

News Release

Hitachi Introduces Hitachi Vantara: A New Digital Company Committed to Solving the World's Toughest Business and Societal Challenges

Company Formed to Help Customers Achieve Unprecedented Outcomes by Tapping the Full Potential of Their Data

TOKYO and LAS VEGAS, Sept. 19, 2017—Hitachi, Ltd. (TSE:6501, "Hitachi") today launched <u>Hitachi Vantara</u>, a new business entity to leverage the broad portfolio of innovation, development and experience from across Hitachi Group companies to deliver data-driven solutions for commercial and industrial enterprises. This new company will unify the operations of Hitachi Data Systems, Hitachi Insight Group, and Pentaho into a single integrated business as Hitachi Vantara to capitalize on Hitachi's social innovation capability in both operational technologies (OT) and information technologies (IT).

More Than a Century of OT Expertise Combined with IT Trusted by the World's Largest Enterprises

Hitachi has been a leader in OT for industries such as finance, government, manufacturing, power/energy and transportation for over 100 years, providing solutions that have positively impacted cities, industrial operations and businesses at large. The company has also been a leader in IT for over 50 years—bringing IT applications, analytics, content, cloud, and infrastructure solutions to market that have transformed the way enterprises do business. Combining Hitachi's broad expertise in OT with its proven IT product innovations and solutions, Hitachi Vantara gives customers a powerful, collaborative partner in data – unavailable in any one company until today.

"Hitachi Vantara marks a monumental change for Hitachi as we continue to advance our unified corporate vision of Social Innovation," said Hitachi, Ltd. President and CEO Toshiaki Higashihara. "Hitachi has been helping customers harness the power of their data to support meaningful business action for years. Now as the world is being transformed by digital tools and processes, we are unifying our strongest digital solutions companies together as a new Hitachi company that delivers exponential business impact for our customers and the betterment of society. The formation of Hitachi Vantara underscores Hitachi's commitment to collaborative creation with customers and partners, and being a true innovation partner for the era of IoT."

The Opportunity in Data

Hitachi Vantara is uniquely able to help customers extract all the value their data has to offer. By bringing new data-driven solutions and services to market, Hitachi Vantara will help its customers achieve tangible outcomes that positively drive business and society forward.

The market opportunity for mission-critical data solutions has never been greater. Data has become a businesses' greatest asset—if they can extract actionable insights from it. Data holds the key to new revenue streams, better customer experiences, improved market insights and lower costs of doing business. However, a comprehensive offering has yet to emerge that combines both OT and IT expertise to uncover its true potential—until now.

Filling a Critical Gap in the Emerging IoT Market

Hitachi Vantara will continue to provide superior infrastructure and analytics technologies that enterprises rely on for their mission-critical data in their data centers, in the cloud and at the edge of new innovations. The new company is targeting the emerging IoT market opportunity, in which there is no clear winner yet.

According to Gartner, Inc., "more than \$440 billion will be spent on IoT in 2020,"¹ and the firm estimates that by 2020, "there will be more than 21 billion connected sensors and endpoints, and digital twins will exist for potentially billions of things."² in the same timeframe. To address this market, Hitachi Vantara will harness business, human and machine data across OT and IT environments to build comprehensive, data-driven solutions. Customers will be able to manage, store, govern, blend, analyze, and visualize data—and then take action based on uncovered insights.

Hitachi Vantara's Breadth of Solutions: From the Data Center to the Factory Floor

Hitachi Vantara will continue to develop the trusted data management and analytics technologies Hitachi is known for, including Hitachi's popular data infrastructure, storage and compute solutions, and Pentaho software. It will also be driving the development of strategic software and services solutions, including Hitachi Smart Data Center software and services, Lumada, Hitachi's IoT platform, now available as a standalone, commercial software offering, and Hitachi co-creation services. Announced concurrently today and now in its <u>2.0 release</u>, Lumada has been fully updated with enhanced artificial intelligence (AI), machine learning and advanced analytics capabilities. It also has an elegant, portable architecture that enables it to run both on-premises or in the cloud, and supports industrial IoT deployments both at the edge and in the core.

The company will focus on serving global Fortune 1000 companies with best-in-class data management, infrastructure, content and analytics products and industrial IoT solutions for a number of industries including financial services and insurance, government, industrials/manufacturing, telecom, and transportation.

"No other company brings together more than a century of operational technology expertise with informational technology trusted in the world's most demanding enterprise environments," said Hitachi Vantara CEO, Ryuichi Otsuki. "Hitachi Vantara capitalizes on this unique combination by creating solutions that meet the needs of an increasingly connected world. Like our customers with whom we partner and cocreate, Hitachi Vantara sees data as an opportunity—a path to outcomes that matter."

Hitachi's new Lumada IoT platform and Smart Data Center solutions will be on display at the Hitachi NEXT 2017 user conference in Las Vegas, September 19 and 20, where event attendees can see live demonstrations of the company's software and IoT solutions. For more information, visit <u>HitachiNEXT.com</u>.

¹ Gatner, IoT's Challenges and Opportunities in 2017: A Gartner Trend Insight Report, April 2017 – Mark Hung,

² Gartner, Top 10 Strategic Technology Trends for 2017, October 2016 – David W. Cearley, Mike J. Walker and Brian Burke.

About Hitachi Vantara

Hitachi Vantara, a wholly owned subsidiary of Hitachi, Ltd., helps data-driven leaders find and use the value in their data to innovate intelligently and reach outcomes that matter for business and society. We combine technology, intellectual property and industry knowledge to deliver data-managing solutions that help enterprises improve their customers' experiences, develop new revenue streams, and lower the costs of business. Only Hitachi Vantara elevates your innovation advantage by combining deep information technology (IT), operational technology (OT) and domain expertise. We work with organizations everywhere to drive data to meaningful outcomes. Visit us at www.HitachiVantara.com.

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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 Social Innovation and 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, please visit 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.
