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**HITACHI SHIPS HIGH PERFORMANCE 4GB MICRODRIVE;
CONTINUES TO INNOVATE IN STORAGE MINIATURIZATION**

4GB Microdrive Yields 70 Percent Increase in Performance from Previous Generation

SAN JOSE, www.hgst.com, August 25, 2003 – Hitachi Global Storage Technologies today announced that it is now shipping qualification samples of its 4GB Microdrive to consumer product manufacturers worldwide. The one-inch diameter drive features a data transfer rate that represents a 70 percent increase from the previous-generation Microdrive. The new drive will also continue its tradition of offering a significantly lower cost-per-megabyte than competitive solid-state memory solutions.

Hitachi's 4GB Microdrive is the world's smallest hard disk drive, weighing just over a half an ounce (16 grams) and equivalent in size to a matchbook. The miniaturized hard drive is designed for users who demand maximum capacity for storing large quantities of high-resolution digital photos and video, MP3 music, electronic games and other large files. The data storage available on the 4GB Microdrive is roughly equivalent to a full-length DVD movie or 75 hours of high-quality digital music.

Consumer product manufacturers that are evaluating the new Microdrive for compatibility with current and future products include Blaupunkt, Kodak, Minolta Co., Ltd., Nikon, Olympus, Pentax Corporation, Sigma and Sony Corporation. Many of these industry-leading companies already support Hitachi's current-generation Microdrive in their consumer electronic devices.

"As we migrate into a world of mobile computing and communications, we will see significant growth in portable devices that use more data and have greater storage requirements," said J. Gerry Purdy, Ph.D., principal analyst, MobileTrax. "The new 4GB Hitachi Microdrive provides the capacity necessary to satisfy the skyrocketing need for affordable, high-capacity data storage in portable devices."

Miniaturization Leadership

The 4GB Microdrive is a major storage capacity breakthrough and the first of many storage miniaturization advancements that are being made by Hitachi's world-class product design and development team. The new drive will use ultra-miniaturized components, including a new read-write head that is half the size of its predecessor and results in a 40-percent decrease in the height at which the head travels above the disk platter. The new head technology, called the femto slider head, opens up a next generation of head slider technology.

The 4GB Microdrive is an illustration of Hitachi's commitment to leadership in the high-growth area of storage miniaturization. "Microdrive has been the crown jewel of our miniaturization efforts for the past five years," said Tsuyoshi Takahashi, general manager, Emerging Markets Business Unit, Hitachi Global Storage Technologies. "There is nothing else available on the market that offers a better combination of storage capacity, compact size, performance and affordability."

Product Compatibility and Availability

Hitachi's new 4GB Microdrive, (officially known as the Hitachi Microdrive 3K4 series), is designed to the CompactFlash® Type II industry standard and is compatible with a wide variety of devices that accept CF+ Type II media. The 4GB Microdrive is formatted at the factory using the FAT32 file system to remedy the 2GB limitation of the FAT16 file system. Therefore, when used in a digital camera, the camera must support a FAT32 file system. For additional information about the new Microdrive, please visit: <http://www.hgst.com/>.

Hitachi will continue to offer its current 1GB Microdrive to customers throughout the world and is planning to introduce a 2GB version of the Microdrive later this year. The company expects the new 4GB Microdrive to be available on retail shelves in major markets this November at a MSRP of \$499.

Hitachi will participate, through its development partners, in major industry events such as IFA Berlin in August to demonstrate the 4GB Microdrive and discuss the underlying technology in greater detail.

About Hitachi Global Storage Technologies

Hitachi Global Storage Technologies was founded in 2003 as a result of the strategic combination of Hitachi's and IBM's storage technology businesses. The company's vision is to enable users to fully engage in the digital lifestyle by providing access to large amounts of storage capacity in formats suitable for the office, on the road and in the home.

The company offers customers worldwide a comprehensive range of storage products for desktop computers, high-performance servers and mobile devices. For more information on Hitachi Global Storage Technologies, please visit the company's Web site at <http://www.hgst.com>.

About Hitachi, Ltd.

Hitachi, Ltd. (NYSE: HIT), headquartered in Tokyo, Japan, is a leading global electronics company, with approximately 340,000 employees worldwide. Fiscal 2002 (ended March 31, 2003) consolidated sales totaled 8,191.7 billion yen (\$68.3 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://global.hitachi.com>.

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