

FOR IMMEDIATE RELEASE

Hitachi, Hitachi Systems and TEPCO Conclude Share Transfer Agreement and Shareholders Agreement for Strategic Business Alliance Relating to Information Systems Services

Tokyo, October 23, 2013 --- Hitachi, Ltd. (TSE: 6501 / “Hitachi”), Hitachi Systems, Ltd. (“Hitachi Systems”) and Tokyo Electric Power Company, Inc. (TSE: 9501 / “TEPCO”) today announced that they have concluded a share transfer agreement and shareholders agreement for a strategic business alliance relating to TEPCO Systems Corporation (“TEPCO Systems”), a wholly owned TEPCO subsidiary that handles the development, maintenance and operation of information systems.

Specifically, TEPCO Systems will establish a new company in March 2014 by company split. The new company will conduct business involving the development and maintenance of systems centered on general management tasks at TEPCO and to operate all administrative systems. Thereafter, Hitachi Systems and Hitachi will promptly purchase equity interests in the new company of 51.0% and 15.6%, respectively, from TEPCO to make Hitachi Systems Power Services, Ltd. (“Hitachi Systems Power Services”) a consolidated subsidiary of Hitachi.

Hitachi is accelerating global development of its Social Innovation Business to solve issues facing society and customers through innovative solutions combining products, services and highly sophisticated IT. At the same time, Hitachi is working to expand its services businesses as a pillar of its growth strategy.

Hitachi Systems, as a core company in Hitachi’s information & telecommunication systems business, provides information systems and services to all types of clients based on its core competencies of information system operation and maintenance services. In tandem, it is strengthening its information system and services businesses in the social infrastructure field, including the electric power industry.

TEPCO is working to increase external resources for TEPCO Group systems, aiming to achieve greater management rationalization and improve customer services.

Against this backdrop, Hitachi, Hitachi Systems and TEPCO today agreed that Hitachi will make Hitachi Systems Power Services its consolidated subsidiary as well as that TEPCO and the company will conclude a business alliance relating to outsourcing services for information systems by the share transfer agreement concluded today. Furthermore, the three companies plan to collaborate in development of new information services businesses through Hitachi Systems Power Services, exchange human resources and cooperate in other ways based on a shareholders agreement also concluded on the same day. The three companies will thus build a strategic business alliance relationship through these moves.

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After the split, TEPCO Systems will keep its position as a wholly owned subsidiary of TEPCO, engaging in development, maintenance unique to electric power supply and sales systems as well as electric power related engineering. It will support TEPCO's electric power businesses through alliance with Hitachi Systems Power Services.

Hitachi and Hitachi Systems, through Hitachi Systems Power Services, will fuse TEPCO Systems' experience and know-how built up over many years in the development and operation of electric power systems with Hitachi and Hitachi Systems' wide-ranging operating and maintenance service expertise, human resources and service platforms. This fusion will enable Hitachi and Hitachi Systems to provide high-quality and highly reliable information systems services to TEPCO. At the same time, the two companies aim to expand their information system and service businesses in the social infrastructure field, including the electric power industry.

TEPCO aims to further increase operational efficiency by utilizing Hitachi Systems Power Services. Additionally, it plans to achieve its goals for divesting subsidiaries and affiliates set out in its Comprehensive Special Business Plan by the transfer of shares announced today.

About Hitachi Systems Power Services, Ltd. (Planned)

Name	Hitachi Systems Power Services, Ltd.
Establish	March 3, 2014
Head Office	Shibusawa City Place Eitai, 37-28, Eitai 2-chome, Koto-ku, Tokyo
Representative	Takashi Morita, President and Chief Executive Officer (Currently, Director and Senior Vice President and Executive Officer, Hitachi Systems, Ltd.)
Capital	100 million yen
Shareholders	Hitachi Systems, Ltd. 51.0% Tokyo Electric Power Company, Inc. 33.4% Hitachi, Ltd. 15.6%
Number of Employees	Approx. 710
Business	Development, maintenance and operation of systems, customer services, information network operations for TEPCO Group, sales of computer software, etc.

About Hitachi, Ltd.

Name	Hitachi, Ltd.
Established	February 1, 1920
Head Office	6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo
URL	www.hitachi.com
Representative	Hiroaki Nakanishi, President
Capital	458,790 million yen (As of March 31, 2013)
Number of Employees (Consolidated)	326,240 (As of March 31, 2013)
Business	Development, manufacture and sales of products and provision of service across 10 segments: Information & Telecommunication Systems, Power Systems, Social Infrastructure & Industrial Systems, Electronic Systems & Equipment, Construction Machinery, High Functional Materials & Components, Automotive Systems, Digital Media & Consumer Products, Others (Logistics and Other services) and Financial Services

About Hitachi Systems, Ltd.

Name	Hitachi Systems, Ltd.
Established	October 1, 1962
Head Office	2-1, Osaki 1-chome, Shinagawa-ku, Tokyo
URL	www.hitachi-systems.com/eng
Representative	Naoya Takahashi, President and Chief Executive Officer
Capital	19,162 million yen (As of March, 2013)
Number of Employees	10,851 (As of March 31, 2013)
Business	Integration, operation, monitoring and maintenance of IT systems, network services and sales and development of information-related equipment and software

About Tokyo Electric Power Company, Inc.

Name	Tokyo Electric Power Company, Inc.
Established	May 1, 1951
Head Office	1-3, Uchisaiwai-cho 1-chome, Chiyoda-ku, Tokyo
URL	www.tepco.co.jp/en
Representative	Naomi Hirose, President
Capital	1,400,900 million yen (As of March 31, 2013)
Number of Employees	37,231 (As of March 31, 2013)
Business	Energy and environment related business, wholesale supply of electricity, information and telecommunications related business and life environment, living related business, etc.

About TEPCO Systems Corporation(As of March 31, 2013)

Name	TEPCO Systems Corporation
Established	July 1, 1977
Head Office	Shibusawa City Place Eitai, 37-28, Eitai 2-chome, Koto-ku, Tokyo
URL	www.tepsys.co.jp
Representative	Tadaharu Ogawa, President
Capital	350 million yen (As of March 31, 2013)
Number of Employees	1,552 (As of March 31, 2013)
Business	Development and maintenance of computer software, various advanced calculation and information processing utilizing computer equipments, electric power related engineering etc.

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.
