

## News Release

October 25, 2002

### Transfer of Control of Chip Mounter Business

To whom it may concern  
Hitachi High-Technologies Corporation  
SANYO Electric Co., Ltd.

Hitachi High-Technologies Corporation will acquire all the shares of subsidiaries of SANYO Electric Co., Ltd., which operates manufacturing and servicing of chip mounters, to build an integrated system that includes development, manufacturing, sales, and services.

Hitachi High-Technologies Corporation (Chairman and President, Yoshiro Kuwata) will acquire all the shares of SANYO High Technology Co., Ltd., and SANYO High-tech Service Co., Ltd., subsidiaries of SANYO Electric Co., Ltd. (President and COO, Yukinori Kuwano) effective April 1, 2003, thereby transferring full control of SANYO's chip moulder business to Hitachi High-Technologies Corporation. The transfer of control will bring greater efficiency to operations which provide chip mounters.

The majority of chip mounters manufactured by SANYO High Technology have hitherto been sold globally by Hitachi High-Technologies, and SANYO High-tech Service has handled servicing within Japan. However, the need for greater flexibility in the current market environment has led to plans to integrate the entire process, from manufacturing through sales and servicing, under the same management. This will improve organizational structure and management efficiency, while also speeding up the development of new products in response to customer needs.

With the transfer of control, SANYO High Technology Co., Ltd. will be renamed Hitachi High-Tech Instruments Corp. and SANYO High-tech Service will be renamed Hitachi High-Tech Instruments Service Corp. (Names may be subject to change at a later date.) As members of the Hitachi High-Technologies Group, the companies will combine the technological and sales expertise and research capabilities of the Hitachi Group with the technological strength built up by SANYO Electric over the years to expand their business and come up with ever better products for the market.

In addition to the high-speed tarlet type of moulder, which is currently a best-selling product, a new high-speed modular type of moulder will be released onto the market in the 2004 business year, with the target of securing 30% of world market share. Along with the expected further expansion of the market for Electronics Manufacturing Services (EMS), the new companies will focus on developing business in the rapidly growing Chinese market.

For SANYO Electric, the transfer of control of the chip moulder business is one part of a major structural reorganization that has already included the purchase of housing related operations, the sale of its vending machine business, and the acquisition of Ni- MH battery business, as well as a capital tie-up for Li-Ion battery operation. The company will continue to concentrate on its core business, securing its market position and profitability, and speeding up the process of selection and consolidation of SANYO Group businesses.

A thorough review of SANYO High Technology and SANYO High-tech Service operations will be conducted by an independent third party before the transfer of control takes place, and provided the results of this investigation are satisfactory, Hitachi High-Technologies and SANYO Electric plan to agree on a share price for the transfer before the end of January, 2003.

#### Summary of Companies Subject to Transfer of Shares

Company Name	SANYO High Technology Co.,Ltd.
Representative	President, Hiroteru Akiyama
Main place of business	1-1-1 Sakata, Oizumi-machi, Ora-gun, Gunma, Japan
Date of establishment	December 1, 1994
Settlement of accounts	March 31 each year

Capital	450 million yen
Number of shares issued	9,000
Share ownership	SANYO Electric Co., Ltd. (100%)
Sales (this business only)	FY1999 29 billion yen, FY2000 37 billion yen, FY2001 13 billion yen
Employees	364 (as of March 31, 2002)
Main business activities	Design, manufacture and sales of chip mounters

Company Name	SANYO High Technology Co.,Ltd.
Company Name	SANYO High-tech Service Co., Ltd.
Representative	President, Fumio Mogi
Main place of business	2468 Yoshida, Oizumi-machi, Ora-gun, Gunma, Japan
Date of establishment	November 9, 1988
Settlement of accounts	March 31 each year
Capital	50 million yen
Number of shares issued	1,000
Share ownership	SANYO Electric Co., Ltd. (100%)
Sales	FY1999 2.4 billion yen, FY2000 3 billion yen, FY2001 2.2 billion yen
Employees	102 (as of March 31, 2002)
Main business activities	Installation, servicing and support services for chip mounters

### About SANYO Electric Co., Ltd.

Company name	SANYO Electric Co., Ltd.
Main place of business	5-5 Keihan-Hondori, 2-chome, Moriguchi City, Osaka, Japan
Representative	President and COO, Yukinori Kuwano
Code no.	6764 (listed in Tokyo, Osaka, Nagoya, Fukuoka, and Sapporo)
Capital	172,241 million yen (as of March 31, 2002)
Employees	80,500 (on a consolidated basis as of March 31, 2002)
Sales	2112.1 billion yen (on a consolidated basis for year ending March 31, 2002)
Main business activities	Production and sales of AV products, information systems, electronic devices, electric appliances, batteries, industrial products

### About Hitachi High-Technologies Corporation

Company name	Hitachi High-Technologies Corporation
Main place of business	24-14 Nishi-shimbashi, 1-chome, Minato-ku, Tokyo, Japan

Representative	Chairman and President, Yoshiro Kuwata
Code no.	8036 (listed in Tokyo and Osaka)
Employees	7,954 (on a consolidated basis as of March 31, 2002)
Sales	738.2 billion yen (on a consolidated basis for year ending March 31, 2002)
Main business activities	Production and sales of electronic products and life science products, and information electronics, etc.
Projected performance	Projected performance after transfer of control

	year ending 3/31/2004	year ending 3/31/2005
Consolidated sales	880 (5)	1,000 (8)
Consolidated operating profit	20.3 (0.4)	30.2 (1.9)
Consolidated income before income taxes	20 (0.3)	30 (1.9)

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