

**Proposal to the General Meeting of Shareholders for the authorization of
the acquisition by Hitachi of its own shares**

Tokyo, June 5, 2002 --- Hitachi, Ltd. (NYSE:HIT / TSE:6501) proposes the authorization of the acquisition by the Company of its own shares to the Ordinary General Meeting of Shareholders to be held on June 26, 2002, for the purpose of implementing flexible capital policy.

The proposal is pursuant to the provisions of Article 210 of the Commercial Code of Japan and the Company shall be authorized to acquire shares of its common stock, not exceeding 300 million shares, for the aggregate prices not exceeding 300 billion yen during the period from the close of this Ordinary General Meeting of Shareholders to the close of the next Ordinary General Meeting of Shareholders.

The specific acquisition plan based on the authorization by the Ordinary General Meeting of Shareholders will be considered in the future from the view of the business plan, financial condition and so on.

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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.
