

News Release

FOR IMMEDIATE RELEASE

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Hitachi Commences Tender Offer for the Shares of Its Subsidiary, Hitachi Medical

Tokyo, November 13, 2013 --- Hitachi, Ltd. (TSE:6501 “Hitachi”) today announced that it has decided to acquire the common stock of Hitachi Medical Corporation (TSE:6910 “Hitachi Medical”) by way of a tender offer (the “Tender Offer”).

1. Purpose of the Tender Offer

(1) Outline of the Tender Offer

As of today, Hitachi owns 24,411,400 shares of Hitachi Medical that are listed on the First Section of Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”) (the total of the 24,396,400 shares directly owned by Hitachi and the 15,000 shares that are owned by Hitachi Urban Investment, Ltd., a wholly-owned subsidiary of Hitachi) (the ratio of shares owned of the total number of issued shares of Hitachi Medical as of September 30, 2013 (39,540,000 shares) as set out in the 98th fiscal year second quarter report submitted by Hitachi Medical on November 12, 2013 (“Ownership Ratio”): 61.74% (rounded to two decimal places); of which, the Ownership Ratio for the directly owned shares is 61.70% (rounded to two decimal places) and the Ownership Ratio for the indirectly owned shares is 0.04% (rounded to two decimal places)), and Hitachi Medical is a consolidated subsidiary of Hitachi. Hitachi determined today to conduct the Tender Offer for all of the issued shares of Hitachi Medical (other than the shares of Hitachi Medical directly owned by Hitachi and the treasury shares owned by Hitachi Medical) to make Hitachi Medical its wholly-owned subsidiary.

Hitachi has not set a maximum or minimum number of shares to be purchased in the Tender Offer, and it intends to acquire all of the shares tendered in the Tender Offer. According to Hitachi Medical, at its board of directors meeting held today, it carefully discussed and considered the various conditions relating to the Tender Offer, the purpose of which is to make Hitachi Medical a wholly-owned subsidiary of Hitachi. Hitachi Medical’s board of directors concluded that the Tender Offer and making

Hitachi Medical a wholly-owned subsidiary of Hitachi would be beneficial from the perspective of increasing Hitachi Medical's corporate value and the common interests of the shareholders of Hitachi Medical, as it can be expected to result in (i) Hitachi Medical and Hitachi being able to seamlessly conduct strategic investment of a greater scale and make decisions more rapidly, (ii) the ability to pursue collaborations in the healthcare sector including the sharing of resources pertaining to the healthcare business (such as human capital, funds, and knowhow), (iii) strengthening of research and development capabilities through increased collaboration with Hitachi's research institutes, and (iv) increased sales of Hitachi Medical's diagnostic imaging equipment and the expansion and enhancement of sales bases in emerging countries by utilizing Hitachi's local subsidiaries. Hitachi Medical's board of directors concluded that the tender offer price for the shares of Hitachi Medical in the Tender Offer (the "Tender Offer Price") and the other various conditions of the Tender Offer are appropriate and that the Tender Offer will provide an opportunity for the shareholders of Hitachi Medical to sell their shares of Hitachi Medical at a reasonable price and on reasonable conditions given that (i) (a) of the valuation results provided by Daiwa Securities Co., Ltd. ("Daiwa Securities"), a third party valuation institution independent from Hitachi and Hitachi Medical and from whom Hitachi Medical, in determining its opinion in relation to the Tender Offer, requested valuation of the share price of Hitachi Medical, based on the average market price method and is within the range of the valuation results based on the discounted cash flow ("DCF") method, (b) is a price that exceeds the highest share price of Hitachi Medical recorded in the past 14 years, (c) contains a premium of 34.5 % (rounded to one decimal place; the same applies to the calculation of all percentages in this paragraph) on the closing price of 1,338 yen of the common shares of Hitachi Medical on the Tokyo Stock Exchange on November 12, 2013 which was the immediately preceding business day to today, 33.5 % on the simple average closing price of 1,348 yen for the past one month period until November 12, 2013 (rounded to the nearest whole yen; the same applies to the calculation of the simple average closing prices hereinafter), 41.6 % on the simple average closing price of 1,271 yen for the past three months period until November 12, 2013, and 39.5 % on the simple average closing price of 1,290 yen for the past six months period until November 12, 2013, and that the premium is within a reasonable range, (d) is a price that exceeds the share price level for the price book-value ratio (PBR) of 1.0 (the net assets (consolidated) per share as of September 30, 2013 was approximately 1,792 yen), and (e) is a price that was determined upon taking adequate measures to prevent conflicts of interest, and that (ii) Hitachi Medical has been provided with legal advice from an independent law firm and that the fairness of

the procedures for the Tender Offer has been confirmed by the written opinion prepared by such law firm. Hitachi Medical's board of directors adopted a resolution that Hitachi Medical expressed an opinion to endorse the Tender Offer and recommended shareholders of Hitachi Medical to tender their shares in the Tender Offer.

According to Hitachi Medical, the above-mentioned resolution of Hitachi Medical's board of directors was adopted by the method described "(3) Measures to ensure fairness of tender offer such as measures to ensure fairness of tender offer price and measures to avoid conflicts of interest - (E) Approval of all of the disinterested directors of Hitachi Medical" below.

Since the purpose of Hitachi in implementing the Tender Offer is to make Hitachi Medical a wholly-owned subsidiary, if Hitachi is unable to acquire all of the issued shares of Hitachi Medical (other than the shares of Hitachi Medical directly owned by Hitachi and the treasury shares owned by Hitachi Medical) in the Tender Offer, Hitachi plans to acquire all of the issued shares of Hitachi Medical (other than the shares of Hitachi Medical directly owned by Hitachi and the treasury shares owned by Hitachi Medical) by conducting a series of transactions described in "(4) Policy for organizational restructuring, etc. after Tender Offer (matters relating to so-called "Two-Tier Acquisitions")" (together with the Tender Offer, the "Transactions").

(2) Background, purpose, and decision-making process leading to the determination to conduct the Tender Offer, and management policy after the Tender Offer

The Hitachi Group, which consists of Hitachi and its subsidiaries and affiliated companies, is engaged in a broad range of business activities, from development, production and sale of products to the provision of services across the Information & Telecommunication Systems, Power Systems, Social Infrastructure & Industrial Systems, Electronic Systems & Equipment, Construction Machinery, High Functional Materials & Components, Automotive Systems, Digital Media & Consumer Products, Others (logistics, services and others), and Financial Services segments.

In May 2013, Hitachi formulated and announced the "Hitachi Group Vision," which conveys what the Hitachi Group aims to become in the future and is "Hitachi delivers innovations that answer society's challenges. With our talented team and proven experience in global markets, we can inspire the world." Then, in the "2015 Mid-term Management Plan" formulated and announced in May 2013 as an action plan aimed at realizing such Vision, Hitachi is to expand the "Social Innovation Business," which is

composed of “identifying issues from customer perspectives and working on solutions together with customers as ‘One Hitachi’” and “realizing innovations by providing solutions that combine products, services, and highly sophisticated IT (cloud).”

Hitachi views the healthcare sector as an important one in which the Hitachi Group should expand the “Social Innovation Business,” given that it is a sector where there are various challenges to be dealt with, such as aging populations in developed countries and improvement of medical standards in emerging countries, and that it is a sector expected to grow as a future market. Based on this understanding, in October 2013 Hitachi newly established a Healthcare Business Strategy Division to devise a business strategy in the healthcare sector for the entire group.

In order to pursue the “Social Innovation Business” in the healthcare sector within the Hitachi Group going forward, and with an awareness of the general trend towards delivering solutions necessary for improving the quality and volume of medical-related services provided by hospitals and medical practitioners, Hitachi has examined strengthening business in areas such as health screenings and disease prevention, examinations, diagnosis, and treatment, with the following areas as focus growth areas:

- (a) Strengthening sales of disease-specific medical equipment, with a focus on medical equipment centered on existing diagnostic imaging equipment and on information and communication technology (ICT);
- (b) Promoting collaboration on services relating not only to diagnosis, but also to prevention, treatment, and prognosis, as system directors and consultants would be able to provide comprehensive medical solutions to hospitals and medical practitioners; and
- (c) Providing solutions and services that contribute to management tasks at hospitals (i.e., making operations and procurement more efficient).

While Hitachi, in order to strengthen business in these areas, considers it necessary to rapidly build a structure for the healthcare sector in which customer solutions provided by the Hitachi Group are unified and in which it is possible to engage in business in a manner that is closely tied to customers, Hitachi Medical has steadily built a customer network in the medical-related market centered on domestic and overseas hospitals, through sales and marketing and other efforts. Accordingly, Hitachi believes that unifying customer solutions within the Hitachi Group, with the network held by Hitachi Medical at its core, would assist in pursuing the “Social Innovation Business” in the healthcare sector of the Hitachi Group.

Meanwhile, Hitachi Medical is a medical equipment manufacturer dealing in research and development, design and manufacturing, and sales and maintenance services for diagnostic imaging equipment centered on products such as diagnostic ultrasound equipment, magnetic resonance imaging (MRI) equipment, diagnostic X-ray equipment, and X-ray CT equipment, and serves as the nucleus of the Hitachi Group healthcare sector.

