

**Determination of Offer Price and Selling Price for  
Issuance and Sale of Shares and Conversion Price and  
Other Conditions for Issuance of Convertible Bond Type Bonds  
with Stock Acquisition Rights**

Tokyo, December 7, 2009 — Hitachi, Ltd. (Hitachi; TSE: 6501 / NYSE:HIT) announced the determination of the offer price and selling price in connection with the issuance and sale of new shares and the secondary offering of shares pursuant to a decision by its President and Chief Executive Officer on November 16, 2009 and the determination of the conversion price and other conditions in connection with the issuance of 130% Call Option Attached Unsecured Convertible Bond Type Bonds with Stock Acquisition Rights (8th Series) (with inter-bond *pari passu* clause) (the “Bonds with Stock Acquisition Rights”) pursuant to decisions by its President and Chief Executive Officer on November 16 and 27, 2009.

I. Issuance and Sale of New Shares and Secondary Offering of Shares

1. Issuance and Offering of New Shares

(1) Number and Type of Shares to Be Offered	A total of 1,090,000,000 shares of Hitachi’s common stock, as shown in 1 through 3 below. 1) 400,000,000 shares of Hitachi’s common stock to be purchased and underwritten by Japanese Underwriters in a public offering conducted in Japan. 2) 600,000,000 shares of Hitachi’s common stock to be purchased and underwritten by International Managers in an offering conducted overseas. 3) Up to an additional 90,000,000 shares of Hitachi’s common stock pursuant to an option to purchase granted by Hitachi to the International Managers
(2) Offer Price Per Share <sup>(1)</sup>	¥230
(3) Total Offer Price <sup>(2)</sup>	¥250,700,000,000
(4) Issue Price Per Share <sup>(1)</sup>	¥220.48
(5) Total Issue Price <sup>(2)</sup>	¥240,323,200,000
(6) Amount by Which Stated Capital and Capital Reserve Are to Be Increased <sup>(2)</sup>	Amount by Which Stated Capital Is to Be Increased Amount by Which Capital Reserve Is to Be Increased
	¥120,161,600,000 ¥120,161,600,000

This press release does not constitute an offer for sale of the securities of Hitachi, Ltd. in the United States. The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act.

- (7) Subscription Period  
(Domestic) December 8, 2009 (Tue.) to December 9, 2009 (Wed.)
- (8) Payment Date December 14, 2009 (Mon.)

Notes

1. The underwriters will purchase the shares at the Issue Price and offer them at the Offer Price.
2. These figures assume that the International Managers exercise in full the options described in Section (1)3 above.

2. Secondary Offering of Hitachi's Shares (By Way of Over-Allotment)

- (1) Number of Shares to Be Offered 60,000,000 shares
- (2) Selling Price Per Share ¥230
- (3) Total Selling Price ¥13,800,000,000
- (4) Subscription Period December 8, 2009 (Tue.) to December 9, 2009 (Wed.)
- (5) Delivery Date December 15, 2009 (Tue.)

3. Issuance of New Shares by Way of Third-Party Allotment

- (1) Issue Price Per Share ¥220.48
- (2) Total Issue Price (Up to) ¥13,228,800,000
- (3) Amount by Which Stated Capital and Capital Reserve Are to Be Increased Amount by Which Stated Capital Is to Be Increased (Up to) ¥6,614,400,000  
Amount by Which Capital Reserve Is to Be Increased (Up to) ¥6,614,400,000
- (4) Subscription Period (Subscription Date) December 24, 2009 (Thu.)
- (5) Payment Date December 25, 2009 (Fri.)

This press release does not constitute an offer for sale of the securities of Hitachi, Ltd. in the United States. The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act.

## II. Issuance of the Bonds with Stock Acquisition Rights

### 1. Details Regarding the Stock Acquisition Rights

Conversion Price	<u>¥317</u>
Conversion Pricing Date	<u>December 7, 2009 (Mon.)</u>
•Closing Price of Hitachi's Common Stock in Regular Transactions on the Tokyo Stock Exchange on the Conversion Pricing Date	<u>¥238</u>
•Conversion Premium [(Conversion Price/Closing Price of Common Stock - 1)×100]	<u>33.19%</u>

2. Subscription Period December 8, 2009 (Tue.) to December 9, 2009 (Wed.)

3. Payment Date (Allotment Date of the Stock Acquisition Rights) December 14, 2009 (Mon.)

This press release does not constitute an offer for sale of the securities of Hitachi, Ltd. in the United States. The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act.

<Reference>

1. Issuance and Sale of New Shares and Secondary Offering of Shares

(1) Determination of Offer Price and Selling Price

Calculation Reference Date and Price	<u>December 7, 2009 (Mon.)</u>	<u>¥238</u>
Discount Rate		<u>3.36%</u>

(2) Syndicate Cover Transaction Period

From December 10, 2009 (Thu.) to December 17, 2009 (Thu.)

2. Convertible Bond Type Bonds with Stock Acquisition Rights (8<sup>th</sup> Series) (Announced on November 16 and 27, 2009)

- |   |   |
|---|---|
| (1) Aggregate Amount of the Convertible Bonds | ¥100 billion                              |
| (2) Interest Rate of the Convertible Bonds    | 0.10% per annum                           |
| (3) Exercise Period                           | From January 4, 2010 to December 10, 2014 |
| (4) Redemption Date                           | December 12, 2014                         |

3. Use of Proceeds

Hitachi intends to use the net proceeds from the Japanese Offering, International Offering, the issuance of new shares by way of third-party allotment and the issuance of the Bonds with Stock Acquisition Rights, estimated to be, in total, no greater than ¥349,292 million, to fund capital expenditures of ¥220.0 billion to strengthen its Social Innovation Business, to make investments of ¥40.0 billion to strengthen its Social Innovation Business and to use the remainder to repay Hitachi's debt.

Please refer to "Issuance and Sale of New Shares and Issuance of Call Option Attached Unsecured Bonds with Stock Acquisition Rights (Convertible Bonds)" announced on November 16, 2009 for more details of Hitachi's plan for use of proceeds.

**About Hitachi, Ltd.**

Hitachi, Ltd., (NYSE: HIT / TSE: 6501) is a leading global technological and industrial company with total revenues of ¥10,000 billion yen (\$102.0 billion) for the year ended March 31, 2009. Hitachi's business is highly diversified, encompassing operations in the following seven segments: Information & Telecommunication Systems; Electronic Devices; Power & Industrial Systems; Digital Media & Consumer Products; High Functional Materials & Components; Logistics, Services & Others; and Financial Services. For more information on Hitachi, please visit Hitachi's website at <http://www.hitachi.com>.

###

This press release does not constitute an offer for sale of the securities of Hitachi, Ltd. in the United States. The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act.

---

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.

---