

FOR IMMEDIATE RELEASE

Contacts:

Japan: Yumi Kawarai

Hitachi, Ltd.

+81-3-5208-9324

yumi.kawarai.ba@hitachi.cor

EU: Keisaku Shibatani

Hitachi Europe Ltd.

+44 1628 585 714

keisaku.shibatani@hitachi-eu.com

Hitachi to Merge Hitachi Plant Technologies to Strengthen Social Innovation Business

Tokyo, February 1, 2013 --- Hitachi, Ltd. (TSE: 6501, "Hitachi") today announced that it has decided to conduct an absorption-type merger of wholly owned subsidiary Hitachi Plant Technologies, Ltd. on April 1, 2013.

This merger is being conducted to promote the integrated management of sales, research and development, and procurement in Hitachi's infrastructure systems business, as well as to consolidate expertise and technologies, and strengthen Hitachi's ability to make proposals and respond quickly to diversifying market needs. Furthermore, by strengthening cooperation with other in-house companies, including the Information & Telecommunication Systems Company, the Power Systems Company and with other Hitachi Group Companies, Hitachi hopes to increase the added value it provides.

At present, in emerging economies, demand is increasing for the construction of new social infrastructure, as well as for improving the efficiency of existing social infrastructure, such as power, water and railway systems. This is particularly important in India and Southeast Asian countries due to the rapid economic growth in these regions. At the same time, developed countries need to construct next-generation social infrastructure based on information technology (IT) to create low-carbon, sustainable societies, and to address aging social infrastructure.

Hitachi operates its Social Innovation Business globally. Hitachi's infrastructure systems business is spearheaded by the Infrastructure Systems Company, which was formed in April 2012 through the reorganization of the Information & Control Systems Company and the Industrial & Social Infrastructure Systems Company (both in-house companies) and Hitachi Plant Technologies, a wholly owned subsidiary.

Hitachi Plant Technologies was formed in April 2006 through the merger of Hitachi Plant Engineering & Construction Co., Ltd., Hitachi Kiden Kogyo, Ltd., Hitachi Industries Co., Ltd. and part of Hitachi's Industrial Systems Group. Since then, Hitachi Plant Technologies has endeavored to increase its market share and strengthen its earnings on a global basis through key businesses such as social infrastructure systems, including large pumps, compressors and water treatment systems, and industrial systems, including chemical and pharmaceutical plants. In April 2010, it became a wholly owned subsidiary of Hitachi with the goal of strengthening the Social Innovation Business.

The merger announced today is aimed at further, global expansion of Hitachi's Social Innovation Business. The merger will create a more robust management platform in the infrastructure systems business and improve Hitachi's ability to propose solutions.

Certain disclosures and details have been omitted as this merger is an absorption-type merger in which Hitachi will integrate a wholly owned subsidiary.

1. Purpose of the Merger

The integration of Hitachi's Infrastructure Systems Group and Hitachi Plant Technologies will enable the prompt provision of total solutions, extending from the design, development, construction and maintenance of conventional social infrastructure systems to the provision of expertise relating to the management of business assets and more efficient systems operations. Furthermore, through greater integrated management of the Social Innovation Business and the plant total solutions business, which Hitachi and Hitachi Plant Technologies are respectively developing globally, Hitachi aims to strengthen its solutions proposal capabilities. This will also enhance Hitachi's ability to respond to diversifying needs such as those for advanced social infrastructure systems fused with IT, for which demand is expected to increase going forward.

2. Outline of the Merger

(1) Schedule

Decision to merge February 1, 2013

Conclusion of Merger Agreement February 1, 2013

Scheduled Merger Date (Effective Date) April 1, 2013

* The merger is deemed to be a simplified absorption-type merger for Hitachi pursuant to Article 796, Paragraph 3 of the Companies Act of Japan. Furthermore, it is deemed to be a short-form absorption-type merger for Hitachi Plant Technologies pursuant to Article 784, Paragraph 1 of the Companies Act of Japan. Therefore, Hitachi and Hitachi Plant Technologies do not plan to convene shareholders' meetings to obtain approval for the merger agreement.

(2) Merger Method

As the surviving company, Hitachi will absorb Hitachi Plant Technologies, which will be dissolved thereafter.