Hitachi Medical was incorporated in 1949 as an affiliate of Hitachi, after which it became a wholly-owned subsidiary of Hitachi in 1951. Hitachi Medical was listing on the Second Section of the Tokyo Stock Exchange in November 1991 to strengthen the management, such as through strengthening capital procurement capabilities, increasing its credit standing outside the group, improving its profile, and pursuing internal restructuring. In September 1996, Hitachi Medical was listed on the First Section of the Tokyo Stock Exchange. Hitachi Medical has been a consolidated subsidiary of Hitachi since its listing in November 1991 to the present.

The global medical equipment market is currently seeing steady growth, and further expansion is expected going forward. However, competition between companies in the market has become extremely fierce, and the global-class comprehensive medical equipment manufacturers that are the competitors of Hitachi Medical have expanded their business portfolios through M&A in recent years and have come to surpass Hitachi Medical in terms of factors, such as business size and financial strength. In these circumstances, although the diagnostic imaging equipment developed by Hitachi Medical has shown a certain degree of results in terms of sales in developed countries, further measures for business growth are required, such as moving into emerging countries and harmonization with adjacent fields such as IT and treatment equipment.

In order to respond to this, Hitachi Medical has taken action such as (a) improving profits for the medical equipment business and improving its business structure for greater profitability, and (b) accelerating the global shift and promoting overseas sales of medical equipment. Going forward, it is necessary to continue to focus on improving profitability and strengthening the business further, including through M&A and other strategies. Hitachi Medical seeks to expand its overseas revenue ratio from 35% in fiscal year 2012 to the 45% target stated in its mid-term management plan by fiscal year 2015.

Against this background, and on the occasion of a proposal from Hitachi in around early October 2013, Hitachi appointed Nomura Securities Co., Ltd. ("Nomura Securities") as a financial advisor and as a third party valuation institution independent

from Hitachi and Hitachi Medical, and Mori Hamada & Matsumoto as a legal advisor, and Hitachi Medical appointed Daiwa Securities as a financial advisor and as a third party valuation institution independent from Hitachi and Hitachi Medical, and Nakamura, Tsunoda & Matsumoto as a legal advisor, and Hitachi and Hitachi Medical have over multiple occasions discussed and considered various measures aimed at further increasing the corporate value of both companies.

As a result, Hitachi reached the conclusion that by making Hitachi Medical a wholly-owned subsidiary of Hitachi, Hitachi Medical would be able to build a more stable capital relationship with Hitachi and conduct business management in an integrated manner with the healthcare-related businesses of Hitachi's in-house companies, and that it would improve the corporate value of Hitachi Medical and that of Hitachi Group. Accordingly, Hitachi decided to conduct the Tender Offer to make Hitachi Medical a wholly-owned subsidiary of Hitachi.

By making Hitachi Medical a wholly-owned subsidiary, Hitachi believes that it will be able to implement various collaborations between Hitachi Medical and the healthcare-related businesses of the Hitachi Group. In sales investment and research and development investment, making Hitachi Medical a wholly-owned subsidiary of Hitachi will allow Hitachi Medical and Hitachi to seamlessly conduct strategic investment of a greater scale and make decisions more rapidly, which are important in the global medical equipment market given the abovementioned fierce competition between companies and the existence of competitors who substantially surpass Hitachi Medical in terms of factors such as business size and financial strength. Making Hitachi Medical a wholly owned subsidiary of Hitachi will also enable Hitachi Medical and Hitachi to share resources pertaining to the healthcare business (such as human capital, funds, and know-how) and to strive for more flexible and strategic business management. The specific details are as follows:

- (a) Hitachi will be able to pursue the "Social Innovation Business"—the content of which is "realizing innovations by providing solutions that combine products, services, and highly sophisticated IT (cloud)"—in the healthcare sector by unifying customer solutions in the healthcare-related businesses of both companies, such as in development, sales and marketing, as well as by combining the products of Hitachi Medical, which is a medical equipment manufacturer that serves as the nucleus of the Hitachi Group healthcare sector, with the healthcare-related businesses of the Hitachi Group. For instance, in the radiation therapy field, Hitachi Medical has offered its customers the X-ray equipment that is sold by Hitachi Medical and Hitachi has offered its customers the particle beam therapy equipment that is sold by Hitachi. Hitachi expects

that solution proposal capabilities will be strengthened by seeking to unify customer solutions, and by enabling the companies to offer the optimum treatment equipment suited to customer needs.

- (b) Hitachi Medical expects to strengthen its research and development capabilities through increased collaboration with Hitachi's research institutes and strengthen its cost competitiveness in a way that further utilizes the procurement capabilities of the Hitachi Group, as well as increase sales of Hitachi Medical's diagnostic imaging equipment overseas through collaboration with hospital-oriented services and finance provided by the Hitachi Group, and by expanding and enhancing sales bases in emerging countries by utilizing Hitachi's local subsidiaries. Hitachi also believes that the investment implementation capabilities of Hitachi Medical will be strengthened, which would place it on a more equal footing against its competitors. Further, Hitachi believes that Hitachi Medical would be able to speedily resolve the challenges of harmonization with adjacent fields such as IT and treatment equipment (such as, for instance, collaboration between the medical information systems and diagnostic imaging equipment of Hitachi Medical and the storage systems and cloud-based services that store and manage images provided by Hitachi, or the provision of systems integrating diagnosis and treatment through the combination of the diagnostic imaging equipment of Hitachi Medical and the particle beam therapy equipment developed by Hitachi) by Hitachi Medical operating its business in an integrated manner with the healthcare-related businesses of Hitachi's in-house companies.

After making Hitachi Medical a wholly-owned subsidiary, Hitachi plans to operate the business of Hitachi Medical and the healthcare-related businesses of Hitachi's in-house companies in an integrated manner, while also formulating and implementing optimal business strategies. Although the specific methods are to be considered going forward, in doing so Hitachi will aim to strengthen the business of Hitachi Medical upon giving attention to management that fully utilizes the characteristics of the business of Hitachi Medical and the superior points of its operations and structure. Regarding the management structure of Hitachi Medical after making Hitachi Medical a wholly-owned subsidiary of Hitachi, Hitachi's policy in principle will be to respect the existing management structure.

Please note that, according to the "Notice regarding dividend of surplus" released by Hitachi Medical today, Hitachi Medical, at its board of directors meeting held today, resolved that it will not pay year-end dividends for the fiscal year ending March 2014

(from April, 1 2013 to March 31, 2014) on the condition that the Tender Offer is successful and the day on which Hitachi makes Hitachi Medical a wholly-owned subsidiary of Hitachi planned after the Tender Offer is a day on or after April 1, 2014. Hitachi made the above resolution because if the day on which Hitachi makes Hitachi Medical a wholly-owned subsidiary of Hitachi is a day on or after April 1, 2014, it is possible that the payment of year-end dividends for a record date of March 31, 2014 would give rise to differing economic effects as between shareholders who tender shares in the Tender Offer and shareholders who do not tender shares in the Tender Offer.

(3) Measures to ensure fairness of tender offer such as measures to ensure fairness of tender offer price and measures to avoid conflicts of interest

Since Hitachi Medical is currently a consolidated subsidiary of Hitachi, Hitachi and Hitachi Medical, taking into consideration the impact on minority shareholders of Hitachi Medical, implemented the following measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest.

(A) Obtainment by Hitachi of share valuation report from an independent third-party valuation institution

In order to ensure the fairness of the Tender Offer Price, in determining the Tender Offer Price, Hitachi requested Nomura Securities, a financial advisor and third-party valuation institution that is independent from Hitachi and Hitachi Medical, to calculate the value of the shares of Hitachi Medical. Nomura Securities is not an affiliate of Hitachi and Hitachi Medical and does not have any material interest regarding the Transactions including the Tender Offer.

Nomura Securities calculated the value of the shares of Hitachi Medical by employing each of the average market price method, the comparable companies method and the DCF method, and Hitachi obtained a share valuation report of Hitachi Medical (the "Company's Valuation Report") from Nomura Securities today. Hitachi has not obtained an evaluation of the fairness of the Tender Offer Price (a fairness opinion) from Nomura Securities.

The ranges of the valuation per share of Hitachi Medical calculated based on each of the aforementioned methods are as follows:

- (i) Average market price method: 1,271 yen to 1,348 yen
- (ii) Comparable companies method: 1,302 yen to 2,388 yen
- (iii) DCF method: 1,446 yen to 2,248 yen

Firstly, for the average market price method, the record date was set as November 12, 2013, and the valuation per share of Hitachi Medical was calculated to fall within a range of 1,271 yen to 1,348 yen based on the closing price of Hitachi Medical's shares quoted on the First Section of the Tokyo Stock Exchange on the record date (1,338 yen), the simple average closing prices over the one week period prior to the record date (1,332 yen (rounded to the nearest whole yen; the same applies to the calculation of the simple average closing prices hereinafter)), the simple average closing prices for the one-month period prior to the record date (1,348 yen), the simple average closing prices for the three-month period prior to the record date (1,271 yen), and the simple average closing prices for the six-month period prior to the record date (1,290 yen).

Next, for the comparable companies method, multiple other listed companies in a similar business as that conducted by Hitachi Medical were selected to evaluate the share value of Hitachi Medical by comparing the market value of shares and financial indicators representing profitability or other valuation measures, and the valuation per share of Hitachi Medical was calculated to fall within a range of 1,302 yen to 2,388 yen.

