

A New Framework for Hitachi Home & Life Solutions

TOKYO, February 4, 2004 --- Hitachi Home & Life Solutions, Inc., 100% subsidiary of Hitachi, Ltd. (NYSE: HIT / TSE: 6501) today announced new board members and organization reforms. The changes were approved at its Extraordinary General Meeting of Shareholders on February 4.

The proposed reorganization coincides with the establishment at Hitachi, Ltd. of the Consumer Business Strategy Division to capitalize fully on the Hitachi Group's resources in consumer business. The new organizational structure will take effect tomorrow, February 5, 2004.

The change of the Board is the first since Hitachi Home & Life Solutions was established on April 1, 2002. Tadahiko Ishigaki, Vice President and Executive Officer, General Manager of Corporate Marketing at Hitachi, Ltd. has been appointed President and takes up his new position effective tomorrow. Hitachi's Kazuhiro Tachibana, CSO of the Ubiquitous Platform Systems Group; Takashi Hatchoji, Vice President and Executive Officer, General Manager of Legal and Corporate Communications and Corporate Auditing; and Iwao Hara, Executive Officer, General Manager of Human Capital will serve as adjunct directors.

Also announced today were organizational reforms of the Company. Formerly 19 divisions that report directly to the president, is to be replaced by 5 divisions in a move that will yield a simpler organization. Structured in terms of accountability for sales and earnings, the new organization will have clearer lines of command and responsibility to expedite decision-making.

Specific measures include integration of technology development, design and manufacture and related business staff to form three divisions: Home Appliances Division, Refrigeration & Air Conditioning Division and Heating & Small Appliances Division. Each division will be responsible for earnings with regards to its respective business in Japan and overseas.

And in a related move, the Domestic Sales Division and Global Business Division will be established, in terms of responsibility for meeting sales targets regarding sales subsidiaries in Japan and overseas respectively.

Together with Hitachi, Ltd.'s Ubiquitous Platform Systems Group, Hitachi Air Conditioning Systems Co., Ltd. and Hitachi Industrial Equipment Systems Co., Ltd., Hitachi Home & Life Solutions intend to be the driving force in the Hitachi Group's consumer business.

About Hitachi Home & Life Solutions

Hitachi Home & Life Solutions, Inc., headquartered in Tokyo, is a leading home appliances company, which was separated from Hitachi, Ltd. on April 1, 2002. Its consolidated sales as on March 31, 2003 totaled 492 billion Yen. The company develops, manufactures and sells home appliances such as room air conditioners, refrigerators, and washing machines and also markets consumer electronics.

For more information on Hitachi Home & Life Solutions, please visit the company's Web site at <http://www.hitachi-hl.com/english/index.html>

###

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.
