

FOR IMMEDIATE RELEASE

Hitachi and Panasonic to Collaborate in Smart Community Business to Realize a Low-Carbon Society for China and other countries

Tokyo, September 24, 2010 --- Hitachi, Ltd. (NYSE:HIT / TSE:6501) and Panasonic Corporation (NYSE:PC) / TSE:6752) today announced an agreement to establish a cooperative relationship in the smart community-related business in the global market with a goal of helping to realize a low-carbon society. The two companies will jointly develop interfaces and work on standardization initiatives with the intention of commercializing and promoting the emergence of community energy management systems (CEMS) and home energy management systems (HEMS). Hitachi has long-standing expertise in CEMS technologies, while Panasonic is equally strong in HEMS technologies.

Smart communities are an important element in a sustainable social system for realizing a low-carbon society. These communities use information and telecommunication technologies to link power systems based on next-generation electric power grids called “smart grids,” with transportation systems, sewage and wastewater treatment facilities and other social infrastructure, buildings, homes and other locations. By facilitating optimal overall control in this way, these communities maintain safe, secure and comfortable living spaces for people, while minimizing the environmental burden, such as reducing CO2 emissions, and maintaining control on overall social costs.

In order to create these smart communities, all systems ranging from the energy supply side to the energy demand side must be linked. It is also necessary to have the ability to adjust energy demand within a region, monitor and operate equipment and facilities, provide value-added services, while simultaneously managing energy usage in homes in an efficient way. CEMS and HEMS are energy management systems designed specifically for this purpose.

CEMS link and manage the supply side—the main electricity grid beginning from power generation facilities, including wind power, large-scale photovoltaic solar power,

and other renewable energy systems—and various demand side systems in detached houses, condominiums, office buildings and elsewhere including such systems as electric vehicle (EV) charging. Meanwhile, HEMS connect home appliances, photovoltaic solar power generators, home-use EV chargers, storage batteries and other facilities and equipment, thereby supporting energy conservation in homes. This process of visualizing total household energy consumption and achievement of energy-saving targets is then displayed for analysis and evaluation.

Based on the CEMS and HEMS technologies that Hitachi and Panasonic have respectively developed, the two companies will share access methods with a goal to jointly develop international standard interfaces for CEMS and HEMS in projects such as the Sino-Singapore Tianjin Eco-City project. Hitachi is already providing environmental technologies and solutions for this eco-city project currently under development on the outskirts of Tianjin, China. The two companies will also share market information on CEMS- and HEMS-related businesses.

Hitachi has positioned the smart community-related business as a growth engine for expanding the Social Innovation Business. Hitachi is looking to fuse the Hitachi Group's various technologies, including information and telecommunications, information control and social infrastructure technologies, to comprehensively provide social infrastructure such as electricity, gas, heat, transportation, and sewage and wastewater treatment for creating environmentally friendly cities of the future. In order to provide this social infrastructure expertise, Hitachi established the Smart City Business Management Division on April 1, 2010, as a cross-group organization that reports directly to the president. This division is currently involved in field trials and large-scale eco-city projects in Japan and overseas.

For its part, Panasonic sees the energy systems business as one of the Panasonic Group's flagship businesses. Panasonic aims to deliver energy solutions by providing products and equipment that save, create and store energy, as well as HEMS and other energy management systems that connect them. Panasonic has already begun developing HEMS in Japan and has begun smart grid pilot testing in Europe under an alliance. On April 1, 2010, the company established the Corporate Division for Promoting Energy Solutions Business, which is leading efforts across the company at

Panasonic to provide energy solutions for entire homes, buildings and cities.

Under the alliance announced today, Hitachi and Panasonic will harness their respective technologies in the smart community business field to contribute to energy management in local communities and homes, thereby helping to make low-carbon societies a reality.

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>.

About Panasonic Corporation

Panasonic Corporation is a worldwide leader in the development and manufacture of electronic products for a wide range of consumer, business, and industrial needs. Based in Osaka, Japan, the company recorded consolidated net sales of 7.42 trillion yen (US\$79.4 billion) for the year ended March 31, 2010. The company's shares are listed on the Tokyo, Osaka, Nagoya and New York (NYSE: PC) stock exchanges. For more information on the company and the Panasonic brand, visit the company's website at <http://panasonic.net>.

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.
