

**FOR IMMEDIATE RELEASE**

**Hitachi and Mitsubishi Heavy Industries Agree in Principle to Cooperate in Railway Systems for Overseas Markets**

Tokyo, June 22, 2010 --- Hitachi, Ltd. (NYSE:HIT / TSE:6501) and Mitsubishi Heavy Industries, Ltd. (MHI) today announced that they have entered into a basic agreement to work cooperatively in the field of intra-city railway systems for overseas markets, with the goals of strengthening competitiveness in global markets and expanding business as a result. Hitachi and MHI find overseas intra-city railway systems are the area where the two companies can demonstrate their competitiveness most, thus they decide to work together ranging from marketing to construction, installation and maintenance in the field.

Social infrastructure such as power systems and railway systems, is expected to expand as a market, particularly in emerging countries. Even in developed nations and regions, which already have a certain level of social infrastructure, there is demand for upgrading social infrastructure supported by advanced information and telecommunications systems.

Railway systems, which are a form of green mobility, are winning increasing recognition as a means of transporting large volumes of passengers and freight with a small environmental impact. As a consequence of this, there are active moves in a host of regions around the world, including Europe, Asia, the Middle East, North America, and Central and South America, to build new railway systems or extend existing ones, or make systems faster with improved railcars and systems. The overseas railway systems market is thus continuing to grow.

Today's agreement seeks to capitalize on these sorts of market trends. Hitachi and MHI will work together as appropriate in a broad range of fields in overseas intra-city railway system projects, ranging from marketing to design, manufacturing, procurement, engineering, construction, installation, maintenance and development. With their complementary product lineups, Hitachi and MHI will respond to various railway system needs in the urban transportation field. The mixed product lineups include conventional commuter trains for subways and other systems; new transportation systems such as automated people movers (APM) and light rail transit (LRT); and monorails.

Hitachi and MHI each boast advanced product lineups, technologies and know-how concerning entire railway systems, as well as their individual constituent elements, including railcars, signaling systems, telecommunications, power systems and tracks. Above all else, the two companies have earned the trust of markets, Hitachi for its railway systems hardware and software development capabilities, and system engineering strengths, and MHI for its technological development capabilities, overseas project record, plant engineering know-how, and wide range of partnerships.

Under this agreement, Hitachi and MHI aim to leverage each other's experience and expertise to actively develop the railway systems business overseas.

**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>.

**About Mitsubishi Heavy Industries, Ltd.**

Mitsubishi Heavy Industries, Ltd. (MHI), headquartered in Tokyo, Japan, is one of the world's leading heavy machinery manufacturers, with consolidated sales of 2,940.8 billion yen in fiscal 2009 (year ended March 31, 2010). MHI's diverse lineup of products and services encompasses shipbuilding, power plants, chemical plants, environmental equipment, steel structures, industrial and general machinery, aircraft, space rocketry and air-conditioning systems. For more information, please visit the MHI website (<http://www.mhi.co.jp/en/index.html>).

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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.

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