Finally, for the DCF method, the free cash flow that Hitachi Medical is expected to create in the future (based on the estimated future earnings of Hitachi Medical for the fiscal year ending March 2014 and subsequent fiscal years, taking into consideration factors such as the business plan submitted by Hitachi Medical, management interviews with Hitachi Medical, trends in Hitachi Medical's operating results to date, and publicly disclosed information) was discounted to the current value by using a certain discount rate, in order to analyze Hitachi Medical's corporate value and share value, and the valuation per share of Hitachi Medical was calculated to fall within a range of 1,446 yen to 2,248 yen. Please note that Hitachi Medical's business plan on which the DCF analysis was based contains fiscal years showing significant increases in profit compared with their respective previous fiscal years. This is mainly because Hitachi Medical expects increases in earnings and profit as a result of sales expansion in foreign markets such as those in China and the United States.

With the valuation results from each method described in Hitachi's Valuation Report obtained from Nomura Securities as a reference, Hitachi considered the Tender Offer Price by comprehensively taking into account factors such as examples of the premiums added when determining tender offer prices in tender offers conducted in the past by a party other than an issuer and that were of the same kind as the Tender Offer, whether Hitachi Medical's board of directors would express endorsement of the Tender Offer and recommend its shareholders to tender their shares in the Tender

Offer, trends in the market value of shares of Hitachi Medical over the past six months, and the estimated number of shares to be tendered in the Tender Offer, and in light of the process and other factors of discussion and negotiation with Hitachi Medical, Hitachi's President today ultimately decided on a Tender Offer Price of 1,800 yen per share.

The Tender Offer Price of 1,800 yen includes (a) a premium of 34.5 % (rounded to one decimal place; the same applies to all percentages in this paragraph) on 1,338 yen, which is the closing price of Hitachi Medical's shares quoted on the First Section of the Tokyo Stock Exchange on November 12, 2013, which is the business day immediately preceding today, (b) a premium of 33.5 % on 1,348 yen, which is the simple average closing price quoted for the one-month period until November 12, 2013, (c) a premium of 41.6 % (on 1,271 yen, which is the simple average closing price for the three-month period until November 12, 2013, and (d) a premium of 39.5 % on 1,290 yen, which is the simple average closing price for the six-month period until November 12, 2013.

(B) Obtainment by Target Company of share valuation report from independent third-party valuation institution

According to Hitachi Medical, Hitachi Medical requested Daiwa Securities to calculate the value of the shares of Hitachi Medical before determining its opinion on the Tender Offer, and received a share valuation report from Daiwa Securities on November 12, 2013 (provided, however, that Hitachi Medical has not obtained an evaluation of the fairness of the Tender Offer Price (a fairness opinion) from Daiwa Securities). The valuation results of Hitachi Medical's shares by Daiwa Securities are as follows:

Daiwa Securities, at the request of Hitachi Medical, calculated the value of the shares of common stock of Hitachi Medical by employing each of (i) the average market price method, an objective calculation method based on market prices formed in capital markets, in which various factors of Hitachi Medical such as profitability, assets, and potential are reflected and (ii) the DCF method in which the share value of Hitachi Medical is calculated by taking into account assumptions considered reasonable such as estimated future earnings and investment plans based on Hitachi Medical's business plan and discounting the free cash flow that Hitachi Medical is expected to create in the future to the current value by using an appropriate discount rate proportionate to the business risks. Hitachi Medical has received a report of the valuation results of Hitachi Medical's shares from Daiwa Securities on November 12, 2013. The methods employed by Daiwa Securities and the ranges of the valuation per share of Hitachi Medical calculated based on each of the methods are as follows: (i)

for the average market price method, the record date was set as November 11, 2013, and the valuation per share of common shares of Hitachi Medical was calculated to fall within a range of 1,268 yen to 1,348 yen based on the closing price quoted on the First Section of the Tokyo Stock Exchange was on the record date (1,345 yen) and the simple average closing prices for the one-month period prior to the record date (1,348 yen (rounded to the nearest whole yen; the same applies to the calculation of share prices hereinafter)), the simple average closing prices for three-month period prior to the record date (1,268 yen), and the simple average closing prices for six-month period prior to the record date (1,290 yen); and (ii) for the DCF method, the record date was set as the last day of September 2013, and the free cash flow that Hitachi Medical is expected to create in the future (based on the estimated future earnings of Hitachi Medical for the three fiscal years from the fiscal year ending March 2014 to the fiscal year ending March 2016 (however, for the fiscal year ending March 2014, only the period of six months from October 2013 to March 2014), taking into consideration elements such as Hitachi Medical's business plan, management interviews with Hitachi Medical, trends in Hitachi Medical's operating results to date, and publicly disclosed information) was discounted to the current value by using a certain discount rate, in order to analyze Hitachi Medical's corporate value and share value; and the valuation per share of Hitachi Medical was calculated to fall within a range of 1,621 yen to 2,088 yen. A discount rate of 6.37 % to 7.57 % was adopted by Daiwa Securities, and in calculating the terminal value the constant-growth rate model was adopted and a permanent growth rate of 0.00 % to 0.50 % was employed. Please note that the business plan provided to Daiwa Securities from Hitachi Medical on which the DCF analysis was based contains fiscal years showing significant increases in profit compared with their respective previous fiscal years. This is mainly because Hitachi Medical expects increases in earnings and profit as a result of sales expansion in foreign markets such as those in China and the United States. With respect to the effects of various measures such as strengthening of solution proposal capabilities, research and development, cost competitiveness, sales capabilities, and execution of investment and others. and expansion of channels for sales, which Hitachi and Hitachi Medical considers realizable in the future as a result of the implementation of the Transactions, Hitachi Medical's financial forecasts and others. on which the share valuation was based do not take into consideration those effects because it is difficult to specifically estimate at this stage the impact that such measures would have on Hitachi Medical's earnings. The specific figures of Hitachi Medical's financial forecasts on which the DCF analysis was based are as follows:

(Unit: million yen)

| | Fiscal year ending March 2014 (six months) | Fiscal year ending March 2015 | Fiscal year ending March 2016 |
|------------------|--|----------------------------------|----------------------------------|
| Revenues | 93,820 | 175,000 | 190,000 |
| Operating income | 5,384 | 6,000 | 9,500 |
| EBITDA | 7,741 | 11,343 | 14,975 |
| Free cash flow | 1,253 | 2,385 | 7,867 |

Daiwa Securities, a third-party valuation institution, is not an affiliate of Hitachi and Hitachi Medical and does not have any material interest to be stated regarding the Tender Offer.

(C) Advice from independent legal counsel to Hitachi Medical

According to Hitachi Medical, Hitachi Medical has, in order to ensure the fairness and appropriateness of the decision making of its board of directors regarding the Transactions including the Tender Offer, selected Nakamura, Tsunoda & Matsumoto as a legal adviser who has no interests in Hitachi, which is the controlling shareholder of Hitachi Medical, and is independent from Hitachi and Hitachi Medical and obtained legal advice with respect to the process and method of decision making of Hitachi Medical's board of directors, including procedures for the Transactions.

Nakamura, Tsunoda & Matsumoto has, in giving its legal advice, obtained related information as necessary by (i) conducting interviews (such as asking questions about the Transactions including the Tender Offer) with, and having necessary materials submitted by, Hitachi Medical's directors other than Mr. Shigeru Azuhata ("Mr. Azuhata") and Mr. Kazuhiro Kurihara ("Mr. Kurihara")(Mr. Azuhata and Mr. Kurihara who concurrently serve as executive officers of Hitachi have never, from a perspective of avoiding conflicts of interest, discussed or negotiated with Hitachi as directors of Hitachi Medical or participated in any discussion or resolution of agenda items at any Target Company's board of directors meeting on the Tender Offer including the meeting referred to in "(E) Approval of all of the disinterested Target Company directors" below), Hitachi Medical's executive officers and employees, Daiwa Securities which is Hitachi Medical's third-party valuation institution, Hitachi, and Nomura Securities which is Hitachi's financial advisor, and by (ii) having several consultations respectively with Hitachi Medical's executive officers and Daiwa Securities which is Hitachi Medical's third-party valuation institution.

Hitachi Medical has, by reference to the legal advice from Nakamura, Tsunoda &

Matsumoto with respect to the process and method of the decision making and other matters of note regarding the Transactions including the Tender Offer, carefully discussed and considered the specific conditions and others. of the Transactions including the Tender Offer.

(D) Obtainment of an opinion from a party who has no interest in the controlling shareholder regarding the matter that the decision by a listed company does not harm the minority shareholders

According to Hitachi Medical, for the purpose of avoiding arbitrariness in the decision making regarding the Transactions including the Tender Offer, and ensuring the fairness and appropriateness of the decision making process of Hitachi Medical, Hitachi Medical consulted with Nakamura, Tsunoda & Matsumoto, an outside counsel who has no interest in Hitachi, which is the controlling shareholder of Hitachi Medical and, as described in “(C) Advice from independent legal counsel to Hitachi Medical” above, the legal advisor of Hitachi Medical independent from Hitachi and Hitachi Medical, regarding (i) whether the Transactions including the Tender Offer, will contribute to increase Hitachi Medical’s corporate value or (ii) whether the Tender Offer is disadvantageous for the minority shareholders of Hitachi Medical, from the perspective of the purposes of the Transactions, procedures of the decision making process, and fairness of consideration.

