

Hitachi comments on fine imposed by European Commission for violation of EC Treaty ban on restrictive business practices

Tokyo, January 25, 2007 --- Hitachi, Ltd. (TSE: 6501/ NYSE: HIT) today comments on fine imposed by European Commission for violation of EC Treaty ban on restrictive business practices.

On January 24, 2007, the European Commission has ordered Hitachi to pay a fine of 50,400,000 euros (approx. 7.9 billion yen) for infringement of EC anti-trust rules regarding competitive bidding for a gas insulated switchgear (GIS) equipment for use at power substations. Also, the Commission has ordered Hitachi, Japan AE Power Systems Corporation (Hitachi's equity method company), Fuji Electric Holdings Co., Ltd. and Fuji Electric Systems Co., Ltd. to be jointly and severally liable to pay a fine of 1,350,000 euros (approx. 200 million yen).

Although Hitachi was formerly a supplier of GIS products, it has never sold GIS equipment in Europe. Hitachi believes that it is not in violation of European anti-trust law with regard to tenders for GIS products.

Hitachi will carefully review the substance of the Commission's decision and consider a number of options including the filing of an appeal with the European Court of First Instance.

As Hitachi cannot judge the effect of this matter on business results at this point, it will not revise its financial forecast for fiscal 2006.

About Hitachi

Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 356,000 employees worldwide. Fiscal 2005 (ended March 31, 2006) consolidated sales totaled 9,464 billion yen (\$80.9 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>.

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.
