

FOR IMMEDIATE RELEASE

**Hitachi to Establish “Industrial Products Company”
to Strengthen the Industrial Product Business**

*Aiming to be a top global company in key products
that support the Social Innovation Business*

Tokyo, Japan, March 23, 2015 --- Hitachi, Ltd. (TSE:6501, “Hitachi”) today announced that on May 1, 2015, it will establish the Industrial Products Company as a new company integrating Hitachi’s industrial product business. The goal of establishing the new company is to increase competitiveness in the industrial product business, including motors and Uninterruptible Power Supply (UPS), and to expand business on a global scale. The Industrial Products Company will integrate the Power Systems Company’s industrial products such as medium and large motors, substation equipments with the Infrastructure Systems Company’s industrial products such as UPS, other power electronics products, pumps, compressors. In this way, Hitachi will increase product competitiveness and aim to be a top global company by strengthening the business base.

By undertaking operations as one with Hitachi Industrial Equipment Systems Co., Ltd. (“Hitachi Industrial Equipment Systems”), which is managing in the small industrial product business, the Industrial Products Company will establish a comprehensive product lineup, from small to large products, enabling the Hitachi Group to respond flexibly to needs in a wide range of industries, including the Oil & Gas, manufacturing, and energy fields. In addition, the Company will provide highly competitive industrial products on a global scale, as key products that support the Social Innovation Business currently being promoted by the Hitachi Group. For example, it will provide products in a one-stop format in the Engineering, Procurement and Construction (EPC) business, targeting plants, industrial parks, and other large-scale industrial facilities.

Masakazu Aoki, Vice President and Executive Officer at Hitachi, Ltd., will be appointed President & CEO of the Industrial Products Company, and will hold a concurrent position as President & Director of Hitachi Industrial Equipment Systems.

Since April of last year, the Hitachi Group has been accelerating the establishment of “autonomous distributed global management,” in which the various regions roll out business autonomously, close to the customers. For example, a Global CEO structure has been established in the railway systems business, and Chief Executives have been appointed in four key regions overseas. At the same time, the Group has been putting in place a structure with a market-driven approach, for example by establishing

the Health Care Group and the Energy Solutions Company, and by reorganizing the Systems Solution Business at the Information & Telecommunication Systems Company.

The Industrial Products Company will be established to transform the industrial product business into a globally competitive business, even in individual products. Hitachi will focus its resources to the industrial product business, as a source of competitive strength in the Social Innovation Business, which resolves the customers' issues using solutions that combine those strong products, services, and information technologies.

Through the integration of the industrial product business, the Industrial Products Company will optimize production bases, select and concentrate investments, and strengthen the business base to increase product competitiveness. By rolling out business as one with Hitachi Industrial Equipment Systems, it will expand industrial product business on a global scale which includes motors, UPS; automation products, power electronics products, substation equipments, compressors, and pumps. The new Company will respond to a broad range of needs in industrial fields as One Hitachi.

About Business Group Structure (as of May 1, 2015)

Business Group	In-house Companies*	Principal Consolidated Subsidiaries
Power & Infrastructure Systems Group	Power Systems Company Infrastructure Systems Company <u>Industrial Products Company</u> Rail Systems Company Urban Planning and Development Systems Company Defense Systems Company	Hitachi GE Nuclear Energy, Ltd. Hitachi Plant Construction, Ltd. Hitachi Industrial Equipment Systems Co, Ltd. Hitachi Building Systems Co., Ltd. Hitachi High-Technologies Corporation Hitachi Koki Co., Ltd. Hitachi Kokusai Electric Inc. Hitachi Appliances, Inc.
Information & Telecommunication Systems Group	Information & Telecommunication Systems Company	Hitachi Solutions, Ltd. Hitachi Systems, Ltd. Hitachi Data Systems Corporation Hitachi Consulting Corporation Hitachi Transport System, Ltd.
Construction Machinery Group		Hitachi Construction Machinery Co., Ltd.
High Functional Materials & Components Group		Hitachi Metals, Ltd. Hitachi Chemical Company, Ltd.
Automotive Systems Group		Hitachi Automotive Systems, Ltd. Clarion Co., Ltd.
Healthcare Group	Healthcare Company	Hitachi Medical Corporation
Financial Services		Hitachi Capital Corporation

* The Energy Solutions Company: Does not belongs to the Business Group. Reports directly to the president of Hitachi, Ltd.

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>.

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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.
