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**Hitachi Develops the Long-term Plan “Environmental Vision 2025”
to Combat Global Warming**

Striving to curb 100 million tons of CO₂ emissions from Hitachi Group products in
fiscal 2025

Tokyo, December 20, 2007 --- Hitachi, Ltd. (NYSE:HIT / TSE:6501) today announced in a drive to promote environmental preservation and realize a sustainable society, the Hitachi Group has drafted a long-term plan called Environmental Vision 2025. Through this plan, the Group is determined to curb CO₂ emissions associated with its products by 100 million tons in fiscal 2025. Two factors spurred the formulation of this plan. One was recognition of the importance of developing decisive measures for meeting the target of halving greenhouse gas emissions worldwide by 2050. This target emerged from discussions among heads of state and government at the Heiligendamm Summit of the Group of Eight (G8) leading industrialized nations that took place in Heiligendamm, Germany, in June 2007. The second factor behind this decision was a desire by the Hitachi Group to devise a concrete plan of action running through to the midpoint of this target period, fiscal 2025, and to strengthen environmental initiatives on a Group-wide level. Meanwhile, in order to step up promotion of Environmental Vision

2015, a medium-term plan drafted in fiscal 2006, and to successfully meet Environmental Vision 2025 targets, the Hitachi Group established the post of Hitachi Group CEnO (Chief Environmental Strategy Officer) on December 1, 2007. As the name suggests, the CEnO is responsible for coordinating and managing environmental management strategies for the Hitachi Group. Accompanying this move, the Group will establish the Environmental Strategy Office on January 1, 2008, as part of actions for achieving the goals of its environmental plan.

The Hitachi Group has been implementing activities under the aforementioned Environmental Vision 2015. These activities aim to realize global warming prevention, ecosystem conservation, and the sustainable use of resources. Under Environmental Vision 2015, the Group has been working to meet its fiscal 2015 goal of achieving “emission neutral” status, whereby direct environmental impact and societal environmental impact are reduced by the same amount. Direct environmental impact refers to energy used in production activities, such as the acquisition of basic materials and processing and refining of parts; greenhouse gases emitted from factories; and energy used for recycling waste and for transportation. Societal environmental impact, meanwhile, refers to electricity consumed by products, as well as energy used for recycling end-of-life products. As a new target for successfully completing Environmental Vision 2015, the Group has declared its commitment to increasing sales of its Eco-Products* to ¥6.6 trillion by fiscal 2010, or roughly double that recorded in fiscal 2006.

The Hitachi Group formulated the Environmental Vision 2025 long-term plan to provide fundamental solutions for realizing a truly sustainable society. The key concepts of the plan are outlined below.

1. Further promotion of the Environmental Vision 2015 medium-term plan

The Hitachi Group will step up activities implemented under the ongoing Environmental Vision 2015 medium-term plan as part of the Environmental Vision 2025 long-term plan. In the push for early attainment of the fiscal 2015 goal of achieving “emission neutral” status, the Group will reduce direct environmental impact through investments in energy conservation and the switch to alternative fuels. At the same time, the Group will work to expand the proportion of net sales accounted for by Eco-Products. As a specific benchmark, the Group aims to boost sales of Eco-Products to ¥6.6 trillion by fiscal 2010, or roughly double the fiscal 2006 figure.

2. Reinforce Global Warming Countermeasures

The Hitachi Group is seeking further reductions in societal environmental impact, a key element in attaining the “emission neutral” status outlined in Environmental Vision 2025. To this end, the Group aims to curb CO₂ emissions from its products by 100 million tons worldwide by fiscal 2025.

3. Strengthen Environmental Businesses

The Hitachi Group’s environmental businesses are underpinned by the Group’s collective technological capabilities. Leveraging these skills, the Group is seeking to enhance the environmental performance of its products on all fronts, from materials, parts and components, to product design, systems, services and solutions. From this standpoint, the Group seeks to expand and strengthen its businesses in a number of environmental fields. In the area of global warming prevention, the Group will reinforce businesses related to both power-generation and energy-saving products. In ecosystem conservation, efforts will focus on investing in environmental equipment and water treatment systems. In the sustainable use of resources, the Group will channel its investments into recycling and other businesses. The goal is for Eco-Products to account for all Hitachi Group products sold by fiscal 2025.

4. Promote Collaborative Creation Projects on a Global Scale

Developing products that meet the requirements of clients in every global region is a critical component of business expansion and reinforcement. To answer this challenge, the Hitachi Group is aggressively pursuing what it calls Collaborative Creation Projects with corporate partners, government agencies, universities and other organizations worldwide. Projects already under way include the global R&D task of developing technology for coal-fired power generation with lower CO₂ emissions, with joint research being undertaken with universities in the United States and Europe. Another example is a model project being conducted in cooperation mainly with China’s National Development and Reform Committee that seeks to develop energy-saving electrical systems in Yunnan Province utilizing waste heat and pressure.

5. Strengthen Structure for Promoting Environmental Management

On December 1, 2007, the Hitachi Group established the post of Hitachi Group CEnO (Chief Environmental Strategy Officer). The CEnO is responsible for coordinating and managing environmental management strategies for the Hitachi Group. In parallel, the

Group will create an Environment Strategy Office on January 1, 2008. Both moves are aimed at promoting activities for achieving the goals outlined in Environmental Vision 2025.

The Hitachi Group will remain committed to fulfilling its social responsibilities as a good corporate citizen by striving to realize a truly sustainable society that is in harmony with the environment through the services and products it offers.

(*) Eco-Products refer to products with superior environmental performance in which efforts are made at each stage of the product life cycle to minimize the product's environmental impact over its entire lifespan. Such products must first undergo an Assessment for DfE (Design for Environment) eco-friendly design evaluation, which evaluates the level of eco-consciousness incorporated into the design. Products that score at least 2 (from 0 to 5) for all assessment criteria with an average score of 3 or higher are designated Eco-Products.

About Hitachi, Ltd.

Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 384,000 employees worldwide. Fiscal 2006 (ended March 31, 2007) consolidated revenues totaled 10,247 billion yen (\$86.8 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>.

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