



Mitsubishi Hitachi Power Systems, Ltd.

Mitsubishi Heavy Industries Mechatronics Systems, Ltd.

Hitachi Plant Construction, Ltd.

Agreements Concluded on
Launch of New Mitsubishi Hitachi Power Systems Group Company
Handling Precipitator Systems

-- Company Name Decided and President Appointed --

Yokohama, August 4, 2015 – Mitsubishi Hitachi Power Systems, Ltd. (MHPS), Mitsubishi Heavy Industries Mechatronics Systems, Ltd. (MHI-MS) and Hitachi Plant Construction, Ltd. (HPC) today announced that they have decided to integrate the precipitator businesses of MHI-MS and HPC and launch a new MHPS group company, which will be named as Mitsubishi Hitachi Power Systems Environmental Solutions, Ltd. (MHPS-ES). The preparatory company of the new enterprise has concluded agreements with each of MHI-MS and HPC, delineating the details of the new undertakings. MHPS-ES is to launch on October 1, with MHI-MS Director Shoichi Onishi assuming the post of president. The addition of precipitator systems to the MHPS group's current offerings of air quality control systems (AQCS) will complete the product lineup, thereby further strengthening the group's AQCS business.

MHPS-ES will launch as a wholly owned subsidiary of MHPS. Through an absorption-type company split, MHPS-ES will succeed the precipitator systems businesses of MHI-MS and HPC. MHPS-ES will undertake the design, manufacture, sale, construction and after-sale service of electrostatic precipitators (ESP) and related facilities such as fabric filters (FF). Plans call for an initial annual business scale of approximately 15 billion yen. Capitalization has been set at 450 million yen. The head office will be located in Yokohama, and staff upon launch will number approximately 260.

Establishment of MHPS-ES comes as the result of MHPS, MHI-MS and HPC's shared aspirations to strengthen and expand their precipitator systems businesses. By adding the precipitator systems to MHPS's current AQCS offerings, which include denitrification

(De-NOx) systems, flue gas desulfurization (FGD) systems, gas-gas heaters (GGH), heat recovery systems and GGH reheaters, MHPS group will have a full lineup. MHPS-ES will accelerate the global expansion of the precipitator systems business by fully utilizing the MHPS's significant capability in the overseas market.

Furthermore, MHPS-ES will take advantage of MHI-MS and HPC's strengths in the industrial market, and will strengthen its competitiveness in market segments other than power companies, as well as enhancing after-sale service businesses.

Profile of the New Company

Name	Mitsubishi Hitachi Power Systems Environmental Solutions, Ltd.
Head office	Yokohama, Kanagawa Prefecture, Japan
Representative	Shoichi Onishi (currently, MHI-MS Director)
Business	Design, manufacture, sale, construction and after-sale service of electrostatic precipitators and related facilities (fabric filters, etc.)
Employees	Approximately 260
Capital	450 million yen
Start of operations	October 1, 2015

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PRESS CONTACT:

Mitsubishi Hitachi Power Systems, Ltd. / Mitsubishi Heavy Industries Mechatronics Systems, Ltd.

Hideo Ikuno: h.ikuno@daiya-pr.co.jp

Tel: +813-6716-5277, Fax: +813-6716-5929

Daiya PR (in charge of public relations for Mitsubishi Heavy Industries, Ltd.)

Hitachi Plant Construction, Ltd.

Yoshimasa Doi: yoshimasa.doi.pb@hitachi.com

Tel: +81-3-5208-9325

(Corporate Brand & Communications Division, Hitachi, Ltd.)