

FOR IMMEDIATE RELEASE

Hitachi to Consolidate the Manufacturing Functions of Information & Telecommunication Systems in Japan

Strengthening Highly Reliable and High-Quality Manufacturing to Improve Global Competitiveness of IT Platform Products

Tokyo, April 3, 2013 – Hitachi, Ltd. (TSE: 6501, “Hitachi”) today announced that it will consolidate the manufacturing functions of its IT platform products in Japan into one subsidiary, effective October 1, 2013. The manufacturing of IT platform products, including servers, data storage equipment and networking devices, is currently dispersed among Hitachi and two Group companies. Through this consolidation, Hitachi will aim to enhance the global competitiveness of its platform products in the Information & Telecommunication Systems business with its high-quality and highly reliable manufacturing capabilities.

Specifically, the manufacturing process from printed circuit board assembly (PCBA) to configure to order (CTO) of devices at Hitachi Computer Technology & Manufacturing Co., Ltd. (“Hitachi Computer Technology & Manufacturing”) which is part of Hitachi’s Information & Telecommunication Systems Company, will be spun off to Hitachi Storage Manufacturing, Ltd. (“Hitachi Storage Manufacturing”). Hitachi Storage Manufacturing will then be renamed Hitachi Information & Telecommunication Manufacturing, Ltd. (“Hitachi Information & Telecommunication Manufacturing”). In addition, the manufacturing process within the Telecommunication & Network Systems Division of Hitachi’s Information & Telecommunication Systems Company will be transferred to the newly-renamed entity.

Respectively, Hitachi Storage Manufacturing and Hitachi Computer Technology & Manufacturing manufacture printed circuit boards and assemble devices for data storage equipment and servers in the Hitachi Group. Hitachi’s Telecommunication & Network Systems Division manufactures networking devices.

Hitachi seeks to improve the productivity and investment efficiency of the platform business through the concentration of manufacturing functions for servers, data storage equipment and networking devices into one company. Hitachi will also increase its global product competitiveness by further enhancing of high-quality and highly reliable manufacturing capabilities, by promoting the standardization of

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technologies and equipment and by combining its core technologies and expertise. In addition to manufacturing products for the Japanese and Asian markets, the succeeding company will aim to deliver the world-leading manufacturing. Operating as Hitachi Information & Telecommunication Manufacturing, the new subsidiary will serve as the mother plant to support production, quality control, human resources development and other operations for overseas sites.

Hitachi is targeting further growth through global expansion of its Social Innovation Business, which supplies advanced social infrastructure supported by IT. To this end, Hitachi is strengthening the Information & Telecommunication Systems business as a core operation of the Social Innovation Business. In particular, Hitachi has positioned its highly reliable cloud computing business, smart information business and big data utilization business as the three priority fields in the Information & Telecommunication Systems business. The Company is working to supply Integrated Platform Solutions^{*1} that serve as the foundation for each of these priority fields. Hitachi is also working to establish a framework for the IT platform business that can rapidly address changes in the market environment and the diversification of needs. For example, on April 1, 2012, the Company integrated and reorganized business divisions engaged in servers, data storage equipment and networking devices^{*2}. On April 1, 2013, Hitachi will consolidate two engineering companies involved in equipment design, LSI design and embedded software development^{*3}.

The reorganization of the manufacturing is part of these business enhancement measures. Hitachi believes this move will contribute immensely to expanding the IT platform business within Hitachi's Information & Telecommunication Systems business and will strengthen its global competitiveness.

*1 Integrated Platform Solutions: These solutions reduce the burden of system integration, operation and maintenance through the integration of servers, storage platforms, networking devices and software.

*2 The IT Platform Division Group was newly established by integrating the Enterprise Server Division, RAID System Division and Software Division of the Information & Telecommunication Systems Company. In addition, the Telecommunications & Network Systems Division was newly established by integrating the Network Solutions Division and Telecommunications Division.

*3 Merger of Hitachi Information & Communication Engineering, Ltd. and Hitachi Computer Peripherals Co., Ltd.

Overview of the Merging Companies

As of March 31, 2013

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|----------------------------|---|--|
| Company | Hitachi Storage Manufacturing, Ltd. | Hitachi Computer Technology & Manufacturing Co., Ltd. |
| Businesses | <ul style="list-style-type: none"> ● Printed circuit board configuration ● Configure to order and testing of devices ● Printed circuit board design and assembly | <ul style="list-style-type: none"> ● Design, manufacturing, processing, and sales of electronic devices and components ● Design, manufacturing and sales of printed circuit boards |
| Established | February 21, 1996 | October 1, 2000 |
| Headquarters | Kozu, Odawara-shi, Kanagawa | Horiyamashita, Hadano-shi, Kanagawa |
| Representative | Hirotsugu Yamagata, President | Yasuyuki Komatsubara, President |
| Capital Stock | 50 million yen | 450 million yen |
| Employees | 330 | 390 |
| Shareholder (Shareholding) | Hitachi, Ltd. (100%) | Hitachi, Ltd. (100%) |

Overview of the Successor Company Following Reorganization

As of October 1, 2013 (Planned)

| | |
|----------------------------|---|
| Company | Hitachi Information & Telecommunication Manufacturing, Ltd. (Tentative) |
| Headquarters | Kozu, Odawara-shi, Kanagawa |
| Main manufacturing sites | <ul style="list-style-type: none"> ● [Odawara site] Kozu, Odawara-shi, Kanagawa ● [Kanagawa site] Horiyamashita, Hadano-shi, Kanagawa ● [Koriyama site] Funabamukai, Koriyama-shi, Fukushima |
| Businesses | <ul style="list-style-type: none"> ● Configuration of printed circuit boards for IT equipment ● Configuration and testing of IT equipment ● Design and assembly of printed circuit boards for IT equipment |
| Representative | To be determined |
| Capital Stock | 50 million yen |
| Employees | Approximately 850 |
| Shareholder (Shareholding) | Hitachi, Ltd. (100%) |

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 320,000 employees worldwide. Fiscal 2011 (ended March 31, 2012) consolidated revenues totaled 9,665 billion yen (\$117.8 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.
