

FOR IMMEDIATE RELEASE

**Receiving of Comprehensive Order for
Engineering, Procurement, and Construction plus Operation and
Maintenance of a Large-scale Water Desalination Plant
in Basrah, Iraq**

*- Three-company Consortium including Hitachi to provide
Iraq's largest level of capacity of water purification facilities -*

Tokyo, December 12, 2013 --- Hitachi, Ltd. (TSE: 6501 / "Hitachi") today announced that a consortium comprising three companies – Hitachi, OTV (a water processing plant manufacturer and subsidiary of the French environmental service company Veolia Environment), and The Arab Contractors (a nationally owned construction company in Egypt) – has received a comprehensive order from the Iraqi Ministry of Municipalities and Public Works for the engineering, procurement, and construction (EPC) of a large-scale water treatment desalination plant in Basrah, in the south of Iraq. The order will also include Operation and Maintenance (O&M) management for a period of five years. The value of the order will total over 25 billion yen, and Hitachi will oversee the project as the leader of the three-company consortium. Construction is scheduled to begin in February 2014, with completion scheduled for July 2016.

Hitachi has undertaken business measures tied into infrastructure export activities being rolled out by the Japanese Ministry of Economy, Trade and Industry. These measures were instrumental in securing this order.

Basrah, located in the center of southern Iraq, is the nation's second largest city, but its water infrastructure is far from adequate. Existing water purification facilities, with a total capacity of 400,000m³ per day, are unable to keep up with the city's huge demand for fresh water, which is estimated at up to 900,000m³ per day. Even the existing water infrastructure facilities are deteriorating. The goal of the new water purification plant will be to improve the fresh water supply conditions in Iraq, using RO (Reverse Osmosis) facilities to purify river water drawn from close to the river mouth, where salinity is relatively high. This will be Iraq's largest level of capacity of single water purification plant, capable of supplying 199,000m³ of fresh water per day*. Hitachi has an extensive track record in the delivery of water treatment plants worldwide, and will leverage this experience and expertise as it participates in the construction and renovation of the new water desalination plant as the consortium's leader. This is also the first time since the end of the Iraq war that a Japanese company has received an order for a large-scale water infrastructure project based on internal funds from the Iraqi government, rather than Japanese government yen loans.

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Plans are currently underway for new business in Iraq, including the construction of further city water supply facilities, and Hitachi will continue its participation in this business in the future. Hitachi hopes to contribute to Iraq's recovery by putting in place a reliable water infrastructure, and by maintaining and improving the nation's water environment. Hitachi has positioned the water environment solution business as a growth field in the context of the Social Innovation Business, and will continue its efforts to accelerate the global rollout of these business activities.

* Equivalent to a supply volume for a population of 400,000

Outline of Order

Customer name	Iraq Ministry of Municipalities and Public Works http://www.mmpw.gov.iq/
Location	Basrah, Iraq
Details of order	Comprehensive order for Engineering, Procurement, and Construction (EPC) on a water desalination plant, as well as five years of Operation and Maintenance (O&M)
Scheduled completion date	July 2016
Total order amount	Over 25 billion yen

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 326,000 employees worldwide. The company's consolidated revenues for fiscal 2012 (ended March 31, 2013) totaled 9,041 billion yen (\$96.1 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 material & components, automotive systems and others.

For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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