

Hitachi and Mitsubishi Heavy Industries agree to transfer X Radiation Therapy Equipment Business

Tokyo, August 4, 2016 --- Hitachi, Ltd. (TSE: 6501, “Hitachi”) and Mitsubishi Heavy Industries, Ltd. (TSE: 7011, “MHI”) today announced that they have signed an agreement to transfer MHI’s X Radiation Therapy Equipment Business to Hitachi. With this agreement, Hitachi will expand its customer-base and acquire X radiation therapy system technology, and together with its current Particle Beam Therapy Treatment Business, will further strengthen and expand the Radiation Treatment System Business.

Hitachi’s Healthcare Business, one of four major focuses in the Social Innovation businesses, ranges from diagnostic and clinical areas, such as ultrasound, MRI systems, particle beam oncology treatment systems, to informatics including services utilizing IT and providing community care systems. Hitachi provides solutions to further enhance the quality and efficiency of medical healthcare.

MHI is currently undergoing a selection and concentration process by merging, reorganizing and/or transferring its business portfolio to reallocate resources and become a more global company. Machinery, Equipment & Infrastructure Domain, the domain handling medical equipment, is currently undergoing a mid-size reorganization in order to allocate resources and increase profitability.

Hitachi and MHI reached an agreement that Hitachi is the best candidate to transfer MHI’s X Radiation Therapy Business since Hitachi is focusing on Healthcare Business, with an end-to-end system from R&D to service support.

In recent years, radiation therapy has been an increasing popular method to treat cancer since this treatment does not require any surgical removal of the affected areas of body, and thus lessens patient burden.

Hitachi is well-known for its technology and providing services in Particle Beam Therapy Systems, another form of radiation oncology treatment, and has a proven track record of delivery to many leading hospitals in both Japan and North America. In addition, Hitachi provides a wide range of radiation therapy solutions to accommodate the demands of the growing market in Japan and Asia. In July 2012, Hitachi has teamed up with a world leading high precision radiation oncology treatment provider Accuray, Inc, [Nasdaq: ARAY], with exclusive sales rights in Japan to provide the world recognized brand Tomotherapy Systems in Japan.

MHI developed Japan's only radiation treatment equipment "Vero4DRT", and has been in the market since 2008. Hitachi will continue to provide maintenance services for the currently operating "Vero4DRT" after approval from the relevant pharmaceutical regulation authorities and is expected to provide the services from April, 2017.

Under this agreement, Hitachi plans to strengthen its photon radiation treatment system business by utilizing the photon radiation treatment technology acquired from MHI. Hitachi will help improve the quality of life through front-line medical and cancer treatment, and further expand the healthcare business by providing total radiation therapy solutions including treatment planning systems.

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges. The company's consolidated revenues for fiscal 2015 (ended March 31, 2016) totalled 10,034.3 billion yen (\$88.8 billion). The Hitachi Group is a global leader in the Social Innovation Business, and it has approximately 335,000 employees worldwide. Through collaborative creation, Hitachi is providing solutions to customers in a broad range of sectors, including Power / Energy, Industry / Distribution / Water, Urban Development, and Finance / Government & Public / Healthcare. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>

About Mitsubishi Heavy Industries Group

Mitsubishi Heavy Industries, Ltd. (MHI), headquartered in Tokyo, is one of the world's leading industrial firms with 80,000 group employees and annual consolidated revenues of around 38 billion U.S. dollars. For more than 130 years, the company has channeled big thinking into innovative and integrated solutions that move the world forward. MHI owns a unique business portfolio covering land, sea, sky and even space. MHI delivers innovative and integrated solutions across a wide range of industries from commercial aviation and transportation to power plants and gas turbines, and from machinery and infrastructure to integrated defense and space systems.

For more information, please visit MHI's website: www.mhi-global.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.
