

Hitachi Holds Conference Hosted by New President

Tokyo, April 6, 2010 --- Hitachi, Ltd. (TSE:6501 / NYSE:HIT) today held a conference with media and investors hosted by Hitachi's new President of Hitachi, Ltd. who was appointed in his new role effective April 1st.

The following outlines an extract of the speech delivered by Mr. Hiroaki Nakanishi.

Hitachi was founded in 1910 and in the ensuing years has expanded its business domains such as motors, power generation facilities, home appliances, computers and semiconductors. Over the past 100 years there have been major changes impacting humanity and the environment. In fact, as I stand here today, the world is facing a number of escalating problems. Environmental problems such as global warming, and concerns about resource and energy depletion just some of these concerns, but critically important. Safe and secure social infrastructure that can support our lives and that is friendly to the environment is desperately needed in regions around the world to solve these problems. As we take our first steps in a new century, I think we are surely witnessing the arrival of an era whereby social infrastructure business and technologies—where our origins lie—will make a major contribution. We are developing our Social Innovation Business, which supplies advanced social infrastructure linked by information and communication technology (ICT), in all corners of the world. In this way, we are striving to meet the expectations of all stakeholders as a global leading Social Innovation company.

Last year, Hitachi took forthright steps designed to focus on the Social Innovation Business. This included conducting tender offer bids that converted five publicly listed companies into wholly-owned subsidiaries of Hitachi. In tandem with these steps, we structurally reformed the businesses that caused our large losses in the past, and reduced fixed and procurement costs with unprecedented speed. As a result, we were able to limit the downside risk of loss operating businesses. Furthermore, we raised funds through the issuance of new shares by way of third-party allotment and in other ways, to finance capital expenditures and strategic investments for developing more globally going forward. The raising of these funds has strengthened our financial position. Through these management initiatives, Hitachi has put the framework in place for creating a stable profit structure, prevailing against global competition and achieving new growth.

1. Management Focus

As president of Hitachi, I will focus on three areas – “Global”, “Fusion”, and “Environment” - to strengthen the Social Innovation Business.

(1) Global

“Global” highlights--our goal is to transform into a truly global company. In industrialized economies there is considerable demand for replacing existing infrastructure, while in emerging economies demand is buoyant for new infrastructure. I feel strongly that it is incumbent upon us to pinpoint the real needs of customers’ and to hone our ability to deliver solutions for them. For example, with large-scale projects overseas, the scope of commitment required is widening beyond the delivery of plant and machinery to operation and maintenance, and in some cases the provision of financing. We are determined to meet needs of customers’ and sharpen our ability to provide tangible solutions. And in those areas where we are lacking, we will form alliances with government entities, corporate partners and others in order to bring projects to fruition from proposal and order winning to operation and maintenance. To that end, we will set up project bases in each region, closer to markets and customers, form teams that can sell and provide maintenance services locally, and raise local engineering capabilities to ensure that we respond to the real need of customers’. I also believe that it is imperative to empower young staff with authority and responsibility and let them challenge the global markets together with regional staff. This market-oriented approach will be developed in collaboration with each in-house companies, group companies and head office. In this way, I am confident that we can develop world-leading businesses.

(2) Fusion

The second area of focus is “Fusion”. Specifically, we are focused on fusing information and telecommunication system businesses and social infrastructure businesses. Hitachi is a unique company that embodies both ICT and social infrastructure technologies. We intend to create unrivaled value in domains that fuse these two technologies. Eco-friendly data centers, smart grids and other businesses are expected to enjoy robust growth in this domain. In April, we launched the Smart City Business Management Division, which is headed by Executive Vice President Naoya Takahashi. The Smart City Business Management Division will manage in an integrated manner Hitachi’s expertise and technologies in the smart grid business. This extends from power system technologies and grid control technologies, as well as power utility data collection, to back-office operations. Hitachi has an enormous opportunity to leverage technological capabilities and quality refined in Japan to supply solutions sought by customers worldwide. By strengthening our global marketing capabilities, and taking a strategic approach to standardization as well as other actions, we will seek to expand the businesses involving the fusion of ICT and social infrastructure technologies.

