

Hitachi Koki's Printer Business to be Split off and Become Subsidiary of Hitachi, Ltd.

-- Integration of New Printing Business of Hitachi --

TOKYO, Japan, April 23, 2002 -- Hitachi Koki Co., Ltd. (TSE:6581) today announced that it would split off its printer business using the corporate split provisions of the Japanese Commercial Code. The decision was reached at a meeting of the company's Board of Directors held on April 23, 2002. Hitachi Koki and Hitachi, Ltd. (TSE: 6501 / NYSE: HIT) simultaneously announced that, it was decided, in meetings of both companies' Board of Directors that, after the two companies agree on the details, Hitachi Koki will establish a new company on October 1, 2002 and, on condition that the split is approved at Hitachi Koki's general meeting of its shareholders, sell all its shares to Hitachi. Hitachi's printer business will then be merged with the new company.

As a result of this decision, Hitachi Koki will be able to concentrate management resources on power tools, thereby enabling it to increase R&D capabilities and global sales strength. This, in turn, will further increase its competitiveness.

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By combining Hitachi's system solutions and color technologies with Hitachi Koki's high-speed printing technology, Hitachi will create a printing solutions company for the ubiquitous information society and expand its printer-related business.

In today's rapidly changing global market where the pace of changing market conditions increases daily, corporations must stay ahead of market trends and provide a high level of customer satisfaction to survive. Under these harsh conditions, one key to survival is to make efficient use of management resources by reevaluating core businesses and concentrating management resources accordingly.

Hitachi Koki has been producing power tools since it was founded. The needs of the Information Age helped turn high-speed printers into pillars of its business. However, taking into consideration the recent business environment, it was decided that management resources should be concentrated in power tools area.

In the power tools business, Hitachi Koki will be able to take advantage of digital design tools, such as 3-D CAD, to strengthen R&D, shorten R&D time for new products and more quickly put attractive new products on the market. In addition, the company will expand its business by broadening hardware store sales routes in Japan and North America, forming strategic alliances, and becoming involved in merger and acquisition activities with accessory and consumable goods manufacturers to achieve globalization.

In addition, more resource will be appropriated to the centrifugal separators business because it is expected that the life-science field will achieve increased growth rates.

Hitachi Koki's printer business had been involved in joint business development activities with Hitachi's Information and Telecommunications System Group. As a result of this merger, such activities are expected to expand and improve as the two sides come together and are reborn as a new Hitachi subsidiary.

The printer market was estimated at 3 trillion yen in 2001 and is expected to continue to grow steadily. Demand for color laser beam printers is forecast to grow at a 10% yearly rate.

Under these market conditions, the newly formed company will combine high-speed printing technology developed by Hitachi Koki and Hitachi's color printing technology. This will allow the new company to aggressively expand business in the home digital and business area. The new company will focus on continuous form, laser beam printers and impact printers, for which Hitachi Koki already has a large market share, and also monochrome cutsheet laser beam printers, high speed color ink jet printers and medium- and low-speed color laser beam printers, etc..

The company will also enter the on-demand printing service business as well as consumable products, including the recycling business. The new company will create printing solutions on a global basis based on Hitachi's system solution technology, thereby contributing to the realization of the ubiquitous information society.

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>.

* At an exchange rate of 124 yen to the dollar.

Hitachi Koki Co., Ltd. manufactures and sells world-class products in three distinct markets; power tools, printing systems and scientific instruments; with fiscal 2000 (ended March 31, 2001) consolidated sales of 130,682 million yen (\$1,208,045 thousand *). As a result of continuous R&D and human resource development, the company has developed core technology leadership in ultra-high-speed motors, ultra-high-precision machining and electronic control technology. For more information on Hitachi Koki Co., Ltd., please visit Hitachi Koki's Web site at <http://www.hitachi-koki.com>.

* At an exchange rate of 123.9 yen to the dollar.

Schedule for Hitachi Koki split of its printer business:

Approval of Split-off Plan by Board of Directors:	May 21, 2002
Presentation of Split-off Plan of General Meeting of Shareholders:	June 26, 2002
Split-off Effective:	October 1, 2002
Registry of Split-off:	October 1, 2002

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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.
