

FOR IMMEDIATE RELEASE

Hitachi to Establish FinTech Research Organization in North America

*To accelerate research & development of blockchain technology
and “collaborative creation” with financial institutions*

Tokyo, March 16, 2016 --- Hitachi, Ltd. (TSE: 6501) today announced that it has decided to establish Financial Innovation Laboratory, a FinTech^{*1} research organization in the Silicon Valley office of Hitachi’s Global Center for Social Innovation - North America (CSI-NA) in Santa Clara, California. Operations are expected to commence from April 2016. The new organization will work together with CSI-NA in areas such as research & development of blockchain technology^{*2}, a core technology of FinTech, and on collaborative creation with financial institutions.

*1 FinTech: a combination of the words finance and technology, FinTech refers to innovative financial services using information technology and activities to create these financial services.

*2 Blockchain technology: a distributed ledger technology which maintains an immutable ledger by synchronizing same data records via a peer-to-peer network.

FinTech, which combines IT and financial services, is attracting attention internationally as a new trend in society with the recent proliferation of mobile devices such as smartphones and the rapid development of technologies such as the cloud, big data and artificial intelligence.

Hitachi established CSI-NA in April 2015 to pursue collaborative creation with strategic partners in the Americas, and established a new dedicated research facility in Silicon Valley in January 2016, gathering researchers specializing in big data analytics, information and communication systems, and user experience design to accelerate collaborative creation with customers.

In the area of FinTech, Hitachi has been accelerating its various initiatives such as the launch of the “Hitachi Mobile Cash Card Service” in December 2015 in Japan which enables smartphones to be used like cash cards for financial transactions. Hitachi also joined the “Hyperledger Project,” an open source project established by the Linux Foundation as a board member in February 2016.

By establishing the Financial Innovation Laboratory in the Silicon Valley, Hitachi will accelerate research & development of blockchain technology, collaborative creation with customers, and development of solutions to support business innovation in financial institutions.

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Hitachi's Finance Solutions website

<http://www.hitachi.co.jp/products/it/finance/en/>

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 2014 (ended March 31, 2015) totaled 9,761 billion yen (\$81.3 billion). Hitachi is focusing more than ever on the Social Innovation Business, which includes power & infrastructure systems, information & telecommunication 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.
