

News Release

Hitachi Social Innovation Forum held in Milan to accelerate Collaborative Creation, targeting the expansion of the Social Innovation Business in Italy

*Hitachi aims to achieve 1.5 billion euro in sales in FY2020
by contributing to improving quality of life in Italy*

Milan, 18 October, 2017 --- Hitachi, Ltd. (TSE:6501, "Hitachi") today hosted the "Hitachi Social Innovation Forum 2017 Milan." The aim of the Forum is to develop and strengthen partnerships with customers as part of measures aimed at expanding the Social Innovation Business using digital technologies in Italy. By providing solutions which resolve the issues that Italy is facing, such as growing medical costs, while increasing energy efficiency and productivity and improving the efficiency of public transportation, Hitachi will strive to expand the scale of its business from the current level of 1.2 billion euro to 1.5 billion euro in FY2020.

Italy is currently planning extensive infrastructure investments and technology innovations aimed at achieving sustainable growth. There has been a particularly strong demand to improve productivity using IoT, and to increase the efficiency of social infrastructures such as water and energy. In addition to improving both the quality and efficiency of medical services as part of measures designed to resolve increasing medical costs, the country has been facing a number of other issues, including the need to put in place highly efficient public transportation to alleviate traffic jams arising as a result of urbanization, and to reduce the environmental burden from CO₂ emission volumes.

Hitachi's Social Innovation Forum 2017 in Milan will demonstrate to customers and partners the concrete activities that it has undertaken to resolve the social issues that Italy is facing, as well as solving the customers' management issues. By promoting Collaborative Creation with customers and local partners to provide digital solutions incorporating the IoT platform "Lumada," along with the knowledge and experience that it has accumulated up to now, Hitachi will contribute to the further development of Italian society and to improving the quality of life for its citizens.

Hitachi has been involved in business in Europe for more than 50 years, and Europe is now one of the most important strategic regions, accounting for 11% of earnings for the Hitachi Group as a whole. Hitachi's policy is to strengthen the business platform in Italy, in order to further expand business in the future with a focus on the railway, power and energy businesses in Europe.

Hitachi's entry into the electronic component and home appliance businesses in Italy in 1981 offered the opportunity to roll out other businesses as well, including the information & telecommunication systems, healthcare, and industrial device businesses. In 2015, Hitachi acquired all shares of AnsaldoBreda, and by 2016, it had acquired over 50% shares of Ansaldo STS in the railway systems business. In 2017, Hitachi Chemical Co., Ltd. acquired majority shares of FIAMM Energy Technology S.p.A. in the storage battery business.

In the future, Hitachi will use Lumada along with the business platforms, experience and expertise that it has cultivated up to now to create added value from device and system data and develop digital solutions with a focus on the railway systems, energy, water, and healthcare business fields.

Comments from Hitachi President and CEO Toshiaki Higashihara

"Hitachi is striving to become an innovation partner in the IoT era, through the global rollout of Lumada, using our expertise in OT* and IT. We believe that it is possible to create and provide digital solutions that will resolve the issues faced by customers and by Italian society. By providing solutions that combine Hitachi's digital technologies, including IoT, robotics, and artificial intelligence, with products and systems in the railway, healthcare, and industrial device fields, through Collaborative Creation with customers and local partners in Italy, we will contribute to the further development and digitalization of Italian society."

*Operational Technology

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges. The company's consolidated revenues for fiscal 2016 (ended March 31, 2017) totaled 9,162.2 billion yen (\$81.8 billion). The Hitachi Group is a global leader in the Social Innovation Business, and it has approximately 304,000 employees worldwide. Through collaborative creation, Hitachi is providing solutions to customers in a broad range of sectors, including Power / Energy, Industry / Distribution / Water, Urban Development, and Finance / Government & Public / Healthcare. 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.
