

**FOR IMMEDIATE RELEASE**

**Hitachi Concludes Formation of Alliance with Hi-Rel Electronics, India  
Expand Power Electronics Business in India by Establishing a New Factory**

**Tokyo, Japan and Ahmedabad, India September 30, 2011** – Hitachi, Ltd. (President: Hiroaki Nakanishi, NYSE: HIT / TSE: 6501, “Hitachi”) and Hi-Rel Electronics Pvt. Ltd. (Managing Director: Piyush Shah, “Hi-Rel”) today announced closing of a transaction under which Hitachi has made a majority equity investment in Hi-Rel, in a move to strengthen Hitachi’s and Hi-Rel’s power electronics business in India. Hi-Rel will subsequently be renamed Hitachi Hi-Rel Power Electronics Pvt. Ltd. in October 2011. Hitachi and Hi-Rel have also decided to construct a new manufacturing facility for medium-voltage inverters before the end of 2012 in the Sanand-II Gujarat Industrial Development Corporation (GIDC) Estate near Ahmedabad in Gujarat, in order to expand the product lineup and strengthen the local production system. These moves should drive expansion in the power electronics business in India, from which it is aimed to generate revenues of around 8 billion Indian Rupees (14 billion yen\*) in the fiscal year ending March 31, 2016.

\*: At the exchange rate of 1.71yen per Indian Rupee.

At present in India, there are many large-scale plants such as power plants, steel works and petrochemical plants being planned as the India’s economy grows, and large-scale investments in renewable energy are also planned to realize a low-carbon society. These developments are expected to lead to expansion in the markets for products such as medium-voltage inverter systems, uninterrupted power supplies (UPS) and power conditioners for solar and wind power generation. These products are required

to ensure stable operations of large-scale factories, and conserve energy. The two companies have cooperated in expanding sales for medium-voltage inverter drive systems in India since July 2009, and in June 2011, Hitachi and Hi-Rel began discussing a business alliance, including the possibility of an equity investment by Hitachi in Hi-Rel, in light of expectations for expanding demand in the country's power electronics market. These discussions led to today's agreement.

Hitachi is focusing on accelerating the global development of the Social Innovation Business, which is made up of social infrastructure supported by highly reliable and highly efficient information and telecommunications technology. Hitachi has identified India as a fifth key management area for further business expansion in India.

Hi-Rel, meanwhile, manufactures industrial-UPS and power electronics products, including low-voltage inverter drive systems, and has an extensive nationwide network of sales and service bases.

The company will combine Hitachi's power control technologies, supported by wealth of experience and expertise in systems integration for large-scale plants, with Hi-Rel's local technological and production capabilities as well as its sales and service network. The addition of a new manufacturing facility should enable the new company to further meet the growing and sophisticated power electronics requirements in India.

■ Outline of Hi-Rel

Company Name	Hi-Rel Electronics Pvt. Ltd.
Address	Ahmedabad, Gujarat, India
Business areas	Power Electronics Products
Representative	Piyush Shah, Managing Director
Year/month of establishment	September 1984
Year/month to be renamed	October 2011

**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 2010 (ended March 31, 2011) consolidated revenues totaled 9,315 billion yen (\$112.2 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 Hi-Rel Electronics Pvt. Ltd.**

Hi-Rel Electronics Pvt. Ltd. started commercial production of Low Voltage AC Drives in September 1984 and since then Low Voltage AC Drives and Industrial UPS Systems have been the major Power Electronics Products. Today, Hi-Rel is a leading Power Electronics Company in India with a significant market share in the Industrial UPS business, catering to mission critical applications in Power Plants, Oil Refineries, Steel Plants, Fertilizer plants etc. The fiscal year 2010-11 (1<sup>st</sup> April, 2010-March 31<sup>st</sup>, 2011) ended with gross turnover of Rs.1115 million; Hi-Rel, with its pan-India presence, will continue to focus on the Power Electronics business to support the process control and power quality needs of its industrial customers. For more information on Hi-Rel Electronics, please visit the company's website at <http://www.hirel.net>.

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