

FOR IMMEDIATE RELEASE

Hitachi Wins Preferential Negotiating Rights for 2 Steam Turbines for Ultra Super Critical* Coal-Fired Thermal Power Plant in South Korea

Tokyo, December 7, 2010 - - - - Hitachi, Ltd. (NYSE:HIT / TSE:6501) today announced that it has been awarded preferential negotiating rights by the South Korean electric power company Korea South-East Power Co., Ltd. (KOSEP) for two 870 MW steam turbines and generators for ultra super critical (USC) coal-fired thermal power generation for the No. 5 and No. 6 units of KOSEP's Yeongheung Thermal Power Plant. Hitachi is in final negotiations with a view toward concluding the contract during December 2010.

Demand for electric power in South Korea is increasing in line with the country's economic growth. Demand is seen continuing to grow going forward, and plans have been made for the construction of new power plants to increase the country's current 76 GW of total power generation capacity by 24 GW by 2020.

The steam turbines and generators for which preferential negotiating rights were obtained are for the No. 5 and No. 6 units that are to be added to the Yeongheung Thermal Power Plant, which provides power to the South Korean capital and is located in Ongjin-gun, Incheon, South Korea, 60 kilometers southwest of Seoul. Hitachi also supplied the steam turbines and generators for the No. 3 and No. 4 units of the same facility, and these units have been operating smoothly since commencing commercial operations in 2008. KOSEP awarded the preferential negotiating rights for these new units in recognition of Hitachi's track record, technological capabilities, product quality, and functional reliability. The No. 5 unit is scheduled to begin commercial operations in June 2014, followed by the No. 6 unit in December 2014.

Hitachi has an extensive track record in USC coal-fired thermal power plants, which control CO₂ emissions while enhancing generation efficiency by increasing the steam pressure and temperature inside boilers. To date, Hitachi has won orders for 8 power plants in Japan and 25 overseas. Hitachi won the order for two 870 MW-class steam turbines and generators for the No. 3 and No. 4 units of KOSEP's Yeongheung Thermal Power Plant in 2004, and in July 2010 won the order for two 1,000 MW boilers for Korea East-West Power Company's Dangjin Power Plant of South Korea. The successful conclusion of this new contract would mark Hitachi's the third consecutive success in international competitive bidding for a coal-fired thermal power plant in South Korea.

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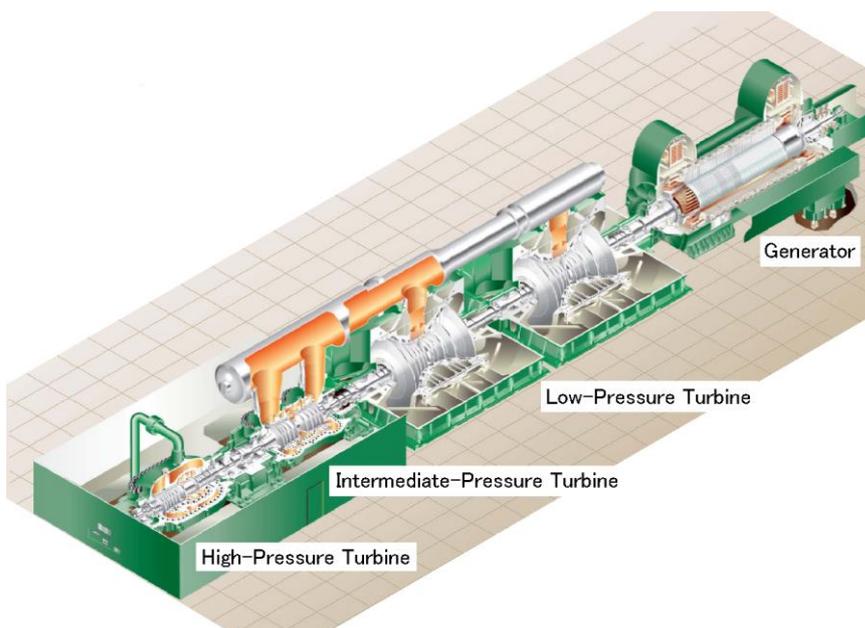
In addition to aiming to successfully conclude this contract through ongoing negotiations, Hitachi will strive to globally develop and accelerate its social innovation business by proactively pursuing orders for coal-fired thermal power plants in the South Korean market, where the construction of several more new facilities is anticipated in the future.

* Ultra Super Critical : Steam temperature at least 593°C, boiler steam pressure at least 24.1MPa.

Installation Plan:



View of the Steam Turbine Generator



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 & 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.