(3) Details of Allotments Related to the Merger

There will be no allotment of shares or other assets as a result of this merger, because the merger is with a wholly owned subsidiary of Hitachi.

(4) Handling of Stock Acquisition Rights and Bonds with Stock Acquisition Rights of the Company to Be Dissolved

Hitachi Plant Technologies has not issued any stock acquisition rights or bonds with stock acquisition rights.

3. Profiles of the Parties of the Merger

| | | |
|--|---|---|
| (1) Name | Hitachi, Ltd. (Surviving company) | Hitachi Plant Technologies, Ltd. (Company to be dissolved) |
| (2) Business | Development, manufacture and sales of products and provision of services across 10 segments: Information & Telecommunication Systems, Power Systems, Social Infrastructure & Industrial Systems, Electronic Systems & Equipment, Construction Machinery, High Functional Materials & Components, Automotive Systems, Digital Media & Consumer Products, Financial Services, Others (Consolidated) | Development, design, manufacture, sale, service and construction of social infrastructure systems, industrial systems, air conditioning systems, and energy systems, etc. |
| (3) Established | February 1, 1920 (Founded 1910) | April 1, 2006 (Founded 1929) |
| (4) Head office | 6-6, Marunouchi 1-chome, Chiyoda-ku, Tokyo | 5-2, Higashi-Ikebukuro 4-chome, Toshima-ku, Tokyo |
| (5) Representative | Hiroaki Nakanishi, President | Toshiaki Higashihara President and Representative Director |
| (6) Paid-in capital (As of September 30, 2012) | 439,262 million yen | 12,000 million yen |
| (7) Total number of issued shares (As of September 30, 2012) | 4,710,258,483 shares | 194,820,508 shares |
| (8) Fiscal year-end | March | March |
| (9) Major shareholders and shareholding (As of September 30, 2012) | The Master Trust Bank of Japan, Ltd. (Trust Account) 6.86% Japan Trustee Services Bank, Ltd. (Trust Account) 6.42% SSBT OD05 OMNIBUS ACCOUNT – TREATY CLIENTS 2.77% Hitachi Employees' Shareholding Association 2.63% State Street Bank and Trust Company 505224 2.44% | Hitachi, Ltd. 100% |

(10) Business Results and Financial Status for the Most Recent Fiscal Year (Millions of yen unless otherwise specified)

| | | |
|------------------------------|--------------------------|------------------------|
| Net assets | 2,773,995 (Consolidated) | 90,180 (Consolidated) |
| Total assets | 9,418,526 (Consolidated) | 295,838 (Consolidated) |
| Net assets per share (yen)*1 | 382.26 (Consolidated) | 453.19 (Consolidated) |
| Revenues | 9,665,883 (Consolidated) | 334,339 (Consolidated) |
| Operating income | 412,280 (Consolidated) | 9,888 (Consolidated) |
| Ordinary income*2 | 557,730 (Consolidated) | 9,473 (Consolidated) |
| Net income | 347,179 (Consolidated) | 3,494 (Consolidated) |
| Net income per share (yen) | 76.81 (Consolidated) | 17.93 (Consolidated) |

*1 Since Hitachi has been adopting U.S. accounting standards, this figure represents stockholders' equity per share.

*2 Since Hitachi has been adopting U.S. accounting standards, this figure represents income before income taxes.

4. Status of Hitachi After the Merger

There will be no change in the company name, business, head office location, representative, paid-in capital or fiscal year of Hitachi due to the merger.

5. Future Outlook

The merger will have minimal impact on the consolidated operating results of Hitachi because it is a merger with a wholly owned subsidiary.

(Reference)

Consolidated Business Forecasts for the Year Ending March 31, 2013 (announced on October 30, 2012) and Consolidated Operating Results for the Previous Fiscal Year (Millions of yen)

| | Revenues | Operating income | Income before income taxes | Net income attributable to Hitachi, Ltd. stockholders |
|--|-----------|------------------|----------------------------|---|
| Consolidated Business Forecasts for Fiscal 2012 (Year Ending March 31, 2013) | 9,000,000 | 480,000 | 400,000 | 200,000 |
| Consolidated Operating Results for Fiscal 2011 (Year ended March 31, 2012) | 9,665,883 | 412,280 | 557,730 | 347,179 |

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 is focusing 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>.

