

FOR IMMEDIATE RELEASE

Hitachi Opens First R&D Centre in Bangalore, India

*-- To expand IT and social infrastructure business related operations
and pioneer new business areas --*

New Delhi, India October 13 2011 – Hitachi, Ltd. (NYSE: HIT/TSE: 6501, “Hitachi”) today announced the opening of the Hitachi India R&D Centre in Bangalore, India. This is the first research base for the Hitachi Group in India, as part of its efforts to promote efficient business development based on local needs in the rapidly growing Indian economy.

The new R&D Centre will be directly operated by Hitachi India Pvt. Ltd., the regional headquarters for Hitachi Group operations in India, and will conduct research and development focusing on Information & Telecommunication systems and social infrastructure business. In order to support the entry and expansion of Hitachi Group companies in India, the researchers will study the local market need, and promote market-oriented technology research & development to improve and enhance current products, as well as conduct regional research founded on regional needs to pioneer new business areas. Further, offshore-oriented research will be conducted in collaboration with universities and corporate entities in India to achieve efficient advanced research.

The Hitachi India R&D Centre will start with about 10 researchers, aiming to double this number by FY2015 through local employment, in order to contribute to business growth and pioneer new business areas in India based on local research.

In April 2011, Hitachi undertook an overhaul of its R&D structure to create an organization for the global expansion of Hitachi’s Social Innovation Business by reorganizing and integrating its eight domestic laboratories into three laboratories and increasing its overseas research personnel. In June 2011, Hitachi set out a “New globalization plan” based on six centres located worldwide, in Japan, North America, Europe, China, South-east Asia and India, and targets a Hitachi Group consolidated revenue in India to increase to approximately 200 billion yen in the next few fiscal years from the FY2010 revenue of approximately 90 billion yen. Local production and joint businesses with local partners have already commenced in business areas such as construction machinery, air-conditioning equipment, thermal power generation, and information control systems. The launch of the Hitachi India R&D Centre is part of

Hitachi's efforts to promote the localization of research, as well. The activities of the new research centre will be as follows:

(1) Market-oriented technology development to support the entry and expansion of Hitachi Group companies in India

Local user characteristics and environments will be analyzed in relation to IT platforms such as middleware and hardware, to understand local needs by studying usage at universities and customer sites, and applying this knowledge to derive core technologies and develop prototypes for product development tailored to the market in India.

(2) Regional research to pioneer new business tailored for the market in India

Concentrating on Social Innovation Business (such as water treatment, urban transport and smart cities) in which Hitachi is focusing its activities, needs particular to the Indian market will be identified through participation in pilot tests and standardization activities, to enable appropriate proposals to pioneer new businesses.

(3) Offshore oriented advanced research in collaboration with universities and corporate entities in India

Efficient offshore-oriented advanced technology development will be promoted through collaborations with the academic institutes in India, as well as working with offshore vendors and talented human resource in India. Collaborations with the Indian Institute of Technology Hyderabad (IIT-H) and the Indian Institute of Science (IISc) are already underway, and the establishment of the Hitachi India R&D Centre will serve to facilitate cooperation with local universities and corporate entities.

The new Hitachi India R&D Centre will focus its activities in India but will in the future conduct R&D for the Asian Belt Zone ^(a) in collaboration with Hitachi Asia R&D Centre, based in Singapore.

Note

(a) Asian Belt Zone: Comprises 24 countries and regions along the Asian Continental coast running from Japan to the Arabian Peninsula, including the People's Republic of China, ASEAN countries, India, and the Middle East.

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.
