

FOR IMMEDIATE RELEASE

Hitachi to Launch Elevator and Escalator Regional HQ in Singapore for Southeast Asia, India and the Middle East
Aims to Establish Highly Efficient Global Development and Manufacturing Framework Based on Cooperation Among Bases in Japan, China and Singapore by Sharing Elevator Control Systems and IT Platforms

Tokyo, 27 September 2010 --- Hitachi, Ltd. (NYSE:HIT/TSE:6501) today announced that Hitachi Elevator Engineering (Singapore) Pte. Ltd. (HEES), a company that manufactures, sells and provides services for elevators and escalators in Republic of Singapore (Singapore), will be renamed Hitachi Elevator Asia Pte. Ltd. (HEA) and begin operations as a regional HQ for the Hitachi Group's elevator and escalator business in Southeast Asia ^{*1}, India and the Middle East ^{*2} on October 1 this year.

At present, Hitachi is conducting its elevator and escalator business in these countries and regions through manufacturing, sales and service the Hitachi Group and its agents in each region. From October 1, HEA will oversee all regional operations. In this capacity, HEA will endeavor to raise business efficiency through locally led operations, as well as strengthen the system for quickly responding to market trends and customer needs in each country and region.

Furthermore, Hitachi will develop global strategic elevators that will standardize control systems that have differed by countries and regions, and promote a shared IT platform for supporting decisions regarding sales and specification determination, design, and manufacturing and procurement. This will form a highly efficient global development and manufacturing framework based on cooperation among bases in Japan, People's Republic of China (China) and Singapore.

In strengthening cooperation among Japan, China and Singapore operations through today's move and other actions, Hitachi aims to expand its global share of new orders for elevators and escalators in terms of units from 8% ^{*3} in the year ended March 2010 (fiscal 2009) to 10% in the year ended March 2013 (fiscal 2012).

Background

Demand for new elevators and escalators in Southeast Asia, India and the Middle East is expected to rise by 20% from 54,000 units in fiscal 2009 to 65,000 units in fiscal 2012. Based on this forecast, this region is expected to see world-leading growth in demand that is second only to China. ^{*3}

Hitachi has been involved in overseas business in elevators and escalators since the 1950s. In China, Hitachi Elevator (China) Co., Ltd. is presently developing the elevator and escalator business as the regional HQ for China. Hitachi decided to form HEA as a regional HQ for Southeast Asia, India and the Middle East, where the market is expected to grow going forward, in order to expand the elevator and escalator business through its strong regional network.

About Hitachi Elevator Asia Pte. Ltd. (HEA)

HEA will formulate a business strategy for Southeast Asia, India and the Middle East as a whole, optimally allocate business resources, and coordinate the activities of the Hitachi Group and its agents in developing the business. In addition, HEA will actively promote alliances in each region. Moreover, HEA plans to strengthen its human capital base for the medium and long terms by nurturing global human resources in these regions.

*HEA will be formed by integrating the elevator and escalator business division of Hitachi Asia Ltd. into HEES.

	Former Corporation	New Corporation
Company	Hitachi Elevator Engineering (Singapore) Pte. Ltd.	Hitachi Elevator Asia Pte. Ltd.
Established	October 20, 1972	October 1, 2010
President	Yoshio Matsuzaki	
Business	Elevator and escalator manufacturing, sales, installation and maintenance	Same as before, with enhanced regional business coordination and support
Capital	1,750 thousand SGD (Approx. 110 millions of yen)	Same as before (Plans to increase capital in fiscal 2010)
Shareholders	Hitachi, Ltd. (53.4%), Hitachi Building Systems Co., Ltd. (36.6%), and Yungtay Engineering Co., Ltd. (10.0%)	

Highly Efficient Global Development and Manufacturing Framework

Hitachi plans to shorten development timeframes and lead times, reduce costs, and raise product quality by standardizing basic design, which has differs by country and region, and the business IT platform.

(1) Development of global strategic elevators based on cooperation among Japan, China and Singapore

Hitachi has developed a new control system that uses a standard basic design based on inverter technologies from Japan through cooperation among development divisions in Japan, China and Singapore. Furthermore, Hitachi developed an elevator with a small machine room (Rated speed 60~105 m/min.; load capacity 450~1,050 kg) for markets in China, Southeast Asia, India and the Middle East that employs this system. Hitachi began selling this elevator in China, Southeast Asia, India and the Middle East after April 2010. Hitachi plans to expand the range of elevators and escalators using this system going forward.

(2) Shared IT platform

Hitachi will unify the IT platform for three business processes—sales and specification determination, design, and manufacturing and procurement—after standardizing business processes in Japan, China and Singapore. Hitachi aims to strengthen project management by sharing sales information; shorten lead times and raise design quality by integrating design information and drawings; and optimize production planning globally by integrating manufacturing and procurement information.

Hitachi plans to begin operating an IT platform that integrates drawings and technical information in design in April 2011. And by fiscal 2012, Hitachi plans to begin operating a shared IT platform for sales and specification determination, and manufacturing and procurement.

Hitachi is bolstering its global development of Social Innovation Business, which has a strong track record and technological capabilities in advanced social infrastructure supported by sophisticated information and communication technologies. In Asian belt zone ^{*4}, Hitachi will promote development of advanced technologies and solutions businesses related to elevators and escalators which are one of the main infrastructure of buildings, power systems, smart grids, water treatment, security, city transportation and other businesses.

Note:

*1 Southeast Asia: Kingdom of Thailand, Malaysia, Republic of Singapore, Republic of Indonesia, etc.

*2 Middle East: United Arab Emirates, Kingdom of Saudi Arabia, State of Kuwait, Sultanate of Oman, etc.

*3 As of May 2010, Hitachi estimate

*4 Asian Belt Zone consists of countries and areas, totalled 24, such as but not limited to China, ASEAN countries, India, Middle Eastern countries and other countries located within the territory.

About Hitachi Ltd.

Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 360,000 employees worldwide. Fiscal 2009 (ended March 31, 2010) consolidated revenues totaled 8,968 billion yen (\$96.4 billion). Hitachi will focus more than ever on the Social Innovation Business, which includes information and telecommunication systems, power systems, environmental, industrial and transportation systems, and social and urban systems, as well as the sophisticated materials and key devices that support them. 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.
