

HITACHI Inspire the Next

FOR IMMEDIATE RELEASE

Bispebjerg and Frederiksberg University Hospital and Hitachi Agree to Begin Studies Targeting Joint Development of IT Driven Solutions to Increase Efficiency of Hospital Management

Tokyo, Japan, (November 5, 2014) --- Bispebjerg and Frederiksberg University Hospital and Hitachi, Ltd. (TSE:6501, "Hitachi") today announced that they have reached an agreement to undertake studies targeting joint development of solutions for increasing the efficiency of hospital management using IT.

As part of efforts to become a carbon neutral nation, the Kingdom of Denmark ("Denmark") is promoting activities with ambitious goals in a variety of fields, including the environment, energy and transport. In the healthcare field, since 2013, it has been promoting the "Super Hospital" concept^{*1}, which involves the establishment of cutting-edge medical facilities in 16 locations throughout the country. Based on this Super Hospital concept, New Hospital and Mental Health Bispebjerg is scheduled to become the largest Super Hospital in Copenhagen by 2025, and is promoting activities aimed at reducing medical costs and increasing the level of medical services.

*1 Super Hospital concept: A national project being promoted by the Danish government. The concept involves the aggregation of functions at 16 large-scale hospitals nationwide and the construction of a structure for the use of those functions across a broad geographical area. The goal of the concept is to further increase the efficiency and quality of advanced medical services, and to facilitate access to those services.

Hitachi established the Hitachi Global Center for Innovative Analytics in April 2013 to act as a driving force behind the expansion of business in big data application fields by combining the resources of Hitachi Group's laboratories and business divisions. Hitachi has since been accelerating activities involving the use of big data in fields including healthcare. In October 2013, it initiated a Proof of Concept (PoC) project in collaboration with National Health Service England (Greater Manchester) aimed at improving healthcare services using IT. Hitachi has been steadily strengthening business structures in a variety of healthcare fields, including Proton Beam Therapy (PBT) systems for cancer treatment, diagnostic ultrasound and MRIs, and healthcare IT. In April 2014, it transformed the medical device manufacturer Hitachi Medical Corporation into a 100% subsidiary, and established a new Healthcare Group. In this backdrop, Bispebjerg and Frederiksberg University Hospital and Hitachi will combine their experiences and expertise for this project, Hitachi has abundant experience and know-how in providing medical facilities and devices in the healthcare field and in the use of IT in the big data field while Bispebjerg and Frederiksberg University Hospital has a wealth of medical data and extensive experience in hospital management and operation. Together, the organizations will undertake studies in the joint development of new solutions targeting a variety of themes, including "next-generation hospital operations that combine data on facilities and human behaviors" and will define research topics by March 2015. The goal of these studies will be to increase the efficiency of hospital operations in order to achieve specific goals set by the hospital (e.g., reducing the number of beds and increasing the number of outpatients that can be received).

Hitachi will undertake activities involving the utilization of big data in Denmark at the Denmark Big Data Research Laboratory, which opened today, including activities based on this agreement with Bispebjerg and Frederiksberg University Hospital.

Following are comments on the agreement from representatives of the organizations involved.

Mogens Jensen, Danish Minister for Trade and Development Cooperation

Hitachi is one of the world's most innovative companies. I welcome the establishment of the Big Data Research Laboratory in Copenhagen and appreciate the agreement with Bispebjerg and Frederiksberg University Hospital on joint development of data-based health solutions. This is a notable recognition of Danish industry strongholds within health-IT and smart cities. And a good example of how public-private partnerships can pave the way for innovative solutions to tomorrow's challenges.

Frank Jensen, Lord Mayor of Copenhagen

Copenhagen is in the lead when it comes to creating sustainable, hi-tech solutions for our citizens. In the coming years we will develop transport solutions such as intelligent traffic lights which reduce the emission of CO2, and we are creating new solutions in telemedicine making it possible for many patients to be treated at home. The innovative and eco-friendly solutions will enhance the quality of life for Copenhageners at the same time as it increases economical growth and creates new jobs in Copenhagen.

Claes Brylle Hallqvist, Executive Vice President, Bispebjerg and Frederiksberg University Hospital

We are very happy to have completed this agreement with the Hitachi Group. By effectively combining our vast resources, including data, facilities, and manpower, with appropriate technologies, we will be able to further improve healthcare services for the citizens of Copenhagen. Hitachi gives us the ability to combine a long range of data, which can both optimize the hospital management and improve patient care. As one example, we have installed censors in more than 800 temperature-controlled units such as freezers and medicine cabinets. We hope that Hitachi can help us find patterns in the temperature data, so that we can predict, when a unit is about to fail and thereby save precious medicine and medical research material.

Yutaka Saito, Executive Vice President and Executive Officer, Hitachi, Ltd.

It is a great honor to have this opportunity to contribute to improving the level of healthcare in Copenhagen by combining the Bispebjerg and Frederiksberg University Hospital' wealth of experience in hospital management with the Hitachi Group's expertise and technologies. The healthcare field, which will be the focus of these activities, is one of the core fields in Hitachi's Social Innovation Business, and the collaborative relationship that we have recently agreed upon is an extremely important theme for the Hitachi Group. We will bring together the comprehensive strengths of the Hitachi Group so that these joint development activities will lead to the expansion and improvement of healthcare in Denmark and throughout the world.

About Bispebjerg and Frederiksberg University Hospital

The combined Bispebjerg and Frederiksberg University Hospital functions as a modern city hospital for 420,000 citizens from the Municipality of Frederiksberg and the larger part of the Municipality of Copenhagen and, at the same time, has to provide special services for an even larger population. It is the workplace for more than 4,000 employees. It is one of the hospital in the Capital Region of Denmark. Along with a number of other hospital and the University of Copenhagen (the Faculty of Health Sciences), Bispebjerg and Frederiksberg Hospital forms part of the Copenhagen University Hospital.

Over the next decade the project "New Hospital and Mental Health Bispebjerg" will be established on the existing Bispebjerg Hospital. There will be built 116,000 sqm. and renovated 89,000 sqm. at a budget of 533 mio. Euros. All of this will happen, without interrupting the operation of the existing hospital. Please visit <u>www.nythospitalbispebjerg.dk</u>.

The Denmark Big Data Research Laboratory is part of the Hitachi European R&D Centre (ERD), which serves as the R&D arm of Hitachi Europe Ltd. Through a tight collaboration with Hitachi Consulting Corporation, which has a base in Denmark, the Denmark Big Data Research Laboratory is going to work on creating new service concepts and business models through participation in activities such as private, public and academic initiatives and field trials involving user participation in cooperation with local institutions in major cities of Denmark. The scope of areas to be addressed by the Denmark Big Data Research Laboratory encompasses healthcare, environment, energy and transportation, which are in line with the key themes targeted by the government of Denmark.

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 2013 (ended March 31, 2014) totaled 9,616 billion yen (\$93.4 billion). Hitachi is focusing more than ever on the Social Innovation Business, which includes infrastructure systems, information & telecommunication systems, power 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.

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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.
