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Company name: Hitachi Cable, Ltd.

Representative: Norio Sato, President and Representative Director

Listings: First Section, Tokyo Stock Exchange, Inc.

First Section, Osaka Securities Exchange Co., Ltd.

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Proposal to the Labor Union Regarding Early Retirement and Outplacement Assistance Programs for Employees in the Semiconductor Packaging Materials Field

Hitachi Cable, Ltd. (hereinafter referred to as “the Company”) posted losses in fiscal 2002 and 2003, despite the Company’s continued efforts to reduce costs over the past two years, during which the business environment took a far more dramatic downturn than expected. The Company predicts that such an environment is unlikely to improve in fiscal 2004, and therefore a proposal was made today to the labor union on early retirement and outplacement assistance programs for employees in the semiconductor packaging materials field, which has been particularly hard hit, as a means to drastically improve the semiconductor packaging materials field’s business structure. The Company has started talks with the labor union about this proposal.

The Company will disclose details of the programs upon reaching an agreement with the labor union, and possible effects on the Company’s business performance will be announced as soon as the number of applicants to the programs is known.