

FOR IMMEDIATE RELEASE

**Establishment of Supervisory Company for the Automotive Systems
Business in China**

Tokyo, Jan.25, 2011, -- Hitachi, Ltd. and Hitachi Automotive Systems, Ltd., a wholly-owned subsidiary and main automotive systems company of Hitachi group, today announced that on January 11, 2011, Hitachi (China), Ltd. and Hitachi Automotive Systems, Ltd. established Hitachi Automotive Systems (China) Ltd. as the regional headquarters for the automotive systems business in China.

Amid the changes in the structure of the automotive market taking place on a global scale and the emergence of regional characteristics, Hitachi Automotive Systems recognizes that it must strengthen its support to automotive manufacturers on a global and regional basis. That is making it more important than ever for automotive systems manufacturers to optimize their regional operations and become more efficient and effective. With further growth expected in China, which already is the world's largest market for vehicles, there is strong demand for further product systems development, manufacturing technology development, procurement, and products and its certification.

Hitachi Automotive Systems has seven consolidated subsidiaries in China, and going forward, Hitachi Automotive Systems (China) Ltd. will play a central role in the strengthening of their sales, marketing and developmental capabilities, and by supervising business operations in China and strengthening the strategic management of procurement, quality assurance, financial management, personnel management, information systems and other such tasks, will endeavor to further expand business in China by providing a speedy response to regional characteristics and needs, an optimization of overall operations and increased efficiency.

Currently, the overseas support system of the automotive systems business is being strengthened by implementing regional supervisory functions in the Americas, Europe, China, and Asia. In the Americas, supervisory functions started this month at Hitachi Automotive Systems Americas, Inc., and are scheduled to become fully operational in April.

In Europe, Hitachi Automotive Systems Europe GmbH. will start functioning as a regional headquarters in April, as will Hitachi Automotive Systems Asia, Ltd. (which was renamed from UNISIAJECS (THAILAND) CO., LTD. in January, 2011) in Asia.

Outline of the new company

- (1) Company Name: Hitachi Automotive Systems (China) Ltd.
- (2) Location: Room1408, Ruijin Building, No.205 Maoming Road(S), Shanghai,
- (3) Representative: Chairman: Kunihiko Ohnuma
President: Kazumasa Kinguchi
- (4) Capital: RMB 30 million
- (5) Established: January 11, 2011
- (6) Shareholders: Hitachi Automotive Systems, Ltd.: 90%
Hitachi (China), Ltd: 10%
- (7) Business: Sales and marketing in China, development of product systems and manufacturing technology, supervision and management support of affiliated companies in China, etc.
- (8) Planned start of operations: April 2011
- (9) Number of employees: About 50 (at establishment)

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 Hitachi Automotive Systems, Ltd.

Hitachi Automotive Systems, Ltd is a wholly owned subsidiary of Hitachi, Ltd., headquartered in Tokyo, Japan. The company is engaged in the development, manufacture, sales and services of automotive components, transportation related components, industrial machines and systems, etc. and offers a wide range of

automotive systems including engine management systems, electric power train systems, drive control systems and car information systems. For more information, please visit the company's website at <http://www.hitachi-automotive.co.jp/en/>

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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.
