

2004/10/29
Hitachi, Ltd.
Toshiba Corporation
Matsushita Electric Industrial Co., Ltd.

**Hitachi, Toshiba and Matsushita Conclude Agreement for Establishment of TV
LCD Panel Joint Venture, IPS Alpha**

Hitachi, Ltd. (President: Etsuhiko Shoyama NYSE:HIT / TSE: 6501, "Hitachi"), Toshiba Corporation (President: Tadashi Okamura / TSE: 6502, "Toshiba"), Matsushita Electric Industrial Co., Ltd. (President: Kunio Nakamura / NYSE: MC / TSE: 6752, "Matsushita") and wholly-owned Hitachi subsidiary Hitachi Displays, Ltd. (President: Fumiaki Yonai / "Hitachi Displays") today officially concluded a joint venture agreement to establish a company to manufacture and sell LCD panels for flat panel TVs. This agreement follows a basic agreement signed on August 31 this year.

The joint venture, to be called IPS Alpha Technology, Ltd. ("IPS Alpha"), is scheduled to commence operations on January 1, 2005. President of Hitachi Displays, Mr. Fumiaki Yonai, will serve concurrently as president of IPS Alpha.

*1 IPS Alpha will manufacture LCD panels using Hitachi Displays' world-leading IPS mode system technology. Close collaboration with IPS Alpha is expected to achieve synergies in the production of finished products at Hitachi, Toshiba and Matsushita, allowing them to achieve LCD TVs that are even more competitive in terms of performance and price.

***2 IPS Mode System Technology**

The In-Plane-Switching (IPS) mode system is a type of TFT LCD display technology. IPS is distinguished by a wide 170-degree viewing angle, both horizontally and vertically, along with minimal gray-scale inversion and viewing-angle dependency, reproducing lifelike images, which is made possible because the liquid crystal molecules can rotate while remaining parallel to the substrate when a voltage is applied, yielding perfect orientation of the crystals. The advanced super (AS)-IPS mode system for use in televisions, large-screen monitors and other applications, achieves an approximate 30% improvement in the aperture ratio over conventional

IPS technology. Furthermore, AS-IPS realizes a higher level of brightness and reproduces colors more realistically thanks to high-purity color filters and other proprietary technologies.

Outline of the JV

Company name: To be announced

Management: To be announced

Projected capital: 60-70 billion yen

Ownership: Hitachi Displays 30-35 billion yen (50%);

Toshiba 15 billion yen (21-25%);

Matsushita 15 billion yen (21-25%);

Other companies 0-5 billion yen (0-8% projected)

Location: Mobara, Chiba Prefecture, Japan

Business: Manufacture, design, sales and related maintenance and services of amorphous TFT LCD