

**FOR IMMEDIATE RELEASE**

**Hitachi Receives Order for “B-CHOP” Energy Storage for Traction Power Supply System for Seoul Metro Line 9 in Korea**

**TOKYO, Japan, and SEOUL, Korea, March 3, 2011** – Hitachi, Ltd. (NYSE: HIT / TSE: 6501), in collaboration with Hitachi Korea Ltd., has received an order for two 1000kW Energy Storage for Traction Power Supply (“B-CHOP”) Systems from POSCO-ICT, a major engineering company in Korea. The B-CHOP systems, which will be used in the Seoul Metro Line 9 subway, are scheduled to begin commercial operations in August 2011.

Seoul Metro Line 9 is the first urban train line in Korea to be operated as a social infrastructure development project using private sector capital. Seoul Metro Line9 Corporation owns the trains, along with all electrical and mechanical equipment and facilities, and Seoul Line 9 Operation Co., Ltd. is responsible for operation and maintenance. Line 9 will run through the heart of Seoul, from the area around Gimpo International Airport, which is located in the westernmost part of the city and acts as the gateway to the nation’s capital, to the Gangnam district, a new urban area in Seoul. As such, it is expected to serve as a new core transportation line. Phase 1, which measures 27.0 km, began operations in July 2009, and Phases 2 and 3, measuring 14.1 km in total, are currently under construction. The Korean government and regional municipalities have positioned railway transport as an effective means of preventing global warming, for example through reductions in CO2 emissions, and are continuing to promote energy conservation measures. They have expressed great interest in introducing new technologies related to the effective use of the regenerative power produced when the trains are stopped or slowing down.

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Hitachi's B-CHOP system temporarily stores this regenerative power in rechargeable batteries, and reuses this power when it is needed to run other trains. In this way, the system reduces the total power volumes required to operate the line. The rechargeable batteries are lithium-ion batteries developed for automotive applications by Hitachi Vehicle Energy, Ltd. (President: Masafumi Yuhara). The direct current switching gear used in the B-CHOP system is a High Speed Vacuum Circuit Breaker (HSVCB)\*1, the first of its kind to be implemented in Korea.

In October 2006, Hitachi completed a business collaboration contract with POSCO-ICT regarding the sale and maintenance of the B-CHOP system. Since then, the two companies have worked together in sales activities targeting railway operators in Korea. In 2007, Hitachi delivered a B-CHOP system to the Kobe Municipal Transportation Bureau in Japan for the Itayado traction substation on the Seishin Yamate Line. Seoul Metro Line9 Corporation and Seoul Line 9 Operation Co., Ltd. placed the new order based on a recognition of the outstanding energy conservation effects and operating performance of the system installed in Kobe. When Seoul Line 9 first began operations in 2009, Hitachi also delivered regeneration inverter equipment through POSCO-ICT, and the newly ordered B-CHOP system will enable even further reductions in power consumption. POSCO-ICT will install Hitachi's B-CHOP system in two traction substation on Seoul Line 9, and will receive fee-based income in accordance with the level of energy conservation effects achieved as a result of the system's installation.

Hitachi is currently rolling out its railway system business on a global scale as a key field in the Social Innovation Business. The company will continue to contribute to the growth and development of Korean railways based on new technologies such as the B-CHOP system, an energy conservation product for railway traction substation, as well as the Cubicle type Vacuum Insulated Switchgear (C-VIS)\*2, a 22 kV switchgear system that conforms with CO2 reduction measures, and the HSVCB mentioned above, which demonstrates outstanding safety performance. As a comprehensive railway system integrator, Hitachi offers a wide range of solutions, including the "A-Train," a next-generation aluminum train car system, and signal systems whose performance has been proven in Japan's highly precise and reliable railway transport. Based on these advanced solutions, Hitachi will contribute to the

development of environment-friendly urban railways, and to the creation of a “Green Growth” society, which has been put forward as a goal of the Korean government.

Note:

\*1 High Speed Vacuum Circuit Breaker (HSVCB):

A high-speed direct current circuit breaker that uses a vacuum interloper. The world's first HSVCB was developed by Hitachi in 1987. Conventional DC circuit breakers operate in air, but electrical arcs are generated in the air when circuits are broken, presenting issues related to both noise and safety. The HSVCB breaks the circuits using a vacuum interloper, so no electrical arcs are generated. This means that the circuit breaker operates more quietly, and offers outstanding safety in terms of fire prevention. These circuit breakers are currently in install in Japan, Taiwan, and the UAE.

\*2 Cubicle type Vacuum Insulated Switchgear (C-VIS):

A 22 kV switchgear that uses no SF6 (sulfur hexafluoride) gas, which has been identified as a greenhouse gas. The C-VIS is a compact switchgear that houses a circuit breaker, an isolation function, and a earthing switch inside of a vacuum insulated casing. The operating device uses a hybrid electromagnetic operation mechanism that dramatically reduces the frequency of maintenance. These switchgears are currently in install in Japan, Singapore, and Taiwan.

## **ABOUT HITACHI**

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>.

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