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## **Saskatchewan and Hitachi Announce Collaboration on Energy and Environmental Technology Development**

Tokyo, Japan, May 21, 2010 - The Government of Saskatchewan (“Saskatchewan”) and Hitachi, Ltd. (NYSE:HIT/TSE:6501, “Hitachi”) announced today that they have reached a landmark agreement with the signing of a joint declaration to work together and share information for developing energy and environmental technologies, including Carbon Capture & Storage (CCS) for thermal power plants, renewable energy and smart grid technologies.

Saskatchewan is committed to protecting the environment and to promoting the sustainable use of natural resources to enhance economic and social benefits. Saskatchewan has adopted a target of a 20 percent reduction in greenhouse gas emissions from 2006 levels by 2020.

Hitachi, for its part, has set a goal of curbing 100 million tons per annum of CO<sub>2</sub> emissions from Hitachi Group products by fiscal 2025. Hitachi is aiming to help create a low-carbon society by providing products such as nuclear power plants, renewable energy and highly efficient coal-fired thermal power plants in the electric power generation field, which accounts for around 70% of Hitachi’s targeted CO<sub>2</sub> emission reductions. Hitachi is particularly strengthening the development of CCS technologies, which have attracted interest as a means of drastically reducing CO<sub>2</sub> emissions from thermal power plants. Hitachi boasts proprietary CCS technologies, including Oxyfuel combustion technologies that efficiently capture CO<sub>2</sub> and chemical absorption technologies which capture liquefied CO<sub>2</sub> in flue gas emissions.

Hitachi and Saskatchewan province have a 40-year cooperative relationship in the power generation field, including work on coal, natural gas and wind generation technologies. Hitachi has provided generation facilities to Saskatchewan Power Corporation (“SaskPower”), a power utility based in Saskatchewan province. In 1988, Hitachi established Hitachi Canadian Industries Ltd. as a manufacturing base for power generation equipment in Saskatchewan province with SaskPower, deepening its relationship with this power utility and Saskatchewan province. In February 2010, SaskPower and Hitachi agreed to collaborate on the advancement and

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implementation of technology in the fields of low-carbon energy technologies, including CCS.

Today's agreement with Hitachi is Saskatchewan's first such agreement with an energy company in the energy and environmental technologies field and will strengthen existing and ongoing efforts to commercialize low-carbon energy technologies. Additionally, it will enable the further enhancement of energy security while assisting in the protection of the environment and natural resources.

A primary focus of this agreement is to commercialize low-carbon energy technologies that involve CCS—a field led by Saskatchewan, which is home to the world's largest monitored CCS demonstration project. The agreement also potentially benefits the energy sectors in Canada's resource-rich New West region as successful commercialization would create new demand for conventional energy resources.

Based on today's agreement, Saskatchewan and Hitachi will supply each other with information on new low-carbon energy technologies as well as cooperate in five fields: CCS technologies, AQCS (Air Quality Control Systems), boiler and steam turbine generators, renewable energy technologies and smart grid technologies.

“This agreement reinforces a healthy, well-established partnership between two world leaders in clean energy innovation,” Saskatchewan Premier Brad Wall said. “Saskatchewan is serious about clean energy innovation and about helping to set the pace internationally, not only in terms of expertise and infrastructure but also with respect to commercialization of technology. This agreement will help us jointly pursue these goals.”

Hitachi President Hiroaki Nakanishi commented, “Hitachi has various outstanding technologies in the environment and energy field, including CCS, and we are strengthening and proactively developing new technologies for creating a low-carbon society. I feel extremely honoured that our highly reliable energy and environmental technologies were recognized by Saskatchewan province for their sophistication and in becoming the first private-sector partner in the province. Hitachi has built relationships of trust with Saskatchewan province and SaskPower over many years.

Based on these relationships, we are committed to stepping up efforts in fields that can utilize CCS, renewable energy and other low-carbon energy technologies in Canada, and develop this business around the world.”

Hitachi and Saskatchewan will contribute to the realization of a low-carbon society and environmental and natural resource protection by promoting the development of energy and environmental technologies under this agreement.

**About Hitachi, Ltd.**

Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 360,000 employees worldwide. Fiscal 2009 (ended March 31, 2010) consolidated revenues totaled 8,968 billion yen (\$96.4 billion). Hitachi will focus more than ever on the Social Innovation Business, which includes information and telecommunication systems, power systems, environmental, industrial and transportation systems, and social and urban systems, as well as the sophisticated materials and key devices that support them. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.

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