(3) Environment

“Environment” is our third focus. The ability to provide environmental responses underpins everything in the Social Innovation Business. It is crucial to give due consideration to reduce the environmental impact when building new social infrastructure or renovating existing infrastructure. Hitachi have a growing number of opportunities to provide support to countries and local governments fulfilling their missions of driving economic growth while protecting the environment and ensuring that people can lead healthy lives. From nuclear power plants that generate clean energy extremely efficiently, high-efficiency thermal power generation plants with a minimal environmental impact, eco-friendly data centers, hybrid railway systems, systems for hybrid vehicles and other systems as a cornerstone infrastructure, strengthening the key devices that support them such as motors, inverters, industrial- and automotive-use lithium-ion batteries. We plan to make all Hitachi Group products into Eco-products by fiscal 2025; already nearly half of our products meet the Eco-products definition. This should steadily lead to business opportunities around the world.

2. New Approaches to the Hitachi Group Structure

(1) In-house Company System

The globalization and fusion that I mentioned earlier will manage the entire Group horizontally. On the other hand, the in-house company system that we adopted in April is designed to vertically manage the group. This constitutes a new form of autonomy, which has been one of the hallmarks of Group management since the Group was founded. We have entrusted in-house companies and group companies by providing them with responsibilities and authority similar to listed companies aimed at managing businesses with a sense of urgency and to act in unison, which will result in the revival of a strong Hitachi. Starting this April, we have introduced an internal rating system that encompasses the standpoints of both equity and debt investors. Each company will reflect the principles and dynamism of capital markets in their management. Companies will take into account the viewpoints of investors and honor their commitment to stakeholders. Management of these companies will be given the discretion to make decisions on important matters such as investment decisions, M&As and business restructuring, according to these internal ratings. This should improve the financial standing of each company as well as strengthen that of the Hitachi Group as a whole.

(2) Business Portfolio

Optimizing Hitachi’s business portfolio is an important mission of mine. Last year, we made five listed subsidiaries into wholly owned subsidiaries in order to strengthen the Social Innovation Business. We also implemented reforms to move away from commoditized

businesses that are highly volatile and have little relationship with the Social Innovation Business. Business portfolio realignment will be an ongoing priority for management. We will therefore continue to robustly discuss this subject with the Senior Executive Committee in order to build an optimal business portfolio. Additionally, we will continually reform our businesses and strengthen the Social Innovation Business by considering multiple options such as proactive approach on group companies ownership, partnerships, alliances and other options.

(3) Strengthening the Financial Base

I will continue to strengthen our financial base. Last year, we conducted a public offering to raise capital. However, our financial base is still not satisfactory when comparing on a global basis. As we move forward, our basic stance is to bolster shareholders' equity by generating profits. Our goal is to build a robust financial base by creating a strong balance sheet. This includes improving the debt-equity ratio.

(4) Cultivation of Human Resources

Achieving global growth will require us to develop and utilize diverse human resources. Hitachi has long been a company that utilizes and energizes all employees, while simultaneously leveraging its expertise in innovations and new technologies. Moving forward, we will create a structure that allows young people to work on the Social Innovation Business with hope and confidence. This structure will provide young people with the authority and responsibility to take the initiative in global markets. Specifically, we will recruit and cultivate personnel who can lead businesses globally, as well as employ diverse human resources from various regions. Furthermore, we will secure personnel for promoting businesses in the fast-growing "Asian belt zone," extending from East Asia to China and the Middle East. The development and utilization of human resources on a global basis is an important mission for me, on a par with business portfolio optimization.

3. New Senior Management Team

From April, Nobuo Mochida of Hitachi Metals, Ltd. joined the Senior Executive Committee as an Executive Vice President. The other six members of the committee are Takashi Kawamura as a Chairman, myself as a President, and executive vice presidents Kazuhiro Mori, Takashi Hatchoji, Takashi Miyoshi and Naoya Takahashi. Having Nobuo Mochida to the Committee will provide a wider perspective to accelerate the pace of Group management reforms that we have been implementing since last year. Moreover, we have established the Group Management Planning Office in the Supervisory Office for Business Infrastructure, which is the responsibility of Executive Vice President Takashi Hatchoji. This new office will strengthen management planning for the entire Hitachi Group. In addition, we have

established the Strategy & Project Office in the Supervisory Office for Management Reforms, under the leadership of Executive Vice President Takashi Miyoshi. This office's mandate is to promote M&As, new business development and business structure reforms to address management issues.

The achievement of Hitachi's 100 year history has been achieved largely in part due to the support by our customers, shareholders and other investors, employees and various other stakeholders. And this support will be a driving force over the next 100 years, whereby our focus will be aimed at reestablishing a strong Hitachi as a global leading Social Innovation company. We are confident we can achieve this by utilizing and energizing our employees, technologies and all of the other resources Hitachi has. Hitachi's new management team is determined to meet the expectations of all stakeholders.

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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