

News Release

FOR IMMEDIATE RELEASE

Hitachi to End Business Operations on the UK Nuclear Power Stations Construction Project

Tokyo, September 16, 2020 --- Hitachi, Ltd. (TSE: 6501, "Hitachi") today announced that it will end business operations on the nuclear power plant construction project in the United Kingdom ("Horizon Project"), which was suspended in January 2019⁽¹⁾. Hitachi made this decision given that 20 months have passed since the suspension, and the investment environment has become increasingly severe due to the impact of COVID-19.

The Horizon Project is a proposal by Horizon Nuclear Power Limited, which Hitachi acquired in November 2012, to develop nuclear power stations comprising of two units of UK ABWR⁽²⁾ at Wylfa Newydd in Anglesey, North-West Wales, with the intention to develop Hitachi's nuclear business in the UK and contribute to the energy policy of the UK government, as well as maintaining the business foundation that supports the nuclear industry in Japan.

Hitachi decided to suspend the Project in January 2019, from the viewpoint of Hitachi's economic rationality as a private company because it was clear that further time was needed to decide on a financing structure for the Project and the conditions for building and operating the nuclear power stations.

As a result of this decision to end business operations on the Horizon Project, Hitachi will coordinate with the UK government and relevant organizations regarding its cooperation as the owner of ABWR licence⁽³⁾ and the handling of the planned construction sites and other matters. This decision is not expected to have significant impact on Hitachi's business results as Hitachi had posted an impairment loss and other expenses of 294.6 billion yen on consolidated financial results for fiscal 2018, the year ending March 31, 2019 due to the suspension of the Project.

Hitachi expresses its deepest gratitude to the UK government, the Wales government and residents, the Japanese government and other stakeholders for their continued support and cooperation. Hitachi will continue to contribute to improve social, environmental and economic value and people's quality of life through its Social Innovation Business, including the energy business.

(1) January 17, 2019 "Hitachi Announces Suspension of UK Nuclear Power Stations Construction Project and Posting of Impairment Loss and Related Expenses on Consolidated Basis, Posting of Extraordinary Loss on Unconsolidated Basis, and Revisions to Full-year Consolidated Business Forecast"
<https://www.hitachi.com/New/cnews/month/2019/01/190117.html>

(2) A reactor adapted to UK requirements based on ABWR(Advanced Boiling Water Reactor)

(3) December 14, 2017 "UK ABWR successfully completes GDA process"
<https://www.hitachi.com/New/cnews/month/2017/12/171214.html>

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, is focused on its Social Innovation Business that combines information technology (IT), operational technology (OT) and products. The company's consolidated revenues for fiscal year 2019 (ended March 31, 2020) totaled 8,767.2 billion yen (\$80.4 billion), and it employed approximately 301,000 people worldwide. Hitachi drives digital innovation across five sectors – Mobility, Smart Life, Industry, Energy and IT – through Lumada, Hitachi's advanced digital solutions, services, and technologies for turning data into insights to drive digital innovation. Its purpose is to deliver solutions that increase social, environmental and economic value for its customers. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

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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.
