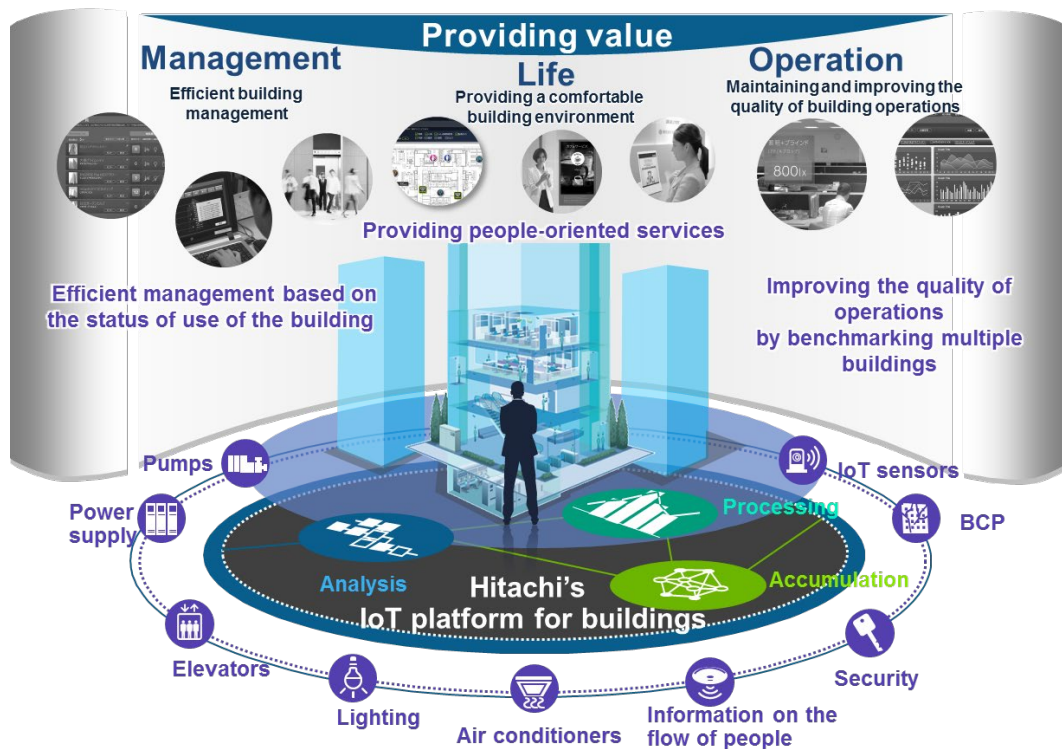


FOR IMMEDIATE RELEASE

Hitachi Develops IoT Platform for the High Value-added Buildings Required for the New Normal *Deepening Collaborative Creation with Microsoft Japan to Accelerate the Expansion of Lumada Solutions in the Field of Buildings*



Conceptual diagram of Hitachi's IoT platform for buildings (for illustrative purposes)

Tokyo, November 12, 2020 --- Hitachi, Ltd. (TSE: 6501, "Hitachi") today announced that it has developed an IoT platform that brings to buildings the high added value required for the new normal, including high efficiency of building management and improved comfort for building users. Hitachi will launch the IoT platform in 2020 as a new Lumada⁽¹⁾ solution in the field of buildings, in Japan.

Hitachi's IoT platform for buildings was developed using Microsoft Azure and Microsoft Dynamics 365, two cloud platforms of Microsoft Japan Co., Ltd. ("Microsoft Japan"). Moving forward, Hitachi will deepen its Collaborative Creation with Microsoft Japan under its newly commenced partnership system, the Lumada Alliance Program⁽²⁾ to develop solutions in the field of buildings and accelerate the overseas expansion of these solutions.

In recent years, continuous supplies of large office buildings in urban areas cause intensification of competition for gaining tenants. In addition to this, workstyle reform has progressed due to the spread of COVID-19 infection. These changes surrounding buildings have accelerated the moves to improve the high added value of buildings and realize smart buildings by leveraging digital technologies to achieve the increased efficiency and sophistication of operations in buildings and to provide greater comfort to office workers and other building users.

Based on this background, in April 2020 Hitachi and Hitachi Building Systems Co., Ltd. systematized touchless solutions that enable building users to move and live without touching in buildings and have been gradually expanding these lineup⁽³⁾. Hitachi has also developed a service platform for developers, which provides office workers the new experience of working and living using a smartphone app⁽⁴⁾. With these and other moves, Hitachi has continued to enhance its digital solutions in the field of buildings, to meet the needs of the new normal.

Hitachi and Microsoft are strengthening their cooperation in many industrial fields. For example, in June 2020 the companies formed a strategic alliance related to next-generation digital solutions for manufacturing and logistics⁽⁵⁾. Moreover, Microsoft endorsed the Lumada Alliance Program, Hitachi's partnership system newly commenced on November 4, 2020. This time, in the field of buildings, Hitachi has developed the IoT platform for buildings as the new Lumada solution, by utilizing Azure, Dynamics 365, and other technologies.

