

News Release

FOR IMMEDIATE RELEASE

Hitachi Establishes the Corporate Venture Capital Fund to Support Startups as an Innovation Partner

Tokyo, April 26, 2019 --- Hitachi, Ltd. (TSE: 6501) today announced to establish a new corporate venture capital (CVC) unit, Hitachi Ventures GmbH (HVG), whose responsibility will be to identify and acquire equity interests in fast-growing innovative startups globally on June 1st, and the CVC fund, "Hitachi Ventures Fund".

Hitachi has been trying to improve people's quality of life and contributing to the sustainable progress of society by collaborating with stakeholders as "an innovation partner for the IoT era". Meanwhile, digital disruption changes conventional industry / market structure, especially by startups. We believe we can support and accelerate solving social and customers' issues through collaboration with selected startups by combining their disruptive innovation and Hitachi's technology, know-how, and customer channel.

HVG will hire top external talents with experience and capability on CVC activities to invest to and collaborate with startups globally. Mr. Stefan Gabriel, former president of "3M New Ventures" is announced to be CEO of HVG.

"Hitachi Ventures Fund" begins with a size of \$150M.

Hitachi is going to support creating innovation by startups through the CVC activities, and expand collaborative creation with them as a partner.

"Hitachi Ventures Fund invests in highly innovative and early-stage startups with rapid growth potential. The purpose is to capture the occurring innovations and to support acceleration of the movements. Hitachi will deepen collaborations with invested startups to create new markets and to achieve mutual growth. I believe CVC activities will enable Hitachi to speedily develop new business models, innovative products and to deliver value to society." said Mr. Toshiaki Higashihara, President & CEO of Hitachi, Ltd.

"As the CVC market develops very actively and is growing globally, Hitachi takes that exciting opportunity to start a significant global Corporate Venture Activity. These strategic early-stage investments will concentrate on selected innovative business concepts with high commercialization potential for the entire Hitachi and enables it to create new innovative products and services. Synergies and learning are expected through technological and business Collaboration while foot-printing in adjacent growth markets. For these startups Hitachi will be a reliable investor and business partner. For the Hitachi Business, we will scout for startups with entrepreneurial talent to support getting prepared to re-invent the future!" said Mr. Stefan Gabriel, to be appointed CEO of Hitachi Ventures GmbH.

Outline of New Company

Trade name	Hitachi Ventures GmbH
Establishment date	June 1 st , 2019
Location of head office	Munich, Germany
Classification of incorporation	GmbH
Representative	CEO : Stefan Gabriel ^{*1}
Share capital	\$ 2M

*1 Stefan Gabriel: Stefan was former President 3M New Ventures (2008-2015), and was awarded "Best Innovator 2010/2011 for Best Corporate Venture Unit" by the German Federal Ministry of Economics and Technology. Due to his strong leadership, 3M New Ventures was globally listed as top 5 "Most Influential Corporate Venture Units in the industrial sector" by Global Corporate Venturing organization UK in 2013. Since March 2015, he works as Executive Corporate Consultant to advise C-Level Executives on how to initiate, start and operate or how to restructure Corporate Ventures Units for Fortune 500 Corporates around the globe.

About Hitachi, Ltd.

Hitachi, Ltd. (TSE: 6501), headquartered in Tokyo, Japan, delivers innovations that answer society's challenges, combining its operational technology, information technology, and products/systems. The company's consolidated revenues for fiscal 2017 (ended March 31, 2018) totaled 9,368.6 billion yen (\$88.4 billion). The Hitachi Group is an innovation partner for the IoT era, and it has approximately 307,000 employees worldwide. Through collaborative creation with customers, Hitachi is deploying Social Innovation Business using digital technologies in a broad range of sectors, including Power/Energy, Industry/Distribution/Water, Urban Development, and Finance/Social Infrastructure/Healthcare. For more information on Hitachi, please visit the company's website at <http://www.hitachi.com>

Hitachi, Ltd. Corporate Venturing Office

Contact form : <https://www8.hitachi.co.jp/inquiry/hqrd/news/en/form.jsp>

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