Upon considering the matters for consultation described above, Nakamura, Tsunoda & Matsumoto firstly confirmed and verified each of the materials submitted by Hitachi and Hitachi Medical. Then, Nakamura, Tsunoda & Matsumoto received explanations from and asked questions to Mr. Etsuo Murase (“Mr. Murase”), a Vice President and Executive Officer of Hitachi Medical concurrently serving as Director of Hitachi Medical, Mr. Tsuneo Maeda (“Mr. Maeda”), a Vice President and Executive Officer of Hitachi Medical, and Mr. Ryoji Sasaki (“Mr. Sasaki”), an Executive Officer of Hitachi Medical, with respect to the outline of the Transactions including the Tender Offer, background to the Transactions, purpose of the Transactions, status of Hitachi and Hitachi Medical, and process of decision making and discussion of Hitachi and Hitachi Medical, and then examined the integrity between the explanations and each of the submitted materials. In addition, Nakamura, Tsunoda & Matsumoto received explanations from and asked questions to Mr. Murase, Mr. Maeda, and Mr. Sasaki with respect to Hitachi Medical’s business plan, and then received explanations from and asked questions to Daiwa Securities, a third-party valuation institution, with respect to the share valuation report that was submitted by Daiwa Securities.

Under the circumstances described above, Nakamura, Tsunoda & Matsumoto

carefully considered the matters for consultation described above, and Hitachi Medical consequently obtained from Nakamura, Tsunoda & Matsumoto a written opinion dated November 12, 2013 to the effect that (i) it deems that the Transactions including the Tender Offer will contribute to increase Hitachi Medical's corporate value because the Transactions including the Tender Offer are, based on Hitachi Medical's understanding of current situations, explanations by Hitachi of the Transactions, and Hitachi Medical's evaluation of the explanations and others, reasonably expected to contribute to all of the circumstances that will be important points in increasing Hitachi Medical's corporate value in the future, such as (a) in addition to the establishment of systems to flexibly conduct large-scale strategic investment, enhancement of the capability to procure parts conforming to products and design products conforming to procured parts, (b) provision of systems mainly for markets of developed countries that combine Hitachi Medical's medical equipment and information technology, and (c) securing sales bases in markets of emerging countries and building a sales system for package type proposal and building relationships, and (ii) it does not deem that the Tender Offer is disadvantageous for the minority shareholders of Hitachi Medical, based on circumstances such as that (a) securing the transparency and reasonableness of the Tender Offer has been taken into consideration in that measures against issues considered necessary as specific measures have been taken to ensure the opportunity for an appropriate decision of shareholders, avoid arbitrariness in the decision making process, and secure objective circumstances that ensure the appropriateness of the price, and (b) among the share valuation results of common shares of Hitachi Medical obtained from Daiwa Securities, the Tender Offer Price exceeds the maximum amount of the valuation results based on the average market price method and reasonably exceeds the minimum amount of the range of the valuation results based on the DCF method, and is considered as a price with a reasonable premium in light of judicial precedents and the like regarding similar cases and other factors, and exceeds the consolidated net assets per share of Hitachi Medical and the highest share price of Hitachi Medical recorded in the past 14 years.

(E) Approval of all of the disinterested directors of Hitachi Medical

According to Hitachi Medical, based on the share valuation report obtained from Daiwa Securities, the legal advice from Nakamura, Tsunoda & Matsumoto, the written opinion referred to in "(D) Obtainment of an opinion from a party that has no interest in the controlling shareholder regarding the matter that decision by listed company does not harm the minority shareholders" above, and other related materials, Hitachi Medical has carefully discussed and considered the various conditions relating to the

Tender Offer the purpose of which is to make Hitachi Medical a wholly-owned subsidiary of Hitachi and consequently concluded that the Tender Offer is beneficial from the perspective of increasing Hitachi Medical's corporate value and the common interests of the shareholders of Hitachi Medical because making Hitachi Medical a wholly-owned subsidiary of Hitachi would be beneficial as it can be expected to result in (i) Hitachi Medical and Hitachi being able to seamlessly conduct strategic investment of a greater scale and make decisions more rapidly, (ii) the ability to pursue collaborations in the healthcare sector including the sharing of resources pertaining to the healthcare business (such as human capital, funds, and knowhow), (iii) strengthening of research and development capabilities through increased collaboration with Hitachi's research institutes, and (iv) increased sales of Hitachi Medical's diagnostic imaging equipment and the expansion and enhancement of sales bases in emerging countries by utilizing Hitachi's local subsidiaries, and concluded that the Tender Offer Price and other conditions of the Tender Offer are appropriate and the Tender Offer will provide an opportunity for the shareholders of Hitachi Medical to sell their shares of Hitachi Medical at a reasonable price and on reasonable conditions given that (i) the Tender Offer Price is a price to which a reasonable premium has been added from the perspective of the share value of Hitachi Medical calculated in the share valuation report and (ii) Hitachi Medical has been provided with legal advice from an independent law firm and that the fairness of the procedures for the Tender Offer has been confirmed by the written opinion prepared by such law firm. At Hitachi Medical's board of directors meeting held today, all directors (except for Mr. Azuhata and Mr. Kurihara) discussed and adopted a resolution, by unanimous consent, to express an opinion to endorse the Tender Offer and recommend the shareholders of Hitachi Medical to tender their shares in the Tender Offer.

Among Hitachi Medical's directors, Mr. Azuhata and Mr. Kurihara who concurrently serve as executive officers of Hitachi have never, from a perspective of avoiding conflicts of interest, discussed or negotiated with Hitachi as directors of Hitachi Medical or participated in any discussion or resolution of agenda items at any Target Company's board of directors meeting on the Tender Offer including the meeting referred to in the preceding paragraph.

(F) Measures to secure an opportunity for the parties other than Hitachi to purchase shares

Hitachi has never agreed on any matter that would restrict a counter offeror from

contacting or performing other acts with respect to Hitachi Medical, including an agreement on a transaction protection clause that prohibits Hitachi Medical from contacting the counter offerors.

Hitachi has set the tender offer period for the Tender Offer (the "Tender Offer Period") as 26 business days, which is longer than the minimum tender offer period of 20 business days prescribed by laws and ordinances.

(4) Policy for organizational restructuring, etc. after the Tender Offer (matters relating to the so-called "Two-Tier Acquisitions")

Hitachi's policy is to make Hitachi Medical its wholly-owned subsidiary as described in "(1) Outline of the Tender Offer" above, and Hitachi plans to make Hitachi Medical its wholly-owned subsidiary by around April 2014 at the latest through the Tender Offer and subsequent series of procedures.

If Hitachi fails to acquire all of the issued shares of Hitachi Medical (other than the treasury shares held by Hitachi Medical) through the Tender Offer, Hitachi intends to acquire all of the issued shares of Hitachi Medical (other than the shares of Hitachi Medical owned by Hitachi) by, after the Tender Offer, conducting a share exchange (the "Share Exchange") with Hitachi Medical whereby Hitachi becomes a wholly-owned subsidiary of Hitachi. In the Share Exchange, shares of Hitachi are to be delivered as a consideration for shares of Hitachi Medical owned by shareholders of Hitachi Medical other than Hitachi, and Hitachi will exchange all of the shares of Hitachi Medical (other than the shares of Hitachi Medical owned by Hitachi) including shares of Hitachi Medical that are not tendered in the Tender Offer with the shares of Hitachi, and any shareholder of Hitachi Medical who receives one or more shares of Hitachi will become a shareholder of Hitachi. The Share Exchange will be conducted as a short-form share exchange under the main text of Article 796, Paragraph 3 of the Companies Act, which does not require approval by the general meeting of shareholders of Hitachi. Alternatively, the Share Exchange may be conducted as a short-form exchange under Article 784, Paragraph 1 of the Companies Act, which does not require approval by the general meeting of shareholders of Hitachi Medical. Even though the share exchange ratio in the Share Exchange will be determined upon consultation between Hitachi and Hitachi Medical which will be conducted with full attention given to their respective shareholders after the Tender Offer, the value of shares of Hitachi Medical to be referred to when determining the consideration to be delivered to the shareholders of Hitachi Medical through the Share Exchange (that is, shares of Hitachi; however, if any fraction less than one share of Hitachi is allocated,

sales proceeds of that fraction will be distributed; the same applies hereinafter) will be the same price as the Tender Offer Price.

In conducting the Share Exchange, the shareholders of Hitachi Medical, which will become a wholly-owned subsidiary, may demand that Hitachi Medical purchase their shares in accordance with the proceedings stipulated in the Companies Act and other relevant laws or ordinances.

However, after the account settlement of the Tender Offer, if an ownership ratio of U.S. shareholders (see Note below) of Hitachi Medical as of a record date (Hitachi has requested Hitachi Medical to set a record date after the account settlement of the Tender Offer and within early January, 2014) exceeds 10%, and if Hitachi is required to submit a registration statement (the "Registration Statement") in accordance with the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") in connection with the Share Exchange, at least about six months from the time when Hitachi and Hitachi Medical may confirm whether the ownership ratio of U.S. shareholders exceeds 10% or not are considered to be required until the Registration Statement will become effective, therefore, in that case, in order to promptly provide shareholders of Hitachi Medical who did not tender shares in the Tender Offer with an opportunity to recover the investment, Hitachi intends to make Hitachi Medical a wholly-owned subsidiary in the method described below in which the submission of the Registration Statement is not required instead of the Share Exchange. Whether or not the ownership ratio of U.S. shareholders as of the record date above exceeds 10% is scheduled to become apparent within February 2014, and promptly once it becomes apparent whether or not the ownership ratio of U.S. shareholders exceeds 10%, Hitachi will decide a method by which Hitachi will make Hitachi Medical its wholly-owned subsidiary and will announce such method.

