

FOR IMMEDIATE RELEASE

Hitachi to establish 'Hitachi China Materials Technology Innovation Center' in Shanghai

Increasing local procurement and contributing to cost reduction
in cooperation with Shanghai Jiao Tong University

Tokyo, April 9, 2013 – Hitachi, Ltd. (TSE: 6501, "Hitachi") and Hitachi (China) Research and Development Corporation ("HCR&D") today announced the establishment of the 'Hitachi China Materials Technology Innovation Center' on April 10, and plans to enter a comprehensive agreement with Shanghai Jiao Tong University including the establishment of a joint laboratory. The new Center will conduct analysis, assessment and development of efficient manufacturing process technology for materials to be used in Hitachi Group products. By promoting increased local procurement of materials and reducing material costs, the Center will contribute to the Hitachi Smart Transformation Project for overhauling cost structure.

Hitachi has approximately 160 Group companies with approximately 44,000 employees in China, and conducting business in a wide range of areas centring on Social Innovation Business, such as elevators, escalators, construction machinery, ATM, thermal power plants, railway systems, high functional materials, and medical equipment. The aim of the newly established Center will be to provide Hitachi Group companies in China with material-related solutions through the analysis, assessment and development of process technology for materials which can be procured in China. In addition to material quality and characteristics assessment, development of manufacturing process technology to utilize Chinese materials will be conducted in through joint research with the School of Materials Science and Engineering of Shanghai Jiao Tong University. The Center will also investigate any material defects and propose countermeasures. Until now, such research was conducted at sites in Japan or commissioned to external organization in China but with the establishment of this Center, this work can now be conducted within the Hitachi Group in China to achieve faster response and shorter development time. Further, increasing the proportion of local materials by the Hitachi Group through the procurement of relatively inexpensive and superior material, will lead to reduction in procurement costs.

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Hitachi will, by the establishment of the 'Hitachi China Materials Technology Innovation Center', localize research and development activity for utilization of materials in China, and resolve issues related to materials used in business in China. In addition, the locally-led research and development approach will be accelerated for further business expansion.

Outline of Hitachi China Materials Technology Innovation Center

Name	Hitachi China Materials Technology Innovation Center (日立中国材料技術創新中心)
Research Area	Assessment of quality and characteristics of local Chinese materials, development of manufacturing processes for Chinese material as well as design support and investigation and countermeasures of any defects identified
Established	10 th April 2013

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 320,000 employees worldwide. Fiscal 2011 (ended March 31, 2012) consolidated revenues totaled 9,665 billion yen. Hitachi is focusing more than ever on the Social Innovation Business, which includes information and telecommunication systems, power systems, industrial, transportation and urban development 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.
