world's leading global electronics companies, with fiscal 2000 (ended March 31, 2001) consolidated sales of 8,417 billion yen (\$67.9 billion*). The company manufactures and markets a wide range of products, including computers, semiconductors, consumer products and power and industrial equipment. For more information on Hitachi, Ltd., please visit Hitachi's Web site at <http://global.hitachi.com>.

About Hitachi Data Systems

Committed to helping customers exploit the value of information technology for success in the Internet economy, Hitachi Data Systems, a wholly owned subsidiary of Hitachi, Ltd. (NYSE:HIT), is a leading provider of business solutions for the world's most information-intensive corporations. For further information on Hitachi Data Systems, access www.hds.com.

This news release contains forward-looking statements, including statements relating to the parties intention to build a standards-based customer solution, Sun's continual efforts to build a core-competency in storage, Sun's focus on delivering end-to-end webtone solutions, the intent of this collaboration to extend and complement Sun's comprehensive line of storage products and Sun's strategic focus to make the StorEdge 9900 series the leader in performance for enterprise-class Solaris servers. Actual results may differ materially from the results discussed in these forward-looking statements. Factors that might cause such a difference include risks related to the ability of the parties to fulfill their obligations under the agreement, continuing adverse changes in general economic conditions, lack of success in the timely development, production, distribution and acceptance of new products and services offered under the terms of the agreement and in technical advancements, and the parties' ability to compete in the highly competitive and rapidly changing marketplace. These and other risks are detailed from time to time in Sun's periodic reports filed with the Securities and Exchange Commission, including, but not limited to, its annual report on Form 10-K for its fiscal year ended June 30, 2000 and its quarterly reports on Form 10-Q for the quarters ended October 1, 2000, December 31, 2000, and April 1, 2001.

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Hear more about Sun's storage strategy via an audiocast later today at www.sun.com/webcast/event-080801

<http://www.sun.com/presskits/sun-hitachi>