

FOR IMMEDIATE RELEASE

Seiji Izumisawa, President & CEO
Mitsubishi Heavy Industries, Ltd.

Toshiaki Higashihara, President & CEO
Hitachi, Ltd.

MHI and Hitachi Settle on Projects Conducted by MHPS
in the Republic of South Africa

Tokyo, December 18, 2019 --- Mitsubishi Heavy Industries, Ltd. (“MHI”) and Hitachi, Ltd. (“Hitachi”) have reached a settlement on a dispute relating to boiler construction projects in the Republic of South Africa conducted by Mitsubishi Hitachi Power Systems, Ltd. (“MHPS”). MHPS is a joint venture between MHI and Hitachi, which was established by integrating their respective thermal power generation system businesses.

This settlement was reached through sincere and conscientious discussions between both companies. This settlement marks an amicable and final resolution to this issue, enabling both companies to focus on their respective businesses in an effort to drive forward corporate value.

The Presidents & CEOs of both companies commented on the settlement as follows:

Seiji Izumisawa, President & CEO, Mitsubishi Heavy Industries, Ltd.

I am pleased that MHI and Hitachi have been able to settle this case today. Despite a significant gap in the way we viewed the situation, we continued earnest discussions and were able to land on a conclusion that both sides could accept. I express my deepest thanks to all those working on these projects and the effort they are putting in over many years. We will now work towards the completion of the projects, along with strengthening the management of MHPS and transforming our power business to ensure sustainable growth.

Toshiaki Higashihara, President & CEO, Hitachi, Ltd.

I am pleased that we have reached the settlement for this long-standing issue today on satisfying conditions for both companies. This settlement was achieved by sincere discussion for the benefit of all stakeholders including our customers and shareholders. I would like to express my deepest appreciation to everyone concerned in both companies. Hitachi will further focus on social innovation businesses to become a global leader in contributing to realize human-centric society where people can live in safety, security and comfort.

About Mitsubishi Heavy Industries Group

Mitsubishi Heavy Industries, Ltd. (MHI), headquartered in Tokyo, is one of the world's leading industrial firms with 80,000 group employees and annual consolidated revenues of around 38 billion U.S. dollars. For more than 130 years, the company has channeled big thinking into innovative and integrated solutions that move the world forward. MHI owns a unique business portfolio covering land, sea, sky and even space. MHI delivers innovative and integrated solutions across a wide range of industries from commercial aviation and transportation to power plants and gas turbines, and from machinery and infrastructure to integrated defense and space systems.

For more information, please visit MHI's website: www.mhi.com/index.html

For Technology, Trends and Tangents, visit MHI's new online media SPECTRA: spectra.mhi.com

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is focusing on Social Innovation Business combining its operational technology, information technology and products. The company's consolidated revenues for fiscal 2018 (ended March 31, 2019) totaled 9,480.6 billion yen (\$85.4 billion), and the company has approximately 296,000 employees worldwide. Hitachi delivers digital solutions utilizing Lumada in five sectors including Mobility, Smart Life, Industry, Energy and IT, to increase our customer's social, environmental and economic value. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

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