

**FOR IMMEDIATE RELEASE**

## **Hitachi and WJCO Establish Joint Venture in Gas-insulated Switchgear**

Tokyo and Riyadh, May 4, 2014 --- Hitachi, Ltd. (NYSE: HIT/TSE: 6501, "Hitachi") today announced that it has reached an agreement with Halla Juffali, the Managing Director of WJCO (Walid Ahmad Juffali Company Limited), to establish a joint venture in the gas-insulated switchgear business. Hitachi will hold a 51% share of equity in the new venture, and WJCO will hold a 49% share. With an investment plan to construct a new manufacturing plant for gas-insulated switchgear to be located in Jeddah, in the Kingdom of Saudi Arabia, the company will focus on operations for gas-insulated switchgear from design and manufacture, through to assembly, installation and sales, as well as handling the entire process at substations from design through to procurement, construction, maintenance, and other related operations.

There is a growing need for a variety of electric power transmission and distribution infrastructure in conjunction with increasing introduction of renewable energy in recent years, in addition to expansion in demand for electric power in emerging countries and demand for renewal of aging transmission and distribution infrastructure in advanced countries.

In the Middle East, an increasing population and economic growth have underpinned a sharp increase in demand for electric power. There is now an urgent need to bolster the power transmission and distribution infrastructure. There is a particularly acute market need in the Kingdom of Saudi Arabia, but needs are compelling even on a global level, for gas-insulated switchgear, which plays a vital role in the field of electric power transmission and distribution. Demand is expected to expand even further going forward.

Hitachi aims to expand its transmission and distribution business in the global market and to this end has already established operating companies to undertake manufacturing and engineering operations in Atlanta, Suzhou, Shandong, Taichung, Jakarta and Singapore as it continues to promote its global business development.

Now, in the Kingdom of Saudi Arabia, Hitachi has partnered with WJCO, with which the Company has a long-standing cordial relationship, in making an agreement to establish a joint venture to undertake the power transmission and distribution business centered on gas-insulated switchgear.

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Since the 1970s, Hitachi has constructed numerous substations in the Middle East, mainly in the Kingdom of Saudi Arabia and Kuwait. The Juffali Group has been contributing to the execution of Hitachi's substation projects in the Kingdom of Saudi Arabia since 1978 as a local cooperating partner. The establishment of this joint venture will combine Hitachi's technological capabilities with WJCO's outstanding position in the Saudi Arabian market to provide highly reliable equipment and services.

Looking ahead, Hitachi will mainly utilize its global production and engineering bases to answer the needs of countries and regions seeking to establish and expand their power transmission and distribution infrastructure by providing entire power-grid system solutions.

#### **About Hitachi, Ltd.**

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 326,000 employees worldwide. The company's consolidated revenues for fiscal 2012 (ended March 31, 2013) totaled 9,041 billion yen (\$96.1 billion). Hitachi is focusing more than ever on the Social Innovation Business, which includes infrastructure systems, information & telecommunication systems, power systems, construction machinery, high functional material & components, automotive systems and others.

For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

#### **About WJCO**

WJCO, headquartered in Jeddah, in the Kingdom of Saudi Arabia, is focused on providing the best in class products, services, solutions and advanced technologies. With a fundamental focus on business and investments that deliver social benefit, WJCO is actively involved in industries which include energy, infrastructure, construction, insurance, engineering, health care and technology.

For more information on WJCO, please visit the company's website at <http://www.wj-co.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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