

FOR IMMEDIATE RELEASE

Determination of terms of issue, etc. of Euro Yen Zero Coupon Convertible Bonds due 2009

Hitachi, Ltd. (TSE:6501 / NYSE:HIT, the "Company") hereby notifies the determination of the following terms of issue, etc. of the Euro Yen Zero Coupon Convertible Bonds due 2009 (bonds with stock acquisition rights, *tenkanshasaigata shinkabu yoyakuken-tsuki shasai*) in the total amount of JPY 100 billion, consisting of JPY 50 billion Series A Zero Coupon Convertible Bonds due 2009 and JPY 50 billion Series B Zero Coupon Convertible Bonds due 2009 (collectively, the "Convertible Bonds"). The stock acquisition rights (*shinkabu yoyakuken*) incorporated in the Convertible Bonds shall be hereinafter referred to as the "Stock Acquisition Rights" and the Convertible Bonds excluding the Stock Acquisition Rights shall be referred to as the "Bonds". The following terms are applicable to both Series A Zero Coupon Convertible Bonds due 2009 and Series B Zero Coupon Convertible Bonds due 2009.

1. The amount to be paid upon exercise of the Stock Acquisition Rights:
Equal to the issue price of the Bonds

The amount to be paid per share upon exercise of the Stock Acquisition Rights (the "Conversion Price"): ¥1,009

(Reference)

Share price, etc. on Pricing Date (September 21, 2004)

- a. Share price (closing price) on the Tokyo Stock Exchange: ¥686
- b. Premium $\{ \text{Conversion Price} / \text{Share price (closing price)} - 1 \} \times 100$: 47.08%

2. Floor Conversion Price: ¥822
3. Amount to be accounted for as stated capital: ¥505 per share

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About Hitachi, Ltd.

Hitachi, Ltd. (NYSE: HIT/ TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company, with approximately 326,000 employees worldwide. Fiscal 2003 (ended March 31, 2004) consolidated sales totaled 8,632.4 billion yen (\$81.4 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 Web site at <http://www.hitachi.com>.

Note: This press release is intended as general information regarding Hitachi, Ltd.'s issuance of convertible bonds and shall not be considered an offering of securities. This press release shall not be construed as an offering of securities in any region including the United States. The securities may not be offered or sold in the United States absent registration or an applicable exemption under the Securities Act of 1933. In the event of an offering of securities in the United States, a prospectus in English prepared in accordance with the Securities Act of 1933 will be used. This transaction does not involve any public offering of securities in the United States.

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