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Ongoing Discussion on the projects of Mitsubishi Hitachi Power Systems, Ltd. in the Republic of South Africa

Tokyo, May 9, 2016 --- Hitachi, Ltd. (TSE:6501, "Hitachi") commented on the captioned matter as follows.

Today Mitsubishi Heavy Industries, Ltd. ("MHI") announced its financial result, in which there is a reference to the discussion between MHI and Hitachi regarding certain boiler construction projects ("Projects") in the Republic of South Africa that involves Mitsubishi Hitachi Power Systems, Ltd. ("MHPS"), which is the joint venture company that integrated the respective thermal power generation system businesses of MHI and Hitachi. Hitachi hereby explains in this press release the status and its view on the discussion regarding the Projects.

MHI and Hitachi have been discussing a price adjustment in connection with the transfer of the Projects, but such discussion is still ongoing and no agreement has been reached between MHI and Hitachi as of today. Hitachi received a request for the payment of the price adjustment amount and other items from MHI on March 31, 2016. However, Hitachi responded to MHI on April 6, 2016 that there was no legal ground based on any contract to support such request and therefore Hitachi could not accept such request.

Hitachi has prepared its accounting properly based on reasonable estimates, in light of the above-mentioned status of the discussion regarding the Projects.

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges with our talented team and proven experience in global markets. The company's consolidated revenues for fiscal 2014 (ended March 31, 2015) totaled 9,761 billion yen (\$81.3 billion). Hitachi is focusing more than ever on the Social Innovation Business, which includes power & infrastructure systems, information & telecommunication systems, construction machinery, high functional materials & components, automotive systems, healthcare and others.

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