

FOR IMMEDIATE RELEASE

Hitachi to invest in Signalling and Rolling Stock operations of Finmeccanica, positioning for leadership in the global Rail Sector

Tokyo, Japan, and Rome, Italy, 24 February, 2015 --- Hitachi, Ltd. (TSE:6501, "Hitachi" or "Hitachi Group") and Finmeccanica S.p.A. ([FNM.IM,] "Finmeccanica" or "Finmeccanica Group") have announced today that they have signed binding agreements for the sale and purchase of:

- the current business of AnsaldoBreda S.p.A., with the exclusion of some revamping activities and certain residual contracts, and
- the entire interest owned by Finmeccanica in Ansaldo STS S.p.A. ("Ansaldo STS"), equal to approximately 40% of the share capital.

The simultaneous closing of the transactions is expected later this year and is subject to certain customary conditions, such as regulatory and antitrust approvals.

The acquisitions represent a key milestone in Hitachi Rail's strategy to become a global leader in total rail solutions. Whilst significantly expanding its global footprint, the acquisitions will enable Hitachi to strengthen its position in signalling / traffic management systems, expand turnkey operations and enlarge its portfolio with world class products. The businesses acquired are strategically important for Italy and the combination with Hitachi will also provide a unique opportunity to pursue untapped growth potential in new markets.

Finmeccanica has selected Hitachi as the best industrial partner to ensure a successful long term repositioning of its transportation business, following a competitive process. The integration into Hitachi will secure the best possible future for the Ansaldo STS and AnsaldoBreda businesses and their employees, marking a fundamental step in executing the Industrial Plan of Finmeccanica, which becomes a pure Aerospace, Defence & Security company. The transactions will result in a reduction of Group Net Debt by approximately Eur 600 million and a net total capital gain of approximately Eur 250 million.

Hiroaki Nakanishi, Chairman & CEO of Hitachi, Ltd. said: "I am very pleased to announce that Hitachi has today agreed with Finmeccanica to proceed with this important transaction. This acquisition complements Hitachi's strategy to grow our Social Innovation Business, combining IT technology with our sound infrastructure solutions."

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Finmeccanica's CEO and General Manager Mauro Moretti said: "The sale of the rail transport business is a key step in the execution of our Industrial Plan, aimed at focusing and strengthening the Group in the core business-hi-tech Aerospace, Defence & Security. The transactions announced today confirm our commitment to deliver on our economic and financial objectives contributing to significantly reducing net debt. Hitachi has clearly recognized the know-how and expertise which would be contributed by both AnsaldoBreda and Ansaldo STS within the new Group and I am sure both companies will play a key role in the future development of Hitachi Rail business worldwide, with their centers of excellence in Transportation Systems and Mass Transit".

Alistair Dormer, Global Chief Executive Officer of Hitachi Rail said: "With the addition of these companies we are in an excellent position to transform Hitachi Rail into one of the strongest global players in the sector. Today's announcement is a further testament to the long term vision we have for growth of Hitachi. By combining forces, we significantly strengthen our market position, aspiring to become a leading global total solution provider to the rail sector."

Ansaldo STS is a leading, world-class Transportation Systems technology company specializing in the design, implementation and management of signalling equipment and control systems for railways and underground railways in the freight and passenger market. Ansaldo STS also acts as a main contractor and supplier of "turnkey" transportation systems worldwide. Ansaldo STS is headquartered in Genoa and employs about 4,000 people (of which 1,530 in Italy) in more than 30 countries.

AnsaldoBreda has 150 years of experience in the industry and a strong tradition in the field of rail vehicles, with consolidated capabilities in Mass Transit and Very High Speed Trains. It is headquartered in Naples and has presences in the USA and major projects globally.

The purchase price under the Ansaldo STS Share Purchase Agreement is €9.65 per Ansaldo STS share, resulting in a total consideration of €773 million. The agreed purchase price is subject to a possible pre-closing downward adjustment in the event that Ansaldo STS approves any distribution of dividends, interim dividends or other distributions.

The total net consideration to be paid to Finmeccanica for the current business of AnsaldoBreda, including the real estate assets, amounts to Eur 36 million.

Finmeccanica will update FY2015 Group guidance on completion of the transaction.

Following close of the Acquisitions, Hitachi will launch a mandatory tender offer on all remaining shares of Ansaldo STS in accordance with Italian law.

Advisors

For the transaction, Finmeccanica was assisted by UBS and Mediobanca as financial advisors and by Grimaldi Studio Legale as legal advisor. Independent Directors of

Finmeccanica's Board were assisted by Equita Sim as financial advisor. Hitachi Group was assisted by Citi as financial advisor and by Gianni, Origoni, Grippo e Cappelli as legal advisor.

