

News Release

FOR IMMEDIATE RELEASE

Hitachi to Acquire Water Facilities Engineering Company in Singapore

*Intends to strengthen comprehensive proposal capabilities in combination
with RO membrane systems*

Tokyo, Japan, December 29, 2014 --- Hitachi, Ltd. (TSE:6501, "Hitachi") today announced that it has decided to acquire Aqua Works and Engineering Pte. Ltd. (CEO: Chang Kok Thye; "Aqua Works"), an engineering company that specialises in water related installations for commercial facilities, public spaces and residential properties in Singapore, through Hitachi Infrastructure Systems (Asia) Pte. Ltd. (President: Masaaki Otake; "Hitachi Infrastructure Systems (Asia)"), its regional supervising company for the infrastructure systems business in Southeast Asia. A contract was completed for the purchase of all of Aqua Works' issued shares. Based on this contract, procedures will move forward for the completion of this acquisition by the end of January 2015.

Hitachi's aim in this acquisition is to strengthen comprehensive proposal capabilities by combining Aqua Works' water features with Hitachi's Reverse Osmosis (RO) membrane systems, which are water treatment systems being rolled out as part of Hitachi's business in this field. At the same time, Hitachi will leverage Aqua Works' customer base in Southeast Asia to strengthen and expand its water and environmental solutions business.

Currently, amid demands for the effective use of limited water resources, RO membrane systems are playing an active role as a core product in water treatment systems that help to secure drinking water through seawater desalination and enable wastewater from consumer and industrial applications to be reused as industrial water. In recent years, in island countries and Middle Eastern regions with minimal water resources, it has become the mainstream to incorporate RO membrane systems into water features that require large volumes of water, such as fountains and pools, and the demand for these systems is expected to increase further in the future.

Hitachi undertakes a wide range of operations involving RO membrane systems, from design to manufacturing, sales, and maintenance, through Hitachi Aqua-Tech Engineering Pte. Ltd. (Managing Director: Tang Chay Wee; "Hitachi Aqua-Tech"), a 100% subsidiary of Hitachi Infrastructure Systems (Asia), and has already established an extensive track record of deliveries in Singapore, the Republic of the Maldives, and Middle Eastern countries. Meanwhile, Aqua Works has been involved in the design, engineering, construction, and maintenance of water features such as fountains and

pools mainly in Singapore for the past 26 years. It has an outstanding reputation among its customers for its superior design and value engineering capabilities.

Through this acquisition, Hitachi intends to generate synergies by utilizing Aqua Works' various resources such as technical capabilities, customer base, human resources, and knowledge, and to further strengthen and expand its water environment solutions business. Specifically, it will expand its product lineup by incorporating the fountains, pools and other water features handled by Aqua Works, and will strengthen its comprehensive proposal capabilities by providing packages that combine Hitachi Aqua-Tech's RO membrane systems with water related facilities for commercial facilities, public spaces and residential properties. It will also expand opportunities for new orders in Southeast Asia by leveraging Aqua Works' customer base.

"The aim of acquiring Aqua Works is to expand the scope of Hitachi's water business and to increase our customer proposal capabilities and competitiveness mainly in Southeast Asia. By utilizing the business platforms and knowledge cultivated by Aqua Works, we will expand Hitachi's water and environmental solutions business, and contribute to the effective use of water resources by providing water related facilities that incorporate Hitachi's RO membrane systems." said Masaaki Otake, President of Hitachi Infrastructure Systems (Asia).

Hitachi has positioned the water environment and solutions business as a core field in the context of the Social Innovation Business. It will continue to strengthen collaborations with customers and partner companies, and will leverage the Hitachi Group's comprehensive capabilities to further strengthen and expand the global rollout of the water and environmental solutions business.

Outline of Aqua Works

Name	Aqua Works and Engineering Pte. Ltd.
Head Office	Singapore
Outline of business operations	Design, engineering, construction, and maintenance of water features (e.g., fountains and pools) for commercial facilities and residences
President	Chang Kok Thye
Established	1988
Shareholders	Yeo Khee Ling: 55%; Lim Onn Yee: 30%; Chang Kok Thye: 15%
Capital	S\$953,084
Sales	S\$9,070,000 (FY2013)
Number of employees	87

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges with our talented team and proven experience in global markets. The company's consolidated revenues for fiscal 2013 (ended March 31, 2014) totaled 9,616 billion yen (\$93.4 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 materials & components, automotive systems, healthcare and others. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>.

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