Cautionary Statement

Certain statements found in this document may constitute "forward-looking statements" as defined in the U.S. Private Securities Litigation Reform Act of 1995. Such "forward-looking statements" reflect management's current views with respect to certain future events and financial performance and include any statement that does not directly relate to any historical or current fact. Words such as "anticipate," "believe," "expect," "estimate," "forecast," "intend," "plan," "project" and similar expressions which indicate future events and trends may identify "forward-looking statements." Such statements are based on currently available information and are subject to various risks and uncertainties that could cause actual results to differ materially from those projected or implied in the "forward-looking statements" and from historical trends. Certain "forward-looking statements" are based upon current assumptions of future events which may not prove to be accurate. Undue reliance should not be placed on "forward-looking statements," as such statements speak only as of the date of this document.

Factors that could cause actual results to differ materially from those projected or implied in any "forward-looking statement" and from historical trends include, but are not limited to:

- economic conditions, including consumer spending and plant and equipment investment in Hitachi's major markets, particularly Japan, Asia, the United States and Europe, as well as levels of demand in the major industrial sectors Hitachi serves, including, without limitation, the information, electronics, automotive, construction and financial sectors;
- exchange rate fluctuations of the yen against other currencies in which Hitachi makes significant sales or in which Hitachi's assets and liabilities are denominated, particularly against the U.S. dollar and the euro;
- uncertainty as to Hitachi's ability to access, or access on favorable terms, liquidity or long-term financing;
- uncertainty as to general market price levels for equity securities, declines in which may require Hitachi to write down equity securities that it holds;
- the potential for significant losses on Hitachi's investments in equity method affiliates;
- increased commoditization of information technology products and digital media-related products and intensifying price competition for such products, particularly in the Digital Media & Consumer Products segments;
- uncertainty as to Hitachi's ability to continue to develop and market products that incorporate new technologies on a timely and cost-effective basis and to achieve market acceptance for such products;
- rapid technological innovation;
- the possibility of cost fluctuations during the lifetime of, or cancellation of, long-term contracts for which Hitachi uses the percentage-of-completion method to recognize revenue from sales;
- fluctuations in the price of raw materials including, without limitation, petroleum and other materials, such as copper, steel, aluminum, synthetic resins, rare metals and rare-earth minerals, or shortages of materials, parts and components;
- fluctuations in product demand and industry capacity;
- uncertainty as to Hitachi's ability to implement measures to reduce the potential negative impact of fluctuations in product demand, exchange rates and/or price of raw materials or shortages of materials, parts and components;
- uncertainty as to Hitachi's ability to achieve the anticipated benefits of its strategy to strengthen its Social Innovation Business;
- uncertainty as to the success of restructuring efforts to improve management efficiency by divesting or otherwise exiting underperforming businesses and to strengthen competitiveness;
- uncertainty as to the success of cost reduction measures;

- general socioeconomic and political conditions and the regulatory and trade environment of countries where Hitachi conducts business, particularly Japan, Asia, the United States and Europe, including, without limitation, direct or indirect restrictions by other nations on imports and differences in commercial and business customs including, without limitation, contract terms and conditions and labor relations;
- uncertainty as to the success of alliances upon which Hitachi depends, some of which Hitachi may not control, with other corporations in the design and development of certain key products;
- uncertainty as to Hitachi's access to, or ability to protect, certain intellectual property rights, particularly those related to electronics and data processing technologies;
- uncertainty as to the outcome of litigation, regulatory investigations and other legal proceedings of which the Company, its subsidiaries or its equity method affiliates have become or may become parties;
- the possibility of incurring expenses resulting from any defects in products or services of Hitachi;
- the possibility of disruption of Hitachi's operations by earthquakes, tsunamis or other natural disasters;
- uncertainty as to Hitachi's ability to maintain the integrity of its information systems, as well as Hitachi's ability to protect its confidential information or that of its customers;
- uncertainty as to the accuracy of key assumptions Hitachi uses to evaluate its significant employee benefit-related costs; and
- uncertainty as to Hitachi's ability to attract and retain skilled personnel.

The factors listed above are not all-inclusive and are in addition to other factors contained in other materials published by Hitachi.

#