(Note: The ownership ratio of U.S. shareholders will be calculated in accordance with the U.S. Securities Act, which in summary means the ratio will be obtained by dividing the number of shares of Hitachi Medical owned by U.S. shareholders by the total number of issued shares of Hitachi Medical less the number of shares of Hitachi Medical owned by Hitachi and the Hitachi Group and the treasury shares owned by Hitachi Medical.)

Specifically, after the Tender Offer is completed, Hitachi plans to request Hitachi Medical to hold in around February 2014 an extraordinary shareholders meeting (the "Extraordinary Shareholders Meeting") of Hitachi Medical that includes each of the following as proposals will be submitted for deliberation: (i) to make Hitachi Medical a company with class shares provided for by the Companies Act through partial

amendment to the articles of incorporation of Hitachi Medical in order to make it possible for Hitachi Medical to issue shares of a different class from the common shares of Hitachi Medical; (ii) to partially amend the articles of incorporation of Hitachi Medical in order to make all common shares issued by Hitachi Medical subject to a call provision (meaning a provision on the matters provided in Article 108, Paragraph 1, Item (vii) of the Companies Act; the same applies hereinafter); and (iii) to acquire all common shares of Hitachi Medical subject to the call provision (other than the treasury shares owned by Hitachi Medical) and deliver shares of a different class from the common shares of Hitachi Medical in exchange for this acquisition.

If there is a resolution to approve the proposal submitted for deliberation set out (i) above at the Extraordinary Shareholders Meeting and the partial amendment to the articles of incorporation in relation to (i) above becomes effective, then Hitachi Medical will become a company with class shares provided for by the Companies Act. Then, in order to cause the partial amendment to the articles of incorporation in relation to (ii) above to be effective, it is required by Article 111, Paragraph 2, Item (i) of the Companies Act to pass, in addition to the resolution for approval in (ii) the above, a resolution of a class shareholders meeting (the "Class Shareholders Meeting") consisting of the shareholders holding Hitachi Medical common shares subject to the call provision, and accordingly, Hitachi plans to request Hitachi Medical to hold, on the same day as the date of the Extraordinary Shareholders Meeting, a Class Shareholders Meeting that includes the partial amendment to the articles of incorporation set out in (ii) above as proposals submitted for deliberation. If the proposals set out above are included in the agenda for the Extraordinary Shareholders Meeting and the Class Shareholders Meeting, Hitachi plans to vote in favor of each of the proposals above at the Extraordinary Shareholders Meeting and the Class Shareholders Meeting.

Upon the implementation of the procedures described above, all common shares issued by Hitachi Medical will be subject to the call provision and acquired in their entirety (other than the treasury shares owned by Hitachi Medical) by Hitachi Medical, and shares of a different class from the common shares of Hitachi Medical will be delivered to Hitachi Medical shareholders (other than Hitachi Medical) as consideration for this acquisition. However, to those Target Company shareholders who would receive a fraction of a number of different-class shares, the amount of money to be obtained such as through the sale to Hitachi Medical of the different-class shares equivalent to the total of the fraction (any fractions in the total will be rounded down) will be delivered pursuant to the procedures provided in Article 234 of the Companies Act and other relevant laws and ordinances. The amount of

money to be delivered to each shareholder as a result of the sale of the different-class shares equivalent to the total of the fraction of shares will be calculated so that the amount will be equal to the price obtained by multiplying the Tender Offer Price by the number of common shares of Hitachi Medical owned by each of the shareholders. In addition, the details and number of the different-class shares of Hitachi Medical to be delivered as consideration for the acquisition of the common shares subject to the call provision have not yet been determined as of today. However, the number of those shares will be determined so that Hitachi will own all issued shares of Hitachi Medical (other than the treasury shares owned by Hitachi Medical) and the number of shares delivered to those Target Company shareholders other than Hitachi who did not tender their shares to the Tender Offer will be fractions of one share.

With respect to the provisions under the Companies Act that aim to protect the rights of minority shareholders related to the procedures above, if a resolution to acquire all common shares of Hitachi Medical subject to the call provision (other than the treasury shares owned by Hitachi Medical) described in item (iii) above was adopted at Hitachi Medical's Extraordinary Shareholders Meeting, it is provided that the shareholders may petition the court for a determination of the price for the acquisition of the relevant shares pursuant to the provisions of Article 172 of the Companies Act and other relevant laws or ordinances. With respect to the amendment of the articles of incorporation described in item (ii) above, it is provided that the shareholders may request the purchase of shares owned by them and may petition the court for the determination of the purchase price pursuant to the provisions of Articles 116 and 117 of the Companies Act and other relevant laws or ordinances; however, if the call option of the common shares comes into effect under the call provision, the shareholders may be deemed to have lost their standing to file the petition for the determination of the purchase price provided for in Article 117, Paragraph 2 of the Companies Act.

Hitachi may make Hitachi Medical a wholly-owned subsidiary using other methods that have an almost the same effect as each procedure described in items (i) through (iii) above depending on the amendment of relevant laws or ordinances, relevant authorities' interpretations of relevant laws or ordinances, Hitachi's share ownership ratio after the Tender Offer or the ownership of common shares of Hitachi Medical by shareholders of Hitachi Medical other than Hitachi, and the timing of making Hitachi Medical a wholly-owned subsidiary may be changed. However, even in that case, if the submission of the Registration Statement is required in conducting the Share Exchange, a method to deliver money will ultimately be adopted with respect to the shareholders of Hitachi Medical other than Hitachi, and the amount of money to be

delivered to each shareholder of Hitachi Medical in that case will be calculated so that the amount will be equal to the price obtained by multiplying the Tender Offer Price by the number of common shares of Hitachi Medical owned by each of the shareholders. Hitachi will decide, in consultation with Hitachi Medical, the specific procedures to be carried out for the above measures and will announce such procedures promptly after making the decision. The Tender Offer does not intend to solicit an endorsement of shareholders of Hitachi Medical in the Extraordinary Shareholders Meeting or the Class Shareholders Meeting.

(5) Possibility of and reasons for delisting

The common shares of Hitachi Medical are currently listed on the First Section of the Tokyo Stock Exchange. However, since Hitachi has not set a maximum number of shares to be purchased in the Tender Offer, the shares of Hitachi Medical may be delisted pursuant to the procedures prescribed by the Tokyo Stock Exchange in accordance with the Tokyo Stock Exchange's criteria for delisting shares, depending on the results of the Tender Offer. In addition, even if the shares of Hitachi Medical do not fall under the criteria as of the completion of the Tender Offer, Hitachi plans to subsequently make Hitachi Medical a wholly-owned subsidiary through the procedures described in "(5) Policy for organizational restructuring, etc. after the Tender Offer (matters relating to so-called "Two-Tier Acquisitions")," in which case the shares of Hitachi Medical will still be expected to be delisted pursuant to the procedures prescribed by the Tokyo Stock Exchange's criteria for delisting. Shares of Hitachi Medical will not be able to be sold or purchased at the Tokyo Stock Exchange after delisting.

(6) Matters relating to material agreements for acceptance of the Tender Offer between the Offeror and the shareholders of Hitachi Medical

Not applicable.

