

News Release

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Financial Close for East Coast Fleet Successfully Concludes Finance for Intercity Express Programme

London and Tokyo, April 16, 2014 – Hitachi, Ltd. (TSE: 6501, “Hitachi”) today announced that the British Department for Transport and Agility Trains (with its main shareholders Hitachi and John Laing) have reached financial close for the fleet of Class 800 series trains set to run on the East Coast Main Line as part of the Intercity Express Programme (IEP).

Commercial close of contract for the initial fleet of 92 trains (596 carriages) for the East Coast Main Line and the Great Western Main Line was announced in July 2012, at the same time as financial close was reached for the Great Western Main Line route. In July 2013, the Department for Transport announced the decision to place an additional order of 30 trains (270 carriages) for the East Coast route with Agility Trains.

Toshiaki Higashihara, President & COO of Hitachi, Ltd. said: “I am extremely pleased that a total of 866 Hitachi train cars will be running in the UK, which is the birthplace of railways. I would like to express my very sincere gratitude to all those involved, and particularly to the members of the Japanese and British governments who offered their strong support and invested great efforts in bringing this project to fruition. Hitachi will continue to provide highly reliable, comfortable passenger services with low environmental impact, by establishing a new manufacturing base equipped with the world's most advanced production facilities.

Alistair Dormer, Hitachi Rail Global CEO of Hitachi, Ltd. said: “I am delighted by today's news of financial close for the last tranche of trains for the Intercity Express Programme. Agility Trains has successfully raised the finance for this important infrastructure investment in the UK, bringing all contractual and financial agreements to a close.”

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“For Hitachi Rail, today’s announcement signals a new phase in the Intercity Express Programme. With all finance raised, our teams across the UK and in Japan, jointly with Agility Trains, can now fully focus on delivering all aspects of this programme, which will bring major improvements for passengers across two of the busiest train routes in Britain. The construction of our train factory in County Durham is under way and we are looking forward to seeing all Class 800 series trains for the East Coast Main Line being manufactured by our 730 staff in north east England.”

In addition to the factory construction, work on the Intercity Express Programme is progressing in various areas. The interior design of the trains is at an advanced stage with final sign-off expected shortly. Three pre-series trains will be manufactured this year in Hitachi’s factory in Kasado, Japan, with arrival of the trains in the UK expected in the first half of 2015. Suppliers for the main bought-in systems on the trains have been selected, and a large number of British-based companies are directly bringing their products and expertise to the programme.

In Newton Aycliffe, County Durham, construction of Hitachi Rail Europe’s train factory is progressing. The £82 million train manufacturing facility will be operational in mid-2015, with series production of the Class 800 series trains scheduled to start in 2016. Recruitment of the senior team for the facility has started, and large-scale recruitment of what will eventually be 730 staff is planned for 2015.

In order to fulfill the demanding requirements for dependability and availability of the trains, Hitachi Rail has started constructing a new, state-of-the-art maintenance depot in Bristol (Stoke Gifford), is refurbishing the North Pole depot in west London and upgrading the maintenance facility in Swansea. Construction of a new depot in Doncaster will start shortly.

All work is on schedule and the trains are expected to enter passenger service in 2017 on the Great Western Main Line and in 2018 on the East Coast Main Line.

Notes to editors:

- Short computer generated films (low-res and high-res), as well as computer generated images of the trains and the manufacturing plant are available upon request, or can be found on Youtube:

Hitachi Intercity Express Train CGI film

<http://www.youtube.com/watch?v=c0P5CmBNWLc>

Animation of planned Hitachi Rail Europe manufacturing plant in Newton Aycliffe

<http://www.youtube.com/watch?v=T3c65c9oAOI>

- The Intercity Express Programme includes the finance, design, manufacture, delivery into daily service and maintenance over 27.5 years of a fleet of 122 trains for the Great Western Main Line and the East Coast Main Line. The trains will be designed, manufactured and maintained by Hitachi Rail Europe, Agility Trains' main supplier.
- The fleet of trains will be manufactured in Hitachi Rail's new rail vehicle manufacturing facility which is currently under construction in Newton Aycliffe, County Durham. The factory is set to create 150 jobs in the construction phase and numerous opportunities for local and national companies in the supply chain. Construction started in early 2014 and the facility will be fully operational in mid-2015. The facility will be capable of producing up to 40 vehicles per month and will employ 730 people, including a UK Research and Development facility.
- The new rolling stock will include electric trains with classification of Class 801 and Class 800 bi-mode trains. The fleet of trains will offer increased capacity compared to the current fleet, providing more comfortable, highly reliable trains for UK passengers.
- Bi-mode trains are fundamentally electric trains, which are equipped with additional under-floor diesel generators to provide propulsion where lines are not electrified. Diesel generators can be removed in case decisions for further electrification are made, therefore enabling a smooth transition to an increasingly electrified network.
- The state-of-the-art Hitachi Class 800 series trains will provide a significant increase in capacity on both routes to adapt to growth in passenger numbers. With a considerable reduction in weight per seat when compared to the trains currently running on the line, the fleet of trains will use less energy to deliver improved journey times.
- The contract includes the provision into daily service of the following cleaned, serviced and maintained trains:

- ◆ Provision of 21x 9-car electric trains and 36x 5-car bi-mode trains for Great Western Main Line into passenger service each weekday (369 vehicles)
- ◆ Provision of 12 x 5-car electric trains, 10 x 5-car bi-mode trains, 13 x 9-car bi-mode trains and 30 x 9-car electric trains East Coast Main Line into passenger service each weekday (497 vehicles)

About Hitachi Rail Europe Ltd.

Hitachi Rail Europe Ltd., is a wholly owned subsidiary of Hitachi Europe, Ltd. and is headquartered in London, UK.

Hitachi Rail Europe is a total railway system supplier offering rolling stock, traction equipment, signalling, traffic management systems, and maintenance depots.

Hitachi draws on many years of experience as a leading supplier of high-speed trains such as the Shinkansen (bullet train) for the Japanese and international markets. In Europe, Hitachi Rail Europe's first rolling stock contract was to deliver a fleet of 29 Class 395 trains, the first domestic high-speed train in the UK, which are maintained at Hitachi's state of the art depot in Ashford, Kent. As part of the British Department for Transport's Intercity Express Programme, Hitachi Rail Europe will replace the UK's ageing fleet of Intercity trains, and will establish a new rolling stock manufacturing facility in Newton Aycliffe, UK for this purpose. The trains will be maintained and serviced in a number of new maintenance depots along the Great Western Main Line and the East Coast Main Line.

For more information about the company, please visit: www.Hitachirail-eu.com .

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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