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Hitachi and Mitsubishi Electric Agree to Integrate Particle Therapy System Business

Tokyo, December 7, 2017 – Hitachi, Ltd. (TSE:6501, Hitachi) and Mitsubishi Electric Corporation (TSE:6503, Mitsubishi Electric) today announced that they have signed an agreement to transfer Mitsubishi Electric's particle therapy system business to Hitachi and integrate to one entity. After their negotiation and the review and approval from the relevant authorities, the design, manufacturing, sales, maintenance services relevant to Mitsubishi Electric's particle therapy system business will be merged into Hitachi, currently scheduled for April 2018.

Particle therapy is being noticed as one of the effective treatment methods due to the side effects of treatment are few compared with other cancer treatment methods such as surgical treatment and rehabilitation after treatment is also relatively fast. There are currently more than 70 particle therapy system facilities in operation worldwide and the numbers are rapidly increasing since 2013 expecting that over 10 facilities will be newly constructed each year. In Japan, proton therapy for pediatric cancer and heavy particle radiation treatment for bone and soft tissue tumor have been recognized and accepted as one of the cancer treatment methods as it has been approved to be covered by national insurance since April 2016.

Hitachi received an order from 13 prestigious hospitals in Japan, North America and Asia for the particle therapy system, of which 8 facilities are in operation. Hitachi provides superior particle therapy systems over the world. More than 16,000 patients have been treated with the systems and Hitachi has established a reputation of high reliability with a proven track record. In addition, Hitachi continues to make particle therapy systems popular by joint research about radiation therapy with an advanced cancer hospital in America.

Mitsubishi Electric supplies the particle therapy system for 9 of the 17 medical institutions where particle therapy and clinical research are conducted in Japan. Mitsubishi Electric has made particle therapy popular by supporting operation such as

staff training to operate particle therapy systems and communication among medical institutions as well as providing systems.

Hitachi and Mitsubishi Electric both agree that it is necessary to enhance product competitiveness through integration of development and resources, and to provide products and services with higher performance with higher added value as the particle therapy expands globally. After numerous consideration, the parties concluded that integration through business transfer to Hitachi, which is developing a wide range of healthcare businesses, is the best option, and thus have come to an agreement. Hitachi will utilize the technology with their experience in particle therapy system and contribute in providing cutting edge radiation therapy.

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges. The company's consolidated revenues for fiscal 2016 (ended March 31, 2017) totaled 9,162.2 billion yen (\$81.8 billion). The Hitachi Group is a global leader in the Social Innovation Business, and it has approximately 304,000 employees worldwide. Through collaborative creation, Hitachi is providing solutions to customers in a broad range of sectors, including Power / Energy, Industry / Distribution / Water, Urban Development, and Finance / Government & Public / Healthcare. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com/>

About Mitsubishi Electric Corporation

With over 90 years of experience in providing reliable, high-quality products, Mitsubishi Electric Corporation (TOKYO: 6503) is a recognized world leader in the manufacture, marketing and sales of electrical and electronic equipment used in information processing and communications, space development and satellite communications, consumer electronics, industrial technology, energy, transportation and building equipment. Embracing the spirit of its corporate statement, Changes for the Better, and its environmental statement, Eco Changes, Mitsubishi Electric endeavors to be a global, leading green company, enriching society with technology. The company recorded consolidated group sales of 4,238.6 billion yen (US\$ 37.8 billion*) in the fiscal year ended March 31, 2017. For more information visit: <http://www.MitsubishiElectric.com>

*At an exchange rate of 112 yen to the US dollar, the rate given by the Tokyo Foreign Exchange Market on March 31, 2017

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