1. General overview of the Ansaldo STS

(1)	Name of the company	Ansaldo STS S.p.A.
(2)	Location	Genova, Italy
(3)	Title and name of the representative	Stefano Siragusa (CEO)
(4)	Description of business	Design, implementation and management of systems for signaling and supervision of railway and urban traffic, as well as lead contractor
(5)	Capital	€100,000,000
(6)	Establishment date	June 09, 1995
(7)	Major shareholder and ratio of shareholding	Finmeccanica S.p.A. 40.1% Altrinsic Global Advisor LLC: 2.1% Norges Bank: 2.0% Public market: 55.8%
(8)	Sales	1,304 million euro (Fiscal year ended December 2014)
(9)	Operating profit	125 million euro (Fiscal year ended December 2014)

2. Overview of stockholder acquisition

(1)	Name of the company	Finmeccanica Spa
(2)	Location	Rome, Italy
(3)	Title and name of the representative	Mauro Moretti (CEO)
(4)	Description of business	Aerospace, defense and security
(5)	Capital	2,544 million euro
(6)	Establishment date	March 18, 1948
(7)	Net assets	3,792 million euro
(8)	Total assets	27,513 million euro
(9)	Major shareholder and ratio of shareholding	Italian Ministry of Economy and Finance 30.2% Deutsche Bank Trust Company Americas: 3.6% Fmr LLC (Fidelity Management Research & Co.): 2.1% Libyan Investment Authority (Arab Bkg Corp/Libyan inves, man): 2.0% Public market: 62.1%

3. Acquired stocks, acquisition price and stock situation before and after acquisition of Ansaldo STS

(1)	Shares owned before the acquisition	0 shares (Ratio of voting rights : 0.0%)
(2)	Shares acquired	80,131,073 ordinary shares

(3)	Acquisition price	Total (estimate) arroximately 104.4 billion yen
(4)	Shares owned after the acquisition	80,131,073 ordinary shares (Ratio of voting rights : 40.1% (including voting rights owned indirectly of 40.1%))

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges with our talented team and proven experience in global markets. The company's consolidated revenues for fiscal 2013 (ended March 31, 2014) totaled 9,616 billion yen (\$93.4 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 materials & components, automotive systems, healthcare and others. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

Cautionary Statement

Certain statements found in this document may constitute "forward-looking statements" as defined in the U.S. Private Securities Litigation Reform Act of 1995. Such "forward-looking statements" reflect management's current views with respect to certain future events and financial performance and include any statement that does not directly relate to any historical or current fact. Words such as "anticipate," "believe," "expect," "estimate," "forecast," "intend," "plan," "project" and similar expressions which indicate future events and trends may identify "forward-looking statements." Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the "forward-looking statements" and from historical trends. Certain "forward-looking statements" are based upon current assumptions of future events which may not prove to be accurate. Undue reliance should not be placed on "forward-looking statements," as such statements speak only as of the date of this document.

Factors that could cause actual results to differ materially from those projected or implied in any "forward-looking statement" and from historical trends include, but are not limited to:

- economic conditions, including consumer spending and plant and equipment investment in Hitachi's major markets, particularly Japan, Asia, the United States and Europe, as well as levels of demand in the major industrial sectors Hitachi serves, including, without limitation, the information, electronics, automotive, construction and financial sectors;
- exchange rate fluctuations of the yen against other currencies in which Hitachi makes significant sales or in which Hitachi's assets and liabilities are denominated, particularly against the U.S. dollar and the euro;
- uncertainty as to Hitachi's ability to access, or access on favorable terms, liquidity or long-term financing;
- uncertainty as to general market price levels for equity securities, declines in which may require Hitachi to write down equity securities that it holds;
- uncertainty as to Hitachi's ability to continue to develop and market products that incorporate new technologies on a timely and cost-effective basis and to achieve market acceptance for such products;
- rapid technological innovation;
- the possibility of cost fluctuations during the lifetime of, or cancellation of, long-term contracts for which Hitachi uses the percentage-of-completion method to recognize revenue from sales;
- fluctuations in the price of raw materials including, without limitation, petroleum and other materials, such as copper, steel, aluminum, synthetic resins, rare metals and rare-earth minerals, or shortages of materials, parts and components;
- fluctuations in product demand and industry capacity;
- uncertainty as to Hitachi's ability to implement measures to reduce the potential negative impact of fluctuations in product demand, exchange rates and/or price of raw materials or shortages of materials, parts and components;

- increased commoditization of and intensifying price competition for products;
- uncertainty as to Hitachi's ability to achieve the anticipated benefits of its strategy to strengthen its Social Innovation Business;
- uncertainty as to the success of restructuring efforts to improve management efficiency by divesting or otherwise exiting underperforming businesses and to strengthen competitiveness;
- uncertainty as to the success of cost reduction measures;
- general socioeconomic and political conditions and the regulatory and trade environment of countries where Hitachi conducts business, particularly Japan, Asia, the United States and Europe, including, without limitation, direct or indirect restrictions by other nations on imports and differences in commercial and business customs including, without limitation, contract terms and conditions and labor relations;
- uncertainty as to the success of alliances upon which Hitachi depends, some of which Hitachi may not control, with other corporations in the design and development of certain key products;
- uncertainty as to Hitachi's access to, or ability to protect, certain intellectual property rights, particularly those related to electronics and data processing technologies;
- uncertainty as to the outcome of litigation, regulatory investigations and other legal proceedings of which the Company, its subsidiaries or its equity-method affiliates have become or may become parties;
- the possibility of incurring expenses resulting from any defects in products or services of Hitachi;
- the potential for significant losses on Hitachi's investments in equity-method affiliates;
- the possibility of disruption of Hitachi's operations by earthquakes, tsunamis or other natural disasters;
- uncertainty as to Hitachi's ability to maintain the integrity of its information systems, as well as Hitachi's ability to protect its confidential information or that of its customers;
- uncertainty as to the accuracy of key assumptions Hitachi uses to evaluate its significant employee benefit-related costs; and
- uncertainty as to Hitachi's ability to attract and retain skilled personnel.

The factors listed above are not all-inclusive and are in addition to other factors contained in other materials published by Hitachi.

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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.