2. Outline of the Tender Offer

(1) Outline of target company

| | | | | | | | | | | | | | | | | | | | | | | |
|---|--|---|---------------|--------|-----------------------------------|-------|---|-------|--------------------------------------|-------|--|-------|--|-------|---|-------|---|-------|---|-------|---|-------|
| Name | Hitachi Medical Corporation | | | | | | | | | | | | | | | | | | | | | |
| Address | 4-14-1 Soto-Kanda, Chiyoda-ku, Tokyo | | | | | | | | | | | | | | | | | | | | | |
| Name and title of representative | Masahiro Kitano, President and CEO | | | | | | | | | | | | | | | | | | | | | |
| Description of Business | Development, manufacturing, sales and installment of, and maintenance services for, medical equipment, medical information systems, general purpose analyzers, and medical analyzers. | | | | | | | | | | | | | | | | | | | | | |
| Stated capital | 13,884 million yen (As of September 30, 2013) | | | | | | | | | | | | | | | | | | | | | |
| Date of incorporation | May 9, 1949 | | | | | | | | | | | | | | | | | | | | | |
| Major shareholders and shareholding ratios | <table border="0"> <tr> <td>Hitachi, Ltd.</td> <td>61.70%</td> </tr> <tr> <td>Japan Trustee Services Bank, Ltd.</td> <td>4.25%</td> </tr> <tr> <td>Credit Suisse Securities (Europe) Limited PB Omnibus Client Account (Standing proxy: Credit Suisse Securities (Japan))</td> <td>2.38%</td> </tr> <tr> <td>The Master Trust Bank of Japan, Ltd.</td> <td>1.99%</td> </tr> <tr> <td>Goldman Sachs International (Standing proxy: Goldman Sachs Japan Co., Ltd.)</td> <td>1.67%</td> </tr> <tr> <td>CBNY DFA INTL SMALL CAP VALUE PORTFOLIO (Standing proxy: Citibank Japan Ltd.)</td> <td>1.65%</td> </tr> <tr> <td>Hitachi Medical Corporation Employees' Shareholding Association</td> <td>1.16%</td> </tr> <tr> <td>RBC ISB A/C DUB NON RESIDENT/DOMESTIC RATE (Standing Proxy: Citibank Japan Ltd.)</td> <td>1.11%</td> </tr> <tr> <td>CGML-IPB CUSTOMER COLLATERAL ACCOUNT (Standing Proxy: Citibank Japan Ltd.)</td> <td>0.97%</td> </tr> <tr> <td>NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB) (Standing Proxy: Nomura Securities Co., Ltd.)</td> <td>0.85%</td> </tr> </table> <p style="text-align: right;">(As of September 30, 2013)</p> | | Hitachi, Ltd. | 61.70% | Japan Trustee Services Bank, Ltd. | 4.25% | Credit Suisse Securities (Europe) Limited PB Omnibus Client Account (Standing proxy: Credit Suisse Securities (Japan)) | 2.38% | The Master Trust Bank of Japan, Ltd. | 1.99% | Goldman Sachs International (Standing proxy: Goldman Sachs Japan Co., Ltd.) | 1.67% | CBNY DFA INTL SMALL CAP VALUE PORTFOLIO (Standing proxy: Citibank Japan Ltd.) | 1.65% | Hitachi Medical Corporation Employees' Shareholding Association | 1.16% | RBC ISB A/C DUB NON RESIDENT/DOMESTIC RATE (Standing Proxy: Citibank Japan Ltd.) | 1.11% | CGML-IPB CUSTOMER COLLATERAL ACCOUNT (Standing Proxy: Citibank Japan Ltd.) | 0.97% | NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB) (Standing Proxy: Nomura Securities Co., Ltd.) | 0.85% |
| Hitachi, Ltd. | 61.70% | | | | | | | | | | | | | | | | | | | | | |
| Japan Trustee Services Bank, Ltd. | 4.25% | | | | | | | | | | | | | | | | | | | | | |
| Credit Suisse Securities (Europe) Limited PB Omnibus Client Account (Standing proxy: Credit Suisse Securities (Japan)) | 2.38% | | | | | | | | | | | | | | | | | | | | | |
| The Master Trust Bank of Japan, Ltd. | 1.99% | | | | | | | | | | | | | | | | | | | | | |
| Goldman Sachs International (Standing proxy: Goldman Sachs Japan Co., Ltd.) | 1.67% | | | | | | | | | | | | | | | | | | | | | |
| CBNY DFA INTL SMALL CAP VALUE PORTFOLIO (Standing proxy: Citibank Japan Ltd.) | 1.65% | | | | | | | | | | | | | | | | | | | | | |
| Hitachi Medical Corporation Employees' Shareholding Association | 1.16% | | | | | | | | | | | | | | | | | | | | | |
| RBC ISB A/C DUB NON RESIDENT/DOMESTIC RATE (Standing Proxy: Citibank Japan Ltd.) | 1.11% | | | | | | | | | | | | | | | | | | | | | |
| CGML-IPB CUSTOMER COLLATERAL ACCOUNT (Standing Proxy: Citibank Japan Ltd.) | 0.97% | | | | | | | | | | | | | | | | | | | | | |
| NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB) (Standing Proxy: Nomura Securities Co., Ltd.) | 0.85% | | | | | | | | | | | | | | | | | | | | | |
| Relationship between offeror and Target Company | Capital relationship | As of today, Hitachi owns 24,411,400 shares, which is equivalent to 61.74% of the total number of issued shares of Hitachi Medical, including an indirect shareholding of 0.04%. | | | | | | | | | | | | | | | | | | | | |
| | Personnel relationship | As of September 30, 2013, two of Hitachi Medical's directors also serve as executive officers of Hitachi. Hitachi has 27 employees of Hitachi seconded to Hitachi Medical. | | | | | | | | | | | | | | | | | | | | |
| | Business relationship | Hitachi has a business relationship with Hitachi Medical including loans and borrowings through the Hitachi Group pooling system. Other business relationships include Hitachi Medical selling medical equipment to hospitals that belong to Hitachi and Hitachi Medical outsourcing a part of its research and development to Hitachi. | | | | | | | | | | | | | | | | | | | | |
| | Status as related party | Hitachi Medical is a consolidated subsidiary of Hitachi, and therefore, Hitachi Medical is a related party. | | | | | | | | | | | | | | | | | | | | |

Note The indication of shareholding ratios in "Major shareholders and shareholding ratios" is the ratio of the number of shares owned to the total outstanding shares of Hitachi Medical, rounded down to two decimal places.

(2) Schedule, etc.

(A) Schedule

| | |
|---|---|
| Executive officers decision date | Wednesday, November 13, 2013 |
| Date of public notice of commencement of Tender Offer | Thursday, November 14, 2013 The offeror will issue an electronic public notice and publish a statement to that effect in the Nikkei. (Address of electronic public notice: http://disclosure.edinet-fsa.go.jp/) |
| Filing date of Tender Offer registration statement | Thursday, November 14, 2013 |

(B) Tender offer period at time of filing of the registration statement

From Thursday, November 14, 2013 through Thursday, December 19, 2013 (26 business days)

(C) Possibility of extension of tender offer period upon request of the target company

If Hitachi Medical files a report concerning an expression of opinion requesting an extension of the Tender Offer Period in accordance with the provisions of Article 27-10, Paragraph 3 of the Financial Instruments and Exchange Act (Act No. 25, 1948; as amended, hereinafter referred to as the "Act"), the Tender Offer Period will be for 30 business days, until Thursday, December 26, 2013

(3) Tender offer price

1,800 yen per common share

(4) Basis of valuation of tender offer price

(A) Basis of calculation

For the basis of calculation, please refer to "1. Purpose etc. of tender offer, (3) Measures to ensure fairness of Tender Offer such as measures to ensure fairness of tender offer price and measures to avoid conflicts of interest, (A) Obtainment by Company of share valuation report from independent third-party valuation institution" above.

The Tender Offer Price has a difference of 937 yen when compared to the price at which Hitachi acquired the shares of Hitachi Medical from 9 group companies of Hitachi through an off-market bilateral transaction on June 3, 2009 (863 yen per share; determined based on the share price level at the time), and also has a difference of 972 yen when compared to the price at which Hitachi acquired the

shares of Hitachi Medical from one group company of Hitachi through an off-market bilateral transaction on November 17, 2011 (828 yen per share; determined based on the share price level at the time). These differences arose due to the changes in the share price of Hitachi Medical between the time these transactions were executed and today, as well as taking the premium into account.

(B) Background of calculation

On the occasion of a proposal from Hitachi in around early October 2013, Hitachi appointed Nomura Securities as a financial advisor and as a third party valuation institution independent from Hitachi and Hitachi Medical, and Mori Hamada & Matsumoto as a legal advisor, and Hitachi Medical appointed Daiwa Securities as a financial advisor and as a third party valuation institution independent from Hitachi and Hitachi Medical, and Nakamura, Tsunoda & Matsumoto as a legal advisor, and Hitachi and Hitachi Medical have over multiple occasions discussed and considered various measures aimed at further increasing the corporate value of both companies.

As a result, Hitachi reached the conclusion that by making Hitachi Medical a wholly owned subsidiary of Hitachi, Hitachi Medical would build a more stable capital relationship with Hitachi, conducting business management in an integrated manner with the healthcare-related businesses of Hitachi's in-house companies, and it is believed that it will become possible to implement various collaborations between Hitachi Medical and the healthcare-related businesses of the Hitachi Group, in sales investment and research and development investment, making Hitachi Medical a wholly owned subsidiary of Hitachi will make it possible for Hitachi Medical and Hitachi to seamlessly conduct strategic investment of a greater scale and make decisions more rapidly, which are important in the global medical equipment market given the abovementioned fierce competition between companies and the existence of competitors who substantially surpass Hitachi Medical in terms of factors such as business size and financial strength, and making Hitachi Medical a wholly owned subsidiary of Hitachi will also enable Hitachi Medical and Hitachi to share resources pertaining to the healthcare business (such as human capital, funds, and knowhow), and to strive for more flexible and strategic business management.

Pursuant to the decision of Hitachi's President today, Hitachi decided to implement the Tender Offer with the purpose of making Hitachi Medical a wholly-owned subsidiary, and decided on the Tender Offer Price by the following process.

(a) Name of a third party from which the offeror received advice upon calculation

In order to ensure the fairness of the Tender Offer in determining the Tender Offer Price, Hitachi requested Nomura Securities, a financial advisor and third-party valuation institution that is independent from Hitachi and Hitachi Medical, to calculate the value of the shares of Hitachi Medical. Nomura Securities is not an affiliate of Hitachi and Hitachi Medical and does not have any material interest regarding the Transactions including the Tender Offer.

Nomura Securities calculated the value of the shares of Hitachi Medical by employing each of the average market price method, the comparable companies method and the DCF method, and Hitachi obtained Hitachi's Valuation Report from Nomura Securities today. Hitachi has not obtained an evaluation of the fairness of the Tender Offer Price (a fairness opinion) from Nomura Securities.

(b) Outline of advice from Nomura Securities

The ranges of the valuation per share of Hitachi Medical calculated by Nomura Securities based on each of the aforementioned methods are as follows:

| | |
|------------------------------|------------------------|
| Average market price method: | 1,271 yen to 1,348 yen |
| Comparable companies method: | 1,302 yen to 2,388 yen |
| DCF method: | 1,446 yen to 2,248 yen |

(c) Background for determination of Tender Offer Price upon consideration of advice

With the valuation results from each method described in Hitachi's Valuation Report obtained from Nomura Securities as a reference, Hitachi considered the Tender Offer Price by comprehensively taking into account such factors as examples of the premiums added when determining tender offer prices in tender offers conducted in the past by a party other than an issuer and that were of the same kind as the Tender Offer, whether Hitachi Medical's board of directors would express endorsement of the Tender Offer and recommend its shareholders to tender their shares in the Tender Offer, trends in the market value of shares of Hitachi Medical over the past six months, and the estimated number of shares to be tendered in the Tender Offer, and in light of the process and other factors of discussion and negotiation with Hitachi Medical, Hitachi's President today ultimately decided on a Tender Offer Price of 1,800 yen per share.

