

FOR IMMEDIATE RELEASE

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**Hitachi establishes a new branch office in Istanbul
to expand business in Turkey**

Hitachi to grow business through local Turkish distributors

Istanbul, July 5, 2012 - Hitachi Europe Ltd. today announced that it has decided to establish a new branch office in Istanbul by the end of 2012, to expand Hitachi's business in the Republic of Turkey. Furthermore, the Hitachi Group aims to expand in the Turkish market where high economic growth is expected. Hitachi aims to grow its existing business through distributor contracts with local Turkish companies.

In detail, Hitachi Europe will promote its current liaison office in Turkey to a branch office the end of 2012. This new structure will make it easier to promote sales and to support Hitachi's individual businesses to enter into the Turkish market for. In addition, Hitachi aims to ensure a successful entry of its escalator and elevator business as well as its home appliance business by working with local Turkish companies as contracted distributors. At the same time, Hitachi is examining opportunities to establish its other Social Innovation Businesses in the Turkish market. Hitachi has already received an order for a water treatment facility, and other potential areas include thermal power plants and information and telecommunication systems.

Hitachi is promoting the "New Globalisation Plan" comprising measures within the entire Hitachi Group, in order to accelerate the growth strategy of its Social Innovation Business, which provides social infrastructures supported by highly efficient and reliable information and telecommunications technology. The plan identifies 11 key regions including Turkey, where high economic growth continues and an increased demand for Social Innovation Business, on which Hitachi's resources are focused, is expected. Based on the status of markets, competition, and the Hitachi Group's business in each country, the plan forms the basis of regional strategies within the Hitachi Group.

The Turkish market is experiencing its high level GDP (Gross Domestic Product) growth, and is expected to demonstrate stable economic growth. Turkey stretches over two continents of Asia and Europe from Anatolia (ASIA MINOR) to the East Thrace district of the Balkans in Eastern Europe, making it the transit base for the EU, Russia, Africa and the Middle East. After the conclusion of the Free Trade Agreement (FTA) with the EU, Turkey concluded FTAs with 22 countries, rapidly constructing social infrastructure in its role as a manufacturing base.

The Hitachi Group's plans to expand its business in Turkey are already well underway. At present, the Hitachi Group's main activities in the country are construction machinery and data storage systems. Also in January of 2011, Hitachi Plant Technologies, Ltd. delivered Membrane Bioreactor Systems for hotel in Istanbul city, Turkey. In February this year, Hitachi Europe Ltd. received an order of 3,400 Finger Vein scanners for automated teller machines (ATM) from İşbank. Moreover in April this year, Hitachi Solutions, Ltd. received an order for 85,000 interactive whiteboard software licenses. Going forward, the Hitachi Group will continue to contribute to the growth and development of the Turkish society by expanding its operations with a focus on Social Innovation Business.

About Istanbul Branch Office

Name: Hitachi Europe Ltd., Istanbul Branch Office

Establish Date: By the end of 2012

Place: Buyukdere Caddesi, Yapi Kredi Plaza C Blok Kat 12
Levent Istanbul Turkey

About Hitachi Europe Ltd.

Hitachi Europe Ltd., is a wholly owned subsidiary of Hitachi, Ltd., Japan. Headquartered in Maidenhead, UK, it has operations in 12 countries across Europe, the Middle East and Africa and employs approximately 626 people. Hitachi Europe comprises of eight business areas: rail systems; power and industrial systems; information systems; digital media and consumer products; industrial components and equipment; air conditioning and refrigeration systems; manufacturing systems; and procurement and sourcing. Hitachi Europe also has three Research and Development laboratories and a design centre. For more information about the company, please visit <http://www.hitachi.eu>.

About Hitachi, Ltd.

Hitachi, Ltd., (TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 320,000 employees worldwide. Fiscal 2011 (ended March 31, 2012) consolidated revenues totaled 9,665 billion yen (\$117.8 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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