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Hitachi Partners With Energy Technologies Institute to Open UK Centre to Develop Smart Grid Technology

London, UK, February 5th 2013 – Hitachi Ltd. (TSE: 6501) and Hitachi Europe Ltd. ("Hitachi"), today announced that it will partner with the Energy Technologies Institute (ETI) to open a new office to develop smart systems and heat technology. Once fully occupied, more than 30 engineers, programme delivery, technology strategy and support staff will be employed on site.

The new office – which will open in early March - will become the centre for the ETI's Smart Systems and Heat technology programme, officially launched by the Prime Minister, David Cameron, in Japan in 2012. The new ambitious £100m programme is the largest in the ETI's history, with Hitachi joining as an Associate Member to bring its expertise in systems design, integration and execution to the five year programme.

The two-storey building at 6220 Bishops Court, Birmingham Business Park, contains 4,221 sq ft (392 sq metres) of space and will be the ETI's second office. The ETI currently employs 60 people at its head office at Holywell Park on Loughborough University campus.

The Smart Systems and Heat programme will culminate in the demonstration of a first of its kind Smart Energy System in the UK. The programme has the potential to generate significant commercial opportunities and expand the UK's capability in low carbon technologies.

Kazuhiro Kurihara, Vice President and Executive Officer, Hitachi Ltd., said: "Hitachi is excited to be an associate member in the ETI's Smart Systems and Heat technology programme, providing the expertise and knowledge of our world class engineers. The results of this project will provide vital information needed to improve energy infrastructure in terms of demand side management and response, particularly for heat,

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in the UK and around the world.

The development of smart infrastructure is one of the key aims of Hitachi's Social Innovation Business, which aims to contribute to society through the development of superior, innovative technology and products to fulfil better quality of life. Combining its knowledge and expertise in the areas of electronics, telecommunications and infrastructure, Hitachi is able to offer solutions that cover the entire value chain from energy generation to consumer that help reduce CO₂ emissions while efficiently managing systems to ensure reliable, secure energy provision at an affordable cost. Hitachi is active in smart community projects around the world, including Japan, China, Spain and the US.

The Birmingham centre will be led by Dr Grant Bourhill who takes up the role of Director, Smart Systems & Heat. He moves across from the Loughborough office where he was the ETI's Director of Programme Delivery.

The ETI's national energy modelling identifies more efficient use of energy as an immediate development priority for the UK. Previous work in the area of smart systems technology has been supply side driven and focused on electricity for power. The ETI programme is focused on demand management and reduction, especially for heat. It will have both a UK and Global impact and will first develop greater understanding of consumer behaviour and then develop technologies to address mass market demand for heat in an economically viable manner for producers, suppliers and consumers.

Dr David Clarke, Chief Executive of the ETI, said: "We are excited to be opening our second office as our operation continues to mature. The new office in Birmingham was selected due to its first-class transport links, with a major international airport, mainline railway station and the region's motorway network all easily accessible."

Dr Grant Bourhill, ETI's Smart Systems & Heat Programme Director said: "Energy efficiency is a key priority the UK needs to address now if it is to meet the joint objectives of satisfying future customer demand and transitioning to a low carbon economy. The demand for heat in the future has to be understood and we have to find better ways of distributing it around our cities and around the country in a cost effective, clean and secure manner. This programme will investigate these challenges and create appropriate solutions."

Founded in 2007, the ETI is a public-private partnership between global energy and engineering companies and the UK Government. Its role is to catalyse engineering projects that accelerate the development of affordable, secure and sustainable technologies that helps the UK address its long term emissions reductions targets as well as delivering nearer term benefits. To date it has invested £198 million across 43 projects in a portfolio of nine technology programme areas.

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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 totalled 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>

ABOUT HITACHI EUROPE

Hitachi Europe Ltd., headquartered in Maidenhead, UK, a subsidiary of Hitachi, Ltd., and its subsidiary companies offer a broad range of information & telecommunication systems; power and industrial system; rail system; digital media and consumer products; industrial components and equipment; air conditioning and refrigeration systems; manufacturing systems; and procurement and sourcing with operations throughout 12 countries across Europe, the Middle East and Africa. And Hitachi Europe also has three Research and Development laboratories and a design centre. For more information, visit <http://www.hitachi.eu>. For more information on other Hitachi Group companies in Europe, please visit <http://www.hitachi.eu/>

- The Energy Technologies Institute (ETI) is a public-private partnership between global industries – BP, Caterpillar, EDF, E.ON, Rolls-Royce and Shell – and the UK Government.
- Public sector representation is through the Department for Business, Innovation and Skills, with funding channelled through the Technology Strategy Board and the Engineering and Physical Sciences Research Council. The Department of Energy and Climate Change are observers on the Board.

- The ETI is focused on accelerating the deployment of affordable, secure low-carbon energy systems for 2020 to 2050 by demonstrating technologies, developing knowledge, skills and supply-chains and informing the development of regulation, standards and policy.

For further information about the ETI, please call Richard Robinson, Media Relations Manager, at the ETI on 01509 202026 or 07500 049626. www.eti.co.uk

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