

FOR IMMEDIATE RELEASE

Hitachi to Establish Overseas Project Finance Division to Bolster Global Development of Social Innovation Business

-- Strengthening Strategy Formulation, Including Investment and Finance Planning, and Business Development Capabilities as a Management Center of Hitachi Group --

Tokyo, January 17, 2011 — Hitachi, Ltd. (NYSE: HIT / TSE: 6501) today announced the decision of establishing the Overseas Project Finance Division on February 1, 2011, in order to strengthen global development of the Social Innovation Business. The new division will serve as a dedicated management center for the Hitachi Group regarding the development of the Social Innovation Business overseas. The division will be responsible for strategy formulation, including project investment and finance planning, businesses development, information gathering and analyzing, external relations, and other activities from a cross-Group perspective. The General Manager will be Masahide Tanigaki, Vice President and Executive Officer. The new division will commence operations with a staff of approximately 30 personnel from backgrounds including project finance and overseas social infrastructure operations.

The Hitachi Group is globally promoting its Social Innovation Business, which aims to provide social infrastructure supported by highly reliable and highly efficient information and telecommunications technology. The Group's goal is to grow overseas revenue ratio up to over 50% of consolidated revenues in fiscal 2012, the year ending March 31, 2013.

A number of social infrastructure businesses are being planned in the area the Hitachi Group focuses – the Asian belt zone ^(a), mainly China, Southeast Asia and the Middle East, and other emerging countries and regions such as South America and Eastern Europe. These projects involve many stakeholders such as governments, business owners, contractors and financial institutions. Moreover, business models of these projects are growing increasingly complex and these

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also requires sophisticated proposal capabilities that dovetail with the individual circumstances of each project. This is evident in businesses such as the smart grid and water treatment businesses, where demand is growing for proposals that fuse multiple business fields and for package-type infrastructure businesses that offer construction, maintenance, operations and finance, businesses beyond the simple supply of equipment and facilities.

In order to meet these high-level requirements, win orders, and properly advance projects, there is an urgent needs not only to accurately assess the needs and risks of targeted countries and regions, but also to swiftly formulate strategies for entire projects, including investment and finance plans, and develop businesses across many fields on a global and group basis.

In light of these backgrounds, Hitachi decided to establish the Overseas Project Finance Division as an management center that will coordinate tasks which have previously been performed by each business divisions and Group companies on a project-by-project basis such as strategy formulation, business development, and project groundwork activities, including information gathering and external relations.

In concrete terms, Hitachi plans to utilize the immense insight and know-how of Hitachi Capital Corporation and other Group companies, as well as harness human capital inside and outside the Hitachi Group, employ outside experts with experience at trading companies and in other fields. The division will gather and analyze information of financial trends and other matters that differ between countries and regions and share this throughout the Hitachi Group, while forming relationships and strengthening cooperation with related foreign and domestic external organizations. Based on these activities, the division will formulate strategies for individual projects, including investment and finance plans, and accelerate the development of businesses that cut across many fields.

With the establishment of the Overseas Project Finance Division, Hitachi plans to quickly seize new business opportunities around the world and expand its Social Innovation Business in global markets by providing comprehensive solutions that match the needs of individual countries and regions.

Note

(a) Asian Belt Zone: Refers to 24 coastal countries and regions, extending from Japan to the Arabian Peninsula, including China, ASEAN countries, India and the Middle East.

■ About Hitachi, Ltd.

Hitachi, Ltd., (NYSE:HIT / TSE:6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 360,000 employees worldwide. Fiscal 2009 (ended March 31, 2010) consolidated revenues totaled 8,968 billion yen (\$96.4 billion). Hitachi will focus more than ever on the Social Innovation Business, which includes information and telecommunication systems, power systems, environmental, industrial and transportation systems, and social and urban systems, as well as the sophisticated materials and key devices that support them. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.
