

News Release

FOR IMMEDIATE RELEASE

Hitachi SEM Receives Order for Around 5,600 Distribution Transformers from the Republic of the Union of Myanmar's Ministry of Electricity and Energy



Distribution transformers manufactured by Hitachi SEM

Tokyo, November 18, 2019 --- Hitachi Soe Electric & Machinery Co., Ltd. ("Hitachi SEM")—a subsidiary of Hitachi Industrial Equipment Systems Co., Ltd. in the Republic of the Union of Myanmar ("Myanmar")—has received orders for the delivery of approximately 5,600 distribution transformers from the Myanmar Ministry of Electricity and Energy. The total amount of the orders is equivalent to approximately \$10.64 million USD.

Demand for electric power in Myanmar has been increasing rapidly because of economic development in recent years, and the establishment of power infrastructure to support this demand is now a major issue. The Myanmar government has set a medium- to long-term goal of increasing its electrification rate, from less than 50% (in 2018) to 100% by 2030. As one aspect of this initiative, in September 2015, the government formulated the "Myanmar National Electrification Project (NEP)"; aiming to provide electricity access to every household in Myanmar through the establishment of a nationwide power distribution grid, with funding from the World Bank. For the first bidding on equipment for the NEP, Hitachi SEM delivered approximately 5,400 distribution transformers⁽¹⁾. In the second bidding, Hitachi SEM won the order for approximately 5,600 distribution transformers, making the total approximately 11,000 units.

Hitachi SEM will start production of the distribution transformers within this year and is planning to deliver all units by the end of 2020, contributing to improvement of the electrification rate in Myanmar.

Moving forward, Hitachi SEM will continue to support the stable supply of electrical power in Myanmar through the design, manufacture, sales, installation and maintenance of power transmission and distribution devices, with a primary focus on power and distribution transformers.

(1) Hitachi Industrial Equipment Systems news release dated September 28, 2017 titled "Hitachi SEM Receives Order for Around 5,400 Distribution Transformers from the Republic of the Union of Myanmars Ministry of Electricity and Energy" https://www.hitachi.com/New/cnews/month/2017/09/170928.html



Distribution transformers delivered for orders received at the first bidding

About Hitachi Soe Electric & Machinery Co., Ltd. (Hitachi SEM)

Hitachi Soe Electric & Machinery Co., Ltd. is a manufacturer of transformers founded in Yangon, Myanmar, in 2015. It has developed highly reliable transformers and switchboards produced at its plants. For more information, visit http://www.hitachi-soeelectric.com/.

About Hitachi Industrial Equipment Systems Co., Ltd.

Hitachi Industrial Equipment Systems Co., Ltd. headquartered in Tokyo, Japan, is a subsidiary of <u>Hitachi, Ltd.</u>, and is engaged in the manufacturing, sales and services of industrial components and equipment. The company offers various industrial products including motors, factory automation/control systems, wind/water systems, pneumatic systems, power distribution, environmental systems and labor-saving systems. For more information, visit http://www.hitachi-ies.co.jp/english.

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