The IoT platform for buildings is a solution for developers that enables comprehensive remote monitoring and analysis of the operating status of building equipment, including elevators, escalators, and air-conditioning systems. Intended mainly for large buildings, it also enables users to simultaneously monitor and analyze multiple buildings. In addition, it combines and analyzes data about building equipment and the flow of people, including the crowdedness of each area of a building. Thus, it improves building management efficiency and building users' comfort, and it maintains and improves the quality of building operations.

“The newly developed IoT platform for buildings is a next-generation solution for buildings that realizes new and efficient operation managements for building equipment, and comfortable life in the buildings. I believe this platform contributes significantly to the customers that progress development of smart buildings and smart cities utilizing digital technologies,” said **Shinya Mitsudomi, Vice President and Executive Officer, CEO of Building Systems Business Unit, Hitachi, Ltd., and President of Hitachi Building Systems Co., Ltd.** “Hitachi developed this platform through the Collaborative Creation with Microsoft Japan. From now on Hitachi will strengthen Lumada solutions in the field

of buildings by proceeding Collaborative Creation with its partners under the Lumada Alliance Program and provide new value for ‘people, building systems, and society.’”

“We heartily welcome Hitachi’s provision of its IoT platform for buildings, which utilizes Microsoft Azure and Microsoft Dynamics 365, to the Japanese market as part of our strategic alliance,” said **Hitoshi Yoshida, President of Microsoft Japan Co., Ltd.** “Microsoft Azure provides AI and IoT technologies that drive the digital transformation of customers, and it continues to grow as a global platform. Hitachi is actively developing smart building solutions for the new normal. We have high expectations that this platform will accelerate digital transformation in the building facility maintenance field. We for our part will also conduct sales promotion support activities for this solution on Microsoft AppSource. Moving forward, we will continue to grow our partnership with Hitachi, including expanding collaboration for overseas markets, and to work closely with our customers and drive digital transformation that leads to positive social change.”

The Screen of the IoT Platform for Buildings (for Illustrative Purposes, Japanese)





Overview of the IoT Platform for Buildings

1. Improving Building Management Efficiency

The platform makes it possible to comprehensively monitor the various equipment of multiple buildings remotely and visualize the status of use of the buildings. This enables efficient janitorial and security work reflecting their status of use and the formulation of a maintenance plan based on building equipment conditions, thereby improving the efficiency and quality of building management.

2. Improving Building Users' Comfort

The platform cooperates with control systems of building equipment, such as elevators, escalators and air-conditioning systems, based on data on the flow of people, including the crowdedness of each area of a building. Thus, it enables building managers to ease congestion, change temperature settings according to the crowdedness of each area, and otherwise create comfortable a building environment. It also provides information about the status of use and crowdedness of toilets, meeting spaces, and other areas, supporting building users to achieve workstyles and lifestyles that meet the needs of the new normal, including ensuring the efficient use of facilities and social distancing.

3. Maintaining and Improving the Quality of Building Operations

The platform maintains and improves the quality of the operations of multiple buildings by enabling users to benchmark the number of alerts activated, energy consumption, and other conditions within each building, to identify issues faced in operations, and consider improvement measures.

4. Enabling to Expand Services Easily by Open API⁽⁶⁾

By incorporating standardized open API, the platform easily enables to add new app by partner companies. Therefore it flexibly expands services.

- (1) Lumada is Hitachi's advanced digital solutions, services, and technologies for turning data into insights to drive digital innovation.
- (2) News Release dated November 4, 2020 titled "Hitachi Announces Lumada Alliance Program to Drive Economic, Social, Environmental and Quality of Life Innovation"
<https://www.hitachi.com/New/cnews/month/2020/11/201104.html>
- (3) News Release dated April 28, 2020 titled "Hitachi Develops of Touchless Solutions for Buildings and Condominiums that Enable People to Move and Live in Buildings Without Contacts" (Japanese)
<https://www.hitachi.co.jp/New/cnews/month/2020/04/0428.html>
News Release dated June 30, 2020 titled "Hitachi Launches System Using Thermal Camera to Detect People with Fever and Solution Supporting Thermal Camera Operation as Touchless Solutions that Enable People to Move and Live in Buildings Without Contacts" (Japanese)
<https://www.hitachi.co.jp/New/cnews/month/2020/06/0630.html>
News Release dated September 24, 2020 titled "Hitachi Begins to Accept Applications for the 'Touchless Elevator Call Service Linked with LINE' that Enables Users who Have Become Friends with the Official Hitachi Elevators LINE Account to Use Elevators Without Contacts" (Japanese)
<https://www.hitachi.co.jp/New/cnews/month/2020/09/0924.html>
- (4) News Release dated August 11, 2020 titled "Hitachi Develops Service Platform for Developers that Enables Office Workers to Have New Working and Living Experiences Using Smartphone App" (Japanese)
<https://www.hitachi.co.jp/New/cnews/month/2020/08/0811a.html>
- (5) News Release dated June 26, 2020 titled "Hitachi and Microsoft form a strategic alliance to advance next-generation digital solutions for manufacturing and logistics across Southeast Asia, North America and Japan"
<https://www.hitachi.com/New/cnews/month/2020/06/200626.html>
- (6) Application Programming Interface

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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>.

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.
