

**FOR IMMEDIATE RELEASE**

## **Hitachi Strengthens the Structure of the Singapore RO<sup>\*1</sup> System Manufacture**

**Expanding seawater desalination and reclaimed water system business and  
accelerating the global deployment of water environmental solution business**

Tokyo, September 29, 2010 --- Hitachi, Ltd. (NYSE:HIT/TSE:6501) and Hitachi Plant Technologies, Ltd. today announced that they are strengthening the structure of their Hitachi Group RO system manufacturer with the objective of expanding its seawater desalination and reclaimed water system business and accelerating the global deployment of the Hitachi Group water environmental solution business.

Specifically, in January 2009 Hitachi Plant Technologies acquired Aqua-Tech Engineering and Supplies Pte. Ltd. (headquarters: Singapore; Representative Director Kazuhiko Takino) as a 100% wholly-owned subsidiary. Effective October 1, 2010, the company will change its name to Hitachi Aqua-Tech Engineering Pte. Ltd. ("Hitachi Aqua-Tech"). Aqua-Tech Engineering and Supplies provides RO systems with high cost performance, from the design, assembly, and shipment of RO systems to after-sales services. With the change to the Hitachi name, the company will be able to leverage the Hitachi brand while strengthening its ability to win customer orders and improving its operations as a member of the Hitachi Group. By FY2011, Hitachi Aqua-Tech will more than double its personnel levels as it augments its global sales force in Asia, the Middle East, and other regions. Moreover, the company will expand its product line-up, taking bold steps to add larger RO systems in addition to the small- and medium-sized RO systems it already provides. The company aims to generate sales of 5 billion yen in FY2015.

There are enormous regional differences in freshwater resources around the world, and there are limits to the absolute amounts of these resources. There are growing pressures on the worldwide water supply in the face of increasing population, economic development, global warming, urbanization, and contamination of water resources. It is apparent that water resources will become increasingly problematic. Emerging nations will have increasing needs for seawater desalination as well as the recycling of household and industrial wastewater for industrial and other uses. The demand for RO systems, which form the nucleus of these treatment systems, is expected to increase. Given this backdrop, the company will be leveraging the synergies of RO systems as one of the core products of

the Hitachi Group water environmental solutions business by strengthening the Hitachi Aqua-Tech structure.

The Water Environment Solutions Division was established on June 1, 2010 under the direct supervision of the president of Hitachi to develop and propose overall Group business strategies in order to actively expand the business and position the Hitachi Group's water environmental solution business as a growing field in the social innovations business.

Moving forward, the Hitachi Group will provide comprehensive solutions by using its advanced technologies and extensive experience and know-how to integrate water circulation systems and information technology. The Hitachi Group will not only supply its customers with equipment and EPC\*<sup>2</sup>, but will also convert the group to a comprehensive water business solution provider, including management and operation. The Group aims for sales of 200 billion yen by FY2015 in the water environmental solution business.

Notes:

\*1 RO: Reverse Osmosis. RO systems apply this principle to water treatment membranes thereby removing ions and salts from water. Reverse osmosis is used in seawater desalinization, sewage treatment, and in the production of purified and super pure water, etc.

\*2 EPC: Engineering, Procurement and Construction

■ **Summary of Hitachi Aqua-Tech (as of October 1, 2010)**

Company Name	Hitachi Aqua-Tech Engineering Pte. Ltd.
Business areas	Production, sales, and servicing of RO systems
Address	Paya Ubi Industrial Park, Singapore
Established	May 1977
Capital	\$400,010 Singapore dollars (Approximately 25 million yen)
Shareholders	Hitachi Plant Technologies (100% of shares)
Representative	Kazuhiko Takino
Number of employees	25 (As of the end of March 2009)
Sales	Approximately 0.6 billion yen (As of the end of March 2009)



View of Hitachi Aqua-Tech RO system

**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.

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