

**FOR IMMEDIATE RELEASE**

**Hitachi Awarded Order From Eaton Corporation for Commercial Vehicle Hybrid System**

Tokyo, October 20, 2008 - Hitachi, Ltd. (NYSE: HIT/ TSE: 6501) and Hitachi Vehicle Energy, Ltd., which manufactures lithium-ion batteries for hybrid electric vehicles (HEV) and other uses, today announced that they have been awarded an order from U.S.-based Eaton Corporation (NYSE:ETN) to supply motors, inverters, lithium-ion batteries and other components for Eaton's hybrid power systems to be delivered through 2011. Plans call for commercial vehicles using Eaton's hybrid system to be rolled out in markets in North America, Europe and Asia.

Owing to stricter environmental regulations and rising concern about fuel economy worldwide, Hitachi expects the global market for commercial vehicle and passenger car HEVs to continue expanding from the 690,000 unit level recorded in 2007 to 1.5 million units in 2010<sup>\*1</sup>. Eaton hybrid commercial vehicles deployed in fleet operations are today achieving between 30 percent and 60 percent savings in fuel costs, dependent on driving route and operating conditions, along with similar percentage decreases in NOx and other harmful emissions.

Eaton Corporation is a global leader in the development, production and marketing of commercial vehicle powertrain systems, including transmissions, clutches and hybrid power systems. In 2005, Eaton was one of the first companies in the world to deliver to commercial vehicle manufacturers a hybrid power system including Hitachi hybrid components. This system is already in use in commercial vehicles in North America and China in package delivery vans, medium-duty pickup and delivery operations, utility repair, city passenger transit and other applications.

Hitachi develops and manufactures within the Hitachi Group major HEV components, namely motors, inverters and batteries. This and the delivery of these key components as systems are Hitachi's strengths. In particular, Hitachi subsidiary Hitachi Vehicle Energy is the only battery manufacturer in the world supplying lithium-ion batteries for mass-produced vehicles. High hopes are held for these batteries as a key technology for next-generation HEVs.

"We're pleased to have Hitachi as a supplier and collaborator in the introduction of hybrid electric power to the world's commercial vehicle fleets," said Kevin Beaty, business unit manager for Eaton's hybrid power business.

Meanwhile, Yasuhiko Honda, Vice President and Executive Officer, President & Chief Executive Officer, Automotive Systems Group of Hitachi, Ltd., said, "We're delighted to receive this order from Eaton Corporation for motors, inverters, lithium-ion batteries and other components for their hybrid power systems."

Automakers are expected to develop their HEV businesses in earnest from 2010. Under its Environmental Vision 2025\*<sup>2</sup>, a long-term plan for combating global warming, Hitachi will help protect the global environment through its HEV-related operations.

\*1 Hitachi survey

\*2 Announced on December 20, 2007. Please refer to the Hitachi press release entitled "Hitachi Develops the Long-term Plan "Environmental Vision 2025" to Combat Global Warming"

## About Eaton Corporation

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|------------------|----------------------------|
| Company          | : Eaton Corporation        |
| Chairman and CEO | : Alexander M. Cutler      |
| Sales            | : US\$13.0 billion (2007)  |
| Headquarters     | : Ohio, U.S.A              |
| Business         | : Power management company |

## About Hitachi Vehicle Energy, Ltd.

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|--------------|---|
| Company      | : Hitachi Vehicle Energy, Ltd   |
| President    | : Hidetaka Kawamoto   |
| Common Stock | : 7.0 billion yen (Hitachi, Ltd. 65%, Shin-Kobe Electric Machinery Co., Ltd. 25%, Hitachi Maxell, Ltd. 10%) |
| Headquarters | : Hitachinaka-shi, Ibaraki, Japan   |
| Business     | : Marketing, development and manufacturing of lithium-ion batteries for HEVs, etc.                          |

### **About Eaton Corporation**

Eaton Corporation is a diversified power management company with 2007 sales of \$13 billion. Eaton is a global technology leader in electrical systems for power quality, distribution and control; hydraulics components, systems and services for industrial and mobile equipment; aerospace fuel, hydraulics and pneumatic systems for commercial and military use; and truck and automotive drive-train and power-train systems for performance, fuel economy and safety. Eaton has 81,000 employees and sells products to customers in more than 150 countries. For more information, visit [www.eaton.com](http://www.eaton.com).

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

Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 390,000 employees worldwide. Fiscal 2007 (ended March 31, 2008) consolidated revenues totaled 11,226 billion yen (\$112.3 billion). The company offers a wide range of systems, products and services in market sectors including information systems, electronic devices, power and industrial systems, consumer products, materials, logistics and financial services. 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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