

FOR IMMEDIATE RELEASE

**Hitachi, Fuji Electric and Meiden Begin Discussions
toward Dissolving a T & D Joint Venture**

**Joint venture to be dissolved for a better organization, allowing each company to
rebuild the T & D business to rapidly meet the dynamic change of market landscape**

Tokyo, July 29, 2011 --- Hitachi, Ltd. (“Hitachi”, NYSE:HIT / TSE:6501), Fuji Electric Co., Ltd. (“Fuji Electric”, TSE:6504) and Meidensha Corporation (“Meiden”, TSE:6508) today announced that they have agreed to discuss to dissolve Japan AE Power Systems Corporation (“AEP”), their joint venture in the power transmission and distribution (“T & D”) field for seeking a better organization for the parties, by the end of March 2012.

Based on this basic framework agreement, the three companies will proceed with discussions concerning the successor and succession method regarding the business of AEP.

AEP was established on July 1, 2001 from the consolidation of the three companies’ T & D businesses and has been developing business globally. In recent years, the market for these T & D systems has seen growing demand, particularly from emerging markets. Going forward, a high growth rate is expected by the progress of the smart energy in social infrastructure and the industrial field, such as the use of the renewable energy resources and the smart grid.

Under such circumstance, the parties had the discussions on the AEP growth strategy taking into accounts of the various factors and they came to reach a same conclusion that there is a need to fundamentally review its growth strategy. The parties recently reached a basic framework agreement that the parties will dissolve AEP for a better organization and they will rebuild and explore the growth of T & D business in each company level.

It was agreed that the top priority is current AEP bases and employees, etc. will be taken over by the three parties. AEP will continue as before to produce and deliver ordered products as well as provide maintenance for products already delivered until the joint venture is dissolved. After dissolution, the three companies, which will take over the defined AEP business, will continue to provide these services.

About Japan AE Power Systems Corporation

- | | |
|----------------------------------|--|
| (1) Headquarters | 9-1, Shibaura 3-chome, Minato-ku, Tokyo, Japan |
| (2) Capital | 20 billion yen |
| (3) Business field | Research, development, design, manufacture, engineering, sales, installation and after-sales servicing of products and systems for power transmission and distribution
System engineering, sales, installation and after-sales servicing of products and systems for renewable energy |
| (4) Established | July 1, 2001 |
| (5) Representative | Junichi Oishi, President and Director |
| (6) Main business locations | Hitachi City, Ibaraki Prefecture, Ichihara City, Chiba Prefecture, Numazu City, Shizuoka Prefecture |
| (7) No. of employees | 1,349 (As of March 31, 2011) |
| (8) Net sales (Non-consolidated) | 71.6 billion yen (Year ended March 31, 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 Fuji Electric Co., Ltd.

Fuji Electric develops the business globally with electric power plants and system solutions know-how accumulated by developing social and industrial infrastructures and electric power, and superior expertise in top-level components. The company provides power semiconductors that are indispensable in the reduction of energy consumption in industrial machines, home electronic appliances and automotive electronics, and magnetic discs used in PC disc devices. Furthermore, the Company also provides products closely linked to daily lifestyles, such as vending machines. Moving forward, we will strive to further expand business in the field of “energy and the environment” by fusing and strengthening core technologies. Please refer to the following Web site for further information regarding the Fuji Electric: <http://www.fujielectric.com/>

About Meidensha Corporation:

Founded in 1897, Meidensha Corporation (“Meiden”) is a leading manufacturer in the heavy electric industry in Japan. In support of many people’s life in energy and their mobility, Meiden products are helping the safe and efficient operation of such mission-critical facilities and systems as power plants, semiconductor factories, substations, water and sewage treatment plants, pure electric vehicles, wind and solar power, high rise buildings, traction power and automobile development. The number of employee: 6,994 people. Annual Revenue of Fiscal Year 2010:167 billion yen (ended March 31, 2011). Main works in Japan: Numazu, Ohta, Nagoya and Kofu. Home Page: <http://www.meidensha.co.jp>

###

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.
