

FOR IMMEDIATE RELEASE

Hitachi and Osaki Electric Form Global Smart Grid-related Business Alliance

Tokyo, Japan, May 26, 2010 - Hitachi, Ltd. (NYSE:HIT/TSE:6501, “Hitachi”) and Osaki Electric Co., Ltd. (TSE:6644, “Osaki Electric”) today announced that they have agreed to form a cooperative alliance in the smart grid-related business, including providing solutions based on Advanced Metering Infrastructure (AMI) in the global market. Specifically, the two companies will complement one another by leveraging their respective strengths—Hitachi in systems and communications technologies and Osaki Electric in meter technologies—to provide total AMI solutions for the global market. These global solutions will encompass everything from electronic meters equipped with AMI-related communications functions, access and core networks, and systems for the collection and management of meter information, to products in electricity distribution and operating systems fields. Furthermore, in the future, Hitachi and Osaki Electric will evaluate joint participation in smart grid-related demonstration projects in Japan and overseas, as well as joint development of related equipment and systems.

Realizing a low-carbon society is not only a worldwide issue, but necessary in the battle to combat global warming. Therefore, creating such a society will require the construction of next-generation power grids that are flexible by controlling the flow of electricity. These new grids will improve the longstanding requirements of safety and efficiency and also monitor electricity consumption and generation, balancing diversifying energy supply methods such as wind and solar power generation with the widening demand for all-electric housing, electric vehicle systems, and other applications.

Hitachi has a strong and longstanding track record and rich portfolio of technologies and expertise in the fields of power, industrial, information and telecommunications and control systems. These include power and energy equipment related to electricity generation, transmission, conversion and distribution; systems for stabilizing power grids; systems for monitoring and controlling electricity distribution grids; front-end systems for collecting meter information; facility management; back-office systems such as billing systems; Energy Services Company (ESCO) operations; and various

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authentication technologies. In particular, Hitachi has a host of information and telecommunications technologies and control technologies needed for smart grids. These technologies include communications technologies for AMI, and system stabilization technologies for power grids that will be key as increasing use is made of new energy sources with unstable output. Given Hitachi's expertise and strengths in both power and industrial systems as well as information and telecommunication systems fields, the company is well positioned to leverage its unique capabilities in pursuing the development of smart grid-related systems.

Meanwhile, Osaki Electric, is working on the effective utilization of energy through the provision of technologies and products related to measurement and control, and information and telecommunications. Through its close partnerships with power utilities, Osaki Electric is contributing to Japan's industrial activity and energy supply infrastructure. For more than 60 years, Osaki Electric has been developing electricity meters and is recognized as a market leader in electronic and electromechanical meters and cutting-edge smart meters, as well as for its technologies. Most notably, the company has considerable experience and diverse expertise in the development, manufacturing and sale of smart meters in Japan and overseas. Recently, it began selling state-of-the-art smart meters to European markets. Moving forward, Osaki Electric plans to develop new products for the expanding smart meter market around the world.

The alliance between Hitachi and Osaki Electric will make possible the provision of integrated AMI-related solutions, which are expected to grow in the future as a core segment in the smart grid business. Harnessing both companies' technologies, the alliance will further enhance the efficiency and reliability of electricity power distribution systems, thereby contributing to the realization of a low-carbon society.

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 2009 (ended March 31, 2010) consolidated revenues totaled 8,968 billion yen (\$96.4 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>.

About Osaki Electric Co., Ltd.

Osaki Electric Co., Ltd. (TSE:6644,“Osaki Electric”) employs around 1,817 people worldwide. Established in 1937, the company has been making efforts for the efficient use of electric power by providing technologies, systems and products for measurement, control and communication. Fiscal 2009 (ended March 31, 2010) consolidated revenues totaled 46 billion yen.

For more information on Osaki Electric, please visit the company's website at <http://www.osaki.co.jp/>

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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.
