

April 26, 2005

Company name: Hitachi Cable, Ltd.
Representative: Norio Sato, President
Listings: First Section, Tokyo Stock Exchange, Inc.
First Section, Osaka Securities Exchange Co., Ltd.
Code Number: 5812
Contact: Masaaki Ishikawa,
General Manager, Administration Dept.,
Human Resources & Administration Group
Tel. +81-3-5252-3261

Notice of merger with consolidated subsidiary

Hitachi Cable, Ltd. decided today to merge with its consolidated subsidiary Hitachi Copper Products, Ltd.

1. Reasons for this merger:

Hitachi Copper Products was established in 1967 as a wholly owned subsidiary of Hitachi Cable. It operates on the site of Hitachi Cable's Tsuchiura Works, which primarily manufactures copper products (such as copper tubes, copper strips, and copper products for electric applications), handling the manufacture and processing of manufacturing equipment as well as various parts and materials used in the manufacture of copper products.

Currently, the Hitachi Cable group is endeavoring to achieve a more appropriate number of group companies, in order to promote reductions in the operating costs of group companies and activities related to corporate social responsibility (CSR), as well as proceeding with the implementation of existing management policies and the sharing of management strategies. The decision to merge Hitachi Copper Products into Hitachi Cable has been made as part of these efforts. This merger is intended to promote profitability through rationalization and increased efficiency, centered on management functions and operational systems.

2. Details of the merger:

(1) Merger schedule:

1) Approval of the merger agreement by Hitachi Cable's President and Hitachi Copper Products' Board of Directors: April 26, 2005

2) Signing of the merger agreement: April 26, 2005

3) Approval of the merger agreement by the General Shareholders' Meeting: This merger shall be conducted 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.

4) Effective date of merger: July 1, 2005 (planned)

5) Date of registration of merger: July 1, 2005 (planned)

(2) Method of merger: As the surviving company, Hitachi Cable will absorb Hitachi Copper Products as the expired company.

(3) Consolidation ratio: Since Hitachi Cable already owns all shares of Hitachi Copper Products 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, 2004):

(1) Company name	Hitachi Cable, Ltd. (surviving company)	Hitachi Copper Products, Ltd. (merged company)
(2) Lines of business	Manufacture and sale of wires, cables, information technology and electronics products, copper products, devices, etc.	Manufacture and processing of manufacturing equipment as well as various parts and materials used in the manufacture of copper products
(3) Established	April 1956	March 1967
(4) Location of headquarters	1-6-1 Otemachi, Chiyoda-ku, Tokyo, Japan	3550 Kidamari-cho, Tsuchiura, Ibaraki Prefecture, Japan

(5) Representative	Norio Sato, President	Toru Matsui, President
(6) Capital (millions yen)	25,948	80
(7) Total shares issued and outstanding	374,018,174	160,000
(8) Shareholders' equity (millions yen)	158,706	262
(9) Total assets (millions yen)	275,562	1,212
(10) Fiscal year ends	End of March	End of March
(11) Number of employees	4,147	111
(12) Major customers	Hitachi, Ltd., NTT group companies, etc.	Hitachi Cable, Ltd., Mikuni Shoji Co., Ltd.
(13) Major shareholders and percentages of shares held	Hitachi, Ltd.: 52.35% Master Trust Bank of Japan, Ltd. (trust account): 5.47% Japan Trustee Services Bank, Ltd. (trust account): 4.15%	Hitachi Cable, Ltd.: 100%
(14) Main transaction banks	UFJ Bank Ltd. and others	Mizuho 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:	Most of the merged company's sales result from orders from the surviving company.

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

	Hitachi Cable, Ltd. (surviving company)			Hitachi Copper Products, Ltd. (merged company)		
Fiscal year	FY 2002	FY 2003	FY 2004	FY 2002	FY 2003	FY 2004
Sales (millions yen)	269,850	242,909	237,757	2,880	2,340	2,681
Operating income (millions yen)	△4,469	△4,872	1,108	△3	△126	31
Ordinary income (millions yen)	△2,738	△3,020	1,435	△8	△131	20
Net income (millions yen)	△263	△3,334	△2,943	△3	△245	27
Net income per share (yen)	△0.70	△8.98	△8.04	△19.22	△1528.66	167.26
Dividends per share (yen)	7.50	5.00	5.00	20.00	187.50	46.25
Shareholders' equity per share (yen)	464.35	433.81	431.85	3253.79	1508.39	1640.40

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

(5) Capital: 25.948 billion yen (Since Hitachi Cable already owns all shares of Hitachi Copper Products stock issued and outstanding, no new shares will be issued in connection with this merger, and amounts of capital shall remain unchanged.)

(6) Total assets: 265 billion yen (700 million yen)

Note: The above total asset amount is a projection. The figure in parentheses represents the projected increase in total assets due to this merger.

(7) Fiscal year ends: end of March

(8) Effects of this merger on business performance:

The effects of this merger on the non-consolidated business performance of Hitachi Cable are expected to be negligible. In addition, this merger is expected to have no effects on the consolidated business performance of Hitachi Cable.