

FOR IMMEDIATE RELEASE

**Hitachi Acquires Software Assets Related to Next-Generation Mobile
Communication Systems From Nortel Networks
Aimed at Increasing Global Business of Next-Generation Mobile Communication
Systems**

Tokyo, December 9, 2009 --- Hitachi, Ltd. (NYSE: HIT / TSE: 6501), today announced it has acquired next generation packet core network components, including software products that support the transfer of data over existing wireless networks and the next generation of wireless communications technology, from Nortel Networks Limited, Nortel Networks Inc. and Nortel Networks Technology Corporation for a total of US\$10 million. This acquisition relates to Hitachi's development of Evolved Packet Core (EPC)^{*1} for Long Term Evolution (LTE)^{*2} network equipment. LTE is a new next-generation mobile communications system that provides high performance air interface (100Mbit/s) for cellular mobile phones.

The assets include the Next Generation Serving GPRS Support Node^{*3} on Advance Telecommuting Architecture (ATCA), the Next Generation Gateway GPRS Support Node^{*3} on ATCA, the Mobility Manager Element^{*4} on ATCA, the AGW Serving Gateway on ATCA, the AGW Packet Data Gateway on ATCA, and the Network Element Manager associated with each, as well as relevant non-patent intellectual property, equipment, other related tangible assets, a non-exclusive license of certain relevant patents and other intellectual property.

With demand in the LTE market expected to expand worldwide going forward, Hitachi has decided to conduct this acquisition in order to quickly enter the LTE field on a global basis.

Demand continues to grow for broadband-intensive communications in the mobile communications field, including mobile phones and data card devices for PCs. End user demand is driven by rapidly multiplying applications, including growing needs for large-capacity data-file transfers, music and video streaming services, and online games.

In response to these needs, LTE has been undergoing standardization by 3GPP^{*5}, a standard-setting body for mobile communication systems. In March 2009, the LTE standard was established.

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Key elements of the Hitachi EPC-solution are the associated Mobility Management Entity (MME), Serving Gateway*⁶ and PDN Gateway*⁷. This product offering can also deliver the ability to support 2G and 3G subscribers with integrated Serving GPRS Support Node (SGSN) and Gateway GPRS Support Node (GGSN) functionality. This capability will facilitate the economical migration to 4G technology.

In December 2008, Hitachi was selected as a vendor of core LTE network equipment by KDDI Corporation, and has been moving forward with development activities. In May 2009, Hitachi established a new Mobile Development Center within its U.S. subsidiary Hitachi Communication Technologies America, Inc. to reinforce its design and development activities in the area of next-generation mobile communication systems.

Note:*1 EPC stands for Evolved Packet Core and is network system of LTE which consist of Mobility Management Entity (MME), Serving Gateway and PDN Gateway.

*2 LTE stands for Long Term Evolution and is a high-speed data communications standard for mobile phones.

*3 Serving GPRS Support Node (SGSN) and Gateway GPRS Support Node (GGSN) stand for packet network nodes within the 2nd and 3rd generation of mobile communication network. SGSN make connection to mobile access network, and GGSN make connection to outside packet network like internet or enterprise network.

*4 MME stands for Mobility Management Entity and is a control node for mobility management, including terminal location registration, paging and handover between base stations.

*5 3GPP stands for 3rd Generation Partnership Project, and is a standardization project for 3G mobile communications systems.

*6 Serving Gateway stands for a node with functionality for relaying user data to mobile terminals executing LTE access and 3G access.

*7 PDN Gateway stands for a node connecting the core network to an IP multimedia subsystem (IMS) for enabling multimedia applications with IP, or to an external network such as an Internet service provider (ISP) or enterprise network.

About Hitachi, Ltd.

Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 400,000 employees worldwide. Fiscal 2008 (ended March 31, 2009) consolidated revenues totaled 10,000 billion yen (\$102.0 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>.

Hitachi Communication Technologies America, Inc., a subsidiary of Hitachi, Ltd., develops, manufactures and markets equipment for communications service providers the Americas.

The company offers standards-compliant fiber-to-the-premises solutions, including EPON, GPON and RFoG systems, ultra high-speed optical networking equipment for long haul and metro applications, and products for wireless infrastructure applications. For more information about Hitachi Communication Technologies America, please visit <http://www.hitachi-cta.com>.

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.
