FOR IMMEDIATE RELEASE

Promotion of the lithium-ion battery business

Tokyo, April 17, 2009 --- Hitachi, Ltd. (NYSE:HIT / TSE:6501) today announced that it is working to further liaison with ten[*1] members of the Hitachi Group, including Hitachi Maxell, Ltd., Shin-Kobe Electric Machinery Co., Ltd. and Hitachi Vehicle Energy, Ltd., in order to promote the systems business, which uses lithium-ion batteries and other secondary batteries as a core business of the Hitachi Group. The Battery Systems Division, established within Hitachi on April 1, 2009, is focusing on corporate, group-wide activities by Hitachi business groups, research divisions and the companies of the Group, related to secondary batteries. Going forward, the Hitachi Group will expand existing businesses such as railway and industrial machinery and pioneer the battery business within the social innovation business, by utilizing new systems created by fusing information and telecommunications systems with power and industrial systems.

To meet the need to reduce CO2 emissions, expectations are being placed on what Hitachi calls "green mobility"[*2], railway systems, automotive systems, logistics solutions and other systems and solutions that lower the impact on the environment, and in the new energy area, on storage battery technologies such as power equalization. If measures to suppress global warming are strengthened to halve CO2 emissions, by 2025, on a worldwide basis, such moves would generate growth in related markets amounting to some 92 trillion yen, with “green mobility” accounting for 66 trillion yen and renewable energy-related business for 11 trillion yen[*3].

A key device in these environmental measures is the lithium-ion battery, which is attracting attention as a light, compact high-energy-density secondary battery that delivers the same performance as a nickel –metal hydride battery in a package that is about half the size and weight, and about one-third the size and weight of an equivalent lead acid battery. Lithium-ion batteries are being used for many consumer product applications, including mobile telephones, notebook PCs and digital cameras and, looking ahead, are expected to be increasingly used in hybrid and electric vehicles, and various types of industrial machinery.

The lithium-ion battery business of the Hitachi Group has the following strengths.

First, there is the high quality of the batteries, the track record and the advantage by mass-production. The Hitachi Group has original electrode materials technology and high coating dispersion and uniformity technology honed by many years of manufacturing magnetic tape. Using those technologies, since shipments started in 1996 Hitachi has shipped a total of 600 million lithium-ion battery cells for consumer applications without any recalls, and as the world's only mass-production manufacturer[*4] of lithium-ion battery, is supplying advanced lithium-ion battery for on-board applications.

Second, it possesses the control technology that is indispensable to lithium-ion batteries. Control systems are required to draw out the performance of the lithium-ion battery cells. By combining the electronic control technologies of the Hitachi Group, honed in its business operations, the Group is able to provide batteries to meet the requirements of various systems.

Third, it has the potential to create new businesses using lithium-ion batteries. As shown by its application of lithium-ion batteries to hybrid diesel railway cars, the Hitachi Group can combine its

information systems, social infrastructures in the form of social innovation business, and batteries to develop new applications that respond to social needs, such as that of lowering the impact on the environment.

Going forward, the Hitachi Group will concentrate on the following policies to develop its operations globally, utilizing the above strengths and using lithium-ion batteries as a core device that, alongside motors and inverters, underpin the social innovation business.

Lithium-ion batteries for consumer applications
There will be a focus on strengthening the base formed by mobile telephone, game machine and digital camera applications, and on developing batteries for power tools and for electric motorcycles, which mainly use nickel-cadmium or nickel-metal hydride batteries.

Lithium-ion batteries for automotive applications
There will be a strengthening of lithium-ion battery cells and modules for hybrid cars and plug-in hybrid cars, and development of next-generation lithium-ion batteries.

Lithium-ion batteries for industrial systems applications
With lithium-ion batteries already starting to replace lead acid storage batteries for some large-capacity, high-output applications, there will be a focus on the development of new, large-scale lithium-ion batteries for power storage applications in renewal energy fields, such as backup power supplies for IT equipment, for construction machinery, and for wind and solar power generation.

The Hitachi Group will strengthen the social innovation business by using lithium-ion and other secondary batteries to expand the systems business.

*1: Hitachi Maxell, Shin-Kobe Electric Machinery, Hitachi Vehicle Energy, Hitachi Cable, Hitachi Chemical, Hitachi Metals, Hitachi Engineering & Services, Hitachi Setsubi Engineering, Hitachi Construction Machinery, Hitachi Koki.

*2: Refers to transportation related efforts that help to counter global warming, such as in the areas of low-emission vehicles, high-speed railways and urban transportation, and logistics systems and the like. Defined by the Hitachi Research Institute.

*3: According to studies by the Hitachi Research Institute.

*4: As of April 2009. In automotive applications

About Hitachi, Ltd.
Hitachi, Ltd., (NYSE: HIT / TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 400,000 employees worldwide. Fiscal 2008 (ended March 31, 2009) consolidated revenues totaled 10,000 billion yen ($102.0 billion).
The company offers a wide range of systems, products and services in market sectors including information systems, electronic devices, power and industrial systems, consumer products, materials, logistics and financial services. For more information on Hitachi, please visit the company's website at http://www.hitachi.com.

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