

Conclusion of Share Transfer Agreement for Hitachi Via Mechanics Shares

Tokyo, August 21, 2013 --- Hitachi, Ltd. (TSE: 6501 / “Hitachi”) and The Longreach Group today announced that the two companies have concluded a share transfer agreement after agreeing that Hitachi will sell all the shares it owns of Hitachi Via Mechanics, Ltd (“Hitachi Via Mechanics”) to The Longreach Group. An overview of the agreement is as follows.

1. Reason for Concluding Share Transfer Agreement

Hitachi Via Mechanics is engaged in manufacturing, sales and service businesses for Printed Wiring Board (PWB) processing machines and peripheral equipment that support cutting-edge electronic equipment industries. The company’s mainstay products, Printed Wiring Board Drilling Machines and Laser Drilling Machines, have earned wide market acceptance and garnered considerable trust, as highlighted by high market shares around the world, not just in Japan. In recent years, however, the company’s business environment has become increasingly competitive as demand patterns have changed since the global financial crisis and companies from emerging nations have risen to prominence.

Hitachi began providing support to Hitachi Via Mechanics for management reforms and has explored various initiatives. However, in order to optimize the business performance and expand the operations of Hitachi Via Mechanics, Hitachi ultimately came to the conclusion that the best course of action was for Hitachi Via Mechanics to improve its earnings power and implement far-reaching management reforms under The Longreach Group, which has extensive experience in the industrial technology field. The Longreach Group will reinforce Hitachi Via Mechanics’ financial and business foundation and management resources as well as provide global business strategy know-how and other benefits.

The Longreach Group will further develop the Hitachi Via Mechanics’ global customer base, which has been built upon globally competitive technological capabilities and a track record of developing highly reliable products to quicken the pace of business development in emerging markets, especially in Asia. In this way, The Longreach Group is firmly convinced that Hitachi Via Mechanics can achieve sustainable growth

as the world's leading Printed Wiring Board processing machine, with a sustainable, leading market position even in a changing business environment. Looking ahead, as a new partner, The Longreach Group will provide the necessary management resources such as capital, a global network and strategy formation and execution know-how based on a wealth of past business support experience to assist Hitachi Via Mechanics broadly and with full commitment, so that it can realize further growth and maximize its long term potential.

2. Profile of Hitachi Via Mechanics

- (1) Name: Hitachi Via Mechanics, Ltd
- (2) Representative: Mikio Yotsu, President
- (3) Head Office: 2100, Kamiimaizumi, Ebina-Shi, Kanagawa 243-0488, Japan
- (4) Established: August 17, 1968
- (5) Business: Research & development, design, production, sales and services in the area of PWB manufacturing systems
- (6) Fiscal year-end: March 31
- (7) No. of employees: 722 (Consolidated: 1,116) (As of June 30, 2013)
- (8) Capital: 2.9 billion yen (Total number of issued shares: 5,800,000 shares)
- (9) Shareholder: Hitachi, Ltd. (100%)

3. Profile of The Longreach Group ^(A)

- (1) Name: The Longreach Group Inc.
- (2) Representative: Masamichi Yoshizawa, Representative Director and Partner
- (3) Head Office: 1-7 Kojimachi, Chiyoda-ku, Tokyo
- (4) Business: Survey and analysis of data and information, advisory business regarding business investment
- (5) Fiscal year-end: December 31
- (6) Relationship with Hitachi: There is no noteworthy relationship

Note A: The Longreach Group Companies include the funds that serve as the investment companies, The Longreach Group Limited, which is based in Hong Kong, and The Longreach Group, Inc. which is based in Tokyo, Japan. The Longreach Group, Inc. collects and analyses data and information concerning the Japanese and Asian markets and assists The Longreach Group Limited in identifying potential investment opportunities.

4. Profile of Hitachi

- (1) Name: Hitachi, Ltd.
- (2) Representative: Hiroaki Nakanishi, President
- (3) Head Office: 6-6, Marunouchi 1-Chome, Chiyoda-ku, Tokyo

- (4) Business: Development, manufacture and sales of products and provision of services across 10 segments: Information & Telecommunication Systems, Power Systems, Social Infrastructure & Industrial Systems, Electronic Systems & Equipment, Construction Machinery, High Functional Materials & Components, Automotive Systems, Digital Media & Consumer Products, Others (Logistics and Other services) and Financial Services.
- (5) Fiscal year-end: March 31
- (6) No. of employees: approx. 326,000 (Consolidated; as of March 31, 2013)

5. Shareholding Before and After Share Transfer

Shareholding before transfer:

The Longreach Group (0%), Hitachi, Ltd. (100%)

Shareholding after transfer (planned):

The Longreach Group (100%), Hitachi, Ltd. (0%)

6. Schedule

Conclusion of Share Transfer Agreement:

August 21, 2013

Execution of Share Transfer:

October 31, 2013 (planned)

About The Longreach Group (URL: <http://www.longreachgroup.com/>)

Longreach is an established independent private equity firm with offices in Hong Kong and Tokyo. The firm focuses on buyouts in Japan and Greater China in the mature industrial and technology, financial services, business services and consumer related sectors. The firm manages two Funds with approximately US\$1.4 billion of limited partner and co-investment capital, and has a strong track record of portfolio company value creation and realizations.

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is a leading global electronics company with approximately 326,000 employees worldwide. The company's consolidated revenues for fiscal 2012 (ended March 31, 2013) totaled 9,041 billion yen (\$96.1 billion). Hitachi is focusing more than ever on the Social Innovation Business, which includes infrastructure systems, information &

telecommunication systems, power systems, construction machinery, high functional material & components, automotive systems and others.

For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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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.