(Measures to ensure fairness of Tender Offer Price and Measures to ensure fairness of Tender Offer such as measures to avoid conflicts of interest)

Please refer to “1. Purpose etc. of tender offer, (3) Measures to ensure fairness of Tender Offer such as measures to ensure fairness of tender offer price and measures to avoid conflicts of interest” above.

(C) Relationship with the valuation institution

Nomura Securities is not an affiliate of Hitachi and Hitachi Medical and does not have any material interest regarding the Transactions including the Tender Offer.

(5) Number of shares to be purchased

| Number of shares to be purchased | Minimum number of shares to be purchased | Maximum number of shares to be purchased |
|----------------------------------|--|--|
| 14,752,335 shares | — | — |

Note 1 Neither a maximum nor a minimum number of shares to be purchased has been set in the Tender Offer, and Hitachi will purchase all of the shares tendered. In the column “Number of shares to be purchased” above, the maximum number of shares of Hitachi Medical to be acquired by Hitachi through the Tender Offer is indicated. The maximum number is the total number of issued shares of Hitachi Medical as of September 30, 2013 (39,540,000 shares) indicated in the quarterly securities report for the second quarter of the 98th fiscal year filed by Hitachi Medical on November 12, 2013, less the sum of (a) the number of treasury shares owned by Hitachi Medical as of September 30, 2013 (391,265 shares) indicated in the said quarterly securities report, and (b) the number of shares of Hitachi Medical owned by Hitachi as of today (24,396,400 shares).

Note 2 Shares less than one unit are also subject to the Tender Offer. In the event that any shareholder exercises his/her right to demand purchase of shares less than one unit pursuant to the applicable provisions of the Companies Act, Hitachi Medical may purchase its own shares during the Tender Offer Period in accordance with the relevant procedures under the applicable laws and regulations.

Note 3 Hitachi does not intend to acquire any treasury shares owned by Hitachi Medical through the Tender Offer.

(6) Changes in ownership ratio of shares through tender offer

| | | |
|--|--------|--|
| Number of voting rights represented by shares owned by offeror before tender offer | 24,396 | (Ownership ratio of shares before tender offer: 63.15%) |
| Number of voting rights represented by shares owned by special related parties before tender offer | 0 | (Ownership ratio of shares before tender offer: 0.00%) |
| Number of voting rights represented by shares owned by offeror after tender offer | 39,148 | (Ownership ratio of shares after tender offer: 100.00%) |
| Number of voting rights represented by shares owned by special related parties after tender offer | 0 | (Ownership ratio of shares after tender offer: 0.00%) |
| Total number of voting rights of all shareholders of Target Company | 38,632 | |

Note 1 The denominator used in calculating “Ownership ratio of shares before tender offer” is “Total number of voting rights of all shareholders of Target Company.”

Note 2 “Number of voting rights represented by shares owned by special related parties before tender offer” is the total number of voting rights represented by shares owned by each of the special related parties (however, not including any shares owned by a person excluded from special related parties in accordance with Article 3, Paragraph 2, Item 1, of the Cabinet Office Ordinance with respect to Disclosure of a Tender Offer for Shares by an Offeror other than Issuer (Ministry of Finance Ordinance No. 38, 1990, as amended; the “Cabinet Ordinance”) with respect to the calculation of ownership ratio of shares under each item in the Article 27-2, Paragraph 1, of the Act). Since the shares owned by the special related parties (other than the treasury shares owned by Hitachi Medical) are also subject to the Tender Offer, the “Number of voting rights represented by shares owned by special related parties after tender offer” is zero. Hitachi will review shares owned by special related parties in the future, and if “Number of voting rights represented by shares owned by special related parties before tender offer” or “Ownership ratio of shares” need to be corrected, Hitachi will promptly disclose the corrected details.

Note 3 Since a maximum number of shares to be purchased has not been set in this Tender Offer, and all shares issued by Hitachi Medical (other than the shares

of Hitachi Medical owned by Hitachi and the treasury shares owned by Hitachi Medical) are subject to the Tender Offer, the “Number of voting rights represented by shares owned by offeror after tender offer” is the number of voting rights represented by the number of shares (39,148,735) equal to the total number of issued shares of Hitachi Medical as of September 30, 2013 (39,540,000 shares) indicated in the quarterly securities report for the second quarter of the 98th fiscal year filed by Hitachi Medical on November 12, 2013, less the number of treasury shares owned by Hitachi Medical as of September 30, 2013 (391,265 shares) indicated in the quarterly securities report indicated above.

Note 4 “Total number of voting rights of all shareholders of Target Company” is the number of voting rights of all the shareholders of Hitachi Medical as of September 30, 2013 indicated in the quarterly securities report for the second quarter of the 98th fiscal year filed by Hitachi Medical on November 12, 2013 (the share unit number of Hitachi Medical is 1,000 shares). For the Tender Offer, however, because no maximum number of shares to be purchased has been set and all shares issued by Hitachi Medical (other than shares of Hitachi Medical owned by Hitachi and treasury shares owned by Hitachi Medical) are subject to the Tender Offer, when calculating the “Ownership ratio of shares after tender offer,” the denominator used in that calculation is 39,148 rights, which is the number of voting rights represented by the number of shares (39,148,735 shares) equal to the total number of issued shares of Hitachi Medical (39,540,000 shares) as of September 30, 2013 indicated in the quarterly securities report indicated above, less the number of treasury shares owned by Hitachi Medical (391,265 shares) as of September 30, 2013 indicated in the quarterly securities report indicated above.

Note 5 “Ownership ratio of shares before tender offer” and “Ownership ratio of shares after tender offer” are rounded to two decimal places.

(7) Purchase price

26,554 million yen

Note This is the product of the Tender Offer Price (1,800 yen) multiplied by the number of shares to be purchased (14,752,335 shares).

(8) Method of settlement

(A) Name and address of the head office of the financial instruments dealer or bank in charge of settlement of the tender offer

Nomura Securities Co., Ltd. 1-9-1 Nihonbashi, Chuo-ku, Tokyo

(B) Commencement date of settlement

Friday, December 27, 2013

Note In accordance with the provisions of Article 27-10, Paragraph 3 of the Act, if Hitachi Medical submits the report concerning an expression of opinion requesting an extension of the Tender Offer Period, the commencement date of settlement will be Wednesday, January 8, 2014.

(C) Method of settlement

A notice of purchase through the Tender Offer will be mailed to the address of the tendering shareholder (or to the address of their standing proxies for foreign shareholders) without delay after the expiration of the Tender Offer Period. If electronic delivery of documents has been approved by tendering shareholders on Nomura Net & Call, the notice of purchase will be given to the shareholders electronically on Nomura Net & Call's website (<https://nc.nomura.co.jp/>).

The purchase price will be paid in cash. Tendering shareholders may receive the sales proceeds from the Tender Offer in the manner they designate, including by way of remittance (a remittance fee might be charged).

(9) Other terms and conditions and procedures for tender offer

(A) Terms and conditions listed in each item of Article 27-13, Paragraph 4 of the Act and the contents thereof

Neither a maximum nor a minimum number of shares to be purchased has been set. Therefore, Hitachi will purchase all of the shares tendered.

(B) Terms and conditions for withdrawal of Tender Offer, the contents thereof and procedures for disclosing withdrawal

If any of the events listed in Article 14, Paragraph 1, Item 1.1 through 1.9 and 1.12 through 1.18, Item 3.1 through 3.8 and 3.10, and Article 14, Paragraph 2, Item 3 through 6 of the Enforcement Order of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended; the "Enforcement Order") occurs, the Offeror may withdraw the Tender Offer.

In the Tender Offer, with respect to Article 14, Paragraph 1, Item 3.10 of the Enforcement Order, "events equivalent to those listed in Items 3.1 through 3.9" refers to (i) an event in which a statutory disclosure document submitted by Hitachi Medical

in the past is found to contain a false statement on a material fact, or omit a statement on a material fact that should have been stated, and in which Hitachi was not aware of the false statement or the omission and, despite using due care, Hitachi was unable to be aware of the false statement or the omission, and (ii) events listed in Article 14, Paragraph 1, Items 3.1 through 3.9 of the Enforcement Order happened to significant subsidiaries of Hitachi Medical.

If it seeks to withdraw the Tender Offer, the Offeror will issue an electronic public notice and publish a statement to that effect in the Nikkei. However, if it is difficult to issue a public notice by the last day of the Tender Offer Period, the Offeror will make an announcement pursuant to Article 20 of the Cabinet Ordinance and then immediately issue a public notice.

(C) Terms and conditions for reducing the tender offer price, the contents thereof and procedures for disclosing a reduction

In accordance with Article 27-6, Paragraph 1, Item 1 of the Act, if Hitachi Medical performs any act listed in Article 13, Paragraph 1 of the Enforcement Order during the Tender Offer Period, the Offeror may reduce the tender offer price pursuant to the standards set out in Article 19, Paragraph 1 of the Cabinet Ordinance. When reducing the tender offer price, the Offeror will issue an electronic public notice and publish a statement to that effect in the Nikkei. However, if it is difficult to issue a public notice by the last day of the Tender Offer Period, the Offeror will make an announcement pursuant to Article 20 of the Cabinet Ordinance and then immediately issue a public notice. If the tender offer price is reduced, the Offeror will purchase shares tendered on or before the day of the public notice at such reduced tender offer price.

