

FOR IMMEDIATE RELEASE

Hitachi Announces the "Global Human Capital Management Strategy" to Support the Group's Global Growth

Global Human Capital Database and Global Grading System
to be Formulated as part of a Common Platform for Human Capital Developing,
Recruiting, Posting, Promotions, and Reward in the Group Worldwide

Tokyo, June 8, 2011 — Hitachi, Ltd. (NYSE:HIT / TSE:6501, "Hitachi") today announced the formulation of a "Global Human Capital Management Strategy" to support Hitachi Group's global growth. This new strategy includes the creation of a Global Human Capital Database covering all Hitachi Group employees in Japan and overseas^(a), and a Global Grading(a grading based on the global job evaluation method) System for all employees in Japan and overseas at Manager level and above. The construction of this new structure, which will serve as a common global platform for human capital developing, recruiting, posting, promotions, and reward in the Hitachi Group worldwide, will be led mainly by a new Global Human Capital Division that is to be established on July 1, 2011. Furthermore, in cooperation with each Business Division, optimum human capital management schemes will be put in place in keeping with the unique characteristics of regions and businesses. Hitachi will also accelerate global human capital management in Japan, for example by promoting the recruiting of personnel for global business, providing more young employees with overseas experiences, and revising the current management development program comprehensively, in order to facilitate human capital management, with a view towards the global growth of Hitachi's business.

Hitachi is currently in the process of expanding a global business with a particular focus on the Social Innovation Business, which provides social infrastructures supported by Hitachi's highly efficient and highly reliable information and telecommunication systems business. Hitachi aims to increase the ratio of overseas revenues, which reached a record high of 43% in Fiscal 2010, to more than 50% by Fiscal 2012. In order to promote locally led management and accelerate the global business, there is an urgent need for a new approach to human capital management based on a global perspective, as opposed to the "Japan centric" approach that has been

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common among Japanese companies. For this reason, on July 1, 2011, Hitachi will establish a new Global Human Capital Division as an organization that will specialize in the implementation of global human capital management, to ensure consistent human capital management throughout the Hitachi Group worldwide.

(a) All Hitachi Group employees, excluding direct employees overseas (approximately 300,000 employees)

Outline of the Global Human Capital Management Strategy

1. Global Human Capital Database

Hitachi is currently building a Global Human Capital Database containing information on all Hitachi Group employees, excluding direct employees overseas, as a common global platform for human capital developing, recruiting, posting, promotions, and reward in the Hitachi Group throughout the world. This database will cover the Hitachi Group's employees worldwide by the end of Fiscal 2011. Presently, data items include names, job title and job family, and new items will be added in the future, including a grade based on a Global Grading System to be established. This database will make it possible to gain a clearer grasp of the Group's global human capital, and to monitor macro-management index, for example indicating the deployment of human resources. It will be used for global human capital management of the Hitachi Group as a whole, as well as for each in-house and Group company.

2. Global Grading

Hitachi will begin to build a Global Grading System which is based on the global job evaluation method. This system, which will apply to all employees in the Hitachi Group in Japan and overseas at Manager level and above, is a common platform for human capital developing, recruiting, posting, promotions, and reward in the Hitachi Group worldwide. Once the designing completed, this system will be built mainly at Hitachi, Ltd. and its fully-owned subsidiaries in Japan and overseas in 2011. The system will then be rolled out in stages to all Group companies around the world. This Global Grading System will make it possible of personnel rotations within in-house and Group companies and throughout the Hitachi Group as a whole, and to establish strategic pay plans according to the regions, job title, job family, and others.

3. Providing Optimum Human Capital Management in Keeping with the Unique Characteristics of Regions and Businesses

In order to resolve the issues that arise in the context of human capital management in each region and each business field – for example, recruiting and developing activities – Hitachi will establish optimum human capital management schemes in keeping with the unique characteristics of regions and businesses, in cooperation with the Global Human Capital Division as well as each in-house and Group company. Specifically, surveys will be completed in 11 regions^(b) selected as new key regions by the end of Fiscal 2011, and based on the results of these surveys, a development program will gradually be designed and implemented to closely reflect the unique characteristics of each region. Regarding the businesses to be strengthened in each of these regions, Hitachi will use the Global Human Capital Database and the Global Grading System to undertake systematic human capital management at all in-house and Group companies, and will tie these activities into the further growth of business in all parts of the world.

(b) 11 regions: the Republic of India, the Republic of Indonesia, the Arab Republic of Egypt, the Kingdom of Saudi Arabia, the People's Republic of China, Central and Eastern Europe, the Republic of Turkey, the Federative of Republic of Brazil, the Socialist Republic of Vietnam, the Republic of South Africa, and Russia

4. Promoting the Globalization of Human Capitals in Japan

(1) Promoting the Recruiting of Personnel for Global Business

Hitachi, Ltd. plans to recruit a total of 750 new graduates from universities and technical colleges, to begin their employment in April 2012. 60% (450 employees) of these will be recruited as “Personnel for Global Business,” to act as a driving force behind the global rollout of Hitachi’s business. This Personnel will comprise all new sales or administrative employees (150 persons) and 50% of new technical employees (300 persons). Hitachi will also strengthen recruiting activities targeting non-Japanese employees, aiming to double the ratio of non-Japanese graduates to 10% (75 persons) year over year. Hiring activities will also actively target Japanese students graduating from overseas universities.

(2) Providing More Young Employees with Overseas Experiences

Over the course of fiscal 2011 and 2012, Hitachi will provide a total of 2,000 young employees with overseas experiences. This represents an increase of more than ten times compared to past years. Specifically, young employees from Hitachi, Ltd. and Group companies in Japan will have developmental assignments or training in works, customer locations, language schools, and other locations overseas – particularly in emerging countries – on assignments lasting between one and three months. In fiscal 2010, Hitachi completed the development of a program comprising 73 courses, which will be gradually implemented starting in June 2011.

(3) Comprehensive Revision of Management Development Program

In terms of the practical management training being conducted at the Hitachi Institute of Management Development for employees of Hitachi, Ltd. and Group companies in Japan, starting in Fiscal 2011, management development program will be subject to a comprehensive revision, shifting the focus to three main themes – “Global,” “Leadership,” and “Growth Strategies.” 3,600 employees are scheduled to participate in this program, representing a 100% increase compared to Fiscal 2010.

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 2010 (ended March 31, 2011) consolidated revenues totaled 9,315 billion yen (\$112.2 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.
