

June 7, 2005

Company Name: Hitachi Cable, Ltd.
President: Norio Sato
Listings: First Section, Tokyo Stock Exchange, Inc.
First Section, Osaka Securities Exchange Co., Ltd.
Code Number: 5812
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Notice of merger with consolidated subsidiary

Hitachi Cable, Ltd. decided to merge with its consolidated subsidiary Toritu Syokai, Ltd. (hereinafter called Toritu Syokai), as outlined below.

1. Reasons for this merger:

Toritu Syokai was founded in 1948 to handle the sale of wires, cables, and copper products. Later, it became a wholly owned subsidiary of Hitachi Cable in 1968 as part of a reorganization of the Hitachi Cable group's distributors, changing its lines of business to operations including real-estate leasing and insurance agency operations.

Currently, the Hitachi Cable group is endeavoring to achieve a more appropriate number of group companies, in order to improve group synergy effects and to promote both reductions in the operating costs of group companies and activities related to corporate social responsibility (CSR), as well as proceeding with the thorough implementation of existing management policies and the sharing of management strategies. The decision to merge Toritu Syokai into Hitachi Cable has been made as part of these efforts.

2. Details of this merger:

(1) Merger schedule:

- A. Approval of the merger agreement by Hitachi Cable's President & CEO and Toritu Syokai's Board of Directors: June 6, 2005
- B. Signing of the merger agreement: June 6, 2005

C. Approval of the merger agreement by the General Shareholders' Meeting: Hitachi Cable shall conduct this merger using the method established under Article 413-3, Paragraph 1 of the Commercial Code of Japan. As such, it shall be conducted without obtaining the approval of a General Shareholders' Meeting.

D. Effective date of merger: October 1, 2005 (planned)

E. Date of registration of merger October 3, 2005 (planned)

(2) Method of merger: As the surviving company, Hitachi Cable will absorb Toritu Syokai.

(3) Consolidation ratio: Since Hitachi Cable already owns all shares of Toritu Syokai stock Issued and outstanding, no new shares will be issued in connection with this merger, and amounts of equity shall remain unchanged.

(4) Amount paid in this merger: No funds shall be paid in connection with this merger.

3. Summary of the parties to this merger (as of March 31, 2005):

	Surviving company	Merged company
(1) Company name	Hitachi Cable, Ltd.	Toritu Syokai, Ltd.
(2) Lines of business	Manufacture and sale of wires, cables, information-technology and electronics products, copper products, devices, etc.	Real-estate leasing, sale and purchase, and management, investment for asset-management purposes, and life and non-life insurance agency operations
(3) Established	April 1956	January 1948
(4) Location of headquarters	1-6-1 Otemachi, Chiyoda-ku, Tokyo, Japan	1-16 Kanda-Sakumacho, Chiyoda-ku, Tokyo, Japan
(5) Representative	Norio Sato, President & CEO	Masanori Atsumi, President
(6) Capital (millions yen)	25,948	50
(7) Total shares issued and outstanding	374,018,174	1,000,000
(8) Shareholders' equity (millions yen)	157,607	739
(9) Total assets (millions yen)	263,905	1,481
(10) Fiscal year ends	End of March	End of March
(11) Number of employees	4,069	2
(12) Major customers	Hitachi, Ltd., NTT group companies, etc.	Hitachi Cable, Ltd. and members of its group of companies

(13) Major shareholders and percentages of shares held	Hitachi, Ltd.: 51.14% Master Trust Bank of Japan, Ltd. (trust account): 3.82% Japan Trustee Services Bank, Ltd. (trust account): 3.29%	Hitachi Cable, Ltd.: 100%
(14) Main transaction banks	UFJ Bank Ltd. and others	UFJ Trust Bank Ltd. and others
(15) Relationships between parties to this merger	Capital relationships	The merged company is a wholly owned subsidiary of the surviving company.
	Personnel relationships	Some directors of the merged company are assigned from the surviving company.
	Transaction relationships	The merged company borrows funds from the surviving company.

(16) Business performance of the parties to this merger over the three most recent fiscal years

Fiscal year	Hitachi Cable, Ltd. (surviving company)			Toritsu Syokai, Ltd. (merged company)		
	FY 2003	FY 2004	FY 2005	FY 2003	FY 2004	FY 2005
Sales (millions yen)	242,909	237,757	258,367	213	219	220
Operating income (millions yen)	-4,872	1,108	3,449	31	41	92
Ordinary income (millions yen)	-3,020	1,435	4,996	45	49	95
Net income (millions yen)	-3,334	-2,943	3,520	29	29	70
Net income per share (yen)	-8.98	-8.04	9.60	29.00	20.00	70.00
Shareholders' equity per share (yen)	433.81	431.85	433.92	666.13	682.11	738.88

4. Post-merger summary

- (1) Company name: Hitachi Cable, Ltd.
- (2) Lines of business: Manufacture and sale of wires, cables, information-technology and electronics products, copper products, devices, etc.
- (3) Location of headquarters: 1-6-1 Otemachi, Chiyoda-ku, Tokyo, Japan
- (4) Representative: Norio Sato, President & CEO
- (5) Capital: 25.948 billion yen (Since Hitachi Cable already owns all shares of Toritsu Syokai stock issued and outstanding, no new shares will be issued in connection with this merger, and amounts of capital shall remain unchanged.)
- (6) Fiscal year ends: end of March

(7) Effects of this merger on business performance:

The effects of this merger on the non-consolidated business performance of Hitachi Cable are negligible. In addition, this merger will have no effect on the consolidated business performance of Hitachi Cable.