NEWS RELEASE

Johnson Controls and Hitachi complete global air conditioning joint venture

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MILWAUKEE and TOKYO, Oct. 1, 2015 /PRNewswire/ -- Johnson Controls, (NYSE: JCI), Hitachi, Ltd. (TSE: 6501) and Hitachi Appliances, Inc. today announced the companies have completed their global joint venture agreement and will immediately commence operations of Johnson Controls-Hitachi Air Conditioning to provide global customers with a full range of world class air conditioning products and technology.

Through the agreement, Johnson Controls has acquired a 60 percent ownership stake of the new entity, which has more than ¥350 billion in sales annually (approximately $2.8 billion). Hitachi Appliances retains ownership of the remaining 40 percent of the company.

The joint venture has approximately 14,000 employees and 24 global locations dedicated to design, engineering and manufacturing throughout Asia, Europe and Latin America. It will build on both organizations' technology, research and development leadership, as well as expanding marketing channels.

Customers globally will now have the most diverse range of air conditioning products in the industry, including Hitachi's world-class variable refrigerant flow systems, residential air-conditioning solutions, high-efficiency chillers and leading-edge rotary and scroll compressors – in addition to Johnson Controls' industry leading HVAC and building automation solutions.

The joint venture's management team will be led by Franz Cerwinka, chief executive officer, and Shinichi Iizuka, chief operating officer and president. Cerwinka has 20 years of experience with Johnson Controls, including four years in Japan as vice president of finance with the company's automotive business and work with more than ten joint ventures. Iizuka has been with Hitachi for over 35 years, having spent eight years in India as the president of Hitachi Home & Life Solutions India Ltd. He has led Hitachi's air conditioning business since 2013.

"We are very pleased to start operations and are anxious to serve our customers with an unmatched

global network of channels and technology," said Cerwinka. "Johnson Controls and Hitachi are a perfect match with our complementary product lines, unparalleled brands and rich 100-year histories."

"I have spent my career with Hitachi and know that combining with Johnson Controls will propel us forward to outperform the competition," added Iizuka. "Just as Hitachi and Johnson Controls have each made innovation the foundation of their separate success, innovation will now be the cornerstone of Johnson Controls – Hitachi Air Conditioning's success."

Johnson Controls is a global multi-industrial company with 130 years of history in supplying heating, ventilation, air-conditioning, building controls, refrigeration and security systems for buildings. Through its Building Efficiency business, the company delivers solutions that increase energy efficiency and lower operating costs for over a million customers who are served through nearly 700 offices in more than 150 countries. Through a previous OEM agreement, Johnson Controls has already begun selling Hitachi Variable Refrigerant Flow (VRF) systems in North America and recently opened a VRF training center in Dallas, Texas.

A global home appliances and air conditioning solutions provider, Hitachi Appliances, supplies high quality, efficient and reliable Hitachi's HVAC products from residential room air conditioning to variable refrigerant flow systems, and other air conditioning equipment for commercial and industrial use. Hitachi Appliances will continue to provide Hitachi branded HVAC products in the Japanese market after this transaction.

About Johnson Controls
Johnson Controls is a global diversified technology and industrial leader serving customers in more than 150 countries. Our 130,000 employees create quality products, services and solutions to optimize energy and operational efficiencies of buildings; lead-acid automotive batteries and advanced batteries for hybrid and electric vehicles; and seating components and systems for automobiles. Our commitment to sustainability dates back to our roots in 1885, with the invention of the first electric room thermostat. Through our growth strategies and by increasing market share we are committed to delivering value to shareholders and making our customers successful. In 2015, *Corporate Responsibility Magazine* recognized Johnson Controls as the #14 company in its annual "100 Best Corporate Citizens" list. For additional information, please visit http://www.johnsoncontrols.com or follow us @johnsoncontrols on Twitter

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 2014 (ended March 31, 2015) totaled 9,761 billion yen ($81.3 billion). Hitachi is focusing more than ever on the Social Innovation Business, which includes power & infrastructure systems, information & telecommunication 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

About Hitachi Appliances, Inc.
Hitachi Appliances, Inc., headquartered in Tokyo, was established in April 1, 2006, through the merger of Hitachi Air Conditioning Systems Co., Ltd. and Hitachi Home & Life Solutions, Inc. that were both wholly owned by Hitachi, Ltd. Its consolidated sales for fiscal year ended March 31, 2015, totaled 688 billion yen (approximately $5.7 billion). The company supplies eco-friendly, comfortable home appliances and air conditioning products around the world capitalizing on its cutting-edge technologies.
For more information on Hitachi Appliances, please visit http://www.hitachi-ap.com/index.html

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