(D) Matters regarding tendering shareholders' right to cancel agreement

A tendering shareholder may cancel an agreement for the Tender Offer at any time during the Tender Offer Period. To cancel an agreement, tendering shareholders must deliver or send a document specifying that they intend to cancel their agreement for the Tender Offer (the "Cancellation Document"), with a tender receipt attached, to the head office or domestic branch office of the agent designated below where they applied for the Tender Offer, by 3:30 p.m. on the last day of the Tender Offer Period. The Cancellation Document that is sent must arrive at the head office or domestic branch office of the agent by 3:30 p.m. of the last day of the Tender Offer Period. To cancel an agreement made through Nomura Net & Call, the tendering shareholder must complete the cancellation procedures via Nomura Net & Call's website

(<https://nc.nomura.co.jp/>) or by sending the Cancellation Document. To cancel the agreement via Nomura Net & Call's website, the tendering shareholder must complete the cancellation procedures in the manner described on that website by 3:30 p.m. on the last day of the Tender Offer Period. To cancel the agreement by sending the Cancellation Document, the tendering shareholder must request the form of the Cancellation Document in advance from Nomura Net & Call's customer support and then send the filled out format to Nomura Net & Call. (If a tender receipt had been delivered by the Tender Offer Agent upon tendering shares in the Tender Offer, the tendering shareholder is required to attach such tender receipt to the Cancellation Document). The Cancellation Document that is sent must arrive at Nomura Net & Call by 3:30 p.m. of the last day of the Tender Offer Period.

Agent with Authority to Receive Cancellation Document

Nomura Securities Co., Ltd. 1-9-1 Nihonbashi, Chuo-ku, Tokyo

(and any other branch offices of Nomura Securities Co., Ltd. in Japan)

Hitachi will not claim any damages or penalty against the tendering shareholders even if the agreement is cancelled by the tendering shareholders. Hitachi will also bear expenses for returning the shares tendered.

(E) Procedures for disclosing amendments to tender offer terms and conditions

Hitachi may amend the tender offer terms and conditions during the Tender Offer Period, except in cases prohibited under Article 27-6, Paragraph 1 of the Act and Article 13 of the Enforcement Order. When amending any of the tender offer terms and conditions, the Offeror will issue an electronic public notice on the details of the amendment and publish a statement to that effect in the Nikkei. However, if it is difficult to issue a public notice by the last day of the Tender Offer Period, Hitachi will make an announcement pursuant to Article 20 of the Cabinet Ordinance and then immediately issue a public notice. If any of the tender offer terms and conditions is amended, Hitachi will purchase shares tendered on or before the day of the public notice on such amended terms and conditions.

(F) Procedures for disclosing filing of amendment registration statement

If the Offeror files an amendment registration statement with the director of the Kanto Local Finance Bureau, the Offeror will immediately announce amendments relating to the matters listed in the public notice of the commencement of the Tender Offer included in the matters listed in the amendment registration statement, pursuant to

Article 20 of the Cabinet Ordinance. The Offeror will immediately amend the tender offer explanatory statement and deliver an amended tender offer explanatory statement to any tendering shareholder who has already received a tender offer explanatory statement. However, if amendments have only been made to a limited extent, the Offeror may prepare a document stating the reason for, and the details of, the amendment (both before and after the amendment), and deliver that document to the tendering shareholder.

(G) Procedure for disclosing the result of the Tender Offer

The Offeror will issue a public notice regarding the result of the Tender Offer on the day immediately following the last day of the Tender Offer Period, pursuant to Article 9-4 of the Enforcement Order and Article 30-2 of the Cabinet Ordinance.

(10) Date of public notice of commencement of the Tender Offer

Thursday, November 14, 2013

(11) Tender Offer Agent

Nomura Securities Co., Ltd. 1-9-1 Nihonbashi, Chuo-ku, Tokyo

3. Policy after tender offer and future outlook

(1) Policy after Tender Offer

Please refer to “1. Purpose etc. of tender offer” for the policy after the Tender Offer.

(2) Outlook of impact on future performance

Hitachi will report on the impact of the Tender Offer on the performance of Hitachi’s group as soon as it is determined.

4. Other information

(1) Agreements between Hitachi and Target Company or its officers

According to Hitachi Medical, at Hitachi Medical’s board of directors meeting held today a resolution was adopted to the effect that Hitachi Medical expressed an opinion to endorse the Tender Offer based on the grounds and reasons stated in “(1) Outline of the Tender Offer” of “1. Purpose etc. of tender offer” above and by the method described in “(3) Measures to ensure fairness of the Tender Offer such as measures to ensure fairness of tender offer price and measures to avoid conflicts of interest - (E) Approval of all of disinterested Hitachi Medical directors,” and recommended shareholders of Hitachi Medical to tender their shares in the Tender Offer.

(2) Other information necessary for investors' decision of tender

According to the "Notice regarding dividend of surplus" released by Hitachi Medical as of today, Hitachi Medical, at its board of directors meeting held today, resolved that it will not pay year-end dividends for the fiscal year ending March 2014 (from April, 1 2013 to March 31, 2014) on the condition that the Tender Offer is successful and the day on which Hitachi makes Hitachi Medical a wholly-owned subsidiary of Hitachi planned after the Tender Offer is a day on or after April 1, 2014. Hitachi made the above resolution because if the day on which Hitachi makes Hitachi Medical a wholly-owned subsidiary of Hitachi is a day on or after April 1, 2014, it is possible that the payment of year-end dividends for a record date of March 31, 2014 would give rise to differing economic effects as between shareholders who tender shares in the Tender Offer and shareholders who do not tender shares in the Tender Offer.

Reference: Hitachi's projected consolidated results during the current period (portion announced on October 29, 2013), and actual consolidated results in the previous period (Unit: million yen).

| | Revenues | Operating income | Net income before tax | Net income attributable to Hitachi's shareholders |
|--|-----------|------------------|-----------------------|---|
| Projected consolidated results during the current period (fiscal year ending March 2014) | 9,200,000 | 500,000 | 425,000 | 210,000 |
| Actual consolidated results in the previous period (fiscal year ending March 2013) | 9,041,071 | 422,028 | 344,537 | 175,326 |

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>.

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 segment;
- 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.

Other Cautionary Matters

-This news release is to announce the Tender Offer and has not been prepared for the purpose of soliciting an offer to sell shares. If shareholders wish to make an offer to sell their shares, they should first read the Explanatory Statement for the Tender Offer (including its amendment) and make their own decision. This news release does not constitute, nor form part of, any offer or invitation to buy, sell, exchange or otherwise dispose of, or issue, or any solicitation of any offer to sell or issue, exchange or otherwise dispose of, buy or subscribe for, any securities. In addition, this news release does not constitute, or form part of, any offer or invitation to sell, or any solicitation of any offer to purchase any securities in any jurisdiction, nor shall it (or any part of it) or the fact of its distribution form the basis of or be relied on in connection with any agreement

thereof.

- The Tender Offer is targeted at the common stock of Hitachi Medical Corporation, a company incorporated in Japan. The Tender Offer is to be conducted in compliance with the procedures and information disclosure standards prescribed in the Financial Instruments and Exchange Act of Japan. These procedures and standards are not necessarily the same as the procedures and information disclosure standards in the United States. In particular, Section 13(e) and Section 14(d) of the U.S. Securities and Exchange Act of 1934 (including any amendments thereafter) and the regulations stipulated thereunder are not applicable to the Tender Offer and the Tender Offer does not conform to those procedures and standards. Not all financial information included in this news release is in conformity with the U.S. GAAP. Further, as Hitachi is a company incorporated outside the U.S. and most officers of Hitachi are residents outside the U.S., it may be impossible to exercise rights and claims that may be asserted under the securities-related laws of the U.S. There is also a chance that it may be difficult to institute proceedings in a court outside the U.S. against a company outside the U.S. or its officers based on a violation of the securities-related laws of the U.S. Additionally, there is no guarantee that it would be possible to make a company outside the U.S. and its subsidiary or affiliate subject to the jurisdiction of a U.S. court.
- Unless otherwise specified, all procedures relating to the Tender Offer are to be conducted entirely in Japanese. If all or any part of a document relating to the Tender Offer is prepared in the English language and there is any inconsistency between the English-language documentation and the Japanese-language documentation, the Japanese-language documentation will prevail.
- Some countries or regions may impose restrictions on the announcement, issue or distribution of this news release. In such cases, please take note of such restrictions and comply with them. In countries or regions where the implementation of the Tender Offer is illegal, even upon receiving this news release, such receipt shall not constitute a solicitation of an offer to sell or an offer to buy shares relating to the Tender Offer and shall be deemed a distribution of materials for informative purposes only.
- The financial advisor to Hitachi Medical (including its affiliates) may, within its ordinary course of business and to the extent permitted under Japan's securities laws and in accordance with the requirements of Rule 14e-5(b) under the U.S. Securities Exchange Act of 1934 (including any amendments thereafter), prior to the commencement of, or during the Tender Offer Period in the Tender Offer, engage in the purchase, or arrangement to purchase, of shares of Hitachi Medical for its own account or for its customers' accounts by means other than pursuant to the Tender Offer. If any information concerning any such purchases is disclosed in Japan, corresponding disclosure will be made on the English homepage of the financial advisor (or through other public disclosure methods).

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